UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS

FIRST SESSION

VOLUME 131—PART 6

APRIL 2, 1985 TO APRIL 18, 1985

(PAGES 7009 TO 8539)

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UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1985

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PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

SENATE—*Tuesday, April 2, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

"He that would be greatest among you—let him be servant of all."—Jesus.

Father in heaven, may we never be guilty of taking for granted those without whose faithful service the Senate could not function as it should. Thank You for those whose routine tasks—day in, day out—receive little if any recognition and sometimes abuse rather than gratitude. With profound appreciation, we remember all who are in food service—those who maintain buildings, grounds, and equipment—the subway and elevator operators—and all who provide security: police, plainclothes people, doorkeepers and floor men. Thank You, Lord, for the pages—for their availability, their courtesy and efficient responsiveness, their hard work. Help us, loving Father, not to ignore this dedicated service which surrounds us daily. Help us especially to appreciate these friends who are so supportive. We pray Your blessing upon them all with their families and friends. In the name of Him who was the Servant of Servants. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. I thank the Chair.

THE CHAPLAIN'S PRAYER

Mr. DOLE. Mr. President, let me indicate that I think the Chaplain's prayer today was particularly appropriate. He just recently had lunch with a number of members of the staff and different agencies, different groups—law enforcement, food service, the Architect of the Capitol. I guess it was historic in the sense that there has not been such a meeting in a while. But it was an excellent meeting. We had a chance to discuss a lot of things of mutual interest. In fact, one result is the spring cleaning we see going on up and down the hallway. There is a real effort on the part of the Architect of the Capitol and others to spruce up the Capitol a bit.

I appreciate the Chaplain's reference to not only those outstanding employees but also to other members of our Senate staff.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders each have 10 minutes, to be followed by a special order of not to exceed 15 minutes by the Senator from Wisconsin [Mr. PROXMIRE].

There will be a period for routine morning business not to extend beyond the hour of 3 p.m., with statements limited therein to 5 minutes each.

Following the period for routine morning business, it will be the intention of the majority leader to turn to the conference report to accompany H.R. 1239, the African relief appropriations. I hope we might take that up. I do not know of any demand for a rollcall.

It will also be the intention of the majority leader to turn to any legislative or executive items which have been cleared, including the war risk insurance and the Export Administration extension legislation, if they can be taken up without floor amendments.

I can also report that on the House side, they have cleared for action—in fact I think cleared for the floor—the contemporaneous record requirements that were adopted last year and have now been repealed. That will be of some satisfaction particularly to farmers and businessmen and women who are required to keep contemporaneous records of time they get in or out of their car. So that little turkey is on its way out.

In addition, it is my understanding that the Ways and Means Committee has approved a phaseout of Federal supplemental unemployment compensation. It is also my understanding that it is identical to the action taken in the Senate Finance Committee this morning. Hopefully, that can be taken up tomorrow. I assume there will be a rollcall vote. I have been advised by the distinguished Senator from Pennsylvania [Mr. SPECTER] that when that matter comes before us, he will have a germane amendment.

FEDERAL SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

(Mr. DENTON assumed the chair.)

Mr. DOLE. Mr. President, I am prepared to respond to any question the Senator from Pennsylvania may have.

Mr. SPECTER. I thank the distinguished majority leader.

Mr. President, is my understanding correct that the Senate Finance Committee has acted this morning to pass the phaseout, which would mean that those who are currently on extended unemployment compensation benefits will receive those benefits, but that the committee has not approved the amendment offered by my distinguished colleague from Pennsylvania [Mr. HEINZ] to extend the benefits for a longer period of time?

Mr. DOLE. That is correct, Mr. President. There was a record vote on the amendment by the distinguished senior Senator from Pennsylvania [Mr. HEINZ]. I do not recall the result of that vote, but it was rather lopsided against the 3-month extension by both Democrats and Republicans.

I also understand that, notwithstanding any vote in the Finance Committee, the Senator from Pennsylvania would like to pursue that further on the Senate floor at the appropriate time.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. SPECTER. Mr. President, I thank the majority leader. I thank the chairman of the Committee on Finance and the committee itself for acting as they have.

The action which they have taken is of some help. Some 30,000 Pennsylvanians are receiving extended unemployment compensation benefits at this time, and some 340,000 people in the United States are receiving extended unemployment compensation benefits, so that the legislation will affect nearly 400,000 families in Pennsylvania and perhaps in the range of 1.5 million Americans.

Speaking for myself, I believe that the action, although helpful, is not sufficient. There are major problems of unemployment in this country. Unfortunately, my State of Pennsylvania has not shared in the economic recovery to the same extent as have other parts of the country. We have worked on this together with the distinguished Senator from Michigan [Mr. LEVIN] who has now come to the floor.

I appreciate the announcement made by the majority leader as to scheduling the floor action today and his statement that I notified him earlier today of my intention to propose an amendment to try to have broader benefits than those which are comprehended with the phaseout. I do acknowledge that the phaseout is at least a step in the right direction. I do not think it goes far enough.

I, along with Senator LEVIN and others, will be proposing an amendment to have broader coverage of unemployment benefits, because of the urgency for doing so for those who are not beneficiaries of this growing economy.

Mr. DOLE. Mr. President, let me thank my colleague from Pennsylvania for his continued assistance, along with the concerns expressed by both the minority leader [Mr. BYRD] and the Senator from Michigan [Mr. LEVIN]. The vote in the committee, as I understand it, on the amendment, was 11 to 2 opposed to any extension.

Obviously, the Senator has a perfect right, on that matter coming before the Senate, to offer an amendment.

I also point out that, even in the phaseout, the cost went overnight from about $90 million to somewhere between $160 million and $180 million. Apparently, an estimating mistake was made somewhere, OMB or the Labor Department. The cost of the 3-month extension, we were told, would be in the neighborhood of $420 million. But we have at least addressed partly the concern expressed to me a number of times, personally and on the floor, by the Senator from Pennsylvania, my colleague [Mr. SPECTER], and others on both sides.

Mr. LEVIN. Mr. President, will the majority leader yield for just a moment?

Mr. DOLE. Yes, I yield.

Mr. LEVIN. First, let me indicate my support for Senator SPECTER.

Let me also suggest that there may be some alternative that we are working on that just really struck us this morning. The problem is this: with the elimination of the Federal Supplemental Compensation Program, there will be only two States that will be eligible for extended benefits.

Right now most States have a 26 weeks minimum benefits program. And then we have an Extended Benefit Program where the States and the Federal Government share 50-50, but there are only two States because of the triggering level of that program that would be eligible for extended benefits, so it is not a safety net at all. There are many other States that are now getting Federal compensation, I think most of us would say, that should have a safety net, but with the elimination of the FSC Program they would fall right through. I mentioned to the minority leader just a few moments ago—and I have not even yet had a chance to share this with my friend from Pennsylvania—that there is a very modest way, at a very modest cost, that we could lower the trigger EB Program from 6 percent to 5 percent that would bring about 10 States onto that program at a cost of $20 million to $40 million.

My State, by the way, is not one of them because of the peculiarities of the insured rates that we use. Even though we have high, real unemployment, the insured rate is not high at the moment, so Michigan is not a beneficiary at the moment. Pennsylvania would be immediately.

It is a very modest cost. It would help some of the hardest hit States. It is a Federal-State-sharing approach and may be an alternative.

Again, I hope my friend from Pennsylvania will forgive me because I have not had a chance to share this idea with him, but I would like to work with the majority and minority leaders and my friends from Pennsylvania, Senator HEINZ and Senator SPECTER, and Senator PACKWOOD, who has also been helpful on this. If we could work on this this afternoon, it would perhaps give us some daylight on an amendment with a very modest cost which would give a little protection to a few more States.

Mr. DOLE. I cannot speak for the distinguished chairman of the committee, Mr. PACKWOOD, but I am certain he would want to entertain any discussion. I am not prepared to say what his reaction would be, but certainly he would be happy to do that.

Mr. President, do I have 1 minute?

The PRESIDING OFFICER. The Senator has 2 more minutes.

Mr. DOLE. I yield the remainder of my leader time to the distinguished Senator from North Carolina.

Mr. HELMS. I thank the distinguished majority leader.

I shall be delighted to defer to the distinguished minority leader if he wishes to make a statement.

Mr. BYRD. Will the distinguished Senator, whoever has the floor, yield?

Mr. HELMS. I certainly do.

Mr. BYRD. I will be happy to yield such time as he may desire from my time to the distinguished majority leader for his use.

THE HATCH AMENDMENT: MUCH CUSSED BUT MUCH NEEDED LEGISLATION

Mr. HELMS. Mr. President, it has been interesting to observe the reaction to a much-needed, well-justified amendment enacted into law in 1978 by our distinguished colleague from Utah [Mr. HATCH]. The Hatch amendment, as it has come to be known, has caused fussing and cussing in certain circles. But it is good law, and it deserves the support of all Americans interested in the schoolchildren of America.

On November 12 of last year, Mr. President, the Department of Education issued regulations under the Hatch amendment, which, by the way, was enacted without one iota of question or controversy in 1978 as section 439(a) of the General Education Provisions Act.

No sooner than the regulations were issued, professional educators—that is what they call themselves—began to squawk all around the country. In typical Henny-Penny style, there were protests that the skies were falling. According to them, the Government was interfering with "their" classrooms and the Government should get its nose out of what is being taught to "our Nation's children." The Hatch amendment, they proclaimed, would cause the school curricula to become subject to the whims of parents.

Those are not my words, Mr. President; those are the words of those protesting educators.

In January 1985, the National School Boards Association, a Washington-based education organization, complained to Congress about what it called "the chilling effect that could be placed on the teacher/student relationship" if parents are permitted to veto "sensitive" subjects of discussion in the classroom.

Mercy! And then the news media jumped on the anti-Hatch bandwagon as well. Headlines such as "Academic Freedom is Nicked" and "Control on School Topics Sought" appeared in papers across the country. The Hatch amendment was painted as a vehicle of the "radical right" being used to inject "rightwing" values and beliefs into the school curricula thereby, according to

the media, jeopardizing "academic freedom."

Bosh! Mr. President, once again, the liberal press and various education lobbyists have misled the American people. Senator HATCH deserves applause for his wisdom and foresight in sponsoring this legislation.

Let the record be set straight: The Hatch amendment does not allow parents to censor the school curricula. Nor does it give parents the right to remove books which they find offensive from the library. So the claim that the Hatch amendment infringes "academic freedom" is totally without merit.

What the Hatch amendment does is to give parents the right to have their children excused from programs with psychiatric or psychological testing or treatment when the primary purpose of the examination is to reveal information about the seven areas specified in the statute. That is all. The Hatch amendment was enacted to protect the rights of parents to oversee the education of their children and to maintain family privacy.

Mr. President, not only has the Hatch amendment returned to parents their legal rights to determine the educational fate of their children, it has brought to light the effects of federally funded affective behavior teaching techniques which were introduced into the American classroom in the 1970's. Promoted as a way to help students clarify their own values, affective behavioral techniques often manipulate and weaken the values which parents have sought to instill in their children. Because of such techniques, the local public school has been transformed, all too often, from a center for learning to a laboratory for psychological testing.

Mr. President, in 1984, hundreds of parents testified at Department of Education field hearings throughout the United States on the Hatch amendment. Distraught parents told stories of how their children were required to participate in discussions, role-playing, questionnaires, and skits focusing on death, adultery, and abortion, among other subjects.

One mother testified:

My 16-year-old son's chemistry teacher explicitly described in class how to kill yourself "painlessly" by drowning yourself. The next night, my son tied some weights to his ankles and drowned himself in the swimming pool. It certainly was not painless, as he'd been told; he tried in vain to get loose and choked to death.

Another mother testified:

We recently lost a son to suicide from something he learned at school. My daughter was required to fill out a questionnaire on which she was asked if she had ever contemplated suicide.

A third witness testified,

My fifth-grade child was taken to a local funeral parlor to view the embalming room.

A fourth witness testified:

In a required English class, my daughter was asked to participate in a role-playing skit. She was asked to play the part of a prostitute and a boy in the class was asked to play the part of a married man. She was to ask the married man to come and live with her, as his wife had thrown him out over some disagreement.

And the horror stories go on and on.

Mr. President, I think it is essential to read the 1,300 pages of testimony in order to understand what is happening to our children in the classroom and to avoid being misled by catchy headlines railing at the Hatch amendment as some kind of an assault on academic freedom, which it absolutely is not.

Public outcry over these testing techniques will perhaps force school systems to reevaluate their curricula and to return our educational system to the responsible institution it once was. The American public deserves that.

Mr. President, I ask unanimous consent that a statement by Malcolm Lawrence be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objective, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. Lawrence, on March 1, along with Phyllis Schlafly, briefed congressional staff members on the effects of the Hatch amendment regulations, as well as the situation currently existing in many of our classrooms.

Mr. Lawrence holds an undergraduate degree in foreign affairs and a graduate degree in government and economic policy. In addition to a distinguished career in the Foreign Service, he has worked with former administrations on international narcotics control and drug abuse. Additionally, he has been active on the local level by founding the War-On-Narcotics League in Montgomery County and by serving on numerous education groups including Taxpayers for Quality Education [TQE] and Parents Who Care [PWC]. Currently, he is coordinator of the Maryland Coalition of Concerned Parents on Privacy Rights in Public Schools.

EXHIBIT 1

MALCOLM LAWRENCE

My name is Malcolm Lawrence. I am Coordinator of the Maryland Coalition of Concerned Parents, a group formed in 1974 to combat psychological probings, non-academic testing, and invasions of privacy of students and their families by public schools. The Coalition was a strong supporter of the Hatch Amendment, which became law on November 2, 1978, and of its implementing regulations, which became effective on November 12, 1984.

As widely reported by the media, parents throughout the United States are protesting against the performance of our public schools. Complaints are ranging from objectionable propaganda to invasion of privacy in the classroom to disagreement with the changing trends in education philosophy. The development of a nationwide pattern of educational materials and teaching techniques dating from the mid-1960s has been accompanied by a sharp deterioration in achievement test scores—a trend that has improved only slightly in the last two years. The schools have turned out millions of functional illiterates, and college textbooks are having to be rewritten because high school graduates simply cannot understand them.

Thanks in large measure to billions of dollars in federal government grants and contracts since 1965, the traditional basic skills of reading, writing, structured oral expression, history, and mathematics are gradually being squeezed out of the classroom by an onslaught of innovative conceptual social studies, new math, rap sessions, interpersonal relationships, non-verbal communication, role playing, psychodrama, sociodrama, and other psychotherapeutic techniques, self-actualization, self-revelation, and self-criticism through the use of personal diaries and logs, values clarification, behavioral modification, psychological testing, questionnaires, and other inquisitions, human sexuality and contraception techniques, worthless drug education, death education, and a steady flow of unevaluated pilot projects.

Classroom emphasis is rapidly shifting from the cognitive domain—what a student knows—to the affective domain—what a student thinks, feels, or believes. In recent paid advertisements, Mary Hatwood Futrell, President of the National Education Association, proclaimed that the schools must move away from the stuffed "sausage" approach—that is, learning facts—to the Mastery Learning Project. This is not only a cop-out for the past failures of the educators, but would get the classroom teacher deeper and deeper into psychological manipulation of the children. Mastery Learning uses stimulus response mechanisms to bring about so-called correct responses. The federally-funded ECRI program (Exemplary Center for Reading Instruction), a teacher training program for reading instruction, uses Mastery Learning and has been under attack from teachers as well as parents because it unabashedly recommends the use of Skinnerian stimulus-response operant conditioning techniques to promote "mastery" of the program's objectives. Mastery Learning experts label children as "human animals."

Parents throughout the country oppose these new and unevaluated programs not only because they are damaging their children's psyches, but also on the grounds that they are threatening the role of the family unit and bringing about a resocialization process for their children that is contrary to the principles on which our nation is based.

Under U.S. law based on well-recognized court decisions and legislation, parents have the primary responsibility for their children's education and pupils have certain rights which the schools may not deny. Parents have the right to assure that their children's beliefs and moral values are not undermined by the schools. Pupils have the right to have and to hold their values and moral standards without direct or indirect manipulation by the schools through curriculum, textbooks, audio-visual materials, or supplementary assignments.

Let me cite just a few Supreme Court cases:

Meyer v. *State of Nebraska* (1923)—Parents have the power to control the education of their own and the right to determine the subject matter taught to their children in school.

Pierce v. *Society of Sisters* (1925)—Struck down an Oregon law which attempted to force all children to attend public schools and gave parents the right to send their children to private schools.

Price v. *Massachusetts* (1943)—Ruled that the custody, care and nurture of the child reside first in the parents, whose primary function and freedom include preparation for obligations the state can neither supply nor hinder.

Abington School District v. *Schempp* (1963)—Ruled that the State may not establish a religion of secularism in the sense of affirmatively opposing or showing hostility to religion, thus preferring those who believe in no religion over those who do believe.

Wisconsin v. *Yoder* (1972)—Gave parents the right to keep their children out of schools when they believe that school attendance would endanger their children's religious faith and salvation. Quoting from the decision: "The history and culture of Western civilization reflect a strong tradition of parental concern for the nurture and upbringing of their children. This primary role of the parents in the upbringing of their children is now established beyond debate as an enduring American tradition."

We are most happy that on February 11 during his first press conference, the new Secretary of Education, William J. Bennett, made some strong statements in favor of parental rights on education. He said (and I quote): "Parents need to become more involved and assume greater responsibility in their children's education . . . parents are our children's first and most important teachers; classroom teachers are parent's trustees." Secretary Bennett also said that parents have seen materials that students have brought home from school and have been upset—they have been burned. And he concluded he would take a very close look at what his son was being asked to study because there are lots of things in schools that don't belong there.

In press interviews, Secretary Bennett has gone on record as favoring the Hatch Amendment and disagreeing with the groups that are lobbying for its repeal. He says he is opposed to values clarification, simulation exercises, guided fantasy techniques, encounter groups, and other such activities. He says parents have been sidestepped, even worse than sidestepped; they have been "opposed, ignored, laughed at, told to go away."

The Hatch Amendment and its implementing regulations have served as a rallying point for the many parents throughout our nation who have campaigned assiduously for the protection of their children from federally-funded programs designed for psychological and psychiatric examination, testing, and treatment in the classrooms of America. They view this law as a welcome measure to help preserve their parental rights in education, the most effective feature being written parental permission for sensitive areas for which federal funding has been and is being provided.

Consider the following examples of federally-funded programs and strategies:

A values strategy for elementary school children: "Who Comes to Your House?" In this exercise, children are asked to write the names of persons invited to their homes in the past year and indicate whether they are relatives, friends or other. Also, what their religion and race are and whether the children like or dislike them. The teacher is warned that this activity generates a good deal of emotional involvement and should not be entered into without enough time to work through some of the issues it raises. This exercise is used to detect racial and religious bigotry.

So-called drug abuse education: The curriculum entitled *Ombudsman*, which is disseminated through the National Diffusion Network ostensibly as a drug prevention course, has little if anything to do with drugs. Rather, it is a psycho-social, values clarification manual dealing with such techniques as role playing, encounter activities, feelings charades, warm fuzzies, love lists, self portraits, personal questionnaires, the trust fall, the human knot, who shall survive exercises, gravestone statements and death notices. The students are told that a creative tombstone may be an indication of a creative life.

In the National Institute of Education funded course *Global Education: State of the Art*, nationalism is labelled a narrow perception that must be changed. The course calls for a globalization of international education. Specifically, it states: "Certain changes must take place in the content, in the methods, and in the social context of education if schools are to become more effective agents of citizen education in global age."

Under the Federal Gifted Model Project *Chrysalis* for grades 5 through 9, students are asked to collect seven days of data on their dreams and to analyze the data to determine whether any patterns exist. They then write a summary telling they learned about their sleeping and dreaming patterns. In the same program, students are asked to imagine themselves lying on a sunny beach or sitting in a lush green meadow and to feel the sun beating down on them or feel the soft green grass; hear the waves on the shore; see the birds in the sky. Students are asked to share their visions with the class.

Life after death simulation mind games used to act out death, suicide and drug trips. In one exercise, children are asked to pretend they are dead, lying on the floor in a dark room with burning candles. They are to see themselves rise from their bodies and look down from the ceiling and watch their loved ones mourning. The students are asked: Do you think a suicide or violent death would yield as pleasant an experience as the one just acted out?

In a new Johns Hopkins University project supported by the National Institute of Education, students are asked the following questions:

Have you stolen or tried to steal something worth more than $50?

Been involved in gang fights?

Sold marihuana or other drugs?

Taken a car for a ride without the owner's permission?

Used force to get money or things?

Do you want to be like your mother or father?

How close do you feel to your parents?

How much do you like your parents?

Would you care if your parents were disappointed in you?

How often do you cheat on tests, come late to class, fight with other students, argue with your teacher?

Such exercises and questionnaires are commonplace in public schools throughout the United States and the use of psychology and group therapy is rapidly growing. Parents must have the rights to preview such activities and to give written permission for their use or non-use on children.

The Hatch Amendment should not only be retained, but should be broadened. As currently written, the Hatch Amendment provides parental rights only for programs and activities funded and administered by the U.S. Department of Education. It thus excludes education programs and activities funded and administered by the National Endowment for the Arts, the National Endowment for the Humanities, the National Science Foundation, the Department of Health and Human Services, and all other federal agencies which let contracts and provide grants relating to education programs and materials and classroom practices at the elementary and secondary levels. Clearly, these loopholes need to be closed.

In the meantime, let's give the Hatch Amendment—such as it is—a chance to work.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, do I have time remaining under my order?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I yield back my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Thank you, Mr. President.

IS THE AMERICAN PRESS, OUR MOST IMPROVED INSTITUTION, THREATENED?

Mr. PROXMIRE. Mr. President, what is the most improved institution in America today? Is it the American corporation, the Congress, the Presidency, the American newspaper, our magazines, radio, television, the medical profession, the legal profession, the university in America, the American military forces, the economics profession, American science, our professional sports, American churches and synagogues, our vigorous trade associations, our public schools, the entertainment industry? Or is it some institution I have overlooked? Mr. President, my nomination for the most improved institution in America—and by a country mile—is the institution that is the most demeaned, insulted, and scorned: the American press.

Hardly a month has gone by in the past 200 years when the American press has not been scolded, derided,

sneered at, belittled. Our greatest philosophical Founding Father, Thomas Jefferson, often expressed his hatred of the press. At one time, he wrote that mankind would be better off without the press, that the important knowledge would become known anyway, and that the world would be saved the gross lies and distortions that color so much of what the press discloses. This was the same man who was our greatest champion of freedom of the press and insisted on riveting that freedom right into the Constitution in the first amendment. He was also the Founding Father who said that if he had to choose between government on the one hand and the press on the other as the most vital institution for the advancement of mankind, he would unhesitatingly choose the press. Some 150 years later, in 1941, H.L. Mencken aimed this diatribe at the American press. He wrote:

> The average American newspaper, especially of the better sort, has the intelligence of a hillbilly evangelist, the courage of a rat, the fairness of a prohibitionist boob jumper, the information of a high school janitor, the taste of a designer of celluloid valentines and the honor of a jailhouse lawyer.

But, Mr. President, that was not all. Mencken was just getting warmed up. Remember, H.L. Mencken was a newspaperman himself and one of the best in the long history of great American newspaper personalities. That same year, 1941, Mencken wrote:

> To the best of my knowledge and belief the average American newspaper, even of the so-called better sort, is not only quite as bad as Sinclair says it is but 10 times worse, 10 times as ignorant, 10 time as unfair and tyrannical, 10 times as complacent and pusillanimous and 10 times as devious, hypocritical, disingenuous, deceitful, pharisaical, pecksniffian, fraudulent, slippery, unscrupulous, perfidious, lewd, and dishonest.

The American press throughout our history and certainly today has had its critics in abundance. Today there are members of this body as well as members of the press itself who feel so strongly that the American press constitutes such a threat to basic American values that they are calling for a takeover of the Columbia Broadcasting Co. Such a takeover may be unlikely, but it is perfectly possible, if not of CBS, certainly of other networks and of important newspaper properties. Once such an ideological takeover succeeds in any area of the American press, it could lead the prompt way to a series of ideological seizures of the American press that could revolutionize the face of this free country far more decisively than any Presidential election.

And do not laugh and say it can not happen. The recent takeover of the massive American Broadcasting Co. by a relatively small firm may not have any ideological content, but it suggests how easily corporate raiders with real power in mind could change the face of the American press and in the process change the nature of American society.

Mr. President, this brings me back to my original contention that the American press is the most improved institution in this country. The criticisms of the American press by H.L. Mencen were written in 1941. Actually, they applied to the press that had existed in this country until it started to change in the 1930's. Senator HELMS and President Reagan are exactly wrong in inveighing against bias in American journalism in 1985. Apply those statements to 1930 or earlier and they would be right on target.

Do you deny this improvement? If you do, here is a challenge. Take a Chicago Tribune of 1930 and a Tribune today—or any other paper. Do a content analysis on a random text of news stories in each of the two periods. Apply your own standard of objectivity, balance, fairness, accuracy. What will you find? I will bet my mortgage against your nickel that in 95 percent of the cases you will find the 1985 paper conspicuously more balanced, more fair, more objective, more accurate. I challenge any Member of Congress to make this judgment based on his own standards.

For a number of reasons, the American newspaper and American television and radio are extraordinarily objective, fair, accurate, and comprehensive in their reporting. The typical Hearst paper of the 1920's and 1930's or the Chicago Tribune of that period made no bones about living up to every syllable of Mencken's condemnation. What a difference today. Virtually every newspaper article, every radio or television news report is conspicuously balanced, fair, and objective. Of course these reports emanate from human beings. Sometimes they make mistakes. But it is the rare editor who does not absolutely insist on fair and objective reporting. Indeed, most reporters today have been trained in journalism school. They have learned that the ethics of journalism requires a constant effort to be as truthful, as balanced, as objective as possible.

Self-respecting and trained reporters refuse to work for an editor who insists on prejudiced reports. Fifty years ago, a typical editor would determine that nothing good would be reported in his newspaper about any public figure he did not like. He could insist that nothing bad would be reported about a figure he did like. And he could get away with it. Not today. His reporters would not stand for it. His peers in the newspaper business would denounce it. And his readers have been conditioned by fair reporting long enough so they probably would resist it. Further, the business-oriented ownership of many newspapers, especially chain newspapers, have discovered that fairness and equal treatment for all is good business whether dealing with corporate management or labor unions.

For radio and television news reports, the same fairness forces that have done so much to improve our newspapers apply to TV and radio but with a strongly enhancing economic and technological difference. In the overwhelming majority of radio and television stations, virtually all the Federal news and most of the State news comes from the wire services. The AP and UPI are necessarily unbiased, and I mean scrupulously unbiased. And for a very obvious reason. These services sell to all kinds of clients—conservative, liberal, promilitary, antimilitary, pro big business, anti big business; so the wire service can only survive as a universal service by telling the truth and providing all important sides to controversial issues.

A Rather, a Koppel, a Jennings, or a Brokaw does indeed select the news, but these men cannot physically cover the stories they report. They must rely on reporters in the field. They and their network employers know that millions hang on their words and feel very free to criticize whatever any of the millions of listeners might view as biased, unfair or incomplete. These national mucky-mucks provide only a small part of the access to the facts that the typical American enjoys today. Does anybody get all—I repeat, all—of their news from Dan Rather or Tom Brokaw? Of course not.

The overall result today, Mr. President, is that the typical American gets more honest, more balanced, more unbiased, more accurate news about our country, our foreign policy, as well as local and State problems, than human beings have ever received before.

So what is the problem? The problem is that this remarkably improved system is threatened. The threatened takeover of CBS dramatizes the threat. The actual takeover of ABC, while probably devoid of any ideological consequence, describes the means. Today we have the best system of news gathering and dissemination we have ever had. But there is at least an outside chance that a combination of new corporate takeover techniques and ideological hubris may—just may—undermine it. It is worth watching, and closely.

S. 826—WESTWAY LANDFILL FUNDING PROHIBITION AND HUDSON RIVER HABITAT PROTECTION ACT OF 1985

Mr. PROXMIRE. Mr. President, today, along with Senators BRADLEY, HUMPHREY, and LAUTENBERG, I am introducing a bill to prevent the Federal Government from spending any funds for the design and construction of the Westway landfill.

New York deserves to replace the old West Side Highway, but the Westway project as designed gives new meaning to the phrase "highway robbery."

Instead of a simple highway replacement, costing as little as $54 million, project proponents went for the whole hog—a tasty $4 to $6 billion, for a real estate project masquerading as a highway.

And, what do New Yorkers get for this incredible price tag? About 10 percent of the entire Hudson River for 4.2 miles, over 200 new acres of landfill meant for real estate development and destruction of the prime habitat for an important fish species.

While this project was outrageous enought to merit my Golden Fleece Award in 1982, it looks even worse in 1985 in light of our $200 billion deficit. How can we ask anyone to sacrifice while a few well-connected real estate developers will get a multibillion dollar bonanza?

Not all New York politicians are dazzled by Westway's promises. In fact, the vast majority are opposed, including the Manhattan borough president, the city council president and city comptroller. Even two out of three current democratic candidates for mayor have come out in opposition to Westway.

No less than Robert Moses, the respect builder of New York's most important roads, said of Westway a decade ago:

> I am for public works and for government aid within reason but my imagination is staggered by the demand of a ninety or even fifty percent handout at Washington for a racetrack highway on the West Side of Manhattan. How much longer can such a shindig go on? Five years? Ten years?
>
> This is not orderly consideration. It is a mob dividing up state money, an Anvil Chorus, a byword, a hissing and a yapping, a spectacle of bamboozlement. If this is the road to progress, I am the retired Gaekwar of Baroda.

Even worse, Westway may prove a financial albatross for New York State and the Nation. Although the project is eligible for 90-percent Federal funding, the interstate highway construction program runs out in 1990, at least 5 years before Westway completion.

Where will the money come from to finish this road? From your pocket. Even with the highway trust fund, a $4 billion Westway eats up the equivalent of all of the Federal highway aid for a dozen States, for 5 years.

It is time to say—Westway, no way.

I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Westway Landfill Funding Prohibition and Hudson River Habitat Protection Act of 1985".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) cost effective, environmentally sound transportation expenditures are necessary to enhance urban economic vitality and preserve efficient transportation systems in both urban and rural areas;

(2) demands upon the Highway Trust Fund for current authorizations through 1990 may exceed the revenues of the Fund, and national needs for the repair of existing highways and transit systems will place additional demands upon the Fund;

(3) the 4.2 mile Westway highway and landfill project is estimated to cost between $4,000,000,000 and $6,000,000,000 (including cost overruns, inflation, and interest) over its projected 10-year construction period, and the transportation needs of the area could be met for substantially less money by using nonlandfill alternatives;

(4) construction of landfills are not purposes for which funds in the Highway Trust Fund should be appropriated, expended, or obligated;

(5) the Hudson River is a valuable riverine and estuarine resource which makes major contributions to the marine ecology of the Atlantic coast and to the people of New York, New Jersey, and the Nation; and

(6) the landfill to be built in the Hudson River as part of the proposed Westway highway project would irreversibly destroy approximately 200 acres of this vital resource, eliminating forever an important habitat for striped bass and 21 other species of fish.

(b) PURPOSES.—The purpose of this Act is to prevent the expenditure of any Federal funds, including funds from the Highway Trust Fund, for the design and construction of the Westway landfill.

SEC. 3. PROHIBITION ON USE OF FEDERAL FUNDS FOR DESIGN AND CONSTRUCTION OF THE WESTWAY LANDFILL.

After the date of the enactment of this Act, the Secretary of Transportation may not make available, expend, or obligate any Federal funds (including funds from the Highway Trust Fund) for the design and construction in the city of New York, New York, of the Westway landfill which is proposed to extend an average of 600 feet beyond the bulkhead of Manhattan Island from North Moore Street to 42nd Street and is authorized by the permit numbered 13493 issued by the Department of the Army to the New York State Department of Transportation on February 25, 1985.

Mr. HUMPHREY. Mr. President, I am delighted to join the distinguished Senator from Wisconsin, Mr. PROXMIRE, and others in offering the Westway Landfill Funding Prohibition and Hudson River Protection Act of 1985.

With a massive tidal wave of deficits threatening to drown the economy of this country in a bottomless sea of red ink, it strikes me as absolutely outrageous that the Federal Government is prepared to needlessly spend billions of dollars on the gold-plated boondoggle called Westway. Yet that is exactly what will happen unless this legislation is enacted.

Westway is a proposed 4.2-mile stretch of highway to be constructed along the West Side of Manhattan. It is estimated that the total cost of the project could end up being in excess of $4 billion, maybe far more. In any case, the Federal taxpayer will be picking up the tab to the tune of billions.

At over $1 billion per mile, one would think that Westway's streets were paved with gold. Not quite. But Westway is without doubt one of the most extravagant projects to ever line up at the Federal trough. At the heart of the plan is the "luxury landfill" of more than 240 acres into the Hudson River. The roadway would tunnel through part of the landfill, and would be elevated on other parts. In all, however, the Westway landfill will create some 100 new acres of prime commercial real estate which will be available for development.

There will be a price for creating what will undoubtedly become fertile territory for countless UDAG grants of the future. First, there is the matter of the striped bass. After spawning in the Hudson River further north, the striped bass come to the shelter provided by the existing piers at the Westway site to spend their first two winters before migrating up and down the eastern seaboard.

The striped bass is not just another fish. It is a remarkable species which spawns in fresh water and then heads out for the ocean where it can grow to more than 60 pounds. It is the basis of a $200 million sports and commercial industry along the eastern coast which employs 6,000 people, There have traditionally been two other prime spawning areas besides the Hudson River—the Chesapeake region and the Albemarle Sound in North Carolina. But the Chesapeake area has been declining over the past 10 years, contributing to an overall decline of the total striper population. The situation has become so critical that last year Congress passed, and the President approved legislation that attempts to relieve pressures which have been put on the species. Moreover, the State of New York has passed legislation which would restrict the size and age of stripers which can be taken.

The National Marine Fisheries Service [NMFS] has estimated that up to 50 percent of the striped bass from Maine to the Carolinas now come from the Hudson River. Three Federal agencies—the U.S. Environmental Protection Agency, the Fish and Wildlife Service, and NMFS—have opposed the landfill because it would needlessly destroy an invaluable wildlife habitat. Indeed, it should be noted that dozens of other species call the Hudson home for all or part of the year, including the Atlantic sturgeon, menhaden, the blue-black herring and the shad. Evidence strongly suggests that the

Hudson is a critical link in the aquatic life system along the eastern seaboard.

What is so disturbing about the Westway plan is that the fiscal and environmental catastrophe that it would wrought can easily be avoided. There is no question that the city of New York has some pressing transportation needs. Those could be addressed by building an interstate highway on a scale more familiar to most Americans; that is, without a multibillion dollar real estate development area. Or, the city and the State could exercise their option to trade in interstate money for funds to improve mass transportation. More than 30 communities, including Boston and Washington, have used this option with considerable success.

The city and the State, hovever, are committed to pursuing the Westway plan. I do not believe that Congress should simply look on and watch Federal funds be spent so foolishly. There are many important issues of concern to the Nation involving the Westway plan, and it is important that they be given a hearing in Congress.

Mr. President, I commend the Senator from Wisconsin for again taking the lead on an issue as important to our environment as it is important to the Nation's Treasury. I am pleased to join in this effort, and I pledge to do all I can to ensure passage of this important legislation.

RESOLUTION CALLING FOR JOINT UNITED STATES-SOVIET COMMISSION ON NUCLEAR WINTER

Mr. PROXMIRE. Mr. President, we all hope and pray that the arms reductions talks the United States and the Soviet Union are conducting in Geneva will go well.

These are critically important talks not only for our national security, but also for the security of the entire world.

As these talks proceed, Mr. President, I believe it is crucial that both sides have a clear idea of what actually is at stake with these negotiations.

That is why today I am introducing with my good friend and colleague from Oregon, Senator HATFIELD, legislation calling for a Joint United States-Soviet commission to study nuclear winter and its implications for the national security of both nations.

Mr. President, I can think of no more important study that the United States and the Soviet Union could undertake than investigating the phenomena of nuclear winter.

If the nuclear winter theories prove correct, a nuclear confrontation between the United States and the Soviet Union might just result in a climatic catastrophe that could just about wipe out the human race.

If the nuclear winter theories prove correct, the nation launching a nuclear attack could face devastation from just from the climatic catastrophe its exploding warheads would touch off.

If the nuclear winter theories prove correct, the strategic doctrines of both superpowers might well be turned on their heads.

In other words, Mr. President, nuclear winter represents a deep, dark unknown—not only for this Nation, but for the Soviet Union as well.

Nuclear winter, therefore, is not only something the United States should begin studying intensively.

It's a phenomena we should make sure the Soviets are fully aware of.

Why? Because, both sides' arsenals have the capacity to touch off a nuclear winter. This should not be a case where one side investigates nuclear winter and the other side remains blissfully ignorant.

We cannot afford to let that happen. This is one area where we should have nothing to hide from the Russians.

Our resolution, Mr. President, expresses the sense of the Congress that the President should propose to the Soviet Union that the two countries establish a joint commission to study the atmospheric, climatic, environmental and biological consequences of nuclear war, which have been called nuclear winter, and to examine their impact for the national security of both nations.

The resolution asks that the work of the joint commission should include the exchange of information and findings on the nuclear winter phenomena, and the conduct of joint research projects that would benefit both nations.

The resolution also states that at some point the three other nuclear weapons states—Great Britain, France, and the People's Republic of China—should be involved in the work of the commission.

In the past few years a number of agencies have been researching nuclear winter and a number of studies and reports have been issued. The Department of Defense is presently investigating nuclear winter.

Last December, the National Academy of Sciences released a study which stated that there is a "clear possibility" that nuclear winter would be touched off by the detonation of just one-half of the world's nuclear arsenals.

And just last week, the Academy held a major symposium to review even more sophisticated studies of nuclear war's effect on the climate.

We also know that Soviet scientists have been studying nuclear winter.

It's time for both countries to begin pooling their research. The December report by the National Academy of Science recommended that a major research effort to narrow the uncertainties which remain with nuclear winter should be given "high priority."

That research should not only be a high priority in the United States. It should also be a high priority in the Soviet Union.

In the past, the two superpowers have established scientific exchange programs that have benefited both countries.

Certainly, a scientific exchange where the fate of the Earth may hang in the balance falls into that category. In fact, this is one research project we cannot afford not to work together on.

I ask unanimous consent to have the concurrent resolution printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 36

Expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations.

Whereas recent scientific studies indicate that a nuclear war would have disastrous atmospheric, climatic, environmental, and biological consequences, sometimes known as "nuclear winter";

Whereas such studies have revealed that a nuclear winter could result from a wide range of possible nuclear war scenarios, including a limited nuclear war;

Whereas a nuclear winter could have devastating consequences not only for the United States and the Soviet Union, but also for other nations of the world;

Whereas on December 10, 1984, the National Academy of Sciences released a report stating that there is a "clear possibility" such a climatic catastrophe would be touched off by the detonation of one-half of the current world arsenal of nuclear weapons;

Whereas the National Academy of Sciences reported that uncertainties remain over the nuclear winter phenomena and recommended that a major research effort to narrow those uncertainties be given "high priority";

Whereas research is also being conducted into the nuclear winter phenomena within the scientific community of the Soviet Union;

Whereas the research the United States and the Soviet Union are conducting into the nuclear winter phenomena could have a profound impact on the arms control policies and national security of both nations; and

Whereas, in the past, the United States and the Soviet Union have established scientific exchange programs that have benefited both countries and the establishment of a Joint United States-Soviet Commission to study nuclear winter would benefit both countries: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should propose to the Government of the Soviet Union during any arms control talks held with such Government that—

(1) the United States and the Soviet Union should establish a joint commission to study the atmospheric, climatic, environmental, and biological consequences of nuclear explosions, sometimes known as "nu-

clear winter", and their impact for the national security of both nations;

(2) the work of such joint commission should include the sharing and exchange of information and findings on the nuclear winter phenomena and the conduct of joint research projects that would benefit both nations; and

(3) at some point the other nuclear weapons states—the United Kingdom, France, and the People's Republic of China—should also be involved in the work of such joint commission.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

ARMENIAN GENOCIDE ANNIVERSARY COMMITTEE NAMES HONORARY CHAIRMAN

Mr. PROXMIRE. Mr. President, Krikor Derderian, at the ripe age of 109, is honorary chairman of Armenian Martyrs' Day on April 24, 1985.

Mr. Derderian is a truly remarkable man. He lives in Methuen, MA, in the heart of the Merrimack Valley. This soft-spoken man, hands calloused from years of hard work, has survived many hardships including famine, bloodshed, and deportation. His main wish is not to burden anyone. He is successful in his attempts, by living alone, staying self-sufficient, and has never seen the inside of a nursing home.

He is an admirable man on these merits alone. May we all live to be 109 and remain self-sufficient. His story, however, is even more remarkable. His life has spanned six massacres of Armenians dating back to 1894. During the 1915 massacres he dug a well and hid there for 2 weeks to avoid capture. He eventually escaped to the mountains where he lived with a mountain tribe for 4 years until the massacres ended. His recollection of the massacres are vivid.

> The Turks would come in and annihilate as many as they could and deport the rest. You could see the dead bodies littered all over the valley.

The high point of his life was when he became an American citizen. While life in America was a struggle at first, it was a struggle he did not mind making. When he first saw the Statue of Liberty, his eyes filled with tears. He is greatful for the freedom he enjoys in America, "Thank God I'm in America where there's so much freedom. You have to be an oppressed person to understand." It is the memory of oppression and death that Mr. Derderian believes must be passed on to future generations. It is the memory of genocide that also must not be forgotten. The events of the Armenian holocaust are a very real part of Mr. Derderian's life. We must ensure that personal experience with genocide does not become part of future generations' lives.

Mr. President, there would have been no more significant step we could have taken for Mr. Derderian, for all of the survivors of the Armenian and Nazi Holocausts, than to have completed our debate on the Genocide Convention this month. The symbolism of that action would have been incalculable but, at our current pace, we will not even have opened debate as the Days of Remembrance for the Victims of the Holocaust draw to a close.

The time for remembrance will always be with us, Mr. President. But the time for concrete action—the ratification of the Genocide Convention—is with us right now. Let us not delay any further. As soon as the Foreign Relations Committee reports the Genocide Convention, let us open debate immediately.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business, not to extend beyond 3 p.m., with statements therein limited to 5 minutes each.

VILLANOVA WINS NCAA CHAMPIONSHIP GAME

Mr. SPECTER. Mr. President, today is a day of particular pride for the Commonwealth of Pennsylvania as Villanova University has just emerged as the national champion for the NCAA basketball competition in a very exciting game played last night in Lexington, KY, where Villanova defeated an outstanding Georgetown team by the narrow score of 66 to 64.

The Villanova basketball team has a roster of heroes which brought the national championship to the school and to Pennsylvania. That roster of heroes includes Harold Pressley, Dwayne McClain, Ed Pinckney, Dwight Wilbur, Gary McLain, Harold Jensen, Mark Plansky, and Chuck Everson. These fine players are listed in the scoreboard for their outstanding play yesterday, under the leadership of Rollie Massimino, an outstanding basketball coach who is now a familiar figure in many households around this Nation and around the world. He is recognized for his energy, his enthusiasm, and his intensity as he masterminded and led the Villanova team to that remarkable victory.

The Villanova Wildcats were the cinderella team of the competition; a team which could not match other vaunted records coming into the playoffs, could not match the height of other teams, but surpassed all when it came to determination, to grit, to intensity, and to pure accuracy from the field goal range as well as from the free throw line.

Georgetown University also played masterfully. Their roster is deserving of great recognition—Bill Martin, Reggie Williams, Patrick Ewing, Michael Jackson, David Wingate, Perry McDonald, Horace Broadnax, and Ralph Dalton, under the leadership of Coach John Thompson.

The caliber of play was characterized, I thought eloquently in a column by Mr. Ken Denlinger in the Washington Post today, pointing out that:

> In losing the title this year, the Hoyas may well have played better than in winning it a year ago. It took a performance for the ages to wrest the crown off the Hoyas' heads.
>
> Make this one Cinderella marries Rocky, for Villanova's victory was more stunning than North Carolina State's in 1983. The Wildcats have just one player destined to make any impact on the pros; Georgetown is lots better than Houston.

In essence, the Georgetown Hoyas played masterfully. It took a virtually perfect game from the Villanova Wildcats to wrest the championship from the defending champion Georgetown Hoyas in one of the greatest basketball games ever played in this country, and certainly in the finals of the NCAA competition.

Obviously, Pennsylvania is very proud of Villanova's championship season, and I think the Nation can be proud of the great competition of college basketball, NCAA tournament, and the two teams which emerged last night to play for the national championship with the ultimate victor being the Villanova University Wildcats.

I know that I speak for many in the Senate, the House of Representatives, and the Congress of the United States in extending these congratulations to Villanova University for its outstanding performance in the championship game.

I thank the Chair, and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

FREEDOM OF RELIGION

Mr. HEFLIN. Mr. President, recently I received from that great former Senator from North Carolina, Sam Ervin, a letter and an article he has written entitled, "The First Amendment Stands in Peril," which appeared in the publication Church and State in its February 1985 edition. Senator Ervin requested that this article appear in the CONGRESSIONAL RECORD, and I am delighted to bring it to the attention of all Members of the Senate and readers of the CONGRESSIONAL RECORD. While I am not in agreement with all of the positions that Senator

Ervin takes in the article, nevertheless, the article illustrates his scholarly and succinct thinking and throws light upon a subject that is dear to the hearts of all Americans. That subject is freedom of religion.

I ask unanimous consent that the attached article heretofore mentioned be printed in the RECORD of the proceedings of the Senate for this day.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FIRST AMENDMENT STANDS IN PERIL

The most heart-rending story of history is that of man's struggle against civil and ecclesiastical tyranny for the simple right to bow his own knees before his own God in his own way. This is so because the story constitutes plenary proof of the truth of the observation of the French mathematician and philosopher, Blaise Pascal, who said: "Men never do evil so completely and cheerfully as when they do it from religious conviction."

North Carolina Supreme Court Justice Walter P. Stacy, one of America's wisest jurists of all time, described in a nutshell the nature and history of religious intolerance in his 1930 opinion in *State v. Beal.* He said: "There are those who feel more deeply over religious matters than they do about secular things. It would be almost unbelievable, if history did not record the tragic fact, that men have gone to war and cut each other's throats because they could not agree as to what was to become of them after their throats were cut. Many sins have been committed in the name of religion. Alas! the spirit of proscription is never kind. It is the unhappy quality of religious disputes that they are always bitter. For some reason, too deep to fathom, men contend more furiously over the road to heaven, which they cannot see, than over their visible walks on earth. . . ."

Learning from the lessons of history, the Founding Fathers of this nation desired that all Americans of all generations should enjoy religious freedom. To this end, they added the First Amendment to the Constitution: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. . . ."

What did the Founding Fathers intend to accomplish by the establishment and freedom of worship provisions of the First Amendment?

The meaning of the freedom of worship clause is clear. This clause is designed to secure to every individual within our borders the right to entertain any religious beliefs compatible with his own conscience, to practice his religious beliefs in any mode of worship not injurious to himself or others, to endeavor by peaceful persuasion to convert others to his religious beliefs, and to be exempt from taxation for the teaching of religion.

The meaning of the establishment clause is also crystal clear. By those words, James Madison and his contemporaries intended to prohibit the government from establishing any official relation between government and religion and to prevent government from using tax moneys to support religion in any way.

While I was one of its members, the U.S. Senate was confronted by two crucial questions relating to the First Amendment. The first was whether federal courts had jurisdiction to determine the constitutionality under the First Amendment of federal financial aid to church-related schools or colleges, an issue later settled favorably by the Supreme Court. The second question was whether the Congress should amend the First Amendment to allow school prayer.

The religion-in-public-schools issue developed because of court challenges to state laws mandating prayer and Bible reading. In cases decided in 1962 and 1963, the Supreme Court adjudged that by using their public school systems to require these religious exercises, New York, Pennsylvania, and Maryland violated the establishment clause of the First Amendment and that the regulation, statute, and rule requiring them were unconstitutional.

The Supreme Court decisions provoked an uproar of nationwide proportions. Multitudes of sincere Americans deemed the decisions to be an attack on religion in general and Christianity in particular.

The offices of senators and representatives were flooded with mail from constituents condemning the decisions and demanding that Congress submit to the states a constitutional amendment authorizing prayer and Bible reading in the public schools. Many senators and representatives hastened to comply with the demand.

On March 22, 1966, Senator Everett M. Dirksen, one of the Senate's most eloquent and influential members, introduced S.J. Res. 148, which proposed an amendment to the Constitution for the avowed purpose of permitting voluntary prayer in public schools and public buildings.

The political popularity of the Dirksen Amendment was revealed by the facts that it had the sponsorship of 48 senators, and the Gallup and Harris polls indicated that 80 percent of the American people supported it.

In speaking to the British House of Commons in 1842, Thomas B. Macaulay said: "Timid and interested politicians think much more about the security of their seats than about the security of their country." In making this comment, Macaulay had in mind the agonizing temptation which confronts legislators when they are compelled to choose between what they know to be politically expedient and what they believe to be right. As an exceedingly popular proposal surcharged with religious emotions, the Dirksen Amendment presented this agonizing temptation to many senators in an excruciating way.

As the result of much study of the history of man's struggle for the simple right to worship. Almighty God according to the dictates of his own conscience, I entertained this abiding conviction: When they decreed by the First Amendment that government "shall make no law respecting an establishment of religion, ior prohibiting the free exercise thereof," the Founding Fathers stated with precision the conditions indispensable to religious freedom in America, and any effort to alter their words by amendment poses an unacceptable threat to religious freedom in our land.

This abiding conviction impelled me to oppose the Dirksen Amendment, notwithstanding I was a senator from a Southern state where the King James Version of the Bible was generally accepted as truth, and where it was freely predicted that a senator would put his seat in jeopardy if he dared to oppose an amendment whose professed objective was simply to permit children to participate in voluntary prayer in public schools.

Fortunately for me, however, the future made it manifest that North Carolina clergymen comprehended the drastic implications of the Dirksen Amendment, and North Carolina laymen understood I was doing what I believe to be right in opposing it.

Senator Dirksen opened the Senate debate on his amendment on September 19, 1966. In a well prepared and well delivered speech, he asserted that the overwhelming majority of Americans favored his amendment; that his amendment harmonized with the traditions of the nation; that the Supreme Court had misinterpreted the First Amendment in the school prayer cases; that atheists and communists were trying to destroy religion in our country; and that prayer in public schools was vital to the moral education of our youth.

Opponents of the Dirksen Amendment selected me to bear the brunt of the debate against it. Their reasons for so doing were two-fold. First, they deemed it advisable for a senator from the so-called Bible Belt of the South to lead the attack on the amendment; and, second, they knew I had studied in detail the history of the First Amendment and the Supreme Court cases construing it.

At the outset of my remarks against the Dirksen Amendment, I emphasized the value of religion and traced the history of man's struggle for religious freedom. I emphasized the supreme importance of keeping church and state separate. I noted that the Supreme Court's decisions were not concerned with the voluntary prayers of individuals, but, on the contrary, merely adjudged unconstitutional state-sponsored and required religious exercises in public schools.

I pointed out that the Supreme Court had demonstrated (by the released time arrangement it upheld in *Zorach* v. *Clauson*) how interested groups could provide religious instruction for children attending public schools additional to that made available to them by home and church.

It is an idle dream to expect that prayer authorized or permitted by an official body will be voluntary in fact. The power conferred upon public school boards by a prayer amendment would be virtually unlimited and uncontrollable. The only professed limitation—that they could not prescribe the form or content of any prayer—amounts to no more than a pious hope. This is so because they could let others, such as ministers, priests, or rabbis selected by them, determine the forms and contents of prayers.

A school prayer amendment would confer upon public school boards a power the First Amendment now denies to Congress and the states, that is, the power to establish religion. The majority of a public school board could establish religion by directing or permitting prayers conforming to their religious opinions to the exclusion of prayers conforming to any and all other religious beliefs. Hence, the Dirksen Amendment would stir up religious discord by encouraging religious groups to fight each other for control of public boards having the awesome power to "provide for or permit" prayer in the schools they govern.

I told the Senate that some of my ancestors were among the Scottish Covenanters who were run down and murdered upon the crags and moors of Scotland because they dissented from the doctrines of the established church in that land. Others of them were Scotch-Irish Presbyterians, who were denied political and religious liberty in Ulster. Some of them were among the Huguenots, who were massacred in France

merely because they worshipped Almighty God according to the dictates of their own consciences instead of the dictates of the ecclesiastical and political rulers of France. Some of them were English Pilgrims, who were driven from their native England by way of Leyden, Holland, to Plymouth, because they did not want to use the prayers which the Church of England had inserted in the prayer book established by the act of Parliament. Some of them were Quakers who were despised because of the simplicity of their religion and way of life.

All of them came to America to obtain the simple right to bend their own knees and raise their own voices to their own God in their own way. I believe their experiences have some relation to the creation of my abiding conviction that religious liberty is the most precious of all freedoms.

In closing, I asked the Senate to ponder these questions: Why did the Founding Fathers incorporate freedom of religion in the First Amendment? What purpose did the Founding Fathers have in view when they did this?

The answer to these questions, it seems to me, appears with great clarity in the opinion of the late Supreme Court Justice Jackson in *West Virginia Board of Education v. Barnette.* I quoted what he had to say on this point:

"The very purpose of a Bill of Rights was to withdraw certain subjects from the vicissitudes of political controversy, to place them beyond the reach of majorities and officials and to establish them as legal principles to be applied by the courts. One's right to . . . freedom of worship . . . and other fundamental rights may not be submitted to vote; they depend on the outcome of no elections."

I closed with a prayer that the Senate would stand by the First Amendment as it had been written and interpreted.

When the roll was called in the Senate, 49 senators voted for the Dirksen Amendment, and 37 senators voted against it. Since the two-thirds majority required for a constitutional amendment was lacking, the amendment failed. William Fulbright of Arkansas, Ralph W. Yarborough of Texas, and I were the only Senators from the eleven Southern states who voted in the negative.

In an editorial comment, the *Washington Post* graciously called me "the authentic hero" of the debate on the Dirksen Amendment.

If any provision of the Constitution can be said to be more precious than the others, it is the provision of the First Amendment which undertakes to separate church and state by keeping government's hands out of religion and by denying to any and all religious denominations any advantage from getting control of public policy or the public purse.

This is so because the history of nations makes this truth manifest: When religion controls government, political freedom dies; and when government controls religion, religious freedom perishes.

The First Amendment stands in peril at this moment. It is being attacked on two fronts by divergent groups who possess much political power. One of these groups is composed of multitudes of well-intentioned people, whose piety blinds them to the nature of religious freedom. They are demanding that Congress submit to the states proposed constitutional amendments which, despite their protestations to the contrary, are based on the proposition that the public schools should undertake to teach state-supported religious views to the children attending them.

If religious freedom is to endure in America, the responsibility for teaching religion to public school children must be left to the homes and churches of our land, where this responsibility rightfully belongs. It must not be assumed by the government through the agency of the public school system.

The second group consists of clergymen, educators, parents and politicians who want the taxes of Caesar to finance the things of God. They demand that all Americans be taxed to finance the operations of private schools whose primary purpose is to teach to the children attending them the religious doctrines of the denominations which control them.

If religious freedom is to endure in our land, those of us who love it must heed the warning implicit in John Philpot Curran's aphorism: "The condition upon which God hath given liberty to man is eternal vigilance." Otherwise we will learn to our sorrow that Justice Sutherland spoke tragic truth when he said the saddest epitaph which can be carved for the loss of a vanished right is that those who had the power failed to stretch forth a saving hand while there was yet time.

Mr. HEFLIN. Mr. President, an article appeared in the March 1985 Progressive Farmer entitled "Tax Breaks for Farmers: Help or Hindrance?" I ask unanimous consent that the article appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX BREAKS FOR FARMERS: HELP OR HINDRANCE?

The U.S. Treasury would like to simplify your income tax. It has proposed repeals and consolidations of about 65 provisions of the law. And it would eliminate at least 16 tax forms and 10 lines from Form 1040.

Farmers applaud the idea. Very few are able to complete their annual income tax returns without professional help. But simplification would eliminate many of the tax breaks that farmers, and others, now enjoy.

At present, almost any farmer can reduce his tax bill by using just a few tax breaks. We took a recent study of farmers in Dodge County, Ga., by Peggy F. Barlett of Emory University to figure out some tax examples for the types of farmers she found.

RETIRED AND DISABLED FARMERS

This group made up 21% of all farmers, an important minority that is often overlooked. For the retiree, a judicious use of tax breaks shelters all income.

Farm work adds $4,000 to their annual cash flow in this example, all of which probably would be taxed if it came from a part-time job in town.

PART-TIME FARMERS

More than one-third of Dodge County's farmers fall into this category. A part-timer can shelter all of his income, but it costs him money out of pocket to do so. In this example, the amount of money spent for soil and water conservation must be proved. It can be borrowed money.

The part-timer must also pay his Individual Retirement Account (IRA) or other retirement fund contributions for himself and his spouse.

FULL-TIME FAMILY FARM

The man who farms full time is often described as the one who suffers most from the effects of tax breaks. In this example, however, the breaks are worth 13% more income, a good portion of which is net.

A high percentage—49% of the wives and 20% of the husbands—have off-farm income, according to Barlett. Almost all of this income is sheltered by tax breaks. A reduced tax rate, as proposed by the Treasury, would have to be substantial to offset these tax benefits.

LARGE-SCALE FARM

There's not much question that large-scale farmers, 8% of the Dodge County total, benefit from tax breaks. The ACRS and the investment credit together are enough to reduce tax bills sharply. These two breaks are the ones that the Treasury and other tax reformers want to get rid of most.

For these farmers, however, the farm is no more of a tax shelter than any other kind of business. According to Barlett, the median operator has been farming 25 years and is not what you would consider a tax-loss farmer.

She also reports that about half of these farmers are in financial trouble as measured by debts at 75% of assets or above.

HOW FARMERS WOULD FARE UNDER TREASURY CHANGES

Except for the loss of capital gains treatment if they sold the farm, retired and disabled farmers would probably be a bit better off with the changes. They would lose all the tax breaks except gas tax credits.

Their personal exemptions would double, and the elderly, blind, and disabled would gain an enlarged credit equal to 15% of their tax base. When that is deducted, a retiree's tax base income drops to $5,950, none of which would be taxable under the Treasury proposal.

Our sample part-time farmer would fare worse under the Treasury proposal. Taxes on his tax base before breaks would be cut in half by larger personal exemptions and child-care deductions.

At that point, however, the part-timer is hamstrung in sheltering income. He can still take deductions for IRA's for himself and his spouse. And these would be larger—$2,500 each instead of $2,000. But all other deductions from income are lost, as is the investment credit. The child-care deduction wouldn't reduce taxes as much as the child-care credit.

Our part-timer also would lose his capital gain treatment. If he produces livestock, this could push his taxable income a good bit higher.

Eliminating tax breaks would sharply boost the full-time farmer's tax bill. His bill before breaks would be nearly $1,000 lower, but after-break taxes would zoom to about $2,500 compared with only $51 under current law.

We assume that the full-time farmer will make capital improvements and replacement no matter how the tax law is written. Thus the loss of ACRS and investment credit would be a serious blow. He could reduce taxes by investing the maximum in an IRA or even more in a Keogh plan. But this would have to come out of money that had previously been used for living expenses.

Expensing is about the only worthwhile tax break left for the full-time farmer. This would allow him to reduce income by $5,000 in a good year by buying equipment.

As might be expected, the largescale farmer would be the hardest hit by the loss of tax breaks. Of course, he and all the rest

would pay no income taxes if there were no taxable income. According to the IRS, about two-thirds of all farmers who file returns report losses.

The end of ACRS and investment credit would cost our large-scale farmer more than $4,000 in taxes. Much of his capital outlay would have to be made irrespective of tax laws. Again, his taxes could be reduced by contributions to IRA's or Keogh plans, but would cost him more than $6 in contributions for every $1 of tax benefit.

The large-scale farmer could be looking at a big tax bill if he sold out without capital gains treatment.

Since there are as many examples as there are farmers, it's possible that the Treasury's tax proposal, or others like it, might be of benefit to some. But since land, improvements, and other capital assets make up the bulk of most farm estates, the loss of capital gains would hurt.

Except for the retired or disabled farmer with only modest returns from farming, the other Treasury proposals would hurt more farmers than they would help.

RETIRED AND DISABLED FARMERS

21 percent of farms (100 acres).

Depreciable buildings and equipment—$10,000.

No hired labor. About one-third work off the farm.

Estimated income and income taxes, 1982

Gross farm sales	$7,500
Cash expenses	−3,500
Cash farm income	4,000
Straight-line depreciation	−1,000
Farm income	3,000
Wages and salary	3,000
Social security (not taxed)	6,000
Other income	5,000
Gross income	17,000
Social security	−6,000
Two age-65 exemptions	−4,000
Tax base before breaks	7,000
Tax from schedule Y	411
Tax breaks deducted from income:	
ACRS on $3,000	−630
60 percent capital gains exemption	−540
Tax base after deductions	5,830
Tax from schedule Y	271
Tax breaks deducted from taxes:	
Credit for the elderly	−150
Gas tax credit	−20
Investment credit, $1,000 for used tractor	−100
Tax	1

PART-TIME FARMERS

37% of farms (130 acres). Depreciable buildings and equipment—$15,000. Seasonal hired labor.

One works full time off the farm, one works part time.

Estimated income and income taxes, 1982

Gross farm sales	$6,500
Cash expenses	−3,500
Cash farm income	3,000
Straight-line depreciation	−1,500
Other noncash	−500
Farm income	1,000
Wages and salaries	24,000
Gross taxable income	25,000
Four exemptions	−4,000
Tax base before breaks	21,000
Tax from schedule Y	2,673
Tax breaks deducted from income:	
ACRS on $5,000	−990
Soil and water conservation	−1,625
Two-earner marrieds	−500
IRA contributions	−4,000
Tax base after deductions	13,885
Tax from schedule Y	1,403
Tax breaks deducted from taxes:	
Investment credit	−503
Child-care credit	−810
Gasoline credit	−45
Tax	45

FULL-TIME FAMILY FARMERS

20 percent of farms (340 acres). Depreciable buildings and equipment—$40,000. Less than 50 percent hired labor; wife works off the farm part time.

Estimated income and income taxes, 1982

Gross farm sales	$75,000
Cash expenses	−52,500
Cash farm income	22,500
Straight-line depreciation	−4,000
Other noncash costs	−1,000
Net farm income	17,500
Wages and salary	10,000
Other income	3,000
Gross taxable income	30,500
Four exemptions	−4,000
Tax base before breaks	26,500
Tax from schedule Y	3,940
Tax breaks deducted from income:	
ACRS on $20,000	−3,780
Family wages	−2,000
Capital gains on cattle sales	−1,000
Two-earner married	−500
Tax base after deductions	19,220
Tax from schedule Y	2,321
Tax breaks deducted from taxes:	
Investment credit	−1,000
Child-care credit	−1,000
Gasoline credit	−270
Tax	51

LARGE-SCALE FARMERS

8 percent of farms (1,040 acres). Depreciable buildings and equipment—$170,000. More than 50 percent hired labor. Both work part time off the farm.

Estimated income and income taxes, 1982

Gross sales	$225,000
Cash expenses	−180,000
Cash farm income	45,000
Straight-line depreciation	−17,000
Other noncash costs	−4,000
Farm income	24,000
Nonfarm income	14,000
Gross taxable income	38,000
Four exemptions	−4,000
Tax base before breaks	34,000
Tax from schedule Y	5,100
Tax breaks deducted from income:	
ACRS on $85,000	−17,000
Two-earner marrieds	−500
Tax base after deductions	16,500
Tax from schedule Y	1,831
Tax breaks deducted from taxes:	
Gasoline credit	−800
Investment credit	−2,000
Tax (carryover investment credit)	−969

ALCOHOL EDUCATION INITIATIVES OF DISTILLED SPIRITS INDUSTRY

Mrs. HAWKINS. Mr. President, on February 7, 1985, the Senate Subcommittee on Alcoholism and Drug Abuse, which I chair, heard extensive testimony on the subject of beer and wine advertising on radio and television. The subcommittee heard from Federal agencies, consumer groups, brewers, vintners, broadcasters, advertisers, constitutional scholars and others.

Absent from the panels giving testimony were representatives from the distilled spirits industry. These corporate citizens and their trade association representatives were not kept out of the proceedings nor were they being derelict in their duty of presenting the interests of the industry on a very important issue. They did not testify for the very simple reason that for over 50 years now, America's distillers have voluntarily refrained from advertising on the electronic media.

Within months of the passage of the constitutional amendment repealing prohibition the distilling industry's leaders approved the first provisions of a still modern, voluntary code of good practice. The first code was approved on October 27, 1934. Restriction on radio advertising, advertisements in religious publications and the use of women in advertising date from early 1936. New language, modifying and strengthening this early code, was introduced as circumstances changed and new questions arose. Thus, the restriction on television advertising was added in 1948. The latest version of this code of good practice, enforced and monitored by the Distilled Spirits Council of the United States [Discus], was approved November 15, 1983. Discus represents approximately 90 percent of the Nation's distillers.

I am very much impressed with the initiatives taken by the distilled spirits industry to recognize and accept a special responsibility for the legal, moral and health problems attendant to alcohol abuse. A number of these initiatives, undertaken with the cooperation of other national and local citizen, research, health and education organizations, merit particular attention:

In 1982, Discus cosponsored, with the Department of Transportation [DOT] and other leading traffic agencies, the first national drunk driving conference held in 10 years. Both 1983 and 1984 saw another national "lifesavers conference" on drunk driving being held, with Discus as the preeminent cosponsor of the conference.

As an ongoing project, Discus has sponsored independent development of objective source materials for alcohol education in our Nation's schools. "Learning about Alcohol" is one of the major source books developed by the

National Education Association [NEA] under a series of Discus grants.

Discus is proud to be a continuing major supporter of the BACCHUS—Boost Alcohol Consciousness Concerning the Health of University Students—program and SADD—Students Against Driving Drunk.

Since the mid-1970's Discus has cosponsored public advertisements with the National Football League [NFL]. Last year Brian Holloway of the New England Patriots served as campaign spokesman. He urged communities through print, radio, and TV ads, to start alcohol education programs.

The Contract For Life, a document which both parents and teenagers sign agreeing that either may call home for help at any time they or their driver has had too much to drink to drive safely, is a public service program of Discus, the NFL, and SADD.

Know Your Limits [KYL] is a perennial safe driving campaign cosponsored by Discus, local industry groups, and government traffic safety agencies. More than 40 million KYL cards have been distributed to the public since the program began.

Discus also sponsors a cooperative, nationwide campaign of public service advertising. The educational theme is "If you choose to drink, drink responsibly." These award-winning messages appear in national magazines such as Business Week, Industry Week, Washingtonian, Changing Times, U.S. News & World Report, Newsweek, Rolling Stone, and TV Times as well as in over 120 newspapers.

In 1979, 10 national beverage alcohol associations, including Discus, in cooperation with the U.S. Treasury, formed the Licensed Beverage Information Council [LBIC] to undertake a public and medical education campaign on drinking and pregnancy.

During 1983-84, LBIC cosponsored with the Department of Health and Human Services [HHS] the Healthy Mothers, Healthy Babies public education campaign aimed at expectant mothers. In January 1985, LBIC was given the HHS Award, signed the Surgeon General and the Assistant Secretary for Health, for this program.

In 1982-83, the LBIC, in conjunction with the Outdoor Advertising Association of America [OAAA], initiated a Friends Don't Let Friends Drive Drunk billboard and radio public service campaign.

The 1984 billboard campaign was launched at the Department of Transportation with an endorsement by Secretary of Transportation, Elizabeth Hanford Dole. President Reagan lauded the campaign in a holiday season media broadcast.

In November 1984, Discus began its most recent educational, awareness program—Moderation is in the Public Interest—which encourages alcohol education at the community level.

Finally, let me say how pleased I am that one of my corporate constituents, the Miami-based Bacardi Imports Inc, is spending some $3 million this year, 30 percent of their advertising budget, on a series of ads educating consumers about the potency of various beverages and encouraging moderation in consumption. One particularly striking ad notes that "Bacardi Rum mixes with everything—except driving."

HONORARY CONSULAR CORPS

Mr. CRANSTON. Mr. President, I rise today to commend the services of the Honorary Consular Corps.

Honorary consuls, who number approximately 1,100, are U.S. citizens appointed by foreign governments to represent them in this country. The Honorary Consular Corps serves an extremely useful function because many nations cannot afford to have full-time consular officers throughout the United States. Honorary consuls step in to fill the gap providing information and assistance to foreign nationals visiting the United States and helping to expand our knowledge and understanding of other countries.

Honorary consuls perform many functions similar to those of career consuls. Like career consuls, they assist foreign representatives visiting the United States, and they help to welcome ambassadors, foreign ministers, trade officials and foreign dignitaries. They act as liasion when necessary and promote economic and cultural ties.

Because honorary consuls come from a variety of backgrounds and are not career diplomats, they also offer a different perspective on the United States. At the same time, they lend their own experience and expertise to the nations they represent and share useful insights about the United States.

One service of particular value is the work honorary consuls do to foster friendships between our country and a host of nations. In a world that daily becomes more intertwined, we cannot underestimate the importance of understanding and being understood by our neighbors on this Earth.

The work done by the members of the Honorary Consular Corps is a testament to their good will. They do not receive monetary compensation for their efforts. Theirs is a freely given and valuable contribution to making our world a better and more peaceful one.

THE MARY McLEOD BETHUNE COMMEMORATIVE POSTAL STAMP

Mr. THURMOND. Mr. President, one of the greatest tributes any American could receive is to have their image appear on a U.S. commemorative postage stamp. Thus, I am pleased that the U.S. Postal Service has recently issued a 22-cent stamp honoring the late Mary McLeod Bethune, a native of South Carolina.

Born in Mayesville, SC, in 1875, Ms. Bethune was the daughter of former slaves, and was raised in economic and educational poverty. Her determined family members pooled their humble efforts to send Ms. Bethune to a mission school. This was the beginning of a long, arduous, and legendary pilgrimage for one of our Nation's greatest educators.

After graduating from the Moody Bible Institute in Chicago, Ms. Bethune taught school in Georgia and South Carolina. She later moved to Daytona Beach, FL, were she founded the Daytona Normal and Industrial School, now Bethune-Cookman College.

Upgrading educational opportunities for blacks was only one of Mary McLeod Bethune's many achievements. She rose to national prominence as a pioneer in civil rights reform, and served as a leading government official and a trusted adviser to three U.S. presidents.

Indeed, Ms. Bethune's lifetime contributions continue to inspire others faced with seemingly insurmountable obstacles. Mary McLeod Bethune, a woman of conviction and determination, proved that no goal is unattainable when you believe in your cause, yourself, and most importantly, God.

Mr. President, on March 9, 1985, nearly 30 years after Ms. Bethune's death, the U.S. Postal Service held a ceremony in Mayesville dedicating the new stamp to this remarkable individual. My fellow South Carolinians and I are proud of the significant achievements of Mary McLeod Bethune, and I commend the U.S. Postal Service for commemorating her in such a deserving manner. In order to provide more details about Ms. Bethune, I ask unanimous consent that the following article from the Columbia (SC) Record and Ms. Bethune's biography be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Columbia (SC) Record, Mar. 10, 1985]

"CEREMONY RECALLS MRS. BETHUNE"

Mary McLeod Bethune was the 15th child in a Sumter County sharecropper's family, but she rose to be an adviser to four presidents.

Yesterday, at a ceremony in her hometown of Mayesville, U.S. Postal Service officials recalled Mrs. Bethune's extraordinary accomplishments and the legacy she left behind—a legacy or racial dignity.

The ceremony, which about 400 people attended, was held to cite the many reasons for issuing a stamp in honor of the late social activist and educator. The 22-cent commemorative stamp was issued last Tuesday.

On hand for the presentation was Rebecca McGee, Mrs. Bethune's 91-year-old niece, and Estrella McCoy, a high school student who asked postal officials in 1981 to issue a commemorative stamp in Mrs. Bethune's honor.

"I can remember how good she was," said Mrs. McGee, who was presented a framed portrait of the stamp. "She was a loving person. To know her was to love her."

Postal official Hebert L. Brown said Mrs. Bethune, who died in 1955 at the age of 80, was chosen for the stamp because "her character exemplifies the character of the nation, which is love, hope and faith.

He said Mrs. Bethune was a "very dignified" woman.

"She would want all black youths to be dignified, to be proud, and she left her legacy behind so you can be a dignified black person," Brown said.

Mrs. Bethune started Bethune-Cookman College and also founded the National Council of Negro Women. In 1936, she was appointed director of the Division of Negro Affairs for the National Youth Administration.

[Taken from the Dictionary of American Negro Biography]

BIOGRAPHY OF MARY JANE MCLEOD BETHUNE

Bethune, Mary Jane McLeod (1875–1955), educator, civil rights leader, advisor to presidents, and government officials. She was born July 10, 1875, in Mayesville, S.C., the fifteenth child of former slaves, Samuel and Patsy McLeod. Since she was one of their first children born free, her family struggled of send her to the local Presbyterian Mission School for Negroes. Through scholarships and jobs she attended Scotia Seminary (now Barber-Scotia College) in Concord, N.C., and Moody Bible Institute in Chicago. Upon graduation from Moody in 1895 she returned south to teach, first at Haines Institute in Augusta, Ga., and then in Sumter, S.C. In Sumter she met and married a fellow teacher, Albertus Bethune. The following year (1898) their only son, Albert McLeod Bethune, was born. In 1899 Mrs. Bethune taught in the Palatka (Florida) Mission School. After four years of work, she moved on to Daytona Beach, Fla., where in 1904 she founded the Daytona Normal and Industrial School (now Bethune-Cookman College).

Her herculean struggle to build this school over the next two decades brought her to national attention. In 1920 she became a vice-president of the National Urban League, She also served two terms as president of the National Association of Colored Women (1924–1928). Beginning with the Coolidge administration, she served as counsellor and advisor on Negro education and general problems of minority groups to five succesive presidents. Her participation in this capacity reached its zenith during the administration of Franklin D. Roosevelt. In 1935 she founded the National Council of Negro Women (NCNW) as an umbrella organization of Negro women organizations. Under the New Deal's National Youth Administration (NYA), Bethune served as director of the Division of Minority Affairs from 1936 to 1943. In 1945 as special representative of the State Department she attended the conference in San Francisco which established the United Nations. She was also special assistant to the secretary of war (1945) for the selection of candidates for the Women's Army Corps (WAC), established as the Women's Army Auxiliary Corps in 1942. From 1945 to her death in 1955 she was one of the more influential women in the United States. She died of a heart attack at her home in Daytona Beach on May 18, 1955. Funeral services were held in Bethune-Cookman Auditorium, where the eulogy was delivered by Howard Thurman. She was buried on the campus. She was survived by a son Albert, a grandson, a granddaughter, and five great-grand-children, all of Daytona Beach.

Among her many awards were the Spingarn Medal from the NAACP (1935), the Medal of Honor and Merit from the Republique d'Haiti (1949), the Star of Africa from the Republic of Liberia (1952), the Frances Drexel Award for Distinguished Service (1937), and the Thomas Jefferson Award (1942) for outstanding leadership. She was the recipient of numerous honorary degrees. Her death, just prior to her eightieth birthday, brought to a close an intense and unrelenting struggle for Negro progress and opportunity that spanned some sixty years.

The McLeod family, poor by national standards, were the symbol of stability and unity in the Negro community of Mayesville. Deciding against migration at the end of slavery, Samuel and Pasty McLeod gathered together their surviving fourteen children (some having been sold to neighboring plantations) and grandmother Sophia and struggled to buy land for a small farm. This tightly knit Methodist family fashioned, as far as their material resources allowed, a life that reflected highly set goals. Their priorities of securing land, storing food for harder times, and sharing with those less fortunate soon included an education for Mary Jane.

As a child, Mary McLeod was keenly aware of the differences between the comforts of the more affluent white family for whom her mother worked and the more barren realities of her home. Education, especially reading, became a key to this great gap in her early years because of an incident she experienced with the white daughter of that family. One day while playing, Mary picked up a book that was snatched by her white playmate who explained that since Negroes could not read, the book was not for her. To this child, reading then became the symbol of such differences between whites and Negroes as houses with windows and log cabins without them. Education remained high on her list of necessities for eliminating the gaps between Negroes and whites, although as her world widened she added many others, including political organizations, pride in oneself, faith, and skilled use of power.

The resources of the family were galvanized to send her to the local school. After she completed her studies there, her teacher, Emma Wilson, found a patron for her in a Mary Crissmon, a white Quaker schoolteacher from Denver, Colo., to finance her education at Scotia Seminary and the Moody Bible Institute, where she planned to become a missionary. When she finished in 1895 she was unable to gain placement as a missionary in Africa. At the age of twenty she was teaching school at Haines Institute in Augusta, Ga., under Lucy Laney. It was Laney who showed McLeod that there was an essential mission to be carried out among Negroes in the United States that was as worthy as a comparable one in Africa.

In 1897, while teaching at the Kindall Institute in Sumter, she married Albertus Bethune. When their son was only six months old, Mrs. Bethune accepted a teaching position in Palatka, Fla. After the reorganization of the Palatka Mission School, she was attracted by the problems and needs of the Negro workers building the railroad in Florida. In 1904 she and her son joined them in Daytona Beach, Fla. The Daytona Normal and Industrial School for Negro Girls was started the same year with the sum of $1.50. Within two years this school had grown to 250 students and included boys in the student body.

Bethune saw the school as the center of the community and thereby responsible to the entire Negro community. This philosophy, guiding her work over the next twenty years, led her to have a day and night school, a curriculum that included the development of the mind, hands, and heart through an integrated academic, vocational, and religious program; the organization of a series of mission schools serviced by her students in the turpentine camps surrounding Daytona Beach. She organized a hospital for Daytona Negroes after her students were refused service in the white hospital; her singing group visited jails as well as the local hotels; and in 1920 she organized the local Negro community to vote for municipal services in face of overt hostility from the local Ku Klux Klan.

The needs of the community soon demanded a larger campus, and in 1907, on the city dump nicknamed "Hell's Hole," the first building was completed on the new campus. Faith Hall and other buildings followed. Of her efforts to buy land for the campus, she wrote: "I have learned already that one of my important jobs was to be a good beggar; I rang doorbells and tackled cold prospects without a lead. I wrote articles for whoever would print them, distributed leaflets, rode interminable miles of dusty roads on my old bicycle, invaded churches, clubs, lodges, chambers of commerce. If a prospect refused to make a contribution I would say "thank you for your time." No matter how deep my hurt, I always smiled. I refused to be discouraged, for neither God nor man could use a discouraged soul."

These efforts brought her and the school lifelong friends among the affluent visitors who vacationed in Daytona. The major contributors were James M. Gamble of Procter and Gamble Enterprises and Thomas H. White of the White Sewing Machine Company. The needs of the school led her to travel in search of funds and support. Her work brought her much-needed support from the Negro leaders of the day such as Booker T. Washington and Mary Church Terrell of the National Association of Colored Women.

After serving on the National Child Welfare Commission during the Coolidge and Hoover administrations, she came to Washington in 1935 as a special advisor on minority affairs under the Roosevelt administration. By 1936 she had become the director of the Division of Negro Affairs in the NYA, and one of the few Negroes in the country who had personal access to the president. In her role as director, Bethune traveled the country inspecting the various projects set up to serve the needs of youth during the Depression. She was also able to influence the expenditure of NYA funds for such Negro institutions as Bethune-Cookman College.

The New Deal period provided fertile ground for national organizations. In 1935 Bethune organized the National Council of Negro Women in keeping with her theory that such a coalition would provide a more powerful platform from which to be heard. Following the same strategy, in August 1936

she called together Negroes holding various positions in the Roosevelt administration to her home to plan ways to secure the Negro's fair share of the New Deal. This group became known as the Black Cabinet, and was the foundation of two national conferences organized by Bethune, and supported by the NYA, to explore problems and solutions further. The "Blue Book" was the result of the first conference on civil liberties, held in January 1937. It was Bethune's task to deliver this report to the president, although the response to this statement of Negro concerns was slight, it remained a testimony of Bethune's efforts at effecting change and opportunity for her people. Her influence was particularly strong because of her personal friendship with Mrs. Eleanor Roosevelt.

With the United States entry into World War II, Mrs. Bethune pledged the support of the NCNW and saw the first Negroes hired in the National Defense plants who had been trained in the NYA centers. Although she supported the national effort, she never allowed it to be construed that she supported segregation in the armed forces, especially in the training of the Women's Auxiliary Army Corps at Fort Des Moines, Iowa (1917).

After the NYA ceased on Aug. 3, 1943, Bethune continued her work as an advocate of her people, though ill health had forced her to give up the presidency of Bethune-Cookman College in 1942. She missed no opportunity to make a point in the name of dignity and respect due every human being. She was widely known for not answering to "Mary," or "Auntie," or any of the other names commonly used to refer to Negro women. During a stay at Johns Hopkins hospital for a sinus operation in 1940, she demanded that two Negro doctors be allowed to observe the operation, a first for Johns Hopkins. Her doctors were among the many whites who were reprimanded for not addressing her properly as "Mrs. Bethune." Bethune developed a flair for dress, characterized by long capes, velvets, jewelry, and a cane that she said she carried for "swank." A big woman who made an impressive figure, she used it and her superb oratorical ability to influence audiences, especially in the United States. Of herself she said many times, "Look at me, I am Black, I am beautiful."

In the latter years of her life she continued to travel, against the wishes of her doctor, and to publish her views, with the assistance of Constance Daniels, in newspaper columns in the *Chicago Defender* and the *Pittsburgh Courier.* Her theories and philosophy were published in several anthologies, notably chapters in *What the Negro Wants* (1944) edited by Rayford W. Logan, and *Thirteen Americans, Their Spiritual Autobiographies* (1953) edited by Louis Finkelstein. In these efforts Bethune's image of herself as a missionary for her people, and all mankind less fortunate and shackled by racial and economic discrimination, was prominent. In her "last Will and Testament" (first published in *Ebony,* Aug. 1955, again in Sept. 1963, and for a third time in Nov. 1973) she emphasized several essentials for the forward movement of her people. Self-respect, pride, and love for oneself as a Negro were among the gifts she left to here "children." On her death, Mrs. William Thomas Mason, then president of the NCNW, said: "She built innumerable bridges between the races through her depth of understanding of the problems of the Negro people and the ideals of America." The *Pittsburgh Courier* ended its tribute to her with these words: "The accident of color made here Negro and she ennobled the word." On the ninety-ninth anniversary of her birth, a bronze statue commemorating her leadership was unveiled in Lincoln Park, Washing on, D.C. It was the first statue in hono of any woman and of any Negro in a put ic park in the nation's capital.

A more thorough treatment of Mrs. Bethune's life is in the following biographies: Catherine Owens Peare's *Mary McLeod Bethune* (1951), Rackham Holt's *Mary McLeod Bethune, a Biography* (1964), and Emma Gelders Sterne's *Mary McLeod Bethune* (1957). There is an obituary in *JNH,* probably written by William M. Brewer (Oct. 1955, pp. 393-95). Bethune kept a diary for most of her productive years and her papers are in the memorial erected for her on the Bethune-Cookman campus in Daytona Beach, Fla.—Bernice Reagon

TRIBUTE TO HON. PATRICIA ROBERTS HARRIS

Mr. HATCH. Mr. President, it is commonly said of those with whom we may disagree at the moment that they are "living in the past." None of us wants to be accused of using yesterday's solutions—which are now inadequate—as salves for today's problems. And so many here on the banks of the Potomac scramble to avoid that accusation that we are incapable of recognizing someone who may go to the other extreme, someone who truly lives in the future.

Just as we shun those who live in the past, so should we seek out and follow those who have a vision worth following of what life is to be. One such person, who perhaps lived so far in the future that she left us much too soon, was Patricia Roberts Harris.

Two examples of her forward thinking have been highlighted in comments about her since her death. As many people did who are now prominent in the United States, Mrs. Harris led a movement to desegregate a lunch counter here in Washington, DC. And as we have come to expect of many other women, Mrs. Harris graduated first in her class at the national law center at the George Washington University. What makes these events noteworthy to us is that she did these things so early. She led the lunch counter desegregation drive in 1943, years before President Truman ordered the military desegregated, and a generation before the famous sit-ins of the early 1960's that stirred the rest of the country to action against racial segregation. She graduated from law school in 1960, 4 years before the Civil Rights Act that many credit with opening the doors of professional education—and professional opportunity—to others of her sex.

Our national debates feature arguments that achievements such as these are difficult for women or blacks in 1985. It must have been nearly impossible for a woman and a black then.

Yet, Mrs. Harris did these things, and she did them as if to offer a preview of the life of service to Americans that was to follow.

She was the first black woman to serve in the Cabinet, first as Secretary of Housing and Urban Development, then as Secretary of Health, Education, and Welfare—the Department was restructured during her tenure, to become the Department of Health and Human Services when the Department of Education was created. Before that she was the first black woman to become an Ambassador, to become dean of a law school, and the first U.S. black to serve as a delegate to the United Nations. She ambitiously carried out the duties of these high Government positions. She performed her duties with great dignity and honor.

But these were only the most visible of her public services. Her service to education when she was outside of Government, as a member of the board of directors of Georgetown University and as a member of the Carnegie Commission on the Future of Higher Education—to pick two examples—is much less known, but no less noteworthy. Mrs. Harris pushed for reform of laws and government wherever she thought good might be accomplished during more than three decades—as a member of the United States-Puerto Rico Commission on the Status of Puerto Rico, and a member of the executive committee of the National Women's Committee on Civil Rights in 1963 and 1964—just prior to the passage of the landmark Civil Rights Act of 1964—as a member of the District of Columbia Law Revision Committee, as a member of the National Capital Area Young Womens Christian Association [YWCA], as a member of the Home Rule Committee for the District of Columbia, as a member of the National Committee on the Causes and Prevention of Violence, and as a trustee of the 20th Century Fund.

In honor of her outstanding accomplishment, no fewer than 23 different colleges and universities awarded her honorary degrees.

I was impressed again with Mrs. Harris' drive last year when the George Washington University was debating how and whether its outstanding part-time division of the national law center should be continued. I followed the controversy because that program has a disproportionately large impact on Utah, my home State. Outstanding graduates from the national law center's part-time division are found in all corners of the legal community in Utah, as lawyers and judges, and as congressmen and senators. The issue was a crucial one. When it appeared that a faculty vote on the issue would be very close, Mrs. Harris—who was by that time already

stricken with the disease that would eventually take her life—could not be kept from the faculty meeting, where she voted to continue the program. She voted in the minority that afternoon. But the simple fact that Mrs. Harris felt so strongly about the issue helped persuade the board of directors of the school to conduct an extensive study of the proposal to close the part-time division. In the end, the board crafted a plan to save and improve the program. That faculty vote which required so much effort for Mrs. Harris was, ultimately, not the deciding vote. She could have stayed away for the good of her health, and no one would have condemned her. But she made the effort to get to the meeting, sat through the hours of debate and voted—and that simple act, made under trying circumstances, helped push the decision the other way.

We suffer from a lack of people with the vision to see the solutions to the many problems we face. We suffer from a lack of people who can inspire others to see their vision of a better future, and inspire others to follow them to work to achieve that future. So, Mr. President, it is a serious blow to our Nation when we lose such a person, as we have recently lost Patricia Roberts Harris. I do not know of anyone to take her place, although I hope for our sake such people with such great talents exist. But I do know that our Nation will be much the better if just a few people would try to achieve as much as Mrs. Harris did in her life. Our Nation would be much improved if those who try were able to achieve only half as much.

Our Nation needs beacons, and she was a lighthouse. Patricia Roberts Harris will be sorely missed.

100TH, 150TH, AND 200TH ANNIVERSARIES OF SOUTH CAROLINA CITIES AND COUNTIES

Mr. THURMOND. Mr. President, the great State of South Carolina enjoys a rich heritage steeped in tradition. As one of the Original Thirteen Colonies, the Palmetto State has long been in the forefront of America's history.

During the American Revolution, South Carolina was a focal point of many pivotal events crucial to our Nation's founding. Battles such as Kings Mountain, Cowpens, Ninety Six, and Camden are just a few of the skirmishes which set the stage for an ultimate colonial victory over British troops.

Years later, South Carolina was the setting for yet another important occurrence. In Charleston Harbor, the first shots of the War Between the States resonated the deafening inauguration of our country's darkest era.

Throughout South Carolina, there are several towns, cities, and counties that have served as the backdrop to these historical occasions. These regions have matured with America, and have played an important role in the progress of our State and Nation.

Mr. President, 1985 marks the 100th, 150th, or 200th anniversary of 30 towns, cities, and counties in South Carolina. All across our State, these areas will be celebrating their foundings and incorporations with festivals, galas, parades, and banquets. I am especially pleased to congratulate those localities on their respective centennials, sesquicentennials, and bicentennials.

I know that my fellow South Carolinians and colleagues in the Senate would want to join me in recognizing the following towns, cities, and counties as they celebrate anniversaries this year:

200-YEAR CELEBRATION

Counties: Abbeville, Chester, Chesterfield, Clarendon, Darlington, Edgefield, Fairfield, Lancaster, Laurens, Marlboro, Newberry, Richland, Spartanburg, Sumter, York.

150-YEAR CELEBRATION

Cities: Aiken, Darlington.

100-YEAR CELEBRATION

Cities or towns: Foreston, Glenn Springs, Grahams, Knightville, Lewisdale, Martin's Depot, Modoc, Moncks Corner, Mt. Carmel, Rumphville, Tatum, Waterloo, Windsor.

TRIBUTE TO SAFER FOUNDATION

Mr. DIXON. Mr. President, I would like to call to the attention of my colleagues the superb work by the Safer Foundation of Chicago in easing the return to society of persons who have completed a sentence in prison.

The foundation will celebrate its 15th anniversary on April 18 with a dinner at the Hyatt Regency Hotel in Chicago, and a happy occasion it is.

The safer foundation is a not-for-profit group funded by both government and private sector contributions. It assists ex-prisoners in finding work and in so doing makes the entire community a better place to live.

Mr. President, the safer foundation serves as an excellent example of what can be accomplished when caring people work together with government and business.

I want to commend everyone involved with the safer foundation on the work they do, and I wish the organization the best of luck and a bright future.

THE SHINING PATH

Mrs. HAWKINS. Mr. President, late last summer my Subcommittee on Children, Family, Drugs and Alcoholism conducted a hearing into the connection between drugs and terrorism. During this hearing, numerous terrorist groups, funded in large part from the profits of illegal narcotics trafficking, were discussed. One of these groups struck me as particularly terrifying—"Sendero Luminoso"—the Shining Path of Peru.

This view is substantiated in a recent article in the Outlook section of the Washington Post on Sunday, March 24. In this article, a reporter who had lived in Peru, and had become familiar with Peruvian culture and society, discusses the adverse changes brought about by this terrorist group in Peru.

The Shining Path has had an impact not only on rural areas in Peru, but also on Peru's capital city of Lima. While this guerrilla group seems to specialize in terrorizing rural people who do not accept its domination, the city of Lima has also reacted to the terrorism of the Shining Path. As the author of the Washington Post article puts it:

> I was stunned to find soldiers and police with sub-machine guns on every corner facing the congested sidewalks. Arrests, explosions, and blackouts have become commonplace. At night, taxi drivers follow complex detours through the darkened streets to avoid the many barricades set up around police and military installations. The city's tension is palpable, all because of this small, strange band of revolutionaries.

The Shining Path is recognized as unique among terrorist groups for many reasons. Its emphasis on secrecy, its organization into small, independent cells, its small membership—estimated at 1,500 to 2,000—and its violent tactics tend to obscure its origins and its objectives. One conclusion is inescapable, however—the Shining Path of Peru is the most mysterious, and perhaps the most dangerous, terrorist group in Latin America today.

An aspect of the Sendero Luminoso particularly difficult to comprehend is the focus of their violence on members of their own ethnic group and economic class. The Shining Path uses the Communist logo—the hammer and cycle—and espouses Communist philosophy, but its sheer ruthlessness has led even the Chinese Communist Party to disavow the movement. This terrorist group continues to impose its presence, though, not by philosophical persuasion, but by imposing a reign of terror in whole sections of Peru.

The unstable economic, political, and social situations that exist in Peru certainly contribute to the success of the Shining Path; this, and the increasingly lucrative coca crop that funds their operations. In their professed desire to destroy modern society, the Shining Path has, and will, utilize any means, whether it is drug trafficking, murder, or kidnaping, to bring about this destruction. Through violence and fear, both the rural, Indian-speaking peasant population, and the urban, Spanish-speaking population of Peru are coerced into cooperating with the Shining Path. Peru's security forces have proved themselves unwill-

ing or unable to deal with this group. Although the military has exerted some effort to resist the growing domination of the Shining Path, it has too often been misdirected, and innocent citizens pay the price.

Mr. President, if there is anyone left on this Earth who thinks that illicit narcotics doesn't affect each and every one of us—from the most primitive, hut-dwelling peasant in the Peruvian mountains, to the most gifted, successful comedian in Hollywood—I would like him or her to read about the Shining Path. It is incontrovertable proof that those who deal in drugs are as deadly and destructive as the drugs themselves.

ADMINISTRATION POLICY ON CHILE

Mr. KENNEDY. Mr. President, on March 5, I placed in the RECORD an editorial from the New York Times of February 25, with remarks of my own, relating to the administration's questionable policy toward Chile. Subsequently, it came to my attention that the Times on February 28 had printed an Editors' Note acknowledging that part of the editorial had been based on a news dispatch published on February 21 that had quoted Assistant Secretary of State Langhorne A. Motley out of context.

Yesterday, the Senator from Alaska, Mr. MURKOWSKI, placed the Editors' Note in the RECORD. Although my remarks on Chile in the March 5 RECORD referred to other comments by Mr. Motley, they did not mention the quotation at issue in the Editors' Note published by the Times on February 28.

Mr. President, in this situation, I believe it is worthwhile to have all the relevant materials appear in one place in the RECORD. I ask unanimous consent that my comments of March 5, the original New York Times editorial of February 25, the news dispatch printed on February 21, and the Editors' Note of February 28 may be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Mar. 5, 1985 (p. S2457)]

ADMINISTRATION POLICY ON CHILE

Mr. KENNEDY. Mr. President, I have read with interest recent press reports that the Reagan Administration has stepped up efforts to move Chile's 11-year-old military dictatorship toward a return to democracy. The first manifestation of this policy was the administration's commendable decision to abstain on a $130 million industrial recovery loan to Chile by the Inter-American Development Bank in order to protest the renewal for another 90 days of the state of siege imposed by General Pinochet last November. The recent visit of Assistant Secretary of State Langhorne Motley to Chile and the upcoming visit of Deputy Assistant Secretary of Defense Nestor Sanchez were reportedly planned for the purpose of pressuring the Chilean Government and the non-Communist opposition to resume a dialog on a timetable for a transition to democracy.

The visit of Mr. Motley, however, suggests that the administration's new approach to Chile is more smoke than fire. According to press resports, he told American businessmen in Chile that the administration's abstention on the bank loan was a concession to congressional pressure and did not indicate a change in policy toward Chile. Mr. Motley is also reported to have said that "it would not be appropriate for a gringo to try to muscle General Pinochet." This statement stands in sharp contrast to the administration's willingness to use pressure to force the leftist regime in Nicaragua to democratize—even to the point of threatening to overthrow it if it does not include opposition elements in the Government.

Given his reluctance to exert pressure on Pinochet, it is not surprising that Mr. Motley's trip brought such meager results. A State Department official said that Pinochet "did not give * * * any specific dates nor calendars nor chronology" for democratic reforms but only gave Mr. Motley vague assurances about an eventual transition to democracy.

Mr. President, unless the United States is willing to use its substantial economic leverage by blocking multilateral development bank loans to Chile, the Pinochet regime will not budge from its stubborn refusal to carry out democratic reforms. High-level visits that signal the administration's unwillingness to use pressure will not persuade Pinochet that we are serious about encouraging democracy in Chile but will only give him greater respectability and demoralize the democratic opposition. In a recent editorial, the New York Times eloquently described the folly of the administration's approach to Chile. I request that the entire text be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

FOUR MORE YEARS IN CHILE?

The Reagan Administration is reconciled to four more years of military dictatorship in Chile and not even embarrassed to say so. That is the incredible message delivered there this week by Assistant Secretary of State Lanhorne Motley. He rests easy with the Pinochet regime's plan to permit no elections until 1989. No one should be either alarmed or fooled by Washington's recent refusal to vote for new international loans to Chile. That was only an empty gesture intended to impress liberals in Congress.

Mr. Motley's diplomacy is truly breathtaking. He was the highest ranking American visitor to Chile since General Pinochet reimposed a state of siege last fall and ended all pretense of liberation. The mass roundups of a decade ago were resumed, alienating Chilean politicians of every stripe and leading to the dismissal of Sergio Onofre Iarpa, the most impressive civilian in the Pinochet Cabinet.

How did all this impress Mr. Motley? "My impression is this destiny of Chile, in Chilean hands, is in goods hands."

This appalling stance is particularly hard to take from an Administration that has been claiming so much credit for the restoration of democracy in a number of South American countries. Its unwillingness to give any credit to the pressures applied by the Carter Administration once seemed only partisan. Now it seems right to wonder whether the Reagan team feels any responsibility for political trends in the hemisphere.

Much depends on the Chilean drama. Across the continent the future constitutional position of the military is a subject of delicate negotiation. Continuing violence and unrest in Chile, which the dictatorship invites with its policies, make life even more difficult for the fragile democracies in neighboring states. A democratic restoration, however, could brighten economic prospects, facilitating regional cooperation and pressure foreign investors.

For decades prior to 1973, Chile was a democratic redoubt in a sea of Latin dictators. Today, the reverse is true. It may take four years or more to get rid of this dictatorship, but even one year should be too long for representatives of the United States.

[From the New York Times, Feb. 21, 1985]

U.S. ENVOY, ENDING CHILE VISIT, AVOIDS ANY CRITICISM OF PINOCHET

SANTIAGO, February 20.—A high-ranking Reagan Administration official said tonight that Chile still has "a way to go" in its political development, but in contrast to recent State Department declarations, the official avoided virtually any criticism of the Chilean Government.

"My impression is this destiny of Chile, in Chilean hands, is in good hands," said Langhorne A. Motley, Assistant Secretary of State for InterAmerican Affairs, who was ending a four-day visit here.

Mr. Motley's departure statement at the airport and responses to questions seemed to underscore the feeling among some opposition leaders and businessmen he met with during his four-day trip here that the United States would not dramatically step up pressure on Chile's leaders to bring about a transition to democracy.

"Fundamentally, President Reagan believes each country sets the pace at which it goes through the transition to democracy," Mr. Motley said. In response to a question about the concerns of the United States, he added that he would not use the word "concern," but "interests."

Mr. Motley listed those interests as "stability" and the country's ability "to have economic development for the people."

Recent State Department declarations have stressed Washington's "concern over the course of events in Chile and specifically the absence of a dialogue between the Government and the democratic opposition." Mr. Motley's unexpected visit was announced soon after Gen. Augusto Pinochet renewed a state of siege earlier this month, and restated his intention to remain in power until at least 1989. It was viewed as one of a series of recent developments that could signal a possible change in American policy toward Chile.

But while here, Mr. Motley stressed to various groups that the Reagan Administration would not change its policies substantially, according to opposition leaders.

Some diplomats have said they favor the idea of pressing the Government to appoint a congress or hold mayoral elections. These proposals, however, seem unlikely in the current political situation, in which the Government has imposed strict press censorship and delayed acting to permit political parties to organize.

The Administration, opposition leaders and officials seemed more concerned that the Government follow through in prepar-

ing the country for a transition to democracy in 1989 than in speeding up that process.

In line with this objective, they said they expected the United States to continue to apply diplomatic pressure to end the state of siege and lift press censorship, but did not expect stronger action such as attempts to block loans from international lending agencies.

"They are not ready to use any economic leverage," an opposition leader said.

To protest the Government's human rights record, the United States recently abstained from voting on a loan from the International Development Bank. But Mr. Motley tried to reassure businessmen here that the abstention was a concession to Congressional pressure and did not indicate a change in policy toward Chile, according to an American businessman.

Mr. Motley did not comment on any loans, but seemed to indicate the Reagan Administration was willing to give Mr. Pinochet more time to show progress in a transition to democracy. He said that the Government had yet to carry through with certain tasks the 1980 Constitution envisioned as taking place between 1980 and 1989, such as the law to legalize the registration of political parties. However, he added, "it is also correct to say that this is 1985 and not 1989."

In the next six months, the World Bank will consider two loans for Chile—one for $10 million to $12 million and another for $600 million over the next three years, according to economists.

Failure to get the larger loan would be devastating to Chile, they said. But diplomats and politicians here doubted that the United States would make a serious effort to block the loans.

In part, they said, Washington was unlikely to pursue such action because officials doubted it would have any effect. "The fact of the matter is that Pinochet doesn't give a damn about the U.S.," a businessman said.

Mr. Motley met with general Pinochet, nearly all top Government officials and opposition leaders during his visit, which was reported extensively by the press here and included a day of fishing in southern Chile. Rather than making any statements critical of the Government, State Department officials stressed to the local press that he was here "to listen" and "to learn."

One political source said Motley had left his meeting with President Pinochet even more convinced that the military ruler had no intention of giving up power early or making room for the political parties.

The State Department is said to be most concerned about the delay in the law legalizing political parties and would consider an announcement of the law as an indication of some progress, according to diplomats and local party leaders.

"We will have a political parties law soon and that will calm things down," a Chilean political leader said. "The U.S. will be happy with that."

But even if the law was announced, parties would still be prevented from organizing because of the state of siege.

[From the New York Times, Feb. 28, 1985]

EDITOR'S NOTE

Under this heading, The Times amplifies articles or rectifies what the editors consider significant lapses of fairness, balance or perspective.

A dispatch from Santiago in late editions last Thursday reported on a visit to Chile by a high-ranking official of the Reagan Administration.

The official, Langhorne A. Motley, Assistant Secretary of State for Inter-American Affairs, was quoted as saying in his departure statement, "My impression is this destiny of Chile, in Chilean hands, is in good hands." (An editorial on Monday, based partly on that report, also cited the quotation.)

By omitting the context of Mr. Motley's remarks, the dispatch may have left a misleading impression about the "Chilean hands" to which he referred.

Mr. Motley's full comment was: "From my perspective, I think that Chile has faced challenges and come a long way and, I think, still has a way to go. But the important thing, I think, for me to take back to the leaders of my Government is that the destiny of Chile is in Chilean hands—and by that I mean all Chileans: people in the Government, people that want to participate in the political process, people in the economic and social arena. And the impression that I take back to the leaders of my Government is that this destiny of Chile, in Chilean hands, is in good hands."

MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate on April 1, 1985, during the recess of the Senate, received a message from the President of the United States submitting sundry nominations; which were referred to the appropriate committees.

(The nominations received on April 1, 1985, are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 4:50 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 730. An act to declare that the United States hold in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, Arizona.

The message also announced that pursuant to the provisions of section 3 of Public Law 94-304, as amended by section 1 of Public Law 99-7, the Speaker appoints as majority members of the Commission on Security and Cooperation in Europe the following Members on the part of the House: Mr. HOYER, Cochairman, Mr. FASCELL, Mr. YATES, Mr. WIRTH, and Mr. MARKEY.

The message further announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency relief and recovery in Africa, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 13, and agrees thereto, and it recedes from its disagreement to the amendments of the Senate numbered 2, 6, 8, 9, and 14 to the bill, and agrees thereto, each with an amendment in which it requests the concurrence of the Senate.

MEASURE HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent pending further disposition:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, Arizona.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-133. Concurrent resolution adopted by the General Assembly of the State of Arkansas; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE CONCURRENT RESOLUTION EXPRESSING FULL SUPPORT FOR UNITED STATES RESOLUTION 65 OF 1985 BY ARKANSAS SENATOR DALE BUMPERS

"Whereas, Arkansas is in the forefront of states concerned about the future of our soil and water resources; and

"Whereas, the Soil Conservation Service is an integral part of insuring the future value of these resources; and

"Whereas, United States Senate Resolution 65 of 1985, by Arkansas Senator Dale Bumpers et al, commends the Soil Conservation Service and the agency's efforts to strengthen our Nation's agriculture base and expresses full support for continued funding for the Soil Conservation Service and the critical programs that it administers. Now therefore,

"Be it resolved by the Senate of the seventy-fifth General Assembly of the State of Arkansas, the House of Representatives concurring therein; That the Arkansas General Assembly fully supports the intent of United States Senate Resolution 65 of 1985, and hereby voices its support for the Soil Conservation Service and the program it administers, and that upon adoption of this Senate Concurrent Resolution, a copy hereof shall be transmitted by the Secretary of State to the presiding officer of the United States Senate, the United States House of Representatives, and to each member of the Arkansas Congressional Delegation."

POM-134. Concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE CONCURRENT RESOLUTION No. 64

"Whereas, High interest rates, coupled with low grain prices, decreasing land values, the strong dollar and declining exports have caused grave concern among farmers and economic experts throughout the United States; and

"Whereas, There is currently serious concern within the agricultural community that the federal government will repeal programs that have provided farmers financial aid during recent years and enact a federal

farm program that is less than attentive to the urgent needs of American agriculture; and

"Whereas, With the spring planting season just weeks away, farmers need capital to put in their crops; now, therefore, be it

"Resolved by the Senate (the House of Representative concurring), That the members of the Michigan Legislature strongly urge the Congress of the United States to expeditiously enact legislation authorizing the Commodity Credit Corporation to advance part of the non recourse loan that farmers receive for sealing grain to pay for spring planting expenses. This advance could be handled by local Agricultural Stabilization Conservation Service offices which are already in place, requiring no extra funding and would be paid back at the 9⅛ percent rate at which the Commodity Credit Corporation receives money; and

"Be it further resolved, That copies of this resolution be transmitted to the President of the United States, the Speaker of the United States House of Representatives, and to the members of the Michigan Congressional delegation."

POM-135. A resolution adopted by the Kodiak Island Borough Assembly supporting continued funding of the Essential Air Service Program; to the Committee on Appropriations.

POM-136. A resolution adopted by the Council of the City of Honolulu, Hawaii recommending that the City Council and the Executive Branch combine efforts to obtain Fort Derussy; to the Committee on Armed Services.

POM-137. Joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Commerce, Science, and Transportation.

"ENROLLED JOINT RESOLUTION No. 2

"Whereas, Congress enacted the Staggers Rail Act of 1980 to provide for the deregulation of competitive rail traffic; and

"Whereas, Congress in the Staggers Rail Act also provided certain protections for captive shippers against the exercise of monopoly power by the railroad; and

"Whereas, the Interstate Commerce Commission has failed to implement the protections for captive shippers provided in the Staggers Rail Act; and

"Whereas, the Interstate Commmerce Commission has implemented the Staggers Rail Act in such a way that captive shippers cannot effectively challenge the reasonableness of rail rates; and

"Whereas, the uncontrolled exercise of monopolistic pricing power by railroads has resulted in excessive rates and has seriously affected the markets for coal, trona, agricultural and other products and other commodities produced in Wyoming and other states; and

"Whereas, the demand for Wyoming coal and other commodities will continue to be depressed by unreasonably high rail rates, thereby affecting the Wyoming economy generally through the loss of jobs and tax revenues; and

"Whereas, the protection of captive shippers is not inconsistent with the maintenance of a strong and viable railroad system; Now, therefore,

"Be it resolved by the members of the legislature of the State of Wyoming:

"SECTION 1. That the members of the Wyoming legislature urge Congress to enact legislation that will provide captive shippers with workable protections against unreasonably high rates imposed by railroads exercising monopolistic powers and establish fair and equitable procedures which require the railroads to establish the reasonableness of such rates or which allow effective competition so the free market may establish more reasonable rates.

"SECTION 2. That the Secretary of State transmit copies of this resolution to the Secretary of State and presiding officers of the houses of the legislature of each of the other states in the Union, to the President, and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from Wyoming in the Congress of the United States, to the clerk of the United States House of Representatives and to the Secretary of the United States Senate."

POM-138. A joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Environment, and Public Works.

"S. JOINT MEMORIAL No. 104

"Whereas, International, trade is and will continue to be a significant factor of the United States' economy; and

"Whereas, the economy of the State of Idaho is dependent upon domestic and international trade; and

"Whereas, shallow-draft and deep-draft waterborne commerce plays a dominant role in the transportation of Idaho's major commodities; grain, forest products, manufactured goods and petroleum; and

"Whereas, almost 9 million tons of cargo moved through the lock at Bonneville Dam in 1984, which brings Bonneville Lock close to its annual capacity of 13 million tons; and

"Whereas, a new lock is necessary at Bonneville Dam to make it conform with the dimensions of the other lock systems on the Columbia-Snake River system; and

"Whereas, the increasing volumes moving through Bonneville Lock are causing congestion and time delays for barge traffic and could surpass Bonneville's capacity by the end of the decade; and

"Whereas, a study conducted by 34 ports along the Columbia-Snake River system in Idaho, Oregon, and Washington have identified Bonneville Lock as the major constraint to growth on the system; and

"Whereas, a potential threefold increase in the amount of cargo moving on the system by the end of the century is foreseen if the constraits are removed; and

"Whereas, the Idaho congressional delegation has made authorization of the new Bonneville Lock a priority issue because of its importance to the economic health of the region. Now, therefore

"Be it resolved by members of the First Regular Session of the Forty-eighth Idaho Legislature, the Senate and the House of Representatives concurring therein, That the Congress of the United States support construction of a new lock at Bonneville Dam with dimensions of 86 feet by 675 feet that would thereby make it compatible with other lock systems on the 465 mile Columbia-Snake River system.

"Be it further resolved, That the Congress of the United States is urged to make timely approval of project authorization for the construction of the new lock at Bonneville Dam.

"Be it further resolved, That the Secretary of the Senate be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the United States, the President of the Senate and Speaker of the House of Representatives of Congress, and to the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-139. A resolution adopted by the Chief Executives' Conference of the Federated States of Micronesia; to the Committee on Energy and Natural Resources.

"CEC RESOLUTION No. 7-1

"Whereas, on October 1, 1982, the Government of the Federated States of Micronesia and the Government of the United States of America executed a Compact of Free Association, culminating 15 years of evaluation and negotiations on the question of the future political status of the Federated States of Micronesia and its relationship with the United States of America; and

"Whereas, on June 21, 1983, a United Nations-observed plebiscite on the future political status of the Federated States of Micronesia was held, with 79% of the voters participating in the plebiscite choosing to approve the Compact of Free Association; and

"Whereas, the plebiscite constituted a valid act of self-determination by the people of the Federated States of Micronesia, and was conducted in such a manner as to represent a free and voluntary choice by the citizens of the Federated States of Micronesia as to their future political status and relationship with the United States of America through informed and democratic processes; and

"Whereas, promptly following the plebiscite, the Compact of Free Association was approved unanimously by the Congress of the Federated States of Micronesia and the requisite number of State Legislatures of the Federated States of Micronesia in accordance with the constitutional processes of the Federated States of Micronesia, as required by section 411 of the Compact of Free Association; and

"Whereas, it is now approaching two years since the people and governments of the Federated States of Micronesia clearly expressed their deep desire to terminate the United Nations Trusteeship which has now endured for almost 38 years, and to enter into a free association relationship with the United States of America, based on mutual cooperation and friendship; and

"Whereas, approval of the Compact of Free Association without further dealy is in the interest of the people and governments of the Federated States of Micronesia to complete their transition to full self-government according to their clearly expressed desires; and

"Whereas, it is also essential to the interests of the United States of America to foster long-term stability and close relationships in the region and to facilitate timely termination of the last U.N. Trusteeship by approving the Compact of Free Association with undue delay; now, therefore,

"Be it resolved, by the Seventh Chief Executives' Conference of the Federated States of Micronesia, that the Congress of the United States is urged to approve the Compact of Free Association as early as possible during its current session; and

"Be it further resolved, that certified copies of this resolution be transmitted to the President of the United States of America, the Speaker of the United States House of Representatives, the President of the United States Senate, the President Pro Tempore of the United States Senate, the Majority and Minority leaders of the United States House of Representatives and the United States Senate, the Chairmen and

Ranking Minority Members of the appropriate U.S. Congressional Committees and Subcommittees, the President's Personal Representative for Micronesian Status Negotiations, the U.S. Secretary of State and the U.S. Secretary of the Interior."

POM-140. A resolution adopted by the Chief Excutives' Conference of the Federated States of Micronesia; to the Committee on Energy and Natural Resources.

CEC RESOLUTION No. 7-2

"Whereas, on October 1, 1982, the Government of the Federated States of Micronesia and the Government of the United States of America executed a Compact of Free Association, which will serve as the basis for termination of the "Trusteeship Agreement for the Former Japanese Mandated Islands"; and

"Whereas, the Compact of Free Association has been approved by the people and governments of the Federated States of Micronesia in accordance with the constitutional processes of the Federated States of Micronesia and the terms of the Compact; and

"Whereas, the Compact of Free Association is now pending before the Congress of the United States for approval; and

"Whereas, the people and governments of the Federated States of Micronesia deeply hope and desire that the Compact of Free Association will be approved by the United States Congress and the Trusteeship terminated early in 1985; and

"Whereas, under the present Trusteeship Agreement, the Government of the United States agreed to promote the economic . . . social . . . and . . . educational advancement . . . of the Federated States of Micronesia in fulfilment of the United States' obligations under the United States Charter; and

"Whereas, the people and governments of the Federated States of Micronesia have repeatedly raised over a number of years certain issues, including funding for the construction of new national capital facilities in Pohnpei; funding for a new campus to replace the existing deteriorated and inadequate facilities of the Community College of Micronesia; full completion of the five-year Capital Improvement Program and correction of deficiencies in existing infrastructure, particularly public facilities such as schools and hospitals; funding for the prior service benefits program; compensation for past and future use of indefinite land use properties; and war claims; and

"Whereas, the Federated States of Micronesia considers the above-mentioned matters to be outstanding Trusteeship obligations; and

"Whereas, these matters were not addressed in the Compact negotiations, on the assumption that the United States Government would fulfill its obligations prior to the implementation of the Compact; and

"Whereas, fulfillment of these obligations is essential to achievement of the goals forming the foundation of our future free association relationship with the United States and our mutual objective of achieving increased economic development and self-sufficiency; and

"Whereas, upon implementation of the Compact of Free Association, the Federated States of Micronesia will face an overall reduction of around $16.0 million in U.S. grant assistance available for operational and service activities, particularly as the result of the termination of U.S. federal programs; and

"Whereas, immediate withdrawal of U.S. federal programs, without careful formulation of transition plans for the phase-out or replacement of these programs, will have serious adverse impacts on essential services currently provided to our people, particularly in the health and education areas, and equally negative impacts on our employment and tax bases; and

"Whereas, in the Compact of Free Association, the United States Government has agreed to provide the Federated States of Micronesia with technical assistance, and continuation of such technical assistance, particularly during the transition to free association, is imperative; now, therefore,

"Be it resolved, by the Seventh Chief Executives' Conference of the Federated States of Micronesia, that the United States Government, in connection with its consideration of the Compact of Free Association, is urged to take action to resolve its outstanding Trusteeship obligations, either by appropriating funding in FY 1986 or making a firm commitment now to appropriate the necessary funding in the future; and

"Be it further resolved, that the United States Government is urged to take steps to ensure successful implementation of the Compact of Free Association, including enactment of the authorizations and appropriations necessary for a smooth and orderly phase-out or replacement of U.S. federal programs and for continued provision of technical assistance on a non-reimbursable basis; and

"Be it further resolved, that certified copies of this resolution be transmitted to the President of the United States of America, the Speaker of the United States House of Representatives, the President of the United States Senate, the President Pro Tempore of the United States Senate, the Majority and Minority leaders of the United States House of Representatives and the United States Senate, the Chairmen and Ranking Minority Members of the appropriate U.S. Congressional Committees and Subcommittees, the President's Personal Representative for Micronesian Status Negotiations, the U.S. Secretary of State and the U.S. Secretary of the Interior."

POM-141. A resolution adopted by the House of Representatives of the State of New Mexico; to the Committee on Finance.

"A MEMORIAL OPPOSING THE PROPOSED FEDERAL LEGISLATION TO ACCELERATE DEPOSITS OF SOCIAL SECURITY CONTRIBUTIONS FROM THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION TO THE FEDERAL TRUST FUNDS

"Whereas, the members of the Public Employees' Retirement Board of the Public Employees' Retirement Association (PERA) recognize the seriousness of the proposed federal legislation to accelerate the deposits of social security contributions to the federal government trust funds; and

"Whereas, currently, the social security contributions are deposited twice monthly, and should the proposed legislation become law, the state would lose all excess social security interest which is generated as a result of investing the contributions, which would be a loss to the general fund of some five hundred thousand dollars a year, not including the dramatic loss which would be suffered by all local governments and institutions of higher education which would bring the total loss in the entire state to some one million two hundred thousand dollars each year; and

"Whereas, the state and its entities can ill afford to lose this amount of money each year; and

"Whereas, the Public Employees' Retirement Board and Association entered into an agreement on September 29, 1955 and guaranteed one hundred percent of the liability in collecting the social security contributions for the federal social security administration; and

"Whereas, the PERA has complied to the fullest extent in fulfilling its obligations under the federal-state agreement; and

"Whereas, the PERA has never changed the federal social security administration for any of the many services it and its board have rendered to the federal social security administration; and

"Whereas, the PERA has provided a service which has resulted in definite cost savings by providing expertise in administering the very complex coverage under Section 218 of the Social Security Act; and

"Whereas, the PERA has worked hand in hand with the federal social security administration for the betterment of the social security system in all aspects; Now, therefore, be it

"Resolved by the House of Representatives of the State of New Mexico that it opposes the proposed federal legislation to accelerate deposits of social security contributions to the federal trust funds; and be it further

Resolved, that the accelerated deposits would be not only a hardship to all states and their political subdivisions but would also create an unbearable burden on government at all levels; and be it further

Resolved that copies of this Memorial be sent to the President of the United States, the Speaker of the House of Representatives and the President Pro Tempore of the Senate of the United States and to each of the New Mexico Congressional Delegation."

POM-142. Concurrent resolution adopted by the Legislature of the State of South Dakota; to the Committee on Finance.

"SENATE CONCURRENT RESOLUTION No. 16

"Whereas, when South Dakota residents purchase goods via telephone or mail from out-of-state catalog retailers and have the goods delivered to them, no retail state sales tax or use tax is paid to South Dakota; and

"Whereas, in such an aforementioned case no sales tax is paid to the state in which the goods were purchased; and

"Whereas, South Dakota and the other states of the union experience large tax losses when persons purchase goods via telephone or mail from out-of-state catalog retailers; and

"Whereas, it is very difficult for the states to collect this tax revenue without interfering with interstate commerce; and

"Whereas, it is in the common interests of all the states to close this tax loophole; and

"Whereas, the federal government has the authority to regulate interstate commerce and could pass legislation to correct this loophole: Now, therefore, be it

"Resolved, by the Senate of the Sixtieth Legislature of the State of South Dakota, the House of Representatives concurring therein, that Congress be hereby requested to consider legislation to require catalog retailers to collect a uniform state sales tax on retail sales conducted via the telephone or mail to out-of-state purchasers and to provide a mechanism whereby such a tax would be distributed to the state where such purchase was delivered; and be it further

"Resolved, that the Secretary of the Senate of the state of South Dakota forward copies of this Resolution to the South Dakota congressional delegation, the Clerk of the United States House of Representa-

tives and the Secretary of the United States Senate."

POM-143. Concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on Agriculture, Nutrition, and Forestry.

"S.C.R. No. 23

"Whereas, Hawaii's sugar industry is a vital component of the State's economy and has provided gainful employment and income for many of the State's residents; and

"Whereas, Hawaii's sugar producers are among the most productive, innovative, and efficient sugar producers worldwide; and

"Whereas, sugar is a widely produced commodity and almost every producing nation has highly protective market mechanisms to support its domestic sugar industry; and

"Whereas, United States' sugar producers cannot economically compete in a world market wherein better than 80 percent of the sugar is either controlled, pre-purchased or subsidized; and

"Whereas, despite the imposition of sugar import quotas, significant amounts of foreign surplus sugar are dumped in the United States which has contributed to depressed sugar prices; and

"Whereas, the sugar price support provisions of the 1981 Farm Bill have enabled U.S. domestic sugar producers to continue operations and have proven to be acceptable to nearly everyone; and

"Whereas, the sugar program has operated without cost to the government, given stability to domestic sugar prices, and assured consumers an adequate supply of sugar at reasonable prices; and

"Whereas, the price supports provided domestic sugar in the Farm Bill as well as the import quotas set by the U.S. Department of Agriculture will expire in 1986; and

"Whereas, the Farm Bill has worked well in the past and is in the best interests of agricultural producers and consumers throughout the United States as well as in Hawaii; now, therefore, be it

"Resolved by the Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, the House of Representatives concurring, that the Congress of the United States is requested to include sugar price support provisions within its 1985 Farm Bill; and be it further

"Resolved that certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Agriculture, and to each member of Hawaii's Congressional delegation."

POM-144. A resolution adopted by the Council of the City of Jacksonville, Florida urging Congress to support the continued funding for the operation of the National Railroad Passenger Corporation (AMTRAK); to the Committee on Commerce, Science, and Transportation.

POM-145. Concurrent resolution adopted by the Legislative Assembly of the State of North Dakota; to the Committee on Finance.

"HOUSE CONCURRENT RESOLUTION No. 3029

"Whereas, due to the severe economic crisis in the agriculture industry it is becoming increasingly common for American farmers to seek protection under federal bankruptcy proceedings; and

"Whereas, the federal bankruptcy law should allow individuals protection and a chance to begin anew after making all nonexempt property available to their creditors; and

"Whereas, the sale of farmland in bankruptcy proceedings presently results in a nondischargeable income tax liability for capital gains on the property due to the low basis of most farmland; and

"Whereas, farmers, having been forced to go through a bankruptcy proceeding and lose their farm, are faced with payment of capital gains tax for the sale of the property, from which they received no benefit, because any benefit from the sale inures to the benefit of their creditors; Now, therefore, be it

"Resolved by the House of Representatives of the State of North Dakota, the Senate concurring therein: That the Forty-ninth Legislative Assembly urges the Congress of the United States to enact legislation to remove the priority for and make dischargeable the income tax debt for capital gains on farmland sold in bankruptcy proceedings to pay creditors of the bankrupt; and be it further

"Resolved, that the Secretary of State forward copies of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the North Dakota Congressional Delegation."

POM-146. Joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Foreign Relations.

"HOUSE JOINT MEMORIAL No. 12

"Whereas, Afghanistan has endured five years of occupation by Soviet military forces; and

"Whereas, the Afghan people have been subjected to devastating bombing of their civilian population; and

"Whereas, strong evidence indicates that chemical and/or biological weapons have been used against the Afghan people; and

"Whereas, the valiant Afghan Freedom Fighters continue to bravely resist the Soviet occupation forces; and

"Whereas, the Freedom Fighters are ill-equipped to resist the powerful and sophisticated Soviet war machine with the World War II vintage weapons available to them; and

"Whereas, the Mujahedin will fight to the last man to resist the Soviet aggressors, and with a minimum amount of modern weaponry could inflict great and costly damage, especially to the Soviet Air Force.

"Now, therefore, be it resolved by the members of the First Regular Session of the Forty-eighth Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Idaho Legislature condemns the unforgivable actions of the Soviet Union against the people of Afghanistan.

"Be it further resolved that the Idaho Legislature recognizes the valor of the Afghan people and honors, supports and encourages them in their struggle for freedom.

"Be it further resolved that the Idaho Legislature urges the President of the United States and the Congress of the United States to increase our support for the Freedom Fighters to include the supply and delivery of modern anti-tank and surface-to-air missiles to allow the totally committed and brave Afghan people a chance for victory, and causing costly losses to the Soviet Union.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to President Ronald Reagan, Secretary of Defense Caspar Weinberger, Director of the Central Intelligence Agency William J. Casey, the President of the Senate and the Speaker of the House of Representatives of Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-147. A joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Foreign Relations.

"HOUSE JOINT MEMORIAL No. 5

"Whereas, the Soviet Union does not work toward the best interest of the Free World but rather works to advance the oppressive and suppressive principles of Communism; and

"Whereas, the Constitution of the United States is based on the principles of freedom, including freedom from oppression; and

"Whereas, the government of the United States is burdened with a tremendous fiscal deficit.

"Now, Therefore, be it resolved by the members of the First Regular Session of the Forty-eighth Idaho Legislature, the House of Representatives and the Senate concurring therein, that we urge the Congress of the United States to take action necessary to prevent loans to the Soviet Union including, but not limited to, notifying banks that the United States will no longer guarantee loans to the Soviet Union and that any existing loans should be collected and paid in full.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward copies of this Memorial to Ronald Reagan, the honorable President of the United States, the President of the Senate and the Speaker of the House of Representatives of Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-148. A resolution adopted by the House of Representatives of the State of New Mexico; to the Select Committee on Indian Affairs.

"A MEMORIAL RELATING TO THE SANTA FE INDIAN SCHOOL

"Whereas, the Santa Fe Indian School has been located in Santa Fe, New Mexico and has been providing education to all the native American people of New Mexico since New Mexico was formed as a territory; and

"Whereas, the school continues to provide education to hundreds of native American children each year; and

"Whereas, the United States Department of Indian Education is attempting to limit the service area of the Santa Fe Indian School to the Pueblo Indian communities only; and

"Whereas, all the Indian Pueblos and tribes of New Mexico have gone on record opposing this restriction and have indicated that the school be open and available to all the Indian people who have historically been served by the institution;

"Now, therefore, be it resolved by the House of Representatives of the State of New Mexico that it respectfully requests the United States Department of the Interior to:

"A. Refrain from any policy directives and oppose any regulations or legislation that might limit the geographic area of service by the Santa Fe Indian School;

"B. Keep the Santa Fe Indian School open for admittance of all Indian children historically served by the school; and

"C. Expend every effort to ensure its existence through financial and administrative support; and

"Be it further resolved that copies of this memorial be sent to the Secretary of the Interior, the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives and to each member of the New Mexico congressional delegation."

POM-149. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources.

"ASSEMBLY JOINT RESOLUTION No. 24

"Whereas, Since 1970 the State of California has been receiving Developmental Disabilities Act funds from the federal government for researching, planning, and monitoring activities on behalf of citizens with "developmental disabilities"; and

"Whereas, California has used this federal funding to support the State Council on Developmental Disabilites, the Area Boards on Developmental Disabilities, the University Affiliated Facilities, and Protection and Advocacy, Inc.; and

"Whereas, The Developmental Disabilities Act of 1984 (P.L. 98-527) was signed by President Reagan and became effective on October 19, 1984; and

"Whereas, Pursuant to Sections 122 and 142, the act established new requirements which the state must comply with and implement by March 15, 1985, in order to continue receiving federal funds; and

"Whereas, The federal Administration on Developmental Disabilities issued program instructions on November 9, 1984, requiring certain assurances from California's State Council on Developmental Disabilities and Protection and Advocacy, Inc. relative to the new requirements and as a condition for continued receipt of federal funds; and

"Whereas, Assurances that the new requirements will be met must be submitted to Regional Office IX of the Administration on Developmental Disabilities not later than March 15, 1985, or continued funding for the formula grant awards for the third and fourth quarters will not be issued to California; and

"Whereas, Certain statutory changes to the Lanterman Developmental Disabilities Act will be necessary before the assurances can be given; and

"Whereas, A.B. 41 (Margolin) has been introduced with the intent of making the necessary statutory changes, but the bill cannot be enacted with the requisite statutory changes to become effective by March 15, 1985; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California jointly, That the Legislature of the State of California affirms its intent to proceed diligently to enact legislation to make statutory changes necessary to facilitate compliance with and implementation by the state of the new requirements of the Developmental Disabilities Act of 1984 (P.L. 98-527); and be it further

"Resolved, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States and the federal Administration on Developmental Disabilities to continue federal funding participation in the state's developmental disabilities programs with the understanding that the state is moving diligently toward full compliance with the law; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the federal Administration on Developmental Disabilities."

POM-150. A resolution adopted by the House of Representatives of the State of Kansas; ordered to lie on the table.

"HOUSE RESOLUTION No. 6049

"Whereas, Kansas farmers and all other members of the Kansas agricultural economic community are in immediate need of government support; and

"Whereas, Senator Dole is to be commended for restructuring the debt adjustment program concerning farmers home loans and commercial and cooperative loans to farmers to provide farm credit relief through unlimited loan guarantees and thereby provide immediate assistance to farmers; and

"Whereas, Kansas banks and other financial institutions are to be commended for their participation in federal farm credit relief programs; and

"Whereas, On February 27, 1985, the United States Senate has passed House Resolution 1096 providing for significant agricultural credit relief in response to the needs of American farmers; and

"Whereas, The United States House of Representatives is on this day expected to pass and forward House Resolution 1096 to the President of the United States; and

"Whereas, President Reagan has indicated that he is considering a veto of House Resolution 1096: Now, therefore,

"*Be it resolved by the House of Representatives of the State of Kansas:* That the President is hereby urged to sign House Resolution 1096 thereby demonstrating his concern and support for the farmers and people of the midwest; and

"*Be it further resolved*: That copies of this resolution be immediately telegraphed to President Reagan, The President and Majority Leader of the Senate, and the Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOLE (for Mr. GARN), from the Committee on Banking, Housing, and Urban Affairs:

Special Report entitled "First Monetary Policy Report for 1985" (with minority views) (Rept. No. 99-22).

By Mr. PACKWOOD, from the Committee on Finance, with an amendment in the nature of a substitute and an amendment to the title:

S. 245: A bill to amend the Internal Revenue Code of 1954 to repeal the requirement that contemporaneous records be kept to substantiate certain deductions and credits (Rept. No. 99-23).

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment.

Senate Resolution 116: An original resolution authorizing expenditures by the Committee on Labor and Human Resources; referred to the Committee on Rules and Administration.

By Mr. PACKWOOD, from the Committee on Finance, without amendment:

S. 840: A bill to amend the Federal Supplemental Compensation Act of 1982 to provide that individuals who are eligible for compensation in the last week of the current program shall receive the full number of weeks of compensation without regard to the termination date of the program.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Mr. DANFORTH. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a nomination list in the Coast Guard which appeared in full in the CONGRESSIONAL RECORD of March 20, 1985, and, to save the expense of reprinting the list on the Executive Calendar, ask that these nominations lie at the Secretary's desk for the information of Senators.

By Mr. LUGAR, from the Committee on Foreign Relations:

Faith Ryan Whittlesey, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States to Switzerland:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Faith Ryan Whittlesey.

Post: Ambassador to Switzerland.

Contributions, amount, date, donee.

1. Self.

National Federation of Republican Women, Washington, D.C.: $25.

Haverford Township, Pennsylvania, Republican Executive Committee: $100.

Committee to Reelect Matt Ryan, Member, Pennsylvania Legislature, Media, Pennsylvania: $100.

2. Spouse: N/A.

3. Children and spouses names: None.

4. Parents names: None.

5. Grandparents names: N/A.

6. Brothers and spouses names: N/A.

Haverford Township Republican Party, Haverford Township, Pennsylvania: $50.

Haverford Township Republican Party Haverford Township, Pennsylvania: $100.

7. Sisters and spouses names: N/A.

(The above nomination was reported from the Committee on Foreign Relations with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE (for himself, Mr. BRADLEY, Mr. HUMPHREY, and Mr. LAUTENBERG):

S. 826. A bill to direct the Secretary of Transportation not to expend or obligate any Federal funds for design and construction of the Westway landfill in New York City, New York; to the Committee on Environment and Public Works.

By Mrs. HAWKINS (for herself, Mr. HATCH, Mr. BUMPERS, and Mr. MATSUNAGA):

S. 827. A bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MELCHER:

S. 828. A bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax; to the Committee on Finance.

By Mr. MELCHER (for himself and Mr. BAUCUS):

S. 829. A bill to authorize the Secretary of Interior to convey certain lands withdrawn by the Bureau of Reclamation for townsite purposes to the Huntley Project Irrigation District, Ballantine, Montana; to the Committee on Energy and Natural Resources.

By Mr. MELCHER (for himself, Mr. INOUYE and Mr. MATSUNAGA):

S. 830. A bill to amend the Indian Education Act and other Acts relating to Indian Education; to the Select Committee on Indian Affairs.

By Mr. HEFLIN:

S. 831. A bill for the relief of Henry Ford Harrison; to the Committee on Veterans Affairs.

S. 832. A bill for the relief of Bassam S. Belmany; to the Committee on the Judiciary.

S. 833. A bill to improve the administration of justice by providing greater discretion to the Supreme Court in selecting the cases it will review, and for other purposes; to the Committee on the Judiciary.

By Mr. BRADLEY:

S. 834. A bill to increase competition in the transportation of natural gas; to the Committee on Energy and Natural Resources.

By Mr. McCLURE (for himself, Mr. GARN AND Mr. SYMMS):

S. 835. A bill to amend the Food Stamp Act of 1977 to reform and reduce the cost of administering the food stamp program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SIMPSON (by request):

S. 836. A bill to amend the Atomic Energy Act of 1954, as amended, to improve the nuclear power plant siting and licensing process, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. CHILES, Mr. PRESSLER, Mr. MELCHER, Mr. WILSON, Mr. BURDICK, and Mr. NICKLES):

S. 837. A bill to amend the Social Security Act to protect beneficiaries under the health care programs of that Act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that Act; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. MATHIAS, Mr. WEICKER, and Mr. METZENBAUM):

S. 838. A bill to repeal title VIII of the Education for Economic Security Act, relating to equal access to public secondary schools; to the Committee on Labor and Human Resources.

By Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. ROTH, Mr. DURENBERGER, and Mr. SYMMS):

S. 839. A bill to amend the Internal Revenue Code of 1954 to provide a method for determining the value of certain air transportation provided to employees; to the Committee on Finance.

By Mr. PACKWOOD, from the Committee on Finance:

S. 840. An original bill to amend the Federal Supplemental Compensation Act of 1982 to provide that individuals who are eligible for compensation in the last week of the current program shall receive the full number of weeks of compensation without regard to the termination date of the program;

By Mr. BUMPERS:

S. 841. A bill to amend section 144 of title 23, United States Code, to give States the discretion of using a portion of their bridge replacement funds to replace certain bridges of ferryboat operations; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH, from the Committee on Labor and Human Resources:

S. Res. 116. An original resolution authorizing expenditures by the Committee on Labor and Human Resources; to the Committee on Rules and Administration.

By Mr. PROXMIRE (for himself and Mr. HATFIELD):

S. Con. Res. 36. Concurrent resolution expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations; to the Committee on Foreign Relations.

By Mr. MELCHER (for himself and Mr. BAUCUS):

S. Con. Res. 37. Concurrent resolution providing for acceptance of a statue of Jeannette Rankin presented by the State of Montana for placement in National Statuary Hall, and for other purposes; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself, Mr. BRADLEY, Mr. HUMPHREY, and Mr. LAUTENBERG):

S. 826. A bill to direct the Secretary of Transportation not to expend or obligate any Federal funds for design and construction of the Westway landfill in New York City, NY; to the Committee on Environment and Public Works.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mrs. HAWKINS (for herself, Mr. HATCH, Mr. BUMPERS, and Mr. MATSUNAGA):

S. 827. A bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL CHILDHOOD VACCINE INJURY COMPENSATION ACT

● Mrs. HAWKINS. Mr. President, I rise today to introduce a revised version of the National Childhood Vaccine Injury Compensation Act. The key component of this bill is the establishment of a no-fault program for compensating those children who suffer permanent adverse reactions to one of the seven mandated childhood vaccines.

I first became involved in this issue in April 1982 as my Senate Labor and Human Resources Subcommittee on Investigations and General Oversight prepared for hearings on the proposed budget reductions in the Federal Childhood Immunization Program. Since that time the Labor and Human Resources Committee has held four hearings on this subject, May 7, 1982, on immunization and preventive medicine, July 23, 1982, on oversight of immunization costs, July 23, 1983, on the Pertussis Task Force Report and May 7, 1984, on the National Childhood Vaccine Injury Compensation Act. These congressional hearings and the subsequent task forces, reports, studies, and investigations conducted by other interested parties on this issue have led to a better understanding of the factors that are threatening the stability of the U.S. supply of vaccines and preventing injured children from receiving the compensation they need and deserve.

We have learned that the dramatic increase in the price of the DPT vaccine, from 11 cents a dose in 1983 to $2.80 a dose today is primarily attributable to the lawsuits pending against the vaccine manufacturers. We have learned that the tremendous increases in the lawsuits filed can be traced to the number of adverse reactions associated with pertussis vaccination. Fortunately efforts are being made to develop a safer vaccine for pertussis. But even assuming a problem-free, expedited consideration of the FDA applications, we are still years away from obtaining FDA approval of a new pertussis vaccine, which hopefully will be just as effective but with less adverse reactions.

Unfortunately, we cannot wait and hope that technological and scientific improvements will resolve this situation. We are in the midst of a crisis in our childhood vaccination program. The adverse reactions associated with the current vaccine are eroding the public's confidence in the immunization program itself, the withdrawal of two of the three pharmaceutical manufacturers of DPT from the market have resulted in a shortage of the vaccine which has led to the unprecedented action of Centers of Disease Con-

trol issuing a request for physicians and other health providers to delay giving the DPT booster shots in order to insure a sufficient supply of the vaccine to immunize infants from these highly contagious diseases. The liability concerns and considerations that prompted Wyeth and Connaught Laboratories to cease distribution of the DPT vaccine are still confronting Lederle Laboratories, the sole pharmaceutical distributor of the DPT vaccine. It is obvious that a legislative solution is needed to stabilize the supply of childhood vaccines and restore public confidence in the childhood immunization program. I think this can be achieved without sacrificing the legitimate needs and legal rights of the children who have been permanently injured by an adverse reaction to a vaccine.

S. 2117, introduced in the 98th Congress, was an attempt to develop a legislative, solution that would stabilize the supply of vaccines while at the same time providing simple justice to the injured children. That version, like the bill I am introducing today was developed by the American Academy of Pediatrics and a parents organization known as Dissatisfied Parents Together. These organizations have labored long and hard to develop a bill, which although not perfect from either organization's viewpoint, is a compromise version which meets the twin goal of insuring an adequate supply of vaccine to immunize children against deadly and infectious diseases as well as providing just and expedited compensation for the children who suffer adverse reactions to a vaccine.

Many of the revisions contained in this bill were prompted by the comments, suggestions, constructive criticisms and testimony by interested parties directly involved in this issue. A task force appointed by the American Medical Association and headed by Dr. Alan Nelson of Utah, was particularly useful. I think that it is important to point out that although the AMA, the vaccine manufacturers and the administration differ on the particular components of a vaccine compensation bill, we are in agreement on many key issues. We are in agreement that a legislative solution is needed and that a no-fault system is the best method of addressing this problem. Although I cannot agree to many of the provisions suggested by the AMA task force, the vaccine manufacturers, and some parents groups, I commend all parties on their efforts, and wish to point out that their suggestions and comments did prompt many of the revisions that are contained in the bill we are introducing today.

It is time to stop trying to assess blame for the situation we find ourselves in, it is time to stop pretending that the problem will resolve itself. Instead, it is time to work together toward our common goals of improving the quality and safety of childhood vaccines, assuring a stable supply of vaccines to protect children from deadly and infectious diseases, and provide just and expedited compensation for those children who are injured by an adverse reaction. I am encouraged that we will be able to work together to develop legislation that will meet all of these goals. I am encouraged by the administration's appointment of a Cabinet-level task force on vaccines. I am encouraged by the willingness of vaccine manufacturers to speak openly and honestly about the problems and pressures facing their industry. I am encouraged by the parents and the pediatricians' willingness to review and modify their original bill in order to address the concerns of other parties to this issue. And I am encouraged by the willingness of my Senate and House colleagues to address this issue now, before we are in a crisis situation, rather than legislate in a panic. As I stated earlier, I believe that it is possible to enact legislation that will achieve all our goals; stabilizing the supply of vaccines, providing incentives for development of safer vaccines, and providing simple justice to the unfortunate children who are injured by an adverse reaction to a childhood vaccine.

The following organizations agree with the need to enact legislation that meets those twin goals of stabilizing the supply of vaccines to guarantee that children will be immunized against deadly and infectious diseases while at the same time protecting the legitimate need and legal rights of children who are injured by an adverse reaction to the vaccine. The organizations that have endorsed the concepts contained in this legislation are: The American Academy of Pediatrics, Dissatisfied Parents Together, Association of State and Territorial Health Officers, American Nurses Association, National Association of Community Health Centers, National Association of Children's Hospitals and Related Organizations, Association of Schools of Public Health, Association for Maternal and Child Health and Crippled Children's Programs, Epilepsy Foundation of America, American College of Physicians, American Public Health Association, and the Association of Retarded Citizens.

Mr. President, I ask unanimous consent that a summary of this bill and a summary of the differences between this bill and S. 2117 be printed in the RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CHILDHOOD VACCINE-INJURY COMPENSATION ACT

National Vaccine-Injury Compensation Program—Bill establishes a no-fault, national program to compensate children who are injured by a childhood vaccine. Program is an alternative to compensation through litigation.

Advisory Commission—Establishes a nine member advisory commission on childhood vaccines to be comprised of three members who are health professionals, including two pediatricians, three members who are from the general public including two who represent parents of children injured by vaccines, and three members from the field of law. The Advisory Commission will advise the Secretary on the implementation of the program, recommend changes in Vaccine Injury Table (VIT), recommend ways to improve the safety, efficacy and supply of vaccines, and recommend changes in surcharge and research priorities.

Recording—Requires each health care provider administering vaccines to record and make available to patients, information regarding the date of vaccination, vaccine manufacturer and lot number and serious events occurring within 30 days after vaccination.

Reporting—Requires each health care provider who administers a vaccine and becomes aware of a listed reaction occurring within a designated period after vaccination to enter all relevant information on patient's permanent medical record and report it to Centers for Disease Control.

Contraindication—Requires Secretary, after conducting broad based studies of vaccines, to issue regulations regarding circumstances in which the vaccine should not be administered, or should be delayed beyond its normal time of administration, and the groups, categories or characteristics of potential recipients who may be at significantly higher risk of adverse reactions. This information is to be disseminated to physicians, professional health associations, and state and local governments.

Parent Information Materials—Requires Secretary to develop parent information materials containing information regarding the frequency, severity and potential risks of both the vaccine and the disease to be prevented by the vaccine. The materials should include information regarding the symptoms and reactions to vaccines which should be reported to physicians, precautionary measures which should be taken to reduce the risk of adverse reactions, when how and to whom parents can report possible high risk categories, and a summary of relevant state and federal vaccination laws, including information about the availability of the National Vaccine-Injury Compensation Program.

SUMMARY OF REVISIONS

VACCINE INJURY TABLE

S. 2117 would have provided compensation for acute vaccine-related injuries resulting in $2,500 or more in expenses. The new bill would delete provisions for acute injuries and compensation would be limited to vaccine reactions which resulting in (a) complications or residual effects lasting at least one year or (B) death.

EARLIER ELECTION OF REMEDIES

S. 2117 would have allowed a claimant for compensation to get the special master's recommendations before having to decide whether to elect the compensation program or a tort suit. It would also enable a claimant to pursue the feasibility of a lawsuit, and as long as no verdict has resulted in a tort suit, the plaintiff could elect into the compensation program. The new bill would

require a binding election between the tort system and the compensation system at the time of filing of the lawsuit or compensation claim. Once the compensation claim or lawsuit is filed, the claimant can not change their mind. In the case of a current lawsuit, parties would have two years after enactment to decide whether to drop their lawsuit in favor of this administrative remedy.

REMOVE STATUTORY DUTY TO WARN

S. 2117 contained no provisions on this subject. However, one of the recent court cases on vaccines held the manufacturer liable for $10 million ($8 million punitive) for failure to warn the parent of the immunized child. This provision would not affect the manufacturers duty to warn the health provider nor the health providers duty to warn the patient, but merely states that a manufacturer can not be held liable in a lawsuit solely because of failure to warn the parent directly. The new bill retains the provisions requiring full disclosure to parents of the risks, benefits and contraindications of the childhood vaccines.

REINSURANCE AUTHORITY

S. 2117 contained no provisions on this subject. The new provision was developed in response to the loss of insurance coverage by vaccine manufacturers. Under the reinsurance provision, HHS would be authorized, but not required, to provide reinsurance, pooling assistance and even direct insurance to vaccine manufacturers. HHS could only do this if it finds that adequate insurance is not available from the private sector and the insurance arrangement could not undermine the incentives for development of safer products. We actually hope this provision is never needed, but we want to give the Secretary additional powers to prevent a loss of the supply of childhood vaccines.

DEADLINE FOR COMPENSATION

S. 2117 placed no deadline on the administrative system for determination of compensation claims. Since one of the arguments for an administrative system was that it will be quicker than the tort system, we placed a 270 day deadline to reach a decision after the date of filing and required any appeal to be briefed, argued and decided on an expedited schedule.

COMPENSATION/MEASURE OF DAMAGES

S. 2117 provided for compensation for medical care, rehabilitation, loss of earnings and other uncompensated expenses directly related to the injury or illness. The pain and suffering was limited to the injured party only, not the family and was capped at $100,000. Compensation for a death had a minimum of $300,000 and a maximum of $700,000. The new version makes it clearer that diagnostic costs, parents costs in obtaining care for vaccine victims, life and health insurance are also permissible items for compensation. The new bill also permits limited recovery for attorney fees and other costs associated with lawsuits. This revision was needed to remove the economic disincentive for individuals with current claims from dropping those claims and opting into the administrative system. The provision specifies that the attorneys fees can't exceed the amount of attorney's fees eventually awarded under the administrative compensation system.

CITIZEN SUITS

Both S. 2117 and the new revised version contains authority for HHS to carry out a number of items, such as improve the systems for regulating vaccine processing, use instructions, field surveillance and follow-up, adverse reaction reporting and recall of reactogenic lots of vaccines. S. 2117 contained citizen suit authority to enforce these provisions, but it was criticized as being too weak. The new revised bill has language making it clearer that HHS has a non-discretionary duty to work to develop safer vaccines and reduce adverse reactions. It also removes the jurisdictional barriers to bringing such a suit.

REVIEW OF WARNINGS

S. 2117 had no specific requirement for the Secretary of HHS to review the vaccine manufacturers warnings to determine whether or not they are adequate to reduce the risk of reactions and if not to require their revision. The new revised bill contains a mandate for a review of the manufacturers contraindications. This is designed to deal with the problem of reluctance to add new warnings as well as the problem of new contraindications that are added without prior notice or comments (i.e. the controversy over the new Central Nervous Disorder contraindication for DPT).

AUTHORITY FOR FACILITIES FOR THE ADULT MULTIPLY HANDICAPPED

S. 2117 had no provision on this subject. The revised version contains authority for the Secretary to fund three regional facilities for the care and treatment of the adult multiply handicapped. The authorization is for "such sums".

ADVERSE REACTION REPORTING

S. 2117 required adverse reaction reporting by doctors and public health clinics and authorized reporting by parents as well of adverse reactions following immunization. The revised version retains this requirement but adds two other features. It expands the duty to report to any significant symptom of a compensable event by any vaccine and HHS would have a duty to notify the vaccine manufacturer of any reported reaction for that manufacturers product.

RECORDKEEPING AND TEST RESULT REPORTING REQUIREMENTS

S. 2117 had no provisions directly on this point because at the time we felt that the citizen suits would be used to force this issue. The revised bill mandates vaccine manufacturers to create and retain records on the manufacturing history of each batch of vaccine, on testing the vaccine, on production problems and on distribution patterns.

RECALL AUTHORITY

This revised version gives the Food and Drug Administration the authority to recall vaccines and other biologics when warrented. Currently FDA has not authority for a mandatory recall of vaccines.●

● Mr. HATCH. Mr. President, I am pleased to join Senator HAWKINS today in introducing a revised version of the National Childhood Vaccine-Injury Compensation Act, which I cosponsored with her in the 98th Congress. Senator HAWKINS has been a stalwart and vigilant champion, and true friend, of families—parents and children—throughout this country, on many issues. I am proud to stand beside her and compliment her on her commitment and her legislative successes in this area. The bill we are introducing today reflects Senator HAWKINS' total commitment to a very special group of parents and children, about whom we are all extremely concerned and who suffer, both physically and psychologically, because of injuries related to adverse reactions to vaccines given to prevent childhood diseases. The legislation introduced today to address these problems does not provide the final solution and, in fact, includes provisions I do not support. But it again brings to national attention an urgent public health problem.

We have made a commitment in this country to promote health and prevent disease. I have a strong personal commitment to that concept, to a national disease prevention policy, and to the vaccination of children against preventable communicable diseases. Our national program of vaccination has been, without question, one of the greatest—if not the greatest—health success stories of all time. And I want to make certain that the program not only remains successful, but is improved. To accomplish this, legislative action is necessary to address problems we have only recently become aware of, and which jeopardize our ability to vaccinate our Nation's children.

Over the past few years, there has been increasing publicity about adverse reactions to vaccines. There has been a major focus on the pertussis vaccine. This publicity has had the beneficial effect of making parents aware of the possibility that on rare occasions, a child may have an unexpected and serious reaction to vaccines. Parents and physicians have been alerted to the need to understand this possibility, and to discuss the risks, as well as the benefits of vaccinations.

Unfortunately the publicity has had some very negative results as well. It has generated considerable misinformation, fear, and distrust. I fear too many of our citizens have begun to focus on what might go wrong if their children are vaccinated and to doubt the tremendous value of immunizations. Pertussis, commonly called whooping cough, is a horrible, lethal disease which used to kill hundreds of thousands of children. Polio also used to be a devastating crippler and killer of children. I could go on, but suffice it to say that I believe we ought to keep in mind, while addressing problems with our vaccination program, that without it we could go back to a relative dark age of health care in this country. Taking the childhood population as a whole, the injuries from using the existing vaccines are clearly and substantially less than the injuries that would result without their use.

Another unfortunate consequence of the publicity about vaccines has been a large increase in the number of lawsuits brought against manufacturers and health care providers. These law-

suits are not, in most cases, alleging that a defective or unsafe vaccine is being used, or that the administration of the vaccine is improper. But manufacturers and health care professionals are being asked to take responsibility for side effects and injuries that have occurred even though the best available product has been provided and all of the manufacturing, labeling, and distribution requirements of the governments are being met.

Public concern about the safety of vaccines and the economic burdens of liability have reached a point where the future availability of vaccines, particularly the pertussis vaccine, is in question. The situation is critical. Two of the three commercial manufacturers of the DPT vaccine have stopped distribution of their product in the last 8 months because they have been unable to obtain insurance. The unavailability of insurance is a direct result of increasing numbers of lawsuits, and increasingly large amounts requested and awarded for damages. We are currently facing not only a temporary shortage of this vaccine, but also the possibility that no company will be able to obtain the liability coverage necessary to stay in the market.

It is time to do something—for parents, for children, for future generations, and for the future of our disease prevention policy.

Vaccine manufacturers and the Government must continue to pursue every possible avenue to safer and better vaccines. I am encouraged to learn that clinical trials are underway or about to begin on two new kinds of pertussis vaccines which may be safer. I think this illustrates a strong dedication to vaccine research on the part of the Government and the private sector, and we need to foster this.

We need more information about risks and side effects of vaccines; we need better education of parents and physicians; we need more accurate reporting of adverse reactions. All of these need to be done cooperatively by the private sector and the Government.

I want to add my thanks to those of Senator HAWKINS to the many individuals and groups whose dedicated efforts have been so important in analyzing this issue—including Dissatisfied Parents Together, the American Academy of Pediatrics, Lederle Laboratories, and the American Medical Association. All of them have contributed essential ideas and points of view.

I am also pleased to report that the administration is preparing legislation to address this problem. As soon as it is available, I will introduce their proposal and make sure it has careful consideration at full Labor and Human Resources Committee hearings in the Senate.

Senator HAWKINS has agreed to work with me to arrive at expedient passage of appropriate legislation to guarantee an ongoing, safe supply of vaccines for our Nation's children.●

● Mr. BUMPERS. Mr. President, I am pleased to join Senator HAWKINS in introducing the vaccine injury compensation bill. This bill will provide a fair compensation system for those few children who are tragically injured by vaccines and will help guarantee the continuation of the immunization program for all our children.

During my years as Governor, Betty and I became involved in the immunization program, and my interest in the program has never waned. In the last 20 years we have seen a dramatic increase in the percentage of American children who are immunized and, as a result, we have made many childhood diseases a thing of the past. I have consistently fought for adequate funding for the immunization program, and I am now cosponsoring this legislation so the progress we have made will not be turned back.

We are now facing a situation where some children are the victims of tragic injuries, and I fear that public confidence in the immunization program will erode. We also have serious problems with supplies of some vaccines. The events of the last year have made clear that the situation cannot continue without action by Congress.

For some time we have had single manufacturers for many of our childhood vaccines, but there were several manufacturers of the DPT vaccine. In the summer of 1984 two DPT manufacturers ceased the manufacture or distribution of DPT vaccine, and we are now down to a single manufacturer for all seven childhood vaccines.

We began to notice spot shortages of DPT vaccine in some areas of the country early in 1984, and by early fall of 1984 the American Academy of Pediatrics was recommending that DPT booster shots be delayed for older children so the available vaccine could be used for infants. When the remaining manufacturer of DPT had problems with one vaccine batch, the spot shortages became nationwide shortages. In December 1984 the Centers for Disease Control echoed the request that the DPT boosters for older children be delayed until supply problems are eased.

We still face some short term problems of supply, but I am hopeful that the Senate will act soon on this vaccine injury compensation bill so parents of injured children will have a fair compensation system and some of the pressures on the immunization program will be eased.

Even when the compensation system is in full force, we can't sit back. There are some remaining problems with the program that demand our attention. We must provide adequate funding for the immunization program to meet the current high prices of vaccine. Our children deserve the protection of the immunization program, and we know that the program is a cost-effective one. We must not allow the pressing need to trim Federal spending to make us compromise this vital program.

We must also provide adequate funding for stockpiling so we don't again face vaccine shortages like the current shortages of DPT vaccine. We still have a single manufacturer for all of childhood vaccines, and we cannot assume that this legislation or any other will change that situation immediately.

The primary reason we are introducing this bill today is because we know some children are the victims of injuries caused by vaccines. Their suffering and the suffering of their parents should not be forgotten, and neither should the need for continued research on improved and safer vaccines. We must strive to develop vaccines which will protect our children from disease and not cause injury.

I do not want parents to lose confidence in the immunization program because of vaccine injuries and recent reports of problems with vaccine supplies. We have to renew our commitment to the immunization program and work to renew confidence in the program. I believe we are taking a big step in that direction today.●

By Mr. MELCHER:

S. 828. A bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax; to the Committee on Finance.

DEDUCTION FOR TRAVEL AND TRANSPORTATION FOR CONSTRUCTION WORKERS

Mr. MELCHER. Mr. President, today I am introducing a bill to clarify our tax laws concerning the right of construction workers to deduct travel expenses to job sites at least 30 miles from a construction worker's principal place of residence for a period of less than 2 years in duration. Furthermore, the bill requires that the deductibility of travel expenses for jobs lasting more than 2 years be determined on a case-by-case basis without regard to the employee's first 2 years of employment at that job site.

Most importantly, this legislation specifically notes that the deduction of travel expenses by construction workers shall not be disallowed solely because the construction worker's employment at a job site is of "indefinite duration."

These provisions recognize that construction industry employment is often temporary and transient, and accordingly provides reasonable standards for determining the deductibility

of related travel expenses. Both the construction worker and his or her employers will benefit from this clarification in the law.

I have been pressing for clarification of the tax laws in this area since 1982. Prior to 1983, the Internal Revenue Service used a so-called 1-year rule, which was adopted by administrative fiat, to determine that any construction worker who remained employed at a temporary job site for more than 1 year automatically lost not only future rights to deduct travel expenses related to the job, but retroactively lost any deductions that might have already been claimed.

This ruling so obviously discriminated against construction workers that both the Eighth and Ninth District Courts found in favor of construction workers in cases brought before them under the "1-year rule."

Because of these adverse court decisions, the IRS issued new regulations in 1983 making some changes. The most recent guidance from the Internal Revenue Service on this issue, Revenue Ruling 83-82, was helpful, but nevertheless left many uncertainties. That ruling allowed or prohibited travel expense deductions based on three principal criteria:

First, the nature of the travel expenses;

Second, the length of employment; and

Third, the substantiality of the employee's abode.

According to this ruling, employment must be classified as "temporary" in order for travel expenses to be deductible. Employment is defined as "temporary" if it is expected to last less than 1 year or, in certain circumstances, if it exceeds 1 year but is less than 2 years in duration. Jobs greater than 1 year in duration are considered "indefinite" or permanent unless the employee can demonstrate that:

First, he has used his claimed tax home as his lodging and worked in the vicinity immediately prior to the current job and that the taxpayer continues to maintain bona fide work contacts in that area during the temporary employment;

Second, his living expenses at the claimed tax home are duplicated because work requires the taxpayer to be away, and

Third, he has either a family member or members—marital or lineal only—currently residing at the tax home or whether he continued to currently use the claimed home frequently for his lodging.

The ruling holds further that all jobs longer than 2 years in duration would disqualify the worker from receiving travel expense deductions.

While not so obviously discriminatory as the 1-year rule, these new rules still place unfair and unmanageable requirements on construction workers which are not required of business people who must travel as part of their job. Further, there will continue to be numerous court cases, and construction workers around the country will still not have any assurance that they can take a job away from their home and be able to deduct legitimate expenses for traveling to that job.

Congressman PETE STARK, chairman of the Select Revenue Measures Subcommittee of the Ways and Means Committee, held hearings on this issue last fall in preparation for the further consideration of specific legislation to bring about a permanent solution to this problem. My legislation parallels that supported by Chairman STARK and I hope it can become the basis for action this session in the Senate.

By Mr. MELCHER (for himself and Mr. BAUCUS):

S. 829. A bill to authorize the Secretary of the Interior to convey certain lands withdrawn by the Bureau of Reclamation for townsite purposes to the Huntley Project Irrigation District, Ballantine, MT; to the Committee on Energy and Natural Resources.

CONVEYANCE OF CERTAIN LANDS TO THE HUNTLEY PROJECT IRRIGATION PROJECT, MONTANA

Mr. MELCHER. Mr. President, I am introducing legislation that will direct the Secretary of the Interior to convey Bureau of Reclamation lands reserved for public purposes to the Huntley Project Irrigation District in Ballantine, MT.

These lands lie in several small plots and are deeded to the U.S. Bureau of Reclamation which developed the land along the Yellowstone River corridor. The Federal Government, when reserving these lands, dedicated them for public use as the local community sees fit. The local communities have energetically maintained these lands—they haul away the trash, pick up after storms, cut the grass—but because these towns were never incorporated, the deed to the land cannot legally be transferred. Incorporation is a specific requirement of the applicable law, the Townsite and Power Development Act of 1906.

This transfer of ownership has the support of all the principal players, including the local Bureau of Reclamation office. Since the Federal Government has in effect transferred all rights to the land except title, and since the community has complied with the Townsite and Power Development Act by using their time and money to develop the areas for the benefit of the public, it seems fair to convey all rights of ownership to a unit of government closer to the community, in this case the local irrigation district.

Mr. President, these communities have converted these reserved lands into ball parks and picnic areas and on one piece of land, a museum dedicated to traditional practices of farming. These folks would hate to see these lands, widely used by the communities and their visitors, taken from them to become part of a scheme hatched in Washington. This bill would ensure that the local communities may maintain these public lands for the benefit of the community, forever.

By Mr. MELCHER (for himself, Mr. INOUYE, and Mr. MATSUNAGA):

S. 830. A bill to amend the Indian Education Act and other Acts relating to Indian education; to the Select Committee on Indian Affairs.

INDIAN EDUCATION

Mr. MELCHER. Mr. President, on May 30 and 31, 1979, the Select Committee on Indian Affairs held hearings on S. 916, legislation providing education programs for native Hawaiians. At these hearings the committee explored ways in which the education of native Hawaiians could be improved and enhanced. The hearings revealed that native Hawaiians, who comprise nearly 20 percent of the Hawaiian population, were at the bottom of almost every socioeconomic indicator. They had the highest rate of poverty, the highest rate of unemployment and the lowest level of education of any ethnic group in Hawaii.

Rather than adopt S. 916, Congress created a Commission to assess the needs of native Hawaiians.

In March 1984, the results of the Commission's study the Native Hawaiian Educational Assessment Project [NHEAP], were presented to the Selected Committee on Indian Affairs. This report, by the Department of Education and the Bishop Estate/Kamehameha Schools, represented the most thorough review of the educational needs of native Hawaiians to date. The report concluded that native Hawaiians still rank lowest of all Hawaiian ethnic groups in education and income levels. Their problems do not end there. These figures are accompanied by high incarceration rates, high incidents of affliction with certain diseases and relatively low life expectancy.

Mr. President, last month while I was in Hawaii, I met with representatives from a number of native Hawaiians organizations. These officials uniformly agreed that education is the key to survival for the native Hawaiians people. Since that meeting both Senators from the State of Hawaii, Senator INOUYE and Senator MATSUNAGA, and I have been drafting legislation to promote education programs that focus on the special needs of native Hawaiians. The bill we are introducing today would broaden current Federal education programs designed for American Indians so that

they include native Hawaiians within their scope.

Mr. President, I believe that the approach this legislation takes in expanding Indian education programs to include native Hawaiians is fitting and proper. The social and historical similarities native Hawaiians share with other native Americans is clear as is the manner in which their rights were abrogated. Congress has already spoken to this point when in 1920 it enacted the Hawaiian Homes Commission Act to address the issue of lands lost by native Hawaiians through outside intervention. This act established a trust relationship between native Hawaiians and the United States. This Federal trust responsibility to native Hawaiians was reaffirmed in the Hawaiian Admissions Act. More recently, in 1974, the Community Services Act included Hawaiians as native Americans as has certain Indian health legislation in recent years.

Mr. President, every year our Government spends billions of dollars providing aid to other countries so that their citizens can have a better life. However, we do not have to look beyond our own borders to find people, our own native people, in need of help. This legislation is a small step to provide some of our native citizens their wherewithall to help themselves. I urge my colleagues to support this effort.

● Mr. INOUYE. Mr. President, Senator MATSUNAGA and I are pleased that Senator MELCHER is introducing legislation today that will amend the Indian Education Act and other acts relating to Indian education to include native Hawaiians.

In 1982, the Department of Education along with the Bishop Estate/Kamehameha Schools conducted the first comprehensive study on the educational needs of native Hawaiians. This report concluded that native Hawaiian children score below national norms on standardized tests while other major groups in Hawaii score at or above national norms. It also concluded that Hawaiian students and their families are disproportionately represented in areas of special needs including absenteeism, learning disabilities, multiple health problems, and family stress. The legislation that is being introduced today will give the native Hawaiians the opportunity to develop education programs to meet the specific and unique needs that have been earmarked in this study.

Mr. President, we feel that is an important measure for the residents of Hawaii and requires favorable consideration.●

● Mr. MATSUNAGA. Mr. President, the educational needs of native Hawaiians is a subject of profound importance to the people of my State. For this reason, I am pleased to join the distinguished Senator from Montana (Mr. MELCHER) in introducing legislation which will amend the Indian Education Act of 1972 in order to provide special funding for education of native Hawaiians.

In March 1983 a comprehensive report of the Native Hawaiian Educational Assessment Project [NHEAP], relative to the educational needs of native Hawaiians, was submitted to former Education Secretary Terrel Bell. This report, which was originally authorized by the Senate Labor and Human Resources Committee, documented the finding that native Hawaiians rank at the bottom of most measures of educational achievement and have unique educational needs as a consequence of their culture and socialization process. Hawaiian children are hampered in their development by numerous economic, social, and institutional barriers which all contribute to their low academic achievement—a situation similar to that which exists among American Indians.

Poor academic performance is not the only problem facing those of Hawaiian blood, who comprise 19 percent of Hawaii's population. They occupy the bottom rungs of our social and economic ladders relative to other groups in the State, a situation inextricably related to academic performance. The unemployment rate among Hawaiian adults is twice that for the State as a whole. Forty percent of those living below poverty level in the State are Hawaiians; 66 percent of the youth in correctional institutes are Hawaiians and 46 percent of adults in correctional institutes are Hawaiians. Hawaiian children also are disproportionately victimized by child abuse and neglect, and are absent from school in disproportionate numbers.

The report recommends a comprehensive, multiagency approach to address the unique educational needs of native Hawaiian children with a final goal of complete self-sufficiency for the native Hawaiian population. This approach is designed to attack the education problems of native Hawaiians on all fronts. Some of the report recommendations include:

First, the creation of a child and family resource center to direct early attention to problems relating to health, nutrition, learning and motivation, and other signs of family stress which impact on a child's academic performance for many years thereafter;

Second, the inclusion of native Hawaiians as native Americans under the Indian Education Act;

Third, the expanded availability of scholarships and loans to native Hawaiian students to be used for study in undergraduate, graduate, and professional programs at institutions of higher education; and

Fourth, the development of programs to address the special needs of gifted and talented native Hawaiians or native Pacific islanders.

There is a clear Federal responsibility for native Hawaiians, as there is for Indians. As with the Indian, the native Hawaiian was profoundly affected by the arrival in this country of the Western European. By the middle of the 19th century, the Hawaiian had seen his lands pass from his hands into the hands of the newcomer and in 1893, his government and the lands of the crown also were taken from him. The initial failure of the U.S. Government to restore the monarchy, or at least to compensate the Hawaiians for their losses, still remains insufficiently recognized in public policy today.

Recognition of Federal responsibility is demonstrated in several pieces of legislation beginning in 1920 with the Hawaiian Homes Commission Act, which placed approximately 200,000 acres of land under the jurisdiction of a Commission for the Rehabilitation of Persons of Hawaiian Ancestry. Significantly, in 1974, native Hawaiians were first defined in statute as native Hawaiians in the Community Services Act. In the past decade native Hawaiians have been deemed eligible as a population targeted for Federal support as part of several Indian education and health measures.

Inclusion of native Hawaiians in the Indian Education Act of 1972, as amended, would provide the most comprehensive solution in addressing the educational deficits of native Hawaiians. This is an appropriate measure, particularly in view of the evidence provided by NHEAP that Hawaiians suffer the same difficulties associated with other indigenous Americans. Amendments providing funding within this act for native Hawaiians proportionate to that which is currently targeted to other native groups are certainly compatible with the precedent recently set in the Carl D. Perkins Vocational Education Act of 1984 (Public Law 98-524).

Mr. President, I urge my colleagues to give their fulll support to this essential legislation.●

By Mr. HEFLIN:

S. 831. A bill for the relief of Henry Ford Harrison; to the Committee on Veterans' Affairs.

RELIEF OF HENRY FORD HARRISON

Mr. HEFLIN. Mr. President, I rise today to introduce a bill for the relief of Henry Ford Harrison.

During the Second World War, Mr. Harrison served as a pharmacists' mate aboard the U.S.S. *Haven*, a Navy hospital ship. About a month after the atomic explosion at Nagasaki, he was sent ashore to help set up an evacuation center for POW's. Mr. Harrison was stationed near the center of the atomic blast area. His principal duties were to spray the prisoners of war

with DDT. Over a 2-week period, Mr. Harrison sprayed 9,000 to 10,000 men. For his service, Mr. Harrison was honorably discharged.

Less than a year after his service ended, Mr. Harrison developed lung cancer and bronchial asthma. He suffered headaches, fever, seizures, and impaired vision. In addition, he has suffered loss of both hair and teeth.

Mr. Harrison then filed a claim with the Veterans' Administration Appeals Board, but the Board refused to consider relief on the grounds that no claim was made within 12 months of his experience at Nagasaki.

Mr. Harrison's suffering has been great. The facts of his case show a strong link between his military service and his cancerous and asthmatic condition. His only hope for relief is in private legislation. This bill will hold that Mr. Harrison's disability is service connected. I urge you to give Mr. Harrison's situation your favorable consideration.

By Mr. HEFLIN:

S. 832. A bill for the relief of Bassam S. Belmany; to the Committee on the Judiciary.

RELIEF OF BASSAM S. BELMANY

Mr. HEFLIN. Mr. President, I rise to introduce a bill for the relief of Bassam S. Belmany. This bill would provide Bassam with permanent resident status in the United States.

Bassam now resides in Mobile with his uncle. He came into this country from Lebanon, on a student visa. An excellent student, he attends the University of South Alabama where he was awarded a substantial academic scholarship. He has an exemplary academic record, and plans to attend dental school. His college advisers believe that he has a promising career ahead of him and will be a talented dentist. Indeed, Alabama could well use his talents.

As you all know, the situation in Lebanon today is unstable and in fact, dangerous. The current situation is particularly threatening to Bassam, because he is a member of the Druz faith, a religious sect currently persecuted in Lebanon. Bassam's home village has been sealed off by the Christian Militia, and it is unlikely that he could ever return there.

In short, Bassam Belmany's situation presents extraordinary circumstances which need to be addressed by the passage of this legislation. He has the potential to make an enormous contribution to this country through his profession. He is completely supported by his uncle and will never present a burden to our taxpayers. He has shown initiative and drive through obtaining an academic scholarship to support his education. He cannot return to Lebanon, given the certainty that he will suffer religious persecution. I urge my colleagues to give Mr. Belmany's situation their favorable consideration.

By Mr. HEFLIN:

S. 833. A bill to improve the administration of justice by providing greater discretion to the Supreme Court in selecting the cases it will review, and for other purposes; to the Committee on the Judiciary.

MANDATORY JURISDICTION OF THE SUPREME COURT

Mr. HEFLIN. Mr. President, in a continuing effort to address the problems facing our Federal judicial system, today I am introducing additional legislation aimed at court reform.

This bill will provide the Supreme Court with greater discretion in selecting the cases it will review. This bill eliminates mandatory Supreme Court review for several classes of cases brought before the court of appeal. Included among those classes would be those Federal district court decisions invalidating acts of Congress, where the United States is a party; those decisions of U.S. courts of appeal which hold a State statute invalid because it violates the Constitution, treaties or laws of the United States; and those cases where the highest court of a State has either held a treaty or statute of the United States invalid, or has upheld the validity of a State statute in the face of a constitutional challenge.

This legislation does not preclude Supreme Court review of these cases and the other statutes outlined in the bill, but provides for review by certiorari.

Under the current law, the Supreme Court devotes an inordinate amount of time deciding these cases on the merits—not because these decisions will have a significant national impact, but because they fall within a certain class.

If we invest in the Supreme Court the power to act as the final arbiter of the laws of this Nation, then we should entrust the Justices with the corresponding discretion to choose the cases that warrant this consideration.

The administration of justice in the United States depends in large part on the ability of the Supreme Court to manage its own docket. That is fundamental.

Other proposals for court reform have generated both support and opposition. This bill is one of the few court reform proposals that seems to have the unqualified support of all of the affected parties. The nine Justices of the Supreme Court have unanimously supported attempts to curtail the mandatory review of certain classes of cases. The American Bar Association has been supportive of this concept. The administration has also endorsed this legislation in the past. In fact, last week, Attorney General Edwin Meese indicated that this was a viable approach to lessening the burden facing the Supreme Court.

This is not a new idea. Similar legislation has passed both Houses of Congress. I think a statement made by Prof. Maurice Rosenburg, during a hearing on court reform, best summarizes the frustrations of those of us who have worked to enact this legislation: "The removal of the Supreme Court's obligatory jurisdiction is so clearly needed, long-overdue and widely supported that the failure to accomplish it before now is a tribute to nothing so much as gross inertia."

I hope that this statement does not reflect the future of this legislation in the 99th Congress.

By Mr. BRADLEY:

S. 834. A bill to increase competition in the transportation of natural gas; to the Committee on Energy and Natural Resources.

NATURAL GAS COMPETITION ACT

Mr. BRADLEY. Mr. President, today I am introducing the "Natural Gas Competition Act of 1985." By requiring natural gas pipelines to transport natural gas for others when they have available capacity in their pipelines, we can save natural gas consumers and the economy over $10 billion.

At both ends of the natural gas pipeline, Mr. President, competition is working for the consumers and the economy. The 15,000 U.S. producers of natural gas are competing with each other, as well as with Canadian and Mexican producers, to sell gas to the 1,500 natural gas distributors in this country. These local distribution companies are competing for markets with home heating oil, electricity and conservation. There is little competition, however, in the middle. It is here where the Natural Gas Competition Act would apply.

In the 98th Congress, the Energy and Natural Resources Committee took a long and careful look at contract carriage. After 3 weeks of markup on this issue alone, the committee adopted my contract carriage proposal by an 18-to-1 vote. The bill I am introducing today embodies the same concept as the contract carriage provision adopted by the committee.

The bill would accomplish the following:

Require pipelines to transport natural gas for other people if so requested and if the pipelines have available capacity;

Exempts local distribution companies and intrastate pipelines from this requirement if their State regulatory authorities have the authority to order them to transport gas for others;

Protects local distribution companies from loss of natural gas sales to contract carriage customers as determined by their State regulatory agencies;

Places the burden of proving adequacy or lack of capacity on the pipeline;

Protects existing customers of pipelines from adverse effects;

Protects essential and high priority users during periods of capacity constraint;

Authorizes FERC to allow an incentive rate to pipelines that voluntarily transport gas for others;

Adjusts pipeline service obligation, minimum bills and take-or-pay obligations to facilitate transportation;

Requires FERC to initiate rulemaking procedures to establish a pipeline rate design that would encourage voluntary carriage; and

Ensures that State regulatory agencies have the authority to encourage contract carriage.

I ask unanimous consent that the full text of the bill be included in the RECORD at the conclusion of my remarks.

Mr. President, how would consumers benefit from contract carriage? Very simply: lower natural gas prices. The Department of Energy has estimated that competition in the pipeline industry would lower prices by $7.4 billion due to lower profit margins. In addition, DOE estimates that contract carriage will bring on additional supplies of gas, further pushing down gas prices. This would provide an estimated $2.3 billion in economic benefits. The DOE report concludes, "Mandatory carriage was shown to be the most effective means to ensure that consumers have access to the lowest cost gas supplies." That is my goal.

I also ask unanimous consent that the portion of the DOE report dealing with contract carriage be included in the RECORD following the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Natural Gas Competition Act of 1985."

SEC. 2. Findings and Purposes.

(a) FINDINGS.—The Congress finds that—

(1) a national market for natural gas is necessary to promote both lower and nondiscriminatory natural gas prices and reliable supplies; and

(2) transportation of natural gas by interstate pipelines and local distribution companies is an essential element in establishing a national market for natural gas.

(b) The purposes of this Act are to—

(1) promote development of a national market for natural gas; and

(2) provide lower natural gas prices to consumers on a nondiscriminatory basis by providing competitive alternatives to purchases from interstate pipelines.

SEC. 3. Contract Carriage.

(a) IN GENERAL.—The Natural Gas Policy Act of 1978 (15 U.S.C. 3301 and following) is amended by adding the following new section:

"SEC. 316. Contract Carriage.

"(a) GENERAL RULE.—A person subject to this section shall, without discrimination, according to publicly filed tariffs, transport natural gas on the reasonable request of any person to the extent the pipeline, distribution company or gathering system has firm or interruptible available capacity for transportation on a firm transportation basis or on an interruptible transportation basis.

"(b) REQUIRED CARRIAGE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the section shall apply to any person engaged in natural gas transportation.

"(B) SPECIAL RULES.—This section shall not apply to any local distribution company, intrastate pipeline or field gathering system if the State Commission having regulatory jurisdication over such local distribution company, pipeline or system certifies to the Commission that: (i) it has, and will exercise, the authority to require such local distribution company, pipeline or system (if it has available capacity) to transport natural gas without discrimination under terms and conditions comparable to those for transportation under this section, or (ii) that the local distribution company, intrastate pipeline or gathering system to which this section may otherwise apply has filed and in effect a tariff, rate schedule or service agreement covering nondiscriminatory transportation service which is available without discrimination within the service area of the local distribution company, intrastate pipeline or gathering system.

"(ii) EXTENT OF COMMISSION JURISDICTION.—A person shall not be subject to the jurisdiction of the Commission solely by reason of any transportation pursuant to this section except to the extent necessary to assure compliance with this section.

"(iii) STATE AUTHORITY OVER CERTAIN TRANSPORTATION.—In the case of any person who requests service from an interstate pipeline under this section for a facility which, at any time in the immediately preceding four years, received gas from a local distribution company or from any person for which a service area has been determined under section 7(f) of the Natural Gas Act, the Commission shall not permit such interconnection or transportation unless

"(A) the local distribution company involved contracts with the facility to transport or deliver the gas under terms and conditions approved by the state agency, or

"(B) The state agency having ratemaking jurisdiction over the area within which such facility is located gives its approval subject to such terms and with such conditions as the state agency may apply.

"(2) PROCESS.—

"(A) FILING REQUIREMENT.—The commission shall require each pipeline to file a report every 6 months after the effective date of this section (or more frequently) describing capacity in the pipeline's facilities (indicating the geographic location and projected duration of such capacity) and current and anticipated transportation and such other information as the Commission finds appropriate to carry out this section. The Commission shall also require any person requesting transportation of natural gas under this section or any modification of any such transportation to file with the Commission such information regarding said request as may be necessary to implement this section. The Commission shall establish procedures under which material filed under this section shall be made available to affected persons, and to any State and local agencies having jurisdiction or authority. The Commission shall provide procedures and restrictions which protect the confidentiality of that information which the person requesting service or the pipeline demonstrates to the Commission is confidential or proprietary.

"(B) PROCEDURES.—

"(i) Any pipeline or distribution company which receives a request to transport natural gas under this section shall,

"(A) provide transportation as requested within 45 days of receiving such request, or

"(B) petition the Commission within 10 days for a determination that the pipeline or distribution company lacks available capacity to provide the transportation requested.

"(ii) In the event that a pipeline or distribution company petitions the Commission under paragraph (b)(i)(B), such pipeline or distribution company shall have the burden of demonstrating that it lacks the available capacity to provide the transportation requested.

"(iii) In the event that a pipeline or local distribution company provides transportation pursuant to paragraph (B)(i)(A), any interested party may petition the Commission for a determination that the pipeline or the distribution company lacks the available capacity to provide the transportation requested. In the case of any such petition, the burden of demonstrating that the pipeline or distribution company lacks available capacity shall rest with the petitioner.

"(C) COMMISSION AUTHORITY.—The commission shall establish public procedures to resolve any petitions filed under paragraph (B)(i)(B) and paragraph (B)(iii), and shall make a final determination with regard to any such petition within 45 days of the date on which the petition is filed. With respect to such determination:

"(i) If the Commission determines that a pipeline or distribution company has available capacity to provide the transportation requested, it shall require said pipeline or distribution company to provide such transportation.

"(ii) The Commission shall, to the extent that available capacity is lacking, require a pipeline or distribution company to desist from the transportation of gas under this section if, based on a petitioner's demonstration, the Commission determines that the pipeline or distribution company does not have the available capacity pursuant to paragraph (3).

The Commission shall have the authority to establish interim requirements for the transportation of natural gas pending final determination on any petition.

The rules issued by the Commission pursuant to this section shall be designed to discourage frivolous petitions under this section for determination by the Commission that a pipeline or distribution company lacks available capacity.

"(3) AVAILABILITY CAPACITY.—For the purpose of carrying out this section, the Commission shall establish the methodology for determining whether available capacity exists to transport all or a portion of the natural gas requested on a firm transportation basis or on an interruptible transportation basis, as defined in paragraph (5). For the purpose of establishing such regulations:

"(A) Available capacity for transportation on a firm basis shall be considered to exist if it could be provided without impairing delivery of natural gas necessary to meet the

maximum quantities applicable to each then existing customer for the receipt of natural gas under all rate schedules, tariffs, governmental licenses, or certificates in effect at the time of application to receive such service. Provided, however, that capacity in the pipeline shall be deemed available for transportation on a firm basis to a firm customer of a local distribution company to the extent that the state agency having ratemaking jurisdiction over the local distribution company authorizes such utilization. Such authorization may be for any number of days of the year and may be subject to interruption for use by the local distribution company. Nothing in this subsection shall affect the requirements of subsection (4).

"(B) Pending promulgation by the Commission of a rule pursuant to subparagraph (C), available capacity for transportation on an interruptible basis for any month shall be considered to be the greater of (i) the difference between the pipeline's total capacity and its average actual throughout over the previous three years, or (ii) the difference between the pipeline's total capacity and the reasonably foreseeable requirements of its existing customers.

"(C) Within 12 months after date of enactment, the Commission shall issue a rule adopting or modifying the provisions of subsection (B). The rule shall achieve the objective of establishing an objectively verifiable standard, the objective of maintaining approximately the same average daily volumes of gas that were received prior to the date of enactment by existing customers purchasing under interruptible rate schedules, and the objective of this section to promote nondiscriminatory contract carriage.

"(4) ESSENTIAL AND HIGH PRIORITY USERS.—The Commission shall prescribe regulations which allocate capacity whenever a pipeline does not have sufficient available capacity to satisfy all of its obligations. Such regulations shall be prescribed and issued jointly with the regulations under paragraph (3), and shall provide that no customer shall be interrupted with respect to its entitlement to firm sales or firm transportation under any rate schedule, tariff, governmental license or certificate until all interruptible requirements have been fully interrupted, and, in the event any curtailment of firm sales and transportation is necessary such curtailment shall be on the basis of the priorities applicable under the Natural Gas Act (and Title IV of this Act) for curtailment of deliveries. In determining the curtailments among interruptible customers, the Commission shall apply the priorities established under Title IV of this Act for curtailment of deliveries. Such regulations shall not discriminate between the obligations arising under this subsection and other obligations.

"(5) DEFINITIONS.—For purposes of this section—

"(A) FIRM TRANSPORTATION BASIS.—The term "firm transportation basis" means the ability, consistent with accepted engineering principles, to transport, store, and deliver a given volume of natural gas to a given location through all means, including direct haul, storage, compression, flow reversal, or transportation by displacement without interruption except in the case of force majeure; and

"(B) INTERRUPTIBLE TRANSPORTATION BASIS.—The term "interruptible transportation basis" means the ability, consistent with accepted engineering principles to transport, store and deliver a given volume of natural gas to a given location through all means, including direct haul, storage compression, flow reversal, or transportation by displacement, subject to interruption on short notice to meet peak-load requirements or to meet the needs of firm and high priority users or due to circumstances of force majeure.

"(c) JUST AND REASONABLE RATES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any rates and charges of any pipeline or distribution company made with respect to any transportation provided pursuant to this section shall be just and reasonable (within the meaning of the Natural Gas Act) and shall recover the full cost of providing such services to the customer or customers receiving such services. Such rates and charges shall not discriminate between transportation under this section and any other transportation of gas including transportation of gas for sale or resale. No pipeline customer or distribution company customer shall be subject to a demand charge for the portion of its firm entitlement to receive gas which it uses to receive gas transported under this section unless such charge is levied on all customers receiving gas transported under this section.

"(2) REQUIREMENTS IF RATE IS LESS THAN MAXIMUM JUST AND REASONABLE RATE.—

The Commission may not authorize any pipeline or distribution company to impose a rate or charge which is less than the maximum that would be just and reasonable unless.

"(i) the pipeline or distribution company provides the same lower rate or charge for all classes of customers; and

"(ii) the pipeline or distribution company is prohibited from recovering from any of its other customers any amount to compensate the pipeline or distribution company for revenue forgone by the pipeline or distribution company in offering such lower rate, and

"(iii) the rate is publicly filed as a tariff with the Commission.

"(3) ALLOCATION OF PREEXISTING TAKE-OR-PAY LIABILITIES.—To the extent that the Commission permits a pipeline to recover in rates any costs associated with prepayments (or any similar liability) for gas that was not taken prior to the date of enactment of this section (without regard to whether the costs were incurred before or after enactment), it shall allocate such costs to all transportation of gas including transportation under this subsection, and the transportation of gas for sale or resale.

"(d) OBLIGATION TO CONTINUE SERVICE.—Nothing in this section shall be construed to affect in any way a pipeline's obligation at any time to continue to render service under contracts and certificates then existing with local distribution companies and other customers. A then existing customer shall be entitled to use the maximum capacity it has available under all existing rate schedules, tariffs, government licenses, contract or certificates to receive gas purchases from the pipeline or to transport gas under this section or both. If a customer of an interstate pipeline elects to reduce its obligation to purchase natural gas from such pipeline, the obligation of such pipeline to sell natural gas to such customer pursuant to the Natural Gas Act shall be reduced to the extent, and such pipeline shall not be required to seek Commission approval of such reduction under Section 7(b) of the Natural Gas Act.

"(e) MINIMUM BILL AND PIPELINE PURCHASE REDUCTION.—

"(1) Any minimum bill obligation existing on the date of enactment shall be reduced to the same extent that the customer's purchase from the pipeline has been reduced due to such customer's transportation of natural gas under this section.

"(2) REDUCTION IN PIPELINE PURCHASE OBLIGATION.—The interstate pipeline may elect to reduce its purchase obligations existing on the date of enactment from its suppliers by an amount necessary to offset any reduction in volume of natural gas sold by the pipeline from its system supply due to transportation under this section. In making any such reduction the pipeline shall reduce volumes ratably among all purchase contracts. This provision shall not be available as to any reduction in sales volumes due to transportation of gas produced by a production affiliate of the purchaser.

"(f) NONDISCRIMINATION PROVISION.—The Commission shall prohibit any pipeline or distribution company from discriminating in favor of or against any person under this section with respect to, but not limited to, any rate, charge, classification, rule, regulation, policy, practice or service; further, service rendered by a pipeline or distribution company pursuant to this section shall not be conditioned upon the provision by the pipeline of any other service offered by the pipeline or distribution company."

"(g) BUYER'S COOPERATIVES.—The rules issued by the Commission pursuant to this section shall facilitate and encourage any local distribution company or municipality to cooperatively purchase gas. Nothing in this section shall be construed to prevent or impair formation of any buyer's cooperatives for the purchase and transportation of natural gas."

"(h) EXPEDITED PROCEEDINGS.—In carrying out subsections (a) and (b), the Commission shall, if appropriate, use expedited procedures."

"(i) VOLUNTARY TRANSPORTATION ALLOWANCE.—Any pipeline or local distribution company that voluntary agrees to transport natural gas under this section shall be permitted to charge a nondiscriminatory incentive allowance (in excess of the just and reasonable rate, or the fair and equitable rate) for such transportation as established by the Commission.

"(j) TERMINATION.—The Commission may, by order, reduce or terminate the transportation service provided for under this section if the Commission determines that the service is not in accordance with this section.

"(k) RATE DESIGN.—Within 45 days of enactment of this section, the Commission shall initiate rulemaking procedures to establish a new interstate pipeline rate design that will encourage voluntary transportation of natural gas. The objectives of such rate design shall be as follows:

"(1) to establish incentives that encourage pipelines to provide adequate transmission services at minimum cost;

"(2) to make pipelines indifferent between selling their own system supply and providing transportation for others;

"(3) to ensure clear and prompt transmission of price signals in both directions between the wellhead and burnertip markets; and

"(4) to allocate risk to those who have chosen to bear it in exchange for the opportunity to earn profits.".

(b) STATE RATEMAKING AUTHORITY.—Section 602 of the Natural Gas Policy Act of 1978 is amended by adding new subsection (c) to read as follows:

"(c) STATE REGULATORY AUTHORITY.—(1) Nothing in this Act, or in the Natural Gas Act, shall preclude any state regulatory authority, acting pursuant to State law, from reviewing the natural gas purchasing practices or from disallowing the natural gas purchase costs of any utility subject to its jurisdiction in accordance with State law.

"(2) Nothing in this section shall authorize any State agency to establish maximum lawful prices for the first sale of natural gas. A State agency shall not have authority under this section to establish, by rule, order, or statement of policy, a presumption respecting the level of natural gas purchase price from producers or pipelines at or above which payment by a local distribution company is presumed imprudent or at or below which payment by a local distribution company is presumed prudent.".

(c) MONITORING AND REPORTING REQUIREMENTS.—

(1) MONITORING.—The Federal Regulatory Commission shall monitor and gather data concerning transactions carried out pursuant to section 316 of the Natural Gas Policy Act of 1978, including volumes of natural gas transported, problems concerning available capacity, costs and reliability of service of the pipelines transporting natural gas, protection of the capacity required by then existing customers of the pipeline, and the impact of such transportation on other users or customers of the pipelines.

(2) REPORT.—The Commission shall, after evaluating such data and consulting with appropriate State regulatory authorities and other persons, prepare and submit a report to the Congress within 24 months after the date of the enactment of this Act. Such report shall include an evaluation of the implementation of the authority provided in section 230(b) of the Natural Gas Policy Act of 1978, recommendations (if any) for modifications of such authority, and an analysis of whether requiring interstate pipelines to operate as common carriers would be in the public interest.

(d) COORDINATION WITH THE NATURAL GAS ACT.—All transportation of natural gas shall be provided under Section 316 of the Natural Gas Policy Act and that section shall supersede all other authorities previously enacted which authorize transportation of natural gas.

INCREASING COMPETITION IN THE NATURAL GAS MARKET

CHAPTER 7: CONTRACT CARRIAGE

Under the current system of private and voluntary carriage of natural gas, the private interests of pipeline companies are not compatible with the public interest. Thus, increases in the relatively small volumes of voluntary carriage for end-users are not an indication that changes in pipeline carrier status are unnecessary. Pipeline companies do not have proper incentives to pursue least-cost purchasing strategies. The ability to control access to citygate markets also has allowed pipeline companies to prevent competitive purchases by end-users and competitive sales by producers to end-users, distribution companies, and other pipeline companies. Only by separating gas purchasing from gas transportation under either mandatory or common carriage will consumers be assured of receiving the full benefits of competition in citygate markets. These benefits include lower transmission margins, competitively priced gas supplies, and the elimination of the gas surplus.

Alternative types of carriage

Currently, natural gas pipeline companies buy and resell gas as private carriers and also transport some gas under voluntary contract carriage. As private carriers, the pipeline companies purchase gas in the well head market and transport it for resale in the citygate market.

Common and contract carriers are agents who transport a commodity owned by others. Common carriers, unlike contract carriers, have a legal obligation to "serve the public." A pipeline company acting as a voluntary contract carrier transports gas as a result of an arrangement between the pipeline company and the shipper, negotiated at the discretion of the pipeline company. In contrast, a pipeline company acting as a mandatory contract carrier must transport gas at the request of a shipper as long as capacity is available. This requirement is similar to the legal obligations of a common carrier but does not disturb the ability of the pipeline company to transport gas that it owns or to serve the customers who buy gas from it.

Natural gas transportation under voluntary carriage

Voluntary carriage increased slightly as a share of market sales in 1983. However, as in 1982, there was a decline in absolute annual volumes. The annual volumes of gas transported or compressed by others (voluntary carriage) and the fraction of total deliveries that these volumes represent are shown in Table 7-1.

TABLE 7-1.—CONTRACT CARRIAGE BY ALL CLASS A AND B INTERSTATE PIPELINE COMPANIES

[Billion cubic feet]

	Transported or compressed for others [1]	Percentage of total deliveries
1978	4,060	13
1979	5,208	15
1980	5,686	16
1981	6,546	17
1982	6,359	17
1983	6,232	18

[1] Gas Account Statistics, "Deliveries of Gas Transported or Compressed for Others," table 16.

Source: EIA, "Statistics of Interstate Natural Gas Pipeline Companies 1983," November 1984.

A recent study conducted by the Interstate Natural Gas Association of America (INGAA) showed that the volume of voluntary carriage for end-users also increased in 1983.[1] However, voluntary carriage for end-users remains a small fraction of total voluntary carriage and an even smaller fraction of total sales. According to the INGAA study, about 600 billion cubic feet, or about 10 percent, of all voluntary carriage in 1983 was for end-users or distributors. This is equal to about 3 percent of total sales in 1983.

Several instances of actions by pipeline and distribution companies to discourage transportation of gas for end-users were cited in the public comments. Pipeline companies have strong incentives under private and voluntary carriage to prevent transportation of gas that they do not own or have not released from contracts in return for take-or-pay relief. In fact, the public comments reveal that many pipeline companies have a stated policy to refuse to carry any gas that competes with their system supplies. These examples are described in detail in Appendix B.

These examples give an indication of the problems that arise when pipeline companies act as private and voluntary carriers. Because the private interests of pipeline companies as buyers and sellers of gas diverge from the public interest, consumers are denied access to competitively priced gas supplies. Pipeline companies are able to exert their interests in the marketplace because private and voluntary carriage allows them to extend their market power over gas transportation—where they are regulated—into the natural gas purchasing market—where they are not regulated. This market power allows them to choose both the gas to be transported and the shippers who can use contract carriage. An additional problem may arise when pipeline companies are affiliated with producers. These pipeline companies may have perverse incentives to maintain high gas costs.

Market Power

One important factor leading to passage of the Natural Gas Act (NGA) in 1938 was the potential abuse of market power by interstate natural gas pipeline companies. For this reason, the NGA gave the Federal Power Commission the authority to regulate interstate natural gas pipeline companies. This authority now rests with the Federal Energy Regulatory Commission (FERC).

Interstate pipeline companies continue to possess considerable market power at the point of delivery—that is, in the citygate market. A 1981 FERC study found that on average a distribution company is served by only 1.8 pipeline companies and that roughly 70 percent of all distributors are served by only one pipeline company.[2] This study indicates that little competition exists between pipeline companies in most citygate markets at present.

However, these results still underestimate the degree of market power held by many pipeline companies. Even when a particular citygate market is served by several pipeline companies, there is usually only one pipeline company that links this citygate market to a particular gas field. If a distribution company or end-user wishes to purchase gas from this field, it must usually rely on one or at most two pipeline companies to transport the gas. At the same time, it may be in the interest of the pipeline companies involved to prevent access to that field. Thus, a pipeline company still may possess market power in a citygate market served by several pipeline companies.

The degree of market power held by a pipeline company also is determined by the number and cost of alternatives available to the end-users served by that pipeline, including alternative fuels and other sources of gas supplies. Alternative fuel prices and the per-unit cost of switching from natural gas to the alternative place a ceiling on the gas price that end-users are willing to pay. This price ceiling is considerably lower for industrial and electric utility gas consumers than for commercial and residential consumers. At present, alternative fuels are competing directly with natural gas for many industrial and electric utility consumers. This is generally not true for residential and commercial customers. Thus, pipeline companies serving end-use markets that are

[1] INGAA, "Voluntary Carriage in 1983," Washington, DC, September 1984.

[2] David E. Mead, Federal Energy Regulatory Commission, "Concentration in the Natural Gas Pipeline Industry," Washington, DC, October 1981.

primarily composed of residential and commercial customers possess greater market power than those pipeline companies that serve markets containing a high percentage of industrial and electric utility customers.

Pipeline companies currently possess the legal right to refuse transportation services to willing buyers and sellers of gas. This creates two major problems. First, this right to refuse carriage allows the pipeline company to choose the quantity and cost of gas to be transported into its markets. The company may have the incentive to carry particular volumes of gas. For example, in a surplus market a pipeline company will want to transport the gas it already has contracted to buy before arranging to transport nonsystem gas supplies. Likewise, a pipeline company may transport its most expensive gas first. This would depend upon the relative strength of two factors: the savings that result from making prepayments on less expensive supplies while taking higher cost gas, and the elasticity of demand of the pipeline company's customers. If the savings are high and if the pipeline company believes that higher gas prices will not significantly reduce consumption, then they will have the incentive to transport the most expensive gas first.

Second, in addition to choosing the quantity and cost of gas to transport, pipeline companies also determine which customers are allowed access to transportation. In doing so, pipeline companies have the incentive to discriminate in favor of industrial and electric utility customers, who are more likely to reduce their demand when gas prices rise. Because alternative fuel costs and the per-unit cost of switching are higher for residential and commercial customers than for industrial consumers and electric utilities, pipeline companies are not as threatened by the possibility of reduced residential and commercial demand. Ultimately, customers with more elastic demand gain access to the gas transportation network while those with less elastic demand do not.

Pipeline Incentives as a Purchasing Agent

As private carriers, natural gas pipeline companies act as purchasing agents for their downstream customers. However, for two reasons, pipeline companies do not have the proper incentives to purchase the least expensive gas supplies.

First, cost-of-service regulation insulates pipeline companies from losses when they purchase higher cost gas. The purchased gas adjustment mechanism allows the pipeline company to pass through any increase in gas costs to consumers. If sales fall as a result of higher gas prices, the pipeline company may still ensure full cost recovery by requesting a rate increase for the remaining customers in its next rate case. This diminishes the pipeline company's incentive to seek the lowest cost gas available.

Second, a more onerous problem may exist if the pipeline company is vertically integrated or if it is a subsidiary of a parent company that also owns production facilities. A recent study sponsored by the National Association of State Utility Consumer Advocates showed that interstate pipeline companies may benefit from increased gas costs through the increased profits of producing affiliates.[3] For the 12 largest interstate pipeline companies, which control 76 percent of winter heating season requirements, this study found that each 10-percent increase in gas costs adds 6 percent to pre-tax profits.[4] Note that this does not require a pipeline company to pay higher prices to its own affiliate than it pays to other producers; it simply means that the pipeline company or its parent company benefits from higher gas prices. Clearly, this fact will be considered when the pipeline and the parent company determine their optimal purchasing strategy.

Arguments for mandatory contract carriage

Benefits for Mandatory Carriage

Under a system of mandatory carriage, consumers and the economy will realize net economic benefits of at least $9.7 billion. Mandatory carriage creates these benefits by giving buyers and sellers of gas greater access to the pipeline transmission network, which promotes increased competition in both purchasing and transportation of natural gas. Pipeline system supplies will compete both with supplies from other pipelines and with the supplies that are transported under mandatory carriage requested by producers, other pipeline and distribution companies, and end-users. To meet this competition, pipeline companies must reduce either their purchased gas costs or their transportation rates. Introducing competition in the purchase and transportation of natural gas will stimulate more efficient operations by natural gas pipeline companies. As a result, both consumers and the economy will benefit from lower transmission margins, competitively priced gas supplies, and the elimination of the gas surplus.

We estimate that under mandatory carriage average transmission margins of interstate pipeline companies would be at least $0.08 per thousand cubic feet lower than they are now. With a reduction of $0.08 per thousand cubic feet in transmission margins, consumers and the economy would realize net economic benefits of $7.4 billion. By increasing competition between gas suppliers, mandatory carriage would eliminate inefficient increases in transmission magins, such as excessive growth of operating and maintenance cost.[5] To meet competition from lower cost gas suppliers, pipeline companies, particularly those with smaller gas cushions,[6] would be forced to reduce transportation rates. Clearly, some flexibility exists to do so.

It is important to note that a reduction in unnecessary operating and maintenance expenses is only one area in which pipeline companies could reduce transmission margins. Pipeline company rates of return remain high relative to those in other industries, including both regulated and unregulated industries.[7] This could explain why none of the major interstate pipeline companies filed rate cases in 1983. In a rate case, all elements of the pipeline's cost of service, including return, are subject to review.

Many economists also have shown that rate-of-return regulation encourages firms to overcapitalize to increase the size of the rate base.[8] Because pipeline companies are allowed a return on their rate base, the size of the rate base determines the absolute profits that a pipeline company may earn. Greater competition brought on by mandatory carriage would maintain pipeline company returns at reasonable levels and would reduce incentives for pipelines to incur unnecessary capital costs. These benefits were not measured.

Mandatory carriage also produces benefits of $2.3 billion by bringing the current gas surplus to the market. As stated above, manadatory carriage increases competition between existing gas suppliers, forcing them to lower gas costs. To remain competitive, pipeline companies and producers must renegotiate contracts or take other actions to lower gas prices.[9] This reduction in gas prices will continue until the surplus is eliminated.

Mandatory carriage would provide additional benefits since it allows all producers to have access to end-use markets. Very few pipeline companies have purchased new contract gas since 1982, when many companies began to incur prepayment liabilities. By providing new gas producers with access to end-use markets, mandatory carriage introduces additional supplies into the market, which promotes increased competition in the gas-purchasing market. These benefits were not measured.

Eliminating Market Power Over Natural Gas Brokerage

Domestic pipeline companies act as natural gas brokers and as gas transporters. As brokers, they participate in a competitive wellhead market. As gas transporters, they operate as natural monopolies. As discussed above, combining these two functions allow pipeline companies to extend their market power to the purchasing market. Under mandatory carriage, local distribution companies and end-users may act as their own brokers, or may use independent brokers, to purchase the least costly gas supplies available at the wellhead.

Mandatory carriage would subject pipeline companies' natural gas sales to greater competition, thereby limiting pipeline companies' market power to the transportation function, which is regulated by FERC. Competition from consumers seeking least-cost supplies would encourage pipeline companies to purchase the lowest priced supplies that are available. This is not true under the current system of voluntary and private carriage.

Nondiscriminatory Access to Transmission

Under private voluntary carriage, pipeline companies face some competitive pressures from customers who can switch quickly to an alternative fuel if gas prices exceed the alternative fuel price. Pipeline companies have a clear incentive to provide carriage for this group. Local distribution companies that serve residential and commerical cus-

[3] J.S. Graves, W.W. Hogan, and R.T. McWhinney, "Mandatory Contract Carriage: An Essential Condition for Natural Gas Wellhead Competition and Least Consumer Cost," Putnam, Hayes, & Bartlett, Inc., September 1984.

[4] This figure was adjusted downward by Putnam, Hayes, & Bartlett, Inc., from 11 percent, using affiliated data supplied by INGAA. While the magnitude of the effect has declined, the result remains—affiliated pipeline companies have an incentive to maintain higher prices for natural gas.

[5] A review of nongas operating and maintenance costs revealed a per-unit increase between 1981 and 1984 of $0.08 after adjusting for inflation and volumes. These expenses should not have increased since sales volumes declined over this period. For a more detailed explanation, see chapter 1.

[6] Pipeline companies with smaller "cushions" possess a higher cost mix of gas—that is, they possess a smaller percentage of old and low-cost gas supplies.

[7] See EIA, "Competition and Other Current Issues in the Natural Gas Market," Washington, DC, June 1984; and Merrill Lynch, "Those Poor Pipelines," Natural Gas Monthly, August 1983.

[8] For a review of this literature, see W. Baumol and A. Klevorick, "Input Choices and Rate of Return Regulation: An Overview of the Discussion," The Bell Journal of Economics and Management Science, vol. 1, No. 2 (Autumn, 1970).

[9] See chapter 5 on contract renegotiation.

tomers who cannot readily switch fuels will have more difficulty obtaining carriage as pipeline companies will use their market power to limit other sources of supply available to these customers.

Under mandatory carriage, local distribution companies can act freely to obtain their own gas supplies or may use an independent broker to carry out this function for them. If pipeline companies offer local distribution companies gas at prices that are not competitive, distribution companies or their brokers can negotiate directly with producers to purchase lower cost gas supplies, with some assurance that carriage will be provided by the pipeline company.

Removal of Distortions Caused by Vertical Integration

Many pipeline companies are affiliated with producers or distribution companies. As discussed above, vertical integration in the natural gas industry allows integrated companies to make business decisions that reduce profitability in one part of the company while more than offsetting these losses with increased profitability in another part of the company. This problem is exacerbated by regulations that minimize the losses of pipeline operations.

Mandatory carriage should eliminate the ability of integrated companies to maintain high wellhead gas prices when market forces dictate that these prices should be lower. Under such conditions, nonaffiliated producers will not hesitate to lower prices and sell more gas directly to consumers, if they are free to do so. Thus, mandatory carriage will result in increased production and lower retail prices by removing the distortions caused by vertical integration.

Increased Market Stability and Flexibility

Recent activities to develop spot and futures markets demonstrate that the natural gas market is becoming more dynamic and flexible. The ability to obtain transportation without delay is critical for the ability of the market to adjust prices or supplies through spot or other short-term sales. Futures markets add investment capital to the natural gas industry and mitigate the volatility of price changes over time. The successful operation of these two new markets depends on the ability of the parties involved to transmit gas from one point to another, both now and in the future. Mandatory carriage makes such movements possible.

Voluntary contract carriage significantly inhibits the development of spot and futures markets. Voluntary carriage introduces too much uncertainty and delay concerning access to transportation services to allow the spot and futures markets to reach their true potential. Thus, voluntary carriage will deprive consumers of the full benefits that spot and futures markets can provide by ensuring that gas supplies reach consumers where and when they are needed the most. Mandatory carriage is an essential component of a flexible and stable natural gas market.

Incremental Benefits of Common Carriage

Some of the problems addressed by mandatory carriage may be resolved better by common carriage. For example, common carriage prohibits pipeline companies from purchasing and reselling gas. Under common carriage, pipeline companies only transport gas, though they may own or be owned by gas producers. Thus, under common carriage, the monopolistic transportation role of a pipeline company is separated entirely from its role as a gas broker. The incentives of the natural monopoly are not carried over into the buying and selling of gas. Under mandatory carriage, the extent of the competition may depend on the capacity available for unaffiliated gas. A pipeline company without excess capacity is unlikely to face the competitive pressures that a pipeline company with excess capacity would face. Thus, while both mandatory and common carriage are more effective than voluntary contract carriage at separating the two roles of existing pipeline companies, common carriage may prove to be the most effective alternative if pipeline companies are able to maintain a greater degree of market power under mandatory carriage.

Common carriage also may more effectively remove the distortions of vertical integration than mandatory carriage does, since it is more certain that common carriage will maximize competition in the purchase, transport, and sale of natural gas. Common carriage leaves little or no opportunity for pipeline companies to purchase more expensive gas and pass the costs on to the end-user while increasing their affiliated company's profits.

Arguments against mandatory carriage

This section will review several of the more important prominent objections to mandatory carriage and show that they are either completely invalid or overstated. The objections are listed below:

Mandatory carriage will benefit only large-volume gas users and may increase rates for the remaining pipeline customers.

Mandatory carriage requires pipeline companies to maintain unwarranted service obligations.

Mandatory carriage will dramatically increase regulatory costs.

Mandatory carriage is unnecessary since greater volumes of gas are moving through voluntary carriage.

Mandatory carriage is a temporary solution to the current problem of the gas surplus.

Mandatory Carriage Benefits All Gas Consumers

A common criticism of mandatory carriage is that it benefits only large industrial gas consumers and that it also may cause cost-shifting among consumers, which increases rates for residential and other small-volume gas users. These were two conclusions of the Cambridge Energy Research Associates' critique of mandatory carriage.[10] In that report, the first conclusion was based upon the premise that mandatory carriage is only available on an interruptible basis. Thus, the only customers able to use carriage are those with storage or alternative fuel capabilities. These presumably are not small-volume consumers, such as residential and commercial consumers.

This argument is not valid for two reasons. First, most mandatory carriage proposals give small-volume consumers access to the gas transmission network through their local distribution company. The local distribution company often is able to use storage facilities. In addition, Order 380 has greatly increased the flexibility that the local distribution company has in obtaining nonsystem gas supplies.[11] The order substantially reduces the payments that the local distribution company must make to its original pipeline supplier when obtaining onsystem gas supplies. Second, the local distribution company can replace firm-service supplies with lower cost supplies obtained through mandatory contract carriage. In other words, the local distribution company is able to reserve portions of the pipeline company's capacity to ensure adequate service capability, while obtaining its gas supplies through mandatory carriage.

The increase in competition between gas suppliers that occurs under mandatory carriage ensures all gas consumers of obtaining the lowest cost gas supplies available. Mandatory carriage also increases pressure on pipeline companies, producers, and local distribution companies to renegotiate contracts that prevent gas prices from falling. Thus, all gas consumers can expect to benefit from reduced gas costs under mandatory carriage.

A second conclusion of the Cambridge Energy Research Associates' report is that mandatory carriage will result in cost-shifting between gas consumers. This conclusion is based on the premise that each gas consumer makes some contribution to the fixed costs of the pipeline company when the consumer purchases system supplies. Thus, when a gas consumer replaces system supply purchases with nonsystem supply purchases, it reduces its contribution to the pipeline company's fixed costs. These fixed costs must then be recovered from the pipeline company's remaining customers. However, it is clear that this cost-shifting need not occur. State and federal regulatory commissions have full authority to design transportation rates in a way that will retain the original allocation of fixed costs. This adjustment in transportation rates can even be used to sustain a cross-subsidy between gas users if such a subsidy is considered desirable.

Mandatory Carriage Does Not Require Pipeline Companies To Maintain Unwarranted Service Obligations

Mandatory carriage also has been criticized because it requires pipeline companies to maintain an ability to provide system supplies to mandatory carriage customers. This criticism was put forth in a January 1984 American Gas Association (AGA) report that asserts that mandatory carriage will affect the reliability and cost of gas suply.[12] According to the AGA, mandatory carriage customers, buying from a limited number of sources, face a higher probability of emergency shut-ins. This, in turn, requires pipeline companies to maintain available system supplies for their mandatory carriage customers. The cost of maintaining these system supplies is borne by the remaining pipeline customers.

This argument is completely invalid for two reasons. First, none of the reasonable mandatory carriage proposals requires a pipeline company to maintain system supply capability for a mandatory carriage customer. In fact, most of these proposals explicitly reduce the pipeline companies' obligation to provide system gas supplies for a mandatory carriage customer. Second, state and federal regulatory commissions would not allow a pipeline company to charge its firm-service customers for the cost of maintaining system supply for a

[10] Cambridge Energy Research Associates, "Mandatory Carriage: Consequences for the Natural Gas Industry and for Consumers," Cambridge, MA, May 1984.

[11] Order 380 is explained in greater detail in chapter 5 on renegotiation.

[12] American Gas Association, "Operating Problems Under Mandatory Carriage, Arlington, VA, January 1984.

mandatory carriage customer. Such a charge is inherently unjust and unreasonable. If a mandatory carriage customer wants to ensure that system gas supply is available, then that customer will pay for it.

Mandatory Carriage Will Not Lead to a "Regulatory Paralysis" of the Pipeline System

Since determination of available capacity in a pipeline system is not always a simple matter, opponents of mandatory carriage often have complained that it causes a dramatic increase in the cost of regulation. The inherent properties of natural gas and the nature of its uses complicate proper capacity determination. For example, because the demand for gas can fluctuate over the course of a day (especially during the winter heating season), the pipeline itself is often used as a temporary storage facility. This method of meeting daily fluctuations in demand is know as linepacking. Obviously, linepacking increases the difficulty of determining available capacity. Temperature and pressure in the pipeline also affect the level of available capacity. According to mandatory carriage opponents, regulatory agencies will have to replicate the expertise of the pipeline companies to determine when and where capacity is available. Because the regulatory process is often time-consuming, this could lead to a "regulatory paralysis" of the pipeline system.

The premise of these arguments is that mandatory carriage will create significant capacity problems in the gas transmission network. However, there is strong evidence to show that this will not occur. Studies have shown that the capacity of the gas transmission network is far greater than current or historical levels of gas transportation.[13] The evidence that capacity is currently available is even stronger. The large increases in take-or-pay liabilities that occurred during 1982 and 1983 also show that pipeline companies expected to sell more gas during those years than they were able to sell.[14] Certainly the pipeline companies would not have contracted to buy these volumes of gas if they did not believe that they had the capacity to transport the gas. While gas demand increased during 1984, it is still considerably below pre-1982 levels. Thus, it is clear that idle pipeline capacity currently exists.

Other factors also indicate that mandatory carriage will not create new, complex capacity problems that require regulatory interference. Mandatory carriage simply involves changing title to gas that is transported through the pipelines. As such, it will not affect factors such as seasonal variations in demand and the cost of storage. Thus, it is unlikely to create a set of capacity problems that the pipeline company does not manage currently.

Insofar as mandatory carriage increases competition between gas suppliers and lowers gas prices, it may increase throughput. However, in the presence of the idle capacity discussed above, any increase in throughput would benefit all pipeline customers by spreading the fixed costs over a larger volume of sales. In the unlikely event that mandatory carriage does create a capacity problem requiring regulatory interference, any increase in regulatory costs must be balanced against the benefits that mandatory carriage provides by increasing competition between gas suppliers. Capacity problems that occur are likely to be the result of lower gas prices that increase throughput. In addition, if increases in costs can be attributed to a specific pipeline customer, then those costs can be charged to that customer. In this situation, the individual customer could evaluate the relative benefits and costs of using mandatory carriage.

The presumption of available capacity in mandatory carriage proposals also reduces the need for extensive regulation. Regulators need only review the capacity constraints of pipeline companies that are unwilling to accept carriage and are able to show evidence that available capacity to do so does not exist. Thus, they avoid the need to predetermine capacity for each pipeline in the transportation network. A pipeline company that uses the complexity of operations to hide available capacity will do so without the protection of the law. In conclusion, mandatory carriage is unlikely to increase the costs of regulation. Because it ensures that consumers have access to the lowest cost gas available, it is the *proper* regulatory policy.

Mandatory Carriage Is Necessary To Ensure That Consumers Have Access to Lowest Cost Gas

Several of the public commentors cited the increase in voluntary carriage for nonpipeline customers as evidence that mandatory carriage is unnecessary. However, the amount of carriage for end-users and distribution companies remains a small percentage of total sales. In addition, Appendix B cites numerous instances of pipeline refusals to provide carriage.

Critics also have asserted that mandatory carriage is a solution to transient problems: the existence of a large surplus, the wide disparity in the price of natural gas, and the willingness of producers to sell gas at "distressed prices" in order to maintain cash flow.[15] As these problems subside, the need for mandatory carriage will disappear.

Both of these arguments against mandatory carriage ignore the fact that mandatory carriage is necessary to ensure least-cost purchasing practices in both the short and the long run. Earlier sections of this chapter showed that, under voluntary carriage, pipeline companies lack the proper incentives to minimize gas costs. Mandatory carriage was shown to be the most effective means to ensure that consumers have access to the lowest cost gas supplies.

APPENDIX B: EXAMPLES OF ANTICOMPETITIVE BEHAVIOR IN GAS TRANSMISSION

The public comments to the Section 123 report reveal several examples of refusals to carry gas by gas transporters. These examples are described in detail below. Following these examples is a list of stated pipeline company policies regarding voluntary carriage that were provided in the public comments submitted collectively by the Aluminum Association, the American Iron and Steel Institute, the Georgia Industrial Group, and the Process Gas Consumers Group. These examples and policies show the great difficulties that producers and end-users often have in obtaining voluntary carriage.

Examples of refusals to carry gas [1]

The comments submitted by Ventura Resources, Inc., of Encino, California, are summarized here:

Ventura owns a small gas field near Creek County, Oklahoma. The three wells on the field are capable of producing 800 to 1,100 thousand cubic feet of gas per day. The original well was completed based on the knowledge that a collection line owned by Transok Pipeline Company was within 2 miles of the well and that Ventura had received a favorable reaction to an initial telephone inquiry regarding the ability of Transok to purchase this gas. However, once the well was completed, Transok required Ventura to ship its gas through another line that required Ventura to install gathering lines and a compressor system. Ventura agreed, and a contract with a 75-percent take-or-pay provision was agreed to at a price of $2.25 per million Btu's. In 1983, after 6 months of "no take," Transok informed Ventura that their take would go down to 25 percent. Ventura then found a new buyer for the gas at a lower price. Transok refused to provide transportation services. Ventura was finally able to sell its gas to Transok at a reduced price, but only after obtaining the services of an independent broker who, through past connections, was able to negotiate a new contract with Transok. The broker received a continuing commission of $0.05 per thousand cubic feet for negotiating this contract.

The following examples were provided by the Aluminum Association et al.:

In the course of more than a year of negotiations, an interstate pipeline company repeatedly found excuses for not transporting specific supplies of gas to a Midwestern company, despite proposals for gas to be delivered from various locations. The company recently announced that the relevant plant will be closed, putting 500 people out of work. The high cost of gas was a major contributing factor to the shutdown.

A Midwestern manufacturer negotiated the purchase of selfhelp gas to replace an alternative fuel. The interstate pipeline company and local distribution company agreed to transport the gas for the manufacturer. After completing 1 year of the contract, the interstate pipeline company refused to continue the transportation on the grounds that the local distribution company was delivering gas to its industrial customers at a cost that was lower than the cost of the alternative fuel. This cost relationship between the local distribution company's delivered gas and the alternative fuel had existed from the initiation of the contracts. The interstate pipeline company had chosen to use this as a means of eliminating gas-on-gas competition.

A major interstate pipeline company refused to transport self-help gas until a group of its largest industrial customers intervened in a rate case involving revised rate structures for industrial customers. Upon analysis of the industrial group's arguments based on cost-of-service principles, a settlement was agreed to that allowed transportation of a percentage of the gas requirement of the pipeline company's largest industrial customers.

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[13] See Benjamin Schlesinger Associates/Energy Futures Group (BSA/EFG), "Analysis of the Natural Gas Spot Market" (Draft), December 1984; and Arnold Tussing, presentation to the annual meeting of the Texas Independent Producers and Royalty Owners Association, June 12, 1984.

[14] For more information on take-or-pay liabilities, see chapter 5 on renegotiation.

[15] Cambridge Energy Research Associates, "Mandatory Carriage."

[1] In many cases, the firms involved consider these examples to be confidential business matters and therefore do not specifically identify the parties to these transactions.

A major interstate pipeline company in the South has refused to transport gas that is from a major producing area of any customer not on its system, whether the customer is an intrastate or interstate end-user. This effectively eliminates a major low-cost gas producing area from being available to off-system industrial consumers.

An industrial user in the East found gas available for direct purchase from a producer, and its local distribution company agreed to transport the gas to the user's plant. Two of the interstate pipeline companies serving the area refused to carry the gas because the user could not certify it would displace an alternative fuel.

Complaints have been filed with the Pennsylvania Public Utility Commission by local distribution companies to prevent industrial users from shifting to another utility for gas supply. With overlapping service areas between utility companies, this request would eliminate all gas-on-gas competition and force industrial customers into situations of being required to purchase gas at noncompetitive prices.

Finally, the National Council of Farmer Cooperatives provided the following comments:

Pipelines currently carry gas for some users; but they all too often have exhibited a notable reluctance to do so. A number of the National Council's members have attempted to lower energy/feedstock costs by negotiating contract carriage rights with natural gas pipeline companies serving their geographic areas. In some instances, the pipeline company has made a good-faith effort to work with the end-users served by its system. Unfortunately, other pipelines have refused to consider contract carriage, even where surplus transmission capacity clearly existed.

Stated pipeline company policies on voluntary carriage

The following were provided in the public comments of the Aluminum Association et al.:

Columbia Gas Transmission Corporation filed tariffs in 1983 that explicitly ban transportation for users whenever Columbia decides that the transported gas would compete with its own sales. Even if the gas displaces oil, Columbia requires the user to give Columbia's existing producer-suppliers a right of first refusal to replace the original seller. The lawfulness of these and other anticompetitive restrictions was challenged and remains pending, in Docket No. RP84-11, a year after the tariff sheets took effect. Columbia Gulf Transmission Company incorporates into its tariffs all of Columbia Gas' transportation restrictions.

Transcontinental Gas Pipe Line Corporation (TRANSCO) submitted responses in a FERC proceeding (Docket No. RP83-137-000) stating that it will not transport gas for any end-user if that will compete with its own sales. Experience confirms that this is TRANSCO's policy.

A witness for Tennessee Gas Pipeline Company testified in Docket No. RP82-125 that Tennessee will not transport gas sold by others if that would reduce its own sales.

Texas Eastern Transmission Corporation has transportation tariffs applicable to end-users that limit such services to instances involving the displacement of oil. Texas Eastern's policy was partly a product of local distributors' desires for protection from competition. Although the reasonableness of that restriction was challenged well over a year ago (in Docket No. RP83-35-000), the issue is still pending at FERC.

Montana Dakota Utilities Company's filed tariffs state as a condition of service that "gas transported hereunder shall not be used to displace volumes of gas that would otherwise be purchased from [MDU]"—that is, it will not transport gas that will compete with its own sales. FERC recently approved that tariff in Docket No. RP84-14-001, et al., over a major producer's objection to that limitation on competition.

Panhandle Eastern Pipeline Company imposes, as a condition of transportation, a "bid-out" procedure that gives its existing producer-suppliers a right of first refusal to supplant another producer's sale upon matching the major contract items.

United Gas Pipe Line Company refused to agree to nondiscriminatory transportation on behalf of users as part of a settlement that included transportation to displace oil for distributors, and FERC refused to correct that deficiency in Docket No. RP-82-57.

Numerous local distribution companies also refuse to transport any gas except to displace alternative fuels, and they pressure pipeline companies in FERC proceedings and elsewhere to do the same.

By Mr. McCLURE (for himself, Mr. GARN, and Mr. SYMMS):

S. 835. A bill to amend the Food Stamp Act of 1977 to reform and reduce the cost of administering the Food Stamp Program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP REFORM ACT

Mr. McCLURE. Mr. President, today Senator GARN, Senator SYMMS, and I are introducing the Food Stamp Reform Act of 1985. This bill contains 14 changes in the Food Stamp Program that are necessary to eliminate some of the waste and abuse in the system.

Every Member of this body knows that our budget problems will never be solved until Congress has the courage to address the growth in entitlement programs. It doesn't take a Ph.D. in economics to figure out where the problem lies when you have half of the total Federal budget growing over the last 9 years at an average of 9 to 10 percent per year, or by some calculations, 12 to 15 percent per year. We have allowed this situation to go on long enough, and I think Congress has an obligation to the American taxpayer to do something about it. If Congress thinks it can ignore the growth in all the entitlement programs then we are just not living in the real world. Between 1970 and fiscal 1984, the cost of living rose 172 percent, and during that same period Federal spending on entitlement programs went from $65 billion to $400 billion. We could eliminate—not just reduce, but totally eliminate every discretionary program the Government operates, and it isn't going to solve our budget problem. Freezing benefits is not enough. Reform is necessary. The only way to do that is to enact reforms in entitlements. The bill we are introducing today is a step in that direction.

I will not argue that the Food Stamp Program was set up with the best of intentions and that it is a necessary program for many people in this country who find themselves in circumstances beyond their control. Certainly, we, as a society, have a human obligation to help people who are in need. But, Mr. President, I do not believe the American taxpayer is under any obligation to pay for food for people who are perfectly capable of working and who simply find it easier to live off the public dole.

In 1961, the Federal Government established a small antihunger program in eight U.S. counties, at a cost of $13 million. This experimental project blossomed into the current food stamp program that was enacted in 1964 at a cost of $56 million. By 1978, it cost exactly 100 times the original amount. This year, we are talking about a program that will exceed $12 billion. Currently, 1 out of every 10 Americans are receiving food stamps—21 million people. We have 96 million taxpayers in this country. Every one of those taxpayers pays $125 a year to finance this program. The unbelievable growth of food stamps tells me that structural changes are needed in order to reduce the number of able-bodied people who are receiving benefits. Changes are also needed not only to eliminate abuse, but also to cut down on the fraud that is so widespread in the system. The Food Stamp Reform Act achieves these goals by doing the following:

First; restores the food stamp purchase requirement eliminated in 1977, with an exemption for the elderly and disabled. This would save $1 billion each year.

Second; limits eligibililty to those with gross incomes at or below 100 percent of poverty. This would save $240 million each year.

Third; permits the States to use the same assets test as for aid to families with dependent children [AFDC], or in the case of the elderly or disabled, permits the use of the assets test for supplemental security [SSI]. This would save $40 million each year.

Fourth; requires photo identification cards be issued and that food stamps be countersigned.

Fifth; counts as income for eligibility determination such things as income tax rebates, and Federal energy assistance. A savings of $340 million each year.

Sixth; reduces the standard deduction from $85 to $60. A savings of $575 million per year.

Seventh; reduces the age of a child which exempts individuals from work registration from 6 to 3, except where appropriate child care is not available.

Eighth; freezes the indexing of benefit levels, that is, child care deduction,

excess shelter deduction. An estimated cost savings of $500 million per year.

Ninth; requires the States to pay for any excess in the error rate above 3 percent. A savings of $523 million.

Tenth; requires that purchases with food stamps be made in even dollar amounts. Any amount over an even amount must be paid by the recipient in cash.

Eleventh; eliminates the $10 minimum benefit. A savings of $65 million.

Twelfth; permits the States to require repayment through unemployment compensation benefits if a participant has been receiving food stamps through fraudulent means. Savings, $1 million.

Thirteenth; simplifies definition of household. Savings, $65 million.

Fourteenth; permits, rather than requires, the States to provide expedited service for certain households. Savings, $27 million each year.

Back in November 1980 the Investigations staff of the Senate Appropriations Committee reported that: "We believe far too little is being done to detect and prosecute food stamp recipient fraud." Three years later, in its report of February 4, 1983, GAO determined that we lose about $1.2 billion every year from the Food Stamp Program because of overissuance, errors, and fraud. Year after year passes, and we still have done relatively little to clean up the Food Stamp Program. I think it's a national disgrace, and this bill is designed to do something about it. The provisions in this bill are roughly divided into three categories—tightening up on eligibility requirements, addressing fraud and abuse, and cutting back on waste.

Mr. President, I have always thought it was ludicrous to establish a poverty level, and then make food stamp eligibility at something above that level. If the poverty level, as defined by the Office of Management and Budget, it too low, then it should be changed, but until that is determined to be the case, then eligibility for assistance programs should be set at 100 percent of the poverty level. This provision will immediately cut back on the cost of this program by $240 million.

Likewise, I have never understood why we have allowed so many deductions for eligibility determination. If a person receives a low-income energy assistance check—that is income. There is no way you can get around that fact. Money is money, no matter what form it comes in, and all of that should be taken into account when determining eligibility. By including this into the determination of eligibility, a saving of $340 million can be made.

According to the GAO report issued in February 1983, although Federal losses in the Food Stamp Program can occur in any number of ways, the biggest problem lies in how a household's eligibility is determined. The Food Stamp Reform Act simplifies the definition of households eligible to participate in the Food Stamp Program in such a way that, with the exception of elderly or disabled persons, all individuals living together would be defined as a household. Just this change alone will reduce Federal outlays by $65 million. States would be permitted to draw up criteria to provide certain exceptions, if they so desired.

The bill contains several provisions relating to fraud and abuse that I believe are just plain common sense. The requiring of photo-identification cards and countersigned stamps, much like travelers' checks, will help eliminate the blackmarket in food stamps, plus help reduce the estimated $20 million, according to GAO, that is lost each year due to reported losses and theft of food coupons mailed to participating households.

One of the complaints I hear most often from Idahoans about food stamps is when a participant buys a small item and uses the change from the food stamp to purchase beer or cigarettes. By requiring even dollar purchases, this abuse will be eliminated, and the food stamp participant will only have to pay a maximum of 99 cents. Requiring an out-of-pocket expense of 1 to 99 cents is hardly an intolerable burden.

Responsible people who work in food stamp offices will tell you that the expedited service requirement is one of the most abused provisions of the current program. Currently a food stamp recipient can request expedited service and must receive the assistance within 5 days. All this provision does is permit the people to hop from food stamp office to food stamp office. The GAO report indicates that this multiple participation is quite expensive. Savings of $27 million could be made through this provision. Inadequate time for verification precludes early detection of a fraudulent application. Our bill simply allows a State to provide expedited service, rather than requiring it.

Finally, this legislation will require that the States pay for any excess in the error rate above 3 percent. The Food Stamp Program currently has an error rate over 10 percent. That is totally unacceptable, but the States have no real reason to try to correct this problem since the program is 100-percent funded by the Federal Government. I believe it is entirely reasonable to require this rate to be lowered, or to require reimbursement to the Federal Government. This provision will save the Federal Government $523 million.

The GAO report indicates that the four most prevalent abuses of the system include:

Failing to accurately report income and assets.

Opening multiple cases.

Filing false claims of lost or stolen coupons and authorization-to-participate cards.

Failing to report changes that would result in terminated eligibility or reduced levels.

The bill Senator GARN, Senator SYMMS, and I are offering addresses all of these areas and does so in a manner that will not harm those people who are truly eligible for food assistance. The Food Stamp Program is one of the most abused and wasteful programs the Federal Government operates, and I think that a vast majority of the American people agree with me. Why Congress is always so hesitant to take a stand on this issue and clean up the program is beyond me. It is only reasonable to think that when we see abuse, we should act to do something about it. We have made advances in food stamp reform—but it simply hasn't been enough. All of the issues this bill deals with need to be looked at and acted upon. They needed to be done years ago, but it is better late than never.

I ask unanimous consent that the text of the bill be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Food Stamp Reform Act of 1985".

(b) The table of contents for this Act is as follows:

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Sec. 1. Short title; table of contents.
Sec. 2. References to the Food Stamp Act of 1977.

TITLE I—DEFINITIONS

Sec. 101. Purchase requirement.
Sec. 102. Households.
Sec. 103. Adjustment of eligibility and benefit levels.

TITLE II—ELIGIBLE HOUSEHOLDS

Sec. 201. Income standards of eligibility.
Sec. 202. Nonrecurring lump-sum payments.
Sec. 203. Energy assistance payments.
Sec. 204. Standard deductions.
Sec. 205. Resource limitations.

TITLE III—ELIGIBILITY DISQUALIFICATIONS

Sec. 301. Parents and other caretakers of children.

TITLE VI—ISSUANCE AND USE OF COUPONS

Sec. 401. Cash change.

TITLE V—VALUE OF ALLOTMENT

Sec. 501. Minimum allotment.

TITLE VI—ADMINISTRATION

Sec. 601. Expedited coupon issuance.
Sec. 602. Photographic identification cards.
Sec. 603. Countersignature of coupons.

TITLE VII—COLLECTION AND DISPOSITION OF CLAIMS

Sec. 701. Food stamp intercept of unemployment benefits.

TITLE VIII—ADMINISTRATIVE COST-SHARING AND QUALITY CONTROLS

Sec. 801. State agency liability for errors.

TITLE IX—EFFECTIVE DATE

Sec. 901. Effective date.

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

TITLE I—DEFINITIONS

PURCHASE REQUIREMENT

SEC. 101. (a) Section 3 (b) (7 U.S.C. 2012 (b)) is amended by inserting "and any amount to be paid by the household for the allotment" before the period at the end thereof.

(b) The first sentence of section 4 (a) (7 U.S.C. 2013 (a)) is amended by inserting "which has a greater monetary value than the charge to be paid for the allotment by the households" before the period at the end thereof.

(c) Section 8 (7 U.S.C. 2017) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following: "VALUE OF AND CHARGES FOR ALLOTMENT";

(2) by inserting "which is in excess of the amount charged the household for the allotment" after "household" in subsection (b); and

(3) by adding at the end thereof the following new subsections:

"(e)(1) A household shall be charged for the allotments issued to them, except that—

"(A) allotments shall be issued without charge to a household containing an elderly or disabled member; and

"(B) allotment may be issued without charge to a household with an income of less than $30 per month for a family of four under standards of eligibility prescribed by the Secretary.

"(2) The amount of the charge shall represent a reasonable investment on the part of the household, except that the charge may not exceed 30 per centum of the household's income.

"(f) Funds derived from the charges made for allotments shall be promptly deposited, in a manner prescribed in regulations issued pursuant to this Act, in a separate account maintained in the Treasury of the United States for such purpose. The deposits shall be available, without limitation to fiscal years, for the redemption of coupons.".

(d) Section 11 (7 U.S.C. 2020) is amended—

(1) in subsection (e)—

(A) by striking out "and" at the end of paragraph (20); and

(B) by adding at the end thereof the following new paragraph:

"(22) notwithstanding any other provision of law, for the institution of procedures under which a household participating in the food stamp program may have any charges for its allotment deducted from any payment the household receives under title IV of the Social Security Act (42 U.S.C. 601 et seq.) and have its allotment distributed to it with the payment;"; and

(2) in subsection (h), by striking out "Treasury" and all that follows through the period at the end thereof and inserting in lieu thereof "separate account established under section 8(f), a sum equal to the amount by which the value of any coupons issued as a result of the negligence or fraud exceeds the amount that was charged for the coupons under section 8(e)(2)".

(e) Section 15(a) (7 U.S.C. 2024(a)) is amended by inserting "purchase," after "for the".

(f) Section 18 (7 U.S.C. 2027) is amended—

(1) by adding after the first sentence of subsection (a) the following new sentence: "Such portion of any such appropriation as may be required to pay for the value of the coupon allotments issued to eligible households which is in excess of the charges paid by the households for the allotments shall be transferred to and made a part of the separate account established under section 8(f).";

(2) by amending the first sentence of subsection (b) to read as follows: "In any fiscal year, the Secretary shall limit the value of coupons issued which is in excess of the value of coupons for which households are charged, to an amount which is not in excess of the portion of the appropriation for the fiscal year which is transferred to the separate account under subsection (a).";

and

(3) by adding at the end thereof the following new subsection:

"(f) If the Secretary determines that any of the funds in the separate account established under section 8(f) are no longer required to carry out this Act, the unneeded funds shall be paid into the miscellaneous receipts of the Treasury.".

HOUSEHOLDS

SEC. 102. Section 3(i) (7 U.S.C. 2012(i)) is amended—

(1) by striking out "or who, while living with others," in clause (1) of the first sentence and inserting in lieu thereof "and";

(2) by striking out "separate and apart from the others, or" in clause (1) of the first sentence and inserting in lieu thereof a comma;

(3) by striking out "together" the second time it appears in clause (2) of the first sentence;

(4) by inserting before the period at the end of the first sentence the following: ", or (3) at the option of the State agency, one or more individuals who while living with others, customarily purchase food and prepare meals for home consumption separate and apart from the others"; and

(5) by inserting after the second sentence the following new sentence: "Subject to the preceding sentence and the limitation of clause (2) of the first sentence of this subsection relating to parents and children, or siblings, who live together, a State agency may prescribe criteria to determine whether one or more individuals who while living with others, customarily purchase food and prepare meals for home consumption separate and apart from the others qualify as a household under clause (3) of the first sentence of this subsection.".

ADJUSTMENT OF ELIGIBILITY AND BENEFIT LEVELS

SEC. 103. (a) The second sentence of section 3(o) (7 U.S.C. 2012(o)) is amended—

(1) by inserting "and" after "size," at the end of clause (6); and

(2) by striking out ", and (8)" and all that follows through "household size" at the end of clause (8).

(b) Section 5(e) (7 U.S.C. 2014(e)) is amended—

(1) by striking out the second sentence; and

(2) in clause (2) of the fourth sentence—

(A) by inserting "and" after "March 31," at the end of subclause (i); and

(B) By striking out "and (iii)" and all that follows through "twelve months ending the preceding June 30,".

(c) The amendments made by this section shall become effective on the date of the enactment of this Act.

TITLE II—ELIGIBLE HOUSEHOLDS

INCOME STANDARDS OF ELIGIBILITY

SEC. 201. Section 5(c)(2) (7 U.S.C. 2014(c)(2)) is amended by striking out "by more than 30 per centum".

NONRECURRING LUMP-SUM PAYMENTS

SEC. 202. (a) Section 5(d) (7 U.S.C. 2014(f)(1) is amended by striking out clause (8).

(b) Section 5(f)(1) (7 U.S.C. 2014(f)(1)) is amended—

(1) by inserting ", other than income of the type described in subparagraph (C)," after "one year" in subparagraph (A); and

(2) by adding at the end thereof the following new subparagraph:

"(C) Household income for those households that receive income in the form of nonrecurring lump-sum payments, including, but not limited to, income tax refunds, rebates, or credits, retroactive lump-sum social security or railroad retirement pension payments, and retroactive lump-sum insurance settlements, shall be income of the household in the month received. The household shall be ineligible for participation in the food stamp program for the whole number of months that equals (i) the sum of such amount and all other income received in such month, not excluding under subsection (d), divided by (ii) the nonfarm income poverty guidelines applicable to such household. Any income remaining (which is less than the applicable monthly standard) shall be treated as household income received in the first month following the period of ineligibility determined under the preceding sentence.".

ENERGY ASSISTANCE PAYMENTS

SEC. 203. (a) Section 5(d) (7 U.S.C. 2014(d)) (as amended by section 202(a) of this Act) is amended—

(1) by striking out clause (11);

(2) by inserting "and" at the end of clause (10); and

(3) by redesignating clauses (9), (10), and (12) as clauses (8), (9), and (10), respectively.

(b) Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(1) by striking out "food stamps,"; and

(2) by inserting ", other than the Food Stamp Act of 1977" before the period at the end thereof.

STANDARD DEDUCTIONS

SEC. 204. The first sentence of section 5(e) (7 U.S.C. 2014(e)) is amended by striking out "$85" and inserting in lieu thereof "$60".

RESOURCE LIMITATIONS

SEC. 205. Section 5(g) (7 U.S.C. 2014(g)) is amended—

(1) by striking out "The" in the first sentence and inserting in lieu thereof "(1) Subject to paragraph (2), the"; and

(2) by adding at the end thereof the following new paragraph:

"(2)(A) In lieu of the resource limitations provided for in paragraph (1), a State may, if it so elects, establish resource limitations provided for in subparagraph (B) only, subparagraph (C) only, or both such subparagraphs.

"(B)(i) As used this subparagraph, the term 'resources' has the same meaning given the term for purposes of determining eligibility for benefits under title XVI of the Social Security Act (42 U.S.C. 1601 et seq.) (relating to the supplemental security income program).

"(ii) If a household includes an elderly or disabled member, the combined resources of all members of the household may not exceed—

"(I) In the case of a household consisting of only one member, the amount referred to in section 1611(a)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1382(a)(1)(B)(ii)) (relating to an individual having no spouse with whom the individual is living); and

"(II) in the case of a household consisting of more than one member, the amount referred to in section 1611(a)(2)(B) of the Social Security Act (42 U.S.C. 1382(a)(2)(B)) (relating to an individual who has an eligible spouse).

"(D)(i) As used this subparagraph, the term 'resources' has the same meaning given the term for purposes of determining eligibility for aid under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(ii) If a household does not include an elderly or disabled member, the combined resources of all members of the household may not exceed the resource limitation applicable to a household of the same size as the household under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(E) The choice by a State to use resource limitations under this paragraph in lieu of the limitations under paragraph (1) shall be uniform throughout the State.".

TITLE III—ELIGIBILITY DISQUALIFICATIONS

PARENTS AND OTHER CARETAKERS OF CHILDREN

SEC. 301. Clause (B) of section 6(d)(2) (7 U.S.C. 2015(d)(2)(B)) is amended to read as follows: "(B) a parent or other member of a household with responsibilty for the care of (i) a dependent child who is under three years of age, (ii) a dependent child who is three years of age or older but under six years of age, in any case in which adequate care is not otherwise available, or (iii) an incapacitated person;".

TITLE IV—ISSUANCE AND USE OF COUPONS

CASH CHANGE

SEC. 401. Section 7(b) (7 U.S.C. 2016(b)) is amended—

(1) by striking out ": *Provided further,*" and all that follows through the period at the end thereof and inserting in lieu thereof a period; and

(2) by adding at the end thereof the following new sentences: "Change in any form, other than uncancelled or unmarked coupons which were previously accepted for eligible foods, may not be given to eligible households for food purchases. Eligible households using coupons to purchase food shall pay cash for the amount of such purchase which exceeds the value of the lowest coupon denomination issued.".

TITLE V—VALUE OF ALLOTMENT

MINIMUM ALLOTMENT

SEC. 501. Section 8(a) (7 U.S.C. 2017(a)) is amended by striking out the colon after "dollar" and all that follows through the period at the end thereof and inserting in lieu thereof a period.

TITLE VI—ADMINISTRATION

EXPEDITED COUPON ISSUANCE

SEC. 601. Paragraph (9) of section 11(e) (7 U.S.C. 2020(e)(9)) is amended to read as follows:

"(9) at the option of the State agency, for the provision of coupons on an expedited basis to categories of households designated by the State agency to be in immediate need because such households each have—

"(A) household income, as described in section 5(d), that is less than $85 per month; and

"(B) financial resources, as described in section 5(g), that do not exceed $100;".

PHOTOGRAPHIC IDENTIFICATION CARDS

SEC. 602. Section 11(e)(16) (7 U.S.C. 2020(e)(16)) is amended by striking out "in those" and all that follows through "integrity,".

COUNTERSIGNATURE OF COUPONS

SEC. 603. Section 11(e) (7 U.S.C. 2020(e) (as amended by section 101(d)(1) of this Act) is amended by adding at the end thereof the following new parargraph:

"(23) that the State agency shall require a member of a household to sign a coupon at the time the coupon is issued to, and used by, the member; and".

TITLE VII—COLLECTION AND DISPOSITION OF CLAIMS

FOOD STAMP INTERCEPT OF UNEMPLOYMENT BENEFITS

SEC. 701. (a) Section 13 (7 U.S.C. 2022) is amended by adding at the end thereof the following new subsection:

"(c)(1) A State agency may determine on a periodic basis, from information supplied pursuant to section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)), whether an individual receiving compensation under the State's unemployment compensation law (including amounts payable pursuant to an agreement under a Federal unemployment compensation law) owes an uncollected overissuance.

"(2) State agency may recover an uncollected overissuance—

"(A) by entering into an agreement with an individual described in paragraph (1) under which specified amounts will be withheld from unemployment compensation otherwise payable to the individual and furnishing a copy of the agreement to the State agency administering the unemployment compensation law, or

"(B) in the absence of an agreement, by obtaining a writ, order, summons, or other similar process in the nature of garnishment from a court of competent jurisdiction to require the withhholding of amounts from the unemployment compensation.

"(3) As used in this subsection, the term 'uncollected overissuance' means the amount of an overissuance of coupons, as determined under subsection (b)(1), which has not been recovered pursuant to subsection (b)(1).".

(b)(1) Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 603 of this Act) is amended by adding at the end thereof the following new paragraph:

"(23) at the option of the State, for procedures necessary to obtain payment of uncollected overissuance of coupons from unemployment compensation pursuant to section 13(c).".

(2) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b (b)) is amended—

(A) by striking out "or" the second place it appears and inserting in lieu thereof a comma; and

(B) by inserting after "such Act," the following: "or of a State agency charged with the administration of the food stamp program in a State under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.),".

(3) Section 303(d) of the Social Security Act (42 U.S.C. 503(d)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following new paragraph:

"(2)(A) The State agency charged with the administration of the State law—

"(i) may require each new applicant for unemployment compensation to disclose whether the applicant owes an uncollected overissuance (as defined in section 13(c)(3) of the Food Stamp Act of 1977) of food stamp coupons,

"(ii) may notify the State food stamp agency to which the uncollected overissuance is owed that the applicant has been determined to be eligible for unemployment compensation if the applicant discloses under clause (i) that the applicant owes an uncollected overissuance and the applicant is determined to be so eligible,

"(iii) may deduct and withhold from any unemployment compensation otherwise payable to an individual—

"(I) the amount specified by the individual to the State agency to be deducted and withheld under this clause,

"(II) the amount (if any) determined pursuant to an agreement submitted to the State food stamp agency under section 13(c)(2)(A) of the Food Stamp Act of 1977, or

"(III) any amount otherwise required to be deducted and withheld from the unemployment compensation pursuant to section 13(c)(2)(B) of such Act, and

"(iv) shall pay any amount deducted and withheld under clause (iii) to the appropriate State food stamp agency.

"(B) Any amount deducted and withheld under subparagraph (A)(iii) shall for all purposes be treated as if it were paid to the individual as unemployment compensation and paid by the individual to the State food stamp agency to which the uncollected overissuance is owed as repayment of the individual's uncollected overissuance.

"(C) For purposes of this paragraph, the term 'unemployment compensation' means any compensation payable under the State law (including amounts payable pursuant to an agreement under a Federal unemployment compensation law).

"(D) A State food stamp agency to which an uncollected overissuance is owed shall reimburse the State agency charged with the administration of the State unemployment compensation law for the administrative costs incurred by the State agency under this paragraph which are attributable to repayment of uncollected overissuance to the State food stamp agency to which the uncollected overissuance is owed.".

(c)(1) The proviso of the first sentence of section 16(a) (7 U.S.C. 2025(a)) is amended by striking out "section 13 (B)(1) of this Act" and inserting in lieu thereof "section 13(b)(1) and (c) of this Act".

(2) The first sentence of section 18(e) (7 U.S.C. 2027(e)) is amended by striking out "13(b) of this Act" and inserting in lieu thereof "13 (b) and (c) of this Act".

TITLE VIII—ADMINISTRATIVE COST-SHARING AND QUALITY CONTROLS

STATE AGENCY LIABILITY FOR ERRORS

SEC. 801. (a) Section 16 (7 U.S.C. 2025) is amended—

(1) by striking out subsections (c) and (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) As used in this subsection—

"(A) the term 'dollar value equivalent' means the value of allotments determined by multiplying the payment error rate for a fiscal year by the dollar value of all allotments issued during that fiscal year by a State agency; and

"(B) the term 'payment error rate' means the percentage of all allotments issued in a fiscal year by a State agency which are—

"(i) issued to households which fail to meet the eligibility requirements established under section 5 or 6; and

"(ii) overissued to households which meet such requirements.

"(2) The Secretary shall institute an error rate reduction program under which each State agency shall, other than for good cause as determined by the Secretary, pay to the Secretary or have withheld by the Secretary as described in paragraph (4), the dollar value equivalent of the any payment error rate of the State agency which is over 3 per centum, as determined by the Secretary.

"(3) It the Secretary makes a claim against a State for payment under paragraph (2), the State may seek administrative and judicial review of such claim under the procedures set forth in section 14.

"(4) If a claim made against a State for payment under paragraph (2) is ultimately determined to be valid or is not contested by the State, the claim shall be collected by the Secretary through State payment, withholding amounts otherwise payable to the State agency under this Act, or other mechanisms authorized by subchapter II of chapter 37 of title 31, United States Code. Such a claim may be collected on a monthly, quarterly, semiannual, or annual basis, as determined by the Secretary."

(b)(1) Section 11 (7 U.S.C. 2020) is amended—

(A) by striking out "section 16(e)" in subsection (e)(3) and inserting in lieu thereof "section 16(d)"; and

(B) by striking out "section 16(a) and 16(c)" in the second sentence of subsection (g) and inserting in lieu thereof" section 16(a)".

(2) Section 18(e) (7 U.S.C. 2027(e)) is amended by striking out the second sentence.

(c)(1) Section 11 (7 U.S.C. 2020) is amended by striking out subsection (h) and redesignating subsections (i) through (n) as subsections (h) through (m), respectively.

(2) Section 11(e)(2) (7 U.S.C. 20202(e)(2)) is amended by striking out "subsection (i)" and inserting in lieu thereof "subsection (h)".

(3) The first sentence of section 18(e) (7 U.S.C. 2027(e)) is amended by striking out "11 (g) and (h)" and inserting in lieu thereof "11(g)".

TITLE IX—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 901. Except as provided in sections 103(c) of this Act, the amendments made by this Act shall become effective on October 1, 1985.

By Mr. SIMPSON (by request):

S. 836. A bill to amend the Atomic Energy Act of 1954, as amended, to improve the nuclear power plant siting and licensing process, and for other purposes; to the Committee on Environment and Public Works.

NUCLEAR POWER PLANT LICENSING AND STANDARDIZATION ACT

Mr. SIMPSON. Mr. President, at the request of the Nuclear Regulatory Commission, I am introducing today the "Nuclear Power Plant Licensing and Standardization Act of 1985." I ask unanimous consent that the text of this bill be printed in the CONGRESSIONAL RECORD following my remarks. In addition, I ask unanimous consent that a letter from the Nuclear Regulatory Commission to the Vice President of the United States the Hon. GEORGE H. BUSH, transmitting this legislation, and a section-by-section analysis of the legislation appear in the RECORD immediately following the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Power Plant Licensing and Standardization Act of 1985".

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TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress, recognizing that a clear and coordinated energy policy consistent with public health and safety must include an effective and efficient licensing process for siting, construction, and operation of nuclear power plants which meet applicable criteria, finds and declares that—

(1) interstate commerce is substantially affected by the siting, construction, and operation of nuclear power plants;

(2) opportunity for public participation in siting and licensing of nuclear power plants should be assured;

(3) the licensing and construction of nuclear power plants would be facilitated and the public health and safety enhanced by the use of preapproved nuclear power plant designs, particularly standardized designs;

(4) there is a need to encourage the development and use of standardized nuclear power plant designs because such designs can benefit public health and safety by concentrating the resources of designers, engineers, and vendors on particular approaches, by stimulating standardized programs of construction practice and quality assurance, by improving the training of personnel and by fostering more effective maintenance and improved operations, and because the use of such designs can permit a more effective and efficient licensing and inspection process;

(5) the licensing process would be facilitated by procedures for the selection and approval of a site for a nuclear power plant to be accomplished in advance of a commitment to construct a particular facility of a specific design at that site;

(6) the licensing process would be facilitated if licensing decisions are made at the earliest feasible phase of the process and, if an opportunity for hearing has been provided, licensing issues are not subject to further adjudication in the absence of an evidentiary showing called for by this Act and the regulations of the Commission;

(7) all phases of the licensing process should be handled in a timely manner under procedures which, consistent with this Act and the regulations of the Commission, assure that adjudicatory procedures are only invoked where a relevant dispute can only be resolved with sufficient accuracy through such procedures;

(8) consistent with the adequate protection of the public health and safety and the common defense and security, the regulatory process should provide greater stability in licensing standards and criteria for approved designs of nuclear power plants;

(9) consistent with the Commission's paramount responsibility to protect the public health and safety, and recognizing that elimination of all risk is an unattainable goal for any energy source, it is appropriate and in the public interest for the Commission to consider the economic consequences of its regulatory practices including, but not limited to, the cost of safety requirements; and

(b) The purposes of this Act are—

(1) to facilitate the use of preapproved sites and designs for nuclear power plants and to facilitate the development and use of standardization designs;

(2) to provide for the issuance of a combined license to construct and to operate a nuclear power plant under conditions which assure the continued protection of the public health and safety and which will be in accord with the common defense and security;

(3) to improve the stability of licensing standards and criteria for nuclear power plants and thus the finality of prior Commission licensing approvals; and

TITLE I—SITING AND LICENSING

CONSTRUCTION PERMIT AND OPERATING LICENSES

SEC. 101. Section 185 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

SEC. 185. CONSTRUCTION PERMITS AND OPERATING LICENSES.—

a. All applicants for licenses to construct or modify production or utilization facilities shall be initially granted a construction permit after the Commission has provided an opportunity for public hearing pursuant to section 189 of this Act and if the application is otherwise acceptable to the Commission. Upon the completion of the construction or modification of the facility, upon the

filing of any additional information needed to bring the original application up to date, after providing an opportunity for public hearing pursuant to section 189 of this Act, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of an operating license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue an operating license for the applicant. For all other purposes of this Act, a construction permit is a "license."

b. Notwithstanding any other provision of this section, the Commission shall issue to the applicant a combined construction permit and operating license for a thermal neutron power generation facility after providing an opportunity for public hearing pursuant to section 189 of this Act, if the application contains sufficient information to support the issuance of a combined construction permit and an operating license in accordance with the regulations of the Commission and the Commission determines that there is a reasonable assurance that the facility will be constructed and will operate in conformity with the application, the provisions of this Act, and the rules and regulations of the Commission. The Commission shall identify within such combined construction permit and operating license the inspections, tests, and analyses which shall be performed and the acceptance criteria therefor which will provide reasonable assurance that the plant has been constructed and will operate in accordance with the license. After issuance of a combined construction permit and operating license for a thermal neutron power generation facility, the Commission shall assure through inspections, tests and analyses that construction is completed in conformity with the combined construction permit and operating license, consistent with the regulations of the Commission.

Prior to the commencement of operation of any facility licensed under this subsection, the Commission shall publish in the Federal Register a notice of the intended operation of such facility, and shall provide a thirty-day period during which any person may file a written objection to the commencement of operation on the basis that the facility authorized has not been constructed or will not operate in conformity with the license. Such objection shall set forth in reasonable detail the facts and arguments upon which the objection is based, and may be accompanied by a request for a hearing.

If a hearing is requested, the Commission shall determine whether good cause exists therefor and, if so, the issues to be heard and whether the hearing must precede commencement of operation of the facility in order to provide reasonable assurance of the protection of the public health and safety and common defense and security. The Commission may designate an issue for a hearing only if the issue consists of a substantial dispute of fact, necessary for the Commission's decision, that cannot be resolved with sufficient accuracy except at a hearing and:

(i) the issue was not and could not have been raised and resolved in any proceeding for the issuance, modification or amendment of a license, permit, or approval for that facility, its site, or design; or

(ii) a showing has been made that (I) there has been nonconformance with the license; (II) such nonconformance has not been corrected; and (III) such nonconformance could materially and adversely affect the safe operation of the facility.

Following completion of any hearing held, the Comission shall decide whether the license to construct and operate should be modified. Operation of the facility shall commence based on the combined construction permit and operating license unless the Commission determines that good cause exists for delaying such operation.

c. The Commission shall not modify any final determination on an issue that has been considered and decided in any proceeding for the issuance of a permit or license for that facility, facility site, or approval of design for that facility under section 194, unless it determines, based on significant new information, that a modification is required to protect the public health and safety or the common defense and security and that the modification proposed will substantially enhance the public health and safety or the common defense and security by improving overall safety of facility operation.

EARLY SITE REVIEW

SEC. 103. The Atomic Energy Act of 1954, as amended, is amended by adding a new section 193 to read as follows:

SEC. 193. EARLY SITE REVIEW.—

a. The Commission is authorized to issue a site permit for approval of a site or sites for one or more production or utilization facilities for a period of ten years upon the application of any person or entity notwithstanding the fact that no application for a construction permit or a combined construction permit and operating license for such facility or facilities has been filed. The Commission may issue a site permit with respect to limited aspects of the suitability of the site for its intended purpose, under relevant regulations of the Commission.

b. Notwithstanding section 161 w. of this Act or the Independent Offices Appropriation Act of 1952, no application filing or issuance fees shall be required for an application for a site permit, an amendment, or a renewal of a site permit under this section. The Commission is authorized to allocate the costs that would otherwise have been defrayed by fees required of applicants under this section among applicants for permits or licenses which propose to use the approved site in a manner that will assure full cost recovery by the Commission. If no application for construction of a production or utilization facility is filed within the initial ten-year approval period, any outstanding fee shall become immediately due and payable by the applicant for the site permit.

c. After considering all information submitted in the application and after providing an opportunity for hearing pursuant to section 189 of this Act, the Commission shall issue a site permit if it determines that such approval will not be inimical to the common defense and security or to the health and safety of the public.

d. (1) A site permit issued by the Commission under this section may be referenced in an application for a construction permit or a combined construction permit and operating license which meets the conditions of the site permit and is filed within the period during which the site permit remains valid.

(2) No less than twelve or more than thirty-six months prior to the expiration of the ten year period, the holder of the site permit may apply for a renewal of the site permit. The Commission shall renew the site permit for an additional period of time of not less than five nor more than ten years from the date of renewal unless it finds that the site will not comply with this Act or the Commission's regulations. If no application for a production or utilization facility is filed within the period of renewal, any outstanding fee for the renewal application or issuance shall become due and payable by the applicant for the site permit.

e. Approval of a site under this section shall not preclude its use as a site for an alternate or modified type of energy facility or for any other purpose. Other uses not considered in the approval may, however, affect the validity of the site permit or the conditions of its use for production or utilization facility siting as the Commission may determine.

f. Following the issuance of a site permit under this section, and any subsequent Commission proceeding involving a site for which a site permit has been granted under this section, the Commission shall not modify any final determination on an issue that has been considered and decided in the site permit proceeding unless it determines, based on significant new information, that a modification is required to protect the public health and safety or the common defense and security and that the modification will substantially enhance the public health and safety or the common defense and security.

APPROVAL OF DESIGNS

SEC. 104. The Atomic Energy Act of 1954, as amended, is amended by adding a new section 194 to read as follows:

SEC. 194. APPROVAL OF DESIGNS.—

a. The Commission is authorized and directed to establish procedures permitting the approval of standardized facility designs for thermal neutron power generation facilities for a period of ten years, notwithstanding the fact that no application for a construction permit or combined construction permit and operating license for such facility has been filed. The Commission may also consider, in accordance with its regulations, requests under this section for the approval of the design for any major subsystem which represents a discrete element of a thermal neutron power generation facility.

b. Notwithstanding section 161 w. of this Act or the Independent Offices Appropriation Act of 1952, no application filing or issuance fees shall be required for an application for a design approval, an amendment, or a renewal of an approval of a facility design under this section. The Commission is authorized to allocate the costs that would otherwise have been defrayed by fees required of applicants under this section among applicants for permits or licenses which propose to use the approved standardized plant design in a manner that will assure full cost recovery by the Commission. If no application for construction of a facility is filed within the initial ten-year approval period, any outstanding fee shall become immediately due and payable by the applicant for the design approval.

c. After considering all information submitted in the application, and after providing an opportunity for hearing pursuant to section 189 of this Act, the Commission shall issue an approval if it determines that such approval will not be inimical to the common defense and security or to the health and safety of the public.

d. (1) Any approval issued by the Commission under this section may be referenced in

an application for a construction permit, an operating license or a combined construction permit and operating license which meets the conditions of the approval and is filed within the period during which the approval remains valid.

(2) No less than twelve or more than thirty-six months prior to the expiration of the ten year period, the holder of the approval may apply for a renewal of the approval. The Commission shall renew the approval for an additional period of time of not less than five nor more than ten years from the date of renewal unless it finds that the design will not comply with this Act or the Commission's regulations. If no application for construction of a facility is filed within the renewal period, any outstanding fee for the renewal or issuance shall become due and payable by the applicant for the design approval.

e. Following the issuance of a design approval under this section, and in any subsequent Commission proceeding involving a facility design for which a design approval has been granted under this section, the Commission shall not modify any final determination of an issue that has been considered and decided in the design approval proceeding unless it determines, based on significant new information, that a modification is required to protect the public health and safety or the common defense and security and that the modification proposed will substantially enhance the public health and safety or the common defense and security by improving overall safety or security of facility operation.

f. (1) The Commission shall approve an amendment to a design approval issued under this section upon application by the holder of the design approval if the Commission determines that the amendment will comply with this Act and the Commission's regulations.

(2) Any amendment approved by the Commission under paragraph (1) shall apply to any application for a construction permit or combined construction permit and operating license referencing the design approval for which the amendment has been granted that is filed after the effective date of such amendment.

(3) Any amendment approved by the Commission under paragraph (1) shall not apply to an application for a construction permit or combined construction permit and operating license referencing the design approval for which the amendment has been granted that is filed before the effective date of each amendment unless (A) the applicant requests that such amendment apply to the application, or (B) the requirements of subsection (e) are satisfied with respect to the amendment.

g. Any application for a construction permit, an operating license or a combined construction permit and operating license or any amendment to such licenses referencing a design approval issued under this section may include a request for a variance from one or more elements of the design approval. Such requests shall be granted if the Commission determines that the variance will comply with this Act and the Commission's regulations. Any variance issued under this section shall be limited to the permit or license for which such variance has been requested.

TITLE II—MISCELLANEOUS PROVISIONS

DEFINITIONS

SEC. 201. Section 11 of the Atomic Energy Act of 1954, as amended is amended by adding new subsection dd. as follows:

dd. "Thermal neutron power generation facility" means a utilization facility which is designed to produce electrical energy and in which core power is designed to be produced predominantly by thermal neutron fission.

SEC. 202. For the purposes of this Act the term "standardized design" means a design which the Commission determines is sufficiently detailed and complete to support licensing of a commercial production or utilization facility or approval of a major portion of such a facility when referenced in an application for a construction permit and operating license or a design approval and which is usable for a multiple number of units and/or at a multiple number of sites without reopening or repeating the review.

SEC. 203. a. The Commission shall, within one hundred and eighty days following the effective date of this section, propose regulations establishing procedures and criteria for implementing the provisions of sections 185 d., 193 f., and 194 e. of this Act for the control of the application of new requirements to any thermal neutron power generation facility licensed for construction or operation under this Act.

b. After the regulations referred to in subsection a. of this section become effective, no license, permit or approval granted under this Act for a thermal neutron power generation facility shall be modified except pursuant to such regulations.

TITLE II—CONFORMING AMENDMENTS

ANTITRUST PROVISIONS

SEC. 301. Subsection 105 c. of the Atomic Energy Act of 1954, as amended, is amended in the first sentence of paragraph (2) by inserting "and/" after the word "construct."

GENERAL PROVISIONS

SEC. 302. Section 161 o. of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "or approvals authorized by section 193 and 194" after the number "104."

LICENSE APPLICATIONS

SEC. 303. Subsection 182 b. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

b. The Advisory Committee on Reactor Safeguards shall review each application under section 103 or section 104 b. for a construction permit and/or an operating license for a facility; any application under section 104 c. for a construction permit and/or operating license for a testing facility; any application under section 104 a. or c. specifically referred to it by the Commission; any application for a site permit under section 193; any proposed approval for a facility design under section 194; any proposed authorization to commence operation under section 185 b.; and any application for an amendment to a construction permit or to an operating license under section 103 or 104 a., b., c. or an amendment or renewal of a site permit under section 193 or an amendment or renewal of an approval for a facility design under section 194 specifically referred to it by the Commission, and shall submit a report thereon which shall be made a part of the record of the application and available to the public except to the extent that security classification prevents disclosure.

REVOCATION

SEC. 304. Section 186 a. of the Atomic Energy Act of 1954, as amended, is amended by inserting the words "sections 182, 185, 193 and 194" after the words "required under."

TABLE OF CONTENTS

SEC. 305. The Table of Contents for the Atomic Energy Act of 1954, as amended, is amended by changing the title of section 185 to read "Construction Permits and Operating Licenses" and by adding the following after section 192:

Sec. 193. Early Site Review.

Sec. 194. Approval of Designs.

TITLE IV—EFFECTIVE DATE

SEC. 401. All sections of this Act shall take effect as of the date of enactment, and shall apply to all proceedings pending as of the date of enactment or commenced on or after the date of enactment, in accordance with the terms of this Act.

SECTION-BY-SECTION ANALYSIS

SECTION 2. FINDING AND PURPOSES

This section supplements sections 1, 2, and 3 of the Atomic Energy Act which set forth the declaration, findings and purpose of the Act. This section highlights the major provisions of this bill which are being enacted for the general purpose of improving the quality, effectiveness, and efficiency of the licensing process for siting, construction and operation of nuclear facilities.

SECTION 101. CONSTRUCTION PERMITS AND OPERATING LICENSES

This amends section 185 of the Atomic Energy Act, a section which establishes the procedures to be followed by the Commission in authorizing construction permits and operating licenses for nuclear facilities.

Subsection a. of section 185 as it would be amended authorizes the Commission to grant a construction permit for a production or utilization facility and, upon the completion of construction to grant an operating license. This subsection restates existing authority with one exception. This legislation would delete the requirement for specification of the earliest and latest completion dates for construction permits. The existing provision has produced unnecessary paperwork and expenditure of resources without assuring that construction is diligently persued. Moreover, the provision in current section 185 for earliest and latest completion dates made sense when it was included in the Act in 1954 because the Federal Government would be owning the fuel and would need to allocate special nuclear material between the civilian nuclear power and defense programs. It was important to AEC to predict completion dates (and hence operation commencement dates) with accuracy so that civilian requirements for special nuclear material could be predicted accurately and planned for properly. The Federal Government no longer allocates fuel and has a much lesser need to predict completion dates accurately. Thus, the provision is no longer needed to serve the purpose for which it was adopted.

Although the requirement for the specification of the earliest and latest construction completion dates is deleted, the Commission will still issue a construction permit or a combined construction permit/operating license for a fixed period not to exceed forty years pursuant to sections 103(c) and 183 of this Act. The legislation would also provide

specifically for an opportunity for a public hearing.

In addition, consistent with present regulatory practice, an application to modify a production or utilization facility will require a construction permit only if the modification is defined as a material alteration of that facility pursuant to 10 CFR § 50.91.

Subsection b. of section 185 as it would be amended permits issuance of what would be called a combined construction permit and operating license (CP/OL) for a thermal neutron power generation facility. This definition would include all currently licensed U.S. commercial nuclear power reactors (including all currently licensed U.S. gas-cooled reactors), but exclude facilities such as breeder reactors and fuel reprocessing plants. A combined CP/OL could be issued for thermal neutron power generation facilities only if the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the application, the provisions of the Atomic Energy Act, and the rules and regulations of the Commission. Pursuant to subsection b., the combined construction permit and operating license would identify and incorporate by reference the inspections, tests and analyses that would be required to be performed and the acceptance criteria therefor.

Under the current two-step licensing process, the inspections, tests and analyses which need to be performed to assure the adequacy of construction with respect to NRC regulatory requirements are not fully or finally defined until the operating license review is complete. Thus, the Commission and the license applicant are unable to identify and reach agreement at an early stage with respect to the detailed implementation of NRC requirements and the public's participation in this process is delayed until the plant is nearly complete. Under the current regime, therefore, extensive additional tests and analyses are sometimes required late in the construction process. This may lead to plant modifications which could have been avoided by identifying the inspections, tests, analyses, and acceptance criteria at the time the plant was licensed for construction.

Before nuclear power reached its current level of development, it was appropriate to establish general criteria at the construction permit stage and review the adequacy of the design at the operating license stage. Thus, it was appropriate to delay identifications, tests, and analyses, and acceptance criteria therefor, against which design and construction adequacy were to be measured, until near the time when the design was essentially complete. With the current level of development it is possible to establish the design in sufficient detail before construction commences, and hence to identify the inspections, tests and analyses which need to be performed in order for the Commission to make the required findings of reasonable assurance of the public health and safety with respect to plant operation.

Specification of the required inspections, tests and analyses in the combined construction permit and operating license, i.e., before facility construction commences, would establish a clearly defined set of requirements governing the licensee and the Commission in discharging their complementary responsibilities as respects facility construction and operation. The Commission will be in a better position to assure that the plant has in fact been constructed and can be expected to operate in accordance with the license authorization. At the same time, license specifications of those requirements would enhance regulatory certainty for the facility licensee by prescribing what will be expected of the licensee in the construction and early operational phases of the plant and the bases for determining the adequacy of the licensee's performance. Importantly, this will also facilitate and make more effective public participation by providing information, prior to authorization of facility construction, of how the applicant's compliance with specified construction and operation requirements will be demonstrated following license issuance.

Moreover, specification of inspections, tests, analyses and acceptance criteria as an integral part of the combined construction permit and operating license cannot be accomplished without appropriate completeness of the applicant's facility design. The level of design detail needed to establish such specifications would define the essentially compete design which the Commission anticipates will be required for the combined construction permit application. The elements specified would necessarily address all important safety features of a plant, and the Commission would determine the level of detail necessary in the inspections, tests and analyses, and the acceptance criteria therefor. Thus, in order to qualify for license issuance, the applicant would be obliged to describe those features of the proposed facility with a matching completeness.

In summary, inclusion in the license of prescribed inspections, tests, analyses and acceptance criteria should enhance the quality of construction of nuclear power plants, add stability to the construction process, and facilitate public participation in the resolution of safety issues prior to commencement of facility construction.

After issuance of the CP/OL and prior to commencement of operation (fuel loading), the Commission must assure that the facility has been constructed and will operate in conformity with the CP/OL, and the requirements of the Commission implementing this Act. An opportunity for a second public hearing would be provided prior to commencement of operation of the facility if good cause exists therefor. The Commission would determine the issues to be heard and timing for such hearing—whether the hearing must precede commencement of operation of the facility in order to provide reasonable assurance of the protection of the public health and safety and common defense and security or whether the hearing could be deferred until after facility operation commences. Under the proposed statutory provision, good cause for hearing is defined to exist only where an issue consists of a substantial dispute of fact necessary for the Commission's decision that cannot be resolved with sufficient accuracy except at a hearing and either (1) the issue was not and could not have been raised and resolved in any proceeding for the issuance, modification or amendment of a license, permit or approval of that facility, its site or design; or (2) a showing has been made that (i) there has been nonconformance with the license; (ii) such nonconformance has not been corrected; and (iii) such nonconformance could materially and adversely affect the safe operation of the facility. The Commission under this provision could find good cause for a hearing but determine that the hearing need not precede commencement of operation of the facility where, for example, the resolution of the issue to be heard could only affect safe operation of the facility after the facility already has been in operation for some period of time. Another example would be the situation where the Commission determines that interim measures will allow the facility to operate with reasonable assurance of the protection of the public health and safety during the period necessary for resolution of the dispute of fact in the hearing process.

Section 185b. also provides that operations of the facility shall commence, based on the combined construction permit and operating license, unless the Commission determines that good cause exists for delaying such operation. Such good cause would exists where the Commission determines that operation cannot commence without undue risk to the health and safety of the public or the common defense and security. This provision is designed to provide the Commission with flexibility to make certain that a facility could not commence operation if the Commission has good cause for believing such operation should be delayed.

The purpose of subsection c. is to give greater certainty to the process by ensuring that the Commission not modify a final determination made in any prior proceeding involving a particular facility, facility site, or design approval for that facility, unless there is a substantial reason to do so. Pursuant to this subsection, the Commission may not modify any final determination on an issue that has been considered and decided in a prior proceeding unless it determines, based on significant new information, that such modification is required to substantially enhance the public health and safety or the common defense and security as a result of improved overall safety or security of facility operation. Subsection c. would require the Commission to evaluate the effects of a proposed modification in terms of the overall safety of a proposed modification in terms of the overall safety of facility operation, rather than in terms of the individual system or component on which the proposed modification would be made. The reason for this requirement is simple. Although a particular modification may improve a system or component in isolation, it may have no effect—or, indeed, an adverse effect—on the overall safety of the plant as a result of the interaction of the modified system or component with other systems or components of the facility. A proposed modification may increase the reliability of one pump, for example, but the modification may not be justified if the pump itself plays no role in assuring the safety of the plant, or if making the modification could defeat the reliability of another more important safety system. Plainly, then, the Commission should evaluate the modification as it affects the overall safety of the facility rather than in isolation.

SECTION 103. EARLY SITE APPROVAL

This is a new section 193 to the Atomic Energy Act which authorizes the NRC to approve one or more sites for the location of production or utilization facilities prior to the filing of any application to construct and/or operate a facility on that site. The purpose of this provision is to permit the resolution of site-specific questions at an early stage in the licensing process. Public participation on this crucial aspect of the overall facility planning and construction process would also occur at an early point in time where such participation can be most effective. This provision is an integral part of the effort to promote the early, effective

and efficient resolution of issues in the licensing process.

Subsection a. of section 193 provides that an application for early site approval may be filed by any person or entity and that the Commission is authorized to issue a site permit for a period of ten years even though no application for a construction permit or a combined CP/OL has been filed. It would also authorize limited aspects of the site (e.g., seismicity) to be considered and resolved prior to the filing of any application for a construction permit or combined CP/OL. This subsection permits an early and specific focus on the suitability of a site for production or utilization facility construction without requiring the development of a facility design. A site permit issued under this section would be a final Commission order subject to judicial review.

Subsection b. of section 193 provides that notwithstanding section 161w. of this Act or the Independent Offices Appropriation Act of 1952, no application filing or issuance fees shall be required for an application for approval or for an amendment or renewal of a site permit. The Commission is authorized to allocate the costs ordinarily defrayed by fees collected among future applicants for permits or licenses which propose to use the site permit. This provision is added as an incentive to applicants to seek approval for site permits. However, if fees cannot be defrayed because a site is not used during the initial ten year approval, the holder of the site permit must pay the full amount notwithstanding the granting of a renewal.

Subsection c. of section 193 authorizes the Commission to approve an application and issue a site permit with appropriate conditions if, after considering all the information in the application and providing an opportunity for a public hearing, the Commission determines that such approval will not be inimical to the common defense and security or to the health and safety of the public. An opportunity for a prior public hearing on the application will be afforded under Section 189 of the Act. It is currently envisioned that for full site permits the application would set forth an envelope of parameters such as: (1) the number, type or types and thermal power level of the facilities with respect to which the application for site approval is made; (2) the site description and location, including site boundaries and exclusion area; (3) description of nearby industrial, military, and transportation facilities, including usage and routes; (4) the proposed maximum levels of radiological and thermal effluents that each such facility will produce; (5) the type or types of cooling systems, intake and outflow, that may be employed by each facility; (6) the physical characteristics of the site, including seismic, meteorological, hydrologic, and geologic characteristics as well as population density and use characteristics of the surrounding area; and (7) such other information as the Commission may by rule or order require. By describing the site in such a way, the Commission could determine the site suitability for one or several generic designs that may be developed pursuant to section 194, the provision for standardized facility designs. However, nothing in this section would preclude the Commission from promulgating regulations which set forth standards and criteria for site approval consistent with section 161(i) of this Act and section 553 of title 5 of the United States Code.

Subsection d.(1) of section 193 provides that site permit can be referenced in an application for a facility to be constructed on the site if the application has been filed within the period during which the site permit remains valid. The effect of this provision is that matters resolved in a site permit review or licensing action will not be modified or reexamined as part of the review of a construction permit or a combined CP/OL application which references the site permit, unless a strong evidentiary showing is made. After a site permit has been referenced, a request for renewal would be unnecessary to continue the effectiveness of the site permit for the application referencing the approved site.

Subsection d.(2) of section 193 authorizes the Commission to renew a site permit for not less than five or more than an additional ten years from the date of renewal. Renewal would be based only upon the application of a permit holder. The minimum period of five years is set to assure that the resources used to review a renewal request are directed toward meaningful results. For example, allowing repeated renewals for only six months or a year could cumulatively tax the resources of the agency and industry alike. Moreover, it is contemplated that information necessary to form a sound basis for the decision to renew for periods of five to ten years will be readily available and within the state of the art. Renewals would be based on regulations in effect at the time the renewal is requested providing a means to update the earlier approval. Subsequent renewals of the site permit will not be entertained, although the permit holder may submit a new application for the same site.

Subsection d.(2) of section 193 also sets out the criteria the Commission shall apply in deciding whether to renew a site permit. The Commission shall renew the site permit if it finds that the site will comply with this Act or NRC regulations in effect at the time of site permit renewal. Any licensing fees resulting from the granting of a renewal may be defrayed and allocated among future applicants using the renewed site permit. Defrayed renewal fees must be collected at the end of the renewal period.

Subsection e. of section 193 assures that a site approved under this section may be used for an alternative type of energy facility or any other purpose. However, the validity of the site permit for production or utilization facility siting may be affected by use of the site for a purpose not considered in its approval. The Commission intends to promulgate regulations which would require proper notice be given to the Commission regarding a nonconforming use.

Subsection f. of section 193 specifies that the Commission shall not modify any previous final determination involving a site permit unless it determines, based on significant new information, that such modification is required to substantially enhance the public health and safety or the common defense and security. This provision is intended to have the same effect as the counterpart provisions in subsection 185c. and the discussion in the section-by-section analysis of that subsection is applicable here as well.

This provision would not preclude a holder of a site permit from seeking an amendment to that permit. The Commission shall approve an amendment to a site permit issued under this section if, after providing an opportunity for hearing pursuant to section 189 of this Act, the Commission determines that the amendment will comply with this Act and the Commission's regulation. Any amendment approved would apply to any construction permit or combined CP/OL utilizing the site permit after the amendment becomes effective.

SECTION 104. APPROVAL OF DESIGNS

This is a new section 194 to the Atomic Energy Act of 1954, which provides for approval of thermal neutron power generation facility designs. As with early site approvals, this section is intended to facilitate early resolution of issues with full opportunity for participation by interested persons. Although the Commission currently has procedures for approving designs, this section gives explicit statutory support to the concept and establishes requirements for Commission approval of facility designs. This section will encourage the development and use of standardized designs, will enhance safety, and will contribute to a better utilization of NRC resources.

The facility design should be described in such a way as to provide an envelope of parameters for sites selected pursuant to section 193 to assure that the plant could be constructed on a site of given general characteristics. Typically, a facility design should be described in such a manner that it could be used at more than one site with a minimum of adaptations because of specific characteristics. The Commission contemplates and encourages development and use of substantially complete standardized designs as an effective means of increasing agency efficiency and augmenting the public health and safety.

The application requirements for approval of a facility design will be set out in the Commission's rules. If, after Commission review of the information in the application, and after providing the opportunity for a public hearing under Section 189 of the Act, the Commission determines that the design is suitable for construction and operation, it will issue an approval and the design may be banked for future use. An approval issued under this section will be considered a final Commission order subject to judicial review.

When a pre-approved design is combined with a pre-approved site, it is contemplated that there may be a hearing with respect to the relevant construction permit or CP/OL if there are outstanding issues, i.e., issues raised by the matching of the site with the design. However, issues which were or could have been decided would not trigger new opportunities for hearing at the time the site and design are matched unless a strong evidentiary showing is made that reconsideration of site or design issues is necessary to ensure compliance with this Act, other provisions of Federal law, or the Commission's regulations.

Subsection a. of section 194 authorizes the Commission to approve facility designs or the design of any major sub-system for a period of ten years even though no application for a construction permit or combined construction permit and operating license has been filed by an applicant. This provision permits design applications and approvals to be made before initiation of construction of thermal neutron power generation facilities.

Subsection b. of section 194 provides that notwithstanding section 161w. of this Act or the Independent Offices Appropriation Act of 1952, no application filing or issuance fees shall be required for an application for approval or for an amendment or renewal of an approval of a standardized facility. The Commission is authorized to allocate the costs ordinarily defrayed by fees collected

among future applicants for permits or licenses which propose to use the approved design. This provision is added as an incentive to vendors and architect-engineer firms to develop and seek approval for standardized designs. However, if fees cannot be defrayed because a design is not used during the initial ten year approval, the applicant must pay the full amount notwithstanding the granting of a renewal.

Subsection c. of section 194 authorizes the Commission to approve an application and issue a design approval with appropriate conditions if, after considering all the information in the application and providing an opportunity for a public hearing, the Commission determines that such approval will not be inimical to the common defense and security or to the health and safety of the public. The opportunity for hearing and the hearing, if held, would be in accordance with section 189 of the Act.

Subsection d.(1) of section 194 provides that a design approval can be referenced for a facility if an application has been filed within the period during which the design approval remains valid. The effect of this provision is that all matters resolved in a design approval review or a licensing action, including amendments to that approval, can be transferred without a need to re-review those matters in all applications for a construction permit, combining CP/OL, or operating license which reference that design approval, unless a strong evidentiary showing is made pursuant to subection e. A request for renewal would not be necessary to continue the effectiveness of the design approval in these referenced applications.

Subsection d.(2) of section 194 authorizes the Commission to renew a design approval for not less than five or more than ten years from the date of renewal. Renewal would be based upon the application of a permit holder. The minimum period of five years is set to assure that the resources used to review renewal requests are directed toward meaningful results. For example, allowing renewals for only six months or a year could cumulatively tax the resources of the agency and industry alike. Moreover, it is contemplated that information necessary to form a sound basis for the decision to renew for periods of five to ten years will be readily available and well within the state-of-the-art. Subsection d.(2) also sets out the criteria the Commission shall apply in deciding whether to renew a design approval. Renewal shall be granted unless it can be demonstrated that the design will not comply with the Atomic Energy Act or the Commission's applicable regulations in existence at the time that renewal is requested. This provision allows for updating designs at the time a request for renewal of an approval is made. Subsequent renewals of the design approval will not be entertained, although the design approval holder may submit a new application for the same design. Any licensing fees resulting from the granting of a renewal may be defrayed and allocated among future applicants using the renewed design approval. Defrayed fees must be collected at the end of the renewal period.

Subsection e. of section 194 specifies that the Commission shall not commence a proceeding to modify a final determination made in a design approval proceeding unless it determines, based on significant new information, that such modification is required to substantially enhance the public health and safety or the common defense and security as a result of improved overall safety or security of facility operation. This subsection is intended to have the same effect as the counterpart provision in subsections 185c. and 193f. and the section-by-section analysis of these subsections is applicable here as well.

Subsection f. of section 194 sets forth the criteria by which the Commission will approve an amendment to a design approval under the Atomic Energy Act and how that amendment shall be applied to facilities which reference the design. These provisions ensure that approved amendments will apply to applications for a construction permit or a combined CP/OL referencing the design approval that are filed after the effective date of the amendment. The amendment, however, will not apply to those applications referencing the design which are filed before the effective date of the amendment unless (1) the applicant requests that the amendment be applicable, or (2) the reopening standards of subsection 194e. are satisfied.

A new subsection g. authorizes and directs the Commission to establish procedures and standards for approving variances from construction permits, operating licenses, and combined construction permits and operating licenses. Variances refer to all changes which involve a change in the technical specifications incorporated in the license or an unreviewed safety question. Variances may require a license amendment.

TITLE II—MISCELLANEOUS PROVISIONS

The provisions contained in section 201 of the bill would add new subsection bb. to section 11 of the Act. Section 11bb., as amended, would define "thermal neutron generation facility" as used in sections 185 and 194 of the Act.

The provisions contained in section 203a. of the bill requires the Commission to propose regulations to implement the provisions of section 185c., 193f., and 194e. applicable to thermal neutron power generation facilities within 180 days following the effective date of this section.

The provisions of section 203b. of the bill would prohibit the modification of any thermal neutron power generation facility except pursuant to the regulations promulgated under subsection a., once these regulations are promulgated.

TITLE III—CONFORMING AMENDMENTS

These provisions would be necessary to conform other sections of the Atomic Energy Act of 1954 with the provisions contained in this bill. Section 182b. of the Act would also be changed to provide for Advisory Committee on Reactor Safeguards review prior to commencement of operation in the case of a combined construction permit and operating license.

TITLE IV—EFFECTIVE DATE

This provision ensures that all sections of the Atomic Energy Act, including those sections amended by this bill, shall take effect as of the date of enactment and shall apply to all pending and new proceedings. The last phrase requires each proceeding to meet the terms of the Act in order to come under this Act. For example, for an application for a design approval already under review by the Commission to be treated under section 194, such an application will have to meet the requirements of both subsections 194a. and 194c.

U.S. NUCLEAR
REGULATORY COMMISSION,
Washington, DC, February 15, 1985.

Hon. GEORGE H. BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a Nuclear Regulatory Commission legislative proposal in the form of a draft bill to amend the Atomic Energy Act of 1954. The draft bill is entitled the "Nuclear Power Plant Licensing and Standardization Act of 1985." Its goals are to provide an accurate, efficient, and more effective licensing for the design, siting, construction, and operation of nuclear power plants and other nuclear facilities consistent with public health and safety. A draft bill is in Enclosure 1. A section-by-section analysis is in Enclosure 2. A comparative text is in Enclosure 3.

The current NRC licensing process has not changed substantially since it was originally enacted 31 years ago in the Atomic Energy Act. That licensing process was a prudent course to follow when the nuclear power industry was in its early conceptual and development years. In the early years there were many first-time nuclear plant applicants, designers and constructors, and many novel design concepts. Accordingly, the process was structured to allow licensing decisions to be made while design work was still in progress and to focus on case-specific reviews of individual plant-site considerations. With the maturation of the industry, it is now possible to describe and evaluate standardized plant designs on a generic basis, essentially complete designs prior to plant construction, and proposed plant sites without plant design details. At the same time, since the early 1950's and 1960's the NRC's safety reviews have become increasingly time consuming and complex, and NRC review obligations have been expanded to cover a wide range of non-safety issues under the National Environmental Policy Act of 1969. Accordingly, the Commission decided that the licensing process must be reformed to reflect these and other developments concerning the licensing review of nuclear facilities.

In November 1981, the Nuclear Regulatory Commission established a Regulatory Reform Task Force to review the NRC's licensing process. I set forth four objectives for the task force:

to create a more effective efficient vehicle for raising and resolving legitimate public safety and environmental issues regarding the applications under review,

to develop means for more effective future use of NRC resources in the licensing of new plants,

to avoid regulatory uncertainty and placing unjustifiable economic burdens on utilities that may wish to build a nuclear plant (and their ratepayers),

to accomplish the above without impairing public health and safety.

The task force was requested to make its recommendations to the Commission in four forms: (1) legislative proposals, (2) regulation changes, (3) policy papers, and (4) administrative remedies.

A Senior Advisory Group consisting of the General Counsel, the Director of the Office of Policy Evaluation, the Chairman of the Atomic Safety and Licensing Appeal Board, and Executive Director for Operations, and the Chairman of the Regulatory Reform Task Force, was formed to assist the Chairman of the Commission in the review of the Task Force proposals. In addition, in March 1982, the Ad Hoc Committee for Review of

Nuclear Reactor Licensing Reform Proposals was formed. This committee was made up of representatives from industry, public interest groups, and state governments. It provided the Commission with two reports on the legislative proposals developed by the Task Force. A comprehensive legislative proposal was placed in the Federal Register for public comment in June 1982. After a review of the public comments and the reports of the Ad Hoc Committee, the Commission developed a final draft bill, entitled the "Nuclear Power Plant Licensing Reform Act of 1983."

The NRC's draft bill was introduced in the House as H.R. 2512 and in the Senate as S. 893. In addition, a similar nuclear licensing reform bill drafted by the Department of Energy was introduced in the House as H.R. 2511 and in the Senate as S. 894. The House Energy and the Environment Subcommittee, the House Energy Conservation and Power Subcommittee, and the Senate Nuclear Regulation Subcommittee each held hearings on the two bills, at which representatives of the Commission, the Administration, the nuclear industry, and various public interest groups testified. A third bill, H.R. 5053, was drafted by Representatives Broyhill and Moorhead and was introduced in the House in March 1984. None of the three bills was, however, reported from committee before the 98th Congress adjourned.

The hearings on those three bills revealed that certain proposals—namely those encouraging facility design standardization and related supportive revisions to the licensing process—commanded the strongest support. Accordingly, following the adjournment of the 98th Congress, the Commission revised its earlier draft bill to focus on reforms to the licensing process which facilitate design standardization, early site approval and single stage licensing for nuclear power plants.

As a result of these revisions, the Commission believes that the enclosed draft bill is a more focused measure than its predecessor, the "Nuclear Power Plant Licensing Reform Act of 1983."

The proposed legislation, if adopted, would amend existing section 185 of the Atomic Energy Act, and add new sections 193 and 194. The most important changes to Section 185, Construction Permits and Operating Licenses, would permit the issuance of what would be called a combined construction permit and operating license (CP/OL) and thereby facilitate NRC review of essentially complete designs prior to construction.

Section 193, Early Site Review, and section 194, Approval of Designs, are new sections which authorize the Commission to issue a site permit or a facility design approval even though no application for a construction permit or a combined CP/OL has been filed. These sections have been proposed to facilitate early identification and resolution of site and design issues after giving an opportunity for public participation. These sections would also allow subsequent facility applications to reference a site permit or design approval and have those final determinations be made binding unless there is a substantial reason not to do so. Nothing in the legislation would require the Commission to alter its present provisions for instituting proceedings to modify, suspend or revoke a license or to take such other action as may be proper upon request filed with the Commission for such action.

The provisions of the draft bill do provide a vehicle by which the Commission can improve the quality, effectiveness, and efficiency of the licensing process without impairing public health and safety or detracting from the public's ability to participate in that process on disputed issues. Accordingly, the Commission believes that the provisions in this draft will accomplish our above-stated objectives. Therefore, the Commission majority urges Congressional approval of this proposed legislation.

Commissioner Asselstine adds: I cannot recommend that the Congress enact the bill proposed by the Commission. The combined construction permit and operating license provision would allow a plant to go into operation without a Commission review of the adequacy of its construction, its readiness for operation, or of the emergency planning arrangements. Moreover, the bill sets such a high threshold for obtaining a hearing on these issues that the public will be effectively denied an opportunity to be heard on the matters which are of greatest concern to the population in the vicinity of the plant. As I have not had an opportunity to prepare more detailed comments, I will be providing the interested Committees with my views on this legislation at a later date.

Commissioners approving the legislation believe that the legislation provides for Commission review of the adequacy of construction, readiness for operation and for matters such as emergency planning arrangements at the appropriate times. They also believe that the threshold for obtaining a hearing is proper since it is based upon a general standard of good cause and protection of the public health and safety, consistent with the overall responsibilities of the Commission under the Atomic Energy Act.

The approving Commissioners will provide interested Committees with additional views on this legislation at a later date.

Sincerely,

NUNZIO J. PALLADINO.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. CHILES, Mr. PRESSLER, Mr. MELCHER, Mr. WILSON, Mr. BURDICK, and Mr. NICKLES):

S. 837. A bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act; to the Committee on Finance.

PATIENT AND PROGRAM PROTECTION ACT FOR MEDICARE AND MEDICAID

Mr. HEINZ. Mr. President, 20 years ago Congress established the Medicare and Medicaid Programs—guaranteeing, for the first time, that needed health care services would be available to the elderly and poor. Since that time, the Senate Special Committee on Aging has worked to assure that the services provided under these programs are cost effective and of good quality. Today I am introducing a bill entitled the "Patient and Program Protection Act for Medicare and Medicaid" which will strengthen our ability to protect the fiscal integrity of these programs and to safeguard the quality of care provided thereunder.

A General Accounting Office study released to the committee at a May 1984, investigative hearing, revealed shocking evidence of loopholes in the HHS Secretary's authority which allow providers barred from practice in one Federal program or in one State to switch to another program or to pack their bags and set up practice in another State. The GAO report identified 328 doctors, osteopaths, dentists, chiropractors, podiatrists, and pharmacists who had their licenses suspended or revoked for a year or more by authorities in Michigan, Pennsylvania, and Ohio for such serious offenses as fraudulent billing, sexual abuse of patients, incompetence, and negligence. Even more disturbing than the initial occurrence of these offenses is the fact that well over one-third of these practitioners held licenses in other States and many continued to treat Federal patients after having been sanctioned.

The loopholes which allow this State hopping and program switching threaten the health and safety of 50 million Americans who trust Medicare and Medicaid to finance their health care needs. And, because many of these practitioners also treat privately insured patients, this problem is of vital concern to all Americans.

Some estimate that the number of these unethical, carpetbagging doctors is small. In the May 1984 Aging Committee hearing, we heard testimony estimating that as many as 36 million Americans may receive treatment from unfit doctors each year. But whether the number is small or large is not the point. The point is that the Secretary of HHS has insufficient authority to prevent incompetent practitioners from risking the health of beneficiaries in Medicare, Medicaid, and other Federal health programs.

Let me illustrate how serious and shocking a problem we face with a few case studies that the committee's investigative staff uncovered:

Dr. S is a surgeon who performed a series of extensive and dangerous back surgeries on a number of patients. As a direct result of his gross negligence and gross incompetence in the operating room, one woman died. When he lost his license in California, he took up practice in Michigan and continued to receive Federal reimbursement under Medicare and Medicaid. It took Michigan 6 years to finally revoke his license. That was 5 years ago. Today, Dr. S practices medicine in New York State and is still eligible to treat federally sponsored patients and to bill the taxpayer under Medicare and Medicaid.

An equally appalling case is that of Dr. T. He was initially charged with misrepresenting his medical education. He said he had graduated from a school in Saigon, Vietnam. Later he changed his story and said he had graduated from a school in Hanoi. In March 1981, he admitted to California

authorities that the diploma he had submitted was false. He surrendered his California license. Later, in October 1981 he was convicted in a Federal court of having submitted false new drug studies to the FDA. In March 1982, he admitted to Arizona authorities that he had falsified his school diploma. He then failed a State-ordered medical incompetence examination and Arizona revoked his license. In November 1982 he surrendered his Ohio license because he received two board citations alleging falsified documents. Finally in 1982 Nevada revoked his license but stayed the revocation and ordered 5 years probation. Incredibly, Dr. T, a convicted felon, who never graduated from medical school, continues to practice medicine in Nevada and is entitled to treat Medicare and Medicaid patients.

If either of these practitioners had lost his driver's license for drunk driving, his name would have gone into a national registry and he probably would not be given a driver's license in another State. Yet we have no nationwide system to identify doctors who threaten lives in their day-to-day medical practices. This current lack of coordination among States allows these dangerous, criminal doctors to hop from Pennsylvania, to California, to Michigan—to any one of the 50 States. And the current restrictions on HHS' authority means a doctor can be banned in 49 States and the Federal Government will still pay him for treating Medicare and Medicaid patients.

This is neither an appropriate expenditure of the taxpayers' money, nor a responsible way for the Federal Government to provide quality health care for its beneficiaries. It is a dereliction of duty on our part that we in Congress have not given the Secretary of HHS the authority needed to prevent these unfit doctors from continuing to treat federally sponsored patients.

Mr. President, allow me to provide a little background on the Secretary's existing authority. Since passage of the Social Security Act Amendments of 1971, the Secretary of HHS—then HEW—has had the ability to exclude from participation in the Medicare Program practitioners or other individuals, first, who knowingly submit false claims, second, who charge Medicare substantially more than their customary charges, or third, who provide services substantially in excess of patients' needs or provide services of a quality which fails to meet professionally recognized standards of health care.

Subsequent amendments to the act have, first, created the authority for the Secretary to exclude from Medicare individuals who are found by a Professional Standards Review Organization—now Peer Review Organization—to be providing unnecessary or substandard care to program beneficiaries, and second, mandated the Secretary to suspend from participation in both Medicare and Medicaid individuals who have been convicted of criminal offenses related to their participation in those programs.

In the last quarter of fiscal year 1983, HHS Secretary Margaret Heckler delegated the authority to sanction practitioners under these statutory provisions to the inspector general of HHS. Since that time, some 480 sanctions have been imposed by the inspector general, a number 1½ times the total number imposed in the previous 11 years. With this marked increase in the amount of sanction activity has come an increased awareness of certain loopholes which exist in the sanction statutes. One example of such a loophole is that the Department is currently powerless to bar physicians or other practitioners from program participation based upon disciplinary action imposed upon them by State licensing boards. Other examples were noted in the inspector general's testimony before the Aging Committee during the May 1984 hearing and in the GAO report.

The bill I am introducing today will close such loopholes and thereby increase the ability of the Department to protect both the fiscal integrity of the Medicare and Medicaid Programs and the health and safety of the beneficiaries of those programs. The bill closes such loopholes by expanding the grounds upon which the Secretary can exclude health care providers from participation in federally funded programs:

It mandates exclusion of first, those providers who have been convicted of crimes relating to the delivery of health care under Government programs, such as fraud or neglect or abuse of patients, obstructing an investigation into such crimes or dispensing of controlled substances, second, those who submit fraudulent claims for payment, and third, those who violate the antikickback provision of the Social Security Act. These providers are to be excluded from participation in Federal programs for a minimum of 5 years.

The bill also gives the Secretary discretion to exclude first, those practitioners who are sanctioned by a State licensing authority, or who surrendered their license while a formal proceeding was pending before such authority, second, those sanctioned under any Federal program involving the provision of health care, third, those who submit claims substantially in excess of their customary charges without good cause, fourth, those who fail to supply the Secretary with access to information needed to determine whether reimbursement is appropriate, and fifth, facilities that are owned or managed by a practitioner who has been convicted of one of these offenses, assessed a civil monetary penalty, or excluded from a federally funded health care program.

The bill also creates a new information-sharing network by requiring as a condition of participation in Medicaid that States provide the Secretary with information about formal sanction proceedings conducted by State licensing authorities against health practitioners. It empowers the Secretary to collect such information and share it with other States to assist them in determining the fitness of practitioners seeking licenses to practice in their States. This network will put an end to the current ease with which unfit practitioners avoid sanctions simply by crossing State lines.

In addition to giving the Secretary of HHS the much needed authority to protect Medicare and Medicaid patients from unfit medical practitioners, a number of improvements are needed in the Secretary's civil monetary penalties authority to protect the Medicare and Medicaid Programs from financial fraud and abuse.

In 1981, in an effort to further protect Medicare and Medicaid from financial fraud and abuse, Congress enacted the civil monetary penalty [CMP] statute—title 42 United States Code section 1320a-7a—which provides an administrative mechanism to obtain money assessments and penalties against dishonest health care practitioners and other providers. Where such entities have failed to render services as claimed, they can be liable for up to twice the amount claimed as an assessment and a penalty of up to $2,000 per item or service improperly claimed.

Since promulgation of the regulations establishing the procedures for administering the statute in 1983, approximately $5 million has been recovered from unscrupulous health care providers. However, it has become clear that several technical amendments are needed to plug loopholes in the CMP statute. The HHS inspector general's office is seeking authority, first, to correct apparent oversights in the drafting of the original statute, and second, to give the Department authority similar to that of the Security and Exchange Commission and other Federal agencies which administer civil antifraud statutes.

In short, this bill will:

First, permit unified judicial review of the imposition of monetary penalties, and Medicare and Medicaid suspensions;

Second, provide for subpoena power in all CMP hearings—not just those involving Medicare;

Third, provide monetary penalties for claims submitted after the date of exclusion from Medicare and Medicaid

pursuant to a peer review organization determination;

Fourth, increase the State's share of CMP recoveries in order to encourage State investigation and referral of Medicaid fraud cases;

Fifth, clarify that the scope of the CMP statute includes double billing and false medical credentials;

Sixth, provide a 6-year statute of limitations for CMP actions; and

Seventh, provide authority to seek an injunction in U.S. district court to preserve the assets of a CMP respondent, where that respondent may dissipate or conceal those assets.

Mr. President, this legislation will give the Secretary authority that is desperately needed to protect the fiscal integrity of federally funded health care programs and to safeguard the quality of care provided thereunder. I urge my colleagues to join me and other members of the Aging Committee in sponsoring this important reform legislation. Our poor and aged constituents deserve nothing less than prompt passage of this legislation. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 837

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Patient and Program Protection Act for Medicare and Medicaid".

(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

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SEC. 2. EXCLUSION FROM MEDICARE AND STATE HEALTH CARE PROGRAMS.

Section 1128 (42 U.S.C. 1320a-7) is amended to read as follows:

"EXCLUSION OF CERTAIN INDIVIDUALS AND ENTITIES FROM PARTICIPATION IN MEDICARE AND STATE HEALTH CARE PROGRAMS

"SEC. 1128. (a) MANDATORY EXCLUSION.—The Secretary shall exclude from participation in the programs under title XVIII the following individuals or entities:

"(1) CONVICTION RELATING TO MEDICARE OR STATE HEALTH CARE PROGRAM.—Any individual or entity that has been convicted of a criminal offense related to such individual's or entity's participation in the delivery of items or services under title XVIII or under any State health care program (as defined in subsection (g)).

"(2) CONVICTION RELATING TO FRAUD OR PATIENT ABUSE.—Any individual or entity that has been convicted, under Federal or State law, in connection with the delivery of health care items or services or with respect to any act or omission in a program operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense relating to—

"(A) fraud, theft, embezzlement, breach of fiduciary responsibility, or financial abuse, or

"(B) neglect or abuse of patients.

"(3) CONVICTION RELATING TO OBSTRUCTION OF AN INVESTIGATION.—Any individual or entity that has been convicted, under Federal or State law, in connection with the interference or obstruction of any investigation into any criminal offense described in paragraph (1) or (2).

"(4) CONVICTION RELATING TO CONTROLLED SUBSTANCE.—Any individual or entity that has been convicted, under Federal or State law, of unlawful manufacture, distribution, prescription, or dispensing of a controlled substance or other criminal offense relating to a controlled substance.

"(5) SUBMISSION OF FALSE CLAIMS.—Any individual or entity that the Secretary determines has knowingly and willfully made, or caused to be made, any false statement or representation of a material fact for use in an application for payment under title XVIII or a State health care program, or for use in determining the right to a payment under such title or program.

"(6) FRAUD, KICKBACKS, AND OTHER PROHIBITED ACTIVITIES.—Any individual or entity that the Secretary determines has committed an act which is described in section 1128B.

"(b) PERMISSIVE EXCLUSION.—The Secretary may exclude from participation in the programs under title XVIII the following individuals and entities:

"(1) LICENSE REVOCATION OR SUSPENSION.—Any individual or entity—

"(A) whose license to provide health care has been revoked or suspended by a State licensing authority or who otherwise lost such a license for reasons bearing on the individual's or entity's professional competence, professional conduct, or financial integrity, or

"(B) who surrendered such a license while a formal disciplinary proceeding was pending before such an authority and the proceeding concerned the individual's or entity's professional competence, professional conduct, or financial integrity.

"(2) SUSPENSION FROM FEDERAL HEALTH CARE PROGRAM.—Any individual or entity which has been suspended or excluded from participation, or otherwise sanctioned, under any Federal program, including programs of the Department of Defense or the Veterans' Administration, involving the provision of health care, or under a State health care program (as defined in subsection (g)).

"(3) SUBMISSION OF FALSE CLAIMS.—Any individual or entity that the Secretary determines—

"(A) has submitted or caused to be submitted bills or requests for payment under title XVIII or a State health care program containing charges (or, in applicable cases, requests for payment of costs) for items or services furnished substantially in excess of such individual's or entity's customary charges (or, in applicable cases, substantially in excess of such individual's or entity's costs) for such items or services, unless the Secretary finds there is good cause for such bills or requests containing such charges or costs;

"(B) has furnished items or services to patients (whether or not eligible for benefits under title XVIII or a State health care program) substantially in excess of the needs of such patients or of a quality which fails to meet professionally recognized standards of health care;

"(C) is—

"(i) a health maintenance organization (as defined in section 1903(m)) providing items and services under a State plan approved under title XIX or

"(ii) an entity furnishing services under a waiver approved under section 1915(b)(1),

and has failed in a substantial number of cases to provide medically necessary items and services that are required under law or the contract with the State under that title; or

"(D) is an entity providing items and services as an eligible organization under a contract under section 1876 and has failed in a substantial number of cases to provide medically necessary items and services that are required under law or such contract.

"(4) EXCLUSION OF ENTITIES.—Any entity with respect to which the Secretary determines that a person—

"(A)(i) with an ownership or control interest (as defined in section 1124(a)(3)) in that entity or

"(ii) who is an officer, director, agent, or managing employee (as defined in section 1126(b)) of that entity—

is a person—

"(B)(i) who has been convicted of any offense described in paragraph (1), (2), (3), or (4) of subsection (a);

"(ii) against whom a civil monetary penalty has been assessed under section 1128A; or

"(iii) who has been excluded from participation under a program under title XVIII or under a State health care program.

"(5) FAILURE TO DISCLOSE REQUIRED INFORMATION.—Any entity that did not fully and accurately make any disclosure required of it by section 1124 or section 1126.

"(6) FAILURE TO SUPPLY REQUESTED INFORMATION.—Any disclosing entity (as defined in section 1124(a)(2)) that fails to supply (within such period as may be specified by the Secretary in regulations) upon request specifically addressed to such entity by the Secretary—

"(A) full and complete information as to the ownership of a subcontractor (as defined by the Secretary in regulations) with whom such entity has had, during the previous 12 months, business transactions in an aggregate amount in excess of $25,000, or

"(B) full and complete information as to any significant business transactions (as defined by the Secretary in regulations), occurring during the five-year period ending on the date of such request, between such entity and any wholly owned supplier or between such entity and any subcontractor.

"(7) FAILURE TO SUPPLY PAYMENT INFORMATION.—Any individual or entity furnishing items or services for which payment may be made under title XVIII or a State health care program that fails to provide such information as the Secretary finds necessary to determine whether such payments are or were due and the amounts thereof, or has refused to permit such examination of its records by or on behalf of the Secretary as may be necessary to verify such information.

"(8) FAILURE TO PROVIDE IMMEDIATE ACCESS TO NECESSARY INFORMATION.—Any individual or entity that fails to grant immediate access, upon reasonable request (as defined by the Secretary in regulations), to any of the following:

"(A) To the Secretary, or to the agency used by the Secretary, for the purpose specified in the first sentence of section 1864(a) (relating to compliance with conditions of participation or payment).

"(B) To the Secretary or the State agency in order to perform the reviews and surveys required under State plans under paragraphs (26), (31), and (33) of section 1902(a) and under section 1903(g).

"(C) To the Inspector General of the Department of Health and Human Services for the purpose of review of records, documents, and other data necessary to the performance of the statutory functions of the Inspector General.

"(D) To a State medicaid fraud control unit (as defined in section 1903(q)) for the purpose of conducting activities described in that section.

"(c) NOTICE OF EXCLUSION.—(1) An exclusion under this section or under section 1128A shall only be effective at such time and upon such reasonable notice to the public and to the individual or entity excluded as may be specified in regulations consistent with paragraph (2).

"(2) Such an exclusion shall be effective with respect to services furnished to an individual on or after the effective date of the exclusion; except that such exclusion shall not apply to payments made under title XVIII or under a State health care program for—

"(A) inpatient institutional services furnished to an individual who was admitted to such institution before the date of the exclusion, or

"(B) home health services and hospice care furnished to an individual under a plan of care established before the date of the exclusion,

until the passage of 30 days after the effective date of the exclusion.

"(d) HEARING AND JUDICIAL REVIEW ON EXCLUSIONS UNDER THIS SECTION.—Any individual or entity that is excluded from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(e) NOTICE TO STATES AND EXCLUSION UNDER STATE HEALTH CARE PROGRAMS.—(1) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program of the fact and circumstances of each exclusion effected under this section or section 1128A.

"(2) Each State health care program shall provide for the exclusion from participation in that program of each individual and entity during any period in which the individual or entity is excluded from participation in the programs under title XVIII pursuant to this section or section 1128A, except that the Secretary may waive such required exclusion with respect to an individual or entity if the Secretary receives and approves a request for such waiver with respect to the individual or entity from the State agency administering or supervising the administration of the program.

"(3) The Secretary shall—

"(A) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual or entity excluded from participation under this section or section 1128A of the fact and circumstances of such exclusion,

"(B) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and

"(C) request that such State or local agency or authority keep the Secretary and the Inspector General in the Department of Health and Human Services fully and currently informed with respect to any actions taken in response to such request.

"(f) PERIOD OF EXCLUSION.—(1)(A) Except in the case of an exclusion effected under subsection (b)(8), the notice of exclusion under subsection (c) and the written notice under section 1128A shall state the earliest date (which, in the case of an exclusion effected pursuant to subsection (a), may not be less than five years after the date of the exclusion) on which the individual or entity may be reinstated under this subsection.

"(B) In the case of an exclusion effected under subsection (b)(8), the notice of exclusion under subsection (c) shall state the period of the exclusion, which shall be equal to the sum of—

"(i) the length of the period in which the individual or entity failed to grant immediate access described in subsection (b)(8), and

"(ii) an additional period, not to exceed 90 days, set by the Secretary.

"(2) An individual or entity excluded from participation under this section (other than under subsection (b)(8)) or section 1128A may apply to the Secretary, in the manner specified by the Secretary in regulations and at the end of the initial period of exclusion and at such other times as the Secretary may provide, for reinstatement as a participant in the programs under title XVIII and under State health care programs.

"(3) The Secretary shall provide for such reinstatement if the Secretary determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Secretary at the time of the exclusion, that—

"(A) there is no basis under subsection (a) or (b) or section 1128A(a) for a continuation of the exclusion, and

"(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

"(4) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program of the fact and circumstances of each reinstatement made under this subsection.

"(g) DEFINITION OF STATE HEALTH CARE PROGRAM.—For purposes of this section and sections 1128A and 1128B, the term 'State health care program' means—

"(1) a State plan approved under title XIX,

"(2) any program receiving funds under title V or from an allotment to a State under such title, or

"(3) any program receiving funds under title XX or from an allotment to a State under such title.".

SEC. 3. CIVIL MONETARY PENALTIES.

(a) GROUNDS FOR IMPOSITION.—(1) Subsection (a)(1) of section 1128A (42 U.S.C. 1320a-7a) is amended—

(A) by striking out "is for a medical or other item or service" in the matter before subparagraph (A),

(B) by inserting "is for a medical or other item or service" in subparagraph (A) after "(A)",

(C) by striking out "or" at the end of subparagraph (A),

(D) by striking out "(B)" in subparagraph (B) and inserting in lieu thereof "(C) is for a medical or other item or services",

(E) in subparagraph (C) (as so redesignated), by striking out "section 1128" and all that follows through "proceedings;" and inserting in lieu thereof "this section or sections 1128, 1156, 1160(b) (as in effect on September 2, 1982), 1862(d) (as in effect on the date of the enactment of the Patient and Program Protection Act for Medicare and Medicaid), or 1866(b);", and

(F) by inserting after subparagraph (A) the following new subparagraph:

"(B) the person knows or has reason to know is false or fraudulent, or", and

(2) Subsection (a)(2)(B) of such section is amended by inserting "(or other requirement of a State plan under title XIX)" after "State agency".

(3) Subsection (a) of such section is further amended by adding at the end thereof the following new sentence: "In addition the Secretary may make a determination in the same proceeding to exclude the person from participation in the programs under title XVIII and in any State health care program.".

(4) No civil penalty or assessment may be imposed under section 1128A(a) of the Social Security Act in the case of a claim filed before August 13, 1981, if liability for the amount of the penalty or assessment could not have been imposed with respect to the claim under section 3729 of title 31, United States Code (relating to false claims).

(b) STATUTE OF LIMITATION ON ACTIONS.—Subsection (b)(1) of such section is amended by adding at the end the following new sentences: "The Secretary may not initiate an action under this section with respect to any claim later than six years after the date the claim was presented. The Secretary may initiate an action under this section by personal service or by mailing by registered or certified mail the notice required by paragraph (2).".

(c) CONFORMING AMENDMENT.—Subsections (b), (c), (f), and (g) of such section are each amended by striking out "penalty or assessment" and inserting in lieu thereof "penalty, assessment, or exclusion" each place it appears.

(d) PRO-RATED PAYMENT OF RECOVERIES TO STATE AGENCIES.—Subsection (e)(1)(A) of such section is amended by striking out "equal to the State's share of the amount paid by the State agency" and inserting in lieu thereof "bearing the same proportion to the total amount recovered as the State's share of the amount paid by the State agency for such claim bears to the total amount paid".

(e) NOTICE TO STATE AGENCIES.—Subsection (g) of such section is further amended by inserting "the appropriate State agency or agencies administering or supervising the administration of State health care programs (as defined in section 1128(g))," after "professional organization,".

(f) APPLICATION OF SUBPOENA POWER AND INJUNCTIVE POWERS.—Such section is further amended by adding at the end the following new subsections:

"(i) The provisions of subsections (d) and (e) of section 205 shall apply with respect to this section to the same extent as they are applicable with respect to title II.

"(j) Whenever the Secretary has reason to believe that any person has engaged, is engaging, or is about to engage in any activity which makes the person subject to a civil monetary penalty under this section, the Secretary may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin the person from concealing, removing, or encumbering assets which may be required in order to pay a civil monetary penalty if any such penalty were to be imposed or to seek other appropriate relief.".

SEC. 4. CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE AND STATE HEALTH CARE PROGRAMS.

(a) TECHNICAL AMENDMENTS.—Section 1909 is amended—

(1) by amending the heading to read as follows:

"CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE OF STATE HEALTH CARE PROGRAMS";

(2) in subsection (a)(1), by striking out "a State plan approved under this title" and inserting in lieu thereof "a program under title XVIII or a State health care program (as defined in section 1128(g))";

(3) in the matter in subsection (a) following paragraph (4), by striking out "this title" the first place it appears and inserting in lieu thereof "the program";

(4) in the last sentence of subsection (a), by striking out "this title" the first place it appears and inserting in lieu thereof "title XIX", and by striking out "this title" the second place it appears and inserting in lieu thereof "that title";

(5) in paragraphs (1)(A), (1)(B), (2)(A), (2)(B), and (3)(A) of subsection (b), by striking out "this title" and inserting in lieu thereof "title XVIII or a State health care program" each place it appears;

(6) in subsection (c), by striking out "or home health agency (as those terms are employed in this title)" and inserting in lieu thereof "home health agency, or other entity for which certification is required under title XVIII or a State health care program"; and

(7) in subsection (d), by striking out "this title" and inserting in lieu thereof "title XIX" each place it appears.

(b) REDESIGNATION OF SECTION 1877(d) AS SECTION 1128B(e).—Subsection (d) of section 1877 is redesignated as subsection (e) and is transferred and inserted in section 1909 at the end thereof.

(c) REDESIGNATION OF SECTION 1909 AS SECTION 1128B.—Section 1909, as amended by subsections (a) and (b) of this section, is redesignated as section 1128B and is transferred to title XI and inserted immediately after section 1128A.

(d) REPEAL.—Section 1877 (other than subsection (d) thereof which was transferred under subsection (b) of this section) is repealed.

SEC. 5. INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS.

(a) MEDICAID PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (45),

(2) by striking out the period at the end of paragraph (46) and inserting in lieu thereof "; and", and

(3) by inserting after paragraph (46) the following new paragraph:

"(47) provide that the State will provide information and access to certain information respecting sanctions taken against health care practitioners and providers by State licensing authorities in accordance with section 1919.".

(b) INFORMATION REQUIRED.—Title XIX is amended by adding at the end the following new section:

"INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS

"SEC. 1919. (a) INFORMATION REPORTING REQUIREMENT.—The requirement referred to in section 1902(a)(47) is that the State must provide for the following:

"(1) INFORMATION REPORTING SYSTEM.—The State must have in effect a system of reporting the following information with respect to formal proceedings (as defined by the Secretary in regulations) concluded against a health care practitioner or entity by any authority of the State (or of a political subdivision thereof) responsible for the licensing of health care practitioners or entities:

"(A) Any adverse action taken by such licensing authority as a result of the proceeding, including any revocation or suspension of a license (and the length of any such suspension), reprimand, censure, or probation.

"(B) Any dismissal or closure of the proceedings by reason of the practitioner or entity surrendering the license or leaving the State or jurisdiction.

"(C) Any other loss of the license of the practitioner or entity, whether by operation of law, voluntary surrender, or otherwise.

"(2) ACCESS TO DOCUMENTS.—The State must provide the Secretary (or an entity designated by the Secretary) with access to such documents of the authority described in paragraph (1) as may be necessary for the Secretary to determine the facts and circumstances concerning the actions and determinations described in such paragraph for the purpose of carrying out this Act.

"(b) FORM OF INFORMATION.—The information described in subsection (a)(1) shall be provided to the Secretary (or, under suitable arrangements made by the Secretary, to another entity) in such a form and manner as the Secretary determines to be appropriate in order to provide for activities of the Secretary under this Act and in order to provide, directly or through suitable arrangements made by the Secretary, information—

"(1) to licensing authorities described in subsection (a)(1),

"(2) to State agencies administering or supervising the administration of State health care programs (as defined in section 1128(g)),

"(3) to utilization and quality control peer review organizations described in part B of title XI, and

"(4) to State medicaid fraud control units (as defined in section 1903(q)),

in order for such authorities to determine the fitness of individuals to provide health care services, to protect the health and safety of individuals receiving health care through such programs, and to protect the fiscal integrity of such programs.

"(c) CONFIDENTIALITY OF INFORMATION PROVIDED.—The Secretary shall provide for suitable safeguards for the confidentiality of such of the information furnished under subsection (a) as is not otherwise available to the public.".

SEC. 6. OBLIGATION OF HEALTH CARE PRACTITIONERS AND PROVIDERS.

Section 1156 (42 U.S.C. 1320c-5) is amended—

(1) by striking out "title XVIII" and "such title" in subsection (a) and inserting in lieu thereof "this Act" in each instance, and

(2) by striking out "title XVIII" each place it appears in subsection (b) and inserting in lieu thereof "this Act".

SEC. 7. EXCLUSION UNDER THE MEDICAID PROGRAM.

Section 1902 (42 U.S.C. 1396b) is amended by inserting after subsection (f) the following new subsection:

"(g)(1) In addition to any other authority provided under State law, a State may exclude any individual or entity from participation in the State plan under this title for any reason for which the Secretary could exclude the individual or entity from participation in the programs under title XVIII under section 1128 or 1128A.

"(2) In order for a State to receive payments for medical assistance under section 1903(a), with respect to payments the State makes to a health maintenance organizations (as defined in section 1903(m)) or to an entity furnishing services under a waiver approved under section 1915(b)(1), the State must provide that it will exclude from participation, as such an organization or entity, any organization or entity that—

"(A) could be excluded under section 1128(b)(4) (relating to owners and managing employees who have been convicted of certain crimes or received other sanctions), or

"(B) has, directly or indirectly, a substantial contractual relationship (as defined by the Secretary) with an individual or entity that is described in section 1128(b)(4)(B).

"(3) As used in this subsection, the term 'exclude' includes the refusal to enter into a participation agreement or the termination of such an agreement.".

SEC. 8. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) MATERNAL AND CHILD HEALTH PROGRAM.—Section 504(b) (42 U.S.C. 704(b)) is amended—

(1) by striking out "or" at the end of paragraph (4),

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and

(3) by adding at the end thereof the following new paragraph:

"(6) payment for any item or service furnished by an individual or entity excluded from participation in the program under this title pursuant to section 1128 or section 1128A.".

(b) DISCLOSURE REQUIREMENTS.—(1) Subsection (a) of section 1126 (42 U.S.C. 1320a-5) is amended—

(A) in the first sentence, by striking out "or other institution" and all that follows through the period at the end and inserting in lieu thereof "or other entity (other than an individual practitioner or group of practitioners) shall be required to disclose to the Secretary or to the appropriate State agency the name of any person who has an

ownership or control interest (as defined in section 1124(a)(3)) in such entity, or is a managing employee (as defined in subsection (b)) of such entity, and who is or has been excluded or suspended from participation in a program under title XVIII or in a State health care program described in section 1128(g) or has been convicted of any criminal offense on the basis of which the individual or entity may be excluded from a program under section 1128.", and

(B) in the second sentence, by striking out "institution, organization, or agency" and inserting in lieu thereof "entity".

(2) Subsection (b) of such section is amended by striking out "institution, organization, or agency" and inserting in lieu thereof "entity" each place it appears.

(c) MEDICARE PAYMENTS.—(1) Section 1862 (42 U.S.C. 1395y) is amended—

(A) by striking out subsection (d), and

(B) by amending subsection (e) to read as follows:

"(e) No payment may be made under this title with respect to any item or service furnished by an individual or entity during any period when the individual or entity is excluded from participation in a program under this title pursuant to section 1128 or section 1128A.".

(2) Sections 1842(j)(2)(A) and 1862(h)(4) (42 U.S.C. 1395u(j)(2)(A), 1395y(h)(4)) are each amended by striking out "paragraphs (2) and (3) of section 1862(d)" and inserting in lieu thereof "subsections (c), (d), and (f) of section 1128".

(3) Paragraph (3) of section 1886(f) (42 U.S.C. 1395ww(f)) is amended to read as follows:

"(3) The provisions of subsections (c) through (f) of section 1128 shall to apply to determinations made under paragraph (2) in the same manner as they apply to exclusions effected under section 1128(b)(2).".

(d) TERMINATION OF PROVIDER AGREEMENTS UNDER MEDICARE.—Section 1866 (42 U.S.C. 1395cc) is amended—

(1) by striking out paragraph (3) of subsection (a);

(2) by amending subsection (b) to read as follows:

"(b)(1) A provider of services may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary and the public as may be provided in regulations, except that notice of more than six months shall not be required.

"(2) The Secretary may refuse to enter into an agreement under this section or, upon such reasonable notice to the provider and the public as may be specified in regulations, may refuse to renew or may terminate such an agreement after the Secretary—

"(A) has determined that the provider fails to comply substantially with the provisions of the agreement, with the provisions of this title and regulations thereunder, or with a corrective action required under section 1886(f)(2)(B),

"(B) has determined that the provider fails substantially to meet the applicable provisions of section 1861, or

"(C) has excluded the provider from participation in a program under this title pursuant to section 1128 or section 1128A.

"(3) A termination of an agreement or a refusal to renew an agreement under this subsection (and a termination of approval of a supplier under this title) shall be effective on the same date, and with respect to the same items and services, as an exclusion from participation under the programs under this title would become effective under section 1128(c)(1).";

(3) by inserting "or has not been renewed" in paragraphs (1) and (3) of subsection (c) after "terminated"; and

(4) by inserting "or nonrenewal" in subsection (c) after "termination".

(e) OVERLAP WITH MEDICARE SANCTIONS.—Section 1869(c) (42 U.S.C. 1395ff(c)) is amended by inserting before the period at the end thereof the following: ", except that an institution or agency is not entitled to separate notice and opportunity for a hearing under both section 1128 and this section with respect to a determination or determinations based on the same underlying facts and issues".

(f) MEDICAID PLAN REVISIONS.—Section 1902(a) (42 U.S.C. 1396b(a)) is amended—

(1) in paragraph (38), by striking out "respectively, (A)" and all that follows up to the semicolon at the end and inserting in lieu thereof "the information described in section 1128(b)(5)", and

(2) in paragraph (39)—

(A) by striking out "bar" and inserting in lieu thereof "exclude",

(B) by striking out "person" and inserting in lieu thereof "individual or entity" each place it appears, and

(C) by inserting "or section 1128A" after "section 1128".

(g) DENIAL OF FEDERAL FINANCIAL PARTICIPATION UNDER MEDICAID.—Paragraph (2) of section 1903(i) (42 U.S.C. 1396b(i)) is amended to read as follows:

"(2) with respect to any amount expended for items or services furnished under the plan by any individual or entity during any period when the individual or entity is excluded from participation in the State plan under this title pursuant to section 1128 or section 1128A; or".

(h) MEDICAID DISCLOSURE REQUIREMENTS.—Section 1903(n) (42 U.S.C. 1396b(n)) is amended by striking out "has a direct or indirect ownership or control interest of 5 percent of more" and inserting in lieu thereof "is a person with an ownership or control interest (as defined in section 1124(a)(3))".

(i) TITLE XX.—Section 2005(a) (42 U.S.C. 1397d(a)) is amended—

(1) by striking out "or" at the end of paragraph (7),

(2) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; or", and

(3) by adding at the end thereof the following new paragraph:

"(9) for payment for any item or service furnished by a person excluded from participation in the program under this title pursuant to section 1128 or section 1128A.".

SEC. 9. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this Act shall become effective at the end of the 14-day period beginning on the date of the enactment of this Act and shall not apply to administrative proceedings commenced before the end of such period.

(b) MANDATORY MINIMUM EXCLUSIONS APPLY PROSPECTIVELY.—Subparagraph (A) of section 1128(f)(1) of the Social Security Act (as amended by this Act), insofar as it requires an exclusion of not less than five years in the case described in section 1128(a) of that Act, shall not apply to exclusions based on convictions occurring before the date of the enactment of this Act.

(c) EFFECTIVE DATE FOR CHANGES IN MEDICAID LAW.—(1) The amendments made by sections 5 and 8(f) apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for calendar quarters beginning more than 30 days after the date of the enactment of this Act.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(3) Subsection (j) of section 1128A of the Social Security Act (as added by section 3(f) of this Act) takes effect on the date of the enactment of this Act.

(d) REGULATIONS.—Any regulations required to be promulgated by the Secretary of Health and Human Services pursuant to this Act shall be promulgated as final regulations by not later than six months after the date of the enactment of this Act.

SECTION 10. DENIAL, REVOCATION, OR SUSPENSION OF REGISTRATION TO MANUFACTURE, DISTRIBUTE, OR DISPENSE A CONTROLLED SUBSTANCE FOR ENTITIES EXCLUDED FROM THE MEDICARE PROGRAM.

(a) IN GENERAL.—Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended—

(1) by striking out "or" at the end of paragraph (2),

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; or", and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) has been excluded from participation in a program under title XVIII of the Social Security Act pursuant to section 1128(a) of that Act.".

(b) CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT.—Subsections (e)(1) and (f)(4) of section 1128 of the Social Security Act, as amended by section 2 of this Act, are each amended by inserting "(and, in the case of an exclusion effected pursuant to subsection (a) and to which section 304(a)(4) of the Controlled Substances Act may apply, the Attorney General)" after "each State health care program".

By Mr. CHAFEE (for himself, Mr. MATHIAS, Mr. WEICKER, and Mr. METZENBAUM):

S. 838. A bill to repeal title VIII of the Education for Economic Security Act, relating to equal access to public secondary schools; to the Committee on Labor and Human Resources.

REPEAL OF EQUAL ACCESS ACT

Mr. CHAFEE. Mr. President, in June of 1984 Congress approved the Equal Access Act, establishing for the first time a Federal standard for the use of public school facilities in the United States. This law was unnecessary then, it is unnecessary now, and it will create more problems than it solves for American schools. Today I join with Senators MATHIAS, WEICKER, and METZENBAUM, in introducing legislation to repeal this measure.

In voting against the equal access bill last year, my primary concern was

that Congress should not further compound the problems faced by educators by diverting their attention from efforts to improve public schools. Congress and the administration have expressed a great deal of concern about the need to improve American education. We have also recognized that most educational reforms should originate at the local level.

The Equal Access Act was not a school improvement initiative. In the wake of the Senate's rejection of a constitutional amendment permitting organized school prayer, the Equal Access Act provided an opportunity for Congress to express support for limited religious activity in public schools. However, it raises many of the same constitutional questions posed by the school prayer amendment and imposes new Federal standards over local policies governing the use of school facilities.

The act holds that whenever a public school permits noncurriculum-related student groups to meet on school premises during noninstructional time, it must provide access to school facilities regardless of the "religious, political, philosophical or other content of the speech at such meetings." Thus, if groups such as the chess club, the drama society, or the ski club are allowed to meet in the school building, equal accommodation must be made for religious, political, and other gatherings.

As if there were not already enough requirements imposed on local schools by the Federal Government, now we are defining the extracurricular rights of students. This is a significant new Federal intrusion into the local decisionmaking process. Supporters of the measure argued that it would protect the rights of all students to free speech and remove government hostility toward religion in the schools. But the act weakens the authority of local school officials to exercise discretion in these matters and can lead to a quagmire of confusion and discord where none previously existed.

Although the equal access law does not expressly sanction organized religious activity during instructional hours, it clearly is designed to insure that religious activity has a place in the public schools. In many communities this is deeply troubling to parents, students, teachers, and others who believe religion should be observed in the home and the place of worship, not in public schools. As a result, disputes can erupt dividing students, school administrators, parents, school board members, and others in the community whose cooperation is essential.

The equal access law raises difficult questions concerning the constitutional separation between church and state. Court rulings on this question have been inconclusive thus far, and the U.S. Supreme Court is expected to provide guidance in the matter later this year. But whether or not the law is found strictly constitutional is, I believe, beside the point. This law is bad public policy. It threatens to divide our schools and communities over matters that have nothing to do with educational improvement, and it can only impede the improvement efforts of local schools leaders.

One of the reasons we lack a definitive judicial ruling on the equal access question is that it has been tested only rarely. The principal argument made in favor of this proposal last year was that voluntary student religious organizations were being widely and unfairly precluded from using school facilities. Yet the lack of a uniform national requirement has apparently not prevented local school leaders from resolving questions about the use of school facilities. Out of 24,000 secondary schools in the United States serving about 20 million students, very few—perhaps fewer than 50—equal access cases have been brought to litigation. School administrators, students, parents, and school boards have resolved these questions according to local preferences and concerns.

A nationwide survey conducted by the American Association of School Administrators last year indicates that the equal access law "fixes" an area of public policy that wasn't broken. Of 479 school districts responding to the survey, only 8 instances were cited in which student religious groups appealed to local school boards over the denial of their requests to use school facilities, and only 1 district reported that litigation resulted.

Local school administrators make decisions every day about what is taught and discussed in our schools and what types of activities contribute to the overall enrichment of students. They work closely with local school board members, faculty, and parents in developing programs to suit community needs, and in resolving problems when they arise. There is scant evidence of problems requiring this Federal law which weakens the discretion of local educators and distracts their attention from providing instructional leadership.

There is increasing evidence, however, that the equal access law will have the unintended effect of creating new problems for American schools. In school districts throughout the country, the equal access law is creating confusion and conflict over which organizations should be permitted to meet in school facilities. Should all groups calling themselves religious or political be accommodated? Should teachers be required to supervise the meetings? How should "noninstructional" be defined? Is it possible to grant access to some groups but not others? Do parents really feel it is the responsibility of the public schools to expose their children to the full range of religious, political, and philosophical thought?

These are not the questions which should demand the attention of school administrators. These are not the issues which should dominate the agenda of school board meetings. These are not the problems to which students and teachers and parents should devote their energies. The equal access law is doing nothing to improve academic achievement. It is doing nothing to improve the quality of teaching. It is doing nothing to improve community support for public education. All it can do is make a tough job tougher for American educators and divert local tax dollars away from schools into costly legal disputes. At a time when we are struggling to maintain a decent level of spending for public education, this is the last thing we need.

I hope my colleagues will join in supporting this legislation to repeal the equal access law before it further disrupts efforts to improve the learning environment in American schools. I ask unanimous consent that several recent news articles on the equal access issue and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VIII of the Education for Economic Security Act, relating to equal access to public secondary schools, is repealed.

[From the New York Times, Mar. 23, 1985]

SCHOOLS STRUGGLE WITH NEW LAW GIVING ACCESS TO RELIGIOUS CLUBS

(By Ron Suskind)

A new Federal law that permits students to set up Bible-study clubs in public schools is creating disputes in many towns on Long Island and in several other communities in the New York metropolitan region.

While some school systems have approved the clubs, many others have banned them or are still debating the issue.

Those opposed argue that such clubs would interject religion into their schools. Those who support the clubs say they are merely using a public building for a voluntary gathering.

And both opponents and supporters agree that the law, the Equal Access Act, passed by Congress last July, is imprecise and confusing.

"It's a back-door attempt to get prayer into the classroom," said Ira Singer, Superintendent of the Herricks, L.I., schools. "It is turning our school board meetings into debating societies. And however a school board decides on one of these clubs, for or against, they'll face litigation."

The law permits religious, political or philosophical student groups to use public school property if the school system has allowed other noncurricular student clubs, such as chess, drama or service clubs, to meet in the school.

In Hicksville, L.I., for example, as in other parts of the nation, school officials put the law into effect smoothly and now a Bible-study club meets once every other week in a classroom after the school day.

At a recent meeting, the students said a prayer, sang hymms and, later with a local church leader, they wrote about what it means to be a Christian.

"If the power of Jesus is with us," said Laurie Velez, a 16-year-old junior who is a leader of the Bible-study club at Hicksville High School, "who could be against us?"

But school officials expressed concern that the club may not be operating within the strictures of the Equal Access Act, which specifically bans adult religious leaders from regularly participating in club activities.

In Commack, L.I., last November a high school student asked school officials to allow her to create a Bible-study club. That set off a lengthy dispute between school administrators and leaders of various Jewish organizations and a local church.

This week the school board tabled the student's request and filed a lawsuit naming all the parties to the dispute in an effort to have the state courts decide whether the Equal Access Law is constitutional.

The law's language is open to interpretation, both sides say. Barry Lynn, legislative counsel to the American Civil Liberties Union in Washington—which supported the legislation—recently said, "It is a messy combination of the good, the bad and the ugly. Just not a well-drafted document."

CONFUSION AND CONFLICT

The result so far has been uneven. "As these cases begin to unravel around the country, we are hoping to see patterns in how school officials are handling it," said Norma Rollins, assistant director of the New York Civil Liberties Union. "Mostly we are just seeing confusion and conflict."

Requests to form clubs by high school students in Lynbrook, L.I., and in the upstate New York towns of Mahopac and Kenmore have recently been denied.

Last week the school board in North Salem, in Westchester County, denied a student's request to form a Bible-study club and, to remain consistent, abolished a large service club at North Salem High School that had helped the elderly and the handicapped in the area.

It is a question, said Robert D. Stone, counsel to the State Education Department, of "Congress contradicting the courts." He cited Judge Irving R. Kaufman's 1980 decision in the United States Court of Appeals for the Second Circuit, a ruling that was affirmed in three other Federal courts.

DANGEROUS LINK CITED

Ruling against a group of students who had applied to use a classroom before school hours for Bible study, Judge Kaufman held:

"Our nation's elementary and secondary schools play a unique role in transmitting basic and fundamental values to our youth. To an impressionable student, even the mere appearance of secular involvement in the religious activities might indicate that the state has placed its imprimatur on a particular religious creed. This symbolic inference is too dangerous to permit."

The Mahopac School Superintendent, Jerry Cicchelli, described the refusal by his school system to deny the Bible-study group's request. "We felt that if we gave permission to this group," he said, "then any student-initiated club, from the Hare Krishnas to the New York Nazi Party, could make a good case for getting in. None of it belongs in the school."

The situation is so muddled that activists on both sides are hoping for guidance from the United States Supreme Court. The court is considering a case, which it is not expected to decide until next year, involving a Williamsport, Pa., high school.

The Hicksville club, founded by Miss Velez, and Lisa Stuppiello, 18, was approved last November by the Hicksville Superintendent, Dr. Catherine Fenton. According to school administrators, it was all fairly routine.

The students asked Nicholas Muratore, a social-studies teacher at the school, to be the club's "chaperone," since the law prohibits such clubs from having a "faculty adviser" but allows the school to have someone monitor meetings.

"I can't participate," Mr. Muratore said, "but it is very difficult when people are praying not to pray along and get involved. For the record, I sit and listen. But let's just say that teachers, by nature, like to talk."

In January, the club began including its meetings on the school's morning announcements and its ranks grew from 3 members to 15.

Many of those students also belonged to a youth group at the nearby Bethpage Assembly of God church. The youth director of the church, Frank Summers, said he became integrally involved in the Bible-study club.

CHURCH ROLE DISPUTED

At the most recent meeting, for instance, Mr. Summers provided a guest speaker, Angeleina Mauro of Youth for Christ, an international Christian organization. She and Mr. Summers led the students in an exercise that involved writing letters to an imaginary friend about what it means to be a Christian.

"It is a blatant incident of the entanglement of church and state," said Rabbi Arthur Seltzer, Long Island director of the Anti-Defamation League of B'nai B'rith, which is preparing legal action against the school.

"I believe, because the issue is really legal, it belongs in the courts," said Dr. Joseph Del Rosso, the Commack Superintendent. "To do otherwise would have been divisive to the community, pitting family against family and friend against friend.

"At one level, the board is concerned about the effect on other student groups," Dr. Del Rosso said. "If we decide not to accept the Bible-study club, then other noncurricular clubs will have to go as well."

But the main reason for turning to the state courts, he said, was that however the board decided the issue, the school system would face litigation.

"This is not a school board issue," he said. "It's a constitutional issue."

Miss Rossi, who withdrew her request to form a club the day the suit was filed, said that she had been ridiculed by some classmates. "It's tough," she said, "but if you believe in something, you can do it. I believe in spreading the Gospel."

[From the Washington Post, Dec. 19, 1984]

AMERICAN JOURNAL—BOULDER'S EQUAL-ACCESS SPLIT

(By T.R. Reid)

BOULDER, Co., Dec. 18.—In Washington, where it breezed through Congress last summer with minimal debate and muted opposition, Public Law 98-377 seemed so reasonable, so harmless, so easy to implement.

It was called the Equal Access Act, and backers described its requirement as simplicity itself. The law said any public high school receiving federal funds—in other words, every public high school—had to give student religious groups the same right to meet in classrooms that such secular groups as the Chess Club enjoy.

But, unlike so many laws and regulations that look pure as mother's milk to official Washington, the Equal Access Act turned sour this month when applied to real students in a real school in a real American town.

When a student leader at Boulder High School asked the principal to provide an after-school classroom for a Bible study club, the request split school and city along religious lines, prompting a torrent of anguished speeches, sermons, petitions and counter-petitions.

The Boulder Valley School Board finally swept this hornet's nest aside Monday night by passing a new rule precisely opposite what the congressional majority had in mind: the board banned all student religious and political clubs from school grounds.

This university town at the foot of the Rockies became one of the nation's first communities to face up to Public Law 98-377 and evidently is first to respond by banning all religious meetings. School board lawyer Gerald Caplan said other districts have called for advice.

He preached that Boulder's new "closed policy" will become the common way to deal with what Washington has wrought.

The federal law that split Boulder and led to Monday's action was passed last July by a Congress eager to do something about school prayer in the wake of the Senate's rejection of a constitutional amendment on school prayer.

The Equal Access Act was to provide relief to student religious groups, often fundamentalist Christians, that have been denied the right by many states to meet in school rooms before or after classes.

The law says no school that provides classroom space for other student groups can refuse to provide such a "limited open forum" because of "religious, political, philosophical or other content of the speech at such meetings."

That seemed made to order to Greg Ballou, a popular Boulder High senior and member of a Presbyterian prayer group that meets after school.

Ballou took a copy of the new federal statute to the principal's office and formally requested classroom space for his student religious group.

While the principal was pondering, Josh Friedman, another popular Boulder High student, who is Jewish, protested the idea. Friedman and others, Christian and Jewish, complained about evangelizing by born-again Christians that could stigmatize some students.

Ballou and fellow prayer-group members launched a petition drive to have the federal law enforced. Friedman and fellow opponents launched a counter-petition asking that religion be kept out of the pluralistic school community.

The board began a series of public forums on the question. Speakers were sharply divided; feelings were passionate on both sides.

"Let's call the opposition what it is," parent Stephen Getman, a prayer backer, declared angrily. "It's religious discrimination, humanist bigotry. Why is it so evil that these children want to pray?"

Joan Russell, a Jew, replied, "It's distressing enough to send my daughter to school now, with Christmas trees and all the other Christian symbols."

At last, the school board bit the bullet. Concluding that "the district does not intend * * * to create or permit an open forum for student-initiated organizations in the secondary schools," the school board and its lawyer found a way around Public Law 98-377.

The board unanimously adopted a policy that classrooms will not be available for any student group unless it is "curriculum-related, school-sponsored."

The key phrase, "curriculum-related," was left undefined. But lawyer Caplan said it probably would mean that the Spanish Club gets a classroom and the Ski Club does not. No religious or political student group will be curriculum-related, he said, so all will be banned.

In essence, Boulder turned the equal access law into an equal non-access, policy. Caplan said there was really not much choice.

"It is a very, very broad law," he told board members. "You either let everybody in, or you keep everybody out."

[From the Education Week, Nov. 21, 1984]

GROUP'S SURVEY FINDS RATIONALE FOR EQUAL ACCESS ACT "OVERSTATED"

(By Lynn Olson)

Student religious groups are frequently granted permission to meet on school grounds, and most school districts have written policies regarding the use of school facilities for such purposes, according to a survey of 479 school districts by the American Association of School Administrators.

The survey results "clearly show that the major rhetorical points" made by proponents of the Equal Access Act, passed by the Congress this summer, "were overstated," according to the A.A.S.A. Supporters of the act had argued that schools unfairly banned student religious groups from meeting on school grounds while opening their doors to other student-initiated organizations.

The Equal Access Act, P.L. 98-377, states that if a public secondary school permits student groups to meet for student-initiated activities that are not directly related to the curriculum, then it must treat all such groups equally. This means that the school cannot discriminate against any student group on the basis of religious, political, or philosophical beliefs.

The A.A.S.A. has published results of the survey—along with a set of guidelines for implementing equal access and model policy statements for local school boards that are considering whether or not to establish a limited open forum—in "Equal Access: Interpretation and Implementation Guidelines."

GUIDELINES AND MODELS

According to the A.S.S.A., the guidelines, which are in question-and-answer form, "represent the combined thinking of the major opponents and proponents of equal access." These include, the group states, the American Civil Liberties Union, the National Education Association, Americans for Democratic Action, the American Jewish Congress, the Joint Baptist Committee, the Christian Legal Society, and the National Association of Evangelicals. (See Education Week, Oct. 3, 1984.)

The guidelines, the association writes, "present ways that school districts can implement P.L. 98-377 and avoid litigation or recognize the potential sources of litigation while making a good-faith attempt to comply with the Equal Access Act."

OVERSTATED PROBLEM

The A.A.S.A., which opposed the act as an unnecessary federal intrusion into local decisionmaking, conducted its survey this summer to ascertain how frequently students requested meetings for religious purposes and how often those requests were granted or denied. The survey also asked about school policies concerning student-initiated religious meetings.

From the results of its survey, the A.A.S.A. concluded that "equal-access legislation represents a case of the federal government solving a problem that did not generally exist by removing from local school boards the choice of deciding who may use school facilities."

"We did the survey while the issue was hot so we'd understand how administrators felt about the Equal Access Act," said Bruce Hunter, legislative specialist for the A.A.S.A. The association used the survey, he said, to try to convince members of Congress not to pass the act.

"Unfortunately," he added, "about half of the data came in after the bill had already passed, so it was too late." But even the early results, he said, indicated that schools "were in fact dealing with church-state questions and questions of access to school facilities."

The association decided to publish the results this month, according to Mr. Hunter, "just in case someone felt there was some overwhelming need for the statute."

The survey found that 341 of the 479 responding school districts, or 71 percent, had written policies concerning the use of school facilities by noncurricular student groups. Of these, 257 districts reported that their policy covered religious meetings. In most instances, noncurricular student groups were required to meet either before of after school.

The majority of responding districts, 340, reported receiving no requests from students to use school facilities for religious meetings. Some 132 districts reported receiving requests from students to use school facilities for meetings with a religious purpose. Thirty-seven of these districts denied the requests.

BARRING STUDENT GROUPS

Only 161 districts responded to a question asking them to name the organizations that were denied free use of school facilities. Most commonly barred were "violent/hate or extremist groups," which were barred in 83 districts, and "subversive groups (advocating the violent overthrow of the government)," which were barred in 37 districts. Religious groups were barred by 25 districts and religious "cults" by 23 districts.

One district responding to the survey reported litigation resulting from its denial of a student religious group's request to meet on school grounds. And eight reported that student religious groups had appealed the denial of their request to the local school board.

TEACHERS' INVOLVEMENT

The association cautioned, however, that "there could be a great deal of litigation" over teachers' involvement in student meetings of a religious nature.

In particular, the A.A.S.A. noted that paying teachers to supervise student religious meetings may constitute state support of religion. This issue was not addressed conclusively by the Equal Access Act, according to the association.

About 91 percent of the responding school districts said they require that teachers supervise student meetings. In most cases, these policies would extend to supervision of student religious meetings, officials reported. Of the responding school districts, 59 percent pay school employees for supervising student meetings.

CONFLICTING MANDATES

The A.A.S.A. also noted that although the Equal Access Act is now law, 12 states are covered by federal circuit-court decisions that have found student religious meetings on school grounds to be unconstitutional.

The association cautioned that all 12 states could be out of compliance with the court rulings if they act to implement the law.

"How schools in those 12 states should proceed is an open question that will doubtlessly be the cause of further litigation," the association stated.

Copies of the publication are available for $10 from A.A.S.A.'s Office of Governmental Relations, 1801 North Moore St., Arlington, Va. 22209.

By Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. ROTH, Mr. DURENBERGER, and Mr. SYMMS):

S. 839. A bill to amend the Internal Revenue Code of 1954 to provide a method for determining the value of certain air transportation provided to employees; to the Committee on Finance.

VALUATION OF FLIGHTS ON EMPLOYER-PROVIDED AIRCRAFT

Mr. DOLE. Mr. President, today I am introducing legislation on behalf of myself and Senators KASSEBAUM, ROTH, DURENBERGER, and SYMMS to assure a reasonable valuation for Federal income tax purposes of the benefit of personal flights on an employer-provided aircraft. While few people would argue that employees who can use their company's plane for personal travel are not receiving a valuable benefit compared with other individuals, it seems clear that the values set forth in the temporary Treasury regulations published last January do not accurately reflect the real value of these flights.

This legislation would specify how these benefits should be valued. It would be my hope that Treasury will follow the guidelines contained in this legislation, as it could under present law without further congressional action. I might add that the Finance Committee today agreed that the guidelines set forth in this legislation conform to the congressional intent of how these benefits should be valued. However, if the Treasury Department does not feel that the statute is specific enough to indicate that this approach is the best interpretation of present law, it would be my intent to help provide sufficient guidance by means of this legislation.

The temporary Treasury regulations for determining the value of a personal flight on a business aircraft have two principal defects: First, the values

are too high as a general matter. Second, the regulations do not distinguish between the larger, faster and more luxurious planes and the slower and less comfortable smaller planes.

VALUE IN GENERAL

Congress decided last year that the fair market value of fringe benefits such as personal travel on a business plane should be included in the income of employees who receive the benefits.

The temporary regulations, however, define fair market value to be as much as three times first-class airline fare or even charter rate in certain circumstances. This view conflicts with long-established case law that flatly states that value must be discounted when there are restrictions on use such as not being able to cash in the trip or transfer the benefit to someone else.

DISTINCTION BETWEEN DIFFERENT AIRCRAFT

The Treasury regulations also fail to distinguish between a 4-seat, single engine plane with a maximum speed of barely 100 miles an hour and the most luxurious corporate jet.

Anyone who has ever flown in a small plane will tell you that, while it may be the best way to get from one place to another, it is not as comfortable as flying first class in a commercial airliner. But an employee could still find himself charged with income equal to three times first-class fare. That just does not make sense.

This legislation would take account of the differences among the luxurious corporate jets and largest turbo-props, the remaining turbo-props and other complex twin-engined planes, and the smaller twins and single-engined planes.

KEY EMPLOYEES

The maximum amount of income that could be imputed to an employee who controls the use of the aircraft would be equal to a comparable first-class commercial flight. The amount imputed for the middle category would be coach fare. For the smaller planes the amount imputed would be half commercial coach free.

OTHER EMPLOYEES

For employees who do not control the use of a plane, the amount imputed will be based upon the amount imputed to the parent of an airline employee. The temporary regulations now value trips by parents of commercial airline employees at half the value of an unrestricted coach seat.

It is difficult to argue that an employee who flies on a company plane on a space available basis should have imputed income greater than the parent of an airline employee who flies standby on a commercial flight. Thus, the proposal would tax employees who exercise no control over the flight of a corporate jet the same as the commercial airline employee's parent.

Flights on other turbo-props and complex twin-engined aircraft would be taxed at three quarters of that amount and flights on smaller aircraft would be imputed at half the rate imputed to airline employee parents.

CONCLUSION

The categories are based on aircraft weight because that was the simplest way to account for comfort, convenience, and speed, factors which should enter into valuation of the benefit.

The proposal has the benefit of avoiding the compliance problem of deciding whether the flight was primarily for business, only partly for business, or solely for pleasure. The only issues are what weight category the plane is in and whether or not the employee who is flying for pleasure controlled the use of the plane.

I am hopeful that, if necessary, this legislation will be favorably considered and enacted to provide certainty to this area of the tax law.

By Mr. BUMPERS:

S. 841. A bill to amend section 144 of title 23, United States Code, to give States the discretion of using a portion of their bridge replacement funds to replace certain bridges or ferryboat operations: to the Committee on Environment and Public Works.

PERMITTING USE OF BRIDGE REPLACEMENT FUNDS FOR FERRYBOAT REPLACEMENT

Mr. BUMPERS. Mr. President, today I am introducing a bill that would not cost an extra dime in Federal dollars, but would give States the option of using a portion of their Federal bridge replacement funds to replace ferryboat operations. My bill would also permit the use of section 144 funds to replace bridges that were destroyed prior to 1960, and therefore do not meet the technical requirements to qualify for funding under present law. Finally, this legislation will allow States to use part of their Federal bridge replacement allotment to build highway bridges to replace low-water crossing which are periodically inundated with flood waters.

Let me say, first, that I was pleased that the Senate Environment and Public Works Committee adopted and incorporated in S. 391 language which I proposed permitting the use of section 144 money for ferryboat replacement. Unhappily, the House of Representatives' version of the interstate cost estimate legislation did not contain the ferryboat replacement language, and the House refused to go to conference with the Senate. Therefore, in order to release the highway trust fund money to the States, the Senate acquiesced to the House position and passed the House bill on March 5. As a result, the Senate's amendment to section 144 was dropped.

Mr. President, this situation leaves my State and others in the same position they were in before. The States need to replace ferries because, in most cases, they are structurally deficient, they are functionally obsolescent, and only expensive continual maintenance keeps them from physically deteriorating. The section 144 program was created to replace or rehabilitate highway bridges that meet one of those three criteria, and the Senate recognized in passing S. 391 that ferryboats, as well as bridges, should qualify for replacement under the terms of section 144. Therefore, Mr. President, I am introducing legislation today that includes the changes in the section 144 program that were included in the highway legislation passed by the Senate earlier this month.

Passage of this amendment will allow Arkansas to replace its four remaining ferries with bridges. The cost of operating and maintaining the four ferries is approximately $3 million per year. I have a table which uses statistics on the four Arkansas ferries to illustrate the unreliability of ferries and the resulting inefficient travel that is required when they are not in operation. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was printed in the Record, as follows:

Name of ferry	Vehicle capacity [1]	Size of barge	Load limit (ton)	Hours of operations	Round trip (minutes)	Accidents (1978–82)	Days closed (1978–82)	Indirection (miles)
Guion	6	60′×18′	15	6:30 am to 6:30 pm	15	0	473	36
Moro Bay	6	60′×20′	32	5:00 am to 10:00 pm	15	12	210	15–24
Peel	6	(2)60′×20′	25	Daylight hours, Hon-Oper./high winds	45	3	39	15–56
Spring Bank	6	60′×20′	36	5:30 am to 9:30 pm	15	4	151	53–69

[1] Autos only; trucks carrying flammable cargo, or other hazardous materials must be ferried individually while other vehicles wait.

Mr. BUMPERS. Mr. President, this bill also makes two other minor changes in the section 144 program. It allows States to use a portion of their section 144 allotment to construct bridges to replace structures that were destroyed prior to 1960, and have not been replaced. This is obviously a very small category of bridges, but an important one for the State of Arkansas. In the 1950's, a bridge on what is now County Road No. 19 in Northeast Arkansas, was destroyed by fire. The former bridge spanned the spring river, and served as an important link connecting U.S. Highways 62 and 63 between Lawrence and Randolph Counties. When the bridge was destroyed, the Federal bridge replacement program had not yet been enacted, and the State of Arkansas and the counties in which the Spring River Bridge was located, simply did not have the resources to replace the bridge.

The Federal Highway Administration has denied Arkansas' request that the Spring River Bridge be added to the special bridge replacement list. As a result, the only funds available for reconstruction are from the Federal-aid secondary program. The cost of the bridge is estimated to be $1.5 million. The approach roadway in Randolph County is estimated to cost $580,000. Without, assistance from the section 144 program, Lawrence and Randolph Counties would have to pay the entire cost of the bridge out of their Federal-secondary fund allotments, and that would create an unexceptable hardship for the counties. Lawrence and Randolph Counties only receive approximately $69,000 each from the Federal-aid secondary fund, annually. The two counties would have to spend all of these funds for 15 years, and during that time, no funds would be available for other roadway repair work. The use of section 144 funds is absolutely necessary if the Spring River Bridge is ever going to be replaced.

The State of Arkansas operates and manages several State parks in the immediate area of the proposed bridge, including Old Davidsonville, Powhatan Courthouse, Lake Charles, Mammoth Spring, and the Ozark Folk Center. Tourism is a major industry in Arkansas, and in the Spring River area, tourists would ideally travel between the several attractions. However the many water obstacles in the area create a situation that can best be described as "you can't get there from here." The proposed bridge would alleviate a great deal of unnecessary driving and, in the process, greatly help commerce and tourism.

The site of the Spring River Bridge is also the only interruption of a proposed continuous scenic highway project between St. Louis, MO, and Tulsa, OK. Replacement of the bridge could bring more out-of-State travelers through the area. This would increase revenue from tourism and related businesses in Missouri, Arkansas, and Oklahoma.

Construction of a bridge over the Spring River and the improvement of the connecting facilities would have an important local impact by providing a highway route between the cities of Black Rock and Pocahontas. Traffic is expected to exceed 300 vehicles per day when the bridge is completed. Because Arkansas is primarily a rural State, the ability of our people to commute to jobs 20 or 30 miles away has become the key to economic development in towns such as Pocahontas. The Spring River Bridge would cut over 10 miles off the commuting route of workers and would increase the geographic area from which businesses in Pocahontas and Black Rock could expect to recruit workers. The savings in gasoline would have the added benefit of increasing the spendable income of these workers, whose wages are generally very low.

Finally, this bill would allow States to use section 144 funds to replace low-water crossing with bridges. A low-water crossing is usually a concrete slab with a drainage pipe, located in a creek bed and designed to withstand periodic flooding. They are often built in rural areas, and are usually designed to serve relatively few vehicles. However, when development occurs, the flooded low-water crossings seriously impede traffic because motorists are often prevented from using routes for days at a time until the flood waters recede. Many low-water crossings exist in Arkansas, and the State would like to replace some of them with permanent bridges.

Under present interpretation of section 144 of title 23, the Federal Highway Administration will review on a case-by-case basis the elgibility of low-water crossing over 20 feet long for bridge replacement funding. However, the FHWA will not even consider low-water crossings under 20 feet long for replacement under the section 144 program. This bill would make all low-water crossings eligible for the Federal Bridge Replacement Program, regardless of length. Most low-water crossings meet at least one of section 144's criteria for funding, and it's time that the Federal Highway Administration began allowing more of these crossings to be replaced with bridges.

Let me emphasize that none of these amendments to section 144 would create a new category of Federal funding, nor would they have a budget impact. They would simply give States greater latitude to decide how their Federal bridge replacement apportionment would be spent. States know best what their highway needs are, and these amendments to section 144 will give them the opportunity to meet them with greater flexibility, while, at the same time, following Congress intent when it enacted the Bridge Replacement Program.

ADDITIONAL COSPONSORS

S. 210

At the requested of Mr. D'AMATO, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of Social Security benefits.

S. 245

At the request of Mr. ABDNOR, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Texas [Mr. GRAMM], the Senator from Oklahoma [Mr. BOREN], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 245, a bill to amend the Internal Revenue Code of 1954 to repeal the requirement that contemporaneous records be kept to substantiate certain deductions and credits.

S. 260

At the request of Mr. HEINZ, the names of the Senator from Virginia [Mr. WARNER] and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 281

At the requested of Mr. PRYOR, the names of the Senator from Nevada [Mr. HECHT], the Senator from Rhode Island [Mr. PELL], and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 300

At the request of Mr. GRASSLEY, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 300, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 408

At the request of Mr. WEICKER, the names of the Senator from Tennessee [Mr. GORE], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 554

At the request of Mr. ROTH, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 633

At the request of Mr. D'AMATO, the names of the Senator from New Jersey [Mr. BRADLEY] and the Senator from Colorado [Mr. HART] were added as cosponsors of S. 633, a bill to continue the authorization for Federal Crime Insurance under the National Housing Act.

S. 664

At the request of Mr. NICKLES, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 664, a bill to facilitate the competitiveness of exports of United States agricultural commodities.

S. 680

At the request of Mr. THURMOND, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 680, a bill to achieve the objectives of the multifiber arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

S. 725

At the request of Mr. CHAFEE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 725, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal year 1986, 1987, 1988, 1989, and 1990.

S. 736

At the request of Mr. BUMPERS, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 736, a bill to amend the Bank Holding Company Act of 1956 to provide for the safe and sound operation of depository institutions.

S. 744

At the request of Mr. COCHRAN, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products.

S. 746

At the request of Mr. CHILES, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 746, a bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

S. 776

At the request of Mr. DIXON, the names of the Senator from Missouri [Mr. EAGLETON] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 776, a bill to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1985 planting season operation, and for other purposes.

SENATE JOINT RESOLUTION 28

At the request of Mr. HOLLINGS, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of Senate Joint Resolution 28, a joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 34

At the request of Mr. QUAYLE, the names of the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 34, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week."

SENATE JOINT RESOLUTION 63

At the request of Mr. RIEGLE, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Arkansas [Mr. BUMPERS], the Senator from Massachusetts [Mr. KERRY], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 63, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week."

SENATE JOINT RESOLUTION 64

At the request of Mr. RIEGLE, the names of the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Maine [Mr. MITCHELL], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 64, a joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 67

At the request of Mr. QUAYLE, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Kentucky [Mr. FORD], the Senator from Maine [Mr. MITCHELL], the Senator from Tennessee [Mr. SASSER], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Texas [Mr. BENTSEN], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. ANDREWS], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 67, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. MURKOWSKI, the names of the Senator from Maryland [Mr. SARBANES], the Senator from New Mexico [Mr. DOMENICI], the Senator from Oklahoma [Mr. NICKLES], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Nebraska [Mr. EXON], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Rhode Island [Mr. PELL], the Senator from California [Mr. WILSON], the Senator from Kansas [Mr. DOLE], the Senator from New York [Mr. MOYNIHAN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Oklahoma [Mr. BOREN], the Senator from Indiana [Mr. LUGAR], the Senator from South Dakota [Mr. PRESSLER], the Senator from Utah [Mr. HATCH], the Senator from Virginia [Mr. WARNER], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Florida [Mrs. HAWKINS], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. ANDREWS], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day."

SENATE JOINT RESOLUTION 90

At the request of Mr. NUNN, the names of the Senator from New Mexico [Mr. DOMENICI] and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of Senate Joint Resolution 90, a joint resolution commemorating the 75th Anniversary of the Boy Scouts of America.

SENATE JOINT RESOLUTION 98

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 98, a joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. Delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. BAUCUS, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Mississippi [Mr. COCHRAN], the Senator from Georgia [Mr. MATTINGLY], the Senator from Washington [Mr. GORTON], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution to express the sense of the Congress concerning the reduction of trade barriers by Japan.

SENATE CONCURRENT RESOLUTION 37—PROVIDING FOR ACCEPTANCE OF A STATUE OF JEANNETTE RANKIN FROM THE STATE OF MONTANA FOR PLACEMENT IN STATUARY HALL

Mr. MELCHER (for himself and Mr. BAUCUS) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 37

Resolved by the Senate (the House of Representatives concurring), That the statue of Jeannette Rankin, presented by the State of Montana for the National Statuary Hall collection in accordance with the provisions of section 1814 of the Revised Statutes (40 U.S.C. 187), is accepted in the name of the United States, and the thanks of the Congress are tendered to the State of Montana for the contribution of the statue of one of its most eminent personages, the first woman elected to the U.S. Congress, known for her courage and convictions regarding equality and peace.

SEC. 2. The State of Montana is authorized to place temporarily in the rotunda of the Capitol the statue of Jeannette Rankin referred to in the first section of this concurrent resolution, and to hold ceremonies on May 1, 1985, in the rotunda on that occasion. The Aechitect of the Capitol is authorized to make the necessary arrangements therefor.

SEC. 3. (a) The proceedings in the rotunda of the Capitol at the presentation by the State of Montana of the statue of Jeannette Rankin for the National Statuary Hall collection, together with appropriate illustrations and other pertinent matter, shall be printed as a Senate document. The copy for such document shall be prepared under the direction of the Joint Committee on the Library.

(b) There shall be printed five thousand additional copies of such document which shall be bound in such style as the Joint Committee on the Library shall direct, of which one hundred and three copies shall be for the use of the Senate and eighteen hundred and ninety-seven copies shall be for the use of the Members of the Senate from the State of Montana, and four hunderd and sixty-three copies shall be for the use of the House of Representatives, and two thousand five hundred and thirty-seven copies shall be for the use of the Members of the House of Representatives from the State of Montana.

SEC. 4. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Governor of Montana.

Mr. MELCHER. Mr. President, since 1864, the States have been invited to contribute for national commemoration "statutes * * *, not exceeding two in number for each State, of deceased persons who have been citizens thereof, and illustrations for their historic renown or for distinguished civic or military services."

On May 1, the State of Montana will place and dedicate the Treasure State's second statue in Statuary Hall in our Nation's Capitol.

The statue will be that of a woman.

A woman who was born on a western Montana ranch when the land was still a territory, born of uncommon settlers—a hot-headed, "silver" Republican and a shy, New Hampshire schoolteacher—whose five daughters all became university graduates and whose son became the State's attorney general and an associate justice of its supreme court.

A woman who at an early age developed a penetrating sense of compassion and justice, who at 9 directed ranch hands to throw a horse and hold it so she could sew up the flesh hanging from a cut on its shoulder.

A woman who taught university-level economics for a while, then studied further in social work and, while working to find homes for homeless children, determined that many poor conditions were the result of bad laws.

A woman who in 1909, at the age of 29, quit her work and volunteered her services to the women's suffrage movement, which took her from the windswept prairies of North Dakota to the swamplands of Florida, to the prim cottages of Delaware, to the Pacific Northwest forests of Washington, to the sidewalks of New York.

A woman who replied to charges that a woman's place is in the home by explaining, "It is beautiful and right that a mother should nurse her child through typhoid fever, but it is also beautiful and right that she should have a voice in regulating the milk supply from which the typhoid resulted."

A woman who then came home to Montana and led the movement that got its women the vote in 1914, 6 years before the ratification of the 19th amendment gave the vote to all women of this country.

A woman who agreed to run for Congress 2 years later, explaining that she "never ran for Congress" but "for women's suffrage and against war."

A woman who had to run at-large in her first congressional campaign, which meant canvassing throughout more than 145,000 square miles, by rail where the trains ran, and where they didn't on rutted, unpaved roads.

A woman who became the first of her gender elected to the U.S. Congress, at a time when only 12 of the 48 States allowed women to vote.

A woman who, as a Member of Congress, voted her conviction and said "no" to war, first in 1917 and again in 1941. In 1917 she was one of 56. In 1941 she stood alone.

A woman who used her first term in Congress to work for passage of a constitutional amendment for women's suffrage, pushed for effective use of woman power during wartime, exposed poor and unfair working conditions at the Bureau of Printing and Engraving and supported the founding of a union there, and revealed the use of the "rustling card," a black list method, as the cause of labor problems in Montana's copper mines, to name a few.

A woman who left her first term to continue working for social causes, first for a 9-year period with the National Consumers League, and then concentrating on peace advocacy for 10 years with the National Council for the Prevention of War from 1929 to 1939.

A woman whose name through the three decades became synonymous with efforts to end war and who in 1968 at the age of 86 led 5,000 women in a march against the Vietnam War.

A woman who through her eighties was building a cooperative homestead on her farm, where unemployed, homeless homemakers could live on a cooperative, financially secure basis.

This woman is Jeannette Rankin.

Jeannette Rankin—independent, strong, determined, dedicated, assertive, frank.

Jeannette Rankin—a daughter of Montana, a daughter of the West, a daughter of the ideals of democracy.

Jeannette Rankin—who gave a new definition to courage.

Thank you, Jeannette.

● Mr. BAUCUS. Mr. President, I join my colleague from Montana in submitting a concurrent resolution today urging the Senate to accept the statue of Jeannette Rankin from the State of Montana for placement in the National Statuary Hall in the Capitol.

Miss Rankin is one of the most outstanding representatives the State of Montana has sent to the U.S. Congress.

For this reason, the people of Montana have chosen Miss Rankin to join Western artist Charles M. Russell to represent our State in Statuary Hall.

Miss Rankin was the only woman to represent Montana in the Nation's Capitol and was the first female Member of that traditionally all-male club, the House of Representatives.

A committed and lifelong pacifist, Miss Rankin was elected to Congress from Montana in 1916. She served two terms, in 1917 and 1940, arriving in both eras in time to cast votes against both World Wars.

Nearly 30 years later, in 1968, she marched at the head of the Jeannette Rankin Brigade, leading 3,000 women

to the Capitol to protest the war in Vietnam.

Miss Rankin was born on June 11, 1880 on Grant Creek Ranch, 6 miles from Missoula.

She attended public schools in Missoula, graduating from the University of Montana in 1902 with a B.S. in biology.

In 1908, Miss Rankin left Missoula to study at the New York School of Philanthropy. She subsequently practiced for a brief time as a social worker in Montana and Washington.

Dissatisifed with her newly chosen profession, Miss Rankin entered the University of Washington in 1909. While a student there, she joined the successful Washington State campaign for women's suffrage in 1910.

Miss Rankin first received recognition as a political activist in Montana in 1911. That year, she addressed the Montana Legislature and urged the State to grant women the right to vote.

This speech served as the springboard for a life of political activity that spanned more than 60 years.

Miss Rankin's public service outside of her terms in Congress included:

Delegate to the Second International Congress of Women in 1919;

Field secretary of the National Consumers' League;

Field secretary and board member of the Women's International League for Peace and Freedom;

Founder of the Georgia Peace Society in 1928;

Washington lobbyist and field organizer for the National Council for the Prevention of War.

Miss Rankin's unpopular antiwar votes and introduction of legislation supporting women's rights distinguish her two terms as a Republican Member of Congress.

In 1917, having been advised by Republican leader "Uncle Joe" Cannon to "vote as your conscience dictates," Miss Rankin declared, "I want to stand by my country, but I cannot vote for war. I vote no."

In 1941, responding to the rollcall which followed a 40-minute debate on the declaration of war against Japan, Miss Rankin said, "As a woman, I can't go to war and I refuse to send anyone else."

In her legislative work, Miss Rankin helped pave the way for more equal rights for women.

During her first term in Congress, she introduced bills to give women the vote and also to give them U.S. citizenship rights independent of their husbands.

She authored the first bill for Government-sponsored instruction in maternity and infant hygiene. This bill was reintroduced in a later Congress and enacted.

She also offered measures to provide "equal pay for equal work" for U.S. employees, regardless of sex.

Whether or not she was in office, Miss Rankin worked continually until her death in 1973 for the causes of peace and women's rights.

She displayed intense interest in Gandhi's work in India and visited that country seven times between 1946 and 1971.

"I traveled around the world," she declared in 1972, "and stayed long enough to know how the Americans were dominating underdeveloped countries."

Perhaps the best way to know Miss Rankin is to listen to what she had to say on some of the issues important to her:

On war:

1. War is a vicious, stupid way of settling a dispute. It has nothing to do with what the dispute is.

2. The people really aren't for war. They just go along. But war is evil and there is always an alternative.

3. The first thing in changing a habit is making up your mind. War is a habit and when an emergency comes, they fall back on it.

On achieving peace:

1. We must have absolutely unilateral disarmament. If we disarmed, we would be the safest country in the world. After all, you have to have a worthy adversary to fight. Would Cassius Clay fight a Boy Scout?

On women in politics:

1. The men have taught them (women) not to trust their emotions, but women have an emotional ideal to contribute.

2. Half the people are women and half the people aren't expressing themselves, because they've been told for so long to keep quiet and to be good.

3. Women must devote all their energies today to gaining enough elected political offices to influence the direction of government away from the military-industrial complex and toward solving the major social disgraces that exist in our country.

4. They (women) don't know who they are voting for or why. For 50 years, they've been reading books, but they haven't learned how to vote. It is time they woke up.

On women and peace:

1. We could have peace in one year if women were organized.

2. (Women have) been worms. They let their sons go off to war because they're afraid their husbands will lose their jobs in industry if they protest.

On the suffrage movement:

1. The men ridiculed us. The men thought that suffrage was the funniest thing in the world and they made jokes and said everything in the world about us. We just paid no attention or we made fun right back. They'd whisper, If you vote, all the bad women will be able to vote, too, and we said, All the bad men vote, don't they?

On the women's movement:

1. Women lib is very encouraging. The way we know it's growing is that the men make fun of it. They make fun of it because they want it to stop.

On the Vietnam War:

1. I think we ought to get out as soon and as gracefully as we can. We should announce we're going to get out and then make plans for doing it.

On Presidential elections:

1. Miss Rankin advocated a direct election for President. Let everyone run who wants to run and let everyone vote. This way the people could make a second and third choice.

On Congressional elections:

1. Miss Rankin wanted to see fewer Congressional districts with more representatives from each.

If you have 10 districts in a state, you could divide the state into two districts with five representatives each. Instead of a person needing 51 percent of the vote, he might win with 18 percent. This way, minorities and women could get the representation they can't get now.

Whether or not one agrees with all of Miss Rankin's views, we must applaud her courage, integrity and dedication to the things in which she believed.

She was a public servant who worked conscientiously and independently.

Montanans are deeply proud of Miss Rankin's contributions to women's suffrage and her commitment to world-side peace.

Therefore, we have chosen Miss Rankin as the second Montanan to represent our State in Statuary Hall.

I urge the Senate to accept this concurrent resolution that will permit Miss Rankin's statue to be placed in Statuary Hall.●

SENATE RESOLUTION 116—AN ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HATCH, from the Committee on Labor and Human Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration.

S. RES. 116

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1985, through February 28, 1986, in its decretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $4,996,000, of which amount (1) not to exceed $56,600 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate, agency contribution related to the compensation of staff members, and long distance telephone calls.

AMENDMENTS SUBMITTED

CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS

PACKWOOD AMENDMENT NO. 23

(Ordered to lie on the table.)

Mr. PACKWOOD submitted an amendment intended to be proposed by him to the bill (H.R. 1869) relating to the repeal of contemporaneous recordkeeping and related requirements; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. REPEAL OF CONTEMPONANEOUS RECORDKEEPING AND RELATED REQUIREMENTS.

(a) CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS.—Section 274(d) of the Internal Revenue Code of 1954 (relating to substantiation requirements for certain deductions and credits) is amended by striking out "adequate contemporaneous records" and inserting in lieu thereof "adequate records or by sufficient evidence corroborating the taxpayer's own statement", and the Internal Revenue Code of 1954 shall be applied and administered as if the phrase which was stricken had not been added to such subsection (d).

(d) PROVISIONS RELATING TO RETURN PREPARERS AND NEGLIGENCE PENALTY.—Paragraphs (2) and (3) of section 179(b) of the Tax Reform Act of 1984 are hereby repealed, and the Internal Revenue Code of 1954 shall be applied and administered as if such paragraphs (and the amendments made by such paragraphs) had not been enacted.

(c) REPEAL OF REGULATIONS.—Regulations issued before the date of the enactment of this Act to carry out the amendments made by paragraphs (1)(C), (2), and (3) of section 179(b) of the Tax Reform Act of 1984 shall have no force and effect.

SEC. 2. EFFECTIVE DATE.

The amendment and repeals made by subsections (a) and (b) of section 1 shall take effect as if included in the amendments made by section 179(b) of the Tax Reform Act of 1984.

Amend the title to read as follows: "A bill to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.".

CONCURRENT RESOLUTION ON THE BUDGET

CRANSTON (AND OTHERS) AMENDMENT NO. 24

(Ordered to lie on the table.)

Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, and Mr. ROCKEFELLER) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 32) setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the U.S. Government for the fiscal year 1985, and for other purposes; as follows:

On page 27, lines 4 and 5, strike out "$26,800,000,000" and "$26,000,000,000" and insert in lieu thereof "$27,600,000,000" and "$27,100,000,000", respectively.

On page 27, lines 13 and 14, strike out "$27,000,000,000" and "$26,300,000,000" and insert in lieu thereof "$28,100,000,000" and "$27,700,000,000", respectively.

On page 27, lines 22 and 23, strike out "$27,400,000,000" and "$26,800,000,000" and insert in lieu thereof "$28,700,000,000" and "$28,300,000,000", respectively.

On page 3, strike out all on lines 7 through 11 and insert in lieu thereof "combination thereof, as follows: $328,000,000 in budget authority and $160,000,000 in outlays in fiscal year 1986, $239,000,000 in budget authority and $239,000,000 in outlays in fiscal year 1987, and $220,000,000 in budget authority and $294,000,000 in outlays in fiscal year 1988.".

On page 50, strike out all on lines 18 through 22 and insert in lieu thereof "combination thereof, as follows: $328,000,000 in budget authority and $160,000,000 in outlays in fiscal year 1986, $239,000,000 in budget authority and $239,000,000 in outlays in fiscal year 1987, and $220,000,000 in budget authority and $294,000,000 in outlays in fiscal year 1988.".

Mr. CRANSTON. Mr. President, as the ranking minority member of the Veterans' Affairs Committee, I have today submitted an amendment to the first concurrent resolution on the budget for fiscal year 1986, Senate Concurrent Resolution 32, as reported from the Budget Committee. The purpose of the amendment is to provide for fair, prudent treatment of veterans' programs. I am pleased to be joined in submitting this amendment by the other Democratic members of the Veterans' Affairs Committee, the Senators from Arizona (Mr. DECONCINI), from Hawaii (Mr. MATSUNAGA), from Maine (Mr. MITCHELL), and from West Virginia (Mr. ROCKEFELLER).

Mr. President, I ask unanimous consent that a memorandum providing a detailed description of it be printed in the RECORD at the conclusion of my remarks.

Mr. President, the fiscal year 1986 budget resolution as reported by the Budget Committee is unfair to our Nation's veterans. When the resolution as reported is before the Senate, we intend to propose this amendment in order to correct the inequity while still providing for a freeze on VA programs at President Reagan's fiscal year 1985 level, plus funding for a cost-of-living adjustment for veterans with service-connected disabilities.

With the compelling need to deal with projected Federal deficits in mind, we will propose budget levels at the minimum necessary to carry out our Nation's commitment to those who served, and to remedy major deficiencies in the reported resolution.

Overall, our amendment would establish the levels for Function 700, "Veterans' benefits and services," at $27.6 billion in budget authority and $27.1 billion in outlays. For the outyears, we propose Function 700 totals of $28.1 billion in BA and $27.7 billion in outlays in fiscal year 1987 and $28.7 billion in BA and $28.3 billion in outlays in fiscal year 1988.

These totals represent a "Freeze-Plus-COLA" budget for the VA. They include the fiscal year 1985 Function 700 totals in the President's budget—$27.259 billion in BA and $26.774 billion in outlays—with the only addition being the cost of a 3.7-percent COLA in service-connected disability compensation benefits in fiscal year 1986, which is $311 million in BA and $280 million in outlays.

Mr. President, our amendment is based on the following changes in the assumptions underlying the Budget Committee reported figures:

First, we provide for a COLA in compensation benefits paid to service-connected-disabled veterans and the survivors of veterans who die from service-connected causes. The Budget Committee inexplicably recommended against such increases while granting COLA's in supplemental security income, food stamp benefits, and pensions to veterans with non-service-connected disabilities. If all COLA's were to be given up in fiscal year 1986, that would be one thing. But to grant them in three other deserving categories and to deny them to veterans suffering from service-connected disabilities is incomprehensible.

Second, our amendment rejects the discriminatory tax that the Budget Committee has recommended be imposed on certain veterans. Last year, to help the VA's Loan Guaranty Revolving Fund remain solvent, Congress doubled the fee charged veterans who use their home-loan guaranty entitlement. Now, although the Congressional Budget Office estimates that the fund will remain solvent at least through fiscal year 1990 without any new appropriations or fee increase, the Budget Committee proposes nearly to quadruple the fee, to 3.8 percent. CBO says such an increase will result in 40,000 fewer veterans using their VA home loan guaranties each year, increase the number of defaults and

foreclosures, and increase the cost of those foreclosure to the VA.

The burden of this new tax—$353 million in fiscal year 1986 and approximately $1 billion through fiscal year 1988—would fall most heavily on Vietnam-era veterans seeking to acquire their first homes. In the face of the CBO analysis, how does the Budget Committee justify imposing this new tax given its steadfast adherence to a no new tax approach?

Third, our amendment restores $391 million in BA and $351 million in outlays in fiscal year 1986 to maintain VA medical services at the program level for which Congress specifically appropriated funds for fiscal year 1985. The deep cuts in VA medical care which the Budget Committee proposes would deny care to many tens of thousands of eligible veterans—nearly 70,000 impatient episodes of care and over 300,000 outpatient visits would be eliminated—and would require the VA to lay off more than 8,000 health-care employees. In order to make these reductions, the VA would have to shut down many existing wards and other units. Some facilities might have to be closed entirely.

Fourth, our amendment rejects—as Congress has consistently done for over a decade—a proposal that health insurance carriers be required to delete contract clauses precluding payment for VA-provided care and that the VA pursue insurance claims for nonservice-connected care. The estimated savings—$162 million in both BA and outlays in fiscal year 1986 and a total of $864 million more in fiscal year 1987 and 1988—from this initiative are illusory. Insurance companies adamantly oppose a mandate to pay for VA care, which is not subject to the same utilization controls or billing procedures applied to private sector facilities. During hearings before our committee in 1979, insurance companies suggested that they would have to be ordered to do so by judicial authority. This would likely involve lengthy legal proceedings until all appellate remedies are exhausted. The insurance companies may well ultimately prevail in the courts.

In the meantime, this proposal would produce paper savings only and make no real reduction in the deficit.

Fifth, our amendment provides for enactment of cost-savings legislation to achieve real savings of $50 million in BA and $90 million in outlays in each of fiscal years 1986, 1987, and 1988—a 3-year total of $150 million in BA and $270 million in outlays.

Finally, Mr. President, in keeping with the foregoing changes in the function 700 totals and underlying assumptions, our amendment would alter the Veterans' Affairs Committees' reconciliation instructions so as to require cost-savings legislation producing $328 million in BA and $160 million in outlays in fiscal year 1986—and 3 year savings totals of $787 million in BA and $693 million in outlays.

We are not proposing to treat veterans programs as sacred cows. Such an approach has never characterized our activities on the Veterans' Affairs Committee. With the active participation of its Democratic members, the committee over the past 4 years has produced new cost-saving laws that will reduce the deficit $1.6 billion by the end of the current fiscal year and will save over $500 million more in fiscal year 1986.

Mr. President, I strongly urge the support of all Senators for this amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF VETERANS' PROGRAMS AMENDMENT TO S. CON. RES. 32, THE FIRST CONCURRENT RESOLUTION ON THE BUDGET, FY 1986

I. OUTLINE

A. Function 700 (Veterans' Benefits and Services) Totals.

The amendment would provide for Function 700 totals in FY 86 at a "Freeze plus COLA" level ($27.6 billion in BA and $27.1 billion in outlays)—the President's Function 700 totals for FY 85 ($27.259 billion in BA and $26.774 billion in outlays) plus the cost of a 3.7-percent VA compensation COLA ($311 million in BA and $280 million in outlays). The proposed FY 86 Function 700 totals would be based on the following changes in assumptions underlying the Budget Committee-reported resolution:

	Increase over SBC levels
[In millions of dollars]	
(1) Allow for a 3.7 percent COLA in VA compensation:	
BA	311
Outlays	280
(2) Maintain VA health care at the fiscal year 1985 program level (with FTEE's maintained at fiscal year 1985 level specified in the appropriations process):	
BA	391
Outlays	351
(3) Maintain current law by rejecting the new tax on veterans (VA home-loan-guaranty fee increase) and illusory cost-savings for health-insurance reimbursement proposal:	
BA	162
Outlays	515
(4) Make unspecified legislative savings:	
BA	−50
Outlays	−90
Totals of increases in function 700 over SBC levels for fiscal year 1986:	
BA	814
Outlays	1,056

Three-Year Totals

[In billions of dollars]

	1986	1987	1988
SBC:			
BA	26.8	27.0	27.4
Outlays	26.0	26.3	26.8
Amendment:			
BA	27.6	28.1	28.7
Outlays	27.1	27.7	28.3

Three-Year Totals—Continued

[In billions of dollars]

B. Reconciliation Instructions to Veterans' Affairs Committees.

The amendment reduces the FY 86 reconciliation instruction totals based on the following changes in the underlying assumptions:

	New savings amount assumed
[In millions of dollars]	
(1) Instead of compensation COLA freeze, limit COLA to 3.7 percent (SBC savings assumption is based on 4.1 percent):	
BA	34
Outlays	30
(2) Substitute reductions (from baseline) only in VA medical construction, administration, and research accounts for reductions in VA health-care generally:	
BA	224
Outlays	26
(3) Substitute unspecified legislative savings for the housing loan fee increase and the health-insurance-reimbursement proposal:	
BA	50
Outlays	90
(4) Make no change in the savings for other discretionary VA programs:	
BA	20
Outlays	14
Total of savings for fiscal year 1986 through reconciliation:	
BA	328
Outlays	160
Total of 3-year savings (fiscal year 1986–88):	
BA	787
Outlays	693

II. DESCRIPTION

A. Function 700 Totals.

1. Compensation and Dependency and Indemnity Compensation (DIC) COLA

The amendment would add $311 million in BA and $280 million in outlays in FY 86 in order to provide for a 3.7 percent COLA in VA compensation benefits paid to veterans with service-connected disabililties and paid to survivors of those who died from service-connected causes. (This is the same percentage that CBO estimates for the FY 86 COLA that Social Security beneficiaries are scheduled to receive under current law.)

The Budget Committee inexplicably recommended against such increases while granting COLA's in Supplemental Security Income, food stamp benefits, and pensions to veterans with non-service-connected disabilities. If all COLA's were to be given up in FY 86, that would be one thing. But to grant them in three other deserving categories and to deny them to veterans suffering from service-connected disabilities is incomprehensible.

Although compensation benefits are not means tested, the basic amount of this individual veteran's monthly payment is based on the average impairment of earnings resulting from his or her disability. Since that

average earnings impairment will increase by inflation over the prior year, denial of a compensation COLA would be inconsistent with the philosophical underpinnings of this program.

Nevertheless, veterans' organizations have stated clearly that if all COLA's are foregone in FY 86 so should be the compensation COLA. The Budget Committee, however, rejected such an across-the-board approach.

The six Republican members who joined in a March 7, 1985, letter to the Chairman of the Budget Committee unanimously supported a COLA for compensation in FY 86.

2. VA Loan Guaranty Fee Increase: A New Tax on Veterans

Last year, in response to the need to shore up the VA's Loan Guaranty Revolving Fund, which supports the VA home-loan guaranty program and was facing a shortfall, the Veterans' Affairs Committee reported and the Senate passed a measure, S. 2391, providing for the deposit of loan-guaranty-user-fee receipts into the Revolving Fund (instead of the General Treasury) and increasing the fee from one-half to one percent. Such provisions ultimately were enacted in section 2511 of the Deficit Reduction Act of 1984. Also, a supplemental FY 85 appropriation of $100 million was made to the Fund and another $160 million was transferred to the Fund from other VA accounts.

According to CBO, the Fund will be in no need of an appropriation or receipts from an increased fee at any time during the five-year period covered in CBO's current projections.

It should also be noted that the VA's Direct Loan Revolving Fund (DLRF) will, according to the VA's budget documents, have an unobligated balance of $77.7 million at the beginning of FY 86, rising to $122.3 million by the close of that fiscal year. (CBO estimates a $50 million increase in the DLRF balance in each of FY's 86 through 90.) Under a provision included each year in the HUD-Independent Agencies Appropriations Act, unobligated DLRF balances are available for transfer to the loan guaranty fund, and the DLRF thus provides an additional cushion to ensure the solvency of the loan guaranty program.

Under these circumstances, nearly quadrupling the fee, from one to 3.8 percent as the Budget Committee proposes in order to collect a billion dollars in receipts over a 3-year period, is nothing other than imposing a new, special tax on certain veterans in order to help with deficit reduction. The statement on page 129 of its report (S. Rept. No. 99-15) that the fee increase "will contribute to the solvency of the VA housing loan fund" fails to acknowledge that no increase is needed for that purpose. And, the Budget Committee's statement that "[v]eterans will still receive the substantial benefit of homeownership" ignores CBO's estimate that the fee increase will result in about 42,400 fewer veterans using the VA loan-guaranty entitlement in fiscal year 1986 alone, a total of 115,200 fewer during the 3-year period fiscal year 1986-88.

In the cases of those fortunate enough to be able to afford the increased fee, the monthly cost (if financed) would be about $22 and the total cost over the life of a 30-year mortgage (at current interest rates (13.0%)) would be $7,920. To some people, $22 more a month—$264 more per year—may not seem like much, but to many veterans with young families that amount could make a significant difference in what they are able to do or provide for their children.

In addition, according to CBO, since the increased fee would in most cases be financed as part of the mortgage loan, the VA fee increase would also produce a rise in the VA-loan foreclosure rate since the length of time during which mortgagors would have no equity in the properties would increase. It would also mean that the average cost to the VA of a defaulted loan would increase.

The cost of the fee increase—in terms of both the new, billion-dollar tax burden and the loss of the opportunity to acquire a home—would fall especially heavily on Vietnam-era veterans who are in the market for their first homes and in need of exactly the type of assistance that the VA guaranty program is intended to provide. Thus, it is extremely difficult to understand how the Budget Committee, in the face of the CBO analysis and that Committee's steadfast adherence to a "no new taxes" approach, can justify imposing this new tax.

The amendment restores the $353-million reductions in FY 86 outlays (and $357-million and $255-million outlay reductions in FY 87 and FY 88, respectively) that the Budget Committee claims would be achieved as a result of this tax. In their March 7 letter to the Budget Committee Chairman, the six Republican members of the Veterans' Affairs Committee also stated that they could not at that time support a fee increase.

3. Medical Care

The amendment would provide for the VA medical care account funding necessary to maintain the VA health-care system at the programmatic/staffing level for which Congress specifically appropriated funds in FY 85. To accomplish this requires $391 million in BA and $351 million in outlays more than was recommended by the Budget Committee.

The Budget Committee's recommended levels for the medical care account would be a devastating blow to the VA health-care system. According to the VA, those FY 86 levels would force the agency to deny care to tens of thousands of eligible veterans—approximately 69,000 inpatient episodes of care and 310,000 outpatient visits would have to be eliminated—and would require the VA to lay off 8,100 health-care personnel. In order to make these reductions, the VA would have to close many existing wards or other units or even some entire facilities.

The FY 86 medical care account levels provided for in the amendment—$9.353 billion in BA and $9.106 billion in outlays—are only $60 million in BA and outlays above the level of the President's very stringent FY 86 budget for the medical care account increased by restoration of the 5-percent civilian pay cut.

That $60 million addition—which the six Republican members of the Veterans' Affairs Committee also supported in their March 7, 1985, letter to the Chairman of the Budget Committee—is the bare minimum needed, in our view, to enable the VA to maintain in FY 86 the health-care staffing level that the Congress specifically intended be maintained in FY 85 when it enacted the FY 85 HUD-Independent Agencies Appropriations Act.

4. Health-Insurance Reimbursement

The Budget Committee endorsed a proposal mentioned in the VA's budget documents but not yet submitted to the Congress—legislation to require private health insurance carriers to delete from their policies clauses precluding payment for VA-furnished care and provide for the VA to obtain reimbursement from these carriers for VA care provided to non-service-connected veterans. We do not support this proposal because, by increasing administrative costs for both the VA and the insurers, it would contribute to health care inflation and because, if no additional VA administrative personnel were added to shuffle the necessary papers, it would require the diversion of VA staff from activities relating to health care furnished veterans to the red tape involved in billing the insurance carriers. Moreover, there remain numerous unanswered questions about this proposal. The unknowns include, among others, the extent to which non-service-connected veterans receiving VA care have health insurance that would yield any significant payments under such a law, the ability or willingness of the VA to generate billings and to submit to cost-containment reviews which accord with requirements in existing insurance contracts, and increases in health insurance premiums to cover the cost of any claims paid.

In addition, the possibility of realizing any of the receipts that the Budget Committee claims for this initiative in the first few years after its enactment are extremely remote. Insurance companies are adamantly opposed to a mandate to pay for VA care, which is not subject to the same utilization control applied to private sector facilities. Serious questions have been raised about the constitutionality of this provision, and insurance companies suggested during hearings before our Committee in 1979 that they would not pay these claims unless and until finally ordered to do so by judicial authority. This would likely entail protracted legal proceedings until all appellate remedies are exhausted.

Thus, the proposal would produce paper savings only and make no real reduction in the deficit. Our amendment would restore in FY 86 the $162 million in BA and outlays (and in FYs 87 and 88 the $392 million and $472 million, respectively) by which the Budget Committee reduced the Function 700 totals based on assuming the enactment of such legislation.

5. Unspecified Cost-Saving Legislation

The amendment assumes the enactment of legislation that would achieve cost savings of $50 million in BA and $90 million in outlays in each of FYs 86, 87, and 88. This level of legislative cost-savings would both reduce the Function 700 totals and be assumed in the reconciliation instructions. This is $40 million more in savings in outlays than the maximum that the Veterans' Affairs Committee Domocrats had committed themselves to achieving contingent upon their original budget recommendations being achieved. The greater proposed legislative savings reflects a revised estimate of what could fairly and equitably be achieved in non-service-connected programs if the other features of this amendment were adopted.

III. RECONCILIATION INSTRUCTIONS

The amendment would modify the cost-savings totals in the reconciliation instructions to the Veterans' Affairs Committees to reflect the policy assumptions discussed above. Thus, the FY 86 savings required by the instructions would be reduced from $977 million in BA and $1.059 billion in outlays to $328 million in BA and $160 million in outlays in FY 86, with the new amount based on the following changes in the

Budget Committee's underlying assumptions: First, instead of precluding a COLA for compensation/DIC benefits in FY 86, limit the COLA to 3.7 percent—which is four-tenths of a percentage point lower than the COLA that is assumed in the baseline and formed the basis of the Budget Committee's savings assumption in this regard. The new savings amount assumed would be $34 million in BA and $30 million in outlays (instead of the Budget Committee's assumption of $345 million in BA and $310 million in outlays).

Second, in lieu of the Budget Committee's assumption that all VA health-care accounts would be capped at sub-baseline levels—at the lower of either a freeze level or the President's request for FY 86—the amendment assumes that the VA's medical care account would be removed from this cap and assumes that the VA construction, medical administration, and research accounts would be limited in FY 86 to the levels requested by the President; it assumes that the medical care account would be funded at $60 million more than the President's request (with funding restored for the proposed 5-percent pay cut) in order to maintain the staffing level (approximately 194,000) specified by Congress last July in enacting the VA's FY 1985 appropriations. Measured against the baseline figures for these accounts, the new assumptions would achieve savings of $224 million in BA and $26 million in outlays in FY 86 (instead of the Budget Committee's assumption of $446 million in BA and $220 million in outlays).

Third, in lieu of the assumptions of total savings of $162 million in BA and $515 million in outlays in FY 86 through the enactment of health-insurance reimbursement legislation and an increase from one to 3.8 percent in the VA home-loan fee, the amendment assumes savings of $50 million in BA and $90 million in outlays through the enactment of as yet unspecified cost-savings legislation.

Fourth, no change is proposed in the assumption of FY 86 savings of $20 million in BA and $14 million in outlays in VA discretionary programs other than health programs.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing to receive testimony on S. 721, a bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities.

The hearing will be chaired by Senator RUDY BOSCHWITZ and will begin at 2 p.m. on Thursday, April 4, 1985, in room 328-A Russell Senate Office Building.

For further information please contact the committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Tuesday, April 2, hold a hearing on sugar, wool, and honey issues relating to 1985 farm legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 2, in closed session, to mark up S. 674, DOD authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, April 2, to hold a markup of the authorization for appropriations for fiscal years 1986 and 1987, U.S. Information Agency; and S. 659, to authorize appropriations for the Department of State.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, April 2, to hold a hearing on the nomination of Donald Devine, to be Director of the Office of Personnel Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. HELMS. Mr. President, I ask unanimous consent that the Subcommittee on Intergovernmental Relations, of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, April 2, 1985, to conduct a hearing on S. 483, The Intergovernmental Regulatory Relief Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, April 2, in order to receive testimony concerning the sale of Conrail.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, April 2, at 2 p.m., to hold a hearing on S. 484, to extend the Saccharin Study and Labeling Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE STOCKHOLM CONFERENCE

● Mr. LUGAR. Mr. President, while negotiations to eliminate nuclear weapons naturally dominate public concern, efforts must also be made to ensure that no weapons of any kind are ever used. That is the essential objective of the Conference on Confidence- and Security-Building Measures and Disarmament in Europe, which for the past 14 months has been meeting in Stockholm, Sweden. The purpose of the Stockholm Conference, unlike traditional arms control negotiations, is not to reduce the means of waging war—numbers of troops and weapons—but to prevent the most likely proximate causes of war and to build in the security field cooperative arrangements across the barriers which divide Europe today.

I have had the occasion to visit Stockholm in connection with this Conference and to visit with the U.S. Delegation to the Conference, headed by Ambassador James Goodby. The Stockholm Conference has its own unique task, one which has been neglected for far too long.

I would, therefore, ask to insert in the RECORD a recent speech by Ambassador Goodby entitled "The Stockholm Conference: A New Approach to Security for Europe." I think this speech will assist other Members in understanding the present status of these negotiations.

THE STOCKHOLM CONFERENCE—A NEW APPROACH TO SECURITY FOR EUROPE

Last January, Secretary Shultz and Minister Gromyko formally agreed that the United States and the Soviet Union would work together to try eventually to eliminate nuclear weapons from the face of the earth. Though ambitious, even radical, when compared to the results of disarmament negotiations since World War II, that goal is a moral and practical necessity. The moral necessity of seeking to eliminate nuclear weapons is so obvious it requires no discussion. The practical necessity of such a goal can best be understood when one realizes that no previous effort to curb the competition in strategic offensive forces has led to any reductions in nuclear warheads. Rather, numbers of nuclear warheads have steadily increased. The direction charted by Secretary Shultz and Minister Gromyko fits the existing situation. In fact, as Secretary Shultz said recently: "This may be the last time to really address some of these issues with any prospect of success."

Nuclear weapons involve issues of survival for us all; negotiations to eliminate nuclear weapons naturally dominate public consciousness. But while we seek to reduce nuclear arsenals we must also seek to find ways to ensure that no weapons of any kind are ever used. That is an even more fundamental imperative; one that cannot be postponed. And that is the essential objective of the Conference on Confidence- and Security-Building Measures and Disarmament in Europe, which for the past fourteen months has been meeting here in Stockholm. The

purpose of the Stockholm Conference, unlike traditional arms control negotiations, is not to reduce the means of waging war—numbers of troops and weapons—but to prevent the most likely proximate causes of war and to build in the security field cooperative arrangements across the barriers which divide Europe today. The Stockholm Conference thus has its own unique task, one which has been neglected for far too long.

Conventional wisdom holds that the probability of a "brush-fire" conflict involving limited numbers of forces is considerably greater than the probability of conflict at the strategic nuclear level. But as the Book of Common Prayer puts it: "we have left undone those things which we ought to have done." Not nearly enough has ever been done to negotiate preventive measures against the relatively minor crisis which could erupt into armed combat, and even escalate into major war. The chance of armed conflict in Europe fortunately is remote. But the stakes are so high that failure to do those things which would make an unlikely event still more improbable would be unforgivable. Compounding the problem, Europe currently is a continent artificially divided, and that division itself impedes the kind of cooperation in security affairs which would make it easier to deal with miscalculation, defuse crises, and prevent incipient conflict.

The dangers inherent in the current situation suggest the need for procedures through which nations could work together to enhance mutual stability or, should stability be disturbed, to restore it rapidly. In fact, over the years procedures have been devised to serve this purpose—for example, advance notification of certain types of military activities. Such cooperative stabilizing measures have collectively come to be known as "confidence-building measures"; hence, the cumbersome, and not very revealing title of the Stockholm Conference. By unanimous agreement of the thirty-five nations participating in the Conference—the United States, Canada, and all the European countries except Albania—its goal is to enact "a set of mutually complementary confidence- and security-building measures designed to reduce the risk of military confrontation in Europe." More simply, the goal is to prevent military crises from arising on the continent or, should they arise, to defuse them before they can get out of hand and lead to war.

Some of the essential features of the confidence-building measures comprising a program of cooperation designed to enhance stability are:

First, in normal times, they should oblige nations to act habitually, customarily, in a way which would eliminate causes of tension and reduce the dangers of misunderstanding or miscalculation, thus reducing the dangers of armed conflict, including the danger of sudden, surprise attack.

Second, a set of militarily significant confidence-building measures should install operational barriers against the use of force, particularly by requiring tangible proofs of the peaceful intent of those military activities which could be perceived by others to be threatening, and imminently so, at that.

Third, confidence-building measures should help decisionmakers to avoid misjudgments which could lead to unwanted crisis and conflict; they should also help, or at least not hinder, efforts to restore equilibrium rapidly in the event of a threat to the stability of the military situation.

And fourth, they should be verifiable.

The Helsinki Final Act of 1975, which began the process of European cooperation to which Stockholm belongs, produced the first modern multinational experiment in confidence-building measures by asking participating countries to give advance notice of certain military activities and to invite observers to them. The measures were rudimentary and the military effects of the agreement slight, partly because the Warsaw Pact countries were not very forthcoming in carrying out even the rudimentary cooperative actions requested. The agreement did, however, begin to set standards of expected behavior—definitely a step in the right direction.

Eight years after the signing of the Helsinki Final Act, the countries of the Atlantic Alliance used the opportunity afforded by the Stockholm Conference to propose major improvements in the cooperative program agreed upon in Helsinki.

In comparison with the notification procedures of the Helsinki Final Act, the effect of the new Allied proposals would be to increase the range and number of military activities to be notified, thus giving all participants a better picture of the extent and nature of military activities in Europe. For example, these proposals would require notification of additional types of military activities, such as mobilizations and amphibious activities. And they would lower the threshold for notification significantly below that required in the Helsinki Final Act.

The sixteen Allies also seek to improve the verifiability of notification procedures, to rationalize them, and to focus them on the specific military units that would carry out actual combat operations, that is, on army divisions, not just manpower levels, as at present. And instead of describing all of the possible manifestations of military activities, we simply speak of activities which are "out-of-garrison."

Furthermore, the Sixteen recommended an exchange of annual forecasts of notifiable activities. This would provide all participants with a clear picture at the beginning of the year of all the militarily significant activities expected to take place on the continent during that year, as opposed to learning about such activities one at a time just shortly before they occur, as at present. This would reveal trends and patterns before, rather than after, the fact and raise the political costs of the sudden, surprise announcement of a maneuver designed to intimidate a neighbor.

In contrast to the current Helsinki Final Act provisions for inviting observers to military activities, the Sixteen want to ensure that participants in a new accord are guaranteed the right to have observers at all notifiable military activities. These observers should also be allowed that freedom to operate which is necessary to determine clearly the non-threatening nature of each notified military activity.

The Helsinki Final Act did not contain provisions for verification of the accord, but all the participants in the Stockholm Conference agree that verification is essential in any new agreement and that each confidence-building measure must be provided with the means of verifying that it is being faithfully carried out. In the opinion of the Sixteen, an annual exchange of military information is particularly necessary for effective verification: the information so exchanged would form the basis for judging what was normal and routine and would thus be the necessary means for undergirding the operation of all other measures. The Allies also have called for independent, on-site inspection to enable participating states to satisfy themselves that all military activities are being properly notified. On-site inspection would provide all the nations with what should be a welcome opportunity to obtain, and to give, reassurance as to the non-threatening nature of military activities, especially in times of tension.

Under the plan proposed by the countries of the Atlantic Alliance, any country, by breaking with the announced pattern, would be sounding an alarm, warning others that a threat to the security of Europe might be in the offing, and permitting steps to be taken to cope with the situation. This early, clear warning of a potential threat could be especially important for democracies, which need time for the political decisions necessary to initiate a military defense against a threat.

In comparison with their potential impact, the proposals of the Sixteen demand little of the governments which would implement them. In most cases, and especially for the larger countries, the cooperative act of "demystifying" routine military activities would be more important than the specific information exchanged. A state which has no intention of attacking another should not shrink from offering this type of cooperation since it could only serve to prove that state's peaceful intent; a state which fears attack could only benefit from accepting this type of cooperation since it would provide more accurate perceptions of a potential adversary's intentions.

The neutral and non-aligned participants in the Stockholm Conference, as well as the Atlantic Allies, have taken a very hardheaded, rational, and practical approach to the task of negotiating confidence-building measures. Sweden and Finland were instrumental in enabling the Conference to move from generalities to specifics. Detailed discussion of specific issues is proceeding in working groups which were established as the result of very skillful diplomacy by the Finnish and Swedish delegations; these working groups have been functioning well since last December.

During most of 1984, however, the Soviet Union seemed to be content to use the new Stockholm negotiations mainly to influence public opinion rather than the course of events around the negotiating table and ultimately in the real world of military affairs. There was very little in most of their proposals which seemed oriented towards the kind of negotiations that the Stockholm Conference was designed to be. The exception to this lies in the fact that the Soviet Union has proposed to expand and develop the Helsinki confidence-building measures. From this fact stems the guarded hope for a successful outcome.

The Soviets have also laid particular stress on a proposal for a treaty committing states to renounce the use of force in their mutual relations—a non-aggression pact which would enter into force when all members of NATO and the Warsaw Treaty had acceded to it. The United States has always supported that fundamental principle of international law which requires states to refrain from using force or the threat of force, any kind of force, in their mutual relations. The United States is bound by the principle of non-use of force by various international agreements, including the United Nations Charter and the Helsinki Final Act. Therefore, to make a meaningful additional contribution to security for

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Europe, the governments meeting in Stockholm must go beyond existing promises of benign intent. The way they can do this is clear: they can agree to demonstrate—not assert but demonstrate—that their military activities are peaceful, routine, and nonthreatening. A mere declaration, however well-intentioned, remains a passive commitment, unless reinforced by agreements which require positive and visible actions habitually, consistently, unfailingly applied. And this is precisely the purpose of the proposals advanced by the Allies.

Despite some fundamental disagreements between the Soviet approach and the approach of most other participants, a consensus appears to be building in Stockholm. It is leading towards the kind of accord that President Reagan suggested on June 4, 1984, in a speech before the Irish Parliament in which he said that, although the United States believed deeply in the principle of refraining from the threat or use of force, merely repeating that pledge was not enough. But he also said that, in view of the importance the Soviet Union seemed to attach to an accord which would contain a commitment to the non-use of force, the United States would discuss that principle if this would lead the Soviets to negotiate concrete confidence-building measures.

If the Stockholm Conference produces meaningful results, they will probably take the form the President outlined in Dublin, a combination of the passive obligation not to use force and the dynamic obligations required by confidence-building measures which effectively raise barriers against the use of force.

Will the Soviets accept this kind of compromise? Unfortunately, the case for confidence-building measures has never been fully embraced by the Soviet Union, despite Soviet agreement to a number of rather modest measures of this type in the past. The obvious reason for their reluctance is that confidence-building measures involve varying degrees of openness and even cooperation in military matters—tender plants that do not find fertile soil for vigorous growth in the context of centuries of Russian tradition. The factors which argue ever more pressingly for cooperative arrangements to reduce the risk of the war, however, should finally be persuasive in the Soviet Union as elsewhere. The kind of cooperative regime the Atlantic Alliance is proposing would work to the mutual benefit of everyone involved, including the Soviet Union.

At the heart of the Helsinki process, to which the Stockholm Conference belongs, is the idea that Europe and North America are a single community, consisting not merely of thirty-five states with their sovereign attributes, but also of people with their common needs, aspirations, and rights. A commitment to the objectives of the Helsinki process means a commitment to encouraging the healthy development of the whole community of nations through cooperation in economic, cultural, and humanitarian affairs, as well as in security matters.

The implementation of confidence-building measures would represent an important cooperative effort to lessen common risks. Cooperation is security matters would contribute to the building of more open, less confrontational relationships in all areas among all the nations participating in the Helsinki process. Progress in this direction will be limited, incomplete and ultimately futile, however, if it is not part of the larger program of cooperation to which the thirty-five participants committed themselves in the Helsinki Final Act.

Just as accords dealing with security issues cannot alone fulfill the promise of the Helsinki Final Act, so also confidence-building measures are not a subsititute for much needed arms reductions. But by eliminating the proximate causes of war, confidence-building measures would complement negotiations aimed at arms reductions and, perhaps, facilitate their work. In fact, it would be incongruous to work towards the elimination of nuclear weapons and not to eliminate the most probable proximate origins of a conventional conflict.

The United States hopes for an accord which would have the practical consequence of reinforcing the obligation of states to refrain from the threat or use of force by requiring positive acts of cooperation to demonstrate that military activities in Europe are not intended to threaten other states. The application of such measures to military activities over a period of time should substantially improve confidence among participating states which, itself, should improve stability and security. Good faith implementation of such an accord should pave the way for even more meaningful security arrangements.

The Stockholm Conference thus holds the potential, at least, for making a unique contribution to world peace and security. Arms reductions to significantly lower levels will be a long process. The United States recognizes that even while we work with others to reduce forces, we must also work with others to create conditions which, as President Reagan put it, ". . . build effective barries against the use of force in Europe."●

SKIP JASON COMMUNITY SERVICE AWARD TO JAMES D. WILCOX

● Mr. MITCHELL. Mr. President, I rise today in honor of James D. Wilcox of Rockport, ME, who has been named by the housing assistance council to receive the Skip Jason Community Service Award. This national award is given by the housing assistance council board of directors to a person whose contributions in a local area have helped low-income people with their housing problems. I know of no individual more deserving of the Skip Jason Award and wish to add my congratulations and thanks on behalf of all the individuals he has so willingly helped during the past 7 years.

In May of 1984 at the age of 68, Jim Wilcox retired after 7 years of extraordinary public service as midcoast human resources council's "rehabilitation technician." The term "rehab tech" came to use in my State as the result of the joint efforts in 1977 of Gov. James B. Longley and Seth H. Bradstreet, then State of Maine director of the U.S. Farmers Home Administration [FmHA], and their staffs, to establish a statewide program whereby elderly and low-income people would be assisted in utilizing housing rehabilitation loans and grants—502 and 504 programs—available to qualified homeowners from FmHA. There are originally 13 "rehab techs" spread throughout the State, and many dedicated individuals filled these positions over the years. As available State and foundation funding for these positions dwindled, competition increased among the community action agencies seeking to maintain them, and it is one tribute to Jim Wilcox's productivity that he held the last remaining of the 13 full-time positions.

This was not Jim's first retirement. A native of Winthrop, MA, Jim worked 34 years for the Mobil Oil Co. In his early years he was instrumental in the formation of the first union of Mobil employees. He first came to know the mid-coast region of Maine when he was sent by Mobil to manage its transport and storage facility in Rockland in 1954. The company closed its Rockland facility in 1968 and brought Jim back to the Boston area. In the early seventies, after a severe stroke caused his retirement from Mobil, Jim and his wife Laura returned to the Rockland area. The Wilcoxes raised 6 children and are the proud grandparents of 11.

Jim Wilcox's new work with MCHRC closely fit the objectives of a Maine antipoverty agency. Data from the 1980 census show that Maine's housing stock is the oldest in the Nation, 47 percent having been constructed prior to 1940. Maine's harsh weather adds to the burden of home-maintenance costs. Jim's primary task was to employ FmHA programs to minimize this burden for as many low-income individuals and families as possible. I will defer to the words of his boss Charlie Newton in describing his success:

> During his years here Jim wrote over 290 home rehabilitation applications for eligible low-income clients living in Knox County. As a result of his efforts, the people he served received $1,053,900 in loans and grants. In addition to the obvious benefit to the applicants, this has proved to be a significant infusion of dollars into the locally depressed housing industry (all construction work was given to private contractors) and has had a real impact on the upgrading and maintaining of existing housing stock.
>
> However, what is more important than the statistics is the personal dedication of the man. He worked whenever necessary to meet the needs of his clients and he stayed with each client through the entire construction project, making sure the application was correct, eliminating bureaucratic barriers, helping to review contractors' bids and assessing the completed work. Along the way he would try to identify resources which might help any other needs the client might have. He really made a difference.

Jim Wilcox has appeared at my door many times during my 5 years as a Senator. Although he had established a good working relationship with FmHA's Knox County superviser, Jim contacted my office on a few occasions when he had decided the agency was holding back justified rehabilitation on technical grounds he considered unfair or trivial. He was always armed with proper documentation and good

reason, and we were often able to be of some assistance.

Jim correctly estimated the high importance of his work on behalf of poor people, and the high benefits of Farmers Home rehabilitation programs to Knox County and other regions of the State and Nation. When he felt that State and local FmHA officials were not fighting hard enough for the additional funds he and others needed to do their jobs, or that Congress was not being properly impressed with the virtues of these programs, he did not hesitate to let me know. Jim kept careful records of his work, and once brought a collection of before and after photographs to my Washington office to demonstrate that 502 and 504 money was being well spent. He is able to speak with intimacy and detail about the housing needs of persons in our society with low and fixed incomes, and I have come to respect his determination and value his counsel.

I look forward to seeing Jim again on May 16 when he will be in Washington to receive the Skip Jason Community Services Award.●

NEW SOVIET MISSILE POSES THREAT TO DETERRENCE, VERIFICATION

● Mr. McCLURE. Mr. President, the recent debate over funding for 21 new MX-Peacekeeper missiles has brought to light an alarming development in Soviet military capability—the rail-mobile SS-24 missile, which may be deployed as early as the end of this year.

Soviet deployment of this system raises serious strategic concerns. First of all, when the Soviets complete deployment of this new missile, they will have in effect the equivalent of the "racetrack" basing mode proposed for the MX under the Carter administration. The SS-24 also has reload and refire capabilities, meaning that additional missiles can be loaded and fired from the same launcher within a short period of time. Furthermore, the fact that the SS-24 is stored in and launched from camouflaged Soviet railroad cars poses significant questions of verification for arms control.

While our support for continued funding for the MX-Peacekeeper was a necessary response to this development, the deployment of the SS-24 will unquestionably affect decisions that Congress will address in the months ahead.

I ask that four recent newspaper articles on the SS-24 be printed in the RECORD. They are: an article by Alan McConagha in the March 21 issue of the Washington Times; an article by Walter Pincus in the March 22 issue of the Washington Post; an article by Alan McConagha in the March 22 issue of the Washington Times, and a column by syndicated columnist Rowland Evans and Robert Novak that appears in the March 27 issue of the Washington Post.

The articles follow:

[From the Washington Times, Mar. 21, 1985]

MX's SOVIET COUSIN, THE SS-24, UNVEILED

(By Alan McConagha)

Sen. James McClure of Idaho yesterday offered the first public view of the new Soviet SS-24 missile, which is comparable to the MX missile and which could become operational later this year.

The color illustration, an artist's rendering of the train-mounted missile, was declassified by the Defense Department.

In a speech to the Senate, Mr. McClure, a Republican, said the Soviet development of the SS-24 presents an additional reason to go forward with the U.S. missile program.

The Senate Tuesday voted 55-45 for the missile in a surprising show of support. The Senate voted again by that margin yesterday to release $1.5 billion to make 21 more of the 10-warhead, land-based missiles.

The House Appropriations Committee voted 28-26 yesterday against funding production of this next missile batch. The full House will take up the issue on Tuesday and Thursday of next week.

In releasing the photograph, Mr. McClure said it was made available by Defense Secretary Caspar Weinberger at the request of the Idaho Republican and Sen. Paul Laxalt, R-Nev.

Mr. McClure also released a chart declassified by the Defense Department that shows the growing superiority the Soviet Union possesses over the United States in the number of ICBM warheads in its arsenal.

The SS-24 is a 10-warhead missile. Its transporter-erector-launcher could be placed at the end of a special Soviet missile train that would appear identical externally to standard Soviet freight trains, Mr. McClure said.

The Soviet SS-24 rail-mobile will be "fully concealed and camouflaged, partially protected by railroad tunnels, and therefore much more survivable than a race-track MX" of the sort proposed by former President Carter, he said.

The danger exists that the United States will have no good method of estimating how many SS-24 rail-mobile launchers or refire missiles are deployed because of this effective concealment, Mr. McClure added.

The MX was designed as a mobile missile but the Reagan administration dropped the idea of basing the weapon on mobile carriers moving across the western desert in favor of placing 100 of them in existing missile silos.

Secretary of State George Shultz has said that deployment of the SS-24 would raise "very considerable questions" about Soviet violations of the SALT II arms control pact.

The SS-24 as well as the new single warhead SS-25 are expected to come up in the Geneva arms talks between the United States and the Soviet Union. Deployment of the SS-25 may already be under way, according to U.S. officials.

[From the Washington Post, Mar. 22, 1985]

SOVIET MISSILE CITED TO BOLSTER CASE FOR MX

(By Walter Pincus)

The administration has given Congress pictures and additional information about the Soviet Union's new mobile 10-warhead SS-24 intercontinental missile as part of its effort to gain votes for additional funding for the 10-warhead MX that President Reagan wants to build.

Sen. James A. McClure (R-Idaho) used newly released data and a Pentagon illustration of the SS-24 during a speech on the Senate floor in support of the MX missile earlier this week.

The drawing was done from intelligence photographs of the missile, which will not be operational until next year.

McClure said that railroad cars attached to the missile launcher will house additional missiles, support equipment, security forces and command and control facilities.

"These trains are deceptively concealed," McClure said, "so as to appear externally identical to standard Soviet freight trains."

The Soviets also have developed and are deploying a second new mobile missile, the SS-25, which has a single warhead and is transported on trucks.

Some arms control experts say that the SS-25 is more "potentially unsettling" than the SS-s24.

John D. Steinbruner, director of the Brookings Institution's national security program and a former Pentagon consultant, said the Soviets so far have "made it easy for us" to keep track of SS-25s by constructing unique garages for them.

But, he said, the deployment of the SS-25 is disturbing because the Reagan administration "does not appear to be making any efforts to control it by arms control arrangements."

"If they decide to go to concealment," he added, "it would begin a very unfavorable competition because we don't have the land and the population control they have to permit those activities."

The SS-25 "is nearing operational capability" in two missile fields, according to the new version of "Soviet Military Power," the Pentagon's annual survey of Moscow's military forces. The volume is scheduled to be released next month.

Steinbruner said yesterday that administration officials have yet to reach agreement on what negotiating position to take on the two new Soviet mobile missiles at the Geneva talks.

The Soviets have informed the United States that the SS-24 is the one new missile permitted under terms of the unratified SALT II treaty.

They have also said the SS-25 is a permitted modification of their older SS-13 missile.

Up to now, the administration has described the SS-25 as a violation of SALT II provisions because it is significantly different from the SS-13.

A Pentagon official said yesterday that beyond protesting the SS-25, "there is no consensus within the government about what the Soviets should do with it."

Steinbruner and other intelligence experts said yesterday that it would be easier to keep track of the larger SS-24 on its railroad launcher once it became operational than it would to follow the smaller roadmobile SS-25.

Last Sunday, Secretary of State George P. Shultz said, "The mobility of missiles increasingly raises problems about verification, whether you can really count them and know how many there are and where they are."

Steinbruner echoed that view but added that the administration did "not want to acknowledge this major Soviet weapons initiative that could be troublesome in the future."

[From the Washington Times, Mar. 22, 1985]

SOVIET WARHEADS UNDERESTIMATED, WEINBERGER HINTS IN LETTER TO HILL

(By Alan McConagha)

Defense Secretary Caspar W. Weinberger said publicly for the first time that the Soviets may have more than the official figure of 6,300 land-based strategic missile warheads, congressional sources said yesterday.

Sen. James A. McClure, R-Idaho, yesterday released portions of a letter in which Mr. Weinberger acknowledged a "range of uncertainty" in the U.S. assessment of the number of ICBM warheads deployed in the Soviet Union.

Mr. McClure, a proponent of the MX missile and a critic of past Soviet-American arms-control agreements, made public the information at a time when it could influence next week's House votes on the MX.

Observers also asserted that the information contained in Mr. Weinberger's letter to Mr. McClure may have an effect on the arms talks begun this month in Geneva between the United States and the Soviet Union.

In the letter dated Tuesday, as disclosed by Mr. McClure's staff, the defense secretary did not attempt to define the "range of uncertainty" that he said the U.S. experienced in counting the Soviet ICBM warheads.

Previously published unofficial figures have set the number of Soviet ICBM warheads as high as 8,500, or 2,200 more than the official total. The official number for ICBM warheads in the American arsenal is given as 2,130.

A senior administration official said last night that the 8,500 estimate was too high. He added, however, it is within 1,000 of the number of ICBM warheads the United States believes are deployed in the Soviet Union.

According to Mr. McClure's staff, Mr. Weinberger's letter said, "Additional warheads could possibly be deployable on SS-18s and estimates beyond the known number deployed enter a range of uncertainty."

"The Defense Intelligence Agency is producing some classified materials that will explain more fully this range of uncertainty," the letter said in the excerpts released by the Idaho Republican.

"The Soviets maintain about 40 percent more ICBM launchers than the U.S., giving them a 3-1 superiority in ICBM warheads, a most significant advantage," Mr. Weinberger added in the released excerpts.

"Equally significant is that some of the Soviet cold-launched SS-17 and SS-18 silo launchers could be reconstituted, reloaded, and refired in a short period of time under war-time conditions."

This is the first official charge that Soviets could be violating the SALT II prohibition on rapid reload and refire ICBM capability, according to one congressional expert on Soviet-American arms.

Richard Perle, assistant secretary of defense, told Defense Week on Monday, "The Soviets have tested their largest missile, the SS-18, with 14 warheads aboard as compared to the maximum of 10 allowed under arms control treaties."

Mr. Perle said the Soviets could have their force of 308 SS-18s deployed with 14 warheads each. If so, this would give them 1,232 more nuclear warheads than previously reported, he added.

According to Senate critics of arms control, these statements contradict testimony to that body during the Carter period, in which the White House assured senators that deployed warheads could be precisely verified.

The 100 MX missiles being sought by the Reagan administration would provide a net addition of 700 deployed ICBM warheads to the American total. The Senate this week approved funds for the production of 21 of the missiles.

In a letter sent to President Reagan on March 1, Sen. Steve Symms, R-Idaho, and Sen. John East, R-NC, asserted the United States has a total of 9,400 nuclear bombs and sea-, air- and land-based warheads.

Similar sources put the Soviet warhead aggregate at 13,200.

[From the Washington Post, Mar. 27, 1985]

ON THE TRACK OF THE SS-24

(By Rowland Evans and Robert Novak)

While Congress prepares to cut defense spending and deals with the MX missile, a dangerous development has been obscured by disagreements within the U.S. intelligence community: the Soviet Union has reached the threshold of the first-ever mobile longrange missile system considered invulerable to attack.

Until last week those disagreements kept the wraps on some aspects of the new mobile system, the SS24. Similarly, key analysts in the Defense Intelligence Agency were kept from sounding the alarm over the number of warheads on the giant SS18 by CIA counterparts who count a smaller number.

The gag was partially lifted March 18. President Reagan's friend, Sen. Paul Laxalt, that day joined Sen. James McClure, a key member of the defense Appropriations subcommittee, in writing the president that a Soviet equivalent of a "highly survivable" U.S. system abandoned here because of political difficulties could become operational "as early as this year." Reagan sent the letter to the Pentagon the same day. That evening, a White House aide telephoned Defense Secretary Casper Weinberger: the president agreed with Laxalt and McClure that the facts should be made public to help Congress decide the right way on the MX.

Moving a bureaucracy locked in disagreement is not easy. The facts sent Laxalt and McClure the next day—in time for use in the Senate MX debate—were spare. But they were given an artist's depiction of the 10-warhead SS24, mounted on a railroad car and a large-scale map of the vast Soviet rail system with its thousands of hiding places in tunnels.

This rendition of the present state of a Soviet mobile ICBM system comes remarkably close to the "racetrack" deployment system President Carter vainly tried to sell Congress. When he took office, Reagan ditched it because politicians—including ironically, Paul Laxalt—did not like it. The upshot is chilling. While two presidents could not sell any survivable basing mode to Congress and the long-term future of the MX itself remains dubious, a potentially invulnerable mobile system appears certain to be deployed in the Soviet Union by 1986.

The Laxalt-McClure letter prodded out of the administration one significant relaxation of the U.S. gag on Soviet missile development, raising this question: How many warheads do the Soviets have in their SS18s? The answer, under dispute between the DIA and CIA, could prove more important than the onrushing Soviet mobile ICBM. Each additional warhead targeted against long-range U.S. missiles increases American vulnerability by reducing the chance for survival of the U.S. nuclear deterrent in the event of a Soviet first strike.

DIA experts are convinced that the Soviet Union has tested its giant SS18 with 14 warheads. But the United States has always given the SS18 a "book value" of only 10 warheads. The difference for the total force of 308 SS18s is 1,232 warheads—far more than the total contemplated force of MX warheads.●

THE RIGHT OF FREE EMIC TION FOR SOVIET JEWRY

● Mr. DODD. Mr. President, I rise to add my voice to those of my colleagues in support of the right of the Jews in the Soviet Union to emigrate freely.

There are at least three prime reasons why I speak out on this subject today.

First, the right of Jews, or anyone else, to leave the Soviet Union is guaranteed by several international agreements to which the Soviet Union is a signatory. Among these agreements are the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights.

Second, the right of Jews to emigrate from the Soviet Union is a primary concern of the American people, who continue to support the inclusion of this issue in our bilateral relations with the Soviets.

But finally, however, I support the right of Jews to emigrate from the Soviet Union because it is the right thing to do.

There is a wealth of frightening evidence, Mr. President, of state-organized and supported anti-Semitism in the Soviet Union. The teaching of the Hebrew language and Jewish traditions is suppressed. Those who seek the right to emigrate are fired from their jobs, arrested, and imprisoned for long periods of time in brutal conditions.

And we all know too well the fate of those like Anatoly Shcharansky, who have the courage to oppose such oppression.

So it is right for us to speak out against such oppression, to let those who practice it know that we shall oppose their cruelty by word and deed, and to let those who suffer know that they are not alone.

Mr. President, 2 weeks ago, a man I am proud to know as a friend, Elie Wiesel, testified before the Senate Foreign Relations Committee in support of Senate approval of the Genocide Convention. I told him on that occasion that I have frequently quoted him on "the sin of silence." Mr. Wiesel has often spoken with force and eloquence on the moral necessity to speak out against oppression, to call it by its proper name when it arises, because to know, and to be silent, is to share in the sin of those who perpetrate oppression.

So I am here to speak out today.

Many books and essays have been written about the need of communism as an ideology to have a nemesis, to identify enemies, extrnal and internal, to prop up its manifest and manifold failures.

There are disturbing signs that is what is happening to the Jews in the Soviet Union. Those who teach Jewish traditions are branded "enemies of the state." Those who uphold Israel, the dream of the Jewish people for untold generations, are branded "Zionist agents," a crime. The Soviet press is full of references to the "Zionist Mafia of death," and so on. There can be no doubt that, as has happened so many times in history, the Jews of the Soviet Union are being used as a scapegoat by the regime.

The numbers of Jews who have been allowed to emigrate have fallen dramatically. In 1979, 51,320 were able to escape. In 1980, 21,471. In 1981, 9,447. Then in 1982, the number of the fortunate few who could get out, a number that had diminished and dwindled, was cut again: only 2,688 were allowed to leave. In 1983, that trickle was cut in half again, to 1,314. Last year, only 896 Jews were able to emigrate from the Soviet Union. And in January of this year, just 61 were able to leave.

Truly, the situation for the more than 2½ million Jews in the Soviet Union is approaching a crisis level.

There is now a new leader in the Soviet Union, Mikhail Gorbachev. I am not one who believes that Mr. Gorbachev got to his current position with a mandate to improve the human rights record of the Soviet Union.

But he has expressed his interest in better relations with the United States.

I am sure Mr. Gorbachev has gotten a lot of free advice in the past couple of weeks as to how to go about that task. But I can add a few suggestions of my own.

Free Anatoly Shcharansky. Free Josef Begun. Free Ida Nudel. Let the thousands and tens of thousands of refuseniks emigrate, as is their right. Cease persecuting those who teach Hebrew, who teach the Torah, who want to tell Jewish children in the Soviet Union the truth about Israel. Stop the official Soviet anti-Semitism.

Mr. President, we are not asking for anything to which the Soviet Union has not already pledged to adhere. Let us demand that the Soviet live up to these commitments.●

TERMINATING AID TO BOLIVIA FOR ITS FAILURE TO ERADICATE COCA

● Mr D'AMATO. Mr. President, I am pleased to be part of a bipartisan group of Senators cosponsoring Senator HAWKINS' bill (S. 790) to terminate aid to Bolivia unless that nation eradicates at least 10 percent of its coca crop. Last year, we provided Bolivia with $37 million in direct assistance. Bolivia has repaid our generosity by failing to eradicate even a single coca bush.

This bill makes clear our unwillingness to accept continued Bolivian inaction. After cutting off aid to Bolivia in 1980, we resumed direct assistance in 1983 because we were given the strongest assurances that the new government of President Siles would move aggressively to implement an eradication program. Clearly, no such action has been forthcoming.

Mr. President, we are not asking very much in this bill. We seek only a 10-percent reduction of a crop that exceeds 40,000 metric tons per year. At the same time, we are making it clear that we will no longer give aid to a country that continues to produce the coca that is the source of up to 50 percent of the cocaine being abused in this country. S. 790 gives teeth to the Diplomacy Against Drugs Act, originally sponsored by Senator HAWKINS in the Senate and Congressmen RANGEL and GILMAN in the House, to make that very same point. Although Congress overwhelmingly approved this legislation, which calls for the termination of aid to any country that does not make a serious effort to reduce its drug production, and which became law in 1983, it has never been invoked.

On January 10 of this year, the chairman of the Senate Foreign Operations Subcommittee, Senator KASTEN, and I held a hearing in New York City to examine our international narcotics control efforts. What we heard about Bolivia was very discouraging.

When I asked our Assistant Secretary of State about plans in Bolivia to deploy the various narcotics strike forces they have promised, he replied that the Government of Bolivia has committed to deploy these forces, but that "experience in Bolivia suggests that deployments are always subject to delay."

When I asked whether corruption was still endemic in Bolivia and a hindrance to his efforts, Mr. Thomas replied:

> Bolivia tends to be on the higher end of the scale of corruption that accompanies narcotics trafficking. A limiting factor in Bolivia which is largely attributable to corruption is the lack of capacity to convict traffickers who have the means to bribe their way out of apprehension.

A few weeks later, the State Department issued its 1985 International Narcotics Control Strategy Report. Intentionally or not, this report provides a very strong justification for the action that S. 790 requires. I would like to call my colleagues' attention to a few of the report's more telling observations:

> Cultivation of coca and refining and trafficking of illicit coca products have been increasing in Bolivia for nearly a decade . . .
>
> Projects to reduce coca cultivation, control marketing of legitimate coca and prevent diversion to traffickers are still in the organizational stage . . . Thus far, not enough progress has been made in this activity.
>
> Corruption, insufficient resources and inadequate laws have hampered GOB efforts to suppress coca production, refining and trafficking . . .
>
> . . . The coalition government which governed in 1984 has found it difficult to maintain a sustained commitment against narcotics or other issues suggesting that additional resources for law enforcement or coca control purposes should await concrete indications of increased GOB capability to combat narcotics production and trafficking.

Mr. President, we have tolerated the most meager and inconsequential results for too long. One million Americans are so dependent on cocaine that they cannot stop, and 5,000 Americans try cocaine for the first time every day. Up to 10 million Americans are regular abusers of this drug.

Every cosponsor of this bill supports strong prevention, treatment, law enforcement, and interdiction efforts. We recognize our responsibility to reduce the demand for drugs at home as we ask other nations to reduce their drug production abroad. By passing the Comprehensive Crime Control Act and strengthening our drug law enforcement agencies, we have begun to show that we mean to wage the war on drugs with more than rhetoric. But we have only begun.

We have the right to demand the cooperation of those who call themselves our friends. When we do not get that cooperation, we have the right to respond accordingly. Mr. President, I urge my colleagues to cosponsor this important legislation and to give it their full support. It is time to show Bolivia and the other drug-producing countries of the world that we meant what we said when we passed the Diplomacy Against Drugs Act. It is time to demonstrate that we intend to back our words with action, and that we expect those who accept American aid to do the same.●

THE 16TH INTERNATIONAL CONGRESS OF RADIOLOGY

● Mr. INOUYE. Mr. President, for the first time in nearly half a century, our Nation this year will be host to the world gathering of leaders in the medical discipline of radiology. I am pleased that the city of Honolulu will host the 16th International Congress of Radiology during the week of July 8-12.

This meeting will bring radiologists, physicists, biologists and other scientists together for 5 days of discussion about developments in the diagnosis of disease by medical imaging techniques

and the treatment of cancer by using ionizing radiation.

We in Hawaii consider it entirely appropriate that our beautiful State was chosen as the site of this international gathering. Our State is a place of modern scientific advancement and healthy living conditions for a diverse ethnic population.

The President of this Congress and the International Society of Radiologists is Dr. Robert D. Mosely, Jr., of Albuquerque, NM. Dr. Mosely is a past president and chairman of the board of the American College of Radiology. He holds gold medals bestowed by the American College of Radiology, the XIII International Congress of Radiology, and the Association of University Radiologists of England and an honorary member of the Swedish Society of Medical Radiology. He is the U.S. chief of delegation to the United Nations Scientific Committee on Effects of Atomic Radiation, a consultant to the Department of Energy, the U.S. Public Health Service, the National Institutes of Health and many other public agencies. Dr. Mosely is the chairman and professor of radiology at the University of New Mexico and previously held the same positions at the University of Chicago.

Among the members of the executive group is one of my constituents, Dr. Maurice Reeder of Honolulu.

Mr. President, we can all be proud of the world leadership of American radiologists in this demanding and important specialty. The use of x rays, nuclear scans, ultrasound, computed tomography, magnetic resonance generators, linear accelerators and other products of technological advances have had a vital role in the effective health care system of today.

I am certain that the Senate would wish to extend our hopes for the future efforts of American radiologists to share their scientific advances with the international medical community, and convey our best wishes for an informative and productive conference in Honolulu.●

EFFECTS OF THE STRONG DOLLAR

● Mr. GORTON. Mr. President, I ask to have printed in the RECORD an article by Larry Olsen, a realtor from the State of Washington, as an example of how our constituents view the effects the strong dollar has on industry and investment. Although I do not agree with all of Mr. Olsen's arguments, I believe it is important to remain aware of the deep concerns our constituents have in regard to this issue.

The article follows:

NO PERFECT INVESTMENT NOW

(By Larry Olsen)

A financial change of major proportions is affecting how we invest and do business in this current decade.

The value of our "floating dollar" is now determined by the price of gold on the foreign exchange markets. The daily outcome is a stronger or weaker dollar. Consequently, the Federal Reserve Bank is finding the dollar, monetary-wise, more difficult to manage.

Since the dollar first floated on Aug. 15, 1971, in that same year, we encountered our first annual trade deficit since 1893. The trade deficit for 1984 came to about $130 billion, and continues upward.

Foreign interests are controlling an estimated one trillion U.S. dollars, compared to only $55 billion in 1971, before the dollar floated. This imbalance, or loss of wealth, is increasing with the addition of the interest income and the deficit balance of payment differential that is going to foreigners. This situation has contributed to the international banking instability, and is causing a buffeting and uncertainty in our economy, felt worldwide, that transcends any previous predicted outcome in normal business cycles.

The United States, in countering this buffeting, is continuing to borrow heavily (domestically and internationally) to finance a standard of living, we, as a country, can no longer afford. The $200 billion annual projected deficits will continue to put pressure on keeping interest rates high.

The Federal Reserve Board chairman, Paul Volcker, since October 1979, has kept domestic interest rates relatively high in order to keep surplus dollars off the foreign exchange markets and to assist the treasury in selling U.S. government securities.

The good effect has been in lowering inflation from over 12 percent to around 4 percent. But the price has been high: A double recession, high interest rates, a strong dollar, an adverse export trade situation and a continuing large deficit balance of payments. Although the accompanying disinflation was painful to many, it put the Federal Reserve Bank back in better control of our monetary system.

However, since the dollar floated, it is now possible to have a recession and inflation at the same time. While the Federal Reserve Bank and the administration are imposing disinflationary pressures on the economy, the floating dollar can come under attack, beyond our control, in the foreign exchange markets and inflict external inflationary pressures on domestic prices in the United States.

Foreign importers simply purchase "cheap or weak" dollars and spend them quickly in the United States. This would be for commodities, corporations, etc. This could happen if foreigners pulled their dollars out of the United States and created a weak dollar in a downwards trend on the foreign markets.

On March 9, 1933, we devalued our currency by marking up the price of gold from $20.67 per troy ounce to $32. The net effect was to devalue our currency by 54 percent. Now this function occurs daily on the foreign exchange markets. The relative strength of the dollar will generally move in opposite direction to the price of gold.

The par value of the U.S. dollar was removed by Congress in PL94-564 (90 Stat 2660) on October 19, 1976, which became effective on April 1, 1978. This act officially eliminated any future dollar devaluation reporting by Congress.

Now we have only fiat currency of par value "zero." When we disinflate, value must come out of hard assets such as lower prices for gold, silver, real estate, etc., (barring any unusual demand), and results in a stronger dollar.

Currently the United States is in a deflationary mode. When the mode reverses to a definite inflationary trend, the domestic and world financial markets will bet on gold vs. the dollar. Timing will be the most important aspect.

The private sector as well as government at all levels must plan accordingly for more financial buffeting. An awareness to prevent being crunched by inflation or disinflation, as farmers, financial institutions, and others are now experiencing, will be paramount to financing survival.

Opportunities will be there for those who understand the effect of inflation and disinflation depending upon their assets as well as their liabilities.

There is no longer a perfectly safe investment that cannot be severely affected or damaged by inflation or disinflation under our present weakened monetary system.

Congress, the administration and the Federal Reserve have no easy choices left. Financial buffeting will continue and possibly get worse as we go along.

Financially, we will adapt . . . but the standard of living for most will be gradually dropping. People will be affected more severely at all levels of the financial spectrum, as the United States becomes a net debtor country in 1985 and beyond.●

VISIT BY PRIME MINISTER OF TURKEY

● Mr. LUGAR. Mr. President, as chairman of the Committee on Foreign Relations, I should like to call to the attention of my colleagues the visit this week to Washington of the Prime Minister of the Republic of Turkey, Turgut Ozal. The Prime Minister will be a guest of the Committee on Foreign Relations at a working coffee.

We extend a hearty welcome to the Prime Minister and wish him well in the economic, social, and political programs he has initiated to bring further prosperity to the citizens of the Republic of Turkey.

In 1985, Turkey continues as a bulwark of Western interests in a volatile region where autocracy and totalitarian forces are constantly on the move. Since its creation, the Republic of Turkey has sought close friendship with the people of the United States. That friendship has been proven time and again, even under trying circumstances. Citizens of the Republic of Turkey fought shoulder to shoulder with American forces in Korea, inspiring Dwight David Eisenhower to note: "No doubt the strongest and most reliable protector of European civilization is the Turkish army."

Just this past week U.S. News & World Report highlighted the course on which the Prime Minister has put his country in an article entitled "Turkey Bounces Back from the Brink." I ask that a portion of this article be printed in the RECORD.

The material follows:

"WE REQUIRE MORE MONEY THAN WE NOW GET FROM U.S."

(The Prime Minister who masterminded Turkey's return to economic stability warns that his country needs some extra aid if it is to pull its weight in the Western Alliance.)—ANKARA

Q. Mr. Prime Minister, what help will you seek for Turkey in talks with President Reagan and other U.S. officials?

A. Turkey is a developing country. Per capita income is only about $1,000. But despite economic difficulties we devote a large portion of our budget to our military, in part so it can fulfill its role as the defender of the southeastern flank of NATO. We have the second-largest Army in NATO, but it lacks modern equipment. Most of our equipment—our M48 tanks, for instance—dates from Korean War times. Our armor does not match that of some of our neighbors.

If NATO is sincere about wanting to strengthen its southern flank and to help us defend our long borders with Russia and Bulgaria, then we require large sums of money—more than we are now getting from the United States. And we need better aid terms as well. Until recently, our aid was mostly in loans at commercial rates.

Q. But doesn't the 1986 American military-aid proposal for Turkey include almost a third in outright grants?

A. Yes, and that is good. But still it is very little when compared with grants and forgiveness clauses the United States gives Israel and Egypt.

Q. Are you suggesting that Turkey's participation in NATO depends on the amount of aid you receive from the U.S.?

A. No, it does not depend on the amount of aid. We have to be a member of NATO because of the threat posed by our northern neighbors.

But our friends must understand that an economically weak Turkey is not a good member of NATO. A strong economy is essential for strengthening democracy. If some of Turkey's military-spending burden could be lifted from its shoulders, our economy could grow more productively.

Q. Are Turkey's relations with the Soviet Union improving?

A. On the economic front, yes. We will buy some of their natural gas, and they will purchase Turkish goods. And other tentative plans include possible Soviet industrial investments in Turkey. We hope that in five years trade with the U.S.S.R. will grow to a billion dollars a year, compared to 300 million dollars a year now.

Q. Do you share U.S. concern over Soviet expansionism in the Mideast and southwest Asia?

A. We are face to face with the heavy armor of the Warsaw Pact every day. We remain solid NATO supporters, and our views on security have not been affected by our improving economic relations with the U.S.S.R.

Q. Why does Athens call Turkey—not the Communist Warsaw Pact—the main threat to Greek security?

A. How can we be a threat to Greece when we are members of the same security pact—NATO? All this nonsense about a Turkish threat, I think, makes [Greek Premier Andreas] Papandreou's true motives clear: It is an election year in Greece, and he is using this propaganda in order to bring the Greek people around to his way of thinking.

One of my government's first foreign-policy steps was to extend an olive branch—several in fact—to Greece. We were rebuffed at every turn. I removed visa requirements for Greeks visiting Turkey as a good-will gesture; Papandreou did not respond. I offered to supply the Greek islands which are close to Turkey with water and electricity, which they need; again, no response.

True, we have serious differences with Greece, especially concerning the Aegean, which Greece wants to make into its own private lake. But we should sit down together and discuss this and other differences—something we have offered to do many times.

Q. Now that United Nations mediation has failed to settle the Cyprus dispute, what are prospects for an agreement?

A. The Turkish Cypriots have accepted the U.N. Secretary General's proposals. Failure is due to the Creek Cypriot leader, [President Spyros] Kyprianou, who is backed by Papandreou. Kyprianou rejected virtually every article in the U.N. Secretary General's draft agreement. I hope eventually, under the auspices of the U.N. Secretary General, a solution will be worked out. We do not want to create or prolong problems with our neighbors.

Q. Turkey has been successful in cracking down on terrorism. Do you have any advice for other nations?

A. First, the entire world must be firm in dealing with terrorism, as we were. In almost 10 years of anarchy, we lost more than 5,000 people in terrorist violence, and 25,000 were injured.

We cannot rest in the fight against terrorism worldwide. Since 1973, 42 Turkish diplomats have been killed by Armenian terrorists. These terrorists have links with the Red Brigades [in Italy], the Red Army in Japan and others. It can be stopped only by a united effort. There is a saying in Turkish: "A snake that doesn't bite me—let it live a thousand years." This seems to be the attitude of some countries toward terrorism. But I say that sooner or later the terrorist snake will bite every country if we do not work together to stop it.

Q. Yet, in quelling terrorism, Turkey has been accused of human-rights abuses, such as delays in bringing an accused to trial. How do you account for that?

A. Legal delays are due to the fact that we have dealt with the accused under Turkish law, which protects the rights of the defendant through a long trial process. If special martial-law courts had been set up to finish everything in one month, the world would have denounced them as puppet courts. Instead, the world denounces us for taking time to prosecute all cases carefully under our law.

Turkey is on the right course. It is a spirit we try to capture in the symbol of our political party, the Motherland Party—a bee hovering over a honeycomb. The honeycomb, shaped like Turkey, is the efficient engineering achievement, using the minimum amount of wax to get the maximum amount of honey. And we in Turkey are busy building the country—as busy as honeybees.●

A STUDY ON THE TERRORIST UNDERGROUND IN THE UNITED STATES

● Mr. DENTON. Mr. President, as chairman of the Subcommittee on Security and Terrorism of the Senate Judiciary Committee, I have an obvious interest in information concerning the activities and inclinations of terrorist groups, especially terrorist groups within the United States. Moreover, terrorism is a problem about which every Senator and Congressman must be cognizant because it directly affects us and our constituents every day.

Compared to many countries around the world, the United States has been fortunate in the limited amount of terrorist violence which has been perpetrated within its borders. However, we cannot allow this fact to allay our concern over the potential for terrorist violence in our country. In an effort to increase public awareness of this threat, the Nathan Hale Institute has recently published an article entitled, "The Terrorist Underground in the United States." The author of this work is Dr. Samuel T. Francis, formerly a policy analyst for the Heritage Foundation and currently a legislative aide for our distinguished colleague from North Carolina, Senator JOHN EAST.

Mr. President, in this work, Dr. Francis gives a very insightful report on the genesis of the terrorist threat in the United States. He concludes that we need to develop a system of proactive intelligence in order to improve our capability to respond to and prevent domestic terrorist activity. The necessary improvements in our intelligence system will be realized only if the Members of this body and of the House of Representatives are made aware of the nature and extent of the domestic terrorist threat.

To this end, Mr. President, I submit Dr. Francis' article for publication in the RECORD, following my remarks, and I encourage my colleagues and their staffs to read this informative study.

The article follows:

THE TERRORIST UNDERGROUND IN THE UNITED STATES

(By Samuel T. Francis)

A nationwide terrorist underground network is operating in the United States. The remnants of the Weather Underground, the Black Liberation Army, the Armed Forces of National Liberation (FALN) and other terrorist groups of the 1960s and 1970s have linked up in a "movement of independent but cooperating groups that believes in and practices the use of violence for political purposes." This movement was involved in the 1981 Brinks robbery, in which three murders were committed, and is responsible for a series of bombings since 1982, including the bombing of the U.S. Capitol in November 1983.

This terrorist underground may also be connected to foreign terrorist organizations. "There is an increasing body of facts to suggest at least a continuing liaison between the underground terrorist movement . . . and various foreign based movements."

Although the United States has experienced the violence of terrorist groups in the past, most Americans until recently probably have perceived terrorism to be a problem for foreign countries and their citizens rather than as a threat to themselves. In late 1983, however, a series of events com-

bined to stimulate public interest in the possibility and likelihood of major terrorism in the United States or directed at American targets abroad. These events included the mass murder of 241 American military personnel of the U.S. contingent of the Multinational Force in Beirut on October 23, 1983 by local terrorists; the bombing of the U.S. Capitol Building on November 7, 1983 by domestic terrorists; the deployment of special security measures at the White House and other federal buildings in December 1983 following a report of a possible terrorist attack; and increased security measures for the 1984 Olympic Games in Los Angeles, the World's Fair in New Orleans, and the National Conventions of the Democratic and Republican Parties against terrorist attacks.

The Federal Bureau of Investigation (FBI), the principal agency for the investigation of terrorism in the United States, reports a decline of domestic terrorist incidents in the last year. According to the FBI count, there were 31 terrorist incidents in the United States in 1983, compared to 51 in 1982. In previous years, the FBI counted 52 incidents in 1979, 29 in 1980, and 42 in 1981. On December 18, 1983 Judge William H. Webster, Director of the FBI, stated publicly that two-thirds of the terrorist incidents in the United States were related to Latin American or Caribbean political issues, and in testimony before the Subcommittee on Security and Terrorism of the Senate Committee on the Judiciary on March 14, 1984, Judge Webster stated that "it is important that the public not come to the conclusion that we are being overrun with people who support the overthrow of the United States. This country is very infertile ground for terrorism to thrive and succeed in its purpose."

Judge Webster's remarks and the recent FBI statistics may be taken as a commendable effort to avoid alarmist exaggeration of the terrorist threat in America. Nevertheless, some law enforcement authorities have questioned either the accuracy or the significance of the FBI's statistics on terrorism. Under the FBI definition of terrorism—"the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives"—some criminal acts that are terrorist in nature may not be counted as such. In order to show "political or social objectives" as motivations, it is ordinarily necessary to have a communique or statement from the terrorist group acknowledging its responsibility and motivations for a violent act. Although such statements are common, they are not obligatory, and some terrorists do not acknowledge responsibility for all of the violent acts for which they are responsible. In many cases, moreover, terrorists will rely on comparatively minor crimes, such as assaults or threats, to intimidate or coerce a group, and in some cases even to specify a particular act as terrorist is difficult or impossible.

Nor does the apparent decline in terrorist incidents necessarily mean that terrorism is declining in importance in the United States. This decline may be due to recent disruptions of terrorist groups by law enforcement or it may be due to conscious decisions on the part of the terrorists to restrict their violence or to use violence more selectively. In general, terrorism becomes "important" in a society when the population or government feels that terrorism is a threat—when they experience intimidation or terror. The subjective nature of this feeling makes it very difficult to measure, and the number of terrorist incidents by itself does not necessarily reflect this subjective state. In the United States today, there is increased concern about terrorism due to the Beirut and U.S. Capitol bombings and similar incidents and perhaps a growing sense that the United States is vulnerable to terrorist attacks. This increased concern is due to the significance of the targets and the results of the attacks on them and not to the number of incidents or the size and skills of the terrorist groups involved.

These events and concerns therefore raise the problem of the extent and nature of terrorism in the United States—the degree to which there are terrorist groups extant in the United States at the present time; their goals, methods, and interconnections; and the likely targets and future prospects of such groups or of new groups or coalitions of terrorists. While there is no large terrorist movement in the United States today such as existed in Italy, Turkey or Uruguay in the recent past or such as exists in El Salvador or Lebanon today, there is a movement of independent but cooperating groups that believes in and practices the use of violence for political ends. This movement or its component groups has been responsible for a series of violent incidents in the last several years—incidents that have cost several lives and resulted in considerable property damage. The terrorist movement in the United States expresses support for a number of foreign terrorist groups and may have received support from them. The American terrorist movement appears to have undergone extensive reorganization in recent years and, although disrupted by the arrest of some of its key members and the disruption of some of its "safehouses" and organizations, may be escalating its level of violence (both in terms of the frequency of its attacks and of the nature of its targets), and it may become a much more serious threat to the internal security of the United States in the near future.

THE WEATHER UNDERGROUND NUCLEUS

The Weather Underground Organization (WUO), formed in 1969-70 from members of the "Weatherman faction" of the Students for a Democratic Society [SDS], is the parent group and probably the principal component of the most important underground terrorist network in the United States today. This network consists of three main components: (1) the WUO and its aboveground support apparatuses; (2) black terrorist groups (the Black Liberation Army or BLA and the Republic of New Afrika or RNA) to some extent descended from the violent "Cleaver faction" of the Black Panther Party (BPP) and similar groups of the 1960s; and (3) the Puerto Rican terrorist organization FALN and associated groups.

The most notable act of terrorism perpetrated by this network to date has been the so-called "Brinks robbery" of October 20, 1981—the armed robbery of a Brinks armored car of $1,589,000 in Clarkstown, N.Y., and the murders of two Nyack, N.Y., police officers and one Brinks Company guard. This incident is significant not because it was a success (in fact, it was a failure) but because the apprehension, trial, and conviction of its perpetrators and the subsequent investigation revealed for the first time a highly organized, clandestine, and nationwide terrorist network.

The Weatherman faction of SDS took its name from a line of singer Bob Dylan's song "Subterranean Homesick Blues"—"You don't need a weatherman to know which way the wind blows"—which served as the motto for a 16,000 word manifesto of the faction. The Weatherman took control of SDS in the summer of 1969 and a number of its members traveled to Cuba in August, where they met with Cuban and North Vietnamese officials who encouraged them to make use of violence to oppose U.S. participation in the Vietnam war. Thereafter, the Weatherman planned and led its first violent action, the "Days of Rage" rioting in Chicago on October 8-11, 1969, and carried out its first bombing (of the Haymarket police memorial statute in Chicago) on October 7, 1969. In December 1969, the Weatherman held a "national war council" in Flint, Michigan, at which an ideological line and tactical plans for terrorism were formulated. Thereafter, in February 1970, the Weatherman faction closed the national office of SDS and went underground. At this time the WUO was believed to consist of some 400 members.

From October 1969 to September 1975, the WUO claimed responsibility for approximately 40 bombings, including the bombing of the U.S. Capitol Building on March 1, 1971, of the Pentagon Building on May 19, 1972, and of the U.S. Department of State on January 28, 1975. From the mid 1970s, however, the WUO appeared to become less active as a terrorist organization. In 1977 several members and associates of the WUO were arrested in connection with a conspiracy to bomb the Offices of California State Senator John Briggs, and this action was the last known terrorist effort of the WUO. Several of its better known members surfaced in the late 1970s: Mark Rudd in 1977, Bernardine Dohrne, William Ayers, and Cathlyn P. Wilkerson in 1980. In 1979 the FBI closed its investigation of the WUO, and on December 28, 1981, Judge Webster stated publicly that "The Weather Underground Organization is not a viable organization. There is no evidence that such an organization is functioning."

In fact, since the early 1970s the WUO had undergone an extensive internal schism, over its organization, ideology, and tactics. In 1974, a new tactical line emerged in a manfesto of the WUO entitled *Prairie Fire: The Politics of Revolutionary Anti-Imperialism.* The new line consisted principally of an effort to build a mass party using all means of revolutionary struggle rather than to operate exclusively as a terrorist group. This change, which was called the "weather inversion" or "strategy of inversion," corresponded to a move closer to orthodox Leninist tactics and away from the "New Left" or "revisionist" tactic of Che Guevara and Regis Debray of reliance on a revolutionary "foco" that engages exlusively in "armed struggle" or terrorism. The latter tactic had originally been the basis of WUO strategy.

To implement the new strategy an aboveground support group, the Prairie Fire Organizing Committee (PFOC), was founded. Internal disputes over the new strategy continued, however, and in 1978 the New York chapter of the PFOC became the May 19th Communist Organization, while the West Coast PFOC retained its old name. Despite the internal disagreements among the factions and personalities of the WUO, public demonstrations in recent years suggest that all elements of the organization continue to cooperate.

It is the May 19th Communist Organization that serves as the principal support group and propaganda arm of the terrorist network that was responsible for the Brinks

robbery and murders as well as for the bombing of the U.S. Capitol Building on November 7, 1983 and for other bombings in the New York City and Washington, D.C., areas. The May 19th Communist Organization (MCO) takes its name from the common birthdates of Ho Chi Minh (May 29, 1890) and of Malcom X (or Malcolm Little, May 19, 1925). Its principal manifesto, written early in 1979, is *Principles of Unity of the May 19th Communist Organization.* This manifesto defines the MCO as essentially a support apparatus for "national liberation movements" engaged in "armed struggle" against "imperialism."

"We have seen the collective strength of national liberation forever alter the balance of forces against imperialism. Revolution is the main trend in the world, and revolution is being led, ideologically and on the battlefield, by the national liberation struggles for proletarian power.

"We have changed our name to the May 19th Communist Organization out of a commitment to follow that leadership."

While acknowledging that "the highest point of world revolutionary struggle has shifted to Southern Africa," the MCO declares itself to be "committed to the principle of Third World leadership" and it expresses support for a wide range of Marxist national liberation movements. In addition to its support for foreign terrorism, the MCO specifically endorses the use of terrorism within the United States:

"Armed struggle is the fundamental tool of oppressed people to win their liberation. We fully support, both politically and materially, the waging of national liberation war against imperialism. Around the world and in the U.S. vanguard forces will emerge and have done so through the building of armed clandestine movements and the waging of people's war. A central aspect of our support is the active defense of all political prisoners and prisoners of war captured by the imperialist state."

The MCO manifesto also expresses support for a number of far-left causes and groups within American society: womens' liberation (defined principally as "the struggle against lesbian oppression"), the "struggle against white supremacy," and solidarity with Puerto Rican, black, Chicano, and American Indian terrorists and violent activists in the United States. The themes expressed in the manifesto are of central importance in understanding recent American terrorist activity and its likely direction in the future.

THE BRINKS ROBBERY AND ITS CONNECTIONS

On October 20, 1981, a Brinks Company armored car was robbed of $1,589,000 in cash that it was preparing to transfer from the Nanuet National Bank in Clarkstown, N.Y. One of the guards of the Brinks truck was killed in the robbery attempt and two other guards were severely wounded when the perpetrators opened fire with shotguns. In an attempted escape from the scene of the robbery and murder, one of the vehicles bearing the perpetrators was stopped in a collision, and a second was stopped at a police roadblock. A third was successful in escaping. The occupants of the first vehicle were arrested. The occupants of the second vehicle opened fire on Nyack, N.Y., police at the roadblock and killed two policemen. The suspects then fled, although one occupant was arrested. The stolen funds were recovered by police the same day from the vehicles.

Those arrested on the day of the Brinks robbery were—

(1) Katherine Boudin, a member of the WUO and a fugitive since 1970;

(2) Samuel Brown, with no known political background but a record of arrests in New York City dating to 1958;

(3) Judith Alice Clark, a former member of the WUO and a current member of the MCO; and

(4) David Joseph Gilbert, also a member of the WUO and a fugitive.

In addition to these arrests, a number of suspects were apprehended in the following days. One of the vehicles used in the escape attempt was found to be registerd to Eve S. Rosahn, a member of the MCO as well as of the "Springbok Five", involved in violent demonstrations at Kennedy Airport in September, 1981. Rosahn was charged with criminal facilitation, but this charge was dropped on January 28, 1982 since her ownership of the vehicle by itself was not sufficient to sustain an indictment. Upon her release Rosahn made a public statement expressing "strongest greetings of solidarity to the captured combatants."

Tracing the license plates and descriptions involved in robbery, murders, and escape attempts led police to a series of apartments evidently used as "safehouses" by the gang. Two of these safehouses had been used by Marilyn Jean Buck, described as "quartermaster" of the BLA. These apartments were found to contain weapons, ammunition, communications equipment, false documents and disguises, lists of police officers and floor plans of area police stations, and radical political literature. The safehouses had been abandoned shortly before the police search, but evidence contained in them contributed to subsequent arrests.

On October 27, 1981, Cynthia Boston (aka Fulani Sunni-Ali), "minister of information" of the RNA, was arrested at RNA headquarters in Gallman, Mississippi. Boston and her common law husband, William Johnson (aka Bilal Sunni-Ali) has been identified from photographs by witnesses as having visited the safehouses, and a vehicle found at RNA headquarters had been identified as having been present at one of the safehouses shortly after the Brinks robbery. Despite this evidence, charges against Boston were dropped when a witness in New Orleans, Louisiana, affirmed that she had been in that city on the day after the robbery. Her husband, William Johnson, was arrested in the Central American country of Belize in November, 1982; he was extradited to the United States and indicted for his alleged role in the Brinks crime. Two former members of the WUO, Jeffrey C. Jones and Eleanor Stein Raskin, were also arrested on suspicion since their names had been found in one of the safehouses, but these charges were also later dropped. Jones pled guilty to a charge of bomb construction and received a light sentence on December 16, 1981.

In the course of 1982 and 1983 a total of eleven suspects were arrested and indicted on federal or state charges growing out of the Brinks robbery and triple murders. After lengthy and expensive trials in the spring and summer of 1983, several convictions were obtained.

On September 3, 1983, Sekou Odinga (t/n Nathaniel Burns), a member of the Black Panther Party and the Black Liberation Army, and Silvia Baraldini, "national treasurer" of the MCO, were convicted on federal charges of conspiracy and racketeering that included the Brinks robbery and murders, a robbery and murder in the Bronx in 1981, and the escape of BLA leader Joanne Chesimard from prison in 1979. Two other defendants, Cecil Ferguson and Edward L. Joseph (a former member of the Black Panther Party and the BLA), were convicted on the same day as accessories, and defendants Iliana Robinson and Bilal Sunni-Ali (t/n William R. Johnson), were acquitted. On February 15, 1984, Odinga and Baraldini received sentences of 40 years imprisonment and a fine of $50,000; Ferguson and Joseph were sentenced to twelve and a half years.

On September 14, 1983, Judith A. Clark, David J. Gilbert, and Kuwasi Balagoon (t/n Donald Weems, a former member of the Black Panther Party and the BLA) were convicted on state charges of two counts of first degree armed robbery and three counts of second degree murder. On October 6, 1983, the three convicted defendants were each sentenced to three consecutive terms of 25 years imprisonment and concurrent terms of twelve and a half to 25 years imprisonment for armed robbery. Two other defendants, Katherine Boudin and Samuel Brown, were scheduled to be tried separately on state charges of murder and armed robbery. On April 26, 1984, Boudin entered a plea of guilty to the charges and on May 3 was sentenced to 20 years imprisonoment. On June 14, 1984, Brown was convicted of state charges of murder and armed robbery and on June 26 was sentenced to three consecutive prison terms of 25 years to life. Another suspect in the Brinks robbery, Samuel Smith (aka Mtayari Shabaka Sundiata, a member of the BLA) was killed by police in New York City on October 23, 1981 after he had fired on police officers seeking to arrest him. A .38 caliber bullet found in Smith's pocket after his death was later shown to have come from the gun of one of the police officers killed in the Brinks escape attempt.

Despite these conviction, the failure of the Brinks robbery, and the disruption of the network that the arrests and investigations caused, the Brinks incident was not an isolated crime, and some of its principal alleged perpetrators remain at large. Law enforcement authorities pointed to at least five earlier successful or attempted armed robberies in the same area as the one in Clarkstown with a modus operandi similar to that of the Brinks robbery. These robberies included: (1) an attempted robbery of an armored truck in Scarsdale, N.Y., on February 20, 1980; (2) an armed robbery of $52,000 from an armored car in the Bronx on February 25, 1980 and the murder of a guard during the robbery; (3) the armed robbery of $529,000 from an armored truck in Inwood, Long Island, on April 22, 1980; (4) an attempted robbery of an armored truck in Danbury, Connecticut, and the wounding of its driver on March 23, 1981; and (5) the armed robbery of $292,000 from a Brinks truck in the Bronx, the killing of one guard, and the wounding of another on June 2, 1981. In each of these robberies, as in the Clarkstown case, escape vehicles had been rented by a white male or female using the identification of a legitimate citizen. The actual robbery or robbery attempt was perpetrated by black males using shotguns, automatic rifles, and (in some cases) 9 mm. handguns. A total of $873,000 was stolen in these robberies; to date none of these funds has been recovered. At least three major suspects in the Brinks-related cases remain at large: Joanne Chesimard (aka Assata Shakur, a leader of the BLA); Jeral Wayne Williams (aka Mutulu Shakur, also a member of the BLA and RNA); and Marilyn Jean Buck of the BLA.

The terrorist, as opposed to the criminal or mercenary, nature of the Brinks robbery

and related crimes became apparent from the political affiliations and associations of several of the leading suspects as well as from the materials discovered in the safehouses. Aside from linkages among the WUO, the BLA, and the RNA, an additional connection to West coast terrorist activity was also revealed. One of the safehouses contained a picture of Betty Jean Abramson, a member of a group in California known as "Tribal Thumb" and its affiliate, the Wells Spring Communion (WSC); and a radio transmitter found in one of the abandoned safehouses in New Jersey was traced to this group through the Federal Communications Commission. The WSC and Tribal Thumb have been associated with the Symbionese Liberation Army and with the Charles Manson Family. Abramson and another member of the WSC, Wendy Sue Heaton, were wanted in the murder of Roseanne Goustin, a member of the Communion who tried to defect from it. Abramson was arrested in New York on December 19, 1981, and Heaton was arrested in New Orleans on June 4, 1982.

Tribal Thumb was founded by Earl Satcher, a former convict and member of the Black Panther Party who was killed in a gunfight on the group's property in 1977. Another founder, Benjamin Sargis, is the former husband of Heaton and worked as an organizer for "People In Need," a food distribution program organized by the Hearst family as a part of the ransom demanded by the SLA for the release of Patricia Hearst in 1974. Another individual who worked in this program at that time was Sara Jane Moore, who used the Tribal Thumb commune in California for target practice in August 1975, one month before she was arrested for an assassination atempt on President Gerald R. Ford. In the summer of 1982, the FBI was investigating the possible connections between Tribal Thumb and the Brinks robbery, including the possibility that Marilyn Jean Buck and other accomplices were hidden by the group after the robbery.

Despite these terrorist characteristics, the FBI was reluctant to categorize the Brinks robbery as a terrorist incident. There had been no communique from a group claiming the robbery or similar crimes for a political cause and as late as March 1982 the Terrorist Research and Analytical Center of the FBI included the Brinks robbery as only a "suspected terrorist incident." By early 1983, however, the FBI acknowledged that the Brinks robbery was indeed "a terrorist incident" "because of the politically motivated statements made by the subjects and because they have been linked to known terrorist groups dedicated to the overthrow of the United States Government".

The organizational support for the Brinks robbery as well as its political and terrorist character became clear on November 2, 1981 when the MCO and the RNA held a press conference "to extend our full solidarity to the captured combatants, the Black Liberation movement and in particular the Provisional Government of the Republic of New Afrika" (in the words of the MCO statement). The RNA expressed its solidarity with and support for the BLA and for "armed struggle." although it denied any connection between the Brinks robbery and the RNA. On November 5, 1981, the BLA itself issued a communique that began:

"On October 20th 1981, under the leadership of the Black Liberation Army, Black Freedom Fighters, and North American Anti-Imperialists, all members of the Revolutionary Armed Task Force, attempted an act of expropriation of 1.6 million dollars from an armored Brinks truck."

The John Brown Anti-Klan Committee [JBAKC], a WUO aboveground support group founded in 1977, issued a special edition of its newsletter, Death to the Klan!, in which it also expressed support for the perpetrators of the Brinks robbery, which it termed an "attempted expropriation" and noted that "We made an error . . . by referring to the attempted expropriation as the Brinks 'robbery'. We know that the use of this term contributes to the state's strategy of criminalizing a revolutionary act." (It may be noted that the term "expropriation" was used by both Lenin and the Brazilian terrorist Carlos Marighella to describe armed robberies committed to obtain funds for the financing of terrorist and underground activities).

Details of the background, organization, and purposes of the "Revolutionary Armed Task Force" were revealed during the trial of the Brinks defendants in the testimony of Tyrone Rison, a 36 year old convict currently serving a 12 year prison term for bank robbery in Georgia. Rison agreed to testify after pleading guilty to the armed robbery of an armored car in the Bronx on June 2, 1981 and to cooperate with federal authorities in the Brinks case.

Rison testified on May 2, 1983 that he had been recruited into a group called "The Family" at meetings of the RNA by Mutulu Shakur in 1976. Rison identified defendants Nathaniel Burns, Silvia Baraldini, William R. Johnson, Cecil Ferguson, and Edward L. Joseph as members of The Family. In later statements Rison described the leadership of this group as "The Action Five," consisting of himself, Shakur, Burns, Donald Weems, and Samuel Smith. This group had supervised or participated in armed robberies or attempted robberies as early as 1976 in Pittsburgh as well as robberies of a credit union in Arlington, Virginia, the Brinks robbery, and others. Rison also provided a detailed account of the escape of Joanne Chesimard from the Clinton, NJ, Correctional Facility on November 2, 1979. Rison, Burns, and Shakur, as well as Baraldini, assisted Chesimard's escape from prison, where she was serving a life term for the murder of a state trooper in 1973. On November 2, 1979, Burns, using false identification, was able to smuggle a revolver to Chesimard inside the prison. Following her escape, she was taken to a safehouse in New Jersey that was raided by police after the Brinks robbery two years later, given money from earlier robberies, and provided a plane ticket to the Bahamas.

Rison also described in his testimony an organization established in 1979 by Shakur as a front for the robberies and for illegal narcotics traffic. This organization, known as the Black Acupuncture Advisory Association of North America [BAAANA] was located in Harlem, and according to the FBI it served as a planning center for the robberies as well as a distribution center for cocaine and other drugs. According to Rison, the funds from the robberies were turned over to Shakur. As much as $100,000 from stolen funds may have been used for drugs and for living expenses by the group. It was from BAAANA that the perpetrators of the Brinks robbery itself allegedly left before carrying out the robbery and murders. It was also Shakur who served as the principal link between the blacks and the white radicals in the network, according to Rison.

Rison also was specific on the political motivations of the crimes. Shakur had originally recruited him, he testified, by asking him, "will I be willing to commit robberies to give money to the black people?" Although the Brinks robbery itself was originally intended to benefit the members of the group, according to Rison, Nathaniel Burns objected to this, saying, "We're not just going out robbing to put money in our pocket. Our purpose is to rob for black people, as a mass of people, to channel the money back into the neighborhoods." As a result of Burn's argument, it was decided by the group that the money from the Brinks robbery would "go to the political struggle, just like any other robbery."

Additional evidence of a link between the series of armed robberies in the New York area and the Weather Underground and its remnants was derived from false identifications used to rent vehicles that were involved in these robberies. It was discovered, for example, that the identifications of two legitimate citizens were used to obtain driver's licenses by persons who later rented vans used in two of these robberies (an attempted robbery in Greenburgh, N.Y., on February 20, 1980, and a successful robbery of $500,000 in Inwood, Long Island, on March 22, 1980). The legitimate citizens whose identifications were used had, in December 1979, purchased items at a boutique in Manhattan known as "Broadway Baby." Their identifications were used shortly after shopping at the boutique by other unknown persons to obtain false driver's licenses, and these licenses were used later to rent vehicles involved in the robberies. From September 1979 until February 1980 the manager of Broadway Baby was Bernardine Dohrn, a founding member and leader of the Weather Underground until her surfacing on December 3, 1980 in Illinois.

A fingerprint found on the application for a duplicate driver's license used to rent a van involved in a June 2, 1981 armed robbery and murder in the Bronx was established as being that of David Gilbert, and the handwriting on this application is identical to that on another application for rental of a van used in the escape of Joanne Chesimard. A copy of a rental agreement in the false name of "Judith Schneider," an alias used to rent a vehicle involved in the Brinks robbery of October 20, was found in the apartment of Katharine Boudin after her arrest.

WASHINGTON-NEW YORK BOMBING CAMPAIGN

Between December 16, 1982 and April 20, 1984 a series of 14 bomb explosions in the New York City and Washington, DC, areas has been claimed by three previously unknown terrorist groups. Analysis of the bombing techniques, rhetoric, and modus operandi of these bombings indicates that they were all committed by the same terrorist organization and that those responsible for the bombings are closely connected to groups involved in the Brinks and related "expropriations" discussed above. The three groups that have acknowledged responsibility for these bombings call themselves the Armed Resistance Unit [ARU], which claims most of the bombings in the Washington area; the United Freedom Front [UFF], which claims most of the bombings in the New York area; and a group that is probably part of the same terrorist complex, the Revolutionary Fighting Group [RFG], which has acknowledged responsibility for one bombing in the New York area. To date, there have been no casualties or injuries in these bombings, although considerable property damage has been sustained by the

governmental and corporate institutions attacked. No one has to date been arrested or charged in connection with these bombings; and there is no reason to believe that this series of attacks has ceased or that it will not continue in the future. The chronology, place, targets, and claimants of each of these bombings is given in the table below:

Bombing Series, 1982-84 (Sources: FBI, Risks International, News Sources)

Date, place, target, claimant.

(1) 12/16/82 Elmont, NY, South African Purchasing Company, UFF.

(2) 12/28/82 Harrison, NY, IBM Building, UFF.

(3) 1/28/83 New York City, FBI Office, Staten Island, RFG.

(4) 4/12/83 Washington, DC, Fort McNair, ARU.

(5) 5/12/83 Uniondale, NY, Army Reserve Center, UFF.

(6) 5/13/83 New York City, Naval Reserve Center, UFF.

(7) 8/18/83 Washington, DC, U.S. Navy Yard, ARU/FMLN.[1]

(8) 8/21/83 New York City, National Guard Armory, UFF.

(9) 11/7/83 Washington DC, U.S. Capitol Building, ARU.

(10) 12/13/83 East Meadow, NY, Navy District Recruiting Center, UFF.[2]

(11) 1/29/84 New York City, Honeywell Corporation, UFF.[3]

(12) 1/29/84 New York City, Motorola Corporation, UFF.

(13) 3/19/84 Harrison, NY, IBM Office, UFF.

(14) 4/20/84 Washington, DC, Officers, Club, Fort McNair, ARU(?).[4]

The modus operandi of these bombings has tended to be the same in almost all of them. The M.O. consists of timing the explosive device to detonate at a late hour of the night (often 11:00 P.M.-12:00 Midnight) and of placing a warning call, usually to a news media outlet, shortly prior to the explosion. This call is often accompanied by a tape-recorded message that warns of the impending explosion, claims it for the particular group, and gives a reason for the bombing (usually on behalf of a South African, Central American, or Puerto Rican terrorist group and in opposition to U.S. policy in these countries). A typed communique is distributed by the group or its above-ground support units after the bombing.

The construction of the bombs in this series has also tended to be similar—sticks of dynamite with similar caps and often placed in attache cases. In the Washington area at least, the bombs have had dual firing mechanisms to avert a possible failure of a single mechanism. The bombing material of the more recent UFF bombings in the New York area has been dynamite stolen from the New England Explosives Company in New Hampshire in November 1983.

In an oversight hearing before the Subcommittee on Security and Terrorism on March 14, 1984, Judge Webster testified:

"We do know that the Armed Resistance Unit and the United Freedom Front . . . tend to supply the same rhetoric with respect to U.S. policies, the same kind of words that we experienced among some of the other dissident groups that became dormant and which have, in a way, metamorphosized through other organizations that we have been watching closely, particularly as a result of the Nanuet robbery, the Brinks robbery which I referred to earlier in my testimony. . . . The inferences we are drawing result not only from the rhetoric of the claims, but also from the nature of the explosives that were used in all of these cases and the manner in which they were put together."

Further indications of a connection between the UFF/ARU bombings and the Brinks case arise from a publication of the MCO entitled Armed Propaganda Against the U.S. War Machine: Communiques from the Armed Resistance Unit and the United Freedom Front 1982-1983, Compiled with an introduction by the May 19th Communist Organization, published in the spring of 1984. This compilation consists of ten communiques from the UFF and ARU expressing their responsibility for the various explosions in the bombing series, and it also includes a communique from the Puerto Rican terrorist group FALN expressing responsibility for bombings in New York City on December 31, 1982. The whole compilation and especially the introduction by the MCO may be taken as an expression of solidarity of the MCO with both FALN and the UFF and ARU.

The terrorist strategy of the bombings is explained in the "Introduction"; the bombings expose the vulnerability of a system in extreme contradiction with the people it rules—it has to beef up its security because it doesn't know when it will be attacked. "Democratic rights" in a "free and open" system clearly become expendable, and the real nature of the system as an empire thriving on colonial oppression is exposed.

Thus, the purpose of the terrorist activity is to intensify the security and counter-terrorist measures of the government and the established authorities so that its truly "repressive" nature will become clear and resistance to it will be increased. This concept is closely related to the idea of Carlos Marighella, the Brazilian terrorist of the 1960's, who wrote in his Minimanual of the Urban Guerrilla (published in Havana in 1970)

"The government has no alternative except to intensify repression. The police networks, house searches, arrests of innocent people and of suspects, closing off streets, make life in the city unbearable. The military dictatorship embarks on massive political persecution. Political assassinations and police terror become routine.

"In spite of all this, the police systematically fail. . . . The people refuse to collaborate with the authorities, and the general sentiment is that the government is unjust, incapable of solving problems, and resorts purely and simply and simply to the physical liquidation of its opponents."

It is unlikely, however, that this strategy ever works very well. It did not work in Brazil, nor in Uruguay, where the Tupamaros followed a similar plan. Two reasons why it does not work are that (a) governments do not necessarily meet increased terrorism with genuine repression and (b) even if they do resort to repression, this may be effective in suppressing the terrorists (e.g., Uruguay).

The "Introduction" continues:

"These actions [bombings] have begun to provide revolutionary leadership for those American people also who are truly disturbed by the u.s. [sic] invasion of Grenada, and for the growing solidarity movements with the peoples of Central America. . . . For revolutionaries in the oppressor nation, solidarity with national liberation struggles provides the political basis upon which we will polarize the white proletariat to organize significant sectors of it to fight for socialist revolution. Recognizing the leadership the oppressed nations struggling for independence and socialism offer in the dismemberment of the imperialist system calls for a strategy in the oppressor nation that makes war on the warmakers."

Among the forces that the MCO recognizes as fighting imperialism and engaging in "revolutionary resistance inside the u.s.—to fight the world's enemy on its own turf" are the Black Liberation Army, FALN, and "captured freedom fighters inside u.s. prisons." The MCO therefore sees itself and its terrorist allies in the United States as complementing the terrorism and guerrilla warfare of the "national librations movements" in the "imperial system" (e.g., southern Africa, Central America, and the Middle East) as well as leading terrorists and urban guerrilla campaigns within the United States.

FALN

The Fuerzas Armadas de Liberacion Nacional [FALN or "Armed Forces of National Liberation"] is an underground terrorist organization that has operated in the continental United States (principally in the New York and Chicago areas) since late 1973. Between 1973 and 1983 FALN has been responsible for some 100 terrorist bombings and the deaths of five persons (four of whom were killed January 24, 1975 in the FALN-claimed bombing of Fraunces Tavern in New York City). FALN has also been involved in armed robberies and has planned at least one kidnapping. The organization collaborates with and often coordinates its terrorist activities with terrorist groups that operate on the island of Puerto Rico. The ostensible goal of FALN and its sister terrorist organizations is national independence for Puerto Rico from the United States.

In 1982 FALN claimed 11 bombings in which three persons were injured. In 1981 and 1983 FALN claimed no bombings, but a related group, the Puerto Rican Armed Resistance [PRAR], claimed responsibility for five bombings in 1981 in which one person was killed. Most authorities believe that the PRAR was either a faction of FALN or FALN itself operating under another name.

FALN and the Puerto Rican terrorist groups with which it collaborates are Marxist-Leninist in ideology, and FALN is closely related to the Puerto Rican Socialist Party (PSP), which is in fact the Communist Party of Puerto Rico and maintains close links to Havana. FALN is also traditionally close to the WUO and currently may be considered a branch of the underground terrorist movement in the United States responsible for the Brinks and other armed robberies and the bombing series discussed above.

On February 28, 1982, FALN claimed responsibility in a typed communique for the bombing of four American financial institutions in New York City. The communique expressed solidarity with the three northamericans captured in the Brinks exprpriation [sic]. By linking up with your Black comrades and making their struggle your own you have put into practice the Leninist principle which states that the duty of the working class and the advanced sectors in the imperialist countries is to actively assist and fight for the liberation of the colonies.

The May 19th Communist Organization distributed the FALN communique for five

[1] FMLN: Faribundo Marti National Liberation Front.

[2] Two bombs were detonated.

[3] Attempted bombing.

[4] The Puerto Rican terrorist group FALN alleged claimed the bombing, but it is probable that the same persons composing the ARU were actually responsible.

bombings in New York City on December 31, 1982 and stated that "Terms for this period of armed activity were defined when the . . . FALN bombed" these targets in New York on that date. The above-ground support groups of both FALN and the terrorists in the Brinks case often express support for each other.

The communique for the bombing of the U.S. Capitol Building on November 7, 1983, also distributed by the MCO, stated in its last paragraph:

33 years ago almost to the day, Oscar Collazo and Griselio Torresola, two Puerto Rican Nationalists fighting for Independence for Puerto Rico, attacked another part of imperialist power—the Commander-in-Chief, the President of the U.S. Their action was one of the first in which the oppressed brought the war back to the doorsteps of the oppressor. We salute them and all those Puerto Rican, Mexican, New Afrikan, Native American and North American freedom fighters who have been killed or cpatured in the struggle. To them also, our action carries a message—our commitment to carry on the struggle.

The action to which the ARU refers in this communique is the assassination attempt against President Harry Truman on November 1, 1950 by Collazo and Torresola, two members of the Puerto Rican Nationalist Party which in many respects was a predecessor of the PSP. Although President Truman was not harmed in the assassination attempt, Torresola and a White House police officer were killed. Collazo was sentenced to death; this sentence was commuted to life imprisonment by President Truman, and Collazo was released from prison by a further commutation of his sentence by President Jimmy Carter in September 1979.

One reason for the recent comparatively inactive state of FALN terrorism is that since 1980 some of its principal members have been apprehended. On April 4, 1980 police arrested eleven members of FALN in a raid on a safehouse in Evanston, Illinois. One of those arrested at that time was Carlos Alberto Torres, at that time the top-ranking name on the FBI's "most wanted" list. Torres and seven other FALN members were subsequently sentenced to eight years in prison for possession of a sawed-off shotgun and conspiracy to commit armed robbery. Two others received 30 year sentences, and Torres's wife, Maria Haydee Torres, was extradited to New York, where she had earlier been sentenced to a life term for a bombing on August 3, 1977 that took the life of one person.

On May 26, 1983 Mexican federal police arrested another FALN member, William Morales, in Puebla, Mexico. Morales, reportedly the principal bombmaker for FALN, escaped from a Bellevue Hospital prison ward in 1979 after being sentenced to a ten year term for conviction of federal weapons and explosive charges. Morales lost most of both his hands in the explosion of a bomb he was constructing at the time of his arrest in 1978. Documents found in Morales's possession at the time of his arrest in Mexico as well as his own subsequent confession revealed that he was planning an attack on a meeting of Mexican and United States Congressmen scheduled for May 26.

A subsequent blow to FALN occurred on June 29, 1983 when four of its members were arrested and two of its safehouses were raided in Chicago. According to the U.S. Attorney in Chicago, FALN planned several bombings for the July 4 holiday in the area as well as attacks on Illinois jails where FALN members were being held.

BLACK LIBERATION ARMY AND REPUBLIC OF NEW AFRIKA

The third component of the underground terrorist movement in the United States consists of the remnants of revolutionary or nationalist black groups that originated in the 1960s. The two groups that are most prominent in this connection are the Black Liberation Army and the Republic of New Afrika.

The BLA developed from the violent "Cleaver faction" of the Black Panther Party in 1971. Supporters of Cleaver organized an "urban guerrilla" organization that was called the "Afro-American Liberation Army" [AALA] or the "Black Liberation Army." The former name was used by Cleaver's adherent, Elmer "Geronimo" Pratt, who had reportedly written a pamphlet in 1972 that explained and justified the AALA. Pratt stated in an interview in 1971 that he preferred the name AALA over BLA "because it recognizes our connectedness to Africa." At about that time the FBI reported that the Cleaver faction numbered approximately 150 members.

The first act of terrorism carried out under the name BLA occurred on May 19, 1971 when two New York City policemen were wounded by machinegun fire from a car traveling the wrong way on a one way street which they had attempted to stop. On May 21, two other NYPD police officers were shot in the back and killed after being called to a site in Harlem. A communique from the BLA to the New York Times delivered on May 21 claimed responsibility for the first attack. The latent fingerprints of Richard "Dharuba" Moore, a member of the "Panther 21" (a group of Black Panther Party members indicted in 1969 for planning to bomb public buildings) and an adherent of Eldridge Cleaver, were found on the envelope. Moore and others linked to the Black Panthers were later arrested during an attempted robbery on June 2, 1971 and a .45 caliber machinegun used in the robbery attempt as well as in the attack of May 19 was found on them. Moore was sentenced to life imprisonment in 1973.

The New York Times on February 19, 1972 reported that members of the BLA were wanted in connection with the murder of four NYPD policemen and for assaults on policemen in Atlanta, St. Louis, Kansas City, and Raleigh. On August 1, 1972 a group of five persons with three young children hijacked a Delta Airlines jet to Algiers, receiving $1 million in ransom for the release of the 87 passengers. The hijackers were met in Algiers by the Cleaver group (which was then residing in Algiers) and identified as members of the BLA. On February 15, 1973 an arms cache of the BLA was seized in Brooklyn. Two .45 caliber machineguns, one antitank 3.5 inch bazooka, six rifles, five shotguns, two .9 mm. pistols, and 200 rounds of ammunition were impounded. On May 2, 1973 Joanne Chesimard, Clark Squire (aka Sundiata Acoli) and James Costan (aka Zayd Malik Shakur), a former official of the New York Black Panther Party, were involved in a gunfight with police on the New Jersey turnpike. Costan and a New Jersey state trooper were killed and another trooper and Chesimard wounded. Chesimard and Squire were later captured and sentenced to prison, from which Chesimard escaped on November 2, 1979 with the aid of the BLA and a member of the May 19th Communist Organization. Squire attempted but failed to escape from prison in 1976.

On November 14, 1973 BLA leader Twyman Meyers was killed in New York, and the New York Police Commissioner stated that his death "broke the back" of the BLA, noting that five of its leaders had been killed and 18 were in custody. However, the BLA robbed banks in Berkeley, California, and New Haven, Connecticut, in the spring of 1974, critically wounding a police officer in the latter city. In April 1974 and in May 1975 the BLA was discovered to be involved in efforts to free its leaders from New York City jails. On April 16, 1981, New York City policemen John G. Scarangella was killed and his partner Richard Rainey was wounded after they had stopped a van for a routine check in Queens. Anthony LaBorde and James Dixon York, both former members of the Black Panther Party and the BLA were sought in this shooting, and they were arrested in January 1982 in Philadelphia and in August 1981 in South Carolina respectively. On August 9, 1982 a New York jury convicted LaBorde and York of attempted second degree murder in the shooting of Officer Rainey but was unable to reach a verdict in the death of Officer Scarangella. LaBorde and York were sentenced to terms of 8-25 and 12.5-25 years respectively. The inability of the jury to reach a verdict on the murder charge was due, according to some jurors, to racial feeling on the part of the largely non-white jury. A second trial of LaBorde and York on the murder charge also ended in a deadlock, and a mistrial was declared in October 1983.

Although LaBorde had been identified by witnesses to the Brinks robbery as having been involved in that crime, some witnesses were unable to identify him in a line-up after his arrest. Charges against LaBorde in the Brinks robbery were dropped in September 1982.

During the tour of the United States by the Springboks, the South African rugby team, in the summer of 1981, the offices of the Eastern Rugby Union in Schenectady, NY were bombed on September 22, 1981. The BLA took responsibility for this bombing in a communique and telephone call to a local radio station. Although the FBI later stated that "information obtained through investigation suggests that members of the CWP [Communist Workers Party] were probably responsible for this bombing," the John Brown Anti-Klan Committee, a group close to the BLA and MCO infrastructure, praised the bombing and acknowledged BLA responsibility. In the October-November 1981 issue of its Newsletter, Death to the Klan!, the JBAKC noted:

"This act of proletarian internationalism showed the unity and leadership of Afrikan and New Afrikan liberation struggles and set the terms for white anti-imperialists in the fight against white supremacy [sic]. In a separate action the 'All Whites' Rugby League of Indiana was bombed."

In a separate article in the same issue, the JBAKC noted:

"On August 20, 1981, the BLA launched an offensive against the police. They attacked a New York City policeman, stealing his gun and walkie-talkie, and leaving him in bad shape. The Red Unit of the Black Liberation Army took credit for the attack, which they said was in retaliation for the capture of James York, who had been the target of a vicious manhunt for months."

The Republic of New Afrika, a violent group advocating the independence under black control of five southern states, has

been closely related to the Black Panthers and the BLA. The RNA was founded in Detroit, MI, in 1968 by Milton and Richard (aka Imari Abubakari Aobadele) Henry, and its first president was Robert F. Williams, who, after fleeing a kidnapping charge, lived in exile in Cuba, Tanzania, and the Peoples Republic of China. Williams resigned the presidency of the RNA after his return to the United States in 1969, and Richard Henry assumed control of it.

RNA headquarters near Jackson, MS was raided on August 18, 1971; one police officer was killed and another officer and an FBI agent were wounded in the raid by gunfire from RNA members. Richard Henry and six others were convicted for their participation in a separate gun battle, and four persons were convicted of murder for their involvement in the fight at the Jackson headquarters.

In October 1971 a publication of the Cleaver faction of the Black Panther Party, Voice of the Lumpen, contained a communique from the BLA expressing its support for the RNA in its gun battle with the police in Mississippi. Another article on the same page praised the BLA shooting of two NYPD officers on May 19, 1971 and stated, "what could have been more fitting than to kick it off on Malcolm's birthday [May 19]." Although Cynthia Boston and her husband, William Johnson, were not convicted for their alleged role in the Brinks robbery, the RNA has expressed support for terrorism, and several members of the RNA were convicted for their involvement in the Brinks robbery. In 1981 Chokwe Lumumba, a member of the RNA and its minister of justice," claimed that as of 1977 the RNA had rebuilt its structure and was active in twenty states.

PRISON ORGANIZING

One of the most likely sources for new recruits to the BLA and other components of the terrorist underground in the United States is the prison population, especially those of black or Hispanic background. A number of BLA members have been convicts, and some have been recruited while in prison and have escaped from prison due to efforts by the BLA. Since at least the early 1970s radical and extremist groups have consciously sought to politicize and recruit convicts under the guise of "prisoners' aid" or "prison reform."

The National Lawyers Guild [NLG] is an organization of leftist orientation that was described in 1950 by the House Committee on Un-American Activities as "the foremost legal bulwark of the Communist Party." Today, it remains the principal U.S. affiliate of the International Association of Democratic Lawyers [IADL], described by the Central Intelligence Agency in 1978 as "one of the most useful Communist front organizations at the service of the Soviet Communist Party." In 1971 components of the NLG began publication of a prisoners' newsletter entitled Midnight Special. The editor of this newsletter was Russell Neufeld, indicted or arrested several times for violent activities in association with the Weathermen in 1969-70; another editor of the Midnight Special was Judith A. Clark, later convicted of murder and bank robbery for her role in the Brinks robbery. Susan Tipograph, a member of the NLG and a lawyer who defended Silvia Baraldini of th May 19th Communist Organization during her trial for complicity in the the Brinks robbery, visited both Marilyn Jean Buck of the BLA and William Morales (also her client) shortly before their escape from prison. It will be recalled that Baraldini was convicted for her alleged role in the escape of Joanne Chesimard from prison. Baraldini had been legal assistant to Tipograph prior to her arrest. In a number of cases, NLG members have been indicted or subpoenaed for alleged roles in the escape of attempted escape of terrorists from police custody or prison.

Prison gangs, increasingly considered a serious problem by penal authorities, offer an organizational base by which convicts can be politicized or ideologized. One of the four largest such gangs is the black Guerrilla Family, described by Detective Arleigh McCree of the Los Angeles Police Department in testimony before the Subcommittee on Security and Terrorism on August 12, 1982 as "essentially the inprison component of the Black Liberation Army," and he added,

"I know many of them and have known many of them for years. They are a revolutionary group inside the prison walls. Their philosophy is entirely compatible, if not identical, as I say, to the Black Liberation Army's. They seek revolution, and they are a very violent group. Many of them are very proficient with weapons and explosives, and Mr. Pratt [Elmer "Geronimo" Pratt, a founder of the BLA and leader of the Black Guerrilla Family, now in prison], of course, being supreme in that category, I might add."

Arm the Spirit, a "revolutionary prisoners newspaper" published in Berkeley, CA, has published communiques from BLA and MCO in support of the Brinks robbery as well as communiques from the RNA and other violent or extremist groups from prison chapters in Iowa, Washington state, Tennessee, Pennsylvania, and other states. It has also published a statement of "Coalition to Support Black August," a group associated with the Black August Organizing Committee, which defines itself as comprised of prisoners who define themselves as Afrikan revolutionaries dedicated to the national liberation of Afrikan people in this country and to the ongoing struggle against racism, exploitation and police brutality in prison and in the Afrikan community. . . . It has . . . built significant unity and solidarity between the prison movement and the struggles in El Salvador, Iran, the Native American struggle and other Third World and progressive movement.

Given the similarities between this "anti-imperialist" theme and the ideology of groups such as the MCO, RNA, BLA, ARU, UFF, JBAKC, etc., it is not surprising that, as the Information Digest noted, the Coalition to Support Black August "has been seeking national support from organizations associated with violence-oriented and terrorist groups including the Weather Underground Organization and the Communist Workers Party."

FOREIGN CONNECTIONS OF U.S. TERRORISM

The rise of transnational terrorism in the 1970's, with support from regimes such as those of Libya, Iraq, and Syria, as well as the Soviet Union, Cuba, and East European satellite countries, has led to speculation on the extent of foreign support for terrorist activity in the United States. The position of the FBI on this question has varied somewhat over the past few years. In a speech of July 6, 1978 Judge Webster expressed doubt that Cuba supported American terrorists, although he did suggest that "many of the propaganda manuals" of Puerto Rican terrorist groups had been printed in Cuba. On April 26, 1981, speaking on "Meet the Press," Judge Webster stated that "there is no real evidence of Soviet-sponsored terrorism within the United States." More recently, in the aftermath of the bombing of the U.S. Capitol Building, Judge Webster told reporters on November 10, 1983 that support from the Soviet Union and Cuba to American terrorists "cannot be ruled out," but reiterated that he did not have evidence of direct involvement.

It must be noted, however, that there is an increasing body of facts to suggest at least a continuing liaison between the underground terrorist movement described above and various foreign based movements—especially the so-called "national liberation movements" of the Third World which are themselves often closely connected to and supported by the Soviet Union and its satellites. In the late 1960s and early 1970s, the WUO, the Venceremos Brigade, and similar "New Left" groups in the United States had extensive contacts with and support from the governments and intelligence services of the Soviet Union, Cuba, North Vietnam, Communist China, and some East European Soviet satellites. Much of this support was documented in a 98-page summary of evidence presented by the defense in the 1980 trial of FBI officials Mark Felt and Edward Miller. To cite only one instance from this document—prepared with the assistance of the FBI—"the FBI learned from a reliable source that Weatherman Howard Machtinger was in Canada being instructed by a Russian advisor on how to make bombs." In 1973 the Annual Report of the FBI stated

"A current tabulation shows that approximately 135 leaders of subversive Puerto Rican independence groups have traveled to communist Cuba for indoctrination and/or training. Many of them received extensive instructions in guerrilla warfare tactics, preparation of explosive devices and sophisticated sabotage methods.

"A large majority of persons so trained have instructed others upon their return to Puerto Rico and have carried out acts of sabotage there. Dozens of these individuals are presently awaiting trial for violations of Puerto Rico's Explosives Law or are being sought as fugitives for such violations. It is commonly thought that vigorous police action against these terrorists is primarily responsible for the decline in the number of bombings during the past year."

As late as 1976 a California based terrorist group, the Emiliano Zapata Unit, had an adviser named Andres Gomez who was identified by American intelligence sources as an officer of the DGI, the Cuban intelligence service. Gomez disappeared after the group was apprehended by police. Extensive information on Cuban involvement in terrorist incidents in the United States was presented in hearings before the Subcommittee on Security and Terrorism in February and March 1982.

In September 1981, Judith Clark, arrested one month later for her role in the Brinks robbery, represented the May 19th Communist Organization at a conference in Lebanon sponsored by the Palestine Liberation Organization and the Lebanese National Movement. According to the newsletter of the John Brown Anti-Klan Committee of October-November 1981 "500 delegates attended, primarily from Western and Eastern Europe, and the socialist countries and National Liberation movements." According to Clark herself, "The conference was an inter-

national conference in solidarity with the Lebanese and Palestinian struggles."

As noted above, the MCO, UFF, and ARU have frequently expressed their solidarity with and support for the national liberation movements of the Third World. Their solidarity with such movements in southern Africa is especially significant. Several of the bombing targets of the UFF have been facilities associated with the Republic of South Africa or trade with South Africa. The bombings by the UFF of the South African Purchasing Office and an IBM office in Elmont and Harrison, N.Y., on December 16, 1982 were carried out "in the spirit of resistance with the African National Congress and Nelson Mandela and all African peoples on the motherland," according to the UFF communique. It is perhaps significant that the date December 16 is a special one for the African National Congress (ANC), a Communist Party-dominated terrorist group in South Africa. As Sechaba, the official organ of the ANC (printed in East Germany), expressed it in December 1981:

"On December 16, 1961, organised acts of sabotage against government installations took place, marking the emergence of Umkhonto We Sizwe (The Spear of the Nation) which was later to become the armed wing of the ANC. The date, December 16, which was chosen for the initial sabotage acts, was of historical significance. . . .

"To the Africans this day symbolises resistance and the indomitable quest for freedom. . . ."

The date December 16 is celebrated in South Africa as the anniversary of the Battle of Blood River on December 16, 1938 in which the Afrikaners defeated the Zulu warriers; to the ANC and its adherents, however, the date "is thus symbolic for the ascendancy of white power over the Blacks."

Two days after the UFF bombings in New York, the ANC itself carried out a bombing of the Koeberg nuclear power station under construction near Cape Town. Four bombs were exploded and claimed by the ANC on December 20. The ANC stated that "the explosions served as a warning to foreign investors in South Africa of what would become of their investments." The Koeberg plant was being constructed with the aid of a French consortium. The UFF in its communique on the bombing of IBM also emphasized that foreign investors have been significant in developing South African industry and (allegedly) apartheid and racism, quoting the ANC to this effect, and rationalized its bombing as a warning to other foreign contractors and investors in South Africa.

The relationship between the Brinks robbery-murders and the ANC and other southern African terrorist movements is suggested by reports of visits to radical states in that region and of guerilla training by these states or associated terrorist movements. According to a report of the International Association of Chiefs of Police, . . . component elements of RATF [Revolutionary Armed Task Force, the nom de guerre applied to the Brinks gang] have raised funds and maintained political connections with the ZANU Popular Front that is currently ruling the African country [Zimbabwe] undergoing revolutionary upheavals.

Silvia Baraldini of the MCO has visited Zimbabwe under its present government and has stated May 19th Communist Organization in 1977 began actively to work with the Zimbabwe African National Union [ZANU]. We supported the party in their struggle to lead the Zimbabwean people to independence, to overthrow the white settler regimes and to end the presence of British imperialism in their country.

Nathaniel Burns, also convicted for his role in the Brinks robbery and murders, has been reported to have received guerrilla training in Angola from Cuban advisers to the Marxist MPLA, which now rules Angola, and to have fought with the South West African Peoples Organization [SWAPO]. After her escape from prison in 1979, Joanne Chesimard reportedly expressed interest in seeking refuge in Libya, Angola, Cuba, or China according to witness Tyrone Rison. On March 8, 1982, an FBI listening device recorded a conversation between Mutulu Shakur, one of the leaders of the RATF and still at large, and Edward Joseph, later indicted and convicted as an accessory in the Brinks case, during a meeting in Greenwich Village. Joseph is reported to have stated, "We should be concentrating on lining up bankroll, making a flamboyant move, leave here for Zimbabwe."

Although no definite conclusions can be drawn at this time regarding material assistance from foreign states or terrorist groups to those involved in the Brinks crime and similar terrorist incidents, it is clear that the American terrorists feel and express strong sympathy for a number of Marxist terrorist movements and states in the Middle East, southern Africa, and Central America; that there is reliable information of some cooperation between these American terrorists and their foreign counterparts; and that the possibility of more extensive foreign support for American terrorist activities not only cannot be excluded but also should be aggessively investigated.

CONCLUSION

The core of the underground terrorist movement in the United States consists of elements that grew out of the Weather Underground Organization of the 1970s operating in alliance with violent organzations of black nationalists (the BLA and RNA) and with FALN. It is unlikely that this core is numerically large, although its periphery, the above-ground support groups, is larger. The Brinks robbery and the subsequent investigations and trials appear to have disrupted its organization and strategy. Nevertheless, this movement remains the most dangerous terrorist group in the United States. It has show itself capable of operating clandestinely for some years prior to its accidental failure and exposure in the Brinks incident. It was able to accumulate at least several hundred thousand dollars through "expropriations," to free incarcerated members and sympathizers from prisons and provide them security, to establish a network of safehouses, to create vitually a nationwide (and perhaps an international) network of supporters and sympathizers, and to maintain communications with and discipline over this network. Most of the $873,000 stolen in armed robberies prior to the Brinks incident remains unaccounted for, and a number of the principal suspects in these robberies remain at large—including the command nucleus of the Black Liberation Army, Joanne Chesimard, Mutulu Shakur, and Marilyn Jean Buck. As long as these three remain at large and as long as convict recruiting and organizing continues, it is likely that the BLA or similar groups will continue their terrorism.

Since the Brinks robbery the terrorist underground has shown itself capable of constructing, placing, and detonating over a dozen bombs, and not one of these bombings has yet been solved by law enforcement authorities. One of these bombings (of the U.S. Capitol Building in 1983) attracted international attention and has been a principal factor in increasing public awareness of and governmental concern about terrorism. Although most of these bombings were probably not intended to kill, it is a fair assumption that those responsible for them do not seriously object to killing. Certainly this is suggested by both their public rhetoric as well as their continuing defense of the murders in the Brinks robbery and escape. Had the United States Senate been in session on the evening of the Capitol bombing, a number of Senators and staff members could easily have been killed or seriously injured. The terrorist movement therefore has the capacity and the will to take life and use violence for its ideological purposes, and it may be merely a matter of time before it embarks on an intentionally murderous course to make its point.

The terrorist underground, however, is only one of a series of terrorist groups believed to be operating in the United States, although there is little evidence as yet of firm linkages among most of these other groups. In mid 1984, the FBI was reported to be actively investigating 19 U.S.-based groups suspected of terrorism and to be cooperating with foreign authorities in the investigation of 15 to 20 other groups believed to be involved in international terrorism. Oliver B. Revell, Assistant Director of the FBI, noted that 40 percent of all terrorist activities (including international terrorism) target U.S. individuals or assets. The widespread nature of the terrorist threat has led some authorities to warn of increased terrorism in the United States, despite the apparent decline in terrorist incidents as counted by the FBI. Brian Jenkins of the RAND Corporation, for example, stated in late 1983 that that year "is going to be probably the bloodiest year for which we have any statistics" and "In looking at incidents with 10 or more fatalities, we have had more already this year than in 1980-82 combined." The Department of State in November 1983 counted 300 deaths due to international terrorism in Beirut alone, as compared to 150 deaths from all international terrorism in 1982, and Jenkins estimated that the death toll from all international terrorism in 1983 would be about 500 and from "local terrorism" worldwide about 2000 to 5000. In December 1983 Senator Daniel P. Moynihan, Vice Chairman of the Select Committee on Intelligence of the U.S. Senate, stated, "I think the prospect of 1984 being the year the [terrorists] bring the war to our shores is real. We should assume it and not be surprised by it." W. Raymond Wannall, a former Assistant Director of the FBI and a well-known expert on terrorism and internal security matters, has also suggested that 1984 could be the "Year of the Terrorist" in a recent publication of the Nathan Hale Institute.

In preparation for anticipated terrorist attacks, several government institutions established new security precautions and procedures. Three days after the bombing of the U.S. Capitol Building, the Congress established special identification badges for staff members and mandatory use of metal detectors and searches for visitors to Congressional buildings, and access to certain parts of the Capitol Building was restricted for tourists and visitors. Other special precautions were implemented by the White House, the Pentagon, and other government buildings in November and December 1983,

after reports or threats of bombing attacks were received.

Further plans for offensive as well as defensive measures against terrorism were drafted or implemented in early 1984. The most impressive (in theory and actuality) were those for the Summer Olympics, although there were jurisdictional disputes between the FBI and the LAPD. Security provisions for the Summer Olympics cost more than $100 million (about ⅛ of the total budget for the Games), and the Congress appropriated an additional $50 million in the event of a major incident requiring military intervention. Military helicopters and special communications and surveillance equipment were also purchased with federal funds. Because of the diversity of jurisdictions involved in the Olympics, no single agency had comprehensive control of security procedures, although interagency agreements for cooperation were evolved. Over 16,000 personnel were employed for security purposes at the Games, and according to Edgar Best, in charge of security for the Olympics, "This Olympics will be the first in which we take full advantage of high technology in security." In addition, the FBI developed and sent to the Olympics a hostage rescue team of 50 FBI agents that was specially trained in sharpshooting and offered an alternative to the use of military force.

In addition to precautionary measures, the Department of Defense also developed anti-terrorist plans, training, and procedures in the aftermath of the Beirut bombing, and in early 1984 the White House issued a National Security Council Directive (NSDD-138) reportedly implementing more aggressive measures for combatting terrorism. This new policy toward terrorism was reflected in Secretary Shultz's public comments on the concept of regarding terrorism as a form of warfare, although it is still not clear if the full dimensions of this concept have been grasped. Finally, the Administration as well as members of Congress introduced new legislation intended to address international terrorist threats.

The most effective means of combatting terrorism does not consist in more legislation, executive orders, interdepartmental conferences, additional concrete barriers, or pamphlets such as this one. The most effective means of combatting terrorism consists of a domestic security and intelligence capacity adequate to investigate groups and individuals who are ideologically prone to violence and to anticipate and prevent their violence. Since at least the early or mid 1970s, the United States at the federal level (and increasingly at the state and local levels) has not possessed such a capacity, a defect examined in detail in W. Raymond Wannall's Who is Tracking the Terrorists, published by the Nathan Hale Institute. The imposition of the Attorney General's Guidelines for domestic security investigations (the "Levi Guidelines") in 1976 and the resultant erosion of domestic security investigations played an important role in allowing the formation of the underground terrorist movement in the late 1970s and early 1980s. Although groups such as the John Brown Anti-Klan Committee and the May 19th Communist Organization were formed in 1977 and 1978, due to the Levi Guidelines they could not be investigated by the FBI. The lack of investigation coupled with the evolution of a new identity and strategy of the Weather Underground Organization led the FBI to the erroneous conclusion that the WUO had ceased to function and to the termination of its investigation of the WUO and Prairie Fire Organizing Committee in 1979. Only in the wake of the Brinks robbery and its ramifications were similar or derivative groups placed under FBI investigation. The apprehension of FALN members in April, 1980 in Illinois and the subsequent apprehension and prosecution of other members of this terrorist group were due purely to an accident (the fortuitous suspicion by a neighbor of activities near what was a safehouse for the FALN) and not in the least to law enforcement intelligence efforts.

That intelligence investigation of extremist groups can be effective in preventing terrorism is shown by the example (to take one of many) of informants in the Prairie Fire Organizing Committee (emplaced prior to the Levi Guidelines) who in 1977 alerted police to the planned bombing of the office of a California state senator. Because of this information, the bombing was prevented and several key members of the PFOC and WUO were arrested. The value of anticipative (or "pro-active") intelligence in preventing terrorism and the lack of such intelligence in the U.S. intelligence community in recent years has been acknowledged by several authorities. In the wake of the attempted assassination of President Reagan on March 30, 1981, the General Counsel of the Department of the Treasury, in a review of the performance of the Department in connection with the attempt, noted:

"From the protection-oriented perspective of the [Secret] Service, therefore, the decline in FBI domestic intelligence activities has caused a critical overall decline in the useful information the Service receives from the FBI. In November 1979, Secret Service Director Stuart Knight testified before the Senate Judiciary Committee that the Service was, at that time, receiving only about 40 percent of what it had previously received from the FBI, and that this reduced intelligence product had deteriorated in quality. Explaining what he meant by quality, he referred to the loss of information concerning motives and plans.

"Knight repeated these statements in the aftermath of the March 30 assassination attempt, in testimony before other committees of the House and Senate, specifically attributing this loss of useful intelligence to the Attorney General's Domestic Security Guidelines."

More recently, a similar conclusion on the role of intelligence (albeit foreign, not domestic security, intelligence) was noted by the Department of Defense Commission (the "Long Commission") on the Beirut International Airport Terrorist Act:

"The Commission concludes that although the USMNF commander received a large volume of intelligence warnings concerning potential terrorist threats prior to 23 October 1983, he was not provided with the timely intelligence, tailored to his specific operational needs, that was necessary to defend against the broad spectrum of threats he faced.

"The Commission further concludes that the HUMINT [human intelligence] support to the USMNF commander was ineffective, being neither precise nor tailored to his needs. The Commission believes that the paucity of U.S. controlled HUMINT provided to the USMNF commander is in large part due to policy decisions which have resulted in a U.S. HUMINT capability commensurate with the resources and time that have been spent to acquire it."

In March 1983, the Department of Justice issued new guidelines for domestic security investigations to replace those issued by Attorney General Levi. These "Smith Guidelines" have been in effect for a little more than a year, and to date it is too early to make an imformed judgment on their effectiveness. There is some reason to believe, however, that many of the same problems persist.

The underground terrorist network in the United States offers several opportunities for effective intelligence that, until recently, have been missed and may still be missed. The terrorist groups in this network have generated a nation-wide series of above-ground support groups that regularly publicize their activities, ideology, membership, strategy, and interconnections as well as their self-proclaimed enemies and potential targets. Under the Levi Guidelines, the FBI was not permitted to read such publications (let alone to emplace informants in or utilize more intrusive techniques on such groups), and not until after the Brinks robbery was the FBI able to investigate these support groups or analyze their publicly available documents. The importance of investigating terrorist support groups has been emphasized by General Shlomo Gazit, former Director of Israeli Military Intelligence, and Michael Handel at a symposium in 1980:

"Very few organizations can operate in complete or full compartmentalization and do not depend on networks of local supporters. Such supporters help the terrorist organization, either because of ideological motivation or through fear and blackmail, without being directly involved in terrorist operations. The importance of penetrating the sympathizers' or supporters' system lies in the fact that it is easier to penetrate it than the more highly closed terrorist organization. By penetrating this supportive system it may be possible to penetrate the organization itself or obtain indirect information about it. Also, it is much easier to deter such supporters from continuing their assistance than to deter the members of the organization itself. By reducing or eliminating this supportive system, we can undermine the capacity for action of the terrorist organization."

The very need of terrorist organizations to propagandize, gain legitimacy, and support themselves logistically therefore represents a vulnerability of terrorist activity that can be (but has not yet been) exploited by law enforcement to anticipate and prevent terrorist violence.

The occurrence of several nationally or internationally conspicuous events in the summer of 1984 suggested the possibility of terrorist attacks on them, and attempts by terrorists on future mass public events should not be ruled out. Both the indigenous terrorist movement described in this report as well as other, largely foreign terrorist groups (consisting of Libyan, Iranian, Palestinian, Armenian, Cuban, or Central American terrorists or their American adherents) have reason to embarrass, disrupt, or destroy what national or international events represent and to gain the publicity that such attacks generate. Nevertheless, the Olympics and similar highly visible public events are not the main issue in thinking about and dealing with terrorism, and protective, organizational, and legislative measures are not the principal means by which terrorism can be prevented or deterred. After these events pass, the terrorist underground in the United States will persist, and it is this network that at the present time represents the most serious

threat of terrorist violence in the United States for the future.●

YOUTH SUICIDE

● Mr. DENTON. Mr. President, American children, adolescents, and young adults are killing themselves in ever-increasing numbers. The rate of suicide has increased more than three-fold in the last 20 years and is still continuing to rise. This year, more than 5,000 young Americans can be expected to take their own lives.

Suicide now trails only accidents and homicides as the leading cause of death for those between the age of 15 and 24. Even younger children experience problems which lead them to commit suicide. According to a report prepared by the National Center for Health Statistics, during a 13-year period ending in 1978, there were almost 2,000 documented cases of suicide among children under the age of 14.

The statistics represent only the tip of the iceberg. Some experts estimate that the actual number of suicides among young people is at least four times greater than is reported. Recent studies indicate that more than 2 million high school students attempted suicide last year.

Susan Sturman, in an article entitled "Stopping Child Suicide: Why Would One So Young Want To Die?" which appeared in the February 1985 edition of Kiwanis, forcefully calls attention to the phenomenon of youth suicide. I commend Ms. Sturman's scholarly approach to such a national tragedy.

I ask that the Sturman article be printed in its entirety in the RECORD at this point.

The article follows:

[From the Kiwanis Magazine, February 1985]

STOPPING CHILD SUICIDE: WHY WOULD ONE SO YOUNG WANT TO DIE?

(By Susan Sturman)

Six-year-old Sara adored her grandfather. His unwavering love made her feel secure amid a chaotic life ruled by drunk, and sometimes absent, parents.

When he suddenly died, part of Sara seemed to go with him. She became despondent and lost interest in playing with her girlfriends. At school, her teacher noticed that the once polite little girl had changed into a troublemaker who seemed to take delight in disrupting the class.

For months Sara talked about wanting "to be with Grandpa." Her mother ignored the child's "silly" talk and refused to take her seriously—until Sara took a pistol out of a drawer and killed herself.

Like many adults, Sara's parents never thought that such a young child was capable of committing suicide. Yet in 1981, the National Center for Health Statistics recorded 167 suicides among US children, who ranged in age from five to fourteen. Statistics Canada logged thirty-five deaths in the same age group.

Experts believe the actual numbers are much higher, as many suicides may be disguised among the thousands of accidents that occur with children each year.

Equally disturbing is the vast number of children who live in such misery, for whom death seems to offer the only solution to their unhappiness. Surveys of psychiatric hospitals in the US indicate that at least 12,000 preteen children are treated annually for suicidal tendencies. And many clinicians believe this number represents only a small portion of all suicidal children.

Research has disclosed that a number of factors relate to suicidal impulses among the very young. First is the question of whether suicidal children understand the finality of death.

Mature conceptions about dying generally develop around the age of nine, but suicidal children often have unusual ideas about death, even seeing it as a reversible state of pleasantness.

Sometimes the very young want to die. Perihan Aral Rosenthal, a psychiatrist and pediatrician at Rutgers University Medical School in New Brunswick, New Jersey, has examined suicidal children as young as two-and-a-half years old. Some have tried to end their lives by running into traffic or jumping from heights. Others have used more "adult" methods—slashing themselves with knives or razor blades, swallowing pills, or hanging by a rope.

These self-destructive preschoolers are usually lacking love and tend to be unwanted, abused, or neglected.

In 1982, Rosenthal told the members of the American Psychiatric Association about David, an unhappy four-year-old who curled up in his blanket and then set it on fire. David, who survived, explained later: "Because David is a bad boy—there will be no more David."

Second, many suicidal children are viewed by their families as "special" and receive an unusual amount of attention. They may be accustomed to hearing themselves described as "just like a grown-up" or "the smartest person in the family."

The risk begins when they can't live up to these expectations or lose their exceptional position, as in the example of Sara. When Sara lost her grandfather, she also lost her "special" status.

And third, suicidal youngsters tend to experience a number of losses in their lives. Stressful events, such as the death of a family member, birth of a sibling, illness of a parent, divorce, or school failure, often precede a young child's death wish.

Although many families are exposed to these stresses, Alan Berman, a psychology professor at the American University in Washington, DC, explains that suicidal children may not be receiving the parental training and support to help them cope with their problems.

"You have less-nurturing families who may be posing greater stress to these kids, and so they are more vulnerable," says Berman.

Mike, age eleven, is an example of a child whose father set rigid rules and expected nothing less than outstanding accomplishments from his children.

After failing a test one day, Mike came home from school and told his mother he was going to kill himself. He went straight to his room, tied a rope around his neck, and tried to hang himself. Fortunately, he was discovered by his younger brother—only a moment from death.

Sometimes parents are struggling with their own problems and may not notice a child's crisis. Such was the case with nine-year-old Kathy who listened night after night as her parents' arguments exploded into physical battles. On those occasions, she repeatedly heard her mother threaten to leave, and Kathy felt that she was to blame for their problems.

Believing that her parents might get along better if she were not around, Kathy swallowed a handful of her mother's sleeping pills in an unsuccessful suicide attempt.

Kathy and Mike sought death as an alternative to coping with the tension in their families. But many children use a suicide attempt as a tool for seeking attention or avoiding punishment. They do not intend to succeed.

There is a distinction between a suicidal gesture and an attempt, according to Steven Auster, director of the child psychiatric in patient unit at the University of Massachusetts Medical Center.

"An attempt is a true trial," says Auster. "Someone who takes a gun, points it at his chest, and pulls the trigger—that has to be considered a suicide attempt."

A gesture is less life-threatening and often thought to be primarily an attention-seeking action on the part of the child.

"Someone who slashes his wrist superficially, knowing he won't hurt himself—that's more of a gesture," says Auster. "And he's certainly going to get some attention paid to him."

But unfortunately, an immature cry for help can backfire and become another tragic statistic, as in the case of a ten-year-old boy in New York.

The child came home from school with unsatisfactory grades on his report card. Fearing his parents' disapproval and likely punishment, he devised a plan. He dialed the local paramedics and said, "Come quickly, there's been an accident!" He then found his father's gun, made sure it was loaded, and shot himself. By the time the ambulance arrived, he was dead.

The boy is typical of many young children who use this strategy as a ploy for gaining attention or sympathy, according to Milton Levine, professor of pediatrics at New York Hospital-Cornell Medical College.

"He didn't expect to die," Levine says. "He thought they (paramedics) would come and save his life, and his parents would feel sorry for him and forgive him for doing so badly in school."

How can these tragedies be averted? Are there indicators that parents should watch for in young children?

"A child under the age of puberty will almost always give some kind of a warning that he is contemplating suicide," says Levine.

One of the most common, yet frequently ignored, clues is a direct threat. In moments of frustration, parents might hear their child utter, "I'm going to kill myself!" Responding to such an ominous statement can be confusing.

"It helps to determine the emotional climate of the child, and in what context the statements are being made," says Auster.

He recommends a warm, caring response to a child who is usually in good spirits and doing well in school. "You should sit down and say, 'Things like that happen,'" he says. "You might relate a similar anecdote about yourself and try to lessen some of the pain he feels about the particular situation. Tell him it's OK to feel bad."

But Auster warns. "The same threat made by a child who has recently lost a parent, has been despondent, has poor eating and sleeping habits, has a noticeable drop in grades or a lack of interest in friends certainly warrants more concern."

Although it may not be a predominant factor, depression is the most consistent emotion found in suicidal children. Parents may spot the traditional "adult" symptoms, such as changes in eating and sleeping patterns, withdrawal, or sadness, and, certainly, they should not be ignored.

As Alan Berman of American University notes: "The child who is not communicating is sending a strong clue that something is going on."

But sometimes depression is more difficult to recognize in a child: It may be manifested through hyperactivity, temper tantrums, somatic complaints, or other deviant conduct.

"There are many kids who suddenly exhibit a change in behavior," says Dennis Cantwell, a professor of child psychiatry at University of California, Los Angeles. "All of a sudden they are not doing well in school, they withdraw from friends, or become aggressive when they were not that way in the past. Or they suddenly have difficulty getting along with peers because they're irritable.

"It's not a longstanding thing, and they don't look depressed. But if you sit down and talk with them, they'll tell you they are."

Some experts believe that accident-prone behavior is the result of depression.

"The child who is continually in accidents, continually hurting himself, continually ignoring danger, is sometimes self-destructive. The ultimate in self-destruction is when the child does kill himself," says Billie Corder, a child psychiatrist at Dorothea Dix Hospital in Raleigh, North Carolina.

This kind of behavior was apparent in a nine-year-old boy, who within a few months broke two bones, singed his hair, and acquired two head wounds. He was finally hospitalized after putting a belt around his neck in an attempt to hang himself.

"I'm trying to kill myself. One more accident, and that ought to do it," the boy admitted.

Parents need to be aware that a child who is overly interested in death may actually be planning his own. Questions such as "I wonder what it feels like to die?" or "How many pills does it take?" should be obvious warnings to adults.

More difficult to detect, though, are the unspoken, morbid thoughts that a child may harbor, particularly over the death of a loved one.

"A loss—even the loss of a pet—makes kids think of reunion," says Brian Tanney, an associate professor of psychiatry at the University of Calgary in Alberta, "and it is an opportunity to introduce the subject of death to a young child."

Questions such as "Do you miss grandpa?" or "Have you wanted to be with grandpa?" may bring suicidal thoughts to the surface.

One of the final hints a child may leave before taking his life is to distribute his most cherished possessions. Young children have been known to write crude wills or give away favorite toys before attempting suicide.

The handwritten will of a lonely, overweight thirteen-year-old boy was found too late. A portion read, "Last will: To whole family. I leave my stereo to Steve, I leave my Atari games to Jeff and Cindy, and I leave everything to my parents . . . I love you."

If parents suspect that a child may be depressed and considering suicide, what should they do? The critical first step is to take the child's warning seriously. It can be dangerously frustrating for a suicidal person to be ignored, or to hear simple answers to problems that seem overwhelming to him.

The belief that talking about suicide will encourage a child to do it is a myth. In reality, an honest, open discussion can be the beginning of a successful intervention. Parents should sit down and talk with the child, assuring him that they are concerned about his troubles.

"Tell him that you understand he's hurting and that you want to help solve his problems," says Charlotte Ross, cochairperson of the National Committee for Youth Suicide Prevention. She advises parents against letting a child think there is something wrong with him for having suicidal feelings.

Once a parent has established that a serious risk of suicide exists, professional help should be sought immediately, even if it appears that the crisis has passed. Many suicides are preceded by at least one attempt.

There are a variety of resources available in most communities. Mental-health centers are staffed with competent therapists who are trained in suicide intervention. Hospitals with more than 200 beds, as well as hospitals connected with medical schools, usually have psychiatric departments.

If private therapy is preferred, the child's pediatrician is an excellent source for locating a professional who specializes in working with children.

Successful therapy is usually family-oriented. While the suicidal child is taught self-esteem skills and positive coping strategies, the patents' needs are also assessed.

The previously mentioned example of the ten-year-old boy who attempted to hang himself involved a rigid, authoritarian father. In therapy, the child was taught that failure was not the end of the world, while his father learned to set more realistic rules and to provide the attention and support that his son needed.

Statistics indicate an urgency to identify and rescue children at risk. In 1981, 1,770 adolescents, ages fifteen to nineteen, committed suicide in the US alone. The figure jumps to 3,391 for the twenty to twenty-four age group.

Dennis Cantwell of UCLA explains why the suicidal preteen increases his risk as he becomes older: "It takes a number of things to complete suicide. One is the ability to plan."

He finds that younger children generally do not have the capacity for planning. For example, a child may take a bottle of aspirin, assuming it will be a lethal dose. A few years later, he will know which pills can kill him.

Cantwell also points out a developmental factor: "The child under twelve cannot handle an abstract concept like hopelessness. A toy or something like that will somehow make him temporarily better."

There is hope that child suicide may be prevented as more attention is focused on the problem. Several experts believe that pediatricians awareness of suicidal tendencies should be heightened.

"Too many pediatricians examine the child physically, but don't ask questions like they should," Levine says.

Billie Corder of Dorothea Dix Hospital and Thomas Haizlip, an associate clinical professor of psychiatry at the University of North Carolina, have responded to that need by developing a comprehensive list of questions for physicians to use when interviewing children who may be depressed.

The recently formed National Committee for Youth Suicide Prevention is dealing with the problem on a broader level.

"We're trying to get fifty states organized in support of increased public awareness and prevention programs in schools, and pushing for our federal commission to organize and coordinate all the ongoing research," says the committee's Chris Cameron.

The committee will focus on controlling teen-age suicide, but Cameron believes that "connecting societal problems that lead up to suicide at a later age would be reflected on younger children."

The issue of child suicide cannot be ignored. A child who sends suicidal danger signals is begging for help and probably wants to escape from his pain, rather than seek death. His concerns may seem small and unimportant to adults, but they are overpowering to him—and they must be resolved.

By focusing on the child's problems and involving the family, suicide can be prevented. But until the wounds are treated, they cannot begin to heal.

KIWANIANS AID IN SUICIDE PREVENTION

Saving lives is their business.

No, these rescue workers aren't firemen, policemen, or doctors. They are volunteers and staffers working at the Suicide Prevention and Crisis Center of San Mateo County, California. And they do save lives.

The center is internationally recognized for its efforts in suicide prevention among children and adults. And aiding the center's fight against child suicide are the Kiwanis clubs of San Mateo and San Mateo Downtown.

The clubs have been instrumental in starting the center's youth suicide prevention program, says Charlotte Ross, the center's director, and "we're very, very appreciative of what they've done."

Through the clubs' contributions, the center is able to print pamphlets about suicide prevention geared to educators and students. The two pamphlets—"Suicide in Youth and What You Can Do About It, A Guide for School Personnel" and "Suicide in Youth and What You Can Do About It, A Guide for Students"—have been in high demand. The first printing of 5,000 copies of each pamphlet was depleted within a year. The second run will be doubled to 10,000.

The pamphlets, which have the Kiwanis emblem printed on the back, were distributed not only to schools and other local organizations, but also to crisis centers throughout North America.

Because of the increased awareness of suicide among young children, the center is updating its pamphlets to include a section that refers to children ages five to fourteen. Ross says educators are also becoming more aware of suicide among children because more teen-agers are admitting that they attempted suicide when they were younger, even though at the time the incidents were not recognized as suicide attempts.

The center receives about 2,000 calls a month on its crisis hotline. A few years ago, 7 percent of those calls were from young people; today, the figure has risen to 25 percent, according to Ross.

Although the Kiwanis clubs have been involved with the center for only two years, Kiwanians have served on the center's board of directors for almost ten years, according to David Thomas, a member of the Kiwanis Club of San Mateo who currently is a center board member.

Howard Samuel, a San Mateo Downtown club membrer, has volunteered at the center for eight years. "It's tremendous to be involved with such a fine center that helps so many people," he says.

For more information about the center's youth suicide prevention program, write to: Suicide Prevention and Crisis Center, 1811 Trousdale Drive, Burlingame, California 94010.—Charity Cicardo●

5 YEARS OF SOVIET GENOCIDE IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, 5 years of brutal conflict and three dramatic changes in leadership have occurred since Soviet military forces burst into Afghanistan on Christmas Day, 1979. The Russian leadership continues relentlessly in the pursuit of transforming Afghanistan into a Communist satellite, if not in fact the next "republic" to be annexed by the Soviet empire.

For half a decade Soviet troops have been waging war of genocidal proportions in order to secure the annexation of this once independent, inoffensive and neutral country. And for half a decade they have been unsuccessful. At the cost of 1 million dead Afghans and many thousands of Soviet casualties, the Soviets can claim to control no more than 20 percent of the country; in the cities, Russian soldiers dare not venture out at night. Clearly, those who believe that the Afghan freedom fighters haven't the will to resist Soviet domination are mistaken.

At the same time, however, there are those who would "pooh-pooh" the murderous Soviet occupation of Afghanistan, those who would shrug off the barbaric atrocities committed there by Soviet troops, and they too are mistaken. Mr. President, all too often are we entertained with various geopolitical excuses for the Soviet invasion—that the Russians were simply paranoid, that the invasion was defensive in nature, that Afghanistan would be Russia's Vietnam. In the March 28 edition of the Washington Times, nationally syndicated columnist Joseph Sobran argues forcefully that those rationales simple do not wash.

To the argument that the Soviet invasion was defensive or steeped in paranoia, Mr. Sobran counters with the precedent which was set for Afghanistan by the conquest of Turkic- and Persian-speaking Moslem domains such as Uzbekistan and Tadzhikistan in central Asia in the 1920's. As for the argument that Afghanistan will be Russia's Vietnam, Mr. Sobran argues, as I myself have pointed out recently, that the Soviet leadership does not intend to permit the various social and political forces which hastened the American departure from Vietnam do the same for the Russians.

Mr. President, Sobran's article, "What Afghanistan Taught Carter About the Soviets," concludes by noting that the lesson of the Afghan invasion may have been lost upon this administration. Indeed, it is difficult to escape this conclusion when one considers the relatively low priority which the administration has placed upon effecting a Soviet withdrawal. It is my hope, however, that the lesson about Soviet behavior which the Afghan invasion so blatantly teaches will not have been lost upon President Reagan, and that we can expect more aggressive support for the Afghan people.

I ask that Mr. Sobran's article be included in the RECORD following my remarks.

The article follows:

[From the Washington Times, Mar. 28, 1985]

WHAT AFGHANISTAN TAUGHT CARTER ABOUT THE SOVIETS

(By Joseph Sobran)

It was unedifying to see Jimmy Carter on "60 Minutes" trashing Ronald Reagan, in the most vindictive terms an American ex-president has used about a successor lately. Nobody ever called Mr. Carter classy.

But there is one respect in which Jimmy Carter did outshine Mr. Reagan: He took Afghanistan seriously. In fact he confessed at the time the Soviets invaded that pitiful country that he had lost any illusions he had entertained about the Soviet system.

You may fairly ask why a grown man should have had such illusions, but it was typical of Mr. Carter to admit the truth. The Soviets really shocked him in that peculiar moral core of his, and he reacted by imposing the grain embargo Mr. Reagan was later to lift. Let anyone who is tempted to call Jimmy Carter a "wimp" recall that episode.

More than five years later, after three changes of head of state, the Soviets are still pounding Afghanistan with colossal ruthlessness.

Within weeks of the invasion, the predictable batches of excuses were forthcoming. The Soviets were simply "paranoid," the invasion was from their point of view "essentially defensive," Afghanistan would prove to be "the Soviets' Vietnam."

The Vietnam analogy expressed an historical shallowness that passes belief. The Soviet regime doesn't have to cope with a free and critical press, an opposition party, or any of the other factors that made the U.S. effort in Vietnam so ultimately wasteful.

The Vietnam War was a typical Great Society program: An ill-defined problem was addressed by pouring resources into a specific pocket, with little thought for the larger picture. The Soviets always act with reference to that larger picture. So the real analogy is this: As Vietnam was the perfect emblem of American muddleheadedness, so Afghanistan is the perfect emblem of Soviet constancy of purpose.

One journalist who understands all this is Richard Bernstein of The New York Times. He writes: "To read the history of such Soviet Socialist Republics as Uzbekistan and Tadzhikistan is to see close parallels to what is happening in Afghanistan. Turkic- or Persian-speaking Moslem domains in Central Asia were conquered toward the end of the 19th century as Russia expanded inexorably southward and eastward. The czars were content to leave the local pattern of lives untouched, but after the triumph of Leninism in 1917, the new Communist rulers tried to install Communist parties in Central Asia. This provoked a bitter war. In Uzbekistan, one Soviet writer complained that the guerrillas were men on horseback who 'dissolved in the neighboring villages literally before the eyes of our troops.' In Tadzhikistan, it took the Soviet armies five years to crush the opposition and another five years to quell peasant resistance to such Stalinist initiatives as forced collectivization.

This war is even more bitter, Mr. Bernstein continues. The natives are resisting more furiously and the invaders are attacking more brutally than in the earlier wars. As many as a million Afghan "rebels," as it is now conventional to call these people who are fighting to keep their own country, have been killed. Two million have crowded into refugee camps in Pakistan. The Soviets are doing their best to make huge areas of Afghanistan simply uninhabited, whether by slaughtering the natives or by driving them out.

The point is not so much what the Soviets have already done as what they have continually proven themselves willing to do. In Shakespeare's phrase, there is no more mercy in them than there is milk in a male tiger.

The Afghan refugees don't snicker when someone calls the Soviet Union an "evil empire."

Yet the West persists in missing the point. A Time magazine blurb blandly informs us that Mikhail Gorbachev's "priority" will be to "reform" the "troubled" Soviet economy. The writer evidently assumes that the Soviet regime, like other governments, routinely divides its energies between a utilitarian domestic policy, aimed at producing the most refrigerators for the greatest number, and a trouble-free foreign policy aimed at avoiding nuclear war and holding onto its possessions.

The idea that a regime might actually seek new possessions—that this in fact might be its raison detre—doesn't occur to Time's writer.

The Soviets aren't interested in producing a high standard of living for their modern serfs. The idea that they are should be laughable by now. Jimmy Carter may have seemed risible for remaining ignorant for so long, but at least he was learning.

The Reagan administration should be insisting on the importance of Afghanistan, not only as a horrible reality but as a symbol of Soviet intentions. It is amazing that a professedly anti-Communist president should oblige the Soviets by treating one of the monstrosities of our time as a side issue. It belongs on center stage—at the United Nations, in Geneva, wherever American and Soviet diplomats face each other.●

FRINGE BENEFITS FOR SPECIALLY EQUIPPED VEHICLES

● Mr. PRYOR. Mr. President, I am pleased to report to the Senate today that this morning the Finance Committee ordered the Department of the Treasury to modify the pending regulations in the area of fringe benefits as they relate to certain specially-equipped vehicles. As most Members of the Senate are aware, earlier this year I introduced S. 281, a bill that would have provided that certain public safety vehicles qualified as a

working condition fringe, and were therefore, not taxable to the employee.

S. 281, Mr. President, was designed to carry out what I believe was our intent when we passed the fringe benefit statutes last year. In my opinion, we didn't intend for policemen, firemen, ambulance and schoolbus drivers to have income imputed to them on the use of those types of vehicles. However, under regulations issued by the Internal Revenue Service [IRS] these people were going to have to have an additional $3 per day included in their income for tax purposes. This was very simply the wrong result. The action taken by the committee today, which is in the nature of report language, will ensure that the intent of Congress, as expressed in S. 281, is carried out.

Under the report language, the Secretary of the Treasury is required to modify the regulations so that the following vehicles to be tax-free to the employee as a working condition fringe:

(a) Marked police and fire vehicles;
(b) Ambulances;
(c) School buses;
(d) Dump trucks;
(e) Tractors;
(f) Cement mixers;
(g) Refrigerated trucks; and
(h) Specialized utility repair trucks.

Mr. President, I am very pleased that this will be done by modifications to the pending regulations. I have maintained for quite some time that this was not intended. Our police officers, State troopers, deputies, and others involved in protection of public safety should not be taxed on any of the use of that vehicle, and they also should not be required to keep any records. These men and women work many, many hours and they risk their lives for the citizens of our communities. Allowing them to drive these vehicles protects the public safety, and more importantly, allows them to respond to emergencies in a very prompt fashion. This change is a good one, and one that will be very helpful to many thousands of law enforcement officials and others who were confronted by this matter.

I appreciate the action of the committee, and I thank all of my colleagues in the Senate who joined me in this effort.●

CORRECTION IN REPORT ACCOMPANYING S. 408, SMALL BUSINESS ADMINISTRATION PROGRAM AUTHORIZATIONS FOR FISCAL YEARS 1986, 1987, AND 1988

● Mr. WEICKER. Mr. President, during committee consideration of S. 408, the committee adopted two amendments making certain programmatic changes in SBA's Loan Guarantee Program. The proposals included an increase in the borrower's fee in the 7(a) Guaranteed Lending Program from 1 to 2 percent for loans which exceed 1 year, and a reduction from 90 percent to 80 percent of the maximum SBA guaranteed portion of these loans.

These changes resulted in budget authority and outlay savings in SBA's Business Loan and Investment Fund. S. 408, as reported, failed to reduce the authorization levels to reflect these savings. When the Senate considers S. 408, I intend to offer technical and conforming amendments to reflect the committee actions of March 26, 1985. Specifically, the amendment would reduce the budget authority in the business loan and investment fund as follows:

[In millions of dollars]

Fiscal year:	
1986	322
1987	343
1988	346

I have asked the Congressional Budget Office to reestimate S. 408 with the inclusion of these technical amendments. Furthermore, CBO has recalculated the savings derived from reducing the maximum guarantee fee and made a minor accounting error in their cost estimate printed in the committee's report. With the inclusion of these technical amendments and CBO's recalculations, the total savings achieved by S. 408 over a 3-year period would be $14 million lower in budget authority and $14 million lower in outlays, than previously reported. The total savings achieved by S. 408, with the technical amendment, is $1.1 billion in budget authority and $851 million in outlays over the next 3 fiscal years.

TOTAL SAVINGS FROM CBO'S CURRENT POLICY BASELINE

[In millions of dollars]

	1986	1987	1988	Total
Budget authority	256	246	598	1,100
Outlays	233	314	304	851

Mr. President, I ask that the revised charts that appear on pages 4 and 5 of the committee report be printed at this point in the RECORD, along with the revised CBO cost estimate letter which appears on pages 51 through 56.

The material follows:

SMALL BUSINESS ADMINISTRATION BUDGET

[CBO'S current policy baseline]

CBO reest. baseline	1985		1986		1987		1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Salaries and expenses	234	272	243	299	248	322	253	331
Pollution control	0	6	0	4	0	4	0	3
Business loan and investment fund	484	461	523	510	531	526	541	531
Surety bond	9	15	12	14	16	15	15	16
Lease guarantee	0	1	0	1	0	1	0	1
Disaster loan	0	−232	0	−127	0	171	460	276
Interest paid to Treasury	−370	−370	−350	−350	−344	−344	−338	−338
Total, on-budget	357	153	428	351	451	695	931	820
Federal Financing Bank, SBIC	194	103	203	83	212	63	220	43
Federal Financing Bank, 503	291	285	304	296	317	307	331	320
Frderal Financing Bank, development	0	−10	0	−10	0	−10	0	−10
Total, off-budget	485	378	507	369	529	360	551	353
Total unified budget	842	531	935	720	980	1,055	1,482	1,173

S. 408 AUTHORIZATIONS

With tech. amendment S. 408 reported	1985		1986		1987		1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Salaries and expenses			210	275	214	290	218	293
Pollution control			0	4	0	4	0	3
Business loan and investment fund			322	382	343	334	346	346
Surety bond			12	14	16	15	15	16

S. 408 AUTHORIZATIONS—Continued

With tech. amendment S. 408 reported	1985		1986		1987		1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Lease guarantee			0	1	0	1	0	1
Disaster loan			0	−186	0	103	114	213
Interest paid to Treasury			−350	−350	−334	−344	−336	−336
Total, on-budget	0	0	194	140	228	402	357	536
Federal Financing Bank, SBIC			194	74	202	55	211	38
Federal Financing Bank, 503			291	283	304	294	316	305
Federal Financing Bank, development			0	−10	0	−10	0	−10
Total, off-budget	0	0	485	347	506	339	527	333
Total unified budget	0	0	679	487	734	741	884	869

SAVINGS ACHIEVED BY S. 408

[From CBO's current services baseline]

S. 408 (reported with tech.)—CBO baseline	1985		1986		1987		1988	
	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay	Budget authority	Outlay
Salaries and expenses			−33	−24	−34	−32	−35	−38
Pollution control			0	0	0	0	0	0
Business loan and investment fund			−201	−128	−188	−192	−195	−185
Surety bond			0	0	−1	−1	−1	−1
Lease guarantee			0	0	0	0	0	0
Disaster loan			0	−59	0	−68	−346	−63
Interest paid to Treasury			0	0	0	0	2	2
Total, on-budget			−234	−211	−223	−293	−574	−284
Federal Financing Bank, SBIC			−9	−9	−10	−8	−9	−5
Federal Financing Bank, 503			−13	−13	−13	−13	−15	−15
Federal Financing Bank, development			0	0	0	0	0	0
Total, off-budget			−22	−22	−23	−21	−24	−20
Total savings, S. 408 (with tech. amend)			−256	−233	−246	−314	−598	−304
Savings breakdown:								
Increase guar. fee for 7(a) By 1%			−10	−10	−19	−19	−20	−20
Reduce max. guar. for 7(a) To 80%			−1	−1	−6	−6	−21	−21
Total savings from these amendments			−11	−11	−25	−25	−41	−41

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill Number: S. 408.

2. Bill Title: A bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

3. Bill Status: As reported by the Senate Committee on Small Business, March 26, 1985, and reflecting proposed technical amendments.

4. Bill Purpose: S. 408 would establish program levels for fiscal years 1986 through 1988 for the business programs administered by the Small Business Administration (SBA). It would also authorize appropriations for administering and funding these activities.

Beginning in 1986, this legislation would reduce from 90 percent to 80 percent the maximum amount of an SBA guarantee for general business loans. It would also increase the guarantee fee for these loans from 1 percent to 2 percent. Section 5 would require that SBA commit all available funds for guaranteed loans if sufficient qualified borrowers apply.

S. 408 would authorize the appropriation of such sums as may be necessary to operate the disaster loan program for fiscal years 1987 and 1988. It would also eliminate nonphysical disaster loans after fiscal year 1985. These loans are now capped at $100 million in new annual obligations through fiscal year 1986.

5. Estimated cost to the Federal Government: The following table summarizes the total on- and off-budget impact of S. 408, relative to spending levels if no legislation were enacted.

TOTAL ON- AND OFF-BUDGET

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
Authorization level:					
Specified	544	572	579		
Estimated	282	476	553	394	190
Total authorization	826	1,048	1,132	394	190
Estimated outlays	552	1,458	1,684	129	−108

The basis of estimate provides further detail on the budget impact of this bill, and compares spending levels under S. 408 with the CBO baseline projections.

This bill would authorize SBA loan guarantees of $3.4 billion in 1986, $3.6 billion in 1987, and $3.7 billion in 1988. These guarantees represent contingent liabilities of the federal government.

For many government activities, the costs and outlays are identical. For loan programs, however, the costs differ from outlays, and include administrative expenses and loan defaults, offset by fees and interest income. The costs of S. 408 are summarized separately below:

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
Estimated costs	309	355	469	605	659

Basis of estimate: S. 408 would authorize the following program levels for the loan programs administered by the SBA:

PROGRAM LEVELS

[By fiscal years, in millions of dollars]

Programs	Direct loans			Guaranteed loans		
	1986	1987	1988	1986	1987	1988
7(a) general business				2,650	2,766	2,882
Handicapped	20	21	22	5	5	6
Economic opportunity				60	63	65
Energy				15	16	16
Development company				450	470	489
Investment company	41	43	45	250	261	272
Veterans	25	26	27			
Total	86	90	94	3,430	3,580	3,730
Surety bond				1,115	1,164	1,213
Pollution control				150	157	163
Disaster	[1] 500	[2] 960	[2] 1,001			

[1] The disaster loan program is already authorized for 1986 for 1986 at a level of $600 million. This bill would eliminate non-physical-disaster loans, which account for $100 million of the authorization.

[2] Estimate based on historical data.

The authorization levels shown in this estimate include amounts specifically authorized in the bill, estimated payments for loan guarantee defaults, estimated disaster loan appropriations, and estimated Federal Financing Bank (FFB) loans made under investment and development loan guarantees. The specific authorizations are summarized in the following table.

AUTHORIZATION LEVELS

[By fiscal years, in millions of dollars]

	1986	1987	1988
Salaries and expenses[1]	210	214	218
Business loans and investments	322	343	346
Pollution control b[2]			
Surety bond guarantee	12	16	15
Total	544	572	579

[1] The bill also authorizes the transfer of unobligated funds from the disaster loan fund to the salary and expense account to administer the disaster loan program, and for other purposes. CBO estimates that $70 million, or the 1985 appropriated level, would also be transferred in 1986, and approximately $73 million in 1987 and $76 million in 1988 would be available for this purpose. The transfer of unobligated balances does not affect budget authority but does increase outlays in each of the fiscal years 1986 through 1990.

[2] No appropriations are authorized for this program; application fees and other income has historically been sufficient to meet the expenses of the program.

Note: Details may not add to the totals due to rounding.

For purposes of this estimate, it is assumed that the entire amounts authorized in S. 408 will be appropriated to the beginning of each fiscal year.

SBA makes an annual interest payment to the Treasury based on its outstanding disbursements for direct loans. The payment to the Treasury reflects disbursements from the business and disaster loan program in 1986, 1987, and 1988. Because the interest payment represents an outlay to SBA but a receipt to the Treasury, it has no net budget impact. In addition, interest is paid to the Treasury on the direct loans made by the FFB. The figures in the cost estimate tables for function 900 are the estimated Treasury receipts from SBA and the FFB related to loans authorized by S. 408.

Business programs: Outlays for SBA direct and immediate participation loans are calculated by assuming that these loans are disbursed over a two-year period based on SBA historical disbursement rates. The repayment schedule is derived from amortization tables. Because the bill would increase the guarantee fee charged on 7(a) loans from 1 percent to 2 percent, it is estimated that SBA revenue would increase by approximately $10 million in 1986, $19 million in 1987, $20 million in 1988, and $10 million in 1989, assuming the 7(a) guarantee levels authorized in the bill.

The estimated on-budget authorization level for function 370 in 1989 and 1990 ($339 million and $389 million, respectively) reflects estimated net additional resources required to fund remaining expenses, primarily defaults on loan guarantees, resulting from the authorizations provided in the bill. SBA purchase of guarantee loans that have defaulted is assumed to occur in the first through sixth years after disbursement by the bank, at rates consistent with historical experience. Beginning in 1986, the estimated gross repurchase rate for 7(a) guaranteed loans was adjusted downward to reflect a reduction (from 90 percent to 80 percent) in maximum SBA exposure for these loans.

Outlays for salaries and expenses and the surety bond program are assumed to follow historical patterns. Estimated outlays in the pollution control program are estimated at zero, assuming that fee collections will offset program expenses, primarily bond defaults.

The bill would authorize $700 million in 1986, increasing to $761 million in 1988, for investment and development company loan guarantees that are financed by the off-budget Federal Financing Bank (FFB). These FFB loans are made to small business investment and development companies to provide equity capital for small businesses. The off-budget authorization levels in the table below reflect gross disbursements of such loans, while the estimated outlays reflect estimated disbursements less repayments.

A summary of the budget impact of the business programs authorized by S. 408 is shown below.

BUSINESS PROGRAMS

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
On-budget:					
Function 370:					
Authorization level:					
Specified	544	572	579		
Estimated				339	389
Total Authorization	544	572	579	339	389
Estimated outlays	329	442	588	404	369
Function 900: Treasury interest receipts	−30	−86	−148	−165	
Off-budget:					
Function 370:					
Estimated authorization level	282	506	527	221	
Estimated outlays	282	482	467	−98	−91
Total on-and off-budget:					
Authorization level:					
Specified	544	572	579		
Estimated	282	476	441	412	224
Total authorization	826	1,048	1,020	412	224
Estimated outlays	611	895	969	158	113

Disaster loans: The SBA disaster loan fund provides funding for physical and non-physical disasters. Under current law, new physical disaster loan obligations are capped at $500 million for 1986, while annual new non-physical disaster loan obligations are capped at $100 million. The baseline for this program in subsequent years is estimated using loan demand for an average disaster year, which is calculated using 15 years of historical data adjusted for inflation.

The table below shows the estimated budget impact of the disaster loan provisions of S. 408, including Treasury receipts. These figures have been estimated relative to a program level in which no new disaster loan obligations are authorized after fiscal year 1986. Under S. 408, only physical disaster lending would be authorized; the non-physical loan program would be discontinued. As a result, the 1986 loan level would be $500 million, $100 million less than previously authorized. Estimated loan levels in 1987 and 1988 are $960 million and $1,001 million, respectively. It is estimated that no appropriations would be required in 1986 and 1987 to meet these loan levels, because sufficient unobligated balances would be available to the fund.

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
Disaster loans:					
Estimated authorization level			114		
Estimated outlays	−59	563	717	−11	−187
Treasury Interest Receipts			−2	−18	−34

Summary: The following table shows the total estimated budget authority and outlays for SBA programs under S. 408, including outlays resulting from prior years' obligations and Treasury receipts related to SBA loans and guarantees. These figures include both on-budget and off-budget accounts. A comparison with the CBO baseline is also provided.

[By fiscal years, in millions of dollars]

	1986	1987	1988
CBO baseline:			
Estimated budget authority	935	980	1,482
Estimated outlays	720	1,055	1,173
S. 408, as reported with proposed technical amendments:			
Estimated budget authority	679	734	884
Estimated outlays	487	741	869
Difference:			
Estimated budget authority	−256	−246	−598
Estimated outlays	−233	−314	−304

6. Estimated cost to State and local governments: S. 408 would authorize SBA to issue guarantees of $450 million in 1986, $470 million in 1987, and $489 million in 1988 on debentures issued by qualified state or local development companies. These SBA guaranteed debentures are then sold to the FFB for financing up to 50 percent of the total project cost.

7. Estimated comparison: None.

8. Previous CBO estimate: On March 29, 1985, CBO prepared a cost estimate for S. 408, as ordered reported by the Senate Committee on Small Business, March 26, 1985. This cost estimated differs from the earlier one in that it reflects proposed technical amendments that would reduce the authorization level for the SBA programs in 1986, 1987, and 1988.

9. Estimate prepared by: Mary Maginniss and Paul DiNardo.

10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.●

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call roll.

Mr. COCHRAN. Madam President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. Without objection, it is so ordered.

EMERGENCY AFRICAN FAMINE RELIEF SUPPLEMENTAL—CONFERENCE REPORT

Mr. COCHRAN. Madam President, I submit a report of the committee of conference on H.R. 1239 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency relief and recovery in Africa, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 27, 1985.)

Mr. COCHRAN. Madam President, I am very pleased that we finally have before us the conference report on the urgent supplemental appropriations bill for emergency famine relief in Africa. The food and supplies that will be provided as a result of this legislation are very desperately needed in over 20 countries in Africa.

The conferees met last Wednesday, March 27, and agreed to appropriate an additional $625 million in food aid through title II of Public Law 480, which includes $16 million in unobligated Commodity Credit Corporation [CCC] balances, and $175 million for disaster and refugee assistance programs administered by the Agency for International Development [AID] and the Department of State. In addition, since the funding levels are somewhat higher than the amounts requested, the conferees agreed to allow additional time in which to obligate the funds and to deliver the commodities to Africa.

Madam President, of the amount provided under title II of Public Law 480, an emergency reserve of $225 million to remain available through fiscal year 1986 was created. The President will have the responsibility for release of these reserve funds.

The conference agreement also provides for the distribution of equal amounts of wheat and dairy products under the section 416 program. Under this program, the Secretary of Agriculture is authorized to use surplus dairy and wheat products which are stored in Government warehouses for donations to needy people overseas. It is expected that USDA will distribute some 200,000 metric tons of these commodities during calendar year 1985. Language was also added to the conference agreement which will require the rapid and effective distribution of these commodities without the intervention of the Government of Ethiopia.

This action taken by the conferees will ensure that the U.S. Government will be able to meet its commitment to the famine relief effort and that the maximum amount of funding which could be obligated will be available.

Madam President, I would like to commend the distinguished chairman of the Appropriations Committee, Senator HATFIELD, and my colleagues on the Appropriations Committee who contributed so much to the consideration of this vital legislation. I am referring specifically to Senators KASTEN, STENNIS, INOUYE, and BURDICK, who also provided needed assistance in the negotiation of the conference agreement. I urge the Senate to support the conference report so that this food and recovery assistance defined in the report can be provided to those countries in Africa without any further delay.

Mr. BURDICK. Madam President, I am extremely pleased that we are finally reaching the final passage of this most necessary aid to Africa. We all know and understand the urgency of this legislation and the important element is not so much the amount of aid that we are sending, but that we send the aid immediately.

I just returned from the Interparliamentary Union meeting in Togo, Africa. I had an opportunity to visit with delegates from many different countries, and I can tell you that the urgency of the plight of many Africa countries was foremost in everyone's mind. Millions of Africans have either died of starvation, or are facing immediate starvation. It is our moral obligation, without regard to any other consideration, to help these people who are in such desperate need.

We have all been made aware, Madam President, that there is a long-term food problem in Africa which we must address in the future. We can, and we will, tackle long-term approaches to this situation in the coming months. But our concern today is alleviated only by providing direct food and financial assistance. No amount of planning will bring back to life the children who are starving today and the children who will starve tomorrow.

We have a surplus of food in this country. This legislation contains authority for the Secretary of Agriculture to make available 200,000 metric tons of agricultural commodities which have been acquired by the Commodity Credit Corporation. Fifty percent of these commodities are to be in the form of wheat or wheat products. I believe there is no more appropriate use for these commodities at this time and it is my fervent hope that the Secretary of Agriculture will take advantage of this authority as soon as this legislation is passed into law.

Madam President, some Members of Congress have raised the concern—and it is a well-founded concern—that the aid we are sending to Africa, and specifically Ethiopia, is not reaching the people who are most in need. The language of this bill, and the legislative history accompanying it, ensures that the aid will reach those for whom it is intended. The bill furthermore provides that the food will be delivered in a timely and efficient manner.

Let us today follow the example set by the American people who have so generously contributed to famine relief organizations, by making a generous contribution from the Federal Government. I urge my colleagues to approve this legislation without delay.

Mr. KASTEN. Madam President, I would like to make just a few comments on the conference agreement as it affects those items under the jurisdiction of the Foreign Operations Subcommittee, which I chair.

As already has been stated, the conference was a very amicable one, and we were able to come to a compromise agreement in a very short period of time.

The conferees agreed that funding provided for international disaster assistance and migration and refugee assistance should be available for approximately 1 year; that is two quarters into the next fiscal year. The House agreed to this extended availability of funding in exchange for the Senate's willingness to drop the cap language included in the Senate bill. The result is that while we are providing the administration with more funding than it requested, we give them more flexibility which will thus result in the legislation securing a signature.

The conferees also modified the requirement for a 5-day notification on international disaster assistance so that that notification may be waived in life threatening circumstances which require immediate action. While we made this modification, the conferees included strong report language that it does not expect that the waiver will be utilized except where absolutely necessary, and if it is utilized, the administration must report immediately on the reasons why and also provide a detailed account of the use of the funds.

The conferees agreed with the Senate language which provides that the funds may be used only for Africa, language which is intended to prevent waivers available under the Foreign Assistance Act from being used to make these funds available for other purposes.

Madam President, I would once again like to thank a number of my Senate colleagues who played a constructive role in the development of this legislation, especially the senior Senator from Massachusetts [Mr. KENNEDY]. Also, I would like to thank my ranking member, Senator INOUYE, and the chairman of the full committee, Senator HATFIELD, for their leadership.

Mr. KENNEDY. Madam President, I am pleased to join my colleagues today in giving final congressional action in support of this bipartisan response to the urgent need for famine relief in Africa.

As one who has recently visited the field, I can say firsthand that this urgent supplemental appropriations is, in fact, urgently needed. Millions of men, women, and children across the African continent face one of this century's worst famines, caused by drought, conflict, and years of agricultural decline.

Again, I want to commend the chairman of the Appropriations Committee,

Senator HATFIELD, and Senator COCHRAN, for moving expeditiously on this conference report within hours of House action. He has been true to his commitment to move this legislation forward as rapidly as possible, so as to avoid any life-threatening interruption in the U.S. food assistance pipeline. I also want to commend him for giving the assurance that if more assistance for Africa is needed in the months ahead, he is prepared to respond once again—to make certain that the United States maintains its life-saving leadership in meeting 50 percent of the unmet food needs in Africa.

I also want to acknowledge the important contributions of the Senator from Wisconsin, Senator KASTEN, who is chairman of the Foreign Operations Subcommittee. Earlier, I had the privilege of joining him in introducing a bill that would have given extraordinary flexibility to the President in responding to the escalating food and relief needs in Africa.

But I agree with him today, that on the basis of the information presented at the special United Nations Conference on the Emergency Situation in Africa, which was convened last month in Geneva, the appropriations contained in this conference report will be adequate if they are fully utilized by the administration for the remainder of this year.

Madam President, I had the privilege to be the congressional member of the U.S. delegation to the U.N. Conference—which was headed by Vice President Bush—and which brought together more than 100 concerned governments, most represented by their foreign ministers or other high-level officials. During 2 days of general debate, and 3 days of working-level meetings on conditions in the hardest hit countries—such as Ethiopia and Sudan—this Conference served not only to focus the world's attention on the crisis in Africa, but it also provided detailed information on what more the international community needs to do to avert an even greater famine. It also served to strengthen the role of the Secretary-General's newly created Office for Emergency Operations in Africa, headed by Brad Morse, and to underscore the need for better coordination within the U.N. system in responding more effectively to the African crisis.

As outlined by the U.N., the unmet food and relief needs in the affected countries of Africa for the remainder of this year is approximately $1.5 billion. What we are appropriating in this conference report will clearly bring our total funding to the level we have committed ourselves—namely, to 50 percent of the unmet food and relief needs in Africa.

Madam President, in this connection, I was gratified to read a press account of Brad Morse's preliminary report on the results of last month's Conference in Geneva, in which he indicated that more than half, and perhaps two-thirds, of the outstanding needs in Africa have now been pledged by the international community. This is a fine tribute to the success of the Conference and the work of the United Nations.

The conference report we are moving forward this afternoon—following its adoption by the House earlier—will guarantee the success of this international effort, and I am pleased to join with my colleagues in clearing it for the President's signature.

Mr. DOMENICI. Madam President, I rise in support of the African famine relief supplemental appropriation conference agreement now before us.

I would like to commend my distinguished colleague, Chairman HATFIELD, and the Senate and House conferees for completing this bill to provide emergency food and disaster assistance to help the African people recover from devastating drought and famine.

H.R. 1239 provides $0.8 billion in budget authority and $0.3 billion in outlays for fiscal year 1985 famine relief and recovery assistance to Africa.

Madam President, I would note that this conference agreement provides resources substantially above current estimates of need. However, the administration indicates that, as required by title II of the bill, it will ensure that no funds will be obligated that cannot be effectively used.

We must ensure that food and recovery assistance are provided to the African people suffering from famine and drought in the most effective and efficient manner possible.

With congressional action to date and possible later requirements taken into account, the Senate Appropriations Committee is $4.6 billion in budget authority and $1.3 billion in outlays below its section 302(a) allocation under the budget resolution for fiscal year 1985.

Madam President, I ask unanimous consent that a table showing the relationship of the conference agreement, together with possible later requirements, to the congressional budget and the President's budget request be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS—CONFERENCE AGREEMENT (SENATE APPROPRIATIONS COMMITTEE STATUS)

[In billions of dollars]

	Fiscal year 1985	
	Budget authority	Outlays
Action to date by Appropriations Committee [1]	553.3	542.3
H.R. 1239, emergency famine relief and recovery in Africa, conference agreement	.8	.3
Possible later requirements	3.6	2.7
Adjustment to conform mandatory programs to budget resolution assumptions	−2.3	−.3
Appropriations Committee total	555.4	544.9
Committee 302(a) allocation [2]	560.0	546.2
Committee total compared to committee 302(a) allocation	−4.6	−1.3
H.R. 1239, Senate-passed	.7	.3
H.R. 1239, House-passed	.9	.3
H.R. 1239, President's request	.2	.2

[1] Includes enacted regular appropriation bills, the continuing resolution, and other prior actions.
[2] Committee 302(a) allocation under budget resolution for fiscal year 1985 (H. Con. Res. 280).
Note: totals may not add due to rounding.

The PRESIDING OFFICER. Is there any further debate?

Mr. MELCHER. Madam President, when the bill was before the Senate I offered an amendment to the bill to provide that section 416 would be utilized as part of the African aid that we are going to provide during the balance of this fiscal year and into the next fiscal year. Up until the acceptance of the amendment, only Public Law 480 was being used in the bill for the food donations. By adding section 416 with my amendment, we assured the possibility of its use, and there are several reasons for doing that.

First, section 416 is more flexible than is Public Law 480. Briefly, the private voluntary organizations that apply through either Public Law 480 or section 416 for food donations from the United States have to have those applications considered by AID, which looks to three separate groups—a representative of AID, a representative of the Office of Management and Budget, and a representative of the Department of Agriculture—to review the specific applications and to grant their approval. Once that is done, the food aid then becomes available to that particular private voluntary organization.

Section 416 in many cases is preferred to Public Law 480. There are reasons for that. Section 416 permits donation, barter, or reduced prices for dairy and wheat commodities in the United States to be distributed by the private voluntary organizations in the particular countries for which they are applying. Section 416 also permits some monetization. What that means is that a portion of the commodity can be sold on the open market in that particular country to cover some or all of the cost of processing the particular commodity, the distribution of that commodity within the country, and the incidental costs that go with the

distribution of the commodity or running a food program such as is done in Africa. The monetization amount is looked at on a case-by-case basis by our people in Washington and then the decision is made on how much could be monetized. It is a practical means of allowing for the operation of the private voluntary organization to make sure that the food distribution is carried out and carried out in a timely manner.

Section 416 has been used for African aid over the past year. I am advised that $61 million in dairy products have been distributed in Africa utilizing the section 416 method. However, no wheat up until this time has been involved in section 416 applications for African relief. I am not sure why that is true because certainly, there is plenty of wheat available in CCC hands for utilization through section 416.

The March 1 CCC commodity inventory showed that there were 375 million bushels in CCC hands—that is, owned by the Federal Government and stored by the Federal Government—plus 675 million in farmer-owned reserve. Only the 375 million bushels would be available through section 416 for food aid programs, but that is a vast amount of wheat, and the amount that the CCC will have during the coming months will become even larger as we approach the next harvest season.

I hope that the amendment that we adopted here before and was slightly modified by the Congress will be adhered to by AID. And I repeat this triumvirate of OMB, AID, and Department of Agriculture must approve these applications.

I hope that the triumvirate complies with the amendment for the provision of section 416 aid. The amendment as modified by the conferees says that not more than 200,000 metric tons of agricultural commodities will be made available for the African nations on the basis of donations.

There is a couple of provisos, only the first of which I will mention, and that is this proviso: That 50 percent of the commodities made available under this sentence shall be in the form of wheat or wheat products. That means that of the commodities that are available under section 416, which are dairy and wheat, half of them will be wheat.

Now, that particular proviso is in there for a purpose, to make sure that private voluntary organizations are aware that they can apply for wheat or wheat products from the CCC under section 416.

I might point out that we carried the language in the sentence preceding that, that the CCC shall make available through these private voluntary organizations this donation for African nations requiring emergency food assistance throughout this calendar year.

I would ask the manager of the bill, my good friend from Mississippi, if he will respond to a question at this point.

Mr. COCHRAN. Mr. President, I am happy to try to respond to the Senator's question.

Mr. MELCHER. Madam President, I would ask that the distinguished Senator from Mississippi respond to this question: Is it his intention and the intention of the conferees that the provisions of section 416 be utilized in the manner that I have described for distribution of wheat and dairy products to needy African nations through section 416?

Mr. COCHRAN. Madam President, will the Senator yield to me?

Mr. MELCHER. I am happy to yield.

Mr. COCHRAN. I am happy to respond in the affirmative. I hope, as does the Senator from Montana, the Secretary of Agriculture will be permitted to use the authority which he has under section 416 to make donations of wheat as well as dairy products to needy nations. We approved the suggestion of the Senator from Montana some time ago that wheat be included along with dairy products in this section, and we think that it is a helpful alternative and an additional means by which we can make surplus commodities in this country available to those nations that are not as fortunate as are we to have such a productive agricultural sector.

The Senator offered this amendment when we had the legislation on the floor. It was approved by the Senate. We urged conferees to agree to it. We were happy they did permit this language to be carried forward in the conference report as suggested by the Senator from Montana, although it was revised. But nonetheless, even with the revision, I think it is clear that the intent of the conferees is that wheat and dairy products be donated under section 416 of this program that we have approved to provide famine relief in Africa.

I commend the Senator and thank him for his assistance in developing this legislation. I think it is going to provide some much-needed relief and will indirectly benefit the farmers in our country who have produced the surplus.

Mr. MELCHER. I thank my friend from Mississippi. I think the language is clear, and I am happy that the distinguished Senator from Mississippi interprets the language as I do.

Madam President, the amount of food that we have available for donation to the starving and malnourished in African nations is rather staggering in terms of both wheat and dairy products. I mentioned what wheat was available as of the March 1 inventory. I should also like to mention that as of the same date and the same CCC commodity inventory, we have available 1.152 billion pounds of nonfat dry milk, 699 million pounds of cheese, and 262 million pounds of butter.

Madam President, this is a staggering amount of dairy products and a very substantial amount of wheat in surplus condition in CCC ownership. It is my hope and prayer that we can expeditiously provide these commodities as well as other surplus commodities from the United States for the relief of the famine-stricken countries in Africa and other so inflicted countries throughout the world.

The PRESIDING OFFICER. Is there any further debate?

Mr. DOLE. Madam President, I rise in support of final passage of the conference report on H.R. 1239, the urgent supplemental for African famine relief. The route to this moment has been a long, circuitous one, around the obstacles of potential nongermane amendments. Many of my colleagues on both sides of the aisle would have preferred to have voted on final passage of this urgently needed emergency assistance for sub-Saharan Africa long before now. There are people who are suffering from extreme famine on another continent, who are awaiting the relief that this country has promised to send them. It is the hope of the Senator from Kansas that the President will sign this measure as soon as possible after the Congress has passed this conference report.

SUMMARY OF PROVISIONS

This urgent supplemental provides both food and nonfood aid to Ethiopia, Sudan and other sub-Saharan African countries, devastated by prolonged drought and famine conditions. The agreement reached by Senate and House conferees represents a viable compromise in the funding levels previously endorsed by both Houses of Congress.

This conference report includes $384 million for title II of Public Law 480, the Food-for-Peace Program, to be available through December 31, 1985. It also provides for the use of $16 million in unobligated Commodity Credit Corporation balances. The conferees further underlined their intent by specifying that these commodities be delivered to African nations no later than December 31, 1985. Further, the conference agreement incorporates the House-passed set-aside of up to $100 million that may be spent for inland transportation under certain terms and conditions. In addition, this supplemental contains $175 million for disaster and refugee assistance, which may be extended to March 31, 1986. Also, an emergency reserve of $225 million has been established to provide flexibility in case unforeseeable circumstances occur.

CONCLUDING REMARKS

Madam President, the distinguished chairman and ranking minority member of the Appropriations Committee, Mr. HATFIELD, and Mr. STENNIS, are to be commended for steering this urgently needed supplemental through a most difficult process in order to provide relief to famine victims in sub-Saharan African countries. In addition, I would like to congratulate the distinguished chairman of the Agriculture Appropriations Subcommittee, Mr. COCHRAN, for remaining sensitive to the needs of starving Africans while being responsible to the deficit reduction needs of our own country's economy.

The President has promised to sign this bill as soon as possible, so that the relief measures contained in it can be programmed expeditiously and sent overseas to help alleviate the ongoing famine tragedy afflicting so many African countries. Let's pass this measure today, so that help can be on its way.

Mr. COCHRAN. Madam President, before asking for adoption of the conference report, I might add that I recall one of the first experiences I had in becoming acquainted with the serious famine situation in Africa was a day when the present occupant of the Chair conducted hearings. We had the opportunity to review a report of the Senator from Missouri [Mr. DANFORTH] and look at photographs which he had taken on a recent trip he made to that sub-Sahara area in Africa. I recall at that time the interest expressed by the Senator from Kansas [Mrs. KASSEBAUM] in the situation and her support throughout the development of this legislation. This supplemental provides this needed food aid. I express the appreciation of the committee to the Chair for her important assistance in identifying this need, assessing the need, and arriving at the appropriate level of support to help solve this problem.

Madam President, if there is no further debate, I urge the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. COCHRAN. Madam President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *of which $384,000,000 is hereby appropriated to be available through December 31, 1985, and $16,000,000 shall be derived from unobligated balances in the Commodity Credit Corporation*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: , *to be available only for such purpose and to remain available until March 31, 1986: Provided, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any funds made available under this paragraph, unless the emergency is life threatening and immediate action is necessary*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *notwithstanding any other provision of law,*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: , *to be available only for such purpose and to remain available until March 31, 1986*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

Disposition of Additional Agricultural Commodities Under Section 416 of the Agricultural Act of 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available, through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for calendar year 1985, not more than two hundred thousand metric tons of agricultural commodities: Provided, That 50 percentum of the commodities made available under this sentence shall be in the form of wheat or wheat products: Provided further, That none of the commodities made available for donation under this sentence shall be made available until the Secretary of Agriculture has certified to the appropriate committees of the Congress that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

Mr. COCHRAN. Madam President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 2, 6, 8, 9, and 14 and concur therein.

The motion was agreed to.

Mr. COCHRAN. Madam President, I move to reconsider the vote by which the amendments were agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. COCHRAN. Madam President, I ask that there now be a period for the transaction of routine morning business wherein Senators may speak for a period of not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without ojection, it is so ordered.

ORDER TO VITIATE ACTION ON SENATE JOINT RESOLUTION 44

Mr. DOLE. Madam President, I ask unanimous consent that action taken on Thursday, March 28, on Calendar No. 5, Senate Joint Resolution 44, be vitiated and the joint resolution be placed back on the calendar.

Mr. BYRD. Madam President, reserving the right to object—Madam President, I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR MEASURES TO BE HELD AT DESK

Mr. DOLE. Madam President, I ask unanimous consent that once the Senate receives from the House H.R. 730, Cocopah Indian Tribe, it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that once the Senate receives from the House H.R. 1847, a bill to amend Title 28, United States Code, with respect to the U.S. Sentencing Commission, it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF NOMINATION OF PAUL A. ADAMS

Mr. DOLE, Madam President, as in executive session, I ask unanimous consent that the nomination of Paul A. Adams, to be Inspector General, Department of Housing and Urban Development, be sequentially referred

to the Committee on Banking, Housing, and Urban Affairs; that if and when reported by the Banking Committee, the nomination be referred to the Governmental Affairs Committee for not to exceed 20 calendar days.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Madam President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar: Calendar No. 66, Marianne Mele Hall, Copyright Royalty Tribunal; Calendar No. 67, Frank H. Conway, Department of Justice; Calendar No. 68, James R. Laffoon, Department of Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

Mr. BYRD. Madam President, there is no problem on this side with the request.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

COPYRIGHT ROYALTY TRIBUNAL

Marianne Mele Hall, of New Jersey, to be a Commissioner of the Copyright Royalty Tribunal for the unexpired term of seven years from September 27, 1982.

DEPARTMENT OF JUSTICE

Frank H. Conway, of Massachusetts, to be a Member of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1987. (Reappointment)

James R. Laffoon, of California, to be United States Marshal for the Southern District of California for the term of four years. (Reappointment)

Mr. DOLE. Madam President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Madam President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Madam President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Madam President, I should like to inquire of the minority leader if he is prepared to turn to the Legislative Calendar and pass the following calendar items: Calendar No. 48, House Joint Resolution 188; Calendar No. 49, House Joint Resolution 74.

Mr. BYRD. Madam President, I am happy to inform the distinguished majority leader that those two items have been cleared on this side.

Mr. DOLE. I appreciate that. I ask unanimous consent that the two calendar items just identified be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIR HOUSING MONTH

The joint resolution (H.J. Res. 188) to designate April 1985 as "Fair Housing Month," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

NATIONAL INDEPENDENT RETAIL GROCER WEEK

The joint resolution (H.J. Res. 74) to designate the week of September 8, 1985, as "National Independent Retail Grocer Week," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Madam President, I move to reconsider the vote by which that action was taken.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR WEDNESDAY, APRIL 3, 1985

ORDER FOR RECESS UNTIL 11 A.M.

Mr. DOLE. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Wednesday, April 3, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Further, I ask unanimous consent that following the two leaders under the standing order there be special orders of not to exceed 15 minutes for the following Senators: COCHRAN, ZORINSKY, PROXMIRE, COHEN, and ROCKEFELLER.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 12:30 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Madam President, I would indicate to my colleagues that following routine morning business, it will be the intention of the majority leader to take up the following measures: The Export Administration Act extension, if an agreement can be reached that no floor amendments be in order; Calendar No. 15, S. 413, war risk insurance, also if an agreement can be reached that no floor amendments would be in order; the auto recordkeeping requirements bill reported out of the Senate Finance Committee today, the so-called Abdnor bill; and H.R 1866, Federal Supplemental Compensation Program which I understand the House is acting on at this very moment.

It is quite likely that there will be rollcall votes expected throughout Wednesday's session, possibly two, or three, or more. It had been my hope that we could complete action on all of these matters tomorrow, but it will depend on whether or not Members wish to pursue any particular measure with additional amendments.

It is my understanding there will be an amendment offered by the Senator from Pennsylvania [Mr. SPECTER] to H.R. 1866, which will be a 6-month extension of FSC benefits.

FEDERAL SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Mr. DOLE. Madam President, I am just advised that the House has passed on a voice vote H.R. 1866, the Federal supplemental unemployment compensation measure. I assume that we could dispose of that tomorrow and that might help dispose some of the other items that we would like to pass.

Mr. BYRD. Madam President, if the distinguished majority leader will yield, I share with the distinguished majority leader the hope and belief that once that matter involving Federal supplementary compensation is acted upon, the chances of taking up the war risk insurance measure and the extension of the Export Administration Act would be considerably improved. I hope that would be the case, that we could take this up and not have problems with amendments. I am in no position to assure the majority leader of that at this moment.

Mr. DOLE. As I have indicated, there probably will be at least one germane amendment to the Federal supplemental compensation bill, H.R. 1866. I assume the Senator from Pennsylvania and perhaps the Senator from Michigan may join in an amendment, and there may be others.

SOUTH AFRICA

Mr. KENNEDY. Madam President, as the majority leader knows, several

days ago, Senator WEICKER and I introduced a joint resolution, Senate Joint Resolution 96, to condemn the recent killings in South Africa and to request a report from the Secretary of State.

I have had a number of calls about other matters on the calendar. I want to reiterate to the majority leader that I wanted very much for the Senate to be able to go on record on this aspect of the South Africa issue in a timely way. I am quite prepared—and I know I speak for Senator WEICKER as well—to cooperate with the majority leader in a very brief time agreement for the consideration of that resolution.

I raise this issue with the majority leader again because of the problem of timeliness. I am aware of the actions which have been taken in the Foreign Relations Committee on legislative matters, which will come to the floor of the Senate in the future, and we will certainly have an opportunity to talk about those measures in a timely way. I think that this situation, with respect to the recent killings, calls for Senate action now.

Madam President, I ask unanimous consent that the text of my resolution may be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 96

Whereas apartheid is a system of institutionalized racism that oppresses 23 million black people in South Africa;

Whereas apartheid is a system that can only be maintained by the activities of the South African security forces;

Whereas on March 21, 1985, the South African police opened fire on a crowd of black people in the Eastern Cape area of South Africa, killing at least nineteen individuals and wounding many more;

Whereas these killings have brought the death toll in South Africa during the past year to a total of 244; and

Whereas the Congress desires a full and impartial report on the circumstances of the recent violence;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. The Congress of the United States endorses the statements of the Secretary of State on March 21, 1985, that

(a) the system of apartheid in South Africa is "totally repugnant to the people of the United States;"

(b) these most recent killings "underline how evil and unacceptable apartheid is;" and

(c) this most recent act of violence by the South African police is "deplorable and the people of the United States have nothing except denunciation to say for it."

SEC. 2. The Congress requests the Secretary of State to conduct an independent investigation of the violence in the Eastern Cape during the period of March 21 through 24, 1985, and to submit a report to the Congress by April 30, 1985, on the circumstances relating to the violence, including, but not limited to, the number of people killed and wounded.

SEC. 3. The Congress requests that a copy of this resolution be transmitted by the Secretary of State to the Government of South Africa.

Mr. KENNEDY. Mr. President, the Senate had no hesitancy last week in adopting a resolution on the issue of trade with Japan. We ought to be able to act in a similarly expeditious way to condemn the recent massacre in South Africa. The resolution I have offered uses the language of the Secretary of State, who has condemned the killings on several occasions, and I would hope we could get prompt bipartisan action on the resolution by the Senate.

I reiterate for the record and to the majority leader that I want to see other legislation passed as well, and I would not hold it up, so long as I have a chance to offer my resolution as an amendment to another bill in a timely manner, if it is not possible to act on it as a free-standing resolution.

I am quite prepared to work with the majority leader and the administration, if this is their desire, over the course of the evening to discuss the specific language of the resolution and try to reach an agreement to condemn the killings of March 21.

I wonder whether the majority leader has any reaction to such a possibility.

Mr. DOLE. Madam President, if the Senator from Massachusetts will yield, I am just in the process of reviewing Senate Joint Resolution 96. I know of the Senator's strong feeling and sincere concern as well as that of the distinguished Senator from Connecticut, Senator WEICKER.

I have not discussed this matter personally with the distinguished chairman of the Foreign Relations Committee. I will be pleased to do that. I can do it yet this evening. He happens to be in a meeting in my office, and if there is some way to do it, I would be happy to make that announcement tomorrow morning.

Mr. KENNEDY. That would be entirely acceptable to me, and I appreciate the comments of the majority leader. I have been told by the sponsors of other measures that this may be the last hurdle prior to their consideration. I do not know whether that is so or not.

I would certainly work with the leader to seek expeditious action on other measures which are ready for action.

I thank the majority leader.

I know the chairman of the Foreign Relations Committee and the chairperson of the Subcommittee on Africa who now presides over the Senate are thoroughly familiar with this issue.

I welcome whatever response the majority leader might have.

Mr. DOLE. I thank the Senator from Massachusetts.

I will make inquiries of both my distinguished colleague from Kansas and the chairman of the Foreign Relations Committee.

I have not had the opportunity to discuss this matter with them as yet. It was my understanding that a hearing has been set, is that correct, on Senate Joint Resolution 96 for April 15 or the week of April 15?

Mr. KENNEDY. The hearing in April is for the purpose of considering separate legislation which has been introduced. This legislation, which a number of us offered, includes provisions relating to bank loans and new investment in South Africa, and the sale of South African Krugerrands in the United States.

The chairman of the committee indicated he would hold hearings and gave assurances that there would be an opportunity for a markup on that legislation. But that is a separate issue from the resolution I have offered to condemn the massacre which occurred on March 21, and I would hope the Senate could act on it before we adjourn for the Easter recess.

The report in the Rand Daily Mail of March 26, published in South Africa, is in conflict with the South African Government's explanation, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the Rand Daily Mail, March 26, 1985]

GOVERNMENT'S VERSION OF SHOOTINGS QUESTIONED—CROWD CAUGHT IN CROSSFIRE, SAYS PFP

(By Chris Freimond)

CAPE TOWN.—The Progressive Federal Party yesterday published a comprehensive dossier detailing a significantly different version of last Thursday's Uitenhage shootings to the one given in Parliament by the Minister of Law and Order, Mr. Louis le Grange.

Copies of the dossier were sent to the State President, Mr. P W Botha, Mr. Le Grange, and the Minister of Co-operation and Development, Dr. Gerrit Viljoen.

It will also be sent to the commission of inquiry which has been appointed to investigate the shooting in which Police killed 19 blacks who were marching in a funeral procession in the Langa township near Uitenhage.

The information will be used extensively during a debate in Parliament today and tomorrow.

The dossier was compiled after a visit to Uitenhage on Friday by six PFP MPs: Mrs. Helen Suzman, Dr. Alex Boraine, Mr. Ray Swart, Mr. Errol Moorcroft, Mr. John Malcomess and Mr. Andrew Savage.

It included nine affidavits by witnesses to the shooting, including a number of people who were wounded.

Arising out of the sworn statements which the PFP has received, they alleged the following:

The police prevented people from traveling in motor vehicles to the funeral on Thursday;

The crowd was peaceful and there was no evidence that they carried sticks, spears and petrol bombs;

There was at least one police Caspir armoured vehicle ahead of the crowd and one behind the crowd. Shots were fired from both Caspirs and the crowd was caught in the crossfire;

Evidence was that the first person to be shot and killed was a boy on a bicycle who was closest to the Caspir. This was followed by a fusillade of shots in which both rifles and shotguns were used;

There was no evidence that the crowd had "surrounded" the Caspir and that police were forced to fire in self-defence as claimed in the official version;

There was evidence that the police did not restrict their firing to a single volley, but that the firing continued after the people had begun fleeing;

Allegations were made of the police collecting stones and strewing them among the bodies;

Wounded people at the hospital were under police guard. It was not possible for the public to visit the hospital. Wounded people feared they would be arrested if they went to the hospital for treatment.

The PFP group asked why teargas had not been used, and suggested that the weather on the day of the shooting and the terrain was ideally suited for the use of gas.

The group said it ended its visit to Uitenhage "with feelings of the gravest disquiet over the discrepencies between the official report of the killings and what we ourselves had seen and heard".

At a Press conference in Cape Town shortly after the release of the dossier, Mrs. Suzman said a request for a special parliamentary debate on the shootings had been refused, but the party had been told it would be able to refer to the shootings during the debate today and tomorrow of the white "own affairs" budget.

She said the police at Uitenhage had been unco-operative and had hampered the group's investigations.

"We are all convinced that this was not a riotous situation," she said.

Dr. Boraine said he believed that if the police had not stopped the people from using vehicles to travel to the funeral—which many clearly did not know had been banned—the shooting could have been avoided.

In the official version of the shooting, Mr. Le Grange said police had been forced to open fire on the crowd in self-defense after it refused an order to disperse, had ignored warning shots, had surrounded the police and had started pelting the police with sticks, stones and petrol bombs.

Mr. KENNEDY. Madam President, because of the dispute over the facts, I would hope the Senate request the Secretary of State to inform us as much as possible about that tragedy. This information will be helpful to the Members of this body when we consider the substantive legislation on South Africa in the future.

I thank the majority leader.

Mr. DOLE. Madam President, I know the general concern of the chairman of the Foreign Relations Committee about resolutions being introduced over which his committee would have jurisdiction, being taken up on the floor without appropriate consideration or hearings.

But, in any event, I will consult both Senators and advise the distinguished Senator from Massachusetts sometime tomorrow morning.

RECESS UNTIL 11 A.M., WEDNESDAY, APRIL 3, 1985

Mr. DOLE. Madam President, there being no further business to come before the Senate, I move that the Senate stand in recess until 11 a.m. on Wednesday, April 3.

The motion was agreed to; and, at 6:29 p.m., the Senate recessed until Wednesday, April 3, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 1, 1985, under authority of the order of the Senate of January 3, 1985:

Department of State

Richard Thomas McCormack, of Pennsylvania, to be the permanent representative of the United States of America to the Organization of American States, with the rank of Ambassador.

In the Marine Corps

The following-named Marine Corps Enlisted Commissioning Education Program graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Abelson, Mark D., xxxx
Fisher, Lloyd M., xxxx
Jones, Harold D., xxxx
Latorre Jose A., xxxx
Rossignol, James A., xxxx
Sloat, Barton S., xxxx

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Bushta, Robert E., xxxx
Campbell, Ira L., xxxx
Chadwick, David J., xxxx
Clay, Stephen W., xxxx
Clifton, Ronald M., xxxx
Cooke, James R., xxxx
Hale, Edward E., III, xxxx
Lawrence, Michael L., xxxx
McEvers, Marcia L., xxxx
McImail, James F., xxxx
Neal, Anthony W., xxxx
Riley, Joseph K., xxxx
Thompson, Mary L., xxxx
Vallee, Paul A., xxxx
Wiley, David S., xxxx

The following-named U.S. Naval Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Adamiak, David V., xxxx
Adams, Christopher C., xxxx
Alexander, Marc R., xxxx
Altman, Bern J., xxxx
Armstrong, Robert K., Jr., xxxx
Arnold, Ralph B., xxxx
Adkins, Lemonte A., xxxx
Atkinson, David R., xxxx
Bai, Shawn E., xxxx
Bailey, Jane E.R., xxxx
Baldyga, Jeffrey R., xxxx
Ballard, Daniel W., xxxx
Bamonte, Scott M., xxxx
Barham, Dennis J., xxxx
Barwis, Robert C., xxxx
Bates, Troy R., xxxx
Bellus, Andrew J., xxxx
Benvenutti, Eugene S., Jr., xxxx
Best, Kevin J., xxxx
Blaise, Lauren R., xxxx
Borneman, John R., III, xxxx
Broberg, Brian M., xxxx
Brooks, Kevin S., xxxx
Bryant, Michael E., xxxx
Budway, James E., xxxx
Buehler, Christopher L., xxxx
Cardon, Anthony J., xxxx
Carver, John D., xxxx
Cates, Thomas G., xxxx
Chase, Andrew D., xxxx
Cissel, Robert C., xxxx
Clyborne, Thomas M., xxxx
Coombs, Richard J., xxxx
Cooper, Donald N., xxxx
Costantini, William R., xxxx
Cozad, Garey L., xxxx
Croce, Raffaele, xxxx
Culpepper, Edward C., xxxx
Cuyno, Dominic V., xxxx
Dalton, Ronald R., xxxx
Davis, Bruce G., xxxx
Deist, David W., xxxx
Dejoie, Bertel J., xxxx
Devers, James E., xxxx
Dezelon, Richard M., xxxx
Dillard, Mark V., xxxx
Dorn, Jonathan J., xxxx
Dougherty, Timothy I., xxxx
Duran, John M., xxxx
Duzan, Robert H., II, xxxx
Edwards, John D., xxxx
Ellis John D., xxxx
Evans, James L., xxxx
Fain, Ellen E., xxxx
Falkenbach, Laura A., xxxx
Figgins, Gerald D., xxxx
Fletcher, Matthew D., xxxx
Gabel, William H., III, xxxx
Geier, John H., II, xxxx
Germano, Donald J., xxxx
Getty, Richard K., xxxx
Goddard, Brent P., xxxx
Godeaux, Aaron J., xxxx
Goodman, Robert A., xxxx
Graham, Michael R., xxxx
Habel, Gregg T., xxxx
Hale, Brian S., xxxx
Hall, Jack Q., xxxx
Hamby, Andrew L., xxxx
Hanson, Timothy G., xxxx
Harris, Paul, Jr., xxxx
Hee, Paul J., xxxx
Henigan, Lawrence, F.X., xxxx
Hinckley, Alan W., xxxx
Hirsch, Walter D., xxxx
Holdstein, Christopher M., xxxx
Holte, Carl T., xxxx
Holzrichter, Daniel J., xxxx
Horine, Kimberly J., xxxx
Jenkins, Kevin C., xxxx
Jensen, James S., xxxx
Johnson, Richard A., Jr., xxxx
Johnston, Jeffrey W., xxxx
Jones, Andrew L., xxxx
Kelly, Steven A., xxxx
Klein, Gary D., xxxx
Kowalkoski, Steven A., xxxx
Kyser, James G., IV, xxxx
Lafave, Daniel J., xxxx
Lansing, Scott G., xxxx
Lastra, Guido J., xxxx
Lawrence, Andrew D., xxxx
Lester, Michael T., xxxx
Lightfoot, Ashley E., xxxx
Loeblein, Thomas R., xxxx
Logan, Sean C., xxxx

Loria, Robert C., xxxx
Luther, James D., xxxx
Mack, Scott J., xxxx
Marsh, Laurence A., xxxx
Matza, Joseph D., xxxx
McArthur, Robert C., xxxx
McClary, Rob B., xxxx
McDonough, Mark W., xxxx
Mearig, Aaron A., xxxx
Meloro, Mark W., xxxx
Melvin, Barry S., xxxx
Merritt, Michael F., xxxx
Migliori, Martin W., xxxx
Mills, Charlie H., III, xxxx
Mize, Michael T., xxxx
Moeller, David J., Jr., xxxx
Monaghan, Joseph F., Jr., xxxx
Montesanti, Michael W., xxxx
Moore, Michael T., xxxx
Morris, Michael F., xxxx
Mulich, Terrence J., Jr., xxxx
Newman, Daniel T., xxxx
Olson, Gregg P., xxxx
O'Neil, David P., xxxx
Orlando, Anthony R., xxxx
Perdomo, Maurice C., xxxx
Peters, Norman L., xxxx
Pfeiffer, Curtis D., xxxx
Phelps, Peter M., xxxx
Pietkiewicz, John W., xxxx
Pimple, David M., xxxx
Prudhomme, David S., xxxx
Punelli, James V., xxxx
Racine, Stephen A., xxxx
Rasberry, John D., xxxx
Redmon, Patrick L., xxxx
Reed, Brian K., xxxx
Reimer, Keith A., xxxx
Rhodes, Douglas T., xxxx
Risberg, Timothy H., xxxx
Roland, Roger W., xxxx
Rosati, Joseph J., xxxx
Rubino, Mark D., xxxx
Ruiz, David L., xxxx
Rutherford, Ericston R., xxxx
Selvy, Ronald A., xxxx
Shigley, Mark V., xxxx
Shihadeh, Matthew, xxxx
Smith, Charles W., Jr., xxxx
Smith, Eric B., xxxx
Smith, Lee O., xxxx
Smith, Troy L., xxxx
Snight, William L., xxxx
Sobka, Scott T., xxxx
Solgere, Andrew L., xxxx
Stahlman, Michael R., xxxx
Stemple, James B., xxxx
Stevens, Mark, xxxx
Stout, Theodore J., xxxx
Strieter, Joel W., xxxx
Sweeney, Gregory S., xxxx
Taylor, Craig B., xxxx
Taylor, David M., xxxx
Thola, Forest D., xxxx
Thomas, Wilbert E., xxxx
Thomas, Andy W., xxxx
Tinney, Timothy E., xxxx
Ulbricht, Jonathan G., xxxx
Underwood, Robert R., xxxx
Vangorden, Alexander R., xxxx
Waigand, Edward C., xxxx
Wallace, Eric K., xxxx
Ward, James I., Jr., xxxx
Watka, Gregory, xxxx
Watson, Charles P., xxxx
Watson, Troy F., xxxx
Webster, Richard E., Jr., xxxx
Weiss, David A., xxxx
Wheatley, Wade M., xxxx
White, Kevin L., xxxx
Whitfield, Gregg D., xxxx
Williams, James M., xxxx
Winter, Timothy P., xxxx
Wolski, Eugene J., Jr., xxxx
Wood, Dakota L., xxxx
Woods, David R., xxxx
Wozniak, Eugene, xxxx
Wright, Benjamin T., xxxx
Wright, Lloyd A., xxxx
Yamashita, Kenneth J., xxxx
Yurovich, Daniel J., xxxx
Zaleski, Ronald A., xxxx

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the line, in the competitive category as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS

To be captain

Abbot, James L., III
Adair, John William
Adams, David James, Jr.
Allen, Richard K.
Alosi, James Carl, III
Amberg, Richard Hiller, Jr.
Andersen, Stanley Gene
Anderson, Gary Leroy
Anderson, Jerold French
Anderson, Lawrence Richard
Anglada, Jose Benjamin Roy
Anthony, James Richard
Avella, Joseph Ralph
Avery, Thomas Gail
Ayres, Gary C.,
Backus, William E., Jr.
Baer, Thomas Strickland
Bagshaw, Charles Richard
Bailey, Douglas Lee
Baird, James Garitty, Jr.
Baker, William H.
Ball, Joseph Edward
Baraldi, William Joseph
Barlow, David Alan
Bates, Donald Clarence
Baumer, Edward Karl
Beavers, Ashley Jerome
Becker, Charles J., Jr.
Bemis, Richard Staples
Bender, Robert Gordon
Bennett, Leroy Emerson
Bennett, William Clark
Benson, Jerome Edward
Berg, George William, Jr.
Bergin, Edward John
Bergquist, Carl William
Biermanski, Lothar Peter
Blake, Robert Daniel, III
Bleyle, George A., Jr.
Block, Charles Ernest, Jr.
Booker, John Wesley
Borsum, Robert Bengs
Bostrom, Alexander Henry
Bouma, Kent Grandon
Bounds, Billy Art
Bourret, William Leon
Bruno, George Irving, Jr.
Buchanan, Peter
Buck, Earl Franz
Buckley, Robert Farrell, Jr.
Budnick, Allen James
Bunnell, Melvin Leroy
Bush, Robert Frederick, Jr.
Cajski, Thomas Anthony
Caldwell, Frank Singleton
Callahan, Jeffrey Edwin
Campbell, Brian Frederick
Campbell, Oscar Hubert
Carling, James Richard
Carmichael, William R., Jr.
Carpenter, Galen Darrell
Carter, George Henry, III
Caskey, Maurice Russell
Cederholm, Walter Tither
Chernow, Robert Leon
Chuss, Thomas George
Ciccone, Ronald J.
Clark, Harry Benjamin
Clark, Ralph W.
Clarke, Wayne C.
Clayton, William B., III
Collins, Roy B.
Colvin, James Graham, II
Coverty, Michael James
Conn, Robert Duane
Covan, James P.
Crawford, John Goble, Jr.
Curtiss, Edward Barnes
Czerwonky, James Harvey
Dashiell, Charles M., Jr.
Davidson, David Roy
Davis, James Edward, Jr.
Davis, James Mitchell
Davis, Lorenzo Dow, IV
Decker, Christian F., III
Degolian, Felix Eugene, III
Dempsey, Edward Joseph
Diers, James Fredric
Dillon, Kevin Leo
Dillon, Lucius P., III
Diluilo, Louis James
Dimarcantonio, Albert Louis
Dipuppo, Michael Thomas
Dobbelstein, Dennis Allen
Dollarhide, David Alston
Donalson, Robert Currinder
Drew, Michael Thomas
Duffy, Thomas Edward, Jr.
Duncan, L.G. Earl
Dyer, Hugh Nelson, III
Eiserman, Joel Terry
Eldred, John Lawrence
Elness, Curt Raymond
Engman, David Eric
Erickson, Clifford Melker
Erwin, Jerry Wayne
Estrada, Richard Paul
Evans, Richard H.
Ewing, William David
Ewing, William Hickman, Jr.
Fahs, Philip J.
Fast, Alger Gordon
Feltham, Francis Mcwhorter
Fink, Joseph Howard
Fisher, Charles Kellus
Fisher, Kenneth Leroy
Fleming, Steven Ray
Flor, Frederick Hans, Jr.
Florence, Richard Alexander
Fogarty, Thomas Verne, Jr.
Fowlkes, Hobart V.
Foy, Clarence Allan, Jr.
Francis, John Ward
Frank, Richard Alan
Frankel, Stanton Newton
Fraser, John Howden, III
Fusko, George Michael
Gagin, Robert Carmen
Gale, Edwin John
Gall, Robert Andrew
Gamble, Thomas Ellsworth
Garcia, Isaac, Jr.
Garcia, Ramon
Garst, Paul Henry
Geer, Richard Wilson, Jr.
General, John A.
Gleason, Ronald G.
Godbout, Robert Michael
Goldman, Harold Jay
Goodroe, Howard Wayne
Goodsell, Kenneth Richard
Gosnell, Charles Edward
Gralla, Arthur Robert, Jr.
Green, Thomas Robbins
Greene, Kenneth Charles
Grigsby, Gilbert Redman, Jr.
Grimm, Robert S.
Groth, John Christopher
Gulck, Frederick Krohn
Gum, Charles Lee

Haag, Philip Gerald
Hager, Dennis Lloyd
Hall, Cecil Murphy, Jr.
Halsted, Richard Lent
Hamm, Myron Gary
Hand, Thomas Edward, Jr.
Hannsz, Donald Alvin
Hansen, Robert Herman
Hargrove, Robert John
Harris, Jack C.
Harris, John Richard
Harris, Norman George
Harris, Richard N.N.
Haslett, Donald Bruce
Hatton, Bruce Nichols
Hawke, William Westling
Hennessey, Michael
Herbert, Donald Victor
Hernandez, John Ralph
Herr, Philip Leonard
Hickam, Aubrey Wayne, Jr.
Hickman, Jerry Thomas
Hill, Charles L.
Hill, Gary Clayborne
Hohlstein, Richard A.
Holland, William Michael
Hollerbach, Robert Raymond
Holloway, Lauris Melvin
Hooks, Jonathan Thel, Jr.
Horning, Ralph Hansen
Horst, Julian Lawrence, Jr.
House, Gary Walter
Howard, Thomas Kenneth
Hudson, Thomas Edward, Jr.
Huff, James Delmer
Hullet, William Earl
Hunt, Claude David, III
Hunt, William Anthony
Hunter, James Gardner
Hurst, Richard Dan
Hyland, Patrick Martin
Ingersoll, Frederick
Ingram, Culpepper Frederick
Ingram, John Gerard
Isenberg, Michael T.
Israel, David Oliver
Jackson, Joe Lee
Jamieson, Jerry Gay
Jennings, Donald Roger
Jessel, Charles Todd, Jr.
John, David Forrest
Johnson, James Frederick
Johnson, William Roscoe, III
Jones, Earle Walter, Jr.
Jones, Martin Joseph
Jones, Richard Davidlocke
Jordan, James Ray
Jordan, Larry Hines
Judkins, Lawrence Wyatt, Jr.
Kalinoski, Edward Francis
Kasperski, Daniel Carl
Kass, Frederick John, Jr.
Keller, Paul Ludwig
Keller, William Ramsey
Kelley, Gregory Paul
Kempf, John Charles, Jr.
Kent, John Otis
Kepler, Donald A., Jr.
Kettelhodt, Henry Richard
Kinder, Thomas Hartley
Klein, Melvin William
Kleinbauer, Horst
Klocek, Kenneth Duane
Koeneman, Gary Dean
Koerber, Keith Gordon
Kolar, Michael John
Kolassa, Stanley Albert, Jr.
Kolb, Roger Donovan
Kramer, Joseph Perry, III
Kramer, Lee Clarence
Kuhn, Rik David
Lang, Gerald Thomas
Lang, James Robert
Leite, Michael Joseph
Lewis, Joseph Daniel
Lieberman, Jack Paul
Lindeman, Jon Burton
Liska, Robert Bruce
Long, James Frederick
Lumpkin, Claude Cleo, III
Lundgaard, Stanley H.
Mabry, Alanson Hewes
Mach, Ludwig Frank
Magee, Thomas Hugh
Mahon, Roy Oliver, Jr.
Mahoney, Richard Patrick
Mapes, Kenneth Winfield
Marks, Earl Matthew
Marshall, Robert Wilmet
Mason, David O.
Matlock, James Andrew
Matzie, Regis Anthony
Mauser, William James
Maxwell, Neil Lindsey
May, Donald Lee
McAtee, Jerry Louis
McCann, William Joseph
McCasland, James Scott
McComb, Dennis Neill
McDaniel, Robert Bruce
McKallagat, Peter Brown
McMahon, James Patrick
McNicholas, William Ernest
McPherson, Dale Lyle
McWhite, Peter Bartow
Mendralski, Frank Thaddeus
Metcalfe, James Ashford
Metres, Philip John, Jr.
Middleton, Phillip Lloyd
Miles, Lewis Nolen
Miller, Jay Ralph, Jr.
Millikin, Raymond Wade, Jr.
Mills, Albin David
Mills, Lynda Pearce
Monroe, Alexander Gaylord
Moore, Michael Kevin
Moore, Thomas Edward
Morris, Jeremy Gregson
Morrow, George Edward
Mumaw, John Jacob
Mussler, Hans Karl
Narsico, David Paul
Nason, Merton Dunham, III
Nelson, Gene Erick
Nerrie, George Kenneth
Neve, James Konsto
Nilson, Richard Donald
Nishihara, Valentine
O'Brien, Andrew Joseph, Jr.
Odenwelder, John Mark, Jr.
Oleary, Daniel James
Oman, Ralph
O'Neil, Stephen Robert
Orr, Thomas Harold
Ostrander, Peter H.
Pagano, William Joseph
Parsons, Kent NMN
Paulino, Richard George
Pease, Albert Louis
Peck, Douglas Eugene
Pemberton, Barth Hunt
Penn, William Lyttleton
Peterson, Harold Anthony
Peterson, Walter Gerald
Petrie, Harry Dickhut, Jr.
Pettersen, Erik Gunnar
Phillips, George B., Jr.
Plumb, Joseph Charles
Poe, James Leslie
Poole, Bradley Chilton
Prejean, Gerard Allen, Jr.
Prince, Andrew Steven
Pykosh, Henry Paul
Quinn, Joseph Francis, Jr.
Rafferty, Dennis Michael
Redfearn, Richard Wayne
Reese, Dennis Franklin
Reese, John Franklin, II
Remus, Thomas Allan
Rice, Charles Wesley, III
Richards, James William, Jr.
Richardson, Willard Dawson
Risley, Ronald Wayne
Roberts, Stephen Shepard
Roberts, William Brooks
Robinson, Michael Francis
Robinson, Robert James
Rowley, Charles Wesley
Ryan, Michael Joseph
Samtmann, David Gerald
Sanford, William Hebren
Santopietro, Thomas V., Jr.
Sargeant, William Harold
Saunders, Jerry Wayne
Schloz, John Michael
Schneider, Michael Wilmarth
Schubarth, Paul T.
Schulenburg, Robert William
Schuller, John Leonard, Jr.
Schwabe, William Lawrence
Scofield, Robert Allan
Scott, Michael Robert
Scott, Robert G.
Scott, Stephen Kyle
Sears, John Woodard
Secrest, Glenn J.
Seffel, Joel Stanley
Seifert, Philip Martin, Jr.
Seiple, Ronald Lee
Self, John Campbell
Shaffer, Jesse Stephen
Shanton, John L.
Shaw, James Arnold
Shelnut, Charles Arlander
Sheppard, Gerald Ray
Sherwin, George Rhodes
Shortt, John Braddy
Sightler, Carl Lee
Simmons, Guy John
Sisca, Ronald Raymond
Sisson, Harold Denison, Jr.
Skeen, David Ray
Sletmoe, Brent Peter
Smith, Dennis Dale
Smith, John Lawrence
Smith, Kevin M.
Smith, Robert Irving
Smith, Stephen Ray
Spiezio, Salvatore Thomas
Stickney, John Monro
Sullivan, Allyn Frederick, Jr.
Sullivan, John Joseph, Jr.
Surles, Oliver Stevens
Swafford, David Ernest
Swearengen, Thomas Van
Sweet, David Liddell
Sweet, Ronald S.
Swink, Harley Howard
Tackett, Theodore Thomas
Taylor, Thomas Alan
Thiel, Douglas Joseph
Thomas, David Philip
Thomason, George William
Trumpler, Richard Paul
Underwood, Horace Horton
Utley, Wallace Ralph
Vanhoosier, Michael Everett
Vannice, Robert Lawrence, Jr.
Vaughn, William Croft, III
Vaupel, George Benjamin
Volpe, Joseph Rocco
Wachtel, Leo Michael, III
Ward, Robert Cameron
Warner, Joseph Sylvester, IV
Watson, Mitchell Louis
Weatherman, Joe Harden
Weaver, Thomas David
Wefald, Robert Ovrom
Weiler, George William
Weinberger, Robert Gutman
Welter, Gerard Radcliffe
Wentland, Norman Henry

Westerman, Charles Edward, Jr.,
Westfall, Alan Ray
White, George E.
Whiting, William Andrews
Wilkinson, Richard Dale
Wille, Franklin Orren
Williams, William F., Jr.
Willig, Richard Anthony
Willis, Henry Thomas, II
Wilson, James Hirsch
Winslow, Donald Raymond
Wireman, Ray Berry
Wise, Harold Robert, Jr.
Wiser, Gary Allen
Wood, John McKinlay
Woody, Johnny Wayne
Yost, Don Ray
Young, Gerry Arnett
Young, Robert A.
Young, Terrence James
Zimmerman, Ronald Lynn
Zvonek, Frank Benjamin, Jr.

UNRESTRICTED LINE OFFICERS (TAR)

To be captain

Bagemihl, Craig P.
Bailey, Harry E.
Baker, Ronnie B.
Battaglia, Michael J.
Browning, James W., II
Callaway, James G.
Eliason, Whynn S.
English, Larry R.
Fuicelli, Robert A.
Giles, Grover S.
Godley, John B.
Hawkins, Vaughn A.
Hundt, David W.
Kelley, Joseph F.
Lawrence, Andrew H.
Lee, James A.
Leonard, Thomas F.
Long, Charles E.
Lumianski, Peter J.
McKenna, Nicholas V.
Megna, Anthony J.
Mesaros, Eugene J.
Olson, James D., II
Schweizer, Edward S.
Seaman, Richard E.
Sheffield, Brian E.
Skillman, Don K.
Sofge, Charles T.
Tanner, David E.
Taylor, Randolph W.
Temple, Paul H.
Twombly, James H.
Ward, Ronald G.
Weber, Jerry A.
Williams, John T.

ENGINEERING DUTY OFFICERS

To be captain

Adam, David James
Anderson, Richard Bruce
Bastien, Gilbert Joseph
Berkley, Joseph Berzowski, Jr.
Clough, Geoffrey Armstrong
Corso, James Francis
Docekal, William Lynn
Elliott, Johnny Lee
Glavis, George Oscar
Gustavson, Michael Anton
Hereford, Robert Earl Jr.
Hougham, Ronald Lee
Hulick, Timothy Peter
Huntington, Solomon Perkins
Kittell, John F.
Nelson, Harvey Gordon
Pedrick, Daniel Webster, IV
Perry, Gilbert Broadwell, Jr.
Reeve, Harold Richard
Soran, Patrick Dennis
Suddath, Jewel Jackson, Jr.
Sudikatus, George Harry, Jr.
Sullivan, David James

AERONAUTICAL ENGINEERING DUTY OFFICERS (AERONAUTICAL ENGINEERING)

To be captain

Burton, John Frederick
Martin, Jack Edward
Sekula, Theodore
Stephens, Charles Donald, Jr.
Verzino, William John, Jr.

AERONAUTICAL ENGINEERING DUTY OFFICERS (AVIATION MAINTENANCE)

To be captain

Bereoford, John
Bucciarelli, Eugene J.
Peterson, Donald Olaf

SPECIAL DUTY OFFICERS (CRYPTOLOGY)

To be captain

Christensen, Daniel Wesley
Dempsey, William Joseph
Erek, Bruce Cowan
Smith, John Joseph
Zeigler, Robert Walter

SPECIAL DUTY OFFICERS (MERCHANT MARINE)

To be captain

Conrady, Raymond Flagg
McConnell, James Joseph
Tober, Gary Edward

SPECIAL DUTY OFFICERS (INTELLIGENCE)

To be captain

Anderson, Eugene Christian
Banta, John Martin
Beeler, Carroll R.
Benson, David Eugene
Bomberger, Russell Branson
Borden, Richard Craig
Brumfield, Robert Dudley
Burnett, Michael Jeffrey
Callcott, George Vann
Cambre, Kendall Martin
Campbell, Thomas Harold
Cole, Harold Lee
Coleman, Glenn William
Cozad, Jerry E.
Davitt, James, Jr.
Dayley, Alan Jay
Dodson, Max Hoyt
Drew, Ernest Wilbur, III
Ferraro, Robert Vito
Fleming, Richard Lee
Harrington, James Michael
Hassell, James Albert, Jr.
Hitchcock, John William
Holmes, John McBride
Houseknecht, Peter Schuyler
Hudson, Hannis Herndon
Hughes, Charlie Bob, Jr.
Jones, Donald Lee
Keeler, Ronald Alan
Kinney, Brian Vincent
Klebba, John Thomas
Koons, Edwin Russell
Koral, Eugene Anthony
MacDonald, Dennis Alan
Maetzold, Dennis Frank
Marler, Carl M.
Mortimer, Louis R.
Murray, Thomas Patrick
Neary, Thomas Edward
New, Howard S.
Okelley, Robert Vernon
Parrish, Eve Janet
Pepper, Joseph Felix
Pierce, Jerry Swayne
Poole, Bobby Joe
Price, Milton Sim
Reichenbach, Donald D.
Schluentz, John Arthur, II
Spetrino, David Arthur
Stephens, Ronald Carlyle
Stokes, Floyd Terrance
Suggs, Robert Carl
Tibodeau, James Lawrence
Tirado, William
Vaughters, James Cleveland
Villanueva, Quintin L.J.
Wade, Michael Stone
Wagoner, Jon David
Weihaupt, John George
White, Ronald Yarnall
Williams, Wade Stout
Yee, Andrew Keong Chou
Zurcher, James Lowell

SPECIAL DUTY OFFICER INTELLIGENCE (TAR)

To be captain

Buchanan, Robert P.

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS)

To be captain

Becker, Richard Lee
Karalekas, S. Steven
McClure, James Allan
Sleeper, Thomas Edgar, Jr.
Valetich, Frederick Francis

SPECIAL DUTY OFFICER (OCEANOGRAPHY)

To be captain

Waters, Marshall Pope, III.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 2, 1985:

DEPARTMENT OF JUSTICE

Frank H. Conway, of Massachusetts, to be a member of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1987.

COPYRIGHT ROYALTY TRIBUNAL

Marianne Mele Hall, of New Jersey, to be a Commissioner of the Copyright Royalty Tribunal for the unexpired term of 7 years from September 27, 1982.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF JUSTICE

James R. Laffoon, of California, to be U.S. Marshal for the Southern District of California for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Tuesday, April 2, 1985*

The House met at 12 o'clock noon.

The Reverend Dr. Perry E. Gresham, president emeritus, Bethany College, Bethany, WV, offered the following prayer:

O God, we ask You to bless the leaders of our Parliament.

Time and space are in Your hands. Let those who fashion laws stand beside Elijah on the mountain. The hurricanes and tornadoes of ideology sweep the Earth. But You are not in the wind. As the mighty earthquake of change causes our moral habitations to tremble, let them behold Your changelessness. You are not in the earthquake.

When the fires of hatred destroy Your children through violence and terror, may they seek to quench the flames. But You are not in the fire.

Speak to the Congress in Your still small voice of reason, persuasion, civility, and responsibility. In quietude, without mandate, let each citizen become a living law.

O God of Peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. KASICH. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. KASICH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 243, nays 161, answered "present" 3, not voting 25, as follows:

[Roll No. 40]

YEAS—243

Ackerman	Anthony	Bates
Addabbo	Applegate	Bedell
Akaka	Aspin	Beilenson
Alexander	Atkins	Bennett
Anderson	AuCoin	Berman
Andrews	Barnard	Bevill
Annunzio	Barnes	Biaggi
Boggs	Hamilton	Panetta
Boland	Hatcher	Pease
Boner (TN)	Hayes	Pepper
Bonior (MI)	Hefner	Perkins
Borski	Heftel	Pickle
Bosco	Hertel	Price
Boucher	Hillis	Quillen
Boulter	Horton	Rahall
Boxer	Howard	Rangel
Brooks	Hoyer	Ray
Broomfield	Hubbard	Reid
Brown (CA)	Hughes	Robinson
Bruce	Hutto	Roe
Bryant	Jenkins	Rose
Burton (CA)	Johnson	Rostenkowski
Bustamante	Jones (NC)	Roukema
Byron	Jones (OK)	Rowland (GA)
Carper	Jones (TN)	Roybal
Carr	Kanjorski	Rudd
Chappell	Kaptur	Russo
Coelho	Kastenmeier	Sabo
Coleman (TX)	Kennelly	Savage
Collins	Kildee	Schaefer
Conyers	Kleczka	Scheuer
Cooper	Kolter	Schneider
Coyne	Kostmayer	Schumer
Crockett	LaFalce	Seiberling
Darden	Lantos	Sharp
Daschle	Leath (TX)	Sisisky
de la Garza	Lehman (CA)	Skelton
Dellums	Lehman (FL)	Slattery
Derrick	Leland	Smith (FL)
Dicks	Levin (MI)	Smith (IA)
Dingell	Levine (CA)	Solarz
Dixon	Lipinski	Spratt
Donnelly	Lloyd	St Germain
Dorgan (ND)	Lowry (WA)	Staggers
Downey	Luken	Stallings
Dwyer	Lundine	Stark
Dyson	Lungren	Stenholm
Early	MacKay	Stokes
Eckart (OH)	Manton	Stratton
Edgar	Markey	Studds
Edwards (CA)	Martinez	Swift
English	Matsui	Synar
Erdreich	Mavroules	Tauzin
Evans (IL)	Mazzoli	Thomas (GA)
Fascell	McCurdy	Torres
Fazio	McGrath	Torricelli
Feighan	McHugh	Towns
Flippo	Mica	Traficant
Florio	Michel	Traxler
Foglietta	Miller (CA)	Udall
Foley	Mineta	Valentine
Ford (TN)	Moakley	Vento
Fowler	Mollohan	Visclosky
Frank	Montgomery	Volkmer
Frost	Moody	Walgren
Fuqua	Moore	Watkins
Garcia	Morrison (CT)	Waxman
Gaydos	Mrazek	Weaver
Gejdenson	Murphy	Weiss
Gephardt	Murtha	Wheat
Gibbons	Myers	Whitley
Gilman	Natcher	Whitten
Glickman	Neal	Wilson
Gonzalez	Nelson	Wirth
Gordon	Nichols	Wise
Gray (IL)	Nowak	Wolpe
Gray (PA)	O'Brien	Wright
Guarini	Oakar	Wyden
Hall (OH)	Obey	Wylie
Hall, Ralph	Olin	Yatron
Hall, Sam	Owens	Young (MO)

NAYS—161

Archer	Brown (CO)	Clinger
Armey	Broyhill	Coats
Badham	Burton (IN)	Cobey
Bartlett	Callahan	Coble
Barton	Campbell	Coleman (MO)
Bateman	Carney	Combest
Bereuter	Chandler	Conte
Bilirakis	Chappie	Coughlin
Boehlert	Clay	Courter
Craig	Kramer	Ritter
Crane	Lagomarsino	Roberts
Dannemeyer	Latta	Roemer
Daub	Leach (IA)	Rogers
Davis	Lent	Roth
DeLay	Lewis (CA)	Rowland (CT)
DeWine	Lewis (FL)	Saxton
Dickinson	Lightfoot	Schroeder
Dreier	Livingston	Schuette
Duncan	Loeffler	Schulze
Durbin	Lott	Sensenbrenner
Eckert (NY)	Lowery (CA)	Shaw
Edwards (OK)	Lujan	Shumway
Emerson	Mack	Shuster
Evans (IA)	Madigan	Sikorski
Fiedler	Martin (IL)	Siljander
Fields	Martin (NY)	Skeen
Fish	McCain	Slaughter
Franklin	McCandless	Smith (NE)
Frenzel	McCollum	Smith (NH)
Gallo	McDade	Smith (NJ)
Gekas	McEwen	Smith, Denny
Gingrich	McKernan	Smith, Robert
Goodling	McKinney	Snowe
Gradison	McMillan	Solomon
Green	Meyers	Spence
Gregg	Miller (OH)	Stangeland
Grotberg	Miller (WA)	Strang
Gunderson	Mitchell	Stump
Hammerschmidt	Molinari	Sundquist
Hansen	Monson	Sweeney
Hendon	Moorhead	Swindall
Henry	Morrison (WA)	Tauke
Hiler	Nielson	Taylor
Holt	Oxley	Thomas (CA)
Hopkins	Packard	Vander Jagt
Huckaby	Parris	Vucanovich
Hunter	Pashayan	Walker
Hyde	Penny	Whitehurst
Ireland	Petri	Wolf
Jacobs	Pursell	Wortley
Kasich	Regula	Young (AK)
Kemp	Richardson	Young (FL)
Kindness	Ridge	Zschau
Kolbe	Rinaldo	

ANSWERED "PRESENT"—3

Dymally	Mikulski	Oberstar

NOT VOTING—25

Bentley	Fawell	Shelby
Bliley	Ford (MI)	Snyder
Bonker	Hartnett	Tallon
Breaux	Hawkins	Weber
Cheney	Jeffords	Whittaker
Daniel	Marlenee	Williams
DioGuardi	Ortiz	Yates
Dornan (CA)	Porter	
Dowdy	Rodino	

□ 1210

Mr. HALL of Ohio changed his vote from "nay" to "yea."

Mr. MICA changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed, without amendment, a joint resolution of the House of the following title:

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day, U.S.A."

□ 1220

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1714, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1986

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-33) on the resolution (H. Res. 119) providing for the consideration of the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REV. PERRY E. GRESHAM

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, it is great that Dr. Perry Gresham has been our chaplain today for our opening prayer. He has had a most distinguished career in the field of education and as a Disciples of Christ minister.

Dr. Gresham is now distinguished professor of humanities at Bethany College in West Virginia and was for two decades president of that renowned college, the primary and most prestigious among the Christian Church colleges and universities.

Having been educated at Texas Christian University, the University of Chicago, Columbia University, and the University of Glasgow, Dr. Gresham has taught philosophy at TCU, University of Washington, and the University of Michigan. For the last 15 years, he has taught economic philosophy.

In 1976, he conducted a seminar on Adam Smith at St. Andrew's University in Scotland. His career in education has paralleled his outstanding achievements in the world of business as well.

Dr. Gresham's hobbies include poetry and golf and he has lectured widely, both in the United States and abroad. He is the author of several books, including his latest, "With Wings as Eagles." To know him as I do is in fact to soar with him to new heights on the wings of eagles.

EMPLOYER SUPPORT INITIATIVE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I believe by now that most of the membership is aware of a series of initiatives which I have developed to enhance the readiness of the National Guard and Reserves. Today, I would like to speak on the employer support initiative.

In looking into the issue of employer support, it is obvious that this is an area which is critical to the readiness of our Reserve Forces. While substantial employer support is evident throughout the country, there are problem areas.

I intend to introduce a tax incentive which will reward those employers who contribute to the defense of this Nation by supporting their Guard and Reserve employees. While this action may not benefit all employers to the same degree, I believe it represents a significant cornerstone for building further recognition of the sacrifices made by loyal employers.

I have also introduced legislation (H.R. 1495) aimed at a serious problem being experienced by a significant number of guardsmen and reservists. That problem is discrimination in hiring. It was brought to my attention that men and women are being denied jobs, for which they are otherwise qualified, because of their membership in one of the Reserve components. One of the biggest violators is the Federal Government. I believe my legislation will remedy this situation.

Finally, Mr. Speaker, I will introduce a joint resolution calling upon the American people, and employers in particular, to support the patriotic men and women who willingly make the sacrifices necessarily associated with service in our Reserve Forces. I believe that the language of the resolution, which is drawn from the fiscal year 1983 DOD Authorization Act, reflects the feelings of a great majority of the Members of Congress. Hopefully, it will serve as a stepping stone toward establishing a true national awareness of the professionalism and dedication of the members of our Reserve Forces.

REGULATION OF GOVERNMENT SECURITIES DEALERS BY FEDERAL RESERVE BOARD

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, today I am introducing a bill which will give statutory authority to the Federal Reserve Board to regulate Government securities dealers.

Government securities dealers are those folks who buy and sell the bills and bonds and notes that are issued by the Federal Reserve System to fund our huge, humongous public debt. Government securities dealers are private corporations like ESM which recently got into trouble, and as a result triggered the problems with the savings and loan banks in Ohio and some municipalities.

Unfortunately, many of these Government securities dealers are not regulated at all. And those which are do not come under the purview of the authority of the Federal Reserve System to investigate, to audit, to examine and so forth. And yet it is the Federal Reserve System that is responsible for the selling of these bills, bonds, and notes, these Government securities.

In order to protect our citizens, in order to protect our cities and our school boards, and those financial institutions that buy and invest in our Government securities, it seems to me to be fundamentally necessary to give regulatory power to the Federal Reserve Board in order to make sure that dealers who are in the business of buying and selling Federal paper are as sound and as secure as we can possibly make them be, and that the transactions involving our Government securities are as risk free as possible.

I urge my colleagues to support this new legislation.

KEEPING AMERICAN JOBS AT HOME

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, General Electric has closed its Youngstown plant even though it was still profitable. Records show that GE has hired 30,000 people overseas in the last 10 years. Meanwhile Youngstown's unemployment is at a record 30 percent overall and 45 percent for minorities.

We've got to stop this.

Today, I am introducing a bill designed to discourage American corporations from packing up and moving overseas by closing loopholes in the current Tax Code.

Not only do these American corporations avoid paying Federal taxes by moving overseas, but they take American technology, profits, and jobs.

This country can no longer afford to sit idly by and be robbed by companies who pull up stakes, and take our jobs with them.

Revenue collected will be directed to reduce the national debt and aid areas of high unemployment.

Let's close these tax loopholes once and for all. By doing so, we will keep America's jobs in America, where they belong.

□ 1230

A DOUBLE SPECTACLE

(Mr. CONTE asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, last night the country was treated to a double spectacle: The magnificence of an inspirational athletic performance by the Wildcats of Villanova, and the dignity and grace my Georgetown Hoyas showed in defeat. Their performances truly showed college basketball at its very best—as was the case this year whenever two teams of the Big East met.

Coach Rollie Massimino deserves to stand tall today. He ignored the wisdom of all the experts and told his players that they were as good as the reigning champs were. His players believed him so much that they proved to be even a little better than that. Coach Mass' makes one proud to be an Italian. But, there is no shame on Coach John Thompson and his Hoyas. As Rollie Mass' said, Villanova will be remembered for beating one of the greatest teams of all times. You did nothing wrong Coach Thompson, it's just that Coach Mass' did nothing wrong a little bit better.

My congratulations go out to the Wildcats, but my heart still belongs to the Hoyas. And, as an old fan of the Boston Red Sox, I'm no stranger to those immortal words—wait'll next year. Still, I can't help but think what might have been if my ankles hadn't been aching in solidarity with Reggie Williams.

INTRODUCTION OF HOUSE CONCURRENT RESOLUTION ON TRADE PRACTICES OF JAPAN

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DINGELL. Mr. Speaker, the sense-of-the-Congress resolution, which I am introducing today with Congressman BROOMFIELD and over 20 other Members of this House, is similar to Senate Concurrent Resolution 15, which the Senate approved on March 28 by a vote of 92 to 0.

The resolution calls upon the President to exercise his authority under existing laws to respond in kind to Japan's unfair and discriminatory trade practices. This is an opportunity for the House to go on record as objecting to the outrageous treatment by Japan of American goods and services.

There is no question that the President, the Congress, and this Nation must take decisive action to confront the international trade crisis between the United States and Japan which threatens our economic recovery, our industries, and hundreds of thousands of American jobs.

The situation is quite clear. For years, the United States has attempted to practice so-called free trade policies while Japan has played by a different set of rules. The result is in an overall trade deficit of $123 billion in 1984—a deficit which could very well exceed $170 billion by the end of 1985. In the case of Japan, the U.S. trade deficit has grown from $10 billion in 1980 to $37 billion in 1984.

The bottom line is that the United States opens its doors wide; the Japanese open its doors a mere crack, or not at all. The U.S. automotive trade deficit since 1981 has more than doubled—from $11 billion to $27 billion. The trade deficit in telecommunications equipment has grown from $516 million in 1979 to $1.9 billion in 1984. Japan's barriers to other U.S. exports such as pharmaceuticals, medical equipment, wood products, agriculture products and other goods and services have become intolerable.

Our trade problem is complicated by Japan's unfair and discriminatory treatment of products exported to Japan from developing countries. As a consequence, those Third World countries inundate the United States with their products. They do not have access to Japanese markets, so they flood our markets, because we are open. The United States takes 58 percent of the manufactured goods exported from lesser developed countries. The Japanese, by contrast, take only 8 percent of such exports.

In the area of telecommunications, the administration has engaged in another round of negotiations with Japan to open their market for U.S. equipment and services. The administration began with nine specific goals.

An internal administration evaluation of the negotiations as of March 17, 1985, showed that only two of those nine goals had been achieved.

Last Thursday, the chief U.S. neogtiator, Lionel Olmer, told the Energy and Commerce Committee's Subcommittee on Commerce that further progress had not been achieved.

Specifically, Japan has—

Refused to eliminate prior registration and approval requirements for type 2 business services:

Refused to eliminate arbitrary criteria and criteria that have no technical relevance;

Refused to adopt a regulatory basis for equipment approval focused on possible "harm to the network"—the same as in the United States;

Refused to put in writing an agreement to have impartial members on a single independent agency that would approve equipment and network services;

Refused to permit foreign suppliers an opportunity to comment on proposed administrative procedures, standards, and rules of certification; and

Refused to establish a legitimate appeal process external to the Ministry of Posts and Telecommunications.

In the area of automobiles, the administration threw away a voluntary restraint agreement with Japan in hopes of greater access to Japan's markets for U.S. goods and services. The Japanese have responded with a 25-percent increase in automobile shipments and a continuation of its closed door policy to U.S. exports. Our trade talks with the Japanese, according to a March 12, 1985, letter from Secretary Malcolm Baldrige, have been disappointing.

Today's newspapers indicate another expression of confidence in Prime Minister Nakasone's commitment to open Japan's markets. The President says he is assured that Mr. Nakasone "is going to continue doing his utmost to bring about changes." Thus, the President concludes:

So * * * we'll just have to wait and see what he can accomplish.

Mr. President, we have been waiting while the Japanese bureaucrats who are not influenced by Mr. Nakasone's assurance eat us alive at the negotiating table.

The time for tabletalk negotiations has ended. The President must take off the gloves. He must tell our Japanese trading partner that this Nation can no longer sit idly by while Japan's unfair and discriminatory trade practices protect Japanese industry at the expense of American firms and workers.

We do not advocate trade war. Instead, we seek bipartisan support for the President to take affirmative action to avoid a situation where this country could become a $1 trillion net debtor country over the next 5 years while Japan becomes a $500 billion creditor nation.

If we are ever to have free and fair trade between Japan and the United States, Japan must start playing by fair rules. For the sake of American firms and American workers, we must demand it.

For the benefit of my colleagues, I am inserting at the end of these remarks, House Concurrent Resolution 106:

H. CON. RES. 106

Concurrent resolution to express the sense of the Congress that the President respond to those trade practices of Japan that are adversely affecting the interstate commerce of the United States

Whereas the interstate commerce of the United States continues to be adversely affected by the trade deficits with Japan, which deficit, in 1984, reached the unprecedented level of $37,000,000,000 and thereby accounted for almost one-third of the entire United States trade deficit with the world;

Whereas this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

Whereas the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

Whereas although Japan has extensive and easy access for sale in interstate commerce in the United States of products in which Japan has a comparative advantage, United States exporters lack meaningful access to the Japanese market for manufactured goods, forest products, key agricultural commodities, and certain services in which the United States has a comparative advantage;

Whereas this imbalance is costing the United States hundreds of thousands of jobs every year and harming industries located in the United States;

Whereas negotiating with Japan over the years to secure meaningful improvements in market access for competitive United States exports has been largely unsuccessful;

Whereas the high value of the United States dollar relative to the Japanese yen effectively subsidizes Japanese exports to the United States and taxes United States exports to Japan;

Whereas an extension by Japan of the voluntary restraint agreement on Japanese-made automobiles with a 25 percent increase in the number of such automobiles sold in interstate commerce in the United States without a comparable improvement in access for competitive United States exports to the Japanese market, including automobiles and other products, will severely exacerbate the bilateral trade deficit and harm United States industry and workers;

Whereas the merchandise balance of trade deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan; and

Whereas action by the United States is appropriate—

(1) to enforce United States rights under international agreements, to which Japan is a party, that affect interstate commerce in the United States and our foreign commerce, and

(2) to respond, through regulatory and other actions, to Japanese acts, policies, and practices which are—

(A) inconsistent with, and otherwise deny benefits to the United States, under such international agreements, and

(B) are unjustifiable, unreasonable, or discriminatory and burden or restrict interstate commerce in the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President, in furtherance of United States interstate and foreign commerce, should take all appropriate and feasible action within the power of the President to—

(1) enforce the rights of the United States described in paragraph (1) of the last clause of the preamble to this resolution; and

(2) obtain the elimination, through regulatory and other actions, of the acts, policies, and practices described in paragraph (2) of that last clause.

SEC. 2. (a)(1) By no later than the date that is 45 days after the date on which this resolution is agreed to by the Congress, the President should report to the Congress and publish in the Federal Register notice of the actions that the President has determined to take to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution.

(2) The President should implement all actions that the President has determined to take to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution by no later than the date that is 90 days after the date on which this resolution is agreed to by the Congress.

(3) Any action taken by the President to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution should be modified or revoked only if the President determines that the minimum objective described in subsection (b) has been achieved. The President should report to Congress and publish in the Federal Register notice of such determination.

(b) Action by the President to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution should at least negate the cumulative impact that the relaxation of the voluntary restraints on Japanese automobiles entered into interstate commerce in the United States will have on the merchandise balance of trade between Japan and the United States. Action taken to accomplish this objective should be directed against competitive Japanese products entered into interstate commerce in the United States including, but not limited to, automobiles, telecommunication products, optical fibers, textiles, and electronic products.

JAPAN AND THE UNITED STATES ON A COLLISION COURSE OVER TRADE PRACTICES

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, America is down right mad with Japan's trade policy.

Unless there is a sudden about-face, we are headed on a collision course that will surely cause serious and permanent damage to our relationship as allies and friends.

My colleague, Mr. DINGELL, and I are introducing a bipartisan resolution today intended as a warning shot across the bow of Japan, incorporated.

We're tired of their liberal-sounding policies that turn out to be protectionist in practice. We're tired of Japanese bureaucrats nitpicking our products to death. We're tired of Japan acting like a greedy child unwilling to let anyone else sit at its table.

America is up in arms, Mr. Speaker, and it would be a mistake to underestimate our frustration. Unless this warning is heeded, retaliation and possibly full-blown trade warfare lie just around the corner.

CONGRATULATING THE 1985 VILLANOVA WILDCATS

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, I rise today to congratulate 12 of the finest college students in my congressional district and in the Nation—I'm speaking of the 1985 Villanova Wildcats—this year's NCAA basketball champions who last night beat the heavily favored, defending national champion Georgetown Hoyas in what is being called the greatest upset victory in college basketball history.

As you know, Mr. Speaker, my congressional district is known for close finishes and upset victories. Over my 10 years in Congress we've had some very close elections. During this year's college basketball season, the Villanova Wildcats had some very close basketball games. From the very beginning in the NCAA tournament, Villanova was cast as the underdog that nobody picked to win.

In fact, the skeptics said just a few short weeks ago that Villanova would not even make the NCAA's—they said that they didn't have the talent of St. John's, or the strength of Georgetown. But Rollie Massimino and his Villanova Wildcats proved all the skeptics wrong.

To those of us who have followed Villanova over the years, their upset victory comes as no great suprise. Rollie Massimino, my favorite constituent, says that his team is a family, and through their dedication together they beat teams that were thought to be unbeatable. He has been patient with his team, and taught them well. Their efforts are testimony to what hard work and dedication can bring.

As Gary McLain, Villanova's starting point guard who bewildered the Hoya's trapping defenses, said last night: "No one in America knows how hard we worked." Well, Mr. Speaker, today the entire Nation knows just how hard this team has worked.

The Villanova Wildcats beat the team heralded until last night by basketball experts as the greatest team of all time. But that's all changed now and the Villanova Wildcats are indisputably the No. 1 team in the Nation. I'm proud of them, Mr. Speaker, and am gratified that they are now getting all the recognition that they have worked so hard to earn.

Let me conclude my remarks with a heartfelt: Go Cats.

WILDCATS' VICTORY ONE OF THE GREATEST UPSETS IN HISTORY OF THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, the Villanova Wildcats stunning victory last night over the No. 1 ranked Georgetown Hoyas will long be remembered as one of the greatest upsets in the history of National Collegiate Athletic Association basketball competition.

Coach Rollie Massimino and his team surely deserve the NCAA title after defeating highly rated teams before facing the powerful George-

town squad coached by John Thompson. Always the underdog, Villanova proved the prophets wrong.

With a nod of honor to Coach Thompson and his tremendous team and an apology to Lord Byron, I offer this tribute to Villanova University's basketball organization:

The Hoyas came down like the wolf on the fold,
The Wildcats were doomed all people were told.
The coronation was set with John Thompson as king,
While Massimino's men were accorded nary a thing.
As the favorites of all when all had been seen,
Ewing and team played tough and played mean.
Like warriors of yore when sweet victory has flown,
The once-omnipotent stood together but fearfully alone.
For the skill of the Wildcats arose so supreme
And breathed life in the face of the impossible dream.
And the prophets of sportsdom so cynical and chill
Were astounded to find that their words were so nil.
And the Hoyas of Georgetown are loud in their wail,
The arrogance once mighty now was so frail.
And the courage of Wildcats so tried and so tested
Stood Number 1 in the land—the best had been bested.

PRESIDENT REAGAN'S CONSTRUCTIVE ENGAGEMENT POLICY IS NOT WORKING IN SOUTH AFRICA

(Mr. LELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LELAND. Mr. Speaker, yesterday a South African police lieutenant admitted that he had ordered his men to fire into thousands of black marchers after one woman threw one stone. Nineteen people were killed because one woman threw a stone.

I do not interpret this mindless violence as a sign of progress made by the South African Government. Yet President Reagan is quoted by the Washington Post this morning as stating:

> We think that what we're doing (constructive engagement) is the best, has the best effect, the most effect of anything we could do * * *. We think some progress has been made.

Nineteen dead from police guns after one rock is thrown from a crowd.

President Reagan also once again tried to blame the violence in South Africa on the blacks. He stated that there are many factions in South Africa and that some of the violence comes from within these factions. How can President Reagan argue about factionalism in a country which has banned public meetings?

Constructive engagement is not working in South Africa. The only thing that seems to be working is the destructive duplicity practiced by the South African Government and endorsed through the destructive complacency of the Reagan administration.

SEAT RICK McINTYRE

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, fairness is such an elusive quality. It's kind of like beauty—it's in the eyes of the beholder.

But, those taking an objective look at the outcome of the election in Indiana's Eighth Congressional District are having trouble distinguishing what is fair, and what is constitutionally right.

In letters to my colleagues from Kansas, the past president of the National Association of Secretaries of State, and our Kansas secretary of state, Jack Brier, goes right to the heart of the matter.

Secretary Brier says, first, that Mr. McIntyre is the duly elected representative. He won both the election and a subsequent recount and was certified the winner by the Indiana secretary of state. Mr. McIntyre's opponent has never filed an action to contest the election.

And second, never before has the House refused to recognize a valid election certificate issued by a sovereign State. If, on a whim, Congress may set aside the certification of a duly elected member, then what purpose will future certifications have? Indeed, what purpose will an election serve?

Mr. Speaker, I request this body to reaffirm the principle of fairness in our dealings with each other, and seat Rick McIntyre.

□ 1240

FINANCIAL SERVICES EQUITY ACT OF 1985

(Mr. LUNDINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, today I am introducing legislation designed to improve the equity and effectiveness of our Nation's financial system. This bill, the Financial Services Equity Act of 1985, addresses several problems which currently plague various aspects of this country's financial services industries. It will enable banks and other financial institutions to compete in a more stable and equitable environment, and will require that these same institutions follow certain procedures which are designed to protect consumers.

This bill addresses some of the most pressing problems facing the financial services industry today: It closes the controversial nonbank bank loophole, which the chairmen of both the House and Senate Banking Committees have stated must be closed; it allows troubled agricultural banks to be eligible for the Net Worth Certificate Program and extends this program, which was originally designed to aid ailing thrifts, until 1988; it requires that a Federal policy on deposited funds availability be approved and enforced by the Federal Reserve; and requires that interest rate policies on savings accounts be prominently displayed in all savings and loans associations.

In addition to these provisions, which I believe will go a long way toward ensuring the safety and soundness of our system and protecting the consumer, my bill contains several measures to increase competiton and bring our laws up to the realities of the marketplace.

Since the enactment of the Banking Act of 1933 (Glass-Steagall), there have been changes in our domestic and international economies and advances in technology that would have been inconceivable to the lawmakers who drafted Glass-Steagall in the dark days of the depression. In the last few years, automated teller machines, split second transfers of funds, new money market instruments, and the participation of financial conglomerates have revolutionalized the banking world. Our Nation's financial industry must be able to adapt to and utilize these changes in a safe, reasonably regulated environment.

The banking structure that was established under Glass-Steagall has served this country well for 50 years, but changes in the marketplace have outstripped the present regulatory structure. It is becoming increasingly difficult for banks to continue to prosper, as sound businesses should, in the restricted environment that currently exists.

The legislation I am introducing today provides for a gradual phase in of interstate banking, enabling banks to invest in new localities and infuse depressed areas with new capital. One of the problems that a large number of troubled agricultural banks are facing is that of being restricted to doing business in States in which the economies are largely dependent upon agriculture. Interstate banking would bring much needed capital into many new areas and expand the range of services available to local consumers.

In addition to an interstate provision, the bill would allow banks and other financial institutions to establish separate subsidiaries through which they could deal in and underwrite mortgaged back securities, municipal revenue bonds, and commercial

paper. This measure will enable banks to compete on an equitable basis with other types of financial institutions. Under the provisions of this bill, these activities would be federally regulated and would in no way threaten the safety and soundness of the banking system. In fact, I believe that these provisions, by increasing competition and enabling banks to take advantage of different market opportunities, will enhance the safety and soundness of our system.

Mr. Speaker, the legislation I am introducing today is controversial and far reaching, but I believe it is also long overdue. If we in Congress do not act to regulate this rapidly changing industry, highly paid attorneys and corporate strategists of the large financial services conglomerates will continue to develop new ways of working around the existing, antiquated laws. Such practices constitute a grave threat to the safety and soundness of our banking system and do consumers a disservice. It is time that we address these issues.

NICARAGUAN REFUGEES FLOOD COSTA RICA

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LIVINGSTON. Mr. Speaker, during the week of March 11, in one 3-day period, 3,000 Nicaraguan citizens voted with their feet against the Sandinista regime by leaving their homes in Nicaragua and fleeing to neighboring Costa Rica. At this very moment there are about 20,000 such refugees from Nicaragua, and Costa Rica's Minister of Public Security, Benjamin Piza, estimates that as many as another 80,000 Nicaraguans are living in Costa Rica without declaring themselves.

In short, people are fleeing Nicaragua in droves, joining the thousands of their fellow citizens who have fled before them. The impetus for the current flight appears to be the stepped-up military draft undertaken by the Sandinistas to bolster what has become the largest army in Central America. According to Medaro Antonio Lopez, a 22-year-old Nicaraguan now in Costa Rica.

No one wants to join the army. They don't give you adequate training. They give you 8 days training and then send you to the front as though you were a dog. Young kids have to go to the mountains to fight and die. Meanwhile, the internacionalistas (Soviet Bloc advisors) who are organizing the country stay in Managua and have a party.

Mr. Speaker, today these young men and their families are fleeing to neighboring Central American countries like Costa Rica and Honduras, placing a terrible burden on the resources and the people of those countries. Where will they run tomorrow?

Mr. Speaker, I urge my colleagues to recognize the very real implications for the United States, and I direct their attention to the March 21, 1985, article in the Washington Times outlining the refugee situation in greater detail.

[From the Washington Times, Mar. 21, 1985]

NICARAGUAN REFUGEES FLOOD COSTA RICA

(By Glenn Garvin)

SANTA ROSA, COSTA RICA.—Thousands of Nicaraguan refugees, fleeing a stepped-up military draft in their country, are sweeping into Costa Rica in a human tidal wave that threatens to swamp this little republic.

"To me, this is an invasion. That's how bad it is," said Benjamin Piza, Costa Rica's minister of public security. "We cannot cope with it ourselves. It has to be an international effort."

Mr. Piza said 3,000 Nicaraguans arrived in three days at the end of last week, and he expects the rate to increase as the Nicaraguan army searches for more young men to meet its draft calls.

The Costa Rican Red Cross is scrambling for food, medicine and tents to meet the needs of 20,000 refugees, most of whom are malnourished and sick after spending up to a month in the jungle evading the Nicaraguan Sandinista government's patrols. Mr. Piza estimates that as many as another 80,000 Nicaraguans may be living here on their own without formally declaring themselves.

"They're bringing in diseases that we wiped out long ago," said Mr. Piza. "We have malaria again in Costa Rica, for the first time in 15 years . . . but I don't know what we can do. We have to let them in. We can't just shoot the people at the border."

Refugees have been trickling out of Nicaragua into Costa Rica ever since resistance fighters under the command of one-time Sandinista war hero Eden Pastora went to war against the Nicaraguan government in early 1983. But Nicaragua's tough new draft laws have turned the trickle into a deluge.

"Before, the refugees were campesinos [peasant farmers]," said Mr. Piza. "You could organize them into a farm unit and put them to work supporting themselves. They were back-country people.

"But new we're getting younger people, people from the city, which is an entirely different problem. You have to give them a chance to continue their studies, or go to the university, or whatever they were doing."

Santa Rosa is an agricultural village of about 10,000, located 35 miles south of the Nicaraguan border. In the first six months the camp here was open, the number of refugees hovered around 70. But the new arrivals crowded in last week, and over the weekend Red Cross workers struggled in brutal 95-degree heat to pitch long lines of khaki tents to hold them.

The refugees themselves were dirty and exhausted, and some so malnourished that Red Cross workers were feeding them intravenously. But they were anxious to talk about what they said was a deteriorating situation inside Nicaragua.

Most of them agreed that Nicaragua's military draft, which scoops up boys as young as 13, has touched off massive resistance—even in the capital city of Managua, until now a stronghold of support for the Sandinistas.

And many of them confirmed the claim of counter-revolutionary Eden Pastora, who contends that he could easily double or triple his army of 7,000 if he had financial backing from the United States. A large number of the refugees said they would like to join Mr. Pastora's forces, but the counter-revolutionaries have no food, weapons, or uniforms for them.

"The majority hide out rather than join the military," said Medardo Antonio Lopez, a 22-year-old accountant from Managua. "No-one wants to join the army. They don't give you adequate training. They give you eight days training and then send you to the front as though you were a dog. Young kids have to go to the mountains to fight and die. Meanwhile, the *internacionalistas* [Soviet-bloc advisers] who are organizing the country stay in Managua and have a party."

Mr. Lopez led a group of young men, mostly teen-agers, who fled Managua and arrived in Costa Rica last Friday, 22 days later. He said they had been labeled *Contras*—counter-revolutionaries—and threatened with arrest because they were members of a Catholic pacifist group opposed to military service.

Like most of the other refugees, Mr. Lopez and his group are worried about what will happen to the families they left behind.

"I cannot tell what's going to become of them," he said. "The authorities, when they find out we're not in the country, they'll arrest our fathers. Some fathers have been sentenced to years of jail when they won't tell where their sons are."

Nonetheless, Mr. Lopez said he and his friends did not hesitate to leave when they heard they were going to be arrested. "Our fathers were willing to die beside us," he said. "But we told them we wanted to come here and try to have a few more years of life."

Even so, they almost did not make it. A campesino who was aiding their group detected an army ambush and had to lead them deeper into the jungle to evade it. "If they find you in the mountains in the area where the contras are, then you are a contra and you're a dead man."

Stories of ambushes—and summary executions of captured refugees—are common among the Nicarguans. Sandanista officials continue to insist that there is no death penalty in Nicaragua but the refugees scoff at that claim.

"Paper will take whatever you write upon it and the tongue will speak any words you choose," said Jose Maria Down, an agricultural worker from the farmlands along the Rio Coco in Nicaragua "but it's all lies."

Mr. Down showed reporters a broken finger and scars on his knees and arms that he said were made by Sandinista bayonets during a prolonged torture session last year.

Sandinistas executed his brother, he added. "They believed we were Contras," he said. "They were right, we were Contras, but they had no evidence. Still they tortured me. Still they shot my brother."

Mr. Down fled after an international human rights group won his release from prison.

Ronaldo Romero, a construction worker from the village of Juigualpa, said that Sandinista soldiers shot two members of his group who were captured. Still, Mr. Romero counted himself lucky; he said another group of 140 refugees was traveling behind him, but Sandinistas killed or captured 137 of them.

Mr. Romero and his wife carried three children—ages 1, 3 and 4—in their arms during the 22-day march out of Nicaragua. Often, he thought they wouldn't make it. "We couldn't find anything in the mountains to eat," he said. "Green bananas, sometimes. Other times, nothing at all."

How did the children survive with no food? He shrugged. "They suffered."

Their suffering would have been much worse if the family hadn't left Nicaragua, Mr. Romero added. The situation there: "No sugar. No soap. Get sick, no medicine. . . . I had a few horses and cows, but they made a census of the animals. And they said the animals would belong to the state. And I would have to go to work in a cooperative, for the state."

Despite all those conditions, Mr. Romero said he would have stayed at home. But four families in the nearby village of El Rama were forced to hand their children over to the Sandinistas so they could be sent to school in Cuba.

"The only thing I thought about was to rescue my children from the Sandinistas," he said. "Because I knew otherwise they would be sent to Cuba. And then they wouldn't be my children. They would be three more military machines."

Other refugees said parents were frequently pressured to let their children go to Cuba. Fifteen-year-old Dennis Castro, also from Juigalpa, said that he left when the Sandinistas told him they wanted him to go to school in Cuba.

"They said they were going to train me for six months there," he explained.

Train him to do what?

"To be a professor," he said, laughing. "That's what they said. To be a professor. . . . They were going to get politics in my mind."

A young men said that several groups left Juigalpa, a village of about 10,000, located in south central Nicaragua, recently.

"There's no young people left in Juigalpa," said one youngster of about 14. "Not in all of Zelaya [province]. Nicaragua is going to be a country of old men."

Most of the young men said they hoped to join Eden Pastora's guerrillas. Many of them have relatives—in some cases a half dozen or more—already serving with the Pastora forces. The guerrillas helped guide many of the refugees out of Nicaragua.

The young men are willing to fight for the counter-revolutionaries but not the government because, they say, the Sandinistas are communists.

"They confiscate the farms and the food. If you don't work for the state you don't eat," said one.

A FIRST AMENDMENT ISSUE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, recent reports about the CBS takeover by extreme rightwing groups raise, in my judgment, a fundamental issue involving the first amendment: Is it proper for a raider takeover to occur over a news organization if the expressed stated purpose is to advance a particular ideological agenda, be it left or right?

My concern does not revolve around mergers, buyouts or takeovers. We operate in a free market economy, and as long as no Federal laws or antitrust actions are violated, this is perfectly proper.

I am not here, either, to specifically defend CBS or Dan Rather, both of whom have been unfairly maligned. CBS has a good reputation, and Dan Rather is one of the most trusted and respected men in America. I am here to urge this body to watch these developments closely, to ensure that the first amendment is not threatened.

Do we really someday want Reverend Falwell anchoring the CBS Evening News to lecture the Nation on morality someday?

STATEMENT OF OBSERVER DELEGATION OF UNITED STATES TO THE EL SALVADOR ELECTIONS

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KOLBE. Mr. Speaker, yesterday afternoon, the official U.S. observer delegation for the recent elections in El Salvador returned to Washington. I was privileged to serve, along with my distinguished colleague from Oklahoma, JIM JONES, as one of the congressional Members of that delegation.

Our eight-member delegation scattered to the far corners of the country on Sunday and observed the election process in more than 30 municipalities. We were unanimous in our opinion that the elections were conducted fairly, openly, and with a minimum of confusion. There were attempts by the opponents of democracy to disrupt the elections, but in comparison to past efforts they were minimal and almost totally ineffective.

If a single word could be used to describe the elections we observed, I think one would have to choose "routine." That, in itself, is a great achievement for a nation that only 3 years ago was racked by violence and discord.

The United States made a commitment to El Salvador to help make its dream of political democracy come true. We can indeed be pleased that El Salvador has come so far toward achieving that objective.

Mr. Speaker, I include with my remarks a list of the official delegation and a copy of the statement that was agreed upon by all members of that delegation.

U.S. OBSERVER DELEGATION TO THE EL SALVADOR ELECTIONS, MARCH 1985

MEMBERS OF THE OFFICIAL OBSERVER DELEGATION

The Honorable James R. Jones, Representative (D-Oklahoma), The United States House of Representatives.

The Honorable James Kolbe, Representative (R-Arizona), The United States House of Representatives.

The Honorable Angier Biddle Duke, Former Ambassador to El Salvador and, United States Chief of Protocol.

Mr. Maurice Sonnenberg, Investment Consultant; Member, National Committee on American Foreign Policy; Member, Executive Committee, PRODEMCA.

Rabbi Morton M. Rosenthal, Director, Latin American Affairs Department, B'nai B'rith Anti-Defamation League.

Dr. Howard Penniman, Resident Scholar, American Enterprise Institute.

Mr. Howard K. Smith, News Commentator.

Mr. Max Singer, Consultant; President, The Potomac Organization; former President, The Hudson Institute.

STATEMENT OF THE OBSERVER DELEGATION OF THE UNITED STATES OF AMERICA TO THE EL SALVADOR ELECTIONS, APRIL 1, 1985

Yesterday we witnessed El Salvador's third national election in less than a year. The unanimous conclusion of this bi-partisan observer delegation of elected officials and private citizens is that the election was fair, that the election machinery was conducted efficiently, and that it represents a most encouraging symbol for the future of democratic institutions in El Salvador.

In all, this small delegation visited nearly thirty towns in most parts of the country. We spoke with election officials, candidates and most important, voters of all parties.

This election differed in several ways from those held last year. First, since this was not a vote for a nationwide candidate, voters were required to cast ballots in their home towns. Further, the penalty for not voting had been lifted. Other, mechanical changes were implemented as the country fine-tuned its voting procedures.

The delegation notes that the Salvadoran military took obvious pains to remain impartial in the contest. They were stationed well away from the polls, and refused to be drawn into political disputes.

Disagreements at the polls were, for the most part, inconsequential, and generally settled on the spot by representatives of the various parties. These disputes centered on mechanics and procedures of the elections, and we saw no evidence of intimidation or coercion that would raise a question of the fundamental fairness of the vote.

The mechanics of the election ran without serious incident. The Central Election Council deserves particular praise for its fine coordination of the process.

Guerrilla threats and attacks comprised the most serious challenge to voting. This delegation notes the inconsistency between the guerrillas' initial posture that the elections were meaningless, and their subsequent attempts to thwart the electoral process through violent intimidation. In spite of their attempts at intimidation, more municipalities were able to participate this year than last. Whereas 42 towns were unable to vote last time in the Presidential elections, only 19 municipalities were denied the voting privilege Sunday because of terrorist intimidation.

The election itself, then, must be hailed as a free, open, and fair contest, and we expect all parties to respect the results.

El Salvador now has in place its Presidential, legislative, and municipal leadership for the next three years. This delegation recognizes the need for continued American support for El Salvador as she addresses her continuing economic and military problems through her democratic institutions.

The delegation was struck by the rather consistent answer we got the frequently asked question, "Why are you voting?" The vast majority of voters' answers centered on the hope for peace, and the desire to live in tranquility.

In our meeting with President Duarate after the polls closed, he confirmed his commitment to peace by building confidence among his people, through judicial reform, agrarian reform, and economic development. In addition, he reaffirmed his commitment to make every effort to bring the guerrillas to the peace table, and to put an end to the random violence which has so torn this nation.

This delegation commends the great strides made in this nation. Nowhere are they more evident than in this election. We look forward to working with the people of El Salvador to build on this election, further nurturing her democratic institutions, and we call on all factions, regardless of ideology, to join in that process.

We would be remiss if we did not mention the outstanding job performed by outgoing Ambassador Tom Pickering. He clearly has performed his duties in El Salvador in the highest tradition of American diplomacy. We know that he will continue to make a positive contribution to U.S. foreign policy.

Our delegation unanimously agreed that this election could be described as routine even by the historical standards of elections in the United States. That speaks volumes of how successfully the recently planted democratic institutions in El Salvador have taken root.

DAIRY DIVERSION PROGRAM

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, yesterday was not April Fools Day for dairy farmers across this country. The Dairy Diversion Program ended, and the Secretary of Agriculture reduced price supports by 50 cents per hundredweight. On July 1, he will impose another 50 cent reduction.

Yesterday was no joke for dairy farmers in my district and throughout Minnesota.

The end of the Dairy Diversion Program raises an interesting question: Why would the administration and Congress allow the expiration of a self-financing program which cut Government expenditures by $1 billion? There really is no answer which makes sense to farmers or to consumers.

In November 1983, I offered an amendment on the House floor which would have provided that the Dairy Diversion Program run concurrently with the 4-year farm program which expires September 30, 1985. Misunderstanding of the realities of dairy farming and a failure to appreciate that the Diversion Program was to be financed through a $10 per hundredweight deduction from all dairy production caused the House to reject an amendment which would have increased the savings to the Treasury over a longer period of time.

The consequences of yesterday's price support cut will fall most heavily on medium sized dairy farmers in Wisconsin and Minnesota. The State of Minnesota may lose 1,500 dairy farms, with thousands more dairy farmers going out of business throughout the Nation.

The issue today is no longer the Diversion Program. Rather, it is the urgent need to write sensible, equitable dairy provisions in the 1985 farm bill and to prevent further erosion of farm income and the loss of even more American dairy farms in the next year.

SEAT MR. McINTYRE

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, two centuries ago, the United States of America enacted a Constitution that ended a long battle. We fought against the tyrannical rule of British King George III, who had plenty of room in his treasury for American taxes, but no room in his Parliament for American representatives.

The Eighth District of Indiana, having duly elected Rick McIntyre, suffers the same undemocratic fate today. During the last 3 months we have voted on farm legislation, aid to starving millions abroad, and just last week the expensive but necessary MX missile.

We spend in Congress about $5 billion every day that we are in session. Several million of those dollars come from the Eighth District in Indiana, whose taxpayers have not had a say on how that money will be spent.

Why hasn't Rick McIntyre been seated? Congressional partisanship, that is why. Common Americans see things differently. One hundred percent of the mail from my constituents in California support Rick McIntyre on the issues. The newspapers support him, too, the New York Times, the Washington Post, the Atlanta Journal, the Detroit News and, just this morning, the Wall Street Journal. They looked at the facts and reached the same conclusion. Let us listen to the American people and seat Mr. McIntyre this afternoon.

AUTOMOBILE IMPORTS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, when they say auto imports will not harm you, just say, "April fool."

I rise today in opposition to the President's decision, absent any alternative, to lift the auto import restraints on imported Japanese cars. That decision went into effect yesterday, April Fool's Day. I found ironic the subsequent announcement by Japan that it intends to increase by 25 percent the number of autos they export to the United States this year. Japan now holds a 25-percent market share of the U.S. auto market. How much more are they entitled to?

A bill I am introducing today aims at restoring fair trade. How can this administration lift the restraints when vital negotiations aimed at opening up the Japanese telecommunications market are stalled, and other markets remain closed to American producers?

What about opening Japanese markets to American telecommunications, steel, textiles, lumber, agriculture, finished wood, pharmaceuticals, medical equipment, and financial services?

The removal of the auto restraints will serve only to further open U.S. markets to unfair world competition and force more U.S. corporate investment abroad. Jobs are being lost every day in America. Mr. Speaker, when they say auto restraints will not harm you, just say: "April fool!"

VOTE TODAY TO SEAT RICK McINTYRE

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, today is the 90th day that the Eighth Congressional District of Indiana has not had a Representative in this body. Ninety days is enough. Later today, Mr. Speaker, each Member of this body will have an opportunity to end the lack of representation by voting to seat the certified winner, Rick McIntyre.

Congressman-elect McIntyre is still ahead in the most current recount with respect to maintaining his 34-vote election day margin.

□ 1250

Three counties have been recounted. I am told that Mr. McCloskey's people are now saying that they do not like this recount either. Where will it end? Are we to have a world series of recounts? The best four out of seven?

The Indiana Eighth District deserves a Representative. McIntyre won on election day; he won the State of Indiana recount; he is now winning, by all accounts, the U.S. congressional recount. Let us end the debate and begin to legislate. Let us vote today to seat Rick McIntyre.

A LETTER TO THE PRESIDENT

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, I and many of my colleagues have spoken in this Chamber over the last few months on the problems our textile industry is facing. We have tried to explain to the Members of this body the seriousness of this situation and we have urged them to cosponsor H.R. 1562, the Textile and Apparel Trade Enforcement Act of 1985. We are convinced that this legislation can help to ease the current textile crisis.

However, the publisher of the Tri-county Papers in my district has expressed, far more eloquently than I can, the need for this legislation. I am putting into the RECORD today an editorial Bob Tribble, of Manchester, GA, published in the March issue of his papers. When you read this editorial, Mr. Speaker, you will see that Mr. Tribble is a strong and firm supporter of the administration. But, he captures, from a firsthand perspective, why we must do something in this country to help textiles. I encourage all my colleagues to read and to think carefully about Mr. Tribble's editorial.

A LETTER TO THE PRESIDENT

(By Bob Tribble)

President RONALD REAGAN,
White House,
Washington, DC.

DEAR MR. PRESIDENT: There is probably not a newspaper editor or publisher in these United States who has been a more vocal supporter of you and what you stand for than I. Over the years personal columns have been full of echoes of agreement with your beliefs and policies.

For many years, this country was headed in the wrong directon. We had been taken over by the liberal minded politicians who felt that giveaways and bigger government was the answer to everything.

Over the past four years, you and your administration has changed that philosophy of government and now have our nation headed on a solid course that can bring us all nothing but good times and restored pride in being an American.

Your philosophy has been "let's make America strong again." "Let's restore pride to our people and make them proud once again to be an American." To a great degree, you have accomplished that, and I commend you for it.

Now, let me tell you a long story, in brief form, about our little Georgia town of Manchester, population 4,784. We are losing an industry here (textile) that is the very reason our town exist at all. Callaway Mills and the railroad are responsible for us being here since 1909.

In 1968 Milliken & Co. out of Spartanburg, S.C. purchased the mill and has run it since. In June they are closing down putting a total of 350 emplyees out of work.

This is a sad ending to a beautiful love story about a town, a cotton mill and a railroad. We have people here who have known nothing else but to labor daily, and proudly I must say, in that mill. Working in the mill has become a family tradition.

No matter what other type industry we might put there, if any, it will never replace "the mill."

Milliken & Co. has labored tirelessly to place these 350 workers in other plants in LaGrange (35 miles away) and Pine Mountain (25 miles away). To date they have been successful in over 50 percent of the cases.

Roger Milliken committed just this week to donate the plant and it's valued at one and one half million dollars, to our little town. He also sent a top executive and $25,000 to help us prepare a brochure on the plant and our town in hopes that we can locate another industry here right away.

Mr. President, the action taken by Milliken & Co. is the true American way. They have not asked for government funds to help them keep their plants open. In fact I am sure they would refuse government money even if it were offered.

But Mr. President, they and other textile manufacturers need your help to keep America strong. They tell me, and I believe them, that foreign textile imports caused this plant to close, as well as many other similar plants across this nation. Here in our area of Georgia alone there has been thousands of jobs lost, and I understand a half million or more nationwide.

I understand fully that our country must maintain a trade balance and good relations with our allies. We must help them for they rely heavily on us.

But, I understand also that first we must protect our own people if we are to remain strong. We owe it to them. There has to be a balance to be found.

The textile industry has not laid over and played dead. They have spent millions of dollars on machinery to allow themselves to better compete. But there is no way they can compete with the cheap labor from the far east. Mr. President, there must be some controls.

Congressman Ed Jenkins of our state will introduce legislation in the House this month that will greatly help this situation. I encourage you to fully support this measure so that we can keep America and our American worker strong.

Warm Regards,

BOB TRIBBLE.

P.S.—Thank you for being our President and may God lead you to lead our nation as we should go.

LET US PROVIDE A VOICE FOR INDIANA'S EIGHTH DISTRICT

(Mr. SCHUETTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUETTE. Mr. Speaker, the people of Indiana's Eighth District have spoken, but as yet, the House Administration Committee has not been heard from.

The committee's recount and decision are now 6 days overdue and the Eighth District of Indiana has been without representation for 3 months—90 days. I understand that the Administration Committee has counted disputed ballots, which would have been disqualified in any other Indiana congressional race, and still Rick McIntyre appears to be the winner.

I rise today to ask the House of Representatives to do what is right and fair and just and grant the Eighth District representation in the 99th Congress. The people of that district have spoken, let's seat Rick McIntyre, and provide a voice for Indiana's Eighth District.

THE AGRICULTURAL EFFICIENCY AND EQUITY ACT

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extended his remarks.)

Mr. STENHOLM. Mr. Speaker, an acreage base, or number of acres to be planted, is assigned to farmers who wish to take part in Federal farm programs, and a yield measures how many bushels per acre the farmer is assumed to produce, based on his past experience. Both bases and yields are important when farmers decide whether to participate in the programs.

Some system of bases and yields would be necessary under almost any conceivable farm program. That means that no matter what shape the 1985 farm bill takes, we'll need base and yield formulas in order to administer agricultural policies effectively. But there are many problems with the way those formulas are set up now.

For one thing, the formulas are contained in 4-year farm bills, not permanent law. So every time a new farm bill is written, the base and yield system comes under the political pressures of the day. In those years, farmers don't know what this year's planting decisions will mean for next year's acreage base, because they don't know what kind of legislation we in Congress will write. This uncertainty about farm programs is a major complaint of farmers, and a major reason many of them don't take part in Federal programs. As we all know, low participation can cause high surplus levels, and that means billions of dollars in taxpayers costs.

That's not the only problem with the current system. It's inconsistent between crops, it leaves too much discretion to USDA, and it doesn't adequately reward soil conservation practices.

The Agricultural Efficiency and Equity Act is an attempt to design a better system. It writes base and yield formulas into permanent law to give farmers a stable benchmark for planning. It assigns acreage bases by a moving average of acres actually planted, and yields by a moving average of bushels or pounds actually produced. It also gives farmers more flexibility than they now have in deciding for themselves how much of a given crop they will plant. The bill applies only to wheat, feed grains, cotton and rice.

I hope the Congress will choose to take quick action on this matter of importance to farmers across the Nation.

WALKING DOWN AN UNCERTAIN PATH

(Mr. GALLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GALLO. Mr. Speaker, today, we are once again considering the case of the Eighth District of Indiana, nearly 5 months after the last congressional election and almost 4 months after the secretary of state in Indiana certified that Richard McIntyre was elected as a Member of Congress from the Eighth District of Indiana.

During that time, this body has been on a peculiar path which, if we continue in this direction, could set a precedent which would keep Members of Congress from being seated in spite of State certification.

We have always looked to the States to certify Members of Congress. We must continue to do so.

I can tell you that I have heard from the New Jersey secretary of state, Jane Burgio, and she is very concerned about the current situation.

She sees very clearly that this case could easily repeat itself in 2 years. Her concern is based on the fact that she is the person charged with the responsibility of certifying elections in New Jersey.

I share her concern today.

We can and should resolve this question in a peaceable fashion before we set a precedent that can return in the future to haunt us all.

Until now, the cornerstone of our democratic form of government has been that the individual who is duly certified is the election winner.

I strongly urge my colleagues to look beyond the current arguments in this case and realize that we are walking down an uncertain path toward chaos if we continue to pursue our current course of action.

WE MUST PROSECUTE NAZI WAR CRIMINALS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, last week, the President's announcement that he would not visit Dachau during his visit to Germany this year, and his comments which seemed to refer to the Holocaust as a "lost part of history" and not as a living remainder of the abuses of mankind, were unsettling.

Now, a new transcript has come to light with comments by the President's new Director of Communications, Mr. Patrick Buchanan, which have further unsettled many of us. In an interview, Mr. Buchanan called for the abolition of the Office of Special Investigations, an office charged with prosecuting Nazi war criminals. He termed it, "a fruitless exercise, and not a proper use of resources."

During the discussion. Mr. Buchanan insisted that there is "no singularity about the Holocaust that warrants investing Federal funds in going after people who are about 70 years old, and whose crimes occurred 35 and 40 years ago."

Mr. Speaker, Mr. Buchanan's comments are unbelievable, they are outrageous, they should be refuted, and I would hope the President would, to all of us who are concerned about continuing to prosecute these war criminals, give us some reassurance.

(Letter to President follows):

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES,
Washington, DC, April 2, 1985.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Your remarks last week in response to a reporter's question have prompted a great deal of confusion and concern over our nation's commitment to the memory of the Holocaust. A refusal to attend ceremonies next month at Dachau have raised questions throughout the world as to whether our nation's leaders believe that the Holocaust is to be forgotten in the pages of history or whether it shall remain as a living and constant reminder of the greatest of human tragedies.

Remarks in the past by your new Communications Director, Patrick Buchanan, have added to the doubts about your Administration's commitment to the memory of the victims of the Holocaust. On several occasions over the last few years, Mr. Buchanan has criticized the efforts of the Justice Department's Office of Special Investigations to pursue the trail of Nazi war criminals. During an interview in 1982 Mr. Buchanan called for the "abolition" of the Office of Special Investigations, which he termed a "fruitless exercise" and "not a proper use of resources". During the discussion Mr. Buchanan insisted that there is no "singularity" about the Holocaust that warrants investing federal funds in "going after people who are about 70 years old now" and whose crimes "occurred thirty-five, forty years ago". He later authored two syndicated columns in which he renewed his attacks on the Office.

Although in the past your Administration has supported activities of the Office of Special Investigations, these statements of Mr. Buchanan's appointment to the highest levels of the White House, now raise questions about the commitment of our nation's political leaders to the memory of the Holocaust.

The combination of these statements have left the wrong impression. I believe it is important that a visit be scheduled to the Dachau Holocaust site next month and that you reaffirm our efforts to pursue the trail of Dr. Joseph Mengele.

Two years ago in a speech to more than 15,000 Holocaust surviors you stated, "Our most sacred task now is insuring that the memory of this greatest of human tragedies, the Holocaust, never fades—that its lessons are not forgotten."

I hope that as the 30th Anniversary of this greatest of human tragedies approaches that you will do all that you can to ensure the memory of the Holocaust never fades nor is forgotten.

Sincerely,

ROBERT G. TORRICELLI,
Member of Congress.

ADDITIONAL COSPONSORS TO THE AGRICULTURAL EXPORT EXPANSION ACT OF 1985

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, nearly 1 month ago, I introduced legislation aimed at preserving the effectiveness of our agricultural export promotion programs by exempting them from costly cargo preference requirements. Today, I am adding the names of 27 fellow Members of the House of Representatives to H.R. 1517, the Agricultural Export Expansion Act of 1985. This brings to 42 the total number of cosponsors of this bill.

Mr. Speaker, I have observed with interest the growing number of supporters for this bill and similar legislation that would overturn the recent court decision that has effectively killed our blended Credit Export Enhancement Program. The Department of Agriculture informs me that the dangerous precedent set by this ruling may imperil as much as 20 percent of our commercial agricultural exports, if prompt legislative action is not taken.

I look forward to generating additional cosponsors and additional support for this essential legislation.

THANKS TO THE COSPONSORS OF H.R. 600

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I wanted to thank the more than 220 Members of Congress on both sides of the aisle who have cosponsored a piece of legislation that I introduced 2 months ago, H.R. 600. H.R. 600 would repeal the onerous and burdensome auto log provisions of the IRS regulations; vehicle mileage.

We have more than half the number of the total membership of the House; victory is within sight. Today, as I speak, the Ways and Means Committee is marking up a bill that would do the very thing that H.R. 600 called for: Repeal section 179B of the 1984 act, make invalid all the regulations that followed from the passage of that act that relate to auto mileage.

I want to thank the chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI; I want to thank Congressman BERYL ANTHONY of Arkansas; Congressman HAL DAUB of Nebraska. These men and others, 222 others,

have joined together to right this wrong. I thank you very much.

H.R. 691

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, I am an original cosponsor of Congresswoman LYNN MARTIN'S bill to get our House and Senate in order. This bill, H.R. 691, would finally extend to the employees of Congress and the Federal courts protection against discrimination in employment.

I think it is unconscionable that a body which passes laws to promote equality in hiring and pay practices throughout our Nation and which should be setting an example with respect to civil rights in America, excludes itself from meeting minimal standards of equality in the workplace. It is time to end this "Do as I say, not as I do" attitude.

Representative MARTIN'S bill, endorsed by over 50 Members of this body, would end this hypocritical situation by amending title VII of the Civil Rights Act of 1964 to give women, racial, and ethnic minorities, the handicapped, and older workers protection from employment discrimination. The bill would still allow Members of Congress to make personal staff hiring decisions that are based on political affiliation and residence, and would not interfere with Members' performance of their proper function.

I urge my colleagues who have not endorsed this legislation to do so in fairness.

□ 1300

REJECT SOCIAL SECURITY COLA FREEZE

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, in late 1984, President Reagan, admonished the Members on this side of the aisle, saying that we were needlessly frightening the elderly with accusations, that, he would cut current or future Social Security payments. He told us he would never stand for cuts, in payments, to these beneficiaries. Now we are in the midst of a struggle, to fend off a freeze, in the cost-of-living adjustments, in Social Security payments, as approved by the other body's Budget Committee. More than this, our senior citizens are being hit, from all sides by the President's own budget proposal, which includes cuts in Medicare, housing and energy assistance, and legal services.

I ask my colleagues, on both sides of the aisle, to join me, in helping Mr. Reagan keep his campaign pledge. Let us demonstrate, that this great representative body is not one that turns a deaf ear toward the most deserving of those we represent. Let us put aside partisanship and rhetoric, and do what we promised to do, and do what is right. Let us reject the Social Security COLA freeze for fiscal year 1986.

STEPSON OF SAM

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House: We have just passed another anniversary of the attempted assassination of President Reagan, and Hinckley still haunts us. Now we have reason to believe that he is profiting from various publications publishing interviews, et cetera.

I am introducing today legislation that would prohibit anyone who acknowledgedly committed felonies, crimes of the dimension that Hinckley did, but escaped only by reason of a quirk in the law, acquittal by reason of insanity.

When the Congress passed the "Son of Sam" laws pursuant to the New York killer David Berkowitz's profiting on the backs of his victims, that was a proper thing to do because he should not profit, not the criminal, but if any profit should be made, only the victims of his misdeed should profit.

Therefore, this "Stepson of Sam" which will cover the Hinckley type of misdeeds, is much needed. I urge passage by the Congress of the United States.

THINGS HAVE CHANGED SINCE JANUARY 3

(Mr. SWINDALL asked and was given permission to address the House for 1 minute.)

Mr. SWINDALL. Mr. Speaker, in talking with a number of my friends and distinguished colleagues on the Democratic side of the aisle, I have found that a number of them are very uncomfortable about the situation with regard to McIntyre. I have found, however, that since they voted not to seat Mr. McIntyre on January 3, they feel with some justification that they cannot afford to change that vote today and now say that they erred on the first occasion because nothing has changed since January 3.

I respectfully suggest to those Members that three things have changed since January 3.

First and foremost, 90 days has not passed; 90 days where the House has been without representation from the Eighth District of Indiana.

Second, the House Administration Committee has passed its first deadline.

And third, the House Administration Committee cannot tell us even today when they expect to go ahead and be able to tell us one way or the other their conclusions.

Therefore, I would state that the only thing that makes sense, if we are really concerned today about the Constitution and the fact that the Constitution guarantees representation, is to seat Mr. McIntyre and then let the House Administration Committee, at its own timetable, proceed.

SEAT MR. McINTYRE POSTHASTE

(Mr. MONSON asked and was given permission to address the House for 1 minute.)

Mr. MONSON. Mr. Speaker, the controversy over the real winner in Indiana's Eighth District has been extended far too long. The debate, which should never have been embraced by this body in the first place, has been one that has completely ignored the facts—facts which are very simple.

The people of Indiana's Eighth District went to the polls to cast their votes in November. They elected Rick McIntyre. The secretary of state in Indiana certified Mr. McIntyre the clear winner. There was some dispute as to the original count, but even after correcting it, Mr. McIntyre won by 34 votes. A later recount of all the ballots by special county commissions expanded his margin to 418. Mr. McIntyre was the decided winner, yet this fact has been ignored.

The voters of the Eighth District of Indiana have been held hostage to petty politics and have been denied a voice in our representative government. A half a million people in Indiana have no representation in the House of Representatives because we, as Members of this body, have refused to seat the declared and certified winner. We have been tied up with this controversy for the last 3 months, and we are wasting more valuable time with yet another unnecessary recount.

I recommend we stop squabbling, respect the facts and seat Mr. McIntyre posthaste.

The New York Times summed the situation up succinctly in a recent editorial by stating simply: "There's a decent, democratic solution available to the Democratic majority * * *. Seat Mr. McIntyre." The Washington Post, which can hardly be credited for championing Republican causes offered the same advice by editorializing that "Mr. McIntyre ought to be seated." To these words, I add that Congress should simply stick to the facts and seat Mr. McIntyre today.

NINETIETH DAY OF INDECISION ON SEATING OF RICK McINTYRE

(Mr. CALLAHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Speaker, as we gather here today, assembled for the third month of the 99th Congress, we are still plagued with the very same problem that faced us on January 3, our first day of this session.

The people of this country sent us here to help solve some of the greatest problems that have faced this country in a decade, problems such as a new farm policy, problems such as the national debt, simplification of our tax program, imbalance of trade, and on and on and on.

Yet today, the 90th day, we are still debating the very first issue that faced us when we came here, and that is whether or not to seat Rick McIntyre of Indiana. I submit to you today that we ought to consider one basic fact in this decisonmaking process, the fact of right or wrong. Every indication—every indication—that has come before this body indicates that the proper and right thing to do is to seat Congressman Rick McIntyre.

I urge my colleagues today to join with me in an affirmative vote on seating Rick McIntyre.

□ 1310

STOP WASTING TIME, GET ON WITH THE ISSUE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, I would like to respond to the numerous speeches that have been made today by the gentlemen and gentlewomen on the other side of the aisle who wish to address the question of the seating or nonseating of Mr. McIntyre or Mr. McCloskey. I would urge that we get on with the business of the day. Is it not true that the resolution pending before the House today is to debate and ultimately to vote on that very question?

If the gentlemen and the gentlewomen on the other side of the aisle want to get down to the facts and get onto the business and stop wasting the time of this body I suggest to them that they discontinue this diatribe. Let us get down to work and get to the vote on this debate.

Mr. RICHARDSON. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from New Mexico.

The SPEAKER pro tempore (Mr. COOPER). The gentleman from New Mexico [Mr. RICHARDSON] is recognized.

Mr. RICHARDSON. I thank the Chair.

Mr. Speaker, I just want to report an extremely——

Mr. WALKER. Regular order, Mr. Speaker. The gentleman from Arkansas must remain on his feet if he yielded.

The SPEAKER pro tempore. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

McINTYRE SHOULD BE SEATED PENDING FURTHER INVESTIGATION

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, I would point out to the gentleman that the wasted time began on January 3, when we refused to seat Mr. Rick McIntyre. We all could have saved a lot of time.

Mr. Speaker, last November Mr. Rick McIntyre of Indiana's Eighth District won an election. Then he won a recount. He is now being subjected to yet another recount.

Last week I testified before the House Administration Task Force and asked the question: "If Mr. McIntyre won the election for the third time by 1 vote, 10 votes, or 4,000 votes, will you seat him?" I got no answer.

The people of the Eighth District of Indiana should not have their constitutional rights violated any longer by being without representation. We are not challenging the right to investigate. We want to make it clear that the burden of proof should be on the House of Representatives, not on Rick McIntyre. While the investigation is taking place, Mr. McIntyre should be seated. Not a single shred of evidence has ever been produced to suggest that the certificate of election naming McIntyre the winner was not based upon a full and fair counting of the votes one election day. The secretary of state of Indiana certified McIntyre the winner based on corrected election day totals. The election was not even challenged by the loser within the prescribed time; it was challenged by the House leadership.

Mr. Speaker, as a former teacher of history and government, I am appalled by the unfairness demonstrated by the House in this matter. I urge my colleagues to seat Rick McIntyre this afternoon.

APOLOGY SOUGHT FROM INDIANA'S SECRETARY OF STATE FOR REFERENCE TO "WETBACKS"

(Mr. SHARP asked and was given permission to address the House for 1 minute.)

Mr. SHARP. Mr. Speaker, I yield to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I appreciate the gentleman's yielding.

I would just like to make a point relating to a statement made by the secretary of state form Indiana Mr. Simcox who made a speech last week expounding on a subject very appropriate to Indiana Secretaries of State, and that is foreign policy and immigration. In the course of that speech he referred to those coming into this country from Mexico as "wetbacks." The chairman of the Congressional Black Caucus and I as chairman of the Hispanic Caucus have asked Mr. Simcox for an apology for this insensitive remark.

If this man treats people as sensitively as this statement he made indicates, I wonder how equipped he is to deal with sensitivity, fairness with issues affecting the race in Indiana. His statement was uncalled for, unfortunate, and irresponsible, including the counting of minority ballots. I hope Mr. Simcox apologizes to the entire country, not just to those individuals he has specifically maligned.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman has any time left, will the gentleman yield to me?

Mr. SHARP. I am happy to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, Mr. Simcox has sent a letter to the gentleman—I have seen copies of it, he mailed a copy to me, and I would have thought the gentleman would have one now—about his choice of words. He does apologize if he has offended anyone.

This is used out of context now. It had nothing to do with the election, and to bring this up is irrelevant to the facts that bear on continuing this recount.

The SPEAKER pro tempore (Mr. MURTHA). The time of the gentleman from Indiana [Mr. SHARP] has expired.

AN APOLOGY AND EXPLANATION FROM MR. SIMCOX OF INDIANA

(Mr. GINGRICH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. GINGRICH. Mr. Speaker, I am delighted to read into the RECORD the answer by Mr. Simcox to the Honorable WILLIAM RICHARDSON:

STATE OF INDIANA,
Indianapolis, March 29, 1985.

Hon. WILLIAM RICHARDSON,
U.S. Congress,
Washington, DC.

DEAR CONGRESSMAN RICHARDSON: Your linking of a statement which I made in an unrelated speech with the present 8th Dis-

trict controversy is so ludicrous that it defies description.

I used a term in a speech last Monday evening which I did not understand to be offensive to certain people because I had read and heard it used in various formats. When I learned of its offensive nature, I issued a deep and sincere apology and expressed my regret that I might have offended even one person.

Now this statement is being used by those who would deprive the 8th District of a Congressman to suggest that somehow I sought to exclude minority votes from being counted in the race.

I believe most people will see your statements for what they really are—an attempt to pull the focus from the errant manner in which Congress has handled the 8th District affair from the very beginning.

Before you question my character, I would remind you that I have urged the counting of all ballots, in all precincts, and have pointed out that if this were done it would result in the congressional seating of the election night winner, whom I certified by 34 votes on December 13 of last year.

You who are so concerned about minority participation should remember that Democrat recount commissions controlled the process in counties in which minority ballots were discounted. If you had bothered to investigate the facts—which, of course, you did not—you would have seen that I have always focused on the election night total as the accurate reflection of the outcome of the race, not the recount.

Finally, on a human level, people in public life need to be man and woman enough to apologize for their mistakes. I have done that with respect to my unfortunate comment. I now ask for a similar apology from you for seeking to distort and inflame an election matter with personally devisive rhetoric.

I deeply regret my unknowing use of an offensive term. But, I also deeply regret the opportunism of those who would attempt to capitalize on the unfortunate incident by attempting to link it to a totally unrelated matter.

You don't reflect well on yourself, the Congress, or the American political process by having done so.

Sincerely,

EDWIN J. SIMCOX,
Secretary of State.

CLARIFICATION SOUGHT ON MINORITY'S POSITION ON VOTE-COUNTING

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, maybe I can get clarified by Members on the minority side as to their position on the counting of which ballots. I have heard some Members of the minority even today—and some earlier—say that ballots should not be counted in the current recount that would not have been counted in Indiana, and a number of people have said they should not be counted. Now Mr. Simcox has just been quoted as saying—and I assume he will not be taking this one back in the near future—that he is for counting all the ballots.

This differs with the position that some Republican Members have stated today. The gentleman from Indiana [Mr. MYERS] earlier said, and I agreed with him, that with regard to Vanderburgh county you have to count them all where the precinct clerks or the inspectors did not initial any of them. One of the key issues that we have to focus on is, should voters be penalized because election officials did not properly initial their ballots?

Now, the task force of the gentleman from California has instructed that they be counted. Several Members on the minority side appear to have objected to that. That is the kind of specific issue I would have hoped would have been addressed.

I am unclear as to what the minority's position is. I agree with the gentleman from Indiana [Mr. MYERS] that we ought to count those where the precinct inspectors in Vanderburgh County did not initial them. Other Members on the Republican side have criticized that, and I would hope we could get some clarification because I think there is a very inconsistent position here as to whether these votes ought to be counted.

MEDICAL CARE SHOULD NOT BE "BUSINESS AS USUAL"

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. BENTLEY. Mr. Speaker, we are increasingly hearing frightening stories from hospitals of accidental deaths from the wrong medication being administered. Too often, for comfort, we hear that the wrong patient has received an operation.

A Wall Street Journal article of March 27, 1985, may shed some light on these problems. It discusses in detail the cost of deep staff cuts at hospitals across the country.

While we are concerned with fiscal responsibility at all levels of the Government and in all community services, the key word is responsibility.

It seems to me that in making the nursing staffs of our health care facilities the target of major budget cutting by hospitals is not responsible.

Going back to the days of Florence Nightingale and Clara Barton, nurses have followed in the footsteps of those who guard us at the most vulnerable, lonely time in our lives.

Our great scientific institutions and, yes even the Congress, boasts of millions spent in medical research, breakthroughs on the cutting edge of technology.

But, what good is this all; if, the human factor which gives the support necessary to all healing is being taken away?

Our nurses deserve praise, not pink slips. Our patients pay for the best and deserve it in having capable nursing care. Hospitals are not just businesses. They deal primarily in hope.

In order for the Members to better understand the problems, I insert here in the CONGRESSIONAL RECORD an article which appeared in the Wall Street Journal, March 27, 1985, entitled, "Hospital Nightmare: Cuts in Staff Demoralize Nurses as Care Suffers":

HOSPITAL NIGHTMARE: CUTS IN STAFF DEMORALIZE NURSES AS CARE SUFFERS

(By Jennifer Bingham Hull)

Last June, Ann Landers printed a letter in her column from a medical student complaining about nurses' attitudes. Some 7,000 angry nurses responded.

Their letters told of mounting difficulties for a profession known for long hours and low pay, citing exhaustion and stress so bad it endangers patients' lives. "I have come home and cried because I didn't have enough time to do a decent job for my patients," said one. A nurse in Hartford, Conn., has complained "endlessly" to her administrators. "All I hear is 'There is no budget for more help. Do the best you can,'" she wrote.

Ms. Landers called the response "staggering." She said it was the most depressing mail she had read in years.

Nursing is in turmoil. Cost pressures brought on by a new Medicare payment system are causing hospitals to reduce nursing and support staffs. The California Hospital Association reported a 9 percent drop in full-time registered nurses employed in California hospitals in 1983 and a 3 percent drop in part-time nurses. Preliminary results for 1984 indicate further reductions.

NOWHERE TO HIDE

Such numbers add up to more work for remaining nurses and less attention for patients. "The nurse is where the buck can't be passed anymore," says Jeff Goldsmith, a health-care analyst at Ernst & Whinney. "They are the biggest victims of cost-cutting because they can't hide from the patient. If the resources aren't there they still have to provide them."

Though hospital occupancy rates have fallen, the demands of patients are increasing. A new Medicare payment system is pressuring hospitals to discharge patients quickly, while the growth of outpatient surgery is leaving hospitals with sicker patients.

Nurses say care is deteriorating, so far mostly in small ways. The real worry, however, is that cost-cutting will seriously impede care in the future. "We're skating on thin ice, says A. David Tammelléo, an attorney who specializes in nursing issues. "With fewer nurses doing more work there is the imminent danger of errors of judgment and misassessment."

Even the nation's richest and most prestigious hospitals haven't been spared, as a look at Cedars-Sinai Medical Center illustrates. Located in Los Angeles, Cedars is a not-for-profit hospital with 1,120 beds, a large teaching program and a reputation for treating the celebrated and rich.

Cedars budget for nursing wages has been cut 6 percent in the past two years to $50 million. By the end of fiscal 1986, almost 300 full-time positions will have been cut in three years. Nurses comprise two-thirds of these cuts.

A look at the oncology ward brings these numbers to life. Most of its patients have

cancer. Nurses spend hours by the bedside here, talking of tests and treatments and death. Most are young, and several are recent graduates of top nursing schools. They wear bright shirts over white pants. No white caps no starch.

At 7 a.m. a bleary-eyed group begins its shift by listening to the night shift's recorded description of patients' conditions. One woman may need surgery. A nurse rolls her eyes and swallows hard. "God I hope not," she says. The tape recommends giving more attention to one patient. A nurse sighs. "I like that patient, but it's just too much," she says.

Nine nurses are scheduled for the 31 patients on the floor today, but one was needed elsewhere in the hospital so only eight are working. Such holes used to be filled with temporary help, but no longer. "You have to make do with what you have, period," says Amy Goldfarb, assistant coordinator on the floor.

Nurse Bernadette Moran will handle four patients today, one of whom is near death. By mid-morning Ms. Moran is racing. A dying lung-cancer patient is gasping for air. Ms. Moran grabs another nurse to help "suction" the man's trachea so he can breathe.

A JOB AND A HALF

She wants to suction the man more often, but three other patients need attention. She whisks a wastebasket from the room and moves on. "There is nothing more frustrating than to know you have to do patient care and can't because you don't have the time," she says.

Ms. Moran's frustration is common. On a recent shift Bonnie Markoe is the "charge" nurse. Charge nurses, who handle admissions and staffing, used to be free from patient care. Not anymore. Ms. Markoe is also responsible for three patients.

Staffing problems leave the nurse little time for them. One who is supposed to be walked several times isn't. Doctors' orders for drugs, procedures and dressing changes are left for the next shift. On another day Ms. Markoe says she mistakenly gave a patient antibiotics six hours early. The patient was fine but, "it just gets me when it's unsafe and too busy and there's no relief," she says.

On this shift a cancer patient named Morris is waiting for Ms. Moran to give him a shower. Morris says these nurses are too busy. And he complains that they aren't very good at starting intravenous lines, or IVs.

Cedars cut by two-thirds a special team that puts intravenous lines into patients. Now floor nurses start most IVs.

The oncology nurses aren't used to inserting the needles, and cancer patients often have loose skin and bad veins. Patients reveal scarred arms and complain of being stuck several times without success. "They've got lots of problems with the IVs," says Morris. "Some of them (the nurses) are in a hurry or inexperienced. The girl tried twice last night. I was in lots of pain."

Nurses don't like the new policy either. "We are doing all the work," says Ms. Markoe, "We watch them cry. We watch them die. Now we have to stick them with an IV," she says.

Nurses do like one recent change, a switch to so-called "primary care." Each nurse provides complete care for several patients assigned directly to her. Before, each nurse did one task for all patients.

THE TOTAL NURSE

Primary care means a 43-year-old leukemia patient named Christine is depending on Ms. Markoe this morning. The patient turns her head weakly as the nurse enters the room, revealing a swathed head, haggard face and eyes filled with trust. Ms. Markoe cares for Christine whenever the patient is on the floor. "The first time in the hospital I was so afraid of the tests," Christine says. "I remember leaving on a gurney and Bonnie was hugging me saying it will be all right . . . This is the total nurse."

Though the change to primary care wasn't related to cost-cutting, it is more efficient because nurses who know their patients can prevent complications that extend hospitalization, says Roxane Spitzer, Cedars' vice president of nursing.

Ms. Spitzer says it's more efficient for nurses to start IVs themselves. She says through productivity gains Cedars has been able to preserve quality care. She also says the hospital's nursing department was overstaffed.

But she worries about the future. "We absolutely can't handle any more cutbacks without directly affecting patient care," Ms. Spitzer says.

She notes that complaints from nurses have already increased. "Sometimes morale gets pretty bad when nurses are so stretched that they don't even have 20 minutes for lunch," she says.

NOT MUCH ADVANCEMENT

The nurses say running all day wouldn't be so bad if the pay were better. Donna Ray makes $25,000 after two years on the floor. That's above the average salary of $21,000 for nurses. But she sees little room for advancement, especially compared with her college friends working on Wall Street. "They are responsible for someone's money. I am responsible for someone's life. Something is wrong," she says.

Some of the frustration is showing up in more strikes by nurses' unions. the largest-ever took place in the Minneapolis-St. Paul area last summer. Some 6,000 nurses struck 15 hospitals for five weeks to protest layoffs of senior staff and their replacement with less-expensive junior nurses. The nurses negotiated a seniority system for layoffs and provisions for training.

At Cedars, though, nurses voted down a union last year. Perhaps they have enough battling in the ward.

One such battle begins late at night as a dying lung-cancer patient struggles for air. At one point, he grabs Julie Bourke, the night nurse, so hard he almost tears her clothes off. Ms. Bourke asks the residents in charge to prescribe a stronger from of morphine. When they refuse because of feared side effects, the exhausted nurse bursts into tears.

Ms. Ray and Ms. Moran take over in the morning, and there are more discussions about medication, but no change. Hours pass. The man is still agitated. His family is distraught. At 2 p.m. Ms. Ray approaches one of the residents, and her frustration and anger spill out.

"I just don't think you understand what that family is feeling back there," she says, eyes flashing, hair flying in her face. "Bernadette has been crying. Julie was crying. I'm upset." She notes that their argument has dragged on for hours. "That's a long time to see your father die," she says.

Ms. Ray keeps lobbying, and eventually the doctors prescribe a stronger medication. But by then the patient is in a coma. Two hours later he is dead.

The shift is over, but Ms. Moran is still finishing a chart. Ms. Ray sits on the floor with her head in her hand, exhausted. She has a letter from a patient's relative, thanking her for helping the family deal with death. But such appreciation may not be enough. "You know, we're really good nurses, Bernadette and I, but we're not going to stay here," says Ms. Ray. "We just can't take it."

□ 1320

RICK McINTYRE STILL THE WINNER

(Mr. THOMAS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of California. Mr. Speaker, to respond briefly to the gentleman from Massachusetts about his cry of "Count all the votes," as a member of the task force I would like to inform the gentleman that in Warrick County, for example, on election night the combined total of McIntyre and McCloskey was 17,034 votes.

The recount that was just conducted under the task force rule counted 17,029 ballots for both Mr. McIntyre and Mr. McCloskey.

At least in one county under the rules, to cry "Count all the votes," fewer votes are acutally being counted.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of California. Certainly.

Mr. FRANK. I thank the gentleman for yielding.

I do not see anything in the rules that says the votes should not be counted, unless there was some erroneous casting of those votes.

Does the gentleman allege that those five votes were illegitimately released and cast aside?

Mr. THOMAS of California. I would say to the gentleman from Massachusetts, if he will examine in Vanderburgh County, there was a gain of net five. The point is we are recounting under the gentleman's rules that he says are fundamentally fair and we are not changing the election night results. That is the point. Election night results are standing on the recount. It was a fair count election night, and I yield back the balance of my time.

Mr. FRANK. If the gentleman will yield, what the gentleman has pointed to is the fairness that some votes are not being counted.

REINTRODUCTION OF BILL TO STUDY EFFECTS OF ALCOHOL ADVERTISING ON ALCOHOL CONSUMPTION

(Mr. NIELSON of Utah asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, on January 30, I introduced H.R. 824, a bill that requires the Bureau of Alcohol, Tobacco and Firearms to conduct a major study to determine the effects of alcohol advertising on the level of alcohol beverage consumption. The bill was referred by the House Parliamentarian to the Energy and Commerce Committee and was then referred to the Subcommittee on Health and the Environment.

After the bill was introduced, the chairman of the Subcommittee on Telecommunications, Consumer Protection, and Finance, on which I sit, announced that his subcommittee plans to hold a hearing on the subject of alcohol advertising next month.

Today I am reintroducing my bill in a slightly modified form so that it can be referred to the Telecommunications Subcommittee and can be made the subject of testimony and questioning at the hearing. The changes I have made do not affect the substantive content of the original bill to any material extent.

I have notified each of the cosponsors of my decision to introduce this bill in a slightly modified form, and each of them has agreed to become an original cosponsor of the new bill as well.

Alcohol abuse is a serious problem in this country. The comprehensive study of alcohol advertising mandated by the bill should provide valuable information on whether steps should be taken to regulate advertising practices in some way.

HOUSE SHOULD PUT AN END TO PETTINESS AND SEAT McINTYRE

(Mr. GROTBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROTBERG. Mr. Speaker, I take exception to the word "diatribe" when discussing representative government in the home of democracy, the House of Representatives of these United States. It is never diatribe.

Mr. Speaker, it has been nearly 3 months since I and my fellow freshman colleagues enjoyed the privilege of being sworn as Members of this august body. But there still exists a vacancy from the Eighth District of Indiana. Rick McIntyre who was certified and later recertified does not serve with us. During the last several days the House Administration Committee's Task Force charged with recounting the ballots has completed its work in Vandenburgh County, the largest county in the district. Out of all the ballots counted, including the 5,000 disputed votes, a change of only 5 votes was recorded.

How long will this process continue? How long will the residents of the Eighth District of Indiana be without a Congressman to vote on the major issues Congress will face during the current session?

It's time to act responsibly. As the Chicago Tribune stated in an editorial dated March 12, "The taxpayers in southern Indiana, meanwhile, have no Representative in Congress. The House of Representatives ought to put an end to the pettiness and seat McIntyre." I agree. Let's seat McIntyre now.

OVER HALF A MILLION PEOPLE IN EIGHTH DISTRICT OF INDIANA NOT REPRESENTED AT TAX TIME

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBEY. Mr. Speaker, like so many other people, we are struggling with our tax returns as April 15 approaches. We must think as this date approaches of the fact that there are over half a million people in the Eighth District of Indiana that are not represented in this body. They have not been represented ever since January 3. This marks the 90th day.

I appeal to my colleagues on both sides of the aisle to correct this injustice today and give the people of the Eighth District of Indiana their rightful representation in this body.

GIVE VOICE OF AMERICA EQUIPMENT IT NEEDS

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, the Voice of America is our way of telling the world about the American story. In distant places it is the only corrective to the lies and innuendo and misinformation that abounds; but while the Voice of America's personnel do their work, with very dedicated people, its equipment simply does not. Not only do we have too little equipment, the equipment is old. About one-third of it is 30 years old; 80 percent of it is 15 years old.

The result is that in Central America, in the Middle East, in the eastern part of the Soviet Union and many other important places in the world, America's story is inconsistent, inaudible, and often not being told at all.

It is one thing to have our radios jammed. We can understand that, even though the fact that the Soviet Union spends twice as much in jamming as we do in broadcasting, but it is quite another to let America not speak abroad.

There is a 5-year schedule for the improvement of Voice of America capabilities, the modernization of the equipment that we so badly need. The authorization is there.

I urge the members of the Appropriations Committee and the Members of this body when it comes to the floor of the House to vote yes, so we can modernize, so we can have a Voice of America that can be heard.

SEAT RICK McINTYRE NOW

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, the most unlikely segment of the Rick McIntyre matter is that he is being denied his seat by this House. This is the U.S. House of Representatives, not an exclusive body whose membership is restricted to elitists. This is the people's house, yet this is the House that says no to the seating of the certified winner of Indiana's Eighth House seat.

It is high time the people's house started acting like the people's house. The time has come for Democrats who espouse fairness and equity to cast their votes accordingly. Dialog emphasizing fairness on the floor of this House is never a waste of time.

Seat Rick McIntyre now.

THERE IS NO ELECTION CONTEST IN EIGHTH DISTRICT OF INDIANA

(Mr. STRANG asked and was given permissison to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, there is no election contest in Indiana's Eighth Congressional District. Indeed, Mr. Speaker, the loser of that race, Mr. McCloskey has never contested the outcome of that race.

The winner, Rick McIntyre, has accepted from the secretary a certificate certifying that he is the only certified winner.

The issue is that this body has failed to honor the clear certified winner sent here by the State of Indiana. Deliberate confusion, smoke screens and phony arguments cannot hide the fact that the only contest is the House of Representatives exercising capricious power against Indiana's certified Congressman, Rick McIntyre.

Mr. Speaker, let us seat Rick McIntyre.

FLOOD INSURANCE AND HOUSING REAUTHORIZATION BILLS

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, today, at the request of the administration, I

am introducing two legislative proposals developed by the administration.

The first bill would amend and extend the National Flood Insurance Program. The bill contains a 6-year extension of the National Flood Insurance Program and the emergency phase of the program. The date for the emergency phase extension, until 1991, is requested to coincide with the studies completion plan submitted to the Congress in September 1984. This extension would conform with the administration's decision to continue funding for flood studies at the current level rather than a more costly, enhanced level.

Mr. Speaker, an extension of this vital program is necessary. There are some 1.9 million flood insurance policies in effect throughout all 50 States, territories, and possessions. Without an extension of time of the authority to write and renew NFIP policies, all existing policies would expire and no new policies could be written, providing the public with no opportunity to obtain insurance coverage against floods and such coverage is not available in the private sector.

In addition, since 1983 the Federal Insurance Administration, under the very able leadership of Jeff Bragg of Ohio, has been successfully administering a significant new "Write Your Own Program" under which over 200 of the Nation's private property insurance companies have agreed to market and write the standard flood insurance policy on their own letterhead, as insurers, and to service the policyholders under an arrangement whereby the Federal Government permits the companies to retain a specified amount of the insurance premium for the payment of expenses and a specified amount of the insurance premium for the payment of expenses and provides such additional funds as may be needed for the payment of claims.

The proposed extension of the program authority through fiscal year 1991 will help encourage even greater participation by private companies and property insurance agents and brokers in the "Write Your Own Program" by providing the necessary assurance that the Flood Insurance Program, whose underlying purposes have enjoyed such consistent and strong support by the Congress, will not be subjected to the uncertainties and interruptions inherent in a more frequent authorization schedule.

The bill also would redefine administrative expenses to allow most of the expenses associated with the Flood Insurance Program to be charged to the insurance fund rather than be subject to the full appropriations, process. This may prove to be controversial, but I believe it is something Congress should at least examine, on its merits.

The second bill authorizes various programs under the jurisdiction of the Department of Housing and Urban Development. It provides the legislative language to carry out the President's budget recommendations. It is a comprehensive—yet austere authorization bill—in keeping with the desire for HUD to play its part in reducing the Federal deficit.

Mr. Speaker, I admit that I have reservations about some of the details of this bill, but I also believe it deserves consideration by Members of this body. I congratulate HUD Secretary Samuel Pierce, for this leadership in helping formulate this proposal, and look forward to working with him in developing a housing authorization bill this year.

There has been a great deal of misunderstanding about the course of HUD programs in recent years; particularly on the part of those who feel that the only way to assist needy citizens is through slow and costly new construction programs. Secretary Pierce led the way, with congressional assent, in doing away with the section 8 New Construction Program, and has focused HUD's efforts on direct assistance to people, rather than to bricks and mortar.

This emphasis on better use of existing housing stock, through rehabilitation, vouchers and better management of public housing facilities, has made possible significant reductions in the HUD budget. Nevertheless, the Department continues to carry out its basic missions in the housing and community development fields.

This year's administration bill contains some controversial provisions. The Community Development Block Grant Program would be reauthorized through fiscal year 1987, but at a reduced level for this fiscal year. It would also change the method of allocation under that program from 70 percent entitlement—30 percent nonentitlement to 60 percent entitlement—40 percent nonentitlement. This change, which would take effect begining in fiscal year 1986 would be necessary if the proposed termination of the Farmers' Home Administration community development program is effectuated.

As part of an administration initiative to eliminate Federal funding of local economic development programs, the bill also proposes to terminate the Urban Development Action Grant Program.

For the Assisted Housing Program, the bill makes the Voucher Program, passed as a demonstration by the Congress in 1983, a permanent program. It also authorizes appropriations for public housing operating subsidies, as determined by the performance funding system, while proposing a 2-year moratorium on new assisted housing commitments and a 1-year moratorium for all but emergency public housing modernization funding. It also replaces tax-exempt financing for public and Indian housing programs with one-time capital contributions.

The bill extends several FHA Insuring authorities for 2 years and contains a number of amendments designed to increase the efficiency of these mortgage insurance programs.

The bill also proposes initiatives to detect and prevent fraud and waste in Federal housing programs, including a provision to verify incomes of tenants being subsidized by these programs.

I emphasize that even with implementation of the significant reductions proposed in this bill, HUD would continue to assist more needy people than ever before. During fiscal years 1986 and 1987, 207,000 families would be added to the roles of those already receiving Federal housing assistance. This would bring the total number of families assisted to over 4.2 million.

At the same time, the Nation's housing debt, which was nearly a quarter of a trillion dollars in 1981, is declining rapidly because expensive building programs have been reduced or eliminated and resources have been concentrated on quicker, less expensive approaches such as rental rehabilitation and housing vouchers. Rental rehabilitation permits substandard units to be brought up to code standards. Vouchers, building on the successful section 8 existing program, provide low-income recipients with greater freedom in making their own decisions about the type and location of housing in which they live.

Mr. Speaker, I know that some of my colleagues have looked with great anxiety at this year's bottom line budget figures for the Department of Housing and Urban Development. I can understand the anxiety of anyone who looks only at the numbers. But in the coming weeks, I hope my colleagues will scrutinize seriously and soberly the details of the various proposals we will be considering, including the bill I am introducing today. Let us then discuss them in the context of the true bottom line—their cost effectiveness relative to previously tried programs and the pressing need to deliver assistance to those who need it most.

It is for the purpose of joining the debate that I have introduced this bill today. The administration deserves to be heard; and while I do not endorse everything in this bill—or for that matter either bill—I believe several of their legislative suggestions have merit and should be given serious consideration in any final housing authorization bill that is adopted.

TAXATION WITHOUT REPRESENTATION

(Mr. DREIER of California asked and was given permission to address

the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, the Evansville Press in Indiana has been running a regular editorial entitled "Taxation Without Representation" in which they keep a running tally of the number of days they are denied a representative in Congress. As stated in one of the editorials:

It's just our way of providing a daily reminder of the sense of frustration and outrage shared by our many readers who are denied a voice in what is supposed to be representative government.

The outrage in Indiana is completely justified. The voters in that district pay taxes. They deserve representation, yet they have been denied a voice in Congress because of petty politics.

The bare facts are that Mr. McIntyre was certified as the election's winner. After the election was challenged and a recount was completed, Mr. McIntyre's lead increased by more than 400 votes. Still, the results were rejected. Congress has persisted and has gone forward with a plan that ignores those election results.

We are now sending the message to voters that Federal elections are irrelevant and that individual votes don't count. What is worse is that this message is gaining credibility the longer Congress refuses to recognize that Mr. McIntyre was the clear winner. I urge my colleagues of this respectable body to restore integrity to the election process by seating Mr. McIntyre immediately. Furthermore, I urge that we send a clear message to the voters in Indiana that their votes do count and that their votes are respected. Let's seat the representative they elected to Congress. Let's seat Mr. McIntyre now.

□ 1330

WHERE IS RICK McINTYRE

(Mr. SILJANDER asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. SILJANDER. Mr. Speaker, where is Rick McIntyre? His colleagues across the country are wondering were is Rick McIntyre.

Speeches on podiums from coast to coast are wondering just where is Rick McIntyre. Members of Congress in hoardes have come to the well and asked where is Rick McIntyre.

Indiana voters have asked consistently where is Rick McIntyre. The people of the Eighth District, more specifically, have asked just where is Rick McIntrye.

The secretary of state of Indiana has asked where is Rick McIntyre. The Supreme Court of Indiana has wondered just where is Rick McIntyre.

Let me ask the question of the Democratic leadership: Just where is Rick McIntyre?

Out of fairness and compassion and a notion for justice, I would request that the majority leader do seat Rick McIntyre so all the American people and everyone wondering where is Rick McIntyre can find out. And the answer is that he should be sitting right next to you, Mr. Majority Leader.

SEATING OF RICHARD D. McINTYRE

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Today, of course, we will have a resolution very shortly on seating Mr. McIntyre. And we are some 50-odd days into the count.

I think that this thing has been debated about as long as it should be debated, and I hope that today we can settle on something.

I have a youngster that is in high school, and we have gone through a lot of the questions in the discussions we have had here, on this floor as to the one-person/one-vote rule that we have in this country. And I just wonder if many of the things we vote here on the House floor, if they would go the other way, just because they were close. It brings a lot of questions to mind.

So I would appeal to my colleagues on the other side of the aisle, strictly in the name of fairness, it looks like the Indiana vote is going McIntyre's way. It has been that way all along. It is about time we made a statement and do the proper thing.

PRIVILEGES OF THE HOUSE—RESOLUTION TO SEAT RICHARD D. McINTYRE

Mr. MICHEL. Mr. Speaker, I rise to a point special privilege, and I offer a privileged resolution and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. MURTHA). The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 121

Whereas the House Administration Committee Task Force on the congressional election in the Eighth Congressional District of Indiana has exceeded its own timetable for a decision on the seating of Richard McIntyre; and

Whereas the task force recount of the votes in that district is still underway with no declared timetable for completion and no indication from the task force as to when the House Administration Committee or the full House will be presented with a recommendation on how to proceed with the seating of Mr. Richard McIntyre; and

Whereas the people of the Eighth Congressional District of Indiana continue to be deprived of their Constitutional right to representation in the House of Representatives, totally without justification and in defiance of their own laws and the precedents of the House; and

Whereas Richard McIntyre, as the only certified Member-elect from the Eighth District of Indiana, has a legitimate right to be seated in the House while the contested election issues are addressed by the House; and

Whereas the McIntyre certificate of election has never once been challenged by his Democratic opponent nor impeached in such a way as to bring into question its validity or its integrity: Now, therefore, be it

Resolved, That the Speaker of the House is hereby authorized and directed to administer the oath of office to the gentleman from Indiana, Mr. Richard D. McIntyre.

Resolved, That the question of the final right of Mr. McIntyre to a seat in the 99th Congress is referred to the Committee on House Administration.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House under rule IX.

MOTION OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Speaker, I move to refer the resolution to the Committee on House Administration.

The SPEAKER pro tempore. The gentleman from Texas [Mr. WRIGHT] will be recognized for 1 hour.

Mr. WRIGHT. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MICHEL], the distinguished minority leader, 30 minutes of that time for purposes of debate only.

Mr. MICHEL. I thank the gentleman.

Mr. WRIGHT. Pending that, I yield myself such time as I may consume.

I should like simply to say that the entire purpose of the House Administration process has been to determine who, when all the valid votes are counted, is indeed the rightful winner of the contest in the Eighth District of Indiana.

While I realize that strong and lurid claims have been made, strong rhetoric used, accusing the members of the leadership of attempting to steal an election or to steal a House seat, we have repeatedly, publicly assured the membership and do again today that the recount now under way, the official count undertaken by the House in pursuance of its constitutional responsbilities to be the judge of elections of its own Members, is a fair, an honest, and a factual recount. It is being conducted by the Committee on House Administration under a task force whose chairman is the gentleman from California [Mr. PANETTA].

And I give my assurances upon my word of honor, and I think it should certainly be understood that this is the intention as repeatedly stated, that whoever is determined by that impartial group in the General Accounting Office to have received the most votes will be seated by this House, whether that be the Republi-

can nominee or the Democratic nominee.

Mr. Speaker, I yield 7 minutes to the distinguished gentleman from California [Mr. PANETTA], the chairman of the committee supervising that official recount.

Mr. PANETTA. Dear colleagues, in deciding this issue of seating, I think it is important for all Members to be aware of the current status of the task force action on this issue.

The task force was charged by House Resolution 1, and following the charge by additional resolutions, to investigate and determine whether the final right to take the seat representing the Eighth District belongs to Mr. McCloskey or Mr. McIntyre. Those resolutions were adopted and referred to the House Administration Committee pursuant to article I, section 5, clause 1 of the Constitution, in that each House, and I am quoting, "shall be the judge of the elections, returns, and qualifications of its own Members."

Pursuant to that authority, and the precedents that have been provided, our goal is to determine the intent of the voters in the Eighth District. Pursuant to that mandate of the House and the Constitution, the task force has proceeded to secure all of the ballots in the Eighth District.

We have adopted operating principles and procedures. We have adopted counting rules to count all of the votes. We have appointed a recount director, who is now in Indiana with 14 GAO auditors comprising 7 counting teams, which are now in the process of counting those votes. And we have prescribed counting procedures for the counting teams follow.

□ 1340

In addition, we have held hearings both in Washington, as well as in Indiana, to allow all interested witnesses to convey their views on this election, and we have also been present in Indiana to view the counting process itself as a task force.

Let me summarize where the recount process is: The recount began 1 week ago. We are dealing with 15 counties, representing approximately 234,000 votes. The largest of those counties, Vanderburgh County, representing about a third of the vote, has been completed, as of last Thursday night. It contains about 70,000 votes.

Spencer County has also been completed; about 10,000 votes. Warrick County, 17,000 votes, and Martin County, 5,000 votes, all of which have been completed as I speak now. Two additional counties, Pike County and Crawford Counties, will be completed by this evening, at which time we will have completed counting over half of the votes that were cast in the Eighth District.

We have seven GAO teams; six are out in the field, and one team is coordinating the count from a command headquarters in Evansville, IN. They are working through the weekends; they are working into the evenings. When they were in Warrick County, those counting teams worked until 11 o'clock that night, and they are continuing to work late into the evenings to try to complete this count. The only break they took was Sunday.

The process is time consuming. I want to inform the Members that it is not easy to go back and do an accurate and definitive count. It does mean counting all of the ballots and reviewing each of them. It means segregating those ballots which are questioned for one reason or another, so that each ballot or issue can be resolved by the task force. And we did that last Friday; we resolved two of the questions that were raised in favor of counting those ballots.

In addition, we are reconciling the vote counts in each of the precincts, which means that we take the full list of the voters who came to that particular precinct or polling place, and match it with the number of votes that were tabulated from that particular precinct or polling place.

We are looking at all of the processes that were implemented to insure that we have an accurate count. The point is that we intend to produce an accurate and definitive count, regardless of who the winner is.

I recognize that the initial intention of the chairman, and the intention of myself and the ranking minority member, was to complete the recount within 45 days. But both the chairman, myself, and the ranking members have made clear that we will not sacrifice accuracy in that process, and indeed, Jim Shumway, who is the recount director, has been quoted—and I repeat the quote because I think it is appropriate: "We will proceed as fast as we can to be certain of accuracy."

The hope is that we can complete this count within the next few days, and be in a position to report back to the House when it returns from its Easter recess. At that time we should be able to present to the House an accurate and definitive count, and who we recommend seating pursuant to that count.

There is no question about the authority of the House to proceed. That has been confirmed in past decisions; and it has been confirmed by a Federal court decision in this case as well. I do not think anyone questions the authority of the House to do this.

The real question is: Will we be allowed to implement that authority, and how will we implement that authority? It is the intention of the task force to implement it fairly, carefully, openly and honestly, and in so doing, to serve the best interests of the House of Representatives, the candidates, and the people of the Eighth Congressional District of Indiana.

Mr. SWINDALL. Will the gentleman yield?

Mr. PANETTA. I yield to the gentleman.

Mr. SWINDALL. I thank the gentleman for yielding to me.

Mr. Speaker, I just have one question. By the committee's own admission, this is a very time-consuming process. During this period of time we all know that the voters in the Eighth District, and for that matter everyone in the Eighth District, is without representation.

Would the committee state who would be prejudiced by this House seating interimly the certificate holder in that district; and then irrespective of the committee's ultimate determination, those individuals in the Eighth District would have representation. Who would be prejudiced?

Mr. PANETTA. The House has spoken on that issue. The task force has not taken up the issue of seating or not seating; the direction of the House has been clear; that we should determine who has the right to be seated—Mr. McCloskey or Mr. McIntyre—and that is exactly what we are doing.

Mr. SWINDALL. If the gentleman will yield further, my question is, who would be prejudiced by in that interim period, because it really is not fair to say that you are not denying the seat, because for the last 90 days no one has occupied that seat; so, ipso facto, it has been denied.

Who would be prejudiced?

Mr. PANETTA. The task force is not speaking to the issue, nor should it speak to the issue of whether Mr. McIntyre ought to be seated. The House has spoken on that issue; what the task force is trying to determine is who has the right, ultimately, to be seated. We have the power to do that. No one questions the power to do that, and the House has spoken on the resolution.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring this resolution before this House for the third time for one reason: The people of the Eighth Congressional District of Indiana have no representative seated in this House. That is the issue here.

Our complaint is not that the McIntyre election is being made the target of an army of auditors out in Indiana or that a Republican winner is being challenged—although, believe me, we do look out for our own—it is because of the tea bags I am getting in my office from citizens of the Eighth District who do not have representation

in this body, but feel the sting of Federal taxation just the same.

We have made this case over and over again on this floor. In response, all we have gotten is gibberish about procedural technicalities, a burst of inflammatory rhetoric about racism, and an excuse of the day, I guess, from your congressional committee that changes with each new development.

We have yet to hear one good reason why this House has gone to the extreme of disenfranchising an entire congressional district. We have yet to hear one word from Mr. McCloskey, as a matter of fact, supposedly the aggrieved party. He has not claimed foul play, illegality, or impropriety. He has only claimed a seat in this Chamber which is no longer his.

The task force wanted 45 days to do a recount in Indiana. The task force got 45 days, and the task force can have 45 days more, frankly. Time would not be of the essence if you would just seat the Congressman so he can represent the people who elected him while your auditors audit and your campaign committee campaigns. The hour is late. Let's right the wrong.

Mr. Speaker, I believe in this resolution; I believe in the position we have taken; I believe in it right down to the marrow in my bones. Richard McIntyre has been wronged. This institution has been wronged. The people of Indiana have been wronged. I intend to keep bringing these resolutions to the floor until they have been righted.

I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. I thank the gentleman for yielding to me.

Mr. Speaker, I had resisted the temptation to enter this debate on the seating of the gentleman from the Eighth Congressional District, but recent references to the fact that the citizens of the Eighth District are being denied representation and that taxation without representation is tyranny have forced me to speak.

I am wondering where those who have been so concerned have been around the question of voting representation for the citizens of the District of Columbia. I represent more people than any single Member of this House; I represent more people than elect seven Senators.

Yet, I was born here, my mother and father who were born here have never had the opportunity to do what the citizens of the Eighth Congressional District have done, and that is to vote for somebody to represent them in the U.S. House and Senate.

Mr. MICHEL. Well, I just go back to that very basic document that founded this Government, and also have some special feelings about the Federal jurisdiction housing the Capitol of the U.S. Government, and the Founding Fathers felt strongly about it; this Member has felt strongly about it.

Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. HENDON].

Mr. HENDON. Mr. Speaker, I have a troubling comparison to share with you and my colleagues, and particularly my dear friend from California, the chairman of the task force [Mr. PANETTA].

As we all know, Mr. Speaker, there are really only three things we need to do to take a seat in this distinguished body: We must meet the constitutional requirements of age and residency; we must be elected by the people; no one gets appointed to this body, and we must have a certificate from our State, certifying that we are, in fact, the winner of our election.

In 1985, a man named McIntyre came before this body, having faced the voters and having been certified the winner by the appropriate officer in his State. But as we all know, his certificate was rejected by the majority party and a recount was ordered in his district.

□ 1350

Now, we are told that is fair, that is the way we always do it, "that is standard procedure," you say. Standard procedure? It was not in 1983 when the seat in North Carolina 11, the seat I held in 1981 and 1982, was contested.

Here are the facts, Mr. Speaker, in that case, and I hope everyone will take note that the standard procedure of 1985 is a dramatic departure from the procedure used in 1983.

In my district in western North Carolina in November 1982, if the voters marked a straight Democrat ticket and then crossed over and put an X by my name, if they marked an X, Mr. Speaker, by my name clearly indicating their intent, I believe, to vote for me, the vote was counted for my opponent. The party preference, I was told at the time, overrode the clear intent of the voter.

My opponent, with the votes being counted in that manner, emerged victorious by some 1,300 votes. I was troubled, Mr. Speaker, to say the least, by the fact that an X by my name was counted for my opponent. I asked for a recount from the State board of elections but was denied. I went to Federal court to challenge the system of counting votes in that manner, but in the meantime my opponent, a very fine man, was certified the winner, and because he had that certificate, Mr. Speaker, he took that seat that I had held in this body.

I, as most here know, appealed that action to a Federal appeals court and to the House Administration Committee. Before the committee ruled, the 4th Circuit Court of Appeals ruled unanimously that the method used to count votes in my district in 1982 was unconstitutional.

I quote the unanimous decision of the appeals court:

> The imposition of a legislative preference for the straight party candidate when the voter has indicated no such preference is an arbitrary subversion of the electoral process that serves no compelling State interest.

The court continued:

> We conclude that the legislative directive to count an improperly split ballot as a vote for the straight party ticket is unconstitutional. This provision of the statute denies the equal protection of the laws to both the voter and the opponent of the candidate named on the straight party ticket.—*Hendon* v. *N.C. State Board of Elections*, 710 F.2d 177 (4th circuit 1983).

Based on that decision, Mr. Speaker, I asked the House Administration Committee to order a recount because my opponent, fine man that he was, as stated by the Federal appeals court, had been elected in an unconstitutional manner. Incredibly, in 1983 no recount was ordered by the committee. "He has the certificate," the majority said, "He should be seated." So he was. The certificate reigned, and a recount was not allowed. The exact opposite, Mr. Speaker, of what has happened in the McIntyre case.

I call on the majority party to use in the case of Rick McIntyre the same rules used in my case, and that is, Mr. Speaker, seat the man with the certificate. You did it in North Carolina in 1983. Do it for the people of Indiana's Eighth District today.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I would like to assure my colleagues in this body that the efforts that the freshman class on the Republican side have made to get Congressman-elect McIntyre seated are not a grandstand play for publicity. We are not trying to disrupt the actions of this body. We honestly, sincerely, and totally believe that Congressman-elect McIntyre should be in this body at this time.

We do not question the fact that this House has the ultimate right to be the sole judge of whom we shall seat in this body. We never have. We basically state that since Mr. McIntyre has the election certificate, and since there has never been a single shred of evidence to prove that he should not have been given that certificate, and since the confusion that has reigned has been more due to the fact of how the recount was conducted rather than on the original election itself, Mr. McIntyre should be seated.

As mentioned earlier, this is the 90th day that the Eighth Congressional District of the State of Indiana has not had a Representative sitting in this Chamber. We have already had several close votes. The MX missile last week is a case in point. It passed by only six votes on the initial vote.

The people of Indiana's Eighth District should have had a voice in that.

I would also like to point out that there is a procedure that was passed in 1969, the Federal Contested Election Act of 1969, to handle cases such as we have here in the McIntyre-McCloskey case.

As far as I can tell, every Member who is in a leadership position in the majority party in this body who was in the Congress at that time voted for that law. However, they have not seen fit to ask Mr. McCloskey to invoke it.

The burden of proof should be on Mr. McCloskey to prove that Mr. McIntyre should not be in this body. Mr. McCloskey has never seen fit to file such a contest. On the contrary, the burden of proof has been on Mr. McIntyre to prove that he in fact does indeed belong in this body. It is Mr. McIntyre versus the Congress. It should be Mr. McCloskey versus Mr. McIntyre.

We are going to have an opportunity here in 30 or 50 minutes to vote to seat provisionally Rick McIntyre pending the outcome of the second election recount that is currently in progress. I think that it is high time that we vote to do that, and I urge the Members of this body to do so.

Mr. MICHEL. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, the question that we have before us is an important one which I do not think ought to be easily dismissed. It was interesting, when the chairman of the task force was asked the question as to whether there would be any prejudice if, in fact, we followed the regular procedures of the House and seated the certified winner. His answer was that it was basically irrelevant, that we ought not to consider it.

Mr. Speaker, it is not irrelevant. Mr. Speaker, that is exactly what we are about here today. We are not here contesting the recount that is going on now. That will continue on. In fact, we do not know how long it is going to take. We had been told previously that 45 days from the date on which we were last on the floor on this question, we would have the question resolved for us. I recall some speakers on the other side of the aisle suggesting that that seemed eminently fair but if that did not occur, they suggested they would vote at that point in time to seat Mr. McIntyre.

I suppose we will find out later on whether in fact that sentiment still prevails.

But the question here is, why? Why does this House today fail and why has this House for the last 90 days, failed to follow the clearly established precedents of this House? Why does this House refuse to follow the statute that was enacted to take care of matters of this sort, the Federal Election Contest Act. it states as a premise, that one who is certified the winner by his or her State is to be seated provisionally while any contest goes forward. We set up a mechanism whereby that can take place. Unfortunately, the person who lost and continues to lose in recount after recount did not bring forward such a contest, even though he had every right to do so. There has been no claim by Mr. McCloskey that there was fraud, there has been no claim by Mr. McCloskey that somehow the result that was fashioned, that was certified by the Secretary of State, is in any way wrong. And yet we have followed this extraordinary procedure.

Being a lawyer who practiced for 6 years before coming here, having served on the Judiciary Committee for 6 years, I happen to realize that oftentimes when we have disputes, we deal with questions of the burden of proof, that is, which party carries the burden of proof. That is an essential question in civil matters; it is an essential question in criminal matters. And I would argue that when one comes before us with the certification of election from the sovereign State, that that person has the right to be presumptively seated. Then the burden of proof is on those who would contest it to somehow attempt to set it aside in the regular course of events as have been established under the law.

But we are not following that in this case. Instead, we are following an extraordinary procedure. We found on the first day of this session that one person was asked to be set aside. And that was done by the majority leader; yet we were told it was not a partisan matter.

On our side, someone contested an individual from the Democratic side in a case from the State of Idaho. Yet on our side we voted to seat that person because we felt, as a principle, that person ought to be seated since he had the certification, pending the resolution of the contest.

On another opportunity, the minority leader attempted to have this brought to the floor again, and at that time we were again told that this was an extraordinary proceeding but that all we had to do was wait for 45 days and the question would be resolved.

Well, the 45th day has come and gone. As a matter of fact, the recount, basically, did not start until that time. And now we are told to "just bear with us a little longer. People of the Eighth Congressional District of Indiana, bear with us just a little bit longer with taxation without representation because somehow in the future we will resolve this question. In other words, "trust us."

□ 1400

Mr. WRIGHT. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding me this time.

Mr. Speaker, I want to respond to the gentleman from California's statement a minute ago, and several statements that have been made earlier.

I have here in my hand a document entitled, "The Power of the House of Representatives To Refuse To Seat a Certified Member-Elect Pending the Outcome of a Contested Election," by Thomas Durbin, legislative attorney, American Law Division of the Congressional Research Service, Library of Congress, dated February 18, 1985, which document was placed in the CONGRESSIONAL RECORD during the first debate on this issue that is pending before the House today.

This document, which is made available to every Member, cites 10 precedents beginning in 1860, that has guided this body in the McCloskey-McIntyre case. Now, I do not question the gentleman's sincerity nor his integrity nor his ability as a lawyer. But I would like to ask the gentleman how he can stand here before this body and make such an outrageous statement, as he did a minute ago when he said we are not following the precedents of the House. We have clearly stated 10 precedents that have been made available to the gentleman and to every Member of this House, and to the American people, God, and everyone. How can the gentleman stand and make such an outrageous statement?

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman for an answer.

Mr. LUNGREN. I can make such a statement because the 1961 case, which has been used for the precedent in this case, in which the certification was impeached, was the reason for amending the Federal Election Contest Act in 1969. At that time, we amended the act and said that one who is certified is to be considered the prima facie winner. The prima facie winner is therefore to be seated until such time as the burden of proof is sustained for the contesting party.

Mr. ALEXANDER. I thank the gentleman and I want to reply to what the gentleman has said.

Mr. Speaker, we have here a bogus certification in Indiana. I appreciate the gentleman responding to my question because I have been puzzled how such an outrageous statement could be made.

Let me cite Indiana law under the statutes 29-5301, where it makes reference to the duties of the secretary of the state and the Governor in seating Congressmen. I will read from this statute, and I ask unanimous consent

that this entire statute be made as a part of the RECORD as extraneous to my remarks so everyone can see it.

The SPEAKER pro tempore. Without objection.

Mr. ALEXANDER. It says here that it is the duty of the secretary of state, as soon as he receives out of the certification from the various counties of the congressional district——

The SPEAKER pro tempore. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

Mr. WRIGHT. Mr. Speaker, I yield 30 additional seconds to the gentleman.

Mr. ALEXANDER. I thank the gentleman.

It is the duty of the secretary of state to certify the winner. The winner was Mr. McCloskey by 72 votes.

Mr. LUNGREN. Mr. Speaker, would the gentleman yield to explain his outrageous interpretation of the facts which are incorrect?

Mr. ALEXANDER. I do not yield. I do not have the time.

The statute goes on to say that the secretary of state does not have the right to refuse any of the certified votes that were sent to him by the various counties. Now, instead of certifying McCloskey, the secretary of state of Indiana calls for a recount, and he only recounts one county.

Mr. MICHEL. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. I thank the gentleman for yielding me this time.

Mr. Speaker, one of the things you learn in the law is that if you quote selectively from the law, you often make your case but you fool the people.

Mr. ALEXANDER. Here it is.

Mr. LUNGREN. The fact of the matter is, there is another section of the law which requires a 10-day period of time during which any miscalculation, arithmetic error, must be changed.

The clerk was required in that particular county by a judge to arithmetically determine the accuracy of the election night result as turned in. There was an error, and in fact it was not a recount, as the gentleman well knows. Because it is controlled by a different section of the code which refers to arithmetical error. No one has contested that they counted one number twice, which gave a wrong result. I am sure the gentleman is not suggesting that we ought to go with an arithmetic error.

What has happened is that the secretary of state followed the law, but he read both sections of the law, which the gentleman from Arkansas refuses to read.

Mr. ALEXANDER. I would like to reply to the gentleman if he would yield.

Mr. LUNGREN. He continues to read only one-half of the law.

Mr. MICHEL. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding me this time.

Mr. Speaker, it has been oft stated here that on election night there was some confusion around here. It seems that there is some confusion here yet, particularly in the mind of the gentleman from Arkansas.

I would warn people that I do not intend to yield any time today.

Mr. Speaker, Rick McIntyre was elected; he was certificated. His certificate was uncontested under our Federal Contested Elections Act. The gentleman from Arkansas alleges it was a bogus certification, and yet no contest was filed by Mr. McCloskey against that certification.

In addition, when excongressman McCloskey asked a Federal district court to seat him soley on the basis of his own press release, the court said he lost, and that his only recourse was to file a contest under the Federal Contested Elections Act. McCloskey did not, because he had no case. Instead he asked his friends to put him on the Federal payroll. His friends in this House promptly voted him a $75,000 annual salary.

The gentleman from Arkansas further stated that the secretary of state called for a recount.

The secretary of state did no such thing, of course.

Under Indiana law, recounts proceed in a normal way, at the request of the candidates.

That recount law, by the way, was enacted after Chambers versus Roush, just as our Federal Contested Elections Act was enacted after Chambers versus Roush. The principal element that makes the Chambers versus Roush an inappropriate precedent is that in that case there was a certification of one apparent winner by one secretary of state, and then a certification by another, of another winner. Indeed, there were also allegations of fraud in contests.

Chambers versus Roush is not a precedent for McIntyre. It is an excuse for this House's willful and arbitrary majority.

It is quite obvious that no matter how many precedents the gentleman from Arkansas can find for not seating people, he cannot find one that works for the McIntyre case. In place of precedent, the gentleman puts into the RECORD statements from the Library of Congress dealing with ancient history around here. He is welcome to put anything in the RECORD he chooses. I only wish more of it were germane to this issue.

What we are interested in today is justice, not what the rulings were under different laws in different circumstances in years gone by. The precedent is clear. We seat people with uncontested, unambiguous certificates until the House finds good reason to change that decision.

At least that's what we used to do, until the House majority decided, without responsible precedent, to pay two Congressmen and let neither vote, even though one was the certificated winner.

With respect to the recount, that was handled under the laws of the State of Indiana, and was handled correctly. The first election showed McIntyre the winner by a small vote. The recount, in which the recount commissioners were instructed by county judges, showed a greater McIntyre margin.

Now, since McCloskey was unable to make a contest in the normal way to the House Administration Committee, he came to the Congress where his friends on the majority side decided they would seat him notwithstanding the fact that his opponent, the Congressman-elect, was certificated.

Since then the majority has twice, by party line votes, refused to seat McIntyre.

But the worst outrage of all was that the majority has caused its friends on the House Administration Committee to invent a new set of rules for counting the votes in Indiana.

The House Administration Committee Task Force trashed the State law of Indiana. It absolutely disregarded it, and established a new standard, not based in House precedent.

Had there been a House precedent, there would have been a nice recount for our friend, Mr. HENDON of North Carolina. The gentleman from North Carolina has told the House about his case. If there was a precedent, he would have had a recount.

But, no, they would not recount his case. They had to wait to recount for one of their friends.

□ 1410

So we are now doing the second recount based on the House Administration majority rules, rigged in such a way to change the nature of that election. And that recount is proceeding very slowly. It is hard work. If any of you have been in recount proceedings before, you know very well that every vote is subject to close scrutiny. You win a few, you lose a few, and you simply do the job in the most careful manner you can.

My advice to that task force is not to hurry its work and to take its time. It must be sure it does the best it can, even though it starts from the false precedent of an invented rule which is different from Indiana law and different from the law under which every Member of this House from Indiana was elected.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. As I told the gentleman, I am not in the yielding business today.

The gentleman has broken my rhythm, for which I apologize.

The problem here is that the House is counting ballots on the basis of a false, and arbitrarily created, premise. From that miserable start, it is likely to come to the wrong conclusion. Even so, we should let it come to that conclusion deliberately, and let the task force take as long as is necessary to do a proper job.

However, while we wait for the task force to do that deliberate and careful job, there is absolutely no reason in the world other than partisan politics why we should not seat the duly elected, legally certificated member-elect from the Eighth District of Indiana.

To do any less makes this House look like the partisan playpen of an arrogant majority which refuses to recognize the will of the people of the Eighth District of Indiana.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield for the purpose of a unanimous-consent request?

Mr. WRIGHT. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I rise to ask unanimous consent that the section of the law from the State of Indiana applying to the debate which we engaged in 1 minute ago concerning errors in certifications of votes of State elections be made a part of the RECORD so that the world can see the law.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Arkansas?

Mr. LUNGREN. Mr. Speaker, reserving the right to object, I would inquire of the gentleman from Arkansas as to whether that will include all sections of the code that are pertinent to this particular inquiry, including the section to which I referred a moment ago?

Mr. ALEXANDER. If the gentleman will yield, I would like to request section 29-5-306, Certification of the Secretary of State, section 29-5-307, Errors in Certification of Votes Corrections, which has to do with State elections, the gentleman's point, and section 29-5-309, Congressmen, all be made a part of the RECORD.

Mr. LUNGREN. Mr. Speaker, further reserving the right to object, I would yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. I thank the gentleman for yielding.

PARLIAMENTARY INQUIRY

Mr. WRIGHT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WRIGHT. Is all of this conversation coming off of our time?

The SPEAKER pro tempore. The Chair will advise the gentleman that in this instance the Chair will not deduct it from the gentleman's time.

Mr. WRIGHT. I thank the Chair.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. Further reserving the right to object, I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I asked for time a moment ago and was not recognized, but you must also include in the same Indiana election code section 3-1-26-7, which provides for a limitation of time when that certificate shall be issued. So you must include that in this. It is very important to this, because that is what Judge June Green, the Federal judge, held: that the Secretary of State could not issue that certificate anytime prior to 10 days, and after the 10 days when he was aware of an error, it would have been improper to issue that certificate.

Mr. LUNGREN. Mr. Speaker, further reserving the right to object, I would yield to the gentleman, and if he would accept that amendment, I would not object.

Mr. ALEXANDER. Is that the case that was decided in the District of Columbia?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. LUNGREN. Mr. Speaker, I was stating that I would yield to the gentleman to find out whether he would accept that amendment, and through the language, I could not hear exactly what he said.

Mr. ALEXANDER. I accept the amendment to include all of the statutes of the State of Indiana relevant to this issue, which includes the ones I have cited, or any ones that the gentleman wishes to cite, so that the RECORD may be complete.

Mr. LUNGREN. Mr. Speaker, further reserving the right to object, does the gentleman specifically amend his request to include that section of the Indiana law that was referred to by the gentleman from Indiana [Mr. MYERS], that portion of the law to which the gentleman from Arkansas has been so blind in the past?

Mr. ALEXANDER. My request includes that portion of the law to which the gentleman from California refers.

Mr. LUNGREN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. MYERS of Indiana. Mr. Speaker, reserving the right to object, I am still not sure.

I am going to read just one very short paragraph that I ask to be included with yours, and that is section 3, which you did not cite, and I quote:

No certificate of election shall be issued until the ten (10) day period for the discovery and correction of errors has expired.

That was not in the sections that you cited.

Mr. ALEXANDER. If the gentleman from Indiana will look at the law, that provision is included as a part of the reference which I am trying to get included in the RECORD, and I have no objection.

Mr. MYERS of Indiana. With that inclusion, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The sections of the Indiana election law follow:

[Indiana Laws, statutes, etc.]

BURNS INDIANA STATUTES ANNOTATED

CODE EDITION—TITLES 1, 2, 3

3-1-26-6 [29-5306]. Certificate to secretary of state.—Clerks of the circuit courts, on the day succeeding the return day of such election, shall make out, in words, certified statements, officially sealed, of the number of votes given to each presidential elector, each person for United States senator, for representative in congress, for governor and lieutenant-governor, for judges of the Supreme, Appellate and circuit courts, clerk of the Supreme Court, reporter of the Supreme and Appellate Courts, attorney-general, prosecuting attorney, superintendent of public instruction, secretary of state [,] auditor, and treasurer of state, and for senator and representative in the general assembly, and shall send the same by registered mail, return receipt requested, to the secretary of state. [Acts 1945, ch. 208, § 319, p. 680.]

Compiler's Notes. The bracketed comma was inserted by the secretary of state.

The Appellate Court, referred to in this section, has been succeeded by the Court of Appeals. The judges of the Supreme Court and Court of Appeals are no longer subject to election but are voted on as to retention. See Const. Art. 7, § 11 and 33-2.1-2-6 (Burns' § 4-7716).

3-1-26-7 [29-5307]. Error in certification of vote—Correction.—Any error in the certification of the vote for any candidate at any general, special or city election discovered within ten [10] days after such certification shall be corrected by the clerk of the circuit court or the secretary of state, as the case may be, making such erroneous certification. Should the clerk of the circuit court or the secretary of state fail or refuse to correct such error, the duty to make the correction may be enforced by an action in mandamus brought by any duly qualified voter within five [5] days after the expiration of the ten [10] day period allowed for making such corrections. Such action shall be brought in the circuit or superior court of the county where the officer or board making the certification is domiciled.

No certificate of election shall be issued until the ten [10] day period for the discovery and correction of errors has expired. [Acts 1945, ch. 208, § 320, p. 680.]

Collateral References: The power of election officers to withdraw or change returns. 168 A. L. R. 855.

3-1-26-8 [29-5308]. Duties of secretary of state—Governor.—The secretary of state shall, in the presence of the governor, compare and estimate the number of votes cast for presidential electors, for judges of the Supreme and Appellate Courts, reporter of the Supreme and Appellate Courts, clerk of the Supreme Court, attorney-general, secretary, auditor and treasurer of state, and superintendent of public instruction, and certify to the governor the persons receiving the highest number of votes for such offices, and also compare and estimate the number of votes given for judges of the circuit court and prosecuting attorneys, and certify to the governor the persons having received the highest number of votes in their respective districts; and, at the expiration of the ten [10] day period allowed for the discovery and correction of errors, if none be found, the governor shall transmit, by mail, to such persons their commissions. [Acts 1945, ch. 208, § 321, p. 680.]

Compiler's Note. The Appellate Court, referred to in this section, has been succeeded by the Court of Appeals. See compiler's note to 3-1-26-6.

Opinions of Attorney-General. An officer, appointee, or employee of the executive branch of the state who was paid a salary from funds appropriated therefor could receive additional compensation for representing the governor or secretary of state in comparing and estimating votes cast at a general election, such additional compensation being chargeable either to the election expense appropriation or payable from the governor's contingency fund. 1954, No. 24, p. 86.

3-1-26-9 [29-5309]. Congressmen—Duties of secretary of state and governor.—The secretary of state as soon as he shall receive such certified statements, shall compare and estimate the votes given for United States senator and for representative in congress, and certify to the governor the persons having the highest number of votes as duly elected; and the governor shall give to each of the persons returned to him as aforesaid a certificate of his election, sealed with the seal, and attested by the secretary of state: Provided, That no return of any county which has come into his hands, and which has been duly authenticated by the clerk of the circuit court thereof, under seal, as hereinbefore provided shall be rejected by said secretary of state, but he shall estimate, aggregate and tabulate, and report to the governor the total number of votes cast in each county for each candidate for state office, supreme judge or other officer to be elected by all the voters of the state, and members of congress, as evidenced by the face of such returns so certified to him. [Acts 1945, ch. 208, § 322, p. 680.]

Mr. WRIGHT. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. I thank the gentleman for yielding this time to me.

Mr. Speaker, our duty in this matter is not to make a personal choice.

Our duty is not to make a partisan choice.

Our duty is to determine who was the choice of the people of the Eighth Congressional District of Indiana.

How best can we fulfill that duty? How best can we determine the people's choice?

Some Members of the House have pleaded that the House should simply follow the election law of Indiana.

But the problem, Mr. Speaker, is that Indiana law cannot be simply understood or simply followed—not by election officials in Indiana and not by the U.S. House of Representatives.

The chief reason the House of Representatives is involved in this election dispute is because Indiana law and recounting practices did not give us a clear, timely result in which the people of the eighth district or the U.S. House of Representatives could have confidence.

Indiana law is regrettably unclear. Court interpretations of the law are contradictory. And Indiana officials do not apply the law uniformly.

On the technical issues involved in McCloskey-McIntyre dispute, one can find various and conflicting interpretations of Indiana law.

First, in January 1984, the Indiana Supreme Court adopted the most stringent view of the Indiana statute in the Schoffstall case.

Second, in the case before us today, each of the 15 recount commissions adopted its own interpretation of the law. And those interpretations conflict with one another.

Third, the Indiana House of Representatives, this year, in resolving two election disputes adopted a very broad interpretation of Indiana law.

Fourth, and even here in the U.S. House of Representatives, the Republicans urged the House Administration Committee to adopt yet another interpretation of Indiana for use in the recount that is now underway.

Those who wish to take up the lantern of Diogenes in search of clear guidance from Indiana law are doomed to a lifetime of frustration.

Indiana officials, Indiana news media, and Indiana citizens now know that Indiana law must be overhauled. In fact, the State Assembly of Indiana has begun to do just that.

If we cannot find certain guidance from Indiana law; we can nonetheless find guidance from basic principles of fairness, guidance from the precedents of this House; and guidance from the most common practice of the State of Indiana. Happily all three agree.

That guidance is summarized in the principle that when there is no fraud, all ballots should be counted where it is possible to know the intent of the voter.

In short, count all the ballots.

And this is the principle being followed by the Federal auditors who at this very moment are making the final count in Indiana.

Let me describe more simply the situation faced by the citizen of the eighth district.

Last year, on November 6, a citizen in Vanderburgh County made his choices for 17 public offices on a single ballot like this one.

That night, November 6, election officials counted his choice in determining who should be President of the United States; they counted his choice in determining who should be Governor of the State of Indiana; they counted his choice for county commissioner. They counted his choice for all 17 offices including the eighth district representative.

But weeks later, when the eighth district recount began, county officials—following their interpretation of the law—decided that our sample citizen's choice for Congress should not be counted. His choice should be ignored—because an election-day official had failed to follow technical directions of the law such as printing a precint number on this ballot.

The end result, Mr. Speaker, is that—

Indiana counted his choice for President;

Indiana counted his choice for Governor;

Indiana counted his choice for country commissioner.

But, Indiana refused to count his choice for Congress.

□ 1420

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SHARP. Mr. Speaker, our sample citizen was not alone; the same thing happened to more than 5,000 citizens of the Eighth District. Their choices were counted for every other public office in Indiana but not for Congress.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SHARP. Regular order, Mr. Speaker. May I please not be interrupted and be allowed to finish during my limited time here?

The SPEAKER pro tempore. The gentleman is absolutely correct.

Mr. SHARP. Mr. Speaker, let us see to it that all the ballots are counted.

If we do, we will be following basic principles of fairness;

We will be following the precedents of this House;

We will be doing what Indiana did last November in virtually every other election contest.

The SPEAKER pro tempore. The time of the gentleman from Indiana [Mr. SHARP] has expired.

Mr. MICHEL. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, my honorable colleague from the Second District of Indiana is just a little bit misleading in his remarks. I have great admiration and respect for him. However, I served in the Indiana General Assembly for a period of over 16 years, and I just recently talked to

the speaker of the house and the president pro tempore of the Senate, as well as the chairmen of both the election committees of those bodies, and they told me there is no anticipated election reform taking place, and for you to indicate, I say to the gentleman from Indiana [Mr. SHARP], that there is pending legislation that is going to change the election laws of the State of Indiana, I think is just not well founded.

Mr. SHARP. Mr. Speaker, will the gentleman yield to me?

Mr. BURTON of Indiana. Well, the gentleman would not yield to me.

Mr. SHARP. Mr. Speaker, the gentleman used my name and has criticized my statement.

Mr. BURTON of Indiana. I will yield at the conclusion of my remarks if I have time.

Mr. Speaker, I would further like to say that there are just a few things that we ought to make very clear here today. I think they have probably been made clear before, but I want to go over them just one more time.

First of all, 550,000 people in the State of Indiana here in the first part of April still are not represented, even though there has been a declared winner, there have been no allegations of fraud, there has been a recount, and that declared winner has been reaffirmed as the winner by 418 votes.

The allegation or the question of the votes being thrown out has also been brought up time and again, and I would like to say that 93 percent of the ballots that were disallowed were disallowed by recount commissioners that were Democrats, in those counties that were controlled by Democrat recount commissioners. Sixty percent of the counties in the State of Indiana or in the Eighth Congressional District were controlled by Democrat recount commissions, and when you start asking for this House to take control away from the State of Indiana after there has been a duly certified winner and a duly certified recount and your party has had more input than any other party, then I think it is totally unrealistic to think they are going to get a fairer count in this body than they got in the State of Indiana.

Mr. SHARP. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield now to the gentleman from Indiana.

Mr. SHARP. Mr. Speaker, I hope the gentleman knows that the State of Indiana has in one chamber passed a new election law.

The SPEAKER pro tempore. The time of the gentleman from Indiana [Mr. BURTON] has expired.

Mr. WRIGHT. Mr. Speaker, I yield 2 minutes to the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. Mr. Speaker, I received today a "Dear Colleague" letter from the distinguished minority leader and the distinguished minority whip raising the question of taxation without representation and sending along a tea bag to symbolize that great moment in our Nation's history.

We have heard a series of 1-minute speeches on how 500,000 citizens have been denied for 3 months voting representation in this House. The gentleman now knows that over 700,000 peopled have been denied that right for 200 years, and I certainly remember, looking back on the debate of 1978 when we had an opportunity to correct that historic wrong, that the gentleman from Mississippi [Mr. LOTT] and the gentleman from Illinois [Mr. MICHEL] voted against it. Now, if their minds have changed on this question, I certainly want to provide them the tea bags to help them get that amendment ratified.

In the meantime, let me say that I want to join the gentleman in calling for the citizens of the Eighth District to be freed from paying taxes until they are represented, but I ask that the same be done for the citizens of this Nation in the District of Columbia who pay more in Federal taxes than the citizens of any State of this Union save one. I want to say for the citizens of the District of Columbia, who have given more in lives per capita for the defense of this country than any State in this Union, that we, too, would like to be freed of the burden of paying more per capita in Federal taxes than any single citizen in any State in this Union.

Therefore, Mr. Speaker, as soon as I leave this well I am going to put in the hopper this bill that would do for the citizens of the District of Columbia what the gentleman from Illinois [Mr. MICHEL] would do for the citizens of the Eighth District of Indiana. I hope he will join me, because we pay far more in taxes than the citizens of the Eighth District; not only that, but we have been denied representation for over 200 years in the U.S. House of Representatives.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. FAUNTROY. I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I appreciate the gentleman's yielding.

I will cosponsor the gentleman's bill, and further, I ask unanimous consent that House bill 16-70 of the Indiana General Assembly, passed by a vote of 90-6, section 7 concerning the election code, be included as a part of my remarks and as extraneous matter in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. WALKER. Mr. Speaker, reserving the right to object, can the gentleman tell us just what this particular bill is about?

Mr. ALEXANDER. Yes. Mr. Speaker, if the gentleman will yield, the bill adds to section 7 the provisions which state that the Indiana Code shall have a new section to read as follows:

Section 18(a). If a recount is done under this chapter, the recount commission shall attempt to determine the voter's intent. In the absence of fraud, the voter's intent must be the final determination in counting the ballots notwithstanding any provisions of this chapter regardless of signatures, seals, initials, precedents, et cetera.

It is an attempt to clarify the law in the State of Indiana which permits the debate in the House today.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I guess the gentleman can put this in if he wants, but it has absolutely nothing to do with the count on election night because, as I understand it, it adds a section to the recount code, and it still requires the fact that you have to have initials on the ballot in order for it to be counted under Indiana law, which is exactly one of the things which is in dispute with regard to the rules that have been developed by the task force here in the House of Representatives.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. BADHAM].

Mr. FAUNTROY. Mr. Speaker, the gentleman does not have the time. I have the time, do I not?

The SPEAKER pro tempore. The gentleman from Pennsylvania has reserved the right to object.

Mr. WALKER. I reserve the right to object, and I yield to the gentleman from California.

Mr. BADHAM. Mr. Speaker, I thank the gentleman for yielding to me under his reservation.

Would it not appear to the gentleman from Pennsylvania that this is a piece of legislation that has been introduced? I mean it is not legislation. It is a bill that has been introduced in the State legislature, is it not?

Mr. WALKER. That is my understanding. I suppose if the gentleman from Arkansas wants to put such a piece of legislation in the RECORD, he could do that. I would be glad to yield to the gentleman from Indiana if he can clarify this or I would yield further to the gentleman from California if he can clarify it.

Mr. BADHAM. Mr. Speaker, if that is the case—and I imagine that will be either affirmed or denied—if that is the case, it is striking, do you not think, that here we have a proposed statute in the State of Indiana which apparently has no relationship to the State of North Carolina whatsoever where the elections commission in Indiana will by proposal be able to look into the minds and understand and try to delineate the thinking going through a voter's mind when he casts

a ballot? Now, we all know, in the case of North Carolina with Mr. HENDON, do we not, that we cannot, either in the Congress or in the courts or in North Carolina's Legislature, go behind the ballot itself and look into the intent of the voter? Is that not the gentleman's understanding?

□ 1430

Mr. WALKER. I would say to the gentleman, that is my understanding of what the House Administration Committee rule in the last Congress was; but, of course, that was the last Congress. This is now the new Congress and we have a different set of language that we want to introduce into the RECORD to make the case that the Democrats are trying to make in this Congress, having made a totally different case in the last Congress. We all understand what is going on around here.

Mr. BADHAM. Mr. Speaker, will the gentleman continue to yield?

Mr. WALKER. I would be glad to yield to the gentleman from California.

Mr. ALEXANDER. Mr. Speaker, in pursuit of my unanimous-consent request——

Mr. WALKER. Mr. Speaker, I have reserved the right to object.

The SPEAKER pro tempore. The gentleman from the District of Columbia had the time and the gentleman from Arkansas made a unanimous-consent request and the gentleman from Pennsylvania has reserved the right to object to the unanimous-consent request of the gentleman from Arkansas.

Mr. WALKER. Yes. I have reserved the right to object. We are trying to figure out just what it is the gentleman from Arkansas wants to include in the RECORD at this point.

The gentleman from Texas had indicated to me that he wanted me to yield to him.

Mr. ALEXANDER. Mr. Speaker, since we have already read the part of the bill that I wanted to be included in the RECORD, which is a part of this debate, I withdraw my request.

The SPEAKER pro tempore. The gentleman from Arkansas withdraws his request.

The time of the gentleman from the District of Columbia has expired.

Mr. FAUNTROY. Mr. Speaker, may I have 30 additional seconds?

Mr. WRIGHT. Mr. Speaker, I yield 30 additional seconds to the gentleman.

Mr. FAUNTROY. Mr. Speaker, I hated to yield a second of my time, inasmuch as for a lifetime I have been denied representation, as have 700,000 people; but I want to thank the gentleman for joining in this resolution.

I offer the same privilege to the distinguished minority leader, to join in this resolution to exempt the citizens of the District of Columbia from taxation until we get representation in this House and in the Senate.

Mr. WRIGHT. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK] for purposes of debate.

Mr. FRANK. Mr. Speaker, I thank the gentleman for yielding.

I am sorry that my friends on the other side have been in an unyielding mood. I tried to have a little conversation and I got accused of being a rhythm disrupter, so I am sorry we cannot discuss these things more back and forth.

I did want to comment on what my friend, the gentleman from California [Mr. LUNGREN] had to say about the question of the burden of proof. The burden of proof seems to me a rather peculiar concept in here, to the extent that the gentleman is upset because the burden of proof statute was not invoked. I think that is a good idea, because we have asked people to do a recount. I do not know how you do a recount with the burden of proof. If you have a recount and people have been told to recount the votes, is the burden of proof like a point spread? I mean, does the burden of proof mean you have to win by 15 or more?

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. FRANK. No, I will not yield to the gentleman, as he did not yield to me or anyone else. I asked the gentleman to yield and he would not yield to the gentleman from Arkansas; twice he refused to yield. We have to play this one both ways, gentlemen. The gentleman has not been yielding.

Mr. Speaker, I ask for regular order. I will be glad to yield when I am yielded to.

The point is this. The burden of proof statute seems to me to be a wholly inappropriate one, as the example of the elephant's stick which was wielded on the other side. The elephant's stick, I have said it before, is the guy walking around DuPont Circle and he has got a big stick. Somebody says, "What have you got the stick for?"

He says, "To keep away the elephants."

He is told there are no elephants in DuPont Circle.

He says, "Aha, the stick worked."

People on the other side who do not want to talk about the budget or anything like that, because they have problems, want to convince people that they are preventing us from doing something we never intended to do, steal an election. No one intended to steal an election.

The gentleman from Minnesota, who would not yield, said before that we were trying to seat our friend. No one here has moved to seat either party, because many of us are convinced that we do not honestly know now, in all the confusion that has been amply documented with bipartisan participation today, who won; so we said to the General Accounting Office, "Go count the votes."

So the gentleman from California says, "Where is the burden of proof?"

Well, what is the burden of proof when you count the votes? So you say, "We count these five legitimately—burden of proof, you get the sixth?"

I do not understand what the concept of the burden of proof meant. I hope the gentleman will get his own time from his own side. I would have asked him before, but I could not get the time from him, if he will get his own time and explain it to me. I want to know how the burden of proof helps us count votes.

Mr. MICHEL. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, I am sorry the gentleman did not yield after using my name, but I understand that he did not have enough time.

The fact of the matter is, what we are talking about here is the procedure of the House. Mr. McIntyre is the certified winner from the State of Indiana. We have had gentlemen in the well from the State of Indiana who are seated here because of the certification that they had that stands in the same status as the gentleman from the Eighth District, Mr. McIntyre.

When one seeks to contest such a certification, one has the burden of proof. There is a prima facie winner. That decision was made by this Congress in 1969. We argued all this back in 1969. At that point in time, the public policy was established. The prima facie winner, the one who received the certification, is to be seated. If there is a contest, that contest is to go forward and if it proves at the end of that contest that in fact a different result should ensue, then a new person is seated.

The question I keep asking and asking and asking in vain of my colleagues on the other side is, why if we establish that as the general principle, has an extraordinary alternative been presented on this floor?

All I can say is that the basketball team, the players, and the coach of Georgetown University, should certainly wish that they could come here, because they lost by two points last night. Perhaps they should come here and ask for another game or another 5 minutes. They could then keep playing until finally at some point in time they would find themselves ahead and then they could call the game. That is what is happening here.

We have rules that have been established in statute for us to follow. We did not follow those rules. We then had rules that were established here after the fact of the rejection of the

person who should have been seated and these were fashioned on a 2-to-1 vote every single time. That does not sound quite like fairness.

If you ask about the burden of proof, it seems to me the gentleman knows exactly what it is I am talking about.

Mr. MICHEL. Mr. Speaker, I yield the balance of the time on our side, which I assume is 5 minutes, to the gentleman from California [Mr. THOMAS], who knows more about this subject than anybody else, having dealt with it from day one and having just returned from that partial recount.

Mr. THOMAS of California. Mr. Speaker, I thank the distinguished gentleman from Illinois, the minority leader, for yielding the time.

This gentleman from California appreciated some of the debate today. It has been lively, but not very enlightening. We have been speaking on a number of points, very few of which pertain directly to the issue we have in front of us.

On January 3 the majority leader said on the floor of this House in regard to the Indiana Eighth Congressional District that quote "election procedures have been neither timely nor regular and serious question have been raised as to their fairness."

I hope that you folks on the majority side of the aisle listened to the gentleman from North Carolina [Mr. HENDON] about his race in 1982, about the question of basic fairness, because I think some of you do not understand the depths of the feeling on this side of the aisle. It comes to some of us that if you cannot even win when you win, why in the world should we participate in any kind of a reasonable or orderly procedure in this House?

Where were you in 1982 when the Court said the procedures were unconstitutional, but you went ahead and seated the other fellow anyway?

What we have in the Eighth District in Indiana, despite the statements by some of the Members on the majority side, is a certificate that has never been challenged. It was not challenged under our Federal law. It was challenged by virtue of his cronies voting a straight partisan majority to send it to House Administration. That is how it was challenged. That is not a bogus certificate.

We have seen from the beginning an attempt to characterize Indiana's ballot authentication procedures as unique, complicated, and difficult. They are not that much unique from any other State.

As a matter of fact, I finally received from the Congressional Research Service, Library of Congress, dated March 21, a State ballot authentication provision going down State by State indicating those States that have authentication procedures similar to Indiana. There are 15. I would invite the attention of Members especially to the one involving the State of Arkansas, dealing with initials, dealing with the initialing of ballots in current law, backed up by case law in Arkansas, about whether or not those particular ballots should be counted in a recount.

Let us make no mistake.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of California. I will not yield and Mr. Speaker, I will not yield to anyone as I continue.

The task force's conclusion to write its own counting rules without holding hearings, without investigating the scope or the impact of the action, is not evidence that the majority is fair. It is not evidence that the majority is following its constitutional duties. It is simply an indication that it had to create its own counting rules, because after all, under Indiana law Mr. McIntyre had already won twice.

□ 1440

We have heard the task force's procedures as being characterized as somewhat judicial in nature, that it is our goal as a task force to function as a judge, to be the judiciary. We have heard reference to the GAO counting procedures.

Let us make one thing clear. The GAO is not there as it usually is, as an independent agency that is going to issue a report upon its findings. The GAO are auditors there, hired under task force administration money to count the votes according to the 2-to-1 majority vote as to what the procedures ought to be. And it ain't the GAO you and I know. It is the GAO under cover of the majority's partisan decision on rulemaking.

Let us talk about how this task force acting as a judicial body works. The task force finally went to Indiana last Friday. We reduced our judgment on two distinguishing mark ballots.

Now, we went through the procedure of marking the ballots so we did not know which candidate was voted for on the ballot. As we were ready to make our decisions, we did not have any black robes, but ready to make our decision as to how we were going to judge, count or not count, guess what? The staff and the supervisor said, "One of these ballots is for McIntyre, one of them is for McCloskey. Now go ahead and make your decision."

Is that what is called a judicial procedure in terms of rendering decisions on these ballots? That is what is going on in the task force, make no mistake; by a straight party vote, by pure partisanship this question was sent to House Administration. On a straight party vote, rules, especially the most critical rules on counting ballots as to whether or not you back up Indiana law was passed.

And make sure of it, sooner or later, as we examine those votes, not all of the votes are going to be counted, not even under task force rules. Count all the votes is political rhetoric. What is going to happen is most of the votes are going to be counted, just as they were on election day. And all of the arguments about what happened on the recount is smoke and nothing but smoke.

You examine the total number of ballots that are going to be counted under task force procedures and compare them with the election night.

Election night was fair. Rick McIntyre won and he should be seated.

Mr. WRIGHT. Mr. Speaker, I yield myself the remaining time. In closing this debate, I hope that we shall not again have to address the procedures through yet another needless vote until we shall have a completed count in our honest and earnest effort to learn who the true victor was.

With respect to the statement made by the gentleman who just preceded me, I respectfully suggest that surely fair minded people realize that the House has not been proceeding in a partisan manner. Just stop and think for a moment. If a straight-party line vote was all that mattered, we easily could have seated Mr. McCloskey, but we did not choose to do that. We chose, instead, to determine first by an honest recount who the winner was once all of the votes were counted. And we pledged at that time, and have renewed that pledge, that whoever the winner is will be seated.

Now, that is not a partisan decision. That is a decision based on the most fundamental, the most basic element of democracy, the right of every citizen to vote and the right of every voter to have his or her vote counted. That is what is at issue here.

I have gone through the process of briefing a long history of election contests. There have been numerous cases in which the House has exercised its responsibility to ascertain the true winner. Never have I discovered a single case in which there was such a prolonged rhetorical orgy on the part of one political party. Today in 1 minute speeches Members of the Republican freshman class took practically an hour just to make speeches to sell their point of view. Some of those speeches, like the florid press releases which have attended these utterances, fairly bristled with rank allegations of bad faith on the part of the House majority. This is particularly regrettable since it is not merely a political party but our institution itself which suffers from these overblown allegations.

Now, let us get away from all of the emotionalism, if you will, and examine the facts. First, it has been said, and wrongly so, that never before has the House set aside certification of a State

in choosing which of two claimants to seat. And that just is not true.

There is a long, long series of precedents going back to the 36th Congress in 1861 in which the Committee on Elections did exactly that. In the 40th Congress in 1867, in the case of Chavez against Cheever in New Mexico, the House did exactly that. It set aside both claimants, seating neither, until a recount could be determined to satisfy which was the winner in the contest to represent that territory as a Delegate.

Again in 1871 the House referred credentials of Members-elect to such a committee for investigation and recommended action based on congressional inquiry.

Again in 1877 the House challenged the credentials of a Member-elect who carried with him a certificate from his State and was, therefore, the prima facie winner. But the House was not satisfied until it had rendered its own impartial investigation.

Again in the case of Chalmers against Manning in 1884, the House refused to administer the oath to a person claiming to be a Member while the House was investigating.

As recently as 1934, arising from a Louisiana contest, one claimant had a certificate of election from the Governor of the State of Louisiana, but he was not seated until the House could discharge its constitutional responsibility to judge the election.

That is an unbroken chain of precedents. Nobody ever before has questioned this right and responsibility of the House, save those present Members on the Republican side who brought this case to court, seeking a mandamus to order the elected leaders of the House to administer the oath to Mr. McIntyre while the official recount is in progress. The court properly ruled that the arguments of the claimants had absolutely no validity. There was nothing whatsoever to justify a court case challenging the right and, indeed, the responsibility of the House of Representatives to determine the winner by our own orderly processes.

What is, then, the basic issue at stake? The basic issue is quite clearly whether voters are to be permitted to have their votes counted, or whether they are to be disfranchised.

There were in this instance as many as 5,000 voters in Indiana whose votes were arbitrarily cast aside, though many of them were counted in other electoral contests, and not permitted to be counted in this particular race. Is that not an irregularity? Is that not something of which this House should take cognizance? Is not this disfranchising of 5,000 qualified citizens of a State something in which we should have an interest?

It is apparently all right with the people in Indiana for us to insist that all their votes be counted. Despite the comment by the gentleman from Minnesota, Mr. FRENZEL, that we "rigged" the rules, the Louisville Courier Journal on March 13 stated that the recount rules for Indiana's race looked fair. As early as last December the Evansville Press said that "the 8th District recount involves a sorry spectacle of disenfranchising hundreds of voters by throwing out their ballots because they were not initialed by pollworkers." The editorial said "there is every possibility that the U.S. House of Representatives alone will decide," and went on to say "the House will be handed this opportunity primarily because local, officials blew it. The different recount rules employed from one county to the next, and the delayed certification of a winner for reasons which seem suspiciously political," said the Evansville Press, "beckon for a higher authority to make the call."

So that is what the Congress is doing. In an unbroken chain of constitutional precedents, recounted in Deschler's Precedents, it has been clear for all of the years that the principal, overriding consideration is not what some State official certifies. The principal, overriding consideration is what the voters themselves determine. The principal consideration in evaluating a ballot is the voters' intent. That has been true from the days of Waggonner versus Russell, 34 Nebraska, 116 Northwestern Reporter. It has been true in the case of McCrary where it is held "acts of election officials are merely directory, and the voters will not be disfranchised for failure of these officials to perform their duty." And again in Cannon's Precedents, "the House of Representatives should not consider itself obligated to follow" a West Virginia statute, but should "retain the discretionary right to follow the rule of endeavoring to discover the clear intention of the voter."

□ 1450

In case after case after case in constitutional law, the overriding, guiding principle has been that very one. That principle was followed by the Indiana Legislature itself in January.

The House of Representatives of the State Legislature in Indiana on January 7, 1985, in a case in which it assumed the responsibility of being the judge of elections of its members, held precisely as we have held in this case: That the overriding concern must be not the technicality of a law which permits the invalidating of a ballot because of some failure of an election official to inscribe his initials on it, but rather the intent of the voter wherever that is clear.

On that day the Indiana State Legislature applied the same identical principle that we have applied here to determine who the winner was, and in that case, the case of French versus Hibner, the vote was overwhelming in the Republican-controlled Indiana State Legislature.

So it is not a question of Republicans versus Democrats; it is a question of whether the people of the United States, whether they live in North Carolina or in Indiana; whether they live in Texas or in New York or Massachusetts, shall have their votes counted.

We say they shall, however those votes may fall, whoever the victor may be, let them fall where they will.

So that is our role; not to determine who we think the winner ought to have been, but rather to determine as the Constitution of the United States confers upon us the obligation to do what the voters themselves intended. So let there be an end to these ridiculous charges and aspersions of impure motive. I assure you on both sides of the aisle that when that nonpartisan, unbiased, frank and fair recount has been completed, we will move to seat whomever the victor may be, be he Republican or Democrat, and that ought to be the guiding goal of us all.

The SPEAKER pro tempore. The time of the gentleman has expired.

All time has expired.

Without objection, the previous question is ordered on the motion to refer.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to refer offered by the gentleman from Texas [Mr. WRIGHT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LUNGREN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 241, nays 183, answered "present," 1, not voting, 7, as follows:

[Roll No. 41]

YEAS—241

Ackerman	Bevill	Carr
Addabbo	Biaggi	Chappell
Akaka	Boggs	Clay
Alexander	Boland	Coelho
Anderson	Boner (TN)	Coleman (TX)
Andrews	Bonior (MI)	Collins
Annunzio	Borski	Conyers
Anthony	Bosco	Cooper
Aspin	Boucher	Coyne
Atkins	Boxer	Crockett
AuCoin	Breaux	Daniel
Barnard	Brown (CA)	Darden
Barnes	Bruce	Daschle
Bates	Bryant	de la Garza
Bedell	Burton (CA)	Dellums
Bellenson	Bustamante	Derrick
Bennett	Byron	Dicks
Berman	Carper	Dingell

Dixon	Kildee	Roemer
Donnelly	Kleczka	Rose
Dorgan (ND)	Kolter	Rostenkowski
Dowdy	Kostmayer	Rowland (GA)
Downey	LaFalce	Roybal
Durbin	Lantos	Russo
Dwyer	Leath (TX)	Sabo
Dymally	Lehman (CA)	Savage
Dyson	Lehman (FL)	Scheuer
Early	Leland	Schroeder
Eckart (OH)	Levin (MI)	Schumer
Edgar	Levine (CA)	Seiberling
Edwards (CA)	Lipinski	Sharp
English	Lloyd	Shelby
Erdreich	Lowry (WA)	Sikorski
Evans (IL)	Luken	Sisisky
Fascell	Lundine	Skelton
Fazio	MacKay	Slattery
Feighan	Manton	Smith (FL)
Flippo	Markey	Smith (IA)
Florio	Martinez	Solarz
Foglietta	Matsui	Spratt
Foley	Mavroules	St Germain
Ford (MI)	McCurdy	Staggers
Ford (TN)	McHugh	Stallings
Fowler	Mica	Stark
Frank	Mikulski	Stokes
Frost	Miller (CA)	Stratton
Fuqua	Mineta	Studds
Garcia	Mitchell	Swift
Gaydos	Moakley	Synar
Gejdenson	Mollohan	Tallon
Gephardt	Montgomery	Tauzin
Gibbons	Moody	Thomas (GA)
Glickman	Morrison (CT)	Torres
Gonzalez	Mrazek	Torricelli
Gordon	Murphy	Towns
Gray (IL)	Murtha	Traficant
Gray (PA)	Natcher	Traxler
Guarini	Neal	Udall
Hall (OH)	Nelson	Valentine
Hamilton	Nichols	Vento
Hatcher	Nowak	Visclosky
Hawkins	Oakar	Volkmer
Hayes	Oberstar	Walgren
Hefner	Obey	Watkins
Heftel	Olin	Waxman
Hertel	Ortiz	Weaver
Howard	Owens	Weiss
Hoyer	Pease	Wheat
Hubbard	Penny	Whitley
Huckaby	Pepper	Whitten
Hughes	Perkins	Williams
Hutto	Pickle	Wilson
Jacobs	Price	Wirth
Jenkins	Rahall	Wise
Jones (NC)	Rangel	Wolpe
Jones (OK)	Ray	Wright
Jones (TN)	Reid	Wyden
Kanjorski	Richardson	Yatron
Kaptur	Robinson	Young (MO)
Kastenmeier	Rodino	
Kennelly	Roe	

NAYS—183

Applegate	Courter	Grotberg
Archer	Craig	Gunderson
Armey	Crane	Hall, Ralph
Badham	Dannemeyer	Hall, Sam
Bartlett	Daub	Hammerschmidt
Barton	Davis	Hansen
Bateman	DeLay	Hendon
Bentley	DeWine	Henry
Bereuter	Dickinson	Hiler
Bilirakis	DioGuardi	Hillis
Bliley	Dreier	Holt
Boehlert	Duncan	Hopkins
Boulter	Eckert (NY)	Horton
Broomfield	Edwards (OK)	Hunter
Brown (CO)	Emerson	Hyde
Broyhill	Evans (IA)	Ireland
Burton (IN)	Fawell	Jeffords
Callahan	Fiedler	Johnson
Campbell	Fields	Kasich
Carney	Fish	Kemp
Chandler	Franklin	Kindness
Chappie	Frenzel	Kolbe
Clinger	Gallo	Kramer
Coats	Gekas	Lagomarsino
Cobey	Gilman	Latta
Coble	Gingrich	Leach (IA)
Coleman (MO)	Goodling	Lent
Combest	Gradison	Lewis (CA)
Conte	Green	Lewis (FL)
Coughlin	Gregg	Lightfoot
Livingston	Nielson	Slaughter
Loeffler	O'Brien	Smith (NE)
Lott	Oxley	Smith (NH)
Lowery (CA)	Packard	Smith (NJ)
Lujan	Parris	Smith, Denny
Lungren	Pashayan	Smith, Robert
Mack	Petri	Snowe
Madigan	Porter	Snyder
Marlenee	Pursell	Solomon
Martin (IL)	Quillen	Spence
Martin (NY)	Regula	Stangeland
Mazzoli	Ridge	Stenholm
McCain	Rinaldo	Strang
McCandless	Ritter	Stump
McCollum	Roberts	Sundquist
McDade	Rogers	Sweeney
McEwen	Roth	Swindall
McGrath	Roukema	Tauke
McKernan	Rowland (CT)	Taylor
McKinney	Rudd	Thomas (CA)
McMillan	Saxton	Vander Jagt
Meyers	Schaefer	Vucanovich
Michel	Schneider	Walker
Miller (OH)	Schuette	Whitehurst
Miller (WA)	Schulze	Whittaker
Molinari	Sensenbrenner	Wolf
Monson	Shaw	Wortley
Moore	Shumway	Wylie
Moorhead	Shuster	Young (AK)
Morrison (WA)	Siljander	Young (FL)
Myers	Skeen	Zschau

ANSWERED "PRESENT"—1

Panetta

NOT VOTING—7

Bonker	Dornan (CA)	Yates
Brooks	Hartnett	
Cheney	Weber	

□ 1500

The Clerk announced the following pairs:

On this vote:

Mr. BONKER for, with Mr. CHENEY against.

Mr. YATES for, with Mr. HARTNETT against.

Mr. BROOKS for, with Mr. DORNAN of California against.

Mr. WHITTEN changed his vote from "nay" to "yea."

So the motion to refer was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1510

CONFERENCE REPORT ON H.R. 1239, URGENT SUPPLEMENTAL FOR FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore [Mr. BROWN of California]. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of March 27, 1985, at page 6467).

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentleman from California [Mr. LEWIS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 1239, and that I may include extraneous and tabular matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

URGENT SUPPLEMENTAL APPROPRIATION FOR FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I bring you now the conference report on H.R. 1239 which will provide food for the starving people of Ethiopia and other countries in Africa in the amount of $400 million under Public Law 480, $137,500,000 for international disaster assistance, $25 million for emergency migration and refugee assistance, and $12,500,000 for the regular program of migration and refugee assistance. The agreement also includes an emergency reserve of $225 million for Public Law 480 and provides for the use of up to 200,000 metric tons of food under section 416.

Many of my colleagues have sponsored legislation leading to this action, notably SILVIO CONTE, TED WEISS, HOWARD WOLPE, MICKEY LELAND, and MARGE ROUKEMA.

The following conferees signed this conference report:

For the House: JAMIE L. WHITTEN, WILLIAM H. NATCHER, DAVID R. OBEY, BOB TRAXLER, MATTHEW F. MCHUGH, SILVIO O. CONTE, JACK F. KEMP, and VIRGINIA SMITH.

For the Senate: MARK O. HATFIELD, TED STEVENS, THAD COCHRAN, BOB KASTEN, JOHN C. STENNIS, and DANIEL K. INOUYE.

Mr. Speaker, it is a great deed we do here, but perhaps even greater, we have the food to provide. May I point out if present farm policies are followed in the future, it is likely we won't have surplus food. For today, Mr. Speaker, our Government is following a policy of attempting to obtain farm commodity prices by creating scarcity. Instead of capitalizing on our tremendous capacity to produce food, our greatest advantage over Russia, we called on our farmers to reduce the production of food and fiber, in an effort to increase price.

Claiming we had a surplus, upon finding out we did not, we actually had to call on farmers, the caretakers of our soil and natural resources, to produce to pay themselves in kind for not producing, a losing proposition for both the Government and the farmer.

The facts are that by our refusal to sell competitively and by cutting back production, our Government gave 11 percent of our production base to our competitors overseas. They increased their production by the amount we reduced ours. We lost 11 percent of the dollars we would have had to help our balance of trade.

Mr. Speaker, there is no question that the bankruptcy facing American farmers was largely caused by embargoing the farmer's exports as a part of our foreign policy. During the 1970's and again in 1980, farmers faced the following export restrictions:

RECENT EMBARGOES

1973 OILSEED EMBARGO

An embargo was placed on shipments of oilseeds from the United States to all destinations in the summer of 1973. Authority for the embargo stemmed from the Export Administration Act of 1969. Among the commodities affected by the export restrictions were soybeans and cottonseeds. Also limited were shipments of oilseed products including soybean meal, cake, and oil and cottonseed meal, cake, and oil.

1974 EXPORT SALES SUSPENSION

Actions taken in 1974 to limit U.S. export sales were not technically an embargo. The U.S. Government requested private U.S. grain firms to voluntarily restrain sales and the Soviet Union to limit U.S. purchases in response to short U.S. supplies. Commodities affected by the restraints included wheat and corn.

1975 EXPORT SUSPENSIONS

The export restrictions imposed in 1975 were similar to those in 1974. The U.S. Government requested voluntary restraints on sales to the Soviet Union and later, to Poland. Commodities affected by the restraints were wheat and coarse grains.

1980 SOVIET EMBARGO

The 1980 embargo was intended to indicate U.S. disapproval of the Soviet invasion of Afghanistan in December 1979. On January 4, 1980, President Carter announced a suspension of sales to the Soviet Union and subsequently instructed appropriate officials to terminate sales under the Export Administration Act on January 7. Agricultural commodities affected by the embargo were exports of wheat, feed grains, soybeans, animal feeds, meat, poultry, dairy products, and some animal fats. Exempt from the restrictions were 8.0 million tons of wheat and corn covered by the U.S.-U.S.S.R. Grain Agreement. The embargo remained in effect until April 24, 1981.

As evidence that these actions were wrong, the administration has stated:

First, no restrictions will be imposed on future exports of farm products because of rising domestic prices.

Second, farm exports will not be used as an instrument of foreign policy except in extreme situations and as part of a broader embargo.

Third, world markets must be freed of trade barriers and unfair trade practices.

The Congress has also enacted legislation which provides that in the future, if the export of agricultural commodities is suspended or restricted for reasons of national security or foreign policy, farmers shall be compensated by the U.S. Government for their losses based on a formula specified in the law (7 U.S.C. 1736j).

It is noted that, with regard to the embargo on sales to the Soviet Union, the middle-man, who sold agricultural commodities to the Soviet Union and was denied the right to deliver, was reimbursed for his contract losses by the Government. Yet, the farm producer, who was out the cost of his production, got nothing.

In the mid-1930's, the Commodity Credit Corporation, now a $25 billion corporation, was set up to support farm income, to keep a balance between labor, industry, and agriculture, to offset increasing costs, to sell competitively in world trade, and to keep up volume. For years, this worked.

Now, our Government refuses to use this Corporation. We are the only government in the world which does not sell what it has and does not need for what it will bring in world markets.

Over the last 25 years, industry and labor's share of the consumer dollar for food and fiber has increased from 49 percent to 73 percent—leaving the farmer's share, who has to buy from industry and labor at their prices, reduced from 51 percent to 27 percent—and they say: "Let him get by on that."

Mr. Speaker, he cannot.

Today, Mr. Speaker, the farmers owe $212,000,000,000 largely as a result of his Government embargoing his exports, and his Government refusing to use the proven vehicle, CCC, to sell his product to a hungry and needy world. Bankruptcies are common, suicides are numerous because of the erroneous policy we have followed.

H.R. 1189

Mr. Speaker, as a companion bill to the conference report which is before us, I introduced H.R. 1189. This bill has been considered in tandem with H.R. 1239. This bill directs the Department of Agriculture to use guarantees along with other means to keep farmers farming while we correct this erroneous government policy.

This bill passed the House on February 28, 1985, by a vote of 294 to 115. The Senate has not yet acted on the bill so we did not get it to conference along with H.R. 1239.

The conferees did agree unanimously to the following language in the statement of the managers:

The conference agreement has not included H.R. 1189 as an amendment. The conferees do expect H.R. 1189 to be considered during April 1985, and the Department of Agriculture, in the meantime, is to proceed with applications and actions to be ready to use the existing guarantee authority during the month of April.

Mr. Speaker, by all means we must continue to be a land of plenty and quit trying to be a land a scarcity.

Declining farm income led off the Great Depression. Let us guard against another.

I trust we may have your continuing support of H.R. 1189 when we return here on April 15.

H.R. 1189 provides:

$1 billion in additional funds for Farmers Home Administration [FmHA] guaranteed operating loans, and would call for a moratorium on repayment of principal and interest in order to prevent foreclosure. Loans would be limited to farm producers who have been engaged in farming operations for at least 5 years and whose total indebtedness exceeds three-fourths of the value of the farm and equipment, or equipment if renting the land, and loans could not exceed $750,000. Loans would be made by banks or other financial institutions, and would be repaid by the borrower.

The bill would provide $17 million for FmHA staff to conduct the program and $500,000 for the Economic Research Service to study how much existing farm debt was caused as a result of embargoes on the sale of U.S. agricultural products and the failure to offer for sale in world markets commodities surplus to domestic needs at competitive prices. The bill also directs the Small Business Administration [SBA] to use loan guarantee authority, as authorized by law, to restructure existing loans to farmers.

Mr. Speaker, I ask that all Members support the conference report on the Emergency Supplemental for Africa, as well as the conference report on H.R. 1189, after the Senate has completed its action, when we have that before the House soon after we return on April 15.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] has consumed 9 minutes.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1239, the African Famine Relief and Recovery Act of 1985, the conference report that is before us today.

Mr. Speaker, the nations of Africa face a crisis that, thank the Lord, the world comes upon rarely, but when it does occur the world must respond with the sort of heart that reflects the history of the American people. The enactment of this legislation will enable the United States to provide 800 million dollars' worth of food and nonfood aid to 7 to 10 million people in dire need of our assistance.

Mr. Speaker, I yield such time as he may consume to my ranking member, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the conference report to accompany H.R.

1239, the bill making urgent supplemental appropriations for emergency famine relief and recovery in Africa.

Together with the gentleman from New York [Mr. WEISS], the gentleman from Michigan [Mr. WOLPE], the gentleman from Texas [Mr. LELAND], and the gentlewoman from New Jersey [Mrs. ROUKEMA], I have worked for the past 4 months to develop a responsible emergency African relief package. With the leadership provided by the distinguished chairman of the committee, Mr. WHITTEN, and the critical assistance provided by the gentleman from Wisconsin [Mr. OBEY], the gentleman from New York [Mr. KEMP], and the gentlewoman from Nebraska [Mrs. SMITH], we have before us a responsible agreement making a U.S. commitment for relief. I am pleased to support the compromise which all of my fellow House conferees have worked out with the other body. And I urge the support of my colleagues for this agreement.

The enactment of this legislation will enable the United States to provide 800 million dollars' worth of food and nonfood aid to 7 to 10 million people in dire need of our assistance.

I would like to point out to any of my colleagues who may have questions or concerns with regard to the farm credit legislation that this conference agreement makes no provision for emergency farm credit. The $1 billion loan guarantee appropriation bill approved by the House on February 28 is under consideration in the other body. It has not been included in the conference agreement on the Africa relief supplemental which we now consider.

Let me take just a moment to explain the details of the agreements which we have reached on this supplemental with respect to food aid.

For the Public Law 480 title II Food Donation Program, the conferees have agreed to provide $400 million. This compares with the administration's request for $201 million, the House-passed level of $600 million, and the level of $285 million as passed by the other body.

Of this $400 million, we have agreed to appropriate $384 million, and make $16 million available from unobligated balances in the Commodity Credit Corporation. The $400 million total is to remain available throughout calendar year 1985; that is, until December 31, 1985. We have extended the availability of these funds for 3 additional months to provide AID and USDA with the necessary authority to deliver the food as swiftly as possible by the end of this calendar year. Conference report language states that it is our intention that the commodities be delivered—not simply committed—to Africa by December 31, 1985.

Our agreement also includes the House language providing that funds, not to exceed $100 million, shall be available for inland transportation with the certification of the AID Administrator that this money is needed to prevent starvation or unacceptable levels of loss or spoilage. We have retained this language because we believe that as much as $60 million, in addition to the $40 million requested by the administration, will be needed for inland transport.

While the conferees have agreed to delete the $120 million competitive sale or barter program which was included in the House-passed bill, we have retained the $225 million Public Law 480 title II emergency reserve fund. This fund contains $225 million, which is to remain available to the President through fiscal year 1986. To tap into this reserve, and make any of the funds available for additional emergency relief, the President simply needs to certify that the use of such funds is essential to famine relief in Africa.

In a statement of administration policy dated March 28, 1985, with regard to this requirement, it is stated that, "As required by title II of the bill, the administration will ensure that no funds are obligated that cannot be used effectively."

Finally, in addition to all of the assistance which I have just described, the conferees have agreed to provide 200,000 metric tons of wheat and dairy products acquired by the CCC through its price support operations. Through this section 416 program, commodities are to be made available to private voluntary organizations for donation through calendar year 1985. Fifty percent of these commodities are to be in the form of wheat or wheat products.

In order to address the concerns which we all share on the need that these commodities be distributed as rapidly and effectively as possible to the people of Ethiopia, we have also included language to prevent the Government of Ethiopia from gaining control of donated foods through seizure of commodities donated by the United States. We require that the Secretary of Agriculture certify to appropriate committees of the Congress that the commodities shall not be distributed through or otherwise be allowed to come under the control of the Ethiopian Government.

We believe that we have provided adequate clarification allowing the Ethiopian Government to participate in the transportation and distribution of commodities in cooperation with U.N. agencies and the private voluntary organizations, but that we have prevented the prospect of political manipulation of this food by the Government for its starving citizens.

The conference agreement includes $175 million in nonfood disaster and refugee assistance funds for Africa. This is the same amount as appropriated in the House bill, and the same amount as the ceiling provided in the Senate bill. The administration requested $50 million for nonfood aid.

The nonfood funds break down as follows: $137.5 million for international disaster assistance, $25 million for the U.S. emergency refugee and migration assistance fund, and $12.5 million for regular migration and refugee assistance activities. Of the disaster assistance funds, $2.5 million will be transferred to the operating expenses account of the Agency for International Development for monitoring the entire famine relief package funded in the bill. These latter funds are intended to be used to prevent unfair distribution or diversion of this much-needed assistance.

The nonfood funds in the bill are made available until March 31, 1986. This is a compromise between the House requirement that the funds be obligated by September 30, 1985, and the Senate availability through September 30, 1986.

The conferees agreed to amend Senate language requiring 5-day notification of the Appropriations Committees of the House and Senate prior to the obligation of disaster assistance funds, unless the emergency is life-threatening and immediate action is necessary. Similar 5-day notification language added by the Senate for emergency refugee assistance and regular refugee assistance was dropped by the conferees.

The House conferees accepted Senate language waiving the Brooke amendment banning aid to any country in default on prior U.S. loans. Unless waived, the Brooke amendment would prohibit any refugee assistance in the bill from being used in Sudan, a country which has provided a haven for thousands of refugees from Ethiopia, Chad, and other famine-stricken neighboring nations.

Senate language waiving the requirement for authorizing legislation before these funds for nonfood aid could be obligated was dropped in conference. The language is no longer necessary, as the authorizing bill, S. 689, passed the Senate on March 19 and the House on March 21, and is now awaiting the President's signature.

And finally, House conferees accepted Senate language designating the Administrator of the Agency for International Development as having the responsibility for determining the emergency food and disaster assistance needs for the funds included in the bill. This merely restates the current operating procedures.

Mr. Speaker, I am pleased to report that, despite the administration's expressed concern that the conference agreement would provide resources substantially in excess of its estimate of need, the administration does not

oppose the conference version of this bill.

I thank each of the members of this committee, and each of my colleagues in this House and in the other body who have worked so swiftly in bipartisan fashion to craft an urgent supplemental appropriations bill that the President will sign—and more importantly—that will deliver sustenance to the millions of starving men, women, and children of drought-ravaged sub-Saharan Africa.

□ 1530

Mr. Speaker, again I want to thank my chairman, the gentleman from Mississippi [Mr. JAMIE WHITTEN] for his cooperation, and my good friend of many, many years, the new chairman of the Subcommittee on Foreign Operations, the gentleman from Wisconsin [Mr. OBEY]. They were terrific.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Speaker, I certainly would like to commend both the chairman of the committee, the gentleman from Mississippi [Mr. WHITTEN], and the gentleman from Massachusetts [Mr. CONTE] for their leadership, and I commend all the members of the conference committee that has reported this bill. It is an excellent bill in every way. It is not only fiscally prudent but it is humane, and the provisions you have written in here, the reserve provisions, those that can be triggered in the event of unforeseen additional needs, are very wise and very humane. I think they are very important, and the gentlemen are to be commenced.

Mr. WHITTEN. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I thank the chairman of the committee for this time.

I would simply like to congratulate the gentleman from Mississippi [Mr. WHITTEN], the chairman of the committee, for the speed with which this bill was brought to the House through conference and back to the House floor for final approval.

I think virtually everything that needs to be said has already been said. I would simply like to observe, as the gentleman from Massachusetts [Mr. CONTE] has already indicated, that in terms of chapter 2 funding this legislation includes $137.5 million for disaster assistance, the same amount which originally passed the House, and these funds will be used to provide medical services, supplies, shelter, and basic agricultural rehabilitation.

The Senate had proposed making these funds available on an "as necessary" basis through all of fiscal year 1986, and as has been indicated, we compromised by making the funds available through March 31, 1986, and dropping the "as necessary" requirement because we felt that the funds should be available through a specific appropriation.

All I would like to say in addition to that is that I am very pleased to hear from the gentleman from Massachusetts [Mr. CONTE] that the President will in fact sign this legislation. This African famine relief bill which we are sending to him this afternoon is a responsible piece of legislation. It is a crucial piece of legislation. In every way it is literally a lifesaver. It will save the lives of hundreds of thousands of children and families in Africa. I think we have a responsibility to do it, and I am pleased to hear that the administration agrees and will sign the bill at the earliest opportunity.

Mr. Speaker, I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in support of adoption of the conference report for H.R. 1239, the urgent supplemental appropriation for emergency famine relief and recovery in Africa.

I wish to commend Mr. WHITTEN and Mr. CONTE for their leadership in addressing the critical situation that is facing some 150 million hungry people in Africa. I likewise compliment this body for its prompt effort to genuinely contribute to meeting the needs of these fellow human beings.

In addition, I commend my colleagues for the provisions of this bill that provide assurance that the aid we send truly reaches the hungry.

While this urgent supplemental appropriation is made to address an acutely critical situation in Africa, I am compelled to remind my colleagues that at the same time, a severe crisis exists in our Nation's heartland.

Our farmers and ranchers are facing the dimmest economic conditions experienced in the agricultural sector in the past 50 years. For that reason, while I rise in support of H.R. 1239 today, I am also calling on my colleagues to support further action on H.R. 1189, the urgent supplemental appropriation for agricultural credit, to lend sorely needed assistance here at home to our agricultural community.

Language has been included in the conference report stating that the committee expects H.R. 1189 to be considered during April 1985. In the meantime, the Department of Agriculture is called upon to use existing guarantee authority during the planting season.

Fellow Members, you will recall that H.R. 1239 and H.R. 1189 were considered consecutively in this body, to address two critical problems—one at home and one abroad. With passage of this conference report, the Congress will have taken action to address the immediate crisis in Africa. I call on you to exert your influence so that our problem at home can be addressed, as well.

Mr. Speaker, our 3 million farmers—as many as the combined work forces of the transportation, steel, and automobile industries—are preparing for this year's operation of the most productive agricultural plant in the world.

Fully 22 percent of our work force and one-fifth of our total GNP activity are dependent upon this production process in our food and fiber system.

Over 1 trillion dollars' worth of assets, or about 70 percent of the capital assets of all manufacturing corporations in the United States make production agriculture one of the most capital-intensive ventures in our economy.

And in spite of the bad news that abounds regarding our agricultural economy, our export surplus of agricultural products, expected to total about $16 billion this fiscal year, continues to be the brightest spot in our huge balance of trade deficit—in spite of a record-high dollar.

Fellow Members of the House, I ask your support for adoption of this conference report, so that this Nation can continue in its role as the leader in lending assistance to the needy around the world. At the same time, I strongly urge your support for action to provide assistance to our own farmers and ranchers during their hour of crisis, as well.

□ 1540

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MCHUGH], a member of the committee.

Mr. MCHUGH. Mr. Speaker, I also rise in support of the conference report and urge my colleagues to support it. The funds appropriated in this measure are desperately needed in Africa.

As one of those privileged to serve on the conference committee, I can assure my colleagues that we defended the House position vigorously and that a reasonable compromise has been struck. As the chairman pointed out, the final bill provides $400 million in additional food aid under title II of Public Law 480. These funds would remain available through December 31. As the conference report notes, however, "it is the intention of the conferees that the commodities provided in this act be delivered to Africa no later than December 31, 1985."

In addition, the bill retains the $225 million reserve to meet any additional food needs beyond those already identified, with the reserve remaining available for use through September 30, 1986. Finally, with regard to the

nonfood aid provisions, the conference report retains the original House provisions virtually intact. As the members will recall, our bill provided $137.5 million in disaster assistance, $25 million to replenish the U.S. Emergency Refugee and Migration Assistance Fund, and an additional $12.5 million for emergency assistance in Africa under the migration and refugee assistance account.

All of those numbers have been retained. However, at the insistence of the Senate, those funds can be programmed until March 31, 1986, rather than remaining available only until the end of the current fiscal year.

As you know, Mr. Speaker, our people and other people throughout the world have responded with compassion to the current crisis afflicting much of Africa. This conference report is an important part of our continuing response and it should be passed with broad support. Having said this, it would be a mistake to delude ourselves into believing that this bill will solve the underlying causes of the current crisis in Africa.

In fact, much more needs to be done. With the passage of this conference report, it is time that we begin addressing the long-term development needs of sub-Saharan Africa in a more vigorous and coherent fashion. To that end, the gentleman from New York [Mr. LUNDINE] and I will introduce legislation later in the week designed to support much needed policy reforms that must be undertaken by the African nations themselves. It is my hope that this Congress will respond with as much compassion to the long-term needs of Africa as we have to this tragic crisis that has so deeply moved the American people.

Mr. CONTE. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I am pleased to rise in favor of the conference report on urgent supplemental appropriations for emergency famine relief and recovery for Africa.

We must deeply regret the necessity to appropriate these funds. We all grieve for the tens, perhaps hundreds of thousands of people who are sick, hungry, and dying in the 24 countries struck by this murderous famine. And, because we have no choice but to offer this humanitarian aid to a desperate continent, many Members of Congress and our staffs have spent a great many hours working toward enactment of this legislation. Through this appropriation we offer sustenance and support to our fellow human beings in Africa who are in mortal danger.

The long process that will reach its conclusion when this bill is signed by the President had its genesis in the late summer of 1984, when Chairman HOWARD WOLPE of the Africa Subcommittee and I concluded that the African famine was worsening and that the regular appropriations for emergency food and and disaster assistance would once again be insufficient to meet the 50-percent level that the United States traditionally contributes. The authors of this effort had traveled to Africa in 1983 and, as early witnesses to an unfolding tragedy, began to sound the alarm—an alarm that few heeded.

In September, we introduced a bill that would have appropriated $450 million in food and disaster assistance. When it became clear, in October and November, that food needs in Africa were escalating due to even greater numbers of people being affected by the famine, we decided to increase the aid levels to $1 billion. On January 3, H.R. 100 was introduced. Mr. WOLPE and I were joined by Chairman MICKEY LELAND of the Select Committee on Hunger. And a hard-working team of Democrats and Republicans including SILVIO CONTE, ranking minority member on the Appropriations Committee, and the gentlewoman from New Jersey [MARGE ROUKEMA], ranking minority member of the Select Committee on Hunger, negotiated through the House and Senate, first an authorization, then an appropriation bill. The distinguished chairman of the Committee on Foreign Affairs was fully supportive every step of the way. The Speaker was of great assistance throughout the process. With many hurdles overcome, including an inadequate request level put forward by the administration, we are here today to take the last step in the House before enactment. The Senate will, I hope, act this week.

This legislation found friends in many quarters: The media who kept the pictures of the affected people before the American public night after night; the American public itself—who responded with approximately $100 million, mostly in small contributions; the private voluntary organizations, both on the ground and lobbying here in Washington, who have been delivering food and disaster assistance in missions of mercy for decades. The Members of the House on both sides of the aisle who supported the effort are too numerous to include in a short statement; however, I do want to make reference to the chairman of the House Appropriations Committee, JAMIE WHITTEN, DAVID OBEY, chairman of the Subcommittee on Foreign Operations and Mr. CONTE for their especially fine work during the committee and conference process.

The Congress deserves congratulations on this achievement on this offering of $800 million worth of help to nations whose many dead and dying are part of one of the most extensive tragedies of this century. But what we offer at this time must be seen in the proper context. This is only emergency assistance. It is directed to countries affected by this most recent drought. It is intended to help slow the dying, build up strength, and get people back to doing a little subsistence farming. But it won't have much effect on the following facts of life in sub-Saharan Africa:

Population growth rates average 3.2 percent per year; the population will double in 21 years.

Although food production is increasing at the rate of 2 percent each year, because of the rapid population growth rate, per capital food production has declined by 20 percent during the past 20 years.

More than 20 percent of the population consumes less than the minimum amount necessary to sustain a healthy life.

The Saharan Desert is spreading so rapidly that at current rates a continent that is now 20-percent desert may become 50 percent by the year 2035 if something is not done to stop it. Each year about 1.8 million acres of crop and grazing land become desert.

If the relief and recovery assistance we are voting for today is not followed by programs capable of changing the underlying causes of the precarious condition of Africa's food supply, we will be back here year after year voting for even larger urgent supplemental appropriations and millions of more lives will have been sacrificed.

I urge all of my colleagues to extend America's offer of sustenance and support to our African brothers and sisters and children by voting "yes" on this conference report.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I want to thank the chairman of the committee for yielding to me and I want to express my enormous admiration to the gentleman from Mississippi [Mr. WHITTEN], the gentleman from Wisconsin [Mr. OBEY], the gentleman from Massachusetts [Mr. CONTE] and others for the bipartisan team effort that has brought this matter so swiftly to fruition by both parties and both Houses.

This belies that ugly rumor that we sometimes hear that Congress does not work, that we are a muscle-bound giant, that we cannot react to meet needs.

I am proud to be a Member of this body when we do react, when we meet the wishes of the American people who feel compassion and identification with the problems of mankind around the world in a way that we have for 200 years. This is what our religious and political traditions are all about.

This Congress has represented the American people magnificently and I

really wish to congratulate the half a dozen or so Members that I have mentioned.

This is a wise and a compassionate piece of legislation. From here on in, my minute or two will be a footnote on the remarks of the gentleman from New York [Mr. McHUGH] and the gentleman from New York [Mr. WEISS].

We must in all responsibility and in all wisdom go even further than we have gone today, because if we do not, we are going to be back here again this time next year, and 3 years later, and 7 years later, whenever the vagaries of weather and chance catch up to the sub-Saharan population in this horrifying maelstrom of drought, famine, and death.

Now, it is not drought that is killing people in sub-Saharan Africa. It is human stupidity. It is lack of ability to plan for what lies ahead and utter, inexplicable misuse of resources.

The gentlemen for New York, TEDDY WEISS, and MATTY McHUGH said it all. Sub-Saharan Africa's population is expanding by more than 3 percent a year due to the fact that the West has made available to that region the concept of public health, clean drinking water, sanitation, preventive diseases and a modicum of health care so that maternal and child care mortality has plummeted.

The population growth is not due to the fact that fertility has risen. It is due to the fact that morality has dropped dramatically. That in a sense is a gift from the West and, of course, every life saved is a miracle; but it has brought its complications, too, because as people have lived longer, as mothers have survived to bear more children, the population has soared, and the increase in food production of about 1 percent a year has not begun to keep up with the level of people production, the increase in population of a little over 3 percent a year.

□ 1550

So there has been a 2-percent decrease in per capita annual food availability, and it is cumulative and it is getting worse every year, and it portends impending doom, and horror, and hardship, and suffering of unimaginable proportions if we do not help the continent of sub-Sahara Africa to control their fertility as we have helped the Asian part of the world to do, and as we have helped Latin America to do.

I don't want to take away any of the importance of what we are doing here today, but the fact is that we must go beyond the Band-Aid approach we are taking on this and perform radical surgery.

What is needed is a comprehensive, long-term program aimed at linking increased food production in the region, through the use of appropriate agricultural technology, with a balanced program of development aimed at generally improving the status of women is sub-Saharan Africa.

Among other benefits, such a program will enable African women, who are perhaps the most underprivileged of all human beings, to control their own fertility and participate in the world around them beyond the parameters of the farm.

A balanced program of development would aim at providing African women with equal access to the world of education, work, and credit. Maternal and child health services should be an integral part of such a program.

Unless something is done to reduce the rate of population growth in Africa and, at the same time, provide African farmers with the appropriate technology and training to help them increase food production on a continuing basis, I fear we will never again see the day when Africa will be able to feed itself.

A long-term program aimed at food self-sufficiency in sub-Saharan Africa would be a more intelligent use of U.S. tax dollars than our current sporadic, stopgap efforts.

Unless we develop such a plan, we can expect to see similar supplemental appropriations for African famine relief come before the Congress on a cyclical basis, never ending and escalating in levels of need and cost.

Without such an effort, estimates show that the population of sub-Saharan Africa, currently at 434 million, will virtually double in about two decades,

Unless we do something to contain Africa's exploding population growth rate and provide the African farmer with the necessary tools to control his or her own destiny, I fear we will condemn the African people to a future of suffering and misery.

We must begin to treat the illness, not just the symptoms.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Speaker, I will not take long, but I would like to thank very much the efforts on the part of the gentleman from Mississippi [Mr. WHITTEN], chairman of the Appropriations Committee, and also the gentleman from Massachusetts [Mr. CONTE] for their steadfastness in this matter. Their efforts have resulted in the savings of millions of lives.

I am very proud to be associated in this matter, and also as a member and the chairman of the Select Committee on Hunger. A bipartisan effort has been waged here and has been absolutely astounding. It goes to show that if our two sides get together what we can do. We can measure the results of the efforts of all of us here in the many different ways that can be determined by the private voluntary organizations that will be the recipients of these many moneys that we have sent to Africa to try to do what we can to ameliorate the many, many problems they have.

I have heard the cry of the people from other sectors who have not been so closely aligned with the select committee, and also the Appropriation Committee efforts in calling for population control, and in the matters of which we can do the kinds of things that will stop the senseless misuse and abuse of the land in Africa. We know that that is a problem and that we do need, indeed, long-term developmental efforts.

But this is a matter of urgency, a matter of emergency, if you will, and we have got to do what we can to save these many lives. And we have done this in this legislation, with the efforts of the Speaker of the House, the minority leadership, and also the leadership of the Select Committee on Hunger, and through the efforts of the gentlewoman from New Jersey [Mrs. ROUKEMA], and myself, and the gentleman from New York [TED WEISS], who has been beautiful in leading this struggle, along with the gentleman from Michigan [HOWARD WOLPE], and the chairman of the Subcommittee on Africa, and also the wonderful chairman of the Foreign Affairs Committee. We have manifest an effort that has been put together by the House of Representatives with its leadership, and by that we will realize the results that I have alluded to earlier. And that is just the savings of lives, the millions of lives that are in jeopardy in Africa today.

Mr. Speaker, I thank you for giving me this time and I hope that all of our colleagues will support us in these matters.

Mr. Speaker, I rise to state my strong support for this conference report on H.R. 1239, the emergency Africa appropriation legislation. As chairman of the Select Committee on Hunger, I have been working for several months with colleagues from both the House and the Senate to determine what kind of assistance is needed to meet the Africa crisis, and to press for rapid passage of emergency aid.

Early in December, together with the gentleman from Michigan [Mr. WOLPE], the gentleman from New York [Mr. WEISS], and Senator MELCHER, I outlined an Africa famine relief measure and urged quick action. It was clear then that the situation in many drought-stricken African nations was critical. Thousands of people have been experiencing great suffering, due to lack of food, medicines, shelter, and other basic supplies. When Congress reconvened, Mr. WOLPE, Mr. WEISS, and myself introduced H.R. 100, the Africa Famine Relief and Recovery Act.

We have worked with the Foreign Affairs Committee and the Appropriations Committee to ensure quick action. The House of Representatives moved quickly, and reported out legislation with full bipartisan support in February. While action was delayed in the Senate, it has now been returned to the House for final approval. The bill I originally sponsored with Representatives TED WEISS and HOWARD WOLPE would have provided assistance at levels somewhat higher than those in H.R. 1239 as reported today. I nevertheless believe this conference report on H.R. 1239 is a fair and compassionate response to the needs in Africa.

The levels of disaster and refugee assistance stipulated in H.R. 1239 will be urgently needed in the next few months. Several of the most severely affected countries, including Sudan and Ethiopia, will have no harvest before the fall, so food and other emergency needs will continue to be very great.

I commend my colleagues in both the House and the Senate for their efforts in securing passage of this critically important legislation. We recognize that we have a special responsibility to alleviate the suffering of people who cannot secure enough to eat because of drought and other disasters. I urge my colleagues to approve this package of emergency assistance so that proposals for food, seeds, medicines, transportation, and other vital needs now awaiting funding can be quickly approved.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I want to thank the chairman of the Appropriations Committee for yielding to me and the chairman of the subcommittee, the gentleman from Wisconsin [Mr. OBEY], the gentleman from New York [Mr. WEISS], the gentleman from Texas [Mr. LELAND], and the gentleman from Massachusetts [Mr. CONTE], all of whom have worked to bring this measure to final passage and enactment today.

Mr. Speaker, I rise today in strong support of H.R. 1239, the supplemental appropriations bill for emergency famine relief and recovery in Africa.

On Saturday, March 30, I sponsored a congressional forum on the African famine at Hamline University in St. Paul, MN. Over 200 persons, including a distinguished panel, participated in this program which focused on a description of the current crisis and how to break the famine cycle in Africa. The starvation of hundreds of thousands of people in Ethiopia and other countries in sub-Saharan Africa is certainly one of the worst tragedies of our time. All of us have been profoundly moved by the daily reports in the news media of the suffering and death which have become rampant throughout Ethiopia. While the crisis has struck hardest in Ethiopia, it has become clear that other countries in that region of the world are also in danger as available food supplies are strained to the breaking point by a massive influx of refugees and displaced persons.

The conference report which the House is considering today will provide $784 million in discretionary budget authority and $289 million in outlays for emergency famine relief and recovery. This total amount is composed of $400 million for Public Law 480—food for peace—$175 million for international disaster, migration, and refugee assistance, and $225 million for emergency food reserve supplies for African famine relief. Clearly, this aid will go a long way in meeting the immediate short-term needs of those who are starving.

The American people have traditionally been very generous in their support of both public and private relief efforts. The current crisis is no exception. Private contributions to numerous relief agencies, such as Catholic Relief Services, Oxfam, Lutheran World Service, Bread for the World, and numerous other organizations are in excess of $150 million. It is appropriate that we act today to reaffirm this commitment of the American people to recognize the suffering of these who are starving and to act publicly through our National Government to do our part to ease their suffering.

While we act today to meet immediate human needs, we should also remember that the problems facing the developing nations of sub-Saharan Africa will not go away overnight. In the face of famine and other catastrophes, long-term development goals are often forgotten. Clearly, if we are to go beyond crisis intervention every time a famine occurs, we will have to develop a consistent, long-term commitment to development aid. While the United States currently has extensive development projects in countries around the world, almost none of them is of the duration needed to solve serious problems, such as developing self-sufficiency in food production and promoting more stable population growth. Commitments on the order of 10 to 20 years are needed, according to many development experts, if we are truly committed to solving some of these difficult problems. Three major weaknesses have limited the effectiveness of our foreign aid programs. First, U.S. aid is often too shortsighted and crisis oriented; second, U.S. aid is often tied to too many political conditions; and third, U.S. policy goals are often unclear and inconsistent. While the primary responsibility for development must rest with the African governments themselves, it is nevertheless clear that there is much that we can do to improve the effectiveness of U.S. foreign aid programs.

We must place greater emphasis on a long-term commitment to development assistance which is tailored to the needs of the recipients. While we cannot prevent droughts and other natural disasters, we can lessen the consequences of these disasters and help people to be better prepared. We must support effective health care programs and population education programs which together can help the developing countries of Africa stabilize their growth rates. We should help to increase the productivity of Africa's small farmers who produce a majority of Africa's food. We must support increased efforts in the developing countries of Africa to maintain their natural resources, such as land, vegetation, wildlife, water, and others. Conservation is essential if these countries are to increase their agricultural productivity. We should also work more closely with other donors on a coordinated multilateral basis to increase the effectiveness of our aid. Finally, we must support more effective monitoring programs to insure that our aid reaches those who need it.

The emergency famine assistance which we are considering today as well as other foreign aid legislation which Congress will consider later this year are important to our own interests. The United States cannot live securely in a world racked by famine and disease. I hope that my colleagues will join me in supporting this measure today.

● Mr. FRENZEL. Mr. Speaker, I am pleased to vote for this appropriation to provide food relief for people starving in Africa.

This bill, when added to an expected supplemental appropriation, will about equal the money which would have been made available in the bill which was vetoed because of its farm credit rider. I believe it will be signed, and that Americans everywhere will support it.

A real problem, seldom expressed during consideration of relief measures, is that the governments of the principal affected countries are conducting policies that would seem to insure that misery will continue to plague their peoples.

The good news comes from Sudan. Its leader has agreed to the reform of domestic policies which gives some hope for improvement.

Bad news prevails in Ethiopia. Our ex-colleague from New Jersey, Millicent Fenwick, now U.S. Ambassador to FAO, has been a consistent critic of the Ethiopian Government's inhumanity to its own citizens. She says that not only has Ethiopia made extortionate changes for allowing the American

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people to give food to Ethiopians, but also that it has used the food as an instrument in its cruel relocation program. That program is designed primarily to break up regions of strong resistance to that unelected government.

When we complain about human rights violations, in the U.S.S.R., in Afghanistan, in Iran, in the Philippines, in Chile, in South Africa, we should not forget that Ethiopia is among the worst, and may even be the grand champion abuser of human rights.

However, not even inhumane governments allow us to disregard our own obligations.

H.R. 1239 should be promptly passed.●

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 400, nays 19, not voting 13, as follows:

[Roll No. 42]

YEAS—400

Ackerman	Brown (CA)	Dingell
Addabbo	Broyhill	DioGuardi
Akaka	Bruce	Dixon
Alexander	Burton (CA)	Donnelly
Anderson	Bustamante	Dorgan (ND)
Andrews	Byron	Dowdy
Annunzio	Callahan	Downey
Anthony	Campbell	Dreier
Applegate	Carney	Duncan
Archer	Carper	Durbin
Aspin	Carr	Dwyer
Atkins	Chandler	Dymally
AuCoin	Chappell	Dyson
Badham	Chappie	Early
Barnard	Clay	Eckart (OH)
Barnes	Clinger	Eckert (NY)
Bartlett	Coats	Edgar
Bateman	Cobey	Edwards (CA)
Bates	Coelho	Edwards (OK)
Bedell	Coleman (MO)	Emerson
Beilenson	Coleman (TX)	English
Bennett	Collins	Erdreich
Bereuter	Combest	Evans (IA)
Berman	Conte	Evans (IL)
Bevill	Conyers	Fascell
Biaggi	Cooper	Fawell
Bilirakis	Coughlin	Fazio
Bliley	Courter	Feighan
Boehlert	Coyne	Fiedler
Boggs	Crockett	Fish
Boland	Daniel	Flippo
Boner (TN)	Darden	Florio
Bonior (MI)	Daschle	Foglietta
Borski	Daub	Foley
Bosco	Davis	Ford (MI)
Boucher	de la Garza	Ford (TN)
Boulter	Dellums	Fowler
Boxer	Derrick	Frank
Breaux	DeWine	Franklin
Brooks	Dickinson	Frenzel
Broomfield	Dicks	Frost
Fuqua	MacKay	Sabo
Gallo	Madigan	Savage
Garcia	Manton	Saxton
Gaydos	Markey	Schaefer
Gejdenson	Marlenee	Scheuer
Gekas	Martin (IL)	Schneider
Gephardt	Martin (NY)	Schroeder
Gibbons	Martinez	Schuette
Gingrich	Matsui	Schulze
Glickman	Mavroules	Schumer
Gonzalez	Mazzoli	Seiberling
Goodling	McCain	Sensenbrenner
Gordon	McCandless	Sharp
Gradison	McCollum	Shaw
Gray (IL)	McCurdy	Shelby
Gray (PA)	McDade	Shumway
Green	McEwen	Sikorski
Gregg	McGrath	Siljander
Grotberg	McHugh	Sisisky
Gunderson	McKernan	Skeen
Hall (OH)	McKinney	Skelton
Hall, Ralph	McMillan	Slattery
Hall, Sam	Meyers	Slaughter
Hamilton	Mica	Smith (FL)
Hammerschmidt	Michel	Smith (IA)
Hatcher	Mikulski	Smith (NE)
Hawkins	Miller (CA)	Smith (NH)
Hayes	Miller (WA)	Smith (NJ)
Hefner	Mineta	Smith, Robert
Heftel	Mitchell	Snowe
Hendon	Moakley	Snyder
Henry	Molinari	Solarz
Hertel	Mollohan	Solomon
Hiler	Monson	Spence
Hillis	Montgomery	Spratt
Holt	Moody	St Germain
Hopkins	Moore	Staggers
Horton	Moorhead	Stangeland
Howard	Morrison (CT)	Stark
Hoyer	Morrison (WA)	Stenholm
Hubbard	Mrazek	Stokes
Huckaby	Murphy	Strang
Hughes	Murtha	Stratton
Hunter	Myers	Studds
Hutto	Natcher	Sundquist
Hyde	Neal	Swift
Ireland	Nelson	Synar
Jacobs	Nichols	Tallon
Jeffords	Nielson	Tauke
Jenkins	Nowak	Tauzin
Johnson	O'Brien	Taylor
Jones (NC)	Oakar	Thomas (CA)
Jones (OK)	Oberstar	Thomas (GA)
Jones (TN)	Obey	Torres
Kanjorski	Olin	Torricelli
Kaptur	Owens	Towns
Kasich	Oxley	Traficant
Kastenmeier	Packard	Traxler
Kemp	Panetta	Udall
Kennelly	Parris	Valentine
Kildee	Pashayan	Vander Jagt
Kindness	Pease	Vento
Kleczka	Penny	Visclosky
Kolbe	Pepper	Volkmer
Kolter	Perkins	Vucanovich
Kostmayer	Petri	Walgren
Kramer	Pickle	Walker
LaFalce	Porter	Watkins
Lagomarsino	Price	Waxman
Lantos	Pursell	Weaver
Latta	Quillen	Weiss
Leach (IA)	Rahall	Wheat
Leath (TX)	Ray	Whitehurst
Lehman (CA)	Regula	Whitley
Lehman (FL)	Reid	Whittaker
Leland	Richardson	Whitten
Lent	Ridge	Williams
Levin (MI)	Rinaldo	Wilson
Levine (CA)	Ritter	Wirth
Lewis (CA)	Roberts	Wise
Lewis (FL)	Robinson	Wolf
Lightfoot	Rodino	Wolpe
Lipinski	Roe	Wortley
Livingston	Roemer	Wright
Lloyd	Rogers	Wyden
Loeffler	Rose	Wylie
Lott	Rostenkowski	Yatron
Lowery (CA)	Roth	Young (AK)
Lowry (WA)	Roukema	Young (FL)
Lujan	Rowland (CT)	Young (MO)
Luken	Rowland (GA)	Zschau
Lundine	Roybal	
Lungren	Russo	

NAYS—19

Armey	Dannemeyer	Shuster
Barton	DeLay	Smith, Denny
Bentley	Fields	Stump
Brown (CO)	Hansen	Sweeney
Coble	Mack	Swindall
Craig	Miller (OH)	
Crane	Rudd	

NOT VOTING—13

Bonker	Gilman	Stallings
Bryant	Guarini	Weber
Burton (IN)	Hartnett	Yates
Cheney	Ortiz	
Dornan (CA)	Rangel	

□ 1610

So the conference report was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. RANGEL. Mr. Speaker, I would like to make a statement explaining my absence from rollcall vote No. 42 on H.R. 1239.

Mr. Speaker, on H.R. 1239, the famine relief bill for the recovery in Africa, my colleague from New York, Congressman BENJAMIN GILMAN and I were called away from the House floor in our capacity, me as chairman of the Select Narcotics Committee and he as ranking member to meet with the Attorney General of the United States. We were unable to return to the House in time to vote on that most important piece of legislation.

Had we been there, we would have voted in the affirmative.

PERSONAL EXPLANATION

Mr. GUARINI. Mr. Speaker, on rollcall 42 on H.R. 1239 concerning the famine relief for Africa, I was inadvertently detained as a result of oversight hearings and arrived in the Chamber at the moment the voting machine closed.

Had I been present I would have voted in the affirmative.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 2, lines 9 and 10, strike out "of which $480,000,000 is hereby appropriated and made available through September 30, 1985" and insert "of which $269,000,000 is hereby appropriated and $16,000,000 shall be derived from unobligated balances in the Commodity Credit Corporation".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu the matter stricken and inserted by said amendment, insert the following: "of which $384,000,000 is hereby appropriated to be available through December 31, 1985, and $16,000,000 shall be derived from unobligated balances in the Commodity Credit Corporation".

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 3, line 9, after "Africa" insert ", which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: *Provided*, That, notwithstanding any other provision of law, such assistance shall be available for the furnishing of seeds and fertilizer and for the carrying out of other basic agricultural rehabilitation: *Provided further*, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any such sums".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ", to be available only for such purpose and to remain available until March 31, 1986: *Provided*, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any funds made available under this paragraph, unless the emergency is life threatening and immediate action is necessary"

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 3, line 24, after "assistance"," insert "notwithstanding any other provision of law, such sums as may be necessary, but not more than".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "notwithstanding any other provision of law,".

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 3, line 24, after "Africa" insert ", which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: *Provided*, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any such sums".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ", to be available only for such purpose and to remain, available until March 31, 1986".

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 5, after linme 4, insert:

The Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall have the responsibility for determining the emergency food and disaster assistance needs for which funds are appropriated by this Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the final amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: Page 5, after line 4, insert:

DISPOSITION OF ADDITIONAL AGRICULTURAL COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for fiscal year 1985, not less than two hundred thousand metric tons of agricultural commodities: *Provided*, That not less than one hundred thousand metric tons of the commodities made available under this sentence shall be in the form of wheat or wheat products: *Provided further*, That none of the commodities made available for donation under this sentence shall be made available until the Secretary of Agriculture has certified to the Chairmen of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

DISPOSITION OF ADDITIONAL AGRICULTURAL COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available, through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for calendar year 1985, not more than two hundred metric tons of agricultural commodities: *Provided*, That 50 percentum of the commodities made available under this sentence shall be in the form of wheat or wheat products: *Provided further*, That none of the commodities made available for donation under this sentence shall be made available until the Secretary of Agriculture has certified to the appropriate committees of the Congress that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

Mr. LEWIS of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will posture further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken today after debate has been concluded on all motions to suspend the rules.

AMENDING THE ACT ESTABLISHING THE PETRIFIED FOREST NATIONAL PARK

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1185) to amend the act establishing the Petrified Forest National Park.

The Clerk read as follows:

H.R. 1185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of March 28, 1958 (72 Stat. 69), to establish the Petrified Forest National Park, is amended by inserting the following at the end thereof: "township 19 north, range 24 east: the southwest quarter of the southwest quarter of section 27.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

□ 1620

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a pleasure to rise in support of H.R. 1185, which would expand the boundaries of Petrified National Forest Park in Arizona to include 40 acres of extremely important archeological lands. I introduced this legislation on February 20, and it has been reported out of the Committee on Interior and Insular Affairs without opposition or amendment.

The Petrified Forest National Park is very well known for its unusual and fascinating natural resources, but it is not well known for its treasure of cultural resources. The park is now planning the development and interpretation of its archeological materials.

The inclusion of this parcel, known as site 236, would be a significant part of the effort. The archeological importance of this site is documented in other remarks made here today. Suffice it to say that this nearly 900-year old Anasazi ruin is considered by many to be one of the best examples of an undisturbed prehistoric Anasazi ruin left in the Southwest.

I think special mention should be made of the Archeological Conservancy, which purchased this site with privately donated funds and is generously donating it to the National Park Service. This national, nonprofit organization was founded in 1980 and is headquartered in Santa Fe, NM.

Although a young organization, it already has acquired 27 archeological sites in 11 States, including 3 in Arizona. Their work is important and much appreciated by all of us interested in the preservation of America's past.

So I am very gratified to support this legislation today and urge my colleagues to join me in placing this gift within the boundaries of the Petrified Forest National Park.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. I thank the gentleman for yielding time to me.

Mr. Speaker, H.R. 1185 was introduced by the distinguished chairman of the Interior and Insular Affairs Committee on February 20, 1985, and would amend the boundary of the Petrified Forest National Park to permit additional land to be included in the park.

The Petrified Forest National Park was originally established as a national monument by proclamation of President Theodore Roosevelt on December 8, 1906. Further proclamations by President Herbert Hoover added considerable area to the monument.

The Congress established the monument as a national park in the act on March 28, 1958, and further designated 50,260 acres as wilderness in the act of October 23, 1979. The park contains outstanding geological, paleontological, and archeological resources. H.R. 1185 would permit a 40-acre addition to the park. The proposed addition contains a recently discovered and extremely important archeological site dating from the 12th century A.D. which contain remnants of an unstudied large Pueblo and ceremonial area. This land is currently owned by the Archaeological Conservancy which has agreed to donate the land to the park upon enactment of this bill.

I would like to commend the Archaeological Conservancy for their hard work and generosity in making this outstanding archeological find available to the National Park Service.

The lands to be added to the park by this legislation are subject to the reserved mineral estate of the Santa Fe Pacific Railroad Co. I have been informed that Santa Fe has been working with the Bureau of Land Management in an attempt to exchange its mineral estate in this addition for Federal mineral interests elsewhere in Arizona. I am hopeful that the Bureau of Land Management will be able to achieve this exchange and thereby eliminate the problems so often associated with split estates in the West.

Mr. Speaker, I know of no controversy regarding this bill and urge its adoption.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1185.

● Mr. LAGOMARSINO. Mr. Speaker, as ranking member on the National Parks Subcommittee, I rise in support of H.R. 1185 to provide for a 40-acre addition to the Petrified Forest National Park in Arizona.

The land parcel, which lies adjacent to the park, is currently owned by the Archaeological Conservancy. The Conservancy has indicated its intent to donate the parcel to the Federal Government upon enactment of this legislation. In my opinion, this parcel would be a significant, as well as logical, addition to the Petrified Forest Park in view of its outstanding archeological resources, including a recent site dating from the 12th century A.D. As you may know, the park is noted for its unique Indian ruins and petroglyphs.

The mineral rights to the parcel are held by the Santa Fe Pacific Railroad Co. I have been informed that Santa Fe is currently working with the Bureau of Land Management [BLM] to develop an administrative exchange of the subsurface rights, and therefore, does not oppose enactment of this bill. I strongly endorse the concept of such exchanges to eliminate split estate conflicts in national park service areas; therefore, I urge the BLM to expedite this particular exchange.

The Subcommittee on National Parks and Recreation held hearings on H.R. 1185 on March 12, 1985. All of the witnesses, including the administration recommended enactment of the bill. It was unanimously recommended to the full committee, without amendment, on the same date. The Interior and Insular Affairs Committee approved H.R. 1185 by voice vote on March 20.

I would like to further comment that the bill does not require any Federal expenditures. For this reason, and the others I have already mentioned, I urge my colleagues to support and approve H.R. 1185.●

Mr. YOUNG of Alaska. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. I thank the gentleman for yielding time to me.

Mr. Speaker, I commend my colleague, the distinguished chairman of the Interior Committee, for the work that he has done on this very important bill. It is a bill that will contribute very measurably to the Park Service and the Archeological Conservancy which acquired the land. The land underneath was owned by Santa Fe Industries. They worked together through land exchanges, and this will be a tremendous, important addition to that park.

Mr. Speaker, I rise in support of H.R. 1185 to add a 40-acre parcel of land to the Petrified Forest National Park in Arizona.

This site, which lies in my Congressional District, includes a major Anasazi Indian village dating back to about A.D. 900 to 1100. It is one of the best preserved archeological sites in eastern Arizona. It includes a large circular depression adjacent to the village which is believed to be either a dance circle or great kiva, both of which would be unique to the area. Broken pottery is abundant on the site, as is other cultural material.

The Archeological Conservancy, a nonprofit organization dedicated to preserving archeological sites in the United States, recently acquired the 40-acre parcel for the express purpose of donating it for inclusion in the park. And Sante Fe Industries, which holds the subsurface mineral rights to the land, has successfully negotiated an administrative exchange of these rights with the Bureau of Land Management for rights elsewhere in Arizona.

The efforts of both Sante Fe and the Archaeological Conservancy have made possible a valuable addition to the park. I hope my colleagues will support this legislation, and that the bill will be adopted unanimously.

Mr. UDALL. Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the bill, H.R. 1185, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DESIGNATING POINT REYES NATIONAL SEASHORE WILDERNESS AS THE PHILLIP BURTON WILDERNESS AREA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1373) to designate the wilderness in the Point Reyes National Seashore in California as the "Phillip Burton Wilderness," as amended.

The Clerk read as follows:

H.R. 1373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PHILLIP BURTON WILDERNESS.

(a) In recognition of Congressman Phillip Burton's dedication to the protection of the Nation's outstanding natural, scenic, and cultural resources and his leadership in establishing units of the National Park System and preserving their integrity against threats to those resources and specifically his tireless efforts which led to the enactment of the California Wilderness Act of 1984, the designated wilderness area of Point Reyes National Seashore, California as established pursuant to law, shall henceforth be known as the "Phillip Burton Wilderness."

(b) In order to carry out the provisions of this Act, the Secretary of the Interior is authorized and directed to provide such identification by signs, including, but not limited to changes in existing signs, materials, maps, markers, interpretive programs or other means as will adequately inform the public of the designation of the wilderness and the reasons therefor.

(c) REFERENCES.—Nothing in this Act shall affect the management of (or the application of any rule, regulation, or provision of law to) any area within the Point Reyes National Seashore, except that all references to the "Point Reyes Wilderness" or to "the wilderness in the Point Reyes National Seashore" which appear in any rule, regulation, provision of law or other official document shall hereafter be deemed to be references to the Phillip Burton Wilderness Area.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LEWIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1373 was introduced by our esteemed colleague from Ohio, JOHN SEIBERLING, on February 28, 1985, and would name the wilderness within Point Reyes National Seashore the "Phillip Burton Wilderness."

Mr. Speaker, leadership casts a long shadow and today we honor the shadow cast by Phillip Burton over the wilderness designations that he so ably fought for.

There have been thousands of pages written about Phillip Burton, about the man, about his commitment to helping those people who had no one else to help them, about his unyielding opposition to those selfish souls with no vision, who would, if permitted, strip the public lands and rob Americans of their birthright, the right to see at least some of this great and beautiful unspoiled land in its natural state. On April 12, 1983, I stood in this Chamber, as many of you did, and said some things about the leadership of Phil Burton in establishing national parks, wilderness areas and the many other things he did to make this a better world. I'd like to repeat some of those words—for me they have as much meaning today as they did then. "For many younger Members, Phil was a wise counselor. An experienced source of the congressional process, Phil did not hesitate sharing his wisdom with others. His guidance has been and will continue to be an invaluable assistance for many of us and for Congress. I personally was fortunate to work closely with Phil on the Interior Committee, the Democratic Study Group executive committee and on legislation vital to Minnesota, the Boundary Waters Canoe Area Wilderness Act. As chairman of the Interior Parks Committee, Phil was in large part responsible for the adoption of this important legislation. The protection of BWCA from logging, mining, and overuse, and its continued high level of visitor participation is a lasting testament of the legislative handiwork created by Congressman Burton."

Mr. Speaker, the 1976 wilderness designation at Point Reyes National Seashore and the California Wilderness Act of 1984 are other lasting testaments to the leadership of Phil Burton and I urge all of my colleagues to join me in approving this bill to designate a "Phillip Burton Wilderness Area."

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1373.

● Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 1373 to designate the Point Reyes National Seashore in California as the Phillip Burton Wilderness. As the ranking member on the National Parks Subcommittee and one of the over 100 cosponsors of H.R. 1373, I strongly urge enactment of this bill as a fine tribute to the numerous conservation achievements of our late colleague, Phil Burton. Many of us in this body were honored by working with Phil in preserving many beautiful and unique wilderness areas for future generations. Probably the most notable of Phil's achievements was the California

Wilderness Act, passed by Congress last year.

As a Californian and member of the House Interior Committee, it was a privilege and a pleasure to personally work with Phil on this monumental legislation. Phil's efforts and accomplishments over the years speak for themselves. There was never a doubt regarding his dedication and commitment to protecting and preserving our Nation's priceless natural, cultural, and scenic resources. For these reasons, I believe it is entirely fitting and appropriate to designate the 25,000-acre Point Reyes Wilderness in honor of Phil's efforts in creating this wilderness, as well as many other conservation areas.

Although the administration opposes enactment of this bill due to a longstanding National Park Service policy opposing the naming of wilderness areas after individuals, I cannot support that view. There are currently several areas within the National Forest Wilderness System named after individuals, including the Dick Smith Wilderness Area in my congressional district. The administration's position, in my view, disregards Phil Burton's numerous contributions to our wilderness system. I appreciate the Park Service policy on this particular issue; however, I believe this is a completely justified exception. Furthermore, I do not believe it will set a dangerous precedent in this regard. Neither is it the Interior Committee's intent to create such a precedent. Future similar proposals would, I am confident, be closely scrutinized with the committee's intent in mind.

H.R. 1373 would designate no new wilderness and require only minimal Federal expenditures. In addition, it would not affect the management of the Point Reyes National Seashore in any way. The Subcommittee on National Parks and Recreation held hearings on H.R. 1373 on March 12, 1985. It was unanimously recommended to the full committee with a minor technical amendment on the same date. The Interior and Insular Affairs Committee approved H.R. 1373, as amended, by voice vote on March 20, 1985.

I, therefore, strongly urge all of my colleagues to support and approve H.R. 1373, as a fitting tribute to our late colleague, Phil Burton.●

Mr. VENTO. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding me this time, and I commend him for his leadership and support on this legislation.

Mr. Speaker, you will recall that when the great Roman senator, Cato, was showing a stranger around his city of Rome, he was asked by the stranger, after his tour of the city, "Well, where is the monument to Cato?" Cato, in reply, simply said, "Look around you."

Well, anywhere you go in the United States, you could probably look around you and see some monument to Phil Burton, not only in humanitarian legislation, but in conservation. Phil Burton was the author of the Golden Gate National Recreation Area bill and of the Redwoods National Park; of numerous wilderness bills, including the California wilderness bill, which was passed and signed into law last fall, and which added almost 2 million acres to the National Wilderness System in the State of California alone.

□ 1630

Phil Burton did not author the legislation creating the Point Reyes National Seashore, although he later sponsored legislation adding very significant acreages to it. That came about after the death of the author of the original legislation, the late Congressman Clem Miller, for whom one of the centers in the Point Reyes National Seashore is named. But Phil Burton was the author of the wilderness legislation that designated part of the Point Reyes National Seashore as wilderness.

In fact, he got two separate laws passed in the 94th Congress, Public Law 94-544 and Public Law 94-567, both designating the wilderness in Point Reyes National Seashore. Why have two laws designating the same wilderness? Because he got tired of waiting for the other body to act on the first bill, so he got the same bill passed again by the House, and the other body eventually passed both, and the President signed both into law. We remember that is the kind of thing Phil Burton often did and endeared himself to many of his fellow legislators.

Now, really to do justice to Phil Burton's achievements in the field of wilderness conservation, you would have to name every single wilderness in California the Phillip Burton Wilderness. However, some of us on the Interior Committee concluded, after conferring with his wife, SALA, and others who knew Phil, that the wilderness area that was most dear to his heart would be the one nearest to his native San Francisco in the Point Reyes National Seashore.

The SPEAKER pro tempore (Mr. GRAY of Illinois.) The time of the gentleman from Ohio [Mr. SEIBERLING] has expired.

Mr. VENTO. Mr. Speaker, I yield 3 additional minutes to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman.

Mr. Speaker, Phil and his wife, SALA, on many occasions went to Point Reyes and enjoyed it as a beautiful natural area that was still relatively close to their native San Francisco. So it seemed to us that this was the wilderness that was most suitable to memorialize Phillip Burton's contributions to the National Wilderness System, and there have indeed been tremendous contributions.

During our hearing, the Park Service came in and opposed the legislation. They did it on the grounds that in the National Park System, we should not be designating landmarks or naming landmarks for individuals. I said to the Assistant Director of the Park Service, "Well, I am sorry, but you have already passed that point. The biggest landmark in North America, Mt. McKinley, is in a national park and is named for an individual, and a politician at that." And, of course, we have Kings Canyon National Park and Muir Woods National Monument, all in the National Park System, with an individual's name attached to a main feature in that park. We also have Theodore Roosevelt Island in the National Capital Parks, and we even have a Theodore Roosevelt National Park in North Dakota.

So it does not seem inappropriate with respect to someone who did as much for conservation, who did as much for wilderness as Phillip Burton, to pick a wilderness system in a national park and name it for him.

I might say there are a dozen or more wilderness areas in the National Wilderness System in the United States, mostly in the national forests, named for individuals, such as Bob Marshall Wilderness in Montana.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. I am happy to yield to my colleague, the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I wanted to say to my friend from Ohio that I think it is appropriate that he speak on behalf of naming this beautiful area after Phil Burton because the gentleman, in his own right, has done so much to further the cause of preserving our environment.

I know that Phil's widow and Member of Congress, SALA BURTON, is here on the floor, and I just wanted to tell SALA and to tell my colleagues how appropriate I believe this is to name the beautiful wilderness area after Phil, and I think it is a fitting birthday present for SALA, whose birthday was yesterday. We are all very, very happy that this is finally coming about and I want to congratulate the gentleman.

Mr. SEIBERLING. I thank my colleague from Ohio.

Mr. Speaker, let me simply say that Phillip Burton was no ordinary politician. He was an extraordinary politican and an extraordinary human

being. He was a politician's politician and a legislator's legislator. If there is anyone who served in this body in the 14-plus years that I have served in it who deserves to have a wilderness area named for him, it is certainly Phillip Burton.

I think that is why we find 124 cosponsors on this bill. So let me just say, "Phil, I know that, wherever you are, you are looking on the work that this Congress and this House have done to protect wilderness areas and smiling. This is our way of saying thanks."

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER], to ask two questions.

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Speaker, it is my understanding that the bill we have before us does have some opposition, not on the question of whether or not Phil Burton was a great Member of this body or a great politician, but the question does arise as to whether or not we are not setting a precedent here which is a change of the way in which we have treated national parks since the founding of the National Park Service in 1872.

It is my understanding that there is a letter from the Department of the Interior that indicates that, in fact, this is a major change and that this would be the first time that we will have renamed a park or a unit of a park after a Member of Congress.

They also point out that indeed we have already named the Golden Gate National Recreation Area in honor of Mr. Burton and raise the question of whether or not to make the change since it would be the first such change since 1872.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Minnesota.

Mr. VENTO. I appreciate the gentleman yielding.

Mr. Speaker, of course, as the gentleman indicated, the National Park Service did not testify in favor of the bill, but I must point out to the gentleman that there are indeed parks, and this does not name the park; it names the wilderness within the park after Congressman Burton, which, as it has been suggested, he was responsible for creating.

The park does have facilities in it dedicated to Clem Miller, the Golden Gate facility is dedicated to Phil Burton, but it is not named after him. So this would actually name one of the units.

We do name Forest Service wildernesses after individuals. There are various features of various parks, like the John Muir Woods, the Mt. McKinley, and other features within parks that have this. It is, in a sense, an unusual move, but I think it is justified based on the nature and the work that our colleague did with regard to wildernesses, not just in California but on a national basis.

So I think it is a good and appropriate thing, and I can assure the gentleman that I will be careful in terms of bringing legislation before this body that would establish naming any wildernesses within any park facilities.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. LEWIS of California. I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding this additional time to me.

Mr. Speaker, I thank the gentleman for his explanation, but is the Department of the Interior correct in saying that we have not done this before with regard to a Member of Congress?

Mr. VENTO. No. I think that is an oversimplification. I think, I would only agree to the fact that we have not, as a practice, named wildernesses within parks after individuals.

Mr. WALKER. The Department of the Interior says, "In no instance has Congress renamed a park or a unit of a park after a former Member of Congress." That is not a true statement?

Mr. VENTO. I do not know, but there are obviously other names associated with parks that are political figures.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. WALKER. Let me yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Speaker, the answer is "Yes."

Mr. WALKER. The answer is "Yes," that this statement by the Department of the Interior is correct, so we are taking a precedent-setting action here with regard to the naming of a unit of a park or a park for a Member of Congress. This will be the first time that we will have done that.

Ms. OAKAR. Mr Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

My question to you is: So what? So what if it is a precedent, in view of the work that Phil Burton did on preserving the environment. We ought to be honoring people like Mr. Burton, who is deceased.

□ 1640

I am frankly amazed that you would raise that as an issue. I am just amazed at that.

Mr. WALKER. I thank the gentlewoman and——

Ms. OAKAR. You do not have to agree with his voting record, but so what?

Mr. WALKER. I am certain that the gentlewoman is constantly amazed by many things that occur on the House floor, but I would say to her that I think, as a part of this discussion, it is relevant to point out that the Department of the Interior does have some very grave reservations about this procedure being followed and what precedents we make for the future.

So the gentlewoman says, "So what?" to many things, but the problem is that what we do on this floor——

Ms. OAKAR. I do not say, "So what?" to many things, but I do say, "So what?" to this.

Mr. WALKER. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Pennsylvania has the time. Does the gentleman yield, and, if so, to whom?

Mr. WALKER. Mr. Speaker, I think it is important to recognize that in setting this precedent, we will probably set a precedent that will carry over, and perhaps what we will have is a number of Members around here who would like to see parks named after them, too. But I hope in this instance we will take into account the Department of the Interior's objections to the bill.

Mr. VENTO. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I would like to respond to the gentleman from Pennsylvania.

I was chairman of the Parks Subcommittee for two successive Congresses, at the request of Phillip Burton when he yielded up that subcommittee chairmanship. After he passed away, we made it a separate subcommittee again and the gentleman from Minnesota [Mr. VENTO] is doing an outstanding job of chairing it.

I have consistently opposed naming national parks for individuals, and I will continue to oppose it. This bill would not name a national park for an individual; it would simply name a wilderness area for an individual.

Now, the Park Service may think that its wilderness areas are superior to the dozen or more wilderness areas in the other parts of the national wilderness system that are named for individuals. I happen to think these include some magnificent wilderness areas comparable to any wilderness in the parks. Nor do I see anything wrong with naming a wilderness area for a politician or any reason why we should exclude a person because he is a politician. The real question we must ask ourselves is: Does the individual merit having a wilderness named for him? Is it appropriate?

If there was ever anybody in this House who deserved to have a wilder-

ness area named for him, it is Phillip Burton. I would oppose naming it for just any politician, and I am not excluding myself in that. But I certainly think Phillip Burton merits this in an absolutely extraordinary way. It does not create any precedent that will plague us in the future, for a very simple reason: Phillip Burton's achievements in conservation place him in a class occupied by very few people who have served in this House. If we follow the standard set by his achievements in this field, we will rarely be called upon to repeat this kind of legislation in the future.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the distinguished delegate, the gentleman from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. Mr. Speaker, I wholeheartedly endorse H.R. 1373 and I am proud to be an original cosponsor of this legislation which will designate the 25,000-acre wilderness located within the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

Phil Burton was, without a doubt, one of the finest men I have ever met. It was a privilege to have his friendship and to work with him on issues so crucial to the poor and the underprivileged, to the ecological future of our Nation, and to the territories of our Nation.

He was a man driven, and one wonders in retrospect if he did not have some premonition that he had but limited time to accomplish his goals.

And what goals they were. He became the conscience of this House, and had he cared about publicity he might even have become known as the conscience of the Nation. For he took on issues that had no champions, that some, in fact, ran from.

One of his former colleagues said of him: "There's only one constituency he gives a damn about—the poor, the elderly, the black and the disabled."

To that I would add the disenfranchised and then neglected territories of the United States, and the people of those territories will be forever grateful to Phil Burton for his efforts, guidance, and counsel on their behalf.

That he accomplished so much is a tribute to his brilliant command of the legislative process and his masterful use of power that left many in awe, and others in frustration. It is still and will always be an honor for me that he was my mentor.

His crusading efforts to protect the environment are legend. In an obituary in the National Parks magazine, he was quoted as saying:

> You know this business of protecting unspoiled places is kind of like a religion to me * * *. We really have only 10 years left to save these places.

For such a man there can be no more fitting memorial than the seashore wilderness, a place of soaring cliffs and unspoiled beaches next to a deep and surging ocean: So majestic, and so restless, and so like the man himself.

Mr. PASHAYAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LEWIS].

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me?

Mr. LEWIS of California. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I just want to associate myself with the remarks of the gentleman from the Virgin Islands [Mr. DE LUGO]. I know the gentleman from California is supporting this bill, and I would like to associate my views with those of the gentleman from the Virgin Islands in noting that Phillip Burton was one of the great legislators of our time, and I hope the House will give overwhelming support to this bill.

Mr. Speaker, I thank my colleague for yielding.

Mr. LEWIS of California. Mr. Speaker, I thank the gentleman from Washington.

Mr. Speaker, it is a great honor for me to come to the floor today and express my support for this measure which would pay tribute to one of the greatest legislators this House has seen, Phillip Burton of San Francisco. I do not do so lightly, and there will be a bit of controversy, I suppose, as a result of it, but I would like to share with my colleagues my own experience over the years in the business of public affairs with Phillip Burton.

The first time I had the privilege of seeing the gentleman, I was a young student in San Francisco, and there was a group meeting in a park not far from our office and I wandered down there during lunch to see what these crazy people were doing. It was not Phillip Burton I was seeing that day; his wife SALA was the spokesperson.

The family is an activist family. The family is involved in public affairs in a very, very serious way.

My first opportunity to really get to know Phillip was when I had the questionable experience of carrying on the responsibility for reapportionment in the California Legislature from the Republican side. Phillip was in Congress, and that was another of his charges. When he took on that piece of legislative responsibility, I can tell you that he did his homework, he did it well, and he did it with a vengeance. I grew to admire him deeply for his commitment and his capacity. I cannot say to the Members of the House that I always agreed with him. Just in this last go-round, he left my house out of my district. Nonetheless, he did his job thoroughly, and he did it in that case as a partisan and most effectively.

When it came to other forms of legislation in the House, I think, at least in my experience, Phillip Burton was without peer. He was committed and he recognized the reality that all of us would serve better if we came to the floor presuming that we did not have all the answers to all the problems that were around, but, rather, that you should select those areas of public affairs where you truly want to have an impact, then do your homework and plan your direction one step at a time. He did that with great care.

In the field we are dealing with today, that is, the country's wilderness, Phillip Burton became a master. I must relate one of the asides that is most interesting about the work he did here. He almost went out of his way not to visit those areas. He was not exactly an outdoorsman himself. He did most of his work inside his office or at home at night. I once, in discussing wilderness prospects for my desert, threatened to take him to the desert in August for a couple of weeks before he started his work, just to try to discourage him a bit. But having said that, Phillip created an atmosphere and an environment, if you will, in this House in which Members of both sides of the aisle recognized the importance and the responsibility that we have to preserve that which is most critical to us. And what issue of more importance could there be than our wilderness?

Phillip Burton as a Democrat could serve as a point of study for those who would be effective partisans from the Republican side of the aisle. I recall him on more than one occasion describing the gentleman from Pennsylvania [Mr. WALKER] as "a professional who played hardball but who was serious about his business."

Phillip Burton in this House created a following on his side of the aisle that I think we will long wait to see in the future.

□ 1650

For those of us who believe that most of our problems are not purely partisan problems, it seems to me that on our side of the aisle, the Republican party should practice the business of doing our homework, of attempting to affect public policy progressively and recognizing that we have a responsibility from time to time to govern as well.

This precedent, as it has been described, will not be a precedent that is oft repeated. It is not the intention of the committee to go around renaming locations in the country after Member after Member. As a practical fact of life, it is a recognition of the reality that Phillip Burton was the only person who could have or will in the future have the kind of impact that this House has brought forth in terms of this critical area of public responsibility.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I would be happy to yield.

Mr. SEIBERLING. Mr. Speaker, I would like to associate myself with the gentleman's remarks, which are really very fine.

Phillip Burton was a great legislator, not only because he had a superlative sense of the way the legislative process works, not only because he had the intellect and the drive to get things done, but, most important of all, he had a heart. He loved creating parks and wilderness areas, not just because he thought it was a nice thing to do, but because he thought about the people who would be enjoying them, even if he never would. That is something we as legislators need to remember, that when all is said and done, you have to have a heart, or your life won't amount to a row of beans.

Mr. LEWIS of California. Well, let me say in closing that SALA BURTON, Phillip's wife, and our colleague, is here on the floor. I certainly would not want to end my remarks without extending both my affection and my respect for her as well.

It is critical for us to realize that good lawyers go in the courtroom and they do battle, but they respect most their opponents who are effective, who are fair, who are tough, and whose word is good.

Above all things, Phillip Burton's word was good.

Mr. PASHAYAN. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I am happy to yield to the gentleman from California.

Mr. PASHAYAN. Mr. Speaker, I would like to associate myself with the gentleman's remarks.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, I would like to say a few brief words in support of H.R. 1373 to designate 25,000 acres of the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

As a cosponsor of this legislation and as a personal friend of Phil Burton, I believe that naming a wilderness in his honor is a small tribute to a very big man. It is a symbolic gesture to remind us today and new generations tomorrow that one person can make a difference, can bring about change, and can fight against the odds and win. No single individual in my lifetime did more to set aside landscapes for our future than Phillip Burton. Phil's fingerprints can be found on the maps of our most sacred environmental treasures—from Lake Tahoe to the California wilderness to the Point Reyes National Seashore.

And Phil did all of this for the American people, to ensure that rich or poor we would all inherit a grand national estate to enjoy forever. The fruits of his labor are ours, but there is no question that he enjoyed the work itself.

Phil Burton gave this Nation the gift of his labor. Dedicating the Phillip Burton Wilderness in his honor should serve as a reminder of the work that he expects us to carry on. I, for one, would hate to disappoint him.

The issue here is not one of precedent. Phil Burton was never bound by such narrow concepts. Yet, there are not many features in our national parks named for individuals. There are not many Phil Burtons, either. He deserves this honor. That is the only issue.

Mr. Speaker, I urge my colleagues to vote yes on H.R. 1373.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation.

I should like to add in addition to the superb remarks from my colleague, the gentleman from California [Mr. LEWIS] that not only did Phillip Burton do his homework, but he practiced another of that part of politics, that one could always talk to Phillip. I certainly found myself 99 percent of the time in opposition on issues to the positions that he had taken, but if anybody was a master of the art of sitting down and talking something over and reasoning it out, Phillip Burton was that man.

I think perhaps all of us might remind ourselves that if we were to do a little bit more of that, that perhaps some of the very good business of the House might be expedited.

Mr. Speaker, as cosponsor of the legislation before us, I rise in full support of H.R. 1373. This bill has been developed in a bipartisan effort by the Committee on Interior and Insular Affairs. It enjoys bipartisan support today.

It was just a few days removed from 2 years since this body lost Phillip Burton. His loss shocked us all. Phillip Burton was garrulous, rambunctious, emotional, cunning, brilliant, and forthright.

The issue before us today is a simple extension of the recognition this body and this Nation feels for the master politician that was Phillip Burton. Parks and seashores and wilderness areas in and around San Francisco were of keen interest to Phillip Burton. The Point Reyes National Seashore is but one of the jewels he helped to carve.

If politics is an art, no artist painted with a more deft touch than Phillip Burton. Today, it is only fitting that the House of Representatives complete the portrait that has become the man.

The land in question today, some 25,000 acres, is a small corner of wilderness. It does not measure the man, nor is it intended to do so. It only sets aside a small portion of the Federal estate as a reminder of the legislative skills that he practiced with the fury of the Sun itself.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, Point Reyes Wilderness Area is in the heart of my district, so I am very pleased to be here today at this historic moment. I can say that in 1962 when Point Reyes National Seashore came into existence, it was because of the hard work of Congressman Clem Miller and we do have the visitors facility there named after Clem Miller.

I can think of nothing more appropriate than to name this wilderness area after the late great Phillip Burton.

I would read from the committee report, because I think it explains really why this is being done:

> The effort to obtain enactment of this wilderness designation was led by Representative Phillip Burton. Representative Burton worked tirelessly to obtain passage of the California Wilderness Act, first introducing a bill in the 96th Congress which passed the House but was not acted on by the Senate. A similar bill was introduced by Mr. Burton in the 97th Congress but was not acted upon in the Senate.

Phil Burton did not give up until that bill finally did pass and his wife, SALA, played a very important role in that.

This wilderness area is magnificent. It is visited by millions and millions of Americans. I think the American people who go through that park ought to know that one person can make a difference. And Phil Burton made that difference. What does naming this area after Phil Burton mean? I hope some of my colleagues on the other side of the aisle will listen to this, because what this really means is that when people from all over America and from all over the world go through this magnificent facility, this beautiful wilderness area in Point Reyes, they will know by the signs that are posted along the way that it was Phillip Burton who made it possible.

I think this is fitting.

● Mr. LEVINE of California. Mr. Speaker, I am pleased to rise in support of H.R. 1373, legislation which designates the 25,370-acre wilderness located within the Point Reyes National Seashore, CA, as the Phillip Burton Wilderness.

Former Representative Burton was a dear friend who dedicated his life to the protection of our precious natural resources. He was a leader in efforts to establish wilderness areas and was instrumental in the preservation of wil-

derness areas in California. It is appropriate that the wilderness area established in 1976, which lies within the Point Reyes National Seashore, should bear Phil's name.

For close to 6 years, the California wilderness bill had been embroiled in controversy. It was one of the most hard-fought wilderness bills considered by Congress, as conservationists sought protection of the forest land which development interests attempted to keep open to timbering, mining, and real estate.

The foundation of the California wilderness bill signed by President Reagan late last year was laid primarily by the work of Phil Burton, who had crafted a version of the bill which set aside 2.33 million acres of land as wilderness. The legislation, an amended version of the Burton bill, designates as wilderness 1.8 million forest acres, a compromise reached by Senators CRANSTON and WILSON between the Burton bill and the 1.2 million-acre proposal supported by the Reagan administration.

The bill also preserves 83 miles of California's Tuolumne River in its wild state, revoking a permit for a dam being planned there. And it protects Mono Lake, a huge inland sea near Los Angeles rich in waterfowl and ancient geological formations, by designating it as a Federal scenic area.

Phil Burton recognized the importance of preserving these precious areas for future generations, and he struggled for many years to do so. By the simple step of naming one of these wilderness areas for him, Congress will ensure that Phil will be honored, not just by those who knew him and were his friends, but by future generations as well.

Mr. Speaker, I urge my colleagues to salute Phil Burton by supporting H.R. 1373.●

● Mr. MINETA. Mr. Speaker, north of San Francisco is a majestic and beautiful peninsula which we set aside in 1962 as the Point Reyes National Seashore.

Over the years since then we took many steps to develop and protect this unique resource. Phil Burton had, shall we say, a hand in these actions.

In fact, as we all know, neither Point Reyes nor any other national park, recreation area, or wilderness area anywhere in this Nation would be the same if it were not for Phil.

Those of us who knew Phil Burton miss him. And those of us who know the Point Reyes National Seashore are forever in his debt.

The administration opposed this bill on the grounds that naming this wilderness area after Phil sets a new precedent.

One can imagine how Phil would have responded to such an administration position.

Let us do what our colleague would have done, and ignore such shortsighted advice.

Let us do the right thing, and adopt H.R. 1373 and name the wilderness areas of Point Reyes after Phillip Burton.●

● Mr. WAXMAN. Mr. Speaker, the legislation before us today to designate 25,370 acres of wilderness within the Point Reyes' National Seashore, CA, as the "Phillip Burton Wilderness" deserves the unanimous support of the House.

The legacy of Phil Burton's achievements as perhaps this country's most visionary and skillful conservationist is understood and appreciated best by those of us who had the privilege of working with him in the House of Representatives. Armed with his unshakable dedication to the public interest and his superior understanding of the legislative process, Phil was able to move legislation through the House against almost impossible odds. He won legislation that doubled the size of our wilderness areas, almost doubled the size of the Wild and Scenic Rivers System, and tripled the size of the National Trails System.

One of the many major legislative successes for Phil was the expansion of the Point Reyes' National Seashore close to his home of San Francisco. He shepherded legislation three times through the House which extended its boundaries and he sponsored the bill in 1976 which established the wilderness area within Point Reyes.

No single legislator has worked more passionately to protect our natural inheritance than Phil Burton did. To his memory, and to the legacy he left us, we owe this personal tribute.●

● Mr. EDWARDS of California. Mr. Speaker, I rise today in support of H.R. 1373, a bill to designate the wilderness in the Point Reyes' National Seashore as the "Phillip Burton Wilderness." This bill has been cosponsored by over 100 Members of Congress, including both Democrats and Republicans and a majority of the California delegation.

As chairman of the California Democratic congressional delegation, I know I speak for all of my colleagues in thanking Congressman BRUCE VENTO for swiftly bringing H.R. 1373 to the floor. I'd also like to express our gratitude to Congressman JOHN SEIBERLING for introducing this legislation that recognizes the vast accomplishments of a man we all admired and dearly miss. There is a tremendous void in the delegation without Phil Burton. Yet, we all find comfort in the memory of his determination and passion for the environment. We think of Phil each day, and his memory gives us added inspiration to carry on his work.

Phil did more than perhaps any other Member of Congress to enhance the Nation's parks and wilderness. He fought to win, not for himself, but for the millions of people who would benefit from his actions. Conservationists throughout the world have applauded Phil for his victories and future generations will reap the rewards of his legacy.

Phil's environmental triumphs were extensive. As a member of the House Interior Committee and chairman of the Park's Subcommittee, he virtually doubled the size of the Nation's park system. In California alone Phil's unrelenting efforts resulted in the expansion of the Redwood National Park, the establishment of the Golden Gate National Recreational Area, the Santa Monica Mountains National Recreational Area, and protection for the Lake Tahoe Basin.

There are other significant accomplishments one of which I know is very fresh in all our minds. It was Phil who laid the groundwork for the California Wilderness Act which passed the Congress last year. That grand legislation, which was the product of 4 years of dedicated work by Phil, designated 1.8 million acres of land in California as national wilderness.

And of course today especially we must recognize Phil's efforts to help preserve the Point Reyes' National Seashore. Located less than a half hour from his beloved San Francisco, Point Reyes is truly an outstanding resource which is valued for its long beaches backed by tall cliffs, lagoons, and forested ridges. In 1974, 1978, and 1980, Phil successfully enlarged this beautiful area. He also triumphed in 1976 when over 25,000 acres within the Point Reyes' National Seashore received wilderness designation.

Phil fought to preserve places like Point Reyes because he understood the need for natural open space which would provide beauty and solitude for those who sought refuge from our crowded hectic urban life. Developers he knew were eager to build. Phil was concerned with this and wanted to ensure that future generations could enjoy and explore nature's generous offerings. We are all deeply grateful to Phil for his foresight and determination.

Mr. Speaker, in view of Phil's leadership and commitment on wilderness and park issues and his work on behalf of Point Reyes, I believe it is only fitting and appropriate that the wilderness in the Point Reyes' National Seashore be designated as the Phillip Burton Wilderness. I urge my colleagues to vote in favor of H.R. 1373.●

● Mr. STARK. Mr. Speaker, I rise in strong support of the measure before us, H.R. 1373, which would designate Point Reyes' National Seashore Wilderness as the "Phillip Burton Wilderness."

It is appropriate that a wilderness area be named after Congressman Burton. He was a leader in bringing new areas under wilderness protection and he was instrumental in expanding our Nation's park system.

As an advocate for the environment and wilderness, Phil stood tall like a California redwood tree in the Congress. His achievements still reach toward the sky, like the boughs of those mighty trees.

There are other memorials to the successes of Congressman Burton. But there are none that I think he would have appreciated more, than having a wilderness area which he worked hard to create, named in his honor.

I urge my colleagues to join me in honoring the memory of Congressman Burton and vote to pass H.R. 1373.●

Mr. PASHAYAN. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1373, as amended.

The question was taken.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDMENTS WITH RESPECT TO U.S. SENTENCING COMMISSION

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1847) to amend title 28, United States Code, with respect to the U.S. Sentencing Commission.

The Clerk read as follows:

H.R. 1847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 58 (relating to United States Sentencing Commission) of title 28, United States Code, is amended—

(1) in section 991(a), by striking out "in regular active service"; and

(2) in section 993(b)(2), by adding after "Commission." the following new sentence: "Before the appointment of the first Chairman, the Administrative Office of the United States Courts may make requests for appropriations for the Commission.".

The SPEAKER pro tempore. Is a second demanded?

Mr. GEKAS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. CONYERS] will be recognized for 20 minutes and the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Speaker H.R. 1847 makes two minor amendments to the Sentencing Reform Act of 1984, which was enacted last year as one of the crime provisions of the continuing resolution. The bill seeks to resolve some problems that are interfering with the implementation of the Sentencing Reform Act. The act calls for the immediate establishment of a seven-member, Presidentially appointed Sentencing Commission as an independent agency in the Judicial Branch. The Commission is to issue sentencing guidelines that will limit jidicial discretion in the imposition of sentences.

The act requires the President to appoint the Commissioners after consulting with a broad spectrum of groups involved in, or affected by the criminal justice system. The Judicial Conference is required to recommend six persons for the three positions on the Commission that are reserved for active Federal judges.

The establishment of the Commission was effective when the legislation was signed; most other provisions of the act become effective on November 1, 1986. The guidelines, however, will not become effective until 6 months after they have been submitted, along with a report about the guidelines, to Congress. Thus, if the guidelines are to be in place when the rest of the provisions become effective, they must be submitted to Congress no later than May 1, 1986.

Almost 6 months after the act was signed no commissioners have been appointed. While the Commission originally had 18 months in which it could fulfill its task and still have the guidelines in place on time, it now has 13. Since the nominees are subject to Senate confirmation, it seems unlikely that commissioners can take office until late April at the earliest, which leaves the Commission only a year to complete its work.

According to testimony last week at a hearing of the Subcommittee on Criminal Justice, the delay is partly due to the legislation's authorizing only the Commission to submit a budget. The legislation includes no express authorization for funds. Since, unlike most independent commissions, the Sentencing Commission is in the judicial rather than the executive branch, the administration does not believe it is authorized to request an appropriation. Normal congressional procedures require an administrative or judicial request for appropriations. Since there are no funds to pay commissioners, and there are no commissioners, there is no one to request funds. In addition, the Chief Justice earlier declined to submit a list of recommended judicial commissioners because of concerns about the reduction in the number of Federal judges that would result from the appointment of full-time Federal judges as commissioners.

Judge Gerald Bard Tjoflat, testifying on behalf of the Judicial Conference, stated at the hearing that the President will receive a list of recommendations from the Conference within a matter of days. The Department of Justice testified that this will allow the President to complete the final selection process. These developments, however, do not resolve the funding problems. In addition, the Judicial Conference retains its concerns regarding the restriction to active judges.

This bill resolves these problems by authorizing the Administrative Office of the United States Courts to request a budget for the Commission and allowing the President to appoint senior, as well as active, Federal judges to the Commission. I fully expect, however, that the appointment will include one or more active judges. The legislation has the support of both the Department of Justice and the Judicial Conference. We have chosen to bypass committee deliberations and place the bill on the suspension calendar because time is critical if the Commission is to complete its work on schedule. It is my understanding that the other body will take up this bill before the Easter recess.

The failure to have the Commission in operation by this late date raises serious questions about the ability of the Commission to adequately perform its duties in the allotted time. Both Minnesota and Pennsylvania established guidelines commissions in 1978. Min-

nesota's guidelines were not submitted to the legislature until early 1980, and Pennsylvania's early 1981. Washington's commission, created in 1981, submitted its guidelines in 1983 and 1984. New York's Sentencing Commission is also behind schedule. If State experience is any indication, we cannot afford additional delay.

It may well be that, in time, Congress will decide to abandon this new system. Since the majority of the Congress and the President have decided to gamble on its success, however, all of us must join in providing the best environment for these policies to succeed. The Subcommittee on Criminal Justice will continue to monitor the implementation of the act to avoid any further problems.

Mr. Speaker, I urge support of this legislation.

□ 1700

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I first wish to put on the record my personal commendation to the chairman of the subcommittee for two reasons. One is the quick and efficient way in which he brought this particular piece of legislation to the floor. And second, for submerging his long-time questioning of the wisdom of having a Sentencing Commission in the first place to the need to implement what the Congress has already spoken on behalf of, this new type of sentencing reform.

I wish to repeat in my own way what the gentleman made absolutely clear, that these are technical changes offered only in the spirit of trying to implement as fast as possible the work of the Sentencing Commission. We could not have foreseen, or perhaps we should have foreseen with all that we do in the Judiciary Committee about the already often stated backlog that the Federal Court System has, and maybe it would have been prudent for us to have provided at the outset that the President should have the right to appoint a senior judge as well as a sitting judge on the Sentencing Commission component of the Federal judges.

We did not, however, foresee that. This bill would cure that lack of foresight in the original designation and crafting of the bill.

And as for the funding, it is a kind of catch-22 which we are attempting here to correct. Since there is no Commission, there is no Commission ready to request funds. Since there are no funds, the Commission cannot operate. That catch-22 is eliminated with the adoption of this bill which allows the court system itself to request the funds in order to get one of its babies going; namely, the Sentencing Commission.

So again I join the chairman of the subcommittee in urging the immediate adoption of the legislation. It will hasten the day when back to this Congress will come a set of sentencing guidelines which will be able, in my judgment, to better suit a violent crime with suitable punishment, and be able to reward the entire system with predictability.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. RODINO], the chairman of the Committee on the Judiciary. And I thank my ranking minority member for his generous remarks.

Mr. RODINO. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this legislation which is needed to implement the Sentencing Reform Act and also to commend the chairman of the subcommittee for his timely action here to ensure that that act be fully implemented.

When the Congress enacted the Sentencing Reform Act last year, it placed the Sentencing Commission on a very tight schedule. Sentencing guidelines must be submitted by May of next year if the new system is to go into effect as planned. Yet here we are 5 months after the law was enacted, and 5 months after commissioners could have been appointed, and no one has been nominated. That commissioners have not yet been appointed seriously endangers meeting the statutory timetable. Enactment of this legislation is therefore important.

For over a decade I have advocated—and have introduced legislation to achieve—reform of the Federal sentencing process. I was one of the earliest proponents of Federal sentencing guidelines, and, although I would have preferred enactment of a slightly different guidelines system, I believe that the Sentencing Reform Act, when implemented, will be a considerable improvement over the chaos that currently reigns in Federal sentencing procedures. We must do everything necessary to ensure that it fulfills that potential.

Three positions on the U.S. Sentencing Commission are reserved for Federal judges. The Sentencing Reform Act permits only active judges to fill these positions. This bill would authorize the appointment of senior judges as well. My only concern about this provision was that expanding the field of potential Judicial Conference suggestions for the commission and the time that may be required to process legislation might further delay the submission of the list to the President and slow down the nomination process. A representative of the Judicial Conference has assured the committee, however, that the list will immediately be submitted to the President in accordance with the law as it now stands, including the requirement that the list contain the names of active judges.

It is expected that at least one or more active judges will be appointed by the President. This bill will give the President the flexibility to appoint senior judges as well as active judges, however.

The second problem addressed in this bill has to do with funding. No funds have yet been appropriated for the Commission. The Sentencing Reform Act authorizes only the Commission to request funds, but there are no commissioners yet to do so. This bill authorizes the Administrative Office of the U.S. Courts to request initial funding for the Commission.

This bill is cosponsored by a bipartisan membership of the Committee on the Judiciary. It is supported by the Department of Justice and the Judicial Conference.

I urge my colleagues to join me in voting to get the new sentencing process underway.

□ 1710

It is unfortunate and regrettable that 5 months have elapsed since this bill was enacted into law, and that no commissioners have yet been appointed. Of course, we have no control over that since the commissioners were to be appointed by the President after receiving recommendations from the Judicial Conference. There is a time limit that has been set for promulgation of the guidelines.

The Sentencing Commission proposal that was adopted by the Senate last year contained a provision which required that the judges that be appointed be active judges. So it is not for any lack of any prior warning or notice on our side.

We have been assured and we hope that they will carry out that assurance, that this list now will finally be presented and the President may proceed to make the necessary appointments to begin to carry out the kinds of reforms that we envision.

I want to commend also the gentleman from Pennsylvania for his support. Again, this is a bipartisan measure and I urge the entire body to act in support of this legislation so that we may actually bring about sentencing reform.

Mr. GEKAS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, last year when we managed to pass the Comprehensive Crime Control Act of 1984, through a rather circuitous route eventually, one of the prime parts of that bill was the sentencing reform. This was on the Senate side very much the endeavor of many years

of the senior Senator from Massachusetts, Senator KENNEDY; it was bipartisan over there.

There is, I guess, very little dispute now as to the efficacy of this change. The problem that has ensued is one of some dispute between ourselves and the judiciary branch, but in some ways because of some technical amendments that are necessary to allow for the proper funding mechanism.

I would just tell my colleagues who voted for this major crime legislation last year that the sentencing provisions being among the centerpieces of that legislation, that this simple legislation here, bipartisan in nature, is a means to achieve that which we sought last time.

It is simple in terms of being technical in nature; it does nothing more or nothing less than facilitating the actual Sentencing Commission that we set into motion last year with our vote. It is unfortunate that we need extra legislation; but I think this is absolutely essential. It is unfortunate that we have lost about 5 months, but I think perhaps that won't be overly burdensome to those who are appointed to this Commission, and I would suggest that our colleagues unanimously vote in support of this legislation so that we can get the Commission off the ground, and so we can get the sentencing guidelines that are so necessary to the overall reform of our system in place.

I thank both the chairman of the subcommittee for his timely action, and the ranking member as well.

Mr. CONYERS. Mr. Speaker, I have no further requests for time, so I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding to me, and I do not rise in opposition to the bill in any way, but I do want to rise and question the procedure by which we are considering the bill here today.

There are a number of people who have indicated over the last several weeks that some of us on the minority side seem to be somewhat sensitive to the kind of procedures used around the House.

This is an example of the procedures that cause some of us to be a little leery at times. As I understand it, this bill was introduced to the House yesterday, and already today we have it out here on the House floor. And it was done last week when the whip schedule was announced; this bill was not on the schedule, so the Members had no advance notification of it; we found out basically today that the bill was going to come up on the floor, and we have some question as to whether or not—that is fair warning.

Now the other day when we had a lot of talk about the minority bringing the McIntyre resolution to the floor, there was much weeping and wailing and consternation on the House floor about the fact that the minority would bring this piece of legislation out on the floor despite the fact that the minority whip had announced the week before that that was a possibility.

Now we have a bill that comes out here onto the floor with no advance notice to the Members. I understand that we are going to have a couple of other bills later on today that are also going to be brought to the floor from the Committee on Ways and Means, also without advance notice, and as a matter of fact, bills which only cleared the committee early this afternoon.

I think that those who find us being sensitive from time to time to the fact that we are required to legislate without indepth knowledge about the matters before us will look at these particular procedures and begin to understand that there in fact is some sensitivity.

I will be glad to yield to the gentleman from California.

Mr. LUNGREN. I understand the gentleman's upset, but I will tell you that this is bipartisan in nature and that of all bills I would object to, this is not the one.

I only wish that the comprehensive crime package had come up as quickly last session. We ought to thank our lucky stars we got this here so fast, and I understand the gentleman's concern, but truly, if I am going to be surprised on anything, I would love to be surprised by things like this.

Mr. WALKER. I thank the gentleman, and I said at the opening of my remarks that I do not intend to oppose the bill; I understand it is bipartisan. I have talked to the gentleman about it.

But it is an example of the kind of problem that we are seeing all too often on the House floor with regard to legislative scheduling. It is an example of the fact the Chair controls the legislative scheduling and often does not even bother to consult with the minority about these things.

We have a couple of bills, as I say, coming on later on today that I understand were scheduled without even bothering to consult with the minority leadership. That is just totally unacceptable.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may require, simply to point out, as did the gentleman from California to my colleague from Pennsylvania [Mr. WALKER] that in this particular strategy, I am in full complicity because of the urgency of the matter.

I feel that there will be occasions, many occasions just like the one at hand in which the two parties are going to be able to agree to expedite legislation. It remains for watchdogs like the gentleman from Pennsylvania [Mr. WALKER] and others to monitor all of these things to make sure that both the minority is informed and that there is a general agreement reached before expedition of legislation like today's example could be acted upon.

So I am happy that we are able to bring this legislation so quickly to the floor in this instance, this does not mean in any way that I will always concede that this procedure is the best procedure to follow. In this case it is.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. CONYERS] that the House suspend the rules and pass the bill, H.R. 1847.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1720

AUTHORIZING USE OF THE CAPITOL ROTUNDA IN COMMEMORATING THE 100TH ANNIVERSARY OF THE DEATH OF ULYSSES S. GRANT

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 59) commemorating the 100th anniversary of the death of Ulysses S. Grant, the 18th President of the United States.

The Clerk read as follows:

H. CON RES. 59

Resolved by the House of Representatives (the Senate concurring), That the rotunda of the United States Capitol is hereby authorized to be used on July 23, 1985, from 11 to 11:30 o'clock ante meridiem for a ceremony as part of the commemoration of the anniversary of the death of Ulysses S. Grant, the eighteenth President of the United States. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Ohio [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the concurrent resolution before us was agreed to by the Committee on House Administration on March 28, 1985. This proposed ceremony would be part of the commemoration activities of the 100th anniversary of the death of our 18th President, Ulysses S. Grant. The U.S. Army and the Ulysses S. Grant Association

of Illinois are the organizations coordinating these events.

I would like to commend the gentleman from Illinois [Mr. GRAY], who is in the Speaker's chair now. I know the gentleman wants to speak on this resolution and that he has a statement that will be put in the RECORD. As the prime sponsor of this concurrent resolution, I know how much it means to the gentleman and his constituents and, indeed, to the country.

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to echo the comments of the gentlewoman from Ohio about our Speaker and remind Members that he is a graduate of this illustrious committee, so he knows a good deal on this subject.

There is no objection to this, insofar as I am aware, and the minority urges its prompt passage.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. GROTBERG].

Mr. GROTBERG. I thank the gentleman for yielding, and I congratulate the gentlewoman from Ohio [Ms. OAKAR] for presenting the rotunda of the U.S. Capitol as a fitting place for a memorial for the gentleman from Illinois, Mr. Grant—General Grant, the Galena gentleman—whose home is in the district of our colleague, Congresswoman MARTIN.

I have been waiting for an appropriate moment to bring a message to this Congress, and I think I may have found it. Mr. Speaker, I would remind the House that we are in a delicate stage of trade negotiations with the Japanese at this very moment. Their willingness to open their domestic markets to our telecommunications industries, among others, will determine whether protectionist sentiment in the Congress and across the Nation will increase or subside. I hope that the Japanese will allow more importation of American products because free trade can only be beneficial to both countries.

In this very House of Representatives, though, we should do our part to demonstrate the quality of our own American-made goods. During the orientation for new Members of Congress late last year, some of us had the rare opportunity to listen to the U.S. Navy Choir sing in Statuary Hall among the monuments to the great heroes of our country. But something caught my eye that evening which disturbed me. It was the piano that was used to accompany our U.S. sailors. It was not a Wurlitzer, Baldwin, or Steinway. It was a Yamaha. It seemed incredible to me that the U.S. Navy, the heroes of Pearl Harbor, would be using a Yamaha. Now, I know that relations between our two countries have improved over the past 40 years, but it seemed to me to be more appropriate for a U.S.-made piano to be used during that special event in that hallowed American shrine Statuary Hall. I hope that by July 23, 1985, there will be an American-made piano available to our national heroes including those of days past like the memorializing of the General from Illinois on the 100th anniversary of his death I am drafting a resolution to assure that the shrine of American democracy, the U.S. Capitol, shall have the dignity of American-made accouterments for such services, and hope to work with another distinguished Illinoisan, Chairman ANNUNZIO, of the Committee on House Administration to make it possible.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume, only to observe that I am certainly glad those singers were not accompanied by a Yamaha motorcycle.

Mr. Speaker, I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume to assure my friend, who spoke about the need to have American products, that I very much agree with him. I do want the gentleman to know that I could not agree more, and that is why I feel so strongly about the enormous trade deficit that we have in this country. I certainly support the thrust of the gentleman's remarks.

Mr. GROTBERG. I thank the gentlewoman.

Ms. OAKAR. Mr. Speaker, I have no further requests for time. Again I want to commend the gentleman and all his fine work in expeditiously getting this resolution on the floor of the House.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 59.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 59, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

AUTHORIZING USE OF THE CAPITOL ROTUNDA TO COMMEMORATE DAYS OF REMEMBRANCE OF VICTIMS OF HOLOCAUST

Ms. OAKAR. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 33) authorizing the rotunda of the U.S. Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The Clerk read as follows:

S. CON. RES. 33

Whereas pursuant to the Act entitled "An Act to establish the United States Holocaust Memorial Council" and approved October 7, 1980 (94 Stat. 1547), the United States Holocaust Memorial Council is directed to provide for appropriate ways for the Nation to commemorate the days of remembrance of victims of the Holocaust, as an annual, national, civic commemoration of the Holocaust, and to encourage and sponsor appropriate observances of such days of remembrance throughout the United States;

Whereas pursuant to such Act, the United States Holocaust Memorial Council has designated April 14, through April 21, 1985, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on April 18, 1985, consisting of speeches, readings and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on April 18, 1985, from 10 o'clock ante meridiem until 3 o'clock post meridiem for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Ohio [Ms. OAKAR] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Senate concurrent resolution before us is a companion resolution to House Concurrent Resolution 98, which was agreed to by the Committee on House Administration on March 28, 1985.

Mr. Speaker, the U.S. Holocaust Memorial Council established in October 1980 by a unanimous vote of Congress, has each year since 1979 coordinated ceremonies commemorating the victims of the Holocaust during the days of remembrance. Observances are held in Washington, DC, and in States and

cities throughout our great country. These national ceremonies have been addressed each year by the President, by Members of Congress from both parties. This personal involvement of the Nation's leaders underscores a national commitment to honor the memory of the victims. Authorizing the Capitol rotunda for such a ceremony would signify the commitment of the American people that the Holocaust not be forgotten.

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the committee's minority supports this bill. The hall should be used for this good purpose. There is a very small amount of time available to us to pass this resolution, so we should do it forthwith, with no additional talking for that purpose.

Mr. Speaker, I yield back the balance of my time.

Ms. OAKAR. Mr. Speaker, I yield myself such time as I may consume just to add that this is an important commemoration that all of us feel strongly about.

I want to commend the gentleman from New York [Mr. SOLARZ], who is the prime sponsor of this resolution. The gentleman could not be here because of committee work.

● Mr. KANJORSKI. Mr. Speaker, I rise in strong support of House Concurrent Resolution 98, legislation which would authorize the use of the Capitol rotunda on April 18 for ceremonies to commemorate the victims of the Holocaust.

In all of human history, there are few darker moments than the systematic murder of millions of innocent persons during the period now known as the Holocaust.

This cold, calculated genocide almost succeeded in wiping out an entire religion and deprived the world of the talents of millions of gifted individuals. Even those Jews who survived the torture and forced labor in the concentration camps had their lives irreparably damaged by the physical and mental abuse they suffered, and by the loss of their loved ones.

Even though the Holocaust took place less than a half a century ago, there are an increasing number of people throughout the world who are unaware of it. Even worse, there are a disturbing number of "revisionist" historians who deny that it ever took place—in total disregard of mountains of documentary evidence.

As Americans, we owe it to ourselves and to our children to make sure that this unpleasant event is neither forgotten, denied, nor repeated. The use of the Capitol rotunda, our most treasured and important national historic site, for this commemoration will help us to avoid the pitfall noted by the 19th century philosopher, George Santayana when he noted, "Those who cannot remember the past are condemned to repeat it."

I urge all of my colleagues to vote "aye" on House Concurrent Resolution 98.●

Ms. OAKAR. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Ohio [Ms. OAKAR] that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 33.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 33, the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

□ 1730

PHASING OUT THE FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1866) to phase out the Federal Supplemental Compensation Program.

The Clerk read as follows:

H.R. 1866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That (a) CONTINUATION OF COMPENSATION FOR INDIVIDUALS WHOSE ELIGIBILITY BEGINS PRIOR TO TERMINATION DATE.—Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended—

(1) by striking out "(2) No Federal" and inserting in lieu thereof "(2)(A) Except as provided in subparagraph (B), no Federal"; and

(2) by adding at the end thereof the following new subparagraph:

"(B) In the case of any individual who is receiving Federal supplemental compensation for the week which includes March 31, 1985, such compensation shall continue to be payable to such individual in accordance with subsection (e) for any week thereafter, in a period of consecutive weeks for each of which he meets the eligibility requirements of this Act.".

(b) CONFORMING AMENDMENT TO PERIOD OF ELIGIBILITY.—Section 605(2) of such Act is amended by inserting "(except as otherwise provided in section 602(f)(2)(B))" after "April 1, 1985".

(c) MODIFICATION OF AGREEMENTS.—The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by the Act. Notwithstanding any other provision of law, if any State fails or refuse within the three-week period beginning on the date the Secretary of Labor proposes such modification to such State, to enter into such modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period. Pending modification (or termination) of the agreement, States may pay federal supplemental compensation in accordance with the amendments made by this Act for weeks beginning after March 31, 1985, and shall be reimbursed in accordance with the provisions of the Federal Supplemental Compensation Act of 1982.

The SPEAKER pro tempore. Is a second demanded?

Mr. CAMPBELL. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from South Carolina [Mr. CAMPBELL] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal Supplemental Compensation [FSC] Program expires at the end of this week. If we fail to act before we adjourn, checks to 340,000 long-term unemployed men and women will suddenly stop.

This temporary program was created in the depth of the 1982 recession. It has been extended twice since the original enactment. The most recent extension expired the end of March.

Being out of work in America—this land of opportunity—often carries the possibility of living near the poverty line. Yet, with the recession officially over and many areas prospering, unemployment seems to have all but disappeared as a political or economic concern. We seem to have lost sight of the faces behind the unemployment numbers.

Mr. Speaker, H.R. 1866 is little more than a gesture to the long-term unemployed. It merely allows those people who are on FSC this week to receive the remainder of their entitlement. No new claimants will be permitted after this week.

I understand the sentiment of those Members who say the House should do

more, even if it means a veto from the President or silence from the Senate. I know the political arguments in favor of the Democratic-controlled House staking out its position on this issue and confronting the President. If political one-upsmanship were the only goal, I would have supported that course.

But to risk the remaining week of benefits for more than 300,000 unemployed, to make a political point, is no longer an option at this 11th hour. For Congress to tangle this issue in politics at this point makes little sense.

I ask my colleagues of both parties to support this very small gesture to the Nation's long-term unemployed.

[April 2, 1985]

SUMMARY OF H.R. 1866

AMENDING THE FEDERAL SUPPLEMENTAL COMPENSATION (FSC) PROGRAM

Present law

The Federal Supplemental Compensation [FSC] program provides 8, 10, 12, or 14 additional weeks of unemployment benefits to unemployed workers who have exhausted their regular State benefits and any Extended Benefits [EB] to which they were entitled (the permanent EB program provides 13 additional weeks of benefits but is triggered on only in Alaska, West Virginia, Idaho, and Puerto Rico).

The number of weeks of FSC payble in a State is based on the State's insured unemployment rate [IUR], a measure of those people in the State claiming regular State unemployment benefits during the most recent 13 week period. States can qualify for the 14 or 12 week tiers based on either their current IUR or their average IUR since January 1, 1982. 10 and 8 week tiers are based solely on the current IUR.

The last week for which FSC can be collected is the week *ending* on Saturday, April 6, 1985. There is no provision in current law for "phasing out" recipients. Benefits cease after the week ending April 6, 1985 regardless of the number of weeks an individual has collected of his original entitlement.

H.R. 1866

Under the bill, individuals who are currently on the FSC program, that is individuals who claim FSC benefits for the week March 31—April 6, will be allowed to collect the remainder of their FSC benefits. No new claimants would come on the program after April 6, 1985.

Cost: CBO estimates increased unemployment compensation outlays of $160 million. Due to reduced AFDC and food stamp outlays and additional revenues, CBO estimates a net budgetary impact of $140 million.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. CAMPBELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the Suspension of the Rules in order to pass H.R. 1866, a bill to phase out benefits for current claimants under the Federal Supplemental Compensation Program.

FSC began in September 1982 as a temporary program to continue unemployment benefits for the long-term unemployed. At that time the nationwide unemployment rate was 10.1 percent and growing. The program was scheduled to expire several times since its creation but we extended its operation several times. The last extension expired on March 31, 1985.

In contrast to the recessionary economy which led us to create the FSC Program, today's nationwide unemployment rate is 7.3 percent. There are 7.2 million more persons employed today than were employed when the program began in 1982. Because of the economic recovery a further extension of the FSC Program is not warranted.

There may exist some local pockets of high unemployment caused by structural changes in the economy. The long-term, structurally unemployed can benefit from the training and relocation assistance offered in programs such as title III of the Jobs Partnership Training Act.

The bill today would allow an orderly phase out of the FSC Program which expired March 31. The current law contains no phaseout provision. All benefits end abruptly. The bill before us would allow persons who qualified for FSC before it expired to receive all the benefits which they expected to receive. It is a matter of fairness and equity that these persons receive the benefits which we led them to believe they would receive. No new claimants would be added to the program.

Mr. Speaker, the legislation protects persons who were on the FSC rolls from an abrupt loss of their benefits. I support the passage of this bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding me this time.

Mr. Speaker, we have often extended this emergency third tier level of federally supported unemployment compensation benefits. It is time for it to expire, and this bill allows it to expire.

It will cost $160 billion, which is unbudgeted, and will result in additional deficit in fiscal year 1985. During the committee debate, we talked about extending it. On the other hand, there were some of us who believed it should expire forthwith without the extra $160 billion.

In the end, the committee made the difficult decision that equity required that we pay off those people who were in the program now; that is, those who become eligible through April 6, and who would have had additional benefits coming.

I very seldom vote for unemployment compensation bills, but I think this one deserves the support of the House.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD], the chairman of the subcommittee.

Mr. FORD of Tennessee. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in full support of the bill that is before the House today. We reported this legislation from the subcommittee in a different form. We supported legislation that would have called for a 3-month extension of the FSC Program along with a phaseout provision of the program itself.

We extended the program some 18 months ago, and we failed to put a phasein provision within the bill. Therefore, we were compelled to come back at the expiration to deal with a phaseout program only because of the threat to the veto of the bill from the President himself, and whether or not the Senate would take any action. The subcommittee felt that a 90-day extension for those victims who will be taken off the 26 weeks of State unemployment benefits, and knowing that the extended benefits program under reconciliation only covered three jurisdictions, and therefore we felt that the 350,000 people receiving the benefits and the 45,000 people per week triggering off the State unemployment benefits needed some type of relief, and to say that we are going to phase the program out, we are going to pick up the new starts with new claimants, and at the same time notify those recipients of State unemployment benefits that they would no longer be entitled after 90 days for the Federal supplemental compensation benefit.

Athough that legislation was reported out of the committee, an amendment was offered today at the full committee level, I did not support that amendment, but I am in full agreement with the full committee chairman today in saying that we should move this legislation under suspension today to make sure that those who are recipients of FSC will continue to receive those weeks payable under the program. We will phase the program out at the end of the 8, 10, or 12 weeks that a person would be entitled to.

Mr. CAMPBELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to take one moment, if I might, to congratulate the chairman of the subcommittee and the chairman of the full committee and to say to them from the minority side that it was a pleasure to work with them. We had some differences of opinion; the process worked well; they worked well, and we were able to expedite this and there will not be anyone that is cut off of their benefits because of lack of action by either the subcommittee, the full committee or this body.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. MICHEL]. the distinguished minority leader.

Mr. MICHEL. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this legislation. I happen to represent a district where the effects of chronic unemployment are still being felt. I represent people who are still looking for work as diligently and as aggressively as they can, but the work simply is not there.

In my opinion, there is a need for this extention. The legislation does not go as far as many of us would like. I have advocated the reform of the Unemployment Compensation Program so that we could target in on those areas within a State with the highest unemployment. I am still hopeful that over the long term we can work with the administration toward getting them to turn to pick up on that proposal and that idea.

The legislation addresses the need for extension with the need for fiscal restraint. This legislation addresses the reality that the President will not sign legislation calling for millions more in assistance. The choice is either to showboat, I guess, with something more or get a bill passed and signed with something less. I prefer the latter.

I hope my colleagues will join me in supporting the measure and I have to express my personal appreciation to the distinguished gentleman from South Carolina and the chairman of the committee who have worked so hard to get the bill to the floor.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 1866 which will allow for the continuation of Federal supplemental compensation to unemployed workers now receiving this Federal assistance.

This bill is the least we can do. It is not all that we should do. This bill keeps current recipients from abruptly losing their assistance. It does nothing more.

This bill is not an extension of the program. It does nothing for the unemployed who will exhaust their State unemployment insurance at the end of this week or at any time in the future, as we should be doing. This bill does nothing to reform the unemployment insurance system in order to make it more responsive to pockets of high unemployment or to the needs of the increasing numbers of long-term unemployed workers.

I am disappointed that we only have this limited bill before us today. We should not be blind to the serious problems which remain in our economy. We should be encouraging innovative job training programs which will help the unemployed find new jobs. We should be building the link between retraining and unemployment compensation. We should be maintaining our investment in job training and employment programs—rather than trying to cut them back by nearly a quarter of last year's funding, as the administration recommends in its budget message.

This legislation does none of this but for the men and women who are depending on Federal supplemental compensation benefits now, this legislation is vital. I urge my colleagues to vote in favor of its passage.

□ 1740

Mr. CAMPBELL. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I also wish to add my voice to those who are commending the committee for their responsible and responsive action, but I would like to point out that I think that we are just offering, really, a band-aid solution for a hemorrhaging problem and that problem is the problem of displaced workers in America.

Despite the fact that we are reading all these statistics that are pumped out downtown every week indicating that maybe the economy is really moving forward in a direction we want it to, and I think there are a lot of positive indicators, the fact remains that we still have across America 2 million American people who are displaced workers and we are not adequately dealing with their problem.

My colleague, the gentleman from Illinois [Mr. DURBIN] and I, along with 62 of our other colleagues on both sides of this aisle, are identified with a measure that is designed to tackle the problem of displaced workers in America. I would urge the committee, in its deliberations, to give the urgent attention required to the proposal to establish in America individual training accounts.

They make a lot of sense. It is a voluntary action involving employees and employers. It would set up a program under which each would contribute eight-tenths of 1 percent, or $250 a year, whichever is less, to an individual training account. The moneys would be handled by the Department of the Treasury. They would be invested in high-yield securities. They would continue to draw interest. The contribution from the employee and the employer would continue up until that time when the $4,000 mark had been reached and then there would no longer be any contribution.

The ideal situation would be that the employee would never have to use the individual training account, but we know by experience that the average worker in America today is probably going to change jobs five or six times, and unfortunately, most often that job change comes not because of any desire but because it is forced upon the worker.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. BOEHLERT. I yield to my distinguished colleague, the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman on his remarks in identifying a piece of legislation that we ought to be dealing with. I have the privilege of co-chairing a task force with the gentleman on employment and training and as the gentleman has stated, Congresswoman KENNELLY and others, we have not really dealt with the issue of unemployment comprehensively in this country.

We are going to have to deal with that soon. We cannot forget the jobless in passing a bill which I consider not enough. I am sorry, and I want to state this publicly, that the original bill was not passed out by the Committee on Ways and Means. But I look forward to working with the gentleman in getting the individual training account bill passed in a bipartisan spirit, and I want to again congratulate the gentleman on the fine work that he does.

Mr. BOEHLERT. I thank my colleague.

Mr. Speaker, I think it is extremely important that we recognize there are 2 million displaced workers in America today. We cannot forget their needs. We cannot come up with 3 or 6 or 9 or 12 months of temporary solutions to that very real problem. Let us examine the concept of individual training accounts.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the gentleman for yielding this time to me.

Mr. Speaker, I do want to compliment the Committee on Ways and Means for bringing this legislation to the floor. Two weeks ago any FSC extension was dead. There was no hope at all for extension of the Federal Supplemental Compensation Program and now we have a liferaft for some 340,000 Americans who are the neediest among those who are out of work; a liferaft, but a frail one at that.

The legislation does not include reform such as substate triggers or the sliding scale proposal that has been offered by our colleagues, the gentleman from Pennsylvania, Mr. CLINGER, and the gentleman from Ohio, Mr. PEASE. It does not include any long-range proposals for improving the unemployment compensation program that have been discussed in repeated hearings of the subcommitttee chaired by the gentleman from Tennessee.

Earlier, his bill was described as a minimum program. Frankly, it is barely a minimum. It is the least that we can do, and it is the very least. This

is not the House's finest hour. When we have 8½ million people out of work, when we have more people out of work and out of employment compensation longer than at any time in the entire postwar era of this country, and this House is not moving out aggressively to deal with the problem of the long-term employed who, through no fault of their own, have lost their jobs, who are trying to keep family and home intact, who are trying to find other work, who are trying to get training to pursue new employment opportunities, and all we are throwing out is a bone to those who are about to run out of their unemployment compensation, saying, "Here, just muddle along a little while longer," then we are not practicing the quality of social justice the American people expect, especially from those of us on this side of the aisle.

To those whose employment compensation benefits are about to run out, to those hundreds of thousands of people all across this country who have been devastated by the flood of imports just discussed a little while ago across this country, who are going to be hit hard for longer periods of time than we have ever seen in this country as the decline of industrial America continues, people who will exhaust their unemployment benefits in the weeks ahead, this bill offers no hope. This House offers no hope. It just says this is it. That is all. Forget it. No more FSC.

The Federal Government ought to be a partner in providing extension of benefits, a partner with the States. It ought to be providing assistance to those workers whose lives are adversely impacted by this national economy. This is not an economy of individual States. It is the economy of the whole country, and that is what we are talking about when we come forward with a program of supplemental compensation benefits. If we do not have the vision and the courage, the strength to stand up to a President who drew his line and said, "No I do not want any more benefits for the unemployed," then we do not deserve to be here. We ought to be offering and exercising an independent judgment in this body, and that judgment ought to be in favor of those who are the most vulnerable, who are the most hard hit among us. We ought to be able to provide help for those in the shoe industry who have lost their jobs, and those in the machine tool industry, and the steel industry, in textiles, wood fiber, autos, and many other industry sectors including, as we are seeing, with a $6.8 billion trade deficit, electronics, they too, in that industry are losing ground. We ought to be offering at least a 3-month extension of FSC, with reforms, instead of apologizing for doing so little.

Mr. CAMPBELL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in reluctant support of this legislation—a bill which provides only a phaseout for current Federal supplemental compensation assistance.

Mr. Speaker, I realize that the time constraints with which we are faced make this legislation necessary. Many individuals currently receiving FSC are unaware that their benefits may expire, and this phaseout at least assures that they will receive the benefits to which they expected to be entitled.

Unfortunately, this legislation does not provide any relief to individuals who become employed after April 6. Those individuals will receive only their State unemployment entitlement—and since only three jurisdictions are triggered on the Extended Benefits Program, we provide no relief today for the long-term unemployed.

These are the people who I'm concerned about. These are the people who live in my congressional district—they are people, not numbers. In the very near future, I would urge the Ways and Means Committee to report legislation to address the problems with extended benefits.

I have introduced legislation—H.R. 646—which goes a long way toward resolving this problem, and I want to thank the distinguished subcommittee chairman, Mr. FORD, for holding hearings earlier this year on my bill. I understand that the subcommittee legislative recommendation is similar in many respects to my bill. I commend Mr. FORD for his efforts on behalf of the long-term unemployed, and again urge the Ways and Means Committee to report leglislation soon to help alleviate the concerns of these individuals.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. PEASE].

□ 1750

Mr. PEASE. Mr. Speaker, I, too, rise in reluctant support of this bill. I do support it because it will provide continued benefits for some 340,000 long-term unemployed workers who otherwise would lose all their benefits as of this weekend, and yet I must express great disappointment on two counts.

First of all, there is no 3-month extension of FSC as had been recommended by the Subcommittee on Unemployment Compensation.

I would like to make it clear and I think we all ought to understand that the reason there is no 3-month extension or 6-month extension, which we would have preferred, is the opposition from the White House. President Reagan has definitely set the parameters for our discussion of extension of FSC. The fact that we have a truncated bill on the floor today, which only goes a little way toward what needs to be done, is due to opposition from the White House.

This is not a bill that we think ought to be passed. This is not what we think needs to be done. This is what we think can possibly be signed by the President.

Second, I am disappointed because this bill contains no reform. We need to move ahead in the months ahead, combine EB and FSC into a single program that makes sense, talk about substate triggers, talk about retraining and job search and all the other things that would make unemployment compensation at the Federal level a simple, integrated, easy-to-understand responsive system.

I am going to be working on that legislation over the next couple months. I invite my colleagues to join me in that endeavor.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. PEASE. I would be happy to yield to my distinguished colleague.

Mr. VENTO. Mr. Speaker, I want to commend the gentleman for his work on this and for the types of reform that he has been trying to achieve.

I also want to commend my colleague, the gentleman from Minnesota [Mr. OBERSTAR] for the work he has done.

I am disappointed with this. I think that there is a pragmatic decision that has been made here with which I do not agree. I think we ought to move out of this House with the type of legislation that we feel is necessary to deal with the type of structural unemployment problems that are occurring.

Extended unemployment would be helpful and should be extended until more perfect programs are in fact in place.

The best that can be said for this measure is that it will complete the benefit pay to those who are currently eligible and therefore I will cast an unenthusiastic vote for this measure.

Mr. CAMPBELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have said that this is an effort to help those who are expecting benefits, who are already receiving benefits. I think that it would be very beneficial for us to point out some of the facts of unemployment, though, since we have not yet undertaken reform.

I would like to say that the minority is very interested in reform. We discussed substate triggers. We did not have the data that was available to us to undertake that. That has been recommended by the minority leader as well as many others. We are interested in doing that and undertaking reform, but we are at the 11th hour. The other

body has passed this legislation. Were we to have brought out a reform bill or an amended bill, you would have doomed those people who are now receiving benefits to a loss of the benefits they are now getting; so we brought out what could be done. It was a matter of doing what could be done.

Now, this I should point out to you is not a new thing on FSC. FSC started in 1982 on this cycle as a part of TEFRA when the total unemployment rate in this country was over 10 percent. It is almost 3 percentage points lower than that. We have spent in the process of trying to alleviate some of the pain, and you can never alleviate all of it, some of the pain of those who are unemployed, over $9.4 billion in the process.

We have a program that has been extended four times already. Were we to have extended it again, we would have extended it five times.

There are over 7 million more people working today than when we put in FSC in 1982.

It is not perfect. There is no question, but I think all the facts ought to be on the table when we discuss this legislation and those people who were on the system and expecting their benefits were the ones that we felt very strongly, I did and others on my side, and sought to convince the administration and others, should not be cut off from that which they were already eligible for.

I would point out that a similar program in 1978 was phased out at a lesser rate than we are now doing and that the benefits of those who are on the program would be exactly the same as they are now.

I did not wish to belabor this, but I wanted to point out in some detail that this does not signal the end of reform, but it is very difficult to reform at the 11th hour and the 59th minute. This side does not schedule to mark up reform and the distinguished chairman of the subcommittee has indicated that he wants to pursue reform. The minority is interested in working with both the chairman of the subcommittee and with the distinguished gentleman from Ohio, who has done so much work on it; so this should not be construed as an abandonment of reform. It should be construed as the best that is possible to help those who are now about to be cut off, in fact have been cut off, and we are now letting them get the rest of their benefits. I just wanted to put it in perspective.

Mr. FORD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. I am glad to yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. Well, I thank my colleague for yielding, and I say to the gentleman from South Carolina [Mr. CAMPBELL], I want to thank the gentleman for his able assistance on this particular bill that we have on the House floor today and offering the amendment before the full committee, although it was not the bill that we reported up; but I am glad to hear the gentleman say today, and the gentleman said it in the committee, that this is not the end, that the gentleman would like to see the subcommittee move on some type of reform measure. We do, in fact, have the reform measure, EB and FSC before the Ways and Means Committee, but it would be the intent of the Chair to go back to the subcommittee and look at the high pockets of unemployment in our States and talk about the substate triggers which the gentleman has talked about, as well as a reform measure that would in fact respond to a downturn in the economy.

I look forward to working with the ranking minority member of the committee and hopefully we can bring a bill and fashion a bill for the House floor within the next 60 to 90 days.

Mr. CAMPBELL. Well, Mr. Speaker, I thank the gentleman. I would say that I think he has put his finger on the problem. There are pockets that have to be addressed and we have not yet devised a mechanism to address those pockets of structural unemployment. We have other programs, but not within this system, and the blanket system itself, this extension, is not a way to address pockets. We must work on that system and I look forward to working with the gentleman in that regard.

Mr. PEASE. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. I am happy to yield to the gentleman from Ohio.

Mr. PEASE. Mr. Speaker, I thank the gentleman for yielding.

I, too, would like to commend the gentleman from South Carolina as the ranking member of the subcommittee. He has worked long and hard and I think very sincerely to try to fashion some good legislation. I, too, look forward to working with the gentleman to try to come up with a reform package over the next several weeks.

My disappointment is that we cannot do more at this time. I realize it is the 11th hour, but I suspect that even the workers who are now on FSC and who are about to lose their benefits would be willing to endure a break of 1 or 2 weeks if we were to go ahead now and put on the floor the kind of a bill that we really think ought to be here.

I think it is just useful to put down for the record that it is opposition from the White House that puts us here now at this time unable to go forward with any more than a barebones continuation for those who are on the program.

Mr. CAMPBELL. Mr. Speaker, I thank the gentleman. I have enjoyed working with him. I will say again, the other body has passed this exact legislation in a bipartisan effort, an effort was put forth for reform, I understand, in that body in committee and was voted down overwhelmingly, recognizing that this was as much as was possible.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL. Certainly, I would be happy to yield.

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman for complimenting the gentleman from Ohio. Those of us from his home State know that one of his passions in this Congress is the unemployed and it was very, very refreshing to hear the gentleman from South Carolina compliment the gentleman from Ohio. He deserves that praise and I just wanted to extend my gratitude.

Mr. CAMPBELL. Well, Mr. Speaker, I thank the gentlewoman.

I would say that the gentlewoman from Ohio is one of the hardest working Members of the committee. We may from time to time have differences of opinion, but never have we lacked the effort to try to work them out.

Mr. Speaker, I reserve the balance of my time.

□ 1800

Mr. ROSTENKOWSKI. I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I represent a district that has lost 55,000 steel jobs. The highest unemployment rate for the density of population in the country is in my district.

What I see here is a position where sooner or later we are going to have to take the President to task here in Congress because if there is going to have to be a fight, let that fight come, because there is very little job training moneys. And this administration wants to eliminate the Job Corps.

Ohio certainly is not experiencing this great economic uplift.

I think this is a band-aid piece that we kowtow to the President, and I am forced to vote for it and do not like voting for it. I think that the efforts of the gentleman from Ohio Mr. PEASE, should have gotten more consideration. And I think that this Congress is going to have to deal with the structurally unemployed, because we are reaching the poverty levels of the 1960's. I think everybody is familiar with the social dynamics that occurred in this country at that time, and not everybody is eating a piece of pie.

So I think we have to consider that and not be put into the position of being afraid to tackle the President or fight this President. Maybe it is time we tell him to get his best hold on

these issues and bring it to the floor, rather than to sit back very passively.

So I really appreciate what my colleague from Ohio has brought forth and his attempts were great attempts, and I was proud to cosponsor those attempts.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the chairman.

I thought last Friday I might go to the unemployment lines in Michigan and see who is on FSC. I met a gentleman 64 years old, an engineer. His response was, "No one," he has been looking for work, "will provide work because of my age. Unemployment," he said, "is my only source of wage replacement."

And then I met a gentleman who is 42 years old. He has a medical problem, but he is not entitled to workmen's compensation. Here is what he said:

> I don't know what I am going to do when my unemployment runs out. I have been told that I am too qualified for training under JTPA because I have too many skills.

We need reform, but we do not need retreat. And I respect very much the chairman of the committee and his efforts to try to probe how far we can go. It may be that this is the best that the President will buy.

But I think we have to understand who these workers are and we have to understand what training is available and what is not. And we have to understand whether the administration is talking out of both sides of its mouth, which it is, when on the one hand it says no extension, go to training, but then cuts training programs by tens of millions of dollars.

For many workers, I am afraid, this extension, especially those who are not yet on FSC, will not help at all. It is going to be a lame excuse.

I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. I want to thank the gentleman from Illinois and commend him and the gentleman from Tennessee for their fine efforts in this legislation.

But I would also like to call to the attention of the Chamber the fact that has been stated and restated during the course of this debate, that what we are doing today is a compassionate thing, but it frankly is not addressing the major problem facing this country.

The Department of Labor, the Bureau of Labor Statistics did a survey of the American workers who had lost their jobs between the years 1979–83, and only took those workers who had previously worked for 3 years before they lost their jobs, the classic dislocated workers. They found 5 million of them over the last 4 years; 60 percent of those 5 million have been reemployed. The other 40 percent have not. Many have dropped out of the work force, many are sitting there still looking for jobs.

What we are doing today is providing food, but we are not providing hope. My colleague from New York, Congressman BOEHLERT, has talked about legislation, which I have cosponsored with him on individual training accounts, which tries to address this problem.

But I would like to call the attention of the Chamber to one statistic to keep in mind if you want to measure our effort in training and retraining people. At the height of the success of the GI bill in 1947 our country was spending 1 percent of our gross national product in retraining and educating our returning veterans, about $4 billion. Today, if we spent 1 percent of our gross national product on training and retraining workers we would have to spend in today's dollars $30 billion to match the level of the GI bill in 1947.

How much are we spending in total? It is $4 billion to $5 billion. We are still stuck at the same figure, while the problem increases.

I would hope that we will go beyond this compassionate move today to speak to hope, to speak to the future, to speak to restoring training and education programs, to put people back to work.

I yield back the balance of my time.

Mr. CAMPBELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

I realize what we have here is a difficult decision. It was a difficult decision in the Ways and Means Committee. It is difficult because, whenever you let a temporary unemployment compensation program come to an end, you know there will still be unemployed workers who could benefit from another extension.

I think, however, that we have to understand that there have been clear signals from the White House and from the other body that they would not entertain legislation that extended the program beyond the phase-out contained in the committee bill before you today. So we had to make a tough decision. We made a decision to at least provide that benefits would continue for those presently on the FSC Program. In other words, we have provided for an orderly phase-out of the program.

We should look at other programs for the long-term unemployed. But, the decision we face today is do we provide an orderly phase-out, which will help thousands of workers; or, do we go for another extension that, we know, will never become law?

The choices we faced today were whether to help a few or to help no one. The committee decided to extend help to the few still collecting FSC. I fully expected that, in the near future, the committee will consider pending proposals that will improve our unemployment compensation programs.

I have no further requests for time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 1866.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

● Mr. FEIGHAN. Mr. Speaker, half a loaf, they say, is better than none. Reluctantly following this logic, I and many of my colleagues voted for the bill passed by the House today to extend the life of the Federal Supplemental Compensation [FSC] Program for a week and to guarantee full benefits to those already participating in the program.

I had hoped that the Ways and Means Committee would have the courage to pass a 3-month, or at worst a 30-day, extension of FSC benefits. Working under the shadow of President Reagan's threatened veto of such an extension, and fearful of opposition in the Senate, the committee instead chose the path of least resistance.

Last week, the House was willing to spend $1.5 billion for 21 unneeded missiles. Yet today the Ways and Means Committee could not bring itself to report a 3-month extension of unemployment compensation that would have carried a price tag of $260 million.

Congress established the FSC program in 1982 in response to the high employment caused by the recession and in response to the slashing of the Extended Benefits [EB] program carried out as part of the 1981 Reagan tax cuts. With a national unemployment rate still standing at 7.4 percent, the need for the FSC Program persists. Despite the President's uncanny ability to portray the current employment situation in a positive light, the fact remains that the unemployment rate today is at least as high as when he took office. More than 10 million people remain out of work. Nine States and at least 21 metroplitan regions still have unemployment rates in excess of 10 percent.

In my home State of Ohio, the unemployment rate stands at close to 9 percent. Many of the workers who make up these statistics will not be able to go back to work with the next

upward swing of the business cycle. They are dislocated workers whose plants and industries have shut down or relocated. Except for California, Ohio has the highest percentage of long-term unemployed in the country.

For those already receiving FSC benefits, today's bill offers a few additional weeks of relief. For those who would have become eligible for the FSC program after April 6, the bill offers nothing. I can only hope that the committee and the House will now take action on my colleague, Mr. Pease's bill to revive the FSC Program in a modified form, with benefits targeted more precisely to high unemployment States and regions.

Whoever said half a loaf is better than none, Mr. Speaker, probably wasn't on the receiving end.●

● Mr. FORD of Michigan. Mr. Speaker, I rise in reluctant support of this legislation which phases out the Federal Supplemental Compensation [FSC] Program. I am disappointed that the Committee on Ways and Means failed to approve an extension of this program in the face of bitter opposition from the White House.

During his press conference last week, the President stated in response to a question on FSC that the proper place for unemployed workers was in programs of the Job Training Partnership Act [JTPA]. What the President neglected to mention is that his fiscal year 1986 budget proposed cuts of 55 percent from the fiscal year 1985 level for title III of the JTPA, which provides employment and training assistance for dislocated workers. Apparently, in the President's vision of the American economy, there are no dislocated workers and other long-term unemployed. In Michigan, this is simply not the case.

Although this legislation will enable 17,000 unemployed workers in Michigan who are currently receiving FSC to continue to receive such much needed assistance, no newly eligible unemployed workers will be able to receive FSC. Clearly, this will place additional burdens on already strained State and local services.●

● Mr. WEISS. Mr. Speaker, I will vote in favor of the proposed extension of Federal Supplemental Compensation [FSC] Program, but only with grave reservations.

I believe that what we are accomplishing today amounts to nothing more than a token effort on behalf of hundreds of thousands of unemployed workers across our Nation. First the victims of an ill-advised economic policy that threw millions out of work, and now the victims of a heartless budget policy that threatens to eliminate training programs and to cut off their unemployment benefits, these workers deserve far more from the country to which they have contributed throughout their lives.

The truth is that elimination of the FSC program might be conceivable if, as the Reagan administration claims, the benefits of the economic recovery were extending to everyone in the Nation. But the hard facts demonstrate that this is far from the case. The official figures, which only gloss over the extent of the unemployment problem, show that 8.9 million workers remained unemployed in February. If we add to that number the millions of Americans who are involuntarily working parttime, and the millions who are discouraged and have given up looking for work, the actual unemployment level rises to more than 15 million.

Thus, it is clear that unemployment continues at epidemic levels, sapping our economic strength and devastating the lives of individual Americans who desperately want to contribute their work to our Nation. To these millions of Americans, economic recovery has meant nothing more than economic tragedy. And the failure of the President and the Congress to adequately meet the need of this embattled population is nothing short of a disgrace.

The FSC Program expired on March 31, and if no extension is approved, final benefits will be paid on April 6. This means that Federal unemployment benefits will be eliminated for most Americans on that date. The permanent program of extended benefits [EB], which was gutted in 1981, now serves only two States. The overly stringent standards for participation preclude States like Michigan, Mississippi, and Indiana, with unemployment rates in excess of 10 percent, from participating. The elimination of the FSC, a stopgap program enacted in 1982 to serve the victims of the recession, will throw 325,000 current recipients off the rolls.

Last week, the House Ways and Means Subcommittee on Public Assistance and Unemployment Compensation approved a measure providing for a 3-month extension of the FSC. While benefits would have been limited for those who entered the program after April 6, new beneficiaries would have continued to be accepted into the program. However, the full committee has backed away from this very limited commitment. The bill they have reported will do nothing more than allow current recipients to exhaust the benefits to which they would have been entitled had the program not expired. This means that the entire FSC will be phased out in the coming weeks.

I will vote for this bill because it is better than nothing. But there is little else I can say in its favor. It must be apparent, to all who have taken the time to think about the toll of continued epidemic joblessness in this country, that we urgently need to mount a comprehensive attack on this problem that goes far beyond anything we are now doing. We need to approve emergency aid for the long-term unemployed that does not arbitrarily exclude those who exhaust their State benefits after April 6. We need to reform the permanent Extended Benefits Program to keep in place a reliable system of ongoing aid to areas with problematic unemployment. And we need to seriously address the problem of underfunding for crucial job training programs that will help workers establish themselves in paying jobs.

I believe it is a grievous error to allow the threat of a Presidential veto to force us to respond to the serious crisis of long-term unemployment with little more than tokenism. This bill certainly does not do justice to the working people of this Nation, who have been forced to swallow bitter pill after bitter pill by an administration that seems intent on ignoring the reality of the crisis they have engendered.

I greatly hope that increased attention will be paid to the issue of unemployment in the coming weeks of this legislative session, and I strongly urge my colleagues to support additional aid for this disenfranchised group, which they both need and deserve.●

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REPEALING CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS ADDED BY TAX REFORM ACT OF 1984

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1869) to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

The Clerk read as follows:

H.R. 1869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS, ETC.

(a) CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS.—Subsection (d) of section 274 of the Internal Revenue Code of 1954 (relating to substantiation required) is amended by striking out "contemporaneous", and the Internal Revenue Code of 1954 shall be applied and administered as if such word had not been added to such subsection (d).

(b) PROVISIONS RELATING TO RETURN PREPARERS AND NEGLIGENCE PENALTY.—Paragraphs (2) and (3) of section 179(b) of the Tax Reform Act of 1984 are hereby re-

pealed, and the Internal Revenue Code of 1954 shall be applied and administered as if such paragraphs (and the amendments made by such paragraphs) had not been enacted.

(c) REPEAL OF REGULATIONS.—Regulations issued before the date of the enactment of this Act to carry out the amendments made by section 179(b) of the Tax Reform Act of 1984 shall have no force and effect.

SEC. 2 REVISED SUBSTANTIATION REQUIREMENTS.

(a) REQUIREMENT OF WRITTEN EVIDENCE.—Subsection (d) of section 274 of the Internal Revenue Code of 1954 is amended by striking out "(A) the amount" and inserting in lieu thereof "or sufficient written evidence corroborating the taxpayer's own statement (A) the amount".

(b) SUBSTANTIATION REQUIREMENTS NOT TO APPLY TO CERTAIN VEHICLES WITH LITTLE PERSONAL USE.—

(1) Subsection (d) of section 274 of such Code is amended by adding at the end thereof the following new sentence: "This subsection shall not apply to any qualified nonpersonal use vehicle (as defined in subsection (i))."

(2) Section 274 of such Code is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) QUALIFIED NONPERSONAL USE VEHICLE.—For purposes of subsection (d), the term 'qualified nonpersonal use vehicle means any vehicle which, by reason of its nature, is not likely to be used more than a de minimis amount for personal purposes."

SEC. 3. EXEMPTION FROM REQUIRED INCOME TAX WITHHOLDING FOR CERTAIN FRINGE BENEFITS.

Section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(s) EXEMPTION FROM WITHHOLDING FOR ANY VEHICLE FRINGE BENEFIT.—

"(1) EMPLOYER ELECTION NOT TO WITHHOLD.—The employer may elect not to deduct and withhold any tax under this chapter with respect to any vehicle fringe benefit provided to any employee if such employee is notified (at such time and in such manner as the Secretary shall by regulations prescribe) by the employer that the employer is making such election. The preceding sentence shall not apply to any vehicle fringe benefit unless the amount of such benefit is included by the employer on a statement timely furnished under section 6051.

"(2) EMPLOYER MUST FURNISH W-2.—Any vehicle fringe benefit shall be treated as wages from which amounts are required to be deducted and withheld under this chapter for purposes of section 6051.

"(3) VEHICLE FRINGE BENEFIT.—For purposes of this subsection, the term 'vehicle fringe benefit' means any fringe benefit—

"(A) which constitutes wages (as defined in section 3401), and

"(B) which consists of providing a highway motor vehicle for the use of the employee."

SEC. 4. REDUCTION IN LIMITATIONS ON INVESTMENT TAX CREDIT AND DEPRECIATION FOR LUXURY AUTOMOBILES.

(a) GENERAL RULE.—

(1) INVESTMENT TAX CREDIT.—Paragraph (1) of section 280F(a) of the Internal Revenue Code of 1954 (relating to investment tax credit) is amended by striking out "$1,000" and inserting in lieu thereof "$675".

(2) DEPRECIATION.—Paragraph (2) of section 380F(a) of such Code (relating to depreciation) is amended—

(A) by striking out "$4,000" in subparagraph (A)(i) and inserting in lieu thereof "$3,600", and

(B) by striking out "$6,000" each place it appears in subparagraphs (A)(ii) and (B)(ii) and inserting in lieu thereof "$5,400".

(b) ONE-YEAR DEFERRAL OF INFLATION ADJUSTMENT.—Subparagraph (B) of section 280F(d)(7) of such Code (relating to automobile price inflation adjustment) is amended—

(1) by striking out "October of 1983" and inserting in lieu thereof "October of 1984", and

(2) by striking out "calendar year 1984" and inserting in lieu thereof "any calendar year before 1986".

SEC. 5. NEW REGULATIONS.

Not later than October 1, 1985, the Secretary of the Treasury or his delegate shall prescribe regulations to carry out the provisions of this Act which shall fully reflect such provisions.

SEC. 6. EFFECTIVE DATES.

(a) REPEALS.—The amendment and repeals made by subsections (a) and (b) of section 1 shall take effect as if included in the amendments made by section 179(b) of the Tax Reform Act of 1984.

(b) REVISED SUBSTANTIATION REQUIREMENTS.—

(1) IN GENERAL.—The amendments made by section 2 shall apply to taxable years beginning after December 31, 1985.

(2) RESTORATION OF PRIOR LAW FOR 1985.—For taxable years beginning in 1985, section 274(d) of the Internal Revenue Code of 1954 shall apply as it read before the amendments made by section 179(b)(1) of the Tax Reform Act of 1984.

(c) WITHHOLDING AMENDMENT.—The amendment made by section 3 shall take effect on January 1, 1985.

(d) REDUCTION IN LIMITATIONS ON INVESTMENT TAX CREDIT AND DEPRECIATION.—

(1) Except as provided in paragraph (2), the amendments made by section 4 shall apply to—

(A) property placed in service after April 2, 1985, in taxable years ending after such date, and

(B) property leased after April 2, 1985, in taxable years ending after such date.

(2) The amendments made by section 4 shall not apply to any property—

(A) acquired by the taxpayer pursuant to a binding contract in effect on April 1, 1985, and at all times thereafter, but only if the property is placed in service before August 1, 1985, or

(B) of which the taxpayer is the lessee, but only if the lease is pursuant to a binding contract in effect on April 1, 1985, and at all times thereafter, and only if the taxpayer first uses such property under the lease before August 1, 1985.

The SPEAKER pro tempore. Is a second demanded?

Mr. DUNCAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Committee on Ways and Means today approved legislation to repeal the contemporaneous recordkeeping requirement added last year by the Senate and enacted in the Deficit Reduction Act of 1984. The bill before the House today repeals the requirement that records be contemporaneous and generally reinstates prior law for 1985. In addition, the no-fault negligence and return preparers' penalties are repealed. Moreover, the Treasury regulations on recordkeeping are explicitly invalidated.

Most importantly, however, the committee has determined that it is essential that Congress provide taxpayers with clear guidelines for the kind of records that must be maintained and who has to maintain such records. Therefore, the committee's bill, in conjunction with its committee report, provides rules for taxpayers to determine in the future how to maintain adequate records or sufficient written evidence to corroborate statements supporting business expense deductions. Further, the committee's bill exempts from the recordkeeping requirement certain vehicles which are not used more than a de minimis amount for personal purposes. Examples of such vehicles include forklifts, tractors, school buses, and marked police cars.

In order to assure that these guidelines will be promptly and accurately implemented by IRS, the bill mandates that new regulations fully reflecting these amendments be issued by October 1, 1985. The revised substantiation guidelines are not effective until 1986. The law that applied prior to the 1984 Act will continue to apply through 1985.

The committee's bill also affords employers and employees flexibility in the event that an employee does receive a motor vehicle which is treated as a taxable fringe benefit. An employer need not withhold income tax on a taxable vehicle fringe benefit so long as the amount of the benefit is reported on the employee's W-2. This change is effective for 1985.

Finally, Mr. Speaker, it is unfortunate that these necessary changes to the auto recordkeeping provisions will result in a revenue loss. However, I feel that it is essential that this legislation not contribute to the massive Federal deficit problem that we already confront. For this reason, the Committee on Ways and Means has produced a bill with related revenue offsets. Specifically, the bill further limits the investment tax credit and depreciation deductions for luxury cars, and delays the automobile inflation adjustment for one year. Thus,

the bill is revenue neutral, and does not exacerbate our deficit problems.

Mr. Speaker, I believe this bill represents a reasonable, balanced compromise between the need to distinguish between personal and legitimate business expenses, and the rights of taxpayers to conduct business without undue interference by the Federal Government.

I urge support for H.R. 1869.

REPEAL OF RECORDKEEPING REQUIREMENTS

A. RECORDKEEPING REQUIREMENTS

The Committee on Ways and Means today adopted legislation repealing the "contemporaneous" recordkeeping requirements of the Deficit Reduction Act of 1984. These provisions required individuals to keep contemporaneous records showing the date, mileage and purpose of each trip. The contemporaneous recordkeeping requirement is repealed for all listed property, such as automobiles, airplanes, yachts and computers. In addition, the regulations issued by the Department of the Treasury to carry out the contemporaneous recordkeeping requirements are legislatively repealed.

The legislation also repeals the special negligence penalty for failure to have contemporaneous records and the provision requiring accountants to obtain written confirmation from the taxpayer that records exist.

The substantiation of automobile business deductions requirement is generally returned to prior law, except for the addition of a requirement that there be some written evidence corroborating the taxpayer's own statement and the modification of the types of items subject to those requirements.

Delivery trucks, buses, marked police and fire vehicles, ambulances, hearses, and any vehicles designed to carry cargo with a loaded gross vehicle weight of over 14,000 pounds are excluded from the recordkeeping requirements. In addition, the Secretary of the Treasury shall issue regulations to carry out the provisions of this Act no later than October 1, 1985.

B. WITHHOLDING

Income tax withholding for vehicle fringe benefits woud become optional, allowing the employer to either include the imputed income on an employee's W-2, or withhold on whatever basis the employer finds to be most convenient.

C. REVENUE OFFSET

The legislation is made revenue neutral by reducing the amount of investment tax credit and depreciation for luxury automobiles. These reductions are generally effective on April 2, 1985 In addition, the present law automobile inflation adjustment is deferred until January 1, 1986.

D. EFFECTIVE DATES

The repeal of the contemporaneous recordkeeping requirement, the no-fault negligence penalty and the preparers' penalty is effective as if those provisions had never been enacted. Thus, prior law recordkeeping requirements apply for 1985. The revised substantiation requirements apply to taxable years beginning after December 31, 1985. The withholding provision is effective January 1, 1985.

□ 1810

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. DUNCAN. Mr. Speaker, I am pleased to join Chairman DAN ROSTENKOWSKI in bringing this important piece of legislation to the floor. It addresses many of the controversial aspects of the auto recordkeeping rules that were enacted as part of the Deficit Reduction Act of 1984.

In particular, it would remove the contemporaneous recordkeeping requirement and make the recordkeeping rules more reasonable, yet still consistent with encouraging compliance with these provisions. Importantly, it would retroactively repeal the IRS regulations that have been so controversial while at the same time directing the IRS to issue regulations before October 1, 1985, with respect to the new rules. This will provide time for taxpayers to adjust to the new rules because they will not become effective until January 1, 1986. In the meantime, the pre-1984 act law will apply. Important relief also is given to employers with respect to their withholding obligations for these noncash fringe benefits. While the bill does not specifically address fringe benefits, it does give the Treasury guidance with respect to certain types of vehicles in the fringe benefit area.

I also am joining the chairman in a letter to the Secretary of the Treasury, James Baker, suggesting that Treasury reconsider some of the fringe benefit rules developed in its regulations. To the extent that this reconsideration is not satisfactory, I would expect that Chairman ROSTENKOWSKI would be willing to come back and reconsider legislation in this area.

Last, the changes in recordkeeping do have a projected revenue loss, possibly several hundred million dollars, from 1985 to fiscal 1988. The chairman indicated that he was unwilling to report out this bill unless these changes were made revenue neutral. To achieve this, certain modifications were made to the so-called luxury car provisions. There is certainly some controversy as to the accuracy of these projected revenue losses in view of the inherent difficulty of projecting compliance with our tax laws. Nevertheless, I share the chairman's concern that the Congress not send the wrong message by enacting a revenue loser as its first piece of tax legislation. In view of that, I have reluctantly supported the chairman in the modification of the luxury car provisions to make this provision revenue neutral. I am hopeful that other alternatives to achieve revenue neutrality will be explored before the time of Conference.

I think this is an important piece of legislation for the House to act on expeditiously in view of the amount of confusion that has been created with respect to the recordkeeping provisions and I, therefore, encourage Members to vote in favor of the bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Chairman, I am in full support of the legislation that is before us, and legislation before the committee to repeal the contemporaneous recordkeeping requirements.

Could you describe to me, Mr. Chairman, how the legislation would deal with utility company vehicles, pickup trucks, small vans such as those used for delivery by florists?

Mr. ROSTENKOWSKI. Mr. FORD, utility company cherry pickers and larger trucks, as well as single seat delivery vans would be exempt from any recordkeeping requirements, and would not result in any inclusion in income.

Pickup trucks, like cars, would be treated largely as they were under prior law. The committee report explains in greater detail how these provisions would affect different types of vehicles.

Mr. FORD of Tennessee. Thank you, Mr. Chairman. I would like to thank you for moving so swiftly to bring this legislation to the House floor.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. I thank the chairman for yielding, and I thank the members of the Committee on Ways and Means, specifically the chairman; the ranking member, Mr. DUNCAN; Mr. DAUB of Nebraska, and Mr. ANTHONY of Arkansas.

These and others gave of their time and their attention to the matter at hand. There are many ways to describe this bill; one word comes to mind, and that is victory. It is a victory for those people who drive the trucks, pick the crops, man the small businesses across America.

It is a victory for the little guy, if you would, without running that into the ground. It is a victory for the people who were asked last year to drive with one hand and keep records with the other. It is a victory for people who believe in common sense. It is a victory for people who believe there is more to life in America than the raw numbers. It is a victory for people who have paid taxes all their life, and ask only one thing in return: common sense, a decent shake, a fair chance.

I have been lucky to have been a Member of the House for the last 4½ years, and this is perhaps my luckiest moment; to be part of a move to change an IRS regulation and a congressional act that made no sense.

Now there has been very little criticism of what the committee has tried to do. I will not be part even of that very little criticism. I do not think there is a revenue loss here that needs to be made up, but I agree with the

committee that in terms of deficit considerations, we cannot take a chance.

I want to say to those who have criticized what has been done here by saying that it is somehow a retreat, a lack of courage, a backing down, be careful. You are wrong.

What we have done here is take the nitpicking regulations, overly done, off the back of the average guy and tell those who drive the luxury cars "You pay your fair share, and in return it will be revenue-neutral." Those who are quick to criticize, be careful. Be careful. This bill will pass, this bill will be law because it is right. I thank all of those who added their little common sense to make a good idea a great one.

Mr. VOLKMER. Will the gentleman yield?

Mr. ROEMER. I yield to the gentleman.

Mr. VOLKMER. Mr. Speaker, I appreciate the opportunity to add my commendations to the distinguished chairman of the House Ways and Means Committee and the other members of the committee for bringing this legislation to the floor. It became quickly apparent that this solution to the problem of luxury cars as commuting vehicles produced an effect similar to hitting a gnat with a sledgehammer. Farmers, small businessmen, and ordinary people in my district have written to tell me of the confusion they have suffered in trying to understand this new requirement and how much trouble they have in trying to comply. Repeal of this onerous provision will be a welcome relief to them.

I am also pleased to note that the committee is requesting the IRS to end the problem facing the law enforcement officers in Missouri and other States. Hopefully no longer will they be expected to pay income tax because the Internal Revenue Service believes that they are receiving a benefit when they are required to take their police vehicles home at night. We expect them to be on call 24 hours a day, and I do not think we should make them pay for it.

Mr. ROEMER and Mr. ANTHONY are to be commended for their leadership in this effort, and I am pleased to have worked with them on their legislation in this area.

Mr. ROEMER. I thank you, and I thank all those again on the Ways and Means Committee, those who have written me; my mother, my sisters, my brother—everybody who has helped. Seriously, I thank you very much.

Mr. DUNCAN. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. DAUB], who has spent considerable time in trying to work out something on this legislation.

Mr. DAUB. Thank you very much, Mr. Chairman, and thank you very much to my ranking member, Mr. DUNCAN, for the time.

Let me add my compliments to the chairman of the committee for his help and for his willingness to move this particular piece of legislation in a broader form, swiftly through committee and to the floor. Our committee staff worked diligently and their efforts should be recognized.

The contemporaneous recordkeeping rules enacted last year resulted in an unacceptable administrative burden for taxpayers in terms of documenting their automobile deductions.

Once having created this problem, Congress has an obligation to act responsibly in repealing the contemporaneous records keeping requirement and in solving many of the associated problems.

The bill referred from the Committee on Ways and Means today to us here on the floor for action reflects the bipartisan efforts by Mr. ANTHONY, Mr. ROEMER, and others to develop a responsible solution. Their efforts in this debate and focusing Members' attention on the problem was critical in this process.

The bill also reflects the input of many in my own second congressional district. Trade associations and business groups, and while this undoubtedly is a compromise bill, yet in many respects it is a bill that reflects the participation of agriculture and small business groups in the process as well.

□ 1820

I want to indicate that for the RECORD I have a letter dated today from the National Federation of Independent Business, endorsing the bill and calling upon Congress to recognize this as one of their key small business votes.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, April 2, 1985.

Hon. HAL DAUB,
U.S. House of Representatives,
Washington, DC.

DEAR HAL: NFIB would like to commend you and the Ways and Means Committee for the prompt action taken today to repeal the adequate "contemporaneous" recordkeeping requirements of the Tax Reform Act of 1984, the provision which authorized the IRS "auto log" regulations.

While we support the provisions of the committee bill regarding the recordkeeping requirements, the withholding provisions, and the penalties for non-compliance, we do have some concerns over the revenue numbers put forth by the Joint Committee on Taxation. It is not clear to us that a revenue loss would result from the changes made by the committee bill. We have seen no substantiation for the revenue figures of the Joint Committee and thus question the need for the actions taken to make the bill revenue neutral.

NFIB does, however, support the legislation reported from the Ways and Means Committee and will consider it a key small business vote. We would like to see the bill move quickly into a conference with the Senate where our concern over the revenue figures hopefully can be addressed further.

Again, we appreciate your work on this legislation.

Sincerely,

JOHN J. MOTLEY III,
Director of Federal Legislation.

In addition to that, I want to compliment the National Association of Wholesalers and Distributors for their assistance in helping us to understand the nature of the bill.

The bill and associated committee language offers many important improvements for taxpayers, and let me enumerate some of them very briefly. Of course, we understand the repeal of the contemporaneous records keeping requirement. We next should note that no records keeping for special-use trucks and vehicles, including marked police and fire vehicles, will be required, that there is a repeal of the taxpayers' presumed negligence penalty and a repeal of the tax preparers' negligence penalty.

Elective withholding is an important feature that should be noted by Members, which provides the widest possible latitude for employers and employees for pay period, quarterly, biannual, annual or annual FICA only withholding. Indeed, with respect to the revenue provision of the bill, my preferences may be otherwise but the concept of being sure that this bill is in fact, in the chairman's words, "revenue neutral" is a goal that I do believe that we have met.

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. DAUB. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I would first like to congratulate the gentleman and commend him for his fine work, along with the others who worked so hard on this legislation.

I would like to ask the gentleman a question. Is it true that this legislation now corrects the charge that was going to be levied against policemen and those who took marked vehicles home and were on duty all of the time or on call? Does this now eliminate that charge that was going to levied against them?

Mr. DAUB. The gentleman is precisely correct.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the chairman for yielding this time.

Mr. Speaker, I thought it might be useful to just give a background of how we have arrived at this position. There has not been a minute or an hour or a day's deliberation ever in the Ways and Means Committee of whether we as Members of Congress should ask those folks who drive pickup trucks out in the country or who drive automobiles for business purposes, keep log books and keep notations in those log books for every

trip they make. That has never been a part of a hearing or any kind.

Here is what happened: Committee members on the Ways and Means Committee felt that we ought to restrict the amount of deduction for business expense of an automobile. We had some folks out buying Rolls Royces and Jaguars, $100,000 automobiles, and writing them off as business expenses. In the 40-, 50-percent bracket, that means the American taxpayer is paying half the bill for those luxury automobiles.

A good idea was offered to the committee, and the idea was: let's limit the amount of writeoff. You do not need to drive a Rolls Royce and charge it off to the taxpayer on your income tax return. So we decided, yes, that would be a good idea. We passed it in the Ways and Means Committee. Of course, the other body had a similar idea, but they came up with a different approach. In the conference committee, most of the other body's approach was adopted. And then the Internal Revenue Service got hold of it, and in their own inimitable way they created their own interpretation of it, which came up with contemporaneous records, including the requirement that when you get in the pickup truck to go out and round up some cattle late in the afternoon, you are supposed to take your pencil and note pad out and make a record of that trip, and every other single trip you make in that pickup truck.

Now, the American people have a way of telling the U.S. Congress that when we do something that is not very smart we ought to back off. We got thousands and thousands of letters here in Congress from the American people saying, "Look, this is dumb, we do not accept this, we ask you to back up."

So what we have done now in the Ways and Means Committee is to back up. It is not retreating from a position that is logical and understandable and correct. It is going back to a position that is the right position in the first place. This process of developing regulations down at the IRS and the machinations between us and the other body resulted in something that we just cannot defend.

The result now is we are repealing the contemporaneous record requirement. We do not want to turn people into bookkeepers every time they get into the pickup or the car that they use for business purposes.

The question we have to ask ourselves is: What is reasonable? Should we require enormous burdens of the many in order to catch the few who cheat? The answer is no. We should instead develop devices to catch those few who cheat on their tax returns. It is not reasonable to require this log book requirement that has come out of the Internal Revenue Service regulations, and that is why today in the Ways and Means Committee we did the right thing. We backed off to a position that requires sufficient records to document the writeoff of an automobile or a vehicle for business expense, but we will no longer require those who want to drive pickup trucks and those who are required to drive vehicles in pursuit of their business to be bookkeepers in order to do that. This is a good step and I urge its passage.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. I thank the gentleman for yielding time to me.

Mr. Speaker, I want to commend the chairman of the Ways and Means Committee, the gentleman from Tennessee, and the other Members for bringing this bill to the floor today.

Mr. Speaker, I rise in support of the Ways and Means Committee bill before us. I congratulate the committee for repealing the contemporaneous recordkeeping requirements of last year's tax bill. Clearly the committee realized the depth of the Member's concerns when H.R. 600, which I was proud to cointroduce with Representative ROEMER, and other legislations passed the magic 218 number in cosponsors last week.

The committee appropriately recognized that the less time taxpayers have to spend on filling out burdensome tax forms the more time they have to earn money and generate new revenues to the Treasury. In repealing contemporaneous recordkeeping, and substituting a limited requirement that adequate written records be kept, we may realize more revenue and do it without as much pain as we've heard about over the past 3 months.

I have a few concerns about this bill, however, and they relate to how much revenue repealing this requirement is likely to cost the Treasury. There is a revenue trade-off in the bill which would ratchet the investment tax credit [ITC] limit down from its present level. While I would not have supported that provision individually, it may indeed be that this trade-off is unnecessary. The conferees on the House and Senate versions of this legislation will hopefully reexamine the revenue figures which served as the basis for engineering this trade.

With that exception, Mr. Speaker, I support this legislation. It not only repeals contemporaneous recordkeeping and indeed, bars that word from the Internal Revenue Service's lexicon when it goes to rewrite its regulations.

Above that, the legislation also directs the IRS to exempt via regulation cars used in public service from the imputed income provisions of last year's tax bill as well.

Mr. Speaker, I support this legislation almost without reservation. I trust that the coming conference between the two bodies will clear away those reservations.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Arkasnsas [Mr. ANTHONY].

Mr. ANTHONY. Mr. Speaker, I want to thank the chairman of the Committee on Ways and Means for his willingness to work with the Members of Congress who were very interested in trying to repeal the contemporaneous recordkeeping and also my two colleagues that I worked with last week in trying to draw up some language and make some sense out of chaos, the gentleman from Nebraska [Mr. DAUB] and the gentleman from Louisiana [Mr. ROEMER].

There are a couple of areas in here that I think are very important and would be easy for Members to overlook, but I think it is something that you can go home and brag about after this piece of legislation passes. One thing that we will do by this piece of legislation is allow more flexibility on withholding on the taxable use of automobiles. By the law in 1984 we required employers to start withholding. July 1 would be the date by which they would have to start doing that. Hopefully, by having this provision inserted in the repeal bill, we will stop future onslaught of mail coming into our office asking for some relief. What we do is give the election to withhold the income and employment taxes on a semiannual or annual basis as well as on a quarterly or pay period basis. And, more particularly, and the thing that I think is very important for Members to remember, is the election not to withhold income taxes if the employer so notified the employee and includes the amount on the employee's W-2 form. I think that really does streamline it for the employer. It gives small, medium size and large employers maximum flexibility in overcoming what could be a tremendous problem for them.

Another area that I am also pleased that we were able to address, if you happen to be policeman, if you happen to be on the fire department or if you happen to be in the medical health area of ambulances, by this legislation and the legislative history we are saying to the Service to take a look at these specific areas and to give them some relief. I think these are two very real reasons to support this legislation.

□ 1830

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. I thank the gentleman for yielding me this time.

Mr. Speaker, on behalf of salespeople, farmers, public officials, construction workers, any and all Americans who use vehicles for legitimate busi-

ness purposes, and therefore take legitimate business expense deductions, I can only say: Thank you, thank you, thank you.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. ERDREICH].

Mr. ERDREICH. I thank the gentleman for yielding me this time.

Mr. Speaker, I opposed the so-called Tax Reform Act of 1984, which included this new auto logkeeping regulation—another bureaucratic business bashing measure that must be repealed.

During recent weeks, I have received hundreds of calls and letters from people who use their cars and trucks to earn a living—insurance salesmen, appliance repairmen, small businessmen—all expressing their outrage at this regulation that encourages increased and needless recordkeeping, not productivity and job expansion.

Here are a few to-the-point comments I received:

At a time when America is the high cost producer of goods and services, it seems almost ludicrous that our Government would impose additional non-productive costs on small business.

The amount of time and expense American business will expend on this monster the IRS has created will far outweigh any benefits in tax revenues received.

The hours spent keeping these burdensome records each week are yet another attempt by the Federal Government to discourage the success of small businesses and destroy free enterprise.

I feel the new IRS requirements for recordkeeping on auto use borders on harassment. It cannot possibly return enough revenue to the Government to be worth the time it demands.

This situation as regards company vehicles and recordkeeping is another example of how governments who try to correct problems end up making worse ones.

I sponsored repeal of this rule and am pleased repeal is now moving.

We must minimize regulatory and paperwork burdens to create the kind of climate that will enable businesses in Jefferson County and across the country to increase growth, productivity, and jobs creation. The total repeal of this burdensome auto-logging rule is a positive step in that direction.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. TAYLOR].

Mr. TAYLOR. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to take this opportunity to express my appreciation to the chairman and the members of the Ways and Means Committee for the good sense that they have displayed in the repeal of this unjust regulation that is harassing our people.

As we look at this regulation and some of the things that the IRS does sometimes, I am kind of reminded of the story back home about one time when one of my rural communities needed a new firetruck. They voted a bond issue after about three tries and they got the money and they bought their new firetruck and they were real proud of it.

They had a volunteer fire department; they built a little building with volunteer labor to keep the firetruck in. They shined it religiously every evening. They had some new, white helmets that they also bought for them, and they would sit around the fire house every night and admire their new fire truck hoping that they were going to get a call so they could show off their new firetruck.

Lo and behold, one night the call came in. A lady right down on the end of Fifth Street had called in and her little prize cat had got right up into the top of a tree. They called the firetruck to come and rescue the cat.

They got the firetruck out, the bells rung, the lights flashing, the sirens went off and down the street they went and everybody gathered out on the street to see the firetruck make its maiden run.

They arrived at the scene of the cat; they put the spotlight up in the tree, and there was the little white cat. The fire chief got the ladder down very carefully. He ascended the ladder; he took the little kitten and brought it back down and laid it on the sidewalk. The crowds cheered; they backed the firetruck out. The put the ladder back on it and headed back up the street with the bells ringing and the lights flashing and the sirens howling. Everybody was so happy, and they looked down and darned if they had not run over the cat.

Now, you know, sometimes in our quest to solve the problems of this country, we have things happen like happened with this recordkeeping, but thank heavens, we have still got a country where the people of this Nation can be heard through this House of the people, and I commend the Committee on Ways and Means for bringing this legislation before this body.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding me this time.

Mr. Speaker, let me say that what we are doing here is absolutely the right thing, but procedurally, we are doing it the wrong way. This idea that we pass bills in committee in the morning, and then bring them to the floor in the afternoon, leaves some of us a little cold because I hope that the committee well understands what is in this particular bill and what is in the committee to report. None of the Members here on the floor have had very much of a chance to be familiar with it.

This package was delivered onto the floor just a few minutes ago; we have had no chance to study it, and I have understood now through the grapevine that there are a number of groups that represent major constituencies in the country that have some problems with some provisions in the bill. I understand one of the small business groups, for instance, has some problems with parts of the bill.

The point is, I do not know, really, what all of the problems may be, but the fact is that we have very little time to do any deliberation on this here on the House floor, and we are being asked to pass it up or down.

I certainly hope that this is not going to be a pattern of the way we do legislative business. We have heard many complaints here on the floor from the majority side in recent days about the fact that the minority brought a bill onto the floor without any notification. We have exactly the same situation here. We have got a bill that came out on the floor without notification.

It is for a noteworthy purpose; I would commend to the Members that we ought to pass the legislation, but this really is no way to be legislating. We really ought to have the rules of the House obeyed.

Just one example: We have in the committee report here, the loss to the Congressional Budget Office estimates because as the report itself says, "Because of time constraints, it is not feasible to present a letter from the Director of the Congressional Budget Office before the bill is filed." We could not even get the budget estimates because we did it too fast.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. I thank the gentleman for yielding me this time.

Mr. Speaker, I stand in strong support of H.R. 1869, the contemporaneous recordkeeping repeal bill. This has to be a good example of bad law by Congress and lousy regulation by regulators. Thank goodness the American taxpayer rose up and said, "Enough Congress, enough," and we were willing to respond.

Mr. ROSTENKOWKI. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this legislation, and I commend the chairman of the Ways and Means Committee, Mr. ROEMER, and the other cosponsors of the legislation to repeal the contemporaneous recordkeeping requirements.

I believe this is a good day for farmers, for small businessmen, and even some church pastors back in my district who have contacted me regarding this legislation. I believe this bill is a major step toward restoring some

common sense in the Federal Government.

Regulations should work for people; not against them. This is one of the few pieces of legislation that has resulted in a tremendous concern and outpouring of letters and statements from constituents throughout my district in Oklahoma. I even received, for the first time, letters and calls from relatives.

This regulation originally touched nearly every businessman, small farmer and individual throughout our States. This is a good day, and I urge the adoption of this legislation and the repeal of these regulations.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to add my compliments to the chairman and to the ranking member for bringing this to us in, I might say, an expeditious manner. I would rather have seen it go through the rules process; however, I think that the urgency of the situation certainly dictates the necessity to bring it up even under the suspension of the rules.

I would also like to compliment the gentleman from Louisiana [Mr. ROEMER] for bringing this matter to the House and also I would like to thank him for allowing me to be a cosponsor of this important piece of legislation.

One of the hardest things to do in life, and certainly in politics, is to get up and admit you are wrong. By this action, however, the House is looking at what it had passed once before and the resulting regulation, and saying there has got to be a better way. It is giving us an opportunity to legislate common sense and reasonable regulations.

This is exactly what this bill does. It puts common sense back in the tax law and I am looking for a unanimous vote on this important piece of legislation.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this bill and I want to thank the chairman of the committee, the gentleman from Illinois [Mr. ROSTENKOWSKI], as well as the gentleman from North Dakota [Mr. DORGAN], and the gentleman from Arkansas [Mr. ANTHONY] for working with me on an issue unrelated to the contemporaneous records issue on cars. That other issue is the tax status of flights on business aircraft provided as a fringe benefit. It does not deal specifically with the auto logging question, but it is related in that it deals with how the Tax Code is going to treat transportation.

The regulations developed by the Treasury Department to value, for tax purposes, purely personal travel on business aircraft and hitch-hiking for personal purposes on an empty seat basis on business flights are totally out of line. The discussion in the Ways and Means Committee on this topic this morning was most heartening because it showed that the committee shares my concerns that what has been set forth in the Treasury regulations is simply unreasonable. I also trust the IRS will heed the guidance of the committee's discussion this morning and move ahead with revisions in their regulations. I would suggest that an appropriate valuation scheme for the purely personal use of these aircraft, not in conjunction with any business trip, would be along the following lines:

First, valuation at one-half coach fare for flights on aircraft weighing 6,000 pounds and under;

Second, valuation at coach fare for flights on aircraft weighing more than 6,000 but up to 10,000 pounds; and

Third, valuation at first class fare for flights on aircraft weighing over 10,000 pounds.

I would stress that the coach and first class fares I am discussing would not be those in the marketplace today, but instead would be standards developed by the IRS in consultation with the Department of Transportation to assure that the fares do not treat unfairly less densely used routes. Furthermore, the valuation for owner-flown aircraft would, most appropriately, be the total cost of operation for the particular flight should the operator care to use that lower valuation.

The impact of the IRS regulations on the general aviation industry in this country has been most severe at a time when the industry is in its worst shape since the early 1950's. Relief is urgently needed, and I am encouraged that the Ways and Means Committee has shown a willingness to help get these ludicrous regulations reworked.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am delighted that this legislation is finally before us. I introduced legislation, 541, to address this problem because I am sure that every Member of this body has received letters from back home from the constituents who were very irate about this legislation, and rightfully so. So I compliment the Members of this body who worked to repeal the regulations. I compliment the members of the Committee on Ways and Means for bringing this legislation before us.

I think this also should send a strong signal not only to the people in this body but to the people throughout the country, throughout this land, that this Government does work. All too often all of us have heard that people back home are saying that this Government does not react fast enough; it takes too long to get anything done.

Well, when the people speak, this Government listens, and this is precisely another example. When we had the 10-percent withholding on interest and dividends, the people spoke and very shortly this Congress acted, and this is another case in point, that this Congress does act when the people speak.

Mr. DUNCAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. LUKEN].

Mr. LUKEN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to speak in support of this bill, and to commend the gentleman from Illinois for the alacrity with which the committee responded.

I am most pleased that the House of Representatives has responded so quickly to the outcry from taxpayers across the country to the outrageous contemporaneous recordkeeping requirements that have so upset citizens across the country. This provision of the Deficit Reduction Act, and the overbroad regulations it spawned, have generated more heat—and some light—than any issue of recent vintage, including the ill-fated proposal to withhold taxes on interest and dividend income.

The Internal Revenue Service is not totally blind to the uproar that has been heard over the issue, and has made an attempt to mollify the rule's most vocal opponents by selectively exempting groups from its application. Predictably, this effort has failed because by its very nature it was inequitable, and left out many people who should not be burdened with recordkeeping including those who drive emergency vehicles home.

The Subcommittee on Tax, Access to Equity Capital and Business Opportunities, which I chair, held the first congressional hearing on the subject in early February, and heard from multiple segments of small business about the burdens these regulations would impose on people during the course of their daily business. Several of our witnesses expressed the rage that members of their industries felt after seeing just how burdensome and costly it would be to comply with the law. The original regulations would have cost, according to one witness, over $7 billion. The law went so far as to require police and firemen to pay taxes on income imputed from the

value they receive for commuting in their vehicles.

Clearly, Congress has now recognized that this is not the type of simplification of taxes that the public is seeking, and we have acted to undo the damage that was done under the Deficit Reduction Act.

I would hope that the lesson that we learned from this experience is to carefully examine suggestions that come to us to improve tax compliance, and not add last-minute provisions to the law, the impact of which we can only guess. It is not worth putting burdens on honest taxpayers in order to get compliance from a few scofflaws who would ignore the new regulations anyway.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in strong support of this piece of legislation.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Georgia. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Speaker, I just want the body to know that when we first introduced H.R. 600, which was the genesis of this idea, it was the gentleman from Georgia, Dr. ROWLAND, who was first in line to help. I thank the gentleman for all of his assistance.

Mr. ROWLAND of Georgia. I thank the gentleman for those remarks, and I am very pleased to see this legislation that had been enacted repealed now. The contemporaneous recordkeeping for the most part will be put back the way it was and removed a heavy burden from many people in this country.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it was raised in an earlier colloquy on the floor that the Congressional Budget Office letter with its revenue estimates was not available. I would like to read into the RECORD the Congressional Budget Office letter received by the committee which answers the question raised by the gentleman from Pennsylvania [Mr. WALKER].

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has examined a bill as ordered reported by the Committee on Ways and Means on April 2, 1985, which would make changes to certain provisions enacted in the Deficit Reduction Act of 1984 (DEFRA). The bill would repeal the contemporaneous recordkeeping requirement for certain deductions and credits imposed by DEFRA. The bill would also repeal the withholding requirement for the imputed value of personal use of business property. In addition, the bill would alter the limits on the investment tax credit and accelerated depreciation available with respect to automobiles.

The Congressional Budget Office has reviewed and concurs with estimates of the revenue effects of the bill prepared by the staff of the Joint Committee on Taxation. The bill would reduce fiscal year revenues by $67 million in 1985 and $4 million in 1986, and increase revenues by $4 million in 1987, $46 million in 1988, $52 million in 1989, and $57 million in 1990.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes.

Sincerely,

RUDOLPH G. PENNER.

Mr. DUNCAN. Mr. Speaker, I wonder if the gentleman from Illinois would yield 1 minute to me. I yielded back the balance of my time.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] has 1 minute remaining.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield the balance of my time to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. HORTON].

Mr. HORTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this legislation and commend the members of the Ways and Means Committee for working so quickly to repeal these unreasonable recordkeeping requirements. The regulations deriving from section 179(b) place a tremendous paperwork burden on farmers, salesmen, and other small businessmen.

From 1974 to 1977, I chaired the Commission on Federal Paperwork. During that time, the Commission worked diligently to review Federal paperwork requirements and made recommendations to enable the Federal Government to serve the American people more efficiently and effectively. The regulations on adequate contemporaneous records mark a significant departure from the efforts we in Congress made to reduce the paperwork burden on the American taxpayer.

To illustrate the reasons for my support for this legislation, I would like to share with you a portion of my 1977 letter of transmission from the final report of the Paperwork Commission. This passage sheds light on the faulty assumptions which underly the regulations on adequate contemporaneous records.

The theme we heard repeatedly throughout the country is that the vast majority of Americans want to obey the law. Most Americans want to cooperate and participate in furthering Federal programs and national goals. However, these people can be frustrated by a government which, in their view, does not trust them . . .

Many people feel, and the Commission agrees, that a multibillion dollar wall of paperwork has been erected between the government and the people. Countless reporting and recordkeeping requirements and other heavy handed investigation and monitoring schemes have been instituted based on what we view as a faulty premise that people will not obey laws and rules unless they are checked, monitored, and rechecked.

This situation and this assumption must be reversed if we are to restore efficiency within government and confidence in government by the people and if we are to realize the potential for cooperative attainment of our goals as a Nation. Many of the major conclusions and recommendations of the Commission on Federal Paperwork are aimed at this goal.

These words and the philosophy they represent, are as true today as they were in 1977. Citizens, by and large, have no problem maintaining necessary tax records. The regulations deriving from section 179(b) are not necessary, they are patently unfair. I urge my colleagues to support this bill and restore fairness to this section of the Tax Code.

Mr. DUNCAN. Mr. Speaker, I yield 30 seconds to the gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I, too, rise in support of this legislation and also commend the Committee on Ways and Means for their promptness.

(Without objection, Mr. ROSTENKOWSKI was allowed to address the House for 1 minute.)

Mr. ROSTENKOWSKI. Mr. Speaker, I yield to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. I thank the gentleman for yielding.

Mr. Speaker, I wanted to clarify the intent of certain language on page 15 of the committee report, and I will read from that very quickly.

The committee expects that it is appropriate for Treasury to provide in regulations that under certain conditions all use of such vehicles by an employee is excluded as a working condition fringe benefit from the employee's income and wages. If, for example, an employer requires for bona fide business reasons that an employee take such a vehicle to his or her home when the employee is not working and that no personal use is made of the vehicle, then all use of the vehicle could be considered business use, which would be deductible under section 162 and thus excluded from income under section 132(d) as a working condition fringe.

Mr. Chairman, I am just wondering if the intent of this language in the committee report is to exclude the requirement that employers who are currently requiring $3 be included in employees' taxable income, that that requirement be deleted when we are talking about schoolbuses, emergency vehicles, and police vehicles?

Mr. ROSTENKOWSKI. Our intention was to indicate to the Treasury our view of such vehicle use as work-

ing condition fringes as explained in the committee report.

● Mr. GALLO. Mr. Speaker, I am pleased to join with so many of my fellow Members of Congress in supporting Mr. ROSTENKOWSKI's bill, H.R. 1869.

As you all know, this legislation deals with contemporaneous recordkeeping, a requirement of the Deficit Reduction Act of 1985. A well-intentioned provision, but, a provision which simply does not work.

The IRS has indicated that it will amend these regulations, but I think that we, the elected officials of this great Nation, have a responsibility to correct a problem when we see one.

As the regulations now stand, taxpayers are required to maintain comprehensive records which include individual entries for each use of property for which a business property deduction is sought. Each and every entry must be recorded at or near the time that the use is made. It is burdensome.

I'm afraid that some people in Government have forgotten.

It seems that some people in Government sometimes forget that there are real people out there. Taxpayers who have tried to comply with the regulations report that the creation of these records is extremely burdensome.

Americans applaud and understand the purposes of the Deficit Reduction Act. They agree that the tax laws should be applied uniformly and fairly. They do not believe that the act achieves those purposes. Instead, they find the present situation to be nothing more than a full employment act for lawyers and accountants.

I agree with my constituents and my colleagues. I am happy to support this legislation.

Thank you.●

● Mr. FRENZEL. Mr. Speaker, H.R. 1869 represents, like most tax bills, a compromise. It does what our constituents have asked. It repeals the silly, and hated, contemporaneous recordkeeping, and provides a basis for reasonable records. The compromise is that the bill is made revenue neutral to compensate for revenues which may be lost because of less stringent reporting requirements.

The Senate committee has approved a different version, so there will be changes before the final version is determined. Let it suffice for now to say the committee has moved promptly and carefully. Law-abiding, tax-paying citizens will welcome the relief from onerous, and unnecessary bookkeeping.●

Mr. Speaker, one Member has already complained about the irregular procedure which brings this bill to the floor without committee report and without notice. I will make the same complaint about the trade resolution.

But I am compelled to answer my own complaint, and others as well. No committee of this House endures the pressures that this one is subjected to every day. Every Member wants auto recordkeeping straightened out right now. Every Member wants the opportunity to show by vote his or her displeasure with the lack of access to markets in Japan.

The Ways and Means Committee is an unusual committee. Given strong leadership by its chairman, it is at the same time responsive to reasonable requests from Members and careful about yielding to unreasonable ones.

While I complain about procedures, I recognize the collective needs which caused these bills to move forward, and acknowledge that, were I chairman, I would be bringing them to the floor now, too.

Despite my one negative vote, I have nothing but praise for the committee and its leadership. It makes tough decisions on a regular basis that have earned the confidence if not the unvarying support of all the Members.●

● Mr. AUCOIN. Mr. Speaker, I rise in support of H.R. 1869, repealing the contemporaneous recordkeeping requirement for business use of vehicles.

If ever a Government requirement deserved a swift death, this is it. Without exception, Oregonians I work for are appalled at the astronomical waste of time these rules would inflict.

Typical of the reaction from hundreds of large and small companies and self-employed business people in Oregon was that of an electrical supplies salesman from my hometown of Forest Grove.

"Making a living as a salesman is difficult enough," he told me, "without having to perform such nonsensical recordkeeping."

The manager of a small food brokerage company in Milwaukie, OR, told me that he will need the equivalent of one additional part-time person just to keep up with the paperwork required to comply with these rules.

When you multiply out the costs to businesses across the country, the grand total comes to $7 billion. Seven billion dollars' worth of paper shuffling, in order to save the Government approximately $140 million. If there ever were a monumentally bad bargain, this is it. If ever there were a case of Government overkill, this is it. And it's no secret who will end up footing the bill: We all will, as consumers.

Mr. Speaker, I want to commend Mr. ROSTENKOWSKI, the chairman of the Ways and Means Committee, for bringing this legislation to the floor so quickly. The mileage-keeping rule richly deserves to be repealed, and I urge my colleagues to join me in voting to consign it to the waste can.●

● Mr. BROOMFIELD. Mr. Speaker, I am pleased that the House is considering this bill to revise the IRS recordkeeping requirements for those who use their own or company cars in their business, and I fully intend to support its passage.

Many actions by the Government have often angered the public. However, few have created the level of protest that was created by these rules, and rightly so. The burden that they would have imposed was extreme and fully out of proportion to any revenue gain.

The bureaucrats who write regulations implementing the laws must always be aware of the practical effects of their words, and this was certainly not the case with these regulations. What we saw instead was the Government at its most oppressive, intrusive, and unreasonable state.

These recordkeeping requirements deserve to be revised, and I hope the Senate will also act quickly to do so.●

● Mr. MOLLOHAN. Mr. Speaker, I rise today to urge my colleagues to vote in support of H.R. 1869, Chairman ROSTENKOWSKI's legislation to repeal the burdensome contemporaneous recordkeeping requirements adopted as part of the last year's Tax Reform Act.

These rules may have been well intended, Mr. Speaker, but so was the Edsel automobile. It has become evident in the short time since the regulations were written that their effect has been simply to impede the environment for small business to act efficiently and productively. Everyone is in favor of measures to improve taxpayers' compliance with the various provisions of the Tax Code, but it becomes a counterproductive exercise when that improved compliance comes at the expense of greatly increased inconvenience to the vast majority of businessmen who pay their taxes honestly and in good faith.

Mr. Speaker, so many cliches come to mind when one considers these regulations: "burdensome," "redtape," "over-regulation" are adjectives tailor made for these regulations, and, again, I urge my colleagues to vote for their repeal. Thank you.●

● Mr. BRUCE. Mr. Speaker, I rise today in support of H.R. 1869, the House measure to repeal the contemporaneous recordkeeping requirements contained in the Deficit Reduction Act of 1984.

Mr. Speaker when I first arrived in Congress and learned of these regulations I asked my constituents to join with me in pressuring the Internal Revenue Service to modify these regulations and offer reasonable recordkeeping procedures. Unfortunately, the changes made by IRS did not eliminate the inefficiencies in the rules but were at once too complex and too limiting to provide much relief. The only remedy remaining was

to take congressional action repealing these burdensome regulations.

The bill we debate today is a congressional response that will end the confusion and uncertainty created last year. Effective upon its enactment, H.R. 1869 would repeal the contemporaneous recordkeeping requirement and restore the pre-1984 law regarding tax deductions for business use of automobiles and other similar property. A provision to provide written substantiation regarding these deductions would not go into effect until 1986.

Mr. Speaker, the public outcry in protest to these regulations has been unprecedented. In my district alone, I have received hundreds of individual letters from constituents citing examples of the hardship these burdensome regulations would impose. Lost productivity, expensive, unnecessary paperwork, and the loss of vital public safety services provided by voluntary forces are all at stake. Farmers, small businessmen, fire, police, and the clergy are unanimous in their concern that Congress take action. I know that I am not alone and that my other colleagues have experienced similar complaints from the public.

Mr. Speaker, the bill we will vote on today is sensible and the only action to take to stop the confusion which exists across the country on this issue. It should not be the purpose of the tax law to force average citizens to prove their honesty to the IRS everytime they use a standard business deduction. I therefore ask my colleagues to join with me and pass H.R. 1869.●

● Mr. RAY. Mr. Speaker, earlier this evening, the House voted overwhelmingly to approve legislation overturning the IRS regulation which requires contemporaneous recordkeeping of the mileage covered when using an automobile for business purposes. I strongly supported the effort to repeal this burdensome requirement and was a cosponsor of legislation similar to the measure which the House passed this evening.

I believe that we must crack down on those people who are trying to escape paying their fair share of taxes. But, Mr. Speaker, we all are aware that the burden imposed by this IRS regulation has been unbearable for everyone—especially for our farmers and small businessmen. The IRS regulation has essentially punished the majority for the transgressions of the minority, and we should work to see that this kind of foolishness is not allowed to creep into our laws again.

I commend the Ways and Means Committee for its swift action today in bringing to the floor a bill that repeals a regulation that has adversely affected nearly everyone.●

● Mr. COLEMAN of Texas. Mr. Speaker, I rise in support of this legislation and commend the Committee on Ways and Means for moving so swiftly in bringing it to the floor of the House of Representatives.

The legislation would repeal the contemporaneous recordkeeping rules for the use of personal automobiles for business purposes. This would include farm vehicles, vans, and certain types of trucks used in carrying goods. It would also repeal the section of the law which taxes the use of public vehicles by off-duty law enforcement and public safety personnel as a fringe benefit.

These two rules have paralyzed the small businesses, farmers and public safety personnel of this Nation. The recordkeeping rules are a case of government out of control. The web of redtape has entangled many sectors of our economy, and caused an outcry for regulatory relief. This legislation would provide that relief. The bill would repeal the rule and thus return the law to the pre-1985 rules.

This is only fair. The recordkeeping rules were a gross oversight contained in the Deficit Reduction Act of 1984, which has created unnecessary Government intervention. By passing this legislation we will be getting the Government off the backs of the American people.●

● Mr. FORD of Michigan. Mr. Speaker, I rise in support of the legislation repealing the contemporaneous recordkeeping requirements of the Deficit Reduction Act of 1984 (Public Law 98-369). Clearly, this provision of Public Law 98-369 imposed an excessive burden on both businesses and their employees. The Congress never intended to impose a recordkeeping requirement that would force such individuals to keep minutely detailed daily logs of all trips made in connection with their business. It has become apparent that administrative changes by the Internal Revenue Service will prove to be inadequate in relieving businesses of this paperwork burden.

This bill would repeal the recordkeeping requirement for all listed property, including automobiles and computers. The legislation also would repeal the special negligence penalty for failure to have contemporaneous records and the provision requiring accountants to obtain written confirmation from the taxpayer that such records exist. Delivery trucks, buses, marked police and fire vehicles, ambulances, hearses and other vehicles not designed for personal use will be completely exempted from all recordkeeping requirements.

Further, the withholding provisions would be made optional, allowing the employer to either include the imputed income on an employee's W-2, or withhold taxes on such income in any other convenient manner. The only change from prior law is the addition of a requirement that there be some written evidence supporting a taxpayer's claimed deduction. I urge my colleagues to support this effort to provide much-needed relief for small businesses.●

● Mr. SWINDALL. Mr. Speaker, my first knowledge of the recordkeeping requirements came less than 3 days after I was sworn into Congress when I received a phone call from my brother, Kevin, who is back home running the family furniture business. In the course of the conversation, he told me that we had failed to make three deliveries that day, whereupon I asked him why he was bothering me with that fact, since I had run for Congress to help run the country, and that it was his job to run the business. His response was that it was because of the way we were running the country that he had called and that the reason he had failed to make three deliveries that day was because of the contemporaneous recordkeeping provision which Congress had passed. Needless to say, I instantly cosponsored the repeal legislation and it is in support of that repeal that I rise today.

By way of background, in 1984 the U.S. Congress passed an omnibus tax bill which included among many other provisions, a requirement that taxpayers who claim tax deductions for the business use of their automobiles keep strict records. When the IRS drew up the regulations to implement the contemporaneous records language included in the tax bill, records were required to document such inane details as the exact mileage each day traveled for business and the business purpose of each business trip claimed, for example, to make a sales presentation to customer X. A House committee estimated that some 30 million cars where covered by this new requirement. Needless to say, the time required to comply with these regulations was ridiculous, and a tremendous burden for the businessperson whose time could be better spent conducting business.

The story which I just related regarding the drop in productivity in my small furniture business resulting from this ludicrous law illustrates on a microscopic scale what has already occurred on a macroscopic scale with small businesses and farms throughout these United States. To repeal this law is to allow small businesses to continue the type of productivity this Government must encourage rather than discourage.

The cries of protest I heard with regard to this obscure tax proposal, which was buried in the Omnibus Tax Act, have far exceeded those I have witnessed on any other law or bill since I've been here in Congress. In fact, I understand that this car log regulation has the distinction of causing more letters to flow into our congressional post offices than any other single issue in the 99th Congress.

I am pleased to see that the Congress has seen the error of its ways and is moving to correct this abomination by repealing the car log provision, and is considering replacing the car log requirement by restoring generally the previous language which had heretofore existed for many years. In addition, the bill we are considering will reduce the amount of investment tax credit and depreciation allowed for luxury cars, in an effort to make the legislation revenue neutral, or in other words compensate for the lost revenue associated with the repeal. As Members of Congress I think we all realize that it's impossible for us to completely anticipate how a law will actually work once it's enacted. This is a prime example of how a seemingly innocuous proposal can become a nightmare. Fortunately, we are taking the opportunity to say it was the wrong way to approach the problem, and we eliminated the approach.

Taxpayers who use their vehicles for business purposes will still be required to maintain adequate records and have other sufficient evidence, as before, and will further be required to provide the evidence in writing. But, there's a point at which the cost for improved compliance exceeds the tax revenues which result. I think we all agree that only legitimate business expenses should be deductible, but there are better ways to prevent abuse of our tax system.

For all these reasons, Mr. Speaker, I urge repeal of the so-called contemporaneous recordkeeping legislation.●

● Mr. ROTH. Mr. Speaker, I rise in support of this legislation to repeal the contemporaneous recordkeeping requirements of the Deficit Reduction Act of 1984. I commend the members of the Ways and Means Committee for acting so quickly to allow us to repeal this unreasonable burden.

I introduced legislation to address this problem because the sentiments of my constituents echoed loudly the detailed problems caused by this law and the subsequent IRS regulations. These modified proposed regulations require that detailed vehicle logs be kept in order for a farmer or a business person to benefit from the lawful deduction of the expenses incurred by the business use of a car or truck.

Testifying at a hearing before the Ways and Means Committee, I shared these concerns. From over 200 letters per day from my constituents, I have learned that because of these new rules, the average business person would have to spend from 20 minutes to 2 hours per day filling out new forms. This would sap his or her other productivity and result in additional costs which ultimately would be passed on to the consumer.

This new paperwork requirement imposed by section 179(b) of the Deficit Reduction Act of 1984, was an attempt by Congress to restrict tax avoidance that is based upon the deduction of vehicle expenses, when these expenses are not truly related to business use. This well-intended provision simply doesn't work. In order to encourage tax compliance, nearly everyone would have to become bookkeepers for the Government.

We do not want to perpetuate a tax loophole or promote tax evasion. We in this Congress must protect taxpayers from an unreasonable requirement to keep excruciatingly detailed logs of mileage, times, dates, and purpose of travel.

We have heard repeatedly from my constituents that business people and farmers do not mind paying their fair share of taxes. But they do strongly object to unjustifiable Federal requirements for thousands of pages of unneeded paperwork. It is unfair to burden with unnecessary paperwork business people and other taxpayers who routinely use vehicles for tax purposes. It is unfair to turn productive business people into unproductive bookkeepers for the IRS. This country cannot afford these types of senseless regulations.

A repeal of this law would not relieve taxpayers of reasonable recordkeeping responsibilities. Taxpayers would still be required to maintain adequate records or sufficient corroborating evidence to document claimed deductions, just as they did before.

I do not believe that Congress intended to create an unreasonable paperwork burden on those who use vehicles for farming and business purposes. Therefore, we must respond now to relieve taxpayers from this unintended burden. I hope that my colleagues will join me in supporting this measure which will restore some fairness to our Tax Code.●

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 1869.

The question was taken.

Mr. ROSTENKOWSKI. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1850

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill just debated, the extraneous material to include a letter from the Treasury Department.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXPRESSING SENSE OF CONGRESS THAT THE PRESIDENT TAKE ACTION RELATING TO TRADE DEFICIT AND UNFAIR INTERNATIONAL TRADE PRACTICES OF JAPAN

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 107) to express the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to respond to unfair international trade practices of Japan.

The Clerk read as follows:

H. CON. RES. 107

Whereas the global United States merchandise trade deficit reached an unprecedented level of $123,000,000,000 in 1984—representing a tripling of the trade deficit in three years;

Whereas this unprecedented trade deficit is partially the result of the strong dollar, which in turn is related to the large fiscal deficit confronting this country and the large volume of foreign capital needed to finance this deficit;

Whereas concerted action by both the President and the Congress is needed to reduce the fiscal deficit and thereby bring the dollar down to a level which will help restore United States trade competitiveness;

Whereas unless such action is taken, the ability of the United States to resist broad-scale import protection for United States producers will be substantially reduced;

Whereas the United States merchandise balance of trade deficit with Japan reached $37,000,000,000 in 1984—accounting for almost one-third of the entire United States deficit with the world;

Whereas although United States exporters lack equitable and fair access to the Japanese market for manufactured goods, forest products, and key agricultural commodities in which the United States has a comparative advantage, Japanese producers have extensive access to the United States market for products in which Japan has a comparative advantage;

Whereas Congress recognizes that lack of market access to Japan—the world's second largest Free World economy—and the overall imbalance in bilateral trade has the potential of undermining the entire range of bilateral relations between the United States and Japan;

Whereas the problem of market access to Japan—particularly in manufactured goods—is not confined to the United States but is a common problem shared by most of the world's trading nations;

Whereas negotiating with Japan over the years to secure meaningful improvements in market access for competitive United States exports has been largely unsuccessful;

Whereas progress in the current negotiations on access in the telecommunications, forest products, pharmaceuticals and medical equipment sectors is essential if the bilateral trading relationship between the

United States and Japan is to be on an equitable and mutually advantageous basis;

Whereas action by the United States is appropriate—

(1) to enforce United States rights under trade agreements, to which Japan is a party, and

(2) to respond to Japanese acts, policies, and practices which are—

(A) inconsistent with, or deny the United States the benefits of, trade agreements to which Japan is a party; and

(B) are unjustifiable, unreasonable, or discriminatory: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President shall take all appropriate and feasible action to—

(1) develop a concrete plan for reducing the trade deficit by attacking its causes, including the high value of the dollar on exchange markets, in order to assure that United States products can compete on a fairer basis in United States and foreign markets; and

(2) secure the elimination of Japanese acts, policies, and practices which are—

(A) inconsistent with, or deny the United States the benefits of, trade agreements to which Japan is a party; and

(B) are unjustifiable, unreasonable, or discriminatory.

SEC. 2. (a) Within 45 days after the day on which this concurrent resolution is agreed to by the Congress, the President shall determine whether Japan has taken sufficient action to assure the elimination of those Japanese acts, policies, and practices described in paragraph (2) of the first section of this concurrent resolution.

(b) Before the close of the 60th day after the day on which this concurrent resolution is agreed to by the Congress, the President shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the determination made under subsection (a), together with the reasons for that determination. If that determination is negative, the President shall promptly take action to eliminate those acts, policies, and practices described in such paragraph (2) by more aggressive use of existing customs laws and other trade laws governing the importation of merchandise. The action taken by the President under this subsection, which shall be described in the report, shall be sufficient to insure that access to the Japanese market is fair and equitable, as measured by increased sales of competitive products from the U.S. and elsewhere, and verified by affirmation from the U.S. Business Community.

(c) A summary of the report made under subsection (b) shall be published in the Federal Register.

SEC. 3. Any action taken by the President under section (2)(b) may be modified or revoked only if the President determines that the objective described in that section has been achieved. The President shall report to Congress, and publish in the Federal Register, notice of such determination.

The SPEAKER pro tempore. Is a second demanded?

Mr. SCHULZE. Mr. Speaker, I demand a second.

Mr. FRENZEL. Mr. Speaker, I demand a second.

PARLIAMENTARY INQUIRY

Mr. SCHULZE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SCHULZE. Mr. Speaker, my inquiry is whether the gentleman from Minnesota is opposed to the resolution?

The SPEAKER pro tempore. Is the gentleman from Minnesota opposed to the resolution?

Mr. FRENZEL. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The gentleman qualifies.

Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I introduced, with the cosponsorship of several colleagues, a concurrent resolution calling on the President to do two things: First, to take action to reduce the growing U.S. merchandise trade deficit and second, to respond to unfair trade practices of Japan.

The committee considered and approved this legislation just this morning by voice vote and requested that it be placed on the suspension calendar for immediate consideration by the House.

The purpose of this resolution is twofold. First, it draws attention to the need to deal with some of the underlying causes of the global U.S. trade deficit, particularly the massive budget deficit plaguing this country and the strong dollar which results. The size of our trade deficit is alarming because of the erosion it implies for our exporting and import-competing sectors. It is alarming because of the protectionist sentiment which it spawns. But most alarming of all is what it says about our ability to manage the U.S. economy in a sound and responsible way.

By the administration's own estimates, the strong dollar is responsible for about half of the U.S. trade deficit, acting as it does as a subsidy on imports and a tax on exports. If the Congress, with the cooperation and leadership of the administration, could succeed in reducing the budget deficit and thereby reduce the need to import massive amounts of foreign capital to finance the deficit, we would help bring the dollar down to a level which would restore the competitiveness of U.S. exports in world markets. This resolution calls upon the President to take forceful action in addressing this problem. I can assure you that if the President takes the lead on this issue, I will cooperate fully in taking whatever steps may be necessary to reduce the budget deficit.

Second, the resolution also calls upon the President to take action against Japan for its persistent failure to remove its unfair, and deeply ingrained barriers, to imports—particularly of manufactured goods.

I recommend this step with great reluctance and deep reservations. However, I believe this action is necessary and justified because for too long, Japan has been a major beneficiary of free trade while shouldering few of the burdens which that system is meant to impose on all developed countries. Despite the enormous success that Japanese products enjoy in the U.S. market, American producers are unable to penetrate Japanese markets significantly, even in sectors where we are the world's most competitive producers: including telecommunications and certain electronic goods, wood products, and pharmaceuticals and medical equipment.

This is not to say that American producers are unable to win market access across the board in Japan's markets, or that some firms or products are not successful in Japan. But it is bare exaggeration to say that those successes can be counted on two hands. By most objective measures, Japan's market is not truly open to imports of manufactured goods. Not just American goods, but goods from Japan's trading partners in Europe, Southeast Asia, and other parts of the world.

In conclusion, Mr. Speaker, this resolution sends a message both to the administration and to Japan that the House of Representatives wishes the administration to take firm action to deal with the dual problems of the global U.S. trade deficit and the problem of market access in Japan. It expresses the sense of the House in this regard but is not binding on the President. Mr. Speaker, I urge my colleagues to support this resolution.

SUMMARY OF H. CON. RES. 107

To express the Sense of the Congress that the President take action to reduce the U.S. trade deficit and to respond to unfair international trade practices of Japan.

Contains findings with respect to the size of the U.S. merchandise trade deficit, its relationship to the strong dollar and the need for concerted action by both the President and Congress to address these problems; and states that unless such action is taken the ability of the U.S. to resist import protection will be substantially reduced.

Contains findings that the merchandise trade deficit with Japan and the lack of access to Japan for U.S. exporters is a serious problem; that U.S. exporters lack equitable and fair market access for many manufactured goods in which the U.S. has a comparative advantage, while many competitive Japanese products enjoy extensive access to the U.S. market.

Contains findings that negotiations with Japan to improve market access have been largely unsuccessful and that action by the

U.S. is appropriate to enforce U.S. rights under various trade agreements and to respond to Japanese actions which are unjustifiable, unreasonable or discriminatory.

Resolves that it is the Sense of the Congress that the President shall take all appropriate and feasible action to: (1) develop a plan for reducing the trade deficit by attacking its causes, including the high dollar; and (2) secure the elimination of Japanese acts, policies and practices which are inconsistent with or deny the U.S. the benefits of trade agreements and are unjustifiable, unreasonable or discriminatory.

Calls further for a determination by the President within 45 days as to whether Japan has taken sufficient action to assure the elimination of these acts, policies and practices and, if that determination is negative, calls for prompt action to eliminate such acts, policies and practices by more aggressive use of existing customs laws and other trade laws governing the importation of Japanese merchandise.

States that such action shall be sufficient to insure that access to the Japanese market is fair and equitable, as measured by increased sales of competitive products from the U.S. and elsewhere, and verified by affirmation from the U.S. business community.

States that revocation of any action should only be made if the President determines that the objectives of eliminating Japanese import restraints has been achieved.

Calls for reports to Congress as to the President's determinations and actions.

COMMITTEE ON WAYS AND MEANS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 2, 1985.

Hon. JAMES A. BAKER III,
Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: As you will recall, on March 5, 1985, the Committee on Ways and Means conducted an extensive hearing on the temporary and proposed recordkeeping regulations as revised by the Department. Assistant Secretary for Tax Policy, Ron Pearlman, and the Commissioner of Internal Revenue Service (IRS), Roscoe Egger, testified on behalf of the Administration. The Members of the Committee questioned both Witnesses intensively on the application of the regulations to specific situations and on the rationale for certain rules. In addition to the questions on the recordkeeping regulations under Code section 274(d), a number of questions arose relating to the fringe benefit regulations under Code sections 61 and 132, many of which Assistant Secretary Pearlman and Commissioner Egger agreed to reexamine.

To facilitate timely and informative responses to the concerns raised by the Members, I would like to restate the specific areas of concern raised by Members at the hearing:

(1) Valuation of employer-provided vehicles and aircraft

(a) whether the use of SIFL and multiples thereof is the proper valuation for the use of corporate aircraft;

(b) whether the cost of chartering is the proper valuation for the use of corporate aircraft when the trip has no business purpose;

(c) whether different valuation rules should apply to nonluxury cars provided to employees, for instance, a fixed dollar per day for commuting and a cents-per-mile for other personal use;

(d) whether the Annual Lease Value is the proper valuation for use of vans and trucks, including pick-up trucks;

(e) why the special rules for valuing commuting use of autos, trucks, and aircraft are not available to key employees and one-percent shareholders.

(2) Exclusion from income for taxpayers using employer-provided vehicles in certain occupations:

(a) whether the use of fire department, police department or emergency medical vehicles and vehicles used by oil and gas well servicers, electricians, plumbers, and veterinarians to drive between their homes and their places of business should be considered a working condition fringe.

We also ask you to review an issue not raised at the hearing, but of serious concern to a number of our Members relating to the mileage allowance of rural letter carriers. It is our understanding that an agreement on how to treat these allowances between the IRS and the letter carriers was dissolved retroactively, and is causing severe problems among those taxpayers being audited for past years. We think this is patently unfair to these taxpayers, and expect you to give this matter your personal attention immediately.

We would appreciate your personal attention in reviewing these issues, given the need for early guidance to employers for withholding purposes. As you know, several of these regulatory issues are the subject of legislation introduced in Congress. We strongly feel that these problems which derive from regulations should be resolved administratively and not through legislation. However, if these issues are not expeditiously resolved, it is clear that legislation will be forthcoming. Such a result may only create additional problems for all concerned. We look forward to your early response.

Mr. FRENZEL. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I want to commend the Ways and Means Committee and its staff for constructing a resolution much better than that passed last week by the Senate on the issue of United States-Japan trade relations.

This House concurrent resolution does not make Japan a single scapegoat for the underlying problems causing our unprecedented trade deficit. Nor does the resolution depend on the shaky foundation of automobile imports, where, in my judgment, the issue is aggressive competition, and not unfair trade practices.

It identifies the Japan problem for what it is: restricted market access. It does not put all the blame on Japan, but it recognizes the access problem and urges the President to deal with it both promptly and vigorously.

I am aware that most Members can hardly wait to cast an anti-Japan vote. They will vote for this resolution even as they wish it were much stronger. The pressures to have a quick vote were powerful.

However, I am very concerned about the procedure of marking up a resolution and rushing to the floor with it the same day; I am not sure how useful such an exercise is when Members have not had adequate opportunity to examine the issues. Also, the administration has not taken a position on the language and, before doing so, surely would have to give the current 60-day negotiating period, endorsed by Prime Minister Nakasone only a few days ago, time to bear fruit, especially with respect to trade in telecommunications products.

The resolution focuses on our global trade deficit, recognizing one of its prime causes as the strong U.S. dollar against all major currencies, which has resulted in a serious erosion of U.S. price competitiveness abroad.

It restates the obvious: We must get our budget deficit under control if we are to restore our trade position. Now we have a bilateral deficit, not just with Japan, but with all our major trading partners. The resolution correctly points out that our substantial trade deficit is making it difficult to resist broad-scale protectionist measures against any number of importers, including Japan.

The resolution also focuses on the special problems we have had with Japan. It is true that Japan has not provided market access for competitive imports to the same degree as its exporters enjoy in other markets, especially the United States.

Our producers have experienced less than equitable and fair access in certain manufactured goods, telecommunications, forest products, pharmaceuticals, medical equipment, and some agriculture commodities, to name only a few categories. Such access can only be measured by increased sales of competitive products from the United States and elsewhere, as verified by the U.S. business community in terms of new market opportunities in Japan.

This resolution asks the President for a determination within 45 days as to whether Japan is providing adequate market access and is meeting its obligations under trade agreements to eliminate unjustifiable, unreasonable, and discriminatory practices. If the President determines that Japan continues to deny fair access to its markets, this resolution urges the President to take prompt action to eliminate the unfair practices through more aggressive use of existing customs and other trade laws.

Japan, of course, is not the only trading partner with which we have had difficulties. Our huge trade deficit with Canada is larger on a per capita, or GNP, basis than our Japanese deficit. Our trade balance with the European Community has deteriorated much more significantly than with Japan.

In addition, the EC maintains financing and other subsidies that displace U.S. exporters in foreign markets. We must continue to pursue solutions to our trade problems through

both bilateral and multilateral negotiations, and continue to press for a new round of GATT negotiations beginning this fall.

We must be tough on those trading partners which use unfair practices, but we also must continue to negotiate, and to tailor our responses to the specific offenses. If we unleash protectionist actions based on emotional response, we will hurt ourselves and the world trading system. If we are lucky, we might occasionally hurt the individual trading partners which we have targeted.

Mr. Speaker, I know we have problems with Japan. I agree this resolution is a reasonable approach compared with the Senate language. I know Members want to vote on it.

However, I have a strong aversion to bypassing our subcommittee and passing language whose ink is still wet. When both the Prime Minister of Japan and President Reagan have pledged success to new discussions, I believe we should be especially careful. The resolution is not a bad one, but I shall vote against it on procedural grounds.

Mr. Speaker, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. ANTHONY].

Mr. ANTHONY. Mr. Speaker, I rise in support of House Concurrent Resolution 107. I think there are some important things that we need to remember here. This resolution is not directed just at Japan. It is directed at the President as well. The President, through his spokesmen, have acknowledged that at least half the present trade deficit, the largest in the history of the United States, running about $122 billion, is the result of the strong dollar. We can debate over and over what causes the dollar to be too strong, but the dollar, by most estimates, is at least 60 percent overvalued at the present time. We can talk to anybody that is trying to export any type of commodity and they will tell you that the strength of the dollar is killing them.

Here is what is happening. The business people are making a judgment whether or not to produce in the United States. Right now they are in the process of exporting those jobs and future plants are going to go offshore because it is the only way they can compete.

We are in a war. This is only the first shot. After this passes, I think we are going to have to load the gun and put some real bullets in it. We are going to have to start passing some legislation. We are not just pointing the gun at Japan. You have got Taiwan, you have got Korea, and you have got Canada.

Canada alone is responsible for a depression in the wood products industry. You can look through all areas of our trade and you can see that they want this vast market in order to uplift their boat of economic viability, but they are doing it at the threat of the loss of jobs here and long-term economic viability in this country.

Gentlemen, this is just the first salvo in a long battle.

□ 1900

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. I thank the gentleman for yielding.

At this hour, you know, this is an important bill to be debating this late in the day and on such short notice. And I suppose the topic of the House should be whether we want to engage in some Japan babying or bashing or whatever you want to call it. But there is a real problem that exists here and we all should recognize that, and I think we do.

We have had an unprecedented level and deficit of trade balance of over $123 billion, and approximately one-third of that in the past year; $37 billion in 1984 was accounted for with our trade imbalance with Japan. This has been a well known fact and one that just did not happen yesterday and one that we have known about for a long time.

Yet we do not seem to be able to get any progress made in solving this problem. On two occasions within the past 10 days the Japanese have demonstrated their reluctance to treat the American worker and the American farmer with equality.

A little prior to last week the Japanese announced that they were increasing the shipment of their cars by 25 percent to the United States. This week the Japanese Government asked for still more time to complete their technical standards for telecommunication equipment which would allow American manufacturers access to the Japanese market.

The basic question here is is this fair, and I think we all know the answer to that.

The other basic question here is will this resolution do anything about it, and that is where I have problems in supporting it. I do not think that it is strong enough to really send a message to the people that have to receive it.

With reluctance, I am going to support this resolution with reservations for I think we should be doing more in this area than what the committee proposes at this time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Speaker, it is appropriate, I think, that we should be discussing this particular resolution at the same time, in the same evening, as we just passed a bill regarding unemployment compensation. We were wrestling over the problem of some 8 million Americans who are still unemployed even after we have been into a recovery for 2 years.

We have been talking about 2 or 3 million Americans who are structurally unemployed who were previously unemployed for 3 years or longer and have been unable to find jobs.

That unemployment, which is such a vexing problem for us, is directly related to the problem of our huge trade deficit. This is a very appropriate resolution in that it calls attention on the one hand to our overall trade deficit problem and the fact that part of that is of our own making because of our huge Federal fiscal deficits, and the resultant strong dollar which puts our exports at a disadvantage and imports into this country at a distinct advantage.

But the second half of the resolution is equally important because it directs the attention of Americans, as it should, to the particular problems caused by our trade deficit with the Japanese. We had almost a $40 billion trade deficit last year with the Japanese, a $20 billion trade deficit in automobiles alone, and yet we expect to see another $6 or $8 billion in automobiles coming in this year from Japan. We must do something to open up the Japanese markets to our manufacturing industry or we will no longer be a manufacturing nation.

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. CRANE], the distinguished subcommittee ranking member.

Mr. CRANE. Mr. Speaker, there are ingredients of this resolution that I can support wholeheartedly, and especially those that make reference to insisting that the Japanese abide by trading agreements to which they are a party. I think our administration should be employing all of the pressures that can be brought to bear on the Japanese with respect to such commitments they have made.

There is also the ingredient of the resolution that I approve of wholeheartedly which acknowledges our responsibility, at least in part, in contributing to some of our own deficit problems with regard to imports. The truth of the matter is our deficits have contributed to a strong dollar, and the strong dollar has injured virtually every sector of our economy that is in the export market.

That is not the total explanation behind the trade deficit with Japan, but it is certainly a major ingredient of it.

In addition to that, the pent up demand that, at the end of the recession in this country, found expression with more purchasing power, more Americans who had delayed pur-

chases, caused us to purchase more imported goods because we were not producing domestically enough to meet that need.

In addition to that, however, I think we have got to examine our own skirts and make sure that they are absolutely clean before we single out any individual country for indictment. For example, we took testimony before the Trade Subcommittee a couple of weeks ago and in the course of that testimony it came out that we have the highest import duties on trucks of any industrial country in the world. In addition to that, we all had the experience of the avocado growers crawling all over the Ways and Means Committee because of the Israeli free trade bill, and they are not the only ones that have endeavored through the years to enjoy some degree of protection.

I spoke to the bakers this past weekend, and the bakers inform me that it costs them 22 cents a pound for sugar here in the United States, whereas their competitors up in Canada pay only 5 to 6 cents per pound for sugar.

We have done the same thing in a variety of categories. So when one talks comparative advantage, I think one must recognize that we ain't playing entirely by the free market rules either.

In addition to this, there are some figures in the specified categories enumerated in this resolution dealing with such things as pharmaceuticals and telecommunications that require more perspective. In an article in the Wall Street Journal of March 27 by George Gilder, he notes:

> After a four-year surge of high-technology sales to Japan, including an export rise of 48 percent in computers, 38 percent in telecommunications gear, 51 percent in analytical instruments, 41 percent in pharmaceuticals, and 63 percent in electronic parts * * *.

Notwithstanding the soaring value of our dollar, I think we have to recognize that there is progress being made, albeit not as fast as most of us would like to see.

There is one other ingredient to this debate, too, however, when you look at that $37 billion trade imbalance with Japan. I saw figures about 2 years ago that indicated that there is a component of our total trade with Japan that is not calculated in these trade figures. For example, at that time about 21 billion dollars' worth of energy was imported into Japan from American-owned energy companies and yet because it was routed through third countries those dollar figures were not calculated in the trade figures.

In addition to that, at that time in Japan there were Americans doing business to the tune of about $15 billion, whereas the amount of Japanese business in the States at that time amounted to only about $5 billion, another $10 billion differential in our favor.

I think the commitment to insist upon enforcement of trading agreements is something we can all embrace. But I do share the sentiments of my colleague from Minnesota. I think we have proceeded with haste.

The fact of the matter is we did not mark up this particular resolution until past noon today in committee, and it is already here on the floor. I feel it really requires more lengthy study, and for that reason I reluctantly oppose it and would urge my colleagues to do likewise.

I yield back the balance of my time to my distinguished colleague from Minnesota [Mr. FRENZEL].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I rise in support of this resolution and I commend the gentleman for moving it forward.

Mr. Speaker, this resolution, House Concurrent Resolution 107, is not, I would point out, as strong as the resolution passed by the Senate last week or House Concurrent Resolution 106 introduced today by Mr. BROOMFIELD and myself and over 35 other Members. It should be supported nevertheless until stronger measures can be enacted. This resolution tells the President to "develop a concrete plan for reducing the trade deficit by attacking its causes" and to secure the "elimination" of unfair Japanese acts, policies, and practices. I am fearful that this resolution really only tells the President to negotiate some more with the Japanese. It does not call upon the President, as the Senate resolution and our resolution does, to use existing laws, including regulations, to deal forcefully with the Japanese. It is a weak sister to the Senate measure. If it is adopted today, I hope it will be strengthened in conference.

There is no question that the President, the Congress, and this Nation must take decisive action to confront the international trade crisis between the United States and Japan which threatens our economic recovery, our industries, and hundreds of thousands of American jobs. We have talked all too long.

The situation is quite clear. For years, the United States has attempted to practice so-called free trade policies while Japan has played by a different set of rules.

The result is in an overall trade deficit of $123 billion in 1984—a deficit which could very well exceed $170 billion by the end of 1985.

In the case of Japan, the U.S. trade deficit has grown from $10 billion in 1980 to $37 billion in 1984.

The bottom line is that the United States opens its doors wide; Japan opens its doors a mere crack, or not at all.

In the area of telecommunications, the administration has engaged in another round of negotiations with Japan to open their market for U.S. equipment and services. The trade deficit in telecommunications equipment has grown from $516 million in 1979 to $1.9 billion in 1984. The administration began with nine specific goals.

An internal administration evaluation of the negotiations as of March 17, 1985, showed that only two of those nine goals had been achieved.

Last Thursday, the chief U.S. negotiator, Lionel Olmer, told the Energy and Commerce Committee's Subcommittee on Commerce that further progress had not been achieved.

Specifically, Japan has: refused to eliminate prior registration and approval requirements for Type 2 business services; refused to eliminate arbitrary criteria and criteria that have no technical relevance; refused to adopt a regulatory basis for equipment approval focused on possible "harm to the network"—the same as in the United States; refused to put in writing an agreement to have impartial members on a single independent agency that would approve equipment and network services; refused to permit foreign suppliers an opportunity to comment on proposed administrative procedures, standards, and rules of certification; and refused to establish a legitimate appeal process external to the Ministry of Posts and Telecommunications.

In the area of automobiles, the U.S. automotive trade deficit since 1981 has more than doubled—from $11 billion to $27 billion.

The administration threw away a voluntary restraint agreement with Japan in hopes of greater access to Japan's markets for U.S. goods and services. The Japanese have responded with a 25-percent increase in automobile shipments and a continuation of its closed door policy to U.S. exports. Our trade talks with the Japanese, according to Secretary Malcolm Baldrige, have been "disappointing." We reach agreements in principle, but when the specifics are negotiated, any relation to the principle is purely coincidental. Most importantly, while we talk, the trade deficit climbs.

Japan's barriers to other U.S. exports such as pharmaceuticals, medical equipment, wood products, agriculture products, and other goods and services have become intolerable.

Today's newspapers indicate another expression by the President of "confidence" in Prime Minister Nakasone's commitment a few months ago in Los Angeles to "open" Japan's markets. The President says today he is once again "assured" that Mr. Nakasone "is going to continue doing his utmost to

bring about changes." Thus, the President concludes:

So * * * we'll just have to wait and see what he can accomplish.

Mr. President, we have been waiting for years while the Japanese bureaucrats who are not influenced by Mr. Nakasone's assurance eat us alive at the negotiating table.

The time for tabletalk negotiations has ended. The President must tell our Japanese trading partner that this Nation can no longer sit idly by while Japan's unfair and discriminatory trade practices build and expand Japanese industry at the expense of American firms and workers.

We do not advocate trade war. Instead we seek bipartisan support for the President to take affirmative action to avoid a situation where this country could become a $1 trillion net debtor country over the next 5 years while Japan becomes a $500 billion creditor nation.

If we are ever to have free and fair trade between Japan and the United States, Japan must start playing by fair rules. For the sake of American firms and American workers, we must demand it.

This resolution—weak as it is—could help. But it is only a beginning. We must do more now.

Before closing Mr. Speaker, I want to commend my able colleague from Michigan, Mr. BROOMFIELD, for his contributions to the provisions of House Concurrent Resolution 106 which he and I, along with 39 other Members from both sides of the aisle. The support is welcome, as he is an able and effective Member. I particularly commend him for his support for an industry vital to Michigan, the automobile industry and its workers. It is a pleasure to work with him.

Mr. Speaker, I insert at this point several relevant charts and my recent correspondence with the Commerce Department concerning these matters:

January 1982—First trade package announced.

May 1982—Second trade package.

June-November 1982—Several staff level trips to Tokyo to discuss implementation of these measures.

January 1983—Third trade package. First Reagan/Nakasone Summit. Need for market access in Japan noted.

October 1983—Fourth trade package.

November 1983—President Reagan visits Toyko. Launches an intensive effort to address major bilateral trade issues. Vice President Bush coordinates for United States.

January-April 1984—Followup negotiations.

January 1984—NTT Agreement renewed.

April 27, 1984—Fifth trade package. Addresses several key issues.

May 1984—Vice President Bush visits Tokyo. Welcomes package but notes we have a long way to go. "Yen-dollar accord" announced.

January 1985—Reagan/Nakasone Summit in California. The sectoral initiative launched.

January 28-29, 1985—Undersecretarial delegation visits Tokyo to begin sectoral negotiations.

February 1985 to present—Undersecretarial delegation visits to continue negotiations.

THE SECRETARY OF COMMERCE,
Washington, DC.

Hon. JOHN D. DINGELL,
Subcommittee on Oversight and Investigations,
House of Representatives,
Washington, DC

DEAR JOHN: Thank you for your letters regarding the Japanese automobile export restraint.

I have enclosed information which addresses the questions you raise. I understand that the Treasury Department plans to respond directly to you on question 13 regarding the yen/dollar exchange rate and Japan's commodity tax on automobiles.

To supplement our direct responses to your questions, we have enclosed a copy of our analysis of the Japanese auto export restraint.

I hope that the information we are providing will be of use to you and other members of the Subcommittee.

Sincerely,

MAC,
Secretary of Commerce.

Question 1: Please provide a table showing annually in dollars for the period beginning January 1, 1970 to the present the Japanese trade balance with the United States. Also show for each year the worldwide trade balance of the United States.

Answer:

U.S. MERCHANDISE TRADE BALANCE WITH THE WORLD AND JAPAN

[In billions of U.S. dollars]

Year	Total		Japan	
	F.a.s.1	c.i.f.2	F.a.s.1	c.i.f.2
1970	2.3	[3]—0.2	—1.2	(4)
1971	—2.6	[3]—5.3	—3.2	(4)
1972	—7.1	[3]10.4	—4.1	(4)
1973	.5	[3]—3.6	—1.4	(4)
1974	—4.5	—12.8	—1.7	—2.8
1975	9.1	1.8	—1.7	—2.8
1976	—8.3	—17.3	—5.4	—6.8
1977	—29.2	—39.2	—8.0	—9.8
1978	—31.1	—42.4	—11.6	—13.6
1979	—27.6	—40.4	—8.7	—10.6
1980	—24.6	—36.4	—9.9	—12.2
1981	—27.3	—39.7	—15.8	—18.1
1982	—31.8	—42.7	—16.8	—19.0
1983	—57.6	—69.4	—19.3	—21.7
1984	—107.9	—123.3	—33.6	—36.8

1 Exports, f.a.s.; imports, f.a.s./customs values.
2 Exports, f.a.s.; imports, c.i.f.
3 Estimated.
4 Not available.

Question 2: Please identify all major initiatives in the past decade by various Administrations to open Japanese markets to U.S. products and indicate the effect of those initiatives on the U.S. balance of trade.

Answer:

U.S. TRADE INITIATIVES TOWARD JAPAN

The U.S. bilateral pressure on Japan to open its markets reached the current high level of intensity only recently. During the 1975-1979 period most trade complaints or market access concerns were channeled into the MTN negotiations. The average Japanese import duty will be about 3 percent in 1987. An overall effort, pressed by the United States, to avoid any new trade restrictions in the wake of the oil shocks was the OECD Trade Pledge. Japan was an adherent. Also emerging from our multilateral initiatives on government procurement was the 1980 bilateral agreement to open up the purchases of NTT to U.S. goods.

In 1977, the Trade Facilitation Committee (TFC) was created to resolve individual market access complaints brought by U.S. firms. Many of these specific problems were resolved successfully, but with no mandate to address the overall market access problem.

The real bilateral effort to open the Japanese market to U.S. goods, services and investments began in late 1981 when several U.S. cabinet officers visited Japan to press the issue. The chronology from that date follows (see attached summary of Japan's five trade packages):

January 1982. First trade package announced.

May 1982. Second trade package.

June-November 1982. Several staff level trips to Tokyo to discuss implementation of these measures.

January 1983. Third trade package.

January 1983. First Reagan/Nakasone Summit. Need for market access in Japan noted.

October 1983. Fourth trade package.

November 1983. President Reagan visits Toyko. Launches an intensive effort to address major bilateral trade issues. Vice President Bush coordinates for U.S.

January-April 1984. Followup negotiations.

January 1984. NTT Agreement renewed.

April 27, 1984. Fifth trade package. Addresses several key issues.

May 1984. Vice President Bush visits Tokyo. Welcomes package but notes we have a long way to go.

May 1984. "Yen-dollar accord" announced.

January 1985. Reagan/Nakasone Summit in California. The sectoral initiative launched.

January 28-29, 1985. Undersecretarial delegation visits Toyko to begin sectoral negotiations.

Throughout this period the U.S. bilateral trade deficit with Japan has grown worse. There are many factors involved: exchange rate changes, different economic growth rates, and incomplete implementation of Japanese liberalization measures. It is not possible to quantify the effects, but it can be said that full market access has not been achieved.

Question 3: Please provide a table showing annually for the period beginning January 1, 1970 to the present, the number of motor vehicles produced and assembled in the United States that were exported to Japan and those that were produced and assembled in Japan and exported to the United States.

Answer.

UNITED STATES-JAPANESE MOTOR VEHICLE TRADE, 1970–1984

[Thousands of units]

Year	United States imports from Japan			United States exports to Japan		
	Cars	Other vehicles	Total	Cars	Other vehicles [1]	Total
1970	381	29	410	5	.....	5
1971	704	84	788	5	.....	5
1972	698	168	866	5	.....	5
1973	625	181	806	11	.....	12
1974	792	265	1,057	14	.....	14
1975	696	152	848	15	.....	15
1976	1,129	178	1,307	14	.....	14
1977	1,342	273	1,615	14	.....	14
1978	1,563	453	2,016	13	.....	13
1979	1,617	516	2,133	15	.....	15
1980	1,992	638	2,630	7	.....	7
1981	1,912	663	2,575	4	.....	4
1982	1,801	712	2,513	3	.....	3
1983	1,871	877	2,748	3	.....	3
1984 [2]	1,803	1,064	2,867	2	.....	2

[1] Volume less than 1,000 units annually.
[2] Actual data for January-November 1984 period.

Question 4. Please provide a table showing from the time the Japanese voluntary restraints were first initiated to March 1984 the number (in separate columns) of cars, trucks, and vans authorized for exportation each year and the number (in separate columns) of such vehicles actually exported to the United States. If the restraints are extended, what changes in these numbers can we expect?

Answer.

JAPANESE EXPORTS TO THE UNITED STATES, APRIL 1981–NOVEMBER 1984

Period	Japanese car exports to the United States [JAMA]	Japanese van and truck exports to the United States [JAMA] [1]	United States imports of cars from Japan by date of export [2]	United States imports of vans from Japan by date of export [2]
April 1981–March 1982:				
Authorized volume	1,680,000	82,500 vans, no truck limit	1,680,000	82,500
Actual volume	1,679,000	546,185	1,689,155 [3]	69,129
April 1982–March 1983:				
Authorized volume	1,680,000	82,500 vans, no truck limit	1,680,000	82,500
Actual volume	1,680,000	400,984	1,680,454	81,981
April 1983–March 1984:				
Authorized volume	1,680,000	82,500 vans, no truck limit	1,680,000	82,500
Actual volume	1,680,000	567,018	1,687,427	85,114
April 1984–March 1985:				
Authorized volume	1,850,000	90,850 vans, no truck limit	1,850,000	90,850
Actual volume [4]	1,378,152	512,882	1,094,010	53,707

[1] Actual volume numbers combine van and truck exports from Japan. The Japan Automobile Manufacturers Association [JAMA] classifies both vans and trucks as commercial vehicles and thus does not report separate van and truck exports.
[2] The Commerce Department monitors Japanese car and van exports by collecting data on United States imports of such vehicles by date of export from Japan. Allowing for time lags due to shipments in transit from Japan to the United States and minor statistical discrepancies, these data are comparable to JAMA export statistics.
[3] Because the Commerce Department's monitoring system was not fully in place until mid-1981, this number includes an unspecified number of vans in addition to passenger cars.
[4] JAMA data covers exports during the April-November 1984 period; Commerce data on U.S. imports of cars and vans includes shipments from Japan since April 1, 1984 which had arrived in the United States as of November 30, 1984.

Note.—At this stage, it is not possible to predict what changes Japan would make in its current export levels if the restraints are continued. However, it is likely that the Japanese Government would suggest at least a small increase in car and van exports over present levels.

Question 5. Please explain why the voluntary restraints were not discussed last week. When will they be discussed? Last fall your Department and others in the Administration reportedly indicated that a decision on the extension issue would not be made until a year's data were available for analyses. Is that still the Administration's view? What data are you seeking? Since some of that data will not be available until next month, when will the analyses be completed? Will that provide sufficient time to meet with the Japanese and request an extension?

Answer. At the time the summit meeting between President Reagan and Prime Minister Nakasone, neither Government had completed its analysis of the restraint, so discussion of the issue was considered premature. Discussions between the two countries are frequent and would not be difficult to schedule quickly if necessary.

The Administration is considering a wide range of factors, including data on the financial condition of the U.S. automobile industry, in reaching a decision on the issue of the Japanese export restraint. Actual or preliminary 1984 data already is available on U.S. auto industry sales, production and employment. Because full-year 1984 financial data for U.S. automobile manufacturers is not yet available, the Administration has not completed its review and analysis. In addition, the Administration is reviewing various independent estimates of the industry's full-year 1984 financial performance, including those published by the leading industry security analysts. A final decision on the restraint will not be made until we have received and analyzed the full-year 1984 financial statements of the U.S. auto companies. We expect that this information will be available by mid-February.

Part I of the Commerce restraint analysis (attached) examines the financial condition of the U.S. automobile manufacturing industry as of September 30, 1984. Once full-year 1984 data is available on the financial performance of the industry, the Commerce Department will prepare a supplementary analysis.

Question 6. While I understand that auto industry profits are one aspect of the health of the industry, another is negative revenue. What was the debt-to-equity ratio prior to the 1979-1982 recession period? What was it in that period? What is it now?

Answer. The Department, as part of its on-going analysis of the condition of the U.S. automobile industry, monitors various balance sheet indicators. One such indicator is the long-term debt-to-equity ratio. The combined long-term debt-to-equity ratio for General Motors, Ford, Chrysler and American Motors was 0.11 at the end of 1978, well below 1980–83 year-end levels. As of September 30, 1984, the combined long-term debt to equity ratio for the U.S. Big Four stood at .16.

Combined Long-Term Debt-to-Equity Ratio: General Motors, Ford, Chrysler, American Motors

[Long-term debt/stockholders equity]

Period ending:	
1978	0.11
1979	0.10
1980	0.24
1981	0.34
1982	0.37
1983	0.24
1984:3	0.16

Source: Company annual and quarterly reports.

Question 7. I understand that several agencies, such as the Council of Economic Advisors, your Department, and the Treasury Department are conducting various studies concerning the voluntary restraints and their effects. Please identify all such studies in 1984 and indicate their purpose and their status. If, as a part of those studies, modeling is being used, please identify the model and indicate the assumptions and parameters used and how current the model is. Please provide copies of all such studies.

Answer. The Department of Commerce and the Council of Economic Advisors each prepared studies on the restraint issue with input from other government agencies. These two studies examine the financial and competitive condition of the U.S. automobile industry, and the effects of the restraint on the industry and consumers.

These studies will provide senior Administration officials with information necessary for making a decision on the restraint. A copy of the Department's analysis of the restraint is enclosed.

Commerce Department financial projections for the auto industry contained in our analysis were largely derived from forecasting models for General Motors, Ford, and Chrysler, which were developed by the Department and an independent consultant in 1984. These models generate detailed cash flow statements and balance sheets for each company based on annual report data. The models use regression equations for items when: (a) the regressions appear to be reliable estimators of historical accounting relationships, and (b) the accounting relationships are not expected to change dramatically in the future. The models use simultaneous equations and a decision tree mechanism to alter debt and marketable securities levels based on independent public forecasts of interest rates.

Income statement forecasts were conducted using an existing Department model. The income statement includes estimates of variable profit margins based on data obtained from securities analysts and company breakeven data.

Question 8. Please provide a table showing for each foreign country any trade restrictions imposed on the importation of motor vehicles, including restrictions resulting from taxes, standards or regulations which effectively discriminate against foreign imports. The table should cover any informal restrictions in each country that the Executive Branch is aware of. What countries permit an open market in regard to motor vehicles? Are they major auto producing countries?

Answer. Most developing nations which produce automobiles currently impose local content requirements, import quotas, high tariffs and/or other barriers that restrict foreign access to their automotive markets. The enclosed Commerce Department study on Automotive Local Content Laws in Other Countries describes most of these barriers.

Of the major automobile-producing nations in Europe, Italy, France and Spain maintain formal restrictions on Japanese car imports. Italy limits Japanese car imports to 2,200 units annually; France restricts such imports to approximately 3.0 percent of its market; and Spain maintains local content requirements on domestic producers, imposes high import tariffs and largely restricts automobile imports to those brought in from European Community and by local producers. In addition, Japan currently limits its automobile exports to the United Kingdom and West Germany, to other major auto-producing countries in Europe, to Canada and to the United States.

Members of the European Community (EC) levy a 10.3 percent duty on passenger car imports and a 22 percent duty on most truck imports. In addition, most EC nations impose a motor vehicle tax on imports (as well as domestically built vehicles) which vary according to engine displacement or horsepower.

Japan currently does not apply any tariff on imports of either passenger cars or trucks. The principal barriers to increased U.S. vehicle exports to Japan are the high price of U.S. products relative to Japanese products; significant differences in U.S. and Japanese emission and safety standards and the lack of a self-certification testing procedure to show compliance with these standards; the fact that Japan is a "right-hand" drive country; and the closed nature of Japan's vehicle distribution system.

Japan's commodity tax on automobiles, which ranges from 18.5 to 23.0 percent depending on engine displacement, and high Japanese dealer markups on U.S. products also add to the cost of U.S. vehicles in Japan. Japan's requirements for certifying vehcile compliance with government safety and environmental standards are applied to imports in a non-discriminatory manner. However, because U.S. manufacturers sell a very limited quantity of vehicles in Japan, the vehicle homologation process (conversion to Japanese standards) is a significant administrative and technical burden and adds significantly to the per unit cost of selling in Japan.

For purposes of comparison, the United States currently maintains a 25.0 percent tariff on imported trucks and a 2.6 percent tariff on passenger car imports. Strict emissions and safety standards for motor vehicles also are in effect. In contrast to most other nations, however, the U.S. system allows vehicle manufacturers to self-certify that they comply with government safety standards based on their own testing results.

Question 9. Please provide an estimate of the extent to which additional Japanese-made vehicles will be annually imported over the next five years if the voluntary restraints are not extended after March 1985. What percentage of the automobile and truck sales market in 1983 and 1984 has been captured by foreign imports and of that percentage, what is the Japanese share? What will be the foreign and Japanese share over the next five years if the restraints are not extended?

Answer. In 1983, imported Japanese cars captured 20.9 percent of total U.S. car sales and imports from all countries (except Canada) gained 26.0 percent. In 1984, these sales shares fell to 18.3 and 23.5 percent, respectively.

Imported Japanese trucks captured 13.0 percent of the U.S. truck market in 1983 and 13.6 percent in 1984. Import trucks from all sources (except Canada) held 14.8 percent in 1983 and 14.9 percent in 1984.

Part III of the Commerce Department's restraint analysis examines the sales outlook for Japanese, European and domestically built cars in an unrestrained U.S. market environment. Sales projections presented in this section are based on a variety of factors, including: (1) relevant historical data concerning growth in the U.S. market share of Japanese producers; (2) Japanese company announcements of U.S. production plans; (3) U.S. company announcements concerning import plans; and (4) an examination of forecasts by numerous industry observers.

In the absence of any restraint, the Department projects that by 1987 Japanese auto imports could increase by approximately 1.1 million units over the 1984 level of shipments, from 1,906,000 units to some 3,025,000 units. (The latter figure includes some 450,000 units imported by U.S. producers). Under this scenario, combined with moderate growth in the total U.S. market for autos, Japanese import share could increase from the 1984 level of 18.3 percent to approximately 27.7 percent.

Question 10. If these restraints are abandoned, what will be the effects (in regard to the auto industry) on (a) U.S. job opportunities, (b) U.S. investment, (c) competition, (d) the principal suppliers (i.e., steel, textile, rubber, machine tools, glass, chemical and plant, and semi-conductors) of the domestic motor vehicle manufacturing industry, (d) local and State governments, and (e) the U.S. trade deficit?

Answer. The Department's analysis addressed the impact of an unrestrained U.S. auto market on U.S. auto production and sales, import sales (particularly Japanese), employment (including auto industry suppliers), and the financial condition of the U.S. auto industry. It did not address the impact on local and state governments, on investment by U.S. auto manufacturers, or on the U.S. trade deficit. The impact analysis appears in part III of the Department's restraint study.

Based on this analysis the Department estimates that approximately 110,000 U.S. auto industry jobs could be lost by 1987 if the Japanese export restraint is lifted. This estimate includes jobs lost in supplying industries and also incorporates job gains related to increased production of Japanese cars in the United States. A significant portion of this potential decline in auto industry employment could occur through employee attrition, which now equals about 4-5 percent or 35-45,000 workers per year.

The Department also calculated the potential effects of removing the restraint on the U.S. automobile import bill. Based on an estimated average Japanese car import value of $6,300 in 1984, the value of U.S. auto imports from Japan could rise by about $7.0 billion by 1987, to about $20 billion.

Question 11. Unless the United States can be guaranteed access to a significant share of the Japanese market for U.S. made vehicles, why should the U.S. agree that the restraints be lifted? To what extent has the Administration considered sacrificing the restraints for opening Japanese markets for non-motor vehicle products of the U.S.?

Answer. A principal objective of U.S. trade policy is to remove foreign barriers to U.S. exports, particularly those affecting sectors in which we are internationally competitive. The Administration favors this general approach over ones which seek to reduce the U.S. trade deficit by restricting our imports from other countries. In the case of U.S. automotive trade with Japan, the U.S. Government has sought and obtained tariff cuts on numerous automotive parts and also has pushed for modifications in Japanese standards-related testing procedures, which act as an impediment to greater U.S. vehicle exports to Japan. Modifications in this latter area recently were made and several U.S. manufacturers have begun to evaluate the new testing procedures.

In reviewing the restraint issue, the Administration has focused primarily on the effects of removing the restraint on the U.S. automobile industry. The Administration has not sought to link the restraint decision to other trade initiatives vis-a-vis Japan.

Question 12. To what extent has the price of domestically produced vehicles that are in competition with Japanese exports increased annually at the manufacturer and dealer level since restraints were instituted? If there was an increase, please explain how it was attributable to the restraints.

Answer. This issue is addressed in Part II of the Commerce Department's restraint analysis. There is widespread disagreement about the impact of the Japanese automobile export restraint on U.S. car prices. Based on available data, we believe that domestic small car prices have increased less rapidly than either Japanese car prices or average U.S. car prices since 1982. This general trend appears to apply to both manu-

facturers' list prices and retail transaction prices, which include dealer markups and vehicle transportation charges. The new car component of the CPI, which adjusts for changes in vehicle sales mix and quality, has risen slightly less rapidly than the CPI for all items since the restraint began. Average (domestic and import) new car transaction prices, which are unadjusted, have moderated along with the CPI for all items since 1980, but have risen faster than this general inflation index.

In its analysis, the Council of Economic Advisors (CEA) examined the effects on domestic and Japanese car prices, and the associated consumer benefits, of lifting the Japanese export restraint. The CEA found that, if the present constraints of complying with CAFE standards were removed, domestic small car and average Japanese car prices would decline by $260 and $1,200 per car, respectively, following elimination of the restraint. Domestic large car prices would remain approximately constant. Consumers would realize a $4.1 billion first-year benefit from the elimination of the restraint as average car prices fell and total car purchases increased. The CEA estimated that the employment level in the automotive industry would be reduced by 30,000 jobs under this scenario.

RESPONSE TO ISSUES RAISED IN JANUARY 29 LETTER

The Administration has not yet reached a decision on the issue of continuing the Japanese automobile export restraint. To date, the issue has been reviewed by the interagency Trade Policy Staff Committee and the Trade Policy Review Group. In addition, the Cabinet Council on Commerce and Trade (CCCT) and Trade Policy Committee (TPC) recently held a joint meeting on the Japanese restraint.

Based on information available to us, we share your doubts that existing Japanese automobile production capacity would act as a major constraint on future Japanese exports to this country, at least in the short run. We also appreciate your concerns about the U.S. production and employment losses which could result from a surge in U.S. imports of Japanese cars. In addition, the Administration is sensitive to the potential impact of a large increase in Japanese car exports on our growing bilateral trade deficit with Japan. Once these and other elements have been weighed carefully by the Administration, we will be in a position to make a decision on the issue of continuing of the restraint.

ANALYSIS OF THE JAPANESE AUTO EXPORT RESTRAINT

EXECUTIVE SUMMARY

The Japanese auto export restraint is a temporary program which was initiated in 1981 to provide a "breathing space" to the U.S. industry to weather the effects of the recession, modernize plant and equipment, and develop new products to improve its competitiveness. From April 1, 1981, to March 31, 1984, the Japanese Government limited annual automobile exports to the United States to 1.76 million cars, passenger vans, and utility vehicles, and to 70,000 units to Puerto Rico. In November 1983, the Japanese Government announced a fourth year of restraints to run from April 1, 1984 to March 31, 1985. The levels for this fourth year were set at about 1.94 million units to the United States and 77,000 units to Puerto Rico. A decision is now needed on whether the U.S. Government should seek a fifth year of restraint.

This preliminary analysis was prepared to provide a basis for that decision. It addresses three areas: the condition of the U.S. auto industry at the end of 1984; the impact of the restraint to date on the U.S. auto industry and consumers; and the likely future effect of unrestrained Japanese auto exports on the U.S. auto companies and their employees.

Condition of the U.S. auto industry

In 1984 U.S. manufacturers sold an estimated 11.5 million motor vehicles (7.95 million cars, 3.5 million trucks), 22.3 percent above sales in 1983. Production increased about 18.5 percent. At the end of 1984, total auto industry employment was estimated to be about 880,000 with about 50,000 workers still on indefinite layoff.

As of September 30, 1984 the financial condition of the U.S. auto companies was at its best level since 1978. The U.S. companies have largely recovered from the recession and are in much stronger financial shape. In both 1983 and 1984, the companies earned record profits. As of the end of September 1984, industry profits stood at $7.6 billion, far above the $6.2 billion they earned for the full-year 1983. The industry is expected to report full-year 1984 income of around $10 billion. In constant 1978 dollars, this figure would be $6.3 billion, well above the 1978 level of $4.9 billion.

An examination of industry financial statements as of September 30, 1984, shows that the company balance sheets have not returned to 1978 levels. Due to changes in the basic financial and operating structure of the industry since the late 1970s, they may never do so. For example, the industry has implemented aggressive working capital management programs designed to reduce receivables and inventories (the "just-in-time" system), while stretching payables. This program reduces liquidity, but increases cash flows.

Balance sheet leverage, though higher than in 1978, is low compared with many industries, and continues to improve. Barring radical increases in Japanese market share (i.e., to 40 percent or more of the U.S. market), combined with a severe recession, cash flows should be sufficient to finance capital expenditures, debt repayment, and dividends without substantial borrowing.

Impact of the restraint

The Japanese auto export restraint largely achieved its intended purpose—to provide a "breathing space" for U.S. vehicle manufacturers to introduce new, more fuel-efficient products, improve quality and productivity, and restore profitability. Industry plans to invest about $80 billion in property, plant, and equipment and $17 billion in product research and development between 1978 and 1985 largely will be met. In constant 1978 dollars, and U.S. Big Four producers collectively will spend about $87 billion in these two areas. During the restraint period, U.S. manufacturers also reduced their break-even level by slashing fixed costs from about 11.2 million units to 7.9 million units currently.

The U.S. industry's labor productivity has improved significantly since 1980 as a result of these spending and cost cutting measures, and now stands well above productivity levels in 1973 and 1978, the last two record production years. However, because of the prolonged U.S. auto sales downturn, the expected benefits of the restraint to domestic producers were not realized fully until early 1983. Similarly, the anticipated economic costs of the restraint to domestic consumers, particularly in terms of higher prices, appear to have been modest until the U.S. economy began to recover strongly in early 1983. From that point unitl March 1985, the Department estimates that the restraint resulted in additional 54,000 to 105,000 jobs in the U.S. auto companies and parts and material suppliers; and added between $1.2 to $2.2 billion to the combined net income of GM, Ford, and Chrysler during 1983 and 1984.

The price effects of the restraint are difficult to assess accurately. There is no doubt that the restraint has been a bonanza for U.S. Japanese car dealers. It is widely reported that these dealers have added $500-$3,500 per unit to manufacturers' suggested list prices. The amount dealers actually realize from such sales is probably less than these markups over list, but an accurate measure is not available. The best independent econometric study indicates that average car prices, adjusted for changes in product mix and quality, rose by $500 in 1983 alone. Price time services data show that domestic car prices, and particularly domestic small car prices, rose less rapidly than Japanese car prices during the 1982–84 period (an estimated 19.1 percent versus 26.6 percent). Higher manufacturer and dealer markups on Japanese cars appear to account for much of the average price increase. These prices were also increased to the extent that Japanese car manufacturers and their dealers "forced" U.S. consumers into higher priced models in order to maximize profits. However, this effect of the Japanese export restraint is difficult to assess, given the significant shift in consumer demand toward larger cars during 1983 and 1984.

Small cars, including subcompacts and compacts, held 60.5 percent of the U.S. market in 1982, but only 55.2 percent in 1983, and 49.0 pecent in 1984.

Future effects

The Department also examined the likely effects on the U.S. auto industry of allowing the Japanese export restraint to expire in March 1985. Due to the continuing competitive advantages of the Japanese car companies, we estimate that in the absence of a "price war", elimination of the restraint would result in growth of Japanese car sales (including U.S.-assembled models) from just over 2 million units (19.6 percent of the U.S. market) in 1984, to approximately 3.7 million units (33.9 percent) in 1987. This forecast assumes moderate growth in total U.S. car sales from 10.4 to 10.9 million units during this period. It also assumes that real energy costs remain stable and,

thus, that small, mid-size, and large car sales as a percentage of the U.S. market, remain the same as in 1984. In addition, this forecast reflects evidence that, in the absence of a major appreciation of the yen against the dollar, the manufacturing cost advantage of Japanese auto producers will continue to be substantial ($2,000 or more) through at least 1987.

Approximately one-third of the projected 1.7 million unit increase in Japanese car sales is likely to be due to a large rise in U.S. production by subsidiaries of Japanese firms. The balance (1.1 million units) would be due to rising imports from Japan. Under this scenario, traditional U.S. car builders would experience about a 1.1 million unit drop in sales and production between 1984 and 1987, despite a 500,000 unit increase in total market volume. European importers also would experience a reduction in total unit sales as a result of vulnerability in the small car segment.

Because most of the loss in sales by traditional U.S. manufacturers is expected to occur in the small car segment, the overall profitability and financial condition of U.S. auto manufacturers should not be affected severely. U.S. industry profits, in an unrestrained market environment, are projected to fall from about $10 billion in 1984 to about $9 billion in 1987. At this reduced level, the industry should be able to continue its investment plans without substantial new borrowing. The primary short-term risk to the industry's financial health is a major economic downturn which, in conjunction with higher import levels, could seriously erode profitability. Domestic industry employment, in contrast, is likly to decline significantly, even in the absence of a recession. New job losses could range from about 110,000 workers in 1987 if sales reach 10.9 million units, to over 180,000 in a depressed (8.9 million unit) sales year.

Corporate average fuel economy standards

This analysis did not specifically assess the effect of unrestrained Japanese car exports on the U.S. companies' ability to meet the Corporate Average Fuel Economy (CAFE) standards. But, it should be noted that a 1.1 million unit reduction in sales of domestically manufactured small cars in 1987 will seriously reduce their ability to met these standards and may adversely affect their ability to use "carryback" credits to meet the 1985 standards.

Under the carryback procedures, if a manufacturer can demonstrate that it expects to exceed the CAFE within the next three years, it can carryback these excess credits to meet a shortfall in the current year. Although final (MY) 1984 CAFE figures are not yet available, it appears that two U.S. manufacturers have not met the standard. One has apparently missed the standard by 1.7 mpg and has received approval from the National Highway and Traffic Safety Administration (NHTSA) to use credits it expects to earn in (MY) 1986 to meet the standard. The other manufacturer has apparently fallen about 2.2 mpg short of the standard and is expected to apply to use (MY) 1987 credits to cover this shortfall.

Failure to meet the standard makes a manufacturer liable for civil penalties of $5 per vehicle for each 0.1 mpg by which it failed to meet the standard. Noncompliance is also a violation of the Act.

Current product plans of the U.S. manufacturers indicate that, barring a severe loss in sales of small cars, the U.S. manufacturers should be able to comply with the standards in the future. But the situation could become very tight if the restraint is lifted. Not only may they not meet the standard, but it is also unclear what will happen if the manufacturers fail to exceed the standards in the future by an amount which they used in carrybacks to meet 1984 and, perhaps, 1985 standards.

While Administrative mechanisms are available to reduce the existing 27.5 mpg standard, the best way to resolve the problem appears to be legislative. While this approach is full of difficulties (i.e., in many circles, CAFE is seen as the only element of the Administration's energy policy), it is one we may have to pursue if the restraint is lifted.

PART I—CONDITION OF U.S. AUTO INDUSTRY AT END OF 1984

This section describes recent trends in U.S. auto industry sales, production, employment, and financial performance, and evaluates the current financial health of domestic automobile manufacturers. The financial condition of the industry is analyzed as of September 30, 1984, the date on which the most recently released public financial statements are based. When possible, full-year 1984 estimates of key indicators are included.

Auto industry sales, production and employment

Sales of automobiles continued to recover strongly in 1984, increasing 13.2 percent over 1983 sales. Domestic car sales were up 17.0 percent to 7.95 million units, and import sales were up 2.2 percent to 2.44 million units in 1984. Japanese car sales declined 0.5 percent in 1984 to 1.91 million units. Import penetration declined from 26.0 percent in 1983 to 23.5 percent in 1984. Japanese market share fell from 20.9 percent in 1983 to 18.5 percent in 1984 because of the restraint and the strength in the domestic car market.

Domestic auto production rose 14.5 percent in 1984 over 1983, totaling 7.76 million units in 1984. Industry employment rose substantially, from an average of 757,800 in 1983 to an estimated average of 866,000 in 1984. While this is a considerable improvement, total industry employment is still well below the 1978 peak of 1.03 million workers. Productivity improvement, illustrated by a 14.5 percent increase in 1984 production with only a 5.3 percent employment increase, suggests no return to 1978 employment levels. (See Attachment I for a numerical summary of recent trends in U.S. auto industry sales, production and employment).

Financial condition

The financial condition of U.S. automobile manufacturers at the end of 1984 was at its best level in several years. Most of the companies' 1984 profitability indicators exceeded those of both 1983, a highly profitable recovery year, and 1978, the last good year prior to the recession. Higher earnings led to correspondingly greater cash flows in 1983 and 1984. Balance sheet indicators improved steadily following the recession, but remained below most 1978 levels as of September 30, 1984.

The cumulative effects of years of low earnings, losses, and large borrowings to finance huge capital outlays are still evident when examining balance sheets. For example, neither balance sheet leverage nor liquidity has returned to 1978 levels. These factors, together with heightened foreign competition, are the principal reasons the chief debt rating agencies (i.e., Moody's and Standard & Poor's) have not restored fully 1978 ratings.

TABLE I.—SENIOR LONG-TERM DEBT RATINGS

	Moody's		Standard and Poor's	
	1978	1984	1978	1984
GM	Aaa	Aa2	AAA	AA+
Ford	Aaa	A1	AAA	A—
Chrysler	Baa	Baa3	BBB	BBB

While U.S. auto manufacturers' balance sheets are not fully restored, the industry's financial health is strong. Improved cost control should enable the U.S. companies to continue to produce sizeable earnings and cash flows. Barring radical Japanese penetration increases (to 40 percent or more of the U.S. market), combined with a severe recession, cash flows should be sufficient to finance capital expenditures, debt repayments, and dividends without substantial borrowing. Moreover, balance sheets may not ever recover entirely to 1978 levels due to changes in the financial and operating structure of the industry. For example, industry management has embarked on an aggressive working capital management program designed to reduce receivables and inventories ("just in time" inventories) while stretching payables. Although this program will reduce liquidity, it should increase cash flows. Balance sheet leverage, though higher than in 1978, is low compared with many industries, and continues to improve.

Profitability

TABLE II.—PROFITABILITY OF U.S. BIG FOUR AUTO PRODUCERS

[Percent]

	Full-year 1978	Full-year 1983	Jan-Sept 1983	Jan-Sept 1984
Gross profit margin	15.84	17.44	16.89	17.35
Operating profit margin	7.10	5.90	4.94	7.17
Contribution of unconsolidated subs. to net income	8.83	23.50	27.01	13.75
Return on sales	4.03	4.54	4.05	6.38
Net income (millions)	$4,929	$6,152	$3,950	$7,609

Profitability improvements, which increased in 1983, continued largely unabated in 1984, resulting in record earnings of $10 billion (estimated) for the U.S. companies. This figure was 63 percent above the previous record set in 1983 and 103 percent above 1978. In constant 1978 dollars, 1984 net income ($6.3 billion) is substantially lower, but still well above 1978 earnings ($4.9 billion). Attachment II presents more detailed information on recent U.S. industry profitability.

The earnings growth is the result of higher demand; a market shift to larger, more option-equipped cars, which have wider profit margins; stringent cost control; productivity gains; tax loss carryforward credits; and the Japanese export restraint. Dramatically reduced fixed costs, better variable cost management, and the product mix shift have enabled the companies to widen their margins above those of 1978—on slightly lower volume. The industry's operating profit margin was 7.10 percent in 1978, compared with 7.17 percent for the first 3 quarters of 1984. The 1984 amount would have been higher had GM's margin not deteriorated. GM experienced parts problems with new front-wheel-drive models, production disruptions related to model changes, and the loss of one week's production due to the UAW strike. These factors also caused GM's operating profit to fall below that of 1978.

Return on sales rose from 4.03 percent in 1978 to 6.38 percent for the first 3 quarters of 1984, reflecting the aforementioned improvements and substantially increased earnings from unconsolidated subsidiaries (primarily finance companies). Unconsolidated earnings tripled between 1978 and 1984, as banks, long the main source of financing of retail purchase, retreated from the market during the downturn of 1980–1982. Finance companies filled the gap and experienced rapid growth in their receivables volume and net interest income.

Cash flow

Chiefly because of record earnings, the auto companies' internal cash generating ability was very strong in 1983 and 1984. Internally generated cash (cash from operations) was $12.3 billion for the first 9 months of 1984, while the year-earlier amount was $8.9 billion. The full-year 1984 figure should exceed $16 billion, compared with $15.4 billion for full-year 1983. When compared with 1978, the companies ability to generate internally cash to cover capital expenditures, debt repayments and dividends rose. The ratio of cash from operations to capital expenditures, net long-term debt repayments, and dividends climbed from 1.04 for full-year 1978 to 1.43 for full-year 1983 before dropping slightly to 1.32 for the first 9 months of 1984. (See Attachment III).

This improvement belies some important developments. First, dividends were low by historical standards in 1983 and 1984. The dividend payout rate dropped to 18.5% as of September 30, 1984, compared with 44.8% for 1978. Second, capital expenditures were low in 1983 compared with 1978, as the industry reached a trough in its capital investment cycle. The ratio of capital investment to sales was 5.8% in 1983, versus 6.4% in 1978. At the same time, however, debt repayments increased in 1983 and 1984, as the companies' stronger cash flows enabled them to reduce significantly borrowings incurred between 1980 and 1982.

Future cash flows should continue to be strong although capital expenditures and dividends, which are expected to increase rapidly starting in 1985, might preclude continued accumulation of large cash balances.

Balance sheet

TABLE III.—BALANCE SHEET INDICATORS: U.S. BIG FOUR

	December 31		September 30	
	1978	1983	1983	1984
Working capital (millions)	$12,270	$5,700	$2,633	$9,011
Current ratio	1.55	1.19	1.09	1.27
Quick ratio	0.77	0.70	0.55	0.81
Long-term debt-to equity ratio	0.11	0.25	0.27	0.16

The companies' balance sheets have strengthened considerably since the recession, but they have still not returned to 1978 levels. Balance sheet leverage, as measured by the ratio of long-term debt to owners' equity, improved from .25 on December 31, 1983 to .16 on September 30, 1984, but was still above that of December 31, 1978—.11. While the companies' excellent cash flows permitted them to repay large blocks of debt, owners' equity (though sizeable) was lower than it would have been because of cumulative losses and low earnings between 1979 and 1982. Owners' equity was also adversely affected by the strength of the dollar, which reduced the value of foreign assets and earnings when consolidated with American operations.

Liquidity followed a pattern similar to that of leverage. Working capital rose from $5.7 billion at the end of 1983 to $9.0 billion on September 30, 1984; it was $12.3 billion at the end of 1978. Chrysler's working capital was negative on Sept. 30, 1984. The current ratio (current assets/current liabilities) has also improved, but at 1.27 on September 30, 1984, it was still below the 1.55 level on December 31, 1978. Part of the drop in liquidity resulted from the advent of "just-in-time" inventories. However, much of the reduction also arose from the effects of the recession during which companies stretched payables and accrued liabilities while reducing receivables in order to strengthen cash flow.

The quick ratio, which is the companies' most liquid assets (cash, marketable securities, and receivables) divided by current liabilities, exceeded the 1978 level. It grew from .77 at the end of 1978 to .81 on September 30, 1984. As noted earlier, the industry's strong cash flows were the primary cause of the buildup, and should help the industry weather the next cyclical downturn. However, even this rapid cash buildup was not enough to restore entirely working capital and the current ratio to 1978 levels.

PART II—IMPACT OF THE JAPANESE AUTO EXPORT RESTRAINT TO DATE

This section presents data on recent trends in Japanese car sales. It also provides estimates of the impact of the Japanese auto export restraint on domestic auto sales and production, automotive employment, new car prices and industry financial performance. In addition, information is provided on the extent to which U.S. auto manufacturers used the restraint period to improve their competitive position.

Recent trends in Japanese car sales

Table IV shows U.S. sales of Japanese cars and the Japanese market share during the April 1981–March 1985 (first quarter of 1985 is forecasted) restraint period, as well as during the four previous 12-month periods (April 1977–March 1981). A breakdown of this data by quarters is contained in Attachment IV. U.S. sales of Japanese cars and the Japanese market share remained approximately constant from April 1977 to March 1979. Japanese penetration of the U.S. market grew more rapidly during the next 12 months, reaching 18.1

percent of total sales, and then jumped another 3.3 percentage points between April 1980 and March 1981 in the wake of the Iranian oil crisis and the 1980–82 industry sales decline.

As a result of the continuing downturn in the U.S. auto market in the first and second restraint years, Japanese market share continued to increase, reaching a peak of 23.5 percent by March 1983. The impact of the U.S. economic recovery began in the third restraint year (April 1983–March 1984) and Japanese market share fell. It should reach about 18.6 percent by the end of the current restraint year in March 1985. On a unit sales basis, Japanese sales in the United States have registered modest annual increases since the end of the first restraint year. Unit sales of Japanese cars should reach their highest level ever during the year ending March 31, 1985, based on the latest available sales data.

TABLE IV.—JAPANESE CAR SALES AND SALES SHARE IN THE UNITED STATES, APRIL 1977–MARCH 1985

[Millions of units]

	Sales			Percent	
	Total	Domestic	Japanese	Domestic share	Japanese share
Years prior to restraint:					
April 1, 1977—March 31, 1978	11.10	9.00	1.41	81.1	12.7
April 1, 1978—March 31, 1979	11.51	9.44	1.43	82.0	12.4
April 1, 1979—March 31, 1980	10.36	7.92	1.88	76.4	18.1
April 1, 1980—March 31, 1981	8.84	6.46	1.89	73.1	21.4
Restraint years:					
April 1, 1981—March 31, 1982	8.10	5.87	1.78	72.5	22.0
April 1, 1982—March 31, 1983	8.08	5.81	1.83	71.9	22.6
April 1, 1983—March 31, 1984	9.71	7.33	1.84	75.5	18.9
April 1, 1984—March 31, 1985	10.48	8.00	1.95	76.4	18.6

F = Forecast.

Source: Wards automotive reports.

Effects of the Japanese restraint

Historical analysis provides only limited clues about the likely volume of Japanese car sales in the United States during the 1981–84 period in the absence of the Japanese export restraint. However, a comparison of seasonally adjusted annual selling rates (SAAR) and inventory levels for U.S. and Japanese cars suggests that the first two years of export restraint probably had only a minor negative impact on Japanese sales in the United States. In contrast, these same indicators suggest that the export restraint had a significant limiting effect on both Japanese unit sales and the Japanese market share during the post-1982 period.

During the economically depressed April 1981–March 1983 period, monthly seasonally adjusted annual sales rates (SAAR) for domestic and import cars (80% of the latter category are Japanese vehicles) followed roughly the same trend. The SAARs for both domestic and import cars fell significantly during 1981, fluctuated during the first nine months of 1982 at a level slightly above that of late 1981, and then rebounded in the final quarter of 1982. Beginning in early 1983, domestic and import car SAARs diverged sharply, with the domestic car SAAR continuing to grow while the import car SAAR leveled off at 2.3 million units (quarterly basis). From this point on, SAAR data suggest that the Japanese export restraint depressed Japanese car sales well below their potential.

Trends in U.S. inventories of Japanese cars lend further support for the conclusion that the export restraint did not seriously limit Japanese car sales until the second quarter of 1983. The total U.S. inventory of Japanese cars averaged a strong 42 days supply during the April 1981–March 1982 period; a more moderate 32 days supply in April 1982–March 1983; a lean 24 days supply in April 1983–March 1984; and only a 19 days supply in April–November 1984. Under normal circumstances, most Japanese car dealers probably would hold a 40–45 day inventory.

Sales effects

Table V presents two estimates of the impact of the export restraint on Japanese unit sales, based on two different assumptions about likely market share gains of Japanese manufacturers in the absence of the restraint. Estimate A is based on the conservative assumption that the Japanese market share would have continued to grow at the same 0.6 percentage point rate per year during the April 1983–March 1985 period as it did during the first two restraint years. As noted previously, the fixed-unit export restraint probably did not seriously limit Japanese sales during the April 1981–March 1983 period.

Estimate B of the impact of the export restraint on Japanese car sales is based on the assumption that, in the absence of the restraint, Japanese car sales would have grown during the April 1983–March 1985 period at a pace comparable to that occurring from April 1979 to March 1981 (3 percentage points per year). This higher Japanese sales forecast reflects the widespread belief that the large manufacturing cost (about $2,000 per unit) and perceived quality advantage of Japanese companies would have allowed them to realize large sales and market share gains as the U.S. economy recovered during 1983 and 1984. The large number of Japanese companies competing in, or planning to enter, the U.S. market also suggests that major Japanese sales and share gains would have occurred without the restraint. Based on these considerations, Estimate B probably provides the better estimate of the sales effects of the Japanese export restraint.

TABLE V.—IMPACT OF EXPORT RESTRAINT ON JAPANESE CAR SALES IN THE UNITED STATES

[Millions of units]

Period	Actual Japanese sales		Forecast with restraint					
			Estimate A			Estimate B		
	Units	Percent of total	Units	Percent of total	Difference	Units	Percent of total	Difference
April 1981–March 1982	1.78	22.0	1.78	22.0		1.78	22.0	
April 1982–March 1983	1.83	22.6	1.83	22.6		1.83	22.6	
April 1983–March 1984	1.84	18.9	2.25	23.2	0.41	2.49	25.6	0.65
April 1984–March 1985	E 1.95	18.6	2.49	23.8	0.54	3.00	28.6	1.05
Cumulative sales effect					0.95			1.70

E = estimate.

The cumulative differences between estimates A and B in table II and actual Japanese sales between April 1981–March 1985—.95 and 1.70 million units, respectively—represent the approximate loss in Japanese car sales as a result of the export restraint.

Production and employment effects

Table VI provides estimates of the U.S. production and employment effects of the Japanese export restraint. Assuming a substitution ratio of 75 additional domestic car sales for every 100-unit reduction in Japanese sales, the sales impact figures in Table V imply that about 700,000 to 1,275,000 more domestic cars will be produced in the April 1983-March 1985 period than would have been built if the export restraint had not been imposed. Based on a recent industry estimate of the labor content of a small domestic car including assem-

bly operations and first-tier suppliers, and an average of 2,000 manhours worked per year, these production gain numbers imply that the export restraint preserved between 32,000 and 62,000 U.S. auto industry jobs. Indirect employment increases in second-tier and material-supplying industries (steel, rubber, etc.) are not included in this calculation. Based on a comparable industry estimate of labor content per car which includes second-tier parts manufacturers and material suppliers, the export restraint preserved an estimated 54,000 to 105,000 U.S. jobs.

Based on 1983 J.D. Power and Associates' survey data regarding new car buyer comparison shopping patterns and discussions with U.S. industry officials. These sources indicate that about 25 percent of all new Japanese car buyers did not consider domestic models in their purchase decisions.

TABLE VI.—IMPACT OF EXPORT RESTRAINT ON CAR PRODUCTION AND AUTOMOTIVE EMPLOYMENT IN THE UNITED STATES

Period	U.S. production gain in millions of units		U.S. employment gain in thousands of jobs	
	Estimate A	Estimate B	Estimate A	Estimate B
April 1983–March 1984	0.31	.049	24.2	38.3
April 1984–March 1985	.41	.79	32.0	61.7
Cumulative effects	.72	1.28	32.0	61.7

Price effects

The price effects of the Japanese auto export restraint are difficult to assess in view of shortcomings in available price data (including data comparability problems) and the variety of economic factors influencing the pricing decisions of both vehicle manufacturers and dealers. In many parts of the country, U.S. dealers have raised Japanese car sticker prices substantially above manufacturers' suggested list prices during the restraint period. These dealer sticker price increases appear to range from $500 to $3,500 per Japanese car. However, the amount dealers actually realize from such sales also seems to vary widely, since dealers frequently allow customers to bargain for reductions from the increased sticker prices. Unfortunately, statistically reliable national data on the net price effect of these complex transactions are not available. Consequently, several independent studies of the price effects of the restraint and price time series were analyzed for common trends. Other factors influencing the U.S. car market (i.e., energy costs, regulatory requirements, the general inflation rate and level of demand) during the restraint period also were considered in this analysis.

Several recent private sector analyses of the price effects of the Japanese export restraint conclude that the restraint has had a significant upward effect on car prices, particularly Japanese car prices, since early 1983. In contrast, internal price studies by two major U.S. auto manufacturers found only slight price increases as a result of the restraint. However, the latter two analyses were confined largely to changes in manufacturers' list prices, or in adjusted transaction prices which do not differentiate between domestic and import cars. Consequently, these company analyses are incomplete, and may be misleading.

Three independent econometric studies reviewed as part of this analysis—by Robert Crandall (Brookings Institution), Wharton Econometrics, and two IMF economists—found substantial price increases due to the restraint beginning in 1983. The Crandall and Wharton studies, which did not adjust for market-driven changes in product mix, estimated that the restraint added $4-500 to the price of each new domestic car sold in 1983 and about $1,000 to the price of each new Japanese car sold in that year. The IMF analysis reported a somewhat lower 1983 estimate ($450 per car) based on a comparison of average new car transaction prices and the new car component of the CPI. This study did not distinguish between the price effects on domestic and imported cars. However, because the IMF study made an implicit adjustment for improvements in car quality by using the new car component of the CPI as a base, and then compared this base with unadjusted transaction prices, it probably provides the best econometric estimate of the "pure" (quality-adjusted) price effects of the restraint.

Transaction price data is compiled by the Bureau of Economic Analysis, U.S. Department of Commerce, based on survey data collected by the Bureau of Labor Statistics, U.S. Department of Labor. Transaction prices include transportation charges, dealer preparation charges, and dealer markups of discounts from manufacturers' list prices. Factory-direct rebates are excluded.

The Department also compiled and analyzed several time series on Japanese and domestic car prices. Several of these data sets were used in the aforementioned econometric studies. While none of the price measures reviewed is adequate for assessing the price effects of the Japanese export restraint, together they show a fairly consistent pattern.

Tables VII and VIII present summary data on recent trends in new car prices. Table VII shows that during model years 1983 and 1984 (October 1982–September 1984), the average annual increase in U.S. Big Three new car list prices was below the comparable increase in the new car component of the Consumer Price Index (CPI). The average increase in Japanese Big Three (Toyota, Nissan, Honda) new car list prices, in contrast, was about the same as the CPI new car increase in 1983, but more than double the CPI increase in 1984. Both the new car component of the CPI and the average manufacturer's list price changes in Table VII adjust for changes in vehicle equipment levels over time. The CPI for new cars also adjusts for technological improvements. Thus, these two set of price data are largely, but not entirely, comparable.

TABLE VII.—SALES-WEIGHTED AVERAGE PERCENTAGE CHANGES IN MANUFACTURERS SUGGESTED RETAIL PRICES: DOMESTIC AND JAPANESE CARS

Model year	Percent change in CPI–new cars	Percent change in U.S. big 3 car prices	Percent change in Japanese big 3 car prices
1979	7.9	8.7	6.5
1980	8.0	10.5	10.9
1981	6.1	9.2	11.3
1982	3.9	6.4	6.2
1983	2.5	1.3	2.7
1984	[E]2.9	2.1	6.4
1985	NA	*3.5	*2.0

*Based on company announcements through 1/11/85.
[E]=estimate. NA=not available.

Source: CPI=Bureau of Labor Statistics, as reported in MVMA's "Third Quarter 1984 Economic Indicators"; manufacturers' list prices calculated from price change announcements reported in "Automotive News."

Table VIII looks at trends in new car transaction prices. Unlike Table VII data, Table VIII data are not adjusted for changes in vehicle technology or equipment levels. However, Table VIII data do reflect the total price paid for new automobiles—including both manufacturer and dealer markups. This table indicates that average (domestic and import) new car prices have moderated along with the CPI since 1980. During the last two years (1982–84), however, Japanese car transaction prices have risen to a greater degree than domestic car prices. Domestic new car transaction price increases were only about half as great as the rise in Japanese new car transaction prices from 1982 to 1983 and, in contrast to Japanese car price increases, were well below the CPI increase in 1984.

TABLE VIII.—AVERAGE NEW CAR RETAIL TRANSACTION PRICES: DOMESTIC AND JAPANESE CARS, PERCENT CHANGE

	1980–81	1981–82	1982–83	1983–84 [1]
Domestic cars:				
Compact	+15.8	+10.2	+3.5	+4.5
Intermediate	+19.1	+7.2	+4.9	+5.5
Full-size	+18.9	+9.4	+5.0	+6.4
Total	+17.0	[2] +11.0	[2] +6.3	+5.4
Import cars:				
Japanese	+8.7	+3.4	+10.3	+11.0
Other imports	+43.4	+24.4	+12.3	+4.4
Total imports	+18.4	+9.1	+12.2	+11.0
Total cars	+17.3	+10.5	+7.8	+6.2
CPI–all items	+10.4	+6.1	+3.2	+3.8

[1] 1983–84 percentage change figures are based on preliminary data for 1984.
[2] As a result of the significant shift in domestic sales mix toward larger cars and a reversal in pricing trends within vehicles segments, the average transaction price for all domestic cars rose more rapidly from 1981 to 1983 than the average transaction prices for compact, intermediate, or full-size domestic cars.

Source: Bureau of Economic Analysis, published and unpublished data.

Table VIII also indicates that transaction prices of new U.S. compact cars (subcompact plus compact) rose less rapidly than domestic intermediate, domestic large, or Japanese car prices from 1982 to 1984. This pattern can be attributed in part to the relatively greater number of attractive Japanese product offerings in the lower end than in the higher end of the market, and to U.S. auto manufacturers' efforts to meet federal Corporate Average Fuel Economy (CAFE) standards. As a result of an unanticipated change in product mix (total U.S. small car sales fell from 61.5 percent in 1981 to about 54 percent of the market in 1984), two U.S. companies could not meet the model year 1983 or 1984 CAFE standards. To improve their abililty to comply with the CAFE statute, these companies appear to have consciously exercised greater price restraint on small rather than large cars since 1983. They also have encouraged dealers to do the same through frequent use of special sales incentives on small cars.

Consumer costs of the restraint

Using the sales and price data presented in previous sections, an attempt was made to estimate the approximate total cost to the U.S. consumer of the Japanese export restraint. The cost of the restraint to consumers can be divided into two parts: (1) the additional cost resulting from "pure" price increases on domestic and Japanese cars; and (2) the increase in total new car expenditures due to restrictions in product choice. In theory, the latter form of cost increase results from pressures on buyers to buy higher-priced Japanese cars, since more basic models are unavailable to them as a result of the restraint. Because of the theoretical and methodological uncertainties in estimating this form of cost increase, the Department's analysis was confined to calculating only the pure price effects of the restraint.

Based on evidence presented earlier, that the quality-adjusted price increase as a result of the restraint was about $500 per car, the estimated cost of the restraint to consumers in the form of higher new car expenditures was approximately $4.9 billion in the April 1983-March 1984 period, and could reach $5.2 billion in the restraint year ending March 31, 1985.

Capital investment and R&D spending

A key issue in the analysis of the Japanese auto export restraint is the degree to which U.S. vehicle manufacturers have used the four-year "breathing space" to develop new products, modernize their manufacturing facilities and increase productivity. Data collected on trends in U.S. auto industry capital investment (expenditures for property, plant and equipment), in research and development spending and in worker productivity indicate that domestic manufacturers have made substantial financial commitments and progress in these areas since 1980.

TABLE IX.—U.S. BIG FOUR CAPITAL INVESTMENT AND R&D SPENDING

[Millions of dollars]

	Net sales	Capital investment	Percent of sales	R&D spending	Percent of sales	Total plant/ product-related expenditures	Percent of sales
1974	68,000	4,567	6.7	2,162	3.3	6,729	10.3
1975	73,600	3,666	5.0	2,060	2.9	5,762	8.1
1976	93,900	3,838	4.1	2,458	2.7	6,296	7.0
1977	111,700	6,179	5.5	2,950	2.7	9,129	8.5
1978	122,200	7,776	6.4	3,489	2.9	11,265	9.3
1979	125,000	9,597	7.7	4,091	3.3	13,708	11.0
1980	106,600	11,462	10.8	4,247	4.0	15,709	14.8
1981	114,400	12,610	11.0	4,298	3.8	16,908	14.9
1982	110,000	9,889	9.0	4,345	3.9	14,234	12.9
1983	132,300	7,658	5.8	4,779	3.5	12,437	9.2
1984E	155,000	10,200	6.6	4,500	2.9	14,700	9.5

Source: Company annual and quarterly reports.

U.S. automobile manufacturers committed an estimated $40 billion ($32.7 billion in 1978 dollars) to investments in property, plant and equipment (PPE) during the 1981–84 period, building upon outlays of about $35 billion ($32.9 billion in 1978 dollars) during the previous four-year period. Reflecting the cyclical nature of product-related investments, as well as differences in the timing of major PPE expenditures among companies, total annual capital spending fluctuated considerably during the 1977–84 period. Industry investments in property, plant and equipment are expected to equal at least $50 billion between 1985 and 1989, with announced 1985 outlays totaling $13–14 billion.

Industry expenditures on research and development also were substantial during the 1981–84 period. Such expenditures totaled an estimated $17.9 billion, up 21.3 percent from $14.8 billion between 1977 and 1980. As a percentage of net sales, R&D spending averaged 3.5 percent from 1981 to 1984, compared with 3.2 percent in 1977–80. Combined R&D and capital expenditures within the industry reached over $58 billion (11.4 percent of net sales) in 1981–84, well above the $49.8 billion (10.7 percent of net sales) spent in these areas during 1977–80.

In 1978, U.S. Big Four automakers predicted that they would spend $78.5 billion (Wards Automotive Yearbook, 1979) between 1978 and 1985 to modernize and retool their plants in order to build a complete fleet of fuel-efficient, front-wheel-drive cars and light trucks. This figure excluded anticipated R&D expenditures of about $17 billion in constant dollars during the same period. (The U.S. Automotive Industry, 1980.)

Table X summarizes the progress which U.S. auto producers have made toward both spending targets since 1978, as well as the continued advances expected through 1985. These data show that U.S. Big Four auto producers already have exceeded their long-term spending targets for R&D investments, in constant dollar terms, but have fallen about $12 billion (constant dollars) short of meeting their antici-

pated 1978–85 level of capital investment. At least part of this spending "short-fall" can be attributed to continued consumer demand for rear-wheel drive cars, as well as to the severe auto sales downturn and profit squeeze in 1980–82.

TABLE X.—PROGRESS OF U.S. BIG FOUR TOWARD MEETING R&D AND CAPITAL EXPENDITURE TARGETS, 1978–85

[In millions of dollars]

	Capital spending			R&D spending	
	1978–83A	1978–84E [1]	1978–85F [1]	1979–83A	1979–84E [1]
General Motors	37,609	43,609	51,609	11,202	13,702
Ford	16,279	19,279	23,079	8,628	10,328
Chrysler	4,142	5,142	7,142	1,558	1,808
American Motors Corporation	982	1,182	1,482	372	422
Total (Current dollars)	59,012	69,212	83,312	21,760	26,260
Total (Constant dollars) [2]	49,363	56,599	66,315	17,586	20,842

FA = actual, C = constant dollars, E = estimated, F = forecasted.

[1] Estimates and forecasts based on company public statements and January-September 1984 spending levels.

[2] Expressed in constant 1978 dollars: actual spending figures adjusted using implicit deflator for total non-residential fixed investment as reported in the Economic Report to the President, February 1984, Table B–3. A five percent annual increase in this deflator was assumed when adjusting 1984 and 1985 spending estimates.

Source: Company annual and quarterly reports; Automotive News.

Productivity improvements

In addition to largely meeting ambitious long-term capital investment and R&D spending targets, U.S. car manufacturers have made significant improvements in worker productivity since 1980. As Table XI shows, total U.S. Industry productivity rose from a low of 9.6 cars and trucks per employee in 1980 to an estimated 13.8 vehicles per employee in 1984. This was significantly above the total industry productivity levels posted in the previous two record production years of 1973 and 1978 (11.3 and 12.3 vehicles per employee, respectively). The 1980–84 gain in U.S. Big Three hourly worker productivity was even greater than that recorded for all employees—from 13.4 vehicles per worker in 1980 to 18.9 vehicles per worker in 1984, an increase of 40.6 percent. Although the dramatic rise in production volume from 1982 to 1984 contributed importantly to the productivity increase, changes in industry operating practices and improvements in manufacturing technology also were key factors. Future productivity advances of up to five percent per year are expected within the U.S. industry as a result of ongoing plant modernization programs and more efficient labor relations practices and management techniques.

TABLE XI.—U.S. VEHICLE OUTPUT PER EMPLOYEE: U.S. BIG THREE AUTO MANUFACTURERS

Year	Vehicle production	Total employment	Output/ Employee	Hourly employment	Output/ hourly worker
1973	12,231	1,083	11.3	812	15.1
1974	9,251	878	10.5	655	14.1
1975	8,405	776	10.8	582	14.4
1976	10,908	886	12.3	667	16.4
1977	12,125	953	12.7	720	16.8
1978	12,292	1,000	12.3	756	16.3
1979	10,738	966	11.1	723	14.9
1980	7,443	774	9.6	554	13.4
1981	7,405	762	9.7	550	13.5
1982	6,582	656	10.0	462	14.3
1983	8,650	692	12.5	496	17.4
1984 E	10,105	731	13.8	535	18.9

E = Estimate.

Source: Company annual reports and Wards Automotive Reports.

PART III—FUTURE OF THE U.S. AUTO INDUSTRY WITHOUT RESTRAINT

This section outlines the Department's estimates of the impact on the U.S. auto industry of allowing the Japanese auto export restraint to expire on March 31, 1985. The future size and financial health of traditional U.S. auto manufacturers will be influenced heavily by trends in four variables: the total level of U.S. car sales, the competitiveness of U.S. producers, the degree of import penetration, and the extent of participation by Japanese producer in the mid-size and large car markets. In addition, traditional domestic producers will face substantial new challenges from the U.S. car and truck manufacturing subsidiaries of Japanese firms, whose output is likely to supplement rather than replace Japanese imports.

Despite major gains in domestic manufacturers' productivity since the restraint began, Japanese auto producers appear to have maintained or increased their previously reported ($1,500 to $2,000 per small car) U.S. landed cost advantage. The Japanese manufacturing cost advantage—the result of lower worker compensation rates, lower capital and material costs, and higher productivity—continues to be a moving target. Movements in U.S. dollar/Japanese yen exchange rates have aggravated this competitive situation, by partially or wholly neutralizing the favorable impact of recent U.S. efficiency improvements on the underlying production cost differential. Moreover, past estimates of the Japanese cost advantage may have underestimated the extent of U.S. producers' competitive problems. Thus, given the current competitive strength of Japanese producers, only a gradual reduction, if any, in their manufacturing cost advantage is likely to occur during the 1985–87 period. (See attachment V for a more detailed assessment of the Japanese manufacturing cost advantage, including the influence of recent trends in U.S. and Japanese productivity levels.)

Based on recent studies of productivity in the U.S. and Japanese auto industries, the Department estimates that U.S. firms require at least 20 percent more hours to produce a small automobile than Japanese companies. This estimate assumes that the productivity of U.S. and Japanese material and second-tier suppliers are equivalent. Most of the Japanese advantage is believed to result from higher productivity at the assembly and first-tier supplier levels.

Non-restraint sales forecast

Table XII below summarizes the Department's preliminary forecast of the U.S. passenger car market during 1985–87 in the absence of the Japanese auto export restraint. For the purposes of this analysis, the Department relied on Data Resources, Inc.'s (DRI) 1985–87 forecast for total U.S. car sales. The forecast is somewhat less optimistic (an average of 500,000 units lower in each year) than the 1985 U.S. Industrial Outlook auto sales forecast prepared by the Department's staff in mid-1984. The DRI forecast assumes moderate GNP growth and inflation during this period, with a slight slowdown in economic activity in 1986. It predicts total sales levels that fall between the most pessimistic (9.8 million units—Merrill Lynch Economics) and optimistic (12.0 million units—Arvid Jouppi Associates, Inc.) public forecasts available at the time of this study. In addition, it tracks closely the composite 1985–87 sales forecast reported by the Motor Vehicle Manufacturers Association. Third Quarter 1984 Economic Indicators: The Motor Vehicle's Role in the U.S. Economy, MVMA, p. 8)

Throughout this analysis, it was assumed that small (defined as subcompact), mid-size (compact, intermediate and foreign luxury), and large (U.S./Canadian-built full-size and luxury) cars would account for approximately the same share of the U.S. market in the 1985–

87 period as they did in 1984 (45, 37, and 18 percent, respectively). This assumption is based largely on the belief that real gasoline prices will remain essentially constant between 1985 and 1987, and thus will not stimulate any major shift in sales among segments.

In addition, the Department did not explicity assume a "price war" as the result of elimination of the restraint. It is likely that consumer prices for Japanese cars will decline, if only as a result of the elimination of additional markups by U.S. Japanese car dealers. The extent of such a price reduction easily could increase the Japanese car sales levels forecast here.

TABLE XII.—SCENARIO I SUMMARY: UNRESTRAINED U.S. MARKET

	1984	Percent	1985F	Percent	1986F	Percent	1987F	Percent
Total sales of Japanese imports	1,906	18.3	2,275	21.3	2,675	25.2	3,025	27.7
Sales of U.S.-built Japanese cars	133	1.3	275	2.5	525	5.0	675	6.2
Total Japanese car sales	2,039	19.6	2,550	23.8	3,200	30.2	3,700	33.9
Total sales of European imports	534	5.1	530	5.0	480	4.5	475	4.4
Total sales of U.S./Canadian-built cars	7,818	75.3	7,620	71.2	6,920	65.3	6,725	61.7
Total U.S. car sales	10,391	100.0	10,700	100.0	10,600	100.0	10,900	100.0

In an unrestrained U.S. market, total sales of Japanese-designed cars are expected to grow from just over 2 million units in 1984 (19.6 percent of the market) to 3.7 million units in 1987 (33.9 percent of the market) based on the DRI sales forecast for this period. Sales of U.S.-built Japanese cars, which are included in the above Japanese sales totals, are anticipated to increase from 133,000 units in 1984 to nearly 700,000 units in 1987. During the period under consideration, Japanese production capacity should not be a limiting factor; approximately 3 million units of existing or planned straight-time capacity (2 shifts per day with no overtime) should be available to accommodate car exports to the United States. This capacity estimate accounts for Japanese car sales in Japan and Japanese exports to non-U.S. markets.

These expectations are based on: (1) the limited relevant historical data available concerning the growth in U.S. market share by Japanese producers (i.e., 3.3 percentage points in the year preceding the restraint and 0.6 percentage points per year in the next two years); 2) Japanese company announcements of U.S. production plans; and 3) an examination of forecasts by numerous industry observers. Collectively, these sources suggest that non-captive Japanese import share growth reasonably could equal 1.5 percentage points annually. This is equivalent to an average unit sales growth of about 10 percent per year in 1985 and 1986 and of over 12 percent in 1987, when forecasted total sales growth is greater.

In the small car market, *Japanese imports and U.S.-built units are likely to gain share at the expense of both traditional U.S. and European manufacturers' products'* (VW, Renault), while in the mid-size market, only traditional U.S. producers models are expected to lose share. European mid-size cars, because of their upscale market positions, greater nameplate identity, and consistent sales growth in recent years, probably would retain market share if the Japanese export restraint were removed.

Under the non-restraint scenario presented in Table XII, traditional U.S. car builders would experience about a 1.1 million unit drop in sales between 1984 and 1987, despite a 500,000 unit increase in total market volume. Much of this sales decline would occur in the small car segment as a result of both increased imports (captive and non-captive) and sales of U.S.-built Japanese vehicles. However, increasing Japanese competitive pressure also would be felt in the mid-size car segment, and could result in the elimination of growth opportunities for U.S. manufacturers in this market. Attachment VI provides a more detailed analysis of the sales (assumed to equal production) effects of increased Japanese car sales in an unrestrained market environment, as well as a list of major assumptions in this forecast.

Restrained market

For purposes of comparison, Table XIII shows the likely impact on U.S. imports and traditional U.S. auto manufacturers' sales of maintaining some form of restraint on Japanese car exports. (See Attachment VII for additional information). In this sales scenario, Japanese captive and non-captive imports retain their 1984 market share, and thus increase unit volume in proportion to total U.S. market growth. In this situation, traditional domestic car manufacturers would experience a small decline in both total unit sales and sales share, with much of the loss occurring in the small car segment.

TABLE XIII.—SCENARIO II SUMMARY: RESTRAINED U.S. MARKET

	1984	Percent	1985	Percent	1986F	Percent	1987F	Percent
Total sales of Japanese imports	1,906	18.3	1,975	18.5	1,950	18.4	2,010	18.4
Sales of U.S.-built Japanese cars	133	1.3	275	2.5	525	5.0	675	6.2
Total Japanese Car Sales	2,039	19.6	2,250	21.0	2,475	23.4	2,685	24.6
Total sales of European imports	534	5.1	540	5.0	535	5.0	545	5.0
Total Sales of U.S./Canadian-built cars	7,818	75.3	7,910	74.0	7,590	71.6	7,670	70.4
Total U.S. car sales	10,391	100.0	10,700	100.0	10,600	100.0	10,900	100.0

Production and employment effects

Based on the employment estimating factors used in Part II of this analysis, a 1.1 million unit U.S. sales/production decline (unrestrained scenario) would lead to the elimination of about 145,000 U.S. auto industry jobs by 1987 if worker productivity remained at 1984 levels. Assuming an industry estimate of a five percent annual gain in worker productivity from 1984 to 1987, the effective job loss at traditional U.S. auto companies and their parts and material suppliers would be closer to 125,000 workers. This loss would be partially offset by smaller employment gains (about 15–20,000 workers) at the U.S. assembly plants of Japanese auto makers and their U.S. suppliers. Thus, at 1987 productivity levels, the new employment loss in the U.S. auto industry, including parts and material suppliers, could be about 110,000 workers, nearly double the earlier estimate of jobs preserved during the fourth year of the restraint. These numbers only reflect potential changes in auto industry employment. They do not incorporate estimates of the new change in total U.S. employment as a result of the restraint, which should be minor. (Jobs gained in the automotive sector would be largely transfers from other sectors of the economy.)

In order to look at a bleaker scenario we examined the likely effects of a picture set forth by some analysts. In this worst case scenario, Japanese market share rises to 40 percent of total U.S. sales, and total sales fall by 1.7 million units from 1986 to 1987 as they did from 1979 to 1980. In this case, net job losses in the domestic industry could exceed 180,000 jobs; 1.7 million units/8.74 vehicles per employee, less 15–20,000 new jobs in U.S. plants assembling or supplying parts for Japanese cars.

Impact of unrestrained Japanese exports on U.S. industry financial performance

Using 1984 sales share information by passenger car segment and the market forecasts in Tables XII and XIII, the Department projected the effects on U.S. Big Three financial performance of both maintaining and removing the Japanese export restraint in 1985. Table XIV summarizes the results of these two analyses, as well as the estimated financial impact of a major U.S. recession and a 40 percent Japanese car sales share. These results were derived using financial forecasting models for General Motors, Ford and Chrysler, which were developed by the Department and an independent consultant in 1984. These models generate detailed income statements, balance sheets and cash flow statements for each company based on annual report data and other information compiled by the Department's staff.

TABLE XIV.—FINANCIAL IMPACT ON U.S. BIG THREE OF REMOVING RESTRAINT

	Restrained market				Unrestrained market			1987 recession/no restraint		
	1984	1985	1986	1987	1985	1986	1987	1985	1986	1987
Indicators of profitability:										
Total net income (billions of dollars)	10.0	9.6	9.6	10.2	9.1	9.1	9.2	9.1	9.1	5.9
Return on equity [1]	23.3	23.0	19.5	18.0	22.0	18.7	16.5	22.0	18.7	10.8
Balance sheet indicators:										
Current ratio	1.27	1.40	1.56	1.73	1.39	1.53	1.68	1.39	1.53	1.61
LT debt/equity [1]	.16	.07	.06	.06	.08	.06	.06	.08	.06	.07

[1] As of September 30, 1984.

In a restrained market, U.S. Big Three car makers are projected to realize a combined after-tax profit of $9.6 billion in 1985 and 1986, about $400 million less than they are expected to earn in 1984. Nominal profits would rise to just about the 1984 level in 1987, although total Big Three sales volume would be about 133,000 units lower than in 1984. As a result of expected growth in stockholders' equity, the combined return on equity of Big Three manufacturers would fall from 23.3 percent in the first nine months of 1984 to 18.0 percent in 1987 under a restrained market scenario. Despite somewhat lower profitability, key balance sheet indicators—including combined U.S. Big Three current ratios and long-term debt to equity ratios—should continue to show improvement in a restrained market situation. (However, the industry's new working capital management efforts may result in lower current ratios than projected).

In an unrestrained environment, rising Japanese car sales volumes would reduce the traditional U.S. producers' net income significantly, but not to the degree that might be predicted from the expected drop in total Big Three output. Industry profits could be expected to fall about $1 billion below their 1984 level in 1985 and remain at that level through 1987. This result reflects the fact that average unit variable profit margins of U.S. producers are considerably higher for large cars than for small ones. Because domestic mid-size and large car production volumes probably would not be affected seriously by removal of the Japanses export restraint in a healthy U.S. economic environment, average Big Three unit margins and total profitability could be expected to decline only moderately.

Under the restrained market scenario, the return on equity of the U.S. Big Three automakers would decline from 1983 to 1984 levels by 1987, but still could indicate profitability comparable to that achieved in 1978. Similarly, the domestic industry's current ratio and long-term debt position, as shown in Table XIV, are expected to improve slightly between 1985 and 1987 dispite elimination of the Japanese export restraint.

It should be emphasized that the Department's forecast analysis assumes constant real average variable profits. In an unrestrained market, where higher imports primarily reduce U.S. small car volume, average small car variable profit margins can be expected to drop. Thus, the resultant decline in domestic companies' earnings probably would be more severe than the model forecasts. In addition, companies whose sales are primarily in the small car segment would be affected even more adversely in these circumstances.

The greatest financial risks to U.S. auto manufacturers would appear if the United States experienced a severe recession in 1986 or 1987, and if the removal of restrictions on Japanese car exports resulted in a very high Japanese market share. In the worst case scenario (i.e., total U.S. car sales fall in 1987 by 1.7 million units and Japanese cars capture 40 percent of the Market). Average variable profit margins of U.S. manufacturers probably would drop sharply, reducing profits. Even assuming no change in variable margins per unit in a depressed market, lower volume alone would reduce U.S. Big Three net income by approximately $3.2 billion annually as shown in Table XIV. In this situation, the industry's return on equity could be expected to decline by more than 50 percent from the 1983-84 level. Industry balance sheets would be less affected than would profitability by the effects of a serious short-term sales downturn and increases in Japanses market share. Based on the Department's analyses, the principal short-term balance sheet impact would be a moderate rise in industry indebtedness. Collectively, these results suggest there are considerable risks to the industry's profitability and financial condition in an unrestrained market if a major sales downturn occurs.

Table XII (unrestrained market), Table XIII (restrained market), and the related analysis on production and employment effects provide reasonable, but nonetheless extreme, estimates of the possible outcome of U.S.-Japanese discussions concerning the auto export restraint. Table XV presents estimates of the U.S. sales, production and employment impacts of intermediate Japanese car sales scenarios in relation to the restrained market outlook discussed previously.

TABLE XV.—U.S. SALES, PRODUCTION, EMPLOYMENT, AND NET INCOME EFFECTS OF VARYING FUTURE JAPANESE AUTOMOBILE IMPORT LEVELS

[Thousands of units and jobs]

	1984 actual	1985 forecast	1986 forecast	1987 forecast
Level of Japanese car imports	1,906	2,200	2,400	2,600
Percent of forecasted market	18.3	20.6	22.6	23.9
Change from Scenario II [1]	NA	+225	+450	+590
U.S. sales/production level [2]	NA	7,690	7,175	7,125
Change from Scenario II		−220	−415	−545
U.S. employment effect (net) [3]	NA	−22.8	−39.9	−47.4
Big three net income (billions of dollars)	10.0	9.2	9.4	9.7
Change from Scenario II	NA	−.4	−.2	−.5

NA = not applicable.

[1] See table XIII and attachment VII (restrained market scenario).

[2] Assumes that all of the loss in traditional U.S. producers' sales and production occurs in the small car segment. These figures exclude sales/production by U.S. subsidiaries of Japanese firms, whose share is based on publicly announced plans.

[3] Assumes a 5 percent annual increase in U.S. industry productivity from 1984 levels. Employment gains at U.S. subsidiaries of Japanese firms and their U.S. suppliers are factored into this calculation. These numbers are +5,000 in 1985, +10,000 in 1986, and +15,000 in 1987.

Date in Table XV indicate that an increase in Japanese car imports from 1.9 to 2.6 million units between 1984 and 1987 could be expected to result in a 545,000 annual unit reduction in traditional U.S. car manufacturers' output by 1987. Allowing for anticipated productivity improvements within the industry and rising U.S. production by subsidiaries of Japanese companies, about 50,000 fewer workers would be employed in the U.S. auto industry during 1987 under this liberalized restraint scenario than if Japanese imports were frozen at their 1984 market share. Because Japanese share gains between 1984 and 1987 probably would occur primarily in the small car segment, the probable impact of a liberalized restraint on the net income of U.S. Big Three manufacturers should be modest. Only a major recession, combined with the Japanese car import levels reported in Table XV, would be likely to lead to serious decline in traditional U.S. auto companies' earnings during this period.

ATTACHMENT I.—CONDITION OF THE INDUSTRY

	Domestic (millions)	Imports (millions)	Total (millions)
Retail Sales of cars: [1]			
1980	6.6	2.4	9.0
1981	6.2	2.3	8.5

ATTACHMENT I.—CONDITION OF THE INDUSTRY—Continued

	Domestic (millions)	Imports (millions)	Total (millions)
1982	5.8	2.2	8.0
1983	6.8	2.4	9.2
1984 estimate	8.0	2.4	10.4
Retail Sales of trucks: [1]			
1980	2.0	.5	2.5
1981	1.8	.5	2.3
1982	2.2	.4	2.6
1983	3.6	.5	3.1
1984 estimate	3.5	.6	4.1
	Cars	Trucks	Total
Production:			
1980	6.4	1.6	8.0
1981	6.2	1.7	7.9
1982	5.1	1.9	7.0
1983	6.8	2.4	9.2
1984 estimate	7.8	3.1	10.9
	Industry employment [2]		Net income of Big 4 car producers [3] (billions)
1980 Average	788,800	1980	$(4.2)
1981 Average	788,700	1981	(1.3)
1982 Average	699,300	1982	.3
1983 Average	757,800	1983	6.2
1984 Average Estimate	866,000	1984 Estimate	10.0

[1] Ward's Automotive Reports. [2] Bureau of Labor Statistics. [3] Company annual reports.

ATTACHMENT II.—ABBREVIATED INCOME STATEMENT FOR THE BIG FOUR

	Full-year 1978	Full-year 1983	Jan. to Sept. 1983	Jan. to Sept. 1984
Sales	122,208	133,549	97,458	119,340
Gross profit	19,357	23,637	16,463	20,704
Operating profit	8,677	7,995	4,815	8,560
Net interest income/(expense)	124	(792)	(691)	586
Equity in earnings of unconsolidated subsidiaries	435	1,446	1,067	1,046
Other income/(expense)	(105)	29	237	163
Pretax earnings	9,131	8,678	5,428	10,355
Income taxes	4,187	2,497	1,460	2,709
Minority interest	15	29	18	37
Net income	4,929	6,152	3,950	7,609

ATTACHMENT III.—CASH FLOW STATEMENTS FOR THE BIG FOUR

	Full-year 1978	Full-year 1983	Jan. to Sept. 1983	Jan. to Sept. 1984
Net income	4,929	6,152	3,949	7,609
Deprec. and amort.	4,812	7,956	5,937	5,770
Deferred taxes	265	1,746	86	(70)
Other non-cash items	184	339	476	196
Equity in uncon subs-divid.	(435)	(1,197)	(949)	(1,026)
Gross cash flow	9,755	14,996	9,499	12,479
Change in work. ass.	669	444	(603)	(148)
Cash from operations	10,424	15,440	8,896	12,331
Major uses:				
PP&E	7,676	7,658	5,253	6,728
Debt repayment (long term)	608	6,906	4,375	2,365
Dividends	2,208	1,100	727	1,405
Stock purchases	0	314	314	309
Invest. in unconsol. subs.	236	(338)	(199)	(72)
Total major uses	10,728	15,420	10,470	10,735
External sources:				
Debt (long term)	494	4,877	2,487	1,164
Debt (short term)	192	(788)	(852)	413
Stock proceeds	350	415	327	211
Asset sale proceeds	366	1,844	1,351	737
Total external sources	1,402	6,348	3,313	2,525
Fx trans. adj.	0	(947)	(881)	(331)
Other sources/(uses)	274	(497)	71	499
Increase/(decrease) in cash and marketable securities	1,372	4,924	929	4,289
Cash from ops/cap exp	1.36	2.02	1.69	1.83
Cash from ops/(cap exp+net debt repmts)	1.34	1.59	1.25	1.56
Cash from ops/(cap exp+net debt repmts+dividends)	1.04	1.43	1.13	1.32

ATTACHMENT IV.—QUARTERLY JAPANESE CAR SALES AND SALES SHARE IN THE UNITED STATES, APRIL 1981 TO MARCH 1985

	Total sales	Domestic sales	Japanese sales	Domestic share (percent)	Japanese share (percent)
th Restraint Year (Apr. 1981 to Mar. 1982)					
Quarter: 1	2.21	1.58	.50	71.5	22.6
Quarter: 2	2.19	1.62	.46	74.0	21.0
Quarter: 3	1.76	1.28	.38	72.7	21.6
Quarter: 4	1.94	1.40	.44	72.2	22.7
Total	8.10	5.87	1.78	72.5	22.0
2nd Restraint Year (Apr. 1982 to Mar. 1983)					
Quarter: 1	2.09	1.53	.44	73.2	21.1
Quarter: 2	1.91	1.33	.48	69.6	25.1
Quarter: 3	2.03	1.49	.43	73.4	21.2
Quarter: 4	2.05	1.46	.47	71.2	22.9
Total	8.08	5.81	1.83	71.9	22.6
3rd Restraint Year (Apr. 1983 to Mar. 1984)					
Quarter: 1	2.50	1.88	.49	72.2	19.6
Quarter: 2	2.24	1.65	.46	73.7	20.5
Quarter: 3	2.39	1.81	.45	75.7	18.8
Quarter: 4	2.58	1.99	.44	77.0	17.0
Total	9.71	7.33	1.84	75.5	18.9
4th Restraint Year (Apr. 1984 to Mar. 31, 1985)					
Quarter: 1	2.89	2.25	.49	77.8	16.8
Quarter: 2	2.45	1.85	.48	75.7	19.7
Quarter: 3*	2.46	1.85	.49	75.3	19.8
Quarter: 4 f	2.68	2.05	.49	76.5	18.4
Total	10.48	8.00	1.95	76.4	18.6

e=estimate, f=forecast.

Source: "Wards Automotive Reports." Captive car imports from Japan are included in the Japanese sales total.

ATTACHMENT V

Direct comparisons of vehicle quality between one manufacturer and another, or between one industry and another (i.e., U.S. versus Japanese), are extremely difficult to make. Vehicle quality can be defined and analyzed in numerous ways. Quality assessments can be based on objective measures, such as the size and frequency of recalls or of warranty and non-warranty repairs within a specified period of time. Alternatively, quality can be measured in terms of consumer perceptions related to a wide range of vehicle attributes. Because of the complexity of the quality issue, automobile manufacturers generally assess their own quality using variations of both approaches.

A review of company statements and vehicle recall announcements suggests that U.S. auto manufacturers are making consistent progress in improving quality. At the same time, however, some public surveys concerning consumer perceptions of vehicle quality indicate that this progress may not be recognized fully in the market. This aspect of the quality issue—the likelihood that consumer recognition of quality improvements will lag behind changes in vehicle quality based on objective measures—may represent the more serious challenge to domestic producers. Thus, long-term efforts by U.S. auto manufacturers probably will be required to close the gap in perceived quality which now seems to exist between domestic and many imported products.

Comparison of U.S. and foreign vehicle manufacturing costs

The most difficult and critical challenge facing the U.S. auto industry is to narrow the manufacturing cost gap with Japanese producers. Although domestic producers have made impressive progress since 1980 in reducing costs, recent studies suggest that this cost gap has not been reduced and may have increased in the past few years. The Japanese manufacturing cost advantage is a "moving target." As American producers cut their per-unit production costs, Japanese producers also make new progress, and the gap persists or widens. Movements in U.S. dollar/Japanese yen exchange rates have aggravated this situation, by partially or wholly neutralizing the impact of U.S. efficiency improvements on the underlying production cost differential. However, adverse exchange rate movements by themselves do not explain the persistent production cost gap between U.S. and Japanese vehicle manufacturers. Moreover, it is likely that unfavorable exchange rate swings are translated only partially into a larger Japanese production cost advantage, given the fact that certain Japanese costs are denominated in U.S. dollar terms.

Cost differences will be the overwhelming factor in determining the future level of small car production in the United States. This comparison of costs has become even more complex in the last few years, given the wider range of outsourcing options available to U.S. manufacturers. Such options include both the outright purchase of small vehicles and major components from lower-cost producers and joint venture arrangements to share technology, capital and risk.

Despite the record profits earned by the domestic producers in 1983 and the continuation of positive trends in the areas of output per worker, labor costs per unit, inventory management and defect prevention, the cost of producing a small passenger car or compact truck in the United States remains significantly greater than in Japan. U.S. production costs also appear to exceed manufacturing costs in several of the newly developing auto-producing nations, despite the fact that productivity is generally lower in these locations.

Previous studies of the Japanese manufacturing cost advantage have produced a wide range of estimates and explanations of this cost gap. Analysis of this issue has evolved from attributing most of the U.S.-Japan cost disparity to lower Japanese compensation rates, to indicating that several additional factors, including differences in productivity and capital and material costs, contribute to the total cost variance. Conservative estimates (mostly 2 to 3 years old) of the total Japanese cost advantage in small car production fall between $1,000 and $2,000 per unit (Joint U.S.-Japan Automobile Study, University of Michigan, Ann Arbor, Michigan, February 1984, pp. 151-52) and result in a Japanese landed cost advantage in the United States of about $800 to $1,500 per unit. A more recent study by Booz-Allen (Paul A. Branstad, "The Structural Costs of Complexity in the Automotive Business", Booz-Allen and Hamilton, Inc., paper presented at Fifth World Motor Industry Conference, Geneva, Switzerland, May 24, 1984) and press accounts of internal studies by U.S. auto companies indicate that the landed cost advantage of Japanese producers may equal $2,000 per unit. While the continued appreciation of the dollar against the yen probably accounts for some of the differences between these two sets of cost estimates, other factors also may be involved.

According to the National Academy of Engineering, 1981 * * * this issue, differences in U.S. and Japanese labor unit costs came to about $1,700 for a subcompact automobile. Labor content in purchased materials and components account for about $800, or 45 to 50 percent of the overall U.S.-Japan auto production cost gap. This figure incorporates differences in hourly wages, white collar salaries and worker productivity in independent component production. The remaining $900 is attributed to higher U.S. hourly and salaried worker costs in vehicle assembly and "captive" supplier plants. Non-labor-related differences in purchased material costs are excluded from these estimates.

Differences in total U.S. and Japanese unit labor costs are a result of Japanese advantages in both productivity and wage and salary levels. The previous set of cost estimates is based on an estimated 18 percent productivity advantage and a ratio of Japanese to U.S. compensation costs of approximately 0.5 in 1980.

Using more recent data on differences in U.S. and Japanese hourly compensation rates, the Office of Automotive Industry Affairs reexamined the importance of this factor in explaining the total U.S.-Japan manufacturing cost differential. Table III-5 shows the estimated average hourly cost of total production worker compensation in U.S. and Japanese motor vehicle and equipment manufacturing during the 1975-1983 period.

Data in the table, while not fully comparable suggest that lower Japanese production worker compensation still accounts for an important share of the U.S.-Japan cost differential. Available evidence indicates that higher white collar compensation and the proportionately larger number of such workers in the United States also continue to be significant factors in the U.S.-Japan difference in total unit labor costs.

Japanese auto industry workers, for example, receive many benefits in kind from their employers, some of which probably are not fully reflected in published compensation comparisons.

After adjusting for exchange rate shifts, estimated Japanese auto production worker compensation as a percentage of U.S. auto production worker compensation remained fairly stable at 54 percent from 1975 to 1979 and then fell to about 46 percent during the 1980-83 period. Assuming an equal labor content of 50 man hours of assembly and capitive supplier plant labor per subcompact vehicle in both industries (roughly the Japanese rate), the difference in 1983 U.S.-Japan hourly compensation rates alone would result in a $564 Japanese labor cost advantage on each vehicle built (excluding independent component production). If exchange rate movements since 1978 are excluded from this calculation, this 1983 compensation differential would fall only slightly to about $510 per unit.

TABLE III-5.—HOURLY COMPENSATION COSTS FOR PRODUCTION WORKERS IN MOTOR VEHICLE AND EQUIPMENT MANUFACTURING

	Total hourly compensation in U.S. dollars [2]		Difference U.S.-Japan compensation		Total Japanese compensation/U.S. compensation	
	Unadjusted	Adjusted [3]	Unadjusted	Adjusted [3]	Unadjusted	Adjusted [3]
1975:						
United States	$9.44	$9.44	+$5.88	+$4.37		
Japan	3.56	5.07			.38	.54
1976:						
United States	10.27	10.27	+6.25	+4.55		
Japan	4.02	5.72			.39	.56
1977:						
United States	11.45	11.45	+* * *	+5.26		
Japan	4.82	6.19			.42	.54
1978:						
United States	12.67	12.67	+5.82	+5.82		
Japan	6.85	6.85			.54	.54
1979:						
United States	13.68	13.68	+* * *	+6.45		
Japan	6.90	7.23			.50	.53
1980:						
United States	16.29	16.29	+9.40	+8.83		
Japan	6.89	7.46			.42	.46
1981:						
United States	17.28	17.28	+9.34	+9.32		
Japan	7.54	7.96			.44	.46
1982 [1]:						
United States	18.66	18.66	+11.48	+10.08		
Japan	7.18	8.58			.38	.46
1983:						
United States	19.07	19.07	+11.28	+10.19		
Japan	7.79	8.88			.41	.47

Source: U.S. Department of Labor, Office of Productivity and Technology (unpublished data).

[1] 1982 and 1983 data are preliminary and subject to future revision.

[2] Yen/dollar exchange rates used: 1975—296.7; 1976—296.4; 1977—267.8; 1978—208.4; 1979—218.2; 1980—225.7; 1981—220.1; 1982—249.1; 1983—237.6.

[3] Adjusted figures based on 1978 average yen/dollar exchange rate of 208.4/$1.00.

Differences in productivity are another key element underlying the current U.S.-Japan auto production cost gap. Estimates of the disparity between U.S. and Japanese labor productivity in motor vehicle manufacturing vary considerably, according to the period examined and the scope of the industry-to-industry comparison being made. Japanese automobile assemblers are typically less vertically integrated than U.S. manufacturers (although close relationships between Japanese vehicle and parts producers often approximate formal U.S. "captive" supplier plant arrangements), and this greatly complicates any analysis of productivity differences. The issue is further complicated by indications that first-tier suppliers of Japanese vehicle companies may be somewhat more productive than their U.S. counterparts, while second-tier Japanese suppliers are often small firms with comparatively poor productivity levels. However, solid data are not available.

To surmount these problems, most researchers have either adopted a "macro" approach using aggregatec industry data or have concentrated on estimating productivity differences in specific vehicle assembly operations, relying on detailed data available from the largest manufacturers. In the latter case, general adjustments typically are made to assembly plant data as a second step, based on a less rigorous analysis of productivity differences within the automotive parts manufacturing sectors of the two countries. Recent analyses of this type have found productivity variances between the U.S. and Japanese industries of 15 to 20 percent. (*The Competitive Status of the U.S. Auto Industry*, National Academy Press, Washington, D.C. 1982, Appendix A). Time series analysis of U.S.-Japan productivity differences during the post-1979 period suggest that this gap ranges from about 10 to 40 percent (*Joint U.S.-Japan Automobile Study*, pp. 162–63).

Based on the Department's more limited analysis of productivity trends in "captive" (integrated) motor vehicle manufacturing operations in Japan and the United States, U.S. producers made significant progress during the 1980–83 period toward reducing the Japanese industry's productivity advantage. As Table III–6 shows, annual U.S. vehicle output per worker rose 28 percent from 1980 to 1983, while Japanese vehicle output per worker fell by 16 percent during the same period. The productivity decline in Japan in recent years appears to be largely related to the lower capacity utilization rates which have resulted from slower domestic demand and export sales growth. Consequently, this negative short-term trend could be reversed in the future if Japanese output expands significantly in response to the global economic recovery.

Direct comparisons of U.S. and Japanese unit output per worker in captive manufacturing activities are not possible due to extreme differences in the degree of vertical integration between the two auto industries. However, a valid comparison of trends within the two industries can be made.

TABLE III–6.—ANNUAL VEHICLE OUTPUT PER WORKER UNITED STATES AND JAPAN

Period	U.S. output per worker index value (1978=100)	Japanese output per worker index value (1978=100)
1978	100	100
1979	96	98
1980	82	107
1981	83	103
1982	87	96
1983	105	92

Source: Annual reports for General Motors, Ford, Chrysler, Toyota and Nissan.

The reasons for higher labor productivity levels within the Japanese auto industry are numerous and complex. They include more flexible work rules and greater worker participation in Japanese plants, more efficient manufacturer-supplier coordination, and the lower degree of product line complexity. The positive effect of close manufacturer-supplier relations and cooperative labor-management relations on the productivity of the Japanese auto industry have long been recognized. However, industry analysis only recently have begun to examine systematically the overall cost and productivity implications of growing product complexity.

One recent study of the complexity issue estimated that the effects of structural produ-t line complexity, excluding vehicle options, account for as much as $800 of the current ($2,500) estimated gross Japanese cost advantage per unit.[6] A major portion of this $800 cost difference appears to lie in the productivity advantage that results from less complex Japanese product and manufacturing strategies. According to the Booz-Allen study, rising product line complexity—defined as the number of distinct vehicle platforms, engines and nameplates (each associated with its own trim, seat and equipment options levels)—has been both a cause of and a response to the challenges which U.S. producers continue to face: a maturing of their principal markets, fuel price uncertainties, and Japanese competition. Based on this analysis, the increase in U.S. product line complexity accounts for much of the estimated $2,100 rise in average real vehicle production costs between 1968 and 1982. Therefore, balancing the need for product line complexity to meet specialized consumer demands against the pressure to minimize production costs is a critical on-going strategic objective for full-line U.S. manufacturers seeking to reduce the overall cost advantage of Japanese producers.

Based on discussions with several U.S. vehicle manufacturers, the $800 per unit figure probably represents an upper limit on the extent of complexity-related cost differences. Nonetheless, this cost factor seems to play a more important role in the overall Japanese production cost advantage than is generally recognized.

Recent evidence suggests that U.S. vehicle manufacturers have begun to address the complexity issue more effectively through improving the focus of their product strategies and the flexibility and integration of their manufacturing systems. In many cases, domestic suppliers are participating actively in this process, which includes efforts to increase component standardization, reduce inventories, rationalize model and option offerings, and invest in flexible manufacturing technologies. According to many industry executives, even modest progress in these areas could result in significant real cost reductions for the U.S. industry as a whole over a period of a few years.

ATTACHMENT VI.—SCENARIO I: NO RESTRAINT ON JAPANESE EXPORTS

[Thousands of units]

	Actual 1984	Forecasted sales 1985	1986	1987
Total U.S. car sales	10,391	10,700	10,600	10,900
Small car sales				
Japanese noncaptive [1]	1,696	1,875	2,050	2,275
Japanese captive [2]	105	275	425	450
U.S.-built Japanese [3]	133	275	525	675

ATTACHMENT VI.—SCENARIO I: NO RESTRAINT ON JAPANESE EXPORTS—Continued

[Thousands of units]

	Actual 1984	Forecasted sales 1985	1986	1987
European imports	198	175	130	115
U.S./Canadian-built	2,474	2,215	1,640	1,390
Total	4,606	4,815	4,770	4,905
Percent of market	44.3	45.0	45.0	45.0

ATTACHMENT VI.—SCENARIO I: NO RESTRAINT ON JAPANESE EXPORTS—Continued

[Thousands of units]

	Actual 1984	Forecasted sales 1985	1986	1987
Midsize car sales				
Japanese noncaptive [4]	105	125	200	300
European imports [5]	336	355	350	360
U.S./Canadian-built	3,366	3,480	3,370	3,375
Total	3,807	3,960	3,920	4,035

ATTACHMENT VI.—SCENARIO I: NO RESTRAINT ON JAPANESE EXPORTS—Continued

[Thousands of units]

	Actual 1984	Forecasted sales 1985	1986	1987
Percent of market	36.6	37.0	37.0	37.0
Large car sales				
U.S./Canadian-built	1,978	1,925	1,910	1,960
Total	1,978	1,925	1,910	1,960
Percent of Market	19.1	18.0	18.0	18.0

[1] Small Japanese noncaptive imports were projected by a detailed examination of product lines and a consensus of industry observers.

[2] Includes estimated sales of 100,000 Isuzu Spectrums, 50,000 Suzuki Sprints, and 125,000 Mitsubishi-built Dodge and Plymouth models in 1985; 200,000 Spectrums, 75,000 Sprints and 150,000 Mitsubishi products in 1986; and 200,000 Spectrums, 100,000 Sprints and 150,000 Mitsubishi products in 1987. These figures are based on company announcements.

[3] Projects sales of 150,000 U.S.-built accords and Civics, 100,000 Novas (NUMMI), and 25,000 Sentras in 1985; 225,000 Accords and Civics, 200,000 Novas, and 100,000 Sentras in 1986; and 300,000 Accords and Civics, 250,000 Novas, 100,000 Sentras and 25,000 Mazda 626's in 1987. These figures are based on company announcements.

[4] Mid-Size Japanese imports (Maxima, Cressida, Galant, future Honda Acura, and perhaps other models) are projected to grow 20 percent annually from 1984–85 and to more than double from 1985–87 (largely due to introduction of the new Toyota Crown, Nissan Cedric, Mazda 929, and Honda Acura). Estimates based on a consensus of industry observers.

[5] Midsize European imports are projected to maintain their 3.3 percent share of 1984 sales during the 1985–87 period; small European imports, like U.S./Canadian-built models, lose share to small Japanese cars.

ATTACHMENT VII.—SCENARIO II: JAPANESE IMPORTS MAINTAIN 1984 SALES SHARE (RESTRAINED MARKET)

[Thousand of units]

	Actual 1984	Percent of total	Forecasted sales 1985	1986	1987
Total U.S. car sales	10,391	100.0	10,700	10,600	10,900
Smnall car sales					
Japanese noncaptive [1]	1,696	16.4	1,745	1,645	1,600
Japanese captive [1]	105	1.0	105	105	110
U.S.-built Japanese [2]	133	1.3	275	525	675
European-imports	198	1.9	185	185	185
U.S./Canadian-built	2,474	23.7	2,505	2,310	2,335
Total	4,606		4,815	4,770	4,905
Percent of market	44.3	44.3	45.0	45.0	45.0
Midsize car sales					
Japanese noncaptive [1]	105	1.0	125	200	300
European imports [3]	336	3.2	355	350	360
U.S./Canadian-built	3,366	32.4	3,480	3,370	3,375
Total	3,807		3,960	3,920	4,035
Percent of market	36.6	36.6	37.0	37.0	37.0
Large car sales					
U.S./Canadian-built	1,978	19.1	1,925	1,910	1,960
Total	1,978		1,925	1,910	1,960
Percent of market	19.1	19.1	18.0	18.0	18.0

[1] Captive and noncaptive Japanese car imports hold their 1984 sales share in 1985–87 period. Midsize noncaptive Japanese car sales are expected to grow dramatically during this period due to the introduction of new products and the strong incentives for selling more profitable cars if a fixed unit restraint continues.

[2] Based on public statements of Japanese car manufacturers with current or planned U.S. assembly facilities. See note 3 to Scenario I.

[3] Midsize European imports maintain their 1984 sales share during the 1985–87 period.

Note: Small European imports and small U.S./Canadian-built cars divide the non-japanese car portion of the small car segment during 1985–87 in proportion to their 1984 sales shares (e.g., U.S./Canadian car sales calculated by subtracting estimates of 1985–87 midsize Japanese and European import sales from total forecasted midsize segment sales.

APPENDIX: JAPANESE "COMPREHENSIVE ECONOMIC MEASURES"

ATTACHMENT TO QUESTION 2

The Japanese Government has announced five broad sets of market liberalizing measures over the past four years. These measures were meant to fulfill Japan's commitment to a market open to international trade.

Trade Initiative of December 16, 1981 and January 10, 1982

The first trade inititative, announced in December 1981, accelerated the timing of tariff cuts agreed to in the Multilateral Tariff Negotiations, and established a Japanese Government committee to study opportunities for imports in the Japanese market. One of the results of this group's work was the announcement in January 1982 of a list of measures which would be implemented to alleviate non-tariff barriers in the standards and customs areas. In January, the Japanese Government also announced the establishment of an Office of Trade Ombudsman, which would be charged with responding to foreign complaints regarding barriers to market entry.

Trade Initiative of May 28, 1982

The second trade initiative included tariff eliminations or reductions on a wide variety of products, among which those on photographic film, cut diamonds and several others were of interest to the United States. It also contained a commitment by the Japanese Government to undertake a series of "generic" remedies in such areas as customs procedures, and foreign access to participation in the formulation of industry standards.

Trade Initiative of December 25, 1982 and January 13, 1983

The third trade initiative was announced by the Government of Japan in December 1982 and January 1983. In December, tariff reductions were announced on chocolate, tobacco products and paper. In January, the Japanese Government announced a commitment to undertake a high-level review of Japanese standards and certification procedures. This review eventually led to the passage of some sixteen laws which, as they are implemented at the administrative level, could represent the most significant and wide-ranging removal of foreign barriers to the Japanese market since the conclusion of the Multilateral Trade Negotiations in 1979.

Also included in the January announcement were commitments to expand the number of retail outlets permitted to distribute foreign cigarettes, undertake a study of the possible liberalization of Japan's distribution system for tobacco products, and ensure the participation of foreign firms in NTT procurement.

Trade Initiative of October 21, 1983

The fourth initiative included tariff reductions on 44 items. Also included was a one-year acceleration of rates committed to in the Multilateral Trade Negotiations on some 1200 items.

The October announcement also promised "steady implementation" of improvements in Japanese standards and certification procedures, further efforts to promote procurement by Japanese Government agencies from foreign firms, and a review of the "designated company" system, which limited foreign investment in eleven Japanese industries.

Trade Initiative of April 27, 1984

This initiative included cuts on sixty-five tariff classifications covering wine, paper products, color photo paper, black-and-white film, hay balers and a wide range of agricultural products. Also included was a commitment to eliminate or liberalize quotas on thirteen agricultural categories.

The statement referred to pending legislation to liberalize the Japanese tobacco and telecommunications markets. Statements in the initiative also promised improvements in standards and certification procedures. Other commitments included in the April initiative were an expansion of the mandate of the Office of Trade Ombudsman to cover investment restrictions, and Japanese Government efforts to resolve legal services issues. Also included in the April announcement were a policy statement covering procurement by Japanese Government agencies and NTT of foreign satellites, and a commitment to postpone the introduction into the on-going Diet of a proposal to remove computer software from copyright protection.

In addition, in May a joint report on yen/dollar exchange rate issues was released which contained elements by the Japanese Government to liberalize Japan's financial and capital markets.

ATTACHMENT TO QUESTION 8

AN ANALYSIS OF AUTOMOTIVE LOCAL CONTENT LAWS IN OTHER COUNTRIES

(Prepared by the U.S. Department of Commerce International Trade Administration, Office of International Sector Policy, October 1983)

Since the early 1960s, a growing number of countries have established local content requirements to promote the development of national motor vehicle industries. Presently, 23 nations require all vehicle manufacturers selling in their markets to achieve specified levels of domestic content in local car and truck production. Most of these countries also impose quotas and/or high tariffs on motor vehicle imports to protect local producers. Four other countries (Bolivia, India, Pakistan and Yugoslavia) combine industrial incentives and trade restrictions to encourage domestic manufacturers to source a large share of automotive components locally. A survey of the specific requirements in selected countries is attached. (See Attachment I).

While domestic content regulations have fostered import substitution and reduced balance of payments pressures in countries applying them, they have done so at considerable economic cost. Consumers in these countries generally pay much higher prices for automobiles than their counterparts in other nations. The number of vehicle makes and models available in the local market is often severely limited. To some extent, national local content policies also have complicated regional auto sector development efforts (as in the Andean Pact and ASEAN nations). Finally, local manufacturers in these countries tend to be uncompetitive with foreign producers, as evidenced by the high tariffs maintained on motor vehicle imports. The last of these economic effects is most likely to reach serious proportions in small countries with limited market potential or in nations which impose disproportionately high local content requirements on their industries.

Overview of Domestic Content Regulations in Developing Countries

As Table I indicates, local content requirements are virtually always imposed by developing countries seeking to build their own motor vehicle industries. In developing countries, these requirements are used to meet the industrial development goals set for the auto industry. These objectives usually fall into three catgories or stages.

During the first stage of motor vehicle industry development, foreign auto manufacturers are encouraged to establish (directly or indirectly through licensing or joint venture agreements) vehicle assembly oper-

ations in the developing country. Often, a two-tiered tariff structure and minimal domestic content requirements (usually 35 percent or less) are imposed to accomplish this goal. Under this system, high tariffs are levied on imports of finished vehicles, while much lower duties are assessed on imports of the component knock down (CKD) vehicle kits used in local assembly operations.

Once domestic assembly operations have been established, motor vehicle production may enter a second stage. Government policies are redirected to emphasize the development of a local automotive parts industry, and domestic content requirements are increased to achieve this objective. Governments may also seek to reduce the number of vehicle assemblers to improve industry efficiency, increase the scale of production and ensure a greater commitment from those firms that remain. Such government efforts took place in Mexico between 1962 and 1964, and led Toyota and several other companies to abandon their small assembly operations. A similar process now appears to be occurring in Indonesia, where small assembly operations proliferated during the 1970s.

The third stage of auto sector development begins when the local industry becomes capable of producing a broad range of components in addition to assembling vehicles. At this point, the focus of government policies tends to shift from encouraging greater import substitution to promoting exports—thereby attempting to achieve the higher economies of scale necessary to compete in international markets. Export performance requirements are often established at this stage, and may be linked to more flexible domestic content regulations and incentive arrangements aimed at raising production volume. Mexico and Brazil adopted this approach during the 1970s.

The conditions that have fostered various types of content requirements in developing countries find no parallel in the United States. Foreign auto manufacturers have already chosen to make major investments in the United States; the U.S. has a well-developed parts industry; and domestic auto manufacturers have achieved large economies of scale in serving a North American market that grew steadily until recently. Current projections indicate slower growth, but higher productivity for the North American auto industry in the 1980s. Domestic content requirements in other nations therefore represent neither justificiation for similar requirements in the United States nor a precedent for the response by Japan or other nations to such requirements.

Overview of Domestic Current Regulations in Industrialized Countries

Three industrialized nations—Portugal, Spain and Australia—also impose domestic content requirements on their motor vehicle industries. However, Spain and Portugal plan to eliminate all domestic content regulations upon their entry into the EEC sometime between 1985 and 1987. Portugal requires only minor use of locally-made components (22 percent of total vehicle value) in order to sustain a small assembly industry, and plans to phase out these requirements in the mid-1980s. Similarly, Spain, the largest vehicle producing nation with domestic content regulations (55 percent local content required), is expected to eliminate such restrictions by 1986 or 1987.

Australia, which has encouraged vehicle manufacturers to achieve high local content levels since the late 1940s, continues to have a highly protected industry. In 1980, because of the high economic cost of past auto industry policies, Australian leaders began to push for reduced protectionism in the auto sector and recommended that several major liberalization steps be taken. As part of this process, the government adopted an export credit scheme which allows manufacturers to maintain somewhat lower domestic content levels in vehicle production in exchange for higher exports of automotive products of all types. Further modest liberalization steps are currently planned beginning in 1985 or 1986.

Response of Multinational Vehicle Manufacturers to Domestic Content Restrictions

U.S. and European vehicle manufacturers are more experienced than Japanese producers in dealing with domestic content requirements. This is due to basic differences in their global manufacturing approaches (Japanese producers favor a more centralized manufacturing arrangement) and in the nature of the major regional markets where they have traditionally operated. Nonetheless, most large, multinational vehicle manufacturers have responded in similar ways to the adoption of domestic content measures, especially in those rapidly growing markets which they view as central to their long-term business strategies. Thus, U.S. auto manufacturers continue to invest heavily in Latin America, particularly in Brazil and Mexico; European auto producers maintain a large stake in Africa and Latin America; and Japanese auto makers continue to play a leading role in much of east Asia and the Pacific (e.g., Australia, Indonesia, Malaysia, South Korea and Taiwan). At the same time, U.S., European and Japanese auto producers have all terminated production or have not invested in other, less critical developing country markets when the imposition of domestic content rules, major shifts in government trade policies, or local market position made such investments uneconomical.

Japanese auto manufacturers, like their U.S. and European counterparts, have not taken retaliatory actions against countries which have imposed domestic content rules. Several factors appear to account for this decision. First, all but five nations which have local content rules assemble or produce fewer than 200,000 automobiles annually, so that the per country volume of trade lost by producers in industrialized nations has been quite small. This is particularly true with respect to the Japanese, who had very limited automotive trading relationships with countries outside of the East Asian and Pacific regions prior to the imposition of domestic content regulations. In those countries where industrialized producers did have important production bases or bilateral trading relationships prior to the adoption of domestic content regulations, expectations of sustained profit potential were usually sufficient to offset the difficulties of complying with these new restrictions. Second, with the exception of Australia, all of the GATT countries maintaining domestic content regulations are considered eligible under Article XVIII or Part IV of the GATT to use trade and other measures for development and balance of payment reasons—measures which the advanced industralized GATT signatories are prohibited from adopting.

It is difficult to extrapolate from the experiences of other countries with domestic content regulations when analyzing the potential effects of similar measures in the United States. Conditions within the U.S. market and the scope of U.S.-Japan automotive trade differ dramatically from those in most developing countries which now maintain domestic content regulations. U.S. production of passenger cars and light trucks in 1982 totaled about 6.8 million units and Japanese exports of such vehicles to the United States equalled 2.1 million units during the same year. During that time, U.S. producers were operating at about 55 percent of their total production capacity. While U.S. auto industry sales, production and capacity utilization are expected to increase markedly during 1983-84, long-term growth in U.S. auto demand is only projected at 1 to 2 percent annually. This contrasts with the much higher rates of auto sales growth expected in many developing countries during the 1980s.

If the proposed domestic content legislation were enacted in the United States, Japanese and other vehicle producers would face a very different situation than they have encountered in other countries. Japanese producers would face a continuing excess production capacity problem in the United States; expectations of modest future U.S. sales growth; increasingly competitive U.S. car models; and an achievable U.S. content level of up to 40 percent which would permit each of them to ship as many as 400,000 units to the United States. Under these circumstances, Japanese auto producers would not automatically maintain or add to production capacity in the United States. Rather, Japanese producers would carefully assess several alternative responses which are more consistent with the current world over-capacity situation and their traditional strategies of centralized production. In this context, the Japanese would consider closing down U.S. capacity and restricting U.S. exports of other commodities as serious options.

In summary, a review of local content requirements in other countries demonstrates that these measures have not fostered the development of competitive auto industries, and could not accomplish this objective in the United States. The large size of the U.S. market and the importance of the U.S.-Japan automotive trade relationship would lead Japan to respond very differently to U.S. enactment of a domestic content law than it has to the adoption of similar measures by other countries in the past.

TABLE I.—OVERVIEW OF AUTOMOBILE INDUSTRIES IN COUNTRIES MAINTAINING DOMESTIC CONTENT RULES

County	Percentage of local content required	Import duty on cars	Date local content rules established	Foreign manufacturers of vehicles in local market			1981 production of passenger cars	Export performance requirements	Industry export incentives	GATT member
				U.S. firms	Japanese firms	European firms				
Argentina	80 percent (down from 96 percent in 1979).	55 percent ad valorem (down from 95 percent in 1980).	1969	Ford; GM (withdrew in late 1970's); Chrysler (facilities sold to VW in 1979).	Home	Evel (Fiat-Peugot); Renault; Volkswagen; Citroen (withdrew in 1980); Daimler.Benz (trucks only).	139,428	No	Yes	Yes.
Australia	88 percent (can be reduced somehwat through exports).	35–57.5 percent ad valorem, depending on stage of assembly; 150 percent for imports over quota.	1976 [1]	GM Holden; Ford; AMC/JEEP (trucks only).	Mitsubishi (purchased) Chrylser operations in late 1970's); Toyota; Nissan.	None	343,000	Yes	Yes	Yes.
Bolivia	Government recommends 45 percent after 3 years.	115–155 percent ad valorem (imports temporarily prohibited in 1982).	1978	None	None	Renault (supplies truck components to local assembler).	Less than 100 assembled from imported knockdown kits.	No	Yes	No.
Brazil	95 percent required by law, but actual percentage negotiated with each firms.	185–205 percent ad valorem imports of cars generally prohibited.	1956	Chrysler (purchased by VW in 1979); Ford; General Motors.	Toyota (utility vehicles and trucks only).	Fiat; Volkswagen; Mercedes-Benz (trucks only).	621,073	Yes	Yes [2]	Yes.
Chile	30 percent	20–60 percent ad valorem, depending on engine displacement.	1975	General Motors	None	Citroen; Fiat; Peugeot-Renault.	20,612	No	No	Yes.
Colombia	33 percent initially; efforts underway to increase local content to 55 percent.	180 percent ad valorem plus 35 percent sales tax and other charges.	1978	General Motors	None*	Renault; Fiat (under a licensing arrangement with local interests.	35,558	Yes	Yes	Yes.
Egypt [3]	40 percent or less; for existing ventures; 40–60 percent for new assembly operations.	85–200 percent ad valorem, depending on engine type and size; duty payable in "hard" currencies.	Mid-1970's	American Motors (Jeeps only).	None	Fiat; Volkswagen; Mercedes-Benz.	17,489	No	No	Yes.
Greece	25 percent	11 percent ad valorem for non-EEC countries.	1964	General Motors	4 joint venture companies assembling Japanese cars of various types.	Citroen	Less than 5,000 units/ year.	Yes	No	Yes.
India	98 percent local content achieved via full range of national trade policies.	Import licenses for autos are rarely issued.	Not applicable	None	None	None	42,000 (est.)	No	Yes	Yes.
Indonesia [4]	More stringent content requirements are now being instituted in accordance with local industry capabilities.	Built up car and truck imports prohibited in 1974 and 1969, respectively.	1976	None	Mitsubishi; Toyota; Daihatsu; Isuzu.	Mercedes-Benz	52,000 (est.)	No	No	Yes.
Malaysia	18 percent (est.), expected to increase in accordance with plans for the Malaysian car.	60–100 percent-plus ad valorem, depending on vehicle price; 15 percent duty on knock down imports; significant road taxes favoring small vehicles.	Late 1960's	Ford (assembles only non-U.S. makes).	Mazda; Honda; Fuji (Subaru).	Peugeot; Fiat;	86,000 (est.)	No	No	Yes.
Mexico	Cars: 50 percent minimum rising to 60 percent in 1987; light trucks: rising to 70 percent in 1985; other vehicles: 65–70 percent minimum rising to 80–90 percent in 1987.	100 percent ad valorem	1962	Chrysler; Ford; General Motors; AMC.	Nissan	Volkswagen; Renault	355,497	Yes	Yes	No.
Morocco [5]	40 percent for existing operations; 50 percent for new investments within 3 years.	57–112 for knock down imports; 750–169 percent for built up vehicles (including taxes).	About 1960	None	None	Citroen; Talbot-Fiat; Renault-Berliet.	13,574	No.	No	No.
Nigeria	Government targets range from 30 percent (3d year) to 100 percent (by 12th year of operation); no manufacturer has been able to meet this schedule.	33⅓–200 percent ad valorem certain luxury car imports banned.	About 1975	None	None	Volkswagen; Peugeot; other (trucks only).	85,000 (est.)	No	No	Yes.
Pakistan [6]	No formal content rules, but use of local components encouraged and estimated to equal 40–80 percent currently.	75–350 percent ad valorem depending on engine size.	Mid-1970's	None	None	None	1,500 (est.)	No.	No	Yes.
Peru	30 percent now, to increase to 50 percent by 1986. Somewhat lower requirements for components; new law being considered to set maximum at 34 percent by 1985.	60 percent ad valorem, plus 10 percent surcharge and other fees.	1972	None	Nissan; Toyota	Volkswagen	22,000 (vehicles of all types).	No	Yes	Yes.
Philippines [7]	55 percent (1983), 60 percent (1984).	30 percent ad valorem for knock down imports; 50 percent for assembled cars.	1973	General Motors; Ford; Chrysler.	Mitsubishi; Toyota; Isuzu; Nissan.	None	25,000 (est.)	Yes	No	Yes.
Portugal [8]	22 percent in 1980, declining to zero by 1985, when Portugal is expected to join the EEC.	4.5 U.S. cents/kilo (about $400–$700/unit).	1963	General Motors; Ford	Hino (trucks only)	Renault; Fiat; Citroen	60,910	No	No	Yes.
South Africa	66 percent by vehicle weight.	100 percent ad valorem on assembled cars; 20 percent on knock down imports.	1961	Ford; General Motors	None [9]	Volkswagen; Fiat; British Leyland; Renault; Opel (see GM); BMW; Alfa Romeo.	301,528	No	No	Yes.
South Korea [10]	Varies from 20 to 95 percent, depending on model; most cars have 60–95 percent local content.	100–150 percent ad valorem.	1966	None	None	None	66,602	No	Yes	Yes.

TABLE I.—OVERVIEW OF AUTOMOBILE INDUSTRIES IN COUNTRIES MAINTAINING DOMESTIC CONTENT RULES—Continued

County	Percentage of local content required	Import duty on cars	Date local content rules established	Foreign manufacturers of vehicles in local market			1981 production of passenger cars	Export performance requirements	Industry export incentives	GATT member
				U.S. firms	Japanese firms	European firms				
Spain	55 percent for cars; local content rules will be phased out when Spain enters EEC.	68 percent ad valorem, plus 13 percent import tax and 24 percent luxury tax.	1964	Ford; General Motors	None [13]	Renault; Talbot; Peugeot Citroen; Volkswagen (with seat).	835,325	Yes	Yes	Yes.
Taiwan [11]	70 percent and manufacturer must also agree to produce certain types of components.	45 percent for CKD imports; 30–92 percent for built up cars; 57–80 percent for built up trucks.	1979	Ford	Nissan; Toyota; Fuji; and Mitsubishi vehicles assembled under license.	None	85,882	No	No	No.
Thailand [12]	35 percent in 1980, increasing to 45 percent by 1983.	150 percent ad valorem on models not made locally.	Early 1970's	Ford; General Motors (both terminated assembly opera during the late 1970's or early 1980's.	Toyota; Nissan; Isuzu; Mitsubishi; Togo Kogyo (Mazda); Daihatsu; Fuji (Sabaru).	Fiat; Volvo; Volkswagen; Peugeot; BW; others.	26,650	No	No	Yes.
Turkey	Varies by vehicle type and with foreign exchange situation.	175 percent ad valorem; car imports normally prohibited.	1959	Ford (license arrangement).	None	Fiat; Renault (both joint ventures with local firms).	25,306 (prelim.).	No	No	Yes.
Uruguay	25–32 percent by vehicle weight.	55 percent ad valorem	1973	General Motors; Ford	None	Volkswagen; Fiat; Peugeot-Citroen; Renault; BMW.	16,239 (1979 car assemblies).	No	No	Yes.
Venezuela	53 percent increasing to 59 percent in 1985.	Specific duty of 100 Bolivars/kilo plus ad valorem tariffs for vehicles not made locally; 40–100 percent for imports identical to locally made vehicles.	1963	Ford; General Motors; AMC (Jeeps only).	Toyota (utility vehicles).	Renault; Fiat	82,785	Yes	Yes	No.
Yugoslavia [14]	Local content percentages and other performance each assembler requirements negotiated with.	25 percent ad valorem for assembled cars. 21–23 percent ad valorem for knock down units.	Not applicable	None	None	Volkswagen; Fiat; Citroen; Audi (all under licensing arrangements).	175,000	No	No	Yes.

* Toyo Kogyo currently negotiating possible entry into Colombian market.

[1] The Australian Government first considered local content requirements for the auto industry in 1947. Although formal regulations were not established until 1976, the Government has closely national manufacturers' use of local components and devised tariff restrictions and industrial incentives to promote higher content levels since the late 1940's.

[2] Certain export subsidies now being phased out under GATT rules.

[3] American Motors, Fiat, Volkswagen, and Mercedes vehicles are currently assembled in Egypt through licensing arrangements with state-owned or controlled entities.

[4] A very wide range of vehicle makes (including United States, European, and Japanese products) are assembled in Indonesia under licensing arrangements. This situation has greatly slowed Government efforts to increase local content through new parts production.

[5] Someboa, owned jointly by Fiat, Talbot, and the Government, assembles Renault, Fiat, Opel Simca, Talbot, and Peugeot cars under license. Other local firms assemble AMC Jeeps, Volkswagon products and several United States, European, and Japanese makes of trucks.

[6] PACO Ltd., a state-owned corporation, exercises monopoly control over the domestic auto industry. It has licensing arrangements with United States, European, and Japanese firms to assemble passenger wagons, jeeps and trucks of all types.

[7] Ford, General Motors, Chrysler, Mitsubishi, Toyota, and Isuzu assemble cars in joint ventures with local firms.

[8] Other European and Japanese vehicles are also assembled in Portugal under license.

[9] Toyota, Nissan, Mazda, Mitsubishi, Peugeot, Honda, and Mercedes-Benz automobiles are also produced under license in South Africa.

[10] There are 3 domestic car manufacturers in Korea: Hyurdor Motors, Daewoo Motors, and Kia Motors, all of which have either equity or technical relationships with United States or Japanese auto firms.

[11] Taiwan has 4 domestic motor vehicle manufacturers: Yue Loang Motor Co., Ford Li olb Motor Co., China Motor Co., and Prince Motor Co., most of which have production and/or technical arrangements with United States or Japanese vehicle manufacturers.

[12] Most firms listed as manufacturing in Thailand are companies whose vehicles are assembled either under licensing or joint venture arrangements.

[13] Nissan holds a controlling interest in Motor Iberica, a local truck manufacturer, but does not assemble cars in Spain.

[14] Companies listed as manufacturing in Yugoslavia are firms whose vehicles are assembled either licensing or joint venture arrangements.

Survey of Local Content Requirements and Other Automotive Trade Restrictions Maintained by Selected Nations

ATTACHMENT I

Industrialized countries maintaining local content rules

AUSTRALIA

Trade restrictions

Australia maintains an 85 percent local content requirement on all cars produced for domestic sale or export. However, under the export facilitation scheme established last year, Australian car manufacturers are permitted to credit exports of all types of automotive products against their local content requirements. Maximum credits under this program will increase from 5.0 percent in 1982 to 10 percent in 1985. If this system is fully utilized, manufacturers will be able to reduce local content to 75 percent by 1985. In addition, independent suppliers may earn content credits by exporting passenger car components up to a maximum of 20 percent of their original equipment sales in the Australian market.

By 1985, the Australian Government will also discontinue its current quota, which limits auto imports to 20 percent of the market, and replace it with a tariff quota system linked to market growth rates. At that time, each domestic auto manufacturer will receive a fixed import quota of 7,000 cars per year; the balance of each year's import quota will be divided among companies that do not produce cars (and/or other vehicles) in Australia. Duties on imports entering the country before the annual quota is filled will remain at the current 57.5 percent rate. Tariffs on imports above quota will be 150 percent until 1987, and then decline gradually to 125 percent in 1992. Comparable duties will be levied against imports of original equipment components, including CKD kits, during the 1987–1992 period.

Foreign participants in market

Five foreign companies produce passenger cars in Australia: General Motors, Ford, Mitsubishi, Nissan, and Toyota. Ford holds about 24 percent of the Australian market and General Motors about 20 percent, with the balance shared by the three Japanese subsidiaries producing locally and imports (primarily from Japan). Ford, GM, Toyota, Nissan, Mitsubishi, Suzuki, Toyo Kogyo and Daihatsu participate in the Australian truck market. The five local manufacturers will invest just under A$1 billion between 1978 and 1983, and plan additional outlays through 1985–86. Much of this spending has gone into plant improvements and tooling for new model introductions, but a significant portion of future outlays will be used for modest capacity expansion in the components and assembly areas.

PORTUGAL

Trade restrictions

Since 1963 Portugal has maintained domestic content requirements. Initially, a 25 percent minimum was set for passenger cars, with the expectation that this percentage would be gradually increased until the goal of developing a viable national auto industry had been achieved. This policy was reversed in 1979 in view of past failures and the need to eliminate local content rules as a condition of entry into the EEC. Portugal is new reducing local content requirements from 22 percent in 1980 to zero percent by 1985.

Portugal also maintains quotas on auto imports from all sources. The government allows annual imports of two cars from non-EEC/EFTA sources for each vehicle of the same make assembled in Portugal during the perceding year. Separate quotas of 400 cars per make (rising to 600 in 1984) have been established for each of 20 manufacturers located in Europe. Both quota systems are expected to be eliminated by the late 1980s, although import restrictions will remain for non-EEC/EFTA vehicle imports. Tariffs on these vehicles are expected to remain at 10 to 15 percent. In recent years the government has allowed assemblers to compensate for shortfalls in local content and to obtain additional quotas through new investments and exports.

Foreign participation in market

General Motors, Ford, Renault, Citroen and Fiat have car assembly plants and Hino a truck assembly facility in Portugal. Because Portugal has relatively low labor costs and is entering the EEC, Ford was considering a major new investment to build additional assembly capacity for the North

American and European export markets. Worldwide market conditions have resulted in termination of this project. Information is not available concerning the investment plants of the other car assemblers in Portugal.

SPAIN

Trade restrictions

Spain has maintained local content requirements for all cars manufactured in the country since 1964. The most recent industry decree (published in 1979) established a new local content requirement of 60 percent, but allowed the more established producers to reduce this to 55 percent by early 1984. There are also export requirements for passenger cars which vary by manufacturer. These requirements were established to offset incentives offered to attract specific investors (e.g., General Motors and Ford) to the Spanish market. Manufacturers receive an 11.5 percent tax credit on each unit exported. There are no quotas on imports of cars, but Spain currently uses an import licensing system to limit commercial vehicle imports and to keep Japanese car and truck imports out of the local market. Spain imposes a 68 percent duty of non-EEC car imports and recently decided to replace its 36.7 percent duty on EEC-source car imports with a sliding tariff quota system based on engine size. A luxury tax and other import assessments further encourage the purchase of domestic over imported vehicles.

Foreign participation in market

Six foreign manufacturers—Ford, General Motors, Renault, Talbot/Citroen/Peugeot and Volkswagen (jointly with Seat, a national company)—produce automobiles in Spain. Nissan recently acquired a majority interest in Motor Iberica, a local truck producer. Total investments in the Spanish auto industry during the 1979-1982 period are estimated at approximately $3-4 billion.

Developing countries maintaining local content rules

ARGENTINA

Trade restrictions

Argentina has applied local content regulations since 1959. In 1979, in a major policy reversal, the Argentine Government decided to reduce local content minimums for automobiles from 93 to 88 percent by 1982. More substantial cuts were made in import tariffs on automobiles, from 95 percent in 1979 to 55 percent in 1982. These actions contributed to a substantial increase in car imports in 1979 and 1980. This situation was reversed with the devaluation of the peso in 1981, and imports are now suspended.

Foreign participation

Five foreign producers—Ford, Fiat-Peugeot, Renault, Mercedes Benz and Volkswagen—currently manufacture automobiles and/or trucks in Argentina. Three other producers—General Motors, Chrysler and Citroen—ceased all production activities in Argentina between 1979 and 1981. GM reportedly closed its local facilities due to declining market share and the shift in government trade policy; Chrysler as part of its worldwide retrenchment; and Citroen as a result of heavy losses and declining market share. Volkswagen acquired Chrysler's manufacturing facilities when the latter terminated its local assembly operations. While investment figures are not available for the post-1980 period, most manufacturers are not available for the post-1980 period, most manufacturers have reportedly made large investments over the past few years to modernize local plants and equipment.

BOLIVIA

Trade restrictions

Since 1978, Bolivia has attempted to establish a small auto assembly industry as part of the larger Andean Pact integration effort. Although the Government recommends 45 percent local content after three years of operation, this objective has not been achieved since batteries are the only important automotive components now produced in Bolivia. Bolivia temporarily banned imports of automobiles in November 1982 because of a foreign exchange crisis; previously, the country levied tariffs on auto imports ranging from 115 to 155 percent, depending upon the stage of completion. Theoretically, certain components may be imported duty free for incorporation into locally assembled vehicles if the value of such imports is offset by an equal or greater value of exports during a two-year period. In practice, however, the formula for imports of parts is extremely complex, and has been a source of problems for the only assembly operation in the country.

Foreign participants in market

Ford has contracts with local Ford dealers and Enauto, a government-owned company, to supply component kits and technical assistance to the Enauto truck assembly operations. Ford ceased supplying kits in 1982 when foreign exchange was no longer available. Renault has a similar arrangement with Enauto, which reportedly is now assembling only a few Renault trucks per month.

BRAZIL

Trade restrictions

Since 1956 Brazil has imposed some form of local content requirements on its motor vehicle industry. Domestic content minimums of 95 percent are required under Brazilian regulations, but actual percentages are now negotiated with individual vehicle manufacturers based largely on their company trade balances. The government grants export incentives in the form of an "over-rebate" of the industrial products tax on automotive exports. This general export subsidy will be eliminated in 1985, but export incentives specifically incorporated in BEFIEX contracts with foreign vehicle producers that expire after that date will continue for several more years. Imports of passenger cars are generally prohibited, but tariffs of 185 to 205 percent remain in effect. These duties are assessed using a system of minimum import values determined by the government.

Foreign participation in market

Ford, General Motors, Fiat, Volkswagen and Mercedes Benz (trucks only) manufacture passenger cars and/or trucks in Brazil, and Toyota produces utility vehicles and trucks. Chrysler Corporation sold its local manufacturing operations to Volkswagen in 1979 as part of its worldwide retrenchment. Brazil has the largest auto sector of any developing country in the world. As such, it has become one of the few important bases for automotive exports among developing nations. High rates of subsidization and government export requirements have encouraged this process.

CHILE

Trade restrictions

Chile has imposed domestic content regulations since 1975 to help sustain a small local assembly industry. A minimum local content requirement of 30 percent has been in effect since May 1979. The government also levies tariffs of 20 to 60 percent on imports of automobiles, depending on the amount of engine displacement. The 60 percent tariff will be reduced to 10 percent by 1986. A consumption tax is levied on other than the very smallest cars as follows: if the factory price times a factor of 3.4 exceeds $15,200, a 75 percent additional tax is levied on the amount exceeding $15,200. This tax cannot excedd 50 percent of the Chilean sales price. While Chilean auto industry policy is still somewhat protectionist, the 1979 law significantly reduced tariffs on imported vehicles and eliminated numerous indirect import prohibitions. These policy changes were based on the government's recognition that it is less expensive to import passenger cars than to produce them in Chile for a very limited market. However, the current economic crisis in Chile has led to temporary government measures, including a 10 percentage point increase in tariffs, to protect local industry.

Foreign participants in market

General Motors, Fiat, Peugot-Renault and Citroen (in a joint venture with the government) produce automobiles in Chile. These assemblers, faced with tough foreign competition under the new, more liberal trading regime and a major economic downturn, are cutting back on production and/or closing certain local manufacturing operations. Imports also have virtually ceased due to current economic conditions.

COLOMBIA

Trade restrictions

Colombia enacted local content regulations of at least 33 percent in 1978, and recently increased this minimum to about 55 percent. The current administration also raised import duties on cars from 150 to 180 percent and continues to assess a 35 percent sales tax and other charges against imported units. Colombia also requires assembling firms that import CKD kits to export 20 percent (about 80 percent by 1986) of their production (mostly spare parts) to compensate for local employment lost to imports. Various incentives are made available to local manufacturers to encourage parts exports.

Colombia, like Bolivia, is a part to the Andean Pact's automotive sectoral agreement. Although the Colombian Government is trying to encourage the development of a national auto parts sector, local technology reportedly is inadequate for sophisticated parts production. Moreover, most of the easily manufactured parts already have been incorporated into local assembly programs and the more technologically sophisticated ones are not economic to produce due to low volume demand in Colombia.

Foreign participation in market

Two foreign firms—General Motors and Renault—currently produce automobiles in Colombia. Chrysler sold its local assembly facilities to General Motors in 1979. Fiat automobiles are now assembled by Compania Colombiana Autowotriz (CAA), which was recently purchased from Fiat by the Kassim Group (a group of local companies already involved in auto parts production). Fiat will continue to provide technical assistance and its name. CCA is currently seeking government approval to produce Mazda vehicles either in addition to or as a substitute for Fiat vehicles. Foreign manufacturers are expected to invest well over $100 million in Colombia between 1982 and 1985 to modernize existing facilities, add as-

sembly capacity and introduce new products.

EGYPT

Trade restrictions

Egypt has maintained domestic content requirements since the mid-1970's. Previously, imports were carefully controlled by the government through a stiff quota system and subjected to extremely high tariffs. Local content minimums for both established and new manufacturing programs (Mercedes, Ford, GM) range from 40 to about 60 percent, depending on the manufacturer. Import duties for built-up cars range from 85 to 130 percent (based on engine displacement) for cars with four-cylinder engines to 200 percent for cars with 8-cylinder engines. Other import taxes add about 12 percent to the landed cost of imports. All import duties must be paid in "hard" convertible currencies. No export requirements exist.

Foreign participation in market

Four foreign companies, American Motors, Volkswagen, Mercedes and Fiat, assemble motor vehicles in Egypt through arrangements with state-owned or controlled entities. General Motors, Ford, Mercedes and other major auto manufacturers are in various stages of making investments in manufacturing facilities in Egypt.

GREECE

Trade restrictions

In 1964 Greece adopted domestic content regulations to attract foreign investment in the auto sector, promote industrialization and generate employment. The government currently requires no less than 25 percent domestic content in all cars assembled locally, which does not appear to be a major hindrance to production. Tariffs of 11 percent are levied on auto imports from non-EEC countries. However, in 1979, temporary measures designed to restrain imports were adopted and contributed to subsequent large reductions in import levels (from 101,472 units in 1978 to 20,634 in 1980). These measures were rescinded in April 1980. To assist the local auto assembly industry the Greek Government provides investment grants, interest credits and retail credit at preferential rates for purchases of locally assembled units.

Foreign participation in market

General Motors and Citroen currently assemble passenger cars in Greece, along with four joint venture companies owned by Japanese vehicle manufacturers and local interests. Automobile assembly activities in Greece are still in their beginning stages. Local operations have tended to focus on the Greek market for small horsepower cars and light trucks.

INDIA

Approximately 98 percent local content is achieved by nationally-owned auto manufacturers in India, although no formal local content law exists. India's trade policies have had much the same effect as content laws in other countries by encouraging local production and discouraging imports of automotive products available from domestic sources. Import licenses are required to import all types of vehicles, but are rarely issued for passenger cars. Exports are encouraged through cash subsidies to producers. There is no foreign investment in India's automotive sector, although Suzuki and other firms have been negotiating with the Indian Government to initiate cooperative agreements with local producers.

INDONESIA

Trade restrictions

Indonesia adopted local content regulations in 1976 and has subsequently issued several decrees in an effort to rationalize local auto production and create a domestic auto parts industry. In 1976, the Indonesian Government set a 1984 target date for achieving virtually 100 percent local content in all domestically-assembled vehicles. Due to the proliferation of distinct makes and models, however, there are virtually no economies of scale for local production of most components. Consequently, local assemblers for the most part have ignored unrealistic government decrees regarding local content requirements. While the Indonesian Government continues to push for greater use of local components, most car assembly operations in the country still rely almost entirely on imports of CKD kits. Built-up truck imports have been prohibited since 1969 and built-up car imports were suspended in 1974. There are no export requirements or quantitative restrictions on CKD imports of passenger cars. Since 1977, all tires, paint and batteries have had to be sourced locally. Beginning in 1980, several other components, including shock absorbers, leaf springs, automotive glass and mufflers, were added to the list of locally sourced items.

Foreign participation in market

Mitsubishi, Toyota, Daihatsu, Isuzu and Mercedes Benz all operate car assembly plants in Indonesia. In addition to building their own vehicles, these companies assemble a wide range of other vehicle makes under licensing arrangements. Approximately 57 makes and 140 models of passenger cars are now assembled in Indonesia, but these numbers are expected to decline to about 30 and 72, respectively, by the end of 1984. Mitsubishi and Toyota, in particular, have begun to consolidate their marketing gains and in 1981 assembled 35,000 and 18,000 units, respectively. Japanese producers as a group already dominate the local market, building approximately 67 percent of all passenger cars now assembled in Indonesia.

MALAYSIA

Trade restrictions

Malaysia has assembled cars for 17 years and appears to have maintained some form of domestic content requirements during much of this period. The current requirement is estimated to be 18 percent, and includes tires, glass items, seat belts, leaf springs, batteries and mufflers as locally sourced parts. Malaysia levies tariffs ranging from 60 to more than 100 percent on imports of assembled automobiles, and charges 15 percent duty on imports of CKD kits. Approximately 86,000 of the 93,000 cars sold in Malaysia during 1981 were assembled from such CKD kits. No export requirements or quantitative restrictions on car imports are known to exist, although imported built-up vehicles require a license.

Foreign participation in market

Ford, Mazda, Honda, Fuji Heavy Industries (Subaru), Peugeot and Fiat maintain car assembly operations in Malaysia. In December 1982, the Heavy Industries Corporation of Malaysia (HICOM) signed a letter of intent with Mitsubishi to enter into a joint project to design and produce a "Malaysian" car. Malaysia has less value added in its auto industry than do most other ASEAN countries, and the government plans that this project will produce a substantial increase in local parts production.

MEXICO

Trade restrictions

Mexico has maintained domestic content requirements since 1962 in order to generate employment, conserve foreign exchange and promote the development of other, related industrial sectors of its economy. Current local content regulations were established for the Mexican auto industry by a government decree published in September 1983. This decree set minimum levels of domestic content in passenger car production at 50 percent in model years (MY) 1984 and 1985, 55 percent in MY 1986 and 60 percent in MY 1987 and subsequent years. The decree also establishes minimum local content levels for light trucks of 65 percent in MY 1984 and 70 percent in MY 1985 and beyond. Local content minimums of up to 90 percent will apply to other classes of motor vehicles by MY 1987.

In addition, the new Mexican auto decree requires foreign-controlled vehicle producers to at least offset their imports of components and services with exports of domestically produced vehicles and parts, beginning in MY 1984. Locally controlled (truck) producers are required to achieve a comparable foreign exchange balance by MY 1987. The Mexican decree also imposes new restrictions on the number of car lines and models that each manufacturer can produce and excludes foreign-controlled assemblers from manufacturing gasoline fueled medium trucks beginning in MY 1986.

Export subsidies formerly available to vehicle manufacturers under the CEDI tax rebate program were suspended indefinitely following the August 1982 devaluation of the Mexican peso. Similarly, under the new decree, the Mexican Government will no longer grant vehicle manufacturers waivers on import duties for necessary component imports. Tariffs on imported passenger cars are set at 100 percent, although such imports are prohibited under the new decree.

Foreign participation in market

Chrysler, Ford, General Motors, American Motors, Renault, Nissan and Volkwagen manufacture passenger cars and trucks in Mexico. Renault recently purchased the government's majority interest in both its and AMC's joint ventures with government companies. Until 1982, Mexico had one of the fastest growing automotive markets in the world. Despite a projected one-third decline in vehicle output in 1983, no foreign firms are contemplating leaving the market.

Foreign manufacturers have made substantial investments in Mexico since 1978 to comply with Mexican decrees and participate in rapid auto sector growth. Between 1980 and 1983, total new investment in the Mexican auto sector is estimated at $2 billion. A large portion of this investment has gone into plants capable of achieving the economies of scale (and cost structure) necessary to compete in international markets.

MOROCCO

Trade restrictions

Since roughly 1960 Morocco has maintained some form of domestic content regulations. Currently, vehicle manufacturers must achieve 40 percent local content in their existing operations and 50 percent local content in any new production ventures within three years. The Moroccan Government has no export requirements on assembled vehicles but exports of locally produced parts can be counted toward meeting local content minimums. Imports of passenger cars are generally prohibited. Duties

and other taxes on built-up auto imports, when permitted, total 150 to 269 percent depending on engine size, while duties and other taxes on CKD kit imports range from 57 to 112 percent.

Foreign participation in market

All auto assembly operations in Morocco are partially or totally Moroccan-owned. Somaca, the largest of these operations, assembles Renault, Talbot, Fiat, Opel, Simca and Peugeot cars under licensing agreements. Other local firms assemble AMC Jeeps, Volkswagen products and several U.S. European and Japanese makes of trucks.

NIGERIA

Trade restrictions

Since the mid-1970's Nigeria has negotiated local content targets with domestic vehicle manufacturers. These local content targets increase from about 30 percent after three years of operation to nearly 100 percent by the twelfth year of operation in the domestic market. Domestic auto producers have so far failed to meet Nigeria's rising local content objectives due to poor infrastructure and the small size of the market, which have prevented a significant auto parts sector from developing. Government austerity measures have recently aggravated this situation by suppressing local demand and restricting the importation of necessary CKD kits.

Tariffs on imported automobiles range from 33⅓ to 200 percent, depending on vehicle price, and "luxury" imports (cars priced over $20-25,000) are normally banned. Import licenses are used to limit imports of assembled cars generally to levels that will allow local assemblers to operate a full capacity (about 24,000 imported units authorized in 1981). A 200 percent pre-import deposit is also required. No export requirements are maintained.

Foreign participation in market

Volkswagen and Peugeot assemble passenger cars in Nigeria, primarily from imported CKD kits. Both operations were established in 1975. In addition, five European manufacturers assemble a variety of trucks in Nigeria. No information is available on the local government plans of any of these manufacturers.

PAKISTAN

Trade restrictions

Pakistan does not maintain formal local content requirements, but has encouraged approved domestic vehicle assemblers (all government owned and/or controlled) to increase their use of local parts through other regulatory mechanisms since the mid-1970's. Local content for approved assemblers ranges from 40 to 80 percent. Extremely high tariffs, ranging from 75 to 350 percent, are levied on built-up imports according to engine size. Imports licenses for assembled vehicles are generally issued only to expatriate Pakistanis (one vehicle after being abroad two years). No export requirements are maintained.

Foreign participation in market

PACO Ltd., a state-owned corporation, exercises monopoly control over the Pakistani motor vehicle industry. It maintains licensing arrangements with a large number of U.S., European and Japanese firms for the assembly of passenger wagons, buses, utility vehicles and trucks of all types. PACO controls the importation of both CKD kits and finished vehicles (excluding those issued to expatriate Pakistanis).

PERU

Trade restrictions

Peru has maintained local content regulations since 1972. Local content in Peruvian-assembled automobiles must now equal 30 percent (based on value) and must be increased to 50 percent by 1986 for new models. Components now produced in Peru must include 10 percent domestic content by 1983 and 30 percent by 1986; newly-introduced components will be required to have 5 percent local content initially and 30 percent by the seventh year of local production. A new local content bill is currently under debate in the Peruvian Congress. If passed, it would require assemblers to use a minimum of 31 percent local content until the end of, 1984, increasing to 34 percent on January 1, 1985. Import tariffs are 60 percent on automobiles. Exports are encouraged by rebating duties and sales taxes paid on imported components which are incorporated into exported vehicles or automotive subassemblies.

Foreign participation in market

Nissan, Toyota and Volkswagen currently produce passenger cars and light trucks in Peru. Volvo produces heavy trucks. Chrysler terminated its car assembly operations in Peru during the late-1970's as part of its general reduction in overseas activities. No information is available on the local investment plans of these manufacturers, but there are reports that the Peruvian Government is trying to persuade Ford and General Motors to reopen plants which they closed in the early 1970's. As part of this effort, the Government hopes to reduce the 50 percent local content requirement to a maximum of 34 percent in 1985.

PHILIPPINES

Trade restrictions

Local content regulations have been in effect in the Philippines since 1973 and require domestic auto manufacturers to achieve at least 55 percent national content in their current production, and 60 percent beginning in 1984. Import tariffs are 30 percent for car CKD kits and 50 percent for assembled cars. The government also reportedly maintains limited export requirements.

Foreign participation in market

Ford and General Motors produce passenger cars as well as certain major components and subassemblies (body stampings and transmissions) through joint venture arrangements in the Philippines. Other joint venture companies build Chrysler/Mitsubishi, Toyota/Isuzu, and DMG Industries/Nissan vehicles. A locally-owned firm manufactures Tamarau utility vehicles and trucks, mostly for military use.

SOUTH AFRICA

Trade restrictions

South Africa has gradually increased domestic content requirements since 1961 from 15 percent to 66 percent currently (by weight). Import licenses are required to import CKD kits and components for local assembly, but are routinely granted to manufacturers whose production programs have received the approval of the Economic Ministry. Most imported vehicles are brought into the country unassembled because the duty on them is 20 percent, compared to 100 percent for completely manufactured units. A 95 percent excise tax is charged on cars with less than 66 percent local content. For those with 66 percent local content, the excise tax is 13 percent or less. This rate declines proportionately for vehicles containing local content in excess of 66 percent. There are no export requirements in South Africa.

Foreign participation in market

Fiat, Ford, General Motors, British Leyland, Renault, Volkswagen, BMW, and Alfa Romeo produce passenger cars in South Africa. Toyota, Nissan, Mitsubishi, Peugeot, Honda, Daimler-Benz and Mazda automobiles are also produced locally under licensing agreements.

SOUTH KOREA

Trade restrictions

Since 1966, Korea has maintained domestic content requirements for passenger cars. These requirements now range from 20 to 95 percent, depending on the vehicle model, with most cars containing 60 to 95 percent national content. In 1974 the Government introduced a long-term auto production plan which called for the gradual elimination of pure assembly operations and the development of a 100 percent Korean car by 1986. There are not specific local content levels for trucks, although engines and cabs must be locally sourced. A variety of incentives, including tax breaks, are offered to vehicle producers that meet these demanding requirements. Tariff rates on auto imports range from 100 percent for cars with up to a two-liter engine to 150 percent (temporary rate) for cars with more than a 2-liter engine. Imports of built-up vehicles are not permitted.

While the Korean Government does not impose export requirements, it does establish export targets and uses moral pressure to see that they are achieved. The auto industry has been designated as a "strategic export industry" to earn foreign exchange and foster the development of related industries. In line with this policy, the government has instructed individual companies to specialize in certain types of vehicles. The industry exported over 45,000 cars, trucks and buses in 1981 and expects to expand truck and bus exports significantly in the next five years. Automotive parts exports totalled $91 million in 1981 and are projected to more than double by 1986. Quality problems, however, could hamper the industry's export program.

Foreign participation in market

There are three domestic car manufacturers in Korea—Hyundai Motors, Daewoo Motors, and Kia Industrial Company—all of which have either equity or technical relationships with U.S. or Japanese firms. Hyundai recently formed a joint venture with Mitsubishi Motors of Japan for a new car manufacturing plant which will be completed in 1985. Daewoo Motors has several joint venture and technical agreements with General Motors to produce transaxles as well as automobiles. Kia Motors receives technical assistance from Honda, largely with regard to truck production activities. Kia Industrial Company will withdraw from the passenger car manufacturing business once it has used up its inventory of CKD automobile kits. Under the government's current investment plan for the motor vehicle industry, nearly $1.3 billion is expected to be spent to expand capacity and develop new products between 1982 and 1986. About one-third of this planned spending would come from foreign sources.

TAIWAN

Trade restrictions

Since 1979 Taiwan has used domestic content rules in an effort to establish a largely

self-sufficient national auto industry. Currently, the country requires domestic manufacturers to achieve 70 percent local content in all cars they produce, and to make at least one of the following subassembles or component groups: 1) engines; 2) pistons, piston pins and connecting rods; 3) crankshafts; 4) transaxles or transmissions; 5) automotive springs; 6) cylinder valves. Import duties range from 45 percent for CKD components to 80-92 percent for built-up cars and 57-80 percent for trucks. Companies meeting local content requirements receive tax exemptions and other financial benefits. No export requirements exist, but up to 21 percentage points of the required local content may be achieved through net foreign exchange generated from the export of locally made components.

Foreign participation in market

Taiwan has four established motor vehicle manufacturers: Yue Loong Motor Company, Ford Lio Ho Motor Company, China Motors Company and Prince Motor Company. Most of these companies have joint production or technical assistance agreements with U.S. or Japanese auto manufacturers. Toyota recently entered into a joint venture with local interests (public and private) to build a new car assembly plant which could achieve a capacity of 300,000 units by 1994. About half of this planned capacity eventually would be aimed at export markets.

THAILAND

Trade restrictions

Since the early 1970's, Thailand has set local content requirements for its motor vehicle assembly industry. In 1978, the government established local content targets of 35 percent in 1980, 40 percent by 1981, 45 percent by 1982 and 50 percent by 1983. These deadlines have been allowed to slip and the current target is 45 percent by August 1983. From 1978 to 1982, local assemblers were protected by a ban on imports of completely built-up automobiles. This ban was partially lifted in 1982 and replaced with a 150 percent tariff on imports of models which are not assembled in Thailand. There are no export requirements.

Foreign participation in market

A large number of foreign motor vehicle manufacturers assemble passenger cars in Thailand either directly or through joint venture or licensing arrangements with local companies. These include seven Japanese companies (Toyota, Nissan, Isuzu, Mitsubishi, Togo Kogyo (Mazda), Fuji (Subaru) and Daihatsu) and more than ten European concerns (Fiat, Volvo, Volkswagen, Peugeot, Renault, BMW and others).

TURKEY

Trade restrictions

Turkey passed a local auto assembly law in 1959, but apparently did not implement it until the mid-1960's. The Turkish version of the domestic content requirement is called the "foreign exchange savings" ratio and is administered through government allocations of foreign exchange to importers. All locally produced vehicles contain at least 60 percent domestic content. Except for a few cars imported by returning expatriates, all built-up auto imports are prohibited. A 175 percent imports tariff remains in effect for those automobiles which are imported. No export requirements are maintained.

Foreign participation in market

Three foreign vehicle manufacturers currently produce passenger cars in Turkey. Since 1966, Ford has licensed auto production to a local assembler. In 1968 and 1969, respectively, Fiat and Renault entered into joint venture agreements as minority partners with local assemblers to produce passenger cars. Production of automobiles in Turkey has declined steadily since 1975 and capacity utilization is now approximately 30 percent. Local assembly operations are believed to be inefficient by world standards. Most major U.S. and West European truck manufacturers have licenses in Turkey which produce trucks with high local content. Japanese manufacturers do not participate in the local market.

URUGUAY

Trade restrictions

Since 1973 Uruguay has required vehicle manufacturers to achieve specified levels of domestic content in all passenger cars they assemble locally. Currently, local content requirements are 25 to 32 percent of total vehicle weight, depending on the make and model involved. Between 1973 and 1979, the government effectively restricted imports of fully assembled vehicles through high tariffs and a complex system of prior deposits on imports. Import restrictions were reduced significantly in 1980, leading to a rapid expansion of trade in Japanese, European and Brazilian-made cars. Currently, a 55 percent duty is levied on imported cars.

Foreign participation in market

General Motors, Ford, Volkswagen, Fiat, Peugeot-Citroen, Renault and BMW assemble passenger cars in Uruguay. No information is available on the investment plans of these manufacturers.

VENEZUELA

Trade restrictions

Since 1963 Venezuela has maintained some form of domestic content requirements. These requirements were to peak at 81 percent beginning in 1975. The recently revised regulations call for 55 percent local content in 1983, rising to 59 percent in 1985. Duties on imports of automobiles remain high; For imported vehicles identical to locally produced models tariffs are 40 percent for heavy trucks, 60 percent for cars under 1150 kg and light trucks, and 100 percent on cars over 1150 kg. The government levies a specific tariff of 100 Bolivars per kilo of vehicle weight (in addition to somewhat lower ad valorem tariffs) on all imported models which are not produced locally.

Venezuela also maintains export performance requirements and provides tax credits for part of the value of nontraditional exports (including most automotive products). Current regulations require that exports of vehicles and parts should compensate for the value of CKD imports in a fixed proportion to the annual total sales revenue of each manufacturer. Under this scheme, each firm's exports must equal or exceed three percent of its local production by 1985, up to the value of its total CKD imports. Through 1985, a portion of each manufacturer's exports can be credited against local content requirements.

Foreign participation in market

Ford, General Motors, Renault, and Fiat produce passenger cars and trucks in Venezuela, and Toyota and AMC produce utility vehicles. Net investment by foreign auto manufacturers totalled approximately $575 million from 1978-1980. More recent investment data is not available.

YUGOSLAVIA

Trade restrictions

Although Yugoslavia has no formal local content requirements, the government normally established trade, investment and employment performance targets through negotiations with motor vehicle producers. A 25 percent tariff is levied on imports of assembled cars, while 21 to 23 percent tariffs are charged on CKD imports. Quotas are maintained on auto imports from the USSR, East Germany and Czechoslovakia. Export requirements, like local content minimums, are negotiated with individual producers.

Foreign participation in market

Fiats, Ladas (USSR), Volkswagens, Audis and Citroens are assembled locally under licensing or other technical agreements. Recent data on auto industry investment in Yugoslavia is not available.

SECRETARY OF COMMERCE,
Washington, DC, March 12, 1985.

Hon. JOHN D. DINGELL,
Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR JOHN: Thank you for your letter regarding the Japanese automobile export restraint.

I have enclosed information which addresses the additional questions you raise. We have asked the Department of Transportation to respond directly to your Subcommittee on sections (b)ii and (b)iii of question 5. These sections deal with possible administrative and legislative options for modifying existing Corporate Average Fuel Economy (CAFE) standards.

I hope that the additional information we are providing will be helpful to you and other members of the Subcommittee.

Sincerely,

SECRETARY OF COMMERCE.

Question 1. In reply to my question numbered 2, the Department provided a list of trade initiatives announced by Japan and included an attachment entitled Japanese "comprehensive Economic Measures." However, the reply appears to show some vagueness as to the status of each measure. For example, in discussing the third initiative, the Department states that "passage of some sixteen laws" in 1983, "as they are implemented at the administrative level, could represent the most significant and wide-ranging removal of foreign barriers to the Japanese market" since 1979. But I do not feel assured by these comments that implementation is complete or even well underway. Please provide a more detailed status of each of these initiatives, including the "NTT Agreement" and the "yen-dollar accord."

Answer. In answer to your request for a more detailed status report on the implementation of various Japanese trade measures, we have attached a comprehensive report compiled last fall on this subject by an interagency task force. Commerce participated in this group.

Since this report was completed, little has changed regarding implementation. The Government of Japan has given us assurances that the procurement provisions contained in the U.S.-Japan NTT Agreement will continue in effect despite NTT's "privatization" on April 1, 1985. The tariff measures contained in the April 27, 1984 set of trade measures will be implemented on April 1 as scheduled. Further talks have been held between Treasury and the Japanese Ministry of Finance on implementation of the yen-dollar accord.

Considerable progress has been made to date in implementing the agreed measures contained in the Yen/Dollar Report released by the U.S. Treasury Department and the Japanese Ministry of Finance in May 1984. Since the agreed measures are to be phased-in over time, it is too early to draw any definitive conclusions about the success of the agreement; however, so far, Japan has taken all the agreed steps on or before the dates specified in the Report. Nevertheless, much more needs to be done to fulfill the entire letter and spirit of all the agreed measures. Treasury continues to monitor Japan's implementation carefully through Embassy reporting from Tokyo, consultations with the private sector about market developments, and periodic follow-up meetings with the Ministry of Finance. The next follow-up meeting will take place in Spring 1985.

In addition, recent revisions in Japanese standards laws have been implemented by MITI with respect to the Electrical Appliances Law and the Consumer Products Safety Law. Two U.S. laboratories have been approved as designated testing laboratories for type approval of electrical equipment. Implementation by other Ministries has been limited and in no other instances have U.S. laboratories been designated. When these laws are fully implemented, their effect will be far-reaching, but progress to date has been disappointing.

The Administration is continuing to encourage those ministries which have not yet implemented recent changes in Japanese standards laws to do so, and has begun disseminating information about this process to the U.S. business community. This latter effort includes a series of seminars sponsored by the U.S. Foreign Commercial Service, which is scheduled to begin in April 1985.

The Administration's current bilateral trade efforts focus on intense sectoral negotiations to improve U.S. access to Japanese markets. This process was launched by President Reagan and Prime Minister Nakasone at their January 1985 summit. Its initial focus is on telecommunications, electronics, medical/pharmaceutical and forest products. Our objective is the elimination of all Japanese barriers in these sectors, in which U.S. firms currently hold internationally competitive positions.

Question 2. The reply also states that Commerce and the Council of Economic Advisors "each prepared studies on the restraint issue with input from other government agencies." Please provide a copy of the CEA studies and copies of the "input" from other agencies. Please also identify the independent consultant mentioned in answer to question 7.

Answer. We also have attached a copy of the Council of Economic Advisors' analysis of the Japanese automobile export retraint. As mentioned in our February 14 reply to the Subcommittee, the Commerce Department's study of the restraint included input from other agencies.

This input consisted of oral comments on various drafts of the study and, in some cases, statistical data which was presented in the Department's report. The Department developed many of the projections of industry financial performance using company-specific forecasting models designed during 1984 with assistance from Jack Faucett Associates, Inc. of Chevy Chase, Maryland, a private consultant. Key elements of these models were described in our previous response to the Subcommittee.

Question 3. What is the Administration doing to open Japan's market to U.S. car exports such as opening Japan's "vehicle distribution system" and allowing "self-certification testing to show compliance" with Japan's emission and safety standards?

Answer. The Administration worked closely with the Motor Vehicle Manufacturers Association and its member companies during 1981-83 to obtain Japanese Government approval of a self-certification approach toward demonstrating compliance with Japanese safety and noise standards. The Japanese Government responded to the U.S. industry's proposal in March 1983 by announcing several changes in its "type designation" vehicle certification procedures. According to the Japanese Government, these changes were designed to facilitate use of the type designation system by foreign manufacturers.

On December 21, 1984, The Japanese Ministry of Transport approved the first type designation application for an American car under the revised system. U.S. vehicle manufacturers are currently evaluating the new type designation system to determine if it is more cost effective than the "type notification" procedures they generally have used in the past. Future Administration efforts to obtain Japanese Government acceptance of a self-certification system will depend on the results of the U.S. industry's present evaluation of the revised type designation system.

Major Japanese automobile manufacturers reportedly do not allow their dealers to sell unaffiliated vehicle makes, but General Motors, Ford, Chrysler and American Motors all have an established distribution systems in Japan. These companies have not asked for U.S. Government assistance in creating alternative distribution systems there. The inability to use the distribution system of Japanese manufacturers may have been a substantial impediment to U.S. manufacturers in the past (and contrasts sharply with the extent to which Japanese manufacturers were able to utilize the existing distribution system of U.S. manufacturers to reach U.S. consumers). However, now that U.S. manufacturers have invested substantial time and resources in developing an independent distribution system in Japan, this lack of access is no longer significant. U.S. auto manufacturers are continuing new marketing approaches in Japan to increase sales volume and contain their distribution costs.

Question 4. In reply to question 10, the Department states that without the VRA, about 110,000 auto jobs would be lost by 1987, but the Department believes that a "significant" portion of the loss "could occur through employee attrition" which usually means retirement due to age or health. I question this, because the loss will be due to a reduction of 1.1 million units of small cars. To achieve that reduction, whole lines and plants where small cars are produced would probably have to be closed. I doubt that attrition could be a real factor in such closures. Do you agree? Please explain. Also, what is the effect of a loss of 110,000 jobs on the local economy?

Answer. U.S. Big Four vehicle manufacturers currently assemble small cars (subcompact and small specialty) in ten plants in the United States and in one plant in Canada. These U.S. facilities are located in seven states (Georgia, Illinois, Michigan (2), Missouri (2), New Jersey, Ohio, and Wisconsin (2)), indicating a fairly wide geographical dispersion of small car production. Component production for these assembly plants also is believed to be spread among several states.

If U.S. small car production fell by one million units due to removal of the restraint, it is likely that certain small car assembly plants would close as production was consolidated. Component plants, particularly in the Midwest, also could be affected seriously. In cases where entire assembly plants closed, major layoffs would occur and worker attrition probably would not be an important factor in softening the economic effects on workers and communities. In other instances, particularly in component and material supplying industries, worker attrition could be a significant element in the adjustment process.

Given the large size of the auto industry, worker turnover should be sufficient to offset anticipated job losses due to productivity advances, and perhaps to offset some layoffs resulting from potential declines in small car production volume during the 1985-87 period. The greatest short-term employment losses and burden on local economies would be felt in those states which are most dependent on small car production and related activities: Michigan, Missouri, Ohio, and Wisconsin. Other small car manufacturing states would be less affected and the adjustment process would be somewhat easier.

Question 5(a). The analysis states that Commerce did not "specifically assess the effect of unrestrained Japanese car imports on the U.S. companies' ability to meet the Corporate Average Fuel Economy (CAFE) standards." Please explain why Commerce did not make such an assessment. If the VRA is not extended and as the analysis estimates, 1.1 million units of small cars are not produced domestically, can the domestics meet the CAFE or use "carryback" credits without severe cutbacks in production of intermediate and large cars with attendant loss of jobs? Is that factor a serious concern to your Department and the Department of Transportation?

Answer. The Department of Transportation, National Highway Traffic Safety Administration (NHTSA), has principal responsibility for administering the Corporate Average Fuel Economy (CAFE) standards. Because of NHTAS's role in this program, it alone has access to the data necessary to perform the type of future-oriented analysis suggested in your February 19 letter. For similar reasons, NHTSA will respond directly to the Subcommittee on possible administrative and legislative changes to the CAFE program (Questions 5(b)ii and 5(b)iii).

During the preparation of its analysis, the Department recognized that elimination of the Japanese export restraint could complicate the efforts of U.S. auto manufacturers to meet future CAFE requirements. Due to the post-1981 shift in consumer demand back toward larger vehicles, full-line U.S. producers were forced to carry forward credits earned during the early 1980s to comply with the model year (MY) 1983 CAFE standard. A similar situation is likely to occur with respect to the MY 1984 standard. Thus, separate from the issue of the Japanese restraint, the Administration has become increasingly aware of and concerned about the possible need for changes in the CAFE program.

Question 5(b). The analysis also states that:

"While Administrative mechanisms are available to reduce the existing 27.5 mpg standard, the best way to resolve the problems appears to be legislative. While this ap-

proach is full of difficulties (i.e., in many circles, CAFE is seen as the only element of the Administration's energy policy), it is one we may have to pursue if the restraint is lifted."

(i) Was the Department of Transportation, (DOT) and the National Highway Traffic Safety Administration (NHTSA), consulted regarding this statement? What was their input?

Answer. The Department did not consult NHTSA or other agencies within the Department of Transportation regarding its staff's views on the feasibility of modifying the CAFE program through administratives or legislative action. The CAFE language cited on page two of your February 19 letter was intended only to alert senior Administration officials to the range of options available to modify existing CAFE standards. At this stage, the Administration has not made any decisions regarding the future of the CAFE program.

Questions 5(b)ii and 5(b)iii. See response to 5(a).

Question 5(b)iv. If both administrative and legislative measures are not "available," or if the are not "available" in a timely fashion, should the VRA be ended?

Answer. The Administration believes that U.S. Government decisions regarding the Japanses export restraint and the CAFE program should be made on the merits of each issue. While the restraint decison could affect CAFE compliance to a major degree, the reasons for continuing or removing the restraint have little to do with the national energy policy objectives on which the CAFE program is based. Consequently, the Administration does not believe that the policy decision on either issue should be linked automatically or directly to the policy outcome on the other.

Question 5(b)v. If a firm does not meet the CAFE, what will be the effect on future capital investment and R&D spending which is essential to developing new products, modernizing facilities, and increasing productivity?

Answer. To the extent that elimination of the Japanese export restraint reduces the ability of U.S. producers to comply with post-MY 1984 CAFE standards, future domestic industry profitability would be affected adversely. The potential decline in profits attributable to the CAFE progam would result from lower profits on small cars as prices were reduced, on large cars as production volumes were cut, and on total U.S. operations if fines had to be paid due to company noncompliance with the Energy Policy and Conservation Act (EPCA). Civil penalties for noncompliance with the EPCA amount to $5 per vehicle produced for each 0.1 mile per gallon (mpg) a manufacturer falls below the standard. Based on 1984 production levels, such fines would total $370 million for each 1.0 mpg that the U.S. Big Three manufacturers fell below the MY 1985 standard if CAFE credits were not available to cover shortfalls. If such shortfalls were large, the impact of CAFE regulations on the domestic industry's profitability could be substantial, reducing the U.S. companies' ability to fund necessary capital investments and R&D spending from internal sources.

Question 6. The Department's analysis "did not" assume a "price war" as a result of ending the VRA. However, it states that it is "likely that consumer prices for Japanese cars will decline "absent VRA, "if only as a result of the elimination of additional markups" "if only as a result of the elimination of additional markups" by dealers. The extent of such a reduction "easily could increase" Japanese car sales levels that you forecast. What would be the increase? What will be the impact of such an increase on jobs, profits, and CAFE for the domestic industry? Does the Department doubt that a price war will result?

Answer. The Department did not assume a price war between Japanese producers following removal of the restraint for several reasons. First, the Department believes that elimination of existing restraint-induced dealer premiums alone would be sufficient to support the level of additional Japanese car sales forecasted in its restraint analysis. Further price cuts, while possible, would not be necessary and might not increase Japanese car sales to the same degree as the initial price reductions.

In addition, it is unlikely that small Japanese producers, despite their interest in expanding U.S. market share, would be able to afford a prolonged price war with the larger, and financially stronger, Japanese firms already represented in the U.S. market. Given likely pent-up demand for Japanese products in the first 1-2 years following elimination of the restraint, major sales increases for both small and large Japanese manufacturers could occur without massive price reductions.

If a sustained price war on Japanese cars did occur, U.S. consumers presumably would increase their purchases of Japanese cars beyond the levels estimated in the Department's analysis. Because it is virtually impossible to predict how U.S. manufacturers would respond to this kind of severe challenge, or the scope of any price war (only subcompacts affected or larger cars as well), we are not able to provide valid estimates of the potential sales, profit, CAFE or employment effects of a prolonged price war scenario.

Question 7. The analysis states:

"It should be emphasized that the Department's forecast analysis assumes constant real average variable profits. In an unrestrained market, where higher imports primarily reduce U.S. small car volume, average small car variable profit margins can be expected to drop. Thus, the resultant decline in domestic companies' earnings probably would be more severe than the model forecasts. In addition, companies whose sales are primarily in the small car segment would be affected even more adversely in these circumstances."

How much "more severe" would they be? Which companies "would be affected even more adversely?" What would be the result?

Answer. The Department's forecast assumes linear revenue and variable cost curves for U.S. auto manufacturers. This technique, which is widely used in linear break-even studies, produces constant average variable profits (although average variable profits in the Department's model vary according to car size class). Most manufacturing companies actually have nonlinear revenue and cost curves. Neither the Department nor outside industry observers have a way of estimating the degree to which unit variable profits change with output. The principal drawback of the linear method is that it becomes less accurate at the extreme low and high ends of production ranges. Since the Department's analysis focuses primarily on output ranges between the two extremes, our results should be reasonable trend indicators.

The Department's analysis states that U.S. auto companies whose sales are primarily in the small car segment would be affected the most.

Question 8. Can the U.S. afford a $7 billion or greater increase in our trade deficit with Japan, particularly if there is no end in sight concerning such increases? Please explain.

Answer. The $7 billion estimate cited in our analysis referred to the potential increase in the 1987 U.S. import bill from elimination of the Japanese auto export restraint. We do not believe that such an estimate will be totally additive to either our overall trade deficit or that with Japan. If the export restraint is eliminated, this will result in a greater demand for yen to cover increased U.S. purchases of Japanese cars. U.S. dollars will be used by the U.S. distributors of Japanese cars to purchase the yen.

This outflow of dollars and increased demand for yen will, in isolation, cause the dollar to weaken and the yen to strengthen. This will make U.S. products more attractive to Japanese consumers and make Japanese exports more expensive and thus less attractive to U.S. consumers. Since the exact magnitude of these changes in currency values cannot be predicted, we cannot forecast the net effect on our overall trade deficit.

We are very concerned about our trade deficit with Japan and are working hard to reduce it. We believe that the trade deficit should be reduced through increased U.S. exports to Japan, rather than through limitations on Japanese exports to the United States. To this end, we are pursuing vigorously new market access measures with the Japanese. We have been disappointed by the results to date and believe more can and must be done by the Japanese Government to improve our access to the Japanese marketplace.

Question 9. When will the Administration inform the Subcommittee of its decision on the VRA? After preparing the restraint analysis, what is your recommendation concerning the VRA?

Answer. On March 1, President Reagan announced that the Administration would not request the Government of Japan to extend its restraint on car exports beyond March 31, 1985.

The Cabinet Council on Commerce and Trade and the Trade Policy Committee met on February 19 to discuss the restraint issue. A Cabinet Council recommendation on the U.S. Government's handling of the matter subsequently was forwarded to President Reagan for consideration. The Department's analysis of the Japanese restraint was designed to provide an objective evaluation of the issue, but did not contain any recommendations.

Question 10. Pursuant to section 12(b) of the Chrysler Corporation Loan Guarantee Act of 1979, your Department provided to the Subcommittee a copy of "The U.S. Automobile Industry, 1983," an annual assessment of the state of the automobile industry. However, the report was approved by you on January 11, 1985. Please explain why the report was not released until now. If there were printer delays, please explain them. Also, please explain why copies could not have been transmitted to Congress early in January, even though multiple copies from the printers may not have been available.

Answer. The Department generally does not release copies of reports it prepares until a final version is available. Because the Executive Branch's annual report on the U.S. auto industry is transmitted to all

members of Congress, a single mailing typically is used. Four weeks were required to print and deliver this year's report on the industry to Congress, a period which we consider reasonable.

Question 11. I understand that the VRA does not cover Japanese vehicles shipped to Guam, the Virgin Islands, and the Trust Territories. Reportedly, a large number of Japanese vehicles are being shipped through these areas and are not being counted against the yearly VRA total. I also understand that your Department monitors these shipments. Please explain why the VRA does not cover these vehicles. Please provide a table showing these shipments for the period of the VRA and indicate how and to what extent these vehicles are shipped to the continental U.S. Are these shipments increasing? If so, why? Has this loophole been discussed with the Japanese? What has been the result?

Answer. The Japanese automobile export restraint does not cover shipments of vehicles to Guam, the Virgin Islands, and the Trust Territories since these areas lie outside of U.S. Customs territory. In contrast, shipments to Puerto Rico, which falls within U.S. Customs territory, are included under a separate restraint measure.

We believe that Japanese car exports which enter the United States as transshipments from U.S. protectorates or third countries have increased as a result of the business activities of independent distributors. The problem has been raised with Japanese Government officials on at least two occasions. Until recently, exports of Japanese cars arriving from U.S. protectorates and third country ports accounted for less than 10,000 units annually. The table below presents annual data on the size of these shipments since the Japanese automobile export restraint began.

U.S. imports of Japanese cars and vans through third countries and U.S. protectorates [1]

	Units imported
1st restraint year (April 1981–March 1982)	0
2nd restraint year (April 1982–March 1983)	2,175
3rd restraint year (April 1983–March 1984)	9,394
4th restraint year (April 1984–December 1984)	20,334

[1] Data are based on date of export from Japan, and thus are incomplete due to lag time for shipments in transit.

Question 12. I note that your department shares my doubts that the Japanese would constrain exports to the U.S. if the VRA is ended. Should that occur, however, what, if any, antitrust problems might arise?

Answer. We understand that U.S. antitrust problems could arise if the Japanese Government sought to restrain exports to the United States in an informal manner. We suggest that the Subcommittee contact the U.S. Department of Justice if it would like a more complete analysis of this issue.

COUNCIL OF ECONOMIC ADVISERS,
Washington, DC, January 24, 1985.

To: The Trade Policy Review Group.
From: William A. Niskanen.
Subject: Effects of Voluntary Restraint Agreement.

INTRODUCTION

This memorandum reports the results of the CEA analysis of the effects on the U.S. automobile market of the Japanese voluntary restraint agreement (VRA) on automobile exports. Because changes in imports of Japanese small cars would affect the demand for U.S. small cars and thus the corporate average fuel economy [CAFE] of U.S. manufacturers, the analysis also examined the effects of U.S. CAFE regulations on the automotive market and the interaction of the VRA and the CAFE regulations.

We examined the effects of changes in these two policies on the following economic variables:

Prices of U.S. and Japanese automobiles.

Domestic automobile production and U.S. assemblies of Japanese automobiles.

New-car average fuel economy for U.S. cars and for U.S. and foreign cars combined.

Automotive industry employment, including jobs in assembly, parts production, materials supply, and ports.

Consumer welfare and U.S. and foreign producer earnings.

The analysis is a comparative statistics analysis designed to simulate the effects of alternative VRA and CAFE policies. It is based on 1984 market conditions, including both macroeconomic conditions and product offerings of domestic and foreign manufacturers, except that U.S. assemblies of Japanese automobiles are assumed in the base-case scenario to increase to their expected 1985 levels.

The analysis thus isolates the effects of the policies considered, but it is not a forecast of the changes in the market that would take place in the future. Actual future changes will depend not only on changes in these two policies but also on a host of other changes in demand and supply conditions not explicitly incorporated in the analysis. However it is important to note that the restrictive effect of a quota of 1.85 million Japanese exports increases as the U.S. economy grows. Hence to the extent that U.S. growth is anticipated, the quota would have to be increased to maintain the same level of restrictive effects on the total market.

METHOD OF ANALYSIS

Market Segmentation: The CEA auto demand model used in the analysis incorporates five market segments, two Japanese and three domestic, based on standard industry classifications of car lines:

The Japanese and U.S. Basic Small car segments include regular minicompacts (Tercel, Civic) and regular subcompacts (Escort, Cavalier, Sentra, Corolla). These are the less expensive small cars.

The Japanese and U.S. Luxuary Small car segments include specialty subcompacts (Camaro, Mustang, Prelude, RX7) as well as compacts (Reliant K, Tempo, Accord, Stanza). These are the more expensive small cars.

The U.S. Large car segment includes intermediate and full size cars (Cutlass, full-size Chevrolet, Ford LTD).

In the demand analysis, European cars (about five percent of the market) are included in the "domestic" segments. They are included with Japanese imports in the calculations of economic welfare changes and auto industry employment changes.

Consumer Demand: On the demand side, the model incorporates the best available information about the responses of consumers to price changes in each market segment. The demand elasticities used in the analysis are displayed in Table 1. The overall price elasticity of demand in the model is —1. Market demand elasticities are highest for the smaller cars and lowest for the larger cars. The model thus accounts for the greater responsiveness of consumers to price changes on basic small cars, and their lesser responsiveness to price changes on more luxurious smaller cars, and also takes account of the fact that there is no U.S.—Japanese competition in the large car segment. The cross price elasticities take into account substitutibility both among size classes and between Japanese and domestic cars. The elasticities and cross elasticities satisfy technical conditions of internal consistency.

Producer Response: The responses of U.S. and Japanese manufacturers to changes in policy cannot be predicted with certainty. As indicated in table 1, we have assumed supply elasticities of 2.0 for Japanese imports and U.S. production and a supply elasticity of 1.0 for U.S. assemblies of Japanese automobiles. The 2.0 supply elasticity assumption implies that manufacturers respond to a demand change by changing both price and quantity, but that the percentage change in quantity is twice as great as the percentage change in price. This supply elasticity, in conjunction with the demand elasticities in Table 1, is also consistent with estimates that the Japanese manufacturing cost advantage on small cars is on the order of $2,600 at current levels of output and that the effect of the VRA is to increase the price of Japanese cars by about $1,200.

The estimated effects of the VRA on imports, domestic production, and prices depend critically on the elasticity of supply. If the actual supply elasticity for imports is larger than 2.0, then Japanese producers would respond to an elimination of the VRA with larger price reductions and greater volume increases than shown in our analysis. Thus, our estimate of the increase in imports without the VRA would be understated. Further, if the actual supply elasticity of domestic production is larger than 2.0, then domestic manufacturers would respond to an elimination of the VRA with smaller price reductions and larger output reductions than shown in our analysis. To check the sensitivity of the simulations to supply elasticities, we also performed an alternative set of computations using assumed supply elasticities of 4.0 for both Japanese imports and U.S. production.

By the end of 1984, Honda's assemblies of Accords in its Ohio plant had reached about 135,000 units per year. It and several other companies plan to add substantially to U.S. assembly capacity in the next few years. In addition, Mazda is expected to import 50,000 GLCs per year from Mexico beginning in 1987. Table 3 displays current and planned future capacity for U.S. assembly of Japanese automobiles, based on manufacturers announcements. We assumed 260,000 assemblies in the base case, somewhat less than expected 1985 capacity of 275,000 units, and an elasticity of supply of 1.0. Thus the analysis captures short-run responses to changes in market prices but does not incorporate changes in assembly capacity plans in response to VRA or CAFE changes.

Employment Effects: Effects on automotive industry employment were estimated using cars-per-job multipliers, shown in Table 1, for the three classes of domestic cars, U.S. assemblies of Japanese cars, and imports. These factors capture the employment effects on assemblers, first and second tier parts suppliers, and materials suppliers. The factor for imports captures the effect on port employment.

In the long run, any effects on total employment in the economy of a change in VRA or CAFE regulations would likely be negligible. Workers released from automo-

tive industries eventually would be absorbed in other industries. Automotive industry employment change estimates are nonetheless of interest because they indicate the magnitude of adjustment involved and because automotive workers are a highly visible constituency group.

Consumer and Producer Welfare Effects: Gains to consumers were estimated by changes in consumer surplus. Changes in earnings of domestic and foreign producers were estimated by changes in producer surplus.

Trade Balance: The overall balance of merchandise trade depends largely on macroeconomic conditions and little, if at all, on conditions in individual product markets. Thus, an increase in automobile imports following a lifting of the VRA would cause the dollar to depreciate by enough, other things equal, to offset the increased automotive imports with increased exports and reduced imports of other goods and services.

CAFE Regulations: In order to estimate the interaction of the VRA and CAFE regulations, an elimination of the VRA was analyzed under two alternative assumptions about the CAFE regulations:

1. CAFE standards are relaxed sufficiently to be non-binding. This implies that U.S. manufacturers respond to increased import competition by greater specialization in large cars.

2. CAFE regulations are continued. U.S. manufacturers reprice their cars so as to maintain a market mix yielding a fleet average of 26.0 mpg. The actual fleet average for the model year 1984 domestic cars was 25.3 mpg, even though current regulations specify a CAFE standard of 27.0 mpg for model year 1984 and 27.5 mpg for model year 1985 and thereafter. General Motors and Ford are not meeting the standard, but they have complied with the law by carrying forward credits earned in previous years and borrowing credits from future production. Although this scenario captures some of the effect of the CAFE regulation, it underestimates the full effect of the 1984 or 1985 standards, barring market improvements in the fuel economy of specific car classes.

Initial Conditions: The initial conditions used as a base case scenario are displayed in Table 2, along with actual conditions in model year 1984. We have assumed that demand and supply conditions identical to actual model year 1984 conditions, except for imports and U.S. assemblies of Japanese automobiles. Because the VRA year begins in April, actual model year imports may not exactly match the quota level; we have assumed model year imports of 1.85 million rather than the actual 1.885 million units that were imported in model year 1985. Actual assemblies were 117,000 for model year 1984 and 134,000 for calendar year 1984. In the analysis, we assumed total assemblies of 261,000 units, consistent with 1985 capacity plans displayed in Table 3. This results in an increased supply of 144,000 U.S. assembled Japanese automobiles over model year 1984 sales.

RESULTS OF THE ANALYSIS

Tables 4 and 5 display the results of the analysis, assuming respectively that CAFE standards are relaxed so as to be nonbinding and that domestic manufacturers reprice their small and large cars so as to achieve a domestic fleet average of 26.0 mpg.

Scenario 1—VRA Eliminated, Cafe Regulation Nonbinding: Table 4 shows Japanese imports about 690,000 units higher and U.S. assemblies about 35,000 units lower than the base case. Prices of Japanese imports fall about $1200. U.S. producers lose about 240,000 sales, 200,000 small cars and 40,000 large cars. Prices of U.S. small cars decrease by about $260, while prices of U.S. large cars are virtually unchanged. The Japanese share of the market increases from 18.2 percent to 28.2 percent in this scenario.

In this scenario, the elimination of the VRA increases the supply of Japanese cars and depresses prices and sales of U.S. small cars, but has a much more modest effect on the large car market. The U.S. fleet average fuel economy falls, but only by 0.1 mpg, to 25.2 mpg. Because the increase in sales of Japanese small cars is greater than the decrease in sales of U.S. small cars, the average mpg of all cars sold increases 0.4 mpg, from 26.7 to 27.1 mpg.

Consumers gain about $4.1 billion in this scenario, $3.0 billion on Japanese cars and $1.1 billion on U.S. cars. U.S. producers lose $1.1 billion in earnings, eighty percent of which is lower earnings on small cars. Earnings of foreign producers fall by $2.2 billion, 98 percent of which is borne by Japanese producers. U.S. automotive industry employment is about 30,000 lower. Consumer gain is about $136,000 per automotive job reduced.

To check the sensitivity of the results to the supply elasticity assumption, we performed alternative simulations setting the supply elasticities of Japanese imports and U.S. production equal to 4.0, rather than 2.0. This alternative assumption results in a price reduction for Japanese cars of about $1600, and an increase in imports of 960,000 units. Total production of U.S. cars falls by 450,000 units, and prices of U.S. small cars fall by about $200. Compared to the results reported in Table 4, the increase in Japanese imports is about 40 percent greater and the reduction in U.S. output almost twice as great.

Scenario 2—VRA Eliminated, U.S. Fleet mpg Increases to 26.0: Table 5 shows Japanese imports about 620,000 units higher and U.S. assemblies about 38,000 units lower than the base case in this scenario. Prices of Japanese imports fall about $1500 for basic small cars and $1100 for luxury small cars. To shift market mix from large to small cars, and to respond to the increased supply of Japanese cars, U.S. producers reduce prices of basic small cars by about $1,000 and prices of luxury small cars by about $300, while increasing large car prices nearly $500. Sales of U.S. basic small cars increase by about 550,000 units, while sales of U.S. luxury small cars and large cars decrease by 30,000 and 520,000 units respectively, offsetting the increase in small car sales. The Japanese share of the market increases from 18.2 percent to 25.1 percent in this scenario.

In this scenario U.S. manufacturers reprice their cars to shift sales from large to small cars in the face of increased supplies of Japanese imports, increasing the average fuel economy of the U.S. fleet from 25.3 mpg to 26.0 mpg. Average fuel economy of all cars sold increases from 26.7 mpg to 27.6 mpg, an increase of 0.9 mpg, reflecting both the increase in Japanese small car sales and the 0.7 mpg increase in U.S. fleet fuel economy.

Consumers gain about $3.7 billion in this scenario, $3.2 billion on Japanese cars. In the U.S. car market, consumers gain $2.4 billion in the small car segments but lose $1.9 billion from the increase in large car prices, for a net gain of $0.5 billion on U.S. cars.

This scenario also shows U.S. producer earnings falling by $1.5 billion. Small car earnings fall by $3.1 billion, but large car earnings increase by $1.6 billion. Foreign producer earnings are also lower than in the base case, by about $2.5 billion. U.S. automotive industry employment is about 11,000 lower. Consumers gain about $326,000 per automobile job reduced.

To check the sensitivity of the results of this scenario to the supply elasticity assumption, we again performed alternative simulations setting the supply elasticities of Japanese imports and U.S. production equal to 4.0, rather than 2.0. This alternative assumption results in a price reduction of about $1,800 for Japanese basic small cars and $1,500 for Japanese luxury small cars, and an increase in imports of 840,000 units. This increase is about 35 percent greater than that shown in Table 5. Sales of U.S. basic small cars increase by 540,000 units and prices fall by about $1,100 per unit, roughly equal to the amounts shown in Table 5, but a greater reduction in large car sales results in a net loss of 130,000 U.S. sales.

TABLE 1.—PARAMETERS USED IN THE ANALYSIS

Demand elasticities	Japanese		United States		
	Basic small	Luxury small	Basic small	Luxury small	Large
Japanese basic small	−4.00	0.83	2.74	1.15	
Japanese luxury small	0.37	−3.50	0.62	1.63	2.57
U.S. basic small	0.83	0.42	−4.00	0.64	0.63
U.S. luxury small	0.24	0.77	0.45	−3.50	1.85
U.S. large	0.02	0.10	0.04	0.16	−2.50

Supply elasticities: U.S. production, 2.0. Japanese cars: Imports, 2.0. U.S. assemblies, 1.0.
Employment factors (cars per job): U.S. production: basic small 8.1; luxury small 7.3; and large 6.6. Japanese imports: 234. U.S. assemblies: 31.

TABLE 2.—INITIAL CONDITIONS

	Model year 1984 market	Base case scenario
Sales (in thousands):		
Japanese cars:		
Imports:		
Basic small cars	915	882
Luxury small cars	969	969
Subtotal	1,885	1,851
U.S. assemblies:		
Basic small cars	0	121
Luxury small cars	117	140
Subtotal	117	261
Imports and assemblies:		
Basic small cars	915	1,003
Luxury small cars	1,087	1,109
Subtotal	2,002	2,112
European imports:		
Basic small cars	36	36
Luxury small cars	71	70
Large cars	180	180
Subtotal	287	286
U.S. cars:		
Basic small cars	1,691	1,671
Luxury small cars	1,788	1,774
Large cars	4,320	4,314
Subtotal	7,799	7,759
All Cars:		
Basic small cars	2,642	2,710
Luxury small cars	2,945	2,953
Large cars	4,500	4,494
Subtotal	10,087	10,157
Prices:		
Japanese basic small	$7,600	$7,350
Japanese luxury small	$11,700	$11,540
U.S. basic small	$7,900	$7,950
U.S. Luxury small	$10,000	$9,960
U.S. large	$12,400	$12,390

TABLE 3.—U.S. ASSEMBLIES OF JAPANESE AUTOMOBILES

	1984	1985	1986	1987
Basic small cars:				
Honda Civic			75	150
Nissan Sentra		25	100	100
NUMMI Nova (GM-Toyota)		100	200	250
Subtotal	0	125	375	500
Luxury small cars:				
Honda Accord	150	150	150	150
Mazda 626				50
Subtotal	150	150	150	200
Total	150	275	525	700

TABLE 4.—SCENARIO 1—VRA ELIMINATED, CAFE REGULATION NONBINDING

	Price (dollars)	Sales (thousands)	Imports (thousands)	U.S. assemblies (thousands)
Japanese basic small	6,110	1,412	1,312	100
Japanese luxury small	10,340	1,355	1,229	126
Subtotal		2,767	2,541	226
European imports		278	278	
U.S. basic small	7,590	1,560		
U.S. luxury small	9,700	1,682		
U.S. large	12,340	4,278		
Subtotal		7,519		
Total		10,564	2,819	226
U.S. fleet MPG 25.2, total fleet MPG 27.1.				
Change from base case:				
Japanese basic small	−1,240	409	430	−21
Japanese luxury small	−1,200	246	260	−14
Subtotal		655	690	−35
European imports		−8	−8	
U.S. basic small	−260	−112		
U.S. luxury small	−260	−92		

TABLE 4.—SCENARIO 1—VRA ELIMINATED, CAFE REGULATION NONBINDING—Continued

	Price (dollars)	Sales (thousands)	Imports (thousands)	U.S. assemblies (thousands)
U.S. large	−50	−36		
Subtotal		−240		
Total		415	682	−35

U.S. fleet MPG −0.1, Total fleet MPG 0.4.

Change in economic welfare (billions of dollars):
U.S. consumers 4.12, U.S. producers −1.10, U.S. total 3.02.
Foreign producers (includes European imports) −2.20.
Automotive employment reduction 30,300.
Consumer gain per automobile job reduced $135,700.

TABLE 5.—SCENARIO 2—VRA ELIMINATED, U.S. FLEET CAFE SET AT 26.0 MPG

	Price (dollars)	Sales (thousands)	Imports (thousands)	U.S. asssemblies (thousands)
Japanese basic small	5,880	1,326	1,229	97
Japanese luxury small	10,400	1,369	1,243	126
Subtotal		2,695	2,472	223
European imports		275	275	
U.S. basic small	6,840	2,208		
U.S. luxury small	9,680	1,750		
U.S. large	12,850	3,816		
Subtotal		7,774		
Total		10,744	2,747	223
U.S. fleet MPG 26.0; total fleet MPG 27.6.				
Change from base case:				
Japanese basic small	−1,470	323	347	−24
Japanese luxury small	−1,140	260	274	−14
Subtotal		583	621	−38
European imports		−10	−10	
U.S. basic small	−1,010	536		
U.S. luxury small	−280	−24		
U.S. large	460	−498		
Subtotal		14		
Total		597	611	−38

U.S. fleet MPG 0.7; total fleet MPG 0.9.

Change in economic welfare (billions of dollars):
U.S. consumers 3.69, U.S. producers −1.51, U.S. total 2.18.
Foreign producers (include European imports) −2.40.
Automotive employment reduction 11,300.
Consumer gain per automobile job reduced $326,400.

JAPANESE GOVERNMENT "EXTERNAL ECONOMIC MEASURES:" THE U.S. GOVERNMENT'S ASSESSMENT OF THEIR IMPLEMENTATION AND IMPACT, OCTOBER 1984

ATTACHMENT TO QUESTION 1

INTRODUCTION

This report assesses Japan's implementation to date of commitments contained in five sets of "external economic measures" which the Japanese Government has announced over the past three years, and evaluates the impact of those commitments as market opening measures.

The report discusses Japan's commitments in the context of the markets or sectors they were intended to liberalize. The description of Japanese liberalization commitments is divided into three parts for each market. First, we identify the market opening commitments that were contained in each trade initiative. Second, we describe the implementation to date of those commitments. Finally, we evaluate the effect that the implementation of those commitments has had on market access, and identify any remaining barriers to trade in that market. The appendix contains a brief description of Japan's five sets of "external economic measures."

This report is not intended to comprise a catalogue of every bilateral trade commitment made by the Japanese Government over the past three years. Japan has made a number of market opening commitments outside of the context of the five trade initiatives. Instead, this report focuses on the "external economic measures" as the most visible and comprehensive Japanese Government attempts to address the concerns of the United States and Japan's other trading partners regarding the need for increased foreign access to the Japanese market.

By focusing on the Japanese Government's unilaterally issued "external economic measures," however, this report necessarily excludes some issues of interest to the United States on the U.S.-Japanese bilateral trade agenda. Because the trade initiatives have been presented as comprehensive sets of market opening measures, addressing issues of interest to all of Japan's trading partners, the Japanese Government has been selective in its response to U.S. concerns, and several outstanding bilateral issues have never been addressed in the trade initiatives.

The U.S. Government compiled a comprehensive list of Japanese trade barriers in a report released in November 1982, entitled "Japanese Barriers to U.S. Trade and Recent Japanese Government Trade Initiatives." An update of that report is in progress. We refer the reader to that report or its update for a full description of impediments to market access in Japan.

OVERVIEW

The goal of U.S. trade policy towards Japan has been to achieve access for U.S. goods, services, and investment in the Japanese market equal to that enjoyed by Japan in the U.S. market. One of the stated purposes of Japan's "external economic measures" has also been to improve the access of foreign products, investment and services to the Japanese market. This goal is reflected in statements accompanying several of Japan's trade initiatives:

"These measures have been designed with the overall aim of firmly maintaining the free trading system and contributing to the revitalization of the world economy through achieving an expansion of trade on a balanced basis . . . Japan's market opening measures are not only a demonstration of Japan's commitment to this system, but also willingness to assume equivalent domestic political risks in support of this system." (January 13, 1983)

". . . by taking various steps . . . the Government intends to move beyond mere market opening into the realm of active import promotion." (October 21, 1983)

"Japan has steadfastly implemented the series of economic measures hitherto decided upon, thus making efforts in opening its markets and promoting imports." (April 27, 1984)

It is thus appropriate to review these commitments and their implementation in the context of the degree to which they have improved foreign access to the Japanese market.

The scope for increasing Japan's imports of primary products is limited; thus, the goal of many of Japan's market opening measures has been to increase imports of manufactured products. Between 1980 and 1983, Japan's share of manufactured imports as a percent of total imports increased about 3 percent, from 21 to 24 percent. Japan's manufactured imports rose in value from $30 to $31 billion over this period. Japan's imports of manufactured products from the U.S. increased from approximately $10.1 billion in 1980 to $11.8 billion in 1983.

Most of the increase in Japan's ratio of manufactured imports to total imports, however, resulted from an absolute decline in total and non-manufactured imports. Furthermore, the rise in the value of Japan's manufactured imports largely reflected price increases.

The increase in Japan's manufactured imports from the United States also cannot be directly linked to Japan's market opening measures. First, bilateral trade flows are influenced by a wide range of factors, such as exchange rates and divergent economic cycles, and thus it is difficult to isolate the effects of individual market opening measures. Second, many of the Japanese Government's trade liberalization measures have not yet been fully implemented, so their impact has not been felt. Finally, U.S. exporters cannot expect to reap the full benefits of market opening measures, as third country exporters also benefit from such policies. Therefore, this report evaluates Japan's market opening actions by assessing the extent to which they have created new opportunities in the Japanese market for U.S. exporters and investors.

On the whole, Japan's external economic measures have improved foreign access to the Japanese market. However, significant barriers to trade remain in a number of sectors.

Some of the commitments announced by the Japanese Government could remove key barriers to market access and result in substantially expanded market opportunities for foreign exporters and investors. These commitments, which concern Japan's tobacco, telecommunications and financial services markets, have all been made within the last year, however, and their market opening impact will depend very heavily on the manner in which they are implemented.

The primary barrier to foreign penetration of the Japanese tobacco market has been the presence of the Japan Tobacco and Salt Public Monopoly Corporation (JTS), a government monopoly controlling pricing and distribution in the Japanese manufactured tobacco market. Early Japanese commitments to reduce tariffs and expand retail distribution outlets available to foreign brands were implemented, but have had little effect on the U.S. share of the Japanese market. In April 1984, the Japanese Government announced that it was submitting legislation to the Diet which would end the JTS monopoly and liberalize the Japanese tobacco market. The market opening impact of this legislation, which will take effect on April 1, 1985, will depend very heavily on the manner in which it is implemented.

U.S. penetration of Japan's telecommunications equipment and services markets has been kept low due to the presence of another government monopoly, the Nippon Telegraph and Telephone Public Corporation (NTT). Also in April, the Japanese Government announced that it was submitting legislation to the Diet to privatize NTT and liberalize the Japanese telecommunications market. The actual impact of this legislation, once passed, will also depend on the manner in which it is implemented.

Commitments in the trade initiatives have resulted in partial market opening in the areas of standards, tariffs, agricultural quotes, customs procedures, NTT procurement, direct investment, and energy.

All five announcements have included commitments to liberalize Japanese standards and certification practices. Although the statutory framework for implementing the Japanese Government's commitments has been completed, full implementation at the administrative level has not yet been achieved. Because progress has been slow, many of the policy pronouncements included in recent announcements repeat previous commitments regarding standards and certification.

Tariff reductions have also been included in each of the five sets of external economic measures. Although Japan has the lowest average overall tariff rate in the industrialized world, tariffs on individual items remain high, particularly on certain manufactured and high value-added agricultural products. Japan has reduced tariffs on items of significant trade interest to the United States. However, many tariff cuts included in the trade initiatives have been of only marginal benefit for U.S. exporters, due to the small size of the reductions or the low volume of U.S. exports of affected products. Many items remain on which tariff cuts would afford a significant increase in market opportunities for U.S. exporters.

The Japanese Government has begun to implement its commitments to expand agricultural quotas. In announcing measures to expand its beef and citrus quotas in August 1984, the Japanese Government addressed the leading agricultural trade issue between the United States and Japan. However, the United States is still seeking a commitment from the Japanese Government to eliminate its residual import restrictions on all agricultural products.

Japanese Government commitments to improve customs procedures have also been implemented, but have had only a marginal impact because the problems addressed by the commitments have not constituted significant market impediments for U.S. exporters. The Japanese Government has expressed little willingness to study a U.S. suggestion that Japanese Government ministries delegate more clearance authority to Japanese Customs so as to expedite clearance procedures.

Included in the external economic measures has been a Japanese Government commitment to improve NTT procurement practices, through implementation of the bilateral agreement with the United States covering NTT procurement practices. NTT has implemented the technical and procedural aspects of the Agreement, but the United States believes that further progress can be made in increasing NTT's procurement of sophisticated core network telecommunications equimpent from U.S. firms.

The Japanese Government has implemented commitments to improve procedures for approving and facilitating foreign direct investments. However, the U.S. Government believes that it would be helpful for the Japanese Government to improve further the investment climate, which would enhance the ability of U.S. investors to compete in Japan and, thus, stimulate greater investment flows.

On Energy, the Japanese Government has implemented commitments to send a private sector coal mission to the United States and to encourage energy feasibility studies. However, meaningful commitments to increase purchases of U.S. coal or gas have not yet materialized.

Areas in which Japanese commitments have not been specific or remain unimplemented include government procurement, services, and import promotion.

In its October 1983 trade initiative, the Japanese Government made a commitment to ensure that its government procurement practices are in conformity with the GATT's Government Procurement Code. However, Japanese Government agencies continue to use single-tendering procedures extensively.

The only commitment included in the Japanese trade initiative affecting services was a commitment to "work toward an appropriate solution" on legal services. A number of services issues remain unaddressed, including Japanese restrictions on the use of maritime high cube containers, the inability of U.S. shipping lines to obtain contracts for shipment of leaf tobacco, and restrictions on the access of U.S. firms to Japan's Bank Related Credit Card Association.

Japanese trade initiatives have included a variety of import promotion measures, including the creation of an Office of Trade Ombudsman to respond to foreign complaints regarding market barriers, import promotion missions, and high-level statements encouraging increased imports of manufactured products. The practical effect of such actions and statements is impossible to evaluate, however, because they have never been accompanied by any yardsticks with which to evaluate their success.

Finally, the most recent set of external economic measures included two statements which were not market opening measures, per se, but which dealt with two areas of primary importance to the United States.

The first statement was that foreign satellite procurement by Japanese Government agencies would be permitted, subject to considerations of "consistency with the national space development policy." The U.S. Government has sought clarification of this condition, but so far the Japanese Government has not responded to this request. It remains to be seen whether this policy statement will lead to purchases of foreign-manufactured satellites.

The second statement noted the Japanese Government's decision to delay the introduction to the Diet of a proposal to eliminate copyright protection for computer software, and to consider "international harmony" in developing new proposals. No commitment was made to abandon the proposal.

INDUSTRIAL TARIFFS

I. Japanese market opening commitments

Trade Initiative of December 16, 1981

The Japanese Government announced it would accelerate implementation of Japan's Tokyo Round tariff reductions which were scheduled for 1983 and 1984. This measure affected 1,653 items, of which 1,539 were mining and manufactured products. The tariff acceleration covered about 43% of all Japan's dutiable imports. As a result, the average tariff rate of the affected items was reduced from 8% to 6.75%. Among the non-

agricultural products covered were computers, integrated circuits, scotch whiskey, aluminum ingots, tungsten, golf balls and some auto parts.

Trade Initiative of May 28, 1982

The Japanese Government announced it would eliminate tariffs on 96 industrial products, including certain machine tools, cut diamonds, some domestic appliances (air conditioning equipment, refrigerators, vacuum cleaners, washing machines and microwave ovens), watches, boilers and turbines, electric generators, digital calculating machines, televisions and electric generators. This increased the number of industrial products that enter Japan duty free to about 550.

The Japanese Government reduced rates on 102 industrial items, including computers, nuclear reactors, telephone switchboards, and medical and diagnostic equipment, on an accelerated schedule. The 7% tariff rate on computers and 8.7% rate on computer parts were jointly reduced to 4.9%. Duties on computer peripherals dropped to 6%. The Japanese Government also reduced tariff rates two years ahead of schedule on several other industrial products (automotive tires, catalytic agents and steel) to levels below the proposed rates agreed upon in the Tokyo Round. Some 36 articles, such as lighters, eyeglass frames and ballpoint pens, were no longer subject to a surcharge. As a result, the average tariff rate on the affected 198 industrial items fell from 6.2% to 3%, and the average tariff rate for all industrial products fell from 3.45% to 3.27%.

Trade Initiative of December 25, 1982

The Japanese Government announced that it would reduce or eliminate tariffs on 28 industrial products. Japan's kraft paper tariff was reduced from 11.8% to 9.3%. Other items receiving a tariff reduction included blank magnetic tapes, cash registers and paperboard. The 5.9% tariff on farm tractors and the 7.5% tariff on numerically controlled machine tools were completely eliminated. The duty exemption on several other types of farm equipment (hay balers, mowers, harvesters, feeders and silos) was extended until 1986. The May and December tariff packages together affected 11% of all Japan's dutiable imports.

Trade Initiative of October 21, 1983

The Japanese Government announced that it would reduce or eliminate tariffs on 47 items, including paper products and agricultural machinery. In particular, the 13.1% particleboard tariff was reduced to 12%, and the 11.6% tariff on wrapping paper fell to 9.3%. Japan offered to eliminate its tariffs on semiconductors if the United States would do the same. In addition, Japan committed itself to accelerating scheduled Tokyo Round tariff reductions on 1,280 items, most of which were manufactured products, by one year. The package covered 27.6% of all Japanese dutiable imports.

Trade Initiative of April 27, 1984

The Japanese Government announced that it would reduce or eliminate tariffs on 31 industrial items. Tariffs will be reduced on color photographic film and kraft paper. The Japanese bottled wine tariff (which varies according to price) will also be reduced, although the tariff reduction will be accompanied by an excise tax increase. Japan also proposed advanced implementation by two years of its scheduled Tokyo Round reductions on 1,130 industrial products if the European Community and the United States would do likewise. Furthermore, Japan committed itself to expand the number of items allowed duty-free entry under the GATT Agreement on Trade in Civil Aircraft.

II. Implementation of commitments

Tariff cuts announced on December 16, 1981, were implemented on April 1, 1982. Tariff cuts announced on May 28, 1982, and December 25, 1982, were implemented on April 1, 1983. Reductions announced on October 31, 1983 were implemented on April 1, 1984. However, elimination of Japan's semiconductor tariff still awaits implementation of parallel U.S. legislation.

The tariff cuts announced on April 27, 1984, will be deliberated by Japan's Tariff Deliberation Council, which makes the final decision on all tariff changes, when it holds its annual meeting in December. There is no reason to believe that the Council will not endorse the announced tariff reductions, which would become effective on April 1, 1985. The Diet has already passed legislation to expand the list of duty free civil aircraft items beginning January 1, 1985. Japan's willingness to accelerate its Tokyo Round Tariff reductions is dependent upon similar action by the United States and the EC. The Congress has not yet passed such legislation.

III. Applicability to U.S. interests

Japan has the lowest average tariff rate in the industrialized world; Japan's average tariff rate is 2.5%, compared to the European Community's average rate of 2.6%, and an average rate of 3.2% for the United States. However, certain Japanese tariffs for manufactured (and value-added agricultural) products remain high, and inhibit penetration of the Japanese market by competitive foreign imports. In response to U.S. concerns, Japan has included unilateral tariff reductions in each of its five sets of market opening measures. These tariff reductions have been of interest to all of Japan's trading partners, and have not exclusively benefitted U.S. exporters.

The impact of the tariff accelerations announced in December 1981 was thought to have only a marginal impact on U.S. exports to Japan.

Tariff reductions in the May 1982 trade initiative which were of particular interest to U.S. exporters included computers and related items, photographic film, medical equipment and machine tools. The impact of many of the reductions, however, was regarded as limited since foreign companies would have to compete for market share with highly competitive Japanese producers of these items. Moreover, since the affected tariffs were generally already quite low, further reductions probably had a limited impact on trade.

Although the December 1982 tariff concessions covered roughly $180 million in U.S. industrial products exports to Japan in 1981, the tariff cuts were too small to spur increased exports. The concessions on paperboard and kraft paper, for example, affected meaningful levels of bilateral trade, but ranged from only one to three percentage points on existing tariffs which were in a range of six to twelve percent. Another tariff reduction of interest to the United States affected magnetic tape. The elimination of tariffs on numerically controlled machine tools was regarded as a response to the pending Houdaille trade petition. The continuation of the tariff exemption on certain agricultural equipment was a response to a U.S. request.

Approximately 14 of the 47 industrial products tariff reductions contained in the October 1983 trade initiative were of existing trade interest to the United States. Of special interest were the tariff reductions on wrapping paper and particleboard. In general, however, the tariff reductions were quite shallow and, at most, may have had a slight positive impact on U.S. exports. Elimination of Japan's semiconductor tariffs would significantly assist U.S. exports of similar products.

When implemented, the April 1984 tariff reductions will reduce or eliminate certain tariffs in several areas of real trade interest to the United States, including photographic film, farm machinery and alcoholic beverages. Of the 31 tariffs on manufactured products on the list, 25 are of interest to the United States. These items account for roughly $500 million in 1983 U.S. exports to Japan. Other tariff reductions of U.S. interest include hay balers, unwrought magnesium, and auto emission catalysts. The tariff reductions in the April package, the most comprehensive to date, will have a positive impact on U.S. exports. The effect of the cuts on individual items will depend upon specific price elasticities. A major disappointment of the April 1984 initiative, however, was continued inaction on repeated U.S. request for tariff cuts on other products, notably forest products.

Subsequent to the announcement of the April initiative, the U.S. Government submitted an updated list of tariff reduction requests to the Japanese Government. This list included outstanding requests, in addition to requests for tariff cuts on several new items which would increase market opportunities for U.S. exporters, such as wrought and unwrought aluminum and aramid fiber.

AGRICULTURAL TARIFFS

I. Japanese market opening commitments

Trade Initiative of May 28, 1982

In early May 1982, the U.S. Government provided a tariff reduction request list to Japan which included 93 categories of agricultural products. The total value in 1981 of Japan's imports in these categories was over $1,075 million.

On May 28, 1982, the Japanese Government offered to accelerate tariff cuts to the final MTN rate for several items on the U.S. request list and to unilaterally reduce the duty on other items. Of the 15 agricultural items covered in the trade initiative, the tariff cuts on seven items fully met the U.S. requests. Among the products on which tariff cuts were accelerated were: turkey meat, lemons and limes, sweet almonds, macadamia nuts, soybean oil, corn oil, chocolate confectionery products, pastry biscuits, lemon and lime juice, and salad dressings. The Japanese Government offered to reduce tariffs below the final MTN rate (though still higher than the requested U.S. cuts) on duck meat, pistachios, and peanut butter.

Trade Initiative of December 25, 1982

The Japanese Government announced tariff reductions on a total of 60 agricultural products. Of particular note were the large tariff reductions on chocolate confectionery and biscuits with sugar. Some 18 items in the package, including a number of horticultural products and brandy, were not on the U.S. tariff request list.

Trade Initiative of October 21, 1983

This initiative included tariff reductions on three agricultural products: boneless chicken, bananas and palm oil.

Trade Initiative of April 27, 1984

This initiative included tariff reductions on 32 agricultural products. Twenty of these cuts constitute new tariff reductions, while the remaining twelve cuts are accelerations of the final Tokyo Round tariff reductions.

II. Implementation of commitments

The tariff reductions announced in May 1982 became effective on April 1, 1983. The reductions announced in October 1983 became effective on April 1, 1984. The cuts announced in the April 1984 trade initiative are expected to become effective on April 1, 1985.

III. Applicability to U.S. interests

The total value of Japan's imports of agricultural products covered by tariff reductions announced in the May 1982 trade initiative was $146 million. The average duty on these items was reduced from 19.4% to 16.8% (excluding the specific duties on corn oil and soybean oil). Before the cuts, tariffs on these items ranged from 5.9% to 36.3%. After the cuts, this range was 4% to 34%.

The December 1982 trade initiative covered $152 million in U.S. exports of agricultural products to Japan in 1981. The tariff cuts reduced the average tariff on these items from 14.5% to 11.8%. Before the cuts, this range was 0% to 30%.

It is not possible to assess the precise impact of the tariff cuts contained in the 1982 trade initiatives due to the incremental nature of the reductions. The impact of these cuts, if any, has probably been minor.

Although one of the three agricultural categories included in the October 1983 tariff cuts was on the U.S. tariff reduction request list (boneless chicken), the decrease in the duty from 20% to 18% on this product will primarily benefit Southeast Asian producers. The value of Japan's imports of boneless chicken from the United States in 1981 was $25.5 million. The impact of these tariff cuts on U.S. exports is expected to be small.

The 1982 value of U.S. exports to Japan of agricultural products on which tariff cuts were announced in the April 1984 trade initiative was $460 million. While the overall impact of these cuts on U.S. agricultural exports is expected to be minor, some items may benefit measurably from the cuts, including meat products, whey, peanut butter, soy protein and canned corn.

The U.S. Government recently submitted an updated tariff reduction request list to the Japanese Government, which includes requests for tariff cuts on 50 agricultural items. Included on this list are fresh grapefruit, walnuts and wine.

AGRICULTURAL QUOTAS

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

As the result of numerous bilateral consulatations over the past two years, the Japanese Government announced the elimination of quotas on hi-test molasses and other sugars, certain fruit purees and pastes, some fruit pulps, selected fruit juices, and various other food preparations containing added sugar. Import quotas on prepared and preserved pork will be eliminated in Japan Fiscal Year 1985 (which begins on April 1, 1985), while quotas on grapefruit juice will be eliminated in Japan Fiscal Year 1986.

The Japanese Government will retain import quotas, but expand their size, on beef, fresh oranges, orange juice, peanuts, non-citrus fruit juices, tomato ketchup and sauce, as well as a number of other value-added agricultural products.

II. Implementation of commitments

Japan is now beginning to implement its commitments to expand its agricultural quotas. Some U.S. followup may be necessary to ensure that certain aspects of Japan's trade liberalizing measures are implemented on schedule.

III. Applicability to U.S. interests

The estimated value of increased beef and citrus trade as a result of Japanese measures to liberalize imports is approximately $400 million over the next four years. It is too soon to make a precise assessment of the impact of Japan's liberalization of other import quotas. However, the U.S. Government estimates that U.S. exports will increase by several million dollars.

As a result of Japan's actions expanding its agricultural import quotas, the U.S has postponed for two years its GATT action against Japan on 13 of the 18 agricultural categories subject to imports quotas. In Japan Fiscal Year 1987 the U.S. and Japanese governments will again discuss liberalization of Japan's beef and citrus imports.

The U.S. objective in this area is complete elimination of Japan's import quotas in 18 agricultural categories. The U.S. believes these quotas have been inconsistent with GATT rules since 1963.

STANDARDS

I. Japanese market opening commitments

Trade Initiative of January 10, 1982

This initiative included a list of 99 trade problems, 94 of which were standards-related. The Japanese Government took measures to resolve only 10% of these issues. Specific standards issues which were addressed included:

Sporting goods: Guidance will be given to sports organizations to accept foreign-made products;

Cosmetics: foreign test data will be accepted. Registration procedures for formula changes will be simplified. Approval procedures will be simplified;

Health care: Permission for transfer of manufacture and import licenses among enterprises will be given. Foreign non-clinical test data will be accepted.

Trade Initiative of May 28, 1982

Transparency.—Foreign participation in standards drafting committees will be allowed.

Specific products.—Sporting goods: Further official guidance will be given to sports organizations directing national treatment, conformity with international standards, simplification of inspection procedures, and publication of standards and approval system;

Cosmetics: Additions were made to list of approved ingredients. JCIA will publish ingredients. Registration for minor formula changes and name changes will be simplified. Foreign animal test data will be accepted;

Pharmaceuticals; Toxicity test standards will be clarified. Standards for drugs for material use will be established. Foreign animal test data will be accepted.

Trade Initiative of January 13, 1983

A review of standards and certification systems was announced. The review resulted in further commitments to improve Japan's standards and certification system, announced on March 26, 1983. These commitments are described below.

General provisions.—To amend laws to prevent discrimination against foreign firms. Foreigners will apply for and receive certification directly, and receive equal treatment in testing methods;

To simplify certification procedures for motor vehicles, pharmaceuticals, medical devices, electrical appliances, and animal and plant quarantine;

To simplify pre-import procedures.

Transparency.—To compile and publish a directory of standards-drafting and revising activities, and to provide notification of such activities through government and private sector publications;

To provide a mechanism for comment from the outset of the standards drafting process;

To extend the Standards Code comment period from 45 days to 9 weeks;

To take steps to ensure that transparency, non-discrimination, and conformity with international standards are maintained in non-governmental standards drafting bodies.

Specific products.—Chemicals: To work towards early introduction of Good Laboratory Practice standards (GLPs);

Plywood: Standards revised, New standard will be adopted on plywood with "white pocket";

Electric appliances: To accept foreign inspection data;

Cosmetics: List of additional permissible ingredients will be published. Consumer preference testing will be permitted as of April 1983;

Health care: Transfer of approval for imports among enterprises will be simplified as of April 1983;

Pharmaceuticals: Distinction between pharmaceuticals and food stuffs will be clarified. Foreign generated non-clinical test data which was not previously accepted will now be accepted;

Agricultural products: Commitment made to take steps to approve new food additives.

Trade Initiative of October 21, 1983

No commitments were announced. The initiative refers to "steady implementation" of the revisions to the laws governing standards and certification procedures. These laws were effective August 1, 1983. Followup measures will be taken based on the amendments to the laws to ensure the transparency of standards drafting processes, promote the internationalization of standards, etc.

Trade Initiative of April 27, 1984

General provisions.—Test data from foreign testing organizations which meet certain criteria will be accepted. Clear guidelines setting forth these requirements will be drawn up and published with respect to each certification system by the end of 1984.

Specific products.—Chemicals: CLPs for the testing of new industrial chemicals are to be drawn up and published soon. GLPs for agrochemicals will be adopted by March 31, 1985;

Pharmaceuticals: Further study will be given to acceptance of foreign clinical test data, including consultations with foreign countries on ethnic-based physiological differences, and an interim report will be issued by March 31, 1985. Examinations of approvals can start before "long term stability tests" are completed;

Electrical appliances: Japan has joined an international certification program for electrical appliances and is promoting harmonization with international standards;

Motor vehicles: The quantity of vehicles that can be approved under the "low volume

exemption" will be increased from 300 to 500.

II. Implementation of Commitments

Trade Initiative of January 10, 1982

Despite commitment of official guidance on sports equipment, U.S. metal baseball bats were not accepted until the fall of 1983. Commitments on cosmetics have been implemented. Transfer of health care products licenses has not been permitted, but foreign non-clinical test data is now accepted.

Trade Initiative of May 28, 1982

The inclusion of a commitment to permit foreign entities to participate in standards drafting activities seemed to be an earnest attempt to implement changes in traditional Japanese standards practices. The effectiveness of this commitment was undermined by the Japanese Government's failure to ensure that each affected agency issued guidance to the relevant industrial organizations. A significant number of American experts has not yet served on Japanese standards drafting committees.

Further guidance on sporting goods proved ineffective. Commitments on cosmetics were implemented; simplified registration and acceptance of foreign animal test data were implemented on March 31, 1982. The effect of clarification of toxicity test standards and the establishment of standards for drugs for material use were not precise enough to result in administrative reform. The commitment to accept foreign animal test data for pharmaceuticals was implemented on March 31, 1982.

Trade Initiative of January 13, 1983

The March 1983 recommendations included proposed revisions to 17 Japanese laws to establish the principle of non-discriminatory treatment of foreign products during approval procedures. The legislation to implement these changes was submitted to the Diet and passed in May 1983.

From March to December 1983, the Japanese Government provided notification to the GATT of 69 regulations under the Standards Code. Of these, 29 had comment periods of 9 weeks or more, 35 had comment periods of between 45 days and 9 weeks, and five had comment periods of less than 45 days.

Implementation of commitments in health care area was mixed. All non-clinical foreign test data is now accepted, but foreign clinical tests are still not accepted. Foreign clinical test data may be accepted by the spring of 1985. "Unfriendly" product approval transfers are permitted only in limited cases.

Excellent progress was made by the Ministry of Health and Welfare in resolving problems affecting the importation of cosmetics, such as publication of ingredients lists, simplified registration procedures, and acceptance of non-clinical test data.

Revision of the plywood standard was implemented. Progress was also made in the designation of new food additives. However, the promise to clarify the distinction between pharmaceuticals and health foods was not implemented. In addition, the Japanese Government did not establish a GLP for agricultural chemicals until October 1984.

Trade Initiative of April 27, 1984

The statement on acceptance of foreign generated test data was not new, but simply repeated previous Japanese Government commitments.

The commitment to adopt GLPs for industrial and agricultural chemicals also repeated previous statements by the Government of Japan. Despite a previous commitment in March 1983, the Japanese Government has moved slowly in adopting GLPs. Final GLPs for agricultural chemicals were issued in October 1984. Final GLPs for industrial chemicals will become effective in April 1985.

Despite a Japanese Government commitment to accept foreign clinical test data, no guidelines for the acceptance of such data have yet been established. As an example, the Ministry of Health and Welfare (MHW) has stated that the results of foreign clinical test data are "basically" acceptable for medical devices immune to ethnic differences. However, the MHW has repeatedly rejected U.S. requests to approve one such device based solely on foreign generated clinical test data. The MHW has retreated from its commitment by stating that its statement does not apply to "new modalities." In fact, the MHW has established no criteria for determining whether devices are immune to racial differences.

The commitment to examine applications for approval before long term stability tests are completed will benefit U.S. manufacturers by speeding up the approval process.

U.S. motor vehicle manufacturers utilize the low-volume exemption in the Japanese approval process for motor vehicles, but do not ship significant quantities to Japan. Hence, the increase in the exemption will have little impact on U.S. exporters.

III. Applicability to U.S. interests

In the past, U.S. exporters to Japan faced numerous technical barriers imposed by various Japanese ministries. Foremost among these barriers was the Japanese Government's policy of only permitting producers or products within its territory to obtain product approvals. As a consequence of this policy, all imported products were subject to burdensome and costly dock-side inspection procedures, to determine whether or not they conformed with Japanese requirements. Other barriers faced by U.S. exporters included non-transparent procedures, lack of adequate appeal mechanisms and a prohibition against access to important standards development committees. Since 1982, the Government of Japan has attempted to address standards-related trade barriers in each of its trade liberalization initiatives.

The most significant commitments made by the Japanese Government in this area have been to:

Make arrangements for foreign participation in standards-drafting committees;

Provide for direct access to Japanese approval schemes; and

Accept foreign-generated test data.

The statutory and regulatory framework for implementing these commitments has been completed, as evidenced by, for example, the revision in May 1983 of sixteen Japanese laws to provide for "direct access." However, full implementation of these commitments at the technical level has not yet been achieved.

Factory Inspection and Product Testing

Japanese regulatory procedures describe a two-step approval process. First, a producer's factory is inspected and registered. Second, sample products are tested and approved. These steps are generally conducted by quasi-governmental bodies called "designated entities."

American and other foreign suppliers gained "direct access" to the two-step Japanese approval process as a result of revisions made to sixteen regulatory statutes in 1983. The revisions have not benefitted a significant number of American suppliers because, wary of inspections and tests conducted by officials from "designated entities," Americans fear loss of business confidential information. To resolve this problem, the U.S. Government has requested that Japanese ministries designate U.S. testing firms to conduct inspections and tests in the United States according to Japanese criteria.

Towards this goal, the Ministry of International Trade and Industry has approved two U.S. testing firms to conduct factory inspections for American suppliers. In addition, the Ministry of Health and Welfare has approved one U.S. testing firm to test food products, and the Ministry of Agriculture, Forestry and Fisheries also approved a U.S. supplier to grade and label exports.

The announcement in the April 1984 trade initiative that Japanese ministries will accept American generated test data repeats past Japanese policy pronouncements on this issue. These previous announcements have not achieved significant results. For example, three years of efforts to obtain acceptance by the Ministry of Health and Welfare of clinical test data for health care products have been unsuccessful.

The recent announcement does not contain agreement by Japanese ministries to designate U.S. and other foreign firms to conduct the product tests required in step two of the Japanese approval process. On the contrary, some Japanese ministries are asking that U.S. testing firms enter into contracts with designated entities concerning the acceptance of test data. In the past, such contracts have been characterized as "mutual arrangements" and have been based on concepts of sectoral reciprocity. The incorporation of such concepts in Japan's unilateral instutition of import promotion activities is inappropriate in the context of the U.S.-Japan trade relationship.

Participaton in Standards Drafting Committees

American experts have yet to benefit from a Japanese commitment in the May 1982 trade initiative to permit foreign input in standards drafting committees. The 1982 announcement set up a means for American experts to participate in the activities of "private" associations, since foreign nationals cannot directly participate in ministerial activities under Japanese law. Many "private" Japanese associations draft technical specifications that are subsequently adopted as regulations by Japanese ministries. However, only MITI admits that this relationship exists and other ministries have largely ignored this commitment.

In 1983, MITI issued a list of 250 standards activities that eventually will be approved as "Japanese Industrial Standards" (JIS). No Americans actually joined in these activities, as adequate administrative procedures were not in place to process their requests. A new list, issued by MITI in July 1984, is currently being circulated to interested American experts.

CUSTOMS PROCEDURES

I. Japanese market opening commitments

Trade Initiative of January 10, 1982

The Japanese Government announced five new measures intended to facilitate clearance of imports by Japanese Customs. The measures were:

1) an "After Permit Examination" system, under which Japanese Customs may issue import permits before final examination of all relevant import documentation;

2) abbreviated examination of documentation for goods regularly imported by the same importer from the same exporter;

3) streamlining of documentation required by Customs to complete entry;

4) exemption from repeat physical inspection for repeat shipments, when the goods in each shipment are identical and when the importer and exporter are the same; and

5) a classification center at Tokyo Customs House to centralize classification problems.

Trade Initiative of May 28, 1982

The Japanese Government announced two new measures:

1) dismantling of the requirements for an importer of certain pharmaceuticals to file an import report to the Ministry of Health and Welfare, and broadening of the exemption from import formalities for small quantities to cover larger sample quantities; and

2) a system allowing food importers to file required import reports with the Ministry of Health and Welfare before the arrival of perishable products.

II. Implementation of commitments

All the measures described above, except the change for pharmaceuticals, were implemented by April 1, 1982. The pharmaceuticals change was implemented on May 1, 1982.

III. Applicability to U.S. interests

U.S. exporters have traditionally complained that Japanese customs clearance procedures are time-consuming and implemented in an inconsistent manner.

The measures included in the trade initiatives apply across-the-board to imports from all sources. U.S. producers ship large quantities of agricultural commodities which are uncontroversial and easily identifiable (such as corn and soybeans), and therefore likely to benefit from the measures designed to facilitate entry of repeat shipments. However, there have never been difficulties getting such agricultural products into Japan. The marginal effect on U.S. exports to Japan is therefore small.

The other measures generally ease Customs clearance procedures. Since Customs clearance procedures themselves do not pose significant barriers to U.S. goods, making entry procedures easier, though welcome, will not have major impact on bilateral trade flows. Nevertheless, certain exporters (pharmaceuticals, perishable products) are likely to gain direct benefits of importance to their businesses.

An outstanding U.S. concern in this area is the fact that the Customs Service holds goods on the docks in Japan until they have been cleared by other Japanese ministries, which can result in costly delays.

TOBACCO

I. Japanese market opening commitments

Trade Initiative of January 13, 1983

Tariffs on cigarettes and cigars to be reduced from 35% to 20%, with a compound tariff rate introduced for cigarettes. Tariff on pipe tobacco to be reduced from 60% to 35%. Tariff cuts to be effective as of fiscal year 1983.

Expansion of the number of retail outlets authorized to handle foreign brands to include all outlets in major cities other than Tokyo and Osaka, as of March 31, 1983. Outlets in Tokyo and Osaka to be included as of October 31, 1983. "Efforts will be made" to permit all outlets which wish to sell foreign products to do so by March 31, 1985.

Commitment to study the possibility of establishing an independent distribution network for imported tobacco products in tandem with the Japanese Government's analysis of the future of the Japan Tobacco and Salt Public Monopoly Corporation (JTS) as part of its overall efforts at administrative reform.

Trade Initiative of October 21, 1983

"The Government will actively promote improvement in the distribution systems for imported tobacco products."

Trade Initiative of April 27, 1984

Announcement that legislation has been introduced in the Diet by the Ministry of Finance to privatize JTS, end its monopoly on the importation and distribution—but not the manufacture—of tobacco products, and allow independent importation and distribution of tobacco products after registration with the Ministry of Finance. Pricing policies are to be set by manufacturers with Ministry approval. Among the conditions for approval will be that: (1) price must be uniform in all parts of Japan; (2) pricing policies do not violate Japan's Antimonopoly Laws; and (3) pricing does not constitute dumping.

The excise tax will be revised from wholly ad valorem to partially specific. The excise tax will now be composed of an 80% ad valorem component (based on the retail price), while the remaining 20% will be a specific tax.

Importers will be free to choose their own retailers. Efforts to expand number of retail outlets handling imported tobacco products will continue to be made while legislation is pending.

II. Implementation of commitments

Effective May 1, 1983, Japanese tariffs on imports of cigarettes and cigars were cut from 35% to an ad valorem equivalent of 20%, and those on pipe tobacco from 60% to 35%. However, concurrent with the tariff reduction, a tax surcharge of 20 yen per pack was imposed on cigarettes. Consequently, although the price differential between domestic and imported brands was reduced, the retail price of imports remained high.

As of March 31, 1983, the Japanese Government expanded the number of retail outlets authorized to handle foreign brands to include all outlets in major cities other than Tokyo and Osaka. According to U.S. industry sources, some 36,000 outlets were handling imported brands as of June 1983. Expansion in authorized retail outlets to Tokyo and Osaka proceeded on schedule.

Legislation to privatize the JTS was passed by the Japanese Diet on August 7, 1984. This legislation has an effective date of April 1, 1985.

III. Applicability to U.S. interests

For many years American tobacco manufacturers have been seeking increased access to the Japanese market, which had estimated retail sales of $10 billion in 1983. To date, U.S. producers, who are highly competitive in the world market, have been unsuccessful in securing more than a two percent share of the Japanese market. This small market share has been largely the result of pricing and other controls imposed by the Japan Tobacco and Salt Public Monopoly Corporation (JTS), the government monopoly controlling tobacco sales.

A November 1980 agreement between the U.S. Government and the Government of Japan resulted in tariff reductions on manufactured tobacco products from 90% to 35%; an increase in the number of retail outlets licensed to carry imported brands from 14,000 to 20,000; and the elimination of some marketing and advertising restrictions. In the wake of the agreement, U.S. sales increased only slightly, from 1.3% to 1.4% of the Japanese market.

The January 1983 tariff reductions covered approximately $60 million in U.S. exports of manufactured tobacco products. Although smaller than desired by the U.S. industry, these represented significant cuts. The effect of the tariff cuts on the competitiveness of U.S. products was reduced by the imposition of an additional surcharge on sales of tobacco products, however.

The presence of the JTS monopoly has severely limited the competitiveness of imported tobacco products in the Japanese market. Marketing restrictions include a requirement to test market new brands under conditions laid down by JTS that are more restrictive than those covering JTS' own brands. Restrictions on advertising expenditures, though ostensibly nondiscriminatory, work in favor of established domestic brands which are already familiar to Japanese consumers and against new foreign brands attempting to achieve market recognition.

Consequently, the passage by the Japanese Diet of legislation to privatize JTS represents a potentially significant market opening measure. Once implemented, the new measures will end the Japanese Government monopoly on distribution, enable U.S. firms to set prices independently of government direction (although prices will be subject to approval by the Ministry of Finance), and continue the expansion of the number of retail outlets permitted to handle tobacco products.

The actual market opening effect of this legislation will depend very heavily on the manner in which it is implemented, however. A significant U.S. concern is that the price approval process be truly transparent, essentially automatic, and neither arbitrary nor discriminatory. The U.S. Government will be following the implementation of these measures very closely.

The revision of the excise tax on cigarettes from a wholly ad valorem tax to one with a specific tax component is also a positive step. Although U.S. exporters would prefer that the excise tax be wholly specific, in order to eliminate the "tax on tax" effect in which the impact of the tariff is compounded by the excise tax, revision of the excise tax to include a specific component should enable a reduction in the retail price of imported cigarettes.

The statement in the April package that importers will be free to choose their own retailers is a response to a long-standing U.S. request. Although such retailers will have to be chosen from those licensed to sell tobacco products, criteria for new retailers to obtain licenses appear to be reasonable.

With an independent distribution system and fair price competition, the U.S. industry has estimated that it could increase its share of the $10 billion Japanese tobacco market from its current 1.8 percent share to a share of 20 percent.

TELECOMMUNICATIONS MARKET LIBERALIZATION

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

Reference was made to two bills pending in the Japanese Diet, the Telecommunications Business Bill and the Nippon Telegraph and Telephone Company Bill.

The Telecommunications Business Bill is "designed to introduce the idea of competition into the telecommunications market," which is currently dominated by Nippon

Telegraph and Telephone Public Corporation (NTT), a government-owned monopoly. Under the provisions of the bill, there are to be no restrictions on foreign investment in "Class II" telecommunications enterprises. (Class II enterprises are defined in the bill as those firms that lease telecommunications lines, rather than owning their own lines.) The Japanese Government made a commitment to ensure that, once the bill is passed, registration and notification procedures for Class II businesses will be simple and transparent. Implementation of the legislation will be reviewed within three years.

The Nippon Telegraph and Telephone Company bill will transform NTT into a private company. The Japanese Government made a commitment to ensure that competition between the privatized NTT and other telecommunications firms is fair.

II. Implementation of commitments

Both telecommunications bills are still pending in the Diet. The legislation is expected to pass the Diet in December 1984, and to become effective on April 1, 1985.

III. Applicability to U.S. interests

Until now, Japan's telecommunications services market has been closed to foreign firms due to the presence of NTT. In addition, imports have played a very small role in Japan's telecommunications equipment market, accounting for only 1.4% of consumption in 1983. Japan is the second largest national market in the world for telecommunications equipment, accounting for approximately 9% of world consumption and 11% of world production. NTT also accounts for the low level of import penetration in the telecommunications equipment market, as NTT's procurement comprises 40% of the market.

Passage of the telecommunications market liberalization bills could open up significant new opportunities in the Japanese market for U.S. exporters and investors. The real value of market liberalization, however, will depend very heavily on the manner in which implementing ordinances are framed and administered. U.S. Government officials are monitoring the progress of this legislation closely. Among the factors that will have an important effect on the ability of U.S. firms to compete in the Japanese telecommunications market are:

Registration and notification procedures:

Procedures which are transparent, objective, and non-discriminatory. Confidentiality for business plans submitted for registration purposes. Timely processing of applications.

Cross-subsidization between services:

Accounting procedures which prevent firms operating basic telecommunications services (such as NTT) from using fees from such services to subsidize rates for services in which they face foreign competition.

Standards:

Non-discriminatory testing procedures for certification of telecommunications equipment.

Passage of Japanese telecommunications liberalization, if implemented in a manner which permits foreign firms to compete on an equal basis in the Japanese market, could significantly expand market opportunities in two areas. First, it should expand opportunities for U.S. investors in Japan's telecommunications services market. Second, it should increase competition in Japan's telecommunications equipment market, thus creating new opportunities for U.S. telecommunications equipment producers.

NTT PROCUREMENT

I. Japanese market opening commitments

Trade Initiative of January 13, 1983

"[A]s part of the continued sincere implementation of internationally non-discriminatory and competitive procurement procedures, measures will continue to be actively taken to publicize information concerning the procedures and other aspects of procurement and to respond readily to those foreign companies wishing to participate in the NTT procurement, so as to facilitate their participation."

II. Implementation of commitments

NTT has fully implemented the technical and procedural requirements of the NTT Agreement. They have also taken a number of measures to help U.S. firms' sales efforts, such as holding seminars in Tokyo and several U.S. cities on how to sell to NTT. Sales by U.S. firms to NTT have increased from $15 million in 1981 to $140 million in 1983. However, the U.S. Government believes that U.S. firms can, and should, do considerably better.

III. Applicability to U.S. interests

During the first three-year agreement opening NTT procurement to foreign firms, which expired in December 1983, sales by U.S. firms to NTT increased from a negligible level in 1980 to about $140 million in 1983. But despite the sharp growth, 1983 sales accounted for only 4.5 percent of total NTT procurement. Moreover, little of what NTT has purchased from American firms has been high technology equipment of the type that is central to the telecommunications network and likely to promote the development of long-term relationships with American suppliers.

Nevertheless, given the importance of being able to compete for a share of the Japanese telecommunications market, which is the second largest in the world, the U.S. Government negotiated a renewal of the Agreement in 1983. The new three-year agreement, signed on January 30, 1984 by Ambassador Brock and Foreign Minister Abe, is one that we expect will enable our highly competitive firms in this field to make inroads into sales of sophisticated network-related equipment to NTT over both the short and long term.

The revised agreement reaffirms Japan's commitment to open NTT's sizable purchases to U.S. exporters, while strengthening that commitment in a number of ways. Among the improvements incorporated into the revised agreement are commitments by NTT to: treat U.S. and Japanese firms on an equal basis in all of NTT's R&D activities; accept bids in English at NTT's New York office; and aggregate purchases so as to make them commercially attractive to foreign suppliers. The new agreement also mandates annual reviews of NTT's performance in implementing its commitments. The key criteria that the United States will be looking for in the review are:

(1) significant and increasing sales volume and value;

(2) purchases of sophisticated core network equipment; and

(3) purchases of equipment of the type that will lead to long-term supplier relationships.

In addition, the U.S. Government will closely monitor the implementation of pending legislation to liberalize Japan's telecommunications market. Passage of this legislation could have two effects on NTT procurement from U.S. firms. First, changes in the legal status of NTT could affect the procurement agreement. The United States will continue to consult closely with the Government of Japan to ensure that this does not occur. Second, liberalization of Japan's telecommunications market should introduce an element of competition which should create a strong incentive for NTT to purchase equipment from the most competitive sources, regardless of nationality. With competitive procurement procedures, U.S. firms should be able to improve the volume of their sales to NTT.

GOVERNMENT PROCUREMENT

I. Japanese market opening commitments

Trade Initiative of October 21, 1983

"In line with the spirit of the Agreement on Government Procurement and from the viewpoint of continuing to ensure non-discrimination between nationals and non-nationals, even further efforts will be made to put the purport of the Agreement into practice (promotion of procurement through competitive tendering procedures, facilitation of the procedures for the qualification of suppliers, etc.). The attention of local governments will be drawn to the spirit of the Agreement."

II. Implementation of commitments

We have seen no evidence of action to open the government procurement market in Japan to foreign products through increased use of competitive procurement procedures. Japanese Government agencies continue to make extensive use of non-competitive procurement procedures.

III. Applicability to U.S. interests

The U.S. Government has been seeking an explanation from Japan on the extensive use by a number of Japanese Government agencies of the Government Procurement Code's exception for single-tendering. We are working to resolve bilateral government procurement issues within the context of the GATT Government Procurement Code.

LIT PROCUREMENT

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

The Government of Japan stipulated that, once telecommunications legislation passed the Diet, private firms will be able to purchase foreign-made communications satellites. In addition, a privatized NTT will be permitted to purchase foreign-made satellites, but only to the extent such purchases are "consistent with the space development policy." Similar conditions were applied to procurement of foreign satellites by other Japanese Government agencies.

II. Implementation of commitments

Implementation of the commitment to permit private firms to purchase foreign satellites is dependent upon passage of the pending legislation to liberalize Japan's telecommunications market. The vague wording of the conditions under which Japanese Government agencies will be permitted to purchase foreign satellites raises concerns regarding the practical effect which this statement will have in promoting actual purchases of foreign satellites.

III. Applicability to U.S. interests

The "Long-Range Vision on Space Development," published in July 1983, expresses concern over Japan's past reliance on U.S. space technology, and states that, "in the future, Japan should aim at receiving orders from other countries for developing and launching satellites by means of techniques which have been accumulated by her independent technical development." Thus,

Japan has identified the space industry not only as necessary in order to keep Japan in the forefront of technology, but as an important potential export industry.

In July 1984, the head of the Japanese Government agency in charge of the space development policy, the Science and Technology Agency, was quoted in the Japan Times as saying that Japan must develop its own space technology because equipment purchased from Europe and the United States is unreliable. Director-General Michiyuki Isurugi said that, by the end of the century the Japanese Government plans to send about 50 satellites into orbit, "none of which will be purchased from other nations."

MITI officials have informed the United States that Director-General Isurugi's statement does not reflect any Japanese Government consensus. However, in light of Japan's policy of self-sufficiency in satellite development, Director-General Isurugi's statement raises concerns that the April 1984 statement will not result in any improvement in market access for U.S. satellite producers.

It is for this reason that the United States is continuing to seek clarification of Japan's satellite procurement policy. Although the U.S. Government has officially requested clarification of the statement in the April 1984 trade initiative, the Japanese Government has not yet responded. The vague wording of the April policy pronouncement raises concerns that NTT and other Japanese Government agencies are committed to purchase of Japanese satellites through at least the mid-1990s.

Japan's satellite procurement policy creates two concerns for the United States. First, it denies competitive U.S. producers access to a potentially major commercial market. Second, it presents the threat of the creation of potential domestic and third country competitors behind a wall of infant industry protection, through subsidized research and development and preferential government procurement policies.

SOFTWARE PROTECTION

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

The Japanese Government made a commitment not to send any proposal for new legislation affecting software protection to the current session of the Diet. However, the Japanese Government reiterated its intention to develop new modes of software protection, while "noting the need for international harmony."

II. Implementation of commitments

At present, the rights of computer software developers in Japan are adequately protected by Japanese copyright laws. A proposal to change the basis for the legal protection of software remains under consideration within the Japanese Government.

III. Applicability to U.S. interests

Adequate protection of computer software is of profound importance to the competitive and financial positions of U.S. companies in the world information industry. The United States believes that only legislation which would base computer software protection on Japanese copyright laws, can adequately protect the rights of computer software program developers.

Legislation under consideration within the Japanese Government would establish a sui generis form of protection for computer software, based on patent concepts. This proposal raises issues of substantial concern to the United States.

First, the United States is firmly committed to the protection of software as a work of authorship under copyright norms. The proposed legislation would undercut the fragile international consensus on this issue, and provide the developing countries with support for proposals that would sharply curtail the rights of software program developers. The United States would probably consider any legislation to remove computer software from copyright protection a violation of Japan's international obligations under the Universal Copyright and Berne Conventions.

Second, the specifics of the proposal greatly diminish protection for software developers.

1. *Compulsory systems*: The Japanese Government, upon request, would have the authority to grant a compulsory license. Licensees could then distribute programs to users at minimal expense. As a result, software developers would lose control over the distribution of their programs and be unable to recover development costs. Japanese Government assertions that developers would receive fair compensation do not assuage U.S. concerns.

2. *Reduced protection period*: Under current Japanese copyright law, the term is 50 years following the death of the copyright holder. The proposal would shorten the term of protection to two to fifteen years. U.S. copyright laws covering software extend protection for 50 to 100 years.

3. *Registration*: The proposal would require the registration of software, which would entail submission of actual programs by their developers. The United States is concerned that confidentiality would not be preserved.

The United States has made it clear to the Japanese Government that passage of a bill removing computer software from copyright protection would disrupt bilateral trade in high technology. Passage of such legislation could have the following effects:

The United States would consider instituting the "role of the shorter term," reducing the protection available to Japanese computer software developers in the United States.

U.S. computer suppliers would consider curtailing the software support which they provide to Japanese customers.

U.S. companies could cease computer software development activities in Japan.

Imports of Japanese products embodying disputed software could be enmeshed in a web of private lawsuits.

To the extent that such an action undermined the international consensus in support of copyright protection for computer software, Japanese and U.S. firms could find their software subject to reduced protection in developing countries.

DIRECT INVESTMENT

I. Japanese market opening commitments

Trade Initiative of October 21, 1983

This initiative included a Japanese Government commitment to undertake measures to encourage capital inflow. Specifically, the Japanese Government promised a review of the "designated company system." This system consisted of foreign ownership limitations in eleven specific Japanese industries.

This commitment was followed in November by a joint statement of Japanese Foreign Minister Takeshita and Treasury Secretary Regan, in which the Japanese Government made a commitment to submit a bill to the Diet to reform the designated company system.

Trade Initiative of April 27, 1984

This initiative included a commitment to four specific steps to promote international investment:

(1) an improved system of information dissemination under the Japan External Trade Organization (JETRO) "Headquarters for Promotion of Industrial Cooperation;"

(2) strengthening the Office of Trade Ombudsman (OTO) to deal with investment as well as trade complaints;

(3) support for investment promotion missions; and

(4) procedural improvements to further expedite the notification processing period for foreign direct investment in Japan.

In addition, the Japanese Government indicated it would introduce legislation to remove foreign ownership restrictions in value-added network telecommunications services (VANS) enterprises.

The commitments in this initiative were followed by a Ministry of Finance announcement in the May 29 "Yen-Dollar Report" of a new policy that will allow licensed foreign banks to participate in trust banking in Japan by either establishing their own trust banks or entering into joint venture with Japanese trust banks. However, partnerships with non-licensed Japanese firms (e.g., securities firms) are not permitted.

II. Implementation of commitments

On May 18, 1984 the Diet passed a bill eliminating the designated company system.

On VANS, the Japanese Government has introduced several telecommunications reform bills to the diet which would permit foreign ownership of most VANS enterprises The bills are expected to pass later this year. Implementing regulations for telecommunications services are expected to be in place by the spring of 1985.

JETRO has established the Headquarters for Promotion of Industrial Cooperation. This group held its first meeting on July 5, 1984 and is currently in the process of determining methods of improving information dissemination activities.

The OTO's mandate has been expanded to include investment complaints. The Japanese Government's support for investment promotion missions has traditionally been very good and is expected to continue.

Implementing regulations permitting foreign participation in trust banking are expected to be in place by the spring of 1985.

The Japanese Government has stated that the processing period under their investment notification system will not, in practice, exceed two weeks. In addition, Japanese officials have indicated that the Japanese Foreign Investment Council will meet to consider further shortening of the time period.

III. Applicability to U.S. interests

The U.S. goal has been to facilitate greater bilateral investment flows with Japan in accord with market forces. In particular, the United States has sought to reduce government barriers to investment and to improve administrative procedures governing new and established investment.

Over the past year the Japanese have eliminated the designated company system and allowed for foreign entry into telecommunication services and trust banking as of 1985. In addition, the Japanese Government has taken steps to promote increased foreign investment in Japan, although it still maintains a two-week pre-notification system for foreign investment.

The U.S. Government believes that the following additional steps by the Japanese Government would encourage additional bilateral investment:

Issuing a joint investment policy statement with the United States at an appropriate time;

Sponsoring a private sector review of U.S. and Japanese investment climates;

Considering methods of reconciling U.S. and Japanese bilateral investment statistics; and

Further bilateral discussions focused on standards for treatment of established investors in both the United States and Japan.

Further U.S. direct investment in Japan should serve to improve U.S. exports to Japan. In addition, continued bilateral discussions, encouraging greater Japanese investment in the United States, should result in such benefits as job creation and technology transfer. The U.S. objective in these discussions is to reinforce our general commitment to foreign investment based on market forces.

LEGAL SERVICES

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

The Japanese Government noted that the Japan Federation of Bar Associations (JFBA) is "making further efforts to come to a domestically and internationally appropriate solution" on the question of foreign lawyers' activities in Japan. The government made a commitment to "work to have an appropriate solution materialize as early as possible."

II. Implementation of commitments

There has been little progress since the April announcement. The Japanese Government has placed particular significance on the formation of a Special Committee on Foreign Lawyers by the JFBA, and noted that this committee was working for an appropriate solution. The Japanese Government has yet to inform us of the Committee's recommendations.

III. Applicability to U.S. interests

American attorneys have been prohibited from giving advice on U.S. and international law to clients in Japan since 1955. Over the past thirty years, demand for U.S. legal talent in Tokyo (as evidenced by the hiring of U.S. lawyers as "legal trainees" by Japanese law firms) has grown dramatically, with the increasing internationalization of Japanese capital markets and Japanese corporations. In discussions with Japanese officials, the U.S. objective has been to make it legal for U.S. law firms to provide advice in Japan on U.S. and international law.

Japanese law and the JFBA rules on practice of law prohibit attorneys who are not members of the Japanese bar from acting as lawyers (giving any legal advice in any field of law) in Japan. The efforts of the Japanese Government on this issue have not produced changes in JFBA rules so far.

The JFBA appears to have realized that it will not be able to maintain its current, restrictive rules indefinitely. Japanese officials have informed us that negotiations are now underway within the JFBA over language for a potential amendment to the Lawyers' Law. An agreement is possible by fall. Should such an agreement be reached, the amendments could be submitted for Diet approval in the spring.

The major U.S. concern regarding the proposed changes is that they are likely to include a reciprocity clause. Such a clause would make access to the Japanese market in legal services conditional on access for Japanese lawyers to practice in some minimum number of U.S. States. Currently, only New York and Massachusetts have provisions permitting foreign lawyers to practice law on a limited basis without passing the bar examination. The Japanese would also like to obtain such provisions in the District of Columbia, Illinois and California. Japanese lawyers already have access to these states, since they are already permitted to take the bar examinations and they would become eligible to practice upon passing the exam. This option is essentially closed to any foreigner in Japan. Admission to the Japanese bar is contingent upon admission to the Legal Research Institute, which admits only the four hundred or so applicants with the highest scores on its admission examination out of the thousands who take the test each year. Foreign applicants, obviously, have virtually no reasonable expectation of being admitted to the bar under such a system. In light of these facts, the United States does not consider a reciprocity provision appropriate.

ENERGY

I. Japanese market opening commitments

Trade Initiative of April 27, 1984

In the April 1984 package, the Japanese undertook to follow up on the Reagan-Nakasone Joint Statement on Energy Cooperation, issued in November 1983. Specifically, the Japanese promised to send a private sector coal mission to the U.S. and to encourage feasibility studies on energy resource development, a more limited agenda than set forth in the Joint Statement.

Implementation: The private coal mission visited Washington in May but was discouraging regarding early opportunities for increased coal exports to Japan. The discussions, however, resulted in the establishment of a private Standing Technical Committee (STC) to explore ways to implement the Joint Statement. This committee met in Tokyo for the first time in September. The Japanese were no more encouraging than in May, but the talks will continue. On a positive note, Japanese and U.S. companies have recently announced plans for prefeasibility studies on the possible development of Alaskan coal and North Slope natural gas to export to Japan.

Applicability to U.S. Interests: We hope these discussions and studies, primarily a result of the Reagan-Nakasone Joint Statement, will lead to expanded U.S. energy exports to Japan. While the prospects are not favorable in the short term, it is important to continue this process for the medium and long term.

The November 1983 Joint Statement gives the governments of both countries a clear framework in which to encourage their respective private sectors to find ways to increase energy trade. It calls on the private sectors of both countries to explore joint development of U.S. energy resources and possible steps to increase use of secure U.S. fuels as a subsititute for less secure oil imports. We created forums where governments and private businesses can talk frankly, and the talks have been frank, especially on coal. U.S.-Japan coal trade has stagnated and the U.S. remains the swing coal supplier to Japan. This problem will require sustained high-level attention by both governments. Still, however, without the Joint Statement and the U.S.-Japan Energy Working Group, U.S.-Japan coal trade might well have declined even more severely than has been the case. We have kept U.S., coal and gas in Japan's energy picture and given U.S. suppliers a better chance to compete for a larger piece of the Japanese energy market in the years ahead.

IMPORT PROMOTION MEASURES

I. Japanese market opening commitments

Trade Initiative of January 10, 1982

The Japanese Government announced the establishment of an Office of Trade Ombudsman (OTO), with a mandate to respond to foreign complaints of inadequate access to the Japanese market. Commitment made that there would be no delays and that action would be forthcoming.

Trade Initiative of May 28, 1982

While continuing to use the OTO to respond to foreign complaints, the Japanese Government will explore ways to improve it.

The Committee for Manufactured Goods Import Measures will investigate specific problems which arise from the distribution system and business practices and take steps to correct them where possible.

Japan will continue to implement the foreign currency lending scheme for emergency imports aimed at promoting imports of "important" goods to ease trade frictions.

Under the Commerce Promotion System to be established, such organizations as JETRO and the Japan Trade Council will maintain a roster of private business consultants to whom foreign exporters can be referred, as necessary, for advice on exporting to Japan.

Trade Initiative of January 13, 1983

To strengthen the role of OTO in resolving foreign trade complaints, a high-level Advisory Council will be established to give it more political clout, filing of proxy complaints will be permitted, and procedures for processing complaints will be improved.

Further efforts to expand imports of manufactures will be made in the light of information developed by the Committee for Manufactured Goods Import Measures, including foreign comments about shortfalls in the Japanese distribution system and its business practices.

Greater use of the business consultant service system will be made to resolve trade differences.

The Japanese Government will lend its support to the Import Promotion Council of the Japan Foreign Trade Council in its efforts to encourage private sector initiatives to promote increased imports.

Trade Initiative of October 21, 1983

Further efforts will be made to enhance the effectiveness of OTO in removing barriers to selling in Japan.

Low interest financing of manufactured imports will become available from the Japan Export-Import Bank and other steps to facilitate import financing will be considered as needed.

Information about the Japanese distribution system will be publicized, and efforts made to improve the system for imports.

The Japanese Government will designate an import promotion month, send import promotion missions abroad, and encourage import promotion efforts by exporters.

Trade Initiative of April 27, 1984

To promote imports of manufactures, the Japanese Government will implement programs which assist in penetrating the Japanese market for specific foreign manufactured goods, and support the staging of exhibits for these products.

II. Implementation of commitments

Office of Trade Ombudsman: The effect of subsequent procedural changes in increasing the effectiveness of OTO has been questionable, since changes have not changed OTO's status; OTO still functions as a clearing-house, and not as a true ombudsman, that is, with the authority to resolve problems by overruling decisions made within individual ministries. In 1984, the mandate of the OTO was expanded to cover investment issues.

Manufactured Imports Promotion Committee: The Committee has not been given a broad mandate to consider private sector trade barriers, e.g., buy national attitudes, as envisioned in the May 1982 initiative.

System of Business Consultants: The system has been implemented, in accordance with the commitment in the May 1983 initiative. The consultants are based on Japanese trading company offices in New York, Chicago, Houston, Los Angeles and San Francisco. However, JETRO has declined to provide the names of these consultants to U.S. Government officials, stating that JETRO wished to pre-screen to the U.S. companies seeking the consultants' services.

Import Promotion Missions: The Japanese Government has conducted a number of seminars and trade missions in the United States. Over the past year, these have included: a JETRO-sponsored medical import promotion visit to Los Angeles, Houston, Chicago and New York; a JETRO-sponsored U.S. States Trade Fair in Tokyo; a seminar on U.S.-Japan trade problems in New York; a U.S.-Japan trade seminar in Birmingham, Alabama; and a Trade Week seminar in San Francisco.

III. Applicability to U.S. interests

The recommendation for the creation of an Office of Trade Ombudsman was originally included in a 1981 Japan-U.S. Economic Relations Group Report. The report recommended that this office not be attached to any single government ministry, but have the authority to intervene in the administrative processes of all ministries dealing with trade and investment issues and to review policy decisions having trade significance made by domestically-oriented ministries.

While OTO has been a valuable tool in tracing trade problems to their roots, it is basically a clearing-house, receiving complaints and channeling them to the relevant ministries, and then reporting the results of the ministries' investigation to the complainant. OTO's impact could be improved if it could exert pressure on the ministries to revise their regulations and practices to facilitate imports. Moreover it does not provide an effective mechanism for appealing rulings that do not provide relief to the complainant. The U.S. would like to see OTO function as an active problem solving entity with an effective system for appealing adverse rulings.

The system of business consultants was established at Japanese Government initiative, rather than in response to a U.S. request. As such, it exceeds U.S. objectives and expectations.

Japanese Government sponsored trade missions, studies of the Japanese distribution system, and high-level statements encouraging the purchase of goods manufactured abroad, while welcome, are difficult to evaluate as effective market opening measures, because they have never been accompanied by any yardsticks with which to evaluate their success.

APPENDIX: JAPANESE "COMPREHENSIVE ECONOMIC MEASURES"

The Japanese Government has announced five broad sets of market liberalizing measures over the past four years. These measures were meant to fulfill Japan's commitment to a market open to international trade.

Trade initiative of December 16, 1981, and January 10, 1982

The first trade initiative, announced in December 1981, accelerated the timing of traffic cuts agreed to in the Multilateral Tariff Negotiations, and established a Japanese Government committee to study opportunities for imports in the Japanese market. One of the results of this group's work was the announcement in January 1982 of a list of measures which would be implemented to alleviate non-tariff barriers in the standards and customs areas. In January, the Japanese Government also announced the establishment of an Office of Trade Ombudsman, which would be charged with responding to foreign complaints regarding barriers to market entry.

Trade initiative of May 28, 1982

The second trade initiative included tariff eliminations or reductions on a wide variety of products, among which those on photographic film, cut diamonds and several others were of interest to the United States. It also contained a commitment by the Japanese Government to undertake a series of "generic" remedies in such areas as customs procedures, and foreign access to participation in the formulation of industry standards.

Trade initiative of December 25, 1982, and January 13, 1983

The third trade initiative was announced by the Government of Japan in December 1982 and January 1983. In December, tariff reductions were announced on chocolate, tobacco products and paper. In January, the Japanese Government announced a commitment to undertake a high-level review of Japanese standards and certification procedures. This review eventually led to the passage of some sixteen laws which, as they are implemented at the administrative level, could represent the most significant and wide-ranging removal of foreign barriers to the Japanese market since the conclusion of the Multilateral Trade Negotiations in 1979.

Also included in the January announcement were commitments to expand the number of retail outlets permitted to distribute foreign cigarettes, undertake a study of the possible liberalization of Japan's distribution system for tobacco products, and ensure the participation of foreign firms in NTT procurement.

Trade Initiative of October 21, 1983

The fourth trade initiative included tariff reductions on 44 items. Also included was a one-year acceleration of rates committed to in the Multilateral Trade Negotiations on some 1200 items.

The October announcement also promised "steady implementation" of improvements in Japanese standards and certification procedures, further efforts to promote procurement by Japanese Government agencies from foreign firms, and a review of the "designated company" system, which limited foreign investment in eleven Japanese industries.

Trade Initiative of April 27, 1984

This initiative included cuts on sixty-five tariff classifications covering wine, paper products, color photo paper, black-and-white film, hay balers and a wide range of agricultural products. Also included was a commitment to eliminate or liberalize quotas on thirteen agricultural categories.

The statement referred to pending legislation to liberalize the Japanese tobacco and telecommunications markets. Statements in the initiative also promised improvements in standards and certification procedures. Other commitments included in the April initiative were an expansion of the mandate of the Office of Trade Ombudsman to cover investment restrictions, and Japanese Government efforts to resolve legal services issues. Also included in the April announcement were a policy statement covering procurement by Japanese Government agencies and NTT of foreign satellites, and a commitment to postpone the introduction into the on-going Diet of a proposal to remove computer software from copyright protection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I rise in support of House Concurrent Resolution 107, a resolution submitted by the House Committee on Ways and Means which expresses the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to respond to unfair international trade practices of Japan. However, I do so with some reluctance. I would have preferred much stronger action by the House of Representatives on this issue. I would have preferred action on the resolution offered today by Representative DINGELL and BROOMFIELD, of which I was a cosponsor; or action similar to that which the Senate took last week when it passed S. 774, a resolution which called on the President to recommend legislative changes in the trade policy of the United States with respect to Japan, including denial of most favored nation treatment, should the Japanese Government persist in its unfair trade practices. Instead, this resolution, while it does express our grave concern about Japan's predatory trade practices, merely calls on the President to work within existing, inadequate U.S. trade laws.

Several weeks ago the President announced that there would be no request on the part of the United States for an extension of the voluntary restraints on the shipment of Japanese automobiles into the United States. That announcement came immediately following the release of the trade statistics for 1984. The 1984 trade numbers showed that the United States ran a bilateral deficit with Japan of approximately $37 billion. The estimates of the effect of limiting the voluntary restraints on automobile imports are that this will mean an increased level of Japanese auto sales in the United States of somewhere between $4 billion on up.

Mr. Speaker, for years, the United States has attempted to practice so-

called free-trade policies while Japan has played by a different set of rules. The result of this has been an overall trade deficit of $123 billion in 1984—a deficit which would well exceed $170 billion by the end of 1985. In the case of Japan, the United States trade deficit has grown from $10 billion in 1980 to $37 billion in 1984.

The United States opens its doors wide; the Japanese barely crack theirs. The U.S. automotive trade deficit since 1981 has more than doubled—from $11 billion to $27 billion. The trade deficit in telecommunications equipment has grown from $516 million in 1979 to $1.9 billion in 1984. Japan's barriers to other U.S. exports such as pharmaceuticals, medical equipment, wood products, agriculture produce, and other good and services have become intolerable.

Our negotiators in the Office of the U.S. Trade Representative have knocked on every door, met with every official, and used every argument and means of friendly persuasion in the effort to open the Japanese market to our exports. First, we were told that U.S. companies just were not competitive. Then it was a question of changing the regulations and turning the Japanese economy more toward private sector control. And as these excuses have worn themselves out, we are now informed that, despite Prime Minister Nakasone's best efforts, the career bureaucrats who run the Japanese Government just listen politely and then ignore instructions of their political superiors.

Mr. Speaker, this Congress and the American people can no longer tolerate lame excuses from the Japanese Government.

No nation has contributed more to our trade deficit than has Japan. And few U.S. industries have been harder hit by foreign imports than has our domestic automobile industry. Of the $37 billion trade deficit we had with Japan last year, Japanese automotive products caused over half. Japan exported more than 1.9 million cars into the United States last year while we exported less than 4,000 of our autos to Japan.

Mr. Speaker, I will support the resolution offered by the Ways and Means Committee. But I cannot help but feel it is not a strong enough statement to the Japanese Government of our intolerance for their unfair use of our market. In the coming months, I hope this body will take up stronger legislation, such as H.R. 1050, the Made in America Act introduced by Representative JOHN DINGELL and cosponsored by 45 of our colleagues. Instead of relying on voluntary actions by the U.S. President or the Government of Japan, this legislation would legally limit foreign auto imports to a fixed, reduced percentage of the domestic market.

I hope my colleagues will join with me and, in the coming weeks, support more far-reaching legislation. This matter is urgent. The time has come for the United States to take more decisive action on the U.S. trade deficit with Japan.

□ 1910

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Speaker, I rise in support of the resolution and commend the chairman of the committee for bringing this important matter to the floor.

Our trade problems have gone from bad to worse. For the third straight year, our trade deficit has reached a recordbreaking high. Last year's $123 billion deficit is expected to be topped this year by a deficit that will exceed $150 billion.

The greatly overvalued dollar has made foreign imports too cheap for Americans to resist. As a result, foreign firms have captured large shares of even those domestic markets in which American companies are highly competitive: Telecommunications pharmaceuticals, medical equipment and machinery, aircraft equipment, and a growing list of others.

But, another equally important cause of our trade decline is the fact that many foreign markets remain closed to U.S. goods and services. As a result, U.S. exports have increased only marginally while imports have risen much more sharply.

This imbalance in trade opportunities has become so severe that industries in which American companies have a comparative advantage cannot penetrate many world markets. On the other hand, industries in which foreign firms have a comparative advantage have won a large share of our domestic markets.

This imbalance is fundamentally unfair, and, if allowed to persist, will destroy the competitiveness of even our most technologically advanced industries. Telecommunications is one such industry that is of great concern to me and my committee.

Strong action must be taken against foreign firms in our market, if we are to convince our trade partners that we are serious when we demand open access and meaningful market opportunities for telecommunications and other American industries. Under legislation my committee developed last year, the President was given important new authorities to take action against any foreign firms, including foreign telecommunications firms. It is now time for the President to use these and other powers to retaliate against Japan and other countries for their unfair trade practices against our companies.

In the past, the President has often complained that such retaliation would start a trade war and destroy our free trade system. To this I say, there is no free trade in too many sectors of world today.

Thus, failure to retaliate does not preserve free trade. Instead, it lets our trade partners believe they can continue to discriminate against our firms without suffering any penalty for their action.

Until our trade partners become convinced of the seriousness of our resolve, our trade deficit, and our economic fortune with it, will continue to decline. By adopting this resolution today, we take perhaps that first important step in demonstrating the strength of our will in the trade area.

I urge my colleagues to vote for this resolution.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I rise in strong support of House Concurrent Resolution 107 which expresses the sense of the Congress that the President take action to reduce unfair Japanese trade practices.

The U.S. merchandise trade deficit with the world has reached historic heights, over $123 billion in 1984. One-third of that total deficit is solely with Japan and exceeded $37 billion in 1984, with motor vehicles alone exceeding $19 billion. In fact, between 1983 and 1984, there was a 7-percent increase in the trade deficit with Japan.

The trade deficit with Japan has continued to grow progressively regardless of fluctuations in the yen-dollar exchange rate over the same period. At the same time, Japanese markets, as well as those of certain other nations, have remained restricted to many U.S. products in key merchandise areas.

The economy of this Nation is seriously jeopardized by the continued deepening of this imbalance in international trade and its implication for further job losses in the United States. It is estimated 3 million jobs in the United States have been lost since 1981 due to the trade deficit.

Because of the particular severity of our trade imbalance with Japan, and its implications for retention of key manufactures in the United States, immediate attention should be given to the causes of, and the means for redressing, that imbalance, especially in view of the fact that although the President recently lifted and the voluntary restraints on motor vehicles, the Japanese gave no commensurate concessions with respect to the closure of their markets to American telecommuncations, steel, textiles, agriculture, timber, finished wood, pharmaceuti-

cals, medical equipment, and financial services. In fact, the Japanese Government has already announced it would increase its auto exports by 25 percent more in 1985, bringing just the Japanese U.S. market share in automobiles to over 25 percent of the entire U.S. auto market.

Though Congress must take strong additional steps to bring back fair trade, this resolution calls on the President who has sufficient authority to undertake immediate action and use his full authority to do so.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, this resolution tells it like it is, and it is not a good message. Our problems are deep, and they must be solved; and perhaps this resolution is the beginning of it.

Yes, we have trade problems with Japan; yes, the Japanese market is not as open as we would like it to be; if it were fully open, we would eliminate some of our trade deficit.

And if other markets were fully open, we would eliminate some of our trade deficit. But the real problem, the real problem that this resolution talks about, is our economic policy. Our economic policy is a disaster. It is rapidly decapitalizing the farms and factories of America. You cannot run the kind of fiscal deficit that we are running in this country and expect anything to happen other than what is happening today.

Our dollar is not overvalued; it is just highly inflated. We are drawing in money from all over the world to pay for the interest on our national debt. We are living on borrowed capital. We are really enjoying ourselves. It is a serious problem, and unless we face up to that, flailing a foreigner is not going to do anything to cure the basic problems of America. I do not condone for 1 minute the tactics that I find our Japanese trading partners following as far as closing their markets is concerned. But let us not kid ourselves: If they open their markets wide open, it would not solve the American problem. It would help, but it would not solve it. That is our serious problem.

There are some other serious problems.

We need to reexamine the General Agreement on Tariffs and Trade and look at some of the basic provisions that we agreed to in 1947. The world has changed fundamentally since then.

At that time, we were trying to save Europe and Japan from communism. We did. We granted them major concessions, and I believe it may be time to reexamine some of those concessions.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN] for a unanimous consent request.

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that in the matter just preceding, in H.R. 1869, the following statement be inserted at the appropriate place in the committee report thereon:

We feel the IRS regulations may not reflect reasonable valuations both in the case of personal use of business aircraft and in the case of "empty seat" travel on business flights. Among other factors, these valuations may need to be adjusted to take into account differences in fares on commercial airlines on high-density as compared to low-density routes and the fact that for many routes on which business aircraft travel, there are no comparable commercial air fares. As a result, SIFL may not accurately reflect the realities of various markets.

Likewise, the present valuation scheme may fail to take into account the wide variations in types of business aircraft and the nature of the travel they provide.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, the gentleman read a statement that purported to be the feelings of the committee on which the committee has taken no action nor come to any conclusion.

The SPEAKER pro tempore. The Chair would state to the gentleman from Minnesota that the gentleman [Mr. GLICKMAN] may extend his remarks, but he should not ask to amend the committee report.

Mr. FRENZEL. I thank the Chair.

Mr. Speaker, I withdraw my reservations of objection.

PARLIAMENTARY INQUIRY

Mr. GLICKMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GLICKMAN. Mr. Speaker, I do not understand the ruling of the Chair.

The purpose of my remarks was to attempt to amend the committee report of the prior bill that was just passed.

The SPEAKER pro tempore. The gentleman may make the statement as far as the debate, but the House should not change the committee report.

Mr. GLICKMAN. I appreciate the ruling of the Chair.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. I want to thank the chairman. At the outset I want to express my feeling on this matter that I will support the resolution but do it most reluctantly. The reason for that reluctant support is the fact that in the resolution again we are practicing self-flagellation, as usual, and that is making reference to the strong dollar and the fiscal deficit of this country.

I want to remind my colleagues, and I respond primarily to the gentleman from Minnesota when he made mention of the other body's resolution, I read that resolution and that resolution is concise, to the point, and does not mince any words.

Our resolution, which I will support, is all over the lot. It talks about so many different reasons.

Again it practices and places, primarily, the responsibility for the problem that we have on this country.

I want to point out to my colleagues it is not this country which in the past and at present has been accused and found guilty internationally of dumping or subsidizing. That has never happened to this country, either in an international court or a court in this country, although we find example after example of all the countries, particularly Japan and the common bloc countries and Brazil and Taiwan and South Korea, all of them at one time or another found guilty of dumping or found guilty of other infraction of the international agreement on trade which we call the tariff business.

Now I point this out: If we are going to talk about passing a resolution I would have supported one much more affirmatively if that resolution would state these affirmative facts and not, again, go back and accuse this country as if we started the international trade war. It is not true. The facts do not justify it. The committee well knows it.

I want to close by saying that this country over the years has been asking, through this body and through other private enterprises, the AISI, has been asking, to no avail, for legislation and for a resolution, many, many years ago. It is about time this resolution has been presented.

Mr. FRENZEL. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Pennsylvania [Mr. SCHULZE], a member of the Trade Subcommittee.

Mr. SCHULZE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I take the well this evening disappointed. I am disappointed at the way this measure was brought before us today without time for due deliberation and disappointed that it is here on the floor tonight when there are those who wish to leave, and I am disappointed at the content of this legislation. The other body at the other end of the Hall in its deliberations passed a resolution which was, as the gentleman from Pennsylvania stated, fairly concise and fairly tough. In the news media this week we saw it had an impact and it had an impression.

So what should the great people's body, the House of Representatives—what should we do? Should we go along and add to that? No, indeed. What we are going to do is pass two different versions of a resolution.

Do you know what that means? There is no conference committee. That means, like a ping-pong ball, this resolution will go from one body to the other, back and forth: "You take this part, I will take that part."

If we wanted to send a weaker message across the seas, we could not do that except for what we are doing tonight.

In our resolution it says that we are to blame, that we are to blame; we have done it, please forgive us.

If I were the Japanese Trade Minister, I would write a resolution the way we have written it and the way we are passing it tonight.

So, Mr. Speaker, I am sorely disappointed at what we do here.

□ 1920

The chairman of our committee, whom I respect and admire says, "This is the beginning." This is the beginning. I have been on the Trade Subcommittee for 8 years. Eight years. Our trade deficits have been soaring; they are enormous. For every dollar of trade deficit, it means somebody who is not working.

Comparative advantage. This resolution is so feckless, so weak, in committee today I said that it was like a young man who saw a magnificent woman on a television set and gave her a big kiss. It is just about as exciting. I will tell you, that CRT was probably made in Japan. Because, when you talk about comparative advantage, the comparative advantage stops at the water's edge. Their markets are not open.

My distinguished ranking member on the Trade Subcommittee said that our hands are not clean, that we do not open our markets at all places.

Let me tell you something: International trade is like a balloon filled with water or air, and when you squeeze one place, it goes out another. When the Japanese or other major countries deny access to their markets, we are the major dumping ground for that excess capacity. We are the ones who bear the brunt of that kind of closed markets; even though they may be closed to us, they are also closed to other countries, and we are the ones that bear the burden of that.

I am disappointed that this is a resolution. This should be legislation. It should be very strong legislation.

We have heard in this well tonight that the strong dollar is to blame for this deficit. Let me give you a few facts. Although, in my opinion, the growth in the bilateral trade deficit can be attributed partially to that imbalance, there is no explanation, for example, for the fact that the yen has appreciated 36 percent against the German mark since 1981, and yet German exports to Japan have barely grown by one-half of 1 percent per year.

The yen has appreciated 48 percent against the Korean chon since 1981 with a bare 2 percent per year increase in Korean exports to Japan.

Remember what I said: When these other markets—when this market is blocked to these other countries, we are the ones who end up as the dumping ground.

Now while the yen depreciated by about 30 percent against the dollar since 1980, it has appreciated by 80 percent against the French franc and 75 percent against the British pound without substantial increases in exports from those countries to Japan.

The dollar imbalance is not the main culprit in this issue.

Since my time is growing short, I want to share with you a letter which I received from a gentleman in London, and I will close with this. It is about another bill that I have, but you will find it relates.

He says:

My reason for writing is to applaud you for introducing your bill for a surcharge of 20% on imports. I simply can't imagine how total lack of action on the part of somebody is going to solve anything at all. It never will. It'll get worse.

Incredible as it may seem, it appears as if nobody in authority in the United States understands that when the Japanese attend negotiation sessions, they have absolutely no intention of negotiating or even concluding anything resembling an agreement. Every Japanese negotiation team has one aim in mind which is to "stall" long enough till they can pass their hot seat on to the next guy who then starts off on a different tack with the same aim in mind. The Japs even have a word for it called HARAGE (pronounced Ha-Rah-Gay) which basically means saying one thing when you really mean the opposite.

This gentleman goes on to explain that on an airplane flight one day he found himself sitting next to a very high official in the Ministry of Trade. He says:

Having been born and raised in that country we naturally lapsed into Japanese, and after a few drinks I asked him point blank how Japan can justify putting all those blocks on imports when they have free access to the American market.

His reply was simplicity itself. He said, just because they're crazy doesn't mean we have to be as well. How about that for fairness?

Mr. Speaker, it is time that we passed legislation, not resolutions; it is time that we said we mean business. We are not going to roll over and play dead and open our markets until we get some reciprocity.

I urge a "no" vote on this resolution to send a strong message.

Mr. GAYDOS. Will the gentleman yield?

Mr. SCHULZE. I would be happy to yield.

Mr. GAYDOS. For a point of emphasis and information, I ask the gentleman: In the resolution, two items have been cited as cause of our problem. No. 1, the deficit; and the strong dollar.

What is the gentleman's opinion?

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Thank you, Mr. Chairman.

I would like to commend the chairman of the Committee on Ways and Means for bringing this resolution to the floor, but I think it must be made clear that we are not here tonight because we have just discovered that the Japanese are taking advantage of us.

We are here tonight, and the other body considered legislation last week because of the President's decision to suspend the automobile import quotas. That is why we are here.

That decision was reached, that major trade concession was given to the Japanese without any requirement that there be reciprocity on their part. At the time when we were arguing in this body over the plight of the American farmer, we gave this major trade concession to the Japanese despite the fact that they systematically exclude our citrus, our beef, our soybean products, and our wood products.

At a time when this country is still haunted with dislocated workers from the last recession, we gave away a major trade concession to a country which systematically excludes our manufactured products.

The purpose of this resolution is to tell the Japanese and the President that enough is enough. The President and the Japanese will get that message loud and clear with this resolution.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding, and I will be brief.

Mr. Speaker, I come from a State where free trade is important. We need markets for our wheat and our barley and corn, and we understand that the ability to market those around the world is critical to agriculture in this country.

But I do not agree with those who say that we are hasty when we stand up here in the U.S. Congress and by resolution say to the Japanese that this is not the 1950's; this is not the late forties and early fifties. You are a strong, tough competitor, and you expect to serve our markets? We want you to open yours; when beef from North Dakota or Iowa tries to move into Japan, it finds all kinds of restraints. And yet, when the Japanese want to move products in here, they want a willing country and a willing consumer.

I guess all I am interested in saying today is that resolutions of this type are bargaining chips in many respects.

They are bargaining chips for our negotiators who say to the Japanese, "We really want fair trade." I do not want to get involved in a sense of economic nationalism here that says, We want to fire the first salvo in a trade war; the worst thing in the world that could happen to this country is any kind of a trade war.

The most important thing that can happen to us, in my judgment, is for us to say to the Japanese and other trading partners that we expect reciprocity; we expect you to open your markets; we expect fair trade.

There is a lot of talk about free trade; there is some talk about fair trade. We expect it; we would begin to demand it from the rest of the countries in the world.

Now I would like to just respond briefly to a comment made by the gentleman from Pennsylvania about whether or not the American dollar is overpriced. Yes it is overpriced. It is overpriced vis-a-vis the guilder, the mark, the pound, the yen. Yes, indeed, the dollar is overpriced and one of the root causes of that is fiscal policy and monetary policy in this country.

This resolution asks the President to begin developing a plan. What is the plan to deal with the trade deficit? That trade deficit hurts this country. What is the plan to deal with budget deficits that help create that trade deficit? What is the plan?

Well, there is no plan at this point. This kind of resolution says, we want to see a plan. This resolution, I think, is a signal to the Japanese, a bargaining chip for our negotiators that says, we expect that kind of plan.

Mr. DAUB. Will the gentleman yield?

Mr. DORGAN of North Dakota. I am glad to yield to the gentleman from the committee.

Mr. DAUB. While not wanting specifically to comment on the bill itself, I would point out that we have made some progress on beef and citrus, and that they import about $2 billion of our ag products, in an island country, which is something I think we should acknowledge.

Mr. DORGAN of North Dakota. If I might reclaim my time, let me say that the progress made on beef is painfully slow progress, and woefully inadequate, and this kind of thing simply gives our negotiators the ability to say to the Japanese, "We have got a lot of folks back home that want your markets open to our producers, just as markets are open to yours." That is fair trade, and by God, it makes good sense for both of us.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished minority leader, from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I commend the Ways and Means Committee for bringing this resolution to the floor.

In February, I introduced a resolution similar to the Danforth resolution that passed the other body last week.

The resolutions from both Houses of our Congress send a message to both our Government and the Japanese Government that stronger steps must be taken to turn around the massive trade imbalance between our two nations.

The decision by the Japanese Government to allow the import of 450,000 more automobiles into this country and their intransigence in opening up other markets, will lead to an even further worsening of the $37 billion trade deficit we had with Japan last year.

As long as the Japanese don't give the same access to our products that we give to theirs, then an erosion of our relations is inevitable. As long as the Japanese fail to do what they can to help rectify the dollar/yen imbalance as they have promised to do, then an erosion of our relations is inevitable.

This message is as much for the ears of our own administration as it is for the Japanese. I don't like the course we are on. It is not a course for more and freer trade. It is a course that, in my judgment, spells further trouble down the road.

Mr. FRENZEL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Wisconsin [Mr. ROTH], a member of the International Economic Policy Subcommittee of the Foreign Affairs Committee.

Mr. ROTH. I thank the gentleman from Minnesota for yielding.

Mr. Speaker, this is a very serious matter. We are suffering a trade deficit this year of $120 billion. A Milwaukee newspaper, 2 days ago, said, "Japanese yawn at American protests."

There is no teeth in a resolution like this. The Japanese are laughing at us. Look at the facts. Sixty percent of all TV's sold in this country come from Japan; 20 percent of all the cars; 90 percent of all the motorcycles; 20 percent of all the machine tools. When the Japanese wanted to come into American banking, they bought the Bank of California. When we got 4.5 percent of the pharmaceutical markets of Japan, there was a hue and cry like we have never heard out of Japan. No, we are not declaring a trade war on Japan. They are declaring a war on us, and we are hoisting the white flag.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I have remaining.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. FRENZEL] is recognized for 1 minute.

Mr. FRENZEL. Mr. Speaker, I have already praised the committee for improving on the Senate's work in presenting to this body a better resolution. Nevertheless, I think at a time when our President and the Prime Minister of Japan are engaged in crucial negotiations, and they seem to be going rather well, my preference would be not to move swiftly with a resolution that would tend to perhaps confuse the signals that are now emanating from both sides of the Pacific Ocean and being received with different perceptions on each side of that ocean.

So my preference would be that this resolution not be approved.

On the other hand, I know the pressures that brought it forth. I respect those. I think the committee has done a splendid job and has presented to this House the best resolution it could.

● Mr. BIAGGI. Mr. Speaker, I rise in full support of this resolution calling on President Reagan to retaliate against Japan's unfair and discriminatory trade policy—a trade policy that reeks of greed.

Simply put, America has been too generous for too long. As the United States continues to keep its doors wide open to Japanese products, the Japanese have slammed their trade doors closed and turned the key. The numbers tell the story. While the U.S. trade deficit with Japan swelled to $37 billion in 1984, Japan's trade surplus with the United States reached $4.2 billion in February—the highest level since last July's $4.7 billion gap. The result: Japanese businesses get rich and American workers lose their jobs, by the thousands.

In January, there was optimistic news from the White House. President Reagan and Japanese Prime Minister Yasuhiro Nakasone had apparently agreed that Japan should open its markets to competitive American products. A cause for celebration? Hardly.

As a good-faith gesture, President Reagan lifted a voluntary restraint agreement on Japanese auto imports shortly after his January meeting with Nakasone. In turn, the Japanese proceeded to increase its auto shipments to the United States by a whopping 25 percent, rationalizing that this would represent a 2.3-million unit "limit." Knowledgeable observers tell us that this so-called "limit" is actually Japan's full productive capacity. So much for good-faith gestures.

To add insult to injury, Commerce Department officials tell us that Japan has agreed to only two of nine U.S. objectives designed to assure U.S. access in Japan's telecommunications market, and negotiations to open Japan's markets in three other areas—sophisticated electronics; wood and paper products; and pharmaceuticals and medical equipment—have yet to begin.

Mr. Speaker, today we are considering a nonbinding resolution that sends a strong signal to the President that retaliatory measures are necessary to force the Japanese to end their unfair

and totally unacceptable trade practices. The passage of this legislation is clearly action worth taking. Yet, for the sake of the American work force, whose jobs are at stake, I believe we must go further by acting soon on legislation to mandate trade retaliation measures against Japan. It seems that anything less is simply not enough.●

● Mr. BROOMFIELD. Mr. Speaker, earlier today, Congressman JOHN DINGELL and I introduced a resolution expressing the deep frustration and impatience of the House of Representatives with the trade policies of Japan—a policy that effectively closes their markets to our businessmen while fully exploiting our own markets.

Our resolution was similar to that which unanimously passed the Senate last week and carried an effective message to Japan, Inc.

However, what is important is that the Japanese fully appreciate the depth of feelings about our trade problems, and not whose resolution is finally accepted.

They must understand that we have long passed the period when we will be mollified by smiles and promises. This is now the time for positive action, for we are headed in a collision course that will seriously and permanently damage a relationship marked by mutual cooperation and friendship.

Earlier, I warned of a possible full-blown trade war if the Japanese do not change course in their trade practices. Hopefully, the Japanese will heed our warnings and be sensitive to our concerns to help prevent such a trade war by finally opening their markets to fair competition.

Mr. Speaker, I urge my colleagues to provide a clear and resounding voice to our concern and our outrage at the current state of our trade relations with Japan by fully supporting this resolution before us today.

● Mr. MARKEY. Mr. Speaker, it is with great reluctance that I rise to support this resolution.

Ever since I came to Congress in 1976, there has been talk that the Japanese have enjoyed free access to our Nation's markets, but that American firms could not crack the Japanese wall of trade barriers. For the past 8 years, we have seen many high level talks, and very little concrete action.

Today, we consider a resolution that I would have termed "extreme" a few years ago. Now, however, I do not view this resolution as extreme, but instead I find this proposal a reasoned response to the tremendous obstacles American firms face in Japan.

When I talk with firms in my district, firms who have spent millions of dollars and years of effort to get into the Japanese market, they are frustrated. They are disappointed. They see nothing good on the horizon unless and until our country forces Japan to be fair.

And that is what this resolution offers us today: A statement that the United States seeks fair trade with the world. This resolution states that we can no longer tolerate the one-way street, a street running from Japan directly into American markets, that have characterized past Japanese-American trade relations. This resolution seeks fair trade; fair trade means goods and services must move down both sides of a two-way street.

I support this resolution as a statement of the House's intent to deal seriously and resolutely with the Japanese trade situation. We can no longer accept promises of further high-level talks; we can only accept specific, concrete alterations in Japan's trade barriers.

Absent such specific, detailed action by the Japanese, then I believe we should not hesitate to step forward with continued pressure on the Japanese to open up their markets. American firms cannot continue to watch ships come in with goods marked "made in Japan," and sent back filled with "promises, made by Japan." I urge my colleagues to support this resolution as a measure of this House's commitment to free trade.●

● Mr. SMITH of New Jersey. Mr. Speaker, I rise to urge passage of House Concurrent Resolution 107, a concurrent resolution expressing the sense of the Congress that the President should develop a plan for correcting the U.S. trade deficit and directing him to take certain actions to reduce the trade imbalance between the United States and Japan.

Mr. Speaker, we have watched with great alarm as our trade deficit with Japan has grown over the past several years. Our trade deficit with Japan is the largest single slice of our current $123 billion trade deficit. In fact, Mr. Speaker, the U.S. trade deficit with Japan has grown from $10 billion in 1980 to $37 billion in 1984. At least $20 billion of that amount is a direct result of auto imports. In addition, the U.S. Trade Commission has estimated that the removal of the import cap on autos will result in a $4 to $5 billion increase in Japanese cars flooding our market. That is totally unacceptable and will do irreparable damage to our domestic auto industry. It will hurt American auto workers.

Mr. Speaker, while the strong dollar has no doubt contributed greatly to the size of our trade deficit, lack of U.S. access to the Japanese market must share the blame. It would seem that the President hoped that Japan would respond to the lifting of a voluntary restraint agreement by opening up their market for U.S. goods and services. But this has not been the case, nor will it be. It would appear that we are about to be had—again.

Mr. Speaker, the Japanese have responded to the President's action with a 25-percent increase in automobile shipments and a continuation of its closed door policy to U.S. exports. For too long, Japan has benefited from free trade without bearing any of the responsibilities that the free trade system imposes on trading partners, namely, reciprocity. American producers, particularly in the fields of medical equipment, porcelain china, telecommunications, agricultural products and pharmaceuticals, have been unable to penetrate Japanese markets. They are in a word—locked out.

While I continue hope that trade negotiations with Japan will result in the opening of Japanese markets to American goods, I would suggest we have waited too long. It is time that the President made it clear that this Nation will no longer tolerate Japan's unfair and discriminatory trading practices. Japanese industry has been permitted to expand at the expense of our own workers and that must change.

It is estimated, Mr. Speaker, that 3 million jobs in the United States have been lost since 1981 due to the trade deficit. The immense trade deficit with Japan must bear the lion's share of the blame for this situation. The American worker must be protected whatever it takes.

The resolution which we consider today will send a clear message to Japan that stronger steps must be taken to address our massive trade imbalance.

Mr. Speaker, let me conclude by saying that this is only a step. I believe the Congress must pass into law reciprocity legislation and a comprehensive domestic content bill. The time for small talk is over. The time for meaningful action has arrived.●

● Mr. LENT. Mr. Speaker, I speak today in support of House Concurrent Resolution 107, dealing with our trade problems, especially those we have with Japan. I have long supported measures designed to assure open markets, a free flow of goods and a strong international trading system. I have opposed actions which would threaten that system.

My vote today is consistent with that position. The United States, and particularly the Reagan administration, has been patiently but consistently pressing Japan for years to make tangible trade concessions that will end Japan's dependence on domestically produced goods of all types. Like all protectionism, Japanese trade barriers have been an expensive, counterproductive burden to the Japanese people.

Our country has also sought to assure the integrity of our international commitments and the fairness and due process inherent in our trade laws.

Unfortunately, Japan was one of the first nations to take advantage, often unfair advantage, of that system. Now, of course, many other nations have followed the Japanese lead and subsidized their industries or condoned dumping and other unfair trade practices.

Now, more so than at any point in the past, these problems with Japan have reached massive proportions. The resolution cites our $37 billion trade deficit with Japan, and some of its causes.

Yet, in the face of this long and unfortunate record, and the current economic threat of our trade deficit, Japan has not sought to strengthen but to weaken our world trading system.

The lack of Japanese commitment to carry out its recent agreements with respect to financial measures, and telecommunications purchases, is one sign of this problem. Japan's uncooperative attitude in current telecommunications negotiations is another. Japan's outright refusal to purchase lumber and electronic goods is another. Japan's continuing record of unfair trade practices—patent infringement, dumping, and subsidies—is one more. Finally, in the face of U.S. trust in Japan's good judgment with respect to auto imports, Japan has announced a massive increase.

I am convinced that we must press for strong measures to demonstrate to Japan that America will insist on positive, tangible commitments to free trade. The resolution sets up a process by which the President is pressed to take steps that will show Japan that its current attitude must not prevail. All these actions will be within existing law.

I urge my colleagues to join me in voting in favor of this resolution.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 107.

The question was taken.

Mr. SCHULZE. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 1373, de novo;

H.R. 1869, by the yeas and nays; and

House Concurrent Resolution 107, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

DESIGNATING POINT REYES NATIONAL SEASHORE WILDERNESS AS THE PHILLIP BURTON WILDERNESS AREA

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1373, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1373, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 69, not voting 21, as follows:

[Roll No. 43]

YEAS—342

Ackerman	Bustamante	Durbin
Addabbo	Byron	Dwyer
Akaka	Callahan	Dymally
Alexander	Campbell	Dyson
Anderson	Carney	Early
Andrews	Carper	Eckart (OH)
Annunzio	Carr	Edgar
Anthony	Chandler	Edwards (CA)
Applegate	Chappell	Edwards (OK)
Atkins	Clay	Emerson
Badham	Clinger	English
Barnard	Coelho	Erdreich
Barnes	Coleman (MO)	Evans (IA)
Bateman	Coleman (TX)	Evans (IL)
Bates	Collins	Fazio
Bedell	Combest	Feighan
Bellenson	Conte	Fish
Bennett	Conyers	Flippo
Bentley	Cooper	Florio
Bereuter	Courter	Foglietta
Berman	Coyne	Foley
Bevill	Craig	Ford (MI)
Biaggi	Daniel	Ford (TN)
Bilirakis	Darden	Fowler
Boehlert	Daschle	Frank
Boland	Daub	Franklin
Boner (TN)	Davis	Frost
Bonior (MI)	de la Garza	Fuqua
Borski	Dellums	Gallo
Bosco	Derrick	Garcia
Boucher	Dickinson	Gaydos
Boxer	Dicks	Gejdenson
Breaux	Dingell	Gekas
Brooks	DioGuardi	Gibbons
Brown (CA)	Dixon	Gilman
Brown (CO)	Donnelly	Glickman
Broyhill	Dorgan (ND)	Gonzalez
Bruce	Dowdy	Goodling
Bryant	Downey	Gordon
Burton (CA)	Duncan	Gradison
Gray (IL)	Martinez	Savage
Gray (PA)	Matsui	Saxton
Green	Mavroules	Schaefer
Guarini	Mazzoli	Scheuer
Gunderson	McCain	Schneider
Hall (OH)	McCandless	Schroeder
Hall, Ralph	McCollum	Schulze
Hall, Sam	McCurdy	Schumer
Hamilton	McDade	Seiberling
Hammerschmidt	McGrath	Sharp
Hansen	McHugh	Shaw
Hatcher	McKernan	Shelby
Hawkins	McKinney	Shuster
Hayes	Meyers	Sikorski
Hefner	Mica	Siljander
Heftel	Mikulski	Sisisky
Hendon	Miller (CA)	Skeen
Henry	Miller (OH)	Skelton
Hertel	Miller (WA)	Slattery
Hillis	Mineta	Smith (FL)
Holt	Mitchell	Smith (IA)
Hopkins	Moakley	Smith (NE)
Horton	Molinari	Smith (NJ)
Howard	Mollohan	Snowe
Hoyer	Montgomery	Snyder
Hubbard	Moody	Spence
Huckaby	Moore	Spratt
Hughes	Moorhead	St Germain
Hunter	Morrison (WA)	Staggers
Hutto	Mrazek	Stallings
Hyde	Murphy	Stangeland
Ireland	Murtha	Stenholm
Jacobs	Myers	Stokes
Jeffords	Natcher	Stratton
Jenkins	Neal	Studds
Johnson	Nelson	Swift
Jones (NC)	Nichols	Synar
Jones (OK)	Nowak	Tallon
Kaptur	O'Brien	Tauke
Kasich	Oakar	Taylor
Kastenmeier	Oberstar	Thomas (CA)
Kemp	Obey	Thomas (GA)
Kennelly	Owens	Torres
Kildee	Panetta	Torricelli
Kleczka	Pashayan	Towns
Kolter	Pease	Traficant
Kostmayer	Penny	Traxler
Kramer	Perkins	Udall
LaFalce	Petri	Valentine
Lagomarsino	Pickle	Vento
Lantos	Porter	Visclosky
Leach (IA)	Price	Volkmer
Leath (TX)	Pursell	Vucanovich
Lehman (CA)	Quillen	Walgren
Lehman (FL)	Rahall	Watkins
Leland	Rangel	Waxman
Lent	Ray	Weaver
Levin (MI)	Regula	Weiss
Levine (CA)	Reid	Wheat
Lewis (CA)	Richardson	Whitehurst
Lewis (FL)	Rinaldo	Whitley
Lipinski	Roberts	Whitten
Lloyd	Robinson	Williams
Loeffler	Rodino	Wilson
Lott	Roe	Wirth
Lowery (CA)	Roemer	Wise
Lowry (WA)	Rose	Wolf
Lujan	Rostenkowski	Wright
Luken	Roukema	Wyden
Lundine	Rowland (GA)	Wylie
MacKay	Roybal	Yatron
Manton	Rudd	Young (AK)
Markey	Russo	Young (FL)
Martin (NY)	Sabo	Young (MO)

NAYS—69

Archer	Eckert (NY)	McEwen
Armey	Fawell	McMillan
Bartlett	Fiedler	Michel
Barton	Fields	Monson
Bliley	Frenzel	Nielson
Boulter	Gingrich	Oxley
Broomfield	Gregg	Packard
Burton (IN)	Grotberg	Parris
Chappie	Hiler	Ridge
Cheney	Kindness	Ritter
Coats	Kolbe	Rogers
Cobey	Latta	Roth
Coble	Lightfoot	Rowland (CT)
Crane	Livingston	Schuette
Dannemeyer	Lungren	Sensenbrenner
DeLay	Mack	Shumway
DeWine	Madigan	Slaughter
Dornan (CA)	Marlenee	Smith (NH)
Dreier	Martin (IL)	Smith, Denny

Smith, Robert	Sundquist	Weber
Solomon	Sweeney	Whittaker
Strang	Swindall	Wortley
Stump	Walker	Zschau

NOT VOTING—21

Aspin	Gephardt	Pepper
AuCoin	Hartnett	Solarz
Boggs	Jones (TN)	Stark
Bonker	Kanjorski	Tauzin
Coughlin	Morrison (CT)	Vander Jagt
Crockett	Olin	Wolpe
Fascell	Ortiz	Yates

□ 1950

The Clerk announced the following pair:

On this vote:

Mr. Jones of Tennessee and Mr. Ortiz for, with Mr. Hartnett against.

Messrs. SWINDALL, WHITTAKER, ROWLAND of Connecticut, and CHENEY, and Ms. FIEDLER changed their votes from "yea" to "nay."

Mr. RALPH M. HALL changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. KANJORSKI. Mr. Speaker, on rollcall No. 43 on consideration of H.R. 1373, the wilderness bill, the bell did not sound in the House caucus room, the Cannon caucus room, and my pager did not sound.

Had I been present in the Chamber I would have recorded my vote in the affirmative.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time in which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

REPEALING CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS ADDED BY TAX REFORM ACT OF 1984

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1869, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 1869.

The vote was taken by electronic device, and there were—yeas 412, nays 1, not voting 19, as follows:

[Roll No. 44]

YEAS—412

Ackerman	Donnelly	Kanjorski
Addabbo	Dorgan (ND)	Kaptur
Akaka	Dornan (CA)	Kasich
Alexander	Dowdy	Kastenmeier
Anderson	Downey	Kemp
Andrews	Dreier	Kennelly
Annunzio	Duncan	Kildee
Anthony	Durbin	Kleczka
Applegate	Dwyer	Kolbe
Archer	Dymally	Kolter
Armey	Dyson	Kostmayer
Atkins	Early	Kramer
AuCoin	Eckart (OH)	LaFalce
Badham	Eckert (NY)	Lagomarsino
Barnard	Edgar	Lantos
Barnes	Edwards (CA)	Latta
Bartlett	Edwards (OK)	Leach (IA)
Barton	Emerson	Leath (TX)
Bateman	English	Lehman (CA)
Bates	Erdreich	Lehman (FL)
Bedell	Evans (IA)	Leland
Beilenson	Evans (IL)	Lent
Bennett	Fawell	Levin (MI)
Bentley	Fazio	Levine (CA)
Bereuter	Feighan	Lewis (CA)
Berman	Fiedler	Lewis (FL)
Bevill	Fields	Lightfoot
Biaggi	Fish	Lipinski
Bilirakis	Flippo	Livingston
Bliley	Florio	Lloyd
Boehlert	Foglietta	Loeffler
Boland	Foley	Lott
Boner (TN)	Ford (MI)	Lowery (CA)
Bonior (MI)	Ford (TN)	Lowry (WA)
Borski	Fowler	Lujan
Bosco	Franklin	Luken
Boucher	Frenzel	Lundine
Boulter	Frost	Lungren
Boxer	Fuqua	Mack
Breaux	Gallo	MacKay
Brooks	Garcia	Madigan
Broomfield	Gaydos	Manton
Brown (CA)	Gejdenson	Markey
Brown (CO)	Gekas	Marlenee
Broyhill	Gibbons	Martin (IL)
Bruce	Gilman	Martin (NY)
Bryant	Gingrich	Martinez
Burton (CA)	Glickman	Matsui
Burton (IN)	Gonzalez	Mavroules
Bustamante	Goodling	Mazzoli
Byron	Gordon	McCain
Callahan	Gradison	McCandless
Campbell	Gray (IL)	McCollum
Carney	Gray (PA)	McCurdy
Carper	Green	McDade
Carr	Gregg	McEwen
Chandler	Grotberg	McGrath
Chappell	Guarini	McHugh
Chappie	Gunderson	McKernan
Cheney	Hall (OH)	McKinney
Clay	Hall, Ralph	McMillan
Clinger	Hall, Sam	Meyers
Coats	Hamilton	Mica
Cobey	Hammerschmidt	Michel
Coble	Hansen	Mikulski
Coelho	Hatcher	Miller (CA)
Coleman (MO)	Hawkins	Miller (OH)
Coleman (TX)	Hayes	Miller (WA)
Collins	Hefner	Mineta
Combest	Heftel	Mitchell
Conte	Hendon	Moakley
Conyers	Henry	Molinari
Cooper	Hertel	Mollohan
Courter	Hiler	Monson
Coyne	Hillis	Montgomery
Craig	Holt	Moody
Crane	Hopkins	Moore
Daniel	Horton	Moorhead
Dannemeyer	Howard	Morrison (WA)
Darden	Hoyer	Mrazek
Daschle	Hubbard	Murphy
Daub	Huckaby	Murtha
Davis	Hughes	Myers
de la Garza	Hunter	Natcher
DeLay	Hutto	Neal
Dellums	Hyde	Nelson
Derrick	Ireland	Nichols
DeWine	Jacobs	Nielson
Dickinson	Jeffords	Nowak
Dicks	Jenkins	O'Brien
Dingell	Johnson	Oakar
DioGuardi	Jones (NC)	Oberstar
Dixon	Jones (OK)	Obey
Owens	Schroeder	Synar
Oxley	Schuette	Tallon
Packard	Schulze	Tauke
Panetta	Schumer	Taylor
Parris	Seiberling	Thomas (CA)
Pashayan	Sensenbrenner	Thomas (GA)
Pease	Sharp	Torres
Penny	Shaw	Torricelli
Perkins	Shelby	Towns
Petri	Shumway	Traficant
Pickle	Shuster	Traxler
Porter	Sikorski	Udall
Price	Siljander	Valentine
Pursell	Sisisky	Vento
Quillen	Skeen	Visclosky
Rahall	Skelton	Volkmer
Rangel	Slattery	Vucanovich
Ray	Slaughter	Walgren
Regula	Smith (FL)	Walker
Reid	Smith (IA)	Watkins
Richardson	Smith (NE)	Waxman
Ridge	Smith (NH)	Weaver
Rinaldo	Smith (NJ)	Weber
Ritter	Smith, Denny	Weiss
Roberts	Smith, Robert	Wheat
Robinson	Snowe	Whitehurst
Rodino	Snyder	Whitley
Roe	Solomon	Whittaker
Roemer	Spence	Whitten
Rogers	Spratt	Williams
Rose	St Germain	Wilson
Rostenkowski	Staggers	Wirth
Roth	Stallings	Wise
Roukema	Stangeland	Wolf
Rowland (CT)	Stark	Wortley
Rowland (GA)	Stenholm	Wright
Roybal	Stokes	Wyden
Rudd	Strang	Wylie
Russo	Stratton	Yatron
Sabo	Studds	Young (AK)
Savage	Stump	Young (FL)
Saxton	Sundquist	Young (MO)
Schaefer	Sweeney	Zschau
Scheuer	Swift	
Schneider	Swindall	

NAYS—1

Frank

NOT VOTING—19

Aspin	Hartnett	Solarz
Boggs	Jones (TN)	Tauzin
Bonker	Kindness	Vander Jagt
Coughlin	Morrison (CT)	Wolpe
Crockett	Olin	Yates
Fascell	Ortiz	
Gephardt	Pepper	

□ 2000

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

● Mr. JONES of Tennessee. Mr. Speaker, due to illness in my family, I unavoidably missed the vote on the motion to suspend the rules and pass H.R. 1869, recordkeeping with regard to mixed-use vehicles. I support this legislation and would have voted "aye" on its passage.●

PERSONAL EXPLANATION

Mr. TAUZIN. Mr. Speaker, I rise to explain my absence from the Chamber.

Mr. Speaker, when H.R. 1373, rollcall 43 and H.R. 1869, rollcall 44, occurred, I was inadvertently away from

the Chamber and, therefore, missed these votes.

Had I been here, I would have voted in the affirmative on both issues, and I wish this statement to appear in the RECORD.

EXPRESSING SENSE OF CONGRESS THAT THE PRESIDENT TAKE ACTION RELATING TO TRADE DEFICIT AND UNFAIR TRADE PRACTICES OF JAPAN

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 107.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 107, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 394, nays 19, not voting 19, as follows:

[Roll No. 45]

YEAS—394

Ackerman	Chappell	Evans (IA)
Addabbo	Chappie	Evans (IL)
Akaka	Cheney	Fawell
Alexander	Clay	Fazio
Anderson	Clinger	Feighan
Andrews	Coats	Fiedler
Annunzio	Cobey	Fields
Anthony	Coble	Fish
Applegate	Coelho	Flippo
Archer	Coleman (MO)	Florio
Atkins	Coleman (TX)	Foglietta
AuCoin	Collins	Foley
Barnard	Combest	Ford (MI)
Barnes	Conte	Ford (TN)
Bartlett	Conyers	Fowler
Bateman	Cooper	Frank
Bates	Courter	Franklin
Bedell	Coyne	Frost
Beilenson	Craig	Fuqua
Bennett	Daniel	Gallo
Bentley	Dannemeyer	Garcia
Bereuter	Darden	Gaydos
Berman	Daschle	Gejdenson
Bevill	Daub	Gekas
Biaggi	Davis	Gibbons
Bilirakis	de la Garza	Gilman
Bliley	Dellums	Gingrich
Boehlert	Derrick	Glickman
Boland	DeWine	Gonzalez
Boner (TN)	Dickinson	Goodling
Bonior (MI)	Dicks	Gordon
Borski	Dingell	Gradison
Bosco	DioGuardi	Gray (IL)
Boucher	Dixon	Gray (PA)
Boulter	Donnelly	Green
Boxer	Dorgan (ND)	Gregg
Breaux	Dornan (CA)	Grotberg
Brooks	Dowdy	Guarini
Broomfield	Downey	Gunderson
Brown (CA)	Dreier	Hall (OH)
Brown (CO)	Duncan	Hall, Ralph
Bruce	Durbin	Hall, Sam
Bryant	Dwyer	Hamilton
Burton (CA)	Dymally	Hammerschmidt
Burton (IN)	Dyson	Hansen
Bustamante	Early	Hatcher
Byron	Eckart (OH)	Hawkins
Callahan	Edgar	Hayes
Campbell	Edwards (CA)	Hefner
Carney	Edwards (OK)	Heftel
Carper	Emerson	Hendon
Carr	English	Henry
Chandler	Erdreich	Hertel
Hiler	Mica	Sharp
Hillis	Michel	Shaw
Holt	Mikulski	Shelby
Hopkins	Miller (CA)	Shuster
Horton	Miller (OH)	Sikorski
Howard	Mineta	Siljander
Hoyer	Mitchell	Sisisky
Hubbard	Moakley	Skeen
Hughes	Molinari	Skelton
Hunter	Mollohan	Slattery
Hutto	Monson	Slaughter
Hyde	Montgomery	Smith (FL)
Ireland	Moody	Smith (IA)
Jacobs	Moore	Smith (NE)
Jeffords	Morrison (WA)	Smith (NH)
Jenkins	Mrazek	Smith (NJ)
Johnson	Murphy	Smith, Denny
Jones (NC)	Murtha	Smith, Robert
Jones (OK)	Myers	Snowe
Jones (TN)	Natcher	Snyder
Kanjorski	Neal	Solomon
Kaptur	Nelson	Spence
Kasich	Nichols	Spratt
Kastenmeier	Nielson	St Germain
Kennelly	Nowak	Staggers
Kildee	O'Brien	Stallings
Kindness	Oakar	Stangeland
Kleczka	Oberstar	Stark
Kolbe	Obey	Stenholm
Kolter	Owens	Stokes
Kostmayer	Oxley	Stratton
Kramer	Packard	Studds
LaFalce	Panetta	Sundquist
Lagomarsino	Parris	Sweeney
Lantos	Pashayan	Swift
Latta	Pease	Swindall
Leach (IA)	Penny	Synar
Leath (TX)	Perkins	Tallon
Lehman (CA)	Petri	Tauke
Lehman (FL)	Pickle	Tauzin
Leland	Porter	Taylor
Lent	Price	Thomas (CA)
Levin (MI)	Pursell	Thomas (GA)
Levine (CA)	Quillen	Torricelli
Lewis (CA)	Rahall	Towns
Lewis (FL)	Rangel	Traficant
Lightfoot	Ray	Traxler
Lipinski	Regula	Udall
Livingston	Reid	Valentine
Lloyd	Richardson	Vento
Loeffler	Ridge	Visclosky
Lott	Rinaldo	Volkmer
Lowery (CA)	Ritter	Vucanovich
Lujan	Roberts	Walgren
Luken	Robinson	Watkins
Lundine	Rodino	Waxman
MacKay	Roe	Weaver
Madigan	Roemer	Weiss
Manton	Rogers	Wheat
Markey	Rose	Whitehurst
Marlenee	Rostenkowski	Whitley
Martin (IL)	Roth	Whittaker
Martin (NY)	Roukema	Whitten
Martinez	Rowland (CT)	Williams
Matsui	Rowland (GA)	Wilson
Mavroules	Roybal	Wirth
Mazzoli	Rudd	Wise
McCain	Russo	Wolf
McCandless	Sabo	Wortley
McCollum	Savage	Wright
McCurdy	Saxton	Wyden
McDade	Schaefer	Wylie
McEwen	Scheuer	Yatron
McGrath	Schneider	Young (AK)
McHugh	Schroeder	Young (FL)
McKernan	Schuette	Young (MO)
McKinney	Schumer	Zschau
McMillan	Seiberling	
Meyers	Sensenbrenner	

NAYS—19

Armey	Kemp	Strang
Badham	Lowry (WA)	Stump
Barton	Lungren	Torres
Crane	Mack	Walker
DeLay	Miller (WA)	Weber
Eckert (NY)	Schulze	
Frenzel	Shumway	

NOT VOTING—19

Aspin	Gephardt	Pepper
Boggs	Hartnett	Solarz
Bonker	Huckaby	Vander Jagt
Broyhill	Moorhead	Wolpe
Coughlin	Morrison (CT)	Yates
Crockett	Olin	
Fascell	Ortiz	

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

BIOMASS ENERGY AND ALCOHOL FUELS ACT OF 1980 AMENDMENTS

Mr. MARKEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill, S. 781 to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the act.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 221 of the Biomass Energy and Alcohol Fuels Act of 1980 is amended by inserting before the period at the end thereof the following: ", except that all conditional commitments for loan guarantees under this subtitle which were in existence on September 30, 1984, are hereby extended through September 30, 1985".

(b) Enactment of this Act shall not be interpreted as indicating congressional approval with respect to any pending conditional commitments under this Act.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MARKEY] is recognized for 1 hour.

Mr. MARKEY. Mr. Speaker, this bill makes a technical clarification of the Biomass Energy and Alcohol Fuels Act of 1980. That act permitted the Department of Energy to enter into loan guarantees with respect to ethanol plants. The authority to enter into loan guarantees expired on September 30, 1984.

□ 2010

The Energy Department has entered into four conditional commitments called loan guarantees. However, because of the complexities of the commitment and other related issues, the Department was not in a position to finalize the loan guarantees by September 30, 1984.

This bill permits the Department to continue its negotiations over these loan guarantees until September 30, 1985.

The projects involved here committed 4 years to finalization of their commitments and they deserve an opportunity to see them through. The bill provides no new authority and no new spending. The Department must still judge each project on its merits

and the Department retains its full discretion.

The bill makes clear that its passage should not be interpreted as indicating congressional approval.

We have consulted with the minority and majority committees of jurisdiction and other interested parties, and we know of no objection to this matter, and I urge its immediate passage.

Mr. DAUB. Will the gentleman yield?

Mr. MARKEY. I will be happy to yield.

Mr. DAUB. Mr. Speaker, I extend my thanks to the chairman of the committee and the ranking member for bringing these technical amendments to the floor, as well as to the gentleman from Ohio [Mr. BEDELL], especially for the work that he has done. I appreciate the efforts that everyone has made.

Mr. Speaker, the technical amendment we are considering clarifies the intention of Congress with regard to the Biomass Energy and Alcohol Fuels Act of 1980. The amendment involves no new authority or spending but allows the four remaining fuel ethanol projects under the Office of Alcohol Fuels to finalize their conditional commitments.

This legislation was passed by the House on February 27 as an amendment to the Emergency Credit Act. The Senate passed the measure last Thursday.

To repeat, the bill involves no new commitments under the Alcohol Fuels Act but strictly extends to September 30 of this year four commitments that were first made in 1981.

In response to Government solicitations made at that time, these four projects have in good faith committed nearly 4 years of effort and millions of their own dollars to finalize their conditional commitments. It is only right that they now be provided the opportunity to see those efforts through and that in the process we establish a clear and definite termination date for the program.

The legislation—while simple—is absolutely necessary to allow the continued progress toward finalization of the conditional commitments. This is due to an unintended technicality in the original law that failed to distinguish between existing conditional commitments entered into well before the program expiration date of September 30, 1984, and new commitments after that date. The bill will not open the process to new commitments but rather allow the four remaining projects the opportunity to finalize by September 30, 1985.

The ethanol industry brings with it positive public benefits. For our troubled farm economy, it will generate immense demand for stockpiled grain and corn. Environmentally, the plants are pollution free; they recycle their byproducts; and they produce a gasoline substitute that moves us toward our national goal of removing lead from gasoline. Additionally, they enhance our energy independence.

I urge the support of my colleagues for this clarification of Congressional intent with regard to the Biomass Energy and Alcohol Fuels Act of 1980.

● Ms. SNOWE. Mr. Speaker, I rise in support of this legislation offered by the gentleman from Nebraska. This bill makes a technical correction to the Biomass Energy and Alcohol Fuels Act of 1980 to allow four ethanol projects from Louisiana, Maine, Minnesota, and Nebraska—under the review of the Department of Energy's Office of Alcohol Fuels—to utilize their conditional commitments obtained before the statutory expiration date last September 30 for 1 year. These projects, now caught on a technicality, would gain an extension through the end of this fiscal year through passage of this bill.

By not closing the door on these approved projects, Department of Energy loan guarantees will still be made available. No new or uncommitted projects would be eligible—only the four projects which had commitments before last September. The four projects that depend on an extension of this expiration date have already met the Government's cost requirements and the test of time.

Allow me to reiterate that Congress never intended back in 1980 to cut off projects that received commitments before the expiration date. With that in mind, these four ethanol projects can be completed with an extension of the loan guarantee applicability through this September. It makes no sense to cut off economically sound, Government-approved projects under the authority of this act. Each of these four projects remain in place after millions of dollars have been spent to meet Federal requirements to obtain their conditional commitments. Passage of this simple extension would be a fair and logical step to take.

Ethanol production is a practical objective for several reasons: In the first place, ethanol is used to enhance fuel octane, and it will very adequately replace lead as an additive. The Environmental Protection Agency has recently moved to phase out the use of lead in gasoline, and this legislation will serve as a catalyst to enhance the availability of ethanol as a substitute for lead. Second, ethanol is produced through the distillation of feed grains. These four ethanol projects will serve as a significant market outlet for feed grain, approximately 40 million bushels per year.

Given all of these certainties about the benefits achieved by completing these projects, the simple fact of the matter remains that these four projects need their authority clarified through the end of this fiscal year to complete negotiations. This extension allows no new obligations, and I commend the gentleman from Nebraska for his efforts on behalf of this simple, clarifying legislation.

I strongly support passage of this bill.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORLD HEALTH WEEK AND WORLD HEALTH DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 50) to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but would simply like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 50

Whereas the health of a nation depends upon the health of its people;

Whereas improvement of the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation—a principle enunciated in the Constitution of the World Health Organization and accepted by the United States;

Whereas the United States is an active member of the World Health Organization and has both benefited from and contributed to the achievements of the Organization;

Whereas the countries of the world, acting through the World Health Organization, are committed to the goal of "Health for All by the Year 2000";

Whereas primary health care is recognized as a key to the attainment of "Health for All by the Year 2000";

Whereas health education and health awareness, prevention, and treatment of common diseases and illnesses, basic sanitation and adequate nutrition are essential elements of primary health care;

Whereas the World Health Organization has established April 7 of each year as World Health Day to call attention to what individuals and governments can do to fur-

ther the health of human beings everywhere, and the American Association of World Health has sponsored and assisted in this endeavor; and

Whereas it has been the custom for the President to call attention to World Health Day each year in the form of a public message: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 1, 1985, through April 7, 1985, is designated as "World Health Week" and April 7, 1985, is designated as "World Health Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to oberve such week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMEMORATING 25TH ANNIVERSARY OF U.S. WEATHER SATELLITES

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the Senate joint resolution (S.J. Res. 62) commemorating the 25th anniversary of U.S. weather satellites, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object. I would simply like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 62

Whereas United States' weather satellites have tracked the Earth's weather since April 1, 1960, and have brought unique benefits to the American people and to the world;

Whereas weather satellites have proven exceptionally valuable in detecting, monitoring, and giving early warning of hurricanes, severe storms, flash floods, and other life-threatening natural hazards, on a local, national and international basis;

Whereas the international weather satellite search-and-rescue program has saved over three hundred lives since 1982;

Whereas the achievements of the scientific and aerospace communities in developing weather satellites have contributed significantly to the United States leadership in satellite technology, international cooperation in space, and an integrated global weather forecasting system;

Whereas television and radio weather forecasters have made major contributions to public health, safety, and welfare through the use and general dissemination of weather satellite information;

Whereas weather satellites have evolved into environmental satellites that also monitor snow and ice cover, frost damage, vegetation, forest fires, volcanic eruptions, sea surface temperatures, and ocean currents;

Whereas environmental satellite data are used for research and for commerical purposes in meteorology, hydrology, agriculture, oceanography, forestry, and fisheries;

Whereas the United States international prestige is enhanced by the direct dissemination of environmental satellite data to more than one hundred and twenty countries;

Whereas the National Aeronautics and Space Administration has been the world leader in the development of experimental and prototypical weather and environmental satellites; and

Whereas the National Oceanic and Atmospheric Administration of the Department of Commerce has demonstrated outstanding leadership in the management of operational weather and environmental satellite systems and programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of March 31 to April 6, 1985, is hereby designated as "National Weather Satellite Week" in recognition of the twenty-fifth anniversary of weather satellites and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies.

● Mr. LUJAN. Mr. Speaker, I lend my full support to this resolution which commemorates the 25th anniversary of our Nation's weather satellites.

At first glance, it might seem that the weather satellites are not really all that important to our daily lives. Well, that might have been true when the idea was still on the drawing board over 25 years ago, but it certainly is not the case today.

Today, information provided by the weather satellites operated by the National Oceanic and Atmospheric Administration has direct economic and social benefits for all of us. This information affects many different industries: wholesale and retail marketing, construction, the fishing industry, travel, shipping, and agriculture. Based on weather patterns, for example, a farmer may decide when to plant new crops or harvest the ones he has in the ground.

When the going gets rough, in the face of severe and violent weather, our satellite early warning system has sharply reduced the numbers of lives lost to hurricanes, tornadoes, severe storms, and other violent weather patterns.

Early frost warnings can save citrus growers millions of dollars per day on the cost of heating their groves, as well as warning them when the weather might be severe enough to put them out of business altogether.

Satellite ice monitoring also helps to extend shipping on the Great Lakes well into winter months. This in turn generates extra economic activity for Middle America and neighboring provinces in Canada.

In addition to improving the quality of our daily lives, our weather satellites form one of our key tools for international cooperation in space.

Today, more than 120 countries make regular use of U.S. weather satellite information and products. Nine countries are, in fact, active partners with the United States in the actual operation of the weather satellites. From their very inception, the weather satellites have provided data to the entire world.

The weather satellites also carry equipment on board used for another very important international program, the Search and Rescue Program. On October 5, 1984, the United States signed an agreement in Leningrad with Canada, France, and the U.S.S.R. to provide an operational worldwide satellite-aided Search and Rescue System for downed aircraft and ships in distress. This program, known as SARSAT, began as an experimental effort under NASA, with active participants of the Air Force and Coast Guard; it is now an operational NOAA program.

SARSAT is already a proven success, and has saved over 350 lives in a little more than 2 years. Right now, countries all over the world are beginning to develop ground stations to receive this data so that they may become part of the international search and rescue network. This program is an ideal example of international space cooperation at its very best.

I am glad that we are celebrating the 25th anniversary of our Nation's weather satellites—certainly, this program has earned its silver anniversary celebration. I urge my colleagues to support this Senate Joint Resolution 62 and the program whose anniversary it commemorates.●

● Mr. SCHEUER. Mr. Speaker, I rise in support of the resolution.

Senate Joint Resolution 62 provides for the commemoration of the 25th anniversary of the U.S. Weather Satellites Program by designating the week of March 31 to April 6, 1985, as "National Weather Satellite Week" and by directing the President to issue a proclamation in observance of the event.

The civilian meteorological satellite [METSAT] system, comprised of two orbiting and two stationary satellites, has become one of the most valuable elements of our national space program.

Metsats are critically important in the National Weather Service's ability to provide early warning of hurricanes, severe storms, flash floods, and other life-threatening natural hazards.

Weather satellites also carry search-and-rescue equipment—which has

saved over 300 lives in the past 2 years—and provide information which is of great commercial value to farmers, foresters, and fishermen throughout the United States.

In addition, the U.S. international prestige has been, and continues to be, enhanced by the direct dissemination of weather satellite data to more than 120 countries.

The development and utilization of weather satellite technology over the past 25 years has spawned tremendous accomplishments which have benefited not only the American people but people the world over.

I urge my colleagues to help commemorate these accomplishments and the people who made them possible.●

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ORGAN DONATION AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 35) to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week", and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not, however, object. I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. MORRISON of Washington. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Mr. Speaker, under my reservation I would like to yield to the gentleman from Washington [Mr. MORRISON], who is the chief sponsor of House Joint Resolution 123, the National Organ Donation Awareness Week.

Mr. MORRISON of Washington. Mr. Speaker, I would first like to take this opportunity to thank the subcommittee chairman, BOB GARCIA, and the ranking Republican, JIM HANSEN, for their assistance.

On January 31, I introduced House Joint Resolution 123 to designate the week of April 21 through 27 as "National Organ Donation Awareness Week." Two dozen of my colleagues were principal cosponsors. Since that time, the number of cosponsors has reached 227.

The reason for having a week set aside to draw attention to organ donation, is graphically illustrated by the fact that in an average year, only 1 person out of the 10,000 persons needing a donated organ actually receives this second chance at life.

The United States has many generous folks who have not signed donor cards. I believe that the only reason that more people haven't, is because they either don't know they can, or don't know how easy it really is, to make this beautiful lifesaving gift. And, for those Members of the House who have not had the chance to make this pledge, they will be able to sign a donor card on April 24 in the Capitol.

Mr. Speaker, the senior Senator from the State of Washington, SLADE GORTON, introduced the companion legislation in that body, which I report has now been passed. So at this time, I encourage my colleagues in the House to do no less, and vote for passage of this legislation proclaiming April 21 through 27, 1985, as "National Organ Donation Awareness Week."

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week".

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAIR HOUSING MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 79) to designate April 1985, as "Fair Housing Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but would simply like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 79

Whereas the year 1985 marks the seventeenth anniversary of the passage of title VIII of the Civil Rights Act of 1968 as amended (commonly referred to as the "Federal Fair Housing Act"), declaring a national policy to provide for fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and her people; and

Whereas in this seventeenth year since the passage of the Federal Fair Housing Act, we must work to strengthen enforcement of fair housing laws for all Americans so as to make the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1985, is designated "Fair Housing Month". The President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments and the people of the United States to observe that month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TRIBUTE TO COL. GEORGE H. HALLANAN (RETIRED)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MARTIN] is recognized for 5 minutes.

Mr. MARTIN of New York. I thank the Speaker.

Mr. Speaker, a devoted and valued member of my staff, Col. George H. Hallanan, retired, is leaving Capitol Hill after 40 years of exemplary service to our Nation.

Colonel Hallanan rose in rank from private to colonel in the U.S. Army during a career spanning three major conflicts. Upon completion of his active military service, he joined the staff of my immediate predecessor, former Congressman Robert C. McEwen, for 6 years; he has served

ably and loyally on my staff for the past 4 years.

During World War II, Colonel Hallanan, then a captain, commanded the first tank company organized in the 1st Cavalry Division. He received the Purple Heart and the Silver Star for his combat efforts in the Pacific. He was in the first contingent to march into Tokyo the day the surrender was signed ending World War II.

Later in his career, Colonel Hallanan served our Nation in Korea and Vietnam. He also served in the Office of the Deputy Chief of Staff for Operations in the Department of the Army, as Director of Mass Communications in the Army Combat Developments Command and as Deputy Installation Commander of Fort Dix, NJ.

In addition to the Silver Star and Purple Heart, Colonel Hallanan's decorations include the Legion of Merit with Oak Leaf Cluster, the Meritorious Service Medal, the Army Commendation Medal with Oak Leaf Cluster, the Philippine Presidential Liberation Medal, and Vietnamese Minister of Defense's Psychological Warfare Medal.

An assignment which was one of the highlights of Colonel Hallanan's career, and which was to influence his later work, was command of an armored battalion which he first organized. While training his battalion at Fort Drum, NY, in my congressional district, he came to realize that this was an outstanding training area which would allow the preparation of combat units for immediate commitment anywhere in the world.

When he later joined the staff of former Congressman McEwen, then ranking Republican on the Military Construction Appropriations Subcommittee, Colonel Hallanan shared with my predecessor and many others the conviction that Fort Drum's 107,000 acres, used only for summer training of Reserve component units, were greatly underutilized. He developed briefings for Congressman McEwen showing the many advantages of this outstanding post, and these were presented to the Adjutants General of the nine States of the Northeast, to Members of Congress and to Department of Defense, and Department of the Army military and civilian officials. He extolled the virtues of Fort Drum to all who would listen.

Colonel Hallanan recently had the great satisfaction of seeing the 10th Mountain Division activated at Fort Drum for permanent stationing there. Having been most helpful in achieving that goal, he is leaving my staff to seek new challenges.

Throughout his career, Colonel Hallanan has had tremendous support from his wife, Alice, particularly in her outstanding job of caring for six fine children while duty called her husband far from home. I wish George and Alice Hallanan happiness and success in all their future endeavors.

INTRODUCTION OF THE "BUREAU OF INDIAN AFFAIRS FISCAL ACCOUNTABILITY ACT OF 1985"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, today I am introducing, on behalf of myself and Messrs. MCCAIN and RICHARDSON, a bill to provide for fiscal accountability in the allocation and expenditure of funds appropriated to the Bureau of Indian Affairs.

HISTORY OF THE BUREAU OF INDIAN AFFAIRS

The Bureau of Indian Affairs is the principal Federal agency charged with carrying out the government-to-government relationship between the United States and the Indian tribes; implementing the trust and fiduciary responsibility of the United States for the Indian tribes and their lands and resources; and providing or funding various educational, social, economic, and governmental programs to meet legal, moral, and historical obligations of the United States.

The Bureau was created as an agency of the War Department on March 11, 1824, by order of the Secretary of War Calhoun. By the act of July 9, 1832 (4 Stat. 564; 25 U.S.C. 1-2), Congress authorized the President to appoint a Commissioner of Indian Affairs who was to have "* * * the direction and management of all Indian affairs, and of all matters arising out of Indian relations * * *." He was under the direction of the Secretary of War and subject to the regulations prescribed by the President.

Two years later, the act of June 30, 1834 (4 Stat. 735) was passed "* * * to provide for the organization of the department of Indian affairs." This constituted, in effect, a reorganization of the field force of the War Department having charge of Indian Affairs and has been considered to be the organic law of the Bureau of Indian Affairs.

In 1849, under section 5 of the act of March 3, 1849 (9 Stat. 395), by which the Department of the Interior was established, the Bureau of Indian Affairs passed from military to civil control. The act provided "That the Secretary of the Interior shall exercise supervisory and appellate powers now exercised by the Secretary of the War Department, in relation to all acts of the Commissioner of Indian Affairs."

The Bureau continued in the Department of the Interior, with major statutory authorities in the field of Indian affairs vested in the Commissioner of Indian Affairs subject to the supervisory and appellate powers of the Secretary. Then, in 1950, pursuant to the Reorganization Plan of 1950, all existing functions and authorities of the Commissioner were transferred to the Secretary with power to delegate. In practice, through delegations from the Secretary, the Commissioner continued in effective control of the Bureau.

Finally, in 1977, the Bureau was placed under the leadership of an Assistant Secretary for Indian Affairs by order of Secretary Andrus. The position of Commissioner has essentially been left vacant since that order.

APPROPRIATIONS PROCESS

Beginning in 1865, when the Committee on Appropriations was established, until 1885, all general appropriation bills in the House of Representatives were within the jurisdiction of, and referred to, the Committee on Appropriations. In 1885, the rules of the House were changed to permit some general appropriation bills to be referred to other committees. Finally, in 1920, the rules were again changed to revest the Committee on Appropriations with jurisdiction over all appropriations measures.

The current rules of the House continue the separation of the authorization and appropriation process. The legislative committees have jurisdiction over any bills authorizing the appropriations of money for any purpose within their substantive jurisdiction. Legislative committees may not report any bill containing an appropriation. Any such bill is subject to a point of order on the floor.

Conversely, as noted, the Committee on Appropriations has jurisdiction over all appropriation bills, but, in general, may not report a bill containing appropriations for a purpose not authorized by existing law and may not report a bill containing legislative matter. Again, such a bill would be subject to a point of order on the floor.

During the period between 1885 and 1920, the House Committee on Indian Affairs had jurisdiction over both legislative and appropriation bills relating to the Indian Department or Bureau of Indian Affairs. The Appropriations Acts reported by the Indian Affairs Committee were entitled "An Act making appropriations for the current and contingent expenses of the Indian Department, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending ——." In fact, these acts generally contained both appropriation and substantive legislative provisions.

After the revesting of all appropriation jurisdiction in the Appropriations Committee in 1920, Members began to raise points of order against bills making appropriations for Indian purposes on the grounds that there was no law authorizing appropriations for such purposes. In response to this

practice, the Committee on Indian Affairs reported legislation which was enacted as the act of November 21, 1921 (42 Stat. 208; 25 U.S.C. 13) to provide authority for the appropriaton of funds for the Bureau of Indian Affairs.

THE SNYDER ACT

That act, commonly known as the Snyder Act, provides extemely broad authority for the appropriation of funds for Indian purposes and has no monetary or fiscal year limitation. Its brief provisions are as follows:

The Bureau of Indian Affairs, under the supervision of the Secretary of the Interior, shall direct, supervise, and expend such money as Congress may from time to time appropriate for the benefit, care, and assistance of the Indians throughout the United States for the following purposes:

General support and civilization, including education.

For relief of distress and conservation of health.

For industrial assistance and advancement and general administration of Indian property.

For extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies.

For the enlargement, extension, improvement, and repair of the buildings and grounds of existing plants and projects.

For the employment of inspectors, supervisors, superintendents, clerks, field matrons, farmers, physicians, Indian police, Indian judges, and other employees.

For the supression of traffic in intoxicating liquor and deleterious drugs.

For the purchase of horse-drawn and motor-propelled passenger-carrying vehicles for official use.

And for general and incidental expenses in connection with the administration of Indian affairs.

The Snyder Act, in effect, says that such sums as are deemed necessary are authorized to be appropriated for such purposes as are deemed necessary to carry out the responsibilities of the United States in the field of Indian affairs for as long as may deemed necessary. The Snyder Act is the basic law authorizing the various programs funded by the Congress and administered by the Bureau of Indian Affairs.

Since the Snyder Act has no fiscal year or monetary limitation, there is no need for the periodic enactment of reauthorization legislation to continue the programs and functions of the Bureau of Indian Affairs as is the case with most Federal agencies and programs. As a consequence, the Snyder Act is considered by the Indian tribes to be the centerpiece of this Nation's commitment to its legal, moral, and historical obligations to the Indian tribes. They would be strongly opposed to any effort to repeal, suspend, or substantially modify the act.

Since the Snyder Act is an extremely broad authorization statute, it has the needed flexibility to permit the administration and the Appropriations Committees to periodically fashion and fund new programs or efforts to meet the changing needs and problems in Indian affairs. Almost all of the programs and efforts of the Bureau—and of the Indian Health Service in the Department of Health and Human Services—were developed through the appropriation process under the broad umbrella of the Snyder Act. The legislative committees are able to maintain some degree of involvement in this process through their legislative and oversight jurisdiction and through the congressional budget process.

BIA APPROPRIATIONS

The very features of the Snyder Act which establish the permanency of the Bureau and the Nation's commitment to Indian tribes and which gives the Bureau and the Appropriations Committees the needed flexibility to craft and fund programs to meet changing needs also give rise to the potential for administrative abuse in the apportionment or diversion of appropriations and to a lack of accountability for appropriation apportionment and expenditure.

Appropriations for the Bureau are included in the annual Appropriation Act for the Department of the Interior and related agencies. Because of the broad language of the Snyder Act and, in part, because the various programs of the Bureau are primarily developed through the appropriation process and not through specific legislative authority, the BIA appropriation language is in the form of three lump-sum appropriations: Operation of Indian programs; construction; and road construction. Appropriations relating to Indian trust funds and to direct or guaranteed loans are not relevant and not considered. While there may be specific appropriation language on line-items, set-asides or limitations relating to these lump-sum appropriations, they are not additions to the lump-sums.

These three lump-sum appropriation figures are based upon the breakdowns contained in the BIA budget justification submitted to the Congress for each fiscal year. The budget justification allots the requested lump-sum amount among the various activities, subactivities, and program elements within the appropriation. For instance, under the operation of Indian programs appropriation, there are the following activities: Education, Indian services, Economic Development/Employment Programs, natural resources development, trust responsibilities, facilities management, and general administration.

Each activity has two or more subactivities and each subactivity is further broken down into its constituent program elements. In each case, the justification shows the proposed allotment of the requested funds and personnel positions among the activities, subactivities, and program elements. In addition, it shows how the Bureau proposes to distribute the total allotment of each subactivity to the tribe/agency level, the area level, and the central office level.

The justification is submitted to support the Bureau's request for the lump-sum appropriations and also represents their intention to allot whatever funds are appropriated among the various activities, subactivities, and program elements. In general, the justification is used by the Appropriations Committees to accept, increase, or decrease the lump-sum requests based upon their decisions to accept, increase, or decrease proposed funding in the subdivisions within the appropriation.

After the appropriation process is completed and the Interior Appropriation Act is passed, it is expected that the Bureau would allot and expend or obligate funds appropriated to it as stated in the budget justification subject to the express language of the Appropriation Act and the directives of the Appropriations Committees as found in the reports of such committees, including any conference committee report.

However, since the statutory language of the Bureau's appropriation is on a lump-sum basis subject to any limitations within the language, there does not appear to any independent legal prohibition, except for the reprogramming procedure, to prevent the Bureau from transferring or diverting funds allotted to any particular activity, subactivity, or program element to another activity, subactivity, or program element within the same appropriation. While to be found doing so may subject Bureau officials to the wrath of the two Appropriations Committees, there does not appear to be clear legal penalty in existing law, including chapter 15 of title 31, United States Code, for doing so. In short, there is general lack of a legal requirement that the Bureau account for how it allots its appropriations among the various programs and how it, in fact, expends or obligates funds within those programs.

The legislation I am introducing today will establish a legal requirement that the BIA clearly set forth its allotment of appropriated funds based upon the budget justification as modified by appropriation language and directives of the Appropriations Committees; that, subject to certain exceptions, it must actually allot and expend or obligate those funds as set forth; and that the Bureau account for how it, in fact, did expend or obligate the funds.

EL SALVADOR ELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

● Mr. JONES of Oklahoma. Mr. Speaker, it was my great privilege to be appointed by the President to lead the official American observer delegation to the legislative and municipal elections held Sunday in El Salvador.

In addition to my distinguished colleague, the gentleman from Arizona [Mr. KOLBE], our group included former Ambassador to El Salvador Angier Biddle Duke, Mr. Howard K. Smith, Mr. Maurice Sonnenberg, Dr. Howard Penniman, Rabbi Morton Rosenthal, and Mr. Max Singer.

Ours was a diverse group, from different political parties and different lines of work, but we all agreed on one thing: the election was free, open, and fair.

I commend to my colleagues' attention the following official statement which was unanimously adopted by the observer delegation:

STATEMENT OF THE OBSERVER DELEGATION OF THE UNITED STATES OF AMERICA TO THE EL SALVADOR ELECTIONS, APRIL 1, 1985

Yesterday we witnessed El Salvador's third national election in less than a year. The unanimous conclusion of this bipartisan observer delegation of elected officials and private citizens is that the election was fair, that the election machinery was conducted efficiency, and that it represents a most encouraging symbol for the future of democratic institutions in El Salvador.

In all, this small delegation visited nearly thirty towns in most parts of the country. We spoke with election officials, candidates, and most important, voters of all parties.

This election differed in several ways from those held last year. First, since this was not a vote for a nationwide candidate, voters were required to cast ballots in their home towns. Further, the penalty for not voting had been lifted. Other mechanical changes were implemented as the country fine-tuned its voting procedures.

The delegation notes that the Salvadoran military took obvious pains to remain impartial in the contest. They were stationed well away from the polls, and refused to be drawn into political disputes.

Disagreements at the polls were, for the most part, inconsequential, and generally settled on the spot by representatives of the various parties. These disputes centered on mechanics and procedures of the elections, and we saw no evidence of intimidation or coercion that would raise a question of the fundamental fairness of the vote.

The mechanics of the election ran without serious incident. The Central Election Council deserves particular praise for its fine coordination of the process.

Guerrilla threats and attacks comprised the most serious challenge to voting. This delegation notes the inconsistency between the guerrillas' initial posture that the elections were meaningless, and their subsequent attempts to thwart the electoral process through violent intimidation. In spite of their attempts at intimidation, more municipalities were able to participate this year than last. Whereas 42 towns were unable to vote last time in the Presidential elections because of terrorist intimidation, only about half that number were denied the privilege of voting Sunday.

The election itself, then, must be hailed as a free, open, and fair contest, and we expect all parties to respect the results.

El Salvador now has in place its Presidential, legislative, and municipal leadership for the next three years. This delegation recognizes the need for continued American support for El Salvador as she addresses her continuing economic and military problems through her democratic institutions.

The delegation was struck by the rather consistent answer we got to the frequently asked question, "Why are you voting?" The vast majority of voters' answers centered on the hope for peace, and the desire to live in tranquility.

In our meeting with President Duarte after the polls closed, he confirmed his commitment to peace by building confidence among his people, through judicial reform, agrarian reform, and economic development. In addition, he reaffirmed his commitment to make every effort to bring the guerrillas to the peace table, and to put an end to the random violence which has so torn this nation.

This delegation commends the great strides made in this nation. Nowhere are they more evident than in this election. We look forward to working with the people of El Salvador to build on this election, further nurturing her democratic institutions, and we call on all factions, regardless of ideology, to join in that process.

We would be remiss if we did not mention the outstanding job performed by outgoing Ambassador Tom Pickering. He clearly has performed his duties in El Salvador in the highest tradition of American diplomacy. We know that he will continue to make a positive contribution to U.S. foreign policy.

Our delegation unanimously agreed that this election could be described as routine even by the historical standards of elections in the United States. That speaks volumes of how successfully the recently planted democratic institutions in El Salvador have taken root.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. BONKER] is recognized for 5 minutes.

● Mr. BONKER. Mr. Speaker, due to a longstanding commitment to be in my district today to host the Southwest Washington Economic Summit, I missed the vote of the conference report on H.R. 1239, providing supplemental appropriations for famine relief and recovery in Africa. For personal as well as professional reasons, I wanted to make clear that had I been here, I would have voted "aye" in favor of making the appropriations.●

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ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will ask that all Members who wish to exhibit pictures to address the Chair and avoid direct references to the television audience.

GENERAL LEAVE

Mr. EDWARDS of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members participating in my special order this evening may have 5 days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

MISSING CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. EDWARDS] is recognized for 60 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, last summer I began a project to use the televised proceedings of the House of Representatives to help find some of the 160,000 children who each year are reported kidnaped either by strangers or by a parent who does not have custody.

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At that time, I discussed the cases of two young girls from Oklahoma City. One is Cinda Leann Pallett, shown here, and the other is Charlotte J. Kinsey, shown here. These two teenaged girls were reported kidnaped from the State Fair of Oklahoma in 1981, and they were both 13 years old when they disappeared from the fair, and were last seen leaving the area in a truck, and they have not been seen since that time.

The federally funded National Center for Missing and Exploited Children which has provided information on these and other cases to my office has asked that anyone having information about their whereabouts or the whereabouts of any of the other missing children you will hear about, call 1-800-843-5678.

I very much regret that after all this time, these two children have not yet been found, but the search goes on, and their parents and friends continue to hope and pray.

Mr. Speaker, I wish it were possible to predict that all of these cases will have happy endings. I am afraid that we cannot do that. When I first organized this special order for tonight, I had planned to discuss the case of 3-year-old Chris Gayner of Ponca City, OK, who disappeared from his home last February 24, and I am sad to report that his body was found in a pond near his home last week, and at last report, the authorities still did not know if he had met with foul play.

I know that all of my colleagues join me in sending our heartfelt condolences to Chris' family.

As we all know, television is one of the most effective methods of communication, and I hope it will prove to be

an effective tool in helping us to find these missing children. That is why I am going to continue to use the televised proceedings of the House to help find as many of them as possible, and I am pleased that so many of my colleagues have joined with me today in this very important effort.

When will we begin to solve the problem of missing children? Not until we strengthen the laws to punish those who kidnap our children; not until we punish those who abuse our children, and not until those who recognize the young men and women in these pictures begin to help us to return these children.

Mr. Speaker, I would now like to recognize a number of my colleagues who have asked to participate in this. Several have stated to me the need to go on fairly early, and I am going to try to proceed in the best order I can and would ask, because there is such a great interest here in doing this, that each Member limit his remarks or her remarks to 1 or 2 minutes so that we can have the opportunity to discuss as many of these cases as possible.

I would first like to recognize my colleague from Minnesota, Mr. STANGELAND.

Mr. STANGELAND. Mr. Speaker, I have been informed by the federally funded National Center for Missing and Exploited Children that a child of JoAnn Ayotte—a-ot—a constitutent, has been kidnaped. It is my hope that by participating in this special order, he or any of the other children mentioned here today will soon be found.

Kevin Jay Ayotte, age 5, of Bemidji, MN, was last seen playing in the upstairs of Mrs. Ayotte's cottage, September 30, 1982. Kevin has blue eyes, light brown hair, and when last seen, was 3 feet 2 inches tall and weighed approximately 60 pounds. He has an identifying scar on the right side of his chin.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Kevin call 1-800-843-5678, or contact Sergeants Leach, Bergstrom, or Cross of the Bemidji Police Department at 218-751-9111.

Mr. Speaker, I would like to take this time to commend the recent private sector initiatives aimed at finding kidnaped and missing children. As many of us know, certain businesses have begun placing photos of such youngsters on mediums like grocery shopping bags and milk cartons. Last week, this led to the discovery of two girls in Washington State. While I realize the extensive role of Government in helping to rectify this unfortunate and tragic problem, I am pleased to see private citizens and business making great contributions for their fellow Americans.

Mr. EDWARDS of Oklahoma. I thank the gentleman from Minnesota.

I would like to now recognize the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Speaker, each year between a half million and 2 million American children disappear. Christi Lynn Meeks, a youngster from my district in Mesquite, TX, is one of them.

Tonight, we do our small part toward fulfilling our obligation as representatives of a caring society to do everything possible to see that children like Christi Meeks are found and returned to their families.

Christi Meeks, whom police believe to be a victim of the child kidnaping that has become almost epidemic throughout the country, was only 5 years old when she was last seen playing with other children outside her east Dallas County home on January 19.

Christi's sixth birthday has come and gone in the weeks since her disappearance.

Christi is 3 feet 6 inches tall, weighs 40 to 50 pounds, has medium length brown hair, and has a missing lower front tooth.

Sadly, this young girl is just one tiny symbol of a national problem that has grown large and tragic.

Of the literally hundreds of thousands of children who disappear each year, some are abducted by strangers, some by family members or acquaintances. Some run away from and others are thrown out of their homes. And some are just lost or the victims of an accident and simply unable to find help.

Although many cases end happily with the safe return of a lost child, there are more than 50,000 unsolved child disappearance cases every year—almost equal to the 57,000 American lives lost in the 16 years of the Vietnam war. And every year there are hundreds upon hundreds of heartwrenching cases that end in tragedy.

I was proud to be a part of the last Congress response to the devastating problem that has touched the families of Christi Meeks and so many other children. As a cosponsor of the Missing Children's Act that established a national system to help trace and identify missing children, I am hopeful that we can further increase public awareness of the tragedy of missing children and help conduct coordinated searches that will restore lost children like Christi Meeks to their loved ones.

Mr. Speaker, the Mesquite, TX, Police Department and the National Center for Missing and Exploited Children ask that anyone who has information about this child of our community, Christi Lynn Meeks, or any other missing children, call the toll-free Missing Children Hotline: 1-800-843-5678.

Mr. EDWARDS of Oklahoma. I thank the gentleman.

I would like to recognize the gentleman from Florida [Mr. SHAW].

Mr. SHAW. I, too, would like to compliment the gentleman from Oklahoma for bringing this most important hour before this House.

Mr. Speaker, I have been informed by the National Center for Missing and Exploited Children that one of my young constituents has been kidnaped. I am participating in this special order, because I want to know that I have done everything necessary to call attention not only to this case, but to the tragedy of the other missing children that will be represented here tonight, in hopes that one or more of them will be found.

Maurice Jefferson, the young man whose photograph appears next to me, age 17 of Fort Lauderdale, FL, was last seen on November 28, 1983, when he left home to go to basketball practice. He never made it to practice.

He is a black male, 5 feet 11 inches tall, with brown eyes and black hair, and weighed 158 pounds at the time of his disappearance.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Maurice Jefferson call 1-800-843-5678. That same number applies to most of these children you will be seeing photographs of this evening.

The problem of missing children, Mr. Speaker, unfortunately, is not a new one. In 1982, in response to a tragedy in my home district regarding Adam Walsh, a missing child later discovered murdered, I introduced the Missing Children's Act, which became law and provided for a National Computer Network for storing information regarding missing children.

I am pleased to see the National Center for Missing Children continuing its efforts in this cause and am pleased to have the opportunity to participate today, in hopes that our efforts will help locate some of these children.

Mr. EDWARDS of Oklahoma. I would like to recognize now the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Speaker, once again I want to commend the gentleman from Oklahoma for his excellent work and commitment to this crucial issue. And, once again, I want to tell him that if just one solid lead comes out of this presentation and others like it, they are well worth our time.

And, unfortunately, Mr. Speaker, once again I am here to call attention to the case of Kevin Collins of San Francisco. I held up this photo of Kevin last year and I am sad to say that, as of this date, Kevin is still missing.

Kevin Collins, age 11, has been missing since February 10, 1984. Kevin, who is 4 feet 10 inches tall, weights 70 pounds, has brown hair and gray/

green eyes, left for school on the morning of the 10th as usual. He had basketball practice after school; therefore, he was not expected home until 6:30 p.m. Kevin left the St. Agnes Church gym in the Haight-Ashbury section of San Francisco at 6 p.m. to take the bus home. He was last seen at a bus stop, 1 block from the church.

That night, the police conducted an immediate search of the neighborhood. Later, scores of volunteers canvassed the area, going door to door and searching every inch of the surrounding parks and lots. These searchers yielded nothing; not then, and not since, although every lead is checked. Even Kevin's picture on milk cartons, grocery bags, and the cover of Newsweek has so far led to nothing, but we are still trying.

The Kevin Collins family and other concerned citizens have formed a foundation—the Kevin Collins Foundation—which is actively involved in both search and rescue operations and in changing policy procedures to effectuate a speedy return of missing children. They are also working with legislators to enact legislation and are developing briefing material for distribution to parents, teachers, child care providers, and children. So far the foundation has worked with 27 families in 11 States who face the trauma of the loss of their children.

We in Congress must continue our efforts to alleviate the pain and suffering of families like the Collins. Today's program is an important step. If we are successful in finding just one child, our efforts have been worthwhile. Kevin could be anywhere. He could be in the East, the West, the South, or the North. That is why this is so important. Again, I want to commend the gentleman from Oklahoma.

Anyone having any information about Kevin should contact the Kevin Collins Foundation at (415) 863-6333 or toll free (800) 272-0012.

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Mr. EDWARDS of Oklahoma. I thank the gentlewoman from California.

Mr. Speaker, I would only point out, before I call on the next Member, that of the four people I have called on so far, two are Republican, two are Democrat, and it emphasizes to the whole country that this is an issue that knows no political dimensions. It is a concern that the whole country ought to share and to feel very deeply.

I yield to the gentleman from Colorado [Mr. KRAMER].

Mr. KRAMER. Mr. Speaker, we owe the gentleman from Oklahoma a real vote of thanks for his work on this tragic national problem.

More children are reported missing each day than lives were lost on Korean Airlines flight 007. We must commit ourselves to stopping this horrible exploitation of America's next generation.

The National Center for Missing and Exploited Children has a Colorado girl on its list of children missing and believed kidnapped.

Elizabeth Ann—Beth—Miller was last seen on August 16, 1983, walking past a friend's house near her home in Idaho Springs, CO. She is 15 years old, 5 feet 4 inches tall, 105 pounds, with blond hair and blue eyes. When she disappeared, Beth had no money or extra clothing with her. Foul play is suspected.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone with information about Beth Miller call 1-800-843-5678.

President Reagan recently highlighted the need to help find this Nation's missing children. In his remarks, the President mentioned another young missing Coloradan, Jonelle Matthews of Greeley, and I'd like to join President Reagan and my distinguished colleague from Colorado, Mr. BROWN, in urging people with information about Jonelle Matthews to call the National Center for Missing and Exploited Children at 1-800-843-5678.

Parents seeking help in finding missing children can also call the National Center for Missing and Exploited Children at the same number.

These two young people from Colorado are only the tip of the iceberg. About 1.8 million children were reported missing last year, and of that number 50,000 will probably never be found. Mr. Speaker, this needless exploitation of our Nation's most precious natural resource—our children—must be stopped.

Mr. EDWARDS of Oklahoma. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. I thank the gentleman for yielding.

Mr. Speaker, I have been informed by the federally-funded National Center for Missing and Exploited Children that one of my young constituents, Holly Ann Hughes, is believed to have been abducted. I am joining my colleagues in participating in this special order because I want to do everything I can to help call attention to her case, in the hope that she might be found.

According to a fact sheet provided to me by the Center, Holly Ann Hughes, born January 23, 1974, of Staten Island, NY, was last seen July 15, 1981, at Park Avenue and Richmond Terrace, in Staten Island, NY. Holly, now 11 years old, has very blue colored eyes with long lashes, brown hair, and a very faint burn mark on her right forearm which is best seen when bathing or swimming.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Holly Ann Hughes call 1-800-843-5678.

I am hopeful that our efforts today on behalf of missing children like Holly Ann, will be helpful in locating these innocent children. I thank my colleague, Mr. MICKEY EDWARDS, for taking this special order.

Mr. EDWARDS of Oklahoma. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. I thank the gentleman and, like all of our colleagues, I want to tell him how much I appreciate his taking out this special order today.

Mr. Speaker, I rise today to bring attention to the case of a young boy who is missing from my district in Portland, OR. It is my hope that this special order may help to locate him.

His name is Luke Aaron Treadway. Luke is a white male; age 10; with brown eyes and blond/dark hair. He weighs 70 lbs. and is 4 feet tall. He was last seen on May 23, 1984, in Portland, OR.

Mr. Speaker, the National Center for Missing and Exploited Children and the Portland Police Department have asked that anyone having information about Luke Treadway call 1-800-843-5678.

I want to commend the National Center for Missing Children for their excellent work. Recently, John Walsh from the Center visited my district and discussed ways to increase public awareness to prevent the kidnaping and exploitation of children. In addition, I have been working with the Portland Public Schools and the police department to establish Project Safe Child—a cooperative effort to protect children in the Portland area.

I hope that these efforts will help to locate Luke Treadway and other missing children and will protect other young people from kidnaping or exploitation.

All of us are saddened to hear about youngsters who are missing. Let's work hard in the days ahead to make sure we hear more about youngsters who are found, safe, secure, and happy.

Mr. EDWARDS of California. I thank the gentleman from Oregon.

Mr. Speaker, I yield to the gentleman from California [Mr. LOWERY].

Mr. LOWERY of California. Mr. Speaker, each year hundreds of thousands of children disappear. Many of these innocent children are kidnaped.

While many return home safely, thousands are exposed to serious danger, exploitation, and even death. The criminal and sexual exploitation of children is a growing epidemic confronting families, communities, and

the agencies of our criminal justice system.

Mr. Speaker, no one is certain of the exact magnitude of the problem, but the National Center for Missing and Exploited Children estimates that at least 1,500,000 children are missing from their homes each year.

Additional estimates of the number of children who are the victims of noncustodial parental kidnaping vary from 25,000 to 500,000.

The estimated number of children abducted by unknown individuals ranges from 4,000 to 20,000.

Finally, between 20,000 and 50,000 children disappear each year whose cases remain unsolved.

Mr. Speaker, I have been informed by the California Center for Missing and Exploited Children that one of these victims is my constituent. I want to do everything I can to help call attention to the case, in the hope that he might be found.

According to a factsheet provided to me by the center, 6-year-old Adam David Falk of San Diego, CA, was taken from San Diego by his father who does not have legal custody, just 3 weeks before Christmas, on December 5, 1984. They are believed to be in the Sonora, CA, area. Adam has brown hair, brown eyes, and a pox scar beneath his right eye. Adam's birthday is December 30, 1978.

The California Center for Missing and Exploited Children has asked that anyone having information about Adam Falk call 235-4434 in San Diego or the national toll free line of the National Center for Missing and Exploited Children at 1-800-843-5678.

Mr. Speaker, recent studies show that 85 percent of the children who were criminally or sexually exploited were missing from their homes at the time they were abused.

Unbelievably, although the number of kidnapers convicted in U.S. courts increased 57 percent from 1983 to 1984, the percentage of those imprisoned actually decreased 36 percent. Furthermore, the average sentence in 1984 was only 14 years.

Mr. Speaker, legislation I have introduced, the Kidnaping Reform Act, H.R. 1318, addresses this grave and tragic situation by substantially reforming the Federal statutes with respect to the kidnaping of minors.

H.R. 1318 makes two major changes in Federal criminal kidnaping statutes. First, it requires mandatory minimum 10-year sentences without probation for those adults convicted of kidnaping children that are not related to them or who are not in their legal custody.

Second, the bill requires a mandatory life sentence for those who kidnap and seriously abuse the child victim. According to the measure, if the convicted kidnaper sells the child, sexually abuses the child, uses the child for pornography, intentionally denies the child food or medical care to a life-threatening extent, intentionally harms the child to a life-threatening extent, or causes the child to be subjected to any of these activities by another person, then the bill will require a mandatory life sentence without probation.

Again, any parent, grandparent, brother, sister, aunt, uncle, or legal guardian of the victim will not be affected by these mandatory minimum sentences. If any of these individuals are convicted of kidnaping in a U.S. court, current law will apply—providing for any sentence of years up to and including life.

Clearly, Mr. Speaker, this legislation is only a small first step toward addressing America's growing epidemic of child abduction. However, I am sure you will agree that it is a necessary first step to restore justice. I am sure my colleagues agree that those who sexually abuse or otherwise harm children should not go free. I encourage my colleagues to join me in supporting the Kidnaping Reform Act. Mr. Speaker I commend my colleague Mr. EDWARDS of Oklahoma for requesting this special order and allowing Members of Congres to participate in this very personal way in the battle to reunite children with their parents.

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Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. I thank the gentleman for yielding to me.

Mr. Speaker, on December 20, 1984, 12-year-old Jonelle Matthews performed in a school choir concert and returned to her Greeley, CO, home for the evening. That was the last day her family saw her. She disappeared from her home that night, and it is feared that she was kidnaped.

Jonelle is 5 feet, 3 inches and weighs 115 pounds. She has brown hair and brown eyes, a full set of braces on her teeth and a scar under her chin. Jonelle and her family would have celebrated her 13th birthday in February. Information about Jonelle Matthews should be reported to local police or the Greeley, CO, police at 303-353-6123.

We should acknowledge the role of Eileen Huff, who has taken the lead in uniting concerned citizens in Greeley in helping to find Jonelle and other missing children throughout Colorado. Mrs. Huff's efforts to find Jonelle have included organizing a letter writing campaign to President Reagan, which prompted him in an address to the National Newspaper Association to ask for help in publicizing Jonelle's disappearance. She has also been active in contacting the news media, disseminating posters of Jonelle nationwide, initiating a countywide search for any clues of Jonelle's whereabouts and starting a fingerprinting program for children in Greeley.

What makes Jonelle Matthews' situation even more tragic is that Jonelle is only one of thousands of innocent American children who are abducted each year. The National Center for Missing and Exploited Children is established to help publicize and find missing children such as Jonelle. But, more efforts must be made to stop the exploitation of our country's most valuable resource—our children.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. I thank the gentleman for yielding to me.

Mr. Speaker, Jason Amini of Sagle, ID, was kidnaped by his father February 25, 1982

Jason and his father, Parviz Amini, were last seen at Los Angeles International Airport in California. At the time Jason had blond hair, brown eyes, weighed 75 pounds and was 4 feet 6 inches tall.

The whereabouts of the two is not known but speculation is that they are in the Silicon Valley of California or in France or Iran where the kidnaper father has relatives.

Jason will be 11 years old May 14th.

The real tragedy of Jason's story is that it is too common. The National Center for Missing and Exploited Children reports that every year there are at least one and a half million children missing from their homes. Of those, 1 million are thought to be runaways, only about 20,000 are abducted by strangers. As many as 500,000 are victims of parental kidnaping.

Just because these 500,000 victims of parental kidnaping are with a parent does not mean they are well. Many of the children kidnaped by parents are physically and sexually abused.

I hope this information will inspire all law enforcement officials and American citizens to view the kidnaping of a child by a parent just as they would view the kidnaping of a child by a stranger.

Whereever Jason is we hope that he will come home soon. We hope that all children victimized by kidnapers will find safety where there is danger, love where there is hate, and happiness where there is sadness.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. I thank the gentleman for yielding to me.

Mr. Speaker, I want to mention in this instance two boys specifically. One is Eugene Martin, who is 15 years of age. The West Des Moines Police Department could be called at the number of 515-283-4864.

The other one is John Gosch, and in that case, the Des Moines Police Department, he is aged 14, could be called at 515-246-9988.

However, I also want to mention this: In Iowa, there are almost 300 missing children. There is not just one or two. In neither one of these cases is it a parental abduction. As far as they know, they did not run away from home; they disappeared on paper routes, and the chances are very great that they did not run away.

But we know this: That 300 in the State of Iowa alone are missing, and that means that more people, whenever they see anything suspicious, should get ahold of the Center for Missing Children. We passed that last year, as some of you will remember, as part of the continuing resolution. It was funded in a bill that I handled prior to that time in anticipation that it would be passed.

They need to know all the information they can get to put into that computer.

□ 2100

Also, the FBI Director was before our subcommittee this morning and said that they are willing to take any calls if anybody has any trouble getting their information in to a local police department or in to a computer locally. Call the FBI and they will take care of it.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I would like to yield to the gentleman from Colorado [Mr. SCHAEFER] and would like to again urge my colleagues to try to keep their remarks to a minute or a minute and a half. We are going to use up our 60 minutes and not have time for everybody to participate.

Mr. SCHAEFER. I thank the gentleman for yielding, and I would certainly like to thank my colleague from Oklahoma, Mr. EDWARDS, for holding this special order tonight. It is indeed important to all of us.

Mr. Speaker, child kidnaping has become an American epidemic, with 160,000 children abducted each year. In my home State of Colorado, over 11,000 children are listed as having been abducted.

One of those children is Jerritt Jeramy Pace, or "J.J.," who was abducted from his home in Lakewood, CO, on March 3, 1981. Information provided to me by the Jefferson County, CO, Sheriff's Department and Mrs. Van Pace, his mother, reveal that he is of average height and weight, and has sandy brown hair and dark brown eyes. Jerritt is now 4½ years old, and has been missing for 3 years.

Mr. Speaker, the authorities have asked that anyone having information about Jerritt Pace call their local law enforcement agency or the National Center for Missing and Exploited Children's hotline at 1-800-843-5678.

While serving in the Colorado State Legislature I was very active in promoting legislation to prevent the abuse of children. This issue remains a top priority for me here in the House of Representatives. I support the National Center for Missing and Exploited Children and other Federal efforts to address this tremendous problem.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding, and I thank the gentleman from Oklahoma and all my colleagues for taking this time to deal with this very, very, very emotional and touching subject.

Mr. Speaker, I am joining my colleagues today to talk about the painful issue of missing children. It is important that we air this issue as broadly as possible so that people are aware of the number of missing children and the difficulties of finding them. I hope, as more people become aware of the severity of this problem, that they will watch out for the children in their neighborhoods and keep an extra close watch on their own children.

I have been informed by the National Center for Missing and Exploited Children that Jennifer Anne Douglas has been missing from her home in Denver, CO, since July 16, 1984. She is 17 years old, white, with gray/blue eyes and blond, curly hair that is shoulder length. She is 5 feet tall and petite, weighing about 87 pounds. She was last seen riding her bicycle in a Denver suburb. The bicycle is a black Univega, 12-speed with red wrapped handle bars.

The center has asked that anyone having information about Jennifer call 1-800-843-5678.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. I thank the gentleman for yielding.

Mr. Speaker, the problem of missing children is an increasingly growing concern for every individual, parent or otherwise, in our society today. The unfortunate fact is that over 1.5 million children are missing from their homes each year. While many of these children are found and safely returned home, many others, approximately 50,000 each year, remain unsolved cases. I am very concerned about this problem and am, consequently, participating in this special order to help call attention to it.

I have been informed by the federally funded National Center for Missing and Exploited Children that one of my young constituents has become one of these unsolved cases. According to a fact sheet provided me by the center, Jennifer Sophia Marteliz of Tampa, FL, age 9, was last seen on November 15, 1982, at approximately 3 p.m. about one block from her home after leaving school. Jennifer Marteliz is a white-Latin female, with dark brown eyes and black hair. On the date last seen, she was 4 feet tall and weighed 60 pounds. She was wearing an orange-pink dress with yellow flowers at the time of her disappearance; she had on maroon shoes, a hair comb with ribbons and flowers; and heart gold post earrings. She has pierced ears and three beauty marks located at the top bridge of her nose near the right eye, on her upper chest, and her collar bone. Since her disappearance, Jennifer Marteliz has been sighted once in Chantilly, VA, during April 1983. She was reportedly with a white female, age 25-30, who was approximately 5 feet, 5 inches tall and weighed 150 pounds.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Jennifer Sophia Marteliz call 1-800-843-5678.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. I thank the gentleman for yielding and think this is a very worthwhile program of the gentleman from Oklahoma.

Mr. Speaker, last May, 8-year-old Christy Luna innocently walked to her neighborhood general market in Greenacres, FL. Tragically, this beautiful brown-haired child has not been seen since that time. Local law enforcement officials in Greenacres believe Christy was the victim of foul play.

For the past 10 months, Christy's parents have agonized—waiting for word that their child is safe. She has brown hair, hazel eyes, weighs approximately 60 pounds, and is 4 feet tall. I ask that anyone with information about Christy call the National Center for Missing and Exploited Children at 1-800-843-5678.

Unfortunately, Christy Luna is only one of approximately 1 million-plus children who disappeared during 1984. The majority of these children are runaways. However, an untold number of these children were abducted. Shockingly enough, up to 50,000 of these children remain missing, and there is little information available to law enforcement to use in locating them. Clearly, this program is much too serious to ignore. We no longer can afford to be passive in protecting our children and simply hope that the problems of child abduction, sexual, and physical abuse will disappear.

Therefore, Mr. Speaker, I have introduced legislation which is a positive step we as Members of Congress can take to protect our children.

My bill, H.R. 604, provides matching grant funds for States to establish statewide missing children clearinghouses to operate within State law en-

forcement agencies alone or in cooperation with other State agencies. My bill encourages these State clearinghouses to educate parents, children, community agencies, and private organizations in ways to prevent abductions, to provide information to assist in locating and returning missing children, and to establish an in-State toll-free WATS line to report a missing child as quickly as possible.

I believe it is essential that there be a link between all levels of law enforcement—local, State, and national. After all, when a parent loses a child, they first go to the local police. Therefore, we should do all that we can to ensure that the police are experts in knowing how to handle this kind of situation.

These State clearinghouses can work hand in hand with the National Center for Missing and Exploited Children to ensure that everything is being done at every level to help locate and protect our children.

In addition, I have introduced House Joint Resolution 33, which designates April 29 to May 5 as National Child Safety Week. This special week will allow Members of Congress, community organizations, and local law enforcement officials the opportunity to work together to secure a child's safety.

For example—last year I helped to organize a Child Safety Weekend in my district, Members of my staff and volunteers from the community teamed up to help compile statistics for parents on their young children. Should one of these children later be reported missing, law enforcement will be armed with the kind of information that is critical for their search. Over 1,000 children participated in this event!

With the help of this booklet which is published by the ACTION agency, you too can help plan and participate in a Child Safety Day in your district.

Mr. Speaker, ensuring the safety of our children is no doubt one of the most important issues facing us as public servants today. Many private and community organizations are already working as a team to help solve the problems of missing children.

Let me express my appreciation to those colleagues who joined with me in cosponsoring House Joint Resolution 33 and I encourage all of you to cosponsor H.R. 604, to set up the much needed State clearinghouses.

In closing, I want to thank my colleague from Oklahoma, Congressman EDWARDS, for requesting this worthwhile special order, and once again, I encourage anyone who has information regarding Christy Luna, please call 1-800-843-5678, tonight.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding, and I thank my good friend and colleague, the gentleman from Oklahoma, for his public service this evening. It is the essence of what responsible membership in this body is all about.

We have heard the data, we have heard the statistics. There is no point in repeating it. I think it is important that we focus on the hard-core 50,000 who are lost for over a year each year, people who in some cases are never found and we know there are hundreds of children each year found but not identified, buried in John and Jane Doe graves around the country.

The horrifying statistics have motivated many parents, many community activists, and Congress got the message and in the enactment of the Missing Children's Act and the creation of the National Clearinghouse made our contribution to the solution of some of these problems.

I would simply like to mention and pay tribute to Senator PAULA HAWKINS of Florida and Senator and former Congressman PAUL SIMON of Illinois, who led the fight in the House of Representatives for that entity. It was PAUL who pointed out that we spent more time and money in our society computerizing and tracking lost vehicles than lost children. He set about to change that, and succeeded.

No community in this country is free of this frustrating dilemma. In my own congressional district, in the city of Fairfield, some 45 miles northeast of San Francisco, we have lost Clark "Toshiro" Handa, age 4. He was last seen August 23, 1984. An unknown suspect entered the Handa's residence, took Toshiro, and left a ransom note. Toshiro is of Asian descent and approximately 3 feet 2 inches in height.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Toshiro Clark Handa call the familiar number, 1-800-843-5678, or contact the Fairfield City Police Department at 1-707-426-5505. Any assistance would be greatly appreciated by the parents of this young fellow who have not heard from him or seen him for almost a year now. Let us not let him become one of those unidentified bodies. Let us see whether or not the attention that you give tonight to this special order will produce the breakthrough that the Handa family needs.

□ 2110

Mr. EDWARDS of Oklahoma. I would like to again remind my colleagues that we have about eight more Members who have said they want to participate and our hour is running short, so make it as brief as you can.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding. I thank him for his excellent and impassionate work on this very important issue. I wish I did not have to be here tonight to show these beautiful, but tragic pictures, but I do welcome the opportunity to play some role to help parents locate their missing children.

I hope that, after hearing about the plight of these children, my colleagues will join me and other interested Members in holding child safety programs to fingerprint, photograph, and hold safety training courses. Let me assure my colleagues and all parents that these efforts will not result in any invasion of privacy. They are voluntary and all documents, such as fingerprints and photographs, are turned over to the parents to keep in case their child is ever taken. We can provide help so that parents and police can work quickly together to identify and recover missing children.

I have been informed by the National Center for Missing and Exploited Children and Children's Rights of Pennsylvania that 3 young children from my district have been taken. This is tragic. Indeed, it's criminal.

Mr. Speaker, the first child is Louis Mackerly. He is now 8 years old. He was born on February 15, 1977, and was last seen in Allentown, PA, on June 7, 1984. He has not been seen or heard from since. He had four front teeth missing, blonde hair, blue eyes, weighed about 44 pounds and is about 4 feet 1 inch. He uses medication in the form of Ritalin, which must be administered twice daily and without medication may have memory lapses. He is reported to be very friendly and uninhibited. He likes to be near the water, and likes to fish. He usually stands and converses with both or one hand on his hips. He walks with a slow gait, head down and leans forward.

Mr. Speaker, the second and third children are brother and sister. They are James Karl and Jessica Laura Watts. They were last seen on May 9, 1982, in Allentown, PA. Jessie was born on November 22, 1975, and is 9 years old. She has light brown hair and brown eyes. Jimmy was born on March 13, 1978, and is 7 years old. He has blonde hair and blue eyes.

The question has been asked: "Am I my brother's keeper?" Mr. Speaker, I want to asure my colleagues that we, the parents and adults are the keepers of the children. No parent can be with their children 24 hours a day. We send them off to school, off to play, and entrust them at times to the care of other adults. The children of this world and of our country occupy a special place. There is a trust amongst adults that children are to be cared for and not abused, stolen, or exploited. In the case of Louis Mackerly, and

Jimmy and Jessie Watts, that sacred trust has been broken.

Anyone who has information related to these three children should please call 1-800-843-5678.

I want to thank my colleague, the gentleman from Oklahoma [Mr. EDWARDS], for arranging this special order for us today. His leadership on this issue, is deeply appreciated by his colleagues and the thousands of families nationwide who wait for news of their child.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Speaker, I thank my colleague from Oklahoma and all the individuals who have participated in this special order today.

Mr. Speaker, one of my young constituents has been missing since November 13, 1984. I am participating in this special order because I want to do everything I can to help call attention to the case, in the hope that she might be found.

Her name is Tammy Belanger. She is from Exeter, NH. She is 8 years old, has long brown hair and brown eyes. She is 4 feet 6 inches tall, and slender. Like thousands of children, Tammy started off to school that morning of November 13 and has not been seen by her parents since. The National Center for Missing and Exploited Children assist parents and local enforcement officers in finding missing children.

I ask that anyone having information about Tammy Belanger call their number 1-800-843-5678, toll free.

Mr. Speaker, Exeter is a small New Hampshire town of 11,000. Child abuse and kidnaping, as we all know, has encompassed all areas of the Nation. It is not limited exclusively to metropolitan cities. It has raised its ugly head in smalltown America as well. Something must be done. The FBI reports that sexual offenders have the highest rate of repeat offenses. Seventy to ninety percent will be released to repeat their crimes. Reports on missing children are equally staggering. Child kidnaping by strangers ranges from low estimates of 5,000 to as high as 20,000 yearly. Those of us in Congress must make a bipartisan effort to enact strong legislation confronting this frightening and repulsive tragedy facing our families and especially our children.

I have cosponsored H.R. 605 which amends the criminal code to provide a mandatory life sentence for any nonparent who kidnaps an individual under the age of 18, and imposes the death penalty in cases where the victim dies as a result of the kidnaping. We have the power and the responsibility to keep these criminals away from our children. It is time to get on with that job.

Mr. Speaker, the hope of rehabilitating any 5, 10, 20, or even 50 time offenders is not worth risking the safety of one innocent child. We must get these despicable people off our streets and we must help their victims. Mr. Speaker, $3.9 million was spent last year for Government chaffeur driven limousines for low level government officials. How many children like Tammy may have been found with that money?

Mr. Speaker and my colleagues, please help us find Tammy Belanger and bring her home.

Thank you, Mr. Speaker.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. COYNE].

Mr. COYNE. Mr. Speaker, I thank my colleague, Mr. EDWARDS, for calling this special order. I am here today to call attention to the case of one of my young constituents, Nicole Lynn Bryner, who has been missing for 3 years.

According to the National Center for Missing and Exploited Children, Nicole was abducted on March 11, 1982, from a shopping cart in a southside Pittsburgh, PA, grocery store where she was shopping with her mother. This is a picture of Nicole taken shortly before her abduction. At the time she was 3 years old. She is a white female with brown hair and brown eyes and had her sixth birthday on March 11, 1985.

The National Center has asked that anyone having information about Nicole call 1-800-843-5678.

It is my hope that through the combined efforts of all concerned citizens Nicole and other missing children will be reunited with their families and through increased public awareness these tragic situations can be prevented in the future.

I want to thank the gentleman from Oklahoma for taking this time.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I thank my colleague.

I told my colleagues that I have good reason to believe that the Speaker in his great kindness is going to see to it that we all do get to participate.

Mr. Speaker, I yield to the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Speaker, as I am sure you are well aware, approximately 1.5 million children are reported missing each year. Many of these youngsters are subjected to great danger and exploitation. Others are never returned to their homes safely. This problem is escalating, and it is my belief that the 99th Congress must seriously consider legislation imposing stringent Federal penalties on kidnapers and child abusers.

The National Center for Missing and Exploited Children, which assists families and law enforcement agencies in these matters, has informed me that one of my constituents is missing. I am participating in this special order program in an effort to give his case public exposure. I hope that this publicity will help to bring the long search for this young man to an end.

According to the list of vital statistics that the center has provided me with, Chris Harvey of Andrews, TX was last seen on Wednesday, July 11, 1984 in Pagosa Springs, CO. Chris had been vacationing with his parents at their summer home in Colorado when he disappeared. On the morning of July 11, Chris packed his bags in preparation for the return trip to Texas. He went less than 100 yards from his parents' home to say goodbye to some friends, left the friends' home but never returned to his parents' house.

The National Center for Missing and Exploited Children tells me that Chris' parents have exhausted nearly every resource available in the search for their son. Chris has no history of running away, did not take any money and has not attempted to withdraw his money from the Andrews Texas Bank.

Chris Harvey is 15 years old, 5 feet 11 inches tall and weighs approximately 135 pounds. His hair is light brown and his eyes are hazel.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having any information about Chris call toll free, 1-800-843-5678. It is my sincere hope that someone, somewhere in the country will have information that would help Chris.

Because I find this case as well as the rising numbers of missing children so disturbing, I am cosponsoring legislation that would make two significant changes in Federal criminal kidnaping statutes. The first provision of H.R. 1318, Congressman BILL LOWERY'S Kidnaping Reform Act, requires a mandatory minimum 10-year sentence for those adults who kidnap, but do not harm, children who are unrelated to them or who are not in their custody. Second, H.R. 1318 would require a mandatory life sentence for those adults who kidnap and abuse a child that is unrelated to them or not in their custody.

Mr. Speaker, I would like to urge my colleagues to cosponsor H.R. 1318. A bill such as this transcends partisan limitations, since the constitutional rights of our children are being seriously violated. As legislators, we must stiffen the Federal penalties in an effort to eliminate the terrible crimes being committed against young people like Chris Harvey.

Again, any persons having information about Chris Harvey should call the National Center for Missing and Exploited Chidren at 1-800-843-5678.

□ 2120

Mr. EDWARDS of Oklahoma. I now yield to the gentleman from Colorado [Mr. WIRTH].

Mr. WIRTH. I thank the gentleman from Oklahoma for this excellent service to families and children throughout the country.

Mr. Speaker, I am participating in this special order today to aid the National Center for Missing and Exploited Children in locating a constituent from my district. On the afternoon of August 16, 1983, Elizabeth Ann Miller of Idaho Springs, CO, decided to go jogging after school. She asked her younger sister to run with her, but her sister was not properly dressed and could not go. Elizabeth has not been seen since that day. She had no extra clothes or money and foul play is suspected.

Before her abduction, Elizabeth was 5 feet 4 inches, and weighed 105 pounds. She had long blond hair and hazel-green eyes. Elizabeth was to have celebrated her 15th birthday with her family this past summer.

We cannot possibly imagine the trauma and uncertainty that her parents have been through in this ordeal. Anyone having information on her whereabouts should report it to the National Center at 1-800-843-5678 or contact the Idaho Springs Police in Colorado at (303) 567-4421.

Mr. Speaker, Elizabeth's case is one of millions throughout Colorado and the Nation. Indeed, the pictures of two other Colorado children will be shown here today who have suffered similar fates as Elizabeth—Jonelle Matthews of Greely and Jennifer Douglas of Denver. More than 1.5 million children have been disappearing each year—this is a national problem we cannot ignore.

I join my colleagues in condemning this senseless abduction of American children. Through continued sessions like this in Congress, and increased funding and expansion of the National Center for Missing and Exploited Children, we can help increase the focus on this problem, and locate children like Elizabeth Ann Miller.

Thank you, Mr. Speaker.

Mr. EDWARDS of Oklahoma, I now yield to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. I thank my colleague from Oklahoma and congratulating him on his leadership in bringing this subject once more to the attention of our colleagues and to a saddened country.

I dare say there is not a single Member of Congress of the 535 Members of the House and the other body who do not have a missing child or missing children in their districts. In the case of my district, the Eighth District in New York, one of my constituents has been missing since last July 16, Antonella Mattina.

This beautiful, lovely girl is 12 years old, 5 feet tall, white, brown eyes, and weights 90 pounds. She was last seen as she walked to the Flushing Lindenvue Shopping Center, last July 16, as I said.

The National Center for Missing and Exploited Children, and the 109th Precinct in New York have asked that anybody having information about Antonella Mattina or her whereabouts will please call the National Center toll free at 800-843-5678. The plight of these missing and exploited children is one that should concern us all. It is not only the tragedy of the kids themselves, these beautiful children whose pictures you have seen one after the other, one more delightful and beautiful than the next, but it is the anguish and the heartache that besets the parents as well as the communities from whence they came.

I thank my colleague.

Mr. EDWARDS of Oklahoma. I now yield to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. I thank the gentleman from Oklahoma for yielding and for his efforts.

Mr. Speaker, child abduction is probably the most tragic crime committed in this country. Today, a number of my colleagues and I are joining in an effort to find some of these children and return them safely home. The federally funded National Center for Missing and Exploited Children has asked me to discuss a particular youngster from my district who has been kidnaped.

Russell John Mort was abducted from a fenced-in yard in Niagara Falls, NY, on May 5, 1982. According to information provided by the Center, the child has light brown hair, brown eyes, weighed 30 pounds, and was 3 feet tall when he was kidnaped, and is now 5 years old.

Possible suspects in this crime are a white female in her midtwenties with dark brown curly hair and a white male in his late twenties to early thirties with light brown hair and a mustache. They were seen driving a 1965 white Corvette with a black convertible top with a child in the area of Hyde Park Boulevard and Packard Road in Niagara Falls the afternoon that Russell was missing.

The National Center for Missing and Exploited Children has asked that anyone having information about Russell John Mort call 1-800-843-5678.

Much has been accomplished in the years since the disappearance of a child, Adam Walsh, focused national attention on the heinous crime of child abduction. As the result of a law which I coauthored in 1981, the Missing Children Act, names and descriptions of children reported missing are entered into a computer at the National Crime Information Center run by the FBI. Mandating that the FBI utilize its resources to assist in child abduction cases was a necessary first step, but much, much more needs to be done to coordinate State, local, and Federal agency efforts to locate missing children.

Mr. Speaker, as a parent I understand the anguish and personal suffering that must be endured by parents of kidnaped children. I will continue my efforts to locate children who are missing and to hopefully prevent any further tragedies. If today's undertaking results in the reunion of even one child with his or her parents, our efforts will not have been in vain.

Mr. EDWARDS of Oklahoma. I now yield to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. I would like to first thank my friend and colleague from Oklahoma [Mr. EDWARDS] for having sponsored this special order.

Mr. Speaker, in an effort to build an awareness across this land of the extent of the tragedy of missing children, today the House of Representatives is conducting a special order on missing children.

I commend our distinguished colleague from Oklahoma, MICKEY EDWARDS, for arranging this special order to give us the opportunity to bring to the people of the United States a special awareness of this tragedy touching all of our congressional districts; all of our lives.

Annually, nearly 2 million children disappear from their homes. Some are runaways. Many are taken by estranged parents. Some are abducted by strangers. This tragedy of missing children has touched my district in a most poignant and heart-rending way.

On June 1, 1983—almost 2 years ago—12-year-old Annya "Ann" Gottlib disappeared from the Bashford Manor Shopping Mall in Louisville. All Federal, State, and local law enforcement agencies and their personnel have cooperated and coordinated. Our community has come together like never before in support of efforts to locate Ann. But, unfortunately, Ann has not been found.

Ann was born May 5, 1971. She has auburn hair and grey eyes. Distinguishing marks include freckles, pierced ears, white eyelashes and eyebrows. Ann is a Russian Jewish emigree who speaks fluent English and Russian.

If anyone has information about Ann Gottlib, please contact the Louisville Office of the Federal Bureau of Investigation, at 502-583-3941, or call the missing children's toll free hotline: 1-800-342-0821.

The plight of families of missing children is anguishing. They deserve our prayers and our help.

● Mr. GARCIA. Mr. Speaker, I have been notified by the National Center for Missing and Exploited Children

that one of my young constituents has been kidnaped. I am participating in this special order because I want to do everything I can to help call attention to this case, in the hope that he might be found.

Kirk Quintons, from the Bronx, NY, is the tragic victim of abduction. At the tender age of 12 years old, this personal, loving child was cruelly removed from his home, family, and friends for no apparent reason on September 18, 1983. He is a black male, 4 feet 9 inches, weighs 70 pounds, with brown eyes and black hair. If anyone has any information about Kirk Quintons, please call the Center for Missing and Exploited Children at 1-800-843-5678.

Unfortunately, Kirk's case is not unique or an isolated incident. As many as 1.5 million cases of missing children are reported each year, 50,000 of which remain unsolved. Frequently, these children are victims of street crime and exploitation, and many become the tragic victims of homicide. Unfortunately, those children who survive abduction from their families usually return with lasting physical, emotional, and mental problems. As the problem has reached epidemic levels, I'm glad to see the Federal Government assisting citizen groups crack down on the sick people who would commit such crimes. The Government's participation is helping to alleviate the agony of the victims of this tragedy.

Prior to October 1982, when the President signed the Missing Children Act, which allowed parents access to a central computer file to help trace missing children, there had been no Federal initiative to help parents or law enforcement agencies in the search for missing children. By June 1984, the first nationwide center to assist parents in locating missing children was launched. The National Center for Missing and Exploited Children was established by a $3.3 million grant from the Department of Justice's Office of Juvenile Justice and Delinquency Prevention.

The Center's mission is to help parents like Mrs. Quintons alleviate the nightmare that strikes thousands of families each year. As a clearinghouse for data on missing and exploited children, it is able to distribute photos and descriptive information on missing children to the various media, in the hope that they will be found. While it provides a national clearinghouse of information on State and Federal legislation directed at the protection of children, its goal is toward a positive and permanent change.

The Center has already made significant progress in the area of prevention. By establishing a national conference it has brought together vast numbers of experienced professionals who are experts on the issue of missing children. By sharing their expertise with parents, law enforcement personnel, and community leaders, they are helping to deter the problem of missing children. The implementation of a coordinated, communitywide Child Safety Day Program is helping both parents and children tremendously in prevention efforts. By receiving safety tips from their parents, children understand that they are loved and learn how to become safety conscious. I would like to commend the efforts of the National Center for Missing and Exploited Children, and I'm praying for the success of its conscientious efforts to help return Kirk Quintons to his family.●

● Mr. STRANG. Mr. Speaker, last month President Reagan issued a plea to newspaper publishers, to help in the national effort to find missing children. The President cited as an example of the more than 1 million children who disappear from their homes each year, 13-year-old Jonelle Matthews, from Greeley, CO.

In my Third Congressional District of Colorado, 15-year-old Chris Harvey, disappeared from his parents summer home near Pagosa Springs, CO, in July last year. Chris has not been heard from since that time. Of course, there are other missing children from Colorado. It is a national tragedy.

The National Center for Missing and Exploited Children was opened last year as the first of its kind central locator system to help parents, the justice system and other organizations in locating, identifying, and returning missing children. The Center follows congressional action in 1982 which saw the passage of the Missing Children Act.

The plight of Jonelle Matthews and Chris Harvey, and the others, should encourage all citizens, volunteer organizations, and private industry leaders to participate in this national effort to address this very serious problem. I am pleased the President cited Jonelle's particular plight as a method of calling national attention to the need of all who have the ability and means to do so, to publicise the descriptions of the children who are missing. The effort that is being made today in the House of Representatives to give greater exposure to the problem and some of the children who are missing from around the Nation, allows us to get involved as well. Our efforts will continue.

I want to encourage people across the Nation, and especially our constituents in Colorado, to use the special toll-free hotline number that is available from the National Center for Missing Children: 1-800-843-5678, if they have any information they believe may be helpful in locating our missing children.

Thank you.●

● Mr. STANGELAND. Mr. Speaker, I have been informed by the federally funded National Center for Missing and Exploited Children that a child of JoAnn Ayotte, a constituent, has been kidnaped. It is my hope that by participating in this special order he or any of the other children mentioned here today will soon be found.

Kevin Jay Ayotte, age 5 of Bemidji, MN, was last seen playing in the upstairs of Mrs. Ayotte's cottage, September 30, 1982. Kevin has blue eyes, light brown hair, and when last seen was 3 feet 2 inches tall and weighed approximately 60 pounds. He has an identifying scar on the right side of his chin.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Kevin call 1-800-843-5678, or contact Sergeants Leach, Bergstrom, or Cross of the Bemidji Police Department at 218-751-9111.

Mr. Speaker, I would like to take this time to commend the recent private sector initiatives aimed at finding kidnaped and missing children. As many of us know, certain businesses have begun placing photos of such youngsters on mediums like grocery shopping bags and milk cartons. Last week, this led to the discovery of two girls in Washington State. While I realize the extensive role of Government in helping to rectify this unfortunate and tragic problem, I am pleased to see private citizens and business making great contributions for their fellow Americans.●

Mr. EDWARDS of Oklahoma. Mr. Speaker, I want to thank all of my colleagues who participated in this special order. I know that we speak for all of the Members of the House of Representatives in urging people to be aware of this very special problem, and help us locate these missing children.

I would close by simply repeating if you have information about any of the children that we have talked about, or any other children who are missing, if you would either contact your local police, contact your Congressman, or contact this toll free phone number: 1-800-843-5678. Then maybe together we can bring these children back home safely to be with their parents again.

I thank the Speaker.

□ 2130

FREEDOM OF HOUSE BROADCASTING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. LOTT] is recognized for 60 minutes.

● Mr. LOTT. Mr. Speaker, today I am introducing the "Freedom of House

Broadcasting Resolution of 1985," a new House rule to ensure the complete, unedited, and uncensored broadcast coverage of all House proceedings.

Mr. Speaker, 6 years ago last month the House began providing live audio and visual broadcast coverage of its floor proceedings to all accredited stations, networks and cable systems. Since that time we have seen our exposure from that coverage expand considerably, especially with the growth of cable systems in this country and the gavel-to-gavel coverage of our proceedings by the Cable Satellite Public Affairs Network, more popularly known as C-SPAN.

As a result of this exposure, I think the American people have benefited immensely, both in terms of learning how their democratically elected Government operates, and of being informed on the important public policy issues of the day. The House did the right thing in opening the TV window on this Chamber to the American people. And the broadcast networks and stations, particularly C-SPAN, are to be commended on using this coverage and helping to bring our citizens that much closer to their elected Representatives and the decisionmaking process.

HISTORY OF THE BROADCAST RULE

Mr. Speaker, the present House broadcast rule, clause 9 of House Rule I, under "Duties of the Speaker," is taken from language developed by our late rules subcommittee chairman, Gillis Long, and introduced as House Resolution 821 in the 95th Congress. I was then, and still am the ranking Republican on that subcommittee, now known as the Subcommittee on the Legislative Process and now chaired by our colleague from South Carolina [Mr. DERRICK]. And in that Congress it was my substitute for the Long resolution that was reported by the Rules Committee as House Resolution 866 and adopted by the House.

I do not claim any particular pride in authorship because my resolution simply changed the Long resolution from a House rule to a tentative authorization for House broadcasting that conditioned the final go-ahead for going public on the completion of a further study of broadcast alternatives by the Rules Committee. It was my feeling, for instance, that the only choice up to that point was between a House-operated and a network pool-operated system. Insufficient consideration had been given, for instance, to having the Public Broadcasting Systems [PBS] provide the coverage of our proceedings as was being done in States such as Florida.

The House adopted my resolution on October 27, 1977, by a vote of 342-44. On February 15, 1978, the Rules Committee, again under the leadership of Chairman Long and his subcommittee, filed its final report entitled, "Broadcasting the Proceedings of the House: Alternative Methods of Providing Complete and Unedited Audio and Visual Broadcasting of the Proceedings of the House of Representatives." The central recommendation of that report was that, "House should operate its own broadcast coverage system, following the example and building on the experience of the Canadian Parliament." The report rejected the network pool in part because the networks "demand the right to move the cameras away from the principal and official action of the proceedings." The proposed House system, on the other hand, would focus only on the person speaking.

That final report also contained four separate sets of views, three of which, including my own, questioned the advisability of that alternative. Congressman Sisk of California said "the best interests of the House would be served by allowing professional broadcasters to cover the proceedings," and suggested that the public might view a House-owned system "as some form of censorship * * * that the House is trying to hide something."

Congressman Anderson of Illinois expressed support for the network pool alternative as the least expensive, most technically competent and most compatible with first amendment rights and considerations.

Finally, my own views in that report included the observation that, of overwhelming importance is the certainty that any in-House system will appear to be politically motivated—another benefit to incumbents with the taxpayers footing the bill. And I went on to say:

> I fail to perceive of any way to avoid this appearance under a House owned and operated production. Instead of improving our credibility with the public by installing our own system we may very well be contributing to our less than popular image.

While the filing of that report was the only authority needed by the Speaker to proceed with implementing a system and making it available to the public, the House was given an opportunity to choose between the House-operated and network pool alternatives in June of that year when amendments were offered to the legislative branch appropriations bill. The House-operated system was upheld on a vote of 235-150 as a substitute for a network pool amendment.

The language from House Resolution 866 was incorporated into House rules the following January when the 96th Congress convened, and 2 months later, on March 19, 1979, the first public transmission of our debates went out over the airwaves.

TODAY'S PROBLEMS

Mr. Speaker, I have offered this brief history of the House broadcast rule because I think it is important to have some sense of where we have been if we are to determine where we should be going. The central issue which ran throughout the years of debate on House broadcasting was, "Who should control the cameras?" It is an issue which is still with us today and which was particularly underscored in the last session when the Speaker suddenly instituted a new panning policy of showing wide-angle shots of the entire House Chamber during special order speeches at the end of the day. The policy was presumably designed to show the public that the Chamber is usually nearly empty during such special order speeches, though such a truth-in-broadcasting policy apparently does not apply when committee chairmen are managing legislation during the earlier part of a day. As was brought out during the Speaker's own defense of his new policy, he did not like what some Republican Members were saying about the Democrats, and therefore decided to show the people that no one was there to listen or respond to such charges.

No one should object to giving the American people a bird's-eye view of the entire House Chamber, and the extent of Member attendance at any debate, so long as it is on a uniform basis throughout the day. However, the fact that such a policy was being applied only during that part of the day which Republicans tend to then dominate with their speeches, gave understandable rise to the charge that the House TV system was being manipulated for partisan purposes. Our worst fears of partisan news management and censorship were being realized. Ironically, it was the Speaker who was now engaging in the type of panning the Rules Committee had feared the network pool would use to embarrass the House and distort its proceedings.

TIME FOR A CHANGE

Given this evolution of the House broadcast system, I think it is time to reassess its present operation and control with a view to assuring a more balanced and objective means of covering our proceedings. I am not proposing that we ressurect the network pool option, nor the public broadcast alternative that I thought was worth further exploration back in 1978. I think we must begin with the premise that we now have a House-owned system that is of high quality, both technically and professionally. There is no need to junk what we now have—to throw the cameras and crew out with the bathwater. Instead, we must seek ways to refine the system and properly insulate it from both the prospect and perception of partisan manipulation, control, and censorship.

The resolution which I am introducing today is entitled the "Freedom of House Broadcasting Resolution" be-

cause it is designed to both free the TV system from the potential for partisan manipulation and control, and to restore the First Amendment freedoms of broadcasters who should be entitled to cover this Chamber with their traditional tools, just as print journalists are permitted to record our proceedings with their tools, rather than being forced to rely on our doctored RECORD.

PROVISIONS OF RESOLUTION

Under my proposal, the Speaker would still retain ultimate authority and responsibility for the House broadcast system since under our precedents and rules, the Speaker has absolute authority over the Chamber and the galleries. However, to assist the Speaker in this responsibility, there would be created a completely bipartisan Broadcast Advisory Board consisting of the majority and minority leaders and two other Members from each party. At present the Speaker presumably has a broadcast advisory committee consisting of two Democrats and one Republican, but it was completely defunct for nearly 4 years, and has yet to meet since its reconstitution late last year.

The other important aspect of my resolution is the provision that turns the daily operation of the broadcast system over to the Executive Committee of the Radio and Televison Correspondents' Galleries—the group which represents all the professional broadcasters accredited to the Congress. The Executive Committee would have responsibility for the hiring and supervision of the broadcast system's personnel, and for establishing the daily camera coverage policies. The resolution does require, however, that coverage by gavel-to-gavel, including special orders, a view of the Chamber while Members are voting, and periodic views of the entire Chamber on a uniform basis throughout the day in conformance with acceptable standards of House dignity and decorum.

Finally, the resolution vests in the Clerk, again subject to the direction and control of the Speaker, responsibility for purchasing equipment for the system and paying its employees; and in the Library of Congress responsibility for maintaining the recording of our proceedings for viewing and research purposes.

CONCLUSION

Mr. Speaker, it is my hope that the Rules Committee will give my proposal serious consideration as it exercises its oversight responsibilities for the House broadcast rule and system. I think my resolution will restore credibility to the system by freeing it from political control and restoring the First Amendment freedoms of broadcasters. At the same time it will ensure that coverage will continue in a manner that does not detract from the dignity and decorum of our proceedings.

At this point in the RECORD I include a brief summary of the "Freedom of House Broadcasting Resolution." The summary follows:

BRIEF SUMMARY OF LOTT FREEDOM OF HOUSE BROADCASTING RESOLUTION

Sec. 1. Title.—"The Freedom of House Broadcasting Resolution of 1985."

Sec. 2. House Rules Amendments.—(a) House Rule I, clause 9, the current House broadcast rule, would be stricken in its entirety; (b) a new House Rule LI would be added, entitled, "Broadcast Coverage of House Floor Proceedings."

Clause 1. Establishment of System.—A House Broadcast System would be established to provide complete and unedited coverage of House proceedings while the House is in session, including coverage of voting, special orders, and periodic views of the entire Chamber on a uniform basis throughout the day.

Responsibility for the implementation of the broadcast system would be vested in the Speaker who would be assisted by a completely bipartisan, six-member Broadcast Advisory Board.

The responsibility for the daily operation of the system, including the designation and supervision of employees and formulation of camera coverage policies, would be vested in the Executive Committee of the Radio and Television Correspondence Galleries.

The Clerk would be responsible for the purchase of equipment and compensation of employees,

Clause 2. Access to Coverage.—All accredited broadcast stations, networks and systems would have access to live coverage, as would House members and congressional offices. Coverage or recordings could not be used for commercial or partisan political purposes.

Clause 3. Storage of Recordings.—The Library of Congress would be responsible for maintaining recordings of House proceedings for viewing and research purposes.●

HONORING ANN CHIESA PORTO OF SAN GABRIEL, CA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MARTINEZ] is recognized for 30 minutes.

● Mr. MARTINEZ. Mr. Speaker, I rise to pay tribute to an outstanding woman from the 30th Congressional District of California, Ann Chiesa Porto. Ms. Chiesa Porto has performed significant work as a registered nurse with the Community Hospital of San Gabriel, and, also, in donating many hours to community service.

Her distinguished accomplishments in both areas prove numerous. At the Community Hospital she has been instrumental in organizing the Auxiliary and Candystriper Program, in designing the first portable supply cart for cardiac arrest patients, in helping to formulate the format for the Stroke Rehabilitation Nurse Program, in devising a program to assist patients and families to deal with grief, and in developing a community outreach program for the widowed.

Given her remarkable record at the hospital, Ms. Chiesa Porto has, suprisingly, found the time for service to the community. She is an active member of the San Gabriel Mission Church and teaches nurse aide classes at San Gabriel High School. She is the president of the Soroptimists, a member of the San Gabriel Chamber of Commerce, and on the board of directors of the Young Men's Christian Association, the Boys' Club of West San Gabriel Valley, and the Disabled Veterans' of Greater Los Angeles.

Our town has rightfully recognized her complete dedication and hard work by giving her many honors, including the Distinguished Service Award of the Community Hospital, the Century Club Award of the YMCA, and the San Gabriel Chamber of Commerce's Business Woman of the Year Award.

She has, in addition, won the admiration of all those, including myself, who are familiar with her work. It seems to me that she deserves the title of "Superwoman" for all her great, unselfish accomplishments. I am proud to call Ann Chieso Porto my constituent. I wish her continued success in future endeavors.●

THE TRUTH ABOUT THE POLYGRAPH TEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. MCKINNEY] is recognized for 15 minutes.

● Mr. MCKINNEY. Mr. Speaker, today I am introducing legislation to prohibit the use of polygraph—lie detector—tests in connection with applications for employment or as a condition of continued employment in private industry. There are many pressing issues presently before Congress—from the Federal deficit to taxation reform; from the plight of our farmers to the fight against nuclear war. In addition, there are many pressing issues affecting our country which have not yet gained national attention and which deserve serious consideration by the Congress of the United States. One of these matters is the use of the polygraph test in private industry. We, in Congress, and as a nation, cannot afford to ignore the frustration, humiliation, indignation, and injustice brought upon so many American citizens by the use of the polygraph.

Each year, hundreds of thousands of those seeking employment and those striving to remain employed are subjected to the polygraph test. This subjection is both an infringement upon one's constitutional right to privacy and an obstruction to the free flow of interstate commerce. These so-called lie detection tests supposedly are administered by companies to protect themselves from in-house pilferage

and other undesirable activities on the job. Instead, the polygraph, by systematically labeling innocent and honest people as liars, cause both the prevention of hiring and dismissal of reputable and productive personnel.

It is well known that the reliability of polygraph tests is extremely suspect. The polygraph machine itself cannot detect lies. The machine only measures simple physiological reactions such as heart and respiration rates and perspiration—reactions certainly not unique to being deceptive. A person's physiological reactions may be affected by a number of factors, including nervousness, mental condition, moral attitude toward lying, physical handicap, and the polygraph examiner.

Another crucial factor regarding polygraph reliability is that while the machine is the instrument which measures reactions, it is the polygraph examiner who interprets the physiological reactions and makes the final conclusions on who is and who is not lying. This allows for potential false readings of the test, further magnifying the problem of polygraph inaccuracy, and further increasing the likelihood of innocent people losing or being denied jobs. In addition, not only is the polygraph test unreliable in general, it discriminates in particular. Studies indicate that highly socialized people, concerned about their moral integrity, tend to fail polygraph tests more often than those who are poorly socialized or who are not as concerned about moral scruples. Also, because of the subjective factor of the polygraph, there is substantial evidence, brought out in a U.S. district court case in Illinois, that polygraph testing is biased toward minorities.

Studies analyzed by the Congressional Office of Technology Assessment indicate that the percentage of innocent people being found deceptive is as high as 50 percent. Polygraph examiners labeled innocent people as liars half the time. The conclusion reached by the Office of Technology Assessment in its study on the scientific validity of polygraph testing was "there is no scientific evidence to establish the validity of polygraph testing for screening a large number of people." This conclusion coincides with the President's Privacy Protection Study Commission which in 1977 stated that polygrapy use is "an unreasonable invasion of personal privacy that should be proscribed." Similar conclusions have been reached independently by two congressional committees.

Mr. Speaker, I believe it is time to pay heed to the facts which demonstrate the need for Federal legislation to prohibit the use of polygraph testing for employment purposes. Countries around the world have outlawed any sort of lie detector tests. In our own country, 20 states, including Connecticut, and the District of Columbia have led the way by passing laws prohibiting the use of polygraph testing by employers as a condition of employment.

Some of our States have placed restrictions on the use of the polygraph such as making illegal the asking of certain personal questions or guaranteeing the test-taker a copy of the test results. These sort of laws, however, only continue the barbaric use of lie detection devices by implicitly endorsing the use of the polygraph. We must insist upon an outright ban on this unscientific and unconstitutional method of job screening in private industry.

The truth about the polygraph is that it is inaccurate, unreliable, and intrusive—an unreasonable infringement on a person's right to privacy and ability to earn a living. It is ironic that despite all of the evidence produced and studies conducted that expose the polygraph as fraudulent, the use of lie detectors in private industry not only continues, but is increasing. Truly, we must work diligently to end this practice. Mr. Speaker, I wholeheartedly urge my fellow Members and citizens to endorse the Polygraph Control and Privacy Protection Act of 1985.●

THE WIC NUTRITION IMPROVEMENT ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey [Mrs. ROUKEMA] is recognized for 10 minutes.

● Mrs. ROUKEMA. Mr. Speaker, today I am introducing, on behalf of Mr. HAWKINS, Mr. JEFFORDS, Mr. LELAND, Mr. GOODLING, Mr. GEORGE MILLER, Mr. FAWELL, Mr. EMERSON, and Mr. PANETTA, a bill which will provide nutritional benefits to more than 16,000 additional women and children through the Special Supplemental Food Program for Women, Infants and Children [WIC] without any increase in budget outlays and at no cost to the Federal Government.

In these days of budgetary constraint, we must do everything in our power to ensure that our scarce national resources are used as effectively as possible. This bill, the WIC Nutrition Improvement Act of 1985, recognizes this reality. Under this act, States and localities will be prohibited from collecting sales taxes on food purchased with WIC vouchers as a condition for receiving Federal program funds. At present, every dollar collected in sales taxes is a dollar that is unavailable for direct food purchases. The consequence is that at least 16,000 women, infants, and children are denied program benefits while over $7.4 million go to State and local treasuries.

As a member of the Committee on Education and Labor and as ranking minority member of the select committee on Hunger, I have studied the WIC Program. Indeed, the select committee conducted field hearings last year to explore the benefits and the shortcomings of the program. Currently, WIC provides nutritious supplemental foods to low-income pregnant and postpartum women, and infants and children up to age 5 who are determined to be at nutritional risk. In addition to food supplementation, participants receive medical screening and nutrition education.

However, our study clearly demonstrated an area in need of reform.

There are 14 States and numerous local governments which collect sales taxes on WIC food purchases. These sales tax moneys are collected above and beyond the allowable 20 percent of WIC funds available to States and localities to cover administrative costs. There is no need for those governments to receive additional sales tax revenues to operate this program.

In essence, therefore, these State and local governments are making money on a federally funded program established to aid low-income women and children. Last year alone, over $7.4 million in Federal funds was diverted to State and local treasuries in this manner. Clearly, this is not intent of Congress.

More importantly, every dollar lost to sales tax is a dollar that is unavailable for the purchase of food. Stated differently, if sales tax adds to the price of a package of food, fewer people will be served. The loss of this revenue had the effect of denying WIC to at least 16,000 income eligible clients in these States.

Today, I offer this corrective legislation. It will allow more women, infants, and children to receive program benefits.

Although the WIC Program's authority was to expire in fiscal year 1984, it is currently authorized for this fiscal year under the fiscal year 1985 continuing resolution. Since reauthorization of the WIC Program will be considered this year, it is essential to focus on program needs now.

I urge my colleagues to support this effort to close the unintended loophole in the law that allows the diversion of WIC funds away from eligible women, infants, and children nationwide.

I thank you, Mr. Speaker.●

RULES OF SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES FOR THE 99TH CONGRESS

(Mr. MILLER of California asked and was given permission to extend his

remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MILLER of California. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, I submit for printing in the CONGRESSIONAL RECORD the rules of the Select Committee on Children, Youth, and Families for the 99th Congress, adopted by the committee on March 28, 1985:

RULES OF THE SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

(Adopted March 28, 1985)

RULE 1.—MEETINGS

The regular meetings of the committee shall be held on the third Thursday of each month at 9:45 a.m., except when Congress has adjourned. The chairman is authorized to dispense with a regular meeting or to change the date thereof, and to call and convene additional meetings, when circumstances warrant. A special meeting of the committee may be requested by members of the committee in accordance with the provisions of House Rule XI, 2(c)(2). Every member of the committee, unless prevented by unusual circumstances, shall be provided with a memorandum at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to each meeting or hearing explaining (1) the purpose of the meeting or hearing; and (2) the names, titles, background and reasons for appearance of any witnesses. The minority staff shall be responsible for providing the same information on witnesses whom the minority may request.

RULE 2.—QUORUMS

A majority of the members of the committee shall constitute a quorum, except that two members shall constitute a quorum for taking testimony and receiving evidence. Proxies shall not be used to establish a quorum. If the chairman is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

RULE 3.—COMMITTEE REPORTS

Every investigative report shall be approved by a majority vote of the committee at a meeting at which a quorum is present. Supplemental, minority, or additional views may be filed in accordance with House Rule XI, 2(l)(5). The time allowed for filing such views shall be three calendar days (excluding Saturdays, Sundays, and legal holidays) unless the committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member seeking to file such views. A proposed report shall not be considered in committee unless the proposed report has been avilable to the members of the committee for at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to the consideration of such proposed report in the committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the committee prior to the consideration of the proposed report in the committee.

RULE 4.—PROXY VOTES

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present; shall be limited to the date and the specific measure or matter to which it applies; and, unless it states otherwise, shall apply to any amendments or motions pertaining to the measure or matter.

RULE 5.—ROLLCALLS

A rollcall of the members may be had upon the request of any member.

RULE 6.—RECORD OF COMMITTEE ACTIONS

The committee staff shall maintain in the committee offices a complete record of committee actions including a record of the rollcall votes taken at committee business meetings. The original records, or true copies thereof, as appropriate, shall be available for public inspection whenever the committee offices are open for public business. The staff shall assure that such original records are preserved with no unauthorized alteration, additions, or defacement.

RULE 7.—TASK FORCES

There shall be no more than three temporary task forces of the committee; the jurisdiction of each shall be established by the chairman of the committee. Each task force shall have eleven members, divided between majority and minority party members in the ratio of seven to four. The chairman and ranking minority member of the committee shall serve ex officio on each task force.

Members of the majority party shall have the right to bid for task force chairs in order of full committee seniority. No member elected as a task force chairperson may choose a second task force position before all other members of the majority party have selected one task force assignment in order of full committee seniority. After each member of the majority party has selected one task force assignment, each may bid, in order of full committee seniority, for a second task force assignment. No member may serve on more than two task forces.

The chairperson of each task force is authorized to appoint one staff member who shall serve at the pleasure of such chairperson, and to be approved by the chairman of the full committee. Such staff members shall be paid from funds provided for the appointment of committee staff pursuant to primary and additional expense resolutions.

RULE 8.—HEARING DATES AND WITNESSES

The chairman of the committee, after consultation with the ranking minority member of the committee, shall announce the date, place, and subject matter of all hearings at least one week prior to the commencement of any hearings, unless he, after consultation with that member, determines that there is good cause to begin such hearings at an earlier date. The minority members shall supply the names of witnesses they intend to call to the chairman of the committee at the earliest possible date. Witnesses appearing before the committee shall, so far as practicable, submit written statements at least 24 hours in advance of their appearance.

RULE 9.—OPEN MEETINGS

Meetings for the transaction of business and hearings of the committee shall be open to the public or closed in accordance with Rule XI of the House of Representatives.

RULE 10.—FIVE-MINUTE RULE

A committee member may question a witness only when recognized by the chairman for that purpose. In accordance with House Rule XI, 2(j)(2), each committee member may request up to five minutes to question a witness until each member who so desires has had such opportunity. Until all such requests have been satisfied, the chairman shall, so far as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the direction of the chairman.

RULE 11.—INVESTIGATIVE HEARINGS; PROCEDURE

Investigative hearings shall be conducted according to the procedures in House Rule XI, 2(k). All questions put to witnesses before the committee shall be relevant to the subject matter before the committee for consideration, and the chairman shall rule on the relevance of any questions put to the witness.

RULE 12.—STENOGRAPHIC RECORD

A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE 13.—TV, RADIO, AND PHOTOGRAPHS

When approved by a majority vote, an open meeting or hearing of the committee may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, by any of such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of said rule or to maintain an acceptable standard of dignity, propriety, and decorum, the chairman may order such alteration, curtailment or discontinuance of coverage as he determines necessary.

RULE 14.—STAFF

The chairman of the committee shall have the authority to hire and discharge employees of the professional and clerical staff of the committee. The authorization for the creation of new positions shall be approved by a majority vote of the committee, a quorum being present.

RULE 15.—STAFF DIRECTION

The staff of the committee shall be subject to the direction of the chairman of the committee and shall perform such duties as he may assign.

RULE 16.—AUTHORIZATION FOR TRAVEL

Travel to be paid from funds set aside for the full committee for an member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

RULE 17.—ADDITIONAL DUTIES OF CHAIRMAN

The chairman of the committee shall:

(1) make available to other committees the findings and recommendations resulting from the investigations of the committee as appropriate;

(2) prepare a budget for the committee and present such budget to the committee for its approval; and

(3) authorize and issue subpoenas as provided in House Rule XI, 2(m)(1), in the conduct of any investigation or activity or series of investigations or activities within the jurisdiction of the committee.

RULE 18.—AMENDMENT OF RULES

These rules may be modified, amended, or repealed by a majority vote of the committee, if at least two legislative days' written notice of the proposed change has been provided each member of the committee prior to the meeting date on which such changes are to be discussed and voted upon.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YATES (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LIGHTFOOT) to revise and extend their remarks and include extraneous material:)

Mr. LOTT, for 60 minutes, today.

Mr. MARTIN of New York, for 5 minutes, today.

Mr. MCCOLLUM, for 30 minutes, today.

Mr. KOLBE, for 60 minutes, April 3.

Mr. MCKINNEY, for 15 minutes, today.

Mr. BROWN of Colorado, for 10 minutes, today.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, April 3.

Mr. WALKER, for 60 minutes, today.

Mr. COATS, for 60 minutes, April 17.

Mrs. ROUKEMA, for 10 minutes, today.

(The following Members (at the request of Mrs. BOXER) to revise and extend their remarks and include extraneous material:)

Mr. DE LA GARZA, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mr. JONES, of Oklahoma, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BONKER, for 5 minutes, today.

Mr. JONES of Tennessee, for 5 minutes, today.

Mr. MARTINEZ, for 30 minutes, today.

Mr. RAY, for 30 minutes, April 3.

Mr. FRANK, for 60 minutes, April 16.

Mr. PICKLE, for 60 minutes, May 7.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LIGHTFOOT) and to include extraneous matter:)

Mr. CLINGER in two instances.

Mr. PORTER.

Mr. BROOMFIELD.

Mr. COURTER in two instances.

Mr. HUNTER.

Mr. SENSENBRENNER.

Mr. KINDNESS in two instances.

Mr. RUDD in four instances.

Mr. JEFFORDS.

Mrs. HOLT.

Mr. LIVINGSTON in two instances.

Mr. GILMAN in three instances.

Mr. BOEHLERT.

Mr. CONTE in three instances.

Mr. WHITEHURST.

Mr. STRANG.

Mr. MOORHEAD.

Mr. BILIRAKIS.

Mr. MOORE.

Mr. SCHAEFER.

Mr. LIGHTFOOT.

Mr. TAUKE.

Mr. BLILEY.

Mr. DREIER of California.

Mr. HORTON.

(The following Members (at the request of Mrs. BOXER) and to include extraneous matter:)

Mr. WHEAT.

Mr. BOLAND.

Mr. MANTON.

Mr. MAZZOLI.

Mr. HUCKABY.

Mr. HAMILTON in two instances.

Mr. TRAFICANT.

Mr. LELAND.

Mr. GUARINI.

Mr. ACKERMAN.

Mr. APPLEGATE.

Mr. FRANK.

Mr. GARCIA.

Mr. FORD of Michigan.

Mr. LEVINE of California.

Mr. RANGEL in two instances.

Mr. MONTGOMERY.

Mr. LEHMAN of Florida.

Mr. DOWNEY of New York in two instances.

Mr. EDGAR.

Mr. SMITH of Florida.

Mr. WAXMAN.

Mr. ROBINSON.

Mr. SCHUMER.

Mrs. SCHROEDER.

Mr. FEIGHAN in two instances.

Mrs. BOXER.

Mr. SKELTON.

Mr. MOAKLEY.

Mr. KOLTER.

Mr. LANTOS.

Mr. WILLIAMS.

Mr. WOLPE.

Mr. RODINO.

Mr. HEFTEL of Hawaii.

Mr. WYDEN.

Mr. STARK.

Mr. PEASE.

Mr. TORRICELLI.

Mr. MINETA.

Mr. CONYERS.

ADJOURNMENT

Mr. SIKORSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 31 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 3, 1985, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

944. A letter from the Assistant Secretary of Defense for International Security Policy, transmitting a report on the funding of technology transfer control policy for the fiscal year 1984, pursuant to 10 U.S.C. 138(h) (96 Stat. 739); to the Committee on Armed Services.

945. A letter from the Executive Director, Civil Air Patrol, transmitting the 1985 Civil Air Patrol report to Congress, pursuant to the act of July 1, 1946, chapter 527, section 7; to the Committee on Armed Services.

946. A letter from the Secretary, Federal Trade Commission, transmitting the seventh annual report to Congress on the administration of the Fair Debt Collection Practices Act, pursuant to Public Law 90-321, section 815(a) (91 Stat. 882); to the Committee on Banking, Finance and Urban Affairs.

947. A letter from the Chairman, District of Columbia Retirement Board, transmitting comments on the enrolled actuary's report on the disability retirement rate for police officers and firemen, pursuant to Public Law 96-122, section 145(b)(1) (97 Stat. 727); to the Committee on the District of Columbia.

948. A letter from the Chairman, Railroad Retirement Board, transmitting a draft of proposed legislation to eliminate the December 1985 rail industry pension cost-of-living adjustment and to ensure that future indexed rail cost-of-living adjustments are consistently applied to all industry pensions, to the Committee on Energy and Commerce.

949. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to abolish the U.S. Travel and Tourism Administration, to repeal the International Travel Act of 1961, as amended; to the Committee on Energy and Commerce.

950. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970; to the Committee on Energy and Commerce.

951. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting Presidential Determination 85-9, determining that it is important to U.S. security interests to use FAA funds under the special authority of section 614 of the act, pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

952. A communication from the President of the United States, transmitting copies of international agreements transmitted to Congress after the deadline for their sub-

mission, with reasons, pursuant to 1 U.S.C. 112b(b); to the Committee on Foreign Affairs.

953. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Robert Dean Blackwell, of Maryland, for the rank of Ambassador, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

954. A letter from the Head, Information Section, Copyright Office, Library of Congress, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

955. A letter from the State Cochairman and Federal Cochairman, Alaska Land Use Council, transmitting a study of the Kantishna Hills and Dunkle Mine areas, pursuant to Public Law 96-487, section 202(b); to the Committee on Interior and Insular Affairs.

956. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting reports of suspension of deportation of certain aliens of good character and with required residency when deportation causes hardship under section 244(a), Immigration and Nationality Act, pursuant to INA, section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

957. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title XII of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

958. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title 23, United States Code; to the Committee on Public Works and Transportation.

959. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority of the Veterans' Administration to conduct certain health care programs, to the Committee on Veterans' Affairs.

960. A letter from the Secretary of Health and Human Services, transmitting a report of the results of a study conducted by the Health Care Financing Administration with respect to the Medicare hospital wage index, pursuant to 42 U.S.C. 1395ww nt.; to the Committee on Ways and Means.

961. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting the report which includes allocations of the funds appropriated separately under functional development assistance for new nutrition activities, new health activities, and for the child survival fund, for which allocation decisions had not yet been made at the time of the original report, pursuant to 22 U.S.C. 2413(a); jointly, to the Committees on Foreign Affairs and Appropriations.

962. A letter from the Chairman and President, Gorgas Memorial Institute of Tropical and Prevention Medicine Inc., transmitting a report on the operation of the Gorgas Memorial Laboratory, including the unaudited financial statements, for the fiscal year ending September 30, 1984, pursuant to the act of May 7, 1928, chapter 505, section 3 (92 Stat. 991); jointly, to the Committees on Foreign Affairs and Energy and Commerce.

963. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the annual report of the status of the exercise of U.S. rights and responsibilities under the Panama Canal Treaty of 1977, pursuant to 22 U.S.C. 3871; jointly, to the Committees on Merchant Marine and Fisheries, Foreign Affairs, the Judiciary, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHEAT: Committee on Rules. House Resolution 119. Resolution providing for the consideration of H.R. 1714, a bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities; and research and program management, and for other purposes (Rept. No. 99-33). Referred to the House Calendar.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1869 a bill to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes (Rept. No. 99-34). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. House concurrent Resolution 107. Concurrent Resolutions to express the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to response to unfair International trade practices of Japan. (Rept. No. 99-35). Referred to the House Calendar

Mr. ROSTENKOWSKI: Committee on Ways and Means H.R. 1866 a bill to phase out the Federal supplemental compensation program (Rept. No. 99-36). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOLEY (for himself, Mr. CONTE, Mr. FISH, Mr. GLICKMAN, Mr. JEFFORDS, Mr. LEACH of Iowa, Mr. LEVINE of California, Mr. MARKEY, Mr. MCHUGH, Mr. MILLER of California, Ms. SNOWE, and Mr. WEISS):

H.R. 1865. A bill to limit the introduction of U.S. Armed Forces into El Salvador and Nicaragua for combat; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI (for himself, Mr. DUNCAN, Mr. FORD of Tennessee, Mr. CAMPBELL, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. JACOBS, Mr. JENKINS, Mr. GEPHARDT, Mr. PEASE, Mr. MATSUI, Mr. ARCHER, Mr. VANDER JAGT, Mr. CRANE, Mr. FRENZEL, Mr. GRADISON, Mr. MOORE, Mr. THOMAS of California, Mr. DAUB, and Mr. KILDEE):

H.R. 1866. A bill to phase out the Federal supplemental compensation program; to the Committee on Ways and Means.

By Mr. WIRTH:

H.R. 1867. A bill to authorize appropriations for the National Telecommunications and Information Administration for fiscal years 1986 and 1987, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MOORE (for himself, Mr. WAXMAN, Mr. STARK, Mr. GRADISON, Mr. RANGEL, Mr. PEPPER, Mr. GEPHARDT, Mr. WYDEN, Mr. MADIGAN, Mr. MCGRATH, Mr. DAUB, Mr. DOWNEY of New York, Ms. KAPTUR, Mr. SABO, Mr. CONYERS, Mr. BILIRAKIS, Mr. MRAZEK, and Mr. MILLER of California):

H.R. 1868. A bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ROSTENKOWSKI (for himself, Mr. DUNCAN, Mr. ANTHONY, Mr. DAUB, Mr. ROEMER, Mr. PICKLE, Mr. STARK, Mr. JONES of Oklahoma, Mr. JACOBS, Mr. FORD of Tennessee, Mr. PEASE, Mr. MATSUI, Mr. FLIPPO, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. COYNE, Mr. FRENZEL, Mr. GRADISON, Mr. CAMPBELL, Mr. MCGRATH, and Mr. GREGG):

H.R. 1869. A bill to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes; to the Committee on Ways and Means.

By Mr. WYLIE (by request):

H.R. 1870. A bill to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1871. A bill to amend the National Flood Insurance Act of 1968 to extend certain authorities thereunder, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ASPIN (for himself and Mr. DICKINSON) (by request):

H.R. 1872. A bill to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. STRATTON (for himself and Mrs. HOLT) (by request):

H.R. 1873. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1986 and fiscal year 1987, and for other purposes; to the Committee on Armed Services.

By Mr. BENNETT:

H.R. 1874. A bill to authorize the Architect of the Capitol to accept gifts and bequests of personal property and money for the benefit of the Capitol Buildings art collection; to the Committee on House Administration.

By Mr. BORSKI:

H.R. 1875. A bill to provide for greater balance in the proportion of military chaplains of different faiths as compared to the proportion of different faiths represented among the total membership of the Armed Forces; to the Committee on Armed Services.

By Mr. BOSCO (for himself, Mr. WEAVER, Mr. AUCOIN, Mr. CHAPPIE, Mr. ANDERSON, Mr. PANETTA, Mr. FAZIO, Mrs. BOXER, Mrs. BURTON of

California, Mr. MILLER of California, Mr. ROBERT F. SMITH, Mr. LEVINE of California, and Mr. MARTINEZ):

H.R. 1876. A bill relating to the conservation and management of the U.S. fisheries; to the Committee on Merchant Marine and Fisheries.

By Mrs. BOXER (for herself, Mr. CHANDLER, Mr. DOWNEY of New York, Mr. MORRISON of Connecticut, Mr. MCKINNEY, Mr. JACOBS, and Mr. ACKERMAN):

H.R. 1877. A bill entitled, the "Humane Products Testing Act of 1985"; to the Committee on Energy and Commerce.

By Mr. CONTE:

H.R. 1878. A bill to establish a nationwide lottery to assist in financing the Medicare Program and in reducing the Federal deficit; jointly, to the Committees on Ways and Means, the Judiciary, and Post Office and Civil Service.

By Mr. DORGAN of North Dakota:

H.R. 1879. A bill to provide for full and prompt disclosure of rail transportation contracts; to the Committee on Energy and Commerce.

H.R. 1880. A bill to modify the reversion limitation imposed on the conveyance of property to the Mountrail County Park Commission, Mountrail County, ND, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DOWNEY of New York (for himself and Mr. FLORIO):

H.R. 1881. A bill to provide that the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 will apply to certain petroleum and to establish a separate account in the Superfund for leaking underground storage tanks; jointly, to the Committee on Energy and Commerce and Public Works and Transportation.

By Mr. ENGLISH:

H.R. 1882. A bill to amend the Freedom of Information Act, and for other purposes; to the Committee on Government Operations.

By Mr. FAUNTROY:

H.R. 1883. A bill to provide that individuals who live in the District of Columbia shall not be required to pay Federal income tax for any period during which they are without representation in the Senate and the House of Representatives; to the Committee on Ways and Means.

By Mr. FLIPPO (for himself, Mr. JENKINS, Mr. CAMPBELL, Mr. FOWLER, Mr. ANTHONY, Mr. MATSUI, Mrs. KENNELLY, Mr. DOWNEY of New York, Mr. JONES of Oklahoma, Mr. RANGEL, Mr. DUNCAN, Mr. PICKLE, Mr. MCGRATH, and Mr. JACOBS):

H.R. 1884. A bill to provide rules for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles; to the Committee on Ways and Means.

By Mr. FRANK:

H.R. 1885. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income a certain portion of governmental pensions based on services not covered under the Social Security system; to the Committee on Ways and Means.

By Mr. GEKAS (for himself and Mr. HYDE):

H.R. 1886. A bill to amend title 18, United States Code, to extend the application of special forfeiture of collateral profits of crime to persons acquitted only by reasons of insanity; to the Committee on the Judiciary.

By Mr. GOODLING (for himself, Mr. FORD of Michigan, and Mr. JEFFORDS):

H.R. 1887. A bill to provide for limited extension of alternative means of providing assistance under the school lunch program and to provide for national donated commodity processing programs; to the Committee on Education and Labor.

By Mr. GUARINI (for himself, Mr. WEBER, Mr. WEAVER, Mr. SOLOMON, Mr. SMITH of New Jersey, Mr. MOODY, Mr. RODINO, Mr. TORRICELLI, Mr. COUGHLIN, Mr. WEISS, Mr. DWYER of New Jersey, Mr. SAXTON, Mrs. ROUKEMA, Mr. FRANK, Mr. RINALDO, Mr. BARTON of Texas, Mr. CARPER, Mr. HUGHES, Mr. CONTE, Mr. DELLUMS, Mr. FISH, Mr. HEFTEL of Hawaii, and Mrs. SCHNEIDER):

H.R. 1888. A bill to direct the Secretary of Transportation not to expend or obligate any Federal funds for design and construction of the Westway landfill in New York City, NY; to the Committee on Public Works and Transportation.

By Mr. HALL of Ohio (for himself and Mr. LELAND):

H.R. 1889. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 and the Agricultural Act of 1949 in order to enhance the effectiveness of U.S. food assistance programs for developing countries, and for other purposes; jointly, to the Committees on Foreign Affairs and Agriculture.

By Mr. SAM B. HALL, JR. (for himself, Mr. FRANK, Mr. BERMAN, Mr. STAGGERS, and Mr. KINDNESS):

H.R. 1890. A bill to provide for an equitable waiver in the compromise and collection of Federal claims; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 1891. A bill to direct the Secretary of the Interior to convey a certain parcel of land located near Ocotillo, CA; to the Committee on Interior and Insular Affairs.

By Ms. KAPTUR:

H.R. 1892. A bill to provide for the analysis of the causes of U.S. trade imbalance with Japan and the formulation of actions to redress that imbalance; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. BOUCHER, Mr. PETRI, Mr. JENKINS, Mrs. HOLT, Mrs. BYRON, Mr. HAMMERSCHMIDT, Mr. PENNY, Mr. MACKAY, Mr. DANNEMEYER, Mr. BENNETT, Mr. CHANDLER, Mr. STENHOLM, Mr. ARMEY, Mr. GROTBERG, and Mr. MCCAIN):

H.R. 1893. A bill to amend the Contract Work Hours and Safety Standards Act and the Walsh-Healey Act to permit employees, to whom such acts apply, to work any combination of hours in a 40-hour workweek; to the Committee on Education and Labor.

By Mr. LANTOS (for himself, Ms. SNOWE, Mr. BENNETT, Mr. BERMAN, Mr. BIAGGI, Mr. BONIOR of Michigan, Mr. BORSKI, Mr. BUSTAMANTE, Mr. COELHO, Mr. DIOGUARDI, Mr. DYMALLY, Mr. EDWARDS of Oklahoma, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. KOLTER, Mr. LELAND, Mr. MANTON, Mr. MARTINEZ, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mr. REID, Mr. ROSE, Mr. SILJANDER, Mr. SUNIA, Mr. TOWNS, Mr. WEISS, and Mr. YOUNG of Alaska):

H.R. 1894. A bill to establish a commission to conduct a study of the problems of youth suicide in the United States for the purpose of providing guidance in developing national policy, and to establish a grant program for States, political subdivisions of States, and private nonprofit agencies for programs to prevent suicide among children and youth; jointly, to the Committees on Energy and Commerce and Education and Labor.

By Mr. LIPINSKI:

H.R. 1895. A bill to amend title 23, United States Code, to require that any State requesting a lower Federal share for certain types of highway projects be provided that lower share; to the Committee on Public Works and Transportation.

By Mr. MCCOLLUM (for himself, Mr. CHANDLER, Mr. COOPER, Mr. HILER, Mr. LEACH of Iowa, Mr. ROEMER, Mrs. ROUKEMA, Mr. WORTLEY, and Mr. WYLIE):

H.R. 1896. A bill to authorize the Board of Governors of the Federal Reserve System to regulate the activities of Government securities dealers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCDADE:

H.R. 1897. A bill to repeal the contemporaneous recordkeeping requirement and certain other recently enacted provisions of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 1898. A bill to amend the Mineral Lands Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONTGOMERY (by request):

H.R. 1899. A bill to amend section 4118 of title 38, United States Code, to modify the treatment of special pay paid to certain physicians and dentists employed by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD:

H.R. 1900. A bill to amend the copyright law, title 17 of the United States Code, to provide for protection of ornamental designs of useful articles; to the Committee on the Judiciary.

By Mr. NIELSON of Utah:

H.R. 1901. A bill to provide for a study regarding the radio and television, as well as other media, advertising and promotion of alcoholic beverages, and for other purposes; to the Committee on Energy and Commerce.

By Ms. OAKAR:

H.R. 1902. A bill to change the name and adjust the pay of the police force of the Library of Congress; to the Committee on House Administration.

By Mr. OBERSTAR:

H.R. 1903. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to members of the Lake Superior Band of Chippewa Indians who are members of the Minnesota Chippewa Tribe in Dockets numbered 18–S and 18–U before the Indian Claims Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1904. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgment awarded to members of the Mississippi Band of Chippewa Indians who are members of the Minnesota Chippewa Tribe in Docket numbered 18–S before the Indian Claims Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RAHALL (for himself, Mr. BEVILL, Mr. FLIPPO, Mr. DELLUMS, Mr. MURPHY, Mr. CONYERS, Mr. MITCHELL, Mr. ROGERS, Mr. STOKES, Mr. MOLLOHAN, Mr. WEAVER, Mr. HAYES, Mr. ROE, Mr. WISE, Mr. RANGEL, Mr. UDALL, Mr. YOUNG of

Alaska, Mr. MURTHA, Mr. APPLEGATE, and Mr. WALGREN):

H.R. 1905. A bill to offset the competitive advantage which foreign coal producers have as a result of not having to meet environmental, health, welfare, and safety requirements of the kinds imposed on U.S. coal producers, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Ways and Means.

By Mrs. ROUKEMA (for herself, Mr. HAWKINS, Mr. JEFFORDS, Mr. LELAND, Mr. GOODLING, Mr. FAWELL, Mr. EMERSON, Mr. MILLER of California, and Mr. PANETTA):

H.R. 1906. A bill to amend the Child Nutrition Act of 1966 to limit participation in the Special Supplemental Food Program for women, infants, and children [WIC] to States in which State or local sales taxes are not collected on purchases of food under such program; to the Committee on Education and Labor.

By Mr. RUDD:

H.R. 1907. A bill to amend the Controlled Substances Act to provide the penalty of death for continuing criminal enterprise and dangerous special drug offender offenses; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. RUDD (for himself, Mr. SILJANDER, and Mr. SOLOMON):

H.R. 1908. A bill to reduce the percentage of the U.S. monetary contribution to the United Nations and its affiliated agencies to a percentage that is no greater than the percentage of U.S. nationals employed by the United Nations and its affiliated agencies; to the Committee on Foreign Affairs.

By Mr. SEIBERLING:

H.R. 1909. A bill to amend the Internal Revenue Code of 1954 to reduce the Federal deficit and encourage fuel conservation by increasing the tax on gasoline; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself and Mr. WEAVER):

H.R. 1910. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to provide that pesticides that are used in agricultural production do not endanger human health; to the Committee on Agriculture.

By Mr. SLAUGHTER:

H.R. 1911. A bill to amend the Internal Revenue Code of 1954 to enhance the equity for spouses under the tax laws by allowing a spousal individual retirement account [IRA] of $2,000, and to maintain the relative value of IRA rights over time by indexing the maximum tax-free annual contribution limit to inflation; to the Committee on Ways and Means.

By Mr. STENHOLM (for himself, Mr. ROBERTS, Mr. ENGLISH, Mr. LEATH of Texas, Mr. WHITLEY, Mr. BOULTER, and Mr. ORTIZ):

H.R. 1912. A bill to establish the farm and crop acreage base and program yield system to provide more efficient, equitable, flexible, and predictable programs for farmers; to the Committee on Agriculture.

By Mr. THOMAS of Georgia:

H.R. 1913. A bill to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnapping a Federal drug law enforcement agent; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H.R. 1914. A bill to discourage domestic corporations from establishing foreign manufacturing subsidiaries in order to avoid Federal taxes by including in gross income of U.S. shareholders in foreign corporations the retained earnings of any such subsidiary which are attributable to manufacturing operations in runaway plants or tax havens, to provide that revenue from taxes imposed on such income shall be used to reduce the public debt and provide assistance to economically depressed areas, and for other purposes; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 1915. A bill to establish procedures for review of tribal constitutions and bylaws or amendments thereto pursuant to the act of June 18, 1934 (48 Stat. 987); to the Committee on Interior and Insular Affairs.

By Mr. SMITH of New Jersey (for himself, Mr. RINALDO, Mr. ROYBAL, Mr. WISE, Mr. TORRICELLI, Mr. BERMAN, Mr. SHARP, Mr. ROSE, Mr. JONES of North Carolina, Mr. BOUCHER, Mr. BENNETT, Mr. CHAPPELL, Mr. MAVROULES, Mr. GILMAN, Mr. LAGOMARSINO, Mr. BOEHLERT, Mr. LOWERY of California, Mr. MCKERNAN, and Mr. MCGRATH):

H.R. 1916. A bill to provide for a study by the Secretary of Health and Human Services to develop recommendations for correcting the disparities in the computation of Social Security benefits (commonly referred to as the notch problem) which were caused by the enactment (in 1977) of the present formula for computing primary insurance amounts under title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. RINALDO, Mr. FRANK, Mr. SMITH of New Jersey, Mr. ACKERMAN, Mr. ADDABBO, Mr. APPLEGATE, Mr. BENNETT, Mr. BERMAN, Mr. BIAGGI, Mrs. BURTON of California, Mr. CARR, Mr. CLINGER, Mr. CONYERS, Mr. DELLUMS, Mr. DEWINE, Mr. DICKINSON, Mr. DUNCAN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLORIO, Mr. GEJDENSON, Mr. GILMAN, Mr. SAM B. HALL, Jr., Mr. HAWKINS, Mr. HERTEL of Michigan, Mr. HORTON, Mr. JONES of North Carolina, Mr. KANJORSKI, Mr. KOLTER, Mr. KOSTMAYER, Mr. LANTOS, Mr. LIGHTFOOT, Mr. MCDADE, Mr. MCKERNAN, Mr. MARKEY, Mr. MAVROULES, Mr. MICA, Ms. MIKULSKI, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MRAZEK, Mr. MURPHY, Mr. NEAL, Ms. OAKAR, Mr. RAHALL, Mr. ROSE, Mrs. ROUKEMA, Mr. ST GERMAIN, Mr. SCHEUER, Mr. SCHUMER, Mr. SENSENBRENNER, Mr. SHAW, Mr. SHELBY, Mr. SMITH of Forida, Mr. SOLARZ, Mr. STOKES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAXLER, Mr. VENTO, Mr. WISE, Mr. WORTLEY, Mr. YATRON, and Mr. YOUNG of Alaska):

H.R. 1917. A bill to amend title II of the Social Security Act to restore and protect the benefit levels of workers reaching age 65 in or after 1982 (and their widows and widowers) by eliminating the "notch" between those levels and the corresponding benefit levels of persons who reached age 65 before 1982; to the Committee on Ways and Means.

By Mr. ANDERSON:

H.R. 1918. A bill to amend title 38, United States Code, to provide a service pension of $150 per month for veterans of World War I and a pension of $100 per month for certain surviving spouses of such veterans; to the Committee on Veterans' Affairs.

By Mr. UDALL (for himself, Mr. MCCAIN, and Mr. RICHARDSON):

H.R. 1919. A bill to provide for the fiscal accountability in the allocation and expenditure of funds appropriated to the Bureau of Indian Affairs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL (for, himself, Mr. MCCAIN, Mr. RICHARDSON, and Mr. BATES):

H.R. 1920. A bill to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands and for other purposes; to the Committee on Interior and and Insular Affairs.

By Mr. VALENTINE:

H.R. 1921. A bill to authorize the Attorney General to make grants to States for the purpose of assisting local governments to purchase bulletproof vests for use by police officers; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 1922. A bill to amend the Employee Retirement Income Security Act of 1974 to facilitate recovery, in civil actions brought by participants and beneficiaries under employee benefit plans, of benefits wrongfully denied them under such plans, and to provide for recovery by such participants and beneficiaries of a reasonable attorney's fee and costs of the action in all cases in which such denials are arbitrary or capricious; to the Committee on Education and Labor.

By Mr. LUNDINE:

H.R. 1923. A bill to modernize the delivery of financial services; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCKINNEY:

H.R. 1924. A bill to protect the rights of individuals guaranteed by the Constitution of the United States and to prevent unwarranted invasion of their privacy by prohibiting the use of polygraph equipment for certain purposes; to the Committee on Education and Labor.

By. Mr. MINETA:

H.R. 1925. A bill to amend the Congressional Budget Act of 1974 to provide more equitable treatment of dedicated user taxes; to the Committee on Rules.

By Mr. PEASE:

H.R. 1926. A bill to improve the Trade Adjustment Assistance Program; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 1927. A bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. WATKINS:

H.R. 1928. A bill to establish as an executive department of the Government a Department of International Trade and Industry, to establish the National Oceanic and Atmospheric Administration and the Bureau of the Census as independent agencies, and for other purposes; jointly, to the Committees on Government Operations, Energy and Commerce, Foreign Affairs, Merchant Marine and Fisheries, Post Office and Civil Service, Science and Technology, and Ways and Means.

H.R. 1929. A bill regarding the convening of a White House Conference on International Trade; jointly to the Committees on Ways and Means and Foreign Affairs.

By Mr. FRANK:

H.J. Res. 223. Joint resolution designating September 1985 as "Pediculosis Prevention Month"; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H.J. Res. 224. Joint resolution authorizing the President to designate the 29th day in May of each year as "John Fitzgerald Kennedy Memorial Day"; to the Committee on Post Office and Civil Service.

By Mr. VENTO (for himself, Mr. FRANK, Mrs. COLLINS, Mr. MORRISON of Connecticut, Mrs. BURTON of California, Mr. TORRICELLI, Mr. HAYES, Mr. WIRTH, Mr. MILLER of California, Mr. BONIOR of Michigan, Mr. MURPHY, Mr. DYMALLY, Mr. SCHEUER, Mr. TOWNS, Mr. BEILENSON, Mr. GONZALEZ, Mr. SABO, Mr. MATSUI, Ms. KAPTUR, Mr. OWENS, Mr. WEISS, Mr. RUSSO, Mr. PENNY, Mr. EVANS of Illinois, Mr. SAVAGE, Mr. STARK, Mr. RAHALL, Mr. SMITH of Florida, Mr. BATES, Mr. LEHMAN of Florida, Mr. ADDABBO, Mr. MITCHELL, Mr. CONYERS, Mr. BERMAN, Mr. OBERSTAR, Mr. DWYER of New Jersey, Mr. SIKORSKI, Mr. RANGEL, Mr. GRAY of Illinois, and Mr. FLORIO):

H.J. Res. 225. Joint resolution entitled: The Hazardous Substances "Right To Know" Resolution; to the Committee on Education and Labor.

By Mr. JACOBS:

H.J. Res. 226. Joint resolution to designate April of each year as "National Parliamentary Law Month"; to the Committee on Post Office and Civil Service.

By Mr. DINGELL (for himself, Mr. BROOMFIELD, Mr. BROYHILL, Mr. FORD of Michigan, Mr. SCHUETTE, Mr. HERTEL of Michigan, Mr. HENRY, Mr. ANNUNZIO, Mr. FLORIO, Mr. WOLPE, Mr. LATTA, Mr. TRAXLER, Mr. CARR, Mr. KILDEE, Mr. MURTHA, Mr. SCHULZE, Mr. LUKEN, Mr. LEVIN of Michigan, Mr. BONIOR of Michigan, Mr. MADIGAN, Mr. CONYERS, Mr. HORTON, Mr. SHARP, Mr. CROCKETT, Mr. PURSELL, Mr. TRAFICANT, Mr. BRYANT, Mr. WALGREN, Mr. ROSE, Ms. KAPTUR, Mr. ECKART of Ohio, Mr. SIKORSKI, Mr. OBERSTAR, Mr. RICHARDSON, Mr. NOWAK, Mr. CONTE, Mr. COUGHLIN, Mr. BOEHLERT, Mr. YOUNG of Missouri, Mr. KINDNESS, and Mr. EVANS of Illinois):

H. Con. Res. 106. Concurrent resolution to express the sense of the Congress that the President respond to those trade practices of Japan that are adversely affecting the interstate commerce of the United States; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ROSTENKOWSKI (for himself, Mr. DUNCAN, Mr. PICKLE, Mr. RANGEL Mr. STARK, Mr. JACOBS, Mr. JENKINS, Mr. GEPHARDT, Mr. GUARINI, Mr. RUSSO, Mr. PEASE, Mr. MATSUI, Mr. ANTHONY, Mr. FLIPPO, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. COYNE, Mr. MOORE, Mr. CAMPBELL, and Mr. MCGRATH):

H. Con. Res. 107. Concurrent resolution to express the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to respond to unfair international trade practices of Japan; to the Committee on Ways and Means.

By Mr. KOSTMAYER:

H. Con. Res. 108. Concurrent resolution to express the sense of the Congress that the President respond to unfair trade practices of Japan; to the Committee on Ways and Means.

By Mr. SHELBY:

H. Con. Res. 109. Concurrent resolution expressing the sense of Congress that the 1-percent fee charged by the Veterans' Administration to veterans obtaining a home loan guaranteed by the Veterans' Administration should not be increased; to the Committee on Veterans' Affairs.

By Mr. SOLARZ (for himself, Mr. HYDE, Mr. LEACH of Iowa, Mr. LAGOMARSINO, Mr. LANTOS, and Mr. TORRICELLI):

H. Con. Res. 110. Concurrent resolution expressing the sense of the Congress that the authorities on Taiwan should continue to cooperate fully in the case of Henry Liu and that an extradition agreement should be concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs; to the Committee on Foreign Affairs.

By Mr. WILLIAMS (for himself and Mr. MARLENEE):

H. Con. Res. 111. Concurrent resolution providing for acceptance of a statue of Jeannette Rankin presented by the State of Montana for placement in National Statuary Hall, and for other purposes; to the Committee on House Administration.

By Mr. HUCKABY (for himself and Mr. UDALL):

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress that the United States should enter into a joint high-level scientific study with the Soviet Union to determine the long-term climatic and environmental effects of a nuclear exchange; jointly, to the Committee on Science and Technology, Foreign Affairs, Armed Services, and Interior and Insular Affairs.

By Mr. LOTT:

H. Res. 120. Resolution to amend House rules to provide for the complete unedited, and uncensored broadcast coverage of House floor proceedings; to the Committee on Rules.

By Mr. MICHEL:

H. Res. 121. Resolution to seat Richard D. McIntyre; considered and referred to the Committee on House Administration.

By Mr. FLORIO (for himself and Mr. SIKORSKI):

H. Res. 122. Resolution expressing the sense of the House of Representatives in opposition to the proposed railroad retirement system benefit cuts proposed by the administration's budget; to the Committee on Energy and Commerce.

By Mr. DYMALLY.

H. Res. 123. Resolution expressing the sense of the House of Representatives that the President should encourage Papua New Guinea and Indonesia to resolve their political and economic differences and to adhere to policies of peaceful coexistence; to the Committee on Foreign Affairs.

By Mr. WHITEHURST.

H. Res. 124. Resolution to establish the Select Committee on Water Resources; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII.

61. The SPEAKER presented a memorial of the Legislature of the State of North Dakota, relative to Amtrak; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mrs. COLLINS, Mr. BERMAN, Mr. FRANK, Mr. DORGAN of North Dakota, and Mr. COYNE.

H.R. 18: Mr. KANJORSKI.

H.R. 21: Mr. MORRISON of Connecticut, Mr. BUSTAMANTE, and Mr. WHEAT.

H.R. 37: Mrs. BOGGS and Mr. FOGLIETTA.

H.R. 40: Mr. MURPHY and Mr. CHAPPELL.

H.R. 43: Mr. DYSON and Mr. RICHARDSON.

H.R. 44: Mr. LEVINE of California, Mr. ADDABBO, Mr. SPENCE, Mr. WHITLEY, and Mr. TRAFICANT.

H.R. 61: Ms. KAPTUR.

H.R. 65: Mr. HEFNER and Mr. HUGHES.

H.R. 66: Mr. TALLON, Mr. HOWARD, Mr. MORRISON of Washington, Mr. ANDERSON, Mr. WHITTAKER, Mr. ANDREWS, Mr. NEAL, and Mr. ROSE.

H.R. 67: Mr. TALLON, Mr. HOWARD, Mr. MORRISON of Washington, Mr. ANDERSON, Mr. WHITTAKER, Mr. ANDREWS, Mr. NEAL, and Mr. ROSE.

H.R. 110: Mr. BOEHLERT.

H.R. 147: Mr. HORTON, Mr. LOWRY of Washington, Mr. MATSUI, and Mr. OWENS.

H.R. 148: Mr. TRAXLER.

H.R. 149: Mr. BARNES.

H.R. 236: Mr. ACKERMAN.

H.R. 250: Mr. EDWARDS of Oklahoma.

H.R. 252: Mr. CHAPPELL.

H.R. 258: Mr. CHAPPELL.

H.R. 260: Mr. CHAPPELL.

H.R. 263: Mr. CHAPPELL.

H.R. 356: Mr. CONTE.

H.R. 357: Mr. BEDELL, Mrs. BURTON of California, Mr. WEISS, and Mr. MCHUGH.

H.R. 362: Mr. DE LUGO, Mr. ROSE, Mr. TOWNS, Mr. MATSUI, Mr. PENNY, Mr. DOWNEY of New York, Mr. FUSTER, Mr. BONIOR of Michigan, Mr. FORD of Michigan, Mr. MRAZEK, Mr. RANGEL, Mr. HOWARD, Mr. FAZIO, Mr. ADDABBO, Mr. MARTINEZ, Mr. LUNDINE, Mr. FAUNTROY, Mr. FROST, Mr. BROWN of California, Mr. RICHARDSON, Mr. CONYERS, Ms. KAPTUR, Mrs. KENNELLY, Mr. CROCKETT, Mr. OWENS, Mr. WEAVER, and Ms. OAKAR.

H.R. 439: Mr. FRANK, Mr. BERMAN, Mr. KINDNESS, and Mr. STAGGERS.

H.R. 441: Mr. FRANK, Mr. BERMAN, Mr. KINDNESS, and Mr. STAGGERS.

H.R. 442: Mr. ADDABBO, Mr. BEILENSON, and Mr. BROWN of California.

H.R. 479: Mr. BEILENSON, Mrs. BYRON, Mr. DICKS, Mr. HILLIS, Mr. KLECZKA, Mr. MCCAIN, Mr. RANGEL, and Mr. SYNAR.

H.R. 480: Mr. SABO.

H.R. 512: Mr. SEIBERLING.

H.R. 517: Mr. BARNES.

H.R. 531: Mr. BURTON of Indiana, Mr. BATEMAN, Mr. PURSELL, Mr. LOWRY of Washington, Mr. FEIGHAN, Mr. SCHUETTE, Mr. CARR, and Mr. GUARINI.

H.R. 580: Mr. FLORIO, Mr. DIXON, Mr. WHITLEY, Mr. WILLIAMS, Mr. MURPHY, Mr. WEAVER, Mr. WIRTH, Mr. ROGERS, and Mr. BARNARD.

H.R. 622: Mr. SUNIA, Mr. STENHOLM, Mr. MORRISON of Connecticut, Mr. WILSON, Mr. TORRICELLI, Mr. MILLER of California, and Mr. KOLBE.

H.R. 639: Mr. CROCKETT.

H.R. 640: Mr. CROCKETT.

H.R. 700: Mr. AKAKA, Mr. BENNETT, Mrs. BOGGS, Mr. BONKER, Mr. BROOKS, Mr. CARR, Mr. COLEMAN of Texas, Mr. DICKS, Mr. DOWNEY of New York, Mr. DYSON, Mr. GONZALEZ, Mr. KANJORSKI, Mr. LEHMAN of California, Mr. MCHUGH, Mr. MANTON, Mr. MAVROULES, Mr. MAZZOLI, Mr. SLATTERY, Mr. TRAFICANT, and Mr. WYDEN.

H.R. 704: Mr. BADHAM.

H.R. 719: Mr. BROWN of Colorado.

H.R. 769: Ms. MIKULSKI and Mr. KOLTER.

H.R. 770: Mr. WEAVER and Mr. STOKES.

H.R. 771: Ms. MIKULSKI, Mr. MITCHELL, Mr. MRAZEK, and Mr. MARTINEZ.

H.R. 773: Mr. ORTIZ, Mr. BREAUX, Mr. SMITH of New Hampshire, Mr. SHARP, Mr. MCCAIN, Mr. BLILEY, Mr. OLIN, Mr. DASCHLE, Mr. STUMP, Mr. PANETTA, Mr. OXLEY, Mr. SWINDALL, Mr. MONTGOMERY, Mr. DYMALLY, Mr. HENRY, Mr. DONNELLY, Mr. DANNEMEYER, Mr. SWIFT, Mr. HILLIS, Mr. LEWIS of California, Mr. ROBERT F. SMITH, Mr. SHELBY, Mr. CAMPBELL, Mr. CRANE, Mr. AUCOIN, Mr. BRUCE, Ms. SNOWE, Mr. RICHARDSON, Mr. DOWNEY of New York, Mr. WYLIE, Mr. PETRI, Mr. REID, Mr. PENNY, Mr. BUSTAMANTE, Mr. MOORE, Mr. ADDABBO, and Mr. COLEMAN of Texas.

H.R. 778: Mr. TORRICELLI, Mr. FAUNTROY, Mr. WAXMAN, Mr. LELAND, Mr. WALGREN, Mr. MILLER of Ohio, Mr. KOLTER, Mr. JACOBS, Mr. ROYBAL, Mr. SIKORSKI, Mr. CROCKETT, Mr. HUGHES, Mr. ACKERMAN, Mr. RUSSO, Mr. WEISS, Mr. WEAVER, Mr. ECKART of Ohio, Mr. TOWNS, Mr. ROBINSON, Mr. OWENS, Mr. WIRTH, Mr. MARTINEZ, Mrs. ROUKEMA, Mr. EVANS of Illinois, Mr. DIOGUARDI, and Mr. SAVAGE.

H.R. 797: Mr. COATS, Mr. DURBIN, Mr. GLICKMAN, Mr. BROOKS, Mr. DEWINE, Mr. FRENZEL, Mr. DASCHLE, Mr. PACKARD, Mrs. LLOYD, Mr. SABO, Mr. STENHOLM, Mr. CLINGER, Mr. BARNARD, and Mr. EVANS of Illinois.

H.R. 831: Mr. FEIGHAN, Mr. ECKART of Ohio, Mr. JACOBS, Mr. TORRICELLI, Mr. DOWDY of Mississippi, Mr. RAHALL, Mr. TALLON, Mr. MARTINEZ, Mr. BUSTAMANTE, Mr. MCCURDY, and Mr. STALLINGS.

H.R. 849: Mrs. BENTLEY, Mr. MARTINEZ, and Mr. EDGAR.

H.R. 893: Mr. WEAVER, Mr. DWYER of New Jersey, Mr. SAVAGE, Mr. KOLTER, Mr. RUSSO, Mr. FAZIO, and Mr. RICHARDSON.

H.R. 916: Mr. WORTLEY, Mr. DUNCAN, Ms. KAPTUR, Mr. GORDON, Mr. FROST, and Mr. LUNDINE.

H.R. 917: Mr. MURPHY, Mr. MRAZEK, and Mr. HAWKINS.

H.R. 935: Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. ECKART of Ohio, Mr. LUKEN, Mr. SIKORSKI, Mr. DONNELLY, Mr. MARTINEZ, Mr. WEISS, Mr. FISH, Mr. OLIN, Mr. RICHARDSON, Mrs. SCHROEDER, and Mrs. MARTIN of Illinois.

H.R. 963: Mr. CROCKETT, Mr. EDWARDS of California and Mr. DURBIN.

H.R. 965: Mr. CROCKETT, Mr. EDWARDS of California and Mr. DURBIN.

H.R. 966: Mr. CROCKETT, Mr. EDWARDS of California, and Mr. DURBIN.

H.R. 967: Mr. CROCKETT, Mr. EDWARDS of California, and Mr. DURBIN.

H.R. 968: Mr. LEHMAN of California.

H.R. 1017: Mr. DARDEN, Mr. DYSON, Mr. PARRIS, Mr. WIRTH, and Mr. DASCHLE.

H.R. 1038: Mr. MCGRATH.

H.R. 1081: Mr. ROYBAL and Mr. VENTO.

H.R. 1086: Mr. CRANE.

H.R. 1088: Mr. HARTNETT and Mr. HEFNER.

H.R. 1090: Mr. FISH, Ms. OAKAR, Mr. EDGAR, Mrs. JOHNSON, Mr. TORRES, Mr. MRAZEK, Mr. CONYERS, and Mr. MARTINEZ.

H.R. 1098: Mr. DURBIN, and Mr. RICHARDSON.

H.R. 1105: Mr. ACKERMAN.

H.R. 1130: Mrs. MARTIN of Illinois.

H.R. 1139: Mr. MURPHY.

H.R. 1197: Mr. ECKART of Ohio, Mr. DURBIN, and Mr. MRAZEK.

H.R. 1201: Mr. LELAND, Mr. DELLUMS, Mr. OWENS, Mr. STARK, Mr. BEILENSON, Mrs. SCHROEDER, Mr. NEAL, Mr. BOSCO, Mr. CONYERS, Mr. WEAVER, Mr. FAUNTROY, Mr. MURPHY, Mr. RICHARDSON, Mr. FRANK, Mr. WEISS, Mr. YATRON, Mr. PEASE, Mr. KOLBE, Mr. ECKART of Ohio, Mr. KILDEE, Mr. DURBIN, Mr. SIKORSKI, Ms. KAPTUR, Mr. TORRICELLI, Mr. TORRES, Mr. LIPINSKI, and Mr. SYNAR.

H.R. 1217: Mr. NIELSON of Utah.

H.R. 1229: Mr. WISE, Mr. WEISS, Mr. MINETA, and Mr. COYNE.

H.R. 1242: Mr. NICHOLS, Mr. GALLO, Mr. HOWARD, Mr. SUNIA, Mr. GIBBONS, Mr. IRELAND, Mr. DIOGUARDI, Ms. KAPTUR, Mr. ROSE, Mr. LEHMAN of Florida, Mr. MAZZOLI, Mr. WOLF, Mr. HUGHES, Mr. MRAZEK, Mr. SMITH of Florida, Mr. FUSTER, Mr. ADDABBO, Mr. MITCHELL, Mr. HERTEL of Michigan, Mr. GILMAN, Mr. EDWARDS of Oklahoma, Mr. CROCKETT, Mr. ROE, Mr. WEISS, Mr. SEIBERLING, Mr. FAZIO, Mr. RAHALL, Mr. TOWNS, and Mr. SAVAGE.

H.R. 1243: Mr. NICHOLS, Mr. MCGRATH, Mr. BERMAN, Mr. TOWNS, Mr. GALLO, Mr. HOWARD, Mr. SUNIA, Mr. GIBBONS, Mr. IRELAND, Mr. DIOGUARDI, Ms. KAPTUR, Mr. ROSE, Mr. LEHMAN of Florida, Mr. MAZZOLI, Mr. WOLF, Mr. HUGHES, Mr. MRAZEK, Mr. SMITH of Florida, Mr. ADDABBO, Mr. MITCHELL, Mr. HERTEL of Michigan, Mr. ROE, Mr. WEISS, Mr. SEIBERLING, Mr. FAZIO, Mr. RAHALL, Mr. ORTIZ, and Mr. SAVAGE.

H.R. 1257: Mr. DIOGUARDI.

H.R. 1272: Mr. FAUNTROY, Mr. WILSON, Mr. EDWARDS of California, Mr. HORTON, Mr. WHITEHURST, Mr. CHAPPIE, and Mrs. VUCANOVICH.

H.R. 1294: Mr. MARTINEZ, Mr. KOLTER, and Ms. OAKAR.

H.R. 1300: Mr. HUNTER and Mr. DELAY.

H.R. 1314: Mr. LAGOMARSINO, Mr. NEAL, and Mr. LOWRY of Washington.

H.R. 1327: Mr. SEIBERLING, Mr. OWENS, Mr. WHITEHURST, Mr. SMITH of Florida, Mr. RANGEL, and Mr. DAUB.

H.R. 1357: Mr. DYMALLY, Mr. DELLUMS, Mr. WHEAT, Mr. CONYERS, Mr. FAUNTROY, Mr. STOKES, Mr. BONIOR of Michigan, Mr. RANGEL, Mr. OWENS, Mrs. BOXER, Mr. TOWNS, Mrs. COLLINS, Mr. LELAND, Mr. CROCKETT, Mr. MITCHELL, Mr. DIXON, Mr. SAVAGE, and Mr. ACKERMAN.

H.R. 1358: Mr. DYMALLY, Mr. DELLUMS, Mr. WHEAT, Mr. CONYERS, Mr. FAUNTROY, Mr. STOKES, Mr. BONIOR of Michigan, Mr. RANGEL, Mr. OWENS, Mr. TOWNS, Mrs. COLLINS, Mr. LELAND, Mr. CROCKETT, Mr. MITCHELL, Mr. DIXON, and Mr. SAVAGE.

H.R. 1359: Mr. BADHAM.

H.R. 1392: Mr. KOLTER, Mr. DUNCAN, and Mr. BADHAM.

H.R. 1401: Mr. WYDEN, Mr. RAHALL, Mrs. COLLINS, Mr. HAWKINS, Mr. OWENS, Ms. KAPTUR, Mr. ROSE, Mr. KOLTER, Mr. KASTENMEIER, Mr. BOEHLERT, Mr. DELLUMS, Mr. STUDDS, and Mr. SABO.

H.R. 1402: Mr. RAHALL, Mrs. COLLINS, Mr. HAWKINS, Mr. OWENS, Ms. KAPTUR, Mr. ROSE, Mr. KASTENMEIER, Mr. KOLTER, and Mr. DELLUMS.

H.R. 1403: Mr. RAHALL, Mrs. COLLINS, Mr. HAWKINS, Mr. OWENS, Ms. KAPTUR, Mr. ROSE, Mr. KOLTER, Mr. KASTENMEIER, and Mr. DELLUMS.

H.R. 1423: Mr. BLAZ, Mr. OLIN, Mr. KOLTER, Mr. CHANDLER, Mr. STRANG, Mr. HORTON, Mr. GINGRICH, Mr. BURTON of Indiana, Mr. MONSON, Mr. HYDE, and Mr. BADHAM.

H.R. 1444: Mr. HEFTEL of Hawaii, Mr. DORGAN of North Dakota, Mr. PEASE, Mr. JACOBS, Mr. FAUNTROY, Mr. SEIBERLING, Mr. LELAND, Mr. SMITH of Florida, Mr. MILLER of Washington, Mrs. SCHROEDER, Mrs. SCHNEIDER, Mr. SENSENBRENNER, Mr. GARCIA, Mr. KILDEE, Mr. MITCHELL, Mr. LUNDINE, Mr. ACKERMAN, Mr. FRANK, Mr. BATES, Mr. BEDELL, Mr. TORRICELLI, Mr. WEISS, Mrs. COLLINS, Mr. OWENS, Mr. JEFFORDS, Mr. GUNDERSON, Mr. WEAVER, Mr. RAHALL, Mr. ECKART of Ohio, Mrs. BOXER, Ms. MIKULSKI, Mr. WHEAT, Mr. MARTINEZ, Mr. STUDDS, Mr. CROCKETT, Mr. GALLO, Mr. BEILENSON, Mr. SAVAGE, Mr. DASCHLE, Mr. WISE, Mr. WOLPE, Mr. REID, Mr. STALLINGS, Mr. DIOGUARDI, Mr. RIDGE, Mr. SWIFT, Mr. LEACH of Iowa, Mr. MILLER of California, Mr. VENTO, Mr. COELHO, Mr. CARPER, Mr. FLORIO, Mr. SCHUMER, Mr. ROE, Ms. SNOWE, Mr. BARTON of Texas, Mr. HAYES, Ms. KAPTUR, Mr. NOWAK, Mr. MURPHY, Mr. RUSSO, Mr. CLINGER, and Mr. WIRTH.

H.R. 1457: Mr. SAXTON, Mr. SOLOMON, Mr. BEVILL, Mr. WILSON, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. NOWAK, Mr. CRAIG, Mr. FRANK, and Mr. LAFALCE.

H.R. 1458: Mr. CLINGER, Mr. ORTIZ, and Mr. STALLINGS.

H.R. 1460: Mr. ATKINS, Mr. BONKER, Mrs. BOXER, Mr. BROWN of California, Mr. CARPER, Mr. CARR, Mr. COELHO, Mrs. COLLINS, Mr. DONNELLY, Mr. EDWARDS of California, Mr. ENGLISH, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. GONZALEZ, Mr. HEFNER, Ms. KAPTUR, Mr. MOODY, Ms. OAKAR, Mr. PANETTA, Mr. PEASE, Mr. RAHALL, Mrs. SCHNEIDER, Mr. SCHUMER, Mr. SEIBERLING, Mr. SIKORSKI, Mr. STUDDS, Mr. TALLON, Mr. TORRES, Mr. WALGREN, Mr. WEAVER, Mr. WEISS, Mr. YATRON, Mr. STARK, and Mr. BOUCHER.

H.R. 1515: Mr. RODINO.

H.R. 1517: Mr. BEDELL, Mr. BROWN of Colorado, Mr. COATS, Mr. COMBEST, Mr. CRAIG, Mr. FRANKLIN, Mr. FRENZEL, Mr. GRADISON, Mr. GROTBERG, Mr. HANSEN, Mr. HENRY, Mr. HILLIS, Mr. IRELAND, Mr. JACOBS, Mr. LEACH of Iowa, Mr. LEATH of Texas, Mr. LAGOMARSINO, Mr. MAVROULES, Mr. MONTGOMERY, Mr. MORRISON of Washington, Mr. NIELSON of Utah, Mr. RICHARDSON, Mr. STALLINGS, Mr. STRANG, Mr. TRAFICANT, Mr. WEBER, and Mr. WHITTAKER.

H.R. 1519: Mr. FAUNTROY.

H.R. 1524: Mr. VENTO, Mr. TOWNS, Mr. CONYERS, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. SEIBERLING, Mr. EVANS of Illinois, and Mr. STALLINGS.

H.R. 1542: Mr. MURPHY, Mr. FUSTER, Mr. ROE, Mr. YATES, Mr. LEHMAN of Florida, Mr. WEISS, Mr. FRANK, Mr. LELAND, Mr. TOWNS, Mr. CONYERS, Mr. SMITH of Florida, Mr. SAVAGE, and Mr. BARNES.

H.R. 1550: Mr. HYDE and Mr. WHITEHURST.

H.R. 1556: Mr. STUDDS and Mr. WEISS.

H.R. 1572: Mr. BROWN of California and Mr. FUQUA.

H.R. 1579: Mr. UDALL, Mr. SMITH of Florida, Mr. HAYES, Mr. OBERSTAR, Mr. FRANK, Mr. HAWKINS, Ms. KAPTUR, Mr. LEHMAN of Florida, Mr. FUSTER, Mr. BERMAN, Mr. TOWNS, Mr. DONNELLY, Mr. WEISS, Mr. SAVAGE, Mr. KASTENMEIER, and Mr. RANGEL.

H.R. 1587: Mr. STARK, Mr. REGULA, Mr. MRAZEK, Mrs. LLOYD, Mr. SCHEUER, and Mr. SYNAR.

H.R. 1591: Mr. MADIGAN, Mr. JEFFORDS, Mr. HEFNER, Mr. WHITLEY, Mrs. BYRON, Mr. OLIN, Mr. WEBER, Mr. LEATH of Texas, Mr. MORRISON of Washington, Mr. LEACH of Iowa, and Mr. BOULTER.

H.R. 1593: Mr. KOLBE.

H.R. 1606: Mr. ACKERMAN and Mr. DOWNEY of New York.

H.R. 1630: Mr. REGULA and Mr. ROSE.

H.R. 1666: Mr. WEISS, Mr. RUSSO, Mr. FISH, Mr. MATSUI, Mr. LANTOS, and Mr. CONYERS.

H.R. 1679: Mr. RAHALL, Mr. HENDON, and Mr. BARTON of Texas.

H.R. 1706: Mr. BUSTAMANTE.

H.R. 1710: Mr. PEPPER, Mr. FAUNTROY, Mr. TOWNS, Mr. FUSTER, Mr. CONYERS, Mr. SMITH of Florida, Mr. LELAND, Mr. MATSUI, Mr. GARCIA, and Mr. FRANK.

H.R. 1730: Mr. WHITEHURST, Mr. FROST, Mr. WYDEN, Mr. HENRY, Mrs. VUCANOVICH, Mr. QUILLEN, Mr. WILSON, Mr. WALGREN, Mr. ROBERTS, and Mr. LAGOMARSINO.

H.J. Res. 3: Mr. ZSCHAU, Mr. ADDABBO, Mr. COUGHLIN, Mr. HAMILTON, Mrs. SCHNEIDER, Mr. DOWNEY of New York, Mr. DICKS, Mr. AUCOIN, Mr. ASPIN, Mr. SMITH of Iowa, Mr. MAVROULES, Mr. JEFFORDS, Mr. GREEN, Mr. STUDDS, Mr. BARNES, Mr. WOLPE, Mr. MILLER of California, Mr. BROWN of California, Mr. FRANK, Mr. EDWARDS of California, Mr. STARK, Mr. BEILENSON, Mr. EVANS of Illinois, Mr. HALL of Ohio, Mr. CLAY, Mr. CROCKETT, Mr. GEJDENSON, Mr. EDGAR, Mr. LOWRY of Washington, Mr. DORGAN of North Dakota, Mr. TORRICELLI, Mr. BERMAN, Mrs. BOXER, Mr. GARCIA, Mr. DELLUMS, Mr. LELAND, Mr. ROYBAL, Mr. KASTENMEIER, Mr. TOWNS, Mr. MORRISON of Connecticut, Mr. RAHALL, Mrs. COLLINS, Mr. BATES, Mr. SEIBERLING, Mr. WEISS, Mr. BONIOR of Michigan, Mr. MITCHELL, Mr. FAZIO, Ms. KAPTUR, Mr. SYNAR, Mr. FORD of Tennessee, Mr. LEHMAN of Florida, Mr. OWENS, Mr. MARTINEZ, Mr. DYMALLY, Mr. WYDEN, Mr. LUNDINE, Mr. PENNY, Mr. WALGREN, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. MCKINNEY, Mr. FORD of Michigan, Mr. SABO, Mr. RODINO, Mr. MINETA, Mr. DURBIN, Mr. BOSCO, Mr. CONYERS, Mr. RUSSO, Mr. MOAKLEY, Mr. VENTO, Mr. PANETTA, Mr. UDALL, Mr. WIRTH, Mr. HUGHES, Mr. KILDEE, Mr. FISH, Mrs. BURTON of California, Mr. FEIGHAN, Mr. PEASE, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. SAVAGE, Mr. WEAVER, Mr. MRAZEK, Mr. WHEAT, Mr. HOYER, Mr. OBERSTAR, Mrs. SCHROEDER, Mr. RICHARDSON, Mr. SHUMER, Mr. GLICKMAN, Mr. TRAXLER, Mr. WAXMAN, Ms. OAKER, Mr. FASCELL, Mr. LEVIN of Michigan, Mr. DIXON, Mr. DASCHLE, Mr. MATSUI, Mr. MOODY, Mr. NEAL, Mr. KOSTMAYER, Mr. FOGLIETTA, Mr. SIKORSKI, Mr. HOWARD, Mr. BONKER, and Mr. SMITH of Florida.

H.J. Res. 18: Mr. YOUNG of Florida.

H.J. Res. 27: Mr. PETRI.

H.J. Res. 33: Mr. NELSON of Florida, Mr. COMBEST, Mr. MACK, Mr. JEFFORDS, Mr. HUTTO, Mr. DIOGUARDI, Mr. CRANE, Mrs. KENNELLY, Mr. CHANDLER, Mr. ROBERT F. SMITH, Mr. GUNDERSON, Mr. HOPKINS, Mr. FRANKLIN, Mr. FIELDS, Mr. HENDON, Mrs. JOHNSON, Mr. COURTER, Mr. REGULA, Mr. MCKERNAN, Mr. STALLINGS, Mr. STRANG, Mr. APPLEGATE, Mr. CRAIG, Mr. CONYERS, Mr. MCMILLAN, Mr. BOSCO, Mr. BROOMFIELD, Mr. CARPER, Mr. DIXON, Mr. EVANS of Iowa, Mr. JENKINS, Mr. VENTO, Mr. SHAW, Mr. ORTIZ, Mr. HOYER, Mr. RAY, Mrs. MEYERS of Kansas, Mrs. SCHNEIDER, Mr. WALKER, Mr. BOEHLERT, Mr. COBEY, Mr. BARTON of Texas, Mr. MONSON, Mr. LUJAN, Mr. BEREUTER, Mr. MOORHEAD, Mr. PEPPER, Mr. KOLBE, Mr. HAMMERSCHMIDT, Mr. MCEWEN, Mr. CAMPBELL, Mr. RALPH M. HALL, Mr. HILER, Mr. MOAKLEY, Mr. COLEMAN of Texas, Mr. MCCOLLUM, Mr. MILLER of Washington, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. RUDD, Mr. BILIRAKIS, Mr. DENNY SMITH, Mrs. SMITH of Nebraska, Mr. SCHUETTE, Mr. LOWERY of California, Mrs. MARTIN of Illinois, Mr. GILMAN, Mr. AUCOIN, Mr. LOWRY of Washington, Mr. SPRATT, Mr. ROWLAND of Connecticut, Mr. MOODY, and Mr. SKEEN.

H.J. Res. 41: Mr. MCHUGH, Mr. WEBER, Mr. FUSTER, Mr. RAHALL, Mr. HENDON, Mr. ROSE, Mr. DUNCAN, Mr. WIRTH, and Mr. GRAY of Illinois.

H.J. Res. 76: Mr. SABO, Mr. HOWARD, Mr. JEFFORDS, Mr. STALLINGS, Mr. CARR, Mr. LOTT, Mr. CHENEY, Mr. REID, Mr. FRANK, Mr. RAY, Mr. APPLEGATE, Mr. SHAW, Mr. PEPPER, Mr. FOLEY, and Mr. PETRI.

H.J. Res. 101: Mr. MCMILLAN, Mr. DIOGUARDI, Mr. THOMAS of Georgia, and Mr. KOLTER.

H.J. Res. 104: Mr. BOUCHER, Mr. BROOMFIELD, Mr. CHANDLER, Mr. CROCKETT, Mr. DERRICK, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. EDWARDS of Oklahoma, Mr. GONZALEZ, Mr. GRADISON, Mr. KASTENMEIER, Mr. LATTA, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MACK, Mr. MACKAY, Mr. MONTGOMERY, Mr. NELSON of Florida, Ms. OAKAR, Mr. ROSE, Mr. SMITH of Iowa, Mr. SMITH of New Hampshire, Mr. SYNAR, Mr. TALLON, Mr. WALGREN, Mr. WOLF, Mr. MARKEY, Mr. QUILLEN, and Mr. LIPINSKI.

H.J. Res. 119: Mr. HOYER, Mr. TOWNS, Mr. JACOBS, Mr. HAYES, Mr. WIRTH, Mr. MITCHELL, Mr. DELLUMS, Mr. SEIBERLING, Mr. KASTENMEIER, Mr. SYNAR, Mr. FRANK, Mrs. SCHROEDER, Mr. SCHEUER, Mr. HOWARD, Mr. DWYER of New Jersey, Mr. RANGEL, Mr. ADDABBO, Mr. TORRICELLI, Mr. WEAVER, Mr. MARTINEZ, Mr. VENTO, Mr. EDWARDS of California, Mr. MINETA, Mr. FORD of Michigan, Mr. WOLPE, Mr. CROCKETT, Mr. PANETTA, Mr. FORD of Tennessee, and Mr. WHEAT.

H.J. Res. 123: Mr. HOYER, Mr. GINGRICH, Mr. HOPKINS, Mr. WHITLEY, Mr. WOLPE, Mr. WHITTEN, Mr. YATRON, Mr. TRAFICANT, Mr. THOMAS of Georgia, Mr. BORSKI, Mr. SUNDQUIST, Mr. TAUKE, Mr. TRAXLER, Mr. CLINGER, Ms. OAKAR, Mr. STANGELAND, Mr. TAUZIN, Mr. MCMILLAN, Mr. RINALDO, Mr. MOODY, Mr. SOLARZ, Mr. BRYANT, Mr. MINETA, Mr. MCCOLLUM, Mr. RICHARDSON, Mr. ROBINSON, Mr. STALLINGS, Mr. RAY, Mr. RUDD, Ms. SNOWE, Mr. SWINDALL, Mr. MCDADE, Mr. MACKAY, Mr. SLAUGHTER, Mr. SHAW, Mr. SNYDER, Mr. SILJANDER, Mr. BUSTAMANTE, Mr. STRATTON, Mr. LOEFFLER, Mr. DE LA GARZA, Mr. LEWIS of California, Mr. RAHALL, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEACH of Iowa, Mr. LUKEN, Mr. KEMP, Mr. KASTENMEIER, Mr. SWIFT, Mr. HOWARD, Mrs. JOHNSON, Mr. HERTEL of Michigan, Mr. HEFNER, Mr. KRAMER, Mr. HAMMERSCHMIDT, Mr. GROTBERG, Mr. GRAY of Illinois, Mr. GEPHARDT, Mr. OLIN, Mr. BROOMFIELD, Mr. BARTON of Texas, Mr. BROOKS, Mr. KINDNESS, Mr. LIVINGSTON, Mr. MACK, Mr. LEVINE of California, Mr. MAVROULES.

H.J. Res. 126: Mr. RANGEL, and Mr. TORRICELLI.

H.J. Res. 127: Mr. MURPHY, Mr. MARTINEZ, and Mr. KOLTER.

H.J. Res. 128: Mr. CLAY and Mr. PASHAYAN.

H.J. Res. 142: Mr. DIXON, Mr. MORRISON of Connecticut, Mr. DIOGUARDI, Mr. QUILLEN, Mr. WAXMAN, Mr. JONES of Oklahoma, Mr. BATEMAN, Mr. MCCAIN, Mr. BENNETT, Mr. CHANDLER, Mr. SAVAGE, Mr. LEHMAN of California, Mr. BRYANT, Mr. WHITEHURST, and Mr. ADDABBO.

H.J. Res. 161: Mr. MORRISON of Washington.

H.J. Res. 178: Mr. LANTOS, Mr. WEISS, Mr. SAVAGE, Mr. ORTIZ, Mr. FEIGHAN, Mr. WAXMAN, Mr. ADDABBO, Mr. ROE, Mr. MOODY, Mr. FROST, Mr. HORTON, Mr. SUNIA, Mr. NEAL, Mr. RAHALL, Mr. SMITH of Florida, Mr. MITCHELL, Mrs. BOXER, Mr. MCGRATH, Mr. CONTE, Mr. HATCHER, Mr. BOSCO, Mr. ANTHONY, Mrs. COLLINS, Mr. RUDD, Ms. KAPTUR, Mr. RICHARDSON, Mr. TALLON, Mr. QUILLEN, Mr. CHAPPIE, Mr. MURPHY, Mr. BERMAN, Mr. SIKORSKI, Mr. VALENTINE, Mr. RANGEL, Mr. DYSON, Mr. HUGHES, Mr. BATES, Mr. CAMPBELL, Mr. FUSTER, Mr. SCHUMER, Mr. KEMP, Mrs. KENNELLY, Mr. TOWNS, Mr. MCKERNAN, Mr. DUNCAN, Mr. STUMP, Mr. LELAND, Mr. GUARINI, Mr. WORTLEY, Mr. MOAKLEY, Mr. MCCAIN, Mr. BRYANT, Mr. CROCKETT, Mr. BUSTAMANTE, Mr. FLORIO, Mr. SCHEUER, Mr. OWENS, Mr. VENTO, Mr. HARTNETT, Mr. O'BRIEN, Mr. MARTINEZ, Mr. BROOKS, Mr. DEWINE, Ms. OAKAR, Mr. ROGERS, Mr. KOLTER, Mr. FISH, Mr. LUKEN, and Mr. SABO.

H.J. Res. 182: Mr. VENTO, Mr. BONIOR of Michigan, Mr. MURPHY, Mr. HARTNETT, and Mr. FISH.

H.J. Res. 189: Mr. DENNY SMITH, Mr. DASCHLE, Mr. GRAY of Illinois, and Mr. ANDERSON.

H.J. Res. 190: Mr. BUSTAMANTE.

H.J. Res. 195: Mr. HEFTEL of Hawaii, Mrs. JOHNSON, Mr. MICA, Mr. SABO, and Mr. OLIN.

H.J. Res. 202: Mr. SMITH of Florida, Mr. ADDABBO, Mr. BERMAN, Mr. GRAY of Illinois, Mr. DE LA GARZA, Mr. FAUNTROY, Mr. RANGEL, Mr. SUNIA, and Ms. OAKAR.

H. Con. Res. 34: Mr. DASCHLE.

H. Con. Res 36: Mr. ACKERMAN, Mr. BEDELL, Mr. CONYERS, Mr. LOWRY of Washington, Mr. MCHUGH, Mr. MATSUI, Mr. PEASE, Mrs. SCHNEIDER, Mr. WIRTH, Mr. WOLPE, Mr. TORRICELLI, Mr. VENTO, and Mr. LELAND.

H. Con. Res. 40: Ms. FIEDLER, Mr. SCHUETTE, and Mr. CARPER.

H. Con. Res. 57: Mr. COATS and Mr. FISH.

H. Con. Res. 63: Mr. RICHARDSON and Mrs. JOHNSON.

H. Con. Res. 67: Mr. MRAZEK.

H. Con. Res. 69: Mr. SLATTERY, Mr. UDALL, Mr. YOUNG of Alaska, Mr. COURTER, Mr. WHITEHURST, Mr. FISH, Mr. DE LA GARZA, Mr. BUSTAMANTE, and Mr. QUILLEN.

H. Con. Res. 72: Mr. GREEN, Mr. WHITLEY, Mr. WEISS, Mr. HENDON, Mr. ANNUNZIO, and Mr. EDWARDS of Oklahoma.

H. Con. Res. 74: Mr. SHELBY, Mr. DIOGUARDI, Mr. KINDNESS, Mr. LIPINSKI, Mrs. SCHROEDER, Mrs. VUCANOVICH, Mr. GINGRICH, Mr. BONER of Tennessee, Mr. WOLF, Mr. WILSON, and Mr. ROEMER.

H. Con. Res. 90: Mr. COUGHLIN and Mr. RUDD.

H. Con. Res. 96: Mr. ROE, Mr. FRANK, Mr. HORTON, Mr. RAHALL, and Mr. PERKINS.

H. Con. Res. 100: Mr. FAUNTROY, Mr. MRAZEK, Mr. BARNES, Mr. HUGHES, Mr. SMITH of Florida, Mr. SABO, Mr. KLECZKA, Mr. WHITEHUST, Mr. FROST, and Mrs. BOXER.

H. Res. 36: Mr. MOODY, Mr. MITCHELL, Mr. DWYER of New Jersey, Mrs. KENNELLY, Mr. KOLTER, Mr. BOSCO, Mr. SCHUMER, Mr. GARCIA, Mr. CROCKETT, Mr. LENT, and Mr. EDGAR.

H. Res. 55: Mr. WEISS.

H. Res. 60: Mr. HILER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

73. By the SPEAKER: Petition of the City of Southgate, CA, relative to Naval construction; to the Committee on Armed Services.

74. Also, petition of the City of Jacksonville, FL, relative to Amtrak; to the Committee on Energy and Commerce.

75. Also, petition of the Catholic War Veterans, Washington, DC, relative to their 1985 legislative program; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

REDUCE THE PERCENTAGE OF FUNDS TO UNITED NATIONS

HON. ELDON RUDD
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RUDD. Mr. Speaker, I am today introducing legislation to reduce the percentage of the U.S. monetary contribution to the United Nations to a level not more than equal to the percentage of American nationals employed as professional staff in the Secretariats of the United Nations and its various agencies.

Although the United States makes more than $1 billion in assessed and voluntary contributions to the United Nations annually, about 25 percent of total U.N. spending, the United States furnishes only about 12 percent of its entire professional staff. I ask that an agency-by-agency breakdown of U.S. staffing and contributions appear in the RECORD.

The table follows:

NUMBER AND PERCENTAGE OF SELECTED PROFESSIONAL STAFF [1] IN THE SECRETARIATS OF THE UNITED NATIONS SYSTEM (AS OF DECEMBER 1984) AND PERCENTAGE OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET [2]

Agency	Total staff	U.S. staff	Percent U.S. staff	Percent U.S. contribution
United Nations	3,078	477	15.50	25.00
Food and Agriculture Organization	867	76	8.77	25.00
International Civil Aviation Organization	178	16	9.04	25.00
International Labor Organization	544	48	8.82	25.00
International Maritime Organization	58	3	5.17	4.96
International Telecommunication Union	182	13	7.14	7.63
United Nations Educational Scientific and Cultural Organization*	863	82	9.50	25.00
Universal Postal Union	58			4.70
Word Heath Organization	1,017	136	13.37	25.00
World Intellectual Property Organization	74	4	5.41	5.46
World Meteorological Organizational	85	7	8.24	24.51
International Atomic Energy Agency	563	96	17.05	25.85

*The U.S. withdrew from UNESCO on December 31, 1984.
[1] Internationally recruited and financed from the agencies' regular budget.
[2] Calendar year 1984/fiscal year 1985 for all except UPU and ITU which are calendar year 1984/fiscal year 1984.
Source: Department of State.

Dr. Arkady Shevchenko of the Soviet Union, who was undersecretary general for political and security council affairs until his defection to the United States in 1978, observed how very vital that a more prominent American presence be exercised at the U.N. Secretariat. He explained that the Secretariat is extremely important in setting the tone at the United Nations by drafting committee resolutions, setting up expert teams, preparing reports, and carrying on a wide variety of other tasks—including interpreting broadly worded U.N. resolutions—that affect the degree of politicization in the organization.

The Soviet Union is well aware that strategically placing its people in the United Nations bureaucracy can be of considerable use to its government. Through years of clever maneuvering, Moscow has captured key Secretariat posts, and along with them, access to personnel files—used by the KGB to recruit new agents—and the department of public information—used for propaganda purposes.

According to Dr. Shevchenko, more than a third of all Communist bloc nationals in the Secretariat are officers of their respective secret police under the direct guidance of the KGB. Their activities range from direct recruitment of Secretariat employees, gathering information of a political nature from U.S. employees and diplomats, to using the United Nations for espionage activities throughout the United States.

FBI attempts to monitor the activities of Soviet Secretariat employees are greatly hampered by the privileges conferred by the U.N. headquarters agreement, which allows all U.N. employees—unlike mission personnel—to travel freely anywhere in the United Nations. Dr. Shevchenko confirmed this saying that Soviet KGB agents in the Secretariat take advantage of this privilege frequently to conduct high technology espionage actions.

The Soviet Union has been remarkably successful in increasing its numbers in the high-level posts of the Secretariat. In 1977, the Soviets had about 12.7 percent of their staff in senior level posts compared to 10.5 percent for the United States. By 1983, they had increased their control to 15 percent, whereas the number of posts held by Americans actually fell to 9.7 percent.

Although the United Nations often serves their purposes, the Soviets are nevertheless stingy with their monetary contributions. In 1981, they paid only 4.21 percent of the costs—voluntary or assessed—of the U.N., despite their commitment to pay about 10 percent. The American taxpayers contributed about 25 percent.

The American taxpayer has been far too patient in supporting the United Nations, which has become a forum for Soviet propaganda. It has failed its basic mission to keep the peace. Since 1945, it has failed to prevent or even resolve satisfactorily over 100 conflicts, including those in Hungary, Czechoslovakia, Lebanon, and Afghanistan. If we aren't willing to end our support for this organization, then we ought to at least cut our contributions and end the ability of our adversaries to use the organization as a base for espionage and propaganda. We ought to make our contribution proportionate to the share of Americans employed at the United Nations.

I urge my colleagues to join me in supporting this resolution. I ask that it be printed in the RECORD at this point:

H.R. 1908

A bill to reduce the percentage of the United States monetary contribution to the United Nations and its affiliated agencies to a percentage that is no greater than the percentage of United States nationals employed by the United Nations and its affiliated agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) United States taxpayers pour more than $1,000,000,000 each year into the United Nations for part of the salaries and office operating costs of thousands of foreign nationals employed by the United Nations;

(2) many of these foreign nationals are using the United Nations as a forum for Soviet propaganda and anti-American activity; and

(3) United States nationals are grossly underrepresented in key staff positions of the United Nations.

SEC. 2. LIMITATION ON UNITED STATES CONTRIBUTION TO THE UNITED NATIONS AND ITS AFFILIATED AGENCIES.

(a) LIMITATION.—Notwithstanding any other provision of law, appropriated funds may not be expended for payment of a voluntary or assessed contribution to any United Nations agency if that expenditure would cause the total amount expended for contributions by the United States, on either an assessed or voluntary basis, to that United Nations agency (for any fiscal year of that agency) to exceed the amount which bears the same ratio to the aggregate amount of assessed and voluntary contributions made by all countries to that agency (for that fiscal year) as the number of United States nationals employed as professionals by the secretariat of that agency bears to the total number of professionals employed in such secretariat as of the time of the proposed expenditure.

(b) DEFINITION.—As used in this section, the term "United Nations agency" means the United Nations or any of its affiliated agencies, but does not include any United States peacekeeping force.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

"OPERATION MATCH" VETERANS AND EMPLOYERS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FLORIO. Mr. Speaker, the Emergency Veterans Jobs Training Act [EVJTA] is a program through which some 24,000 veterans have been employed nationwide. It is a program which has allowed for the employment of many Korean and Vietnam era veterans for whom hope had been running out. The entire House Veterans Affairs Committee, under the leadership of its Chairman G.V. "SONNY" MONTGOMERY, can be justifiably proud of the efforts regarding this exemplary program.

Mr. Speaker, some 3 weeks ago I sponsored a major "job fair" in the First Congressional District of New Jersey. The record of New Jersey in utilizing the benefits offered by the Jobs Training Act has been very poor. The aim of my effort was to increase the awareness of thousands of unemployed veterans in southern New Jersey as to the advantages offered by the EVJTA. In effect, what transpired was the largest veterans job fair ever to be held in New Jersey. "Operation Match," as we called it, was a very successful event. It very graphically demonstrated both the positive aspects of the EVJTA and the fact that New Jersey has been lagging in the program's implementation.

Mr. Speaker, following Operation Match I testified before the Education, Training and Employment Subcommittee of the House Veterans' Affairs Committee. Chairman TOM DASCHLE of that subcommittee very astutely pointed out during the hearing that the problem of outreach is a national one. Although the program has been a success, there are many areas which can and will be improved. Chairman DASCHLE's role in the future implementation of the program's continuance will be a vital and necessary influence on its success. I am quite confident of the future of EVJTA with TOM DASCHLE's support and determination.

I would like to submit my testimony before the subcommittee as it pertained to Operation Match. If there are other Members of Congress with similar difficulties as we in New Jersey experience, I would like to make the mechanics of this successful event available to them. The veterans of your district could well benefit from such an operation. I am hopeful that the future will see many veterans, nationally, become aware of the program due to our efforts.

Mr. Speaker, the testimony follows:

STATEMENT OF HON. JAMES J. FLORIO TO SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT TO THE HOUSE VETERANS' AFFAIRS COMMITTEE

Thank you, Mr. Chairman. I am happy to be here with you today, this time as a witness, rather than a subcommittee member. It is indicative of the importance of my report that we are here in these somewhat unusual circumstances.

I am honored to be among our colleagues who have cosponsored legislation which you have introduced calling for the extension of the Emergency Veterans Job Training Act. H.R. 1408, the Veterans Employment Amendments of 1985, will allow even more veterans to register and participate in the valuable training and employment program.

Mr. Chairman, I speak to you today from firsthand knowledge of the situation of the Job Training Act as it exists in the state of New Jersey. Last week, on March 11, I sponsored with the Veterans Administration and the New Jersey Department of Labor an event which I believe may be relevant to all of us. "Operation Match: Veterans and Employers" was a one day event which in effect was the largest veterans job fair of its type ever to be held in New Jersey. While the scope of its success is still being measured, there were several important lessons which we learned.

The primary fact of the matter remains that there are many hundreds of veterans out there who are still unemployed. Nearly 750 veterans turned out for Operation Match, a number of which was in our estimate quite large for our area in southern New Jersey. Many of the veterans were lacking complete information about appropriate procedures to follow to register for the program or even that for those purposes the program had in fact expired for new registrants. In short, it was quite apparent that a great deal more of what has been termed "outreach" needed to be done.

Fortunately, the large numbers of veterans attending were able to benefit from the hard work done by those organizing the event. Operation Match saw some 107 employers in attendance that day at Camden County College. Through the work of the Camden County offices of employment and training we were able to insure that each employer received three follow-up phone calls after having signaled his initial interest in attending. It was this type of persistence which made the event successful.

I am told that having over 100 employers present at a job fair is nearly an unprecedented occurrence. It was indeed fortunate that we did have that many prospective jobs available so as to better service the large number of veterans. But, Mr. Chairman, it was not only for the jobs that the veterans came to Operation Match. It was for other needs as well. In the areas dedicated to the national and local veterans service organizations, State agent orange commission, educational service desk and others, there was always a constant flow of traffic.

Without the hard work of the people of the Veterans Administration, Camden County, the State Department of Labor, and various veterans organizations, it is doubtful that Operation Match would be as successful as it was. I am confident that after the full figures are gathered—those that will indicate exactly how many jobs were filled on March 11—that we will be able to see a significant impact upon the total New Jersey jobs filled through the Emergency Veterans Job Training Act.

Mr. Chairman, I strongly support an extension of the Emergency Veterans Job Training Act as called for by H.R. 1408. It is important that the hundreds of veterans I met at Operation Match last week be given the added opportunities that the extension will offer them to find and maintain a job. I cannot emphasize the importance of "outreach" and the real needs associated with veterans who are unemployed. One cannot do enough—it is that simple.

For Operation Match we aired a television public service announcement featuring Ron Jaworski, quarterback of the Philadelphia Eagles, and myself, urging veterans to attend the event on March 11. That same PSA was distributed to some 22 radio stations in the Delaware valley area and, in fact, the soundtrack received relatively significant amounts of air time. We worked continuously with the veterans service organizations and all parties involved to insure that as many veterans as possible learned of Operation Match. Mr. Chairman, although we were successful I am sure that many more veterans are "out there" who were not reached by our messages. This is why this legislation is so important to all of us.

I would like to recommend that provisions be made in the upcoming extension of the Act to increase the amount of "outreach" being done. I am convinced, after what I experienced last week, that there are many thousands of veterans who have not yet benefited from the provisions of this legislation. Mr. Chairman, I would be more than willing to share our plans and ideas which created Operation Match with any Member. In my view, we have developed a textbook approach to meeting the needs of veterans in our area, and if there is any Member who feels that our experience would be helpful to him I would gladly confer with him.

Thank you very much, Mr. Chairman, for this opportunity to tell the subcommittee of our efforts to implement this program. I would be happy to answer any questions which you or the subcommittee may have.●

ST. PATRICK'S DAY 1985—AND STILL NO PEACE IN NORTHERN IRELAND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. GILMAN. Mr. Speaker, this past March 16 and 17, I was pleased and honored to be able to participate in the festivities marking St. Patrick's Day. Each year Americans of all ethnic groups pay tribute to the rich traditions of the nation and people of Ireland and to the vast contributions made by the 40 million Irish Americans toward the health and prosperity of our great Nation. And yet, as we participated in this joyous occasion, as we donned the green and joined hands in churches and parades across the Nation, our thoughts turned to the continuing tragedy of the violence in Northern Ireland. Indeed, as we note the passage of yet another St. Patrick's Day, peace, justice, freedom, and prosperity continues to elude many in that troubled corner of the Emerald Isle.

The past 3 months have seen some encouraging developments, and some frustrations, in our efforts to achieve a real and lasting peace in Northern Ireland. On February 20, 1985, British Prime Minister Margaret Thatcher addressed a joint meeting of Congress. I was gravely disappointed that Mrs. Thatcher did not take advantage of this unique opportunity and chose instead, to decline an invitation to meet with concerned Members of Congress to discuss the situation in Northern Ireland. I would have especially liked to learn Mrs. Thatcher's specific reasons for rejecting the New Ireland Forum and inquire whether or not she would be amenable to any further exploration of the forum's recommendations.

More recently I had an opportunity to meet with the Secretary of State for Northern Ireland, the Right Honorable Douglas Hurd, during his recent visit to the United States. Just prior to Secretary Hurd's arrival here, the British press reported that Ireland and Britain had made substantive progress toward achieving peace in Northern Ireland. While we here in Congress were very heartened by these reports, Secretary Hurd was careful to note that it would be some time yet before we know whether or not the continuing dialog between Dublin, London, and Belfast, will have any practical results. I am certain that I am not alone in my wish for a successful conclusion to these negotiations and my hope that next St. Patrick's Day will see peace and justice for all, in Northern Ireland.

Our outrage at the injustices suffered by the Catholic minority in Northern Ireland and our prayers for peace in that troubled land, were expressed most eloquently in a homily by Archbishop John J. O'Connor delivered during St. Patrick's Day Mass, at St. Patrick's Cathedral in New York City, on March 16, 1985. I commend the full text of the archbishop's to my colleagues' attention:

ST. PATRICK'S DAY MASS, 1985

(By Archbishop John J. O'Connor)

Once again there are far too many distinguished visitors here to risk singling out any. I want to thank my brother Bishops for being here and my brother priests. I am very happy that the Scriptures today were read by two Christian Brothers since I owe so much of my vocation to the Christian Brothers and we are particularly pleased that our senior Archbishop, Archbishop Maguire, retired Coadjutor of this Archdiocese, is here and Bishop Furlong, one of the most senior and beloved bishops in the United States.

Many a tourist passes him by today without a glance and even the New Yorkers, aware of his presence, are dwindling in numbers. But Father Francis Duffy still stands watch in Times Square, a symbol of the 165th Regiment of New York, the famous Fighting 69th, of whom could well be said what was said of the Marines at Iwo Jima, that among them uncommon valor was a common virtue. The legendary 69th was highly instrumental in bringing the St. Patrick's Day Parade through its years of infancy. They are with us today and we are grateful that they are. We shall be remembering them and particularly their fallen numbers in a very special way in this Mass. The statue of the extraordinarily legendary Father Francis P. Duffy is the only statue dedicated to a priest in the history of New York that stands on public property and well deserved the honor.

We are equally grateful for the presence of the Ancient Order of Hibernians who did so much for the early Church of New York and so very much to launch the St. Patrick's Day Parade from the outset. I'm wearing today beneath my vestments the Cross of Archbishop John Hughes of the County of Tyrone, the first Archbishop of New York. And when the old St. Patrick's Cathedral was in danger of being burned and looted during the nativist riots of 1844, Archbishop Hughes called one thousand men of the Ancient Order of Hibernians to protect the Cathedral and so they did. A plaque still stands in the Old St. Patrick's Cathedral that they defended and it reads—"Erected to the memory of members of the Ancient Order of Hibernians of the City of New York who in April 1844, at the call of the Most Reverend John Hughes, rallied to the defense of the Cathedral when it was threatened by the forces of bigotry and intolerance." Many years later the AOH gave a magnificent chalice to Cardinal Farley, Archbishop of New York, and that is the chalice that I will be using in this Mass today.

Now having with us both members of the Fighting 69th, whose heroism symbolizes that of millions of Americans who have served our country so well and of the thousands of Chaplains who have served those who have served—and having here the AOH, symbolic of the tremendous contributions made to our country not only by Irish Catholics and others but by all Catholics and many others, including those in the Military, all this provides an exceptionally appropriate setting for an announcement of historic import that I wish to make on this Saint Patrick's Day of 1985.

On November 24, 1917, because of World War I, Pope Benedict XV appointed another Patrick, Archbishop Patrick Hayes, then Archbishop of New York, as the first Bishop Ordinary, as it was called, for the Roman Catholic Armed Forces of the United States. From that day until today, through Cardinal Spellman, Cardinal Cooke and myself, the Archbishop of New York has had responsibility for all of our Catholic Armed Forces and Veterans Administration all over the world. I formally announce today, with humility, with great pleasure, that our Holy Father, Pope John Paul II, has decreed that His Excellency, here with us today, Archbishop Joseph T. Ryan, has been appointed Military Prelate or Bishop Ordinary of the Armed Forces in my place. For the first time since its birth in 1917, the Military Vicariate will cease to be associated with the Archbishop of New York. This announcement was decreed by the Holy See to be made public today, effective date will be March 25th, one week from Monday and one week and one year after I assumed the Archbishopric of New York. It is obvious that the Holy Father, recognizing my lack of familiarity with the Military, determined that the mantle should pass to another. I warmly congratulate my good friend and loyal comrade, Archbishop Joseph T. Ryan. As I told him before Mass, he is still my subject for one more week.

I have selected today's Gospel reading with deliberation. "Simon, son of John, Simon Peter, do you love me?" "Yes Lord, you know that I love you." "Simon, Simon, son of John, do you love me?" "Yes Lord, you know that I love you." "Simon, John's son, Simon, Simon whom I have called Peter, do you love me?" "Lord, you know everything, you know well that I love you."

There are marvelously profound analyses of these words to be found in the words of our scripture scholars and they give us solid foundation for explaining some of the most important teachings of our faith. But for our purposes today I suggest one very simple explanation of Our Lord's questioning Peter three times. He simply wanted Peter to say over and over and then over again, I love you. For Our Lord knew so very well the healing power of words as He knew the destructive power of words. He knew how devastated Peter had been when in bitter words he had three times denied even knowing Our Lord, much less being his friend. Now Our Lord would begin the healing process—let words of love restore what words of bitterness had destroyed. Let words of loyalty begin the process of reconciliation ruptured by words of betrayal.

There has been horrible pain in Ireland for a long, long time. There has been bitter suffering. There has been oppression met with violence and violence met with further oppression. Men and women, and whole families, teenagers and little children of all political positions and all religious persuasions have paid dearly for months, for years, for generations. The Holy Father has pleaded passionately for an end to it all—to the injustice, the oppression, the indignity and to the violence and the terrorism and the paralysis of fear. And he has called for the use of the word, the healing word, the reconciling word, the word of reasoned dialogue.

Today the majority of us in this Cathedral of Saint Patrick will receive the Living Word, the Son of God in Holy Communion. Before we do so, after I have held His Body aloft with the words, "Behold the Lamb of God, Behold Him Who Takes Away the Sins of the World", all will say the time-honored words, "Lord, I am not Worthy but Say Only the Word and my Soul shall be Healed." I know it is said that talk is cheap—it's not cheap when we use words of love for these are reflections of the Divine Word the Living Word who is Jesus the personification of love itself. Words are not cheap when we use the words of love because they demand of us so much sacrifice, make us so vulnerable.

I know it is argued by each party that other parties won't listen but it is terribly difficult to hear over the sound of guns or tanks. I know that willingness to talk mere words can be perceived as a sign of weakness. Christ was at His strongest, not His weakest, despite all appearances to the contrary, when He cried out from the Cross, "Father forgive them for they know not what they do." And the good thief hanging on the Cross, who has seemed to have been at his strongest when he was pillaging others, now at what appeared to be his weakest, was clearly stronger than ever before in his life when he asked forgiveness of Christ, the Son of God.

I know that sometimes the powerful of the world turn back conciliatory words with public scorn. Then the words must be repeated and repeated and repeated until the

shallowness of the rebuff defeats itself. The whole world recognizes that the weak are strong in their initiatives for peace and the strong are weak in the rejection of those initiatives.

My words today may please few and displease many. They are spoken from the depths of my being. They are a passionate plea to all. My actions today may please some and displease others. For following this Mass, as Archbishop of New York, having carefully and prayerfully conferred with hosts of advisors and listening to an exceptional number of validly concerned parties, I shall review the Parade from the steps in front of the Cathedral in honor of Saint Patrick and of all Irish everywhere of whatever religious persuasion. I will do this with profound respect for my beloved predecessor, His Eminence, Cardinal Cooke, who two years ago made in honor and all integrity, with malice toward none and charity toward all, the judgment which he deemed appropriate for the circumstances of the day. In that same spirit I will do today what I believe should be done. There are those good and sincere people who will be pained by my decision and who believe it implies support for violence and terrorism. Nothing could be farther from the truth. I reiterate and reemphasize publicly what I have said repeatedly before, I cannot accept, I cannot support or encourage support of the violence in Ireland by whomever perpetrated. And that includes both physical violence and moral violence. The violence of those who shed blood and engage in acts of terrorism, the violence of those who rob a people of justice, deprive them of their birthright and inflict on them continuing indignities. I cannot and I will not condemn or indict those who legitimately struggle for justice and for their human rights in Ireland. But I must condemn and I do condemn once again in the strongest terms, all acts of violence by whomever or against whomever they are perpetrated and all acts of terrorism as well.

And finally, it is not for me to determine the political procedures for ending the conflict. I am a bishop, not a politician. But the moral course is clear, the time has come and is long overdue for those great nations of the world, truly dedicated to liberty and justice for all, to raise their voices loudly and clearly and unmistakably in the forums of the world or privately and quietly but persuasively, as they see fit, to demand that the oppression end the slaughter cease. Which nation should lead the way but our own!

Now let us pray—let us pray this Feast Day of St. Patrick, that all parties to the conflict and we ourselves, will one day see in one another what St. Patrick saw wherever he looked.—You will recall the legend on his breastplate, Christ above me, Christ beneath me, Christ beside me, Christ before me, Christ behind me, Christ all around me, Christ in the mouth of friend and stranger. God Bless you All!●

THE FUEL CONSERVATION AND DEFICIT REDUCTION ACT OF 1985

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SEIBERLING. Mr. Speaker, I am today introducing legislation for the dual purpose of encouraging renewed concern about fuel conservation and reducing the deficit. The legislation would accomplish these objectives by increasing the Federal excise tax on gasoline by 10 cents per gallon and by earmarking the estimated $10 billion annual revenue from the tax to the Treasury General Fund.

Only a few short years ago, Americans waited in line for hours to fill up their gas tanks. The gasoline shortage prompted a wave of consumer and Government concern about energy conservation and encouraged the development and sale of fuel-efficient passenger cars. The current world oil glut has had a salutary impact on gasoline availability and gasoline prices. It has also had the unfortunate side effect of minimizing consumer concern about fuel economy and fuel conservation. Put simply, most Americans have forgotten the gas lines which were a fact of everyday life such a short time ago.

Over the past 4 years, gasoline prices have declined by some 20 cents per gallon. A 10-cent increase in the tax on gasoline would thus not put prices back to where they were at their peak, but would encourage Americans to pay a little more attention to fuel economy.

Just as important, by requiring that the $10 billion raised each year from the tax be put in the general fund, my bill would put a significant dent in the $200 billion deficits we are now facing. It is high time we stopped kidding ourselves about the ability of the economy to outgrow the deficit. I support spending reduction as one part of the deficit reduction battle. But spending cuts offer only a partial solution. If we are going to make an honest effort to cut the deficit before we return to economic stagnation, we are simply going to have to bite the bullet and find some means of raising revenue.

A 10-cents-per-gallon tax on gasoline is just such a measure. It offers a quick means of raising revenue. It is easily collectible. There are no hidden loopholes for the wealthy. And, in conjunction with other deficit reduction measures, it demonstrates that the Congress is prepared to make the hard choices necessary to cut the deficit before it cuts off economic growth.

Gasoline taxes are imposed on the producer and then passed on through the chain to the retail customer—the auto owner—by increased prices, ultimately at the gas pump. But there is reason to believe that producers affected by my bill would not end up passing all 10 cents of the tax on through the system to consumers. A 1983 study by the Congressional Research Service, for example, estimated that the 5-cents-per-gallon gas tax enacted in conjunction with the Surface Transportation Assistance Act of 1982, would result in a price increase of half that (2.5 cents per gallon) at the pump. So I am optimistic that, because of current market competition and the oil glut, a 10-cent tax will not be passed along in its entirety to the consumer. Even if the tax were passed on in full, it would still reclaim only one-half of the gasoline price drop over the last 4 years. And we cannot forget that our $200 billion deficit with its added billions in interest payments, is a"tax" of the worst kind on our economy and on the future economic health of the country.

The Congressional Budget Office's report to Congress on "Reducing the Deficit: Spending and Revenue Options" of Feburary 20, 1985, discussed the option of an additional gasoline tax as a deficit reduction measure. As the report notes, "compared to other countries, many of which levy taxes of well over $1 a gallon, the United States charges one of the lowest tax rates on motor fuel. Beyond raising revenue, an additonal motor fuel tax would reduce consumption of gasoline * * * and dependence on foreign oil * * *"

Mr. Speaker, only last February, Martin Feldstein, the former Chairman of the Council of Economic Advisers to President Reagan, endorsed a 10-cent tax increase on gasoline as one component of a deficit reduction plan. As Mr. Feldstein noted in his essay in Time Magazine of February 4, 1985, the reason that we have reached a deficit of nearly 5 percent of GNP under President Reagan is "that Government spending has increased sharply without a corresponding increase in taxes to pay for it." This is the legacy of the "supplyside" tax cuts, coupled with the massive increases in defense spending over the past 4 years. We have got to face up to this reality before it is too late to prevent economic collapse.

My bill, coupled with an equitable effort to cut spending, offers a significant step toward getting out of the deficit mess in which we now find ourselves. It is not an easy choice, and it will take strong will and political courage to enact. I hope we are up to that task, for the times demand it.

The full text of Martin Feldstein's analysis of the deficit follows:

[From Time, Feb. 4, 1985]

HOW TO GET THE DEFICIT UNDER $100 BILLION

(Martin Feldstein, who wrote the essay that follows, served from September 1982 to July 1984 as chairman of the Council of Economic Advisers in the Reagan Administration. One of the leading conservative economists, he nonetheless differed with the White House on several key budget and tax issues, in particular, what he saw as the grave danger posed by large deficits.)

There is now widespread agreement in the U.S. that the budget deficit is the most serious problem facing the American economy. This year it will exceed $200 billion, nearly

$1,000 for every man, woman and child in the nation. Without tough legislative action, the deficits will continue to increase and will reach nearly $300 billion a year by the end of the decade. If the U.S. is to continue to enjoy a healthy economic recovery and a rising standard of living, these huge deficits must be eliminated.

A $200 billion deficit this year means that the Government is adding $200 billion to our national debt—an increase that some day must be repaid or that we and our children and our children's children will have to pay interest on forever. The deficits projected for the next several years would increase the national debt by more than $1 trillion between now and the end of the decade. If this is allowed to happen, the increase in this decade alone will be greater than the entire rise in the 200 years since this nation began.

Any addition to the national debt increases the Government's future annual interest costs, even if the interest rates remain unchanged. A $200 billion increase in the national debt raises the Government's annual interest cost by some $20 billion a year. That makes the one-year increase in the Government's annual interest bill more than the entire cost of the food-stamp program. The interest that the Government pays on the national debt has soared from less than $130 per person in 1960 to more than $500 per person this year, and is heading to an annual total of almost $750 per person by 1989 even when expressed in constant 1985 dollars.

By raising interest costs on the national debt, large budget deficits make future tax increases inevitable. By 1989 nearly half of the income taxes that we pay will be used to finance interest payments on the Government debt.

Continued large deficits will also mean a slower rate of economic growth and a reduction in our future standard of living. Experience shows that the key to raising living standards is investment. New factories, offices and stores and new machinery and equipment increase the output produced by each employee. This higher productivity then permits the noninflationary increases in wages and salaries that enable employees to afford a higher standard of living. Budget deficits undermine such increases because they require the Government to borrow funds that would otherwise be available to finance investments in plant and equipment and in housing. The projected annual deficits of 5% of G.N.P. mean that Government borrowing would absorb more than half of these funds.

The competition for money between the Government and private borrowers inevitably raises the level of inflation-adjusted or real interest rates. Despite the recent fall in market interest rates, the real rates on home mortgages and corporate bonds today are about 10%—or more than three times the level in the 1970s. The principal reason for this increase has been the rise in the federal budget deficit. The high real interest rates caused by the budget deficit are also the direct source of the overwhelming trade deficit now hurting American exporters and those U.S. firms competing with imports. The rates have attracted funds to the U.S. from around the world, and the increased demand for dollars has raised the dollar's value by more than 60% since 1980.

The funds attracted to the U.S. from abroad add to the pool of funds available to finance investment in the country. This year the capital inflow will be enough to offset half of the Government's borrowing. But the current level of capital inflow cannot be sustained. Foreign assets in the U.S. have increased 50% since 1980. Even if U.S. interest rates remain high, foreign investors will eventually become saturated with dollar securities. When the inflow of funds shrinks or stops, investment in the U.S. will decline, and real interest rates here will rise even higher—unless Government borrowing has by then been brought under control.

The final major adverse effect of sustained large budget deficits is to increase the risk of an inflationary monetary policy. We already hear occasional calls for an easier monetary policy that its advocates incorrectly claim will stimulate growth, increase tax revenue and reduce future deficits. But experience shows that an excessive monetary expansion would not ony fail to achieve an increase in growth or a sustained reduction in real interest rates but would instead cause a rise in the rate of inflation.

The deficits that now loom so large were unimaginable just a few years ago. The U.S. had a balanced budget in 1960 and again in 1970. How did we get to a deficit of nearly 5% of G.N.P. in 1984? The answer in short is that Government spending has increased sharply without a corresponding increase in taxes to pay for it. But this short answer hides four important facts about the way that the composition of spending and taxes has changed.

First, the jump in spending on Social Security and Medicare—from 2.3% of G.N.P. in 1960 to 6.6% in 1984—accounts for virtually all of Government spending's increased share of G.N.P. Second, there has been an absolutely unprecedented cut of 12% since 1980 in the real outlays on all other nondefense programs. More specifically, spending on all such nondefense programs fell from 9.3% of G.N.P. in 1980 to 7.3% in 1984, and will decline to 6.2% by 1989 even if there are no further changes in the law. Third, the defense-spending share of G.N.P. fell by one-third between 1960 and 1980, and has only begun to recover its previous level. Defense spending took 9.7% of G.N.P. in 1960 and declined to only 5.3% of G.N.P. by 1980. Since then it has increased to 6.5% of G.N.P. Fourth, there has been a sharp decline in income taxes as a share of G.N.P. and a rapid rise in the payroll taxes used to finance Social Security and Medicare. While payroll taxes rose from 2.1% of G.N.P. in 1960 to 5.7% in 1984, all other taxes fell from 16.4% of G.N.P. to 13%.

The Reagan Administration inherited a deficit equal to 2% of G.N.P., but predicted that this could be eliminated in fours years by a combination of reductions in Government spending and the increased tax revenue that it calculated would result from a much improved rate of economic growth. President Reagan did cut total nondefense spending other than Social Security and Medicare by a very substantial $43 billion, measured in 1984 dollars. But these cuts were not enough to offset the continued rapid rise in Social Security and Medicare benefits, the sharp increase in defense outlays and the jump in interest on the national debt. Moreover, the 1981 and 1982 tax bills reduced total tax revenues by $90 billion in 1984 and by a projected $173 billion in 1987.

The President and his Cabinet budget group now recognize that growth alone cannot solve the deficit problem, and have called for very tough spending cuts aimed at shrinking the deficit to 2% G.N.P by 1988, or roughly $100 billion. The President's targets for budget savings properly included subsidy payments to affluent farmers, medical care for middle-class veterans, subsidized loans to small- and medium-size businesses and grants to states and local governments with budget surpluses. Nevertheless, the President's proposals cannot reduce the deficit adequately because they are restricted to a small part of total Government outlays.

To achieve the needed deficit reductions, every part of the budget will have to play a part. Congressional leaders in both parties have made it clear that their first change in the Administration's budget will be to slow the growth of defense spending. By 1989 currently projected defense outlays will be reduced by between $30 billion and $50 billion. But the combination of defense cuts that Congress will require and nondefense cuts that the Administration can achieve is not likely to reduce total spending on Government programs in 1989 by more than $100 billion. Although that would certainly be a major achievement, it would still leave an unacceptable deficit of nearly $200 billion at the end of the decade. To reduce the deficit to the Administration's target level of 2% of G.N.P. in 1988 and to achieve a balanced budget by early in the next decade, it will be necessary to go beyond these cuts in defense and nondefense programs.

Government outlays for Social Security benefits tripled in the past decade to exceed $175 billion in 1984, and are currently slated to reach $250 billion a year by 1989. During the 1970s, Social Security benefits per retiree rose 50% after adjusting for inflation, while the average earnings per employee did not increase at all after taking inflation into account. Social Security benefits are paid without regard to financial need, and most of the $175 billion of current Social Security benefits goes to individuals who are certainly not poor. Under current law, Social Security beneficiaries also receive an annual cost of living adjustment (COLA) that completely offsets the rise in consumer prices.

A simple way to reduce the future growth of Social Security benefits would be to modify the annual cost of living adjustment, restricting the automatic increase to the excess of inflation over 3%. Such a 3% threshold on the COLA would mean that benefits would rise by 1% if the inflation rate were 4%, by 2% if the rate were 5% and so forth. This would slow the growth of total benefits without denying anyone a Social Security benefit and without reducing the size of any retiree's monthly check.

Although each retiree would experience only a small reduction in the increase of monthly benefits, the cumulative effect on total benefit outlays would be very substantial. A 3% indexing threshold would reduce 1989 Social Security outlays by about $35 billion. And if the same principle for limiting indexing were extended to all other Federal Government retirement programs, the savings would rise to $50 billion a year by 1989.

A tough rethinking of the major domestic programs and a significant slowing of defense spending and of Social Security benefits can reduce total 1989 outlays—including interest on the national debt—by as much as $160 billion. But even with such savings, the deficit would still be more than $100 billion. There is thus no politically feasible way to achieve the Administration's own goal without increasing tax revenue. After the Congress has completed its search for spending cuts, it will be time to turn to the problem of raising revenue.

It is important that any revenue increase be achieved with as little damage to economic incentives and long-term growth as possible. That means that the current incentives to save and to invest should be preserved and strengthened. It also means that further increases in already high tax rates should be avoided.

Although there is never a good way to raise tax revenue, there are three ways that are better than other alternatives. The first would be a 3% threshold on the indexing of the income tax brackets. Taxes would continue to be adjusted every year to offset the effects of inflation but only to the extent that inflation exceeds 3%. This would parallel the 3% threshold on the indexing of Social Security benefits and would be a natural basis for a political trade between those who oppose any reduction in the growth of Social Security benefits and those who oppose any tax increase. By 1989 such a change in tax indexing would increase annual revenues by $35 billion.

A second source of additional revenue would be a tax on energy. The price of oil has declined more than 20% in the past three years, and is likely to go on falling. Even a relatively small 5% excise tax on energy could produce some $15 billion a year by the end of the decade. And an extra 10¢-per-gal. tax on gasoline—which would offset only half of the 20¢-per-gal. price decline that has occurred over the past four years—would raise $10 billion a year.

Finally, tax reform of the type the Treasury recently proposed provides a framework within which revenue can be raised, the incentives for good economic performance strengthened and overall tax fairness improved. I disagree with many specific features of the Treasury's proposal, particularly those that would hurt incentives for saving and business investment. But I believe that there is substantial virtue in the basic notion of changing the tax rules in a way that permits reducing currently high tax rates and simplifying compliance for the vast majority of taxpayers. It should not be difficult to design a tax reform that by changing some of the current tax deductions and special tax rules, keeps the distribution of tax payments unchanged, lowers the current high tax rates and raises as much as $50 billion a year more revenue.

In short, the economically desirable reductions in the budget deficit can be achieved politically by a comprehensive reduction in spending and a well-structured change in the tax rules. The combination of slower growth of defense spending and of Social Security benefits and actual reductions in a wide range of over-size, nondefense programs can lower outlays by $160 billion in 1989. But to reduce the deficit to less than 1% of G.N.P. and bring a balanced budget into sight will also require tax changes that raise 1989 tax revenues by $75 billion to $100 billion.

We are now at a critical point for the future of the American economy. Substantial progress has been made in the past four years in putting the economy on a path that can provide a rising standard of living for everyone. Inflation has been brought under control, incentives for saving and investment have been strengthened, and the burden of the Government on the private economy has been lightened. But that progress and the current bright prospects for the future can easily be destroyed by fiscal irresponsiblity. The next six months will test whether our political sytem can produce the tough fiscal legislation that is now required if we are to sustain the progress that has been made and realize the full potential of our economic future.●

REDUCTION OF UNLAWFUL DRUG DISTRIBUTION ACT OF 1985

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RUDD. Mr. Speaker, I am today introducing legislation to establish the death penalty for those convicted of unlawful drug dealing.

Every year, drug traffickers smuggle into the United States as much as 4.4 U.S. tons of heroin, 77.1 U.S. tons of cocaine, and 16,530 U.S. tons of marijuana. Despite our best efforts, we have been able to intercept only a small portion of these illicit drug imports. In 1983, the quantity of combined seizures of marijuana amounted to 13.4 U.S. tons, hardly enough to dent the estimated U.S. demand in that year of 14,997 to 15,428 U.S. tons.

In 1985, despite an American expenditure of $1.2 billion to combat the drug trade, marijuana and heroin imports are expected to jump 10 percent and cocaine 4 percent.

We haven't been able to put a dent into the drug trade with just heavy fines and jail terms. Those behind the drug trade have amassed fortunes amounting to as much as $4 billion, and the profits from all drug sales are enough to encourage people to take part.

We must send the signal that we are serious about combating the illicit drug trade, and that the ultimate penalty will be imposed for those that threaten the health and well-being of our citizens and the moral fiber of our Nation with their illegal drugs.

We must make it clear that those who engage in these crimes will also pay the price for threatening our national security. There is ample evidence that money from drug dealing supports terrorists, and that terrorists reciprocate with assistance to drug traffickers. Organized crime works hand in hand with these outlaws for their own profit. According to the State Department, there is even evidence that some Communist governments are also involved.

I urge my colleagues to join me as a cosponsor of this legislation to provide the option of a death penalty for drug trafficking. Let's make it clear that we're serious about putting a dent in, if not a halt to, the illegal drug trade. The text of the legislation follows:

H.R. 1907

A bill to amend the Controlled Substances Act to provide the penalty of death for continuing criminal enterprise and dangerous special drug offender offenses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reduction of Unlawful Drug Distribution Act of 1985".

SEC. 2. AVAILABILITY OF DEATH PENALTY.

(a) CONTINUING CRIMINAL ENTERPRISE.—Paragraph (1) of section 408(a) of the Controlled Substances Act (21 U.S.C. 848(a)) is amended by striking out "shall be sentenced" the first place it appears and all that follows through the end of such paragraph and inserting in lieu thereof "shall be sentenced to the penalty of death.".●

(b) DANGEROUS SPECIAL DRUG OFFENDER.—Section 409(b) of the Controlled Substances Act (21 U.S.C. 849(b)) is amended by striking out "the court shall sentence the defendant" and all that follows through "otherwise authorized by law for such felonious violation." and inserting in lieu thereof "the court shall sentence the defendant to the penalty of death.".●

MY PLEDGE TO AMERICA

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SENSENBRENNER. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and it's ladies auxiliary conduct the Voice of Democracy Scriptwriting Contest. This year more than 300,000 secondary school students participated in the contest competing for the six national scholarships.

I am pleased to present to the House the winning script from Wisconsin, written by Miss Roberta A. Kastelic of Elm Grove, WI. Miss Kastelic is a student of Divine Saviour Holy Angels School of Milwaukee.

Her script entitled, "My Pledge to America," is as follows:

MY PLEDGE TO AMERICA

"I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible with liberty and justice for all."

How often have we mumbled those words in grade school? Have we ever examined exactly what we were promising? Most Americans have not.

"I Pledge Allegiance—allegiance—the duty of a subject to this government. What can a 16 year old pledge? I do owe my country a great deal. But I do not see my nation as an amorphous conglomerate, rather, I see America through her everyday people.

Walking along Mainstreet America, I see the faces of the individuals to whom I make my pledge. As I pass an elderly man, I notice his tattered clothing and his overstuffed bag of belongings at his side. His face has worn with years of struggle. My eyes capture his, and I smile, in this smile I

pledge my services to the underprivileged. I can encourage participating in food drives and meal programs in poor communities.

Continuing down the road, a young boy stands waiting at the bus stop. As he finishes eating his candybar, he crumbles the wrapper into a ball, aims for the nearest wastebasket and shoots it through the hoop, "Good for two," he whispers to himself. "Good for you," I reply with a grin. He returns the smile and boards the bus. To him, I make my commitment to preserve the beauty of this nation. I dispose of materials in their proper containers; I can also take part in neighborhood cleanups. Simply picking up pieces of paper off the sidewalk makes my city more attractive.

Up ahead, I can see the old restaurant that closed two years ago. Its walls are now covered with graffiti. Within this mural of hate are two unwritten pledges I must take. First I oppose all vandalism. If I overhear my peers planning to spraypaint school walls, it is my duty to persuade them not to. My influence can make a difference. I must also assist the police in discovering the vandals if I know their identities. Among the large, white Ku Klux Klan lettering, profanities and swastikas, the evil of discrimination thrives. I am enraged at these injustices. I pledge equality to all men and women of all races, religious and ethnic backgrounds. Several people at my lunch table opposed black students eating with us, I openly invited these classmates to join us for lunch. For it takes both the white and black keys and to play the "Star Spangled Banner." By spreading equality, I can help foster a more harmonious America.

Across the street, a woman pushes her father's wheelchair. To them I pledge my services to the handicapped. I never thought about Mrs. Wilson down the street; she has been confined to her home for several years. I bet she would enjoy some company or perhaps I could take her for a walk. How many people in nursing homes are physically cared for, but left emotionally starved. Here, my services are needed.

On the corner of Mainstreet, past presidential campaign posters cover a telephone pole. All the efforts put forth in both campaigns reflect the importance of voting. Each vote holds tremendous power. When I am of voting age I shall dedicate myself to following the candidates and issues to form a rational decision. Until that time, I can encourage voters to take advantage of our electoral process.

Near the park I see Mr. Williams familiar face. Today must be the Veteran's meeting for he is proudly wearing his medals and hat. His eyes manifest pride and devotion to our nation. It is to him that I pledge my services in defense of this country. All the wondrous gifts this country has bestowed on me are worth protecting.

Sitting on a park bench are a grandmother and her son watching his child feed the pigeons. These individuals represent the past, present, and future generations to whom I make my pledges. When we learn from the past we can improve the present and prepare for the future. To these individuals I pledge myself; my mind, body, spirit. I promise to utilize my potential to better my country today and perfect it tomorrow!●

THE STAR-LEDGER ON THE MURDER OF MAJOR NICHOLSON

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. COURTER. Mr. Speaker, postwar agreements between the four allied powers occupying Germany guaranteed that broad sectors be left open to military observers from each country. But the construction of the Berlin Wall, and other events, led to an unwritteen Soviet policy of aggressive antagonism of U.S. military personnel. In a half dozen instances since 1980, our soldiers in unrestricted zones of East Germany have been beaten, fired upon, or had their vehicles rammed. By contrast, Soviet officers caught in restricted zones have always been detained briefly and released. The difference in policy reflects a revealing difference in political character.

Now an American major has been shot down, and left to bleed to death under close Soviet observation.

Allow me to enter into the RECORD this assessment of the circumstances of the murder which the editorial board of the the Star-Ledger, New Jersey's leading newspaper, made in the wake of the event. The column, dated March 28, 1985, follows:

[From the Star-Ledger, Mar. 28, 1985]

A CASE OF MURDER

The trigger-happy Soviet military has been at it again. The victim this time was an American soldier, Maj. Arthur Nicholson, Jr., shot down while on a routine mission in East Germany. The State Department has described his death as "murder" and the term seems literally correct.

The action is reminiscent of the shocking case of the unarmed South Korean jetliner shot down by the Soviets with enormous loss of life, also on the flimsiest of provocations. In the more recent case, the rationale appears even flimsier because the unarmed Maj. Nicholson was in an area opened by the Soviets to Western observers in February.

He was, nevertheless, shot and killed by a Soviet sentry. The major might have survived if the Soviets had not prevented an American driver who accompanied him from attempting to rescue him and provide him with emergency medical care.

The Soviet "excuse" for this conduct is no excuse at all, an official statement that Maj. Nicholson had been "caught red-handed" with a camera in East German territory. This neglects the fact that an international agreement permitted his presence in East Germany, just as the same provision permits Soviets to move freely in West Germany.

These reciprocal privileges were built into the Potsdam agreement that came at the end of World War II. In effect, they amount to a license for intelligence gathering by both sides.

The Soviets claimed, incorrectly according to the State Department, that Maj. Nicholson was in a restricted area when he was shot. But even were this claim true, custom dictates that force not be used even when an observer strays into a restricted area. Soviet soldiers who have wandered into restricted areas in West Germany in the past have not been harmed by the American officers who discovered them.

Whether these provisions contained in an agreement some 40 years ago still make sense in today's climate is an open question. In the light of the Soviet use of deadly force, a good claim could be made that it is time to abrogate the arrangement. Repeated incidents of Soviet harshness and brutality are having an adverse effect on each U.S. attempt to reach a better understanding for a peaceful world.●

LETTERS FROM STUDENTS IN EL CENTRO, CA

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HUNTER. Mr. Speaker, I rise today to call the House's attention to a fine group of my constituents, the students of Mary Owen in El Centro, CA. Recently, I had the pleasure of meeting with Mary and she brought me a group of letters from her students. I was impressed and touched by the sincerity and thoughtfulness with which the students expressed themselves. It reinforces my belief in the future of this country to know that America's youth does care and takes an interest in civics and government.

Mr. Speaker, I feel that these letters illustrate the fine character of students that our public school systems are producing. We hear so much about the problems in our educational system, but it is reassuring to know that there are teachers, parents, and students who are working together for the common good. I would like these letters to be included in today's CONGRESSIONAL RECORD, so that my colleagues in the House may see that American teenagers do want to have an input into the Federal Government.

DEAR CONGRESSMAN HUNTER: I would like to know how you feel about the college loans not being given to families who earn over $32,000 a year.

I am the sixth child in a family of seven and there are already two in a state university. I realize that in a few years I will probably be in college, but if I have to worry about my financial support, it will probably interfere with my academic progress. My family was insulted by the statements of the Secretary of Education concerning college students. I don't expect the government to pay my way to college, but it would be nice if I could borrow the money and pay it back. I don't feel that the students of today should be punished for the lack of responsibility of the students of the past.

Sincerely yours,

JASON MAH.

DEAR CONGRESSMAN HUNTER: I am in the eighth grade and my main concern is about my future and the future of America. What

is life going to be like for young people in ten years? Will robots and computers be doing the work of tomorrow? I am planning to go to college, but I wonder about job opportunities after I graduate. Will computers be doing the work of the business world? I am in favor of technology and science working together to find solutions for problems like disease and famine.

Sincerely,

VERONICA VALENCIA.

DEAR CONGRESSMAN HUNTER: I am worried about world peace. I know that our military must be strong, but I am not in favor of nuclear weapons. I feel that national security can be obtained by having a well-trained military and educated, compassionate, level-headed leaders.

I have faith in the government and I fully intend to do my part as a productive citizen.

Sincerely,

CYNTHIA CARLO.

DEAR MR. HUNTER: I am an American of Mexican descent. I am proud of my heritage, but I'm not proud of the way Mexico handled the D.E.A.-Enrique Camarena case.

Mr. Camarena lived in a community 15 miles from where I live, so I'm very aware of his kidnapping. Because we live so close to the Mexican border, we are concerned with our relationship with Mexico. We understand that it is important to have stable relations with Mexico, but at the same time, something should be done about Mexico's poor handling of the Camarena incident.

Sincerely,

RUBEN FELIX.

DEAR CONGRESSMAN HUNTER: I am a migrant student and at times I have worked in the fields. My dad is a full-time produce worker and the situation of the American farmer really concerns us. Imperial County is dependent on agriculture and although the farmers in our area are not in the same position as in the midwest, we are still worried about our security. I don't believe that the government should finance bad business, but on the other hand, I think something has to be done to help the farmers.

I do think it's the government's responsibility to help out the farmers of America.

Sincerely,

PEDRO CARRANZA, Jr.

DEAR MR. HUNTER: I am concerned that if a nuclear war ever broke out, we wouldn't be ready for it, and that's what worries me. I think we should get a hold of ourselves and support of increase military defense by cutting off welfare and other government services to those who don't really need it. I think Americans should have a sense of national pride.

Sincerely,

SALVADOR NUNEZ.

DEAR CONGRESSMAN HUNTER: I would like to ask you about Social Security. I have a personal concern in this area. When I was eight months old, my father had a blood clot burst in his head. As a result, he is now totally disabled. I now live with my mother and stepfather, but I am concerned about my father's income. The only source of income he has is Social Security. Is this a reliable source to depend upon? Is his future secure? Is the Social Security system stable?

Respectfully yours,

TRACY LUCAS.

Mr. Speaker, I took the liberty of editing these letters slightly for space, but I know that you can see the thought that went into them. I found it refreshing to see that young Americans do care and have sound ideas about the future direction of this country.

I know my colleagues join me in saluting Jason Mah, Veronica Valencia, Cynthia Carlo, Ruben Felix, Pedro Carranza, Jr., Salvador Nunez, Tracy Lucas, and their gifted and dedicated teacher, Mary Owen.●

TREATY COMPLIANCE AND ARMS CONTROL AGREEMENTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HAMILTON. Mr. Speaker, on February 1, 1985, the President released a report on "Soviet Non-Compliance with Arms Control Agreements." This report raised several questions regarding U.S. policy on arms control issues, and I wrote to Secretary of State Shultz on February 12 seeking further clarification. On March 22, I received a reply to that letter. I enclose the correspondence for my colleagues' attention.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 12, 1985.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: Several recent actions and statements by the United States, including the President's February 1, 1985 report on "Soviet Non-compliance with Arms Control Agreements", raise questions regarding U.S. policy on arms control issues which I would like clarified.

I would appreciate answers to the following questions:

1. What is the rationale for detailing charges in public of Soviet non-compliance with previous arms control agreements?

2. Why can't these matters of non-compliance be left to the Standing Consultative Commission (SCC) meetings in Geneva where they have been discussed for over a decade?

3. Why is a public report detailing charges any more likely than the SCC to resolve concerns of Soviet non-compliance?

4. What specific shortcomings of the SCC process led you to go public?

5. What purpose is served if this public reporting makes arms control agreement harder to get and then harder to ratify?

6. In your view, do any of the areas of Soviet non-compliance threaten the U.S. national security and in what specific ways?

7. What specific accusations of non-compliance are the Soviets making against the United States and what is our response?

8. Does the Strategic Defense Initiative (SDI) violate the ABM treaty?

9. At what specific point do you believe the SDI would be a violation of the ABM treaty? With testing of technologies? With procurement of a prototype? With testing of a prototype? With deployment? Other?

10. Is it a fair statement that both the United States and the Soviet Union, while trying to adhere to the ABM treaty, have sought to exploit ambiguities in its provisions?

11. Ambassador Paul Nitze is reported to have said that Soviet violations, except for the Krasnoyarsk Radar, are not violations but exploitation of ambiguous wording in agreements. Does this statement represent Administration policy?

12. How is the development of the SDI initiative consistent with U.S. policy to seek to reverse the erosion of the ABM treaty?

I look forward to an early reply to these questions.

With best wishes, I am

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, March 22, 1985.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to the questions in your letter of February 12 concerning Soviet noncompliance with arms control agreements.

Soviet noncompliance is a serious matter which calls into question important security benefits from arms control and undermines the confidence essential to an effective arms control process. Thus, the Soviet record with respect to compliance has an important bearing on the arms control process as a whole, and accordingly, the Congress should be informed, along with the public. The President's February 1985 report, undertaken at the request of the Congress, is a reflection of our shared concerns that Soviet compliance behavior should be properly understood.

The SCC was established under the ABM Treaty as a bilateral forum to promote the objectives and implement the provisions of that accord and the Interim Agreement. The SCC has by mutual consent also considered some SALT II issues. Serious compliance concerns beyond the SALT and ABM areas have arisen as well, and they have been raised with the USSR in confidential bilateral diplomatic channels in all cases before made a matter of public record. In the SCC, we have discussed questions regarding appropriate compliance issues in great detail, insisting on explanations, clarifications, and, if required, corrective action. We have made no secret of the fact that despite our efforts in the SCC, the Soviet Union has thus far not provided satisfactory explanations nor undertaken corrective actions sufficient to alleviate our concerns. We believe that making the US public and the Congress aware of the situation will strengthen our efforts both in the new negotiations and in seeking corrective actions from the USSR.

Soviet noncompliance activities do have security implications for the US. For example:

The aggregate of the USSR's ABM and ABM-related actions suggests the USSR may be preparing an ABM defense of its national territory. Such activities would have grave repercussions on the strategic balance, and on our ability to maintain our deterrent.

The SS-X-25, the second new ICBM the Soviets are testing in violation of their political commitment to the SALT II Treaty, represents further modernization of the Soviet missile forces, already more modern than our own.

Soviet chemical and toxin weapon violations are direct evidence that the USSR has

enhanced its chemical and biological warfighting abilities and preparedness.

As for Soviet countercharges of US noncompliance, such assertions are designed to divert attention from their own noncompliance. The US is in full compliance with all its arms control obligations. In a Pravda editorial February 9, and in a demarche containing similar allegations, the Soviets accused us of several specific arms control violations, all of which are groundless. Most of the alleged violations were made public by the USSR in 1984. We responded in detail then, and are currently updating a more detailed response, which we will provide to you as soon as it is completed.

The US Strategic Defense Initiative involves only research, which is not prohibited by the ABM Treaty. While both sides have had research programs since the signing of the Treaty, Soviet ABM deployments and research programs have been far more intensive than our own.

The undertaking "not to develop, test or deploy" in Article V of the ABM Treaty prohibits the development and field testing of prototypes or bread-board models of proscribed ABM systems or components. It does not limit conceptual design, laboratory development and testing, or construction of laboratory prototypes or models. The rationale behind the distinction between permitted research and prohibited development is that limitations apply to those activities that must be conducted in the open to be meaninful and therefore are monitorable by national technical means of verification. Moreover, the Treaty permits development and testing of fixed ground-based ABM systems and components at agreed test ranges.

We do not agree it is a fair statement that both sides have sought to exploit ambiguities in the provisions of the ABM Treaty. The US has deactivated the one area defense it is allowed under the Protocol. Soviet allegations of U.S. violations are false. The USSR, however, through its construction now of the Krasnoyarsk large phased-array radar, is violating the ABM Treaty, and we also have concerns about Soviet compliance with other aspects of the Treaty. Administration policy regarding the characterization of Soviet noncompliance with the ABM Treaty is contained in the conclusions of the President's 1985 report on the subject. The statement attributed to Ambassador Nitze in question 11 does not represent his view; Ambassador Nitze agrees with the assessment of Soviet noncompliance contained in the President's report.

Finally, current strategic policy is based on the concept of deterrence of nuclear war through maintenance of the ability to mount a retaliatory strike sufficient to dissuade any attack. The limitation of defensive systems enshrined in the ABM Treaty was and remains an essential feature of current strategic doctrine, in combination with real reductions in strategic offensive systems foreseen during SALT I but so far never achieved. The Strategic Defense Initiative will form the research basis for a possible future political decision to shift our deterrence doctrine away from total reliance on offensive nuclear weapons of retaliation toward a more stable world with greatly reduced levels of nuclear arms and an enhanced ability to deter nuclear war through a system of non-nuclear defense.

Sincerely,

EDWARD FOX,

Acting Assistant Secretary, Legislative and Intergovernmental Affairs.●

MY PLEDGE TO AMERICA

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RUDD. Mr. Speaker, this year, 675 students from 65 schools across Arizona competed in the Veterans of Foreign Wars' Voice of Democracy Scholarship Contest. The theme of the competition was "My Pledge to America."

Tom Nadel, a 12th grader from Dysart High School in Peoria, AZ, won first place with his outstanding and inspirational speech. He pledges action, not just talk, to resolve the problems confronting our Nation, and challenges American youth to join in making the U.S. stronger, more secure and more just.

I commend Tom's speech to my colleagues. The text of it follows:

"MY PLEDGE TO AMERICA"

I believe in the United States of America as a country of the people, by the people, and for the people. Ours is a country established upon the principles of freedom, equality, justice, and humanity. These were the causes for which American patriots sacrificed their lives and fortunes. Therefore, it is indeed my pledge and duty to my country to love it, to support its constitution, to obey its laws, to respect its flag and to defend it against all enemies. Yes, "My Pledge To America" is simply to serve her with pride and strive to make her more perfect.

There are many words in our language that denote satisfaction with our country, but the greatest and the most animated is "pride." No one can deny what we feel as the flag passes by; or at the opening of sports festivities and the "Star-Spangled Banner" is sung. Can anyone deny the feeling that comes over us? Why do we feel this way? The reason lies in the element of pride we feel towards this nation. For our sense of glory and respect evolves from the very root of our American government. Our system of government did not suddenly spring into being as at the wave of some political magician's wand. Nor was it pulled out of thin air by the Founding Fathers at Philadelphia. Rather, it has developed through long centuries of experience, tradition, thought and deed. Our forefathers were not thinking of the narrow present and of themselves alone. They recognized an obligation to keep freedom alive for all future Americans as well. The ideals they stated are positive and constructive. "My Pledge to America" is to uphold these ideals and thus oppose whatever divides this nation, leads to injustice, weakens our defense, undermines our physical or economic health and threatens our basic freedoms both now and forever.

Since time began we have had men who have come to the front with progressive ideas. These men have served their country with pride and now it is my generations turn to do the same. Of course we know, that as the world grows the pressures increase upon us to react to the new ideas and methods that are constantly increasing and improving our daily life. One major question today is "what can our country look forward to ten or twenty years from now?" The answer to this question is to make America more perfect through universal peace and prosperity. For only the youth today can bring about the necessary changes to coincide with the progress of the years to come. Only the willingness of my generation to serve America with pride, can bring us the kind of future all the people of tomorrow will be using and experiencing. Yes, today's youth are the navigators for tomorrow, and the challenges facing us are as many as the mysteries that are constantly confronting America today. Thus "My Pledge To America" shall be accomplished through the knowledge, strength, and determination of my generation's answers to the important questions that are before America.

America's future is an undecided future. However, it is an open future; a future that my generation must and can create. Through our efforts we can work to eliminate such problems as starvation, sickness, and antagonism toward our neighbors, by keeping the ideals, values, and goals characteristic of this nation ever alive.

In conclusion, it is indeed time for my generation to take action. For I see America where no man fears to think as he pleases or say what he thinks. I see America where no man is another man's master, where no man's mind is dark with fear. I see America as the horizon of human hopes. To those who say the design defies our abilities to complete it, I answer, "To act with enthusiasm and faith is the condition of acting great."

So, "My Pledge To America" is a very simple one. It is time we stopped talking about who is responsible for a hunger problem, or a crime problem, or an energy crisis and direct our energies toward finding a solution. I do not care who is at fault. It doesn't make one bit of difference. All I want and expect is for my generation to solve it. For we will make our nation stronger. We will make the United States of America more perfect, and "My Pledge To America" is to serve her with pride and always make her the greatest country on earth. This is "My Pledge To America", so help me God!●

THE TRADE ADJUSTMENT ASSISTANCE ACT

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MANTON. Mr. Speaker, this year the Congress will be preoccupied with finding ways to reduce the Federal budget deficit which threatens continued economic growth. But there is another deficit which also poses a serious threat to our economy and our workers.

The 1984 U.S. trade deficit was $123.3 billion, almost doubling the 1983 record trade deficit of $69.4 billion. The outlook for this year is bleak with our trade imbalance expected to hit $140 billion. By the end of 1985, the United States will become the largest debtor nation in the world.

Mr. Speaker, our trade imbalance has a direct impact on American workers. The 1984 trade deficit cost more

than 2 million Americans their jobs. We must develop effective strategies to improve our competitiveness in the international market while eliminating trade barriers in order to put these Americans back to work. But this will not happen overnight. In the meantime, we must assist those workers who have been forced out of work due to the flood of imports into this country.

Regrettably, the President has proposed severe cuts in the very programs designed to assist these workers. The administration's fiscal year 1986 budget proposal asks Congress to rescind in fiscal year 1985 roughly $120 million of the $222 million approved under title III of the Job Training Partnership Act which is designed to assist dislocated workers. Fiscal year 1986 funding for the title III JTPA Program would be reduced to $100 million. Furthermore, the President's budget would also terminate the Trade Adjustment Assistance Program which helps unemployed workers because of import competition. Given the administration's apparent lack of an aggressive and cohesive trade policy, these cuts, which would represent a 60-percent reduction in funds to help dislocated workers, must be rejected.

Mr. Speaker, I commend to my colleagues the following letters I recently received which clearly illustrate the negative impact the President's proposals would have on workers in New York and across the country.

ALLOMATIC INDUSTRIES, INC.

Hon. THOMAS MANTON,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN MANTON: Allomatic Industries is a manufacturer of automotive component parts. We have been adversely affected by imports. With the help of the Metro New York Trade Adjustment Assistance Center we carefully reviewed all aspects of our operations and developed a business plan designed to keep us competitive in the world markets.

The best aspect of Trade Adjustment Assistance was the TAAC's assistance in bringing on expert consultants to scrutinize our product line for profitability. As a result, we expect cost savings to exceed $1,000,000 per year. Cost sharing with TAAC allowed us to receive this technical assistance with very little financial risk on our part.

Our business continues to recover nicely. Others can gain from this program just as we have. Please support Trade Adjustment Assistance.

Cordially,

BENNO BORDIGA,
Chairman-CEO.

DEPENDABLE KNITWEAR, INC.,
Richmond Hill, NY, February 20, 1985.

Hon. THOMAS MANTON,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN MANTON: We understand that the Administration wishes to phase out the Trade Adjustment Program. This is most regrettable for those firms whose business has been affected by the continuing influx of imports. Our firm was certified eligible for trade adjustment assistance benefits when it's children's sweater sales were affected by merchandise coming in from abroad.

As it appeared that imports would continue to flow into the country, we requested technical assistance which would help increase our operating efficiency and lower our manufacturing costs. The consulting advice we received would have normally been beyond our means, but under the cost sharing arrangement with the government, it became attainable.

The government's investment was modest but worthwhile, as it helped safeguard the jobs of our 100 employees. These people are still gainfully employed, paying taxes rather than being on welfare rolls.

We strongly support the trade adjustment assistance program and urge it's continuation so that other firms being hurt by imports can likewise be helped.

Sincerely,

ARTHUR HUNSTEIN,
President.

DEMACO,
Ridgewood, NY, February 20, 1985.

Congressman THOMAS MANTON,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN THOMAS MANTON: I want to express my strong support for continuation of the Trade Adjustment Assistance program. This is the only government program available to companies like mine which have been hurt by foreign competition.

My firm is the last American manufacturer of complete lines of commercial pasta making machinery. We compete against large European manufacturers who frequently receive significant subsidies from their respective governments.

Over the past eighteen months, my firm has received technical assistance through the Trade Adjustment Assistance program. Help in engineering and marketing has made us more efficient and better prepared to compete against overseas firms, especially in the worldwide market for food processing equipment.

We couldn't have gotten this assistance without the help of our local Trade Adjustment Assistance Center. They helped us develop a strategy to compete successfully. And remember, this isn't just another "giveaway" program. We've paid for 25% of all the consulting assistance we've received.

As a result of Trade Adjustment Assistance, we're a stronger firm. Our sales are increasing, our employment growing. I urge you to vote to continue this program so that my firm, and others like me, can better meet the challenge of imports, and keep Americans working.

Sincerely,

JOSEPH DE FRANCISCI,
Vice President.●

KRISTIN LINDHOLM'S PLEDGE TO AMERICA

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WHEAT. Mr. Speaker, it is a special privilege for me today to honor, and bring to the attention of my colleagues in the House of Representatives, the winner of this year's Voice of Democracy Scholarship Program sponsored by the Veterans of Foreign Wars.

Kristin Lindholm, a 17-year-old Kansas City high school senior from Missouri's Fifth Congressional District, won the scriptwriting contest with her heartwarming script on "My Pledge to America." For her efforts, she has been rewarded with a $14,000 scholarship to help pay for her college education.

Kristin, the daughter of Mr. and Mrs. Donald Lindholm, is the top student in her graduating class at Center High School. She is president of the school's National Honor Society and the president of the school's speech team. She has also won a variety of honors in debate during her 4 years of high school.

Mr. Speaker, nearly 300,000 high school students across the Nation and overseas participated in this year's 38th annual scriptwriting contest competing for the six national scholarships. All the contestants were required to write a 5-minute broadcast script entitled "My Pledge to America." I would like to include for the record a copy of Kristin's award-winning script.

MY PLEDGE TO AMERICA

(By Kristin A. Lindholm)

One of my most vivid memories of kindergarten is the day when I finally recited the Pledge of Allegiance, by memory, without any mistakes. I was very proud of myself, but my pride stemmed more from my memorization skills than from my understanding of the significance of making a pledge to my country. I did not realize that a pledge is not a recitation; it is a solemn promise made by a dedicated person who translates the words into his actions. By the time I was mature enough to understand this, I had moved into upper grades, and the school day no longer began with the Pledge of Allegiance. Without that daily requirement, I stopped giving a pledge to my country. For too long, I have taken for granted the priceless opportunities and freedoms that my country has given me, and I have given little in return. Therefore, I need to make a new, unique pledge—my pledge to America.

The members of many organizations pledge themselves to uphold traditions, to work during the present and for the future, and to make a strong commitment to the organizations' welfare. I too decided to make that three-part pledge to America, beginning by pledging to uphold my country's traditions. My rich American heritage began over 200 years ago when the colonists dreamed about shaping America into a country where the power to govern came from the people. Adlai Stevenson, once the Ambassador to the United Nations, wrote, "America . . . is the first community in which men set out to institutionalize freedom, responsible government, and human equality." Through the efforts of George Washington, Thomas Jefferson, Abraham Lincoln and many others, America became the democratic world leader that she is today. I gladly pledge myself to uphold the ideals and history of America.

One part of a pledge is upholding the past, but pledges are useless unless they demand present action and future commitments. I pledge to serve my country now and to prepare myself for the future. Although, as a student, I do not vote or pay taxes, I can still support my country through my present actions. I can exercise my constitutional rights by keeping informed about important issues and voicing my opinions by letter or petition to my government representatives. In addition, I can provide important volunteer service for my community. Through service clubs, I have worked for the Salvation Army, Special Olympics, and a school for autistic children. By serving the people of America, I am serving America herself. Working for my country now is extremely important; but, as nationally acclaimed inventor Charles Kettering once said, "We should all be concerned about the future because we will have to spend the rest of our lives there." For my generation, preparing for the future is critical, because soon America's future will rest in our hands. We must educate ourselves about our government and our future responsibilities as tax-paying, voting citizens. As an individual, I also must realize my potential so I can make a significant contribution to my country's welfare.

Finally, I pledge to myself to make a strong commitment to America. If I do not take my pledge seriously, then it is worthless. Words are easy to write and even easier to say, but acting upon those words is much harder. I cannot pledge myself to America and then put off my service and education until later or completely forget about them. If I do, then I am guilty of apathy, perhaps the greatest threat to democratic America.

Instead of indifference, I want to give my country action. Therefore, I pledge myself to uphold America's traditions, to work during the present and for the future, and to commit myself to fulfilling this solemn promise. My pledge can make a difference in my goals and actions and possibly the goals and actions of others as well. After all, in the words of Henry Emerson Fosdick, "Democracy is based upon the conviction that there are extraordinary possibilities in ordinary people." I intend to unlock some of my extraordinary potential by giving and living my pledge to America."●

U.S. POLICY TOWARD THE SANDINISTA GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HAMILTON. Mr. Speaker, on February 6, 1985, I received a letter from the State Department in answer to a previous query concerning U.S. policy toward Nicaragua. Subsequent remarks by the President in a press conference on February 21 seemed at variance with the reply I had received. Therefore, I wrote to Secretary of State Shultz against seeking clarification concerning the aims of U.S. policy. The correspondence follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, March 26, 1985.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, House of Representatives.

DEAR MR. CHAIRMAN: Thank you for your letter to the Secretary of February 26, 1985, in which you requested further clarification of United States policy toward Nicaragua.

In your letter you referred particularly to the President's February 21 press conference statement that, "You can say we're trying to oust the Sandinistas by what we're saying." To complete the thought, however, the President then proceeded to add, "We're saying we're trying to give those who fought a revolution to escape a dictatorship, to have democracy and then had it taken away from them by some of their fellow revolutionaries, we're saying we want them to have a chance to have that democracy that they fought for." Seen as a whole, these remarks make clear that there has been no change in our policy toward Nicaragua.

U.S. policy remains as described in some detail in the Secretary's letter to you of February 6, 1985. We see no inconsistency between that letter and the President's subsequent remarks. At the same time, however, you should take the President's statements, as well as recent statements by the Vice-President and the Secretary, as a clear reaffirmation of our very strong support for the efforts of the Nicaraguan people, including democratic opposition groups, to achieve democracy in their homeland.

Sincerely,

J. EDWARD FOX,
Acting Assistant Secretary, Legislative and Intergovernmental Affairs.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 26, 1985.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.

DEAR MR. SECRETARY: I appreciated your reply of February 6, 1985, to my letter of December 20, 1984 regarding United States policy toward Nicaragua. This letter seeks further clarification as to what is United States policy because of recent remarks by the President.

You indicated in your letter that:

"The United States does not seek to destabilize or overthrow the Government of Nicaragua; nor to impose or compel any particular form of government there."

And later on in answer to my question as to whether you believed that the policy changes you desired from Nicaragua could be brought about by the current leadership in Nicaragua, you indicated that United States actions were predicated on an affirmative assumption to that question.

On February 21, 1985, President Reagan said in a press conference that "You can say we're trying to oust the Sandinistas by what we're saying." The President said that it was U.S. policy to seek to remove the Sandinista government unless it changed its goals and present structure and allowed the "freedom fighters" now opposing Sandinistas into the revolutionary government.

These statements appear quite different in substance and tone. I would appreciate your prompt clarification as to what exactly is policy.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.●

SENATE—*Wednesday, April 3, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious God, Father of mercy, justice, order and love, grant to the Senate and its leadership today a special measure of wisdom and strength. You know Lord, the frustration that is experienced as the pipeline of legislation fills and clogs, allowing little to come out at the other end. You know Lord, the immensity of the issues that crowd committees and resist resolution. You know the pressures that invariably build as a recess nears and agreement does not come. Gracious God, help the Senate to resolve whatever blocks movement so that spring recess may be a time of respite, giving the Senators some time to celebrate Passover and Easter free from nagging responsibility. Protect them as they travel. Bless their time with their families. Remind them of their responsibilities to themselves to keep healthy and fit. In the name of Him who brings the deliverance and life which we celebrate this week. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, each leader has 10 minutes, and then there are special orders not to exceed 15 minutes each to the following Senators: COCHRAN, ZORINSKY, PROXMIRE, COHEN, and ROCKEFELLER.

Following those special orders, there will be a period for routine morning business not to extend beyond the hour of 12:30 p.m. with statements limited therein to 5 minutes each.

Following that, it is my hope that we can turn quickly to four matters on the calendar. First, I would guess that we can dispose of the legislation dealing with the Federal supplemental compensation program. I assume we have that from the House. I will alert the distinguished chairman of the Finance Committee, Senator PACKWOOD, and the ranking minority member, Senator LONG, that we will want to move on that first.

It is my understanding there may be germane amendments to that bill, and I expect rollcall votes on amendments and final passage of that proposal. So I say to my colleagues that there could be rollcall votes as early as 1:15 to 1:30.

It is the intention of the leadership to take action on H.R. 1869, the repeal of automobile records requirements, plus some language in the report that will deal with some of the fringe benefit use of empty seats on private airplanes and private aircraft. We think we can resolve that question.

Then, it is still my hope that we can dispose of the war risk insurance bill, and the Export Administration extension, if we can have an agreement on those two matters, if no amendment or nongermane amendments will be offered.

I have indicated to the distinguished Senator from Massachusetts that I will try to determine whether or not we can take action on Senate Joint Resolution 96. I have discussed that briefly with the distinguished Senator from Rhode Island, Senator PELL.

I have not had an opportunity to discuss it with the chairman of the Foreign Relations Committee, Senator LUGAR, though I understand that the staff is working with staff on that particular matter. So I am not prepared to make a statement to the Senator from Massachusetts. But hopefully we will do that in the next hour or so.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. MATTINGLY). Under the previous order, the minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

COLOMBIAN COAL: A NEW CHALLENGE TO THE AMERICAN COAL INDUSTRY

Mr. BYRD. Mr. President, the shadow of the South American nation of Colombia looms large on the horizon of international coal markets. The implications of Colombia's new-found prominence as a coal producing nation pose a major challenge to the American coal industry. Simply put, Colombia is in a position to become a major competitor in both the export market and in the domestic market, especially on the U.S. east coast and the gulf coast.

Imports of Colombian coal may displace domestically produced coals in the Eastern United States, having a pronounced economic impact particularly on the central Appalachian and midwestern coal industries. To the extent that Colombian coal displaces domestic coal in foreign and domestic markets, the economy of coal-producing States such as West Virginia will suffer. A significant displacement of Appalachian coal in the domestic market will further compound the coal industry's problems in my own State of West Virginia where coal industry unemployment at the end of 1984 was about 33 percent. Moreover, increases in U.S. coal imports and decreases in U.S. coal exports will exacerbate the trade deficit.

I raise these concerns because of a recent event which may have a major impact on U.S. coal markets at home and abroad.

In 1984, a new surface mine known as El Cerrejon [el ser-a-hone] began production in the South American nation of Colombia. The mine is one of the largest surface mining operations in the world, with estimated reserves of 1.6 billion tons and a productive capacity of 15 million tons per year. Productive capacity is projected to reach 30 million tons per year in the future.

The El Cerrejon mine produces high quality, low-sulfur steam coal, which is very attractive to utilities in the east and gulf coast regions of the United States.

The mine is a $3.2 billion joint venture between Exxon Corp. and the Colombian Government through Carbocol, the state-owned coal company. Financing of the mine includes about $1 billion provided by government export banks in Canada, Japan, England, and France. In addition, the U.S. Export-Import Bank provided $200 million for mining equipment.

The total current productive capacity of the El Cerrejon mine is dedicated to the export market. According to a recent report from the International Energy Agency, the Colombian Government is pursuing a goal of exporting 50 million tons of coal per year by the year 2000.

Colombian coal has already penetrated the U.S. domestic market, primarily in Florida. Electric Fuels Corp., the coal-buying division of Florida

Power, recently signed a 4½-year contract to purchase 500,000 tons per year of Colombian coal. The first shipment arrived at Florida Power at the end of February. Florida power officials have indicated that they expect to be buying coal from Colombia well beyond the current contract.

Other utilities along the east and gulf coasts have been actively considering Colombian coal purchases. For example, officials at Tampa Electric have had discussions with Colombian representatives. Tampa Electric officials have indicated that the Colombian coal will be a very important element in future purchases by U.S. buyers because the cost of delivery will be somewhat less than the most attractive Appalachian coals.

Currently, Florida Power's Crystal River station is the only gulf coast facility burning Colombian coal. However, it is important to note that Colombian coal can compete effectively with domestically produced coal on the east coast. Noting that world demand for coal is not growing nearly as quickly as supply, a Department of Energy official recently commented that:

> If Colombian coal is going to be absorbed, it's going to have to take a market share away from someone.

That someone will be coal producers in West Virginia and other Appalachian States.

The entry of Colombian coal into international coal markets will intensify the already fierce competition for markets in Western Europe and other countries. This has disturbing implications for U.S. coal exporters. Colombia is actively marketing its product in Western Europe, the Caribbean, Mexico, and Japan—which collectively accounted for about two-thirds, or 51 million tons, of the U.S. coal exports in 1983. Thus, Colombian coal may displace U.S. coal in foreign markets because of a price advantage resulting from lower mining costs and lower transportation costs. In fact, Colombia has recently negotiated contracts with several nations that currently are or have been consumers of U.S. coal, including Denmark, Israel, Mexico, Finland, Spain, Ireland, Jamaica, Puerto Rico, and the Dominican Republic.

Mr. President, let me cite two examples. Denmark recently signed a 14-year contract to purchase up to 2.2 million tons per year of Colombian coal. At the same time, U.S. coal exports to Denmark have declined by 67 percent from 1983 levels of 1.74 million tons. Finland has signed a 3-year contract for 200,000 tons of Colombian coal. In fact, last year, Finland—which imported as much as 1 million tons of U.S. coal in 1981—dropped the United States from its coal supplier list.

The emergence of Colombia as a major participant in the international coal market, and as a major competitor to domestic producers in specific domestic markets, concerns me, for the economic implications of this situation will be felt most directly in West Virginia. West Virginia coal accounts for almost one-half of the coal exported from the United States, and West Virginia is the third largest coal producer in the Nation. However, West Virginia's prominence as a major coal producer may be challenged by the threat of acid rain legislation, which would devastate the coalfields in northern West Virginia, by the decline of the U.S. coal export market, and by the entry of Colombia into the international coal market.

Mr. President, the economic implications of Colombian coal for U.S. coal markets are not fully understood. I have written to Senator WARNER, the distinguished chairman of the Energy Committee's Subcommittee on Energy and Mineral Resources, to express my concerns. I also asked him to hold a hearing to examine the issue of coal imports generally, and Colombian coal in particular. Senator WARNER has indicated that he shares my concerns, and that he will try to set a date for a hearing.

Because of the effect these may have on our Nation's economy and on the economics of States such as my own, it is essential that we establish the facts, determine a national strategy to assure our best interests are protected, and pursue that strategy vigorously. I am hopeful that subcommittee action will commence in the very near future.

RECOGNITION OF SENATOR COCHRAN

The PRESIDING OFFICER. Under the previous order, the Senator from Mississippi [Mr. COCHRAN] is recognized for not to exceed 15 minutes.

S. 843—FARM AND MARKET RECOVERY ACT OF 1985

Mr. COCHRAN. Mr. President, I am today introducing the Farm and Market Recovery Act of 1985, a bill to establish a new direction for Federal farm policy.

U.S. agriculture is productive, technologically modern, and well-capitalized. It is an industry primed for tremendous growth and opportunity. In fact, yesterday's accomplishments are only an indication of tomorrow's potential. But this potential must be actively cultivated and aggressively pursued. After gearing up in the 1970's to be the world's food supplier, U.S. agriculture is now confronted with a major challenge: How to ensure continued high-level and stable contributions to the U.S. economy while operating in a global environment.

Not only is U.S. agriculture no longer substantially independent of national economics, it now operates as a global industry, and, as such, it is affected by global economic conditions. U.S. agriculture must now embrace many factors and conditions not relevant when operating primarily for domestic markets. Consequently, farm policy decisions must conceptually allow for adequate consideration of the full set of factors that influence global marketing decisions.

U.S. agriculture today must react to national and international political and economic factors. Because it is highly capitalized, agriculture is greatly affected by interest rates. And, as a net exporter, our agricultural sector is also greatly affected by factors such as monetary exchange rates, marketing subsidies and trade practices of competing nations. To have a successful future as a global industry, U.S. agriculture must recognize the impact of these factors and formulate strategies to address them.

In a recent speech, Paul Volcker said,

> The volatility in exchange rates may challenge governments and central banks to think hard about ways to achieve greater stability if spontaneous market forces do not lead to it * * * certainly the exchange rate today is too important an economic variable to ignore in our policymaking.

I believe Mr. Volcker is right, and my bill offers a marketing strategy for dealing with the challenge.

Mr. President, U.S. agriculture cannot generate its maximum economic potential for the Nation's economy with policies designed primarily for a domestic market. Instead, U.S. agricultural policy must cope in a more aggressive way with the realities of less-than-free and competitive international markets.

Failure of Federal farm policy to deal more effectively with the real-world market conditions that exist today will allow only for continued deterioration of the U.S. agricultural economy. A frequent comment heard today is that current policy is not working. The problem with such a statement is that everyone can agree with it because an objective or a cure is not identified.

Just because farm program costs have risen does not mean they are ineffective. In one sense, they are working perfectly because, as the farm economy deteriorates, price support is maintained. Increased program cost simply reflects poor market conditions.

Current farm policy is failing, perhaps in the most important area for a global industry. It is not maintaining markets for U.S. products because it is not designed to react effectively to the realities of international business. As a result, U.S. exports are declining while world production and consumption are increasing. Specifically, what this means is the U.S. share or world trade is decreasing, and the cause of this in-

cludes factors other than price support levels.

Unfortunately, the income prospects look bleak over the next few years because of lost markets, mounting surpluses, and continued low prices. During the hearings I have chaired over the last 2 weeks, I have heard repeatedly from farm groups that exports are down and are deteriorating rapidly. This is borne out by the continued reduction in USDA's estimates for aggregate agricultural exports for this year. In December, for example, USDA estimated that farm exports this year would total $36.5 billion. In February, the estimate was lowered to $35.5 billion, and in March, the estimate was lowered another billion to $34.5.

The reasons cited for these decreasing estimates had nothing to do with whether or not our farmers could compete with farmers overseas. They all dealt with factors beyond the control of the farmer, such as first, a dollar value that has added 35 percent tax on U.S. farm products abroad and a 35 percent discount on agricultural products coming into this country; second, government-administered prices that are set at levels to take our market share; and, third, export subsidies provided by some of our competitors that are cited as the cause of our decline in exports. When you throw in a couple of crippling embargos in recent years, it is a wonder we are exporting anything.

With exports accounting for over half of the sales for cotton, rice, soybeans, wheat, and feedgrains, it is no wonder that loss of market share will result in stock accumulation, depressed prices, low farm income, and increased cost of Federal programs.

In the past, we have put programs into place to cut acreage in an effort to reduce the supply and increase prices. While this approach worked somewhat, until the 1970's, it is no longer effective without some modification in our farm program structure.

Following the fear of food shortages and high prices in the early 1970's, not only did we expand agricultural production in this country, but farmers in many other countries did so, too. As supply eventually began to exceed demand, we tried to cut production to remove the surplus and to improve prices. But our competitors have maintained a policy of continuing to produce—even expand their production—and move their surplus onto the market. Worse still, as we have cut production, our competitors have continued to expand. The unfortunate result is our farmers have been selling less at the same low prices and losing market share.

If we continue current farm support programs without addressing the imperfections in international markets, it is clear that our sales will continue to erode and we will eventually be producing only for a domestic market. Unfortunately, it may not stop there. If we allow international markets to be taken away due to inappropriate policy, what assurances can be made that domestic markets can be maintained?

The long-term consequences of this outlook are unthinkable. This country's foundation is based on a strong agricultural sector. For the United States to maintain its strength and position in global affairs, agriculture must be financially healthy. With the agricultural economy accounting for one-fifth of employment, one-fourth of trade, and one-fifth of our GNP, a retrenchment will have major implications for the entire U.S. economy.

Thus, we find ourselves with two major problems. We have a farm economy that is in financial distress at the same time that lower effective prices are needed to prevent the continued erosion of our markets, domestically and internationally.

The administration's proposal is simply to reduce the loan and target price support structure. By reducing the support enough, the administration argues, first, that we will be price competitive; two, that some additional volume will be moved in through markets; three, that stocks will be reduced; and fourth, that prices and income will improve over time. Unfortunately, interim lower prices and income will result in the needless loss of many farmers and in the restructuring of rural America. More importantly, under the administration's plan, the U.S. agricultural industry will likely be smaller, thereby employing fewer people and contributing less to the national economy.

Mr. President, my bill will solve both problems effectively and efficiently, I think without necessarily reducing the size of the industry. It is the culmination of input from literally hundreds of witnesses, who have shared with the Agriculture Committee their views on ways to provide relief and stability for the financially stressed agricultural industry in the short run and assure a solid recovery for the long run.

Briefly, during the first 2 years of this bill, the support to farmers would remain at current levels to protect farm income, while we test the theory that lower prices in a global industry will result over time in greater export sales, lower stocks, higher prices, and higher farm income. By allowing the Commodity Credit Corporation loans to be repaid at levels that result in no accumulation of Government stocks, we will be competitive in both domestic and international markets, without reducing income support to farmers.

This is a new approach to providing support to farmers. It provides farmers a loan during the fall so they can hold their crops and not be forced to sell at harvest when prices are typically low. However, it removes the minimum price-setting support aspect—as perceived by markets—which has been used by our competitors to gain increased shares of world trade. Thus, this feature is called a marketing loan program. The discount in price below the loan is necessary to offset the high relative value of the dollar in trade and to compete with Government administered prices and subsidies.

We need to act immediately to help reverse the alarming decline in exports, which appears to be accelerating rapidly, in order to help stabilize the farm economy and to set the stage for a sound, long-term recovery that will restore profitability to this vitally important sector of our economy.

Mr. President, I ask unanimous consent that a summary outline of this bill and the bill be included in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

SUMMARY OUTLINE—FARM AND MARKET RECOVERY ACT OF 1985

The Farm and Market Recovery Act of 1985 is aimed at addressing the near term needs of U.S. agriculture with regard to its ability to effectively compete in domestic and international markets, as well as providing for long-term economic recovery for the industry in general and farmers specifically. In summary, the bill:

(1) Provides near-term assistance through expanded export programs effective immediately upon enactment to help U.S. agriculture to compete more effectively, including:

(a) *Market Bonus Plan.*—Requires Secretary to make available additional stocks of CCC-owned commodities to domestic or foreign purchasers in order to expand markets and help counter unfair trade practices and subsidies, as well as address problems relating to the over-valued dollar;

(b) *Aid to Trade Plan.*—Requires Secretary in cases where country may not meet financial requirements to qualify for export credit or guarantees to make available CCC-owned stocks to reduce the cost of such commodities and to enable that country to qualify for such loans or guarantees;

(c) *Expanded Donation Authority.*—Expands existing Section 416 authority relating to dairy and wheat to include all CCC-owned commodities.

(2) Sets the stage for long-term economic recovery in terms of farm income, prices, market share, and the ability of U.S. agriculture to compete effectively in all markets, domestic and international. Accordingly, the bill—

(a) Provides an extension of basic price supports and related provisions for cotton, wheat, feedgrains, soybeans, peanuts, rice, sugar, and honey.

(b) Allows orderly transition to a more market-oriented program by providing that loan levels and target prices be determined by market prices. However, in no event would loans and target prices be less than current levels for fiscal years 1986 and 1987, or adjusted more than 5 percent annually during subsequent years.

(c) Establishes Marketing Loan which would require Secretary to reduce or otherwise allow producers to repay their regular

CCC price-support loans at the original level or at such level as necessary to (1) minimize potential loan forfeitures, (2) prevent accumulation of government stocks, (3) reduce government cost of storing such commodities, and (4) allow such commodities to be marketed freely and competitively, both domestically and internationally.

(d) Expands Export Credit by authorizing intermediate export credit program providing guarantees on terms of 3-10 years to encourage additional sales of U.S. agricultural commodities as well as value-added products.

S. 843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Farm and Market Recovery Act of 1985".

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TITLE I—AGRICULTURAL EXPORTS

EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES AND PRODUCTS

SEC. 101. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall formulate and carry out a program under which agricultural commodities, including but not limited to wheat, feed grains, upland cotton, rice, and soybeans, and products thereof acquired by the Commodity Credit Corporation, are provided to United States exporters and users and foreign purchasers at no cost to encourage the development, maintenance, and expansion of export markets for United States agricultural commodities and products thereof.

(b) In carrying out the program authorized by this section, the Secretary of Agriculture—

(1) shall take such action as may be necessary to ensure that the program provides equal treatment to domestic and foreign purchasers and users of United States agricultural commodites and products thereof in any case in which the importation of a manufactured product made, in whole or in part, from a commodity or product thereof made available for export under this section would place domestic users of the commodity or product thereof at a competitive disadvantage;

(2) shall, to the extent that agricultural commodities and products thereof are to be provided to foreign purchasers during any fiscal year, consider for participation all interested foreign purchasers, giving priority to those who have traditionally purchased United States agricultural commodities and products thereof and who continue to purchase such commodities and products thereof on an annual basis in quantities greater than the level of purchases in a previous representative period;

(3) shall ensure, insofar as possible, that any use of agricultural commodities or products thereof made available under this section be made in such manner as to encourage increased use and avoid displacing usual marketings of United States agricultural commodities and products thereof; and

(4) shall take reasonable precautions to prevent the resale or transshipment to other countries, or use for other than domestic use in the importing country, of agricultural commodities or products thereof made available under this section.

(c) If a foreign purchaser sells in the importing country agricultural commodities or products thereof received from the Secretary of Agriculture, under the authority of this section, and uses the receipts from the sale of such commodities or products thereof for the construction or rehabilitation of facilities in the importing country to improve the handling, marketing, processing, storage, or distribution of United States agricultural commodities or products thereof in such importing country, such purchaser shall be eligible to receive supplemental distributions of agricultural commodities or products thereof under this section. Supplemental distributions under this section shall be made with such commodities or products thereof, at such intervals, and in such amounts as the Secretary determines appropriate taking into account the extent to which facility improvements have been made, the capability of the importing country to distribute or otherwise use additional commodities or products thereof, and such other factors as determined appropriate by the Secretary that are consistent with the purposes of this section.

(d) The Secretary of Agriculture shall carry out the program authorized by this section through the Commodity Credit Corporation.

(e) The Secretary of Agriculture may issue such regulations as the Secretary deems necessary to carry out this section.

(f) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provision of law.

INTERMEDIATE EXPORT CREDIT

SEC. 102. Section 4(b) of the Food for Peace Act of 1966 (7 U.S.C. 1707a(b)) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: "In addition, the Corporation may guarantee the repayment of loans made to finance such sales.";

(2) by inserting ", and no loan may be guaranteed," after "financed" in paragraph (2);

(3) in paragraph (3)—

(A) by inserting "or guarantees" after "financing";

(B) by striking out "and" at the end of subparagraph (C);

(C) by striking out "credit" in subparagraph (D);

(D) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(E) by adding at the end thereof the following new subparagraph:

"(E) to finance the importation of agricultural commodities by developing nations for use in meeting their food needs.";

(4) by striking out paragraph (4) and redesignating paragraphs (5) through (9) as paragraphs (4) through (8), respectively;

(5) in paragraph (4) (as redesignated by paragraph (4) of this section)—

(A) by inserting "(A)" after the paragraph designation;

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(C) by amending clause (i) (as redesignated) to read as follows:

"(i) Repayment shall be in dollars with interest at a rate determined by the Secretary."; and

(D) by adding at the end thereof the following new subparagraph:

"(B) Contracts of guarantee under this subsection shall contain such terms and conditions as the Commodity Credit Corporation shall determine.";

(6) by inserting "or guarantees" after "financing" in paragraph (5) (as redesignated by paragraph (4) of this section);

(7) in paragraph (6) (as redesignated by paragraph (4) of this section)—

(A) by inserting "or guarantee" after "finance" each place it appears; and

(B) by inserting "or guarantee" after "financing" in subparagraph (B);

(8) by inserting "or guaranteed" after "financed" in paragraph (7) (as redesignated by paragraph (4) of this section); and

(9) by inserting at the end thereof the following new paragraph:

"(9) For purposes of financing or guaranteeing export sales under this subsection, the Commodity Credit Corporation shall make available, to the extent practicable, no less than $500,000,000 for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988.".

EXPORT CREDIT SALES AND CREDIT GUARANTEES

SEC. 103. Section 4 of the Food for Peace Act of 1966 (7 U.S.C. 1707a) is amended by adding at the end thereof the following new subsection:

"(e)(1) If a country does not meet the financial qualifications for export credit or credit guarantees provided by the Commodity Credit Corporation under this section, the Secretary of Agriculture may provide to such country commodities acquired by the Corporation through price support operations and products thereof to the extent necessary to reduce the cost to such country of purchasing United States agricultural commodities and to allow such country to meet such qualifications.

"(2) The Secretary shall review and adjust annually the amount of commodities provided to a country under paragraph (1) in order to encourage such country to place greater reliance on increased use of commercial trade to meet the qualifications referred to in paragraph (1).".

EXPANDED DONATION OF AGRICULTURAL COMMODITIES

SEC. 104. Section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)) is amended by striking out "wheat" each place it appears in the first, third, and eighth sentences and inserting in lieu thereof "other agricultural commodities and products thereof".

TITLE II—WHEAT

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, WHEAT ACREAGE REDUCTION AND SET-ASIDE PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF WHEAT

SEC. 201. Effective only for the 1986 through 1989 crops of wheat, section 107C of the Agricultural Act of 1949 (7 U.S.C. 1445b-2) is amended to read as follows:

"SEC. 107C. Notwithstanding any other provision of law:

"(a)(1) Except as provided in paragraphs (2), (3) and (4), the Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of wheat at such level as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat.

"(2) The level of loans and purchases for a crop determined under paragraph (1) may not be less than the higher of—

"(A) 85 per centum of the simple average price received by farmers, as determined by the Secretary, during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; or

"(B) in the case of the 1986 and 1987 crops of wheat, $3.30 per bushel.

"(3) The level of loans and purchases for a crop determined under paragraph (1) may not be reduced by more than 5 per centum from the level determined for the preceding crop.

"(4) A producer may repay a loan made under paragraph (1) for a crop at a level which is the lesser of—

"(A) the original loan rate established for such crop; or

"(B) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of wheat, will reduce the costs incurred by the Federal Government in storing wheat, and will maintain the competitiveness of wheat in domestic and export markets.

"(5) The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(b)(1)(A) The Secretary shall make available to producers payments for each of the 1986 through 1989 crops of wheat in an amount computed as provided in this subsection. Payments for any such crop of wheat shall be computed by multiplying (i) the payment rate, by (ii) the farm program acreage for the crop, by (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on a greater acreage than the acreage actually planted to wheat.

"(B) The payment rate for wheat shall be the amount by which the higher of—

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(ii) the loan level determined under subsection (a) of this section for such crop,

is less than the established price per bushel.

"(C)(i) The established price for a crop of wheat shall not be less than the higher of—

"(I) 130 per centum of the loan level determined under subsection (a) for such crop; or

"(II) in the case of the 1986 and 1987 crops of wheat, $4.38 per bushel.

"(ii) The established price for a crop of wheat may not be reduced by more than 5 per centum from the established price for the preceding crop.

"(iii) Any such established price may be adjusted by the Secretary as the Secretary determines to be appropriate to reflect any change in—

"(I) the average adjusted cost of production per acre for the two crop years immediately preceding the year for which the determination is made, or

"(II) the average adjusted cost of production per acre for the two crop years immediately preceding the year previous to the one for which the determination is made.

"(iv) The adjusted cost of production for each of such years may be determined by the Secretary on the basis of such information as the Secretary finds necessary and appropriate for the purpose and may include variable costs, machinery ownership costs, and general farm overhead costs, allocated to the crops involved on the basis of the proportion of the value of the total production derived from each crop.

"(D) The total quantity on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for wheat to wheat or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to wheat for harvest (including any acreage which the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(B) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of wheat which the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) with respect to their wheat acreage.

"(D)(i) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(I) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting wheat or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(II) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(III) additional assistance must be made available to such producers to alleviate the economic emergency.

"(ii) The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1)(A) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of wheat. The proclamation shall be made not later than August 15 of each calendar year for the crop harvested in the next succeeding calendar year, except that in the case of the 1986 crop, the proclamation shall be made as soon as practicable after enactment of the Farm and Market Recovery Act of 1985.

"(B) The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information. The Secretary shall proclaim such revised national program acreage as soon as it is made.

"(C) The national program acreage for wheat shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop.

"(D) If the Secretary determines that carryover stocks of wheat are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of wheat. The allocation factor for wheat shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event shall the allocation factor for any crop of wheat be more than 100 per centum nor less than 80 per centum.

"(3)(A) The individual farm program acreage for each crop of wheat shall be determined by multiplying the allocation factor by the acreage of wheat planted for harvest on the farms for which individual farm program acreages are required to be determined.

"(B) The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage of wheat planted for harvest on the farm from the acreage base established for the farm under subsection (e)(2) of this section by at least the percentage recommended by the Secretary in the proclamation of the national program acreage.

"(C) The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of wheat planted for harvest is less than the acreage base established for the farm under subsection (e)(2), but for which the reduction is insufficient to exempt the farm from the application of the allocation factor.

"(D) In establishing the allocation factor for wheat, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(d)(1) The farm program payment yield for each crop of wheat shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for wheat was established for the farm in the previous crop year, the Secretary may determine such yield as the Secretary finds fair and reasonable.

"(2) Notwithstanding paragraph (1) of this subsection:

"(A) In the determination of yields, the Secretary shall take into account the actual yields proved by the producer.

"(B) Neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection.

"(3) If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of—

"(A) historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or

"(B) if such data are not available, on the Secretary's estimate of actual yields for the crop year involved.

"(4) If national, State, or county program payment yields are established, the farm program payment yields shall balance to the national, State, or county program payment yields.

"(e)(1)(A) Notwithstanding any other provision of this section, the Secretary may provide for any crop either for a program under which the acreage planted to wheat would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) of this subsection if the Secretary determines that the total supply of wheat, in the absence of such a program, will be excessive, taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency.

"(B) The Secretary shall announce any such wheat acreage limitation program or set-aside program not later than August 15 prior to the calendar year in which the crop is harvested, except that in the case of the 1986 crop, the Secretary shall announce such program as soon as practicable after enactment of the Farm and Market Recovery Act of 1985.

"(2)(A) If a wheat acreage limitation program is announced under paragraph (1) of this subsection, such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each wheat-producing farm.

"(B) Producers who knowingly produce wheat in excess of the permitted wheat acreage for the farm shall be ineligible for wheat loans, purchases, and payments with respect to that farm.

"(C)(i) The acreage base for any farm for the purpose of determining any reduction required to be made for any year as the result of a limitation under this paragraph shall be—

"(I) the acreage planted on the farm to wheat for harvest in the crop year immediately preceding the year for which the determination is made, or

"(II) at the discretion of the Secretary, the average acreage planted to wheat for harvest in the two crop years immediately preceding the year for which the determination is made.

"(ii) For the purpose of clause (i) of this subparagraph, acreage planted to wheat for harvest shall include any acreage which the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers.

"(iii) The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

"(D)(i) A number of acres on the farm determined by dividing—

"(I) the product obtained by multiplying the number of acres required to be withdrawn from the production of wheat times the number of acres actually planted to such commodity, by

"(II) the number of acres authorized to be planted to such commodity under the limitation established by the Secretary,

shall be devoted to conservation uses, in accordance with regulations issued by the Secretary.

"(ii) The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'.

"(E) If an acreage limitation program is announced under paragraph (1) of this subsection for a crop of wheat, subsection (c) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsection with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to wheat for harvest within the permitted wheat acreage for the farm as established under this paragraph.

"(3)(A) If a set-aside program is announced under paragraph (1) of this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of wheat planted for harvest for the crop for which the set-aside is in effect.

"(B) The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary.

"(C) If a set-aside program is established, the Secretary may limit the acreage planted to wheat. Such limitation shall be applied on a uniform basis to all wheat-producing farms.

"(D) The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4)(A) The regulations issued by the Secretary under paragraphs (2) and (3) of this subsection with respect to acreage required to be devoted to conservation uses shall assure protection of such acreage from weeds and wind and water erosion.

"(B) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such produc-

tion is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(C) In determining the amount of land to be devoted to conservation uses under an acreage limitation or set-aside program with respect to land that has been farmed under summer fallow practices, as defined by the Secretary, the Secretary shall consider the effects of soil erosion and such other factors as the Secretary considers appropriate.

"(5)(A) The Secretary may make land diversion payments to producers of wheat, whether or not an acreage limitation or set-aside program for wheat is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of wheat to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers.

"(B) The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted.

"(C) The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(6)(A) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(B) The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of subparagraph (A) of this paragraph.

"(C) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7)(A) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe.

"(B) The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(f)(1) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure.

"(2) The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2) of this section, but may be required if a set-aside program is established under subsection (e)(3) of this section.".

NONAPPLICABILITY OF CERTIFICATE REQUIREMENTS

SEC. 202. Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379d-1379j) (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processors or exporters during the period June 1, 1986, through May 31, 1990.

SUSPENSION OF MARKETING QUOTAS AND PRODUCER CERTIFICATE PROVISIONS

SEC. 203. Sections 331, 332, 333, 334, 335, 336, 338, 339, 379b, and 379c of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1331-1336, 1338, 1339, 1379b, and 1379c) shall not be applicable to the 1986 through 1989 crops of wheat.

SUSPENSION OF QUOTA PROVISIONS

SEC. 204. The joint resolution entitled "A joint resolution relating to corn and wheat marketing quotas under the Agricultural Adjustment Act of 1938, as amended", approved May 26, 1941 (7 U.S.C. 1330 and 1340), shall not be applicable to the crops of wheat planted for harvest in the calendar years 1986 through 1989.

NONAPPLICABILITY OF SECTION 107 OF THE AGRICULTURAL ACT OF 1949 TO THE 1986 THROUGH 1989 CROPS OF WHEAT

SEC. 205. Section 107 of the Agricultural Act of 1949 (7 U.S.C. 1445a) shall not be applicable to the 1986 through 1989 crops of wheat.

TITLE III—FEED GRAINS

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, FEED GRAIN ACREAGE REDUCTION AND SET-ASIDE PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF FEED GRAINS

SEC. 301. Effective only for the 1986 through 1989 crops of feed grains, the Agricultural Act of 1949 is amended by adding after section 105B (7 U.S.C. 1444d) the following new section:

"SEC. 105C. Notwithstanding any other provision of law:

"(a)(1)(A) Except as provided in subparagraphs (B), (C), and (D), the Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of corn at such level as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains after taking into consideration the cost of producing corn, supply and demand conditions, and world prices for corn.

"(B) The level of loans and purchases for a crop determined under subparagraph (A) may not be less than the higher of—

"(i) 85 per centum of the simple average price received by farmers, as determined by the Secretary, during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; or

"(ii) in the case of the 1986 and 1987 crops of corn, $2.55 per bushel.

"(C) The level of loans and purchases for a crop determined under subparagraph (A) may not be reduced by more than 5 per centum from the level determined for the preceding crop.

"(D) A producer may repay a loan made under subparagraph (A) or paragraph (2) for a crop at a level which is the lesser of—

"(i) the original loan rate established for such crop; or

"(ii) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of feed grains, will reduce the costs incurred by the Federal Government in storing feed grains, and will maintain the competitiveness of feed grains in domestic and export markets.

"(E) The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(2) The Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of grain sorghums, barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and other factors specified in section 401(b) of this Act.

"(b)(1)(A) The Secretary shall make available to producers payments for each of the 1986 through 1989 crops of corn, grain sorghums, oats, and, if designated by the Secretary, barley, in an amount computed as provided in this subsection. Payments for any such crop of feed grains shall be computed by multiplying (i) the payment rate, by (ii) the farm program acreage for the crop, by (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on a greater acreage than the acreage actually planted to such feed grains.

"(B) The payment rate for corn shall be the amount by which the higher of—

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(ii) the loan level determined under subsection (a) of this section for such crop,

is less than the established price per bushel.

"(C)(i) The established price for a crop of corn shall not be less than the higher of—

"(I) 130 per centum of the loan level determined under subsection (a) for such crop; or

"(II) in the case of the 1986 and 1987 crops of corn, $3.03 per bushel.

"(ii) The established price for a crop of corn may not be reduced by more than 5 per centum from the established price for the preceding crop.

"(iii) Any such established price may be adjusted by the Secretary as the Secretary determines to be appropriate to reflect any change in—

"(I) the average adjusted cost of production per acre for the two crop years immediately preceding the year for which the determination is made, from

"(II) the average adjusted cost of production per acre for the two crop years immediately preceding the year previous to the one for which the determination is made.

"(iv) The adjusted cost of production for each of such years may be determined by the Secretary on the basis of such information as the Secretary finds necessary and appropriate for the purpose and may include variable costs, machinery ownership costs, and general farm overhead costs, allocated to the crops involved on the basis of the proportion of the value of the total production derived from each crop.

"(D) The payment rate for grain sorghums, oats, and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn.

"(E) The total quantity on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for feed grains to feed grains or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to feed grains for harvest (including any acreage which the producers were prevented from planting to feed grains or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33 1/3 per centum of the established price for the crop.

"(B) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of feed grains which the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) with respect to their feed grain acreage.

"(D)(i) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(I) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting feed grains or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(II) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(III) additional assistance must be made available to such producers to alleviate the economic emergency.

"(ii) The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1)(A) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of feed grains. The proclamation shall be made not later than November 15 of each calendar year for the crop harvested in the next succeeding calendar year, except that in the case of the 1986 crop, the proclamation shall be made as soon as practicable after enactment of the Farm and Market Recovery Act of 1985.

"(B) The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information. The Secretary shall proclaim such revised national program acreage as soon as it is made.

"(C) The national program acreage for feed grains shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop.

"(D) If the Secretary determines that carryover stocks of feed grains are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of feed grains. The allocation factor for feed grains shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event shall the allocation factor for any crop of feed grains be more than 100 per centum nor less than 80 per centum.

"(3)(A) The individual farm program acreage for each crop of feed grains shall be determined by multiplying the allocation factor by the acreage of feed grains planted for harvest on the farms for which individual farm program acreages are required to be determined.

"(B) The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage of feed grains planted for harvest on the farm from the acreage base established for the farm under subsection (e)(2) of this section by at least the percentage recommended by the Secretary in the proclamation of the national program acreage.

"(C) The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of feed grains planted for harvest is less than the acreage base established for the farm under subsection (e)(2), but for which the reduction is insufficient to exempt the farm from the application of the allocation factor.

"(D) In establishing the allocation factor for feed grains, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(d)(1) The farm program payment yield for each crop of feed grains shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for feed grains was established for the farm in the previous crop year, the Secretary may determine such yield as the Secretary finds fair and reasonable.

"(2) Notwithstanding paragraph (1) of this subsection:

"(A) In the determination of yields, the Secretary shall take into account the actual yields proved by the producer.

"(B) Neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection.

"(3) If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of—

"(A) historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or

"(B) if such data are not available, on the Secretary's estimate of actual yields for the crop year involved.

"(4) If national, State, or county program payment yields are established, the farm program payment yields shall balance to the national, State or county program payment yields.

"(e)(1)(A) Notwithstanding any other provision of this section, the Secretary may provide for any crop either for a program under which the acreage planted to feed grains would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) of this subsection if the Secretary determines that the total supply of feed grains, in the absence of such a program, will be excessive, taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency.

"(B) The Secretary shall announce any such feed grain acreage limitation program or set-aside program not later than November 15 prior to the calendar year in which the crop is harvested, except that in the case of the 1986 crop, the Secretary shall announce such progam as soon as practicable after enactment of the Farm and Market Recovery Act of 1985.

"(2)(A) If a feed grain acreage limitation program is announced under paragraph (1) of this subsection, such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each feed grain-producing farm.

"(B) Producers who knowingly produce feed grains in excess of the permitted feed grain acreage for the farm shall be ineligible for feed grain loans, purchases, and payments with respect to that farm.

"(C) The Secretary may provide that no producer of malting barley shall be required as a condition of eligibility for feed grain loans, purchases, and payments to comply with any acreage limitation under this paragraph if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest, and meets such other conditions as the Secretary may prescribe.

"(D)(i) The acreage base for any farm for the purpose of determining any reduction required to be made for any year as the result of a limitation under this paragraph shall be—

"(I) the acreage planted on the farm to feed grains for harvest in the crop year immediately preceding the year for which the determination is made, or

"(II) at the discretion of the Secretary, the average acreage planted to feed grains for harvest in the two crop years immediately preceding the year for which the determination is made.

"(ii) For the purpose of clause (i) of this subparagraph, acreage planted to feed grains for harvest shall include any acreage which the producers were prevented from planting to feed grains or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers.

"(iii) The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

"(E)(i) A number of acres on the farm determined by dividing—

"(I) the product obtained by multiplying the number of acres required to be withdrawn from the production of feed grains times the number of acres actually planted to such commodity, by

"(II) the number of acres authorized to be planted to such commodity under the limitation established by the Secretary,

shall be devoted to conservation uses, in accordance with regulations issued by the Secretary.

"(ii) The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'.

"(F) If an acreage limitation program is announced under paragraph (1) of this subsection for a crop of feed grains, subsection (c) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsection with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to feed grains for harvest within the permitted feed grain acreage for the farm as established under this paragraph.

"(3)(A) If a set-aside program is announced under paragraph (1) of this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of feed grains planted for harvest for the crop for which the set-aside is in effect.

"(B) The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary.

"(C) If a set-aside program is established, the Secretary may limit the acreage planted to feed grains. Such limitation shall be applied on a uniform basis to all feed grain-producing farms.

"(D) The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4)(A) The regulations issued by the Secretary under paragraphs (2) and (3) of this subsection with respect to acreage required to be devoted to conservation uses shall assure protection of such acreage from weeds and wind and water erosion.

"(B) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(5)(A) The Secretary may make land diversion payments to producers of feed grains, whether or not an acreage limitation or set-aside program for feed grains is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of feed grains to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers.

"(B) The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted.

"(C) The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(6)(A) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(B) The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of subparagraph (A) of this paragraph.

"(C) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7)(A) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe.

"(B) The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(f)(1) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure.

"(2) The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2) of this section, but may be required if a set-aside program is established under subsection (e)(3) of this section.".

NONAPPLICABILITY OF SECTION 105 OF THE AGRICULTURAL ACT OF 1949 TO THE 1986 THROUGH 1989 CROPS OF FEED GRAINS

SEC. 302. Section 105 of the Agricultural Act of 1949 (7 U.S.C. 1444b) shall not be ap-

plicable to the 1986 through 1989 crops of feed grains.

TITLE IV—COTTON

LOAN RATES AND TARGET PRICES, DISASTER PAYMENTS, COTTON ACREAGE REDUCTION PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF UPLAND COTTON

SEC. 401. Effective only for the 1986 through 1989 crops of upland cotton, the Agricultural Act of 1949 is amended by inserting after section 103 (7 U.S.C. 1444) the following new section:

"SEC. 103A. Notwithstanding any other provision of law:

"(a)(1) The Secretary shall, upon presentation of warehouse receipts reflecting accrued storage charges of not more than sixty days, make available for the 1986 through 1989 crops of upland cotton to producers nonrecourse loans for a term of ten months from the first day of the month in which the loan is made at such level as will reflect for Strict Low Middling one-and-one-sixteenth-inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States the smaller of—

"(A) 85 per centum of the average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during three years of the five-year period ending July 31 in the year in which the loan level is announced, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, or

"(B) 90 per centum of the average, for the fifteen-week period beginning July 1 of the year in which the loan level is announced, of the five lowest-priced growths of the growths quoted for Middling one-and-three-thirty-seconds-inch cotton C.I.F. northern Europe (adjusted downward by the average difference during the period April 15 through October 15 of the year in which the loan is announced between such average northern European price quotation of such quality of cotton and the market quotations in the designated United States spot markets for Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9)).

"(2) In no event shall such loan level be less than 55 cents per pound.

"(3) If for any crop the average northern European price determined under clause (B) of paragraph (1) of this subsection is less than the average United States spot market price determined under clause (A) of paragraph (1) of this subsection, the Secretary may, notwithstanding paragraph (1) of this subsection, increase the loan level to such level as the Secretary may deem appropriate, not in excess of the average United States spot market price determined under clause (A) of paragraph (1) of this subsection.

"(4) The loan level for any crop of cotton shall be determined and announced by the Secretary not later than November 1 of the calendar year preceding the marketing year for which such loan is to be effective, except that in the case of the 1986 crop such determination and announcement shall be made as soon as practicable after enactment of the Farm and Market Recovery Act of 1985. Such level shall not thereafter be changed.

"(5)(A) Except as provided in subparagraph (B), nonrecourse loans provided for in this section shall, upon request of the producer during the tenth month of the loan period for the cotton, be made available for an additional term of eight months.

"(B) Such request to extend the loan period shall not be approved in a month when the average price of Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9) in the designated spot markets for the preceding month exceeded 130 per centum of the average price of such quality of cotton in such markets for the preceding thirty-six-month period.

"(6) A producer may repay a loan made under this subsection for a crop at a level which is the lesser of—

"(A) the original loan rate established for such crop; or

"(B) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of cotton, will reduce the costs incurred by the Federal Government in storing cotton, and will maintain the competitiveness of cotton in domestic and export markets.

"(b)(1) Whenever the Secretary determines that the average price of Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9) in the designated spot markets for a month exceeded 130 per centum of the average price of such quality of cotton in such markets for the preceding thirty-six months, notwithstanding any other provision of law, the President shall immediately establish and proclaim a special limited global import quota for upland cotton subject to the following conditions:

"(A) The amount of the special quota shall be equal to twenty-one days of domestic mill consumption of upland cotton at the seasonally adjusted average rate of the most recent three months for which data are available.

"(B) If a special quota has been established under this subsection during the preceding twelve months, the amount of the quota next established hereunder shall be the smaller of twenty-one days of domestic mill consumption calculated as set forth in subparagraph (A) of this paragraph or the amount required to increase the supply to 130 per centum of the demand.

"(C) As used in subparagraph (B) of this paragraph:

"(i) The term 'supply' means, using the latest official data of the Bureau of the Census, the United States Department of Agriculture, and the United States Department of the Treasury—

"(I) the carryover of upland cotton at the beginning of the marketing year (adjusted to four-hundred-and-eighty-pound bales) in which the special quota is established, plus

"(II) production of the current crop, plus

"(III) imports to the latest date available during the marketing year.

"(ii) The term 'demand' means—

"(I) the average seasonally adjusted annual rate of domestic mill consumption in the most recent three months for which data are available, plus

"(II) the larger of average exports of upland cotton during the preceding six marketing years or cumulative exports of upland cotton, plus

"(III) outstanding export sales for the marketing year in which the special quota is established.

"(D) When a special quota is established under this subsection, cotton may be entered under such quota during the ninety-day period beginning on the effective date of the proclamation.

"(2) Notwithstanding paragraph (1) of this subsection, a special quota period may not be established that overlaps an existing quota period.

"(c)(1) The Secretary shall make available to producers payments for each of the 1986 through 1989 crops of upland cotton in an amount computed as provided in this subsection. Payments for any such crop of upland cotton shall be computed by multiplying (A) the payment rate, by (B) the farm program acreage for the crop (determined in accordance with subsection (g) or subsection (i)(1) of this section), by (C) the farm program payment yield for the crop (determined in accordance with subsection (h) of this section). In no event may payments be made under this subsection for any crop on a greater acreage than the acreage actually planted to upland cotton.

"(2) The payment rate for upland cotton shall be the amount by which the higher of—

"(A) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under subsection (a) of this section for such crop,

is less than the established price per pound.

"(3)(A) The established price for a crop of upland cotton shall not be less than the higher of—

"(i) 130 per centum of the loan level determined under subsection (a) for such crop; or

"(ii) in the case of the 1986 and 1987 crops of upland cotton, $0.81 per pound.

"(B) The established price for a crop of upland cotton may not be reduced by more than 5 per centum from the established price for the preceding crop.

"(C) Any such established price may be adjusted by the Secretary as the Secretary determines to be appropriate to reflect any change in—

"(i) the average adjusted cost of production per acre for the two crop years immediately preceding the year for which the determination is made, from

"(ii) the average adjusted cost of production per acre for the two crop years immediately preceding the year previous to the one for which the determination is made.

"(D) The adjusted cost of production for each of such years may be determined by the Secretary on the basis of such information as the Secretary finds necessary and appropriate for the purpose and may include variable costs, machinery ownership costs, and general farm overhead costs, allocated to the crops involved on the basis of the proportion of the value of the total production derived from each crop.

"(4) The total quantity of upland cotton on which payments would otherwise be payable to a producer on a farm for any crop under this subsection shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under subsection (d) of this section.

"(d)(1) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for cotton to cotton or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to cotton for harvest (including any acreage which the producers were prevented from planting to cotton or other nonconserving crop in lieu of cotton because of drought, flood, or other natural disaster, or other

condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(2) Except as provided in paragraph (3) of this subsection, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of cotton which the producers are able to harvest on any farm is less than the result of multiplying 75 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 33 1/3 per centum of the established price for the crop for the deficiency in production below 75 per centum for the crop.

"(3) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) with respect to their cotton acreage.

"(4)(A) Notwithstanding the provisions of paragraph (3) of this subsection, the Secretary may make disaster payments to producers on a farm under this subsection whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting cotton or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

"(B) The Secretary may make such adjustments in the amount of payments made available under this paragraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(e)(1) The Secretary shall establish for each of the 1986 through 1989 crops of upland cotton a national program acreage. Such national program acreage shall be announced by the Secretary not later than November 1 of the calendar year preceding the year for which such acreage is established, except that in the case of the 1986 crop, such announcement shall be made as soon as practicable after enactment of the Farm and Market Recovery Act of 1985.

"(2) The Secretary may revise the national program acreage first announced for any crop year for the purpose of determining the allocation factor under subsection (f) of this section if the Secretary determines it necessary based on the latest information. The Secretary shall announce such revised national program acreage as soon as it has been made.

"(3) The national program acreage for upland cotton shall be the number of harvested acres the Secretary determines (on the basis of the estimated weighted national average of the farm program yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop.

"(4) The national program acreage shall be subject to such adjustment as the Secretary determines necessary, taking into consideration the estimated carryover supply, so as to provide for an adequate but not excessive total supply of cotton for the marketing year for the crop for which such national program acreage is established. In no event shall the national program acreage be less than ten million acres.

"(f) The Secretary shall determine a program allocation factor for each crop of upland cotton. The allocation factor for upland cotton (not to exceed 100 per centum) shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop.

"(g)(1) The individual farm program acreage for each crop of upland cotton shall be determined by multiplying the allocation factor by the acreage of cotton planted for harvest on the farms for which individual farm program acreages are required to be determined.

"(2) The farm program acreage may not be further reduced by application of the allocation factor if the producers reduce the acreage of cotton planted for harvest on the farm from the acreage base established for the farm under subsection (i)(1) of this section by at least the percentage recommended by the Secretary in the announcement of the national program acreage.

"(3) The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of cotton planted for harvest is less than the acreage base established for the farm under subsection (i)(1) of this section, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor.

"(4) In establishing the allocation factor for upland cotton, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this subsection.

"(h)(1) The farm program payment yield for each crop of upland cotton shall be determined on the basis of the actual yields per harvested acre on the farm for the preceding three years, except that the actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, or other natural disaster, or other condition beyond the control of the producers. In case farm yield data for one or more years are unavailable or there was no production, the Secretary shall provide for appraisals to be made on the basis of actual yields and program payment yields for similar farms in the area for which data are available.

"(2) Notwithstanding paragraph (1) of this subsection:

"(A) In the determination of yields, the Secretary shall take into account the actual yields proved by the producer.

"(B) Neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection.

"(3) If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of—

"(A) historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or

"(B) if such data are not available, the Secretary's estimate of actual yields for the crop year involved.

"(4) If national, State, or county program payment yields are established, the total farm program payment yields shall balance to the national, State, or county program payment yields.

"(i)(1)(A) Notwithstanding any other provision of this section, the Secretary may establish a limitation on the acreage planted to upland cotton if the Secretary determines that the total supply of upland cotton, in the absence of such limitation, would be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency.

"(B) Such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each cotton-producing farm.

"(C) Producers who knowingly produce cotton in excess of the permitted cotton acreage for the farm shall be ineligible for cotton loans and payments with respect to that farm.

"(D)(i) The acreage base for any farm for the purpose of determining any reduction required to be made for any year as a result of a limitation under this paragraph shall be—

"(I) the acreage planted on the farm to upland cotton for harvest in the crop year immediately preceding the year for which the determination is made, or

"(II) at the discretion of the Secretary, the average acreage planted to upland cotton for harvest in the two crop years immediately preceding the year for which the determination is made.

"(ii) For the purpose of clause (i) of this subparagraph, acreage planted to cotton for harvest shall include any acreage which the producers were prevented from planting to cotton or other nonconserving crop in lieu of cotton because of drought, flood, or other natural disaster, or other condition beyond the control of the producers.

"(iii) The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

"(E)(i) A number of acres on the farm determined by dividing—

"(I) the product obtained by multiplying the number of acres required to be withdrawn from the production of upland cotton times the number of acres actually planted to such commodity, by

"(II) the number of acres authorized to be planted to such commodity under the limitation established by the Secretary,

shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion.

"(ii) The number of acres determined under clause (i) of this subparagraph is hereafter in this section referred to as 'reduced acreage'.

"(F) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to sweet sorghum, hay and grazing, or the production of guar, sesame, safflower, sunflower, castor

beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(G) If an acreage limitation program is announced under this subsection for a crop of upland cotton, subsections (e), (f), and (g) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsections with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to upland cotton for harvest within the permitted upland cotton acreage for the farm as established under this subsection.

"(2)(A) The Secretary may make land diversion payments to producers of upland cotton, whether or not an acreage limitation for upland cotton is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of upland cotton to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers.

"(B) The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted.

"(C) The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(3)(A) The reduced acreage and the diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(B) The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of subparagraph (A) of this paragraph.

"(C) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(j)(1) An operator of a farm desiring to participate in the program conducted under subsection (i) of this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe.

"(2) The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(k) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(l) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

"(m)(1) If the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure.

"(2) The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(n) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(o) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(p) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) (relating to assignment of payments) shall apply to payments under this section.

"(q) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans or payments under this section.

"(r) In order to encourage and assist producers in the orderly ginning and marketing of their cotton production, the Secretary shall make recourse loans available to such producers on seed cotton in accordance with authority vested in the Secretary under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.).".

SUSPENSION OF BASE ACREAGE ALLOTMENTS, MARKETING QUOTAS AND RELATED PROVISIONS

SEC. 402. Sections 342, 343, 344, 345, 346, and 377 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1342-1346 and 1377) shall not be applicable to upland cotton of the 1986 through 1989 crops.

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

SEC. 403. Effective only with respect to the period beginning August 1, 1978, and ending July 31, 1990, the tenth sentence of section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by striking out all of that sentence through the words "110 per centum of the loan rate, and (2)" and inserting in lieu thereof the following: "Notwithstanding any other provision of law, (1) the Commodity Credit Corporation shall sell upland cotton for unrestricted use at the same prices as it sells cotton for export, in no event, however, at less than 115 per centum of the loan rate for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, and (2)".

MISCELLANEOUS COTTON PROVISIONS

SEC. 404. Sections 103(a) and 203 of the Agricultural Act of 1949 (7 U.S.C. 1444(a) and 1446d) shall not be applicable to the 1986 through 1989 crops.

SKIPROW PRACTICES

SEC. 405. Section 374(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1374) is amended by striking out "1985" and inserting in lieu thereof "1989".

PRELIMINARY ALLOTMENTS FOR 1990 CROP OF UPLAND COTTON

SEC. 406. Notwithstanding any other provision of law, the permanent State, county, and farm base acreage allotments for the 1977 crop of upland cotton, adjusted for any underplantings in 1977 and reconstituted as provided in section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) shall be the preliminary allotments for the 1990 crop.

TITLE V—RICE

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, RICE ACREAGE REDUCTION PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF RICE

SEC. 501. Effective only for the 1986 through 1989 crops of rice, the Agricultural Act of 1949 is amended by inserting after section 101 (7 U.S.C. 1441) the following new section:

"SEC. 101A. Notwithstanding any other provision of law:

"(a)(1) Except as provided in paragraphs (2), (3), and (4), the Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of rice at such level as bears the same ratio to the loan level for the preceding year's crop as the established price for each such crop bears to the established price for the preceding year's crop.

"(2) The level of loans and purchases for a crop determined under paragraph (1) may not be less than the higher of—

"(A) 85 per centum of the simple average price received by farmers, as determined by the Secretary, during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; or

"(B) in the case of the 1986 and 1987 crops of rice, $8.14 per hundredweight.

"(3) The level of loans and purchases for a crop determined under paragraph (1) may not be reduced by more than 5 per centum from the level determined for the preceding crop.

"(4) A producer may repay a loan made under paragraph (1) for a crop at a level which is the lesser of—

"(A) the original loan rate established for such crop; or

"(B) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of rice, will reduce the costs incurred by the Federal Government in storing rice, and will maintain the competitiveness of rice in domestic and export markets.

"(5) The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.

"(6) The loan and purchase level and the established price for each of the 1986 through 1989 crops of rice shall be announced not later than March 1 of each calendar year for the crop harvested in that calendar year.

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"(b)(1) The Secretary shall make available to producers payments for each of the 1986 through 1989 crops of rice grown in the several States of the United States in an amount computed as provided in this subsection. Payments for each such crop of rice shall be computed by multiplying (A) the payment rate, by (B) the farm program acreage for the crop, by (C) the yield established for the farm. In no event shall payments be made under this subsection for any crop on a greater acreage than the acreage actually planted to rice.

"(2) The payment rate for rice shall be the amount by which the established price for the crop of rice exceeds the higher of—

"(A) the national average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under subsection (a) of this section for such crop.

"(3)(A) The established price for a crop of rice shall not be less than the higher of—

"(i) 130 per centum of the loan level determined under subsection (a) for such crop; or

"(ii) in the case of the 1986 and 1987 crops of rice, $11.90 per hundredweight.

"(B) The established price for a crop of rice may not be reduced by more than 5 per centum from the established price for the preceding crop.

"(C) Any such established price may be adjusted by the Secretary as the Secretary determines to be appropriate to reflect any change in—

"(i) the average adjusted cost of production per acre for the two crop years immediately preceding the year for which the determination is made, from

"(ii) the average adjusted cost of production per acre for the two crop years immediately preceding the year previous to the one for which the determination is made.

"(D) The adjusted cost of production for each of such years may be determined by the Secretary on the basis of such information as the Secretary finds necessary and appropriate for the purpose and may include variable costs, machinery ownership costs, and general farm overhead costs, allocated to the crops involved on the basis of the proportion of the value of the total production derived from each crop.

"(4) The yield established for the farm for any year shall be determined on the basis of the actual yields per harvested acre for the three preceding years. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other condition beyond the control of the producers. If no rice was produced on the farm during such period, the yield shall be determined taking into consideration the yield of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

"(5) The total quantity of rice on which payments would otherwise be payable to a producer on a farm for any crop under this subsection shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under subsection (c) of this section.

"(c)(1) Except as provided in paragraph (3) of this subsection, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for rice to rice or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to rice for harvest (including any acreage which the producers were prevented from planting to rice or other nonconserving crop in lieu of rice because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the yield established for the farm times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(2) Except as provided in paragraph (3) of this subsection, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of rice which the producers are able to harvest on any farm is less than the result of multiplying 75 per centum of the yield established for the farm for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to producers at a rate equal to 33⅓ per centum of the established price for the crop for the deficiency in production below 75 per centum for the crop.

"(3) Producers on a farm shall not be eligible for disaster payments under this subsection if crop insurance is available to them under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) with respect to their rice acreage.

"(4)(A) Notwithstanding the provisions of paragraph (3) of this subsection, the Secretary may make disaster payments to producers on a farm under this subsection whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting rice or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

"(B) The Secretary may make such adjustments in the amount of payments made available under this paragraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(d)(1)(A) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of rice. The proclamation shall be made not later than January 31 of each calendar year for the crop harvested in that calendar year.

"(B) The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines a revision is necessary based on the latest information. The Secretary shall proclaim such revised national program acreage as soon as it is made.

"(C) The national program acreage for rice shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm established yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop.

"(D) If the Secretary determines that carryover stocks of rice are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of rice. The allocation factor for rice shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop. In no event may the allocation factor for any crop of rice be more than 100 per centum nor less than 80 per centum.

"(3)(A) The individual farm program acreage for each crop of rice shall be determined by multiplying the allocation factor by the acreage of rice planted for harvest on the farms for which individual farm program acreages are required to be determined.

"(B) The farm program acreage may not be further reduced by application of the allocation factor if the producers reduce the acreage of rice planted for harvest on the farm from the acreage base established for the farm under subsection (e)(1) of this section by at least the percentage recommended by the Secretary in the proclamation of the national program acreage.

"(C) The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of rice planted for harvest is less than the acreage base established for the farm under subsection (e)(1) of this section, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor.

"(D) In establishing the allocation factor for rice, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this subsection.

"(e)(1)(A) Notwithstanding any other provision of law, the Secretary may establish a limitation on the acreage planted to rice if the Secretary determines that the total supply of rice, in the absence of such limitation, would be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency.

"(B) Any such limitation shall be announced by the Secretary not later than January 31 of the calendar year in which the crop for which the announcement is made is harvested.

"(C) Such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each rice-producing farm.

"(D) Producers who knowingly produce rice in excess of the permitted rice acreage for the farm shall be ineligible for rice loans, purchases, and payments with respect to that farm.

"(E)(i) The acreage base for any farm for the purpose of determining any reduction required to be made for any year as the

result of a limitation under this paragraph shall be—

"(I) the acreage planted on the farm to rice for harvest in the crop year immediately preceding the year for which the determination is made, or

"(II) at the discretion of the Secretary, the average acreage planted to rice for harvest in the two crop years immediately preceding the year for which the determination is made.

"(ii) For the purpose of clause (i) of this subparagraph, acreage planted to rice for harvest shall include any acreage which the producers were prevented from planting to rice or other nonconserving crop in lieu of rice because of drought, flood, or other natural disaster, or other condition beyond the control of the producers.

"(iii) The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

"(F)(i) A number of acres on the farm determined by dividing—

"(I) the product obtained by multiplying the number of acres required to be withdrawn from the production of rice times the number of acres actually planted to rice, by

"(II) the number of acres authorized to be planted to rice under the limitation established by the Secretary,

shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion.

"(ii) The number of acres determined under clause (i) of this subparagraph is hereafter in this section referred to as 'reduced acreage'.

"(G) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(H) If an acreage limitation program is announced under this subsection for a crop of rice, subsection (d) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsection with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to rice for harvest within the permitted rice acreage for the farm as established under this subsection.

"(2)(A) The Secretary may make land diversion payments to producers of rice, whether or not an acreage limitation for rice is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of rice to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers.

"(B) The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted.

"(C) The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(3)(A) The reduced acreage and the additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies.

"(B) The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of subparagraph (A) of this paragraph.

"(C) The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(4)(A) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe.

"(B) The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(f) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(g) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

"(h)(1) If the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure.

"(2) The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(i) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(j) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(k) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)) (relating to assignment of payments) shall apply to payments under this section.

"(l) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section.".

TITLE VI—PEANUTS

NATIONAL POUNDAGE QUOTA AND FARM POUNDAGE QUOTA

SEC. 601. Effective only for the 1986 through 1989 crops of peanuts, subsections (k) through (p) of section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358(k)-(p)) are amended to read as follows:

"(k) The national poundage quota for peanuts for each of the 1986 through 1989 marketing years shall be 1,100,000 tons.

"(l)(1) The national poundage quota established under subsection (k) of this section shall be apportioned among the States so that the poundage quota allocated to each State shall be equal to the percentage of the national poundage quota allocated to farms in the State for 1985.

"(2)(A) Notwithstanding any other provision of this section, the reduction in the poundage quota allocated to any State for any marketing year below the poundage quota allocated to such State for the immediately preceding marketing year (which poundage quota, for the 1981 marketing year, shall be deemed to be the total of the farm poundage quotas allocated to farms in the State for such marketing year) shall, insofar as practicable and on such fair and equitable basis as the Secretary may by regulation prescribe, be accomplished by reducing the farm poundage quota for each farm in the State to the extent that the farm poundage quota has not been produced on such farm.

"(B) For purposes of subparagraph (A) of this paragraph, the farm poundage quota shall be considered as not having been produced on a farm to the extent that—

"(i) during any crop year immediately preceding the crop year for which the adjustment is being made, such quota was not actually produced on the farm because there was inadequate tillable cropland available on the farm to produce such quota; or

"(ii) during any two of the three crop years immediately preceding the crop year for which the adjustment is made,

"(I) such quota was not actually produced for any other reason (other than natural disasters or such other reasons as the Secretary may prescribe), or

"(II) such quota was produced but by another operator on a farm to which the poundage quota (or the acreage allotment upon which such poundage quota was based) was transferred by lease.

"(C) To achieve the reduction in the State poundage quota in any marketing year, the reductions in farm poundage quotas shall be made first under subparagraph (B)(i) and, if necessary, under subparagraph (B)(ii)(I) and then subparagraph (B)(ii)(II) thereof.

"(3) If application of the provisions of paragraph (2) of this subsection results in a total reduction of farm poundage quotas that exceeds the reduction in the State poundage quota for the marketing year, the reductions in the farm poundage quotas shall be adjusted upward by the Secretary so that the total reduction of farm poundage quotas equals the reduction in the State poundage quota.

"(4) If application of the provisions of paragraph (2) of this subsection results in a

total reduction of farm poundage quotas that is less than the reduction in the State poundage quota for the marketing year, the balance of the reduction in the State poundage quota shall be accomplished by such further reduction in farm poundage quotas for farms in the State as the Secretary determines to be fair and equitable.

"(m)(1)(A) A farm poundage quota shall be established for each farm which had a farm poundage quota for the 1985 crop year.

"(B) The farm poundage quota for any such farm for the 1986 through 1989 marketing years shall be the same as the farm poundage quota for such farm for the immediately preceding marketing year, as adjusted under subsection (l) of this section, but not including any increases for undermarketings from previous marketing years, except that if the farm poundage quota, or any part thereof, is permanently transferred in accordance with section 358a of this Act, the receiving farm shall be considered as possessing the farm poundage quota (or portion thereof) of the transferring farm for all subsequent marketing years.

"(2)(A) The farm poundage quota so determined shall be increased by the number of pounds by which total marketings of quota peanuts from the farm during previous marketing years (excluding any marketing year before the marketing year for the 1980 crop) were less than the total amount of the applicable farm poundage quotas (disregarding adjustments for undermarketings from prior marketing years) for such marketing years.

"(B) Increases in farm poundage quotas made under this paragraph may not be counted against the national poundage quota for the marketing year involved.

"(3) Notwithstanding the foregoing provisions of this subsection, if the total of all increases in individual farm poundage quotas under paragraph (2) of this subsection exceeds 10 per centum of the national poundage quota for the marketing year in which such increases shall be applicable, the Secretary shall adjust such increases so that the total of all such increases does not exceed 10 per centum of the national poundage quota.

"(n)(1) For each farm for which a farm poundage quota was established for the 1985 crop of peanuts, and when necessary for purposes of this Act, a farm yield of peanuts shall be determined for each farm.

"(2) Such yield shall be equal to the average of the actual yield per acre on the farm for each of the three crop years in which yields were highest on the farm out of the five crop years 1977 through 1981.

"(3) In the event that peanuts were not produced on the farm in at least three years during such five-year period or there was a substantial change in the operation of the farm during such period (including, but not limited to, a change in operator, lessee who is an operator, or irrigation practices), the Secretary shall have a yield appraised for the farm. The appraised yield shall be that amount determined to be fair and reasonable on the basis of yields established for similar farms which are located in the area of the farm and on which peanuts were produced, taking into consideration land, labor, and equipment available for the production of peanuts, crop rotation practices, soil and water, and other relevant factors.

"(o)(1) Not later than December 15 of each calendar year (or in the case of the 1986 crop, as soon as practicable after enactment of the Farm and Market Recovery Act of 1985), the Secretary shall conduct a referendum of farmers engaged in the production of quota peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to poundage quotas with respect to the crops of peanuts produced in the four calendar years immediately following the year in which the referendum is held, except that, if as many as two-thirds of the farmers voting in any referendum vote in favor of poundage quotas, no referendum shall be held with respect to quotas for the second, third, and fourth years of the period.

"(2) The Secretary shall proclaim the result of the referendum within thirty days after the date on which it is held.

"(3) If more than one-third of the farmers voting in the referendum vote against quotas, the Secretary also shall proclaim that poundage quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held.

"(p) For the purposes of this part and title I of the Agricultural Act of 1949 (7 U.S.C. 1441 et seq.):

"(1) The term 'quota peanuts' means, for any marketing year, any peanuts produced on a farm having a farm poundage quota, as determined in subsection (m) of this section—

"(A) that are eligible for domestic edible use as determined by the Secretary,

"(B) that are marketed or considered marketed from a farm, and

"(C) that do not exceed the farm poundage quota of such farm for such year.

"(2) The term 'additional peanuts' means, for any marketing year—

"(A) any peanuts that are marketed from a farm for which a farm poundage quota has been established and that are in excess of the marketings of quota peanuts from such farm for such year, and

"(B) all peanuts marketed from a farm for which no farm poundage quota has been established in accordance with subsection (m) of this section.

"(3) The term 'crushing' means—

"(A) the processing of peanuts to extract oil for food uses and meal for feed uses, or

"(B) the processing of peanuts by crushing or processing into flakes or otherwise when authorized by the Secretary.

"(4) The term 'domestic edible use' means use for milling to produce domestic food peanuts (other than those described in paragraph (3) of this subsection) and seed and use on a farm, except that the Secretary may exempt from this definition seeds of peanuts that are used to produce peanuts excluded under section 359(c) of this Act, are unique strains, and are not commercially available.".

SALE, LEASE, OR TRANSFER OF FARM POUNDAGE QUOTA

SEC. 602. Effective only for the 1986 through 1989 crops of peanuts, subsections (i) and (j) of section 358a of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358a (i) and (j)) are amended to read as follows:

"(i)(1) The owner, or the operator with permission of the owner, of any farm for which a farm poundage quota has been established under this Act may, subject to such terms, conditions, or limitations as the Secretary may prescribe, sell or lease all or any part of such poundage quota to any other owner or operator of a farm within the same county for transfer to such farm.

"(2) The owner or operator of a farm may transfer all or any part of such farm's farm poundage quota to any other farm owned or controlled by such owner or operator that is in the same county or in a county contiguous to such county in the same State and that had a farm poundage quota for the 1985 crop.

"(3) Notwithstanding the foregoing provisions of this subsection, in the case of any State for which the poundage quota allocated to the State was less than 10,000 tons for the 1985 crop, all or any part of a farm poundage quota may be transferred by sale or lease or otherwise from a farm in one county to a farm in another county in the same State.

"(j) Transfers (including transfer by sale or lease) of farm poundage quotas under this section shall be subject to the following conditions:

"(1) No transfer of the farm poundage quota from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholders.

"(2) No transfer of the farm poundage quota shall be permitted if the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) determines that the receiving farm does not have adequate tillable cropland to produce the farm poundage quota.

"(3) No transfer of the farm poundage quota shall be effective until a record thereof is filed with the county committee of the county to which such transfer is made and such committee determines that the transfer complies with the provisions of this section.

"(4) Such other terms and conditions that the Secretary may by regulation prescribe.".

MARKETING PENALTIES; DISPOSITION OF ADDITIONAL PEANUTS

SEC. 603. Effective only for the 1986 through 1989 crops of peanuts, subsections (f) through (l) of section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359(f)-(l)) are amended to read as follows:

"(f)(1)(A) The marketing of any peanuts for domestic edible use in excess of the farm poundage quota for the farm on which such peanuts are produced shall be subject to penalty at a rate equal to 140 per centum of the support price for quota peanuts for the marketing year in which such marketing occurs.

"(B) For purposes of this section, the marketing year for peanuts shall be the twelve-month period beginning on August 1 and ending on July 31.

"(C) The marketing of any additional peanuts from a farm shall be subject to the same penalty unless such peanuts, in accordance with regulations established by the Secretary, are either—

"(i) placed under loan at the additional loan rate in effect for such peanuts under section 108B of the Agricultural Act of 1949 and not redeemed by the producers,

"(ii) marketed through an area marketing association designated pursuant to section 108B(c)(1) of the Agricultural Act of 1949, or

"(iii) marketed under contracts between handlers and producers, pursuant to the provisions of subsection (j) of this section.

"(D)(i) Such penalty shall be paid—

"(I) by the person who buys or otherwise acquires the peanuts from the producer, or

"(II) if the peanuts are marketed by the producer through an agent, by such agent.

"(ii) If a person or agent is required to pay a penalty under clause (i) of this subparagraph, such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer.

"(E) If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty.

"(F) Peanuts produced in a calendar year in which farm poundage quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins.

"(G) If any producer falsely identifies or fails to certify planted acres or fails to account for the disposition of any peanuts produced on such planted acres, an amount of peanuts equal to the farm's average yield, as determined under section 358(n) of this Act, times the planted acres, shall be deemed to have been marketed in violation of permissible uses of quota and additional peanuts. The penalty in respect thereof shall be paid and remitted by the producer.

"(2)(A) The Secretary shall authorize, under such regulations as the Secretary shall prescribe, the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to waive or reduce marketing penalties provided for under this subsection in cases in which such committees determine that the violations that were the basis of the penalties were unintentional or without knowledge on the part of the parties concerned.

"(B) Errors in weight that do not exceed one-tenth of 1 per centum in the case of any one marketing document may not be considered marketing violations except in cases of fraud or conspiracy.

"(g)(1) Only quota peanuts may be retained for use as seed or for other uses on a farm.

"(2) Peanuts retained under paragraph (1) shall be considered as marketings of quota peanuts, except that the Secretary may exempt from consideration as marketings of quota peanuts seeds of peanuts that are used to produce peanuts excluded under section 359(c) of this Act, are unique strains, and are not commercially available.

"(3) Additional peanuts may not be retained for use on a farm and may not be marketed for domestic edible use, except as provided in subsection (k) of this section.

"(4) Seed for planting of any peanut acreage in the United States shall be obtained solely from quota peanuts marketed or considered marketed for domestic edible use.

"(h) On a finding by the Secretary that the peanuts marketed from any crop for domestic edible use by a handler are larger in quantity or higher in grade or quality than the peanuts that could reasonably be produced from the quantity of peanuts having the grade, kernel content, and quality of the quota peanuts acquired by such handler from such crop for such marketing, such handler shall be subject to a penalty equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts that the Secretary determines are in excess of the quantity, grade, or quality of the peanuts that could reasonably have been produced from the peanuts so acquired.

"(i)(1) The Secretary shall require that the handling and disposal of additional peanuts be supervised by agents of the Secretary or by area marketing associations designated pursuant to section 108B(c)(1) of the Agricultural Act of 1949.

"(2) Quota and additional peanuts of like type and segregation or quality may, under regulations prescribed by the Secretary, be commingled and exchanged on a dollar value basis to facilitate warehousing, handling, and marketing.

"(3) Failure by a handler to comply with regulations issued by the Secretary governing the disposition and handling of additional peanuts shall subject the handler to a penalty at a rate equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts involved in the violation.

"(j) Handlers may, under regulations prescribed by the Secretary, contract with producers for the purchase of additional peanuts for crushing, export, or both. All such contracts shall be completed and submitted to the Secretary (or if designated by the Secretary, the area marketing association) for approval prior to June 15 of the year in which the crop is produced.

"(k)(1) Subject to the provisions of section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427), any peanuts owned or controlled by the Commodity Credit Corporation may be made available for domestic edible use in accordance with regulations established by the Secretary.

"(2) Additional peanuts received under loan shall be offered for sale for domestic edible use at prices not less than those required to cover all costs incurred with respect to such peanuts for such items as inspection, warehousing, shrinkage, and other expenses, plus—

"(A) not less than 100 per centum of the loan value of quota peanuts if the additional peanuts are sold and paid for during the harvest season on delivery by and with the written consent of the producer,

"(B) not less than 105 per centum of the loan value of quota peanuts if the additional peanuts are sold after delivery by the producer by not later than December 31 of the marketing year, or

"(C) not less than 107 per centum of the loan value of quota peanuts if the additional peanuts are sold later than December 31 of the marketing year.

"(3) For the period from the date additional peanuts are delivered for loan to March 1 of the calendar year following the year in which such additional peanuts were harvested, the area marketing association designated pursuant to section 108B(c)(1) of the Agricultural Act of 1949 shall have sole authority to accept or reject lot list bids when the sales price as determined under this section equals or exceeds the minimum price at which the Commodity Credit Corporation may sell its stocks of additional peanuts, except that the area marketing association and the Commodity Credit Corporation may agree to modify the authority granted by this paragraph in order to facilitate the orderly marketing of additional peanuts.

"(l)(1) The person liable for payment or collection of any penalty provided for in this section shall be liable also for interest thereon at a rate per annum equal to the rate of interest which was charged the Commodity Credit Corporation by the Treasury of the United States on the date such penalty became due.

"(2) The provisions of this section shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less if the producers who share in the peanuts produced on such farm do not share in the peanuts produced on any other farm.

"(3) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to farm poundage quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States.

"(4)(A) Notwithstanding any other provision of law, the liability for and the amount of any penalty assessed under this section shall be determined in accordance with such procedures as the Secretary by regulations may prescribe.

"(B) The facts constituting the basis for determining the liability for or amount of any penalty assessed under this section, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and may not be reviewable by any other officer or agency of the Government.

"(C) Nothing in this section shall be construed as prohibiting any court of competent jurisdiction from reviewing any determination made by the Secretary with respect to whether such determination was made in conformity with the applicable law and regulations.

"(D) All penalties imposed under this section shall for all purposes be considered civil penalties.

"(5) Notwithstanding any other provision of law, the Secretary may reduce the amount of any penalty assessed against handlers under this section if the Secretary finds that—

"(A) the violation on which the penalty is based was minor or inadvertent, and

"(B) the reduction of the penalty will not impair the operation of the peanut program.".

PRICE SUPPORT PROGRAM

SEC. 604. Effective only for the 1986 through 1989 crops of peanuts, the Agricultural Act of 1949 is amended by adding after section 108A (7 U.S.C. 1445c-1)) the following new section:

"SEC. 108B. Notwithstanding any other provision of law:

"(a)(1) The Secretary shall make price support available to producers through loans, purchases, or other operations on quota peanuts for each of the 1986 through 1989 crops.

"(2) The national average quota support rate for each of the 1986 through 1989 crops of quota peanuts shall be the national average quota support rate for such peanuts for the preceding crop, adjusted to reflect any increase, during the period beginning on January 1 and ending on December 31 of the calendar year immediately preceding the marketing year for the crop for which a level of support is being determined, in the national average cost of peanut production, excluding any increase in the cost of land, except that in no event shall the national average quota support rate for any such crop exceed by more than 6 per centum the national average quota support rate for the preceding crop.

"(3) The levels of support so announced may not be reduced by any deductions for inspection, handling, or storage, except that the Secretary may make adjustments for the location of peanuts and such other factors as are authorized by section 403 of this Act.

"(b)(1) The Secretary shall make price support available to producers through

loans, purchases, or other operations on additional peanuts for each of the 1986 through 1989 crops at such levels as the Secretary finds appropriate, taking into consideration the demand for peanut oil and peanut meal, expected prices of other vegetable oils and protein meals, and the demand for peanuts in foreign markets. The Secretary shall set the support rate on additional peanuts at a level estimated by the Secretary to ensure that there are no losses to the Commodity Credit Corporation on the sale or disposal of such peanuts.

"(2) The Secretary shall announce the level of support for additional peanuts of each crop not later than February 15 preceding the marketing year for the crop for which the level of support is being determined.

"(c)(1)(A) In carrying out subsections (a) and (b) of this section, the Secretary shall make warehouse storage loans available in each of the three producing areas (described in section 1446.11 of title 7, Code of Federal Regulations (1984 ed.)) to a designated area marketing association of peanut producers that is selected and approved by the Secretary and that is operated primarily for the purpose of conducting such loan activities.

"(B) The Secretary may not make warehouse storage loans available to any cooperative that is engaged in operations or activities concerning peanuts other than those operations and activities specified in this section and in section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(C) Such area marketing associations shall be used in administrative and supervisory activities relating to price support and marketing activities under this section and section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(D) Loans made under this paragraph shall include, in addition to the price support value of the peanuts, such costs as the area marketing association reasonably may incur in carrying out its responsibilities, operations, and activities under this section and section 359 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359).

"(2)(A) The Secretary shall require that each area marketing association establish pools and maintain complete and accurate records by type, area, and segregation for—

"(i) quota peanuts handled under loan,

"(ii) additional peanuts placed under loan, and

"(iii) additional peanuts produced without a contract between a handler and a producer as described in section 359(j) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359(j)).

"(B) Net gains on peanuts in each pool, unless otherwise approved by the Secretary, shall be distributed in proportion to the value of the peanuts placed in the pool by each producer.

"(C) Net gains for peanuts in each pool shall consist of—

"(i) for quota peanuts—

"(I) the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in such pool, plus

"(II) an amount from the pool for additional peanuts to the extent of the net gains from the sale for domestic food and related uses of additional peanuts in the pool for additional peanuts equal to any loss on disposition of all peanuts in the pool for quota peanuts, and

"(ii) for additional peanuts—

"(I) the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in the pool for additional peanuts, less

"(II) any amount allocated to offset any loss on the pool for quota peanuts as provided in clause (i) of this subparagraph.

"(D) Notwithstanding any other provision of this section, any distribution of net gains on additional peanuts of any type to any producer shall be reduced to the extent of any loss by the Commodity Credit Corporation on quota peanuts of a different type placed under loan by such producer.

"(d) Notwithstanding the foregoing provisions of this section or any other provision of law, no price support shall be made available by the Secretary for any crop of peanuts with respect to which poundage quotas have been disapproved by producers, as provided for in section 358(o) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358(o)).".

REPORTS AND RECORDS

SEC. 605. Effective only for the 1986 through 1989 crops of peanuts, the first sentence of section 373(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373(a)) is amended by inserting immediately before "all brokers and dealers in peanuts" the following: "all farmers engaged in the production of peanuts,".

SUSPENSION OF MARKETING QUOTAS AND ACREAGE ALLOTMENTS

SEC. 606. The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 1986 through 1989 crops of peanuts:

(1) Subsections (a) through (j) of section 358 (7 U.S.C. 1358(a)-(j));

(2) Subsections (a) through (h) of section 358a (7 U.S.C. 1358a(a)-(h));

(3) Subsections (a), (b), (d), and (e) of section 359 (7 U.S.C. 1359(a), (b), (d), and (e));

(4) Part I of subtitle C of title III (7 U.S.C. 1361 et seq.); and

(5) Section 371 (7 U.S.C. 1371).

SUSPENSION OF CERTAIN PRICE SUPPORT PROVISIONS

SEC. 607. Section 101 of the Agricultural Act of 1949 (7 U.S.C. 1441) shall not be applicable to the 1986 through 1989 crops of peanuts.

TITLE VII—SOYBEANS

SOYBEAN PRICE SUPPORT

SEC. 701. Effective only for the 1986 through 1989 crops of soybeans, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended—

(1) by inserting "soybeans," after "tung nuts," in the first sentence; and

(2) by adding at the end thereof the following new subsection:

"(i)(1) The price of soybeans shall be supported through loans and purchases during each of the four marketing years beginning with the 1986 marketing year at a level equal to 75 per centum of the simple average price received by farmers for soybeans for each of the preceding five marketing years, excluding the high and low valued years, except that in no event shall the Secretary establish a support price of less than $5.02 per bushel.

"(2) If the Secretary determines that the average price of soybeans received by producers in any marketing year is not more than 105 per centum of the level of loans and purchases for soybeans for such marketing year, the Secretary may reduce the level of loans and purchases for soybeans for the next marketing year by the amount the Secretary determines necessary to maintain domestic and export markets for soybeans, except that the level of loans and purchases shall not be reduced by more than 10 per centum in any year nor below $4.50 per bushel.

"(3) A producer may repay a loan made under this subsection for a crop at a level which is the lesser of—

"(A) the original loan rate established for such crop; or

"(B) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of soybeans, will reduce the costs incurred by the Federal Government in storing soybeans, and will maintain the competitiveness of soybeans in domestic and export markets.

"(4) For the purposes of this subsection, the soybean marketing year shall be the twelve-month period beginning on September 1 and ending on August 31.

"(5)(A) The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year based on the latest information and statistics available when such level of support is announced.

"(B) The Secretary shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. Such final level of support may not be announced later than October 1 of the marketing year for which the announcement applies. The final level of support may not be less than the level of support set forth in the preliminary announcement.

"(6) Notwithstanding any other provision of law:

"(A) The Secretary may not require participation in any production adjustment control program for soybeans or any other commodity as a condition of eligibility for price support for soybeans.

"(B) Soybeans may not be considered an eligible commodity for any reserve program.

"(C) The Secretary may not authorize payments to producers to cover the cost of storing soybeans.".

TITLE VIII—SUGAR

SUGAR PRICE SUPPORT

SEC. 801. Effective only for the 1986 through 1989 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) (as amended by section 701 of this Act) is further amended—

(1) by striking out "honey, and milk" in the first sentence and inserting in lieu thereof "honey, milk, sugar beets, and sugarcane"; and

(2) by adding at the end thereof the following new subsection:

"(j)(1) The price of each of the 1986 through 1989 crops of sugar beets and sugarcane, respectively, shall be supported in accordance with this subsection.

"(2) The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18 cents per pound for raw cane sugar.

"(3) The Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines to be fair and reasonable in relation to the level of loans for sugarcane.

"(4) The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of that fiscal year as is practicable consistent with the purposes of this subsection.

"(5) Loans under this subsection during any fiscal year shall be made available not

earlier than the beginning of such fiscal year and shall mature before the end of such fiscal year.".

TITLE IX—HONEY

HONEY PRICE SUPPORT

SEC. 901. Effective only for the 1986 through 1989 crops of honey, subsection (b) of section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446(b)) is amended to read as follows:

"(b)(1) Except as provided in paragraphs (2), (3), and (4), the Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of honey at a level determined by the Secretary.

"(2) The level of loans and purchases for a crop determined under paragraph (1) may not be less than the higher of—

"(A) 85 per centum of the simple average price received by farmers, as determined by the Secretary, during the immediately preceding five marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period; or

"(B) in the case of the 1986 and 1987 crops of honey, the level of loans and purchases determined for the 1985 crop of honey.

"(3) The level of loans and purchases for a crop determined under paragraph (1) may not be reduced by more than 5 per centum from the level determined for the preceding crop.

"(4) A producer may repay a loan made under paragraph (1) for a crop at a level which is the lesser of—

"(A) the original loan rate established for such crop; or

"(B) such loan rate as the Secretary determines will minimize the number of loan forfeitures, will not result in excessive total stocks of honey, will reduce the costs incurred by the Federal Government in storing honey, and will maintain the competitiveness of honey in domestic and export markets.

"(5) The simple average price received by farmers for the immediately preceding marketing year shall be based on the latest information available to the Secretary at the time of the determination.".

TITLE X—MISCELLANEOUS COMMODITY PROVISIONS

PAYMENT LIMITATIONS

SEC. 1001. Notwithstanding any other provision of law:

(1) For each of the 1986 through 1989 crops, the total amount of payments (excluding disaster payments) that a person shall be entitled to receive under one or more of the annual programs established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for wheat, feed grains, upland cotton, extra long staple cotton, and rice may not exceed $50,000.

(2) For each of the 1986 through 1989 crops, the total amount of disaster payments that a person shall be entitled to receive under one or more of the annual programs established under the Agricultural Act of 1949 for wheat, feed grains, upland cotton, and rice may not exceed $100,000.

(3) As used in this section, the term "payments" does not include—

(A) loans or purchases;

(B) any gain realized by a producer from repaying a loan at the lesser of the original loan rate or a loan rate determined by the Secretary of Agriculture; or

(C) any part of any payment that is determined by the Secretary of Agriculture to represent compensation for resource adjustment (excluding land diversion payments and payment-in-kind acreage diversion payments) or public access for recreation.

(4) If the Secretary determines that the total amount of payments that will be earned by any person under the program in effect for any crop will be reduced under this section, any acreage requirement established under a set-aside or acreage limitation program for the farm or farms on which such person will be sharing in payments earned under such program shall be adjusted to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

(5)(A) The Secretary shall issue regulations defining the term "person" and prescribing such rules as the Secretary determines necessary to assure a fair and reasonable application of such limitation.

(B) The provisions of this section that limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary.

(C) The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970, under section 101 of the Agricultural Act of 1970 (7 U.S.C. 1307).

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

SEC. 1002. Effective only for the marketing years for the 1986 through 1989 crops, section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended—

(1) in the third sentence, by striking out the language following the third colon and inserting in lieu thereof the following: "*Provided*, That, notwithstanding any other provision of law, the Corporation may not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, and rye, respectively, at less than 115 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges.";

(2) in the fifth sentence, by striking out "current basic county support rate including the value of any applicable price-support payment in kind (or a comparable price if there is no current basic county support rate)" and inserting in lieu thereof the following: "current basic county loan rate (or a comparable price if there is no current basic county loan rate)"; and

(3) in the seventh sentence, by striking out ", but in no event shall the purchase price exceed the then current support price for such commodities" and inserting in lieu thereof the following: "or unduly affecting market prices, but in no event shall the purchase price exceed the Corporation's minimum sales price for such commodities for unrestricted use".

APPLICATION OF TERMS IN THE AGRICULTURAL ACT OF 1949

SEC. 1003. Effective only for the 1986 through 1989 crops of wheat, feed grains, upland cotton, and rice, subsection (k) of section 408 of the Agricultural Act of 1949 (7 U.S.C. 1428(k)) is amended to read as follows:

"(k)(1) Reference made in sections 402, 403, 406, 407, and 416 of this Act to the terms 'support price', 'level of support', and 'level of price support' shall be considered to apply as well to the level of loans and purchases for wheat, feed grains, upland cotton, and rice under this Act.

"(2) References made to the terms 'price support', 'price support operations', and 'price support program' in such sections and in section 401(a) of this Act shall be considered as applying as well to loan and purchase operations for wheat, feed grains, upland cotton, and rice under this Act.".

NORMALLY PLANTED ACREAGE AND TARGET PRICES

SEC. 1004. Section 1001 of the Food and Agriculture Act of 1977 (7 U.S.C. 1309) is amended to read as follows:

"SEC. 1001. (a)(1) Notwithstanding any other provision of law, whenever a set-aside program is in effect for one or more of the 1986 through 1989 crops of wheat or feed grains, the Secretary of Agriculture may require, as a condition of eligibility for loans, purchases, and payments for such crops under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), that producers not exceed the acreage on the farm normally planted to crops designated by the Secretary, adjusted as deemed necessary by the Secretary to be fair and equitable among producers and reduced by any set-aside or diverted acreage.

"(2) Such normal crop acreage for any crop year shall be determined as provided by the Secretary.

"(3) The Secretary may require producers participating in the program to keep such records as the Secretary determines necessary to assist in making such determination.".

"(b) Notwithstanding any other provision of law:

"(1) Whenever the Secretary, for one or more of the 1986 through 1989 crops of wheat and feed grains, requires that producers not exceed the acreage on the farm normally planted to crops designated by the Secretary in accordance with subsection (a) of this section, the Secretary may increase the established price payments for any such commodity by such amount (or if there are no such payments in effect for such crop by providing for payments in such amount) as the Secretary determines appropriate to compensate producers for not exceeding the acreage on the farm normally planted to crops designated by the Secretary and participation in any required set-aside with respect to such commodity.

"(2) In determining the amount of any payments for any commodity under this subsection, the Secretary shall take into account changes in the costs of production resulting from not exceeding the acreage on the farm normally planted to crops designated by the Secretary and participation in any required set-aside with respect to such commodity.

"(3) If payments are provided for any commodity under this subsection, the Secretary may provide for payments for any other commodity in such amount as the Secretary determines necessary for effective operation of the program.

"(4) The Secretary shall adjust any payments under this subsection to reflect, in whole or in part, any land diversion payments for the commodity for which an increase is determined.".

TITLE XI—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 1101. Except as otherwise provided herein, this Act and the amendments made

by this Act shall become effective on the date of enactment of this Act.

Mr. COCHRAN. Mr. President, I urge my colleagues in the Senate to review this proposal and I hope it will gain the support of the Senate. I shall be sending around a letter to each Senator, giving each a copy of these remarks and inviting cosponsors for the bill.

I yield the floor, Mr. President.

S. J. Res. 102—THE NATIONAL COMMISSION ON ILLITERACY ACT

Mr. ZORINSKY. Mr. President, for years we have been warned about the implications of the illiteracy problem in this country. In 1963, President John F. Kennedy expressed his concern about the number of young men unqualified for military service because they could not read or do simple arithmetic. Many of them had received passing grades in grammar school, high school and—in a few instances—even in college. He said, "This situation must not be permitted to continue or its implications to go unattended. These figures are an indictment and an ominous warning."

Today, more than 20 years later, 26 million American adults cannot read or write at all, and up to 72 million cannot read or write above the fifth grade level. Other illiteracy rates, according to the National Institute of Education, are: 47 percent of 17-year-old minority youths; 60 percent of inmates in correctional institutions; 75 percent of unemployed persons; 56 percent of Hispanic Americans. And the numbers are growing. According to last year's report, "Books in Our Future," by the Librarian of Congress, adult illiterates are increasing by about 2.3 million each year.

Illiteracy is consuming more and more of our tax dollars for remedial courses in schools, colleges, government agencies, and even the Armed Forces. Additional tax dollars are spent to remedy the effects of illiteracy—crime, unemployment, and welfare.

Most government agencies have high-school level courses for their employees, at the taxpayers' expense, including reading, writing, grammar, and vocabulary. Last year the Army alone spent over $14 million to bring its recruits up to the ninth grade level in reading—and 90 percent of them were high school graduates. Expenditures for welfare and unemployment due to illiteracy are estimated at $6 billion annually. And, according to Barbara Bush, wife of the Vice President, it now costs $6.6 billion a year to keep 750,000 illiterates in jail.

The recent report, "Corporate Classrooms," by the Carnegie Foundation for the Advancement of Teaching noted that education and training by businesses has become a booming sector of American education as companies try to fill the gaps left by inadequate schools and colleges. It noted that the proliferation of remedial work in basic reading, writing and computation skills implies an indictment of the schools for graduating students who lack the fundamentals needed to perform well on almost any job. We are all directly affected by this need for remedial instruction in the business sector because it increases the prices we as consumers pay for goods and services.

Yet, in spite of the staggering amounts of money being invested in remediation, a recent report of the national adult literacy project, sponsored by the National Institute of Education, found that all public and private remediation programs reach only 2 to 4 percent of adults requiring these services.

How can we continue to take for granted a problem that drains such a large percentage of our resources with few appreciable results? Why must we spend so much money to remedy what the schools should be doing properly in the first place? And how can we ignore the human toll—the humiliation and suffering of persons who cannot do the simple things that most of us take for granted, like following written instructions, filling out a job application, or reading a map? How painful it must be to go through life with such a handicap.

Last year, we passed the Education for Economic Security Act at a cost of $100 million to improve the quality of mathematics and science instructions in the United States.

Yet last month, at a Reading Reform Foundation conference on illiteracy held in the Senate caucus room, Charles Richardson, an engineer speaking on behalf of the Sperry Corp. and the Long Island Forum for Technology, had this to say:

> Last year, at two conferences organized by the Institute of Electrical and Electronic Engineers and other technical societies, large scale studies were reported showing that U.S. elementary schools have trouble finding enough time for science instruction because of the time allotted for all the teaching of remedial reading skills. By contrast, fourth and fifth graders in Russia and Japan spend much more time on science and math and no time on reading skills. (That work was finished in the first two grades.) But—get this—studies among U.S. junior high school science teachers found that 87 percent of them cited as a deterrent factor to effective instruction "inadequate student reading abilities!" * * * Even with more remedial reading time than ever before, our kids still don't read well enough to handle science efficiently at the secondary level.
>
> Pondering the pattern of these symptoms, we can draw only two plausible inferences: either American schools are doing an inadequate job of teaching reading and language, or American kids are the stupidest in the world in language acquisition. Which of those alternatives will you buy? And for which condition is there a sensible solution available?

It does make one wonder how effective our $100 million investment will be.

Mr. President, I believe it is time to take a different approach to this problem. We need to find out how to prevent illiteracy—to discover why many students are not learning to read.

Illiteracy is not a disease that strikes in adolescence or in adulthood. The foundations for reading must be laid in the first years of school. This issue was not even addressed in "A Nation at Risk," since it did not cover elementary education.

In 1959, at a citywide PTA meeting in Washington, a school principal, Henry Rucker, expressed his belief that schools have contributed to juvenile delinquency by not teaching children to read. He said:

> Whenever some kid gets into trouble, I look in the file and pull out his record. Almost always, the poor kid is behind three or four years in reading. He can't read, he hates school, he hates books, and he doesn't care. He gets no good attention, so he does something and gets bad attention.

Twenty-five years later, these words are still relevant.

Last year the Senate Education Subcommittee held a hearing on similar legislation which I had proposed to address this issue. The testimony indicated that the most effective methods of teaching reading are not being widely used in our schools because the colleges of education are ignoring the research in this area. It was noted that many nonreaders are being given a label such as "learning disabled" when in fact they are instead victims of poor teaching methods. If this is indeed the case, I do not believe that the teachers should be blamed. Teachers do want their students to learn, but they only know what they themselves have been taught.

While it would be appropriate for the individual States to take action themselves, the report "The Nation Responds—Recent Effort To Improve Education," followup to "A Nation at Risk," makes it clear that on this particular issue they are not, in fact, doing so.

I am therefore introducing today, along with a number of my colleagues, legislation to establish a Commission to study the causes of illiteracy in the United States. I want to make it clear at the outset that the Commission would not create Federal policy with respect to reading instruction. What it would do is identify the problems and recommend solutions. The States would then have the benefit of this information to help them make informed decisions on improving the teaching of reading.

The Commission would be comprised of a broad cross section of individuals, including parents, representatives of

the education community, business and industry, the military, government, and minorities, to ensure an objective assessment. The members would serve without any remuneration, other than reimbursement for their actual expenses.

The need for an independent commission to look into the reading problem was stressed not only at last year's hearing, but as early as 1969 when the report of the National Academy of Education's blue-ribbon committee on reading stated that "an effective national reading effort should bypass the existing education macrostructure."

Mr. President, this is not another huge Federal program, but rather a relatively inexpensive effort which has the potential to result in savings of billions of dollars. After all these years of watching the literacy of the American people deteriorate, isn't it time that we face the problem squarely? Instead of spending billions of dollars on remediation, let us now begin to find out what is causing this problem in the first place. Other nations with far fewer resources than ours have managed to keep their illiteracy rate to a very low level. Surely we can and should do no less.

I thank the cosponsors of this legislation, Senators DOLE, THURMOND, HATCH, PRESSLER, SYMMS, TRIBLE, GLENN, NUNN, GOLDWATER, HOLLINGS, GARN, GORE, BAUCUS, STENNIS, MELCHER, EAST, WARNER, GRAMM, and STEVENS, and I urge our other colleagues to join us in this effort.

Mr. President, I ask unanimous consent that the text of the resolution and accompanying correspondence be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 102

Whereas over 20 percent of adults in this country are functionally illiterate and another 32 percent are only marginally literate;

Whereas approximately 13 percent of all 17-year olds in the United States can be considered functionally illiterate, and 40 percent cannot draw inferences from written material;

Whereas functional illiteracy among minority youth may run as high as 40 percent;

Whereas the number of adult illiterates is growing by about 2,300,000 individuals each year;

Whereas several billion dollars are spent each year on remedial reading by schools, colleges, businesses, government agencies, and the armed forces;

Whereas illiteracy threatens our economy, our national security, and the very future of our country;

Whereas the response to the problem of illiteracy has focused primarily on remediation, but very little has been said about prevention; and

Whereas a substantial number of teachers believe that they were not trained to use the most effective methods of teaching reading: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "National Commission on Illiteracy Act".

ESTABLISHMENT OF COMMISSION

SEC. 2. (a) There is established a commission to be known as the "National Commission on Illiteracy" (hereafter in this Act referred to as the "Commission").

(b) The Commission shall be composed of sixteen members as follows:

(1) Eight members shall be appointed by the President of the United States.

(2) Four members shall be appointed by the President pro tempore of the Senate, two upon recommendation of the Majority Leader of the Senate and two upon recommendation of the Minority Leader of the Senate.

(3) Four members shall be appointed by the Speaker of the House of Representatives, two upon recommendation of the Majority Leader of the House of Representatives and two upon recommendation of the Minority Leader of the House of Representatives.

(c)(1) The President, the President pro tempore of the Senate, and the Speaker of the House of Representatives shall, after consultation, assure that the members of the Commission are broadly representative of parents, the education community, business and industry, the military, and government, together with consideration for representation of minorities.

(2) The members of the Commission shall be individuals who have demonstrated prior understanding of and concern about the problem of illiteracy.

(d) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) The Commission shall elect a chairman and a vice chairman from among its members.

(f) Nine members of the Commission shall constitute a quorum for the transaction of business, but the Commission may establish a lesser number as a quorum for the purpose of holding hearings, taking testimony, and receiving evidence.

FUNCTIONS

SEC. 3. (a) The Commission shall conduct a full and complete study of the causes of illiteracy. Such study shall include but not be limited to the consideration of—

(1) methods of teaching reading that have been proven to be most effective, as well as methods of teaching reading which may be counterproductive; and

(2) methods of teacher training relating to reading instruction in the classroom.

(b) In carrying out its functions under this section, the Commission shall—

(1) assess the factors which contribute to illiteracy;

(2) recommend programs and policies to prevent illiteracy;

(3) recommend the appropriate local, State, and Federal role in the prevention of illiteracy; and

(4) assemble, analyze, and publicize its findings.

(c) The Commission shall submit to the President and to the Congress such interim reports as it deems advisable. The Commission shall submit to the President and to the Congress, not later than twelve months after the first meeting of the Commission, a final report of the study and investigation, together with such recommendations as the Commission deems advisable.

ADMINISTRATIVE PROVISIONS

SEC. 4. (a) Subject to such rules and regulations as may be adopted by the Commission, the chairman is authorized to—

(1) appoint, terminate, and fix the compensation without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, or of any other provision of law, relating to the number, classification, and General Schedule rates—

(A) of such personnel as it deems advisable to assist in the performance of its duties, at rates not to exceed a rate equal to the maximum rate for GS-15 of the General Schedule under section 5332 of such title; and

(B) of an executive director for the Commission contingent upon confirmation by the Commission members at an annual rate of compensation not to exceed a rate equal to the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(2) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch, but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-15 of the General Schedule.

(b) Service as a member of the Commission or as an employee of the Commission shall not be considered service in an appointive or elective position in the Federal Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

(c) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

COMPENSATION OF MEMBERS

SEC. 5. (a) The members of the Commission shall serve on the Commission without compensation.

(b) All members of the Commission shall be reimbursed for travel, as authorized by section 5703 of title 5, United States Code, subsistence, and other necessary expenses incurred in the performance of the duties of the Commission.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee thereof or any member authorized by the Commission may, for the purpose of carrying out this joint resolution, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements (with or without consideration or bond, to such extent or in such amounts as are provided in appropriation Acts, and, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), make such expenditures, and take such other actions as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the

Commission may require for the purpose of this joint resolution, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the chairman or vice chairman.

(c) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this joint resolution, unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the chairman in writing.

(d) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress.

TERMINATION OF THE COMMISSION

SEC. 7. Ninety days after the submission to the Congress of its final report, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums, but not to exceed $1,000,000, as may be necessary to carry out the provisions of this joint resolution.

THE AMERICAN LEGION,
Washington, DC, March 15, 1985.

Hon. EDWARD ZORINSKY,
U.S. Senate,
Washington, DC.

DEAR SENATOR ZORINSKY: The American Legion takes this opportunity to join you in supporting your proposed legislation cited as the National Commission on Illiteracy Act.

For many years The American Legion has been actively involved and interested in the quality of education that American children receive. We are well aware of the consequences of high illiteracy rates in terms of the socio-economic costs and underdevelopment of the human potential in our nation.

Therefore, we lend the support of our organization in calling on the Congress to establish a bipartisan commission to study and assess the factors which contribute to illiteracy and recommend appropriate programs and policies to prevent illiteracy. We believe that the establishment of a commission to study the high illiteracy rate in the U.S. is both timely and necessary.

Sincerely,

E. PHILIP RIGGIN,
Director, National Legislative Commission.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

AMERICAN CIVIL LIBERTIES UNION ENDORSES THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, recently the American Civil Liberties Union wrote to every Member of the Senate urging a vote in favor of ratification of the Genocide Convention.

That letter is particularly timely. In recent statements, opponents of the Genocide Convention have warned that the Genocide Convention would in some way overturn the Bill of Rights of our Constitution, that it would undercut the free speech rights of Americans, and that it poses a threat to our constitutional system.

As we know, Mr. President, such charges are frivolous nonsense. But it is particularly reassuring to hear the same ringing endorsement of the Genocide Convention from the American Civil Liberties Union.

Why? What organization has better stood up for the protection of individual rights than the ACLU? Who, Mr. President?

The American Civil Liberties Union can hardly be called a slacker in defense of individual liberty, either by its friends or its critics. In fact, it critics charge that it protects the individual too often at the expense of the majority.

But in their painstaking review of the Genocide Convention, did they find any cause for concern? Not at all. As they point out, there is "no legal impediment to the United States' ratifiction of the Genocide Convention. The provisions of the Convention are in full accordance with the Constitution, laws and ideals of the United States."

Mr. President, there is little that I can add to the American Civil Liberties Union's excellent letter, except to say that it is time that we move promptly to initiate debate. The campaign of innuendo and half truth of the far right needs to be exposed to open and full debate here in this Chamber. It is time that we begin.

I ask unanimous consent that the letter of the American Civil Liberties Union be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC, March 15, 1985.

DEAR SENATOR: I am writing on behalf of the American Civil Liberties Union in support of the ratification of the United Nations Convention on the Prevention and Punishment of the Crime of Genocide.

Genocide is a particularly odious deprivation of human rights. It is the murder of a people; a homicide directed at the family of man. The Convention defines genocide as "acts committed with intent to destroy, in whole or in part, a national, ethical, racial or religious group as such". Ratification of the Convention merely commits each country to the enactment of laws to provide effective penalties for persons guilty of genocide.

There is no legal impediment to the United States' ratification of the Genocide Convention. The provisions of the Convention are in full accordance with the Constitution, laws and ideals of the United States. Ratification of the Convention is, therefore, a proper exercise of the treaty-making power of the Constitution.

On September 6, 1984 President Reagan announced his vigorous support for the ratification of the Genocide Convention. The passage last October of S. Res. 478 committing the Senate to the principles embodied in the Convention and to expeditious action thereon in the 99th Congress represents commendable progress. However, the time has come for the United States to ratify the Convention and join with 93 other nations to make the treaty work.

This country played a leading role in the adoption of the Genocide Convention by unanimous vote of the United Nations General Assembly in 1948. Since then the United States has continued to work for the promotion of human rights. However, the United States' failure to ratify this Convention in the thirty-six years since its adoption casts serious doubt on our commitment to protect internationally recognized human rights. Our concern about human rights abroad must be accompanied by a willingness to obligate ourselves to act in accordance with these same international standards. Ratification of the Genocide Convention would be a long overdue step in the pursuit of truly effective international human rights policy throughout the world.

Thank you for your consideration of these views.

Sincerely,

MORTON H. HALPERIN,
Acting Director.

FINANCIAL EXPORT CONTROL ACT

Mr. PROXMIRE. Mr. President, on March 28, Senator GARN introduced S. 812, the Financial Export Control Act, of which I am an original cosponsor. That bill would amend the Export Administration Act in order to give the President authority to control bank loans and other extensions of credit from American banks and corporations to the Soviet Union and its Eastern bloc allies. It is designed to ensure that credits to the Soviet bloc are more carefully reviewed in order to help achieve some of our political objectives vis-a-vis the harsh Soviet rule in Eastern Europe.

Credit controls may also help restrict the diversion of militarily critical technologies to the Soviet bloc. Two years ago, when we had hearings in the Banking Committee to guide us in crafting amendments to the Export Administration Act, we heard credible testimony regarding the Soviet Union's massive, well-managed and carefully targeted technology acquisition program.

They spend a whale of a lot of money to try to get our technology. Recent revelations of the Defense Department were that we were ahead of the Soviet Union in every technological area or equal to them. We were

ahead in 15 of the 20 most important areas, equal to them in 5, and they were ahead of us in none. They have a massive program and the resources to take our technology and are being successful to some extent.

Their program enables the Soviets to save both time and money in their military R&D program. They, in effect, illegally and surreptitiously purchase military technologies we develop at considerable expense to our taxpayers. More careful review of loans by U.S. banks to the Soviet bloc can reduce the amount of discretionary dollars they have available to bribe those in the West who clandestinely transfer such proscribed technologies to them.

I want to make very clear that I am not opposed to all bank loans or other extensions of credit to the Eastern bloc. Some loans may in fact be needed to finance the purchase by Eastern European countries of nonstrategic goods, whose purchase helps our workers, farmers, and industry, and which do not strengthen those countries militarily. What concerns me, however, are cases when our banks fall all over themselves to make loans to the Soviet bloc without regard to whether such loan extensions undermine our, or our allies' political objectives in those countries. The profit motive is very laudable, but on occassion it may need to be tempered by other considerations.

Because I believe carefully managed extensions of credit to the Eastern bloc can serve U.S. interests, I have suggested to Senator GARN that the word "could" be added to the new finding to the Export Administration Act proposed in section 3 of S. 812. That new finding would then read in its entirety:

> Loans and other transfers of capital to the Soviet Union and its allies from public and commerical sources could significantly increase the ability of the countries to obtain sensitive goods and technology thereby damaging the security interest of the United States and its allies.

This makes clearer that not all credits necessarily strengthen the Soviets.

I have also suggested to Senator GARN that the last line of section 4 of S. 812 be amended to read as follows:

> The authority contained in this subsection shall be exercised by the Secretary of the Treasury *pursuant to regulations he shall issue* in consultation with the Secretary of Defense, the Secretary of Commerce and such other departments and agencies as the Secretary of the Treasury shall consider appropriate.

Adding the italicized words is designed to make absolutely clear that the authority being given to the executive branch in this bill is to be exercised only through regulations that are first published in the Federal Register. This is to ensure that our banks and corporations have full notice of those Government controls that have an impact on their operations in Eastern Europe. It will also ensure they have an opportunity to advise Government officials about controls that may not be workable or which could be counterproductive to our political interests.

I agree with Senator GARN that it is time to address the issue of credit extensions to the Soviet bloc and am pleased to cosponsor his bill with the above considerations in mind.

S. 844—ADMINISTRATION'S BILL TO AMEND THE EXPORT-IMPORT BANK ACT

Mr. PROXMIRE. Mr. President, I send to the desk a bill that will amend the Export-Import Bank Act of 1945, as amended, and I am introducing it at the request of the Reagan administration.

The bill, if enacted, would amend three sections of the Export-Import Bank Act of 1945 (12 U.S.C. sec. 635 et seq.) namely section 2(a)(1), section 3(c)(8) and section 8, and would add a new section, section 15. In particular, this legislation would prohibit the Eximbank from making any new direct loans beginning in fiscal year 1986 while clarifying the Bank's authority, where necessary, to subsidize export loans provided by other lenders. Also in order to prevent any interruption in the operation of the Eximbank Board of Directors, the bill would make clear that a director of the Eximbank may continue to serve after the expiration of his or her term until his or her successor has been appointed. Finally, the proposed legislation would extend the life of the Eximbank from September 30, 1986, to September 30, 1991.

The most important provision in the administration's bill which I am offering is the proposal to replace the Export-Import Bank's direct loan program with an interest matching program called "I-Match" by the Bank. Under that new program, the Eximbank would discontinue its practice of borrowing money from the U.S. Treasury in order to make export loans. Instead the Bank would find a private lending institution to fund the loan and then buy down the private lender's interest rate to the minimum level permitted under international agreements where that is necessary to counter subsidized foreign competition.

During recent hearings on the President's proposal, the Chairman of the Export-Import Bank has repeatedly stated that the "I-Match" Program could be just as effective as the Bank's direct loan program in supporting export sales. In the next fiscal year the "I-Match" Program would enable the Bank to provide exporters with $1.8 billion in below market, fixed rate financing. This represents a $300 million increase over the amount of fixed rate financing the Bank authorized this past fiscal year under its direct loan program and almost a billion dollars more than the Bank authorized in 1983. The administration's proposal also calls for increasing the Eximbank's guarantee and insurance authority in fiscal 1986 to $12 billion—up from $10 billion in the current year.

The Chairman of the Eximbank has also testified that the administration's proposal to substitute the "I-Match" Program for the Bank's present direct loan program will cut more than $3.4 billion from our budget deficit over the next 3 years.

Let me repeat that.

The administration is interested in this proposal that I am making today. They are supporting it. It is their proposal, because it will reduce the deficit by over $3 billion over the next 3 years.

As I say, it will also provide for a better opportunity for the Export-Import Bank to do its job, that is to finance American export that is in competition with the subsidized financing of exports by other countries.

I believe the President's proposal deserves very serious consideration by the Senate and the Banking Committee to which it will be referred and I am pleased to introduce it at the request of the administration.

Mr. President, I ask unanimous consent that the bill and the accompaying section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SEC. 101. That Section 2(a)(1) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. § 635(a)) is amended by inserting after "to guarantee, insure, coinsure, and reinsure against political and credit risks of loss;" the following: "to provide a sufficient return to commercial lending institutions or other lenders making loans in support of exports of goods and services when financing at other than market rates is necessary to respond to subsidized financing offered by foreign export credit agencies;".

SEC. 102. That Section 3(c)(8) of such Act (12 U.S.C. § 635a(c)(8)) is amended by adding at the end thereof the following: "(E) Any director whose term has expired may serve until his or her successor has been appointed.".

SEC. 103. That Section 8 of such Act (12 U.S.C. § 635f) is amended by striking out "September 30, 1986" and inserting in lieu thereof "September 30, 1991".

SEC. 104. That such Act is amended by inserting after Section 14 (12 U.S.C. § 635i-2) the following: "SEC. 15. Effective October 1, 1985, the Bank shall not approve any new loans, provided that the provisions of this section shall not be construed as (i) preventing the Bank from performing, administering, extending, rescheduling, refinancing or accounting for any obligations incurred

prior to such date, which remain outstanding subsequent to such date, or (ii) pertaining to the Bank's guarantee and insurance activities.".

SECTION-BY-SECTION ANALYSIS

Section 101 amends Section 2(a)(1) of the Export-Import Bank Act of 1945, as amended, (12 U.S.C. § 635 (a)) to make it clear that where financing at other than market rates is necessary to respond to subsidized financing offered by foreign export credit agencies Eximbank possesses the authority to assure a sufficient rate of return to commercial lending institutions and other lenders making export-related loans. In this way, the lenders would be able to provide loans at rates which are necessary for U.S. suppliers to compete with foreign suppliers receiving support from their official export credit agencies, while at the same time the lenders could be assured of receiving a sufficient rate of return. The determination as to what constitutes market rates as well as what constitutes a sufficient return would be left to the judgment of the Eximbank Board of Directors. The Board of Directors would also use its judgment in determining the existence and nature of the officially subsidized export financing.

Section 102 is intended to assure the availability at all times of a quorum of members of the Eximbank Board of Directors by amending Section 3(c)(8) of the Export-Import Bank Act of 1945, as amended, to make it clear that a director may continue to serve after the expiration of his or her term until his or her successor has been appointed. In this way, there would be no interruption in the operation of Eximbank in general.

Section 103 amends Section 8 of the Export-Import Bank Act of 1945, as amended, to extend the life of the Bank from September 30, 1986 to September 30, 1991.

Section 104 adds Section 15 to the Export-Import Bank Act of 1945, as amended, (12 U.S.C. § 635i-3) to prohibit the Bank from making any new loans beginning in FY 86. At the same time, the Bank would be able to honor legally binding commitments made in prior years that may require it to make loans after October 1, 1985.

Section 15 would not affect the Bank's ability to make disbursements under any direct loans, medium-term credits or small business credits authorized in prior fiscal years or to administer, extend, reschedule, refinance or account for such direct loans and credits.

Further, Section 15 would not have any impact upon the Bank's guarantee and insurance programs. For example, this Section would not apply to the accounting for, or handling of, claims or liabilities under these programs and the rescheduling or refinancing of indebtedness acquired pursuant to payment of any claims.

HOW A SUCCESSFUL STAR WARS COULD BRING ON NUCLEAR WAR

Mr. PROXMIRE. Mr. President, one of the shocking revelations in the recent report by the Congressional Research Service of the Library of Congress on star wars and the U.S.-NATO strategy was an astonishing concern expressed by some West German officials. The CRS reported that some West German officials expressed the view that a military attack on Germany that was conventional could be as bad for Germany as a nuclear attack.

Is that possible? Could a conventional military attack bring on an even more terrible consequence than a nuclear war? If so, how? What do these Germans fear? These Germans were concerned that the logical result of a successful antimissile defense for the superpowers would be lifting of the threat of nuclear war for both Russia and the United States. If star wars succeeded as the administration contends it can, then neither the United States nor the Soviet Union need fear a nuclear attack. Both could survive such a strike. Both sides would know this. And therefore, according to the administration scenario, there would be no nuclear exchange. Doesn't that sound like paradise? Most scientific experts do not believe star wars could begin to provide that kind of protection. But assume it did. What deterrence would remain to prevent the Soviet Union from using its massive conventional superiority to try to sweep through Western Europe?

Today they will not do so because they fear a devastating nuclear response from the United States. But if star wars works—and if star wars works as the administration proposes, as giving a technology to the Soviet Union—then that deterrence is gone.

That would seem to lift an immense fear from the hearts of all of us. Conventional war might be terrible, but how could it be as terrible for anyone as nuclear war?

Well, Mr. President, it could be. After all, in the closing days of World War II conventional war reached a level of destruction that approached nuclear war for those directly involved. And that was 40 years ago. Since that time the cruel, devestating capacity of conventional weapons has massively increased. The fire bombing of Hamburg by conventional allied air attacks is reported to have incinerated 40,000 people, and left the city a smoldering cemetery of ruin. The March-April 1945 edition of the Harvard magazine carries an article by Prof. Dieter Georgi, a former professor at the Harvard University Divinity School. Professor Georgi was born in Germany and was a 10th grade high school student living in Dresden Germany in 1945 when the allies hit Dresden with a series of conventional air raids. Here is how Dieter describes his experience:

I remember one particular incident that shows how incredibly strong the fire was. With other tenth graders, I was drafted into a new army unit in early April 1945. On the fourth of May our platoon was charged with finding a suitable place for the command post of our regiment in the ruins around Dresden's central train station. As we looked for an adequate cellar, we found chalk figures on the walls indicating the number of corpses found and removed. Some of the cellars had caved in, but as we moved into others we noticed that the temperature increased and quickly became unbearable. Not only had the stones kept the heat since February, but the fire was acutally still burning after almost a quarter of a year.

At first, the German bureaucrats painstakingly tried to identify the dead, but they quickly resorted to merely counting them and then had to give up altogether. The first corpses were buried, but the later ones were cremated on big racks by the thousands. I can still remember a pickup truck full of naked bodies with distorted stiff limbs. A young soldier was leaning with his back against the driver's cabin, overlooking his load of death with the most tired and empty look I have ever seen.

Many other terrifying visions are still with me since February 13, 1945: the victims of burns in the makeshift hospital in Klotzche; the moving and mumbling flesh where faces had been; the tiny corpses in the street, which a closer look would reveal as adults shrunk and dwarfed by the heat; the long treks of prisoners of war and Russian auxiliaries coming "home" from the city in the evening; exhausted and utterly silent; the stench of cremation and of decomposition; the glow of fire reflecting in the night sky.

Now, Mr. President, that was the kind of devestation that conventional weapons, I repeat conventional weapons—could bring to a city 40 years ago. Forty years is a millenium in the development of military weapons. Today conventional weapons—not nuclear weapons—conventional weapons could wreak far greater devestation. Do you see why many West Germans welcome the stalement of nuclear deterrence that has kept the European peace for 40 years? Do you see why even a completely successful star wars defense that would make the world safe for another conventional war in Europe would constitute a fearsome threat to many West Germans—our key NATO ally?

If the star wars defense could possibly prevent nuclear war, an increased threat of conventional war might still be a risk well worth taking, especially for those of us who live in America and not in Europe. But let us not kid ourselves. Any conventional war between the Soviet Union and free Europe would swiftly involve the United States. We would be in it promptly and fully. Star wars might then defend our country from Russian ICBM attack, but it would not even try to stop tactical nuclear weapons. We are equipped at this moment with nuclear warheads for our artillery. If the Soviets conventional superiority enabled them to break through in Europe we would swiftly go to neutron bombs. The Soviets would retaliate at first with tactical nuclear weapons.

Could star wars or any advancement of it conceivably protect the cities of free Europe from nuclear destruction from warheads carried by small vehicles or even individual soldiers? Of course not. And one way or another the nuclear war would spread to the

United States. We could expect nuclear commando raids, and coastal cities hammered by nuclear missiles launched from submarines. Certainly our adversaries would launch nuclear bombs from low-flying planes and would send nuclear armed cruise missiles under any star wars umbrella designed to protect us from Russian ICBM's. A superpower conventional war would surely, inevitable turn nuclear. It would utterly destroy both superpowers no matter how elaborate or advanced our star wars antimissile defenses. The irony is that the very promise of developing an antimissile defense that could keep the world at peace could be the prime force that upset the nuclear deterrent standoff and pushed us into the final war.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR COHEN

The PRESIDING OFFICER. Under the previous order, the Senator from Maine [Mr. COHEN] is recognized for not to exceed 15 minutes.

S. 848—AMERICAN FOOTWEAR INDUSTRY RECOVERY ACT OF 1985

Mr. COHEN. Mr. President, today I and 17 colleagues are introducing the American Footwear Industry Recovery Act of 1985.

I wish to list the names of my colleagues: Senator MITCHELL, Senator SASSER, Senator KASTEN, Senator PROXMIRE, Senator PRYOR, Senator HOLLINGS, Senator HEINZ, Senator DIXON, Senator THURMOND, Senator COCHRAN, Senator EAGLETON, Senator SIMON, Senator RUDMAN, Senator EAST, Senator BUMPERS, Senator GORE, and Senator ARLEN SPECTER.

We are introducing this measure as we did last year when we introduced a similar piece of legislation last year after the International Trade Commission ruled that the domestic nonrubber footwear industry had not been seriously injured by imports under conditions set forth in section 201 of the Trade Act of 1974.

Since that incredible decision, the American footwear industry has continued to experience severe and growing distress from imports. Recently, the U.S. Department of Commerce reported that imports of nonrubber footwear reached 75 percent of the U.S. market in January. The U.S. industry currently provides only 1 of every 4 pairs of shoes purchased in this country, and yet the ITC could find no evidence of injury?

To repeat those statistics: Foreign competition now owns 75 percent of the market and yet our own ITC found no evidence of injury to our domestic industry.

Imports of nonrubber footwear increased 25 percent in 1984 alone. Last year, this onslaught of imported footwear forced over 100 U.S. factories to close down their doors forever, placing some 13,300 people out of work. Nearly every week last year, two factories shut their doors in the face of this unprecedented import surge. Unemployment levels for this industry nationwide approach 17 percent—more than twice the average manufacturing unemployment rate in the country. Yet the ITC found no evidence of injury.

Sadly, Maine is not an isolated case when it comes to the devastating effect this incredible import surge has had upon this industry. My colleagues from Missouri, Arkansas, Wisconsin, Tennessee, and other States, can attest to the equally alarming statistics regarding the effect of footwear imports on their own constituents. Factory after factory is closing throughout the Nation, no longer able to bear the unfair competition from cheap foreign imports. Unless some action is taken soon, what is left of this industry may well not survive.

While factory closings present difficulties in any industry, the closing of a footwear factory creates particular hardships. Most shoe factories are located in rural and semirural areas where they provide the primary and, in many cases, the only source of employment. In Maine, an estimated 25 percent of all shoe factories are located in towns with populations of less than 5,000 people. More than one-third of the industry workers are 50 years old or older, and almost two-thirds of them are women. When these workers lose their jobs, there is nowhere else to go for employment. They cannot vote with their feet. They cannot march off to Silicon Valley and be retrained in computer chip factories.

We cannot send them to Korea. We cannot put them off on the shores of Taiwan or Japan. They have nowhere else to go.

Despite these devastating statistics of import penetration, factory closings, and lost jobs, those in the Federal Government who should be listening to this industry have turned a deaf ear to the problem. Repeatedly, I am told that we should promote the principle of free trade, that our domestic industry should welcome foreign competition.

I have been a supporter of free trade as well as long as the expression goes there is fair trade, which there is not. The domestic footwear industry, however, is the victim of a global trade game whose rules are anything but fair. The United States is the only major market which allows virtually unlimited footwear imports. There is no nation in the world that has equally open borders as we do in this country. Most of our trading partners have restrictions ranging from formal global quotas to excessive tariffs and import licensing schemes which effectively prevent entrance to their markets.

The U.S. footwear industry is also faced with the excessively low labor costs of foreign competitors. While the U.S. shoeworker is among the lowest paid of all U.S. manufacturing workers, the industry simply cannot compete fairly with Korean labor costs under $1 per hour.

Mr. President, the U.S. industry is getting hit hard from both sides. On one hand, it is seeing its own domestic market disappear under a flood of cheap, imported shoes. On the other hand, it is prohibited from selling its goods abroad. I would not call this a system that celebrates free trade, because it is simply not fair trade.

Mr. President, it has become obvious that this industry will continue to suffer from the rising flood of imports unless we provide relief. Therefore, we are introducing legislation which I believe provides a moderate, yet crucial lifeline to the American footwear industry.

This legislation will limit imported, nonrubber footwear to a 50-percent share of the U.S. market for a period of 8 years. A 50-percent share of the U.S. market will provide domestic manufacturers with the time and opportunity to continue to recapitalize and modernize facilities, while still granting foreign importers a substantial share of our market.

This really is not asking too much. I know that the administration gets very concerned when we find that foreign auto manufacturers are penetrating our markets by 26 percent or 30 percent. We are talking about 75 percent here. We have the steel industry that gets very concerned about the loss of jobs when there is an 18-percent market penetration. We are talking 75 percent in the shoe industry.

Yet, there has been absolutely no reaction coming from the administration. To call their reaction a case of benign neglect, I think, is a very moderate statement. They have turned totally against any sort of relief for an industry which is going to die unless some relief is provided.

Recently, I visited a number of shoe factories in my State of Maine to see, once again, the extent to which these surviving companies are willing to commit hundreds of thousands of dollars to computerize, install laser cutting equipment, and employ the latest high-tech manufacturing machinery necessary to remain competitive.

One company in particular comes to mind, as it presents the stark contrast of Dickensian textile mill building that houses some of the most sophisticated computer-driven equipment existing in the industry today. Falcon Shoe Co. in Lewiston occupies the top

floors of a pre-1900 textile mill building. As you climb up the winding spiral staircase, you can almost hear the looms running, as they did some 40 years ago. When you reach the Falcon operation, however, you realize that in place of the weaving machines and looms, are the most modern computer stitching machines, data processing equipment, laser cutting machines, and injection molding equipment currently available anywhere in the world.

It is obvious to me that the survivors of this import siege are committed to modernization and excellence, and are willing to spend the money necessary to compete. But they are caught in a catch-22 situation. Why should any company take the money and invest it in modernizing their plant equipment and facilities if, in fact, the U.S. Congress or the Federal Government is simply going to provide no protection against this floodtide coming in? So they have to have some reasonable assurances that they will be an industry worth protecting if they are going to be encouraged to modernize and invest substantial sums of money. But unless they are allowed some breathing room to accomplish this goal, I fear that all of their effort may be for naught.

Mr. President, this industry deserves the chance to survive. I hope that my colleagues will help provide the means for its survival by supporting this legislation in a very vigorous way.

I again call the attention of those who may be listening in their offices that this is something that has reached a crisis proportion. We have hundreds of thousands of people who have been thrown out of their jobs with no hope. They have been told by the administration:

You have reached the stage of obsolescence. There is no need for you any more. Therefore, you will have to be put on the shelf of neglect and nonuse. Go collect food stamps. Go collect welfare checks. Go stand in the soup lines. We have nothing for you. Go vote with your feet. Go to Silicon Valley.

So we have an opportunity to save the last 25 percent of an industry which I think is very vital to our country's interest. I hope that it will have the support of my colleagues.

Mr. President, I ask unanimous consent that the text of the American Footwear Industry Recovery Act of 1985 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "American Footwear Industry Recovery Act of 1985".

SEC. 2. FINDINGS AND PURPOSE.

(a) The Congress finds that—

(1) The domestic nonrubber footwear industry is important to the national economy.

(2) The domestic nonrubber footwear industry is highly labor intensive, and footwear firms are vital to the economic health of small towns throughout the United States.

(3) The low capital requirements for entry into footwear production make it a primary target for industrializing or newly industrialized countries. As a consequence, footwear is produced in virtually every footwear consuming country in the world.

(4) Tremendous competitive pressure has been created in the world footwear market in the last decade as a result of rapidly growing production and capacity in numerous developing and developed countries. This development has resulted in the widespread erection of tariff and nontariff barriers by foreign countries designed to protect their domestic footwear industries.

(5) The United States has historically resisted the protectionist trends of other producing nations and has instead maintained a market distinguished by its accessibility. As a result, the United States market has become a focal point for world trade in nonrubber footwear.

(6) The diversion of international trade to the United States market has resulted in serious injury to domestic producers as manifested by—

(A) the loss of 140,000 footwear jobs since 1968,

(B) a decline in domestic production and production capacity, and

(C) the permanent closure of almost 500 plants during the same period.

(7) The serious injury to domestic producers poses a significant danger to the industry's supplier base as well.

(8) The domestic nonrubber footwear producers have made a significant commitment to the future of the industry through substantial capital investment.

(9) Since the termination of temporary import relief in 1981, capital investment in the domestic nonrubber footwear industry has declined as the industry struggled to battle the massive surge in imports which increased the percentage share of imported footwear in the United States market from 51 percent in 1981 to 72 percent in 1984.

(10) Without the restriction of import levels, capital investment in this domestic industry will continue to decrease.

(11) The domestic nonrubber footwear industry has twice been judged by the International Trade Commission to be seriously injured by imports.

(12) Since the termination of the four-year orderly marketing agreements in 1981, the present harm to the domestic industry is even more critical than the serious injury which triggered the Commission's two unanimous findings in 1976 and 1977.

(13) The domestic nonrubber footwear industry has not been afforded adequate and appropriate relief from imports; therefore, the Congress concludes that—

(A) the administrative process under sections 201, 202, and 203 of the Trade Act of 1984 has proven inadequate; and

(B) in the absence of an effective remedy under such process, legislative relief is essential.

(b)(1) It is the purpose of Congress in enacting this section to—

(A) promote and expand the economic health of the United States nonrubber footwear industry,

(B) preserve the jobs of American workers, and

(C) prevent the further decline of this important domestic industry.

(2) It is declared to be the policy of Congress that access to the United States market for foreign-produced nonrubber footwear should be on an equitable basis to ensure orderly trade in nonrubber footwear, reduce unfair trade in nonrubber footwear, and address United States balance-of-payments problems, of which footwear is the seventh largest component. In order to accomplish these objectives, it is deemed necessary and appropriate to limit imports of nonrubber footwear into the United States market to no more than 450,000,000 pairs per year.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

(2) The term "Secretary" means Secretary of Commerce.

(3) The term "nonrubber footwear" means the following categories of nonrubber footwear products, identified by reference to the following item numbers of the Tariff Schedules of the United States (as in effect on January 1, 1985): 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95.

SEC. 4. QUANTITATIVE LIMITATION OF NONRUBBER FOOTWEAR.

(a) During the 8-year period beginning on the day which is 60 days after the date of enactment of this Act, the number of pairs of nonrubber footwear which may be entered during any 12-month period shall not exceed 450,000,000.

(b) The Secretary shall allocate the limitation provided in subsection (a) among foreign countries, group of countries, or areas taking into consideration—

(A) average levels of imports for the period 1978 through 1982;

(B) findings of unfair trade practices with respect to nonrubber footwear exports;

(C) recent market trends; and

(D) such other considerations as the Secretary deems appropriate.

(c)(1) The Secretary and the Secretary of the Treasury shall take such actions within their respective jurisdiction as may be necessary or appropriate to enforce the provisions of this section, including, without limitation, the issuance of orders to customs officers to bar entry to merchandise if the entry of such merchandise would cause the limitations established under this section to be exceeded.

(2)(A) The Secretary and the Secretary of the Treasury are each authorized to issue such implementing regulations, including the issuance of import licenses, as may be necessary or appropriate to effect the purposes of this section and to enforce the provisions of this section.

(B) Before prescribing any regulations under subparagraph (A), the Secretary or the Secretary of the Treasury, as the case may be, shall—

(i) consult with interested domestic parties,

(ii) afford an opportunity for such parties to comment on the proposed regulations, and

(iii) consider all such comments before prescribing final regulations.

Mr. PROXMIRE. Will the Senator from Maine yield?

Mr. COHEN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I congratulate the Senator on the state-

ment he made. I wholeheartedly support him. I congratulate him on the excellent leadership he has given in this area.

After all, I cannot think of any other industry that has suffered a 75-percent penetration. It is astonishing. If we are going to give relief to any American industry, it seems to me the shoe industry is one that certainly deserves it and has earned it.

While we all welcome foreign competition and foreign trade—and I am sure the Senator from Maine does, also—here is a situation that has gone so far that if we are going to have any shoe industry remaining over the next few years it is time we act.

So I thank the Senator for his very timely and excellent leadership.

Mr. COHEN. I thank the Senator for his comments.

Mr. MITCHELL. I join in introducing legislation to establish a 50-percent quota on imported footwear because it is obvious that drastic action is warranted.

Since 1981, when President Reagan terminated the modest footwear import relief program in effect, imports have risen from 50 percent of the domestic footwear market to virtually three quarters of it.

That is a level of market penetration that no industry can survive and no other industry has been asked to tolerate.

The reasons why imports have so massively penetrated our domestic market have little bearing on our national goal of free international trade.

Footwear production is a labor-intensive but relatively less capital-intensive industry. Nations seeking to develop their domestic economies have found it a good way to exploit well-known and readily accessible technology along with a large work force.

But the American domestic market is virtually the only significant open market for footwear in the entire world. Our competitors all impose strict limits on footwear imports; other wealthy markets such as Western Europe and Japan maintain barriers. The countries which have taken the greatest advantage of our market often have the most severe restrictions on footwear imports for themselves.

The majority of nations which export intensively to the U.S. market maintain low wage policies for their domestic workers. Footwear workers in Brazil earn less than $2 per hour. In Taiwan they earn less than $1 per hour. Our workers cannot compete with such wages, nor is there a desirable policy purpose in suggesting they should.

The theory of free trade rests on the notion of comparative advantage: A nation which has an advantage in raw materials, technology or some other factor can produce certain products more efficiently and thus at the lowest competitive price.

But the only comparative advantage in an industry such as footwear production is wages. And there is no sound basis for our trade policies to enhance the low-wage policies that other governments have decided to pursue.

The theory of free trade also rests on the notion of free market competition. But there is absolutely nothing free and very little honest competition in an industry where governments boost domestic production by artificially maintaining low prices for raw materials and protecting their own markets from competition.

The fact of the matter is that we cannot by ourselves continue to pursue free market policies in a world where trade is not free. We cannot and should not expose our working people and our manufacturers to the unmitigated onslaught of government-aided imports when their own products are barred from many other markets in the world.

Our Nation's trade laws are intended to promote free and fair trade. But they are also intended to ensure that we do not ask our working people to absorb the full costs of trade policy.

But that is what American footwear workers are being asked to accept. As the executive branch pursues its efforts to open up the Japanese market to our technologically advanced industries, the plight of people employed in an older, but equally important domestic industry, is being ignored.

The decline of employment, of operating plants, of supplier industries and production in footwear manufacturing is unprecedented.

Since 1981, when the President eliminated all import relief, over 23,000 jobs have been lost directly in footwear production. In the same 5-year span, almost 26,000 jobs vanished in supplier industries as well as manufacturing.

Since 1968, when imported footwear took just over a fifth of the domestic market, we have lost more than 400 manufacturing plants, 112,000 manufacturing jobs, and 30,000 jobs in the supplier industries.

American footwear production today has fallen to less than 300 million pairs per year, a level not reached since the Great Depression of the 1930's.

Unemployment in the industry today is over 16 percent, and despite rosy predictions of unbroken economic expansion, the plants that have already announced plans to close this year are clear indicators that the economic recovery will not reach our shoe workers unless dramatic action is taken.

This quota bill would provide that dramatic action. It is long overdue. We have worked with administrations in the past to pursue import relief. Our industry has ploughed money into capital improvements and new technology and market expansion overseas. Our workers have seen their work weeks shrink—one Maine worker last month told me that she had not worked a full week for almost 6 months.

And the flood of imports reaching our markets is no longer limited to the lower priced footwear product.

It is a significant fact that in the past 2 years, the greatest import surge has been in higher priced footwear, not the low-priced product that is cited to justify an open market.

In the first 9 months of 1984, total imports rose 34 percent. But imports valued over $8 per pair rose by 43 percent. In fact, higher priced footwear accounted for more than half of the total growth of imports during this period.

If this trend continues, as it almost certainly will in the absence of action, foreign manufacturers will not be providing a useful source of cheap shoes, or a necessary competitive spur to keep domestic shoe prices down. They will be competing more and more in the higher priced market where American production is concentrated.

A 50-percent quota would retain the competitive benefit of a substantial import component to the overall market.

The history of the industry demonstrates that even during the modest trade relief period of 1979–81, footwear prices rose far less than other components of the Consumer Price Index. There is no reason in our experience or in common sense to expect a major surge in footwear prices if such a quota were imposed.

This bill deserves attention and enactment. It would send the strongest possible signal to our trading partners that we will no longer tolerate an unbalanced and unfair international trade regime, where the American market is fair game but every other market is closed against us.

It would send the strongest possible message to all industrial and newly industrialized nations that fair competition must be the route to economic growth, not the subsidization of exporting industries.

We cannot and will not achieve a reasonable international trade regime in services or advanced technologies unless we are prepared to fight for a fair international trade regime in basic industries as well.

Our trading partners must realize that a trade regime which depends on a permanent American willingness to absorb the bulk of world exports while they preserve their domestic markets is an inherently unstable one. It cannot endure.

Our trading partners cannot rely on a permanent American commitment to

free trade as more and more of our basic industries see their work forces depleted, their investments lost, and their facilities close because other nations refuse to share the risks as well as the rewards of open trade.

This bill would be an ideal vehicle to bring home to our trading partners that Americans' commitment to free trade is contingent on the existence of fair trade. I urge my colleagues to give it their support.

Mr. SASSER. Mr. President, I am pleased to join with my colleagues in the footwear caucus in reintroducing legislation to place limits on footwear imports into the United States.

We simply must bring some relief to our domestic footwear industry. Those of us who represent States with a significant shoe industry have been concerned, indeed appalled, over the continuing injury being suffered by the nonrubber footwear industry.

As I travel around my State, I continually see the effects of shoe imports on our citizens. Seven shoe facilities were closed in Tennessee last year. In these towns, shoe workers are already out of work or will be put out of work in the near future due to plant closings. I talk to individuals who have lost their jobs in the communities where they have lived and worked for years. They face the future with no prospects of new jobs. There were over 100 communities across the Nation who shared this devastating experience in the last year.

So far in 1985, four Tennessee shoe facilities have announced plans to close. For example, in January a shoe factory closed in McKenzie, costing 300 workers their jobs. Discussing the closing in the local newspaper, the Jackson Sun, McKenzie Mayor Joe Morris spoke graphically of the effects of losing the area's second largest employer.

"Summing it all up, the employment situation in McKenzie looks very bleak right now, and things weren't really booming to begin with," the mayor said. He estimated that the closing could raise the town's unemployment rate to 10 or 12 percent. "You figure they have a payroll of about $2.5 or $3 million, then multiply that about three times for every time it changes hands in the economy and you see what kind of impact it will have on our community".

If shoe imports are allowed to continue unchecked, more and more local officials will be echoing Mayor Morris' statistics.

My own State of Tennessee is the fifth most important footwear producing State in the United States. The industry employs about 11,000 workers in 33 factories and generated in excess of $96 million in payroll dollars last year. We simply must preserve these businesses and these jobs for our citizens.

The footwear industry is the leading employer in 6 counties in Tennessee and is among the top 3 employers in another 14 counties. It is a significant industry in 28 counties. Twenty-four of these 28 counties have populations under 50,000. Sixteen of them have populations under 25,000.

These figures are more than mere statistics. They represent real people and real jobs. The closing of a shoe factory can be devastating to a local community. Many such facilities are located in rural areas. They are often the major employer in the area—areas which have few comparable jobs to which workers may transfer their skills. Many people are prevented by family obligations and ties from moving to a new area—especially when there is no guarantee that they will not face the same situation sometime down the road.

Mr. President, I believe it is time that Congress addresses this issue and offers some real hope of industrial stability to our workers. American shoe workers are the equal of any in the world for productivity and skill. The American shoe industry is among the most modern in the world, and new applications of computer and other electronic equipment are constantly coming on the market. However, factory management cannot look at the rising flood of imports and justify the investment of thousands of dollars in capital equipment.

This leaves the shoe industry in a catch-22 situation. They cannot compete with imports without modernization but they cannot justify the investment without some assurance that there will be a domestic market in which to sell their products.

This bill gives the industry that assurance. It sets a limit on imported footwear of 450 million pairs per year, about 50 percent of the American market, and retains these limits for 8 years. That will give our domestic manufacturers time to install new technology to increase productivity and allow them to compete with imports.

I do not believe that we can delay this relief to the industry any longer.

Mr. PRYOR. Mr. President, I rise once again before my colleagues in the Senate to plead the case of the domestic nonrubber footwear industry. I have made this plea here before, but unfortunately, if this important industry is to survive, it must now be made again.

I am an original cosponsor of the legislation being introduced today—the American Footwear Industry Recovery Act of 1985. As a member of the Senate footwear caucus I fully support this legislation and an committed to the goal of securing meaningful trade relief, either through legislative or executive action, so this important industry can rebuild and compete in the very chaotic world market.

A few statistics are in order to bring the import problem into perspective relative to footwear. In 1984, 71 percent of the nonrubber shoes purchased in this Nation were imports, an increase of 25 percent over 1983. At least 90 more factories closed their doors last year, taking 11,000 jobs away from workers. Unemployment stood at a sobering 17 percent, with domestic production down 10 percent from 1983 and at its lowest level since the Great Depression.

My colleagues from nonfootwear producing States may wonder why the industry is in such a fix. Several factors spring to mind immediately. First, the United States is the only major Nation in the world which has an "open door" policy with regard to footwear. All other countries protect or foster their industries with trade restrictions or subsidies. Second, U.S. manufacturers cannot compete with the cheap labor costs of much of their direct competition. This imbalance is exacerbated by the continued strength of the dollar. Finally, this administration has shown little regard or concern for the trade problems of non "information age" industries. I only hope that President Reagan doesn't want to export our Nation's shoeworkers along with our farmers, but the practical effect of his policies are doing just that.

Our bill is simple, straightforward, and reasonable: It reduces the domestic share of the U.S. market open to imports to 50 percent for a period of 8 years. This will give the domestic industry a chance to improve technology and rebuild capital bases, and do so with half of its market still open to imports.

As a matter of background, let me point out that this is the same industry with almost the same statistics that the International Trade Commission [ITC] last year found to have suffered no injury as a result of import penetration. In all my years of public service, no single administrative decision has shocked me more than this one.

Many Members of the Senate were shocked and outraged with this poorly conceived decision. In response, language was included in the trade bill Congress approved last year to instruct the ITC to include a wider range of factors in its consideration of import injury cases. Furthermore, the Senate Finance Committee—of which I am a member—approved a resolution asking the ITC to reopen the investigation using the newly approved criteria to determine the extent of damage to the domestic industry. This investigation is proceeding now and I hope the ITC will recognize the dire condition of the industry and will recom-

mend to the President some form of trade relief.

Americans are becoming more and more frustrated with the posture in which our free trade position has placed us. We cannot have truly free trade only amongst ourselves, there has to be some party to trade freely with us. However, very little free trade is actually occurring and I think it important that our trading partners understand that we are growing tired of this situation.

Mr. President, I want to extend my thanks and appreciation to Senator COHEN, the chairman of the Senate footwear caucus, for his tireless leadership and work on behalf of the footwear industry. In addition, the other members of the footwear caucus, both in the Senate and the House, are to be commended for their work in this area.

Finally, let me say I hope this will be the last speech I must make on the Senate floor advocating legislation of this kind. If that is the case, it will be a direct result of positive, concrete action the President has taken to give U.S. workers a fair chance to compete. That is all these decent, hard-working Americans have ever asked of their leaders. It is time for us to answer with some hope.

Mr. EAST. Mr. President, I rise in support of the American Footwear Industry Recovery Act of 1985.

For more than 15 years, the footwear industry has been witness to an onslaught of foreign import that today accounts for nearly 75 percent of the U.S. market. This increasing level of foreign made footwear product has had a servere impact on domestic industry. Between 1968 and 1983 there has been a loss of 402 plants. In 1984, 89 factories closed.

The job loss to Americans is staggering with a loss of over 112,000 jobs disappearing in direct manufacturing alone. The impact of imports on this vital industry is dramatic and precipitous.

The footwear industry deserves our support. They have not sat on their hands in the face of this overwhelming problem. Factories have modernized and productivity muscle bolstered. The industry and its suppliers provides employment for more than 200,000 taxpaying Americans. These workers ought not be thrown out due to imports.

In North Carolina, the 14th largest footwear producing State, 4,200 people find work in nonrubber footwear manufacturing with an additional 1,750 folks working in rubber and plastic footwear manufacturing. These threatened jobs generate supporting work in peripheral industries. And, when footwear factories close, banks, utilities, community services, insurance, and other agencies suffer as well. Prudent action by Congress will avoid this trouble.

Mr. President, the footwear industry is in deep trouble. It doesn't ask for a handout. It asks for some well deserved relief. Relief will surely give some assurance that the industry will be able to survive and compete.

I join with my fellow colleagues to urge Senate policymakers to support this legislation. The American Footwear Industry Recovery Act is a moderate, crucially important measure for the future of U.S. footwear. It would allow a 50 percent share of the U.S. market to both domestic and foreign producers. It is a realistic response that affords the industry a chance to improve its efficiency and lower its costs, invest in more modernized facilities, sponsor new research and development, enhance its market, and adopt new technologies. I support it wholeheartedly.

RECOGNITION OF SENATOR ROCKEFELLER

The PRESIDING OFFICER (Mr. KASTEN). Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the Chair.

S. 847—APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1985

Mr. ROCKEFELLER. Mr. President, today with the cosponsorship of Senator BYRD and 12 other Senators, I am introducing legislation to reauthorize the programs of the Appalachian Regional Commission, better known as ARC.

On March 9, 1965, President Lyndon Johnson signed the original legislation creating the Appalachian program. He called it "the truest example of creative federalism of our times." We are observing 20 years in which the spirit, the energy, and the imagination of our vital region have combined to chart a new course for our courageous people. We in Appalachia are proud of what has been accomplished during the past two decades. It was been our privilege and responsibility to foster an innovative approach to community, State and regional development—an approach in which program initiatives start at the grassroots levels, involve local and State government, and then are reviewed by the States within the region and the Federal Government. Because of this unique partnership, life is better and opportunities are greater for the 20 million men, women, and children who live in the 397 counties of the 13 States of Appalachia.

There is no doubt that our region has suffered serious economic reverses during the recent recession. But the progress that our region made between the 1960 and 1980 censuses has been dramatic:

We cut the percentage of Appalachian living in poverty in half, and the figure was moving downward toward the national average.

We had created 2 million new private-sector jobs.

We slowed, then reversed, in the 1970's, decades of outmigration in search of opportunities.

Per capita income rose from 78 percent of the national average to 85 percent.

More than 57 percent of Appalachians had completed at least 4 years of high school, compared with 33 percent in 1960.

Infant mortality has halved, and by the end of 1985, basic health care will have been extended throughout the region.

The number of Appalachians getting vocational education more than doubled.

Substandard housing was reduced, critical highways and roads were constructed, and much of the region was securing modern public facilities and services. This base which has been built, including the 2,500 miles of the Appalachian Development Highway System—completed or under construction—and almost 900 miles of access roads, is in place, vastly increasing the region's capability for further economic growth.

However, our course has not been easy. We recognize that we must continue to strengthen the economic base of our region. We have narrowed the gap between our region and the rest of the Nation. But we must continue our efforts until that gap is bridged.

It is my belief that the ARC is one of the most effective programs created by the Congress in the last two decades. I served as Governor of West Virginia for two terms, for 8 years, and I can say without reservation that there was no other program which was more specifically useful to our State than the Appalachian Regional Commission Program. It is crucial to the economic development of my State of West Virginia and all of Appalachia. It is a program that has paid for itself many times over by extending economic opportunity and promoting real economic growth.

The Reagan administration appreciates neither the accomplishments of the ARC program nor how much work remains to be done. Each year for the last 4, the administration has tried to eliminate the program. They have succeeded in blocking an authorization for the program, but Congress has continued to fund the program on a year-to-year basis. Despite the repeated judgment by Congress that ARC is a vital program, the administration is again seeking to abolish the program.

Additionally, they are trying to eliminate the ARC funding for fiscal year 1985, approved by Congress last year and signed into law by the President.

The administration's position on the Appalachian Regional Commission is wrong: for fiscal year 1985 and for the future. The efforts to rescind the ARC funding of $151.3 million for the current fiscal year breaks faith with our people. Citizens in many communities have worked with State government in developing projects; they have been assured that these projects will go forward. I will continue my fight to ensure that fiscal year 1985 funds are allocated to the projects that have been approved by the Appalachian States and submitted to the Appalachian Regional Commission for final action.

At the same time, I am introducing this legislation to reauthorize the programs of the Appalachian Regional Commission. Enactment of an authorization bill would provide assurance to the Appalachian counties about the stability and future of the ARC program and strengthen the Commission's position to secure adequate levels of funding. While it will not be easy to secure enactment of authorizing legislation, given the administration's opposition, it is a fight that should be fought. The pattern of funding a program year by year without the foundation provided by a long-term authorization leaves the program's future in constant doubt, which is damaging to the counties that depend and plan on it.

Our bill would extend the Commission's highway program through fiscal year 1992 and the nonhighway programs through fiscal year 1988. It would authorize $234 million for highway construction in fiscal year 1986 and a total of $2,056,000,000 through fiscal year 1992. This would enable the States to complete approximately 470 miles of additional highway construction in the region. The nonhighway program would be extended through fiscal year 1988 at an annual authorization of $75 million. Our bill is similar to the measure reported favorably by the Committee on Environment and Public Works last year with three exceptions. It would raise the Federal cost share for prefinanced highway projects from 70 percent to 80 percent, the same ratio as for the other Appalachian projects. Also, it would permit the ARC to supplement other Federal grant programs enacted by the Congress before September 30, 1988, and it would provide for a modest increase in flexibility for demonstrations of energy development. The Appalachian Governors have made recommendations for ARC funding during fiscal year 1986; our proposal is consistent with that request. This legislation is consistent, as well, with recommendations submitted to the Congress in 1981 by the Appalachian Governors.

Mr. President, the Appalachian Regional Commission program has been a great success story. But the progress of 20 years needs to be sustained, and the setbacks of the recent recession overcome. My cosponsors and I are grateful to all the Members of Congress who have repeatedly demonstrated their understanding that the ARC program is vital and is working. We hope that other Members will join us in securing the future of the ARC by supporting the legislation we introduce today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

I also ask unanimous consent that any Senator who requests to be added as a cosponsor today be listed as an original cosponsor of the bill.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Appalachian Regional Development Act Amendments of 1985".

SEC. 2. Section 105(b) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 105) (hereafter in this Act referred to as "the Act") is amended by inserting before the period at the end thereof a semicolon and the following: "and not to exceed $2,300,000 for fiscal year 1986; not to exceed $2,300,000 for fiscal year 1987; and not to exceed $2,300,000 for fiscal year 1988".

SEC. 3. Section 106(7) of the Act is amended by striking out "1982" and inserting in lieu thereof "1988".

SEC. 4. (a) Section 201(g) of the Act is amended by inserting before the period at the end thereof a semicolon and the following: "$234,000,000 for fiscal year 1986; $250,000,000 for fiscal year 1987; $270,000,000 for fiscal year 1988; $289,000,000 for fiscal year 1989; $312,000,000 for fiscal year 1990; $337,000,000 for fiscal year 1991; and $364,000,000 for fiscal year 1992".

(b) Section 201(h)(1) of the Act is amended by striking out "70 per centum" and inserting in lieu thereof "80 per centum".

SEC. 5. The first sentence of section 214(c) of the Act is amended by striking out "December 31, 1980" and inserting in lieu thereof "September 30, 1988".

SEC. 6. Section 302(b)(1) of the Act is amended—

(1) by inserting "and economic" after "energy" wherever it appears, and

(2) by striking out "$3,000,000" and inserting in lieu thereof "$5,500,000".

SEC. 7. The second sentence of section 401 of the Act is amended by inserting before the period at the end thereof a semicolon and the following: "$75,000,000 for fiscal year 1986; $75,000,000 for fiscal year 1987; and $75,000,000 for fiscal year 1988".

SEC. 8. Section 405 of the Act is amended by striking out "1982" and inserting in lieu thereof "1988".

Mr. ROCKEFELLER. Mr. President, I yield the floor.

APPALACHIAN REGIONAL COMMISSION

Mr. BYRD. Mr. President, I am pleased to join with my colleague, Senator ROCKEFELLER, in cosponsoring the Appalachian Regional Development Act Amendments of 1985.

I believe there is an urgent need for the continuation of this excellent program—a program of proven worth and accomplishment for the Appalachian States.

The Appalachian States are those 13 States with the most fragile economic bases, hardest hit by economic recession, and the slowest to recover as the economy turns around.

Mr. President, in my home State of West Virginia, unemployment was 15.9 percent earlier this year, down from a high of 21 percent a few months back.

The ARC Program is urgently needed in these 13 States, not only for the construction of highways, but for nonhighway programs involving economic as well as community development, development of the infrastructure system, and the enhancement of the quality of life. Nonhighway funds from this program have been generally used in West Virginia for water and sewer system development, industrial parks, vocational education, and health care projects. There is no alternative source of Federal funding that addresses the needs of Appalachia as well as the ARC. I would note, as well, Mr. President, that even with ARC funding the people of Appalachia still get, on a per capita basis, only 80 percent of the national average in Federal funding assistance.

This multiyear reauthorization which I joined in cosponsoring, to continue the ARC Program at an effective level, can allow for the planning and implementation of a program to meet vital objectives in an orderly and effective fashion, and to assist the citizens of these States to enjoy levels of economic recovery and a quality of life approaching that enjoyed by the rest of the Nation.

I might add, as well, that due to the leveraging nature of the program, with its matching fund requirements, and the fact that program decisions are essentially made at the State and local levels, it would appear that ARC should fit well within the present administration's goals of "New Federalism."

Since 1982, when the ARC Program expired, it has been kept alive—at least at a 50-percent reduced level—through the appropriations process, by those of us who were able to recognize the tremendous benefits derived by so many of our citizens from the program and its leveraging abilities.

Of the $5 billion total spent by the ARC since 1965, West Virginia has received $829 million—$641 million of which was spent for highway development, and the remainder for nonhighway programs. This $829 million has helped to bring into the State investments from other Federal, State and local programs, and private sector investments amounting to more than $1 billion.

The President's proposal to rescind fiscal year 1985 ARC money would cost West Virginia $16 million, $12 million of which are most urgently needed to continue work on the corridor G highway system—a system which could assist in opening up the southern portion of the State for economic growth and development.

The administration's recommendation for ARC, as reflected in the fiscal year 1986 budget proposal is zero. Under the provisions of the bill which I join in cosponsoring, West Virginia's highway share would be $37 million for fiscal year 1986, an amount which could provide for continued crucial work on the corridor G project.

Mr. President, I fully agree with the need to balance the Federal budget and reduce the deficit. However, I do not believe we can afford to abandon those irreplaceable programs of proven effectiveness, which are relatively small, and leverage funds from other sources, while impacting so greatly on so large a segment of our population. I, therefore, urge my colleagues to lend support for the early enactment of this legislation to extend the Appalachian Regional Commission's Program.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with statements limited therein to 5 minutes each.

SENATOR WARREN RUDMAN

Mr. COHEN. Mr. President, each Member of Congress brings the gift of his or her diverse heritage and experience to the halls of debate and deliberation. Senator WARREN RUDMAN has added a very special quality to this institution. Perhaps it is due to his experience as a young Army officer on Pork Chop Hill or those when he was New Hampshire's hard-driving attorney general, but when in the presence of Senator RUDMAN, you have the sense that armed combat is about to begin.

He is not impressed with power or position if it travels unaccompanied by honor and honesty. I have watched him cut down organized crime's lawyers with a blistering crossfire of intelligence and anger. Dissembling corporate presidents and chief executive officers, who suffer from cases of accommodating amnesia, have encountered the same wrath from New Hampshire's junior Senator. He worships no golden calves.

His qualities of toughness, tenacity and fierce independence were on full display during a recent hearing held by the Governmental Affairs Permanent Subcommittee on Investigations involving money laundering by organized crime.

"It was New Hampshire's Senator WARREN RUDMAN at his inquiring, persistent, incisive, confrontational best," observed an editorial in the Manchester Union-Leader following the hearings. It was Senator RUDMAN, the editorial continued, who "adroitly unraveled" the testimony of a key witness and "boiled it down to its essentials."

Mr. President, whether in a foxhole or a Senate hearing, there is one person that I would want with me.

I ask unanimous consent that the editorial described above, "Give 'Em Hell, Senator," be inserted in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GIVE 'EM HELL, SENATOR

(By Jim Finnegan)

It was New Hampshire's Senator Warren Rudman at his inquiring, persistent, incisive, confrontational best.

The scenario: Tuesday's session of the U.S. Senate's Permanent Subcommittee on Investigations, which currently is probing money laundering by organized crime.

The interrogator: Committee Vice Chairman Rudman.

The witness: William Brown, chairman of the Bank of Boston, which last month pleaded guilty to failing to report $1.2 billion in international currency transactions and was fined a record $500,000—a development that may have pounded the final nail into the coffin of interstate banking legislation in the New Hampshire House.

Brown had just testified that he had "no explanation" of why bank officials did not realize a 1980 change in federal regulations required banks to report all cash transactions exceeding $10,000, not just those involving individuals, a dereliction of responsibility that allowed two companies owned by the family of Gennaro Angiulo, reputed head of the most powerful organized crime network in New England, to have multi-million dollar dealings with the bank that went unreported.

Visibly perturbed by Brown's casual attempt to exculpate bank officials by attributing the violation of the law designed to prevent money laundering to poor judgment and carelessness, rather than a desire to help organized crime, Rudman shot back that he couldn't believe the bank didn't know what was going on when:

". . . People who were known to everyone—including the shoeshine boy at the Boston Garden—to be notorious members of organized crime could bring literally bags of money into the bank and get them exchanged for cashier's checks, which were then deposited in another Boston institution in their own account."

Concerning which Brown could only resort to the old error-in-the-shipping-department dodge: "Senator, I must have asked that question over and over and the only explanation I can give . . . is that the branch manager thought they were entitled to remain on the list . . ."

In other words, Brown's contention is that, unlike Rudman's allegorical street-smart "shoeshine boy," the chain of command beginning with lower echelon bank employes is composed of people so street-dumb that not one of them thought to question and pursue through channels the propriety of these dealings with identified and identifiable Mafia operatives! If all involved were that naive, one wonders how they could possibly have been allowed to serve in such positions of trust, and why bank officials have stated that they intend to take no disciplinary action against anyone.

If Brown's testimony is to be accepted uncritically, the problem, then, was not one of poor judgment or carelessness but of complete incompetency—or worse.

As the testimony became even more bizarre it was Rudman again who adroitly unraveled it and boiled it down to its essentials. Dan Dorman, vice president in charge of deposit operations, testified that he didn't recall any bulletin from Comptroller of the Currency, T. Todd Conover, signifying any change in transaction reporting procedures. According to Dorman, the bulletin, which eight bank officials initialed, "sat in the bottom of an inbasket and was not reflected on for 10 months."

For his part, Conover said the bank examiner who looked at the Bank of Boston in 1982 was unfamiliar with regulations regarding the reporting of international currency transactions of $10,000 or more. He blamed it on a lack of training.

But, to his credit, Rudman wouldn't buy it:

"I suppose if a New Hampshire State Police officer passed a body in the gutter with two bullet holes in the forehead, did nothing about it, and told the State Police colonel that he didn't know there was a law against homicide, I suppose that was a lack of training too. . . . You've got examiners going into the Bank of Boston not even knowing that a billion dollars in currency transactions are required to be reported. You say that's a lack of training. I say that's gross negligence!"

The problem, we fear, is—as President Reagan is wont to say—you ain't seen nothing yet. The committee is now focusing on whether or not there was money laundering in the Bank of Boston case.

Ah yes, now will those critics who accused The Union Leader of blowing the Bank of Boston affair out of proportion during the debate on the interstate banking bill kindly step forward and repeat the charge?

THE IMPORTANCE OF PRESIDENTIAL DEBATES

Mr. EAGLETON. Mr. President, perhaps no other factor is as significant in providing the American public with information on which to base their choice for President as live, unrehearsed debates between the nominees. Jim Johnson, a thoughtful and serious student of the American political system as well as an accomplished political strategist—most recently chairman of the Mondale campaign—

argues persuasively in the Washington Post of Tuesday, April 2, 1985, that debates should be made a permanent part of each Presidential election. Because he brings a unique experience and insight to this question, I think his comments deserve the consideration of the Congress, party leaders, future candidates, the media, and all other individuals and groups interested in future Presidential elections.

I ask unanimous consent that Mr. Johnson's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 2, 1985]

MAKE DEBATES A PERMANENT FIXTURE

(By James A. Johnson)

With the second Reagan inaugural more than two months old and the next Iowa presidential caucus and New Hampshire primary nearly three years away, we are as close as we ever get to a "down" period in presidential politics. And right now is the time to institutionalize presidential debates for the 1988 general election and all future presidential elections.

The experience with presidential campaigns and debates since 1960 tells us two important things.

First, the American people value very highly the chance to catch a glimpse of the candidates for president without the producers, directors and puppeteers who always surround them. The degree of public interest is demonstrated by the massive audience for the recent debates.

Second, efforts of presidential campaigns to control their television message have intensified. The techniques of the Nixon campaigns in 1968 and 1972, which were the subject of exposés at the time, are today more and more commonplace. Each day a single prepackaged, carefully controlled image is prepared for the voters.

Debates are welcomed by the voters because they are the most effective antidote to this trend toward more and more candidate-packaging. The 90 minutes of hand-to-hand combat in a debate expose new dimensions of the candidates and provide a significant test of each candidate's knowledge, judgment, humor and ability to make an effective argument.

The value of the debates does not lie in how many votes are changed. The debates provide the best opportunity for voters to confront the strengths and weaknesses of the two candidates in a manner they may escape merely by trying to follow the day-to-day political coverage on the evening news.

Further, the debates generally give the candidate who is trailing a chance to reopen consideration of his candidacy. Events that prolong consideration of the alternatives are healthy for a democracy.

Last August and September, as chairman of Walter Mondale's campaign, I negotiated for several weeks with representatives of President Reagan over the number, timing and format of the 1984 presidential debates. Fortunately, those negotiations led to two presidential and one vice presidential debate. In 1964, 1968 and 1972 similar negotiations either never occurred or led to no agreement and no debates.

In my opinion leaving the decisions about when, whether, and how to debate to the two nominees in the post-convention period does not adequately protect the interests of the voters. In 1960, 1976, 1980 and 1984, there were 4, 3, 1 and 2 debates respectively. In 1964, 1968 and 1972 there were none.

When there were debates, the length, timing, format and venue were the subjects of endless bickering and in the end were determined by the candidate who had the least political need to participate in the debate. Surely this is not the best way to organize such important events.

Now is the time to institutionalize presidential debates. President Reagan cannot seek reelection. A large number of potential candidates in both parties is likely. The only certainty to the nominating process is that it will grow longer and longer. And perhaps most important, the candidates are more susceptible to broad-based political pressure early in the process than later. Clearly, we should take this opportunity to make presidential debates a permanent part of the political landscape.

I propose that we create a broad bipartisan effort to get all candidates for president in 1988 to declare at the moment they announce their candidacies that they are prepared to participate in general election debates if they get the nomination. In addition, each candidate would agree to participate again in 1992 if elected president in 1988.

There should be a program of three presidential debates and one vice presidential debate. The presidentials should be held on the fourth Sunday of September and the second and fourth Sundays of October. The vice presidential debate would be held during the same period. The length of each debate would be 90 minutes.

We have an unusual opportunity for the leaders of the two parties to join together, for labor and business to work together, for good-government groups of all kinds to come forward, and even for Congress through joint resolution to help guarantee presidential debates. We can build a force that is formidable indeed. We can make an offer no candidate for president can refuse. No laws need to be passed, no minor fights need divert us. This is plainly and simply a political opportunity for those of us who believe presidential debating is important. Let's get to work.

THE SMALL BUSINESS ADMINISTRATION

Mr. COHEN. Mr. President, the ability of the U.S. economy to generate new jobs is the envy of the world. While the nations of western Europe lost some 2 million jobs in the last decade, over 20 million new jobs were created in the United States. Many of these new jobs were created through the start up and expansion of small businesses, and many of these small businesses would never have gotten off the ground without assistance from the Small Business Administration.

Recently, British Prime Minister Margaret Thatcher visited our country. According to the newspaper USA Today, Mrs. Thatcher returned to Great Britain eager to start a small business agency modeled after our SBA. Interestingly, the article goes on to say that while President Reagan was calling for the elimination of the SBA, his staff and Cabinet officials were telling Mrs. Thatcher how important small businesses are in creating new jobs during a recession. I understand that Scotland, West Germany, and even Japan are studying the SBA to see if they can emulate its success in their own countries.

It is incomprehensible to me that David Stockman is advocating the complete elimination of the one Federal agency solely designed to aid, counsel, and protect small business. Mr. Stockman has even described SBA as a $1 billion rathole—a characterization that I find uninformed at best. His remarks are insulting to the dedicated employees of the SBA, and do a terrible disservice to SBA clients in Maine and the hundreds of thousands of small business people across the country.

Mr. Stockman says that less than 1 percent of all the Nation's businesses have been helped by SBA. That statement is just not true. As pointed out by my colleagues Senators WEICKER and BUMPERS, only 4.5 million businesses ever have to borrow money from commercial sources. SBA is currently servicing approximately 235,000 loans. Allowing for some businesses which have more than one loan outstanding, SBA, by my estimation, is providing financing to around 5 percent of the small businesses which will borrow money sometime during their lifetime.

SBA was not created to supplant the traditional role of the commercial banks in the country. Instead, SBA provides financial assistance to companies that have a reasonable chance of success, but are denied a loan from commercial sources. Often the typical SBA borrower may not have the necessary collateral for a commercial lender. Perhaps the business venture is new and untried, therefore discouraging traditional lenders. Maybe the bank needs a guarantee so that the loan could be sold in the secondary market. In other cases, the bank is willing to provide only short-term funding where the needs of the borrower require long-term capital.

Servicing this need for long-term capital is where SBA has proven most valuable. A recent GAO survey of 8,900 banks found that SBA was involved in 35 tp 40 percent of all long-term lending to small businesses. It is clear to me that SBA fills this role very well.

When I travel in my own State of Maine, I know the chances are good that most small manufacturing or processing facilities that I visit are receiving SBA assistance in one form or another.

Last year, Maine's SBA district director and I visited Ted Starret's Penobscot Frozen Foods plant in Belfast. Ted produces a baked, stuffed frozen

potato that you have probably seen in your local supermarket. Last year, Ted wanted to expand his facility to produce and market potato skins, once an unusable byproduct of the potato industry, but now a highly sought after appetizer. When money was needed immediately to take advantage of this booming new market opportunity, SBA provided the loan guarantees needed to convince Ted's bank to make the loan.

Twelve years ago, a young man named Roger Michaud left Georgetown University to return to this native Lewiston. Roger had little money, but an idea for a terrific device to conserve energy in homes and businesses. Again, it was SBA that provided the original backing for American Stabilis which now boasts yearly sales in excess of $20 million, including growing markets in Europe and Japan.

There are literally hundreds of success stories, in Maine, and thousands more across the country, in which the SBA stepped in and provided financial assistance at critical times. But SBA does much more than provide financial assistance. Nationally, SBA has provided management assistance to some 3 million companies in just the last 3 years. Last year in Maine, some 3,000 business people received SBA counseling, with an additional 4,000 attending SBA training seminars.

Maine's small business development center provided much of this assistance. The SBDC is headquartered at the University of Southern Maine at Portland and works through a statewide network of six development organizations. Every day, Maine's business people can go to a location nearby and receive practical guidance on how to operate their businesses more effectively and more profitably. In addition, Maine is fortunate to have some 200 active SCORE [Service Corps of Retired Executives] volunteers who are willing to lend their time and experience to help young aspiring entrepreneurs learn the ropes.

Seven Maine colleges and universities are part of SBA's Small Business Institute Program which allows teams of college students to spend a semester helping business people with specific problems. These students may do a market survey for a new product, a computer need analysis for a fledgling business, or even develop an effective cost accounting system tailored to a particular company's need.

All of these management assistance programs are coordinated by SBA personnel. SBA also provides valuable assistance in exporting, surety bonding and Government contracting.

In the State of Maine, SBA runs interference for small businesses which have problems with Government regulations and redtape. If Pete Howell of Downeast Machines in Bridgton had not received an SBA guarantee called a certificate of competency, his company would have lost eight Government contracts to higher bidders, resulting in tens of thousands of dollars in additional cost to the American taxpayer.

Mr. President, David Stockman's statements that the economy would be strengthened and the budget deficit reduced by the elimination of SBA just don't stand up. Much of OMB's savings would be accomplished by auctioning off SBA's portfolio for 19 cents on the dollar. My colleagues have already noted that this going-out-of-business sale would cost the taxpayer over $7 billion. In this time of rising budget deficits, adding $7 billion to that total just doesn't make sense.

I believe a more rational approach toward budget reduction is being taken by Senators WEICKER and BUMPERS in their bill, S. 408, of which I am a cosponsor. This multiyear authorization bill would save $725.7 million in outlays over the next 3 years by eliminating the bulk of SBA's direct lending programs, eliminating the nonphysical disaster program and freezing all salaries and expenses for the lending and management assistance programs. This approach will leave the SBA a leaner, more cost-effective agency, still capable of providing badly needed services to America's small businesses.

Mr. President, in closing, I urge my colleagues to reject the administration's ill-advised recommendation to eliminate the Small Business Administration. Instead, let's restructure this agency so that it can continue to do the job it has done so well over the years—providing needed assistance to America's small business community.

WHAT MADE AMERICA GREAT

Mr. HECHT. Mr. President, few historians will quarrel with the statement that the United States along with her sister republic, Canada, has delivered to such a large population over a period of 200 years the highest standard of living the world has ever known.

Why has Canada and the United States enjoyed such bounty and the rest of the New World from our border southward hasn't done well at all?

Some people give various answers—a long coast line, good seaports, abundance of raw materials, an energetic population, a good educational system, a temperate climate—rich soil and good rainfall, rivers for irrigation, good water transportation, capitalism, democracy, morality, and more.

But all of these things can be found elsewhere. There is only one concept that is unique to the United States and Canada that explains our prosperity.

Freedom—the capitalistic economic system coupled with freedom from an oppressive government is the secret of our success.

When your government allows its citizens to go into business and get rich, the wheels start to turn immediately. Capitalism is known in all countries south of the border but government restrictions and bureaucratic redtape has stifled their economies and the good life for all but a chosen few.

Of course things haven't always been as good in our country as they are today because the technology was not yet invented that has led to our easy life. But United States of America has always been the land of milk and honey and people proved it, indeed are still proving it by picking up their families and moving here.

But as good as things have been, it is not a perfect system. Everyone isn't rich and some people are hurting. In order to improve on our system some people want to make a law to cure these unequities. So little by little, pressure is put on government to either run the business of the Nation or tell the business how it must do certain things. It's called socialism. It's the only other economic system and for 6,000 years or recorded history socialism has never delivered to its people for very long a decent standard of living.

For 90 years now the socialists have been getting stronger in America and putting more restrictions on business. It doesn't matter whether business is restricted by a czar, or a tyrant, a madman, or a bureaucrat elected by the people, the result is just the same. The wheels start to slow down.

We may have reached that point. The purchasing power of the average American is down about 1 percent this past decade even though the dollars are worth more and we've hardly noticed the decline.

It's easy and popular to cuss business. Almost everybody has been sold a rotten cantaloupe, paid for a repair job that was faulty, or had some quarrel with a businessman. That is no reason to kill the system that lays the golden egg.

There is need for the average citizen to understand business. Socialism seems to be taught in the universities, if not actual dogma in classes then by association with most of the liberal thinkers in America.

Business needs a forum to get the other side of the story across.

The beginning of such a way surfaced last year in our State. It is called Business Week. High school juniors are invited to the campus of the University of Nevada—Reno for 1 week in June for a seminar on business. All expenses including board are paid for the student if he is accepted. He gets a taste of college, a course on American business, and the camaraderie of a

group of his peers. Those who attended from Battle Mountain last year spoke highly of their experiences.

The people sponsoring the programs—which included about 20 merchants and other interested people in Battle Mountain—would like to expand the program this year.

It does take money, as do most things nowadays. The cost per student is $195.

We believe this is a worthwhile program and urge all businesses in Battle Mountain to contribute to it. We also think for those that are not business people it is a worthy cause because we all have to live with the system—forever, I hope—and young people who will soon be our leaders should understand it.

On Monday, March 18, at 6:30 p.m., Mr. Max Chilcott from Hawthorne will be at Battle Mountain High School to make a presentation for Business Week. His presentation will include a film of last year's events.

Anyone wishing to make a contribution to this effort can contact the office at the high school, Battle Mountain Auto Parts, or any member of Women in Mining.

TENNESSEE VETERANS LOSE A GOOD FRIEND—EDWARD I. BROWN

Mr. SASSER. Mr. President, last month veterans in Tennessee and across the Nation lost a dedicated friend with the passing of Edward I. Brown of Shelbyville, TN. At the time of his death, Ed was the national vice commander of region 4 for the Military Order of the Purple Heart. He was also former Tennessee department commander for the Disabled American Veterans. He held 23 service medals, serving in the Korean conflict and in the Battle of the Bulge in World War II.

Ed Brown was a tireless worker for the American veteran. As a veteran service officer for the DAV's in Tennessee, he spent many hours each week helping his fellow veterans obtain proper benefits and medical care at the VA hospitals in Nashville and Murfreesboro.

I will miss Ed Brown as a close and dear friend, and Tennessee veterans will miss his constant voice in their behalf.

JOB TRAINING AND VOCATIONAL EDUCATION: IS IT TIME TO LOOK AT THE FEDERAL ADMINISTRATIVE SYSTEM

Mr. QUAYLE. Mr. President, in the last 3 years, Congress has revised the laws governing job training, vocational education, and the Employment Service in order to make them more responsive to the Nation's needs by increasing the investment of the private sector and by promoting coordination among related activities at the State and local level.

While these laws mandated administrative changes at the State and local level, they did not change the Federal administrative structure. It seems appropriate, at this time, to examine whether the principles that underlay these changes are also applicable to the Federal Government.

As Chairman of the Subcommittee on Employment and Productivity, I am announcing the intention of the subcommittee to explore this issue, first informally and then through hearings.

ROLE OF THE PRIVATE SECTOR

In the Job Training Partnership Act [JTPA] enacted in October 1982 as Public Law 97-300, the private sector is given a major role in decisionmaking by its majority on the private industry council as well as by its representation on the State job training coordinating council. In the contemporaneous amendments to the Wagner-Peyser Act governing the Employment Service, private industry councils are also given a role in the planning of Employment Service operations. In the Carl D. Perkins Vocational Education Act enacted in October 1984 as Public Law 98-524, the law mandates a State council with a majority of members from the private sector who may significantly influence the design and administration of programs.

Congress provided for participation by the private sector under these statutes on the basic theory that these programs are labor market oriented and that the private sector knows best what is needed in the labor market. It is the customer, not the shoemaker, who can best tell whether the shoe pinches.

The fundamental question is whether that theory is also valid at the Federal level and this is an appropriate time to examine the question of whether we should provide for private sector participation in the administration of labor market related programs at the Federal level.

Issues that deserve particular attention are: What is the appropriate role for the private sector in the Federal administration of labor market related programs? Should the private sector participate in decisionmaking as it does with the private industry councils under JTPA, should it review plans formulated by governmental agencies as it does under the Vocational Education Act, or is some other role appropriate at the Federal level?

The issue of private sector involvement in the administration of Federal programs may raise questions of constitutional law relating to delegating governmental functions to nongovernmental agencies. However, many forms of governmental private sector cooperation have been developed within this structure—from advisory councils to quasi-governmental corporations. The Subcommittee on Employment and Productivity is interested in exploring what devices might be suitable for the administration of labor market related programs.

COORDINATION

The Job Training Partnership Act, the Wagner-Peyser amendments, and the new Vocational Education Act also provide mandatory devices to promote coordination among labor market services, training, and education at the State and local level. Such devices are not provided for at the Federal level.

Again it seems to be an appropriate time to look at the issue of whether coordinating devices are necessary or desirable at the Federal level. Such devices could range from consolidation of administration in a single entity to exhortations to the appropriate departments and agencies to engage in better communications. The involvement of the private sector may, in itself, provide a coordinating mechanism if it influences these separate programs to move in a similar direction.

The basic coordination problem at the Federal level arises from the split between the functions of agencies with responsibility for related labor market programs. The Departments of Labor and Education were split by the Manpower Development and Training Act, described in the committee reports as an elaborate treaty between the employment security and vocational education systems. Regardless of the merits of that split in 1962, the subcommittee is interested in views as to whether it still makes sense to split the administration of these programs at the Federal level.

The Work Incentive Program [WIN], administered by the Department of Health and Human Services, points to a further fragmentation of the administration of related labor market programs. Education and welfare programs were separated when education was taken out of the Department of Health, Education, and Welfare and the separate Departments of Education and Health and Human Services were established.

Perhaps for a model, we should look back to 1917, to the precedent of the Federal Board for Vocational Education. This Board consisted of the Secretaries of Agriculture, Commerce, and Labor; the Commissioner of Education; and representatives of manufacturing, commerce, agriculture, and labor. It had responsibility for approving State plans for Federal funding under the Smith-Hughes Act.

FOREIGN EXPERIENCE

In examining these issues, it may be instructive to look at the experience of other industrial countries which have

experience with different forms of administration.

A number of industrialized countries have combined their job training, vocational education, and employment security systems under a single entity with a tripartite directorate consisting of representatives of Government, employers, and employees. This would appear to provide both for private sector participation and for coordination. While the basic constitutional and legal structure of these countries is different from ours, the subcommittee would be interested in finding out whether this foreign experience has lessons to offer us.

In this regard, an area which the subcommittee is particularly interested in reviewing is the way other countries finance training and vocational education and the administrative structure used to achieve coordination.

Persons having suggestions or desiring to testify are advised to contact Renee Coe at the U.S. Senate Labor and Human Resources Committee, Subcommittee on Employment and Productivity, room SD-428, Dirksen Senate Office Building, Washington, DC 20510, (202) 224-6306 or 5623.

THE ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS

Mr. KENNEDY. Mr. President, I want to indicate my support for Senator QUAYLE's proposal to take a fresh look at how we administer employment and training programs. The first results are in from the evaluations of the Job Training Partnership Act, and the news is very encouraging. The partnership we envisioned between business and Government at the local level seems to be working. I believe it is now time to examine the Federal role. There currently are several agencies with responsibility for overseeing Federal training programs directed at populations similar to those served under JTPA. The Departments of labor, Education and Health and Human Services all have some responsibility. We have called for coordination and consolidation at the State and local level but have done nothing to streamline Federal operations.

I also think it is time to consider turning employment and training policy over to the experts. Preparing our work force is going to be one of the most important challenges facing our country in the years ahead. Over the last several years we have seen dramatically different approaches to dealing with this problem. We have also witnessed substantial swings in funding for employment programs. These shifts in policy and resources are the result of changes in political leadership but they do not necessarily reflect the investments or policies that are needed to prepare our future work force or retrain workers in the skills that are needed now.

I believe we must have greater involvement of industry and labor in setting our future course. The private sector is in the best position to predict skill shortages, recommend the investments that will be needed and design the training that will satisfy the demand.

I believe we should also look to the experience of our counterparts in Europe. In Germany, Sweden, England, and elsewhere, business and labor are working together with government to insure a constant supply of skilled workers who are trained in state-of-the-art programs. While Europe envies our ability to create new jobs, I believe we have a great deal to learn from them about training our work force.

I applaud the review Senator QUAYLE is undertaking and I look forward to working with him.

JOB TRAINING AND EDUCATION PROGRAMS

Mr. HATCH. Mr. President, Senator QUAYLE has a well deserved reputation for good, thoughtful ideas which challenge the established assumptions on which the Federal Government too often rests. Recently, he has found another area that could rightly use some examination by the Congress; that is, the role of the private sector in making Federal policy. We have already enlisted the assistance of the private sector as a full partner in job training and education programs. We have relied upon the private sector for advice in procurement, planning and evaluation in the form of our Federal advisory boards and commissions. The Grace Commission is a sterling example of the fact that the private sector sees flaws and pitfalls which elude the nearsighted notice of public sector planners.

As usual, Senator QUAYLE's question is a good one: If our view that the private sector improves the quality and expands the scope of local employment and education programs is correct, then why should we not increase the private sector's presence in Federal administration and policymaking? Clearly, any move to incorporate a formal system of private sector participation in any policy arena, beyond the existing advisory councils, should require painstaking consideration, including extensive hearings, to determine all the ramifications of not only the specific plan, but also the concept itself. For example, the idea raises constitutional questions which ought to be addressed. Also, the distinction must be drawn that it is one thing to invite the private sector into Government decisionmaking, but it is quite another thing to permit Government into private sector planning and decisions. The privatization of Government ought not to become the federalization of business.

However, I agree with Senator QUAYLE that the Congress often spends too much time on the minute details of Federal programs and policies and not enough time examining the larger picture. There is no better time than the present for the Senate Employment and Productivity Subcommittee and its innovatively-thinking chairman, Senator QUAYLE, to give this subject the oversight attention it deserves.

TRIBUTE TO WARREN MAGNUSON ON HIS 80TH BIRTHDAY

Mr. JOHNSTON. Mr. President, along about now in a new Congress, the pace of events begins to quicken and we grow so busy thinking about the present and the future that we are inclined to forget how the country got to this point in time.

Today, in commemorating Warren Grant Magnuson's 80th birthday, we must acknowledge that any number of the good things that have happened in the United States happened because of him: Educational television, the public accommodations provisions of the Civil Rights Act of 1964, the Animal Welfare Act, Coastal Zone Management—so important to my State of Louisiana—and most significant of all, the development of NIH and the National Cancer Institute.

During his 36 years in this body, he was a man to match the hour and we were fortunate to have him. He has been fortunate, too. Not every legislator goes home to his beloved State knowing that he has been instrumental in bringing the gifts of life and health to his fellow citizens. Thank you, Maggie. Happy birthday.

A TRIBUTE TO WILLIAM D. SELLERS, JR.

Mr. HEFLIN. Mr. President, I would like to take just a few moments today to share with my colleagues an article written about an Alabamian who describes himself as "a pretty good truck driver and a part-time banker," William D. Sellers, Jr., chairman of the board and chief executive officer of Birmingham's Baggett Transportation Co.

Bill Sellers is, in reality, much more than is illustrated by that modest description. Since 1946, only 5 years after he joined the company, he has owned Baggett Transportation. In that time, the company has grown from one that operated only in Alabama, with 19 trailers, to one that operates in 48 States, with 900 trailers. Besides hauling explosives, ammunition and blasting supplies for the De-

fense Department, and for commercial manufacturers, Baggett also own the Hertz truck rental and leasing operation for the Alabama and gulf coast areas.

Under Sellers' leadership, Baggett has built an outstanding record in their operations. They are extremely conscious of safety and service. This belief has been adopted from Bill Sellers, for his personal philosophy of success is predicated on the importance of good service.

In addition to his work with Baggett, Sellers is chairman of the board of First Alabama in Birmingham and a director of its statewide holding company, First Alabama Bancshares, Inc.

Bill Sellers is also a tireless fundraiser and alumnus of his alma mater, the University of Alabama. He was one of the founders of the university's chair of transportation, and, although he was a chemistry student, he has engaged in multiple endeavors on behalf of the College of Commerce and Business Administration.

Bill Sellers' major recent activity on behalf of the university has been his service as general chairman for the Sesquicentennial Campaign, conducted in conjunction with the university's 150th anniversary in 1981. The campaign, which ended in September of 1984, had a fundraising goal of $38.4 million. Under Sellers' leadership, the total raised was $61.8 million. For his efforts, he was honored as the outstanding civic leader for 1984 by the Alabama chapter of the National Society of Fundraising Executives, and was named a distinguished alumnus at the university.

William Sellers has also been involved in civic work on behalf of the Eye Foundation Hospital in Birmingham, of which he is a trustee and past board member. Among the many other organizations he has worked with are the Boy Scouts, the Crippled Children's Clinic, and the Charley Boswell Celebrity Golf Classic.

Mr. President, it is easily apparent that Bill Sellers is a man who makes things happen. From his days as an undergraduate at the University of Alabama, when he simultaneously held down jobs as a building monitor, a grocery store representative, a furniture store representative, and one in the athletic department, he has been an overachiever. His success in recent years with Baggett Transportation and his other ventures has only been a byproduct of his hard work and determination. It is a pleasure to be able to count on him as a friend, and to share some details of his story with my colleagues.

Mr. President, I ask unanimous consent that an article from the Alabama Trucker magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PRETTY GOOD TRUCK DRIVER, A PART-TIME BANKER: WILLIAM D. SELLERS, JR.

(By Nancy Callahan)

Typically, trucking magnates get their start with this proverbial one-truck fleet. They scrimp and save for that second truck and the one after that, till they rise to the top with their own personal empires.

The background on William D. Sellers, Jr. is far different. As chairman of the board and chief executive officer of Baggett Transportation Company in Birmingham, the highly-regarded Sellers may well be the only big-time trucking figure in the state who did not start at rock bottom.

"I guess I was the first one around this part of the country with a college education that got into the trucking business," says Sellers from behind the desk in his Magic City office. "I don't believe there are any others. I started with a company that was already going, took over its management and operation, and developed it to where it is today."

This is not to say Sellers started at the top. Neither are his origins of the silver spoon variety. True, his father was a doctor, but Depression times were hard and the elder Sellers was paid mostly in foodstuffs and other material goods rather than with hard cash. Maybe that's why young Sellers developed earlier than most his abilities as a visionary, someone who can combine creativity with hard work to make immediate money.

Born in Anniston on June 13, 1913, Sellers moved to Birmingham at age four.

"My father was a general practitioner and a surgeon," he begins, "and in those days, people didn't have money to pay doctors' bills. We had plenty of food and clothing and a roof over our heads, but there wasn't any money."

When time came for Sellers to enter college and fulfill his father's dreams by studying medicine, it was 1931 and the heart of the Depression. He entered The University of Alabama on a scholarship played on the same freshman football team with Paul "Bear" Bryant, and worked his way through school. As a pre-med chemistry major in Arts and Sciences, William was the busiest young man in Tuscaloosa.

"I was a monitor of Gorgas Hall," says Sellers, whose soul literally sparkles when he talks of his days at the UA. "I had to take care of the building, see that they had hot and cold water, and that the furnace was fired. I got free room for that.

"And then I was campus representative for the Atlantic and Pacific Tea Company, the grocery store chain. They had a big store right on the edge of the campus. I solicited business from the fraternities, the sororities and the boarding houses. They would buy their groceries and meats from A and P.

"I worked for the Athletic Association and I represented a furniture store downtown. I would sell furniture to fraternity and sorority houses. I also represented a florist, selling corsages to all the parties."

Having received his pre-med degree in 1934, Sellers spent the next year in medical school at Tuscaloosa, continuing his industrious role as a student working his way through college. At year's end, he transferred to med school at Tulane. He stayed all of two weeks, dropped out and broke his family's heart, but set the stage for what ultimately would lead to one of the most impressive business enterprises anywhere.

Sellers became involved with White Motor Company, a Cleveland, Ohio-based business that manufactured trucks and buses; and the Coca Cola Company, which at that time owned White and Studebaker. The father of one of Sellers' Birmingham friends was a vice president of White and close to the Coca Cola network.

"So when the Rose Bowl Special rolled out of Tuscaloosa in December, 1934, going to California, I had an advertising contract giving away free Coca Colas."

When he came back, he completed his stint in medical school in April, 1935, then transferred to Tulane the following September. But Sellers was broke. He knew he couldn't work, make a living and stay in school, so he took a job in New Orleans selling trucks and buses for White Motors.

He came back to Birmingham and continued with White as an Alabama salesman, a two-year activity. He was transferred to Houston but wouldn't go, so the up-and-coming salesman signed on with Pan American Petroleum, a division of Standard Oil of Indiana. He called on cities, counties and education boards across the state, selling a host of petroleum products.

BAGGETT CHANGED HIS LIFE

One day in 1941, Sellers happened to call on one of his customers to whom he had been selling tank cars of gasoline. The event changed his life, because the customer was Baggett Transportation Company.

He not only was offered a job but part interest in the company. Just before Pearl Harbor, on December 1, 1941, Sellers' name was added to the Baggett payroll.

"And I've been here ever since."

Only five years after he joined Baggett, William Sellers bought full control of the company.

"When I went with 'em, they only had about 19 trailers and 15 or 20 power units. And I only did business intrastate, in Alabama."

Today, Baggett operates in 48 states, hauling explosives, ammunition and blasting supplies for the U.S. Defense Dept., and for commercial manufacturers. It also hauls general commodities. Currently, the company operates 900 trailers with an equivalent number of power units.

It now has only 76 employees, but uses several hundred independent contractors.

"They lease to us under long-term lease, pull our trailers, operate under our flag and we direct the safety of their operation nationwide."

Sellers says this approach is not unique.

"A lot of the carriers today—Deaton, Malone and various others—resorted to independent contractors because it gives a man an opportunity to be in business for himself, owning his own unit, driving and operating it."

TRUCK LEASING BUSINESS

Since Sellers took the helm, all Baggett has done is grow and prosper. In December, 1981, for instance, Baggett purchased the truck rental and leasing operation of Hertz from RCA for the State of Alabama. Then in 1983, Baggett purchased the Hertz truck rental franchise and operation from Hertz-Penske, which included New Orleans, Baton Rouge, Biloxi, Gulfport, Mobile and Pensacola.

These two corporations—Truck Rentals of Alabama, Inc., and Truck Rentals of Louisiana, Inc.—are now leasing and maintaining a total of 1,350 trailers and power units. As

part of these rental operations, the company has 15 service facilities scattered across the Southeast.

In addition to the leasing facility, Baggett operates TRA Truck and Trailer Company, Inc., in Dothan, a sales and service company. Its major manufacturer is Trailmobile.

But enough about Baggett and more about the man in charge. He boasts of no special philosophy but strongly believes in proper service.

"Give good service and satisfy your shippers and you'll continue doing business with them. You'll continue to grow with them. If you don't give them good service, you won't get the business. So we've tried to do a good job of delivering promptly and on time.

"A lot of these explosive ammunition deliveries have to be time deliveries. It takes good supervision and good teamwork to get the job done."

Sellers takes the most pride in Baggett's service record with commercial explosive manufacturers and the U.S. Dept. of Defense. In September, Defense ranked Baggett fifth nationwide in sales and service.

As Sellers tells it, "That covers a lot of ground—the Army, Navy, Air Force, Marines, and the Coast Guard."

The Baggett offices at 2 South 32nd Street ar brimming with awards: Red Cross blood drives, other charities and safety commendations. Sellers is very safety conscious.

"Our people have been well-trained and they've done an excellent job. Consequently, we've been self-insured with our own insurance for several years now. We give bonuses to our drivers for safe operations, and we encourage them not only to protect themselves, their cargo and equipment, but the public at large, because if we allow an accident to occur, we're paying the bills."

Thanks to Sellers' leadership Baggett turnover is virtually nil. Most of his people have been with him from the start. Howard Durden, former vice chairman of the board, who once was president of ATA, retired in July after 39 Baggett years. Sellers' secretary, Lucille Thomas, has been on board 41 years while company president and chief operating officer Tom Sinclair came in 1952.

"We've got a good retirement program and a good profit-sharing program," says Sellers, whose calm soft-spoken manner belies his honor-roll accomplishments. "Once our employees get involved and realize what they've accumulated for their personal accounts, they don't want to leave. They stay."

A lot of them stay because they like William Sellers, or "Mr. William," as he is called by many.

("I don't know why they put that 'Mister' to it. I guess it's because of my gray hairs.")

There is Miss Thomas, for example, who likes her job so much that she wonders where the years all went.

"He is very even-tempered and a gentleman of the first order," she says of her long-time boss. "He is well-respected by all of the personnel and members of the executive body, a man who tries to be fair with everyone. He is very meticulous in his person, and in the properties and equipment he owns. Everything has to be top drawer."

CONCERN FOR EMPLOYEES

President Sinclair adds that Sellers has intense compassion for all the Baggett employees.

He's always interested in the personal well-being of us all. On every occasion where I can recall anyone has had a personal problem of any kind, he was one of the first ones there to lend his assistance. He's just a concerned person."

One of the newest additions to the Baggett roster is Joe Donald, a recent graduate of Wofford College in South Carolina, who is "in training" with the company. Sellers and his wife, Virginia, have two daughters, Forsyth Donald and Mary Crommelin—both married to doctors—and seven grandchildren. Joe Donald is one of the grandchildren, so Sellers is waiting with special interest to discover the talents and possible company commitments that may be unleased by this young man.

Owning Baggett would be plenty for most folks. Not William Sellers. He's a banker, a golfer, a fundraiser and a tireless alumnus of his alma mater—all of which could be perceived as full-time jobs.

Not only is he a director of First Alabama Bank of Birmingham and First Alabama Bancshares, Inc., but Sellers is chairman of the board of the Birmingham banking entity. He says he evolved as a banker through mutual needs: He could help them and they could help him.

"I had to have a place to borrow money," he smiles. "So I got involved with 'em that way. I paid all my debts over there and I guess that's the reason they took me on their board. They figured I could help them, which I've tried to do. I'm now chairman of the board of the First Alabama Bank in Birmingham.

BEGINNING BANKER

"Many years ago I bought stock in the old Exchange Bank, started at Five Points South. That was the beginning of First Alabama Bank of Birmingham. Of course, now it belongs to the statewide holding company, First Alabama Bancshares."

And now about the golfing. If you didn't know Sellers but were to read his resumé, you'd find out quickly what golf means to this former three-term president of ATA (1948–51). Sandwiched between all those professional activities, honors, directorships and charity work is the fact that he has acquired five holes in one, the last of which was in 1978, on the 13th hole of the West Course of the Birmingham Country Club.

It is told on Sellers that once a week he leaves his duties at the office in exchange for "golf day" at the club. They say that on golf day, he is so far removed from the goings on at Baggett that he might as well be on the moon.

WORTHWHILE PROJECTS

At 71 and looking a decade younger, William Sellers hardly is an "old man". Maybe it's because he's involved in so many positive and worthwhile projects.

Tulane should feel badly that it didn't try to keep Sellers longer than two weeks, for his allegiance to Alabama has profited the school by millions of dollars. He has done some of everything out of loyalty to the school.

Back when 'Bama needed a new football coach, Sellers helped to persuade Byant, his close friend and fellow teammate, to come home and take the job. And when Bryant was ill in California, it was William Sellers who sent his company plane to fetch the coach and bring him to medical treatment in Alabama.

Sellers was one of the founders of the UA's Chair of Transportation, and although his college background was chemistry, he has engaged in multiple endeavors to boost the College of Commerce and Business Administration.

But the big one which has commanded his time since 1981 has been the Sesquicentennial Campaign, conducted in conjunction with the University's 150th anniversary in that year and concluded in September of this year.

According to John Blackburn, vice president for educational development at the University, "When you're selecting a general chairman for a campaign, you talk to people about the right sort of person to head it up. Several said, 'The best person to do this is William Sellers, but he won't do it.' So some of us called on him and he not only agreed to do it but to be a leader and work with it, and he's just done a tremendous job."

$61.8 MILLION CAMPAIGN

The fact it, the campaign was to raise $38.4 million, but under Sellers' quiet but deliberate guidance, the total garnered was $61.8 million.

"But I didn't do all that myself," says the modest, almost self-effacing trucking executive. "A lot was done by the staff and alumni scattered all over the country."

Still, as Dr. Blackburn sees it, "He's a 'Lets do it' guy. When he makes up his mind, he does it, and he keeps a tight schedule. One of the things that often causes volunteer people like him to fail is that they keep putting off getting out and doing it. He worked on the campaign every day and did whatever had to be done. And even though the campaign's over, he's still helping us raise some money."

Word of Sellers' talent as a fundraiser has gotten around. So much so, that the unassuming, good-natured trucker was honored as Outstanding Civic Leader for 1984 by the Alabama chapter of the National Society of Fund-raising Executives. And appropriately, he is a 1984 Distinguished Alumnus at the University. Three years earlier he had been applauded there with an honorary doctorate of law.

Not all of "Doctor" Sellers' fundraisers have brought in big bucks, but they've made life brighter for lots of people. One is the Eye Foundation Hospital in Birmingham, of which Sellers is a trustee and past board chairman.

"I got interested in the eye hospital because my mother had a glaucoma," says Sellers, who in 1973 was recipient of ATA's H. Chester Webb Award for Distinguished Service.

As Foundation president Alston Callahan gives perspective to Sellers' contribution, because in 1974, while the hospital was in good shape, it needed a clinic building for its Alabama Sight program.

"We have the only organized clinic for indigent eye patients in the state. We had a place to operate on them but we really didn't have any place to examine and treat them."

While he was Foundation chairman, Sellers led the drive to raise one and one-half million dollars to erect a building known as the Alabama Lions Eye Clinic.

"A number of people made big donations, but Sellers led the way personally with a big donation, and in less than a year, the money was raised and the building dedicated in 1975."

"Ever since, it's been serving about 75 men, women and children a day who come and are treated by the resident physicians. In comparison to what he raised for the University, that million and a half was not so much, but it was just another one of the many things he did."

From the crippled children's clinic, to the Boy Scouts, to the Charley Boswell Celebri-

ty Golf Classic, the "things he did" just keep on flowing.

But it is Dr. Callahan who accurately capsules the Sellers psyche: "He's very straightforward and fixes the conversation directly on the main issues. There's not a lot of small talk.

That's William D. Sellers, Jr., ready every time, whether it's helping his employees, his beloved University, or the myriad human need projects which occupy his action-packed and highly-organized time. Right now, he's getting ready to raise some more money for the eye people to have a parking deck and office building. And he's thinking about the next "dog fight" at the club.

Meanwhile, Baggett Transportation adds to its distinguished reputation for service.

"Everything I've done, I've enjoyed doing," says the man himself in retrospect. "The old saying is, 'If you like your work, you can be successful at it and if you don't like it, you'd better find something else to do.'"

After 43 years, Sellers obviously likes it; he has no plans to stop, ever.

Given the entire spectrum of his people-oriented life, what would Sellers say if he could write his own story?

"I'd just tell 'em I was a pretty good truck driver and a part-time banker."

Enough said.

ELVIN WRIGHT: 1984 MAN OF THE YEAR IN SERVICE TO ALABAMA AGRICULTURE

Mr. HEFLIN. Mr. President, I would like to take just a few moments to commend the man selected as the Progressive Farmer 1984 Man of the Year in Service to Alabama Agriculture, Elvin Wright.

Mr. Wright, the Soil Conservation Service District Conservationist in Hale County, is one of the leaders helping Alabama's catfish industry to become a $200 million business. More than 20 years ago, he set a personal goal of establishing a viable catfish industry in west Alabama. Today, largely through Elvin Wright's effort, catfish producing acreage in Hale County alone has grown from only 1½ acres then to the current total of nearly 5,000 acres.

During those 20 years, Mr. Wright has become widely recognized as an expert in fish farming. People now come from throughout the Southeast to seek his advice and counsel. His expertise has come mainly from hard work and self-education.

When Mr. Wright started promoting fish farming, there were few proven methods for managing production. He developed his own pond design and construction guidelines, and he has changed these designs to better suit commercial fish ponds. Wright's designs are now used by all of Alabama's Soil Conservation Service employees.

Elvin Wright was also instrumental in proposing a State fish farm center. Located in Hale County, the center has been instrumental in helping a great deal of Alabama's fish ponds.

During his years in fish farming, Wright has personally designed over 4,000 catfish ponds, and has done all of this while carrying out his normal job-related duties.

Largely because of Elvin Wright's efforts, Alabama's catfish production is second only to Mississippi's. Catfish farming has a bright future in Alabama.

Mr. President, I believe Progressive Farmer had made an excellent choice in naming Elvin Wright as their 1984 Man of the Year in Service to Alabama Agriculture. I commend him on his selection, and thank him for his outstanding service to Alabama.

I ask unanimous consent that an article from Progressive Farmer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELVIN WRIGHT: 1984 MAN OF THE YEAR IN SERVICE TO ALABAMA AGRICULTURE

Alabama's catfish industry may become a $200 million business in the near future, thanks primarily to the efforts of one man.

In 1964, Elvin Wright set a goal to bring more income into economically depressed West Alabama by establishing a viable catfish industry.

Since that time, pond acreage devoted to catfish production in Hale County, Ala., alone has leaped from a meager 1½ acres to nearly 5,000 acres.

This industry now supports processing plants, a manufacturing plant, repair shops, and pond construction businesses. In an area where jobs are hard to come by, these businesses now employ about 250 people.

Farmers are grateful for the added income from catfish. Alabama has about 750 catfish farmers who are growing 25 million pounds of fish each year.

And Elvin Wright, SCS district conservationist in Hale County, has become the man with the answers for farmers who raise catfish in Alabama. He has as much working experience with fishponds and pond management as any person in the state.

Prospective fish farmers as well as experienced producers from throughout the Southeast seek Wright's advice. Many potential producers will not enter fish farming until they have talked with him.

Wright takes the time to talk with each farmer and evaluate his situation. After talking, Wright may or may not encourage him to enter fish farming. And even when Wright suggests that a farmer look to other enterprises, he renders a service. Not everyone has the resources needed to manage fish for profit.

When Wright started promoting fish farming, there were few proved steps for managing catfish in farm ponds. From scratch, Wright developed pond design and construction guidelines. Recognizing that SCS designs would not work on commercial fish ponds, he changed the design so that fish could be harvested with seines. Processors who harvest the fish say that Wright's changes have reduced harvest costs from 5 cents to 1 cent per pound. His design improvements are now used by all SCS employees in Alabama.

Early on, Wright recognized the importance of water quality. His designs and construction guidelines help assure water quality high enough to support a growing fish population with few losses from diseases and parasites.

He helped establish further improvements in water quality through his work with paddle wheel aerators and pond destratifiers. By encouraging the development of these two tools, Wright has helped reduce the disastrous fish kills that are common in stale pond water.

Wright has worked with Auburn researches in testing these and other new fish pond management ideas. He helped Auburn Extension officials gather cost-and-return information on fish farming. And he put this information to even greater use when he talked with leading farm lenders on the economics of raising catfish.

Bringing farmers and processors together in a spirit of cooperation is another of Wright's achievements. This cooperation helps to ensure adequate suplies of catfish to meet the growing demand.

With the Hale County Soil and Water Conservation District, Wright was instrumental in proposing a State Fish Farm Center. Since opening in 1982, the center has been staffed by Auburn University and SCS fish experts. A biologist, a fish disease specialist, and an engineer are working from the center at Greensboro. From there, 90% of Alabama's fish ponds are within a 50-mile drive for the experts.

Wright has personally designed over 4,000 catfish ponds, and fish farmers in Hale County are building about 300 acres of ponds each year. He has been able to accomplish all of this while continuing to carry out his other SCS duties.

E. W. Shell, head of Auburn University's Department of Fisheries and Allied Aquaculture, once said, "This man has laid a solid foundation for a potential $200 million industry for the state of Alabama."

Alabama's catfish production is second only to Mississippi's. Catfish farming has a bright future in the state, thanks in large part to Elvin Wright. *Progressive Farmer* is pleased to name him 1984 Man of the Year in Service to Alabama Agriculture.

A TRIBUTE TO JUDGE JOHN B. TALLY

Mr. HEFLIN. Mr. Speaker, it is with a great deal of sadness that I note the recent passing of John B. Tally, Sr., of Scottsboro, AL, a retired Jackson County circuit court judge. Judge Tally passed away on March 27, at the age of 71.

John Tally was a native of Scottsboro, born on March 2, 1914, the fifth Tally to carry the name of John B. in a family that for generations has had members in the legal profession. After being educated at Rice Institute and Houston Law School, he returned to Scottsboro. There, he practiced law from 1937 until 1942, and also served in Birmingham as an assistant U.S. attorney before entering the Navy during World War II.

After the war, Judge Tally served as circuit solicitor for Alabama's ninth judicial circuit from 1947 to 1955. He then returned to private practice until 1968, when the voters elected him circuit judge. John would continue as circuit judge until 1982, when he joined his son in private practice.

In addition to his outstanding service on the bench, Mr. President, John

Tally was a devoted family man and community leader. He served for 13 years on the Jackson County Hospital Board, and as a trustee of the Cumberland Theological Seminary. He was an elder, choir director, and Sunday School teacher in his church.

I recall attending a retirement party for Judge Tally when he stepped down from the bench in 1982. A large crowd gathered to honor him that night, and I was greatly impressed with the admiration and respect with which he was awarded. I do know from my personal experience on the Alabama Supreme Court that he was an exceptional trial judge, one who was respected by his colleagues, and the prosecutors and attorneys who appeared before him. He was an outstanding leader in the court reform movement in Alabama during the 1970's.

Mr. President, the citizens of Scottsboro and of Alabama have lost an outstanding person. I join them in mourning the passing of Judge John B. Tally, and wish to extend my most sincere personal sympathy to his wife, Blanche, and his children, Nancy, John Jr., and William.

I as unanimous consent that three articles from the Daily Sentinel be placed in the RECORD in full.

Thank you, Mr. President.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOCAL AND AREA DEATHS

SCOTTSBORO.—John B. Tally Sr., retired Jackson County Circuit Court judge, died Wednesday in Jackson County Hospital. He was 71.

The funeral will be Friday at 2 p.m. at the Cumberland Presbyterian Church in Scottsboro with the Rev. Roy Hall officiating. Burial will be in Cedar Hill Cemetery with Scottsboro Funeral Home in charge.

Visitation will be tonight from 7 until 9. In lieu of flowers, the family requests that contributions be made to the church's building fund.

A native of Jackson County, Tally practiced law in Scottsboro from 1937-42 and also served as assistant U.S. attorney in Birmingham before entering the Navy during World War II.

He served as circuit solicitor for the Ninth Judicial Circuit of Alabama from 1947-55 and was in private practice until his election as circuit judge in 1968. He remained in that post until his retirement in 1982.

Tally attended high school in Scottsboro and in Houston, Texas and was the fifth Tally to carry the name John B. in a family that for generations has had members in the law profession. He attended college and law school at Rice Institute and Houston Law School.

Tally served for 13 years on the Jackson County Hospital Board and was county attorney for eight years. He was an elder, choir director and Sunday School teacher in his church, and served as a trustee of the Cumberland Theological Seminary. His biography appears in Who's Who in America.

He is survived by his wife, Mrs. Blanche McCutchen Tally; a daughter, Mrs. Nancy Loper of Opelika; two sons, John B. Tally Jr. of Birmingham and William W. Tally of Scottsboro; and five grandchildren.

SERVICES SLATED FOR FORMER JUDGE TALLY

Retired Judge John B. Tally Sr. of Scottsboro died Wednesday morning in Jackson County Hospital. He was 71.

Funeral services will be conducted at 2 p.m. Friday at Cumberland Presbyterian Church with the Rev. Roy Hall officiating.

Burial will be in Cedar Hill Cemetery with Scottsboro Funeral Home directing. Visitation will be from 7 until 9 p.m. Thursday at the funeral home. In lieu of flowers, contributions may be made to the Cumberland Presbyterian Church Building Fund.

Tally was born in Scottsboro on March 2, 1914, the son of John Benton Tally and Irene Blackmon Tally.

He practiced law in Scottsboro from 1937 until 1942 and also served as assistant U.S. attorney in Birmingham before entering the U.S. Navy during World War II.

He served as circuit solicitor for the 9th Judicial Circuit of Alabama from 1947-55 and was in private practice until his election as circuit judge in 1968. He continued as a circuit judge until his retirement in 1982 when he returned to the private practice of law with his son, William W. Tally of Scottsboro.

Tally had served as a member of the Jackson County Hospital board of directors and the Alabama Bar Association. He was an elder at Cumberland Presbyterian Church and had served as a trustee of the Cumberland Presbyterian Theological Seminary.

He was given a retirement party on October 18, 1982, at the Holiday Inn in Scottsboro. Some 85 persons attended and he was presented a gold watch. Among those present were his longtime friends, retired Congressman Bob Jones of Scottsboro and U.S. Sen. Howell Heflin of Tuscumbia.

Tally's biography is in Who's Who in America.

He attended four post-graduate sessions of the National Judicial College and two courses at the American Academy of Judicial Education plus courses offered by the Alabama Judicial College.

His administration received a commendation from the Chief Justice of the Supreme Court of Alabama.

Tally was a member of the Alabama Association of Circuit Judges, the Alabama State Bar, and American Bar Association.

Circuit Judge Robert L. Hodges, who succeeded Tally, took a short break in court upon learning of the death. He made the following statement about 10:40 a.m.:

"Ladies and gentlemen, I have just received a message that Judge John B. Tally has passed away this morning. Judge Tally served as a judge of this Circuit for more than 12 years and before that was a Solicitor of this Circuit. He was a dedicated public servant.

"This court extends its sympathy to the members of his family. The bench and the bar of this Circuit, and the citizens of Jackson County whom he served, will mourn his passing."

Tally is survived by his wife, Mrs. Blanche McCutchen Tally; three children, Nancy Loper of Opelika, John B. Tally Jr., an attorney in Birmingham, and William Tally, a Scottsboro attorney; and five grandchildren.

LETTER TO THE EDITOR

EDITOR, DAILY SENTINEL:

To the family and friends of the late John B. Tally:

As I join a host of citizens across this land in offering words of condolence to you during your hour of bereavement, I also am confronted with a great sense of loss.

Recalling days prior to the late Judge John B. Tally's judgeship, law practice and school days, I knew him as a small boy. Born less than a year apart, I became acquainted with him while we were still barefoot boys. This event marked the beginning of a life-span of friendship and trust.

Because he was reared a short block north of the courthouse, lived most of his adult life two blocks east of the courthouse and virtually worked in the courthouse for almost five decades Judge Tally, in essence, became a fixture there.

I know first-hand that when Judge Tally retired from his judgeship, he was at peace with himeslf and that he was happy in his family life and proud of the achievements of his children.

Judge Tally was a man of deep religious convictions who strived to maintain law and order and to sustain a just society always guided by the quotation, "Here on earth, God's work must truly be our own."

It is my firm belief that when Judge Tally stands before God the almighty and Eternal Judge of all, he will be judged as he had judged and that he will be vindicated by a Just God!

Yours in tribute to a well spent life.

WILEY T. SNODGRASS, Sr.,
A concerned friend.

THE CENTENNIAL OF SHEFFIELD, AL

Mr. HEFLIN. Mr. President, as a U.S. Senator from the State of Alabama, I am pleased and proud to congratulate my neighbors in Sheffield, AL, on their upcoming centennial celebration. I am especially happy to commend them upon this occasion since Sheffield is a vital part of my home county of Colbert.

Sheffield is located in extreme northwest Alabama, just a few short miles from the Tennessee line. Named after Sheffield, England, the town grew from a different type of development than most southern towns. Rather than starting as an agricultural center, Sheffield was founded by a group of enterprising men who invested their money to build a city with industries and institutions from which they could reap a profit. Even in this, Sheffield was different from most typical "boom town" developments, in that it was located on the Tennessee River, providing water transportation as an alternative to railroads.

Although settlers has been present for some time, Sheffield was officially incorporated on February 17, 1885. During the next several years, the town would prosper as an industrial center, largely because of the plentiful raw materials and ease of transportation. New industries and blast furnaces were frequently moving into Sheffield, bringing people and economic growth with them.

Early in Sheffield's history, the closest available railroad was located in Tuscumbia. Efforts were made by Sheffield leaders to convince the railroad to extend their tracks into the city. These efforts were so successful

that the railroad chose Sheffield as the site for their new north Alabama maintenance location. A few years later, Southern Railway System took over operation of the existing railroad and expanded their facilities to the point where Southern became Sheffield's largest employer, giving the city the reputation of being a "railroad town." Even today, Southern Railway System continues as a major industry in Sheffield.

One major aspect of Sheffield's history which cannot be ignored or forgotten concerns the development of hydroelectric power in the area. Early in Sheffield's development, people viewed the rushing flow of the Tennessee River over the rocks of Muscle Shoals and realized the tremendous waiting to be utilized.

As early as 1898, the Muscle Shoals Power Co. was organized. Congress approved legislation authorizing the company to construct a hydroelectric dam and canal, as long as construction began within a year. The authorization and two extensions expired without construction starting, leaving development open for other companies.

In 1902, another company, including Thomas Coleman DuPont, was organized and asked for congressional authorization. DuPont said he would spend more than $3 million to build textile mills in the area when they obtained this authorization. In 1903, however, President Theodore Roosevelt vetoed the legislation, killing another opportunity.

In 1906, the Muscle Shoals Hydroelectric Power Co. was organized. Their proposal for authorization never got out of the House committee to which it was assigned and, in 1912, the company merged with the Alabama Power Co.

Finally, in 1917, President Wilson selected Sheffield as the site for nitrate plants to be built to help furnish munitions for World War I. To help furnish the power needed by these plants, hydroelectric dams were also to be constructed. Wilson Dam as partially completed when the Harding administration failed to appropriate funds for continued construction.

With work suspended and hundreds of employees laid off, automobile magnate Henry Ford made an offer to complete construction and purchase the nitrate plants to produce fertilizer. Soon, other firms made competing offers.

In light of these offers, Congress appropriated funds to complete Wilson Dam and work resumed. Then in 1928, after Ford and the other companies had withdrawn their offers, legislation providing for governmental operation of the dam was approved, but pocket vetoed by President Coolidge. In 1931, this legislation was again approved, but vetoed by President Hoover.

Finally, after the election of President Franklin Roosevelt, this legislation, which would become an important part of the Tennessee Valley Authority Act, became law in 1933. This came after Roosevelt visited the Sheffield area and promised that government development and operation of the hydroelectric facilities was assured. As we all know, even today TVA is an important and functioning part of the Sheffield economy.

In more recent years, Mr. President, with industrial activity declining, a small industry has succeeded in making the Muscle Shoals area well known. Of course, I am referring to the music industry. Sheffield can be proud of its role in this development, since the earliest recordings in this trend were made in Sheffield. Now, music studios are located all around the area, and have helped write much of the area's rich musical history.

At the present time Sheffield and all of northwest Alabama is suffering from serious economic problems, including high unemployment. However we are hoping for a turnaround of these conditions.

Mr. President, the city of Sheffield has scheduled elaborate plans to celebrate its centennial. I am extremely proud to represent these fine citizens, who face the future with a commitment to greater growth, increased productivity, and community spirit. In celebrating a centennial, a town is, in reality, congratulating all of its citizens, past and present, and I believe all of the people of Sheffield can be proud of their city's significant history. I know that with their continued civic dedication, Sheffield can look forward to a bright future.

NATIONAL CORRECTIONAL OFFICERS WEEK

Mr. MITCHELL. Mr. President, I am pleased to join in cosponsoring Senate Joint Resolution 64, which designates the week beginning May 5, 1985 as "National Correctional Officers Week."

The work of our Nation's correctional officers in our jails and correctional centers is often overlooked and undervalued. The quality of service they provide is the cornerstone of our criminal justice system. Correctional officers nationwide are currently responsible for containing over 600,000 prisoners.

Under highly stressful conditions, where exposure to dangerous situations is a daily part of the job, these men and women try to encourage inmates to develop skills and attitudes which will let them become productive members of society upon release.

The job requires flexibility and firmness allied with patience. It takes a special kind of person to persevere in this type of work in an environment as hostile and unpredictable as our jails and prisons often are. The work not only demands inner resources of strength and stability, it is all too often a thankless task and unappreciated.

I hope the Judiciary Committee will act on this measure promptly so we can focus attention and recognition to these too often overlooked individuals.

THE ALARMING GROWTH IN ILLITERACY

Mr. GOLDWATER. Mr. President, Senator ZORINSKY is to be commended for his efforts to address the growing rate of illiteracy in this country. The Department of Education, in its own report, A Nation at Risk, listed the alarming statistics. They are listed here for your review: A 20-percent functional illiteracy rate among adults and 13 percent among 17-year-olds; a 32-percent marginal illiteracy rate for adults; a minority youth illiteracy rate that may run as high as 40 percent, and an increase of 2.3 million adult illiterates each year. These statistics should prompt each of us to ask, "Why are our young people not learning to read in our schools?"

The ramifications of the above statistics impact on each of us directly. For example, it has cost the military close to $40 million from fiscal years 1982–84 to teach reading to recruits. It should be noted that these programs include basic math and English skills, also. According to military statistics, the cost is expected to rise into the 1990's. The enrollment in these programs is not limited to the student who dropped out of high school, as there are high school graduates as well. Reading and basic skills programs like the ones in the military can be found in Government agencies and programs; for example, the Job Training Partnership Act [JTPA] at the Department of Labor.

Those individuals who cannot read in our society become those individuals who are unable to find or hold a job, who are drug and alcohol abusers, who find themselves in trouble with the law, and who are unable to get off the welfare rolls. It is a crime against these individuals that they are allowed to graduate, no matter how clever they are in covering up this disability, without being identified and helped. They are being asked to perform in a very complex society without the most basic of skills.

Looking at the problem from another perspective, it is the American taxpayer who is also being cheated from a fair return on his tax dollars. I have said it often enough lately, but I think it is worth repeating here; I believe we should get more bang for the buck. This should be a policy promoted in all Government agencies. It cer-

tainly is applicable with respect to the illiteracy problem as there has been no shortage of Federal funds for remedial programs.

What I find particularly disturbing is that there are instructional reading programs which are cost effective and the results are more than noteworthy. These programs were described during hearings last year on a similar bill by Senator ZORINSKY. If something works, you don't fix it or change it. Both teachers and students are frustrated when instruction and learning fails. I am pleased to support this bill, which intends to identify for all concerned parties, those successful instructional reading programs that are working in various classrooms across our country. It is my fervent hope that, armed with concrete information, reading programs can be initiated in those classrooms where the success rate in reading has been poor.

TRIBUTE TO REPRESENTATIVE JOHN MURPHY

Mr. LEAHY. Mr. President, there are times when I feel overwhelmed by the influence exerted upon this body by very powerful special interest groups.

It seems that every group that does business or contracts for services with the Federal Government has a lobbyist in this town.

In fact, as my good friend and fellow Vermonter, John Murphy of Ludlow, says: "Everybody's got their lobbyist but the poor people."

"Murph" has spent 17 years in the Vermont Legislature as a self-appointed spokesman for the underrepresented little guy in our society, and I suggest my fellow Senators here today could learn a lesson or two from a Vermont representative who has made his reputation by defending the poor and the powerless.

Mr. President, there is not a harder worker, or a tougher bargainer, or a fairer arbiter than the chairman of the Vermont House General and Military Affairs Committee.

I would like the rest of the Senate to read this tribute to Representative John Murphy that appeared in the March 4, 1985, edition of the Burlington Free Press, Vermont's largest newspaper, and an editorial which appeared on March 6 in the Rutland Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, Mar. 4, 1985]

LUDLOW DEMOCRAT JOHN MURPHY IS AN ALLY TO THE DISADVANTAGED

(By John Donnelly)

MONTPELIER.—House Speaker Ralph Wright remembers Rep. John Murphy's running around the Statehouse in a frenzy a few years back, trying to pursuade fellow lawmakers to keep state jobs for nine blind people.

"He rifled around here for nine blind people the way that some people did for the Equal Rights Amendment," Wright said. "That's just like him. The big issues with Johnny Murphy are those that help the little guy."

It is year number 17 in the Legislature for Murphy, a Ludlow Democrat who is the long-serving chairman of the House General and Military Affairs Committee.

It is an important year for him as his committee has several closely watched bills, including the Murphy-sponsored minimum wage bill and drinking age legislation. Both bills should come before the House within the next two weeks.

Murphy, 62, also is sponsoring a bill to dramatically shift state funding from the University of Vermont to the Vermont Student Assistance Corp., and legislation to take 2 percent of a ski tax and applying it to recreational initiatives such as stocking streams with fish.

"I've got some exciting legislation," Murphy said one day last week on the House floor. "I have some legislation that I hope will help the underprivileged, those unfortunate folks who can't find well-paying jobs."

Murphy's friends and foes alike say the former machinist is always honest and has uncanny political instincts.

"John has never tried to pull any fast ones on me," said Christopher Barbieri, executive vice president of the Vermont State Chamber of Commerce and a regular foe of Murphy's during his 10 years of lobbying in Montpelier.

"He taught me one thing very early on: learn the art of compromise. While we are adversaries from time to time, he is always fair," Barbieri said. "He doesn't play games with you."

House Minority Leader Paul Poirer, D-Barre, said Murphy has "an allegiance to issues, not people. He is the type of man where one minute you love him the next minute you hate him."

Perhaps the strong feelings on Murphy arise because of the lawmaker's power. Wright said, "If you had to name three of the most powerful people in the House, John Murphy would have to be included in the top three."

How did a man with a trade school education who spent more than three decades working as a machinist and a truck driver, a man who admits to "speaking plainly," and who wins as many enemies as friends, become so powerful?

Murphy thinks he knows.

"I fight for a cause. I don't fight people," Murphy said. "I always stay within a handshake of everyone in the House."

Politicians liken Murphy to a bulldog, partly because of his stout build, mostly because of the way he can fight. "It's wonderful to have him in your corner," said House Majority Leader Susan Auld, R-Middlesex.

Murphy's top priority this session is his minimum wage bill. The bill would raise Vermont's minimum wage above the federal level a dime per hour each year for three years. The wage now is $3.35.

"It's a bread-and-butter issue," Murphy said. "People don't understand what 10 cents means to people. Remember the saying in the '30s, 'Brother, could you spare me a dime?' This bill reminds me of that.

"Their lot, the poor and the disadvantaged, is not one to be proud of. Those people who crusade against a dime-an-hour raise drive up here in a big Buick or Cadillac. Those fat cats will fight this bill. I think I'm going to have a fight on my hands," Murphy said.

Murphy also is working against raising Vermont's drinking age from 18 to 21. His reasoning is consistent with his philosophy: He believes the bill discriminates against young people, an underrepresented group. Murphy's stance has pitted him against Gov. Madeleine Kunin, Wright and Poirer.

Another Murphy bill this year would take about half the state's appropriation to UVM and give it to the Vermont Student Assistance Corp. Murphy, whose six-year term as a UVM trustee ended last year, called the bill his "going away" present to the school. He said the school has become increasingly one for the rich.

Murphy has been honored by labor unions for his fights. One union, the Assembly of Governmental Employees, named him one of the top 10 state legislators in the country in 1981.

He said he will continue the fight for the poor, the labor unions, the veterans, the blind, and "any disadvantaged group there is."

"It's not hard to distinguish ways of life in Vermont," Murphy said. Poverty is right beside the road. When I drive along the road, I can see proverty. It makes you think.

"The poor are the least remembered. Those folks who can do for themselves hire lobbyists. The lawyers got their lobbyists, the real estate got their lobbyists, the Chamber of Commerce got their lobbyists. Everybody's got their lobbyists but the poor people," Murphy said. "I want to help them."●

[From Rutland Daily Herald, Mar. 6, 1985]

DON'T UNDERESTIMATE

Ludlow's spitfire, Rep. John F. Murphy, may not get his own way on everything that comes before the State's legislature, but he gives it a good try. And those on the opposite side always know they've been in a battle.

It was nice to see the Ludlow Democrat get a bit of recognition in Monday's profile by John Donnelly of the Associated Press. Murphy may not be as powerful as the Speaker of the House or its Appropriations Committee chairman, but nobody underestimates him for very long. A couple of sessions ago a freshman legislator was assigned to the General and Military Affairs Committee, which Rep. Murphy heads. As committee discussion started, the freshman asked if the committee followed Robert's Rules. Rep. Murphy retorted swiftly: "We follow Murphy's Rules."

In fact, it is a bit difficult to imagine a proposal becoming law if Murph really sets his mind against it. He is effective because he sticks to the issues. It is hard to argue against an issue-oriented person who is so dedicated that nothing will turn him or her aside.

It's going to be interesting to see what the lawmakers do with the proposal to raise Vermont's legal drinking age to 21. Quite correctly, Ludlow's "friend of the little guy" wants no part of such a move.

To him, it smells. It smells because it's so political. Murph is a superb politician, but there are issues that he considers above politics.

The public is clamoring for action against drunken driving, so the logical political move is to clamp down on those who are 18,

19 and 20 years old. Most of them don't vote.

Being no fool, the Ludlow Democrat knows there are older folks aplenty who hate to see a breathalizer coming their way. Undoubtedly, some of them are amongst his peers in the Legislature.

Why, then, try to make the voting public think the problem is being nicely handled by merely clamping down on those under 21? To him, this is a cop-out intended to make lawmakers look like saviors.

The Ludlow man has other issues this year, but it is quite possible his political weight will be most influential in the battle over the drinking age. Vermonters who care about their money shouldn't lay any heavy bets on that issue when Murph is pulling against them.

As Donnelly said in his profile of Rep. Murphy, the Ludlow man has uncanny political instincts. He knows that Vermont legislators don't relish a follow-the-leader role, and just might refuse to join their neighbor states in raising the drinking age.

When the chips are down, he'll be unleashing his considerable gifts of persuasion in pursuit of that goal. Before placing their bets, his foes should remember that his persuasiveness comes wrapped in an Irish grin that has won him election nine times.

GIVING: AMERICA'S GREATEST NATIONAL RESOURCE

Mr. CHILES. Mr. President, in a recent speech, David Rockefeller provided some unique insights into the role of charitable giving in America. In those remarks, delivered on February 6, 1985 in Fort Worth, TX, he spoke candidly about some of the challenges currently facing philanthropic activity. The points that he makes are indeed thought provoking and worthy of our attention. I ask unanimous consent that David Rockefeller's comments be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

REMARKS BY DAVID ROCKEFELLER, UNDER THE AUSPICES OF THE SID W. RICHARDSON FOUNDATION

GIVING: AMERICA'S GREATEST NATIONAL RESOURCE

Thank you so much, Sid Bass, for that warm and generous introduction.

Visiting Texas always has been an enormous pleasure for me, and I am particularly grateful for this opportunity to meet with such a distinguished group.

I have always felt very much at home in Texas, and, in the course of some 30 trips here over the past 34 years, I have consistently carried away with me far more in the way of insights and knowledge than I have left behind. There are many reasons for this, but perhaps most important is the renewed sense I have found on each visit of vision, energy, and the ability to think big.

Texans, of course, are world renowned for thinking big, and I thus am especially pleased to be here once again to discuss a subject which I am convinced demands big thinking—private giving in America.

I certainly do not come with any divine wisdom on the subject, and I often suspect that we in New York are isolated—either through geography or innate provincialism—from exceedingly creative programs being undertaken throughout other parts of our Nation.

To help initiate a dialogue, however, I thought it might be useful if I did three things. First, I will mention some of the more personal and fundamental axioms that have shaped my family's and my own involvement with philanthropy over the years. Second, I will underscore the enormous importance of the non-profit sector as a force in this country. And third, I will suggest some of the challenges I see facing philanthropic activity at the present time.

A first and most obvious axiom of philanthropy is that you can't give away what you don't have. Thus it is vital that our Nation and its localities preserve and further strengthen a policy framework that encourages the generation of wealth. It is equally vital that our citizens maintain the entrepreneurial spirit which has made America great—and which continues to be especially evident here in Texas. A favorable climate for private initiative and economic growth is key to our Nation's well being. Without it, private philanthropy cannot exist.

Is is heartening that the current administration in Washington is dedicated precisely to these ends—to encouraging the private sector and to lessening the role of government. To reduce taxes is fully consistent with such a program and is to be applauded. On the other hand, some of the specific proposals which have been advanced to achieve tax reduction give me concern because of the direct and indirect impact they would have on the volume of charitable giving. Specifically, in the interest of tax simplification (again a laudable objective), it has been proposed that a very low income tax ceiling be placed even on the highest tax brackets. To offset resulting revenue lags, however, many deductions presently permitted to achieve other social objectives would be eliminated, including several directly related to charitable giving.

A low ceiling on the maximum income tax paid by any individual could be stimulating to growth and investment, but it is likely to have an adverse impact on charitable giving. At a 50% tax rate, each dollar given costs the donor only 50 cents. As that rate declines, the net cost of giving goes up. One recent study at Duke University concluded that individual contributions could fall 20% as a result of a substantial cut in income tax rates—measured in dollar terms this would mean a cut of over $12 billion annually. That is nearly six times what is contributed annually to all this country's United Way campaigns, and the impact on many organizations dependent on private philanthropy would be very serious. If at the same time the structure of charitable deductions is undermined, the adverse effect could be magnified.

This proposed tax program which would erode incentives to giving comes, of course, at a time when direct Government support for nonprofit institutions is being sharply cut. In short. privately supported not for profit institutions are facing a triple threat which must be of grave concern—lower marginal tax rates, the loss of direct incentives, and a decrease in Government support. I will return to this problem late under the heading of challenges.

A second key axiom of giving is also a simple one—namely, "you can't take it with you." Hence, you had better use it intelligently while you are on this Earth.

This was in essence the advice the late Dr. Frederick Gates gave to my grandfather, and I believe it remains as valid today as it was then. One associate recently phrased it somewhat differently, saying, "you'll never see a hearse with a luggage rack!"

This advice is reinforced by two further considerations. One is that, because present estate and gift taxes are so high, the amount one can leave or give to one's children or family is very limited. The other is that—for most people at least—there are diminishing returns in satisfaction from spending money on oneself. Just how many expensive cars, airplanes, houses, or yachts can a person enjoy? Furthermore, valuable jewelry and other such beautiful objects today seem to produce more anxiety about security than delight about possession.

Now I should add quickly that I do not subscribe to the "Oh poor me!" or "oh what a burden it is!" School of thinking about being affluent. There is no doubt in my mind that having money is more desirable than not having it! On the other hand, my grandfather and my parents always taught that the opportunities of possession of wealth carry with them comparable responsibilities. This is not only a moral issue, but also a question of basic self-satisfaction.

This brings me to two other axioms which, again, I will touch on more fully under the heading of challenges. One is that successful giving demands the same care, creativity, and energy as does any successful business enterprise. The other, and perhaps the most important, is that giving, if it is well done, can be deeply rewarding and a lot of fun.

It should be noted that giving in America is not limited to persons of substantial inherited wealth or high income. It is a surprising fact that about 85% of the some $60 billion Americans give each year comes from people earning $50,000 or less. Americans without a doubt are, as President Reagan has said, "the most generous people on Earth."

The tradition of charitable giving does not exist in any other country of the world to anything like the extent it does here. This has shaped the structure of our society. Part of this is due to our cultural tradition, but it is also importantly the product of tax policies designed to encourage charitable giving. Similar policies do not exist in other countries.

Examples of the generosity of private individuals on both a large and small scale are multitudinous. During just the last two months of 1984, for instance, Americans contributed over $40 million to help those starving in Ethiopia. Earlier last year, 10 youngsters in California organized a drive that raised over $90,000 to save Giant Pandas in China. Closer to home, the establishment of Rice University is a good example of what one person's generosity can create. And even more close to home, institutions such as TCU and SMU would not exist had it not been for massive gifts made by many individuals over an extended period of time.

And, of course, we all can be inspired by the work of Lady Bird Johnson—who I am delighted is with us—in beautifying our nation.

No one seems to know exactly what causes Americans to give generously, but I suspect it has something to do with the origins of our Nation. The United States was, of course, founded largely by persons who had suffered from oppression and poverty elsewhere, and our country has continued to be a haven for millions from around the globe. Those who benefited from the freedom and opportunity they found here wished to

share it with others. Given this background, it is no wonder that so many are rallying to support the restoration of the Statue of Liberty, at the base of which are the ringing words, "Give me your tired, your poor, your huddled masses yearning to breathe free."

Americans in general seem to have two deeply held values. One is a strong belief in self-reliance and initiative. The other is a strong belief in the interdependence of mankind, and in the fact that, as John Donne said, "No man is an island, entire unto himself." These beliefs may seem to be in conflict, but, in fact, I am convinced they complement each other. The worth of the individual and the worth of the community are one and the same. One is not viable without the other.

Whatever the reasons for the generosity of Americans (and much more research needs to be done on that subject), it has produced a very large and important nonprofit sector in this country—and that's the second point I would like to touch upon.

Excluding religious congregations and professional associations, a recent study by Lester Salamon at the Urban Institute found that in 1982 there were nearly 125,000 non-profit organizations in the United States. These organizations had total expenditures of $131 billion and employed some 6.5 million people. This is fully five times the number of people employed in the entire automobile industry. And, if religious congregations and professional associations are included, the dollars involved and employment figures are far higher.

Many nonprofit institutions depend to a considerable extent on public sector funding. Even well-endowed institutions such as Harvard and the University of Texas never would have existed without initial public funding and they continue to require public support. Today, however, with growing budget restraints, public funding is declining rapidly in real dollars, and private givings has only been able to make up for about one-fourth of Federal retrenchments which have taken place from 1980 to 1983. If the Federal administration's current proposals for budgetary reductions are adopted, it is estimated that Federal support to nonprofits other than hospitals will have declined 38 percent from 1980 to 1987. The hardest hit are smaller organizations—frequently those serving the most needy. This constitutes a serious threat to the highly successful public-private partnerships which characterize many nonprofit institutions in our society.

As with most organizations during periods of budgetary constraint, there have been some very positive results from Government cutbacks. Much fat has been cut out. A new emphasis has been placed on management and controls. And many institutions with similar roles which for years engaged in friendly, or not so friendly, competition are now developing joint ventures. My brother, Laurance, and I, for instance, long have been interested in two great medical institutions across the street from each other—Memorial Sloane Kettering and the Rockefeller University. They, as we, also have long enjoyed rather intense sibling rivalry. Now, however, they are working closely together on a number of projects to the mutual benefit of both institutions. Budgetary restraints may have contributed to more effective cooperation.

I must admit, though, that in one area I have found it difficult to compete with Laurance. Much to our envy at Rockefeller University, he has been able to recruit Sinatra and Pavorotti as star performers for their annual fundraiser. We have not yet been able to identify equally enticing substitutes.

Another positive development of forced belt tightening has been the generation of nonphilanthropic sources of funding. In 1983, I spoke on this subject in San Diego before the American Association of Museums, and mentioned a number of very creative examples such as the Denver Children's Museum which is raising funds from projects including a book, called "Kids and Pets," which is marketed by a cat food company and returning 75 cents a copy to the museum.

Those interested in this overall subject might want to read a book called "Enterprise in the Nonprofit Sector" which was published in 1983 by "Partners for Livable Places" and the Rockefeller Brothers Fund. It costs $7, and I promise this is the only commercial pitch I will give you this evening!

One of the more fascinating ventures along these lines has been the actor Paul Newman's venture into salad oil. Some three years ago—as a lark—he and a friend started a company to market his homemade salad oil and other products such as "Newman's own industrial strength Venetian spaghetti sauce," and then donate any profits to charity. Last year the company netted some $1.2 million which it gave to support 80 different nonprofit groups!

These signs of increased creativity, better cooperation and sharper management are encouraging. Despite them, however, the gap between need and available resources is deep, and promises to grow deeper. This brings me to the third point I would like to touch upon—the challenges facing philanthropy and the nonprofit sector.

There are many, many issues involved here, but I would like to mention just a few major challenges in three broad categories: First, public policy; second, the need for yet more management improvement; and third, the need for heightened public awareness of the importance of philanthropy and of the desperate need for more of it.

With respect to public policy, I already have mentioned the potentially detrimental impact on giving of some tax simplification and reduction proposals.

In this regard, there are three pieces of the proposed Treasury tax package that I consider sheer folly in light of the administration's emphasis on private initiative and public-private partnerships.

First is the proposal to limit itemized deductions for contributions to amounts that exceed 2% of adjusted gross income. Since some 61% of all taxpayers currently donate less than 2% of their income, this provision would essentially remove deductions for most taxpayers—and have an especially unfair impact on smaller givers who now itemize their taxes.

Second is the proposal to completely repeal the charitable deduction for nonitemizers. Again, this would be most harmful to those with lower incomes who currently give generously but would not ordinarily itemize their taxes.

In effect, these two proposals say that you get no recognition for the first 2% of your income that you give, and that—to add insult to injury—you must go to the trouble of itemizing if you give over 2% even if there is no other reason to do so. Certainly I doubt if the Internal Revenue Service will be very happy if many more people are encouraged to itemize.

Third is the proposal to limit deductions for gifts of appreciated property to actual cost plus an inflation factor, or to current market value, whichever is less. As it stands, the current market value can be deducted, whatever the original cost. Appreciated property comprises over 40% of gifts to universities, and it is a substantial factor in funding cultural institutions and medical facilities, as well as in the formation of new foundations. The proposed change would be a major disincentive to such gifts. Indeed, I consider this proposal to be perhaps the most counterproductive of all.

There are some proposed incentives as well, but it is estimated that they would be outweighed 25-to-1 by these disincentives. To my mind, there is neither rhyme nor reason to this approach if the aim of our public policy is to encourage philanthropy and the private sector. Indeed, it seems to me that the effort should be in exactly the opposite direction. With Government reducing its role, we should be seeking new incentives to stimulate increased private giving, not the reverse. Furthermore, the role of Government in public-private partnerships cannot disappear entirely without jeopardizing some very important projects now primarily financed by private funds, but still dependent on some public support.

In New York City, for example, we are leveraging a $50 million Federal urban development action grant into 5,000 units—or $350 million worth—of new moderate-income housing which could not otherwise have been possible. Programs such as the Urban Development Action Grant or "UDAG" and public sector challenge grants are a powerful trigger to private Philanthropy and investment. Indeed, in the low and middle income housing field there can be little or no construction in most parts of the country without a modicum of public subsidy. Yet the administration is proposing to end the UDAG program, which in turn may well mean the death of our New York public-private initiative, and of many others as well. Government budget cuts which failed to recognize this would have the effect of emasculating a vital program in our urban communities.

I already have mentioned the challenge of improving the management of nonprofits so as to make grants more effective and efficient. I will not dwell on this, but I do believe that current management training activities in this very large sector of our economy are woefully inadequate. I would hope that "the independent sector"—an organization focusing on philanthropy and nonprofit—would make this a major priority. I also would hope that business leaders serving on the boards of nonprofits would give it higher priority, and not leave their business skills outside the nonprofit boardroom just because the "product" is culture or social service rather than cars or oil or consumer credit. Since so many business executives eventually serve on nonprofit boards, perhaps our business schools should make nonprofit management a meaningful part of their curricula. A few schools, such as the Yale School of Organization and Management, are beginning to do so.

The final challenge I will touch on is public awareness. I doubt if many people appreciate the importance and the full extent of the nonprofit sector and private giving in the United States. Indeed, though I have been involved in the area for years and am chairman of a foundation, I was not really aware of how much is involved until I began working on this speech.

We need, to my mind, a massive public education and activation campaign to increase citizen awareness of what is being done, how important it is, and how much more is needed. Perhaps this is something "the independent sector" should spearhead, but it should enlist all groups, including business, labor, religious organizations and government. What is needed is not just information, but active involvement on the part of each and every one of us. Only with this will we see the progress in giving we so badly need.

One possible component of such a program that a number of concerned people and I have been discussing is the creation of a "Nobel Prize in philanthropy" to honor outstanding examples of where private giving has met public needs. The key to the effectiveness of such an award would be an unstinting insistence on creativity and excellence, and it would have to have the highest backing—including that of the President of the United States. Properly conceived and implemented, I believe an award program of this sort could do much to increase giving and increase awareness of its importance at all levels. Certainly children who support such efforts as the UNICEF Halloween collection should be fully as deserving candidates as large foundations or more fortunate individual philanthropists.

I put forth these ideas—and I am certain there are many other good ones—for the simply reason that the potential of private giving is enormous. If Americans were only to increase their average giving from 2 percent of 3 percent of income, this would produce $30 billion more each year for philanthropic purposes.

Facts, figures and new program ideas all are important, but they mean little without some understanding and feel of the intangibles of the giving process—the joy and meaning it gives to the donor's whole life, as well as the benefits flowing to the recipients.

There is nothing wrong with perpetuating one's name by endowing an organization or building, but truly satisfying philanthropy usually includes significant personal involvement, time and effort. Certainly that has been my own experience in relation to several institutions with which I have been identified including, for example, Rockefeller University, the Business Committee for the Arts, the International Executive Service Corps, the New York City Partnership and even a clean-up project on 125th Street in Harlem. In each case I believe my personal involvement of time has been as important as the money I have contributed. A worthwhile enterprise in just about any field can give one satisfaction if it meets a real need and causes one to be fully committed.

Different people are attracted by different causes. My wife Peggy, who is with me, raises cattle and is very concerned with the preservation of American farmland. She derives enormous pleasure from working on this cause and contributing to it. My son, David, and members of his generation recently completed a planning review for the future of the Rockefeller Brothers Fund. This resulted in priorities that probably would not have been as high on the original list of my brothers and me—but times have changed and these are their priorities in which they have ownership. They are proud of them and will work hard on them. I support them with enthusiasm because they represent new priorities which are of great importance in the world today.

If I were fortunate enough to live in your community, I am sure I would feel similar pride and satisfaction if I could be involved in such projects as Wilson Block, which was spearheaded by the Meadows Foundation, or the Keystone Project, which was spearheaded by the Richardson Foundation. Both are splendidly deserving projects that have demanded not only money, but substantial vision, time and personal involvement. The Pyramid Project, also sponsored by the Richardson Foundation, is an excellent example of the very real benefits of long-term commitment to the careful development of a worthy concept.

It is important, above all, that giving remain a spontaneous, vibrant and dynamic action. The process and understanding of giving certainly can be sharpened, but, in the final analysis, one cannot teach people out of textbooks why, how and where to give. Giving, when it has real meaning and is truly fun, is largely a question of spirit, and, as the Taoist adage goes, "that which can be learned is not worth teaching."

The aggregation of millions of giving spirits and millions of individuals feeling the joy and rewards of giving is an impressive force indeed. It can and must, I believe, be an even more impressive force in the years to come. I believe the impetus of the present administration in lessening the role of Government in many aspects of life is sound. If this process is to be successful, however, the private sector must take up the slack. This means among other things that incentives for giving must be preserved, the volume of giving must increase, and private-public partnerships must if anything be enhanced.

America is rich in natural resources. Beyond minerals and food, beyond technology and management superiority, however, we are now at the brink of discovering and developing what I am convinced is our greatest natural resource—our generosity of spirit and substance. It is, to my mind, a unique opportunity for each and every one of us to lead in this exciting and important exploration and development.

RESOLUTION OF THE BOSTON BAR ASSOCIATION CONDEMNING U.S. WITHDRAWAL FROM JURISDICTION OF THE WORLD COURT

Mr. KENNEDY. Mr. President, as congressional attention is increasingly focused on renewal of aid to the Contras, we must not forget another topic related to this administration's policy toward Nicaragua—the withdrawal of the United States from jurisdiction of the International Court of Justice. This action, more than any other taken by this administration, underscores the administration's disregard of international law when it comes to our dealings with Nicaragua.

On February 20, 1985, the Boston Bar Association adopted a resolution condemning "the decision of President Reagan that the United States will not participate in the further proceedings before the International Court of Justice in Nicaragua's case against the United States." The United States declined to make its case that it was only exercising its right of collective self-defense against an "armed attack" by Nicaragua and gave the shameful excuse that "much of the evidence * * * is of a highly sensitive intelligence character." It is unfortunate that the administration jeopardizes respect for international law by carrying out policies which it is unwilling to defend before the world.

The Boston Bar Association resolution rejects "the notion that the United Nations Charter prescribed limitations on the use of force should be the exclusive preserve of the veto-hobbled Security Council." The association also rejects "the notion that legitimate political or diplomatic objectives or approaches require a suspension of charter limitations or of the exercise of the court jurisdiction." It calls "upon the President to honor in deed as well as in word this Nation's historic commitment to the rule of law among nations."

As we enter the Central American debate, I ask that my colleagues remember this gross violation not only of international law but also of all that America stands for.

Mr. President, I commend the Boston Bar Association for its worthwhile resolution, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE BOSTON BAR ASSOCIATION—FEBRUARY 20, 1985

Resolved: The Boston Bar Association regrets the decision of President Reagan that the United States will not participate in the further proceedings before the International Court of Justice in Nicaragua's case against the United States.

The Court in November rejected arguments by the United States and held by a vote of 15 to 1 that the Court has jurisdiction in the case. By a vote of 16 to 0, in a decision in which the United States member of the Court joined, the Court also rejected argument by the United States that the Court is precluded from hearing the case as one involving armed conflict, for which the proper forum is the United Nations Security Council.

The actions taken by the United States against Nicaragua have been claimed by the United States and by El Salvador to be legally justified as measures taken in the exercise of the right of collective self-defense in a case of armed attack by Nicaragua against El Salvador. The inherent right of individual and collective self-defense if an "armed attack" occurs is affirmed by Article 51 of the United Nations Charter. However, in boycotting further proceedings in the case in the International Court, the United States declines to make its case in or out of court as to the facts claimed to constitute an "armed attack" by Nicaragua against El Salvador. Presumably the State Department in saying only that "much of the evidence that would establish Nicaragua's aggression against its neighbors is of a highly sensitive intelligence character" does not mean to contend that it is a case of "armed attack" so invisible that it can be proved only by evidence too sensitive to reveal.

The fundamental law of the United Nations Charter is that "All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence or any state, or in any other manner inconsistent with the Purposes of the United Nations." We reject the notion that the Charter prescribed limitations on the use of force should be the exclusive preserve of the veto-hobbled Security Council. We reject also the notion that legitimate political or diplomatic objectives or approaches require a suspension of Charter limitations or of the exercise of Court jurisdiction. We affirm the right of the United States and of other nations to take legitimate and effective countermeasure to oppose violations by others—countermeasures in accordance with law and in support of law.

A great nation does not need to hide from law. When it does so it weakens law and diminishes itself. The United States by action of the President and the Senate accepted the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court, which provides that "In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court." The Court has decided. The protestations of our government that we boycott the Court out of concern for the "enormous harm to it as an institution and to the cause of international law" which would follow from the Court's decisions will not avoid the damage done—not in a case where the United States boycotts the Court in repudiation of decisions by the Court in which distinguished judges from all segments of the international community, including our closest allies, have joined. We call upon the President to honor in deed as well as in word this nation's historic commitment to the rule of law among nations.

ELMORE LEONARD

Mr. LEVIN. Mr. President, Michigan's Elmore Leonard has hit the best seller list with his novel "Glitz."

His extraordinary talent has long been known to aficionados of great writing and to movie buffs. It is now being enjoyed by wide audiences.

His eye for interesting detail and unusual characters, his ear for dialog and dialect, his pace, his humor, his style and economy of words are extraordinary and almost uncanny. The columnist George Will captured Elmore Leonard's talents in a recent article headlined "The Dickens of Detroit." I ask unanimous consent that it be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DICKENS OF DETROIT

(By George F. Will)

NEW YORK.—Thirteen months ago I bought my first Elmore Leonard novel, in Cleveland, his kind of place. Since then I have read 10 others. Recently a newspaper story announced his new novel, "Glitz." I put down my sandwich and drove to a bookstore. It was a peanut butter and pickle sandwich, so you know Leonard is good.

Today he is taking lunch in style, at the Manhattan Ocean Club. You say good news never gets into newspapers? Read on. Last week, after publishing 23 novels in 32 years, he finally made the New York Times best-seller list, just barely, in 15th place. This week he is seventh. His good luck is good news because luck had nothing to do with it. Craftmanship has been rewarded.

Leonard lives in Birmingham, Mich., a suburb of Detroit, the city where some of his stories are set. The description of Detroit as "Cleveland without the glitter" could come from his novels. Detroit is not Bloomsbury but Leonard, 59, with a gray beard and a wardrobe consisting mainly of a tweed jacket, says he is not an artist, just an entertainer.

His books are not exactly crime novels, although crimes occur and guns go off. The novels are about marginal people, small people incompetent at petty crime, or quite professionals who, like Leonard, are underestimated for a long time. There are no verbal flourishes, no arresting descriptions, but his style is as strong and personal as Van Gogh's brush strokes. He has perfect pitch for the street talk you might hear from armed robbers who are not very good at armed robbery.

Assistant professors being what they are, there are turgid essays thick with coagulated paragraphs about such novels as sublimations of the class struggle. I recently read (well, started to) an essay that says detective stories are popular because secret crime and subsequent discovery are associated in the reader's subconsciousness with (I am not making this up; I could not) the "primal scene," a psychoanalytic term referring to a child's imagining of sexual intercourse between his parents.

Leonard, too, has suffered overinterpretation. A reviewer once said of him: "The aesthetic sub-text of his work is the systematic exposure of aesthetic pretension." Leonard retaliated. In his novel "LaBrava," the protagonist, a photographer, refers to an exhibition of his pictures: "The review in the paper said, 'The aesthetic sub-text of his work is the systematic exposure of aesthetic pretension.' I thought I was just taking pictures."

Leonard's insistence that he is just a story-teller expresses pride, not humility. He has a craftsman's pride that being a fine craftsman is good enough, thank you.

He sold his first fiction in 1951, to Argosy magazine, and his first novel, a western, in 1953. His mother wishes he were still writing westerns because the language would be less gamy. Until he sold his novel "Hombre" (voted one of the 25 best westerns of all time by the Western Writers of America) to Hollywood, he had to work full-time writing advertising copy. Well, Wallace Stevens worked in an insurance office, T.S. Eliot at a bank Anthony Trollope at the post office.

After "Hombre," Leonard stopped writing westerns and started making books the way a custom cobbler makes shoes: steadily, with no wasted motion. He writes from 9:30 a.m. to 6 p.m.

He has been called the Dickens of Detroit because of the colorful characters he creates from the seamier side of life. But he reminds me of Trollope. This is not, Lord knows, because of his subjects—there are no Pallisers in his pages—but because of his approach to his craft.

Trollope kept a meticulous diary of the pages he wrote. He noted that such discipline is considered beneath a man of genius. But, he said cheerfully, not being a genius, he had to be disciplined. You say that anyone who works with his imagination should wait for inspiration? Trollope said it would be just as absurd to say that a shoemaker should wait for inspiration. Writers, he said, should sit themselves at their desks as though they were clerks, and should sit until their daily writing quota is filled. If they adopt his quota, they will produce a book in four months.

Leonard's a "sudden" success—he is an "overnight sensation" after 32 years of hard plugging—is a tribute to America, where people are not homogenized, and cream rises. If you want a sip of the cream, start with his novel "Swag" and then read "Stick." Then, if you are not hooked, go watch television. It will serve you right.

Mr. COHEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

REPEAL OF CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 1869, the repeal of the automobile records requirement.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H. R. 1869) to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill.

Mr. PACKWOOD. Mr. President, does the Senator from Michigan wish to ask a question right now about unemployment?

Mr. LEVIN. Is this bill now the pending business?

Mr. PACKWOOD. It is now the pending business. It is my hope we can go back-to-back with the supplementary compensation bill right after this.

Mr. LEVIN. That will be coming up?

Mr. PACKWOOD. That is my intention. If something intervenes, it may not, but I would like to get to it back-to-back.

Mr. LEVIN. It is the Senator's intention to do that?

Mr. PACKWOOD. Yes.

Mr. LEVIN. I thank the Senator.

Mr. PACKWOOD. Mr. President, this is a very, very simple bill. Everyone in this body is aware that after we passed the 1984 Tax Act and the Internal Revenue Service issued regulations, there was a great outcry—justifiable outcry, in my estimation—about the burden placed on a great many

people in this country concerning the recordkeeping requirements. A great many honest, decent people, who have never cheated on their taxes in their lives and wouldn't, thought this was an unjustified and undignified burden.

All this bill does is to go back to the status of the law, as far as recordkeeping is concerned and as far as tax preparers are concerned, to what the law was prior to the passage of the 1984 law. So that if you knew how to keep your records then, and kept them for years with no difficulty, you would be able to keep your records now with no difficulty.

There is no other change. There is no other sleight of hand. There has been a legitimate public outcry and we have tried to simply go back to where we were in the law on those two points: recordkeeping and tax preparers.

There are some other changes in the law that were made in 1984 that are less controversial, and those we have not attempted to repeal. But the two I mentioned, that is the sum and total substance of the bill as it came out of the Finance Committee.

I would like to give great credit to Senator ABDNOR, who was the first person to introduce a bill to repeal these regulations. He grasped immediately the injustice we had done. It was his bill that we sent out of committee. He is entitled to a lion's share of the credit for calling to the attention of the Senate this very egregious problem.

Mr. LONG. Mr. President, I am pleased to support the Finance Committee's action on automobile recordkeeping. The committee amendment would repeal the burdensome requirement that business users of automobiles keep daily logs in order to deduct any part of their expenses.

I opposed this provision when it was proposed for inclusion in the 1984 tax bill, but I did not prevail at that time. When I returned for the 99th Congress, I cosponsored legislation to repeal the provision.

I believe that the outrage expressed by my constituents over the 1984 recordkeeping rules was completely justified. The requirement of daily logs was extremely burdensome to comply with. It also would have unfairly denied deductions to many taxpayers having undisputable proof of business use, merely because that proof was not in the form of a daily log or other similar daily record.

Let me emphasize that the Finance Committee amendment does not allow unjustified or fabricated automobile deductions. The amendment simply recognizes the common sense fact that a daily log is not the only acceptable way to prove business use. We would still require adequate records or other sufficient evidence to justify a business deduction for use of a car.

I am pleased that the committee has acted promptly in this important area. I urge my colleagues to support the amendment.

Might I ask the distinguished manager of the bill, the chairman of the committee, is it his purpose to ask for a rollcall on this bill?

Mr. PACKWOOD. I think we will have a rollcall on the bill.

Mr. LONG. I would suggest then that we ask that the yeas and nays be ordered so everyone would be on notice.

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 23

(Purpose: To amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984)

Mr. PACKWOOD. Mr. President, I send amendment No. 23 to the desk on behalf of the Finance Committee and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] proposes an amendment numbered 23 in the nature of a substitute.

The amendment reads as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. REPEAL OF CONTEMPORANEOUS RECORDKEEPING AND RELATED REQUIREMENTS.

(a) CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS.—Section 274(d) of the Internal Revenue Code of 1954 (relating to substantiation requirements for certain deductions and credits) is amended by striking out "adequate contemporaneous records" and inserting in lieu thereof "adequate records or by sufficient evidence corroborating the taxpayer's own statement", and the Internal Revenue Code of 1954 shall be applied and administered as if the phrase which was stricken had not been added to such subsection (d).

(b) PROVISIONS RELATING TO RETURN PREPARERS AND NEGLIGENCE PENALTY.—Paragraphs (2) and (3) of section 179(b) of the Tax Reform Act of 1984 are hereby repealed, and the Internal Revenue Code of 1954 shall be applied and administered as if such paragraphs (and the amendments made by such paragraphs) had not been enacted.

(c) REPEAL OF REGULATIONS.—Regulations issued before the date of the enactment of this Act to carry out the amendments made by paragraphs (1)(C), (2), and (3) of section 179(b) of the Tax Reform Act of 1984 shall have no force and effect.

SEC. 2. EFFECTIVE DATE.

The amendment and repeals made by subsections (a) and (b) of section 1 shall take effect as if included in the amendments made by section 179(b) of the Tax Reform Act of 1984.

Mr. PACKWOOD. Mr. President, again I would like to thank my colleague from South Dakota, Senator ABDNOR, for his leadership in repealing the contemporaneous recordkeeping requirements of the Tax Reform Act of 1984. My good friend from South Dakota introduced the first bill dealing with contemporaneous recordkeeping requirements and has worked with many of us on developing other similar legislation.

His bill, S. 245, is the bill that is being offered as a substitute to the House-passed bill, H.R. 1869. I would also like to thank my colleague from Pennsylvania who introduced S. 260, the objectives of which are accomplished by S. 245, and my friend from Wyoming, Senator WALLOP, who introduced S. 639. Some of the objectives of S. 639 are accomplished by S. 245. Many others have contacted me on the contemporaneous recordkeeping requirements and have had input on the development of this committee amendment.

EXPLANATION OF PROVISION

REPEAL OF 1984 ACT PROVISIONS

First. Repeal of "Contemporaneous." The amendment repeals the words "adequate contemporaneous records" from the code as if those words had never been a part of the 1984 act. The amendment replaces the substantiation requirements of the 1984 act with the requirement that all taxpayers must keep "adequate records or sufficient evidence corroborating the taxpayers own statement." This is one of the substantiation standards that had been in effect prior to the Tax Reform Act of 1984 and has been interpreted in long-standing Internal Revenue Service regulations.

Second. Repeal of return preparer provision. The amendment repeals the provision of the 1984 act requiring that a return preparer must specifically advise the taxpayer of the recordkeeping requirements and must obtain written confirmation from the taxpayer that the requirements were met.

The Revenue Code shall be applied and administered as if the provision had never been enacted.

Third. Repeal of Special Negligence Penalty. The amendment repeals the provision of the 1984 act providing a special negligence penalty rule to an underpayment of tax attributable to failure to comply with the recordkeeping requirements. The amendment provides that the Internal Revenue Code shall be applied and administered as if this provision had never been enacted.

Fourth. Repeal of Certain Regulations. The amendment repeals all Treasury regulations (temporary or proposed) which carryout the contemporaneous recordkeeping requirements of the Tax Reform Act of 1984. These revoked regulations are to have no force and effect whatsoever.

EFFECTIVE DATES

The provisions of the bill repealing certain provisions enacted in the Tax

Reform Act of 1984 take effect as if included in the amendments made by the Tax Reform Act of 1984.

REVENUE EFFECT

The provisions of the bill are estimated to reduce fiscal year budget receipts by $48 million in 1985, $150 million in 1986, $222 million in 1987, $247 million in 1988, and $259 million in 1989.

Mr. President, I hope my colleagues join me in supporting this amendment in the nature of a substitute to the House-passed bill H.R. 1869.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am not familiar with the language of this amendment. Until I have time peruse it, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I have no objection to this amendment, as such. I do intend subsequently to address myself to the committee direction that is provided in the committee report having to do with the use of airplanes which is a totally different issue, and in my opinion does not belong in this bill at all. I will do that. But I have no objection to the adoption of the Packwood amendment at this point.

Mr. PACKWOOD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there objection? Without objection——

Mr. METZENBAUM. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Will the Senator suspend for a minute?

The question is on the adoption of the substitute.

Mr. METZENBAUM. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Is there further debate?

Mr. METZENBAUM. The answer is "Yes."

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, parliamentary inquiry. If the substitute is adopted, will further amendments be precluded?

The PRESIDING OFFICER. The adoption of the substitute does preclude further amendments.

Mr. WALLOP. Mr. President, I object.

The PRESIDING OFFICER. There is no unanimous-consent request pending, Senator.

Mr. METZENBAUM. Mr. President.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. The Senator from Ohio has no objection to the basic thrust of this legislation but I have very strong concerns about the fact that there is a committee report attached to it having to do with the giveaway of I do not know how many millions or hundreds of millions of dollars because I have no way of determining that in connection with a totally different subject. Until I get some opportunity to offer an amendment which can be voted up or down by this Senate as to how this Senate feels about the issue, I do not intend to give up the floor nor permit this matter to come to a vote.

I am perfectly willing for the chairman of the committee to offer a substitute amendment to the pending legislation but not in the form of a substitute. He can take the same action as I understand it by merely amending the original bill. There is no reason under the Sun why the Senator from Wyoming, who I gather is on his feet with respect to another amendment, or the Senator from Ohio, who is on his feet with respect to this airline direction, should be precluded from offering an amendment.

Mr. PACKWOOD. Mr. President, I did not mean to preclude the Senator from Ohio, and I will withdraw my request for the adoption of the amendment because as I understand it, other amendments can be offered to the amendment. Is that correct?

Mr. METZENBAUM. Mr. President, I do not wish to interrupt my colleague from Oregon.

The PRESIDING OFFICER. If the Senator will suspend, it will take unanimous consent to withdraw the substitute.

Mr. METZENBAUM. If the Senator from Oregon wishes to withdraw his substitute, the Senator from Ohio would certainly not object to that. I doubt that anyone else would.

Mr. PACKWOOD. Mr. President, I am not asking to withdraw. I just withdrew my request for adoption of the amendment. I am not withdrawing the amendment.

Mr. METZENBAUM. The Senator from Oregon does not have to ask for it to be adopted because, just in the normal course of events, it would be the pending business and would be adopted unless some effort were made to discuss the subject.

The PRESIDING OFFICER. Amendments are now in order to the substitute but once it is adopted, amendments are precluded.

Mr. METZENBAUM. In other words, any amendments to the substitute are in order at this point?

The PRESIDING OFFICER. That is correct.

Mr. METZENBAUM. Mr. President, under those circumstances let me explain what this is all about. In the Tax Act that we passed in 1984, there was an effort to pick up some revenue by closing some tax loopholes, and one of those that was given the attention of this body had to do with the use of corporate aircraft by corporate executives. Under the law as it is at the present time, my understanding is that when a corporate executive uses a plane he or she is expected to pay the value of that trip in the corporate plane. So that if you took a Lear Jet and you went from St. Louis to Atlanta, GA, on a round trip for recreation, you would be expected to report on your tax return $4,335 or if you took a C-90 King Air, it would be $3,335, or if you took a smaller plane, a Beechcraft Baron, it would be about $2,000.

So the Congress determined that if you want to use the corporate aircraft for your own personal use, the very least you ought to do is to pay taxes on the value of that trip. That was one of the moves that the Congress made so that corporate executives would not use corporate planes running all over the country. There is not any argument in anybody's mind that the use of a corporate jet or a corporate plane costs a lot more than the cost of commercial travel.

But what the Finance Committee is attempting to do is not by a legislative proposal but by the audacious act of directing the Internal Revenue Service how to handle this matter. They are doing it not in the legislation that is before us, but in the committee report. Let me read the language:

> The committee also intends that the Treasury is to substitute the following safe harbor valuation rules with respect to employee flights on employer-provided, noncommerical aircraft that constitute taxable fringe benefits for the valuation rules with respect to such benefits that are currently set forth in temporary regulations.

That is bad enough. What they are doing is saying,

> Treasury, you have to do it this way. We are directing you to do it. It does not matter whether you think it is right or wrong. We are telling you what to do.

It goes on to indicate the committee's thinking.

> The committee believes that these substitute safe harbor rules reflect the intent of the Congress concerning the valuation of personal use of noncommercial aircraft under the fringe benefit rules in the Tax Reform Act of 1984.

What they say in this committee report is that, "If the aircraft weighs more than 10,000 pounds, the includable value for controlled employees" meaning the executives "would be first-class fare and the includable value for other employees" would be some percentage of that amount, a lesser amount.

I am frank to say that I am not as concerned about the includable value for other employees, but I am very concerned about corporate executives having another opportunity to rip off

the Federal Treasury. What kind of a U.S. Senate are we when we are coming to a bill this afternoon and we do not have the money to take care of unemployed workers and we are going to put them off and phase them out, but we have to come here on the floor of the U.S. Senate and provide a new way of treating our corporate executives so they do not pay too much taxes?

We had some courage in 1984 and we acted properly. We said, "If you want to use the corporate aircraft, go ahead and do it. But if you go ahead and do it, then you ought to at least figure the value of that corporate trip in your taxable income." This would change that.

Then this whole committee report indicates that if the plane is more than 6,000 and up to 10,000 pounds, you report only the value of the coach fare, and if it is 6,000 pounds or less you report only half the coach fare.

What we are talking about is a giveaway. It is a sheer attempt on the part of the Finance Committee to see to it that the corporate executives of this country are protected; that they can use the corporate aircraft to go the World Series games, to go on a vacation trip, or to take their family wherever they want. They can use it, but they do not have to pay what the Senate thought they should pay in 1984.

Treasury came before the committee and they testified. Assistant Treasurer for Tax Policy, Donald Bergherm, indicated that the proposal was more liberal than Treasury would like, saying that the value of a personal trip on a corporate luxury plane was worth more than a first-class flight on a commercial flight.

What is wrong with us? Have we lost our heads? I understand that the party on the opposite side is spending a lot of time trying to figure out how to balance the budget, and we on this side are attempting to figure out how to balance the budget.

Well, this is not going to balance the budget, and I am not going to kid anybody about it. I do not know how much money is involved. I do not know whether it it $100,000 or $10 million. My guess is that the Finance Committee does not know.

I do know this: This is as wrong as wrong could be. This is just the matter of playing to the corporate executives. This is a matter of treating them as a special group of people.

We said to them in the past, "Go ahead and use the corporate aircraft, but you better report in the value of that trip."

Now we are saying, "Report in the value of the first-class trip."

I would love to have it that way. So would every Member of this body, to be able to have our own plane, be able to travel on it at the taxpayers' expense, and all you had to report or figure out was the value of the coach fare or the first-class fare.

Come on now, who are we kidding? This is the kind of thing that causes Congress to lose respect. This is the kind of thing that does not even come to the floor as an amendment on the floor. This is not even in the bill. So we have to figure out some way to draft an amendment to knock out the committee report language.

Why is it not in the bill? Why does it not come up and indicate that which it is? Why do we have to dig through the committee report in order to find out what is going on?

Mr. PACKWOOD. Will my colleague yield?

Mr. METZENBAUM. I will yield without losing my right to the floor.

Mr. PACKWOOD. What we have before us is the amendment. The report language to which the Senator alludes is attached to the Senate bill, which would have had to lay over 3 days before we could bring this subject up. If we pass this amendment, if we attach it to the House bill, there will be no Senate report language. We will not be passing the committee language. I do not mind going on with the debate. Senator DOLE will be here in a few minutes.

The report language, if we adopt the amendment, will not be part of the Senate action.

Mr. METZENBAUM. Mr. President, I appreciate that explanation. Now I will ask the Parliamentarian whether or not he would be good enough to confirm for me whether or not, if we adopt the substitute amendment, the committee report language thereby falls?

The PRESIDING OFFICER (Mr. BOSCHWITZ). The committee report language is not before the body.

Mr. METZENBAUM. Is not what?

The PRESIDING OFFICER. Is not before the Senate.

Mr. METZENBAUM. It is not before the Senate?

The PRESIDING OFFICER. That is correct.

Mr. METZENBAUM. Therefore, whether it is still viable or is not becomes an open question, as I see it. In other words, the committee report language is still the committee report but it does not ever get to the floor even whether we pass the original bill or whether we pass a substitute. Is that not correct?

The PRESIDING OFFICER. The Chair will say the committee report is not before the body.

Mr. METZENBAUM. I understand that. The committee report is not before us. So the bill itself or a substitute does not affect the validity, the impact, of the committee report language. Is that not correct? The Senator from Oregon, as I understand it, suggests that if we adopt the substitute, the committee report language becomes inoperable. Am I stating it correctly?

Mr. PACKWOOD. Not quite inoperable. It is not before us. We reported out the Senate bill with report language. We also reported out an amendment which we have called up which is an amendment to the House bill, which is before us. So we are not considering the Senate bill to which the report language is attached, which the Senator finds offensive. There is no report language on the pending amendment and the report language on the other Senate bill is not part of what we are considering.

Mr. METZENBAUM. I am not quite certain that is the way it would be interpreted.

AMENDMENT NO. 25 TO AMENDMENT NO. 23

Mr. METZENBAUM. For that reason, Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 25 to amendment numbered 23.

Mr. METZENBAUM. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following new section:

SEC. . AIR TRANSPORTATION FRINGE BENEFIT REGULATIONS.

Notwithstanding any other provision of this Act or any language in the Committees' Report, it is the sense of Congress that the existing regulations that impute income to corporate executives (so-called "key employees") for the use of noncommercial aircraft shall not be amended or altered in any manner that would reduce the amount of income imputed to such employees.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask the manager of the bill if he will yield for a question.

Mr. PACKWOOD. I shall be happy to yield, Mr. President.

Mr. METZENBAUM. Is it not the fact that this same report language is in the House bill that came over, the House report?

Mr. PACKWOOD. No, Mr. President.

Mr. METZENBAUM. Mr. President, is it not part of the House report?

Mr. PACKWOOD. It is not part of the House bill as currently before us.

Mr. METZENBAUM. Mr. President, I did not state the question accurately. I think the Senator's answer is correct, but I shall state the question differently.

When the House reported the bill out, did their report language not include the same language?

Mr. PACKWOOD. No, Mr. President, they do not have this issue in their report.

Mr. METZENBAUM. May I say that I do not have the House bill before me, but I am told that the Wall Street Journal reported that Mr. GLICKMAN offered a similar proposal. Would the staff be good enough to be certain that the manager of the bill and the Senator from Ohio are correctly informed?

Mr. PACKWOOD. Mr. President, I hate to admit this, but the Wall Street Journal article is wrong.

Mr. METZENBAUM. It is wrong?

Mr. PACKWOOD. Yes, Mr. President, it is in error.

Mr. METZENBAUM. Mr. President, although the Senator from Oregon hates to admit the Wall Street Journal article is wrong, nothing pleases this Senator more.

Notwithstanding that, we do find ourselves with the fact that we are at issue. If the Treasury Department follows the committee report language, which is very specific and which I think it is entirely likely it will do, it is directed to change the rules with respect to the imputed value of these corporate charges. My amendment is short. It provides that notwithstanding any other provision of the act or any language of the committee's report, it is the sense of Congress that the existing regulations that impute income to corporate executives—so-called key employees—for the use of noncommercial aircraft shall not be amended or altered in any manner that would reduce the amount of income imputed to such empolyees.

I have tried to make it clear in that simple language that, although the committee report directs the Treasury to act in a particular manner, the Senate does not agree and that if Members of this body want to come on the floor today and vote to let corporate executives get off paying their fair taxes on the value of corporate flights, that is their privilege, but I think that everybody ought to understand that is what we are doing. Because while we are refusing to extend unemployment compensation for unemployed workers who have been out of work for a lengthy period of time because we do not have enough money to do it, we are doing the flip side of that and we are saying to corporate executives, who are making good salaries and good incomes or else they would not have the privilege of riding on the corporate jets, "Well, we are going to take care of you. You may not have enough tax shelter, you may be called upon to pay taxes on the value of the corporate trip; and we do not care about the fact that it will impact on the Federal Government's income; this is a day in which we feel very generous and we are going to take care of the corporate executive."

Mr. President, why? Why? What crying need is there? I do not understand this. I do not understand how anybody can ask the Senate, when we have so many problems, monetary problems, why they come here—this is one of the earliest bills on tax issues that we have seen and the first one that comes down the pike is to clarify a matter with respect to driving of automobiles and keeping of records. I have no problem about that change. But I sure have a lot of problems with giving away Treasury dollars. You do not have to fly in a corporate jet if you do not want to. You can take a commerical flight if you want to.

Why does the corporate executive have to go to the World Series in California in a corporate jet? Why does he have to go in a corporate jet to a football game in some particular part of the country? Why does he need to take the corporate jet in order to go on a vacation?

If he wants to do that, that is OK with me; I do not want to prohibit him from doing it. But I do say we ought to change the law that presently is the law and say to the Treasury, "Look here, Treasury, don't you impute any interest over and above the value of a commercial flight first-class fare."

You know, Mr. President, those planes that are 6,000 to 10,000 pounds, those are not to be underestimated, either. Those are pretty nice planes. You take one of those and you only have to pay so much fare. That is not too bad.

All I can say is, is this the day of ripoffs? I think a week from next Monday or Tuesday is the day when people file their tax returns. Every American who files his tax return on April 15 should be concerned about the vote of every Senator here this afternoon because, when you reduce the taxes of the corporate executives, you have to get the money somewhere else, and that means that the rest of the taxpayers of this country are called upon to pay it.

We should have had this bill come up on April 15. Maybe it would be more dramatic. But it is good enough for me that it has come up in the week before April 15 so that the people of this country can understand what a deal they are getting.

I have offered an amendment; I am not at all certain I shall get enough votes to pass the amendment. But I will say this: That every Senator who does not vote for this amendment is being a party to a giveaway to the corporate executives of this country. He or she is impacting upon the Federal income—and I cannot tell you how much, Mr. President, but I can tell you, the difference between a corporate jet at around $4,000 value and a first-class coach fare at about $400 is what we are talking about.

I have some other figures here. If you want to take an executive DC, from Washington, DC, to Miami round-trip, to go down for a vacation, a weekend or a sports event, under the current law, if you took a Learjet, you would report taxes and include in your income $6,470. Under this proposal, you would report $752, or about one-ninth of the amount.

If you took a C-90 King Air, you would report $6,070. Under this proposal, you would report $218.

For a Beechcraft Baron, you would report $3,110. Under this proposal, you would report $109.

Giveaway of the week: This is it. This is the one that you want to take care of the corporate executives with on the same afternoon that you turn down the unemployed of this country and phaseout extended unemployment benefits. This is the day and the way to do it.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, this issue is not before us in any way, shape, or form—it is not before us in any report language in the House bill, it is not in the House bill, and it is not in the amendment before us—it is not in any report language that is before us. There is nothing that we have done or are going to do that has any effect, at the moment, on the Treasury regulations that impute the value of flying on airplanes. The committee report that contains that language is not part of the pending committee amendment. I therefore move to lay on the table the amendment of the Senator from Ohio and I ask for the—I withdraw that.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, I am very pleased that the Senate is moving to repeal the ridiculous IRS record-keeping regulations for tax deductible vehicle expenses. While I certainly feel abuses of our tax system should be eliminated, I believe there are better alternatives for preventing abuse of business vehicles than this unreasonable sea of redtape. One can only wonder how the records of the estimated 30 million vehicles involved could ever be reviewed by the IRS.

Farmers, salesmen, and other small businessmen and their employees have sent me copies of their voluminous records from the beginning of this year. When you look at these records, you can't help but be impressed by how much time and effort has been diverted from productive enterprise toward satisfying the ridiculous demands of the IRS.

I believe we will be much better off under the new proposed law which will only require that adequate records be maintained to back up the taxpayer's claim for deductions. I feel this rule can curb the abuses without overburdening the owners of all those 30 million vehicles brought under the IRS regulations we are now attempting to repeal.

I urge my colleagues to support this repeal measure.

The requirement to withhold Federal income tax and FICA on the imputed value to the taxpayer of being able to drive his employer-owned vehicle home which is to begin July 1, 1985 needs our attention. Taxing this commuter vadue against the policeman, fireman, and other public safety officials who need to have the tools of their trade readily unavailable is very unfair. Likewise, workmen who, by the nature of their job, and the special equipment necessary for their job, are required by their employers to take their assigned vehicles home with them at night, should not be subjected to an onerous imputed income tax.

I feel that the amendment to be offered by Senator WALLOP, which I have cosponsored, deserves our support. The waste that has resulted from requiring all of America to gear up for contemporaneous recordkeeping, which today we are finally attempting to repeal, should not be followed with another unnecessary investment of time and money in preparation for compliance for July 1 deadline for fringe benefit taxation. Let us not delay, but take action today.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that we temporarily lay aside the amendment of the Senator from Ohio so that we might consider an amendment of the Senator from Wyoming; that when we have finished disposing of the amendment of the Senator from Wyoming, we will return to the pending business, the amendment of the Senator from Ohio.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 26

(Purpose: To amend the Internal Revenue Code of 1954 to clarify the tax treatment of the personal use of automobiles, and for the other purposes.)

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I thank the chairman of the Finance Committee. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 26.

Mr. WALLOP. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 2 of the amendment Number 23 and insert in lieu there of the following:

SEC. 2. TAX TREATMENT OF PERSONAL USE OF VEHICLES.

(a) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Section 24 of the Internal Revenue Code of 1954 (relating to disallowance of certain entertainment, etc, expenses) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) SPECIAL RULE FOR USE OF CERTAIN VEHICLES.—

"(1) IN GENERAL.—This subsection applies to—

"(A) any emergency vehicle described in section 4064(b)(1)(C), or

"(B) any vehicle with respect to which the only use other than any qualified business use (within the meaning of section 280F(d)(6)(B)) is a qualified personal use.

"(2) QUALIFIED PERSONAL USE.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified personal use' means—

"(i) personal use of a vehicle by an employee if—

"(I) the employer requires the employee to commute to and from work for bona fide business reasons including protection of the vehicle or equipment stored in the vehicle (but not including commuting solely for the protection or regular transportation of the employee), and

"(II) no other personal use (other than de minimus personal use) is allowed by the employer, or

"(ii) any personal use of a vehicle by an individual who is required to use such vehicle as an integral part of the performance of the trade or business of such individual or his employer, including use of the vehicle to make calls on customers or clients, to make deliveries, or to visit job sites.

"(B) NO QUALIFIED PERSONAL USE IF BUSINESS USE IS LESS THAN 75 PERCENT.—The term 'qualified personal use' shall not include any personal use for any taxable year unless the taxpayer establishes that the qualified business use (within the meaning of section 280F(d)(6)(B)) of the vehicle is 75 percent or more of the total use of the vehicle for such taxable year.".

(2) CONFORMING AMENDMENT.—Paragraph (4) of section 274(d) of such Code (relating to substantiation requirement) is amended by inserting "other than property to which subsection (i) applies" after "280F(d)(4))".

(b) INCLUSION IN INCOME OF EMPLOYEES.—Section 132(e) of the Internal Revenue Code of 1954 (defining de minimis fringe) is amended by adding at the end thereof the following new paragraph:

"(3) PERSONAL USE OF AUTOMOBILES.—The personal use of a vehicle shall be treated as a de minimus fringe if—

"(A) such vehicle is an emergency vehicle described in section 4064(b)(1)(C), or

"(3) such use is qualified personal use (within the meaning of section 274(i)(2)).".

(c) DEDUCTIONS AND CREDITS.—Section 280F(d) of the Internal Revenue Code of 1954 (relating to definitions and special rules for limitation on luxury automobiles and personal use of property) is amended by adding at the end thereof the following new paragraph:

"(11) SPECIAL RULE FOR EMERGENCY VEHICLES AND QUALIFIED PERSONAL USE.—

"(A) EMERGENCY VEHICLES.—This section shall not apply to any emergency vehicle described in section 4064(b)(1)(C)(iii).

"(B) QUALIFIED PERSONAL USE.—This section (other than subsection (a)) shall not apply to any vehicle with respect to which the only use other than any qualified business use (within the meaning of section 280F(d)(6)(B)) is a qualified personal use (within the meaning of section 274(i)(2)).".

SEC. 3. EFFECTIVE DATES.

(a) IN GENERAL.—The amendment and repeals made by subsections (a) and (b) of section 1 and section 2 shall take effect as if included in the amendments made by section 179(b) of the Tax Reform Act of 1984.

(b) SPECIAL RULE FOR SECTION 2(c).—The amendment made by subsection (c) of section 2 shall apply to property placed in service after June 18, 1984, in taxable years ending after such date.

Mr. WALLOP. Mr. President, I offer this amendment on behalf of Senator BOREN, Senator MOYNIHAN, and Senator SYMMS, as well as myself.

Yesterday, in the Finance Committee, we reported this legislation which would repeal the contemporaneous recordkeeping requirements for the deduction of business vehicles against income tax liability. Make no mistake, I applaud Senator ABDNOR's efforts and agree completely with what he did and the Finance Committee's result so far as it went.

However, I am constrained to offer an amendment to Senator ABDNOR's bill because I believe that the Finance Committee as a body failed to address other important aspects that are involved. Yesterday we took care of the problems of valuation regarding the burdensome recordkeeping of all Americans who use business cars. Our results in that process seemed to favor the very people Treasury told us were the reason that contemporary records should be required in the first place.

Law was initiated to stop an abuse perceived by the Treasury to be worth hundreds of millions of dollars; that being that people and companies were deducting vehicles which were not

really being used for business purposes.

Mr. President, my concern is really very simple; that is, that we in Congress are gaining the same miserable penny-pinching attitude which Treasury has that all Americans are cheats and they are lucky we permit them to keep as much as we do.

Mr. President, in my life in business, the associates that I had there and the people that I have known all my life who are in business are not inherent cheats. Treasury has applied to this amendment a most mystical sum of money which they cannot substantiate under any set of circumstances, except the sort of inherent desire to stay as miserable and as mean-hearted as they were with the contemporaneous recordkeeping requirements of automobiles.

I should like to point out, Mr. President, that there was a cartoon forwarded to me by a constituent in Wyoming which sort of demonstrates the futility of trying to rely on Treasury for reasonableness in the application of tax principles the Finance Committee sends them. This cartoon showed a man and his wife in a little car and on top of it was a humongous tree trunk and the wife having a rather startled expression on her face is looking at the husband, who is explaining that after the first of the year they had to "keep a log" on the car.

Well, Mr. President, that is just exactly what we did. We had suddenly this mystical requirement laid on a whole lot of people who were paying their taxes and doing their duty. Now, to stop this perceived abuse, we allowed Treasury to develop a massive, intricate set of rules not only to substantiate a business deduction but also to value, report, and withhold on the income imputed to employees who use business cars.

We make a note here that without this amendment we now require in this country very sophisticated payroll systems which would be capable of imputing value, which in many cases is not really there, and withhold from one's wages the taxes thereon. This would place a new requirement on America's business; a sophistication beyond the capability of most of America's businesses. Also, we would withhold this imputed income because Treasury has convinced us that the American taxpayer is so dishonest that, but for the withholding, we would never see the money.

Mr. President, my ranchers are not like that, my plumbers are not like that, my druggists are not like that, my lumber owners are not like that, Americans are not like that.

Yesterday, with the help of quite a few of our constituents, we were finally able to perform a reasonable ballance regarding the recordkeeping burden, for which I salute the Senator from South Dakota, and which will set the appropriate standard for justifying a deduction for a business vehicle; but we failed, at the same time, to fully address the problem. I am concerned that if we do not take it up now, it will be lost among the more pervasive issues coming before us, such as Superfund and tax reform.

I am not here, Mr. President, to make the case of the corporate manager who is given a company car as a perk and has no real business needs. Tax it—and my amendment permits that to take place. This is the value we were trying to tax last year. That was what we were doing. But I am here to ask that we insert in this process some reasonable cutoff.

Most Members of Congress do not have business experience; but, loath as we are to recognize business needs, we have to recognize that there are and there will be and there remain legitimate cases where it goes beyond the bounds of reason to impute a value to the employee or to require the employer to go through this complexity of recordkeeping, taxation and withholding.

In a time when the President has asked us for—and many in both parties have bravely taken up the cause of—tax simplification, it seems paradoxical to value, tax and withhold on minute personal value of some business vehicles. I doubt very seriously that such microscopic taxation is required in fairness.

Part of the reason why Chairman PACKWOOD led us away from the question of value, withholding and taxation relating to business vehicles was to prevent confrontation with Chairman ROSTENKOWSKI. He insists that we should be dealing with a revenue-neutral fix to this problem. I question whether we ever had the revenue that would be lost by my amendment and, indeed, whether it was ever really rightfully ours.

The amendment now before the Senate exempts from income taxation, and therefore withholding and recordkeeping, small amounts of personal use of business vehicles, which are actually required to perform one's services or where the employer requires, for bona fide business reasons, that the vehicle be taken home.

I suggest that there are two kinds of circumstances where this would be the case. The first is where the business vehicle is actually required to perform one's services. That does not mean using one's car to commute to work. That does not mean taking a salesman from home to a salesroom. It means a traveling salesman's automobile. That is what it means. The test of this is that it is actually required for the business performance for which the employee is hired, or where the employer requires, for bona fide business reasons, that the vehicle be taken home.

One of the things we overlooked last year, and the Treasury never could conceive of, is the fact that in my hometown of Sheridan, WY, a plumber requires his employees to go home with their pickups, especially in the wintertime. The idea is that somebody called to fix a furnace in the middle of the night would not have to go 20 miles to Sheridan and back 30 miles to the country. It would provide a convenience both to the employer and the person requiring assistance. There are legitimate reasons, despite what Treasury thinks, and this is the second test required under our amendment.

These situations are not the abusive areas we sought last year and cannot be, no matter what Treasury says; and we will hear, in a little while, a projection of astronomical figures, large revenue losses.

The amendment also recognizes that people who drive marked or unmarked emergency vehicles are really always on duty, servicing the public's good, and I do not wish them to contemplate whether they are driving business or personal miles when they are called to serve the public safety.

This amendment, which I cosponsor with Senators MOYNIHAN, SIMPSON, and BOREN, is an attempt to define to the appropriate limits of IRS involvement in the taxation of relatively insignificant fringe benefits and, more important, to limit the significant intrusion into the lives of Americans caused by attempts to tax such benefits for minuscule amounts of money from individual taxpayers.

My amendment today, as did S. 639, seeks only moderation in the taxation of personal use of business vehicles. I have made the cutoff more objective and have not provided the preference for agricultural vehicles and require them to meet the same standard and burden and complexity of recordkeeping, withholding, or taxation, as any other business.

I think my friend from South Dakota would badly want that for his farmers.

The American tax burden is high enough that we should not tax, as well, the American spirit with a pervasive tax system which seeks to tax, without regard to the reasonableness of that tax, every conceivable benefit in life. I agree with the poem of a constituent which was read by Senator BENTSEN during the markup, that it would make a lot more sense to raise the tax rates than to use such disruptive methods of taxation, such as taxation of minute personal use of predominantly genuine business vehicles.

The IRS failed to make a reasonable balance the first time they tried this, and I am not now willing to allow

them to negotiate beyond these levels of reasonableness.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter of endorsement from that National Federation of Independent Businesses, and I rest my argument, at least temporarily.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, April 3, 1985.

DEAR SENATOR: NFIB would like to commend the Senate Finance Committee for taking prompt action to repeal the "adequate contemporaneous recordkeeping" requirements of the Tax Reform Act of 1984, the provisions which authorized the IRS "auto log" regulations.

While we applaud the action of the committee regarding the repeal of the recordkeeping requirements, we believe that the committee's bill leaves open several important issues. It fails to provide any clear statutory definition of the type of substantiation which is adequate to meet the requirements of the proposed legislation. It also fails to deal with the question of valuation of minimal personal use of a vehicle, which otherwise would be attributed as income to the employee.

These unresolved issues are of vital concern to small business owners. We believe that the amendment to the committee bill proposed by Senator Wallop would clarify them, and we urge your support of his amendment.

Sincerely,

JOHN J. MOTLEY III,
Director of Federal Legislation.

Mr. SYMMS. Mr. President, I am pleased to support the Wallop amendment that will address the imputed income and valuation portion of the recordkeeping provisions.

This issue has been a hotbed of debate and a thorn in the side of most of our constituents from the moment that they became aware of it. They were asked to abide by cumbersome and detailed mileage recordkeeping and to have income imputed to them for using a business vehicle for business purposes.

Both the recordkeeping and the imputed income are major problems. I would like to commend the work that was done in the Finance Committee yesterday. In adopting Senator ABDNOR's bill we alleviated the recordkeeping half of the problem. Senator ABDNOR's bill goes a long way toward meeting the concerns of the public, and I support that wholeheartedly.

However, it still leaves a major concern unaddressed. That is the valuation and imputed income of business vehicles.

Over the past few months, it has become clear that working men and women will not stand for this type of burden. I can understand their dismay.

I think the original intent of the provisions that were enacted last summer in the 1984 tax bill were aimed at catching abuses. That is fine with me. But let us not make honest, hardworking people feel like abusers of the system.

Our measure will provide guidelines for the valuation of business vehicles that are sensible, practical, and within the lines of responsible Government.

The Wallop measure incorporates the fine work that Senator ABDNOR has done on recordkeeping and also takes a practical approach to the valuation side of the problem.

This is a solution to the many concerns and questions that have been plaguing farmers, salesmen, policemen, and many other groups and allows them to move on to their normal course of business.

Basically, the Wallop amendment would:

First, allow income tax exclusion for emergency and utility vehicles. As Mr. WALLOP has pointed out, there are vehicles that have specific public services to perform, and they should not be taxed. I do not believe that it was the intention of Congress to impose unnecessary restrictions on these categories.

In many cases, these vehicles provide protection and service to communities 24 hours a day and are equipped with instruments that can provide a vital communication in an emergency situation.

Second, there is also income tax exclusion for any vehicle that is used more than 75 percent for business and is not within the luxury car definition.

This includes instances such as farm vehicles and general utility trucks, where the employer requires the employee to commute to and from work for bona fide business reasons, including the protection of the vehicle or equipment stored in the vehicle.

This also takes into consideration the individual who is required to use his vehicle as an integral part of his trade or business. An example might be a realtor or salesmen who, by calling on clients and making deliveries, is spending vast amounts of time in their vehicle.

I think that these exemptions would take care of problems that the average businessman is facing without being too broad and opening the door for abuses.

This amendment is a simple, straightforward approach that would not impose defeating and disheartening restrictions on our citizens. These are hard-working people that do not need any discouragement—and judging from the outcry since these old provisions were made public, the citizens of this Nation are not going to stand for any more complicated laws coming out of Washington.

I think we need to remember the American dream. There is nothing wrong with incentives and rewards for working hard. That is the notion that this country grew and prospered on and it infuriates me when those incentives are snatched away.

Many small businessmen take much lower salaries than an executive in a big corporation might and he should be allowed to use his car for business, without having to pay additional taxes.

I do not think that any of us want to impose heavy-handed restrictions that will break the spirit of hard-working men and women. They are only asking for a sensible approach that will let them continue to concentrate on their business. If we want them to continue to prosper, we must not bog them down with unnecessary paperwork and taxation.

Mr. PACKWOOD. Mr. President, I ask whether my good friend from Wyoming is going to ask for the yeas and nays on this amendment.

Mr. WALLOP. Not if the Senator from Oregon is willing to accept it.

Mr. PACKWOOD. No; the Senator from Oregon cannot accept it.

Mr. WALLOP. In that case, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, much as I am in sympathy with the plight described by the Senator from Wyoming, I have to oppose his amendment, for two reasons.

One reason is that we have tried in this bill to remedy an error that was made; perhaps by us, perhaps by the Internal Revenue Service—they can blame us for passing the bill, and we can blame them for the regulations—on recordkeeping.

For the people who were required to keep records, this will satisfy them. They will go back to the status of recordkeeping prior to the passage of the 1984 law, and if they could keep adequate records then, they can keep adequate records now.

Again, as I say, Senator ABDNOR deserves the lion's share of the credit for calling this to our attention, and the amendment we have before us is his language.

The issue raised by my distinguished colleague from Wyoming is another issue. It is an issue of valuation. It is an issue of fringe benefits, and that is an issue that we have been up and down the hill on many times; but it is an issue we tried to avoid directing ourselves to in this bill, because there are all kinds of requests from different groups to take care of a particular valuation or fringe benefit problem that they have. This is not a recordkeeping issue.

Now it is an issue of value. We made no exceptions in our bill. The House bill does have exceptions for marked police cars, marked utility trucks, obvi-

ously the kind of vehicles that you do not drive back and forth to the convenience grocery store to pick up milk, bread, or for other personal purposes.

The money involved is de minimis. There is not a great deal of money involved.

Treasury estimates that if the amendment of the Senator from Wyoming is adopted, we will lose approximately $1 billion. It is a very expensive amendment.

I can assure my good friend from Wyoming that the Finance Committee is going to have hearings on the issue of valuation, on airplane flights, and on variety of other issues.

But considering that the Treasury estimates that this is a $1 billion loss and that we have attempted to avoid getting into the issue of valuation on all other kinds of transportation and even auto transportation, I would have to urge my colleagues to vote against the amendment of my good friend from Wyoming.

Mr. President, I yield the floor.

The PRESIDING OFFICER [Mr. HEINZ]. The Senator from Wyoming.

Mr. WALLOP. Mr. President, if I thought that there was anything but pettiness in the Treasury's estimate, I would be very much inclined to withdraw the amendment and work with the Senator from Oregon, the chairman of the Finance Committee; but there is absolutely zero justification for that estimate. They cannot begin to make a substantiated case for it. They pulled it out because they do not like this.

But let me focus on what really is at issue here. The chairman of the Finance Committee said that we tried to remedy an error, whether it was ours or Treasury's, that caused an undue burden on the working people, the earning people of this country, and we did part of that; but let me suggest that we did not do the part that is the most complex. American small business does not have the capacity to impute minute amounts of value in the personal use of required business vehicles that meet these two demanding tests.

Treasury's revenue estimate is something that they pulled out of the sky. They think this amendment would address all kinds of fringe benefits, and I agree with the Senator, the chairman of the Finance Committee; but we are not talking about all kinds of fringe benefits. We are talking about two very specialized classes of vehicles, plus those in the emergency levels, which I believe we should do under any set of circumstances, that are not covered by the Abdnor bill.

I believe that people who are volunteer firemen or policemen or ambulance drivers, or anything else, who take ambulances home at night, are in fact permanently on duty. Whether they go out to a friend's or not, they must respond for emergencies from wherever it is they happen to be. So that much cannot be troublesome to Treasury.

The second part of it, though, is that these vehicles—and we are not talking about anything but cars, vehicles that are required for the performance of your employment. We are not talking about a car that is used for commuting back and forth. And who would tell me that the average company can impute without complex recordkeeping requirements any amount of money to these things? It is a burden on the taxpayer. It is a burden on the taxpayer's employer which we still have not come to grips with.

The second requirement that we have is that the vehicle be a necessary part of the function of your job.

So you have two requirements.

One, that the employer requires you to have it for the purpose of taking sophisticated tools or for the purpose, as I mentioned my plumber people, who take those vehicles home at night to be able to service the public that they serve at night in off-hours. It is a requirement of the employer as part of the employment that this person be able to respond as the emergency people are at all times, or that it be an integral part of the performance of employment.

These cannot be $1 billion because to impute them as the Treasury says $1 billion would be something in the neighborhood of $4 billion worth of driven miles. I mean the value of what has been driven would be about $4 billion. We are talking about limited exceptions from imputed value. So it cannot be.

This is Treasury telling us, "We want to remain as spiteful as we have been," and mark my words, my fellow Senators, you will not be off the public hook by passing only this piece of legislation as the Finance Committee passed it out yesterday.

This is not an argument that can be substantiated. Treasury has massive computers. I might point out that massive computers cannot process the income tax returns of Americans. Why are we expected to believe that they can process overnight a revenue estimate of $1 billion to something that was only supposed to raise $100 million when it was in toto?

Somehow or another we have achieved magnificent revenue gain out of something that was only supposed to bring us as a Nation $100 million.

So I suggest that Treasury is doing something that Treasury is only capable of doing and that is begging to be permitted to remain spiteful.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, the $100 million alluded to by my good friend involved only the recordkeeping part of the 1984 act.

The issue he is talking about now is 75-percent business use, and then you get the car free which is genuine fringe benefit.

Mr. WALLOP. Under two very narrow sets of circumstances. I must say it is not as the chairman has stated, and forgive my interruption. I should have addressed the Chair. But it is very narrow. It is not just any old car.

Mr. PACKWOOD. The second part of the "or" is "or the vehicle is required by the employer to perform the job."

Let us assume, first, that the employer gives the car to the employee and it is for the performance of employee's work. You do not give it to him for the fun of it or personal use.

Mr. WALLOP. That is not the case.

Mr. PACKWOOD. I understand.

So let us assume if every employer gives the car to an employee. We presume it is for purposes of employment, do we not?

Mr. WALLOP. Clearly, that just cannot be the case. There are those who are given cars for reasons of compensation for employment, and there is a very big difference.

Mr. PACKWOOD. What does the Senator mean "compensation for employment"?

Mr. WALLOP. Many employers give an employee a car and a membership to a country club, right? Those are not what we are talking about.

Mr. PACKWOOD. Then they have to pay taxes on it.

Mr. WALLOP. That is right, and they would under mine.

Mr. PACKWOOD. All right. If the employer provides you a car for business purposes and you use it 75 percent of the time for business purposes, then whatever personal use it is used for is not counted as income under the Senator's amendment.

I said Treasury estimates $1 billion a year. The joint committee, which is the professional committee that advises——

Mr. WALLOP. After 75 percent.

Mr. PACKWOOD. Yes, after 75 percent. The 25 percent is personal use.

The joint committee estimates that for the 4 years, 1985 through 1988, it is $3.8 billion. So we are not that far off from Treasury. Can I guarantee they are right? No. Do we have anything better to go on? No.

So we are talking about, by honest estimates of decent people, a billion-dollar-a-year loss. And when we are talking about deficits that we are trying to shave, I just do not think we, in good conscience, can adopt this amendment with that kind of a loss, to deal with an issue that we did not intend to deal with when we were simply trying to undo the recordkeeping requirements.

Mr. WALLOP. If my chairman will yield, the thing that makes one feel just grossly cynical about estimates like this is that since about the first of the year we have tried to get such an estimate and it was said not to be possible and all of a sudden, in 24 hours, it is possible. Now, there is something that is not very up to snuff about that. In point of fact, it was considered to be miniscule until we considered to raise it as an issue.

Mr. KASTEN. Mr. President, I am very pleased that we are voting here today to repeal the Federal regulations—and the underlying law—that requires taxpayers to keep complicated and detailed daily records of the business use of personal cars and trucks.

As a cosponsor of S. 260—a bill to repeal the proposed regulations and thus restore prior law—and S. 281—a bill to repeal the proposed regulations for public safety vehicles—I am especially glad that we are taking quick and definitive action now.

Judging from the mail I have received on these issues, the American people are adamantly opposed to the IRS regulations. I do not blame them.

This recordkeeping regulation was threatening to drown farmers, small businessmen, and other taxpayers in a sea of paperwork.

It would have required farmers to keep a written record of every trip to town for supplies, every time feed is hauled to livestock, and every chore performed with the pickup.

It would have required small businessmen to keep track of all the deliveries and errands made—and by each employee.

Mr. President, there's no doubt that this is a prime example of an over regulating Federal bureaucracy at its worst. It's about time we came up with a better approach.

The measure we are voting for today would repeal the regulations that call for taxpayers to keep detailed records of the use of business vehicles or the business use of personal vehicles. The records had to include the name of the user, the date, odometer readings at the start and end of each trip, and the purpose of each trip.

Under prior law, the such detailed recordkeeping was not required, and taxpayers could back up tax deductions with other evidence—such as appointment calendars and sales records.

This legislation would allow the prior law to stand until the end of the year. Beginning next year, written evidence—such as logs, diaries, expense reports, or other documents—would be required to justify the business use of company cars and personal vehicles.

This bill also expands the list of specialty vehicles that are not subject to the new recordkeeping and imputed interest requirements. The list includes marked police cars, single-seat delivery trucks, and ambulances, and others.

As a cosponsor of S. 281, I am pleased to see that this legislation takes care of the proposed regulations that would apply to most public safety vehicles. I hope that later this year we will be able to completely solve this problem.

Mr. President, the Senate Finance Committee should be commended for voting out this bill—S. 245. It both repeals the recordkeeping requirements and partially solves the problems for public safety vehicles. I applaud the committee and the leader for bringing it to a quick vote in the Senate today. The House of Representatives acted on this matter yesterday, and I urge that we follow their lead.

Mr. HEFLIN. Mr. President, I rise in support of Senator WALLOP's amendment to H.R. 1869. This amendment exempts from taxation the personal use of a business vehicle if either of two requirements are met.

First, an employee is exempt from taxation if he is required to drive a vehicle in the performance of his responsibilities.

Second, an employee is exempt from taxation if the employer requires him to take a vehicle home as part of his job.

Last year's Deficit Reduction Act made several changes in the area of fringe benefits. Specifically, the bill added a new section to the Tax Code—section 132—that provided four general fringe benefit categories. If any employer-provided benefit fits into one of these categories, then the employee does not have any income to the extent of the benefit provided. Not included within those categories, however, is the use of a vehicle by an employee in the performance of his business responsibilities or the use of a vehicle by a public safety employee, such as a State trooper's use of his patrol car. Clearly, it was not the intention of Congress to impose a tax on these categories of employees, who must use a vehicle as an integral part of performing their duties.

Mr. President, to place this burdensome tax on the people charged with protecting and caring for our citizens, and on business people who legitimately must use a vehicle in the performance of their responsibilities is an inequity and an outrage. I, therefore, urge my colleagues to support this amendment, which will correct this very serious flaw in the Tax Code.

Mr. PACKWOOD. Mr. President, I am ready to vote, if my good friend is.

Mr. WALLOP. I am ready to vote.

The PRESIDING OFFICER. Is there any other Senator seeking to be recognized? If not, the question is on agreeing to the amendment of the Senator from Wyoming [Mr. WALLOP]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Alaska [Mr. MURKOWSKI], are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD], would vote "nay."

Mr. CRANSTON. I announce that the Senator from New York [Mr. MOYNIHAN], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 51, nays 42, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—51

Abdnor	Hatch	Nunn
Andrews	Hawkins	Pressler
Baucus	Hecht	Pryor
Boren	Heflin	Quayle
Bumpers	Helms	Riegle
Burdick	Inouye	Rudman
Cohen	Kassebaum	Sarbanes
D'Amato	Kasten	Sasser
DeConcini	Laxalt	Specter
Denton	Leahy	Stafford
Dixon	Lugar	Stevens
Dodd	Mathias	Symms
East	Matsunaga	Thurmond
Exon	Mattingly	Wallop
Ford	McClure	Weicker
Goldwater	Melcher	Wilson
Gore	Nickles	Zorinsky

NAYS—42

Bentsen	Evans	Long
Biden	Glenn	McConnell
Bingaman	Gorton	Metzenbaum
Boschwitz	Gramm	Mitchell
Bradley	Grassley	Packwood
Byrd	Harkin	Pell
Chafee	Hart	Proxmire
Chiles	Heinz	Rockefeller
Cochran	Hollings	Roth
Cranston	Johnston	Simon
Danforth	Kennedy	Simpson
Dole	Kerry	Stennis
Domenici	Lautenberg	Trible
Eagleton	Levin	Warner

NOT VOTING—7

Armstrong	Hatfield	Murkowski
Durenberger	Humphrey	
Garn	Moynihan	

So Mr. WALLOP's amendment (No. 26) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 25

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Ohio.

Mr. PACKWOOD. Mr. President, did I hear the Chair say we are now on the amendment of the Senator from Ohio?

The PRESIDING OFFICER. The Senator from Oregon is correct.

Mr. PACKWOOD. Let me assure those who voted on the last amendment that in the House bill there is a provision relating to exempting from income unmarked police cars, utility trucks, cherrypickers, and a variety of vehicles that are not likely to be used for personal purposes. It would be our intention in this amendment to permit the Treasury to exempt unmarked police vehicles or vehicles that you want to have unmarked for obvious law enforcement reasons, such as stakeouts, where you do not want people to know that it is a police vehicle.

The vote on the last amendment was a close vote. The Senator from Wyoming won. It was a benefit valuation vote, but I can assure the Senate that we have every intention of agreeing to the House provisions on the marked vehicles and that the Treasury would be instructed to include the unmarked police vehicles or vehicles that the police do not want to mark for law enforcement purposes.

Mr. PRYOR. Will the Senator yield?

Mr. PACKWOOD. Yes, I yield.

Mr. PRYOR. Mr. President, I appreciate very much the Senator's accommodating the concern many of us have had not only about regular and marked police vehicles but the unmarked vehicles used for certain missions. I deeply appreciate the Senator's accommodating those concerns.

Mr. PACKWOOD. I thank the Senator from Arkansas for calling that to our attention. He remembers yesterday in the markup, it was simply an oversight and called it to my attention and we have taken care of it.

Now we are on the amendment of the Senator from Ohio, I believe.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. DOLE. Mr. President, the Finance Committee report language would establish realistic valuations for personal flights on company planes. I want to point out that what we tried to do in the report language is not subject to amendment as far as I know—it is not before us.

I know that some taxpayers would like to have no income imputed to them for these flight benefits. But Congress said that this was not fair. It is a view I shared; in fact, as chairman of the Finance Committee, I brought this legislation to the floor. There is an economic benefit which should be included in income.

However, the Treasury regulations which the Senator from Ohio would endorse provided very inflated valuations which did not reflect an appropriate discount for limitations on use of the benefit. Treasury recognizes that this is a defect in the regulations which should be corrected. Similarly, as I pointed out yesterday in committee, the regulations make no distinction among different types of planes. No one would argue that the economic benefit of flying in a small plane that travels at barely 100 miles an hour is equal to three times first class fare on a commercial airliner. But that is what can happen under the Treasury regulations. Treasury recognizes that this also is a defect in the regulations. Yet Senator METZENBAUM would not allow Treasury to correct their mistakes. That just does not make sense.

I can understand the Senator's concern and, certainly, I want to protect the tax base against erosion. We have agreed many times when that was at issue. I assume we agreed on the last vote. However, protecting the tax base does not mean that we should overstate poeple's income. Treasury recognizes that the temporary regulations do just that and would like to correct the problems.

The Senate should not stop them from correcting this error.

I might also indicate that there are a number of aircraft companies in rather deep recession at this time, including several in Wichita, KS, that this Senator has some interest in.

They are very concerned about this. They think that without some clarification, the overvaluations required by the regulations can have a potential impact on the entire industry.

I hope the amendment will be defeated. I apologize for not being here when the Seantor raised it, but I was unavoidably absent from the floor.

Mr. METZENBAUM. Will the Senator from Kansas, the majority leader, yield for a question?

Mr. DOLE. If I can do it quickly. I have a person waiting to see me.

Mr. METZENBAUM. Is it the fact that in the present law, Treasury merely requires the reporting of imputed income based upon the value of the cost of chartering a similar plane? Is that not what the present law is?

Mr. DOLE. Only in certain circumstances.

Mr. METZENBAUM. But in the main, that is the rule that is used, Mr. President.

Mr. DOLE. Not in the main, only in certain limited circumstances.

Mr. SYMMS. Would the distinguished majority leader yield?

Mr. METZENBAUM. I think the Senator from Ohio has the floor.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. DOLE. Only when you control the use of the plane, and there is no business purpose does the charter rate apply.

Mr. METZENBAUM. I think that is fair enough. I understand that.

But I assume the corporate executives who have the right to use the plane control the use of it. My amendment—rather, the committee report directs itself first at the personal use of the plane. All I am trying to do is keep Treasury from being forced to do something that Treasury itself does not want to do. I was not at the committee meeting but, according to one of these reports of the Bureau of National Affairs, they said the Assistant Secretary of the Treasury for Tax Policy, Ronald Pearlman, indicated that DOLE's proposal was more liberal than Treasury would like, saying that the value of a personal trip on a corporate luxury plane was worth more than a first-class flight on a commercial flight.

I think the Treasury therefore indicated that they are not for it at all.

Query: The Senator from Kansas, the majority leader, has the principal responsibility for trying to balance the budget in the U.S. Senate. He works with the chairman of the Committee on the Budget. Will this committee language not, indeed, affect the income of the Federal Government and diminish it?

I cannot figure out the amount, I do not know how many corporate jet trips are taken for personal purposes. But whatever the amount, is it not a fact that on the very day that we are terminating supplemental unemployment compensation, there will be a decrease in Federal revenue the amount of which is unknown to me?

Mr. DOLE. Mr. President, let me first correct one thing. We are not terminating it, we are going to phase it out, which I think is an extension of benefits.

Second, there are a lot of jobs connected with the aircraft industry.

Third, I think the cost would be less than $10 million per year at least, we are advised it is $10 million.

I am reminded of a story told by a friend of mine, Robert Strauss. When he was told in the Carter administration, everybody was going to fly tourist, they asked Mr. Strauss, "Are you going to continue to fly first class?"

He said, "Yes, until they come up with something better."

Mr. President, I am not certain a corporate jet is better than first-class fare. It seems to this Senator that we have given some pretty good guidelines. We did not adopt the position set out by the industry. They had even other ideas that this Senator could not endorse.

Mr. METZENBAUM. I would like to say that all my amendment does here today is emphasize the amendment that was enacted by this body under the direction and aegis of the man who is the proponent of this, Senator DOLE. It was he who authored the 1984 bill.

Mr. SYMMS. Mr. President, I would like to ask the Senator from Ohio a question if he would like to yield.

The PRESIDING OFFICER. The Senator from Kansas has yielded the floor.

The Senator from Idaho.

Mr. SYMMS. Mr. President, I did not get to hear the presentation that the Senator from Ohio made about why his amendment was a virtue—which I am sure he believes it is—but I do think there are a couple of points that need to be made. Then I would like to pose a question to my colleague from Ohio.

No. 1 is, we talk about the lavish comfort of flying in corporate jets, however, I think sometimes we should remember that some of these corporate jets, such as one I am familiar with in Idaho that a food processing company owns, that will barely seat eight people. They are jammed in the airplane. I am sure that is one of the types of airplanes that the Senator from Ohio is referring to when he talks about lavish accommodations.

Say, for example, the head of Corporation A is taking six of his employees somewhere with him on a business trip and somebody from another company or a "hitchhiker" rides along. That passenger is then supposed to be imputed at first-class accommodations.

I think the Senator should also be reminded that the corporate leader, whether it is the personal owner or head of the company, is in charge of the flight. The people who are riding along have to go at the whim of the other person's schedule. If you are riding on a commercial airliner, you can choose the flight that is most agreeable to your schedule. If you are riding with someone else, you may not be able to control the time.

There is the queston I want to pose. I have a letter from a fellow Idahoan who happens to own a company airplane for his business.

DEAR SENATOR SYMMS: I have become very concerned in regard to the IRS regulations valuing non business transportation on employer provided aircraft. In our business, which is very family oriented, I find that it is extremely valuable to our organization to take spouses along where there are empty seats. The cost is nil to the company. I feel that the new regulations are totally unfounded. Representative Dan Glickman, Democrat from Kansas, has introduced new legislation, HR 1392, which we feel is a satisfactory resolution to the problem. I certainly would appreciate any support that you could give to this proposed legislation.

It is rather interesting to me that the IRS regulations permit airline employees to fill an empty seat without tax obligation but that privilege is not extended to employees of companies that own their own aircraft.

With that in mind, the question I ask of the Senator from Ohio—I know he is concerned about compliance with the Internal Revenue Service Code in general—doesn't he think that by rigid application of the amendment he offers he is making an open invitation for noncompliance of the Tax Code? I think what you will find is that for somebody who owns a small plane, say, a Cessna-180, or a Piper Comanche-250, not a lavish corporate jet, who is a small business person—it will be very easy for them to not keep track of the passengers and there isn't anything the IRS can do about it. It seems to me you are making an open invitation for noncompliance, even if you want to go up to a bigger, heavier aircraft as is in the amendment of more than 10,000 pounds, and so forth.

Doesn't the Senator think he is making an open invitation for noncompliance and really ridicule the Internal Revenue Service Code by imposing these unrealistic, rigid provisions on the taxpayer?

Mr. METZENBAUM addressed the Chair.

Mr. SYMMS. I have the floor. I yield for an answer to the question.

Mr. METZENBAUM. Let me say that the Senator from Ohio is not imposing anything. What the Senator from Ohio is doing is saying that by this committee report language you should not be telling the Treasury how to interpret the law, and this is the law at the moment. The regulations are enacted under the law at the moment. If you want to change the law, you ought to come in with an amendment to change the law. But what you are doing here by a committee report is attempting to change the direction of the Treasury's interpretation of the law. So that is the first point. I am not trying to change anything.

Mr. SYMMS. Will the Senator—I have the floor.

Mr. METZENBAUM. I am going to respond to the Senator.

Mr. SYMMS. I thank the Senator for his answer.

Mr. METZENBAUM. No; I have not finished my answer. I want to finish my answer if my colleague will permit me to do so.

What I am saying is, this is the law. And I shed tears for the fact that the corporate jets in the Senator's State are not as big as he would like them to be. My constituents are unemployed. They are concerned about that.

Mr. SYMMS. I clearly make the point to my colleague, he misstates the case.

Mr. METZENBAUM. I will be very happy to restate it just as soon as I give back the floor, but the Senator asked me a question. I think I now have the floor to respond to his question. I want to say to him that this is not a question of any inequity. This is a question of keeping the law as it is. And if Treasury or Senator DOLE or Senator SYMMS or anybody wants to come in and change the law, do it. Come in with the legislation.

Mr. SYMMS. I thank my colleague very much.

Mr. METZENBAUM. But that is not what we are talking about.

Mr. SYMMS. Mr. President, do I have the floor?

Mr. METZENBAUM. So I just say to the Senator——

Mr. SYMMS. Mr. President, I believe I have the floor.

Mr. METZENBAUM. I have the floor.

Mr. SYMMS. I thank the Senator for his answer.

Mr. METZENBAUM. Mr. President, will you be good enough to tell the Senator——

Mr. SYMMS. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SYMMS. I have the floor, I think.

The PRESIDING OFFICER. The Senator from Idaho had been recognized and he may yield only for a question.

Mr. SYMMS. I thank my colleague very much for his answer. What Senator DOLE is trying to do is to get the Treasury and the bureaucrats at Treasury to interpret the law the way Senator DOLE intended it to be last summer when it passed the Congress. That is one thing that should be said.

I think Senator DOLE is perfectly in order to offer committee report language, Mr. President, which tries to direct the bureaucracy at Treasury, which is very simple minded in its purpose to try to extract the last ounce of blood from a turnip—the American enterprise system. What our colleague from Ohio is saying is that he does not want Congress to direct the bureaucracy to do what we said they should do in the first place. I would appeal to my colleagues to vote down this amendment. Then I would be one of the first to say that as a matter of principle, whether it be an automobile, an airplane, a pickup truck, at some point in time I think we should foreclose the Internal Revenue Service putting its nose into the last order of business of every single thing that takes place in the United States of America. That is what we are talking about. If a person is flying somewhere on legitimate business, this Senator finds it rather difficult to believe that it is truly any business of the Federal Government as to who rides in the empty seat.

Now, it has already been ruled that it is the business of the Government, but I pose that as a philosophical question. I think Senator DOLE's committee report language is certainly better than the current interpretation that Treasury has of the bill that passed the Congress last summer. So I urge my colleagues to vote down the Metzenbaum amendment.

Mr. METZENBAUM addressed the Chair.

Mr. SYMMS. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I want to repeat to my good friend

from Idaho that which I told him on the floor of the Senate, and that is that I do not believe his constituents would agree with him on this point, and I have offered to contribute to his campaign if he will let me come to his State to debate this one issue because I am convinced that his constituents would not agree with him. The fact is, I said to him—and I say it publicly since he wanted to neogtiate $2,000—"I will give you $500 for your campaign if you let me come to your State and debate this one issue with you during the campaign."

Mr. SYMMS. The Senator is underrating himself.

Mr. METZENBAUM. Mr. President, I have the floor, and I do not wish to be interrupted. Let us talk about what this amendment is about, what this issue is about. If you are traveling on a legitimate business trip, there is no problem; the committee report language does not affect that and my amendment does not affect it. If you are taking with you other employees for business purposes, the committee report language does not affect that and my amendment does not affect it. If you are taking your wife with you and it is for legitimate business purposes, the same thing is applicable.

The committee report language and my amendment do not affect it. But if you are taking her along for pleasure and for the privilege of having her company, I am not saying you should not take her, nor am I saying you should not make the personal trip, nor am I saying we ought to in any way preclude your using the corporate jet for that purpose. All I am saying is that the law now says you ought to pay the reasonable market value. And nobody, nobody, even my friend Senator DOLE, can really believe that the reasonable market value of taking a trip by a private corporate jet is the same as taking that trip first class in a regular commercial airliner. As a matter of fact, if you do not take one of the big superjets, if you go out there on the field and you weigh the plane and it is between 6,000 and 10,000 pounds, you do not even pay for the value of the first-class flight. All you do is report on your income half of that amount. If the plane is a smaller plane, if it is 6,000 pounds or less, all you report on your income tax under the committee report is half of the coach fare.

Now, I see my colleague from North Carolina, who is one of the staunchest supporters and proponents and spokesperson for conservatism in the U.S. Senate. I am not about to say anything nasty about my friend at all because I never would; I do not have any problem with him. What I am saying is you can be the most conservative Member of the U.S. Senate or the most liberal Member of the U.S. Senate and not agree with what the committee has done in this instance. You can be the strongest budget balancer in the U.S. Senate and disagree with what the committee report does; it is wrong. Senator DOLE says, "Oh, all we are talking about is $10 million." I am frank to admit we tried to find out the figures. I do not know where he got the figures, but he said it is only $10 million. I do not know whether it is $10 million, or $20 million, or $50 million. What difference does it make? Is there any logical reason, on a day we terminate unemployment compensation, or phase it out, which is the phrase that Senator DOLE would prefer we use, on that very afternoon we have this giveaway to corporate executives in America?

So I say to my colleagues, give me one good reason why, if somebody wants to change this law, they do not come before us with a legislative proposal and make their case. How can you possibly make a case by doing it in a committee report? The committee report is not even on the floor of the U.S. Senate.

I admit that my amendment is worded in an unusual manner so that I can get at this issue, but I had no choice. You cannot amend a committee report. You cannot strike a committee report. So we have attempted with this amendment to zero in on the issue.

If you vote with me, then it means that you do not believe that the Senate should be directing the IRS to change their present rules with respect to the matter of imputed income by personal usage of corporate or other kinds of aircraft. That is all that is involved. Corporate jets or smaller. It always has to be the corporate planes. That is all that is involved.

There is no reason under the Sun for the Senate to turn down this amendment. I say to anyone who turns down this amendment—and there are many on that side and probably some on my side—that I am willing to come to your State and debate the issue. I am so positive that I can prevail with the American people that I do not care which State it is or how they vote. I am convinced that they would not believe that the Senate this afternoon should enact a provision which is a giveaway to the corporate executives of America.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield to my friend from North Carolina.

Mr. HELMS. I thank the able Senator.

Mr. President, I would ask the Senator, this is a sense-of-Congress amendment? Is that correct?

Mr. METZENBAUM. The Senator from North Carolina is correct.

Mr. HELMS. And for the purpose of the record and for the purpose of having the able Senator from Ohio make legislative history, he being a sponsor of the amendment, will he state for me what is the intent of the amendment?

Mr. METZENBAUM. I will be very happy to do so, and I appreciate the question.

The purpose of this amendment is to deal with the fact that in the committee report it is stated as follows:

> The committee also intends that the Treasury is to substitute the following safe-harbor valuation rules with respect to employee flights on employer-provided noncommercial aircraft that constitute taxable fringe benefits, for the valuation rules with respect to such benefits that are currently set forth in temporary regulations. The committee believes that these substitute safe-harbor rules reflect the intent of the Congress concerning the valuation of personal use of noncommercial aircraft under the fringe benefit rules in the Tax Reform Act of 1984.

There then follows, in the committee report, "Weight of aircraft: More than 10,000 pounds; more than 6,000 pounds but no more than 10,000 pounds; 6,000 pounds or less."

Then there is "includible value for control employee:" first-class fare, coach fare, one-half coach fare. They have to report it as part of their income tax. There is also "includible value for other employees."

My amendment does not deal with the other employees. It deals only with the corporate executive rule.

Mr. HELMS. What records would be required to be kept?

Mr. METZENBAUM. There is nothing under my amendment, nor under the committee report, as I understand it, that would require any reports to be kept other than those that are presently kept. It is my opinion, although I am not certain of this, that under FAA rules it is required that reports be kept as to who flies on that plane and when and where and how much time is consumed. I am not certain about that. There is nothing in this amendment that would affect that matter.

Mr. HELMS. Let me tell the Senator why I am intrigued with his amendment.

This morning, a visitor to my office described an episode that occurred not long ago at White Sulphur Springs, WV, at the famous and expensive resort, the Greenbrier. A meeting there was attended by, among others, the president and chief executive officer of one of the three major television networks in this country. I am not going to indicate which network, but I will say that the eye is watching you, Senator METZENBAUM. [Laughter.]

It was a rainy morning. The chief executive officer of the television network was lamenting the fact that it was a rainy day outside, in White Sulphur Springs, WV. So he said to a group of his friends: "I would like to

play golf today. I have my company plane here. Let's fly down to Florida and play a round of golf, and we'll be back here in time for cocktails this evening."

The Senator from Ohio and I sometimes differ on legislation, but I think that he and I are equally revulsed by activities such as this.

I am sure that the chief executive officer of the television network—which I have not identified—has indicated on his financial reports that this was a business trip. I submit to the Senator from Ohio and others that this is an abuse of the system. The stockholders of the network should be up in arms—and would be, I suspect, if they were aware that this kind of thing is going on.

I intend to vote for the Senator's amendment because, as I heard him explain for the purposes of legislative history, the Senator from Ohio is simply saying, "Stop that kind of stuff." Is that what the Senator is saying?

Mr. METZENBAUM. That is right.

Mr. HELMS. I thank the Senator.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER (Mr. HECHT). The Senator from Idaho.

Mr. SYMMS. Mr. President, I should like to ask the Senator from Ohio another question. I ask him this: What would his interpretation be of this situation? An owner of a airplane took off, let us say, in Cleveland, OH, and flew to the west coast, to San Francisco, on business. He had to attend a 3-day meeting. He had two pilots in the airplane who flew out with him. The meeting went on 3 or 4 days, and they had an opportunity to hitch a ride back to Cleveland, to spend some time in Cleveland with their families, and then to hitch another ride back to San Francisco, to fly the executive back home. They left the airplane in San Francisco and flew back to Cleveland.

How would that be interpreted under the Senator's amendment, and how would it be interpreted under the Dole amendment?

Mr. METZENBAUM. I apologize to the Senator from Idaho. I was speaking to the Senator from North Carolina.

Mr. SYMMS. The question I am asking is this. A friend of mine called me up and posed this question. He said his company has an airplane. Let us say, hypothetically, that it is based in Cleveland, OH, and it flies to the west coast, for the executive to attend a business meeting, and the meeting is going to go on for a few days. The two pilots have an opportunity to hitch a ride back to Cleveland with another company's airplane, in available empty space, spend some time in Cleveland, and hitch a ride back to San Francisco, to fly the executive back to Cleveland.

How does the Senator's amendment treat that particular person?

Mr. METZENBAUM. I must tell the Senator from Idaho that I do not know the answer to that. Current law applies. If the Senator from Idaho wants a clarification, I suggest that he take it up with the IRS. I do not stand here as the IRS. I stand here saying that the U.S. Senate should not change the law this afternoon.

Mr. SYMMS. I heard the questions of the Senator from North Carolina and the Senator from Ohio, but I think that before Senators vote on this, they should recognize that we are not just talking about the head of XYZ broadcasting company. We are talking about people who are pilots of airplanes, who use a little ingenuity and hitch rides in available space.

Do we really think that the only way we are going to balance the Federal budget is to do so on the back of somebody who is making $20,000 and hitches a ride home for the weekend?

And I think that is what the Senator's amendment does.

Mr. METZENBAUM. I am prepared to answer.

Mr. SYMMS. I think the answer to the question is, if we really want to bring about a balanced budget we need to cut spending and not just look to this particular area of the Tax Code.

Mr. METZENBAUM. I want to explain to my friend that, although I answered that, I now have pointed out to me that my amendment would not have anything to do with the two pilots flying back and forth because my amendment only applies in the case of control of executives of the company. Those two pilots would not be in that category, and my amendment particularly stays away from that issue. They would not have to do anything as far as I am concerned.

Mr. SYMMS. I think where the Senator is incorrect in that answer is it would apply to the two pilots because the IRS is going to come back and say, "We are going to impute income on the basis of a first class ticket because you are riding one of the plush corporate jets that belong to a neighboring company that rode you back to Cleveland and you rode back the end of the week and flew the boss back home."

Mr. METZENBAUM. The Senator is going to confuse the issue. I want to point out to him, look at the amendment. The proposal I made, the sense of the Congress says: ". . . The existing regulations that impute income to corporate executives (so-called key employees) . . ."

No one can argue that those are executives or that they are key employees, so I think that the Senator would only be confusing the issue. There is certainly nothing in this that tells the IRS what to do or not to do.

Mr. SYMMS. I think I am not confusing the issue. I hate to stand here and counter my dear friend from Ohio. I tell him I am not confusing the issue. One has to go back and look at what the IRS has proposed, and they are proposing in the regulations that the Senator is saying in his amendment he wants to comply with, that that is how they have to treat it.

They are also carrying it one step further. They are saying that if an employee of the company takes along a spouse, as I pointed out in the letter that I have from a constituent of mine in Idaho—one of his employees, if he takes along a spouse, then the income is to be imputed. And this thing goes a lot further. If I understand the Senator's amendment correctly, his amendment speaks to what IRS proposed for regulations on this subject.

I think that there is a point here that is being missed. I think the answer to the question both the Senator from Ohio and the good Senator from North Carolina brings up is, if in fact there is flagrant abuse taking place by the executives of any corporation, it is up to the board of directors and the stockholders to correct, and they have an obligation to them.

What we are trying to do is put the long arm of the Federal Government in and have them direct every single thing that happens and who rides on that airplane. We do not know what each situation is.

If the Senator would carefully examine what the amendment does, it goes too far and I advise my colleagues to stay with the former chairman of the Finance Committee and the distinguished majority leader, Senator DOLE, on this issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, before the Senator from Ohio leaves——

Mr. METZENBAUM. I am sorry.

Mr. HELMS. I thought the Senator might be leaving the floor. I did not want him to leave yet.

I do not read into the Senator's sense-of-the-Congress amendment what the distinguished Senator from Idaho sees in it. If he is correct I would oppose the amendment. That is why I have suggested to the Senator from Ohio that he be as precise and specific as possible in stating the intent of the amendment—which incidentally does not have the force of law in any case.

I am supporting the amendment because I am opposed to what I have seen personally in terms of abuse of aircraft.

Now, I hope the Senator from Ohio will specifically state to the Senator from Idaho that the intent of this amendment is not at all related to the apprehension stated by Senator SYMM's constituent. If he will do that

I will have no problem at all in supporting the amendment.

Mr. METZENBAUM. I thought I had already done that, but I will again state that there is nothing intended by my amendment, by implication or otherwise, that would affect the situation as described by the Senator from Idaho, and I wish to point out that in the committee report they do have two categories.

We have addressed ourselves only to the one category, and that is to the executive employee, so-called key employee.

There is no intention to affect the committee report language in the committee action with respect to anyone other then corporate executives, period.

Mr. SYMMS. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I yield.

Mr. SYMMS. The point I am getting at is the way the proposed Treasury regulations were written, does the Senator from Ohio want to put into the RECORD to state that that is what we will do, that if employees from one company ride in a company airplane of another company if space is available—the plane is going anyway—they will be imputed first-class airfare for them, and I happen to know some of those corporate jets that are not nearly as comfortable as first-class accommodations, and the people just simply want to get home or get to another city to do business, that the income will be imputed against those persons legally.

That is what the regulations say, and I am saying to my colleagues if that is what we want to do here in Congress then stand by noncompliance because we are making an open invitation of people to say, "Well, Joe, we are going to let you ride along here, and you appreciate it, but we have to write something down because we do not want you to have to have $800 extra income from the price of a ticket from San Francisco back to Cleveland. It might cost you up to $300 on your income taxes. Rather than have you pay that, we will put someone else's name there."

We are just opening the door for noncompliance, and there are other factors with respect to aviation because of insurability, and so forth. It is very important that they keep track of who is on airplanes in case of a tragic accident so the people will know who the victims were if the airplane crashes.

I think it is just a mistake to somehow focus in on this. We miss the whole point of what is wrong with the Federal budget. What is wrong with the Federal budget is that this Congress refuses to reduce spending across the board. It is not this great field of tax compliance. That is one of the problems, but it certainly is not as abused. There are mechanisms in the marketplace that do restrict extensive flagrants with respect to ripoffs, as the Senator from North Carolina talked about.

I happen to know of one executive in the Pacific Northwest of a large company, which I will leave unnamed, who lost his job because of excessive use of a corporate airplane, and the stockholders and the board of directors decided that this particular chairman was overstepping his bounds on what was proper and they hired a new chairman and the guy lost his job.

So I think that what we are doing here with the Senator from Ohio we are getting involved in a trap here that somehow it is the old Treasury Department doctrine that we are going to go out there and find every single thing that is out there in our society and we are going to tax it. We are going to tax the American dream.

First, they want to limit what kind of car you can drive and say you can only have so much of an automobile. Then they are going to make regulations on this and the next thing and the next thing.

I just think we are going in excess and I think what the former chairman, Senator DOLE, is suggesting to this Senate is a good suggestion, and I appeal to my colleagues that if we vote for this amendment do not be surprised to find out that you have people who are not million dollar a year corporate executives riding around in plush airplanes. They are people who are flying in small airplanes in many cases of small family businesses, and they take along an extra person in a family, or someone who is a key employee to ride with them, and legally you are going to be expected to impute income at a very high rate to ride in that airplane.

It may not be a big plush airplane. It may be an open cockpit spray plane, or something. But they will be expected to impute income, and they will probably not comply with it. It makes a mockery of the IRS and makes people call them quite aptly, instead of the Internal Revenue Service, the infernal revenue service.

I yield the floor, and I thank the Senator.

Mr. HELMS. Mr. President, I believe I have the floor

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Mr. President, there is not one in the Senate for whom I have more respect or affection than the distinguished Senator from Idaho. Perhaps it is my lack of understanding. I do not want to delay the Senate in its vote on this amendment, but I wonder if I might impose on the distinguished chairman of the committee to help me a bit with the amendment of the Senator from Ohio.

Mr. PACKWOOD. I will do the best I can.

Mr. HELMS. Let me read the amendment out loud. That helps me to understand it a little better.

Notwithstanding any other provision of this act or any language in the committees' report, it is the sense of Congress that the existing regulations that impute income to corporate executives (so-called "key employees") for the use of noncommercial aircraft shall not be amended or altered in any manner that would reduce the amount of income imputed to such employees.

Now, I am trying to understand the point that my friend from Idaho made that this will somehow add to the income of those two hypothetical pilots who flew.

Will the Senator from Oregon help me with that? Is the Senator from Idaho correct about that?

Mr. PACKWOOD. I am not going to try to interpret what the amendment means. All I can say to my friend from North Carolina is that as we started this in the committee yesterday, we considered it, and we had no desire or intention at this time to get into valuation for purposes of income. We had complaint upon complaint upon complaint on contemporaneous recordkeeping, and I think these complaints are justifiable.

Yesterday, in committee, we managed to keep off all amendments relating to valuation for income tax purposes. We were attempting to do that today, also. We had one added on the floor a few minutes ago from the Senator from Wyoming.

I do not want to interpret the amendment of my good friend from Ohio. I am going to oppose it because I do not want to get into valuation for purposes of income tax at this time.

He is right. This is not a recordkeeping issue, because when you fly, you are required to keep track of who is in the plane and where you have flown. So this is not an additional recordkeeping issue.

Mr. HELMS. That was my understanding.

Mr. PACKWOOD. It is not a recordkeeping issue. It is a valuation issue.

Mr. HELMS. So what the Senator is saying is that this is a nongermane amendment.

Mr. PACKWOOD. Well, everything is germane in our body except under extraordinary circumstances. But it is not in keeping with what we said in committee yesterday that we had hoped we could pass a bill to repeal the onerous recordkeeping burdens for automobile use and other business assets that impact millions and millions of people. That is all.

This is an amendment regarding valuation. It is a fringe-benefit amendment, the value for income tax purposes of an employer-provided goods or service.

Mr. HELMS. Of course, I support the committee and the distinguished chairman in what the committee and the chairman are attempting to do. But I do not quite understand why the amendment of the distinguished Senator from Ohio is so offensive and I do not know how it would be harmful to the innocent.

The statement was made, "We will let the board of directors look after this," and this, that, and the other. If you try to get a board of directors to go through the travel records of chief executive officers, you have a problem.

Mr. PACKWOOD. Well, as a matter of fact, the case to which the Senator from Idaho made reference was a Portland company and indeed the board of directors removed the president, as he indicated they did.

Mr. HELMS. He was speaking in terms of one episode of which he is aware.

Mr. SYMMS. Mr. President, I have to apologize. I did miss the earlier part of the debate and was not here when the Senator from Ohio made his presentation. We were in hearings in the Public Works Committee. He is talking about key employees.

Mr. METZENBAUM. That is correct.

Mr. HELMS. That is what threw me.

Mr. SYMMS. I have to say to my colleague from Ohio that I may have broadened it. I thought he was trying to impose this on everybody.

Mr. METZENBAUM. I am not.

Mr. SYMMS. But I would say that there is one aspect of this that the Senator from North Carolina should give very serious consideration to. What about the small business—and I mean a small business—that has a small airplane and they have several key people who are partners in the company and they are using the airplane for some reason and one of them goes along? Do you think they are really going to comply with this? This is the question.

Mr. HELMS. I do not think the Senator from Ohio, in fairness to him, is addressing himself to that.

Mr. METZENBAUM. That is right.

Mr. HELMS. He specifically refers to "key employees."

Mr. METZENBAUM. That is correct. That is the language used in the IRS regulations. There was a definition of "key employees."

Mr. SYMMS. I come back to this question to both of my dear colleagues: We have all agreed in the Congress of the United States that if an airline employee rides on an airplane, space available, there is no income to be imputed.

Mr. METZENBAUM. That is fine. We are doing the same thing here.

Mr. SYMMS. What happens if an employee of a corporation or a key employee, whatever the case may be—what difference is it whether someone rides on that as space available?

Mr. METZENBAUM. There is nothing in my amendment that affects those employees. My amendment—and I want to emphasize it eight times over—my amendment is directed only at corporate executives, key employees, who are in a position of control or own more than five percent of the stock. I am told that is the appropriate definition under the regulation.

Mr. PACKWOOD. For purpose of clarification, let us take United Airlines. If the president of United Airlines flies on this United Airline plane on a regular flight from Chicago to Los Angeles, is that income to him?

Mr. METZENBAUM. I would guess he would be checking that flight. If he just goes on a regular flight, that would definitely not be income to him. We are talking about corporate charter aircraft. We are not talking about the president of United Airlines flying on a United Airlines plane.

Mr. GRASSLEY. Mr. President, my vote today for Mr. METZENBAUM's amendment is not an endorsement of the current valuation under the Treasury's regulations, they are unreasonably high. However, post legislative history adopted several months later in a committee report without discussion is not the best way to deal with the fringe benefit valuation problems that are more wideranging than the personal use of corporate aircraft by key employees.

Mr. PACKWOOD. The definition would not apply to a commercial flight?

Mr. METZENBAUM. Absolutely not.

Mr. PACKWOOD. Even though he was an officer or key employee of the company.

Mr. METZENBAUM. You are absolutely right.

Mr. HELMS. I am satisfied. I thank the Chair.

Mr. METZENBAUM. I am ready to vote.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Ohio (Mr. METZENBAUM). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio. On this question, the yeas and nays have been ordered, and the clerk will call and the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER (Mr. WALLOP). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 46, nays 47, as follows:

[Rollcall vote No. 24 Leg.]

YEAS—46

Baucus	Ford	Melcher
Biden	Glenn	Metzenbaum
Bingaman	Gore	Mitchell
Bradley	Grassley	Moynihan
Burdick	Harkin	Nunn
Byrd	Hart	Pell
Chafee	Heflin	Proxmire
Chiles	Helms	Riegle
Cohen	Inouye	Rockefeller
Cranston	Johnston	Sarbanes
Danforth	Kennedy	Sasser
DeConcini	Kerry	Simon
Dixon	Lautenberg	Trible
Dodd	Levin	Warner
Eagleton	Mathias	
Exon	Matsunaga	

NAYS—47

Abdnor	Hatch	Pressler
Andrews	Hawkins	Pryor
Bentsen	Hecht	Quayle
Boren	Heinz	Roth
Boschwitz	Hollings	Rudman
Bumpers	Kassebaum	Simpson
Cochran	Kasten	Specter
D'Amato	Laxalt	Stafford
Denton	Leahy	Stevens
Dole	Long	Symms
Domenici	Lugar	Thurmond
East	Mattingly	Wallop
Evans	McClure	Weicker
Goldwater	McConnell	Wilson
Gorton	Nickles	Zorinsky
Gramm	Packwood	

NOT VOTING—7

Armstrong	Hatfield	Stennis
Durenberger	Humphrey	
Garn	Murkowski	

So the amendment (No. 25) of the Senator from Ohio [Mr. METZENBAUM] was rejected.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I yield the floor to Mr. ABDNOR.

Mr. ABDNOR. Mr. President, I appreciate the Senator's yielding to me on this matter.

Mr. President, last summer, Congress enacted the Deficit Reduction Act, containing hundreds of provisions and over 1,400 pages.

Although the law already required taxpayers to provide adequate documentation for their deductions, the Deficit Reduction Act added the requirement that for vehicles, those records must be "contemporaneous."

On the basis of this one word, the Internal Revenue Service [IRS] issued 15 pages of regulations requiring taxpayers to document each business trip in a vehicle by recording its date, des-

tination, mileage, operator, and purpose.

On January 3, I introduced the first bill in Congress to modify these requirements and followed up on January 22 with a bill for total repeal. I have had numerous conversations and meetings with top Treasury Department and IRS officials as well as with the distinguished majority leader and the chairman of the Finance Committee.

In addition, I have gone to the White House and called to the President's personal attention the difficulties millions of honest Americans are having as they attempt to comply with these burdensome rules. I take this matter pretty seriously, because this ludicrous rule is exactly the sort of thing which the people of South Dakota sent me to Washington to fight.

By now, every Senator has received hundreds and probably thousands of letters from irate farmers, businessmen, and professionals describing the tremendous paperwork burden created by these regulations. Several farmers and businessmen provided me with copies of the records they were attempting to keep. It is not unusual for a day's log on a single vehicle to run the length of a legal size page, with a separate, detailed entry for each of 20 or more trips.

Not only is it time consuming to comply with these requirements, but there are many practical problems and important privacy concerns involved. If a farmer goes to town to pick up a part at the implement dealer but also drops his wife off at the local grocery to pick up a few items, is he supposed to log his trip as business or personal use? If a minister visits the home of a couple having marital difficulties, he has no choice but to list the destination of his trip. But how is he to document it as business unless he lists marriage counseling as the purpose of his visit?

One of my constituents, a refugee from Poland, tells me that he is now keeping records almost identical to those he was forced to maintain behind the Iron Curtain. Congress had better think long and hard before we ever let an agency require millions of ordinary Americans to submit detailed accounts of their everyday lives to the Government. Latest estimates indicate that it may take as many as 79 million man hours per year to comply with this single requirement—that is simply mind boggling.

I doubt anyone here understood these ramifications of adding the word "contemporaneous" to the law. While the IRS has issued some modifications to their original rules, those changes fail to come anywhere close to solving the probem for the majority of ordinary, basically honest Americans.

Farmers, ranchers, businessmen, professionals, and even clergy are still drowning under paperwork. Literally hundreds of South Dakotans have taken the time to write personal letters describing their frustrations as they attempt to comply with a rule which makes no sense and which everyone admits will do little to prevent cheating. For this reason, I have continued my efforts to abolish this bureaucratic mass of redtape.

I am concerned about what the House Ways and Means Committee has done with their bill. The truth is, they have tried to enact a tax increase under the guise of repealing the recordkeeping regulations. By limiting the investment tax credit and stretching out the depreciation period for vehicles, they are acting in a way that is going to increase taxes on businessmen. If the House want to increase taxes, they should be honest enough to admit that is what they are doing and not try fool the American people into thinking that the are doing them a big favor.

Mr. President, I am also concerned about the fact that the House added a new requirement that vehicle records must be "written." I may be wrong, but I thought the whole idea here was to solve this mess. By inserting that word, they leave the door wide open for the IRS to do the same thing they did with the word "contemporaneous;" that is, make a nightmare for millions of Americans by requiring detailed written records. If we pass legislation in this area, I want to be sure that we take care of the problem for once and for all; I do not want to make the taxpayers go through this all again.

It is good to see prompt action by the finance committee to repeal these rules. I appreciate the work they put into this. I thank Mr. PACKWOOD, the chairman, who was so willing to help me and to work with me on this. The fact that the committee approved my bill, which is a straight and simple repeal of the mileage log rules, and did so by a unanimous vote, demonstrates the groundswell of opposition to this latest example of a bureaucracy gone out of control. It is my hope that we will promptly pass this legislation and that Congress will not delay in responding to the will of the people.

Mr. PACKWOOD. Mr. President, I indeed thank the Senator from North Dakota. America is in his debt for helping remove these onerous requirements.

I hope there are no other speakers. I believe we are ready to vote.

The PRESIDING OFFICER. Are there further amendments?

Mr. PACKWOOD. Mr. President, are the yeas and nays ordered on the amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. PACKWOOD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I support efforts on the floor today to repeal the offensive and burdensome IRS regulations requiring extensive recordkeeping for business travel in company cars. As I have noted in the past, this episode has been a classic example of the Internal Revenue Service going far beyond congressional intent when implementing new tax laws. It is situations such as this which undermine the faith that many Americans have in our Tax Code.

This is particularly true for our small business owners. I chaired field hearings of the Small Business Committee in Tennessee in early January of this year to examine the topic of tax reform. The No. 1 recurring theme sounded at these hearings was the need to repeal these new log requirements.

The complaints which these men and women raised were very legitimate. If every one of us in this body had to stop and make log entries for all the points on our constituent visits, we would have much less time to see the people we represent. The same is true for the business person. Time spent logging mileage, date and time information is time which could be better spent in business pursuits.

And as we all know, time is money, especially for small business. These small, often struggling, firms cannot sustain this valuable loss of time as well as larger companies. Moreover, many small firms operate with high overheads and slim profits to begin with. To burden them even further as these new documentation rules do is to place an even greater strain on this often fragile foundation.

That is why I joined as a cosponsor of S. 260, along with a majority of this body, to repeal the new documentation rules. I am pleased to see the Senate take action today on legislation which parellels the language of that measure and commend my colleagues on the Finance Committee for bring-

ing this matter before the Senate in an expeditious manner.

I know that the small business people in Tennessee applaud the efforts of all who have joined in this effort to repeal what the majority leader has aptly described as a "turkey." My office has been flooded with letters and phone calls protesting the new rules from the day they were announced. These letters put in very frank terms what the real life impact these new documentation rules are having on small businesses. I would like to share some of these views with my colleagues. I ask unanimous consent that several letters protesting the new log requirements be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SASSER. I would also like to applaud the efforts of my good friend from Arkansas, Mr. PRYOR, to incorporate into the report language on this bill many of the provisions of S. 281, which I cosponsor. As some of my colleagues know, this bill deals with the changes made in the 1984 tax bill which resulted in some public safety officials being taxed on a portion of the use of their patrol car.

Senator PRYOR rightly saw that our State troopers, sheriff department officers, police personnel, and emergency medical workers are never really off duty as they are ready to respond to emergency situations 24 hours a day. Yet, under the new rules they would be hit with additional income for the use of their patrol car or other vehicle at certain times. I concurred with Senator PRYOR that, faced with this prospect, many of our public safety officials would be forced to leave their emergency vehicles at their station at the end of a shift. In rural areas such as much of Tennessee, this could have devastating consequences should an emergency arise and these public safety officials would have to return to their station to get their emergency vehicle before responding.

I commend Senator PRYOR for bringing this problem to the attention of the Senate and providing what we believe will be a workable solution.

I urge my colleagues to join with us in our efforts to reduce the burdens associated with these new rules and join in supporting passage of this measure today.

EXHIBIT 1

A/C SERVICE
& INSTALLATION, INC.
Nashville, TN, March 13, 1985.

Reference: New Tax Laws
Hon. JIM SASSER,
U.S. Senate,
Russell Building,
Washington, DC.

DEAR MR. SASSER: The new tax laws regarding the personal use of company vehicles is causing detailed and costly record keeping and paperwork reporting requirements for our personnel.

We are a small heating, refrigeration & air conditioning company. We have 8 trucks, and our service technicians have to drive their trucks home simply because heating and refrigeration systems have to be fixed when they break down 24 hours a day. Likewise, with our construction department personnel, they have to be on the job site at 7:00 a.m. ready to work, therefore they load their trucks in the afternoon with their supplies and go straight to the job site every morning from home. We also must consider security of the mens tools. The average service technician carries approximately $5,000.00 worth of tools in his truck. These could not be kept overnight unattended in our company parking lot.

Do you really think that the average construction worker will keep up his paperwork? I ask you, does the average individual in this category have the ability to do this paperwork? What's going to happen when this man falls behind in his paperwork and I give him a 1099 that's over half his bring home pay for the expense of operating our truck?

I am for simplifying the tax system. I am also for a balanced budget and I will live with this record keeping requirement for myself and my management staff. I don't like it and I feel a more simple method could be created. I realize that we must tighten our belts if we are going to lick this deficit problem. I don't feel we should penalize a person for doing what he is required to do. As far as these people abusing the privilege of having a company truck parked in their driveway and using it for personal use, insurance companies have very strict guide lines. In this area, both the company and individual have a great deal of exposure and liability for using that truck for non-business purposes.

If this law is not modified I feel that our political representatives will begin to see a whole new segment of American population that has not traditionally voted in the past start going to the polls to express their opinions and it probably will not be in your favor.

Yours truly,

LYNN CAWTHORNE,
President.

DIXIE FOODS INC.,
Lewisburg, TN, March 4, 1985.

Senator JIM SASSER,
Senate Russell Office Building,
Washington, DC.

DEAR JIM: The most critical item that a small business person has faced with government encroachment in recent years surely has to be the new rules regulating the use of vehicles. If the Internal Revenue Service is thinking that we are using the vehicle for personal use, then have them decide the amount and lets say it is 30 percent for personal and 70 percent for business. A business owner can show 30 percent of depreciated cost and operating cost on his income.

If I understand the rules as they presently exist, I will spend more effort addressing the vehicle project than the purpose of the trip. I am opposed to this new ruling and I believe that 100 percent of small businesses feel the same way. If the rules can't be relaxed, I would urge you to vote to repeal the new ruling.

Sincerely,

JACK ADAMS,
President.

P.S. I have seen the recent update and it doesn't help us.

RED WING
PEST CONTROL, INC.,
Chattanooga, TN, March 11, 1985.

Hon. JIM SASSER,
U.S. Senate,
Russell Building,
Washington, DC.

DEAR JIM: In January 1985 Senator J. Heinz (R-Pa) and Senator David Pryor (D-Ar) introduced a Senate bill (S. 260), and Representative Charles Roemer (D-La, 4th) introduced a House Bill (H.R. 600) of which would repeal the burdensome and unreasonable contemporaneous recordkeeping requirements. I am writing to urge you to support passage of these bills.

The extent to which logs and records must be kept on a daily basis is too laborious, impractical and in many ways is in conflict with sensible reasons in support of the use of business vehicles by employees which are for business reasons or benefit the business.

For these reasons and for other reasons which I know are being submitted by other businessmen and their employees, I respectfully urge you to support S. 260 to repeal this onerous burden.

Sincerely yours,

DAN MAYFIELD,
Vice President.

COLUMBIA MACHINE
WORKS, INC.,
Columbia, TN, March 8, 1985.

Hon. JAMES SASSER,
U.S. Senate,
Russell Building,
Washington, DC.

DEAR SIR: The "auto-log" requirements of the IRS are causing me a lot of inconvenience and expense with little or no benefit to anyone. It has been said that "time is precious, for it is the stuff that life is made of." It takes me an average of 15 minutes per day to keep up the log—15 minutes per day times 1 hour times 1 working day times 365 days a year equals 11.4 working days per year just to keep up the "auto log." This is a very onerous burden.

I know that I could pay for 30% of the auto's use and get around keeping a log, but I use the station wagon for personal use a much lower percentage than that, and I don't think it is fair to have to pay taxes I don't owe.

If you will use your influence to get this despicable regulation rescinded, I would be most grateful.

Sincerely,

J.K. LANGSDON, JR.,
President.

JOE PADAWER CO.,
Memphis, TN, March 4, 1985.

Senator JIM SASSER,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR: The writer would like to go on record as being violently opposed to the new IRS ruling about the use of my automobile in my business.

I am in the Advertising Specialty Business and my car is like a rolling sample room. The trunk is full, the back seat is full, the front seat is full with samples except for the space taken up by the driver.

I am a firm believer in the axiom that "you can't do business from an empty wagon." I started my career with the largest firm in the industry in 1948 and was in-

structed to work from a car full of samples. It is hard to break a successful habit after 36 years.

I would honestly say that my car is used 99 and 44/100% for business. We have a family car and when I am through with my business day you can rest assured that I am anxious to get out of my "truck" and get into the clean family car.

We have a fight with IRS everytime they check me about my car being used for business, only and everytime I show the investigator my car they go along with my claim that it is strictly business. If I take a customer to lunch we either walk to a restaurant or go in the customer's car, they cannot get into my car. It is parked on the weekends and not used.

I have so much detail involved in operating my small business that the bookkeeping that I must do to incriminate myself is my valuable time wasted. I am sure that there are thousands of other businessmen that operate with a full burden of recordkeeping that share my faults. I'd appreciate your efforts to have section 179(B) repealed.

Cordially,

JOE PADAWER,
President.

Mr. STEVENS. Mr. President, I rise today in support of Senator ABDNOR's legislation. I commend him and the Finance Committee for addressing this issue promptly this session.

This certainly is an issue on which most of our constituents have varied their views loud and clear. The flood of letters and telegrams from all sectors was reminiscent of the backup withholding issue that many of my colleagues will remember.

Since January I have listened to my colleagues relate their own views and those of their constituents on the IRS regulations dealing with contemporaneous regulations. Overall, they have reflected those that I have heard from Alaskans.

The other day I ran across a letter to the editor of the Fairbanks Daily News-Miner that puts the whole issue into perspective. The letter poignantly illustrates what so many of our constituents tried to relate to us—that the regulations promulgated in this case are cumbersome to the point of absurdity. I hope both elected and appointed officials alike will take note of the message contained in it.

Mr. President, I empathize with the author of this letter and share the frustrations he has experienced with the new auto recordkeeping requirements. I commend the Senator from South Dakota for his leadership on this issue and urge my colleagues join him in passing this legislation.

I ask unanimous consent that the letter from the Fairbanks Daily News-Miner of March 16, 1985, be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FAIRBANKS, AK,
March 7, 1985.

To the EDITOR: The Internal Revenue Service's new record keeping requirement of my business truck is confusing me. I have asked the IRS to advise me as to how I should record yesterday's trip, for example:

First, my wife, our son, and I drove to Pay 'n Pak. The mileage reading was 106,240 miles. On the way there, plus about 1,000 feet extra I dropped my wife off at the beautician to have her hair done. She has been very depressed lately working long hours getting our '84 taxes ready plus preparing for an audit on Friday. I felt that she would never pull through without a little pampering. Would this be a business trip?

My son and I went to Pay 'n Pak—mileage reading 106,253—time 10:15 a.m.—where I bought a screwdriver ($1.39) for work, a six-pack of Coke (I planned to give three cans to my employees) for $2.39. I bought one box of drywall nails for $39. The box was broken and I got $5 off since we couldn't tell whether anything was missing. Do I calculate the mileage on the potential value of $39, in case nothing was missing or the price I paid? I also bought a broom for $7.95 for which I will have to start an independent log to determine how much use will be private versus business. How do I use it to calculate the mileage now?

We drove on to pick up my wife, but since she wouldn't be ready for 15 minutes, I stopped by our church, where I silently prayed (no records available), asking for blessing of my personal friends (approx. 30 seconds) and then prayed that I'm doing my truck record-keeping correctly (approx. 6 minutes). At 11:22 a.m., mileage 106,260, we left to pick up my wife. We arrived at the beauty shop at 11:27 a.m.—mileage 106,267.

On the way home we stopped at the post office to mail one business letter and 14 private ones. The mileage was then 106,273. My son stepped on the six-pack of Coke at 11:31 and broke one can. I don't know whether it was a business or personal one. I helped a man start his car by tightening the battery post with the screwdriver which was intended for business, and then I left it behind by mistake. Do I now deduct the cost of the screwdriver from the Pay 'n Pak mileage for business use, or is it the undocumented intent that counts? I arrived back at the shop at 1:01 p.m.—106,284. It turned out that the employees didn't like Coke, so I drank it myself. Again, should this be tranferred to the private mileage?

I would sincerely appreciate assistance from the IRS. I want to do the right thing.

Respectfully,

LARS W. EHRLANDER.

Mr. DECONCINI. Mr. President, I rise in support of repeal of the automobile recordkeeping regulations. Frankly, this is one of those controversies that never should have occurred. I certainly wasn't aware of this provision when we passed the 1,500-page Deficit Reduction Act last summer, and I doubt that many, if any, of my colleagues were. This provision was one more of those little items that Treasury seems to slip into every tax bill which comes back to haunt us. What amazes me is that the Ronald Reagan U.S. Treasury would devise such an outrageous proposal. This administration has given wonderful lip service to the notion of reduced paperwork and redtape. But when it comes down to it, they are just as bureaucratic as previous administrations.

I congratulate the IRS on the steps they took to alleviate the burden created by this regulation. But their changes did not go far enough. We in Congress have been forced to act to repeal the automobile recordkeeping provisions. That is why I am a cosponsor of this legislation.

Let me make it clear that this Senator does not endorse abuse of the tax system. I do not doubt that there has been abuse of this section of the Tax Code in the past. But as was the case with the withholding provisions proposed a number of years ago, we cannot punish the entire taxpaying public for the illegality of a few. I am sure that there are bright people at IRS and Treasury who could have come up with a better way to catch the cheaters without subjecting honest citizens to this unnecessary bureaucratic redtape.

I urge the Senate to now move swiftly to pass this repeal legislation.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. DURENBERGER. I appreciate the opportunity to add my commendations to the distinguished chairman of the Senate Finance Committee and the majority leader for bringing this automobile recordkeeping legislation to the floor in an expedited fashion.

The Tax Reform Act of 1984 contained a provision requiring contemporaneous recordkeeping for the use of dual purpose property, such as automobiles which are owned by a company and which also are used by an employee for personal use.

The provisions were designed to clarify previous law concerning the personal use of business property—taxpayers always have been required to substantiate their business use of a company automobile, and to include in their annual income the value of using the company car. The objectives of the new law were to set legislative standards for the records a taxpayer must keep; assure that employers were withholding taxes on the estimated value of the use of the car to the employee; and to set limits on the amount of a luxury car that a business could deduct.

However, the temporary regulations issued last fall by the IRS went too far. They required all taxpayers driving dual use vehicles to maintain logs, diaries, or journals with individual entries specifying the dates, names, purposes, mileage, and time of use of vehicles.

Farmers, small businessmen, and others throughout Minnesota have written to tell me of the confusion they have suffered in trying to understand this new requirement and how much trouble they have in trying to comply. Repeal of this onerous provision will be a welcome relief.

Frankly, when the IRS came out with their first regulations on this

issue, I thought the Treasury Department had lost its marbles, and I and a number of other Senators met with Treasury Department officials in an effort to get the regulations changed.

The Treasury Department did change the regulations, but they did not go far enough. At one time was the law meant to impact so adversely vehicles such as farm trucks and trade and service vans. For them to have to log every step in a busy work day would cost a lot in terms of productivity.

I am pleased to support this legislation. It's about time, these unconscionable, burdensome regulations were repealed.●

Mr. HOLLINGS. Mr. President, today's Senate debate on legislation to repeal the Internal Revenue Service's onerous contemporaneous recordkeeping requirement for business vehicles has been much too long in coming for this Senator. When the legislation setting this bureaucratic outrage was before the Senate last year, I opposed it and voted against it. I suppose those of us who took this course can enjoy a measure of satisfaction in today's action. But, for me, I wish we would have heeded the call last year and avoided this mess entirely.

Nothing in my recent memory has been so universally opposed in South Carolina. Across-the-board, physicians, realtors, business persons, law enforcement officers, public servants, have come forward to question the logic behind the IRS's regulation. The goal of trying to prevent taxpayers from taking advantage of the Tax Code with respect to vehicles used primarily for personal rather than business use is warranted. The method selected to achieve this was totally beyond reason. Let me give you an example, Mr. President.

One company from South Carolina sent me a copy of the record they kept on one vehicle for 1 month. It contained 1,253 entries. Now, Mr. President, if each one of those entries took 1 minute to record—and surely it would since the regulations require you to record the date, the name of the driver, the purpose of the trip, and the odometer reading—that would be 20.8 hours per vehicle per month of nonproductive employee time just to make the entry. If you have a fleet of cars or trucks the cost is just multiplied. And this doesn't include the cost for shuffling and storing all this paper. The fact is, Mr. President, this provision will cost more than it will return to the Treasury. This burden is so onerous it will put people out of business.

Compliance with the Tax Code is a necessity all of us recognize, but this regulation has crossed the threshold into counterproductivity. In my view, this regulation seems likely to deprive businessmen of legitimate deductions and encourage dishonesty among the taxpayers and disrespect for Government in general.

As a cosponsor of this bill, Mr. President, I urge my colleagues to join with me in promptly passing it so we can get it to the President for signature and obtain the relief for those burdened by this bureaucratic overkill as quickly as possible.

Mr. PRYOR. Mr. President, today the Senate is finally correcting a provision contained in last year's Deficit Reduction Act dealing with substantiation of certain business expenses, including business use of an automobile. The provision, which amended section 274(d) of the Internal Revenue Code, provides that a taxpayer must keep adequate contemporaneous records before any deduction or credit can be claimed for business use of property, like an automobile. The bill before the Senate today repeals that standard, and takes us back to where we were prior to last year's change. That standard was adequate records or other sufficient evidence corroborating the taxpayer's own statement. In my opinion, the substantiation requirement under prior law was sufficient, and therefore, I strongly support the bill that will take us back to that test.

Mr. President, the short history of the adequate contemporaneous records test shows very clearly why we should know what we're doing before we pass a statutory change and give the Internal Revenue Service [IRS] the authority to issue regulations. When this new test was enacted, I think most people thought we were getting at the so-called luxury car matter. However, the statutue and IRS regulations went beyond that, and applied to all business use of an automobile. The IRS regulations required each taxpayer to keep a detailed travel log stating the purpose of the trip, the number of miles driven, the taxpayer making the trip, and other things. In short, it was an enormous recordkeeping burden on businesses and their employees. I talked with many, many people who told me they were spending an enormous amount of time filling out these forms when they could be spending their time in a more productive manner. I saw some statistics that showed businesses would spend a tremendous amount of money complying with the new statute, but the Treasury wouldn't have gained substantially. In short, some people thought there was a problem, but the changes went too far.

This bill, Mr. President, gets us back on track. It provides a uniform standard for deductibility of business expenses, and more importantly, will get people out of the formfilling out business, and allow them to do their jobs. I appreciate the support of many of my colleagues for the bill Senator HEINZ and I introduced, S. 260. The support for this effort was broadbased, and bipartisan. I also commend and thank the chairman of the Finance Committee [Mr. PACKWOOD] for bringing this matter before the committee. I hope the pending bill is overwhelmingly adopted, and I hope that we can have this matter to the President within the next day or so.

Mr. NICKLES. Mr. President, it is hard to believe that three words, "adequate contemporaneous records" could cause such a stir. This was the language that was tucked away in the Tax Reform Act that gave the Internal Revenue Service the license to impose horrendous recordkeeping requirements upon the taxpayers for vehicles and other types of property.

The recent changes proposed by the IRS to relax the recordkeeping requirements were a step in the right direction, but did not go far enough. For that reason, I have supported full repeal of this new requirement, and I support and cosponsor the repeal bill now before the Senate, S. 245.

Particularly hard hit by the auto-log rules was the farm and small business sector. Over 2 million farmers filed individual tax returns during 1983. Because of the nature of their business, most, if not all, of these individuals were affected by the recordkeeping requirements. Adding to the difficulties now faced by the farm community would be entirely inappropriate. The regulation by the IRS, which is repealed by this legislation, to allow exceptions for certain farm vehicles and provide a "safe harbor" use level still imposed substantial paperwork on the farmer.

To comply with the law, the farmers had to determine if, in fact, they are farmers under the IRS definition. Then they had to determine which of their vehicles are required to have contemporaneous records.

After that, they had to decide whether it is more profitable to forgo the recordkeeping requirement and take the safe harbor amount or go to the trouble to maintain the records and take in excess of this level. The regulation, in essence, was an attempt to buy off the taxpayer and presume that they will be coerced into accepting the safe harbor amount and forgoing their rightful deduction in excess of this level. Similar rules were in effect for nonfarm taxpayers.

I have before me several letters which describe the problems this created for the farm and small business community. Wayne Winsett of Altus, OK, sent me a copy of his log which he kept from January 14 to January 19, 1985. He made 112 entries and took a substantial amount of time for posting the log. The IRS did make changes which reduced the need for this particular type of log. But even if only

the personal use of the vehicle were required to be kept, not only for the owner but other employees, the paperwork would reduce the time they need to tend to their business.

I know the Senate will vote today to repeal the auto-log because it is far too complicated and burdensome paperwork requirement with little if any value. I strongly support the repeal and hope it goes to the President as soon as possible.

Mr. BUMPERS. Mr. President, I rise to emphasize my strong support for this legislation to repeal the mileage reporting requirements which were included in the Deficit Reduction Act of 1984. Those requirements were a mistake, and the Senate should correct that mistake now.

Although Congress must always be certain that the tax laws require adequate recordkeeping, it must also make sure that those requirements are in proportion to the amount of additional revenue that can be raised by whatever additional requirements are imposed. In this case, the National Society of Public Accountants estimated that the mileage recording regulations, as originally proposed, would cost the Nation's small businessmen as much as $7 billion.

Because the IRS subsequently changed the proposed regulations to reduce the burden, the cost of compliance may be as low as $1 billion. This reduction may appear impressive until you realize that these requirements will only increase revenues by about $100 million each year.

When the Senate considered this issue, the Joint Committee on Taxation did not even bother to estimate the revenue of this particular requirement. Instead, it lumped that estimate with several other related provisions and estimated that they would only increase revenues by $150 million in 1985 and $233 million in 1986.

Roscoe Egger, the Commissioner of the Internal Revenue Service, testified before the Treasury and Postal Service Subcommittee of the Senate Appropriations that the revenues anticipated from this requirement alone might increase revenues by $100 million per year, but he was not confident of even that figure. In any event, it is clear that the costs of compliance are far out of proportion with the possible revenues to be added.

Furthermore, it is quite possible, or even likely, that these recordkeeping requirements will increase cheating, rather than reducing it. Some exasperated taxpayers have told me that they will have no problems with the new requirements, because they have already filled out their log books up to midyear. These people were joking, but their comments still point out the caustic cynicism which these requirements can breed. It is a cynicism which can undermine our voluntary tax system, so it is very dangerous.

Some people might argue that the Senate should not repeal a law simply because it is unpopular, but we should be honest enough to recognize a mistake when it occurs and correct it. It is important to realize that repealing these requirements does not free taxpayers from an obligation to justify their deductions. It merely returns to prior law, which required that adequate records be kept.

Mr. President, I have introduced separate legislation to repeal these requirements, and I had announced my intention to offer that proposal as an amendment to other legislation at the earliest possible time. I am very pleased that both the Senate Finance Committee and the House of Representatives have acted so expeditiously that I have not even had to wait for that opportunity.

The Finance Committee has responded by reporting a bill to repeal the contemporaneous recordkeeping requirements. The House passed legislation which would also do that and which will also repeal the requirement of the Deficit Reduction Act of 1984 that an employer withhold from an employee's paycheck the value of that employee's personal use of company-provided transportation.

This change is also welcome, but I regret that the House did not go further and entirely repeal the provision treating it as income. I realize that using a company car or the corporate jet may be a substitute for other income, but the limited nature of any abuse and the difficulties in determining the fair market value of such "perks" do not justify the intrusion into the affairs of private individuals.

The Senate should applaud these actions and pass this bill immediately.

Mr. MATTINGLY. Mr. President, a little known provision of the Deficit Reduction Act requires taxpayers to maintain "adequate contemporaneous records" in order to qualify for a deduction or credit for the use of business automobiles or trucks. Since that time, a groundswell of opposition has developed, both in the private sector and in Congress. Such opposition is well founded, because conforming to the regulations created a paperwork burden and an administrative nightmare. Requirements of this type reinforce the need for tax simplification.

I am extremely pleased that the Senate will consider today legislation to repeal the automobile recordkeeping rules. In fact, I am an original cosponsor of S. 260, a measure calling for the repeal of those onerous logging requirements. However, I feared a legislative vehicle to repeal those provisions would not be available as soon as I, and others, would prefer. Therefore, I announced at an Appropriations Committee hearing last month that if repeal legislation was not considered by the Senate before the upcoming supplemental appropriations bill, I would offer an amendment to that measure to prevent any appropriated money to be used by the IRS to implement or enforce any regulation to implement the "adequate contemporaneous records" requirement. It is unfortunate, but sometimes it takes a threat to cut off an agency's funding before you can get someone's attention on an issue or get the legislative wheels moving. As I told IRS Commissioner Egger at that appropriations hearing, "the new regulations (vehicle logging requirements) with my amendments (to stop funding to implement such regulations) will be dead as a possum on a highway centerline." With such threats from myself and others, repeal legislation is now before us.

I strongly opposed the "adequate contemporaneous records" requirement because I came to Congress to get Government off the backs of the private sector, not to increase the paperwork requirements. I am opposed to tax cheats, but this regulation is like trying to kill a fly with a shotgun; it is excessive. Let's return to the eligibility criteria that existed prior to the Deficit Reduction Act. That criteria required taxpayers to maintain adequate records or have other sufficient evidence corraborating their statement. Such requirements are sure to catch cheaters if the IRS does its job. This can be done without penalizing every honest taxpayer who takes a business deduction for his or her vehicle.

Mr. President, I only hope we do not find in the future other taxpayer booby traps created by the Deficit Reduction Act. However, I am afraid that others will eventually raise their head. In any event, I am pleased the Senate is finally given the opportunity to vote to repeal the business vehicle logging requirements.

Mr. BAUCUS. Mr. President, President Dwight D. Eisenhower once said: "Farming looks mighty easy when your plow is a pencil, and you're 1,000 miles from the cornfield."

The Internal Revenue Service would do well to heed these words today.

The mileage logkeeping requirements that the IRS issued in January may have looked good on paper, but they are a recordkeeping nightmare for our farmers and ranchers.

An editorial in the January 30 issue of the Mission Valley News, a western Montana newspaper, described a day in the life of a rancher who is keeping his daily mileage log. I ask consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Mission Valley News (St. Ignatius, MT), Jan. 30, 1985]

RIDICULOUS REGULATION

Senator Baucus, Senator Melcher, the National Chamber of Commerce and everyone else joining the battle against the new IRS mileage log regulation are all correct. It's an imposition on taxpayers. It's bureaucratic busywork at its best and it's a power play by the Internal Revenue Service that should immediately be cut short. As the matchbook covers protesting tobacco taxes say, "When is enough, enuf?"

For our view it is more than enough when the government requires every businessman, farmer and rancher to carry a large log with each vehicle which lists date of trip, starting point, destination, beginning mileage, ending mileage, purpose of trip, verification, personal miles and business miles notations.

Ridiculous. Never mind our own miles spent hustling up and down this lengthy valley to do business at three different locations and with dozens of news and advertising prospects. Think of an eastern Montana rancher, with his log bouncing around on top of everything else that's decorating the top of his pickup's dashboard:

"Starting at 50676.3 miles to go to other side of ranch to look at cow with bad feet.

"Arrived at 50691.7 miles. Found cow considerably better. Chased 3.2 miles.

"Got stuck in coolee at 50694.9 miles. Spun wheels. Added 1.3 miles.

"Got loose and headed back. Then at 50704.8 miles found section of fence down. Drove to ranch for staples, posts and fence stretcher. Arrived at 50712.1 miles.

"Couldn't find staples. Left for town at 50712.2 miles. Got there at 50763.9."

And that's only his day up to 11:47 a.m. Now who is going to verify it all, the cow? It'd take another 4.2 miles to catch her.

The whole business is preposterous. The original plan for the income tax was based on "honest disclosure." If that's going to be changed, it should be done by some higher and better enfranchised arm of government than the IRS.

Mr. BAUCUS. Mr. President, we need to change these logkeeping rules so our farmers and ranchers can spend their time farming and ranching, not generating a lot of unnecessary paperwork.

I fully support the bill before us today. It is similar to a bill which I cosponsored in January—S. 260.

This bill will repeal the requirement that farmers and ranchers keep detailed, daily records of the use of the vehicles for business purposes.

Under this bill, the logkeeping requirements would return to the way they were prior to January 1, 1985. That means, a taxpayer could take a business deduction for the use of a vehicle, as long as he or she maintained "adequate" records.

This bill will make sure that our compliance rules are based on common sense and practicality.

I urge the Senate to act quickly on this legislation so our farmers and ranchers can get back to what they do best—pulling plows, not pushing pencils.

Mr. THURMOND. I am very pleased that the Senate is today considering legislation, of which I am a cosponsor, to eliminate the onerous Internal Revenue Service [IRS] contemporaneous recordkeeping regulations. I strongly support swift enactment of this much needed measure, which will relieve millions of taxpayers across the Nation from the excessive burden of maintaining records detailing the destination of each trip taken in a business vehicle, its purpose, time, date, mileage, and driver.

It is absolutely ridiculous for the Federal Government to impose such a burden on the citizens and businesses of this country. The IRS contemporaneous recordkeeping requirements were ill-conceived, and are certainly not consistent with the goals of reducing unnecessary paper work and reporting requirements.

Mr. President, I commend Senator ABDNOR for supporting this important legislation. I also commend the Senate Finance Committee and our distinguished majority leader, Senator DOLE, for taking action on this matter early in this Congress. I am particularly pleased that the Finance Committee report accompanying S. 245 contains language directing the IRS to also modify its position with regard to the taxability of so-called off-duty use of public safety vehicles. It makes little sense to me to impose additional taxes on police and other public safety officers who, as a part of their job, are on 24-hour call, and therefore, are frequently required to take home with them the same vehicle which they use while officially on duty.

Mr. President, I hope that my Senate colleagues will join me today in supporting swift enactment of this important legislation.

Mrs. HAWKINS. Mr. President, I rise today in support of this legislation to repeal the provisions in the Deficit Reduction Act that requires contemporaneous recordkeeping in order to qualify for a business tax deduction or credit for the business and personal use of automobiles and trucks.

The initial interpretation of this legislation by the Internal Revenue Service created nothing more than endless bureaucratic redtape for the businesses of our communities. Each time the vehicle is used for business or personal reasons, a separate and detailed entry must be made in a log. The entry must specify the date the property was used, the name of the user, the number or miles and the purpose of the use. Unless all of this information is provided, the tax deduction or credit will not be allowed. It was absolutely unrealistic, Mr. President, to expect widespread compliance with these time consuming requirements.

It's clear to me that this law is one of the biggest roadblocks to have ever been put in the path of the small businessmen and women in our country and would severely prohibit their efforts to operate in an efficient and profitable manner. It is my intention to facilitate the survival of these businesses in America by the decisions we make in this Congress—we should not be a major obstacle, I have joined several of my colleagues in cosponsoring legislation to repeal this paperwork nightmare and return to the requirement in effect prior to 1984.

In response to our concerns, the IRS issued a second set of regulations intended to modify the onerous requirements. Although the modifications were certainly an improvement, I do not believe they go far enough. The exceptions provided by the modified regulations seem to have little practical value and do not provide adequate relief to farmers and sales professionals who divide their time between the office and elsewhere.

Mr. President, I have received countless letters and phone calls in my office from hard-working Floridians protesting this unfair and burdensome requirement—even after the modifications were announced. One business even reported that after close monitoring, it was discovered that it cost them 1 working hour per employee each day to comply with these regulations. Obviously, this has been an expensive program for the U.S. Treasury as well. I cringe to think of the loss revenue to these companies, and the subsequent loss in Federal taxes, caused by this requirement. Mr. President, it is ridiculous to expect our work force to spend 1 hour per day to make their entries. I am certain this is not the case for every company, but even if one company is finding this to be true, it is one too many.

I urge each of my colleagues today to respond to the needs of the farmers, realtors, florists, and thousands of working men and women affected by supporting this legislation.

Mr. BINGAMAN. Mr. President, I am pleased to add my support to this measure to repeal the contemporaneous recordkeeping requirement of current tax law. This would address a serious problem created by impractical IRS regulations promulgated following the 1984 Tax Act.

I am also pleased to be a cosponsor of similar legislation, S. 260, which would amend the Internal Revenue Code to provide that the substantiation requirements of section 274(d) of the code be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

I commend my colleagues on the Finance Committee for their efforts to repeal these unnecessarily burdensome IRS guidelines.

Like my colleagues, I am concerned that the IRS has interpreted congressional intent to include the need for detailed contemporaneous recordkeep-

ing for the use of business-related automobiles. Clearly, this is impractical and in need of revision.

The people of my State have also been concerned by these regulations. I have heard from many individuals from all over New Mexico. Some work for large corporations, others for small businesses. Some live in cities, others in rural areas. All are unanimous in their assessment of these regulations, believing that in this instance the IRS regulations are not realistic, are overly burdensome, and cannot be enforced. I agree with them and for this reason support repeal.

The system envisioned by the IRS regulations is not realistic, because it is impossible to expect employees to keep the kind of log that the IRS regulations contemplate. I have heard from some individuals such as farmers whose farm vehicles do not even have accurate odometers. Clearly such detailed recordkeeping would result in a decline of productivity.

The paperwork required to comply with the current regulations is overwhelming. The kind of detailed minute-by-minute, mile-by-mile recordkeeping they call for is as impractical as it is time consuming. No one questions the need for honest and accurate accounting of vehicle use for tax deduction purposes. Such records are, of course, needed. I do not believe, however, that the onerous system of mileage recordkeeping envisioned by the IRS is necessary. If such recordkeeping is kept in force we will be setting ourselves up for failure because, enforcement would be next to impossible. Our Tax Code is already frought with needless complexities that make problems for enforcement. This regulation just adds to the list.

Today the Senate has an opportunity to respond to the concerns of business owners across the Nation. This measure will reinstate previous IRS policy requiring adequate substantiation of business-related use of automobiles, but not the detailed, time-consuming procedures mandated by current regulations. I believe that we must act now to eliminate this unreasonable provision of our tax laws. I urge my colleagues to support this legislation.

Mr. MITCHELL. Mr. President, I am pleased to cosponsor and support this legislation to repeal the contemporaneous recordkeeping requirements established in the 1984 tax bill. The changes we are making today will remove an unintended burden from the Nation's taxpayers and restore a proper balance between what is necessary to ensure compliance with our tax laws and what is an unreasonable burden to impose on the taxpaying public.

This legislation removes the requirement that taxpayers keep adequate contemporaneous records to support the business use of their automobiles for tax purposes. It does not affect other rules established in the 1984 act that require contemporaneous records for listed personal property such as planes, computers, recreation, and entertainment property. Nor does this legislation take us back to prior law standards for establishing the deductibility of transportation vehicles used in business. Instead it imposes a reasonable standard of substantiating the business use of vehicles by requiring the taxpayer to keep adequate records or other evidence corroborating his own statement.

This standard of substantiation, together with proper Internal Revenue Service enforcement efforts, will be sufficient to ensure compliance with our tax laws.

This is a sensitive and delicate matter. Congress is properly concerned about maintaining compliance with the tax laws and to achieve that objective the IRS necessarily has a certain intrusive presence in all our lives.

However, there is a limit to that Government presence and a point beyond which acceptance of our voluntary system of taxation becomes threatened by heavy-handed Government intrusion.

As we all know, the 1984 contemporaneous recordkeeping statute and the regulations thereunder crossed that point of reasonableness. The hundreds of thousands of letters received in Congress from the American people is testament to that. The message we received is that people are not adverse to complying with tax laws; they agree on the need to substantiate business expenses. But to thrust the IRS into each and every movement during a hectic business day, requiring records of every use of a transportation vehicle goes too far.

The contemporaneous recordkeeping rule was enacted to prevent a minority of taxapayers from abusing the law. But the result was to place a burden on all taxpayers who use business vehicles. It would have created a perception of unfairness in our tax laws that would in the long run have reduced rather than increased taxpayer compliance.

I am pleased we have been able to work this problem out. I only regret that it occurred in the first place. In the long run the steps we take today will strengthen public acceptance for and compliance with our tax laws.

Mr. CHILES. Mr. President, I am pleased that today we will be repealing an unnecessary and overburdensome requirement for businesspeople, farmers, and others. Many Floridians have rightly been outraged by the contemporaneous auto log requirement which requires drivers to log the date, the exact distance traveled, and the reason for the trip immediately upon completion of each stop.

A realtor from Homossa wrote to me:

> I have considered buying a business vehicle equipped with a taxicab meter, voice activated tape recorder and video surveillance camera so that I can document my business activities in the detail that the IRS wants.

A small business owner from Sarasota wrote:

> We have one truck, a one-ton pickup displaying the company name in large lettering across the side. This, really is not conducive to private use. Yet, since this truck is used for numerous short trips around Sarasota each day, we have the nuisance of a multitude of entries in a little book that already has been lost once and forgotten on several occasions.

I have also received countless phone calls from business persons whose records, for only 3 months, are already larger than a telephone directory.

Yes, Mr. President, it is time to do away with this requirement once and for all. While the original intent of Congress may have been good—to prevent individuals from writing off personal use of such equipment as business-related, the contemporaneous rule is simply unwieldy and impractical for the average taxpayer. Due to the public outcry, the IRS backed off from its original regulations, but I believe that the only sure way to bury this provision for good is to pass this legislation.

Mr. DOLE. Mr. President, I am pleased to join the distinguished chairman of the Committee on Finance in urging favorable Senate consideration of this legislation repealing the contemporaneous recordkeeping requirement for substantiating business use of vehicles and other property. While Congress meant well last year in trying to improve tax compliance by adding this statutory requirement, it is obvious that the level of recordkeeping required by the temporary Treasury regulations interpreting the new law is unacceptable to the American taxpayer. Unfortunately, we cannot improve compliance by enacting new requirements if the American public finds the new requirements too much of a burden to accept.

EFFORTS TO IMPROVE THE REGULATIONS

As a little background, I would like to take a few moments to discuss the history of the temporary recordkeeping regulations. It is fairly obvious to me, as well as most of my colleagues, that the first version of the temporary regulations was a classic case of overkill. Early in January I invited Assistant Treasury Secretary Pearlman to meet with me, Senators ABDNOR, SYMMS, GRASSLEY, and other interested Members, to explain how unrealistic the regulations were and how great the risk of repeal would be if the regulations were not substantially revised. That meeting was followed by several

staff level meetings and culminated in late January with a meeting in my office with various interested Members, Assistant Secretary Pearlman and Commissioner of Internal Revenue Egger. At that time, we were told that the temporary regulations would be significantly revised to reduce the recordkeeping burdens on farmers, sales and delivery personnel, and other businessmen. I commended the Assistant Secretary for making a good faith effort to make compliance with the law easier. I really do believe that substantial improvements were made addressing much of the valid criticism of the earlier regulations.

Unfortunately, when the revised temporary regulations finally were published, they were in a form that could not have been more confusing to taxpayers even if the Treasury Department had consciously tried. Instead of restating the rules and telling taxpayers to ignore the earlier draft, the regulations were in the form of amendments to the earlier regulations. The rules actually may not have been too bad, but I doubt that many taxpayers were able to understand them.

IMPACT ON TAX COMPLIANCE

Nevertheless, I think it is fair to say that repealing the contemporaneous record standard will not be a disaster for tax compliance. The underlying law remains unchanged: The taxpayer continues to have the burden of showing that a business deduction is appropriate if challenged by the Internal Revenue Service.

Mr. President, the courts have held in numerous cases that, even where the special substantiation rule set forth in section 274 did not apply, a taxpayer must be able to justify any deduction or credit claimed for business use of a car or other property, including deductions under section 162 for local travel expenses. The determination of whether a particular use of property qualifies as a business use is a question of fact, with the burden of establishing that fact imposed on the taxpayer pursuant to general tax law principles. And as expressly required by section 6001 of the Code, a taxpayer must keep such records as will be sufficient to enable the IRS to determine correctly the taxpayer's income tax liability.

I would like to describe a few illustrations of how the substantiation rules in effect prior to the 1984 act were applied by the courts. If a taxpayer keeps no record of the particular uses of a car, and accordingly the extent of business use cannot even be estimated with reasonable accuracy, no deduction is allowed. The courts have held that a taxpayer's testimony as to the extent of business use, without any corroborating evidence of that testimony, is not sufficient proof under section 162 to allow any deduction for local automobile expenses. Of course, such testimony of the taxpayer could not by itself satisfy the express substantiation requirements under section 274—as in effect prior to the 1984 act—applicable to automobile expenses incurred in travel away from home.

Numerous cases have been made clear that a taxpayer's statements as to business use of a car are not sufficient alone to substantiate any deduction. For example, in one case, the taxpayer produced a diary that he claimed proved his business use of his car. The diary showed no wear after a full year's purported use as a record, and all the entries looked uniform. The court called the diary a fabrication, and denied the deductions. In another case, a taxpayer kept weekly records on his business use of his car so that he could be reimbursed by his employer. The taxpayer claimed on his tax return that his business use was 14 times as much as his records showed. The court permitted the taxpayer to deduct only the amount he could prove from his records.

FLIGHTS ON BUSINESS AIRCRAFT

Mr. President, I would also like to comment on a related issue which is discussed in the Finance Committee's report accompanying this legislation. In addition to the recordkeeping regulations, the Treasury Department has also published temporary regulations providing guidance on how to value the amount of income that is imputed to an employee when the employee flies for personal reasons on his company's plane.

The temporary regulations do not distinguish among various types of business aircraft although I am sure everyone would agree that there are substantial differences in comfort and convenience between the largest corporate jets and more modest aircraft. In addition, as a general matter, the values provided in the regulations were unrealistically high despite restrictions on the terms of the travel and an employee's ability to ask for compensation in some form other than a free flight of the company plane.

The Finance Committee agreed yesterday that the temporary regulations do not accurately reflect congressional intent and included in its report valuation guidelines which I suggested based on the weight of the aircraft and on whether the employee receiving the benefit of the flight on the company plane controlled the use of the aircraft for that trip.

Assistant Secretary Pearlman at that time informed the committee that the Treasury Department would follow these valuation guidelines if that was the will of Congress. He has subsequently assured me that the guidelines will be followed, assuming there is no subsequent legislative history to the contrary on this legislation.

EMPTY SEAT PROBLEM

Some of my colleagues have asked if this addresses the so-called empty seat problem. Some have suggested that no amount should be included in income when an employee hitches a ride on a company plane on a space-available basis. Others have suggested that the amount imputed should be based on the operating cost of the plane, with or without taking depreciation into account.

The guidelines in the Finance Committee follow a different approach which will significantly reduce the amount imputed to company plane hitchhikers. In essence, the guidelines would equate employees who fly on a space-available basis on a company plane with parents of airline employees who also fly on a standy basis. The temporary regulations now provide that a flight of this kind should be valued at one-half the value of an unrestricted coach flight to reflect the standby nature of the flight.

Of course, a seat on a smaller plane should be discounted further to reflect reduced comfort and convenience. Thus, the guidelines would provide that flights on planes weighing between 6,000 and 10,000 pounds would be valued at three-fourths of the amount imputed to an airline employee's parent and flights on planes weighing less than 6,000 pounds would be valued at half the amount imputed to an airline employee's parent.

CONCLUSION

Mr. President, this measure will have the overwhelming support of the Senate. It should because it addresses the concerns of the American Public without significantly reducing the ability of the Government to assure compliance with the tax laws. It is a good compromise.

Mr. FORD. Mr. President, I rise in support of S. 245 (H.R. 1869), legislation repealing provisions of the Tax Reform Act of 1984 which requires taxpayers to maintain "adequate contemporaneous records" to substantiate the business use of motor vehicles that are susceptible to personal use.

In the short 3-month lifespan of this provision, I have heard from literally hundreds of Kentuckians who have been saddled with this burdensome requirement. The IRS regulations implementing this provision of the Tax Reform Act of 1984 requiring daily logs and records to be kept to substantiate business use are a textbook example of bureaucratic overkill. The outrage I have heard from Kentuckians is well founded and it is past time that this requirement was repealed.

While I agree that it is necessary and desirable for the IRS to have adequate enforcement tools to prevent tax evasion, the contemporaneous records requirement goes much too far. It simply does not make sense to

penalize everyone to catch those few who are stretching the law. The vast majority of taxpayers who claim deductions for the business use of motor vehicles are well within compliance and this requirement simply harasses those who are acting in good faith.

The legislation we are considering today will return the law to the pre-1984 provisions which require adequate records or sufficient evidence corroborating the taxpayer's own statement. This bill will also repeal the IRS regulations implementing the contemporaneous records requirement.

I am particularly pleased that my colleague from Arkansas [Mr. PRYOR], was successful in including report language which encompasses his bill, S. 281, which would exclude safety vehicles from taxation as a fringe benefit by treating such vehicles as nontaxable working condition. Regulations issued by IRS would impute $3 per day in taxable income for the commuting value of the safety vehicle, or in the alternative, would tax the personal use of the vehicle based on the contemporaneous records requirement. Clearly, this was not the intended result of section 132 of the 1984 act.

This provision has particularly onerous results for the Kentucky State Police and numerous sheriffs, city police, and emergency medical personnel who use their employer-provided vehicle on a 24-hour basis. The Kentucky State Police are strictly prohibited from using their vehicles for private purposes and are considered to be on duty whenever they are riding in the vehicle. There can be no doubt that such a policy has significantly deterred crime by making law enforcement more visable. Congress did not intend that section 132 threaten the efficient workings of public safety officials. Such use of an employer-provided vehicle is clearly a working condition, not a fringe benefit, and, therefore, should not be taxed.

Mr. President, I congratulate the Senate Finance Committee for bringing this issue before the Senate for consideration in such an expeditious manner. The contemporaneous records requirement and the IRS regulations implementing it are an unnecessary and unintended burden and I urge my colleagues to repeal it.

Mr. McCONNELL. Mr. President, I will cast my vote in favor of this bill to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984. These requirements have created an outrageous imposition on taxpayers and have had the effect of making compliance with IRS reulations virtually impossible for even the most diligent taxpayer. The legislation we are voting on today will remove these burdensome demands on the farmers and small business people of America and will provide more reasonable, understandable rules for taxpayers as to the kind of records which must be maintained. My constituents who have suffered from confusion and great difficulty in complying with the current requirements will feel well-deserved relief when these requirements are repealed. Passage of this legislation will not only encourage taxpayer compliance and remove undue Federal Government interference in the lives of the taxpaying public, but will enable business people to get on with the business of making a living and generating revenue. I urge my colleagues to join me in voting in favor of this bill.

Mr. GRASSLEY. Mr. President, I rise to offer my support for the repeal of the contemporaneous recordkeeping requirement for all business vehicles. What was an attempt by the last Congress and the Treasury Department to address the abuses of business automobiles used essentially for personal purposes, and untaxed employer provided fringe benefits, clearly struck a raw nerve of honest taxpayers in my State of Iowa and all across the country. Either everyone should be required to keep the records and have the imputed income or a loss of the deduction if they personally own their business vehicle, or no one should be required to do it. Our tax laws and the regulations administering them should not create a cost in time, and energy, and busy work for honest, hardworking taxpayers that clearly outweighs the revenue benefits. Asking all taxpayers to meet the same standard of substantiation of business use with adequate records is a rule which farmers, salesmen, and many others have lived with, and by which they can continue to abide.

The PRESIDING OFFICER. Are there further amendments?

Mr. PACKWOOD. Mr. President, I withdraw the request for the yeas and nays on the amendment. The yeas and nays are ordered on final passage.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question in on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 92, nays 1, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—92

Abdnor	Goldwater	Melcher
Andrews	Gore	Metzenbaum
Baucus	Gorton	Mitchell
Bentsen	Gramm	Moynihan
Biden	Grassley	Nickles
Bingaman	Harkin	Nunn
Boren	Hart	Packwood
Boschwitz	Hatch	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Quayle
Byrd	Heinz	Riegle
Chafee	Helms	Rockefeller
Chiles	Hollings	Roth
Cochran	Inouye	Rudman
Cohen	Johnston	Sarbanes
Cranston	Kassebaum	Sasser
D'Amato	Kasten	Simon
Danforth	Kennedy	Simpson
DeConcini	Kerry	Specter
Denton	Lautenberg	Stafford
Dixon	Laxalt	Stevens
Dodd	Leahy	Symms
Dole	Levin	Thurmond
Domenici	Long	Trible
Eagleton	Lugar	Wallop
East	Mathias	Warner
Evans	Matsunaga	Weicker
Exon	Mattingly	Wilson
Ford	McClure	Zorinsky
Glenn	McConnell	

NAYS—1

Proxmire

NOT VOTING—7

Armstrong	Hatfield	Stennis
Durenberger	Humphrey	
Garn	Murkowski	

So the bill (H.R. 1869), as amended, was passed.

Mr. PACKWOOD. Mr. President, I send an amendment to the title to the desk and ask unanimous consent that it be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title, as amended, is as follows:

A bill to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

Mr. PACKWOOD. Mr. President, with respect to H.R. 1869 I move that the Senate insist on its amendments and request a conference with the House of Representatives on the dis-

agreeing votes of the two Houses and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. WALLOP] appointed Mr. PACKWOOD, Mr. DOLE, Mr. ROTH, Mr. DANFORTH, Mr. LONG, Mr. BENTSEN, and Mr. MATSUNAGA as conferees on the part of the Senate.

UNANIMOUS-CONSENT REQUEST

Mr. HEINZ. Mr. President, I ask unanimous consent that it be in order to send to the desk a bill relating to the Export Administration and ask for its immediate consideration, and that it be considered under the following time agreement:

The time on the bill to be equally divided between the chairman of the Finance Committee and the ranking minority member; that no amendments be in order, that no motion, appeals, points of order be in order; and further, that the bill be in the usual form.

Mr. BYRD. Mr. President, reserving the right to object, it is my understanding in talking with the majority leader that the Senate was going to take up next the Federal Supplemental Compensation Act.

Mr. HEINZ. The Senator from Pennsylvania would be willing to sequence his unanimous-consent request accordingly, but what he would like to be sure of is that while we might modify the unanimous-consent request so that FSC or the resolution by the Senator from Massachusetts might precede the Export Administration Act measure, the Senator nonetheless would like to have a unanimous-consent time agreement cleared now so that we have an orderly progression.

That is what the Senator would like to achieve.

Mr. BYRD. Mr. President, perhaps that can be done.

As I see it, there is Mr. KENNEDY, who wishes to get some assurance that the South Africa resolution will be called up, and Mr. LEVIN and others of us want to be sure that we have an opportunity to offer an amendment on the unemployment compensation measure, and then there are those, like the distinguished Senator from Pennsylvania, who want to be sure that, if we do these other things, the Export Administration Act extension will be called up.

Will the distinguished Senator yield to me for the purpose of putting in a quorum call so maybe we can work all of this out?

Mr. HEINZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. HEINZ. Mr. President, I am going to propose a unanimous-consent request that thas been discussed with the majority leader, the minority leader, and with, I believe, all interested Senators. But I urge all Senators to listen carefully so that they understand it in every particular.

Mr. BYRD. Mr. President, may we have order so that we can hear the request; not only hear it, but understand it.

The PRESIDING OFFICER. The Senator is correct.

Mr. HEINZ. Mr. President, it is the understanding of the Senator from Pennsylvania that we are going to proceed to take up the Federal supplemental unemployment compensation bill, H.R. 1866.

At the conclusion of our debate and floor action on that measure, I ask that it be in order to proceed immediately to Senate Joint Resolution 96, dealing with apartheid in South Africa, as modified, and that it be considered without any amendment being in order, that no motions, appeals, or points of order be in order, and that the agreement be in the usual form, and that there be no debate, no time for debate permitted on the resolution.

Further, I ask unanimous consent that immediately upon the disposition of that measure, the Senate proceed immediately to the consideration of the Export Administration Act extension and that no amendments be in order and no motions, appeals, or points of order be in order, and that the agreement be in the usual form and that there be no time for debate on that measure.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I will, may I just have an understanding as to the first of the three measures.

Mr. HEINZ. Mr. President, I say to my good friend, the minority leader, that the first of the three measures is the extension of Federal supplemental unemployment compensation. I would yield to the Senator from Oregon to describe that further.

Mr. BYRD. No, the Senator does not need to do that, as far as I am concerned. I just want to make sure. The second and third items were put into the form of a unanimous-consent request. I did not understand that the first item was put into that same form.

Mr. HEINZ. The Senator is correct. I did not put it into the form of a unanimous-consent request because the understanding of the Senator from Pennsylvania is that we are going to proceed to that right now. But I would be happy to put it in the form of a unanimous-consent request.

Mr. BYRD. If the Senator would.

Mr. HEINZ. Mr. President, I further ask unanimous consent that the Senate proceed immediately to the consideration of the Federal supplemental unemployment compensation measure, which I understand is H.R. 1866, and then, upon the disposition of that, proceed immediately to the resolution of the Senator from Massachusetts and then to the Export Administration Act, the latter two be disposed of without amendment and debate.

Mr. BYRD. As stated earlier by the distinguished Senator from Pennsylvania. I have no objection.

Mr. KENNEDY. Mr. President, reserving the right to object, and I will not object, I want to first of all express the appreciation of Senator WEICKER and myself for the work that has been done by the majority leader and minority leader in helping us to have an opportunity to address this issue of the killings in South Africa.

I hope that those Members who want to make a comment on this would have the opportunity to do so prior to the conclusion of the debate on the unemployment compensation measure. We have worked out this procedure for an immediate vote after the unemployment compensation measure for the convenience of Members of the Senate.

But it would be my hope that those who do have comments on this issue would have the opportunity to speak briefly on this matter which is of such importance.

I again wish to thank the leadership and the chairman of the Foreign Relations Committee and the chairman of the African Subcommittee, as well as the minority Members for helping us reach this point.

Mr. BYRD. Mr. President, may I say to the distinguished Senator that I think there are those of us—and I am sure the distinguished Senator from Massachusetts is included—who hope that the unemployment compensation matter can be passed in a reasonably short time. If there is an amendment, I think that measure would have to go back to the other body. We hope that we can get the measure over to the other body, if it has to be sent, in time that we can get the final action there and again here if need by before the day is over. There are many of us who do not want to be in session tomorrow for that purpose.

The only reason I inject this at this point is to get some understanding, if I could, from the distinguished Senator from Massachusetts as to how long there might be some debate on the Af-

rican famine relief measure which might, if it goes on, delay us in getting action that we want on the unemployment compensation matter.

Mr. PACKWOOD. Mr. President, I did not understand that whatever debate we wanted to have on either of these other measures that you wanted to do it on the Federal supplemental compensation measure. The House might go out tonight. Frankly, if we do not get it there is time, there is going to be no extension, period. I do not know how long they are going to stay in, but i do not think they are going to stay in while we are debating some other subjects.

Mr. BYRD. Mr. President, could we get some limitation of debate on the African famine relief?

Mr. KENNEDY. Mr. President, this is the South African resolution condemning violence. I do not believe there would be any extended comments. I would be glad to limit it, if that is more satisfactory to the leadership, to a very brief period of time. I think those who wanted to speak on the subject have done so previously. So I would be willing to have it limited to a period of 10 minutes.

Mr. HEINZ. Mr. President, I would like to amend my unanimous conseft request with respect to Senate Joint Resolution 96, dealing with apartheid in South Africa, as modified, without amendment. I would ask that there be permitted a period of not to exceed 10 minutes of debate, to be equally divided on that resolution, to follow the disposition of the Federal supplemental unemployment compensation matter.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, the Senator said "in the usual form," did he not?

Mr. HEINZ. Yes, that was previously stated.

Mr. BYRD. I thank the Senator.

Mr. KENNEDY. I thank the minority leader.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ. I thank all Senators.

Mr. President, I am asked by the majority leader to advise that there will be rollcalls not only on the measure involving Federal supplemental unemployment benefits, but also on the two measures just discussed, the South African resolution and the Export Administration Act extension.

Mr. BYRD. Mr. President, before the clerk reports, action under the rules should be considered to have been taken on the South African resolution which would therefore rule out Mr. KENNEDY's right to modify that resolution, and I hope that we would not consent that even though action will have been taken on the South African resolution the distinguished Senator from Massachusetts would be allowed to modify that resolution if he so wishes.

Mr. HEINZ. Mr. President, if I can have a unanimous-consent request, I referred to the modified resolution so that it is clear, and I think I might have stated it better because I thought the resolution had been modified. Let me amend my unanimous-consent request to permit the Senator from Massachusetts to modify his resolution in accordance with the agreement reached earlier.

The PRESIDING OFFICER. The Senator has to make that in the form of a new request.

Mr. HEINZ. Yes, the Senator from Pennsylvania propounds that in the form of a unanimous-consent request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Pennsylvania.

APPOINTMENT OF THE SENATOR FROM SOUTH DAKOTA [MR. PRESSLER] TO THE PRESIDENT'S EXPORT COUNCIL

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Executive Order 12131, signed by the President on May 4, 1979, as extended, appoints the Senator from South Dakota [Mr. PRESSLER] to the President's Export Council.

FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1866), to phase out the Federal supplemental compensation program.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the bill.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, this is a bill to extend unemployment benefits for those who are currently—I emphasize who are currently—receiving them under the Federal Supplemental Compensation Program. In this country, we have 26 weeks in most States, with one or two exceptions, of what we might call regular unemployment benefits. Those are funded by a payroll tax payable to the Federal Government. The Federal Government rebates it to the States. The States pay the 26 weeks of benefits with slightly varying standards from State to State.

There is then an extended benefit program, 13 weeks in duration, that is funded out of the unemployment trust fund. But that is paid half by the Federal Government out of the trust fund, and half by the States. There is then the program that we are now considering that goes beyond the extended benefit program, the Federal Supplemental Compensation Program. This is entirely funded by the Federal Government out of general funds. This is not funded out of any trust fund. And it is this program that this bill seeks to extend for those who are currently collecting the benefits—about 340,000 of whom 5,000 are in my State.

I want to emphasize once more that this bill does not extend benefits to any new claimants. It extends it only to those who are currently claimants under the Federal Supplementary Compensation Program and that program expires this Saturday, 3 days from now. And if the program is not extended to phase out those who are currently on it they will go off of the benefits on Saturday night. The House has passed a bill which will extend those benefits for those on it. Let us assume you are in a State where you would have 14 weeks of benefits.

The length of the benefits varies from State to State depending upon the unemployment in a State. But let us assume you are in a State where you are eligible for 14 additional benefits and you are in your 5th week of benefits collection as of this Saturday night. You would be entitled to 9 weeks more. The average nationwide is about 7 weeks. The cost of the extension is estimated to be about $160 million.

The reason for the extension, Mr. President, is one of compassion. It is unfair to yank the rug out from under people who are currently collecting benefits and had hoped or expected that they could at least run out the duration of the benefits.

I have no guarantee that the President will sign this bill. And this is the minimum bill to be expected. There is not one that is going to be less than this. I cannot guarantee that the President will sign this one. I can guarantee that if any amendments are added to this bill that expand the program, it will be vetoed, period.

And as it will be vetoed, we will have no other chance to act on any other bill, the benefits will run out Saturday night and we go out for a recess for a week. When we come back the program will have been expired for a week or 10 days, and I doubt that there will be any benefit extension at all. As a matter of fact, the House has indicated that if we offer any amendments to this bill at all—they may go out tonight and recess tonight—there

is not going to be a conference. And the benefits will not be extended.

So pleading as the arguments may be for a 6-month extension or 3-month extension or changing of triggers or amendments to alter the extended benefit program in some way, all I can say to those who will offer those amendments is that they may make a record that they choose to make. But if their amendment is adopted, what they will succeed in doing is cutting off all benefits for those who are currently collecting and probably cutting them off permanently.

Mr. LONG. Will the Senator yield? I would like to make a brief statement to support the Senator's position.

Mr. PACKWOOD. Yes.

Mr. LONG. Mr. President, over the past few years, the country has experienced a serious recession. More recently, the economy has been improving. But there are still a great many people out of work. In many areas of the country, the unemployment levels remain unacceptably high. In my own State, the insured unemployment rate is 4.6 percent and the total unemployment rate in January was over 11 percent. This means that unemployment levels in the State are still higher than at any time during the 20 years prior to this recession.

The best answer to unemployment is not benefit payments but jobs. We can and must do more to assure that employment is available for all those who can work. But until the economy makes more jobs available, those who remain unemployed must look to the unemployment compensation system for the wherewithall to live.

The pending bill is necessary to provide some continuing aid to a large number of individuals who have been out of jobs for 6 months or more and who are currently drawing benefits under the Federal Supplemental Compensation Act. Without this legislation, all of these individuals—about 340,000 nationally and about 13,000 in my own State—will find themselves without any benefits after this week. The bill will not solve the problem of long-term unemployment. It is not as much as some other proposals might have done. But, under the circumstances, it appears to be the most that can be achieved right now. And for those affected, it is of vital importance.

Mr. President, I believe the bill is well justified. I intend to vote in favor of this legislation, and hope the Senate will approve it.

Mr. PACKWOOD. I thank my distinguished colleague from whom I have learned so much. He was chairman of the Finance Committee.

Mr. President, I have nothing else to say on this bill. I hope all those who are intending to offer amendments, if amendments are accepted the House will probably not go to conference, and if there are amendments to extend the cost of the program, the President will veto it, if we ever go to conference. We might as well consider this situation. Either we pass this bill the way it is before us and extend the benefits for those who are on it until they run their benefits out which is about $160 million worth, or nothing. Those are the choices that we face.

AMENDMENT NO. 27

(Purpose: To extend the Federal Supplemental Compensation Act of 1982 until the end of fiscal year 1985)

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], proposes an amendment numbered 27.

Mr. SPECTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) EXTENSION OF PROGRAM.—

(1) Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31" and inserting in lieu thereof "September 30".

(2) Section 505(2) of such Act is amended by striking out "April 1" and inserting in lieu thereof "October 1".

(b) MODIFICATION OF AGREEMENTS.—The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this Act. Notwithstanding any other provison of law, if any State fails or refuses within the three-week period beginning on the date the Secretary of Labor proposes such modification to such State, to enter into such modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period. Pending modification (or termination) of the agreement, States may pay Federal supplemental compensation in accordance with the amendments made by this Act for weeks beginning after March 31, 1985, and shall be reimbursed in accordance with the provisions of the Federal Supplemental Compensation Act of 1982.

Mr. SPECTER. Mr. President, the amendment which I have just submitted is identical to Senate bill 749 which I introduced on March 26, 1985, which provides for a 6-month extension on the Federal supplemental benefits.

At the outset, let me express my appreciation to the distinguished chairman of the Finance Committee, Senator PACKWOOD, for his efforts on behalf of the unemployed. I have listened carefully to what Senator PACKWOOD has had to say concerning the bill which has been reported and what Senator PACKWOOD considers to be the prospects if there is an amendment. And I understand that full well. When I introduced Senate bill 749 which, as I say, this is an exact duplicate of, I had conferred with Senator PACKWOOD and the distinguished majority leader, Senator DOLE, concerning what proceedings might be expected in this body before the recess. I express my appreciation to both of them for their expeditious treatment of this matter as a bill has been reported out continuing the benefits for those who are currently on the rolls.

It seems to me that the action which has been taken, while helpful is realistically viewed not sufficient, and there should be a supplemental effort to get benefits beyond those which would be in effect for the men and women who are on the rolls at the present time.

It is not an infrequent occurrence that when an amendment is offered as these bills come to the floor on the brink of a recess or when the other body is about to adjourn, there are considerations that the matter may not be heard by the other body or there is insufficient time for conference, or that the bill may be vetoed if it is added to by an amendment such as this one. Notwithstanding those considerations, I believe this is an amendment which ought to be considered by this body.

In proposing this amendment, I do so without illusion about its likelihood for success, but I believe it to be very meritorious and that it ought to be debated and deliberated upon by this body and voted upon.

In sending my amendment to the desk I do so on behalf of Senators LEVIN, HEINZ, METZENBAUM, MATHIAS, RIEGLE, and ROCKEFELLER. I ask that they be added as original cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, approximately 8 million people who are unemployed by and large are not unemployed because they choose to do so. Unfortunately, some 501,000 of these unemployed live in Pennsylvania, and again unfortunately Pennsylvania has not been the beneficiary of economic recovery to the same extent as other States.

In Pennsylvania there are large numbers of people who are unemployed as a result of predatory foreign trade practices in imports, which is a subject which has received considerable attention in this body and the

House of Representatives during the past few days.

In holding a series of open house town meetings, some 22 in number in the past 6 weeks in Pennsylvania, I have found double-digit unemployment in many, many areas of my State—in Midland, Sharon, Johnstown, Bethlehem, Scranton, Wilkes-Barre, and other locations. Many, many people are unemployed.

Significantly, steelworkers are unemployed as a result of dumped and subsidized steel which has come into the United States. Many textile workers are unemployed as a result of imports. Coal miners are unemployed in large numbers in western and southwestern Pennsylvania as a result of economic problems beyond their control.

These unemployed workers, Mr. President, really have little interest in unemployment compensation. What they have great interest in is jobs. They have a great interest in stimulating the economy of the United States to provide an opportunity for them to work and to have gainful employment. But facing the stark conditions which they do, it is my view that there has to be a response by the Congress and by the executive branch to do more than retain the program for those who are currently on the rolls.

I agree with the distinguished chairman of the Finance Committee that it would be unfair and unfortunate to strike them from the rolls, but similarly someone who would be eligible for these benefits today and after, she or he, too, ought to be entitled to these benefits.

I realize that this is a program which is expensive. CBO has estimated it at some $1.08 billion. I full well realize the budget constraints that we are operating under in trying to deal with a proliferating and expanding deficit.

These are men and women who, by and large, are not to blame for their status on the unemployment rolls. These are men and women who need these benefits to put bread on the table. That is why I believe this amendment ought to be adopted by this body today.

Mr. President, the hour of truth has arrived. This is our final opportunity to act on the extension of the FSC, Unemployment Benefits Program, before beneficiaries are left without support. To this Senator, some 320,000 unemployed beneficiaries, and many more not yet eligible for this essential program, this extension is a No. 1 priority.

I am grateful that the Senate Finance Committee, as well as the other body, have moved expeditiously to show the unemployed some sensitivity. I appreciate the cooperation of my distinguished colleague, Senator PACKWOOD.

But we must do more to meet the needs of those who only now are exhausting their unemployment insurance and who would just now enter the FSC Program were it not for the expiration date.

I remind my colleagues again that there are over 8 million unemployed persons in the United States. Some 501,000 reside in my Commonwealth of Pennsylvania. Over 241,000 of these jobless workers receive no assistance at this time. Senators have heard from thousands of them. And their message is: Do not break faith with us, just as we have not broken faith with our country, despite our present difficulties. These unemployed are Americans who want to work for a living and provide for their families. They are persons, neighbors, who have paid their share of taxes and who by no fault of their own lost their jobs to the ravages of poor international trade policies and a lack of adequate retraining programs.

Mr. President, I refuse to abandon these Americans simply because the Federal Government has spent far too much more than it has taken in, causing our inexcusable national debt, an overvalued dollar, and thus a flood of imports that has undermined domestic industry.

Mr. President, the amendment I offer today is the same legislation that I introduced on March 25, 1985, and attempted to have placed immediately on the calendar.

Specifically, this amendment will extend for 6 months the unemployment benefits provided in the Federal Supplemental Compensation Act of 1982 [FSC] and provide Congress with obviously needed time to act appropriately to reform and improve this vital program for hundreds of thousands of Americans. We have extended this program in the past, most recently in October 1983, and it is necessary to extend it again as soon as possible. Unemployment has not gone away with the economic recovery. Many Pennsylvanians do not know what the economic recovery is because they have yet to see one. As just one example, as I have stated previously, unemployment in the Mon Valley is estimated to be 30 to 40 percent. Large pockets of unemployment can still be found not only in Pennsylvania but throughout the United States. It is my sense, therefore, that we all must support an extension of benefits in order to provide another chance for many to find employment.

The Department of Labor estimates that 1.34 million persons have been unemployed for 27 weeks or longer. And approximately 1.5 million persons would not receive extended benefits if the FSC Program is terminated.

As I have stated, in my own Commonwealth of Pennsylvania, 8.2 percent of the civilian work force is still unemployed. As of March 2, 1985, there were 28,868 Pennsylvanians utilizing the FSC Program and by April 6, 1985, they will all be cut from this lifeline program. The urgent need for this timely legislation may be demonstrated by a glance at our unacceptably high level of unemployment. This figure—8.2 percent—underestimates the problem because it does not take into account those who have exhausted Federal benefits yet still actively seek employment.

Mr. President, I urge my colleagues all of whom have unacceptable levels of unemployment in their States, to act now to extend the vital FSC Program for 6 months.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SPECTER. I thank the Chair and I yield the floor.

Mr. PACKWOOD. Mr. President, as I indicated before, it is very unlikely that the House is going to go to conference in any event. I suppose it is possible, but it is unlikely. There is no possibility, however, that the President would sign this bill if this amendment was adopted by the Senate and adopted by the Congress.

This program would cost about $1 billion. I well know the heartache of unemployment of which my good friend from Pennsylvania speaks. My State has the same problem. We consistently run 2 to 3 percent above the unemployment rate for the Nation. We have pockets of unemployment which are as severe as any other pockets of unemployment in the steel industry, the coal industry, or any other hard-pressed industry of this country.

As much as I empathize with what he wants to do, we have to say once more that if Members of this body want to help those 340,000 people who are currently on benefits, including those in his State, then they must defeat the amendment of the Senator from Pennsylvania.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, in an address to the Nation on February 5, 1981, President Reagan deplored the fact that there were at that time "7 million Americans caught up in the personal indignity and human tragedy of unemployment. If they stood in line," the President said, "allowing 3 feet for each person, the line would reach from the coast of Maine to California."

Today, the line of which the President spoke is much longer than it was in 1981; 20 percent longer.

A total of 8,339,000 Americans are standing in it today. And the line of the jobless now stretches from Maine to California, and on out for approximately 800 miles into the Pacific Ocean.

And that is precisely where this administration wants to leave the unemployed—stranded far from shore, without help and without hope.

This President, who said not long ago that we should keep the grain and export the farmers, wants to keep the unemployment benefits and ignore the unemployed. And he says that it would "make his day" to veto any legislation that we pass to assist millions of needy families.

That veto threat seems to have had its effect.

But there is spending, Mr. President, and there is spending.

We have plenty of money, it seems, to pay for weapons we do not need and that often do not even work.

We have money to pay for $900 screwdrivers, money to subsidize the lobbying activities of defense contractors, money to build multi-billion-dollar bargaining chips.

We have so much money that we do not require the most profitable corporations in the country to pay even a minimum Federal tax.

But when it comes to loans for struggling farmers—when it comes to college loans and grants—when it comes to helping those who are suffering from what the President called the personal indignity and human tragedy of unemployment—then, it seems, we just cannot afford it.

We have acted before, on three separate occasions, to extend the Federal Supplemental Unemployment Program.

We should do so again.

The legislation before us will not suffice.

It will allow those who now receive Federal unemployment benefits to continue receiving them. But it will cut off, without 1 cent, those who in the future exhaust their State benefits.

It is not enough. We owe more to those Americans who have played by the rules, who have worked hard all of their lives, and who now stand to lose their cars, their homes, and their dreams.

The amendment that I join the Senator from Pennsylvania in offering today would extend the program for 6 months. That is the fair and decent thing to do for the unemployed and I hope that the Senate will have the courage and the compassion to adopt this amendment.

Mr. ROCKEFELLER. Mr. President, I urge support of this amendment to continue the Federal Supplemental Compensation [FSC] Program for another 6 months. A phaseout, while preferable to an abrupt termination of benefits to persons now receiving them, will still mean substantial hardship for large numbers of unemployed people with little immediate prospect of finding jobs.

I wish I could argue, like the supporters of a phaseout, that improved economic conditions have made this program unnecessary. The civilian unemployment rate was 7.3 percent in March—lower than it was in the midst of the last recession, but otherwise still quite high. For the last 10 months, there has been virtually no improvement in unemployment, and 8.4 million people across the country remain on the jobless rolls.

The economy's recovery, besides being incomplete, has been highly uneven. West Virginia, with an unemployment rate of 15.9 percent, obviously still suffers from a devastating shortage of jobs, and it is not alone. In large part, geographic differences in unemployment reflect industrial composition: The manufacturing sector has recovered only about three quarters of the jobs lost during the recession, and major industries, like steel, have barely grown at all. Mining, another key industry in my area of the country, provides fewer jobs now than it did during the recession. Unemployment in areas dependent on such industries also tends to last longer, since there are fewer alternative sources of jobs.

I do not consider the additional weeks of benefits offered by the FSC Program a solution to the problem of high unemployment. But this income support is making a difference to hundreds of thousands of people who have sought jobs, without success, for at least 6 months. Other steps, including better training and adjustment assistance programs, will be required to hasten the reemployment of these workers. But the proposal to phase out FSC is not being accompanied by any such effort. In fact, the administration is trying once again to slash funds for job training, economic development and other activities that could improve employment opportunities. Under these circumstances, the program deserves to be extended.

Mr. GLENN. Mr. President, this administration has been boasting about recovery. But it is a wonderously selective kind of recovery which promises renewed prosperity for some, but continued misery for others. It is a recovery in which over 8 million still can't find work—and millions more are underemployed. While I share the concern over huge budget deficits, I do not believe that the budget should be balanced on the backs of those least able to afford it.

The hard truth is that President Reagan has conveniently forgotten about our unemployed workers. The fortunes of my home State of Ohio are closely tied to the fortunes of basic industries like steel, autos, and mining—industries which continue to suffer from economic and technological change. And let there be no mistake, the problems faced by today's auto, steel, and textile workers are neither easy nor temporary. Economic change is going to continue, and today's plant closings are only a foretaste of the upheaval we can expect as technology continues to advance.

President Reagan seems to think that people become unemployed by choice. But you and I know that most of today's victims are people with proven work histories who can't find jobs because their industries are in decline. To them, the administration's only message is: "Vote with your feet."

Vote with your feet. Just pack up and move someplace else where your prospects might be a little brighter. Well, I say that true prosperity always flows up from the people, and never trickles down from the powerful. I say working people don't need anyone telling them to vote with their feet. What we need is to ensure the continuation of Federal supplemental compensation and to provide training so that these citizens can also be included in the economic recovery.

In order to achieve these goals I have supported and cosponsored legislation to extend Federal Supplemental Compensation which expired at the end of last month. Ohio currently averages 18,000 weekly recipients of FSC benefits. Each week 2,000 Ohioans submit new FSC claims. This extension would allow for the continuation of benefits to 320,000 Americans.

Mr. President I understand that this is not a permanent solution to the problem of unemployment, but this extension will ease our problems in the short term. I have introduced measures in the past which attempt to deal with the long-term problems of unemployment and continue to support programs to provide new solutions to this problem. The question before us, however, is whether or not to extend these benefits. I remind my colleagues that we are not asking for new money for this extension, merely a continuation of the current program to ensure that those who are most affected by the serious problems of our economy will be helped in this time of need.

I ask for the full consideration and support of my colleagues in behalf of this measure. Thank you very much.

WE MUST EXTEND THE SUPPLEMENTAL COMPENSATION PROGRAM

Mr. BYRD. Mr. President, several times during recent weeks I have spoken in this Chamber concerning the nearing expiration of the Federal Supplemental Compensation Unemployment Insurance Program, and steps I believe the Congress should

take to strengthen our unemployment insurance [UI] system.

With the cosponsorship of several other Senators, I have introduced a comprehensive bill to reform the portion of our UI system beyond the basic State programs. That bill, S. 699, while replacing both the Federal Supplemental Compensation [or FSC] Program and the Extended Benefits [or EB] Program with one consolidated program, recognizes that its reforms cannot be implemented overnight. Some form of the FSC Program must be preserved in the meantime. My bill contains such a transition program.

I also cosponsored a bill introduced by the distinguished junior Senator from Michigan, Senator LEVIN, that would extend the FSC Program for 18 months.

Last week, I cosponsored S. 749, introduced by the junior Senator from Pennsylvania, Senator SPECTER, and the junior Senator from Michigan, Senator LEVIN, and other Senators, which does precisely what the amendment of the distinguished Senator from Pennsylvania would do: Extend the FSC Program for an additional 6 months.

I ask unanimous consent, Mr. President, that I be listed as a cosponsor of the amendment.

Mr. President, the Congress of the United States must act to assure that the long-term unemployed workers of this Nation are not left high and dry by the expiration of the FSC Program. A number of States—and a number of areas within other States—have not emerged from the recession that began in 1981 and brought us to the highest level of national unemployment since the end of the Great Depression 50 years ago. My own State of West Virginia currently has a total unemployment rate of over 16 percent, not counting those workers who are so discouraged at their inability to find work that they have ceased looking altogether.

The people receiving benefits under the FSC Program want to work. But they have been unable to find jobs.

At a time when unemployment remains so severe in so many locations, to me it is unthinkable that the Congress would allow the FSC Program to expire.

I am hopeful that during the coming months both the House and the Senate can direct some attention to needed reforms of the entire unemployment insurance system. I believe the bill I introduced earlier this year, S. 699, offers an excellent way to do this—but others may have even better ideas and I stand ready to hear them, to talk with them, and to support the best ideas to emerge. I am very encouraged that the House Subcommittee on Unemployment Compensation already has reported such a bill, very similar to the one I introduced.

But until we have accepted and acted on our responsibility to do something affirmative with the UI system, I believe it is irresponsible just to cut the FSC Program off at the knees. We owe jobless workers more than that. They have every right to expect more responsible treatment from their Federal Government than that.

The 6-month extension of the FSC Program proposed by the pending amendment will buy enough time to allow the careful consideration of longer range and more fundamental improvements. It does not establish a new program. It does not provide new benefits. It does nothing that is not now being done. It simply prevents the disappearance of a very vital program providing lifesaving assistance to the victims of our economy's malfunction.

I urge all Senators to support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. LAUTENBERG] is necessarily absent.

The PRESIDING OFFICER [Mr. ABDNOR]. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 58, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—34

Biden	Harkin	Melcher
Bradley	Hart	Metzenbaum
Burdick	Heflin	Moynihan
Byrd	Heinz	Pell
Cranston	Inouye	Riegle
D'Amato	Johnston	Rockefeller
Dixon	Kennedy	Sarbanes
Dodd	Kerry	Sasser
Eagleton	Leahy	Simon
Glenn	Levin	Specter
Gore	Long	
Gorton	Mathias	

NAYS—58

Abdnor	Cochran	Ford
Andrews	Cohen	Goldwater
Baucus	Danforth	Gramm
Bentsen	DeConcini	Grassley
Bingaman	Denton	Hatch
Boren	Dole	Hawkins
Boschwitz	Domenici	Hecht
Bumpers	East	Helms
Chafee	Evans	Hollings
Chiles	Exon	Kassebaum
Kasten	Packwood	Symms
Laxalt	Pressler	Thurmond
Lugar	Proxmire	Trible
Matsunaga	Pryor	Wallop
Mattingly	Quayle	Warner
McClure	Roth	Weicker
McConnell	Rudman	Wilson
Mitchell	Simpson	Zorinsky
Nickles	Stafford	
Nunn	Stennis	

NOT VOTING—8

Armstrong	Hatfield	Murkowski
Durenberger	Humphrey	Stevens
Garn	Lautenberg	

So the amendment (No. 27) was rejected.

AMENDMENT NO. 28

(Purpose: To allow States the option of a 5-percent trigger for extended benefits)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration. It is an amendment on behalf of myself, Senator SPECTER, and others.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself and Mr. SPECTER, Mr. RIEGLE, and Mr. METZENBAUM, proposes an amendment numbered 28.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

EXTENDED BENEFITS OPTIONAL TRIGGER

SEC. . (a) Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by designating the last sentence thereof as paragraph (4);

(2) by striking out the sentence which begins with "Effective with respect to"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) Effective with respect to compensation for weeks of unemployment beginning after April 30, 1985 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there is a State 'on' or 'off' indicator shall be made as if paragraph (1) did not contain subparagraph (A) thereof.".

(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to weeks beginning after the date of the enactment of this Act.

(2) If the Secretary of Labor determines that State legislation is required in order for a State to comply with the amendment made by subsection (a), the State's unemployment compensation law shall not be found to be out of compliance under section 3304(c) of the Internal Revenue Code of 1954 solely by reason of a failure to comply with such amendment for any taxable year which begins prior to—

(A) in the case of a State whose legislature is in session on the date of the enactment of this Act and remains in session for not less than 25 calendar days thereafter, the date such session ends; or

(B) in the case of a State not described in subparagraph (A), the date of the close of the first session of the legislature which

begins after the date of the enactment of this Act.

Mr. LEVIN. Mr. President, it is clear, after the vote on the Specter amendment, that the Senate intends to see the Federal Supplemental Compensation Program expire after the phase-out period provided for in the committee bill.

It is just as clear, however, that unless we do something, what we will be left with is an inadequate unemployment insurance system. In opposing the reauthorization of the FSC program, the administration argued before the Ways and Means Committee that the program was unnecessary because of the general improvement in the unemployment situation and because the 13-week extended benefits program would still be available for States with high unemployment. The costs of the extended benefits are shared 50/50 by the Federal Government and the States.

While it is undeniable that on a nationwide basis, the unemployment situation has improved from what it was during the depths of the recession, not all States have shared in that recovery. In my home State of Michigan, unemployment still exceeds 9 percent. In other States, it is even higher. Mississippi, Louisiana, and Alabama all exceed 11 percent. Oregon, Washington, and Indiana all exceed 10 percent.

Similarly, a blanket reliance on the current extended benefits program as a safety net for high unemployment States is unjustified in light of the fact that only three States—West Virginia, Alaska, and Idaho—currently qualify for that program. That means that none of the other high unemployment States which I have just mentioned currently qualify.

It is clear, then, that if the extended benefits program is to be a meaningful safety net for high unemployment States, it must be modified. At this time, however, I am not proposing any massive modifications with any massive costs associated with them. What I am proposing is a minor change with a relatively minor cost associated with it, but which would have an important implication for strengthening the unemployment insurance safety net. This change would reduce from 6 percent to 5 percent the insured unemployment rate [IUR] at which a State could trigger on to the extended benefits program. The insured unemployment rate is the number of people in a State who are receiving unemployment benefits compared with the number of people who are covered by the unemployment insurance system in that State. The cost of this change has been estimated by the Congressional Budget Office at $20 million for the remainder of fiscal year 1985 and $40 to $45 million for fiscal year 1986. I emphasize that. I think it is important and in sharp distinction from the amendment we just defeated. The Department of Labor estimates are only somewhat higher, but we are using the CBO estimates. Even the CBO figures probably overstate the cost to an extent, because States would have to enact conforming legislation if they are to qualify, and that could take some time, if it is done at all. But at least here, today, we would have gotten the ball rolling for a more effective and secure unemployment insurance safety net, at an extremely modest cost.

Let me note this point that if States did have conforming legislation, the lowering of the optional State trigger which we are proposing, from 6 percent to 5 percent, would affect at least the following States and benefit the following States: Oregon, Wisconsin, Washington, and Montana. Even the States which it would not immediately affect would stand to gain from a strengthening of the safety net.

For my home State, for instance, it would mean that unemployment would not have to reach totally disastrous levels again before the extended benefits program triggered on. Unemployment would still have to be high, higher than it is today, but it would not have to reach a level of total destitution. That is far less than we should expect from a meaningful unemployment insurance system. But it is all that I am asking the Senate to consider today.

Mr. President, let me reiterate the three points.

First, the Federal Supplemental Compensation Program is about to end.

Second, if we do nothing else, then we are going to be left with a woefully inadequate safety net for unemployment insurance.

And, third, with a minor change at a minor cost, we can go part of the way toward reinvigorating that system and partially rethreading the safety net.

The four States that would immediately be able to trigger on, Oregon, Wisconsin, Washington, and Montana, are the four States that would benefit at this point.

My own State would not benefit at this point. And a number of other high employment States, such as Pennsylvania and Ohio, would not immediately benefit.

But at least that net would be there in the event that unemployment goes up again to disastrous levels, and at a very, very modest cost I think this Senate could feel a little better that we have not totally decimated the unemployment benefit safety net which was in place prior to the end of this month.

Mr. President, again, finally, I have been assured that this would not create a problem in the House of Representatives. To the best of my knowledge, that is so. I hope that information continues to be accurate, but I think we could add this very minor safety net provision without creating a problem in terms of House acceptance.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, my information from the House of Representatives, and all of this is an hour ago, is they are going out tonight, as far as I can tell, and there is not going to be any conference on this bill. That means the benefits are going to run out on Saturday night and we will come back 10 days from now, and my hunch at this stage is there will be no program, period, not this program, not any other program passed or at least signed by the President.

Second, I can say to my good friend, and I certainly sympathize with him, I have to make a decision in my State between roughly 5,500 people who now collect benefits and more who could collect benefits if the Senator's amendment passed; but I know full well that no one will collect benefits if the Senator's amendment passes, because the President will veto the bill and both of us are fully aware that the veto will be sustained.

I cannot even guarantee, as I said in my opening statement, that the President is going to sign the simple extension for those who are currently on benefits. I hope he will, but I have no promise that he will.

So I must reluctantly oppose the amendment of my good friend from Michigan in the hopes of saving benefits for those who are now currently on them.

the PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I urge the adoption of the amendment proposed by the distinguished Senator from Michigan [Mr. LEVIN].

On the earlier amendment which was not successful, although some 34 Senators voted in favor of extending unemployment compensation benefits as opposed to 58 who voted against, I stated in some detail my reasons for urging an extension of unemployment compensation benefits.

It is my belief that the amendment offered by Senator LEVIN is a constructive amendment, one which I have cosponsored. It does not go as far as the amendment which I had introduced, but I think it is worthy of adoption by this body, worthy of being enacted into law. It provides the safety net which Senator LEVIN has noted. It does not benefit the State of Michigan and the Commonwealth of Pennsylvania. But notwithstanding the fact that it does not at this moment take in my own State, I believe it is something we should adopt, and I therefore urge my colleagues to vote aye.

I thank the Chair and yield.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I first of all thank my friend from Pennsylvania for the leadership on his amendment in this area and in general his support for the amendment that is pending.

I only wish that other business had permitted me to come to the Chamber to speak on behalf of his amendment. I do not think it would have made any difference. But he has been leading a valiant effort to try to preserve a safety net.

Mr. SPECTER. Mr. President, will the Senator yield for a question?

Mr. LEVIN. I am happy to yield for a question.

Mr. SPECTER. How many additional votes does the Senator think we would have gained had he been in the Chamber to urge the adoption of my amendment, given his very persuasive powers of advocacy?

Mr. LEVIN. As I indicated, I am afraid not too many.

Mr. SPECTER. Not more than 50?

Mr. LEVIN. Relative to the amendment before us, let me just say briefly this: I have spoken with a Member of Congress who has in turn spoken with DANNY ROSTENKOWSKI.

Now, the Member of Congress I spoke to has the same last name I do. I have a lot of trust and confidence in him.

Congressman LEVIN did speak to Congressman ROSTENKOWSKI about this bill and Congressman ROSTENKOWSKI felt that this would not create a problem with the House of Representatives. It is a small amendment. It is a $20 million amendment, which gives us a little better safety net in the Extended Benefits Program if unemployment goes up. It benefits again only four States. My State is not one of them. But if unemployment goes up, we have to have something there.

The Extended Benefits Program right now only helps Alaska, Idaho, and West Virginia.

At a very modest cost, without any derailing of this legislation in the House of Representatives, we could do a little bit today as we are burying the Supplemental Benefits Program. We are burying it today. We are phasing it out. We are saying those who are on it are going to continue to get benefits but people as they become unemployed are not and people as they exhaust their 26 weeks are not.

I think it is only decent that at that burial we take some modest step to preserve some safety net for America's unemployed. When we can do that for 20 million bucks, it seems to me that that kind of contribution should be readily acceptable.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I am trying to remember when I last talked to the chairman of the Ways and Means Committee on this subject. I have talked with him several times on mileage recordkeeping and timing on tax reform. The last time I talked with him, and it was not today—I have been in the Chamber most of the day—he simply said, "I want nothing added to it. We had a tough enough vote getting it clean as it is."

But I have not talked with him today. However, I talked with the White House and the White House will veto it. I want to emphasize again I have not any promise they are going to sign what we send them as a simple extension. They will not even say that. Anything beyond that, $1 beyond that, as far as I can tell, it is a veto.

Mr. LEVIN. The Senator said a simple extension. He meant a simple phaseout.

Mr. PACKWOOD. A simple phaseout of those currently on it. I appreciate my good friend correcting me.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Michigan.

[Putting the question.]

Mr. LEVIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON announced that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER [Mr. GRAMM]. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 32, nays 62, as follows:

[Roll call vote No. 27 Leg.]

YEAS—32

Baucus	Harkin	Mathias
Biden	Hart	Melcher
Bradley	Heinz	Metzenbaum
Burdick	Inouye	Moynihan
Byrd	Johnston	Pell
Cranston	Kasten	Riegle
Dixon	Kennedy	Rockefeller
Dodd	Kerry	Sarbanes
Eagleton	Lautenberg	Simon
Glenn	Leahy	Specter
Gorton	Levin	

NAYS—62

Abdnor	Goldwater	Packwood
Andrews	Gore	Pressler
Bentsen	Gramm	Proxmire
Bingaman	Grassley	Pryor
Boren	Hatch	Quayle
Boschwitz	Hawkins	Roth
Bumpers	Hecht	Rudman
Chafee	Heflin	Sasser
Chiles	Helms	Simpson
Cochran	Hollings	Stafford
Cohen	Kassebaum	Stennis
D'Amato	Laxalt	Stevens
Danforth	Long	Symms
DeConcini	Lugar	Thurmond
Denton	Matsunaga	Trible
Dole	Mattingly	Wallop
Domenici	McClure	Warner
East	McConnell	Weicker
Evans	Mitchell	Wilson
Exon	Nickles	Zorinsky
Ford	Nunn	

NOT VOTING—6

Armstrong	Garn	Humphrey
Durenberger	Hatfield	Murkowski

So Mr. LEVIN's amendment (No. 28) was rejected.

The PRESIDING OFFICER. Are there further amendments?

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 29

(Purpose: To require a study relating to alternative uses of unemployment compensation)

Mr. HART. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. HART] proposes an amendment numbered 29.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

STUDY OF ALTERNATIVE USES OF UNEMPLOYMENT COMPENSATION

SEC. . (a) The Secretary of Labor shall conduct a study with respect to alternative ways in which unemployment compensation might be used to assist unemployed workers. Such alternatives shall include the use of unemployment compensation (in lump sum payment or otherwise) as—

(1) payments to assist unemployed workers in starting self-employment; and

(2) payments to fund education, retraining, or relocation for unemployed workers.

(b) The Secretary shall report the results of the study to the Congress not later than August 31, 1985. The report shall include any recommendations and proposals for legislation.

Mr. HART. Mr. President, my amendment directs the Department of Labor to study proposals to more creatively use the unemployment compensation system. These proposals derive from the premise that the unemployment compensation system can

and should offer options to the unemployed worker beyond its traditional provision of short-term income maintenance.

Specifically, the Department of Labor would be directed to examine the feasibility of two proposals. The first would allow unemployment compensation recipients to use unemployment benefits to support themselves during the startup phase of a small business or to defray the costs of establishing the business. The second would give unemployment compensation recipients the option of using benefits to fund retraining or education expenses.

Fundamental shifts in our economic base have resulted in massive layoffs in many of our traditional manufacturing industries. Double-digit unemployment rates afflict several of our industrial urban areas. No easy answer exists to eradicate the geographical disparities in unemployment rates. But it is becoming increasingly apparent that the devastation caused by long-term unemployment in large pockets of our population cannot be resolved by an unemployment compensation system that serves only to provide temporary income support payments.

Unemployment compensation can and should do more. At a minimum, it should allow the unemployed worker to create a means of self-sufficiency. For the unemployed worker in Pueblo, CO, faced with little hope of reemployment in the declining steel industries within the city, the best prospect for self-sufficiency lies in taking steps to gain or create employment outside the steel industry.

The worker seeking to gain or create new employment is faced with several impediments. Many unemployed men and women lack the skills required by an increasingly technological society. And many of these workers cannot afford retraining or education programs to acquire necessary skills. Further, regulations in effect often restrict the unemployed worker's use of unemployment compensation benefits while attending a retraining program.

Unemployed individuals with entrepreneurial talents also face overwhelming obstacles. Such individuals often lack the funds required to establish a small business or the means of self-support during a business startup phase. Again, regulations prohibit the unemployed worker from receiving unemployment compensation benefits while establishing a small business.

If one aim of the unemployment compensation system is to promote rather than discourage self-sufficiency, then the unemployment compensation system should seek to remove obstacles to self-sufficiency. The amendment that I am introducing simply directs the Labor Department to study proposals—several of which are currently before Congress—to remove impediments to retraining and self-employment that current by exist in the unemployment compensation system.

Mr. President, this amendment creates no new programs and requires no funding. But it offers us an opportunity to examine two exceptionally promising proposals to modernize and improve our unemployment compensation system.

The unemployment compensation system of this country does sustain workers during periods of enforced idleness when the factory whistle grows silent or the shift size is diminished. But it can, and should, do more. We must discover new approaches to provide opportunities to workers faced with the prospect of long-term unemployment—opportunities to become self-sufficient and productive participants in our Nation's economy.

Mr. President, unemployment compensation is income maintenance for short-term unemployed. The bill under consideration phases out the existing supplemental compensation scheme for the long-term jobless. This amendment does not create a new program in this bill. We are not asking the expenditure of any new funds. We are asking the Senate to recognize that 40 percent of the more than 5 million workers displaced from their jobs between 1979 and 1983 were still jobless as of January 1984. Half of those were displaced because of factory closings.

Mr. President, we can do more with unemployment compensation than promise workers sustenance during periods of enforced idleness. We can retrain them, or permit them to establish their own businesses. We can simply, as a society, do better by them.

Mr. President, this amendment asks the Department of Labor to study changes in regulations which presently prohibit workers receiving unemployment compensation from using those funds to begin their own businesses or to receive training for additional jobs. If that is, in fact, what our economic system is all about, if we are in fact at a tremendous economic transition, then we ought to build bridges from the economy of the past to the economy of the future instead of living in the past. This amendment simply asks the Department of Labor to study those two alternatives and, no later than August 31, 1985, report back to us as to what changes in regulations could be made to accomplish these two goals.

I hope, Mr. President, that the managers of the bill will accept this amendment and we can get on with making these adjustments.

Mr. PACKWOOD. Mr. President, I hope that my good friend from Colorado—and I share the goals of his amendment—would be willing to withdraw the amendment on this condition: Again, since the last amendment was offered by members of the Ways and Means Committee, we are not going to conference on this bill. Unless we pass the bill as it is, unemployment benefits for those now collecting them will terminate this Saturday. I would like to join with my good friend in cosigning a letter to our soon-to-be new Secretary of Labor, Bill Brock, who, I know, is a friend of both the Senator and me, asking him on behalf of both of us and others who may want to sign, to carry out identically the study he has asked for in this amendment. If he would be willing to withdraw his amendment, I should be happy to cosign the letter.

Mr. BENTSEN. If my friend will yield, I say to my friend from Colorado, I think what he is proposing is excellent. I think the idea ought to be explored, and I think a study should be made. I think though, that the manager for the majority has stated well how best to accomplish what the Senator from Colorado intends. I shall be pleased to join him.

Mr. HART. Mr. President, I thank the managers of the bill, the Senator from Oregon and the Senator from Texas, for their assistance in directing this request and inquiry to the Department of Labor and the Secretary. I am sure that it will draw his attention as he enters this position and he will give us some speedy information as to what can be done. I particularly appreciate the indication of support for the philosophy of this amendment and what it is attempting to do.

With that understanding, Mr. President, I shall be more than pleased to withdraw the amendment.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 29) was withdrawn.

The PRESIDING OFFICER. Are there additional amendments to be submitted?

Mr. PACKWOOD. Mr. President, I thank my good friend from Colorado. I know of no additional amendments. I shall be happy to have the vote.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I believe it is highly appropriate that we expedite action on this very reasonable proposal to phase out the Federal Supplemental Compensation Program of extended unemployment benefits. This legislation has two major virtues: It safeguards the concerns of those unemployed who counted on receiving benefits for the number of weeks guaranteed, and it does bring the program to a final end. I want to congratulate the distinguished chairman of the Fi-

nance Committee, BOB PACKWOOD, working out this agreement and getting it to the floor so promptly. It is also very helpful that the House of Representatives saw the light and yesterday passed the identical phaseout proposal that the Finance Committee approved yesterday.

I know, as Chairman PACKWOOD has indicated on a number of occasions, that many Members have an interest in a longer extension of FSC, or in some modifications of the program. But we have to face the fact, as the House did, that the President is very reluctant to accept any extension of FSC. I believe he will accept this bill, but no more. And in any event, time is running out. In fact, time already has run out: This program expired on March 31, and the last benefits are being paid out right now.

COMMITTEE PROPOSAL

Mr. President, the proposal agreed to by the Finance Committee would guarantee benefits for all those who come on to the FSC Program through April 6. Those individuals would keep receiving benefits up to the duration available in their State under the terms of the FSC Program as in effect on March 31. Benefits would range from 8 to 14 weeks in duration depending on the State.

At the same time, this phaseout would bring the FSC Program to an end at a relatively modest cost: about $180 million, according to CBO.

Proceeding with this phaseout will not completely satisfy anyone, which is probably the mark of a good compromise. But this is very much consistent with the history of emergency, extended unemployment benefits. In earlier recessions such programs ended with the recession that spawned them, and we are now 28 months into a strong recovery. When FSC began, unemployment was 9.6 to 9.8 percent. Now it is just 7.3 percent, less than when President Reagan took office, at which time we managed to survive without FSC.

Mr. President, we should take this low-cost route for phasing out FSC and get on with our main task of reducing the deficit so that we can keep unemployment down over the long term. Every previous extension of FSC has also included a benefit phaseout, so there is plenty of precedent for going this way. To do more than a phaseout at this time would, frankly, be fiscally irresponsible; and it would jeopardize the benefits of those who are now on the program, because the President just would not accept it.

I hope we can reach swift agreement on this bill and send it on to the President.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. DURENBERGER. Mr. President, I wish to express my support for the Senate Finance Committee's proposal which is before us today. This proposal appropriately speaks to those 340,000 persons, of whom approximately 3,800 live in my State of Minnesota, who are in danger of abruptly losing all supplemental unemployment benefits. These citizens deserve our best efforts to address their legitimate needs.

At the same time, simply extending the current program of unemployment benefits will not treat the larger issue: This funding is not being targeted to many areas of our Nation that need it most.

Currently, the law treats a State as a single entity for the purpose of determining eligibility for extended unemployment benefits. This ignores the reality that specific areas within a State, such as Minnesota's Iron Range and counties in the northwestern part of the State, suffer from extremely high and prolonged unemployment—despite the fact that the State's overall unemployment rate may fall below the "trigger" level for extended benefits.

Without being overly dramatic, Mr. President, I think it is fair to point out that an unemployed family in Eveleth, MN, has no less need for food and clothing than an unemployed family in Pittsburgh or Little Rock. The fact that Minnesota's overall unemployment rate is lower than that of Pennsylvania or Arkansas will not put food on the table or shoes on children's feet. If we are interested in providing a program to truly aid the long-term unemployed—and I hope we are—then we must acknowledge the need to send the funding where it will do the most good.

For this reason, in April 1983 I introduced legislation to provide a new program of emergency unemployment compensation for areas experiencing high rates of unemployment. The bill would have modified the eligibility trigger requirements by permitting States to designate areas of high unemployment as eligible for extended benefits, even if the State as a whole did not qualify.

Because the Congress failed to pursue that or any other alternative, I again bring this proposal before you today. Developing a formula to implement such an area trigger may be complicated. But I believe sincerely that as long as the need exists, and exists in a number of States, the effort is warranted.

I am pleased to see so many Americans benefiting from what is truly an economic recovery. But like many of my colleagues, I also recognize that millions of Americans, jobless for many months through no fault of their own, are not fully reaping the benefits of our recovery. The extinction of entire industries has precipitated high unemployment in many areas of the country that depended heavily on those industries for decades. Our reluctance to contend with the issue of unfair imports has helped create this acute condition.

While I believe we must improve our assistance to the long-term unemployed, and I believe that an area trigger is the best approach, I would also like to impress upon this body that we will not get to the heart of the long-term unemployment issues until we address the crisis facing many of the basic industries in this Nation due to the high cost of the dollar and competition abroad.

Mr. President, I am most grateful to Senator PACKWOOD for his commitment to hold hearings on the area trigger proposal in the Finance Committee this summer. The proposal is a first step in the process of redeeming a huge and tragic loss of human potential.●

Mr. SIMON. Mr. President, I rise in support of S. 1866, as reported by the Committee on Finance and commend my colleague, the distinguished chairman of the Committee on Finance, for bringing a bill to the Senate floor. While this bill does not do all that we should to support working Americans—many of whom have been victimized by the adverse impact of our growing trade deficit, the value of the dollar versus competing international currencies, and the arbitrary decisions of companies to close plants and move without notice—it is better than no response from Congress at all. This bill will simply phase out the extended unemployment compensation program over a 3-month period.

As an original cosponsor of S. 509, along with my colleague from Michigan, Mr. LEVIN, and other Members of the Senate, I would rather see the Senate debating the merits of the case—providing unemployment compensation to those who need it, providing work and retraining options to those willing and able to earn a living. Most of the people in Illinois, who are about to lose their benefits want to work. For many reasons, including:

Failure to keep pace with developing technologies and employment trends;

Lack of cooperation between industry and higher education to enlarge Illinois research and development efforts;

Inability to get a fair return on the Federal tax dollars that Illinoisans pay, especially from the Department of Defense; and

The need to turn on the creative juices and develop new ideas which create growth, development and new business opportunities.

In many ways, Illinois has been left out of the Nation's apparent attempt to achieve an economic recovery. Between 1969 and 1983, Illinois lost 449,000 manufacturing jobs and 26,000 transportation jobs. The replace-

ments—where they have existed—have largely been in lesser paying areas. Over the past decades, Illinois' average income has dropped from 127 percent of the national average to 106 percent. The Illinois unemployment rate has gone from 72 percent of the national average in 1970 to 121 percent in 1984, According to the Bureau of Labor Statistics, the February unemployment rate in Illinois was 9.4 percent—a full 1.6 percent above the national average—7.8 percent.

In Illinois, the need for extended unemployment benefits is great. We cannot turn our collective backs on the people who built America.

I must reluctantly support the committee bill, but I urge my colleagues to look carefully at the problem we face. Should we continue to pay people not to work, or should we put people to work and build a better, stronger America for our children. The legislation we vote on today is not a solution, it is barely a band-aid. I hope to take an active role, in the very near future, in focusing the attention of the Congress, this administration and the American people on putting America back to work.

After meeting with the Secretary of Labor-designate today, I am confident that we can develop a legislative solution to the problem of prolonged unemployment, welfare dependency and lack of hope which plagues our society.

I hope all of my colleagues will join me in supporting S. 1866, but only with the understanding that this is a half-step in a long walk of 1,000 miles.

Mr. METZENBAUM. Mr. President, I rise to discuss an issue which is causing me a great deal of concern.

Quite frankly, I am confused by the administration's position on unemployed workers. The President has repeatedly said that he opposes extending Federal unemployment compensation benefits. In fact, he may veto the very bill we are considering today.

Why?

In part, the President has said, because he believes that many of the long-term jobless are better served through retraining programs. According to President Reagan, the better route—and I am quoting him directly now—"for people who are having problems is our job-training program directed at those who have to be relocated because something has happened to the industries they formerly worked in."

But, this very job-training program—the JTPA displaced workers program—which the President claims he favors over the Federal Unemployment Compensation Program—is also a program he would like to cut. The President has asked Congress to rescind $119 million out of a total of $222 million already appropriated for program year 1985. He has also recommended reducing the funding level for 1986.

Once again, this administration is saying one thing yet acting in a completely different manner.

It makes no sense at all.

For the long-term jobless, many of whom have permanently lost their jobs because of changes in the economy, getting back on their feet is an elusive goal. That is particularly true for those who were formerly employed in the smokestack industries—and it is increasingly becoming true for the many thousands who have lost or who stand to lose their family farms.

Look at the domestic auto industry. Despite high profits last year, this industry employs 25 percent fewer workers than it did in 1978.

Employment in the steel industry has gone from 449,000 in 1978 to a current level of approximately 155,000.

In the textile industry, more than 240,000 workers lost their jobs between 1980 and 1983, and that number continues to decline.

Two hundred thirty-eight family farms are failing every day.

It has become obvious that many hard-working Americans will be unable to go back to their old jobs. The simple truth is that their jobs no longer exist. The reasons for this are plentiful.

Foreign imports have captured increasingly larger shares of the domestic market—30 percent in steel, 25 percent in autos, and 50 percent in textiles.

Plants are shutting down, and as American companies shift to new technologies, they use fewer workers for production. And, like it or not, American businesses are going overseas to reap the benefits of cheaper labor and to take advantage of lucrative investment tax policies.

Make no mistake, Mr. President, an unfettered marketplace and a free-wheeling economy do not come without cost. And, in this instance, that cost is permanent job loss for thousands of American workers.

These Americans, who through no fault of their own have been put out of work, deserve a second chance. They deserve to have the opportunity to develop new skills for the new economy. But due to the circumstances in which they find themselves, they often lack the means to get that second chance. They need help in making a difficult transition—and it is very much in the national interest to give them that help.

Title III of the Job Training Partnership Act, known as the Dislocated Workers Program, recognizes this critical problem and the Nation's responsibility in solving it. The program, which was enacted into law last year is designed to provide training and assistance to workers who have no hope of returning to their previous jobs. Like the umbrella program of JTPA, title III relies on a private-public partnership in educating and retraining workers.

More than 100,000 unemployed workers have already participated in the title III program. Thousands more are signing up.

And that is no surprise because title III is working. Under title III, for instance, United States Steel Corp., with matching Federal funds, set up eight dislocated workers centers at plants United States Steel scheduled to close. These centers helped steelworkers identify new career skills, provided counseling to ease the stress associated with job loss, and offered a network to help workers find new jobs. And judging from most accounts, these centers were a real plus.

This is just one example. In every part of the country, State governments are working together with business and labor and are providing dislocated workers with real hope and real jobs.

In justifying its rescission request, the administration has claimed that title III is currently overfunded. Many States, they say, have not utilized the funds available.

At best, this is a misrepresentation of the facts. As I understand it, some States have simply spent their own funds first in establishing training programs under title III and have yet to tap into the Federal appropriation. Also, considering the newness of the entire program, some States may have been slow in starting up any title III effort.

In other words, the administration is presenting statistics which conveniently serve its own purpose, ignoring the fact that the title III money that we have already appropriated is committed and will be properly spent.

Contrary to what the administration would have us believe, unemployment is still a very serious problem in this country, and many unemployed workers will never have the chance to go back to their old jobs. This is no time for us to rob them of their opportunity for a second chance.

I urge my colleagues to resist any attempt to rescind funds for the displaced workers' program.

Mr. RIEGLE. Mr. President, yesterday, the Finance Committee acted to provide a phaseout period for those unemployed currently receiving benefits under the Federal Supplemental Compensation [FSC] Program. That legislation is before us this afternoon. The action is significant because, as my colleagues know, the FSC Program expired on Sunday. The phaseout period will ensure that the approximately 18,000 Michigan unemployed and the 325,000 unemployed across the Nation will receive the remaining weeks of FSC benefits for which they

have qualified. These long-term unemployed remain unable to secure employment despite improvements in the economy and they faced the bleak prospect of receiving their last check this week. Consequently, I would urge my colleagues to support the phaseout period which is so critical for these unemployed workers.

Before we congratulate ourselves for passing a simple phaseout, however, let me suggest that this action does not address the need for an adequate unemployment insurance [UI] program for the long-term unemployed. Too many people forget that nearly 8½ million American workers remain unable to secure employment despite their job search. Some 3.2 million workers currently receive regular State UI benefits. In my State of Michigan, nearly 145,000 unemployed qualify for the regular benefits. These unemployed will not benefit one iota when we simply pass a phaseout provision. Even if they remain unemployed after exhausting their regular benefits, they will have no Federal unemployment insurance system to rely on because we are effectively killing that system today. The Center on Budget and Policy priorities has noted that, in 1984, the unemployment insurance system benefited the lowest percentage of unemployed in the program's history. With the expiration of the FSC Program, that percentage will drop even lower. Since most predictions indicate that unemployment will not decrease significantly in future months, where will these unemployed turn?

The American people should know why both the House and the Senate Finance Committees have acted to provide only a phaseout period. The President has made it clear that he opposes the extension of the FSC Program and that he will veto any attempt by Congress to pass an extension. He claims that the strong economy and job training programs will provide the panacea for the long-term unemployed. What the President fails to tell the American people, however, is that his budget proposes a 55-percent cut in the job training programs for these dislocated workers, and a 29-percent cut in general employment and training programs. These cuts would be in addition to the cuts of 35 to 40 percent in job training programs enacted during Mr. Reagan's first term. Our Nation's unemployed thus face the prospect of an elimination of Federal unemployment benefits and a severe cut in job training programs. I find this approach to be terribly shortsighted for the economic health of our Nation, and terribly callous to the needs of our workers who remain unable to find jobs.

Mr. President, I am cosponsoring the amendments offered by my colleagues from Pennsylvania [Mr. SPECTER] and Michigan [Mr. LEVIN]. Senator Specter's amendment extends the FSC Program for 6 months to reflect the fact that many long-term unemployed will require these benefits during 1985. The FSC Program has worked well and, as the statistics indicate, a need continues to exist for the program. We should not discontinue FSC benefits now simply because the administration would prefer to spend taxpayers' dollars on a new space weapons system and in other areas.

The amendment offered by Senator LEVIN strengthens the Extended Benefits [EB] Program by undoing some of the misguided technical changes enacted during the 1981 Budget Reconciliation Act. The EB Program was enacted to provide temporary extensions of UI benefits during periods of high unemployment. Despite this rationale, six States with unemployment rates greater than 10 percent do not qualify for the program. My State of Michigan triggered off the program in May 1983 despite having an unemployment rate of almost 15 percent. Michigan has remained off the program while suffering double-digit unemployment during 20 of the past 21 months. With the expiration of the FSC Program, the need for a strong EB Program has become even greater. Senator LEVIN's amendment provides a safety net for the long-term unemployed.

Mr. President, while I commend the Finance Committee for acting to ensure that present FSC beneficiaries will not suddenly lose their benefits this week, we must do more. Too many American workers remain unable to find jobs. Too few of those unemployed receive aid to help them and their families survive the painful period without wages. We cannot turn our backs on these individuals now. I strongly urge my colleagues to support the amendments offered by Senators SPECTER and LEVIN.

Mr. CHILES. Mr. President, in his news conference on March 21, President Reagan urged the 340,000 Americans about to lose their unemployment benefits with the expiration of Federal supplemental compensation to enroll in Government training programs. President Reagan referred specifically to the dislocated workers' program, which is authorized under title III of the Job Training Partnership Act and provides employment and training assistance to the long-term unemployed and those who have been laid off due to plant closings.

It seems ironic when President Reagan refers FSC recipients to job training programs at the same time that his budget proposes a 29-percent reduction in funding for JTPA. It no longer appears ironic, but cynical, that he should specifically refer them to title III training activities, a program whose funding he proposes to more than halve from its present level of $223 million. Under the President's budget, $120 million would be rescinded from the fiscal year 1985 appropriation; in fiscal year 1986, the new funding level would be $100 million.

The Department of Labor bases its recission request for title III funding on the existence of unanticipated large carryovers of funds from prior fiscal years. But a new study, conducted by the Westat Corp., for the Department of Labor, suggests these carryovers are far less than the expenditure data would indicate.

According to the Westat study, the carryovers are partly an artifact of how States are contracting for the provision of services to dislocated workers. In many cases, States use performance-based contracts, with payment to providers following only the placement of trainees in jobs. In other cases, expenditures from some projects are reported only after the completion of the project. The Westat investigators conclude, "These two factors, along with the general problems some States are experiencing with attempts to develop centralized management information systems, have resulted in artificially low expenditure rates."

If the Westat investigators are correct, then the proposed recissions and cutbacks in funding for title III programs would not be cushioned by the carryovers from prior years. As a consequence, the effectiveness of this program could be seriously undermined. Such cutbacks would be unfortunate in view of the early reports of the success of the program. The Westat study, for example, shows that the dislocated worker program has achieved a job placement rate of 72 percent.

And clearly, the problems of dislocation remain unabetted by the recovery. The manufacturing sector has recovered only about 70 percent of the jobs lost during the 1981–82 recession. Many of these jobs are in the heavy durable sector which we typically associate with dislocation—such as steel and automobiles. Yet, the problems of dislocation extend far beyond the manufacturing sector—from the Rust Bowl to the Dust Bowl. Several Midwestern States, including Iowa, Minnesota, and Kansas, have extended the criteria for title III participation to include farmers who, because of bankruptcy or an inability to obtain credit, are being forced off their land.

Cutbacks in title III funding, combined with the termination of WIN and drastic cutbacks in other training programs, will place additional pressure on the title IIA grants to States for the training of disadvantaged youths and adults. It would be unfortunate to further strain the resources of a program whose funding, relative to the population it serves, is extremely limited. According to a study by Grinker, Walker & Associates, most

service delivery areas find they can serve less than 5 percent of the eligible population.

Despite the limited funding, the early performance of title IIA projects have far exceeded expectations. The Grinker-Walker study finds that placement rates were on average much higher than anticipated or as set forth in Federal standards: 70 percent versus a 58-percent standard for adults, and 68 percent for youth versus a Federal standard of 41 percent. Costs were much lower than anticipated: For adults, cost per placement was $3,324, versus the Federal standard of $5,900; for youth, cost per positive termination was $3,145, compared to the Federal standard of $4,500. The Westat study found similar laudable results.

The high placement rates and low-training costs have helped nurture the enthusiasm of the private sector—the new partners in the job training venture. Over the past 1½ years, the involvement of the private industry councils has greatly increased. A National Association of Business study shows that the local private industry councils have become actively involved in the selection of types of training and service providers. Because the jobs for which participants are trained are ultimately to be found in the local business community, the active participation of the PIC's is requisite for the continued success of the program.

But, can this enthusiasm continue if we reduce funding for title IIA programs or further increase the pool of eligibles? To a business community used to associating success with increased profits, do cutbacks in training resources send the right signal?

It is unfortunate that the recent action of the Senate Budget Committee has not reversed these adverse signals. Most of the President's cuts were approved by the Republicans on the Senate Budget Committee when they accepted Senator DOMENICI's package last month. The Domenici package accepted 80 percent of the President's original cuts, recommending that job training programs be cut by $937 million. In the area of employment service, whose mission is to place unemployed workers in new jobs, the Domenici package went even further than the President, by proposing that funding be reduced by 25 percent.

I am hopeful that funding for these programs will be restored when the budget resolution is considered on the Senate floor. At that time, I intend to reoffer my committee mark which adds some inflation protection for JTPA activities. Only by truly offering a training alternative to the long-term unemployed can we safely allow FSC to expire at this time.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. HATFIELD. Mr. President, the Senate has before it a measure responding to the March 31, 1985, expiration of the Federal Supplemental Compensation Program. This measure will allow the estimated 340,000 individuals and families whose benefits were terminated as of this week to continue to receive their remaining payments. In my view, this bill represents the bare minimum response by Congress on this matter. If the Extended Benefits Program effectively provided the needed safety net to the long-term unemployed, then even this action today may not be necessary. However, the sad fact is that it doesn't and that action is necessary.

Proponents of termination of the FSC Program argue that improved economic conditions have rendered it unnecessary, particularly given the necessity for Congress to reduce the Federal deficit through reductions in Federal spending. That existing job training programs are able to provide the necessary assistance to the long-term unemployed. They point out that the FSC Program was intended to provide emergency aid during a period of time when unemployment reached a post-war high of 10.7 percent and that the crisis has subsided now that our Nation's unemployment rate has fallen to 7.3 percent.

Well, Mr. President, there is no denying that economic conditions have improved since 1982. The national unemployment rate has fallen significantly and our economy is continuing to grow at a modest pace.

However, while this may be true nationally, serious unemployment and economic stagnation continues to be present in numerous States and communities. Oregon, for example, is still suffering the effects of the past recession which was brought about by national economic problems that were not of its own making. The State unemployment rate for February was 11 percent with 17 of 36 counties reporting an unemployment rate of 15 percent or more. Also in February, 7,300 additional individuals were added to the list of those without employment.

I point this out not to debate whether or not there has been an economic recovery, but to make clear that unemployment has not disappeared. Several States and hundreds of communities across our Nation are still burdened by serious unemployment. Our actions today to enable those already on the FSC rolls to receive their weekly payments up until their eligibility expires is the minimum action that equity demands. To abruptly terminate benefits to those individuals and families expecting and depending on full payments would be grossly unfair.

Let me say, also, that I continue to be deeply concerned about administration and Congress' willingness to terminate a program which would provide needed assistance to the close to 1.5 million unemployed persons who will exhaust their regular benefits in the months ahead while at the same time providing the Pentagon with a virtual blank check. We argue that extending or reforming the program would be too costly, that it would jeopardize deficit reduction efforts. Well, Mr. President, I am a strong supporter of deficit reduction. The persistence of $200 billion annual deficits requires immediate action by Congress. To not take any action threatens any economic recovery achieved thus far. However, I do not believe that the budget should be balanced on the backs of the poor and unemployed. How can we argue this week that the FSC program is too costly and then in the weeks ahead not take action to curb the insatiable appetite of the Department of Defense. It is unconscionable to say no to the unemployed and say yes to more bombs, to chemical weapons, and to an endless arms race in space.

This is not just a matter of consistency in our budgetary priorities, it is a matter of fairness and equity. Congress desperately needs to ensure needed assistance is available to the long-term unemployed and that efforts are undertaken to reduce the unacceptable numbers of unemployed in struggling communities across the country. One step may be for Congress to reexamine the Extended Benefits Program. Presently, only two States are eligible for extended benefits because of the triggering level of the program. Thus, in many States, the expiration of the FSC program will mark the end of assistance to unemployed persons beyond the 26-week period. For this reason, I supported Senator LEVIN's amendment lowering the triggering threshold.

I recognize, however, that merely adjusting the assistance formulas to create new handouts is not the answer. We need to put people back to work. In my State, those who have been squeezed out of employment by our struggling economy are not content to collect checks and sit around. They are looking for work and they want work. Concerted efforts in job retraining to assist Oregon's growing dislocated work force are underway. But even these efforts are threatened by the administration's budget proposal for an across-the-board cut in funding for JTPA training programs.

In my view, Mr. President, both targeted job training and extended benefit assistance, along with sound budgetary practices that reduce deficits and return a measure of sanity to our defense spending practices, are the most reasonable solutions.●

The PRESIDING OFFICER. Are there further amendments to be proposed? If there be no further amend-

ments to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0—as follows:

[Rollcall vote No. 28 Leg.]

YEAS—94

Abdnor	Gore	Mitchell
Andrews	Gorton	Moynihan
Baucus	Gramm	Nickles
Bentsen	Grassley	Nunn
Biden	Harkin	Packwood
Bingaman	Hart	Pell
Boren	Hatch	Pressler
Boschwitz	Hawkins	Proxmire
Bradley	Hecht	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Chiles	Inouye	Rudman
Cochran	Johnston	Sarbanes
Cohen	Kassebaum	Sasser
Cranston	Kasten	Simon
D'Amato	Kennedy	Simpson
Danforth	Kerry	Specter
DeConcini	Lautenberg	Stafford
Denton	Laxalt	Stennis
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Long	Thurmond
Domenici	Lugar	Trible
Eagleton	Mathias	Wallop
East	Matsunaga	Warner
Evans	Mattingly	Weicker
Exon	McClure	Wilson
Ford	McConnell	Zorinsky
Glenn	Melcher	
Goldwater	Metzenbaum	

NAYS—0

NOT VOTING—6

Armstrong	Garn	Humphrey
Durenberger	Hatfield	Murkowski

So the bill (H.R. 1866) was passed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONDEMNATION OF VIOLENCE OF APARTHEID IN SOUTH AFRICA

Mr. KENNEDY. Mr. President, under the previous agreement, I believe it is now in order to vote on the resolution on condemning the killings in South Africa, and I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

Under the previous order, the Senate will now proceed to the consideration of Senate Joint Resolution 96, which will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 96) condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There is 10 minutes of debate. Who yields time?

Mr. KENNEDY. Mr. President, I am quite prepared to yield back, but, as I understand it, the consent resolution included a revised joint resolution to conform with the language changes which have been agreed to by the chairman of the Foreign Relations Committee and other interested Senators.

I now send to the desk for consideration a revision of the joint resolution.

The PRESIDING OFFICER. The revision has been authorized.

The revision is as follows:

S.J. RES. 96

Whereas apartheid is a system of institutionalized racism that oppresses 23 million black people in South Africa;

Whereas apartheid is a system that can only be maintained by the activities of the South African security forces;

Whereas on March 21, 1985, the South African police opened fire on a crowd of black people in the Eastern Cape area of South Africa, killing at least nineteen individuals and wounding many more;

Whereas these killings have brought the death toll in South Africa during the past year to a total of 244; and

Whereas the Congress desires a full and impartial report on the circumstances of the recent violence;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Congress of the United States endorses the statements of the Secretary of State on March 21, 1985, that

(a) the system of apartheid in South Africa is "totally repugnant to the people of the United States;"

(b) these most recent killings "underline how evil and unacceptable apartheid is;" and

(c) this most recent act of violence by the South African police is "deplorable" and the people of the United States "have nothing except denunciation to say for it."

SEC. 2. The Congress requests that the Secretary of State conduct a study of the violence in the Eastern Cape during the period of March 21 through 24, 1985, and submit a report to the Congress by June 15, 1985, on the circumstances relating to the violence, including, but not limited to, the number of people killed and wounded.

SEC. 3. The Congress requests that a copy of this resolution be transmitted by the Secretary of State to the Government of South Africa.

Mr. KENNEDY. Mr. President, on Thursday, March 21, 1985, a massacre occurred in South Africa. At least 19 people were shot down in cold blood by the South African police; scores more were wounded. It appears that police fired indiscriminately into an unarmed crowd of black people.

Within hours of that massacre, Secretary of State George Shultz testified before the House Appropriations Subcommittee on Foreign Operations chaired by Congressman BILL GRAY. The Secretary was asked for his reaction to the attack. He said that apartheid is "totally repugnant to me, the administration, and the President," and that this most recent killing was "deplorable." He said that he had "nothing except denunciation to say for (the violence)."

When Secretary Shultz spoke these words, he spoke for the American people. The Congress of the United States should now add its voice to the worldwide chorus of condemnation that this massacre in South Africa has inspired. This resolution quotes the words of Secretary Shultz and makes those words our own.

This resolution also asks the State Department to conduct a study of the violence in the Eastern Cape and to report back to the Congress. We agree with the statement issued by the Southern African Catholic Bishops Conference that "no amount of provocation, if indeed there was any, can justify such bloodshed." But we also believe that a report to the Congress on this event is desirable for a number of reasons.

The initial reports from the South African authorities as to what happened in Uitenhage have conflicted with more recent evidence that has come out of South Africa during the past few days. This raises questions as to the reliability generally of information that comes from the Government of South Africa.

The South African Ambassador to the United States, for example, stated on national television 2 days after the shooting that the victims were not going to a funeral but were instead marching on a white township with a sinister purpose in mind. But, according to virtually all news reports, the crowd had gathered for the purpose of attending funeral ceremonies in a nearby township for three blacks killed in a clash with the police 10

days earlier, and that the crowd was traveling on foot because the authorities had forbidden them to go to the funeral by car.

In addition, the Minister of Law and Order in the Botha Cabinet stated to the South African Parliament that a single police patrol had come under attack and been surrounded by a crowd armed with stones, sticks, and gasoline firebombs. President P.W. Botha repeated that version. But, according to sworn affidavits of eye-witnesses gathered by a group of six members of the South African Parliament, the crowd was unarmed and the shooting was unprovoked. According to the findings of these parliamentarians, the first casualty was a boy on a bicycle. They also found no evidence of incendiary bombs. On the contrary, the parliamentarians report that the police sought to alter the scene of the shooting by planting rocks in the hands of the victims after the incident.

The greatest concern to us, however, is the question of the number of casualties. The South African authorities have stated that 19 individuals were killed in the shootings. But we have heard many reports from a variety of individuals inside South Africa who traveled to the Eastern Cape area after the shooting that the death toll from this incident is actually much, much higher. The South African authorities have continued to prevent access to the hospitals to allow independent observers to verify the official casualty reports.

We think that it is important that there be an accurate and reliable and independent accounting of the casualties, that the full dimension of this massacre be known, and that there be no successful coverup by the South African Government.

It is true that the South African Government has already ordered its own investigation, and it is also true that this investigation, chaired by a distinguished judge, Mr. Justice Donald Kannemeyer, has already begun taking testimony in the Magistrate's Court in Uitenhage. Much of the testimony has already contradicted the official version of the incident as presented by President Botha, Minister of Law and Order LeGrange, and Ambassador Fourie.

I am submitting for the record a series of questions that I hope can be answered by the study produced by the State Department. It is important for the Members of the Congress, as we debate our national policy toward South Africa, to have a full understanding of this event.

The massacre at Uitenhage is a tragedy that does not seem to end for the people of South Africa. I would like to submit for the RECORD an article in today's Chicago Tribune giving examples of the continuing violence in South Africa. This article contains eyewitness accounts of additional, unprovoked, unwarranted, gratuitous attacks by the South African police upon innocent South Africans—incidents that involve chasing and beating of youths, throwing tear gas into homes, and shooting residents with birdshot. As one resident stated, "It is as if the police have declared war, and we are under siege."

Mr. President, it is important that Congress speak out swiftly and strongly on this issue. It is important that our words be heard by the people of South Africa and by the Government of South Africa. On the question of apartheid, the United States of America should speak with one voice. For these reasons, I urge my fellow Senators to vote for this resolution.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Chicago Tribune of April 3, and a list of questions for the State Department's study.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOUTH AFRICA BLACKS TELL OF "POLICE SIEGE"

(By Nathaniel Sheppard, Jr.)

UITENHAGE, SOUTH AFRICA.—It had begun like any other Saturday morning, Thozama Peter said. She was nursing her 8-month-old daughter, Pumeza, in the kitchen of her home in nearby Despatch at 8 a.m.

Suddenly there was a crash, the sound of glass and the house began to fill with smoke. It was tear gas, she said, tossed into the house by police passing through the neighborhood on an armored-personnel carrier.

There were no demonstrations or groups of people on the street, Peter said, so she did not know what had prompted the police.

Peter began to choke. Her baby began to jerk, then lost consciousness. When she took Pumeza to the hospital here, the baby was given pills and a sucrose solution, Peter said, and she was told to return Sunday with the child if her condition did not improve.

The baby's condition worsened during the night and Peter returned to the hospital Sunday when the child began to convulse violently. Pumeza died within minutes of their arrival.

At 8 p.m. Saturday, Ronnie Booysen, his four children and two other adults were eating supper at Booysen's home in Despatch. His aunt, Queenie, was in her bedroom.

There was a thud in the front room and the house filed with smoke. It was tear gas, thrown from a police vehicle, Booysen said. They doused the tear-gas canister with water, but by the time the fumes subsided, the aunt, who had respiratory problems, was dead.

"It was an unprovoked attack," Booysen said. "There was no trouble outside and no protest activity in the community."

Booysen and Peter were among about a dozen residents of black townships between Uitenhage and Port Elizabeth who said police launched unprovoked attacks on their communities during the weekend, chasing and beating youths, throwing tear gas into homes and shooting residents with birdshot.

"It is as if they have declared war, and we are under siege," said one resident who asked not to be identified because the fate of his missing son is not known.

Authorities have said a strong police presence in black townships is required to maintain law and order. They maintain that turmoil has arisen from black leaders who do not want a peaceful solution to South Africa's problems. Inquiries for a police response to residents' allegations of unprovoked attacks were unanswered Monday.

Residents lined up at the Catholic church in Uitenhage on Monday to give affidavits to attorneys and representatives, while human-rights organizations tried to gather information on any deaths, injuries, arrests and disappearances in the black townships. Residents say incidents have occurred since police opened fire on a group of mourners headed toward a funeral, killing at least 19 people and touching off three days of violent unrest.

Almost daily since the shootings on March 21, the anniversary of the slaying of 69 blacks by police in Sharpeville, township residents have come to the church for help. About 80 families have sought help in learning the fate of relatives missing during the unrest, while dozens more have sought assistance in getting bail for teenagers arrested in the disorders.

On Sunday, police sprayed a group of mourners returning from a funeral in Zwide with birdshot, tear gas and rubber bullets. One man was killed when he was hit in the throat with birdshot.

Theo Brian, of Langa, said he and friends were returning from a funeral in Zwide for victims slain by police when a helicopter began to circle overhead. Police in a "hippo," as residents sometimes refer to the armored vehicles, drove by and began firing tear gas, he said.

"They fired indiscriminately," he said, "in yards and on top of houses. People in their homes were confused and did not know what was happening. It seemed that everywhere the helicopter stopped the police in the hippos would come and fire tear smoke."

Wilson Pityana, a service station owner in Kwanobuhle, said the unrest in black townships seemed to occur when there was a police presence. "The police are to the community as a red tag is to a bull," he said.

QUESTIONS FOR THE DEPARTMENT'S STUDY

I believe that the study conducted by the State Department of the March 21 shootings in Uitenhage should endeavor to answer the following questions:

(1) How many people were killed in the shootings? How many people were wounded?

(2) What are the names, ages and sex (male/female) of the victims (dead and wounded)?

(3) Were any of the victims armed? If so, with what sorts of weapons?

(4) With what kind of weapons were the police armed at the time of the shootings? What weapons were used? Did the police have tear gas available? If so, why was it not used? If not, why not? Were other less drastic riot control measures available?

(5) How long did the firing last?

(6) Why had the people gathered in a crowd, and what was their intention?

(7) How many people were in the crowd at the time of the shootings?

(8) How many police were present at the time of the shootings?

(9) How far away from the police were the people when the first shot was fired?

(10) Was a warning of any kind given by the police to the people in the crowd?

(11) What were the circumstances surrounding the firing of the first shot?

(12) What instructions or orders were given that day to the police involved in this incident?

(13) Was there any attempt by the South African government to cover up the circumstances or the magnitude of this event?

Mr. WEICKER. Mr. President, I rise in strong support of the resolution before us, which condemns the recent violence in South Africa and directs the Secretary of State to seek a full factual account of the incidents in the Eastern Cape of South Africa last month.

For the United States, there can be no ambiguity with respect to apartheid. It is particularly repugnant as it elevates to the level of law the dehumanization of 23 million black South Africans. It crushes human life with violence, such as occurred in Eastern Cape, and snuffs out life with oppressions of poverty, starvation, and disease. One in two children born in the segregated black homelands dies before the age of 5. As advocates of the dignity of mankind and the rule of just laws, we must be more than sympathetic to the tragedy of South African blacks. We must stand with them.

I appreciate the efforts of the majority leader and chairman of the Foreign Relation Committee to expedite the consideration of this matter, so that it can be done in the most timely manner possible. I especially want to commend the leadership of the Senator from Massachusetts in drafting and putting this urgent and important matter before the Senate.

Mr. President, throughout my career in Congress, the Government of the United States—and that includes both Congress and successive administrations—has been the silent ally of the apartheid by our inaction. I am proud that we are beginning to find our tongue on this matter. I hope that the days ahead will find us using our voice in support of peaceful change and acting to back up our words.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. KENNEDY. I am glad to yield.

Mr. PROXMIRE. Mr. President, I cosponsored Senator KENNEDY's joint resolution because I agree that the March 21 action by the South African police in opening fire on a group of unarmed people was in the words of the Secretary of State "deplorable and the people of the United States have nothing except denunciation to say for it."

Since there have been so many conflicting, misleading, and contradictory statements by the South Africa Government about that incident, which resulted in the deaths of at least 17 people and the wounding of many more, it seems wise to request that our own Department of State carry out an investigation on that matter and give the Congress a full report. I believe such a report will be very helpful to the Congress as we consider what should be the right and moral policy for this country to adopt toward the benighted government of that country. My own view as to the proper policy for our Government to adopt is set forth in my bill, S. 147, which I introduced on January 3, 1985. Among other things it calls for a ban on new investment and new bank loans to that country until it changes its apartheid policy. Under that policy, a small white majority maintains a harsh and absolute rule over the black majority who have no political rights. The March 21 violence condemned by this resolution makes clear South Africa can only maintain that rule by using increased violence. That will not serve the interests of either the black or white South Africans nor U.S. interests in that country. We need to encourage peaceful change in that country and my bill is designed to do that.

I support this resolution and commend Senators KENNEDY and WEICKER for offering it.

Mr. KENNEDY. Mr. President, I am quite prepared to yield back the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana, the distinguished chairman of the committee, is recognized.

Mr. LUGAR. Mr. President, I rise in support of the resolution offered by the distinguished Senator from Massachusetts. He has worked with the staff of the Foreign Relations Committee and we have asked that support come for his resolution as a way of expressing our outrage.

At the same time I deeply appreciate the assurances by the Senator who will work with the committee as will many Senators as they think through carefully our policy with regard to South Africa.

I pledge our committee will have hearings, will have markup, will have a full opportunity for all Senators to be heard on the South African issue as we attempt to think through ways which our policy might be more effective.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am quite prepared to yield back the time. I believe the Senator from Connecticut will be the designee on the Republican side.

Otherwise, I withhold the time or am glad to yield such time as my colleague from Massachusetts may desire.

Mr. KERRY. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield to my colleague from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I rise in support of the resolution of my colleague from Massachusetts.

Mr. President, in light of the continued violence in South Africa, stemming from that Government's strict adherence to the most immoral of human policies—that of apartheid—this resolution represents the most minimal response this body can make to the racial tragedy of South Africa.

While I will support passage of this resolution, I believe the measures contained in S. 635, which was introduced by my distinguished colleague from Massachusetts, Senator KENNEDY, and of which I am a cosponsor, are a much more effective response to this situation.

Briefly, S. 635 proposed the following:

A prohibition on new funds from the United States to establish or finance American corporations in South Africa.

A prohibition on bank loans to the Government of South Africa or its parastatal entities, except those loans used for the construction or operation of educational, housing, or health facilities open, and accessible, to all South Africans on a nondiscriminatory basis.

A prohibition on the importation of Krugerrands into the United States.

A prohibition on computer sales to the South African Government.

As I stated earlier in my remarks, S. 635 represents a more effective vehicle to deal with the situation in South Africa and, in particular, U.S. financial dealings with that country. While Senate Resolution 96 places the Senate on record in condemning the racial violence in South Africa, and calls upon the Secretary of State to undertake an investigation into this violence, the resolution does not contain any remedial steps which could be helpful in at least encouraging a process aimed at dismantling apartheid.

Mr. President, I think it is important to understand the growing moral outrage in this country over the issue of the South African Government's racial policies. These policies contravene, so thoroughly, the morality and values that we individual Americans hold in such high esteem. And our sense of outrage is compounded by the fact that the official policy of the United States of constructive engagement—based upon a trickle-down theory of human rights—continues to contribute sustenance and support for a regime whose values are so contrary to our own.

The debate on this issue brings to mind the philosophical underpinning of this administration's so-called quiet

diplomacy and policy of constructive engagement. And the philosophical underpinning of this administration is United Nations' Ambassador Jeane Kirkpatrick's thesis entitled: "Dictators and Double Standards." According to this thesis, a distinction must be made, in our foreign policy, between authoritarian, non-Communist regimes, and totalitarian or Communist regimes.

In making this distinction, Ambassador Kirkpatrick argues that authoritarian nations are traditional societies where power is personal and it has always been that way. Thuggery, while widespread, is somewhat random. On the other hand, totalitarian nations are modern states with large bureaucracies where torture and terror are efficient tools of social control. Authoritarians limit themselves to the political sphere. Traditional autocrats do not disturb the habitual rhythms of work and leisure, habitual places of residence, habitual patterns of family and personal relations. Totalitarians, by contrast, claim jurisdiction over the whole life of the society.

Whatever philosophical consistency there is to this policy, comes apart on the issue of South Africa. For South Africa is the primary example of a non-Marxist totalitarian state. It is a fully developed modern state in which three-quarters of the population does not have any political rights. There is an elaborate apparatus of social control involving all the usual totalitarian paraphenalia; internal passports, secret police, censorship, political arrests and detainment.

State control in South Africa permeates deep into the personal sphere. Rules of the state determine with whom you can socialize, marry, or even invite into your home; where you can live, work, or appear in public. Families are broken up by residency requirements. Worst of all, millions are being uprooted from their homes and lands and packed off to the barren wastes known as bantustans. All of this is in the service of a sweeping ideology. Apartheid obsesses and motivates the ruling elite in South Africa, more than Marxism obsesses and motivates the latter-day rulers of the Soviet Union.

This is why the American people demonstrate their sense of moral outrage in response to our South Africa policy. A growing number of Americans believe that their Government is betraying the very values and morality we cherish so deeply as we continue to maintain the status quo in our relations with South Africa.

If the United States is indeed the leader of the Western World and the defender of democratic values, then our foreign policy must reflect these values, not contradict them. Repression, political, social and economic, whether under totalitarian or authoritarian regimes, is clearly contrary to our values as a nation.

And any government which relies on military repression risks an ultimate and violent explosion which clears the way for the most radical reaction. And that is what is happening in South Africa today. The most stable modern governments are those which have long since learned to tolerate political evolution. Where the road to evolution is blocked by soldiers and security police, revolution becomes the usual and inevitable alternative.

In closing, I reiterate this resolution is a minimal response to the ongoing tragedy of apartheid in South Africa. As the day of reckoning will come in South Africa unless apartheid is dismantled peacefully, so will the day of reckoning come for the United States if we continue to betray, in the conduct of our foreign policy, what we claim to represent to the rest of the world.

Mr. SIMON. Mr. President, I rise in support of Senate Joint Resolution 96, a resolution condemning the violence in South Africa, resulting from the Government's policy of apartheid, and calling on the Secretary of State to investigate the latest round of violence.

No one of us can be untouched by the daily reports of violent attacks on blacks in South Africa, often unprovoked. The continued practice of apartheid by the South African Government should be soundly rejected by the U.S. Government, both in word and in practice. It is all too clear that 4 years of the Reagan administration's policy of constructive engagement with the South African Government has failed completely. Rather than moving the South African Government toward solid reforms, the Reagan administration's approach has led to the worst violence and human destruction that country has seen in over a decade. It is time for our Government to disassociate itself from this policy, and from the South African Government. It is time for our Government to take strong actions against South Africa, actions that complement those taken by other Western nations and which are the best hope for constructive change in South Africa.

Mr. President, I applaud the leadership provided by my colleagues—Senator KENNEDY, Senator WEICKER, Senator PROXMIRE, and others. They understand that the majority of Americans find apartheid reprehensible and that the struggle for equality in South Africa is our struggle as well. If we are to be true to our own national commitment to equality, we must distance ourselves from apartheid by any means necessary and take strong actions that clearly place us in support of those, black and white, struggling for freedom and equality in South Africa. There is growing bipartisan support in Congress for strong sanctions against South Africa. I would hope that our efforts here today in the Senate and similar efforts in the other body will be taken seriously by the administration and that we will see dramatic changes in their approach to South Africa.

Last June, I had the opportunity to spend time with Bishop Tutu and his wife. The bishop is a reasonable man of good judgment. He firmly believes that, unless the United States, South Africa's major trading partner, brings economic pressure to bear on South Africa to change her policies, that country is headed toward a major bloodbath. I fear that, with developments in that country since my meeting with the bishop, his prediction is already coming back to haunt us. We cannot, as a nation, tolerate having any role in that ultimate destruction of human beings.

I sincerely hope that my colleagues will join me in supporting this resolution and take the first step in bringing about a change in our Government's policies toward South Africa.

Mr. LEVIN. Mr. President, I strongly support the resolution sponsored by my colleagues Senator KENNEDY and Senator WEICKER condemning the senseless violence in South Africa and requesting our State Department to conduct a study of the recent violence in the Eastern Cape area.

I am gravely concerned over the rapid deterioration of the situation in South Africa. Episodes of violence against defenseless opponents of apartheid throughout the country are escalating. Most recently in the town of Uitenhage on March 21, the South African police opened fire on innocent people proceeding to a funeral, killing and wounding scores of them.

It is my hope that the U.S. Senate will go on record this date strongly deploring such acts of violence. Violence can only further aggravate the situation in South Africa and make more difficult the search for a peaceful solution of the South African conflict.

We must continually reaffirm the legitimacy of the struggle of the majority of South Africans for a united, nonracial and democratic South Africa.

Passage of this resolution is a step in that direction.

Mr. HART. Mr. President, I support Senate Joint Resolution 96 and I urge each of my colleagues to join me in doing the same.

The violence of apartheid, to which 22 million blacks in South Africa are subjected daily, is intolerable. Quite simply, it is a crime against humanity which we must recognize and confront—rather than continue to ignore and condone. Apartheid is a system of racial segregation and economic exploitation which constitutes the worst abuse of human rights in the world.

Mr. President, I believe that this body, and this Nation, must speak forcefully and consistently in condemning apartheid in each of its vicious manifestations.

This system, Mr. President, intentionally and maliciously destroys the family and the community—the two most cherished institutions in African society. Husbands and fathers are separated from their families by law for 11 months a year while being forced to live in the squalor of hostels adjacent to major urban centers, solely for the purpose of maintaining the cheap labor force off of which the South African economy thrives.

Apartheid requires every black person in South Africa to have in their possession a domestic passport—the infamous Pass Book—in order to prove that their very presence in certain areas of their own country has the approval of the Pretoria regime.

Apartheid does not allow black South Africans to vote or otherwise participate in directing their destiny.

In addition, Mr. President, not only does the South African Government deny every fundamental human right to the majority of its people, it even refuses to allow them to peacefully protest its policies. One need look no further than the most recent round of intimidation, arrests and bannings to confirm this observation.

With its outright murder of 19 unarmed black mourners en route to a funeral on March 21, 1985, the message of the South African Government is clear: It intends to quell all opposition to apartheid by every means at its disposal. Mr. President, our message to the South African Government must be equally clear: Human nature does not allow oppressed people to remain oppressed forever. They can suffer abuse and degredation for only so long.

South Africa's day of reckoning is rapidly approaching. If the apartheid regime persists in its present course, the black majority will have no realistic options to consider in making their fateful decision, other than to resort to resisting by force the violence and humiliaton to which they are subjected.

It pleases me therefore, Mr. President, on behalf of the citizens of the State of Colorado, to support the statement by the Secretary of State that "apartheid is totally repugnant to the people of the United States" and that the most recent killings "underline [the] evil and [unacceptability]" of that practice.

Moreover, Mr. President, as we prepare to consider various pending legislation concerning South Africa, it is crucial that we have at our disposal, independent facts, rather than a steady stream of explanation and rationalization from Pretoria. This is why I strongly support the provision of Senate Joint Resolution 96 requesting the Secretary of State to investigate the circumstances of the most recent round of violence, and to verify to this body the number of innocent people killed and wounded.

I urge my colleagues to join me in condenming the violence of the South African Government, in all of its forms, whether political, economic, psychological, or physical.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. Has all time been yielded back?

Mr. KENNEDY. Mr. President, I yield back my time.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I am advised that the majority leader is temporarily off the Hill and to accommodate him, and I have had a request from his staff, I wish to propose but am not yet propounding any unanimous-consent request, that we simply without prejudice to what we are doing lay aside the vote on the Kennedy resolution so we might proceed to the unanimous-consent agreement we have on the Export Administration Act.

Mr. METZENBAUM. Mr. President, I object to that.

Mr. WEICKER. I object to that.

Mr. President, as I understand it, there is a unanimous-consent request that has been agreed to to vote on the matter before us. I do not think we have the authority to go ahead and lay that aside at this time.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. All time having been yielded back, the question is on the engrossment and the third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. EAST (when his name was called). Present.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Oregon [Mr. HATFIELD], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. MURKOWSKI], are necessarily absent.

I further announce, that, if present and voting, the Senator from Oregon [Mr. HATFIELD], would vote "yea."

The PRESIDING OFFICER [Mr. WARNER]. Is there any Senator in the Chamber who has not voted?

The result was announced—yeas 89, nays 4, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—89

Abdnor	Gore	Mitchell
Andrews	Gorton	Moynihan
Baucus	Gramm	Nickles
Bentsen	Grassley	Nunn
Biden	Harkin	Packwood
Bingaman	Hart	Pell
Boren	Hatch	Pressler
Boschwitz	Hawkins	Proxmire
Bradley	Heflin	Pryor
Bumpers	Heinz	Quayle
Burdick	Hollings	Riegle
Byrd	Inouye	Rockefeller
Chafee	Johnston	Roth
Chiles	Kassebaum	Rudman
Cochran	Kasten	Sarbanes
Cohen	Kennedy	Sasser
Cranston	Kerry	Simon
D'Amato	Lautenberg	Simpson
Danforth	Laxalt	Specter
DeConcini	Leahy	Stafford
Denton	Levin	Stennis
Dixon	Long	Stevens
Dodd	Lugar	Thurmond
Dole	Mathias	Trible
Domenici	Matsunaga	Wallop
Eagleton	Mattingly	Warner
Evans	McClure	Weicker
Exon	McConnell	Wilson
Ford	Melcher	Zorinsky
Glenn	Metzenbaum	

NAYS—4

Goldwater	Helms
Hecht	Symms

ANSWERED "PRESENT"—1

East

NOT VOTING—6

Armstrong	Garn	Humphrey
Durenberger	Hatfield	Murkowski

So the joint resolution (S.J. Res. 96), as amended, was passed.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I move to reconsider the vote by which the joint resolution, as amended, was passed.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF THE EXPORT ADMINISTRATION ACT OF 1979

Mr. HEINZ. Mr. President, in accordance with the unanimous-consent request entered into earlier by the Senate, I send a bill to the desk on the Export Administration Act of 1979, and ask for its immediate consideration.

Mr. President, my understanding is that we have no time for debate. I will simply state for the RECORD that this is the measure previously agreed to for unanimous-consent consideration by

the Senate, extension of the Export Administration Act.

Mr. PROXMIRE. Mr. President, I support this extension of the Export Administration Act as part of the "fast track" process by which we hope to amend and renew that important law. Let me explain.

The Export Administration Act is the law which permits the President to control exports for national security, foreign policy, and short supply purposes. Last year, during the process in which the Congress was attempting to amend that law, it was allowed to expire. Since that time, the United States has been operating its export control program under a Presidential declaration of national economic emergency which, when invoked, permits the President to keep our export controls in effect under the authority of the International Emergency Economic Powers Act [IEEPA]. One problem with this situation is that export licensing decisions, including those involving national security controls, are subject to review by the courts. More than 100,000 export licenses are issued each year. If enough court challenges to licensing decisions were brought, it would make it difficult, if not impossible, to administer our export control program effectively.

Another serious drawback with operating our export control program under IEEPA is that questions have been raised whether that law is an adequate basis for keeping in effect the antiboycott regulations promulgated under authorities in the Export Administration Act. While I believe the President does have adequate authority under IEEPA to continue the antiboycott regulations, it would be preferable to have these regulations in effect under the Export Administration Act where many of our antiboycott policies are spelled out in greater detail.

Late in 1983, the House passed a bill amending and extending the Export Administration Act, and in March 1984, we, in the Senate, did the same. However, the amendments passed by the two Houses were quite different and we spent 6 months in a very long and arduous conference in an attempt to reconcile the two bills. By October 1984, we fashioned a compromise proposal that tightened national security controls, strengthened enforcement of such controls, enacted procedures ensuring adequate congressional review of nuclear agreements, and reduced redtape and speeded the overall licensing of exports. Unfortunately, some last-minute disagreements over provisions regarding South Africa prevented the enactment of those amendments to the EAA last October. Thus, we are still operating our export controls under authorities in the IEEPA.

This year, Congressmen BONKER and ROTH of the House Foreign Affairs Committee have taken the lead in a truly bipartisan effort to achieve quick passage of the amendments to the Export Administration Act nearly enacted last October. In fact, all the provisions in the Bonker-Roth bill did pass both Houses last October. They have simply dropped the provisions dealing with South Africa as agreement has been reached to pursue them through other legislation. The Bonker-Roth bill has been marked up at the full Foreign Affairs Committee level on the House side and is ready to be reported.

The fast track procedure mentioned earlier is that we will send an extension of current law to the House and the House will amend our bill by striking the extension and adding in its place their bill to renew and amend the Export Administration Act. It will then come back to the Senate for consideration here. The Bonker-Roth bill, as I stated previously, passed both Houses late last year.

I believe this fast track approach makes sense. The administration supports it. It will help achieve quick enactment of an amended Export Administration Act and remove the threat of legal challenges hanging over our export control program.

I urge my colleagues to support this bispartisan action.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 883) was ordered to be engrossed for a third reading, and read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (S. 883) was passed, as follows:

S. 883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 20 of the Export Administration Act of 1979 is amended by striking out "March 30, 1984" and inserting in lieu thereof "June 15, 1985".

(b) The amendment made by subsection (a) takes effect on March 30, 1984.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SCHEDULE

Mr. HEINZ. Mr. President, I know of no other business to come before the Senate. There certainly will be no further rollcall votes tonight, I am advised by the majority leader. There will be some housekeeping items. Beyond that, there will be no other kind of business.

ROUTINE MORNING BUSINESS

Mr. HEINZ. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond the hour of 7:45 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON U.S. SUPPORT FOR DEMOCRATIC RESISTANCE IN NICARAGUA—MESSAGE FROM THE PRESIDENT—PM 34

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Appropriations:

To the Congress of the United States:

Pursuant to the provisions of Title VIII, Section 8066 of the Department of Defense Appropriations Act, 1985 (Public Law 98-473, enacted October 12, 1984; 98 Stat. 1935), I herewith transmit a classified report on U.S. support for the democratic resistance movement in Nicaragua. On the basis of this report, I have determined that assistance for military or paramilitary operations now prohibited by section 8066(a) of that Act is necessary.

RONALD REAGAN.

THE WHITE HOUSE, *April 3, 1985.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills:

March 27, 1985:

S. 592. An act to provide that the chairmanship of the Commission on Security and Cooperation in Europe shall rotate between members appointed from the House of Representatives and members appointed from the Senate, and for other purposes.

April 2, 1985:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa.

MESSAGES FROM THE HOUSE

At 11:46 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, without amendment:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the Act;

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donor Awareness Week";

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day";

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites; and

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 33. Concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission;

H.R. 1866. An act to phase out the Federal supplemental compensation program; and

H.R. 1869. An act to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 59. Concurrent resolution commemorating the 100th anniversary of the death of Ulysses S. Grant, the 18th President of the United States.

At 5:52 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1185. An act to amend the act establishing the Petrified Forest National Park; and

H.R. 1373. An act to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1185. An act to amend the Act establishing the Petrified Forest National Park; to the Committee on Energy and Natural Resources.

H.R. 1373. An act to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 59. Concurrent resolution commemorating the 100th anniversary of the death of Ulysses S. Grant, the 18th President of the United States; to the Committee on Rules and Administration.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second time by unanimous consent, and placed on the calendar:

H.R. 1866. An act to phase out the Federal supplemental compensation program; and

H.R. 1869. An act to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

MEASURES HELD AT THE DESK

Pursuant to the order of April 2, 1985, the following bill was held at the desk pending further disposition:

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-784. A communication from the Comptroller of the United States, transmitting, pursuant to law, a report on the examination of the Office of the Attending Physician Revolving Fund's Financial Statements for fiscal years 1983 and 1984; to the Committee on Appropriations.

EC-785. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, the annual report on extraordinary contractural actions to facilitate the National defense for calendar year 1984; to the Committee on Armed Forces.

EC-786. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-787. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Pakistan for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-788. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to advance the scheduled termination date of the Essential Air Service Program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-789. A communication from the Assistant Attorney General (Land and Natural Resources Division, transmitting, pursuant to law, the Attorney General's determination of legal responsibility of former owners and operators of the uranium processing site at Canonsburg, Pennsylvania; to the Committee on Energy and Natural Resources.

EC-790. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to review and extend certain provisions of the Federal Water Pollution Control Act, as amended for five years, and for other purposes; to the Committee on Environment and Public Works.

EC-791. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to amend and extend the Hostage Relief Act of 1980, and for other purposes; to the Committee on Finance.

EC-792. A communication from the Director of the United States Information Agency, transmitting a draft of proposed legislation entitled the "United States Information Agency Authorization Act, Fiscal Years 1986 and 1987"; to the Committee on Foreign Relations.

EC-793. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to March 21, 1985; to the Committee on Foreign Relations.

EC-794. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a report on the evaluation of its system of internal accounting controls; to the Committee on Governmental Affairs.

EC-795. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a notice for a computer matching program; to the Committee on Governmental Affairs.

EC-796. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a revised copy of a report entitled "Escheated Estates Fund Review"; to the Committee on Governmental Affairs.

EC-797. A communication from the Acting Assistant Attorney General (Legislative and Intergovernmental Affairs), transmitting a draft of proposed legislation to provide for the recovery by the United States of the costs of hospital and medical care and treatment furnished by the United States in certain circumstances, and for other purposes; to the Committee on the Judiciary.

EC-798. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-799. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the Senate Building Beauty Shop Financial Statements for fiscal years 1983 and 1984; to the Committee on Rules and Administration.

EC-800. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for two years; to the

Committee on Agriculture, Nutrition, and Forestry.

EC-801. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Pakistan for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-802. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, an extension of time for rendering a decision in Pittsburg and Lake Erie Railroad Co. v. Consolidated Rail Corporation; to the Committee on Commerce, Science, and Transportation.

EC-803. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to abolish the United States Travel and Tourism Administration, to repeal the International Travel Act of 1961, as amended, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-804. A communication from the State Cochairman and the Federal Cochairman of the Alaska Land Use Council, transmitting, pursuant to law, the report of the Council on the Kantishna Hills/Dunkle Mine Study in the Denali National Park and Preserve, Alaska; to the Committee on Energy and Natural Resources.

EC-805. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to extend certain provisions of the Safe Drinking Water Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-806. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend Title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-807. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Clean Air Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-808. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-809. A communication from the Administrator of the Environmental Protection Agency, transmitting a draft of proposed legislation entitled the "Environmental Research, Development, and Demonstration Authorization Act of 1985"; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 30. A resolution to authorize the printing, for Committee use, of the report entitled "Developments in Aging: 1984" (Rept. No. 99-24).

By Mr. WEICKER, from the Committee on Small Business:

Special Report on Legislative and Oversight Activities During The 98th Congress by the Committee on Small Business (Rept. No. 99-25).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 117. An original resolution to pay a gratuity to Maureen S. McRoy.

S. Res. 118. An original resolution to pay a gratuity to Victor Natali; Lena Bardelli; Mafalda Revetta; Americo Natali; Edith Serra; Elmo Natali; Elsie DelMastro.

S. Res. 119. An original resolution to pay a gratuity to Ray K. Larkin.

S. Res. 120. An original resolution to pay a gratuity to Andre Whitney.

S. Res. 121. An original resolution to pay a gratuity to Bonita B. Bass.

S. Res. 122. An original resolution to pay a gratuity to Aguilla H. Poss.

S. Res. 123. An original resolution to pay a gratuity to Alene J. Ayers.

S. Res. 124. An original resolution to pay a gratuity to Albert C. Johnson; Earl M. Johnson; Stephen Leslie Johnson; Christy Johnson Maguschak; Paula Johnson Maguschak.

S. Res. 125. An original resolution authorizing expenditures by the Committee on Rules and Administration.

S. Res. 126. An original resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library.

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. Res. 127. An original resolution authorizing expenditures by the Select Committee on Indian Affairs for inquiries and investigations.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 47. A joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

S.J. Res. 52. A joint resolution to designate the month of April 1985 as "National School Library Month."

S.J. Res. 63. A joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week."

S.J. Res. 67. A joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week."

S.J. Res. 90. A joint resolution commemorating the 75th Anniversary of the Boy Scouts of America.

S.J. Res. 94. A joint resolution to designate the week beginning May 12, 1985, as "National Digestive Disease Awareness Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board for a term of 4 years.

Donna M. Alvarado, of Virginia, to be Director of the ACTION Agency.

Donald Ian Macdonald, of Florida, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THURMOND, from the Committee on the Judiciary:

Thomas J. Aquilino, Jr., of New York, to be a judge of the U.S. Court of International Trade, vice Frederick Landis, retired.

Frank H. Easterbrook, of Illinois, to be U.S. circuit judge for the seventh circuit, vice a new position created by P.L. 98-353, approved July 10, 1984.

Melvin T. Brunetti, of Nevada, to be U.S. circuit judge for the ninth circuit, vice Herbert Y.C. Choy, retired.

Edith H. Jones, of Texas, to be U.S. circuit judge for the fifth circuit, vice a new position created by P.L. 98-353, approved July 10, 1984.

Carol Los Mansmann, of Pennsylvania, to be U.S. circuit judge for the third circuit, vice a new position created by P.L. 98-353, approved July 10, 1984.

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit, vice a new position created by P.L. 98-353, approved July 10, 1984.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois, vice a new position created by P.L. 98-353, approved July 10, 1984.

R. Allan Edgar, of Tennessee, to be U.S. district judge for the eastern district of Tennessee, vice H. Ted Milburn, elevated.

Howell Cobb, of Texas, to be U.S. district judge for the eastern district of Texas, vice a new position created by P.L. 98-353, approved July 10, 1984.

George La Plata, of Michigan, to be U.S. district judge for the eastern district of Michigan, vice a new position created by P.L. 98-353, approved July 10, 1984.

Ronald E. Meredith, of Kentucky, to be U.S. district judge for the western district of Kentucky, vice a new position created by P.L. 98-353, approved July 10, 1984.

Alice M. Batchelder, of Ohio, to be U.S. district judge for the northern district of Ohio, vice a new position created by P.L. 98-353, approved July 10, 1984.

Herman J. Weber, of Ohio, to be U.S. district judge for the southern district of Ohio, vice a new position created by P.L. 98-353, approved July 10, 1984.

J. Thomas Greene, of Utah, to be U.S. district judge for the district of Utah vice a new position created by P.L. 98-353, approved July 10, 1984.

Carolyn R. Dimmick, of Washington, to be U.S. district judge for the western district of Washington vice a new position created by P.L. 98-353, approved July 10, 1984.

Mark L. Wolf, of Massachusetts, to be U.S. district judge for the district of Massachusetts, vice a new position created by P.L. 98-353, approved July 10, 1984.

William G. Young, of Massachusetts, to be U.S. district judge for the district of Massachusetts, vice a new position created by P.L. 98-353, approved July 10, 1984.

Ann C. Williams, of Illinois, to be U.S. district judge for the northern district of Illinois, vice a new position created by P.L. 98-353, approved July 10, 1984.

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana vice a new position created by P.L. 98-353, approved July 10, 1984.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON:

S. 842. A bill for the relief of Fatima Benitez; to the Committee on the Judiciary.

By Mr. COCHRAN:

S. 843. A bill to amend the Agricultural Act of 1949 to provide support for the 1986 through 1989 crops of certain agricultural commodities, to promote the export of United States agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PROXMIRE (for himself and Mr. GARN) (by request):

S. 844. A bill to amend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHILES:

S. 845. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to furnish each veteran with a compensable service-connected disability, such drugs and medicines as may be prescribed by any licensed physician for treatment of the service-connected disability; to the Committee on Veterans Affairs.

S. 846. A bill to amend title 38, United States Code, to require the Administrator of the Veterans' Administration to consider the number of veterans residing in each state and projected changes in the number of veterans residing in each state in acquiring and operating medical facilities, and for other purposes; to the Committee on Veterans Affairs.

By Mr. ROCKEFELLER (for himself, Mr. BYRD, Mr. SARBANES, Mr. HEINZ, Mr. STENNIS, Mr. FORD, Mr. SASSER, Mr. HEFLIN, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. GLENN, Mr. PRYOR, Mr. SPECTER, Mr. GORE, Mr. BUMPERS, and Mr. HOLLINGS):

S. 847. A bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs; to the Committee on Environment and Public Works.

By Mr. COHEN:

S. 848. A bill to provide for orderly trade in nonrubber footwear, to reduce unemployment, and for other purposes; to the Committee on Finance.

By Mr. HART (for himself and Mr. KERRY):

S. 849. A bill to establish a National Infrastructure Fund to provide funds for interest-free loans to State and local governments for construction and improvement of highways, bridges, water supply and distribution systems, mass transportation facilities and equipment, and wastewater treatment facilities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. THURMOND (for himself, Mr. GRASSLEY, and Mr. LAXALT):

S. 850. A bill to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 851. A bill to suspend the tariff on 1,5 naphthalene diisocyanate; to the Committee on Finance.

By Mr. HEINZ:

S. 852. A bill to make permanent the existing temporary duty-free treatment for certain wools not finer than 46s; to the Committee on Finance.

By Mr. PRYOR (for himself and Mr. BUMPERS):

S. 853. A bill to amend the Trade Act of 1974 to allow watches to be designated as eligible articles for purposes of the generalized system of preferences; to the Committee on Finance.

By Mr. BUMPERS (for himself and Mr. PRYOR):

S. 854. A bill to amend the Tariff Schedules of the United States by eliminating the special marking requirements for imported watches and clocks and components thereof; to the Committee on Finance.

By Mr. PRYOR (for himself and Mr. GRASSLEY):

S. 855. A bill for the relief of rural mail carriers; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. DENTON, Mr. HUMPHREY, and Mr. SIMON):

S. 856. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for certain expenses paid or incurred by an individual in connection with the adoption of a child; to the Committee on Finance.

By Mr. DANFORTH (by request):

S. 857. A bill to amend the Federal Railroad Safety Act of 1970; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON:

S. 858. A bill to amend section 119 of the Housing and Community Development Act of 1974 to modify the selection criteria for urban development action grants; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. THURMOND:

S. 859. A bill to suspend temporarily the duty on dicyclohexylbenzothiazylsulfenamide; to the Committee on Finance.

By Mr. METZENBAUM:

S. 860. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WALLOP (for himself, Mr. BENTSEN, Mr. DANFORTH, Mr. DURENBERGER, Mr. GRASSLEY, Mr. PRYOR, Mr. ROTH, and Mr. SYMMS):

S. 861. A bill to amend the Internal Revenue Code of 1954 to treat deductions for research and experimental expenses attributable to activities conducted in the United States as allocable to income from sources within the United States; to the Committee on Finance.

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. LAUTENBERG):

S. 862. A bill to provide for enhanced motor vehicle safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. LAUTENBERG):

S. 863. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (for himself, Mr. MOYNIHAN, Mr. GORTON, and Mr. LAUTENBERG):

S. 864. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for more effective motor vehicle safety regulations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MATHIAS (for himself and Mr. WARNER):

S. 865. A bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MATHIAS (for himself and Mr. THURMOND) (by request):

S. 866. A bill to authorize appropriations for the Patent and Trademark Office in the Department of Commerce; to the Committee on the Judiciary.

By Mr. ROTH (for himself and Mr. BENTSEN):

S. 867. A bill to amend title XIX of the Social Security Act to provide coverage for hospice care under the medicaid program; to the Committee on Finance.

By Mr. GRAMM:

S. 868. A bill to define allowable cost reimbursement under contracts of the Department of Defense; to control the cost of spare parts acquisition under Department of Defense contracts; to authorize greater financial and criminal penalties for false claims; to make inapplicable to the Department of Defense certain provisions of law that limit the ability of the Department of Defense to purchase labor competitively; to remove restrictions on the authority of the Secretary of Defense to contract out; and to authorize expedited procedures for closing or realigning military installations when the national budget provides for deficit financing of Federal Government operations; to the Committee on Armed Services.

By Mr. MITCHELL (for himself, Mr. BENTSEN, and Mr. BUMPERS):

S. 869. A bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act; to the Committee on Finance.

By Mr. MITCHELL:

S. 870. A bill to provide for Federal recognition of comprehensive State plans to promote the wise use and management of outstanding river resources; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 871. A bill to prohibit trade with Libya; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 872. A bill to entitled the "Women's Small Business Ownership Act of 1985"; to the Committee on Small Business.

By Mr. CHAFEE (for himself, Mr. STAFFORD, and Mr. INOUYE):

S. 873. A bill to amend title XIX of the Social Security Act to assist severely disabled individuals to attain or maintain their maximum potential for independence and capacity to participate in community and family life; to the Committee on Finance.

By Mr. CHAFEE:

S. 874. A bill to amend the Internal Revenue Code of 1954 by increasing the Federal excise tax on cigarettes by 16 cents per pack to a permanent 32 cents per pack and by providing that revenues from the additional tax be deposited in the Federal Hospital Insurance Trust Fund under the Social Security Act; to the Committee on Finance.

By Mr. DOLE (for Mr. MURKOWSKI):

S. 875. A bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to establish and carry out a Vietnam Veterans' Resource Center pilot

program; to the Committee on Veterans Affairs.

By Mr. DOLE (for Mr. MURKOWSKI):

S. 876. A bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs; to the Committee on Veterans Affairs.

By Mr. BOSCHWITZ (for himself and Mr. ZORINSKY):

S. 877. A bill to amend the Internal Revenue Code of 1954 to allow individuals to compute the deduction for retirement savings on the basis of the compensation of their spouses and to treat alimony as compensation for purposes of such deduction; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. STAFFORD, Mr. ZORINSKY, Mrs. HAWKINS, Mr. HART, Mr. BAUCUS, Mr. KENNEDY, Mr. MOYNIHAN, Mr. HARKIN, and Mr. INOUYE):

S. 878. A bill to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PROXMIRE (for himself, Mr. MATHIAS, Mr. BUMPERS, and Mr. CHAFEE):

S. 879. A bill to authorize funds for research, development, test, and evaluation in connection with Strategic Defense Initiative programs and advanced strategic missile systems for fiscal year 1986, and for other purposes; to the Committee on Armed Services.

By Mr. DOLE (for Mr. HUMPHREY):

S. 880. A bill to sunset the Economic Development Administration, to repeal the Public Works and Economic Development Act of 1965, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. DODD, Mr. PELL, Mr. CRANSTON, Mr. STAFFORD, Mr. PACKWOOD, Mr. CHAFEE, Mr. METZENBAUM, Mr. KERRY, Mr. SIMON, and Mr. COHEN):

S. 881. A bill to extend title X of the Public Health Service Act for 3 years; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself, Mr. MATHIAS, Mr. PELL, Mrs. KASSEBAUM, and Mr. DODD):

S. 882. A bill to amend the Peace Corps Act to establish a Peace Corps National Advisory Council, to establish a policy of providing opportunities for a volunteer corps of at least 10,000, and to provide for nonpartisan appointments; to the Committee on Foreign Relations.

By Mr. HEINZ:

S. 883. A bill to extend the Export Administration Act of 1979; considered and passed.

By Mr. INOUYE:

S. 884. A bill to amend the Agricultural Act of 1949 to provide price support for the 1986 through 1989 crops of sugar beets and sugarcane; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KERRY (for himself, Mr. CHAFEE, Mr. MATHIAS, and Mr. HART):

S. 885. A bill to establish a moratorium during the fiscal years 1985 and 1986 on the testing of anti-satellite weapons against objects in space; to the Committee on Armed Services.

By Mr. ZORINSKY (for himself, Mr. DOLE, Mr. THURMOND, Mr. HATCH, Mr. PRESSLER, Mr. SYMMS, Mr. TRIBLE, Mr. GLENN, Mr. NUNN, Mr. GOLDWATER, Mr. HOLLINGS, Mr. GARN, Mr. GORE, Mr. BAUCUS, Mr. STENNIS, Mr. MELCHER, Mr. EAST, Mr. WARNER, Mr. GRAMM, and Mr. STEVENS):

S.J. Res. 102. Joint resolution to establish a National Commission on Illiteracy; to the Committee on Labor and Human Resources.

By Mr. PELL (for himself, Mr. STAFFORD, Mr. STENNIS, Mr. NUNN, Mr. BUMPERS, Mr. CHAFEE, Mr. KENNEDY, Mr. KERRY, Mr. COCHRAN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. HOLLINGS, Mr. DOLE, Mr. EAST, Mr. ABDNOR, Mr. STEVENS, Mr. KASTEN, Mr. LAUTENBERG, Mr. HEINZ, and Mr. ZORINSKY):

S.J. Res. 103. Joint resolution to designate the month of May 1985, as "Very Special Arts U.S.A. Month"; to the Committee on the Judiciary.

By Mr. DENTON (for himself, Mr. LEAHY, Mr. THURMOND, Mr. ANDREWS, Mr. BIDEN, Mr. BOSCHWITZ, Mr. BURDICK, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DOLE, Mr. DIXON, Mr. EAST, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HECHT, Mr. HEFLIN, Mr. HELMS, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. MCCONNELL, Mr. METZENBAUM, Mr. MURKOWSKI, Mr. NUNN, Mr. QUAYLE, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 104. Joint resolution to proclaim October 23, 1985, as "A time of remembrance" for all victims of terrorism throughout the world; to the Committee on the Judiciary.

By Mr. DOLE (for Mr. HATFIELD):

S.J. Res. 105. Joint resolution to designate July 23, 1985, as "Ulysses S. Grant Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATHIAS, from the Committee on Rules and Administration:

S. Res. 117. An original resolution to pay a gratuity to Maureen S. McRoy; placed on the calendar.

S. Res. 118. An original resolution to pay a gratuity to Victor Natali; Lena Bardelli; Mafalda Revetta; Americo Natali; Edith Serra; Elmo Natali; Elsie DelMastro; placed on the calendar.

S. Res. 119. An original resolution to pay a gratuity to Ray K. Larkin; placed on the calendar.

S. Res. 120. An original resolution to pay a gratuity to Andre Whitney; placed on the calendar.

S. Res. 121. An original resolution to pay a gratuity to Bonita B. Bass; placed on the calendar.

S. Res. 122. An original resolution to pay a gratuity to Aquilla H. Ross; placed on the calendar.

S. Res. 123. An original resolution to pay a gratuity to Alene J. Ayers; placed on the calendar.

S. Res. 124. An original resolution to pay a gratuity to Albert C. Johnson; Earl M. Johnson; Stephen Leslie Johnson; Christy Johnson Maguschak; Paula Johnson Maguschak; placed on the calendar.

S. Res. 125. An original resolution authorizing expenditures by the Committee on Rules and Administration; placed on the calendar.

S. Res. 126. An original resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library; place on the calendar.

By Mr. ANDREWS from the Select Committee on Indian Affairs:

S. Res. 127. An original resolution authorizing expenditures by the Select Committee on Indian Affairs for inquiries and investigations; to the Committee on Rules and Administration.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 128. Resolution to authorize production of documents by the Senate Permanent Subcommittee on Investigations; considered and agreed to.

By Mr. DOLE:

S. Res. 129. Resolution relating to printing of the compilation entitled "Majority and Minority Leaders of the Senate" as a Senate document; considered and agreed to.

By Mr. WALLOP:

S. Res. 130. Resolution relative to the Sport Fish Restoration Trust Fund; to the Committee on Finance.

By Mr. DOLE:

S. Con. Res. 38. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives from Wednesday, April 3, or Thursday, April 4, 1985, until Monday, April 15, 1985; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COCHRAN:

S. 843. A bill to amend the Agricultural Act of 1949 to provide price support for the 1986 through 1989 crops of certain agricultural commodities, to promote the export of U.S. agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. COCHRAN and the text of the bill appear earlier in today's RECORD.)

By Mr. PROXMIRE (for himself and Mr. GARN) (by request):

S. 844, A bill to amend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Housing, and Urban Affairs.

(The remarks of Mr. PROXMIRE and the text of the legislation appears earlier in today's RECORD.)

By Mr. CHILES:

S. 845. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to furnish each veteran with a compensable service-connected disability, such drugs and medicines as may be prescribed by any licensed physician for treatment of the service-connected disability; to the Committee on Veterans' Affairs.

VA PRESCRIPTION DRUGS

Mr. CHILES. Mr. President, today I am introducing legislation to address a problem that surfaced several years ago concerning the Veterans' Administration authority to provide medica-

tion to service-connected veterans who have medicines prescribed by private physicians. This bill is identical to S. 1833, which I first introduced in the 98th Congress.

Up until 1983 service-connected disabled veterans who sought medical attention for their disabilities from private physicians could receive medications and have prescriptions filled by the Veterans' Administraton. A legal opinion supplied to the Chief Medical Director of the Veterans' Administration questioned the statutory authority for this procedure and promoted the subsequent decision by the Veterans' Administration to stop providing medication to service-connected disabled veterans not being treated in VA facilities or on a fee card basis. Veterans now have to receive medical care at a Veterans' Administration facility in order to receive medications from the VA.

The VA has estimated that this decision would result in savings of $4.8 million in prescription supplies and $1.5 million in administrative costs. However, the estimate of the savings does not reflect the offsetting cost of veterans who, being denied VA-pharmacy service for the prescriptions written by their private physicians, would switch to VA physicians for both treatment and prescription renewal. Other veterans could seek to have the VA reimburse their physicians under contract. Since the average cost of a staff outpatient visit is nearly 10 times the average cost of filling a prescription, few veterans would have to switch from private to VA physicans to completely offset any savings from the VA decision not to fill prescriptions written by non-VA physicians for the treatment of veterans' service-connected disabilities.

The legislation I am introducing today would reverse this decision and would authorize the VA to return to the previous policy of furnishing medication prescribed by private physicians for treatment of a veteran's service-connected disabilities. Last year the House of Representatives took positive action on this proposal which was a provision of H.R. 5618, the Veterans' Health Care and Facilities Improvement Act of 1985. Unfortunately, the provision was later dropped during deliberations with the Senate. I am hopeful that during this Congress we will finally resolve this issue and allow for the reinstitution of policy to provide medications to eligible service-connected veterans.●

By Mr. CHILES:

S. 846. A bill to amend title 38, United States Code, to require the Administrator of the Veterans' Administration to consider the number of veterans residing in each State and projected changes in the number of veterans residing in each State in acquiring and operating medical facilities, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS MEDICAL CARE RESOURCE ALLOCATION ACT

● Mr. CHILES. Mr. President, today I am introducing legislation to provide for a more fair and reasonable distribution of the Federal dollars Congress appropriates each year for VA medical care facilities and services. In this era of budget cutting and belt tightening we cannot realistically expect huge increases in VA medical care funding. In this period of fiscal restraint, it becomes increasingly important to efficiently target VA health care funds so the money goes where the needs exist. In order to make sure health care dollars can go to where the eligible veterans are, we must make sure the VA health care dollars are distributed in a way that reflects the changing veteran population.

This legislation I am introducing today seeks to achieve this goal by requiring the VA Administrator to collect certain veteran demographic information each year and to recommend the apportionment of VA medical care funds on the basis of this information.

What we have seen in past years is a tremendous redistribution of the veteran population. I know my State has witnessed an incredible influx of veterans. Florida's veteran population now exceeds 1.3 million and is expected to reach 2 million by 1990. Florida has the fastest growing veteran population in the Nation. The State welcomes these veterans, but you can easily see how this ballooning veteran population strains our medical facilities when you realize that approximately one out of every five veterans seeks some kind of medical attention from the VA. Florida's VA medical facilities have just about reached the breaking point. It is clear that VA medical dollars have not increased through the decade in proportion to the population growth and health care demands of the eligible veteran community.

I am introducing the Veterans Medical Care Resource Allocation Act of 1985 to put in place a system that makes sure when an area experiences a boom in their veteran population, the money allocated to that area will reflect that change in population.

This legislation requires the VA to compile demographic information and requires the VA Administrator to look at this information and to operate and establish VA medical facilities on the basis of this information. The areas where the large veteran population live will start getting funds and facilities to meet the needs of those veterans living there. This kind of system, which cannot be run without the decisionmakers having current data on veterans, is simply the fairest and most reasonable way to go about providing for the health care needs of this country's veterans. This bill has three basic components:

CURRENT VETERANS DEMOGRAPHIC INFORMATION

The first part of the bill requires an annual review of veteran population data. This data would include an accounting of the present number of veterans residing in each State, as well as data on the past and projected changes in the veteran population figures. All of this information is needed to determine where exactly America's veterans are living.

MEDICAL CARE SERVICES ADEQUACY REPORT

The bill next requires an analysis of the adequacy of existing medical care services. This entails a study of admission policies throughout the medical care system. The bill would require a review of records of eligible veterans who apply for hospital care or outpatient care or nursing home care, but are turned down. Right now we have current information on the number of veterans that each facility serves. But we do not have any information that would tell us how many more veterans these facilities could service if the veterans could be accommodated. All of this information that is required in this part of the bill will give the VA Administrator a true picture of veterans health care demands.

VA ADMINISTRATOR'S REPORT TO CONGRESS

Based on the review of information that this bill necessitates, the Administrator must send to Congress an annual report detailing the veteran population data and recommending apportionment of appropriated funds. This recommendation would, of course, take into account the veteran population distribution.

This bill is designed to take a step toward reforming the VA system of allocating VA health care dollars. If we document where the veterans live and what health care needs they have, and then we require the VA Administrator to apportion funds based on all of that information, then I think we are moving closer toward making the VA health care system more responsive to the needs of veterans. I hope we will see favorable action on this proposal in the Senate.●

By Mr. ROCKEFELLER (for himself, Mr. BYRD, Mr. SARBANES, Mr. HEINZ, Mr. STENNIS, Mr. FORD, Mr. SASSER, Mr. HEFLIN, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. GLENN, Mr. PRYOR, Mr. SPECTER, and Mr. GORE):

S. 847. A bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs; to the Committee on Environment and Public Works.

(The remarks of Mr. ROCKEFELLER and the text of the legislation appear earlier in today's RECORD.)

By Mr. COHEN:

S. 848. A bill to provide for orderly trade in nonrubber footwear, to reduce unemployment, and for other purposes; to the Committee on Finance.

(The remarks of Mr. COHEN and the text of the legislation appear earlier in today's RECORD.)

By Mr. HART (for himself and Mr. KERRY):

S. 849. A bill to establish a National Infrastructure Fund to provide funds for interest-free loans to State and local governments for construction and improvement of highways, bridges, water supply and distribution systems, mass transportation facilities and equipment, and wastewater treatment facilities, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL INFRASTRUCTURE ACT

Mr. HART. Mr. President, we are living in an era of unrelenting economic change. The composition of the American work force is changing. The American workplace is changing. The American economy is facing new and dramatic transformations which are forcing us to reexamine our export policies, our methods of compensating, training and retraining workers, and the education of our youth. This postindustrial transition cannot be ignored, or delayed through legislation.

The great challenge we face involves the marshaling of our resources—the creativity of our people, the ingenuity of the private sector, and the activity of Government—to anticipate change and become its master. A future that depends on what is done between now and then is subject to control. We can manage the postindustrial transition through which our economy is going, and create an enduring era of sustained growth.

To a large extent, we already know what must be done. Our students need the math and science skills to master the complexities of this technologically advanced economy. We need to invest in new plants and equipment and a retooled work force. We must renegotiate existing trade agreements to eliminate barriers faced by American goods in foreign markets. And we must undertake prompt and effective changes in our fiscal and monetary policies to reduce interest rates and the value of the dollar.

But it will ultimately avail us little to make investments—in human potential, in industrial productivity, and international competitiveness—if the very foundation of our economy is incapable of sustaining growth. Our public highways, roads, bridges, transit and water systems are the foundation of this Nation's commercial and industrial activity. Yet, our economic life support system is in disturbing and dangerous condition.

Throughout the country, water from underground acquifers is being consumed faster than nature can replenish it. A large percentage of our highways need immediate improvements. Bridges have become structurally unsafe or functionally obsolete. Years of declining investment in these basic, economic life support systems, the infrastructure, have undermined our Nation's productivity and commercial capacity. As the Congressional Budget Office reported, "The Nation's public works infrastructure * * * is suffering from growing problems of deterioration, technological obsolescence, and insufficient capacity to serve future growth."

The fact is that between 1971 and 1981, spending by all levels of government on highways, bridges, mass transit, water and sewer systems, as a percentage of GNP, dropped by half—from 1.5 percent of GNP to 0.78 percent. In the absence of a coordinated strategy, the investments we need to repair and rebuild these vital capital assets will not be made. The longer we wait, the more our inevitable repair bills will grow, and the more economic development will be constrained. Without a doubt, the repair bill for the restoration of our infrastructure will be substantial. But it is equally clear that the cost of inaction will be even greater.

The Joint Economic Committee recently developed a series of recommendations for addressing this national crisis, which included an infrastructure revitalization proposal. I am introducing in the Senate today "The National Infrastructure Act." A companion measure, embodying the Joint Economic Committee's recommendations, has been sponsored in the House by the chairman of the Public Works Committee, Representative JAMES HOWARD. Congressman LEE HAMILTON, a member of JEC, and members of Congressman HOWARD's committee, have cosponsored his legislation. I am joining their efforts in making a major effort for enactment of infrastructure legislation this year.

Our bill establishes a National Infrastructure Fund to be financed at a rate of $3 billion annually for 10 years. The fund would make 20-year, interest-free loans available to the States. States would, in turn, establish infrastructure banks or revolving funds to finance construction and repair. The State contribution would be funded through taxes and/or user fees. Through this mechanism, the $30 billion in loans will leverage $76 billion in new infrastructure spending over the 30-year life of the program. While States would be free to develop their own priorities, the legislation makes clear that this money is to be spent on new projects only, and should not be substituted for infrastructure investments to which the States are already committed.

This proposal will raise only a fraction, about one-sixth, of the $450 billion shortfall in infrastructure spending that will occur between now and the year 2000. Consequently, all levels of government, once this legislation is enacted, will have to make complementary commitments for additional infrastructure investments.

But, as the Joint Economic Committee reported: "The Nation which built the greatest network of roads and waterworks in the world has not suddenly become incapable of maintaining and improving such a system." What we need now is the patience and political will to make a dedicated effort to repair our public infrastructure.

Without a vital and efficient infrastructure system, the aspirations we have for achieving economic prosperity and growth will remain unfulfilled. If we want to secure our economic future, we will have to make substantial investments today in the capital assets on which we all depend. It is my hope that all of our colleagues, Mr. President, from both sides of the aisle, will give this legislation their enthusiastic support.

I ask unanimous consent that a factsheet describing the legislation, a table showing the funding distribution contemplated by the bill, and a copy of the legislation, be reprinted in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Infrastructure Act".

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds that—

(1) a gap exists between anticipated revenues of the Nation and infrastructure needs of the Nation which will approach $450,000,000,000 by the year 2000;

(2) annual expenditures, as a percentage of the gross national product, for public capital investment by all levels of government have declined in recent years by more than 50 percent;

(3) all regions of the country face sizable public works infrastructure needs;

(4) delay in repair and construction of the Nation's infrastructure systems increases the costs of such repair and construction; and

(5) a healthy United States economy depends upon a sound infrastructure system.

(b) POLICY.—It is, therefore, the policy of the United States that—

(1) the declining trend in public capital investment should be reversed;

(2) a strategy for wise infrastructure investment must be long-range and sustained;

(3) because of climatic, historic, and economic differences, the States should be

given greater latitude in establishing priorities for and managing infrastructure projects; and

(4) a new and innovative public works infrastructure program should be established to supplement infrastructure investment from existing Federal, State, and local capital programs.

SEC. 3. NATIONAL INFRASTRUCTURE FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the "National Infrastructure Fund" (hereinafter in this Act referred to as the "Fund"), consisting of such amounts as may be appropriated to the Fund under this section.

(b) AUTHORIZATIONS FOR APPROPRIATIONS.—There may be appropriated to the Fund (other than the sinking fund account established under subsection (d) of this section) $3,000,000,000 per fiscal year for each fiscal year beginning after September 30, 1985, and ending before October 1, 1995.

(c) AVAILABILITY OF FUND FOR INTEREST-FREE REPAYABLE GRANTS.—Amounts in the Fund (other than the sinking fund account established under subsection (d) of this section) shall be available to the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") to make interest-free repayable grants to States under this Act.

(d) SINKING FUND ACCOUNT.—

(1) ESTABLISHMENT.—There is established in the Fund a separate account to be known as the "Sinking Fund Account" (hereinafter in this Act referred to as the "Account"), consisting of such amounts as are deposited in or credited to the Account as provided in this subsection.

(2) DEPOSIT OF GRANT REPAYMENTS IN THE ACCOUNT.—The Secretary shall deposit in the Account any amounts paid to the Secretary by a State under section 4(d) of this Act.

(3) INVESTMENT.—It shall be the duty of the Secretary to invest amounts in the Account. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price. Any obligation acquired by the Account may be sold by the Secretary at the market price. The interest on, and the proceeds from the sale or redemption of, any obligations held in the Account shall be credited to and from a part of the Account.

(4) SEPARATE GRANT RECORDS.—The Secretary shall maintain separate records of funds in the Account with respect to each grant made under this Act.

(5) REPAYMENT OF GRANTS FROM FUNDS IN THE ACCOUNT.—Amounts in the account shall be used exclusively by the Secretary to repay grants made to States under this Act in accordance with section 4(e) of this Act.

(6) DUTIES OF THE SECRETARY; REPORTS TO CONGRESS.—It shall be the duty of the Secretary to hold the Account, and to report to the Congress each fiscal year ending on or after September 30, 1986, and before October 1, 2016, on the financial condition and the results of the operations of the Account during the preceding fiscal year and on its expected condition during the fiscal year and the five succeeding fiscal years. Such report shall be printed as Senate document of the session of the Congress to which the report is made.

SEC. 4. REPAYABLE GRANTS TO QUALIFYING STATES.

(a) AMOUNT OF GRANT.—For each fiscal year beginning after September 30, 1985, and ending before October 1, 1995, each State qualifying for such a grant under section 5 of this Act for such fiscal year shall be entitled to an interest-free repayable grant in an amount equal to the amount bearing the same ratio to $3,000,000,000 as the population of such State bears to the total population of all States qualifying for such grants under such section for such fiscal year.

(b) DATE OF GRANT PAYMENTS.—The Secretary shall pay to each State on October 1 of each fiscal year beginning after September 30, 1985, and ending before October 1, 1995, the amount of the repayable grant to which such State is entitled under subsection (a).

(c) TERMS AND CONDITIONS OF GRANTS.—Grants made under this Act shall be repaid in accordance with the provisions of subsections (d) and (e) of this section and shall be subject to such other terms and conditions as the Secretary determines necessary to ensure compliance with this Act.

(d) GRANT REPAYMENT.—

(1) ANNUAL PAYMENTS.—Any State receiving a grant under this Act shall make annual payments to the Secretary in repayment of such grant over a 20-year period beginning on the last day of the 12-month period beginning on the date such grant is made.

(2) AMOUNT OF ANNUAL PAYMENTS.—The payments shall be in such amounts as the Secretary determines are necessary for the aggregate amount of the payments plus the income derived from the payments under section 3(d)(3) of this Act to equal, at the end of the 20-year period, the amount of such grant.

(3) ADJUSTMENTS TO ANNUAL PAYMENTS.—The Secretary may adjust the amount of any payment determined under paragraph (2) if the Secretary determines that such adjustment is necessary to achieve the objective of such paragraph and if the Secretary notifies the State of such adjusted amount at least 30 days before such payment is due.

(e) FINAL SETTLEMENT OF GRANT REPAYMENT.—

(1) DETERMINATION OF AGGREGATE AMOUNT REPAID.—On the last day of the 21st year beginning after the date any grant is made to a State under this section, the Secretary shall determine whether or not the aggregate amount of payments received from such State in repayment of such grant and deposited in the Account plus the income derived from such payments equals the amount of such grant.

(2) PAYMENT OF EXCESS TO STATES.—If the aggregate amount of such payments plus derived income exceeds the amount of such grant, the Secretary shall pay the State an amount equal to the amount of such excess.

(3) STATE PAYMENT OF DEFICIENCY.—

(A) If such aggregate amount plus derived income is less than the amount of such grant, the Secretary shall request that the State, and the State shall, pay the Secretary an amount equal to such difference.

The Secretary shall deposit the amount of any payment received from any State under this paragraph in the general fund of the Treasury.

(4) REPAYMENT OF GRANTS TO GENERAL FUND OF TREASURY.—On the last day of the 21st year beginning after the date any grant is made to a State under this Act, the Secretary shall transfer to the general fund of the Treasury the aggregate amount of payments in the Account received from such State in repayment of such grant, plus the income derived from such payments, and less any amounts paid to such State with respect to such grant under paragraph (2).

SEC. 5. QUALIFICATION REQUIREMENTS FOR REPAYMENT GRANTS.

Under such regulations as the Secretary may issue, a State shall qualify for a repayable grant under this Act for a fiscal year only if the State enters into such agreements as the Secretary may require to ensure that each of the following requirements are met:

(1) ESTABLISHMENT OF STATE INFRASTRUCTURE FUND.—The State will establish an infrastructure revolving fund in the treasury of the State into which the State will deposit the amount of such grant.

(2) INTEREST-FREE LOANS TO STATE AND LOCAL AGENCIES.—Amounts deposited in the infrastructure revolving fund of the State will be used by the State, within a reasonable period as determined by the Secretary by regulation, to make interest-free loans to departments, agencies, and instrumentalities of the State, to political subdivisions of the State, and to department, agencies, and instrumentalities of one or more political subdivisions of the State.

(3) TERMS AND CONDITIONS APPLICABLE TO LOANS.—Any loan under paragraph (2) will be subject to the following:

(A) COMPLIANCE WITH STATE LAW.—The loan will be made in accordance with laws and procedures of the State applicable to loans of State funds to governmental entities.

(B) REPAYMENT SCHEDULE.—The loan will be repaid in equal annual payments—

(i) beginning on the last day of the 24-month period beginning on the date such loan is made; and

(ii) ending as soon as practicable thereafter, but in no event later than the life of the project for which such loan is made or the end of the 20-year period beginning on the date such loan is made, whichever first occurs.

(C) PROJECTS FOR WHICH LOANS MAY BE MADE.—The loan will only be used for (i) construction and improvement of highways, streets, and bridges, (ii) construction and improvement of water supply and distribution systems, (iii) acquisition, construction, and improvement of mass transportation facilities and equipment, and (iv) acquisition, construction, and improvement of wastewater treatment facilities.

(D) NEEDS TEST.—The loan will only be used for projects which, without such loan, would not be carried out in the 24-month period beginning on the date such loan is made.

(E) PROHIBITION ON USE FOR FEDERALLY ASSISTED PROJECTS.—The loan will not be used to provide the non-Federal share of the cost of any project carried out under any other provision of Federal law.

(F) PROHIBITION ON USE FOR OPERATION AND MAINTENANCE.—The loan will not be used to pay the cost of operation and maintenance of any project.

(G) USER FEES.—To the extent practicable, the loan will be repaid with user fees and dedicated taxes.

(4) LIMITATION ON USE OF STATE REVOLVING FUND.—The State will not use amounts paid to the State in repayment of loans made under paragraph (2) to repay any repayable grant made to the State under this Act and will deposit such amounts in the infrastructure revolving fund of the State.

(5) LOCAL SET-ASIDE.—At least 30 percent of the amount of such grant will be used to make interest-free loans to political subdivisions of the State and departments, agencies, and instrumentalities thereof.

(6) COMPLIANCE WITH GRANT REPAYMENT REQUIREMENTS.—The State will repay such grant in accordance with section 4 of this Act.

(7) ACCOUNTING, AUDIT, AND FISCAL PROCEDURES.—The State will use such accounting, audit, and fiscal procedures as conform to such guidelines as the Secretary shall prescribe after consulting the Comptroller General of the United States.

(8) INSPECTION OF STATE RECORDS.—After reasonable notice, the State will make available to the Secretary and the Comptroller General for inspection such records as the Secretary may require to review compliance with this Act or the Comptroller General may require to review compliance and operations under section 6 of this Act.

(9) COMPLIANCE WITH FEDERAL REQUIREMENTS.—The State will comply with the requirements of sections 6 and 7 of this Act.

SEC. 6. AUDITS, INVESTIGATIONS, AND REVIEWS.

(a) INDEPENDENT AUDITS.—Except as provided in this section, a State which receives a grant under this Act shall have an independent audit made of the financial statements of the State at least annually to determine compliance with this Act. The audit shall be carried out under generally accepted government auditing standards issued by the Comptroller General of the United States.

(b) SUBSTANTIAL COMPLIANCE TEST.—An audit of financial statements of a State carried out under another law of the United States for a fiscal year shall be deemed to be in compliance with subsection (a) for such year when the audit substantially complies with the requirements of subsection (a).

(c) GENERAL WAIVER OF AUDIT REQUIREMENTS.—A State may elect to waive, in writing, application of subsection (a) of this section when—

(1) the financial statements of the State are audited by independent auditors under State law at least annually;

(2) the State certifies that the audit is carried out under generally accepted government auditing standards issued by the Comptroller General of the United States; and

(3) the auditing provisions of the State law are applicable to the fiscal year to which the waiver applies.

(d) LIMITED WAIVER OF AUDIT REQUIREMENTS.—Under such regulations as the Secretary may issue, the Secretary may waive a requirement of subsections (a) and (b) of this section for a State for a fiscal year when the Secretary decides that the financial statements of the State for the year—

(1) cannot be audited and the State shows substantial progress in making the statements auditable; or

(2) have been audited by a department, agency, or instrumentality of the State that does not follow generally accepted government auditing standards issued by the Comptroller General of the United States or that is not independent, and the State department, agency, or instrumentality shows progress in meeting such auditing standards or in becoming independent.

(e) FORM OF AUDIT OPINIONS; PUBLIC INSPECTION.—An opinion on an audit carried out under this section shall be provided to the Secretary in such form and at such times as the Secretary may require by regulation. No later than 30 days following completion of the audit, the audit report shall be made available for public inspection by the State.

(f) REGULATIONS CONCERNING INVESTIGATIONS.—The Secretary shall issue regulations providing reasonable and specific time limits for the Secretary—

(1) to carry out an investigation of a possible violation of this Act; and

(2) to carry out audits and reviews (including investigations of allegations) about possible violations of this Act.

(g) REVIEW BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall carry out reviews of the activities of the Secretary and the States necessary for Congress to evaluate compliance and operations under this Act.

SEC. 7. PUBLIC HEARINGS BY STATES ON PROPOSED INTEREST-FREE LOANS.

(a) MINIMUM OF ONE HEARING.—A State making an interest-free loan under this Act shall hold at least one public hearing on the proposed loan.

(b) PROCEDURES.—At the hearing, persons shall be given an opportunity to provide written and oral reviews to the State and to ask questions about the loan and the relation of the laon to other such loans.

(c) TIME AND LOCATION.—The State shall hold the hearing at a time and place that allows and encourages public attendance and participation.

(d) NOTICE.—The State shall provide adequate notice (including, but not limited to, newspaper notice) of a proposed interest-free loan under this Act.

SEC. 8. REPORTS.

(a) REPORTS OF SECRETARY.—Before June 2 of each year ending before January 1, 1997, the Secretary shall report to Congress on—

(1) the status and operation of the Fund during the prior fiscal year; and

(2) the administration of this Act, including a complete and detailed analysis of—

(A) the way in which amounts of repayable grants made under this Act have been distributed in the States receiving such grants; and

(B) any recommendations for legislation to improve the program authorized by this Act.

(b) STATE REPORTS TO SECRETARY.—At the end of each fiscal year for which repayable grants are made under this Act, each State government receiving such a grant shall submit a report to the Secretary. The report shall be submitted in the form and at a time prescribed by the Secretary and shall be available to the public for inspection. The report shall state—

(1) the purposes for which the amount of the grant has been appropriated, expended, or obligated during the fiscal year and the amounts made available for each such purpose during the fiscal year; and

(2) the differences between the actual and proposed use of any amount of the grant.

SEC. 9. BUDGET TREATMENT.

The amount of repayable grants made to States (budget authority) under this Act shall not be included in the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

SEC. 10. POPULATION INFORMATION.

The Secretary shall determine population on the same basis that the Secretary of Commerce determines resident population for general statistical purposes. The Secretary shall request the Secretary of Commerce to adjust the population information provided to the Secretary as soon as practicable to include a reasonable estimate of the number of resident individuals not counted in the 1980 census or revisions of the census. The Secretary shall use the estimates in determining the amounts of repayable grants for the fiscal year beginning after the Secretary receives the estimates. The Secretary shall adjust population information to reflect adjustments made under section 118 of the Act of October 1, 1980 (Public Law 96-369; 94 Stat. 1357).

SEC. 11. DEFINITIONS.

As used in this Act—

(1) the term "construction" means the supervising, inspecting, and actual building and all expenses incidental to the acquisition, construction, reconstruction, or other improvement of any project, including designing, engineering, locating, surveying, mapping, acquisition of rights-of-way, relocation assistance, elimination of hazards, acquisition of replacement housing sites, and acquisition and rehabilitation, relocation, and construction of replacement housing; and

(2) the term "State" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

NATIONAL INFRASTRUCTURE ACT

Purpose

To establish a National Infrastructure Fund to provide for interest-free repayable grants to State and local governments for specified infrastructure activities.

Funding

$3 billion per year for 10 years to be fully repaid in 30 years;

Off-budget entitlement funding to be repaid by state and local governments;

Not to be used to provide non-Federal share of project cost.

Eligible Activities

Construction and improvement of highways, streets, bridges, water supply and distribution systems;

Acquisition, construction, and improvement of mass transportation facilities and equipment, and waste treatment facilities.

States

Interest-free repayable grant apportioned by population;

Must establish state revolving loan fund;

Repayment to Federal sinking fund beginning in second year.

Locals

At least 30% set-aside within each state for local governments;

Interest-free loans from revolving loan fund;

Repayment to state revolving loan fund beginning in second year.

Repayment

To be determined by Secretary of Treasury based on economic conditions and loan amounts to allow full repayment in 20 years;

Beginning second year for 20 years.

Accountability

State auditing and investigations;

GAO review;

Public hearings;

Annual report to Congress.

Total Projects Funded

Approximately $76 billion over 50 years.

Funding to States Available After All Repayments

Approximately $25 billion at the end of 30 years.

[In millions]

State-region	1982 population	Annual qualification	10-year total	Percent of total
United States	231,534	3,000	.....	100.0
East	54,954	712	7,120	24.0
Maine	1,133	15	150	.5
New Hampshire	951	12	120	.4
Vermont	516	7	70	.2
Massachusetts	5,781	75	750	2.5
Rhode Island	958	12	120	.4
Connecticut	3,153	41	410	1.4
New York	17,659	229	2,290	7.6
New Jersey	7,438	96	960	3.2
Pennsylvania	11,865	154	1,540	5.1
Delaware	602	8	80	.3
Maryland	4,265	55	550	1.8
District of Columbia	631	8	80	.3
Midwest	58,927	763	7,630	25.0
Ohio	10,791	139	1,390	4.7
Indiana	5,471	71	710	2.4
Illinois	11,448	148	1,480	4.9
Michigan	9,109	118	1,180	3.9
Wisconsin	4,765	62	620	2.0
Minnesota	4,133	53	530	1.8
Iowa	2,905	37	370	1.3
Missouri	4,951	64	640	2.1
Kansas	2,408	31	310	1.0
Nebraska	1,586	20	200	.7
South Dakota	691	9	90	.3
North Dakota	670	9	90	.3
West	45,015	583	5,830	19.4
Montana	801	10	100	.3
Idaho	965	12	120	.4
Wyoming	502	6	60	.2
Colorado	3,045	39	390	1.3
New Mexico	1,359	18	180	.6
Arizona	2,860	37	370	1.7
Utah	1,554	20	200	.7
Nevada	881	11	110	.4
California	24,724	320	3,200	10.7
Oregon	2,649	34	340	1.1
Washington	4,245	55	550	1.8
Alaska	428	6	60	.2
Hawaii	994	13	130	.4
South	72,638	941	9,410	31.4
West Virginia	1,948	25	250	.8
Virginia	5,491	71	710	2.4
North Carolina	6,019	78	780	2.6
South Carolina	3,203	41	410	1.4
Georgia	5,639	73	730	2.4
Florida	10,416	135	1,350	4.5
Alabama	3,943	51	510	1.7
Mississippi	2,551	33	330	1.1
Tennessee	4,651	60	600	2.0
Kentucky	3,667	47	470	1.6
Arkansas	2,291	30	300	1.0
Louisiana	4,362	56	560	1.9
Texas	15,280	198	1,980	6.6
Oklahoma	3,177	41	410	1.4

Note: Detail in this table may not add to totals because of rounding.

By Mr. THURMOND (for himself and Mr. GRASSLEY):

S. 850. A bill to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs; to the Committee on the Judiciary.

CRIMINAL OFFENSE FOR OPERATION OF COMMON CARRIER UNDER THE INFLUENCE OF ALCOHOL OR DRUGS

Mr. THURMOND. Mr. President, today, I am again introducing legislation to penalize on-the-job use of drugs or alcohol by employees who operate, or direct the operation of, trains, airplanes, buses, and ships across this Nation and its waterways.

During the last year, particular attention has been drawn to problems in the railroad industry. News accounts last week by "CBS Morning News" and the Washington Post indicate that two serious train wrecks last spring were due, at least in part, to alcohol or drug use by railroad employees. One accident, a head-on collision in Colorado, killed five crewmembers and caused nearly $4 million in damage. The other, a derailment in Wyoming, occurred only a few days later, killing two crewmembers. Figures released by the Department of Transportation show that at least 47 alcohol- or drug-related train accidents have occurred during the last 9 years. Forty-one people have died. According to Department of Transportation officials, this is only the tip of the iceberg—the problem is far more widespread and serious than statistics reveal.

Currently, there are no Federal criminal laws which specifically address the use of drugs or alcohol by persons while they are operating, or directing the operation of, common carriers. Railroad employees may even refuse to take an alcohol or drug test and not be formally penalized for that decision.

Over the last few years, many States have either amended their motor vehicle laws or enacted new legislation to cover vehicular homicide. In general, it is a criminal offense for a driver to operate a vehicle while intoxicated or under the influence of drugs. This should also be the case for those entrusted with the operation of our common carriers. Under common law, common carriers have always been held to a higher standard of care because of the increased responsibility they bear. In common parlance, it is a crime for intoxicated operation of common carriers to take place, and it is time that our Federal criminal laws treated it as such.

Mr. President, the legislation I propose would amend title 18 of the United States Code by adding a new chapter 17A. It would create a Federal offense relating to operating, or directing the operation of, a common carrier, such as passenger and freight trains, airplanes, buses, and ships, while intoxicated or under the influence of drugs. The penalty would be a fine of up to $10,000, or imprisonment for up to 5 years, or both.

I introduced a similar measure, S. 3020, late in the last Congress, but, because of time limitations, no action was taken. It is my hope that favorable consideration can occur early in this Congress, as this measure is needed to help combat this most serious problem.

While administrative regulations are one approach to this problem, I firmly believe that criminal sanctions on the Federal level are a necessary and proper step for this Congress to take to bring this situation under control. I urge my colleagues to join with me in this effort to help make public transportation safe for all of our citizens.

By Mr. PRYOR (for himself and Mr. GRASSLEY):

S. 855. A bill for the relief of rural mail carriers; to the Committee on Finance.

RELIEF OF RURAL MAIL CARRIERS

● Mr. PRYOR. Mr. President, today I am introducing a bill to bring some certainty to our tax laws as it relates to the rural letter carriers of this Nation. This bill is very important to these hard-working men and women as a result of a retroactive reversal of a longstanding ruling by the Internal Revenue Service [IRS]. I'm pleased that the Senator from Iowa, Mr. GRASSLEY, is joining me in this effort.

Mr. President, for many years—since 1956 to be precise—the rural letter carriers had filed their tax returns based on an IRS-approved form that contained the necessary information for the calculation of the expenses of their vehicles. As most Members of the Senate are aware, the rural letter carriers, through a contract with the Postal Service, receive a set mileage amount for the use of their vehicles. Currently, this is around 33 cents per mile. The IRS allows taxpayers a standard mileage deduction for the use of their cars at a rate of 20½ cents per mile. The question, with regard to the rural letter carriers, is how the difference is to be treated for tax purposes.

Obviously, since the 33-cents-per-mile rate is set by contract, it is what the Postal Service has calculated is the cost of driving and maintaining the vehicle. There's no profit involved.

Prior to the IRS' reversal of its longstanding policy, there was a formula available for the letter carriers under which they could calculate their depreciation and actual expenses for the use of their cars and trucks to deliver the mail. For those who did not want to use the formula to claim any depreciation, then the contractually set equipment maintenance allowance—the amount they received under the contract with the Postal Service—was deemed to be their operating expenses. Therefore, there were not tax implications involved.

The problem, Mr. President, is that in 1984 the IRS retroactively reversed the understanding with the rural letter carriers. The result is that literally thousands of these men and women are now under IRS audit for tax years 1983 and earlier, and face interest and penalties on alleged deficiencies, even though they fully and faithfully complied with the law.

The bill we're introducing today would:

First, for taxable years prior to 1985, provide that the old formula was correct, and for those who didn't use the formula, then the operating expenses equaled the equipment maintenance allowance; and

Second, for taxable years beginning in 1985, allow letter carriers to have the equipment allowance equal the operating expenses, or use a formula of 150 percent of the standard mileage allowance as their operating expenses. Also, for tax years beginning in 1985, for those who depreciated their cars, remove the 50 percent of business use limitation contained in section 280F of the Internal Revenue Code.

The effect of these changes, Mr. President, would be to deny the retroactive application of the IRS changes. Therefore, the rural letter carriers would not have to face these audits when they complied with the law at the time their tax returns were filed. For years starting after January 1, 1985, there would also be some certainty in this area in the Tax Code so that these men and women would know exactly where they stand.

This is a sound bill, Mr. President, that provides some certainty to these hard-working people, and will prevent a very serious problem they're now facing from becoming worse. I urge my colleagues to carefully consider this measure, and I hope we will have a hearing and consideration in the Senate Finance Committee in the very near future.

I ask unanimous consent, Mr. President, that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BUSINESS USE OF AUTOMOBILES BY RURAL MAIL CARRIERS.

(a) TAXABLE YEARS BEGINNING AFTER 1984.—

(1) IN GENERAL.—In the case of any employee of the United States Postal Service who performs services involving the collection and delivery of mail on a rural route, for taxable years beginning after December 31, 1984—

(A) such employee shall be permitted to compute the amount allowable as a deduction under chapter 1 of the Internal Revenue Code of 1954 for the use of an automobile in performing such services by using a standard mileage rate for all miles of such use equal to 150 percent of the basic standard rate, or

(B) if the employee does not use such standard mileage rate, section 280F(b) of the Internal Revenue Code of 1954 (relating to limitation where business use of listed property not greater than 50 percent) shall not apply to any automobile used in performing such services.

(2) PARAGRAPH (1)(A) NOT TO APPLY IF EMPLOYEE CLAIMS INVESTMENT TAX CREDIT OR ACCELERATED COST RECOVERY DEDUCTIONS FOR AUTOMOBILE.—Paragraph (1)(A) shall not apply with respect to any automobile if, for any taxable year beginning after December 31, 1984, the taxpayer claimed an investment tax credit or depreciation deductions for such automobile.

(3) DEFINITIONS.—For purposes of this subsection—

(A) BASIC STANDARD RATE.—The term "basic standard rate" means the standard mileage rate which is prescribed by the Secretary of the Treasury or his delegate for computing the amount of the deduction for the business use of an automobile and which—

(i) is in effect at the time of the use referred to in paragraph (1),

(ii) applies to an automobile which is not fully depreciated, and

(iii) applies to the first 15,000 miles (or such other number as the Secretary may hereafter prescribe) of business use during the taxable year.

(B) INVESTMENT TAX CREDIT.—The term "investment tax credit" means the credit determined under section 46(a) of the Internal Revenue Code of 1954

(b) YEARS BEFORE 1985.—In the case of an employee described in subsection (a)(1), for taxable years beginning before January 1, 1985—

(1) the amount allowable as a deduction for any such taxable year under chapter 1 of the Internal Revenue Code of 1954 for the use of an automoble in performing services described in subsection (a)(1) shall be the amount received by the employee during such taxable year as equipment maintenance allowances from the United States Postal Service, except that

(2) such employee shall be permitted for any such taxable year to compute the amount so allowable in accordance with the form entitled "Worksheet for Use of Rural Carrier in Reporting Equipment Allowance and Claiming Transportation Expense Deduction" which was approved by the Internal Revenue Service in 1956 after being prepared by the National Rural Letter Carriers' Association.●

By Mr. HATCH (for himself, Mr. DENTON, Mr. HUMPHREY, and Mr. SIMON):

S. 856. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for certain expenses paid or incurred by an individual in connection with the adoption of a child; to the Committee on Finance.

FAIRNESS FOR ADOPTING FAMILIES ACT

Mr. HATCH. Mr. President, Senators DENTON, HUMPHREY, and SIMON join me today in introducing the Fairness for Adopting Families Act, a bill designed to address, in a comprehensive way, the issue of tax treatment of the costs of adopting children.

In the simplest terms, this legislation is needed for three reasons. First, it recognizes that, as a nation, we respect and wish to encourage the building of strong families through adoption. Second, it recognizes that equity of treatment in respect to the way a family is formed—whether by biology or through adoption—can only be achieved by providing assistance in defraying the costs of adopting. Third, it is one attempt to cure a barrier to adoption; that is, the increased costs of legal adoptions.

I do not question the variety of tax benefits available to the couple who has a child biologically. However, in contrast, there is but one measure aimed at providing a small tax deduction for people who adopt children with special needs. There is nothing for others who adopt. This must be changed, and the premier purpose of this legislation is to do so.

Mr. President, what would this legislation do? It has three major features, First, it would provide a tax deduction for unreimbursed adoption expenses. Second, it would exclude from the employee's income any payments made by an employer for adoption expenses. Third, it would treat any employer contribution to an adoption expense plan as an ordinary and necessary business expense.

Let me explain these three features in a bit more detail.

The tax deduction for unreimbursed adoption expenses would be available for the costs of an adoption, as long as that adoption was in accordance with State and Federal law. This deduction would be available for all adoptions meeting this condition. I recognize that there are significant differences in adoptions. Depending on whether they are done within a State, between States or involve a child from a country other than the United States. However, each legal adoption is socially useful and beneficial. Each adoptive family, no matter how the adoptive child came to be in that family, deserves our support. Whether that child is a healthy infant, a child with special needs or a child from another country, the adoption expenses may be deductible, as long as all Federal and State legal requirements are met.

Data provided by the National Committee for Adoption shows that the actual cost connected with the adoption of a healthy infant often is in excess of $10,000. Because of the voluntary spirit that is so much a part of the adoption scene, the actual fees charged are often less than the costs incurred by agencies—sometimes thousands of dollars less. The difference is made up in fund-raising drives and charitable solicitation. I would hope that this continues. But not every adoption fee is subsidized. And not every adoption is of a healthy infant. For example, the costs of cesarean delivery or premature birth by the natural mother can further drive up the expenses adoptive parents may have to bear.

This legislation should stimulate discussion on the various adoption costs. I encourage my colleagues on the Finance Committee to look at this proposal with an open mind. If they believe some restrictions are needed, then proposals I have heard discussed include capping the deductible, possibly at 80 percent of expenses, or possibly limiting the deduction for a healthy infant at $5,000 and the expenses of a child with special needs at $10,000.

For those not familiar with adoptions, some of the appropriate costs

which make adoptions expensive are: maternity home services, hospital and physician's costs, attorney's costs, and the comprehensive costs of complete adoption service incurred by an agency—including, for instance, costs such as those for advertising and outreach to tell pregnant women about their services, costs incurred to provide them with educational services, and costs for job training. However, by limiting these deductions only to those which are conducted in compliance with Federal and State laws, we are insuring that we would not be underwriting the kinds of practices that have come to light in my own State of Utah and other States, where people were defrauded by certain individuals attempting to act as baby brokers. The illegal adoption brings with it a price tag of $25,000 or more, most of which goes into the pockets of middlemen. Fees for arrangements would not be deductible.

We are also insuring that certain practices that are related to the resolution of infertility, including in vitro fertilization, ovum transfers and transplants, and surrogate parenting arrangements, do not qualify for favorable tax treatment under this bill. These practices are not adoption. Some of these practices are unacceptable, for medical, religious or other reasons, to many Americans. Some of these practices are, however, addressed under other portions of the tax laws. For instance, certain medical treatments aimed at treating infertility, including some of those mentioned above, may qualify for favorable tax treatment.

Two of this legislation's provisions relate to the development of interest in adoption by many of the Nation's employers. Forty companies now provide adoption benefits, including some of the largest employers such as Control Data, IBM, Time, and Xerox. The actual benefits vary widely, with some providing both a cash payment and paid leave. Many of these benefits are flat payments. In my home State of Utah, Deseret Mutual Benefit Association, a large employer, provides adoption benefits to their employees of up to 80 percent of approved adoption expenses capping the fee at $1,200. These usual and necessary fees include maternity expenses and legal agency fees.

There are two problems that exist in regard to employer-provided benefits which we address in this bill. The first problem is that payments made to employees are taxable as income. This means that if a benefit of $1,200 is received, not all of the money can be applied to defraying expenses. Our bill would exclude from the employee's income those payments made by an employer.

The second problem is that companies currently may not treat their contributions to adoption expense plans as an ordinary and necessary business expense. This discourages many companies which would otherwise offer these benefits from providing them. Our bill would solve this problem and remove that barrier to more companies providing adoption benefits.

There are those who will say that we do not need this law at this time, that we cannot afford even the modest revenue loss that this would represent. I do not agree with them. Our families are our most important resource, and we must do everything in our power to be fair to families. The benefits to children and families of this legislation, and to our society as a whole, both in human and economic terms far outweigh the dollar costs that some may wish to focus on.

At this time, I encourage my colleagues to join me in this effort. In addition, I would like to ask unanimous consent to include a recent article that appeared in the Washington Post entitled "Paying Adoption Expenses—Increasing Number of Companies Help Their Employees Meet Costs" by Steven Heilbronner. My office has received numerous calls concerning this fine article, and I commend the Washington Post for highlighting accurately the importance of adoption within families. I ask unanimous consent that the complete text and summary of the bill be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fairness for Adopting Families Act".

SEC. 2. MODIFICATION OF DEDUCTION FOR ADOPTION EXPENSES.

(a) IN GENERAL.—Subsections (b) and (c) of section 222 of the Internal Revenue Code of 1954 (relating to adoption expenses) are amended to read as follows:

"(b) DENIAL OF DOUBLE BENEFIT.—

"(1) IN GENERAL.—No deduction shall be allowable under subsection (a) for any expense for which a deduction or credit is allowable under any other provision of this chapter.

"(2) GRANTS.—No deduction shall be allowed under subsection (a) for any expenses paid from any funds received under any Federal, State, or local program.

"(C) QUALIFIED ADOPTION EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified adoption expenses' means reasonable and necessary adoption fees (including agency fees), court costs, attorney fees, and other expenses which—

"(A) are directly related to the legal adoption of a child by the taxpayer but only if such adoption has been arranged—

"(i) by a State or local agency with responsibility under State or local law for child placement through adoption,

"(ii) by a non-profit, voluntary adoption agency which is authorized by State or local law to place children for adoption, or

"(iii) through a private placement, and

"(B) are not incurred in violation of State or Federal law.

"(2) ADOPTION EXPENSES NOT TO INCLUDE CERTAIN AMOUNTS.—The term 'qualified adoption expenses' shall not include any expenses in connection with—

"(A) the adoption of a child who was conceived through—

"(i) artificial insemination,

"(ii) embryo transplantation,

"(iii) in vitro fertilization, or

"(iv) so-called 'surrogate parenthood', including surrogate mothers who serve voluntarily and without remuneration in jurisdictions where such practice is legal, or

"(B) travel outside the United States, unless such travel is required—

"(i) as a condition of a legal adoption by the country of the child's origin,

"(ii) to assess the health and status of the child to be adopted, or

"(iii) to escort the child to be adopted to the United States.

"(3) CHILD.—The term 'child' shall include any child determined by the State to be a child described in paragraphs (1) and (2) of section 473(c) of the Social Security Act.".

(b) ADOPTION ASSISTANCE PROGRAMS.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of such Code (relating to items specifically excluded from gross income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. ADOPTION ASSISTANCE PROGRAMS.

"(a) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to a program described in subsection (b).

"(b) ADOPTION ASSISTANCE PROGRAM.—For purposes of this section, a program is described in this subsection if it—

"(1) is a separate written plan of an employer for the exclusive benefit of his employees to provide his employees with adoption assistance, and

"(2) meets requirements similar to the requirements of paragraphs (2), (3), (5), and (6) of section 127(b).

"(c) QUALIFIED ADOPTION EXPENSES.—For purposes of this section, the term 'qualified adoption expenses' has the meaning given such term by section 222(c).".

(2) CONFORMING AMENDMENT.—The table of sections for part III of subchapter B of Chapter 1 of such Code is amended by striking out the item relating to section 134 and inserting in lieu thereof the following new items:

"Sec. 134. Adoption assistance programs.

"Sec. 135. Gross reference to other Acts.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to expenses paid or incurred for adoptions which become final after December 31, 1984.

SUMMARY OF FAIRNESS FOR ADOPTING FAMILIES ACT

1. Provides tax deduction for adoption expenses. Allowance of a deduction costs of an adoption, in accordance with State and Federal law, including infant, special needs or foreign child adoptions. It excludes surrogate mother and invitro arrangements. It also restricts the deduction of travel outside

the United States unless such travel is required as a condition of the adoption, or to assess the health and status of the child, or to escort the child to be adopted to the United States. There is no dollar limitation on the amount of the deduction.

2. Excludes from employee's income adoption expenses paid by an employer.

3. Treats employer contributions to adoption expense plans as an ordinary and necessary business expense.

4. Effective date: applies to expenses incurred or paid for adoption which become final after December 31, 1984.

[From the Washington Post March 18, 1985]

PAYING ADOPTION EXPENSES—INCREASING NUMBER OF COMPANIES HELP THEIR EMPLOYES MEET COSTS

(By Steven Heilbronner)

When Sue and Jim Orban, a Gaithersburg couple, adopted their first child in 1980, raising $4,000 to pay the adoption costs meant "asking relatives to give cash instead of other presents for Christmas." It also required Sue to take on four part-time jobs as a baby sitter, a sales clerk, a recreational supervisor and house cleaner, while Jim worked his regular hours as a computer programmer for Fairchild Industries Inc. in Germantown.

"At times it just felt crazy," Sue Orban said. "But that's the price we had to pay to make ends meet. It was the best money for short-term work."

Four years later, after she gave birth to a child, they adopted a Filipino boy. This time paying the bills was less arduous. Although the price to adopt their son Michael ran $5,500, part of the cost was absorbed through a benefits policy provided by Jim Orban's new employer, and Sue stayed at home to take care of the children.

International Business Machines Corp., where Orban has been a computer analyst since 1981, pays employes up to $1,750 toward adoption costs.

According to the National Committee for Adoptions, 40 major United States firms, or three times the number since 1980, pay $150 to $2,500 in expenses incurred for agency placement fees, court costs and legal fees, temporary foster child care and transportation for the adopted child.

The list includes such giants as Honeywell Inc., Procter & Gamble Co., Time Inc. and Bank of America.

In addition, more than 100 firms, such as Acacia Group Insurance Co. of Washington, allow employes to use accrued leave time, which in some cases includes sick leave, to acclimate their newly adopted child to unfamilar surroundings.

The changes have extended even to state government in Maryland, which last year enacted a law allowing any employe to use up to 30 days of accrued sick leave to spend with a newly adopted child. The sponsor of the bill, Del. Virginia M. Thomas (D-Howard), said it is only one of its kind in the country.

Federal employes are not entitled to adoption benefits, according to Jim Ludwig of the Office of Personnel Management, and neither are Virginia state workers or District of Columbia employes.

Edward Rider, an archivist at Procter & Gamble of Cincinnati, said the five months that the company allowed him to take off from work without pay when he and his wife received their 4-week-old daughter were "invaluable."

Edward and Barbara Rider had been waiting three years before a local agency notified them that a teen-aged mother was giving up her child for adoption. "We found out a few days before having to bring [Anne] home," Edward Rider said. "Although we were expecting a child at some point, it's not like planning for a natural birth."

William Pierce, president of the National Committee for Adoptions, said, "The basic premise of adoption benefits is a matter of equity. Most people who adopt children do not enjoy the same privileges as those who are biological parents."

Officials of companies that have instituted these payments agree that parents who adopt should not be burdened with costs that natural parents escape through major medical insurance, which typically absorbs up to 80 percent of their costs.

Doctor fees and hospitalization for a natural birth usually amount to about $4,000, industry spokesmen say, whereas normal agency adoption expenses range from $2,000 to $10,000, depending on the type of services rendered.

These officials assert that the expanded coverage marks their growing commitment to a diverse work force, although they acknowledge that the policy makes for good public relations at minimal cost because few of their employes adopt children and claim the benefit.

"Companies are realizing that there is not such a distance between your work and family life," said Linda Ulrey, a public relations assistant at Procter & Gamble. "They've got to make it easier for the two to work in tandem."

Procter & Gamble in 1982 designed a package that provides up to $1,000 for adoption costs and allows employes time off from work until their child is 6 months old. "If the child is older than 6 months when he or she is adopted, we'll usually make special exceptions," Ulrey said.

"Obviously we're only providing maybe a half the cost to the family," said Emily Karakashian, a senior benefits analyst at Bank of America, which introduced cash payments of $2,000 to employes in 1983. "The philosophy is to equalize the benefits for people who choose other options [than natural birth]. From our point of view it's a great benefit, because the cost is negligible," Karakashian said.

Karakashian noted that in two years, about 30 employes have used the adoption benefit, which requires a $250 deductible.

At IBM, which in 1972 was one of the first Fortune 500 firms to enact the program, 4,500 employes have been granted the $1,750 benefit. The company employs 394,930 people in the United States.

One criticism of the cash benefit programs is that the money is not always tax-deductible, thereby reducing the amount parents receive by up to 25 percent.

The Orbans, for example, said their $1,750 benefit from IBM "amounted to around $1,300" once taxes were deducted. However other companies, such as Acacia, Proctor & Gamble, and Honeywell, shoulder the tax burden.

A tax bill passed by Congress in 1981 provided an exemption of up to $1,500 for the adoption of a "special needs" child, but no exemptions were made for other children. "Special needs" refers to children 5 years or older, handicapped children, and sibling sets.

This year a bill has been introduced by Sens. Orrin G. Hatch (R-Utah) and Jeremiah Denton (R-Ala.) that would permit deductions for any adopted child.

Mr. DENTON. Mr. President, I am pleased to join the distinguished Senator from Utah, Mr. HATCH, in introducing the Fairness for Adopting Families Act of 1985. Senators may recall that Senator HATCH and I introduced an identical bill in the 98th Congress, but that unfortunately the Congress adjourned without acting on the bill.

Although there are many exciting initiatives underway to promote adoption, there is much more than can and should be done to increase the number of children who can be adopted into loving families. The bill that Senator HATCH and I are introducing today would provide badly needed tax relief to persons who form their families through adoption.

The Subcommittee on Family and Human Services, of which I am chairman, has held several hearings on adoption. Although specific tax issues do not fall within the jurisdiction of the subcommittee, many witnesses expressed the need for ending the inequitable tax treatment of adoptive parents.

As we all know, families formed through the biological birth of children are eligible for a tax deduction for the medical expenses of the pregnancy and delivery. Adoptive parents, however, cannot deduct the expenses for adoption, even though, in many cases, they have paid the medical expenses of the baby's birth and the biological mother's prenatal care, in addition to adoption agency fees and attorney fees. For many families, those out of the pocket expenses, which can vary widely from locality to locality, put a substantial strain on resources.

I believe that adopting families truly deserve fair tax treatment and should not be discriminated against under our tax laws.

The bill would offer a tax deduction for all reasonable fees for an adoption that is conducted in accordance with State law. As already mentioned. adoption expense can vary from as little as $500 up to $10,000 and still fall within the realm of legal fees. For that reason, the bill does not include a fixed dollar amount for the deduction.

The bill would also exclude families from taxable income any adoption benefits paid by employers to employees adopting children. Employers would be able to treat the benefit as an ordinary and necessary business expense of providing benefits to their employees. These provisions would be of inestimable help to hold employers and employees.

Because I am interested in encouraging private sector support for adoption, I included a provision in the Adoption Opportunites Act reauthorization bill—S. 1003 in the 98th Congress—that would direct the Secretary

of HHS to educate and encourage the private sector to offer adoption benefits to adopting employees. That provision became part of Public Law 98-457, signed by President Reagan on October 9, 1984. I closely watch the effect of the provision.

In a hearing on the bill, written testimony was received from a vice president for employee benefits who described the formation of adoption benefit plans. Thirty-five corporations now offer adoption benefit programs to their employees. I strongly believe that if companies were able to consider this expense as an ordinary and necessary business expense, many more companies would provide the benefit. Likewise, the benefit would not be considered taxable income for the employee, as is currently the case.

We should allow the private sector to do as much as it can to support adopting families. The Fairness for Adopting Families Act would encourage businesses to offer help to their employees.

Finally, the bill would repeal the current provisions for adoption expense for the adoption of special needs children. The legislation will provide more generous support for adoptions.

Mr. President, many persons in our country are desperate to adopt children. There are older children and children with handicaps who are now in foster care but who could be adopted. There are also infants available for adoption. Young children from foreign countries, including children with handicaps, are also free for adoption.

By enacting legislation to grant tax relief to adopting families, we can help to bring the thousands of waiting parents together with infants and children who are waiting for permanent, loving homes.

I urge my colleagues to join Senator HATCH and me by cosponsor's of the Fairness for Adopting Families Act of 1985.

● Mr. SIMON. Mr. President, I am pleased to introduce a bill, with my distinguished colleague from Utah, Mr. HATCH, which amends the Tax Code to provide for the deduction of expenses incurred in the course of adoption.

This bill encourages legal adoption by providing a mechanism through which an adoptive parent may recover the often overwhelming expenses of adoption. A second provision in the bill allows employers to contribute to an adoption and deduct this as a necessary business expense.

As an adoptive parent myself, I know the joys of adoption. Adopted children are chosen and wanted. For those who are thinking about adopting, this bill removes the monetary barrier that may otherwise prevent a child from being placed in a caring home.●

By Mr. GORTON:

S. 858. A bill to amend section 119 of the Housing and Community Development Act of 1974 to modify the selection criteria for urban development action grants; to the Committee on Banking, Housing, and Urban Affairs.

MODIFICATION OF SELECTION CRITERIA FOR URBAN DEVELOPMENT ACTION GRANTS

Mr. GORTON. Mr. President, today I am introducing legislation to make urban development action grants a truly national program again. It is time to reform the UDAG project selection system to assure that projects which have the greatest economic benefit and impact will be selected for funding.

The UDAG Program has been a vital resource in providing assistance to cities and urban counties which are experiencing severe economic distress, to help stimulate the economic development activity necessary to bring about economic recovery. Grant funds awarded to distressed communities are granted or loaned to private developers, thus making feasible otherwise unprofitable private sector economic development projects. These public funds leverage even greater amounts of private investment for industrial, commercial, and neighborhood projects. Distressed urban areas are renovated and the local tax base is improved.

Prior to 1983, all applications for UDAG projects meeting the basic eligibility requirements were funded. After the number of applications grew to exceed available grant funds, the Department of Housing and Urban Development developed criteria for selecting projects to be funded. This project ranking system awards 70 of the 100 total points to relative economic distress and economic impaction or deterioration, leaving only 30 points to be assigned on the basis of project merit.

The result of this project selection system has been to send 70 percent of UDAG funds to only eight States, based on the formula judgment of greater economic distress and impaction. Some cities, in effect, have been locked in as winners in each funding round, based on high scores for distress and impaction, without regard to the benefits, or lack thereof, that will actually be realized from the proposed project. A General Accounting Office report issued last month found that, indeed, some applications with high project merit points have not been funded, while applications with low project points were funded.

Current economic indicators, such as percentage of poverty, per capita income, percentage of unemployment, age of housing, population growth or decline, and job loss are appropriate factors to establish a community's eligibility for the UDAG Program. The program is intended to provide assistance only to severely distressed cities, urban counties, small cities, or pockets of poverty. But once such economic distress factors are used to determine eligibility, award of projects should be based solely on project merit. All eligible distressed communities should have equal access to UDAG funding.

The bill I am introducing today provides for a project selection process based entirely on the economic benefits of proposed projects. Those applications ranking highest on the basis of project merit would be funded. Project merit would be measured by first, the ratio of private investment dollars to grant funds, second, the ratio of grant funds to the number of permanent jobs to be created, third, the proportion of such permanent jobs likely to be obtained by unemployed and economically disadvantaged individuals and disadvantaged minorities, and fourth, the impact the project would have in improving local government revenues.

Giving full weight to project merit in the application process will once again make all distressed communities in the Nation competitive for UDAG grants. Competition on the basis of project merit will also encourage better project applications and will mean that more projects will be funded each year as smaller dollar requests would likely score higher since they tend to have a higher private investment leveraging ratio with lower UDAG dollars required per project.

Even with the changes mandated in this bill, a disproportionate amount of UDAG grant funds will continue to flow to the Northeastern region of the Nation. Half of the UDAG eligible population resides in that general region of the country and thus such population centers will continue to receive a lion's share of UDAG grants. But they will do so in a fair and equal competition by high quality project proposals with the rest of the Nation's distressed cities and counties.

Ranking project applications on the basis of project merit will also help integrate distressed pockets of poverty into the general project selection system. The Department of Housing and Urban Development is authorized to fund applications, up to 20 percent of available funds, from metropolitan communities and small cities that do not meet the UDAG economic distress eligibility standards but which have pockets of poverty with severe economic distress. Since economic distress and impaction measures cannot apply to the community at large, applications from pockets of poverty communities can only achieve a maximum of 30 points based on the project characteristics. Last month's GAO report found that if HUD had not exercised its discretion to approve such applications, no pocket of poverty application could have competed for UDAG fund-

ing. Transition to a project merit selection system would integrate pocket of poverty applications fully into the selection process.

Finally, this bill establishes certain minimum standards for any application for UDAG funding. As general requirements, there would have to be a showing that the project would be completed in a timely manner, that the grant recipient has demonstrated successful performance in community development, that the project will have a substantial impact on the development and economy of the community, and that the project would not be feasible without UDAG funding.

In addition, there would be a threshold requirement that each project must leverage $3 in private funds for every UDAG dollar provided, and that at least one permanent job would be created for every $15,000 of UDAG funding. A "job" would be defined as one person working a standard work week of 40 hours.

I urge a swift resolution of the inequities in the UDAG project selection system by the Congress. The Urban Development Action Grant Program plays a major role in the health and recovery of the economy in our urban areas. We need to strengthen the UDAG Program by one again making it national in scope.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 119(d)(1) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(d)(1)(A) A grant may be made under this section to a city or urban county eligible under subsection (c)(1) only if the secretary determines that—

"(i) the project wil be completed in a timely manner;

"(ii) the grant recipient has demonstrated successful performance in community development activities;

"(iii) the project will have a substantial impact on the development and economy of the community;

"(iv) the project is not feasible without assistance under this section;

"(v) there will be at least three dollars in private investment supplied for each dollar of grant funds under this section; and

"(vi) for each $15,000 of grant funds under this section there will be created at least one permanent, 40-hour per week job.

"(B) The Secretary shall establish selection criteria for a national competition for grants under this section to cities and urban counties eligible under subsection (d)(1). Such criteria shall consist of—

"(i) the ratio of private investment dollars to grant funds under this section;

"(ii) the ratio of the number of permanent jobs to be created to the amount of grant funds;

"(iii) the proportion of such permanent jobs likely to be obtained by unemployed and economically disadvantaged individuals and disadvantaged minorities;

"(iv) the impact the project would have in improving local government revenues; and

"(v) such other factors relating to economic benefit of the project as are deemed appropriate by the Secretary.".

By Mr. THURMOND:

S. 859. A bill to suspend temporarily the duty on dicyclohexylbenzothiazylsulfenamide; to the Committee on Finance.

TEMPORARY SUSPENSION OF DUTY

Mr. THURMOND. Mr. President, I am today introducing legislation to temporarily suspend the duty on the chemical dicyclohexylbenzothiazylsulfenamide [DCBS], which is used as an accelerator in the production of radial tires.

Mr. President, with the enactment last year of the Trade and Tariff Act of 1984—Public Law 98-573—the duties on a wide array of items, including numerous chemicals, were temporarily suspended. The suspended duties generally involved items not domestically manufactured or produced, and for which there is no readily available substitute produced domestically. Although that is the case insofar as DCBS is concerned, unfortunately this request was not brought to the attention of Congress during consideration of the Trade and Tariff Act of 1984; therefore, the duty on DCBS—$0.017 per pound, plus 16.2 percent ad valorem—was unaffected by enactment of that measure.

Ironically, another chemical, diphenyl guanidine [DPG], which is also used as an accelerator in the manufacture of radial tires, and for which there is neither a domestic manufacturer nor a domestically produced substitute, was listed for temporary duty suspension in the 1984 act. However, as the respective manufacturing processes involving these two chemicals differ, they cannot be substituted. Thus, a situation exists where radial tire manufacturers utilizing one process can import an essential chemical duty-free, while those employing another process must pay a duty. Enactment of the legislation I am introducing today would rectify this unfair situation.

Mr. President, the policy considerations surrounding the issue of duty suspension on items or substances for which there is no domestic manufacturer, nor a readily available domestically produced substitute, strongly favor suspension of those duties. Suspending the duties on such imported items benefits consumers, as well as industries in which those items are critical to the production process.

In the case of the chemical DCBS, suspension of the currently imposed duty will lessen the cost of producing radial tires. As a result, the competitiveness of our domestic producers in the world market will be strengthened, American jobs will be preserved, and consumers will gain the benefit of relatively lower prices for domestically produced radial tires. In addition, as I mentioned earlier, suspension would also eliminate an inequity which currently exists in our tariff laws.

Mr. President, an identical bill (H.R. 1265) has been introduced in the House by Congressman CAMPBELL. I hope the House will soon act favorably on that bill, and I urge my Senate colleagues to join me in supporting swift Senate passage of this measure.

By Mr. METZENBAUM:

S. 860. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

SHAREHOLDER FAIRNESS ACT

● Mr. METZENBAUM. Mr. President, over the last few years, there has been a dramatic growth in corporate tender offer activity. This surge in corporate mergers and acquisitions has spawned a range of abusive tactics by both bidders seeking control and targets seeking to remain independent.

We have seen corporate raiders resort to coercive and unfair tactics either to gain control over a target or extort huge payments to withdraw their bids.

And we have seen target management, often motivated by a selfish desire to stay in power, employ aggressive defenses to thwart a hostile bidder.

Often, the victim of these abusive bidding and defensive tactics are the shareholders and, in particular, the small shareholder.

In the 17 years since Congress passed the Williams Act to regulate corporate takeover activity, much has changed. It is clear to me that the time has come to amend the Williams Act and eliminate the loopholes exploited by creative tender offer practitioners.

Today, I am introducing the Shareholder Fairness Act of 1985. This legislation is designed to deal with the new realities dominating the corporate tender offer arena.

This legislation would move us toward a regulatory scheme that permits, even encourages, economically sound takeovers, whether hostile or friendly, while discouraging inefficient and empire building tender offers. And it would create a more fair and rational process that permits greater time to weigh the impact of a proposed acquisition and reach intelligent investment decisions and increases the likelihood that all shareholders will be treated equally.

Further, this proposal recognizes the need for a regulatory environment that does not place a premium on short-term results to the detriment of

long-term planning. I do not believe it is in the national interest to permit rampant acquisitions, where the combined company has incurred such huge debt that it has undermined its ability to do the long-term research and development necessary to compete in the world economy.

In recent weeks, the debate over tender offer law has focused on two schools of thought:

One school takes the position that the current wave of hostile tender offers are good for the economy. Supporters of this view argue that tender offers are the best and most effective way to discipline inept and lazy management and maximize shareholder value and should not be discouraged by Federal law.

The opposite school, which numbers many of our Nation's most distinguished business leaders, believes that the surge in tender offer activity has forced managers to place a disproportionate emphasis on short term performance. As a result, they contend, long term planning suffers, and, with it, the company's ability to compete in a global economic environment where the race will be won by those with the most vision and foresight.

I find merit and flaws in both schools. I agree with those who argue that tender offers can be a healthy way to discipline lazy corporate managers and help shareholders realize the true value of their investments. But I do not believe that it necessarily follows that all tender offers are good for the shareholders and the economy. I believe it is a self-serving oversimplification to claim, as many corporate takeover specialists do, that only poorly managed companies need fear takeovers. Indeed, there is considerable evidence that many quality firms have been put into play.

Louis Lowenstein, professor of law at Columbia University examined 14 hostile tender offers made in 1981, including those involving Marathon Oil, Conoco, and St. Joe Minerals. Lowenstein found that the target companies average return on equity compared favorably with that of American industry as a whole. Of the 10 targets that failed to survive, 5 had higher returns on equity than their acquirers. And 7 of the 10 targets eventually acquired actually outperformed the stock market over the 18-month period ending July 31, 1982 while only 3 of the acquirers could make that claim.

The Shareholder Fairness Act of 1985 would curb the most abusive bidder tactics while sharply limiting target management's ability to mortgage the company to defeat a hostile bid.

The bill would prohibit two-tier, front-end-loaded tender offers, as well as partial tender offers.

Two-tier tender offers are inherently coercive and unfair. They create a stampede effect as shareholders, afraid of losing out on the higher front end premium, rush to tender. The big winners in a two-tier offer are the professional shareholders who are savvy enough to tender early and the bidder who is able to reduce the cost of acquisiton by offering an initial high price and a lower second tier price. As usual, the loser is the smaller shareholder who often lacks the sophistication to respond fast enough to receive the higher premium.

Paul Elicker, chairman and president of the SCM Corp., who represented the National Association of Manufacturers in House testimony on tender offer reform last year said that—

> Two-tier offers are inherently unfair and coercive. A heavy front end loaded offer, with a reduced second step, puts tremendous pressure on shareholders to reach a complex decision based on personal capital maximization. The front-end acceptance, with its financial price advantage, dissuades shareholders from delaying final decision on acceptance of offers. In effect, delay and rational consideration is heavily penalized with no economic justification for that penalty.

David Norr, of Lieber & Co., a New York brokerage firm, recently told the SEC that—

> The public receives a disproportionately larger share of the second or lower price tier. The professional community, of whom I am one, the arbitrageurs, the money management firms, the full-time investors know exactly what to do. They turn in 100 percent of their stock for the higher price. A system that benefits the professional against the public is not fair.

A recent SEC study found that first tier offers gave shareholders, on the average, a 64-percent premium while second-tier offers gave shareholders an average premium of 47 percent. In individual cases, the disparity was sometimes much greater. For example, the front end of United States Steel's acquisition of Marathon Oil paid shareholders a premium of 109 percent while the back end tenderers received a premium of just 24 percent; the front end of Fluor's takeover of St. Joe's Minerals paid a 116-percent premium while back end shareholders received a 47-percent premium.

The SEC's view seems to be that it doesn't matter if some shareholders get a better deal than others as long as everyone receives some premium. My view is that any outcome which creates two classes of unequal shareholders should be barred by Federal law.

My legislation would also prohibit partial tender offers where a bidder seeks more than 21 percent of the target's stock unless it makes a tender offer for all shares at the same price. There is little practical difference between partial and two-tier bids. As a rule, partial bids are followed later by either bids for the remaining stock—at a lower price than the first bid—or by open market purchases. In either event, partials are another vehicle used to gain control without treating all shareholders equally.

By establishing a 21-percent threshold—compared to the 5- or ten-percent levels in other proposals—as the trigger for a tender offer for all shares, the legislation recognizes the need to permit legitimate long-term investors to accumulate substantial positions in a company and to permit technology sharing investments such as IBM's, investment in ROLM.

Section 3 restricts the odious practice of Greenmail where a handful of investors are bought out at a substantial premium to market. In a typical Greenmail transaction, an investor group acquires a toehold in a company, either in preparation for a bid or as an investment. Management, fearing a bid, buys out the Greenmailer at a premium to market in exchange for a commitment to drop the raid. Generally, the Greenmailers make huge profits and the rest of the shareholders not only don't get the same deal, but often see the value of their investment eroded as the stock price falls once the company is taken out of play.

Section 4 would require a tender offer to remain open for 60 business days instead of the current 20 business days.

The fight for corporate control should not be won by the swift; it should be won by the most capable and best suited. A short timeframe places a premium on speed, rather than rational, informed decisionmaking. The present 20-day time period promotes a siege mentality in the target; it forces shareholders to make complex investment decisions in a very short time, and it forces other potential bidders to make snap decisions without adequate analysis. Finally, 20 days is insufficient time for other potential bidders to evaluate a possible purchase and thus it discourages auctions and makes it less likely that target shareholders will realize the real value of the stock.

Some critics of extended waiting periods have argued that they will simply give targets more time to develop tactics aimed at thwarting bids. This is a valid concern. That is why I have drafted section 5 of this package. This provision would prohibit target management from making any structural change in the company once a takeover bid is publicly announced unless the shareholders approve the transaction.

The term "structural change" would cover tactics such as selling the crown jewels, issuing new stock with different voting rights and other changes in capitalization, seeking to acquire the bidder or other scorched earth tactics to make the target unattractive to the bidder.

Finally, section 6 of the legislation would close the 10-day window. Section 13(d)(1) of the Securities and Exchange Act currently requires that within 10 days after a person acquires more than 5 percent of the stock of a public corporation, they must disclose their identity, their source of financing, and whether their investment is for long-term purposes or to seek control.

The 10-day window permits investors to continue accumulating large blocks in excess of 5 percent before the market learns of their position. These secret acquisitions can substantially affect the price of the stock and creates an unnecessarily long timelag when the market lacks material investment information.

The proposed legislation would narrow the window by requiring a filing within 2 days of a person's acquisition of stock in excess of 5 percent and it prevents further trading by the holder until 2 days after the filing to allow the market to digest the information.

In sum, anecdotal evidence increasingly suggests that it is our best run companies that are the most likely takeover targets. We must question a policy where the companies working hardest to meet the global economic challenge are replaced by larger, weaker, and less efficient conglomerates that must justify their empire building by emphasizing short-run profit maximization over long-term industrial strength.

I ask unanimous consent that the term of the bill and a section-by-section analysis be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Shareholder Fairness Act of 1985".

TWO-TIER, PARTIAL, AND "CREEPING" TENDER OFFERS

SEC. 2. Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following:

"(h) It shall be unlawful for any person, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, to acquire, or agree to acquire, directly or indirectly, any class of any equity security which is registered pursuant to section 12, or any equity security of an insurance company which would have been required to be so registered except for the exemption contained in section 12(g)(2)(G) of this title, or any equity security issued by a closed-end investment company registered under the Investment Company Act of 1940, if, after consummation thereof, such person would become, directly or indirectly, the beneficial owner of more than 21 per centum of the outstanding voting equity securities of the issuer unless—

"(1) such person is the issuer of such securities;

"(2) such an acquisition is made pursuant to a tender offer for, or a request or invitation for tenders of, all of the outstanding voting securities of the issuer, for the same price per share as all other shares, to the holders of all outstanding shares of the class;

"(3) such an acquisition is made within six months following written consent of the issuer to acquire in excess of 21 per centum of outstanding voting securities;

"(4) the acquisition is by gift, inheritance, or transfer from an existing holder to an individual related to such holder by blood or marriage;

"(5) the acquisition is by an employee benefit plan or pension fund of such issuer; or

"(6) on the effective date of this subsection such person is the beneficial owner of more than 21 per centum of the outstanding voting equity securities of the issuer and the acquisition would not represent an increase in the percentage of such person's beneficial ownership from the effective date of this Act.

For the purpose of this subsection, applicable State laws shall determine whether consent is properly granted under paragraph (3), except that in any case, the procedures applicable to such consent shall be those procedures that apply to a structural change under subsection (k) of this section".

GREENMAIL

SEC. 3. Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following:

"(i) It shall be unlawful for an issuer to purchase, directly or indirectly, any of its securities at a price above the market from any person who holds more than 3 per centum of the class of the securities to be purchased and has held such securities for less than two years, unless such purchase has been approved by the affirmative vote of a majority of the aggregate voting securities of the issuer, or the issuer makes an offer to acquire, of at least equal value, to all holders of securities of such class and to all holders of any class into which such securities may be converted.".

WAITING PERIOD

SEC. 4. Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended—

(1) by striking out subsection (d)(2) and inserting in lieu thereof the following:

"(2) Any person making a tender offer or request or invitation for tenders shall hold such offer, request, or invitation open for a period of at least 60 business days from the date on which such offer, request, or invitation is first published or sent or given to security holders, except that his paragraph shall not apply to such an offer, invitation, or request by the issuer for the class of securities being sought if such offer, invitation, or request is not made in anticipation of or response to another person's offer, request, or invitation for securities of the same class."; and

(2) by adding at the end thereof the following:

"(j)(1) For the purpose of subsections (d), (f), (h), and (i) of this section, when two or more persons act as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, voting, holding, or disposing of securities of an issuer, such syndicate or group shall be deemed a 'person'.

"(2) For the purpose of this section, the term 'voting equity security' means any equity security of the issuer that entitles the holder thereof to vote generally in an election of directors of the issuer.".

DEFENSIVE TACTICS

SEC. 5. Section 14 of the Securities Exchange act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following:

"(k) An issuer which is the target of a takeover bid may not, from the time the takeover bid is publicly announced until the bid expires or otherwise terminates, enter into any transaction or take any action which constitutes a structural change, unless the change is pursuant to a contract entered into prior to any publicly announced takeover bid, or unless the change is approved by the holders of either a majority of the outstanding voting equity securities, or such greater number of holders as may be required by applicable State law, and on such minimum notice as may be prescribed by State law. For the purpose of this subsection—

"(1) a takeover bid is publicly announced if a tender offer has been made for voting equity securities of the target company, or if any person states an intent to acquire control of a company in a statement filed with the Commission pursuant to section 13(d)(1) of this title; and

"(2) the term 'structural change' means—

"(A) any acquisition or disposition of any significant amount of assets other than in the ordinary course of business, any issuance or purchase of 5 per centum or more of any class of equity securities, or any agreement or arrangement for any of the foregoing,

"(B) any other transaction or action which is reasonably likely to affect the voting rights of any class of securities of the company, or

"(C) any other transaction or action which the Commission determines, by rule, regulation, or order, should be conditioned on shareholder approval in order to carry out the purpose of this subsection.

The Commission may, by rule, regulation, or order, exempt any transaction or action, unconditionally or on specified terms or conditions, as not constituting a structural change.".

CLOSE OF "10-DAY WINDOW"

SEC. 6. (a) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) is amended by striking out "ten" and inserting in lieu thereof "two".

(b) Section 13(d) of such Act is further amended by adding at the end thereof the following:

"(7) A person subject to the requirements of paragraph (1) may not acquire, directly or indirectly, beneficial ownership of any additional shares of the equity security that is the subject of the statement required by paragraph (1) for two business days subsequent to the filing of such statement with the Commission. The Commission may, by rule, regulation, or order, in the public interest or for the protection of investors, may exempt any person from the requirements of this subsection.".

SECTION-BY-SECTION ANALYSIS OF THE SHAREHOLDER FAIRNESS ACT OF 1985

SECTION ONE

Section One sets forth the short title, The Shareholder Fairness Act of 1985.

SECTION TWO

Section Two effectively prohibits "two tier, front end loaded" tender offers. By pressuring shareholders to tender early to receive the higher premium, such offers are inherently coercive and unfair. Frequently, the effect of a two tier is that less sophisticated investors don't receive the same value for their shares as market professionals; shareholders as a whole may not be able to sell to the bidder who have paid the most and; the bidder is able to acquire a corporation for less than its full value.

Section Two also prohibits stock purchases that would result in the buyer's owning in excess of 21 percent of outstanding shares, unless a tender offer is made for all shares at the same price.

By establishing a 21 percent threshold the bill would allow long term investors, joint venturers and other to maintain a substantial minority holding in a company. At the same time, it will assure all other shareholders that significant minority holdings cannot be transformed into control without each shareholder receiving the same opportunity to sell their shares.

Section Two also bars partial tender offers in excess of 21 percent. A partial offer has the same coercive effect as a two-tier: the bidder can acquire effective control and then freeze out minority holders by paying a lower price for the remaining shares at a later date.

In addition, Section Two prohibits "creeping tender offers" where a buyer acquires in excess of 21 percent on the open market. Such tactics deprive shareholders of the opportunity to enjoy a true auction for their shares since other firms cannot contest a buyer who already has locked up a large portion of the shares. They also have the effect of allowing someone to gain control without paying the premium for control which the market usually dictates.

Section Two contains certain exemptions for situations where control in excess of 21 percent does not create the likelihood of coercion. Thus, acquisitions by the issuer, an employee benefit or pension plan of the issuer of acquisitions with the issuer's consent, are exempt from provisions of this section.

Further, transfers or gifts among relatives would not trigger a mandatory tender offer and existing holders of shares in excess of 21 percent can maintain their stake in the company.

The exemption for major acquisitions with the issuer's consent does have several limitations. The consent must be in writing; any acquisition must occur within six months of the granting of consent by the issuer. State law shall determine whether consent must be authorized by the shareholders, the board of directors, or any designated officer. However, when the issuer is the target of a pending takeover bid, as defind in Section Five of this Act, the consent must be approved by at least a majority of the shareholders.

SECTION THREE

Section Three would prevent a company from buying back shares at a premium to market from any person who holds more than three percent of stock, and who has held such stock for less than two years, unless the shareholders approve or the same price is offered to all sharedholders.

This language is identical to the language proposed by the SEC last year.

SECTION FOUR

Section Four extends the tender offer waiting period to sixty business days from the current twenty business days. This would allow shareholders and management to evaluate offers and to allow all potential bidders time to enter the fray and thereby maximize shareholder values. Finally, if Section Five, which requires shareholder approval of defensive tactics is adopted, a longer period is necessary to allow target management sufficient time to solicit such approval.

SECTION FIVE

Section Five deals with defensive tactics of target firms. It would prohibit implementation of actions that constitute a "structural change" in the company unless such transaction is approved by a majority of the shareholders.

The term "structural change" is defined to cover such activities as the acquisition or disposition of any significant amount of assets other than in the ordinary course of business. Examples of actions covered by this language would be the sale of the "crown jewels," the acquisition of one of the bidder's competitors to create an antitrust problem or making a bid to acquire the bidder.

"Structural change" also means the issuance or purchase of five percent or more of any class of equity securities, or any agreement for any of the foregoing. This would cover issuance of so-called poison pills.

Finally, "structural change" is defined to cover transactions or actions which are reasonably likely to affect the voting rights of any class of securities of the company, including by-law or charter amendments requiring supermajority approval for certain mergers, staggered director terms and changes in the state of incorporation.

Recognizing that no definition can be perfect, the bill gives the SEC power to exempt or include any transaction or action as either constituting or not constituting a "structural change."

SECTION SIX

Section Six amends the Section 13(d)(1) filing requirements to require that a person file a 13(d)(1) within two days of reaching the five percent threshold and it prevents further trading by the filer until two days after the filing to give the market time to absorb the news. Since these requirements may not be necessary in some cases to assure informed trading decisions, the Commission is granted exemptive authority.●

By Mr. WALLOP (for himself, Mr. BENTSEN, Mr. DANFORTH, Mr. DURENBERGER, Mr. GRASSLEY, Mr. PRYOR, Mr. ROTH, and Mr. SYMMS):

S. 861. A bill to amend the Internal Revenue Code of 1954 to treat deductions for research and experimental expenses attributable to activities conducted in the United States as allocable to income from sources within the United States; to the Committee on Finance.

RESEARCH AND EXPERIMENTAL TAX DEDUCTIONS

● Mr. WALLOP. Mr. President, today I am joined by Senators PRYOR, SYMMS, BENTSEN, DURENBERGER, DANFORTH, and GRASSLEY in reintroducing legislation which would eliminate an Internal Revenue Code regulation which has acted as a disincentive to research and development investments in the United States. Regulation section 1.861-8 requires U.S. companies with foreign operations to apportion or allocate a percentage of their domestic R&D expenditures to their earned income abroad. Since foreign tax authorities do not recognize this bookkeeping fiction, the net result is that full tax benefits are denied this portion of a company's R&D investment. Such adverse tax consequences create a disincentive to expand R&D expenditures in the United States and an incentive to move such investments abroad.

Section 1.861-8 is based on what the Treasury says are theoretically sound accounting principles which allocate expenses not related to particular income groups to general overhead expense. Thus, resulting in an allocation of R&D deductions to all income centers, domestic and foreign. As a result section 1.861-8 has the anomalous effect of pushing U.S. R&D and its principal benefits abroad, a consequence this country can ill afford. A sound economy requires that we foster, not impede U.S. investment in R&D, and the expansion of the American technological base. Enactment of this bill is a critical step in America's effort to retool our traditional industries, create new and more productive jobs in both our traditional and growing high-technology sectors, regain our international competitiveness in markets throughout the world and, thereby, make a major contribution toward the lowering our enormous trade deficits.

The Congress took an important first step to rectify the problems created by the R&D portions of section 1.861-8 in the context of the Economic Recovery Tax Act of 1981. A provision was included in the House-passed measure to simply eliminate the R&D allocation requirements. While we were unsuccessful in incorporating a similar provision in the Senate Finance Committee bill, an amendment proposed on the Senate floor to suspend the application of the regulations for 1 year was approved. The subsequent House-Senate conference agreed upon a 2-year suspension of the R&D portions of 1.861-8. Congress again addressed this issue in the Deficit Reduction Tax Act of 1984 by extending the moratorium for another 2 years. This second moratorium expires at the end of this year.

It is to preclude the imposition of the R&D allocation requirements and their concomitant adverse effects on future R&D investment decisions that I introduce this bill today. It would simply add the statutory requirement that all R&D expenditures be allocated to sources within the United States,

making all such expenses fully deductible against U.S. income.

The logical impact of denial of deduction for domestic R&D performed by multinational corporations was confirmed by a study conducted by Arthur Andersen & Co., for four major trade associations. The study, based on a survey of the principal R&D participants, released February 1, 1983, documents the manner in which section 1.861-8 has adversely impacted R&D investments in this country. It concludes that the numerous foreign governmental policies designed to attract R&D dollars, when combined with the disincentive effects of section 1.861-8 frequently lead U.S. management to shift R&D investments abroad rather than expand R&D activities in the United States.

Treasury itself acknowledged that regulation section 1.861-8 when combined with the impact of the foreign tax credit results in a disincentive to perform R&D in the United States. So the need for this legislation was confirmed by Treasury's own study which was required in ERTA and conducted over a 6-month period straddling 1982-83.

We've talked with Treasury for years now. Twice we have extended the moratorium on the application of 1.861-8. It is time to insure that Internal Revenue regulations give proper deference to trade policy and not prejudice domestic R&D. Since Treasury is unwilling to take action, even in the face of their own study, Congress must now finally resolve this matter. The uncertainty of our continued extensions has caused the delay and cancellation of domestic R&D projects. Inaction by Congress and the Treasury has been, and continues to be, responsible for chasing R&D offshore, to the detriment of all Americans. Continuation of this policy is neither responsible nor is it consistent with our trade needs.

The bill I introduced today has strong bipartisan support in both the Senate and House and it is my sincere hope that it will also have the endorsement of the administration. I wish to thank my colleagues who have cosponsored this legislation and pledge to work with them toward its early enactment.

Mr. President, I ask unanimous consent that the text of the text of this legislation appear in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 861 of the Internal Revenue Code of 1954 (relating to income from sources within the United States) is amended by adding at the end thereof the following new subsection:

"(g) ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(1) IN GENERAL.—For purposes of subsection (b), section 862(b), and 863(b), all amounts allowable as a deduction for qualified research and experimental expenditures shall be allocated to income from sources within the United States and deducted from such income in determining the amount of taxable income from sources within the United States.

"(2) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(A) IN GENERAL.—The term 'qualified research and experimental expenditures' means amounts—

"(i) which are research and experimental expenditures within the meaning of section 174, and

"(ii) which are attributable to activities conducted in the United States.

"(B) TREATMENT OF DEPRECIATION, ETC.—Rules similar to the rules of subsection (c) of section 174 shall apply.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after August 1, 1985.●

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. LAUTENBERG):

S. 862. A bill to provide for enhanced motor vehicle safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

BUMPER IMPROVEMENT ACT

● Mr. DANFORTH. Mr. President, the National Highway Traffic Safety Administration [NHTSA] has been directed by Congress not only to promote highway safety but also to seek to reduce the economic losses caused by traffic accidents and to provide consumers with information on motor vehicles.

One of NHTSA's most pro-consumer standards was the bumper standard, until it was weakened in 1982. Prior to the rollback, the standard required bumpers to be able to withstand 5 mph collisions without damage to safety related and sheet metal parts of the automobile or to the bumper itself. All model year 1980 to 1982 cars sold in the United States were required to have these bumpers. In May 1982, however, NHTSA reduced the standard from 5 mph to 2.5 mph for both front and rear bumpers and eliminated entirely the requirement that the bumper itself be capable of withstanding damage at a specified speed. In reducing the bumper durability requirement, NHTSA asserted that the 2.5 mph bumpers would cost and weigh less than the 5 mph bumpers. This, in turn, was supposed to lead to lower sticker prices and improved fuel economy.

Mr. President, NHTSA's promised savings from the reduced bumper standard have not occurred. There is no evidence that carmakers who adopted 2.5 mph standards are passing the savings on to the public. Further, manufacturers are not installing significantly lighter bumpers. According to the American Automobile Association, the actual weight reductions for the 2.5 mph bumpers have been estimated at 2 to 6 pounds. This produces an average fuel savings of only 2 to 6 gallons during the life of the car. This is hardly the substantial fuel savings promised by NHTSA.

Mr. President, the Commerce Committee has received extensive testimony demonstrating the substantial consumer savings which have resulted from 5 mph bumpers. For example, the Insurance Institute for Highway Safety's [IIHS] "1984 Report on Bumpers" contains the following statistics:

REPAIR COSTS IN FRONT-END CRASH TESTS

	Bumper system	5 mph	5 mph angle	10 mph
1982 Accord	5 mph	$0	$526	$650
1983 Accord	Weakened	314	927	1,459
1982 Civic	5 mph	0	411	564
1983 Civic	Weakened	217	481	633
1983 Horizon	5 mph	0	29	425
1983 Horizon	Weakened	69	231	855
1983 Reliant	5 mph	0	269	821
1983 Reliant	Weakened	176	183	696
1983 Volvo GL	5 mph	0	144	602
1983 Volvo GL	Weakened	138	770	863

More recently, in testimony last month before the Commerce Committee, the institute presented crash-test results for 1985 cars which demonstrate another problem. Some manufacturers are installing 5 mph bumpers on their cars. While I generally consider this a positive development, these 5 mph bumpers provide varying degrees of protectiveness. Strong 5 mph bumpers meet the bumper standard prior to its 1982 rollback; weak 5 mph bumpers prevent damage to the car body but allow damage to the bumper. For example, all the cars tested in the 1985 IIHS test have 5 mph bumpers. The cars with the strong 5 mph bumpers—the 1985 Honda Accord and the 1984 Oldsmobile Ciera—clearly outperform the other cars tested, over the range of tests; all of these other cars have weak 5 mph bumpers:

5 MPH CRASH TEST RESULTS

[Dollar amounts of damage repair costs]

	Front-barrier [1]	Rear-barrier [1]	Front-angle-barriers [2]	Rear-pole [2]
1984 Honda Accord	350	470	338	1,047
1985 Honda Accord	36	33	410	527
1984 Oldsmobile Ciera	0	0	313	288
1985 Oldsmobile Ciera	0	33	469	923
1985 Oldsmobile Calais	139	52	514	286
1985 Pontiac Grand Am	289	216	570	434
1985 Ford Thunderbird	0	0	233	356
1985 Nissan 200SX	0	0	868	1,112

[1] In contrast: All 1980–82 models sustained $0 damage in front- and rear-barrier crash tests.

[2] In contrast: A number of 1980–82 models sustained little or no damage in one or both of these tests (front-angle and rear-pole).

Source: Insurance Institute for Highway Safety.

Mr. President, this problem is compounded by the fact that NHTSA does not provide information to consumers about the relative performance of bumpers on various cars. NHTSA promised to provide such inforamtion at the time the standard was reduced to 2.5 mph. I understand that NHTSA hopes to soon come up with a bumper-rating program, but at present, consumers cannot get the type of bumper rating information they need.

Mr. President, we must take action to ensure that automobile bumpers are not merely ornaments. The legislation I am introducing today, on behalf of Senators PACKWOOD, GORTON, LAUTENBERG, and myself, requires the Department of Transportation to reinstate the 5 mph bumper standard as it existed prior to its 1982 rollback; this is to be done within 1 year of enactment of this act. The standard will apply to all cars manufactured for the model year after the date on which the bumper standard is amended. In addition, the legislation allows DOT to further strengthen the bumper standard—beyond 5 mph—if it wishes.

Mr. President, I ask unanimous consent that the text of the Bumper Improvement Act of 1985 be inserted in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bumper Improvement Act of 1985".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "passenger automobile means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less;

(2) "multipurpose passenger vehicle" means a motor vehicle with motive power, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation; and

(3) "Secretary" means the Secretary of Transportation.

BUMPER STANDARDS

SEC. 3. (a) Not later than 1 year after the date of enactment of this Act, the Secretary shall, in accordance with section 102 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1912), amend the bumper standard contained in 49 CFR sections 581.1 through 581.7 to ensure that such standard is identical to the bumper standard under such sections which was in effect on January 1, 1982. The amended standard shall apply to all passenger automobiles beginning with the model year after the date of amendment of the standard.

(b) Nothing in this section shall be construed to prohibit the Secretary from requiring impact speeds under such sections higher than the impact speeds contained in such amended standard.●

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. LAUTENBERG):

S. 863. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1986 and 1987, and for other pruposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION AUTHORIZATION ACT

● Mr. DANFORTH. Mr. President, the National Highway Traffic Safety Administration [NHTSA] of the U.S. Department of Transportation [DOT] has been charged with the responsibility of saving lives and preventing injuries on our Nation's highways. NHTSA administers three landmark statutes: the National Traffic and Motor Vehicle Safety Act of 1966; the Highway Safety Act of 1966; the Highway Safety Act of 1966; and the Motor Vehicle Information and Cost Savings Act. These statutes direct NHTSA to establish safety standards, mandate compliance, undertake safety research, order recalls, and provide consumers with information on motor vehicles.

It is clear that many of NHTSA's programs are actively promoting highway safety. In testimony before the Commerce Committee last month, NHTSA Administrator Diane Steed noted that the highway accident fatality rate in 1984 declined to an all-time low of 2.55 deaths per hundred million vehicle miles traveled. I have no doubt that many of NHTSA's efforts, such as in the areas of drunk driving and child passenger safety, along with improved motor vehicle design and construction and other factors, have been important contributors to this improvement.

Nevertheless, the fact remains that roughly 43,800 people died in highway accidents in 1984. It is clear that NHTSA must continue to aggressively work to improve highway safety in a broad range of areas. I also believe there are specific actions that NHTSA can take which will enhance highway safety.

Mr. President, today I am introducing the "National Highway Traffic Safety Administration Authorization Act of 1985," on behalf of Senator PACKWOOD, Senator GORTON, Senator LAUTENBERG, and myself. Title I of the bill authorizes funding for NHTSA's highway safety programs for fiscal years 1986 and 1987. NHTSA's overall funding levels for these fiscal years for all programs are consistent with the efforts of the President and the Congress to reduce the Federal budget deficit. I wish to note that this budget does not authorize funding for NHTSA's implementation of the motor vehicle theft legislation enacted last year. I understand from NHTSA that the overall authorization level provided for NHTSA programs is sufficient to ensure effective implementation of this important legislation.

Title I also authorizes DOT to reprogram $20 million of existing funds to enable DOT to conduct the National Seat Belt/Passive Restraint Education Program established as part of Secretary Dole's July 1984 occupant crash protection standard. We intend, however, that DOT spend half of the reprogramed funds for air bag education efforts. The bill further directs DOT to use at least $5 million of these reprogramed funds to carry out a program to demonstrate the effectiveness of air bag technology, with emphasis on lowest cost technologies.

Title II of this legislation authorizes funding for fiscal 1987 for the State and community highway safety grant program, the so-called section 402 program. This legislation authorizes funding of $132 million for this important safety program; this is equivalent to the fiscal 1986 authorization provided in Public Law 98-363.

In addition, title II authorizes funding for fiscal year 1987 for the Drunk Driving Incentive Grant Program established in 1982. Funds are not authorized for fiscal 1986 because I understand from NHTSA that sufficient funds, which have already been appropriated, exist to meet this program's needs during fiscal 1986. This program, which encourages States to enact tougher drunk driving laws, has been working well. According to NHTSA, 16 States have qualified thus far for a basic grant; 13 of these States have also qualified for a supplemental grant, which requires a State to meet additional criteria. I understand that several other States are working to meet the grant criteria of the 1982 law.

Title III of the legislation directs NHTSA to take action in two specific areas:

One, side impact protection—more than 9,000 Americans die each year in side impact crashes and another 20,000 suffer serious, nonfatal injuries. The current side impact protection standard is effective in preventing death and serious injury in single-vehicle crashes, where about 30 percent of the life-threatening injuries occur, but it is not effective in vehicle-to-vehicle crashes.

Research in the 1970's showed that the side impact crashworthiness of cars could be significantly improved using existing technology. In December 1979, NHTSA issued an advance notice of proposed rulemaking to upgrade the side impact protection standard, No. 214. The new standard would have required testing procedures which more closely resemble real-world crashes, and also would have been extended to apply to light trucks, vans, and multipurpose passenger vehicles. In July 1982, however,

NHTSA terminated this rulemaking, stating that many complex issues needing resolution had arisen. NHTSA indicated, however, that the rulemaking would be reopened after further research and analysis had been completed and appropriate test methods had been developed.

Mr. President, I believe that motor vehicle side impact protection can be improved now. Our bill requires NHTSA to reopen its rulemaking on standard 214 within 60 days after the enactment of this act. NHTSA would be required to issue the final regulations implementing this standard not later than 1 year after enactment.

Two, automobile crashworthiness data—our legislation requires NHTSA to promulgate a safety standard establishing crashworthiness and labeling requirements for cars manufactured on or after September 1, 1986. NHTSA also would be required to prepare a booklet regarding the crashworthiness of cars, along with other pertinent information. NHTSA would be required to furnish copies of this booklet to manufacturers for distribution to car dealers.

Mr. President, it is essential that we do all that we can to promote highway safety in this country. Our legislation will help us to meet this important goal.

Mr. President, I ask unanimous consent that the text of the "National Highway Traffic Safety Administration Authorization Act of 1985" be inserted in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Highway Traffic Safety Administration Authorization Act of 1985".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "multipurpose passenger vehicle" means a motor vehicle with motive power, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation;

(2) "passenger automobile" means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less; and

(3) "Secretary" means the Secretary of Transportation.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

GENERAL AUTHORIZATIONS

SEC. 101. (a) Section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $51,187,000 for fiscal year 1986, and $53,490,415 for fiscal year 1987.".

(b) Section 111 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1921) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $326,000 for fiscal year 1986, and $340,670 for fiscal year 1987.".

(c) Section 209 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1949) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $1,929,000 for fiscal year 1986, and $2,015,805 for fiscal year 1987.".

(d) Section 417 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990g) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $469,000 for fiscal year 1986, and $490,105 for fiscal year 1987.".

OCCUPANT CRASH PROTECTION PROGRAM

SEC. 102. In order to carry out a national program to encourage the use of safety belts and passive restraints in passenger automobiles, as authorized by section 403 of title 23, United States Code, the Secretary may derive an additional amount not to exceed $20,000,000 from unobligated balances of funds made available for highway safety programs under title 23, United States Code. Not less than one-half of the total of such amounts shall be used for educational efforts related to the use of air bags. Of the funds allocated to such efforts, not less than $5,000,000 shall be used to carry out a program to demonstrate the effectiveness of air bag technology, with emphasis on lowest-cost technologies. Such amounts shall remain available until expended.

TITLE II—DRUNK DRIVING INCENTIVE GRANTS

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Section 203(a)(1) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" immediately after "1985,"; and

(2) by inserting immediately before the period at the end thereof the following: ", and $132,000,000 for the fiscal year ending September 30, 1987".

(b) Section 203(b) of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2138) is amended—

(1) by striking "and" immediately after "1985," wherever it appears; and

(2) by inserting immediately after "1986," the following: ", and $132,000,000 for the fiscal year ending September 30, 1987,"; and

(3) by inserting immediately before the period at the end thereof the following: ", and September 30, 1987".

SEC. 202. The first sentence of section 408(g) of title 23, United States Code, is amended by striking all after "Fund," and inserting in lieu thereof "$29,232,000 for the fiscal year ending September 30, 1987.".

TITLE III—PURPOSE AND FINDINGS

SEC. 301. (a) This title is part of the continuing effort by Congress to address the critical highway safety problems facing this Nation.

(b) The Congress finds that—

(1) the Department of Transportation should be given explicit direction as to actions to be taken to save lives, reduce injuries, and decrease consumer costs of accidents;

(2) the current trend toward purchases of smaller and lighter passenger automobiles increases the importance of and the need for effective occupant crash protection;

(3) crashworthiness information should be available upon the introduction of each new passenger automobile model, and a systematic effort must be made to disseminate this information; and

(4) the Department of Transportation should be directed to take specific actions to combat the problem of odometer tampering.

SIDE IMPACT PROTECTION

SEC. 302. (a) Not later than 60 days after the date of enactment of this Act, the Secretary shall reopen the rulemaking proceeding terminated on July 12, 1982, to implement Federal Motor Vehicle Safety Standard 214 (49 CFR 571.214). The Secretary shall—

(1) establish performance criteria for occupant protection in side impact under dynamic crash tests; and

(2) extend the applicability of such Standard to light trucks, vans, and multipurpose passenger vehicles.

(b) The final regulations implementing such Standard shall be issued not later than 1 year after the date of enactment of this Act.

AUTOMOBILE CRASHWORTHINESS DATA

SEC. 303. (a) Part A of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391-1410b) is amended by adding at the end thereof the following:

"SEC. 126. (a) Not later than 60 days after the date of enactment of this section, the Secretary shall promulgate a Federal motor vehicle safety standard establishing passenger automobile crashworthiness rating and labeling requirements in accordance with this section. Such amendment shall take effect not later than 120 days after such date of enactment, and shall apply to passenger automobiles manufactured on or before September 1, 1986.

"(b) The standard required in subsection (a) of this section shall provide a method for calculating a uniform numerical rating which will enable consumers to compare the crashworthiness of different passenger automobile models.

"(c)(1) The standard required in subsection (a) of this section shall also require that—

"(A) each passenger automobile manufacturer certify to the Secretary, not later than 90 days before any passenger automobile model produced by such manufacturer is offered for sale to consumers, the crashworthiness rating achieved by that model;

"(B) each passenger automobile manufacturer affix a label to each passenger automobile indicating that model's crashworthiness rating; and

"(C) the Secretary prepare a booklet for purposes of disseminating comparative information regarding the crashworthiness of passenger automobiles.

"(2) The Secretary may include in the booklet to be prepared pursuant to paragraph (1)(C) of this subsection such other information relating to the purchse and ownership of passenger automobiles as the Secretary determines may be useful to consumers. Copies of such booklet shall be furnished by the Secretary to passenger automobile manufacturers for distribution to passenger automobile dealers.

"(d) The labeling and certification required under this section shall be based upon performance criteria established by the Secretary relating to—

"(1) crash protection for occupants with and without manual seatbelts;

"(2) windshield mounting;
"(3) windshield zone intrusion;
"(4) fuel system integrity; and
"(5) such other aspects affecting crashworthiness as the Secretary's may consider appropriate.".

(b)(1) Section 201 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1941) is amended by adding at the end thereof the following:

"(f) Not later than 1 year after the date of enactment of the National Highway Traffic Safety Administration Authorization Act of 1985, the Secretary shall by rule establish procedures requiring passenger automobile dealers to make available to prospective passenger automobile purchasers information developed by the Secretary and provided to the dealer which contains data comparing the crashworthiness of passenger automobiles.".

(2) Section 2 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901) is amended by adding at the end thereof the following new paragraph:

"(19)(A) The term 'passenger automobile' means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less.

"(B) As used in subparagraph (A) of this paragraph, the term 'multipurpose passenger vehicle' means a motor vehicle with motive power, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.".●

By Mr. DANFORTH (for himself, Mr. MOYNIHAN, Mr. GORTON, and Mr. LAUTENBERG):

S. 864. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to provide for more effective motor vehicle safety regulations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AUTOMOBILE OCCUPANT PROTECTION IMPROVEMENT ACT

● Mr. DANFORTH. Mr. President, highway safety is one of this country's most pressing problems. Although the highway accident fatality rate declined in 1984, the number of traffic fatalities increased: last year, nearly 44,000 Americans were killed in motor vehicle crashes.

Today, I am introducing legislation aimed at saving thousands of lives and preventing hundreds of thousands of injuries in traffic accidents on our Nation's highways.

In July 1984, Transportation Secretary Elizabeth Dole reissued Federal Motor Vehicle Safety Standard 208—the passive restraint standard. The new standard 208 is a positive effort and I commend Secretary Dole for her commitment to safety.

Nevertheless, I remain concerned that Americans are not receiving as much crash protection in their cars as technology will allow. The legislation I am introducing today, on behalf of myself and Senators MOYNIHAN, GORTON, and LAUTENBERG, the "Automobile Occupant Protection Improvement Act of 1985," takes steps to remedy this situation. This legislation will require all cars manufactured for sale in the United States to be equipped with front-seat airbags, using the following phase-in schedule:

That 10 percent of all automobiles manufactured on or after September 1, 1986; 25 percent of all automobiles manufactured on or after September 1, 1987; 40 percent of all automobiles manufactured on or after September 1, 1988; and 100 percent of all automobiles manufactured on or after September 1, 1989.

This phase-in schedule is the same as the schedule contained in Secretary Dole's 1984 passive restraint rule. My bill differs from the DOT rule in two respects.

First, the legislation requires installation of airbags in all cars by model year 1990; the DOT rule mandates installation of passive restraints—that is, airbags, automatic seatbelts, or energy-absorbing interiors. I have no doubt that many lives would be saved if Americans used passive restraints of any type. However, I believe that airbags are superior, proven technology; according to NHTSA estimates, airbags could save about 8,500 lives and prevent more than 130,000 injuries each year. Airbags provide unobtrusive protection for front-seat occupants involved in frontal and front-angle crashes. Airbags deploy only when they are needed—they do not inflate when cars go over bumps in the road, when front bumpers come into contact with objects at very low speeds, or when cars make sudden stops.

Second, the DOT rule revokes the passive restraint requirement if States representing two thirds of the population of the United States enact mandatory seatbelt use laws; my bill does not contain this contingency. While I believe that people should wear seatbelts, I am not convinced of the efficacy of mandatory seatbelt use laws. There is no doubt that some lives will be saved, as evidenced by New York's experience to date with its seatbelt law, and this is indeed a positive development. I am concerned, however, that unless States enact seatbelt laws with meaningful provisions, and follow this up with adequate enforcement efforts, we will not save as many lives as we could by requiring installation of airbags.

For example, the State of Missouri recently enacted a mandatory seatbelt use law whose requirements are so tepid and so innocuous that it basically amounts to a sham law. The Missouri bill provides for a maximum fine of $10 for front-seat passenger car occupants found not to be wearing a seatbelt. However, a police officer is not authorized under the Missouri law to stop someone only for a seatbelt offense—the police officer may only write a ticket for a seatbelt violation if the person has been stopped for some other traffic offense. Further, this $10 fine, small as it is, does not go into effect until July 1, 1987. The Missouri law also does not apply to persons who have a medical reason for failing to wear a seatbelt; acceptable medical reasons are not specified by the law.

Missouri is not the only State with such a seatbelt law. Other States have enacted laws with similar provisions and many others are considering such legislation. I seriously question the effectiveness of these laws. We should be encouraging States to enact meaningful laws, not ridiculous ones.

I am also concerned that if enough States enact seatbelt laws, with whatever provisions, to revoke the DOT rule's passive restraint requirements, the American consumer may never be able to buy on a widespread basis an automobile equipped with any type of passive restraint, much less an airbag. I am especially concerned about this lack of protection for Americans living in States without mandatory belt use laws—those States which make up the remaining one-third of the U.S. population.

Mr. President, I do not want to forestall the development of even better types of occupant crash protection. But neither do I want to deny consumers the effective crash protection that is available from airbags now. I firmly believe that airbag technology must be made available to American consumers as quickly as possible. This legislation will accomplish this vital goal.

Mr. President, I ask unanimous consent that the text of the "Automotive Occupant Protection Improvement Act of 1985" be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Automobile Occupant Protection Improvement Act of 1985".

PURPOSE AND FINDINGS

SEC. 2. (a) This Act is part of the continuing effort by Congress to address the critical highway safety problems facing this Nation.

(b) The Congress finds that—

(1) the Department of Transportation should be given specific direction as to actions to be taken to save lives and reduce injuries; and

(2) comfortable and convenient crash protection should be provided for occupants of new passenger automobiles.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(1) "passenger automobile" means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less; and

(2) "multipurpose passenger vehicle" means a motor vehicle with motive power, other that a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.

AUTOMATIC CRASH PROTECTION

SEC. 4. Part A of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391-1410b) is amended by adding at the end thereof the following:

"Sec. 126. (a) Each manufacturer of passenger automobiles shall install front seat airbags in each passenger automobile manufactured for sale in the United States. Such airbags shall be installed in not less than—

"(1) 10 percent of all passenger automobiles manufactured on or after September 1, 1986;

"(2) 25 percent of all passenger automobiles manufactured on or after September 1, 1987;

"(3) 40% of all passenger automobiles manufactured on or after September 1, 1988; and

"(4) 100% of all passenger automobiles manufactured on or after September 1, 1989.

"(b) The Secretary, in carrying out the Secretary's responsibilities under section 210(c) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1941(c)), shall develop and disseminate data to inform the public about the performance and benefits of airbags.

"(c) For purposes of this section, the term—

"(1) 'passenger automobile' means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less; and

"(2) 'multipurpose passenger vehicle' means a motor vehicle with motive power, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.".●

By Mr. MATHIAS (for himself and Mr. WARNER):

S. 865. A bill to award special Congressional Gold Medals to Jan Scruggs, Robert Doubek, and Jack Wheeler; to the Committee on Banking, Housing, and Urban Affairs.

PRESENTATION OF SPECIAL CONGRESSIONAL GOLD MEDALS

● Mr. MATHIAS. Mr. President, the Senator from Virginia, Mr. WARNER, and I join today in introducing a bill to authorize the President of the United States to award Congressional Gold Medals to Jan Scruggs, Robert W. Doubek, and John P. Wheeler III, in recognition of their initiative, leadership, and work in giving the Vietnam Veterans Memorial to the Nation.

The Congressional Gold Medal is one of this country's highest honors and has been awarded in recognition of extraordinary contributions to American society. It is in such company that Jan Scruggs, Bob Doubek, and Jack Wheeler belong.

Fifteen years ago, Jan Scruggs was an infantryman in the U.S. Army, fresh out of high school and dropped into the jungles of Vietnam and into some of the fiercest fighting in America's longest war. Though they never met Jan in Vietnam, Bob Doubek and Jack Wheeler were also young soldiers in that traumatic war. More recently, after the last Americans had left Saigon, these three veterans met and joined forces in the effort to provide a memorial to honor the men and women who served in the Vietnam war. Their effort has given the Nation a powerful symbol of healing and reconciliation after that bitterly divisive war.

Anyone who recalls their struggle knows that it was no easy task. There were a significant number of obstacles. But, somehow, the three men persevered in their vision.

Today, as a result of their dedication, the memorial exists as one of the most powerful—and most frequently visited—monuments in Washington.

Even in a city famous for its breathtaking sites, the Vietnam Veterans Memorial stands out. It is the final stop for hundreds of mothers, fathers, wives, and children each year who make pilgrimages to the solemn black granite slabs on which the names of their fallen loved ones are inscribed. There, many of them say, they have experienced a sense of reunion and a healing of emotional wounds that may have remained open since the war.

It stands in The Mall, which during the war so often served as the forum of opinion and dissent. Planted into the earth, it has become a symbol of the reconciliation this country has finally achieved—thanks in large part to the efforts of Jan Scruggs, Bob Doubek, and Jack Wheeler.

I can think of no better way to show our appreciation of Jan Scruggs, Bob Doubek, and Jack Wheeler than by awarding them Congressional Gold Medals. I am sure my colleagues will want to join in this effort, just as they unanimously supported the original resolution granting land for the memorial.●

Mr. WARNER. Mr. President, I am proud today to join my colleague, Senator MATHIAS, to recommend Jan Scruggs, Robert Doubek, and John P. Wheeler III to be the recipients of the Congressional Gold Medal for the tremendous service they have provided our Nation and its people.

As the president of the Vietnam Veterans Memorial Fund, Jan Scrugs has provided the realization of a dream, a tribute to our veterans who fought so heroically in the Vietnam war.

The immense pride in the honor of the Vietnam veteran is heartfelt.

In 1964, thousands of America's young servicemen and servicewomen began what would be an 8-year ordeal for our Nation.

Before the conflict ended, 57,414 of these young people lost their lives, and our citizens were divided in opinion over what had transpired on the battlefield and at home.

In 1982, the lengthy healing process from that war reached a significant milestone when the Nation's long-overdue recognition and appreciation for those whose service and sacrifice was realized in the ground broken for the massive granite and statuary tribute to all who had fought.

It was Jan Scruggs who initiated the general concept to express our gratitude and pride for the Vietnam veteran through a monument in the Nation's Capital. Once the effort gained momentum, he remained steadfast through out.

We must always remember that those who have the trust and responsibility of leadership of this Nation must never again send our brave young Americans into battle unless the Nation is prepared to stand solidly behind them and honor their service.

Jan Scruggs, Robert Doubek, and John Wheeler represent the highest values of our society—honor, heroism, and dignity.

Jan Scruggs was a soldier in the 199th Light Infantry Brigade and was wounded in action.

Robert Doubek and John Wheeler were also young soldiers who fought in the Vietnam war.

They came back to this country and fought hard for a tribute to memorialize their comrades, especially those who had given their lives to preserve those precious American values of freedom and liberty.

It is only right that we honor Jan Scruggs, Robert Doubek, and John Wheeler with Congressional Gold Medals as individuals who have honored and kept the highest values in our society for themselves and our Nation.

By Mr. ROTH (for himself and Mr. BENTSEN):

S. 867. A bill to amend title XIX of the Social Security Act to provide coverage for hospice care under the Medicaid Program; to the Committee on Finance.

MEDICAID COVERAGE FOR HOSPICE CARE

● Mr. ROTH. Mr. President, my colleague, Senator BENTSEN, and I are today introducing legislation to expand the availability of hospice care for those diagnosed as terminally ill. Congress has already recognized the value of this unique concept of care through enactment of legislation making hospice a Medicare-covered service. We propose to use this existing statute as the foundation for giving States the option to add hospice as a covered service under Medicaid.

Hospice has become increasingly popular as a humane and compassionate way to care for terminally ill patients and their families. Last year,

the Nation's 950 fully operational hospice programs served approximately 100,000 patients/families. Each day, 16,000 home care patients and 2,700 inpatients receive hospice care.

Major insurance carriers have recognized the potential cost savings of hospice when compared to the cost of traditional medical care for terminal illness. By 1984, many major insurance carriers had added some form of reimbursement for hospice services.

One of the Nation's largest employee benefits and actuarial firms conducted a group-benefits survey looking at the major types of group benefits provided to salaried employees in the United States. The survey asked 1,115 participants to identify cost control provisions they had instituted to help limit health care cost escalation. Hospice was included in a list of 12 possibilities. Forty-four percent of the respondents indicated that a hospice care benefit had been added as an alternative to traditional hospital care.

A number of studies have substantiated the cost effectiveness of hospice care, particularly in light of its emphasis on home versus inpatient care. The Congressional Budget Office estimated in 1982 that adding a hospice benefit would save the Medicare Program more than $100 million by 1987.

The time has come to add the Medicaid Program to the list of third-party payors which are providing this humane alternative. Cost savings will likely result, since many of the hospice services which are not otherwise covered by Medicare, outpatient drugs, for example, are already covered by the Medicaid Programs in many States. Therefore, the offsetting costs which CBO took into account in estimating savings to the Medicare Program should be lower in the case of Medicaid. I have requested an estimate from CBO for this legislation, and will make that information available when I receive it.

Several States have already passed legislation adding hospice as a Medicaid covered service and at least one State has sought to amend its State plan to include hospice coverage. The Secretary of Health and Human Services may not have the discretion to approve such requests without a lengthy rulemaking process, however. Therefore, it is appropriate for Congress to take steps to assure that the hospice alternative is made available as soon as possible to our low-income elderly and disabled citizens, who are most dependent on Government programs for their health care needs.●

● Mr. BENTSEN. Mr. President, I am pleased to join with my distinguished colleague from Delaware, Senator ROTH, in introducing a bill which would permit States to extend to Medicaid beneficiaries the option of choosing hospice care. As many of our colleagues are aware, hospice is an interdisciplinary approach to care for the terminally ill which is designed to address the needs of the patient and his or her family in a humane and cost-effective way. By avoiding recurrent hospitalization and emphasizing home-based care, hospice patients can remain in a familiar and supportive environment. The Congressional Budget Office estimated $100 million is savings to the trust fund when Congress added hospice services to the Medicare Program in 1982. Savings to the Medicaid Program should also result from allowing States to make this alternative available to beneficiaries.

In order to assure that participating providers maintain the high standards of care we have come to associate with this alternative, our bill adopts the Medicare definition of hospice. I am pleased to report that by February of this year, 165 hospices had become certified under the Medicare Program. In my home State of Texas, there is growing recognition of the value of hospice services and I am confident that the number of certified programs will continue to increase if reimbursement is maintained at an appropriate level.

Mr. President, in this era of patient dumping and spiraling costs of medical care, most hospices serve patients regardless of their ability to pay. Those hospices that are not subsidiaries of hospitals, nursing homes of home health agencies are particularly vulnerable when they accept patients who are uninsured or otherwise unable to fully finance needed care. Allowing States to reimburse for services provided Medicaid beneficiaries would have the effect of encouraging these programs to accept patients of modest means, thereby expanding the range of treatment options for all individuals. I encourage you, Mr. President, and my Senate colleagues to lend your support to this improvement in the Medicaid statute.●

By Mr. GRAMM:

S. 868. A bill to define allowable cost reimbursement under contracts of the Department of Defense; to control the cost of spare parts acquisition under Department of Defense contracts; to authorize greater financial and criminal penalties for false claims; to make inapplicable to the Department of Defense certain provisions of law that limit the ability of the Department of Defense to purchase labor competitively; to remove restrictions on the authority of the Secretary of Defense to contract out; and to authorize expedited procedures for losing or realigning military installations when the national budget provides for deficit financing of Federal Government operations; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE EFFICIENCY AND ECONOMY ACT

Mr. GRAMM. Mr. President, I am today introducing the Department of Defense Efficiency and Economy Act of 1985. This legislation makes substantial changes in the way in which the Department of Defense does business. The bill will save American taxpayers hundreds of millions of dollars.

Many of the changes which this legislation makes are to repeal congressionally mandated inefficiencies in DOD operations. Other changes tighten up procurement practices in areas such as the submission of overhead charges by contractors and pricing of spare parts. Finally, the bill will permit the Secretary of Defense to rationalize the bloated DOD facility infrastructure by simplifying the procedures for closing unnecessary and wasteful defense installations.

If Members of the Senate are serious about cutting the fat in defense, and not the muscle, they should be willing to support these proposals. I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Efficiency and Economy Act of 1985".

TITLE I—ALLOWABLE CONTRACT COSTS

REGULATIONS RELATING TO UNALLOWABLE INDIRECT COSTS

SEC. 101. (a) The Secretary of Defense shall, within 90 days after the date of the enactment of this Act, issue proposed regulations to amend those provisions of the Department of Defense Supplement to the Federal Acquisition Regulation dealing with the unallowability of contractor indirect costs. The amendments shall define in detail and in specific terms those general and administrative costs which are unallowable under contracts entered into by the Department of Defense. In developing specific standards of allowable costs, the Secretary shall consider whether the costs incurred benefit the United States or are necessary for the operation of the business. The amendments shall specify, at a minimum, that the following costs are unallowable:

(1) Advertising, other than for recruiting employees, acquiring scarce items, or disposing of scrap or surplus material.

(2) Dues paid to any social, country, or luncheon club, or any similar type of club or organization.

(3) Company furnished automobiles for personal use.

(4) Provision of transportation to and from work, unless the contractor can show that such transportation is necessary for security reasons.

(5) Use of corporate aircraft which has any personal benefit to the user.

(6) Contributions or donations, regardless of the recipient, including political contributions.

(7) Entertainment costs.

(8) Hotel expenses for accommodations other than a normal single or double room.
(9) Meal expenses while traveling in excess of amounts to be specified by the Secretary as being reasonable.
(10) Fines and penalties.
(11) Lobbying costs.
(12) First class air travel, unless no other travel option is available.
(13) Defense of fraud proceedings unless found not to be liable in any way for the alleged fraud.
(14) Gifts.

(b)(1) After final promulgation of the amendments required by subsection (a), if a contractor submits for reimbursement any general or administrative expense for which there is clear and convincing evidence that the expense is unallowable, the expense shall be disallowed and the total amount of general and administrative expense for which reimbursement is sought from the United States shall be reduced by 3 times the amount of the disallowed expense.

(2) The Secretary of Defense shall have the authority to make disallowances and to assess the specified penalty under the amendments. An action of the Secretary in exercising such authority shall be considered a final decision for the purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) and shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

(c)(1) If the Secretary determines that a contractor has consistently submitted for reimbursement general and administrative expenses for which there is clear and convincing evidence that the expenses are unallowable, the Secretary may impose, at his discretion, an additional monetary penalty on such contractor, except that such penalty may not exceed one-fourth of the amount of all general and administrative expenses for which reimbursement is sought under the applicable contract.

(2) An action of the Secretary under paragraph (1) shall be considered a final decision for the purposes of section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) and is appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

(d) If a contractor submits for reimbursement by the Department of Defense any expense that was not actually incurred, such action shall be considered—

(1) a false claim under section 3729 of title 31, United States Code, and the remedies of such section (as modified by section 103(b) of the Act) shall be available to the Federal Government; and

(2) a false claim under section 287 of title 18, United States Code, and shall be punishable as provided in such section (as modified by section 103(a) of this Act).

REGULATION TO CONTROL PRICES THAT MAY BE PAID FOR SPARE PARTS

SEC. 102. (a) The Congress finds that the Department of Defense has in some instances paid unreasonably high prices for spare parts because—

(1) some parts have been built to overly detailed specifications;

(2) some parts have been designed and fabricated in such a manner that excessive engineering and manufacturing steps have been involved resulting in a price in excess of the intrinsic value of the part;

(3) some parts have been purchased in very small, and thus highly uneconomic, quantities;

(4) some parts have had inappropriate amounts of corporate overhead assigned to them, resulting in a price in excess of the intrinsic value of the part;

(5) some parts have not been purchased directly from the manufacturer, and thus the Government has unnecessarily paid an additional profit to the seller;

(6) some parts have not been purchased through a competitive process; and

(7) some parts have been sold with unreasonably high profits included in the price.

(b) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall report to the Committees on Armed Services of the Senate and House of Representatives on the specific actions taken by the Department of Defense to address the management problems identified in subsection (a). Such report shall evaluate the actions taken to determine whether the actions have been successful in remedying the identified management problems.

(c) In the event that the Secretary of Defense concludes that the management problems identified in subsection (a) have not been successfully remedied by actions of the Department of Defense, he shall—

(1) issue proposed regulations to limit the price that may be charged by defense contractors for spare parts; and

(2) submit proposed legislation to remedy the management problems indentified in subsection (a), as necessary.

INCREASED PENALTIES FOR FALSE CLAIMS IN DEPARTMENT OF DEFENSE PROCUREMENT

SEC. 103. (a) Notwithstanding section 287 of title 18, United States Code, the maximum fine authorized to be imposed under such section on a contractor of the Department of Defense who is guilty of a violation of such section by reason of the application of section 101(d) of this Act is $100,000.

(b) Notwithstanding section 3729 of title 31, United States Code, if a contractor is liable under such section by reason of the application of section 101(d) of this Act, the amount of the liability under that section shall be $2,000, an amount equal to 3 times the amount of the damages the Government sustains because of the act of the contractor, and costs of the civil action.

TITLE II— COMPETITIVE LABOR PURCHASE REQUIREMENTS

INAPPLICABILITY OF DAVIS-BACON ACT TO MILITARY CONSTRUCTION PROJECTS

SEC. 201. (a) Subject to subsection (b), the Act entitled "An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District fo Columbia by contrators and subcontractors, and for other purposes", approved March 3, 1931 (40 U.S.C. 276a-2), commonly referred to as the Davis-Bacon Act, shall not apply to the wages paid to laborers and mechanics for any work or services performed under any contract entered into on or after the date of the enactment of this Act for the construction of any project authorized by this or any other Act authorizing the construction of military projects.

(b) Subsection (a) shall apply only in the event the Senate and the House of Representatives agree to a first concurrent resolution on the budget for fiscal year 1986 that provides less than $312,300,000,000 in budget authority for function 050, National Defense.

PROHIBITION ON ESTABLISHMENT OF PAY RATES FOR PREVAILING RATE EMPLOYEES OF THE DEPARTMENT OF DEFENSE USING SURVEYS OF WAGES PAID OUTSIDE THE LOCAL WAGE AREA

SEC. 202. (a) Section 5343(d)(2) of title 5, United States Code, is amended to read as follows:

"(2) When the lead agency determines that there is a number of comparable positions in private industry insufficient to establish the wage schedules and rates, such agency shall—

"(A) establish the wage schedules and rates to be applicable to prevailing rate employees other than prevailing rate employees of the Department of Defense on the basis of—

"(i) local private industry rates; and

"(ii) rates paid for comparable positions in private industry in the nearest wage area that such agency determines is most similar in the nature of its population, employment, manpower, and industry to the local wage area for which the wage survey is being made; and

"(B) establish the wage schedules and rates to be applicable to prevailing rate employees of the Department of Defense only on the basis of local private industry rates.".

(b) The rate of pay payable to a prevailing rate employee employed by the Department of Defense on the day before the date of enactment of this Act may not be reduced by reason of the amendment made by subsection (a).

INAPPLICABILITY OF CERTAIN OVERTIME REQUIREMENTS OF THE WALSH-HEALEY ACT AND THE CONTRACT WORK HOURS AND SAFETY STANDARDS ACT TO THE DEPARTMENT OF DEFENSE

SEC. 203. (a) Subsections (b) and (c) of the first section of the Act entitled "An Act to provide conditions for the purchases of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (41 U.S.C. 35), commonly referred to as the Walsh-Healey Act, shall not be applicable to the Department of Defense or to any contract of the Department of Defense to the extent that such subsections require a contractor carrying out the contract to pay an employee an overtime rate of pay for work done in the performance of the contract after completing more than 8 hours of work in any one day. A contract to which the first sentence applies shall include a provision requiring the contractor to pay an employee an overtime rate of pay for work done in the performance of the contract after completing more than 10 hours of work in any one day.

(b) Section 102 of the Contract Work Hours and Safety Standards Act (76 Stat. 357; 40 U.S.C. 328) shall not be applicable to the Department of Defense or to any contract of the Department of Defense to the extent that such section requires a contractor carrying out the contract to pay an employee an overtime rate of pay for work done in the performance of the contract after completing more than 8 hours of work in any one day. A contract to which the first sentence applies shall include a provision requiring the contractor to pay an employee an overtime rate of pay for work done in the performance of the contract after completing more than 10 hours of work in any one day.

(c) Subsections (a) and (b) shall take effect on October 1, 1985, and apply to any contract entered into carried out on or after such date.

TITLE III—MISCELLANEOUS COST SAVINGS PROVISIONS

REMOVAL OF RESTRICTIONS ON CONTRACTING OUT AUTHORITY

SEC. 301. Notwithstanding any other provision of law, the Secretary of Defense may contract for the performance of any service or activity by non-Government personnel if the Secretary determines that the perform-

ance of such service or activity by non-Government personnel would be cost effective and in the best interest of the national defense.

EMERGENCY BASE CLOSURE AND REALIGNMENT

SEC. 302. (a) Section 2687(a) of title 10, United States Code, is amended by inserting "and subject to section 2688 of this title" after "Notwithstanding any other provision of law".

(b) Chapter 159 of title 10, United States Code, is amended by adding after section 2687 the following new section:

"§ 2688. Emergency Base Closures and Realignments

"(a)(1) If the budget submitted to the Congress by the President for any fiscal year (pursuant to section 1105 of title 31) reflects a budget deficit for such fiscal year and the Secretary of Defense satisfies the notification requirement set out in paragraph (2), the Secretary, during any 24-month period following the submission of such budget, may close or realign any military installation without regard to any other provision of law that would prevent or delay such closing or realignment, including any restrictions on the disposal of specific real property and any restriction contained in any appropriation Act on the use of funds to close or realign any military installation.

"(2) Not later than 60 days before the date the Secretary of Defense takes any irrevocable action to effect or implement a closure or realignment of a military installation under paragraph (1), the Secretary shall notify the Congress of the plan to take such action.

"(b) The Secretary of Defense is authorized to design and construct such facilities as he determines are necessary to effect the closure or realignment of any military installation under the authority of this section and may use for the design and construction of such facilities any funds available to the Department of Defense for military construction.

"(c) In this section the terms 'military installation' and 'realignment' have the same meaning as provided in section 2687(d) of this title.".

(b) The table of sections at the beginning of such subchapter is amended by adding after section 2687 the following new item:

"2688. Emergency base closures and realignments.".

By Mr. MITCHELL (for himself Mr. BENTSEN and Mr. BUMPERS):

S. 869. A bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act; to the Committee on Finance.

EXCLUSION OF RETIRED JUDGES ON ACTIVE DUTY FROM SOCIAL SECURITY ACT

● Mr. MITCHELL. Mr. President, the Social Security Amendments of 1983 addressed many of the critical problems facing the Social Security system. Social Security is now in a much healthier condition, and Congress can be proud of this legislation. I am concerned, however, that one minor provision included in the 1983 legislation has created a problem which I believe can have an adverse impact on the Federal judiciary.

Upon retirement, Federal judges can choose to enter senior status. When they do so, they voluntarily offer to continue performing their judicial services. These services are a major contribution to the Federal judiciary, as retired judges share the increasing workload of the Federal courts.

Title I of the Social Security amendments extends Social Security coverage to Federal judges. I do not disagree with that. What I do disagree with, however, is the provision that treats as wages, for purposes of the Social Security system, compensation paid to retired judges who continue in active duty. This creates significant financial disincentives for retired judges to continue their judicial work.

Most retired judges provide substantial services on a purely voluntary basis, making available their wisdom and experience for the effective discharge of the business of the courts without renumeration beyond that to which they are entitled by law without performing judicial services. Under the provision in the Social Security amendments, such retired judges will now be required to pay for the privilege of rendering judicial service in the following respects:

They will be required to make contributions to the Social Security fund in the amount of 7 percent of the first $37,500 of compensation starting January 1, 1986, and in increasing amounts thereafter.

They must forgo, between the ages of 65 and 70, the Social Security benefits which they earned, and to which they became entitled, by their pre-judicial employment.

Even after age 70, they must contribute to the fund so long as they continue to perform such voluntary judicial services. In most instances, this would mean for the rest of the lives of the judges.

By this redefinition of "wages," the compensation of such retired judges may likely again be subject to substantial local and State taxes on earned income. Presently, in such jurisdictions, the compensation of retired judges is not regarded as earned income.

Because of these disincentives, I am concerned that we run the risk of losing the services of many retired judges. To compensate for the loss of these services, Congress may well have to add additional judgeships to cope with existing caseloads, at a considerable greater expense. In addition to these undesirable effects on the judicial system and on the budget, this provision is unfair as it applies to current retired judges, who had agreed to continue service on terms that did not include Social Security coverage.

I believe that a more appropriate treatment would view compensation of retired Federal judges in active service as retirement income, not as earned income, and would acknowledge that these judges are performing their services voluntarily. This was the position taken in the Senate version of the Social Security legislation.

During the 98th Congress, I introduced legislation which became law, that delayed the implementation of the provision in the Social Security amendments affecting taxation of payments to retired Federal judges who continue to handle cases for 2 years. My bill would permanently restore the provisions of the law prior to the passage of the Social Security amendments of 1983. My legislation represents a more reasonable interpretation of the services provided by retired Federal judges.●

By Mr. MITCHELL:

S. 870. A bill to provide for Federal recognition of comprehensive State plans to promote the wise use and management of outstanding river resources; to the Committee on Energy and Natural Resources.

STATE COMPREHENSIVE RIVER PLANNING ACT

Mr. MITCHELL. Mr. President, today I am introducing legislation which will enable States and the Federal Government to work together in promoting the effective utilization and sound management of river resources.

The bill amends title 16 of the U.S. Code. The specific sections which the legislation would amend are part of the Federal Power Act. The heart of the proposal is a new section 803(a) to title 16. It would allow, but does not require, each State to develop a comprehensive plan, to be submitted to the Federal Energy Regulatory Commission [FERC] for review and approval. States without approved plans will continue to be treated as FERC now treats all States.

If approved by FERC, the comprehensive plan would be controlling in Federal licensing proceedings for hydropower projects in that State, similar to the Federal-State relationship that exists under section 307 of the Coastal Zone Management Act.

In many respects, this legislation should be viewed as an aid to FERC. Although the existing Federal Power Act, section 10(a) requires FERC to license dams in accordance with a comprehensive plan, nowhere in the existing statute is the term "comprehensive plan" defined and, as a result, the requirement now is largely ignored.

By giving meaning to the term, this bill will encourage long-range planning while it will discourage the current practice of licensing facilities on an ad hoc basis, dam by dam. The legislation will enable FERC to look at hydropower in a broader, more reasoned context.

If a State chooses to prepare a comprehensive plan, such a plan must meet certain minimum criteria set out in the bill. A review of the criteria shows that they are designed to establish the information necessary for the State and FERC to make an informed decision about where to strike the balance between river protection and development. For example, an inventory of outstanding river stretches is required, but so too is a projection of the States energy needs for 10 and 20 years and an explanation as to how such needs can be met at a reasonable cost.

Before approving a comprehensive plan, FERC must make certain findings. For instance, FERC would have to determine that the State has developed the plan in accordance with the rest of the act, after notice, and with the opportunity for full participation by relevant Federal and State agencies, local governments, and other interested public and private parties. The legislation would require a developer to certify that the proposed project complied with the FERC-approved State comprehensive plan. The State would have to concur with this certification.

A key point to keep in mind is that the so-called State comprehensive plan is without effect unleased approved by FERC. A plan which places too much of a States rivers resource off-limits to hydrodevelopment can be rejected by FERC. In other words, FERC will make the final judgment on whether a proposed State plan is compatible with the national interest. As a result, my legislation maintains Federal control and reserves to FERC the ultimate authority to license dams.

I believe the legislation strikes a beneficial public policy balance by allowing the States to undertake greater river resource conservation planning, as many States now are doing, and the Federal Government to retain the ultimate licensing power it must possess to preserve the integrity of important Federal environmental laws including the National Environmental Policy Act, the Fish and Wildlife Coordination Act, the Clean Water Act, and others. Such Federal authority is necessary, in my judgment, if we are to maintain the quality and use of water flowing from one State into another.

In closing, Mr. President, I want to make just a few comments about the development of this legislation. The bill introduced today is identical to one I introduced in the 98th Congress, S. 2361. That bill was introduced at the request of Maine's Governor, Joseph Brennan, who has taken a national leadership role in the area of rivers resource planning as a result of his role in the development of a sound, coherent rivers policy in Maine.

But while Maine was in the forefront of recognizing the need for FERC to utilize a comprehensive plan when licensing hydroprojects, the issue is not limited to Maine, or even the Northeast. The prolems stemming from the present manner in which FERC licenses hydroprojects are apparent nationwide.

It is my hope that this legislation can lead to the resolution of the present ad hoc nature of FERC's licensing procedures which too often ignores the knowledgeable voice of State governments regarding the most prudent course to follow in the licensing of hydroprojects within that State in order that this Nation can pursue the wise and best development of our rivers resources.

I ask unanimous consent that a copy of the legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 870

Be it enacted by the Senate and House of Representatives of the United States of America assembled, That this Act be cited as the "State Comprehensive River Planning Act."

SEC. 2. Section 802, of title 16, United States Code is amended by striking subsection (c) and inserting in lieu thereof the following new subsections:

"(c) A certification that the proposed project complies with the State's comprehensive plan, and that such activity will be conducted in a manner consistent with the plan, where the proposed project is within a State or States which have a comprehensive plan which has been approved in accordance with section 803(a). At the same time, the applicant shall furnish to the State or its designated agency a copy of the certification, with all necessary information and data. Each State shall establish procedures for public notice in the case of all such certifications and, to the extent that it deems appropriate, procedures for public hearings in connection therewith. At the earliest practicable time, the State, or its designated agency shall notify the Commission that the State concurs with or objects to the applicant's certification. If the State or its designated agency fails to furnish the required notification within ninety days of receipt of its copy of the applicant's certification, the State's concurrence with the certification shall be conclusively presumed. No license or exemption shall be granted by the Commission until the State or its designated agency has concurred with the applicant's certification or until, by the State's failure to act, the concurrence is conclusively presumed.

"(d) Such additional information as the Commission may require.".

SEC. 3. Section 803 of title 16, United States Code, is amended by striking subsection (a) and inserting in lieu thereof the following new subsection:

"STATE COMPREHENSIVE PLANS

"(a)(1) That in order to facilitate the licensing of water power projects under this Act, while at the same time according to the States their legitimate role in controlling the future of their waterways, any State may submit to the Commission for its approval a comprehensive plan allocating the use of its waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of waterpower development, and for other beneficial uses, including flood control, industrial and agricultural water use, recreational, ecological, historical, commercial fishery, and esthetic purposes. Within ninety days of receipt by the Commission of a certified copy of such plan, the Commission shall approve or disapprove the plan. In order for a State comprehensive plan to be approved by the Commission, the plan shall include at a minimum—

"(A) the identification of rivers and river segments deserving special protection based upon an analysis of each river's composite recreational ecological, geologic, hydrologic, historic, commercial fishery and esthetic resource values, in at least two categories:

"(i) rivers and river segments which are of greater than statewide significance because the aforementioned values are outstanding or rare when considered in a regional or national context; and

"(ii) rivers and river segments which are of statewide significance because the aforementioned values are outstanding or rare when considerd in a statewide context.

"(B) a State hydropower plan which shall include:

"(i) a description of current and projected energy supplies which may include consideration of applicable interstate energy plans;

"(ii) energy demand projections for the succeeding ten and twenty years including the assumptions on which such projections are based;

"(iii) an analysis of the contribution new hydropower will make to the State's energy supply and the likely alternative energy sources to new hydropower;

"(iv) identification of existing and potential hydropower project sites; and

"(v) identification of possible State actions to facilitate the development of hydropower wherever appropriate.

"(C) a fisheries management plan which shall include the identification of existing and potential hydropower sites, the expected fish passage requirements necessary to support a substantial commercial or recreational fishery, and the water flows necessary to maintain and protect water habitats.

"(D) the provision that no new dams shall be built on river segments of greater than statewide significance and that additional development or redevelopment of dams existing on these segments be designed and executed in a manner that does not diminish the significant values of these river segments; and the consideration of protective measures to enhance the resource values of river segments of outstanding statewide significance.

"(E) the identification of any State actions necessary to implement the plan and a schedule for taking such actions.

"(2) That prior to granting approval of a comprehensive plan, the Commission shall find that—

"(A) the state has developed the plan in accordance with this title, after notice, and with the opportunity of full participation by relevant Federal agencies, State agencies, local governments, and other interested parties, public and private;

"(B) the State has held public hearings in the development of the comprehensive plan;

"(C) the plan and any changes thereto have been reviewed and approved by the Governor; and

"(D) the State has the authorities necessary to implement the plan.

"(3) That comprehensive plans shall be reviewed and updated at least every five years though a State may amend its plan subject to approval by the Commission at any time. Any amendment must be the subject of a public hearing conducted by the State before it may be submitted to the Commission for approval.".

By Mr. SPECTER:

S. 871. A bill to prohibit trade with Libya; to the Committee on Finance.

TO PROHIBIT TRADE WITH LIBYA

Mr. SPECTER. Mr. President, today I am introducing legislation to stop all U.S. trade with Libya because of that country's involvement in international terrorism.

It is a direct bill that will send an unmistakable message: the United States will not tolerate states sponsoring terrorism.

It may come as a surprise to many Americans that between 1981 and 1984, the United States exported over $1½ billion worth of goods to Libya and imported more than $6 billion worth of goods from Libya. Trade with Libya actually increased in 1984 over 1983 levels. Exports for 1984 were up to $200 million from $190.9 million in 1983, and imports rose from less than $1 million—$0.9 million—in 1983 to $10 million in 1984.

These numbers are not terribly high relative to our trade with other countries, but the question must be asked: Why trade with Libya at all?

I put that question to Secretary of State George Shultz during his appearance before the Foreign Operations Subcommittee on March 7, 1985, and he agreed that we should not be trading with Libya at all. He testified that he would support legislation to stop all trade with Libya, and I told him I would introduce such legislation.

Moreover, I have urged Secretary Shultz to redouble his efforts to forge a unified, international boycott of Libya and other states sponsoring terrorism. Clearly a joint effort will be far more effective in pressuring Libya to cease its nefarious policy of terror, but the United States should take the leadership role by ceasing trade unilaterally now.

Anyone who questions the need to take strong action against Libya need only review the words of Mu'ammar Qadhafi, the dictator of Libya. In a speech marking the seventh anniversary of his revolution, Qadhafi spoke about the Beirut bombings that claimed the lives of over 260 U.S. Marines, and bragged that—

> The defeat the Americans suffered in Lebanon is not less than its defeat in Vietnam * * * the Marines, who can land and occupy any place in the world—they were dealt a powerful blow by the blowing up of the U.S. and French headquarters and were forced to leave.

Qadhafi went on:

> If we are able—we the revolutionary forces, the Libyans, the steadfast Syrians, and Palestinian resistance—to overthrow the May 17 Agreement (the Lebanese-Israeli disengagement agreement) it would mean we have the power to overthrow the Camp David Agreement by the Liberation of Egypt.

Qadhafi is clearly bent on the destruction of Egyptian President Mubarak and President Nimeiri of Sudan. "They are the agents of America," he said in his speech:

> The ones who enter Camp David and those who welcome Mubarak, who is head-to-toe sinking in treason. They entered the list of Sadat, the Camp of Shame, which must be liquidated either individually or in the form of a revolution against their regime.

Nor is the United States assured that it is immune from this threat of state-sponsored terrorism. Consider the words of Qadhafi in a speech on June 11:

> We have no alternative but to resist America by every means. If we have to export terrorism, we will export terrorism to it. We are capable of exporting terrorism to the heart of America. We are also capable of physical liquidation, destruction, and arson inside America.

"The dogs of America," said Qadhafi, "will be killed."

More recently, Qadhafi told a Black Muslim convention here that black soldiers in the U.S. military should desert and fight against "your racist oppressors" and establish a separate nation. "This imperialist country must be destroyed," Qadhafi said. "We are ready to give you arms because your cause is just."

Libya provides arms and funding for numerous terrorist organizations. A recent study by the Rand Corp. notes that "Qadhafi is reputed to have given so much money to the PLO in the past that nearly half of the weapons it used in Lebanon were purchased with Libyan funds." The study explains that Libyan funding has since been reduced: "contributions have subsequently been selectively parceled out to those member-groups who both reflect Libya's hardline policy on Lebanon and were willing to sign a pledge promising to carry on the struggle against Israel." Those factions that did so in 1982 were given a total of $9.5 million.

In addition, it is reported that there are five training centers in Libya, which are havens for terrorists. Forged passports and the like are available in what one commentator has called the "world trade center for terrorism."

Ambassador Anthony C.E. Quainton, then Director of the State Department's Office for Combatting Terrorism told the Senate Committee on Foreign Relations on June 10, 1981, that—

> * * * the government of Colonel Qadhafi is the most prominent state sponsor of and participant in international terrorism. There is a clear and consistent pattern of Libyan aid and training to almost every major international terrorist group, ranging from the Provisional Irish Republican Army to the Popular Front for the Liberation of Palestine and every group in between * * *.

Press reports have linked Libya to the Basque ETA, Japan's Red Army, Italy's Red Brigade, and Moslem insurgents in Thailand, Indonesia, Malaysia, and the Philippines.

On November 27, 1984, the Foreign Operations Subcommittee held, at my request, hearings on the implementation of current laws restricting trade with states sponsoring terrorism. Specific language on sanctions against governments that support international terrorism is found in several different provisions of law. Chief among these laws are the Export Administration Act, the Arms Export Control Act, the Foreign Assistance Act, and the Trade Act of 1974. Various sections of other laws, including foreign assistance appropriations acts are also applicable to this problem.

Ambassador Oakley, Director of the Office for Counter-Terrorism and Emergency Planning testified that despite these laws, a general embargo is in effect against only North Korea, Vietnam, Kampuchea, and Cuba. Libya, Syria, Bulgaria, South Yeman, and Iran are on a list of "states sponsoring terrorism" to which trade is restricted, but not prohibited.

Thus, the need for this legislation. Despite current trade restrictions, $200 million worth of commodities were exported to Libya last year. And some 1,000 Americans continue to work there.

Aside from the apparent hypocrisy of condemning Libya's ties to terrorism while continuing to provide them U.S. goods, the continuing U.S. presence in that country undermines our ability to take strong action against this menace.

When the issue arose about some retaliatory action against Libya after the British policewoman was killed, the immediate response arose that if any action were taken by Great Britain or retaliatory action by the United States, that there would be at risk our 1,000 citizens and some 30,000 Europeans.

In a letter to Secretary Shultz on February 25, 1985, I urged a cutoff of trade with Syria and Libya, noting recent reports of their connection with Abu Nidal, the nefarious Palestinian terrorist—considered by many to be a leading figure in international terrorism over the past decade. On November 20, 1984, the Libyan press agency, Janaa, said Abu Nidal had been recieved by Qadhafi.

I emphasized in the letter that—

> * * * We should abandon the fallacy of trade restrictions and cease all trade with these nations, simultaneously pressing our

allies to join us in a unified international boycott of states sponsoring terrorism.

At the same time, the President should call for an international meeting to consider a cooperative strategy for treating terrorists as the criminals they are, including establishing terrorism as a crime against the law of nations punishable by any country that captures the terrorist, the possibility of establishing an international criminal tribunal along the lines of the Military Tribunal at Nuremberg following World War II, and amending the Vienna Convention to make it clear that "diplomats" who murder—such as those involved in the Libyan shootout in London last year—forfeit any claim to diplomatic immunity. I have proposed legislation to achieve these objectives * * *.

Ultimately, we should consider completely cutting off trade with all countries determined to be sponsoring terrorism. But Libya, as the most notorious, is a logical place to start.

We cannot continue to deal with the likes of Muammar Qadhafi. The time to stop is now.

I ask unanimous consent that the text of this bill and accompanying letters be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, no article grown, produced, extracted, or manufactured in Libya may be imported into the United States.

(b) Notwithstanding any other provision of law, no goods or technology, including technical data or other information, subject to the jurisdiction of the United States or exported or imported by any person subject to the jurisdiction of the United States, may be exported to Libya or imported from Libya.

(c) For purposes of this Act, the term "United States" includes territories and possessions of the United States.

U.S. SENATE,
Washington, DC, December 6, 1984.

Hon. GEORGE P. SHULTZ,
Secretary of State,
Department of State, Washington, DC.

DEAR MR. SECRETARY: As you may recall from our conversation on November 28th at the Majority Leader's dinner, I am very much concerned that the U.S. government continues to license the export of industrial equipment, worth 191 million dollars in 1983, to Libya despite that state's open support of international terrorism.

On November 27th, Senator Kasten and I conducted a hearing before the Appropriations Subcommittee on Foreign Operations at which Ambassador Oakley and other State Department representatives admitted the essential facts about continued trade relations with terrorist states. As I understand it, the rationalization is that Libya, or other countries, could possibly obtain similar equipment from other nations if the U.S. denied the requisite licenses. I think this argument is backwards. The U.S. should deny licenses and should pressure our allies to do likewise. It seems clear that we cannot make this case as long as we are making the sales. Nor can we say that U.S. prosperity or that of any U.S. firm is materially dependent on trade with Libya.

I urge you to initiate an immediate review of the export policies of the State Department regarding terrorist states.

Finally, I am considering proposing amendments in the Foreign Operations Appropriations Subcommittee next year to reduce U.S. aid (or restrict trade) to states such as Greece and France unless they make changes to prevent repetition of recent incidents where known terrorists were released from custody on questionable and technical grounds, when those individuals could and should have been kept in custody.

I would appreciate your report on the export policies, as well as your reaction to my proposal on limiting aid.

Sincerely,

ARLEN SPECTER.

U.S. DEPARTMENT OF STATE,
Washington, DC, December 31, 1984.

Hon. ARLEN SPECTER,
U.S. Senate.

DEAR SENATOR SPECTER: I am replying to your letter to Secretary Shultz concerning U.S. trade policy toward Libya and other countries that engage in state-supported terrorism or that do not cooperate with USG efforts to prosecute known terrorists.

As Ambassador Oakley underscored in testimony before your Committee, this Administration at the highest levels has attached great importance to the problem of terrorism, and has sought to develop policies that serve to defend US personnel, facilities and interests from terrorist attacks. In addition, we have actively pursued greater international cooperation in combatting terrorism.

As part of our policy toward countries that provide support for terrorism, we have imposed foreign policy export controls designed to prevent a US contribution to the ability of those nations to engage in or support terrorist activity. Export controls on Libya are the tightest we maintain on any destination, with the exception of the total embargoes in place for Cuba, Vietnam, Kampuchea and North Korea. Our Libyan controls are tighter than our controls on the Soviet Union. We deny export licenses for all munitions items. Furthermore, we generally deny export licenses for equipment and technology controlled for national security purposes, oil and gas related equipment and technology not readily available outside the US, aircraft and related parts and components, nuclear related equipment and technology, and several other categories of items. We believe these controls enable us to prvent a US contribution to Libya's ability to pursue policies contrary to the US National interest.

Our Libyan export controls are unilateral; other nations supply most of the items we deny. We have had some success gaining allied support for our policies in the nuclear and munitions areas. Beyond this, we see no indication our allies are willing to join us in economic sanctions against Libya. Their position is based on a belief that economic sanctions are not effective in exerting pressure to influence the behavior of other governments, and that isolating Qadhafi drives him deeper into the arms of the Soviets. Although we see little likelihood that other countries will join us in sanctions, we will continue to take every appropriate opportunity to reiterate to our allies and other countries with which we have influence our position regarding economic sanctions against Libya. And, we will maintain close consultations with our allies to design other measures to combat terrorism.

Regardless of the actions of others, we believe it is important that the US maintain tight controls on exports to terrorism supporting states such as Libya. At a minimum, they show we are willing to pay a price to demonstrate our opposition to the policies of those nations.

The use of unilateral foreign policy export controls involves, however, difficult tradeoffs between our international economic and political concerns. While perhaps no major corporation is dependent for its survival solely on exports to countries subject to the anti-terrorism export controls, the effect of our export controls (which entail third country obligations on re-exports) can be significant. With regard to Libya, for example, our present controls cost American exporters several hundred million dollars a year in foregone sales and thousands of lost US jobs.

We have continued to allow exports of certain non-strategic, non-military items to Libya, and the other terrorism supporting states. This policy is the result of weighing the numerous, complex factors which must be addressed in any such decision, including the Congressionally-mandated factors of Section 6(b) of the Export Administration Act of 1979. Among the factors we must consider in imposing or expanding export controls are 1) the probability that controls will achieve the intended foreign policy purpose, in light of other factors, including the foreign availability of similar goods; 2) the reaction of other countries to the imposition or expansion of US export controls; and 3) the likely effects of proposed controls on the export performance of the US, and on the international reputation of the US as a reliable supplier, and on individual companies and their employees and communities, including the effects of the controls on existing contracts.

Our export policy toward Libya and the other terrorism supporting states is not static. These policies are under constant review which could result in additional US restrictions in the future should events so dictate.

On the separate question of our efforts to gain international support for prosecution of known terrorists, we have asked the governments of Greece and France to keep us informed of their actions taken in this area. In the case of Faud Hassen Shara, arrested by the Greek police in mid-April, the US provided the Greek government with firm evidence of his attempt to place an explosive device on an international passenger airliner. After Greek officials released shara, stating that the evidence of terrorist activity was insufficient, the US made strong protests against the release both here and in Athens.

We have made clear on numerous occasions to many governments, including the Greek and French, the USG position that all civilized countries must cooperate to eliminate terrorism. We have pressed the Greeks specifically for progress in solving terrorist attacks against two US military personnel in Athens. And we have shared with the French and others our strong views on the need to ensure that the full weight of available law enforcement measures is brought to bear on international terrorism.

Stong commercial ties and security assistance programs with France and Greece respectively, form an important part of US relationships with these countries, and bring significant benefits to the US. Moreover, as

members of the Atlantic Alliance, both countries contribute to the defense of Europe. US security assistance to Greece, in particular, helps that country fulfill its NATO responsibilities, contributes to achieving NATO goals, and provides an incentive for Greece to continue procurement of US equipment.

Against this background, we must keep in mind that Greece and France are important allies. Our relationships with both countries have endured because they are based on common values. Differences in the handling of individual matters should not be allowed to obscure this basic alliance, or to provoke us into excessive responses that could interfere with our efforts to engage in a constructive dialogue with these governments.

We welcome the attention you have given to this issue and we will continue to work closely with the Congress to strengthen measures to combat terrorism.

Sincerely,

W. TAPLEY BENNETT, Jr.,
Assistant Secretary,
Legislative and Intergovernmental Affairs.

U.S. SENATE,
Washington, DC, February 25, 1985.

Hon. GEORGE P. SHULTZ,
Secretary of State,
Department of State, Washington, DC.

DEAR SECRETARY SHULTZ: A February 22 New York Times article quoting a Paris magazine interview with Abu Nidal, the nefarious Palestinian terrorist, has dramatically reinforced my grave concerns about the threat of state-sponsored terrorism and its impact on Middle East peace.

Nidal, who was reported to have died last November, was quoted as saying that he planned new terrorist attacks against Americans this year and that his organization, the Fatah Revolutionary Council, has "decided to execute King Hussein of Jordan."

During my most recent visit to that region last August, I met with leaders of a number of key Arab nations, including King Hussein, and the pervasive fear of assassination that haunted these men was palpable. It is a fear I could well understand, having met with Bashir Gemayel in Lebanon days before he was assassinated. All other efforts at peace in the Middle East are futile if individuals like Nidal and the nations that harbor them go unpunished.

The Nidal saga demands an immediate response from all civilized nations, spearheaded by the U.S. It is a very serious matter if this notorious criminal has in fact convinced the West of his death while continuing to plot his heinous crimes, many, he boasts, aimed at Americans. Perhaps most troubling is that he can state his violent intentions so confident that he can carry them out with impunity.

I intend to request hearings to consider stepped-up intelligence and operational cooperation with our allies to pursue and prosecute terrorists worldwide. In addition, I believe we should examine our own counterterrorism intelligence capabilities and efforts, to ensure that we are doing all we can unilaterally.

I have already questioned the CIA on whether the U.S. knows who is responsible for the bombings of American facilities that claimed so many lives in Lebanon and who is behind the Kuwaiti highjacking during which two Americans were murdered and where these perpetrators may be found today. It is imperative that we promptly assess what we do know, and promptly discover what we do not.

Syria and Libya, both of which are implicated in the Nidal story as places of refuge for this terrorist, are already listed by the State Department, along with Bulgaria, Iran, and South Yemen, as states subject to trade restrictions because of their ties to terrorists. Yet last year we exported $104 million worth of goods to Syria and an even higher level to Libya. We should abandon the fallacy of trade "restrictions" and cease all trade with these nations, simultaneously pressing our allies to join us in a unified international boycott of states sponsoring terrorism.

At the same time, the President should call for an international meeting to consider a cooperative strategy for treating terrorists as the criminals they are, including establishing terrorism as a crime against the law of nations punishable by any country that captures the terrorist, the possibility of establishing an international criminal tribunal along the lines of the Military Tribunal at Nuremberg following World War II, and amending the Vienna Convention to make it clear that "diplomats" who murder—such as those involved in the Libyan shootout in London last year—forfeit any claim to diplomatic immunity. I have proposed legislation to achieve these objectives.

There is a growing evidence that terrorists are uniting in their violence. Western Democracies must unite in response. I would like to resume the discussions of these matters that we started last fall.

Sincerely,

ARLEN SPECTER.

By Mr. BOSCHWITZ:

S. 872. A bill entitled the "Women's Small Business Ownership Act of 1985"; to the Committee on Small Business.

WOMEN'S SMALL BUSINESS OWNERSHIP ACT

● Mr. BOSCHWITZ. Mr. President, I am introducing a bill to establish a National Commission on Women's Small Business Ownership. The purpose of the Commission will be to study ways to improve the business climate for women business owners. The Commission would be appointed for 2 years at a cost of $2 million, report its findings, and then expire. Similar legislation was introduced in the House by Congressman MOODY during the last session of Congress, hearings were held and the bill was reported out of the Small Business Committee.

You hear and read a lot about the difficulties encountered by women business owners, but there is very little statistical data available. The most recent statistics available are Census Bureau data from 1977 to 1980. That data showed that over that period the average net income of female-operated sole proprietorships continued to stay at about 31 percent of the average for male-operated sole proprietorships. The number of businesses owned by women increased 32 percent from 1977 to 1980, while business owned by men only increased 11 percent.

This Commission will help fill the void in statistics since 1980 by not only collecting available data but also reviewing data-collecting procedures and identifying gaps and discrepancies. The Commission will also review all existing Federal initiatives relating to women-owned small businesses and Federal roles in aiding and promoting women-owned small businesses. This bill directs the Commission to focus on the special problems of socially and economically disadvantaged women in owning small businesses. Finally, the Commission would be required to make recommendations based upon its findings. The recommendations should include private sector and Federal initiatives to assist women in small business ownership.

President Reagan has taken some important steps to help promote women entrepreneurs and to improve the business climate for women. He reinstituted the Interagency Committee on Women's Business Enterprise to coordinate the efforts of the various Federal agencies in assisting women business owners. The President established a Presidential Advisory Committee to advise the President and the Small Business Administration concerning the status of women-owned businesses. Probably the most innovative step taken by President Reagan was to initiate a series of conferences for women entrepreneurs to provide business skills training for women business owners. This Commission would complement the initiatives taken by President Reagan by serving as a review body of all efforts on behalf of women business owners.

As one of the few businessmen in Congress, and one of very few to have started a business from scratch, I know all too well the difficulties in owning a business. To succeed in business, particularly to start a business, I had to borrow from banks, approach new suppliers, convince landlords to rent me buildings, fight with government at various levels, and overcome many other obstacles. For women, accomplishing all of those things would have been harder. For a black, Hispanic, or Hmong it would have been harder as well, and if I had been a woman and a member of one of these minority groups it would have been harder still. One of the basics of the free enterprise system is access. All should have equal access to our economic system. We are not yet close to achieving economic parity in the marketplace and the pace at which we move is not rapid enough, especially considering the number of people affected. So barriers must be broken down, barriers—economic and others—that deny people equal access to treatment in our society.

The Commission established by this bill will help to identify those barriers and help us, both the Government and private sector, to break down those barriers.●

By Mr. CHAFEE (for himself, Mr. STAFFORD, and Mr. INOUYE):

S. 873. A bill to amend title XIX of the Social Security Act to assist severely disabled individuals to attain or maintain their maximum potential for independence and capacity to participate in community and family life; to the Committee on Finance.

COMMUNITY AND FAMILY LIVING AMENDMENTS

● Mr. CHAFEE. Mr. President, in his State of the Union Address, President Reagan said:

> This Government will meet its responsibility to help those in need. But policies that increase dependency, break up families, and destroy self-respect are not progressive, they are reactionary * * * let us resolve that we will stop spreading dependency and start spreading opportunity; that we will stop spreading bondage and start spreading freedom * * * There must be no forgotten Americans.

Nowhere are these words more appropriate than when they are applied to citizens who have mental and/or physical disabilities.

The legislation I am introducing today stands for all of the ideals held dear by the citizens of this country. It honors the family by giving Americans the support they need to keep their families intact. It rediscovers the values of freedom, meaningful work, and the neighborhood by giving the developmentally disabled what they have long been denied—an opportunity to participate in the pursuit of these ideals.

Mr. President, 2 years ago, I introduced a bill, S. 2053, the Community and Family Living Amendments of 1983. Today I am offering a substantially revised version of that legislation. I ask that a summary of the bill, as well as the bill itself, be printed in full in the RECORD immediately following my statement.

The legislation I introduced during the last session of Congress, S. 2053, would have redirected all Medicaid funding from larger facilities for the developmentally disabled to community-based services such as group homes and in-home assistance, like respite care.

That bill was extremely controversial. In my office alone, we received almost 10,000 letters on the issue, many of which suggested revisions. Two hearings were held in the Finance Committee on the legislation. We heard from a variety of individuals representing parents, program experts, State administrators, institutions workers and directors, group home directors, and the disabled themselves.

Through these hearings and the scores of letters and meetings with individuals and groups, I found that there were five major provisions in S. 2053 which many individuals and organizations were concerned about: First, the total phaseout of Medicaid dollars from facilities with more than 15 beds; second, the 10-year time period over which that phaseout would take place; third, the size of community living facilities; fourth, the broad definition of the eligible population; and fifth, that there was no provision to address the needs of the so-called residual population; that is, those individuals who some contend could never be served in any facility other than a large one.

When I introduced S. 2053, I stressed that it was not carved in stone. It was simply a first step in the discussion of what the best system of care for the developmentally disabled should look like. I believe that the bill I am introducing today addresses many of the major concerns raised last year, with three new provisions.

First, the definition of a severely disabled individual in the original legislation was too broad and difficult to work with. Consequently, I have redefined the eligibility definition as those severely disabled individuals who have a disability, as defined in section 223(d) of the Social Security Act, which was manifest before the age of 35. The definition will also include children or youths who are under the age of 21 at the time the bill is enacted, who have a primary diagnosis of mental illness. This definition substantially narrows the eligible population.

Second, the concern that 10 years was not an adequate period of time for States to develop a quality community-based service system seemed to be reasonable. Consequently, I have changed that provision to require that the phasedown, as described below, be completed by the year 2000.

Third, I recognize the concerns of some individuals that a complete phaseout of Medicaid dollars from large facilities may in fact be too extreme an idea for many to accept. There are concerns that some service systems are not ready to support the most severely disabled people in smaller facilities in the community and that there may be a need to rely on some larger facilities. Having seen even the most profoundly disabled and medically fragile individuals thriving in small community-based settings, I do not agree that these large facilities are necessary; however, I am willing to recognize the concerns of others. Consequently, I have expanded the grandfathering clause to include facilities with up to 15 beds and cluster homes—three homes which would meet the definition of a community group home but for the fact that they are adjacent to each other. I have also added a provision which would allow the States to retain some Medicaid dollars to spend in larger facilities.

This new provision would work in the following manner: Each State would choose a base year for the purposes of this provision. Fifteen percent of the funds used by the State during this base year for the care of individuals with severe disabilities as defined in the bill would be available to the State for services which do not meet the definition of community-based services outlined in the bill. For example: State X chooses 1980 as its base year. In that year, it spent $1 million through the Medicaid Program to provide services to severely disabled individuals in facilities with over 15 beds. State X could spend up to $150,000—15 percent of $1 million—each year for services to severely disabled individuals provided in facilities which do not meet the definition of a community living facility or which are not provided in a natural, adoptive, or foster care family home. This dollar amount would be adjusted annually for inflation.

For each individual currently being served in a facility which does not qualify as a community or family living facility, the Federal matching rate would be reduced by 4 percent per year for no more than 10 years. For example, State X has a 50-50 matching rate, the percentage of the matching rate would decrease by no more than 40 percent over 10 years. The State would then receive a 30-percent match for that individual in a facility which is not a community or family living facility.

One other major change is included in the new bill which merits special mention. Many individuals and groups who wrote to or met with me made the point that individual and family support services are the most critical need for individuals trying to live in the community independently and for families who wish to care for their severely disabled relatives at home. I have therefore added this service as one of the three services which are required to be offered by the State in order to receive Medicaid dollars. Without this assistance, many severely disabled individuals are denied the opportunity to live in the community and are forced to live away from their families in nursing homes or other congregate housing situations which are more expensive. The definition of "individual and family support services" in the legislation is very broad. During the hearing process, a clearer definition will evolve.

Mr. President, legislation of this nature is essential. A policy change at the Federal level is long overdue. Federal Medicaid funds flow primarily toward large facilities. In fiscal year 1984, the total amount of State and Federal expenditures for this population amounted to $7.3 billion. Of that amount, $4.3 billion was spent in facilities of over 15 beds. The reason for this has more to do with what Medicaid will pay for than what system of care is best.

Since 1977, less than 20 percent of our ICF/MR dollars have gone to support persons with mental retardation/developmental disabilities in the community; the balance has been spent to keep people in institutions. While there is a great deal of interest in supporting people in the community and removing the emphasis on institutional care, there is much variation in the rate at which various States approach the task. Since 1977, more than one-half of the residents of large facilities in Vermont, Michigan, Ohio, and Nebraska have returned to the community. In other States, however, less than 10 percent of this population has returned to society. Three States, Louisiana, Tennessee, and Mississippi, have actually increased the number of persons living in institutions in the last 7 years.

This legislation is an attempt to encourage all States to move in the direction of allowing individuals with developmental disabilities to live in the community, either at home, on their own, or in a group home. The legislation makes this possible by providing resources to the States to offer a better level of care than that available in most larger facilities. In addition, I expect that for most people, this system of care will be better and less expensive.

In fiscal year 1984, there were 110,000 developmentally disabled individuals living in institutions for the mentally retarded or developmentally disabled. These institutional placements cost a total of $4.3 billion, or an average of $40,000 per person per year. There are entire families living on much less than that in this country today. It stands to reason that with that type of expenditure, great and innovative things can be done in the community. Solid community-based services can be provided at a much lower cost and can be tailored to meet individual needs.

Last year, this Congress spent many hours debating the "Baby Doe" issue. Every year since the Roe versus Wade decision by the Supreme Court, we have debated the issue of abortion. Yet these debates seem to go no further than birth. What happens to the individual after birth seems to be of little or no concern to many. This bill focuses attention on the quality of life of a severely disabled individual during his or her lifetime. This discussion is long overdue.

Since he became chairman of the Subcommittee on the Handicapped, my colleague from Connecticut, Senator WEICKER, has consistently worked to improve the current system of care for mentally retarded and developmentally disabled individuals. He has held hearing after hearing on the issue, uncovering nationwide abuse and neglect. Over the past 3 days, his subcommittee has heard another round of testimony on this issue. Much of the testimony from those hearings describing abuse, neglect, and inappropriate programming is appalling. I think that the record of these hearings will support my belief that the Medicaid program as it applies to severely disabled individuals must be reformed. The legislation I am offering today is one way of accomplishing such a reform.

Mr. President, I would again like to make clear that the provisions in my legislation are open to discussion. I do not intend to attempt to push this legislation through without further discussion and revision. Although I have tried to address most of the concerns which were raised last year, I am certain that others will be raised as the legislation is examined and analyzed. As always, I welcome such scrutiny. The goal of this legislation is to provide a mechanism for the development of the most appropriate and effective system of long-term care for those in our society who are severely disabled. I desire any input which will further that goal.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SHORT SUMMARY: COMMUNITY AND FAMILY LIVING AMENDMENTS OF 1985

ELIGIBILITY: DEFINITION OF SEVERELY DISABLED INDIVIDUAL

The eligible population is defined as those individuals who have a disability as defined in section 223 of the Social Security Act which was manifest before the age of 35. Individuals who suffer primarily from a mental disease are eligible only if that condition was manifest before the age of 21.

As with current Medicaid law, states have the discretion to narrow this definition of eligibility.

DEFINITION OF A COMMUNITY LIVING FACILITY AND FAMILY HOME

A family home is defined as a residence maintained by an individual or natural, adoptive or foster family in which one or more severely disabled individuals are living who receive medical assistance which includes payment for some of the services outlined in section 1919(a).

A community living facility is defined as a single household other than a family home which: 1) provides living arrangements and services to one or more severely disabled individuals; 2) has a number of beds no greater than three times the average family size in the area in which it is located; 3) is located in an area which is primarily populated by individuals other than those who are severely disabled; 4) meets standards for program appropriateness, safety and sanitation as are established by the Secretary of Health and Human Services and those applicable under state law; 5) is staffed by individuals who are trained or retrained in accordance with the implementation agreement to be filed with the Secretary of Health and Human Services by each State.

SERVICES ELIGIBLE FOR PAYMENT

The list of services which the state may provide to severely disabled individuals and receive payment under the Medicaid program is attached. In addition to these the legislation allows the states an option to provide these services to any severely disabled individual or the family of such an individual provided that more than 5% of the individual's or family's Adjusted Gross Income is spent on the provision of the services outlined.

There are three mandated services, that is services which the state must provide in order to receive Medicaid dollars. These services are: (1) protective intervention; (2) case management; and (3) Individual/Family Support services (which would include non-medical personal assistance and respite care).

PHASE DOWN

Medicaid dollars would be available for use by the state for the services outlined above if they are provided to an individual living in his or her own home, in a natural, adoptive or foster home, in a community living facility or in facilities which fall within the grandfathering clause.

The legislation does not require a complete phase out of federal Medicaid dollars from facilities which do not meet the above definitions. Instead it would require a phase down of these funds. The phase down would be complete by the year 2000 and would work in the following manner. Each state will choose a base year for the purpose of this provision, fifteen percent of the funds expended by the Medicaid program in that state during that year for individuals with severe disabilities would be available to the state in each year after 2000 for services which do not meet the definition of community based services as defined in the bill. This amount would be adjusted for inflation annually. For example: State X chooses 1975 as its base year. In that year it spent one million dollars to provide services to severely disabled individuals in facilities with over 15 beds. Beginning in 2000 State X could spend no more than 150 thousand dollars (15% of one million) for services provided to severely disabled individuals in facilities which do not fall within the requirements outlined above.

For services provided in facilities which are not community living facilities, a natural, adoptive or foster home or which are not grandfathered, the federal Medicaid match would be reduced by 4% per year for no more than 10 years.

GRANDFATHERED FACILITIES

There are two types of facilities which do not meet the definition of a Community Living Facility or a Family Home which are grandfathered in by the legislation (i.e. are not subject to payment restrictions): 1) any facility in operation before the date of enactment which has less than 15 beds; and 2) any "cluster home" facility—any group of three homes which would otherwise meet the definition of a community living facility except for the fact that they are adjacent to one another.

IMPLEMENTATION AGREEMENT

Within two years after the legislation is enacted each state must develop an implementation agreement which must be approved by the Secretary of Health and Human Resources. The implementation agreement must outline how the state will comply with the provisions outlined in the

bill. The agreement forces the states to plan in advance of taking any action.

STATE MAINTENANCE OF EFFORT CLAUSE

States which are currently providing (with state dollars only) services which would be eligible for federal Medicaid matching funds under the legislation would be required to maintain these services with state dollars.

STATEWIDE WAIVER PROVISION

States would be allowed to waive the Medicaid requirement of statewideness for a particular service for two years at any time it wishes to develop such a new service.

MONITORING AND SAFEGUARDS

Each community living facility must be licensed by the state or accredited.

Any program or facility receiving Medicaid funding must meet the standards set forth by the Secretary of Health and Human Services.

Protective intervention services.

The implementation agreement development by the state must outline plans for the development of community based services, safeguards at the state level, training of staff and other specific requirements as outlined in the legislation. The public must have adequate opportunity to comment on this agreement and it must be approved by the Secretary. The states must comply with the implementation agreement.

Individuals and families may participate in the development of the individual written plan and may ask for a hearing if they do not agree with the needs outlined in that plan. Such a hearing must be granted.

Before any individual is transferred there is an opportunity for that individual or his family or guardian to object and request a hearing. Such a hearing must be granted.

A private right of action is available if the state does not comply with its implementation agreement.●

By Mr. CHAFEE:

S. 874. A bill to amend the Internal Revenue Code of 1954 by increasing the Federal excise tax on cigarettes by 16 cents per pack to a permanent 32 cents per pack and by providing that revenues from the additional tax be deposited in the Federal Hospital Insurance Trust Fund under the Social Security Act; to the Committee on Finance.

INCREASE IN TAX ON CIGARETTES

● Mr. CHAFEE. Mr. President, the legislation I am proposing today would increase the current Federal excise tax on cigarettes from 16 cents to 32 cents per package. The current tax on 16 cents will fall to 8 cents per package as of October 1, 1985. This bill would continue the tax at 16 cents until January 1, 1986, and then increase it to 32 cents. The increase, 16 cents, would be earmarked to the Hospital Insurance Trust Fund—part A of the Medicare Program.

The Hospital Insurance Trust Fund is on the verge of insolvency. Although the actuaries disagree as to the exact projected date of the bankruptcy of the program, no one will disagree with the proposition that measures need to be taken to ensure its long-term viability. While an increased excise tax on tobacco may not ensure that the fund will remain solvent, it will certainly help to increase the revenues flowing into the trust fund.

By the year 2000, only 16 years away, the number of people over age 65 in the United States will increase by 40 percent. Those over age 85 will double. These figures are nothing compared to what will happen in the next century; moreover, they are probably conservative. These statistics leave us with clear and unequivocal evidence of the need for prompt, effective and above all careful action. We know what dragging our feet now will mean for the future of health care for the elderly—a bankrupt system.

The legislation I am introducing today is necessary to stave off the impending bankruptcy of part A of the Medicare Program until Congress can accomplish a reform of the program. This reform must be one which will ensure high quality health care at a reasonable, affordable price. Such a reform cannot occur overnight, it will take time to develop. This legislation will help to give us that necessary time.

Medical evidence of the incidence of tobacco-related diseases among users of this product demonstrates the correlation between smoking and increased health care costs. An increased and earmarked Federal excise tax on cigarettes is a tax imposed on the users for the resulting excess health care costs which they impose on the Hospital Insurance Trust Fund.

According to the coalition on smoking or health, in 1981 cigarette smoking accounted for $13 billion in medical care costs and $25 billion in lost economic productivity. Cigarette smoking cost the taxpayers $3.8 billion through the Medicare and Medicaid Programs.

An increased excise tax on this product will also help discourage smoking. In the Tax Equity and Fiscal Responsibility Act [TEFRA], Congress doubled the excise tax on cigarettes from $0.08 to $0.16 for a 3-year period ending October 1, 1985. In "Cigarette Taxation: Doing Good by Doing Well," author Kenneth Warner stated that the doubling of the excise tax caused one and a quarter million adult Americans to stop smoking and one-half million teenagers to stop or not start smoking. Among price-responsive young people, teenage smoking decreased by 14 percent. Adult smoking decreased by 4 percent.

Not only would this increase in the excise tax help the hospital insurance trust fund, it will also discourage smoking and therefore help improve the overall health of the country. Cigarette smoking is the No. 1 preventable cause of death and disability in this country; 340,000 die of smoking related diseases annually. Nine million people suffer from chronic bronchitis and emphysema due to smoking.

Each of us, whether we smoke or not, pay for the health care needs of smokers—either through insurance premiums or our taxes. I believe it is reasonable to ask those who smoke to help ensure the financial viability of the Medicare Program which is depended upon by so many elderly individuals.

Mr. President, I ask that my legislation be printed in full in the RECORD immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN TAX ON CIGARETTES.

(a) RATE OF TAX.—Subsection (b) of section 5701 (relating to rate of tax on cigarettes) is amended—

(1) by striking out "$8" in paragraph (1) and inserting in lieu thereof "$16"; and

(2) by striking out "$16.80" in paragraph (2) and inserting in lieu thereof "$33.60".

(b) FLOOR STOCKS.—

(1) IMPOSITION OF TAX.—On cigarettes manufactured in or imported into the United States which are removed before January 1, 1986, and held on such date for sale by any person, there shall be imposed the following taxes:

(A) SMALL CIGARETTES.—On cigarettes, weighing not more than 3 pounds per thousand, $8 per thousand;

(B) LARGE CIGARETTES.—On cigarettes, weighing more than 3 pounds per thousand, $16.80 per thousand; except that, if more than 6½ inches in length, they shall be taxable at the rate prescribed for cigarettes weighing not more than 3 pounds per thousand, counting each 2¾ inches, or fraction thereof, of the length of each as one cigarette.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding cigarettes on January 1, 1986, to which any tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be treated as a tax imposed under section 5701 and shall be due and payable on January 18, 1986, in the same manner as the tax imposed under such section is payable with respect to cigarettes removed on January 1, 1986.

(3) CIGARETTE.—For purposes of this subsection, the term "cigarette" shall have the meaning given to such term by subsection (b) of section 5702 of the Internal Revenue Code of 1954.

(4) EXCEPTION FOR RETAILERS.—The taxes imposed by paragraph (1) shall not apply to cigarettes in retail stocks held on January 1, 1986, at the place where intended to be sold at retail.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to cigarettes removed after December 31, 1985.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 283 of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out "and before October 1, 1985".

SEC. 2. TRANSFER OF ADDITIONAL REVENUES TO FEDERAL HOSPITAL INSURANCE TRUST FUND.

(a) IN GENERAL.—Subsection (a) of section 1817 of the Social Security Act is amended—

(1) by striking out "100 per centum of" in the matter preceding paragraph (1);

(2) by striking out "(1) the taxes" in paragraph (1) and inserting in lieu thereof "(1) 100 per centum of the taxes";

(3) by striking out "and" at the end of paragraph (1);

(4) by striking out "(2) the taxes" in paragraph (2) and inserting in lieu thereof "(2) 100 per centum of the taxes";

(5) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and "; and

(6) by adding at the end thereof the following new paragraph:

"(3) 50 per centum of the taxes imposed by subsection (b) of section 5701 of the Internal Revenue Code of 1954.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall become effective on January 1, 1986.●

By Mr. DOLE (for Mr. MURKOWSKI):

S. 875. A bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to establish and carry out a Vietnam Veterans' Resource Center Pilot Program; to the Committee on Veterans' Affairs.

VIETNAM VETERANS' RESOURCE CENTER ACT

● Mr. MURKOWSKI. Mr. President, today I am introducing a bill to establish a pilot program of Vietnam Veteran Resource Centers [VVRC]. These centers would use existing vet center sites to explore a new concept in providing better service more efficiently to eligible Vietnam veterans.

Under current law, the VA has 187 satellites and storefront vet centers which provide readjustment counseling to Vietnam veterans who have had difficulty readjusting to civilian life. The underlying goal of these very successful centers has been to attract veterans who shied away from VA hospitals and regional offices but were having difficulty with their lives. Many of these veterans have been found to be suffering from posttraumatic stress disorder [PTSD] as a result of their combat experiences. The vet centers have provided an avenue for these veterans to come back to the mainstream of life and to be referred to VA medical centers or regional offices if they need specific services other than readjustment counseling.

Mr. President, the Vet Center Program was established by Congress by Public Law 96-22 and is due to expire on October 1, 1988. At this time, the services provided in these storefront centers will remain available, but within the confines of VA medical centers. Before the program expires, the Administrator of the Veterans' Affairs shall submit to the Congress a report that will provide some insights with respect to the extent to which the readjustment needs of such Vietnam veterans have remained unmet, the extent to which the provision of readjustment counseling services is needed to meet such needs and, finally, a recommendation for legislative or administration action that could affect the continuation of such services.

I have designed this additional legislation to meet the changing needs of Vietnam veterans, some of whom have been struggling to find their place in civilian society for longer than 10 years. My proposal incorporates the very positive aspects of the current Vet Center Program. Initially, I do believe it was appropriate to offer psychological readjustment services to such veterans and, in fact, I think these services may still be appropriate and are incorporated in my proposal. However, experience has taught us that psychological services are only one of a number of services which could benefit veterans who seek assistance through community vet centers providing a broad range of services. For example, a Vietnam veteran who is having problems may also be out of a job, may not have taken advantage of his or her VA benefits and may, as a result of these problems, be grappling with some substance abuse which only adds to complicate the readjustment process. It seems only logical to me that if we are to set up storefront community centers for Vietnam veterans that the mandate include a broad spectrum of services under one roof—a one-stop service point combining the resources of the VA's Departments of Medicine and Surgery [DM&S], Veterans Benefits [DVB], as well as the Department of Labor [DOL] employment specialists. By providing a complete spectrum of services, VVRC's would emphasize that Vietnam veterans are not unlike other citizens, in that psychological problems can be traced to concrete life problems and need to be dealt with in that context. This is the most likely way to successfully overcome any psychological barriers which may exist to complete integration into our society as a responsible citizen. These centers would address the full range of problems a veteran may face.

Mr. President, I have intended that this program be a 3-year pilot program to coincide with the end of vet center services as they exist under current law. As the VA and the Congress weigh the necessity for this program to continue in its present or another form, the usefulness of a case management approach can be incorporated into recommendations regarding the future of vet center services and their relevance for Vietnam and other veterans as well. This bill contains a reporting requirement to ensure that the recommendations are transmitted to the Congress and are coordinated with the recommendations that are required under the Readjustment Counseling Program.

Mr. President, this idea is not mine alone, I owe the germination of these thoughts from many experts in Washington and in the field who run vet center programs, the veterans who have participated in them and the many fine representatives of veterans organizations, all of whom share a reponsibility for the development of this concept. I am grateful for their input and I believe that an examination of this new model for VA services will provide benefits beyond those of the pilot program.

My bill would expand the readjustment counseling services to include the availability of employment counseling, training and placement; outreach and other services as provided by veterans benefits' counselors; and the treatment and rehabilitation for alcohol and drug abuse dependence. Some vet centers have already determined a need for some of the services in my bill and offer them on an ad hoc basis to their veteran clientele; however, services beyond readjustment counseling are not mandated by law and often employees are not qualified to provide them. The main difference that would be provided by this bill is that in each VVRC there would be qualified employees in the above-mentioned areas available, either part time or full time, as needed, to provide a wide range of services to interested and eligible veterans.

Currently vet centers are administered under the auspices of the Department of Medicine and Surgery. The VVRC's would operate under a totally new concept. The program's central office administration would be under the Deputy Administrator of Veterans' Affairs, and would include representatives from the Department of Medicine and Surgery and the Department of Veterans' Benefits who would jointly administer the program and coordinate with the readjustment counseling office in the VA. In the 10 VVRC's, the staff would furnish unified case management to eligible veterans. What this really means is that a veteran who walks in the door will be seen by someone who is qualified to determine his or her needs and would designate the appropriate employees and services within the VVRC.

Having benefits and medical services under one roof is a new idea within the VA but it makes so much sense. Why should a veteran who is in need of alcohol rehabilitation, employment counseling, and educational training have to coordinate those services on his or her own. The VA was established to be the service provider. This bill is designed to facilitate communications between DVB and DM&S personnel in order to simplify an inherently complex process. Under my proposal, a designated case manager would be assigned to the veteran when he or she walks in the door, to improve coordination of services.

Mr. President, I look forward to holding hearings on this legislation and soliciting the views of veterans' organizations and the Veterans' Administration as we strive to work together to achieve our mutual goal of providing the best service in the most efficient manner to our Nation's Vietnam veterans. Some of these veterans have had a long and ardous trip back from their service in Vietnam that has lasted many years more than any of us would have wished. We are proud of these fine citizens and want to provide them every opportunity to integrate fully into our society. I believe that this program will be a positive step in the right direction. Vietnam veterans have a variety of concerns, not unlike other citizens. I believe we must provide them every opportunity to succeed and to thank them once again for their sacrifices on our behalf.●

By Mr. DOLE (for Mr. MURKOWSKI):

S. 876. A bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION HEALTH CARE PROGRAMS IMPROVEMENT ACT

● Mr. MURKOWSKI. Mr. President, as chairman of the Senate Committee on Veterans' Affairs, I am introducing today the proposed Veterans' Administration Health Care Programs Improvement Act of 1985. This legislation is intended to improve the VA's ability to make maximum use of its resources to provide a full continuum of acute and long-term care services, both institution- and community-based. This initiative has a threefold purpose: First, to provide the VA with increased flexibility to make available to eligible veterans certain noninstitutional forms of health care services; second, to improve the VA's health care system; and third, to improve the VA's planning process for the construction of VA medical facilities.

SUMMARY OF PROVISIONS

Mr. President, the five substantive provisions of the bill would:

First, direct the VA to establish a pilot program to furnish medical, rehabilitative, and social services as an alternative to nursing home care for eligible veterans who would otherwise receive nursing home care.

Second, make permanent the currently authorized halfway house pilot program for veterans with alcohol and drug dependence disabilities.

Third, provide the VA with the authority to conduct a pilot program to furnish community residential care to certain chronically mentally ill veterans.

Fourth, require the Administrator to delineate the responsibilities of the Office of the Inspector General and the Department of Medicine and Surgery with respect to the monitoring, evaluation, and conduct of VA quality assurance programs.

Fifth, establish a committee of health care experts to review the VA's criteria and methodology for sizing VA medical facilities.

ALTERNATIVE TO NURSING HOME CARE

Mr. President, section 2 of the bill I am introducing today would amend section 620 of title 38, relating to transfers for nursing home care, to require the VA to establish a pilot program to provide medical, rehabilitative, and social services as an alternative to nursing home care for certain eligible veterans who would otherwise receive care in a nursing home environment.

Most Government health care dollars, including VA resources, are allocated to institutional care. Nursing home care represents a substantial portion of these resources. The growing demand for nursing home care and the high cost of institutional long-term care services has increased incentives for both public and private sectors to seek alternatives to institutional care. Experts in geriatric care and gerontology at the 1983 VA-Harvard University Conference on Aging and the 1984 VA-American Health Planning Association Conference on long-term care supported increased efforts to develop alternatives to institutional care and to coordinate and maximize the use of already existing community-based services. The VA's August 1984 report, Caring for the Older Veteran, outlines a specific extended care strategy advocating an increase in certain noninstitional services for elderly veterans.

Certain research on long-term care has demonstrated that by providing community-based services, institutionalization may be reduced and patient longevity, independence, and satisfaction may be enhanced. However, verification of these study results and further fine-tuning and improvements on study designs and methodology are necessary before any final conclusion can be made about the advantages and cost-effectiveness of noninstitutional alternatives to nursing home care for the elderly.

The pilot program would serve two primary purposes: First, to increase the availability of cost effective long-term care options for elderly veterans; and second, to assess the feasibility, medical advantages and cost-effectiveness of providing community-based services instead of nursing home care to certain veterans. This pilot program would address the following specific questions to what extent can providing community-based services for certain elderly persons in lieu of nursing home care: First, improve the quality of care; second, result in the provision of more appropriate kinds of care; third, reduce nursing home admission rates; fourth, lower the number of hospital days; fifth, reduce mortality rates; and sixth, reduce long-term care costs. The result of the evaluation of the program would contribute to the scientific knowledge base relating to noninstitutional services.

This provision also requires the Administrator to place special emphasis on and target services to veterans who are catastrophically disabled. Such veterans sometimes are prevented, due to the catastrophic nature of their disabilities, from residing in the community because of a lack of access to medical, rehabilitative or social services other than nursing home care.

In addition to medical and rehabilitative services, such as hospital-based home care and adult day health care services, the VA would have the authority to furnish social services to veterans participating in the program. For the purposes of the program, social services would be defined to include services to aid those elderly veterans or catastrophically disabled veterans in performing necessary activities of daily living. Such in-home and community-based services would include home health services, personal care services, home-delivered meals, and respite care.

ALCOHOLISM AND DRUG DEPENDENCE TREATMENT

Mr. President, section 3 of my proposal would provide the VA with a permanent authority to contract with private sector halfway house programs for veterans with alcohol or drug dependence or abuse disabilities and require the VA to strengthen its management of the halfway house program.

Each year approximately 100,000 veterans are treated for alcohol-related disorders in the VA's 102 alcohol treatment units and other programs. According to 1980 VA statistics, alcoholism-related disorders are the second largest category of diagnoses, next to heart disease, of patients discharged from VA hospitals. Approximately 38 percent of hospitalized Vietnam-era veterans were being treated for alcohol-related disorders.

Public Law 96-22, the Veterans' Health Care Amendments of 1979, established a 5-year pilot program for the treatment and rehabilitation of veterans with alcohol or drug dependence disabilities and provided the VA with specific authority to contract with halfway houses and other community-based treatment facilities for this purpose. It was the committee's intent to support the use of different modes of medically advantageous and cost-effective care for veterans with these disorders. Halfway house care is intended to be tailored to individual special needs, and is delivered in an unrestrictive environment. The primary goal of a halfway house is to

provide veterans with a partially structured living and therapeutic environment as a transition from a total care environment to independent living in the community. It is estimated that 89 VA medical centers will have contracted with 303 halfway houses to provide care to 6,000 veterans in fiscal year 1985 at an average cost of approximately $20 per day. Estimated fiscal year 1985 program expenditures are expected to be $6.1 million.

During the 2d session of the 98th Congress, the committee examined the pilot program, but deferred action until this year to provide the House Veterans' Affairs Committee with the opportunity to review the program. At that time, the VA supported a 3-year extension of the program and stated that the program is therapeutically beneficial and cost-effective. However, an inspector general audit, released in November 1984, found that management improvements are needed to provide more effective monitoring and control over contractor services and billings. Providing permanent authority would be contingent upon the implementation of such improvements. Permanent authority would enable the VA to incorporate these services into the long-term planning and budget processes along with other permanent health care programs. Because the pilot program will expire at the end of this fiscal year, it is the appropriate time for the Congress to address the future of this important program.

COMMUNITY RESIDENTIAL CARE

Mr. President, section 4 of the bill would amend 630 of title 38, United States Code, relating to community residential care, to provide the VA with the authority to conduct a pilot program to contract for community residential care for certain chronically mentally ill veterans. This pilot program would be designed to provide more appropriate care for certain chronically mentally ill veterans for whom long-term institutional care is unnecessary and inappropriate.

A community residential care facility is a facility that provides room and board and limited personal care and supervision for residents who, because of health or mental health difficulties, are unable to live independently in the community. In 1983, Public Law 98-160 provided the VA with a limited authority to refer veterans to community residential homes and to monitor the homes receiving VA referrals.

Approximately 10 percent of the VA's long-term care psychiatric population are not referred to these homes for certain reasons, including an inability to defray the cost of residential care, and instead remain inappropriately institutionalized in VA medical facilities.

The American Psychiatric Association has determined that certain chronically mentally ill persons for whom institutionalization is not appropriate would be able to make a successful transition into the community provided that certain alternative services would be made available. Appropriate medication; stable financial support; supportive and appropriate community living arrangements; comprehensive medical, psychiatric, and rehabilitative follow-up services; crisis intervention services; and a designated case manager or management system responsible for administering and overseeing the individual's care are among these major requirements.

By providing the VA with an additional authority on a pilot program basis, the VA would be able to play a leadership role and use its integrated and comprehensive health care system to promote a successful community based program for the chronically mentally ill. The VA's psychiatric day treatment and hospital-based home care programs would provide useful supportive and followup services to ensure its success.

QUALITY ASSURANCE

Mr. President, section 5 of this initiative would add a new subchapter to title 38 to: first, establish VA quality assurance programs as a statutory priority; second, clarify the role and promote the independence of the IG with respect to monitoring VA quality assurance programs; third, state that sufficient resources be allocated to adequately implement VA quality assurance programs; and fourth, improve Congress' ability to monitor VA quality assurance efforts.

Mr. President, the committee held a hearing on June 6, 1984, on the VA's quality assurance programs, including the roles of the inspector general and the medical inspector in monitoring such efforts. Certain questions about the inspector general's monitoring activities and the Department of Medicine and Surgery's specific programs were raised at that time and since then by the General Accounting Office as a result of its review of these important programs. This provision is intended to require the VA to clarify certain areas of major concern.

Since that time, the new Chief Medical Director, Dr. John Ditzler, has stated that quality assurance is a major priority and that he intends to modify existing quality assurance programs and initiate several new quality assurance efforts. I am highly supportive of Dr. Ditzler's initiatives and look forward to the results of his endeavors. I believe those provisions outlined above are general in nature and scope and consistent with the views of the Chief Medical Director and the quality assurance programs of the Department of Medicine and Surgery. These provisions would address the concerns of the committee while, at the same time providing the VA with the flexibility to continue to make its own determinations about the most effective ways to monitor the quality of care provided by the VA and develop and implement any new efforts in this area.

VETERANS' ADMINISTRATION MEDICAL FACILITY PLANNING

Mr. President, section 6 of the bill would establish a committee of VA and non-VA experts to: First, review the criteria for sizing VA medical facilities and services and the method for determining the criteria; and second, make any recommendations for necessary modifications in the criteria and process.

After reviewing agency information about and explanations of the assumptions, processes, and justifications for the medical facility construction projects for which the Veterans' Administration requests funding each year, I am very concerned about current policies and procedures used for determining the need for and size of the facilities proposed for construction. The VA bases its planning on the demographics of the entire veteran population in the area to be served as well as the historical utilization of VA facilities by these veterans. In light of the large potential demand for care from service-connected disabled and other priority groups within the fast-growing population of older veterans during a time of diminishing resources, I believe it is essential that the implications of current practice be evaluated.

Last year, in its resolution approving VA construction projects for fiscal year 1985, the committee stated its intention that the VA reevaluate its policies and methods for determining the size of VA medical facilities. No action was taken in response to this request. I believe it is important that certain factors, such as the relative statutory eligibility priorities, the impact of diagnosis-related groups [DRG's], the availability of community beds, the development and use of noninstitutional forms of care, and other factors be taken into account. The views of VA and non-VA experts in the fields of health care policy, planning and clinical practice and experts in medical facility construction would promote a comprehensive reevaluation of current sizing methodology and make recommendation to the VA for improvements in the current system.●

By Mr. BOSCHWITZ (for himself and Mr. ZORINSKY):

S. 877. A bill to amend the Internal Revenue Code of 1954 to allow individuals to compute the deduction for retirement savings on the basis of the compensation of their spouses and to treat alimony as compensation for purposes of such deduction; to the Committee on Finance.

SPOUSAL IRA'S

● Mr. BOSCHWITZ. Mr. President, I rise today to introduce legislation to ensure that all women, whether homemakers, or those employed outside the home, receive equal treatment in establishing Individual Retirement Accounts [IRA's].

Currently, families in which one spouse works in the home can contribute only $2,250 annually to an IRA, while families in which both spouses work outside the home can contribute $4,000 per year. My bill would allow every family to contribute up to $4,000 annually. It also allows alimony and support payments to count as income for purposes of establishing eligibility to contribute toward an IRA.

The current situation does not recognize the contributions made by spouses who make their career in the home, raising children and providing a home for their family. These people work as hard as anyone with no direct compensation. In addition, they are not given equal treatment in preparing for retirement.

The purpose of this legislation is to allow spouses who remain at home and raise a family to establish eligibility for an IRA based on their spouses earnings. I introduced the same bill during the 98th Congress and similar legislation was passed by the Senate, it is time Congress passed this legislation to treat homemakers equitably.●

By Mr. PROXMIRE (for himself, Mr. MATHIAS, Mr. BUMPERS, and Mr. CHAFEE):

S. 879. A bill to authorize funds for research, development, test, and evaluation in connection with Strategic Defense Initiative Programs and advanced strategic missile systems for fiscal year 1986, and for other purposes; to the Committee on Armed Services.

ALTERNATE STRATEGIC DEFENSE INITIATIVE AUTHORIZATION ACT, FISCAL YEAR 1986

Mr. PROXMIRE. Mr. President, today Senator BUMPERS, Senator MATHIAS, Senator CHAFEE, and I are introducing an alternate strategic defense initiative budget for fiscal year 1986.

I must emphasize at the outset, Mr. President, that this bill represents a joint effort on the part of Mr. BUMPERS, Mr. MATHIAS, Mr. CHAFEE, and myself. It is the product of no one individual, but of the entire group.

Mr. President, we all share the President's goal of one day seeing nuclear weapons wiped off the face of the Earth. No one would argue against making all nuclear weapons impotent and obsolete. The differences among us are over whether the President's strategic defense initiative can achieve that goal.

Nevertheless, if we are going to pursue a strategic defense initiative, it should be an initiative that supports prudent and high-quality research into ballistic missile defenses that can provide options to future Presidents and future Congresses.

It should be a strategic defense initiative that conducts research in a manner consistent with the ABM Treaty.

It should be a strategic defense initiative that serves as a hedge against Soviet advances in ballistic missile defense development.

It should be a strategic defense initiative whose research is vigorous but whose cost is reasonable.

Mr. President, the alternate strategic defense initiative budget we are introducing today accomplishes those important goals.

Mr. President, I ask unanimous consent that a summary of this budget follows, along with a section-by-section analysis, and a text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alternate Strategic Defense Initiative Authorization Act for Fiscal Year 1986".

EXCLUSIVE AUTHORIZATION OF FUNDS FOR STRATEGIC DEFENSE INITIATIVE PROGRAMS AND ADVANCED STRATEGIC MISSILE SYSTEMS FOR FISCAL YEAR 1986

SEC. 2. Funds authorized to be appropriated by this Act for the Strategic Defense Initiative and for advanced strategic missile systems for fiscal year 1986 are in lieu of any authorization for the appropriation of funds for such purposes for such fiscal year contained in any other Act.

AUTHORIZATION OF APPROPRIATIONS FOR STRATEGIC DEFENSE INITIATIVE AND FOR THE ADVANCED STRATEGIC MISSILE SYSTEMS PROGRAM

SEC. 3. (a) Funds are hereby authorized to be appropriated to the Defense Agencies for fiscal year 1986 in the total amount of $1,860,200,000 for research, development, test, and evaluation in connection with the Strategic Defense Initiative as follows:

(1) For the Surveillance, Acquisition, and Tracking Program, $683,500,000, of which amount not more than $121,700,000 may be expended for the Optical Surveillance Project and not more than $6,200,000 may be expended for the Terminal Imaging Radar Demonstration Project.

(2) For the Directed Energy Weapons Program, $446,800,000, of which not more than $169,200,000 may be expended for the Space-Based Laser Concepts Project.

(3) For the Kinetic Energy Weapons Program, $305,000,000, of which not more than $28,700,000 may be expended for the Endo NNK Test Bed Project; not more than $13,200,000 may be expended for the Exo NNK Test Bed Project; not more than $3,600,000 may be expended for the Hypervelocity Launcher Development Project; not more than $31,200,000 may be expended for the Kinetic Kill Vehicle Project; and not more than $33,600,000 may be expended for the Terminal Technologies Intergration Project.

(4) For a new program, to be carried out under the Strategic Defense Initiative Organization and to be designated as the Hard Point Defense Technology Development Program, to continue research, development, test, and evaluation of conventional antiballistic missile systems for the defense of strategic military targets, $75,000,000.

(5) For the Systems Concepts and Battle Management Program, $127,800,000.

(6) For a new program, to be carried out under the Strategic Defense Initiative Organization and to be designated as the Threat Analysis Program, to conduct research into Soviet countermeasures, analyze Soviet offensive responses, and evaluate the cost effectiveness of developing and deploying offensive nuclear systems to defeat defensive systems, $20,000,000.

(7) For the Survivability, Lethality, and Key Technologies Program, $192,900,000, of which $72,100,000 may be expended only for the System Survivability Project and $103,500,000 may be expended only for the Lethality and Target Hardening Project.

(8) For Management Headquarters of the Strategic Defense Initiative, $9,200,000.

(b) Funds are hereby authorized to be appropriated to the Air Force for fiscal year 1986 in the amount of $196,000,000 for research, development, test, and evaluation in connection with the Advanced Strategic Missile Systems program.

THREAT ANALYSIS PROGRAM

SEC. 4. (a) The Threat Analysis Program provided for in subsection (a)(6) of the first section shall be carried out as a part of the Air Force Advanced Strategic Missile Systems Program.

(b) The Secretary of the Air Force shall submit a report each year to the Office of the Secretary of Defense, the Joint Chiefs of Staff, the Science Advisor to the President, the Strategic Defense Evaluation Panel (established under section 5), and the Congress on the results of the research referred to in section 3(a)(6). The Secretary shall submit a classified and unclassified version of each such report to the Congress.

STRATEGIC DEFENSE EVALUATION PANEL

SEC. 5. (a) There is established in the Department of Defense a panel to be known as the Strategic Defense Evaluation Panel (hereinafter in this section referred to as the "Panel").

(b) The Panel shall be composed of 8 members appointed as follows:

(1) Two members to be appointed by the Speaker of the House of Representatives.

(2) Two members to be appointed by the minority leader of the House of Representatives.

(3) Two members to be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate.

(4) Two members to be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate.

(c) Members of the panel shall be appointed for a term of three years except that of the members first appointed to the panel, two shall be appointed for a term of one year, three shall be appointed for a term of two years, and three shall be apponted for a term of three years, as determined by lot at the first organizational meeting of the panel.

(d) It shall be the function of the panel to evaluate defensive research and development activities of the Department of Defense, the technical and programmatic status of work within the Strategic Defense Initiative Organization, and the effect of

the Strategic Defense Initiative on United States arms control goals and policies.

(e) The Panel shall submit a report to the Congress each year containing the results of its evaluations made pursuant to subsection (d) for the preceding year together with such recommendations for legislative and administrative action as it considers appropriate. The first such report shall be submitted not later than April 1, 1986.

(f) Expenses of the Panel shall be paid out of funds made available for the Management Headquarters of the Strategic Defense Initiative Organization.

REDESIGNATION OF PROJECTS FOR PURPOSES OF REPORTING

SEC. 6. All Strategic Defense Initiative projects on which work is being carried out on the date of the enactment of this Act, which the Secretary of Defense estimates will cost a total of more than $200,000,000 to complete, and on which (before the date of the enactment of this Act) no Selected Acquisition Report was required to be submitted shall be designated as a major defense acquisition program for purposes of section 139a of title 10, United States Code.

STUDY OF THE CONSEQUENCES OF THE STRATEGIC DEFENSE INITIATIVE PROGRAM

SEC. 7. At the same time that the Secretary of Defense submits his annual budget presentation materials to the Congress for each fiscal year, beginning with fiscal year 1987 and ending with fiscal year 1991 (but in no event later than March 15 of the year in which the fiscal year begins), the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report on the programs of the Department of Defense that constitute the Strategic Defense Initiative and on all other programs of the Department of Defense, if any, that relate to defense against strategic ballistic missiles. Each such report shall include the following:

(1) A detailed discussion and explanation of all programs of the Department of Defense that are a part of the Strategic Defense Initiative or that relate to defense against ballistic missiles.

(2) A clear description of the objectives of the Strategic Defense Initiative and any changes in these objectives from the previous fiscal year.

(3) An explanation of the relationship between each such objective referred to in paragraph (3) and each program and project associated with the Strategic Defense Initiative or defense against strategic ballistic missiles.

(4) The status of any consultations with other member nations of the North Atlantic Treaty Organization, Japan, or other allies of the United States concerning research being conducted on the Strategic Defense Initiative.

(5) A statement of the impact that each program or project within the Strategic Defense Initiative will likely have on the 1972 Anti-Ballistic Missile Treaty.

STUDY BY THE DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

SEC. 8. (a) The Director of the Congressional Budget Office shall conduct a comprehensive study of the impact that projected expenditures for Strategic Defense Initiative programs for fiscal years 1986 through 1991 will likely have on the research and development budget of the Department of Defense for each of such years and on the research and development budget for the entire Federal Government for each of such years.

(b) The Director shall report the results of such study to the Congress not later than 180 days after the date of the enactment of this Act.

STUDY BY THE JOINT ECONOMIC COMMITTEE

SEC. 9. (a) The Joint Economic Committee shall conduct a comprehensive study of the impact that projected expenditures for Strategic Defense Initiative programs for fiscal years 1986 through 1991 will likely have on the research and development efforts by the civilian sector of the economy for such years.

(b) The Committee shall report the results of such study to the Congress not later than 180 days after the date of the enactment of this Act.

CONGRESSIONAL COMMITMENT TO THE ABM TREATY

SEC. 10. The Congress reaffirms its commitment to the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and the United States and strongly believes that special care should be exercised by the Department of Defense to ensure that all research and development programs conducted by the Department be conducted in a manner that fully complies with the treaty.

ALTERNATE STRATEGIC DEFENSE INITIATIVE BUDGET FOR FISCAL YEAR 1986—SUMMARY

FUNDING LEVEL

The Strategic Defense Initiative would be funded at $1.86 billion in fiscal year 1986, allowing for a 33 percent increase over the fiscal year 1985 appropriation of $1.4 billion. This percentage increase would be about three times higher than the percentage increase the Administration has requested for the entire DOD budget.

Funding at the $1.85 billion level would still enable SDI to pursue the President's vision of a comprehensive and vigorous R&D program, which explores the potential of newly emerging technologies to support an effective defense against ballistic missiles. Under the Alternate Budget, funding for every program and project in SDI would be allowed to increase over the fiscal year 1985 level. This Budget also reaffirms Congress' commitment to research consistent with the ABM Treaty.

HIGH QUALITY ABM RESEARCH

Because SDI is a long-term research project in its very early stages and "is not based on any single or preconceived notion of what an effective defense system would look like," according to President Reagan, it would be too early at this point to consider technology demonstrations. Such premature demonstration projects would only do damage to the SDI research and will likely raise serious compliance questions with the ABM Treaty. Therefore, funding for demonstration projects within SDI would be held to a 4 percent increase, while funding for the technology research projects would be allowed to increase by 30 percent.

The critical question SDI research must answer is whether a militarily effective defensive system can be deployed, which can perform in the face of the Soviet offensive threat and countermeasures. Therefore, funding for the System Survivability, and Lethality and Hardening Projects would be allowed to increase at the rate the Administration requested. Furthermore, a new program would be created, titled Threat Analysis, to research Soviet countermeasures and offensive nuclear response.

HEDGE AGAINST SOVIET ABM EFFORT

As the President has stated, the SDI research program should also be able to respond to the ongoing Soviet ABM effort. In other words, an important goal of SDI should be as a hedge against Soviet breakout of the ABM Treaty. Unfortunately, the SDI program, as it is now structured, seriously downgrades research into conventional ABM systems that offer the most immediate hedge to a Soviet breakout. The Alternate Budget, therefore, would establish a new Hard Point Defense Technology Program, which would continue R&D into conventional ABM systems.

The most immediate and effective response the United States could take in the face of a Soviet breakout, however, would be to increase the capability of its offensive nuclear forces to penetrate Soviet defenses. Therefore, the budget of the Advanced Strategic Missile Systems Program (the Air Force penaids program) would be doubled in FY86.

GREATER CONGRESSIONAL OVERSIGHT

Because SDI is such a large research program, which will consume an even greater portion of the entire DoD research budget as years go by, it is imperative that Congress have greater oversight over this effort. Therefore, a senior-level and congressionally appointed Strategic Defense Evaluation Panel would be established to monitor and report to Congress on SDI technology and its implications for arms control. Reporting requirements similar to those in the FY85 Authorization are imposed. In addition, the Congressional Budget Office and Joint Economic Committee are tasked to study the impact of SDI on DoD, federal and civilian research.

SECTION ANALYSIS

Sec. 3. (a) This sets the overall funding level for SDI in FY86 at $1.8602 billion, which is an increase of $463 million (33%) over the FY85 appropriation of $1.3972 billion. The Administration had requested $3.7223 billion for FY86, an increase of $2.3251 billion over FY85 (166%). The Alternate Strategic Defense Initiative (ASDI) would cut the Administration's request by $1.8621 billion.

Sec. 3(a)(1) The Surveillance Program would be allowed to grow at an overall rate of 25% from $546 million in FY85 to $683.5 million in FY86. Because technology demonstrations are much too premature at this point in the strategic defense effort and can only do damage to attaining the goals of SDI, the funding increase for the two technology demonstration projects under the Surveillance Program—the Optical Surveillance Project and the Terminal Imaging Radar Project—would be held to 4%. Funding for the other nine technology research projects would increase by 30%.

Sec. 3(a)(2) The Directed Energy Weapons Program would be allowed to grow at an overall rate of 19% from $376.3 million in FY85 to $446.8 million in FY86. Funding for the Ground-Based Laser Concepts, Space-Based Particle Beam Concepts and Nuclear Driven Concepts projects would be allowed to increase by 30%. A number of concerns, however, have been raised by SDI proponents and critics alike over the value of spaced-based chemical lasers in a defensive system because of (a) their vulnerability to attack, (b) the costly redundancy involved in maintaining laser satellites on station at

all times, and (b) the vast amount of equipment and energy stores that would be placed at risk in space. Because the technology demonstration planned in the Space-Based Laser Concepts Project is premature and highly questionable at this point, funding for this program would be held to a 4% increase.

Sec. 3(a)(3) The Kinetic Energy Weapons Program also would be allowed to grow at an overall rate of 19% from $256 million in FY85 to $305 million in FY86. Funding for the five technology research projects (Projects 0001-0005) would be allowed to increase by 30%. Again, because the technology demonstration in Projects 0006-0011 are premature until SDI planners have a better idea of the basic technology requirements (particularly in terminal and midcourse defense), funding for these projects would be held to a 4% increase.

Sec. 3(a)(4) It is important that one of the goals of SDI be to serve as a hedge against Soviet breakout of the ABM Treaty. Deploying penetration aids and other countermeasures could be the most immediate response to a Soviet defensive system. However, to protect ourselves against technological surprise by the Soviets, it is also important to continue R&D of conventional antiballistic missile systems, within the constraints of the ABM Treaty, which was conducted before the establishment of SDI. Unfortunately, SDI as it is now structured seriously downgrades R&D for conventional ABM systems. This section, therefore, would establish a new program within SDI, entitled Hard Point Defense Technology Development and funded at $75 million for FY86, which would continue RDT&E into conventional ABM systems for the defense of strategic military targets. The figure would grow over the next several years.

Sec. 3(a)(5) The Systems Concepts and Battle Management Program would be allowed to grow at an overall rate of 30% from $99 million in FY85 to $127.8 million in FY86. This funding increase would be more than enough to accommodate the battle management research and systems analysis that needs to be conducted at this early stage of the SDI technology development.

Sec. 3(a)(6) As the Flectcher Panel noted, SDI system survivability in the face of Soviet countermeasures is a critical hurdle for any defensive system. It is therefore important to begin a vigorous research program within SDI, which would investigate possible Soviet countermeasures, analyze Soviet offensive reponses and evaluate the cost effectiveness of offensive nuclear forces for defeating defensive systems. At the very minimum, 1% of the SDI budget should be allocated to a program that would perform this all important research. This section, therefore, establishes a new program within SDI, titled Threat Analysis and funded at $20 million for FY86, which in effect would institutionalize a Red Team within SDI. Sec. 4(a) further specifies that the Air Forces's Advanced Strategic Missile Systems Program, which specializes in countermeasures research, will serve as the executing agent for the Threat Analysis Program. In addition, an annual report on the Threat Analysis Program's research shall be submitted to the Office of the Secretary of Defense, the Joint Chiefs of Staff, the White House Science Adviser, the Congress, and the Strategic Defense Evaluation Panel, which would be established in Sec. 5(a).

Sec. 3(a)(7) Because of the importance of projects within the Survivability, Lethality and Key Technologies Program, overall funding would be allowed to increase by 72% from $112 million in FY85 to $192.9 million in FY86. One of the major obstacles facing SDI is the vulnerability of space-based components. Accordingly, funding for the System Survivability Project and the Lethality and Target Hardening Project would be allowed to increase per the Administration's request (99% and 63% respectively). The remaining funds would be distributed between the Space Power and Conversion Project and the Space Logistics Project.

Sec. 3(a)(8) Funding for the new Management Headquarters Program would be allowed to increase at the Administration's request from $8 million to $9.2 million.

Sec. 3(b) The Air Force's Advanced Strategic Missile Systems (ASMS) program conducts research into the improvement of U.S. ICBM systems, such as penetration aids and countermeasures to Soviet defensive systems. The work of ASMS, therefore, is critical as a hedge to a possible Soviet breakout of the ABM Treaty. The ASMS appropriation for FY85 was $98 million, and the Administration requested an increase to $173.9 million. The Alternate Strategic Defense Initiative would go even further, doubling the ASMS budget to $196 million.

Sec. 5(a) As the President has stated, the SDI research program has been established to "provide to a future President and a future Congress the technical knowledge necessary to support a decision in the early 1990s on whether to develop and deploy such advanced defensive systems." In order for the Congress to make this important decision, it will need the objective analysis and evaluation of experts in defense, arms control and ballistic missile defense technology. This section therefore establishes a senior-level, congressionally appointed panel of experts to monitor and report to Congress annually on SDI technology and its implications for U.S. arms control policy.

Sec. 6. Because SDI projects are becoming so large, it is important that the Congress have the means to properly oversee the work in this major research effort. This section requires that SDI projects, which the Secretary of Defense estimates will cost more than $200 million to complete, will be designated as programs. The $200 million threshold is same threshold used by the SAR.

Sec. 7. This section is self-explanatory. It imposes generally the same reporting requirements called for in the FY85 Defense Authorization on SDI goals, program explanations, consultations with the allies, and impact on the ABM Treaty.

Sec. 8. and Sec. 9. These sections are self-explanatory. They would have the CBO study the impact of SDI research on the R&D budget within DOD and the entire federal budget, and report to Congress. The Joint Economic Committee also would be tasked with studying the impact of SDI research on the civilian sector of the eonomy and reporting to Congress on its findings.

Sec. 10. This section also is self-explanatory. It reaffirms Congress' commitment to the 1972 ABM Treaty and urges that all SDI research be conducted in a manner that fully complies with the treaty.

By Mr. LEAHY (for himself, Mr. STAFFORD, Mr. ZORINSKY, Mrs. HAWKINS, Mr. HART, Mr. BAUCUS, Mr. KENNEDY, Mr. MOYNIHAN, Mr. HARKIN, and Mr. INOUYE):

S. 878. A bill to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL PRODUCTIVITY ACT

Mr. LEAHY. Mr. President, today, I am introducing legislation with nine of my colleagues which will begin important basic research on farming systems which do not rely solely on costly chemical inputs, but rather on biological control of weeds and pests, crop rotations, and the use of intercropping to strengthen soils.

The Agricultural Productivity Act of 1985 contains provisions designed to improve our knowledge about the feasibility of these farming systems.

Congress has spoken twice on the need for this type of legislation. In the 1977 farm bill, Members of this body and the House of Representatives directed USDA to investigate and analyze low-energy agricultural techniques.

Three years later, the Department published their report. It examined the use of manures and crop residues to improve soil fertility and strength. It also examined a series of new methods of fertilization, soil conservation, and enhanced crop production.

USDA concluded that even a partial shift away from energy intensive farming practices would go a long way toward helping the farmer improve his operation.

In the 1981 farm bill, Congress spoke again on this matter. Again, we urged the USDA to carry out research necessary to determine the practicality of these methods.

USDA's own internal advisers have been making this same point for several years. In 1983, the Agricultural Research Service proposed its 6-year program plan. In the plan ARS advocates the development of farming systems characterized by less costly methods and by technologies that are safe, sustainable, and environmentally sound.

The plan recommended innovative research to reduce farm production costs while maintaining a high level of sustainable productivity through the development of efficient and diversified crop and animal production systems and to insure conservation of our natural resources.

Mr. President, the Agricultural Productivity Act provides the tools necessary to insure that the research that Congress and others have been calling for is done adequately and properly.

It would establish 24 on-farm pilot research projects. Each of the farms would be studied over a 5-year period as they made the transition from energy and chemical intensive farming to systems which rely less on petroleum based inputs.

Study subjects would include changes in soil profile, crop yields, energy and water usage, farmer

income, and other factors important to the American farmer.

Twenty-four additional projects would take place over the same period. This group of farms, already employing low-energy techniques, would serve as a comparison for the transition farms as well as a measure of the feasibility of such farming systems over the long term.

The farms would be located in a manner which would take advantage of the widest possible variety in soil and climatic conditions.

Dairy farms, crop and livestock farms, row crop farms, and fruit and vegetable operations would all be examined.

These on-farm studies will provide farmers and others with the kind of practical demonstrations necessary to determine the practicability of such operations.

The bill also establishes a program to assist farmers who utilize intercropping systems to establish vegetative cover that improve nitrogen fixation and control soil erosion. Intercropping is the practice of planting legumes, grasses, or other soil conserving crops between rows of such crops as wheat, corn, or soybeans.

Finally, the bill directs the Secretary of Agriculture to make an inventory of existing research and extension materials, and recommend new research that may help farmers, achieve a better understanding of these innovative farming methods.

Mr. President, the costs of this effort would be minimal and the benefits to American agriculture, the consumer, and the environment could be substantial.

I urge my colleagues to join with us in this positive effort to open new, self-sufficient opportunities for our farmers.

By Mr. DOLE (for Mr. HUMPHREY):

S. 880. A bill to sunset the Economic Development Administration, to repeal the Public Works and Economic Development Act of 1965, and for other purposes; to the Committee on Environment and Public Works.

ECONOMIC DEVELOPMENT ADMINISTRATION SUNSET ACT

● Mr. HUMPHREY. Mr. President, a recent article in Reader's Digest asked Americans to consider the legacy of the Economic Development Administration [EDA]. The article, aptly titled, "Is This Any Way to Run an Aid Program?" chronicled "Tax dollars for luxury resorts, aid for affluent suburbs, loans to political patrons * * * all in the name of alleviating rural poverty."

Created with the intent of fighting poverty in some of the Nation's most distressed areas, EDA has strayed hopelessly off course. Besides issuing grants to build golf courses and boat marinas, the Agency has sent huge piles of Federal money to some of the Nation's wealthiest communities. As chairman of the Subcommittee on Regional and Community Development, it has become very clear to me that this is no way to run an aid program. This would be true in the best of fiscal times. But with Federal deficits completely out of control, the kind of wasteful and inefficient spending through programs like EDA simply must stop.

Today, I am introducing legislation which would terminate the Economic Development Administration. I am doing so for two reasons. First, and most importantly I am deeply concerned over the Federal deficits which we face. The mountain of debt which we have created over the past several years looms ominously over us. Clearly, it stands as a threat to the fundamental economic health of this Nation, and as such, it threatens real economic growth and real economic development. In my view, the way out of our fiscal mess is simply for the Government to stop spending money on programs it can no longer afford.

EDA is such a program, not only because of the mismanagement and misdirection implied by the Reader's Digest article, but perhaps more fundamentally, because of the policy assumptions upon which it was founded. Created at the height of the Great Society, it embodied the notion that the Government was an effective agent in stimulating development. My second objective in introducing this legislation is to challenge that notion head on. I share the view of this administration that real economic progress, and thus real jobs, are not created by the Government. Rather, real economic development must come from a healthy and vigorous free enterprise system. A good place to start is rolling back the tide of huge Federal deficits by eliminating programs that do not work and that we cannot afford.

There is no question that the sorry record of EDA is a function of its misguided mission. It is a classic study in pork barrel programs. Today some 85 percent of the country qualifies for assistance under the program as economically distressed areas. That covers nearly every one of the 435 congressional districts. But the dollars which have been delivered to the district have been expensive. The administration tells us that over the past 8 years, EDA programs have added $9.4 billion to the Federal deficit through bad loans and grants. Over 55 percent of direct loans issued by the Agency are delinquent.

Mr. President, the American taxpayers deserve far better than this. In light of the huge Federal deficits, we simply cannot afford any more fiscal foolishness from the Federal Government. As unpopular as it may be in the Halls of Congress, wasteful and ineffective pork barrel programs like EDA have got to go. That is the purpose of the legislation which I am introducing today. This bill is supported by the administration, and I am informed it is fully consistent with the President's program.

Mr. President, I ask that the bill be printed in the RECORD following my remarks. I also ask that a copy of the Reader's Digest article, "Is This Any Way To Run an Aid Program?" be printed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 880

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Development Administration Sunset Act of 1985".

REPEAL AND TERMINATION

SEC. 2. (a) The Public Works and Economic Development Act of 1965 (42 (U.S.C. 3121 et seq.), the Local Public Works Capital Development and Investment Act (42 U.S.C. 6701 et seq.) and title I of the Community Emergency Drought Relief Act of 1977 (42 U.S.C. 5184) are repealed.

(b) On and after the effective date of this Act—

(1) the Secretary of Commerce is authorized to take such actions as necessary or appropriate to administer and liquidate any existing grant, contract, agreement, loan, obligation, debenture, or guarantee made by the Secretary pursuant to the Acts repealed under subsection (a); and

(2) the Economic Development Revolving Fund established under section 203 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3143) shall continue in existence for the purposes of—

(A) receipt of collections and repayments in connection with assistance previously extended under such Act and the Trade Act of 1974 (19 U.S.C. 2341 et seq.) by the Economic Development Administration; and

(3) payment of all obligations and expenditures arising in connection with such Act, until the Secretary of Commerce certifies to the Secretary of the Treasury that the Fund is no longer needed, at which time any moneys remaining in the Fund and any future payments and collections received in connection with any loan or guarantee made under such Act shall be deposited into the general fund of the Treasury as miscellaneous receipts.

AUTHORIZATION

SEC. 3. There are hereby authorized to be appropriated such sums as necessary to provide for the orderly phase out of the activities of the Economic Development Administration.

CONFORMING AMENDMENTS

SEC. 4. Title 5, United States Code is amended—

(1) in section 5315 by striking out "(8)" after "Assistant Secretaries of Commerce" and inserting in lieu thereof "(7)"; and

(2) in section 5316 by striking out "Administrator for Economic Development.".

EFFECTIVE DATE

SEC. 5. This Act shall be effective on October 1, 1985.

[From the Reader's Digest, March 1985]

IS THIS ANYWAY TO RUN AN AID PROGRAM?

(By Sheldon Kelly)

Created in the heyday of the Great Society in 1965, the Economic Development Administration (EDA) promised an economic revival for America's rural poor. Federal grants, loans and loan guarantees made to localities, businesses and individuals would alleviate unemployment and eliminate the "pockets of poverty" in which 12 percent of the population lived. More than $12 billion in federal outlays have produced few measurable results, however. Indeed, a former top-ranking EDA official estimates that almost $3.5 billion has been "totally wasted.

When the Reagan Administration came to power, Budget Director David Stockman concluded that EDA was "wasteful, inefficient, the worst kind of pork-barrel spending," and moved to shut it down. But four years later, EDA remains very much in business, a textbook example of how difficult—if not impossible—it is to terminate an unworkable federal program.

By repeatedly broadening the program until most of the nation's 435 Congressional districts—encompassing more than 80 percent of the population—were classified as "economically distressed" and thus eligible for EDA aid, Congress has created a vast constituency to demand EDA's continuation. And EDA largess has hardly been confined to pockets of poverty. Some of the country's most affluent areas—from the booming oil town of Anchorage, Alaska, to Greenwich, Conn. (per capita income: $20,083)—have received huge grants.

Examples of EDA waste and mismanagement abound:

Phoenix, Ariz., received a grant to build a golf course, jogging and tennis facilities with its own utility system on a 60-acre landfill. But when the adjoining Salt River predictably flooded, washing away a large portion of the landfill, the project—with $813,000 already disbursed—had to be abandoned.

Paulsboro, N.J., received —— for a much-needed 1.5-million-gallon water-storage tank. But the tank didn't work because it was badly designed. For seven years the tank sat idle until another $300,000 was shelled out to fix it.

Tower, Minn., an isolated, lakeside community, was given $670,000 to build a marina complex. The project, EDA documents show, proved far to costly for the small town to maintain and has become "a total bust."

EDA successes are rare, and overshadowed by countless failures. In 1981 an EDA-funded analysis of its $1.1-billion loan portfolio revealed that the agency had neither firm lending criteria nor loan-risk guidelines. Borrowers' cash-flow projections were often accepted without question; debt collection received lower priority than the granting of loans. Incredibly, 42 percent of EDA's borrowers were either seriously delinquent or had stopped payment altogether on loans totaling nearly $450 million.

Although EDA's budget was pared from $625 million in 1980 to $198.5 million in 1982, the Reagan Administration was unable to persuade Congress to shut down the agency. Dismayed, the newly appointed Assistant Secretary of Commerce in charge of EDA, Carlos C. Campbell, ordered an analysis of 20 representative EDA projects. The results were shocking; for a total EDA investment of $27.5 million, only 86 jobs had been created—a per-job cost of $320,000. Yet even as Campbell argued anew for dismantlement, Congress extended the agency.

Most Congressmen don't give a damn about saving taxpayer dollars," Campbell concludes. "Politics is routinely placed above the national interest." Indeed, political connections between EDA and Congress are evident:

For 11 years the highly successful West Oakland (Calif.) Health Center had made no payments on its $750,000 EDA loan. The center, with cash reserves in 1982 totaling $2.8 million, cited loss of other federal funds as its reason for nonpayment. When pressed, the center threatened to "make the matter political." Soon Rep. Ronald V. Dellums (D., Calif.) jumped to the center's defense, introducing legislation to forgive the loan and accrued penalties. Threatened with EDA foreclosure on its loan, the center began making payments—13 years late.

In Alma, Mich., investors in an ethyl-alcohol plant received a $7.3-million EDA loan guarantee in 1980. By 1982 the project had defaulted, and then-Rep. Donald J. Albosta (D., Mich.) lobbied vigorously for additional federal funding for its investors—one of whom happened to be his brother-in-law. When the project failed, taxpayers footed most of the bill. Albosta, a staunch EDA supporter, served on the committee that has jurisdiction over the agency.

To help tighten up operations, Campbell hired EDA's first certified commercial lender—a professional banker. And throughout 1983, the outspoken Campbell continued his crusade against waste, improving EDA's debt collection, consolidating staff and centralizing the agency's decision-making.

Campbell's tough, businesslike approach to angered EDA's Congressional supporters that an investigative subcommittee notified the beleaguered administrator it wanted to question him about EDA staffing levels, grant recipients and employee morale. Campbell braced himself to meet his questioners.

Days before the scheduled hearing, President Reagan signed EDA's $240-million budget for 1984. Meanwhile, word was passed from the White House to EDA supporters on Capitol Hill that Campbell would be replaced by a more "sensitive" official. In January 1984 Campbell was quietly transferred from EDA to the Treasury Department. White House aide J. Bonnie Newman was appointed to succeed him.

Today EDA is still a thriving bureaucracy—the agency's budget is $200 million—but its history is not forgotten. Commerce's Office of Inpector General (OIG) remains busy investigating fraud cases involving EDA funds, including a $17.5-million suit brought by the Justice Department against Youngstown Steel, for allegedly making false claims to obtain federal funds. It is also investigating scores of mismanaged projects. Indeed, an OIG report on 90 EDA business loans worth $82.5 million revealed that 43 percent of the recipients had actually eliminated jobs. More than 30 percent of the companies were found to have been financially unsound or even bankrupt at the time they received the money.

In another study the OIG concluded that $100 million awarded under the 1983 Jobs Act had reaped dismal results. Twelve projects started in the first six months of the program revealed an incredible per-job cost of $20,000 each month.

If, as political realities seem to dictate, EDA will remain a federal agency, what should be done to improve its effectiveness? "It's vital to understnd that there's no such thing as a government-created job," says Campbell. "Real jobs come from the private sector."

Joseph R. Wright, deputy director of the Office of Management and Budget, argues that EDA should redefine its target areas without political influence and get out of the loan business entirely. "We have shown that we can't manage loan programs as well as the private sector can," he says. "We need to get back to the American basics of running efficient government stop playing poker with tax dollars.●

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. DODD, Mr. PELL, Mr. CRANSTON, Mr. STAFFORD, Mr. PACKWOOD, Mr. CHAFEE, Mr. METZENBAUM, Mr. KERRY, Mr. SIMON, AND Mr. COHEN):

S. 881. A bill to extend title X of the Public Health Service Act for 3 years; to the Committee on Labor and Human Resources.

EXTENSION OF TITLE X OF PUBLIC HEALTH SERVICE ACT

● Mr. KENNEDY. Mr. President, on behalf of Senators WEICKER, DODD, PELL, CRANSTON, STAFFORD, PACKWOOD, CHAFEE, METZENBAUM, KERRY, SIMON, COHEN, and myself, I send to the desk a bill to reauthorize title X of the Public Health Service Act. Since its enactment in 1970, this legislation has supported our Nation's family planning assistance.

A nationwide system of thousands of local clinics supported by this legislation provides almost 5 million low-income women with access to comprehensive family planning services. For some of the women served, family planning clinics represent their only source of primary health care services.

Participation in title X programs is totally voluntary. A full range of safe and effective contraceptive methods are available including natural family planning methods.

The performance of abortions with title X funds is and has always been prohibited by the authorizing statute. The title X program helps reduce the number of abortions.

One of the most important functions of the family planning program is in the prevention of unwanted teenage pregnancy. Teenage pregnancy is a major contributor to poverty and welfare dependency. In recent years the teenage pregnancy rate in the United States has been rising and is now well above that of other developed nations. It is more than twice the rate of England and Canada. Countries with the most accessible contraceptive services for teenagers have the lowest rate of teenage pregnancy. Though funding levels for family planning services have decreased significantly in the past few years, it is estimated that over 800,000 unintended pregnancies—almost half involving adolescents—are avoided every year through the efforts of title X programs.

The legislation we are introducing contains no changes in the title X program other than extending the authorizations of appropriations for 3 additional years. Because the final funding levels for title X will inevitably grow out of the budget process and because we believe it is important to demonstrate the broadest possible base of support for the program apart from overall budget issues, authorization levels are set on a such-sums basis.●

By Mr. CRANSTON (for himself, Mr. MATHIAS, Mr. PELL, Mrs. KASSEBAUM, and Mr. DODD):

S. 882. A bill to amend the Peace Corps Act to establish a Peace Corps National Advisory Council, to establish a policy of providing opportunities for a volunteer corps of at least 10,000, and to provide for nonpartisan appointments; to the Committee on Foreign Relations.

PEACE CORPS AMENDMENTS

Mr. CRANSTON. Mr. President, I am introducing today S. 882, the proposed "Peace Corps Amendments of 1985." I am pleased to be joined in sponsoring this measure by two fellow Foreign Relations Committee members, the distinguished Senator from Maryland [Mr. MATHIAS] and the committee's ranking minority member, the Senator from Rhode Island [Mr. PELL], who also joined with me as the principal Republican and Democratic sponsors of S. 1015, the Peace Corps Autonomy Act which was enacted into law as title VI of the International Security and Development Cooperation Act of 1981, Public Law 97-113. Also joining as cosponsors are the able Senators from Kansas [Mrs. KASSEBAUM] and Connecticut [Mr. DODD] who serve with us on the Foreign Relations Committee.

This legislation would do three things. First, it would establish a statutory Peace Corps National Advisory Council. Second, it would establish a policy of providing opportunities for a volunteer corps of at least 10,000 in strength. Third, it would provide that overseas appointments of Peace Corps employees be made on a nonpartisan basis.

TWENTY-FIFTH ANNIVERISTY OF THE PEACE CORPS

Mr. President, next year the Peace Corps will celebrate its 25th anniversity. For almost a quarter of a century, Americans of all ages have volunteered for the Peace Corps. In all, over 100,000 Americans have served as Peace Corps volunteers. They have established a record of service throughout the world of which every one of us can and should be proud.

Former Peace Corps volunteers are continuing to contribute in a multitude of ways, from activities in small communities to national leadership. Two former Peace Corps volunteers, the Senator from Connecticut, [Mr. DODD] and former Senator Tsongas from Massachusetts have been elected to this body. Four former volunteers currently serve in the House of Representatives.

For a period of time, however, the visibility of the Peace Corps has seemed to diminish. Some wondered whether the Peace Corps still existed or whether the idealism of the sixties which had spawned and nurtured this program has been replaced by a consumptionistic, materialistic orientation. In 1981, the legislation I authored in the International Security and Development Cooperation Act of 1981 set the Peace Corps free from the Federal bureaucracy in which it has been buried and was hibernating and gave it an opportunity to reestablish its presence, both in the public eye at home and throughout the world.

The Peace Corps is alive and well today and is thriving. Public interest in Peace Corps volunteer service is strong, as demonstrated by the flood of inquiries received by the Peace Corps in response to Peace Corps Director Loret Ruppe's call for 600 volunteers to go to Africa to help deal with the agricultural challenges facing that famine-ridden part of our world. Inquiries were pouring into Peace Corps offices at the rate of 1,000 calls a day. However, even as we rejoice in the renewal of interest in this program, there is more that can be done to help continue to stimulate this revival and renewal of the ideals and the vision that the Peace Corps has always symbolized and to reinforce the bipartisan, nonpartisan nature of support for the program.

OPPORTUNITY FOR RENEWAL AND REDEDICATION OF THE PROGRAM

Mr. President, the 25th anniversary of this unique program that so well exemplifies the compassion and the willingness to help those in need which is integral to the American spirit presents us with a special opportunity to reflect upon the Peace Corps and on where it should be going in the next 25 years.

Despite the renewed sense of interest in and a much greater public awareness of the Peace Corps since Congress granted it independence in 1981, the Peace Corps today is one-third the size it was in 1966 when more than 15,000 Peace Corps volunteers were serving throughout the world. Today, we have barely 5,000 volunteers. Concerns over the utilization of overseas Peace Corps staff posts as political patronage plums continue to plague the program. The resources, talents, and ideas of the thousands and thousands of former Peace Corps volunteers bearing on the future direction of the Peace Corps program are not used as a part of the formal structure within which Peace Corps planning and programming decisions are made. It is long since past time, for example, for the appointment of a former Peace Corps volunteer as Director of the Peace Corps.

The legislation that we are introducing today is aimed at addressing each of these issues.

OUTLINE OF LEGISLATION

NATIONAL ADVISORY COUNCIL

First, this legislation would mandate the establishment of a bipartisan Peace Corps National Advisory Council which would be directed to evaluate the accomplishments of the Peace Corps, assess the potential capabilities and future role of the Peace Corps, and make recommendations to the Director of the Peace Corps, the President, and the Congress. The Council's recommendations would serve to help guide the future direction of the Peace Corps and ensure that the purposes and programs of the Peace Corps are carried out in ways that are economical, efficient, responsive to changing needs in host and potential host countries and to changing relationships among peoples, and in accordance with law. The Council would consist of 16 voting members. Eight would be appointed by congressional leaders and seven by the President. Not more than four of the President's appointees could be from one political party. At least six of these appointed members would be required to be former Peace Corps volunteers. The Secretary of State would serve as an ex officio, voting member.

This Council would serve as a real, working group, not a perfunctory rubber-stamp.

Mr. President, there is a nonstatutory advisory council to the Peace Corps. However, as far as we can tell from the scant information available about it, it contains no former Peace Corps volunteers and does not have the type of mission, responsibilities, scope, or experienced and representative membership as the advisory council which would be established under this legislation.

I am convinced that this is the right point in the history of the Peace Corps to create this kind of specialized, representative, bipartisan body to bring together individuals with relevant experience and insights about the role that the Peace Corps should play in the world during its next quarter of a century.

VOLUNTEER STRENGTH GOAL

Second, the legislation would establish a goal of having a Peace Corps volunteer strength of 10,000 individuals. In 1984, there were about 5,200 Peace Corps volunteers serving in 60 countries around the world. For the past 18 years, however, the number of Peace Corps volunteers has steadily declined, from its height of more than 15,000 in 1966, to 9,000 in 1970 and

6,000 in 1980. The worldwide distribution has also declined. Almost half of the current volunteers—2,400—serve in Africa. Less than 200 serve in South America—all of those in only two countries.

Obviously, an increase in the size of the Peace Corps must be carefully planned and executed. Expansion must be tailored to, first, the needs of and requests for assistance from host countries, second, the pool of qualified volunteers, third, the capacity of the Peace Corps to provide adequate training and support to and placement of volunteers, and, fourth, budgetary realities given our deficit problem and the great competition for scarce resources. But I believe there is little doubt that a goal of a total volunteer strength of at least 10,000 is attainable and worthwhile.

OVERSEAS STAFF APPOINTMENTS

Finally, Mr. President, this legislation would amend the Peace Corps Act to provide that overseas staff appointments must be nonpartisan. This provision deals with a problem that has plagued the Peace Corps through both Republican and Democratic administrations. Unfortunately, Peace Corps country directorships have sometimes been viewed as political patronage prizes. These posts are too important to be handed out to unqualified persons. A Peace Corps country director is a vital link both to the government of the host country and to scores of volunteers in the field who must depend on the country director's good judgment and sensitivity on numerous occasions.

Peace Corps Volunteers often serve in precarious positions, hundreds of miles from any governmental—ours or the host country's—support mechanism or protection. They don't live, as do most foreign service officers, in American compounds or foreigners' enclaves with special commissary and diplomatic privileges. Peace Corps volunteers live generally at the level and in the communities of the people they come to serve and help.

They deserve to know that their country director and support staff were chosen specifically because of the capacity to be of help to Peace Corps volunteers and not as a reward for political contributions or campaign work.

Unlike overseas diplomatic missions of the U.S. Government which are supported by a cadre of career, professional foreign service staff, the Peace Corps' overseas programs are staffed by very small numbers of American employees serving in the Peace Corps for statutorily-limited periods, generally no more than 5 years. Under these circumstances, missteps or miscalculations by an unqualified Peace Corps country director or other staff person could have dire consequences. Each overseas Peace Corps staff member must be competent and dedicated to the goals of the Peace Corps and to the well-being and success of the volunteers and should be expressly selected beause of and only because of those attributes.

CONCLUSION

Mr. President, the Peace Corps has always been a very special program for me. In the midsixties, I had the honor of serving as a Peace Corps program evaluator, visiting volunteers on the job in Ghana. Seeing firsthand the tremendous work being done by these dedicated Americans left me with an enduring commitment to this truly outstanding endeavor.

Mr. President, I also have a very special feeling toward the Peace Corps because my State, California, has contributed more volunteers to the Peace Corps than any other. There are almost 700 Californians currently serving in the Peace Corps—13 percent of the total. In total, more than 15,000 Peace Corps volunteers have come from the State of California.

Peace Corps volunteers have contributed in countless ways to the goal of world peace and understanding. Both America and the world have much to gain from an expanded, rededicated, and nonpartisan Peace Corps. The Peace Corps is needed as much today as it has ever been. I believe that enactment of this legislation will provide an opportunity to help make the next 25 years the best they can be for this unique people-to-people effort.

By Mr. INOUYE:

S. 884. A bill to amend the Agricultural Act of 1949 to provide price support for the 1986 through 1989 crops of sugar beets and sugarcane; to the Committee on Agriculture, Nutrition, and Forestry.

PRICE SUPPORTS FOR SUGAR BEETS AND SUGARCANE

● Mr. INOUYE. Mr. President, I rise today to introduce legislation which will help maintain a viable and productive domestic sugar industry. I do so following hearings which were held yesterday before the Senate Committee on Agriculture, Nutrition and Forestry at which convincing testimony was offered on behalf of the domestic industry and the sugar price support program contained in the Agriculture and Food Act of 1981—Public Law 97-98. These hearings were chaired by our distinguished colleague from North Dakota [Mr. ANDREWS], and I commend him for his efforts on behalf of American agricultue and domestic sugar growers.

The bill I am introducing preserves the main features of the present sugar program: nonrecourse loans and modest increases in the loan rate for cane sugar over the next 4 years. Under present legislation, the loan rate has risen only a penny from 17 cents a pound to 18 cents. This amounts to an increase of only 1.5 percent a year—well below the annual inflation rate of 3 to 6 percent. My bill would increase the loan rate by a half penny each year for the next 4 years from 18½ cents a pound in 1986 to 20 cents a pound in 1989. The proposed increases represent simple adjustments for inflation, which is projected to be approximately 5 percent for the balance of the decade.

Mr. President, my bill is designed not to guarantee the sugar industry profits, which have been minimal over the past 4 years, but only to offer the industry the hopes of meeting the challenges of unfair foreign competition, record deficits, punishing interest rates, high unemployment, and a growing trade deficit. To illustrate, over the last 4 years, on operating revenues of approximately $400 million, the Hawaiian sugar industry lost $90 million in 1981 and $2 million in 1982, while earning $29 million in 1983 and $21 million in 1984—before taxes. Given this net loss, one can hardly accuse the sugar program of providing an unfair windfall for sugar growers and processors, as has been claimed by some.

Mr. President, sugar is vitally important to the State of Hawaii. A total of 26,000 people owe their jobs directly or indirectly to the industry, which is the State's third largest source of revenue; 185,000 acres, or three-fourths of our farmland, is planted in sugar, and there are presently no good alternatives to this use. A cut in the present sugar loan rate, as proposed by the President in S. 501, would put the Hawaiian sugar industry out of business and double the State's unemployment rate to 11 percent. On Maui and the big island, unemployment would exceed 20 percent, while on the Island of Kauai, it would reach 30 percent. The State and Federal Governments would have to expand welfare rolls and social services to deal with the thousands of newly unemployed people.

The Hawaiian industry produces sugar at about 18 cents a pound, which is about the world average, and we would do even better if it were not for the strength of the dollar abroad. In the State of Hawaii, which leads the world in sugar research, we produce as much sugar with 8,000 workers as they do in the Dominican Republic with 80,000. Similarly, we produce sugar at a cost below that of such countries as Barbados and Haiti. Yet we pay our workers a minimum of $7 an hour, which is almost as much as Haitian workers earn in a week.

During the last 4 years, the Hawaiian sugarcane industry has streamlined its operations and cut acreage by almost 15 percent. The number of workers employed in the Hawaiian industry has dropped from 8,600 in 1981 to a projected 7,500 by the end of 1985,

while the cost of producing a pound of sugar has declined nearly 10 percent. Hawaii's sugarcane workers have agreed to freeze their wages for 2 of the past 3 years, and they have given up overtime on weekends and paid furloughs. These cutbacks have been a cooperative effort, involving both management and labor, and only the most efficient companies are still in business. All they are asking for is a measure of protection against the dumping of surplus sugar on the world market at ruinous prices. They do so in the hopes of riding out the roller coaster of world sugar prices, currently at an all-time low, and for the prospects of better days ahead.

Finally, Mr. President, we come to the issue of cost. It is often argued that the sugar program operates at a high cost to the American consumer. Nothing could be further from the truth, and the Senate has rejected amendments to the sugar program based on this argument by 2-to-1 margins on three separate occasions since 1981.

We hear a great deal about the high cost of certain commodity programs to the U.S. Treasury. Does this mean that the sugar program costs the taxpayer anything? Not a penny, since there have been no forfeiture of sugar placed on loan with the CCC. Instead, the U.S. Government has earned revenues from the fees and duties placed on imported sugar.

What then of the sensational claims that the sugar program is costing American consumers hundreds of millions of dollars each year by denying them the privilege of buying underpriced sugar from abroad? Mr. President, this is nothing but a smokescreen put forward by some sugar users who would like to increase their profits by having access to the current glut of sugar on the world market. I would cite three examples to prove my point.

First, the cost of sugar that you buy in the supermarket is cheaper today than it was in 1980–81, when we had no sugar program. How could this be if the sugar program has unfairly increased costs to the consumer over the past 4 years?

Second, if lower sugar prices are supposed to mean lower costs to the consumer, why have we not seen this in the marketplace? I take as my example the Market Basket Survey published by the New York Department of Consumer Affairs on March 25, 1985. Based on a survey of 150 different food stores in New York City for the period January 1984 to January 1985, the department of consumer affairs found that while the cost of sugar decreased by 4 percent last year, the price of 16-ounce sandwich cookies increased by 10 percent, the cost of ice cream went up 13 percent, and incredibly, the cost of colas rose 12 percent. I say incredibly because during this period most soft drink manufacturers switched completely to high fructose corn syrup in formulating their soft drinks. HFCS is available in the United States for 25 percent less than sugar, yet the price of cola increased significantly. Given that, caloric sweeteners like sugar are an important component of processed foods, where are the savings that were supposed to accrue from lower sugar prices? There were none. Savings from cheaper sugar are not being passed on to consumers, nor would they be if we abolished the sugar price support program or quotas. Rather, the New York City Department of Consumer Affairs has underscored the point that high sugar prices are used as an excuse for raising the cost of sugar-containing products in times of short supply, but these prices do not come down when the price of sugar drops.

Third, I can disprove the consumer-cost argument by citing the case of Canada, where the Government supports sugar growers through direct payments and does not limit access to the world sugar market. If the sugar user's argument is correct, we would expect consumers in Canada to enjoy significant savings over their American counterparts. But this is definitely not the case. As was reported at the International Sweetener Colloquium just 2 months ago, the retail price of sugar in Canada averaged just under 33 cents a pound in Janaury 1985, while in the United States it was 34 cents a pound. Where are the much touted savings for consumers in a country that allows free use of world sugar? There aren't any—the difference between retail sugar prices in the United States and Canada was just a penny a pound. American consumers are being duped by the argument that somehow our sugar price support program costs them vast sums of money in the supermarket.

Mr. President, it has for years been the policy of the United States to maintain a domestic sugar industry capable of producing a significant portion of our sugar requirments. Without a sugar industry, we would have to import all, not just some, of our needs. To preserve our domestic industry, we need to protect it against unfair foreign competition. Without a domestic industry, we would be completely dependent on the whims of a boom-bust sugar market. The USDA has warned in testimony before the House Ways and Means Subcommittee on Trade that American consumers would face price increases of several hundred percent if we became totally dependent on foreign producers.

Mr. President, the domestic sugar industry is efficient and worth saving, otherwise I would not ask this body to expend one dime or one ounce of effort on its behalf. I commend this bill to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended by adding at the end thereof the following new subsection:

"(i)(1) The price of each of the 1986 through 1989 crops of sugar beets and sugarcane, respectively, shall be supported in accordance with this subsection.

"(2) Effective October 1, 1985, the Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18½ cents per pound for raw cane sugar for the 1986 crop, 19 cents per pound for the 1987 crop, 19½ cents per pound for the 1988 crop, and 20 cents per pound for the 1989 crop.

"(3) Effective October 1, 1985, the Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines to be fair and reasonable in relation to the level of loans for sugarcane.

"(4) The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of the fiscal year as practicable consistent with the purposes of this subsection.

"(5) Loans during any such fiscal year shall be made available not earlier than the beginning of the fiscal year and shall mature before the end of that fiscal year.".●

By Mr. KERRY (for himself, Mr. CHAFEE, Mr. MATHIAS, and Mr. HART):

S. 885. A bill to establish a moratorium during the fiscal years 1985 and 1986 on the testing of antisatellite weapons against objects in space; to the Committee on Armed Services.

MORATORIUM ON THE TESTING OF ANTISATELLITE WEAPONS

Mr. KERRY. Mr. President, I rise to offer a bill to establish a moratorium during fiscal year 1985 and 1986 on the testing of antisatellite weapons against objects in space. I am very pleased to be joined by the distinguished Senator from Rhode Island [Mr. CHAFEE] and by the distinguished Senator from Maryland [Mr. MATHIAS] as cosponsors.

It is my firm belief that a continued moratorium on the testing of antisatellite weapons is essential to the United States and the Soviet Union to preserve the current posture of deterrence which is, I think, keeping an uneasy peace.

Last year, as the present occupant of the chair [Mr. WARNER] knows well and as other Senators know, the Congress did place a moratorium on the testing by the United States of antisatellite weapons against objects in space. This moratorium was passed in the hope that it would lead the Soviet Union to negotiate a permanent treaty

and the permanent prohibition thereof.

The moratorium expired on March 1 of this year just before the Geneva talks began. The Reagan administration stated that it does not intend to test satellite weapons in the near future but will perhaps by June at the earliest.

As the arms talks begin, I believe it is especially important that we maintain our ban on space test ASAT's which might close the window of opportunity. I believe it is essential because this barrier, if we cross it, is one like many other barriers of technology which may prove almost impossible to come back from. It will be difficult to say the least to put the ASAT genie back into the bottle if we test.

Mr. President, I think the particular difficulty is that at this point in time we have a system with the F-15 where if we test we immediately thereupon, if it is a successful test, have a deployed system, whereas the Soviet Union does not. Because the current Soviet capacity in ASAT's is such that they are not able to knock down our important command and control communications satellites, to test is merely to ask the Soviet Union to do likewise and there to affect our command and control system; also because of the great difficulty of verification, once one of the these systems has been created.

I am proud today to join with my colleagues from Maryland and Rhode Islands in an effort to ask the Congress to continue this moratorium.

Mr. President, it is a moratorium that will not in any way threaten the security of the United States because of our current levels and capacities versus those of the Soviet Union and our capacity to track their current deployment.

Furthermore, it is a moratorium which permits to the President of the United States the option of being able to certify to the Congress if the Soviet Union were either to test or to cease to negotiate in good faith. At any moment that the President were to say that either of those occurrence had taken place, we would be in a position at that point to immediately test our ASAT system and to proceed from that point.

Mr. President, I would urge the Senate and the Congress to readopt that it has before adopted, and which I am proud to say that my predecessor played a very significant role in seeking in the past.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the United States and the Soviet Union have agreed to resume negotiations on the control of nuclear weapons and weapons in space;

(2) the United States and the Soviet Union are currently observing a moratorium on the testing of anti-satellite weapons against objects in space; and

(3) the current moratorium on the testing of anti-satellite weapons against objects in space has helped to create an atmosphere conducive to continued United States-Soviet negotiations.

(b) Section 6100 of the Department of Defense Appropriations Act, 1985, as contained in section 101(b) of the joint resolution entitled "A joint resolution making continuing appropriations for the fiscal year 1985, and for other purposes" (Public Law 98-473) is amended—

(1) in subsection (a)—

(A) by striking out "(a)";

(B) by striking out paragraphs (1) through (4); and

(C) by adding at the end thereof the following:

"(1) that the Soviet Union refuses to resume or continue neogtiations aimed at achieving an agreement on anti-satellite weapons; or

"(2) that the Soviet Union has conducted a test of" an anti-satellite weapon against an object in space"; and

(2) by striking out subsections (b) and (c).

(c) Notwithstanding any other provision of law, no funds appropriated for the fiscal year 1986 may be obligated or expended to test against an object in space the miniature homing vehicle (MHV) anti-satellite warhead launched from an F-15 aircraft unless the President determines and certifies to the Congress—

(1) that the Soviet Union refuses to resume or continue negotiations aimed at achieving an agreement on anti-satellite weapons; or

(2) that the Soviet Union has conducted a test of an anti-satellite weapon against an object in space.

By Mr. ZORINSKY (for himself, Mr. DOLE, Mr. THURMOND, Mr. HATCH, Mr. PRESSLER, Mr. SYMMS, Mr. TRIBLE, Mr. GLENN, Mr. NUNN, Mr. GOLDWATER, Mr. HOLLINGS, Mr. GARN, Mr. GORE, Mr. BAUCUS, Mr. STENNIS, Mr. MELCHER, Mr. EAST, Mr. WARNER, Mr. GRAMM, and Mr. STEVENS):

S.J. Res. 102. Joint resolution to establish a National Commission on Illiteracy; to the Committee on Labor and Human Resources.

(The remarks of Mr. ZORINSKY and the text of the legislation appear earlier in today's RECORD.)

By Mr. PELL (for himself, Mr. STAFFORD, Mr. STENNIS, Mr. NUNN, Mr. BUMPERS, Mr. CHAFEE, Mr. KENNEDY, Mr. KERRY, Mr. COCHRAN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. HOLLINGS, Mr. DOLE, Mr. EAST, Mr. ABDNOR, Mr. STEVENS, Mr. KASTEN, Mr. LAUTENBERG, Mr. HEINZ, and Mr. ZORINSKY):

S.J. Res. 103. Joint resolution to designate the month of May 1985 as "Very Special Arts U.S.A. Month"; to the Committee on the Judiciary.

VERY SPECIAL ARTS U.S.A. MONTH

● Mr. PELL. Mr. President, today I am introducing, on behalf of myself and Senators STAFFORD, STENNIS, NUNN, BUMPERS, CHAFEE, KENNEDY, KERRY, COCHRAN, MATSUNAGA, METZENBAUM, HOLLINGS, DOLE, ANDREWS, EAST, ABDNOR, STEVENS, KASTEN, LAUTENBERG, HEINZ, and ZORINSKY, a resolution designating the month of May as Very Special Arts U.S.A. Month.

The official designation of the month of May as Very Special Arts U.S.A. Month recognizes the strong commitment of our country's leaders to provide opportunities for disabled and nondisabled children, youth, and adults to participate in the educational programs of the National Committee, Arts with the Handicapped (NCAH). NCAH, an educational affiliate of the John F. Kennedy Center for the Performing Arts, is our Nation's coordinating agency for arts programs for people with disabilities.

With vibrant leadership, NCAH has pioneered the arts with the handicapped movement. Through the Very Special Arts Festival Program (VSAF), all 50 States develop and implement quality, year-round programs which integrate the arts into the education of children and youth with disabilities.

Visual arts, drama, dance, and music are the means by which the VSAF Program helps students with handicaps enter the mainstream of society. Workshops, performances, and training are designed to increase learning skills and are implemented for disabled and nondisabled children as well as educators, parents, and friends. NCAH continues to develop innovative projects and to conduct, through VSAF's, a nationwide educational program unlike any other in the country.

Throughout 1985, 450 VSAF's will be held in all 50 States, Puerto Rico, and the District of Columbia. Approximately 450,000 people with disabilities will be served, as well as over 380,000 nondisabled individuals. In May, 53 VSAF's will be conducted in such places as: St. Louis, MO; Hickory City, NC; Canby, OR; Los Angeles, CA; and Amherst, MA. Both Bristol and Newport, RI, will hold their festivals in July.

Entering into its 11th year, NCAH will change its name to Very Special Arts U.S.A. By joining me in proclaiming the month of May as Very Special Arts U.S.A. Month, we will help this important organization begin its second decade of service to the more than 36 million Americans with disabilities under its new name, Very Special Arts U.S.A.●

By Mr. DENTON (for himself, Mr. LEAHY, Mr. THURMOND, Mr. ANDREWS, Mr. BIDEN, Mr. BOSCHWITZ, Mr. BURDICK, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DOLE, Mr. DIXON, Mr. EAST, Mr. GRAMM, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HECHT, Mr. HEFLIN, Mr. HELMS, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. MCCONNELL, Mr. METZENBAUM, Mr. MURKOWSKI, Mr. NUNN, Mr. QUAYLE, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 104. Joint resolution to proclaim October 23, 1985, as "A Time of Remembrance" for all victims of terrorism throughout the world; to the Committee on the Judiciary.

A TIME OF REMEMBRANCE

● Mr. DENTON. Mr. President, I rise today along with my distinguished colleague and ranking minority member of the Senate Judiciary Subcommittee on Security and Terrorism, Senator PATRICK J. LEAHY and 36 other Senators, to introduce a joint resolution proclaiming October 23, 1985, as a "Time of Remembrance" for all victims of terrorism throughout the world.

Mr. President, on September 28, 1984, the President signed into law Senate Joint Resolution 336, a joint resolution proclaiming October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world and marking the first anniversary of the terrorist attack on the multinational peacekeeping mission in Beirut, Lebanon. I was proud to be the sponsor of that joint resolution which 59 of my colleagues cosponsored.

On October 19, the President issued a proclamation, called for by the joint resolution, urging "all Americans to take time to reflect on the sacrifices that have been made in the pursuit of peace and freedom * * *" and calling upon "the departments and agencies of the United States and interested organizations, groups, and individuals to fly U.S. flags at half staff throughout the world in the hope that the desire for peace and freedom take firm root in every person and every nation." Without objection, I ask that the Presidential proclamation be printed in the RECORD at the close of my remarks.

The originating and driving organization behind this effort was No Greater Love, a national nonprofit, nonpolitical humanitarian organization dedicated to providing programs of care and friendship to children whose parents have been killed while serving our country. On October 23, No Greater Love sponsored a commemorative ceremony marking a time of remembrance at Arlington National Cemetery. This ceremony proved to be one of international significance and success. Letters of support and appreciation for this effort were received from diplomatic officials, Governors, organizations, and individuals from across the Nation and around the world.

In light of the tremendous response to the declaration of October 23, 1984, as "A Time of Remembrance," and because of the continuing tragedy of worldwide terrorism, families of the victims of terrorism have requested that a time of remembrance be made an annual occurrence. This would not only make us all more aware of the need to confront the problem of terrorism but would also assure the families that their loved ones who lost their lives in the service of our country would continue to be honored and that their service and sacrifice would never be forgotten by those whom they served.

Mr. President, I strongly urge each of my colleagues to support and cosponsor this joint resolution, and ask unanimous consent that a copy of the joint resolution along with a copy of a proclamation on the subject by President Reagan be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 104

Whereas the problem of terrorism has become an international concern that knows no boundaries—religious, racial, political, or national;

Whereas thousands of men, women, and children have died at the hands of terrorists in nations around the world, and today terrorism continues to claim the lives of many peace-loving individuals;

Whereas October 23, 1983, is the date on which the largest number of Americans were killed in a single act of terrorism—the bombing of the United States compound in Beirut, Lebanon, in which two hundred and forty-one United States servicemen lost their lives;

Whereas many of these victims died defending ideals of peace and freedom; and

Whereas it is appropriate to honor all victims of terrorism, and in America to console the families of victims, and to cherish the freedom that their sacrifices make possible for all Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 23, 1985, be proclaimed as "A Time of Remembrance", to urge all Americans to take time to reflect on the sacrifices that have been made in the pursuit of peace and freedom, and to promote active participation by the American people through the wearing of a purple ribbon, a symbol of patriotism, dignity, loyalty, and martydom. The President is authorized and requested to issue a proclamation calling upon the departments and agencies of the United States and interested organizations, groups, and individuals to fly United States flags at half staff throughout the world in the hope that the desire for peace and freedom take firm root in every person and every nation.

A TIME OF REMEMBRANCE FOR ALL VICTIMS OF TERRORISM THROUGHOUT THE WORLD

(By the President of the United States of America)

A PROCLAMATION

Terrorism poses an insidious challenge to the principles of freedom cherished by peace-loving peoples everywhere. Despicable acts such as the recent attack on Prime Minister Thatcher in England, the bombings of our Marine Amphibious Unit Headquarters, and of our Embassy facilities in Beirut, Lebanon, represent an attempt to strike at the very heart of Western democratic values. In the month of September, 37 attacks were carried out by 13 different terrorist groups affecting the people of 20 nations.

As a world power, the United States bears global responsibilities from which we must not shrink in the face of cowardly attempts at intimidation. Instead, we must strive to carry forward the heroic legacy of those brave people who, in the search for peace and justice, have lost their lives to international terrorism. Because terrorism poses such a pervasive and insidious threat to all free peoples and claims so many innocent victims in its indiscriminate brutality, we of the Western democracies have embarked on a course of improved cooperation to counter this scourage against humanity. To this end, it is appropriate that we reflect on the tragic loss of life that senseless terror leaves in its wake throughout the world. We do this not out of fear or trepidation, but to show our resolve that the free people of this world will not be deterred from our purpose by threats of terrorism.

The Congress, by Senate Joint Resolution 336, has designated October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world and has authorized and requested the President to issue a proclamation in observance of this event.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim October 23, 1984, as a Time of Remembrance for all victims of terrorism throughout the world, and I urge all Americans to take time to reflect on the sacrifices that have been made in the pursuit of peace and freedom.

I further call upon and authorize all departments and agencies of the United States and interested organizations, groups, and individuals to fly United States flags at half-staff on October 23 in the hope that the desire for peace and freedom will take firm root in every person and every nation.

In witness whereof, I have hereunto set my hand this nineteenth day of October, in the year of our Lord nineteen hundred and eighty-four, and of the Independence of the United States of America the two hundred and ninth.

RONALD REAGAN.●

● Mr. LEAHY. Mr. President, I join with my colleague JEREMIAH DENTON and many other Senate cosponsors in rising to support this most important resolution.

All too often in the age of instant news, we set aside yesterday's news to take up today's.

All too often the news we set aside so quickly is news we forget at our peril. When terrorists bombed the American Marine Headquarters and our Embassy in Beirut, their target

was more than the valiant lives they extinguished.

Their target was human dignity.

Their target was peaceful self-government.

Their target was world peace.

Setting aside a "Time of Remembrance" to reflect on the meaning of these sacrifices is an important act of conscience.

And sending a message to terrorists wherever they may be hiding will be an important act of will.

Our love and strength is greater than their hate.

And our remembering will quicken our own resolve to oppose violence everywhere and to yield to terrorists nowhere.

We will triumph over terrorism for two important reasons. First is strength. Our strength comes from total unity and total determination. If terrorists think they can ever divide and weaken American resolve through random, they will soon learn that they have picked the wrong people.

The second reason we will triumph is what we stand for and what we advocate in the councils of the world—peace with justice and a resolve to preserve democracy at any price.

I hope that every Member of the Congress joins in this resolution and that our message of love and hope and strength will be sounded everywhere at the "Time of Remembrance."●

By Mr. DOLE (for Mr. HATFIELD):

S.J. Res. 105. Joint resolution to designate July 23, 1985, as "Ulysses S. Grant Day;" to the Committee on the Judiciary.

ULYSSES S. GRANT DAY

● Mr. HATFIELD. Mr. President, as we work through the deliberations of this session, I would like to introduce a joint resolution commemorating the life of one who worked, as we do now, to improve the situation of the people of this Nation.

Today I have great pleasure in recognizing the contribution to the history of our Nation made by our 18th President, Ulysses S. Grant, as the 100th anniversary of his death nears this year. We must remind ourselves of our heritage, of the struggles we as a nation have survived, and of those who have led the way in resolving conflict to move the Nation through difficult times and on to periods of strength and growth. Such recognition deserves to be bestowed on President Grant for what he did to secure the unity of the Nation and to extend civil rights to blacks following the divisive Civil War.

Mr. President, I should like to bring to the attention of my colleagues the life and achievements of President Grant. Born and schooled in Ohio, the son of a tanner and farmer, Grant went on to attend the U.S. Military Academy at West Point. He excelled in mathematics and horsemanship, and upon graduation in 1843, served his first appointment as an infantryman in the Mexican War, 1846–48. Although deploring this war which he felt was fought to extend slavery, Grant served with distinction and emerged from the conflict as a captain.

In subsequent years Captain Grant served at a variety of remote Army posts, as far away as Fort Vancouver in the Oregon Province. He grew unhappy with these farflung assignments and in 1854 resigned the military to move with his wife, Julia, and family, to St. Louis, MO, and later to Galena, IL.

With the Confederate secession from the Union, Grant offered his services to the Northern Army, strongly believing in the need to reunite the Nation. Appointed as a colonel over volunteers in Illinois, Grant was soon promoted to brigadier general in Missouri. Grant's bold action enabled him to capture Fort Donelson on the Cumberland River in one of the first important Northern victories of the war, and winning for himself promotion to major general.

His famed response of "no terms except an unconditional and immediate surrender" to Confederate attempts at an armistice earned him the nickname "Unconditional Surrender" Grant and raised speculation that that was the meaning of his first two initials.

Following the triumphant, yet bloody, battle at Shiloh on the Tennessee River, Grant was criticized for his troop losses. Urged to replace Major General Grant, President Abraham Lincoln refused saying, "I can't spare this man—he fights." Grant was a ruthless fighter and by his attitude and military tactics embodied his belief that the Union must be restored at all costs.

Beginning with his successes in the Mississippi River Valley campaigns, the most notable being the capture of strategic Vicksburg, Grant was given greater responsibility and more critical assignments until he was selected by President Lincoln to take command of the entire Union Army of over one-half million men, as a lieutenant general. Leading his troops with energy and determination Grant proposed a unified plan and coordinated effort of all Union forces to fulfill the goal of ending the war.

The personal characteristics that carried Grant to the zenith of his military career continued to be displayed as General of the Army. He had deep resources of character and a quiet forcefulness, decisiveness and tenacity that won him the respect and confidence of the subordinates and helped him plan and carry out military operations. Behind the unprepossessing exterior and the modesty of manner lay a powerful, strategic genius.

Grant realized military success would not come with the capture of localities alone, but with the destruction of armies as well. His military philosophy was to resist retreat and his strategy was sound: To divide the Confederate armies, engage them in battle simultaneously, and continue to hammer away at them until they were forced to retreat and surrender.

In the spring of 1865 Confederate troops under Lee surrendered to Grant at Appomattox near Richmond. Grant's terms were magnanimous, as he released Lee and his soldiers on their honor, and he allowed them to keep their horses. This decisive battle signaled the end of the war which was over 17 days later.

After President Lincoln's death, Grant was the North's foremost war hero. His military successes during the Civil War and his generous treatment of Lee at Appomattox had made him a popular hero in both the North and South. Grant served for a short time as Secretary of War under President Andrew Johnson, and his strengthened Republican ties led to his nomination for President in 1868, a candidate embodying the forces that maintained the Union. The last line of his acceptance letter, "Let us have peace," constituted his contribution to American opinion and it became the Republican campaign slogan.

Grant became President and went on to win reelection easily in 1872. During the course of his two terms he faced the difficult circumstances and demanding condition that existed in the aftermath of the Civil War. An emotionally divided Nation needed to be united and the South rebuilt. To this end Grant pardoned many former Confederate leaders and limited the use of Federal troops stationed in the South. Turmoil and violence continued in the South with the harassment and persecution of freed blacks. Believing President Johnson's policies had permitted the Southern States to restrict black rights. Grant worked to enfranchise the blacks. He enforced the 14th and 15th amendments giving citizenship to blacks and making illegal the denial of voting rights to males of any race. In 1870 and 1871 force bills were passed to ensure the voting rights for blacks; 200,000 blacks had served in the Union Army and Grant acknowledged their great contribution to the Northern victories. He worked to help them through the Freedman's Bureau which offered the freed blacks help in obtaining education, homes, jobs, and protection of their interests.

There were economic as well as emotional tensions for Grant to deal with as President. Taking steps to fund the confused mass of Civil War securities,

Grant also worked to hold off a panic of the gold market.

Following his terms in office the former President traveled the world with his family, eventually settling in New York where, in financial difficulty, he began to prepare his memoirs.

President Grant wrote the memoirs, in collaboration with Mark Twain, while slowly dying of throat cancer. Written modestly and with a sense of humor, Grant's story of his career ranks high among military autobiographies. Unfortunately, Grant never saw the success of his book having died before its publication in 1885.

Ulysses S. Grant's reputation and lasting image is one of a military giant, the most important military leader for the Union during the Civil War. Recognized by his bluntness, lack of ostentation and the success of his operations, he advanced from the saddle to the President's chair—the model of American individualism and opportunity.

Shortly before he died Grant told his doctor how years before, on the way to a reception in his honor he came across a stranger who was going to the reception, as well. "I have always thought that he was a very much overrated man," said the stranger to Grant. "That's my view also, was Grant's reply." Such was the humility with which Grant viewed his life and achievements.

But today we recognize that he was not an overrated man. He is deserving of his excellent reputation. President Grant is memorialized here in Washington, DC, by the Grant Memorial located at the east end of the Mall, near the west front of the Capitol. The imposing sculpture by Henry Merwin Shrady shows General Grant mounted on his horse between two sculpture groups of military figures. Although we are mindful of his birthday on April 27, this July 23, 1985 will mark the 100th anniversary of the death of President Ulysses S. Grant. Plans are now being made at this time to celebrate the day with appropriate festivities, including a military ceremony to be held at the Grant Memorial. To remind ourselves and our Nation of the great contributions of this former President, I am introducing a resolution to declare July 23, 1985 as "Ulysses S. Grant Day."

Joining me in the introduction of this resolution are Senators MOYNIHAN, SIMON, GLENN, METZENBAUM, and D'AMATO.

I ask unanimous consent that their joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 105

Whereas July 23, 1985, marks the one-hundredth anniversary of the death of President Ulysses S. Grant;

Whereas Ulysses S. Grant served as General of the Union Army during the Civil War, fought to restore the Union, and commanded the victorious Union Army at the close of the Civil War; and

Whereas Ulysses S. Grant as the eighteenth President of the United States worked to unite the North and South following the Civil War, to rebuild the war damaged South, and to extend civil rights to blacks: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 23, 1985 is designated as "Ulysses S. Grant Day", and the President of the United States is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe the day with appropriate ceremonies, programs and activities.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Washington [Mr. EVANS] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 12

At the request of Mr. MOYNIHAN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 12, a bill to protect communications among Americans from interception by foreign governments, and for other purposes.

S. 84

At the request of Mr. INOUYE, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from California [Mr. WILSON], the Senator from Ohio [Mr. METZENBAUM], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 84, a bill to incorporate the Pearl Harbor Survivors Association.

S. 120

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 120, a bill to amend the Tax Reform Act of 1984 to provide a transitional rule for the tax treatment of certain air travel benefits provided to employees of airlines.

S. 127

At the request of Mr. PRYOR, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 127, a bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing Medicare coverage for personal emergency response systems.

S. 245

At the request of Mr. ABDNOR, the names of the Senator from Washington [Mr. GORTON], the Senator from Utah [Mr. HATCH], the Senator from Indiana [Mr. QUAYLE], the Senator from South Carolina [Mr. THURMOND], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Oklahoma [Mr. NICKLES], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 245, a bill to amend the Internal Revenue Code of 1954 to repeal the requirement that contemporaneous records be kept to substantiate certain deductions and credits.

S. 260

At the request of Mr. HEINZ, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such Code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 377

At the request of Mr. DECONCINI, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 394

At the request of Mr. GORTON, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 394, a bill to amend the Housing and Community Development Act of 1974 to provide housing assistance to the homeless through renovation and conversion of facilities for use as temporary housing, provision of emergency housing and food, and provisions of residential housing assistance in the transition to independent living.

S. 412

At the request of Mr. DECONCINI, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 412, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 426

At the request of Mr. WALLOP, the names of the Senator from Montana [Mr. MELCHER], the Senator from Wisconsin [Mr. KASTEN], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 528

At the request of Mr. RUDMAN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 528, a bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which Congressional campaigns are financed.

S. 576

At the request of Mr. DOLE, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 576, a bill to exclude from the Caribbean Basin Economic Recovery Act ethyl alcohol used for fuel which is merely distilled or denatured in a beneficiary country.

S. 681

At the request of Mr. MATHIAS, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 681, a bill to amend chapter 89 of title 5, United States Code, to authorize the Office of Personnel Management to waive certain eligibility requirements relating to enrollment of annuitants in a Federal employees health benefits plan.

S. 688

At the request of Mr. HEINZ, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 688, a bill to amend the Tariff Act of 1930 to provide for revocation of "country under the agreement" status in certain circumstances.

S. 721

At the request of Mr. BOREN, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Colorado [Mr. ARMSTRONG], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 721, a bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities.

S. 744

At the request of Mr. COCHRAN, the names of the Senator from Iowa [Mr. HARKIN], and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products.

S. 746

At the request of Mr. CHILES, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 746, a bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

S. 768

At the request of Mr. PRESSLER, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 768, a bill to authorize the President of the United States to award a Congressional Gold Medal to Jan C. Scruggs in recognition of his work on behalf of Vietnam veterans, and to authorize the Secretary of the Treasury to sell bronze duplicates of such medal.

S. 770

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 770, a bill to amend the Tariff Schedules of the United States to impose a surcharge tariff on all imports from Japan.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the name of the Senator from Missouri [Mr. EAGLETON] was added as a cosponsor of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 31

At the request of Mr. BURDICK, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 31, a joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week".

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week".

SENATE JOINT RESOLUTION 47

At the request of Mr. CRANSTON, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week".

SENATE JOINT RESOLUTION 51

At the request of Mr. HATCH, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Nevada [Mr. LAXALT], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 51, a joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week".

SENATE JOINT RESOLUTION 63

At the request of Mr. RIEGLE, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Idaho [Mr. MCCLURE], the Senator from Nebraska [Mr. EXON], the Senator from New Jersey [Mr. BRADLEY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Tennessee [Mr. SASSER], the Senator from Georgia [Mr. NUNN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 63, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week".

SENATE JOINT RESOLUTION 65

At the request of Mr. EAGLETON, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Joint Resolution 65, a joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month".

SENATE JOINT RESOLUTION 90

At the request of Mr. NUNN, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 90, a joint resolution commemorating the 75th Anniversary of the Boy Scouts of America.

SENATE JOINT RESOLUTION 101

At the request of Mr. LEVIN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 101, a joint resolution to designate April 24, 1985, as "National Day of Remembrance of Man's Inhumanity to Man".

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of the Congress that May 18, 1985, should be commemorated as the 20th anniversary of the establishment of the Head Start Program and reaffirming congressional support for the Head Start Program.

SENATE RESOLUTION 82

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Senate Resolution 82, a resolution to preserve the deduction for State and local taxes.

SENATE RESOLUTION 103

At the request of Mr. SIMON, the name of the Senator from Minnesota

[Mr. BOSCHWITZ] was added as a cosponsor of Senate Resolution 103, a resolution expressing the sense of the Senate that the President should initiate negotiations with the Government of the Soviet Union on a long-term agreement on expanded trade in agricultural products.

SENATE RESOLUTION 110

At the request of Mr. HEINZ, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Resolution 110, a resolution supporting the Export-Import Bank.

SENATE RESOLUTION 112

At the request of Mr. COHEN, the name of the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. ANDREWS], the Senator from Vermont [Mr. STAFFORD], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Resolution 112, a resolution relating to bilateral discussions between the United States and the Soviet Union to ban chemical weapons.

SENATE CONCURRENT RESOLUTION 38—PROVIDING FOR AN ADJOURNMENT OF THE SENATE AND HOUSE OF REPRESENTATIVES UNTIL APRIL 15, 1985

Mr. DOLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, and that when the House of Representatives adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12:00 o'clock noon on Monday, April 15, 1985.

SENATE RESOLUTION 117—TO PAY A GRATUITY TO MAUREEN S. McROY

Mr. MATHIAS, from the Committee on Rules and Administration reported the following original resolution; which was placed on the calendar:

S. RES. 117

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Maureen S. McRoy, widow of Robert T. McRoy, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 118—TO PAY A GRATUITY TO VICTOR NATALI, LENA BARDELLI, MAFALDA REVETTA, AMERICO NATALI, EDITH SERRA, ELMO NATALI, AND ELSIE DELMASTRO

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 118

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Victor Natali; Americo Natali; Elmo Natali, brothers of Lewis A. Natali and Lena Bardelli; Mafalda Revetta; Edith Serra; Elsie DelMastro, sisters of Lewis A. Natali, an employee of the Senate at the time of his death, a sum to each equal to one-seventh of one years' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 119—TO PAY A GRATUITY TO RAY F. LARKIN

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 119

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ray K. Larkin, widower of Virginia L. Larkin, an employee of the Senate at the time of her death, a sum equal to nine months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 120—TO PAY A GRATUITY TO ANDRE WHITNEY

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 120

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Andre Whitney, widower of Maxine M. Whitney, an employee of the Senate at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 121—TO PAY A GRATUITY TO BONITA B. BASS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 121

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Bonita B. Bass, widow of Charles G. Bass, an employee of the Senate at the time of his death, a sum equal to one years' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 122—TO PAY A GRATUITY TO AQUILLA H. ROSS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 122

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Aquilla H. Ross, widow of Henry L. Ross, Jr., an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 123—TO PAY A GRATUITY TO ALENE J. AYERS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 123

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Alene J. Ayers, widow of Bernard M. Ayers, an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 124—TO PAY A GRATUITY TO ALBERT C. JOHNSON, EARL M. JOHNSON, STEPHEN LESLIE JOHNSON, CHRISTY JOHNSON MAGUSCHAK, AND PAULA JOHNSON MICHALEK

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 124

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Albert C. Johnson and Earl M. Johnson, sons of Helen O. Kane, an employee of the Architect of the Capitol assigned to duty on the Senate side at the time of her death, a sum to each equal to one-third of six months' compensation at the rate she was receiving by law at the time of her death, and to Stephen Leslie Johnson, Christy Johnson Maguschak and Paula Johnson Michalek, grandchildren of Helen

O. Kane, a sum to each equal one-ninth of six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 125—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution which was placed on the calendar:

S. RES. 125

Resolved, That in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this section shall not exceed $1,384,659, of which amount (1) not to exceed $4,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $3,500 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 126—PROVIDING FOR SENATE MEMBERS OF THE JOINT COMMITTEE ON PRINTING AND THE JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 126

Resolved, That the following-named Members be, and they are hereby, elected members of the following joint committees of Congress;

Joint Committee on Printing: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Stevens of Alaska, Mr. Ford of Kentucky, and Mr. DeConcini of Arizona.

Joint Committee of Congress on the Library: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Warner of Virginia, Mr. Inouye of Hawaii, and Mr. Pell of Rhode Island.

SENATE RESOLUTION 127—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS, from the Select Committee on Indian Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 127

Resolved, That in carrying out the duties and functions imposed on it by section 105 of S. Res. 4, Ninety-Fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, and in exercising the authority conferred on it by such section, the Select Committee on Indian Affairs is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of any such department or agency.

(b) The expenses of the Committee under this section shall not exceed $934,786.00 of which amount not to exceed $1,000.00 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(c) The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date.

(d) Expenses of the Committee under this section shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

SENATE RESOLUTION 128—CONCERNING PRODUCTION OF DOCUMENTS BY THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to.

S. RES. 128

Whereas, the Permanent Subcommittee on Investigations has been investigating allegations of improper practices in the Hotel Employees and Restaurant Employees International Union;

Whereas, the Subcommittee has asked the Department of Justice to determine whether violations of the federal perjury statute, 18 U.S.C. § 1621, occurred during the Subcommittee's proceedings and, the Department of Justice has requested access to records of the Subcommittee for this and for their investigatory purposes;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control of or in the possession of the Senate are needful for investigation of possible offenses or for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to law enforcement authorities records of the Subcommittee relating to its investigation of the Hotel Employees and Restaurant Employees International Union.

SENATE RESOLUTION 129—CONCERNING THE PRINTING OF A COMPILATION AS A DOCUMENT

Mr. DOLE submitted the following resolution; which was considered and agreed to.

S. RES. 129

Resolved, That the compilation entitled "Majority and Minority Leaders of the Senate", prepared by the Senate Parliamentarian Emeritus, Floyd M. Riddick, shall be printed, with any revisions and certain tables, as a Senate document, and an additional 2,000 copies shall be printed for distribution by the Secretary of the Senate.

SENATE RESOLUTION 130—RELATIVE TO THE SPORT FISH RESTORATION TRUST FUND

Mr. WALLOP submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 130

Whereas, in 1950 the Congress established the Dingell-Johnson Sport Fish Restoration Trust Fund to promote natural resource protection and enhanced recreational opportunities, and levied taxes on selected recreational equipment to fund this account beginning a 30-year success story of a user fee program;

Whereas, in 1984, because of the efforts of recreationists and conservationists the above said trust fund was enhanced by additional recreational related taxes as part of the Deficit Reduction Act of 1984 and was renamed Wallop-Breaux Trust Fund;

Whereas, the law passed by Congress in 1950, as enhanced in 1984, requires that the funds within the Sport Fish Restoration Trust Fund be automatically appropriated for return to the several states annually (less limited overhead costs);

Whereas, the 1984 Act also authorizes funds for a Boating Safety Account in the Trust Fund to be returned to the states for boating safety purposes;

Whereas, the funds proportionately returned to the several states are earmarked by law to be used for specific uses of national resource protection and enhancement of recreational activities;

Whereas, severe demands on federal financial resources have threatened many recreational and environmental programs and have thus prompted calls by the administration for increased reliance on user fees;

Whereas, The President and other administration officials publicly applauded the 1984 amendment and the willingness of recreationists to tax themselves to pay for desired programs;

Whereas, the Administration's 1986 budget proposal threatens to:

(1) eliminate the guaranteed return of user fees, and

(2) withhold 2/3rds of the ear-marked user fees; and

Whereas, the Administration has not addressed this matter in a fashion deemed acceptable, which action is causing the erosion of any justification or public support for user fees; Now, therefore, be it

Resolved by the Senate, that it is the sense of the Senate that:

1. The administration should honor and comply with the automatic appropriation and ear-marking provisions of the Wallop/Breaux Sport Fish Restoration Trust Fund as required by law; and support adequate appropriation for the Boating Safety Account in this Trust Fund; and

2. Funds due and owed under the terms of the Trust Fund to the states should neither be withheld nor delayed by the Administration.

AMENDMENTS SUBMITTED

REPEAL OF CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS

METZENBAUM AMENDMENT NO. 25

Mr. METZENBAUM proposed an amendment to amendment No. 23 proposed by Mr. PACKWOOD to the bill (H.R. 1869) to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes; as follows:

At the end of the amendment add the following new section:

SEC. . AIR TRANSPORTATION FRINGE BENEFIT REGULATIONS.

Notwithstanding any other provision of this Act or any language in the Committees' Report, it is the sense of Congress that the existing regulations that impute income to corporate executives (so-called "key employees") for the use of noncommercial aircraft shall not be amended or altered in any manner that would reduce the amount of income imputed to such employees.

WALLOP (AND OTHERS) AMENDMENT NO. 26

Mr. WALLOP (for himself, Mr. BOREN, Mr. MOYNIHAN, and Mr. SYMMS) proposed an amendment to amendment No. 23 proposed by Mr. PACKWOOD to the bill H.R. 1869, supra; as follows:

Strike out section 2 of the amendment No. 23 and insert in lieu thereof the following:

SEC. 2. TAX TREATMENT OF PERSONAL USE OF VEHICLES.

(a) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Section 274 of the Internal Revenue Code of 1954 (relating to disallowance of certain entertainment, etc. expenses) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) SPECIAL RULE FOR USE OF CERTAIN VEHICLES.—

"(1) IN GENERAL.—This subsection applies to—

(A) any emergency vehicle described in section 4064(b)(1)(C), or

"(B) any vehicle with respect to which the only use other than any qualified business use (within the meaning of section 280F(d)(6)(B)) is a qualified personal use.

"(2) QUALIFIED PERSONAL USE.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified personal use' means—

"(i) personal use of a vehicle by an employee if—

"(I) the employer requires the employee to commute to and from work for bona fide business reasons, including protection of the vehicle or equipment stored in the vehicle (but not including commuting solely for the protection or regular transportation of the employee), and

"(II) no other personal use (other than de minimis personal use) is allowed by the employer, or

"(ii) any personal use of a vehicle by an individual who is required to use such vehicle as an integral part of the performance of the trade or business use of the vehicle to make calls on customers or clients, to make deliveries, or to visit jobsites.

"(B) NO QUALIFIED PERSONAL USE IF BUSINESS USE IS LESS THAN 75 PERCENT.—The term 'qualified personal use' shall not include any personal use for any taxable year unless the taxpayer establishes that the qualified business use (within the meaning of section 280F(d)(6)(B)) of the vehicle is 75 percent or more of the total use of the vehicle for such taxable year.".

(2) CONFORMING AMENDMENT.—Paragraph (4) of section 274(d) of such Code (relating to substantiation requirement) is amended by inserting "other than property to which subsection (i) applies" after "280F(d)(4))".

(b) INCLUSION IN INCOME OF EMPLOYEES.—Section 132(e) of the Internal Revenue Code of 1954 (defining de minimis fringe) is amended by adding at the end thereof the following new paragraph:

"(3) PERSONAL USE OF AUTOMOBILES.—The personal use of a vehicle shall be treated as a de minimus fringe if—

"(A) such vehicle is an emergency vehicle described in section 4064(b)(1)(C), or

"(3) such use is qualified personal use (within the meaning of section 274(i)(2)).".

(c) DEDUCTIONS AND CREDITS.—Section 280F(d) of the Internal Revenue Code of 1954 (relating to definitions and special rules for limitation on luxury automobiles and personal use of property) is amended by adding at the end thereof the following new paragaph:

"(11) SPECIAL RULE FOR EMERGENCY VEHICLES AND QUALIFIED PERSONAL USE.—

"(A) EMERGENCY VEHICLES.—This section shall not apply to any emergency vehicle described in section 4064(b)(1)(C))(iii).

"(B) QUALIFIED PERSONAL USE.—This section (other than subsection (a)) shall not apply to any vehicle with respect to which the only use other than any qualified business use (within the meaning of section 280F(d)(6)(B)) is a qualified personal use (within the meaning of section 274(i)(2)).".

SEC. 3. EFFECTIVE DATES.

"(a) IN GENERAL.—The amendment and repeals made by subsections (a) and (b) of section 1 and section 2 shall take effect as if included in the amendments made by section 179(b) of the Tax Reform Act of 1984.

"(b) SPECIAL RULE FOR SECTION 2(c).—The amendment made by subsection (c) of section 2 shall apply to property placed in service after June 18, 1984, in taxable years ending after such date.

FEDERAL SUPPLEMENTAL COMPENSATION

SPECTER (AND OTHERS) AMENDMENT NO. 27

Mr. SPECTER (for himself, Mr. LEVIN, Mr. HEINZ, Mr. METZENBAUM, Mr. MATHIAS, Mr. ROCKEFELLER, and Mr. BYRD) proposed an amendment to the bill (H.R. 1866) to phase out the Federal supplemental compensation program; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) Extension of Program.—

(1) Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31" and inserting in lieu thereof "September 30".

(2) Section 605(2) of such Act is amended by striking out "April 1" and inserting in lieu thereof "October 1".

(b) Modification of Agreements.—The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this Act. Notwithstanding any other provision of law, if any State fails or refuses within the three-week period beginning on the date the Secretary of Labor proposes such modification to such State, to enter into such modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period. Pending modification (or termination) of the agreement, States may pay Federal supplemental compensation in accordance with the amendments made by this Act for weeks beginning after March 31, 1985, and shall be reimbursed in accordance with the provisions of the Federal Supplemental Compensation Act of 1982.

LEVIN (AND OTHERS) AMENDMENT NO. 28

Mr. LEVIN (for himself, Mr. SPECTER, Mr. RIEGLE, and Mr. METZENBAUM) proposed an amendment to the bill H.R. 1866, supra; as follows:

At the end of the bill add the following new section:

EXTENDED BENEFITS OPTIONAL TRIGGER

SEC. . (a) Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by designating the last sentence thereof as paragraph (4);

(2) by striking out the sentence which begins with "Effective with respect to"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) Effective with respect to compensation for weeks of unemployment beginning after April 30, 1985 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there is a State 'on' or 'off' indicator shall be made as if paragraph (1) did not contain subparagraph (A) thereof.".

(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply to weeks beginning after the date of the enactment of this Act.

(2) If the Secretary of Labor determines that State legislation is required in order for a State to comply with the amendment made by subsection (a), the State's unemployment compensation law shall not be found to be out of compliance under section 3304(c) of the Internal Revenue Code of 1954 solely by reason of a failure to comply with such amendment for any taxable year which begins prior to—

(A) in the case of a State whose legislature is in session on the date of the enactment of this Act and remains in session for not less than 25 calendar days thereafter, the date such session ends; or

(B) in the case of a State not described in subparagraph (A), the date of the close of the first session of the legislature which begins after the date of the enactment of this Act.

HART AMENDMENT NO. 29

Mr. HART proposed an amendment to the bill H.R. 1866, supra; as follows:

At the end of the bill add the following new section:

STUDY OF ALTERNATIVE USES OF UNEMPLOYMENT COMPENSATION

SEC. . (a) The Secretary of Labor shall conduct a study with respect to alternative ways in which unemployment compensation might be used to assist unemployed workers. Such alternatives shall include the use of unemployment compensation (in lump sum payment or otherwise) as—

(1) payments to assist unemployed workers in starting self-employment; and

(2) payments to fund education, retraining, or relocation for unemployed workers.

(b) The Secretary shall report the results of the study to the Congress not later than August 31, 1985. The report shall include any recommendations and proposals for legislation.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Tuesday, April 16, 1985, at 9:30 a.m., and April 23, 1985, at 9:30 a.m. and 2 p.m., in SR-301, to receive testimony from committee chairmen and ranking minority members on their fiscal year 1985 funding resolutions.

For further information concerning these hearings, please contact Carole Blessington of the Rules Committee staff on 224-0278.

Mr. President, I wish to announce that the Committee on Rules and Administration will meet to consider Senate committees' funding resolutions for fiscal year 1985 on Thursday, April 25, 1985, at 10:30 a.m., in SR-301.

For further information regarding this markup, please contact Carole Blessington of the Rules Committee staff on 224-0278.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development has scheduled oversight hearings on the Department of Energy's fiscal year 1986 budget requests. The subcommittee will receive testimony from administration witnesses as well as public witnesses. The schedule is as follows:

Wednesday, April 17, 1985, 2 p.m., environment and safety programs.

Tuesday, April 30, 1985, 9:30 a.m., energy research programs.

Thursday, May 9, 1985, 2 p.m., fusion energy programs.

Friday, May 10, 1985, 9:30 a.m., conservation and renewable programs.

Monday, May 13, 1985, 2 p.m., nuclear energy programs and nuclear waste activities.

Thursday, May 16, 1985, 2 p.m., fossil energy programs.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

For further information regarding these hearings, please contact Mr. Paul Gilman of the subcommittee staff at 202-224-4431.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. COHEN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 3, in order to consider and act on pending nominations, commemorative resolutions and charters, and a discussion of the sale of Conrail.

The PRESIDING OFFICER. Without objection, it is so ordered.

TENTATIVE AGENDA

(1) Nominations:

U.S. CIRCUIT JUDGE

Melvin T. Brunetti, of Nevada, to be U.S. circuit judge for the ninth circuit.

Frank H. Easterbrook, of Illinois, to be U.S. circuit judge for the seventh circuit.

Edith H. Jones, of Texas, to be U.S. circuit judge for the fifth circuit.

Carlos Los Mansmann, of Pennsylvania, to be U.S. circuit judge for the third circuit.

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit.

U.S. DISTRICT JUDGE

Alice M. Batchelder, of Ohio, to be U.S. district judge for the northern district of Ohio.

Howell Cobb, of Texas, to be U.S. district judge for the eastern district of Texas.

Carolyn R. Dimmick, of Washington, to be U.S. district judge for the western district of Washington.

R. Allan Edgar, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

J. Thomas Greene, of Utah, to be U.S. district judge for the district of Utah.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois.

George La Plata, of Michigan, to be U.S. district judge for the eastern district of Michigan.

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana.

Ronald E. Meredith, of Kentucky, to be U.S. district judge for the western district of Kentucky.

Herman J. Weber, of Ohio, to be U.S. district judge for the southern district of Ohio.

Ann C. Williams, of Illinois, to be U.S. district judge for the northern district of Illinois.

Mark L. Wolf, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

William G. Young, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

U.S COURT OF INTERNATIONAL TRADE

Thomas J. Aquilino, Jr., of New York, to be a judge of the U.S. Court of International Trade.

(21) Commemoratives:

S.J. Res. 47—To designate the week beginning November 10, 1985, as "National Women Veterans Recognition Week". (Introduced by Senator Cranston).

S.J. Res. 52—To designate the month of April 1985 as "National School Library Month". (Introduced by Senator Moynihan).

S.J. Res. 67—To designate October 6-12, 1985, as "Mental Illness Awareness Week". (Introduced by Senator Quayle).

S.J. Res. 90—To commemorate the 75th Anniversary of the Boy Scouts of America. (Introduced by Senator Nunn).

S.J. Res. 94—To designate the week of May 12, 1985, as "National Digestive Diseases Awareness Week". (Introduced by Senator Gore).

(3) Charters:

S. 487—A bill to recognize the organization known as The Statute of Liberty-Ellis Island Foundation, Inc.

(4) Discussion of the sale of Conrail.

Mr. COHEN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 3, in order to receive testimony concerning the following nominations:

U.S. CIRCUIT COURT

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit.

U.S. DISTRICT COURT

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITIES

Mr. COHEN. Mr. President, I ask unanimous consent that the Subcommittee on Securities, of the Committee on Banking, Housing and Urban Af-

fairs, be authorized to meet during the session of the Senate on Wednesday, April 3, to hold a hearing on corporate takeovers.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. ABDNOR. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 3, in closed session, to mark up S. 674, DOD authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SPEECH OF AMBASSADOR MIKE MANSFIELD BEFORE THE JAPAN SOCIETY

● Mr. ROTH. Mr. President, on March 19, our distinguished Ambassador to Japan, Mike Mansfield, spoke at the annual dinner of the Japan Society in New York.

As one of the two U.S. Senators on the Japan-United States Friendship Commission, I believe that the views expressed by Ambassador Mansfield that evening will be of keen interest to my colleagues.

After nearly 8 years of service as Ambassador to Japan, Mike Mansfield is more convinced than ever that the Japanese-American relationship is the most important bilateral relationship in the world—bar none. There is, however, a dark cloud on the horizon which theatens that relationship—the huge trade imbalance. If left unremedied, that imbalance could undermine mutual trust and eventually our overall relationship. Ambassador Mansfield wisely observed, "The time has come * * * to drop the rhetoric of mutual recriminations, and get on with the business of problem solving."

I commend Ambassador Mansfield's remarks and observations to my colleagues' attention, and I ask that the full text of his speech be printed in the RECORD.

The speech follows:

SPEECH BEFORE THE JAPAN SOCIETY BY AMBASSADOR MIKE MANSFIELD

Thank you very much for your kind introduction. I am delighted to be here this evening.

The Japan Society is now entering its 78th distinguished year of promoting better U.S.-Japan relations. For more than three-quarters of a century the Society has served as a pillar of strength in the bridge of understanding between our two countries.

I congratulate the Japan Society—its officers, board of directors, and all of those individuals and corporations who have contributed time, effort, and monies—on its outstanding success.

In Japan, a 77th birthday has special significance. It is celebrated as the kiju, which means happiness. Family and friends gather together with the celebrant to give thanks for 77 years of life, and to face the 78th year and beyond with renewed confidence. It is a time to take stock.

I would like to use this opportunity to take stock, to share some of my thoughts on U.S.-Japan relations—where we are and where we are heading. I am particularly pleased to do so here in New York City, which is celebrating another anniversary: the 25th year of sister-city relations with Tokyo. Congratulations for Mayor Koch, Governor Suzuki and the citizens of these two unsurpassed cities.

Nearly eight years of service as Ambassador to Japan have solidified my conviction—indeed my credo—that the Japanese-American relationship is the most important bilateral relationship in the world—bar none. It was established by remarkably farsighted statesmen on both sides, and has been nurtured and carefully tended by dedicated people ever since. The stability, reliability, and durability of our relationship provide the foundation of hope for the Pacific Basin's future, as well as that of the rest of the world.

President Reagan and Prime Minister Nakasone reaffirmed the vitality of our relationship when they met in Los Angeles on January 2. President Reagan noted that "there is no relationship more important to peace and prosperity in the world than that between the U.S. and Japan." Prime Minister Nakasone characterized U.S.-Japan relations as based on "trust, responsibility, and friendship."

In their joint statement to the press, the President and the Prime Minister commended the excellent report published last September by the U.S.-Japan Advisory Commission. The report noted that "the future success of the U.S.-Japan relationship is of great significance to world peace and prosperity." The report went on to make specific recommendations on managing our relationship, so that together we can make a great contribution to world peace and prosperity.

World peace and prosperity—these are our goals as partners.

Ours is a partnership grounded in fundamental agreement on democratic principles and an open international economic system. It protects the freedoms that exist in both countries—tangible and intangible. This partnership provides competitive stimuli to our economies and ever-rising standards of living. It deepens our understanding of human possibilities through cultural exchange.

As we well know, however, our relations are not trouble-free. We have all seen the newspaper headlines on the U.S. trade deficit with Japan. We have all heard the accusations about closed markets, high tariffs and non-tariff barriers on one side; and the high dollar, high interest rates, and a very large deficit on the other side.

If our relationship is to continue on the right track, we must tackle the serious and growing problem between us, namely our huge trade imbalance—a trade imbalance that threatens to do real harm to the international free trading system.

There is no doubt in my mind that the figures are ominous. Japanese exports to the U.S. increased 40 percent in 1984, while U.S. exports to Japan increased only 8.9 percent. Moreover, our $34 billion deficit with Japan last year amounts to 42 percent of our two-way $81 billion trade.

I think we can all agree that a deficit of this size has consequences far beyond economics. It spurs protectionist sentiment not only in the United States but elsewhere. It pressures our political institutions to act in ways that may be short-sighted. And if left unremedied, it can undermine mutual trust and eventually, our overall relationship.

The time has come, therefore, to drop the rhetoric of mutual recriminations, and get on with the business of problem solving.

When we look behind the headlines, what we are really talking about is the survival of the free trade, free enterprise system—a system that is absolutely vital to both Japan and the United States. It is a system that we are more than ever jointly responsible for maintaining.

The free trade system, by definition, depends on free—or at least equal—market access. And, it depends on adhering to the concept of "fair play."

Let me clarify what we, the U.S. Government, mean when we talk about equal access and fair play.

First, equal access means exactly that. It means that if all things are equal, any country with good quality, low-priced products can enter a market and sell freely—without tariff or non-tariff impediments. It means letting the market decide what is available to consumers, and at what price. Equal access means not restricting imports through non-transparent ordinances, administrative guidelines, repetitious and time-consuming certification procedures, and informal cartels. It means abandoning long-standing purchasing patterns that are based solely on "old boy" business connections.

The U.S. Government believes that unfortunately, equal access does not always exist in Japan. In several industry sectors—particularly telecommunications, electronics, forestry products, and pharmaceuticals and medical equipment—we are highly competitive. But we are denied the opportunity to prove it.

I am concerned—concerned that if no visible progress in opening Japan's markets in these four areas is made soon, rising protectionist pressure in the U.S. will make it difficult for us to avoid closing our markets. We do not want it to come to this, but if our relationship is to continue on the right track, we must have progress in the ongoing four sector negotiations.

Now, let me add that no one in the U.S. Government believes that even if all Japanese tariff and non-tariff barriers were dismantled, our trade deficit with Japan would disappear. Any American who thinks that equal market access would somehow translate into a bilateral trade balance is mistaken, because it won't.

Furthermore, we Americans will not solve our own economic problems by looking only beyond our borders for the sources of our ills. Raising a wall of protectionism to hide behind will not improve our situation. It will only make it worse.

For our part, we Americans must recognize some basic realities. Our domestic economy has been experiencing its strongest recovery in 30 years. Investors around the world, expressing confidence in that recovery, have bid up the value of the dollar. This has made American exports more expensive for people of other countries. These macro-economic factors—a high domestic economic growth rate, increased consumer demand, and the high value of the dollar—have also played a role in creating a bulging trade deficit.

Americans must maintain steady growth without inflation, reduce the federal deficit, and reduce interest rates—which in turn will produce a more realistic exchange rate.

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We must also continue the major industrial restructuring now underway. Our economy has become more efficient, and there are signs of a renewed commitment to producing better products and better services at less cost.

But if we are to compete, even more American hard work, increased productivity, respect for quality, competitive pricing, and follow-through service will be essential. This is what I call "the old-time religion," and we in America need more of it.

For its part, Japan simply must provide greater access to its markets. It is in Japan's interest to do so; it is in our mutual interest; and it is in the entire free world's interest.

Second, the U.S. asks for adherence to the rules of fair play. The other day a reporter asked one of our visiting U.S. trade officials if the U.S. would settle for a strictly bilateral agreement with Japan regarding opening measures. The answer of course was no.

We are not seeking special or preferred treatment for American companies and their products. Our goal—as President Reagan has said—is an economic system of free and fair trade in goods, services, and capital. We are seeking equal access for everyone, across the board, because that is what we consider fair play.

Whatever the United States and Japan do in their bilateral relationship affects the whole world. This is a reality we cannot escape.

And our impact on the world is measured not only in economic and technological terms, but also in terms of our growing political and security cooperation. Japan's emerging leadership and more active association with the other industrialized democracies mark one of the most exciting and encouraging developments of the last quarter of the 20th century.

Japan and the U.S. share fundamental policy interests in nearly every area—Asia, Africa, the Middle East, and East-West relations, arms control. With respect to arms control, I would like to reiterate Secretary Shultz's pledge: the United States will not agree to any arms accord that does not account for Intermediate-Range Nuclear weapons (INF) on a global basis. We will not sign an accord that would increase the threat to our friends and allies in Asia.

In Asia, stability on the Korean Peninsula remains vital to Japan and the U.S. Both countries also have an interest in supporting the political and economic development of the ASEAN countries. Japan and the U.S. have an important role to play in assisting China in its modernization programs and its integration into the international community.

Japan and America are of course tied together by the Treaty of Mutual Security and Cooperation. Under this agreement, the United States has pledged to come to Japan's aid in case of attack—and we will.

Japan in turn offers us the use of facilities in Japan to fulfill our obligations there and throughout Asia. In addition, Japan provides more than one billion dollars in host country support for the upkeep of those facilities, where today we deploy approximately 60,000 troops. Japan's financial and political support for the U.S. Forces stationed there has made it possible for us to rebuild a strong and stable presence in Asia.

I would like to emphasize that in defending Japan and our other Asian friends and allies, America is acting in its own defense as well. Without our bases in Japan, we would have to revamp our entire defense strategy. We would have to ask ourselves: to where would we drop back our line of defense? How many more billions of dollars would that cost us? And just how effective would that new line of defense be? Definitely something to think about.

It is also true that the United States has to spread its resources over a vast area. Therefore, the more Japan can do in its own defense, the more the U.S. can use its own resources efficiently to meet our common objectives. For the past fourteen years, Japan has made steady and significant progress toward increasing its own self-defense capability. And we appreciate it.

I have talked about our shared foreign policy interests and objectives. Let me also touch upon the roles cultural, academic, and professional exchanges play in the U.S.-Japan bilateral relationship. For as much as I have spoken about trade and defense—the "flesh and bone" of our partnership—I have not forgotten for a moment that the heart of our relationship has always revolved, and will continue to revolve, around people.

There is an old saying in the United States that "Ignorance is bliss." In other words, if you don't know about something it can't hurt you, can't bother you. I don't believe that for a minute. And neither do you. Some of the most lasting benefits of our knowing each other come from the sharing, the understanding, the cooperation, and the friendships that develop among us. And one of the major goals of cultural, academic and professional exchanges is to create a public climate where the "flesh and bone" problems can be solved in a spirit of cordiality and mutual respect. A better understanding of each other's people and culture—an understanding that can be translated into accurate perceptions of our governments and policies—will serve us in good stead now, and in the future.

In particular, I would like to pay tribute to the Japan Society and the Japan Center for International Exchange for currently sponsoring the U.S.-Japan Parliamentary Exchange Program. This program to date has brought 130 American and 80 Japanese legislative leaders to each other's country. I am pleased to note that several distinguished participants are with us tonight.

I am also pleased to note that the newly-established U.S.-Japan Leadership Program, sponsored by the U.S.-Japan Foundation and organized by the Japan Society, has already sent a number of talented, dynamic younger Americans to Japan. Their stay in Japan will help these Americans learn how their Japanese counterparts think and how they respond to the rest of the world.

The media can also be a positive force for increasing awareness among both our peoples. Coverage of Japanese-American affairs has increased and improved during recent years. Japanese correspondents in the U.S. now number more than 125, while American correspondents in Japan number more than 100. Stories, commentaries, in-depth articles—I welcome them all, because they provide the necessary food for thought about U.S.-Japan relations.

Finally, let me turn briefly to another subject that is as dear to my heart as the U.S.-Japan relationship. That is the future of the Pacific Basin, the coming "Century of the Pacific."

The development of this Basin during the next 100 years will mark a turning point in world history. More than half the people of the world live in this area. Four South American nations front on the Pacific, as do all of Central and North America, East Asia, Australia, New Zealand, and the islands of the Pacific.

When you think of the Pacific Basin, with its tremendous natural resources, the generally stable governments, the current trade volume, the great potential markets—when you consider the demographic trends—the movements of population—to the South and especially the West—in the United States, you cannot help but come to the conclusion that a pattern is emerging that clearly outlines the intersection of trade and peoples in the Pacific Basin.

It is, in the pronouncements of the U.S. Government, in the words of our President and Secretary of State, where it all is, what it is all about and where our futures lie.

The successful and peaceful development of the Pacific Basin, as well as its stability, will depend upon the durability and strength of the U.S.-Japan relationship.

In closing, I'd like to reiterate a few points I hope you will take home with you:

First, it is imperative that Japan and the United States not engage in mutual recriminations. We can afford neither the time for scapegoating each other, nor the damage it might do to our relations.

Second, the U.S. must put its own economic house in order.

Third, American sellers and investors must have the same opportunities in Japan that Japanese sellers and investors have, generally speaking, in the United States.

Fourth, our security relationship is in our mutual interest and is evolving in the direction of greater burden sharing.

Fifth, a vigorous program of exchanges is the surest way, over the long term, to build a true community of Asia Pacific nations.

It is in our mutual interest to keep these points in mind, to do something positive about them, and thus build a healthier and more understanding relationship. Together we can meet this challenge; separately we can only create a more difficult world for both of us.

The great American poet Carl Sandburg once wrote, "Nothing happens unless first a dream." We have our work cut out for us, and I suggest we get to it.

Thank you.●

WATER PROJECT FUNDING

● Mr. DECONCINI. Mr. President, an excellent article appeared in the Arizona Republic, a Phoenix newspaper, which I believe deserves the attention of my Senate colleagues. The article, entitled, "Water Funds: Eastern Critics Dipping Deeper in the Pork Barrel," is an editorial written by J.J. Casserly, a Phoenix reporter who is an astute observer of water policies and activities at both the State and Federal levels. The article points out in detail how both the East and the West benefit from Federal water programs. While the Bureau of Reclamation is the lead water development agency in the West, the Army Corps of Engineers invests considerable sums of moneys in the East and Midwest for similar purposes.

Mr. President, I think critics of reclamation projects should devote a few minutes to the Casserly article. I ask that the article be printed in the RECORD.

The article follows:

WATER FUNDS: EASTERN CRITICS DIPPING DEEPER IN THE PORK BARREL

(By J.J. Casserly)

WASHINGTON.—For four years, nearly 200 Eastern and Midwestern members of Congress have attacked Western water projects as "pork-barrel politics" at its worst.

They have accused the 17 Bureau of Reclamation states of sticking their snouts so deep in the federal trough that it would take several acts of Congress to get them out.

Yet, as the facts show, the East-Midwest are actually deeper in that barrel than Western states. Not only that, they repay Washington much less of what they get.

From 1970 through 1982, the U.S. Army Corps of Engineers—with two-thirds of its budget earmarked for the East and Midwest—spent $28.8 billion on water projects. In the same period, the Bureau of Reclamation—which operates the West—spent only $8.7 billion.

Adding $9.6 billion the corps spent in this region to the bureau's $8.7 billion, the West got a total of $18.3 billion. However, the East-Midwest received almost $1 billion more over the 12 years—$19.2 billion.

The Environmental Protection Agency spent more funds on water projects during those 12 years than any federal department or agency—a whopping $30.1 billion.

Nearly 80 percent of the EPA's vast construction outlays—mostly for sewage-treatment plants—went to East-Midwest states. Only 20 percent was spent in the West. Thus, $24 billion went to the East with only $6 billion to the West.

A very important change is now underway at the four federal agencies responsible for water-resource development—the corps, the bureau, the Soil Conservation Service and the Tennessee Valley Authority.

U.S. appropriations for water-project construction at the four have dropped 34 percent in real terms over six years to $3.7 billion in 1983. In contrast, operation, maintenance and rehabilitation for existing facilities have soared 38 percent.

This is crucial to the West since its traditional building funds are in a headlong fall.

Yet, money for OM&R in the East-Midwest soars. For the first time ever, OM&R surpassed construction funding in the 1984 corps' budget—$1.4 billion to $1 billion.

The East-Midwest are receiving increasing billions of dollars in OM&R funding, but do not repay a dime for most such work. The West repays most OM&R costs locally.

The West also repays 85 percent of all building while the East repays less and escapes other costs by listing new corps works as old.

California's Central Valley Project is the West's exception. It sells water to repay federal construction and OM&R charges. Some OM&R funds are not repaid because of old contracts, but Washington is reversing that.

Cost-sharing is the most critical aspect of all. The U.S. Water Resources Council has compared the payback to the four water agencies. The East and Midwest, which receive two-thirds of corps' funds, repay only 20 percent of such outlays. The West repays 37 percent of all funds received from the bureau, including loan interest.

Ohio and Pennsylvania are most critical of Arizona water projects. The leading critics are Sen. Howard Metzenbaum, D-Ohio, and Rept. Robert Edgar, D-Pa.

Yet, over the past four years, both states have received more water funding from the four major water agencies than Arizona.

Ohio received $2.4 billion; Pennsylvania, nearly $2.5 billion; and Arizona, less than $2.1 billion.

Metzenbaum says he will attack the 3.3 percent interest rate for Central Arizona Project funds. Yet, as of 1983, Ohio repaid only 7.5 percent of almost $500 million in corps work.

The corps has begun new navigation work in Ohio and the East, but termed it rehabilitation with no payment. It should be repaid.

The real pork barrel is sitting in Metzenbaum's back yard.●

HYDRO RELICENSING

● Mr. KASTEN. Mr. President, today I am cosponsoring Senator WALLOP's bill, S. 426, the Electric Consumers Protection Act of 1985. I believe that it is time for Congress to move ahead and resolve the controversy surrounding this issue.

Hydro generated electrical power is, in many cases, some of the cheapest electrical power in the Nation. Many of the best sites in the Nation were developed many years ago and have generated power for decades. This source of energy continues to serve the public by providing cheap, clean electricity. Many of the licenses that were granted to provide for the construction of these hydroelectric sites are due to expire soon, and Congress must decide if there are to be any changes in the law governing how these licenses are to be issued.

In the years since Congress established the laws governing the relicensing of hydroelectric sites, our Nation has gone through several revolutions in the way we think about energy. What was good energy policy 50 years ago is not always good energy policy today.

There are several points that I hope will be stressed throughout this process. The most fundamental is that the decisions Congress makes will have major financial implications for many utility consumers.

I hope that we will pursue a policy that will encourage competition for the use of these hydroelectric generating sites. We should not allow a single group to monopolize the use of these sites. Instead, we should include in the selection process consideration of who can make the most efficient use of the resource and pass that efficiency on to consumers.

As the House and the Senate move forward on the question of relicensing hydroelectric plants I believe we can take the necessary steps to bring this part of our energy policy in line with the needs of the Nation. I believe Congress will seek, and find, the policy that best meets the Nation's needs.●

NATIONAL ENERGY EDUCATION DAY

● Mr. JOHNSTON. Mr. President, I would like to take this opportunity to draw the attention of my colleagues to the worthy efforts of students across the Nation who participated in National Education Day, March 22, which was set aside to promote energy education at all grade levels of public and private schools throughout the United States.

The National Energy Education Day project, known to many as NEED, celebrates its fifth anniversary this year. As cochairman of the Alliance to Save Energy, I take particular pleasure in commending this successful, 36-State, 8,000 school program. NEED promotes energy education and student leadership through a variety of activities, including projects at elementary, middle, and high schools. These projects include devising games to teach other students about energy, community cooperation activities such as energy conservation contracts or recycling, science fairs and other classroom enrichment activities, and many other educational events. Projects may be schoolwide or conducted by student groups.

Project outlines are also submitted to State coordinating committees for judging; the best projects receive awards from the national NEED organization. Winners from each State journey to our Nation's Capital for a convention in June. My colleagues will be interested to know that one of the favorite activities for the convention is a simulated Senate hearing, in which a panel of student "senators" question real experts in energy matters. I understand that this year's topic will be nuclear licensing reform, and I urge my colleagues to attend the hearing, which will take place on June 25.

In my own State of Louisiana, NEED will be celebrated in Baton Rouge at an evening conference for students and teachers. Over 200 students from across the State will learn more about nuclear energy, the lignite coal industry, oil and gas resources, and alternative sources of energy. The evening will conclude with a skit produced by local students and an awards ceremony granting over $800 in prizes to winners of a statewide poster contest.

Our State science supervisor, Dr. James Barr, is the guiding force behind this program. Dr. Barr is also promoting energy and environmental science as a part of our State-mandated curriculum. With enthusiasm like Dr. Barr's, Louisiana can count on an active energy education program.

I urge my colleagues to become involved in the energy education programs in their States. Program like NEED are a twofold investment in the future—our children's education and our community knowledge of energy.●

SHORTER COLLEGE RECEIVES NCAA GRANT

● Mr. BUMPERS. Mr. President, I am pleased to offer my congratulations to Shorter College in North Little Rock, AR, for receiving a grant from the National Collegiate Athletic Association to operate a summer youth program. Shorter has a fine tradition of providing quality education to its students and also a strong tradition of service to the community. I am pleased that the grant will allow Shorter College to operate this summer program for 300 underprivileged youth in the Greater Little Rock area.

I offer my congratulations to Shorter College and salute them for work well done. I ask that an article from the Arkansas Gazette describing the award be printed in the RECORD.

The article follows:

SHORTER COLLEGE GETS $33,000 NCAA GRANT

(By William Green)

Shorter College in North Little Rock has received a grant of $33,000 from the National Collegiate Athletic Association to operate a five-week enrichment program for youth this summer.

The program, called the National Youth Sports Program, has been administered by the NCAA for 16 years to enable low-income youth between the ages of 10 and 16 to learn and compete in sports and to receive instruction in a number of subjects.

It is financed by the federal Health and Human Services Department.

The University of Arkansas at Fayetteville and the University of Arkansas at Pine Bluff have operated the program in recent years and will again this year, Ruth Berkey of Mission, Kan., the national director, said.

ONE OF 12 CHOSEN

More than 140 schools throughout the country will operate the program this year, and Shorter is one of 12 chosen to operate it for the first time, Berkey said.

She said Shorter was chosen because it had said there are children to be served in the area and had agreed to serve 300 of them and to contribute a project director.

Philander Smith College in Little Rock has applied to operate the program, too, and its application is being considered.

Dr. Frank Purnell, the vice president for academic affairs for Shorter, said the program will begin in June and transportation and meals will be provided. He added that information on how a youth may apply will be made available later.

Purnell, a native of Mississippi and a former running back for the Green Bay Packers, said he sought the money for the program because there's a need for it. He said he'll recruit young people and adults to speak to the participants and that besides learning sports they'll receive instruction in nutrition, personal hygiene and other matters that will help in their development.

A spokesman for the state Employment Security Division said Monday the state had $7.3 million for its regular summer program for youth this year. The program will provide work experience and tutoring to 7,300 youth between the ages of 14 and 21, she said, adding that the figure is $1 million less than the state had for the program last year.

U.S. ROLE IN CENTRAL AMERICA

● Mr. ROTH. Mr. President, I commend the senior Senator from Minnesota, the chairman of the Select Committee on Intelligence, for an extremely thoughtful presentation on the U.S. role in Central America, which he made before the National Press Club on March 26, 1985.

Senator DURENBERGER raises serious questions which, I believe, should be at the forefront of our debates on U.S. policy toward El Salvador, Honduras, Guatemala, Panama, Costa Rica, and Nicaragua. In particular, what is the ultimate goal of our long-term policy in the region. What are the principles which underlie our policy?

All too often, we, in the Senate, have failed to address these questions, choosing, instead, to concentrate our attentions upon means rather than ends. Consequently, I commend the Senator's speech to my colleagues and ask that it be printed in the RECORD in full for their careful consideration.

The material follows:

REMARKS OF SENATOR DAVE DURENBERGER BEFORE THE NATIONAL PRESS CLUB, MARCH 26, 1985

Some years ago, a senior United States government official was reported to have told a South American diplomat that the "axis of history" ran from Moscow through Berlin and London to New York, and did not encompass Latin America.

That narrow vision of international politics is no longer held by most informed people. Today, as never before, people in this country are following with intense interest developments in the nations of Central and South America.

But if we are interested, we are also confused, for we lack a frame of reference which can tell us what kind of policy to pursue. Our government appears to be reacting to events, rather than carrying out a strategy with specific goals and standards by which to measure progress. When things don't go the way we expect, we lose patience and try something different. When we lose confidence, we try something rash. When threatened, we overreact. When not threatened, we lose interest.

So, today, Americans are numbed by a plethora of proposals and counterproposals based on the contradictory views of various experts and witnesses. Americans are confused by the strength of Administration rhetoric and the absence of Administration action. They are confused by congressional procrastination, argument, and lack of consistency. They are looking for something we have seldom brought to Central American policy—coherence and a sense of vision.

We largely ignored events in Central America until the Nicaraguan people overthrew the Somoza regime, and shortly thereafter the Salvadoran military deposed General Romero in a reformist coup. Then, when we tried to react, we found that our policy was defined by a host of afterthoughts posing as Congressional amendments. Instead of crafting an integrated policy, we adopted a series of policy fragments. We looked at the region through a kaleidescope, which offers different views when turned to the right or the left, and not a telescope.

We adopted the Helms amendment prohibiting the use of American foreign aid in support of land reform. We adopted the Dodd amendment which demanded a regular paper exercise on behalf of human rights. We adopted the Boland amendment which tried to link tangible assistance to the intangible motives of the Nicaraguan opposition. And when we found that this was fruitless, we adopted Section 8066 of the Continuing Resolution, which holds American action hostage to an ill-timed vote on an ill-planned program in support of a policy which no one understands.

I submit to you today that we can no longer afford a kaleidescopic approach to foreign policy.

If Central America is important to this nation's future—and it is—then it is time for the public, the Congress, and the Executive Branch to begin shaping a long-term affirmative policy. We need to stop confusing instruments with ends; intentions with accomplishments; rhetoric with reality; and Congressional micromanagement with Congressional oversight. We need instead to ask ourselves what is happening today in Central America, what is likely to happen tomorrow, what we would like to see happen in the future, and what we can do about it.

Perhaps the place to start is with the democratic revolution which is being carried out every day throughout Latin America by millions of people who are demanding, and obtaining, the political and economic rights which they have long been denied.

Today no repressive government can remain in power in Central America unless it receives outside support. But equally, no democratic movement can flourish in Central America unless it receives outside support. Much of that support must come from the Latin American democracies themselves. They cannot be detached observers—critical or non-commital in public, yet supportive in private. They must participate in the democratic revolution for they will benefit the most from its success and suffer the most from its failure.

When I first went to Central America 12 years ago, only Costa Rica had a functioning democracy and a tradition of social justice. Today, Costa Rica is not alone. Panama, Honduras, and El Salvador have democratically-elected civilian governments that have made major progress in eliminating a legacy of injustice, economic stagnation, and the arbitrary exercise of power. Even in Guatemala, a country which for years stood apart because of its feudal brutality, there are clear signs of progress, and Presidential elections are scheduled for October.

At the same time, these developments are not irreversible. El Salvador's respected President, Jose Napolean Duarte, must contend with the remnants of yesterday's rightist dictatorship, while fighting the insurgency of the left. President Suazo of Honduras, though not significantly threatened by the left, is facing deteriorating economic conditions which may create uncontrollable pressure on his government. The Hondurans must also resolve the dilemma of strengthening a military which offers protection against the Marxists to the south but which poses a threat to democracy in its own right. Costa Rica's economy has been ravaged by the oil shocks of 1973 and 1979, by a decline in the terms of trade, by the burden of harboring thousands of refugees from Nicaragua, and by the government's historic generosity. In Panama, economic conditions are precarious and democracy is threatened by a nascent Marxist movement waiting on

stage left and the prospect of a reactionary military waiting on stage right.

The question facing the American people today is whether we ignore these realities or act concert with others to help the emerging democracies strengthen themselves. In the past, we fought change; now we must decide whether to ignore it or to bolster it. The old style military governments are evolving into democracy. The Marxist insurgencies are losing.

In every country but one, the democratic revolution is being carried out, however precariously. That country is Nicaragua.

The Sandinista National Directorate has stolen a democratic revolution from the citizens of Nicaragua as surely as the Bolsheviks stole the Russian revolution against the Czar. It has set out on a course of subversion abroad and repression at home which has disturbed and frightened democratic leaders throughout the region.

Nicaragua is a throwback to the old pattern. Today, as in 1979, the government faces international hostility, economic disaster, a population grown restive, and an increasing threat from a military insurgency supported by a democratic opposition. So if we are consistent in our support for a democratic revolution, we should see Nicaragua for what it is—another Central American dictatorship or which is doomed to failure unless it is kept alive by outside help.

The fundamental question, therefore, is whether we believe that the democratic revolution should move forward throughout Central America. If so, we must ask ourselves where the obstacles to this movement are found. One place is Managua, where a government is bent on throttling the democratic revolution at home and reversing it in the neighboring states.

Inside Nicaragua, the Sandinista National Directorate is resorting to ever greater forms of control and repression. Food is rationed by FSLN block committees. The behavior and beliefs of every citizen are subject to close monitoring to ensure that there is no deviation from the party line. Censorship, forced relocation, and orchestrated mob behavior are further divorcing the people from the Sandinistas. The list of exiles therefore grows bigger every day.

Nicaragua's behavior toward others is no better. Nicaragua is providing material, financial, and political support to insurgents in El Salvador, Honduras, Costa Rica, and Guatemala. This support takes the form of arms, ammunition, communications coordination, logistics, training, propaganda, medical assistance, and advice. In addition, Nicaragua poses a direct military threat to her neighbors in Central America with an arsenal which exceeds those of all the other Central American countries combined. Finally, the emerging client relationship between Nicaragua and the Soviet-Cuban axis represents a potential strategic and tactical threat to the United States.

That's why the United States has persistently raised four points with the Sandinistas in its bilateral talks at Manzanillo. These are the same points which lie at the heart of the multi-lateral Contadora negotiations.

First, we want Nicaragua to cease its support for insurgencies in other countries.

Second, we want the National Directorate to adhere to the principles of the OAS Charter, and to honor the promises they made in 1979 in return for OAS recognition as a transitional government.

Third, we want Nicaragua to reduce the size of its military to parity with that of its neighbors, and to refrain altogether from obtaining or seeking advanced military technology. The economies in Central America cannot afford an arms race spurred by a Nicaraguan bid for hegemony. But the democracies in Central America cannot thrive in the face of a military threat from a state which, unlike Cuba, is located in the heart of their small isthmus.

Finally, we want to see a reduction in Nicaraguan dependence on the Soviets, the Cubans, and clients like the PLO or Libya. Neither this nation nor any other nation in the hemisphere can tolerate another Soviet military outpost.

As important as these four points are, they do not comprise a genuine foreign policy. Instead, they represent problems which need an immediate solution. In other words, we find ourselves once again reacting after the fact to events which appear beyond our control. What we need is a comprehensive policy which can provide a road map for the future.

Thus far, the Administration has failed to provide such a road map. True, it has repeatedly announced three concrete goals which lie at the heart of its monetary requests to Congress: support for democracy against insurgency; economic assistance to help stabilize declining economies; and military assistance to contain the Nicaraguan threat. But these are only short-term reactions to immediate and visible threats. They do not tell us what we want the future to look like and because of that, programs and proposals which should be evaluated in terms of their contribution to progress become debated as ends in themselves.

We are not demonstrably undertaking a significant, long-term and supportable policy which will define the United States role in Central America for the future. And the role played by President Reagan in this issue only contributes to the difficulty.

The President has spoken to the public a number of times about Central America. Until recently, however, he has done so only in terms of such issues as the so-called "feet people". He has not made clear the affirmative policy which we should adopt, but instead has spoken only in terms of what we should oppose.

As a result, the President himself has to some degree become the issue. The President is usually seen as the source of foreign policy. Congress, therefore, debates, supports or refutes a man, not a policy. But the true issue here is a long-term strategy and higher-order goals, not the elections in 1986 or 1988.

Clearly, it is not the obligation of Congress to develop such a policy. That is the responsibility of the Executive Branch, and it is the Executive Branch which is far better prepared to undertake such detailed work. But unless a genuine policy is developed—soon and well—the Executive will leave itself open to defeat by a Congress which will begin to impose artificial restraints on this country. We cannot afford kaleidescopic micro-management of the sort that gave us the Clark Amendment, the artificial box-checking exercise of human rights certification, or the fencing of funding which was appropriated for the CIA.

The vacuum created by the failure to elaborate an affirmative policy has led to the ridiculous spectacle of alternative visits to our Congress and our communities by the FSLN and the FDN in a protracted morality play designed to gain short-term propaganda advantages. In Nicaragua, they know there is no real US policy, and all sides are therefore engaged in a form of ritualized theatrics designed to create one by default.

It is time for this government to take charge of its own policy. What we must begin to do is to establish some guiding principles. These principles can provide a context for debate, and establish standards by which we can measure success. It is vital that such a policy be directed uniformly toward all of Central America, and not just the country which attracts our attention at the moment. Central America is a tightly interdependent region, and the democratic revolution cannot succeed if it is hampered in any country, whether because of leftist or rightist repression. We must build into our policy the elements of consistency, accountability, credibility, and consonance with law which we demand of a foreign policy elsewhere. And above all else, we should not confuse the instruments of policy itself.

I believe that our policy should be shaped by six general principles.

The first principle: We must recognize that a long-term commitment to policy requires the active support of the public and its Congress. This means that a policy must be built on an affirmative vision of the future, and must avoid senseless confrontation over peripheral issues like the paramilitary program. If the President makes a $14 million program the centerpiece of his policy, he will only stoke the fires of controversy in this country. Win or lose, the game will ultimately be the Sandinista's, not ours.

The previous formula for covert assistance is simply at a dead end. The dispute between Congress and the Administration has been over whether money should be appropriated to resume covert, military support of the Nicaraguan insurgents. Congress won't be a party to the illogical and illegal absurdity of pretending that we are not providing military assistance when it is widely and publicly known that we are.

The insistence on covert aid convinces the Central Americans that we are not openly committed to our objectives and, therefore, not steadfast. Moreover, the American people don't understand why we have to act in an underhanded way if our policy objectives are right. Finally, it is not clear why covert aid is the critical action upon which our policy must stand or fall. The controversy is joined on the wrong issue—the method rather than the goal of supporting the FDN—and a negative vote on that issue implies, incorrectly, that Congress and the Administration are not in agreement on the need to oppose the Sandinistas and all they stand for. Confrontation should be in Managua, not in Washington.

The second principle: Our policy must have the element of credibility which comes from an evident willingness to undertake difficult, and potentially expensive actions. Without credibility, our actions raise doubts and questions.

There is considerable hand-wringing about the arms buildup in Nicaragua, but it continues. Why, people must ask, do we permit it? Surely, $14 million in covert aid to the FDN is not going to make any difference. We assert that MG-21s will not be permitted, yet the construction of Puenta Huete Airfield continues, and we permit the deployment of sophisticated MI-24 helicopters. Have we drawn a line on military equipment? If so, where? If not, why not?

Equally, we claim to support the democratic opposition in Nicaragua. If so, people must ask, where is the tangible sign of that support? If we oppose the regime in Managua, why do we buy Nicaraguan beef and ba-

nanas when Honduras could use our trade? And if we truly feel that the Sandinistas have lost their legitimacy because of their failure to adhere to the conditions for their recognition by the OAS, why do we continue diplomatic relations?

Thus far, our rhetoric has vastly exceeded our actions. The longer this continues, the more certain that nobody—democratic ally or Sandinista ideologue—will believe that the U.S. is serious about defending its interest in the short-term or advancing them in the long.

The third principle: We should make greater use of the economic tools at our disposal. Our greatest resource is not our ability to arm people, but to feed them, and to help them develop sound and growing economies.

To this day, we continue to let protectionism dominate our dealings with the Central American economies. We continue to parcel out humanitarian and development assistance in small and infrequent doses. We continue to focus on the short-term gain, not the long-term good.

Economic stability goes hand in hand with political stability. The sounder a nation's economy, the more it can resist aggression or subversion. It is in our own national interest to make a significant commitment to economic development in Central America.

We have the economic capacity, the strategic interest, and the plan of action to do so. But rather than moving ahead with the urgently-needed Jackson Plan, Congress has wasted its time and undercut our credibility by engaging in kaleidescopic policymaking with a string of haphazard amendments. It is time to move forward on the Jackson Plan, and to quit distracting ourselves with targets of political opportunity.

The fourth principle: We must make clear that our support for the democratic revolution means that we are willing to live with diversity so long as a nation's core values involve a commitment to the democratic process.

Policy disagreements among democracies are ultimately less important than their adherence to common values. Our relations with many genuine democracies have occasionally been strained. But at no time have we had a fundamental disagreement over vital and core issues with a true democracy. All democracies have a strong community of interest against tyranny, and it is tyranny in its most naked form that we spend billions each year to deter.

Governments do not have to look like ours to be democratic, nor do they have to sign off on the U.S. policy line. Yet too often in the past, we have signalled that by "democratic," we mean only pro-U.S. and anti-communist. Too often, we have failed to support social justice when the basic choice has been between reform and tyranny.

If the Sandinistas adjust their policies in the ways we have outlined at Manzanillo and elsewhere, and manifest a commitment to the democratic process, we should be willing to develop close and supportive ties with Nicaragua. But we should also be prepared to isolate Nicaragua if the Sandinistas continue on a collision course with their neighbors. Recently, the UNIR offered to lay down its arms and undertake unconditional talks on national reconciliation, with the Church acting as mediator. This could be the Nicaraguan counterpart to President Duarte's dramatic meeting at La Palma, and could represent the start of a process of democratization. The response of the Sandinista National Directorate should shape our policy decisions.

The fifth principle: Any policy which we undertake, must be predicated on Central American unity and leadership. This is not our struggle alone, and if we attempt to make it so we are due for frustration.

It is time for those who have undertaken the democratic revolution to stand up for the principles of democracy throughout the region. If the nations of Central America do not act together, they risk collapsing one by one. The region is tightly interdependent, and it cannot continue the democratic revolution, unless it acts in a united way.

It is understandable, given the long history of U.S. neglect, that the democracies would be reluctant to take the lead in a policy designed to bring to Nicaragua the processes which have taken root in Costa Rica and elsewhere. Nobody would want to risk further intimidation by Nicaragua in a hopeless quest. So it is vital that the United States make clear that, if the nations of the region undertake collective action, we will meet our obligations under the OAS Charter and the Rio Treaty.

Regional collective action is a tool we have simply overlooked thus far, preferring to rely on unilateral programs and declarations. Article 25 of the OAS Charter, and Articles 6 and 8 of the Rio Pact, provide a sound legal and diplomatic basis for individual and collective action against a country which engages in either direct military incursion or in aggression by indirect means. A reliance on these principles and provisions will make clear that the problem is real, and not simply an ideological difference between Republicans and Sandinistas.

Moreover, a declaration of collective action makes clear that it is Latins themselves, and not the Yanquis, who are concerned. We cannot afford to revive the image of the colossus to the north. And I am certain that political leaders like Presidents Duarte and Monge are far more effective in obtaining U.S. support than the parade of FDN military commanders who have recently come through Washington.

The sixth, and last, principle: We should be cautious about reliance on tools that can only support a political goal, not define one. Two such tools are military action and negotiations.

We should demonstrate that our commitment to the region is political and durable. As part of that commitment, we should make clear our willingness to provide military assistance in accordance with our Rio Pact obligations, but only as requested by the Rio Pact members themselves. We should avoid the unilateral impulse to push until somebody yells, "uncle". Military action should never be ruled out. But no such action can be undertaken without a clear consensus in this country and in the region.

Equally, we must keep open the door to negotiations with the government of Nicaragua, but we must realize that in every case, bilaterally and unilaterally, they have negotiated with a cynical and unproductive attitude. We can no longer base our policy on an assumption that the Sandinistas have a motivation or inclination to willingly cede any of their objectives, inside or outside their country. We must understand that their objective remains consolidation of power—an objective they will not willingly concede through negotiations unless our diplomacy is framed in terms of a clear enunciation of our long-term goals, and backed by sufficient strength to express our will.

In summary, no element of policy—whether economic assistance or covert action—can be intelligently discussed unless we have first decided upon the broad principles we are seeking to advance. Only then can our debate about Central America cease to be artificial and artificially narrow.

It is unusual that the Chairman of the Intelligence Committee should address these points, for customarily intelligence is supposed to inform the policy-maker, not shape policy. But the means chosen by the Administration to pursue policy in Central America have thrust both the CIA and the oversight committees with the public debate. We can return to our traditional roles when we are offered a policy to support.●

RULES OF PROCEDURE FOR THE COMMITTEE ON RULES AND ADMINISTRATION

● Mr. MATHIAS. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires each standing, select, or special committee of the Senate, at the beginning of each session, to publish in the CONGRESSIONAL RECORD the rules the committee has adopted to govern procedures within the committee.

Pursuant to that requirement, I ask that the current rules of the Committee on Rules and Administration be printed in the RECORD.

The material follows:

RULES OF PROCEDURE OF THE SENATE COMMITTEE ON RULES AND ADMINISTRATION

(Adopted March 28, 1985)

TITLE I—MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the committee shall be the second and fourth Wednesdays of each month at 10 a.m., in room SR 301, Russell Senate Office Building. Additional meetings may be called by the chairman as he may deem necessary or pursuant to the provisions of paragraph 3 of rule XXVI of the Standing Rules of the Senate.

2. Meetings of the committee, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the committee on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in subparagraphs (A) through (F) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the committee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(A) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(C) will tend to charge an individual with crime or misconduct, to disagree or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(D) will disclose the identity of any informer or law inforcement agent or will disclose any information relating to the inves-

tigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(E) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(F) may divulge matters required to be kept confidential under other provisions of law or Government regulations. (Paragraph 5(b) of rule XXVI of the Standing Rules.)

3. Written notice of committee meetings will normally be sent by the committee's staff director to all members of the committee at least 3 days in advance. In addition, the committee staff will telephone reminders of committee meetings to all members of the committee or to the appropriate staff assistants in their offices.

4. A copy of the committee's intended agenda enumerating separate items of legislative business and committee business will normally be sent to all members of the committee by the staff director at least 1 day in advance of all meetings. This does not preclude any member of the committee from raising appropriate non-agenda topics.

TITLE II—QUORUMS

1. Pursuant to paragraph 7(a)(1) of rule XXVI of the Standing Rules, 8 members of the committee shall constitute a quorum for the reporting of legislative measures.

2. Pursuant to paragraph 7(a)(1) of rule XXVI of the Standing Rules, 5 members shall constitute a quorum for the transaction of business, including action on amendments to measures prior to voting to report the measure to the Senate.

3. Pursuant to paragraph 7(a)(2) of rule XXVI of the Senate Rules, 4 members of the committee shall constitute a quorum for the purpose of taking testimony under oath; provided, however, that once a quorum is established, any one member can continue to take such testimony.

4. Under no circumstance may proxies be considered for the establishment of a quorum.

TITLE III—VOTING

1. Voting in the committee on any issue will normally be by voice vote.

2. If a third of the members present so demand, a record vote will be taken on any question by rollcall.

3. The results of rollcall votes in any meeting upon any measure, or any amendment thereto, shall be stated in the committee report on that measure unless previously announced by the committee, and such report or announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment by each member of the committee. (Paragraph 7 (b) and (c) of rule XXVI of the Standing Rules.)

4. Proxy voting shall be allowed on all measures and matters before the committee. However, the vote of the committee to report a measure or matter shall require the concurrence of a majority of the members of the committee who are physically present at the time of the vote. Proxies will be allowed in such cases solely for the purpose of recording a member's position on the question and then only in those instances when the absentee committee member has been informed of the question and has affirmatively requested that he be recorded. (Paragraph 7(a)(3) of rule XXVI of the Standing Rules.)

TITLE IV—DELEGATION OF AUTHORITY TO COMMITTEE CHAIRMAN

1. The chairman is authorized to sign himself or by delegation all necessary vouchers and routine papers for which the committee's approval is required and to decide in the committee's behalf all routine business.

2. The chairman is authorized to engage commercial reporters for the preparation of transcripts of committee meetings and hearings.

3. The chairman is authorized to issue, in behalf of the committee, regulations normally promulgated by the committee at the beginning of each session.●

TWO GOOD REASONS WHY NOT TO RATIFY THE GENOCIDE CONVENTION

● Mr. SYMMS. Mr. President, I recently read an insightful article written by Connaught Marshner, of the Committee for a Free Congress. In that article, Mrs. Marshner illustrates the two major flaws in the Genocide Convention: (1) First, its constitutional problems; and second, its vague and deficient definition of the term "genocide."

American citizens accused of genocide under the terms of the Convention could stand trial in international penal tribunals, under foreign judges, without the benefit of the protections contained in the American Constitution, or the Bill of Rights. American citizens could be subject to this process even if their actions were not offensive or illegal under American law.

Mass murders and atrocities committed by Communist regimes like the Khmer Rouge in Cambodia or the Soviets in Afganistan would not be covered under the treaty because political aggression against a group does not qualify as genocide.

For these and other reasons outlined in this article, the Senate would be doing a disservice to our constituents, and our Constitution if we ratify the Genocide Convention without extensive amendment. Furthermore, ratifying the Genocide Convention without extensive amendment would sanction past, present, and future acts of genocide by shielding those regimes from the force of international law.

Mr. President, I ask that the text of "The Genocide Convention: Not Enough For the U.S.," written by Connaught Marshner, be printed in the RECORD.

The article follows:

THE GENOCIDE CONVENTION: NOT ENOUGH FOR THE U.S.

(By Connaught Marshner)

The Genocide Convention, or treaty, is an international agreement that has been signed by 96 nations, including the Soviet Union. It sounds at first like a Mom-and-apple-pie idea, because it is generally presented as a way to "outlaw genocide," and everyone wants to do that.

Yet the treaty has consistently failed to earn ratification by the Senate since it was first submitted in 1948. Why is this? Because our senators are racists and want to leave the door open to genocide? No. It's because our senators can read, and a great many of them have read the treaty.

The flaws of the treaty are in two main areas: constitutional problems, and problems of definition.

What the Genocide Convention primarily does is to empower the World Court to judge and punish crimes of genocide. The World Court, also known as the International Court of Justice, is based in the Hague, Holland. Its judicial staff rotates; at present it is made up mainly of judges from Sweden, Syria, and Byelorussia, which is part of the Soviet Union.

Thus, the treaty presents the same problems as submitting to the World Court in the first place, no matter how many reservations we place on our obedience to it. The U.S. Constitution asserts its own supremacy within the United States. The World Court, being supra-national, necessarily asserts its supremacy over all national constitutions. What happens when the two conflict? What happens when the World Court obliges the United States to act against its natural interest? Well, the president's oath of office would lead him to choose the Constitution over the World Court—we hope.

The Genocide Convention considerably expands the powers of the World Court, even to the point where Americans could be tried for acts that fit the treaty's odd definitions of genocide, even if those acts were committed in the United States, and even if they are not illegal or even offensive acts under American law.

This brings us to the problem of the definitions. The treaty defines genocide as aggression against a "racial, ethnical, or religious group." Missing from that list is "political," which is precisely the category into which the many mass killings by communist governments would fall.

It is not an accident or an oversight that the treaty fails to include political groups as potential victims of genocide. The word "political" was removed from the treaty at the insistence of the Soviet delegates at the time the treaty was being drawn up by the U.N. General Assembly.

But just as interesting as what the treaty leaves out is the issue of what it includes.

In order to commit genocide by the treaty's definitions, you would not have to kill large numbers of members of a "racial, ethnical, or religious group." The treaty includes those who "cause . . . mental harm" to such groups "in whole or in part" as persons guilty of genocide. Thus, an ethnic joke could do it. Now, ethnic jokes are coarse and unkind. But genocide?

Or you could trip the wire by speaking out against policies deemed desirable by spokesmen for an ethnic group. Say, busing, which is widely considered to be in black people's interest, despite both the facts and the majority of black opinion. The Genocide Convention raises the possibility that opponents of busing or of racial quotas, or makers of uncouth remarks, could be hauled off to the Hague to stand trial, without a jury, without the American Bill of Rights, before judges who may very well come from Soviet-bloc countries.

If this seems far-fetched, if the United States would "never let that happen," then one has to ask why some senators are pushing hard for the ratification of this treaty.

If the purpose is merely to put the United States on record against genocide, then by all means let's do that. Let's revise the treaty so that it will punish real aggression against groups, so that acts such as the slaughter of the Khmer people by the Khmer Rouge, or the starvation of the Ethiopians while the Marxist government of Ethiopia spent millions on birthday parties for itself, would not be excluded. And then let's pass it.

Of course, it's not quite that simple. We would then have passed a treaty different from the one signed by many other nations. But that is no reason to put the moral weight of the United States behind a Soviet-tailored definition of genocide and expose our citizens to legal action where they would be shorn of their rights as Americans.

If we were to draw up a new Genocide Convention, the Soviets would probably reject it, but in so doing they would be showing the world their true colors. The process of getting it ratified by the rest of the world would be long, but it would be an opportunity for the United States to assert moral leadership—which it would certainly not be doing by ratifying the treaty in its disastrous present form.●

THE HARASSMENT OF JEWS IN THE SOVIET UNION

● Mr. BURDICK. Mr. President, since I last spoke to my colleagues about the plight of Jews in the Soviet Union, Konstantin Chernenko has died, and a vigorous Mikhail Gorbachev has assumed the top leadership role in the Soviet Union.

The accession of Mr. Gorbachev may open up a new chapter in United States-Soviet relations. At the very least, we are hoping for some improvement in a relationship which has been marked by a high degree of tension and discord in the past few years.

The opportunity is there for Mr. Reagan and Mr. Gorbachev to attempt to put United States-Soviet relations on a more stable footing. It is heartening that Gorbachev has apparently accepted the President's invitation to meet in the near future. A face-to-face meeting could be the initial step in a process which eventually produces greater accord on a number of issues, including the deescalation of the nuclear arms race.

Perhaps an improvement in the atmosphere in which United States-Soviet relations are conducted will also lead to an easing of the restrictions on Jewish emigration, and an end to the Soviet Government's campaign against Jewish activists and dissidents.

The suffering of Soviet Jews touches all of us who are committed to a standard of basic human rights. The Soviet Government's harassment of the Jewish community, and the almost automatic denial of most emigration applications is an affront to the Helsinki process, and cannot be condoned or ignored by anyone who hopes to preserve the integrity of those accords.

We have said time and time again that we cannot be indifferent to the persecution of Jews in the Soviet Union. We understand that this is a very sensitive issue for the Soviet Government, but it is an issue that cannot be sidestepped.

When the President meets with Mr. Gorbachev, he should explain in forthright terms that the well-being of the Soviet Jewish community is a matter of utmost concern to the American people and the American Congress.

We ask Mr. Gorbachev to carefully reevaluate his government's policies toward Jewish emigration, and take positive steps to break the impasse that has brought such hardship to Soviet Jewish families, and caused so much friction in the United States-Soviet relationship.●

IS ABORTION MURDER

● Mr. PACKWOOD. Mr. President, yesterday, a hearing was held before the full Judiciary Committee on Senator HATCH's bill S. 522, which according to Senator HATCH, amends title VI of the 1964 Civil Rights Act to "protect the rights of the unborn." In light of this hearing, I thought the editorial titled "Abortion: The Punishment Dilemma," which appeared in today's Baltimore Sun, was particularly timely. The editorial is by Ronald K.L. Collins, who teaches law at Willamette University in Salem, OR. I ask to have the editorial by my constituent from Oregon printed in the RECORD immediately following my remarks.

The material follows:

[From the Baltimore (MD) Sun, Apr. 3, 1985]

ABORTION: THE PUNISHMENT DILEMMA

(By Ronald K.L. Collins)

WASHINGTON.—One test of a moral principle is the conviction with which it is applied. By that measure, there is something disturbing about the "right to life" campaign currently being waged. The unsettling question is how to punish abortion should it ever be outlawed.

"Abortion is murder," proclaim the demonstrators marching down Constitution Avenue. It is a form of Nazi genocide, say spokesmen of the "no compromise" wing of the "pro-life" movement. These are powerful declarations intended to convey outrage over this nation's abortion policies. As expressions of sincere indignation, they are all too human. But as moral principles worthy of legal enactment, they are at best questionable and at worst ill-conceived.

Political and religious leaders have likewise cast the abortion issue in such absolutist terms. "The real question," declared President Reagan, "is whether that tiny human life has a God-given right to be protected by the law—the same right we have." Consistent with that aim, members of the 99th Congress have introduced constitutional amendments and statutes that classify a fetus as a person entitled to the law's full protection. Short of such action, the Rev. Jerry Falwell warns, the "biological holocaust" ushered in by the Supreme Court's 1973 abortion ruling is likely to continue.

But is abortion really murder?

What does it mean to say, as U.S. Surgeon General C. Evertt Koop has, that abortion is "homicide"? One way to answer these questions is to examine abortion laws and how they have been enforced.

Implicit in the assertion that abortion is murder is the idea that the penalty will reflect the gravity of the wrong. Thus, Britain's Offenses Against the Person Act of 1861 required judges to punish all abortionists by "penal servitude for life." (This act remains on the books in Ireland). It is entirely consistent with such penalty schemes to hold a woman criminally accountable, as an 1881 Indiana law did, for consenting to an abortion.

The general history of abortion laws, however, has been much different. At the time of the 1973 Supreme Court decision, for example, nowhere in this country was the crime of abortion punishable by a life sentence. Ten years was the maximum penalty an abortionist could receive, provided the woman did not die. Moreover, only seven states had laws that expressly penalized women for soliciting abortions. In those jurisdictions the harshest penalty for soliciting the "murder" of a fetus was a five-year sentence. A woman was altogether beyond the law's reach for such actions in most other states.

Before the 1973 *Roe* v. *Wade* decision legalizing certain abortions, experts estimate that the annual number of illegal abortions ranged from 200,000 to well over one million. Criminal convictions were few, numbering about 1,000 a year. And in the majority of these cases the penalties were typically short of the maximum sentence. Notably, there are virtually no appellate records of a woman being indicted for procuring an abortion.

In other countries similar laws and practices are common. For example, in West Germany, where in 1975 the high court declared abortion on demand unconstitutional, an abortionist in a typical case faces no more than a three-year sentence for intentionally terminating a "human life." Such penalties are rarely meted out and do not apply to the woman. In the Philippines, where all classes of abortion are illegal, the law imposes a mere six-year maximum sentence on both the abortionist and the woman treated. By stark contrast, Ireland's laws continue to exact a life sentence from convicted abortionists.

It is next-to-impossible to square the rhetoric of today's "Pro-life" movement with the truth of the historical experience. That may account for the glaring absence of any criminal sanctions in the many anti-abortion measures proposed in the past decade. To solve this riddle the "right to life" supporters need only endorse laws like the 1861 British one, complete with criminal penalties for women who seek or consent to abortions.

Confronted with the reality of a yearly rate of 1.5 million abortions, "pro-life" advocates pause when it comes to accepting the logical consequences of their convictions. President Reagan is uncertain about the penalty question: "Well, I haven't though about it from that standpoint." According to a recent study, while most U.S. Catholic theologians and biblical scholars surveyed believe abortion is immoral, 62 percent do not think it constitutes murder. And Baptist minister Falwell doesn't believe that the

law's retribution should extend to women who invite the "destruction" of "innocent, unborn babies."

Simply because abortion may be repugnant to people of conscience does not necessarily mean that it is murder or that a fetus is a person. Unless hypocrisy is to be the rule, that much must be conceded by abortion foes until they are prepared to reconcile principle with penalty.●

LIBRARIES AND TELECOMMUNICATIONS

● Mr. PRESSLER. Mr. President, I have spoken before about the effect of escalating telecommunications rates on the services provided by our Nation's libraries. Together with many of my colleagues, I remain concerned that certain pending increases fall unduly heavily on services libraries depend on to provide rapid access to information.

Thousands of libraries, serving perhaps half the Nation's population, use private lines leased from AT&T to gain access through State and regional networks to nationwide bibliographic data bases. These linkages, often established with the stimulus of Federal funds, enable libraries to reduce the labor-intensive nature of library materials processing and enable any library users to gain access to the country's library resources.

The continued ability of libraries to improve services through telecommunications has been severely shaken by a series of private line tariffs filed over the last year and a half as a result of Federal deregulation policies and Bell System divestiture. The first of these tariffs was filed back in October 1983 and would have doubled costs for some libraries.

The effect would have been devastating, particularly on small and rural libraries faced with disconnecting terminals or abandoning plans to join nationwide bibliographic systems. This would have been an enormous step backward in information access, for the users of even the smallest or most isolated library gain access to resources throughout the country when linked through telecommunications. In addition, most libraries are publicly funded, operate on fixed budgets, and cannot pass increased costs along to their patrons.

Over 1 year ago, I filed an amendment to pending telephone legislation (S. 1660) which would have required the Federal Communications Commission to take a long hard look at the public interest served by libraries before allowing new charges to be levied. Unfortunately, action on S. 1660 did not go forward.

In May of last year, I wrote to FCC Chairman Mark Fowler, in a letter cosigned by 26 of my Senate colleagues, to request consideration of a library private line service so that cost increases would not prevent libraries from performing their historic role of providing universal information access to the public.

The October 1983 AT&T private line tariffs were deferred, revised, and eventually found unlawful by the FCC. However, a new set of tariffs was filed in January of this year, with only slightly less devastating impact. These tariffs have also been deferred and revised, and are now pending before the FCC with a scheduled effective date of April 6. The increase for some libraries may be as high as 67 percent, with the average for the largest library database 24 percent—over three times the average increase for all AT&T private line customers.

This disproportionate effect has been admitted by AT&T, and remarked on by the FCC in the course of the public proceedings on these tariffs—proceedings in which the library community has participated actively, but at a considerable disadvantage. Often libraries have not had data on the impact of each version of the tariffs until after the brief comment period allowed by the FCC.

Because of the importance to the Nation of the information libraries provide to all citizens, regardless of age, income level, or educational background, and because of the limited resources libraries have available to participate in tariff proceedings, I have again written to the FCC, both individually on February 1 and together with 27 of my Senate colleagues on February 27.

These letters urge the FCC to consider the comments of the library community, to delay the tariffs for further investigation and input, or, if the tariffs are to be approved, to phase in increases. The letters again recommend a special rulemaking to consider a private line service for libraries. I continue to believe that, without some relief, universal access to information through libraries will be seriously jeopardized.

Mr. President, I ask that excerpts of letters from libraries on this issue, and the texts of the two letters I mentioned previously, along with the reply to each letter from the FCC, be printed in the RECORD immediately following my remarks. I have been disappointed in Chairman Fowler's responses to my letters on libraries. The responses seem to miss my point on the uniqueness of libraries among private line users in their mission of providing library and information services to their user communities. This exchange of correspondence deserves wider attention.

The material follows:

EXCERPTS OF LETTERS FROM LIBRARIANS

South Dakota, North American Baptist Seminary: Our own library cannot hope to bear cost increases such as are being proposed and still maintain or increase existing levels of service to our patrons. Our plans to further automate through the acquisition of an OCLC M300 terminal, linked by private line to computers in Columbus, Ohio, would be quashed under such a dramatic increase.

South Dakota, Augustana College: Last year our library used our telecommunication line and OCLC to process approximately 3000 interlibrary loan transactions, 2000 of which were requests from other libraries to borrow materials from the Mikkelsen Library. We loan materials, as do many other libraries, at no charge to the borrower. Drastic and unexpected increases in telecommunications charges of the nature now proposed by AT&T would have a disastrous effect on all libraries' ability to continue maintaining this information network.

Rhode Island, Department of State Library Services, Providence: This would present serious problems for our libraries, many of which have very limited budgets, as such increases were not projected for this year and most requests for the next fiscal year have already been submitted. Such an increase could very well eliminate automated services for most libraries at the very time they are becoming vital to the effectiveness of the services that these libraries provide.

Illinois Library Association: To give you some indication of how increased tariffs might affect our libraries, 180, or almost a third of all public libraries in Illinois operate on budgets of less than $20,000 per year. That $20,000 of taxpayers' money has to cover the cost of rent, of mortgage, utilities, salaries, books and other library materials. Every penny is counted carefully and expended to do the very best in serving the information needs of the community.

New York, New York University: To order and process over 40,000 new items annually, we use the Research Libraries Group's computer utility in Palo Alto, California. This utility enables us to share cataloging data with many other libraries including the Library of Congress, reducing our own processing costs 5-fold and enhancing our abilities to share resources with other libraries throughout the country. But these services are not free. Just for dedicated telephone lines to California, we paid $33,264 last year. In addition, we accessed other data bases for our patrons via value added networks and linked our own computer services to other libraries via dedicated telephone lines at an annual charge of $6,000.

Florida, Flagler College, St. Augustine: At present we are in a consortium of 2,000 libraries connected by leased lines for cataloging, interlibrary loans, and mutual support. With a drastic increase in telephone lines, we probably will not be able to continue in the system, and consequently, will have to curtail many of our services to our students.

U.S. SENATE,
Washington, DC, February 1, 1985.

Re: Investigation of Access and Divestiture Related Tariffs, CC Docket No. 83-1145, Phase II, Part 2—AT&T Communications Tariff, F.C.C. Nos. 9, 10, 11 Transmittal No. 285

Mr. MARK FOWLER,
Chairman, Federal Communications Commission, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to ask the Commission to consider extending the comment period on the above captioned tariffs which would completely restructure AT&T Communications' private line service. While I understand that a 3-day extension has been made due to the impact of a three-

day holiday weekend, I believe a further extension is needed. The tariffs and supporting materials are voluminous and complex analyses are necessary to determine their impact.

Libraries do not have the data available to perform these analyses, which must be done on a network by network basis, and require AT&T assistance. AT&T has indicated the overall impact on libraries will be significant, but has not yet provided specific data, and will not be able to provide all this data until February 8th. With the currently scheduled deadline of February 7th, the Commission will not have the benefit of a full analysis by library customers.

I am particularly concerned, as you know, about the impact of access and divestiture related tariffs upon the nation's libraries. The private line tariff proposed by AT&T in October of 1983 would have had a devastating effect on the ability of libraries to connect to a system of nationwide bibliographic databases laboriously developed over the last fifteen years.

The largest of these "bibliographic utilities" is OCLC (Online Computer Library Center) which uses a system of 260 dedicated, multipoint lines leased from AT&T to serve 5,600 terminals in libraries across the U.S. Each circuit in this system must be analyzed manually (since computer models for analyzing the new tariff structure are not available) in light of the tariff proposals and AT&T-provided data in order to determine the impact on libraries in each regional or state library network.

I wrote you in May of last year, along with 26 of my Senate colleagues, to urge the Commission's consideration of a library private line service. In your response, you assured me that the Commission was aware of the concerns of the nation's libraries, that you shared my concern over the substantial rate level and rate structure changes proposed by AT&T, and that the Commission would address these concerns before the effective date of the tariff. That earlier tariff was subsequently found unlawful by the Commission.

However, AT&T has given broad indications that this new tariff will cause increases at least as high as the previous tariff had proposed for library users of AT&T's private line services. Therefore, I urge you to extend the February 7 deadline so that affected entities with limited resources such as libraries can analyze the impact of the tariff and respond.

Although the tariff would have a major impact on the public's access to information through libraries and would keep many small libraries from participating in computerized systems, the added revenues sought from libraries would mean little in the overall private line picture. In 1983 libraries accounted for $6.8 million or 0.3 percent of AT&T private line revenues. Thus movement on the library private line service proceeding proposed in my May 1984 letter to you is in order. In the interim, libraries should be provided the opportunity to comment fully on these tariffs.

Once impact data are available within the library community, and have been communicated to the Commission, I urge you to give careful consideration to the impact of these private line tariffs on libraries. Since October 1983 libraries have been planning technological adjustments to minimize the impact of new tariffs, but such developments cannot be implemented quickly. Technological change in libraries, while significant, is gradual due to their limited capital, and inability to pass cost along to their users. Of course, libraries are unique among users of private line services in that the basic access to information they provide is done without remuneration from fixed annual budgets.

In view of these considerations, please apprise me as to whether the Commission is favorably disposed toward extending the comment period for these tariffs.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, February 11, 1985.

Re: AT&T-Communications Private Line Tariffs, Tariff FCC Nos. 9, 10, 11, Transmittal No. 285.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: Thank you for your letter of February 1, 1985 regarding the private line tariff proposals filed by the American Telephone and Telegraph Company ("AT&T") on January 18, 1985. In your letter, you expressed your concern with the impact that new private line rates could have on libraries that use private lines to interconnect bibliographic data bases nation-wide. You asked the Commission to consider extending the period for comments on AT&T's filing beyond the three-day extension (to February 7, 1985) already granted so that library customers of AT&T's private line services would be able to assess the potential effects of the proposed rates.

The Commission's decision not to grant a further extension was the result of a careful weighing of competing factors. We share your concern regarding the potential impact on users like the nation's libraries of increases in private line rates which may result from the AT&T tariff. The Commission's statutory mandate, however, is to ensure that rates are just and reasonable. Accordingly, our analysis of AT&T's tariff focuses principally on the question of whether AT&T's proposed rates are fully justified when compared to its stated revenue requirement.

A large part of the proposed private rate increase is prompted by the fact that AT&T will be passing through increases in the "special access" rates charged to it by local exchange carriers or terminating AT&T's private line channels. These special access rate impact issues have been fully explored in a separate proceeding (Investigation of Access and Divestiture Related Tariffs, CC Docket No. 83-1145, Phase I and Phase II, Part I) in which commenters have had an extensive opportunity to raise rate impact arguments.

Both of these proceedings were initiated some time ago. Because of the length of the private line proceeding, during which an outdated tariff structure has continued in effect, there is an overriding public interest in permitting updated private line tariffs to take effect as soon as possible. The Commission has previously considered requests for extension of time in the AT&T private line proceeding and decided to grant a limited extension to compensate for a "lost holiday weekend during which commenters were unable to obtain copies of the new AT&T tariff proposals. It is our view that the limited extension already granted was sufficient to protect the interests of parties to the proceeding and that it served our overall goal of putting into effect a lawful tariff structure as quickly as possible. Accordingly, we concluded that granting a further extension at this time as you have requested would not be in the public interest.

I trust this explanation is responsive to your concerns.

Sincerely,

MARK S. FOWLER,
Chairman,
Federal Communications Commission.

U.S. SENATE,
Washington, DC. February 27, 1985.

Re: AT&T Communications Tariff FCC Nos. 9, 10 and 11 Transmittal No. 285.

Hon. MARK S. FOWLER,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. CHAIRMAN: We are writing to ask the Commission to consider the serious impact the above-captioned tariffs would have on the nation's libraries.

We are aware that the comment period has ended and the effective date of the tariffs is very close. We believe, however, that the libraries are among those few customers who would suffer the highest rate of increases if the tariffs are approved as filed. Information provided by AT&T after the end of the comment period makes that clear.

It is also clear that the impact of the tariff is uneven, with some libraries facing increases in the 50 to 100 percent range. This will have a devastating effect on the ability of the libraries to connect a system of nationwide bibliographic databases laboriously developed over the last 15 years. Without such access, libraries could not cope with the explosion of information published in the last few decades, and small libraries would once again be isolated entities whose users would lack access to materials.

There are alternatives open to the Commission to prevent such rate shock for a class of customers so ill-equipped to deal with high increases on short notice. We are convinced that the library community has been dealt a procedural injustice in this proceeding. With over 3,000 pages of tariff material and a complex system of multipoint private lines for which to analyze data, it is not surprising that libraries were not able to fully analyze the impact of the proposed tariff.

We believe the Commission should suspend the tariffs for a reasonable period and conduct an investigation with additional public input. This would allow all affected parties to participate more meaningfully in this proceeding.

If you intend to move ahead on these tariffs, the impact on our libraries could be mitigated by exercising the option of phasing in the tariffs. If you would require revisions so that increases would be phased in over a 2-3 year period, the bibliographic databases which lease lines could phase in the increases to those libraries which would be facing the above average increases.

In this way, the damage to library services would be minimized and time would be provided for the library community to make budget plans. It is clear to us that the tariffs as filed pose a major problem. Libraries are typically publicly funded and supported, and operate on fixed budgets. Small libraries may have to discontinue automated services or postpone plans to begin them. Libraries represent only 0.3 percent of AT&T private line revenues, and those revenues as a whole are only about 15 percent of all AT&T interstate revenues.

Attached to our letter is a position paper developed by the library community which

spells out the impact of the tariffs. We find these points to be sound and urge your consideration of them.

The Commission decided last May that a request by 27 Senators for a special rulemaking to consider a private line service for libraries was premature. This suggestion may now need your consideration. We continue to believe that without some relief, universal access to information through libraries will be seriously jeopardized. We recommend careful consideration of the public interest involved through a separate rulemaking proceeding.

In summary, we ask the Commission to suspend the tariff for a reasonable period and conduct an investigation with additional public input or in the alternative to provide a special rulemaking to consider a private line service for libraries. If the proposed tariffs are to be approved, we hope that a phase-in will be considered.

We look forward to hearing from you.

Sincerely,

Larry Pressler, Robert T. Stafford, James Abdnor, Claiborne Pell, Wendell Ford, John Melcher, Mark Andrews, Chic Hecht, Paul Laxalt, Rudy Boschwitz, Max Baucus, Quentin N. Burdick, Bill Bradley, Alan J. Dixon, Strom Thurmond, Dan Quayle, Richard G. Lugar, John C. Stennis, Daniel Patrick Moynihan, Tom Harkin, Thomas F. Eagleton, Albert Gore, Carl Levin, Paul Simon, Howard M. Metzenbaum, Daniel J. Evans, John Glenn, Paul S. Sarbanes.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, March 8, 1985.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: This is in response to your February 27, 1985, correspondence, signed by you and 27 of your colleagues, regarding AT&T Communications' (ATTCOM) proposed private line tariffs and the effect these tariffs would have on the nation's libraries.

Your letter states that, if the proposed tariffs are permitted to take effect, the price for interconnection of computerized bibliographic data bases may rise by as much as 50 to 100 percent, and that many libraries may no longer be able to afford access to the data bases. Your letter also states that the library community has not been given ample time to review and analyze the tariff filing, and requests suspension and an additional comment period. If the proposed tariffs are approved, you request that the Commission order that rate increases be phased in over a two to three year period, thereby permitting libraries to make budgetary adjustments. Alternatively, you request that the Commission initiate a special rulemaking to devise a separate private line rate for library services.

Recent Commission action, as well as recent revisions to ATTCOM's private line tariffs, have mitigated the impact of rate increases that the nation's libraries may experience. On March 1, 1985, the Commission adopted an order that allows the special access tariffs, which govern the rates charged by local exchange carriers for originating and terminating private line communications, to become effective April 1, 1985, subject to certain modifications. As I have indicated to you in previous correspondence, a large part of the increase proposed for the private line rates is prompted by increased charges for the special access connections that originate and terminate the communication. The Commission found that reductions of the special access rates proposed by certain carriers are required to correct problems with the carriers' cost projections, as well as their cost and demand methodologies. The Commission also ordered the carriers not to impose a general charge on customers for wiring inside customer premises in cases where this wiring is not actually provided. This will further reduce rates for some customers. Pursuant to the Commission's action, eleven Bell Operating Companies are expected to reduce their special access rates by various percentages, ranging from 1 to 29 percent, before the tariffs become effective. The benefits of these reductions will flow through to libraries, commenters in this proceeding.

ATTCOM has also been granted permission to file revisions to its private line tariffs incorporating changes that reflect the special access decision as well as other reductions. On March 4, 1985, the Tariff Division of the Common Carrier Bureau issued a letter granting permission to file revisions and postponing the effective date of ATTCOM's tariff to April 6, 1985. These revisions were filed on March 6. Here again, the Commission anticipates that the effect of the revisions will be to lessen the rate impact on certain users of ATTCOM's private line services, including libraries.

With reference to the comment period afforded verious library associations on ATTCOM's tariff proposals, ATTCOM filed its initial version of these tariffs in October 1983. After review of the library association comments as well as others, the ATTCOM tariff was found to be unlawful on June 27, 1984. On September 26, 1984, and again on January 18, 1985, ATTCOM submitted new proposals. The Commission issued public notices and accepted comments on both the September and January filings. Library associations participated in these proceedings and again will have an opportunity to comment as a result of ATTCOM's March 6, 1985 filing. Interested parties will have until March 15 to submit comments.

Any decision regarding whether to suspend and investigate proposed tariffs requires a careful balancing of competing factors. In the present case, due to the impending effective date of the special access tariffs, it is especially crucial that the outdated private line tariffs now in effect be replaced with tariffs that allow ATTCOM to recover its revenue requirement in a just and reasonable manner. Phasing in the new private line rates for a particular class of customers, without a requirement that rates of other customers be raised to cover the shortfall, would raise serious legal questions because ATTCOM would not recover its revenue requirements for private line services.

Indeed, under the present interim arrangements, ATTCOM recovers only a fraction of the cost of circuit segments it must obtain from the exchange carriers. Many other historical disparities of rate treatment apply to similarly situated customers. These will be reduced or eliminated by reformation of ATTCOM's tariffs to (i) reflect post-divestiture circumstances, including the necessity to purchase private lines' local exchange segment from other companies, and (ii) remove constraints on customers seeking to compare and flexibly combine service functions. To treat libraries or any other group of customers as a "special case" works at the expense of other customers and raises serious questions of discrimination under Section 202 of the Communications Act.

Our review of ATTCOM's private line tariffs is continuing, and we expect Commission action shortly. We shall continue to work to lower overall rates where possible, as we have done in the special access area. Your views, along with the numerous letters and pleadings filed on behalf of the nation's libraries, are being given every consideration as the Commission resolves the issues presented by ATTCOM's filing. I have asked my staff to place a copy of your letter in the record of this proceeding. Thank you for your interest. I trust that this letter has been responsive to your concerns.

Sincerely,

MARK S. FOWLER,
Chairman.●

PROCEDURAL RULES OF THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, in accordance with the requirement to publish the rules of each Senate committee in the RECORD each year, I submit the procedural rules of the select committee and ask that they be printed in the RECORD.

The procedural rules follow:

RULES OF THE SELECT COMMITTEE ON ETHICS

(Adopted February 23, 1978)

PART I—ORGANIC AUTHORITY

Subpart A—S. Res. 338 as amended

Resolved, That (a) there is hereby established a permanent select committee of the Senate to be known as the Select Committee on Ethics [1] (referred to hereinafter as the "Select Committee") consisting of six Members of the Senate, of whom three shall be selected from members of the majority party and three shall be selected from members of the minority party. Members thereof shall be appointed by the Senate in accordance with the provisions of Paragraph 1 of Rule XXIV of the standing rules of the Senate at the beginning of each Congress.[1] For purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member or chairman of the Select Committee shall not be taken into account.

(b) Vacancies in the membership of the Select Committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments thereto are made.

(c)(1) A majority of the Members of the Select Committee shall constitute a quorum for the transaction of business involving complaints and allegations of misconduct, including the consideration of matters involving sworn complaints, unsworn allegations or information, resultant preliminary inquiries, initial reviews, investigations, hearings, recommendations or reports and matters relating to Senate Resolution 400, agreed to May 19, 1976.

(2) Three Members shall constitute a quorum for the transaction of routine business of the Select Committee not covered by the first paragraph of this subparagraph, including requests for opinions and interpretations concerning the Code of Official Conduct or any other statute or regulation

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[1] Changed by Section 102 of S. Res. 4 (February 4, 1977).

under the jurisdiction of the Select Committee, if one Member of the quorum is a Member of the Majority Party and one Member of the quorum is a Member of the Minority Party. During the transaction of routine business any Member of the Select Committee constituting the quorum shall have the right to postpone further discussion of a pending matter until such time as a majority of the Members of the Select Committee are present.

(3) The Select Committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.[2]

"(d)(1)[3] A member of the Select Committee shall be ineligible to participate in any initial review or investigation relating to his own conduct, the conduct of any officer or employee he supervises, or the conduct of any employee of any officer he supervises, or relating to any complaint filed by him, and the determinations and recommendations of the Select Committee with respect thereto. For purposes of this subparagraph, a Member of the Select Committee and an officer of the Senate shall be deemed to supervise any officer or employee consistent with the provision of paragraph 12 of rule XXXVII of the Standing Rules of the Senate.

"(2) A Member of the Select Committee may, at his discretion, disqualify himself from participating in any initial review or investigation pending before the Select Committee and the determinations and recommendations of the Select Committee with respect thereto. Notice of such disqualification shall be given in writing to the President of the Senate.

"(3) Whenever any member of the Select Committee is ineligible under paragraph (1) to participate in any initial review or investigation or disqualfies himself under paragraph (2) from participating in any initial review or investigation, another Member of the Senate shall, subject to the provisions of subsection (d), be appointed to serve as a member of the Select Committee solely for purposes of such initial review or investigation and the determinations and recommendations of the Select Committee with respect thereto. Any Member of the Senate appointed for such purposes shall be of the same party as the Member who is ineligible or disqualifies himself."

SEC. 2. (a) It shall be the duty of the Select Committee to—

(1) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, violations of the Senate Code of Official Conduct[4] and violations of rules and regulations of the Senate, relating to the conduct of individuals in the performance of their duties as Member of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

(2) recommend to the Senate by report or resolution by a majority vote of the full committee disciplinary action (including, but not limited to, in the case of a Member: censure, expulsion, or recommendation to the appropriate party conference regarding such Member's seniority or positions of responsibility; and, in the case of an officer or employee: suspension or dismissal)"[5] to be taken with respect to such violations which the Select Committee shall determine, after according to the individuals concerned due notice and opportunity for hearing, to have occurred;

(3) recommend to the Senate, by report or resolution, such additional rules or regulations as the Select Committee shall determine to be necessary or desirable to insure proper standards of conduct by Members of the Senate, and by officers or employees of the Senate, in the performance of their duties and the discharge of their responsibilities; and

(4) report violations by a majority vote of the full committee of any law to the proper Federal and State authorities.

"(b)(1) Each sworn complaint filed with the Select Committee shall be in writing, shall be in such form as the Select Committee may prescribe by regulation, and shall be under oath.

"(2) For purposes of this section, 'sworn complaint' means a statement of facts within the personal knowledge of the complainant alleging a violation of law, the Senate Code of Official Conduct, or any other rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Members, officers, or employees of the Senate.

"(3) Any person who knowingly and willfully swears falsely to a sworn complaint does so under penalty of perjury, and the Select Committee may refer any such case to the Attorney General for prosecution.

"(4) For the purposes of this section, 'investigation' is a proceeding undertaken by the Select Committee after a finding, on the basis of an initial review, that there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(c)(1) No investigation of conduct of a Member or officer of the Senate, and no report, resolution, or recommendation relating thereto, may be made unless approved by the affirmative recorded vote of not less than four members of the Select Committee.

"(2) No other resolution, report, recommendation, interpretative ruling, or advisory opinion may be made without an affirmative vote of a majority of the members of the Select Committee voting.

"(d)(1) When the Select Committee receives a sworn complaint against a Member or officer of the Senate, it shall promptly conduct an initial review of that complaint. The initial review shall be of duration and scope necessary to determine whether there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(2) If as a result of an initial review under paragraph (1), the Select Committee determines by a recorded vote that there is not such substantial credible evidence, the Select Committee shall report such determination to the complainant and to the party charged together with an explanation of the basis of such determination.

"(3) If as a result of an initial review under paragraph (1), the Select Committee determines that a violation is inadvertent, technical or otherwise of a *de minimus* nature, the Select Committee may attempt to correct or prevent such a violation by informal methods.

"(4) If as a result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence but that the violation, if proven is neither of a *de minimus* nature nor sufficiently serious to justify any of the penalties expressly referred to in subsection (a)(2), the Select Committee may propose a remedy it deems appropriate. If the matter is thereby resolved, a summary of the Select Committee's conclusions and the remedy proposed shall be filed as a public record with the Secretary of the Senate and a notice of such filing shall be printed in the Congressional Record.

"(5) If as the result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence, the Select Committee shall promptly conduct an investigation if (A) the violation, if proven, would be sufficiently serious, in the judgment of the Select Committee, to warrant imposition of one or more of the penalties expressly referred to in subsection (a)(2), or (B) the violation, if proven, is less serious, but was not resolved pursuant to paragraph (4) above. Upon the conclusion of such investigation, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(6) Upon the conclusion of any other investigation respecting the conduct of a Member or officer undertaken by the Select Committee, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(e) When the Select Committee receives a sworn complaint against an employee of the Senate, it shall consider the complaint according to procedures it deems appropriate. If the Select Committee determines that the complaint is without substantial merit, it shall notify the complainant and the accused of its determination, together with an explanation of the basis of such determination.

"(f) The Select Committee may, in its discretion, employ hearing examiners to hear testimony and make findings of fact and/or recommendations to the Select Committee concerning the disposition of complaints.

"(g) Notwithstanding any other provision of this section, no initial review or investigation shall be made of any alleged violation of any law, the Senate Code of Official Conduct, rule, or regulation which was not in effect at the time the alleged violation occurred. No provisions of the Senate Code of Official Conduct shall apply to or require disclosure of any act, relationship, or transaction which occurred prior to the effective date of the applicable provision of the Code. The Select Committee may conduct an initial review or investigation of any alleged violation of a rule or law which was in effect prior to the enactment of the Senate Code of Official Conduct if the alleged violation occurred while such rule or law was in effect and the violation was not a matter resolved on the merits by the predecessor Select Committee.

"(h) The Select Committee shall adopt written rules setting forth procedures to be used in conducting investigations of complaints."[6]

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[2] Changed by S. Res. 78 (February 24, 1981).

[3] Added by S. Res. 110 (April 2, 1977).

[4] Added by Section 201 of S. Res. 110 (April 2, 1977).

[5] Added by Section 205 of S. Res. 110 (April 2, 1977).

[6] Added by Section 202 of S. Res. 110 (April 2, 1977).

(i)[7] The Select Committee from time to time shall transmit to the Senate its recommendation as to any legislative measures which it may consider to be necessary for the effective discharge of its duties.

SEC. 3. (a) The Select Committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; (7) employ and fix the compensation of *a staff director, a counsel, an assistant counsel, one or more investigators, one or more hearing examiners,*[8] and such technical, clerical, and other assistants and consultants as it deems advisable; and (8) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, by contract as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest rate of compensation which may be paid to a regular employee of the Select Committee.[9]

(b)(1)[10] The Select Committee is authorized to retain and compensate counsel not employed by the Senate (or by any department or agency of the executive branch of the Government) whenever the Select Committee determines that the retention of outside counsel is necessary or appropriate for any action regarding any complaint or allegation, which, in the determination of the Select Committee is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee.

"(2) Any investigation conducted under section 2 shall be conducted by outside counsel as authorized in paragraph (1), unless the Select Committee determines not to use outside counsel."; and

"(c)[11] With the prior consent of the department or agency concerned, the Select Committee may (1) utilize the services, information and facilities of any such department or agency of the Government," and (2) employ on a reimbursable basis or otherwise the services of such personnel of any such department or agency as it deems advisable.

With the consent of any other committee of the Senate, or any subcommittee thereof, the Select Committee may utilize the facilities and the services of the staff of such other committee or subcommitte whenever the chairman of the Select Committee determines that such action is necessary and appropriate.

"(d) Subpoenas may be issued (1) by the Select Committee or (2) by the chairman and vice chairman, acting jointly. Any such subpoena shall be signed by the chairman or the vice chairman and may be served by any person designated by such chairman or vice chairman. The chairman of the Select Committee or any member thereof may administer oaths to witnesses."[12]

"(e)(1)[13] The Select Committee shall prescribe and publish such regulations as it feels are necessary to implement the Senate Code of Official Conduct.

"(2) The Select Committee is authorized to issue interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulations of the Senate within its jurisdiction.

"(3) The Select Committee shall render an advisory opinion, in writing within a reasonable time, in response to a written request by a Member or officer of the Senate or a candidate for nomination for election, or election to the Senate, concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

"(4) The Select Committee may in its discretion render an advisory opinion in writing within a reasonable time in response to a written request by any employee of the Senate concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

"(5) Notwithstanding any provision of the Senate Code of Official Conduct or any rule or regulation of the Senate, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraphs (3) and (4) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction by the Senate.

"(6) Any advisory opinion rendered by the Select Committee under paragraphs (3) and (4) may be relied upon by (A) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered: *Provided, however,* That the request for such advisory opinion included a complete and accurate statement of the specific factual situation; and, (B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

"(7) Any advisory opinion issued in response to a request under paragraph (3) or (4) shall be printed in the Congressional Record with appropriate deletions to assure the privacy of the individual concerned. The Select Committee shall, to the extent practicable, before rendering an advisory opinion, provide any interested party with an opportunity to transmit written comments to the Select Committee with respect to the request for such advisory opinion. The advisory opinions issued by the Select Committee shall be compiled, indexed, reproduced, and made available on a periodic basis.

"(8) A brief description of a waiver granted under paragraph 2(c) of rule XXXIV or paragraph 1 of rule XXXV of the Standing Rules of the Senate shall be made available upon request in the Select Committee office with appropriate deletions to assure the privacy of the individual concerned."

SEC. 4. The expenses of the Select Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Select Committee.

SEC. 5. As used in this resolution, the term "officer or employee of the Senate" means—

(1) an elected officer of the Senate who is not a Member of the Senate;

(2) an employee of the Senate, any committee or subcommittee of the Senate, or any Member of the Senate;

(3) the Legislative Counsel of the Senate or any employee of his office;

(4) an Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties;

(5) a member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate;

(6) and employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate; and

(7) an employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate.

Subpart B—Public Law 93-191—Franked Mail, Provisions Relating to the Select Committee

SEC. 6. (a) The Select Committee on Standards and Conduct of the Senate shall provide guidance, assistance, advice and counsel, through advisory opinions or consultations, in connection with the mailing or contemplated mailing of franked mail under section 3210, 3211, 3212, 3218(2) or 3218, and in connection with the operation of section 3215, of title 39, United States Code, upon the request of any Member of the Senate or Member-elect, surviving spouse of any of the foregoing, or other Senate official, entitled to send mail as franked mail under any of those sections. The select committee shall prescribe regulations governing the proper use of the franking privilege under those sections by such persons.

(b) Any complaint filed by any person with the select committee that a violation of any section of title 39, United States Code, referred to in subsection (a) of this section is about to occur or has occurred within the immediately preceding period of 1 year, by any person referred to in such subsection (a), shall contain pertinent factual material and shall conform to regulations prescribed by the select committee. The select committee, if it determines there is reasonable justification for the complaint, shall conduct an investigation of the matter, including an investigation of reports and statements filed by that complainant with respect to the matter which is the subject of the complaint. The committee shall afford to the person who is the subject of the complaint due notice and, if it determines that there is substantial reason to believe that such violation has occurred or is about to occur, opportunity for all parties to participate in a hearing before the select committee. The select committee shall issue a written decision on each complaint under this subsection not later than thirty days after such a complaint has been filed or, if a hearing is held, not later than thirty days after the conclusion of such hearing. Such decision shall be based on written findings of fact in the case by the select committee. If the select committee finds, in its written decision, that a violation has occurred or is

[7] Changed by Section 202 of S. Res. 110 (April 2, 1977).
[8] Added by Section 204 of S. Res. 110 (April 2, 1977).
[9] Added by S. Res. 230 (July 25, 1977).
[10] Added by Section 204 of S. Res. 110 (April 2, 1977).
[11] Changed by Section 204 of S. Res. 110 (April 2, 1977).
[12] Section added by S. Res. 312 (Nov. 1, 1977).
[13] Section added by Section 206 of S. Res. 110 (April 2, 1977).

about to occur, the committee may take such action and enforcement as it considers appropriate in accordance with applicable rules, precedents, and standing orders of the Senate, and such other standards as may be prescribed by such committee.

(c) Notwithstanding any other provision of law, no court or administrative body in the United States or in any territory thereof shall have jurisdiction to entertain any civil action of any character concerning or related to a violation of the franking laws or an abuse of the franking privilege by any person listed under subsection (a) of this section as entitled to send mail as franked mail, until a complaint has rendered a decision under subsection (b) of this section.

(d) The select committee shall prescribe regulations for the holding of investigations and hearings, the conduct of proceedings, and the rendering of decisions under this subsection providing for equitable procedures and the protection of individual, public, and Government interests. The regulations shall, insofar as practicable, contain the substance of the administrative procedure provisions of sections 551-559 and 701-706, of title 5 United States Code. These regulations shall govern matters under this subsection subject to judicial review thereof.

(e) The select committee shall keep a complete record of all its actions, including a record of the votes on any question on which a record vote is demanded. All records, data and files of the select committee shall be the property of the Senate and shall be kept in the offices of the select committee or such other places as the committee may direct.

Subpart C—Standing Orders of the Senate Regarding Unauthorized Disclosure of Intelligence Information, S. Res. 400, 94th Congress, Provisions Relating to the Select Committee

SEC. 8. * * *

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed, shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Members of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

(d) It shall be the duty of the Select Committee on Standards and Conduct to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of subsection (c) and to report to the Senate concerning any allegation which it finds to be substantiated.

(e) Upon the request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. If, at the conclusion of its investigation, the Select Committee on Standards and Conduct determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of a Member, or removal from office or employment or punishment for contempt, in the case of an officer or employee.

Subpart D—Public Law 95-105, Section 515, Relating to Receipt and Disposition of Foreign Gifts snd Decorations Received by Members, Officers and Employees of the Senate or Their Spouses or Dependents, Provisions Relating to the Select Committee on Ethics

SEC. 515. (a)(1) Section 7342 of title 5, United States Code, is amended to read as follows:

§ 7342. Receipt and disposition of foreign gifts and decorations.

"(a) For the purposes of this section—

* * * * *

"(6) 'employing agency' means—

"(A) the Committee on Standards of Official Conduct of the House of Representatives, for Members and employees of the House of Representatives, except that those responsibilities specified in subsections (c)(2)(A), (e), and (g)(2)(B) shall be carried out by the Clerk of the House;

"(B) the Select Committee on Ethics of the Senate, for Senators and employees of the Senate;

"(C) the Administrative Office of the United States Courts, for judges and judicial branch employees; and

"(D) the department, agency office, or other entity in which an employee is employed, for other legislative branch employees and for all executive branch employees.

"(b) An employee may not—

"(1) request or otherwise encourage the tender of a gift or decoration; or

"(2) accept a gift or decoration, other than in accordance with the provisions of subsections (c) and (d).

"(c)(1) The Congress consents to—

"(A) the accepting and retaining by an employee of a gift of minimal value tendered and received as a souvenir or mark of courtesy; and

"(B) the accepting by an employee of a gift of more than minimal value when such gift is in the nature of an educational scholarship or medical treatment or when it appears that to refuse the gift would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States, except that—

"(i) a tangible gift of more than minimal value is deemed to have been accepted on behalf of the United States and, upon acceptance, shall become the property of the United States; and

"(ii) an employee may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency and any regulations which may be prescribed by the employing agency.

"(2) Within 60 days after accepting a tangible gift of more than minimal value (other than a gift described in paragraph (1)(B)(ii), an employee shall—

"(A) deposit the gift for disposal with his or her employing agency; or

"(B) subject to the approval of the employing agency, deposit the gift with that agency for official use. Within 30 days after terminating the official use of a gift under subparagraph (B), the employing agency shall forward the gift to the Administrator of General Services in accordance with subsection (e).

"(3) When an employee deposits a gift of more than minimal value for disposal or for official use pursuant to paragraph (2), or within 30 days after accepting travel or travel expenses as provided in paragraph (1)(B)(ii) unless such travel or travel expenses are accepted in accordance with specific instructions of his or her employing agency, the employee shall file a statement with his or her employing agency or its delegate containing the information prescribed in subsection (f) for that gift.

"(d) The Congress consents to the accepting, retaining, and wearing by an employee of a decoration tendered in recognition of active field service in time of combat operations or awarded for other outstanding or unusually meritorious performance, subject to the approval of the employing agency of such employee. Without this approval, the decoration is deemed to have been accepted on behalf of the United States, shall become the property of the United States, and shall be deposited by the employee, within sixty days of acceptance, with the employing agency for official use or forwarding to the Administrator of General Services for disposal in accordance with subsection (e).

"(e) Gifts and decorations that have been deposited with an employing agency for disposal shall be (1) returned to the donor, or (2) forwarded to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949. However, no gift or decoration that has been deposited for disposal may be sold without the approval of the Secretary of State, upon a determination that the sale will not adversely affect the foreign relations of the United States. Gifts and decorations may be sold by negotiated sale.

"(f)(1) Not later than January 31 of each year, each employing agency or its delegate shall compile a listing of all statements filed during the preceding year by the employees of that agency pursuant to subsection (c)(3) and shall transmit such listing to the Secretary of State who shall publish a comprehensive listing of all such statements in the Federal Register.

"(2) Such listings shall include for each tangible gift reported—

"(A) the name and position of the employee;

"(B) a brief description of the gift and the circumstances justifying acceptance;

"(C) the identity, if known, of the foreign government and the name and position of the individual who presented the gift;

"(D) the date of acceptance of the gift;

"(E) the estimated value in the United States of the gift at the time of acceptance; and

"(F) disposition or current location of the gift.

"(3) Such listings shall include for each gift of travel or travel expenses—

"(A) the name and position of the employee;

"(B) a brief description of the gift and the circumstances justifying acceptance; and

"(C) the identity, if known, of the foreign government and the name and position of the individual who presented the gift.

"(4) In transmitting such listing for the Central Intelligence Agency, the Director of Central Intelligence may delete the information described in subparagraphs (A) and (C) of paragraphs (2) and (3) if the Director certifies in writing to the Secretary of State that the publication of such information could adversely affect United States intelligence sources.

"(g)(1) Each employing agency shall prescribe such regulations as may be necessary to carry out the purpose of this section. For all employing agencies in the executive branch, such regulations shall be prescribed pursuant to guidance provided by the Secretary of State. These regulations shall be implemented by each employing agency for its employees.

"(2) Each employing agency shall—

"(A) report to the Attorney General cases in which there is reason to believe that an employee has violated this section;

"(B) establish a procedure for obtaining an appraisal, when necessary, of the value of gifts; and

"(C) take any other actions necessary to carry out the purpose of this section.

"(h) The Attorney General may bring a civil action in any district court of the United States against any employee who knowingly solicits or accepts a gift from a foreign government not consented to by this section or who fails to deposit or report such gift as required by this section. The court in which such action is brought may assess a penalty against such employee in any amount not to exceed the retail value of the gift improperly solicited or received plus $5,000.

"(i) The President shall direct all Chiefs of a United States Diplomatic Mission to inform their host governments that it is a general policy of the United States Government to prohibit United States Government employees from receiving gifts or decorations of more than minimal value.

"(j) Nothing in this section shall be construed to derogate any regulation prescribed by any employing agency which provides for more stringent limitations on the receipt of gifts and decorations by its employees.

"(k) The provisions of this section do not apply to grants and other forms of assistance to which section 108A of the Mutual Educational and Cultural Exchange Act of 1961 applies."

(2) The amendment made by paragraph (1) of this subsection shall take effect on January 1, 1978.

RULE 1. GENERAL PROCEDURES

(a) Officers: The Committee shall select a Chairman and a Vice Chairman from among its members. In the absence of the Chairman, the duties of the Chair shall be filled by the Vice Chairman or, in the Vice Chairman's absence, a Committee member designated by the Chairman.

(b) Procedural Rules: The basic procedural rules of the Committee are stated as a part of the Standing Orders of the Senate in Senate Resolution 338, 88th Congress, as amended, as well as other resolutions and laws. Supplementary Procedural Rules are stated herein and are hereinafter referred to as the Rules. The Rules shall be published in the Congressional Record not later than thirty days after adoption, and copies shall be made available by the Committee office upon request.

(c) Meetings:

(1) The regular meeting of the Committee shall be the first Thursday of each month while the Congress is in session.

(2) Special meetings may be held at the call of the Chairman or Vice Chairman if at least forty-eight hours notice is furnished to all members. If all members agree, a special meeting may be held on less than forty-eight hours notice.

(3)(A) If any members of the Committee desires that a special meeting of the Committee be called, the member may file in the office of the Committee a written request to the Chairman or Vice Chairman for that special meeting.

(B) Immediately upon the filing of the request the Clerk of the Committee shall notify the Chairman and Vice Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman or the Vice Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, any three of the members of the Committee may file their written notice in the office of the Committee that a special meeting of the Committee will be held at a specified date and hour; such special meeting may not occur until forty-eight hours after the meeting may not occur until forty-eight hours after the notice is filed. The Clerk shall immediately notify all members of the Committee of the date and hour of the special meeting. The Committee shall meet at the specified date and hour.

(d) Quorum:

(1) A majority of the members of the Select Committee shall constitute a quorum for the transaction of business involving complaints and allegations of misconduct, including the consideration of matters involving sworn complaints, unsworn allegations or information, resultant preliminary inquires, initial reviews, investigations, hearings, recommendations or reports and matters relating to Senate Resolution 400, agreed to May 19, 1976.

(2) Three members shall constitute a quorum for the transaction of the routine business of the Select Committee not covered by the first subparagraph of this paragraph, including requests for opinions and interpretations concerning the Code of Official Conduct or any other statute or regulation under the jurisdiction of the Select Committee, if one member of the quorum is a Member of the Majority Party and one member of the quorum is a Member of the Minority Party. During the transaction of routine business any member of the Select Committee, constituting the quorum shall have the right to postpone further discussion of a pending matter until such time as a majority of the members of the Select Committee are present.

(3) The Select Committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(e) Order of Business: Questions as to the order of business and the procedure of the Committee shall in the first instance be decided by the Chairman and Vice Chairman, subject to reversal by a vote by a majority of the Committee.

(f) Hearings Announcements: The Committee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it at least one week before the commencement of that hearing, and shall publish such announcement in the Congressional Record. If the Committee determines that there is good cause to commence a hearing at an earlier date, such notice will be given at the earliest possible time.

(g) Open and Closed Committee Meetings: Meetings of the Committee shall be open to the public or closed to the public (executive session), as determined under the provisions of paragraphs 5(b) to (d) of Rule XXVI of the Standing Rules of the Senate. Executive session meetings of the Committee shall be closed except to the members and the staff of the Committee. On the motion of any member, and with the approval of a majority of the Committee members present, other individuals may be admitted to an executive session meeting for a specified period or purpose.

(h) Record of Testimony and Committee Action: An accurate stenographic or transcribed electronic record shall be kept of all Committee proceedings, whether in executive or public session. Such record shall include Senators' votes on any question on which a recorded vote is held. The record of a witness' testimony, whether in public or executive session, shall be made available for inspection to the witness or his counsel under Committee supervision; a copy of any testimony given by that witness in public session, or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session, shall be made available to any witness if he so requests. (See Rule 6 on Procedures for Conducting Hearings.)

(i) Secrecy of Executive Testimony and Action and of Complaint Proceedings:

(1) All testimony and action taken in executive session shall be kept secret and shall not be released outside the Committee to any individual or group, whether governmental or private, without the approval of a majority of the Committee.

(2) All testimony and action relating to a sworn complaint shall be kept secret and shall not be released by the Committee to any individual or group, whether governmental or private, except the respondent, without the approval of a majority of the Committee, until such time as a report to the Senate is required under Senate Resolution 338, 88th Congress, as amended, or unless otherwise permitted under these Rules. (See Rule 9 on Procedures for Handling Committee Sensitive and Classified Materials.)

(j) Release of Reports to Public: No information pertaining to, or copies of any Committee report, study, or other document which purports to express the view, findings, conclusions or recommendations of the Committee in connection with any of its activities or proceedings may be released to any individual or group whether governmental or private, without the authorization of the Committee. Whenever the Chairman or Vice Chairman is authorized to make any determination, then the determination may be released at his or her discretion. Each member of the Committee shall be given a reasonable opportunity to have separate views included as part of any Committee report. (See Rule 9 on Procedures for Handling Committee Sensitive and Classified Materials.)

(k) Ineligibility or Disqualification of Members and Staff:

(1) A member of the Committee shall be ineligible to participate in any Committee proceeding that relates specifically to any of the following:

(A) The member's own conduct;

(B) The conduct of any employee or officer that the member supervises, as defined

in paragraph 11 of Rule XXXVII of the Standing Rules of the Senate;

(C) The conduct of any employee or any officer that the member supervises; or

(D) A complaint, sworn or unsworn, that was filed by a member, or by any employee or officer that the member supervises.

(2) If any Committee proceeding appears to relate to a member of the Committee in a manner described in subparagraph (1) of this paragraph, the staff shall prepare a report to the Chairman and Vice Chairman. If either the Chairman or the Vice Chairman concludes from the report that it appears that the member may be ineligible, the member shall be notified in writing of the nature of the particular proceeding and the reason that it appears that the member may be ineligible to participate in it. If the member agrees that he or she is ineligible, the member shall so notify the Chairman or Vice Chairman. If the member believes that he or she is not ineligible, he or she may explain the reasons to the Chairman and Vice Chairman, and if they both agree that the member is not ineligible, the member shall continue to serve. But if either the Chairman or Vice Chairman continues to believe that the member is ineligible, while the member believes that he or she is not ineligible, the matter shall be promptly referred to the Committee. The member shall present his or her arguments to the Committee in executive session. Any contested questions concerning a member's eligibility shall be decided by a majority vote of the Committee, meeting in executive session, with the member in question not participating.

(3) A member may also disqualify himself from participating in a Committee proceeding in other circumstances not listed in subparagraph (k)(1).

(4) The President of the Senate shall be given written notice of the ineligiblity or disqualification of any member from any initial review, investigation or other proceeding requiring the appointment of another member in accordance with subparagraph (k)(5).

(5) Whenever a member of the Committee is ineligible to participate in or disqualifies himself from participating in any initial review, investigation, or other substantial Committee proceeding, another Member of the Senate who is of the same party shall be appointed by the Senate in accordance with the provisions of paragraph 1 of Rule XXIV of the Standing Rules of the Senate of the Senate, to serve as member of the Committee solely for the purposes of that proceeding.

(6) A member of the Committee staff shall be ineligible to participate in any Committee proceeding that the staff director or outside counsel determines relates specifically to any of the following.

(A) the staff member's own conduct;

(B) The conduct of any employee that the staff member supervises;

(C) the conduct of any Member, officer or employee for whom the staff member has worked for any substantial period; or

(D) a compliant, sworn or unsworn, that was filed by the staff member. At the direction or with the consent of the staff director or outside counsel, a staff member may also be disqualified from participating in a Committee proceeding in other circumstances not listed above.

(l) Recorded Votes: Any member may require a recorded vote on any matter.

(m) Proxies; Recording Votes of Absent Members:

(1) Proxy voting shall not be allowed when the question before the Committee is the initiation or continuation of an initial review or an investigation, or the issuance of a report or recommendation related thereto concerning a Member or officer of the Senate. In any such case an absent member's vote may be announced solely for purpose of recording the member's position and such announced votes shall not be counted for or against the motion.

(2) On matters other than matters listed in paragraph (m)(1) above, the Committee may order that the record be held open for the vote of absentees or recorded proxy votes if the absent Committee member has been informed of the matter on which the vote occurs and has affirmatively requested of the Chairman or Vice Chairman in writing that he be so recorded.

(3) All proxies shall be in writing, and shall be delivered to the Chairman or Vice Chairman to be recorded.

(4) Proxies shall not be considered for the purpose of establishing a quorum.

(n) Approval of Blind Trusts and Foreign Travel Requests Between Sessions and During Extended Recesses:

During any period in which the Senate stands in adjournment between sessions of the Congress or stands in a recess scheduled to extend beyond fourteen days, the Chairman and Vice Chairman, or their designees, acting jointly, are authorized to approve or disapprove blind trusts under the provision of Rule XXXIV, and to approve or disapprove foreign travel requests which require immediate resolution.

(o) Committee Use of Services or Employees of Other Agencies and Departments:

With the prior consent of the department or agency involved, the Committee may (1) utilize the services, information, or facilities of any such department or agency of the Government, and (2) employ on a reimbursable basis or otherwise the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee, the Committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the Chairman and Vice Chairman of the Committee, acting jointly, determine that such action is necessary and appropriate.

RULE 2: PROCEDURES FOR SWORN COMPLAINTS

(a) Sworn Complaints: Any person may file a sworn complaint with the Committee, alleging that any Senator, or officer, or employee of the Senate has violated a law, the Senate Code of Official Conduct, or any rule or regulation of the Senate relating to the conduct of any individual in the performance of his or her duty as a Member, officer, or employee of the Senate, or has engaged in improper conduct which may reflect upon the Senate.

(b) Form and Content of Complaints: A complaint filed under paragraph (a) shall be in writing and under oath, and shall set forth in simple, concise and direct statements:

(1) The name and legal address of the party filing the complaint (hereinafter, the complainant);

(2) The name and position or title of each Member, officer, or employee of the Senate who is specifically alleged to have engaged in the improper conduct or committed the violation (hereinafter, the respondent);

(3) The nature of the alleged improper conduct or violation, including if possible, the specific provision of the Senate Code of Official Conduct or other law, rule, or regulation alleged to have been violated.

(4)(A) A statement of the facts within the personal knowledge of the complainant that are alleged to constitute the improper conduct or violation.

(B) The term "personal knowledge" is not intended to and does not limit the complainant's statement to situations that he or she personally witnessed or to activities in which the complainant was a participant.

(C) Where allegations in the sworn complaint are made upon the information and belief of the complainant, the complaint shall so state, and shall set forth the basis for such information and belief.

(5) The complainant must swear that all of the information contained in the complaint either (a) is true, or (b) was obtained under circumstances such that the complainant has sufficient personal knowledge of the source of the information reasonably to believe that it is true. The complainant may so swear either by oath or by solemn affirmation before a notary public or other authorized official.

(6) All documents in the possession of the complainant relevant to or in support of his or her allegations may be appended to the complaint.

(c) Processing of Sworn Complaints:

(1) When the Committee receives a sworn complaint against a Member, officer or employee of the Senate, it shall determine by majority vote whether the complaint is in substantial compliance with paragraph (b) of this rule.

(2) If it is determined by the Committee that a sworn complaint does not substantially comply with the requirements of paragraph (b), the complaint shall be returned promptly to the complainant, with a statement explaining how the complaint fails to comply and a copy of the rules for filing sworn complaints. The complainant may resubmit the complaint in the proper form. If the complaint is not revised so that it substantially complies with the stated requirements, the Committee may in its discretion process the complaint in accordance with Rule 3.

(3) A sworn complaint against any Member, officer, or employee of the Senate that is determined by the Committee to be in substantial compliance shall be transmitted to the respondent within five days of that determination. The transmittal notice shall include the date upon which the complaint was received, a statement that the complaint conforms to the applicable rules, a statement that the Committee will immediately begin an initial review of the complaint, and a statement inviting the respondent to provide any information relevant to the complaint to the Committee. A copy of the Rules of the Committee shall be supplied with the notice.

RULE 3: PROCEDURES ON RECEIPT OF ALLEGATIONS OTHER THAN A SWORN COMPLAINT; PRELIMINARY INQUIRY

(a) Unsworn Allegations or Information: Any member or staff member of the Committee shall report to the Committee, and any other person may report to the Committee, any credible information available to him or her that indicates that any named or unnamed Member, officer or employee of the Senate may have—

(1) violated the Senate Code of Official Conduct;

(2) violated a law;

(3) violated any rule or regulation of the Senate relating to the conduct of individuals

in the performance of their duties as Members, officers, or employees of the Senate; or

(4) engaged in improper conduct which may reflect upon the Senate. Such allegations or information may be reported to the Chairman, the Vice Chairman, a Committee member, or a Committee staff member.

(b) Sources of Unsworn Allegations or Information: The information to be reported to the Committee under paragraph (a), may be obtained from a variety of sources, including but not limited to the following:

(1) sworn complaints that do not satisfy all of the requirements of Rule 2;

(2) anonymous or informal complaints, whether or not satisfying the requirements of Rule 2;

(3) information developed during a study or inquiry by the Committee or other committees or subcommittees of the Senate, including information obtained in connection with legislative or general oversight hearings;

(4) information reported by the news media; or

(5) information obtained from any individual, agency or department of the executive branch of the Federal Government.

(c) Preliminary Inquiry:

(1) When information is presented to the Committee pursuant to paragraph (a), it shall immediately be transmitted to the Chairman and the Vice Chairman, for one of the following actions.

(A) The Chairman and Vice Chairman, acting jointly, may conduct or may direct the Committee staff to conduct, a preliminary inquiry.

(B) The Chairman and Vice Chairman, acting jointly, may present the allegations or information received directly to the Committee for it to determine whether an initial review should be undertaken. (See paragraph (d).)

(2) A preliminary inquiry may include any inquiries or interviews that the Chairman and the Vice Chairman deem necessary or appropriate. In particular, the preliminary inquiry may seek independent credible evidence that tends to corroborate the information received and may also include discussions or correspondence with the complainant, if any, and the respondent, if any.

(3) At the conclusion of a preliminary inquiry, the Chairman and Vice Chairman shall receive a full report of its findings. The Chairman and Vice Chairman, acting jointly, shall then determine what further action, if any, is appropriate in the particular case, including any of the following:

(A) No further action is appropriate, because the alleged improper conduct or violation is clearly not within the jurisdiction of the Committee;

(B) No further action is appropriate, because there is no reason to believe that the alleged improper conduct or violation may have occurred; or

(C) The unsworn allegations or information, and a report on the preliminary inquiry, should be referred to the Committee, to determine whether an initial review should be undertaken. (See paragraph (d).)

(4) If the Chairman and Vice Chairman are unable to agree on a determination at the conclusion of a preliminary inquiry, then they shall refer the allegations or information to the Committee, with a report on the preliminary inquiry, for the Committee to determine whether an initial review should be undertaken. (See paragraph (d).)

(5) A preliminary inquiry shall be completed within sixty days after the unsworn allegations or information were received by the Chairman and Vice Chairman. The sixty day period may be extended for a specified period by the Chairman and Vice Chairman, acting jointly. A preliminary inquiry is completed when the Chairman and the Vice Chairman have made the determination required by subparagraphs (3) and (4) of this paragraph.

(d) Determination Whether to Conduct an Initial Review: When information or allegations are presented to the Committee by the Chairman and the Vice Chairman, the Committee shall determine whether an initial review should be undertaken.

(1) An initial review shall be undertaken when—

(A) there is reason to believe on the basis of the information before the Committee that the possible improper conduct or violation may be within the jurisdiction of the Committee; and

(B) there is reason to believe on the basis of the information before the Committee that the improper conduct or violation may have occurred.

(2) The determination whether to undertake an initial review shall be made by recorded vote within thirty days following the Committee's receipt of the unsworn allegations or information from the Chairman or Vice Chairman, or at the first meeting of the Committee thereafter if none occurs within thirty days, unless this time is extended for a specified period by the Committee.

(3) The Committee may determine that an initial review is not warranted because (a) there is no reason to believe on the basis of the information before the Committee that the improper conduct or violation may have occurred, or (b) the improper conduct or violation, even if proven, is not within the jurisdiction of the Committee.

(A) If the Committee determines that an initial review is not warranted, it shall promptly notify the complainant, if any, and any known respondent.

(B) If there is a complainant, he or she may also be invited to submit additional information, and notified of the procedures for filing a sworn complaint. If the complainant later provides additional information, not in the form of a sworn complaint, it shall be handled as a new allegation in accordance with the procedures of Rule 3. If he or she submits a sworn complaint, it shall be handled in accordance with Rule 2.

(4)(A) The Committee may determine that there is reason to believe on the basis of the information before it that the improper conduct or violation may have occurred and may be within the jurisdiction of the Committee, and that an initial review must therefore be conducted.

(B) If the Committee determines that an initial review will be conducted, it shall promptly notify the complainant, if any, and the respondent, if any.

(C) The notice required under subparagraph (B) shall include a general statement of the information or allegations before the Committee, and a statement that the Committee will immediately begin an initial review of the complaint. A copy of the Rules of the Committee shall be supplied with the notice.

(5) If a member of the Committee believes that the preliminary inquiry has provided sufficient information for the Committee to determine whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred, the member may move that the Committee dispense with the initial review and move directly to the determinations described in Rule 4(f). The Committee may adopt such a motion by majority vote of the full Committee.

RULE 4: PROCEDURES FOR CONDUCTING AN INITIAL REVIEW

(a) Basis for Initial Review: The Committee shall promptly commence an initial review whenever it has received either (1) a sworn complaint that the Committee has determined is in substantial compliance with the requirements of Rule 2, or (2) unsworn allegations or information that have caused the Committee to determine in accordance with Rule 3 that an initial review must be conducted.

(b) Scope of Initial Review:

(1) The initial review shall be of such duration and scope as may be necessary to determine whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred.

(2) The initial review may include any inquiries or interviews that the Committee deems appropriate to obtain the evidence upon which to make the determination required by subparagraph (1), including the taking of sworn statements and the use of subpoenas.

(c) Opportunity for Response: An initial review may include an opportunity for any known respondent or his designated representative, to present either a written or oral statement, or to respond orally to questions from the Committee. Such an oral statement or answers shall be transcribed and signed by the person providing the statement or answers.

(d) Status Reports: The Committee staff or outside counsel shall periodically report to the Committee in the form and according to the schedule prescribed by the Committee. The reports shall be confidential.

(e) Final Report: When the initial review is completed, the staff or outside counsel shall make a confidential report to the Committee on findings and recommendations.

(f) Committee Action: As soon as practicable following submission of the report on the initial review, the Committee shall determine by a recorded vote whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred. The Committee may make any of the following determinations:

(1) The Committee may determine that there is not such substantial credible evidence. In this case, the Committee shall report its determination to the complainant, if any, and to the respondent, together with an explanation of the basis for the determination. The explanation may be as detailed as the Committee desires, but it is not required to include a complete discussion of the evidence collected in the initial review.

(2) The Committee may determine that there is such substantial credible evidence, but that the alleged violation is inadvertent, technical, or otherwise of a de minimis nature. In this case, the Committee may attempt to correct or to prevent such violation by informal methods. The Committee's final determination in this matter shall be reported to the complainant, if any, and to the respondent, if any.

(3) The Committee may determine that there is such substantial credible evidence,

but that the alleged violation, if proven, although not of a de minimis nature, would not be sufficiently serious to justify the severe disciplinary actions specified in Senate Resolution 338, 88th Congress, as amended (i.e., for a Member, censure, expulsion, or recommendation to the appropriate party conference regarding the Member's seniority or positions of responsibility; or for an officer or employee, suspension or dismissal). In this case, the Committee, by the recorded affirmative vote of at least four members, may propose a remedy that it deems appropriate. If the respondent agrees to the proposed remedy, a summary of the Committee's conclusions and the remedy proposed and agreed to shall be filed as a public record with the Secretary of the Senate and a notice of the filing shall be printed in the Congressional Record.

(4) The Committee may determine, by recorded affirmative vote of at least four members, that there is such substantial credible evidence, and also either:

(A) that the violation, if proved, would be sufficiently serious to warrant imposition of one of the severe disciplinary actions listed in paragraph (3); or

(B) that the violation, if proven, is less serious, but was not resolved pursuant to the procedure in paragraph (3). In either case, the Committee shall order that an investigation promptly be conducted in accordance with Rule 5.

RULE 5: PROCEDURES FOR CONDUCTING AN INVESTIGATION

(a) Definition of Investigation: An "investigation" is a proceeding undertaken by the Committee, by recorded affirmative vote of at least four members, after a finding on the basis of an initial review that there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within its jurisdiction has occurred.

(b) Scope of Investigation: When the Committee decides to conduct an investigation, it shall be of such duration and scope as is necessary for the Committee to determine whether a violation within its jurisdiction has occurred. In the course of the investigation, designated outside counsel, or if the Committee determines not to use outside counsel, the Committee or its staff, may conduct inquiries or interviews, take sworn statements, use compulsory process as described in Rule 7, or take any other actions that the Committee deems appropriate to secure the evidence necessary to make this determination.

(c) Notice to Respondent: The Committee shall give written notice to any known respondent who is the subject of an investigation. The notice shall be sent to the respondent no later than five working days after the Committee has voted to conduct an investigation. The notice shall include a statement of the nature of the possible violation, and a description of the evidence indicating that a possible violation occurred. The Committee shall offer the respondent an opportunity to present a statement or to respond to questions from members of the Committee, the Committee staff, or outside counsel.

(d) Right to a Hearing: The Committee shall accord a respondent an opportunity for a hearing before it recommends disciplinary action against that respondent to the Senate.

(e) Progress Reports to Committee: The Committee staff or outside counsel shall periodically report to the Committee concerning the progress of the investigation. Such reports shall be delivered to the Committee in the form and according to the schedule prescribed by the Committee, and shall be confidential.

(f) Report of Investigation:

(1) Upon completion of an investigation, including any hearings held pursuant to Rule 6, the outside counsel or the staff shall submit a confidential written report to the Committee, which shall detail the factual findings of the investigations and which may recommend disciplinary action, if appropriate. Findings of fact of the investigation shall be detailed in this report whether or not disciplinary action is recommended.

(2) The Committee shall consider the report of the staff or outside counsel promptly following its submission. The Committee shall prepare and submit a report to the Senate, including a recommendation to the Senate concerning disciplinary action, if appropriate. A report shall be issued, stating in detail the Committee's findings of fact, whether or not disciplinary action is recommended. The report shall also explain fully the reasons underlying the Committee's recommendation concerning disciplinary action, if any. No recommendation or resolution of the Committee concerning the investigation of a Member, officer or employee of the Senate may be approved except by the affirmative recorded vote of not less than four members of the Committee.

(3) Promptly after the conclusion of the investigation, the Committee's report and recommendation shall be forwarded to the Secretary of the Senate, and a copy shall be provided to the complainant and the respondent. The full report and recommendation shall be printed and made public, unless the Committee determines by majority vote that it should remain confidential.

RULE 6: PROCEDURES FOR HEARINGS

(a) Right to a Hearing: The Committee may hold a public or executive hearing in any inquiry, initial review, investigation, or other proceeding. The Committee shall accord a respondent an opportunity for a hearing before it recommends disciplinary action against that respondent to the Senate. (See Rule 5(e).)

(b) Non-public Hearings: The Committee may at any time during a hearing determine in accordance with paragraph 5(b) of Rule XXVI of the Standing Rules of the Senate whether to receive the testimony of specific witnesses in executive session. If a witness desires to express a preference for testifying in public or in executive session, he or she shall so notify the Committee at least five days before he or she is scheduled to testify.

(c) Adjudicatory Hearings: The Committee may, by majority vote, designate any public or executive hearing as an adjudicatory hearing; and, any hearing which is concerned with possible disciplinary action against a respondent or respondents designated by the Committee shall be an adjudicatory hearing. In any adjudicatory hearing, the procedures described in paragraph (j) shall apply.

(d) Subpoena Power: The Committee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such correspondence, books, papers, documents or other articles as it deems advisable. (See Rule 7.)

(e) Notice of Hearings: The Committee shall make public an announcement of the date, place, and subject matter of any hearing to be conducted by it, in accordance with Rule 1(f).

(f) Presiding Officer: The Chairman shall preside over the hearings, or in his absence the Vice Chairman. If the Vice Chairman is also absent, a Committee member designated by the Chairman shall preside. If an oath or affirmation is required, it shall be administered to a witness by the Presiding Officer, or in his absence, by any Committee member.

(g) Witnesses:

(1) A subpoena or other request to testify shall be served on a witness sufficiently in advance of his or her scheduled appearance to allow the witness a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel if desired.

(2) The Committee may, by majority vote, rule that no member of the Committee or staff or outside counsel shall make public the name of any witness subpoenaed by the Committee before the date of that witness' scheduled appearance, except as specifically authorized by the Chairman and Vice Chairman, acting jointly.

(3) Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the Committee at least two working days in advance of the hearing at which the statement is to be presented. The Chairman and Vice Chairman shall determine whether such statements may be read or placed in the record of the hearing.

(4) Insofar as practicable, each witness shall be permitted to present a brief oral opening statement, if he or she desires to do so.

(h) Right to Testify: Any person whose name is mentioned or who is specifically identified or otherwise referred to in testimony or in statements made by a Committee member, staff member or outside counsel, or any witness, and who reasonably believes that the statement tends to adversely affect his or her reputation may—

(1) Request to appear personally before the Committee to testify in his or her own behalf; or

(2) File a sworn statement of facts relevant to the testimony or other evidence or statement of which he or she complained.

Such request and such statement shall be submitted to the Committee for its consideration and action.

(i) Conduct of Witnesses and Other Attendees: The Presiding Officer may punish any breaches of order and decorum by censure and exclusion from the hearings. The Committee, by majority vote, may recommend to the Senate that the offender be cited for contempt of Congress.

(j) Adjudicatory Hearing Procedures:

(1) Notice of Hearings: A copy of the public announcement of an adjudicatory hearing, required by paragraph (e), shall be furnished together with a copy of these Rules to all witnesses at the time that they are subpoenaed or otherwise summoned to testify.

(2) Preparation for Adjudicatory Hearings:

(A) At least five working days prior to the commencement of an adjudicatory hearing, the Committee shall provide the following information and documents to the respondent, if any:

(i) a list of proposed witnesses to be called at the hearing;

(ii) copies of all documents expected to be introduced as exhibits at the hearing; and

(iii) a brief statement as to the nature of the testimony expected to be given by each witness to be called at the hearing.

(B) At least two working days prior to the commencement of an adjudicatory hearing, the respondent, if any, shall provide the information and documents described in divisions (i), (ii) and (iii) of subparagraph (A) to the Committee.

(C) At the discretion of the Committee, the information and documents to be exchanged under this paragraph shall be subject to an appropriate agreement limiting access and disclosure.

(D) If a respondent refuses to provide the information and documents to the Committee (see (A) and (B) of this subparagraph), or if a respondent or other individual violates an agreement limiting access and disclosure, the Committee, by majority vote, may recommend to the Senate that the offender be cited for contempt of Congress.

(3) Swearing of Witnesses: All witnesses who testify at adjudicatory hearings shall be sworn unless the Presiding Officer, for good cause, decides that a witness does not have to be sworn.

(4) Right to Counsel: Any witness at an adjudicatory hearing may be accompanied by counsel of his or her own choosing, who shall be permitted to advise the witness of his or her legal rights during the testimony.

(5) Right to Cross-Examine and Call Witnesses:

(A) In adjudicatory hearings, any respondent who is the subject of an investigation, and any other person who obtains the permission of the Committee, may personally or through counsel cross-examine witnesses called by the Committee and may call witnesses in his or her own behalf.

(B) A respondent may apply to the Committee for the issuance of subopenas for the appearance of witnesses or the production of documents on his or her behalf. An application shall be approved upon a concise showing by the respondent that the proposed testimony or evidence is relevant and appropriate, as determined by the Chairman and Vice Chairman.

(C) With respect to witnesses called by a respondent, or other individual given permission by the Committee, each such witness shall first be examined by the party who called the witness or by that party's counsel.

(D) At least one working day before a witness' scheduled appearance, a witness or a witness counsel may submit to the Committee written questions proposed to be asked of that witness. If the Committee determines that it is necessary, such questions may be asked by any member of the Committee, or by any Committee staff member if directed by a Committee member. The witness or witness' counsel may also submit additional sworn testimony for the record within twenty-four hours after the last day that the witness has testified. The insertion of such testimony in that day's record is subject to the approval of the Chairman and Vice Chairman acting jointly within five days after the testimony is received.

(6) Admissibility of Evidence:

(A) The object of the hearing shall be to ascertain the truth. Any evidence that may be relevant and probative shall be admissible, unless privileged under the Federal Rules of Evidence. Rules of evidence shall not be applied strictly, but the Presiding Officer shall exclude irrelevant or unduly repetitious testimony. Objections going only to the weight that should be given evidence will not justify its exclusion.

(B) The Presiding Officer shall rule upon any question of the admissibility of testimony or other evidence presented to the Committee. Such rulings shall be final unless reversed or modified by a majority vote of the Committee before the recess of that day's hearings.

(7) Supplementary Hearing Procedures: The Committee may adopt any additional special hearing procedures that it deems necessary or appropriate to a particular adjudicatory hearing. Copies of such supplementary procedures shall be furnished to witnesses and respondents, and shall be made available upon request to any member of the public.

(k) Transcripts:

(1) An accurate stenographic or recorded transcript shall be made of all public and executive hearings. Any member of the Committee, Committee staff member, outside counsel retained by the Committee, or witness may examine a copy of the transcript retained by the Committee of his or her own remarks and may suggest to the official reporter any typographical or transcription errors. If the reporter declines to make the requested corretions, the member, staff member, outside counsel or witness may request a ruling by the Chairman and Vice Chairman, acting jointly. Any member or witness shall return the transcript with suggested corrections to the Committee offices within five working days after receipt of the transcript, or as soon thereafter as is practicable. If the testimony was given in executive session, the member or witness may only inspect the transcript at a location determined by the Chairman and Vice Chairman, acting jointly. Any questions arising with respect to the processing and correction of transcripts shall be decided by the Chairman and Vice Chairman, acting jointly.

(2) Except for the record of a hearing which is closed to the public, each transcript shall be printed as soon as is practicable after receipt of the corrected version. The Chairman and Vice Chairman, acting jointly, may order the transcript of a hearing to be printed without the corrections of a member or witness if they determine that such member or witness has been afforded a reasonable time to correct such transcript and such transcript has not been returned within such time.

(3) The Committee shall furnish each witness, at no cost, one transcript copy of that witness' testimony given at a public hearing. If the testimony was given in executive session, then a transcript copy shall be provided upon request, subject to appropriate conditions and restrictions prescribed by the Chairman and Vice Chairman. If any individual violates such conditions and restrictions, the Committee may recommend by majority vote that he or she be cited for contempt of Congress.

RULE 7: SUBPOENAS

(a) Procedure: Subpoenas may be issued either—

(1) by majority vote of the Committee, or

(2) by the Chairman and Vice Chairman, acting jointly.

All subpoenas shall be signed by the Chairman or the Vice Chairman and may be served by any person eighteen years of age or older, who is designated by the Chairman or Vice Chairman. Each subpoena shall be served with a copy of the Rules of the Committee and a brief statement of the purpose of the initial review, investigation, or other proceeding.

(b) Subpoena Power: Pursuant to Federal law (2 U.S.C. 190(b)), the Committee is authorized to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate as it deems advisable. The Committee is similarly authorized to require by subpoena or otherwise the attendance of such witnesses or the production of such correspondence, books, papers, documents, or other articles as it deems advisable.

(c) Withdrawal of Subpoena: The Committee may, by majority vote, withdraw any subpoena issued by it or issued by the Chairman and Vice Chairman, acting jointly.

The Chairman and Vice Chairman, acting jointly, may withdraw any subpoena issued by them.

RULE 8: VIOLATIONS OF LAW; PERJURY; LEGISLATIVE RECOMMENDATIONS; AND APPLICABLE RULES AND STANDARDS OF CONDUCT

(a) Violations of Law: Whenever the Committee determines by majority vote that there is reason to believe that a violation of law may have occurred, it shall report such possible violation to the proper state and federal authorities.

(b) Perjury: Any person who knowingly and willfully swears falsely to a sworn complaint or any other sworn statement to the Committee does so under penalty of perjury. The Committee may refer any such case to the Attorney General for prosecution.

(c) Legislative Recommendations: The Committee shall recommend to the Senate by report or resolution such additional rules, regulations, or other legislative measures as it determines to be necessary or desirable to ensure proper standards of conduct by Members, officers, or employees of the Senate. The Committee may conduct such inquiries as it deems necessary to prepare such a report or resolution, including the holding of hearings in public or executive session and the use of subpoenas to compel the attendance of witnesses or the production of materials. The Committee may make legislative recommendations as a result of its findings in an initial review, investigation, or other proceeding.

(d) Applicable Rules and Standards of Conduct:

(1) No initial review or investigation shall be made of an alleged violation of any law, rule, regulation, or provision of the Senate Code of Official Conduct which was not in effect at the time the alleged violation occurred. No provision of the Senate Code of Official Conduct shall apply to, or require disclosure of any act, relationship, or transaction which occurred prior to the effective date of the applicable provision of the Code.

(2) The Committee may conduct an initial review or investigation of an alleged violation of a rule or law which was in effect prior to the enactment of the Senate Code of Official Conduct if the alleged violation occurred while such rule or law was in effect and the violation was not a matter resolved on the merits by the predecessor Committee.

RULE 9: PROCEDURES FOR HANDLING COMMITTEE SENSITIVE AND CLASSIFIED MATERIALS

(a) Procedures for Handling Committee Sensitive Materials:

(1) Committee Sensitive information or material is information or material in the possession of the Select Committee on Ethics which pertains to illegal or improper conduct by a present or former Member, officer, or employee of the Senate; to allegations or acquisition of such conduct; to any

resulting preliminary inquiry, initial review, or investigation by the Select Committee on Ethics into such allegations or conduct; to the investigative techniques and procedures of the Select Committee on Ethics; or to other information or material designated by the staff director, or outside counsel designed by the Chairman and Vice Chairman.

(2) The Chairman and Vice Chairman of the Committee shall establish such procedures as may be necessary to prevent the unauthorized disclosure of Committee Sensitive information in the possession of the Committee or its staff. Procedures for protecting Committee Sensitive materials shall be in writing and shall be given to each Committee staff member.

(b) Procedures for Handling Classified Materials:

(1) Classified information or material is information or material which is specifically designated as classified under the authority of Executive Order 11652 requiring protection of such information or material from unauthorized disclosure in order to prevent damage to the United States.

(2) The Chairman and Vice Chairman of the Committee shall establish such procedures as may be necessary to prevent the unauthorized disclosure of classified information in the possession of the Committee or its staff. Procedures for handling such information shall be in writing and a copy of the procedures shall be given to each staff member cleared for access to classified information.

(3) Each member of the Committee shall have access to classified material in the Committee's possession. Only Committee staff members with appropriate security clearances and a need-to-know, as approved by the Chairman and Vice Chairman, acting jointly, shall have access to classified information in the Committee's possession.

(c) Procedures for Handling Committee Sensitive and Classified Documents:

(1) Committee Sensitive and classified documents and materials shall be segregated in secure filing safes. Removal from the Committee offices of such documents or materials is prohibited except as necessary for use in, or preparation for, interviews or Committee meetings, including the taking of testimony, or as otherwise specifically approved by the staff director or by outside counsel designated by the Chairman and Vice Chairman.

(2) Each member of the Committee shall have access to all materials in the Committee's possession. The staffs of members shall not have access to Committee Sensitive or classified documents and materials without the specific approval in each instance of the Chairman, and Vice Chairman, acting jointly. Members may examine such materials in the Committee's offices. If necessary, requested materials may be taken by a member of the Committee staff to the office of a member of the Committee for his or her examination, but the Committee staff member shall remain with the Committee Sensitive or classified documents or materials at all times except as specifically authorized by The Chairman or Vice Chairman.

(3) Any Member of the Senate who is not a member of the Committee and who seeks access to any Committee Sensitive or classified documents or materials, other than documents or materials which are matters of public record, shall request access in writing. The Committee shall decide by majority vote whether to make documents or materials available. If access is granted, the Member shall not disclose the information except as authorized by the Committee.

(4) Whenever the Committee makes Committee Sensitive or classified documents or materials available to any Member of the Senate who is not a member of the Committee, or to a staff person of a Committee member in respose to a specific request to the Chairman and Vice Chairman, a written record shall be made identifying the Member of the Senate requesting such documents or materials and describing what was made available and to whom.

(d) Non-disclosure Policy and agreement:

(1) Except as provided in the last sentence of this paragraph, no member of the Select Committee on Ethics, its staff, or any person engaged by contract or otherwise to perform services for the Select Committee on Ethics shall release, divulge, publish, reveal by writing, word, conduct, or disclose in any way, in whole, or in part, or by way of summary, during tenure with the Select Committee on Ethics or anytime thereafter, any testimony given before the Select Committee on Ethics in executive session (including the name of any witness who appeared or was called to appear in executive session), any classified or Committee Sensitive information, document or material, received or generated by the Select Committee on Ethics or any classified or Committee Sensitive information which may come into the possession of such person during tenure with the Select Committee on Ethics or its staff. Such information, documents, or material may be released to an official of the executive branch properly cleared for access with a need-to-know, for any purpose or in connection with any proceeding, judicial or otherwise, as authorized by the Select Committee on Ethics, or in the event of termination of the Select Committee on Ethics, in such a manner as may be determined by its successor or by the Senate.

(2) No member of the Select Committee on Ethics staff or any person engaged by contract or otherwise to perform services for the Select Committee on Ethics, shall be granted access to classified or Committee Sensitive information or material in the possession of the Select Committee on Ethics unless and until such person agrees in writing, as a condition of employment, to the non-disclosure policy. The agreement shall become effective when signed by the Chairman and Vice Chairman on behalf of the Committee.

RULE 10: BROADCASTING AND NEWS COVERAGE OF COMMITTEE PROCEEDINGS

(a) Whenever any hearing or meeting of the Committee is open to the public, the Committee shall permit that hearing or meeting to be covered in whole or in part, by television broadcast, radio broadcast, still photography, or by any other methods of coverage, unless the Committee decides by majority vote that such coverage is not appropriate at a particular hearing or meeting.

(b) Any witness served with a subpoena by the Committee may request not to be photographed at any hearing or to give evidence or testimony while the broadcasting, reproduction, or coverage of that hearing, by radio, television, still photography, or other methods is occurring. At the request of any such witness who does not wish to be subjected to radio, television, still photography, or other methods of coverage, and subject to the approval of the Committee, all lenses shall be covered and all microphones used for coverage turned off.

(c) If coverage is permitted, it shall be in accordance with the following requirements:

(1) Photographers and reporters using mechanical recording, filming, or broadcasting apparatus shall position their equipment so as not to interfere with the seating, vision, and hearing of the Committee members and staff, or with the orderly process of the meeting or hearing.

(2) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(3) Personnel providing coverage by the television and radio media shall be currently accredited to the Radio and Television Correspondents' Galleries.

(4) Personnel providing coverage by still photography shall be currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(5) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and the coverage activites in an orderly and unobtrusive manner.

RULE 11: PROCEDURES FOR ADVISORY OPINIONS

(a) When Advisory Opinions are Rendered:

(1) The Committee shall render an advisory opinion, in writing within a reasonable time, in response to a written request by a Member or officer of the Senate or a candidate for nomination for election, or election to the Senate, concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within the Committee's jurisdiction, to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

(2) The Committee may issue an advisory opinion in writing within a reasonable time in response to a written request by any employee of the Senate concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within the Committee's jurisdiction, to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

(b) Form of Request: A request for an advisory opinion shall be directed in writing to the Chairman of the Committee and shall include a complete and accurate statement of the specific factual situation with respect to which the request is made as well as the specific question or questions which the requestor wishes the Committee to address.

(c) Opportunity for Comment:

(1) The Committee will provide an opportunity for any interested party to comment on a request for an advisory opinion—

(A) which requires an interpretation on a significant question of first impression that will affect more than a few individuals; or

(B) when the Committee determines that comments from interested parties would be of assistance.

(2) Notice of any such request for an advisory opinion shall be published in the Congressional Record, with appropriate deletions to insure confidentiality, and interested parties will be asked to submit their comments in writing to the Committee within ten days.

(3) All relevant comments received on a timely basis will be considered.

(d) Issuance of an Advisory Opinion:

(1) The Committee staff shall prepare a proposed advisory opinion in draft form which will first be reviewed and approved by the Chairman and Vice Chairman, acting jointly, and will be presented to the Committee for final action. If (A) the Chairman and Vice Chairman cannot agree, or (B)

either the Chairman or Vice Chairman requests that it be taken directly to the Committee, then the proposed advisory opinion shall be referred to the Committee for its decision.

(2) An advisory opinion shall be issued only by the affirmative recorded vote of a majority of the members voting.

(3) Each advisory opinion issued by the Committee shall be promptly transmitted for publication in the Congressional Record after appropriate deletions are made to insure confidentiality. The Committee may at any time revise, withdraw, or elaborate on any advisory opinion.

(e) Reliance on Advisory Opinions:

(1) Any advisory opinion issued by the Committee under Senate Resolution 338, 88th Congress, as amended, and the rules may be relied upon by—

(A) Any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered if the request for such advisory opinion included a complete and accurate statement of the specific factual situation; and

(B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

(2) Any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of Senate Resolution 338, 88th Congress, as amended, and of the rules, and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction by the Senate.

RULE 12: PROCEDURES FOR INTERPRETATIVE RULINGS

(a) Basis for Interpretative Rulings: Senate Resolution 338, 88th Congress, as amended, authorizes the Committee to issue interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction. The Committee also may issue such rulings clarifying or explaining any rule or regulation of the Select Committee on Ethics.

(b) Request for Ruling: A request for such a ruling must be directed in writing to the Chairman or Vice Chairman of the Committee.

(c) Adoption of Ruling:

(1) The Chairman and Vice Chairman, acting jointly, shall issue a written interpretative ruling in response to any such request, unless—

(A) they cannot agree,

(B) it requires an interpretation of a significant question of first impression, or

(C) either requests that it be taken to the Committee, in which event the request shall be directed to the Committee for a ruling.

(2) A ruling on any request taken to the Committee under subparagraph (1) shall be adopted by a majority of the members voting and the ruling shall then be issued by the Chairman and Vice Chairman.

(d) Publication of Rulings: The Committee will publish in the Congressional Record, after making appropriate deletions to ensure confidentiality, any interpretative rulings issued under this Rule which the Committee determines may be of assistance or guidance to other Members, officers or employees. The Committee may at any time revise, withdraw, or elaborate on interpretative rulings.

(e) reliance on Rulings: Whenever an individual can demonstrate to the Committee's satisfaction that his or her conduct was in good faith reliance on an interpretative ruling issued in accordance with this Rule, the Committee will not recommend sanctions to the Senate as a result of such conduct.

(f) Rulings by Committee Staff: The Committee staff is not authorized to make rulings or give advice, orally or in writing, which binds the Committee in any way.

RULE 13: PROCEDURES FOR COMPLAINTS INVOLVING IMPROPER USE OF THE MAILING FRANK

(a) Authority to Receive Complaints: The Committee is directed by section 6(b) of Public Law 93-191 to receive and dispose of complaints that a violation of the use of the mailing frank has occurred or is about to occur by a Member or officer of the Senate or by a surviving spouse of a Member. All such complaints will be processed in accordance with the provisions of these Rules, except as provided in paragraph (b).

(b) Disposition of Complaints:

(1) The Committee may dispose of any such complaint by requiring restitution of the cost of the mailing if it finds that the franking violation was the result of a mistake.

(2) Any complaint disposed of by restitution that is made after the Committee has formally commenced an initial review or investigation, must be summarized, together with the disposition, in a notice promptly transmitted for publication in the Congressional Record.

(3) If a complaint is disposed of by restitution, the complainant, if any shall be notified of the disposition in writing.

(c) Advisory Opinions and Interpretative Rulings: Requests for advisory opinions or interpretative rulings involving franking questions shall be processed in accordance with Rules 11 and 12.

RULE 14: PROCEDURES FOR WAIVERS

(a) Authority for Waivers: The Committee is authorized to grant a waiver under the following provisions of the Standing Rules of the Senate:

(1) Section 101(h) of the Ethics in Government Act of 1978, as amended, (Rule XXXIV) relating to the filing of financial disclosure reports by individuals who are expected to perform or who have performed the duties of their offices or positions for less than one hundred and thirty days in a calendar year;

(2) Section 102(a)(2)(D) of the Ethics in Government Act, as amended, (Rule XXXIV) relating to the reporting of gifts;

(3) Paragraph 1 of Rule XXXV relating to acceptance of gifts; or

(4) Paragraph 5 of Rule XLI relating to applicability of any of the provisions of the Code of Official Conduct to an employee of the Senate hired on a per diem basis.

(b) Requests for Waivers: A request for a waiver under paragraph (a) must be directed to the Chairman or Vice Chairman in writing and must specify the nature of the waiver being sought and explain in detail the facts alleged to justify a waiver. In the case of a request submitted by an employee, the views of his or her supervisor (as determined under paragraph 11 of Rule XXXVII of the Standing Rules of the Senate) should be included with the waiver request.

(c) Ruling: The Committee shall rule on a waiver request by recorded vote, with a majority of those voting affirming the decision.

(d) Availability of Waiver Determinations: A brief description of any waiver granted by the Committee, with appropriate deletions to ensure confidentiality, shall be made available for review upon request in the Committee office. Waivers granted by the Committee pursuant to the Ethics in Government Act of 1978, as amended, may only be granted pursuant to a publicly available request as required by the Act.

RULE 15: DEFINITION OF "OFFICER OR EMPLOYEE"

(a) As used in the applicable resolutions and in these rules and procedures, the term "officer or employee of the Senate" means:

(1) An elected officer of the Senate who is not a Member of the Senate;

(2) An employee of the Senate, any committee or subcommittee of the Senate, or any Member of the Senate;

(3) The Legislative Counsel of the Senate or any employee of his office;

(4) An Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties;

(5) A member of the capitol Police force whose compensation is disbursed by the Secretary of the Senate;

(6) An employee of the Vice President, if such employee's compensation is disbursed by the Secretary of the Senate;

(7) An employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate;

(8) An officer or employee of any department or agency of the Federal Government whose services are being utilized on a full-time and continuing basis by a Member, officer, employee, or committee of the Senate in accordance with Rule XLI(3) of the Standing Rules of the Senate; and

(9) Any other individual whose full-time services are utilized for more than ninety days in a calendar year by a Member, officer, employee, or committee of the Senate in the conduct of official duties in accordance with Rule XLI(4) of the Standing Rules of the Senate.

RULE 16: COMMITTEE STAFF

(a) Committee Policy:

(1) The staff is to be assembled and retained as a permanent, professional, nonpartisan staff.

(2) Each member of the staff shall be professional and demonstrably qualified for the position for which he or she is hired.

(3) The staff as a whole and each member of the staff shall perform all official duties in a nonpartisan manner.

(4) No member of the staff shall engage in any partisan political activity directly affecting any congressional or presidential election.

(5) No member of the staff or outside counsel may accept public speaking engagements or write for publication on any subject that is in any way related to his or her employment or duties with the Committee without specific advance permission from the Chairman and Vice Chairman.

(6) No member of the staff may make public, without Committee approval, any Committee Sensitive or classified information, documents, or other material obtained during the course of his or her employment with the Committee.

(b) Appointment of Staff:

(1) The appointment of all staff members shall be approved by the Chairman and Vice Chairman, acting jointly.

(2) The Committee may determine by majority vote that it is necessary to retain staff members, including a staff recommended by a special counsel, for the purpose of a particular initial review, investigation, or other

proceeding. Such staff shall be retained only for the duration of that particular undertaking.

(3) The Committee is authorized to retain and compensate counsel not employed by the Senate (or by any department or agency of the Executive Branch of the Government) whenever the Committee determines that the retention of outside counsel if necessary or appropriate for any action regarding any complaint or allegation, initial review, investigation, or other proceeding, which in the determination of the Committee, is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee. The Committee shall retain and compensate outside counsel to conduct any investigation undertaken after an initial review of a sworn complaint, unless the Committee determines that the use of outside counsel is not appropriate in the particular case.

(c) Dismissal of Staff: A staff member may not be removed for partisan, political reasons, or merely as a consequence of the rotation of the Committee membership. The Chairman and Vice Chairman, acting jointly, shall approve the dismissal of any staff member.

(d) Staff Works for Committee as Whole: All staff employed by the Committee or housed in Committee offices shall work for the Committee as a whole, under the general direction of the Chairman and Vice Chairman, and the immediate direction of the staff director or outside counsel.

(e) Notice of Summons to Testify: Each member of the Committee staff shall immediately notify the Committee in the event that he or she is called upon by a properly constituted authority to testify or provide confidential information obtained as a result of and during his or her employment with the Committee.

RULE 17: CHANGES IN SUPPLEMENTARY PROCEDURAL RULES

(a) Adoption of Changes in Supplementary Rules: The Rules of the Committee, other than rules established by statute, or by the Standing Rules and Standing Orders of the Senate, may be modified, amended, or suspended at any time, pursuant to a majority vote of the entire membership taken at a meeting called with due notice when prior written notice of the proposed change has been provided each member of the Committee.

(b) Publication: Any amendments adopted to the Rules of the Committee shall be published in the CONGRESSIONAL RECORD not later than thirty days after adoption.●

HEALTH RESEARCH FUNDING

● Mr. CHAFEE. Mr. President, I am pleased to cosponsor Senate Joint Resolution 69. It directs that funds shall be made available to the National Institutes of Health [NIH] for new and competing research grants.

Last year both houses of Congress approved appropriations increasing the funding level for 1985 to provide for approximately 6,500 research grants.

Recently the Office of Management and Budget directed NIH to inform its grantees that 1,500 fewer research grants would be available in 1985, reducing the number to 5,000. OMB plans to commit fiscal year 1985 funds to award 650 of the 5,000 grants on a multiyear basis. Traditionally grants have been awarded for a 1-year period.

The actions taken by OMB clearly bypass the expressed wishes of Congress and set a foundation for reductions in funding for future years. Reduced funding will seriously disrupt the Nation's long-term research capacity and dim our hopes of reaching our national health research objectives. These objectives include increasing the representations of women and minorities in academic medicine and science and expanding the number of clinical investigators.

Science is closer than ever before to making critical breakthroughs in the diagnosis and treatment of diseases that impose hardships and suffering on millions of Americans. Reductions in Government support of these research projects at this crucial stage will have far reaching effects.

I am very proud of the extensive biomedical research underway in the State of Rhode Island. Important biomedical research, through grants from the National Institutes of Health, is being carried on at two major universities and eight teaching hospitals, all located within a 35-mile radius. The availability of facilities to conduct basic research and clinical studies, together with an extensive data base of medical information on an entire State of 1 million people, provides Rhode Island with a unique research community. Biomedical research is an important part of Rhode Island's economic development.

Important work has been accomplished to improve the health of the American people. We cannot allow our progress to come to a halt. I hope that Congress will act swiftly to prevent the disruption of our Nation's research by reaffirming our intent to fund 6,500 NIH awards.●

CURB SOVIET CHEATING

● Mr. McCONNELL. Mr. President, I should like to bring to the attention of my colleagues an article written by Senator MURKOWSKI which addresses the difficult issue of Soviet treaty violations. The Senator from Alaska provides a balanced presentation of the challenge posed by Soviet noncompliance with arms control agreements, and makes a reasoned call for executive and congressional cooperation in facing up to this security issue.

I share Senator MURKOWSKI's concern that the established forum for handling noncompliance matters, the Standing Consultative Commission [SCC], has proven an ineffective means for enforcing agreements. Beyond that, I would also endorse his proposals for executive branch action, including an analysis by the President's General Advisory Committee on Arms Control, to identify the main components of an effective compliance policy.

As members of the Select Committee on Intelligence, Senator MURKOWSKI and I are sensitive to the requirements of effective treaty verification. In his capacity as a member of the Foreign Relations Committee, Senator MURKOWSKI is also aware of the arms control policy implications of continued Soviet cheating. I believe that his article in today's Christian Science Monitor makes a positive contribution to our national debate on this subject, and I ask that it be printed in the RECORD.

The article follows:

[From the Christian Science Monitor, April 3, 1985]

CURB SOVIET CHEATING

(By Frank H. Murkowski)

The US-Soviet arms control negotiations in Geneva provide a significant opportunity for reducing nuclear weapons and the threat of war. Unfortunately, the effectiveness of any agreement which may be achieved will be substantially diminished unless the Soviets discontinue their practice of cheating on treaty commitments.

The Soviets have violated the Anti-Ballistic Missile [ABM] Treaty, SALT I, SALT II, the Biological Weapons Convention, the Helsinki Accords, and the Threshold Test Ban Treaty. They are currently constructing an anti-ballistic missile radar at Krasnoyarsk, testing two new land-based nuclear missiles (the SS-24 and SS-25), and encoding test date which makes it difficult for the US to verify their compliance with arms agreements.

It had generally been assumed that the US's ability to detect such cheating would keep the Soviets from violating treaties. Unfortunately, this has not proven to be true. Verifiable agreements often do little more than allow the US to confirm Soviet noncompliance. These agreements do not answer the question of what to do when the Soviets cheat. In the absence of strong enforcement measures, the Soviets have concluded that the strategic advantages of cheating outweigh the potential costs.

Traditionally, the United States has relied on the Standing Consultative Commission [SCC] to act on cases of noncompliance, but this group has been largely unsuccessful in altering Soviet behavior. In testimony before the Senate Foreign Relations Committee in 1979, Paul Nitze, currently a special adviser for arms control to the secretary of state, said that the SCC has resolved reports of Soviet transgressions "by accepting what had been done in violation."

It is clear that the SCC is to act as the institution for resolving treaty violations, its operation must be reevaluated and changes must be made.

More than 20 years ago, Dr. Fred Ikle, who now serves as undersecretary of defense for policy, wrote an article identifying a need for a coherent compliance policy. Dr. Ikle warned that it is not enough to be able to detect Soviet violations; the US, he added, must know how to respond and take appropriate actions.

Several principles should guide US policy:

First, the President should be prepared to explain to the American people the facts regarding Soviet violations. Secrecy and ignorance in these matters protect only the guilty. With support from Congress, the Reagan administration has done a credible job keeping our citizens informed. However,

this communication must be continued by future administrations.

Second, no agreement should have the effect of restricting US actions more severely than those of other signatories. The Soviet practice of unilaterally exploiting the terms of an accord places the US at a dangerous disadvantage. This principle, therefore, has direct application for continued US adherence to SALT II in face of ongoing Soviet violations.

Third, Congress must not forget the Soviet compliance record when considering US defense programs.

Beyond these basic guidelines, however, much work remains to be done. Formulation of a comprehensive policy to deter future Soviet cheating, as well as responding to existing noncompliance, should be based upon the following initiatives:

The GAC should be directed to identify the main components of an effective compliance policy.

The interagency group that worked on the violations reports should prepare a "lessons learned" memorandum to assist our negotiators in Geneva.

The Department of Defense should report to Congress on the security implications of Soviet treaty violations, together with recommendations on apopropriate countermeasures.

The time has clearly come for the executive branch and Congress to work together in a spirit of bipartisanship to check the challenge posed by Soviet cheating. A failure to do so may doom any hope for responsible arms control, and in the end of goals of peace and security will be sacrificed.●

RULES OF THE COMMITTEE ON LABOR AND HUMAN RESOURCES

● Mr. HATCH. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires each standing, select, or special committee of the Senate, at the beginning of each session, to publish in the CONGRESSIONAL RECORD the rules the committee has adopted to govern procedures within the committee.

Thus, pursuant to that requirement, I ask that the current rules of the Comittee on Labor and Human Resources be printed in the RECORD.

The rules follow:

SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

(By Orrin G. Hatch, Chairman)

RULES OF PROCEDURE (AS AMENDED FEBRUARY 16, 1983)

Rule 1.—Subject to the provisions of Rule XXVI, paragraph 5, of the Standing Rules of the Senate, regular meetings of the Committee shall be held on the second and fourth Wednesday of each month, at 10:00 a.m., in room SD 430, Dirksen Senate Office Building. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary.

Rule 2.—The Chairman of the Committee or of a subcommittee, or if the Chairman is not present, the ranking Majority member present, shall preside at all meetings.

Rule 3.—Meetings of the Committee or a subcommittee, including meetings to conduct hearings, shall be open to the public except as otherwise specifically provided in subsections (b) and (d) of Rule 26.5 of the Standing Rules of the Senate.

Rule 4.—*(a)* Subject to paragraph (b), one-third of the membership of the Committee, actually present, shall constitute a quorum for the purpose of transacting business. Any quorum of the Committee which is composed of less than a majority of the members of the Committee shall include at least one member of the Majority and one member of the Minority.

(b) A majority of the members of a subcommittee, actually present, shall constitute a quorum for the purpose of transacting business: provided, no measure or matter shall be ordered reported unless such majority shall include at least one member of the Minority who is a member of the subcommittee. If, at any subcommittee meeting, a measure or matter cannot be ordered reported because of the absence of such a Minority member, the measure or matter shall lay over for a day. If the presence of a member of the Minority is not then obtained, majority of the members of the subcommittee, actually present, may order such measure or matter reported.

(c) No measure or matter shall be reported from the Committee or a subcommittee unless a majority of the Committee or subcommittee is actually present at the time such action is taken.

Rule 5.—With the approval of the Chairman of the Committee or subcommittee, one member thereof may conduct public hearings other than taking sworn testimony.

Rule 6.—Proxy voting shall be allowed on all measures and matters before the Committee or a subcommittee if the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. While proxies may be voted on a motion to report a measure or matter from the Committee, such a motion shall also require the concurrence of a majority of the members who are actually present at the time such action is taken.

The Committee may poll any matters of Committee business as a matter of unanimous consent; provided that every member is polled and every poll consists of the following two questions:

(1) Do you agree or disagree to poll the proposal; and

(2) Do you favor or oppose the proposal.

Rule 7.—There shall be prepared and kept a complete transcript or electronic recording adequate to fully record the proceedings of each Committee or subcommittee meeting or conference whether or not such meetings or any part thereof is closed pursuant to the specific provisions of subsections (b) and (d) Rule 26.5 of the Standing Rules of the Senate, unless a majority of said members vote to forgo such a record. Such records shall contain the vote cast by each member of the Committee or subcommittee on any question on which a "yea and nay" vote is demanded, and shall be available for inspection by any Committee member. The Clerk of the Committee, or the Clerk's designee, shall have the responsibility to make appropriate arrangements to implement this Rule.

Rule 8.—The Committee and each subcommittee shall undertake, consistent with the provisions of Rule XXVI, paragraph 4, of the Standing Rules of the Senate, to issue public announcement of any hearing it intends to hold at least one week prior to the commencement of such hearing.

Rule 9.—The Committee or a subcommittee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 24 hours before a hearing, unless the Chairman and the ranking Minority member determine that there is good cause for failure to so file, and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee or a subcommittee. The committee or a subcommittee shall, as far as practicable, utilize testimony previously taken on bills and measures similar to those before it for consideration.

Rule 10.—Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition.

Rule 11.—No subcommittee may schedule a meeting or hearing at a time designated for a hearing or meeting of the full Committee. No more than one subcommittee executive meeting may be held at the same time.

Rule 12.—It shall be the duty of the Chairman in accordance with section 133(c) of the Legislative Reorganization Act of 1946, as amended, to report or caused to be reported to the Senate, any measure or recommendation approved by the Committee and to take or cause to be taken, necessary steps to bring the matter to a vote in the Senate.

Rule 13.—Whenever a meeting of the Committee or subcommittee is closed pursuant to the provisions of subsection (b) or (d) of Rule 26.5 of the Standing Rules of the Senate, no person other than members of the Committee, members of the staff of the Committee, and designated assistants to members of the Committee shall be permitted to attend such closed session, except by special dispensation of the Committee or subcommittee or the Chairman thereof.

Rule 14.—The Chairman of the Committee or a subcommittee shall be empowered to adjourn any meeting of the Committee or a subcommittee if a quorum is not present within fifteen minutes of the time scheduled for such meeting.

Rule 15.—Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or a subcommittee for final consideration, the Clerk shall place before each member of the Committee or subcommittee a print of the statute or the part or section thereof to be amended or replaced showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added.

Rule 16.—An appropriate opportunity shall be given the Minority to examine the proposed text of Committee reports prior to their filing or publication. In the event there are supplemental, minority, or additional views, an appropriate opportunity shall be given the Majority to examine the proposed text prior to filing or publication.

Rule 17.—*(a)* The Committee, or any subcommittee, may issue subpoenas, or hold hearings to take sworn testimony or hear subpoenaed witnesses, only if such investigative activity has been authorized by majority vote of the Committee.

(b) For the purpose of holding a hearing to take sworn testimony or hear subpoenaed witnesses, three members of the Committee or subcommittee shall constitute a quorum: provided, with the concurrence of the Chairman and ranking minority member of the Committee or subcommittee, a single

member may hear subpoenaed witnesses or take sworn testimony.

(c) The Committee may, by a majority vote, delegate the authority to issue subpoenas to the Chairman of the Committee or a subcommittee, or to any member designated by such Chairman. Prior to the issuance of each subpoena, the ranking minority member of the Committee or subcommittee, and any other member so requesting, shall be notified regarding the identity of the person to whom it will be issued and the nature of the information sought and its relationship to the authorized investigative activity, except where the Chairman of the Committee or subcommittee, in consultation with the ranking minority member, determines that such notice would unduly impede the investigation. All information obtained pursuant to such investigative activity shall be made available as promptly as possible to each member of the Committee requesting same, or to any assistant to a member of the Committee designated by such member in writing, but the use of any such information is subject to restrictions imposed by the Rules of the Senate. Such information, to the extent that it is relevant to the investigation shall, if requested by a member, be summarized in writing as soon as practicable. Upon the request of any member, the Chairman of the Committee or subcommittee shall call an executive session to discuss such investigative activity or the issuance of any subpoena in connection therewith.

(d) Any witness summoned to testify at a hearing, or any witness giving sworn testimony, may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(e) No confidential testimony taken or confidential material presented in an executive hearing, or any report of the proceedings of such an executive hearing, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the members of the Committee or subcommittee.

Rule 18.—Presidential nominees shall submit a statement of their background and financial interests, including the financial interests of their spouse and children living in their household, on a form approved by the Committee which shall be sworn to as to its completeness and accuracy. The Committee form shall be in two parts—

(I) information relating to employment, education and background of the nominee relating to the position to which the individual is nominated, and which is to be made public; and,

(II) information relating to financial and other background of the nominee, to be made public when the Committee determines that such information bears directly on the nominee's qualifications to hold the position to which the individual is nominated.

Information relating to background and financial interests (Part I and II) shall not be required of (a) candidates for appointment and promotion in the Public Health Service Corps; and (b) nominees for less than full-time appointments to councils, commissions or boards when the Committee determines that some or all of the information is not relevant to the nature of the position. Information relating to other background and financial interests (Part II) shall not be required of any nominee when the Committee determines that it is not relevant to the nature of the position.

Committee action on a nomination, including hearings or meetings to consider a motion to recommend confirmation, shall not be initiated until at least five days after the nominee submits the form required by this rule unless the Chairman, with the concurrence of the ranking minority member, waives this waiting period.

Rule 19.—Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended or suspended at any time; provided, not less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

Rule 20.—In addition to the foregoing, the proceedings of the Committee shall be governed by the Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended.

[Excerpts from the Standing Rules of the Senate]

RULE XXV

STANDING COMMITTEES

1. The following standing committees shall be appointed at the commencement of each Congress, and shall continue and have the power to act until their successors are appointed, with leave to report by bill or otherwise on matters within their respective jurisdictions:

(m)(1) Committee on Labor and Human Resources, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

1. Measures relating to education, labor, health, and public welfare.
2. Aging.
3. Agricultural colleges.
4. Arts and humanities.
5. Biomedical research and development.
6. Child labor.
7. Convict labor and the entry of goods made by convicts into interstate commerce.
8. Domestic activities of the American National Red Cross.
9. Equal employment opportunity.
10. Gallaudet College, Howard University, and Saint Elizabeths Hospital.
11. Handicapped individuals.
12. Labor standards and labor statistics.
13. Mediation and arbitration of labor disputes.
14. Occupational safety and health, including the welfare of miners.
15. Private person plans.
16. Public health.
17. Railway labor and retirement.
18. Regulation of foreign laborers.
19. Student loans.
20. Wages and hours of labor.

(2) Such committee shall also study and review, on a comprehensive basis, matters relating to health, education and training, and public welfare, and report thereon from time to time.

RULE XXVI

COMMITTEE PROCEDURE

1.[1] Each standing committee, including any subcommittee of any such committee, is authorized to hold such hearings, to sit and act at such times and places during the session, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to take such testimony and to make such expenditures out of the contingent fund of the Senate as may be authorized by resolutions of the Senate. Each such committee may make investigations into any matter within its jurisdiction, may report such hearings as may be had by it, and may employ stenographic assistance at a cost not exceeding the amount prescribed by the Committee on Rules and Administration.[2] The expenses of the committee shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

5. (a) Notwithstanding any other provision of the rules, when the Senate is in session, no committee of the Senate or any subcommittee thereof may meet, without special leave, after the conclusion of the first two hours after the meeting of the Senate commenced and in no case after two o'clock postmeridian unless consent therefor has been obtained from the majority leader and the minority leader (or in the event of the absence of either of such leaders, from his designee). The prohibition contained in the preceding sentence shall not apply to the Committee on Appropriations or the Committee on the Budget. The majority leader or his designee shall announce to the Senate whenever consent has been given under this subparagraph and shall state the time and place of such meeting. The right to make such announcement of consent shall have the same priority as the filing of a cloture motion.

(b) Each meeting of a committee, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by a committee or a subcommittee thereof on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in clauses (1) through (6) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the inves-

[1] As amended, S. Res. 281, 96-2, Mar. 11, 1980 (effective Feb. 28, 1981).

[2] Pursuant to section 68c of title 2, United States Code, the Committee on Rules and Administration issues "Regulations Governing Rates Payable to Commerical Reporting Forms for Reporting Committee Hearings in the Senate." Copies of the regulations currently in effect may be obtained from the Committee.

tigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government finanical or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

(c) Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.

(d) Whenever disorder arises during a committee meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance of any such meeting, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator. When the Chair finds it necessary to maintain order, he shall have the power to clear the room, and the committee may act in closed session for so long as there is doubt of the assurance of order.

(e) Each committee shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceeding of each meeting or conference whether or not such meeting or any part thereof is closed under this paragraph, unless a majority of its members vote to forego such a record.

GUIDELINES OF THE SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES WITH RESPECT TO HEARINGS, MARK UP SESSIONS, AND RELATED MATTERS

HEARINGS

Section 133A(a) of the Legislative Reorganization Act requires each Committee of the Senate to publicly announce the date, place, and subject matter of any hearing at least one week prior to the commencement of such hearing.

The spirit of this requirement is to assure adequate notice to the public and other Members of the Senate as to the time and subject matter of proposed hearings. In the spirit of Section 133A(a) and in order to assure that members of the Committee are themselves fully informed and involved in the development of hearings:

1. Public notice of the date, place, and subject matter of each Committee or subcommittee hearing should be inserted in the Congressional Record seven days prior to the commencement of such hearing.

2. Seven days prior to public notice of each Committee or subcommittee hearing, the Committee or subcommittee should provide written notice to each member of the Committee of the time, place, and specific subject matter of such hearing, accompanied by a list of those witnesses who have been or are proposed to be invited to appear.

3. The Committee and its subcommittee should, to the maximum feasible extent, enforce the provisions of Rule 9 of the Committee rules as it relates to the submission of written statements of witnesses twenty-four hours in advance of a hearing. When statements are received in advance of a hearing, the Committee or subcommittee (as appropriate) should distribute copies of such statements to each of its members.

EXECUTIVE SESSIONS FOR THE PURPOSE OF MARKING UP BILLS

In order to expedite the process of marking up bills and to assist each member of the Committee so that there may be full and fair consideration of each bill which the Committee or a subcommittee is marking up their following precedures should be followed:

1. Seven days prior to the proposed date for an executive session for the purpose of marking up bills the Committee or subcommittee (as appropriate) should provide written notice to each of its members as to time, place, and specific subject matter of such session, including an agenda listing each bill or other matters to be considered and including:

(a) two copies of each bill, joint resolution, or other legislative matter (or Committee Print thereof) to be considered at such executive session; and

(b) two copies of a summary of the provisions of each bill, joint resolution, or other legislative matter to be considered at such executive session.

2. Three days prior to the scheduled date for an executive session for the purpose of marking up bills, the Committee or subcommittee (as appropriate) should deliver to each of its members two copies of a cordon print or an equivalent explanation of changes of existing law proposed to be made by each bill, joint resolution, or other legislative matter to be considered at such executive session.

3. Insofar as practical, prior to the scheduled date for an executive session for the purpose of marking up bills, each member of the Committee or a subcommittee (as appropriate) should provide to all other such members two written copies of any amendment or a description of any amendment which that member proposes to offer to each bill, joint resolution, or other legislative matter to be considered at such executive session.

4. Insofar as practical, prior to the scheduled date for an executive session for the purpose of marking up bills, the Committee or a subcommittee (as appropriate) should provide each member with a copy of the printed record or a summary of any hearings conducted by the Committee or a subcommittee with respect to each bill, joint resolution, or other legislative matter to be considered at such executive session.

COMMITTEE REPORTS, PUBLICATIONS, AND RELATED DOCUMENTS

Rule 16 of the Committee Rules requires that the Minority be given an opportunity to examine the proposed text of Committee reports prior to their filing and that the Majority be given an opportunity to examine the proposed text of supplemental, minority, or additional or individual views prior to their filing. The views of all members of the Committee should be taken fully and fairly into account with respect to all official documents filed or published by the Committee. Thus, consistent with the spirit of Rule 16, the proposed text of each Committee report, hearing record, and other related Committee document or publication should be provided to the Chairman and ranking minority member of the Committee and the Chairman and ranking minoirty member of the appropriate subcommittee at least forty-eight hours proior to its filing or publication.●

WOMAN DOCTOR CLOSES GENDER GAP

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. DURENBERGER. Mr. President, for the first time in its history, the president of the Minnesota Medical Association will be a woman, Dr. M. Elizabeth Craig. The Minnesota Medical Association is fortunate to have an individual of the caliber and dedication of Dr. Craig as its next president. In the past, Dr. Craig has served as the chairperson of the Foundation for Health Care Evaluation, and was named the Woman Physician of the Year in 1984 by the 200-member Minnesota Women's Physicians Minnesota organization.

Dr. Craig's election to head the MMA is timely. Minnesota now has nearly 1,000 practicing women doctors, and approximately one-third of the students in Minnesota's medical schools are women. As medicine continues to undergo rapid change in terms of health care delivery as well as the composition of the medical profession, Dr. Craig is well suited to lead the Minnesota Medical Association into the future.

I ask to have printed in the RECORD an article about Dr. Craig from the St. Paul Pioneer Press and Dispatch. I am pleased that Dr. Craig has been named to this post, and I am sure that her tenure as president of the Minnesota Medical Association will prove to be very successful.

The article follows:

[From the St. Paul Pioneer Press Dispatch, Mar. 17, 1985]

WOMAN DOCTOR CLOSES GENDER GAP

This spring, for the first time, the voice of organized medicine in Minnesota will belong to a woman, Dr. M. Elizabeth "Peggy" Craig.

The veteran St. Louis Park pediatrician starts her one-year term as president of the Minnesota Medical Association at the group's convention, which begins May 8 in the Twin Cities.

A self-assured, warm but private person who will admit only to being in her early 60s, Craig is thrilled by the honor accorded by her peers. But like many successful women, she finds the inevitable focus on her gender disconcerting and a little off the point.

"I don't push that button," she said firmly. "I'm not where I am in the MMA because I'm a woman, but because I paid dues for a lot of years and worked my way up."

At the same time, women colleagues praise her efforts to use her position as an establishment insider to open doors for the growing number of women doctors in Minnesota. About 800 of the state's 6,000 practicing doctors are women, as are a third of the students in the state's medical schools.

"Peggy Craig hasn't been one to pull the ladder up. She pulls you up the ladder behind her," said Dr. Doris Brooker, a University of Minnesota pathologist and president of Minnesota Women Physicians, a three-year-old, 200-member group that last year named Craig Woman Physician of the Year. She said Craig has been a steadfast member of the group and adviser to young women in the profession.

Colleagues say Craig has unusual talents as a peacemaker that will serve her well atop the rough and tumble medical politics of the state medical association. Doctors have always had their inter-specialty rivalries, but many of them say the divisions go even deeper today over bread-and-butter issues such as these:

Is it unethical for doctors in prepaid health plans to accept "bonuses" for keeping costs below certain levels?

Should health maintenance organizations be allowed to force doctors to belong to only one HMO?

Are the interests of patients losing out as those who pay the bills—HMOs, employers, insurance companies and government—squeeze tighter and tighter to control costs? How should doctors respond?

"The big challenge is to hold those different groups together," said association board chairman Dr. Delwin Ohrt, a Mankato pathologist. "Dr. Craig is a very stabilizing influence. She can listen to various viewpoints and bring diverse groups to a consensus opinion. It's not something you can learn. You're born with it or you're not."

In 1983 Craig was chairwoman of the acute care committee of the Foundation for Heath Care Evaluation, a statewide doctors' group that reviews medical records to monitor quality and efficiency of care given Medicare patients by both doctors and hospitals. The acute care committee's job was to investigate and crack down, if the facts warranted, on providers whose care wasn't up to snuff or exceeded cost guidelines.

"I don't think she ever upbraided anyone in that job. One of her best traits is her ability to leverage change in people on a one-on-one basis without causing animosity," said Dr. Jack Graham, medical affairs director for Fairview Southdale Hospital and a Foundation colleague of Craig's.

Craig acknowledges that she came late, albeit necessarily, to the world of medical politics in her 37-year career. Other extracurricular activities—she was president of the University of Minnesota Alumni Association in 1977—also came later, after her two children, Craig Lincoln and Libby Lincoln, were raised.

Craig Lincoln, now diving coach at the University of Minnesota, won a bronze medal in diving at the 1972 Olympics. Libby, an attorney, is an executive with the Minnesota Medical Insurance Exchange, an affiliate of the medical association.

Craig lives in Minnetonka with her husband, Howard Lincoln, a retired Pillsbury Co. food scientist. Her brother, Dr. David Craig, is a St. Paul internist.

Libby Lincoln said while in retrospect she can see that their family's life was somewhat unusual because of her mother's busy career, at the time it didn't seem so.

"One of our favorite family stories is how it was mom who led my Girl Scout group because she was the only one who didn't have an excuse for Wednesday afternoons, which was her time off," she said. "Her time outside of work was always arranged around her family. She travely all over the place to be at gymnastic and diving meets to watch us."

Libby also recalled her mother's supportive attitude when she dropped out of law school to move to Chicago to try to become a dancer.

"She loved it, she said, 'Hey, I always wanted to be a singer with a jazz band. Go to it.' "

Craig, whose schedule now is jammed with 7 a.m. meetings, after-dinner meetings and weekend conferences in addition to her regular on-call stints, is pleased at others' view of her as a consensus forger. And she agrees that maintaining professional control over the practice of medicine will be a high priority during her year as president of the association. She said she also plans to continue support of public health measures she has long championed, such as quitting smoking and wearing seat belts.

There also are more controversial issues about which Craig feels strongly, including one known as compensation for cognitive practice. In brief, the issue is that the health insurance system favors payment for surgical procedures over less well-defined care, such as time spent managing coronary artery disease or counseling patients. As relatively fewer dollars are spent on health care, the issue is one doctors will have to face, she said.

On the whole, however, she said she does not accept the argument that prepaid medicine, shorter hospital stays and other attempts at cost-cutting have resulted in poorer quality of care in American medicine.

We're having a lot of difficulties in medicine right now, a lot of agony," Craig said. "But any time you go from a cottage industry through the equivalent of an industrial revolution people are bound to be threatened. It's a trying time in medicine, but very exciting."●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. Bruce J. Heiman of the staff of Senator DANIEL P. MOYNIHAN, to participate in a program in Seoul, Korea, sponsored by the Seoul National University from April 5-14, 1985.

The committee has determined that participation by Mr. Heiman in the program in Korea, at the expense of Seoul National University to discuss United States-Korea trade relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Edwin S. Jayne, Jr., of the staff of Senator JEFF BINGAMAN, to participate in a program in Tokyo, sponsored by the Japan Center for International Exchange from April 7-14, 1985.

The committee has determined that participation by Mr. Jayne in the program in Tokyo, Japan, at the expense of the Japan Center for International Exchange, to discuss United States-Japan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Polly L. Gault of the staff of the Subcommittee on Education, Arts and Humanities, Committee on Labor and Human Resources, to participate in a conference in Munich, West Germany, sponsored by the German Marshall Fund, from April 13-19, 1985.

The committee has determined that participation by Ms. Gault in the conference in Munich, West Germany, at the expense of the German Marshall Fund, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Sandra E. Taylor of the staff of Senator JOHN H. CHAFEE, to participate in a study and exchange program in Japan, sponsored by the Japan Center for International Exchange, from April 6-14, 1985.

The committee has determined that participation by Ms. Taylor in the program in Japan, at the expense of the Japan Center for International Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Loretta L. Dunn, a professional staff member of the Committee on Commerce, Science, and Transportation, to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute from April 4-15, 1985.

The committee has determined that participation by Ms. Dunn in the program in the People's Republic of China at the expense of the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Richard J. Doubrava, a member of the staff of Senator JAMES ABDNOR, to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, from April 4-14, 1985.

The committee has determined that participation by Mr. Doubrava in the program in Taipei, Taiwan, at the expense of the Chinese Culture University, to discuss United States-Taiwan re-

lations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Paul Freedenberg, a staff member of the Committee on Banking, Housing and Urban Affairs, to participate in a study and exchange program in Japan, sponsored by the Japan Center for International Exchange, from April 6-14, 1985.

The committee has determined that participation by Mr. Freedenberg in the program in Japan, at the expense of the Japan Center for International Exchange, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Dennis A. Parobek of the staff of Senator CHIC HECHT to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from April 4-12, 1985.

The committee has determined that participation by Mr. Parobek in the program in Taipei, Taiwan, at the expense of Soochow University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Stephen L. Crow of the staff of the Committee on Appropriations, to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, in early April 1985.

The committee has determined that participation by Mr. Crow in the program in Taipei, at the expense of the Chinese Culture University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Peter D. Prowitt of the staff of Senator MAX BAUCUS, to participate in a program in Bonn, West Germany, sponsored by the Konrad Adenauer Stiftung, from April 14-21, 1985.

The committee has determined that participation by Mr. Prowitt in the program in Bonn, at the expense of the Konrad Adenauer Stiftung, to discuss United States-German relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Maurice Hausheer of the staff of Senator MARK ANDREWS, to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from April 4-12, 1985.

The committee has determined that participation by Mr. Hausheer in the program in Taipei, Taiwan, at the expense of Soochow University, to participate in an educational and cultural tour, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Luke Albee of the staff of Senator PATRICK LEAHY to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, from April 5-13, 1985.

The committee has determined that participation by Mr. Albee in the program in Taipei, Taiwan, at the expense of the Chinese Culture University to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Timothy N. Bergan of the staff of Senator RUDY BOSCHWITZ to participate in a program in Taipei, Taiwan, sponsored by the Chinese Culture University, from April 4-15, 1985.

The committee has determined that participation by Mr. Bergan in the program in Taipei, Taiwan, at the expense of the Chinese Culture University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Mike Gilliland of the staff of Senator HOWELL HEFLIN to participate in a program in Taipei, Taiwan, sponsored by Soochow University, from April 4-12, 1985.

The committee has determined that participation by Mr. Gilliland in the program in Taiwan, at the expense of Soochow University, to discuss United States-Taiwan relations is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Mitchell S. Pettit of the staff of Senator BOB DOLE to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute from April 4-14, 1985.

The committee has determined that participation by Mr. Pettit in the program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, to discuss a variety of foreign policy, trade and academic issues, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. H. Edward Quick of the staff of Senator THOMAS EAGLETON to participate in a program in Bonn, West Germany from April 14-21, 1985, sponsored by the Konrad Adenauer Stiftung.

The committee has determined that participation by Mr. Quick in the program in West Germany, at the expense of the Konrad Adenauer Stiftung, to discuss United States-German relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Hans Binnendijk and Ms. Margaret Nalle, of the staff of Senator CHARLES MATHIAS, to participate in an educational trip to the People's Republic of China, sponsored by the Chinese People's Institute in conjunction with the United States-Asia Institute, from April 4-14, 1985.

The committee has determined that participation by Mr. Binnendijk and Ms. Nalle in the program in the People's Republic of China, to discuss United States-Chinese relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Ryan Conroy of the staff of Senator ALAN CRANSTON to participate in a program in Seoul, Korea, sponsored by Seoul National University, from April 4-14, 1985.

The committee has determined that participation by Ms. Conroy in the program in Seoul, Korea, at the expense of Seoul National University, to discuss United States-Korea relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Greg Musil of the staff of Senator NANCY KASSEBAUM to participate in a program in Taipei, Taiwan, sponsored by the Chinese Cultural University, from April 4-13, 1985.

The committee has determined that participation by Mr. Musil in the program in Taiwan, at the expense of the Chinese Cultural University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Mark Greenberg of the staff of Senator PAUL TRIBLE to participate in a program in Taipei, Taiwan, sponsored by Chinese Culture University, from April 6-13, 1985.

The committee has determined that participation by Mr. Greenberg in the program in Taiwan, at the expense of the Chinese Culture University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Alex Gliksman, a staff member on the Foreign Relations Committee, to participate in a program in Taiwan, sponsored by

the Chinese Cultural University from April 5 to 13, 1985.

The committee has determined that participation by Mr. Gliksman in the program in Taiwan, at the expense of the Chinese Cultural University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Lamar Smith, chief economist of the Banking, Housing and Urban Affairs Committee, to participate in the Second International Symposium for Savings Institutions in Tokyo, Japan from March 11-15, 1985, sponsored by the Postal Savings Promotion Society in Japan.

The committee has determined that participation by Mr. Smith in the symposium in Tokyo, Japan, at the expense of the Postal Savings Promotion Society in Japan, is in the interest of the Senate and the United States.

The select committee has received a request for a determination which permitted Mr. Robert Weidner and Ms. Jackie Clegg of the staff of Senator JAKE GARN, to participate in a program, in Taiwan, Republic of China. Ms. Clegg's visit took place from December 2-10, 1984 and was sponsored by Tamkang University. Mr. Weidner's visit took place from August 12-19, 1984 and was sponsored by Tunghai University.

The committee has determined that participation by Mr. Weidner and Ms. Clegg in the programs in Taiwan, at the expense of Tamkang University and Tunghai University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Leonard Santos, Trade Counsel to the Finance Committee, to participate in a program in Mexico City, Mexico, on February 12, 1985, to speak to Mexican businessmen, sponsored by the American Chamber of Commerce of Mexico.

The committee has determined that participation by Mr. Santos in the program in Mexico, at the expense of the American Chamber of Commerce of Mexico, to discuss United States/Mexico bilateral trade relationships, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Kenneth Carpi, of the staff of Senator PETE WILSON, to participate in a program in Taiwan, sponsored by Tamkang University, which took place from December 2 to 10, 1984.

The committee has determined that participation by Mr. Carpi in the program in Taiwan, at the expense of Tamkang University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Thomas M. Palmerlee of the staff of Senator MALCOLM WALLOP to participate in a program in the People's Republic of China, sponsored by the Chinese People's Institute of Foreign Affairs in conjunction with the United States-Asia Institute, from April 4 to 15, 1985.

The committee has determined that participation by Mr. Palmerlee in the program in the People's Republic of China to discuss a variety of trade and foreign policy matters, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. Alex Gliksman, a staff member on the Foreign Relations Committee, to participate in a program in Taiwan, sponsored by the Chinese Cultural University from April 5-13, 1985.

The committee has determined that participation by Mr. Gliksman in the program in Taiwan, at the expense of the Chinese Cultural University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Ms. Joyce McClune of the staff of Senator BOB DOLE, to participate in a program in Taiwan, sponsored by the Chinese Cultural University from April 4-14, 1985.

The committee has determined that participation by Ms. McCluney in the program in Taiwan, to tour cultural and educational establishments, at the expense of the Chinese Cultural University, is in the interest of the Senate and the United States.●

THE JEWISH PRESS ON THE GENOCIDE TREATY

● Mr. SYMMS. Mr. President, the Jewish Press is the largest independent Anglo-Jewish weekly newspaper in the country, with an estimated readership of 300,000 persons.

This past week, the Jewish Press published an excellent editorial by Arnold Fine in opposition to the Genocide Treaty. After a brilliant and scholarly examination of the Genocide Treaty's contents, Fine concludes:

(T)he Treaty, as reworded by Russia, stands to hurt every American and especially Israel. * * * All the UN, controlled by Russia, would have to do is continue their anti-Israel stance and charge Israel with genocide for their position in opposing the terrorist PLO. Interestingly enough, it would be used as a club against the very nations it was designed to protect.

Mr. President, I intend to do my best to make sure that every Senator has the benefit of reading this excellent article. I ask that it be printed in the RECORD:

The article follows:

[From the Jewish Press, Mar. 22, 1985]

WHY THE UNITED STATES SHOULD NOT RATIFY THE GENOCIDE CONVENTION TREATY

(By Arnold Fine)

For the past 35 years the U.S. Senate has refused to ratify the Genocide Convention Treaty. That Treaty calls for the outlawing of the slaughter of human beings. So why has our Congress balked at signing the Treaty for the past 40 years? The answer lies in the fact that the Treaty, as reworded by Russia stands to hurt every American and especially Israel.

The argument presented by those who want to see the treaty signed claim it is a response to Nazi Germany's crimes against the Jews. However, in reality the slaughter of six million Jews actually has nothing to do with the language of the present Treaty.

Then what is this all about? According to the language in the treaty, which has been considerably modified by the Russians. Americans would lose their rights under the Constitution and Israel would become the prime target in the UN. All the UN, controlled by Russia, would have to do is continue their anti-Israel stance and charge Israel with genocide for their position in opposing the terrorist PLO. Interestingly enough, it would be used as a club against the very nations it was designed to protect.

Let's define genocide. It is considered the systematic, planned annihilation of a racial, political or cultural group. However, the definition as explained in the Genocide Treaty could easily be used against any individual or nation charged with killing even a single member of one of the groups named in the definition. The language in the treaty interprets genocide as "the intent to destroy, in whole or in part, a national, ethical, racial or religious group as such."

Since the phrase is subject to interpretation and with the absence of precise meaning, the treaty would present a terrible threat to this nation.

For example, when the Genocide Treaty was first proposed in 1940 its definition included political groups. The Soviets objected strenuously and the term political was deleted from the language of the treaty.

The Russians did not want that term included in the treaty because they consider their enemies as "enemies of the state"—in other words, political criminals. By Russia's own admission almost all of the Jews now being prevented from leaving Russian soil are considered political and those in prison are political criminals of the state.

When the UN first presented the treaty, the U.S. delegates felt the term ". . . with the complicity of the government" should be included in the language of the definition. It was felt, regardless of what an individual might do, it certainly could not be done without the sanction or force of the government. The Russians objected once more and that language was deleted.

By rejecting the language in the original treaty, the Communist governments exempted themselves from the treaty's intent. As a matter of fact, with that language deleted, the only nations that could then be liable for personal prosecution by an international tribunal could be any nation other than the Communist nations! So the Russians had that phrase deleted over and above the objections of Australia, Belgium, Brazil, Ceylon, Nationalist China, Cuba

(before the Russians became sponsors). Equador, Greece, Norway, the Netherlands and the United Kingdom.

How would the signing of the treaty affect the United States? Here's what would happen if the treaty were ratified. First it would supercede all State laws and could nulify acts of Congress and even treaties our President or Congress may have signed with other nations.

A person or group who might be charged with genocide would not be tried by a domestic court where legal due process is assured under our constitution. They would have to be tried by an international tribunal even if the charge is trumphed up. They would not have a guarantee against self-incrimination, the protection against unreasonable searches and seizures, the writ of habeas corpus and the right of due process of law. All of these would be meaningless in a foreign court.

The language of the treaty cuts across and overrides the Constitution of this nation. It could make an American citizen subject to extradition and prosecution without the safeguards afforded by our system of justice. At the same time the treaty would make Russia and their satelites immune from punishment because of the very language they injected into the treaty.

There is no doubt in any one's mind that the Russians would control the World Court where these cases would be tried. The nations who would sit on the World Court would be able to interpret the treaty as they saw fit when applied to an American citizen or an Israeli.

The treaty language further stipulates that genocide includes the causing of mental harm to members of a national, ethical, racial or religious group. Theoretically members of the FBI, the CIA and even a local Police Department could be accused of genocide because of their supposed harrassment of certain groups. By the same token migrant workers from Mexico could bring farmers before the World Court charging them with Genocide. During the Vietnam war the Russians accused the American soldiers of genocide. If there had been a treaty every Prisoner of War would have been tried in the World Court with the full support of the United Nations which is controlled by the Russians.

In a nutshell, if the United States signed this treaty it would remove Constitutional guarantees from all Americans and subject every American to the jurisdiction of the World Court.

In 1984 Jesse Helms, then a Senator asked the State Department whether the treaty applied to the Soviet's genocide against Afghanistan or the mass murder of Cambodians in the 1970's. The answer Helms got was "No." Because of the treaty's language, they felt it did not apply!

The treaty has become a propaganda tool of the Russians. It has been designed to embarrass us before the world. The Russians have nothing to lose if the treaty is signed, but we, as Americans, have much to lose—namely protection from persecution under our Constitution.●

CARBONDALE RESOLUTION ON AMTRAK

● Mr. SIMON. Mr. President, Amtrak is a working, dependable, integral part of daily community life in hundreds of cities and towns across the land, and that is certainly true in my State of Illinois, the rail gateway State.

Rail passenger service has been a central feature of our State's character for most of this century. In a State the size of Illinois, spanning a length of more than 400 miles, rail service is an especially vital element of our transportation infrastructure. We often hear it said that every town served by Amtrak is also served by other public transport. Mr. President, if Illinois is a reflection of what is happening elsewhere under intercity bus deregulation, the real trend is in precisely the other direction, with Amtrak providing the only public transportation available in many cities and in some entire regions.

One of many spontaneous showings of support for a strong Amtrak that I have received is an emphatic resolution voted by the city council of Carbondale, IL. It is indicative of the enthusiasm that is abroad in the land of Amtrak. As noted in this resolution, the loss of Amtrak service in southern Illinois would constitute a severe blow to the economy and to the quality of life in the region.

Mr. President, the proposal to eliminate Federal operating assistance for Amtrak is nothing less than a death warrant for rail passenger service everywhere but in the Northeast corridor. Amtrak was chartered to be a nationwide rail passenger service, not a regional one, and our prudent course is to continue the support necessary to honor this charter.

I submit for the RECORD the resolution I have described from the city of Carbondale, IL.

The resolution follows:

RESOLUTION URGING THE CONTINUANCE OF THE FEDERAL OPERATING SUBSIDY FOR AMTRAK

Whereas, Amtrak rail passenger service provides a necessary public service in the City of Carbondale and the entire Southern Illinois area by providing a direct transportation link between Southern Illinois and cities of Chicago, St. Louis and New Orleans, as well as points beyond; and

Whereas, Amtrak is considered a valuable resource of southern Illinois University at Carbondale because faculty, staff and students connected with the University rely heavily on Amtrak service; and

Whereas, President Reagan has proposed the complete elimination of the federal government's operating subsidy for Amtrak;

Whereas, the loss of Amtrak service in Southern Illinois would be devastating to the economy and quality of life in the entire region

Now, therefore, be it resolved by the city council of the city of Carbondale, Illinois, as follows:

1. That the City Council of the City of Carbondale, Illinois, strongly supports the continuation of the federal operating subsidy for Amtrak and urges its U.S. Congressmen to actively oppose the elimination of that subsidy;

2. That the City Clerk of the City of Carbondale, Illinois, is hereby directed to forward copies of this resolution to President Ronald Reagan, Transportation Secretary Elizabeth Dole, Senator Alan J. Dixon, Senator Paul Simon and Congressman Kenneth Gray; and

3. That the Mayor and City Manager of the City of Carbondale, Illinois, be and are hereby authorized to do any and all things reasonable, necessary and proper to carry out the intent and purposes of this resolution.

This resolution adopted at a regular meeting of the City Council of the City of Carbondale on the 18th day of March, 1985.●

SOVIET ATROCITIES COMMITTED IN AFGHANISTAN

● Mr. SYMMS. Mr. President, I submit for the RECORD a portion of an editorial by John Lofton from the Washington Times which details only a few of the many Soviet atrocities committed in Afghanistan. Mr. Lofton's article is very candid, and presents us with the cold, ugly truth about the nature of the Soviet regime which directs the slaughter ongoing in Afghanistan against not only the Afghan soldiers, but against Afghan women and children.

What we are witnessing in Afghanistan is a travesty of unsurpassed proportion. The events transpiring there demand that we denounce the Soviet Union's role there, and increase our efforts to provide effective aid to the brave Afghan resistance. I commend Afghanistan: The Horrors We Have Not Seen to all of my colleagues.

The material follows:

EXCERPT

In his visit to Washington last week as the leader of a Soviet delegation, Urkranian Communist Party boss Vladimir Shcherbitsky—a man the Ukranian National Information Service calls "the butcher of Ukranian identity"—paraphrased a Russian folk song, saying he and his comrades hope to give their children and grandchildren "peaceful and sunny skies over them and their mothers by their side."

At a congressional exhibit of children's art, Mr. Shcherbitsky said it was "moving to see the paintings done by children on the premises of the U.S. Congress." And on Capitol Hill, Mr. Shcherbitsky & Co. were the guests of honor at a House Foreign Affairs Committee luncheon where the mood was described by the Reuters news service as "cordial and sometimes exceedingly friendly."

But the photo exhibit that should have greeted Mr. Shcherbitsky should have been photographs of the wanton slaughter of innocent men, women, and children by the Soviet Red Army in Afghanistan. Because in Afghanistan there is anything but peaceful and sunny skies for children and their mothers.

Here is some of what the Red Army is doing in Afghanistan, according to eyewitness reports contained in a Helsinki Watch report on human rights in that country, specifically Chapter 3, titled "Mass Destruction in the Countryside: Cries Against the Rural Population:"

The Soviets are "killing civilians, especially the children and the women who cannot run away from their houses." Their "main targets" are "children whose hands and arms are blown off" by booby-trapped terror weapons shaped to look like toy plas-

tic pens or small red trucks. Soviet soldiers also leave antipersonnel mines in food bins and other parts of houses the people have fled. They have left mines in mosques where people worship. And they have even booby-trapped dead bodies to explode when relatives attempt to move them.

One eyewitness tells how a Russian seized a 10- or 12-year-old boy, and another Russian "took a sickle from a villager and with a powerful and quick movement of the hand, he cut open the boy's throat and threw the sickle away. It all happened very fast. Then one of the Russians did a strange thing: he dragged the dead boy to a higher ground, covered him with a rug, and put a bed upside down on the body."

An 11-year-old girl, who survived a massacre, saw Soviet soldiers and an Afghan officer herd "women and children into a room and kill them by lobbing grenades through the window and bayoneting the survivors."

The parents of a badly burned 12-year-old boy say Russian soldiers came to their village "and held their son's arm over a fire" while they asked about the location of the anti-Communist freedom fighters called the Mujahedin.

One villager tells how he found "everyone dead"—his wife; his 9-year-old daughter, who looked as if she had been shot while trying to escape through a window; and his 13-year-old son, who "lay crumpled in another corner with his head shot away." The father who witnessed this atrocity says: "I threw up."

A former professor of Islamic law who returned to his village says that when three old men told the Soviets they had no sons, two were murdered with automatic weapons fire and the third was "put against a tree and with a big nail (apparently a detached bayonet) a soldier stabbed him in the chest and nailed him to the tree."

In another atrocity, the Soviets took 40 civilians, old and young, men, women, and children, "tied them up and piled them like wood. Then they poured gasoline over them and burned them alive."

At one village, when more than 70 freedom fighters and children hid in an irrigation ditch, the Soviets poured what is believed to have been oil into the ditch's openings and set it on fire. When they saw that this operation succeeded, and all in this ditch were dead, the Soviets "applauded and laughed as they left."

The Soviets have reportedly bombed each village in Afghanistan at least once in the past four years, with the result that 4–5 million refugees (at least one-quarter to one-third of Afghanistan's pre-war population) have sought shelter in Pakistan and Iran.

At another village, innocent people were "bombed by jet fighters and buried under the mud. They were thrown down from the airplanes, and some were put under tanks alive, and the tanks crushed them. They were all unarmed people. Some of them were given electricity and killed that way. Some were cut into pieces alive." Said one eye-witness: "These are things we could not remember even from the reign of Genghis Khan."

The Soviets have put dynamite on the backs of some people and blown them up alive. They have "cut peoples's lips and ears and have gouged out their eyes." And at one place, the Soviets strangled some Afghan gardeners with their bare hands.

The Soviets have even murdered "large numbers of people at weddings and funerals."

And "numerous reports" tell of Soviet soldiers burning the bodies of their victims, which is said to be "an affront to Moslem religious practice, which places great emphasis on a decent burial and respect for the dead."

So, here we have an all-too-brief look at what Vladimir Shcherbitsky and the group of Communist thugs who visited this country with him represent. And to think that these beasts who walk like men were actually welcomed by representatives of our Congress and our president.

Indeed. And what these meetings symbolize makes me feel like the Afghan father who looked at his family murdered by the Soviets: I want to throw up.●

TRIBUTE TO MR. DALE TOOLEY

● Mr. HART. Mr. President, I should like to pay tribute today to one of the finest public servants I have had the privilege to know, the former district attorney of Denver, Dale Tooley. Mr. Tooley passed away this week after a valiant struggle with cancer.

Mr. President, in the years Dale Tooley served as district attorney, he gained the reputation as a skilled attorney and a person of integrity whose relentless pursuit of criminals was exceeded only by his compassion for their victims. In the very finest sense of the word, he was the champion of anyone who strives to live their lives in the security and freedom that are only possible in a just and law-abiding society.

Three times Dale Tooley was a candidate for the office of mayor and three times he conducted those campaigns with class and an energy that was borne, not of personal ambition, but of a passion and an appreciation for a city he loved like few people in Denver's history. In every race, he brought a style and a wonderful Irish humor to the political arena that will not soon be forgotten.

Mr. President, in the final days of his life—a life that enriched the lives of countless others—Dale Tooley conducted himself with a courage and special dignity that will give strength to every American struggling with a terminal illness. In death, as in life, he has won a special place in the hearts of his fellow citizens and we will wish him forever that gentle Irish blessing, "May God hold him in the palm of his hand."●

PATRICIA ROBERT HARRIS

● Mr. SIMON. Mr. President, on Saturday, the Nation lost another drum major for justice, Patricia Roberts Harris, a native of Matoom, IL, died at the young age of 60. A Secretary of Housing and Urban Development, a Secretary of Health, Education and Welfare, a Secretary of Health and Human Services, and an Ambassador to Luxembourg—her short life was filled with public service to the Nation and especially to the citizens of Washington, DC.

We in Illinois, are proud to have given to the Nation this daughter of a Pullman car waiter to serve some of America's most down-trodden and disadvantaged citizens. Her service under Presidents Johnson and Carter was both historical and of high calibre. As the first black woman to serve as a cabinet Secretary, she was a capable administrator and a sensitive partisan of programs for the poor. Compassionate and competent are two words which describe her outstanding record of public service. Although she offended some with her tough and forceful leadership, she received high marks from those who worked for her and with her in Government, as a professor and the dean of the Howard University School of Law, and as a lawyer and ambassador.

I remember Pat Harris as a friend, a patron of the arts, and an advocate. We often exchanged views even between performances at the John F. Kennedy Center for the Performing Arts.

I ask that the two articles be printed in full.

The articles follows:

[From the Washington Post, Mar. 25, 1985]

PATRICIA ROBERTS HARRIS

The Post's account of the life of Patricia Roberts Harris, who died Staturday at the age of 60, emphasized the "firsts"—first black to serve as a delegate to the U.N., first black woman to become law school dean, ambassador, Cabinet member. One thing about firsts is that people sometimes tend to forget them as they are succeeded by seconds, thirds and so on.

Sen. William Proxmire made this mistake during hearings on Mrs. Harris' nomination to be secretary of housing and urban development in the Carter administration. Sen. Proxmire saw before him a woman whose career was marked by success and whose reputation stood high in the governing establishment, and he wondered aloud about her ability to be "sympathetic to the problems of the poor:"

"You do not understand who I am," Mrs. Harris replied. "I am a black woman, the daughter of a Pullman car waiter. I am a black woman who even eight years ago could not buy a house in parts of the District of Columbia. I didn't start out as a member of a prestigious law firm, but as a woman who needed a scholarship to go to school. If you think I have forgotten that, you are wrong."

Mrs. Harris' statement was characteristically, tough and forceful—attributes that often go with being first in areas where, for no good reason, you are not wanted—such as a segregated Washington lunch counter where Mrs. Harris led a sit-in by a group of fellow Howard University students in 1943. If some complained that she wasn't playing an activist role in the civil rights movement in the '60s, she could reply, "When I sat in there was nobody else to do it."

Her Cabinet tenure was in departments whose constituency is made up of people living on the edge. She ran the departments hard and fought for them fiercely. "She always impressed me as someone who cared very much about people who were not getting a decent shake, and she also impressed

me as being tough as nails when it came to taking care of their interests," said Jody Powell, who was President Carter's press secretary.

Along with the firsts and the ups in her career there were the downs—a term as dean of the Howard University Law School cut short by a dispute over student protest, and her defeat in the 1982 race for mayor of this city. But no one should doubt that in all her work she showed—as she made clear to Sen. Proxmire that day eight years ago—that she had not forgotten either her own past or some of the darkest moments of this country's past.

PAT HARRIS: A FRIENDSHIP

When I met Pat Harris 16 years ago, she was recovering from the shock of her one-month career as dean of the Howard University Law School. I went to her house on Holly Street for an interview and we talked the afternoon away in her big sunny living room. The subject was the circumstances that had led to her abrupt departure from Howard amid great controversy. So it was a working encounter. But we also became friends that day.

Over the years, this friendship grew and it was, as you would expect, put severely to the test as she took on a series of public jobs and I found myself in the role of editorial commentator on them. There were some awful ruckuses during her time at HUD, and when The Post endorsed her opponent, Marion Barry, in the last mayoralty election, communication all but ceased for a year. It resumed, though, as did the friendship. Over the years, there were many more amicable times than strained ones.

I admired Pat for precisely those qualities that ended her in the soup so often and which made her, I thought, hopeless as a practicing politican, but awesome as a public figure. She was a woman of stunning, electric intelligence, obdurate, uncompromising, given to searching out the moral prinicipal in an issue and, once deciding she had found it, refusing, come what may, to budge. Pat was always independent and (therefore) often desolately alone.

There was a poignancy in this. I felt it that first day we met as I came to understand both the temptation she had resisted in the Howard Law School conflict and the terrific assault she was taking as a result. The students were protesting violently. Their grievances had been essentially against law school teachers and officials who were there before this brand new dean took over. She in fact sympathized with some of the students' complaints.

But they had, among other things, seized the law school building and held it for a time, and she would not, absolutely not—that's spelled n-o-t—negotiate under that sort of unlawful pressure. She was outraged that law students of all people should do such things. Just about everybody on all sides of the dispute—the protestors and the old regime that was being protested against—wanted her to give in on this point. She wouldn't. She was ousted. She was right.

The Pat Harris I saw that day in the living room on Holly Street was the woman I was to see many times again over the years, as she recurrently got in this kind of predicament: strong, sad, angry, beat-up and yet undefeated all at once. There was a vulnerability, a gentleness mixed with her ferocity.

I sensed and saw this complexity of feelings as Pat fought her way through the baffles of the past decade and a half, talking stands on racial issues and questions of public policy that often alienated people she wanted as friends and that regularly defied the easy, fashionable, self-protective wisdom of the moment.

But I never saw this particular spirit so strong or moving as it was when I visited her in the hospital and spoke with her on the phone in the last painful months of her life. She had lost Bill and now she was losing her battle to cancer. Pat was, as usual, forthright, strong, outspoken about her illness and her prospects, concerned about how she should die, determined to do the thing right. And all the while, in her physical agony and what must have been deep fear, she maintained the familiar sharp interest in what was going on in the public world around her. Pat Harris finally had to yield. But she never gave up.●

STATUS REPORT ON THE BUDGET

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1985 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared urgent supplemental appropriations for Emergency Famine Relief and Recovery in Africa, H.R. 1239, for the President's signature.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 280, REFLECTING COMPLETED ACTION AS OF APR. 2, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Budget resolution level	1,021,350	932,050	750,900
Current level	1,015,813	933,204	750,739
Amount remaining	5,537	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $5,537 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 280 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 280 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 280.●

P.D. HUMPHREY CO.: SMALL BUSINESS, NEW ENGLAND STYLE

● Mr. PELL. Mr. President, I would like to call attention to the 100th anniversary on April 13, 1985, of one of Rhode Island's venerable small businesses, the P.D. Humphrey Co., dealers in lumber, hardware, and oil in Tiverton, one of our more rural towns.

P.D. Humphrey does not quite fit the stereotype of youthful, high tech small businesses that abound today, although we have plenty of them today. The Humphrey firm not only is 100 years old, but its owners trace their roots in Tiverton to the first years of our national existence.

The firm was started in 1885 by Peleg Durfee Humphrey, whose ancestors settled in Tiverton on land granted as compensation for service in the Revolutionary War. The firm has been operated by five generations of the Humphrey family, the latest of whom was represented by William "Jay" Humphrey, Jr., who served as an intern in my office in 1978.

Jay Humphrey recalls that the firm in its early years was oriented toward the waterfront, receiving its shipments of coal and lumber by boat and barge at its wharves at the head of the Sakonnet River. Its waterfront operation was wiped out by a hurricane in the 1950's and the firm moved a few miles inland to its present location. It employs some 70 people and today, instead of coal, it markets heating oil. But it still provides the same essential services to the community as it did 100 years ago and it stands as a symbol of continuity and stability in the New England economy.

I congratulate the descendants of Peleg Humphrey on their durability, and wish them several more centuries of good business in Rhode Island.●

CONDITIONS INSIDE AFGHANISTAN

● Mr. HUMPHREY. Mr. President, in recent weeks I have attempted to keep this body informed on a regular basis of the tragic situation which occurs inside Afghanistan. I say attempt because mere words simply do not describe the horrible atrocities which are being committed on a daily basis by Soviet occupation forces. Not since the era of Ghengis Khan and Mongol hordes has Central Asia been victimized by such a reign of vicious devastation; not since the grim period of Adolf Hitler and Nazi terror has the Western World been witness to such extremes as this attempt to annihilate an entire people.

Indeed, Mr. President, as I read more and more about what is happening in Afghanistan, as I discuss the tragedy there with representatives of the Afghan people, with academics, and with diplomats, I am often over-

whelmed by the grisly accounts of savagery. I find it difficult myself to describe fully the absolutely inhuman brutality of Soviet military forces, which defies all notion of the Judeo-Christian ethic.

One expert on the plight of the Afghan people has put his thoughts and his eyewitness experiences to paper, and it is his account which I would like to share with the Senate during the next several days. Dr. Claude Malhuret is executive director of the Paris-based Medecins sans Frontieres—doctors without borders. This organization, along with one or two other humanitarian groups, have courageously braved the life-threatening situation in Afghanistan to bring medical assistance to the Afghan people—medical assistance deprived them by the Soviet occupation troops, which view epidemic as a convenient way to depopulate the countryside, and unattended injuries an effective way to burden the resistance.

Mr. President, at the same time that they attend to these people sickened by poison water, weak from forced starvation tactics, and injured by so-called "toy bombs," the doctors of Medecins san Frontieres have been able to assemble a clear picture of the war in Afghanistan. In an article entitled "Report From Afghanistan," which appeared in Foreign Affairs magazine, Dr. Malhuret describes that war from the perspective of a humanitarian organization. His account, to understate its impact, is startling, and should be examined especially by those who would prefer to view Afghanistan from solely abstract geopolitical considerations. Though the article is somewhat more than a year old, its description, its prophesy and its impact remain accurate and compelling.

I ask that the first portion of Dr. Malhuret's article be printed in the RECORD.

The material follows:

REPORT FROM AFGHANISTAN

(Claude Malhuret)

For three years now, Medecins sans Frontierés—Doctors Without Borders—has been in Afghanistan. The first medical teams it sent arrived in May 1980, five months after the Soviet invasion. Since then, we have sent 162 physicians and nurses who replace each other in relays for periods of four to eight months, providing an uninterrupted MSF presence. We have equipped and operated a total of 12 hospitals in the provinces of Nuristan, Paktia, Badakhshan (close to the Soviet border), Wardak (some 40 km from Kabul), Bamiyan, Uruzgan, and Zabul. Four of these hospitals were deliberately bombed and destroyed by Soviet planes in the fall of 1981. We evacuated two other hospitals in areas where we felt the need for medical services was limited and where local medics whom we have trained have been able to take over. At the present time, the MSF has 22 persons working in six hospitals. From our uninterrupted presence in Afghanistan, we have been able to evaluate the situation in the country since the beginning of the war, specifically in the areas where we are working. The current situation in Afghanistan is one of protracted war. The duration and character of the war derive directly from the Soviet style of anti-guerrilla warfare.[1]

Guerrilla warfare has already demonstrated its effectiveness elsewhere, and until recently no one has known how to counter it. The scattering of populations, the creation of village strongholds, and control and card-indexing of inhabitants have proved to be very useful means of restricting guerrilla advances, but the resistance fighters have always won out in the end.

It is true that there are examples to the contrary, such as the victory of the British army in Malaysia, and that of the French expeditionary corps in Algeria. But in the latter case, de Gaulle realized that France's long-term position was untenable and so he complied with the demands of the National Liberation Front, even though the Front was in a very poor military position when negotiations began.

Totalitarian regimes have analyzed these repeated failures and found a new answer to the guerrilla "problem," one that is simple, logical and effective. Since the basis of the strength of a resistance movement lies in the practice that Mao Zedong called "the fish taking to the water," the easiest way to separate the guerrillas from the population is to empty the fish bowl and capture its contents. In other words, an effective counter-strategy in the face of guerrilla action involves massive reprisals against the population, sometimes including the extermination of a large part of that population.

Some might think that such prospects would be repulsive to even the most determined invader. But this has not been the case; this philosophy has become a reality before our very eyes over the past several years. In the province of Ogaden, which revolted against the regime in power in Ethiopia, towns and villages were leveled one after the other. Nearly one million refugees—almost all the inhabitants—are now in refugee camps in nearby Somalia. And air units from Addis Ababa have no scruples about making raids on the camps.

In Kampuchea, the Vietnamese victory over the Khmer Rouge four years ago would never have been possible if the people had not been starved into submission by the Vietnamese, who feared that part of the relief support might fall to the enemy forces of Pol Pot. While tens of thousands of Kampucheans died of hunger and hundreds of thousands fled into Thailand, thousands of tons of food provided by international relief organizations spoiled on the docks of Kompong Som. The only portions of these supplies that were used went to feed the occupying Vietnamese forces and the Kampucheans under control in the pacified areas.

This type of warfare is currently being used in Afghanistan, the only difference being that the Afghan resistance groups have thus far made it fail. It may therefore be more difficult to recognize the pattern in all of these anti-guerrilla campaigns, but their common characteristics can be divided into three main categories: how the Soviet version of anti-guerrilla warfare compares with traditional Western anti-guerrilla warfare; what specific means it uses; and what the final outcome is.

One difference between the type of warfare used by the Russians in Afghanistan and that used by Western armies, such as the French in Algeria or the Americans in Vietnam, is that Western armies try to control the population and make every effort to prevent infiltration by guerrillas. From the bases they set up in towns, they try to establish a sphere of influence, to find support in the villages and hamlets, and to create militias to defend areas that might be attacked by guerrilla fighters before reinforcements from the regular army arrive. To ensure that resistance groups cannot get supplies from the people, the Western armies set up protected villages where the people are brought together and where food, supplies, and livestock are stored.

Manhunts are continuously organized, from the bases that are considered safe, to capture or kill guerrillas or to seize their caches of arms and ammunition. In all despite the irresponsible acts committed by the French army in Algeria and the U.S. Army in Vietnam, their anti-guerrilla warfare was based on one principle: to obtain the support of the population by any means, such as by giving privileges to newfound allies and by waging a hard war against the *enemy*. I have already noted the poor results of this type of warfare.

The Soviets operate differently. In Afghanistan, the towns held by the occupying Soviet forces are not used as bases to secure a hold over the neighboring areas. The towns are used as garrisons and as logistical stepping-stones. They provide storage facilities, aviation bases, barracks, and strongholds. The rest of the country is not under Soviet control. Protected villages do not exist. No effort is made to offer privileges to try to win over the population. The few military operations that involve ground forces are merely for strategic purposes. Some examples are the engagements that have taken place on the road from Kabul to the Soviet border, in the Panjshir Valley and the Wakhan corridor; operations there are not designed to capture resistance fighters.

The reason for this difference in anti-guerrilla tactics is very simple: the Soviets are not as naïve as the Westerners. They understood long ago—perhaps back at the time of the 1933 Ukrainian genocide when this tactic was used quite successfully—that a war involving guerrillas and anti-guerrilla fighters would never be won by either side if the emphasis was placed on being in the good graces of the population. On the contrary, the war would be won by the side that succeeded in making terror reign.

This brings me to the second aspect: specific means used to counter resistance movements. This does not involve a warm bath/cold shower tactic, but the exclusive use of boiling water—again and again and again, until both the Guerrilla fighters and the population ask for mercy.

During the first phase, until late 1980, air and ground equipment and infantry units were brought together to establish the reign of terror in this fashion. To mention just one example in the province of Hazarajat in central Afghanistan, several hundred armored vehicles would leave either Kabul or Jaghori and occupy a valley that could easily be entered. The population, which had warning either by rumor or because they had seen the helicopter movement fled into the mountains. The Soviet troops

[1] Medecins sans Frontieres (Doctors Without Borders) was created in 1971 by a group of physicians who had worked in Biafra during the Nigerian civil war of the 1960s. This rapid-deployment medical organization has sent teams to conflict-torn areas in Southeast Asia, Lebanon, Chad, East Africa, Angola, Central America, and Iranian Kurdistan, often despite the opposition of host governments.

therefore entered empty villages where they remained for a few days, harassed by the Muslim resistance groups—the Mujahedeen—who also barred their access to the upper valleys. During those few days, the soldiers pillaged and burned homes, set fire to crops and dragged off with them the few inhabitants left behind—mostly old people, whom they interrogated or summarily executed.

In 1980, three of these raids by Soviet troops took place along the Shibar Pass road; the soldiers thereby managed to occupy Bamiyan, Yakaolang, and Panjau for about ten days in June with 300 armored vehicles, in August (again with 300 armored vehicles), and in September (with 120 armored vehicles). In their last attack the Russians destroyed everything in sight, set fire to crops and burned bazaars to the ground in Panjau, Yakaolang, and several villages on the road to Shibar. They left the former American hospital in Yakaolang in ruins.

During a similar expedition in the fall of 1980, many homes were burned down in the region of Turkmen, west of Kabul, and the small hospital in Lolenj was also completely destroyed. The same kinds of destruction took place in mid-December in the northern part of Ghazni province. When one of our medical teams arrived two days after the end of the fighting, fires were still smoldering in a number of villages, and people were being wounded by booby traps left behind by the Soviet troops. Once again, the effect sought was terror, not strictly military victory.

Since late 1980, warfare using such operations has dropped off, probably because the Red Army has lost too many of its troops. But the Russians have now found other ways to impose a reign of terror, particularly by the use of air raids against which the poorly equipped resistance fighters are completely defenseless. In the Hazarajat region, for example, the villages bombed in the last two years are much too numerous to be listed here in full. Just a few of the targets were Jaghori, Panjau, Behsud, Jalrez and Waras. In Jalrez, a home where a wedding was taking place was bombed and the tragedy left several dozen victims. In Waras, where the independent provisional govenment of Hazarajat has its headquarters, the helicopters by-passed this organization, which should have been a tempting target, and attacked the village bazaar.

Military intervention carried out mainly by helicopter also includes dropping mines and booby-trapped toys. I shall not go into detail, but only stress two points. First, camouflaged anti-personnel mines are not designed to kill, but to injure. The Russians know quite well that in this type of war, an injured person is much more trouble than a dead person. The injured person demobilizes fighters who have to transport him, and, of course, he can no longer fight. In many cases, he will die several days or weeks later from gangrene or from staphylococcus or gram-negative septicemia, with atrocious suffering, which further depresses those who must watch him die. The MSF has also seen the damage caused by the explosion of booby-trapped toys, in most cases plastic pens or small red trucks, which are choice terror weapons. Their main targets are children whose hands and arms are blown off. It is impossible to imagine any objective that is more removed from conventional military strategy, which forswears civilian targets.

The second aim of dropping of anti-personnel mines is to affect the economy. First, troops try to set up a blockade using mines that are scattered by the thousands along the passes leading to Pakistan (but with almost no success), and second, they try to scatter the people's livestock. When I arrived in Afghanistan for the first time in 1980, I was immediately struck by the number of goats and cows that had legs in splints made of bamboo sticks and tied with wire. The herdsmen explained to me what had happened: these animals had stepped on mines and been injured as a result of the explosion. But the greatest loss, the herdsmen told me, is not so much the ones with splints, but rather all those animals that were killed from secondary infections. And although the Afghans clear the mines from the roads to prevent more human deaths, the animals in the fields continue to get killed. Livestock in several regions of the country has been slaughtered in this way. The effect of this slaughtering on the food supply in Afghanistan is clear.

Another point to be considered is the question of refugees—those still in Afghanistan as well as those who have fled. These refugees should not be considered in the traditional way, as an unfortunate but unintended consequences of the war, but rather as part of Soviet Warfare Strategy, the same that was used in Kampuchea, the Ogaden and Eritrea. The objective is, as mentioned earlier, to evacuate the country in order to isolate the guerrilla fighters.

The methodical pursuit of this objective is the only possible explanation for the incredible number of Afghan refugees. Some flee the country to Iran and Pakistan, where they are once again "used" by the Russians, whose agents infiltrate the refugees' ranks to further aggravate the conflicts that exist in Pakistan between different ethnic groups, as many believe is happening in Baluchistan. The figures for Afghan refugees in Pakistan and Iran as reported to international bodies run in excess of four million.2 Out of an Afghan population of 15 to 17 million, this figure is already enormous.

But to this figure must be added the hundreds of thousands of "internal" refugees who remain within Afghanistan. They have fled to the main towns, where they come under the control of the state army. Thus, this enlarged refugee count should be compared not to be total population of Afghanistan, but to the population in the rural areas that are held by the resistance fighters. When one adds to that the number of persons killed either in the fighting or by diseases that frequently find their cause in malnutrition—especially among children—one can better understand why that Soviet strategy is highly effective and that it has no doubt been responsible for chasing nearly half of the population away from guerrilla strongholds.

Also, several thousand children are sent to the Soviet Union to study to be officers one day in the Socialist Republic of Afghanistan; this offers a very close comparison with the Russian' "liberation" of the southern republics of the U.S.S.R. in the 1920s and 1930s, which led to a total victory over what has been called the Basmachi ("bandit") revolt.●

SOVIET JEWISH EMIGRATION

● Mr. MOYNIHAN. Mr. President, today's New York Times carries an unconfirmed report from Jerusalem that the Government of the Soviet Union will permit 280 Jewish families, about 1,000 persons, to emigrate to Israel in the next few days. This would be welcome news indeed, if true, and could only be interpreted as a signal of a Soviet desire to improve upon a very dismal record in this area—something to be encouraged and expanded in every way possible.

I would like to take this opportunity to urge President Reagan to build on such good will as this may indicate is present on the part of the new Soviet leadership, and to enter negotiations with the Soviet Government that could lead both to a regularization of Soviet emigration policy and a lessening of the harassment of Soviet Jews who remain in the U.S.S.R. that was clearly the policy of Mikhail Gorbachev's predecessors.

It will be recalled that on March 8, 1985, I was joined by my colleague from New York, Representative JACK KEMP, at a press conference where we announced that 249 of our congressional colleagues had joined us in signing a letter to President Reagan, urging that he initiate such negotiations with the Soviet Union. As many Senators are aware, the number of Soviet Jews permitted to emigrate has in recent years declined to miniscule proportions, even as officially sanctioned harassment of Soviet Jews has increased.

Our letter urged the President to invite the Soviet Union to enter into discussions dealing solely with the free emigration of the large number of Jews who seek to leave the Soviet Union, and with release of the prisoners of Zion, in keeping with the Helsinki Final Act of 1975.

The reference to the Final Act of the Conference on Security and Cooperation in Europe, signed at Helsinki, August 1, 1975, was carefully made. The Helsinki Final Act was of course not addressed only to emigration. It was a broadly conceived package of pledges undertaken by the 35 nations of Europe and North America to one another on military, economic, social, political, and humanitarian subjects.

It was not a treaty, as that term is normally understood in international law. The Senate has never been asked, nor has it given, its advice and consent.

As was stated in a memorandum prepared by the Congressional Research Service of the Library of Congress July 28, 1976—a portion of which I would ask be included in the RECORD at the conclusion of my remarks—

The document signed at the end of the Conference on Security and Cooperation in Europe was entitled a Final Act, after considerable debate, to indicate that it was not a legally binding treaty or international agreement. . . . President Ford, Secretary of State Kissinger and other Administration officials have stressed the non-juridical nature of the Final Act, comparing it to

such documents as the Universal Declaration on Human Rights and the UN Friendly Relations Declaration. Several other CSCE participant states have given the Final Act similar interpretations . . . Other nations have emphasized that existing treaties would not be effected and that a new regional international law would not emerge from the Conference.

One's right to "leave any country, including his own, and to return" has long been recognized in international law—most explicitly and bindingly in the Universal Declaration of Human Rights adopted by the U.N. General Assembly in 1948. The widespread publication of the Final Act by the Eastern European governments themselves, however, meant that for the first time whole segments of the populations of those countries became aware of a right which, although greatly restricted, was theirs long before August 1, 1975.

Largely for this reason of the widespread awareness of it, the Helsinki Final Act—including its reaffirmations of one's right to communicate, travel, and enter into associations across national boundaries—has, despite its nonjudicial nature, become a part of customary international law.

This was stated most clearly and succinctly in a report prepared by the Commission on Security and Cooperation in Europe, entitled "Implementation of the Final Act of the Conference on Security and Cooperation in Europe: Findings and Recommendations Two Years After Helsinki," published September 23, 1977, excerpts of which I would ask be printed in the RECORD at this point.

The material follows:

EXCERPTS FROM IMPLEMENTATION OF THE FINAL ACT OF THE CONFERENCE ON SECURITY AND COOPERATION IN EUROPE: FINDINGS AND RECOMMENDATIONS TWO YEARS AFTER HELSINKI

Freedom of movement has been recognized as a natural right by most Western civilizations since ancient Greece. In fact, it has been called the first and most fundamental of man's liberties.[1] Disregard of this freedom—frequently gives rise to discrimination in respect to other human rights and fundamental freedoms, resulting at times in the complete denial of those rights and freedoms.[2]

The first Western national law to guarantee the right of everyone to leave his country was the Magna Carta of 1215. The French Constitution of 1791 secured—the freedom of everyone to go, to stay, or to leave without being halted or arrested unless in accordance with procedures established by the Constitution.

In 1868, an act of the United States Congress declared: "The right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty and the pursuit of happiness."

These three provisions served as legal antecedents to modern national laws on the subject of free movement until 1948. In December of that year, the United Nations General Assembly adopted the Universal Declaration of Human Rights and the right to leave one's country for travel or emigration become an internationally accepted human right. Article 13 (2) states that "Everyone has the right to leave any country, including his own, and to return to his country." Although not a legally binding instrument, the declaration has became part of customary international law.

The right to travel and emigrate is, however, also endorsed in several international documents which do have the force of law. Specifically, Article 12(2) of the International Covenant on Civil and Political Rights, adopted by the United Nations in 1966, declares that "Everyone shall be free to leave any country, including his own." The International Convention on the Elimination of All Forms of Racial Discrimination, adopted by the General Assembly in 1965, provides that each party to the treaty guarantee that everyone enjoy, among others, "the right to leave any country, including his own and to return to his own country."

FINAL ACT PROVISIONS

In comparison to these formulations, the Final Act provisions relating to this right are much narrower. Rather than broadly guaranteeing free movement, the human contacts section of Basket III attempts to set a standard of conduct protecting a citizen's right to reunite or meet with his family, to marry the one he loves, or to travel. The ultimate goal is for the participating states "to facilitate freer movement and contacts . . . and to contribute to the solution of humanitarian problems that arise in that connection."

More specifically, the 35 nations agreed to "favorably consider applications for travel . . . in order to visit members of their families," to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special attention being given to requests of an urgent character," to "examine favorably and on the basis of humanitarian considerations request for exit or entry permits from persons who have decided to marry a citizen from another participating state." While not mandating that all such applications be immediately granted, the language of the Final Act directs, in effect, that applications for these purposes not be capriciously rejected.

The Final Act further directs the signatory states to simplify, shorten, and ease the procedures necessary for travel for the purposes of family visits, reunification or marriage:

Time.—"The preparation and issue of such documents and visas will be effected within reasonable time limits . . . as expeditiously as possible. . ."[3]

Fees.—"They will take such steps as may be necessary to ensure that the fees for official travel documents and visas are acceptable . . . they will lower where necessary the fees charged in connection with these applications to ensure that they are at a moderate level. . ."[4]

Renewals.—"Applications for the purpose of family reunification which are not granted may be renewed at the appropriate level and will be reconsidered at reasonably short intervals . . . fees will be charged only where applications are granted."

Non-discrimination.—". . . the presentation of an application will not modify the rights and obligations of the applicant or of members of his family" and "Applications for temporary visits to meet members of their families will be dealt with without distinction as to the country of origin or destination . . ." "Persons whose applications for family reunification are granted may bring with them or ship their household and personal effects . . ."

Other travel.—Increased human contacts also require the states "to facilitate wider travel by their citizens." To this end, they must strive "gradually to simplify and to administer flexibly the procedures for exit and entry" and "to lower, where necessary, the fees for visas and official travel documents." They must also allow religious faiths, institutions and organizations to "have contacts and meetings among themselves and exchange information" and encourage increased contacts among young people and athletes. Tourism is to be promoted "by encouraging the provision of appropriate facilities and the simplification and expediting of necessary formalities relating to such visits."

By making it easier for people to leave and enter the boundaries of states for personal, professional or touristic reasons, "an important element in the strengthening of friendly relations and trust among peoples" can be secured and can contribute "to the growth of understanding among peoples."

LINK TO PRINCIPLES VII AND X

Directly related to the specific Basket III provisions on freedom of movement is the broader, supportive undertaking of Principle VII: "In the field of fundamental freedoms and human rights, the participating states will act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights. They will also fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia, the International Covenants on Human Rights, by which they may be bound."

This reaffirmation in Principle VII of the observance of existing international instruments is strengthened by another Basket I principle: Principle X on—Fulfillment in good faith of obligations under international law, in which the participating states pledge themselves to fulfill both those obligations arising from the generally recognized principles and rules of international law and those obligations arising from treaties and other agreements. . . .

Thus, although the right of anyone to free movement—travel or emigration—is not directly proclaimed in the Final Act, it is supported in the Final Act's pledges to "facilitate freer movement." Those pledges include the specific provisions on family reunification, binational marriage, travel for personal, professional, and touristic reasons. Broadly, however, the Final Act reaffirms other international instruments which, whether as a guide or a legally binding com-

[1] Maurice Cranston, "The Political and Philosophical Aspects of the Right To Leave and To Return." The Right To Leave and Return (Papers and recommendations of the International Colloquium Held in Uppsala, Sweden, June 10-20, 1972). The American Jewish Committee, 1976, p. 21.

[2] Jose D. Ingles, "Study of Discrimination in Respect of the Right of Everyone to Leave Any Country, Including His Own, And to Return to His Country." Subcommittee on Prevention of Discrimination and Protection of Minorities, United Nations, New York, 1963, p. 15.

[3] For family reunification and marriage.

[4] For family reunification and marriage.

mitment, stipulate the general freedom to leave one's country.

Mr. MOYNIHAN. It is therefore clear that, while the Helsinki accords are not legally binding in the sense in which international law is properly thought to be, its provisions are very much consistent with—and among the most prominent affirmations of—international obligation.

The Government of the Soviet Union has voluntarily undertaken to guarantee to its citizens the right to associate and travel across borders, and for families to be reunited through emigration. Leonid Brezhnev did not sign the Final Act at Helsinki under duress. His successor, Mikhail Gorbachev, is bound to uphold it, as his government is bound to abide by the terms of the Universal Declaration of Human Rights and other similar international covenents to which Soviet leaders have affixed their signatures.

If there is to be the improvement in relations that Soviet leaders at times say they desire, then it is vital that they demonstrate a willingness to treat their citizens by these standards that define and describe civilized society.

Today's report from Jerusalem, regarding the prospect of a resurgence in Soviet Jewish emigration, raises hopes that the new Soviet Government may be prepared to live up to at least some of its international obligations.

Again, I would urge President Reagan and his administration to explore ways to regularize this emigration, through negotiations based on treaty law as it applies and customary international law as it is relevant.

I would also ask that there be printed in the RECORD at this point the complete text of the March 8 letter to the President, and the names of those who signed it.

The material follows:

CONGRESS OF THE UNITED STATES
Washington, DC, March 8, 1985.

DEAR MR. PRESIDENT, the people of the United States share a tradition of moral commitment to the cause of freedom throughout the world. It is a tradition that we, as elected officials, have a special obligation to uphold.

American history is the history of a nation that sees its national purpose bound up with the ideal of freedom. This concept has inspired Americans for more than 200 years.

Over the past years both you and the Members of Congress have therefore pressed for the right of emigration for Soviet Jews and for the release of those "prisoners of Zion" imprisoned by Soviet authorities for seeking freedom.

Despite these efforts, nearly 400,000 Jews who have indicated their desire to emigrate are still being held hostage. The Iron Curtain has slammed shut on Jewish emigration from the Soviet Union.

"Prisoners of Zion" like Anatoly Shcharansky and Iosef Begun languish in Soviet jails and work camps. Recent months have seen additional arrests. This persecution has reached a new high just as a generation of young Soviet Jews insists on its tradition of living proudly as Jews.

That the Soviet Union has rebuffed our efforts to deal with this issue now argue for a direct attempt to bring this painful chapter in human history to a speedy and favorable conclusion.

We urge you, Mr. President, to call upon the Soviet Union to enter into discussions dealing solely with the free emigration of the large number of Jews who seek to leave the Soviet Union, and with the release of the 'prisoners of Zion,' in keeping with the Helsinki Final Act of 1975.

The Soviets should be required to adhere to those provisions which would provide for the removal of all obstacles to emigration for those who wish to apply.

Keeping faith with American history demands no less. Americans of all previous generations have placed the responsibility of working for freedom squarely and confidently on our shoulders.

We pledge you our support in pursuing this historic task.

DANIEL PATRICK MOYNIHAN,
U.S. Senator.
JACK KEMP,
Member of Congress.

LIST OF SIGNATURES

Senate

William V. Roth, Jr., Paul S. Sarbanes, John P. East, Wendell H. Ford, John F. Kerry, Edward Zorinsky, Daniel K. Inouye, Max Baucus, John Heinz, Dave Durenberger, Pete Wilson, William Proxmire, Lawton Chiles, Larry Pressler, J. James Exon, Jim Sasser, Ernest F. Hollings, Strom Thurmond, Dan Quayle, Tom Harkin, Frank R. Lautenberg, Nancy Landon Kassebaum.

Edward M. Kennedy, Howard M. Metzenbaum, George J. Mitchell, Gordon J. Humphrey, Richard G. Lugar, Slade Gorton, Christopher J. Dodd, Bill Bradley, Rudy Boschwitz, Spark M. Matsunaga, David L. Boren, Patrick J. Leahy, Paul Simon, Charles E. Grassley, Arlen Specter, Claiborne Pell, Alfonse M. D'Amato, James A. McClure, Alan Cranston, Donald W. Riegle, Jr.

Mack Mattingly, Mark Andrews, Paula Hawkins, Paul S. Trible, Jr., Orrin G. Hatch, Thomas F. Eagleton, Albert Gore, Jr., Dennis DeConcini, Dale Bumpers, Jeremiah Denton, Ted Stevens, Lowell P. Weicker, Jr., Carl Levin, David Pryor, John D. Rockefeller IV.

House

Gary Ackerman, Richard Armey, Michael Barnes, Herbert Bateman, Helen Bentley, Thomas Bliley, William Boner, Fred Boucher, Bill Broomfield, Albert Bustamante, Bob Carr, Bill Cobey, Ronald Coleman, Jim Cooper, Phil Crane, Tom DeLay, Joseph DioGuardi, Robert Dornan, Bernard Dwyer, Fred Eckert, Vic Fazio, Ham Fish, Bill Ford, Webb Franklin, Sam Gejdenson, Newt Gingrich, Judd Gregg, Tony Hall, Bill Hendon, John Hiler, Steny Hoyer, Henry Hyde, Ed Jenkins.

Paul Kanjorski, Dale Kildee, Pete Kostmayer, Robert Lagomarsino, Norman Lent, Trent Lott, Joseph McDade, John McKernan, Dave Martin, Jan Meyers, George Miller, Parren Mitchell, Jim Moody, Bruce Morrison, Henry Nowak, Jim Olin, Michael Oxley, Carl Pursell, Tom Robinson, Claudine Schneider, Norm Sisisky, Robert Smith, Gerald Solomon, Harley Staggers, Pat Swindall, Esteban Torres, Mo Udall, Bob Walker, Ted Weiss, Charles Whitley, Frank Wolf, Ed Zschau.

Frank Annunzio, Les Aspin, Steve Bartlett, Jim Bates, Doug Bereuter, Sherwood Boehlert, David Bonior, Beau Boulter, John Bryant, Beverly Byron, Rod Chandler, Howard Coble, Cardiss Collins, Larry Coughlin, Bill Dannemeyer, Ronald Dellums, Julian Dixon, Tom Downey, Mervyn Dymally, Bob Edgar, Ed Feighan, James Florio, Wyche Fowler, Dean Gallo, George Gekas, Bill Goodling, John Grotberg, Charles Hayes, Paul Henry, Marjorie Holt, Bill Hughes, Andy Ireland, Nancy Johnson.

John Kasich, Jim Kolbe, Ken Kramer, Tom Lantos, Sander Levin, John McCain, Raymond McGrath, Buddy MacKay, Lynn Martin, Dan Mica, John Miller, Joe Moakley, Henson Moore, Robert Mrazek, David Obey, Solomon Ortiz, Claude Pepper, Bill Richardson, Marge Roukema, John Seiberling, Jim Slattery, Virginia Smith, Floyd Spence, Sam Stratton, Mike Synar, Bob Torricelli, Guy Vander Jagt, Henry Waxman, Alan Wheat, Charles Wilson, George Wortley.

Bill Archer, Doug Barnard, Joe Barton, Anthony Beilenson, Howard Berman, Edward Boland, Robert Borski, Barbara Boxer, Sala Burton, Bill Carney, Gene Chappie, Tony Coelho, Silvio Conte, Jim Courter, Hal Daub, Norman Dicks, Brian Donnelly, Richard Durbin, Dennis Eckart, Bill Emerson, Bobbi Fiedler, Tom Foglietta, Barney Frank, Bob Garcia, Ben Gilman, Bill Green, Frank Guarini, Cec Heftel, Dennis Hertel, Jim Howard, Duncan Hunter, Jim Jeffords, James Jones.

Joe Kolter, John LaFalce, Jim Leach, William Lipinski, Dave McCurdy, Matt McHugh, Edward Markey, Matthew Martinez, Robert Michel, Norman Y. Mineta, Guy Molinari, Carlos Moorhead, Howard Nielson, George O'Brien, Major Owens, John Porter, Don Ritter, Jim Saxton, Mark Siljander, Denny Smith, Olympia Snowe, John Spratt, Don Sundquist, Gene Taylor, Edolphus Towns, Barbara Vucanovich, Vin Weber, Bill Whitehurst, Bob Wise, Bob Young.

[From the Library of Congress, Congressional Research Service, Washington, DC, July 28, 1976]

To: Subcommittee on International Political and Military Affairs, House International Relations Committee. Attn: Mike Finley.

From: Francis T. Miko, Analyst in European Affairs.

Via: Head, Europe Section.

Subject: The Conference on Security and Cooperation in Europe.

This memorandum is in response to your request for information on the legal status of the Final Act of the Conference on Security and Cooperation in Europe and a listing of Congressional action on human rights in the Soviet Union and Eastern Europe. Two bibliographies on CSCE are attached. One is a computer print-out of articles published since 1974. The other bibliography contains selected material from Western and communist sources published prior to 1975.

LEGAL STATUS OF THE CSCE FINAL ACT

The document signed at the end of the Conference on Security and Cooperation in Europe was entitled a Final Act, after considerable debate, to indicate that it was not a legally binding treaty or international agreement. The participating states disagreed on the question of how explicitly this fact should be stated in the document.

Soviet negotiators, supported by those of some other countries, maintained that the text should stress what the Final Act is and not what it is not. Consequently, the only reference to the fact that the document is not legally binding appears in a paragraph stating that it is not to be registered under article 102 of the United Nations Charter as a treaty or international agreement. In a separate letter transmitting the Final Act to the UN General Secretary, it is stated that the document is a legally non-binding instrument.

President Ford, Secretary of State Kissinger, and other Administration officials have stressed the non-juridical nature of the Final Act, comparing it to such documents as the Universal Declaration on Human Rights and the UN Friendly Relations Declaration. Several other CSCE participant states have given the Final Act similar interpretations. West Germany has sought to underline the fact that the document is not a substitute peace treaty. Other nations have emphasized that existing treaties would not be affected and that a new regional international law for Europe would not emerge from the Conference, and that the role of the UN would not be infringed.

The Soviet Union and several East European countries have given the status of the Final Act a different interpretation. Soviet leaders and commentators have denounced what they see as Western efforts to minimize the significance of the document. They have characterized the Western arguments on the non-binding nature of the Final Act as inaccurate, both politically and juridically, Western attempts to differentiate between the Final Act and other international agreements have been rejected.

On another dimension, Eastern and Western participants appear to agree that the Final Act of CSCE carries considerable political and moral weight, particularly in view of the fact that it was signed at the heads-of-state level.

[From the New York Times, Apr. 3, 1985]

SOVIET REPORTED READY TO LET 1,000 JEWS GO

JERUSALEM, April 2.—The Soviet Union plans to allow 280 Jewish families—about 1,000 people—to emigrate to Israel in April, a sharp increase from recent months, Israeli radio said today.

There was no official comment on the report.

The radio quoted Yuri Stern, director of a Soviet Jewry Information Center, as saying that 280 Jewish families in the Soviet Union had been officially told that they would receive emigration documents "in a few days."

Mr. Stern said the group included several activists whose previous requests to leave had been rejected.

Soviet Jewish emigration reached a peak in 1979, when 51,320 Jews left, but fell drastically as United States-Soviet relations worsened.

Mr. Stern was quoted as saying that any increase in Jewish emigration could represent a change in Kremlin policy since Mikhail S. Gorbachev became Soviet leader last month.●

VICTIMS OF CRIME

● Mr. DENTON. Mr. President, on October 12, 1984, President Reagan signed the Victims of Crime Act of 1984 into law. The law represents a major step toward offering the innocent victims of crime the support and compassion they deserve as citizens of a nation promising justice for all. As President Reagan stated when he signed the law, "We have diligently attended to the rights and needs of defendants and convicted criminals. It is only proper and just that we balance our criminal justice system."

President Reagan, himself a victim of crime, has taken a leadership role in providing for assistance to innocent members of our society who suffer at the hands of criminals. I commend the President for his leadership in this area.

As further commendation, I wish to make part of the RECORD a resolution drafted by the Victims of Crime and Leniency [VOCAL] of Tuscaloosa, AL. The timing of the resolution is appropriate in light of the designation by the Governor of Alabama, of April 14 through 20, 1985, as "Victims Rights Week."

I ask that the text of the resolution be printed in the RECORD.

The text of the resolution follows:

RESOLUTION

Victims of Crime and Leniency is a non-profit organization operating in Tuscaloosa, Alabama under the State Charter in Montgomery, Alabama. The mission is to provide help, aid and comfort for a victim of crime in this area, as well as focus attention for the needs of change in our society to protect victims. We have been able to get several laws passed. The chapter meets periodically and members are sitting in court when the victims are required to testify. In addition, we are attending when cases come up for appeal in the state courts. The purpose of this resolution is to recognize our President-Commander and Chief, Ronald Reagan, for aggressively leading the national movement for victims in our society.

Whereas, President Ronald Reagan, demonstrated his leadership abilities years ago by being straight forward and right to the point in performing community duties.

Whereas, President Ronald Reagan recognized various social needs of society long before his inaugural service for President in 1981; after officially accepting the duties, action was started.

Whereas, President Ronald Reagan became a victim of crime in his first term of office. After his recovery, the President's desire to help the victim was intensified.

Whereas, the majority of people in the United States realize that President Ronald Reagan is facing some of the toughest problems a leader ever faced, it is gratifying to know how he feels about victims of crime; and how he so eloquently related in his public address, to an elderly widow trying to get her groceries home from the shopping center—this applies also to rape, murder and theft among the elderly population.

Whereas, President Ronald Reagan has often provided, or caused so many services to be provided for victims of crime there's possibly no way to evaluate it. The President has just made life better in this country.

Now, therefore, be it resolved, That Victims of Crime and Leniency present this resolution to the Honorable President Ronald Reagan for outstanding service and accomplishments in our society.

Be it further resolved, That the Victims of Crime and Leniency will continue to admire President Ronald Reagan and support his national effort to help a victim of crime where there is a need.●

HOUSING PROGRAMS FOR THE ELDERLY AND THE HANDICAPPED

● Mr. SIMON. Mr. President, I would like to express my strong support for the continuation of funding for housing programs for the elderly and the handicapped. We must never forget our citizens who may not be able to afford decent and safe housing without section 202 funding. As members of the U.S. Senate, we have all heard stories which demonstrate the need for publicly funded housing.

We are all fortunate that we do not have to worry about a decent place to live. I recently received a letter from Ms. Agnes Doherty of Lansing, IL. The poignancy, and directness of her letter state the need for continued funding better than any speech that I could make.

I ask that the letter from Ms. Doherty be printed in the RECORD.

The letter follows:

MARCH 16, 1985.

Hon. PAUL SIMON,
462 Dirksen Building, Washington, DC.

Re Section 202 New Housing.

DEAR SIR: I am a resident of Buford Walker Senior Housing Building at 17725 Arcadia, Lansing, Illinois.

I am a widow, age 69, who, like many who live here, was caught in the winds of inflation and unforeseen circumstances.

Living here in this lovely building has given me a real sense of dignity and self-worth. I simply could not afford such living on my income of Social Security, $396 per month. I am a person who contributed to society as a working taxpayer for 25 years. Unfortunately, for me, did not have an additional pension, and as you know, Social Security does not pay me my own Social Security plus my benefits as my husband's widow.

I have seen other residents of this building much older than I who have been able to enjoy life so much better here than living alone somewhere else.

The social activities, the caring concern of management and of other residents makes living here a real necessity for aging gracefully and with dignity.

Please support the Section 202 program so that others may benefit from the same needed housing.

Sincerely,

MRS. AGNES DOHERTY.●

THE BOY SCOUTS OF AMERICA

● Mr. SYMMS. Mr. President, today I join several of my distinguished colleagues in cosponsoring a resolution honoring the Boy Scouts of America on its 75th anniversary. Because of the exemplary way Scouting has served our Nation, it is appropriate that we commemorate this milestone in the history of the Boy Scouts of America.

In 1910, William Boyce brought the Boy Scout organization to America in order to teach young men the characteristics necessary to become good citizens. Today we honor this great organization because it reflects the principles and values that have helped make our Nation great.

In the Scout oath and Scout law, we find the attributes for which every Scout strives. Along with the oath and law, the Boy Scouts of America provides 116 merit badges for mastering skills in areas ranging from American business to woodwork. It is through diligent effort toward earning merit badges that the Boy Scout builds character, strengthens morals, and develops leadership qualities that are valuable assets in his life. Additional opportunities for growth and development occur in the numerous overnight camping trips in which Boy Scouts are encouraged to participate. In the unique atmosphere of camping in the out of doors, the Boy Scout makes friends and memories he will carry with him the rest of his life.

As a Senator from Idaho, I am keenly aware of the contribution of the Boy Scouts. Many of the activities so often related with Scouting were engrained in Idaho life even before 1912 when Scouting became an official organization in the State of Idaho. With its majestic mountains and innumerable clear lakes and streams, Idaho is literally a Boy Scout's paradise. In fact, the first World Scout Jamboree ever held in the United States took place in Idaho at Farragut State Park in 1967. Idaho continues to be a national leader in scouting as there are currently 35,643 registered Boy Scouts in Idaho, making it among the highest in the Nation in per capita Boy Scout participation.

Many prominent people from Idaho owe much of their success to the traits they learned in scouting. It is not surprising the list of Scouts from Idaho includes people who have contributed to all sectors of society, including politics, education, and religion. One such person is former Secretary of Agriculture Ezra Taft Benson, an Idaho native and Scouting ethusiast who has earned Scouting's highest honors. Reflecting on his own experience in Scouting, Secretary Benson said the following:

> I would hope that every young man of scouting age in America could have the benefits and blessing of this great program. It is truly a builder of character, not only in the young men, but also in the men who provide the leadership. And character, after all, is a priceless quality we develop . . .

Indeed, the Boy Scouts and Idaho have shared a long and rich relationship. It is because of this heritage that I stand today to salute the Boy Scouts of America on its 75th anniversary on behalf of the people of the great State of Idaho.●

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations of Faith Ryan Whittlesey, reported out of the Senate Foreign Relations Committee, and Donna M. Alvarado, reported out of the Labor Committee today, and the following judges:

Reported out of Judiciary Committee today:

Thomas J. Aquilino, Jr., Frank H. Easterbrook, Melvin T. Brunett, Edith H. Jones, Carol Los Mansmann, Walter K. Stapleton, James F. Holderman, J. Thomas Greene, William G. Young, Charles C. Lovell, Howell Cobb, George La Plata, Ronald E. Meredith, Alice M. Batchelder, Herman J. Weber, Carolyn R. Dimmick, Mark L. Wolf, and Ann C. Williams.

I ask unanimous consent that all nominations placed on the Secretary's desk be considered.

Mr. BYRD. Mr. President, reserving the right to object—and I do not expect to—I remove my reservation, Mr. President.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations are considered and confirmed en bloc.

The nominations considered and confirmed in bloc are as follows:

DEPARTMENT OF STATE

Faith Ryan Whittlesey, of Pennsylvaina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

DEPARTMENT OF JUSTICE

Thomas J. Aquilino, Jr., of New York, to be a judge of the U.S. Court of International Trade.

Frank H. Easterbrook, of Illinois, to be U.S. circuit judge for the seventh circuit.

Melvin T. Brunetti, of Nevada, to be U.S. circuit judge for the ninth circuit.

Edith H. Jones, of Texas, to be U.S. circuit judge for the fifth circuit.

Carol Los Mansmann, of Pennsylvania, to be U.S. circuit judge for the third circuit.

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois.

Howell Cobb, of Texas, to be U.S. district judge for the eastern district of Texas.

George La Plata, of Michigan, to be U.S. district judge for the eastern district of Michigan.

Ronald E. Meredit, of Kentucky, to be U.S. district judge for the western district of Kentucky.

Alice M. Batchelder, of Ohio, to be U.S. district judge for the northern district of Ohio.

Herman J. Weber, of Ohio, to be U.S. district judge for the southern district of Ohio.

J. Thomas Greene, of Utah, to be U.S. district judge for the district of Utah.

Mark L. Wolf, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

William G. Young, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

Ann C. Williams, of Illinois, to be U.S. district judge for the northern district of Illinois.

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana.

Carolyn R. Dimmick, of Washington, to be U.S. district judge for the western district of Washington.

ACTION AGENCY

Donna M. Alvarado, of Virginia, to be Director of the ACTION Agency.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD

Coast Guard nominations beginning James Adase, and ending George F. Hillegas, which nominations were received by the Senate and appeared in the Congressional Record of March 20, 1985.

Mr. DOLE. I move to reconsider the vote on the nominations.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONFIRMATION OF FAITH RYAN WHITTLESEY TO BE U.S. AMBASSADOR TO SWITZERLAND

Mr. DOLE. Mr. President, I am pleased to support the confirmation of Faith Ryan Whittlesey to be Ambassador to Switzerland.

Faith will be returning to this job after nearly 2 years of outstanding service as the President's liaison for public affairs. I have to say, with all due immodesty, that Faith's predecessor in that job was a woman of extraordinary talents and ability—a tough act to follow—in a position which, like Ambassador, requires a great amount of diplomatic skill. But Faith rallied to the task and proved to be an effective and forceful advocate for President Reagan's constituencies. She served him honorably and she served him well.

Faith began her career in public service in 1964, as a special assistant attorney general in Pennsylvania. She continued in the area of law enforcement until 1972, when she became a member of the Pennsylvania House of Representatives. It was her service in the Pennsylvania House and subsequently on the Delaware County Council in Pennsylvania, which demonstrated that she was not only a good lawyer, but a skilled legislator and politician. Her achievements in Pennsylvania politics brought her to the attention of the Reagan administration, which, in 1981, awarded her with her first ambassadorship to Switzerland.

She returned to the country in 1983 to assume the public relations post. Faith was relatively inexperienced when she first came to the White

House—as she quipped a few weeks ago during a dinner held in her honor, "It took me a long time to realize that 'star wars' referred to White House dinner seating lists." But because she was a quick learner, Faith didn't take much time to put her team in place and establish herself as an influential voice in the White House. She became known as a candid, straightforward person: A proud conservative and an articulate spokesperson for conservative views.

The President could find a no more loyal and dedicated person to serve him than Faith Ryan Whittlesey, whether in the White House or as his representative overseas. I know he will miss her, as we will all miss her, and I urge my colleagues to join me in wishing her the very best.

CONFIRMATION OF WALTER K. STAPLETON

Mr. BIDEN. Mr. President, I offer my strongest congratulations to Judge Stapleton on his nomination to one of the newly created positions on the Court of Appeals for the Third Circuit. I also would like to extend congratulations to my distinguished colleague Senator ROTH, who, with this excellent choice, has demonstrated, once again, how seriously he takes his responsibility of recommending judicial nominees. I don't think Senator ROTH could have found anyone with a more distinguished reputation in the Delaware legal community. Judge Stapleton graduated cum laude from Princeton University, he graduated cum laude from Harvard Law School, and just 1 year ago, he received a master of law degree from the University of Virginia School of Law, an extraordinary accomplishment when one considers that he did that while carrying the heavy workload of a Federal district judge.

After law school, Judge Stapleton joined one of the most distinguished law firms in Delaware—Morris, Nichols, Arsht, and Tunnell—and after only 11 years of practice, was appointed to the Federal district court in Delaware. Since 1983, he has been chief judge of that court.

Judge Stapleton has a reputation as an extremely hardworking, exceptionally competent judge. Anyone who knows him will vouch to his unimpeachable character and judicial temperament.

Again, I heartily congratulate Judge Stapleton, and hope he has an enjoyable tenure on the court of appeals.

CONFIRMATION OF CHARLES C. LOVELL

Mr. BAUCUS. Mr. President, I am proud to speak on behalf of Mr. Charles (Chuck) Lovell, who has been nominated to be Montana's new Federal district judge.

Chuck is one of Montana's truly distinguished native sons.

He was born and raised in Montana. He received his undergraduate and graduate degrees from the University of Montana.

After law school, Chuck joined one of the most prestigious law firms in Great Falls—the firm of Church, Harris, Johnson & Williams.

Since that time, Chuck has devoted his legal career to serving the people of Montana. His peers and his clients have nothing but the highest praise for him.

In short, Mr. President, I believe Chuck Lovell is an ideal candidate for a Federal Judge.

I would like to relate just one anecdote that sums up how Montanans feel about Chuck's nomination:

As Senators know, the FBI conducts a thorough background check of every nominee for a Federal judgeship.

Chuck was no exception.

One of the people the FBI contacted about Chuck was the sheriff of Cascade County. In fact, three different agents called the sheriff on three separate occasions.

One might have concluded that the FBI had found something suspicious in Chuck's background.

But that was not the case. The FBI agents were simply flabbergasted that they could not find anyone in Montana who had anything bad to say about Chuck. They could not believe it.

Mr. President, I have had the same experience as those FBI agents.

Everyone I have talked to in Montana agrees that Chuck is an exceptional candidate.

I compliment the President on his choice.

I believe Montana and the Federal judicial system will be well served by a man of Chuck's character, competence, and integrity.

I urge the committee to act quickly on Chuck's nomination.

CONFIRMATION OF DONNA ALVARADO

Mr. HATCH. Mr. President, I am pleased to support Donna Alvarado, President Reagan's nominee as Director of the ACTION Agency. The Senate Labor and Human Resources Committee approved her nominaton today without objection and I strongly urge my fellow Senate colleagues to confirm her nomination without delay.

I support Donna Alvarado's nomination for two major reasons: First, without reservation, she will continue President Reagan's commitment to voluntarism in our country. She has committed herself to becoming a strong advocate on the valuable programs administered by the ACTION Agency. Programs like the Senior Companions Program, the Foster Grandparents Program, and Young Volunteers in Action, to name a few, have garnered tremendous support throughout our Nation. Donna Alvarado has assured the members of the Senate Committee on Labor and Human Resources that she will continue strong support of these programs and I am certain that with her keen leadership, these programs will become even more of an integral part of our community voluntary effort.

Second, Donna Alvarado will be an excellent administrator. She has served our Nation in many capacities—in the legislative branch as a capable staffer to Members of Congress, and in the administrative branch as the Deputy Assistant Secretary of Defense, Equal Opportunity and Safety Policy. I am pleased that she will continue her public service in directing the ACTION Agency and that her skills and talents will be fully utilized in that capacity.

Again, I urge my colleagues to support Miss Alvarado's nomination as Director of the ACTION Agency. The continued excellent administration of this Agency is of paramount importance to me. Tom Pauken, the current Administrator of ACTION Agency, who is resigning to return to the private sector, has been a superior leader and I am sorry to see him leave. But I have comfort in knowing that Donna Alvarado will follow his guidance in continuing the commitment to voluntarism through the ACTION Agency.

Mr. TRIBLE. Mr. President, I am pleased to support the nomination of Donna Alvarado to be Director of ACTION. I can think of no finer candidate for this post.

She brings to this position a wealth of governmental and academic experience. She has served as Deputy Assistant Secretary of Defense, Counsel to the Senate Judiciary Committee, as well as working on a doctoral degree from the University of Oklahoma. In addition, she has served on governmental task forces on legal equality for women, women's business enterprise, employment of the handicapped and women in the services.

As Director of ACTION she will oversee volunteer programs which are intended to meet basic human needs and support the self-help efforts of low-income individuals and communities. At a time when budget deficits impinge on the ability of the Federal Government to expand its services, volunteer efforts grow in importance. And few are better able to direct that invaluable resource—the boundless good will of the American people—than Donna Alvarado.

Whatever the need, ACTION will be better able to respond. Her commitment to those who need assistance is unending and her energy without limit.

Mr. President, our elderly, our poor, and our children with special needs throughout the Nation rely on the volunteer efforts directed by ACTION. I can say without reservation that with the confirmation of the nomination of

Donna Alvarado, their future is in good hands.

Mr. DOLE. I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. I ask unanimous consent that we return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

LAND HELD IN TRUST FOR COCOPAH INDIAN TRIBE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 730, a bill to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona, certain land in Yuma County, AZ, which is being held at the desk by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill.

The legislative clerk read as follows:

A bill (H.R. 730) to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, Arizona.

The bill (H.R. 730) was considered and agreed to.

Mr. DOLE. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNITED STATES SENTENCING COMMISSION

Mr. DOLE. Mr. President, I call up H.R. 1847, a bill to amend Title 28 of the United States Code with respect to the United States Sentencing Commission.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1847) to amend title 28, United States Code, with respect to the United States Sentencing Commission.

The PRESIDING OFFICER. Is there objection to the request for consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, this bill makes two minor changes in the Sentencing Reform Act 1984, enacted last October.

Mr. THURMOND. Mr. President, I express my strong support for H.R. 1847, a bill which would make two minor changes in the Sentencing Reform Act of 1984, which was enacted last October as chapter II of the Comprehensive Crime Control Act, Public Law 98-473.

H.R. 1847 would accomplish two significant objectives. First, in response to concerns expressed by Chief Justice Burger and the Judicial Conference of the United States, it would permit senior status judges to serve as members of the Sentencing Commission. Under current law, only judges in regular active service are eligible. Although we are making this change in order to permit greater flexibility and to accommodate caseload concerns, we envision that a majority of judges on the Commission would nonetheless be in regular active service.

The second change made by H.R. 1847 would permit the Administrative Office of the U.S. Courts to make an initial appropriation request for the Commission. Current law authorizes the Chairman of the Commission to make that request. Obviously, the Chairman cannot do so at this point, since the nomination has not yet been made. In any event, in cooperation with my interested colleagues on the Judiciary Committee, and the leadership of the Appropriations Committee, I intend to offer an amendment to the first available and suitable appropriations vehicle to provide startup funds for the Commission.

One related issue about which the Judicial Conference has expressed concern is not specifically addressed in this bill, but is worthy of comment. In view of our preference that active judges serve on the Commission, we must be mindful that, in some instances, caseload situations may necessitate that Federal judges retain some portion of their caseload. In my view, this would not conflict with the mandate in the act that judges serve on the Commission in a full-time capacity. This approach was clearly endorsed in the Judiciary Committee report on the act. While it notes that members' positions are full time "[b]ecause of the complex nature of the functions of the Commission, and in order to avoid potential schedule conflicts for the members," it specifically acknowledges at least one instance in which judges might retain a portion of their caseload:

The judicial and other members may complete work on cases in progress if they are so far involved that it is impractical for the work to be turned over to another person. (S. Rept. No. 98-225 at 160 n. 385.)

Another instance where demanding circumstances might necessitate that a Federal judge retain some of his caseload would involve judicial workload burdens in particular districts.

While the Judicial Conference has endorsed deleting the "full time" requirement from the statute, I believe that the legislative history surrounding the act makes it clear that members of the Commission may devote themselves to its work on a full-time basis, while continuing to perform certain important judicial duties. Indeed, the sponsor of the separate Sentencing Reform Act, Senator KENNEDY, recently commented in a law review article:

With competent staff, 28 U.S.C. § 996, and cooperative utilization of the expertise and resources of the Federal Judicial Center and the Administration Office of the U.S. Courts, 28 U.S.C. 995(b), it may be possible for judge members to retain a portion of their caseload. Congress, however, clearly expected that the work of the Commission should not be subordinated to other work of the members and preferred a substantial full-time commitment from all initial members. (32 Fed. Bar News & J., 66 n.61.)

I want to associate myself with these remarks.

As many of my colleagues are aware, the 18-month period during which the Sentencing Commission is required to develop its recommended set of guidelines runs from the date of enactment—October 12, 1984. Thus, almost one-third of their time has expired. It is, therefore, imperative that Commissioners be appointed, and the Commission begin operations, immediately. When the Commission commences its work, the members' full attention will be needed in order to meet the deadline imposed by the Sentencing Reform Act. While circumstances may necessitate that judge members perform some other duties, I am confident that they will ensure that those activities will not interfere with their serious devotion to the crucial work of this Commission.

Mr. President, again, I express my strong support for H.R. 1847.

Mr. KENNEDY. Mr. President, I join the distinguished chairman of the Senate Judiciary Committee in supporting this legislation which makes two technical changes in order to ensure the prompt implementation of the Sentencing Reform Act of 1984, enacted last October as chapter II of the Comprehensive Crime Control Act (Public Law 98-473).

For over a decade I have sponsored legislation designed to reform the Federal sentencing process. The passage of the Sentencing Reform Act of 1984, with the close cooperation and bipartisan commitment of Senators THURMOND, BIDEN, MATHIAS and many others was a giant step forward toward fairer and more uniform Federal sentencing. The comprehensive overhaul of our present chaotic sentencing laws contained in that landmark legislation is long overdue.

We have come too far to fall short of needed sentencing reform. The Sentencing Reform Act of 1984 created a new Sentencing Commission and required it to develop sentencing guidelines by April 1986. Now almost 6 months have passed and we are only 1 year from the Sentencing Commission's statutory deadline so it is critical that Commissioners be appointed,

and the Sentencing Commission begin operations without further delay.

H.R. 1847 makes two minor amendments to the Sentencing Reform Act of 1984 designed to eliminate problems that have slowed implementation of the act.

First, as presently drafted, the Sentencing Reform Act of 1984 reserves three positions on the Sentencing Commission for Federal judges in "regular active service." This bill (H.R. 1847) would permit senior judges to be considered as well. I believe it is appropriate to make senior judges eligible for a position on the Commission, in response to concerns expressed by Chief Justice Burger and the Judicial Conference of the United States, and in order to give the President greater flexibility. The experience and talent of senior judges, especially those who have been so active in the past in seeking sentencing reform is an invaluable resource that could usefully complement the work of the active judges who I expect will comprise the majority of the judges on the Commission.

The second problem addressed in this bill has to do with funding. No funds have yet been appropriated for the Commission. The Sentencing Reform Act authorizes only the Commission to request funds, but there are no Commissioners yet to do so. This bill authorizes the Administrative Office of the U.S. Courts to request initial funding for the Commission. The availability of such startup funds is important because it will help the Commission get off to a running start under its tight deadline. In fact, I will join bipartisan efforts to further expedite initial funding of the Commission through an upcoming appropriations amendment and I applaud Chairman THURMOND's leadership in this regard.

This bill has bipartisan support in both the House, which passed the bill yesterday, and in the Senate. It is supported by the Department of Justice and the Judicial Conference. It is my understanding that the bill will remove all remaining obstacles to swift selection of a Sentencing Commission and that the selection will not be slowed by expanding the field of potential judicial nominees or by the time needed to process this legislation.

Therefore, Mr. President, I support this legislation and urge my colleagues to join me in voting for these two simple adjustments needed to launch the new sentencing system. In order to provide my colleagues with further information about the Sentencing Reform Act, I ask unanimous consent that my recent law review article referred to by Chairman THURMOND be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SENTENCING REFORM ACT OF 1984

(By Edward M. Kennedy)

BIPARTISAN SUPPORT FOR NEEDED REFORM

The *Sentencing Reform Act of 1984* is the first comprehensive federal sentencing law and the most far reaching reform contained in the 23 chapters of the massive anti-crime package enacted at the close of the 98th Congress.[1] *The Sentencing Reform Act*, which I originally introduced in 1977,[2] will completely revamp the existing irrational federal sentencing structure, which is a national disgrace. The most dramatic change is the creation of an independent nonpartisan commission to develop sentencing guidelines for fairer and more uniform sentencing of federal offenders. Appellate review of sentences outside the guidelines will be granted to both the prosecution and the defense. Another key component is the abolition of parole, in order to guarantee that the sentence imposed will actually be the sentence served and to eliminate sentencing disparity.

These landmark changes mark the culmination of over a decade of effort and reflect a long history of bipartisan support in Congress. After extensive Congressional hearings on the *1971 Final Report* of the National Commission on Reform of Federal Criminal Laws,[3] and subsequent sentencing proposals resulting in refinement of the legislation,[4] I introduced sentencing reform legislation in the 95th Congress which overwhelmingly passed the Senate as part of a larger crime package.[5] These comprehensive sentencing provisions were carried forward in succeeding Congresses,[6] received the strong endorsement of the Attorney General's Task Force on Violent Crime in 1981,[7] and after passing the Senate by nearly unanimous vote, were finally adopted by Congress as part of the *Comprehensive Crime Control Act of 1984.*[8]

A complete overhaul of our archaic sentencing laws is long overdue. Until now, federal criminal sentencing policy has been marked by rampant inconsistency and uncertainty. Few, if any, judges back away from their sentencing responsibilities—perhaps the toughest part of their demanding jobs. But it is fair to observe that judges around the country approach the task and attempt to meet their sentencing responsibilities in a variety of ways.[9] For example, a study done for the Department of Justice reveals fundamental disagreement among federal judges even about the purposes of sentencing.[10] One-fourth of the 200 judges questioned thought rehabilitation was an extremely important goal of sentencing, while another 19% thought it was only "slightly" important. Twenty-five percent of the judges ranked "just desserts" as an extremely important goal of sentencing, while 45% thought "just desserts" was not important at all.

Past criminal sentencing has been based largely on an outmoded rehabilitation model of the criminal justice system. In theory, the judge sets the maximum term of imprisonment and the Parole Commission determines when to release the prisoner because he is "rehabilitated." Recent studies—and the serious problem of recidivism—strongly suggest that this approach has failed.[11] Throughout the criminal justice system there is now widespread doubt that the desirable objective of rehabilitation can be achieved reliably in a prison setting.[12] We know too little about human behavior to be able to rehabilitate most offenders, or even to determine when or whether a particular criminal has been rehabilitated.

Footnotes at end of article.

In the absence of statutory guidance, judges were left to apply their own subjective notions of the purposes of sentencing. Statutory sentencing ranges were often too broad, leaving federal judges free to routinely set unjustifiably different sentences for comparable offenders convicted of similar crimes.[13] One defendant might receive probation, while another—convicted of the same crime and having comparable criminal background—might be sentenced to a lengthy term in prison. In a leading study,[14] fifty federal district judges in the Second Circuit were given twenty identical files based on actual cases and asked what sentence they would impose on each defendant. The disparities were astonishing. In one extortion case, the range in sentences varied from twenty years imprisonment and a $65,000 fine, to three years imprisonment and no fine at all. Other studies in many jurisdictions confirm the existence of widespread sentencing disparity.[15] For example, a survey conducted by the U.S. Attorney for the Southern District of New York [16] found remarkable discrepancies, including: an average sentence for forgery varying from 30 months in the Third Circuit to 82 months in the D.C. Circuit, and an average sentence for interstate transportation of stolen cars varying from 22 months in the First Circuit to 42 months in the Tenth Circuit. This disparity and irrationality in sentencing practices is one of the principal causes for loss of public confidence in the criminal justice system.[17]

The lack of certainty and consistency in sentencing is exacerbated when the Parole Commission releases prisoners according to its own view of the appropriate term of imprisonment. By dividing sentencing authority between the trial judge and the Parole Commission and by pegging release to the elusive concept of rehabilitation, neither the offender, the victim nor the public can be sure of the eventual prison release date. Early release on parole is part of the discredited corrections theory that offenders can be rehabilitated in prison by tying their prison release date to the successful completion of certain vocational, education, and counseling programs within the prison. The role of the Parole Commission and the possibility of early release invite additional fluctuation in judicial sentencing by encouraging judges to keep the availability of parole in mind when they impose sentences and to sentence a defendant on the basis of when they believe the Parole Commission will release him.[18] Some judges deliberately impose relatively high sentences so that an offender is not eligible for parole until well after the incarceration period indicated as appropriate by Parole Commission guidelines.[19] Other judges, on the assumption that the offender would not be paroled before serving his full term, retain control over the release date by imposing sentences below the Parole Commission guidelines.[20]

As a consequence of the practices of the federal courts and the Parole Commission, the existing federal sentencing system lacks the sureness, uniformity, and fairness that criminal justice must provide if it is to retain the confidence and command the respect for American society. In response to this problem, an unusual bipartisan consensus emerged for basic statutory reform of criminal sentencing. With extraordinary broad-based cooperation in both the Senate and the House of Representatives, and the support of Administrations past and present, we have finally taken a giant step toward that goal.

MAJOR PROVISIONS OF THE ACT

Legislatively Prescribed Purposes

The Act gives legislative recognition for the first time to the appropriate purposes of sentencing. The four stated purposes are: (1) to provide just punishment; (2) to afford adequate deterrence to criminal conduct; (3) to protect the public from further crimes by the defendant; and (4) to provide rehabilitation in the form of educational or vocational training, medical care, or other treatment.[21] Each of the four purposes is to be considered in a particular case.[22]

The Basic Framework

All federal judges are directed to sentence with these four purposes in mind, pursuant to guidelines to be established by an independent United States Sentencing Commission.[23] An individual may be sentenced to a term of probation, a fine, or a term of imprisonment, or to a combination of a fine and probation or a combination of a fine and imprisonment.[24] An organization may be sentenced to a term of probation or a fine, or to a combination of these options.[25] Either an individual or an organization may be ordered as a part of the sentence to forfeit any interest in a racketeering syndicate,[26] to give notice to victims of a fraudulent offense,[27] or to make restitution to the victim of an offense that causes bodily injury or death or that results in damage to, or loss or destruction of, property.[28]

The Act creates a grading scheme by which each offense can be ranked according to its relative seriousness.[29] This device is used to define the maximum term of imprisonment,[30] the maximum fine,[31] the maximum term of probation,[32] and the maximum term of supervised release [33] for each grade of offense. The definition of maximum prison term does not alter current statutory maximums—the existing federal statutes still determine the maximum term of imprisonment.[34] The provision merely provides a useful scheme for future Congressional classification of criminal statutes. On the other hand, the new maximums for fines (to the extent they are greater than existing statutory levels), probation, and supervised release supersede existing law.[35]

The guidelines system is intended to treat all classes of offenses committed by all categories of offenders consistently.[36] The guidelines will be supplemented by policy statements that will address questions concerning the appropriate use of the sanctions of criminal forfeiture, notice to victims, restitution, and conditions of probation and post-release supervision. The formulation of the guidelines and policy statements will provide an unprecedented opportunity in the federal system to examine sentencing patterns as a whole to assure that the sentences imposed are consistent with the purposes of sentencing. At the same time, the use of sentencing guidelines and policy statements is intended to assure that each sentence is fair compared to all other sentences.[37]

The Sentencing Commission

The Sentencing Commission is an independent agency within the judicial branch, consisting of seven voting members appointed by the President with advice and consent of the Senate. In addition, one of the seven is to be appointed chairman with advice and consent of the Senate. The Attorney General or his designee is an ex officio, non-voting member. The Commission is directed to draft guidelines for use by federal judges, taking into consideration characteristics of offenses and offenders that appear relevant to the specific purposes of sentencing. For each federal offense, the guidelines are expected to specify a variety of appropriate sentencing ranges, depending upon different combinations of offense and offender characteristics. Development of the guidelines is subject to the public hearing process of the Administrative Procedure Act. The initial guidelines, and all subsequent modifications, are to be transmitted by the Commission to the Congress by April, 1986, for review and possible modification. Absent Congressional rejection of the guidelines, they will take effect six months later in October, 1986.[38]

Generally, the Act provides detailed guidance to the Commission, considerably more than comparable state sentencing legislation in New York, for example.[39] In areas such as serious recidivism, drug and organized crime, and first offenders, the Act provides legislative direction to the Commission as to the kind of sentence and its severity that would seem to be appropriate for the guidelines.[40] These provisions are intended to accord guidance to the Commission without circumscribing its consideration of countervailing factors. These provisions involve areas that otherwise would be likely candidates for legislatively directed mandatory sentences.

Judicial Application of the Guidelines

For each federal offense, the guidelines will specify a variety of appropriate sentencing ranges depending upon the particular history and characteristics of the defendant and the particular circumstances of the offense. Each offense, therefore, may have a dozen or so sentencing ranges specified, only one of which will fit a given case.[41]

In practice, judges will hold a sentencing hearing and determine the particular guideline range applicable to the offender and the offense.[42] They will then be expected to impose sentence within the narrow range specified. If this sentence is above or below the guideline range the judge must give specific reasons for this action.[43]

Sentencing Options

1. *Probation*—Probation is cast by the Act as a penalty in itself, rather than as a deferred penalty. A judge is required to impose as a condition of probation in a felony case that the defendant pay a fine, make restitution to the victim, or engage in community service. The judge is required, for every crime, to impose a prohibition against the defendant's committing another crime during the probationary period. A variety of potentially useful discretionary conditions of probation (including vocational training or medical or psychiatric treatment) are set forth in the Act for the consideration of the Sentencing Commission and the judges.[44]

2. *Fines*—The maximum fine levels under the Act are dramatically increased. For felonies the maximum reaches a quarter of a million dollars for an organizational defendant, although the actual amount imposed is to be predicated upon the defendant's ability to pay as well as upon the gravity of the offense and related considerations.[45] Lien procedures, like those in the tax laws, are provided to assure an effective means of collecting imposed fines.[46]

3. *Imprisonment*—The Act makes a major change in prison sentences. It moves to a determinate system, abolishing early release on parole and providing for the first time that the sentence announced by the sentencing judge will be for almost all cases the sentence actually served by the defendant, with a 15 percent credit for "good time".[47] Such sentences will not involve the artificially lengthy terms imposed today in the expectation that they will be shortened later by parole authorities. If a judge believes that a defendant should be supervised for a period after the expiration of his term of imprisonment, he may order a term of postrelease supervision.[48] Terms of imprisonment ordinarily will not be subject to later modification.[49]

4. *Collateral Sentencing Orders*—In addition to the penalties traditionally applicable, a court is empowered by the Act to order a defendant found guilty of an offense causing bodily injury, or property damage or loss, to make direct restitution to the victim of the offense, even if a term of imprisonment is also imposed.[50] This was not possible under current law. A defendant convicted of a fraud or intentional deceptive practices—a situation in which an appropriate amount of restitution might be difficult to ascertain in an ordinary sentencing hearing—may be ordered to give notice of the conviction to the victims of the offense in order to facilitate their bringing of private recovery actions.[51] Finally, the Act provides for the forfeiture of criminal property in organized crime and drug cases and thereby assures, as under existing law, for an expanded range of sentencing options in these major crime areas.[52]

Appellate Review of Sentences

To assure fairness, the Act provides an appellate process—which has no counterpart under current law—to review a sentence imposed in violation of law, as a result of an incorrect application of the sentencing guidelines, or which is unreasonably outside the range of applicable guidelines.[53] By incorporating the appeal procedures into the general structure of the guideline system, the Act assures that the extremes of sentencing that most deserve review may be called to the attention of an appellate court, without overburdening the court with challenges to sentences that are within the bounds of reasonableness. The defendant is permitted to appeal a term of imprisonment, a restrictive condition of probation, or a fine, above the range specified in the applicable guideline; he may also appeal a restitution order or a notice order.[54] The Act also permits the government, on behalf of the public, to seek review of a sentence that falls below the applicable guideline range, if the Attorney General or the Solicitor General personally approves the appeal.[55] In each situation, the standard on appeal is whether the sentence imposed is, under the circumstances, "clearly erroneous." [56]

FUTURE CHALLENGES: SELECTION OF THE GUIDELINES COMMISSION

Among the most important appointments to be made by the President in 1985 are the seven voting members of the new Sentencing Guidelines Commission. Three of the seven Commission members must be federal judges in "regular active services." [57] No more than four members may be from the same political party. Before making appointments the President is required to consult with "judges, prosecuting attorneys, defense attorneys, law enforcement officials, senior citizens, victims of crime and others interested in the criminal justice process." [58]

The Senate Report on the Act explains: "The extraordinary powers and responsibilities vested in the Commission, as well as the enormous potential for unparalleled improvement in the fairness and effectiveness of Federal criminal justice as a whole, demand the highest quality of membership.

For such a critical position, Presidential appointments based on politics rather than merit would, and should, be an embarrassment to the appointing authority . . . without superior and professional members the Commission, and indeed sentencing reform, can never achieve the progress so sorely needed."[59]

Time is short for the fledgling Commission to accomplish its task. It must write new guidelines for controlling all sentences for all federal crimes and report its initial recommendations to Congress by April, 1986. Because of the complex nature and scope of the functions of the Commission, the positions will be essentially full time jobs for the first several years[60] including members who are active federal judges.[61] Whether the new system succeeds or fails hinges on the work of the Commission. Its members must have broad knowledge of criminal law and penology and the compassion and good sense to balance the community's interests and those of the offender.

PRISON OVERCROWDING

Throughout the lengthy consideration of this legislation concerns were often expressed, and thoroughly considered, over the potential impact of the guidelines on the problem of prison overcrowding.[62] It is imperative that the new Sentencing Commission helps to avoid reasonably preventable overburdening of the federal prison system. Sentences under the new guidelines should be neither too lenient to protect the public nor so high that they will unavoidably exacerbate conditions in already overcrowded facilities. Under the Act the principal means of accomplishing this is giving Congress fair warning of the anticipated effects of the new guidelines. In addition, the Commission can encourage the use of underutilized facilities and "contract" facilities to avoid crowding that might result from imposition of appropriate sentences.

The Act directs the Sentencing Commission to "minimize the likelihood that the Federal prison population will exceed the capacity of the Federal prisons."[63] It further instructs the Commission to be mindful of the capacity of prisons, and as a starting point to ascertain the length of terms actually served under current law in order to avoid any inadvertent dislocation.[64] Further the Act calls for the Commission to recommend any changes or expansion in the nature or capacity of existing facilities that might become necessary.[65] These provisions evidence the clear Congressional intent that the guidelines should not contribute to prison overcrowding.

The Act also requires the initial guidelines, and thereafter any amendments to the guidelines, to be submitted to Congress six months before they go into effect.[66] During the inital Congressional review, the General Accounting Office is to examine the guidelines and compare their potential impact with the present system.[67] The Act requires another GAO study four years later.[68] Armed with this information Congress may act to adjust the guidelines if necessary.

The creation of a more rational sentencing system without artifical constraints in itself should help to bring prison populations in line with prison resources. Indeed, the reforms in the Act have already been effective in ameliorating prison overcrowing at the state level. Several states have recently adopted sentencing reform measures.[69] The Minnesota experience is widely regarded as a leading example of effective sentencing reform. The Minnesota legislation created a Sentencing Guidelines Commission for the state and required it to "take into substantial consideration . . . correctional resources including but not limited to the capacities of local and state correctional facilities.[70] Under its system, Minnesota became one of the few states whose prison population has actually declined.

Sentencing is the point in the criminal justice system where overcrowding conditions can most effectively be controlled.[71] It is the judge who actually commits prison beds and determines who goes to prison and for how long. Under the former non-system of ad hoc sentencing, federal prisons filled beyond capacity while making future space needs difficult to predict. This morass was compounded by the possibility of parole, which prompted judges to impose longer sentences to prevent premature release. By abolishing parole and establishing a coherent federal sentencing policy, the Act lays the groundwork for a national solution to prison overcrowding.[72]

PROSECUTORIAL DISCRETION

House Judiciary Committee Chairman Peter Rodino (D-N.J.), among others, has voiced concern that "even the most tightly drawn sentencing guidelines could be willfully or unknowingly circumvented through unfettered use of prosecutorial discretion" through plea bargaining arrangements.[73]

Under a sentencing guideline system, control of sentencing could be shifted to the prosecutor, who determines the charges brought against a defendant and thereby potentially dictates the applicable sentencing range. Persons with similar criminal histories who have committed similar offenses could still receive different sentences, depending on their success in plea bargaining.

The Act, however, contains a provision designed to bring plea bargaining into the open and to avoid possible abuses.[74] The Sentencing Commission is required to develop standards for consideration by judges in deciding whether to accept a plea arrangement. Judicial review of plea bargaining under such policy statements should alleviate potential problems. But this is an area that will have to be monitored closely, as the Act requires.[75] United States Attorneys have broad prosecutorial discretion and only imperfect standards to guide its exercise. If the new guidelines and policy statements succeed, they could point the way toward further improvements in the exercise of prosecutorial discretion.

JUDICIAL ROLE

The success of the *Sentencing Reform Act* also depends on judicial acceptance of the primary responsibility for the new system. At the institutional level, the Judicial Branch, through the Judicial Conference, must be closely involved in the selection and launching of the new Sentencing Commission.[76] At the individual level, the judges themselves must accept the restrictions of the new system on their historically wide-ranging discretion.

Although the guidelines are mandatory, the sentencing judge retains substantial discretion, especially in determining the existence of aggravating or mitigating circumstances in particular cases.[77] By expanding sentencing options the Act actually increases discretion and flexibility in some important respects. A sentence outside the applicable guideline is subject to appeal and the resulting case law will become a judicially created refinement of the guidelines. In addition, the Commission's policy statements on acceptance of plea bargaining arrangements will give judges new powers in this critical area.

CONCLUSION

The *Sentencing Reform Act of 1984* contains a comprehensive and far-reaching new approach for the federal law of sentencing, setting forth the purposes to be served by the sentencing system and the kinds and lengths of sentences to be imposed. The new guideline system will reduce the unacceptable disparity of punishment that plagues the federal system, and will help to assure sentences that are fair—and perceived to be fair—to offenders, victims, and society.

FOOTNOTES

[1] *The Comprehensive Crime Control Act of 1984*, Title II of H.J. Res. 648, Public Law 98-473, 98 Stat. 1837, was passed as an amendment to the Continuing Resolution (H.J. Res. 648) and signed by the President on October 12, 1984.

Attorney General William French Smith noted the importance of this major sentencing reform: "Of the improvements [under consideration by the Senate Judiciary Committee] . . . perhaps the most important are those relating to sentencing criminal offenders. These provisions introduce a totally new and comprehensive sentencing system that is based upon a coherent philosophy." Criminal Code Hearings before the Senate Committee on the Judiciary on S. 1630, 97th Cong., 1st. Sess. Part XVI at 11760,65 (1981).

[2] S. 1437, 95th Cong. 1st Sess., 123 Cong. Rec. 13059 (1977). In 1975 I worked with Senator John McClellan on different sentencing reform proposals and introduced the predecessor to this legislation. S. 2699, 94th Cong. 2nd Sess. *See*, Kennedy, *Criminal Sentencing: A Game Of Chance*, 60 Judicature 208 (1976). *See also* Kennedy, *Reforming the Federal Criminal Code: A Congressional Response*, 8 N.C. Cent. L.J. 1 (1977); Kennedy, *Introduction To A Symposium On Criminal Code Reform*, 47 Geo. Wash. L. Rev. 451 (1979); Kennedy, *Introduction To A Symposium on Sentencing (Part I)*, 7 Hofstra L. Rev. 1 (979); Kennedy, *Toward A New System Of Criminal Sentencing: Law With Order*, 16 Amer. Crim. L. Rev. 353 (1979); Finberg, *Sentencing Reform and the Proposed Federal Criminal Code*, 5 Hamlin L. Rev. 217 (1982).

[3] National Commission on Reform of Federal Criminal Laws, *Final Report* (1971) *reprinted* in *Senate Judiciary Committee Crime Subcommittee Criminal Code Hearings*. Part I at 159-514, 95th Cong., 1st Sess. (1977) Washington, D.C. U.S. Gov't Printing Office.

This Commission, which came to be known as the Brown Commission after its chairman, Edmund G. Brown, Sr., former Governor of California, was proposed by President Lyndon Johnson's "National Strategy Against Crime" in his March 9, 1966 message to Congress. 112 Cong. Rec. 5368 (1966), established by P.L. 89-901, 80 Stat. 1516.

[4] Senate Comm. on the Judiciary, Legislative Calendar, S. Doc. No. 554, 93rd Cong., 1st Sess. 83, 6046 (1973); S. 1, 94th Cong. 1st Sess., 121 Cong. Rec. 211 (1975).

[5] S. 1437, 95th Cong. 1st Sess., 123 Cong. Rec. 13059 (1977). Introduced on May 2, 1977, reprinted at 124 Cong. Rec. 9 (1978), and favorably reported by the Senate Judiciary Committee, S. Rep. No. 605, 95th Cong., 1st Sess. 1977, and passed by the Senate 72-15, on January 30, 1978, 124 Cong. Rec. 1345-465 (1978).

[6] S. 1722, 96th Cong., 1st Sess., 125 Cong. Rec. 23,537 (1979), S. Rep. No. 553, 96th Cong., 2d Sess. (1980); S. 1630, 97th Cong. 1st Sess., 128 Cong. Rec. 522 (daily ed. Jan. 25, 1982), S. Rep. No. 307, 97th Cong., 1st Sess. (1981).

[7] See *Attorney General's Task Force on Violent Crime, Final Report* 56-57 (1981). The proposals were included in S. 2572, 96th Cong., 2d Sess. (1982) and passed by the Senate, 95-1, on September 30, 1982.

[8] My bill, S. 668, 98th Cong., 1st Sess., 129 Cong. Rec. S. 2090 (daily ed. March 3, 1983), was substantially included in the Administration's 16 title crime package introduced on March 16, 1983 by Senators Thurmond and Laxalt, S. 829, 98tn Cong., 1st Sess., 129 Cong. Rec. S. 3096 (daily ed. March 16, 1983). S. 668 was also contained, except for technical differences, in the later compromise package. S. 1762, reported on August 4, 1983, S. Rep. No. 225, 98th Cong., 1st Sess. (1983) and passed by the Senate, by

a vote of 91-1, 130 Cong. Rec. S. 741 (daily ed. February 2, 1984). These sentencing provisions were ultimately adopted, essentially intact, in the *Comprehensive Crime Control Act of 1984*, H.J. Res. 648, P.L. 98-473 (*supra* note 1). For a summary of parallel developments in the House over the past decade *see, e.g.*, Rodino, *Federal Criminal Sentencing Reform* 11 J. of Legis. 237 (1984).

[9] United States District Judge Joseph L. Tauro's concise and thoughtful article is instructive in this regard. Tauro, *Sentencing: A View From the Bench*, 9 New England Journal on Criminal and Civil Confinement 323 (1983). Many former and active United States Judges such as Marvin E. Frankel, Harold R. Tyler, Morris Lasker, Jon O. Newman, and former Attorney General Griffin B. Bell have been the most articulate spokesmen for sentencing reform. *See, e.g.*, Report on S. 1722, S. Rep. No. 553, 96th Cong., 2d Sess. 912 (1980); Report on S. 668, S. Rep. No. 223, 98th Cong., 1st Sess. 1, 61 (1983). *See, e.g.*, Frankel, *Criminal Sentences: Law Without Order* (1972); Frankel, *Panel on Sentencing Provisions in the Proposed Federal Code*, 80 F.R.D. 151, 153 (1979); Laskar, *Presumption Against Incarceration*, 7 Hofstra L. Rev. 243 (1979); Tyler, *Sentencing Guidelines: Control of Discretion in Federal Sentencing*, 7 Hofstra L. Rev. 11 (1978); Newman, *A Better Way to Sentence Criminals*, 55 A.B.A.J. 1562, (1977). *Senate Judiciary Crime Subcommittee Criminal Code Hearings, supra* note 3, part XIII at 8595-96 (Testimony of Griffin B. Bell), at 8973 (Testimony of Harold R. Tyler), at 8973 (Testimony of Morris Lasker).

[10] Inslaw, Inc. and Yankelovich, Skelly, and White, *Federal Sentencing: Toward a More Explicit Policy of Criminal Sanctions*, III-4 (1981).

[11] *See, e.g., Report On* S. 1762, S. Rep. No. 225, 98th Cong., 1st Sess. (1983) at 40, n. 16 (studies collected); Blumstein, *Sentencing Reforms: Impacts and Implications*, 68 Judicature 129, 130 (1984).

[12] *Id.*

[13] For example, a first offender convicted of possessing a controlled substance with intent to distribute could receive a sentence ranging from one day to fifteen years confinement. 21 U.S.C. § 841(b)(1)(A). *See Report on* S. 668, S. Rep. No. 223, 98th Cong. 1st Sess. (1983) at 36-37 (examples collected).

[14] Partridge and Eldridge, *The Second Circuit Sentencing Study, A Report to the Judges* 1-3 (1974); See S. Rep. No. 223, *supra* note 13 at 38-41.

[15] *Id.*, at 37-43 (studies collected).

[16] Seymour, 1972 Sentencing Study for the Southern District of New York, 45 N.Y.S. B.J. 163 reprinted in 119 Cong. Rec. 6060 (1973) noted in S. Rep. No. 223, *supra* note 13 at 38 n. 21.

[17] *See, e.g., The Comprehensive Crime Control Act of 1984: Hearings on S. 829 Before the Senate Committee on the Judiciary*, 98th Cong., 1st Sess. (1983) (statements of Scott Harshbarger, District Attorney, Middlesex County, Mass.; Roberta Roper, Founder, Stephanie Roper Committee, Maryland; Margaret Damast, Maryland; Mark Moseley, Virginia; Jill Reed, New Mexico; and Jennifer Short, Oregon.) (not yet printed); Edward Rendell, "Curbing Crime: A Prosecutor's Viewpoint," *Violent Crime in America*, National Policy Exchange, Washington, 1983, at 44, 46.

[18] *See* S. Rep. No. 223, *supra* note 13 at 43-45.

[19] *Id.* (Examples discussed).

[20] *Id.*

[21] 18 U.S.C. § 3553(a)(2). (Citations are to 1984 United States Code provisions, as enacted by the Act, *supra* note 1).

[22] 18 U.S.C. § 3582(a) provides, however, that in determining whether to impose a sentence of imprisonment and in determining the length of a term of imprisonment, the sentencing judge should recognize that "imprisonment is not an appropriate means of promoting correction and rehabilitation." 28 U.S.C. § 994(k), as enacted by Section 7(a) of the Act, *supra*, provides that the sentencing guidelines should reflect the "inappropriateness" of using rehabilitation or availability of corrections programs as the basis for imposing a term of imprisonment.

[23] 18 U.S.C. § 3551.

[24] 18 U.S.C. § 3551(b).

[25] 18 U.S.C. § 3551(c).

[26] 18 U.S.C. § 3554.

[27] 18 U.S.C. § 3555.

[28] 18 U.S.C. § 3556 carries forward the restitution provisions previously enacted by the *Victim and Witness Protection Act of 1982*, and redesignated as 18 U.S.C. § 3663 and § 3664 by the *Sentencing Reform Act of 1984*. *See* explanatory material in S. Rep. No. 233, *supra* note 13 at 82-83.

[29] 18 U.S.C. § 3559(a).

[30] 18 U.S.C. § 3581(b).

[31] 18 U.S.C. § 3751(b).

[32] 18 U.S.C. § 3561(b), § 3563 (a) and (b).

[33] 18 U.S.C. § 3583.

[34] 18 U.S.C. § 3559(b)(2).

[35] 18 U.S.C. § 3559(b).

[36] 28 U.S.C. § 991(b) and 994(a); 18 U.S.C. § 3553(b).

[37] S. Rep. No. 223, *supra* note 13 at 48-49.

[38] Chapter 58 of Title 28, U.S.C. § 991 *et seq.*

[39] *Compare, e.g.*, 28 U.S.C. § 994 as enacted by Sec. 217(a) of the Act, *supra, with* the New York State sentencing legislation approved July 28, 1983, Chap. 711, Laws of 1983, *Sentencing Guidelines—State Committee—Creation, Powers and Duties.*

[40] 28 U.S.C. § 994(b), (i), (j), (k) and (l).

[41] 28 U.S.C. § 994(a) and (b).

[42] 18 U.S.C. § 3553(a) and (b).

[43] 18 U.S.C. § 3553(b).

[44] Subchapter B of Chapter 227 of Title 18, U.S.C. § 3561 *et seq.*

[45] Subchapter C of Chapter 227 of Title 18, U.S.C. § 3571 *et seq.*

[46] Subchapter B of Chapter 229 of Title 18, U.S.C. § 3611 *et seq.*

[47] Subchapter D of Chapter 227 of Title 18, U.S.C. § 3581 *et seq.*

[48] 18 U.S.C. § 3583.

[49] A sentence may, however, be subsequently modified for extraordinary and compelling reasons—e.g., if the defendant is stricken by terminal illness or if the guidelines in force at the time of sentencing are substantially changed. 18 U.S.C. § 3582(c). *See* S. Rep. No. 223, *supra* note 13 at 118.

[50] 18 U.S.C. § 3556.

[51] 18 U.S.C. § 3555. *See* S. Rep. No. 223, *supra* note 13 at 80-82.

[52] 18 U.S.C. § 3554; *See* S. Rep. No. 223, *supra* note at 78-80.

[53] 18 U.S.C. § 3577, 3742. It is an anomally to provide for appellate correction of prejudicial trial errors and not to provide for appellate correction of sentences that are unreasonable or incorrect. *See Subcommittee Criminal Code Hearings, supra*, Part VI, at 5649-53 (statement of Marvin E. Frankel). Illegal sentences have been subject to correction pursuant to Rule 35 of the *Federal Rules of Criminal Procedure.*

[54] 18 U.S.C. § 3742(a).

[55] 18 U.S.C. § 3742(b).

[56] 18 U.S.C. § 3742(d) and (e).

[57] 28 U.S.C. § 99(a). A list of six judges is to be recommended by the Judicial Conference, *Id.*

[58] *Id.*

[59] S. REP. No. 223, *supra* note 13 at 157.

[60] 28 U.S.C. § 992. The seven positions are full time until the end of the first six years that the guidelines are in effect, when the positions become part time. Appointments are for six year terms except that the initial terms will be staggered; two members, including the Chairman, serve six-year terms, three serve four-year terms, and two serve two-year terms, three serve four-year terms, and two serve two-year terms. All of these initial terms begin to run only after the first guidelines are effective in October, 1986, *Id.*

[61] Judge members may serve on the Commission without resigning their appointments as a federal judge, 28 U.S.C. § 992. With competent staff, 28 U.S.C. § 996, and cooperative utilization of the expertise and resources of the Federal Judicial Center and the Administrative Office of the U.S. Courts, 28 U.S.C. § 995(b), it may be possible for judge members to retain a portion of their caseload. Congress, however, clearly expected that the work of the Commission should not be subordinated to other work of the members and preferred a substantial full-time commitment from all initial members, *See e.g.*, S. Rep. No. 223, *supra* note 13 at 60-61.

[62] Compare, *e.g.*, S. Rep. No. 223, *supra* note 13 at 311 (Minority Views of Senator Mathias) with 130 Cong. Rec. § 13077 (daily ed, October 4, 1984, remarks of Senator Hatch). I explore this subject and the related subject of selective incapacitation at greater length in a forthcoming article, Edward M. Kennedy, *Prison Overcrowding: The Law's Dilemma*, The Annals of the American Academy of Political and Social Sciences, Vol. 478, March 1985 (forthcoming). *See*, Feinberg, *Selective Incapacitation and the Efforts to Improve the Fairness of Existing Sentencing Practices*, XII Review of Law and Social Change, 53 (1983-1984); *Forst, Selective Incapacitation: A Sheep In Wolf's Clothing*, 68 Judicature 153 (1984).

[63] 28 U.S.C. § 994(G).

[64] 28 U.S.C. § 994(b) and (m); S. Rep. No. 223, *supra* note 13 at 172-74.

[65] 28 U.S.C. § 994(b). *See also* 28 U.S.C. § 994(p) (recommendations for utilization of existing resources).

[66] *See* Sec. 235(a) of the Act, *supra* note 1 and 28 U.S.C. § 994(o).

[67] Sec. 235(a)(1)(B)(ii)(II) of the Act, *supra* note 1.

[68] Sec. 236 of the Act, *supra* note 1.

[69] But none of the state systems is similar to the new federal system in all important respects. *See*, Survey in S. Rep. No. 223, *supra* note 13 at 58-59.

[70] Legislation creating the Sentencing Guidelines Commission was enacted in 1978. Minn. Stat. § 244 (1978). The Commission interpreted the law to mean that its sentencing guidelines should not produce prison populations exceeding prison capacity. *Minnesota Sentencing Guidelines Commission, Preliminary Report on the Department and Impact of the Minnesota Sentencing Guidelines, July 1982*, at 14. *See* Knapp, *What Sentencing Reform In Minnesota Has and Has Not Accomplished*, 68 Judicature 181 (1984); Clark, *North Carolina's Determinate Sentencing Legislation*, 68 Judicature 141 (1984).

[71] National Academy of Sciences, *Panel on Sentencing Research, Research on Sentencing: The Search for Reform* 253 (A. Blumstein, J. Cohen, S. Martin and M. Tonry, eds. 1983).

[72] An obvious—and obviously impractical—way to end prison overcrowding is to build more prisons. *See* Edward M. Kennedy, *Prison Overcrowding: The Law's Dilemma*, The Annals of the American Academy of Political and Social Sciences, Vol. 478, March 1985 (forthcoming).

[73] Rodino, *Federal Criminal Sentencing Reform*, 11. J. of Legis. 218, 232 (1984). *See* the Comptroller General of the U.S., *Reducing Federal Judicial Sentencing and Prosecuting Disparities* 15, 16 (1979). The question was initially raised by Prof. Stephen J. Scholhofer, *see* Schulhofer, *Prosecutorial Discretion and Federal Sentencing Reform*, 53-72 (Report for the Federal Judicial Center 1979); *Criminal Code Hearings, supra*, Part XIV at 10101 (testimony of John Cleary).

[74] 28 U.S.C. § 994(a) 2 (D). *See* discussion in S. Rep. No. 223, *supra* note 13 at 60, 164.

[75] Pub. L. 98-473, Sec. 236(a) (2). 98 Stat. 1837 (October 12, 1984).

[76] *See, e.g.*, 28 U.S.C. § 991(a) (judge members selected after consideration of list recommended by the Judicial Conference of the United States); 28 U.S.C. § 991(n) (consultation and reports from the Judicial Conference); 28 U.S.C. § 995(b) (utilization of existing resources of the Administrative Office of the United States and the Federal Judicial Center).

[77] It is intended that the guidelines system actually enhance, rather than detract from, the individualization of sentences. *Id.* at 49-50, 158. *See* Newman, *supra* note 9, at 1566 ("[E]ven with guidelines, judges will still have to make difficult sentencing decisions, trying to reconcile as best they can the tensions between the virtues of more uniformity and the insistent demands for individual consideration of each defendant's case.")

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR PRODUCTION OF DOCUMENTS

Mr. DOLE. Mr. President, I send to the desk a resolution in behalf of myself and the distinguished minority

leader and ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 128) to authorize production of documents by the Senate Permanent Subcommittee on Investigations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, since 1981, the Permanent Subcommittee on Investigations has been investigating allegations of improper practices in the Hotel Employees and Restaurant Employees International Union. The Senate previously agreed to two resolutions to authorize the subcommittee to provide records of this investigation to Federal investigative agencies, Senate Resolution 523 of the 97th Congress and Senate Resolution 345 of the 98th Congress.

The subcommittee has referred the testimony of four witnesses to the Department of Justice to determine whether those witnesses should be prosecuted for perjury before the subcommittee during this investigation. Documents relating to their testimony may assist the Department in making a proper determination of that issue and about other potential criminal matters, and the Department accordingly has requested access to records of the subcommittee. The subcommittee has also submitted its report on this investigation to the Senate, Senate Report 98-595, and anticipates that law enforcement agencies may make further requests for subcommittee documents concerning the investigation. Senators ROTH and NUNN, the chairman and the ranking minority member of the subcommittee, would like to be in a position to respond to authorized requests for pertinent subcommittee records.

The enclosed resolution would authorize the chairman and the ranking minority member, acting jointly, to provide the necessary records and related documents. The subcommittee retains discretion to withhold confidential matters.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 128) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 128

Whereas, the Permanent Subcommittee on Investigations has been investigating allegations of improper practices in the Hotel Employees and Restaurant Employees International Union;

Whereas, the Subcommittee has asked the Department of Justice to determine whether violations of the federal perjury statute, 18 U.S.C. § 1621, occurred during the Subcommittee's proceedings and, the Department of Justice has requested access to records of the Subcommittee for this and for their investigatory purposes;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control of or in the possession of the Senate are needful for investigation of possible offenses or for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to law enforcement authorities records of the Subcommittee relating to its investigation of the Hotel Employees and Restaurant Employees International Union.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRINTING OF COMPILATION ENTITLED "MAJORITY AND MINORITY LEADERS OF THE SENATE"

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 129) relating to the printing of the compilation entitled "Majority and Minority Leaders of the Senate" as a Senate document.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 129) was agreed to.

The resolution reads as follows:

S. RES. 129

Resolved, That the compilation entitled "Majority and Minority Leaders of the Senate", prepared by the Senate Parliamentarian Emeritus, Floyd M. Riddick, shall be printed, with any revisions and certain tables, as a Senate document, and an additional 2,000 copies shall be printed for distribution by the Secretary of the Senate.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR THURSDAY

ORDER FOR RECESS UNTIL THURSDAY, APRIL 4, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until noon, Thursday, April 4, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order of 10 minutes each, the Senator from Wisconsin [Mr. PROXMIRE] be recognized under a special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special order just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSSIBLE CONSIDERATION OF CERTAIN NOMINATIONS ON TOMORROW

Mr. DOLE. Following the conclusion of morning business, Mr. President, it is the intention of the majority leader to turn to the Executive Calendar for two nominations, Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board, and Donald Ian Macdonald, of Florida, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration. I would indicate that would only be in the event they have been cleared on both sides.

(Later the following occurred:)

Mr. DOLE. Mr. President, I understand that the distinguished minority leader would permit me to add two additional nominations to the list, General Doolittle and General Eaker, to be considered in the executive items in addition to the two nominations previously agreed to?

Mr. BYRD. Mr. President, reserving the right to object—I do not intend to object—may I ask the distinguished majority leader, in the event rollcall votes were entered on any of these nominations that will have been cleared by tomorrow, will those rollcall votes occur tomorrow?

Mr. DOLE. I can announce to my colleague there will be no rollcall votes tomorrow on any matter.

Mr. BYRD. I have no objection, Mr. President.

Mr. DOLE. And that would be also, I might say to the distinguised minority leader, only if these are cleared. If

there is objection, we will put them over.

Mr. BYRD. I thank the majority leader.

Mr. DOLE. Mr. President, I understand that we do not have the nominations; they have not been received as yet.

The PRESIDING OFFICER. Without objection, the two additional nominations are added.

Mr. DOLE. Mr. President, I understand that they can be added to the list to be cleared tomorrow and approved if they are cleared and if they do not require rollcall votes.

Mr. BYRD. Right.

The PRESIDING OFFICER. The Chair agrees with the majority and minority leaders.

(Conclusion of later proceedings.)

INTENTION TO ADJOURN UNTIL MONDAY, APRIL 15, AT 12 NOON

Mr. DOLE. Mr. President, following the conclusion of tomorrow's session, it would be the intention of the majority leader to adjourn the Senate over until Monday, April 15, 1985, at 12 noon.

SENATE CONCURRENT RESOLUTION 38—PROVIDING FOR AN ADJOURNMENT OF THE CONGRESS FROM WEDNESDAY, APRIL 3, OR THURSDAY, APRIL 4, 1985, UNTIL MONDAY APRIL 15, 1985

Mr. DOLE. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 38) providing for an adjournment of the Senate and the House of Representatives from Wednesday, April 3, or Thursday, April 4, 1985, until Monday, April 15, 1985.

The resolution (S. Con. Res. 38) was considered and agreed to, as follows:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, and that when the House of Representatives adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12:00 o'clock noon on Monday, April 15, 1985.

Mr. DOLE. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR MONDAY, APRIL 15, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on April 15, 1985, the reading of the Journal be dispensed with; that no resolutions come over under the rule; that the call of the calendar be dispensed with; and that, following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business not two extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each; and provided further that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON WEDNESDAY, APRIL 10, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that during the adjournment of the Senate, the committees be authorized to file reports between the hours of 9 a.m. and 3 p.m. on Wednesday, April 10, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 12 noon tomorrow, Thursday, April 4, 1985.

The motion was agreed to, and at 7:40 p.m., the Senate recessed until tomorrow, Thursday, April 4, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 3, 1985:

DEPARTMENT OF STATE

Charles A. Gillespie, Jr., of California, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Colombia.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 3, 1985:

ACTION AGENCY

Donna M. Alvarado, of Virginia, to be Director of the ACTION Agency.

DEPARTMENT OF STATE

Faith Ryan Whittlesey, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Thomas J. Aquilino, Jr., of New York, to be a judge of the U.S. Court of International Trade.

Frank H. Easterbrook, of Illinois, to be U.S. circuit judge for the seventh circuit.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois.

Melvin T. Brunetti, of Nevada, to be U.S. circuit judge for the ninth circuit.

Howell Cobb, of Texas, to be U.S. district judge for the eastern district of Texas.

Edith H. Jones, of Texas, to be U.S. circuit judge for the fifth circuit.

George La Plata, of Michigan, to be U.S. district judge for the eastern district of Michigan.

Ronald E. Meredith, of Kentucky, to be U.S. district judge for the western district of Kentucky.

Alice M. Batchelder, of Ohio, to be U.S. district judge for the northern district of Ohio.

Herman J. Weber, of Ohio, to be U.S. district judge for the southern district of Ohio.

Carol Los Mansmann, of Pennsylvania, to be U.S. district judge for the third circuit.

J. Thomas Greene, of Utah, to be U.S. district judge for the district of Utah.

Carolyn R. Dimmick, of Washington, to be U.S. district judge for the western district of Washington.

Mark L. Wolf, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

William G. Young, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

Ann C. Williams, of Illinois, to be U.S. district judge for the northern district of Illinois.

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit.

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana.

IN THE COAST GUARD

Coast Guard nominations beginning James Adase, and ending George F. Hillegas, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1985.

HOUSE OF REPRESENTATIVES—*Wednesday, April 3, 1985*

The House met at 3 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We ask for Your blessing, Almighty God, not because we are worthy, but because You have promised to love us as we are. In spite of our faults we yet turn to You, O God, that You will forgive our wrong acts or selfish deeds, and turn us to the paths of new life and good works. Help us not to be content with the ordinary, but allow us to do what is pleasing in Your sight and worthy of our calling; as Your people. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. STRANG. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. STRANG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 155, answered "present" 3, not voting 28, as follows:

[Roll No. 46]

YEAS—246

Ackerman	Boggs	Chappell
Addabbo	Boland	Coelho
Akaka	Boner (TN)	Coleman (TX)
Alexander	Bonior (MI)	Collins
Anderson	Bonker	Conyers
Andrews	Borski	Cooper
Annunzio	Bosco	Coyne
Anthony	Boucher	Craig
Applegate	Boxer	Daniel
Aspin	Breaux	Darden
Atkins	Brooks	Daschle
AuCoin	Broomfield	de la Garza
Barnard	Brown (CA)	Dicks
Barnes	Bruce	Dingell
Bates	Bryant	Dixon
Bedell	Burton (CA)	Donnelly
Beilenson	Bustamante	Dorgan (ND)
Bennett	Byron	Dowdy
Berman	Callahan	Downey
Bevill	Carper	Duncan
Biaggi	Carr	Dwyer
Dyson	Lantos	Rodino
Early	Leath (TX)	Roe
Eckart (OH)	Lehman (CA)	Rose
Edgar	Lehman (FL)	Rostenkowski
Edwards (CA)	Leland	Rowland (GA)
Erdreich	Levin (MI)	Roybal
Evans (IL)	Levine (CA)	Russo
Fascell	Lewis (CA)	Savage
Fazio	Lipinski	Scheuer
Feighan	Lloyd	Schumer
Flippo	Lowry (WA)	Seiberling
Florio	Luken	Sharp
Foglietta	Lundine	Shuster
Foley	MacKay	Sisisky
Ford (TN)	Manton	Skeen
Fowler	Markey	Skelton
Frank	Martinez	Slattery
Frost	Matsui	Smith (FL)
Fuqua	Mavroules	Smith (IA)
Garcia	Mazzoli	Snyder
Gaydos	McCurdy	Solarz
Gejdenson	McGrath	Spratt
Gephardt	McHugh	St Germain
Gibbons	Meyers	Staggers
Glickman	Mica	Stallings
Gonzalez	Michel	Stark
Gordon	Miller (CA)	Stenholm
Gray (IL)	Mineta	Stokes
Gray (PA)	Moakley	Stratton
Guarini	Mollohan	Studds
Hall (OH)	Montgomery	Swift
Hall, Ralph	Moody	Synar
Hall, Sam	Moore	Tallon
Hamilton	Morrison (CT)	Tauzin
Hammerschmidt	Mrazek	Thomas (GA)
Hansen	Murphy	Torres
Hatcher	Murtha	Torricelli
Hawkins	Myers	Towns
Hayes	Natcher	Traficant
Hefner	Neal	Traxler
Heftel	Nelson	Udall
Hertel	Nichols	Valentine
Hillis	Nowak	Vento
Horton	O'Brien	Visclosky
Howard	Oakar	Volkmer
Hoyer	Obey	Walgren
Hubbard	Olin	Watkins
Hughes	Owens	Waxman
Hutto	Panetta	Weaver
Jenkins	Pease	Weiss
Johnson	Perkins	Wheat
Jones (OK)	Petri	Whitley
Jones (TN)	Pickle	Williams
Kanjorski	Price	Wilson
Kaptur	Quillen	Wirth
Kastenmeier	Rahall	Wolpe
Kennelly	Rangel	Wright
Kildee	Ray	Wyden
Kleczka	Reid	Wylie
Kostmayer	Richardson	Yatron
LaFalce	Robinson	Young (MO)

NAYS—155

Archer	Cobey	Fish
Armey	Coble	Gallo
Badham	Coleman (MO)	Gekas
Bartlett	Combest	Gilman
Barton	Conte	Gingrich
Bateman	Coughlin	Gradison
Bereuter	Crane	Green
Bilirakis	Dannemeyer	Gregg
Bliley	Daub	Grotberg
Boehlert	Davis	Gunderson
Boulter	DeLay	Hendon
Brown (CO)	DeWine	Henry
Broyhill	Dickinson	Hiler
Burton (IN)	Dornan (CA)	Holt
Campbell	Dreier	Hopkins
Carney	Durbin	Huckaby
Chandler	Eckert (NY)	Hunter
Chappie	Edwards (OK)	Hyde
Cheney	Emerson	Ireland
Clay	Fawell	Jacobs
Clinger	Fiedler	Jeffords
Coats	Fields	Kasich
Kemp	Monson	Siljander
Kindness	Moorhead	Slaughter
Kramer	Morrison (WA)	Smith (NH)
Lagomarsino	Nielson	Smith (NJ)
Lent	Oxley	Smith, Denny
Lewis (FL)	Packard	Smith, Robert
Lightfoot	Parris	Snowe
Livingston	Pashayan	Solomon
Loeffler	Penny	Spence
Lott	Porter	Stangeland
Lowery (CA)	Pursell	Strang
Lujan	Regula	Stump
Lungren	Ridge	Sundquist
Mack	Rinaldo	Sweeney
Madigan	Ritter	Swindall
Marlenee	Roberts	Tauke
Martin (IL)	Roemer	Taylor
Martin (NY)	Rogers	Thomas (CA)
McCain	Roth	Vander Jagt
McCandless	Roukema	Vucanovich
McCollum	Rowland (CT)	Walker
McDade	Saxton	Weber
McEwen	Schaefer	Whitehurst
McKernan	Schuette	Whittaker
McKinney	Schulze	Wolf
McMillan	Sensenbrenner	Wortley
Miller (OH)	Shaw	Young (AK)
Miller (WA)	Shelby	Young (FL)
Mitchell	Shumway	Zschau
Molinari	Sikorski	

ANSWERED "PRESENT"—3

Dymally	Oberstar	Whitten

NOT VOTING—28

Bentley	Frenzel	Pepper
Courter	Goodling	Rudd
Crockett	Hartnett	Sabo
Dellums	Jones (NC)	Schneider
Derrick	Kolbe	Schroeder
DioGuardi	Kolter	Smith (NE)
English	Latta	Wise
Evans (IA)	Leach (IA)	Yates
Ford (MI)	Mikulski	
Franklin	Ortiz	

□ 1510

Mr. SENSENBRENNER and Mrs. ROUKEMA changed their votes from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1239) entitled "An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes."

The message also announced that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate numbered 2, 6, 8, 9, and 14 to the above-entitled bill.

□ 1520

VOTING RECORD OF REPRESENTATIVE NATCHER

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, an important milestone in legislative history was reached yesterday.

Representative WILLIAM H. NATCHER of Bowling Green, KY, has never missed a day or rollcall vote since he has been a Member of Congress.

BILL NATCHER first took the oath of office on January 6, 1954. Since that time, he has cast 9,960 rollcall votes and answered 4,041 quorum calls, making a total of 14,001 rollcalls. Yesterday, on April 2, 1985, on rollcall No. 44, BILL NATCHER cast his 14,000th rollcall.

May his example of constancy and dedication be a light in the darkness of political negativism and a continuing inspiration to us all.

PERMISSION FOR SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENT RELATIONS OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. SAM B. HALL, JR. Mr. Speaker, I ask unanimous consent that the Subcommittee on Administrative Law and Government Relations of the Committee on the Judiciary be permitted to sit today, Wednesday, April 3, 1985, while the House is considering amendments under the 5-minute rule.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so only to inquire of the gentleman whether or not this has been cleared with the minority.

Mr. SAM B. HALL, JR. Mr. Speaker, if the gentleman will yield, it has been cleared with the minority.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

STOP PROLIFERATION OF OFFICIAL RESIDENCES BEFORE IT STARTS

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr. Speaker, evidently the search is on for an official residence for the Secretary of State, to be donated to the Government by some wealthy individual. I suppose there was some justification for an official residence for the Vice President, especially as it is located on Government property. But let us think twice before carrying this residence proliferation any further.

If the Secretary of State has a grand residence provided free of charge, can we deny this same perk to the Secretary of Defense? Surely he has equal importance and security concerns. And how about the Secretary of the Treasury? He'll want and deserve a lovely residence, too. And the Director of the CIA certainly has security problems as great as anyone's. But then, you can't have two distinct levels of the Cabinet—the haves and the have-nots. By and by, all major officials, and maybe the Speaker of the House, too, will hold forth like great lords in grand ducal palaces scattered about the city.

Mr. Speaker, this is a prospect totally inappropriate to a democracy. And don't think it is costless to the taxpayers either. The wealthy donors of these mansions are going to take charitable deductions based on inflated valuations, avoid capital gains taxes, and cost the rest of us a bundle in reduced revenues.

So before we create a new class of great princes and dukes in our midst, let's stop this residence proliferation before it starts.

PRESIDENT OF COLOMBIA OPPOSES MILITARY INTERVENTION IN CENTRAL AMERICA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, we were honored today by a visit from the President of Colombia, Belisario Betancur, who is one of the leaders of the Contadora group that is trying to bring about a political solution to the hostilities in Central America.

One thing that President Betancur said which will be of interest to all of us in this body is—and I quote—that "military intervention, from whatever source, will not put an end to the conflict in Central America. It will only masticize it."

Mr. Speaker, the same message was heard in this Chamber just a few weeks ago from President Alfonsín of Argentina. I hope Mr. Reagan gets the message in time to change his militaristic policy in Central America.

THE McINTYRE CONTROVERSY

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, I rise today to address what surely has to be one of the most shameful chapters in the history of the House of Representatives. The refusal of this body to seat the duly elected, and State-certified winner of Indiana's Eighth Congressional District would be noteworthy in a totalitarian society. In a democracy such as ours, it is no less than unthinkable.

The facts of the case are clear. Rick McIntyre won the election by 34 votes. The recount increased Mr. McIntyre's lead to 418 votes. The recount was conducted by three people on each recount commission in 15 counties. In 9 of the 15 the commissions were made up of two Democrats and one Republican. Of the ballots that were disallowed in the recount, 96 percent of them came from counties controlled 2-1 by Democrats. No claims of fraud or irregular procedure have been made.

Meanwhile, through no fault of their own, 500,000 people in Indiana have no voice in the House of Representatives. This is wrong, Mr. Speaker, and Mr. McIntyre should be seated.

NEWLY INTRODUCED BILL WOULD ADDRESS PROBLEM OF HAZARDOUS WASTE TREATMENT

(Mr. TORRES asked and was given permission to address the House for 1 minute.)

Mr. TORRES. Mr. Speaker, I am introducing a bill today to encourage the construction of environmentally safe hazardous waste facilities.

My legislation does a number of things: It encourages businesses to reduce or treat the waste they generate. It encourages the safe transportation of hazardous waste. And it coordinates the work of the Federal agencies when they have to respond to an emergency.

Mr. Speaker, it is not enough to pass legislation, as we did last year, to phase out the use of landfills for hazardous waste disposal. We also need to encourage alternative disposal methods.

Similarly, it is not enough to pass Superfund legislation this year, as I hope we do. We also need to stop transporting waste—long distances and in poorly inspected trucks—from one leaking site to other landfills.

Mr. Speaker, my legislation hastens the day when all hazardous waste landfills can be closed, and treatment facilities can be built where the waste is generated. We cannot afford to wait much longer.

IN SUPPORT OF PRESIDENTIAL LINE ITEM VETO AUTHORITY

(Mr. GALLO asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. GALLO. Mr. Speaker, today I rise to support congressional approval of a constitutional amendment to give the President line item veto authority.

It is clear that reducing the Federal deficit must be a top priority of this Congress and the administration. This unreasonable Federal deficit holds the potential to destroy our economic recovery and threaten future economic viability. Our future must be built on a solid foundation of sound management and lean Government.

In order to bring the deficit under control, we must consider new ways to restrain spending. Raising taxes is simply not the answer. We should, instead, limit Federal spending by granting line item veto authority on appropriations bills to the President. With a Presidential line item veto, the U.S. Government would be held to the same standards as those of 43 of our States.

Many of these same States have also managed to balance their budgets. The power to restrain big spenders is one which has worked very well for the State of New Jersey and I believe would work equally well for the Federal Government.

Under present law, the President is reluctant to exercise his veto power because he has only the power to veto an entire appropriations bill which may cover spending for literally hundreds of programs, most of which are necessary and worthwhile. There are, however, those items that would not stand the test of individual votes. Granting the authority of line item veto to the President would provide our constituents with the needed assurance of the necessity of Federal expenditures.

I, therefore, call upon my colleagues on both sides of the aisle to join me as a cosponsor of House Joint Resolution 49, as introduced by my distinguished colleagues, Mr. ARCHER, Mr. HALL, and Mr. KEMP. House Joint Resolution 49 proposes a constitutional amendment to give the President line item veto authority on appropriations bills.

□ 1530

U.S. PRISONERS ALIVE IN SOUTHEAST ASIA

(Mr. HENDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENDON. Mr. Speaker, Pvt. Robert Garwood, who returned to the United States from Vietnam in 1979, has made available to the Wall Street Journal and more recently to me information showing U.S. prisoners of war alive in Communist prisons in Southeast Asia in the late 1970's.

Lt. Gen. Eugene Tighe, former director of U.S. military intelligence, has said publicly that Private Garwood's statements "don't sound unrealistic at all" and that some of Garwood's information coincides with data General Tighe saw while he was Director of the Defense Intelligence Agency.

Mr. Speaker, I want to share with you and my colleagues a statement that I made to the press recently, and it is this: Some of the information Private Garwood has given to me is a virtual carbon copy of information our Government has, showing a large number of U.S. prisoners of war in captivity at a very specific location in Southeast Asia in August of 1982. The source of that 1982 report passed two Government administered lie-detector tests showing he was telling the truth.

To repeat, Mr. Speaker and my colleagues, Private Garwood's information is a virtual carbon copy of that report.

Isn't it time, Mr. Speaker, to bring these brave men home?

ROTUNDA CEREMONY TO REMEMBER VICTIMS OF HOLOCAUST

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, last evening this House passed a resolution allowing for a rotunda ceremony to commemorate the victims of the Holocaust. This observance will be an important statement of our Nation's moral leadership.

We are the only Nation in the world besides Israel which has an annual observance in memory of the victims of the Holocaust. It serves as an expression of the commitment of the American people and their Government, and our recognition that only through remembrance and study of what happened and why can we prevent the heinous crime of genocide from occuring again.

Beyond this, however, the days of remembrance honor those who survived the horrors of the concentration camps and came to America to build new lives. These people are loyal and productive citizens of our Nation. They are active participants in the democratic process. Their contributions to the national heritage, culture, and economy have enriched us all. Their journey from survival in the death camps to great and productive lives in their new homes is a testament to the immense strength of the human spirit, and the capacity to do good that exists in all of us.

BOOSTING U.S. FOOTWEAR

(Mr. McKERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKERNAN. Mr. Speaker, since 1981, there has been a 50-percent increase in foreign shoes entering this Nation. Imports now account for more than 70 percent of U.S. sales.

In Maine, employment in the footwear industry has dropped by 27 percent since 1981. In the last year alone, 32 footwear manufacturers have closed their doors or have reduced their operations, resulting in a job loss of 4,200.

The International Trade Commission is holding a hearing later this month as part of its renewed investigation of how footwear imports have affected the domestic industry. And today, several of my colleagues in the congressional footwear caucus and I are introducing legislation that demonstrates our concern for the industry's future. The American Footwear Industry Recovery Act of 1985 would limit footwear imports for an 8-year period to about half of the U.S. market. This would ensure that domestic manufacturers in Maine and elsewhere have time to recover and compete on a fair basis with importers.

I urge my colleagues to support this very important legislation.

FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, yesterday we passed a temporary extension of the Federal supplemental compensation program which expired on March 31. I am pleased that this temporary extension was passed, but further action is still needed by the House.

In my home State of Pennsylvania, unemployment levels are still above the national average. The problem of long-term unemployment continues to grow worse. Throughout the State, especially for communities dependent on steel, coal, and textiles, recession and joblessness continue. Over the last several years in my own district, hundreds of workers have lost their jobs at Westinghouse's Lester plant; the plant will close down in 2 years.

Dramatic industrial and demographic changes will cause the number of discouraged and dislocated workers to increase even more in Pennsylvania and throughout the Nation.

The President has said he will veto an extension of FSC, there is great pressure to reduce the budget deficit, and that the Senate is reluctant to act. However, it is my view that the House of Representatives must take the lead in standing up for the workers and communities devastated by these economic forces.

I support the efforts of Congressmen PEASE, CLINGER, and others to

make long-term improvements in the Federal component of the unemployment compensation program to address this critical situation. I look forward to working with my colleagues toward this end.

IN NICARAGUA 114 MEMBERS OF OPPOSITION IMPRISONED IN ZONA FRANCA PRISON

(Mr. WEBER asked and was given permission to address the House of 1 minute.)

Mr. WEBER. Mr. Speaker, I have just returned from a very enlightening 4-day tour of El Salvador, Nicaragua, and Honduras, with our colleague, the gentleman from California [Mr. DORNAN].

Mr. Speaker, while in Nicaragua, I was horrified to learn that the Sandinista government has imprisoned 114 members of the opposition Social Christian Party in the Zona Franca Prison near Sandina Airport. This information came to me not from Contra guerrillas, Mr. Speaker, but from three members of recognized opposition parties in the independent press in Managua.

Furthermore, I was informed that in an effort to force false concessions from these political prisoners, the Sandinistas have undertaken an incredible practice of threatening to imprison these political prisoners with deathly ill tuberculosis patients.

Furthermore, I learned that they have carried out this threat in certain circumstances.

Mr. Speaker, this gestapo-style tactic should fill all of us, regardless of our view on the Central American situation, with the utmost revulsion and I call on my colleagues on both sides of the aisle to join me in demanding that the Sandinista government end this incredible human rights abuse.

H.R. 700 IS NOT A CIVIL RIGHTS BILL

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, supporters of H.R. 700, the Civil Rights Restoration Act of 1985, will tell you they have the answer to the problems faced by minorities in America. They are wrong.

H.R. 700 is not a civil rights bill. A better name for it would be the Comprehensive Federal Intrusion Act. Under the aegis of civil rights, it extends the hands of the Federal Government into almost every aspect of our economy. Small business, small farms, ranches, and schools, would be burdened by intrusive and unnecessary regulations.

Today I am offering an alternative to H.R. 700, the Minority Opportunity Restoration Act, which addresses the real problems faced by minorities. My bill offers enterprise zones to help rebuild inner cities, the youth opportunities and ways to help young people compete in the labor market, urban homesteading to improve families as well as neighborhoods, and education vouchers to allow the less privileged a chance to opt for a better education.

The Minority Opportunity Restoration Act will give minorities an opportunity to prosper and build for themselves, rather than remain under the oppressive hand of the Federal Government.

EXERCISE OF RIGHT TO EXPRESS POINTS OF VIEW

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, I rise with some sadness to read from the CONGRESSIONAL RECORD of April 2 on page H1734 some remarks addressed to us by our majority leader, the distinguished gentleman from Texas, Mr. WRIGHT. It says, and I quote:

> Today in 1 minute speeches Members of the Republican freshman class took practically an hour just to make speeches to sell their point of view.

Mr. Speaker, that is not the kind of leadership that I came here to get. We have a right to exercise our point of view under the rules of this House, and I am deeply disappointed.

MARXIST TYRANNY IN NICARAGUA

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, the gentleman from Minnesota [Mr. WEBER] just confirmed the lead article of this morning's Washington Times that that bastion of democracy and enlightened liberal thought, the Marxist government of Nicaragua, has just imprisoned 114 of its outspoken opponents.

So this was what that farce of an election in November was for. The Sandinista tyrants put on a happy face to the world, take a stab at professed pluralism, and use the election as an opportunity to uproot those who through peaceful means threaten the Sandinistas' grip on an innocent nation.

It is hard to see a silver lining in such an ominous cloud, but if there is one perhaps it is that the supporters of the Sandinistas here in Congress will find it a little harder to explain away these new acts of tyranny of the Marxist despots. And it is one more reason we should do all in our power to support the Nicaraguan freedom fighters.

ATA NAMES 1985 TRUCKDRIVER OF THE YEAR

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, in this day and age when we hear nothing but so many problems and horror stories, I rise today to share with my colleagues a story of which I am very proud.

I have a constituent, John Howard Chamberlain, age 45, that has been honored today by the American Trucking Association as the driver of the year. Mr. Chamberlain, who resides in Westminster, MD, drives for the Giant Food Co. He has logged over 2 million miles of accident-free driving on our highways, and his aim is to increase that by a few more million miles to 3 million or 4 million miles.

I would just like to share with my colleagues this achievement of a fine, outstanding Marylander.

BEQUESTS FOR THE CHILDREN

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, people my age are the children of a very special generation of Americans, who led us out of the Great Depression, and to victory in World War II. For both of these great achievements, our leaders had to borrow. In so doing, they added $200 billion to the national debt.

All our lives, we—their children—are having to pay interest on that debt. Until we began adding debt of our own, the total cost of our inherited debt was roughly $7 billion per year. This was a small price to pay for the prosperity and freedom these achievements made possible.

Now we are the Nation's leaders. Under our stewardship, the national debt will grow by at least $2 trillion—$3 trillion, if we are not careful. All their lives, our children will have to pay interest on that debt. Every year, it will cost them roughly $200 billion.

Adjusted for inflation, that's five times the debt burden our parents left us. And what great achievements did this buy, that will endure in our children's memories?

ODE TO VILLANOVA

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker—

I rise today
To honor a team,
The Villanova Wildcats,
Who now reign supreme!

They captured the prize
Many others had sought.

A team of destiny;
They were not to be caught.
Stars are they all,
McLain and McClain, Jensen and Pressley.
But the brightest star of all—the MVP—
Is a guy from the Bronx named Ed Pinckney.
For the past four years
He has anchored his team
And we, from the Bronx, are proud, indeed,
That E-Z Ed has achieved his dream.
A word of praise
Must also go
To that fiery Italian,
Coach Rollie Massimino.
The Wildcats were told
It could not be done.
But the world was wrong;
Villanova is Number One!

UNITED STATES-JAPAN TRADE IMBALANCE

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, some have termed Japan's recently announced intention to increase auto exports to the United States by 25 percent as "unfortunate," "poorly timed," and "a miscalculation."

Others consider it an outrageous act of arrogance and greed from a close ally whose economy we helped rebuild and whose security we share in maintaining.

Faced with a staggering $123 billion trade deficit, nearly one-third of it with Japan, Americans are reevaluating our trade relationships and policies in search of answers.

The swift Japanese action to take advantage of expired auto quota agreements with the United States has highly charged the current trade talks on opening Japan's telecommunications market.

Their unabashed auto market-grab and intransigence in negotiations have taunted harsh retaliation against Japanese products in this country if U.S. demands for market access are not met.

Do Japanese trade officials really believe reducing the number of technical standards required for approval of telecommunications equipment from over 50 to 30 signifies an opening of their market?

Are the Japanese serious about opening their markets when their requirements involve fine points such as how many times a telephone may automatically redial a number?

Can we believe that allowing one Japanese citizen employed by a subsidiary of an American firm to sit on a telecommunications standards advisory committee will ensure U.S. access to Japan's domestic market?

Mr. Speaker, it is high time we wake up to the realities of the global marketplace instead of relying on protrated negotiations, or for the dollar to fall.

Mr. Speaker, I encourage my colleagues to give teeth to our defensive Mixed Credits Program which we legislated nearly 2 years ago by funding it now. We should stop telling our competitors how aggressive we can be and start showing them.

U.S. ROUTE 22 BYPASS IN WEIRTON, WV

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, today I am introducing legislation which is significant to the economy of the northern panhandle of the First Congressional District of West Virginia as well as the entire upper Ohio Valley.

My bill would designate the U.S. Route 22 bypass in Weirton, WV, as a Federal priority primary route.

This 2.7-mile, four-lane bypass will link the Weirton-Steubenville Bridge—now under construction—to an existing four-lane highway at Haller Park. Without the bypass, the new bridge is not nearly as effective. Together, the bridge and the bypass represent the solution to this heavily industrialized area's transportation needs.

The legislation I am introducing would increase the Federal share of funding for the U.S. Route 22 bypass from 75 percent to 95 percent and, thus, provide the State of West Virginia with a tremendous incentive to allocate its primary highway funds to this critical project.

I encourage your support for this local, regional, and national transportation priority.

□ 1550

THE REBIRTH OF NORTHEAST URBAN AREAS

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, my colleagues, now that the dust has settled over Villanova's spectacular NCAA championship victory, the American people can draw certain conclusions.

First and foremost is that basketball is back at its best in the East and Northeast U.S.A. And that is the way it was up to the early 1950's, during the days of a healthy urban America. Now we are seeing a rebirth of the Northeast urban areas.

From downtown Philadelphia, home of Villanova; to Washington, DC and Georgetown; to Brooklyn, NY, home of St. John's; to downtown Allentown, Bethlehem, and Easton in the Lehigh Valley of Pennsylvania, the home of emergent basketball power Lehigh University, America's northeastern cities are on the move.

Mr. Speaker, Lehigh, the surprise victor in the ECC actually beat Georgetown in the opening round game of the NCAA tournament. That is, Lehigh beat Georgetown 32 to 29 in the second half of their historic game on March 13, 1985. The second half winning performance of Coach Tom Schneider's never-say-die engineers led by Mike Polaha and Daren Queenan reflects the Lehigh Valley's own urban comeback and is cause for pride in the achievements of Pennsylvania's 15th Congressional District.

THE REAGAN ARMENIAN GENOCIDE POSITION

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, during the 98th Congress, the House unanimously passed a resolution commemorating the victims of the Armenian genocide.

Earlier this week, Congresswoman NANCY JOHNSON and I were joined by 24 other Members of this body in a bipartisan letter to the President asking that he discuss this issue in his talks with Turkey's Prime Minister.

Well, the President did discuss the Armenian Genocide with the Prime Minister.

However, rather than join the majority of House Members and the hundreds of thousands of Americans of Armenian ancestry who acknowledge the genocide as an historical fact, the President went on record as opposing our efforts to commemorate what is commonly known as the first genocide of the 20th century.

And while the President expressed his regret that the Turks and Armenians have not been able to resolve their differences, rather than offering to facilitate a resolution, the President has decided that commemorating the Genocide would, "harm relations with an important ally."

Mr. President, I remind you of your proclamation in 1981, "like the genocide of the Armenians before it—the lessons of the Holocaust must never be forgotten."

And Mr. President, I remind you of what better ally we have than the thousands of Armenians who have helped build this Nation.

LAWS ARE FOR EVERYONE

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, in all the furor over the majority ignoring precedent by denying Mr. McIntyre

his seat pending the outcome of the recount, we may have forgotten that there is only one contested election before the House.

It is not the McIntyre case, but the Second District of Idaho. In order to keep McCloskey alive, the task force on the McIntyre issue has adopted a novel approach. The House now apparently recounts according to rules it adopts after the election any race where it is dissatisfied with the result of a close election.

This is a very bad precedent. It ignores the function of the localities and of the States. It casts doubt on the laws governing the election of public officials and it opens a wedge for Federal control of the electoral process.

But in this one case, the evil of such an approach is even worse. The majority is applying a rule to its advantage in Indiana and refusing to apply that same rule in Idaho. If the Eighth District of Indiana deserves to be recounted yet again by House tellers, then the Second District of Idaho should be recounted. Idaho has never been recounted. Indiana has been recounted at least twice.

On what basis are new rules so selectively followed? Despite the protestations of the majority, there seems to be ample evidence that rules are adopted only on the basis of who is ahead and to what party he belongs. If the majority isn't going to seat McIntyre, it should at least look into unseating others on the same basis.

EXTENDING THE RIGHT TO VOTE FOR PRESIDENT TO THE U.S. TERRITORIES

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, I am pleased to announce that 123 Members of the House—Republicans and Democrats, conservatives and liberals, from the North, South, East, and West—have agreed to cosponsor House Joint Resolution 23, which would extend the right to vote for President to the U.S. territories of the U.S. Virgin Islands, Guam, American Samoa and the Northern Marianas.

Over 123 of our colleagues agree geographic disenfranchisement of American citizens is patently unfair. Their support also shows that members of both parties take their party platforms seriously, since both the Democratic and the Republican platforms included planks advocating the Presidential vote for the territories.

This bipartisan demonstration of support is deeply appreciated by the people of the territories, and I urge our colleagues who have not yet signed up to join with the 123 members sponsoring this historic legislation which reaffirms the vitality of our American democracy.

THE WIC NUTRITION IMPROVEMENT ACT OF 1985

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, today I call the attention of my colleagues to legislation I have introduced to improve the effectiveness of the Federal Special Supplemental Food Program for Women, Infants and Children—the WIC Program—without any increase in budget outlays and at no cost to the Federal Government.

The WIC Nutrition Act of 1985 would bar States, counties, and municipalities from collecting sales tax on food purchased with WIC funds. At least 14 States and numerous local governments last year diverted over $7.4 million Federal funds from this program into State treasuries, while also retaining 20 percent of the program grants to cover administrative costs. This diversion had the effect of denying participation in the program to at least 16,000 women, infants, and children nationwide.

In these days of budget constraint, we must do everything in our power to ensure that our scarce national resources are used as effectively as possible. Every dollar taxed by these 14 States is a dollar that is unavailable for the purchase of food.

I urge my colleagues to support the WIC Nutrition Improvement Act of 1985.

OBSERVATION OF RECENT ELECTIONS IN EL SALVADOR

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, last weekend I had the privilege of leading a delegation of U.S. observers to El Salvador to view those elections. There were eight of us in the official delegation; from both political parties: two Members of Congress, six from the private sector.

On that election day Sunday, we dispersed to nearly 30 towns in El Salvador, had extensive conversations about and saw the conduct of the elections; came back, issued a communique on which we had unanimous agreement. That agreement was that those elections were free, they were fair, as judged by any standard including that which we would use in the United States.

We urged in that communique that all parties respect the outcome of those elections. The party of President Duarte scored a tremendous victory of 54 percent, and now we understand today that two of the parties who did not fare so well; the PCN and Arena, are protesting those elections and threatening to undermine the outcome of those elections.

□ 1600

I think it would be a tragedy for the seeds of democracy that have been planted in El Salvador if all parties did not adhere to and respect those elections. On behalf of all of the members of that U.S. observer delegation we again urge all parties in El Salvador to adhere to and respect those elections.

A COURAGEOUS LEADER

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, please let justice be done. Seat Rick McIntyre.

Mr. Speaker, I rise today, confirming the observations of the distinguished gentleman from Oklahoma who just spoke. I, too, was a special observer Sunday in El Salvador. It was a joy to see a dynamic democracy in action in that small country. Monday I was in the adjoining country of Honduras to see our bilateral agreements continuing to strengthen the friendship between our country and that beautiful little Central American republic.

However, Mr. Speaker, I would like briefly to speak today about Nicaragua and one of its native sons who is one of the most courageous leaders and defender of liberty that we have anywhere throughout North America.

Mr. Speaker, this hero that I speak of is your kind of man. Like you, he rose from humble beginnings to a leader in his country. I am speaking about the Archbishop of Nicaragua Obando y Bravo. When our colleague, VIN WEBER, and I flew into Managua Saturday we were prepared to meet a man of great faith, but we were not prepared for the tower of strength and courage that warmly welcomed us into his home. Mr. WEBER and I knew within minutes of meeting Archbishop Obando y Bravo why all freedom loving Nicaraguans call him the greatest man in their country.

We met with the archbishop for over an hour, and he confirmed our worst fears about the direction of his beloved country.

He is a man for all seasons, and this dark winter that Nicaragua is suffering requires men and women of this dedication. I would like to pass on to the House some startling facts about loyalty and disloyalty in the Catholic clergy of Nicaragua. These facts were first presented to us by our Embassy and the archbishop confirmed them. There are only 912 Catholic clergy in

that small country—that includes all priests, nuns, monks, both foreign and Nicaraguan citizens. This is a fairly low ratio of cleric to laypersons, less than one priest per 3,000 people.

Now please analyze the following: 860 of the priests and nuns in Nicaragua are loyal to Archbishop Obando y Bravo and his eight bishops; 860! That leaves only 52 who have joined the pro-Communist popular church, the phoney euphemism for a Communist-puppet, state controlled religion. And get this fact—only 10 of that disloyal band of 52 are Nicaraguans—only 10.

Mr. Speaker, isn't it about time this body recognizes that the handful of naive nuns, priests, ministers, women groups and students who go down to Nicaragua to get the deluxe, quicky liberation theology tour are being sold a pro-Communist bill of goods. What they are shown on the 'Potemkin' Sandinista tour is not the ugly reality of anti-Christian antiliberty Nicaragua, but just a Fantasy Island tour of lies and illusion.

Archbishop Obando y Bravo told Vin and I that not one of the nine commandantes has been seen in a church in years. Nor has suspended priest Miguel d'Escoto, the token Foreign Minister, ever been seen inside a church in Nicaragua. Has even one of "the revolutionary tourists" returned home to tell the truth about these anti-Christian Leninists and their contempt for religion. Can't you just imagine d'Escoto yelling to Danny Ortega, at the sight of every flight bringing to Managua the next load of naive clerics begging to be brainwashed, "Boss, de plane, de plane! It's Fantasy Island time!"

FREEZE THE BUDGET OF NASA

(Mr. MORRISON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON of Connecticut. Mr. Speaker, later today the House will be considering the 1986 authorization of NASA, H.R. 1714.

I plan to offer an amendment to that authorization to implement a concept that many are talking about but few are putting forward as reality, and that is a budget freeze.

H.R. 1714 is being presented to us with a 5-percent increase over the amount appropriated for this budget year. That is almost $400 million. This is the first 1986 authorization to come before us, and I think it is time we implement the freeze concept as a means of controlling spending and getting the budget deficit under control.

I hope all those who believe that we must make a start on solving the budget deficit will support my amendment and freeze the budget of NASA as we will have to freeze and even cut the budgets of many agencies that come before us.

FAIR RETIREMENT ACT OF 1985

(Mr. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER. Mr. Speaker, on Tuesday I introduced the Fair Retirement Act of 1985 to extend full individual retirement account eligibility to spouses who choose to work in the home and to maintain the relative value of IRA rights over time by indexing the tax-free annual contribution limit to inflation.

The existing limitations on IRA contributions for married couples with one wage-earning spouse are inequitable.

At the end of 1984, IRA assets in this country totaled $132 billion. This amount of long-term investment capital, made available through IRA's, has helped fuel economic growth in this decade. Without indexing, however, IRA's will in effect be phased out slowly, as inflation erodes the value of the annual IRA contribution.

Congress must act now to eliminate the inequity in current law and grant non-wage-earning spouses the same IRA rights as wage-earning spouses and to ensure that the individual retirement account remains an attractive and valuable investment for retirement.

NO WHITE HATS IN NICARAGUA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, no one wears white hats in Nicaragua. The gentleman from Minnesota [Mr. WEBER] mentioned the incarceration of several political prisoners in Managua by the Sandinistas. I am sure he is correct. On a recent visit to Nicaragua, I observed many similar violations of human rights, persecution of the church and lack of freedom of the press and travel. I am also concerned about the Sandinistas program to relocate thousands of peasants, uprooting them from their homes. In fact, there are many incidents that suggest to me that Daniel Ortega is not a friend of democracy; that he is primarily a man that loves power and that he is doing very little to democratize his country.

That does not mean that our policy of aiding the Contras is right. The Contras too appear to be violators of human rights and commit atrocities like the Sandinistas. But the point is, if we are going to speak out against human rights abuses on the right, we should do so on the left too. And Daniel Ortega and the Sandinistas are at the bottom of the barrel when it comes to those nations that should be proud of their democratic traditions. Those original goals of the Sandinista revolution are becoming ancient relics.

SEAT RICHARD McINTYRE IMMEDIATELY

(Mr. LENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LENT. Mr. Speaker, I sincerely regret the circumstances which bring me here today. However, I speak before my colleagues on behalf of the voters of Indiana's Eighth Congressional District and in the interests of preserving our American system of democratic government.

The citizens of Indiana's Eighth have been unfairly robbed of representation in the House of Representatives since January 3. In a blatant abuse of political power, the democratic-controlled House has refused to seat Congressman-elect Richard McIntyre, a Republican, and the certified winner in this particular election contest.

Displaying a cavalier disregard for the law and the will of the electorate, House Democrats have taken matters into their own hands to alter the outcome of this election. They have chosen to conduct a selective recount in the hope of swinging the results in favor of their colleague, Democrat Frank McCloskey.

Such unprecedented actions make a mockery and a sham of the democratic process in America. The only wrongdoing evidenced throughout this entire disgraceful episode in American history has been perpetrated by the House Democrats!

The American system of government is the envy of the world. Yet, I see a dangerous threat to democracy when a political party can steal power away from the voters in determining representation in Congress. The voters of Indiana's Eighth District elected Richard McIntyre to represent them in Congress. Let us seize the opportunity to preserve and protect their rights—and the rights of all American citizens—and seat Richard McIntyre immediately!

PROVIDING FOR CONSIDERATION OF H.R. 1714, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1986

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 119 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 119

Resolved, That at any time after the adoption of this resolution the Speaker may,

pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be considered for amendment under the five-minute rule by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. CROCKETT). The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 119 is an open rule providing for the consideration of H.R. 1714, the National Aeronautics and Space Administration authorization for fiscal year 1986. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology. It further provides that the bill shall be read for amendment by titles instead of by sections and that each title shall be considered as read. Finally, Mr. Speaker, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 1714 authorizes $7.9 billion for the National Aeronautics and Space Administration [NASA] in fiscal year 1986. This overall funding level is equal to the amount requested by the administration and is approximately $375 million above the fiscal year 1985 funding level.

Mr. Speaker, this is a simple, open rule which will allow full consideration of this legislation. I urge my colleagues to support the rule.

□ 1610

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 119 provides for the consideration of H.R. 1714 which authorizes appropriations to the National Aeronautics and Space Administration for fiscal year 1986. The rule provides for consideration of the bill in the Committee of the Whole, with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Science and Technology Committee.

Following general debate the bill will be read by title instead of by section for amendment under the 5-minute rule, and any germane amendments will be in order for consideration. So this is a completely open rule. Finally, the rule provides for the usual motion to recommit.

Mr. Speaker, H.R. 1714 authorizes approximately $7.9 billion for NASA in fiscal year 1986 for a variety of purposes including research and development, space flight, control and data communications, construction of facilities, and research and program management.

The total authorization is identical to the amount requested by the administration, although the committee has allocated the funds somewhat differently than requested. The total authorization is 5 percent over the fiscal 1985 authorization, meaning real growth for the agency is about sixtenths of 1 percent. I think the committee is to be commended on holding down spending for NASA while at the same time upholding its important missions and needs.

Mr. Speaker, this authorization will permit NASA to move forward on such ongoing programs as the space shuttle, space telescope, the Galileo mission, and the gamma ray observatory and shuttle/spacelab payload experiments.

Mr. Speaker, title II of this bill establishes a space shuttle pricing policy for fiscal years 1989–91 that is not without controversy, judging from the additional views in the committee report. Some of the members of the committee think the pricing policy will undermine efforts by the private sector to make outerspace a commercially viable venture. Nevertheless, the bill was reported by voice vote, and the Members who have an alternative pricing system will be able under this rule to offer their amendments. This rule was also adopted by voice vote, without controversy. I therefore urge its adoption so that we can proceed with the consideration of the NASA authorization.

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. ROSE].

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1401, H.R. 1402, H.R. 1403

Mr. ROSE. I thank the gentleman for yielding time to me.

Mr. SPEAKER, I ask unanimous consent that my name be removed as a cosponsor from the bills, H.R. 1401, 1402, and 1403.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LOTT. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no further requests for time, I urge the adoption of the resolution, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill, H.R. 1714, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 119 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1714.

□ 1615

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1714, to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, with Mr. TORRES in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Florida [Mr. FUQUA] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in support of H.R. 1714, which would authorize fiscal year 1986 funds for the National Aeronautics and Space Administration.

I want to congratulate Mr. NELSON, chairman of the Subcommittee on Space Science and Applications, and

Mr. GLICKMAN, chairman of the Subcommittee on Transportation, Aviation and Materials for their leadership in bringing this legislation to the floor. They have done an outstanding job in perfecting this legislation. I also want to acknowledge the efforts of Mr. LUJAN, Mr. WALKER, and Mr. LEWIS on the other side of the aisle.

The success of the Space Shuttle Program continues to renew our Nation's confidence in American greatness and to demonstrate to the world that we are again first in space. But, we cannot rest on our laurels because the competition in international space activities is increasing at a rapid rate. Our space program plays a positive role in exerting world leadership in political, economic, and scientific knowledge which we must exploit to advantage.

NASA's activities are designed to maintain U.S. leadership in aeronautical and space research and technology and its utilization. More specifically, the objectives of NASA's activities are to: make the space transportation system fully operational and cost effective; move forward toward the establishment of a permanently manned space station; conduct an effective and productive program of aeronautical research and technology which will contribute to the enduring preeminence of the United States in aviation; conduct an effective and productive Space and Earth Sciences Program which expands human knowledge of the Earth, its environment, the solar system and the universe; conduct effective and productive space applications and technology programs which contribute materially to our Nation's current and future leadership in space; and enhance opportunities for U.S. private sector involvement in civil space and space-related activities.

The NASA fiscal year 1986 budget authorization provides for a deliberately paced program of flight projects and ground-based activities to make progress toward these objectives.

The NASA fiscal year 1986 budget request includes funding for ongoing programs such as the space shuttle, the space telescope, the Galileo mission, the Gamma Ray Observatory, shuttle/spacelab payload experiments, a Venus radar mapper mission, and the numerical aerodynamic simulation project.

Funding is provided to continue three new initiatives introduced last year including the upper atmospheric research satellite mission, the Mars geoscience/climatology orbiter mission, as well as a scatterometer instrument for the Navy remote ocean sensing system. The NASA fiscal year 1986 request also includes funding for continuing systems definition studies and advanced technical development activities for a permanent manned space station.

Finally, the budget request includes funding for two new initiatives: the Office of Commerical Programs and the orbital manuvering vehicle.

Mr. Chairman, I would like to discuss the recommendations our committee has made with respect to the NASA budget request. The bill before you would authorize $7,886 million for the agency which is the same amount as the request.

The major thrusts of the budget changes recommended by the committee are the following: Augment the shuttle orbiter structural spares to retain critical skills thereby maintaining production readiness for a fifth orbiter vehicle; and augment the space science and applications supporting research and technology activities for advanced technical development activities which should serve to reduce the technical and schedule risk of future flight program.

Reallocation of $10 million in aeronautical research and technology activities for higher priority activities. I understand that some of this reallocation has been reconsidered and will be clarified and documented in a colloquy between Mr. GLICKMAN and Mr. LEWIS.

The committee added a number of language provisions including title II which would establish policy guidelines for establishing the space shuttle pricing policy for commercial and foreign users for the period fiscal year 1989-91.

I am including in the RECORD a comparison of the NASA fiscal year 1985 operating plan, the NASA fiscal year 1986 budget request and the committee action on the fiscal year 1986 budget.

I urge the support of my colleagues for H.R. 1714.

Space Program elements in fiscal year 1986 involve:

Definition and technology effort in preparation for development of a permanently manned space station, the next major step in exploration and utilization of space and a key element in continued U.S. leadership in space. The ability to function routinely in space onboard the space station will provide countless opportunities for experimenting in the known sciences as well as in those still to be discovered. Commercial companies, other U.S. Government agencies, and foreign governments have been invited to join us in this endeavor broadening the horizons for all those who participate. Definition and preliminary design contracts will be indicated in fiscal year 1985 so that the best ideas and technology of industry are considered before the final design and development are begun.

Expanded use of the space shuttle and other elements of the space transportation system capitalizing on its demonstrated capabilities to place satellites in orbit, to retrieve and repair satellites, and to conduct experiments and make observations using the shuttle and the spacelab. The fiscal year 1986 program will provide for the procurement of the hardware, mission integration and training, ground processing and flight operations of the space shuttle. Flights during 1986 include payloads for NASA, Department of Defense and domestic commercial and international users of space. The present fleet of three orbiters will be expanded with the delivery of the fourth orbiter in mid-1985, and final operational modifications to OV-102 will be completed during 1985. Additional spacelab flights will capitalize on the success of the initial mission as this unique capability is exploited for space research and applications missions. The Centaur upper stages for Department of Defense and NASA missions will proceed toward the critical first uses of the planetary version in 1986 for the Galileo and Ulysses Missions. The initial launch from the Vandenberg launchsite scheduled for early 1986 will use the first set of lighter weight filament wound cases for the solid rocket booster. Work will continue on the space shuttle main engine to improve the operating margins, reliability and maintainability of the present configuration. Development efforts will be initiated on a reuseable orbital maneuvering vehicle to extend operational on-orbit capabilities beyond the range of the orbiter.

A banner year for the Space Science and Applications Program including the planned launch of the Galileo and Ulysses—formerly the International Solar Polar Mission—missions and the Hubble space telescope, the observations of Halley's Comet from Astro telescopes aboard the space shuttle, and the Voyager encounter with Uranus. The Galileo Mission will retain an option to fly by the asteroid Amphitrite on its way to Jupiter where it will send a probe into Jupiter's atmosphere and conduct a series of encounters with satellites of the giant planet. Ulysses will fly past Jupiter and use the powerful gravitational force of the planet to accelerate the spacecraft into a trajectory which will permit observation of the Sun at high latitudes previously beyond our capability to observe. The Hubble space telescope will provide a quantum jump over the best ground-based telescopes in our ability to observe and better understand the universe. Work will continue on important missions for the future: the Gamma Ray Observatory will study extremely high energy phenomena; the Venus radar mapping mission will penetrate the dense cloud cover and provide global imagery of the surface of Venus; the upper atmosphere research satellite will provide important information on the chemical composition and vlunerability of

the upper atmosphere; the Mars orbiter will provide geoscience and climatology mapping of Mars; the advanced communications technology satellite will demonstrate new capabilities in frequency reuse and onboard switching; and the scatterometer will fly on a Navy satellite to acquire global ocean data. Progress will continue in other areas including materials processing in space, the search and rescue locator system and analysis of data acquired from the Earth radiation budget satellite launched in late 1984.

Space research and technology activities to advance the technology base which provides new concepts, materials, components, devices, software and subsystems for use in U.S. civil and military space activities. This research emphasizes the longer range aspects of generic research and technology development in transportation, spacecraft and platform systems which are crucial to future U.S. leadership in space.

The aeronautical research and technology program contributes materially to the enduring preeminence of U.S. civil and military aviation by: First, conducting disciplinary and systems research at the leading edge of technology in those areas critical to the continued superiority of U.S. aircraft; second, maintaining the research centers in positions of excellence in facilities and technical staff; third, assuring timely transfer of research results to the U.S. aeronautical industry; fourth, assuring appropriate involvement of universities and industry; and fifth, providing aeronautical development support to other government agencies and U.S. industry. Conducted well in advance of and independent of specific applications, the aeronautical research and technology program includes both fundamental research in the aeronautical disciplines and systems research applicable to general classes of advanced military and civil aircraft. The program involves participation by aeronautical manufacturers to ensure that the technology is compatible with practical design considerations and can be successfully transferred into application in new and better aircraft, systems and components.

Mr. Chairman, I want to further discuss two program areas: the space shuttle and the space station.

SPACE SHUTTLE

There are many reasons why the space shuttle is an important and logical step in manned space flight and the U.S. space program:

First, the shuttle is our only manned space activity.

Man has worked hard to achieve—and has indeed achieved—the freedom of mobility on land, the freedom of sailing on his oceans, and the freedom of flying in the atmosphere. And he has discovered that he can also have the freedom of space. Man has learned to fly in space, and man will continue to fly in space.

Given this fact, the United States cannot forgo its responsibility—to itself and to the free world—to have a part in manned space flight. And the space shuttle is clearly the most meaningful and useful manned space program for the coming decade.

Second, the space shuttle is needed to make space operations less complex and less costly.

Today we have to mount an enormous effort every time we launch an expendable space vehicle. The reusable space shuttle gives us a way to avoid this. This airplane-like spacecraft makes a launch into orbit an almost routine event at a cost much less than the expendable launch vehicles. This is possible by not throwing everything away after we have used it just once—just as we don't throw away an airplane after its first trip from Washington to Los Angeles.

The shuttle also allows for less cost to payload development. A satellite that will be launched in the shuttle will no longer have the environmental, structural, weight, and other associated constraints as those launched on an ELV. If an anomaly should occur to the satellite, the shuttle makes it possible to retrieve or repair, eliminating the need to throw away a costly satellite.

Fourth, the shuttle will encourage far greater international participation in space flight.

Since the initiation of the development of the Shuttle Program many European nations have been participating in a joint program to develop the spacelab. The Spacelab Program is a cooperative effort between NASA and the European Space Agency [ESA]. ESA is designing and developing the flight hardware. The spacelab will initiate a new era for space experimentation. Considerable international utilization of the shuttle/spacelab capability is now underway and future activity is being planned. In their long-range planning, other nations see the transition from the demonstration phase to the operational and commercial application aspects of space exploitation. Within this framework, the trend is toward greater flexibility, larger instruments and instrument groupings, and longer mission durations. The capabilities of the shuttle/spacelab offer new opportunities in the exploration and use of space.

The globally televised launch and return of the first five flights of *Columbia* and the first flight of *Challenger* calls to mind the proven significance of the Space Program in the arena of international relations and understanding and, thus, in the preservation of world peace. Because of the magnitude and ambitious character of NASA's Space Program, the United States can look back on a long and fruitful history at collaboration with European and other nations. Future opportunities for international cooperation will greatly exceed past joint activities because of the Space Shuttle Program.

The initiation of routine space transportation operations in late 1982 marked the culmination of about 20 years of planning, designing, and development of a reliable, readily accessible and economically superior method to operate in space, for the purpose of expanding Earth-bound man's control over his destiny as an inhabitant of the only known life-supporting body in the solar system.

The space shuttle and NASA's future planning toward human permanence in space is the main element of NASA's conformance to the Space Act of 1958. As we move into the 1980's and prepare to respond to new challenges that will face us, we should review these policies and plan for the future, particularly with a view toward technology-driven projects that will help to provide the United States with the leadership in technology and its applications that is mandated by the Space Act.

One of these new challenges that appears as an important issue when considering the international aspects of the space shuttle is the challenge of international competition in space.

After overcoming the Soviet Union's initial lead in space in the early 1960's, the United States has generally maintained overall leadership in exploiting the various advantages that space offers. More recently, however, the United States has begun to lag the U.S.S.R. in some areas, such as long-duration manned orbital flight with its opportunities for extensive experimental and empirical data in such areas as life sciences, materials processing, assembly and repair, manned observations, and command and control. Other countries are becoming increasingly competitive. In particular, the current vigor of Soviet manned space program activity indicates continued expansion of capabilities and an increase in military space operations. During calendar year 1981 and 1982 the U.S.S.R. launched six manned flights including a 211-day space station mission completed on December 10, 1982, the longest in history and more than double the length of the longest U.S. mission to date—Skylab-3, 84 days. On April 20, 1983, the Soviets launched a new mission involving a three manned crew to the Salyut-7/Cosmos 1443 orbiting craft for another long duration mission.

Increasing competition to U.S. operations in space can also be expected from the European Economic Community which, through the European Space Agency [ESA], is developing its own space transportation system, the

expendable Ariane. Ariane, designed to compete with the U.S. shuttle and already drawing customers from it, will be able to launch Atlas-class payloads to geosynchronous transfer orbit—1,700 kg—while follow-on versions in development or planning have capabilities beyond that—up to 2,420 kg. Even a fully reusable crew and supply transport vehicle, the Hermes, is being studied for a two-stage version of Ariane V. In Japan, orbital capability will be provided by the Japanese-developed "N" launch vehicle, also to compete with the United States in the provision of launch services to geosynchronous orbit.

On the other hand, the emerging user community for the space shuttle includes numerous foreign countries whose initial response to the Shuttle Program's offer of launch services has been excellent. International involvement has been an important feature of the Space Shuttle Program since its inception. Nine member countries of ESA—Belgium, Denmark, France, Germany, Italy, The Netherlands, Spain, Switzerland, and the United Kingdom—entered into an agreement in September 1973 with the United States to undertake, as an ESA special project funded entirely in Europe—possibly in excess of $800 million—to design, develop, manufacture, and deliver to NASA a space laboratory, called spacelab, for use with the shuttle. Austria, an ESA observer, is also contributing to the spacelab development.

Also, the National Research Council of Canada [NRCC] undertook in June 1975 to design, develop, and manufacture a space shuttle-attached remote manipulator system [RMS] at Canadian expense. The RMS will deploy payloads from the shuttle cargo bay, retrieve them, and perform certain payload servicing operations in space, all under remote control from the orbiter flight deck.

In summary, while previous international undertakings in space have amply demonstrated that the life styles and general well-being of mankind can be enhanced by reaching out beyond the Earth's atmosphere to exploit the unique properties of spaces, the space shuttle is the first significant quantum leap with the potential to make those operations a routine international activity. With its introduction, the United States, thus, is offering the services of a new, unique and highly useful transportation system to the world, comparable in its significance to the railroad some 100 years ago and the DC-3 aircraft 46 years ago.

SPACE STATION

Last year, in his State for the Union Message to Congress, President Reagan outlined a bold new initiative for the United States that will maintain and ensure, during the decade of the 1990's and beyond, our hard won position of leadership in space. The President's initiative is a permanently manned space station to be in operation within a decade. As a fundamental element of his vision for this Nation's future, the space station will:

Reflect and contribute to America's commitment to research, technology, and productivity;

Be a peaceful, visible demonstration of U.S. strength and commitment to leadership;

Implement the clear direction the Civil Space Program has needed and found in the President's national space policy set forth in July 1982.

The time for space station is ripe—the agenda for tasks which can be undertaken and enhanced using the unique capabilities of the space station is full, and both U.S. industry and the NASA institution are fully prepared to implement the President's initiative. The station is, I believe, the next logical step in space.

To maximize the unique advantages provided by the environment of space, we need to establish a permanent presence that enables us to work in space full time and fully utilizes the capabilities of the space shuttle. Without the capability of the shuttle, it would be impossible to establish the more permanent presence in space referenced by the President on July 4, 1982, in his national space policy statement. A second reason is that the operations we have conducted with the shuttle have stimulated great interest in the private sector to look toward investments in future space activities. The construction of a space station is necessary to create the facilities that will greatly encourage such investment, and to stimulate new technology that will spinoff into the U.S. economy. Finally, the shuttle has also stimulated great international interest in the U.S. space program, as evidenced by the overwhelming reception of the Enterprise in Europe last summer and the recent highly successful flight of the spacelab. NASA is planning the Space Station Program in such a way that it will be possible for our friends and allies around the world to participate with us in taking this major step.

Based upon NASA and industry analyses over the past 18 months, the Space Station Program will serve a number of functions, such as:

A laboratory in space, for the conduct of science and the development of new technologies;

A permanent observatory, to look down upon the Earth and out at the universe;

A transportation node where payloads and vehicles are stationed, processed, and propelled to their destinations;

A servicing facility where payloads and vehicles are maintained, and if necessary, repaired;

An assembly facility where, due to ample time on orbit and the presence of appropriate equipment, large structures are put together and checked out;

A manufacturing facility where human intelligence and the servicing capability of the station combine to enhance commercial opportunities in space;

A storage depot where payloads and parts are kept on orbit for subsequent deployment; and

A staging base for more ambitious future missions.

The space station will represent a fundamentally new and versatile capability to support activities in space in the decade of the 1990's and beyond.

NASA is requesting $230 million for the Space Station Program. An extensive definition effort is planned with sufficient resources to assure that the program, when hardware development is initiated, will be thoroughly defined, responsive to user requirements, and based on the proper mix of man and machine, incorporating the most advanced technology available.

This detailed engineering definition effort will provide the basis for commitment to the final design for the construction of the space station.

SUMMARY OF COMMITTEE ACTIONS

The following table 1 summarizes the budget action taken by the Committee on Science and Technology on the fiscal year 1986 NASA budget request at the full committee markup on March 27, 1985.

TABLE 1

[In millions of dollars]

Program	Fiscal year 1985 operating plan	Fiscal year 1986 budget request	Committee action
RESEARCH AND DEVELOPMENT			
1(a)(1) Space Station	150.0	230.0	230.0
1(a)(2) Space Trans. Cap. Dev	351.4	459.3	444.3
1(a)(3) Physics and Astronomy	677.2	630.4	637.4
1(a)(4) Life Sciences	62.3	72.0	72.0
1(a)(5) Planetary Exploration	290.9	359.0	359.0
1(a)(6) Space Applications	374.1	551.8	550.8
1(a)(7) Technology Utilization	9.5	11.1	11.1
1(a)(8) Commercial Use of Space	(8.5)	30.0	20.0
1(a)(9) Aeronautical Res. and Tech	342.4	354.0	354.0
1(a)(10) Space Research and Tech	150.0	168.0	168.0
1(a)(11) Tracking and Data Adv. Sys	14.8	16.2	16.2
Total: Research and Dev	2,422.6	2,881.8	2,862.8
SPACE FLIGHT, CONTROL AND DATA COM.			
1(b)(1) Space Shuttle Prod./Oper. Cap	1,492.1	976.5	1,011.5
1(b)(2) Space Transportation Oper	1,314.0	1,725.1	1,715.1
1(b)(3) Space/Ground Net. Com. and Data Sys	795.7	808.3	803.3
Total: Space Flight Control and Data Com	3,601.8	3,509.9	3,529.9
1(c) Construction of Facilities	150.0	149.3	148.3
1(d) Research and program mgt	1,336.3	1,345.0	1,345.0
Total: NASA	7,510.7	7,886.0	7,886.0

Again, I urge the support of my colleagues for H.R. 1714.

Mr. LUJAN. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I rise in support of H.R. 1714, the NASA authorization bill for fiscal year 1985. I want to take this opportunity to congratulate the chairman of the Subcommittee on Space Science and Applications, Mr. NELSON, as well as the ranking minority member, Mr. WALKER, for the fine bill they brought to the full committee. Likewise, I also want to congratulate our chairman, Mr. FUQUA, for the bill he has brought to the floor.

By any standard, this bill is a good bill. It provides fair and balanced funding levels for NASA's programs and moves us ahead in some very important policy areas.

In view of the strong concern about the deficit and the critical need for a balanced budget, this piece of legislation shows a fine sense of fiscal responsibility on the part of many of us: Our chairman, Mr. FUQUA, and by Mr. NELSON and Mr. WALKER, as well as the other members of the committee. In addition to using our congressional responsibility to clarify priorities within the NASA budget, we have also managed to keep the total dollars at the same level as the President's request. This is an accomplishment of which all of us can be proud.

I am especially pleased that this bill recognizes that we have crossed the threshold of a new age in space science and applications. The programs supported in this budget will revolutionize many areas of science over the next decade. The programs in this budget will lead to the commercialization of many new space-based industries. By the year 2000, we may see space factories engaged in materials processing, turning out new drugs and products for the benefit of all mankind.

This budget provides the necessary infrastructure to support these activities, especially the space station, the space shuttle, and the orbital maneuvering vehicle. The space station is a vital part of our Nation's investment in science and technology. The quality of our progress in science and technology will affect the competitive strength of our industries and have a strong impact on jobs. If we move ahead rapidly, we will create more jobs and have a stronger industrial base. If we drag our feet—if we don't push back the frontiers of new technology—we will limit our ability to compete in the industrial marketplace in the years ahead. The space station will act as a hard driver of technology and strengthen our technology base in the years ahead.

While this budget is a balanced one, there are also some very controversial issues remaining in this bill. At both the subcommittee level and the full committee level, one of the major concerns was the issue of shuttle pricing policy.

The question of shuttle pricing policy was hotly debated during the markups of both bills and I expect that it will be hotly debated today on the floor. During consideration of various amendments proposed in both the subcommittee and the full committee, it was clear that this debate was not a partisan one. In committee, the votes were close and I expect they will be close again.

Resolution of the issue of shuttle pricing policy will have a major impact on the future of space commercialization. The shuttle pricing policy issue is, first and foremost, a policy issue. Although the debate revolves specifically around prices that we will charge commercial and foreign customers for a launch on the shuttle, the issue is really one of policy. Once we have set the policy, all pricing decisions come easily. My primary concern is that we have not yet made the policy decision on the appropriate use of the national resource of the space shuttle. The fact is that resolution of the shuttle pricing issue will set a precedent on the relative role of government and of industry in the future use of space. Resolution of this issue will also have an impact on the budget of the National Aeronautics and Space Administration.

For these reasons, the debate on this bill is important. I urge my colleagues to participate fully in this debate.

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Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. I thank the chairman of my committee for yielding this time to me.

Mr. Chairman, the Subcommittee on Transportation, Aviation and Materials conducted numerous field inspections and held extensive hearings here in Washington on the aeronautical part of the fiscal year 1986 NASA authorization. Testimony was taken from a variety of witnesses, both inside and outside of NASA.

Members of the subcommittee worked long and hard in carefully reviewing the NASA aeronautical program and the 1986 budget request. We found that although the dollar amount for aeronautical R&D is small—$354 million recommended by the committee this year—the payoff is very large. This is true because NASA emphasizes the high-risk, long-term research and technology that industry is financially unable or unwilling to undertake. Such efforts provide the foundation for future aircraft and engines which return many times their initial cost to our economy. In this sense, NASA's aeronautical R&D is an investment in the truest meaning of the term.

For example, in 1983, export sales of aerospace products, the bulk of which were civil aircraft, exceeded $16 billion. Imports were estimated to be $3.4 billion. The resulting $12.6 billion net positive contribution to our balance of trade was the largest of any U.S. manufacturing industry.

However you look at it, aviation is one of the real winners that this country still has, and NASA's aeronautics program helps to maintain that.

U.S. suppliers have built nearly 90 percent of the free world's civil air fleet by dollar value. Our airlines are our best ambassadors, offering superior quality, safety, comfort, and reliability, at economical costs. They speak well of America—to operator and user alike.

Of course, these results did not just happen. They came because we have consistently had the best products. And one of the big reasons for that has been the long-standing partnership between government and industry in developing new aeronautical technology.

Because of this, the Committee on Science and Technology has repeatedly urged the administration and the Congress to increase the resources devoted to aeronautical R&D. We have pointed to the many long-term benefits of such investment, which are reflected in billions of dollars in sales of U.S. aircraft both here and abroad, and in millions of jobs for Americans.

Yet, in spite of its proven cost benefits, the NASA aeronautics program has not kept pace with inflation nor with the relentless pressure from our competitors, both military and commercial. For example, the administration's request for fiscal year 1986 is only 15 percent greater than the actual amount spent in fiscal year 1980. If inflation is considered, the request for 1986 is 16 percent less than the purchasing power of the 1980 budget. There aren't many government programs that can make that claim.

Furthermore, anyone familiar with the dramatic increases in both the cost and complexity of new technology in the last few years knows that a level budget won't produce the same results as it once did. It simply costs more today to achieve each increment of improvement in fuel efficiency or safety or performance.

Of course, none of this would cause alarm if the Europeans, Japanese, and the South Americans had not begun to pose a serious competitive threat. But they have.

In fact, within the last year, the European Airbus consortium announced a launch of its all-new 150-passenger commercial airliner, the A-320. This puts them ahead of any of our aircraft companies who are still in the planning phase.

Because of this, I believe, the committee's recommendation is at the low end of what is actually needed. In my view, international conditions call for

expanding NASA's aeronautical program, not curtailing it.

The administration, for its part, is moving slowly in this direction. But such was not always the case. Initially it went all out to change NASA's basic method of doing business. It sought to break up the long-standing partnership between the Government and industry that was largely responsible for our preeminence in aeronautics.

Since, then, of course, the Congress has spoken clearly to reject this misguided idea. Also, the Office of Science and Technology Policy was "born again" and, in a very comprehensive study, reaffirmed the importance of NASA's work to both national security and economic well-being.

The fiscal year 1986 budget reflects this more responsible attitude. It shows a growth of 3.5 percent over last year—still far short of what is needed, even to stay even with inflation, but about the best we can hope for in a difficult budget climate.

For this reason, the committee recommended approval of the aggregate amount requested by NASA with only some minor realignment of programs within the aeronautical research and technology line item.

Mr. Chairman, in my statement I will have more information regarding the specifics of the NASA aeronautics program, but we have decided to recommend some changes from what our committee report has in there in connection with some priorities in that, and, in this connection, I would be glad to yield to my ranking member, a friend with whom I have been pleased to work, the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. I thank the gentleman for yielding.

Mr. Chairman, I rise to engage my colleague from Kansas in a colloquy regarding the recommended allocation of funds within the line item in the bill called aeronautical research and technology. In particular, I would ask him to explain and clarify his views on recommended changes in this area since the full Science and Technology Committee considered this bill last week.

Mr. GLICKMAN. As agreed during the full committee markup of this bill last week, I, along with other Members concerned with the NASA aeronautics program, met to reconsider the report language approved by the full committee containing specific guidance with regard to the aeronautical programs of NASA. As a result of those meetings, I am recommending the following revised guidance:

First, NASA should proceed with planning for the altitude wind tunnel at the Lewis Research Center, but should cap its expenditures in fiscal year 1986 at $3.5 million and should seek ways to overcome the limitations on capability identified by the Congressional Advisory Committee on Aeronautics.

Second, NASA should proceed with the oblique wing flight test at a level of $3.7 million in fiscal year 1986. The reduction of $1 million from the request is intended to encourage NASA to seek greater cost sharing from the military for this program.

Third, NASA should reduce funding within the fluid and thermal physics R&T Program by approximately $1.4 million, for work on adaptable wall and magnetic balance wind tunnel test techniques.

Fourth, NASA should apply the funds saved by the above actions—about $3 million—to high speed aeronautics.

Mr. LEWIS of Flordia. I thank the gentleman.

Mr. GLICKMAN. Mr. Chairman, I would just add a couple more things in this regard.

The subcommittee and the committee feel very strongly that NASA should pursue strongly its work on high-speed aeronautics, hypersonic aircraft. I think we can do this. We can do it with appropriate environmental impact and we can do it to cause the United States to take the lead in the area of hypersonic aircraft.

No. 2, Mr. Chairman, this year the committee had the benefit of the Congressional Advisory Committee on Aeronautics, which is really a blue-ribbon, dollar-a-day group of people who, for the first time ever in my recollection in the history of government, spent over a year coming in and recommending changes in the NASA Program. While we did not buy every change that committee recommended, we had the opportunity for responsible private sector input into the NASA Aeronautics Program. I think that will improve the program and will also improve the way our aviation programs are handled in this country from the standpoint of the Government, NASA, and the FAA.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman very much for yielding this time to me.

Mr. Chairman, I rise to join my chairman, Mr. NELSON, and the chairman of the full committee, Mr. FUQUA, the ranking member of the full committee, Mr. LUJAN, in support of H.R. 1714, the annual authorization for the National Aeronautics and Space Administration.

This is a bill that has been brought in with funding levels that are equal to the President's request to Congress. The Committee on Science and Technology carefully examined the budget request, and while we made a number of additions which were either above individual requests or represented items not included in the budget, we were able to offset those additions with reductions in other planned NASA activities.

The President requested $7,886 million for fiscal year 1986. The committee has made recommendations for $69 million in increases and an offsetting $69 million in reductions, for no net increase.

I would like to point out that the request for fiscal year 1986 represents a growth rate of 5 percent which, when adjusted for inflation, is a real growth rate of six-tenths of 1 percent. The committee fully supports this growth, which is required to support the space station initiative.

Let me make that clear. What we have in this budget is an attempt to try to provide a start for the future of the space station. That is what the addition is in here for. I understand that we are going to have arguments made on the floor later, I have seen copies of amendments, by people who are going to cut the budget back to last year's funding level and I understand that is a very attractive kind of thing, a supposed 5-percent reduction.

I assume that NASA, like everyone else, can probably find 5 percent to reduce, but I would make the point that the reason why there are increased levels in this budget is for one purpose and one purpose only, and that is to support the space station.

The President of the United States, despite the fact that he understands that we have got to do something about the deficits that we face, also understands that we have to project into the future. We have to understand that by the year 2010 we are capable of generating a trillion dollar new economy from outer space; that by the year 2050 we are capable of generating a $4½ trillion economy in outer space.

□ 1630

The only way you can do that is with a space station. The only way that we are able to have that kind of an economic burgeoning in outer space is with a space station. As soon as you take out the space station, as soon as you begin to reduce the effort on the space station, you are eliminating much of our effort to move into that kind of a space future.

Now, I understand that we have got a lot of Luddites around the Congress here who are perfectly willing to cancel out science and technology and are perfectly willing to move away from the space station. I would say that some of that is penny wise and pound foolish. I come to the floor as someone who consistently comes to the floor saying that we can find ways to cut the budget. There is no doubt that we can find ways to cut this budget, too, and I am not going to be

really opposed to the concept of trying to attain a budget freeze.

But I think that we had better understand that we are going to have an impact on one of the great growth areas that the President himself had defined.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I understand that the gentleman from Pennsylvania has led many deficit budget battles over the years and that is commendable, but as I understand from the office of the Director, Mr. Beggs, and from the staff of Mr. BOLAND'S office, it is inaccurate to say that the 5 percent, to hold it to the 1985 levels, would not be correct in respect to the space stations. In essence NASA would take some dollars out of different programs, not totally across the board. The space station would not be jeopardized. There will be, therefore some additional reprogramming for the total program in the 1985–86 budget which we are debating in the authorization bill today. Also, it should be noted that the HUD and NASA House committee are holding testimony downstairs, the Director is present, and the information I have at this moment is that it would not jeopardize the space program.

Mr. WALKER. Mr. Chairman, I thank the gentleman for that information, and I think it is valuable to have it on the record.

The point that I was making, however, is that the reason why the President increased this budget above last year's spending levels is because we do have the space station in it for $230 million. That is the reason why we are in here at higher levels than what we spent last year. If we are not going to take it out of the space station, it is obvious then that NASA can find other places in the budget to take it out.

That is the reason why—if that is the point that the administration is peddling now, if the gentleman has just given us correct information and if Mr. Beggs says he can sustain a 5-percent cut, then I do not understand why any of us would be opposed to that out on the floor. I am glad to have that information from Mr. Beggs, and I wish he would have told the subcommittee that when he came before it because I think at this point we probably could have come up with a similar kind of proposal.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. LUJAN. Mr. Chairman, I yield 2 additional minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. PURSELL. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I am glad to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I just want to clarify the record and say that I did not indicate that he endorsed a 5-percent reduction to go back to 1985. All I am saying is that he is in position to reprogram his money and earmark it for different programs that would not jeopardize the space station.

Now, that is according to HUD staff and people who are principally on the Democratic side of the aisle. So I am just suggesting, to be clear with the gentleman, that he did not indicate that he would support it, yes or no, on the amendment to reduce the budget. I did talk to him personally today. I did not put him in that position; I thought it was unfair to do so. And so we had a discussion in regard to the transfer dollars and the reprogramming efforts with respect to the whole budget.

Mr. WALKER. Then let me ask the gentleman, who is it that is telling us that the money can be easily programmed without jeopardizing the space station?

Mr. PURSELL. I am indicating the staff with which I met just recently and who are testifying downstairs with respect to the NASA and HUD budget. I would be happy to give those names to you.

Mr. WALKER. I am trying to clarify it here. Who is it? Is it NASA that is saying we can do this without jeopardizing the space station?

Mr. PURSELL. No; I did not say that. I indicated that staff members of HUD, the staff under Mr. BOLAND, indicated that there would likely occur, if the amendment were adopted, reprogramming efforts that would not jeopardize the space program.

Mr. WALKER. I understand the gentleman. And what I recall is that last year, when the staff came to the floor with Mr. BOLAND, they also adopted an amendment for a mantended station rather than a permanently manned station, which would have been an attempt to undercut the whole manned station program. So what the gentleman is telling me is that the same staff that tried to undercut the program last year is now telling us that this cut will not undermine the program?

Somehow I have a problem understanding that, and I go back to my original statement that perhaps we are jeopardizing the space station here, because that is precisely the committee and the committee staff which undercut the program to some extent on the House floor last year. So I go back to my original point.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. FUQUA. Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. NELSON], the chairman of the Subcommittee on Space Science and Applications.

Mr. NELSON of Florida. Mr. Chairman, I rise in strong support for the bill H.R. 1714, which would authorize appropriations for the National Aeronautics and Space Administration in fiscal year 1986.

This bill was reported by the Committee on Science and Technology on March 27, 1985, by voice vote.

For the benefit of the committee, I will summarize the bill and the actions taken.

The NASA fiscal year 1986 budget request was $7.866 million. The actions recommended by the Committee on Science and Technology result in a budget authorization of $7.866 million which is identical to the NASA request. With regard to space activities the committee is recommending $59 million in increases and an offsetting $59 million in decreases. The difference between the committee action and the administration's request for space activities are summarized as follows:

I. RESEARCH AND DEVELOPMENT

A. Space Transportation Capability Development.

$5.0 million reduction in Spacelab activities.

$3.0 million decrease in Payload Operations and Support Equipment.

$7.0 million decrease in the Tethered Satellite System.

B. Physics and Astronomy.

$7.0 million increase in Research and Analysis including $4 million for a Shuttle test of the Gravity Probe B Experiment;

$2 million in advanced technical development for the Advanced X-Ray Astronomical Facility, and $1 million in Advanced Technical Development for the Space Infrared Telescope Facility.

$3.0 million redirection within Shuttle/Spacelab Payload development activities to provide increased impetus for intermediate class payloads.

C. Space Applications.

$4.0 million increase in Environmental Observations/Oceanic Processes research and analysis for advanced technical development for the Ocean Topography Experiment (TOPEX).

$3.0 million increase in Environmental Observations/Space Physics Research and Analysis for advanced technical development for the International Solar Terrestrial Physics program.

$8.0 million reduction in scatterometer instrument activities.

D. Commercial Use of Space.

$10.0 million general reduction.

II. SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

E. $35.0 million increase in Space Shuttle Production/Operational Capability which is the net result of a $45 million increase in orbiter activities for augmentation of Orbiter structural spaces, $5 million decrease in Launch and Mission support, and a $5 million decrease in Changes and Systems Upgrading.

F. $10.0 million decrease in Space Transportation Operations activities.

G. $5.0 million decrease in Space Tracking and Data Acquisition activities.

III. CONSTRUCTION OF FACILITIES

H. $1.0 million general reduction.

IV. RESEARCH AND PROGRAM MANAGEMENT

I. No change.

The Committee adopted a number of language provisions and deleted one provision proposed by the Administration as follows:

A. The Committee adopted a new Section 106 proposed by NASA which provides statutory oath administration authority to the NASA Inspector General staff in the performance of duties.

B. The Committee deleted a new Section 107 proposed by NASA which would amend the patent section of the Space Act of 1958 to provide that inventions in space under United States jurisdiction be considered made or used in the United States for purposes of patent law.

C. The Committee adopted a new Section 108 to clearly show the Subcommittee's intent with regard to the additional funding provided for Orbiter activities.

D. The Committee adopted a new Section 109 to extend the life of the National Commission on Space from "twelve months" to "eighteen months."

E. The Committee adopted a new Section 110 requiring the Administrator to review those recommendations of the President's Private Sector Survey on Cost Control dealing with NASA and such other recommendations as may be included in the OMB report "Management of the United States Government—1986" and submit a report to Congress.

F. The Committee adopted a new Section 111 requiring the Administrator to initiate a feasibility study to ensure a timely flight opportunity for a physically disabled American.

G. The Committee adopted a new Title II which would establish a Space Shuttle Pricing Policy for the period fiscal year 1989–1991 which will be discussed more later.

H. The Committee adopted a new Title III, a provision to authorize funding for the Department of Transportation, Office of Commercial Space Transportation, which was established pursuant to the Commercial Space Launch Act.

In considering the NASA fiscal year 1986 budget request, the Subcommittee on Space Science and Applications held 10 days of hearings in February and March 1985 to review the status of NASA space activities. Testimony was taken from representatives of NASA, the U.S. Air Force, the Aerospace Safety Advisory Panel, and the industrial and scientific community. The aeronautics activities of NASA were considered separately by the Subcommittee on Transportation, Aviation and Materials and will be discussed in detail by the gentleman from Kansas [Mr. GLICKMAN].

The NASA budget for fiscal year 1986 before you:

Includes $230 million to continue systems definition studies and advanced technical development activities leading to development of a space station in the 1990's;

Provides funding for orbiter structural spares and operating spares to support the existing four orbiter fleet and to help maintain production readiness for a fifth orbiter vehicle;

Supports continued development of the space telescope for a late 1986 shuttle launch;

Schedules the Galileo mission to Jupiter for a 1986 shuttle launch using the shuttle/Centaur upper stage;

Continues support for flight missions such as Voyager and Pioneer that have been launched and are returning valuable scientific data;

Supports shuttle operations leading to an initial flight rate capability of 24 flights per year;

Authorizes continuation of U.S. support to the Ulysses with only the European spacecraft for launch in 1986;

Provides for continuation of the Upper Atmospheric Research Satellite Program and for the development of a scatterometer instrument for the Navy remote ocean sensing satellite;

Includes funds for continuing development of the Venus radar mapping mission and the Mars geoscience/climatology orbiter;

Includes funds for initiation of the Orbital Maneuvering Vehicle Program;

Continuing support to launch and operation of the tracking and data relay statellite system;

Supports NASA civil service employment levels at approximately 21,800;

Mr. Chairman, in conclusion, I want to address NASA's advanced program plans and the need for long-range civilian space goals. This committee has continually urged increased emphasis by NASA on long-range planning.

There is the continuing need to ensure U.S. preeminence in space for reasons of national morale, political prestige, advancement of U.S. science and technology, and educational motivation and stimulation. The development of new space systems goals and advanced programs beyond the basic space shuttle and the planned space station is a necessary consequence of this need for continued vitality in space, particularly in the light of a—to all appearances healthy and dynamic—Soviet space program.

The National Commission on Space which was established in last year's authorization and the membership of which was announced by the President last week should provide a valuable mechanism for public discussion of our Nation's long-range civilian space goals.

In the context of the clear needs which are presently foreseen, proper planning for the future will result in a balanced civilian space program which will make major contributions to our economy and national prestige.

NASA is one of the few Federal agencies whose spending power has decreased over 15 years. The spending power in the NASA budget is less than one-third of that 15 years ago. While NASA spending represented 4.4 percent of Federal budget outlays in fiscal year 1966, NASA spending represent less than eight-tenths of 1 percent of Federal budget outlays in fiscal 1986. These NASA budget trends do not recognize the positive contributions which the NASA programs can make to national defense, the Nation's economy, monitoring of our natural resources, energy and mineral exploration, and the expansion of scientific knowledge.

In developing the bill before us today, I want to thank the gentleman from Pennsylvania [Mr. WALKER] for his efforts. I want to recognize the dedicated efforts of the members of the Committee on Science and Technology and, in particular, my colleagues on the Subcommittee on Space Science and Applications. Each member of the subcommittee on both sides of the aisle has made a significant contribution.

As always, we can depend on the gentleman from Florida [Mr. FUQUA], the chairman of the full committee, and the gentleman from New Mexico [Mr. LUJAN], the ranking Republican member of the committee for their knowledge and personal insight into these complex programs. Their diligent efforts continues to be of immeasurable help in establishing a sound bill and strong NASA programs.

SPACE STATION

The space station will represent a fundamentally new and versatile capability to support activities in space in the decade of the 1990's and beyond.

While definition of a specific station configuration is yet ahead of us, it might be appropriate to describe conceptually what NASA now considers the station to encompass. A space station is conceived as a multipurpose permanent facility in low-Earth orbit, that is comprised of both manned and unmanned elements and that significantly enhances the efficiency of operations in space. The station would consist of a manned base and associated unmanned platforms, oriented to the needs of both science and applications missions, and man-tended from the base. The base and the platforms would be launched in modular sections carried into orbit in the cargo bay of the shuttle. The shuttle would also be used for logistics resupply and crew rotation.

For fiscal year 1986 NASA is requesting $230 million for the space station program. NASA is continuing an extensive definition effort with sufficient resources to assure that the program, when hardware development is initiated, will be thoroughly defined, responsive to user requirements, and based on the proper mix of man and machine, incorporating the most advanced technology available. These definition efforts will include an automation plan to utilize the best of both manned and unmanned modes to achieve optimum productivity at the

station. The fiscal year 1986 effort will include continuing assessment of space station utilization requirements and continuation of a number of advanced development test beds to evaluate high leverage space station technology options. The fiscal year 1986 program will comprise the second year of this detailed engineering definition effort which will provide the basis for commitment to the final design for the construction of the space station.

SPACE TRANSPORTATION SYSTEM

The space transportation system is at a critical phase at this time regarding the continuation of the capability to produce additional space shuttle orbitors. We have invested several billion dollars to develop this capability, a capability that puts this country in the forefront of an increasingly worldwide competitive space industry.

Yet, as we are just now on the verge of fully recognizing and exploring its uses and benefits, we are at the same time on the verge of losing the capability to build additional orbiters—the heart of the space transportation system. The space transportation system is a national system to be used as a national resource for civil and defense purposes.

The committee has recognized this problem by authorizing funds in the fiscal year 1984, fiscal year 1985, and fiscal year 1986 NASA budgets to procure orbiter structural spares and to maintain production readiness for a fifth orbiter vehicle.

This funding will keep the nationwide network of major orbiter structural subcontractors from further closing down their manufacturing capability, while the need for additional orbiters receives more study. These structural components will be used as spares to the current orbiter fleet in the event of major structural damage. Such major damage could have a significant impact on the ability of NASA to meet its launch commitments. By having the structural spares available, this impact can be lessened. Should a decision be made at a later time that an additional orbiter is required, these structural components will be used to build that orbiter. By having these components such as wings, vertical stabilizer, crew compartment available, the manufacturing effort to build an orbiter will be reduced.

I urge your support of this logical approach to an issue of vital national interest. It is an approach that allows us to continue to study this problem as we gain additional flight experience and evaluate the results of the new marketing initiatives that are being undertaken along with the resultant mission demands. The four orbiter fleet now authorized can meet mission demands for the next 4 or so years. But we know that these demands are almost certain to grow; the exact timing of this growth is difficult to predict. However, the long lead times involved in building an orbiter make it mandatory that we not close off our manufacturing capability at this time.

PHYSICS AND ASTRONOMY

In 1982 the National Academy of Sciences published a report entitled, "Astronomy and Astrophysics for the 1980's" popularly referred to as the Field study after its leader, professor George Field. This report, based on a consensus of the U.S. astronomical community, is of great value in laying out a blueprint for astronomy and astrophysics for the coming decade. The recommendations in this report deserve serious and prompt attention by NASA with a view toward implementation.

The committee notes that the field study endorsed two major projects which were assumed to be firm commitments. That is, these projects were taken as already approved, and the study focused on the follow-on projects. These two major projects were the shuttle infrared telescope facility [SIRTF] and the solar optical telescope [SOT]. It is of concern, however, that neither of these programs are progressing at a satisfactory rate toward the dates originally projected. This survey further recommended the advanced x ray astrophysics facility as the highest priority future astronomy program.

The committee recommended modest increases in the advanced technical development activities for the shuttle infrared telescope facility and the advanced x ray astrophysics facility and for laboratory equipment and instrumentation.

Another major emphasis of the Field study was the need to strengthen the infrastructure of the astronomy and astrophysical sciences. Vigorous basic research programs at U.S. universities are essential for training future scientists and engineers and ultimately, for dissemination of the latest scientific results to university students and the general public. Grants awarded through NASA's Research and Analysis Program provide a direct stimulus to the academic community and are the mainstay for the infrastructure in the astronomical and astrophysical sciences.

PLANETARY RESEARCH AND ANALYSIS

The Planetary Exploration Program encompasses the scientific exploration of the solar system including the planets and their satellites, comets, and asteroids, and the interplanetary medium. The program objectives are: (1) to determine the nature of planets, comets, and asteroids as a means for understanding the origin and evolution of the solar system; (2) to understand the Earth better through comparative studies with the other planets; (3) to understand how the appearance of life in the solar system is related to the chemical history of the solar system; and, (4) to provide a scientific basis for the future use of resources available in near-Earth space. Projects undertaken in the past have been highly successful. The strategy that has been adopted calls for a balanced emphasis on the Earth-like inner planets, the giant gaseous outer planets, and the small bodies (comets and asteroids). Missions to these bodies start at the level of reconnaissance to achieve a fundamental characterization of the bodies, and then proceed to levels of more detailed study.

In the past several years, the administration's budget request for planetary research and analysis has been, in the opinion of the committee, inadequate. As a result the committee has added a significant amount of money to this line item for the past several years. However, for fiscal year 1986, the agency request for research and analysis is adequate. Accordingly, the committee has added no funding. The request includes adequate technology development funding for the comet rendezvous and asteroid flyby mission. The committee did have to add funding for other missions for which the request was inadequate and has made it clear in report language that the adding of funds for other missions is not intended to imply any bias against the CRAF mission.

MATERIALS PROCESSING IN SPACE

The materials processing in the space program is establishing a research base on the role of gravitational influences in the processing of materials, particularly those of high technological interest. There is a growing awareness now that phenomena such as convection, sedimentation, and bouyancy during fluid phase processing can limit the perfection and performance of an extremely wide range of materials and processes from semiconductor crystals to biological separation techniques. The key to obtaining this knowledge lies in sound research and in the ability to eliminate gravity for times long enough for measurement and experimentation.

The materials processing in the space program has a strong commitment to the former; and, the shuttle now provides the unique and complementary opportunity for the latter. The benefits to both terrestrial as well as space processing can well be substantive—a view clearly shared by Russia, Europe, and Japan, who all now have active MPS programs as well. The NASA MPS Program also assists in the commercialization of space processing by establishing unique arrangements for industry/Government risk sharing in proof-of-concept joint endeavors. These no-exchange-of-funds programs produce benefits, not only to American industry, but to the research based NASA MPS Program as well.

Again, I urge my colleagues to support H.R. 1714, the NASA fiscal year 1986 authorization.

□ 1640

Mr. LUJAN. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 1714, authorizing appropriations for the National Aeronautics and Space Administration for fiscal year 1986.

I am pleased that we were able to stay within the President's request this year. It was not easy—there are so many worthwhile programs—it is truly unfortunate that some had to be cut. However, given the budget constraints we must face, I believe this bill provides for a sound NASA program for the coming year.

The Aeronautics R&D Program authorized in this bill reflects an increase of just under 3½ percent which barely accounts for inflation. I know I speak for many of my colleagues when I say I wish we could augment this very worthwhile program. Aerospace is one of the few areas where we still enjoy a favorable trade balance, and this is in no small measure due to the outstanding aeronautics research and technology provided by NASA through the programs authorized in this bill.

I am especially pleased that we were able to provide some real growth in the R&T base activities this year. These programs were increased by $17 million or 7.6 percent over last year's appropriation. Too often in the past the R&T base programs have been viewed as a source of funds to satisfy special interests. But without these programs there would be no technology base for the future—so it is particularly satisfying to me that this did not happen this year.

And, I might add, that this was accomplished without sacrificing the propfan program this year. I am happy to report that this very important program will go forward as planned with the flight validation still scheduled for 1987.

Mr. Chairman, I would like to call to your attention a report that was released earlier this week by Dr. Keyworth, Director of the Office of Science and Technology Policy outlining the national goals for aeronautics R&D. This report was the result of a 2-year study by the Aeronautics Policy Review Committee established by Dr. Keyworth. The committee, composed of government, industry, and academic experts, recommended three major goals for aeronautics R&D into the 21st century.

First, we must advance the technologies needed to develop a new generation of quieter, more economical subsonic aircraft. This will benefit not only civil aircraft, but military aircraft as well by providing increased payloads and range, reduced maintenance, and increased operational flexibility.

The second goal is the development of the technology necessary for sustained supersonic flight—which also has potential application for both civil and military aircraft.

And, finally, the third goal is the convergence of aeronautical and space technologies and the exploration of the transatmospheric regime. This is a particularly visionary goal, and one which the Committee on Science and Technology has consistently supported.

Mr. Chairman, these are all lofty goals—made all the more difficult because of our constrained aeronautics budget—but I believe the Aeronautics Program in this bill is directed toward those goals, and I urge all my colleagues to join me in supporting the fiscal year 1986 NASA authorization bill.

Thank you.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Florida. I am most happy to yield to my colleague, the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague, the gentleman from Florida yielding.

First, let me say that I believe the entire House should extend their congratulations to the gentleman from Florida [Mr. FUQUA], our chairman, and to the gentleman from New Mexico [Mr. LUJAN], the ranking member, and also to the gentleman from Florida [Mr. LEWIS].

Further, I would very much like to associate myself with the remarks of our colleague, the gentleman from Florida [Mr. NELSON] for they reflected very much my experience in the work we have done in the field of NASA's effort in my Subcommittee on Appropriations that deals with their budget.

Further, I would like to specifically rise in support of the language in the authorization bill which strongly urges NASA's continued efforts to explore the viability of a second source for the shuttle solid rocket motors. Injecting competition into this field would be another significant step in advancing the progress we are already making.

Mr. Chairman, I rise in support of language in the authorization bill which strongly urges NASA's continued efforts to explore the viability of a second source for the shuttle solid rocket motors.

As the Members know, to a large degree the future commercial success of the shuttle depends on costs. We must find areas where costs can be reduced and proceed vigorously to implement those savings.

The history of competition in Government procurement in general, and in the area of propulsion specifically, suggests that significant savings can be made on the shuttle's solid rocket motors.

Several major propulsion companies have already indicated to NASA a strong interest in competing on the solid boosters. While each of the companies would in all probability have different costs projections, one chief executive officer advised me recently that at current costs, with a 24-per-year-flight rate at the end of the decade, savings to NASA between 1988–99 would be $1 billion.

And so Mr. Chairman, we sense that this is an area of tremendous importance to the Shuttle Program and I encourage NASA to review this matter most carefully, particularly in view of discussion about the future need for large boosters for heavy lift vehicles.

Mr. FUQUA. Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, first of all, I rise in strong support of this legislation.

I want to commend the chairman and the members of the Science and Technology Committee for their fine work, especially the chairman, the gentleman from Kansas [Mr. GLICKMAN], the gentleman from Florida [Mr. NELSON] and my colleague, the gentleman from Ohio [Mr. TRAFICANT] who has been a fine new member of that committee.

The National Aeronautics and Space Administration has written some of the most brilliant success stories in American history. Today, NASA continues its ground-breaking research and development, providing new technology and changing the way we perceive ourselves and the universe. The money spent on NASA is one of the most cost-effective investments we can make and I offer my wholehearted support to this legislation and encourage my colleagues to vote for it.

Those of us from Ohio are particularly proud of NASA because of the work performed by the men and women at the Lewis Research Center in Cleveland. The Centaur, for example, has powered missions to Mars and put a payload in geosynchronous orbit 22,000 miles above the Earth. In the field of aeronautics propulsion, the Lewis Center's Advanced Turboprop project is proceeding on schedule to complement work already performed on fuel efficient aircraft engines. Lewis is also NASA's lead center for satellite communications.

Finally, I must mention the lead role that the Lewis Center has played in space power development. This particular area of expertise will become

increasingly important in the years to come as NASA proceeds with the space station, the major step in space exploration. The power requirements for the space station will require the development of new systems and technology. The research and development will be performed at the Lewis Research Center.

Our country was developed by people who were always looking toward the horizon, curious to see what they would find. That same curiousity has taken men to the Moon and sent satellites beyond our solar system. The spiritual and economic benefits of the work performed by NASA are impossible to forecast or calculate. Based on past performance, though, we can confidently assert that those benefits will be immense. This legislation will make the resources available for our brightest scientists and engineers to keep advancing the horizon for all of us. Our continued progress as a nation depends on the kind of activities this bill will make possible. I urge bipartisan support for the legislation.

□ 1650

Mr. LUJAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. McGRATH].

Mr. McGRATH. Mr. Chairman, I rise in support of H.R. 1714, the NASA authorization for fiscal year 1986.

I would like to commend the chairman and the ranking minority member of the committee for their efforts in reporting out a sound and well balanced piece of legislation which is funded at the same level as the President's request.

H.R. 1714 provides authorization for a number of important programs within the National Aeronautics and Space Administration. I am especially pleased that the bill provides $230 million for continued design and research on a manned space station, which is the requested amount.

The space station will serve to invigorate American industry by distributing over 75 percent of the space station's systems investment to industry; and also by creating an environment of industry competition for space station design and development contracts. This will help to maintain this country's position at the cutting edge of new and innovative technology.

I was pleased to note in the report that the committee has taken an interest in the area of space access for the physically disabled. On Earth, disabled people face barriers that limit their opportunities to be fully productive. In the zero-gravity environment of space, all barriers to access are removed, and all people equally weightless. As someone with longstanding interest and experience in working with the handicapped, I applaud the committee's view that the inclusion of a disabled person on future missions affords a historic opportunity to prove that those handicapped on Earth may be freed to become highly valuable and fully productive members of the space-based materials processing economy of the future.

The bill provides $45 million to maintain production readiness for an additional orbiter vehicle. While I am pleased that the lines will remain open, I believe a policy decision on the funding of a fifth orbiter is long overdue. I think it is the consensus of the members of the committee that there is a need for a fifth orbiter, and I am sorry funding for it has not been provided in this bill.

Nevertheless, I want to emphasize that I support this bill, and remain an enthusiastic advocate of NASA and the space program. I urge my colleagues to vote favorably on H.R. 1714.

Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BROWN], a member of the committee.

Mr. BROWN of California. Mr. Speaker, I rise in support of the bill H.R. 1714, which would authorize fiscal year 1986 appropriations for the National Aeronautics and Space Administration.

I congratulate the chairman of the full committee, Mr. FUQUA, and the chairman of the subcommittee, Mr. NELSON, for bringing a basically sound bill to the floor. I also congratulate the senior Republican Member, Mr. LUJAN, and the ranking member of the subcommittee, Mr. WALKER, for the high degree of cooperation that they demonstrated as we worked on this bill together.

Although I have some reservations about this bill, I do want to particularly commend the committee for two actions. First, the committee added advanced technology development funding for several science missions to keep them moving toward start of their development in future years. Second, the committee approved my amendment to earmark $3 million for shuttle intermediate-class payload development. I appreciate the committee's recognition of the need to provide for more frequent shuttle flight opportunities for scientists.

Mr. Chairman, in authorizing fiscal year 1986 funds for the National Aeronautics and Space Administration, the Science and Technology Committee has fallen short of the commitment made to the committee by Administrator Beggs for 1 percent real growth for the agency. The shortfall is not large and would not be of great concern if the committee's actions were driven by a more overriding principle than remaining within the budget levels submitted by the administration. As the authorizing committee, we have the responsibility for setting national space policy. But we have fallen short of this lofty goal, and have chosen instead to allow NASA programs to coast for yet another year while we fail to recognize and acknowledge our role as policymakers.

When compared with the growth in military space programs, the NASA funding levels look even bleaker. We now spend nearly twice as much on military space programs as we do on NASA's space programs. In fiscal year 1985, for example, the military is expected to spend approximately $13 billion compared to NASA's $7 billion on space programs. The difference between civilian and military spending in space will become even more pronounced if the President's strategic defense initiative goes forward as planned. Below is a chart from the Congressional Budget Office which shows the funding trend for NASA versus Defense Department spending on space programs.

SPACE ACTIVITIES OF THE U.S. GOVERNMENT; HISTORICAL BUDGET SUMMARY—BUDGET AUTHORITY

[In millions of dollars]

Fiscal year	NASA		Defense
	Total	Space [1]	
1959	330.9	260.9	489.5
1960	523.6	461.5	560.9
1961	964.0	925.0	813.9
1962	1,824.9	1,796.8	1,298.2
1963	3,673.0	3,626.0	1,549.9
1964	5,099.7	5,016.3	1,599.3
1965	5,249.7	5,137.6	1,573.9
1966	5,174.9	5,064.5	1,688.8
1967	4,965.6	4,830.2	1,663.6
1968	4,587.3	4,430.0	1,921.8
1969	3,990.9	3,822.0	2,013.0
1970	3,745.8	3,547.0	1,678.4
1971	3,311.2	3,101.3	1,512.3
1972	3,306.6	3,071.0	1,407.0
1973	3,406.2	3,093.2	1,623.0
1974	3,036.9	2,758.5	1,766.0
1975	3,229.1	2,915.3	1,892.4
1976	3,550.3	3,225.4	1,983.3
Transitional quarter	931.8	849.2	460.4
1977	3,817.8	3,440.2	2,411.9
1978	4,060.1	3,622.9	2,738.3
1979	4,595.5	4,030.4	3,035.6
1980	5,240.2	4,680.4	3,848.4
1981	5,518.4	4,992.4	4,827.7
1982	[2] 6,043.9	5,527.6	6,678.7
1983	6,875.3	6,327.0	9,018.0
1984 estimate	7,217.0	6,590.0	10,590.0
1985 estimate	7,491.4	6,804.3	12,912.7

[1] Excludes amounts for air transportation (subfunction 402).
[2] Includes $33.5 million unobligated funds that lapsed.

Let me now go into a little more detail about NASA's science and applications programs and the actions that the committee has taken:

First, I would like to make special note of the progress made in the committee in recognizing the need for more frequent shuttle flight opportunities for university scientists. Testimony in support of the Shuttle Science Working Group report of September 1984 indicated the need to develop intermediate class payload opportunities to fill the gap between the spacelab capabilities and the getaway specials, and recommended a $25 million per year budget for this activity. The committee earmarked $3 million for intermediate-class payload development, and adopted report language

urging the agency to develop this program, and to report to the committee on its progress and on future plans. This is a small step in support of this important activity.

The committee recognized the importance of advancing fundamental science and applications by supporting, although at minimal levels, the gravity probe-B [GP-B] experiment, the ocean topography experiment [TOPEX], the x-ray astronomy facility [AXAF], the shuttle infrared telescope facility [SIRTF], and the international solar terrestrial physics [ISTP] program. Unfortunately, however, the meager funding supplements provided in this bill for these programs do not add up to any badly needed new starts this year, a matter of concern in the out-years when other important programs will be delayed as a consequence. Nevertheless, the additional funds added for TOPEX, ISTP, and GP-B will be helpful in moving these programs toward fiscal year 1987 new starts, and are appreciated by the scientific community.

I would like to say a few words about these exciting science missions. For more than 20 years, NASA has funded an experiment, gravity probe-B, that would test a particular effect predicted by Einstein's general theory of relativity. The effect predicted is very small, so that a delicate and expensive apparatus is needed, and, for the same reason, the experiment must by done in the zero-gravity conditions of space. With the advent of the shuttle, it is possible to conduct a test aboard the shuttle to see if the apparatus will work before committing funding for the full experiment. The committee added $4 million to move the agency toward the shuttle test of this relativity experiment.

The infant field of x-ray astronomy was invigorated by the high-energy astronomy observatory satellites 1 and 2, but they stopped returning data in 1981. NASA plans to follow up this successful start by building the advance x-ray astronomy facility [AXAF]. Because AXAF would utilize very advanced x-ray optics, these optics could present a significant risk to the development program. Therefore, the committee added $2 million for continued advanced technology development of AXAF in order to minimize technical uncertainties and to indicate a commitment to the eventual start of development of this mission.

The field of infrared astronomy was revolutionized by the infrared astronomy satellite [IRAS], which conducted an all-sky survey from space, and NASA plans to follow with the space infrared telescope facility [SIRTF]. There is a need to develop and test technologies for the maintenance and servicing of this cryogenically cooled telescope so it can be operated for a period of years—a significant improvement over the 1-year lifetime of IRAS. Therefore, the committee added $1 million for advanced technology development of this mission.

The committee added $4 million for the ocean topography experiment [TOPEX] to prepare for a fast start on its development. TOPEX was planned for a 1990 launch—based on an expected fiscal year 1986 start which is not included in this bill—in order to achieve maximum overlap with the NROSS satellite [Navy resource observation satellite] and thus make maximum impact on the world ocean climate experiment [WOCE] and the tropical ocean global atmosphere [TOGA] research programs. An increment to the TOPEX budget will enable efforts to begin the integration of science instruments onto the spacecraft.

The international solar terrestrial physics [ISTP] program is planned as a six-satellite joint program between NASA, three satellites; the European Space Agency, two satellites; and Japan; one satellite. The United States has indicated to its foreign partners its intent to carry out this program, and a new start has been anticipated in fiscal year 1986. A small investment now in detailed studies of the science instruments and related engineering tradeoffs could minimize program runout cost and prevent schedule delays. Therefore, the committee added $3 million to prepare for an early start on development of the program.

The programs I just mentioned are a few examples of the very exciting scientific research that NASA is involved with. As I mentioned earlier, the funding supplements provided by the committee are welcomed, but I am concerned about the long-term funding trend in NASA's space science and applications programs. I have been assured that the absence of new starts this year is not indicative of reduced commitment to space science. I hope this is true. But in the attempt to keep spending down this year, we may be adding to the ultimate costs of these projects, and thus to the overall Federal budget, by feeding standing armies to keep scientific teams together.

Our inability to make a long-term commitment to the health of the space sciences is perhaps most evident in our universities. Dr. George Keyworth, the President's science adviser, described the status of university research facilities as "disgraceful and deplorable" in his confirmation hearings in 1981, and he noted that the situation offers "unattractive prospects" for those interested in pursuing careers in experimental science. Countless witnesses have since testified before our own committee on the situation today in which we are training the next generation of space scientists and engineers on antiquated equipment.

Both the National Science Foundation and the Department of Defense have recognized the university instrumentation problem and have devoted significant resources to it. The erosion of our universities' laboratory equipment is not a problem that is going to be solved overnight. The amendment which I offered in the committee to devote $11 million to the problem for fiscal year 1986 would not, by itself, have made a significant difference without a similar commitment next year, and for years after that. Yet the committee rejected this modest attempt to begin to address this issue.

But the space sciences and applications programs are not the only areas where the lack of a coherent space policy is evident and disturbing. Determining national policy with regard to the related issues of the space shuttle, the need for a fifth orbiter, pricing policy, the space station, and space science is a difficult task. As a long-time member of the Space Science and Application Subcommittee, I have participated for over 10 years in developing national space policy. I have been an enthusiastic and strong supporter of our Nation's space programs, and of the shuttle program in particular. However, this support does not preclude taking a critical look at the way Federal dollars are allocated to NASA.

The United States currently operates a fleet of four space shuttles, counting the Atlantis, which will be delivered later this year. Since fiscal year 1983, NASA has stockpiled spare parts in the event that a decision is made to procure a fifth space shuttle. By the end of fiscal year 1985, NASA will have been given $400 million for this program. But according to testimony of NASA Administrator James Beggs, there is no need for a fifth shuttle orbiter.

Over the last decade, the expected number of shuttle missions has decreased from over 500 to around 300 missions through 1991. Administrator Beggs, in testimony before our committee, said "we could fly these things—the current shuttle fleet—until well into the second or third decade of the 21st century at the flight rate we are projecting now." Yet the bill before us adds $45 million to the administration request for shuttle structural spares to "keep the production lines open" for another year to protect a future option to procure a fifth orbiter.

Mr. Chairman, in a year when critical programs are being eliminated or cut to the bone, it is a mystery to me why we insist on protecting our option to procure an unneeded fifth orbiter at some future hypothetical date at a price tag of somewhere between $2 and $3 billion. I would like to note

that NASA and the Department of Defense are engaged in a study of our future space transportation needs. NASA should be supported in this endeavor, and ought to be forging ahead on the cutting edge of space technology as was done with the Space Shuttle Program. NASA should be looking ahead to second generation space transportation, not building another space truck.

I have raised these issues resulting from the absence of a coherent national space policy, in the past. Clearly, the problems will not be solved overnight, nor will the solutions be simple, nor will everyone agree on how best to proceed. But we can't postpone the solutions indefinitely. Perhaps one witness before our committee said it best when he remarked that "each year these problems are not addressed, they become more critical and difficult to solve. We are prepared to wait another year and to watch our scientific enterprise coast for a little way, but we also clearly recognize that this cannot be allowed to continue for long. We urge the Congress to begin planning a solution now."

Mr. Chairman, I am in support of this bill. It is not from my standpoint the best bill in the world and I have some reservations about many parts of it. But I think the committee and the committee leadership has worked diligently to bring to the floor a bill they consider to be balanced and satisfactory.

Let me speak for just a moment in a general way about why I have reservations about this bill. And I do this because I do not want to have the Members swayed by my views unless they share some of my biases.

I have always had a vision about space. I have measured the space program against that vision. It is a vision which was enunciated a generation ago by great Presidents such as Eisenhower and Kennedy, a vision about the tremendous values which space held for the benefit of all mankind and about a role for the United States as a leader in the search to explore this new frontier.

I think we have lost that vision and it is that loss of vision which causes me so much pain as we debate the bill this year.

Let me mention a few of the things that cause me to say this. Today we hardly have a civilian space program. More than 75 percent of our space program is military, funded by the Department of Defense. And it is being used in accordance with a long-range plan to develop space as an extension of the arena of war on Earth. That disturbs me very deeply because I think that we could and should draw a line against putting weapons in space, and we could set a new standard for what the human race might do cooperatively in space rather than making it an extension of the arms race and the battlefields which we are trying to avoid here on Earth.

So that is the No. 1 problem that faces me, the problem that pressures from the Department of Defense, which in the last 5 years has increased its space spending more than the total NASA budget today, is something which is forcing us into making compromises in the civilian space program that we should not have to make.

What has happened in the civil space program? We have no strategic plan for it. We in the Congress last year decided to set up a commission to give us some ideas about long-range plans. The membership of that commission was not even appointed until last week.

I do not think there is much enthusiasm in this administration to encourage long-range thinking about civil space programs. What has happened is that the vision of space as a new frontier for man's exploration has gone down the tubes.

We had a magnificent program, magnificent visions of what man could do in exploring the solar system. Yet we have not had a new start in years, and we are not going to have any major new starts in exploring the solar system for years to come.

We have a dozen major new scientific experiments lined up waiting to be launched. None of those are being started this year.

Yes, the chairman wisely allocated a small amount of money to continue with the definition of these projects and to do some of the preliminary development. But no new major scientific starts are authorized in this budget.

The condition of university research in space science is going downhill. There is inadequate funding for the enhancement of laboratory facilities and for the analysis of data. We have starved these needs, instead, spending the money for programs, worthy in themselves, and more politically attractive, such as the space station. But the science programs have been starved because of that, a fate which the National Academy of Sciences anticipated in its report on the space station.

Possibly more important, vital applications programs, programs that could result in the development of new industries here on Earth and in space have been thwarted and frustrated in part because of lack of funds and in part because of policy barriers set up which NASA could not control. And I am delicately alluding here to certain restrictions flowing out of DOD requirements that face us. These restrictions have prevented the development of healthy applications programs which could provide the opportunity for this trillion dollars in new commercial activity referred to by our distinguished friend from Pennsylvania [Mr. WALKER].

That is a minimum of what we could expect if we were to allow the civil space program to develop in the way that it should.

□ 1700

This bill does not fulfill that vision, and it is that vision which I am measuring it against. There are many important policy areas that are not being adequately dealt with in this bill. The shuttle pricing policy is one example, and we will debate this policy during the amendment period.

We are faced with contradictions in that policy which we cannot resolve. We are seeking to establish pricing policies for foreign and commercial payloads which will make us competitive with Arianne, the French system. If we do that, we put the domestic, commercial, expendable launch vehicle business out of business. And we want to cultivate that expendable launch business, and we are not being able to do that.

So we have not been able to resolve these contradictions. I will develop this a little further during debate in the amendment process.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. I know of no program in the United States at the present time that has done more to encourage our young people to pursue academic excellence in science and technology than has our space program.

I have certainly come onto this committee heartily endorsing the program and certainly I am rising now to support H.R. 1717, authorizing appropriations for the National Aeronautics and Space Administration for fiscal year 1986.

Aeronautical research and technology programs typically precede aeronautical development and production by many years. The cycle in which a theoretical analysis or a laboratory experiment leads to large-scale testing which results in a proven technology advance may run 10 to 15 years—and the design, development, and production process by which the new technology is incorporated in an actual airplane can take another 6 to 8 years. The Air Force C-17 airlift transport, just now entering full-scale engineering development, uses NASA winglets conceived in 1973 and tested in 1975. It also incorporates one of the first applications of a propulsive lift concept first developed and tested at NASA Langley in the fifties.

The supercritical aerodynamics research conducted by NASA in the sixties now provides much of the basis for the wing designs employed on today's transports and fighters. And in

areas where high-speeds are not essential, such as fans, compressors, and the small General Aviation aircraft, industry still uses the NACA low-drag airfoil sections developed even 10 to 15 years earlier.

The NASA "Refan" program of the early 1970's not only demonstrated an important noise reduction concept, but provided an approach and an impetus to a new engine development which has made possible transport aircraft, such as the McDonnell Douglas DC-9 "dash 80" and subsequent derivatives, which exhibit major savings in fuel. And the energy efficient engine research started by NASA several years later has provided technology now being incorporated in more advanced engines which will be even more fuel efficient.

NASA configuration concepts developed and tested in the sixties strongly influenced the designs of the F-14 and F-15 fighters now in service.

Numerous other examples could be cited, including the increased use of composite structures, the development of advanced fight management controls and displays, and the availability of new fire-resistant materials, all based on NASA-sponsored research during the last decade. And one final contribution—indirect but important—should be recognized: The unique NASA environment and programs have provided invaluable training for a number of top engineers who now apply their technical expertise and experience in key positions throughout the civilian aeronautics industry.

Not all of NASA's work lead to successful development of new technology, to be sure. High-risk aeronautical research, apart from being time-consuming and expensive, can never be counted upon to produce a profitable return for the private investor or a reliable basis for military development. For that reason, we must depend on NASA to continue conducting the broad, future-oriented, high-risk research that cannot be supported by the private sector of the DOD. Only with an assured supply of superior technology can our aircraft manufacturers continue to develop the superior U.S. civil and military aircraft on which we all depend.

I urge my colleagues to support this bill, H.R. 1714, which authorizes the appropriate authorization levels for the space program.

The CHAIRMAN. The time of the gentleman has expired.

At this time the Chair would like to advise the gentleman from Florida [Mr. FUQUA] that he has 8 minutes remaining; the gentleman from New Mexico [Mr. LUJAN] has 6 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Massachusetts [Mr. BOLAND], who is chairman of the subcommittee that deals with this budget on the Committee on Appropriations.

Mr. BOLAND. I thank the distinguished chairman of the Science and Technology Committee for yielding this time to me. I want to congratulate the chairman of the House Science and Technology Committee, the gentleman from Florida, and the chairman of the Space Science and Applications Subcommittee, Mr. NELSON, on reporting this very fine bill; and also the ranking minority member, Mr. LUJAN, of the Science and Technology Committee for the their efforts on this bill.

Mr. Chairman, I was particularly pleased to read the section of the bill dealing with the shuttle pricing issue. I wrote the gentleman from Florida in January and suggested that the shuttle was at the crossroads: Either we were going to continue to support this $18 billion investment by ensuring that the price for the shuttle was set at a level that would enhance the development of space, or we were going to see the space transportation system gradually atrophy to a launch rate of something less than 11 or 12 per year.

I believe the subcommittee has taken a bold step in setting a ceiling on the shuttle price at $71.4 million for the period 1989 through 1991. I also believe the committee's action is essential to maintain the viability of both the shuttle and this Nation's effort to advance the commercialization of space.

Without freezing the shuttle price, we would see virtually every commercial communications satellite launched by Ariane. After spending $18 billion on the shuttle, somehow that does not make sense, and it has not made sense to this committee.

I also want to assure the gentleman that we in the Committee on Appropriations will make an effort to reference by citation the shuttle pricing language carried in this authorization bill.

So, Mr. Chairman, on balance, I believe that your committee has done an excellent job with this bill. I do, however, want to add one note of caution: We are operating in a different atmosphere this year, and the HUD-Independent Agencies Subcommittee which I chair faces inequities among the agencies carried in our bill—including the fact that incremental units for HUD's subsidized housing program was zeroed for fiscal years 1986 and 1987.

In the past, our subcommittee has prided itself on producing an appropriations bill as early as possible, and almost always before the beginning of the fiscal year. But in all candor, I will have to admit that this year we could find ourselves, along with all the other subcommittee appropriations bills, in a continuing resolution.

I do not know how that will affect the NASA appropriation, particularly in relation to other agencies in the HUD bill—but you can be assured, Mr. Chairman, that we will do our best. I want to congratulate you and your committee on reporting an excellent bill.

□ 1710

Mr. Chairman, I want to make something very clear here. My friend, the gentleman from Pennsylvania [Mr. WALKER], suggested that last year the HUD Subcommittee undercut the space station with a man-tended effort. He is wrong. We actually added $5.5 million for the space station to help fund the man-tended option, bringing the 1985 total to $155.5 million. We believed the man-tended options was important, and we still do—because some day you may have to use it.

On the other point, the gentleman from Pennsylvania indicated that the 5-percent increase from the 1985 level to the 1986 request was for the space station. That is also wrong. Of that $375 million, only $75 million is for the space station. We asked the Administrator yesterday how he would address a reduction of that magnitude, and he did not suggest that a nickel would come from the space station.

So I thought the gentleman from Pennsylvania would like to have the record corrected, and I so do.

Mr. LUJAN. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Chairman, it would be difficult, I think, to find any effort funded whole or in part by this Federal Government which does not deserve an increase in budget authority. Most of the programs we are going to authorize in this Congress are not only worthwhile but could all use additional budget authority.

And then beyond that, I think we would be hard pressed to think of a program that is any more worthy of greater budget authority than NASA. The success of our space program has been an inspiration to all mankind. The benefits to the private sector of our economy have been direct, immediate, and substantial.

But we can talk until we are blue in the face about reining in Federal spending and getting a handle on that $200 billion deficit, and we are not going to get anywhere by voting for increases in authorization bills.

If we are going to bring down the deficit, we are going to have to start with an across-the-board freeze. That is an absolute minimum. And that only brings the deficit down by $38 billion. Then we have to build on that

$38 billion base with additional cuts, every single one of them painful.

And we cannot bring about an across-the-board freeze if we vote to increase budget authority for even the best program by 5 percent over the fiscal 1985 funding level.

I support NASA and I support funding NASA at current levels, but I cannot support an increase in the face of a $200 billion deficit. We owe it to the working people of our country, to our children, and our grandchildren to rein in this deficit.

I plan to vote today for the Morrison amendment which will scale this back to 1985 levels and then I can support it.

I also want to say that my remarks should not be construed as being critical of Mr. FUQUA, Mr. NELSON, Mr. LUJAN, or Mr. WALKER. They are gentlemen with whom I serve on the committee, and I have the highest regard for them. My purpose today is to explain to you why something that is very important to me personally and something that is very important to my district cannot be supported. I can see the day when I am going to have to stand in front of a group of poor, elderly, whatever, and explain to them why they did not get an increase in their budget authority; and I do not want to have to explain why NASA got one and why I supported it. We have got to be consistent and we have got to start now. It cannot be business as usual in anything that we do, including NASA.

Mr. FUQUA. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I rise in strong support of the NASA authorization bill for fiscal year 1986, H.R. 1714, which is being brought to the floor today by the Committee on Science and Technology.

I congratulate the chairman of the full committee, the gentleman from Florida [Mr. FUQUA], and the chairman of the subcommittee, another gentleman from Florida [Mr. NELSON], for providing a well crafted and fiscally responsible bill.

In accomplishing this, we had the full support and the full cooperation of the minority, led by the senior Republican member, Mr. LUJAN from New Mexico, and the ranking member of the subcommittee, Mr. WALKER from Pennsylvania.

In particular, I want to commend the committee for two items that were highlighted in its report accompanying the bill (H. Rept. 99-32).

First, the committee stressed the need for the United States to have a vigorous development in remote sensing and the need for NASA and NOAA to cooperate in this matter.

I certainly support that.

Second, the committee strongly endorsed the International Biosphere/Geosphere Program, a program of research which would treat the Earth as a living system.

This program becomes more important as we are faced with problems—such as the carbon dioxide greenhouse effect—which are global in extent and which involve all systems of the Earth, it oceans, atmosphere and biosphere.

Let me now go into more detail about the two programs which I have mentioned. Both these programs will require significant interaction between NASA and NOAA and I want my colleagues to know that as chairman of the subcommittee which deals with NOAA's Atmospheric Research Programs, I intend to encourage them and ensure a great deal of cooperation between these two agencies.

Last year, our committee reported and Congress enacted the Land Remote-Sensing Commercialization Act of 1984, which became Public Law 98-365. Section 501(a) of that act directs NASA to continue and to enhance [its] programs of remote-sensing research and development. The most noteworthy recent event in NASA's Remote-Sensing Program has been its cancellation of virtually all of the work it was conducting on advanced technology using solid-state sensors, known as the multilinear array technology. Because of this, I have concluded that contrary to the legislative intent the agency has neither continued nor enhanced its Remote-Sensing Program. Certainly I do not see the vigorous program of R&D that was envisioned when we developed the language of Public Law 98-365.

At this point I want to make it very clear that I am not questioning the work that NASA is doing in this area, but rather the work it is not doing. In other words, the quality is acceptable, but the quantity is lacking. In particular, there seems to be much too little work on applications of remote sensing from space. If commercialization is ever going to succeed, there needs to be a great deal of research done on how this data from space can be of use here on Earth. The committee and I personally maintain great faith that this technology has the potential to be of great benefit to all mankind. But the benefits will not just happen without a great deal of hard work. And for this reason NASA must support the research, especially applications research, necessary to realize and achieve these potential benefits.

Section 501(e) of Public Law 98-365 calls for a national plan for research and development to be jointly developed by NOAA and NASA, and submitted to the Congress by July 17, 1985. I am looking forward to the timely receipt of this report and am urging NOAA to cooperate fully with NASA in its development.

In its report on H.R. 1714, which I fully support, the committee reiterated that it considered the Nation's remote sensing capabilities as an important national asset. Public Law 98-365 recognized this by providing that any commercial activity must operate so as to preserve the public interest and our national security. NASA's research activity should support this national asset just as NASA's Communications Research and Development program supports our national communications satellite industry.

Let me now turn my attention to the International Geosphere/Biosphere Program [IGBP], which is a proposed program of international and interdisciplinary research aimed at understanding the Earth as a living planet. More specifically, the program would seek to describe and understand, first, the interactive physcial, chemical, and biological processes that regulate the Earth's unique environment for life; second, the changes occuring in the system; and third, how these changes are influenced by human actions.

This idea surfaced as a U.S. initiative at the "Unispace '82" meeting in Vienna, Austria. It was advanced by activities at the National Research Council of the U.S. National Academy of Sciences, and last September was formally considered by the International Council of Scientific Unions [ICSU]. ICSU subsequently adopted a resolution to investigate the possibility of such a formal international research program and formed an advisory group to make a recommendation for its implementation at the next ICSU council meeting, which is scheduled for 1986. A U.S. committee on IGBP has been formed by the National Research Council to develop the U.S. proposal to ICSU. The committee report emphasizes the importance of IGBP and I want to associate myself strongly with that statement. The committee and I believe that as IGBP proceeds, observation of the Earth from space will become an integral component of the program. We encourage NASA to continue its research and development activities to support IGBP and also to continue supporting the Earth Systems Science Advisory Committee and the National Research Council Committee on the International Geosphere/Biosphere Program.

As chairman of the Subcommittee on Natural Resources, Agriculture Research and Environment, I intend to encourage NOAA to participate fully in this program.

Mr. Chairman, for all of the above reasons, I believe that this is a very good bill. It is forward looking and funds several important activites. I intend to support it and I urge my colleagues to do the same.

Mr. FUQUA. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. BOUCHER].

Mr. BOUCHER. Mr. Chairman, I want to take this opportunity to bring to the attention of our colleagues the committee's interest in second sourcing of the solid rocket booster propellant for the space shuttle.

The committee report to accompany H.R. 1714 includes language supporting NASA's investigation of a second source and encouraging the agency to determine whether such competition would produce significant savings in the Space Shuttle Program.

The administration has stressed repeatedly the value of competition as a mechanism to increase efficiency and reduce costs. Having reviewed this matter, I believe that the Solid Rocket Booster Program is an ideal candidate for implementing second sourcing. Hundreds of millions of dollars can be saved over the life of the Shuttle Program.

I eagerly anticipate NASA's report to the committee on this matter.

Mr. FUQUA. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. GORDON]

Mr. GORDON. Mr. Chairman, I would like to voice my support of H.R. 1714, the NASA authorization bill covering fiscal year 1986. The programs outlined in this authorization will allow us to maintain a balanced research and development effort in space transportation, space science, space applications, aeronautics, and space technology.

Before continuing, let me compliment Chairman FUQUA and the distinguished ranking Republican member from New Mexico, Mr. LUJAN, for their hard work and effort in bringing this fine bill to the House floor.

I would also like to congratulate Hon. Mr. NELSON, chairman of the Subcommittee on Space Science and Applications for his dedication and the firm hand he exercised in guiding the NASA bill through the hearings and markup process. The subcommittee minority, led by Mr. WALKER also displayed excellent team spirit in moving this legislation.

Mr. Chairman, my support of this bill comes with no reservations.

I am excited and pleased with the initial progress being made by NASA on the Space Station Program. The development of this multipurpose facility is essential to the future of this country's space science and space technology research programs. The scope of this project and the magnitude of the investment will require that NASA continue to exercise administrative vigilance through all phases of space station development to ensure that the ambitious objectives of this exciting program are achieved.

I am pleased with the inclusion of title II in the bill covering the pricing of shuttle services to commercial and foreign users for the 3-year period beginning October 1988. This title underscores the importance of our national goal to make the space transportation system available to commercial and foreign users at a price which encourages the full and effective use of space.

I also applaud NASA for its development of the Hitchiker, Spartan, and Get Away Special shuttle payload programs. These programs will provide scientists with more flexibility, at a lower cost, to conduct serious scientific research in space.

I strongly support the continued authorization of funding for NASA's Technology Utilization Program. Although the size of this program is relatively small, its importance in accelerating the transfer and application of advanced aeronautics and space technologies cannot be overstated. It is my firm belief that we must continue to look for ways to shorten the time between the development of new space technologies and their infusion into the broader national economy.

Finally, Mr. Chairman, I would like to commend NASA for recent actions taken in the area of space commercialization. This year NASA's Office of Commercial Programs hopes to provide seed money for three to six centers for the commercial development of space. It is my feeling that these centers will play a critical role in assisting the scientific and research communities in moving new ideas through the basic research phase into the marketplace.

I am pleased to see this kind of government encouragement in response to the increasing level of interest shown by private industry and the capital markets in commercial space activities.

The aerospace industry is clearly one of this Nation's high tech winners in the world market arena. The importance of this industry in general, and the civil aircraft sector in particular, to the U.S. economy must not be overlooked as we make decisions about our future directions. The export of civil aircraft, engines and parts continue to make a positive contribution to our balance of trade that is second only to agriculture.

Of the approximately three quarters of a million employees in the industry, nearly one-third are engineers and scientists, the highest ratio for any manufacturing industry. As both a developer and user of new technologies, the aviation industry, when healthy is a catalyst for technological advancement across a broad sector of nonaerospace industries. While usually described by listing a relatively few large manufacturers, the industry is in fact the summation of over 15,000 firms located in at least 40 States that make up the supplier base that is common for all aircraft development in the United States, both military and civilian.

The nationwide employment, the technical competence it represents, the major contributions to the GNP and the balance of trade and maybe most importantly, the self supporting industrial base for national defense use are all vital to the U.S. economy. These benefits all stem from the premier stature of our industry in world competition. A status that was achieved through the aggressive exploitation of new technology to provide superior products. A position that is now being eroded through the concerted efforts of foreign backed industries.

The continued health of the U.S. aeronautics industry is heavily dependent on the research and technology development conducted by NASA. As the technology level, the competition and the stakes in the world market grow, so does the importance of the NASA aeronautical research programs.

Mr. FUQUA. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 1714, the NASA fiscal year 1986 authorization bill. Programs within this authorization provide for continued research and development in space flight, space science, space applications, aeronautical and space research, and technology, and necessary supporting construction and administrative efforts.

Before continuing, I would like to take a moment to pay tribute to Chairman FUQUA and the distinguished senior Republican member from New Mexico, Mr. LUJAN, for their leadership in producing this fine bill and bringing it to the floor.

I would also like to congratulate our Chairman of the Subcommittee on Space Science and Applications, Mr. NELSON, for his hard work and dedication during the hearing and markup process. The support provided by the subcommittee minority, led by Mr. WALKER, also contributed significantly to this legislation.

Mr. Speaker, I would like to say a few words about why I support this bill with no reservations. The bill provides balanced support for the full spectrum of NASA's activities while observing the need for fiscal restraint.

I am particularly pleased with the funding level agreed to by the committee for the gravity probe-B experiment. This experiment is designed to test a particular effect predicted on Einstein's general theory of relativity and has received widespread support from the scientific community including endorsements from: the Presi-

dent's Scientific Advisor; several Nobel Prize scientists; various standing scientific advisory committees.

It is important to point out that the funding level recommended by the committee in fiscal year 1986 for the gravity probe-B experiment will enable NASA to conduct a test on the shuttle to determine if the delicate and expensive apparatus required for this experiment will work before committing funds to the full experiment.

I also strongly support the Hubble Space Telescope Program. The launch of this automated observatory in 1986 will improve our access to space for observation purposes by more than a hundredfold. In addition, this program will exercise the broad capabilities of the space transportation system for delivery, servicing, repair and retrieval of payloads from space. Finally, the contribution by the European Space Agency of certain space telescope hardware exemplifies the opportunities and benefits that accrue from including our international partners in space projects like the Hubble space telescope.

Mr. Chairman, I must make one final comment on the space station project. The space station initiative represents one of the most important decisions this country has ever made in space science and technology. Our decision to embark on the space station project today will enable us to achieve a permanent manned presence in space in the next decade. This investment will provide the capability to accelerate both our space science and applications programs as well as the commercial utilization of space. This investment is also consistent with our national objective of maintaining a leadership position in space science and technology.

Mr. Chairman I fully support this bill with no reservations and I urge my colleagues to join me in voting for it.

Mr. FUQUA. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I rise in support of H.R. 1714 which authorizes appropriations for NASA for fiscal year 1986. The distinguished chairman of the commitee, the Honorable DON FUQUA from Florida, has brought a strong bill to the floor and I want to commend him for his efforts and leadership on this matter of great importance.

I also want to recognize the dedicated efforts of the members of the Committee on Science and Technology and, in particular, the members of the Subcommittee on Space Science and Applications and its chairman, the Honorable BILL NELSON, for developing the bill before us today. The gentleman from Florida is to be congratulated for the leadership, patience, and legislative insight he has demonstrated in preparing this bill. I also want to acknowledge and commend the senior Republican member of the subcommittee, the Honorable ROBERT WALKER, for his efforts and cooperation on this legislation.

Mr. Chairman, NASA has achieved an unparalleled level of success over the years and has demonstrated, time and again, that it is among the finest and most competent organizations in this country and in the world. It has achieved this distinction as a result, in large part, of the strong support of the Congress. In this tradition, I urge all of my colleagues to support this excellent bill.

Mr. Chairman, I would now like to say a few words about some of the programs that are authorized funding by this bill.

It is my view that H.R. 1714 strikes an excellent balance between the need to maintain an adequate level of funding for such manned programs as the space shuttle and space station, while at the same time providing a healthy level of support for space science initiatives.

One such group of space science initiatives which I believe are particularly important are those that relate to the International Geosphere/Biosphere Program [IGBP]. This proposed program is a coordinated international research effort aimed at understanding the Earth as a living planet, including the investigation of such phenomena as the El Nino, large volcanic emissions that are injected into the atmosphere, and the "greenhouse effect" that can be caused by increasing atmospheric levels of carbon dioxide from burning fossil fuels. Many NASA activities authorized within this bill will contribute to the IGBP research program. Flight missions include the upper atmosphere research satellite [UARS], the ocean topography experiment [TOPEX], the Navy research ocean satellite system [NROSS]—which is a Navy satellite with a NASA instrument—the geopotential research mission [GRM], and the ocean color imager [OCI]. Also, NASA's interdisciplinary research program and its Goddard Institute of Space Science will contribute substantially to the science base of IGBP.

Other NASA space science and aeronautics programs are also providing significant economic benefits and long-term productivity advances to the Nation as a whole. Many direct advances in communication satellites, improved aircraft—including more energy efficient aircraft—remote sensing satellites, and other innovations have both improved the productive capacity of industry and stimulated the development and growth of many new businesses. Indirectly, through the development and dissemination of advanced technologies to U.S. firms, the spinoffs from the space and aeronautics programs have been applied in virtually every sector of the economy.

In the manned spaceflight arena, H.R. 1714 authorizes NASA to continue its efforts to conduct preliminary design and focused technology expansion in support of the development of a permanent manned space station. This station will add a whole new dimension in the ability of the United States to conduct space science research, in-space manufacturing, and on-orbit support of space-based assets. I believe that NASA is approaching this program in a logical, straightforward manner. In this regard, it is clear that a substantial amount of work remains to be done. For example, two new technologies that need to be developed to permit long-term economical operation of a permanently manned space station are: First, a closed; that is, regenerative, or partially closed life support system for the air and water used on the station; and second, a solar dynamic system that uses the heat from the Sun to make electrical power—rather then relying on less efficient solar cells which use sunlight to make electricity. Important technology development efforts such as these will be undertaken with the funding provided in this bill.

NASA is also devoting a substantial amount of time and attention to increasing the cost efficiency of the backbone of America's space program, the space shuttle. This includes efforts to increase the number of flights that can be completed by a fixed, or even reduced, level of manpower, as well as measures to directly reduce the cost of component parts. In the latter area, NASA is taking such measures as: First, encouraging contractors to set increased "learning curve" goals to reduce unit production costs; and second, conducting extensive research efforts to increase the operational lifetime of individual components such as engine turbo pumps. As more fully discussed in the report that accompanies this bill, I would also like to commend NASA for its current study of the potential for competitive procurement of solid rocket motors from a second production source to reduce space shuttle operating costs. The programs contained within this bill will continue to place emphasis on reducing space shuttle operating costs.

In summary, Mr. Chairman, I believe H.R. 1714 is a balanced and well formulated bill that will authorize programs which can provide substantial future benefits to the United States. Accordingly, I strongly recommend that this bill be overwhelmingly adopted.

Mr. LUJAN. Mr. Chairman, I yield my remaining 3 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in support of H.R. 1714.

An examination of the cooperative efforts between NASA and the Federal Aviation Administration reveals that although the charters of both agencies are very broad, the mutually supportive roles of those agencies have been well defined and should be clear to those who have an interest for budget or executive direction purposes. FAA has the responsibility to provide for the safe and efficient use of the Nation's airspace and for research and development in the air traffic and airways facilities area. This is being carried out aggressively in the development of a revitalized system described in the FAA national airspace plan. On the other hand, the FAA relies almost exclusively on NASA for conducting long term aeronautical research and technology development programs. NASA's programs provide a data base to the FAA for the better understanding to meet Government responsibilities regarding airworthiness certification, including structural concepts and materials, advanced aerodynamics, propulsion, controls and aircraft operating systems.

Under well-defined formal interagency agreements, NASA and FAA cooperative activities take advantage of the unique facilities and expertise at NASA to carry out research using applications and safety perspectives guidance provided by the FAA. An example of these types of activities are exemplified in the recently conducted full-scale transport controlled impact demonstration. The subject of the NASA-FAA cooperative activities cover the entire spectrum of the aeronautical disciplines and are continually changing as projects are completed and new ones addressing different problems are added. The number of outstanding activities reach over 50. There does exist a close relationship between NASA and FAA in safety-related research that helps assure that the Nation gets an efficient, well-focused program in this important area.

Mr. Speaker, I think it is important that we put things in perspective. Although we are calling for a $375 million increase in authorization over last year, I would say that that is a modest request. Keep in mind that we are at the same time standing idly by when the excise tax on cigarettes is going to be reduced 50 percent come October 1, from 16 cents a pack to 8 cents a pack. Every 1 penny in excise tax on cigarettes brings in $212 million. Now, if we just stopped that action, we will have $1.6 billion to deal with, pay for the increased authorization here, and have a billion and some change left over. Let's do it.

□ 1720

Mr. FUQUA. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Florida [Mr. FUQUA] has 1½ minutes remaining.

Mr. FUQUA. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ANDREWS].

Mr. ANDREWS. I thank the gentleman for yielding time to me.

Mr. Chairman, I first want to compliment my subcommittee chairman, Mr. NELSON, and my full committee chairman, Mr. FUQUA, for their strong leadership in keeping this authorization bill within the constraints of the President's request. We have made some modest changes in priorities, but the overall totals remain identical.

One of the major issues that has been addressed in this bill is that of shuttle pricing. This was a thorny issue, but the subcommittee held 2 days of hearings on the subject, heard from all interested parties, and made a decision based on input from these hearings as well as a number of private discussions. I believe that we have achieved the best balance in the price that has been determined for the 1989–91 timeframe that we can with all of the variables that had to be considered.

The space station is an exciting program that is backed by both the administration and the committee. We have authorized $230 million in this authorization bill to complete the preliminary design and technology expansion effort. This month NASA will award its first contracts for the design of this permanent space station. The space station will be the natural follow-on to the Shuttle Program and will not only be an exciting new phase for the United States, but will be a new challenge that will enable us to have a new level of capability in space.

The space station will serve as a docking facility for space vehicles such as the space shuttle as well as a permanent facility in space for scientific, technological, and commercial purposes. The upcoming phase B preliminary design for the space station is critical in order that all of the potential users can be accommodated. It will provide us with the confidence that the needed elements for the station can be produced within cost and schedule requirements.

In my own congressional district, the Johnson Space Center is the lead NASA center for the overall architecture and assembly structure, all of the integration of utilities, the docking structure, and other module outfitting. All of the NASA centers are involved in the definition and design of the space station. This is an exciting era for NASA. This is an exciting era for the United States and our international partners. New doors are opening and new concepts are emerging.

This authorization is a modest beginning for this exciting new era. With the budget constraints that we are facing, this bill is a masterful balance of our priorities—we cannot have everything that we would like, but we have chosen our priorities carefully.

Mr. FUQUA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I thank the gentleman for yielding me this time.

Mr. Chairman, there remain few programs in America as promising and important as our space program. I rise in strong support of H.R. 1714, the 1986 NASA budget authorization bill. As our Nation continues to demonstrate its leadership role in space exploration and development—and in the absence of an overall budget freeze—Congress should support a modest but necessary 5-percent increase in funding for NASA's program activities. I hope that the NASA budget increases for the last several years signals a new era of expansion in our nation's civilian space program.

Mr. Chairman, last year I supported and voted for an overall budget freeze. That could well be a good program for fiscal year 1986. But, in the absence of an overall freeze, NASA is hardly the place to cut. I am particularly enthusiastic about NASA's commitment to development of a permanently manned space station. Given the current rate at which Congress is funding design and research for the space station, it should be ready for operation in the early 1990's. Once deployed, the space station will promote a new generation of space travel, commercialization and cooperation.

A permanent manned space station will enable crew members to react instantly to data and observations, allowing them to make full and flexible use of a zero gravity laboratory environment. In such an environment we can look forward to producing new high purity drugs and crystals for advanced computer chips. Without a permanent or at least long-term presence in space, we cannot conduct biological testing on the effects of zero gravity on humans, and thus hope to undertake long-term manned missions in the future. The space station provides real hope to expansion of opportunities for our disabled citizens.

The space station represents all of the best elements in our civilian space program. In addition to allowing for greater space commercialization, the space station has generated an unprecedented opportunity for international cooperation. I hope that NASA will continue to work with Japan, Canada, and the European Space Agency in developing and financing space station components, reiterating our Nation's commitment to cooperating with other space faring-nations for peaceful purposes and promoting greater cost effectiveness in our own space program.

I would also like to remind my colleagues that as demand for use of our space shuttle increases every year, we should endorse the Science and Technology Committee's budget request, which provides $45 million more for shuttle structural spares than requested by the administration. In order for this Nation to carry out its civil and commercial space missions and space station activities, it should invest in a fifth shuttle orbiter. I would call my colleagues' attention to the committee report which states if the United States does not soon decide to build an additional orbiter, "the production base may have declined to such an extent that the country will no longer be able to build the vehicle for a reasonable amount of money."

The NASA Space Program has never failed to provide the public with continuous exposure to wonderous and useful scientific discoveries. Now that space is becoming more familiar and accessible, we must reassert our interest in exploring its endless boundaries. I would suggest that strong support for this bill will speak loudly for pursuing that goal.

Mr. FUQUA. Mr. Chairman, I yield the remainder of my time to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. I thank the gentleman for yielding this time to me.

Mr. Chairman, the legislation which first authorized the creation of the National Aeronautics and Space Administration directed NASA to achieve the broadest possible dissemination of the technology developed for space exploration. To help accomplish this directive, NASA has established its Technology Utilization Program, with Industrial Applications Centers located around the country to access NASA technology and put it into the hands of nonspace-related business and industry.

As a former member of the Space Science Subcommittee, I supported and encouraged NASA's IAC's and its Technology Utilization Program. But the more I studied, I began to realize that, despite all its good intentions, NASA was discriminating against rural America.

That is why several years ago, as a member of the Science and Technology Committee, I worked with the Space Science Subcommittee to direct NASA to establish a Rural Applications Team. This Rural Applications Team, which has been funded at only $140,000 the past 2 years, is working to not only identify the problems in rural America, but initiate the use of technology to solve rural economic and industrial problems. This program, which has only been in existence a few short years, is beginning to reap success.

That is why I am encouraged, Mr. Chairman, to see that the administration has sought, and this committee has authorized, an additional $1.6 million for the TU Program. I would like to ask the chairman and members of this committee to make sure that rural America, through the Rural Applications Team, receives its fair share and appropriate increase. I would also like to work with you in the near future to see what opportunity exists to make the Rural Applications Team a part of legislative language.

● Mr. LAGOMARSINO. Mr. Chairman, I rise in support of H.R. 1714, the NASA authorization for fiscal year 1986, and to congratulate the committee for its work on the bill.

We have here an exceptional piece of legislation—an authorization bill for a major agency which is virtually identical, at least in price, to the President's request.

It's an excellent bill. It authorizes a level of funding for the space shuttle which allows the program to continue at a pace tailored to its mission and capabilities. And it allows for future expansion of those capabilities via a fifth orbiter by keeping the production line intact. The Shuttle Program is now entering its most productive years. In 1986, the second shuttle spaceport will begin operations at Vandenberg Air Force Base in California, providing the Shuttle Program with a polar orbital capability for the first time and opening new possibilities for Earth research and national security.

The bill also continues the Space Station Program initiated last year, moving into phase B of the program—the development of detailed definition and design. The space station is inextricably linked to the space shuttle, and its deployment in the next decade will bring us to a new frontier of knowledge and capability in space.

For the first time, this Nation will have a year-round presence in space, and a staging station for future voyages beyond near space. The benefits—technological, scientific, medical, and industrial, as well as in national security—are bound to be even more numerous than we can foresee today.

Finally, the bill provides a reasonable level of funding for research and development in physics and astronomy, planetary exploration, life sciences, space applications, technology and other fields which have kept us on the cutting edge of science, technology, and economic development here on Earth.

It's truly an outstanding result of the efforts of all involved, and I urge an "aye" vote.●

● Mr. TORRICELLI. Mr. Chairman, I would like to congratulate my committee chairman, Mr. FUQUA, and my subcommittee chairman, Mr. NELSON, for the masterful job that they have done to keep this authorization bill within the budget constraints of the administration request. Although we have changed some of the priorities, this is a good bill and I would urge my colleagues to support it.

We are entering a new era for NASA. As the Shuttle Program is shifting from research and development into operations, the commercial potential will begin to be realized. With this in mind, an Office of Commercial Programs was established in NASA last year to support new commercial high technology ventures. The office is also responsible for the support of new commercial applications of existing technology and the transfer of existing space programs to the private sector.

This authorizing legislation increases the funding for the commercial use of space from the current level of $8.5 million to $20 million—about a 235-percent increase—for fiscal year 1986. Although this is $10 million less than NASA requested, the subcommittee felt that the funding recommended was more than adequate considering the maturity of the program.

As we are able to increase industry investment and participation in high technology, the position of the United States can only be enhanced worldwide. Several efforts were begun in this fiscal year that will be carried on and expanded in fiscal year 1986. Centers for the Commercial Development of Space were established; NASA facilities and equipment were made more readily available for private use; and joint NASA and private sector research for commercial applications were stimulated.

Last year, NASA Administrator Jim Beggs stated, in a speech to a Syracuse University audience—

> In the remaining 16 years of this century, there is no question that space will be the arena for expanding commercial activity in many areas, including communications satellites, launch vehicles and launch services, upper stage systems, industrial and scientific experimentations and manufacturing.

The efforts being put forth by NASA are designed to encourage significant private investments in commercial enterprises that take advantage of the unique characteristics of space, such as vacuum, microgravity, and radiation.

The Commercial Space Launch Act which was passed in the last Congress also established an Office of Commercial Space in the Department of Transportation. This office was set up to help private companies cut through the Federal redtape and to expedite the commercial use of space. Recently, this office granted its first license to a private company and is well on its way to opening these new frontiers to the private sector.

We offer a very balanced bill here today. Although there are modest changes in priorities from those requested by the administration and NASA, we are still at the same bottom

line. I would like to urge my colleagues to support this carefully constructed authorization bill.●

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule by titles, and each title shall be considered as having been read.

The Clerk will designate section I.

The text of section I is as follows:

Be it enacted by the Senate and House of Represenatives of the United States of America in Congress assembled, That this Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1986".

The CHAIRMAN. The Clerk will designate title I.

The text of title I is as follows:

TITLE I—NASA AUTHORIZATION

SEC. 101. That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1985:

(a) For "Research and development," for the following programs:

(1) Space station, $230,000,000;

(2) Space transportation capability development, $444,300,000;

(3) Physics and astronomy, $637,400,000;

(4) Life sciences, $72,000,000;

(5) Planetary exploration, $359,000,000;

(6) Space applications, $550,800,000;

(7) Technology utilization, $11,100,000;

(8) Commercial use of space, $20,000,000;

(9) Aeronautical research and technology, $354,000,000;

(10) Spece research and technology, $168,000,000;

(11) Tracking and data advanced systems, $16,200,000.

(b) For "Space flight, control and data communications," for the following programs:

(1) Space shuttle production and operational capability, $1,011,500,000;

(2) Space transportation operations, $1,715,100,000;

(3) Space and ground network, communications and data systems, $803,300,000.

(c) For "Construction of facilities," including land acquisition, as follows:

(1) Space transportation facilities at various locations as follows:

(A) Construction of orbiter modification and refurbishment facility, John F. Kennedy Space Center, $14,000,000;

(B) Construction of thermal protection system facility, John F. Kennedy Space Center, $3,600,000;

(C) Modifications for advanced technology engine test stand S-1C, George C. Marshall Space Flight Center, $6,500,000;

(D) Modification for enhanced life support systems testing, Lyndon B. Johnson Space Center, $1,100,000;

(E) Modifications to Pad A payload changeout room, John F. Kennedy Space Center, $2,200,000;

(F) Modifications to space shuttle main engine support systems, National Space Technology Laboratories, $2,500,000;

(2) Space shuttle payload facilities at various locations as follows:

(A) Construction of payload control rooms, John F. Kennedy Space Center, $1,200,000;

(B) Construction of spacecraft systems development and integration facility, Goddard Space Flight Center, $8,000,000;

(3) Construction of additions to research projects laboratory, Goddard Space Flight Center, $3,800,000;

(4) Construction of microdevices laboratory, Jet Propulsion Laboratory, $8,900,000;

(5) Construction of numerical aerodynamic simulation facility, Ames Research Center, $8,200,000;

(6) Modifications to the sixteen-foot transonic tunnel for improved productivity and research capability, Langley Research Center, $4,900,000;

(7) Modification of 64-meter antenna, DSS-14, Goldstone, California, $8,500,000;

(8) Modification of 64-meter antenna, DSS-43, Canberra, Australia, $8,900,000;

(9) Repair of facilities at various locations, not in excess of $750,000 per project, $22,000,000;

(10) Rehabilitation and modification of facilities at various locations, not in excess of $750,000 per project, $27,000,000;

(11) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $500,000 per project, $6,000,000; and

(12) Facility planning and design not otherwise provided for, $12,000,000.

Notwithstanding paragraph (1) through (12) of this subsection, the total amount authorized by this subsection shall not exceed $148,300,000.

(d) For "Research and program management," $1,345,000,000.

(e) Notwithstanding the provisions of subsection 101(h), appropriations hereby authorized for "Research and development" and "Space flight, control and data communications" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" and "Space flight, control and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $500,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate of the nature, location, and estimated cost of such facility.

(f) When so specified and to the extent provided in an appropriation Act, (1) any amount appropriated for "Research and development," for "Space flight, control and data communications" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(g) Appropriations made pursuant to subsection 101(d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and his determination shall be final and conclusive upon the accounting officers of the Government.

(h) Of the funds appropriated pursuant to subsections 101(a), 101(b), and 101(d), not in excess of $100,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and for repair, rehabilitation, or modification of facilities: *Provided,* That, of the funds appropriated pursuant to subsection 101(a) or 101(b), not in excess of $500,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

SEC. 102. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (11), inclusive, of subsection 101(c)—

(1) in the discretion of the Administrator or his designee, may be varied upward 10 per centum, or

(2) following a report by the Administrator or his designee to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on the circumstances of such action, may be varied upward 25 per centum, to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 103. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 101(a) or 101(b) hereof may be transferred to and merged with the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of funds appropriated pursuant to subsection 101(c) hereof (other than funds appropriated pursuant to paragraph (12) of such subsection) shall be available for expenditure to construct, expand, and modify laboratories and other installations at any location (including locations specified in subsection 101(c)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless a period of thirty days has passed after the administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and the Committee on Science and Technology of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a written report containing a full and complete statement concerning (i) the

nature of such construction, expansion, or modification, (ii) the cost thereof including the cost of any real estate action pertaining thereto, and (iii) the reason why such construction, expansion, or modification is necessary in the national interest.

SEC. 104. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Technology or the Senate Committee on Commerce, Science, and Transportation,

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by subsections 101 (a), (b), and (d), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to either such committee,

unless a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

SEC. 105. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 106. Hereafter, the Inspector General of the National Aeronautics and Space Administration is authorized to administer to or take from any person an oath, affirmation or affidavit, whenever necessary in the performance of the functions assigned by the Inspector General Act of 1978, as amended, 5 U.S.C. App., which oath, affirmation, or affidavit, when administered or taken by or before an investigator or such other employee of the Office of Inspector General designated by the Inspector General shall have the same force and effect as if administered or taken by or before an officer having a seal.

SEC. 107. Title III of the National Aeronautics and Space Act of 1958, as amended, is amended by adding at the end of section 305 the following new subsection:

"(m) Any invention made or used in outer space on a space vehicle (including satellites, platforms, and other orbiting vehicles, manned or unmanned, together with related equipment, devices, components and parts) under the jurisdiction or control of the United States shall be considered made or used in the United States for the purposes of title 35, United States Code. This subsection shall not apply to any process, machine, article of manufacture or composition of matter, an embodiment of which was first made or used in outer space prior to the effective date of this Act.".

SEC. 108. The authorization for space shuttle production and operational capability includes provisions for the production activities necessary to provide for a fleet of four space shuttle orbiters, including the production of structural and component spares, necessary to ensure confident and cost effective operation of the four orbiter fleet as well as provisions for maintaining production readiness (particularly critical skills needed for production and installation of electrical, mechanical, and fluid systems) for a fifth orbiter vehicle.

SEC. 109. Title II of the National Aeronautics and Space Administration Authorization Act, 1985, is amended as follows: In section 204(c), change "twelve months" to "eighteen months".

SEC. 110. Within ninety days of the enactment of this Act the Administrator shall review those recommendations of the President's Private Sector Survey on Cost Control and shall submit a report to the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science and Transportation of the Senate on the implementation status of each such recommendations which affects the National Aeronautics and Space Administration and which are within the authority and control of the Administrator.

SEC. 111. The Administrator shall initiate an immediate feasibility study and such planning efforts as may be necessary to ensure a timely flight opportunity for a physically disabled American.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will designate the first committee amendment.

Mr. FUQUA. Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the committee amendments is as follows:

Committee amendments: Page 11, strike line 7 through 19.

Page 11, line 20, strike "108" and insert "107".

Page 12, line 4, strike "109" and insert "108".

Page 12, line 8, strike "110" and insert "109".

Page 12, line 11, after "control" insert "and such other recommendations as may be included in the OMB report "Management of the United States Government—1986"."

Page 12, line 21, strike "111" and insert "110".

The CHAIRMAN. The gentleman from Florida [Mr. FUQUA] is recognized for 5 minutes.

Mr. FUQUA. Mr. Chairman, just to briefly explain the amendments.

These two amendments reflect action that was taken in the full committee. The first amendment, deletes provisions in section 107 relating to patent rights in outer space. We found that we needed more time to study this issue and work with the Judiciary Committee in resolving matters that related to patent rights. We decided to delete that until another time, and bring it up in another bill.

Section 109 adds further language. The bill includes language relating to the Grace Commission recommendations. We expand that language to include the recommendations of the General Accounting Office and the Office of Management and Budget and other reports that have been made for cost effectiveness in Government. They are two good amendments, and were approved unanimously in the committee. I urge their adoption.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MRS. MEYERS OF KANSAS

Mrs. MEYERS of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MEYERS of Kansas: Page 3, line 4, strike out "$1,011,500,000" and insert in lieu thereof "$976,500,000".

Page 2, line 13, strike out "$444,300,000" and insert in lieu thereof "$459,300,000".

Mrs. MEYERS of Kansas. Mr. Chairman, I would like to make it clear that I do support H.R. 1714; that I think the chairman and the ranking member of the committee do an excellent job, and that the subcommittee chairman and ranking subcommittee member do an outstanding job.

Mr. Chairman, I rise to offer an amendment to title I of H.R. 1714, the NASA authorization bill for fiscal year 1986.

What this amendment does is really very simple: it takes the $45 million added to the structural spares program by the committee and redistributes the bulk of it to other important programs which were cut by the committee. It also saves the taxpayer a full $20 million, by achieving a net reduction in the total authorization for NASA. In no way will this amendment hurt our Space Shuttle Program.

This amendment, has the full support of the administration, NASA, and of many member of the subcommittee.

I have 435 copies of a "Statement of Administration Policy" at the desk for my colleagues.

Let me take a moment to tell you what this amendment will not do.

This amendment will not cancel our option to have a fifth orbiter, should the need arise. It will not shut down the production lines for structural spare parts for the space shuttle. It will not hurt the U.S. Space Program one bit; in fact, this amendment will make the program stronger by restoring some cuts in the Shuttle Program made by the committee.

As you may know, there are two kinds of spare parts programs in the NASA budget: In one program are the funds used to buy spare parts in case we need them to repair existing orbiters, and in the other are the funds used to buy structural spare parts for repair and to preserve the option to buy a fifth shuttle orbiter. To date, NASA's Administrator has said he foresees no immediate need for a fifth

orbiter. In fact, there is great concern that, if anything, the demand in the next 10 years for launches will decrease, rather than increase.

In this bill we already have $100 million for spare parts for the shuttle in case repairs are needed; we also already have a total of $120 million for structural spare parts in case of accident we decide that we need a fifth orbiter.

My amendment does not concern either of these two sums. My amendment will leave the $220 million for spare parts for the orbiter intact.

What my amendment does do, however, is to take out the extra $45 million that the committee added to the existing $220 million for spare parts. What this amendment does is to take that extra money and put it back in places that the committee got it from in the first place when it shuffled funds around in the NASA budget request.

It is not as if my proposed amendment runs contrary to the will of all the members of the House Science and Technology Committee. This amendment was suggested at subcommittee level and offered at full committee level. The debate was heated and the vote was fairly close. I believe that this issue is important enough to be brought to the attention of the full House.

I have at the desk 435 copies of a letter written to me by Mr. Jim Beggs, the current Administrator of the National Aeronautics and Space Administration. In his letter, the NASA Administrator makes it quite clear that he does not want—nor does he need—the $45 million added to the structural spares program by the committee. In his words, he would prefer it if we restored some of the funding for the other space shuttle programs that the committee cut when it marked up the NASA bill.

All of us know that times are tough and money is tight. I believe that it is critically important that when we spend money, we spend it in the most efficient way possible. And, that is why I have proposed this amendment.

Let me take a moment to lay out the facts of the case.

Fact: According to the Administrator of NASA himself, the additional $45 million is not required for spare parts. If you doubt my words, please get a copy of the letter at the desk.

Fact: This amendment does not kill the fifth orbiter should we decide that we need one: there is already $120 million in the budget to keep that option open.

Fact: The additional $45 million is not necessary to keep the production lines open at the Palmdale, CA, plant. Passage of my amendment will not cause us to lose employees with expertise in shuttle production. Employees involved in this aspect of the Shuttle Program will continue to work on other defense contracts critical to our Nation's security. Should we need a fifth orbiter, we will have the experienced people to build it.

Fact: The Downey, CA, production line will remain open and structural spares will be produced and stored there. These parts can be used in case of accident or to prepare for assembly of an eventual fifth, should the need for a fifth orbiter arise in the future.

Fact: According to Administrator Jim Beggs himself, "there is no demonstrable need for a fifth orbiter."

Fact: According to Administrator Beggs, should the need for a fifth orbiter arise, NASA would make a substantial funding request to Congress to fund the fifth. In the words of Mr. Beggs himself, "Even if we did need a fifth, the $45 million in structural spares added by the committee wouldn't make much of a difference."

Mr. Chairman, my point is a very simple one: we cannot afford to spend hard-earned taxpayer dollars on unnecessary programs.

This amendment would take $25 million from the $45 million that was added and distribute it the following way: $10 million to restore funds that were cut in the Space Shuttle Program and operations capability line item and $15 million would go back into the space transportation capability and development item. These items carry with them a higher priority and certainly deserve to be in this budget. We would under this amendment, achieve an overall budget reduction of $20 million.

Mr. Chairman, I want to be very sure that my amendment is not misinterpreted as an antishuttle amendment or as an antispace amendment. I lend my wholehearted support to the Space Program. I know that an investment in space and space-related technologies is one of the soundest economic investments that we can make. Current figures indicate that for every $1 invested, we get a return of anywhere from $7 to $14. The Space Program is good for our economy and good for our Nation as a whole.

The $45 million in question, however, is not.

For these reasons, Mr. Chairman, I urge that my colleagues support my amendment. My amendment has broad, bipartisan support and will do the Space Program good—in the long run and in the short run. I urge my colleagues to support me in my effort to pass a fiscally responsible bill.

In closing, Mr. Chairman, I include the text of the letter to me from Mr. Beggs for insertion in the RECORD immediately following my remarks:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, April 1, 1985.

Hon. JAN MEYERS,
House of Representatives
Washington, DC.

DEAR MS. MEYERS: NASA proposed the Structural Spares Program for the Shuttle Program in FY 84; there was, however, a small relative amount spent for the program in 1983. In the the FY 1985 budget, Congress added $40M to our $120M requested, and the Space Science and Technology Committee has proposed another $45M to the $120M requested in FY 1986, which raised the all year total of $460M to $505M. We believe the additional $45M is not required to complete the program and would prefer that the funds remain in the accounts as they were originally proposed.

It should be further noted that we will be spending several hundred million over the next several years purchasing the operational spares for the shuttle.

We would be distressed if additional monies were allotted to the Space Science budget in FY86 since our budget request for the Space Science and Applications received the largest increase of any budget segment within NASA.

I hope this clarifies the Agency position on these important appropriation issues.

Sincerely,

JAMES M. BEGGS,
Administrator.

AMENDMENT OFFERED BY MR. WALKER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MRS. MEYERS OF KANSAS

Mr. WALKER. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentlewoman from Kansas [Mrs. MEYERS].

The Clerk read as follows:

Amendment offered by Mr. WALKER as a substitute for the amendment offered by Mrs. MEYERS of Kansas: On page 5, line 17, strike "1,345,000,000" and insert in lieu thereof "$1,300,000,000".

Mr. WALKER. Mr. Chairman, it is apparent from the letter that the gentlewoman from Kansas has read that the NASA administration, the Administrator, feels as though $45 million can be saved in this budget. OMB has brought forth a position which indicates that $45 million can be saved.

The issue here is whether or not you want to save the money by taking it out of any chance we have of having a fifth orbiter, a or whether you want to take it out of the hides of bureaucrats. What my amendment says is: Let us save the whole $45 million but let us eliminate bureaucrats. Let us save the option of the fifth orbiter and let us cut some bureaucrats.

It seems to me that is a better option. It seems to me that what we have here is an opportunity to save the option for the fifth orbiter. We think it is extremely important, having studied this matter for the last several years, that preserving the option for the fifth orbiter is very, very important if you look toward the future of the space station. So, therefore, what my amendment does is, it

says let us keep that in place but take the money out of administration at NASA.

The difference between my amendment and the amendment offered by the gentlewoman is that she saves a total of $20 million, and this amendment saves the whole $45 million. The total $45 million in savings would be in this amendment; whereas, there would only be an actual savings of $20 million in her amendment because she programmed some money the other way.

So I would hope the committee, knowing that NASA and OMB feel that we can save $45 million, will preserve our option here of keeping the fifth orbiter, but will do it by having us take it out of administration rather than away from the Shuttle Program.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Florida.

Mr. FUQUA. I thank the gentleman for yielding.

Mr. Chairman, I would like to say that the gentleman has shared the amendment with us. We have discussed it and I am prepared to accept the gentleman's amendment in light of events. I think it is a good amendment in this particular case.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Let us not move so fast in accepting that amendment. I do not want it to just go on unanswered.

What the gentlewoman has proposed is that we take the $45 million out. The reason she has said that is because she has been told by NASA, in writing, that that is all right; that the $45 million can be done away with. But what she has done that is not being done by the gentleman from Pennsylvania in his amendment is she is taking the money that was cut to arrive at that $45 million in some of those programs, and those were launch and mission support, systems upgrading which reduces the weight and makes more efficient the system, which is exactly what the gentleman from Pennsylvania is talking about, those are the things that we want to move on ahead with.

The $5 million for space lab she is putting back in. Payload operations support equipment, the tethered satellite. Those are all very desirable things that the subcommittee cut in order to be able to put the $45 million on the spare parts for the shuttle.

That is really not quite fair. You want your cake and you want to eat it, too. You want to keep the $45 million there. You want to reduce those programs that you did not particularly like. And it is always very popular to attack a bureaucrat and say, "Hey, let us take it out of there." Let us take both of them out if that is what the gentleman wants to do. But I think the gentlewoman has some logic in saying let us take it from the add-ons and put it back to the deductions that the subcommittee made.

So I do not want to leave with the impression that everybody has agreed to what the gentleman is doing. Let me just quote, if I may, from a letter from NASA which says:

> We believe the additional $45 million is not required to complete the program and would prefer that the funds remain in the accounts as they were originally proposed.

This is the Administrator from NASA saying that. We would like them in those places where they were originally proposed. The gentlewoman from Kansas is saying exactly that. We are not going to give you everything.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. Mr. Chairman, I would continue to yield to the gentleman from New Mexico. I would like to be able to reply to the gentleman.

Mr. LUJAN. I thank the gentleman for yielding further to me.

So, Mr. Chairman, that is exactly what the gentlewoman is doing. She is complying with what the NASA policy is.

Furthermore, the letter from the Administrator of NASA goes on to say:

> It should be further noted that we will be spending several hundred million dollars over the next several years purchasing the operational spares for the shuttle.

□ 1740

What he is saying is that we have $220 million now, and we will be spending several hundred million later on. Give us the money back for some of those programs that we think are important.

Mr. WALKER. Mr. Chairman, I understand the gentleman's point. The gentleman is in fact defending the NASA position over the congressional position, and that is perfectly appropriate. That is what the gentlewoman from Kansas has brought to the floor.

It is my contention that we in the Congress also have some ability to determine the priorities in this budget. That is exactly what we have done. We feel strongly that it is important to have the option of the fifth orbiter. I would contend the gentlewoman's amendment is well intentioned, but it does in fact cancel out the option of this orbiter. If we do so, we are doing it knowingly, and I do not think that is the direction in which we ought to proceed.

I think it is extremely important to retain that option. I think it is important enough to retain that option that I am willing to rearrange priorities within NASA in such a way that we eliminate bureaucratic overhead in favor of keeping the option of the fifth orbiter. That is precisely what my amendment will do. I think it makes some sense, then, to go in that particular direction rather than to do as the gentlewoman has proposed, save the money by going back to the OMB–NASA priorities that came to our committee.

That is really all my amendment seeks to do, and it ends up saving us in fact more money than what is in the gentlewoman's amendment. It seems to me that that in itself, since the argument was made that we ought to be fiscally prudent here on the floor, says to us, "OK, take the option that saves the most money." That is the fiscally prudent thing to do.

Mrs. MEYERS of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentlewoman from Kansas.

Mrs. MEYERS of Kansas. Mr. Chairman, as much respect as I have for the ranking member of the Space Subcommittee, I do think that this amendment is somewhat destructive. I do not think that we should take $45 million from administrative salaries. I think there is some unhappiness with NASA over the position because I know there are two strongly held beliefs here—well, there actually is one strongly held belief, and that is that should we need the fifth orbiter, we would have it.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, I continue to yield to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Chairman, the argument is that should we need the fifth orbiter, it will be there. Mr. Beggs wants that, the gentleman from Pennsylvania [Mr. WALKER] wants that, and the gentleman from Florida [Mr. FUQUA] wants that. The way we are going to get there is what is different, and Mr. Beggs is saying that when they need a fifth orbiter, they will request $200 million or $300 million a year over a 2-year or 3-year period because it is an enormously expensive project, and that setting aside $45 million in spare parts will not accomplish the goal. I think that is clearly where the difference in thinking is.

Mr. WALKER. Mr. Chairman, let me say to the gentlewoman that when you cancel out the $45 million at the front end of the production lines, you

in fact cancel out that option. At that point, yes, it would be $200 million or $300 million, but as a matter of fact later it would be $500 million or $600 million because you are going to have to recreate the production lines that will be lost as a result of this particular amendment.

The gentlewoman is correct that some of the production lines stay open. The problem is that we are now in the process of shutting off the front end of those production lines and moving down the stream. It is the front end of the lines that the $45 million will preserve. The loss of the $45 million will assure that those will be shut down and will have to be recreated, and that would make the fifth orbiter infinitely more expensive. It ends up being a penny-wise, pound-foolish kind of approach if we really do think we will have to go to a fifth orbiter because it will assure that that fifth orbiter will cost us infinitely more money in the end.

We think it is important to preserve the option of a cost-effective fifth orbiter, and that is precisely what my amendment would achieve. It would leave the $45 million in place that has the cost-effectiveness in the fifth orbiter as its main mission, and it will take the money out of administrative costs.

I would remind the gentlewoman that there is over $1.3 billion there in administrative costs, so it seems to me that that may be the place where we could achieve some of these savings.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. BROWN of California. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] and in support of the original amendment offered by the gentlewoman from Kansas [Mrs. MEYERS].

The issue before us has been very well explained by the gentlewoman from Kansas. What the subcommittee did—and it was, of course, a bipartisan action—was to add $45 million, which had the net effect, at least in the eyes of the supporters of the action, of continuing the option for a fifth orbiter for another few months.

There are many of us who have supported the shuttle for a long time and who supported not only a fifth, but a sixth, and a seventh orbiter, at some time in the past. We now know that so many orbiters are unnecessary, but we want to keep our options to make mistakes open as long as possible, and that is what this amounts to.

There is a parallel situation to this, and I hate to bring it up, but it is the zeal with which the Congress retained its option to build the Clinch River breeder reactor years after the economic justification for it had passed. So we should confront this head-on. There is no economic justification for the fifth orbiter.

Since we began the process of determining what the manifest would be out into the next 10 years, we have progressively reduced the prospective loads on the shuttle orbiters. We had originally hoped it would take seven to carry all these loads, and we had in mind a huge number of communications satellites, with all of the Defense Department loads which we could imagine and all the great scientific projects we were going to do.

And what has happened? The Defense Department has received permission to use expendable launch vehicles. That wiped out 10 percent of the load. ARIANE has come in with a cheaper launch for communications satellites. They took 50 percent of that load last year. The budget for new science starts has been drastically slashed. We do not have the number of new science starts. We are going to be building shuttles, if we go to the fifth orbiter, to park them in a garage out in California and use them as part of a museum or something. I do not think that is what we ought to be doing in these times of budgetary austerity which some of my friends delight in talking about so much.

Therefore, I think the sensible thing to do is to adopt the amendment offered by the gentlewoman from Kansas [Mrs. MEYERS] and reject the obvious amendment offered by the gentleman from Pennsylvania which was leaped on with great alacrity by the chairman of the committee because he hopes it would forestall an even deeper cut later on. That is not the way we ought to play games here on the floor of the House.

Let us vote the amendment offered by the gentlewoman from Kansas up or down on its merits. I happen to think it is extremely meritorious. I am a cosponsor of it, as a matter of fact, and supported it in the full committee. We should face the reality of the fact that the direction we are moving in has removed the need for the fifth orbiter, and let us save that $45 million.

I think that the administrator, Mr. Beggs, has been overly generous in putting $220 million in this budget to protect the assembly line for spare parts and for structural spares. We are not going to need most of those and we will probably save some money there if we do not insist on loading this bill up with extra amounts like $45 million. I think the administrator probably will cut some money out of these accounts. Of course, it is my hope that he will put it in some of the programs I have mentioned, the science programs and the solar exploration program and some of the others. He may not want to do that. But let us realistically face this political choice. If we do, it will be one of the few times we do realistically face anything around here. We should vote down the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] and adopt the amendment offered by the gentlewoman from Kansas [Mrs. MEYERS].

Mr. MONSON. Mr. Chairman, I move to strike the last word, and I rise in support of the substitute amendment.

Mr. Chairman, this bill came out of committee without adding to the anticipated deficits from the administration's budget. Those who have worked so diligently deserve a lot of credit for this.

Almost daily, additions are made to spending proposals that would go a few million dollars beyond our anticipated deficit here, and a few million dollars there, soon adding to billions. Not only has this committee not added further to this problem, but it has taken steps to help in stimulating a study of ways in which spending might be reduced in the future.

Looking into the possibility of more competition and providing needed elements of space exploration is one example. The inspiration to America, the economic stimulus that new technology brings and the educational opportunities that are developed, all persuade me that this is a good investment of our tax dollars.

Too often in the past we have seen America take the lead only to see other nations capitalize on our development because we do not follow through on our commitment.

The substitute amendment accomplishes a reduction without causing us to put in jeopardy a program we are not ready to make a decision on. An accented possibility or the future space station needs both argue for the need to keep open a fifth orbiter option until we have the information required to make such a decision. If keeping this option open would add further to our anticipated deficits, I would be the first to oppose it.

What this substitute amendment does is saves us the $45 million in question, preserves the prerogatives of Congress to determine priorities for our agencies and allows us to keep open an option that is vital to our space program.

Mrs. SCHNEIDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment being offered by my colleague, the gentlewoman from Kansas [Mrs. MEYERS].

I would say that this amendment, I had the opportunity to offer this amendment in the committee. As Mrs. MEYERS had already indicated, it was a heated debate, but I will say that afterward the overwhelming majority

of the Members there indicated that they felt we were in the right.

I think it is important that we reiterate the fact that this is an effort to direct our energies toward fiscal restraint, toward making major measures or major steps toward reducing the deficit and the fact that Mr. Beggs and the administration is not enthused about spending this money this year, I see that this is a reasonable, commonsense approach, toward using our money most wisely for this program.

Mr. LOWERY of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for the 4 years prior to the start of the current Congress I had the honor to serve as a member of the Science and Technology Committee and its Subcommittee on Space Science and Applications. During those 4 years I have attended numerous hearings at which the need for a fifth orbiter and viable structural spares program were thoroughly debated.

As a result of those extensive hearings, I have become fairly knowledgeable on these issues and have strongly supported the past and present initiatives of the committee to ensure that this Nation maintains a viable option to build a fifth orbiter.

Mr. Chairman, this country has devoted a lot of time and resources to developing a reuseable space launch vehicle that is unparalleled anywhere in the world. This vehicle, especially when used in conjuction with the space station, will usher in a whole new era of living and working in space. Indeed, with the space shuttle we will be able to service and repair malfunctioning satellites that are in orbit, manufacture exciting new drugs and materials that cannot be produced on the Earth, and provide a more economical access to space for Government, civilian, and foreign payloads.

However, Mr. Chairman, if the full potential of the space shuttle is to be realized, the size of the orbiter fleet will have to be adequate to service the demands that will arise over the next two decades.

Originally, the Orbiter fleet was to have comprised seven vehicles. Later, this was scaled back to five and then, during the Carter administration, to four. Mr. Chairman, I am convinced that a fleet of only four Orbiters will not be sufficient to provide the flexibility and degree of access to space that this country will need in the future.

The administration is now in the process of deciding whether or not it believes a fifth space shuttle Orbiter is required. It is my strong belief that if the Congress does not supply this funding augmentation to the structural spares budget, then the option to build a fifth orbiter at an affordable price will no longer be available.

In closing, Mr. Chairman, I believe that this $45 million funding augmentation is prudent and necessary. To not provide these funds would be shortsighted and could foreclose an option that I am certain we would come to regret for many years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] as a substitute for the amendment offered by the gentlewoman from Kansas [Mrs. MEYERS].

The question was taken; and on a division (demanded by Mrs. MEYERS) there were—ayes 15; noes 12.

Mrs. MEYERS of Kansas. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 47]

ANSWERED "PRESENT"—407

Ackerman	Broyhill	DioGuardi
Addabbo	Bruce	Dixon
Akaka	Bryant	Donnelly
Alexander	Burton (CA)	Dorgan (ND)
Anderson	Burton (IN)	Dornan (CA)
Andrews	Bustamante	Dowdy
Annunzio	Byron	Downey
Anthony	Callahan	Dreier
Applegate	Campbell	Duncan
Armey	Carney	Durbin
Aspin	Carper	Dwyer
Atkins	Carr	Dymally
Badham	Chandler	Dyson
Barnard	Chappell	Early
Barnes	Chappie	Eckart (OH)
Bartlett	Cheney	Eckert (NY)
Barton	Clinger	Edgar
Bateman	Coats	Edwards (CA)
Bates	Cobey	Edwards (OK)
Bedell	Coble	Emerson
Beilenson	Coelho	English
Bennett	Coleman (MO)	Erdreich
Bentley	Coleman (TX)	Evans (IA)
Bereuter	Collins	Evans (IL)
Berman	Combest	Fascell
Bevill	Conte	Fawell
Biaggi	Conyers	Fazio
Biliraki	Cooper	Feighan
Bliley	Coughlin	Fiedler
Boehlert	Coyne	Fields
Boggs	Craig	Fish
Boland	Crane	Flippo
Boner (TN)	Crockett	Florio
Bonior (MI)	Daniel	Foglietta
Bonker	Dannemeyer	Foley
Borski	Darden	Ford (MI)
Bosco	Daschle	Ford (TN)
Boucher	Daub	Fowler
Boulter	Davis	Frank
Boxer	de la Garza	Franklin
Breaux	DeLay	Frenzel
Brooks	Derrick	Frost
Broomfield	DeWine	Fuqua
Brown (CA)	Dickinson	Gallo
Brown (CO)	Dicks	Garcia
Gaydos	Martinez	Scheuer
Gejdenson	Matsui	Schneider
Gekas	Mavroules	Schuette
Gephardt	Mazzoli	Schulze
Gilman	McCain	Schumer
Gingrich	McCandless	Seiberling
Glickman	McCurdy	Sensenbrenner
Gonzalez	McDade	Sharp
Goodling	McEwen	Shaw
Gordon	McGrath	Shelby
Gradison	McHugh	Shumway
Gray (IL)	McKernan	Shuster
Gray (PA)	McKinney	Sikorski
Green	McMillan	Siljander
Gregg	Meyers	Sisisky
Grotberg	Mica	Skeen
Guarini	Michel	Skelton
Gunderson	Mikulski	Slattery
Hall (OH)	Miller (CA)	Slaughter
Hall, Sam	Miller (OH)	Smith (FL)
Hamilton	Miller (WA)	Smith (IA)
Hammerschmidt	Mineta	Smith (NE)
Hansen	Mitchell	Smith (NH)
Hatcher	Moakley	Smith (NJ)
Hawkins	Molinari	Smith, Denny
Hayes	Mollohan	Smith, Robert
Hefner	Monson	Snowe
Heftel	Montgomery	Snyder
Hendon	Moody	Solarz
Henry	Moore	Solomon
Hertel	Moorhead	Spence
Hiler	Morrison (CT)	Spratt
Hillis	Morrison (WA)	Staggers
Holt	Mrazek	Stallings
Hopkins	Murphy	Stangeland
Horton	Murtha	Stenholm
Howard	Myers	Stokes
Hoyer	Natcher	Strang
Hubbard	Neal	Stratton
Huckaby	Nelson	Studds
Hughes	Nichols	Stump
Hunter	Nielson	Sundquist
Hutto	Nowak	Sweeney
Hyde	O'Brien	Swift
Ireland	Oakar	Swindall
Jacobs	Oberstar	Synar
Jeffords	Obey	Tallon
Johnson	Olin	Tauke
Jones (NC)	Owens	Tauzin
Jones (OK)	Oxley	Taylor
Jones (TN)	Packard	Thomas (CA)
Kanjorski	Panetta	Thomas (GA)
Kaptur	Parris	Torres
Kasich	Pashayan	Torricelli
Kastenmeier	Pease	Towns
Kemp	Penny	Traficant
Kennelly	Pepper	Traxler
Kildee	Perkins	Udall
Kleczka	Petri	Valentine
Kostmayer	Pickle	Vander Jagt
Kramer	Porter	Vento
LaFalce	Price	Visclosky
Lagomarsino	Pursell	Volkmer
Lantos	Quillen	Vucanovich
Leach (IA)	Rahall	Walgren
Leath (TX)	Rangel	Walker
Lehman (CA)	Ray	Watkins
Lehman (FL)	Regula	Waxman
Leland	Reid	Weaver
Lent	Richardson	Weber
Levin (MI)	Ridge	Weiss
Levine (CA)	Rinaldo	Wheat
Lewis (CA)	Ritter	Whitehurst
Lewis (FL)	Roberts	Whitley
Lightfoot	Robinson	Whittaker
Lipinski	Rodino	Whitten
Livingston	Roe	Williams
Lloyd	Roemer	Wirth
Loeffler	Rogers	Wise
Lott	Rose	Wolf
Lowery (CA)	Rostenkowski	Wolpe
Lowry (WA)	Roth	Wortley
Lujan	Roukema	Wright
Lungren	Rowland (CT)	Wyden
Mack	Rowland (GA)	Wylie
MacKay	Roybal	Yatron
Madigan	Russo	Young (AK)
Markey	Sabo	Young (FL)
Marlenee	Savage	Young (MO)
Martin (IL)	Saxton	Zschau
Martin (NY)	Schaefer	

□ 1810

The CHAIRMAN. Four hundred and seven Members have answered to their

names. A quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentlewoman from Kansas [Mrs. MEYERS] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 288, noes 127, not voting 17, as follows:

[Roll No. 48]

AYES—288

Akaka	Evans (IL)	Lott
Alexander	Fascell	Lowery (CA)
Anderson	Fazio	Lowry (WA)
Andrews	Feighan	Lungren
Anthony	Fiedler	Mack
Applegate	Fields	MacKay
Archer	Fish	Manton
Armey	Flippo	Martin (IL)
Atkins	Florio	Martin (NY)
Badham	Foglietta	Martinez
Barnard	Foley	Mavroules
Bartlett	Ford (MI)	Mazzoli
Barton	Fowler	McCain
Bates	Franklin	McCandless
Bennett	Frenzel	McCurdy
Bereuter	Frost	McDade
Bevill	Fuqua	McEwen
Biaggi	Gaydos	McGrath
Bilirakis	Gejdenson	McKernan
Bliley	Gekas	McMillan
Boggs	Gephardt	Mica
Boner (TN)	Gibbons	Michel
Bonker	Gilman	Mineta
Borski	Gingrich	Moakley
Boucher	Glickman	Molinari
Boulter	Goodling	Mollohan
Breaux	Gordon	Monson
Broomfield	Gradison	Montgomery
Brown (CO)	Gregg	Moore
Broyhill	Grotberg	Morrison (WA)
Bruce	Guarini	Mrazek
Bryant	Hall (OH)	Murphy
Bustamante	Hall, Ralph	Myers
Callahan	Hall, Sam	Natcher
Campbell	Hamilton	Neal
Carper	Hammerschmidt	Nelson
Carr	Hansen	Nichols
Chappell	Hatcher	Nielson
Chappie	Hefner	Nowak
Cheney	Heftel	Oakar
Clinger	Hendon	Oberstar
Coats	Hertel	Obey
Cobey	Hiler	Oxley
Coble	Hillis	Packard
Coelho	Hopkins	Panetta
Coleman (TX)	Horton	Pashayan
Combest	Hubbard	Penny
Cooper	Huckaby	Pepper
Coughlin	Hughes	Perkins
Coyne	Hunter	Petri
Craig	Hutto	Pickle
Crane	Ireland	Porter
Daniel	Jeffords	Quillen
Dannemeyer	Jenkins	Ray
Darden	Jones (NC)	Regula
Daschle	Jones (OK)	Ridge
Daub	Jones (TN)	Robinson
Davis	Kanjorski	Roe
de la Garza	Kasich	Roemer
DeLay	Kemp	Rogers
Derrick	Kindness	Rose
Dickinson	Kramer	Rostenkowski
Dicks	LaFalce	Roth
DioGuardi	Lagomarsino	Roukema
Donnelly	Lantos	Rowland (CT)
Dorgan (ND)	Leath (TX)	Rowland (GA)
Dowdy	Lehman (CA)	Sabo
Downey	Lehman (FL)	Savage
Dreier	Leland	Schaefer
Duncan	Lent	Scheuer
Durbin	Levin (MI)	Schuette
Dwyer	Levine (CA)	Schulze
Eckart (OH)	Lewis (CA)	Schumer
Eckert (NY)	Lewis (FL)	Sensenbrenner
Edwards (OK)	Lipinski	Sharp
Emerson	Livingston	Shaw
English	Lloyd	Shelby
Erdreich	Loeffler	Shumway
Shuster	Stump	Vucanovich
Siljander	Sundquist	Walker
Sisisky	Sweeney	Watkins
Slattery	Swift	Waxman
Slaughter	Swindall	Weaver
Smith (FL)	Synar	Weber
Smith (IA)	Tallon	Whitley
Smith (NE)	Tauzin	Whitten
Smith (NJ)	Taylor	Wirth
Smith, Denny	Thomas (CA)	Wise
Snyder	Thomas (GA)	Wortley
Solarz	Torricelli	Wright
Solomon	Traficant	Wyden
Spratt	Traxler	Wylie
Staggers	Udall	Yatron
Stallings	Valentine	Young (FL)
Stangeland	Vander Jagt	Young (MO)
Stenholm	Volkmer	Zschau

NOES—127

Ackerman	Gonzalez	Pursell
Addabbo	Gray (IL)	Rahall
Annunzio	Gray (PA)	Rangel
Aspin	Green	Reid
Barnes	Gunderson	Richardson
Bateman	Hawkins	Rinaldo
Bedell	Hayes	Ritter
Bellenson	Henry	Roberts
Bentley	Holt	Rodino
Berman	Howard	Roybal
Boehlert	Hoyer	Russo
Boland	Hyde	Saxton
Bonior (MI)	Jacobs	Schneider
Bosco	Johnson	Seiberling
Boxer	Kaptur	Sikorski
Brooks	Kastenmeier	Skeen
Brown (CA)	Kennelly	Skelton
Burton (CA)	Kildee	Smith (NH)
Burton (IN)	Kleczka	Smith, Robert
Byron	Kostmayer	Snowe
Carney	Leach (IA)	Spence
Chandler	Lightfoot	St Germain
Clay	Lujan	Stark
Coleman (MO)	Madigan	Stokes
Collins	Markey	Strang
Conte	Marlenee	Stratton
Conyers	Matsui	Studds
Crockett	McHugh	Tauke
DeWine	McKinney	Torres
Dingell	Meyers	Towns
Dixon	Mikulski	Vento
Dornan (CA)	Miller (CA)	Visclosky
Dymally	Miller (OH)	Walgren
Dyson	Miller (WA)	Weiss
Early	Mitchell	Wheat
Edgar	Moorhead	Whitehurst
Edwards (CA)	Morrison (CT)	Whittaker
Evans (IA)	O'Brien	Williams
Fawell	Olin	Wolf
Ford (TN)	Owens	Wolpe
Frank	Parris	Young (AK)
Gallo	Pease	
Garcia	Price	

NOT VOTING—17

AuCoin	Latta	Ortiz
Courter	Luken	Rudd
Dellums	Lundine	Schroeder
Hartnett	McCollum	Wilson
Kolbe	Moody	Yates
Kolter	Murtha	

□ 1820

Mr. LIGHTFOOT, Mr. SIKORSKI, Mrs. BYRON, Ms. MIKULSKI, Mr. HOYER, and Mr. MARKEY changed their votes from "aye" to "no."

Mr. MARKEY and Mr. HENDON changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Kansas [Mrs. MEYERS], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. MORRISON OF CONNECTICUT

Mr. MORRISON of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Connecticut: Page 7, after line 20, insert the following new subsection:

(i) Notwithstanding the preceding provisions of this section, the total amount authorized to be appropriated by subsections (a), (b), (c), and (d) shall not exceed $7,510,700,000.

Mr. MORRISON of Connecticut (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MORRISON of Connecticut. Mr. Chairman, the amendment that I am offering with the gentleman from Michigan [Mr. PURSELL] provides the House with the first opportunity to speak out in favor of freezing our expenditures in fiscal year 1986. In particular, this amendment reduces the authorization level for NASA from the $7.841 billion in the bill, as amended on the last vote, to $7,510,700,000, the amount which was appropriated, including supplemental appropriations, in fiscal year 1985.

It is not my intent to single out the NASA budget. However, this is the first major authorization bill for fiscal year 1986 to come before this House and we should not lose this opportunity to stand up for deficit reduction.

Many Members of this House, myself included, and in particular, also, the gentleman from Michigan [Mr. PURSELL], believe that the time to start to implement the freeze on spending is now.

Obviously, there is a budget resolution still to come. Ultimately, it may decide this question. But we do not know we are going to get to a budget resolution. We do not know when we are going to get to act on the whole question of the Federal budget. But this is an opportunity for us to act now, and we should not avoid that responsibility or postpone our day of reckoning. If we cannot apply the logic of a budget freeze across the board, we are not going to get at the problem of the Federal deficit.

What this amendment would require is that NASA in 1986 spend no more dollars than we appropriated to it in fiscal year 1985. This amendment does not make the priority judgments about where this cut should come.

□ 1830

The decision about where the cuts should be applied is going to be made either by further action by this House

on a conference report or by the Administrator of NASA. They are not being made by this amendment.

This is a vote on overall spending levels; not on the priorities with respect to the budget. This is not an attack on the hard work by the committee and its members, its chairman and ranking members who have labored to set appropriate priorities. I respect their efforts, but I think we must start by freezing dollar levels all across our budget if we are going to get our budget deficit under control.

Increases, with respect to our expenditures, are going to have to be paid for. They have to be paid for either by higher taxes or cuts somewhere else. I do not believe that people in this House will support the kinds of cuts in student loans, cuts in housing programs, cuts in mass transit assistance, cuts in agricultural programs and the like that would have to be made in order to find the funds to supply the extra $330 million, which would be authorized without this amendment.

The approach to spending that I am proposing is the kind of approach that I believe we are going to have to be using across the board in our budget. Our failure to do it now at the start will be a signal of our unwillingness to do it down the road. I think this is an opportune time for the House to speak its will. In addition, what we vote here will send a message to our Budget Committee about what this House is prepared to do, so that the Budget Committee, in coming forward with its recommendations, will be able to understand the House's willingness to make the tough choices that need to be made.

The committee has come in essentially with the President's level on this budget. I do not think this House is prepared to adopt the President's budget as proposed. We shouldn't start the process by adopting the first of the President's budget proposals and putting ourselves in the circumstance of not being able to respond to the desperate need to do something about the budget deficit.

The CHAIRMAN. The time of the gentleman from Connecticut [Mr. MORRISON] has expired.

(By unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 5 additional minutes.)

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman.

Mr. PURSELL. I thank the gentleman for yielding to me.

Mr. Chairman, I want to say very briefly, I know the hour is late, we have engagements, commitments for the evening, I support the Morrison-Pursell amendment. I think we are going to see a trend of amendments coming up in the future with regard to authorizations and appropriations bills in which many of us feel very strongly this year that we would like to maintain a budget authority freeze across the entire budget: Defense, domestic, and other programs related to some off-budget items.

I congratulate the gentleman from Connecticut. He has been a leader in this freeze movement. Maybe it is not enough, totally, to achieve a $50 billion deficit, but this is a start. So, 5 percent in this budget from the authorized level, 1985, to hold the figure at the 1985 level, is appropriate for this House to support today.

I would ask the Members on behalf of this country and for all of us, taxpayers alike, that we endorse this amendment and vote yes on the Morrison amendment.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman.

Mr. FUQUA. I thank the gentleman for yielding.

Mr. Chairman, I want to inquire of the gentleman; that I understand the philosophy behind the amendment is a freeze, to go back to the fiscal year 1985 budget numbers?

Mr. MORRISON of Connecticut. The gentleman is correct.

Mr. FUQUA. Now, what would the position of the gentleman be, and also the gentleman from Michigan, of those budgets that have been submitted to the Congress, the President's budget, that are below the fiscal year 1985 funding level. The 1986 budget is below the 1985 budget. Is it your intention to bring those budgets up to the 1985 level?

Mr. MORRISON of Connecticut. No. I personally do not have a particular position overall on each of those matters. I think they have to be decided on their own merits. However, I do believe that they should not in general be brought up above the level of 1985 expenditures.

There may be others who have different positions on that question, and they will have to decide that at the time. But the principle is that if we are going to do anything about this budget deficit, we are going to have to be able to hold the line. Perhaps we can do better than hold the line; there may be some areas where we can save additional funds. I am not proposing that that be done with respect to the NASA budget; I think people think it is a priority, but not so much of a priority that we can be starting here to spend additional funds for fiscal year 1986.

Mr. FUQUA. I thank the gentleman.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from Iowa.

Mr. TAUKE. I commend the gentleman for offering this amendment. I think it sends a very powerful message to not only the general public, but also the appropriate committees in Congress.

It is essential that we set as policy that we are not going to go above last year's spending levels on these discretionary programs. Because I do not notice too many people running around here embracing the President's budget cuts. I have not embraced all of them either, and I do not know anybody else who has.

If we start using his budget increases as our standard when we bring bills to the floor, we are going to be in deep, deep trouble when we come to other measures later on. If we are going to deal with the deficit in a responsible way, we have to freeze across the board and make additional cuts where necessary and where it is feasible.

I do not think asking for a freeze in this program is asking for anything that we do not want to have applied to other programs that will be brought before us.

I commend the gentleman for a very powerful statement on one of the first issues out of the chute.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman.

Mr. McKINNEY. I would like to congratulate my colleague from Connecticut, and simply state we do not know if there is going to be a budget; we know we have not accepted the President's budget. This is the first authorization. If we are going to live up to what I hear all of us saying, "fairness, and hold the line and cut the deficit," it is going to have to be done authorization by authorization.

When NASA comes up to us with an appropriation, it will be lumped with a great many other subjects. I congratulate the gentleman; I certainly intend to vote for his amendment. There should be no exception in any program that comes before this Congress, including the military, in going over the 1985 budget.

Mrs. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentlewoman.

Mrs. JOHNSON. I thank the gentleman.

Mr. Chairman, I want to congratulate the gentleman from Connecticut and the gentleman from Michigan on a very powerful and important amendment. When people from all walks of life come into my office and say we can live with a freeze, and they are the very people who are out there on the front lines trying to meet the needs of people with very real and desperate needs, that is an indication to me that we are united in this Nation in at least one thing and that is that we are facing a crisis here in Washington.

If we do not begin to address that crisis bill by bill, appropriation by appropriation, we will not succeed in retaining the vitality and the growth that we have achieved in the last year, turning around the trade deficit and assuring the future of this country.

I congratulate the gentlemen and support their amendment.

Mr. MORRISON of Connecticut. I thank the gentlewoman for her very strong words of support.

I think in the kind of expressions that we are hearing in support of this amendment, we have an opportunity to start on what is going to be a long and difficult road to deal honestly with the deficit problem. I think that this is a first opportunity, and it certainly will not be the last, but if we do not send the message today I do not think we will get the opportunities in the future to deal with this in an equitable, evenhanded, and appropriate way.

I urge that you support the amendment.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, last September, Mr. MACKAY and I came before this body and offered an across-the-board freeze substitute amendment to the budget resolution. We only received 108 votes in favor of it. It was an idea whose time had not come. Today, it seems to be an idea whose time is beginning to come, and when the budget resolution comes to the floor, I hope that we will recognize that its time has come.

If that is the will of this body, then NASA, as well as Defense, as well as all of the other agencies of Government should sacrifice together, tighten their belts in an across-the-board freeze. Why am I opposing this amendment today? I am because that policy has not been set, and the one agency that you start to send off the wrong signal in cutting it back $375 million, is the one agency that is advancing our science and technology which is the future of this country, which is the future of our economic competitiveness in the world markets, which is the future of giving our people vision, which is the future of the country.

□ 1840

I wish that the process were such as it is supposed to be where the budget resolution comes first, we express that overall budget philosophy, and then we come along and flesh it out in our authorization and appropriations bills. That has not been able to be the case.

Because of the delay in the budget on the Senate side, the fact that we are coming with the first authorization bill here, it is not the right signal to say that we are not going to press the frontiers of knowledge, that we are not going to move industrialization into space, that we are not going to move pharmaceutical manufacturing that will find those wonder drugs for those dread diseases here on Earth. That is the wrong signal for us to send out.

If at some future time we adopt a budget resolution that freezes across the board, which I will support, and if the Budget Committee does not come forth, I will offer as a substitute, then I think it is incumbent on all of these agencies of Government that we make them toe the line and tighten up. But this is the wrong signal to send here.

The specific increase is a $230 million item, which is the second year of the design and definition of the permanently manned space station, a station that, if in Earth orbit by 1992, the 500th year of the landing of Columbus and the discovery of the New World, we will have manufacturing in space, we will develop a $60 billion industry of commercialization by the turn of the century, and ladies and gentleman, that is where we want this country to go.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I congratulate the gentleman from Florida on his earlier statement with respect to the budget freeze amendments. The time is now, the game is different, and the Americans are looking for that deficit reduction.

What we are saying is we want to be fair across the board. You cannot protect a program and PURSELL another program, and another Member of Congress XYZ program. If we do that, we will never achieve that deficit reduction. We will never abide by the principle of an across-the-board cut. So let us be consistent today. This is the first big authorization bill on the floor.

Let us see where the test is today, that we can really face up to the deficit, be consistent, and tell every voter in Florida, Michigan, and anywhere else in this Nation that we want to be consistent and fair so that we treat every special interest group and everyone who is on the Federal dollar, and one out of every three Americans is now taking some subsidy from the Federal Government, that we want to treat everyone alike, but we all want to achieve the $50-billion deficit reduction.

The CHAIRMAN. The time of the gentleman from Florida [Mr. NELSON] has expired.

(By unanimous consent, Mr. NELSON of Florida was allowed to proceed for 1 additional minute.)

Mr. NELSON of Florida. I would just respond, before I yield to the gentleman from Connecticut, I wish the gentleman from Michigan had been consistent and supported the budget freeze substitute last year.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman. I want to tell the gentleman I voted with him and supported him on his freeze last time and I am going to be with him this year as well. I think we are going to have to start now.

I think it is important to recognize that in fiscal year 1981, the funding level for the NASA was $5 billion. This proposal will still have the NASA funding level $2½ billion above what it was in 1981, while many other programs in the discretionary category have suffered cuts.

So we are not sending the wrong signal. We have been sending the right signal that NASA can grow and develop, but this is the year when the signal for everyone is that we are going to have to freeze.

Mr. NELSON of Florida. To the contrary, the purchasing power of the dollars allocated to NASA as compared back to the year 1981 is $500 million less.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement, and the gentleman from Connecticut for his statement. I was one of those 108 who stood up last year and tried to do this. You are right. It is an idea whose time has come. Like you, I invite everybody to join the Wright bandwagon this year.

Mr. NELSON of Florida. I thank the gentleman.

Mr. LUJAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut.

Mr. Chairman, this amendment is shortsighted. If you are really concerned about the future of the United States, this is not where we ought to cut.

How do we reduce that deficit? We are all interested in reducing the deficit. We reduce it by increasing the economic activity in this country, and what does this budget do? This budget takes us into a new frontier, into better ways of doing things, research into new engines that will save energy, research in avionics. What industry is there that produces such a positive balance of trade for the United States other than the aviation industry?

The economic benefits of this program, of this research that we are doing, Mr. Chairman, for every dollar

invested, it returns from $7 to $14. What do we get from it? Why do I say that it is an investment? We get such things as heart monitors for patients who have been in intensive care and are beginning to move out of intensive care. We get new medicine, new medicines for diabetes, for arthritis, yes, even for cancer. Time release implants for medication. Miniaturization of computers. That is where we make money. That is where the taxes will come from to balance that budget. Lightweight materials. Ceramics so we do not have to depend on foreign material.

Let me just say in conclusion, Mr. Chairman, that such a cut will seriously damage our progress and I would hope that this House turns down that amendment.

AMENDMENT OFFERED BY MR. WALKER TO THE AMENDMENT OFFERED BY MR. MORRISON OF CONNECTICUT

Mr. WALKER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER to the amendment offered by Mr. MORRISON of Connecticut: On line 4 following "$7,510,700,000." add the following: "*Provided, however,* That none of the reductions caused by this subsection shall be made in activities related to commercial space development."

Mr. WALKER. Mr. Chairman, if we are to proceed with the freeze concept, and I think some of the people here who have made the arguments make them very articulately not just about this program but that they are going to make all of these cuts in the future, and I assure them that I will be out here making certain that if they do not do it, that they get done.

But the point here is that I think that we do not have to accept, though, the 1985 priorities. The President set forth some very specific priorities in his budget. He said that it is time to move toward commerical development of outer space, and he said that based upon some very important economic figures.

Chase Econometrics has taken a look at what space development means. The adoption of this amendment, or this amendment by Mr. MORRISON, if it is to come out of commercial space activities, will result in the loss of 320,000 jobs, according to Chase Econometrics. It will result in a $9.2 billion loss in gross national product, according to the figures of Chase Econometrics.

I do not know about you, but I do not have a district and I do not think very many people have districts that can afford a job loss of 320,000 jobs or a loss of GNP of $9.2 billion.

Where does that come from? Chase Econometrics says that for every billion dollars extra investment by the Federal Government in space, it results in the creation of 800,000 jobs, or it increases the gross national product by $23 billion.

□ 1850

The $375 million in this amendment works out to the kind of figures I just discussed.

What does my amendment do? My amendment says, "If you want to freeze, OK, fine, freeze. Get the $375 million, but don't do it in a way that eliminates jobs and eliminates GNP. Keep the commercial space development. Keep the future intact. Make certain we continue to move into outer space aggressively and create jobs and create a real future."

So my amendment is an amendment that says, "Keep the space station in place. Keep going forward on that because that is the commercial future. Keep the commercial space office fully funded, because that is where the jobs are. Make certain that we continue the progress toward jobs."

It would be a shame to come on this floor with freeze-type amendments that in fact undercut the economy of this country. I am afraid that unless we adopt an amendment such as the one I offer here, that is exactly what we are going to be doing in the NASA budget.

So I would plead with the Members, if we are going to freeze, let us go ahead and freeze, but let us save 320,000 jobs. If we are going to freeze, let us save $9.2 billion in GNP. Let us at least do that and adopt some of the President's priorities about economic growth in the future rather than simply adopting the priorities of 1985 in the freeze-type approach.

Mr. Chairman, I yield back the balance of my time.

Mr. GLICKMAN. Mr. Chairman, I rise in opposition to the Walker amendment and in support of the Morrison amendment.

First of all Mr. Chairman, I want the Members to know that if they support the Walker amendment, they will be supporting only commercial space development really, because what he does is he takes all the cuts out of planetary sciences, astronomy, life sciences, and aeronautics and puts it all into commercial space development. That is really a ridiculous thing to be doing for the future of the country, as the gentleman from New Mexico [Mr. LUJAN] said. So I would urge the Members to vote against the Walker amendment.

Let me tell the Members something. This is really a tough issue for me because I am a subcommittee chairman of this committee, and I have got a lot of jurisdiction, including $700 million in the aeronautics budget. But I have been around the country advocating a freeze, and it has got to start somewhere.

My colleague, the gentleman from Florida, talked about the signals, that this is a bad signal to send. I will be honest. I think it is a worse signal to send if we start exempting all of our programs out until we get a budget resolution. We may never get a budget resolution. I hope we do. I hope the gentleman from Pennsylvania [Mr. GRAY] is able to provide one.

But those cuts must start somewhere, and if it does not start in an area which affects me in my aeronautics budget, where is it going to start? It is going to start nowhere because no one will ever be willing to provide it.

The question is, can NASA give a few hundred million dollars in its budget without crippling itself? My best guess is, yes, they can give a few hundred million dollars in their budget without crippling themselves.

I do not like the amendment. I think that it is an across-the-board amendment. It has got some irresponsible character to it. But we have a crisis in America, and the crisis is that we are bleeding to death because of high deficits, and if we do not start here, we will never start anywhere.

So, Mr. Chairman, I urge the Members today to vote against the Walker amendment. It is highly irresponsible. It will work against the scientific advance of this country. And, reluctantly, I urge the Members to vote for the Morrison amendment.

Mr. PACKARD. Mr. Chairman, I move to strike the last word, and I rise in opposition to the substitute amendment as well as the original amendment.

Mr. Chairman, on the floor of the House is not the appropriate place for us to pick and choose what programs are going to remain funded and what programs are not. That is the job of the subcommittee and the job of the committee, and I feel our committees have done an excellent job in bringing this bill to the floor of the House.

I personally think that the worst thing we could do, if we want to implement a freeze program, which I have supported all along, would be to do it on a piecemeal basis by which we relegate to the Members of this Congress the right to pick and choose what programs they wish to freeze and what programs they wish to disregard as far as the deficits are concerned.

I think if we are going to freeze, we are going to have to have an across-the-board freeze, and this is not the way to do it, to take the first bill where the President has suggested an increase and freeze, with the expectation that in the future every other bill and every other program will be frozen, too. I am convinced the Congress will not act responsibly in following through with subsequent requests for a freeze, and for that reason I believe that it would be a mistake to

freeze this program when it is perceived by both the committee and the subcommittees and the administration to be a valuable enough program to call for increases at this particular time, expecting that there would be a freeze in the future.

Mr. Chairman, I yield back the balance of my time.

Mr. PORTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say to the Members of the House that I have been talking lately to everyone who will listen: what $200 billion deficits going out to infinity will do to our children. In the 5 years that I have been privileged to be a Member of this body, the Congress has added $1 trillion of debt to the $1 trillion that was already there, and it will reach $2 trillion very soon. The numbers get so large that sometimes it becomes mind boggling.

But let me put it in perspective for the Members. What this $2 trillion of debt will mean is that every one of our children will pay $100,000 in extra taxes during their productive lives just to carry the interest cost. Last year's $200 billion of deficit is going to cost each one of our children $10,000 more to pay just to carry the interest on that deficit.

What does that mean? That means that our children and our grandchildren can no longer have the same economic opportunities to grow in a free society that you and I have had and that our parents have had—unless we do something to stop this drenching of red ink. Already, young people look forward to a Social Security system that is going to give them back 75 cents on the dollar. By contrast, the people who are retiring today receive $3 or more on every dollar they invested.

Already, young people cannot buy a home because interest rates are so high. They are so high because we in the Congress cannot clean our fiscal house and cannot bring down this deficit and bring down interest rates to give them the same opportunities that we had.

Mr. Chairman, there is only one way that we are ever going to take hold of this problem. That is to freeze every program and every authorization at last year's level, and then work our way down to getting the budget into balance.

I think NASA can survive on $7 billion. I think they can do it at least for 1 year.

Mr. Chairman, I urge the Members to adopt the original Morrison amendment, and I commend the gentleman from Connecticut for offering it.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me just say that I am not going to take much time of the committee, and I can hardly add much to the "profile in courage" that the gentleman from Kansas [Mr. GLICKMAN] gave us just a few minutes ago. But for the past 4 years I have heard the same arguments as chairman of the Budget Committee, that it is never the time to start the serious act of deficit reduction.

It is going to be very difficult for this Congress this year to pass a budget resolution. I think if all of us would reflect upon what our constitutents are telling us, we would know they are telling us that "We are willing to share in the sacrifice to move toward a balanced budget, and we will accept a cut if everybody else is treated the same way."

That is a freeze resolution. It has to start somewhere. We can do much to advance the budget process by starting it here tonight and passing this freeze amendment of the gentleman from Connecticut [Mr. MORRISON] and the gentleman from Michigan [Mr. PURSELL]. I hope that we will put our votes where so many of us have put our rhetoric and vote for the Morrison amendment.

□ 1900

Mr. PORTER. I commend the gentleman from Oklahoma for that statement, also one of courage. There is no way to get at this except to say no to increases in spending.

I would urge adoption of the amendment offered by the gentleman from Connecticut [Mr. MORRISON].

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am willing to support a freeze. I have only one qualification on that, and that is that it be a freeze that extends across the board.

I am not a profile in courage. It does not make too much difference to me in my district which way I vote on this, but I like to be consistent.

I favor actually a larger budget for NASA. I think it can be justified, but I would support a freeze if it is applied across the board.

Now, this is not going to be the courageous vote that some of you have said it is going to be. It is going to be a popular vote and a lot of you are going to get on it, because it is going to be popular.

Where it is going to be hard is when you get to the defense budget up here.

I ask you now, are you willing to really be courageous and recognize that when you vote for a freeze here, you have committed yourself to a freeze across the board?

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I will be happy to yield.

Mr. PURSELL. I cannot speak for all the Members here, but I know many on this side of the aisle are prepared to vote yes on a defense budget freeze across the board.

Mr. PACKARD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I would be happy to yield to my friend, the gentleman from California.

Mr. PACKARD. Mr. Chairman, I commend the gentleman from California on his statement. I believe there are many of us here who have already indicated a commitment to that concept, but I think it is a two-edged sword. You would also have to commit on the other side of the aisle that when social programs and entitlement programs come before this body, that they, too, would be frozen.

Mr. CHANDLER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I would be happy to yield to the gentleman.

Mr. CHANDLER. Mr. Chairman, I appreciate the gentleman yielding and I really appreciate the comments of the gentleman from California.

I spoke earlier. I want to be associated with them, with the gentleman from Michigan [Mr. PURSELL] and the gentleman from Oklahoma [Mr. JONES]. If we do not start tonight, if there is not the perception of fairness, when we do get to something like the gentleman is saying, like defense or a real cruncher, Social Security, the ball game is over. If you cannot start tonight, you are not going to make it.

Mr. BROWN of California. Well, I wanted to raise this, Mr. Chairman, because I want all of us to know where the courage is really going to be required. On this side it is going to be on the social issues. You know that.

On that side, it is going to be the defense issue.

Now, properly speaking, these policies should be resolved in the normal course of events in our budget committee and brought to us in a way that we can take a vote as to what we want to do.

As the distinguished gentleman from Oklahoma has indicated, that may not happen, and if it does not, we are going to have to take the action that is required here on the floor; but I am very reluctant personally to start it with this bill without the assurance that we are going to have the kind of discipline that is indicated and the kind of courage that is indicated in voting for a freeze across the board when these more difficult issues come up.

I do not think this vote is difficult. I think you can vote for a freeze here and think, well, it really does not commit me to do anything else, or I can vote not for a freeze here and say

that I will vote for it later on down the line when I see the picture.

I am convinced personally that we should support the administration's request on this bill, which is not unreasonable, and that we should if we later decide to have an across-the-board freeze cut it back in the Appropriations Committee, which is the proper place to do it.

The CHAIRMAN. All time has expired.

PARLIAMENTARY INQUIRY

Mr. MORRISON of Connecticut. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MORRISON of Connecticut. Mr. Chairman, the parliamentary situation here is that the first vote, as I understand it, is on the Walker amendment and not on the freeze itself, is that correct; regardless of the disposition of the Walker amendment, there will be a separate vote on the freeze, is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. MORRISON of Connecticut. I thank the Chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] to the amendment offered by the gentleman from Connecticut [Mr. MORRISON].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. MORRISON).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

If not the Clerk will designate title II.

The text of title II is as follows:

TITLE II—SHUTTLE PRICING POLICY FOR COMMERCIAL AND FOREIGN USERS

FINDINGS

SEC. 201. The Congress finds and declares that—

(1) the Space Transportation System is a vital element of the United States space program, contributing to United States leadership in space research, technology, and development;

(2) the Space Transportation System is the primary space launch system for both United States national security and civil government missions;

(3) the Space Transportation System contributes to the expansion of United States private sector investment and involvement in space and therefore should serve commercial users;

(4) the availability of the Space Transportation System to foreign users for peaceful purposes is an important means of promoting international cooperative activities in the national interest and in maintaining the freedom of space for activities which enhance the security and welfare of mankind;

(5) the United States is committed to maintaining world leadership in space transportation;

(6) making the Space Transportation System fully operational and cost effective in providing routine access to space will maximize the national economic benefits of the system; and

(7) national goals and the objectives for the Space Transportation System can be furthered by a stable and fair pricing policy for the Space Transportation System.

PURPOSE

SEC. 202. The purpose of this title is to set a reimbursement pricing policy for the Space Transportation System for commercial and foreign users which is consistent with the objectives of the Space Transportation System and encourages the full and effective use of space.

DEFINITIONS

SEC. 203. For purposes of this title, the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) "additive costs" means the direct and indirect costs to the National Aeronautics and Space Administration of providing additional flights of the Space Transportation System beyond the costs associated with those flights necessary to meet the United States Government's space transportation needs, including the average direct and indirect costs of program charges for manpower, expended hardware, refurbishment of hardware, spare parts, propellants, provisions, consumables, launch and recovery services, program support, and contract administration;

(3) "operating costs" means the total direct and indirect costs to the National Aeronautics and Space Administration to operate the Space Transportation System, including the direct and indirect costs of program charges for manpower, expended hardware, refurbishment of hardware, spare parts, propellants, provisions, consumables, launch and recovery services, program support, and contract administration; and

(4) "capital recovery charge" means a charge determined by the Administrator based on the cost of an orbiter amortized over 100 flights.

SHUTTLE PRICES FOR COMMERCIAL AND FOREIGN USERS

SEC. 204. (a) Except as provided in subsections (c) and (e), the Administrator shall charge each commercial or foreign user of the Space Transportation System, as reimbursement, a pro rata portion of an amount determined under subsection (b).

(b)(1) The amount referred to in subsection (a) shall be equal to the sum of—

(A) the average additive cost of a flight, plus

(B) a capital recovery charge for a flight.

(2) In no event shall the amount determined under paragraph (1) exceed the average operating cost of a dedicated commercial flight of the Space Transportation System.

(c) The Administrator may reduce the amount charged any commercial or foreign user of the Space Transportation System under this section (but not below that user's pro rata portion of the average additive cost of a flight of the Space Transportation System) as necessary to achieve one or more of the following goals:

(1) the preservation of the role of the United States as a leader in space research, technology, and development;

(2) the efficient use of the Space Transportation System;

(3) the long range goal of greatly increasing commercial space activities; and

(4) the goal of enhancing the international competitive position of the United States in providing space transportation services and capabilities.

(d) For purposes of this title, the Administrator shall assume twenty-four flights per year of the Space Transportation System.

(e) The Administrator may—

(1) set an amount lower than the amount determined under subsections (a), (b), and (c), or

(2) provide no-cost flights,

for any commercial or foreign users of the Space Transportation System who is involved in research and development programs with the National Aeronautics and Space Administration.

EFFECTIVE DATE

SEC. 205. This title shall apply to flights of the Space Transportation System during the period beginning on October 1, 1988, and ending on September 30, 1991.

The CHAIRMAN. Are there amendments to title II?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 13, strike title II and insert in lieu thereof the following:

TITLE II—SHUTTLE PRICING FOR COMMERCIAL AND FOREIGN USERS

FINDINGS

SEC. 201. The Congress finds and declares that—

(1) the Space Transportation System is a vital element of the United States space program, contributing to United States leadership in space research, technology, and development;

(2) the Space Transportation System is the primary space launch system for both United States national security civil government missions;

(3) the Space Transportation System contributes to the expansion of United States private sector investment and involvement in space and therefore should serve commercial users;

(4) the availability of the Space Transportation System to foreign users for peaceful purposes is an important means of promoting international cooperative activities in the national interest and in maintaining the freedom of space for activities which enhance the security and welfare of mankind;

(5) the United States is committed to maintaining world leadership in space transportation;

(6) making the Space Transportation System fully operational and cost effective in providing routine access to space will maximize the national economic benefits of the system; and

(7) national goals and the objectives for the Space Transportation System can be furthered by a stable and fair pricing policy for the Space Transportation System.

PURPOSE

SEC. 202. The purpose of this title is to set a reimbursement pricing policy for the Space Transportation System for commercial and foreign users which is consistent with the objectives of the Space Transportation System and encourages the full and effective use of space.

DEFINITIONS

SEC. 203. For purposes of this title, the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) "additive cost" means the direct and indirect costs to the National Aeronautics and Space Administration of providing additional flights of the Space Transportation System beyond the costs associated with those flights necessary to meet the United States Government's space transportation needs, including the average direct and indirect costs of program charges for manpower, expended hardware, refurbishment of hardware, spare parts, propellants, provisions, consumables, launch and recovery services, program support, and contract administration;

(3) "operating costs" means the total direct and indirect costs to the National Aeronautics and Space Administration to operate the Space Transportation System, including the direct and indirect costs of program charges for manpower, expended hardware, refurbishment of hardware, spare parts, propellants, provisions, consumables, launch and recovery services, program support, and contract administration; and

(4) "capital recovery charge" means a charge determined by the Administrator based on the cost of an orbiter amortized over 100 flights.

SHUTTLE PRICES FOR COMMERCIAL AND FOREIGN USERS

SEC. 204. (a) Except as provided in subsections (c) and (f), the Administrator shall charge each commercial or foreign user of the Space Transportation System, as reimbursement, a pro rate portion of an amount determined under subsection (b).

(b)(1) The amount referred to in subsection (a) shall be equal to the sum of—

(A) the average additive cost of a flight, plus

(B) a capital recovery charge for a flight.

(2) In no event shall the amount determined under paragraph (1) exceed the average operating cost of a flight of the Space Transportation System plus the capital recovery charge.

(c) The Administrator shall reduce the amount charged any commercial or foreign user of the Space Transportation System under this section (but not below that user's pro rate portion of the average additive cost of a flight of the Space Transportation System) as necessary to achieve the following goals:

(1) the preservation of the role of the United States as a leader in space research, technology, and development;

(2) the efficient use of the Space Transportation System;

(3) the achievement of greatly increased commercial space activities; and

(4) the enhancement of the international competitive position of the United States in providing not less than two-thirds of all free world space transportation services and capabilities.

(d) The Administrator shall set rates of reimbursement in full consideration of the potential economic viability of alternative domestic launch services.

(e) For purposes of this title, the Administrator shall assume 24 flights per year of the Space Transportation System.

(f) The Administrator may—

(1) set an amount lower than the amount determined under subsections (a), (b), and (c), or

(2) provide no-cost flights, for any commercial or foreign user of the Space Transportation System who is involved in research and development programs with the National Aeronautics and Space Administration.

ROYALTY RECOVERY

SEC. 205. The Administrator shall examine and report to the Congress on the feasibility of providing space shuttle launch services on a basis of royalty recovery over the economic life of commercial products produced or processed in space.

ON-ORBIT SERVICES

SEC. 206. The Administrator shall conduct a study and report to the Congress on a proposed pricing policy for certain services such as on-orbit service, repair or recovery of spacecraft.

EFFECTIVE DATE

SEC. 207. This title shall apply to flights of the Space Transportation System during the period beginning on October 1, 1988, and ending on September 30, 1991.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, in terms of priorities in this bill, this is probably the most important question that we face, and that is the question of future pricing of the shuttle loads. We have adopted in the committee an amendment relating to shuttle pricing that essentially freezes into place the present price on the shuttle. The problem with that is that it does some things, from my perspective, that create real problems out there.

First of all, we have just begun to develop in this country a commercial expendable launch vehicle industry. They are partially being developed because government has encouraged them to believe that there is a market for expendable launch vehicles in the future. In other words, this is private enterprise at work within the space community at the present time. This is where we have the potential for developing jobs in the future.

This amendment was offered in committee. There was a bipartisan vote on it. It was defeated 23 to 18 in committee, so it is a fairly controversial issue; but it does relate to the question of whether or not you want to see space used for commercial purposes.

Under my amendment, what we adopt is a flexible pricing policy. It allows the NASA administrator to price all the way from about $45 million up to $106 million. What that does is assure that at least we give the commercial ELV, expendable launch vehicle industry, a chance to survive. This does not guarantee that any of them are going to make it in the market place, but it does give them some hope that at some point in the future they are going to be able to survive.

Why is that important? Because we are on the verge of expanding a major space economy. If we send the wrong signals to investors at the present time, what we will end up doing is canceling out a large portion of the economy that we can develop. We will cancel a large number of jobs that can be created in this industry.

We are talking not just of thousands of jobs, not just hundreds of jobs, we are talking literally millions of jobs. In fact, if by the year 2010 you can create a trillion dollar economy in space, and that is indeed possible based on very conservative economic judgments, you create the 1985 equivalent of 35 million jobs that do not exist today.

□ 1910

If we begin the process of sending the wrong signals to the investment market at the present time, what you will end up doing is canceling out that option and spreading it out further down the line. I do not think that is what we want to be all about.

I think we ought to develop the kind of flexible pricing policy that assures that the NASA Administrator can take prices and set them based upon the market. We ought not be subsidizing shuttle flights. We ought not have the taxpayer paying a portion of what it costs to fly aboard the shuttle.

We ought to have a market price for the shuttle that is in reality what the real market is.

What this does is permit the NASA Administrator to, in fact, establish such a market price. Now, If you have a product out there that can only fly aboard the shuttle, that has the potential of real development in the future, that allows the NASA Administrator to price that low and allows it to fly, as a matter of fact, even lower than the pricing so that we can get that research and development done. But if you have like a communications satellite that is already proven in the marketplace, then this would allow the NASA Administrator to price that high providing that he attains a certain percentage, two-thirds of the market, for Amercan products.

In other words, he can price low in order to keep a certain share of the market for American products. That is also important because you are competing now with the French that have their ARIANE flying. We want to make certain we do not give up the whole marketplace to ARIANE. It would be foolish to come to this floor and end up adopting something which was marketability for French products.

This amendment protects both sides of that. It protects the option for the ELV's in this country, to get their market in place. It also protects us against French interference in the total world market.

I will tell you that I think that this pricing policy is probably the most crucial decision that you will make. It is difficult to understand. It is not very easy to explain out here.

But the fact is that the future of space is wrapped up in what we make in terms of policy determinations on pricing. If we price too high we will drive competition out of the marketplace. If we price too low and subsidize, we will set a standard that will allow no commercial activity.

I would hope that you will adopt this amendment that allows the flexibility necessary to proceed into the future.

Mr. NELSON of Florida. Mr. Chairman, I rise in opposition to the amendment.

I want to recall for you the remarks of the gentleman from Massachusetts [Mr. BOLAND], the chairman of the Appropriations Subcommittee, in the opening of the bill being supportive of the very technical and detailed languge in the bill on the shuttle pricing policy. He supports this policy. The committee continuously had votes in the subcommittee and the full committee that supports the committee bill, and I urge you to stick with the committee language.

I will just briefly give you an explanation of what it is. The mission model is 24 flights a year. You can break that down into thirds. Eight flights are going to be DOD payloads. The second eight flights are going to be NASA science experiments, interplanetary missions. We know those 16 flights are going to fly. Whether or not the additional eight flights fly to make a total of 24 depends on whether or not our price is competitive with the French ARIANE. So we are not going to fly that additional eight flights. We are not going to be able to use this fantastic flying machine for those total 24 if we do not have a price that can compete in the international marketplace.

Now, let me tell you how close it is. The last year the French took 50 percent of the international competition on satellite business, communications satellites, 50 percent of them signed up to go on the ARIANE.

This is a policy judgment of our committee. We feel very strongly that it is not in the best interests of the mission, so we have gone through dozens and dozens of hearings and we have heard from the communities all involved, and we have heard from all the commercial users of the shuttle that there is real potential for $60 billion in commercial development in space. And they support our kind of pricing policy.

Mr. VOLKMER. Will the gentleman yield?

Mr. NELSON of Florida. I yield to my distinguished colleague from Missouri [Mr. VOLKMER].

Mr. VOLKMER. I just wish to commend the gentleman from Florida for his work on this pricing policy and I wish to also bring about that the French are now constructing a second launch facility and that within the time period when this pricing policy will go into effect, they will have the capability of taking 17 launches a year, which will basically, with their new launchers, the ARIANE 4 and 5, when they have it ready, then with them being able to do more than one payload at a time, they would be able to take it all away from the shuttle. And if we go along with the amendment by the gentleman from Pennsylvania, as my colleague said, we can pretty well kiss those commercial payloads goodbye and we will just have the shuttle sitting on the ground.

Mr. NELSON of Florida. I thank the gentleman who served as the immedicate past chairman of this Space Subcommittee, and I thank him for his insight.

Mr. WALKER. Will the gentleman yield?

Mr. NELSON. I yield to my good friend from Pennsylvania.

Mr. WALKER. I thank the gentleman.

I do want to correct the RECORD with regard to the remarks of the gentleman from Missouri, because I think the gentleman from Florida [Mr. NELSON] will admit that, in my amendment, we protect two-thirds of the marketplace for the United States against ARIANE. In the committee bill, there is no such protection, there is no such flat market share involved. So, therefore, my amendment not only gives us the option of earning more money, but in light of the last freeze, vote, we might be interested in earning a little bit more money out of the shuttle. But it also assures that we do not have ARIANE usurping more than one-third of the marketplace.

I thank the gentleman for yielding.

Mr. NELSON of Florida. The gentleman is indeed correct about protecting two-thirds of the market. Indeed, I helped him write that language.

However, in our examination and our conclusions, we have come to the conclusion that the Nation's best interest is served by keeping the price at approximately what it is.

Mr. FUQUA. Will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from Florida, my chairman of the full committee.

Mr. FUQUA. I want to thank the gentleman for yielding and rise in opposition to the Walker amendment. I think the language that is in the bill is appropriate language.

I have several concerns about the language of my friend from Pennsylvania, even though well-intentioned. But I hope that it does not prevail and that we can keep the language that is currently in the bill.

I thank the gentleman for yielding.

Mr. NELSON of Florida. I thank the chairman.

Mr. LUJAN. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

I do want to rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] because I think it is in the best interests of the space program of the United States.

The bill, as it stands today, calls for a reduction generally of what we are charging to date. Now, that is not exactly true. That is almost totally true.

Today, the cost on the shuttle for a full payload is $71 million. Now, it is true that under the committee bill, it can go to $71.4 million, just slightly above that.

But the thrust of that amendment is to take the cost down to $45 million. You know, there is only one thing wrong with that, and that is generally the only decision that can be made is to either charge what we are charging now or charge less, except for $400,000 that the amendment calls for.

Now, what brought this whole thing on, the shuttle pricing, of course, was the competition with the ARIANE. But also the administration's desire to recover some of the costs.

Now let me tell you what happens and what the bill now says should happen. A satellite—say a communications satellite that is launched into orbit and stays there—the earning potential of that satellite, I have been told, is up to $1 billion, $1 billion that that satellite can make during the time that it is up in orbit.

If that is the case, that there is that good profit in there, and that is $1 billion profit, I might say, if there is that good profit in there, let us get some of that profit to reduce this deficit.

The Walker amendment says, all right, you should reduce the price in some instances and, as a matter of fact, he takes the same amount that is in the bill now, $45 million.

□ 1920

Either the bill now or the Walker amendment, both of them can reduce it to $45 million. The difference is that, under Mr. WALKER's amendment, you can take it up to 105 if your want to charge someone more than you are presently charging; you can do that.

Now the gentleman from Pennsylvania [Mr. WALKER] has two other things in there that are particularly attractive to me, and that is that we have in this country the only country that has the capability of bringing something back from space.

Anybody can shoot it, and put it up in orbit—not anybody; the French, the

Russians, ourselves—all of the competitors can put it in orbit, but we are the only ones that can bring it back, or that can fix it. We ought to take advantage of that.

I pointed out in committee, when you go to Sears and buy a refrigerator, they say, "All right, for 10 percent more" or whatever the figure may be, "we'll fix it for you if it breaks down." We ought to do the same kind of marketing.

We ought to say to the launchers, "We'll charge you so much and then for a little extra, we'll give you a package deal that nobody else can offer if you'll come with us." That is the way to attract business.

We also can offer lower costs for royalties, but under Mr. WALKER's amendment, it guarantees that you capture two-thirds of the market, and that is a lot better than we are doing now; we only have half of it.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 206, noes 201, not voting 25, as follows:

[Roll No. 49]

AYES—206

Archer	Davis	Hyde
Armey	DeLay	Ireland
Aspin	DeWine	Johnson
Badham	DioGuardi	Kasich
Bartlett	Dornan (CA)	Kemp
Barton	Dreier	Kindness
Bateman	Duncan	Kolbe
Bedell	Dyson	Kostmayer
Beilenson	Eckert (NY)	Kramer
Bentley	Edwards (OK)	LaFalce
Bereuter	Emerson	Lagomarsino
Bilirakis	Erdreich	Leach (IA)
Bliley	Evans (IA)	Lent
Boehlert	Fawell	Lewis (CA)
Boulter	Feighan	Lewis (FL)
Breaux	Fiedler	Lightfoot
Broomfield	Fields	Livingston
Brown (CA)	Frank	Loeffler
Brown (CO)	Franklin	Lott
Broyhill	Frenzel	Lowry (WA)
Burton (IN)	Gallo	Lujan
Callahan	Gaydos	Lungren
Campbell	Gejdenson	Mack
Carney	Gekas	Madigan
Carper	Gilman	Martin (IL)
Chandler	Gingrich	Martin (NY)
Chappie	Goodling	Mazzoli
Cheney	Gradison	McCain
Clinger	Gregg	McCandless
Coats	Grotberg	McCollum
Cobey	Gunderson	McKernan
Coble	Hall, Sam	McMillan
Coleman (MO)	Hammerschmidt	Meyers
Coleman (TX)	Hansen	Michel
Combest	Hendon	Miller (CA)
Conte	Henry	Miller (OH)
Coughlin	Hiler	Miller (WA)
Craig	Holt	Monson
Crane	Hopkins	Moody
Daniel	Hubbard	Moore
Dannemeyer	Hughes	Moorhead
Daub	Hunter	Morrison (WA)
Murphy	Rowland (CT)	Sundquist
Myers	Russo	Sweeney
Nielson	Saxton	Swindall
O'Brien	Schaefer	Tallon
Oberstar	Schneider	Tauke
Obey	Schuette	Tauzin
Olin	Schumer	Taylor
Oxley	Sensenbrenner	Thomas (CA)
Packard	Shaw	Vander Jagt
Parris	Shumway	Visclosky
Pashayan	Shuster	Vucanovich
Penny	Siljander	Walker
Petri	Skeen	Weaver
Porter	Slaughter	Weber
Pursell	Smith (NE)	Whitehurst
Quillen	Smith (NH)	Whittaker
Regula	Smith, Denny	Wise
Reid	Smith, Robert	Wolf
Ridge	Snowe	Wolpe
Rinaldo	Snyder	Wortley
Ritter	Solomon	Wyden
Roberts	Spence	Wylie
Robinson	Stangeland	Yatron
Roemer	Stenholm	Young (AK)
Rogers	Strang	Young (FL)
Roth	Studds	Zschau
Roukema	Stump	

NOES—201

Ackerman	Ford (MI)	Morrison (CT)
Addabbo	Ford (TN)	Mrazek
Akaka	Fowler	Murtha
Anderson	Frost	Natcher
Andrews	Fuqua	Neal
Annunzio	Garcia	Nelson
Anthony	Gephardt	Nichols
Applegate	Gibbons	Nowak
Atkins	Glickman	Oakar
AuCoin	Gonzalez	Owens
Barnard	Gordon	Panetta
Barnes	Gray (IL)	Pease
Bates	Gray (PA)	Pepper
Bennett	Green	Perkins
Berman	Guarini	Pickle
Bevill	Hall (OH)	Price
Biaggi	Hall, Ralph	Rahall
Boggs	Hamilton	Rangel
Boland	Hatcher	Ray
Boner (TN)	Hawkins	Richardson
Bonior (MI)	Hayes	Rodino
Bonker	Hefner	Roe
Borski	Heftel	Rose
Bosco	Hertel	Rostenkowski
Boucher	Howard	Rowland (GA)
Boxer	Hoyer	Roybal
Brooks	Huckaby	Sabo
Bruce	Hutto	Scheuer
Bryant	Jeffords	Selberling
Burton (CA)	Jenkins	Sharp
Bustamante	Jones (NC)	Shelby
Byron	Jones (OK)	Sikorski
Carr	Jones (TN)	Sisisky
Chappell	Kanjorski	Skelton
Clay	Kaptur	Slattery
Coelho	Kastenmeier	Smith (FL)
Collins	Kennelly	Smith (IA)
Conyers	Kildee	Smith (NJ)
Cooper	Kleczka	Solarz
Coyne	Lantos	Spratt
Darden	Leath (TX)	St Germain
Daschle	Lehman (CA)	Staggers
de la Garza	Lehman (FL)	Stallings
Derrick	Leland	Stark
Dickinson	Levin (MI)	Stokes
Dicks	Levine (CA)	Stratton
Dingell	Lloyd	Swift
Donnelly	Lowery (CA)	Synar
Dorgan (ND)	MacKay	Thomas (GA)
Dowdy	Manton	Torres
Downey	Markey	Torricelli
Durbin	Martinez	Towns
Dwyer	Matsui	Traficant
Dymally	Mavroules	Traxler
Early	McCurdy	Udall
Eckart (OH)	McDade	Valentine
Edgar	McEwen	Vento
Edwards (CA)	McGrath	Volkmer
English	McHugh	Walgren
Evans (IL)	McKinney	Watkins
Fascell	Mica	Waxman
Fazio	Mikulski	Weiss
Fish	Mineta	Wheat
Flippo	Moakley	Whitley
Florio	Molinari	Whitten
Foglietta	Mollohan	Wirth
Foley	Montgomery	Young (MO)

NOT VOTING—25

Alexander	Kolter	Savage
Courter	Latta	Schroeder
Crockett	Lipinski	Schulze
Dellums	Luken	Williams
Dixon	Lundine	Wilson
Hartnett	Marlenee	Wright
Hillis	Mitchell	Yates
Horton	Ortiz	
Jacobs	Rudd	

□ 1930

Mr. DE LA GARZA changed his vote from "aye" to "no."

Messrs. HAMMERSCHMIDT, DE LA GARZA, HOPKINS, ROBINSON, LENT, MILLER of California, OBERSTAR, SCHUMER, and STUDDS changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1940

The CHAIRMAN. The Clerk will designate title III.

The text of title III is as follows:

TITLE III—OFFICE OF COMMERCIAL SPACE TRANSPORTATION

SEC. 301. Section 24 of the Commercial Space Launch Act (Public Law 98-575; 98 Stat. 3064) is amended by adding at the end thereof the following: "There is authorized to be appropriated to the Secretary to carry out this Act $586,000 for fiscal year 1986.".

The CHAIRMAN. Are there any amendments to title III?

Are there any further amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MOAKLEY] having assumed the chair, Mr. TORRES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, pursuant to House Resolution 119, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. PENNY. Mr. Speaker, I demand a separate recorded vote on the Morrison-Pursell freeze amendment.

The SPEAKER pro tempore. Is there a separate vote demanded on any other amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 7, after line 20, insert the following new subsection:

(i) Notwithstanding the preceding provisions of this section, the total amount authorized to be appropriated by subsection (a), (b), (c), and (d) shall not exceed $7,510,700,000.

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PENNY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 369, noes 36, not voting 27, as follows:

[Roll No. 50]

AYES—369

Ackerman	Collins	Gekas
Addabbo	Combest	Gephardt
Akaka	Conte	Gibbons
Andrews	Cooper	Gilman
Annunzio	Coughlin	Gingrich
Anthony	Craig	Glickman
Applegate	Crane	Goodling
Archer	Daniel	Gordon
Aspin	Dannemeyer	Gradison
Atkins	Darden	Gray (IL)
AuCoin	Daschle	Gray (PA)
Badham	Daub	Gregg
Barnard	Davis	Grotberg
Bartlett	de la Garza	Guarini
Barton	DeLay	Gunderson
Bateman	Derrick	Hall (OH)
Bates	Dickinson	Hall, Ralph
Bedell	Dicks	Hall, Sam
Beilenson	Dingell	Hamilton
Bennett	DioGuardi	Hammerschmidt
Bereuter	Dixon	Hansen
Berman	Dorgan (ND)	Hatcher
Bevill	Dornan (CA)	Hayes
Biaggi	Dowdy	Hefner
Bilirakis	Downey	Heftel
Bliley	Dreier	Hendon
Boehlert	Duncan	Henry
Boner (TN)	Durbin	Hertel
Bonior (MI)	Dwyer	Hiler
Bonker	Dymally	Hopkins
Borski	Dyson	Hoyer
Bosco	Eckart (OH)	Hubbard
Boucher	Eckert (NY)	Huckaby
Boulter	Edgar	Hughes
Boxer	Edwards (CA)	Hunter
Breaux	Edwards (OK)	Hutto
Brooks	Emerson	Ireland
Broomfield	English	Jeffords
Brown (CO)	Erdreich	Jenkins
Broyhill	Evans (IA)	Johnson
Bruce	Evans (IL)	Jones (NC)
Bryant	Fascell	Jones (OK)
Burton (CA)	Fawell	Jones (TN)
Burton (IN)	Fazio	Kanjorski
Bustamante	Feighan	Kaptur
Byron	Fields	Kasich
Callahan	Fish	Kastenmeier
Campbell	Flippo	Kennelly
Carney	Florio	Kindness
Carper	Foglietta	Kleczka
Carr	Foley	Kolbe
Chandler	Ford (MI)	Kostmayer
Chappell	Ford (TN)	Kramer
Chappie	Fowler	LaFalce
Cheney	Frank	Lagomarsino
Clinger	Franklin	Lantos
Coats	Frenzel	Leach (IA)
Cobey	Frost	Leath (TX)
Coble	Fuqua	Lehman (CA)
Coelho	Gallo	Lehman (FL)
Coleman (MO)	Gaydos	Leland
Coleman (TX)	Gejdenson	Lent
Levin (MI)	Panetta	Smith, Robert
Lewis (FL)	Parris	Snowe
Lightfoot	Pashayan	Snyder
Lloyd	Pease	Solarz
Loeffler	Penny	Solomon
Lott	Perkins	Spence
Lowry (WA)	Petri	Spratt
Lujan	Pickle	St Germain
Lungren	Porter	Staggers
Mack	Price	Stallings
Madigan	Pursell	Stangeland
Manton	Rahall	Stenholm
Marlenee	Rangel	Strang
Martin (IL)	Ray	Stratton
Martin (NY)	Regula	Studds
Martinez	Reid	Stump
Matsui	Richardson	Sundquist
Mavroules	Ridge	Sweeney
Mazzoli	Rinaldo	Swift
McCain	Ritter	Swindall
McCandless	Roberts	Synar
McCollum	Robinson	Tallon
McCurdy	Rodino	Tauke
McDade	Roe	Tauzin
McEwen	Roemer	Taylor
McGrath	Rogers	Thomas (CA)
McHugh	Rose	Thomas (GA)
McKernan	Rostenkowski	Torres
McKinney	Roth	Torricelli
McMillan	Roukema	Towns
Meyers	Rowland (CT)	Traficant
Michel	Rowland (GA)	Traxler
Mikulski	Roybal	Udall
Miller (CA)	Russo	Valentine
Miller (OH)	Sabo	Vander Jagt
Miller (WA)	Saxton	Vento
Moakley	Schaefer	Visclosky
Molinari	Scheuer	Volkmer
Mollohan	Schneider	Vucanovich
Monson	Schuette	Walgren
Montgomery	Schumer	Walker
Moody	Seiberling	Watkins
Moore	Sensenbrenner	Weaver
Morrison (CT)	Sharp	Weber
Morrison (WA)	Shaw	Weiss
Mrazek	Shelby	Wheat
Murphy	Shumway	Whitehurst
Murtha	Shuster	Whitley
Myers	Sikorski	Whittaker
Natcher	Siljander	Whitten
Neal	Sisisky	Wirth
Nichols	Skeen	Wise
Nielson	Skelton	Wolf
Nowak	Slattery	Wolpe
O'Brien	Slaughter	Wortley
Oberstar	Smith (FL)	Wyden
Obey	Smith (IA)	Wylie
Olin	Smith (NE)	Yatron
Owens	Smith (NH)	Young (AK)
Oxley	Smith (NJ)	Young (MO)
Packard	Smith, Denny	Zschau

NOES—36

Anderson	Garcia	Lowery (CA)
Armey	Gonzalez	Markey
Barnes	Green	Mica
Boland	Hawkins	Mineta
Brown (CA)	Holt	Moorhead
Clay	Howard	Nelson
Conyers	Hyde	Oakar
Coyne	Kemp	Pepper
DeWine	Kildee	Stokes
Donnelly	Levine (CA)	Waxman
Early	Lewis (CA)	Williams
Fiedler	Livingston	Young (FL)

NOT VOTING—27

Alexander	Jacobs	Quillen
Bentley	Kolter	Rudd
Boggs	Latta	Savage
Courter	Lipinski	Schroeder
Crockett	Luken	Schulze
Dellums	Lundine	Stark
Hartnett	MacKay	Wilson
Hillis	Mitchell	Wright
Horton	Ortiz	Yates

□ 2000

Mr. MOORHEAD changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PORTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 395, noes 3, not voting 34, as follows:

[Roll No. 51]

AYES—395

Ackerman	Conte	Glickman
Addabbo	Cooper	Gonzalez
Akaka	Coughlin	Gordon
Anderson	Coyne	Gradison
Andrews	Craig	Gray (IL)
Annunzio	Crane	Gray (PA)
Anthony	Daniel	Green
Archer	Dannemeyer	Gregg
Armey	Darden	Grotberg
Aspin	Daschle	Guarini
Atkins	Daub	Gunderson
AuCoin	Davis	Hall, Ralph
Badham	de la Garza	Hall, Sam
Barnard	DeLay	Hamilton
Barnes	Derrick	Hammerschmidt
Bartlett	DeWine	Hansen
Barton	Dickinson	Hatcher
Bateman	Dicks	Hawkins
Bates	Dingell	Hayes
Bedell	DioGuardi	Hefner
Beilenson	Dixon	Heftel
Bennett	Donnelly	Hendon
Bereuter	Dorgan (ND)	Henry
Berman	Dornan (CA)	Hertel
Bevill	Dowdy	Hiler
Biaggi	Downey	Holt
Bilirakis	Dreier	Hopkins
Bliley	Duncan	Howard
Boehlert	Durbin	Hoyer
Boggs	Dwyer	Hubbard
Boland	Dymally	Huckaby
Boner (TN)	Dyson	Hughes
Bonior (MI)	Early	Hunter
Bonker	Eckart (OH)	Hutto
Borski	Eckert (NY)	Hyde
Bosco	Edwards (CA)	Ireland
Boucher	Edwards (OK)	Jeffords
Boulter	Emerson	Jenkins
Boxer	English	Johnson
Breaux	Erdreich	Jones (NC)
Brooks	Evans (IA)	Jones (OK)
Broomfield	Evans (IL)	Jones (TN)
Brown (CA)	Fascell	Kanjorski
Brown (CO)	Fawell	Kaptur
Broyhill	Fazio	Kasich
Bruce	Feighan	Kastenmeier
Bryant	Fiedler	Kemp
Burton (CA)	Fields	Kennelly
Burton (IN)	Flippo	Kildee
Bustamante	Florio	Kindness
Byron	Foglietta	Kleczka
Callahan	Foley	Kolbe
Carney	Ford (MI)	Kostmayer
Carper	Ford (TN)	Kramer
Carr	Fowler	LaFalce
Chandler	Frank	Lagomarsino
Chappell	Franklin	Lantos
Chappie	Frenzel	Leach (IA)
Cheney	Frost	Leath (TX)
Clay	Fuqua	Lehman (CA)
Clinger	Gallo	Lehman (FL)
Coats	Garcia	Leland
Cobey	Gaydos	Lent
Coble	Gejdenson	Levin (MI)
Coelho	Gekas	Levine (CA)
Coleman (MO)	Gephardt	Lewis (CA)
Coleman (TX)	Gibbons	Lewis (FL)
Collins	Gilman	Lightfoot
Combest	Gingrich	Livingston

Lloyd	Packard	Solarz
Loeffler	Panetta	Solomon
Lott	Parris	Spence
Lowery (CA)	Pashayan	Spratt
Lowry (WA)	Pease	St Germain
Lujan	Penny	Staggers
Lungren	Perkins	Stallings
Mack	Petri	Stangeland
Madigan	Pickle	Stark
Manton	Porter	Stenholm
Markey	Price	Stokes
Marlenee	Pursell	Strang
Martin (IL)	Rangel	Stratton
Martin (NY)	Ray	Studds
Martinez	Regula	Stump
Matsui	Reid	Sundquist
Mavroules	Richardson	Sweeney
Mazzoli	Ridge	Swift
McCain	Rinaldo	Swindall
McCandless	Ritter	Synar
McCollum	Roberts	Tallon
McDade	Robinson	Tauke
McEwen	Rodino	Tauzin
McGrath	Roe	Taylor
McHugh	Roemer	Thomas (CA)
McKernan	Rogers	Thomas (GA)
McKinney	Rose	Torres
McMillan	Rostenkowski	Torricelli
Meyers	Roukema	Towns
Mica	Rowland (CT)	Traficant
Michel	Rowland (GA)	Traxler
Mikulski	Roybal	Udall
Miller (CA)	Russo	Valentine
Miller (OH)	Sabo	Vander Jagt
Miller (WA)	Saxton	Vento
Mineta	Schaefer	Visclosky
Moakley	Scheuer	Volkmer
Molinari	Schneider	Vucanovich
Mollohan	Schuette	Walgren
Monson	Schumer	Walker
Montgomery	Seiberling	Watkins
Moody	Sensenbrenner	Waxman
Moore	Sharp	Weber
Moorhead	Shaw	Weiss
Morrison (CT)	Shelby	Wheat
Morrison (WA)	Shumway	Whitehurst
Mrazek	Shuster	Whitley
Murphy	Sikorski	Whittaker
Murtha	Siljander	Whitten
Myers	Sisisky	Williams
Natcher	Skeen	Wirth
Neal	Skelton	Wise
Nelson	Slattery	Wolf
Nichols	Slaughter	Wolpe
Nielson	Smith (FL)	Wortley
Nowak	Smith (IA)	Wyden
O'Brien	Smith (NE)	Wylie
Oakar	Smith (NH)	Yatron
Oberstar	Smith (NJ)	Young (AK)
Obey	Smith, Denny	Young (FL)
Olin	Smith, Robert	Young (MO)
Owens	Snowe	Zschau
Oxley	Snyder	

NOES—3

Conyers	Rahall	Weaver

NOT VOTING—34

Alexander	Hillis	Pepper
Applegate	Horton	Quillen
Bentley	Jacobs	Roth
Campbell	Kolter	Rudd
Courter	Latta	Savage
Crockett	Lipinski	Schroeder
Dellums	Luken	Schulze
Edgar	Lundine	Wilson
Fish	MacKay	Wright
Goodling	McCurdy	Yates
Hall (OH)	Mitchell	
Hartnett	Ortiz	

□ 2010

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

PERSONAL EXPLANATION

(Mr. WOLPE asked and was given permission to address the House for 1 minute.)

Mr. WOLPE. Mr. Speaker, yesterday evening I was inadvertently away from this Chamber during three suspension votes. The first of these votes was H.R. 1373, which would designate the Point Reyes National Seashore as the Phillip Burton Wilderness Area. Had I been present I would have voted "yes" on H.R. 1373. The second of these votes was H.R. 1869, the contemporaneous recordkeeping bill, which would repeal current recordkeeping requirements regarding tax deductions for the business use of automobiles and similar property. Had I been present I would have voted "yes" on H.R. 1869. The third of these votes was House Concurrent Resolution 107, which calls on the President to take action to reduce our trade deficit with Japan. Had I been present I would have voted "yes" on House Concurrent Resolution 107.

□ 2020

CLASSIFIED REPORT ON U.S. SUPPORT FOR DEMOCRATIC RESISTANCE MOVEMENT IN NICARAGUA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore [Mr. TRAFICANT] laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations:

(For message, see proceedings of the Senate of today, Wednesday, April 3, 1985.)

U.S. PARTICIPATION IN THE SPECIAL FACILITY FOR SUB-SAHARAN AFRICA

(Mr. LUNDINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, we are all too well aware of the daily struggle for life currently taking place throughout sub-Saharan Africa. The bill passed yesterday is testimony to the fact that we in the United States care deeply about the welfare of those who lack the necessary food, shelter and clothing to survive. However, I think what is sometimes lost sight of in the immediacy of the current crisis is what we are doing or can do to prevent such catastrophes from occurring again and again.

We must address the long-term as well as the short-term problems of Africa. The problems created by drought and the overall economic crisis in Africa have not come about only in the last 3 years. They are the result of a long-term deterioration. Annual per-capita grain production in the 24 countries most seriously affected by the drought has been falling on the average of 2 percent a year ever since 1970. If this trend continues, per capita grain production will be lower in these countries in 1988 even with adequate rainfall, than it was in the drought year of 1984. Obviously, something must be done to reverse this trend.

A long-term development strategy must include a greater emphasis on human resource development, greater self-reliance, greater economic integration, and scientific and technical progress. Changes must be made in education and training to ensure greater relevance to the needs of African economies. Agricultural projects must be oriented toward the small landholders who make up the majority of the African population rather than targeted at large farms as has been the practice of the past. Resources must be used efficiently and the infrastructure necessary to development must be built.

These changes cannot be made successfully if we are not willing to provide the financial and technical support necessary to bring them about. Consequently, Congressman MCHUGH and myself are today introducing legislation which would authorize U.S. participation in the special facility for sub-Saharan Africa. This special facility will be administered by the World Bank with its purpose being to transmit policy advice backed by development lending. Our bill proposes a U.S. contribution of $450 million over a 3 year period and along with the contributions of other donor countries will create a pool of resources well in excess of $1 billion for development lending solely to the countries of sub-Saharan African.

The need for this legislation is clear. In real terms, development lending to Africa has declined from the level achieved in the early 1980's. This situation comes at a time when short- and long-term prospects for African development are bleak. At the same time, many African governments have come to realize that internal economic policy adjustments are needed to help encourage greater food production and foster more successful development. Countries that have undertaken such measures have seen encouraging responses. While more countries are determined to alter their policies; domes-

tic, political, and economic constraints make it very difficult to implement further adjustments.

The special facility for sub-Saharan Africa will have as its primary goal the implementation of policy reforms to help the African countries to help themselves. To succeed, these efforts must be reinforced by development resources which help to ease the adjustment process. The appalling conditions prevalent in the countries of sub-Saharan Africa underscore the need for the United States to participate with the other aid donor countries in a coordinated framework. The special facility for sub-Saharan Africa provides such a framework while providing some of the additional development capital required to give Africans hope for the future.

TOWARD A COHERENT U.S. RESPONSE TO AFRICA'S LONG-TERM DEVELOPMENT NEEDS

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McHUGH. Mr. Speaker, yesterday the House of Representatives passed much needed funding legislation to meet the food crisis currently afflicting sub-Saharan Africa. All of us can be proud of the leadership role that our Nation has played in addressing the needs of the victims of famine in Africa, people whose tragedy has touched the lives of our people and people in other nations.

As I indicated yesterday, however, passage of this much needed legislation is not an answer to all of the problems that Africa faces. As important as our response to the immediate crisis is, the economic and political problems. In Africa clearly require a more coherent, long-term strategy.

Today, along with my colleague from New York [Mr. LUNDINE], I am introducing legislation that responds to a growing consensus that Africa's problems must be solved by Africans themselves through the adoption of policy reforms designed to promote long-term, equitable, economic growth and development. Our bill would provide for a U.S. contribution of $450 million to the special facility for sub-Saharan Africa, a new and temporary multilateral agency that is designed to provide the economic resources needed to support a difficult economic adjustment process.

The special facility was created out of a recognition that, pressing as the current crisis is, it is not short-term. Indeed, one need only examine the facts to recognize that sub-Saharan Africa lags far behind other regions of the world in some of the most basic indicators of development. For example, the 380 million people who live in Africa south of the Sahara have an average life expectancy of 49 years, the lowest in the world. There is only one doctor for every 21,000 people; not surprisingly, both infant mortality and population growth rates are also the highest in the world. Per capita income in sub-Saharan Africa is only $491 per year.

These conditions predated the current draught, the worst in Africa's history, a draught which has seriously exacerbated those preexisting conditions and threatens millions of Africans with starvation and death. We must respond to the immediate crisis, but we must also come to grips with the deeper human and resource development problems which have long plagued Africa.

Burdened with a growing debt-service obligation, declining prices for primary export commodities, a low rate of return on capital investment, and food production that is lagging behind population growth, the prospects for Africa will remain bleak unless African governments undertake fundamental policy reforms.

To encourage and sustain the kind of changes that are needed, Africa desperately requires additional resources to stabilize and reform its teetering economies, as much as $6 billion for the next 3 years according to one recent report.

Unless we and others face up to this larger issue, we will be regularly confronted with dire emergencies in Africa. The longer term development needs must be addressed. In the past, one of Africa's major sources of concessional financing for development purposes has been the International Development Association [IDA], the soft-loan window of the World Bank. However, even if commitments elsewhere are substantially reduced, IDA cannot increase its activities in Africa during the next 3 years because of a $3 billion reduction in its overall lending program, a reduction forced on IDA by the United States over the objections of every other donor.

To help address the financing gap, the World Bank has created the special facility to push for policy reforms in Africa and has appealed to the world community for $1 billion to support these reform efforts. Regrettably, the United States, which has traditionally been the leading proponent and sustainer of IDA, has not responded to this appeal. As a consequence, some other potential donors have also withheld their support.

The Reagan administration argues that the United States does not need to contribute to the special facility, both because it is increasing its bilateral economic aid programs for Africa and because the administration has its own program to encourage policy reforms there.

In fact, the administration is requesting less bilateral economic aid for Africa next year than was originally requested for the current year. Moreover, if there should be future increases in bilateral aid, they will be at the expense of our reduced commitment to IDA.

As for the administration's program to support policy reform in Africa, the amount of funds involved is far too small to have a significant effect standing alone. If those funds were provided to the World Bank, they would leverage additional funds from other donors. This would result in a larger pool of funds which, when applied in a coordinated fashion, would more effectively promote the necessary economic reforms which are so essential to meaningful development. Furthermore, African governments are more likely to adopt reforms recommended by an international institution that is not perceived as having ulterior political motives.

What is needed, then, is a coherent U.S. response to the long-term problems that Africa faces. As a next step, the gentleman from New York [Mr. LUNDINE] and I believe the United States should respond affirmatively to the World Bank's appeal. That is what our bill does and we hope that our colleagues will join us in taking this next step.

STIFFER PENALTIES FOR MINORITY FRONT COMPANY ACTIVITIES

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, there has been a great deal of discussion about the so-called front companies forming in an attempt to bilk the Federal moneys that are designed for minority businesses.

I do not think the front company problem is that big, but I do think we need to address it. I think it is being used to smear and discredit some programs.

Therefore, today I am introducing legislation amending the Small Business Act which would increase the penalties from 2 years imprisonment to 5 years imprisonment for each front company, and from $5,000 to $50,000 for everybody who tries to put up a front company.

I hate them. I hate front companies if they attempt to bilk from legitimate minority businesses.

There was a little song out that was popular a couple years ago: "Ebony and Ivory Living Together in Perfect Harmony."

I want them in jail. I want to put them in jail and let them sing that to each other in jail. Ebony and ivory living together in perfect harmony.

Mr. Speaker, there is a serious effort underway to end all Federal funding and support for minority business development. Not only do these efforts include court action, and reductions in Federal funds, but smear and discredit tactics are being focused on front company activities as well. A front company is one which claims to be a minority firm, but the ownership, day-to-day management and operations are controlled by a nonminority person.

As chairman of the House Small Business Committee, I have been made aware of such ineligible front company firms who routinely participate in Government-sponsored progams designed specifically to benefit minority businesses. While I applaud the effort of those who seek to prevent such dishonesty and lack of business integrity, it is apparent that there will always be a few avaricious business persons who will violate or circumvent the law to benefit from the various progams aimed at sustaining minority businesses in this country.

Mr. Speaker, today, I am introducing legislation which seeks to deter offenses of this kind by increasing fines for violation of section 16(a) of the Small Business Act (15 U.S.C. 645) from $5,000 to $50,000 and increasing prison sentences from 2 years to 5 years.

Although the extent to which front company activities pervade Federal programs has been blown out of proportion by critics of affirmative action, I do believe that legislation is warranted to discourage those few who, as a result of their rapacious nature, bring scandal and defamation to otherwise legitimate remedies to past and ongoing discrimination in Federal contracting and subcontracting programs.

Because the perpetrators of these schemes to steal economic opportunities from legitimate minority firms are threatening the very existence of minority and women-owned businesses in this country, both the minority and majority parties involved deserve punishments to suit their felonious crimes. I would like to encourage my colleagues to join me in cosponsoring and working for the enactment of this legislation.

ADDRESS BY BELISARIO BETANCUR, PRESIDENT OF COLOMBIA, TO HOUSE OF REPRESENTATIVES

(Mr. LELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LELAND. Mr. Speaker, last year I had an opportunity to meet with President Belisario Betancur, President of Colombia. This morning he was here addressing some Members of Congress and other interested parties and he made an incredible speech. I would like to enter this into the RECORD if I can for the purpose of our immediate membership and those who would read the RECORD to learn from this great man.

He is an outstanding leader in the Contadora movement. He is trying to bring peace to the Central American question, and I would hope that, indeed, he is successful.

ADDRESS BY BELISARIO BETANCUR, PRESIDENT OF COLOMBIA, TO HOUSE OF REPRESENTATIVES OF THE UNITED STATES, WASHINGTON, DC, APRIL 3, 1985

THE SUBVERSION OF UNDER DEVELOPMENT IN LATIN AMERICA

I am Belisario Betancur, freely elected, on my fourth attempt, President of a South American country called Colombia, with a territory equal to that of France, the Federal Republic of Germany and Japan combined, and with a population of almost 30 million people, distributed on the Caribbean Coast, the Pacific Coast, the Andean region, and along the Orinoco and Amazon regions. Without exaggeration, I could be taken as an example of a typical Latin American, for I am the second child of a semi-illiterate campesino family of 22 children, born of the same father and mother, 17 of whom died of a grave illness: subdevelopment. Struggling against such conditions, I was the only one in my hamlet who was able to study, sleeping in parks, and doing all kinds of work, from picking coffee beans as a child and working in bars, to writing for newspapers and being a university professor.

1. Our mutual sin

North Americans as well as Latin Americans have to confess and be ashamed of the ugly sin of mutual ignorance, which, most of the time, denotes a lack of interest. The guilt is not unilateral, since if you at times are mistaken in identifying us, I must confess that few people in my country would be able to name the fifty states of the Union or point to them on a map; correspondingly, not even our nearest neighbors know that an hour away from Miami, in our beautiful Caribbean archipelago of San Andres and Providencia, surrounded by Panama, Costa Rica, Nicaragua, Honduras, Jamaica and the Cayman Islands, English is spoken and the predominant religion is Protestant.

2. Returning to forgotten lessons

In Latin America the desire to satisfy our needs, has arrived tumultuously, upsetting the traditional structure, which gives this desire the inappropriate name of subversion: inappropriate because among ourselves very often the subversive agents are not the masses, nor the leaders, but the situations and needs.

As a result, we must repeat lessons that have been forgotten, or were never really learned, one way or another. It is our aspiration that we be given the benefit of a doubt, in regard to our desire for democracy. We prefer liberty; yes, we prefer democracy. We are not fighting with anyone in North America. It is just that people oppressed by misery, grasp at any straw, seek any port in a storm, above all when they cannot find development in liberty. But I have faith that in Latin America, Central America, and the Caribbean we prefer liberty. We prefer peace to war, because our only war is against underdevelopment. We are privileged survivors among the agony of people who, nevertheless, cherish the values of the American Constitution.

3. The Contadora group

But, in spite of our problems, we like to look around and try to help, in a democratic and Christian way, neighbors who need us. Hence the philosophy and action of Contadora is founded in the need to give contemporary and worthy metaphysical answers to the subjective and objective agents that work in every subversive process. For this reason, the Act of Contadora has as its aims:

To ensure the defense and promotion of democracy in the Central American Isthmus through means of free and pluralistic elections of governments and representative institutions, eliminating all interferences in internal matters and all forces destabilizing the governments of the region;

To create opportunities for participation to those not in agreement, so that in a state of reconciliation they become part of the solution to their country's national and international problems;

To give dignified answers to subjective or personal subversive factors, so that there are only free people in our homelands making exile and clandestine operations unnecessary; for it is our conviction that in a democracy all ideologies may exist without fear;

To make subversion impossible because the objective factors that motivate it will be eliminated by creating financial support for a social infrastructure such as hospitals, schools, water supplies, food production, sewerage systems, employment, cheap credit, and fair prices for products;

To seek peaceful solutions to conflicts, giving more importance to dialogue and the rejection of all military intervention, since we are convinced that such intervention would unchain a subversive wave throughout Latin America and the Caribbean;

To achieve, as its consequence, the demilitarization of Central America and the departure of foreign military experts.

In this we coincide with what Indiana Representative Lee H. Hamilton has said: "Military action alone will not resolve the underlying problems of the region and will not neutralize the advances of communism in the long run." [1] And with the Congressman from Arkansas, William Alexander, who says that "What is important is not who has the most powerful weapons, but who has the most valid political ideals, and who has the politics that offer the best response to the elemental prayers of Central Americans, more often motivated by Christianism than by Communism." [2]

All of which has as its basis that we recognize realistically, that peace in Central America requires that the countries interested in the region adhere to these principles. Because true peace is one and indissoluble, and war in any region affects it in the whole world. For that reason, Colombia likewise seeks agreement with internal armed groups, and also has encouraged agreement among opposing factions in other countries: we are proud that we are seen as a moral force rather than a military power. Thus we better serve democracy and humanity. Because definitely, we are citizens of the world, citizens of the cosmos as Carl Sagan would say.

I must not ignore the Report of the Bipartite Commission on Central America: we are attentive to its recommendations, even

[1] Lee H. Hamilton, "Covert Action Is Not in Our National Interest," the Washington Post, May, 184
[2] William Alexander, "Schizoid Latin Policy," the New York Times, July, 2183.

though we are not in complete agreement with the Manichean philosophy of supporting only the social infrastructure of those who behave themselves. This treatment of the crisis reminds us of the obsolete Renaissance debate over which came first, the chicken or the egg. We hope that the recommendations of the Commission will lead to peace.

4. Drugs as a destructive force

Permit me to touch on a painful theme. Drugs are a two-way tragedy: they weaken our two countries and destroy values that are the foundation of our moral and physical patrimony.

We are all daily victims of this plague.

Our two governments give no quarter in the struggle against drugs. Colombia has done it, and will continue to do it relentlessly, even if with material and logistic limitations. We have reached a point of no return, because we wish to be on the side of human dignity. We wish to look more at history than at our human condition. And we are disposed to pay the price, even of our own lives, which would be a small sacrifice to free humanity from this scourge.

But we do not wish to feel alone in this struggle, in which you, too, take part: For here is the greatest center of drug consumption. The tremendous wealth proceeding from drugs, is deposited here. North American banks launder fantastic sums of money and are barely punished. Many of the great North American drug traffickers live here. According to the Washington Post, "The Colombians are making a mighty effort, one extending far beyond the American preoccupation with law-enforcement (necessary as that is) and one costing them far more in basic social stability than the American drug problem (terrible as it is) costs the United States." And it is true: we continue to fumigate crops, destroy laboratories, seize shipments, jail criminals, and extradite nationals, for whom, notwithstanding, we request dignified treatment, at the same time that we insist on the extradition of North Americans who commit the same transnational crimes.

5. Six proposals

In sum, I have the honor of submitting to you, Honorable Congressmen, the following proposals:

I. To establish an Alliance for Peace, Development and Democracy between the United States and Latin America;

II. In the case of Central America, support the Act of Contadora and the commitments inherent in it for all the countries that have an interest in the area; support plans to generate employment and construction for the physical and social infrastructure that the region requires, using the Interamerican Development Bank as the technical secretaryship and coordinating entity of the Advisory Group for the region, according to the general plan of the Kissinger Report;

III. Perfect the International Coffee Agreement, as a program of cooperation;

IV. Seek a better adjustment between fiscal politics and monetary politics of the United States and other industrialized countries, which is reflected in lower interest rates for the developing countries; and to facilitate the exports of these countries, eliminating protectionist barriers;

V. Strengthen multilateral credit organizations: without long-term credit directed to well-structured projects, it will not be possible to stimulate the growth of developing countries.

VI. Intensify the battle against drugs declared, by the United Nations, a crime against mankind: eradicate drug-producing crops in Latin America and in the United States, destroy drug processing laboratories, dismantle the international organization that controls drugs, strengthen the educational campaigns against their use, institute more severe punishments for drug users, and provide stimuli for the substitution of other crops;

7. A driving force

The opportunity to converse with the representatives of this great democracy, could not pass without a new appeal to the spirit that has endured throughout the history of this nation: the same spirit that once permitted Jefferson to say that "every man, and every group of men on earth, possesses the right to self-government."

These groups of men and all humanity, will be more secure if we give them peace; if we give them dignity, if we give them courage. We wish to give them that courage, that dignity and that peace. We would feel very well accompanied if you—free citizens of this free and great nation—persist in that courage which has illuminated its great men since the time of Washington and that has been the glory of your people.

I wished to come to you to speak frankly, as a friend: no euphemism can you expect, for that reason, from the President of Colombia. Our Liberator, Simon Bolivar, used to say that the good friend of he who governs is he who speaks the truth.

Permit me, in the manner of Niels Bohr, one of the fathers of contemporary physics, to close this unforgettable encounter with his words: "Every phrase that I utter should be considered not as an affirmation, but as a question." [3]

That is what we are: leaders who seek the ways of liberty to bring our people happiness through progress and justice. It says in the Bible: "And the Lord appeared to Solomon in a dream by night saying: Ask what thou wilt that I should give thee. And Solomon said: Give to thy servant an understanding heart, to judge thy people and discern between good and evil. And it was pleasing to the Lord that Solomon had asked such a thing. And the Lord said to Solomon: Because thou hast asked this thing, and hast not asked for thyself long life or riches, nor the lives of thy enemies, but hast asked for thyself wisdom to discern judgment, behold I have done for thee according to thy words, and have given thee a wise and understanding heart, insomuch that there hath been no one like thee before thee, nor shall arise after thee." (I Kings 3:5-13).

With a wise and just heart, we should feel the moral duty to offer responses through democracy and liberty, to the anguished questions of America and the world.

ROBERT M. BOR, CHIEF COUNSEL OF THE COMMITTEE ON AGRICULTURE

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I want to pay tribute today to one of the finest public servants who has ever helped this House do the job the people sent us here to accomplish.

Just a few weeks ago, at the end of February, the Agriculture Committee's chief counsel, Robert M. Bor, retired from the committee to enter the private practice of law. I do not know of any member of any congressional staff who has a finer record.

Bob Bor's contributions to the Agriculture Committee would take more time to list than the 1-minute rule of the House would allow. But I know that every member who served on the committee in the years since he came to us from the Department of Agriculture in 1975 will agree that Bob's knowledge of legislation and agricultural programs made a tremendous contribution to the work of the committee.

We needed a counsel who could put our decisions into effective legal form. Bob did that for us, and more. He worked with our members and the staff to make sure that what we wanted to do was done well. His reports gave us the ammunition we needed for effective management of legislation in the House. His experience both in agricultural programs and in the working of the House gave us the backup that made our committee both stronger and better respected. And one thing more—Bob Bor has been one of the hardest working men most of us have ever known. When there was a job to do, he was there until it was done and done well.

I know that Members of Congress are not the only people who are grateful for the work Bob Bor did on the Hill. Many members of the broad agricultural community who have worked with him through the years on legislative and other problems have reason to admire his skill and to be grateful for his dedication.

Beyond all this, those of us who worked with Bob through these past years have come to know him as a man you can trust and depend on. I do not know whether there is any higher tribute you can pay a friend than to say that about—and I know we all say it about Bob.

Bob is a native of New York, a graduate of New York University and Columbia University Law School, an Army veteran of World War II, and a man who is lucky in his family of Judy, his wife, his sons and daughter, and his grandson, the television actor.

Before joining the Agriculture Committee staff in 1975, Bob served for many years at the Department of Agriculture. In the USDA's general counsel's office, he became an expert and experienced hand at matters dealing mainly with foreign agricultural affairs and domestic commodity programs.

There are many reasons we will miss Bob at the Agriculture Committee. We will miss his wise counsel. We will miss his calm and his command of the com-

[3] Cited by Jacob Bronowsky, El Ascenso del Hombre, Fondo Educativo Interamericano, Bogota 1979.

plex affairs we deal with. We will miss his ability to work with men and women from every field and from many countries. Most of all, we will miss his companionship and his friendship.

If there is a saving grace to Bob's departure, it is the fact that we know he will still be active in the field of agriculture. I and other members of the Agriculture Committee, and the staff people who worked with him, wish Bob well in his new career in the private practice of law. I know it will be a successful career—because I know Bob Bor.

INTRODUCING H.R. 1916, TO ADDRESS THE SOCIAL SECURITY NOTCH

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, yesterday I introduced legislation which addresses the Social Security benefit disparity commonly referred to as the "notch." The bill is appropriately designated as H.R. 1916.

I am sure the Members of this body are fully aware of the gross inequities in benefit payments which have resulted from the benefit formula change signed into law in 1977 by former President Carter. That piece of legislation, the 1977 Social Security Financing Amendments, was intended to prevent what was then a benefit overcompensation problem. Instead, however, the so-called solution has a completely unfair and penalizing effect between benefits paid to individuals who have similar work records but were born only 1 year, 1 month, in some cases just 1 day apart.

Mr. Speaker, I am sure that, like me, many of my colleagues have been concerned about the notch problem since its inequities became clearly evident early in 1982; 1982 was the year that those who were born in 1917 and worked until age 65 were able to take their long-awaited retirement and began receiving their Social Security benefits. They were looking forward to a rewarding and worry-free retirement.

This is not the case, however. As these newly retired citizens began to receive their benefits, they learned that regardless of their work records, their benefits would be calculated under a different formula than those who were born a year before them. Hence their benefits are now substantially lower even though they may have retired only a year later.

Mr. Speaker, had the 1977 formula been designed in a fashion enabling retirees born after 1916 to receive benefits which were more consistent with those of their older coworkers, we would not need to address this issue once again. It is also an issue which could have been addressed during the 98th Congress. In the last Congress, 126 Members of the House of Representatives had sponsored various bills which were authored to address the notch. Yet still, the problem persists and the victims cry out for relief.

It is not easy, Mr. Speaker, to explain to an individual who has worked hard all his or her life why an older neighbor, perhaps with a similar or even less impressive work record, should receive up to $100 or more in Social Security benefits per month. And $100 per month equals $1,200 per year, a considerable amount of money considering that most of these people are dependent on fixed pension incomes. It is not right for us to ask the younger person, simply due to his or her date of birth, to accept the tremendous benefit disparity. It is not fair for us, as a nation proud of its quest for equality, to allow this inequity to continue.

Mr. Speaker, as responsible leaders, elected to represent the interests of our constituents and to promote their welfare, we must commit ourselves to further investigating this benefit disparity and acting to bring justice to those who have become victims of the notch.

Mr. Speaker, I have been corresponding regularly during the past 2 years with nearly 2,000 residents of the Fourth Congressional District of New Jersey who are affected by the notch. These Americans were children during the Great Depression and heroes of the World War II era. They have contributed so much to the success of our Nation. Must they endure yet another hardship brought upon them by their own leaders? Their effort, their dedication, and their work for this Nation is embedded in our universal recognition as a world leader. We cannot shadow their contributions now. We cannot ignore this inequity.

The bill I introduced yesterday, H.R. 1916, outlines steps for developing recommendations to remedy the disparity in the computation of Social Security benefits awarded persons born after 1916. I urge my colleagues to support this bill as a way to alleviate the notch problem and insure that all our senior citizens are fairly compensated for their lifetime contributions to our great country.

AID TO CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. IRELAND] is recognized for 5 minutes.

Mr. IRELAND. Mr. Speaker, I rise this evening to begin a discussion with my colleagues in the House which will continue over the next several weeks. Mr. Speaker, following the Easter recess we will consider assistance to our neighbors in Central America.

My remarks here will be short but I ask that my complete statement on aid to Central America be printed in its entirety.

Mr. Speaker, I believe we must view aid to Central America on the basis of an assumption fundamental to our democratic society: There is no ideology more foreign to this hemisphere than that of the Communist state.

In Nicaragua today we very clearly have a Soviet-Cuban backed Marxist-Leninist regime. We have evidence of a military buildup in Nicaragua unprecedented in any other Central American nation. Refugees are fleeing by the thousands and the elections which were held were a sham.

The promises of the revolution of 1979 for a pluralistic society—a nonaligned foreign policy—and elections have been denied. What the Sandinistas have done in Nicaragua is a tragedy, and their behavior toward others, their neighbors, is no better.

We, the Members of the U.S. Congress, must come to grips with the reality of the situation—Nicaragua poses a direct threat to the security of our Nation. To fail at this time to provide the necessary aid will surely bring chaos and instability to the entire region and seriously diminish the ability of the United States to influence events in our own hemisphere and the world.

The regime in Managua is lying to us just like it lied to the OAS despite that organization's willingness, in an unprecedented move prior to the overthrow of the Somoza dictatorship in July 1979, to recognize the coalition fighting against the government.

The United States has persistently raised four points with the Sandinistas in its bilateral talks at Manzanillo. These are the same points which lie at the heart of the multilateral Contadora negotiations.

First, we want Nicaragua to cease its support for insurgencies in other countries.

Second, we want the national directorate to adhere to the principles of the OAS Charter, and to honor the promises made in 1979 in return for OAS recognition of it as a transitional government.

Third, we want Nicaragua to reduce the size of its military to parity with that of its neighbors, and to refrain altogether from obtaining or seeking advanced military technology. The economies of Central America cannot afford an arms race. Nor can the democracies of Central America thrive in the face of a military threat from a state located in the heart of their region.

Finally, we want to see a reduction in Nicaraguan dependence on the Soviets, the Cubans, and clients like the

PLO or Libya. Neither the United States nor any other nation in the hemisphere can tolerate another Soviet military outpost. One Cuba in the Caribbean is more than enough.

I ask my colleagues to think about these facts. Nicaragua has not lived up to its commitments to the OAS nor does it plan to honor the four conditions discussed with the United States and the Contadora group which I have just mentioned.

In fact, we know its expansive military policies are continuing as are its close ties with the Soviet Union and Cuba. It is providing material, financial, and political support to insurgents in El Salvador, Honduras, Costa Rica, and Guatemala.

At the same time, we are being asked by the Managua regime to believe their propaganda that the freedom fighters are really nothing more than henchmen of former President Somoza. We are being asked to shape U.S. foreign policy on the basis of information supplied by the Sandinistas who have not lived up to one of their commitments since overthrowing the previous regime.

The facts clearly demonstrate that nearly all the so-called Contra leaders were actually staunch opponents of Somoza. Many fought against Somoza and contributed to his defeat.

What has really happened to them is that they became discouraged and disillusioned when they saw that the democratic revolution—for which they had sacrificed so much—was being transformed into a Marxist-Leninist dictatorship.

The key to U.S. policy in Central America is to create conditions under which Nicaragua becomes a peaceful and democratic member of the Central American community.

Our overall goals are to: Support economic development; promote the security of threatened nations; encourage negotiations among the countries of the region that will serve the interests of the democratic process; support democratic governments where they exist; and help countries in the process of becoming democracies.

We cannot expect to meet these goals if Nicaragua continues in the stranglehold of communism. We cannot expect Nicaragua to stand independently and free if we do not help to create a climate which promotes a pluralistic society, allowing alternative points of view and democratic institutions.

If we do nothing, or if we insist upon doing very little, then we can be guaranteed of failure. But if we choose instead to review the facts—to take an honest look at the situation—then we can provide a measure of hope to those that ask for our assistance and seek the freedom of a democratic society.

Mr. Speaker, I ask that the full text of my remarks be printed in the RECORD.

STATEMENT OF THE HON. ANDY IRELAND REGARDING AID TO CENTRAL AMERICA

In 1947, President Harry Truman said that it should be American policy to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. It is exactly this principle that is being tested today in Central America, for there is no ideology more foreign to this hemisphere than that of the communist state.

In light of this fundamental assumption, I contend that a negative vote on assistance to the Nicaraguan freedom fighters will send a message to the Sandinista regime and its Soviet and Cuban backers that we accept the consolidation of a Marxist-Leninist regime in Nicaragua and we are unconcerned with the threat that it poses to our other Central American neighbors and to the security of the United States.

I do firmly believe that it is the security of the United States that we are talking about here. As such, each and everyone of you must review the facts, listen to reason, and strike a blow for freedom that will be heard around the world, by approving assistance to those fighting for freedom and democracy in Central America.

Let's review some of the facts for a moment.

The National Bipartisan Commission on Central America, the so-called Kissinger Commission, warned us early last year, in reporting its conclusions, that the crisis in Central America is acute. It requires our immediate attention. We do have a fundamental interest in the Central American region—interests which are now seriously threatened by the Soviet-Cuban successes in Nicaragua. If we do not respond positively and quickly, we will find ourselves compelled to commit to substantial increases in economic and military assistance in order to protect our vital security interests in the region.

In addition, further increases in Soviet influence in our Hemisphere will not only require greater commitment of our resources, but will threaten our shipping lanes in the region, result in increased violence in the area, and perhaps, most importantly, erode our power to influence events worldwide. We will be perceived as being unable and/or unwilling to influence events in our own sphere.

We are currently the target of a specious public relations campaign by the Sandinista regime intended to shape U.S. foreign policy in the region and to discredit the freedom fighters.

The Sandinistas call them "counter-revolutionaries". They denounce the leaders of the armed anti-Sandinista organizations as henchmen of former President Somoza. But, the facts clearly demonstrate that nearly all the so-called "contra" leaders were actually staunch opponents of Somoza. Many fought against Somoza and contributed to his defeat. What really happened to them is that they became disillusioned when they saw that the democratic revolution—for which they had sacrificed so much—was being transformed by the Sandinistas into a Marxist-Leninist dictatorship.

For too long, the debate over whether or not we provide assistance to our friends in Central America has been cluttered with these kinds of lies and disinformation, sent to us compliments of the Sandinista regime in Managua. They have lied to the OAS and they are now lying to us.

Let me cite just a few examples:

In June, 1979, the Organization of American States [OAS], in an unprecedented move, recognized the coalition fighting against the repressive dictatorship of Anastasio Somoza. The most pervasive argument for this move was the coalition's promises to establish a pluralistic society with a mixed economy, to hold early elections, and to pursue a nonaligned foreign policy.

In July, 1979, the coalition which represented every major sector of Nicaraguan society—including organized labor, private business, and the Catholic Church—overthrew the Somoza dictatorship. Many Nicaraguans and supporters of the revolution in other countries had high hopes that the new government would improve the lives of all the country's citizens.

The Sandinista government, heir of the coalition, has violated these promises made to the OAS and to the Nicaraguan people because of the policies of the National Directorate of the Sandinista National Liberation Front [FSLN]. The FSLN's nine Marxist-Leninist revolutionary leaders, declaring themselves the "vanguard of the revolution", have imposed their programs on the government and the people of Nicaragua.

To consolidate their power, the Sandinistas, with Soviet and Cuban help, have established a pervasive security apparatus and auxiliary organizations. The resulting repression has caused tens of thousands of Nicaraguans to flee their homeland. This level of emigration is clear evidence that the "pluralistic society" promised by the revolution does not exist.

The Sandinista military build-up has exceeded all legitimate defensive needs. Since 1979, the army has swollen from about 6,000 to 119,000 with 62,000 of those on active duty.

In addition, the Sandinistas have amassed a total of 150 tanks and 200 armored vehicles. They have also received 13 helicopters, including at least five MI-24 gunships, the top of the line Soviet assault helicopter. These aircraft give the Sandinistas the ability to strike targets deep in Costa Rica and Honduras.

This Soviet supported surge in Sandinista military expansion, along with Nicaragua's continued support of Marxist-Leninist guerrillas operating in neighboring countries, has thoroughly disrupted the balance of power in Central America and violates its commitment to the OAS to pursue a nonaligned foreign policy.

In addition, the November 4, 1984 elections in Nicaragua were seriously flawed and did not confer legitimacy upon the Sandinista regime. The Sandinistas refused to grant the minimal conditions for the democratic parties to participate and thus faced only token opposition on election. Again, these actions are counter to the promises made to the OAS.

The United States has persistently raised four points with the Sandinistas in its bilateral talks at Manzanillo. These are the same points which lie at the heart of the multilateral Contadora negotiations.

First, we want Nicaragua to cease it support for insurgencies in other countries.

Second, we want the National Directorate to adhere to the principles of the OAS Charter, and to honor the promises made in 1979 in return for OAS recognition as a transitional government.

Third, we want Nicaragua to reduce the size of its military to parity with that of its

neighbors, and to refrain altogether from obtaining or seeking advanced military technology. The economies of Central America cannot afford an arms race spurred by Nicaragua's bid for supremacy. The democracies of Central America cannot thrive in the face of a military threat from a state located in the heart of their region.

Finally, we want to see a reduction in Nicaraguan dependence on the Soviets, the Cubans, and clients like the PLO or Libya. Neither this nation nor any other nation in the hemisphere can tolerate another Soviet military outpost. One Cuba in the Caribbean is more than enough.

I ask my colleagues to think about these facts. Nicaragua has not lived up to its commitments to the OAS nor does it plan to honor the four conditions discussed with the United States and the Contadora group which I have just mentioned. In fact, we know its expansive military policies are continuing as are its close ties with the Soviet Union and Cuba. It is providing material, financial, and political support to insurgents in El Salvador, Honduras, Costa Rica, and Guatemala. This support takes the form of arms, ammunition, communications, coordination, logistics, training, propaganda, medical assistance and advice.

Why or how, then, can we be expected to believe the current propaganda campaign intended to discredit the freedom fighters?

Can the Sandinistas possibly have any credibility left after repeatedly violating their agreement with the OAS and their own people?

The key to U.S. policy in Central America is to create conditions under which Nicaragua becomes a peaceful and democratic member of the Central American community.

Our overall goals are to: Support economic development; promote the security of threatened nations; encourage negotiations among the countries of the region that will serve the interests of the democratic process; support democratic governments where they exist; and help countries in the process of becoming democracies.

We cannot expect to meet these goals if Nicaragua continues in the stranglehold of communism. We cannot expect Nicaragua to stand independently and free if we do not help to create a climate which promotes a pluralistic society, allowing alternative points of view and democratic institutions.

What the Sandinistas have done in Nicaragua is a tragedy, and their behavior toward others, their neighbors, is no better. We must come to grips with the reality of the situation—doing anything less shortchanges our responsibilities as a leader of the free world.

If we do nothing, or if we insist upon doing very little, then we can be guaranteed of failure. But if we choose instead to review the facts—to take an honest look at the situation—then we can provide a measure of hope to those that ask for our assistance and seek the freedom of a democratic society.

It is in this spirit that we seek the views of the American people in an open public discussion of the issues. It will provide an opportunity to review our present policy and address the concerns of citizens as expressed by those living in the State of Florida.

Next week in my district I plan to meet with my constituents and present them with the facts of the case on the Sandinista regime in Nicaragua. It is my contention that given the correct information, the American people will opt for assistance to Central America so that we can continue to ensure that our Hemisphere does not become dominated by the likes of the Soviet-Cuban alliance we see today in Nicaragua.

The SPEAKER pro tempore. The time of the gentleman from Florida [Mr. IRELAND] has expired.

Mr. IRELAND. Mr. Speaker, I ask for an additional 1 minute.

The SPEAKER pro tempore. The Chair will advise the gentleman that he cannot request additional time under a 5-minute special order.

The gentleman's time has expired.

□ 2030

INTRODUCTION OF THE 1985 FARM BILL ALTERNATIVE, H.R. 1965

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, I have today introduced a bill adopted by the American Farm Bureau Federation representing in its membership a large number of farmers and ranchers throughout the United States. H.R. 1965 is obviously the product of a substantial amount of work, no doubt certain compromises, and represents a reasonable, pragmatic proposal that deserves the strong consideration of those in Congress and the administration who will participate in constructing a 1985 Farm Act that will be put in place for at least the next 4 years. It is an alternative 1985 farm bill proposal that I commend to all Members for their perusal and their active support—where possible.

Agriculture and its related industries are today in the midst of a very critical time. Many of our farmers are facing tremendous difficulties. Alarming numbers of them are caught between heavy indebtedness and low prices, and virtually all are suffering from an inadequate return on the substantial investments they've made in order to produce food and fiber for us, and for a major part of the world's population.

That production, Mr. Speaker, must continue—but it must continue in a way that allows real profitability to return to the family farm. In that regard, I think we have reached a consensus—both here in Washington and out in farm country—that our present Federal farm programs are not moving us in that direction.

In short, we are approaching this year's rewrite of farm bill with a growing awareness that what we have now isn't working. After 50 years of direct Federal invovlement in the agriculture economy, those commodities that have received the most help remain, in some respects, today the ones with the worst marketing and income problems. And from that realization, the farm community and its Representatives in Congress have largely come to agree that change is needed.

To that end, I believe that the 1985 farm bill must allow our farmers to eventually move closer to the marketplace, while at the same time providing needed protection against the highly unfavorable market conditions that exist today and will not go away tomorrow.

Thus far, the only blueprint for this change we have seen is the administration's proposed farm bill. While the goal of this proposal is perhaps a good one, I think its timetable is too ambitious. Allowing our farmers and ranchers to work their way back to solid ground will take time, and the farm bill we enact must allow that time, and provide a bridge to that farm economy in the future that can be more self-reliant.

Likewise, if our farmers and ranchers are to move closer to the market, we have a great deal of work to do in order to make those markets ones in which they can compete fairly and profitably. The key to that, of course, lies in our farm exports, and our farm bill must contain substantive provisions for promoting these exports.

Again, the administration's farm bill proposal contains such provisions, but probably does not do enough in terms of export promotion.

A few weeks ago, the American Farm Bureau Federation, the Nation's largest general farm organization, unveiled a carefully worked out alternative to both our existing farm programs, and the administration's proposal. In terms of laying a path for positive change in Federal farm programs, while protecting our farmers against the consequences of moving too quickly, I believe this proposed farm bill represents a reasonable, realistic option that deserves our most serious consideration. It is for that reason that I am introducing this proposal, and in doing so, laying it on the table to serve as a good starting point from which we can develop the best possible farm bill.

In addition to maintaining reasonable price and income safeguards for our producers, this proposal reflects the strong emphasis on increased exports and soil conservation that I believe must be included in the farm bill. Among the export provisions is a commodity bonus feature in which portions of commodities in CCC storage would be offered as a bonus to those who buy our products on the world market.

Likewise, the bill includes a 7- to 15-year conservation reserve program aimed at converting erosion-prone land now in crop production to less intensive uses. This, along with a provision linking eligibility for farm program benefits with nonproduction on

fragile lands, will go a long way toward addressing our critical soil loss problem.

Mr. Speaker, this legislation, like any other existing proposal, is not perfect. Individual provisions will not be satisfactory to everyone—and it does not represent a cure-all for the problems of the farm economy. In fact, I think it is important to point out that the things that will help agriculture the most—lower deficits, fair trade, and a stable world economy—are not things we can provide in a farm bill. Yet, we must have a solid, realistic framework for our Federal farm programs if our farmers are to weather the present storm, and I believe that this proposal is an excellent place to start.

I and those who are cosponsoring this bill reserve the right to differ on specific points contained herein, and to refine our positions if circumstances so warrant as the general policies incorporated in this bill are translated into legislation that will be signed into law.

Mr. Speaker, I include at this point in the RECORD, as prepared by representatives of the American Farm Bureau Federation: First, a summary of the major provisions of the bill; second, a chart providing preliminary forecasts for target prices, loan rates, and so forth; and third, a series of questions and answers relating to the bill:

FARM BUREAU'S FARM BILL—1985: SUMMARY OF MAJOR PROVISIONS

(As adopted by the AFBF Board of Directors, March 4-5)

I. AGRICULTURAL EXPORT EXPANSION AND PUBLIC LAW 480

Provides for an export commodity bonus program to offset the use of export subsidies by competing countries and the U.S. trade disadvantages being experienced because of currency exchange relationships. This provision would help regain foreign markets and reduce CCC and farmer-owned reserve stocks. The provisions of the cargo preference laws shall not apply to this program.

The Export Credit Revolving Fund would be activated and extended through 1989. Export sales financed or guaranteed under any CCC export credit program would be exempted from cargo preference laws.

Use of the intermediate credit program authorized under section 4 of the Food for Peace Act of 1966 is mandated.

The special standby export subsidy program is exempted from cargo preference laws.

To provide additional export outlets while helping meet the food needs of developing countries, the minimum tonnage to be shipped under titles I, II and III of PL 480 shall be 10 million tons (up from current levels of about 8 million tons). All PL 480 shipments would be exempted from cargo preference laws.

II. DAIRY

Milk shall be supported at such level equal to 90 percent of the simple average "all milk" price received by farmers for each of the preceding three years. This price level shall be automatically revised effective October 1 of each of the years 1985 through 1989 except in the case of 1985 the price level revision shall occur on the first day of the month following enactment of the Agriculture Act of 1985. If the Secretary estimates that net government price support purchases of milk or the products of milk will be less than 5 billion pounds or in excess of 5.99 billion pounds he shall adjust the support price as determined in this subsection according to the following scale:

Net Government purchases	Percent of support price	Projected adjusted support price (as of 3/85)
Less than 3	104	12.46
3 to 3.99	103	12.34
4 to 4.99	102	12.22
5 to 5.99	100	11.98
6 to 6.99	98	11.74
7 to 7.99	96	11.50
More than 8 [1]		

[1] If CCC purchases are projected to exceed 7.99 billion pounds milk equivalent during the next 12 months, the Secretary is given discretionary authority to adjust the support price by not more than 3 percent on April 1, 1986, and for any subsequent 6-month period.

III. LOAN LEVELS

For wheat, feed grains, and rice:

The Secretary shall make available to producers nonrecourse loans and purchases for each of the 1986 through 1989 crops at a level equal to 75 percent of the simple average domestic price received by farmers for each of the preceding five marketing years, excluding the high and low valued years; provided that the level of loans and purchases shall not be adjusted by more than 10 percent in any year, including the first year of such program.

For cotton (extend current loan formula):

The Secretary shall make available to producers nonrecourse loans and purchases for each of the 1986 through 1989 crops at the lower of:

(a) 85 percent of the average price (weighed by market and month) of such quality of cotton quoted in the designated U.S. spot markets during three years of the five year period ending July, excluding the high and low valued years, or;

(b) 90 percent of the average announced of comparable cotton prices quoted C.I.F. Northern Europe for comparable U.S. cotton.

The current minimum loan level of 55 cents per pound is eliminated.

IV. TARGET PRICES/DEFICIENCY PAYMENTS FOR WHEAT, FEED GRAINS, COTTON, AND RICE

The target price in 1986 will be frozen at 1985 levels. Beginning in 1987, the target price shall be set at a level equal to 110 percent of the same average market prices used to determine the loan rates for the commodities but shall not be adjusted by more than 5 percent annually including 1987. Deficiency payments will be computed as under current law.

V. ACREAGE REDUCTION REQUIREMENT

When total carryover of wheat or feed grains exceeds four percent of annual world utilization, or when cotton carryover exceeds 3.5 million bales, or when the total supply of rice exceeds the normal supply by fifteen percent, the Secretary of Agriculture shall implement a voluntary acreage reduction program. Authority for acreage reduction and paid diversion programs shall be continued through the 1989 crop year.

VI. ADVANCE DIVERSION PAYMENTS

If the Secretary of Agriculture makes land diversion payments as provided for in the Agriculture Act of 1985 to assist in adjusting the acreage of the 1986, 1987, 1988, or 1989 crop of wheat, feed grains, cotton or rice, at least 50 percent of such a land diversion payment shall be made available to a producer as soon as possible after the producer agrees to undertake the diversion of land in return for the payment.

VII. SOYBEANS

The current loan formula is retained for soybeans with no additional authority for acreage reduction or deficiency payments.

VIII. SUGAR

The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at appropriate levels but not less than 18 cents per pound for the 1986 through 1989 crops of sugar. Sugar beet loan levels shall be set at levels that are fair and reasonable in relation to the level of loans for sugarcane.

IX. WOOL AND MOHAIR

Wool and mohair titles will remain substantially the same as under the 1981 Act.

X. PEANUTS

The peanut program would be continued at current support price levels.

The peanut quota will be established at the level of the previous three years average of domestic edible and seed use with annual modifications made by the Secretary not to exceed 5 percent.

Future changes in quota loan levels would be modified only to reflect the percentage change in the prices paid index of the previous two years.

XI. FARMER-OWNED RESERVE

The farmer-owned grain reserve will be terminated and replaced by loans to wheat and feed grain producers to be made available without interest for a nine month period. A nine month extension will be made available which will include a charge for interest.

XII. PAYMENT LIMITATIONS FOR DEFICIENCY PAYMENTS

The total amount of deficiency payments (excluding disaster payments) that a person shall be entitled to receive under one or more of the annual programs established under this act for wheat, feed grains upland cotton, and rice shall be limited to $50,000 for each of the 1986 through 1989 crop years. The term "payments" as used in this section shall not include loans or purchases or any part of any payment that is determined by the Secretary of Agriculture to represent compensation for resource adjustment or public access for recreation.

XIII. CONSERVATION RESERVE AND SODBUSTER

The Secretary of Agriculture must provide for a conservation reserve program for owners and operators of erosion-prone land to assist them in conserving soil consistent with budgetary limitations. Contracts of seven to fifteen years would be offered under which producers would convert erosion-prone cropland to less intensive uses such as pasture, permanent grass, legumes or trees.

Any producer who brings fragile land into production shall be ineligible for any farm programs benefits on any crop in his entire farming operation.

The following chart illustrates changes in target prices, loan rates and deficiency payments for wheat; feedgrain, cotton and rice

under the proposed Farm Bureau Farm Bill. These run only through 1987 since certain variables make projection beyond that point difficult.

THESE FIGURES ARE PRELIMINARY FORECAST ESTIMATES AND ARE SUBJECT TO CHANGE BASED UPON FURTHER ANALYSIS

	1985	1986	1987
Wheat:			
Target	4.38	4.38	4.16
Loan	3.30	2.97	2.67
Maximum deficiency payment	1.08	1.41	1.49
Feed grains (example corn):			
Target	3.03	3.03	2.93
Loan	2.55	2.30	2.07
Maximum deficiency payment	.48	.73	.86
Cotton per lb:			
Target	.81	.81	.77
Loan	N/A	N/A	N/A
Maximum deficiency payment	N/A	N/A	N/A
Rice cwt:			
Target	11.90	11.90	11.31
Loan	8.00	7.20	6.48
Maximum deficiency payment	3.90	4.70	4.83

Preliminary forecast estimates show the cost of the four year Farm Bureau Farm Bill at about $27.1 billion, or an average of about $6.8 billion per year.

THE FARM BUREAU FARM BILL—MOST ASKED QUESTIONS

(Farm Bureau has been involved in a year-long study of issues involved in the 1985 farm bill that Congress will have to consider this session and has proposed legislation that will improve farm earning opportunities.

(Here are some of the most frequently asked questions about the proposed 1985 Farm Bill. All bear heavily on the keys to the right type of a farm program, market orientation, trade compatibility, income protection and fiscal responsibility.)

Won't the Farm Bureau farm program mean lower farm prices?

Farm prices move up and down over time. The purpose of the down side of any market is to expand consumption and reduce the incentives of competitors to produce products that are in excess supply.

Many farmers are not satisfied with the commodity prices they received after the 1983 PIK program and the drought. These major events clearly illustrate that it is beyond the ability of government to force commodity prices up and keep them up without laying the foundation for more inflation, higher taxes, higher farm input costs, interest rates, debt and further farm consolidations.

While lawmakers were trying to push prices up for major crops, the livestock industry was forced to make major adjustments without government help.

Will the Farm Bureau farm program mean fewer farmers?

The Farm Bureau plan is not skewed toward more or fewer farms. Farm programs in place since the 1930's have not stopped the decline in the number of farms and farmers. Changes in the number and size of farms will continue to be influenced by technological advances and economic efficiency. This will benefit commercial agriculture and consumers.

Is the Farm Bureau farm bill the "free market" alternative?

No. A "free market" alternative would eliminate all direct income and price subsidies and all indirect subsidies for production and marketing research, disease and pest control. Farm Bureau's proposal *does not* eliminate all government price intervention and involvement in farming and ranching.

Farm Bureau supports a continuation of present farm programs but with modifications to regain market share, eliminate excess inventories, reduce taxpayer costs and improve economic balance among crops and between crops and livestock.

This bill simply relates government price supports more to the market, less to political actions which have actually intensified many current farm difficulties.

How will the Farm Bureau farm bill help overall farm income?

If farm programs are more related to markets and less dependent on political decisions, U.S. farmers will stop losing market shares and income opportunities to foreign producers. The policy supports economic growth for agriculture and increased opportunities for income.

Marginal farm acreages in Europe, Canada, Australia, Argentina and the United States will be reduced. Only then can U.S. producers regain their competitive position.

Will there be cost savings?

This bill calls for reduced farm program spending. This approach gives farmers more credibility in calling for spending reductions in other entitlement programs.

The most important benefit for individual farmers in the longer term will be to bring interest rates down. Farm costs will be under less inflationary pressure and the overall economy will be on a better foundation for longer term growth, more trade and increased farm exports.

Why doesn't this proposed legislation support mandatory production controls to raise farm prices?

Farm prices ultimately reflect the interaction of supply and demand around the world, not just supply in the United States. Whenever the U.S. mandated production controls while trying to sustain politically favorable but unrealistic farm prices, production increased in foreign countries. Our markets were lost when acreage reduction programs were instituted in the U.S. When markets are lost they are difficult to regain.

Mandatory production controls have not worked in the past. Both production and marketing opportunities have been lost for commodities where this approach has been used.

Mandatory controls in the U.S. would signal foreign producers to expand production and sales of food and fiber while U.S. farmers reduce output and carry stocks and U.S. taxpayers pick up the costs of much of the world's farm programs. U.S. farmers would be restricted to producing for only the domestic market.

Mandatory controls would mean production allotments and/or marketing quotas. Ultimately, government would decide farming opportunities. Producers would lose the opportunity to produce. Producers would likely lose one-third or more of the present crop acreage of feedgrains, wheat, soybeans, cotton and rice.

Where is the income opportunity for U.S. farmers in the world market?

World demand for food and fiber will increase in the years ahead but not at the artifically high rates of growth experienced during the 1970's. Increased population and higher incomes in "middle income" countries present income opportunities for U.S. farmers. Those people with increased incomes will upgrade their diets.

What about domestic demand?

Demand in the U.S. is growing very slowly. With the expansion of cost-reducing technology, the only viable income opportunity is to produce and sell larger volumes in the world market.

What are the objectives of the Farm Bureau farm program proposal?

Basically the objectives are threefold: (1) increase market shares and income opportunities; (2) encourage more efficient and balanced use of farm resources within farms and among farming regions; and (3) reduce taxpayer cost.

These objectives will be met by:

1. Loan rates for major crops tied to world market prices to insure that U.S. products will be price competitive. This will, in turn, give a signal to other export competitors that we will compete and not hold a price umbrella over the market.

2. Resources organized on farms and among regions for market opportunity rather than government program opportunity.

3. Taxpayer costs reduced by increased market opportunities and eliminating the market disruption and taxpayer costs of the federal farmer-held reserve.

Will this farm bill favor one commodity over another when it becomes law?

No. Current programs are out of economic balance. Wheat, for example, is not priced as a feedstuff. But, with 100 bushels per acre wheat on more and more farms, wheat must be fed periodically to keep stocks from building. Feeding more wheat would be better for corn producers when droughts occur because a larger livestock industry would be maintained. Feed prices would not experience the severe run-ups that hurt the livestock industry and eventually reduce feedgrain consumption.

With all loan rates made more responsive to market prices, farm resources would be better utilized over time. This means that there would be less incentive for supply reduction programs year after year as has been the experience with wheat, rice and cotton.

What causes production imbalance?

Supply reduction programs put severe pressure on farmers to increase production of "nonfarm program" crops such as fruits and vegetables. For example, the repeated reduction in tobacco quotas has caused more and more tobacco farmers to raise vegetables. Sooner or later this government-induced vegetable production causes problems for vegetable producers outside tobacco raising areas.

Livestock producers will benefit from more market responsive loan rates for wheat, feedgrains, cotton, rice and soybeans.

The 800 million acres of rangeland and pasture in the U.S. that are not suitable for crop production will better maintain their value. Without farm program changes, rangeland agriculture will continue to decline as government guaranteed grain prices and production reduction programs raise cost of meat production and ultimately reduce consumer demand.

How will farmers and the nation benefit from this farm bill proposal?

Farmers will benefit by taking action to stop the erosion of their markets and thus position themselves for increased market income opportunities in the future.

Farmers will also benefit by getting control of federal spending in order to bring interest rates down.

The nation will benefit since food will be produced and consumed, not produced and stored. The economy will benefit from continued productivity gains by farmers. Taxpayers will benefit through reduced program costs and less pressure on the Federal Reserve to pursue inflationary money policies.

How will this farm bill differ from present farm programs?

This proposal will allow decisions about prices to be made more by market participants rather than set by politicians and bureaucrats.

Present programs are basically the accumulation of several years of election year political tinkering with farm pricemaking.

This proposal will not eliminate political intervention in farm prices, but it will be more difficult for candidates to promise farmers more income from taxpayers and consumers than market prices are signalling.

Tying loan rates for major commodities to markets would be a farm policy "watershed" without doing away with farm program benefits. This policy recognizes that U.S. farmers live in a world market for agricultural products.

This program will be a major step in correcting the farm economic policy mistakes made in the 1977 and 1981 farm laws by favoring production for use, not for storage.

Will lower target prices mean reduced incentives for producers to participate in voluntary supply reduction programs?

Yes. But the target price concept was never intended as an incentive to cut production. The target price is an income support program. This proposal keeps the original purpose intact. Congress will have to decide how much income to transfer to farmers.

Under this proposal, supply reductions will not be needed on a regular basis. When they are needed, Congress will have the pay for them by reducing some other area of federal spending.

How will livestock producers benefit from this farm program?

Feed is a major expense for beef, pork, lamb, poultry and egg producers. Farm programs over the years have favored crop production only. By raising the cost of feed to the livestock industry, federal farm programs have encouraged increased specialization in crops due to reduced price risk and have injured livestock producers by artificially increasing grain prices.

Increased specialization in crop production and away from crop and livestock production on farms has led to more political intervention to increase crop prices when markets weakened.

Farm programs have affected not only the cost of feed but also its availability by favoring storage and acreage reduction programs over production and use.

With consumers apparently making some fundamental shifts in red meat consumption, livestock producers cannot absorb the impact of federal farm programs that raise production costs and prices to consumers. Without policy realignment between crops and livestock, the U.S. livestock industry will continue to decline.

How will this bill correct the problems with the farmer-held, government-managed grain reserve?

That's pretty simple. The farmer-held reserve will be abolished.

The reserve was started in 1977 in response to political pressure for food reserves. As expected, the reserve quickly became a convenient device for federal farm program managers to take grain out of market channels at home and abroad in an attempt to raise grain prices. In the meantime, with markets shorted and inflated prices, livestock producers were whipsawed and foreign buyers found grain elsewhere.

The Farm Bureau bill eliminate the reserve and replaces it with a simple extension of the regular nine-month loan program. The additional nine-month loan period, with interest paid, would let the market determine grain stocks, not federal farm program managers. Consumers will be served since grain will be produced and used, not stored. Taxpayers would benefit by not having to pick up the tab for storing huge quantities of grain.

This bill will eliminate one of the worst historical farm program initiatives—stockpiling grain.

How will this bill solve the dairy problem?

By tying government-guaranteed dairy prices to the market price, producers will get a better signal from consumers. This basic signal has been lost for several years.

With dairy technologies pushing per unit milk production costs downward, there are new opportunities for expanding the utilization of milk products.

Unless dairy price supports are consistent with market reality, farmers will be pushed to mandatory controls since government stocks of dairy products are certain to mount after the diversion program expires.

BETHANY L. GOLDBERG'S "MY PLEDGE TO AMERICA" ESSAY WINS FOR STATE OF RHODE ISLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. ST GERMAIN] is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, each year the U.S. Veterans of Foreign Wars and its ladies auxiliary conduct the Voice of Democracy script writing contest. This year more than 300,000 secondary school students participated in the contest competing for the six national scholarships which are annually awarded as top prizes. The contest theme this year was "My Pledge to America."

I would like to take this opportunity to submit to the RECORD this year's winning script from the State of Rhode Island. Its author is Bethany L. Goldberg who lives at 8 Cedar Lane in Warren, RI. Bethany is the daughter of Palmer and Sandra Goldberg. She is a senior at Warren High School where she serves as a representative to the student council and is a member of the National Honor Society.

I join in with the residents of Rhode Island's First Congressional District in saluting Bethany for such an outstanding achievement. Her essay reads as follows:

MY PLEDGE TO AMERICA

(By Bethany L. Goldberg)

As a young American, I boast of the origin of my country. America's forefathers accomplished so much with faith, determination, stamina and hardships. Therefore, I now pledge to play my role in maintaining and in improving this great country for which the Pilgrims endured many difficulties and survived. Americans today must also persevere so that their children and their children's children will live in even a better world. Undoubtedly, more than faith alone may be necessary. Pilgrims had faith that they could establish a nation that offered life, liberty and the pursuit of happiness. As the English dramatist, George Bernard Shaw taught us, creation begins with imagination. "You imagine what you desire; you will what you imagine; and at last you create what you will. "Like the Pilgrims, I intend to keep burning that same torch of liberty with diligence throughout critical times. To preserve American freedom, I and other American citizens today must act with the same devotion to principle, the same fidelity to duty; because America symbolizes the mighty guardian of human liberty, of equal justice, and of universal brotherhood.

Although I as a young American have yet to vote, I am well informed about people seeking to lead America. Knowing their qualifications, I reach decisions. Then I urge and influence eligible voting citizens in my community to vote and to support the best people for my government. As President Abraham Lincoln said, "Voting is the people's business. The election is in their hands. If they turn their backs to the fire and get scorched in the rear, they'll find they have got to sit on the blister." Thereby, I will always cherish the right to vote, the right for which many Americans have sacrificed their lives. I realize that government is only as good as its leaders and its leaders are only as good as its citizens demand. Therefore, I pledge to support those persons who I believe will guarantee good government and the quest for excellence.

Basically, my pledge to America is to be a good citizen. When I rear my family, I will to the best of my ability attempt to perpetuate America's democratic ideals. At the present time, I maintain a sense of respect as an individual and a sense of family, appreciating the community and respecting the nation as a whole. I am aware of America's laws and privileges in the Bill of Rights and in the Constitution. For these privileges as a young American I am thankful. By obeying always the laws and also doing my best to insure that others abide, I demonstrate my good citizenship. In fact, everyday in school I display loyalty and patriotism with these words: "I pledge allegiance to the flag of the United States of America . . ." Pledging my allegiance to the flag declares my respect for what the stars and stripes symbolize—our indivisible nation which guarantees liberty and justice for all. I will even fulfill my duty to fight for my country in time of need by serving in a military force. Desiring to help govern my country, I will furthermore willingly accept the challenge of jury duty in the future. Above all, I hope to discover all my talents and to make use of both my talents and my opportunities to benefit me and my country to the optimum.

At this moment, I pledge to obtain the best education possible for myself. As a well-educated person, I shall become a worthwhile and contributing member of American society. As a knowledgeable person, I shall do my part to insure that all Americans have the opportunity stated in the Constitution that guarantees the pursuit of happi-

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ness by attempting to eliminate poverty, illiteracy and human suffering. In an age of advanced technology, I shall do my part in endeavoring to maintain the spark of humanity and individuality to keep society from becoming too impersonal. I and other Americans must remain cognizant of the human touch and keep faith in worthiness of humanity. In essence, I shall persist in helping America perpetuate the principles of democracy and freedom and preserving these ideals stipulated in the Constitution, so coveted by America's forefathers.

Moreover, in this age of "star wars," I must preserve the resources of the planet Earth. I must maintain respect for the water, the air, the trees, and all other natural resources. Mostly, I must retain faith in humanity. I must cherish what is best, and take what is good and strive to make life better. In the winter of my life, I hope I can reminisce knowing that because of my personal contributions to humanity, I have left America the greatest Nation in the world.●

CONGRESSMAN ANNUNZIO URGES HALT TO DEFAMATION OF ETHNIC GROUPS BY MASS MEDIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, House Concurrent Resolution 4, a bill I introduced at the opening of the 99th Congress, would put the Congress on record in opposition to films and television or radio broadcasts which defame, stereotype, demean, or degrade ethnic, racial, or religious groups.

As an American and the son of Italian immigrants, I am only too well acquainted with the innuendos, the sick jokes, and the countless other vicious, contemptible, and cruel methods employed by our mass media to degrade members of ethnic and minority groups. It is a tragic commentary upon our times that those ethnic groups and minorities which have managed to retain a vestige of their original national identity, while at the same time assimilating into democratic society and contributing mightily to the strength of our Nation, should be made to suffer most acutely by motion pictures, television programs, radio broadcasts, and periodicals which demean their identity.

Denigrating remarks about any group in our society concerning characteristics over which one has no control, such as race, ethnicity, or religion, are immoral in themselves. More importantly, though, and of particular interest to Congress, is that these characterizations strike at the very heart of a healthy and wholesome political system. My resolution recognizes that the vitality of our political institutions and our values are dependent on harmonious relationships among the various ethnic groups. Only if mutual respect is accorded to these groups can our democracy grow stronger and more dynamic.

When the media allows and encourages aspersion to be cast upon groups, this disturbs social harmony and becomes a political concern. Groups that have been maligned cannot help but question the worth of their allegiance to a political system which seems to affirm attacks upon them.

Unfortunately, the motion picture, radio, and television industries have on occasion been less than diligent in their responsibility to help create a society in which individuals can respect their heritage, and throughout my career as a Member of the House of Representatives, I have called upon the Congress to take a leadership role in standing up against this ethnic denigration.

Supporters of my resolution do not want government censorship; they want the leaders in the media industry to exercise a social conscience in human relationships just as they want industries to exercise a social conscience in matters such as employment, pollution control, or pricing policies.

Stereotypes as presented on television can be particularly influential on young children. Whether in life or in the media, to a great degree, we become what we see. Children are influenced not only by what they are told to be, but also by observing what people, with whom they identify, are actually like or portrayed as being. Consequently, the challenge to the media is very great indeed, since the motion picture and broadcast media have become central to the American way of life and have profound influence, particularly on children. The television set is a perfect instrument for those who would spawn prejudice and prejudgment of our fellow human beings.

In the past when private industries defaulted in their social responsibilities, they were subjected to governmental regulation. My resolution simply calls for an evaluation and an accounting by the media industry a year after congressional passage to determine the adequacy of the code of ethics or the guidelines which they develop and apply under this legislation.

Mr. Speaker, with the immense influence that the media has today on our American way of life, a greater sensitivity must be encouraged in the depiction of ethnic and minority groups. The passage of my bill, House Concurrent Resolution 4, will go a long way toward the elimination of derogatory and defamatory materials which reinforce negative ethnic stereotypes, and I urge all my colleagues in the House of Representatives to support this legislation.●

UPDATE ON HOUSE RECOUNT OF INDIANA EIGHTH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, as I indicated last week in a special order, it is my intention to keep the House fully informed of the progress of the House recount in the Eighth Congressional District of Indiana.

Last Wednesday, the task force on the Indiana Eighth Congressional District held a hearing here in Washington, DC. The hearing provided an opportunity for any interested party to inform the task force of his or her views regarding the recount process, and to establish a record regarding such views. We heard from numerous witnesses, including present and former Members of Congress, and from various citizens and legal experts. Without exception, the witnesses agreed that the House was authorized to conduct the recount pursuant to its constitutional duty to determine the elections and returns of its Members.

While the hearing was taking place in Washington, DC., the six House recount teams, headed by Arizona election official Jim Shumway, were counting ballots in the largest county in the Eighth Congressional District—Vanderburgh County. The Vanderburgh County recount was concluded on Thursday night, March 28, and the recount teams fanned out to begin the next two counties on the schedule early Friday morning.

That same Friday morning, the members of the task force convened for a hearing in the municipal building in Evansville, IN. The purpose of the hearing was to listen to the candidates, their lawyers, and the citizens and elections officials of the Eighth Congressional District of Indiana who were affected by the recount. Over a dozen witnesses appeared, and each made a contribution to the record.

In the afternoon, following the hearing in Evansville, the task force members traveled to Spencer County, where two of the recount teams were in the process of counting absentee paper ballots. After viewing the recount in progress, the task force reconvened for consideration of two ballots from Vanderburgh County, which had been segregated for task force consideration on the basis that they might contain "distinguishing marks."

Mr. Jim Shumway presented the ballots to the task force, and explained the peculiarities regarding each. The ballots were masked so that none of the members of the task force could observe for which candidates the ballots had been cast. This procedure was agreed to, and will be followed

throughout the recount, so that the task force members will have no prior knowledge or information pertinent to any particular ballot, which might in any way influence the totally objective determination of each member.

Because Mr. Shumway was appointed recount director unanimously by the task force, and is an experienced election official and expert in the field, I asked that he make a recommendation based upon his expertise regarding each ballot. After due deliberation, the task force unanimously agreed with each of the recommendations of the recount director, and the ballots were counted and added back into the totals. Following the determinations, the task force adjourned, and Mr. Shumway proceeded with the recount.

The counting continued on Saturday, March 30, allowing the House recount team to finish Spencer County. On Monday, the recount teams were again on the go in two counties, both of which were finished Monday night. Today two more counties were counted. Orange County was completed, and Gibson will be completed tomorrow. The schedule for the remainder of the week includes several additional counties.

Tomorrow at 3:30, the task force will again convene in Evansville, IN, to decide on 24 more ballots upon which there are marks. We will also receive a report on the efforts of the recount director to reconcile any discrepancies in the tally sheets which have arisen during the House recount. And we will discuss procedures which the task force might follow in reconciling discrepancies in vote tallies. Next week the task force will again convene in Evansville, IN, to reconcile whatever discrepancies are pending at that time.

The staff of the task force reports that the counting teams have been doing yeoman service, working the weekends and well into the nights. That was certainly my observation when I was there on Friday. The recount teams in Warrick County, for example, worked from early Friday morning until nearly 11 p.m. on Friday night. They then continued Saturday morning in Spencer County. The House is certainly being well served by the conscientious work of the recount director and the GAO auditors, who are making every effort to conclude the recount in the most expeditious manner consistent with accuracy. Having a count upon which the House can depend is certainly worth waiting for.

The recount director has indicated that his recount teams will conclude their work at some point next week. As soon as their work is completed, and the recount director has submitted his report, I will convene the task force forthwith to consider any matters needing resolution.

TRIBUTE TO PATRICIA HARRIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. LELAND] is recognized for 60 minutes.

GENERAL LEAVE

Mr. LELAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LELAND. Mr. Speaker, when Patricia Harris died the Washington Post said her career had been marked by many firsts.

She was the first black woman who served in a Presidential Cabinet; first as Secretary of the Department of Housing and Urban Development and then as Secretary of the Department of Health, Education, and Welfare.

She was the first black woman to become an ambassador.

She was the first black woman to become dean of a law school.

And she was the first black woman to serve as a delegate to the United Nations.

But despite all the prestige of her career, she never forgot the purpose of her life—to improve the quality of life for everyone.

At a Senate Banking Committee hearing when her empathy for the poor was questioned, she replied:

Senator, I am one of them. You do not seem to understand who I am. I am a black woman, the daughter of a dining car worker. I am a black woman who could not buy a house 8 years ago in parts of the District of Columbia. If you think I have forgotten that, you are dead wrong.

Such humility and honesty characterized Patricia Harris' life. She never shouted her contributions. Instead she diligently worked on behalf of those who had no opportunity; spoke for those with no political voice.

When social programs were being cut right and left, Patricia Harris stood firmly in support of her people. Through her efforts HEW's budget was not cut and, in fact, was increased by $25 billion.

While others talked about giving women and minorities opportunity, Patricia Harris acted.

As Secretary of HUD, 50 percent of her political appointments were women and 28 percent were black or Hispanic. As Secretary of HHS 67 percent of her appointments were women and minorities.

While I am deeply saddened by the death of Patricia Harris, I refuse to dwell on this sadness. Rather, I prefer to think of the greatness she brought to all our lives by her quiet words and her tremendous works.

□ 2040

THE NATIONAL DEBT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 30 minutes.

Mr. RAY. Mr. Speaker, I would like to join my colleague, the gentleman from Texas [Mr. LELAND], in his remarks in the tribute that he paid to Mrs. Harris.

Mr. Speaker, I would like to address a subject involving the economy.

The good news with the economy is that things look positive for 1985, following almost 2 years of lower unemployment, increased retail sales and housing starts, auto production up by 8 percent, inflation down and staying down, and interest rates in an affordable bracket.

The bad news is that it looks good because we have increased the national debt by 175 percent in the last 4 years, compared to President Nixon's debt increase of 11 percent, President Ford's increase of 59 percent and President Carter's increase of 49 percent.

From George Washington to Jimmy Carter, we built up a debt of $980 billion. During the last 4 years, we have almost doubled that figure.

We ended 1984 by borrowing $180 billion and as you pay your income tax this month, 13 cents of each tax dollar will go toward the 1984 interest on the national debt which is $1.6 trillion and increasing.

This philosophy, which we have practiced for over 60 years, of spending more than our income, is a ticking time bomb, which can have terrible consequences on our country if we fail to take corrective action, not sometime soon, but right now.

I get the feeling that America is at the crossroads and that 1986 must be a turn around for this situation.

The danger signals are all around us. The Ohio Savings & Loan closings creating a sense of panic among its subscribers.

Right near my home in Perry, GA, the closing of Briggs & Stratton, laying off 200 workers primarily because of an imbalance of automobile foreign imports.

The President's budget for 1986, which we have been reviewing in the Congress, recognizes that we have problems.

The President's budget proposes that we freeze Federal spending at approximately the 1985 level.

But his proposal is not exactly a freeze, as it cuts and reduces some programs, eliminates some outright, freezes others, but allows defense to increase along with health for 1 year and Social Security COLA'S.

For instance, the administration would abolish FmHA, eliminate or

reduce farm subsidies, dispose of the EMC's, dismantle the SBA over a few years, reduce Federal salaries by 5 percent, reduce Medicare by $18 billion over 5 years, discontinue revenue sharing to towns and cities and eliminate urban development action grants and other programs.

The Congress agrees with the President that we must cut spending by at least $50 billion. But there is disagreement on how the cuts will be made.

The Senate Budget Committee proposes a freeze and accepting 75 percent of the President's cuts and reductions. This would amount to a savings of $55 billion in 1986, $99 billion in 1987, and $141 billion in 1988.

The House Budget Committee seems to be working toward a nominal freeze at 1985 levels for all agencies, plus cuts or eliminations.

This would freeze the budget with no increase even for inflation, which would produce savings for the first year of $34 billion. Some programs would still have to be cut or eliminated in addition, in order to achieve an additional $16 billion in spending cuts.

The President is opposed to any tax increase until Federal spending is reduced and has promised to veto any tax raising bills.

My opinion is that we must cut at least $50 billion and I hope that the final budget will be fair, equal, balanced, and committed to a decrease in deficit spending.

Mr. Speaker, I support a balanced budget, but to be honest, I believe that it's impossible for the short range, even though achievable in the long range. Presently we must make a beginning.

I am of the opinion that the majority of the American public is becoming impatient with the administration and with the Congress. The impression that I am receiving is that most groups of citizens will tighten their belts, providing we as a government act in a fair, equal, balanced manner, with a determined commitment to turn around this philosophy we seem to have, which is continued spending beyond our income year after year. I for one am committed in the most serious way to altering this course.

Mr. Speaker, just a short while ago, today this body voted overwhelmingly to freeze the first authorization bill of the 99th Congress at the 1985 level.

Hopefully this will set the pace, and send a signal to all of the authorizing and appropriations committees.

RESIDENTS OF EIGHTH DISTRICT OF INDIANA HAVE NO CONGRESSMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. STRANG] is recognized for 60 minutes.

Mr. STRANG. Mr. Speaker, I would also like to commend my distinguished colleague, the gentleman from Texas [Mr. LELAND], for his remarks concerning Patricia Harris, a very great American, and I would like to associate myself with his remarks.

I would also like to associate myself with the bulk of the comments of my distinguished colleague from Georgia [Mr. RAY]. It seems to me that if we do not start talking about balancing our budgets in this country and getting our house in order, we will not have a house.

Mr. Speaker, I rise tonight to discuss the disputed set of circumstances around the election in the Eighth District of Indiana, a district which presently has no Congressman represented in this House.

This afternoon we had an opportunity to vote on the first major budget appropriation bill of the 99th Congress, and it seems to me that this body did something very responsible. We voted for a budget freeze. That is probably the action that many of the Members of this House would like to have done in the future during this session, and it is certainly an action that meets with the approval of the bulk of the citizens of the United States.

The residents of the Eighth District of Indiana have no opportunity to share in that joy, Mr. Speaker, because they have no Congressman. They have no Congressman at all.

On election night, November 6, 1984, press reports of the results in the race for Congress in Indiana's Eighth District indicated that Republican Richard McIntyre was leading Democrat Frank McCloskey by more than 100 votes. Tabulation errors were then discovered in two counties during the 10-day period provided by Indiana law for the correction of errors. On the day after the election, November 7, the county clerk retabulated the result in Vanderburgh County before providing certified totals to the Indiana secretary of state. The retabulation added almost 200 votes to McCloskey's total, indicating a 72-vote lead districtwide for McCloskey. Two days later, on November 9, it was discovered that Gibson County had also made a tabulation error, a simple and obvious machine counting error.

□ 2050

Two precincts had been counted twice, incorrectly inflating the McCloskey margin by 111 votes. The correct tabulation in Gibson County gave McIntyre a 39-vote, districtwide lead based upon election night returns.

Correction of the Vanderburgh County error was made before certification was sent to the Indiana secretary of state. The Gibson County clerk, however, had already sent a certificate bearing the incorrect totals. Although admitting the error, the clerk, a Democrat, refused to correct the certificate.

McIntyre filed a mandamus action to require the Gibson County clerk to correct the error. The action was pursuant to a specific statutory remedy to correct certification errors in Indiana Election Code Section 3-1-26-7, and was entirely apart from Indiana's statutory recount process.

The Indiana secretary of state was notified of the action filed by McIntyre; he decided to delay certification of the winner in the Eighth District, pending resolution of the Gibson County error under the statutory remedy.

McIntyre was also granted a temporary injunction by the Marion County Court of Indianapolis to prevent the secretary of state from certifying McCloskey based on incorrect totals. McCloskey opposed the Gibson County mandamus action on the grounds that only a recount could correct the mistake. The judge in Gibson County, also, a Democrat, dismissed the mandamus action, and ordered a recount to begin. McIntyre appealed the dismissal.

The Indiana Supreme Court, on November 29 decided the issue in favor of the McIntyre position to correct the election night errors and against the McCloskey position to rely exclusively upon a recount. The State supreme court ordered the Gibson County Court to accept jurisdiction and recognize the statutory mandamus remedy and to decide upon the request for a mandamus order to correct the election results separately from the recount.

However, the county recount was completed by the time the Gibson County Court reassumed the jurisdiction, officially acknowledged error in the county returns, and granted the mandamus on December 10. The Gibson County clerk then sent a certified, corrected certificate, a corrected certificate, to the Indiana secretary of state, which verified the original tabulation error, but also reflected the results of the recount, in which McIntyre lost five votes by other tabulation corrections. McIntyre now led McCloskey by 34 votes.

During this same time McCloskey had filed a complaint before Judge Brooks in the U.S. District Court in Evansville seeking two injunctions. First, he requested an order directing the Indiana secretary of state to certify him the winner by 72 votes, arguing that the secretary must certify a winner based upon the county certificate then in his possession, no matter how clearly erroneous those totals were known to be.

Second, McCloskey sought an order to prevent the conducting of the recount requested by McIntyre. Mr. Speaker, this was a request to ask a

public official to certify results which were known to be erroneous. Hardly a high standard of conduct for any public official or anybody seeking public office.

Judge Brooks denied both injunctions after a lengthy hearing during which both McCloskey and the Indiana secretary of state testified. Upon receipt of the corrected Gibson County totals on December 13, as required by Indiana law, the Indiana secretary of state immediately issued a certificate naming Richard McIntyre the winner.

Mr. Speaker, yesterday on the floor of this House, we were treated to a lot of debate on the McIntyre-McCloskey situation. One of the points that was not brought out clearly is that there is no contest in this election. Mr. McCloskey has never contested the results of this election, and he lost. The State of Indiana has never contested this election. The contest, Mr. Speaker, seems to rest between one individual, Richard McIntyre, who has the certificate from the State of Indiana certifying that he won the race between Mr. McIntyre and the House of Representatives which has presumed to intrude upon the electoral process of the sovereign State of Indiana. And to presume on the process of counting votes in flagrant defiance of Indiana law. So the contest, Mr. Speaker, if it is a contested election, is between Mr. McIntyre and this House of Representatives denying 500,000 people in the State of Indiana any representation on the House of Representatives.

During the debate yesterday, my distinguished colleague, my distinguished colleague from Arkansas, Mr. ALEXANDER, entered into the RECORD what was purported to be the substance of a new Indiana election law, and I think that Mr. ALEXANDER is as anxious as I am to understand the full nature of what was inserted into the RECORD.

According to the chief of elections in the State of Indiana, the only thing worth pointing out in this particular issue is that the section inserted into the RECORD by the distinguished gentleman from Arkansas is not part of the current bill.

The section that was talked about by my distinguished colleague from Arkansas, Mr. ALEXANDER, was deleted in the Senate, and no part of the bill now in conference committee contains any sections on voter intent. Mr. Speaker, I felt obligated to be sure that my distinguished colleague knew the true facts, rather than the facts that were inserted into the RECORD on April 2.

There was a full and fair count of the votes in Indiana and the count was conducted under the laws of the sovereign State of Indiana. Not a single shred of evidence has ever been produced to suggest that the certficate of election naming McIntyre the winner was not based on a full, fair counting of the votes on election day. Any confusion as to the outcome of the Eighth District race for Congress is a result of the deliberate refusal of House Democrats to investigate their own, unsubstantiated allegations.

The presumption in favor of McIntyre's certificate and Indiana's electoral process has never been overcome by any showing of proof. No election irregularities have been alleged by either of the candidates in Indiana's Eighth District. No election irregularities have ever been alleged by either of the candidates. Either by the winner, Mr. McIntyre, who won by 34 votes, or by the loser, Mr. McCloskey, who lost by 34 votes. So why, Mr. Speaker, must we deny the 500,000 residents of the Eighth District of Indiana the right to have a Congressman in this Congress when we are voting on matters that affect them directly, particularly matters that relate to taxation. That is taxation without representation. Who was the winner on election night? McCloskey was not the winner. No official who ever had the right to declare a winner on that election ever certified McCloskey as the winner; no official. Because the only person who is allowed to certify the winner in election in the State of Indiana, in a congressional election, is the secretary of state.

McCloskey only appeared to be in the lead for about 2 days during the week after the election, prior to the discovery of errors in the Gibson County tabulation; a precinct was counted twice. A precinct was counted twice. One of the suits filed asked the secretary of state of Indiana to certify a candidate based on known errors, not a high standard of conduct for anybody in public office or seeking public office.

McCloskey never had an official lead by those guidelines.

□ 2100

McIntyre's certificate of election was based on corrected election day returns, not on any recount certificates; corrected election day returns. McCloskey did not win on election day only to have his victory overturned by McIntyre in the recount.

Mr. Speaker, McCloskey never won the election, nor has he ever contested that, and the 500,000 people in the Eighth District of Indiana sit there and know that that race was won and they sent a man to this Congress, McIntyre, with a certificate, and this body refused to seat him.

We have flouted the laws of the sovereign State of Indiana and we continue to do so. We have shown a degree of contempt for the processes in one of our 50 States. That, Mr. Speaker, is a shame. That is a disgrace.

Mr. MONSON. Mr. Speaker, will the gentleman yield?

Mr. STRANG. I yield to the gentleman from Utah.

Mr. MONSON. I thank the gentleman for yielding, and more importantly, I appreciate the material and the thoughts that he entered into the RECORD this evening that help to clarify the situation as it occurred in Indiana. Being one who does not like to see a situation complicated if it is not necessary, I have been very troubled by this whole event and I appreciate very much the sequence of events in Indiana being clarified for us tonight.

Mr. Speaker, one of the things that has troubled me most about what has transpired in the 3 months since Mr. McIntyre has been denied his seat is the reference that is made to the disenfranchisement of over 5,000 voters in that State. This occurred during the recount that took place when the questions began to be raised as to whether or not the 34-vote margin that Mr. McIntyre received on election night was sufficient and whether or not there were irregularities, so a recount was asked for, and it is true that about 5,000 votes were thrown out in the process of that recount.

The thing that troubles me is that those on the other side of the aisle would have us believe that somehow if we count those 5,000 votes, Mr. McCloskey is going to emerge the winner. They seem to feel that 5,000 people who they claim were disenfranchised are going to change the outcome of the election.

As you have so very ably pointed out this evening, you count all those votes that were thrown out during the process of the recount and Mr. McIntyre still wins by 34 votes. Let them count the 5,000 votes. Mr. McIntyre still wins. We do not need to worry about that. If they are so concerned about being disenfranchised, we will count them. He still wins, and that is the thing that is not being addressed in the conversation that takes place on the floor of this House when this subject is brought to a vote. Each time they have tried to mislead the voters of that State and of the Nation into believing that somehow those 5,000 votes are going to change the outcome. They do not, and we need to dispel that rumor once and for all.

Mr. STRANG. I thank the gentleman.

Mr. MONSON. If the gentleman will yield further, I also think that it is important that we point out that those 5,000 votes were not in question on January 3; that Mr. McIntyre was denied his seat in Congress without those 5,000 votes coming into question. Those have only come into question since January 3, since the recount has been completed and it became known that 5,000 votes has in fact been thrown out.

So again we are being led into believing that that was a factor in the first instance where Mr. McIntyre was denied his seat. Once again we have a situation that does not tell the true story to the American people.

I am reminded of a basketball game that was held a few years ago between the Soviet Union and the United States. At the end of the regulation game, the United States was ahead, but somehow it was decided that the last few seconds of that game should be replayed. Once again the United States emerged the winner. Somehow it was decided they sould replay it again. Eventually the Soviet Union emerged as the winner. At that point they quit.

The thing that is different in this situation from that basketball game is that at least the same rules were applying as they continued that game, even though they should not have continued it as many times as they did. In this instance, we are continuing the game, but we are also changing the rules in the process of continuing that game. We are going back and we are saying that the rules that were in place on November 6, are somehow wrong and that those rules need to be changed in order to have a fair election.

Whether those rules are wrong or not is not really the issue. We should not change the rules of a game after a game has been played. We need to play by the same rules. Now, whether or not Indiana's laws are inadequate and unfair remains to be seen, but again, as the gentleman has just pointed out, even the State legislature of Indiana has not found any reason yet during their session to question whether those rules need to be changed. In fact, the only attempt that has been made to change those rules has left, in essence, the same rules that they already had, and as I understand it, the bill that is before the State legislature of Indiana would only deal with computerized ballots and has no reference at all to recounts or anything of that nature that might indicate that they feel that their own laws are inadequate in this situation.

So once again we are being led to believe that rules are inadequate and unfair when, in fact, the State of Indiana does not even apparently believe that. They are not making any effort to change them, and as was very well pointed out yesterday by our distinguished colleague from California, Mr. THOMAS, 15 or 16 other States have rules very similar to those used in Indiana and they have not found any reason to change their rules yet either.

So the only way you can justify changing these rules is if you want to change the outcome of the game after it has been played, and that appears to be what is happening here. The precedents that we are setting are disastrous to our country. They say that we in this House of Representatives can decide who the winner of an election is, not whether the qualifications of that person are adequate, but who actually won the election, and we can even go to the extent that it is necessary to change rules in order to come out with the winner that we want.

We cannot allow this to happen. We cannot allow the process that has served this country so well of allowing the States to conduct their elections and to tell us who the winners of those elections are to be superceded.

Mr. STRANG. I thank the gentleman from Utah, and I would like to, Mr. Speaker, run down very briefly the issue that is central to this entire discussion. The issue is that a sovereign State, the sovereign State of Indiana, certified legally a Congressman. He won an election. They sent him here and this House has refused to recognize the validity of that certificate.

□ 2110

Indiana law does not require the secretary of state to certify the winning candidate within 10 days after election, as has been alleged over on this side, Mr. Speaker, constantly. The law is that he must wait 10 days, and in fact the bulk of the certification done after the November 6 election for congressional candidates was done on November 26, 20 days after the election. Indiana law in fact prevents the secretary of state from certifying a winning candidate until a 10-day period after the election has passed to permit recanvassing of the votes and the correction of errors at the county level.

That is exactly what happened in the Eighth District of Indiana. The precincts of Gibson County were canvassed, were found to be in error, and were recounted—"retabulated" is really the word.

Indiana law does not require the secretary of state to certify a winning candidate based on county certificates he knows to represent incorrect totals. The secretary of state of Indiana, Mr. Speaker, certified McIntyre the winner based upon corrected election day totals, not on the basis of any recount certificate from any county. They were corrected totals. No court has ever questioned the validity of the certificate issued to McIntyre by the Indiana secretary of state, and Mr. McCloskey, who lost the election, has never contested that certificate.

This is a dangerous precedent, Mr. Speaker.

Mr. BOULTER. Mr. Speaker, will the gentleman yield?

Mr. STRANG. I yield to my distinguished colleague, the gentleman from Texas.

Mr. BOULTER. Mr. Speaker, I thank my colleague for yielding.

I am hopeful that the gentleman can clear up some confusion that exists in my mind, and that confusion, I say to the gentleman from Colorado [Mr. STRANG], is this: The leadership for the majority, the Democratic Party in the House, claims that there is confusion about the results of this election on election night.

I am wondering if the gentleman from Colorado knows what that claim is based on, what evidence it is based on?

Mr. STRANG. The claims by this House of Representatives, as led by the majority party, have created deliberate confusion.

Mr. BOULTER. Mr. Speaker, if the gentleman will yield, it seems to me that this is a big, big bootstrap operation. I remember on January 3 the majority leader, the gentleman from Texas [Mr. WRIGHT], made this statement when he introduced House Resolution 1:

> • • • that the election procedures employed in the Eighth Congressional District have been neither timely nor regular and serious questions have been raised as to their fairness. The election procedures to date have simply not yielded a result on which the House can judge.

I am quoting from the CONGRESSIONAL RECORD.

I am a lawyer, and I have been involved in this and I thought perhaps I missed something, but in my heart and in my mind I know that not a shred of evidence has ever been produced to suggest that the results on election night or the certificate of election naming McIntyre the winner were not based upon a full and fair counting of those votes on election day.

Does the gentleman disagree with that?

Mr. STRANG. Mr. Speaker, I appreciate the gentleman's remarks, and he is absolutely correct.

Mr. Speaker, the only way the election in Indiana can be changed is, as my colleague, the gentleman from Utah, observes, to change the rules. The State of Indiana has laws, as do all the States, and they follow those laws, Mr. Speaker.

They sent us a certified winner. This House has a right under its rules to question and analyze the results of any election of any Member, and it is proper that it do so, but it is not proper, Mr. Speaker, that they refuse to seat the gentleman who has the only existing certificate of winning the election in the Eighth Congressional District of the State of Indiana. Mr. McIntyre is legally the winner, pending evidence that there were irregularities or that the election was falsely won.

The issue is not whether this House has the right to conduct an investigation. This House does have that right. My distinguished colleague, the gentleman from California [Mr. PANETTA],

for whom I have extraordinarily high regard, is working as hard as he knows how to analyze what happened in the State of Indiana, to analyze if there were problems with the ballots, and to analyze if there were problems with the election in any way. That is the right of this House. What is not the right of this House and what is a blatant attempt to grab a seat is to change the rules, to ignore the laws of the State of Indiana governing election, and to deny Richard McIntyre the seat that even his defeated opponent, Mr. McCloskey, has not contested, a seat which was won by a very close count of 34 votes.

That is close, Mr. Speaker. I agree with that. But the recount being conducted by the task force is a blatant and unfair attempt to give the loser a third chance. There is no provision in Indiana law which permits anybody to change the methods of counting specified under that law. There is no such provision. Consequently, the House of Representatives is intruding into the sovereign rights of the State of Indiana.

The examination of elections is our right. Our rules say that we can look at anybody's election. But, Mr. Speaker, the precedent being set here for the first time in 200 years is this: For the first time, despite the smokescreen of precedent, they have said—

We don't care what a State says about its candidate. We don't care if they have a certificate. We choose not to seat this one because he comes from the wrong party.

That is what this is all about. He comes from the wrong party. Mr. Speaker, that shoe can go on both feet, and if I were another Member, I personally would feel threatened by that.

Mr. Speaker, last November I was blessed not to have a close election. I won by some 3,200 or 3,000 votes in a Democratic district. But, Mr. Speaker, that is not the point. If you can deny the validity of any State's election process and take a seat away from a certified winner with 34 votes, why can you not do it with 34,000? Where do you draw the line, Mr. Speaker? This is a crass and crude attempt to grab power, to take a seat through raw, brutal political power.

Mr. Speaker, unless any other of my colleagues wish to have me yield to them, I shall yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DELLUMS (at the request of Mr. WRIGHT), for today, on account of illness.

Mr. YATES (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. IRELAND, for 5 minutes, today.

Mr. EMERSON, for 5 minutes, today.

Mr. ROBERT F. SMITH, for 60 minutes, today.

Mr. STRANG, for 60 minutes, today.

(The following Members (at the request of Mr. WOLPE) to revise and extend their remarks and include extraneous material:)

Mr. DINGELL, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. MILLER of California, for 30 minutes, today.

Mr. ECKART of Ohio, for 15 minutes, today.

Mr. FRANK, for 60 minutes, April 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LOWERY of California, immediately prior to the vote on the Walker substitute amendment to H.R. 1714, National Aeronautics and Space Administration Authorization Act, 1986, in the Committee of the Whole today.

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. HYDE.
Mr. RITTER in three instances.
Mr. MCKERNAN.
Mr. GREGG.
Mr. RINALDO.
Mr. PORTER.
Mr. BROOMFIELD.
Mr. PARRIS.
Mr. FRENZEL in two instances.
Mrs. HOLT.
Mr. CONTE.
Mr. GRADISON.
Mr. KEMP in two instances.
Mr. LENT.
Mr. HUNTER.
Mr. BOEHLERT.
Mr. HILLIS.
Mr. ROWLAND of Connecticut.
Mr. SHUMWAY in two instances.
Mr. GEKAS.
Mr. COLEMAN of Missouri.
Mr. YOUNG of Florida in two instances.
Mr. LIGHTFOOT.
Mr. LAGOMARSINO in two instances.
Mr. SMITH of New Jersey.
Mr. CHENEY.
Mr. DAUB.
Mr. MACK.

(The following Members (at the request of Mr. WOLPE) and to include extraneous matter:)

Mr. TORRES.
Mr. HAMILTON.
Mr. FLORIO.
Mr. COLEMAN of Texas.
Mr. MILLER of California in six instances.
Mr. FUSTER.
Mr. SIKORSKI.
Mr. GEPHARDT.
Mr. LEVINE of California.
Mr. ADDABBO.
Mr. ST GERMAIN.
Mr. KILDEE.
Mr. DOWNEY of New York.
Mr. RANGEL in six instances.
Mr. GUARINI.
Mr. MORRISON of Connecticut.
Mr. BARNES.
Mr. FEIGHAN.
Mr. YATRON.
Mr. LUNDINE.
Mr. TORRICELLI.
Mr. HOYER.
Mr. HAWKINS.
Mr. KASTENMEIER.
Mr. ROWLAND of Georgia.
Mr. FRANK.
Mr. MARKEY in two instances.
Mr. LUKEN.
Ms. MIKULSKI.
Mr. ACKERMAN in two instances.
Mr. ROYBAL.
Mr. SOLARZ in two instances.
Mr. LAFALCE.
Mr. AUCOIN.
Mr. FORD of Michigan.
Ms. OAKAR in two instances.
Mrs. KENNELLY.
Mr. STARK in three instances.
Mr. RODINO.
Mr. GARCIA.
Mr. HUBBARD.
Mr. MATSUI.
Mr. BONKER.
Mr. DERRICK.
Mr. TRAFICANT.
Mr. CHAPPELL.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1239. An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes;

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week"; and

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day, U.S.A."

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the act;

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week";

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985 as "World Health Day";

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites; and

S.J. Res. 79. Joint resolution to designate April 1985 as "Fair Housing Month."

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, Joint Resolutions of the House of the following titles:

H.J. Res. 121. Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month";

H.J. Res 134. Joint resolution authorizing and requesting the President to designate the week of March 10 through 16, 1985, as "National Employ-the-Older-Worker Week"; and

H.J. Res. 160. Joint resolution designating March 22, 1985, as "National Energy Education Day."

ADJOURNMENT

Mr. STRANG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Thursday, April 4, 1985, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

964. A letter from the Secretary of Education, transmitting the 1985-86 guaranteed student loan family contribution schedule, pursuant to 20 U.S.C. 1078nt. (Public Law 97-301, 9(c) (97 Stat. 481)); 20 U.S.C. 1089(a)(2); to the Committee on Education and Labor.

965. A letter from the Attorney General, Department of Justice, transmitting a report on the business of the Department of Justice for the last preceding fiscal year, pursuant to 28 U.S.C. 522; to the Committee on the Judiciary.

966. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend section 901(b) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

967. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

968. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to approve the interstate cost estimate and permit the apportionment of funds authorized for fiscal year 1987; to the Committee on Public Works and Transportation.

969. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to repeal provisions relating to setting the interest rate on guaranteed or insured housing loans to veterans and inspecting manufactured homes purchased by veterans, to increase the VA loan fee, to authorize direct appropriations to the loan guaranty revolving fund; to the Committee on Veterans' Affairs.

970. A letter from the Secretary of Agriculture, transmitting revised regulations governing operations under title I of the Agricultural Trade Development and Assistance Act of 1954, as published in the Federal Register on January 23, 1985, pursuant to the act of July 10, 1954, chapter 469, section 408(d) (91 Stat. 957); jointly, to the Committees on Agriculture and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL. Committee on Interior and Insular Affairs. H.R. 1088. A bill to impose quantitative limitations on the importation of Canadian softwood for a 5-year period, to require an investigation, report, and recommendations on the management of the National Forest System, and for other purposes; with an amendment (Rept. No. 99-37, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself and Mr. DUNCAN):

H.R. 1930. A bill to provide for the tax treatment of the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the private sector, to amend the Regional Rail Reorganization Act of 1973 with respect to such transfer, and for other purposes; divided and referred as follows: title I to the Committee on Ways and Means; and title II to the Committee on Energy and Commerce.

By Mr. MICA (for himself, Mr. FASCELL, Mr. KOSTMAYER, Mr. SMITH of Florida, Mr. WEISS, Mr. MACKAY, Mr. FEIGHAN, Mr. BROOMFIELD, Ms. SNOWE, and Mr. GILMAN):

H.R. 1931. A bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board of International Broadcasting, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ARMEY (for himself, Mr. LOTT, Mr. BLILEY, Mr. GINGRICH, Mr. WEBER, Mr. WALKER, Mr. DELAY, Mr. YOUNG of Alaska, Mr. CRANE, Mr. HUNTER, Mr. BOULTER, Mr. DANNEMEYER, Mr. GROTBERG, Mr. CALLAHAN, Mr. SMITH of New Hampshire Mr. SILJANDER, Mr. MONSON, Mr. COBEY, and Mr. CRAIG):

H.R. 1932. A bill to authorize tax incentives for urban enterprise zones, youth employment opportunity wages, a program of urban homesteading, and to improve equal educational opportunity; jointly, to the Committees on Ways and Means; Banking, Finance and Urban Affairs; the Judiciary; and Education and Labor.

By Mr. BREAUX (for himself and Mr. YOUNG of Alaska):

H.R. 1933. A bill to amend the Central, Western, and South Pacific Fisheries Development Act; to the Committee on Merchant Marine and Fisheries.

By Mr. CHENEY:

H.R. 1934. A bill entitled, the "Mineral Lands Leasing Act Amendments of 1985"; to the Committee on Interior and Insular Affairs.

By Mr. CONTE:

H.R. 1935. A bill to provide for daylight saving time on an expanded basis, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1936. A bill to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for certain Coast Guard services, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DUNCAN:

H.R. 1937. A bill to amend the Tennessee Valley Authority Act of 1933 to provide a qualified immunity for certain officers and employees of the Tennessee Valley Authority; to the Committee on Public Works and Transportation.

H.R. 1938. A bill to amend the Internal Revenue Code of 1954 to provide that interest credited on a deposit or account in a bank or other financial institution shall not be included in income if such interest cannot be withdrawn because of a bankruptcy or other insolvency proceeding; to the Committee on Ways and Means.

By Mr. EVANS of Iowa (for himself, Mr. ROBERT F. SMITH, Mr. ROBERTS, Mr. EMERSON, and Mr. FRANKLIN):

H.R. 1939. A bill to provide for shipment of a percentage imported agriculturally related products on vessels of U.S. registry and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FAZIO (for himself, Mr. FLORIO, Mr. MOODY, Mr. GUNDERSON, Mr. MORRISON of Connecticut, Mr. DURBIN, Mr. STUDDS, Mrs. BOXER, Mr. MARTINEZ, Mr. OWENS, Mrs. BURTON of California, Mr. RODINO, Mr. BOLAND, Mr. STOKES, Mr. LEVINE of California, Mr. HUGHES, Mr. FRANK, Mr. BEILENSON, Mr. HOWARD, Mr. TOWNS, Mr. BARNES, Mr. SAVAGE, Mr. RANGEL, Mr. FAUNTROY, Mr. SEIBERLING, Mr. HEFTEL of Hawaii, Mr. TORRES, Mr. DICKS, Mr. HERTEL of Michigan, Mr. BIAGGI, Mr. ROE, and Mr. SABO):

H.R. 1940. A bill to clarify certain responsibilities of the Department of Defense under the Comprehensive Environmental Response, Compensation, and Liability Act

of 1980, and for other purposes; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Armed Services.

By Ms. FIEDLER (for herself, Mr. MITCHELL, Mr. FISH, Mr. NOWAK, Mr. GINGRICH, Mr. GARCIA, Mr. LAGOMARSINO, Mr. KOSTMAYER, Mr. LIGHTFOOT, Mr. RAHALL, Mr. STANGELAND, Mr. SENSENBRENNER, Mr. SHELBY, Mr. GROTBERG, Mr. LOWERY of California, Mr. SMITH of New Jersey, Mr. BADHAM, and Mr. KRAMER):

H.R. 1941. A bill to amend the Internal Revenue Code of 1954 to make funds available to the small business community; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 1942. A bill to prohibit the enforcement of certain interstate compacts, which may be discriminatory in nature, and to which Congress has not granted its consent; jointly, to the Committees on the Judiciary and Banking, Finance and Urban Affairs.

By Mr. FUSTER:

H.R. 1943. A bill to include Puerto Rico within the definition of State for purposes of the requirement imposed on the Secretary of the Treasury to withhold State income taxes from the income of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HILLIS:

H.R. 1944. A bill to impose a surcharge on the importation of Japanese products until such time as the President determines that Japan has made significant progress in eliminating its nontariff barriers to American products; to the Committee on Ways and Means.

By Mr. HUBBARD:

H.R. 1945. A bill to strengthen certain currency reporting requirements; jointly, to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. HUNTER:

H.R. 1946. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to provide mandatory penalties for certain drug offenses involving the importation or exportation, or the manufacture, of controlled substances; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mrs. KENNELLY (for herself, Mr. PEASE, Mr. CLINGER, Ms. OAKAR, and Mr. BOEHLERT):

H.R. 1947. A bill to promote training programs for individuals receiving unemployment compensation; to the Committee on Ways and Means.

By Mr. LUNDINE (for himself, and Mr. BEREUTER):

H.R. 1948. A bill to provide for increased participation by the United States in the International Bank for Reconstruction and Development, the International Finance Corporation, and the African Development Fund; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McHUGH (for himself, and Mr. LUNDINE):

H.R. 1949. A bill to provide for a U.S. contribution to the special facility for Sub-Saharan Africa administered by the International Development Association; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GUARINI (for himself, and Mr. DUNCAN):

H.R. 1950. A bill to give the Nation's performance in international trade appropriately greater importance in the formulation of Government policy, to modernize the remedies available to U.S. producers regarding unfair and injurious foreign trade practices, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. MACK:

H.R. 1951. A bill to require the Secretary of Defense to submit an annual report to the Congress regarding accidents involving military aircraft; to the Committee on Armed Services.

By Mr. MATSUI:

H.R. 1952. A bill to amend the Internal Revenue Code of 1954 to encourage individuals to make long-term equity investments in small companies by reducing the capital gains tax on such investments; to the Committee on Ways and Means.

H.R. 1953. A bill to amend title XVIII of the Social Security Act to extend the Medicare prospective payment transition period; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, and Mr. THOMAS of California):

H.R. 1954. A bill to provide that the provisions of section 252 of the Economic Recovery Tax Act of 1981 (relating to transfers of property to employees subject to certain restrictions) shall apply to certain transfers occurring during 1973; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. STARK, Mr. MINETA, and Mr. ZSCHAU):

H.R. 1955. A bill to amend the Internal Revenue Code of 1954 to provide that income otherwise eligible to be taken into account in computing the section 936 credit shall not be ineligible merely by reason of being received in the United States; to the Committee on Ways and Means.

By Mr. MICA (by request):

H.R. 1956. A bill to amend and extend the Hostage Relief Act of 1980, and for other purposes; jointly, to the Committees on Foreign Affairs, Post Office and Civil Service, and Ways and Means.

By Ms. MIKULSKI:

H.R. 1957. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Merchant Marine and Fisheries.

H.R. 1958. A bill to authorize appropriations for the National Ocean Pollution Planning Act of 1978 and title II of the Marine Protection, Research, and Sanctuaries Act of 1972 for the fiscal years 1986 and 1987, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

By Mr. MILLER of California (for himself, Mrs. BURTON of California, Mr. PANETTA, and Mr. BERMAN):

H.R. 1959. A bill to amend the Federal Power Act and for other purposes; to the Committee on Energy and Commerce.

By Mr. MILLER of California (for himself, Mr. SEIBERLING, Mr. VENTO, Mr. BATES, Mr. BEDELL, Mr. BEILENSON, Mr. BERMAN, Mrs. BOXER, Mrs. BURTON of California, Mr. CLAY, Mr. DELLUMS, Mr. ECKART of Ohio, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FAZIO, Mr. HAYES, Mr. HUGHES, Mr. MARTINEZ, Mr. MORRISON of Connecticut, Mr. OWENS, Mr. PEASE, Mr. PETRI, Mr. ROSE, Mr. SCHUMER, Mr. SMITH of Florida, Mr. WEISS, Mr. WHEAT, and Mr. WOLPE):

H.R. 1960. A bill to amend the act of February 25, 1920, commonly known as the Mineral Leasing Act, to require competitive bidding for leases on Federal lands with oil or gas deposits, and to require diligent exploration for, and development and production of, such oil or gas deposits, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MITCHELL:

H.R. 1961. A bill to amend Section 16 of the Small Business Act; to the Committee on Small Business.

By Mr. MOLLOHAN (for himself, Mr. APPLEGATE, and Mr. RAHALL):

H.R. 1962. A bill to designate U.S. Route 22 By-Pass in Weirton, WV, as a priority primary route; to the Committee on Public Works and Transportation.

By Mr. MURTHA:

H.R. 1963. A bill to increase the development ceiling at Allegheny Portage Railroad National Historic Site and Johnstown Flood National Memorial in Pennsylvania, and for other purposes and to provide for the preservation and interpretation of the Johnstown Flood Museum in the Cambria County Library Building, PA; to the Committee on Interior and Insular affairs.

By Ms. OAKAR:

H.R. 1964. A bill to amend title 5, United States Code, to provide that certain periods outside of a regularly scheduled administrative workweek during which a Federal employee is required to travel shall be taken into account for purposes of determinations relating to overtime; to the Committee on Post Office and Civil Service.

By Mr. EMERSON (for himself, Mr. MADIGAN, Mr. CHAPPIE, Mr. EVANS, of Iowa, Mr. HOPKINS, Mr. LEWIS of Florida, Mr. McEWEN, Mr. MOORE, Mr. MORRISON of Washington, Mr. ROBERTS, Mr. SCHUETTE, Mr. SKEEN, Mr. SPENCE, Mr. WOLPE, and Mr. WORTLEY):

H.R. 1965. A bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; jointly, to the Committees on Agriculture, Foreign Affairs, and Merchant Marine and Fisheries.

By Ms. OAKAR (for herself, and Mrs. SCHROEDER):

H.R. 1966. A bill to amend certain provisions of the Civil Service Retirement Spouse Equity Act of 1984 and for other purpose; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.R. 1967. A bill to amend title 38, United States Code, to establish a grant program to provide assistance to States in providing veterans with advice and assistance concerning veterans benefits; to the Committee on Veterans' Affairs.

By Mr. RINALDO:

H.R. 1968. A bill to amend the Internal Revenue Code of 1954 to increase to $150,000 the amount of group term life insurance which may be provided by an employer and excluded from the gross income of an employee; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 1969. A bill to amend the Internal Revenue Code of 1954 to increase to 32 cents per pack the excise taxes on cigarettes and to amend title XVIII and XIX of the Social Security Act to provide for the use of the increased cigarette tax revenues for purpose of the medicare and medicaid programs and to reduce the Federal deficit; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 1970. A bill to amend part B of title XI of the Social Security Act to improve the quality assurances system as it applies to

Medicare beneficiaries; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. SCHUMER:

H.R. 1971. A bill to encourage all depository institutions to apply for Federal deposit insurance; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SIKORSKI (for himself, Mr. SMITH of Florida, Mrs. COLLINS, Mr. LANTOS, Ms. KAPTUR, Mr. MCGRATH, Mr. ADDABBO, Mr. MRAZEK, Mr. KOLBE, Mr. MOODY, Mr. VENTO, Mr. DWYER of New Jersey, Mr. MORRISON of Connecticut, Mrs. SCHROEDER, Mrs. BENTLEY, Mr. KOLTER, Mr. RICHARDSON, and Mr. FUSTER):

H.R. 1972. A bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases; to the Committee on Education and Labor.

By Ms. SNOWE (for herself, Mr. MARTIN of New York, Mr. JONES of Tennessee, Mr. MAVROULES, Mr. ALEXANDER, Mr. SUNDQUIST, Mr. GEPHARDT, Mr. MOAKLEY, Mr. JENKINS, Mr. MCKERNAN, Mr. HEFNER, Mr. TAYLOR, Mr. MURTHA, Mr. HORTON, Mr. RAHALL, Mr. CARR, Mr. OWENS, Ms. MIKULSKI, Mr. ROSE, Mr. QUILLEN, Mr. DONNELLY, Mr. TOWNS, Mr. KANJORSKI, Mr. DANIEL, Mr. BOLAND, Mr. PEPPER, Mr. ADDABBO, Mr. SMITH of Florida, Mr. PRICE, Mr. FLORIO, Mr. EMERSON, Mr. DUNCAN, Mr. STUDDS, Mr. WHEAT, Mr. WHITTEN, Mr. GRAY of Illinois, Mr. VOLKMER, Mr. OLIN, Mr. MCEWEN, Mr. BOEHLERT, Mr. BROYHILL, Mr. STAGGERS, Mr. CLAY, Mr. BIAGGI, Mr. YOUNG of Missouri, Mr. BONER of Tennessee, Mrs. LLOYD, Mr. COBEY, Mr. LEHMAN of Florida, Mrs. BENTLEY, Mr. ATKINS, and Mr. THOMAS of Georgia):

H.R. 1973. A bill to provide for orderly trade in nonrubber footwear, to reduce unemployment, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 1974. A bill to require that not more than one-fifth of the budget authority of any department or agency of the executive branch may be obligated during the last 2 calendar months of a fiscal year; to the Committee on Government Operations.

H.R. 1975. A bill to improve the procedures for citizens to bring to trial those making fraudulent claims on the Government, and for other purposes; to the Committee on the Judiciary.

H.R. 1976. A bill to amend the Caribbean Basin Economic Recovery Act to provide that a country may not be designated as a beneficiary country under such act unless it enters into an agreement with the United States providing for the exchange of tax information; to the Committee on Ways and Means.

By Mr. TAUKE (for himself, Mr. TAUZIN, Mr. COATS, Mr. BLILEY, Mr. BROYHILL, Mr. OXLEY, Mr. NIELSON of Utah, Mr. RINALDO, Mr. RITTER, Mr. MOORHEAD, Mr. SCHAEFER, Mr. WHITTAKER, Mr. RALPH M. HALL, Mr. SHELBY, Mr. LUKEN, Mr. MADIGAN, Mr. FIELDS, Mr. RICHARDSON, Mr. ECKERT of New York, Mr. DANNEMEYER, Mr. SLATTERY, Mr. BILIRAKIS, Mr. VANDER JAGT, Mr. HEFNER, Mr. QUILLEN, Mr. JONES of North Carolina, Mr. YOUNG of Alaska, Mr. FRANKLIN, Mr. FUQUA, Mr. PENNY, Mr. KINDNESS, Mrs. VUCANOVICH, Mr. CHENEY, Mr. NATCHER, Mr. HATCHER, Mr. BEDELL, Mr. REGULA, Mr. MONTGOMERY, Mr. BEVILL, Mr. MCKERNAN, Mr. ROGERS, Mr. LIVINGSTON, Mr. PURSELL, Mr. SENSENBRENNER, and Mr. DOWDY of Mississippi):

H.R. 1977. A bill to amend the Communications Act of 1934 in order to establish new procedures for the renewal, assignment, and transfer of broadcast licenses, to provide certain deregulation of broadcast services, and for other purposes; to the Committee on Energy and Commerce.

By Mr. TORRES (for himself, Mr. FLORIO, Mr. WAXMAN, Mr. RICHARDSON, Mr. BERMAN, Mr. BROWN of California, Mr. DIXON, Mr. DREIER of California, Mr. DYMALLY, Mr. HAWKINS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEVINE of California, Mr. MARTINEZ, Mr. PACKARD, Mr. ROYBAL, and Mr. ALEXANDER):

H.R. 1978. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [Superfund] to reduce the danger caused by the disposal of hazardous waste, and for other purposes; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Science and Technology.

By Mr. VENTO:

H.R. 1979. A bill to amend the Federal Deposit Insurance Act, the National Housing Act, and the Federal Credit Union Act to restrict the manner in which federally insured depository institutions may increase fees on individual retirement accounts; to the Committee on Banking, Finance and Urban Affairs.

By Mr. OWENS:

H.R. 1980. A bill to amend title 39, United States Code, to prohibit the delivery of mail to certain residential dwellings by the use of outdoor clusterboxes; to the Committee on Post Office and Civil Service.

By Mr. BONIOR of Michigan (for himself, Mr. MRAZEK, Mr. GILMAN, and Mr. JEFFORDS):

H.J. Res. 227. Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. GRAY of Pennsylania (for himself, Mr. WOLPE, Mr. SOLARZ, Mr. GRADISON, Mr. WALKER, Mr. ADDABBO, Mr. ALEXANDER, Mr. BARNES, Mrs. BURTON of California, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DIXON, Mr. DYMALLY, Mr. EDGAR, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FRANK, Mr. GEPHARDT, Mr. HAWKINS, Mr. HAYES, Mr. HOYER, Mr. JEFFORDS, Mr. KASTENMEIER, Mrs. KENNELLY, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MCKINNEY, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mr. RANGEL, Mr. SAVAGE, Mr. STOKES, Mr. TOWNS, Mr. WEISS, and Mr. WHEAT):

H.J. Res. 228. Joint resolution condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State; to the Committee on Foreign Affairs.

By Mr. HERTEL of Michigan (for himself, Mr. ACKERMAN, Mr. ADDABBO, Mr. BARNES, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BLILEY, Mr. BOEHLERT, Mrs. BOGGS, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mrs. BOXER, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CARPER, Mr. CARR, Mr. COELHO, Mrs. COLLINS, Mr. CONYERS, Mr. COYNE, Mr. DANIEL, Mr. DARDEN, Mr. DAUB, Mr. DE LA GARZA, Mr. DEWINE, Mr. DICKS, Mr. DONNELLY, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. EARLY, Mr. EDGAR, Mr. EMERSON, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FOLEY, Mr. FRENZEL, Mr. FROST, Mr. FUSTER, Mr. GRAY of Illinois, Mr. GUARINI, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HAWKINS, Mr. HAYES, Mr. HEFNER, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. HUTTO, Mr. JENKINS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KEMP, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LANTOS, Mr. LATTA, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. MCHUGH, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOAKLEY, Ms. OAKAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. OWENS, Mr. PANETTA, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RINALDO, Mr. RITTER, Mr. ROE, Mr. ROSE, Mr. SABO, Mr. SAVAGE, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SMITH of Iowa, Ms. SNOWE, Mr. TALLON, Mr. TAUKE, Mr. TAUZIN, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAXLER, Mr. WEISS, Mr. WOLF, Mr. WOLPE, and Mr. WORTLEY):

H.J. Res. 229. Joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week"; to the Committee on Post Office and Civil Service.

By Mr. HYDE.

H.J. Res. 230. Joint resolution to establish a commission to study amusement ride safety; to the Committee on Energy and Commerce.

By Mr. MINETA (for himself and Mr. HAMMERSCHMIDT):

H.J. Res. 231. Joint resolution to designate July 6, 1986, "National Air Traffic Control Day"; to the Committee on Post Office and Civil Service.

By Mr. OWENS:

H.J. Res. 232. Joint resolution to establish a National Commission on Illiteracy; to the Committee on Education and Labor.

By Mr. VENTO:

H. Con. Res. 113. Concurrent resolution expressing the sense of the Congress with respect to the problem of homelessness in the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SOLOMON (for himself, Mr. ARMEY, Mr. ROWLAND of Connecticut, Mr. FASCELL, Mr. BROOMFIELD, Mr. ACKERMAN, Mr. ARCHER, Mr. BARTON of Texas, Mr. BEREUTER, Mr. BLILEY, Mr. BORSKI, Mr. DEWINE, Mr. DIOGUARDI, Mr. DORNAN of California, Mr. DYMALLY, Mr. FEIGHAN, Mr. FIELDS, Mr. FRANK, Mr. GARCIA, Mr. GEJDENSON, Mr. GILMAN, Mr. GINGRICH, Mr. GRAY of Illinois, Mr. HARTNETT, Mr. HOPKINS, Mr. KASICH, Mr. KEMP, Mr. KINDNESS, Mr. KOSTMAYER, Mr. LEVINE of California, Mr. LAGOMARSINO, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. MACK, Mr. MONSON, Mr. MONT-

GOMERY, Mr. REID, Mr. ROE, Mr. ROEMER, Mr. ROSE, Mr. ROTH, Mr. SILJANDER, Mr. SMITH of New Jersey, Mr. SWINDALL, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. UDALL, Mr. WEBER, Mr. WHITEHURST, Mr. YATRON, and Mr. ZSCHAU):

H. Res. 125. Resolution condemning the Government of the Soviet Union for the murder of Maj. Arthur D. Nicholson, Jr., and actions clearly inconsistent with the 1947 Military Liaison Missions Agreement; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHENEY:

H.R. 1981. A bill for the relief of Lawrence K. Lunt; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 1982. A bill for the relief of Simon Marriott; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. MARTINEZ.

H.R. 52: Mr. ROSE, Mr. CARPER, Mr. WYDEN, Mr. THOMAS of Georgia, Mr. ROBERT F. SMITH, and Mr. HUTTO.

H.R. 68: Mr. BONIOR of Michigan, Mr. DASCHLE, Mrs. KENNELLY, and Mr. KILDEE.

H.R. 283: Mr. BONIOR of Michigan, Mr. DASCHLE, Mrs. KENNELLY, and Mr. KILDEE.

H.R. 320: Mr. WORTLEY, Mr. BEVILL, Mr. MURPHY, Mr. RAHALL, Mr. MOLLOHAN, Mr. GEKAS, Mr. CLINGER, Mr. FROST, Ms. KAPTUR, and Mr. TALLON.

H.R. 333: Mr. MARLENEE, Mrs. BYRON, and Mr. SKELTON.

H.R. 343: Mr. BADHAM.

H.R. 346: Mr. GILMAN.

H.R. 351: Mr. CHANDLER.

H.R. 383: Mr. MCMILLAN.

H.R. 385: Mr. QUILLEN, Mr. SHUMWAY, Mr. MOORHEAD, Mr. SILJANDER, Mr. THOMAS of Georgia, and Mr. COBEY.

H.R. 445: Mrs. BURTON of California, Mr. ECKART of Ohio, and Mr. WILLIAMS.

H.R. 479: Mr. MCKINNEY, Mr. MORRISON of Connecticut, and Ms. KAPTUR.

H.R. 507: Mr. LEHMAN of California.

H.R. 589: Mr. MURPHY.

H.R. 695: Mr. LUNGREN.

H.R. 814: Mr. BADHAM.

H.R. 822: Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ANDREWS, Mr. ATKINS, Mr. AUCOIN, Mr. BARNES, Mr. BATES, Mr. BEDELL, Mr. BERMAN, Mr. BOEHLERT, Mr. BOLAND, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BRYANT, Mr. BROWN of California, Mrs. BURTON of California, Mr. BUSTAMANTE, Mr. CARPER, Mr. CLAY of Missouri, Mr. COELHO, Mrs. COLLINS, Mr. CONYERS, Mr. COOPER, Mr. CROCKETT, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DICKS, Mr. DIXON, Mr. DONNELLY, Mr. DORGAN of North Dakota, Mr. DOWNEY of New York, Mr. DURBIN, Mr. DYMALLY, Mr. DWYER of New Jersey, Mr. EARLY, Mr. ECKART of Ohio, Mr. EDGAR, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FOWLER, Mr. GARCIA, Mr. GIBBONS, Mr. GLICKMAN, Mr. GONZALEZ, Mr. GRAY of Pennsylvania, Mr. HALL of Ohio, Mr. HAYES, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Ms. KAPTUR, Mr. KASTENMEIER, Mrs. KENNELLY, Mr. KILDEE, Mr. KOSTMAYER, Mr. KOLTER, Mr. LEACH of Iowa, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. LIGHTFOOT, Mr. LUNDINE, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MCHUGH, Ms. MIKULSKI, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MINETA, Mr. MOLLOHAN, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NEAL, Mr. NIELSON of Utah, Ms. OAKAR, Mr. OBERSTAR, Mr. OWENS, Mr. PEASE, Mr. PENNY, Mr. ROYBAL, Mr. SABO, Mr. SAVAGE, Mrs. SCHNEIDER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SEIBERLING, Mr. SIKORSKI, Mr. SKELTON, Mr. SLATTERY, Mr. SOLARZ, Mr. STARK, Mr. ST GERMAIN, Mr. STOKES, Mr. STUDDS, Mr. SYNAR, Mr. TORRES, Mr. TRAXLER, Mr. UDALL, Mr. VENTO, Mr. WALGREN, Mr. WAXMAN, Mr. WEAVER, Mr. WHEAT, Mr. WILLIAMS, Mr. WIRTH, Mr. WISE, Mr. WOLPE, Mr. WORTLEY, Mr. WYDEN, Mr. YATES, Mr. YOUNG of Missouri, and Mr. ZSCHAU.

H.R. 840: Mrs. COLLINS, Mr. DARDEN, Mr. MANTON, Mr. LEVINE of California, Ms. KAPTUR, Mr. GARCIA, Mr. TRAFICANT, Mr. SCHEUER, and Mr. DANIEL.

H.R. 841: Mr. MANTON, Mrs. COLLINS, Mr. TOWNS, Mr. TALLON, Mr. MITCHELL, Mr. ROE, Mr. NELSON of Florida, Ms. KAPTUR, Mr. FRANK, Mr. RANGEL, Mr. TRAFICANT, Mrs. BURTON of California, Mr. WEISS, Mr. SCHEUER, Mr. GARCIA, Mr. FORD of Tennessee, Mr. KANJORSKI, and Mr. STALLINGS.

H.R. 871: Mr. PACKARD, Mr. SUNIA, and Mr. GILMAN.

H.R. 877: Mr. PURSELL.

H.R. 890: Mr. MADIGAN, Mr. LIPINSKI, Mrs. LLOYD, Mr. TAUZIN, Mr. KLECZKA, Mr. HOYER, and Mr. OBERSTAR.

H.R. 891: Mr. BOUCHER.

H.R. 893: Mr. THOMAS of Georgia.

H.R. 918: Mrs. BENTLEY.

H.R. 933: Mr. FISH, Mr. BIAGGI, Mrs. KENNELLY, Mr. SCHEUER, Mr. FORD of Tennessee, Mr. MARTINEZ, Mr. MORRISON of Washington, Mr. GLICKMAN, Mr. DORNAN of California, Mr. LEVIN of Michigan, Mr. SHELBY, Mr. SIKORSKI, Mr. SAXTON, Mr. HEFTEL of Hawaii, Mr. DURBIN, Mr. FROST, Mr. JEFFORDS, Mr. HORTON, Mr. BORSKI, Mr. DANIEL, Mr. RANGEL, Mrs. JOHNSON, Mr. MINETA, Mr. GILMAN, Mr. WEISS, Mr. MCCOLLUM, Mr. WYDEN, Mr. WOLPE, Mr. CLINGER, and Mr. PURSELL.

H.R. 945: Mr. MCHUGH, Mr. SILJANDER, Ms. SNOWE, Mr. ROBERT F. SMITH, Mr. SNYDER, Mr. GROTBERG, Mr. LIGHTFOOT, Mr. PACKARD, Mr. CAMPBELL, Mr. EVANS of Iowa, Mr. CHAPPELL, and Mr. DUNCAN.

H.R. 975: Mr. BLAZ and Mr. LENT.

H.R. 980: Mr. MURPHY and Mr. CROCKETT.

H.R. 1042: Mr. THOMAS of Georgia, Mr. KOLTER, and Mr. STRANG.

H.R. 1050: Mr. WILSON, Mr. BREAUX, Mr. FORD of Tennessee, Mr. ROE, Mr. SMITH of New Jersey, Mr. DWYER of New Jersey, Ms. MIKULSKI, and Mr. DAVIS.

H.R. 1059: Mr. CHAPPIE, Mr. GUNDERSON, and Mr. PANETTA.

H.R. 1124: Mr. WILLIAMS and Mr. GEPHARDT.

H.R. 1142: Mr. PURSELL and Mr. SHARP.

H.R. 1161: Mr. WHITEHURST.

H.R. 1180: Mr. MONSON.

H.R. 1222: Mr. RICHARDSON.

H.R. 1247: Mr. STUMP, Mr. SPENCE, Mr. HILER, Mr. HOPKINS, Mr. FRENZEL, Mr. BROWN of Colorado, Mr. SENSENBRENNER, Mr. BARTON of Texas, Mr. DANNEMEYER, Mr. BLAZ, Mr. BADHAM, Mr. PARRIS, Mr. KASICH, Mr. SKEEN, Mrs. MARTIN of Illinois, Mr. LUNGREN, Mr. STRANG, Mrs. BENTLEY, Mr. DANIEL, Mr. DREIER of California, Mr. SHUMWAY, Mr. MAZZOLI, Mr. LIVINGSTON, Mr. MICHEL, and Mr. PETRI.

H.R. 1258: Mr. BADHAM.

H.R. 1309: Mr. ADDABBO, Mr. FAZIO, Mr. FORD of Michigan, Mr. AKAKA, Mr. RICHARDSON, Ms. KAPTUR, Mr. CONYERS, Mr. FLORIO, Mr. BONIOR of Michigan, Mr. VENTO, Mr. MOODY, Mr. MURPHY, Mr. DWYER of New Jersey, Mr. OWENS, Mr. MARTINEZ, Mr. TORRES, Mr. HERTEL of Michigan, and Mr. KOLTER.

H.R. 1318: Mr. THOMAS of Georgia, Mr. KOLTER, and Mr. SCHAEFER.

H.R. 1379: Mr. MARTINEZ.

H.R. 1380: Mr. BOEHLERT, Mr. FRANK, Mr. MAZZOLI, Mr. HUGHES, Mr. MATSUI, Mr. STALLINGS, Mr. WEAVER, Mr. COUGHLIN, Mr. ROYBAL, Mr. MORRISON of Connecticut, Mr. OXLEY, Mr. BARNES, Mr. BIAGGI, Mr. EDWARDS of California, Mr. BONKER, Mr. STENHOLM, and Mr. BROWN of California.

H.R. 1395: Mr. DASCHLE, Mr. CRAIG, Mr. THOMAS of Georgia, Mr. PURSELL, and Mr. SENSENBRENNER.

H.R. 1435: Mr. ROE, Mr. RODINO, Mr. TOWNS, Mr. GARCIA, Mr. WOLF, Mr. COURTER, Mr. STARK, Ms. KAPTUR, Mr. BLILEY, Mr. WHITEHURST, Mr. MOORHEAD, Mr. MATSUI, Mr. VANDER JAGT, Mr. MURPHY, and Mr. EVANS of Illinois.

H.R. 1482: Mr. FAUNTROY, Mr. FRANK, Mr. ADDABBO, Mr. WIRTH, Mr. WHEAT, Mr. OWENS, Mr. BERMAN, and Mrs. BOXER.

H.R. 1520: Mr. VANDER JAGT, Mr. WEAVER, Mr. RICHARDSON, Mr. RUDD, Mrs. VUCANOVICH, Mr. DUNCAN, Mr. FORD of Michigan, Mr. REID, Mr. RAHALL, Mr. TOWNS, Mr. JONES of North Carolina, Mr. KOLBE, Mr. NIELSON of Utah, and Mr. MONSON.

H.R. 1550: Mr. BEDELL.

H.R. 1594: Mr. WEAVER, Mrs. COLLINS, Mr. YATES, Mrs. JOHNSON, Mr. HEFTEL of Hawaii, Mr. DELLUMS, Mr. HANSEN, Mr. BERMAN, and Mr. BEDELL.

H.R. 1595: Mr. SENSENBRENNER and Mr. MONSON.

H.R. 1607: Mr. RANGEL, Mr. FAUNTROY, Mr. FUSTER, Mr. DYMALLY, Mr. COELHO, and Ms. KAPTUR.

H.R. 1684: Mr. WOLF, Mr. HALL of Ohio, Mr. MURPHY, Mr. ALEXANDER, Mr. SMITH of Florida, Mrs. COLLINS, Mr. TOWNS, Mr. KINDNESS, Mr. ROSE, and Mr. BUSTAMANTE.

H.R. 1724: Mr. CONYERS.

H.R. 1763: Mr. WHITEHURST and Mrs. BENTLEY.

H.R. 1824: Mr. MORRISON of Connecticut, Mr. VENTO, Mr. HENRY, Mr. SENSENBRENNER, and Mr. DWYER of New Jersey.

H.R. 1825: Mr. MORRISON of Connecticut, Mr. HENRY, Mr. SENSENBRENNER, and Mr. DWYER of New Jersey.

H.R. 1826: Mr. MORRISON of Connecticut, Mr. VENTO, Mr. HENRY, Mr. SENSENBRENNER, and Mr. DWYER of New Jersey.

H.R. 1827: Mr. MORRISON of Connecticut, Mr. HENRY, Mr. SENSENBRENNER, and Mr. DWYER of New Jersey.

H.R. 1828: Mr. MORRISON of Connecticut, Mr. VENTO, Mr. HENRY, Mr. SENSENBRENNER, and Mr. DWYER of New Jersey.

H.J. Res. 7: Mr. DEWINE, Mr. SOLOMON, Mr. CHANDLER, Mr. MCCAIN, Mr. YOUNG of Florida, Mr. HARTNETT, Mr. COLEMAN of Missouri, and Mr. BADHAM.

H.J. Res. 33: Mr. DYSON.

H.J. Res. 77: Mr. FUQUA, Mr. DEWINE, Ms. MIKULSKI, Mrs. BOXER, Mr. LANTOS, Mr. MADIGAN, Mr. KANJORSKI, Mr. ROSE, Mr. KILDEE, Mr. ROYBAL, Mr. EARLY, Mr. BILIRAKIS, Mr. WHEAT, Mr. MCGRATH, Mr. DE LA GARZA, Mr. PACKARD, Mr. SABO, Mr. DAUB,

Mr. WHITLEY, Mr. EMERSON, Mr. DYMALLY, Mr. SAXTON, Mr. FISH, Mr. JENKINS, Mr. CONTE, Mr. WOLF, Mr. FEIGHAN, Mr. BERMAN, Mr. KOLTER, Mr. HORTON, Mr. LIGHTFOOT, Mr. MARKEY, Mr. HYDE, Mrs. BURTON of California, Mr. GIBBONS, Mr. WEAVER, Mr. BADHAM, Mr. LEVIN of Michigan, Mr. HUGHES, Mr. GALLO, Mr. SWINDALL, Mr. EDWARDS of Oklahoma, Mr. ROEMER, Ms. OAKAR, and Mr. ORTIZ.

H.J. Res. 87: Mr. SKELTON.

H.J. Res. 88: Mr. FRANK, Mr. SCHUMER, Mr. SEIBERLING, Mr. WISE, Mr. MITCHELL, Mr. KOLTER, Mr. WEISS, and Mr. SABO.

H.J. Res. 94: Mr. LIVINGSTON.

H.J. Res. 101: Mr. BRYANT, Mr. KOLBE, Mr. SUNIA, and Mr. FISH.

H.J. Res. 108: Mr. BARTON of Texas and Mr. DE LA GARZA.

H.J. Res. 127: Mr. BRYANT.

H.J. Res. 136: Mrs. BOGGS, Mr. LIPINSKI, Mr. HENRY, Mr. WIRTH, Mr. LEHMAN of California, Mr. SILJANDER, Mr. WORTLEY, Mr. SAVAGE, Mr. LUKEN, Mr. JENKINS, Mr. RICHARDSON, Mr. RAHALL, Mr. BONKER, Mr. FISH, Mr. MACKAY, Mr. DICKS, and Mr. COURTER.

H.J. Res. 154: Mr. WYLIE, Mr. KASICH, Mr. HOYER, Mr. APPLEGATE, Mr. SHUMWAY, Mr. FEIGHAN, Mrs. HOLT, Mr. EDWARDS of Oklahoma, Mr. MARTINEZ, Mr. TRAFICANT, Mr. CLINGER, Mr. BUSTAMANTE, Mr. GALLO, Mr. HAYES, Mr. TAUKE, Mr. CLAY, Mr. RICHARDSON, Mr. MAVROULES, Mr. QUILLEN, Mr. JONES of North Carolina, Mr. CONYERS, Mr. BONER of Tennessee, Mr. DANIEL, and Mr. DASCHLE.

H.J. Res. 175: Mrs. HOLT, Mr. TOWNS, Mr. CROCKETT, Mr. MARTINEZ, Ms. OAKAR, Mr. VENTO, and Mr. PURSELL.

H.J. Res. 202: Mr. DAUB and Mr. ROE.

H. Con. Res. 93: Mr. KLECZKA, Mr. BRUCE, Mr. KINDNESS, Mr. WILSON, Mr. KOLTER, Mr. GRAY of Illinois, Mr. SHELBY, Mr. SMITH of Florida, and Mr. BEDELL.

H. Con. Res. 102: Mr. HYDE, Mr. DYMALLY, Mr. SMITH of New Hampshire, Mr. WEBER, Mr. FRANK, Mr. BARTON of Texas, Mr. BLILEY, Mr. STARK, Mr. HALL of Ohio, and Mr. MACKAY.

H. Con. Res. 106: Mrs. BENTLEY and Mr. KLECZKA.

H. Res. 60: Mr. MILLER of Ohio, Mrs. BENTLEY, Mr. GRADISON, Mr. WHITEHURST, and Mr. PACKARD.

H. Res. 68: Mr. SCHUMER, Mr. GARCIA, Mr. BIAGGI, Mr. FISH, Mr. WAXMAN, Mr. LEVINE of California, Mr. WEISS, Mr. SAXTON, Mr. DIOGUARDI, and Mr. ADDABBO.

H. Res. 72: Mr. WRIGHT, Mr. STRATTON, Mrs. COLLINS, Mr. TRAXLER, Mr. EDWARDS of Oklahoma, Mr. OBERSTAR, Mr. BRYANT, Mr. WEAVER, Mr. BOEHLERT, Mr. GRAY of Illinois, Mr. DOWNEY of New York, Mr. EDGAR, Mr. FLORIO, Mr. FORD of Tennessee, Mr. BONER of Tennessee, Mr. BROOKS, Mr. GEJDENSON, Mr. GONZALEZ, Mr. GUARINI, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LIPINSKI, Mr. PRICE, Mr. SUNIA, Mr. YATRON, Mr. WOLPE, Mr. STAGGERS, Mr. PEASE, Mr. SMITH of Iowa, and Mrs. LLOYD.

H. Res. 94: Mr. RANGEL and Ms. OAKAR.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1401: Mr. ROSE.
H.R. 1402: Mr. ROSE.
H.R. 1403: Mr. ROSE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

76. The Speaker presented a petition of Erwin W. Watkins, attorney at law, Shaker Heights, OH, relative to the Equal Employment Opportunity Act; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

WE NEED A SELECT COMMITTEE ON WATER RESOURCES

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WHITEHURST. Mr. Speaker, in 1979, I introduced a resolution calling for the establishment of an ad hoc committee on water resources. At that time, the resolution gained a number of cosponsors, but was never acted upon.

The problems of water supply have by no means lessened since that time, and indeed, in many areas of our country they have become even worse. For this reason, I am introducing today a resolution to establish a select committee, to be known as the Select Committee on Water Resources, which I hope will take steps to ensure a wise and viable long-range plan to provide an adequate water supply for future generations.

This is a national issue, not a State or local one, and I hope that we will not wait too much longer to deal with it. I am taking the liberty of sharing with my colleagues at this point in the RECORD the statements which I made in October 1979. At that time, I said that we are an "11th hour" Nation. I think it is not overstating the case to say that we are now moving closer to 5 minutes to 12.

The statements follow:

[From the CONGRESSIONAL RECORD, Oct. 12, 1979]

WATER CRISIS EXPECTED

Mr. WHITEHURST. Mr. Speaker, for some time I have been telling my constituents that we may well be facing a water crisis before the end of this century. The editorial from the Friday, October 12, 1979, edition of the Washington Post makes as cogent a statement on this issue as I have yet seen, and I am taking this opportunity to share it with my colleagues. It seems to me that we in the Congress have the responsibility to make every effort to anticipate the seriousness of the problem and deal with it before it actually reaches crisis proportions.

We have always been an "11th-hour" Nation—I recall so well, for example, that the great majority of my history students always wrote their book reports and term papers the night before they were due—and we have always had great resourcefulness on our side when the crunch came, whether it be Sputnik, synthetic rubber, or even World War II. Indeed, Bismarck once said that there is a special providence that favors fools, small children, and the United States of America. However, we cannot expect that happy situation to last forever, and we would do well to let our present energy woes serve as a warning; I think we will make it this time, but let us try to be better prepared before the water crisis strikes—that way, it will not need to reach crisis proportions.

The article follows:

WATER SHORTAGE EVERYWHERE

Why is water scarce and growing scarcer, approaching the status of a genuine shortage? In large part because we waste it. Anyone who has ever visited Los Angeles, for example, knows that the leaf rake is an endangered species there—these days leaves are blown off lawns and driveways with a spray hose. That's called progress. But agriculture is the truly big waster: the General Accounting Office recently concluded that at least half of the water used for irrigation in this country is wasted.

And why does wasting water comes so easy? In large part because of billion-dollar federal subsidies that provide water for irrigation at a fraction of its real cost. A utility in Utah, for example, recently paid $1,750 per acre-foot of water while not far away, in California's San Joaquin valley, farmers were paying less than $10. In addition, there is increasing concentration of growth in areas where water supplies are lowest—in the Sun Belt. Many of these booming cities, like Phoenix, for example, have been built on non-renewable supplies of ground water. Phoenix prides itself on having "made the desert bloom," but the price is a water table that has dropped 400 feet and more. With a measly 10 inches of annual rainfall, Arizona ranks among the top 10 states in per-capita water consumption.

In the East, where flooded basements are more common than falling water tables, a less familiar type of shortage may be developing. This is not an absolute shortage, but a shortage of usable water: water that is, in the vernacular of the trade, "fishable and swimmable." Some years ago Congress decided to try to reach that goal—fishable and swimmable—for the nation's waters by 1983. It won't be met, though not for want of trying. The construction of waste-water treatments facilities is now the nation's largest public works project, outdistancing even the pork-barrel dams and various Corps of Engineers boondoggles. But despite the nearly $30 billion in federal money that has been spent, the goal of clean water keeps receding. And the list of hazardous substances that should be removed from water to ensure safety grows.

The chairman of one congressional committee on water resources said the other day that "if we don't do something," the water shortage could make the energy crisis look like "a pink tea party." But there doesn't have to be a national water crisis. The country has about as much water available as it ever had—about 600 billion gallons per day. It is simply being used faster that it can be replenished. And since part of the reason is the price, which has been held by federal policy way below water's real value, and part the wasteful practices for which there are many technological alternatives, the similarities to past mistakes with oil and gas should be too obvious to ignore.

[From the CONGRESSIONAL RECORD, Oct. 24, 1979]

ENOUGH WATER?

Mr. WHITEHURST. Mr. Speaker, a crisis looms on the horizon that threatens to make our present energy difficulties pale by comparison. And, as in the case of energy, this possible crisis involves a potential shortage of a valuable national resource-water.

I do not want to sound like an alarmist but I am deeply concerned about the future prospects of water availability in this country. It has been estimated that 1980 demands on national water resources will nearly double those of 1954, and that by the year 2000 demands will triple those experienced in 1954. And by the turn of the century, it is estimated that 85 percent of our country's population will live in urban centers.

While there are many concomitant concerns associated with such a dramatic shift in population, of primary concern should be how we are going to provide these vast concentration of people with water. I underscore this point with the knowledge of predictions that much of this growth is projected to occur in cities located in semiarid regions of the West, many of which are built on nonrenewable supplies of water.

While it is true that from a national perspective there is sufficient water to meet our Nation's needs for some years to come, a region-by-region breakdown indicates serious supply problems ahead for many areas. Indeed, such supply problems exist or are anticipated in southern California, the Great Basin, the Lower Colorado, the Rio Grande, the High Plains of Texas, and the southcentral portion of the Missouri River Basin.

Many of these same areas are rich in coal and oil shale and are being counted on to be centers of energy conversion processes, which require large quantities of water. In large measure, then, our Nation's commitment to become more energy independent of foreign oil suppliers is directly tied to our success or failure to better manage, develop and conserve our water resource. And, while many Federal agencies and congressional committees are involved in some aspect of the water resources issue, I believe our Nation's effort is too fragmented.

Indeed, I believe President Carter recognized this when he presented his Federal water policy directives on July 12, 1978, one of which called for improved planning and evaluation of Federal water resources programs and projects. The responsibility for carrying out the President's directives was given to 19 Federal interagency task forces with the Secretary of the Interior charged with oversight. I think, however, that the Congress must play a more visible role and assert itself more in this critical area. That is why I have introduced House Resolution 445 to establish an ad hoc committee on water resources. This committee would consider and report to the House on any bill, resolution, or message or communication from the executive branch on any matter dealing with water resources for this Nation.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

It is my hope that one of the first steps taken by this body would be to give serious consideration to the establishment of a select committee charged with the responsibility of insuring a wise and viable long-range plan to provide an adequate water supply for future generations. We simply must grasp the severity of the problem now not wait until the 11th hour until we are handcuffed and panicked into action as we have been in the case of energy. Let us open our eyes and survey the present situation. Let us recognize our responsibility. Already water use approaches or exceeds the dependable supply in some cities, and there are potential shortages in other areas once believed blessed with inexhaustible supplies.

It was not too long ago that we once believed our oil supply would never run short. The parallels of energy and water are many. It has been a painful lesson for many of us, but I believe we realize the value of a gallon of gasoline and the importance of deriving every drop of energy from it. But I cannot say this is true for water. Americans simply do not appreciate the value of water and the importance of using it wisely. Not long ago, the General Accounting Office reported that nearly half of the water used in this country for irrigation purposes is wasted. This trend must be stopped and stopped now. Just as we have reached the end of an era of cheap energy, so too is the era of cheap water nearing an end.

Indications of a pending water crisis abound. In many areas of the country where municipalities rely heavily on ground water supplies, there is a clearly established pattern of diminishing returns as the water is removed at a faster rate than it is replaced. This not only lowers the water table in those areas but also can result in salt-water intrusion into our freshwater supplies and reduce flows of surface water that we so casually inject a seemingly endless array of pollutants.

Even in parts of the country with seemingly abundant supplies of water, antiquated distribution systems may result in a city losing up to half of its water supply through old pipes and water main breaks. In 1977 the Pennsylvania Gas and Water Co. reported "unaccounted for water" rates of 35 percent of its Wilkes-Barre service area and 46 percent for Scranton service area. Simillar unaccounted-for water statistics have been compiled in other cities, including Boston and New York.

I want to direct your attention to a few specific cities caught in the throes of planning for water scarcity.

In El Paso, Tex., a growing city of more than 322,000, the average annual rainfall is a paltry 8 inches. Like other southwest cities, El Paso gets 90 percent of its water from ground water sources. But current withdrawals are occurring at a rate of 10 times faster than the water is being replaced; and at a time when El Paso's water needs are increasing rapidly.

In Boston, the demand for water already exceeds the dependable supply. The Army Corps of Engineers has identified the Boston area as having a critical supply problem. The Metropolitan District Commission is the major water supplier in the State, providing water to about 2.3 million persons in Boston and about 40 other cities and towns. The dependable supply of the commission's system is 300 million gallons per day. The average daily use in 1976 was 317 million gallons per day. A 1977 Army Corps of Engineers report projected that the commission would need a dependable supply of 441 million gallons per day by 1990.

In my district of Norfolk and Virginia Beach, Va., studies show that average daily demand will exceed the system's dependable yield of water by the late 1980's. In Virginia Beach, a city whose economy is underpinned by the tourist dollar, spot water shortages already have occurred during the tourist season during periods of heavy consumption. Although Norfolk does not project a significant increase in population by 2000, Virginia Beach—the fastest growing city on the east coast and which receives its water from Norfolk—is expected to have a population of 359,000 by that time. At present, my district is engaged in a desperate struggle to locate future water supplies and wrestling with the delicate issue of an inter-basin transfer of water.

In conclusion, I implore you not to look away from this issue, for it begs our attention as energy did in 1973. The battle for water rights in this country promises to intensify on all fronts. It is an issue that will not soon be resolved.●

A BILL TO DISCOURAGE U.S. CORPORATIONS FROM USING FOREIGN TAX HAVENS

HON. JAMES A. TRAFICANT, JR.
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. TRAFICANT. Mr. Speaker, enough it enough. Too often, we have seen this country allow itself to be trounced in international trade circles and be taken advantage by foreign countries who use America's tax loopholes against us to lure U.S. manufacturing plants overseas.

It is utterly amazing that every year, the U.S. Government allows American-based corporations to develop technology and manufacturing processes here, then suddenly—many times without prior notice—pack up their manufacturing plants, layoff workers, and move the production abroad. Only to resell the products made back in the U.S. markets. The motivation of moving overseas? The tax-free incentives corporations can take advantage of in many developing Third World countries.

As I have stated, under the existing law, the income of these corporations operating abroad is generally not subject to current U.S. taxation. To address this loophole, I have introduced the following bill that will discourage U.S. corporations from developing technology in the United States and then transporting the manufacturing operation overseas in order to take advantage of tax breaks and lower labor costs.

Enactment of the taxation of foreign controlled manufacturing corporations would eliminate the tax advantages which some U.S. companies can obtain by investing in countries offering tax holidays, or by investing in manufacturing facilities in countries with low tax rates where a significant portion of their products are intended for the U.S. market. Simply, the intent of this legislation is to discourage tax-motivated foreign investment.

This bill will add new rules to the Internal Revenue Code to require current U.S. taxation of earnings and profits of controlled foreign manufacturing corporations which benefit from tax holidays or constitute runaway plants. The new rules will provide that a U.S. shareholder of a controlled foreign manufacturing corporation will be treated as having received his pro rata share of the corporation's earnings and profits for a taxable year if the corporation is considered a "foreign tax haven manufacturing corporation" by definition. This is accomplished by incorporating the new rules into the existing subpart F of the Internal Revenue Code.

The revenue received from the taxes imposed will be directed two ways: 75 percent of this revenue will be used to reduce the public debt and the historical Federal deficit exclusively; 25 percent will provide assistance to economically depressed areas through the newly created economic assistance trust fund.

I urge my colleagues to review this legislation and join me in sponsorship.

H.R. —

A bill to discourage domestic corporations from establishing foreign manufacturing subsidiaries in order to avoid Federal taxes by including in gross income of United States shareholders in foreign corporations the retained earnings of any such subsidiary which are attributable to manufacturing operations in runaway plants or tax havens, to provide that revenue from taxes imposed on such income shall be used to reduce the public debt and provide assistance to economically depressed areas, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCOME FROM RUNAWAY PLANTS OR FROM MANUFACTURING OPERATIONS LOCATED IN A COUNTRY WHICH PROVIDES A TAX HOLIDAY INCLUDED IN SUBPART F INCOME.

(a) FOREIGN BASE COMPANY MANUFACTURING RELATED INCOME ADDED TO CURRENTLY TAXED AMOUNTS.—Subsection (a) of section 954 of the Internal Revenue of 1954 (defining foreign base company income) is amended by adding at the end thereof the following new paragraph:

"(6) the foreign base company manufacturing related income for the taxable year (determined under subsection (i) and reduced as provided in subsection (b)(5))."

(b) DEFINITION OF FOREIGN BASE COMPANY MANUFACTURING RELATED INCOME.—Section 954 of such Code is amended by adding at the end thereof the following new subsection:

"(i) FOREIGN BASE COMPANY MANUFACTURING RELATED INCOME.—

"(1) IN GENERAL.—For purposes of this section, the term 'foreign base company manufacturing related income' means income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with the manufacture for or sale to any person of personal property by the con-

trolled foreign corporation where the property sold was manufactured by the controlled foreign corporation in any country other than the United States if such property or any component of such property was manufactured—

"(A) in a tax holiday plant, or

"(B) in a runaway plant.

"(2) OTHER DEFINITIONS; SPECIAL RULES.—For purposes of this subsection—

"(A) TAX HOLIDAY PLANT DEFINED.—The term 'tax holiday plant' means any facility—

"(i) operated by the controlled foreign corporation in connection with the manufacture of personal property, and

"(ii) with respect to which any economic benefit under any tax law of the country in which such facility is located accrued—

"(I) to such corporation,

"(II) for the purpose of providing an incentive to such corporation to establish, maintain, or expand such facility, and

"(III) for the taxable year of such corporation during which the personal property referred to in paragraph (1) was manufactured.

"(B) RUNAWAY PLANT DEFINED.—The term 'runaway plant' means any facility—

"(i) for the manufacture of personal property of which not less than 25 percent is used, consumed, or otherwise disposed of in the United States, and

"(ii) which is established or maintained by the controlled foreign corporation in a country in which the effective tax rate imposed by such country on the corporation is less than 80 percent of the effective tax rate which would be imposed on such corporation under this title.

"(C) ECONOMIC BENEFIT UNDER ANY TAX LAW DEFINED.—The term 'economic benefit under any tax law' includes—

"(i) any exclusion or deduction of any amount from gross income derived in connection with—

"(I) the operation of any manufacturing facility, or

"(II) the manufacture or sale of any personal property,

which would otherwise be subject to tax under the law of such country;

"(ii) any reduction in the rate of any tax which would otherwise be imposed under the laws of such country with respect to any facility or property referred to in clause (i) (including any ad valorem tax or excise tax with respect to such property);

"(iii) any credit against any tax which would otherwise be assessed against any such facility or property or any income derived in connection with the operation of any such facility or the manufacture or sale of any such property; and

"(iv) any abatement of any amount of tax otherwise due and any other reduction in the actual amount of tax paid to such country.

"(D) MANUFACTURE DEFINED.—The term 'manufacture' or 'manufacturing' includes any production, processing, assembling, or finishing of any personal property or any component of property not yet assembled and any packaging, handling, or other activity incidental to the shipment or delivery of such property to any buyer.

"(E) CORPORATION INCLUDES ANY RELATED PERSON.—The term 'controlled foreign corporation' includes any related person with respect to such corporation.

"(F) SPECIAL RULE FOR DETERMINING WHICH TAXABLE YEAR AN ECONOMIC BENEFIT WAS OBTAINED.—An economic benefit under any tax law shall be treated as having accrued in the taxable year of the controlled foreign corporation in which such corporation actually obtained the benefit, notwithstanding the fact that such benefit may have been allowable for any preceding or succeeding taxable year and was carried forward or back, for any reason, to the taxable year.

"(3) LIMITATION ON APPLICATION OF PARAGRAPH (1) IN CERTAIN CASES.—For purposes of this section—

"(A) IN GENERAL.—The term 'foreign base company manufacturing related income' shall not include any income of a controlled foreign corporation from the manufacture or sale of personal property if—

"(i) such corporation is not a corporation significantly engaged in manufacturing,

"(ii) the investment in the expansion of an existing facility which gave rise to a tax holiday for such facility was not a substantial investment, or

"(iii) the personal property was used, consumed, or otherwise disposed of in the country in which such property was manufactured.

"(B) CORPORATION SIGNIFICANTLY ENGAGED IN MANUFACTURING DEFINED.—

"(i) GENERAL RULE.—A corporation shall be deemed to be significantly engaged in manufacturing if the value of real property and other capital assets owned or controlled by the corporation and dedicated to manufacturing operations is more than 10 percent of the total value of all real property and other capital assets owned or controlled by such corporation.

"(ii) SPECIAL RULE FOR ASSESSING PROPERTY VALUE.—The value of any property owned by the corporation is the basis of such corporation in such property. The basis of the corporation in any property which was acquired other than by purchase shall be the fair market value of such property at the time of such acquisition. Any property controlled but not owned by such corporation under any lease (or any other instrument which gives such corporation any right of use or occupancy with respect to such property) shall be treated as property acquired other than by purchase in the manner provided in the preceding sentence.

"(C) SUBSTANTIAL INVESTMENT DEFINED.—The term 'substantial investment' means any amout which—

"(i) was added to the capital account for an existing facility during the 3-year period ending on the last day of any table year with respect to which such facility is a tax holiday plant, and

"(ii) caused the sum of all amounts added to such account during such period to exceed 20 percent of the total value of such facility (determined in the manner provided in subparagraph (B)(ii)) on the first day of such period."

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The last sentence of subsection (b)(4) of such section 954 is amended by striking out "subsection (a)(5)." and by inserting in lieu thereof "subsection (a)(5) or foreign base company manufacturing related income described in subsection (a)(6)."

(2) Subsection (b)(5) of such section 954 is amended by striking out "and the foreign base company oil related income" and by inserting in lieu thereof "the foreign base company oil related income, and the foreign base company manufacturing related income".

(3) Subsection (b) of such section 954 is amended by inserting at the end thereof the following new paragraph:

"(9) FOREIGN BASE COMPANY MANUFACTURING RELATED INCOME NOT TREATED AS ANOTHER KIND OF BASE COMPANY INCOME.—Income of a corporation which is foreign base company manufacturing related income shall not be treated as foreign base company income of such corporation under any paragraph of subsection (a) other than paragraph (6)."

(d) CLERICAL AMENDMENTS.—

(1) Paragraph (4) of subsection (a) of such section 954 is amended by striking out "and" at the end thereof.

(2) Paragraph (5) of such subsection (a) is amended by inserting "and" after the comma at the end thereof.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 1984, and to taxable years of United States shareholders in which, or with which, such taxable years of foreign corporations end.

(2) INVESTMENTS BEFORE THE DATE OF ENACTMENT NOT TAKEN INTO ACCOUNT.—No facility of a foreign controlled corporation shall be treated as a tax holiday plant (within the meaning of section 954(i)(2)(A) of such Code, as amended by this section) or as a runaway (plant within the meaning of section 954(i)(2)(B) of such Code, as amended by this section) on the basis of any amount paid or incurred with respect to such facility and added to the capital account for such facility before the date of the enactment of this Act.

SEC. 2. REVENUE ATTRIBUTABLE TO SECTION 1 AMENDMENTS TO BE USED TO REDUCE PUBLIC DEBT AND PROVIDE ASSISTANCE TO ECONOMICALLY DEPRESSED AREAS.

(a) 75 PERCENT OF REVENUE TRANSFERRED TO REDUCE PUBLIC DEBT.—The Secretary of the Treasury shall transfer to the account in the Treasury described in section 3113(d) of title 31, United States Code (relating to account resulting from gifts to the United States to retire Government obligations) amounts equivalent to 75 percent of the amounts received in the Treasury which the Secretary of the Treasury determines to be attributable to taxes imposed under the Internal Revenue Code of 1954 on foreign base company manufacturing related income (as defined in section 954(i) of such Internal Revenue Code). Rules similar to the rules contained in section 9601 of such Code (relating to transfer of amounts) shall apply to the transfers required under this subsection.

(b) ECONOMIC ASSISTANCE TRUST FUND ESTABLISHED; 25 PERCENT OF REVENUE TRANSFERRED TO TRUST FUND.—Subchapter A of chapter 98 of such Code (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9505. ECONOMIC ASSISTANCE TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is hereby established in the Treasury of the United States a trust fund to be known as the 'Economic Assistance Trust Fund', consisting of such amounts as may be transferred or credited to the Economic Assistance Trust Fund under this section or section 9602(b).

"(b) TRANSFER TO ECONOMIC ASSISTANCE TRUST FUND.—The Secretary shall transfer to the Economic Assistance Trust Fund amounts equivalent to 25 percent of amounts received in the Treasury which the Secretary determines to be attributable to taxes imposed under the Internal Revenue Code of 1954 on foreign base company manufacturing related income (as defined in section 954(i) of such Code).

"(c) EXPENDITURES FROM ECONOMIC ASSISTANCE TRUST FUND.—

"(1) GENERAL RULE.—Amounts in the Economic Assistance Trust Fund shall be available, as provided in appropriation Acts, for providing economic assistance in economically depressed areas.

"(2) "ECONOMICALLY DEPRESSED AREA DEFINED.—For purposes of this section, the term 'economically depressed area' means any area which is either—

"(A) a qualified census tract (as defined in section 103A(k)(2)), or

"(B) an area of chronic economic distress (as defined in section 103A(k)(2))."

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 is amended by adding at the end thereof the following new item:

"Sec. 9505. Economic Assistance Trust Fund."

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1984.●

MY PLEDGE TO AMERICA

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to share with my colleagues an essay written by Miss Carrie Hooper, a constituent from my congressional district. Miss Hooper is a member of the senior class at Cameron County High School in Emporium, PA.

Miss Hooper's well-written and patriotic essay entitled, "My Pledge to America," captured first place honors in a writing contest sponsored by the Cameron County Veterans of Foreign Wars [VFW]. I applaud the VFW for holding this worthwhile contest and I congratulate Carrie for her efforts in providing us with such an inspirational message.

MY PLEDGE TO AMERICA

A pledge is a promise and should not be taken lightly, especially if it is a pledge to your country. My first pledge to America is to stand behind her in all she does and to give her my support. Without my devotion, she falters. It has been said that a house divided against itself will not stand. I realize how true this is. This has been proven by the fallen civilizations in the past. What other country offers me more than America? None can compare to her. I can criticize the way my government is doing something and not live in fear of being imprisoned or killed for it. I am free to decide what career I will pursue. Just because a person is a woman, that doesn't mean she must stay at home and be a housewife. She is free to go into any field of work she wishes. I am also free to decide what religion I will follow. If the presiding President is of X denomination, that doesn't mean that I have to be of X denomination. I can be assured that I will not be persecuted by my Government for believing in God. I do not have to denounce my faith in God.

Second, I promise to vote as long as I am able to in every election held. America gives me the privilege to help decide what President will guide me. I realize so many people in other countries would love to have the chance to have a voice in their government so I will not throw away this honor. America gives me so much that the least I can do is take advantage of what she offers me.

Third, I pledge to America to use any talents I may have to enrich her. It is my duty and honor to help make her the best possible place in which to live. I would be glad to be given the chance to enhance her. She allows me to receive the best education regardless of my gender, so I will, in turn, give back what she has given me.

Last, I pledge my life to America. If she should ever again become involved in a conflict with another country, I promise my loyalty and to be here ever waiting her call. I will not question why or try to beg out of my mission. I have faith in my country to know that she will not lead me astray. If she believes justice needs to be done somewhere, I will believe it also. America believes in freedom, just as I do. I love America and I will do everything within my power to preserve her. Therefore, I will pledge my life, my talents, my loyalty, and my faith so that America will stand for eternity.●

THE TROUBLE WITH RAILROADS: WE'VE GOT THE CURE

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RAHALL. Mr. Speaker, many of us in the Congress are beginning to hear from concerned constituents on matters relating to the railroad industry. One item which is receiving attention involves the manner in which the Interstate Commerce Commission is implementing the Staggers Rail Act of 1980.

In short, there is concern that the Commission, by determining that the Nation's Class I railroads are all revenue inadequate, has increased the likelihood for some very real abuses of market power which will lead to unreasonable rates on traffic with no viable transportation alternative other than a single railroad.

As this was never the intent of Congress when enacting the Staggers Rail Act, legislation has been introduced to provide a remedy which seeks to restore consideration of the plight of captive shippers, and ultimately the consumer, in the ICC's railroad ratemaking process.

The proposal to sell financially profitable Conrail to another healthy railroad, the Norfolk Southern, shows that being branded as a revenue inadequate corporation by the ICC certainly does not adversely impact a railroad's ability to generate cash and profit.

And of course, the Nation's railroads for obvious reasons should and must be financially healthy. Yet, the method used to determine railroad revenue adequacy by the Commission has deep-seated flaws and is inherently unfair in that the consumer, through captive shippers, ends up subsidizing a system slanted toward allowing unreasonable rates to be levied on traffic where transportation competition simply does not exist.

In effect, a monoply exists on this traffic and maintaining a system by which captive shippers can seek redress from unreasonable railroad rates is proper, in the public interest and was provided for under the Staggers Rail Act.

However, through a number of proceedings and proposals, the ICC has ignored congressional intent that captive shippers be protected from being unfairly charged for rail service. While the act sought to balance the revenue needs of the railroads with the established public interest in seeing that unreasonable rates are not imposed on captive traffic, the former is being achieved with little consideration to the latter. The Commission—under the formula it has advanced to make market dominance, revenue adequacy and ultimately, maximum rate reasonableness determinations—has subverted the balance worked by the Congress.

The effort to amend the Staggers Rail Act is simply intended to restore this balance. Administrative consideration of this problem has met with little success. Litigation continues but has produced a view that congressional intent must be more clearly established in the law.

The "Consumer Rail Equity Act," H.R. 1190, represents a legislative remedy that is fine-tuning in scope. This moderate proposal has the backing of a number of our colleagues from across the Nation and consumer groups, labor and shippers are rallying behind the measure.

This, then, is what the trouble is with railroad transportation today as defined by that transportation which is not being moved under contract and which is captive to a single railroad. Following is a brief description of H.R. 1190. Its main sponsors—BILLY TAUZIN, HAL ROGERS and myself—stand ready to assist our colleagues in their deliberations of this bill.

SUMMARY.—CONSUMER RAIL EQUITY ACT

I. INTRODUCTION AND OVERVIEW

This bill would retain the basic structure of existing law. The Commission will continue to have jurisdiction over a rate only if it first finds the rail carrier has "market dominance." The bill would also continue the conclusive presumption that market dominance can exist only if the rate is in excess of the jurisdictional threshold, currently 180 percent revenue-variable cost ratio. Contract rates would remain free from Commission jurisdiction.

The amendments made by the bill are summarized below.

II. MARKET DOMINANCE (SECTION 3 OF THE BILL)

(a) Amend to eliminate consideration of product and geographic competition.

(b) Add a provision that if shipper is served by a single rail facility, railroad is presumed market dominant unless it can show effective competition from other carriers or modes of transportation for the movement to which the challenged rate applies.

(c) Market dominance determination to be made in all cases within 90 days after initiation of rate reasonableness proceeding.

III. RATE REASONABLENESS (SECTION 4 OF THE BILL)

(a) Place burden on carrier to demonstrate the reasonableness of a challenged rate.

(b) Add a rate reasonableness standard: in order to approve a rate above fully allocated costs, Commission must find that the rate is no higher than it would be if the rail carrier, to the extent practicable, were to equitably allocate the burden of producing revenues necessary to achieve or maintain revenue adequacy to the challenged rate and all other rates above the jurisdictional threshold (*i.e.*, its "captive traffic").

(c) Require Commission to make affirmative findings on the consistency of the rate with the national rail transportation policy and the Long-Cannon factors.

(d) Expand the element of the national rail transportation policy regarding the promotion of energy conservation to include as further objectives the reduction of reliance on foreign energy supplies, and encouraging the competitiveness of domestically produced agricultural commodities.

(e) Rail cost adjustment factor to reflect actual railroad costs and productivity improvements.

(f) Rail Form A accounting systems to remain in place until replaced by principles promulgated by Railroad Accounting Principles Board and implemented by Commission.

(g) Time limits on rail rate investigation proceedings to remain in effect; all other rail rate reasonableness proceedings to be concluded within twelve months.

IV. REVENUE ADEQUACY (SECTION 5 OF THE BILL)

(a) Add a provision that in making revenue adequacy determinations, Commission shall—

(1) identify revenues, expenses and investment base reasonably related to providing rail service,

(2) include in railroad investment base only railroad assets valued at straight-line depreciated original cost, and exclude deferred tax reserves, and

(3) determine cost of capital using actual cost of embedded debt and reasonable estimates of cost of equity.

(b) Any revenue adequacy determination shall include inquiry into and consideration of the Long-Cannon factors, several market-based indicators of the rail carrier's financial health, and the rail carrier's history and financing of mergers and acquisitions.

(c) Revenue adequacy determinations to be made annually, and to be opened to public participation, including the opportunity to specifically comment on data submitted by rail carriers.

V. EXEMPTIVE AUTHORITY (SECTION 6 OF THE BILL)

Exercise of the exemption authority is to be discretionary rather than mandatory, and Commission is prohibited from issuing an exemption if rail carrier has market dominance over the transportation involved.

VI. ENHANCEMENT OF COMPETITION (SECTION 7 OF THE BILL)

(a) Commission to require rail carriers to participate in competitive joint rates or publish proportional rates where necessary to achieve or maintain competition.

(b) Change discretionary authority in current law to mandatory direction that the Commission order use of terminal facilities and provide for reciprocal switching in any circumstance where such an order is found to be in the public interest or necessary to provide competitive rail service. If parties cannot agree on compensation, Commission to set compensation based on costs.

(c) Provide improved protection against cancellation of reciprocal switching.

VI. ABANDONMENTS (SECTION 8 OF THE BILL)

(a) Prohibit a railroad from applying to abandon a facility for which the ICC has refused an abandonment request unless one year has elapsed since the denial of the request has become final, or the railroad can show a material change of circumstances that would affect the abandonment of the facility.

(b) Require that upon protestants' request, the Commission provide an opportunity for a hearing on the proposed abandonment in the community or communities affected by the abandonment, unless Commission determines that such a hearing would be impractical or unnecessary.

(c) Require that the rail carrier proposing the abandonment submit, and the Commission base its decision upon, financial data based upon the operations of the facility proposed to be abandoned, rather than system-wide or industry-wide averages.

VIII. INTRASTATE RATES (SECTION 9 OF THE BILL)

Commission's review of a state agency decision on reasonableness of an intrastate rate is limited to an appellate review function, and any party to the state proceeding could seek review at ICC. Certification of state agencies is eliminated.

IX. TRANSITIONAL PROVISIONS (SECTION 10 OF THE BILL)

(a) Amendments to be made applicable to cases pending on February 20, 1985 at Commission or on judicial review.

(b) All rates deemed conclusively reasonable under Section 229 will remain free from challenge under these amendments, except any rate—

(1) not challenged under Section 229 of Staggers because a contract was in effect or entered into during the 180 day period,

(2) unsuccessfully challenged under Section 229, or

(3) the subject of a challenge under Section 229 which was terminated by entering into a contract.

(Contracts to remain in effect; challenge may be made only to underlying rate which would be applicable once a contract expired.)●

PESTICIDES USED IN FOOD PRODUCTION SHOULD BE SAFE

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation to prohibit the sale of pesticides and herbicides for agricultural production uses unless laboratory tests prove that the substances will not endanger human beings.

I am concerned that the use of dangerous pesticides and herbicides may pose serious health threats to consumers as well as to agricultural workers. Once these pesticides and herbicides enter the food chain, the long-term effects of these substances are largely unknown. We are also unsure to what extent these chemicals are contaminating our ground water. Because of these concerns, I think that pesticides and herbicides should not be used unless it is proven that they are unlikely to cause harm in human beings.

The ethylene dibromide [EDB] crisis demonstrated just how little we know about the long-term effects of pesticide use on food production. First marketed in 1948, EDB was used primarily as a fumigant for treating soil, stored grain, and boxed citrus fruit. It was approved for these uses because the then available detection technologies found no traces of the chemical in grain or fruit on which EDB had been used. However, studies in the mid-1970's indicated that EDB caused cancer in animals, and by 1980 improved detection technologies indicated that EDB residues might be present on grain and fruit and that EDB was probably leaching into ground water.

In 1977 EPA began an extensive review of the use of the chemical, but the agency did not suspend use of the pesticide during these studies. As soon as EPA learned of the cancer risks associated with EDB and that EDB residues were present in food and ground water, the pesticide should have been immediately pulled off the market. But EPA refused to ban the pesticide. By 1983, the EDB problem and EPA's lack of action caught the attention of the media. In December 1983, frustrated by EPA inaction on this matter, several States began ordering food products off grocery shelves because of EDB contamination. EPA procedures were totally inadequate to handle the crisis.

The EDB crisis demonstrated the gross inadequacies of our system of regulating pesticides and herbicides. Under the current system, when the dangers are unknown, the use of the pesticide or herbicide is automatically approved. The EDB crisis showed the folly of this approach. I think we should reverse the assumption, and not approve the use of any agricultural herbicide or pesticide unless adequate tests indicate that it is unlikely that it will endanger human beings.

Under our current regulatory framework, EPA has no idea whether certain pesticides or herbicides already in use are safe or if they are highly dangerous. The chemical manufacturers perform certain tests to determine the

safety of their own products. EPA is supposed to oversee the tests and their results, but the amount of information available is frighteningly small. The current law requires EPA to weigh the dangers and the supposed benefits of the use of each pesticide. However, it is very difficult to make this determination when so little is known about the long-term dangers of these chemicals.

It has been argued that reducing the availability of pesticides and herbicides will hurt farmers by curtailing farm production. However, to the extent that farmers are not forced by competition to buy pesticides and herbicides their costs will be lower. And to the extent that agricultural production is reduced, crop surpluses will be reduced or eliminated, thereby saving crop price support costs borne by the American taxpayer.

My bill would change the current regulatory structure to ensure that pesticides and herbicides used in agricultural production are truly safe. Under this legislation, before EPA could approve the use of any new agricultural pesticide or herbicide, the agency would be required to conduct tests within the agency to determine if the pesticide would endanger human beings. If the tests indicate that the pesticide or herbicide is likely to endanger human beings, it could not be approved. In determining if a pesticide or herbicide is likely to endanger humans, EPA should err on the side of caution and not approve any pesticides or herbicides if the probabilities are high that use of the substance will endanger human beings.

Reregistration of agricultural pesticides and herbicides already in use would also be prohibited unless appropriate testing, conducted by EPA, indicated that there would be no harmful effects on human beings. If this legislation were enacted, another crisis like the EDB crisis would be avoided. To encourage EPA to move quickly to conduct the proper tests, at the end of 3 years the legislation would revoke the registration of any agricultural pesticide or herbicide already in use which was not proven safe in appropriate laboratory tests conducted by EPA. Surely its time we acted to protect the public against the use of unsafe agricultural pesticides and herbicides.●

MY PLEDGE TO AMERICA

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. THOMAS of Georgia. Mr. Speaker, the most powerful and important voices in our Nation do not belong to those of us in the Congress. Or to those who are the leaders of the largest companies or the largest labor unions.

The most powerful and important voices in America belong to our young people. It is their voices that make up the chorus that will determine the future of this great land.

For some 37 years now, we have been listening to the youth of America through the "Voice of Democracy Scholarship Program." Since 1961, this outstanding program has been operated solely by the prestigious Veterans of Foreign Wars of the United States.

The VFW invites secondary school students from throughout the United States to compete for scholarships by submitting essays on themes of national importance. This year's subject was "My Pledge to America," and more than 300,000 students participated in the competition for some $32,500 in scholarship money.

The winning essay in the State of Georgia was written this year by Mr. William Wright, a 17-year-old young man from Jesup, GA. I have the great honor of representing William in the Congress.

I know that William's own pride in this award is shared by his father, the Reverend R.G. Wright, his mother, Kathleen M. Wright, and his sisters, Mary Jane, Becky, and Suzie, along with all of the citizens of our district and our State.

It is my honor to submit William's essay for introduction into the CONGRESSIONAL RECORD at this point:

MY PLEDGE TO AMERICA

"I pledge allegiance, to the flag of the United States of America. . . ." For too many Americans those words are little more than part of a half-forgotten gradeschool ritual. "The Pledge" is seen as a casual courtesy to be tossed in the general direction of the United States flag at certain designated times. The simple, direct meaning of this promise to a flag and to a republic is too often overlooked.

During the Middle Ages, pledging allegiance was a serious matter, akin to proposing marriage or making out a will. A man who swore fealty—that is, pledged allegiance—to a liege lord reaped all of the benefits and privileges of his new station, but at the same time submitted himself completely to his superior. He would, therefore, have to do his best to serve the whole hierarchy or nobility. He would honor the King's policy, obey the King's laws, and fight the King's wars. His own property, his personal ambitions, and even his life might have to be sacrificed for the good of "King and country".

To us in the United States has come a heritage much more valuable than any baronial estate. Our land is blessed with liberty and prosperity beside which any other country's pale. Although we swear no allegiance to royalty or traditions, we should remember that our republic was bought with lives earnestly lived and freely relinquished by people who made a promise and kept it. The nation of America is made up of the lives of Americans; layer upon layer, cemented together by a bond of common purpose. Thousands have hoped and prayed and struggled to build the society that we live in today, and thousands gave all that they had . . . for a promise.

Their promise is my pledge to America, too. Like theirs, it's much more than an oath of allegiance to our star-spangled banner, and to the republic for which it proudly stands. The flag itself is a mere symbol, a reflection of our American republic; and the republic, too is a reflection of something far greater.

Our flag has become a respected symbol throughout the world. Our government is the most successful democracy that has ever existed, a bold example for others to follow. Yet my pledge of allegiance is to something more honorable than a flag, and more powerful than government. My pledge is to the people of America. My pledge is to the people who worked for freedom, and who work to maintain it. My pledge is to the people who fought for freedom, and who stand ready to guard it. My pledge is to the heralds of liberty and the agents of justice. I pledge to use my life in an attempt to join that company of true Americans. I pledge allegiance to those that have gone before me and those that will accompany me.

These people are the ones who have earned our loyalty. From them we received our inheritance, our great republic and our noble flag. It is to them that my sworn allegiance goes, to all of those who have worked so long and hard to become . . . "one nation, under God, indivisible, with liberty and justice for all."●

SPEND DOWN FOR MEDICALLY NEEDY UNDER MEDICAID

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FRANK. Mr. Speaker, I introduced legislation today which corrects the unequal treatment of supplemental security income [SSI] related medically needy persons and SSI related categorically needy persons under the Social Security Act. This complex mosaic of Federal-State public assistance is best explained by the following example of a married couple now receiving about $534 per month in Social Security benefits. The husband worked for 41 years as a longshoreman, bartender, hotel clerk, and clothing alteration checker and paid Social Security taxes during this period. As Social Security beneficiaries, the couple is not automatically eligible for Medicaid assistance. Many States under their Medicaid Program, require such a couple to pay their own medical bills, until they have spent down their income to a point where they have only $400 a month available for nonmedical expenses. At this point, the couple becomes eligible for Medicaid assistance.

SSI beneficiaries are not subject to a spend down before receiving Medicaid assistance. SSI recipients receive a basic monthly income of $513, which is not based on tax contributions but is public assistance, and have their medi-

cal needs met by Medicaid. The different treatment results in the couple who paid Social Security taxes having $100 less per month for food and other necessities, than an SSI recipient. My example of the couple is particularly ironic when it is considered, that if their income was less per month they would be eligible for SSI. The $100 a month loss of income is significant to this couple, because the husband at 68 years of age has glaucoma and is a double amputee confined to a wheel chair. His twice monthly trips to the hospital by ambulance cost $162 per trip. His medication costs are $50 per month, which totaling all expenses make them medically needy.

The unfairness of the disparate treatment is acute when individuals who work long enough to receive Social Security must live on less than those who have paid little or no tax. My bill would correct this situation by requiring that income levels be the same for both SSI medically needy and SSI categorically needy. I invite my colleagues to join me in correcting this harsh treatment toward Social Security recipients with high medical expenses, who have as a result, less income for food and shelter than do SSI recipients.

H.R. —

A bill to amend title XIX of the Social Security Act to require that income levels for the supplemental security income-related medically needy are the same as those for the supplemental security income-related categorically needy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1903(f)(1)(B)(i) of the Social Security Act (42 U.S.C. 1396b(f)(1)(B)(i)) is amended by inserting "the greater of (I)" before "133⅓ percent" and by inserting before the period at the end the following: "; or (II) in the case of individuals who, but for income, would be eligible to have supplemental security income payments made with respect to them under title XVI, 100 percent of the highest amount which would ordinarily be paid to such individuals, without any income or resources, in the form of money payments under such title (including any optional or mandatory State supplementary payment otherwise provided)".

SEC. 2. Section 1902(a)(17) of the Social Security Act (42 U.S.C. 1396a(a)(17)) is amended by striking out "and" before "(D)" and by inserting before the semicolon at the end of clause (D) the following: ", and (E) provide that the income standard established for individuals who (but for income and resources) would be eligible to have supplemental security income payments made with respect to them under title XVI, shall be equal to 100 percent of the highest amount which would ordinarily be paid to such individuals, without any income or resources, in the form of money payments under such title (including any optional or mandatory State supplementary payment otherwise provided)".

SEC. 3. (a) The amendments made by this Act shall (except as provided in subsection (b)) apply to medical assistance furnished on or after October 1, 1981.

(b) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendment made by section 2, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar year beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.●

THE COMPREHENSIVE NUTRITION ASSISTANCE ACT OF 1985

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LELAND. Mr. Speaker, yesterday, I was joined by my colleagues, Representatives PANETTA, MORRISON of Connecticut, HAWKINS, BURTON of California, KILDEE, TRAXLER, GEJDENSON, WEISS, FAZIO, and YOUNG of Alaska. In introducing the Comprehensive Nutrition Assistance Act of 1985. We are submitting this legislation because of our belief that we cannot sit idle while the nutritional status of our citizens—our children, migrant farmworker families, native Americans and elderly—are allowed to run a course of steady decline.

The bill we submit today is not a dream bill promoting overnight overhaul of our domestic food assistance programs. Rather, we are presenting legislation which we feel proposes realistic improvements in these programs. It is a bill which can be supported in a bipartisan fashion and approved by a Congress that is concerned about the Federal budget, but is likewise concerned about the nutritional status of the needy people in this country. We are all in agreement that much more needs to be done. However, we are taking what we feel to be that vital first step in bringing about the changes that are necessary.

We do not know the anguish experienced by the head of a household who cannot provide adequate nourishment for his or her family. We do not know the frustration of not being able to feed our families at the end of the month. We do know that this anguish and frustration is attacking a growing number of our citizens. We do know that people are suffering because they lack the support necessary that assures the availability of adequate food on a consistent basis.

Mr. Speaker, we are confident that our bill can assist in alleviating hunger and in reducing the health consequences which occur in the absence of proper nutrition. We offer the enactment of no new programs, but seek to make modest restorations, building upon and providing limited expansions in programs which have proven effective in addressing these problems.

To date, the bill has received the endorsement of: Bread for the World; United Church of Christ Office for Church in Society, Food Research and Action Center; American Baptist Churches of U.S.A.; Friends Committee on National Legislation; National Council of Churches of Christ in the U.S.A.; Episcopal Church Washington Office; U.S. Conference of Mayors; American Federation of State, County, and Municipal Employees; National Conference of Catholic Charities; Mennonite Central Committee U.S. Peace Section Washington Office; American School Food Service Association; American Public Welfare Association; Children's Defense Fund; Washington Office Presbyterian Church U.S.A.; Public Voice for Food and Health Policy; Community Nutrition Institute, Interfaith Action for Economic Justice; American Public Health Association; and National Council of Senior Citizens.

The following is a section-by-section summary of the bill:

THE COMPREHENSIVE NUTRITION ASSISTANCE ACT OF 1985

(1) Provisions from the School Lunch and Child Nutrition Amendments of 1985 (H.R. 7): H.R. 7 introduced by Chairman Hawkins on January 3, includes provisions of the School Lunch and Child Nutrition Amendments of 1984 as approved by the House last year. The Comprehensive Nutrition Assistance Act of 1985 includes the FY 86 authorization levels provided for in H.R. 7 for the WIC, School Breakfast, School Lunch, Summer Feeding, Child Care Food Program, and Nutrition Education and Training Programs.

(2) Migrant WIC Services: Reinstate special migrant grants to State WIC Agencies to insure that funds are available to migrants as they move from State to State. Recommend the expansion of the EIC Program to include migrant grants as 0.9 percent set aside. H.R. 7 authorizes WIC at $1.7 billion for fiscal year 1986. To maintain current migrant caseload requires $13.46 million. To increase migrant caseload in proportion to total WIC expansion would require a 10 percent increase—bringing the cost for migrant services to $14.8 million or 0.9 percent of the total.

(3) Expanded Food Nutrition and Education Program (EFNEP): The program has been funded at $60.35 million since fiscal year 1982. It is recommended that a set aside of $70 million (within the Cooperative Extension Service authorization) be established for the continuation of EFNEP services. This level would allow EFNEP to expand its existing consumer and nutrition education services, with the funds over the current appropriation to be targeted to the areas with high rates of infant mortality or hunger-related disease.

(4) Food and nutrition projects for migrants and native Americans: Increase Community Food and Nutrition Program (CFNP) authorization level from $2.5 million to $3.5 million with no less then 25 percent of the funds being made available to organizations serving seasonal or migrant

farmworkers, giving priority to organizations which have governing boards composed of migrant or seasonal farmworkers; and Indian tribes and tribal organizations.

(5) Temporary Emergency Food Assistance Program (TEFAP): In fiscal years 1984 and 1985, this program was authorized at $50 million to defray the cost of transporting and storing surplus commodities made available by USDA. It is recommended that this administrative assistance to State and local agencies be increased. Rural areas have reported a particular need for Federal assistance to local emergency food distributors. The additional funds should be targeted to areas which are presently unserved, with priority given to the poor rural areas.

(6) Expansion of Head Start Program: Head Start has been shown to be effective in improving the nutritional status of participating children and their families. It has been estimated by the Department of Health and Human Services that the Fiscal Year 1985 caseload will be 448,250. This increases the caseload to reach nearly 22 percent of the 2,050,000 income eligible preschoolers. It is recommended that the program be further expanded in Fiscal Year 86 to reach one-quarter of those who are income eligible, or 512,500 children.

(7) Reauthorize Commodity Supplemental Food Program for elderly feeding projects: In 1981 P.L. 97-98 authorized the institution of elderly feeding pilot projects for distribution of surplus commodities to help relieve chronic undernutrition among the elderly poor. Under the pilot projects (in Detroit, Michigan; Des Moines, Iowa; and New Orleans, Louisiana) nearly 15,000 senior citizens receive food packages which are tailored to individual dietary restrictions and preferences and valued at double the actual cost to the government. It is recommended that these CSFP projects be reauthorized.

(8) Food Stamp Program provisions: Increase earned income deduction from 18 percent to 20 percent; increase financial resources deduction from $3,000 to $3,500 for households with two or more persons, one of whom is age 60 or older, and from $1,500 to $2,250 for others; Separate Shelter and Dependent Care Deductions; raise shelter deduction cap to $175 and dependent care deduction cap to $160; Revise elderly medical deduction to $35 or 5 percent of income, whichever is lower; Increase maximum Food Stamp allotment to 101 percent of Thrifty Food Plan; Permit States to operate an optional Monthly Reporting and Retrospective Budgeting system.●

A BLEAK VIEW OF AMERICA'S CHILDREN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, as chairman of the Prevention Strategies Task Force of the Select Committee on Children, Youth, and Families, I want to call to my colleagues' attention an excellent commentary on America's children entitled, "A Not-So-Bleak View of Our Kids," that appeared in the Washington Post last week.

The article's author, Lisbeth B. Schorr, as many will recall, was chairperson of the Select Panel for the Promotion of Child Health, created in 1978 under the Department of Health and Human Services, to study and recommend to the Congress ways to improve child health. In 1980 the panel underscored the critical difference that public policy and effective programs can make in the lives of our children, especially those who are at high risk.

Schorr's article in the Post cites the impressive strides we have made in reducing the death rates in recent years for adolescents and young adults. Early education programs, improved and accessible health services, and a variety of family support programs have proven tremendously effective in bettering the life chances and circumstances of many vulnerable children and families.

As chairman of the Transportation Appropriations Subcommittee, I am also pleased that we have seen reductions in deaths on our highways because of tougher laws against drunk driving, other legislative changes and greater public education. That's the encouraging news.

The bad news is that there remain far too many children and young people whose current circumstances are bleak, and whose futures will be made more difficult as a result. They have yet to be part of any improving trends. In fact, we have learned that the life risks for many are on the increase again.

The Select Committee's Prevention Strategies Task Force has had an opportunity to see and document many interventions that work. Ms. Schorr's article further sets forth those issues clearly and with relevance to us all in the Congress.

I hope all my colleagues will read this article, and act on its message.

The article follows:

[From the Washington Post, Mar. 28, 1985]

A NOT-SO BLEAK VIEW OF OUR KIDS

(By Lisbeth B. Schorr)

America's young are dying at an accelerating rate, smashed up by car accidents, homicide, drugs and suicide. Right? Wrong. Death rates for adolescents and young adults have reached an all-time low.

The startling reversal in recent mortality trends for 15- to 24-year-olds goes unheralded in the popular press, as well as by academics, professionals and policy makers—perhaps because of an unwillingness to face up to the currently unfashionable idea that planned and concerted action can make a difference. The overall death rate for 15- to 24-year-olds, which stood at 106 per 100,000 in 1960, reached a high of 129 in 1969. It began falling fairly steadily during the 1970s, and had dropped to 96 by 1983.

The greatest single cause of mortality in this age group, motor vehicle accidents, peaked in 1969 and again in 1979; it has now dropped below the 1960 rate. Although the media reflect a contrary impression, even adolescent suicide rates have been going down slightly since 1979. Birth rates among school-age girls were at their highest in the 1950s; today they are well below the levels of 1960 and 1970. Every indicator of marijuana and alcohol use is down since 1979.

What caused this turnaround? We are not sure. But we can make educated guesses.

Two economic recessions and demographic changes—fewer young people at the specific ages with the highest accident risks—may have contributed to reducing auto accident rates. But deliberate social action also played an important part in each of the improved outcomes. Outraged parents, teachers and students established community programs and lobbied for legislative changes to combat drunk driving. The 55-mph speed limit and greater seat-belt use helped. Some school systems have adopted peer counseling, sex education and other programs. The availability of family planning services and legal abortions reduced the number of births to youngsters unprepared for the responsibilities of parenthood. Pre-school programs, more accessible health services and new kinds of family support programs have all helped to improve the odds that even high-risk children will grow into healthy and thriving adults.

The good news is that the trends are improving. The bad news is that an abysmally large number of youngsters continue to have poor outcomes, many are preventable. International comparisons provide some perspective. They show that young people in the United States still have five times the homicide rate of other industrialized countries. Only Romania and Hungary have higher teen-age fertility rates than the United States.

Many youngsters in our inner cities are still untouched by the forces that have improved the prospects of their more fortunate peers. Young black men remain victims of homicide at five times the rate of whites. Eight percent of 16- to 23-year olds, including 26 percent of blacks and 20 percent of Hispanics, score so low on achievement tests as to be ineligible for enlistment in the armed forces. And as recently as the end of 1984, 44 percent of young black men were still unemployed.

The picture is also bleak for disadvantaged younger children. The longstanding gap between black and white infant mortality continues and has increased in the past four years, especially in areas hardest hit by economic downturns and service cutbacks. Data assembled by the Child Health Outcomes Project of the University of North Carolina indicate that very young poor and minority children seem to be most vulnerable to current cutbacks in health and social services. Their deteriorating health status today may presage new downturns when they become adolescents.

The dramatic reversal we are witnessing today in the rates of adolescent death and damage makes clear that, as a society, we are not helpless. Carefully designed interventions can, and do, make a difference.●

THE REAGAN ADMINISTRATION'S ASSAULT ON OUR CITIES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express my deep concern about the ad-

ministration's continuing war on our cities, and to ask that my colleagues oppose Ronald Reagan's budget cuts in housing and urban development.

Our cities need the Federal Government. They need Federal aid in housing, youth, and jobs programs, urban development, and block grants. The spirit of cooperation between Federal and city governments has been one of the most enduring accomplishments of the Great Society. We have seen the poor given a chance to rise up, the uneducated a chance to learn, and the unskilled a chance to learn a trade.

Urban problems have certainly not been resolved by this partnership, but many people have been given a helping hand who otherwise would have been left stranded. The Federal Government has helped out cities, notwithstanding Ronald Reagan's statements to the contrary.

Mr. Speaker, we must rededicate ourselves to aiding public housing and urban development. The administration would like to reduce housing aid from $11 billion to $.5 billion, and eliminate urban development action grants. I find this to be absolutely unacceptable, especially considering the fact that tens of thousands of people are on waiting lists for admission to public housing projects. I am very concerned about the way Ronald Reagan has attempted to write off the needs of these people.

I will not rest until all of our citizens receive adequate housing and employment opportunities. UDAG must be restored to its former prominence if our cities are to survive. It is incumbent upon us to give our citizens a decent quality of life, and to continue the Federal-urban partnership. This is our duty, and our trust.●

ALZHEIMER'S DISEASE

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BILIRAKIS. Mr. Speaker, I am certain that we will all agree that recent years have witnessed an increase in the amount of public attention that Alzheimer's disease has received. I am very thankful that this has been the case, for there are few illnesses that are as traumatic and as devastating as Alzheimer's disease. This disease currently afflicts approximately 2.5 million Americans. Furthermore, the gradual aging of our population nationwide will, consequently, translate into an increase in the number of people who are afflicted by this illness inasmuch as it is largely a disease that strikes during the mid- to late-life years. Increased attention and research geared toward finding a cure are, therefore, both necessary and important. In the meantime, however, something must be done to assist these victims and their families cope with this emotionally and financially draining situation. For this reason, I have again reintroduced the Alzheimer's relief package, H.R. 66 and H.R. 67, to provide first, emotional support through the establishment of a network of family support groups, and second, demonstration projects to determine the feasibility of providing Medicare coverage for Alzheimer's disease. I am very hopeful that my colleagues will lend these bills their support so that they can be considered by this Congress.

For those who are not yet familiar with Alzheimer's disease and the burdens it imposes upon its victims and their families, I am including herein a very informative article which recently appeared in the February/March issue of the International Medical Centers [IMC] Journal. I think that this article, and its merits, speaks for itself, and I hope that all my colleagues will take a moment to review it.

The insidious affliction creeps at a deadly pace. He lost track of night and day about two years ago. Every night I hear him wandering about the house. He picks something up—like my keys or purse—and will then put it down in the pantry, or somewhere. It will take me an hour to find out where he put them. I can't get upset, though. He forgets where the bathroom is, so, often relieves himself wherever he is standing or sitting. He gets to smelling terribly, but getting him to take a bath is a nightmare * * * the bath involves him remembering so many things: how to undress, how to unzip zippers, how to unbutton buttons, how to step into the tub, how to use the soap. When, and if, I do get him into the tub, he often panics because he can not remember how to manage the flow of the water. There are so many things * * * I'm the one who has to wash his hair, brush his teeth, cut his toenails, feed him. He can't anymore. Eating is a big problem. I had to put a steel lock on the refrigerator, and childproof locks on the kitchen and bathroom cabinets. Otherwise he would get into foods and other things he shouldn't. He will sometimes throw food at me, or throw it on the floor if he doesn't like it. Sometimes he will take off his clothes—all of them—and wander out into the yard. Sometimes, during this self-exposure, he will masturbate. All of his dignity has been stripped away. I must continually tell myself to be patient. I get so upset when the simplest task becomes a mountain to be climbed. I must try to understand what it must be like for him, imprisoned in an ever-deteriorating body, with a mind that does not function anymore.

I remember the nights that we laid in each other's arms * * * I ache to be held that way again. But I must not feel sorry for myself. I must think that tomorrow will be better.—Wife of an Alzheimer's victim, Age 66.

(By Marcia Maze)

Tomorrow. For the victims of Alzheimer's disease and their families, "tomorrow" may be years away as scientists and clinical researchers search desperately for a cure for this devastating disease.

Alzheimer's is being called "the disease of the century" because, if left unchecked, it could become the worst public health problem of the 21st century.

It currently afflicts about three million Americans—roughly seven percent of the 27 million people over 65 in the United States are severely disabled by the disease. Alzheimer's kills approximately 120,000 people every year, making it the fourth leading cause of death among the old, after heart disease, cancer and stroke. Actress Rita Hayworth, and actor Edmond O'Brien suffer from Alzheimer's, and it has claimed the lives of mystery writer Ross MacDonald and artist Norman Rockwell.

The disease is named for Alois Alzheimer, a German neurologist who, in 1906, discovered the twisted nerve cell fibers called "neurofibrillary tangles" in the brain of a woman who had shown all the signs of severe dementia. The causes, however, still remain unknown. Alzheimer's accounts for more than half of all cases of senile dementia (the others being minor strokes, Parkinson's disease, brain tumors, thyroid disorders, depression, deficiencies in certain vitamins, adverse drug reactions, anemia and alcoholism), and usually occurs after age 65, although the disease can strike in the 40's.

Fading memory is the most common early sign, and trouble with language or personality changes are among the first symptoms. Some patients believe the trouble is with their eyes because they aren't able to follow words on a page. Or, they may go for a glass of milk and end up opening the door to a closet instead of the refrigerator door.

The disease progresses slowly, but surely. Signs of true dementia soon begin to appear. The victim has trouble making appropriate judgments; he may confuse the hot and cold handles in the shower and burn himself. Then he may become incontinent, forgetting where to relieve himself. The patient may not know where he lives, or the season of the year, and even may forget the name of his spouse. During the final stage of Alzheimer's, the victim loses the ability to speak, short of saying "yes" or "no" or "O.K." to everything. He gradually becomes unable to walk, and may develop contractures of the face, arms and legs.

Relatives of Alzheimer's disease patients are as much a victim as the patient is. The act of watching someone you love disintegrate before your eyes, little by little, is agonizing. Simply being around an Alzheimer patient is physically and mentally draining. The experience can be a living hell because—until recently—the families have had no outside support and no relief from caretakers. Since insurance policies and Medicare do not generally cover "custodial care," family funds are exhausted on nursing and housekeeping help, with the result that many families resort to nursing homes. These institutions are far from an ideal environment for Alzheimer's patients, who now account for about half the residents in nursing homes nationwide. They are extremely expensive, costing the families of Alzheimer's victims and the government about $30 billion every year.

This is one of the reasons why President Reagan is such a staunch supporter of Alzheimer's disease research. The President has emphasized that: "The emotional, financial and social consequences of Alzheimer's disease are so devastating that it deserves special attention. Science and clinical medicine are striving to improve our understanding of what causes Alzheimer's, and how to treat it successfully. Right now, re-

search is the only hope for victims and families."

As the population of the United States gradually ages, the disease will affect more and more people. In 1983, a conservative estimate of the money spent by the U.S. government on the care of Alzheimer's victims was placed at $28 billion. At this rate, by the year 2025—taking into account that there will by 50 million Americans over the age of 65—the cost to the government of caring for Alzheimer's patients will exceed $750 billion!

Bearing these facts in mind, the Alzheimer's Disease and Related Disorders Association (ADRDA) is one of the most important, and influential, not-for-profit organizations in the country. Its founder, Jerome Stone, scion of the Stone Container Corporation, a Fortune 300 company based in Chicago, suffered from Alzheimer's through his wife, who died of the disease last year. When she was diagnosed of Alzheimer's in 1970, Stone wanted to learn everything he could about it, and was appalled when he found only one page devoted to the disease in a 700-page neurology textbook.

With Stone at the helm, the ADRDA has had tremendous impact and influence in obtaining federal research spending for Alzheimer's. Since 1976, government funding for Alzheimer's research has increased from less than $4 million to $50 million allocated in 1985. Last November, which was officially designated National Alzheimer's Awareness Month, the National Institute on Aging named five medical schools—Harvard, Johns Hopkins, University of California, University of Southern California, and New York's Mount Sinai School of Medicine—as Alzheimer's research centers with a grant of $16.6 million.

With some 120 Chapters and several hundred affiliated Family Support Groups throughout the United States and Canada, the ADRDA has become a powerful voice in the wilderness. We talked with ADRDA's founder and president Jerome Stone in his Chicago office, which is also ADRDA's national headquarters. Thanks to Jerome Stone, the world now knows about Alzheimer's disease. This is what he had to say.

IMC: You have brought Alzheimer's disease to the world's attention because of your wife, who died of the disease last year. How did this come about?

Stone: My wife was a gregarious, loving individual whom everyone adored. I first realized something was amiss in 1968. I thought she was just becoming high-strung and temperamental; she was in her late 40's, and the children had left the house. It is not uncommon for a woman whose responsibilities have suddenly been lifted at home to go into a depression.

To the ordinary person who saw her, she was fine. But her sleeping and eating habits had changed, and I knew something was wrong. I took her to a counseling psychiatrist, and to our family physician, who precribed medication. After one and one-half years and no change, I discussed with our physician that she may need a neurological exam.

This was now 1970, and in those days, the only way to examine the brain was by an "invasive X-ray," in which dye is injected into the brain. It is a painful type of exam, which is no longer done, thanks to the CATSCAN. Anyway, I took her to the University of Chicago hospital to have this exam, and she was diagnosed as having presenile dementia.

I said, "What does that mean?"

The doctors replied, 'She's lost some brain cells, but we don't know why.'

I asked, 'Is there a name for this?'

They said, 'No. We just call it pre-senile demenita.'

I said, 'Well, what's the difference between that and senile dementia?'

Their reply was that if you're over 65, that's a senile dementia • • •

I wasn't satisfied with their answers, so I took my wife to Massachusetts General Hospital, which is reputed to have the best neurology department in the country. Dr. Raymond Adams, who's the head of the neurology department there, as well as chairman of the neurology department at Harvard Medical School, was the first person to say my wife was in the early stages of Alzheimer's disease.

I said, 'O.K. She's got Alzheimer's. Now what do we do for it?'

Dr. Adams said, 'We don't know what to do, everything we do is trial and error. I can experiment, but I can't guarantee results.'

IMC: Was your wife aware at this time what was happening?

Stone: She was aware of my concern for her, but she protested, saying that there was nothing wrong with her. She said she was happy, and couldn't understand why we were fooling around with doctors. The reason I was so concerned was that she began misplacing things, sometimes in a bizarre way. She became worried about driving; she couldn't balance her checkbook anymore; at a restaurant, rather than admitting to me—and everyone else—that she couldn't see the menu, she'd ask what everybody else was having. And she would forget the simplest things . . . The way I describe an Alzheimer's victim, as opposed to the ordinary person who is simply forgetful, is this: I may forget a telephone number, but the victim of Alzheimer's forgets there's a phone • • •

You see, she cleverly learned to work around her own inabilities, as all Alzheimer's victims do in the early stages. Most Alzheimer victims have enough survival resources and intellect to fumble through for a few years without other people knowing. It's a denial, which all of us practice one way or another. The worst thing that a human being can be faced with is that of losing control. So when you think you are losing your faculties, you don't want to admit it—even to yourself. So you learn to work around it.

IMC: Since many of these early stages of Alzheimer's do mimic a depression, how does one know whether it's Alzheimer's, or just a depression?

Stone: This is the entire thrust of our organization: to educate the public so that these tell-tale signs are quickly brought to the family's attention, who can then insist upon a neurological work-up.

IMC: So what happened to the experimentations at Mass. General?

Stone: It didn't work. Nothing was working. I couldn't get answers on the cause of this thing, the cure, or the therapy. The doctors simply told me that Alzheimer's was an irreversible brain degenerative disease. They told me to put my wife in a nursing home, and go out and lead my life • • •

Well, I said, 'That's not what I came here for. I want to know how to lead my life with my wife, and how to manage this situation'.

Their retort was, 'We can't help you then'.

So I went to the medical textbooks myself to see what I could learn on my own about the disease. What I found was unbelievable; out of a dozen neurological textbooks that are used in the nation's top medical schools, only one made any mention of the disease—and this on only one page!

IMC: Through this studying, however, you did find out where research was being done.

Stone: Yes. At Albert Einstein Medical Center in New York City. I went there, and told them I wanted to support their research. Over the years, I began wondering whether there were other people like me, who were going through the same "on-the-job" training, and whether there might be an organization to help such people. Well, there was no such national organization, so Dr. Bob Terry, a research neurologist at Einstein (and the doctor who first described the "neurofibrillary tangles" in an Alzheimer brain), said that I should start an organization devoted to the victims of Alzheimer's.

I had had a good deal of organizational experience, thanks to being CEO and Chairman of the Board of the Stone Container Corporation (which is the largest manufacturer of paper bags and corregated containers in the United States). Yet I had not the faintest idea how to organize a national voluntary health care association, but I sure could lay my hands on people who would and could give free consultation services.

So, I appeared before the National Institutes of Health in Washington and talked about Alzheimer's. There were then six organizations in the country with family support groups which dealt with Alzheimer's, but they also dealt with other forms of mental disease: there was not one organization dealing exclusively with Alzheimer's.

IMC: How did you come up with "ADRDA"—Alzheimer's Disease & Related Disorders Associations?

Stone: The "Related Disorders" was the umbrella under which we could fit other diseases, such as Creutzfeld-Jacob disease, Pick's disease, and even strokes and accidental brain damage. But with 2½ million victims in the United States, the name of the game was Alzheimer's.

IMC: The first ADRDA office opened in New York City in the Autumn of 1980, roughly a year after you appeared in Washington before the N.I.H. How did you get everyone's attention so rapidly?

Stone: About a month after we moved into this tiny office—which a friend had kindly donated—"Dear Abby" printed a letter from a person requesting information on Alzheimer's. Well, Abby called the N.I.H., and they gave her the address of our little office.

Within four days, we had received over 25,000 pieces of mail from people across the country, requesting information and telling their stories of Alzheimer's. Mail was everywhere. And the phone was ringing off the hook.

IMC: In just under four years, then, ADRDA grew to over 120 chapters nationwide. Now the organization is going on an international basis?

Stone: We formed an international organization in October 1984, and we have about a dozen European countries participating, and 35 countries have expressed interest. The problem with Europeans, however, is that they don't know how to raise money because they don't understand self-help, voluntary health care agencies. In Europe, all health care has traditionally been provided by the government's socialized medicine. What they don't understand is that socialized medicine does not take care of the

family: This is what I—the ADRDA—is trying to do.

IMC: What exactly are ADRDA's goals?

Stone: I use the acronym "RECAP" for a recapitulation of our goals, which are: Research; Education; Chapters; Advocacy; and Publicity.

IMC: There must be many other problems besides medical problems that an Alzheimer's family has to learn to deal with.

Stone: Many. There are economic, social, nursing and legal problems involved. That's why ADRDA is so vital. Alzheimer's is a disease in which you have to be either very poor or very wealthy in order to cope. The middle glass family with an Alzheimer victim is completely wiped out. I was able to afford the $100,000 a year it took to care for my wife, but how many people can afford that? Not very many.

For a long time, we couldn't get the Social Security administration to realize that Alzheimer's was a brain disease. They said the person was senile—a normal fact of life—not disabled.

IMC: How is America going to handle the Alzheimer problem, particularly as America gets older?

Stone: 11% of our population—26 million Americans—are now 65 and older. America is aging at approximately 1600 people every day. By the year 2030, over 20% of the population will be over 65—that 60 million people.

By extrapolating these figures to 84 statistics, we get this: in 1983, Alzheimer's cost the U.S. $28 billion (based on $20,000/year nursing home costs, $10,000/year at-home costs at two million victims). Given these figures we come up with a cost of $750 billion a year spent by the government for the care of Alzheimer's victims by the year 2025 * * *

IMC: You presented these figures to Congress?

Stone: At the end of 1983, I appeared before Senator Tom Eagleton's [Dem., Missouri] Senator Sub-Committee on Aging. The figures got their attention: in 1977, there were zero dollars spent on government research for Alzheimer's. In 1985—unless the President cuts it—there will be $50 million devoted to Alzheimer's research.

IMC: The citizens who serve on ADRDA's Board are an influential group. How were they selected?

Stone: Every member of the Board—with the exception of one—has an Alzheimer victim in the family. Rita Hayworth's daughter, Princess Yasmin Khan, has been a tremendous worker in the fight. I have found that, when I call someone who has had a family member with Alzheimer's disease, there is never any hesitation on their part to offer help.

IMC: Is Alzheimer's hereditary?

Stone: We still don't know why some families are struck with the disease, and some are not. The chances of getting Alzheimer's if your sibling had it are probably twice that of the ordinary non-Alzheimer family, however.

IMC: How can the average lay person help ADRDA in the fight against Alzheimer's?

Stone: Volunteer at your local ADRDA chapter is one way; and write to your Congressmen to tell them to do more for research, tax matters and disability insurance for Alzheimer victims. We also have many people who send money to national headquarters, which is used for research, education and staff needs. Many of our chapters have established day-care centers. We also have an autopsy network whereby people who can't afford to pay for autopsies can receive assistance.[1] We've also established two brain banks for research.

IMC: What is the best advice you can give to a family member of an Alzheimer's victim?

Stone: Join a family support group. The children too. You'll learn that you're not alone, and you can share your experiences. For instance, I learned by trial and error that one of the greatest fears of the Alzheimer's victim is fear of the water. I also learned about the victim's need for creativity, and their response to the rhythm of music and the cadence of poetry. I used to read the 18th century romanticists—Byron, Tennyson, and Browning—to my wife, which would give her peace for hours. And, even in the later stages, she would still play notes on the piano * * * It gave her something to do with her hands * * *

IMC: Have you done all this work, then for your wife?

Stone: Inherently, I suppose there is a self-motive for what I'm doing, because I'm concerned about my children getting Alzheimer's. But I'm very concerned about this country—and about what's going to become of the entire world. Alzheimer's has no respect for race, color, creed, religion, or whatever. I don't want to take any credit, but until ADRDA was founded, people did not know what Alzheimer's was. Even three years ago, if I told people my wife was ill and suffering from Alzheimer's, they'd respond, 'Old-timer's disease? Never heard of it.' Now, not a day goes by that there is not some article published or TV program done on Alzheimer's.

IMC: what you've discovered, then, is that Alzheimer's has always been in existence?

Stone: Yes! I believe that King Lear had it. And what Aristotle and Plato called "senility" was very probably Alzheimer's * * *

IMC: You must feel an extraordinary gratification in having brought a disease of this magnitude to the attention of the world?

Stone: Of course, but even more gratifying is having met so many dedicated and concerned people. The people at IMC are among them, and I am deeply appreciative to all of you for helping the Alzheimer's fight in Florida through your gala. To know that people can and do rise to the occasion is the greatest reward of all for me.

IMC: Is hope in sight?

Stone: Even if there is no hope for your loved ones, there's hope for the next generation. Remember: there are no hopeless situations * * * only hopeless men and women.

Where there is life, there is always hope * * *●

[1] It is very important for the family to have an autopsy done to help in Alzheimer research.

THE SUPPLY SIDE OF NARCOTICS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SMITH of Florida. Mr. Speaker, many efforts are being undertaken to combat the demand side of the drug problem in this country. However, as with any commodity, we also must consider the supply side of this problem.

While efforts to reduce the demand for narcotics have been somewhat successful, the supply of drugs coming into the country continues to grow. The demand cannot decrease if drugs are readily available on our streets. To combat this problem, efforts must be made to cut off this supply from those countries overseas which continue to be the source of narcotics smuggled into the United States.

The March issue of the U.S. Journal of Drug and Alcohol Dependence published an editorial that discusses this problem and recommends several courses of action which we should consider. The editorial calls for more Drug Enforcement Administration agents to police the drug trade in over a dozen countries. These nations, the editorial argues, must be convinced of the urgency of undertaking action of their own to control the drug activity within their borders.

I believe that this body needs to give serious consideration to these recommendations. As the chairman for the 99th Congress of the Foreign Affairs Committee's International Narcotics Task Force, I will consider them. For the benefit of my colleagues, the editorial follows:

GETTING TOUGH ON THE SUPPLY SIDE

It's time to talk tough to those nations who profess to be our friends and trading partners, yet refuse to make good faith attempts to control the drug trade that flourishes within their borders and preys on the human wealth of others.

As a recent State Department report shows, the illicit cultivation, refining, and production of opium, coca leaf, and cannabis continues unabated in a growing number of countries. Supplies of these drugs already far outpace the ability of consumers to absorb them, yet more and more stockpiles continue to reach our shores.

Despite the millions of dollars of enforcement and interdiction efforts mobilized by our government, the drug inventories reach their customers. The international networks of gangsters who move this traffic—often with the barely-disguised aid of their own government officials—seem to run very little risk of apprehension, and even less of conviction and meaningful penalty.

That the gangsters should continue to get away with it, while their governments either turn the other cheek or help load the boats is our disgrace almost as much as it is theirs. As much effort as this Administration has put into interdiction activities, it isn't enough, so far.

There aren't enough Drug Enforcement Administration agents or dollars available for this nation to try to police the drug trade in Mexico and Bolivia and Peru and Ecuador, and almost a dozen other nations worldwide.

Those nations must be held accountable for their own efforts. If they expect to belong to a family of law-abiding nations—and reap the very clear and present benefits of such family status—then they must be convinced of the urgency of cleaning up their act.

It's possible this can be done. The advances made by Colombia—at U.S. urging—to curtail cocaine production has started to show some results. If it can be done in Colombia, it can certainly be done in Bolivia, Peru, Mexico, and several other countries.

What we are talking about here is not the suppression of small cottage industries, or occasional roving brigands. We are talking about cultivation, refining, storing, transportation, documentation and banking networks dealing in billions of dollars' worth of product. You don't produce and bring to market over 120,000 metric tons of coca leaf (Bolivia, Peru, Ecuador and Colombia in 1984), without somebody seeing it happen, without governments having some hint of who is driving the truck and fueling the plane.

What's so tragic about this booming production is that some very clear strides have been made in the United States to suppress the demand side of the drug use equation. We are starting to see some successes in terms of moderating drug consumption, changing attitudes of many young people toward dangerous drugs, and we are starting to see the positive effect of public health education.

But if we allow the traffickers and their accomplices in government posts to continue to flood our nation with cheaper and more plentiful drugs, then we will soon enough lose all the demand side gains we have achieved, and might continue to achieve. We can't afford that.

President Reagan has shown a willingness to talk tough on other issues to some pretty imposing adversaries on life and death issues: arms control, star wars, Central America.

Drug use in America is no less a social priority.

Let's see the President use his magic on the drug-producing nations. He is not without persuasive power. Neither is he without leverage—lots of it.●

IN MEMORY OF PATRICIA ROBERTS HARRIS: A PIONEER IN AMERICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RANGEL. Mr. Speaker, I rise to join my many colleagues and friends who mourn the loss of a truly outstanding public servant—Patricia Roberts Harris.

Mrs. Harris was a woman of enormous energy, integrity and character; her moral compassion and conviction were inspirations to us all. Her incomparable career was precedent setting. Her standards of excellence, her keen intellect, and her unyielding courage guided her toward exemplary service. Pat Harris never forgot from whence she came; her triumphs will never let us forget how far we have come.

I submit this editorial from the Washington Post for inclusion in the CONGRESSIONAL RECORD.

[From the Washington Post, Mar. 25, 1985]

PATRICIA ROBERTS HARRIS

The Post's account of the life of Patricia Roberts Harris, who died Saturday at the age of 60, emphasized the "firsts"—first black to serve as a delegate to the U.N., first black woman to become law school dean, ambassador, Cabinet member. One thing about firsts is that people sometimes tend to forget them as they are succeeded by seconds, thirds and so on.

Sen. William Proxmire made this mistake during hearings on Mrs. Harris' nomination to be secretary of housing and urban development in the Carter administration. Sen. Proxmire saw before him a woman whose career was marked by success and whose reputation stood high in the governing establishment, and he wondered aloud about her ability to be "sympathetic to the problems of the poor."

"You do not understand who I am," Mrs. Harris replied. "I am a black woman, the daughter of a Pullman car waiter. I am a black woman who even eight years ago could not buy a house in parts of the District of Columbia. I didn't start out as a member of a prestigious law firm, but as a woman who needed a scholarship to go to school. If you think I have forgotten that, you are wrong."

Mrs. Harris' statement was characteristically, tough and forceful—attributes that often go with being first in areas where, for no good reason, you are not wanted—such as a segregated Washington lunch counter where Mrs. Harris led a sit-in by a group of fellow Howard University students in 1943. If some complained that she wasn't playing an activist role in the civil rights movement in the '60s, she could reply, "When I sat in there was nobody else to do it."

Her Cabinet tenure was in departments whose constituency is made up of people living on the edge. She ran the departments hard and fought for them fiercely. "She always impressed me as someone who cared very much about people who were not getting a decent shake, and she also impressed me as being tough as nails when it came to taking care of their interests," said Jody Powell, who was President Carter's press secretary.

Along with the firsts and the ups in her career there were the downs—a term as dean of the Howard University Law School cut short by a dispute over student protest, and her defeat in the 1982 race for mayor of this city. But no one should doubt that in all her work she showed—as she made clear to Sen. Proxmire that day eight years ago—that she had not forgotten either her own past or some of the darkest moments of this country's past.●

THE MX MISSILE: THE PEOPLE'S PERSPECTIVE

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SEIBERLING. Mr. Speaker, the President has narrowly won the latest round on the MX missile, but both we and the country will pay an increasingly high price for this folly.

The price is not only the egregious waste of billions of dollars for a militarily vulnerable and strategically provocative weapons system. That is bad enough, since it will take scarce funds that could have been used to reduce the deficit or to finance the strengthening of NATO's conventional forces, as our colleague CHARLES BENNETT pointed out so cogently during the debate.

The price also includes, unfortunately, growing disillusionment on the part of the public over whether the President and Congress are capable of making the kinds of decisions necessary to deal with the serious strategic and economic issues facing this country, as the arms buildup and the deficits roll along with a momentum all their own.

Even while the MX debate raged in the House, the Washington Post released the results of a new national poll indicating that, despite the enormous public relations effort the administration has made, a plurality—47 percent—of the people oppose going ahead with the MX missile. The poll also indicated that a substantial majority of the American people want the defense budget to be cut.

Unfortunately, as the President said during the campaign, "You ain't seen nuthin' yet." If the public thinks the MX is expensive, with a price tag of $34 billion to complete the first 100 missiles and harden their silos, wait till the "star wars" program gets into high gear. The initial request of $26 billion over 5 years is just for research and testing, and only the first installment on that. If we should ever be so foolish as to deploy such a system, which at best would have enormous holes in it—since it will not defend against such things as manned bombers or cruise missiles or low trajectory submarine-launched missiles—we will find ourselves spending, not billions, but trillions of dollars.

Surely, there is a better vision of the future, if we set our minds to it. If he were providing constructive leadership, the President would be pursuing, not "star wars" but a nuclear freeze, followed by nuclear and conventional disarmament, and enforced by both national and international monitoring systems. Indeed, the development of such a system should be the goal of national leadership in both the United States and the Soviet Union, since it clearly is in the interest of both nations. Only through progress in that direction can they hope to free their people from the ever mounting spiral of defense expenditures, now on the way to bankrupting both countries.

The historic forces that brought on the nuclear arms race and the profound conflicts that continue to exist between the United States and the U.S.S.R. cannot be lightly dismissed. Nevertheless, the continued escalation of the arms race represents an immense failure of leadership on both sides of the Iron Curtain. If the President of the United States is incapable of providing dynamic leadership in the direction of disarmament, we can only

hope that the new leader of the Soviet Union, Mr. Gorbachev, will take the initiative. While it would be a miraculous departure from past patterns of conduct by Soviet leaders, it is time we started hoping and working for miracles.

Mr. Speaker, as evidence of the increasing disillusionment affecting people at the grass roots, especially young people concerned about the future, I offer for printing in the RECORD a recent article by a student, Jim Prater, from the Buchtelite, a student newspaper of the University of Akron, in Akron, OH.

[From the Buchtelite, Mar. 21, 1985]

GOVERNMENTS WAGE WARS, BUT PEOPLE PAY WITH LIVES

(By Jim Prater)

Personally, having been there, I hate war. I also hate taxpayers being milked for a lifetime over the threat of war. Unfortunately, both activities have been practiced throughout history.

For example, my Eastern Civilization class has been studying about the military/political turnovers in just one area of the world—the Middle East. To avoid the confusion of modern problems in that volatile area, let's go back a few years and list previous regimes in order—each turnover the result of war:

The Ottoman Empire (1600 A.D.)
The Mongols (1250 A.D.)
The Crusaders (1100 A.D.)
The Islamic Arabs (750 A.D.)
The Byzantine Empire (550 A.D.)
The Roman Empire
The Hellenist Empire (300 B.C.)
The Persians (500 B.C.)
The Assyrians (650 B.C.)
The Egyptians (1450 B.C.)
The Babylonians (2100 B.C.)

No one is sure what happened before the Babylonians, but based on the above history, millions upon hundreds of millions of people have been taxed and killed by war—or the threat of war. Taxed by their own rulers in the name of defense and killed by other people in the name of something glorified.

From this, it's easy to conclude that since the first caveman hit the second caveman in the head with a rock, all the warriors in mid east history have died in vain. The same is true for all the warriors in history in the rest of the world.

Still, it continues, war seems to be inevitable. It is the most stupid activity ever developed, but it is inevitable. Historically, mankind actually loves to kill. Plato said, "Only the dead have seen the end of the war."

Today, with fifty thousand nuclear warheads between us and the Russians, all it takes is one shot, false or not, and we're all incinerated.

Nuclear war, and the threat of nuclear war, is currently paramount in everyone's mind. When it comes to Star Wars and its computerized, laser beam technology, and the MX missiles, I will admit I don't know much about the technological aspects. Maybe I don't need to in presenting my argument against both.

Cutting through all the political rhetoric and technological jargon I've read, pro and con, what it all seems to boil down to is we've invested billions of dollars developing a weapon, the MX, which is vulnerable because it has no home. The environmentalists, rightfully, were able to persuade the government to not tear up a third of the country developing a crazy system of transporting the MX and dummy missiles from place to place—supposedly to fool the Russians.

Out of 33 other basing modes studied, the current alternative, basing the MX in existing Minute Man silos, leaves them vulnerable, (we're told), to a Soviet strike. Ergo Star Wars, and its multi-billion dollar technology.

Star Wars, if it even works, is only required to protect the MX. What this means to me is, no MX, no Star Wars.

Sometimes, I think we must have a minister of propaganda. He might have another title, but he's doing a job of flim-flamming and propagandizing the American people. It is so effective, maybe it's a joint effort. In Washington, anything is possible.

George Will recently wrote, "In geometry, a line can have length without breadth. In Washingtion, the argument about the MX missile is like that."

He goes on to say,"Actually the MX argument resembles not geometry, which is reasonable, but modern art—say, abstract expressionism, which is the work of the confused, sold to the earnest."

The administration says the MX is a "bargaining chip" and a "vote on Geneva." In truth it's a bargaining chip between the Administration and Congress. The "vote on Geneva," meaning arms control, should really be called "no arms control."

Let's cut through the propaganda: Arms control is a lot of garbage. Since SALT I the number of nuclear warheads has quadrupled and the Soviets have deployed 21 new nuclear weapons systems.

The United States does the same. The 1972 treaty banned defense of Intercontinental Ballistic Missiles (ICBMs). The United States arms control negotiators of that time agreed to this and the tready was ratified.

We, as a nation, are bound by its terms.

SALT I limited the number of launchers, hence, we built bigger launchers with multiple warheads—like the MX. At the rate we're going, by the time we reach SALT V or SALT VI, we should collectively have at least 200,000 nuclear warheads—all useless according to former Defense Secretary Robert McNamara.

Finance is done through deficit spending—more garbage. The only way the United States can be defeated is through bankruptcy.

As a taxpayer, when you begin realizing how you're being flim-flammed by the powers that be in Washington, you begin to question everything you hear coming out of the place. (Unless you decide to join in and help do the flim-flamming). The only way I could support the MX or Star Wars would be if a national referendum showed a majority of the people are in favor of the ghastly expenditures involved. I would hope most Americans, if given the opportunity would say, "Let's keep America strong, not bankrupt."

The majority of people in the work force aren't a part of the military-industrial complex. They make automobiles and refrigerators, build houses, construct highways or become educators, etc. I don't hear any of them saying they will be overjoyed and happy to contribute their $2,000-per-person share of the Star Wars cost—in addition to their per person cost of Trident submarines, B-1 bombers, M-1 tanks, etc., etc.

For those already in or those contemplating joining the military-industrial complex, why not pay $2,000 in if you're going to get $50,000 or $100,000 back every year, enjoy a never-ending cushiony job with travel and lush vacations, $600 toilet seats and $7,000 coffee pots—all through the courtesy of the American taxpayer. Maybe you'll even get free boarding for your dog, too!

If Star Wars technology is initiated to protect us from enemy missiles, what is going to protect us from the people in the military-industrial complex who are doing these things right now? Our only hope may well be an Annual Federal Referendum as suggested in this column a few weeks ago.

In the meantime, some principles are needed to at least regain the confidence of the taxpaying public: They're called integrity, scruples, honesty, honor and patriotism—principles that seem sadly lacking in our current military-industrial complex.

I read where those in favor sum up their Star Wars pitch by saying, "What kind of sense does it make to ban defensive weapons? It's illogical and ridiculous." We are urged to "go ahead with the program and worry about deployment when the time comes."

That's the same bill of goods somebody in Washington sold the Congress when they wanted approval of MX development monies. Remember the window of vulnerability? Come on! Now who is being illogical and ridiculous?

As for spinoff benefits, let's compare: As just one example, what did we really get, other than a few rocks, for the billions spent going to the moon?

Ending nuclear war forever sounds good. To bad Star Wars won't do it. Cruise missiles, conventional bombers and artillery—all have current nuclear capability—are unaffected by Star Wars. We'll still have mutual assured destruction.

Ronald Reagan says Moscow considers the MX vote coming up to Congress a test of U.S. "resolve." Let's face it, we were humiliated in Iran, driven from Lebanon by a truck bomb and drug dealers fly back and forth over our borders with impunity. When it comes to "resolve," is it any wonder the silent majority is cynical?

If I am a representative of the silent majority, I am also cynical of how some of our elected representatives do business. I no longer believe they vote in my best interest, or the country's best interest. And that's based on special interest lobbying! (In Washington, it's called lobbying. In private industry, it would be called bribery.)

Fortunately, in the Akron area, we have Congressman John Seiberling, who is honest, concerned and will respond to written requests or comments. Want to try helping save a few hundred billion tax dollars over the course of your lifetime?

Write your Congressman.

Remember, no MX, no Star Wars.●

PHOBIA CLINIC HONORED

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. ACKERMAN. Mr. Speaker, it is with great pleasure that I call the attention of my colleagues to the honor recently bestowed upon the Phobia Clinic of Long Island Jewish-Hillside Medical Center, in New Hyde Park,

NY, for its outstanding efforts on behalf of the mentally ill. The clinic was selected from 134 applicants to receive an award of significant achievement from the American Psychiatric Association at its 36th Annual Institute on Hospital and Community Psychiatry.

The Phobia Clinic, directed by Charlotte M. Zitrin, MD, serves as a model for the Nation through its direct approach to ameliorating the plight of the severe phobic, as weli as through its research and training in the field.

The Phobia Clinic began its innovative program 12 years ago, funded by a grant from the National Institute of Mental Health. The clinic's goals were to conduct research, and to provide free treatment for New York City-area patients with phobic disorders. Extensive coverage in the media triggered an onslaught of patient inquiries from around the Nation about the possibility of treatment.

Today, the clinic serves an average of 183 patients each year. Although treatment is no longer free, the clinic has instituted a sliding-scale fee schedule so that income level will not exclude a patient from treatment.

Mr. Speaker, I commend the Phobia Clinic not only for its selection by the American Psychiatric Association, but also for the example it has set by showing what can be done for our Nation's at-risk emotionally ill. I draw to the attention of my colleagues also to an article published in the Journal of Hospital and Community Psychiatry that describes the award-winning program, and ask that it be printed in the RECORD.

TREATING PHOBIAS IN A SPECIALIZED CLINIC—THE PHOBIA CLINIC, LONG ISLAND JEWISH-HILLSIDE MEDICAL CENTER, GLEN OAKS, NY

Each week at the Phobia Clinic of Long Island Jewish—Hillside Medical Center in Glen Oaks, New York, phobic individuals meet with a therapist and discuss their progress in conquering debilitating fears. After the group discussion, everyone embarks on an in vivo assignment, such as taking a train or shopping in a supermarket, that will force the patients to confront their fears.

With repeated exposure and the support of aides who accompany them on assignments, the phobic patients gradually become desensitized to the situations they dread. Because everyone in the group shares the same acute fear (claustrophobia or acrophobia, for example), patients find empathy and understanding within the group. Between clinic sessions group members often meet and carry out homework assignments together. Patients who feel too anxious to participate in group therapy, however, may opt for individual sessions.

Twelve years ago a press release announced the opening of this specialized clinic, funded by a grant from the National Institute of Mental Health. The clinic proclaimed that its goals were research and free treatment for patients with phobic disorders from the New York metropolitan area.

Extensive media coverage triggered an onslaught of patient inquiries about the possibility of treatment. Today the clinic serves an average of 183 patients each year. Although treatment is no longer free, the clinic has instituted a sliding-scale fee schedule so that finances will not exclude a patient from therapy.

One innovative technique practiced by the phobia clinic is the group family meeting. During these sessions relatives ask questions about the patient's symptoms and the degree of distress he or she experiences. Such meetings improve strained family relationships and help relatives to deal with denial of the problem or resistance to treatment.

Approximately 80 percent of the phobic individuals receiving treatment at the clinic have improved significantly, reports Charlotte M. Zitrin, M.D., the psychiatrist who directs the clinic. Of all the phobias, says Zitrin, agoraphobia—fear of open spaces—is the most difficult to treat because it affects every aspect of daily living. Agoraphobic patients who are terrified by the prospect of driving on freeways, crossing streets, or shopping in malls eventually become housebound. Some of Zitrin's patients have been agoraphobic for as long as 20 years.

Zitrin estimates that agoraphobia afflicts six out of every 1,000 individuals: the majority of agoraphobic patients are women who have recently married, moved into a new home, had a baby, or suffered the loss of a loved one. Zitrin theorizes that phobic patients are predominently women because society's "values and roles have affected women's dependency needs, self-esteem, and self-assertion."

Agoraphobic patients often suffer from panic attacks marked by such symptoms as dizziness, shortness of breath, chest pain, palpitations, headache, sweating, trembling, and fear of impending doom. Staff of the phobia clinic have found that antidepressants such as tricyclics and monoamine oxidase inhibitors can suppress the symptoms of panic attacks.

Other research studies conducted at the clinic have uncovered a high incidence of thyroid dysfunction among phobic patients and of mitral value prolaspe syndrome among agoraphboic women. The staff believe their research was partially responsible for the changes in diagnostic classification of phobias and other anxiety disorders that were published in the third edition of the Diagnostic and Statistical Manual of Mental Disorders.

In addition to its treatment and research functions, the clinic trains mental health professionals and advises those who are interested in starting their own phobia clinics. Zitrin and her staff maintain that the diagnosis and management of phobias demand specialized skills that a general psychiatrist might lack. They stress the need for more phobia clinics "where diagnosis and both psychosocial and medication therapy are undertaken by highly skilled and experienced professionals."

(More information is available from Charlotte M. Zitrin, M.D., Phobia Clinic, Long Island Jewish-Hillside Medical Center, P.O. Box 38, Glen Oaks, New York 11004.)●

STUDENT FINANCIAL AID: THE STAKES FOR THE FUTURE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BOLAND. Mr. Speaker, when the House begins its consideration of the fiscal year 1986 budget resolution, a number of issues will compete for our attention. We will have to make many choices, choices which will have an immediate impact on the lives of millions of people in this country.

The choices we make on one issue—student financial assistance—however, have the potential to shape our society not only in the near term, but for generations to come. Federal loan and grant programs have opened our system of higher education to young people who could not otherwise fully avail themselves of it. By introducing diversity into the student bodies of our most select colleges and universities, these programs have enriched the educational experience for aid recipients and nonaid recipients alike. The benefits of this process should be obvious, and we should therefore approach budget recommendations that would weaken it with a great deal of care. On March 31, the Washington Post carried a column by David Border on this subject. The column contained a portion of a discussion Mr. Broder had with the president of Georgetown University, Rev. Timothy S. Healy. Father Healy's comments forcefully articulate the real stakes in the student aid debate. I hope the Members of the House will consider the points Father Healy makes when we consider the various budget proposals for education in the coming weeks.

Mr. Speaker, I would like to insert Mr. Broder's column at this point in the RECORD:

[From the Washington Post, Mar. 31, 1985]

A DANGER TO GEORGETOWN—AND THE REPUBLIC

(By David S. Broder)

While the nation's basketball fans were watching Georgetown University try for a second straight NCAA title, the eyes of Georgetown's president, the Rev. Timothy S. Healy, were focused on a less glamorous sight.

When I saw him in his office recently, he was poring over a report from a university vice president on the impact of President Reagan's proposed reductions in student aid. It was a lot less pretty than a slam dunk by Patrick Ewing. I had gone to Georgetown because, under Father Healy, it has made a special effort to recruit not just basketball players, but academically gifted students from the ghettos, who can benefit from its first-class education.

I had already heard the views of Healy's friend, Joseph S. Murphy, the chancellor of the City University of New York. CUNY has the largest black and Hispanic student body in the world, and 85 percent of its students

come from families in which neither parent graduated from college.

Murphy, who minces no words, said the administration aid cutbacks—in his view—part of a strategy to "rigidity the class structure of America," by closing down the main channel to middle-class jobs for poor youths and forcing them to compete for available low-wage jobs with little future.

That is one view. But with Georgetown on the country's mind, I wanted to know if the administration's proposals would affect Healy's college. This is what I found out: half of Georgetown's degree candidates—5,599 of 11,187—this year received financial aid. That aid totaled $52 million. If the Reagan cuts had been in effect, the university thinks 4,337 of the aid students—77 percent—would have lost $14.2 million, an average of $3,274 each.

Some of the loss might have been made up by unsubsidized loans. But a first-year undergraduate or graduate student who borrowed from the bank to make up for the loss of the government-guaranteed loan would—if accepted as a good credit risk—pay back 68 percent more over 19 years than under the old program.

I asked Healy if it were not true, as the administration maintains, that Georgetown and other well-endowed institutions could do more to help their own. "In 1975," he said, "financial aid was 7 percent of our budget; in 1980, it was 12 percent; this year, it's 15 percent. It's doubled in a decade. This year, we raised tuition $800 and 27 percent of that increase is earmarked for student assistance. But there is no way we can fill a $22 million gap."

I asked Healy for his best judgment on the effect the Reagan proposals would have on Georgetown.

"Georgetown would not go out of business," he said, "but you would destroy a mix that's profoundly healthy for this republic. . . . We would still be able to handle some poor kids—if they applied—but there would be a huge gap between them and the rich kids whose family paid their way. If you cut $22 million out of the grants and loans that are available, you would just liquidate the middle-class kid who's bright enough to come to Georgetown but who needs massive help."

Could they make it by working? Healy said too many of his students were already carrying too much of an outside workload. A survey in 1983 found half the underclassmen and even more of the juniors and seniors were spending from 10 to 30 hours a week in jobs. It is not realistic to think they can earn enough to make up the average loss of $3,200 and still have time or energy for education.

Then Healy said: "This administration forgets that the element of choice for poor kids is a guarantor of the reality of education for all the rich ones. It's part of the education of the rich that they go to school with kids who aren't as rich as they are.

"That didn't happen when I was kid. [He is 62.] But American colleges learned that lesson. And now more black kids are getting into more selective colleges, and we're launching a black middle class. There's been real progress there.

"But look what they are proposing to do. They would limit the assistance to any kid—no matter how poor—to $4,000. They tell them to borrow the rest. The cabdriver in this city isn't going to do that. . . . That's half his take-home pay. That's crazy.

"I'll tell you what will happen; it's already happened. Seven years ago, 32 percent of the cohort of black kids went to college. It's down to 27 percent this year. And all of this publicity about student aid cuts will lower it further.

"Kids get the idea, particularly when they're not well guided, that the administration had already decided this, and it's done already—that where there was financial aid available, there isn't going to be any. So they don't apply."

And then he said: "If we lose this battle to educate black kids, then we are setting up for your grandchildren a permanent underclass of uneducated incompetents who cannot cope with the 20th century. We're building a real Orwellian horror."

That is why the president of Georgetown had his mind on something other than a basketball game. Maybe we should too.●

WITNESS FOR PEACE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. EDGAR. Mr. Speaker, as the House moves toward a decision on funding the rebel forces opposing the Sandinista government in Nicaragua, I want to bring my colleagues' attention to a briefing I recently held with Witness for Peace (WFP) on the situation in Nicaragua and along its borders.

Witness for Peace is a national interfaith organization which, for the last 15 months, has had members living in the war zones in Nicaragua. Hundreds of citizens have been part of short-term delegations and 40 citizens have been residents for 6 months or longer. WFP participants have lived in the areas of conflict along the northern and southern borders on Ocotal, San Juan de Limay, Jalapa, and elsewhere.

The purpose of the briefing was to hear WFP members discuss their experiences in Nicaragua, explain the effects of the rebel attacks, and share other first-hand impressions of the war. The testimony of two of the members was particularly striking, and I ask unanimous consent to insert their remarks into the RECORD following my statement. The two are Dr. Edwin Myer, a member of the Church of the Brethren from Seattle, WA, and Mr. Larry Leaman, a Mennonite from my home State of Pennsylvania. Dr. Myer has practiced medicine in the United States and Puerto Rico for a dozen years, and also has medical experience in Mexico, Peru, and pre-revolutionary Nicaragua. He has just returned from 7 months in Nicaragua as a long-term volunteer with WFP. Mr. Leaman has also just returned from Nicaragua, where he spent 9 months traveling extensively throughout the zones of conflict in both the north and south of Nicaragua.

I commend their words to my colleagues.

TESTIMONY OF DR. ED MYER, MARCH 5, 1985

In August 1984, I left my family practice in Seattle, Washington to join Witness for Peace. I was assigned to the northern war zone and in less than one week on the job, I found myself in the midst of what I now call the Nicaraguan reality.

On September 1st, three Cessna rocket-fitted airplanes and a Huey Diana 500 helicopter were involved in a contra attack which killed three little girls and a farmer. I was in Santa Clara two and half hours after the attack. Early the following morning, I went to a home where two 12-year-old victims, Juanita and Elena, had been laid out on tables. Later that day, I helped carry the casket of a 13-year-old in the procession for her funeral. This wasn't exactly the kind of medical work I had in mind when I went to Nicaragua. Within 24 hours of the time the helicopter had been shot down, I was at the crash site. Two U.S. mercenaries were in that helicopter. With so much continued terror during my time in Nicaragua that Santa Clara attack seems very long ago.

In another incident, I interviewed 28-year-old Maria Julia Ortiz Chavarilla from a settlement near Jalapa. Early on the morning of October 24, 1984, contras entered her home, and she hid under her bed. From there she watched as the contras threatened her husband verbally, then struck a heavy blow to the base of his skull. Three of the contras lifted him up and took him into the adjacent hallway, where she saw them strike him in the face, opening a deep gash. When he pled to speak to his wife before they killed him, they stuffed a green rag in his mouth, threw him to the ground and slit his throat. He was 40 years old. His two-year-old daughter was hiding under the bed with her mother and gasped, "my daddy!" giving away their location. The contras pulled Maria Julia from under the bed, stripped her naked, struck her on the head, and left her for dead. Her children ages 2, 9, and 10, were also left naked. Maria Julia was three months pregnant at the time.

Another incident: I have questioned and cross-questioned witnesses to the contra kidnapping of 25 people, including 4 children and 3 women from a coffee farm near Dipilto this past January 29. One man I interviewed was a 36-year-old father of 4 children. He was kidnapped, then later escaped. He refused to give his name to me because the contras took his full name at the time of the kidnapping, and he feared revenge from the contras if his story was made known. From this and numerous other testimonies which Witness for Peace has gathered, we have identified kidnappings as a pattern for the contras' military recruitment. I wish I had time here to share with you the grief of the mothers whose young boys are kidnapped. As a physician, I assure you that the mental anguish suffered by these mothers is perhaps more significant than any of the physical scars I have seen.

My 7 months in Nicaragua were filled with almost daily occurences of the type just described. As I left Nicaragua 3 days ago, I picked up reports from my co-workers which were of incidents less than a month old: Felicita and Matilde Rodriguez, 68- and 74-years-old, endured a "contra visit" on February 8th. The contras raped their 40-year-old daughter-in-law, whose husband they had killed a year ago. The contras also raped their 22-year-old daughter, Florencia, and their 13-year-old grand-daughter, Matilda. Florencia was raped in bed beside her 7-year-old nephew. Matilda, the 13-year-old, was forced to ride around on their shoulders naked, and was tossed through the air like a plaything. The younger woman and girl were then kidnapped.

The next day, in another village called Los Potreros, the contras kidnapped a grandfather, his son, and his 6-year-old grandson. These are civilians I'm talking about.

It is unconceivable to me, that with the knowledge we all now have, we would entertain the thought of further funding of the counter-revolutionaries who so terrorize and kill the civilian population of Nicaragua.

TESTIMONIES OF CONTRA VIOLENCE DIRECTED AT CIVILIANS

(By Larry Leaman, March 1985)

Having traveled widely in Nicaragua, it is apparent to me that contra attacks, and the threat of contra attacks, are a very real part of the day to day reality of the Nicaraguan people. Be it direct attacks, or the economic effects felt after attacks, the suffering is very real and continues.

I spent three months living and traveling along the southern border area, and witnessed first hand the results of contra attacks coming from Costa Rica. The customs border post of Penas Blancas, first attacked in September 1983, is subject to continued harassment by contras firing from within Costa Rican territory.

The southern town of Cardenas, located just 4 kms from the Costa Rican border suffers regular shelling from within Costa Rica. Many townspeople, 10 in December of 1984 alone, have been kidnapped by the contra while working on their outlying farms. The road connecting Cardenas to the Pan-American highway has long since been shut due to frequent ambushes. As a result, this isolated town now relies solely on infrequent boat service on Lake Nicaragua for supplies and transportation. Because of these frequent attacks, many rural people have had to move further in-land, leaving behind their homes, their farms, their belongings.

In the North the story is the same. Around the North Zelaya town of Waslala contras continuously attack and ambush civilian vehicles bringing in food and supplies for the town. One such attack occurred on October 11, 1984, when the contras ambushed 3 civilian trucks on the Matagalpa-Waslala road. The trucks were carrying important supplies of corn and beans. The contras burned all 3 trucks and their loads.

In mid-November 1984, I had the opportunity of speaking with survivors of the November 14, contra attack on the important coffee farm of La Sorpresa, Jinotega. One young man related to me how he escaped by fleeing into the mountains. Upon return to the farm he found the body of his 17 year old wife. The contras had shot her at point blank range in the mouth, and had sliced open her stomach with bayonets. She was 4 months pregnant with their first child.

Another survivor, a young woman who worked in the child day care center, told me how she had tried to rescue a 14 month old baby that had strayed outside. As she scooped up the baby in her arms and turned to enter a building, a contra caught sight of her, and opened fire. A bullet went through her elbow, entered the baby's back, and exited through the baby's chest. The baby fell from her arms dead.

On December 6, 1984, I attended the funeral in Esteli of 7 civilian (Telcor) workers, ambushed on their way to pick coffee in San Juan de Rio Coco. Thousands of townspeople attended the funeral to express their repudiation of this violent attack.

Survivors of the ambush recounted to me how the contras fired heavy machine guns, automatic rifles, rockets and hand grenades at the truck in which the coffee pickers were traveling. One survivor who managed to escape by hiding in the brush near-by witnessed the following. "The contras murdered the wounded survivors scattered on the ground near the truck with bayonets and point blank gunfire. Then the contras splashed diesel fuel on the truck and set it on fire, burning alive 7 of the wounded civilians who remained inside, including a 5 year old child.

We must realize these are not statistics, but rather human beings that are suffering. Contra attacks continue, and are exacting a heavy toll. The suffering of many innocent civilians continue.●

FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. CLINGER. Mr. Speaker, I rise in support of this measure to ease the burden on those unemployed people across the Nation who are scheduled to receive unemployment compensation as this program expires.

It is reluctant support. Reluctant because a number of my colleagues on both sides of the aisle and I have been working to extend the Federal Supplemental Compensation Program to workers who—through no fault of their own—remain unemployed. All we have done here is to allow a phaseout of the current program.

Mr. Speaker, I come from a part of the country that has lagged far behind the rest of the country in recovering from the recession of the early eighties. We still have unemployment rates high above the national average.

I had hoped this Congress would not turn our backs on those people; that we could be more generous even in the face of deficits. In my capacity as cochairman of the Northeast-Midwest Congressional Coalition's Task Force on Unemployment Insurance, I have joined my Democratic colleague Representative DON PEASE in supporting extension. On my own side of the aisle, I have joined with Representative NANCY JOHNSON to urge our colleagues to support an extension of FSC. I would like to ask unanimous consent to include a letter sent by Mrs. JOHNSON and myself to our colleagues on the Ways and Means Committee which reported this legislation.

An extension is not going to happen today and many of us, I believe, have overlooked the nurturing of one of our Nation's primary assets—our people, the people that make our factories run and pay the taxes that keep our cities and towns viable.

Though we cannot extend the program now, I urge my colleagues to vote for this phaseout. But I want to send a message to those unemployed people in Pennsylvania and around the country—you are not forgotten and the fight for comprehensive reform of the unemployment insurance system will continue.

NORTHEAST-MIDWEST CONGRESSIONAL COALITION, U.S. HOUSE OF REPRESENTATIVES

April 1, 1985.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, 2111 Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: As Republican members of the Coalition's Task Force on Unemployment Insurance, we are writing to urge you to support an extension of the Federal Supplemental Compensation (FSC) program tomorrow when the issue is considered by the full Ways and Means Committee.

It has been argued that we should not take any action to extend this unemployment insurance program—that continuation of these supplemental benefits cannot be justified at a time of economic expansion. We cannot agree. The extensions being considered by the Ways and Means Committee are modest compared to extensions of the program in the past. The human cost of inaction would simply be too great.

While national unemployment has declined significantly, many states and communities still have jobless rates much higher than the national average. Indeed, there are thousands of unemployed workers in our districts—and hundreds of thousands across the country—who, through no fault of their own, have lost their jobs and have been unable to find work despite the economic recovery.

We support the view that endless unemployment benefits are not the answer to our joblessness problem and that the lasting solution is sustained economic growth. However, as we work toward this goal, we cannot stand by and forget those who already have fallen victim to economic dislocation. We must continue to help these long-term unemployed in their struggle to get back on their feet.

For these reasons, we urge you to support an extension of the Federal Supplemental Compensation (FSC) program and to oppose any efforts to delay bringing the bill as soon as possible to the House floor.

Finally, we believe our current unemployment insurance program is in need of comprehensive reform. We would like to take this opportunity to bring to your attention legislation reported by the Subcommittee on Unemployment Compensation and Public Assistance that would make many long-overdue changes in the system. This bill would merge the current Extended Benefits program with the Federal Supplemental Compensation program to form a streamlined program of extended benefits for the long-term unemployed.

Thank you for the opportunity to present our views. We hope they will be helpful in your deliberations.

Sincerely,

WILLIAM F. CLINGER, Jr.,
Co-Chair, Task Force on Unemployment Insurance.

NANCY L. JOHNSON,
Member, Task Force on Unemployment Insurance.●

WHERE IS MEXICO'S PRIDE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RANGEL. Mr. Speaker, I wish to bring to the attention of my colleagues a timely editorial which appeared in the March 22, 1985, edition of the New York Times entitled, "Where Is Mexico's Pride?"

The article states:

A decade ago, Mexico was the main source of marijuana and heroin consumed in this country. Commendably, it responded to U.S. pressure and help with an effective crop eradication program. By 1981, Mexico's share of marijuana shipments to the U.S. had fallen to 4 percent. Its heroin share was down to 33 percent by 1983.

But now Mexico's marijuana shipments have rebounded to 24 percent, while heroin shipments have crept back up to 37 percent. The reversal coincides with disturbing signs of official indifference.

The recent kidnaping of Enrique Camarena Salazar, and his subsequent murder, have received wide publicity in the media. He was kidnaped on February 7, 1985, and his body was not discovered until March 6, 1985. Secretary of State Shultz met with Mexican officials to express American displeasure at the pace and results of the investigation. Subsequently, seven suspects were arrested in connection with his kidnaping and murder.

On March 22, 1985, U.S. Attorney General Edwin Meese III and Mexican Attorney General Sergio Garcia Ramirez met and agreed to share information "about corruption linked to drug trafficking * * * and to cooperate fully in strengthening the eradication programs in Mexico." They also agreed to meet in 6 months to assess progress.

Mexican authorities charged several members of the Jalisco State Judicial Police with crimes related to the Camarena case. Acting Drug Enforcement Administrator John Lawn said the DEA and Mexican authorities worked together until the bodies of Camarena and the Mexican pilot Alfredo Zavala Avelar, who flew occasional missions for the DEA, were discovered. However, cooperative efforts then ceased.

As chairman of the Select Committee on Narcotics, I have followed the events in Mexico with keen interest. I can tell you that the cooperation of foreign drug-producing nations is absolutely essential, if we are going to significantly curtail the flow of narcotics into America. I am concerned that a large marijuana farm, discovered last year in November, could go undetected for so long. However lax Mexico may have been in recent months in discovering and prosecuting drug traffickers, I am hopeful that Camarena's death, and subsequent meetings between American and Mexican officials, will galvanize Mexican authorities to vigorously pursue drug traffickers wherever they may be found.

Joint American-Mexican drug eradication efforts were one of the few successes realized in our antinarcotics efforts in the 1970's. I am hopeful that the events of the last 2 months will cause Mexican President de la Madrid to view Mexican narcotics production with new urgency. It is in the interest of both nations to work cooperatively to limit narcotics production, so that more punitive measures can be avoided. I have confidence that Mexico, our "good neighbor," will respond positively to this situation, and I will closely watch for tangible signs of progress in the months ahead.

I ask that the New York Times article entitled "Where Is Mexico's Pride?" be inserted in the CONGRESSIONAL RECORD at this point. The article follows:

[From the New York Times, Mar. 22, 1985]

WHERE IS MEXICO'S PRIDE?

The United States is rightly alarmed by evidence that drug traffickers are corrupting Mexico's law enforcement. Why are Mexican officials so reluctant to share that alarm?

A decade ago, Mexico was the main source of marijuana and heroin consumed in this country. Commendably, it responded to U.S. pressure and help with an effective crop-eradication program. By 1981, Mexico's share of marijuana shipments to the U.S. had fallen to 4 percent. Its heroin share was down to 33 percent by 1983.

But now Mexico's marijuana shipments have rebounded to 24 percent, while heroin shipments have crept back up to 37 percent. The reversal coincides with disturbing signs of official indifference.

Last November Mexican authorities seized 2,500 tons of marijuana produced on a farm employing 6,000 peasants. How could that immense business operate without official complicity? The question grew sharper this month when Mexican authorities were suspiciously slow to investigate the murder of a U.S. drug enforcement agent. Under heavy pressure from Washington, they finally arrested several Mexican police officers. "It's hard to tell the good guys from the bad guys here," reported one U.S. agent. "They all carry badges."

Though they might have been knocked off balance at first, Mexican drug dealers, whose wealth reaches into the hundreds of millions, have now found it easy enough to purchase protection. In addition, President de la Madrid may now be hesitating to move against political allies with possible ties to the illicit trade. And Mexican officialdom sees the whole effort as a big favor to the United States—less urgent now that relations with the Reagan administration have cooled.

What then can the United States do? Some in Washington are enraged to the point of demanding an end to help from the World Bank and Inter-American Development Bank, which last year lent Mexico more than $800 million. But that would further limit Washington's influence and also penalize United States businesses in Mexico. Besides, the Mexicans have a point when they insist that the problem really begins with the demand for drugs in the United States.

But in their terms, it's risky to dismiss the issue so casually. Colombia, Pakistan, Thailand and Malaysia once considered drug production for export a relatively harmless activity. All now find themselves having to cope with large and growing addict populations. The Mexican economy already is infected as Mexico's drug traffickers have invested their millions in real estate and other legitimate businesses. Unchecked, their bribing and bullying of officials is sure to continue.

Does a country so dependent on tourists from the United States really want a reputation for addiction, corruption and violence? Is its legitimate economy so weak that it must settle for one rooted in crime? Why does a Government properly proud of its standing in the hemisphere allow itself to be pushed around by thugs?

Pride should dictate Mexico's cooperation with drug enforcement. So should self-interest.●

IMPORTANCE OF REA ENGINEERING STANDARDS

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DASCHLE. Mr. Speaker, when the Rural Electrification Administration [REA] was established 50 years ago, American electric utilities were primarily urban, and each system was generally individually designed to meet the needs of its higher density urban areas. Early REA leaders took a different approach to rural utility design, however, noting that economically feasible service to rural consumers would require engineering, material, and construction standards that could be used nationwide to offset, in part, the higher costs of providing service in lower density rural areas. From that early time, REA's engineers took an industry lead in developing designs to solve the unique problems facing rural utilities.

Now, REA has under consideration abandoning its engineering and standards responsibilities—functions performed in the Electric Program by the Electric Engineering and Standards Division and in the Telephone Program by the Telecommunications Engineering and Standards Division. Some of the work in establishing standards to provide rural system designs may be contracted out to private entities. The result would increase costs to the Government, the rural systems, and the consumers they serve because these private entities would not be able to monitor and enforce these standards effectively.

Mr. Speaker, before the administration proceeds with this plan, I think it is important for Congress and the public to know exactly what is at stake. I would like to take a few minutes to describe the work of the REA telecommunications engineers. I also

feel strongly about the fine work of the Electric Engineering and Standards Division, and have made public statements to that effect on prior occasions.

STANDARDIZATION

Standardization of specifications, designs, materials, and construction techniques is a vital element in the continuing success of the REA Telephone Program. In testimony before Congress last year, a representative of the Power and Communications Contractors Association, Mr. Lee Hogan, stated that contractors can build projects for rural utilities for between 5- and 9-percent less than they would normally cost, due to the system of standardization that REA has developed over the years. This translates into savings of about $133 million per year. Other benefits of standardization include: Lower equipment and material costs due to competition among manufacturers and a volume market for their products; improvements in equipment performance and construction due to standards based on technological advances and rural telephone company operating experiences; ease of maintenance due to familiarity of personnel with standardized equipment and materials; and reduced inventory and material stocking costs.

REA uses existing national standards and specifications when they are available and applicable. Otherwise, REA establishes them, after allowing for comments and consultations with manufacturers, engineers, rural telephone companies, contractors and other interested parties. Equipment meeting the standards is compiled in a list which is updated bimonthly and is widely used for rural design and construction.

A standardized construction contract keyed to the list is used for the provision of outside plant. Outside plant, such as the buried or aerial telephone cable, telephone poles, and so forth, accounts for about half of all the loan dollars in the rural telephone programs.

REA subdivides the entire construction project into standardized units, so that contractors can more easily bid competitively. Inside plant, including switching equipment, and electronic transmission equipment are purchased using standardized performance specifications for the equipment, installation and acceptance testing.

REA also provides the only comprehensive engineering and construction manuals for rural telephone systems designs.

It updates both the manuals and specifications periodically to cover technological changes as well as actual operating experiences of borrowers.

When there is no prior performance history for new equipment, REA initiates a field trial procedure. This involves a small number of installations carefully monitored for operating characteristics in rural environments. Satisfactory performances result in inclusion of the equipment on REA's list of equipment acceptable for general use. For example, successful field trials have been performed on digital switching systems, rural subscriber carrier transmission systems and rodent-resistant buried cable designs.

DEVELOPING DESIGNS FOR THE RURAL NETWORK

Perhaps the most important function of REA's engineering staff is to encourage the design of equipment needed for provision of rural service. Weather conditions can be extreme in many rural areas, and the low subscriber density is a challenge compared to designs planned with urban areas in mind. It it were not for REA, it is likely that few, if any, of the technological advances most useful to rural telephone systems would have been made.

Thus, REA takes these steps to foster design changes for rural telephone use:

First, monitoring technical problems reported by borrowers. REA monitors various operating experiences reported by borrower systems, and solicits information about any major problem areas.

Second, developing ideas and specifications for products or changes to address the problems. REA engineering staff develops ideas for new products or design changes in existing products to address the problems, and develops specifications for the products or changes.

Third, encouraging private sector participation. REA encourages manufacturers and engineering consultants to design, test, field trial and manufacture new equipment for rural service.

It encourages development of new products by offering the incentive of new business, since REA borrowers mainly purchase only REA listed equipment with their Federal loans. As an aid to interested manufacturers, REA also provides technical assistance in the form of performance guidelines or specifications for new equipment as well as guidance on compatibility with existing rural systems and rural environments.

This successful public-private partnership has resulted in a number of important technological developments in rural telecommunications. These advances are in use now, not only in rural telephone systems, but also in telephone companies and administrations around the world. Examples of developments of this type are:

Rural subscriber carrier systems; economical rural subscriber loop transmission design using fine-gauge telephone cable; electronic loop extenders; electronic subscriber loop voice frequency repeaters; and direct buried rural telephone cables.

Additional advances, which resulted in the past from partial development grants by REA include:

Dial mobile radio systems for unattended central offices; early pair-gain electronic equipment; new approaches to moisture-resistant buried cable splice closure design; and a rural fiber optic transmission system evaluation.

REA engineers actively participate in efforts of professional organizations to develop and revise private sector voluntary concensus standards. REA is represented on steering committees such as the American National Standards Institute, the Electrical and Electronics Standards Management Board and the Institute of Electrical and Electronics Engineers Standards Board. REA is also represented on numerous technical committees, including the T1 Technical Committee and its various subcommittees of the Exchange Carriers Standards Association.

REA standards and specifications have been adopted by a number of U.S. Government agencies, and are used by the telephone administrations of a number of foreign countries.

Mr. Speaker, REA's engineers have been working at the forefront of rural telecommunications to help direct some of our Nation's tremendous technological resources in solving the problems of rural telephone. By contracting out or eliminating the telephone standards and specifications activities, which requires only slightly more than 8 professional staff years, REA would lose a key ingredient to the continued success of its rural telephone program in controlling the high costs of construction in rural areas. The real losers in this battle will be the rural telephone customers and eventually, the entire country, as the cost for this effort increases, or the technical quality of the rural network deteriorates.●

USDA STUDY EXTENSION LEGISLATION INTRODUCED

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FORD of Michigan. Mr. Speaker, I am pleased to join with Mr. GOODLING today in introducing a bill to provide for a limited extension of two important programs that assist the National School Lunch Program participants and related child nutrition components.

Section 1 of the bill extends, through June 30, 1987, the pilot study on alternative means of assisting States and local school districts in delivering the School Lunch Program. This pilot project permits school districts desiring to participate to continue to do so until such time as the Con-

gress, after reviewing the study results, either implements one of the alternative methods nationwide or sends all school districts back to conducting their programs in the usual manner. The two alternatives permit participating districts to receive either all cash in lieu of commodities, or to receive all letters of credit in lieu of commodities, and to purchase much of the food products used in school lunch programs locally.

In addition to continuing the study methodologies already in place for this pilot project, school districts will, during the extension period, begin to receive bonus commodities in the same manner as those commodities are made available to any other school district participating in the National School Lunch Program.

The desired result of this pilot study project is to provide the Congress, the Department of Agriculture, and other interested parties with the advantages and disadvantages of specified alternative approaches to the current Commodity Distribution Program for school lunches, based on actual operations in representative samplings of school districts.

Section 2 of the bill provides for a 2-year extension, from July 1, 1985, to October 15, 1987, for the National Commodity Processing Program. This program permits private companies to enter into agreements with the Secretary of Agriculture, so that whenever a surplus commodity is made available without charge or credit under any nutrition program administered by the Department, the Secretary shall encourage consumption of such commodities by permitting private food processing companies to reprocess them into end-food products for use by eligible recipient agencies, including schools. The expense of reprocessing shall be paid for by eligible recipient agenices.

The extension in the bill for the NCPP is a straightforward extension of previous law, except that for the first time, such private food processors having agreements with USDA's Secretary to process bulk surplus commodities must settle all accounts with the Secretary and any appropriate State agency on an annual basis. This addition to the law is intended to assure accountability for commodities received as well as to assure their use is only for eligible recipients and not for commercial resale.

The National Commodity Processing Act was begun under Public Law 98-8, the Temporary Emergency Food Distribution Act of 1983, and was intended to make lower priced processed foods available to schools and institutions not now able to obtain them. Private processors, such as the Pillsbury Co. of Minnesota and Better Baked Foods of Pennsylvania, for example, will convert USDA surplus dairy and other products into items that are easier to use and prepare and that are more attractive to consumers, particularly to schoolchildren.

Schools will receive a wider variety of products, and the Government will be able to reduce its inventory of surplus foods. Such processed foods made from bulk USDA commodities also reduce the costs to States for storage of commodities, eliminates the spoilage of certain foods stored over long periods of time, and eliminates plate waste in the School Lunch Program.

It is my hope that my colleagues will join in cosponsoring this extension legislation in order to improve and enhance the National School Lunch Program for schools, as well as for other institutions and the eligible populations they serve.●

FRANCIS W. STOVER

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MONTGOMERY. Mr. Speaker, on March 31, Francis W. Stover, deputy chief counsel of the Committee on Veterans' Affairs, retired, closing out an exemplary 29-year career as an innovator and guiding force in the field of veterans' benefits and services.

Frank served the committee for approximately 10 years. He was a great asset to the Committee, specializing in Education, training and employment matters. He was the committee expert on the Veterans Preference Act and was very experienced in the area of labor law.

Frank Stover is devoted to his country, having served honorably in France and Germany in World War II with the 94th Infantry Division of Gen. George S. Patton's Third Army. He was wounded in combat and received numerous awards for wounds he sustained during the Rhineland campaign.

Following his service, Frank obtained his law degree and, after practicing law for awhile, became an advocate for veterans. He spent many years in a major position of leadership with the Veterans of Foreign Wars and is held in high esteem by the members of this great veterans organization. Through his work on Capitol Hill, Frank became known as the dean of the veterans organizations national legislative directors. He had a keen insight into how the U.S. Congress functions and he knew his subject area. His expertise and ability benefited the veterans of our Nation through his work with the Veterans of Foreign Wars and the House Committee on Veterans' Affairs. He is known as a man of great character and integrity and his reputation as an advocate for veterans is second to none.

Frank Stover served the committee with distinction and our members and staff are going to miss him.

Mr. Speaker, on February 26, the committee staff invited a few of Frank's friends to a committee farewell party. Because of his personal popularity approximately 200 people attended the event, including about 15 members of the committee. During the evening Frank received numerous awards from veterans organizations and friends. It was a special privilege for the ranking minority member of the committee, JOHN PAUL HAMMERSCHMIDT, and me to present Frank with a resolution on behalf of the committee expressing our deep appreciation for the contributions he has made as a key member of our staff for the past 10 years. The text of the resolution follows:

RESOLUTION

Whereas Frank Stover served his country honorably in France and Germany in World War II as a member of the 94th Infantry Division of General George S. Patton's Third Army and, during this period, which included the Battle of the Bulge, he was awarded the Purple Heart medal for wounds he sustained during the Rhineland campaign, presented the Bronze Star in recognition of meritorious military service, and the Combat Infantry Badge, and

Whereas as a result of this experience, Frank Stover, a graduate of Georgetown University Law School and a lawyer by profession, was to become a spokesman and advocate of the veteran, especially those who have made the extra sacrifice by their participation in combat against the enemy, and

Whereas his concern and activity in veterans affairs led to his being appointed National Legislative Officer for the Veterans of Foreign Wars of the U.S. from 1959-1975, and

Whereas since 1975, he has served as counsel to the Committee on Veterans' Affairs, achieving immeasurable success in the formulation and development of veterans' education, employment and training programs, including the new GI Bill, and

Whereas as Deputy Chief Counsel to the Committee on Veterans' Affairs, he has firmly established himself as a trusted friend and advisor to its Members, its staff and the veterans they represent and serve: Now therefore be it

Resolved that the Committee on Veterans' Affairs of the U.S. House of Representatives on this 20th day of February, 1985, commends Francis W. Stover and gratefully acknowledges his dedication to excellence, the wisdom, expertise and guidance he has so unselfishly provided in the execution of the Committee's mission and, above all, his lifelong commitment to improving the lives of his fellow man.

G.V. (SONNY) MONTGOMERY,
Chairman.

JOHN PAUL HAMMERSCHMIDT,
Ranking Minority Member.

Mr. Speaker, I know the Members of this great body, many of whom have worked closely with Frank over the years, will want to join with me in extending our best wishes to Frank and

his wife, Rebbie, for a healthy and happy retirement and our thanks for a job well done.●

NO TROOPS TO EL SALVADOR OR NICARAGUA WITHOUT CONGRESSIONAL AUTHORIZATION

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LEVINE of California. Mr. Speaker, today I am joining Congressman FOLEY and 10 Members of Congress on a bipartisan basis in introducing a bill to prohibit the introduction of U.S. troops into or over El Salvador or Nicaragua for combat unless authorized by the Congress. I am doing so because the administration's Central America policy is basically flawed. It relies too heavily on military solutions, and has neglected the root causes of the problems in the region. Evidence of what makes that policy frightening and dangerous are abundant.

For example, last April within a period of only 10 days a series of chilling revelations were disclosed about U.S. activity in Central America. They were: that U.S. personnel were being used to mine the harbors and territorial waters off Nicaragua; and that the Secretary of State had placed this country above the law by withdrawing it from the jurisdiction of the world court with respect to disputes with Central American nations. Last November a storm of controversy was created by the administration over the alleged delivery of Migs to Nicaragua. There was no evidence that the Nicaraguans in fact received these planes or that they were or are planning to receive them. But because of scare tactics, the administration succeeded in creating unnecessary fear and tension in both Central America and the United States.

U.S. warships have been stationed off the coast of Nicaragua. U.S. reconnaissance planes have overflown Nicaraguan territory. In the past year three Americans were killed along the Honduran-Nicaraguan border. In El Salvador an American adviser was assassinated and four CIA-employed Americans died while engaged in an intelligence mission over guerrilla territory. U.S. advisers in El Salvador armed with automatic weapons faced hostile fire.

Last April two disturbing reports appeared in the newspapers about possible future administration action regarding Central America. On April 8 the New York Times ran a story, "U.S. Said to Draw Latin Troops Plan." The lead sentence said:

> Senior officials in the Reagan administration say that contingency plans are being drawn for the possible use of U.S. combat troops in Central America if the current strategy for defeating leftist forces in the region fails.

And on April 10 a Washington Post headline read, "CIA Views Minelaying Part of Covert 'Holding Action'." The first line read:

> The CIA views its involvement in the laying of mines in ports off Nicaragua as part of a holding action until its covert war against that country's leftist Sandinista government can be stepped up if President Reagan wins reelection, according to senior administration officials.

The contents of these stories were repudiated in an April 10 White House statement. But what are we to believe with respect to White House policy on Central America? What are its intentions with respect to military activity in that region of the world?

The bill we are introducing today is designed to ensure Congress its rightful role in Central America policy. It would prohibit the introduction of U.S. combat forces into or over El Salvador or Nicaragua unless Congress has declared war or specifically authorized such use of U.S. forces, or unless the introduction of such forces is necessary to meet a clear and present danger of hostile attack upon the United States, or to meet a clear and present danger to, and to provide essential and immediate evacuation of, citizens of the United States. The bill contains provisions for expedited Congressional consideration of any resolution or bill introduced at the request of the President to send troops to El Salvador or Nicaragua.

Mr. Speaker, we all know the tragic history of U.S. involvement in an undeclared war in Vietnam. We all know the tragic consequences of our experience in Lebanon. We all know the consequences if Congress is not vigilant in carrying out its responsibilities to this Nation. Congress has a constitutional role and the responsibility to carry out that role in deciding whether or not this country sends its troops into battle, and whether or not war is declared. This bill, which is similar to legislation I introduced in the last session of Congress, would strengthen that role and our ability to carry out our responsibility.

Last May the House overwhelmingly passed an amendment to a defense spending bill which incorporated the major provisions of our bill. In October these provisions were included in a House-passed continuing resolution. However, in both instances the language was weakened in conference with the Senate to that of a sense of Congress. The bill we are introducing today would strengthen that language and prohibit by law the introduction of U.S. combat troops unless specifically authorized by Congress.

Polls have shown that the American people are opposed to direct U.S. military involvement in Central America. Let us try to carry out the will of the American people and to ensure that Congress has a say in whether or not this country sends its troops into battle.

We are seeking cosponsors of this bill, and we invite each of our colleagues to join us. The text of the bill follows:

H.R. 1865

A bill to limit the introduction of United States Armed Forces into El Salvador and Nicaragua for combat

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That none of the funds appropriated for any department or agency of the United States Government for fiscal year 1985 or fiscal year 1986 may be obligated or expended for the purpose of introducing United States Armed Forces into or over El Salvador or Nicaragua for combat.

SEC. 2. As used in this Act, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

SEC. 3. This Act does not apply with respect to an introduction of United States Armed Forces into or over El Salvador or Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States Embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.●

INTRODUCTION OF A SENSE OF THE CONGRESS RESOLUTION CALLING FOR AN END TO THE USE OF PLASTIC BULLETS BY BRITISH SECURITY FORCES IN NORTHERN IRELAND

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DONNELLY. Mr. Speaker, today I am introducing a sense of the Congress resolution calling on the British Government to end the use of plastic bullets against civilians in Northern Ireland. A similar resolution has been introduced in the other body by Senator DODD.

Plastic bullets have been responsible for 15 deaths and numerous maiming injuries in Northern Ireland. Obviously, there can be no doubt that plastic bullets are lethal weapons, and the manner in which they have been used in Northern Ireland argues convincingly for their immediate withdrawal. They are used in no other civilized land, but they are used, and often with

tragic consequences, in the crowded streets of Northern Ireland.

Several years ago, British cities were besieged by violent riots. However, use of plastic bullets against the rioters was ruled out by British officials due to the lethal nature of those rounds. There should be no double standard in the case of Northern Ireland. The continued use of plastic bullets against civilians in Northern Ireland only serves to incite further violence, and to widen the gulf of alienation that exists between the nationalist minority community and the institutions of the state in which they live. Especially at a time there is renewed hope for peaceful, political progress that will improve the qualtity of life for both communities in Northern Ireland, it is essential that the use of plastic bullets be ended.

H. Con. Res. 118

Calling upon the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians

Whereas the people and the Congress of the United States are deeply troubled by the unending cycle of violence and misery in Northern Ireland which has been a reality there for far too long;

Whereas Members of Congress have, on many occasions, expressed their belief that the use of plastic bullets by security forces in Northern Ireland is morally indefensible, and is a practice that should be ended;

Whereas the European Parliament has voted overwhelmingly in favor of a ban on the use of plastic bullets against civilians in the member states of the European Parliament;

Whereas in recent years fifteen people, many of them children, have been killed in Northern Ireland by plastic bullets fired by British security forces and over one hundred and sixty people have sustained injuries, including brain damage, loss of eyes, and total blindness;

Whereas all of these injuries have been suffered by civilians, many of them in nonriot situations;

Whereas the British Home Secretary has described plastic bullets as "lethal";

Whereas in serious rioting in 1981 in fourteen British cities, during which gasoline bombs and other potentially lethal missiles were used against police, plastic bullets were not used in any instance; and

Whereas the use of plastic bullets in the United Kingdom has been limited to Northern Ireland alone: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress condemns the use of plastic or rubber bullets in Northern Ireland and calls upon the Government of the United Kingdom to ban the use of plastic or rubber bullets against civilians.

SEC. 2. The Clerk of the House of Representatives shall transmit a copy of the resolution to the President for the purpose of informing the Government of the United Kingdom.●

H.R. 1623

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. KINDNESS. Recently, Mr. Speaker, several of my Judiciary Committee colleagues from both sides of the aisle joined with me in introducing H.R. 1623, a bill which deals with the problem of assuring adequate compensation to injured parties of large-scale accidents in which the Government is involved. The Government's often predominant role in establishing product specifications, in maintaining and repairing products, and in making post-delivery alterations to products can result in the Government being more at fault than any single contractor in the event of a large-scale accident. Additionally, many Government contracts for products or services involve substantial tort liability risks because of their military nature or the experimental or state-of-the-art technology involved. The interests of the victims of such accidents, as well as those of the Government and the contractors involved, likewise require that a system of fair allocation of responsibility be established.

Indeed, Mr. Speaker, large-scale accidents often lead to two problems: fair apportionment of fault and adequate compensation to victims. The first of these problems involves the so-called Stencel issue (*Stencel Aero Engineering Corp.* v. *United States,* 431 U.S. 666 (1977)), and refers to a 1977 Supreme Court ruling which held that a contractor sued by a military employee for a work-related product injury cannot bring a third-party suit against the Government for damages, regardless of whether the Government is partly or totally at fault in the accident. When coupled with the use of strict liability in many States, Mr. Speaker, the Stencel doctrine has left firms in the private sector to bear potential liability for millions of dollars in damages over which they had no control. The precedent set by Stencel and subsequent cases of its type is clearly unfair and should be changed.

By way of solution, section 3 of the bill establishes a system of equitable reduction which would reduce the liability of a contractor to an injured Government or military employee in proportion to the Government's fault in causing the harm. Under this system, the contractor is liable only for the damages he causes. The Federal employee, who will have already received compensation for his injuries under the military benefits programs or the Federal Employees Compensation Act, would have the Government's subrogation lien against his award from the contractor reduced by the percentage of the Government's degree of fault.

The second problem facing Government contractors is the potential of extraordinary liability caused by a product or service. As I mentioned at the outset, Mr. Speaker, Government contractors often develop products that can be hazardous and have the potential, however slight, to cause a large-scale accident. To the extent possible, all contractors purchase liability insurance to cover their potential liabilities in the event of a harm caused by their product, and the cost of this insurance is usually included in the cost of the contract.

But, obviously, Mr. Speaker, large amounts of insurance may be too costly to be practical in some cases. As a result, many contractors are now potentially liable for millions, if not billions, of dollars in damages in excess of the levels of insurance available in the commercial markets. Recent world events have demonstrated that this excess liability could easily exceed both a company's insurance coverage and its net worth.

A contractor bankrupted by such an accident would be unable to compensate many of the victims of the catastrophe. The victims' sole alternative would be an ad hoc Federal aid program approved by the Congress. As a matter of public policy, I believe Congress has an obligation to ensure our systems of Government contract and tort law do not become vehicles through which injured parties are reduced to the status of judgment creditors presiding over the liquidation of otherwise profitable companies—a process which would visit the greatest harm upon the injured parties and the innocent employees of such a firm.

Section 4 of the bill would indemnify all Government contractors for liabilities and exceed either a level of commercial insurance agreed upon in advance by the contractor and the contracting agency, or an amount that would be considered reasonable at the time the liability occurred. The indemnification procedure in section 4 will provide both contractors and injured persons with an established mechanism and procedure for compensating the victims of a large-scale accident. This would eliminate much of the delay, uncertainly and protracted litigation that would now beset both injured persons and contractors in a large-scale case involving substantial liabilities. This section of the bill is supported by the American Bar Association Section of Public Contract Law as the fairest and most effective means of providing indemnification in the event of an extraordinary occurrence. In order to protect the Government from unnecessary and unworthly ciaims for indemnification, liability caused by goods or services that are

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also sold to nongovernmental purchasers for nongovernmental use or applications would not be afforded indemnification. In addition, liability created by the gross negligence, willful misconduct or lack of good faith by a contractor would not be subject to indemnification.

In short, Mr. Speaker, H.R. 1623 is the product of many years of discussion and debate and strikes a fair balance between the needs of injured persons, the Government, and the thousands of firms which contract with the United States. Almost half of the members of the Judiciary Committee supported the bill in the last Congress, and I hope my colleagues will work with me in bringing this much-needed legislation to fruition.●

FISHERY CONSERVATION AND MANAGEMENT ACT

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BOSCO. Mr. Speaker, both Congress and the U.S. fishing industry hoped that enactment of the Fishery Conservation and Management Act [FCMA] in 1976 would offer an effective and responsive regulatory mechanism for managing our fishery resources. Two of the more important objectives of the act were promotion of the domestic commercial fishing industry under sound conservation and management principles, and to enable all affected groups an opportunity to participate in the management process.

In many important respects, the FCMA has failed to live up to its promise. Almost 10 years later, it has proven itself neither particularly effective in protecting the resource, nor responsive in addressing the concerns and needs of affected commercial fishermen and fishing-dependent coastal areas. Along the west coast, we now find ourselves with both a crisis of the salmon resource and an industry that has virtually no say in the regulatory process. Hundreds of fishermen face imminent bankruptcy and many coastal communities face uncertain economic futures.

Fortunately, reauthorization of the FCMA this year offers us an important opportunity to seek constructive changes. Today, I was joined by Congressman JAMES WEAVER, Congressman LES AUCOIN, and many other west coast Representatives in introducing legislation aimed at addressing the act's shortcomings—particularly as it affects the west coast fishing industry. Because reauthorization of the FCMA is undoubtedly among the most important issues facing our fishing industry this year, I urge my colleagues to give this proposal serious consideration.

This legislation was developed in close consultation with both conservation groups and a coalition of fishermen from California, Oregon, and Washington known as fishermen's solidarity. These fishermen should be commended for their willingness to spend hours of their own time developing a coastwide response and for advancing FCMA proposals that I believe will strengthen both fishery resource protection and the economic standing of the west coast fishing industry.

First, this legislation would provide for a significant restructuring of the Pacific Fishery Management Council [PFMC] aimed at fostering more balanced and responsive decisionmaking in the fishery management process. Under the current system, the fishing industry has only 2 out of the 13 available seats on the council. Perhaps most symptomatic of the industry's diminutive role in the management process is the fact that a commercial salmon troller has never been appointed to the council. This despite the fact that the council spends more than 80 percent of its time on salmon management issues, and the Governors of California, Oregon, and Washington have recommended several superbly qualified salmon fishermen to the Commerce Secretary for appointment.

This proposal would mandate that out of a 13-member council, 7 members shall be active participants in the recreational, or commercial fishing, or processing sectors of the fishing industry. The remaining members would consist of the principal State fishery officials from California, Washington, Oregon, and Idaho, and two at-large seats to be filled by an ocean scientist and a tribal representative. Moreover, unlike now, the Governors would have to consult with commercial and recreational fishing interests as well as conservation and tribal representatives before making council appointment recommendations.

The intent of this representational management scheme is to strengthen the role of affected fishermen while ensuring a more effective balance between commercial, recreational, scientific, and conservationist interests on the council. We have rejected the idea of mandating a set number of commercial troller or trawler seats to help establish this balance, but I believe it is clear that good fishery management will not be possible without more participation allowed for those who possess practical fishing experience. In sum, this type of council restructuring is flexible enough to allow the Commerce Secretary to ensure that each major fishery under the jurisdiction of the PFMC will have an experienced, knowledgeable voice in the regulatory decisionmaking process—allowing for a much needed diversity in council management philosophy.

The second major element of this legislation addresses the critical issue of fishery habitat protection. Habitat protection and enhancement are indispensable to maintaining adequate fishery production. Conflicts over fishery harvest allocation will only worsen unless this fact is clearly recognized and addressed. Inexplicably, however, the FCMA is virtually silent on this issue.

Since 1976, our Nation has continued to engage in Federal activities which have destroyed and degraded fishery habitat, thereby reducing the number of fish available for harvest and reproduction and exacerbating problems facing the industry. For instance, our Nation now loses to development each year over 450,000 acres of wetlands, which provide invaluable breeding areas for many different kinds of fishery resources. Along the west coast, thousands of miles of anadromous fish spawning habitat have been destroyed or degraded by water diversions, hydroelectric projects, mining, roadbuilding, and poor timber harvest practices.

This proposal would mandate two changes to address this serious problem. First, it would codify the current National Marine Fisheries Service [NMFS] habitat policy by requiring the inclusion of habitat information in fishery management plans developed by the councils. I believe this is necessary both to enhance our knowledge of how Federal activities affect fishery habitat and to allow for better coordination between fishery management decisions and habitat considerations. The need for more information between the two is much too important to be left up to the councils. The NMFS would be provided with the responsibility to provide the councils with the necessary habitat information and analysis for inclusion in the plans. This information would include current and future fishery habitat conditions, the life and habitat requirements important to the sustenance of the fishery and its food base, and the measures needed for the conservation, restoration, or enhancement of habitat that is essential for the fishery.

Next, it would establish a flexible national standard that confirms that fisheries under Federal management are of extraordinary significance to the Nation. It would also establish explicit consultation guidelines and timetables through which the Secretary of Commerce and other Federal agencies are to confer relative to Federal activities that could cause significant fisheries harm.

Presently, the most significant law relevant to maintaining fishery habitat is the Fish and Wildlife Coordination Act [FWCA]. The FWCA requires Federal agencies to consider the effects of proposed projects on fish and

wildlife on an equal basis with project benefits. While the National Marine Fisheries Service is allowed under the FWCA to provide comments on a proposed project's effects on fisheries, the law accords no special significance to their comments. In effect, most other Federal agencies ignore these comments, including requests for information from either NMFS or the regional fishery management councils. Therefore, fishery habitat protection remains virtually ignored in Federal decisionmaking.

One of the great failings of the FWCA is the absence of any explicitly defined guidelines and timetables for consultation between the Commerce Department and other agencies. By requiring that other agencies respond to the Secretary in a timely and responsive manner, I believe that we will be enhancing the role of the Secretary to see that responsible mitigation is seriously considered for actions that are likely to cause significant fisheries harm. This proposal will not provide the Secretary with authority to halt or delay other Federal agency activities. But any agency that refused to comply with Commerce's recommendations would have to clearly identify the public interest that outweighed the need for habitat protection.

Finally, this bill would establish a more timely appeals process and arbitration board for either a State or fishermen affected by Federal preemption of a State fishery management plan. Under FCMA, a State is allowed to apply to the Commerce Secretary for reinstatement of its authority within 3 miles offshore after a Federal preemption has occurred. If the Secretary finds that the reasons for which State management was preempted no longer prevail, he or she is required to promptly return State authority. However, no other specific guidelines for preemption are included.

There is a general consensus that the current preemption process is too long and drawn out to take into consideration the quickly changing nature of resource conditions. For their part, the fishing industry is concerned that one hearing before an administrative law judge, as presently occurs, does not constitute adequate opportunity to present scientific evidence. Establishment of a timely arbitration process should meet both of these concerns.

Mr. Speaker, these issues are of vital concern to west coast fishing interests, and I would once again urge my colleagues to give prompt consideration to this legislation.●

WESTWAY LANDFILL FUNDING PROHIBITION

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. GUARINI. Mr. Speaker, today I am joined by 22 of my colleagues from across the Nation in introducing legislation to prevent one of the most fiscally irresponsible, illegitimate Federal expenditures in history—the multibillion dollar Federal funding of the Westway Landfill in New York City. My bill will prohibit the illegitimate use of Highway Trust Funds and other Federal moneys to fill in more than 200 acres of the Hudson River as part of the Westway plan to create real estate for commercial, industrial, and residential development and to change the shape of a public waterway.

As proposed, Westway is a 4.2-mile interstate highway partially tunneled through a landfill which would run from the tip of Manhattan to 42d Street. Because of its complex construction, maintenance and ventilation requirements, Westway would be the world's most expensive highway. Westway's construction is scheduled to proceed until 1994. With cost overruns, inflation and interest, Westway could cost American taxpayers between $4 billion and $10 billion.

In no way should New York be denied the right to obtain Federal highway funds to construct a highway. The need for a new highway is as clear as the need for an efficient mass transportation system which can move millions of workers and shoppers through this great city.

However, the use of scarce and much needed Highway Trust Fund moneys for massive real estate development is reprehensible. This expenditure is totally inconsistent with the purpose of the Highway Trust Fund. The Federal Highway Act of 1981 states that "funds shall be limited to the construction necessary to provide a minimum level of acceptable service on the Interstate System." Since there exist less costly alternatives which would accommodate a comparable level of traffic, financing the landfill is clearly an illegitmate use of Highway Trust Funds.

Moreover, funding the landfill is fiscally irresponsible and financially devastating. New York's share of interstate highway funds will never cover the projected 90-percent Federal funding of Westway's final construction cost. Its constructors will have to return to the Federal Government for more funding to finish the project. With a diminishing cash balance already forecast for the Highway Trust Fund, Westway could be left without funding and unfinished.

Instead, New York could obtain $1.5 billion in highway trade-in funds if Westway was not constructed. According to Federal Highway Administration estimates, these trade-in moneys could easily be used to finance a suitable, but less costly nonlandfill highway and provide aid to New York's crippled mass transit system.

Funding the Westway Landfill would jeopardize the integrity of our environment. In dredging and filling more than 200 acres of the Hudson River we risk the destruction of the last vital striped bass habitat on the Atlantic Coast, and endanger a $200 million industry. Westway's construction process would also stir up unpredictable amounts of toxic waste from the river bottom and contaminate the shore area. It could cause potential flooding problems on the west side of the Hudson as well. It is obvious that funding Westway undermines the intentions of the Clean Water Act of 1972 which requires that landfills not be constructed if they would have an adverse aquatic effect and if there are practical nonlandfill alternatives which would cause less environmental harm.

Finally, using Federal highway funds for the Westway Landfill sets a dangerous precedent allowing others to pave in public waterways and change the flow of our rivers for private real estate development.

For over 7 years, the Environmental Protection Agency, the Department of Interior's Fish and Wildlife Service and the Department of Commerce's National Marine Fisheries Service have stood in steadfast opposition to the Westway Landfill on the basis of the serious environmental risks surrounding it. Key legislators in both the Senate and the House of Representatives, the New York State Assembly and the New York State Senate have all gone on record opposing Westway. Concerned New York City residents, environmentalists and taxpayers throughout the United States have joined together in this worthy fight against funding Westway.

At this time of severe budgetary pressures, we should not sanction this precedent setting, illegitimate use of Federal highway funds for costly real estate development. We cannot afford Westway's potential adverse environmental impact. We must act quickly to prohibit the use of Federal funds for the Westway Landfill. I urgently ask for your support of this vital legislation.●

EMBARRASSINGLY IGNORANT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mrs. SCHROEDER. Mr. Speaker, on March 25, the Denver Post commented on President Reagan's rather ignorant remarks about recent events in South Africa.

FORGETTING OUR HERITAGE

President Reagan's views of race relations in South Africa, as he expressed himself at his Thursday night press conference, display not only an almost tragic blindness toward that troubled nation, but also an ignorance of the trauma in his own nation only two decades ago.

The president's defense of South African police who killed at least 17 blacks as on "the law and order side" and his characterization of the victims as "rioting" and intent on "a violent settlement" through "trouble in the streets" were chilling reminders of the language of official statements once issued from Alabama and other southern states where black Americans sought civil and human rights.

It was Sheriff Jim Clark and his Selma, AL, possemen who were on "the law and order side" when they brutally beat blacks seeking the right to register and vote. It was Alabama Gov. George Wallace—then the "segregation forever" George Wallace—who was also on "the law and order side" when he sent troopers to bludgeon the line of marchers attempting to take their grievances to the state capital.

And throughout that era of bloody violence and repression, it was the Clarks and the Wallaces and their defenders—even high national officials—who maintained that criminal and subversive motives were driving the victims of "law and order," just as President Reagan asserted Thursday night.

The President even offered the shocking suggestion that blacks in the pay of the South African police forces, under the discipline of the brutal and inhumane system of apartheid, were on the right side of the stand against human rights and dignity that has made South Africa a hated pariah among nations.

He found it "significant," the President said, "that some of those enforcing the law and using the guns were also black policemen."

Other members of his own administration, including Secretary of State George P. Shultz and Chester A. Crocker, the secretary of state for Africa, issued strong denunciations after the South African killings—not just against the apartheid system, but against its awful results.

Shultz said the action "only underlines how evil and unacceptable that system is." Crocker, traveling in South Africa, said the slayings served as "a tragic reminder of what happens when there is no basis for consent and no effective dialogue between those who govern and those who are governed."

President Reagan, almost as an afterthought, said at his press conference that he sees the "system there repugnant" in South Africa. But when he cloaks the instruments of that system with "law and order" and suggests that an oppressed people can be dismissed as rioters intending "trouble in the streets," he offers evidence that he knows and remembers little of the legitimate aspirations of millions of his own people and millions more elsewhere in the world.

We are embarrassed for the President. We can only wonder at a frame of mind that even the one-time segregationist oppressor George Wallace now says is blindly mistaken.●

TRIO PROGRAMS

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MOAKLEY. Mr. Speaker, I would like to take this opportunity to share with my colleagues my support for the special programs for students from disadvantaged background [TRIO]. These excellent and cost-effective programs have been extremely successful in helping many of our disadvantaged youth to realize their full potential through the learning and social opportunities offered by postsecondary education. Because I believe so strongly in the worth of TRIO programs, I was extremely distressed to learn that President Reagan in his fiscal year 1986 proposed budget plans to reduce TRIO budget funding by more than 50 percent. I believe that such cuts would severely diminish the effectiveness and success of the TRIO Program to an extent that would far outweigh the relatively small economic gains of such reductions.

The purposes of the TRIO programs are to identify qualified individuals from low-income families who are in the first generation in their families to attend college, to prepare these students for postsecondary education, to provide special supportive services for low-income, first-generation, and physically handicapped students while they pursue programs of postsecondary education, and to train persons serving or preparing for service in programs and projects so designed.

These TRIO programs have proved beneficial to disadvantaged students from various backgrounds throughout this country. In fiscal year 1984, 1,275 TRIO projects which operated in over 800 higher educational institutions and 80 community agencies served a total of 505,000 students. Two-thirds of these students are from families where first, the total taxable income is less than 50 percent of the poverty level, and second, neither parent had graduated from college. Among TRIO students, 41 percent are black, 35 percent are white, 17 percent are Hispanic, 4 percent are American Indian, and 3 percent are Asian. Eleven thousand TRIO students are physically handicapped.

TRIO refers to five programs which provide supportive services for disadvantaged students to enroll in and graduate from college. These programs are funded under the special programs subpart and include: educational opportunity centers, special services for disadvantaged students, talent search, upward bound, and a training program for TRIO staffs. These programs provide low-income students a realistic opportunity to escape cycles of poverty and to achieve the upward mobility afforded by higher education.

If in fiscal year 1986 the administration is successful in reducing TRIO funding by 53 percent, the result would be devastating. An estimated total of 380,000 students would be completely eliminated from these most valuable programs. The 167 talent search and 33 educational opportunity center projects would be eliminated. These projects provide 294,000 disadvantaged students with information about college and financial aid opportunities. Twenty percent of black and Hispanic students who enter college receive assistance from these two projects.

The administration's budget would also cause 20,000 students to be eliminated from special supportive services projects. These projects provide counseling, tutoring, and remedial coursework assistance. The low-income and first-generation students who benefit from these services are more than twice as likely to stay in school as similar students who do not participate in such services.

Proposed budget cuts would also eliminate 15,600 students from the Upward Bound Program and the total number of these projects would be reduced from 421 to approximately 200. Such cuts in Upward Bound are difficult to justify in light of its effectiveness. High school students who participate in Upward Bound are four times as likely to graduate from college as similar students who do not have the benefit of such participation.

Although I realize that due to the Federal deficit, budget cuts are necessary. I do not believe that TRIO should be made a target for reductions. The benefits of the program both to disadvantaged students and to education in this country as a whole far outweigh the comparatively low costs.●

FOR BULLETPROOF VESTS

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. VALENTINE. Mr. Speaker, I am today reintroducing legislation that I introduced during the 98th Congress designed to insure the safety and protection of local law enforcement officers. The purpose of this legislation

is to provide for a one-time purchase of needed protective soft body armor—bulletproof vests—to be worn by police officers in the line of duty.

Simply put, the life of a police officer is in constant danger. When an officer responds to a call for assistance and knows that an individual with a weapon is involved, there is time to take precautions to protect and defend against the threat, reducing the risk of injury or death to the officer. It is not surprising, however, that officers are most often killed or injured during incidents in which the attack is totally unexpected.

The Institute of Justice sponsored a major program to develop a lightweight body armor that an officer could wear on a full-time basis throughout an entire working shift. This development was in response to the rapid increase in police injuries and fatalities from assault with guns and knives during the period from 1960 to 1970.

The rationale for my legislation is just as obvious now as it was then. If an officer always wears body armor, the vulnerability to serious injury or death from unexpected assault is greatly reduced. While armor that could be concealed under normal clothing was available during the early 1970's, it was too heavy and uncomfortable and most officers would not wear it even if they had it. Consequently, soft or lightweight armor was developed and is still considered today preferable for full-time law enforcement officers.

Since about 1975, law enforcement officers have been using protective armor of the soft or lightweight variety to an increasing extent. This type of armor has been developed so that it quite effectively stops the penetration of many types of handgun bullets and some rifle bullets which pose threats to law enforcement officers.

Interestingly enough, however, prior to 1975, State and local governments began to purchase new body armor for their officers, and many officers purchased their own if their department did not provide it.

Today, over half of the Nation's 528,000 law enforcement officers wear soft body armor on a daily basis. Law enforcement officers recognize that soft body armor was designed to stop the handgun bullets like the ones that killed 791 police officers between 1971 and 1980. They also recognize that the bulletproof vests have proven to be a very effective protective device.

Recently, local news media reported on the death of a Washington, DC police officer who was killed in the line of duty. In ending the news story, the reporter indicated that the officer's life could have been saved if only he had been wearing this protective armor during the line of duty.

The U.S. Justice Department estimates that these vests have saved the lives of more than 400 police officers since the law enforcement community began wearing the body armor in the mid-1970's. It is interesting that the approximately 28-percent decrease in firearm-related deaths could be accounted for partially by the increased use of soft body armor by law enforcement officers.

Mr. Speaker, the legislation, I am introducing today on behalf of the Nation's law enforcement community would provide for the authorization of a one-time purchase of soft body armor for the protection and safety of law enforcement officers.

Specifically, the measure would authorize the Attorney General to make grants to States for the purpose of assisting local governments in the purchasing of bulletproof vests for use by police officers. The measure also requires local governments to contribute no less than 25 percent of the cost of the vests, and funds not expended by the local governments shall be returned to the general funds of the U.S. Treasury Department as miscellaneous receipts.

Mr. Speaker, the intent of my bill is simple: It would help save the lives of police officers whose public duties and responsibilities are to protect the citizens of this country. By routinely wearing body armor during all shifts, an officer is assured by full-time protection from most likely threats.

Mr. Speaker, I urge my colleagues to review the legislation, to seek me out on the House floor, or call my office for further information and/or cosponsorship.

Thank you.●

SUPERFUND LAW

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I am introducing legislation today that will reverse an inequity that exists in this Nation's Superfund law that has prevented the Environmental Protection Agency from responding to this Nation's fastest growing environmental hazard—leaking underground storage tanks. I am joined by my good friend JIM FLORIO, who shares my concern over the dire health threat posed by these leaking tanks.

My interest in the need for this legislation has grown over the past 2 years as I struggled to provide assistance to nearly 60 families in my district affected by a massive gasoline spill in their neighborhood. Over 2 years ago, 100,000 gallons of gasoline leaked from storage tanks belonging to a gasoline station into the ground below these homes. As a result, the homes in the area near the gas station have been inundated with fumes containing benzene, toluene, and xylene. These chemicals are dangerously toxic—in fact, benzene is a carcinogen. The supplying company and the county and State governments are still working to remove the bulk of the spilled gas. Legal action by the State and county governments against the responsible parties for the relocation of the residents took a long time to get off the ground. These delays and the drawn out negotiations prolonged my constituents' exposure to this severe health threat as well as the emotional hardship they were forced to bear.

I requested EPA assistance for these residents on two occasions and was denied both times. In the first instance, the Agency responded that its "regulatory jurisdiction over oil in ground water is extremely limited." I requested EPA assistance at the beginning of last month and was turned down again. I submit the heart of their response below:

Under section 104(a) of CERCLA, the President is authorized to undertake actions to respond to a release of a "hazardous substance" or a "pollutant or contaminant." The definition of "hazardous substance" in section 101(14) specifically excludes "petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as hazardous substance * * *" The definition of "pollutant and contaminant" in section 104(a)(2) contains an identical petroleum exclusion. EPA interprets the petroleum exclusion to apply to materials such as crude oil, petroleum feedstocks, and refined petroleum products, even if a specifically listed or designated hazardous substance is present in such products.

This response clearly depicts an Agency whose hands are tied. Outrageous as it may seem, the letter demonstrates that even if EPA acknowledges the presence of a hazardous substance such as benzene at a hazardous wastesite, the Agency will not respond if the presence of the substance is traced to a petroleum product.

The facts demonstrate, moreover, that these tanks present an imminent hazard to the health of millions of Americans. Nearly half the country relies on ground water for its supply of drinking water and leaking tanks are one of the leading suspects for ground water contamination. New York State has estimated that nearly a fifth of its underground gas tanks are leaking now. Experts estimate that there are 75,000 to 100,000 gasoline tanks nationally that may currently be leaking and that up to 350,000 tanks may be leaking within the next 5 years.

Last year, Congress took action during the reauthorization of the Resource Recovery and Conservation Act to create a comprehensive Federal regulatory program for underground

tanks. The RCRA amendment was designed to prevent future spills, but it did not lift the shackles that prevent EPA from cleaning up tank leaks and toxic wastesites where petroleum is involved.

My legislation will simply give EPA the mandate it currently lacks to clean up underground tank leaks and sets aside a designated percentage of Superfund to deal with these tanks. By lifting the so-called petroleum exclusion, this legislation will free EPA to take actions to prevent, minimize, or mitigate damage to the environment caused by leaking gas tanks. It would allow EPA to give the assistance that was needed to help my constituents including such provisions as alternate water supplies, temporary evacuation and housing of people threatened by gasoline tank leaks.

The massive spill that occurred in my district can happen anywhere. The time has come for Congress to complete the work it began last year to deal with leaking tanks. Let us allow EPA to get to work on these leaking gas tanks before it is too late.

H.R. 1881

A bill to provide that the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 will apply to certain petroleum and to establish a separate account in the Superfund for leaking underground storage tanks

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PETROLEUM EXCLUSION.

(a) AMENDMENT OF CERCLA.—Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by inserting "(a) IN GENERAL.—" after "101.";

(2) by striking out "does not include petroleum" in paragraph (14) thereof and all that follows down to "does not include natural gas"; and

(3) by adding the following new subsection at the end thereof:

"(b) PETROLEUM.—The provisions of this Act shall apply to petroleum, including crude oil or any fraction or component or derivative thereof, in the same manner and to the same extent as such provisions apply to any hazardous substance referred to in paragraph (14), but only if such petroleum (or fraction, component, or derivative thereof) is otherwise specifically listed or designated as a hazardous substance under subparagraph (A), (B), (C), (D), (E), or (F) Of subsection (a)(14).".

(b) CONFORMING AMENDMENTS.—All references in any provision of law to section "101" of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or to any provision of that section are hereby amended to refer to section "101(a)" of that Act.

SEC. 2. SET-ASIDE FOR UNDERGROUND STORAGE TANKS.

Section 221 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection at the end thereof:

"(d) ESTABLISHMENT OF SEPARATE ACCOUNT FOR LEAKING UNDERGROUND STORAGE TANKS, ETC.—

"(1) CREATION OF ACCOUNT.—There is established in the Superfund a separate account to be known as the 'Leaking Underground Storage Tank Account' (hereinafter in this subsection referred to as the 'Account') consisting of such amounts as may be transferred to the Account as provided in paragraph (2).

"(2) TRANSFERS TO ACCOUNT.—The Secretary of the Treasury shall transfer to the Account from the Response Trust Fund amounts equivalent to 8.5 percent of the amounts appropriated to that Trust Fund under this section.

"(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Account shall be available for expenditures which may be made from the Response Trust Fund under subsection (c) solely by reason of the amendments made to section 101 by the Superfund Leaking Undergound Storate Tank Amendments of 1985. Any expenditure which may be made from the Account may be made only from the Account.

"(4) REPAYABLE ADVANCES.—

"(A) AUTHORIZATION OF TRANSFERS.—The Secretary may transfer, as repayable advances, to the Account from other amounts in the Response Trust Fund such sums as may, from time to time, be necessary to make the expenditures described in paragraph (3).

"(B) REPAYMENT OF ADVANCES.—Advances made to the Account pursuant to this paragraph shall be repaid, and interest on such advances shall be paid, to the Response Trust Fund, when the Secretary of the Treasury determines that moneys are available for such purposes in the Account (or when required pursuant to subparagraph (D)).

"(C) RATE OF INTEREST.—The interest on advances made pursuant to this paragraph shall be at rates determined under the rules of section 223(b)(2) and shall be compounded annually.

"(D) LIMITATIONS ON ADVANCES.—Rules similar to the rules of section 223(c)(2) shall apply for purposes of this paragraph.".●

WE ARE THE WORLD

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RAY. Mr. Speaker, I rise today to share with my colleagues something that I saw on television, because I hope that everyone in this Chamber and in the country will get a chance to see it.

All of us are aware of the absolutely tragic situation which is taking place in Africa. Children are starving by the tens of thousands; and when that happens it tells me that there is something wrong with the way the adults are running the world.

Like most of you, I voted for legislation to send more funds into that troubled area. Although there are few issues that we vote on up here that are clear cut, providing food and help for those that are starving is a clear choice for me.

What I saw on television has to do with the efforts that some people, who are not involved with government, have made to help, and I was moved by what I saw.

Apparently, after the night of the American Music Awards, some of the highest priced musical talent on this planet went to a recording studio and made a record and a video disk entitled "We Are the Children."

In addition to their talent, these musicians contributed $1 million of their own money to cover the production and distribution costs. All the proceeds of the album, video, record, and T-shirts will go for African famine relief and current estimates are that these efforts should bring in over $250 million for this cause.

I won't even pretend to say that I recognized all, or even a majority of the famous faces which I saw on the screen. I am not very much in touch with today's music.

But although I did not recognize the faces, I certainly felt the mood and emotion which flowed from that group. These entertainers had just been nominated for the most prestigious awards in their industry. Some had won and some had lost.

But all that seemed forgotten and insignificant in the faces that I saw. These talented musicians had combined their efforts and abilities to come forward with a message of hope and eternal optimism that people seem to be able to hang onto in spite of everything that confronts us.

I hope that everyone in this Chamber and, indeed, everyone in our country will buy a copy of this record, and take the chance to see the video. Because it reminds us that children come to us straight from God, and are the hope that we have for the future.

But it also tells us that the only chance we truly have to work our way into the brighter future that we all want is to care about one another as human beings. Government can help. But unless we, as a people care enough about each other to put aside our individual problems and concerns and devote some attention to the world that we are leaving for our children and grandchildren, there is no constitution that has ever been written or no government that has ever been formed which will be able to save us.●

A NICARAGUAN REFUGEE FAMILY'S PLEA FOR HELP

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LIVINGSTON. Mr. Speaker, since the Sandinista government took power in Nicaragua in 1979, thousands of Nicaraguan citizens have fled their country to seek refuge from the harsh policies of that totalitarian rule. It is right and proper for the United States

to come to the aid of these refugees and to oppose the Sandinista government which has forced them from their homes.

It is hard for the American people to conceive of a situation bad enough to make home-flight happen. We do not see much about it on television, and we do not have any personal experiences to draw on in trying to understand it. Consequently, I would like to read a short but poignant letter from Salvador Pierrot Armijo, who is president of the Civic Committee of Nicaraguan Emigrants. He wrote the letter on February 10, 1985, to the Jenkins family of Baton Rouge, Louisiana, thanking them for their refugee relief efforts through Friends of the Americas, a privately funded, nonprofit group they have formed. I understand this letter is typical of those received by Friends of the Americas in the course of their work with refugees.

This is an English translation, of course, Mr. Speaker, but I would be pleased to provide anyone interested with a copy of the Spanish original. The letter reads as follows:

FEBRUARY 10, 1985.

THE JENKINS FAMILY,
Baton Rouge, LA.

I would like to thank you for your Christmas card and letter. Our best wishes that you and your family are well.

We had a difficult time understanding the letter because we don't speak English, but we could see the beautiful home you have formed with your wife and beautiful children and see that God exists in your home as you profess your Christian faith as every human being should.

In regard to how we Nicaraguan refugees are living, I want to tell you that the violence grows in Nicaragua every day because the Nicaraguan people cannot stand the injustice of the communist regime that rules my country.

Recently we have received several preachers who have come with their arms and legs inhumanly mutilated, tortured by the Sandinistas.

This week an Evangelical pastor arrived with his body almost completely burned. He is only alive by the grace of God. He told me that he was locked in a house by the Sandinistas, then tied up with two other companions. The Sandinistas then spread gasoline around the house, the walls of which were made of wood. Then they set fire to the house. The two other Evangelical pastors died in the fire and he alone was saved by God's divine salvation.

This type of incident is frequently repeated and the Human Rights Commission is notorious by its absence and never makes statements regarding such circumstances. It appears that the communists enjoy the privilege of murdering our Nicaraguan brothers in such a humiliating way and the Human Rights Commission overlooks these acts.

We would like for our friends in the United States to organize and help us raise our voices of protest to the world so all will know of the inhuman acts being committed against the Nicaraguan people.

We have sufficient evidence and are prepared to document similar cases such as I have narrated.

I also wish to express once again in the name of the Nicaraguan people, and for myself personally, the valuable help you have been, along with the other group of friends who presented us with Shoeboxes for Liberty. I also plead to your spirit of good heartedness and the philanthropic spirit of the organization directed by your dear wife, that you help the Nicaraguan refugees who are living in Honduras without work and under inhuman conditions because we have no economic resources.

The number of Nicaraguan refugees is growing by the day, they are sick, wearing rags, and hungry. The majority of those refugees are children, women and the elderly.

The young people remain in the mountains of Nicaragua fighting along side the freedom fighters, the true heroes of the Nicaraguan people. We would appreciate a visit from you and your wife so that together you could witness the need of our people and you could give us the help we need from charitable persons such as you.

I will say no more.

I send best wishes to you and to your family.

SALVADOR PIERROT ARMIJO,
Presidente del Comite Civico de Emigrantes Nicaraguenses, Contiguo a la Logia Mazonica, Danli, Department del Paraiso, Honduras, Central America.

So Mr. Speaker, this is the result of the lofty promises the Sandinistas made to the world—and to their own people—upon the success of their revolution. Let's face it, Mr. Speaker, they broke their promises of yesterday. We should not be foolish enough to believe their promises today.●

USER TAX EQUITY

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MINETA. Mr. Speaker, nothing would be of greater assistance to the budget crisis we face than to increase reliance on dedicated user fees. Both the administration and the Budget Committee have advocated this approach. Yet the budget process itself provides powerful disincentives to raising those dedicated revenues. It does so because in the aggregate it looks at total revenues and at total expenditures and compares the two, but it tends to ignore the dedicated relationship between some of those revenues and some of those expenditures. Once the dedicated revenues are enacted, the budget process tends to take their existence as a given, but treats the expenditures side as a completely open question, subject to severe limitation even where dedicated revenues continue to flow in unabated.

We have had this problem in the Aviation Trust Fund for more than a decade. Dedicated revenues are enacted based on certain levels of need and authorized spending. But then in subsequent years the budget process considers those spending levels completely disembodied from the dedicated revenues on which they are based. The result is that budget resolutions and enforcement devices are easily used to cut the expenditure side while leaving the revenue side untouched. The close relationship originally intended by Congress when it enacted the dedicated revenues is lost.

This is not only detrimental to the programs and the taxpayers involved, it is also detrimental to the budget process itself, because this kind of experience is used to oppose new dedicated revenues which would ease the budget squeeze and would provide assured financing mechanisms particularly for our capital investment-type programs. The argument against proposals to support additional program areas with dedicated revenues is that the promises accompanying dedicated tax proposals are just a ruse: "Once you get the revenue, we'll never see the spending you've promised." Until we deal with that concern, we will continue to face stiff opposition to user fees and other forms of dedicated revenue.

Programs supported by dedicated revenues and afflicted by the problems I have just mentioned include not only aviation, but also such programs as highways and transit. Legislation I am introducing today, the User Tax Equity Act of 1985, would deal with that concern by providing that programs supported by dedicated revenues would not be subject to the various enforcement devices of the budget process, if and only if the dedicated revenues provided by the Congress were fully adequate to cover the costs of the program. In other words, if you can raise the revenue, you can spend it. This would apply not only to existing dedicated revenue programs, but to such new dedicated revenue programs as the Congress might choose to enact, either of the contract authority type or the prior appropriation type. This bill would not in any way affect the entitlement programs, such as Social Security.

This is basically, therefore, a pay-as-you-go proposal. The Congress would be assured that the programs covered by this bill would not contribute one dime to the deficit, since they would be required to be at least fully self-supporting.

It also does not take these programs off budget: their anticipated revenues and expenditures would still be included in the unified budget.

Mr. Speaker, the bill I am introducing today is similar in concept to language I worked to have included in last year's budget resolution and which this House did approve last year as part of the House budget resolution. So I think the Members of this House have come to recognize that it is no longer enough that in imposing dedicated user taxes we make reasonable efforts at the outset to size those

taxes so that they will produce revenues roughly equal to what we plan to spend on the relevant programs in future years. In fairness to those who pay these user taxes, and in defense of our own credibility in imposing them, we also have to provide some reasonable likelihood that we will in fact spend in future years those amounts we assumed at the outset when we determined the level of the user taxes.

In short, if we are serious about pay-as-you-go, then we are going to have to let pay-as-you-go work. These user tax-supported programs are fully self-supporting; they don't contribute one dime to the deficit; they represent exactly the approach we should be encouraging. This legislation would simply allow us to live up to the promise we make when we impose these dedicated user taxes that they will be spent for certain dedicated purposes. It would do that by allowing spending for such programs to be as great as, but never greater than, the dedicated revenues being collected for that purpose. The programs covered by this bill are now fully self-supporting and would remain so if this bill were enacted. What would be different, however, is that we would be less likely to set dedicated tax levels based on one set of spending assumptions, only to find ourselves railroaded into lower spending levels, ballooning trust fund surpluses, and an angry citizenry which feels it was hoodwinked when we set user tax levels.●

FREE TRADE VICTIMS ACT OF 1985

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. PEASE. Mr. Speaker, today I am introducing what might aptly be termed the Free Trade Victims Act of 1985. This bill extends the Trade Adjustment Assistant [TAA], Program for import-impacted U.S. firms and workers for 4 years. While preaching about the magic of the marketplace and the virtues of the strong dollar for American consumers, the Reagan administration continues to ignore the mounting toll of American markets and jobs that are being sacrificed to its disastrous trade and fiscal policies. The TAA Program is needed more desperately now than at any time since it was created in 1974, if we are to do anything to help those victimized by a trade deficit that exceeded $120 billion in 1984.

My bill is in tune with our times. It simply extends the current TAA Program for 4 years. The other salient feature is that it provides for a different means of funding the TAA Program in the future than continued reliance upon general revenues. Specifically, it directs the President, upon enactment, to commence negotiations in the GATT context to secure approval for member countries to levy an adjustment fee on imports to finance trade adjustment.

Senator ROTH has offered a similar proposal in the Senate programs. Such fees would be akin to user fees to be levied on importers and nations exporting to America.

Under my bill, if the President is successful in negotiations, the adjustment fee would be applied as soon as GATT approval is won, if the President is unsuccessful in negotiating GATT approval of the establishment of adjustment fees during the next 4 years, then the fees will be imposed on October 1, 1989.

I hope for expeditious action on this bill. We must keep faith with those American companies and workers who have supported trade liberalization in the national interest in exchange for a commitment honored by every President from Kennedy through Carter to provide trade adjustment assistance.●

EXPLANATION FOR MISSED VOTE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. GILMAN. Mr. Speaker, I was in a meeting earlier today with Attorney General Meese and the chairman of our Select Committee on Narcotics, Congressman RANGEL, and so was unable to cast my vote on rollcall No. 42, on agreeing to the conference report to H.R. 1239, supplemental appropriations for African famine relief. Had I been present at that time, I would have voted "aye."●

PLEDGE TO AMERICA

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WALGREN. Mr. Speaker, I am honored to place in the RECORD an award-winning entry in the annual Voice of Democracy scriptwriting contest held by the Veterans of Foreign Wars and their ladies auxiliary. Marjorie Scholtz is a senior at Fox Chapel High School in the 18th Congressional District of Pennsylvania and the daughter of Kenneth and Marjorie Scholtz of O'Hara Township. She is also an active participant in a number of sholastic, local, and community organizations and would like to pursue a career in law.

I am proud to insert in the RECORD, "My Pledge to America," by Marjorie R. Scholtz:

Listen to me America. I speak to you. I speak not with one voice but with the richness and power of millions of voices. I bring you a promise to keep our country strong by not forgetting the past. I pledge to remember that the excitement and vitality of America is an echo—it is a refrain not a new song. Its melody was sung by Pilgrims and immigrants—by doughboys and sailors. It has a chorus with an accent on acceptance, freedom, and hope. This song tells us that today was shaped by yesterday—tomorrow will be framed by today!

I am a child of today. A progeny of astronauts, of the 23rd Olympiad, of personal computers and of Neilson ratings.

America's young people look to generations of long ago for guidance. They explore each horizon with the confidence of two hundred some years of ingenuity and grit behind them.

Young America pledges to remember: That Sally Ride would not have been an astronaut had there never been a Charles Lindberg—that Jesse Jackson would not have made a bid for the presidency had there never been an Abraham Lincoln—that Jeane Kirkpatrick could not address the United Nations had there never been an Eleanor Roosevelt—that Lee Iacocca could not have rescued Chrysler had there never had been an Andrew Carnegie—that General Eisenhower could not have taken Normandy had General Washington never crossed the Delaware—that Andrew Wyeth's beautiful paintings are rich with the colors of Gilbert Stuart—and that Neil Diamond sings with the voice of an Al Jolson. America leads the world because it looks forward but she also leads because she doesn't forget to look back. Democracy is strong because of its history not in spite of it.

I am proud to be an American—proud of a nation whose power and wonder come from its diversity. Our flag tells the world that strength comes from tolerance not from insensitivity—that wealth is built on incentive and free choice not on government mandate. I pledge to be loyal to that flag. I pledge to America to work for you . . . to work at being well informed, to know politicians and what their goals are, to know about the world beyond the United States, to know about America's problems. Why are our school's mediocre? Is nuclear disarmament possible? Can we create jobs for the unemployed? Is there a way to stop hunger? These challenges face us as we move toward the next century and like our forefathers, we will meet these problems head-on . . . for we are a nation of action.

America is a democracy built on dreams but based on reality! With determination and hard work we will solve our problems. We are a country whose fabric is woven of strands of blue collar muscle and soldiers' sweat.

As a child of this country I promise to remember America's history and I promise to work for America's future.

This is my pledge to America.●

INTERNATIONAL DOLLAR TRADING

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. TAUKE. Mr. Speaker, one of my constituents and a good friend of mine, John N. Knapp, president of the SCI Financial Group, Inc., of Cedar Rapids, IA, recently sent me the following letter to the editor of the Wall Street Journal. His points are well taken, and I commend his comments on the international trading of our dollar to my colleagues.

SCI FINANCIAL GROUP, INC.,
Cedar Rapids, IA, March 18, 1985.

To the EDITOR,
The Wall Street Journal, 22 Cortlandt Street, New York, NY.

DEAR SIR: Perhaps our preoccupation with the domestic economy is obscuring the answer to the recent daily puzzle of why new highs are being set in international dollar trading. In our introductory economic courses we learned about the powerful impact of the multiplier on the banking system and how the multiplier has the power of creating money. The multiplier also works internationally. An example of the international multiplier in action occurred in the 1970s with the unprecedented increase in Euro dollars and Euro dollar credit. For this reason it is probably no accident that current international dollar strength is happening simultaneously with reports of an extraordinary drop in foreign lending by U.S. banks. Increases in U.S. bank lending overseas have slowed from $111 billion in 1982 to an estimated $300 million during 1984. Possibly in 1985 there will be an actual decrease! Is the multiplier now working in reverse?

Because of a change in the international liquidity preference of banks, recent growth in the money supply (which normally would be more than adequate to satisfy our domestic economic needs) is not sufficient to overcome the international contraction of liquidity which the new reluctance to lend (or borrow) internationally has caused. The monetary policy appropriate for current circumstances can only be discerned from an international perspective. What may once have been considered to be an excessive rate of domestic monetary growth may, in a global environment, actually represent a contractionary policy. The continued strength of the dollar coupled with weakness in commodity prices is providing an important message to the Federal Reserve Board. We are in the midst of an international dollar crisis caused by a credit contraction which, on a world scale, cancels out more dollars in international credit than are being created by domestic money supply growth.

Against the backdrop of a contracting supply of dollars, international demand for dollars remains largely inelastic. Dollar denominated debt looms large in the global economy and the service of this debt insures a constant international demand for dollars regardless of price. Moreover, in a worldwide environment of declining inflation, investment portfolios are increasingly being restructured to include a larger proportion of financial assets of which 75 percent of the world's supply are denominated in dollars. The debt service and investment requirements for dollars do not represent speculative demands which are subject to rapid change, but rather are demands which are fundamental in nature. The bottom line which measures whether sufficient dollar liquidity exists throughout the global economy to satisfy these demands will be found in the action of the international currency market. As long as dollar strength prevails, we will know we are short of international dollar liquidity. With a declining international dollar multiplier and strong dollar demand, an inflation-minded U.S. Federal Reserve Board will succeed in keeping inflation low, probably too low.

Our present course of tight monetary policy will increasingly destabilize our domestic economy by, (a) contributing to dollar strength, (b) promoting larger trade deficits, (c) weakening the domestic economy and leaving large amounts of capacity unutilized, and, thereby, (d) increasing the size of the Federal budget deficit. We should not fear a policy of promoting economic growth in this environment because of the possibility of reigniting inflation. There is a large amount of unused capacity in the world economic system, and the deflationary risks of our present course appear to substantially outweigh the dangers of inflation.

The proper policy should be to back off interest rates allowing the dollar to stabilize and retrace part of its advance. This will help our economy to grow with the added result that we will shrink our budget deficit when economic growth adds incremental tax dollars to the coffers of the government. On the other hand, if we do not supply adequate international dollar liquidity, we risk the destruction of American agriculture, the abandonment of American manufacturing and, because of an ongoing collapse of world commodity prices, the bankruptcy of world money center banks.

Sincerely yours,

JOHN N. KNAPP,
Chairman and President.●

AUTO SAFETY AND CAR PHONES

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. TORRICELLI. Mr. Speaker, I rise today to share an article on the matter of car phone safety with my colleagues. Written by Mr. Gerald LeBoff, of Teaneck, it outlines the potential safety hazards associated with telephones in cars. It is an article which provides valuable insights into a problem which has yet to be fully examined by auto manufacturers and highway safety officials. I urge my colleagues to consider its points carefully.

[From the New York Times, Feb. 1, 1985]

ARE CAR PHONES SAFE?

(By Gerald A. LeBoff)

TEANECK, N.J.—Has anyone stopped to consider the safety problems of car telephones? Advertisers of the new service, obviously trying to downplay the issue, show pictures of cool executives cruising down uncrowded highways, one hand on the wheel and one on the set. But what about the hard-driving, get-it-done-yesterday type fighting his way to work on a crowded urban highway? Will he see those distant brake lights while he's absorbed with closing a multimillion dollar European deal?

A few years back, we had a President who was partisanly described as having trouble chewing gum and walking at the same time. Can we expect as much from the average driver?

Can drivers safely pick up a telephone, dial it and talk at length—presumably about subjects that are too important to wait? I don't think so. The car telephone is an invitation to visual, tactile and auditory conflict. Even if the driver has the expensive "hands-free" option, talking and listening on the phone adds a dangerous sensory complication to driving.

Too often, we accept the consequences of technology without questions about its uses and limits. What is this cellular telephone? Is it a tool or a toy? If a toy, it should give the user pleasure and not subject him to unwarranted hazards. If a tool, where concentration is a necessary element, then it should be used in the repose of the back seat or a parkway rest area.

Last year, 50,000 people died in car accidents. To help combat this slaughter, many states are raising drinking ages and almost all have banned the use of stereo headphones by drivers. By allowing driving and telephoning, we are introducing an element of serious distraction, both physical and mental, that can lead to collisions.

As cellular-telephone service is quite new, there are no statistics about its effects on road safety. In New Jersey, for example, accident-report forms do not require information about whether a cellular phone was being used at the time of the incident.

But why should we wait for the inevitable confirmation, when common sense dictates some sort of safety guidelines for car telephones? The Federal Communications Commission and our state legislatures should quickly devise such guidelines. Cellular-telephone manufacturers and installers should make safety the centerpiece of their marketing strategies. And we all should recognize the potential dangers of this medium and demand prudent regulation.●

PATRICIA ROBERTS HARRIS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. RODINO. Mr. Speaker, it is with a deep sense of sorrow that I take this opportunity to pay tribute to Patricia Roberts Harris, who passed away last week.

Pat Harris truly left her mark on this city and this Nation, and there is a great deal for which we will always remember her. Her achievements were many—the first black woman to serve in a President's Cabinet, as a U.S. Ambassador, and as dean of one of our Nation's outstanding law schools.

Although we will remember her for her contributions, we cannot forget that Pat Harris embodied a spirit that swept this Nation during her lifetime—the spirit of the civil rights movement, of which she was an inte-

gral part. She fought all her life to make this country live up to the ideals of equality and justice for all. The civil rights movement opened up the gates of opportunity in this Nation for so many, for whom they had long been closed. These were the same gates through which Pat Harris proudly passed. With all of the success she achieved—as a lawyer, an Ambassador, a law school dean, and as a member of President Carter's Cabinet—Pat Harris never forgot how hard the struggle had been or how many had been left behind.

That is why, as Secretary of Housing and Urban Development, Pat expanded the UDAG Program. She knew that equal opportunity meant little to those without a roof over their heads.

That is why, as Secretary of Health, Education, and Welfare, Pat was an ardent advocate of child nutrition programs. She knew that empty stomachs meant empty minds.

That is why, as a leader in the corporate world, Pat insisted that companies serve the best interests of their communities. She knew that a business which only served itself serves no one.

Dignity, strength and resolve, grace and humor—Pat Harris had all of these qualities in abundance. Those of us who were privileged to know her can only hope to emulate her in our own public service. She left a lasting legacy, one that will serve to enrich and strengthen life in our society, especially the lives of the underprivileged.●

McINTYRE-McCLOSKEY ALBATROSS

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BLILEY. Mr. Speaker, our finest hours have come when we have been able to pull together in a bipartisan fashion and pass legislation benefiting the whole of the American people. I think we need to have one of our finest hours to solve the budget deficit crisis. But I am not sure that is possible with the McIntyre-McCloskey albatross hanging around our necks.

I agree that an investigation should continue, but I know Mr. McIntyre should be seated during that investigation as all precedent dictates.

The lost, liberal leadership has finally found an issue around which it can rally its party. What they need to understand is their stance on this issue—like so many of their other stances—ignores the Constitution and has no input from the common man. Well, the people have spoken on that type of government and the count was 49 to 1—against.

I ask those of you on the other side of the aisle who are pure at heart to join the American people and ask your leadership to give back to the people of Indiana's Eighth District their constitutional rights.

Thank you.●

THE MOST REVEREND BISHOP VILMOS APOR

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HORTON. Mr. Speaker, today marks, the 40th anniversary of the death of Hungarian Bishop Vilmos Apor. Bishop Apor died from wounds received from Soviet soldiers while he tried to protect several young women from being raped. Bishop Apor's demonstration of courage in the face of death has served as a rallying point for Hungarian nationals around the world.

To remind people everywhere of the sacrifice Bishop Apor made, the Coordinating Committee of Hungarian Organizations has prepared a commemorative resolution. I ask unanimous consent that this resolution be included in the RECORD.

THE MOST REVEREND BISHOP VILMOS APOR, DEFENDER OF HUMAN RIGHTS, MARTYR OF HUNGARY

The martyrdom of the Hungarian bishop Baron Vilmos Apor takes us back to the last few weeks of World War II. On Good Friday, forty years ago, in the process of protecting young girls and women from being raped he was fired upon by drunken Soviet troops, and succumbed to his wounds a few days later, on April 2, 1945.

Vilmos Apor was bishop of the city of Gyor in Western Hungary during the most difficult years of the war, 1941 to 1945. His name was well known throughout the country. His social commitment, his helpfulness, and his willingness to stand up on behalf of anyone in need of his aid, were public knowledge. Thus it is no wonder that so many people sought his protection in times of persecution and war.

Among other things he was the ecclesiastic head of the Hungarian Holy Cross Association, an organization of Roman Catholics of Jewish origin. He applied all his energy to alleviating the fate of those Jews whose situation had become desperate as a result of the German occupation. His care was not limited to those who were baptized, however. It extended to anyone suffering persecution. In his sermons, in his pastoral letters, in his letters and telegrams to the head of the government, to ministers of state, etc., he demanded that inhuman decrees and practices be stopped. He called personally on the local head of the Gestapo to lodge his protests. Totally without fear, and with untiring energy, he waged a desperate battle on behalf of every victim of persecution, whether personally known to him or not. He turned no one away, for it was his creed to assume responsibility for all who appealed to him, and to protect them at whatever price. And he himself paid that price: he gave his life for those under his protection.

Toward the end of March 1945 the advancing Soviet troops reached Gyor. A fierce battle was fought for this city on the banks of the Danube. The withdrawing German troops blew up the bridges and laid heavy artillery fire on the Soviet battalions pushed toward the inner city. Somehow, in the midst of the devastation, the bishop's palace remained almost entirely unharmed. But, following the battle, further trials were in store for those who had sought refuge there. Reports of the atrocities committed by Soviet troops filled everyone with dread, particularly the young girls and women. Their defense and protection now became one of Bishop Apor's main tasks.

He hid the women, resisting to the end of the violent assaults and demands of the Soviet troops. On Good Friday, however, a group of soldiers, blinded by drink and violence, ended the drama brutally and abruptly: maddened by the bishop's resistance, they began firing at random. Bishop Apor was hit by three bullets; one that eventually caused his death struck him in the abdomen. Blood from a wound on his forehead streamed down his face, staining his habit and crimsoning the pavement. The soldiers, who only a moment before had been shouting and firing wildly, suddenly took fright at what they had done, released their intended victims and fled to the street. The only words uttered by the dangerously wounded bishop, when he was told that the women and girls had been spared the Soviet atrocities, were: "It was worth it. I thank God for accepting my sacrifice."

An operation on Bishop Apor was performed in an emergency operating room set up in the basement of a ruined hospital. The surgeons worked by the light of a petroleum lamp—there was no electricity. The operation was successful. Hopes were raised high. But two days later, on Easter Sunday, the bishop developed a high temperature. The doctors diagnosed peritonitis. He suffered terrible pain, which he endured without a word of complaint. Hampered by their extremely limited resources, the doctors did everything they could, but were unable to save him. On Easter Monday, April 2, 1945, the bishop of Gyor died. The nun who closed his eyes at the last wrote later: "• • • he suffered a great deal, endured it all with great patience, and died like a saint."

The ruined city could offer only a temporary resting place for Bishop Apor: a crypt in the church of the Carmelites. An appropriately solemn transfer of his remains to the cathedral of Gyor was arranged for November 23–24, 1948. The entire Bishops' Conference of Hungary, headed by Cardinal Mindszenty, announced that they would attend the funeral. However, on November 20, three days before it was to take place, Janos Kadar, the then Minister of Internal Affairs, now the First Secretary of the Hungarian Socialist Workers' Party, prohibited the transfer and the funeral rites, raising transparently false arguments.

The body of Bishop Apor remains in the church of the Carmelites to this day, 40 years after his martydom. But the Communists have not succeeded in erasing his memory. Reverence for him and his deeds is alive, within Hungary and without, wherever there are decent men and women. The man who gave his life for his people is not forgotten by them. The men who sacrificed his life to prevent the most despicable violation of human rights, rape, is admired and respected forever not only by his contemporaries, but future generations as well.

Coordinating Committee of Hungarian Organizations in North America, Istvan B.

Gereban, Executive Secretary, Washington, D.C., March 29, 1985.●

THE YOUTH SUICIDE PREVENTION ACT OF 1985

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LANTOS. Mr. Speaker, today, with 27 of my colleagues, I introduced the Youth Suicide Prevention Act of 1985. Our legislation is a much needed initial step by the Federal Government to deal with this devastating public health and social problem in our country.

At a meeting with the press before our legislation was introduced, I was joined by several of these members as well as officers of the American Association of Suicidology, the American Psychiatric Association, and the American Psychological Association. There is clear agreement that this issue must be confronted and that Federal action is appropriate.

THE SCOPE OF THE PROBLEM OF YOUTH SUICIDE

Some 30,000 Americans took their own life last year, and a disturbingly high proportion of those suicides—6,000—were young people. Even this shocking figure, based on the most recent data, may underestimate the problem. The actual number probably is much higher, but is intentionally or erroneously under-reported.

Suicide is currently the eighth leading cause of death in the United States, but among young people it is even more significant. Suicide is the third leading cause of death among adolescents, and the second leading cause of death among college and university students. Furthermore, the rate of suicide during the last 25 years among individuals 15 to 24 years of age has increased threefold.

For every suicide reported it is estimated that at a minimum 10 others are attempted. Thus, while there were 6,000 youth suicides last year, there could have been as many as 60,000 or more attempted.

THE PHENOMENON OF "CLUSTER" SUICIDES

A deeply disturbing phenomenon has emerged recently as waves of suicides have occurred in communities as a result of one adolescent's death. In Plano and Clear Lake, TX, and in Westchester County, NY, such clusters of sequential suicides have been reported.

The first death may or may not have been preventable, but surely additional suicides could have been prevented if we knew how and had the local resources to help the peer group with its own adolescent reaction to the suicide of a friend.

CAUSES OF YOUTH SUICIDE

Most of those who attempt suicide are not mentally ill, but are healthy people experiencing severe personal crises. Crises and intolerable stress can occur in anyone's life. Thoughts of suicide are more common than we like to believe. There is an unwillingness to talk about it, to confront the problem, and to dispel the myths surrounding this ongoing tragedy. This contributes to our inability as a society to reduce a rising suicide rate.

This problem touches every corner of our country—respecting no age, ethnic, regional, or socioeconomic group. Teen suicide eludes classification as a tragedy affecting only low-income youths. As a matter of fact, young people in economically and academically successful families are among those at high risk. Youth suicide victims often are academically and socially successful.

The dramatic increase in teenage suicide is frequently attributed to the breakdown of the family. Divorce rates are higher today than ever before in history. Only 38 percent of all teenagers live with both natural parents. Pressures and stress on the family may be greater in these times when both parents must be employed full time.

Also thought to contribute to youth suicide is the increase in geographic mobility with its potential for disruption, uprooting, and loneliness. Models of violence and the romanticism of death displayed on television and in films may also play a role in teen suicide. Religion, which for some provides spiritual strength in times of stress, is often alien to many young people. Altogether, current social conditions leave youth especially vulnerable and at risk.

The taboos surrounding suicide are many and varied. The stigma of suicide clings to those who unsuccessfully attempt it, and to the family and friends of those who complete the act. Our Judeo-Christian tradition has led us to view suicide as murder. Indeed, many laws regarding suicide and attempts at suicide reflect this punitive point of view.

SAN MATEO COUNTY CRISIS CENTER

As a legislator and an economist, I claim little expertise in the study and treatment of suicide. I do, however, know the importance to my own district in San Mateo County of the outstanding crisis intervention center with its model program for education about and the prevention of suicide.

Mr. Speaker, I want to make particular mention of the director of this center, Charlotte Ross, who has given untiring effort in this field. She has made great contributions to public awareness of the problems of youth suicide both locally and nationally.

The San Mateo Center, along with a similar institution in Los Angeles, spurred California to be the first State in the Nation to pass legislation mandating a statewide youth suicide prevention school program. I believe we need to look to California for a national model for reducing the tragic problems associated with suicide.

Programs that have achieved success in suicide prevention, such as the San Mateo County Crisis Center, can serve as models for other areas of our country. This cross fertilization and dissemination of programs will be an important step toward youth suicide prevention.

THE NEED FOR FEDERAL ACTION

Mr. Speaker, a tragedy of this dimension required Federal action, yet for more than a decade the Federal Government has made little effort to address this problem.

A tiny, underfunded unit for suicide research exists in a remote branch of the National Institute of Mental Health within Public Health Service. No Federal funds are targeted for prevention programs or research on prevention models through this unit. Those projects which are funded generally support biochemical research, clinical searches for physiological causes of suicide, and do not support research on prevention models.

PROVISIONS OF THE YOUTH SUICIDE PREVENTION ACT

The Suicide Prevention Act establishes two short-term programs at the Federal level. Both programs will be set up under the U.S. Department of Health and Human Services in cooperation with the U.S. Department of Education.

COMMISSION ON YOUTH SUICIDE

The bill creates a short-term Commission for the Study of Youth Suicide, whose principal task will be to examine the causes of youth suicide and identify the most promising crisis intervention strategies. The most important task for the Commission will be establishing short- and long-term national plans to assist States and communities in implementing effective youth suicide prevention programs. The Commission will be in existence for only 18 months.

The Commission will be composed of 13 members designated by the Secretary of Health and Human Services: a designee of the Secretary of HHS; a designee of the Secretary of Education; three individuals representing the public at large; and two individuals from each one of the following professional organizations, selected from five names submitted by each organization: the American Association of Suicidology, the American Medical Association, the American Psychological Association, and the American Psychiatric Association.

GRANTS FOR YOUTH SUICIDE PREVENTION PROGRAMS

The bill establishes a temporary 3-year grant program to aid States, local governments, and private nonprofit agencies to implement programs for the prevention of suicide among children and youth. The act authorizes $10 million per year for the next 3 fiscal years for this purpose.

Programs eligible for funding under the bill include: Youth education programs; training personnel who work with youth to recognize signs of self-destructive behavior; establishing community suicide-prevention resources such as 24-hour teen hot-lines; providing educational materials, including public service announcements for radio and television; and holding appropriate national conferences on youth suicide.

REASONS FOR SHORT-TERM PROGRAMS

Both programs established by the legislation are short term. One of the principal objects of the bill is to establish the longer term national agenda for action on youth suicide. These interim measures will encourage the expansion and dissemination of information on existing programs which have been shown effective in preventing youth suicide, but it will also encourage the creation of the agenda for further Federal measures.

Mr. Speaker, the time clearly has come for the Federal Government to act more aggressively and vigorously to deal with this national crisis affecting our young people. I invite my colleagues in Congress to join me in this effort by cosponsoring this important legislation.●

THE MYTH OF FREE TRADE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FORD of Michigan. Mr. Speaker, today I am cosponsoring a "sense of the Congress" resolution introduced by my friend and colleague, the Honorable JOHN DINGELL, that calls on the President to retaliate against the unfair trade practices of Japan if that country fails to alter its discriminatory trade actions.

During 1984 our merchandise trade deficit with Japan totaled $37 billion, with nearly $27 billion in automobiles alone. At the same time, the administration ignores the realities of world trade and continues to profess its support for "free trade." What will it take to convince the President that there is no such thing as free trade? While our Nation operates under the guise of free trade, the Japanese are operating under their own restrictive and protective system. It's long past time for the administration to be both tough and realistic in negotiations with Japan. If negotiations fail to open Japanese markets, our alternative is clear—retaliation. We simply cannot stand idly by while American workers and firms are displaced.

For me, the last straw was the announcement that Japan would increase auto imports to the United States by 25 percent next year in response to the Reagan administration's announcement that it would not seek to renew the voluntary restraint agreement [VRA] which limited the number of cars that Japan could import into our Nation. Just as predicted, the Japanese did not reciprocate or otherwise operate in good faith to open up their markets to American products. Rather, the Japanese will import an additional 450,000 cars into our market, resulting in 90,000 fewer jobs for American workers. Lifting the quotas may ultimately result in the loss of 3 million American jobs.

Not only will expiration of the VRA result in a substantial increase in imports of Japanese cars into the United States, it has already had an adverse affect on domestic production in our Nation. On March 7, 1985, Chrysler decided to cut $2 billion from its plans to invest $12.5 billion in new plants and products in North America. This will cost our Nation up to 20,000 desperately needed jobs in the auto and supplier industries. In addition, on March 13, Chrysler Chairman Lee Iacocca stated that he may build high-technology Liberty small cars in Japan or Korea. The Liberty project is similar to GM's Saturn car project. Lifting the quotas will also go a long way toward enabling General Motors to fulfill its Japanese strategy of importing 200,000 to 300,000 subcompacts from Japan's Isuzu and nearly 100,000 minicars from Suzuki after the expiration of quotas.

Clearly, decisive action must be taken to protect our Nation's automobile industry, particularly while Japanese cars enjoy a $1,500 price advantage resulting from the dollar-yen imbalance and rebate of Japanese taxes on exported autos. I would prefer that the Congress enact H.R. 1050, the Made in American Act, which would limit foreign car imports to 15 percent of the U.S. market and apply to manufacturers who sell more than 100,000 vehicles in the United States in a given year.

Of course my interest, and that of my constituents, centers on the problems that imports of Japanese cars have had on the auto industry, its workers and communities. However, by no means are trade problems limited to the auto industry. Our trade deficit with Japan in telecommunications equipment has grown from $516 million in 1979 to $1.9 billion in 1984. When AT&T was divested, Japanese telecommunications manufacturers were allowed to compete with American firms in our domestic market. However, Japan has failed to reciprocate by allowing American companies access to the Japanese market. Other industries affected by Japan's trade practices include steel, agriculture, timber, textiles, and footwear. This list could go on and on. I urge my colleagues to join me in cosponsoring this measure.●

INTRODUCTION OF LEGISLATION TO MAINTAIN STATUS QUO FOR PILOT PROJECT SCHOOL DISTRICTS AND TO EXTEND THE NATIONAL COMMODITY PROCESSING PROGRAM

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. GOODLING. Mr. Speaker, together with my Education and Labor Committee colleagues, the distinguished gentleman from Michigan [Mr. FORD] and the distinguished gentleman from Vermont [Mr. JEFFORDS] I am introducing child nutrition legislation which we must act upon within the very near future.

The first provision in this legislation will allow local school districts now participating in the congressionally mandated pilot project study of alternatives to commodities in the National School Lunch Program to continue to use the alternative program they are now testing through the school year ending June 30, 1987.

Unless further legislative action is taken quickly, 70 pilot school districts in 30 States will have to terminate their current test programs and return to the traditional commodity donation program at the end of the current school year. For the past 3 years, these pilot school districts have been testing the use of cash in lieu of commodities or a commodity letter of credit which entitles them not only to purchase locally those products which they can use most efficiently but also products containing those commodities which the U.S. Department of Agriculture wants supported through School Lunch Program purchases.

At the present time, the Department of Agriculture is in the process of reviewing the pilot study data and expects to send two reports on the study findings to Congress this year.

This legislation would, therefore, enable those school districts, at their option, to continue in their alternative cash or letter of credit program while Congress reviews the pilot study findings, assesses the alternative methods, and decides whether further legislative action is appropriate. Cooperating pilot project school districts will be

spared costly and disruptive changes in School Lunch Program operations.

A list of the pilot project school districts and their locations follows:

LOCATION OF SCHOOL DISTRICT AND SCHOOL DISTRICT NAME

Amarillo, TX, Amarillo Independent S.D.
Atco, NJ, Waterford Township School District.
Bar Mills, ME, School Administration District No. 6.
Batesburg, SC, Lexington School District No. 3.
Boise, ID, Boise Independent School District.
Bremerton, WA, Bremerton Public Schools.
Brodhead, WI, Brodhead School District.
Brooksville, FL, Hernando County School District.
Chipley, FL, Washington Public School District.
Covington, VA, Alleghany County School District.
Dayton, OH, Dayton Public Schools.
Dublin, GA, Laurens County School District.
Edgefield, SC, Edgefield County School District.
Elaine, AR, Elaine School District.
Elba, NY, Elba Central School.
Elk Point, SD, Elk Point School District No. 61-3.
Ely, NV, White Pine County Schools.
Franklin, WV, Pendleton County School District.
Fredericksburg, VA, Fredericksburg City Schools.
Fruitland, ID, Fruitland Idaho Public Schools.
Gilroy, CA, Gilroy Unified School District.
Glenrock, WY, Converse County S.D. No. 2.
Goldfield, NV, Esmeraldo County School District.
Gonvick, MN, Gonvick-Trail Community School.
Grace, ID, Grace Joint No. 148.
Greeley, CO, Weld County School District.
Green Forest, AR, Green Forest School District.
Greenwich, CT, Greenwich Public Schools.
Huntington Beach, CA, Huntington Beach City, S.D.
Indiana, PA, Indiana Area School District.
Jonesboro, AR, Jonesboro Public School.
Key West, FL, Monroe County School District.
Knoxville, TN, Knox County School District.
Lancaster, PA, School District of Lancaster.
Longview, WA, Longview School District No. 122.
Loudon, TN, Loudon County School District.
Lyndonville, VT, Lyndon Town School District.
Medina, OH, Highland Local School District.
Menahga, MN, Menahga School District No. 821.
Merrill, WI, Merrill School District.
Morrisville, VT, Morristown School District.
Mt. Vernon, IA, Mt. Vernon Community School.
Norton, OH, Norton City Schools.
Oakland, CA, Oakland Unified School District.
Oldham, SD, Oldham School District No. 38-4.
Page, AZ, Victoria Independent S.D.
Paris, IL, Crestwood School District No. 4.
Parkersburg, IA, Parkersburg Community School.
Petersburg, WV, Grant County Schools.
Philadelphia, PA, Archdiocese of Philadelphia.
Plaquemine, LA, Iberville Parish School District.
Portland, ME, Portland Public Schools.
Reading, PA, Reading School District.
River Falls, WI, River Falls School District.
Romulus, MI, Woodhaven School District.
Seattle, WA, Shoreline Public Schools.
Shreveport, LA, Caddo Parish School District.
Springfield, OH, Northwestern Local School District.
Springfield, VA, Fairfax County Public Schools.
St. Louis, MO, St. Louis Public Schools.
Sylvester, GA, Worth County Public Schools.
Tamms, IL, Egyptian Community Unit.
Ten Sleep, WY, Washakie Community Con. S.D. #2
Troy, MI, Troy School District.
Tucson, AZ, Flowing Wells Schools.
Tyler, TX, Tyler Independent School District.
Vincetown, NJ, Shamong Township School District.
Waverly, TN, Humphreys County School District.
Westminster, CO, Adams County S.D. #50
Windsor, CT, Windsor Public Schools.

I would urge my colleagues who represent pilot project schools to contact their school food service directors directly and to learn first hand of their interest in continuing in either a cash or commodity letter of credit program for the next 2 years.

Mr. Speaker, the second provision of this legislation would extend the USDA-administered National Donated Commodity Processing Program through October 15, 1987. Thanks to this program, elementary and secondary schools, correctional facilities, nonprofit hospitals and nursing homes as well as senior citizen food service programs, nonprofit summer camps, food banks, and day care centers can buy products utilizing USDA-donated commodities at a discount.

Under the National Donated Commodity Processing Program, the U.S. Department of Agriculture enters into contracts with food processors to make finished end products from nonfat dry milk, butter, cheese, and honey—commodities which the Department has in storage. The food processing companies take the USDA commodities, make finished products, and discount the price of the finished food products to eligible recipient agencies by the value of the donated commodity contained in the end product.

National Commodity Processing has been operating for about 18 months during which in excess of 35 million pounds of USDA commodities have been moved out of storage and to eligible agencies in the form of finished end products ready to be served to the individuals served by these agencies.

By extending the National Commodity Processing Program for an additional 2 years and requiring that all eligible recipient agencies be notified of its existence and the benefits it affords, we can insure the wise utilization of foods that would otherwise remain in storage at the taxpayers' expense.

I would urge all of my colleagues to take a careful look at this legislation and join us as cosponsors.●

CONVENTIONAL FORCE REDUCTIONS

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, reports have surfaced that the Senate Armed Services Subcommittee on Manpower has voted to cut the Pentagon payroll by 175,000 people over the next 2 years in an effort to hold down defense spending. The cut, if enacted, would reduce the active duty force of the Army, Navy, Air Force, and Marine Corps by 75,000 service personnel, and the Defense Department's civilian work force by 100,000 employees over fiscal years 1986 and 1987.

These proposed cuts are deeply troubling in the manpower priorities they signal for our military, namely, that more jobs will be targeted to programs such as the MX and the B-1 bomber and fewer jobs will earmarked for our conventional forces such as the 600-ship Navy. We run a substantial risk that we will have new ships being delivered without enough capable people to run them.

Mr. Speaker, our distinguished colleague from the other body, Senator JOHN GLENN, has remarked that these cuts if enacted would also undermine such critical defense operations as intelligence, communications, and training. I second Senator GLENN's remarks and would add that the current round of proposed cuts in defense spending demonstrates the dangerous inconsistency in our current defense planning.

We seem willing to spend billions on the development of potentially destabilizing weapons systems such as the MX, and yet, we are seemingly unwilling to make the same sort of commitment toward our conventional forces.

The total cost of the administration's MX program is likely to end up costing the taxpayer at least $50 billion. This expenditure will not buy America more security. Rather, it will only heighten the tension between the United States and the Soviet Union because the MX is a first strike weapon and it will add to our already

exorbitant budget deficit. Yet, while we spend billions on doomsday weapons, we jeopardize our best means of defense, our conventional force strength. I hope that the upcoming congressional debates on defense spending will reverse this troubling trend. The time is short, but the stakes are high, and the American people deserve a defense policy that provides genuine security, not an invitation to confrontation and global instability.●

THE 140TH ANNIVERSARY OF MONITEAU COUNTY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SKELTON. Mr. Speaker, it is with great pleasure I announce the celebration of the 140th anniversary of Moniteau County, in the great State of Missouri, which was formally organized on April 2, 1845.

Moniteau County is situated in central Missouri along the Missouri River. The history and tradition of this county run deep, Mr. Speaker. In the early part of 1800's many settlers from Kentucky and Tennessee were attracted to its rich soil and fine location, as were many Europeans seeking the land of golden opportunity.

The county seat is located in California, MO, which today is the largest city in the county and was named in 1846 and incorporated in 1848. The railroad, which first arrived in California in May of 1858, was all that was needed to spark growth in the community.

Tipton, to the west of California, also received many benefits from the expansion of the Pacific Railroad. Settled in the 1850's and named by William Tipton Seely, it became an important community for the railroad and Butterfield Overland Stage Line, which carried passengers and mail to San Francisco.

Because of its strategic location and the railroad and stage depot, Moniteau County was deeply coveted by both the North and South during the Civil War. Much of the county, like many parts of Missouri, found itself pitting brother against brother in the conflict.

Union Gen. John C. Fremont, early in the war, established headquarters, according to local history, in the Maclay mansion at Tipton. To this day, the mansion stands as a beautiful example of Missouri antebellum architecture. The army of Confederate Gen. Sterling Price, of Missouri, went through California, Tipton, and many of the surrounding communities in his effort to secure the area for the South.

Following the conflict, the county continued its steady growth, as did the railroads. Many towns dotted the countryside of Moniteau County, including McGirk, Clarksburg, Fortuna, and Jamestown. Along the Missouri River are the once busy riverports of Lupus and Sandy Hook.

Those in the countryside and smaller communities have for generations relied on the soil and God's blessing to provide themselves with a living. They prefer the neighborly atmosphere of Enon, Latham, High Point, Kliever, and the surrounding countryside.

Mr. Speaker, I am proud to represent the people of Moniteau County in Congress. The county stands as a fine example of the strengths, hard work, and dedication attributed to rural America. While driving along highway 50, through Moniteau County, you can feel the warmth that is so characteristic of Missouri. I ask you join me in the celebration of its 140th anniversary.●

EUROPEANS RALLY TO NICARAGUAN RESISTANCE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. COURTER. Mr. Speaker, as the original sponsor of House Concurrent Resolution 81, which calls upon both President Reagan and the Organization of American States to extend explicit political recognition to the Nicaraguan resistance, I was gratified to see that distinguished Western Europeans are equally interested in doing more to hold the Sandinistas to the promises about democracy they so freely made in 1979.

A partial list of these European statesmen, soldiers, and scholars has been assembled by Mr. Bill Outlaw for the Washington Times, and was printed by that newspaper on March 28, 1985. I commend it to those of my colleagues who share my interest in obtaining a just resolution of the Nicaraguan war.

EUROPEANS RALLY TO NICARAGUAN RESISTANCE

(By Bill Outlaw)

A group of European intellectuals and politicians, including several leaders of the resistance to the Nazis during World War II, have signed a petition calling on Congress to provide aid for the anti-Sandinista resistance.

The "problem of Central America is also a European problem," they say.

The petition was published as an open letter to Congress in many European newspapers earlier, including the Paris daily Le Monde, Le Soir of Belgium, La Stampa of Italy and De Telegraph of the Netherlands.

A group of the signers, including Vladimir Boukovsky, the Soviet dissident who lives now in France, will come to the United States Tuesday to present personal pleas for aid to the Nicaraguan resistance.

"The freedom of the Nicaraguans is also your freedom, as it is ours," the petition asserts. "If you fail in Nicaragua, we must ask, where will you fail next? If freedom and domocracy are not worth defending in your own hemisphere, where are they worth defending? The free world awaits your answer. Its enemies are waiting too."

Among the signers are Winston Churchill, a member of the British Parliament and grandson of the World War II prime minister; Lord Chalfont, a former British foreign minister; playwright Eugene Ionesco; French author Jean-Francois Revel; former Australian Prime Minister Malcolm Fraser, and Robert Conquest, the British historian.

The visiting delegation of about 12 has requested a meeting with the president during next week's visit, said a Reagan adminstration official.

He said the White House was pleased with the support and the prestige of those signing the petition was impressive.

The petition and the pending U.S. visit are the latest in what has become an intense lobbying effort in a battle between the Reagan administration and those opposed to a proposed $14 million appropriation for Nicaraguan resistance.

Last month, a delegation of lawmakers from several European countries visited the U.S. to lobby against funding Nicaraguan resistance. That delegation met with members of Congress and registered objections to the Reagan administration policy in Central America at meetings in the State Department.

The petition argues that the aid is necessary because the Sandinista junta is a totalitarian regime which since its inception has "declared its aim to be the incorporation of Central America into a single Marxist-Leninist entity."

The petition also contends the resumption of the aid is "necessary morally" because Western countries must be "forthright in support for those who are struggling to gain the rights which your own Declaration of Independence declares are inalienable and, therefore, possessed by all men."

The petitioners describe Central America as Europe's "Fifth Frontier."

To deny aid to those who seek freedom in Central America, they argue, "is to deny the meaning of your own country." It says the United States would be placed in a difficult strategic position in dealing with the Soviet Union should the aid be suspended.

The trip to the United States and the published statements in connection with the petition are sponsored by Resistance International, a Paris-based human rights, anti-communist organization.

Others who signed the petition include former North Atlantic Treaty Organization Gen. Robert Close; Cuban poet Armando Valladares; Marie Madeleine Fourcade, chairman of the Action Committee of the French Resistance during World War II, and former French Prime Minister Jacques Chabin Delmas.

Also, Italian publisher Massimo Pini; Marcelle Lentz Cornette, of Luxembourg, a member of the European Parliament; Simon Wiesenthal, of Austria, president of the Documentation Center on Jews persecuted by the Nazi regime; writer Leif Hovelsen, a Norwegian Resistance Fighter during World War II, and Joseph Luns, former secretary general of NATO.●

CHARLES ELLIOT, BAY SHORE HUMANITARIAN OF THE YEAR

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DOWNEY of New York. Mr. Speaker, today I am privileged to pay tribute to Mr. Charles Elliot, who was unanimously selected by the Bay Shore Chamber of Commerce to receive their 1985 Humanitarian of the Year Award.

Mr. Elliot has served the local community as a member of the Bay Shore Fire Department for 57 years. He began his service to the Bay Shore community in 1927 when there were only 23 fire alarms. Today, this department has over 300 alarms.

Mr. Elliot rose through the ranks, becoming captain of the fire department in 1946. He also held the position of treasurer of the Bay Shore Fireman's Benevolent Association for 12 years. Mr. Elliot was the first president of the Suffolk County Fireman's Parade Officials Association and co-chairman of both the Southern New York State Fireman's Association and the South Shore Fire Department Association.

Mr. Elliot still continues to devote his time on a senior active basis with the fire department by making daily visits to the sick firemen in our community hospitals and is readily available to assist in other matters.

Mr. Elliot has earned the respect and admiration of his colleagues and the members of the Bay Shore community for his sincere dedication to community service.

I am honored to offer my gratitude and congratulations to Mr. "Bay Shore Fireman" Elliot.●

ADDRESSING FLAW IN IMPLEMENTATION OF STAGGERS ACT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today a bill to address a small but vital flaw in the implementation of the Staggers Act. That legislation permits railroads to enter into contracts with shippers, so long as the contracts are not discriminatory. It is my concern that small shippers be protected so that they do not get the short end of the deregulatory stick, which would be the result if railroads entered into preferential contracts with the larger shippers.

The seeds of this problem have been germinating since the Staggers Act was passed. Since October 1980, when contracts were permitted for the first time in a century, about 21,000 contracts have been signed by railroads and shippers. I have no quarrel with these contracts, if they do not give favored treatment to the contracting shippers.

Are these contracts discriminatory? We do not know, and we will never know if the Interstate Commerce Commission has its way. The Staggers Act provided that the essential terms of contracts be made public, to ensure that discriminatory pricing would be exposed to the antiseptic of sunlight. The ICC has thwarted the intent of Staggers, taking a bizarre approach in defining how rail contracts should be disclosed. Until prodded by the courts, the ICC claimed that the essential terms of rail contracts included neither the identity of the contracting parties nor the pricing structure. The ICC has modified their regulations, under duress, to provide ground rules for limited discovery for affected third-party shippers.

The new regulations of the ICC give us not even half a loaf, just a few crumbs. Requests for discovery of contract terms must be made simultaneously with complaints of discriminatory pricing, even though the information necessary to argue discriminatory pricing is not available until after discovery. The costs of entering into ICC discovery proceedings deter smaller shippers from seeking contract information, even though these are the very shippers most likely to be discriminated against. Further, in States like North Dakota public and private clearinghouses often act on the behalf of smaller shippers, providing expert analysis and counsel. These bodies cannot enter into discovery proceedings: They are not shippers, and are not themselves affected directly, and so have no ability to petition the ICC for contract information.

The ICC has set up a neat paradox: Small shippers, the parties most likely to be hurt by discriminatory pricing, are the ones least likely to get the information they need to make a case for discrimination. It is no surprise that the ICC has received only 4 petitions for discovery, and granted only 1 of these, for the 21,000 contracts in their files. It should be obvious that small shippers need to know who is getting a contract, and what the rates are, if they want to judge its fairness. The ICC has managed to overlook the obvious in rail contract disclosure. The direction taken by the ICC is consistent with much we have seen from this administration: long on free-market rhetoric and textbook approaches to regulation, and short on common sense and protection for the smaller producers.

I note with some irony that there were similar concerns a century ago, when the original Interstate Commerce Act was considered. The railroads at that time reduced rates where they had competiton, and increased rates where they had none. Shippers in rural areas, with access to only one railroad, were forced into paying outrageously high rates to get their goods to market. The public outcry over rate discrimination and other abuses of the market system led to the passage of the Interstate Commerce Act in 1887 and the establishment of the first Federal independent regulatory agency, the Interstate Commerce Commission. Contracts, and resulting discrimination in setting rates, were outlawed.

This legislation says that all terms of rail contracts must be disclosed within 2 business days after filing with the ICC. It provides a measure of protection for small shippers, and no additional burden on large shippers or railroads. It is entirely consistent with the intent of the Staggers Act: Rail contracts are still permitted, but discrimination as a result of those contracts is not.

ICC regulations on rail contracts have satisfied big shippers and railroads, and left small shippers a few stale crumbs. Small shippers deserve more. This legislation will let the small shippers sit at the same table, on an equal footing, with their larger brethren.●

FDIC, H.R. 107 AND BROKERED DEPOSITS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. GARCIA. Mr. Speaker, I wish to commend recent FDIC action identifying financial institutions that have used deposit brokers to place funds in other banks, seemingly without regard to the condition of these banks. Banks paying above market rates of interest often are experiencing serious problems. If other institutions place funds through brokers into these banks, with regard only for the rate of return and without any means to individually check each institution where these funds are placed, then the very insurance system that all banks enjoy can be undermined.

I have introduced legislation with other members of the Banking Committee to end this practice. H.R. 107, the Broker Deposit Limitation Act prevents financial institutions, whether they be banks, thrifts or credit unions from using a broker to place funds in other institutions. The FDIC is also circulating a draft proposal to deal with broker funds. Though I do not agree with every aspect of the FDIC proposal, primarily with respect to the differences between short and long-term deposits, it is important to

note that the FDIC effort adopts the language in my bill to limit the use of deposit brokers by financial institutions.

H.R. 107 strikes a reasonable balance. It recognizes the benefits that broker funds can provide and the abuses currently existing in the system. The legislation institutes a 15 percent cap on the amount of short term brokered funds any one institution may hold. Any troubled institution is restricted from accepting short term brokered funds. In order to monitor the activity of brokers and institutions, each are required to report their activity.

Last year, 17 members of the House Banking Committee wrote to the regulators asking that they keep in mind that broker funds provide a mechanism to channel funds into regions of the country where they are needed to satisfy the credit needs of individual businesses and homebuyers. They have also afforded individual savers an additional option for purchasing certificates of deposit and other types of long-term saving certificates.

Since the courts have stricken the regulator's rules on broker funds, it is important that Congress adopt legislation to deal with any abuses while establishing a set of guidelines for the safe, sound, and beneficial use of broker funds. I look forward to continuing the dialog with the regulators and members of the industry in order to pass H.R. 107.●

NEEDED: STRONG RIGHT TO KNOW PROTECTION

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. VENTO. Mr. Speaker, the terrible disaster which occured late last year in which more than 2,000 people died as a result of a chemical spill near Bhopal, India was perhaps the most striking example of the need for strong safety standards when dealing with chemicals and hazardous substances. The accident at the Union Carbide plant was a large-scale tragedy for many victims and their families. However, here in our own country, we must act to insure that such a tragedy does not occur. Unfortunately, accidents on a similar scale do happen here every day.

Millions of Americans are being exposed daily to an ever-increasing number and variety of toxic and hazardous substances which pose a threat to their health and well-being. Exposure to hazardous substances can and does lead to occupational disease and injury. Workers are often unaware that they are handling or have been exposed to hazardous substances on the job.

In November, 1983, the Occupational Safety and Health Administration [OSHA] issued its hazard communications standard. Unfortunately, however, the OSHA standard extends limited protection to only the 25 percent of our work force in manufacturing and offers no protection at all for the remaining 75 percent of workers in other industries and services, such as construction, and transportation. Today, I am introducing the hazardous substances right to know resolution which affirms the right of all workers to know when they are handling or are exposed to hazardous substances which threaten their health or well-being. Additionally, this resolution calls for OSHA to revise its standards to provide for the dissemination of meaningful hazard information to all workers under OSHA jurisdiction. Finally, this resolution commends those 20 States and numerous local governments which have enacted strong right to know laws for the benefit of their workers on the job and the community at large. This resolution is similar to one which I sponsored in the 98th Congress which received the support of 92 of my colleagues. I hope that you will join me in supporting the strongest possible protection against exposure to hazardous substances by American workers on the job.●

PETER GIULIANI: A MODEL OF LEGISLATIVE LEADERSHIP

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. JEFFORDS. Mr. Speaker, as we continue to struggle with unmanageable deficits in Washington, I'd like to pay tribute to a man who deserves much of the credit for keeping my home State of Vermont on sound financial footing for two decades.

Peter Giuliani, long known as the powerful chairman of the Ways and Means Committee of the Vermont House, remains one of the most respected leaders in our State. A long succession of Governors and legislative leaders have found him to be either a needed ally or a formidable opponent. There is not a high State official who has not had occasional strong differences of opinion with Peter Giuliani. But the wisdom of the positions he has taken has repeatedly been validated by the test of time. He speaks with authority, and today's policymakers listen to his insights and advice.

Peter was my representative in the Vermont House in the years when I served as Vermont's attorney general. I watched him in action rather closely in those years, and still consider him to be a nearly perfect model of the best kind of legislative leadership.

He's a man who always listened to constituents, but never hesitated to say or do what he believed to be right, regardless of political popularity.

He's a man who knows how to use influence, without letting it get to his head. He is gracious in both victory and defeat, and maintains a sense of humor in the most stressful of times.

He has a unique ability to understand the impact of legislative action on the future of the State and the lives of people. Peter has often been at odds with other experts in predicting the State's revenue needs, and he has almost always been proven correct. He has fought to raise taxes when necessary, and fought to bring taxes back down when possible. And, knowing that local taxation is as burdensome as the State's, he crusaded for years for a more equitable method of distributing State aid to education.

Importantly, he has the perspective of a man who knows that life does not begin and end with legislation and politics. His beautiful gardens and his famous 1949 Buick, maintained in mint condition, are outward symbols of his diverse interests and quality lifestyle.

Tragedy fell upon the Giuliani household during last year's election campaign when Peter's wife, Pauline, became terminally ill. To his enduring credit, the needs of his family took priority over campaigning for reelection.

But all Vermonters can be deeply grateful for the profound impact he has had on the quality of life in our State in a lifetime of public service.

He has earned the respect of political leaders of both parties and all viewpoints, and his insights will continue to influence public policy, in a positive way, for many years to come.●

CONSIDER THE CASE OF ISAAK SHKOLNICK

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BOEHLERT. Mr. Speaker, despite the recent thaw in Soviet-American relations and the rise of a new leader, we must not forget the horrible conditions of cultural repression, and physical and psychological torture that continue for those Soviet citizens of the Jewish faith. Arbitrary arrests and imprisonment, brutal intimidation and physical abuse, and the inhumane, pointless breakup of families—these are standard operating procedures in the nation which claims to be the beacon of hope for oppressed people around the world.

Consider the case of Isaak Shkolnick, a semiskilled mechanic from Vinnitsa, in the Ukraine. Isaak applied in

July 1972 for a visa to emigrate to Israel, and was immediately arrested on fabricated charges of being an industrial spy first for Great Britain, and then for Israel. His trial began 12 years ago this week behind closed doors at a local factory. Not a single family member was allowed to attend. Isaak maintained his innocence until November, when his state-appointed lawyer informed him that if he did not change his plea to guilty, he would be sentenced to death. Isaak changed his plea, and was sentenced to 7 years of hard labor.

At this point, the Soviets threw in another vicious twist: They allowed Isaak's wife and daughter to emigrate to Israel. The family has not been united since 1973.

Isaak has applied again and again for permission to leave, most recently this past December. He has been denied that permission, and now lives alone as an Orwellian nonperson, ignored by friends and neighbors, separated from his small family. Isaak has only one reason to continue to live—the tortured hope that someday still he will be able to escape this totalitarian hell and rejoin his family in Israel.

Mr. Speaker, try for a moment to imagine yourself in Isaak's shoes, persecuted cruelly by your own government for nothing more criminal than an expressed desire to live and worship freely. Try to see the faces of 400,000 other Soviet Jews who have been denied exit visas, and who have faced hardships similar to Isaak's. Even as we reach for improved relations with the Soviets, we must not let the world overlook such gross violations of internationally recognized supposedly recognized even by the Soviets I might add, human rights.

On Isaak's behalf, I will continue to write to Soviet and American officials urging that he be allowed to go free. I would also encourage my colleagues to join the Congressional Call to Conscience Vigil for Soviet Jews. I encourage the President to include this issue high on the agenda of any meeting between representatives of our nations, or indeed, between himself and Mr. Gorbachev.

The human spirit has proven itself throughout the centuries stronger than any government. Isaak Shkolnick and his fellow refuseniks are inspiring examples of that fact. Let us work and pray for justice to be done.●

SOCIAL SECURITY NOTCH PROBLEM

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LIGHTFOOT. Mr. Speaker, today I am joining several of my colleagues in cosponsoring legislation to eliminate the Social Security notch problem. The bill, H.R. 1917, sponsored by the chairman of the Select Committee on Aging, Mr. ROYBAL, enjoys bipartisan congressional support. As you may recall, this is the bill that Congressman ROYBAL sponsored in the 98th Congress. That bill, H.R. 4093, died last year in the Ways and Means Committee with 62 cosponsors.

Since taking office earlier this year, I have heard from countless numbers of constituents who have asked me to support legislation to correct this serious inequity in the Social Security system. In addition, I have met with an ad hoc notch group, based out of Council Bluffs, to discuss the unfairness of the Social Security notch.

After meeting with this group, I came to the conclusion that they would not give up on this issue until it had been corrected. I also noted that they were not fighting for themselves, all of whom are affected by the notch, but were fighting for thousands of senior citizens who desperately need the extra Social Security benefits that have been unfairly denied to them.

This dedicated group of individuals, headed by Daryl Cooper, Arlene Sheeley, and Vera Daniels, has organized one of the most active grassroots organizations in the country devoted to eliminating the notch. This group of individuals has devoted countless numbers of hours, time, and effort to make Members of Congress, the media, and millions of Americans aware of the notch issue.

They have held hearings all across Iowa, Nebraska, and now into Illinois to educate people about the notch. These meetings have been well attended. In fact, attendance usually ranges anywhere from 50 to over 300 people. As you can see, these are not small numbers. It is amazing what this group has accomplished, and what they plan to accomplish in the future, which is to eliminate the notch.

For this reason, I urge my colleagues to address this issue. I believe that Congressman ROYBAL's bill would provide Congress with a forum to examine the notch and to eliminate it. At this time, I think it is important to discuss how the notch was created, how it affects senior citizens, and how Congressman ROYBAL's bill provides them with a fairer level of benefits.

First, of all, how was the notch created. It started in 1972 when Congress amended the Social Security Act to provide for annual cost-of-living adjustments. Unfortunately, Congress made a mistake which resulted in increasing the future benefits of current workers twice: once through cost-of-living adjustments [COLA's] in the Social Security benefit table and once again due to inflation-based growth in the wages upon which benefits are calculated. As a result of that mistake, some individuals retiring by the year 2000 would have received monthly Social Security benefits greater than their working salaries. If left unchecked, this error would have bankrupted the Social Security system.

Therefore, in 1977, Congress approved a plan which eliminated the overadjustment for inflation by providing for a new benefit formula for workers born after 1916. To protect people from an abrupt change in benefits, a transition formula was included in the new plan. This transition formula was to provide for a smooth change over by dividing Social Security beneficiaries into three categories: those born before 1917, those born between 1917 and 1921—the notch years—and those born after 1921.

Under the transition formula, which was to last for 5 years, benefits were expected to be 5 to 7 percent less than those projected to be paid under the 1972 law. However, as we all know, this transition formula failed. Instead, workers with the same earnings record, retiring at the age of 65, and born only a few days apart, one in 1916 and one in 1917, experienced up to $1,300 a year difference in benefits.

While one of the main reasons for the transition formula's failure was unexpectedly high inflation in the late 1970's, which in essence, created a 2-year phasein period rather than the 5-year period, this is not the only reason. The primary reason, and one that is often ignored, is that the post-age-82 earnings of people born after 1916 are excluded when calculating the benefits for workers born in the notch years.

As Congress worked on this new plan, many fears were expressed about the possibility of creating a notch situation. However, those fears went unheeded and people were told that there only would be small differences in the benefits received by persons born after 1916 who retired at age 62. What was not divulged or properly discussed, however, was the full effect of this change on people who worked until age 65; that is, those people whose earnings after the age of 62 were ignored.

Now, many may ask, what has been the effect of the notch on those people born between 1917 and 1921. Well, thanks to Congressman ROYBAL, I can give you specific examples of how the notch affects constituents in my district. Last year, in an Aging Committee hearing that Congressman ROYBAL held in Council Bluffs, he heard from many notch year babies.

Let me just list a few of those for you. Mr. "C" of Blockton receives benefits of $210 a month less than those paid to someone of equivalent earnings who was born 3 years earlier. Elizabeth Redman of Van Wert, born in 1918, currently receives $484 a month.

She would have gotten $637 a month if she had been born in 1916. Jerald Walter of Mt. Ayr was born in 1919 and receives benefits which are 19-percent less than if he had been born in 1916.

Donavan Nelson of Atlantic, born in 1918, would receive $106 a month increase under the Roybal bill. Vera Carson of Redding was born in 1918 and would get an 11-percent increase under this bill. And finally, Mrs. "A" of Leon paid Social Security taxes on earnings of almost a quarter of a million dollars. She receives $154 a month less than someone of equivalent earnings who was born in 1916.

As anyone can see, these are concrete examples of the notch effect on senior citizens. It is unfortunate that Congress did not follow the advice of many people in 1977 by adopting a longer phase-in period. It is unfortunate that this group of senior citizens has had to bear the entire burden of correcting Congress' mistake. And, furthermore, it is unfortunate that a vast majority of these senior citizens have already sacrificed for our country by serving in World War II.

These notch year babies are not asking for a handout or an unjustified increase in their benefits. They are only asking to be treated fairly. A slight difference in benefits might have been acceptable to them, but not a $1,300 a year difference.

Let there be no mistake that I think Congress should have changed the 1972 law in order to preserve the future solvency of the Social Security system. However, I believe that a wiser, more thought-out plan should have been adopted by Congress. Nonetheless, the mistake has been made, and it is now time for Congress to act to correct this serious injustice.

Congressman ROYBAL's bill does this. It is the best plan put forward so far which would reduce the large differences in Social Security benefits while also maintaining the intent of the 1977 law. This bill does this by providing for a smoother, yet fairer transition from the 1972 law to current law by phasing in the Social Security benefit formula over a 20- to 30-year period rather than the 2- or 3-year period that has occurred. This bill essentially holds harmless those persons who, through no fault of their own, have been adversely affected by the notch.

In conclusion, Mr. Speaker, I encourage my colleagues to reexamine the notch issue and to support the Roybal bill. Senior citizens deserve to have the notch problem corrected, and if the notch group in my district is like any of the other concerned citizens across the country, they will not relent on this issue until justice is done.●

TRIBUTE TO JUDGE ERNEST ROSASCO

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. CONTE. Mr. Speaker, I ask my colleagues to indulge me today as I pay tribute to one of my Italian-American comrades, Judge Ernest H. Rosasco, in recognition of his numerous contributions over the years to the community of North Adams, MA.

Ernie and I have been close friends all of our lives, and in fact, he has served as counsel to two generations of Contes in North Adams. I bring my remarks to the floor of the House today as Ernie is soon to be recognized for his works and contributions to the city of North Adams as part of "Italian American Culture Week." You should know, too, that North Adams is the gateway from the north to the First Congressional District of Massachusetts.

In my opinion, no better selection could have been made. Ernie has been singled out because he has given so freely of his time and talents and has dedicated himself to fairness and compassion in his work on the bench and in his dealings with friends and neighbors of North Adams. His Italian heritage is rich as is his Italian lineage. History recounts the contribution Ernie's father made on behalf of the advancement and acceptance of the newly arrived Italian-American emigres when he received his unprecedented appointment in 1922 as chief of police in North Adams by Mayor Houghton.

Ernie has continued in the proud tradition of his parents and grandparents. A 1929 graduate of Williams College, and a 1937 graduate of the Harvard School of Law, he went on to make a name for himself in the legal profession. A distinguished veteran and city councilor, Ernie returned from World War II to be elected mayor of North Adams where he served with the utmost competence and professionalism. In 1962, I was proud to recommend Ernie for a judgeship. Since then he has provided unbounded energy and a strong commitment to the administration of justice.

Men of this caliber are indeed rare and I take this time today on the floor of Congress to relay to you his many accomplishments and achievements, and may we all aspire to such greatness during our lifetime. Please join me in congratulating Judge Ernest H. Rosasco on a job well done and in extending to him our best wishes for continued success in the future.●

FLEXTIME WORK SCHEDULES

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. KINDNESS. Mr. Speaker, today I introduce legislation which changes two outdated Federal laws dealing with employee flextime work schedules. I am speaking of the Walsh-Healey Public Contracts Act and the Contract Work Hours and Safety Standards Act which, among other things, regulate the overtime pay schedules for the employees of Federal contractors.

To recall for our colleagues, Mr. Speaker, the Walsh-Healey Act applies to Federal contractors supplying goods to the Government in excess of $10,000. This includes manufacturers supplying army blankets, repair shops servicing Government vehicles, or industrial companies supplying equipment to the armed services.

The Contract Work Hours Act applies to federally financed construction contracts over $2,000 and Federal service contracts between $2,500 and $10,000. Service contracts include computer repairs, security guards, janitorial services, and other service-type contracts.

Both laws have overtime provisions mandating pay at time and one-half for work in excess of 8 hours a day or 40 hours a week and have denied Federal contractors the ability to meet the changing needs of their employees through the use of flexible and compressed work schedules.

Passed in the 1930's, Mr. Speaker, these laws served for years to protect employees from abusive overtime practices and paved the way for the 8-hour day to become the workplace standard.

Similarly, the Fair Labor Standards Act, which governs non-Federal employees in the private sector, requires employers to pay overtime only after an employee works more than 40 hours per week, with no daily limit. Thus the Walsh-Healey and Contract Work Hours Acts have held Federal contractors to a higher standard than private-sector employers generally and have strengthened the Government's role as our Nation's model employer.

In recent years, however, the Federal Government has experimented with flextime work schedules and we have made provision for them in law affecting civil service workers. But we have yet to extend that same freedom to Government contractors to utilize the innovative management techniques which have allowed employees greater worktime flexibility. The present law unduly restricts thousands of private-sector contractors who provide goods and services to the Government and clearly should be changed.

As our colleagues know, Mr. Speaker, the idea of flextime first became popular in the late 1960's, when employers started to utilize the idea of completing the standard 40-hour workweek in less than 5, 8-hour days; 4-day, 10-hour schedules, 3-day, 12-hour schedules, and a variety of other flexible schedules which take into account the special demands of certain employees such as working mothers and permanent part-time employees, have been used with increasing frequency.

Managers have found that alternative work schedules can increase productivity and reduce absenteeism while employees enjoy more leisure time and reduced commuting time and expense. Furthermore, the Congressional Budget Office concluded that over $500 million in cost savings would accrue to the Government if Federal contractors were able to use these schedules effectively.

To date, the only segment of the American economy that has been left out of the flexible workweek schedules are private contractors who do work for the Federal Government. The outdated impact of the Walsh-Healey Act and the Contract Work Hours Act has served to discourage these contractors from utilizing alternative work schedules and has penalized those employers who seek progressive ways to meet the changing needs of their work force.

With millions more Americans predicted to be utilizing some form of alternative work schedule by the end of the decade, the need to conform the present law to the workplace realities of the 1980's will grow stronger every day. I trust my colleagues will join with me in passing this much needed legislation.●

JONELLE MATTHEWS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SCHAEFER. Mr. Speaker, on December 20, 1984, 12-year-old Jonelle Matthews disappeared from her home in Greeley, CO. It is feared that she was kidnaped. I want to call attention to Jonelle's case in the hope that she will soon be found.

Jonelle is 5 feet, 3 inches tall and weighs 115 pounds. She has brown hair and brown eyes, a full set of braces on her teeth, and a scar under her chin. Jonelle would have celebrated her 13th birthday last month. Information about Jonelle, or any other missing child, should be reported to a local law enforcement agency or to the National Center for Missing and Exploited Children's hotline at 1-800-843-5678.

In Colorado, over 11,000 children are listed as having been abducted. Just as I did in the Colorado State Legislature, I will support measures to help curb this epidemic of abuse against our most valuable resource—our children.●

DISMANTLING OF THE SMALL BUSINESS ADMINISTRATION

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DREIER of California. Mr. Speaker, if there ever was a Federal program that lacks unified support among the constituency it is designed to serve, it is the Small Business Adminstration. Of course, there are many people here in Washington who continue to believe that maintaining the SBA, along with its superfluous lending programs, is essential to the small business economy. But the small business person back home is not so easily fooled. They see the Federal deficit as a major obstacle to economic growth. And we know that as the economy goes, so do the fortunes of small business.

The recent economic recession should have been enough of a lesson for the Congress to realize that small business is always the first to feel the pinch. Inversely, the current economic expansion has been instrumental in fostering small business growth.

Small business will continue to thrive without the SBA, but they will not continue to thrive with massive Federal deficits. The economic benefits that will be realized by including the SBA in any deficit cutting package will far outweigh any advantages that may exist by perpetuating the agency. This is something the small business person recognizes, and is willing to accept.

Since introducing H.R. 1461, the Small Business Advancement Act of 1985, support for the measure has far exceeded my expectations. This measure incorporates the administration's proposal to dismantle the SBA, liquidate its credit programs, and transfer its noncredit programs over to the Department of Commerce. The response to this proposal from small business in my home State has been overwhelmingly positive. This includes active support from several chambers of commerce in my district. The following letter from one local chamber of commerce is just one example of the community support I have received for discontinuing the SBA and its inefficient loan programs:

MARCH 15, 1985.

Congressman DAVID DREIER,
Covina, CA.

DEAR CONGRESSMAN DREIER: On behalf of the membership of the Glendora Chamber of Commerce, I would like to express our support for your bill H.R. 1461, the Small Business Advancement Act of 1985.

Our Chamber is primarily made up of small business owners, and we know first hand how important a strong small business sector is to the continuing strength of the American economy. We believe that the Small Business Administration loan programs do not significantly contribute to a strong small business sector, and applaud your effort to eliminate spending on these loan programs. To us, a much more important priority is the reduction of federal expenditures to cut the federal deficit and reduce interest rates. Cutting back on the S.B.A. is an important first step toward this important goal, and we support your effort to eliminate this wasteful spending.

We will also contact other Chambers of Commerce to share our views on this issue, and encourage them to join us in supporting your stand.

Please keep us informed on the progress of your legislation.

Sincerely,

BILL GERSHON,
President.

Mr. Speaker, It is clear that maintaining anything more than small business noncredit programs in the Department of Commerce lacks any broad-based support in the small business community, making it one of the less difficult cuts this Congress can make. Rather than any unified protest, I anticipate praise that Congress is taking such a positive step to reducing the Federal deficit.

Dismantling the Small Business Administration as part of an overall Federal spending reduction will send only one signal to small business—that we are committed to reducing the deficit so that the small business economy can continue to expand and flourish.●

THE TIME FOR CHANGING OUR TRADING POLICY IS NOW

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. APPLEGATE. Mr. Speaker, it appears as though the United States has finally relegated itself to the status of a pawn in the international chess game of free trade. We now find ourselves either so unwilling or so powerless to correct our current trade problems that we readily accept the edicts that come from Tokyo and other foreign capitals as to what the future rules of international trade will be.

The epitome of this inaction on our part is to be found in our inability to react with force to the pronouncement last week from Japan that an additional 500,000 automobiles will be imported into the United States in the coming year. The Japanese say that this figure represents a real concession on their part—that they could easily send over to American shores nearly twice that number. Of course they

could easily do that—because no one has told them they can't.

Yes; they'll start sending over to the United States an additional one-half million automobiles—because we'll let them!

Has anyone in this Chamber heard anything about a reciprocal trade-off to benefit the United States? Has anyone heard anything about the Japanese agreeing to an increase of 25 percent of any American products to enter their country?

Finally, have we in the Congress forgotten the American auto workers who continue to face long-term unemployment? Have we forgotten about the American factories that are shut down and rusting away? And have we forgotten about American businesses that can't compete overseas because we continue to believe that international trade should be free while we as an economic force in this world are losing our freedom?

No Member of this House should ever suggest that the freedoms we so strongly believe in as Americans should ever he held captive to ideals of free trade that were created generations ago. The freedom that we so willingly accept will not be ours for long—and the facts and figures of our trade imbalance point this out every day.

Besides the additional 500,000 cars coming from Japan, there is also the ever-increasing share of foreign steel products that continue to make inroads into the American steel producing industry—although the Reagan administration says that it is trying to reduce the foreign share of steel. Let me point out, though, that ever since the voluntary restraint agreement negotiations were started by the administration last year, the percentage of foreign steel coming into the United States has actually increased—not decreased.

What kind of progress is this?

Are we as a nation really serious about the consequences that we face if we continue to stick to an outdated trade policy? And is this administration ready and willing to stand up to the challenges that face not the White House but, instead, the millions of American workers and thousands of American businesses that continue to suffer from foreign actions that undermine our freedom and our economy?

I would like to believe that the President seeks a just and fair resolution to this situation that impacts on all Americans, but I have my doubts. Mr. Reagan stated over a week ago—supposedly off the record—that we should keep our grain at home and export the farmers instead.

Well, in view of the trade constraints that the United States faces in dealing with Japan, I would like to challenge the President to even attempt to export to the Japanese the pitchforks and milking stools of American farmers—let alone the grain that we produce.

The time for change in our trading policy is now.●

DENISE K. SIMONEAUX WINS VFW AWARD

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. LIVINGSTON. Mr. Speaker, I am very proud that the Louisiana winner of the VFW Voice of Democracy scriptwriting contest is Denise K. Simoneaux of New Orleans, a student at the Academy of the Holy Angels High School. This is an outstanding activity, and both Denise and the VFW are to be commended.

The program was started 37 years ago with the endorsement of the U.S. Office of Education and the National Association of Secondary School Principals. Sponsorship was provided by the National Association of Broadcasters, Electronic Industries Association and State Associations of Broadcasters.

Starting in 1958–59, the program was conducted in cooperation with the Veterans of Foreign Wars with the broadcasters still serving as sponsors.

In 1961–62, the Veterans of Foreign Wars assumed sole sponsorship responsibility. At that time, the national scholarship award consisted of a single $1,500 scholarship for the first place national winner.

During the past 23 years under VFW sponsorship, the annual national scholarships have been increased to six, totaling $32,500 with the first place winners currently receiving a $14,000 scholarship to the school of his/her choice. Student participation has tripled and school participation has doubled.

This past year more than one-quarter of a million participated. Over 8,000 schools participated, over 4,000 VFW posts and 3,500 auxiliaries sponsored the program and over 2,300 radio and TV stations cooperated.

The total monetary value of scholarships and awards provided by VFW posts, auxiliaries, county councils, districts and departments amounted to over $675,000 last year. This is in addition to the $32,500 in national scholarships and an annual budget at the national level in excess of $150,000 to conduct the Voice of Democracy Program.

During the 23 years of sponsorship by the VFW, over 5 million students have participated and awards totaling more than $3 million have been given to winners at all levels in scholarships, savings bonds, and so forth.

Mr. Speaker, I urge my colleagues to read Denise's winning script, "My Pledge to America," and to join me in congratulating all of the students throughout Louisiana and across the Nation who participated in this fine program. The text of her script follows.

MY PLEDGE TO AMERICA

Remembering the many history lessons I have been taught over the years, I recall the names of men and women who have contributed great things to this country. I think of those men who wrote our Constitution and established our government under the ridicule of some of their fellow Americans. I think of Abraham Lincoln and John F. Kennedy and other presidents who changed the direction of American government. I think of the anonymous soldiers, both young and old, who gave their lives because they believed in a better world. I recall the names of Susan B. Anthony and Martin Luther King who fought for the equality of all Americans. Today, the commitments of these people seem so clear and defined. They lived their lives in service to their country and in doing so shaped America into what it is today.

Reflecting on the strong commitments of these people, I am called to question my own pledge to America. To me, America is more than a piece of land stretching from the Atlantic to the Pacific. It is more than a set of laws and a network of states. America is a body of people working together and individually, supporting each other on a foundation of freedom and democracy. America is the person sitting beside me and in front of me. America is the people who live around me and the people who live thousands of miles away from me. America is its people. Therefore, when I say that I pledge to America, I mean that I pledge to the people. I commit myself to the person right next to me and the person a thousand miles away.

I am not a freedom fighter, or a human rights activist, or a feminist, and my bravery does not extend to the battlefield or the podium. My ammunition is my vote. My battlefield is the voting booth. I believe that the best way I can commit myself to my fellow Americans is through the wise use of my voting rights. I consider voting to be a responsibility as well as a privilege.

When I vote for the person I believe is the best candidate, I am voting for the American people or against them. We voters take an active role in our government by choosing who will make our laws and who will represent us to foreign nations and who will make the crucial decisions when it comes to war. In short, through the voting booth, we decide the future of our country.

In this election year, as in previous ones, millions of Americans will stay home on election day. In doing so, these people choose to waive their rights as American citizens and leave the important decisions in the hands of a few.

Speaking to a group of young Americans, Eleanor Roosevelt once said: "It is not enough to want freedom, one must believe in it. It is not enough to believe in freedom, one must work for it".

The work of us as Americans citizens is in the voting booth. I may never be a Susan B. Anthony or a John F. Kennedy, but I do have a clear and defined commitment to America as they did. My commitment is to the person sitting next to me and the person a thousand miles away from me. Most importantly, my commitment is to

myself as an informed, responsible, active citizen of this country.●

AMERICAN PEOPLE LOSING PATIENCE WITH THE JAPANESE GOVERNMENT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BROOMFIELD. Mr. Speaker, Congressman JOHN DINGELL and I are introducing a resolution urging the President to take retaliatory action against Japanese imports unless the Japanese significantly open up their own markets.

This resolution is similar to one passed by the Senate last week by a vote of 92 to 0. Its passage in the House will clearly indicate just how thin our patience has worn over our trade problems with Japan.

The Japanese must understand that we are long past the period when we will be mollified by smiles and promises. Now is the time for action—and if the Japanese will not act in opening up their markets, then we will act to close our markets to them.

We have a degree of protectionism in our country, but we are only beginners compared to the Japanese. They have had a policy of protecting their infant and declining industries for decades. It is a policy of targeting which protects their industries during a growth stage and supports them in competition for foreign markets. It is a policy where the members of the Diet, the powerful bureaucracy, and the captains of Japanese industry put their combined strength into economic growth.

As a result, we have seen our trade deficit with Japan go from $10 billion in 1980 to over $37 billion in 1984.

Japan's announcement that auto shipments to the United States will be raised by 25 percent could mean an increase in sales from $4 billion to $10 billion, further magnifying our trade problems. This could translate into the loss of new job opportunities for 90,000 Americans which is intolerable.

Mr. Speaker, I have always been a firm believer in the advantages of competition in the marketplace. However, that competition must be fair.

For far too long, we have been willing to accept a degree of unfairness to set an example for free trade to the world. However, the result of this attitude has been the weakening of our domestic industries. Certainly we have seen no expansion in the number of open markets in other countries. We have learned it takes two trading partners committed to open markets to make this system work. Japan and others must realize that the free ride is over. We will not let our domestic industries fall because of unfair trade practices and closed overseas markets.

We are engaged in important trade negotiations with the Japanese seeking markets for many of our products from telecommunications equipment and technology to wood products.

I had hoped that with Prime Minister Nakasone's last visit with President Reagan, our trade relations would take a different direction. However, it seems that politically, leaders in Japan have as much trouble with their bureaucracies as we do here. The announcement of increased Japanese auto imports and the lack of progress in our ongoing trade talks leads me to believe that things have not changed all that much.

Business as usual is no business at all as far as I'm concerned. Things will change either through mutual agreement or unilateral action on our part.

Mr. Speaker, it is significant that JOHN DINGELL, as a Democrat and chairman of the House Committee on Energy and Commerce, and I, as the ranking Republican on the House Committee on Foreign Affairs, have joined in sponsoring this resolution. We have come to address this trade problem from a bipartisan perspective, and we believe our trade problems with Japan seriously affect our domestic economy and our foreign relations with that country.

I hope the Japanese do not misread our action in Congress. This is not a charade. We have come to the end of our patience, and we will not play any further games. We want our trade with Japan to be open, considerate, and above all fair.

Mr. Speaker, I urge my colleagues in the House to join Mr. DINGELL and myself in sponsoring this resolution and later in voting for its passage.●

REINTRODUCTION OF THE MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1985

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MOORE. Mr. Speaker, I am pleased to be joined by my House colleagues in reintroducing today a clean version of the Medicare and Medicaid Patient and Program Protection Act of 1985 which was introduced as H.R. 1370 on February 28, 1985.

This reintroduced version takes into account various suggestions for improvement gleaned from our recent joint hearings in the Subcommittee on Health of the Committee on Ways and Means and the Subcommittee on Health and Environment of the Committee on Energy and Commerce, and will allow for more expeditious consideration of the measure in our respective committees.

As many of my colleagues already know, Mr. Speaker, the bill is designed to protect Social Security Act beneficiaries from incompetent or unscrupulous practitioners and improve our protection against fraud and abuse.

We need to act swiftly on this legislation in order to help assure quality services to our Nation's elderly, disabled and poor and I commend the interest and support of the distinguished chairman of the Subcommittee on Health and Environment for scheduling a markup on the measure on April 4. I am hopeful that the Subcommittee on Health of the Committee on Ways and Means will be able to follow suit shortly after the Easter recess.●

THE ENVIRONMENTAL AND ENERGY STUDY INSTITUTE'S GROUND WATER SYMPOSIUM

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WOLPE. Mr. Speaker, I had the opportunity March 11 and 12 to observe and participate in a symposium on one of the most vexing environmental issues facing the Nation: The protection of our ground water, on which half the Nation depends for its drinking water.

The symposium was sponsored by the Environmental and Energy Study Institute and hosted by the Environmental and Energy Study Conference, of which I am cochairman. It was the first step by the institute in its ambitious effort to explore and define the options facing us if we are to protect this most vital natural resource.

The institute's ground water protection project could not be more timely. We are just beginning to recognize ground water contamination as a national problem. Federal protection efforts—and most State efforts—are scattered throughout programs designed primarily to protect other resources or to regulate only some sources of contamination.

For example, the institute's initial ground water report, released at the symposium, and the Office of Technology Assessment both note that at least 15 Federal agencies and 16 Federal statutes offer some ground water protection, and each of the 50 States has some protection program in place. Yet ground water is still being polluted. And our experience through the Superfund Program has taught us that once ground water is contaminated it is extremely costly and difficult to clean.

The symposium was a remarkable success. Hundreds attended the various sessions to hear and question an

array of experts on the many facets of ground water contamination and protection policies. This information exchange among specialists and policymakers will prove invaluable to Congress when we are forced to grapple with ground water questions in the coming months.

At the heart of the ground water symposium was the institute's ground water report itself, written by Judy Campbell Bird of the institute staff. The paper is a superb outline of the nature of the problem confronting us and the policy options available to us. I am arranging to make the report available to the office of every Member and every Senator so that it receives the widest possible consideration.

From here the institute will organize a series of regional hearings across the country to examine in detail the nature and scope of the threat facing the Nation's ground water. Other members of the Environmental and Energy Study Conference and I will take part in those hearings.

In the fall, the institute's ground water task force will organize policy development workshops to evaluate the most promising ideas garnered in those hearings.

By early next year, the institute will develop its proposals for congressional action on ground water protection. That proposed agenda will be presented to Congress at a major conference.

I wish to congratulate and thank the Environmental and Energy Study Institute for its ground water protection project and last week's promising beginning. In particular I want to thank Judy Campbell Bird, Ken Murphy, executive director of the institute, and Dr. Ruth Patrick, the distinguished head of the ground water task force.

We are a long way from a comprehensive answer to the ground water problems facing us. This recent symposium and the institute's report are important first steps.●

EGYPTIAN-ISRAELI RELATIONS: A SPOTTY RECORD

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WYDEN. Mr. Speaker, with each passing day and with each disturbing newspaper headline, the need for peace in the Middle East becomes more evident. That's why when Egyptian President Hosni Mubarak visited the United States last month, Congressman JOHN MCCAIN and I joined 115 of our colleagues in introducing a resolution calling on Egypt to renew its commitment to the Camp David accords.

The need for this renewed commitment is made clear by a recent analysis by Phil Baum and Raphael Danziger of the American Jewish Congress, entitled "Egypt Update: A Periodic Survey of Egyptian-Israeli Relations," March 1985. This analysis shows that progress toward peace, although somewhat improved in recent months, is still spotty.

Because I know many of my colleagues share my concern about this matter, I would like to ask that the analysis be printed in the RECORD. The full American Jewish Congress report also contains a documented chronology of specific acts and statements between November 1, 1984, and February 28, 1985, which bear upon Egyptian-Israeli relations. Members interested in reading through that chronology can obtain a copy of the full report by calling the American Jewish Congress.

Following is the analysis of that report:

ANALYSIS

In our two previous reports (May and November, 1984) we presented a rather gloomy picture of virtually frozen bilateral Egyptian-Israeli ties and persistent Egyptian erosion of the Camp David stipulations for the peace process. We are pleased to report that during the last few weeks, Cairo has moved forward on both issues: It has partially thawed bilateral relations and it has adopted a public position on procedural (although not the substantive) aspects of the peace process that seems entirely consistent with Camp David accords. At this stage it is unclear, however, whether Cairo's recent moves merely amount to empty rhetoric designed to secure further U.S. aid during President Mubarak's upcoming trip to Washington as well as American recognition of the PLO as asserted by Israel's Likud Party, or whether the Labor Party is right in crediting the Egyptians with a genuine decision to promote peace following the emergence in Israel of what they perceive as a more moderate government, the beginning of complete Israeli withdrawal from Lebanon, and the Jordanian-PLO agreement to form a joint delegation.

On the bilateral level, it must be emphasized that the Egyptians have thus far failed to address some of Israel's main grievances. Despite frequent explicit promises, President Mubarak has refused to return the Egyptian Ambassador to Israel. Equally unambigous high-level promises to end the publication of anti-Semitic articles and cartoons in the Egyptian press have been ignored as well (see Dec. 18, Jan. 3, and Jan. 6). Cultural ties between the two nations remain frozen, and Egyptian tourists are still virtually barred from visiting Israel.

At the same time, Egypt has undertaken a significant number of substantive steps to improve its bilateral relations with Israel. Politically, for the first time in three years high-level meetings and intensive negotiations were held—both on Taba and on the peace process. There were no hostile Egyptian acts comparable to the severing last year of diplomatic relations with Costa Rica and El Salvador because they returned their ambassadors from Tel Aviv to Jerusalem. And on several occasions, President Murbarak publicly praised Israeli statesmen and actions. Economically, Israel was invited to participate in the Cairo book fair (Jan. 22); Egypt responded positively to Israeli requests for compensation for water pipes installed in Sinai during its occupation and for greater help for transferring Palestinian refugees from Rafa to the Gaza Strip (Feb. 5); President Mubarak promised to approve import licenses for several Egyptian businessmen seeking to purchase goods in Israel and to facilitate the border crossings of Israeli tourists en route to Sinai (Feb. 17); Mr. Mubarak approved the sailings of Israeli yachts to Egypt's Coral Island south of Eilat (Feb. 21); and Egypt and Israel decided to expand trade in the energy sector (Feb. 28). And in the humanitarian field, Egypt agreed to consider a plan by Israel to conduct a fourth search for an Israeli submarine that sank with its entire crew in the 1960's off Egypt (Feb. 5).

Egypt has made equally significant progress in its position toward the Middle East peace process. Whereas just three months ago it signed a joint communique with Jordan agreeing on the importance of convening an international peace conference under UN supervision attended by "all parties concerned, including the PLO" (Dec. 3), by late February President Mubarak had forthrightly called for direct negotiations between Israel and a joint Jordanian-Palestinian delegation that would not have to include known PLO members, while an international conference "could be the last stage as a blessing of the solution" (Feb. 24). If genuine and firm, this position represents a substantial Egyptian return to the Camp David procedural stipulations after many months of advocating procedures that clearly contravened the Egyptian obligations at Camp David. Arguably, President Mubarak's assertion that the first step should be an American dialogue with the Jordanian-Palestinian delegation (Feb. 27) and Mr. Osama el-Baz' statement that the Israeli-Arab talks should be conducted indirectly with the United States serving as an "honest broker" between the two sides (ABC-News 'This Week with David Brinkley," March 3), are no more than an initial bargaining position to be traded away for direct Arab-Israeli negotiations. This, however, remains to be seen.

Unfortunately, no parallel progress was recorded with regard to Egypt's position on the substance of the peace process. In total contradiction to the Camp David formula requiring the establishment of a five-year Palestinian autonomy in the territories prior to the implementation of a negotiated final settlement, last December Egypt's Foreign Minister demanded Israel's "unconditional and immediate withdrawal from Arab territories occupied after (sic) 1967, including the West Bank, the Gaza Strip, and the Syrian Golan Heights" (Dec. 19). Nor was Egypt's support for the Palestinians' "inalienable right to self-determination in the form they see fit" (Dec. 3)—a thin disguise for an independent Palestinian state—any more constructive. These positions, which have not been repudiated or amended since, might have just as well be stated by Syria, the PLO, or other Arab radicals.

The stark contrast between the apparent improvement in Egypt's bilateral relations with Israel and its position on the peace procedure on the one hand and its totally negative positions on the substance of peace on the other raises troubling questions about Egypt's intentions. While not presuming to resolve the internal debate in Israel between the Likud and the Labor parties on this issue, we believe that the following observations are warranted:

1. Egypt is determined to restore its former legitimacy and leadership position in

the Arab world. This explains not only its hard line on the substance of peace and its refusal to return the Ambassador to Israel, but also its prodigious efforts to "sell" the Hussein-Arafat "agreement" to Washington and to involve Jordan and the PLO (at least indirectly) in the peace process under Egyptian auspices. Furthermore, inter-Arab politics underlie Egypt's refusal to grant bases to the United States (Jan. 15) as well.

2. Egypt is equally determined to preserve the essence (if not necessarily the spirit) of its 1979 peace treaty with Israel which has benefited it in many ways (see out two previous reports for details). Because of the danger of erosion of support in Israel for the peace treaty due to Egypt's obstructionism (Feb. 4), Cairo may have concluded that an improvement in relations is necessary for the survival of the peace.

3. The acceleration of Egypt's positive steps on the eve of President Mubarak's visit to Washington hardly seems coincidental. No doubt the Egyptians were well aware of the reluctance on the part of many Congressmen to support increased aid to Egypt as long as it continued its impediments. And Cairo made it perfectly clear that it regarded the requested aid increases a vitally important.

As far as they go, all of these Egyptian objectives (although not all of the steps taken to advance them) merit full sympathy in Washington and Jerusalem alike. An Arab world under the leadership of an Egypt that lives in peace with Israel is obviously preferable to one led by a Syria or even a Saudi Arabia. Certainly, Egypt's interest in maintaining peace with Israel is highly desirable. And the growing dependence on U.S. aid has provided Egypt with added incentive to adhere to its peace treaty with Israel. If Egypt had acted to advance all three objectives simultaneously, its policies would have deserved nothing but praise. But as we have seen, the Egyptians have frequently sought to promote their inter-Arab position at the expense of their peace treaty with Israel and even their strategic cooperation with the United States. President Mubarak's forthcoming visit to Washington provides an excellent opportunity to attempt to rectify this deplorable Egyptian propensity and to persuade Mr. Mubarak that his country's interests would best be served by strengthening the Egyptian-Israeli peace and the strategic relationship with Washington even as Egypt continues to improve its position in the Arab World.

Considering Israel's complete adherence to the peace treaty with Egypt and Mr. Peres's favorable response to President Mubarak's call for direct Israeli negotitions with a Jordanian-Palestinian delegation as well as Egyptian and American participation (Feb. 27), it behooves the Administration to urge the Egyptian President to respond in kind. Mr. Mubarak should be apprised that the United States expects him to continue improving Egypt's relations with Israel—specifically to return its ambassador to Tel Aviv, to end anti-Semitic expressions in the government-controlled press, to remove the restrictions on the free movement of people and goods across the borders, and to implement the agreements on cultural exchange. Furthermore, the Administration should stand firm in its insistence on direct Arab-Israeli negotiations as opposed to indirect, U.S.-brokered talks, let alone a UN-supervised international conference. To quote ABC-News correspondent C. Robert Zelnick (Christian Science Monitor, 2/14/85), "The U.S. message to Mubarak should be clearly articulated. Assistance to Egypt cannot be divorced from movement in the regional peace process. Even in a difficult market, wise investors require a return."●

INTRODUCTION OF NEW INDUSTRIAL DESIGN PROTECTION LEGISLATION

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MOORHEAD. Mr. Speaker, today I am introducing legislation very similar to that which I introduced last Congress, H.R. 2985. I hope that industrial design protection legislation will become a top national priority and a goal of the 99th Congress. While proposed legislation has been before Congress for a number of years, its importance has not been recognized for several reasons. One is the perception that the design patent system in this country provides adequate protection and additional protection is unnecessary. Another is the impression that designs of articles are somehow not as basic to our country as other more fundamental things such as patentable innovations, protection of new and emerging technologies. In point of fact, current existing design patent protection is unreliable.

Decade after decade the litigation track record has been abysmal with three out of every four design patents struck down as invalid. This chills those who contemplate enforcing their rights and dissuades potential applicants from seeking protection. In 1983, only 3,279 design patents were granted in the United States to U.S. residents and reported by the World Intellectual Property Organization. By way of comparison, in Japan, which has a viable form of industrial design protection, the comparable number is 31,508 registrations or nearly 10 times ours. We cannot dismiss this disparity with the thought that it is unique to Japan. The comparable statistic for West Germany is 61,032 and for France 11,843. Nor do we find the answer to these differences by assuming U.S. designers are intellectually bankrupt.

The answer is that the United States is the only country in the world to provide a patent-type protection for industrial designs which is a particularly unsuitable form of protection for the shape of most articles as distinguished from its workings or function. It is noteworthy that while other countries have borrowed heavily from the United States in adopting features of our patent laws, none have even considered applying patent laws to the field of industrial design protection and we have stood alone with this ill-conceived system for nearly a century and a half.

We have been very aggressive in enacting laws to protect our good names when applied to products, but we have been remiss in protecting the distinctive appearance of those same products. Appropriating the appearance of a product can lead to the same abuses as appropriating its name by those motivated to palm off inferior goods on the unsuspecting or intentionally misled. The competitive posture of this country no longer permits us to ignore the plight of our creative designers and perpetuate this inequity between the effectiveness of this country's design protection compared to that provided elsewhere.

This legislation proposes that a copyright type of protection be provided for industrial designs through a low cost, relatively simple registration process. Such protection would both be more reliable than patent protection by avoiding high standards of invention that are impossible to apply to most shapes, but also would be a sharply focused protection aimed at the parasitic copyist while leaving original designers free to pursue new designs without fear of inadvertent violations. Design protection should be for a reasonable term of, for example, 10 years as has been proposed in this legislation although 15 years is the internationally recommended standard for design protection.

I am urging the Judiciary Committee Subcommittee on Courts, Civil Liberties and the Administration of Justice to begin hearings on this legislation later this year.●

INTRODUCTION OF HOUSE CONCURRENT RESOLUTION TO ESTABLISH THE CEREMONY ON MAY 1 TO INSTALL THE STATUE OF JEANNETTE RANKIN IN THE U.S. CAPITOL TO REPRESENT THE STATE OF MONTANA

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. WILLIAMS. Mr. Speaker, I am pleased today to join my colleagues from Montana in introducing a resolution to establish the ceremony on May 1 to install the statue of Jeannette Rankin here in the U.S. Capitol representing the State of Montana. Today, April 2, is a particularly appropriate day for this introduction because 68 years ago today, Jeannette Rankin first took her seat in Congress.

In 1916, before suffrage was granted to women nationally, Jeannette Rankin was elected as the first woman to Congress. She had been active in the suffrage movement in Montana which gained women the right to vote in 1914. Using the same skills and net-

work she had developed in that effort, she ran a successful grassroots and postcard campaign unheard of in her day. She stated in her campaign:

It is not for myself that I am making this appeal, but for the 6 million women who are suffering for better conditions, under better moral conditions, at equal wages with men for equal work performed. For those women and their children I ask for your support.

On her fourth day in the House of Representatives she voted against the U.S. entry into World War I. She answered the rollcall, saying "I want to stand by my country, but I cannot vote for war." She decided to run for a Senate seat in 1918, but lost in part because of the contentiousness surrounding her vote. Over the next 20 years she worked as a lobbyist and organizer for the National Consumers' League, the National Council for the Prevention of War, and other peace organizations.

In 1940, she again ran for Congress, this time as Representative of the western district of Montana. During her second term in Congress from 1941 to 1943 she also voted against the U.S. entry into World War II, expressing her belief that we must protect our shores, but fight as hard for peace as we do for war. She alone cast a no vote against entry into the war. She later said of her historic two votes, "No one said it would be easy, only that it was right." During the 1950's she opposed the cold war and the U.S. involvement in Korea. In 1968, at the age of 87, she led 5,000 women of the Jeannette Rankin Brigade against the war in Vietnam.

Between and after her terms in Congress she worked as a lobbyist, organizer, and speaker for peace, better working and health conditions for women, and equal rights for women and children. She worked in Congress and afterwards in State legislatures for women and children, particularly for 8-hour workday laws, minimum wage laws, and child labor legislation. She had always believed that women should play a prominent role in politics. She wrote:

It is altogether fitting and proper that a mother be at the bedside of her child, sick with typhoid fever; it is also altogether fitting and proper for the mother to go into the public forum to eradicate the causes of typhoid fever.

Montana is a State with a proud pioneer tradition of men and women who work side by side against adversity because they have a strong sense of a better future. It is most appropriate that Jeannette Rankin with her courage, commitment, and compassion should represent our State to the Nation.●

A TRIBUTE TO LAWRENCE W. STRATTNER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. CONTE. Mr. Speaker, I rise today before my colleagues to both recognize and honor a good friend, a dedicated volunteer, a great humanitarian and a truly remarkable man, Mr. Lawrence W. Strattner from the very heart of my district, Pittsfield, MA.

I am very pleased to bring Larry Strattner to the attention of my colleagues today since Mr. Strattner will be honored on Friday, April 19, as the first recipient of the Distinguished Citizen Award which will be presented by the Great Trails Council of the Boy Scouts of America located in Dalton, MA.

The significance of this award cannot be overstated just as the contributions made by Larry Strattner, both to scouting and to the quality of life, in the community of Pittsfield cannot be exaggerated. From his first affiliation with the Berkshire Medical Center, during the years of its genesis, through his three terms as president of the Great Trails Council, Larry Strattner has exemplified the highest ideals of voluntarism, professionalism and giving for the good of others. As the recipient of numerous awards for his work with the United Way, the Rotary Club, the State University of New York at Albany, the Boy Scouts and many cultural organizations, one can only envy the good that this man has done and be awed by the amount of time that he has selflessly given to fundraising, to promoting, to developing, and to providing many services and activities for the residents of Berkshire County and beyond. His tireless work has touched many of my constituents.

As president and chief executive officer of the Berkshire Life Insurance Co. of Pittsfield, Larry's leadership fast-tracked his company to the top of the industry. Now as chairman of the board, his professionalism continues, yet he still finds the energy and enthusiasm for his community and its people.

The highest words of praise seem so inadequate in light of what Larry Strattner has accomplished, and I feel that we, in the House of Representatives, could only benefit from learning about such fine men in our society. I hope you will all join me in extending a well-deserved and heart-felt congratulations to Larry Strattner as the outstanding and distinguished citizen of Pittsfield, MA.●

TRAVEL EXPENSE DEDUCTIONS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. STARK. Mr. Speaker, today I am reintroducing legislation to amend the Internal Revenue Code of 1954 to clarify the rules for deducting travel expenses to and from temporary job sites. The purpose of this clarification is to insure that the travel expenses construction workers incur in order to practice their trades may be deducted in the same way that lawyers, accountants, and professionals are allowed to deduct their business travel expenses.

The background is as follows: Section 162 of the Internal Revenue Code authorizes taxpayers to deduct their ordinary and necessary business expenses including travel expenses incurred for business reasons. On the other hand, travel expenses incurred for personal reasons are not deductible. For example, a person with a regular job in a city who chooses for personal reasons to live in a distant suburb cannot deduct the costs of driving to and from the regular job each day.

The courts have attempted to distinguish business from personal travel expenses through the use of the so-called temporary job doctrine: If the job is temporary, then the travel costs are deductible. The Internal Revenue Service, however, has been applying this doctrine without regard to its purpose of distinguishing travel undertaken for business purposes from travel undertaken for personal purposes. As a result, thousands of construction workers around the country are being denied the ability to deduct expenses that, by any rational standard, constitute ordinary and necessary business expenses.

Here is a typical example. A construction worker has lived and worked in a particular community for many years. His primary business contacts are in that community. He has a home in that community; his children attend school there; he and his wife vote and pay taxes there. His wife may have a job there. If construction work becomes temporarily unavailable in the home community—and in the current economy this is happening more and more often—the worker has only two choices. He can look for work in more distant areas and work away from home until a job in his community becomes available, or he can remain unemployed. If he takes a distant job, he must either move his home and family to that job or incur substantial additional expense, either by traveling many miles each day or by renting temporary lodging near the job.

For most workers, moving home and family is either impossible or contrary to good business judgment. Housing near the job may be unavailable or prohibitively expensive. More importantly, however, construction work is inherently uncertain; workers are well aware that they are likely to be laid off without warning at any time. Furthermore, the worker in this situation fully intends to take work closer to his traditional work area as soon as a job opens up. The worker therefore has only two choices; remain unemployed or incur travel expenses in order to practice his trade.

The travel expenses are therefore clearly necessary to the worker's trade. Nevertheless, the IRS automatically disallows such expenses. In fact, the IRS has conducted mass audits at large construction projects for the purpose of disallowing travel expenses. On the other hand, the IRS allows professionals and businessmen to deduct, without question, the expenses they incur when they have to travel to practice their trade.

The IRS uses the so-called 1-year rule as the basis for its arbitrary action. Under this rule, a job that has lasted for more than 1 year is automatically regarded as not temporary, and travel expenses are disallowed. This hindsight test ignores the crucial fact that the worker could have been laid off at any time throughout the year. The 1-year rule has been expressly rejected by the U.S. Court of Appeals for the Eighth Circuit, but the IRS has announced that it will refuse to follow the eighth circuit's holding.

The IRS also uses as a ground for disallowance the fact that the worker's job is indefinite, but it is the very indefiniteness of the job that makes deductibility appropriate. A worker's decision to aviod travel expenses by moving his family makes economic sense only if he has some assurance the job will last for a substantial period of time; it makes no sense if he is uncertain whether the job will last much longer. And, if it is not reasonable for the worker to move closer to the job, then his travel expenses are the result of business necessity, not personal choice, and they should be deductible.

Mr. Speaker, equity and efficiency require that something be done. The current IRS interpretation unfairly penalizes the working men and women of this country, and has led to expensive and needless litigation. Construction workers deserve to have the special problems of their industry recognized. Their travel expenses to distant jobsites are certainly more necessary to their jobs than an executive's three-martini lunch is to his.

My proposed bill institutes an easily administered rule that will eliminate the need for litigation in the vast majority of cases. Construction workers will be recognized as being temporarily away from home for the first 2 years of employment at any jobsite more than 30 miles from their home. This will eliminate the disputes in the vast majority of cases. In those few cases that are not resolved by the 2-year rule, the deductibility of the travel expenses will be determined case by case. In making this determination, the IRS and the courts will be prohibited from using either the 1-year rule or the indefinit employment rationale, but will make their decision according to whether the expenses are incurred by because of business necessity rather than personal convenience.●

EXPAND U.S. AGRICULTURAL EXPORTS

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HALL of Ohio. Mr. Speaker, along with my colleagues from the Select Committee on Hunger, Foreign Affairs and Agriculture Committees, I am introducing legislation that will expand U.S. agricultural exports to developing countries to combat hunger and provide the mechanisms to increase the developmental impact of food assistance.

I urge Foreign Affairs Committee members to consider the provisions I am introducing today as amendments to this year's foreign aid bill These amendments will: Strengthen food aid programs by providing multiyear programming agreements with private voluntary organizations; extend the food security wheat reserve to 1989; mandate the Commodity Credit Corporation [CCC] to pay for the processing and shipping of surplus agricultural commodities for overseas donation in kind; and, set a target of immunizing approximately 3 million children of the 25 million children participating in overseas food aid programs by 1987.

These four components of the Food, Trade and Development Act, which will be introduced in the coming weeks, are essential to the effectiveness of overseas food assistance programs. For example, if the target of immunizing 3 million children is achieved, approximately 150,000 lives will be saved according to UNICEF estimates. In addition, the multiyear provision of this bill will encourage the Commodity Credit Corporation [CCC] to use surplus commodities for humanitarian assistance at a cost savings to the CCC.

These are four components of a larger bill the Food, Trade and Development Act. This larger bill which is currently supported by Representatives LELAND, FOLEY, PANETTA, EVANS, MORRISON, FAZIO, DORGAN, and KOSTMAYER will be introduced in the coming weeks.●

NUCLEAR WINTER—A JOINT UNITED STATES-SOVIET STUDY IS NEEDED

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. HUCKABY. Mr. Speaker, today my distinguished colleague from Arizona, the Honorable MO UDALL, and I are introducing a resolution expressing the sense of the Congress that the United States should enter into a joint high-level scientific study with the Soviet Union to determine the long-term climatic and environmental effects of a nuclear exchange. Everyone is familiar with the immediate consequences of nuclear war, including radiation, blast, and thermal effects, short-term radioactive fallout, inadequate medical attention for surviving casualties, and long-term biological effects of global fallout. During the past year, however, the public's interest has been aroused by the scientific debate on the controversial theory that there would be a significant contamination of a large portion of the Earth's atmosphere. Preliminary calculations have suggested that this contamination could lead to cooling of many parts of the Earth's surface—the so-called nuclear winter. This occurs when massive fires generate large quantities of smoke and fine dust which are carried into the atmosphere and result in the attenuation of sunlight in areas far removed from nuclear target zones.

The most detailed studies recently released here in Washington at a nuclear winter symposium confirm that these significantly lower temperatures would occur. But their extent and duration—and hence their potential impact on people and on the biosphere that supports the surviving population—have yet to be determined.

We believe that more indepth scientific evaluation is needed to determine the long-term climatic and environmental effects of a nuclear war. The impact of these severe surface air temperature reductions and the resulting effects on our fish and wildlife, water quality and resources, food supply, and forests must be thoroughly assessed.

It is appropriate that the United States and the Soviet Union, as the two nations with the most highly developed nuclear weapons arsenals and strategies, should jointly undertake the high-level scientific study that will be necessary to gain the requisite understanding of the problem. We rec-

ommend that the conclusions reached in this study would be included in any analysis of the consequences of nuclear war, and that they should also be considered in the nuclear weapons, arms control, and civil defense policies of the United States and the Soviet Union.

Mr. Speaker, we think this would be a worthwhile matter to pursue and we urge timely consideration and support for the passage of this measure.●

PEACE AND ECONOMIC DEVELOPMENT IN THE SOUTHWEST PACIFIC

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DYMALLY. Mr. Speaker, I would like to familiarize my colleagues in the House of Representatives with an area that has been too long ignored by American foreign policymakers. Given my longtime interest in peace and economic cooperation in the Caribbean, I am amazed that America's political leadership has not taken a similar interest over similar problems in the Pacific. My recent initiatives—H.R. 1462 and House Resolution 99—have placed overdue focus on the poor health care situation in the Micronesian islands and on the civil rights/civil liberties concerns of their residents. In both cases, the dramatic issues associated with health and civil rights/civil liberties are ones that were virtually resolved many years ago in the Caribbean. The problems in the Pacific islands further to the south and west of American-administered Micronesia are even more glaring.

A growing political/economic conflict between the eastern section of New Guinea, the independent nation of Papua New Guinea, and the western section of New Guinea, Irian Jaya, a province of Indonesia, has recently threatened to result in a military confrontation. Indonesian jet fighters have flown over Papua New Guinea territory. A refugee problem, stimulated by the tense situation, has complicated border relations between Papua New Guinea and Indonesia. These difficulties have especially harmed the peaceful economic development of Papua New Guinea, one of the Pacific's most impressive developing nations.

Considering the need to promote peace and economic development in the Pacific, as we have done in the Caribbean, it is imperative that the President encourage Papua New Guinea and Indonesia to resolve all their differences and to request the Association of South East Asian Nations [ASEAN] to make similar encouragements. Once this is accomplished, we can credit ourselves, as a Pacific nation, for promoting the peaceful economic development of a significant area of the Pacific Third World and the Southwest Pacific. It is, indeed, an overdue task.●

INTRODUCTION OF THE INDIAN GAMING CONTROL ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. UDALL. Mr. Speaker, today I am introducing on behalf of myself, Mr. MCCAIN, Mr. RICHARDSON, and Mr. BATES a bill to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands subject to the jurisdiction of Indian tribes.

Although I sponsored a similar bill in the 98th Congress, there were at that time a number of unresolved issues which came to light during the hearings on the bill. I felt these issues deserved more study before such legislation could be enacted into law. Since then, the committee has had more time to study these issues and reintroduction of the legislation is now timely.

This bill has some technical and other differences from last year's version but, in essence, it has the same purpose and intent and is substantially the same as last year's bill. The purpose of the bill is to impose Federal standards on gaming within Indian reservations and Indian lands so that the tribes will continue to be able to conduct, operate and generate needed revenues from these gaming operations free of the harmful influence of criminal or other undesirable elements.

I want to emphasize that this bill does not grant the tribes rights that they do not already have. Neither is it a bill to get the Federal Government in the business of running gaming operations on Indian reservations. Rather, it is a bill which recognizes that, in these budget-cutting years, Indian tribal governments have a right, if not a duty, to generate revenues on their reservations and that raising such revenues from gaming operations is legitimate when such activities are not illegal under Federal law or prohibited by a State as a matter of criminal law.

On the other hand, there have been reports and allegations of potential involvements of criminal or undesirable elements in connection with some of the gaming operations. It is in order to protect the tribes from such harmful influence that the bill imposes some Federal standards and regulations on these gaming operations.

I am aware that some of my colleagues are contemplating introducing legislation similar to the bill I am introducing today. Because I believe that other legislative proposals would contribute to a better debate of the issues relating to gaming on Indian lands, I would welcome and encourage others to introduce their proposed solutions.●

MARJORIE P. HART SERVES 40 YEARS ON DISTRICT 64 SCHOOL BOARD

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. PORTER. Mr. Speaker, I would like to draw my colleagues attention to a very special and talented person and long-time educator, Marjorie P. Hart of North Chicago, IL. Marjorie P. Hart was first elected to the North Chicago Elementary School District 64 Board of Education on April 24, 1945. She has served 40 continuous years on the board. Her current term expires in November 1985.

She has won reelection to the board every 3 years since then, giving her the distinction of having the longest continuous service on the same board of education in the State of Illinois.

She was elected secretary of the district 64 board of education on two occasions, serving from April 16, 1949 to April 19, 1968 and from April 14, 1980 to November 4, 1981. She was elected president of the board from April 19, 1971 to April 14, 1980.

During her 40 years on the board she has served the students and citizens of the school district with distinction and dedication. She has been active in local, State and national school board associations. In recognition of her service, Marjorie P. Hart received a "Special Appreciation Award" in 1982 from the Illinois Association of School Boards for her many years of outstanding service as a school board member. In addition, in 1982, she received special recognition from the Illinois General Assembly for meritorious service on the District 64 Board of Education.

On the 17th day of October, 1983, the district 64 board of education, in grateful appreciation and with a deep sense of pride, changed the name of Central School to the Marjorie P. Hart School.

On April 25, 1985, she will be honored at a reception at the school named in her honor. Mr. Speaker, I am extremely proud to represent Marjorie P. Hart in the Congress. She is an inspiration and example to us all.●

ENDING THE UNFAIRNESS OF THE SOCIAL SECURITY NOTCH

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FEIGHAN. Mr. Speaker, today the new bill to end the unfairness of the Social Security notch, H.R. 1917, was introduced. I am proud to be 1 of the 56 original cosponsors of this important measure.

Over the last several years, a number of different bills designed to remedy the problem of the notch have been introduced in Congress. Unfortunately, the sheer fact that so many bills aimed at solving the same problem existed hindered the chance that any one of them would be passed. Now, virtually all the supporters of past notch bills have joined forces behind H.R. 1917. The breadth and unity of the support for H.R. 1917 among my colleagues makes me more hopeful than ever that Congress will finally take action to alleviate the injustice of the Social Security notch.

Like its predecessors, H.R. 1917 would take care of the notch by extending the transition period and making benefit calculations more generous for citizens born after 1916. The bill should return a sense of fairness to the Social Security system by providing an equitable solution to the overindexing problem that marred the 1972 benefit formula.

I urge the members of the Social Security Subcommittee to act speedily to bring this bill before the full House for consideration and a vote. We owe it to all the notch year seniors—and to our own sense of fairness—to pass this legislation which will assure that all Social Security beneficiaries receive the benefits they have earned and deserve.●

RECOGNITION OF JAMES DON KEPHART

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. KOLTER. Mr. Speaker, I rise today in recognition of James Don Kephart. On August 16, 1984, Mr. Kephart made the ultimate sacrifice when he saved his little niece, Tina, from drowning. Eight-year-old Tina was wading in French Creek in Meadville, PA, when she lost her footing and drifted into deep water. Thinking only of Tina, Mr. Kephart jumped into the water and pushed her toward the bank of the creek.

Unfortunately, this episode did not have a totally happy ending. Mr. Kephart, just 22 years old, submerged and drowned after pushing Tina toward safety.

Mr. Kephart's heroism was recognized on December 6, 1984, when he was posthumously awarded a medal by the Carnegie Hero Fund Commission. In 1904, Andrew Carnegie established the fund with $5 million "to recognize outstanding acts of selfless heroism performed in the United States and Canada."

Mr. Kephart fully deserved the honor bestowed upon him. His selflessly courageous act, performed at such a tragically young age, should inspire us all to realize that concern for the well-being of others is the most valuable thing that any of us can give.

Mr. Speaker, I am offering the condolences of this body to James Don Kephart's wife, Jo Ann Kephart. May she find comfort in the knowledge that her husband's act of heroism was an act of love, and because of his selflessness, Tina is with us today.●

TRIBUTE TO GARY STYMILOSKI—POLICE HERO

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. BIAGGI. Mr. Speaker, as a 23-year police veteran, I feel a very deep and personal sense of loss each and every time a brave police officer is forced to make the supreme sacrifice while protecting his fellow man. That feeling of loss is with me today, and it was with me on February 28 when I joined more than 5,000 others in attending the funeral of Westchester County (NY) Police Officer Gary Stymiloski, a Yonkers (NY) resident and my constituent, who was shot and killed in cold blooded fashion during a routine traffic stop.

Like so many who have worn the uniform before him, Officer Stymiloski's death cannot be explained. There was no provocation. In fact, it now appears that his accused murderer, Alex J. Mengel, would have been given nothing more than a summons for his traffic violation and had his car impounded—since he did not own the car and he had no license. Yet, instead of accepting this fate, Mengel allegedly pumped a bullet into Officer Stymiloski's head and then tried to escape justice.

As usually happens in police slayings, Mengel was captured within a week of his crime. The evidence against Mengel appears overwhelming. Consider, for example, that he was arrested in the possession of Officer Stymiloski's service revolver. In all likelihood, he will serve time in prison for this terrible crime he has committed. But, it is also likely that someday he will be back out on the street again—a free man. You see, Mr. Speaker, New York has no death penalty, not even for the coldblooded murder of a police officer.

But what about Officer Stymiloski. He will get no second chance. His life is over, and for what? For some two-bit thug, who thought nothing of firing a bullet into a police officer's head.

So many people will be unaffected by Officer Stymiloski's death, viewing it as simply another senseless tragedy. His death should, but probably will not, be enough to revive the death penalty in New York. In fact, there are some who might even support parole at some later date for Officer Stymiloski's killer, provided, of course, he is a good prisoner. But, is that fair? Is that really justice?

I, like so many others, have long contended that murderers of police officers deserve the death penalty and I have introduced legislation to that effect. It is just punishment and it would also serve as a deterrent to others. The State of New York has stalled long enough in reimposing the death penalty. We must not allow coldblooded killers like Alex Mengel to act with impunity. It is a travesty of the highest order when a police killer can someday walk the streets again, a free man.

What about those who are affected by Officer Stymiloski's death—his fiance who was planning a November wedding; his parents and sister with whom he lived; or what about his two brothers, who are also police officers and are expected to continue enforcing the same laws that may someday allow their brother's killer to go free? These are the people, along with many other friends, relatives, and comrades who will remember that Gary Stymiloski was a good cop and a good man. These are the people who will be haunted by his death for the rest of their lives.

We are a society that has come to expect police deaths, and all too often, expectance breeds acceptance. But, what we must remember is that police deaths are more than mere numbers. Certainly, the numbers should not be overlooked. Consider, for instance, that some 1,600 law enforcement officers were killed in the line of duty during the last 10 years, with 142 of those deaths occurring in 1984. Yet, these numbers, while significant, also tend to depersonalize a police officer's death and that must not be allowed to happen. In fact, due to the tragic consequences that almost always surround a police officer's death, the personal impact of those deaths is devastating.

The death of 27-year-old Gary Stymiloski, a 1984 "Police Officer of the Year" in Westchester County, proves that no matter the level of courage or ability of the law enforcement officer,

his or her life is on the line every time they put on their uniform. It is also a grim and jolting reminder—a reminder that we ask so much of our Nation's law enforcement officers, while giving them so little in return.

Mr. Speaker, we must give more to our law enforcement officers. We can begin by slamming shut our Nation's revolving door criminal justice system; by supplying our police officers with the best weaponry and protective equipment possible; and by keeping that same equipment away from the criminals.

At this time, Mr. Speaker, I wish to insert a copy of the very moving sermon preached at Officer Stymiloski's funeral by the Reverend L. Lester McGonagle, pastor of the North Yonkers Community Church:

SERMON PREACHED BY PASTOR L. LESTER MCGONAGLE OF NORTH YONKERS COMMUNITY CHURCH, HASTINGS-ON-HUDSON, NY, AT THE FUNERAL FOR OFFICER GARY STYMILOSKI ON FEBRUARY 28, 1985

We are here today to affirm our faith in a God who cares and connects with us in this time of sorrow and hurt in the tragic death of Officer Gary Stymiloski. We affirm our faith in life, in death, in life beyond death, God is with us. It is sometimes difficult and demanding to affirm this faith—especially when a young police officer is killed in the line of duty. Dag Hammarsjold once noted: "To be free, to be able to stand up and leave everything behind—without looking back, to say 'yes'."

But we do look back, especially at a time like this. There are so many memories and shared experiences that linked Gary Stymiloski on his journey; his life has been shortened by a violent act committed by some one who, in one moment, changed a destiny. His family—his mother and father, his two brothers, a sister and fiance look back with memories—a mixture of shock, sorrow and hurt. We are here to celebrate Gary's shortened journey in this life—a life that touched so many, his family, his friends and his colleagues in the Westchester County Police. We begin by remembering the words from Psalm 90:

"I lift up my eyes to the hills from whence does my help come. My help comes from the Lord who made heavens and earth."

We are strengthened to by the words of St. Paul in the letter to Romans 8:

"If God is for us, who is against us. Who shall separate us from the love of Christ?

"For I am sure that neither death nor life . . . nor things present, nor things to come, nor height, nor depth nor anything in all creation will be able to separate us from the love of God in Christ Jesus our Lord."

We come here first to affirm that in tragedy, suffering and even death we find comfort in a God who is with us—a God who cares. We know too well the reality of violent death in our contemporary world yet we forget so quickly that God is with us in all events. When human words fail, we find comfort in knowing God's presence that brings peace and power in times of a tragic loss such as Gary's death. In our grief, we confess our loss of Gary; in our bitterness and anger, we anguish over the never ending violence in our society. We are moved by the presence of so many police officers. Any one of the police officers in and outside this church could have been Gary Stymiloski. That's why they're here, to show their oneness at the precariousness of their vocation. We come with tears and a sense of loss; we come here to give our support as men and women to a family and friends who have lost some one dear to them. We come knowing that our presence and comfort express our love and God's love that we are not alone in death.

We come to remember the life of Gary Stymiloski. He was born in Yonkers on May 22, 1957 and grew up in this city—graduating from Gorton High School. He studied at Dale Carnegie Institute and attended Westchester Community College. He joined his brothers, Edward and Paul as police officers beginning at Sloatsburg and then the Westchester Department of Public Safety—the Parkway Police. He was ambitious and was a serious police officer—studying for the sargeant's examination. Working as a narcotics undercover agent and then as a parkway police officer, Gary received the Cop of the Year Award from the Westchester Pulaski Association. What we learn from looking at his life is that Gary was an able and good police officer. He had goals and planned to be married in November to Karen Parks. He was part of a loving, supporting family, parents who loved him, brothers and a sister who grew up and supported one another in times of joy, pain and in times of celebration and struggle and now in death. We pray that the killer is found and that justice is done. For the tragic death of Gary Stymiloski reminds us all of the reality of our fragile life. For even as we mourn Gary in his tragic death, we affirm God's presence more than ever.

For in our sorrow, we are met by a God who has promised us new life. We believe that our God is for us. And we affirm the presence of one named Jesus who has gone before us and now meets us in this time of testing, sorrow and loss. We can become bitter and angry—hitting our fists against a wall. But we know that our fists will become injured and bloody—a sign of our frustration and bitterness. We must move on. As Christians we are placed in the hands of one whose love and power enable us to move on; we believe that death has been conquered by the death and resurrection of our Lord, Jesus Christ. I know the feeling of emptiness and loss at the time of death; my wife and I lost our only son—several years ago in a motorcycle accident. What do you say to a family and friends who have lost some one so senselessly and tragically? Very little. You simply embrace them as God in Christ embraces us with the hope that we know that in life, in death and in life beyond death, God is with us. "God will bring them with Him." Can we affirm here in our abyss, our loss and sorrow that God will bring Gary with Him?

To believe this is to have hope when all else fails . . . when human systems fall down and the realities of pain, violence, sudden death dominate. Life is fragile. In St. Paul's letter to the Corinthians, we read the words: "Let us be on the edge of expectancy, working, serving, loving, keeping the faith, and demonstrating that faith to the world of men women about us."

As for now to the Stymiloski family and to the close friends of Gary: We need to hold on to one another in our love and dedicate ourselves in loving service to God and humanity.

May God search our hearts and give us not only comfort and strength but also this new life—that in pain, we may find comfort; that in sorrow, we experience hope; that in death, resurrection.

God speak to the family and friends of Gary Stymiloski—to his fellow police officers and give them strength and courage to move on; hope that reminds them that they are not alone but in your hands and love; faith that reminds that nothing even death can shake them from life that is rooted in our Jesus's resurrection and power. For as we sing Gary's favorite hymn "Amazing Grace" we know anew this power:

Through many dangers, toils and snares
I have already come
'Tis grace hath brought me safe thus far
And grace will lead me home.

May this grace lead us as it has led Gary to a new hope and power. May we find this peace as we commit the spirit of this young brave man—Officer Gary Stymiloski to the Lord of life and death.●

TRIBUTE TO ANDREW BEAVERS

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. ROBINSON. Mr. Speaker, in June of this year, my constituent Mr. Andrew Beavers will retire after a lifetime of service to his community. Mr. Beavers has been involved in the education of Pulaski County students for 34 years, and during that time has touched literally thousands of children's lives.

He began his career as a teacher in Arkadelphia, AR, in 1949 and came to Pulaski County in 1951 when he accepted a position at Jones High School. Mr. Beavers was the athletic coach and athletic director at Jones High School and later became assistant principal there. In 1970, Mr. Beavers moved to Rose City Junior High School, my alma mater. From 1971 to 1985, Mr. Beavers served as assistant principal at Northeast High School.

Gov. Bill Clinton has named April 20, 1985, "Andrew Beavers Day." Never was a man more worthy to have bestowed upon him this honor. I can only wonder if all the honors in the world will ever repay Andrew Beavers for what he has done for our children. Andrew Beavers is a man who has had a tremendous influence on the young people of my district. He has helped make them better students, and better citizens, and better people. His students know that they were lucky to have had such a fine person as their coach and principal.

I am recognizing his efforts today because he is retiring soon, and his friends in Pulaski County will honor him for his many years of service to their community. A scholarship fund is being set up in his name. It is an appropriate gesture due to his never-ending commitment to excellence in education. It is our hope that this scholarship fund will perpetuate Andrew Beavers' good name, his integrity, and his thirst for knowledge.●

LEGISLATION INTRODUCED TO AID RURAL LETTER CARRIERS

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. FLIPPO. Mr. Speaker, I am pleased to introduce today on behalf of myself, Mr. JENKINS of Georgia, and several other members of the Ways and Means Committee, a bill to provide the rural letter carriers relief from the unfair application of the Federal tax law by the Internal Revenue Service.

There are 38,925 U.S. Postal Service rural mail routes. Rural letter carriers serve these routes as employees of the U.S. Postal Service. These rural carriers differ from their urban counterparts in that they use their own vehicles to deliver the U.S. mail daily to 15 million rural American families. The average rural route is 62 miles in length and has 440 mailbox stops. The routes range in length from the 2.25-mile route in Wapplingers Falls, NY, to the longest route of 167.15 miles in Georgewest, TX.

The frequency of stops and rural road conditions greatly affects the high cost of operating and maintaining a rural mail vehicle, which is the sole responsibility of the rural letter carrier.

No two rural mail routes are identical, however salaries range from $5,000 to $30,000. The beginning salary for a 40-hour-week is $16,710. The average rural carrier after 12 years service reaches the top of the grade, and the national average route evaluates at a 40-hour-week for which he receives $24,889.

The U.S.P.S. reimburses rural letter carriers for using and maintaining their own vehicles 31.5 cents per mile. Last year, U.S.P.S. paid $247 million equipment maintenance reimbursement on 38,925 rural mail routes. This averages $6,356 per route. Note this is not per carrier, since all carriers have a relief or substitute, who work the sixth day and/or vacation/sick days.

From 1956 until 1984, the IRS allowed rural letter carriers to use a weighted factor when computing business vehicle usage on their tax return. The factor was an allowance for rural mail delivery. It was 1.2 to 2.0 depending upon roads and conditions. In 1984, IRS informed the National Rural Letter Carriers' Association their previous understanding with the Service was inoperative and revoked. Nevertheless, the Service is auditing every rural letter carrier in the United States for years 1983 and before and assessing them for back taxes with interest. They now maintain the 1956 agreement was not applicable between 1962 and 1983.

The bill we are introducing here today would alleviate the problems the rural carriers are experiencing with the unfair audits now being imposed by the IRS. This bill would allow the carriers to use the 1956 formula in calculating depreciation and actual expenses for the 1982, 1983, and 1984 tax years.

The remaining carriers would be provided deductions for expenses equivalent to the equipment maintenance allowance. This provision would resolve the problem the carriers are experiencing in the audits now being conducted by the IRS.

The bill would also settle the differences between the IRS and the rural letter carriers over tax treatment of the equipment and maintenance allowance. Under this bill the carriers who elect to deduct depreciation and actual expenses would be allowed to do so without reference to section 280F(b) of the Internal Revenue Code. The remaining carriers would be provided an allowable mileage allowance calculated by the IRS for all business miles traveled.●

HYGIENISTS DESERVE RECOGNITION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. PORTER. Mr. Speaker, on March 28 I introduced legislation which would establish September 15-21, 1985, as "National Dental Hygiene Week." I was joined in this by Congresswoman BARBARA MIKULSKI of Maryland.

This would be the first occasion for national recognition for a profession that was founded some 70 years ago. Dental hygienists, who now number 44,000 in the United States, are dedicated to the prevention of dental disease and have had a tremendous impact on the improvement of the public's dental health. They are professionals in every sense of the word—by education and board certification and by their total dedication to the betterment of dental care. In the last decade and a half, the dental community has witnessed a decline in the number of children who have had caries in their permanent teeth from 71 percent in 1971-73 to 49 percent in 1979-80. By 1990, this statistic is projected to drop to 40 percent.

There is much credit to pass around and this resolution recognizes one segment of the dental community that has played an outstanding role in that success. Dental hygienists share great pride in this accomplishment, yet are looking ahead to other targets that require our attention. Recently, for example, through their national organization—the American Dental Hygienists' Association—hygienists have initiated an outreach program on geriatric dental care in conjunction with the National Council on Aging. And, this week will be more than just recognition for a profession. It will help focus national attention on the importance of dental disease prevention and the role that individual personal care can play in its elimination.

I am pleased to have this opportunity to support dental hygiene professionals throughout our country and encourage my colleague's attention to this legislative symbol of our admiration and gratitude.●

A TRIBUTE TO COACH JOE B. HALL

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. MAZZOLI. Mr. Speaker, I take this opportunity today to honor Coach Joe B. Hall of the University of Kentucky, who has retired as coach of the Wildcat basketball team following a long and highly successful career.

His contributions to the youth of Kentucky and of America make him—as it made his predecessor at University of Kentucky, Adolph Rupp—a legend in his own time.

Coach Hall served as coach at University of Kentucky for 13 years. Joe B. leaves behind him a remarkable legacy of victory with a record of 297 wins and only 100 losses. The Wildcats were NCAA Champs in 1978, made two other appearances in the final four, and also won a National Invitational Tournament title in 1976.

But even though willing to work and sacrifice for success on the court, Coach Hall never forgot the importance of developing the individual along with the player. To Coach Hall basketball was a means for a young man to gain personal as well as emotional maturity, through sportsmanship, team play, and discipline. And, always basketball was a complement to academic achievement in the classroom.

I extend thanks to Coach Hall for giving us such great basketball over the years, and I wish him the best of health and good fortune in the future.●

TRIBUTE TO HANS "PETE" HANSEN

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. ORTIZ. Mr. Speaker, on Friday evening, April 26, a very dedicated and respected constituent of mine will be honored at a social, hosted by the regional director for Naval Investigative Service, Special Agent Usrey, to be held at the Naval Amphibious Base, Little Creek, VA.

Mr. Speaker, Special Agent Hans "Pete" Hansen, Naval Investigative Service, is retiring from nearly 29 years of consecutive Federal service on April 30, 1985.

Born in Manly, IA, on July 30, 1934, Pete matriculated at Notre Dame University and after graduation, served honorably as a U.S. naval officer until 1958. He then joined the Office of Naval Intelligence as a contract agent in Chicago. Pete's later assignments included tours in St. Louis, MO, and as special agent-in-charge at San Diego, CA, Kanehoe Bay, Hawaii, and Corpus Christi, TX.

His final assignment, as Assistant Regional Director for Operations, Naval Investigative Service Regional Office, Norfolk, VA, rounded out a most distinguished career.

Pete Hansen has established a norm of excellence and perfection that is beyond comprehension. Professional, demanding, deeply loyal, and meticulous in every task, Special Agent Hansen is simply a tower of strength and the epitome of a Naval Investigative Service special agent.

Mr. Speaker, Pete and his wife, Janice, will be returning to their home at 6409 Suwanee Circle, Corpus Christi, TX. On behalf of my colleagues in the House, I say, "Bon voyage Pete, welcome home to Corpus Christi, and may you have fair winds and following seas."●

SENIOR CITIZENS UNDER SEIGE DUE TO CUTS IN SOCIAL SERVICES

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. DASCHLE. Mr. Speaker, I rise today to call to the attention of my colleagues the distressing impact that the administration's budget will have upon yet another segment of our rural society, senior citizens and the handicapped.

In an area of my home State, the Beadle County Transportation System has been providing a wide range of services which are essential to the health and survival of many elderly and disabled county residents. These services include grocery shopping assistance, daily home check-ins, nutritional programs, and a bus service to provide transportation and access to vital medical checkups and health care appointments. In 1984 nearly 60,000 rides were provided to over 1,200 residents.

Without Federal dollars through section 18 under UMTA and title III funding from the Older Americans Act, these much-needed services will no longer be available. Elderly and disabled citizens will be forced to search for other means to carry on, which will be more costly and less accessible; or, as in most cases, they will simply have to do without the assistance they require.

The senior citizens of Beadle County realize the difficult financial situation our Nation is in today. They remember, they lived through the difficult financial situation of days past, the days of the Depression. They understand, and like their fellow Americans, they are willing to make some adjustments, to do their part to get America back on a strong economic track. They want to do their part. What they don't want is to be offered as the sacrificial lamb at the budgetary alter.

Why, after all, should one group of truly needy Americans be forced to suffer the burden of our outrageous budget deficit in order to support major corporations who don't pay adequate taxes or to fund the Pentagon, which fritters away millions each year in $700 wrenches and $600 toilet seats?

I am here today to implore my fellow Members of the House to consider long and hard the devastating effect that the administration's budget proposal would have on communities in their own districts, to consider the hundreds of thousands of senior citizens and handicapped people across this country who would be forced into an unacceptable existence, and to act positively to rectify this avoidable and undesirable situation.●

WASTE AND ABUSE IN DEFENSE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mrs. BOXER. Mr. Speaker, in February of last year, the International Association of Machinists and Aerospace Workers published a story in their trade magazine, the Machinist (p. 2, vol. XXXIX), about the billions of dollars of taxpayer's money wasted each year in defense procurement. They raised a number of excellent examples of how this ripoff occurs. I would like to share these examples with my distinguished colleagues in order to emphasize the need to monitor defense waste continually.

If critics of procurement abuse are reluctant to single out one single cause of the abuses, most agree that the revolving door concept of doing Pentagon business is high on the list of those causes.

Revolving door is the Government practice whereby federal officials, both civilian and military—particularly those in charge of procurement decisions—leave their government jobs and rush through the revolving door into high paid jobs with the very companies whose contracts they awarded, inspected or monitored.

Dr. Thomas Amlie, a retired Navy engineer who helped develop the Sidewinder missile says, "military officers in charge of procurement are vulnerable when a nice man from a defense contractor comes around and offers him a good job at $50,000–75,000 per year. If he stands up and makes a fuss about high cost and poor quality, no nice "man" will come to see him when he retires.

Recently, Ford Aerospace had funding for the Division Air Defense Gun (Sgt. York) after already having received over $4 billion, because of their performance deficiencies. It was revealed that Ford had hired 8 former Army officers some of whom had direct connections to the development and testing of DIVAD and the choice of contractor.

General Electric last fall hired James Nelson to become manager of quality control at his Evansdale, Ohio plant. Nelson had retired in June, 1984 as systems program officer at Wright-Patterson AFB in Dayton, Ohio. Nelson is credited with playing a key role in getting a large share for G.E. when G.E. was battling Pratt and Whitney for over who would produce engines for the Air Force.●

TRIBUTE TO GIL HODGES

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to recognize the historic tribute planned by the Parents Association of Public School 193 to Gil Hodges, an outstanding baseball player for both the Brooklyn Dodgers and the New York Mets, and a great humanitarian. To honor Hodges, a long-time resident of district 22, the Parents Association will rename Public School 193 the "Gil Hodges School" on April 3, 1985.

I believe that those who attend Public School 193 will be proud to have their school named after such a distinguished individual. Gil Hodges accomplished much in his lifetime, despite the fact that part of it was spent battling heart disease. In this fight, he was an inspiration to others faced with the same disease. He also contributed much time and effort to promoting wholesome recreation and social opportunities for the youth of the city of New York. Gil Hodges had a long baseball career, but his really outstanding accomplishment was the leadership he

provided and the unselfish examples he set. Gil Hodges was a hero not only for our children but for the entire Brooklyn community. He was, in the words of the famed sportswriter, Dick Young, "Somebody our kids can look up to."

I am proud that the Parents Association of Public School 193 has chosen to honor Gil Hodges in such a distinctive fashion. Gil Hodges was indeed the modern-day hero—an outstanding athlete with a concern for good sportsmanship—who exemplified community spirit. Gil Hodges loved his community, and district 22 takes great pride in paying such a lasting honor to a fine individual.●

PRIME MINISTER TURGUT OZAL

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mrs. HOLT. Mr. Speaker, I hope the House will join me in welcoming Prime Minister Turgut Ozal, of the Republic of Turkey, to our country.

The Prime Minister leads a government which has made great strides in revitalizing the economy of Turkey, and it is fitting that we congratulate him and encourage his efforts to improve the quality of life for his people.

I should also say that Turkey is a vital NATO ally on the southern flank of Europe. Having a long border with the Soviet Union and Bulgaria, she has been a steadfast and courageous ally of the Free World.

Turkey has been successful in cracking down on internal terrorism, but 42 Turkish diplomats in various parts of the world have been assassinated since 1973.

In a recent interview in U.S. News & World Report, Prime Minister Ozal said that—

"Sooner or later the terrorist snake will bite every country if we do not work together to stop it.

Mr. Speaker, I hope the House will join me in greeting our brave and loyal ally with respect.●

INTRODUCTION OF LEGISLATION TO ESTABLISH A NATIONAL LOTTERY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. CONTE. Mr. Speaker, I am introducing legislation today to establish a national lottery. The lottery will have two principal purposes: to assist in the financing of the Medicare Program, and to assist in reducing the deficit.

Mr. Speaker, the Washington Post reported last Thursday—and yesterday's Social Security trustees' report confirmed the Post article—that Medicare was not in as precarious financial position as originally projected. Just last year, the Ways and Means Committee's Medicare Conference projected that Medicare would have a $93.4 billion deficit by 1992. Now we hear that Medicare will have a surplus in that year. It is difficult to know which is correct.

The trustees' report indicated that the primary reason for the Medicare surplus into the next century was primarily due to lower health care costs, shorter hospital stays, the freeze on physician reimbursement under part B, and the prospective payment system enacted by Congress in 1983. It is quite probable, however, that Congress will consider some Medicare changes this year as part of the deficit reduction effort and to assist in additional Medicare financing.

With respect to the budget deficit, Mr. Speaker, we all know the problem we face. The budget deficit for fiscal year 1986 is expected to exceed $200 billion. Just the interest on the national debt is greater than the entire budget of most nations on Earth. Clearly, Congress must develop a method to reduce that deficit.

It is a time for hard choices. With respect to Medicare, we have three options: We can further reform the administration of the system, which we did in 1983 for hospitals and 1984 for physicians. The other two options are to increase taxes on currently working Americans or to reduce benefits—and increase costs—for our senior citizens. With respect to reducing the deficit, our choices are again clear: Enact difficult spending cuts, or increase taxes. None of these proposals, for obvious reasons, appeal to many Members of Congress.

Today, I am proposing an innovative new solution to these immediate problems, one which will insure that Medicare will remain available to face increasing costs in the coming years as well as directly aid in the reduction of the deficit. Although this proposal will not eliminate the need for difficult choices, it will make our job somewhat easier.

My bill establishes a national lottery, with 50 percent of the revenues generated going to assist in financing the Medicare Program. The remaining 50 percent will go to reducing the deficit. Estimates I have seen indicate that a national lottery could raise at least $25 billion per year, with a possibility of raising as much as $50 billion. Under my bill, one-half—after prizes and administration—of any revenues generated would go directly to the Medicare fund. The other half would go to reduce the deficit and could be used for other purposes.

Although there have been many arguments against a lottery, many of these arguments are not backed up by facts. First, many argue that the poor play lottery games disproportionately to their representation in the population. This simply is not true. Studies have shown that the average lottery player is in the middle class, and earns an average of $25,000 per year.

Second, many argue that a lottery will use money as time goes by, once the initial novelty wears off. However, with respect to State lotteries, revenues were up 77 percent last year. In fact, in my own State of Massachusetts, revenues nearly doubled to over $800 million in 1984.

Third, many States believe that their State lottery revenues would decline if a national lottery were enacted. It is possible, however, that a national lottery would tap a new market due to the vast resources and potential big money a Federal lottery would generate. Along these lines, the Federal Government will, under my bill, consider all possible efforts to work closely with States that already have lotteries in order to facilitate the operation of a national lottery. In addition, possibilities will be explored to give States incentives in assisting with the implementation of this lottery.

Specifically, my bill calls for the creation of a commission to establish, operate, and administer a national lottery. The Commission will be composed of five members: The Secretary of the Treasury, the Secretary of Health and Human Services, and three private individuals appointed by the President after consultation with the Speaker of the House and the President pro tempore of the Senate.

No more than three members of the Commission may be members of the same political party. The presidentially appointed members must not be elected or appointed officers or employees of the Federal Government. Along with the characteristics of integrity, impartiality, and good judgment, they must be, or have been, directors of a State lottery, or have expertise in the operation of a lottery. The Commission will elect a chairman at their first meeting, and all decisions of the Commission will be made by a majority vote.

The Commission will report to the President, and the Congress not later than June 30 of each year, beginning in 1986. Each report will have to contain a detailed statement about revenues generated, costs of administering the lottery, amounts transferred under the statute to the Medicare fund and the funds to be used to reduce the deficit, together with recommendations for any legislation or other action which the Commission may consider appropriate.

Lottery tickets will be sold by post offices and by other places which apply and are accepted by the Commission. In addition, prizes and administrative costs cannot exceed 45 percent of the revenues received from the lottery in that fiscal year. All prizes paid under the program are taxable income, and the revenues from the tax will be directly transferred to the Medicare fund and directly toward the reduction of the deficit. Finally, there are provisions in the bill providing criminal penalties for such acts as forging or stealing tickets.

Mr. Speaker, there is nothing new about lotteries. The first American colonies ran them, and Thomas Jefferson noted that the main benefit of a lottery is "that it is a tax laid only on the willing." A lottery will help the people who deserve it the most. Mr. Speaker, we need megabucks, not megadebts.●

ASSESSMENT OF THE DESIGNER DRUG PROBLEM

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RANGEL. Mr. Speaker, today I am introducing legislation which would require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation. This bill is identical to S. 746 introduced on March 26, 1985, by Senator LAWTON CHILES, Democrat from Florida. The National Narcotics Act of 1984, was part of the Comprehensive Crime Control Act of 1984, chapter XIII, title II, Public Law 98-473, enacted last year. The National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, chaired by the Attorney General, to coordinate and develop U.S. Government policy with respect to illegal drug law enforcement.

A designer drug refers to the phenomenon of chemists modifying controlled substances to produce analogs, or chemical cousins of controlled substances, which are not covered by the Controlled Substances Act. By adding a flouride or an extra carbon molecule, a new drug is created which will produce the high or euphoria, the user seeks, but is not illegal. The primary concern regarding designer drugs is that they can be developed and produced faster than they can be identified and controlled. Even with the emergency scheduling provisions of the Controlled Substances Act, clandestine labs can always stay beyond the reach of the law with a slightly different compound that is not yet on the schedule of controlled substances. Thus, the Drug Enforcement Administration could end up adding thousands of new entries to the list of controlled substances with little impact on the availability of designer drugs. Of course, I am also concerned with the possibility of a user suffering an overdose when he uses a designer drug. Designer drugs can also cause severe neurological impairment.

Mr. Speaker, I ask that the more detailed statement of Senator CHILES when he introduced S. 746 be included in the RECORD at this point for the benefit of my colleagues and the public.

Senator CHILES statement on S. 746 follows:

ASSESSMENT OF THE DESIGNER DRUG PROBLEM

Mr. CHILES. Mr. President, as one surveys the reality of drug abuse in this country and the constant flood of illegal narcotics that threatens the very fabric of our society, there doesn't seem to be room for any more bad news. Unfortunately, there is some new bad news; a developing problem that is left unaddressed and unresolved poses immense public health and law enforcement difficulties for the future. In the parlance of California, where this problem is emerging, they are called "designer drugs." One observer warns if they move to the rest of the country, designer drugs, "may well topple America's 70-year policy of drug control and spark a public health disaster of overdose deaths, poisonings, and addiction." And in all likelihood they will spread to the rest of the country.

What is a designer drug? Originally it was a drug synthetically created by chemists and designed to fit the tastes of individual clients. Now it refers to a broader phenomenon of chemists modifying controlled substances to produce analogs or chemical cousins of these substances which are not covered by the Controlled Substances Act. By adding a fluoride or an extra carbon molecule, a new drug is created which will produce the high or euphoria the user seeks but is not illegal. Eventually DEA may move to control this new substance but the enterprising chemist will probably already be marketing some new variations. The surveyor of designer drugs can stay ahead of the law indefinitely.

The United States is devoting considerable resources and manpower to the effort to contain the flow of heroin, cocaine and marijuana. In light of the damage these narcotics inflict on our society and the crime they spawn, I think we should be doing more. However, whatever success we achieve in destroying drug crops and interdicting drug shipments will be of little consequences of the opium fields of Asia and the coca fields of Colombia are replaced by clandestine laboratories in the United States.

At this point, designer drugs represent a small but growing factor in overall drug use. The chief of the California Division of Drug Programs projects that up to 20 percent of the State's heroin users are now taking some fentanyl analog to feed their habit. The more alarming facts are not the present statistics but the dangerous potential of these substances. These drugs can be made in small labs, with minimal materials and with readily available chemical formulas. A $500 investment in chemicals can produce a $2 million batch of synthetic heroin. In testimony before the President's Commission on Organized Crime it was estimated that a single chemist working an 8 hour day could, using the more potent fentanyl derivatives, supply the entire Nation's heroin demand on an on-going basis. Soon, if not already, organized crime will recognize that designer drugs represent an easy and immensely profitable means of supplying narcotics.

The disturbing nature of designer drugs is not simply that they are another source of illicit narcotics. Designer drugs pose additional and very troubling problems in terms of the public health consequences and our law enforcement response.

The more commonly used drugs—cocaine, marijuana and heroin—take a terrible toll on their users in health problems and even death. Designer drugs multiply these risks and open the door to long term neurodegenerative diseases, adding to an entirely new dimension to the drug abuse problems. At least with the more traditional drugs there is some understanding of what physically happens to the user. Each batch of synthetic heroin or some other analog represents a chemical game of Russian roulette for the user. The fentanyl analogs, sold as heroin, are hundreds and even thousands of times more potent than morphine. Infinitesimal amounts of the drug can cause profound reactions. Already they have resulted in the deaths of 90 persons.

Beyond the great risk of overdose is the risk of incurring severe neurological impairment. No one knows what is in each batch of designer drugs. They are not tested; there is no process to remove contaminants or unwanted compounds; and the potential is very real that a highly toxic compound will hit the streets. In California a substance known as MPTP was circulated as "new heroin." It has caused severe brain damage similar to end-stage Parkinson's disease. California health authorities estimate that as many as 500 users of this substance may develop the symptoms of Parkinson's disease. The human and medical economic costs of such an epidemic are almost incalculable. More recently, a designer drug user has been identified with the neurological symptoms of Huntington's chorea, a debilitating and eventually fatal disease.

All the signs indicate that designer drugs will be a major part of the drug abuse problem of the future. If that proves to be the case, the public health consequences of drug use may be entering an entirely new and frightening dimension.

Are we prepared to take action to stop this looming crisis? The answer is not encouraging. Synthetic narcotic analogs can be developed and produced faster than they can be identified and controlled. Even with the emergency scheduling provisions of the Controlled Substances Act, the clandestine labs can always stay beyond the reach of the law with a slightly different compound that is not yet on the schedule of controlled drugs. DEA could end up adding thousands and thousands of new entries to the list of illegal drugs with little impact on the availability of designer drugs.

DEA and other law enforcement agencies have experienced considerable problems in identifying synthetic narcotic analogs. They are very difficult to detect in drug samples or body fluids, as detection requires the most sensitive analytical techniques. Because of their extreme potency they are cut with large amounts of lactose or sucrose so the active drug present is very small, contributing nothing to the color, odor or taste of a sample. The fentanyl analogs are now

available throughout much of California and since they are potent, difficult to detect and often quite legal, they could well become the drug of choice for heroin addicts. An anonymous addict interviewed on NBC news maintained, "I think heroin will gradually phase out as more and more illegal labs start to make the designer narcotics. It's better. It's definitely better as far as the rush and the high is concerned."

The current procedure for controlling illicit drugs, even with the emergency scheduling provisions authorized by Congress in 1984, represents an essentially unworkable response in the face of any significant increase in the manufacture of designer drugs. The Federal Register will simply be required reading for the criminal chemists to keep up to date on what analog formulas are now illegal and need to be modified.

Mr. President, our experience with illegal drug law enforcement is usually a matter of too little, too late. The problem reaches new levels of crisis while we search for the resources and tools to combat it. The potential disaster posed by the designer drug phenomenon is too grave for us to delay in finding means to prevent the manufacture and distribution of these drugs. It is apparent that present statute and policy will not do the job.

The National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, chaired by the Attorney General, to coordinate and develop U.S. Government policy with respect to illegal drug law enforcement. I believe the Board must give priority attention to determining an effective strategy to control the spread of designer drugs. The Chairman is required to report to Congress on policy and planning for U.S. drug law enforcement. The initial report is due nine months after enactment. I am today introducing legislation requiring the Board to provide in that report to the Congress:

A comprehensive assessment of the current and potential contribution of synthetic narcotic analogs to the illegal narcotic problem in the United States;

Identification of illegal drug law enforcement strategies to prevent the manufacture and distribution of synthetic narcotic analogs;

Recommendations for necessary legislation.

I am also requesting the Office of Technology Assessment to initiate a workshop to examine the chemical, pharmacological, and regulatory questions involved in addressing the control of designer drugs so as to provide guidance to the Congress in the formulation of future legislation.

Mr. President, I believe the Congress must move expeditiously to address this problem but we must move with deliberation and an understanding of the difficult technical and pharmacological questions that need to be resolved in order to achieve an effective law enforcement policy. By requiring the National Drug Enforcement Policy Board to promptly address this issue and report to the Congress and by initiating an examination by the Office of Technology Assessment we will be laying the foundation for development of a responsible and workable policy.

I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 746

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the use of illegal narcotics is a major health, law enforcement, and economic problem for the United States;

(2) the Congress has determined that the control of illegal narcotics and the prevention of drug abuse are national priorities;

(3) the Congress has identified "designer drugs" as new chemical analogs or variations of existing controlled substances, or other new substances, which have a psychedelic, stimulant, or depressent effect and have a high potential for abuse;

(4) these synthetic narcotic analogs are linked to numerous fatalities and incidence of severe neurodegenerative disease;

(5) significant increases in the consumption of synthetic narcotic analogs would pose an imminent hazard to the public safety;

(6) the virtually unlimited modification potential of synthetic narcotic analogs undermines effective implementation of the Controlled Substances Act;

(7) the National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, designating the Attorney General as Chairman;

(8) the Board has among its responsibilities the development of United States policy with respect to illegal drug law enforcement; and

(9) the Chairman is required to report to the Congress on such policy by July of 1985.

(b) The purpose of this Act is to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

SEC. 3. The initial report of the National Drug Enforcement Policy Board as required by section 1305 of the National Narcotics Act of 1984 (Chapter XIII, title II, Public Law 98-473) shall include—

(1) a comprehensive assessment of the current and potential contribution of synthetic narcotic analogs to the illegal narcotics problem in the United States;

(2) proposals for illegal drug law enforcement strategies to prevent the manufacture and distribution of synthetic narcotic analogs; and

(3) recommendations to the Congress for necessary legislation to eliminate the manufacture and distribution of illegal synthetic narcotic analogs.

H.R.—

A bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the use of illegal narcotics is a major health, law enforcement, and economic problem for the United States;

(2) the Congress has determined that the control of illegal narcotics and drug abuse are national priorities;

(3) the Congress has identified "designer drugs" as new chemical analogs or variations of existing controlled substances, or other new substances, which have a psychedelic, stimulant, or depressant effect and have a high potential for abuse;

(4) that synthetic narcotic analogs are linked to numerous fatalities and incidence of severe neurodegenerative disease;

(5) significant increases in the consumption of synthetic narcotic analogs would pose an imminent hazard to the public safety;

(6) the virtually unlimited modification potential of synthetic narcotic analogs undermines effective implementation of the Controlled Substances Act;

(7) the National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, designating the Attorney General as Chairman;

(8) the Board has among its responsibilities the development of United States policy with respect to illegal drug law enforcement; and

(9) the Chairman is required to report to the Congress on such policy by July of 1985

(b) The purpose of this act is to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

SEC. 2. The initial report of the National Drug Enforcement Policy Board as required by section 1305 of the National Narcotics Act of 1984 (Chapter XIII, title II, Public Law 98-473) shall include—

(1) a comprehensive assessment of the current and potential contribution of synthetic narcotic analogs to the illegal narcotics problem in the United States;

(2) proposals for illegal drug law enforcement strategies to prevent the manufacture and distribution of synthetic narcotic analogs; and

(3) recommendations to the Congress for necessary legislation to eliminate the manufacture and distribution of illegal synthetic narcotic analogs.●

DISABLED AMERICAN VETERANS' NATIONAL COMMANDER PRESENTS $1 MILLION TOWARD STATUE OF LIBERTY—ELLIS ISLAND RENOVATIONS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GUARINI. Mr. Speaker, I rise to inform you, my colleagues here in the Congress, and indeed all persons throughout our Nation, of a dramatic event which will be held next week.

On April 11, 1985, at 11:30 a.m., a most important ceremony will be held on the mall at the Statue of Liberty.

On this occasion the National Commander of the Disabled American Veterans, Mr. Chad Colley, will present a check for $1 million toward the estimated $2.7 million required for accessibility features at Liberty and Ellis Islands.

The DAV gift is to be used exclusively to provide full accessibility in both architectural construction and in program and service delivery for disabled persons, including the visual and hearing impaired, at the Statue of Liberty.

The Disabled American Veterans is an outstanding veterans' organization tending to the needs of those who have fought and bled and have become disabled during America's military and naval involvements.

Commander Colley is scheduled to make the presentation on April 11, and invited Lee A. Iacocca, chairman of the Statue of Liberty-Ellis Island Centennial Commission, to attend.

On March 25, 1985, Mr. Iacocca wrote me the following letter:

DEAR FRANK: I am delighted that the Disabled American Veterans will make a contribution of $1,000,000 to the Statue of Liberty-Ellis Island Foundation on April 11th. I regret that I will be unable to attend, but William May, Foundation President, will accept in my behalf.

Please extend my sincere appreciation to Commander Colley and all the Disabled Veterans for this generous contribution to our national symbol. We are all very proud of them and honored that they've chosen to help our national symbol.

Sincerely,

LEE A. IACOCCA.

In addition to this magnanimous gift by the Disabled American Veterans, the facts surrounding this large donation should be made public.

The following is a report of Richard Bernard, who served as chairman of the State of New Jersey "International Year of Disabled Persons" committee:

In 1981 while serving as the executive director of the Governor's Committee to employ the handicapped and coordinator of the International Year of Disabled Persons in New Jersey, we had the privilege of working on the Continental Quest.

The Continental Quest was a project of the national council of the International Year of Disabled Persons. Two disabled athletes, paraplegics, set out to cross the country in wheel chairs from Los Angeles to New York. When they reached New York City we spent five days with them crossing the State. They were Philip Carpenter and George Murray, of Florida.

This was done at night with a State Police escort because of the heavy traffic, especially in Northern New Jersey. Many of the mayors opened their town halls at 2:00 a.m. or 3:00 a.m. to greet them as they passed through the towns.

On August 24, 1981 as they were approaching the Lincoln Tunnel at 4:00 a.m. in Jersey City, Congressman Frank J. Guarini (D 14th New Jersey) greeted them in a parking lot at a hamburger stand. As we were sitting on a curb discussing their trip, the congressman asked them what they would like to do while they were in the New Jersey-New York area.

They replied that they would like to visit the Statue of Liberty. We told them it was not accessible. It seemed odd that two young men in wheel chairs, in 105 days, came across the continental United States over many obstacles but could not visit the Statue of Liberty or Ellis Island because of barriers.

Phil and George went on to complete their journey the next day through the Lincoln Tunnel, across 42nd Street to the United Nations, where they were received as ambassadors of the International Year of Disabled Persons.

About a month later we brought the subject up at IYD of New Jersey committee meeting.

They unanimously agreed that a committee should be formed to work toward eliminating the barriers pertaining to the disabled at the Statue of Liberty and Ellis Island.

In 1982 at a Region 1 meeting held in New Brunswick, N.J. of the President's Committee to Employ the Handicapped, along with Harold Russell, chairman, a commitment was made to do everything possible to assist in making the Statue of Liberty and Ellis Island accessible to all persons.

After discussion with officials of the United States Department of the Interior, National Park Service, of the Statue of Liberty Monument, and those involved with disabled persons in New York, New Jersey, and Connecticut, a committee was formed to work on the problems.

Members of the committee are:

Richard J. Bernard, chairman, life member of the DAV, State of New Jersey;

Joseph E. Kane, Assistant County Counsel, Atlantic County Law Department, representing the N.J. Advisory Board to the Commission for the blind and Visually Impaired;

William Scott, former executive director of the Essex County Office of the Disabled;

Thelma Schomes, special assistant for constituent relations, U.S. Department of Education, Region 2, representing Lorraine Coville, Secretary, regional representative, U.S. Dept. of Education, Region 2;

William Bernstein, currently of Laguna Beach, California;

Paul V. Smith, deputy advocate from the Advocacy for the Disabled Office in New York, representing G. Berko, advocate for the disabled in New York; Francis

Joseph W. Llewellyn, National Service Office, DAV, New Jersey, representing N.J. Department Commander John Chaplick;

Terrence Moakley, barrier free design director, Eastern Paralyzed Veterans, New York;

Conrad J. Vuocolo, special assistant to Congressman Frank J. Guarini (D-14th N.J.)

Beverly Warmbrand, who was the interpreter for the deaf at all meetings.

The following individuals from the National Park Service spent many hours assisting the committee:

David Moffit, superintendent of the Statue of Liberty Monument, who attended many of the meetings which were held at facilities provided by the Port Authority of New York and New Jersey;

Debra Burge, special population coordinator, Statue of Liberty;

Ray Bloomer, disability specialist, North Atlantic Region Office, National Park Service;

Herbert Cables, regional director, National Park Service, North Atlantic Region;

David C. Park, chief, special programs in population branch, National Park Service, Washington, D.C.

Russell E. Dickinson, former director, National Park Service.

Recommendations made will provide accessibility for the millions of disabled people in the United States.

The Disabled American Veterans, who have given so generously toward the renovation of our two most-cherished national shrines, indeed prove F. Scott Fitzgerald's quotation that "America is a willingness of the heart" despite the personal hardships and tribulations suffered by its members. They always have taken the challenge of the famous words of John F. Kennedy, who said:

"Ask not what your country can do for you, but what you can do for your country."

The Statue of Liberty has stood for 100 years as a beacon in the quest for political, educational, economic and intellectual freedom. Indeed this contribution by the DAV will help aid those who also seek freedom—this time from restrictive barriers which have prevented the disabled and/or handicapped from visiting Liberty Island and feeling the protective warmth of the Statue of Liberty—305 feet high.

Indeed, after the ceremony on April 11th, Emma Lazarus's famous sonnet "New Colossus" has added dimensions:

THE NEW COLOSSUS

Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed, sunset gates shall stand
A mighty woman with a torch, whose flame
Is the imprisoned lightning, and her name
Mother of Exiles. From her beacon hand
Glows world-wide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep, ancient lands, your storied pomp!" cries she
With silent lips, "Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, tempest-tossed; to me:
I lift my lamp beside the golden door!"

History tells us that Ms. Lazarus was asked by friends to write a poem to assist the struggling campaign to raise funds to build the statue. The DAV has shown the way, proving that "America is a tune—it must be sung together."

I feel certain that all my colleagues in the Congress of the United States wish to join me in a salute to Comdr. Chad Colley and all members of the Disabled American Veterans for this everlasting gift.●

H.R. 1082 IMPROVES FBI COUNTERINTELLIGENCE CAPABILITIES BY IMPROVING ACCESS TO CERTAIN BANK AND TAX RECORDS

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. STUMP. Mr. Speaker, the Federal Bureau of Investigation bears responsibility within the United States for protecting the country from espionage and international terrorism. The FBI devotes a substantial amount of its time and resources to detecting and countering espionage or terrorist activities of hostile foreign powers in the United States. These FBI counterintelligence activities are critical to the Nation's security.

For hostile foreign powers to create, support, and operate an espionage network or terrorist network takes money. Financial records relating to espionage or terrorist operations can often provide the FBI with the information it needs to prevent such operations or render them ineffective. The inability of the FBI to gain the access it needs to financial information contained in bank and tax records has hampered its ability to meet its counterintelligence responsibilities. Accordingly, the Congress should amend the Right to Financial Privacy Act and the Internal Revenue Code to allow the FBI access to bank and tax records it needs for its counterintelligence investigations.

On February 7, 1985, I introduced H.R. 1082, the Omnibus Intelligence and Security Improvements Act, which would remove certain obstacles hampering the FBI and its counterintelligence efforts. Sections 302 and 303 of H.R. 1082 would amend the Right to Financial Privacy Act and the Internal Revenue Code to improve FBI access to bank and tax records for foreign counterintelligence investigations.

ACCESS TO BANK RECORDS: RIGHT TO FINANCIAL PRIVACY ACT

The Supreme Court held in 1976 that the fourth amendment does not confer upon a bank's customers a constitutional right to the privacy of their financial records possessed by banks. (*U.S.* v. *Miller*, 425 U.S. 435 (1976)). In response to the Miller case, the Congress enacted the Right to Financial Privacy Act [RFPA] of 1978 (12 U.S.C. 3401 et seq.). That act generally provides that, when the Government seeks the records of a customer of a financial institution which are relevant to a legitimate law enforcement inquiry, the customer must receive notice of the Government's request for the records and an opportunity to contest the Government's request in court.

Federal agencies responsible for intelligence and counterintelligence activities could not have effectively discharged their responsibilities if Congress made applicable to their activities the generally applicable RFPA requirements for notice to the customer and an opportunity to litigate. The FBI could not effectively monitor and counter the clandestine activities of hostile foreign agents and terrorists if it had to notify them that the FBI sought their financial records for a counterintelligence investigation. Accordingly, Congress enacted section 1114 of the RFPA with special provisions for intelligence and counterintelligence access to bank records (12 U.S.C. 3414).

Under section 1114 of the RFPA, to gain access to bank records for counterintelligence investigations, the FBI issues a letter, signed by an appropriate supervisory official and certifying compliance with the applicable provisions of the RFPA, seeking bank records needed for the FBI's counterintelligence activities. The RFPA requires the bank to keep secret that the FBI sought or obtained access to the records. Section 1114 of the RFPA does not, however, mandate that banks comply with the FBI letter requesting access to the bank records; it merely permits the banks to do so without regard to the other provisions of the RFPA.

The FBI has encountered resistance from financial institutions in obtaining access to financial records for foreign counterintelligence investigations. Banks which refuse to comply with FBI requests for access to bank records under section 1114 of the RFPA generally cite either or both of two reasons. First, in States which have State banking privacy laws, the banks say that the State laws prevent them from complying with FBI requests for counterintelligence access to records. Second, the banks express concern that, by complying with FBI requests when they are not specifically required to do so by Federal statute, they may subject themselves to lawsuits by their customers. To remove these obstacles to FBI counterintelligence access to bank records, the RFPA must be amended to make mandatory the FBI counterintelligence requests for access, thus clearly preempting State banking privacy laws, and to make clear that banks complying with FBI counterintelligence requests for access are fully protected from adverse legal action for complying with the FBI requests.

Section 302 of H.R. 1082 ensures effective FBI access to bank records for counterintelligence investigations by requiring banks to comply with such requests and by providing banks with legal immunity for their compliance with such requests. Section 302 provides:

SEC. 302. Section 1114(a) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3414) is amended by adding at the end thereof the following new paragraph:

(5)(A) Financial institutions, and officers, employees, and agents thereof, shall comply with a request pursuant to this subsection by the Federal Bureau of Investigation for financial records when such requests has been approved by the Attorney General or his designee for foreign counterintelligence purposes.

(B) Financial institutions, and officers, employees, and agents thereof, shall be immune from any civil or criminal liability for efforts to comply with a request described in subparagraph (A) of this paragraph.

Section 302 ensures that the FBI will have the access it needs to bank records in protecting the Nation from espionage and international terrorism. Section 302 also ensures that financial institutions which assist the FBI in carrying out its counterintelligence responsibilities have full legal protection.

ACCESS TO TAX RECORDS: INTERNAL REVENUE CODE

Tax returns filed with the Internal Revenue Service contain substantial information about taxpayers and their financial activities. In recognition of the privacy interests of taxpayers, of the potential for misuse of information about taxpayers, and of the importance of ensuring taxpayer candor in filing tax returns, the Congress historically has maintained a statutory policy of confidentiality of tax returns. Thus, tax returns are generally available only to Government personnel for enforcement of Federal revenue laws, and are generally not available for other purposes.

Section 6103 of the Internal Revenue Code (26 U.S.C. 6103), which provides for the confidentiality of tax returns and return information, recognizes a number of special situations in which the governmental need for access to tax returns outweighs the taxpayer's interest in confidentiality. The currently enumerated special situations do not include FBI counterintelligence investigations of spies or terrorists. Section 6103 should be amended to give the FBI access in counterintelligence investigations to the tax returns and return information of agents of foreign powers, who engage in espionage or terrorism in the United States. Access to such information for counterintelligence investigations would improve the FBI's ability to prevent or counter espionage or terrorism activities threatening the Nation's security.

Section 303 of H.R. 1082 would amend the Internal Revenue Code to provide the needed FBI counterintelligence access to tax records. Section 303 provides:

SEC. 303. Section 6103(i) of title 26, United States Code is amended by adding at the end thereof the following new paragraph:

(8) FEDERAL BUREAU OF INVESTIGATION COUNTERINTELLIGENCE ACTIVITIES.—Upon a determination by the Attorney General that there is probable cause to believe that a taxpayer is a foreign power or an agent of a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801)), the return of the taxpayer and return information which relates to such taxpayer shall, upon request for foreign counterintelligence purposes by the Federal Bureau of Investigation approved by the Attorney General, be open (to the extent of the approved request) to inspection by, or disclosure to, the Federal Bureau of Investigation.

Section 303 of H.R. 1082 provides a rapid and secure procedure by which the FBI can obtain the access it needs to tax returns and return information of foreign powers and agents of foreign powers for counterintelligence purposes. Because of the strong, historical congressional policy of general confidentiality of tax return informa-

tion, section 303 appropriately imposes the relatively high standard of probable cause to believe that the taxpayer about whom information is sought is a foreign power or an agent of a foreign power as the prerequisite to FBI counterintelligence access to tax returns and return information.

CONCLUSION

The FBI's inability to obtain needed access to bank and tax records has impeded its ability to counter the activities of hostile foreign powers in the United States. Section 302 and 303 of H.R. 1082 will improve the ability of the FBI to detect and counter espionage and international terrorism in the United States by granting the FBI access to bank and tax records for counterintelligence investigations. The United States would no longer handicap itself by giving foreign agents engaged in espionage or terrorism the benefit of privacy protections in U.S. laws for the financing of their nefarious activities.●

UNREGULATED HIGH-STAKES GAMBLING GROWS ON AMERICAN INDIAN RESERVATIONS

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. SHUMWAY. Mr. Speaker, as Representative of several Indian reservations and rancherias in northern California, the issue of gambling on Indian lands has become a matter of great concern to me and many of my constituents. Specifically, as I have seen the problem associated with establishment of gaming halls in Indian country, I have grown increasingly concerned over the absence of Federal regulation over such activity due to the Indians' unique trust relationship with the Federal Government. It is this fiduciary relationship which precludes State and local jurisdiction over Indian tribes, and serious problems, such as the possible influence of organized crime, unfair competition with charity groups, and domination by dishonest non-Indian investors, are left unresolved.

I recently read with interest the following article from the March 25, 1985, Christian Science Monitor in which these very concerns are discussed. I commend it to my colleagues' attention.

The article follows:

UNREGULATED HIGH-STAKES GAMBLING GROWS ON AMERICAN INDIAN RESERVATIONS

(By Warren Richey)

New forms of unregulated gambling are proliferating on Indian reservations across the United States, according to a California state prosecutor involved in a three-year battle to restrict the growth of professional high-stakes bingo games run by Indian tribes.

He warns that unless states are given authority to police and in some cases shut down the operations, the US may soon be faced with the development of dozens of miniature gambling towns on Indian reservations in as many as 20 states.

"They are trying to create little Los Vegases on reservations across the nation," says Rudulf Corona, a deputy attorney general in San Diego.

"These kinds of endeavors that are unregulated and shielded from view are highly attractive to organized crime," he adds.

Mr. Corona is one of a handful of state law-enforcement officials, largely in the West, who are concerned about the proliferation of large-scale bingo operations on federal Indian reservations.

According to the Bureau of Indian Affairs, 75 to 80 of the country's 300 Indian tribes have established high-stakes bingo halls in the past four years.

Federal courts have consistently ruled that state governments do not have the authority to restrict or even monitor the Indian bingo parlors, provided that they do not violate criminal laws. Bingo is regulated by states under civil statutes.

In some cases the Indian bingo games offer in excess of $100,000 in prizes, while some states restrict bingo prizes to as little as $250. Church and charity bingo groups, which are state-regulated, are worried they may lose their clientele to the higher stakes games on the reservations. But the Indians reply that ultimately their games will lure more novice players into the bingo halls and thus create a larger pool of bingo players for all to share.

On May 4, tribes in Florida, California, and Washington State are planning to conduct a $1 million bingo game—the largest ever—by using satellite transmission to broadcast the action live to three of the tribes' bingo parlors. Some 4,300 bingo enthusiasts are expected to pay from $250 to $300 to participate in the six-hour session.

"We view it as a severe threat to the state," Corona says. The $1 million bingo game is "a dramatic escalation in the gambling that is taking place on these reservations," he says.

"If these kinds of activities are allowed to go unchecked, then we may face some day nationally broadcast games that involve each and every state."

He adds that the Indians often sign lucrative contracts with management and investment firms specializing in opening and running big-money bingo halls. Last year the Sycuan Indians with the help of a Florida management firm expanded their bingo operation near San Diego to include Black Jack, Keano, and an illegal lottery. They attempted to circumvent state authorities by simply renaming the games "Bingo Jack," "Do-it-yourself Bingo," and "Horserace Bingo."

The operation was busted up in an August raid. In addition to $300,000 in illicit gaming equipment, police confiscated information announcing the expected arrival soon of "Bingo roulette," and "Bingo slot machines."

The raid was a minor setback for the Sycuans, who are still going strong in the bingo business. The tribe—along with the Muckleshoot tribe of Washington State and the Seminoles of Florida—is participating in the May 4 million-dollar satellite bingo session.

High-stakes professional Indian bingo got its first major boost in 1981, when a federal judge in Florida ruled that the Seminole tribe was entitled to run its big-money bingo game in Hollywood, Fla., without interference from the state.

The ruling said in effect that because the game is conducted by the Indians on their reservation, it is up to the Indians themselves to regulate and monitor the conduct of the gambling operation. Indian tribal reservation land is recognized by the U.S. government as being a sovereign nation within a nation.

Tribes across the country have viewed the Seminole experience as a model. The 725-member Muckleshoot tribe went so far as to sign a contract with the Seminoles to have them build and manage the 1,450-seat Muckleshoot Bingo Palace near Auburn, Wash.

The contract terms are lucrative for the Seminoles. In addition to paying back a $2.3 million construction loan—including interest at the prime interest rate—the management contract requires the Muckleshoots to pay the Seminoles 44 percent of their profits until 1995.

Tony Herrara, business manager for the Muckleshoots, is quick to point out that he didn't do the negotiating for the tribe. But he adds: "Sure we'd like [the Seminoles] to get less of a percentage, but they are providing a lot, too. We didn't have the expertise or money to build the bingo hall."

He adds that before the arrival of bingo the unemployment rate on the reservation was 65 percent, and that today 160 Indians have jobs in the Bingo Palace.

Bingo has been seen by Indians nationwide as a means to raise much-needed revenue and create jobs on some Indian reservations that have been notable in the past only for their poverty and high unemployment. In most cases tribes are looking to bingo to provide seed money to fund social programs, pave roads, and create a viable Indian economy on reservations where none existed before.

There have been several significant successes, according to some observers.

"Bingo is the growth industry of the Indian country," says a spokesman at the Bureau of Indian Affairs in Washington. "The federal government is cutting back on its domestic programs, and the tribes out there have been feeling the pinch in federal dollars. For some, the bingo has made the pinch less pinchy."

Because of the apparent benefits of bingo revenues, some officials have been reluctant to impose any restrictions on the bingo operations. Others, concerned that the tribes might become victims of unscrupulous bingo management firms and organized crime, have pushed to set up federal safeguards, such as requirement that background criminal checks be conducted by the Federal Bureau of Investigation into people running or financing the bingo parlors.

Still others, such as Corona in California, have felt that the best response would be to require the reservations to comply with state bingo regulations. This last response would cut deeply into Indian bingo profits and probably drive many of the operations out of business.

In the meantime, preparations are under way at the Muckleshoot Bingo Palace, Seminole Bingo in Tampa, Fla., and the Sycuan Reservation near San Diego for the May 4 million-dollar bingo session.

California and Washington law-enforcement officials say they will not try to stop the event, even though officials in both states consider the Indian bingo operations to be in violation of the law.

Asked about the $1 million satellite bingo session, Corona responded: "Is it legal? No, it is not."

He added, "The question is whether the federal government wants to do anything about it."

Federal regulations outlaw interstate transmission of lottery or gambling information, Corona says. He adds that the Organized Crime Control Act of 1970 forbids gambling on federal lands. Indian reservations, he says, are federal lands.●

SENATOR RUDY BOSCHWITZ—CERTIFIABLE WORKAHOLIC

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FRENZEL. Mr. Speaker, on April 1, the Journal of Commerce noted the tireless work of Minnesota's Senator RUDY BOSCHWITZ for his State's agricultural interests against trade-restricting cargo preference laws.

The Journal's article, over the byline of Robert F. Morrison, identified RUDY BOSCHWITZ as a "certifiable workaholic." That's no surprise to Minnesotans. They know RUDY came to Washington to work.

I'm proud that I am represented by a Senator who has achieved this national recognition, and am pleased he is still working to provide more opportunity for our State's farmers.

The article follows:

[From the Journal of Commerce, Apr. 1, 1985]

SENATOR FROM MINNESOTA A CERTIFIABLE WORKAHOLIC

(By Robert F. Morrison)

WASHINGTON.—Senator Rudy Boschwitz, R-Minn., isn't an obvious adversary for the shipping industry.

His chief interest is to further the agricultural pursuits of his state. He chairs a subcommittee of the Senate Agriculture Committee, and serves on the Budget, Foreign Relations, Veterans, and Small Business committees as well.

He just doesn't seem to have time for much else.

He took on ocean shipping on cargo preference back in 1981 and was beaten in efforts to roll back the extent of the required use of U.S. flags.

Now, with farmers in more difficulty than ever, he's ready to do battle again.

He was a highly successful businessman in the Twin Cities before his election to the Senate in 1978.

That was his first try at an elective office and may prove a corrolary to the old saw about it "pays to advertise."

Indeed, what Frank Perdue is to chickens, Rudy Boschwitz may be to plywood.

Much credit is given for his statewide "name recognition" in 1978 to the fact that he did his own television commercials, complete with plaid shirt, for his plywood do-it-yourself business which by then had blossomed to 68 outlets in eight states.

Not something of a workaholic, Senator Boschwitz is a certifiable workaholic. He says he has little time to enjoy jogging and music—his chief diversions—as well as his family—his wife, Ellen, and two of four sons still at home here, Dan and Tom.

His two older sons, Gerry and Ken, are back running the business and, with fatherly pride, he reports they are doing well.

His reading runs to political history and as much in the way of newspapers, newsletters, and the like as he can squeeze in.

Senator Boschwitz—and his name is Rudolph E. but no one ever seems to refer to him as anything but Rudy—is probably the only congressman or senator who was a refugee from Nazi Germany, having been brought here by his parents at the age of 5 in 1935.

That unique experience is in large part responsible for his deep feelings regarding the United States and the opportunities it presents.

Senator Boschwitz, 55, has a law degree, but, after serving in the Army Signal Corps, practiced only a short while before joining a brother in what became Plywood Minnesota. He was re-elected to a second term last fall.●

FEDERAL DRUG LAW ENFORCEMENT AGENT PROTECTION ACT OF 1985

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RANGEL. Mr. Speaker, one of the most dedicated and knowledgeable individuals in the Congress on the issue of narcotics is the junior Senator from Florida, Senator PAULA HAWKINS, the chairman of the Senate drug enforcement caucus.

On March 7, 1985, Senator HAWKINS introduced S. 630, the "Federal Drug Law Enforcement Agent Protection Act of 1985." This bill, which passed the U.S. Senate on March 20, 1985, would provide a reward of $100,000 in seized drug assets for information leading to the arrest and conviction of anyone who kills or kidnaps a Federal drug enforcement agent.

Senator HAWKINS named the award the Camarena Reward in honor of Enrique Camarena, the drug enforcement agent who lost his life in the war against illegal narcotics in Mexico.

This legislation is fiscally responsible, because the money to pay the reward comes from seized drug profits contained in the assets forfeiture fund, established last year under the Comprehensive Crime Control Act—title II of Public Law 98-473.

Today, I am introducing this legislation in the House of Representatives. Passing this bill is the least we can do to show agents of the Drug Enforcement Administration, especially those stationed overseas, that we care about their safety.

I insert the Senate floor debate on S. 630 in the CONGRESSIONAL RECORD at this point:

FEDERAL DRUG LAW ENFORCEMENT AGENT PROTECTION ACT OF 1985

Mrs. HAWKINS. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of S. 630, a Federal Drug Law Enforcement Agent Protection Act of 1985, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 630) to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnaping a Federal drug law enforcement agent.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mrs. HAWKINS. Mr. President, this bill provides a reward of $100,000 in seized drug assets for information leading to the conviction of anyone who kills or kidnaps a Federal drug enforcement agent.

I am calling this the Camarena Reward. It is named in honor of Enrique Camarena, the brave drug enforcement agent who gave his life in the war against illegal narcotics in Mexico last month.

It is too late for Enrique Camarena. But that does not mean we should not protect our men in the field.

Very often, those involved in these heinous crimes are merely acting on orders from the drug kingpins. Those who may be in on the arrangements are often poor and, frankly, not necessarily loyal. We should let the word go out around the world to those who have designs on the lives of U.S. drug enforcement agents:

"If you touch one of our people, your underlings will be given 100,000 United States dollars to lead the authorities to you."

The money for the Camarena Reward will come from the assets forfeiture fund, set up last year under the Comprehensive Crime Control Act.

Jack Lawn, the incoming director of the Drug Enforcement Administration, told me last week that this legislation "would certainly verbalize the message that drug enforcement personnel are important, and that people of the United States will not tolerate attacks against our people."

This legislation provides poetic justice—as the drug traffickers' money is plowed back into law enforcement. It is also common sense. It will not cost the taxpayers one cent.

This is a good idea and an incentive all around. It is also a fitting tribute to the memory of the courageous Enrique Camarena.

Mr. President, I thank the majority leader and the minority leader for working out consideration of this bill at this late hour of the day.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Drug Law Enforcement Agent Protection Act of 1985."

SEC. 2. Section (e) of section 511 of the Controlled Substances Act (21 U.S.C. 881(e)) is amended by—

(1) inserting after "(e)" the following: "(1)";

(2) redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

(3) striking out the matter following subparagraph (D), as redesignated, and inserting in lieu thereof the following:

"(2)(A) The proceeds from any sale under subparagraph (B) of paragraph (1) and any moneys forfeited under this title shall be used to pay—

"(i) all property expenses of the proceedings for forfeiture and sale including expenses of seizure, maintenance of custody, advertising, and court costs; and

"(ii) awards of up to $100,000 to any individual who provides original information which leads to the arrest and conviction of a person who kills or kidnaps a Federal drug law enforcement agent.

Any award paid for information concerning the killing or kidnaping of a Federal drug law enforcement agent, as provided in clause (ii), shall be paid at the discretion of the Attorney General.

"(B) The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28, United States Code, any amounts of such moneys and proceeds remaining after payment of the expenses provided in subparagraph (A).".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mrs. HAWKINS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank my distinguished colleague from Florida for calling this matter to our attention. I thank the distinguished minority leader for clearing it for immediate action. It is important. I am pleased that we have been able to accommodate the Senator from Florida.

H.R. —

A bill to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnaping a Federal drug law enforcement agent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Drug Law Enforcement Agent Protection Act of 1985."

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Any award paid for information concerning the killing or kidnapping of a Federal drug law enforcement agent, as provided in clause (ii), shall be paid at the discretion of the Attorney General.

"(B) The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28, United States Code, any amounts of such moneys and proceeds remaining after payment of the expenses provided in subparagraph (A).".●

CRISIS IN THE COPPER INDUSTRY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. UDALL. Mr. Speaker, a staff writer for the Washington Post recently spent a week in my State of Arizona to review the condition of the domestic copper industry. Mr. Paul Taylor, in his article of March 30, describes the severe crisis which now exists. As he points out, the 3-year depression of the industry has "halved mining employment, idled 16 of the Nation's 28 largest mines," and "generated net industry operating losses of nearly $3 billion since 1981." Those mines which have closed are not likely to reopen. Entire communities have been destroyed by these layoffs and shutdowns.

Excess production by foreign producers has been a major factor in the demise of the U.S. copper industry. While 5 years ago the United States produced nearly one-fourth of the world's copper, we now produce less than one-sixth.

In an attempt to save this vital industry, Senator DOMENICI and I have introduced the National Copper Policy Act of 1985. We feel this bill would give U.S. copper a fair chance to compete with the best industries worldwide. We also feel that without such legislation, domestic copper will gradually fade away and die in the face of unfair competition. As Mr. Taylor's article makes clear, something must be done soon.

Mr. Speaker, at this point, I would like to insert Mr. Taylor's article into the RECORD.

[From the Washington Post, Mar. 30, 1985]

COPPER INDUSTRY LANGUISHES IN THE ECONOMIC PITS

(By Paul Taylor)

MORENCI, ARIZ.—This is where copper is coming a cropper.

The great open it copper mines of Arizona, New Mexico and Utah, world-dominant for most of this century, are mired in a three-year depression.

It has halved mining employment, idled 16 of the nation's 28 largest mines, triggered the longest strike in industry history (21 months and counting here at Phelps Dodge's mile-wide Morenci mine), generated net industry operating losses of nearly $3 billion since 1981 despite a 29 percent reduction in per-ton production costs and set off a round of almost panic-stricken divestitures by the same oil companies that went on a cash-happy shopping spree for copper mines in the 1970s.

This week, Phelps Dodge announced that its smelter in Ajo will close April 4, laying off 200 workers. Prognoses for the survival of the industry as a whole—from whose vivid, sometimes violent, history could be chronicled the taming of the American Southwest—range from dire to dour.

Copper is not the only afflicted metal in this country.

Lead producers have been stung by the unleading of gasoline; the great iron ore mines of Minnesota's Mesabi Range have been losing a generation-long battle with low-cost imports; gold and silver prices have gone soft, and aluminum producers have been hurt by the high cost of power, which they use abundantly in smelting.

Nationwide, metals mining employment dropped from 109,000 in 1981 to 44,800 last year.

But the $2.4 billion copper industry is the largest metal miner and, at the moment, the most crippled. And it is mined in a sparsely populated, politically vulnerable part of the country, reducing prospects for a congressional bailout.

Copper's humiliation has come at the hands of a rogue's gallery of economic and social forces that mugged a swath of Smokestack America throughout the 1980s.

This lineup includes: low-wage Third World competitors that have been overproducing (and driving the world copper price to Depression-era depths) to raise the money their countries need to pay off international loans financed, in part, by U.S. taxpayers; federal clean air standards that have forced the industry to spend—and often misspend—hundreds of millions of dollars on antipollution processes that have added to cost but not productivity, and a strong dollar that has devoured export markets as voraciously as it has sucked in copper imports.

Besides these generic causes of U.S. deindustrialization, there is a another problem specific to copper.

Most of the known high-grade copper ore in this country has been mined. The grade or copper content of the ore in the gargantuan Chuquicamata mine in Chile, which has become the Saudi Arabia of copper, is twice that of a typical U.S. mine, and the ore grades in Zaire's nationalized mines are more than five times the U.S. average.

Given these multiple ills, the copper debate will bump into some hard questions. Are old-line "dirty" industries like copper worth saving? If so, are they capable of salvation? Or, sooner or later are they bound to be done in by broad forces of economic change?

In the darkest hours of auto and steel, such questions were not entertained seriously. At stake were too many jobs, too much national security, too expensive an economic ripple.

"The next 12 to 18 months will decide whether there's going to be a domestic copper industry," said Bruce Wright, administrative aide to Rep. Morris K. Udall (D-Ariz.), who earlier this month introduced a rescue bill in Congress.

"The only difference between us and the industries that get bailed out," said Carl J. Forstram, plant manager of the Phelps Dodge mine here, "is that we don't have the votes in Congress."

Udall's bill, introduced on behalf of the new congressional Copper Caucus, would provide a five-year "recovery window" by negotiating production limits for foreign competitors. (Under the legislation, competitors that refused to live within the limits would have tariffs slapped on their exports to the United States).

IMPORT QUOTAS URGED

Prospects for passage are not good. There are 23,000 jobs left in copper mining and smelting, a fraction of the auto and steel payroll. Moreover, the copper fabricating industry—which buys refined copper from U.S. and overseas producers—employs five times as many workers as the mines.

Last year, after the International Trade Commission found that unfair foreign competition had hurt the American copper producers, the fabricators opposed ITC recommendations for tariffs or quotas, fearing that either approach would create a two-tier pricing structure—one U.S. price and a lower world price—that would place them at a competitive disadvantage.

The Reagan administration sided with the fabricators. "It was a political year, and in a political year, you count heads," said Robert Wardell, president of the Copper and Brass Fabricators Council. "We had 125,000 jobs, the producers 25,000."

"It's not just the politics of it," said Don Phillips of the Office of the U.S. Trade Representative, which turned down the ITC request. "If, by imposing tariffs, you are going to lose more jobs in fabrication than you save in mining, that's a legitimate economic consideration."

If the jobs argument alone cannot carry the day for the mines, Udall and others say defense considerations should.

Copper is used in everything from ammunition casing to battlefield communications lines to engine parts. The nation experienced copper shortages during each of its last three wars; the shortages were deemed so serious that in the late 1960s the federal government, through the Defense Production Act, helped finance the development of several large private mines.

Copper is one of 61 commodities designated by Congress as part of the National Defense Stockpile, but as of 1984, the government had filled only 3 percent of its target stockpile of 1 million short tons of copper. The industry as been clamoring for additional reserve purchases in this, its hour of need, but government experts say that, given the current world oversupply of copper, there are more pressing purchasing priorities.

"The national security danger is that this is an industry that can't be turned on and off like a faucet," said C.J. Hansen, president of the Arizona mining Association. "Once you close mines, you tend to lose them."

Industry leader believe that is what Chile is banking on. They say that Chilean overproduction—which they describe as a deliberate strategy of selling two pounds of copper at 50 cent a pound rather than one pound at $1—amounts to a predatory "squeeze play" designed to drive high-cost U.S. producers under.

Chile can make a profit on lowprice copper; the U.S. producers, whose costs are 50 percent higher, cannot. Already the U.S. share of the world market has dropped from 50 to 13 percent over the past two generations.

Domestic copper producers are enraged that the Chilean copper industry has been aided by loans from the International Monetary Fund and World Bank granted in what J. Hugh Leidke, chairman of the Pennzoil Co. (which recently put its copper subsidiary, Duval Corp., up for sale), calls a "global Ponzi game" to ensure that developing countries will have the revenue to pay off earlier loans.

Most parties to the copper debate agree that the domestic industry has legitimate gripes. But one school holds that, even so, any rescue effort would only postpone the inevitable.

"Let's face it, what's happening with copper is what we are supposed to want to happen," said Robert Horton, director of the Interior Department's Bureau of Mines. "The developing countries are in fact developing. No government can stand in the way of long-term trends for very long."

Even Arizona Gov. Bruce E. Babbitt has been muted in his calls for federal help. "The governor realizes that copper's heyday has come and gone," said Jim West, Babbitt's press secretary. " . . . He doesn't want to raise hopes that will only be dashed later. He's more interested in economic diversification."

UNION MOVE BLUNTED

Behind the cold-eyed assessment of economic history, there is a human and intensely poignant side to the decline of a "company-town" industry.

Copper is the source of the genteel wealth of the Hearsts and the Guggenheims, but its history is that of a rugged, Wild West industry, pioneered by prospectors who spilled as much blood fending off each other as they did fighting the Apache.

Because copper deposits were so remote, mining companies built company towns to attract and hold a stable work force. Labor relations in such towns have ranged from violent to imperial to benign; one historian has likened them to imperial Britain's mercantilistic outposts, with their rigid social and economic strats.

Seventy years ago, the Industrial Workers of the World ("wobblies") tried to establish a foothold in the copper towns. But in 1917, in one of the infamous episodes of U.S. labor history, 1,250 workers and IWW sympathizers at Phelps Dodge's Bisbee, Ariz., mine were rounded up by a sherif's posse on orders from Phelps Dodge officials and sent by train to a town in New Mexico with a warning never to return.

The labor movement in the copper mines never has been the same, nor has management ever been quite so heavy-handed. Company towns like the one here grew into little mountaintop oases of the good life: palm trees, manicured lawns, good schools, plenty of hunting and fishing, all set in the stark beauty of the southern Rockies.

By 1983, when the current Phelps Dodge strike began, workers here were getting wage and benefit package worth an average of $36,000 a year. "As an industry, we had gotten fat, dumb and happy," Hansen said.

Most of the Phelps Dodge workers grew up as second- or third-generation miners; the whole town had the quality of a extended—and fairly happy—family. Race relations among Hispanics, Anglos and Indians were good, on the whole.

"It was a pretty good life, no question," said Angel Rodriguez, head of United Steel Workers Local 616, the largest of 13 unions that used to represent 2,000 workers here.

A BRUTAL, BITTER STRIKE

It came unglued July 1, 1983. Other copper companies had agreed that spring to a pattern contract that invovled a wage freeze; Phelps Dodge also wanted to eliminate cost-of-living adjustments and extract some other concessions. When the unions went on strike, the company decided to keep the mine open, which it was able to in the critical first days only with the help of National Guard units mobilized by Babbitt.

It has been a brutal, bitter strike. There have been no deaths, but vandalism in Morenci is in the $250,000 range, company officials say; comparable damage has been done in Ajo, Douglas and other Phelps Dodge towns.

Brother has been set against brother, friend against friend, father against son as miners have made the agonizing choice between working and striking. About half the jobs at the mine are filled by ex-union members who crossed their own picket lines.

The strike has been a disaster for the unions. Phelps Dodge has been able to operate; it says that it even set production records last fall. New workers' wage scales have been cut by one-third, and all 13 unions were kicked out last fall in a decertification vote that is still being appealed. Workers at other mines in Arizona, fearful for their jobs, are decertifying their unions as well.

Nearly 21 months after the strike began, strikers and "scabs" still wave ritual obscene gestures at one another each afternoon at the shift change, but the strike long since has been lost.

"I'm just sort of hanging around to see how the [appeal of the] decertification vote comes out," said Janner Nessler, a striking filter helper. Most of his fellow strikers long ago drifted away to Tucson or Phoenix or Stafford, leaving behind not just their jobs, but also their roots, their homes, their relations.

Even with the cost-cutting and union-busting, the Phelps Dodge mine here may not be able to make it. In January the company had to close its Morenci smelter into which it had poured $90 million in an effort, ultimately futile, to comply with an Environmental Protection Agency consent decree.

"In hindsight, they would have been better tearing the smelter down and starting from scratch," Hansen said. "They tried for an innovative approach to pollution control, and they could never get it to work."

Phelps Dodge is not the only company to miscalculate antipollution strategy. The Duval Corp. spent millions developing a state-of-the-art hydrometallurgical smelting system that does not foul the air but has proven too costly to operate.

When the Phelps Dodge smelter here closed, it meant laying off permanently 600 workers, some of whom were the very ex-union members who had estranged themselves from their families by choosing to work. Officials said the Ajo smelter, the town's only industry, could reopen if copper prices rise.

JAPANESE FIRMS BUY IN

Phelps Dodge, Arizona's largest copper producer and the nation's second largest (behind Kennecott), lost $267.8 million in 1984. The most optimistic reading of its future is uncertain. And if a miracle rescue comes, it may come from a strange corner of the globe.

Earlier this year the Sunitomo Corp., a Japanese trading company, signed a letter of intent to purchase 25 to 40 percent of the Morenci mine. Sunitomo is following the footsteps of the Mitsubishi Corp., which in

1980 became a one-third owner of Kennecott's Chino Mines in New Mexico.

Japan is a copper importer, and its modern, post-World War II smelters, which are low in pollution, are always hungry for more ore concentrate. The company apparently plans to ship the concentrate—which is 25 percent copper—across the ocean from Morenci and smelt it in Japan.

If that happens, the mine here would serve a function commonly associated with those in the Third World as a supplier of a raw metal to an industrial power that would smelt it, fabricate it and sell it on the world market.

A circle, of sorts, would be closed in Morenci. The world's first and foremost industrial giant, unable to compete with the developing nations, would become one.

"The Japanese are our best hope," said J.D. Ferrin, an instrument repairer who moved here with his wife and three children a few months after the strike began because the pay was 50 percent better than he could make anywhere else.

"I can't imagine them sinking a lot of money in here and not giving it a good try," he said.

MAJOR COPPER-PRODUCING COUNTRIES IN 1983

Country	Metric tons	Percent of free world total	Percent of domestic production capacity
Chile	1,245,000	20.4	100
United States	1,046,000	17.1	59
Canada	625,000	10.2	73
Zambia	514,000	8.4	100
Zaire	503,000	8.2	100
Peru	315,000	5.2	100
Philippines	271,000	4.4	92
Australia	265,000	4.3	100
South Africa	205,000	3.4	100
Mexico	191,000	3.1	100
Papua New Guinea	183,000	3.0	100

Source.—American Bureau of Metal Statistics.

Compiled by James Schwartz—the Washington Post.●

BOSTON BAR ASSOCIATION ADOPTS RESOLUTION ON NICARAGUA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FRANK. Mr. Speaker, the Boston Bar Association, through its council, has adopted a resolution regarding the decision of the United States not to accept the jurisdiction of the World Court in the case brought by Nicaragua against the United States. I want to take a moment to express my high regard for the bar association. At both the local level and the national level, bar associations have done excellent work, not only in offering constructive criticism of our own judicial system, but also monitoring judicial abuses abroad. In the last Congress—April 5, 1985—I brought to the attention of this body the plight of Baha'i lawyers in Iran, and commended the American Bar Association for bringing this violation of human rights to our attention. Likewise, I am grateful to the Boston Bar Association for its thoughtful criticism of the American position regarding the jurisdiction of the World Court. It is a call for the United States to renew its support for the concept and institutions of international law. I hope the administration will take this admonition to heart.

Mr. Speaker, I include the resolution in the RECORD.

RESOLUTION OF THE BOSTON BAR ASSOCIATION

Resolved: The Boston Bar Association regrets the decision of President Reagan that the United States will not participate in the further proceedings before the International Court of Justice in Nicaragua's case against the United States.

The Court in November rejected arguments by the United States and held by a vote of 15 to 1 that the Court has jurisdiction in the case. By a vote of 16 to 0, in a decision in which the United States member of the Court joined, the Court also rejected argument by the United States that the Court is precluded from hearing the case as one involving armed conflict, for which the proper forum is the United Nations Security Council.

The actions taken by the United States against Nicaragua have been claimed by the United States and by El Salvador to be legally justified as measures taken in the exercise of the right of collective self-defense in a case of armed attack by Nicaragua against El Salvador. The inherent right of individual and collective self-defense if an "armed attack" occurs is affirmed by Article 51 of the United Nations Charter. However, in boycotting further proceedings in the case in the International Court, the United States declines to make its case in or out of court as to the facts claimed to constitute an "armed attack" by Nicaragua against El Salvador. Presumably the State Department in saying only that "much of the evidence that would establish Nicaragua's aggression against its neighbors is of a highly sensitive intelligence character" does not mean to contend that it is a case of "armed attack" so invisible that it can be proved only by evidence too sensitive to reveal.

The fundamental law of the United Nations Charter is that "All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations." We reject the notion that the Charter prescribed limitations on the use of force should be the exclusive preserve of the veto-hobbled Security Council. We reject also the notion that legitimate political or diplomatic objectives or approaches require a suspension of Charter limitations or of the exercise of Court jurisdiction. We affirm the right of the United States and of other nations to take legitimate and effective countermeasures to oppose violations by others—countermeasures in accordance with law and in support of law.

A great nation does not need to hide from law. When it does so it weakens law and diminishes itself. The United States by action of the President and the Senate accepted the compulsory jurisdiction of the International Court of Justice under Article 36 of the Statute of the Court, which provides that "In the event of a dispute as to whether the Court has jurisidiction, the matter shall be settled by the decision of the Court." The Court has decided. The protestations of our government that we boycott the Court out of concern for the "enormous harm to it as an institution and to the cause of international law" which would follow from the Court's decisions will not avoid the damage done—not in a case where the United States boycotts the Court in repudiation of decisions by the Court in which distinguished judges from all segments of the international community, including our closest allies, have joined. We call upon the President to honor in deed as well as in word this nation's historic commitment to the rule of law among nations.●

CALLING A SPADE A SPADE: BOB MICHEL TELLS THE TRUTH ABOUT THE SANDINISTAS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BROOMFIELD. Mr. Speaker, hats off to Representative BOB MICHEL. He has cut through to the heart of the matter and tells it like it is about the Sandinistas. His letter to the Washington Post captures the essence of what the Sandinistas are all about.

It is interesting to note how our own open and democratic system is being manipulated by the Sandinistas. I am intrigued by the recent Sandinista publicity campaign focused on this country. Lobbyists for that failed revolution are conducting a full-court press here in the Congress. Commandante Ortega has appeared on television in a suit, and even trimmed his droopy mustache.

The Sandinistas are now offering seductive concessions to the administration. They are trying to put on the cloak of reasonableness, and civility. For a short period of time, they like chameleons, will change their colors. They are masters in the business of imagemaking and sensing the timing of any important political undertaking.

I hope that my colleagues see through the well-crafted Sandinista smokescreen. In their hearts, Ortega and company are clearly ideologues committed to either selling or forcing their system on the countries in this hemisphere.

With these concerns in mind, I strongly recommend Representative BOB MICHEL's excellent letter to all of my colleagues in the Congress who are interested in preserving democracy in this hemisphere.

PIERCING THE SANDINISTA SMOKESCREEN

In "Nicaragua: We Can't Remake It in Our Own Image" [Topic A, March 24] my colleague Lee Hamilton made an informed, if not persuasive, case for cessation of aid to the contras. He touched all the usual bases: the need for negotiations with the Sandinistas, the desirability of a "strong regional policy" and the urgency of addressing economic problems of the region.

But it isn't what Lee Hamilton said that captured my attention. It was what he did not say. Nowhere is there even a hint that the Sandinista leaders are and always have been dedicated Marxist-Leninists. Not mentioning the most important fact about the Sandinistas—their ideology—makes every other argument meaningless.

From the very beginning, ideology has been the Sandinistas' guiding force. From 1961 to 1978, the avowedly Marxist-Leninist movement never attracted more than a relative handful. One Sandinista faction tried to enlist the "proletariat." That failed. The Sandinistas tried a policy of "prolonged popular war" in the countryside. That failed, miserably.

According to David Nolan's "The Ideology of the Sandinistas and the Nicaraguan Revolution," in 1969 they published a 15-point declaration of their goals and principles.

These included, "replacement of the constitutional theory of elected representation," "an end to cruel Yankee exploitation," "nationalization of property" and "struggle for a true union of the Central American peoples within one country beginning with support for national liberation movements" in neighboring states.

That statement had at least the virtue of honesty. But in May 1978, the Sandinista "National Directorate" issued a 25-point program. Notably absent were any references to "Yankee imperialism" or plans to nationalize the economy. There were references, however, to freedom of speech, organization and religion, "without the veiled qualifiers used in 1969," according to Nolan. In short, the 1978 program was vintage Marxist-Leninist duplicity. Sandinista Nicaragua is being built on the 1969, not the 1978, program.

Mr. Hamilton says our decision in Nicaragua ". . . should be based not on ideology, but on a clearly defined assessment of how best to protect our national interest." I agree. But the first step in such an assessment is to remember we are confronting ideologues.

The Sandinistas believe they alone represent the "vanguard" of the revolutionary process and the driving force of Nicaraguan history. They are certain that, in leader Humberto Ortega's words, "without Sandinismo we cannot be Marxist-Leninist, and Sandinismo without Marxism-Leninism cannot be revolutionary."

They aren't simply "undemocratic"—to use Mr. Hamilton's word. They are ideologically driven to make a reality of their totalitarian vision.

The Sandinistas are convinced—as was the new Jewel Movement in Grenada—that their revolution is irreversible. It is in our own national interest and in the interest of freedom worldwide that we aid those in Nicaragua not convinced by this myth.●

SOUTH AFRICA'S OFFICIAL PARTY LINE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RANGEL. Mr. Speaker, the Republic of South Africa has embarked upon a new campaign to repress any free expression of dissent by that country's black majority.

Protesters and participants in funeral processions have been gassed, beaten, and shot. The South African Government's excuse for its brutal actions is unacceptable in the eyes of most Americans. The only person who seems to have bought their story is our President, Ronald Reagan.

The facts speak for themselves; 19 people were murdered on the anniversary of the Sharpeville massacre; arrests and detentions are everyday occurrences; blacks inside South Africa are demanding concessions; and the international community has denounced the violence being perpetrated against unarmed civilians. Only Ronald Reagan seems to be oblivious to these facts. Only his administration accepts the official lies emanating from Pretoria.

Mr. Speaker, I would like to offer the following article for inclusion in the CONGRESSIONAL RECORD. It presents an excellent analysis of how the official line of Pretoria is no longer valid.

[From the New York Daily News, Mar. 25, 1985]

SOUTH AFRICA'S OFFICIAL STORY MAY HAVE DIED, TOO

The way officials of the South African government told the story, the police had no choice. The official story was that there was a huge mob of blacks armed with sticks, stones and gasoline bombs, marching on a white township, and the official story was that the police had no choice. That was the way the government of South Africa explained the shootings that left 19 dead and many injured and that was the story President Reagan carried to the American people in his news conference.

Until now, Reagan has been a lucky President and with his luck, he's always had a perfect sense of timing. Until now, it has always been that way for him but on Thursday night, at his news conference, he didn't have his luck or his sense of timing.

It is different with South Africa now. For the first time, the attention of the world is focused on the policies and the government in Pretoria. It is not just what the government in South Africa says. Not any more. The days of one-sided stories are over and the bad luck the President of the United States had was not realizing all this at his news conference on Thursday. But that wasn't all that went against Reagan. His timing, the incredible timing he's had all through his presidency, deserted him on Thursday. Never before in history has a major American television news program broadcast live from South Africa. But on the very week of these latest killings the ABC-TV program "Nightline" was in South Africa. "Nightline" had millions of Americans examining South African policies up close and once the killings in a town called Langa took place, ABC was there and correspondent Kenneth Walker, who was in Johannesburg for the broadcasts, rushed to the scene.

Being there when something really important happens is an obsession that reporters have. In the day-to-day reporting of news, reporters always get to the scene when whatever it is has already happened and they are told, "You should have been here an hour ago" or "You should have been here last night." It seldom happens that a reporter is there when important news happens and can see and then say for sure what has taken place. But reporters, in a way, are like cops. They try and reconstruct events and to do that, they look for every bit of evidence that is left at the scene and they talk to everyone they can find and that way they are able to rebuild in their minds at least some of what happened. In the town of Langa, outside Port Elizabeth in South Africa, they was what Kenneth Walker did. He went looking for evidence of gasoline bombs but there was nothing And that was just a start. He interviewed all the witnesses he could find and the story he came up with was very different from the story the South African government gave out.

In the middle of the afternoon yesterday, Kenneth Walker arrived back in the United States and he said the way the story was told to him, it was a massacre without provocation that took place on the black-top road in the town of Langa.

The irony was that it took place on the 25th anniversary of another horrible episode in South African history, the massacre of 69 blacks at the police headquarters in Sharpeville. It was protest against the government's passbook laws that started the shooting at Sharpeville. On Thursday, it was a funeral the government said blacks couldn't have that led to the killing. Funerals are big, emotional and political events in South Africa and that was the reason the government tried to stop one that had been set for Thursday. The funeral was originally set for last Sunday. The government said no, a general strike was going on and it was felt that the funeral might prompt trouble. The funeral was reset for Thursday. But again, the government said no, this time because it was the anniversary of the killings at Sharpeville and trouble was feared. But word that the funeral had been banned had gone out too late and on Thursday morning, thousands began to gather. They had buses to take them to Kwanobuhle, the site of the funeral. They had already begun to board the buses but the police ordered them out of the vehicles. The blacks decided then to walk to Kwanobuhle. They were on Maduna Road in the town of Langa when the police opened fire.

Yesterday, reporter Walker said that witnesses told him that there was one armored vehicle in front of the line of march and another at the rear and the blacks were caught in the crossfire. After the shooting was done, Walker said he was told, the government sent fire engines to wash the blood off the road, and witnesses reported that rocks and sticks were placed in the hands of dead people. "To make it look like they were throwing stones."

But it's different now. It is not just the story that comes from the government of South Africa and nothing more. Not any more, and it will be that way from now on.●

LEGISLATION ON INSPECTING AMUSEMENT RIDES

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HYDE. Mr. Speaker, I am today introducing the Amusement Ride Safety Commission Joint Resolution.

Last year, in the wake of amusement ride accidents occurring in Illinois and elsewhere, I joined in cosponsoring H.R. 5790, a bill to extend the jurisdiction of the Consumer Product Safety Commission to fixed location amusement park rides. I did so because I felt that if the State governments could not, or rather would not, inspect parks to insure safety to our citizens, then it fell to the Federal Government to do so.

However, I was deeply concerned over the many legitimate arguments of those opposed to this legislation. For that reason, I now believe we need a slightly different approach which will still accomplish the same goal—safety for our citizens. In recognition of the arguments that the Consumer Product Safety Commission has neither the manpower, money, nor technical expertise to conduct Federal inspections, my bill will create a commission to investigate the scope and adequacy of public and private measures now employed to protect the public and report to Congress on the effectiveness and current enforcement of these laws. The commission will consist of five members: a Chairman from the Bureau of Standards, a Co-Chair from the CPSC, a representative from industry, a consumer spokesman, and a representative from a State agency with oversight on ride regulations.

Much good has already come from Federal interest in this matter. The industry is aware of the concern expressed by many legislators. They have endorsed a comprehensive set of ride safety standards produced by the American Society of Testing and Material, an independent standards-writing organization located in Philadelphia. These standards may provide the added measure of safety assurance that is needed, but the standards ought to be evaluated. I am particularly concerned to know how these standards, now voluntary in nature, can best be enforced against all operators.

I believe we, as legislators, have a responsibility to insure that the laws we enact will be effective. Opponents of the legislation which gives jurisdiction of this matter strictly to CPSC have argued that it may be counterproductive. H.R. 5790, which passed last year with my support, and which has been reintroduced in various bills this year, intends that if a State does not have a ride inspection law, then CPSC has the right, and indeed obligation, to go in and inspect for that State. Opponents of that approach have pointed out that a negative spinoff of this approach may be a "let the Feds spend the money attitude" by many States. My ultimate concern is protection of our citizens. I am no longer sure that sole CPSC jurisdiction will provide that protection.

The CPSC is not, nor for that matter is any agency of the Federal Government, presently equipped to routinely inspect amusement rides. To do so on a regular basis would require an enormous infusion of personnel and money. To make that kind of commitment without attempting to determine whether it is necessary or whether it will be effective seems most unwise.

Current law is a case in point. CPSC currently does not routinely inspect the carnival rides over which it now has jurisdiction and has never asked for the personnel and money needed for such inspections. The bills currently pending which extend CPSC jurisdiction over fixed amusement park rides do not give them the resources to do so, either, I agree with former Commissioner Armstrong of the CPSC that to hold out the promise of such inspection when none will be forthcoming is dangerous for the false perceptions it may create in the public mind.

A congressional interest in ride safety is legitimate. Nearly 200 million people a year frequent our Nation's amusement parks. They should be assured that the highest standards of care and safety are adhered to by the entire industry.

The legislation I am introducing will create a temporary commission charged with assessing the present status of ride safety efforts, public and private. It is patterned after the 1967 legislation which created the Advisory Commission on Consumer Product Safety.

The commission will be empowered to accept or require testimony relating to ride safety, obtain records, and request the cooperation of all other agencies of the Federal Government. It will analyze the present state of industry safety programs, of State and local ride safety regulations, and will assess the need for and potential effectiveness of any Federal involvement in ride safety.

The commission may conclude that there is indeed a Federal role to be performed with respect to ride safety. It may conclude that such a role ought to be performed by CPSC or that it would be better performed by some other agency of Government. On the other hand, the commission may conclude that Federal participation will not significantly improve the safety picture.

No one, including the industry itself, is suggesting that the industry be allowed to police itself with no oversight or accountability to anyone. However, I believe it would be unwise from the standpoint of public policy to impose a costly and burdensome regulation or, worse, an illusory promise of remedy before determining that a Federal program is justified, that it will produce good results, and if so, what agency could do so most effectively.

Therefore, I urge my colleagues to consider this approach which is, in my opinion, a rational approach which will ultimately provide more effective safety regulations for our amusement parks and our citizens.●

MADISON, WI, A CITY OF REFUGE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. KASTENMEIER. Mr. Speaker, I wish to call to the attention of my colleagues a resolution adopted by the Madison, WI, Common Council reaffirming support for efforts to provide sanctuary to political refugees fleeing El Salvador and Guatemala and declaring Madison to be a city of refuge.

Support for the sanctuary movement in the United States is increasing as more and more Americans become concerned about the fate of those political refugees from El Salvador and Guatemala who are denied asylum here and are deported back to their native lands to face an uncertain future.

Congress, of course, can act to relieve this concern by passing legislation which would provide extended voluntary departure status to Salvadoran and Guatemalan political refugees.

Mr. Speaker, the Madison Common Council resolution follows:

Whereas, the United Nations Convention relating to the Status of Refugees has defined the conditions of political refugee as "any person who owing to a well-grounded fear of being persecuted for reasons of race, religion, nationality, membership in a particular social group or of a political opinion, is outside the country of his(her) nationality and is unable, or, owing to such fear, is unwilling to avail himself of the protection of that country"; and

Whereas, the United States Congress has adopted this convention in the Refugee Act of 1980; and

Whereas, the United Nations High Commission on Refugees has recognized that persons fleeing El Salvador and Guatemala are bona fide political refugees, yet fewer than two percent are being granted that status by the U.S. Immigration Service; and

Whereas, deportation of those seeking asylum has often meant disappearance or death upon their return home; and

Whereas, members of those religious communities offering sanctuary to the refugees believe themselves to be acting not in civil disobedience but under the law of the land; and

Whereas, both refugees and sanctuary workers in Texas, Arizona, Washington, New York, California and Pennsylvania have been detained or indicted in recent days; and

Whereas, within the City of Madison, we have both refugees and sanctuary providers for whom the fear of deportation and the threat of arrest have an increasing immediacy; and

Whereas, the Common Council passed a resolution on June 3, 1983 in support of

those sanctuaries when first refugees came to our City;

Now therefore, be it resolved, That the Common Council of the City of Madison reaffirms that resolution, declares Madison a City of refuge and supports the religious communities of the City of Madison in their efforts to provide sanctuary; and

Be it further resolved, That the people of Madison will not condone for its own citizens who are providing sanctuary the harrassment, indictments or arrests which have been experienced by sanctuary workers in other cities at the instigation of the U.S. Immigration Service; and

Be it further resolved, That no employee of the City of Madison will violate the established sanctuaries by assisting in investigations, public or clandestine, by engaging in or assisting with arrests for alleged violation of immigration laws by the refugees in the sanctuaries or by those offering sanctuary, or by refusing established public services to the established sanctuaries; and

Be it further resolved, That the Madison Common Council urges the Immigration Service to provide the refugees with the status of "extended voluntary departure", so that they may live among us free of the threat of deportation until conditions allow their return home.●

OHIOAN IS CHAIRMAN OF AMERICAN TRUCKING ASSOCIATIONS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. McEWEN. Mr. Speaker, as a member of the Public Works and Transportation Committee, I would like to recognize a citizen of Ohio who has risen to the highest elective office in America's trucking industry. Dale K. Craig is the chairman of the Board of American Trucking Associations.

We are all aware of our complete dependence on an efficient, cost-effective transportation system. We all know the tremendous role the trucking industry has played in the progress of America over these past 50 years.

Dale Craig is typical of the hard-working trucking entrepreneur who has made our freight transportation system the envy of the world. Mr. Craig is the son of one of the early trucking pioneers and grew up on the industry, striking out on his own when he purchased a small trucking firm based in Toledo. OH, in 1962. He immediately relocated the business to a nearby suburb and over the years has built Craig Transportation Co. into a highly respected regional motor carrier of grocery products. Craig's tractor-trailers, with their distinctive red arrows, are a familiar sight on the highways of an area stretching from Pennsylvania to Iowa and from Minnesota to Georgia.

Mr. Craig also has found time to be active in civic affairs in the Toledo area and as a licensed pilot, has been particularly prominent in the promotion of aviation there.

Mr. Craig is an outspoken proponent of highway safety. As the ATA chairman, and even prior to his election to that position, he has made numerous speeches throughout the country calling for the weeding out of the irresponsible truckdriver and more recognition for the safe, courteous, and responsible professional driver.

I am happy to have this opportunity to say a few words about a businessman from Ohio who has risen to the very top of one of the Nation's most vital industries.●

VOICE OF DEMOCRACY WINNER

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. AuCOIN. Mr. Speaker, I would like to bring my colleagues' attention to an essay written by a young woman in my district which imparts a valuable lesson to all Americans on the importance of casting an educated vote.

Lisa Gesik, a high school student in Newport, OR, submitted the essay for the annual Voice of Democracy scriptwriting contest sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliary. This year, more than 300,000 secondary school students entered scripts for the contest theme, "My Pledge To America."

I commend the Veterans of Foreign Wars for inspiring students to think about what America means to them and to put those thoughts in writing to be shared with others.

I hope that my colleagues will enjoy this essay. I think that they might share my feelings of pride and optimism that students today, even those who have not yet reached the legal voting age, realize that casting an informed vote is one of the most important responsibilities of citizenship.

MY PLEDGE TO AMERICA

(By Lisa D. Gesik, Oregon Winner, 1984/85 VFW Voice of Democracy Scholarship Program)

It is 5:30 p.m., November 6, 1984, Karen, age 35, is waiting in line to receive her ballot and enter into the voting booth. The line is long and Karen is tired. She now wishes she had come before work when it was less crowded. Thirty minutes later, it is finally Karen's turn. She accepts her ballot and inserts it into the voting machine. Her first vote was for the President of the United States. Because Karen had watched the Presidential Debates, she chose the candidate she was most impressed by. Karen then turned the page, and none of the candidates or measures were familiar. Feeling pressured because of the long line behind her, and thinking that she must answer all the questions for her ballot to be valid, she then voted on measures she knew nothing about.

Situations like Karen's happen quite often. Citizens need to take time to understand their country and know the issues. Therefore, my first pledge to America is to exercise my right to vote. I feel that voting is just one small but important part I can contribute to my country. Every registered voter can vote, but unlike Karen you must have knowledge of whom and what you're voting for.

One of the measures Karen unwittingly helped to vote down was the local school tax base. Had Karen known about the measure she would have never voted as she did, for she herself had children approaching school age and was concerned about school closures and budget cutbacks. The local school tax base measure, incidentially, failed by only three votes.

Karen also voted "no" on other measures that she would have voted yes on had she only taken a few minutes to study her voters' pamphlet. But Karen, like so many other uninformed voters, believed in the old adage: when in doubt, vote it out. So, Karen voted no.

This is where my second pledge comes in. Education. I pledge to further my education so I will have the knowledge to make important decisions that can help my country. Education is the key to knowledge and without it our country wouldn't be what it is today. I pledge to try and understand our government the best I can while keeping up with issues in my community.

Right now, I am in the process of finishing up a major part of my education—a part that I will hopefully remember for the rest of my life. For as the saying goes, "Those who do not remember the past are condemned to repeat it". By taking my education seriously, perhaps I can be instrumental in keeping our country from repeating mistakes of the past.

Part of my responsibility also is to try and help other people, like Karen, to understand voting, the issues, and their consequences.

Therefore my pledge, while simple, has far reaching effects. I pledge to vote and to vote knowledgeably. I pledge to help others understand and to take their responsibilities as citizens seriously. I pledge to uphold this country and to support it, not blindly, not ignorantly, not fanatically, but intelligently, wisely, and proudly. This, America, is my pledge.●

OUR KIDS AND COCAINE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FEIGHAN. Mr. Speaker, in its most recent survey of high school seniors, the National Institute on Drug Abuse found every drug of abuse to be declining in popularity—except cocaine.

The percentage of seniors who reported having used cocaine during the 30 days prior to the survey rose from 4.9 to 5.8, the highest level of current use recorded by the survey so far. While we seem to be slowly winning the war against the abuse of other substances, we are also witnessing the emergence of a deadly new enemy.

Cocaine is not simply a drug of pleasure, a stimulant abused for the

high it produces. It has become a drug of status, a symbol of a glamorous lifestyle. A recent article by Sydney Schanberg of the New York Times eloquently describes the new role cocaine has begun to play in our society and the fascination it increasingly exercises over many of our young people. I commend it to the attention of my colleagues.

The article follows:

OUR KIDS AND COCAINE

(By Sydney H. Schanberg)

For those who think that serious drug problems only happen to other people's children, look around you again. Cocaine is in the schoolyards.

Cocaine, in fact, is all over the country. In both quantity and dollar amounts of sales, it long ago surpassed heroin, as the illegal hard drug of choice. Not only that, but because of the increased tonnage of the powder being smuggled into the country, the price has dropped from $125 a gram in 1981 to as low as $70 now. Which means, obviously, that young people can get their hands on it more easily.

There are probably very few high schools in the city—or, for that matter, in the country—where cocaine is not available in the vicinity and used by the students. That's a conservative estimate and you can include junior high schools in it, too.

In one recent survey, 15 percent of junior high and high school students in the city admitted trying cocaine. Since many users will not make such an admission, even anonymously, the real figure has to be much higher. Nationally, the figures are similar.

The newspaper at one private school in the city took a poll of the high school student body this semester on alcohol and drug abuse. It found that the number who admitted having tried marijuanna had risen in two years (a similar poll was taken in November 1982) from 39 percent to 58 percent. The cocaine figure has gone from 11 percent to 20 percent. The highest figures, not surprisingly, came from the senior class, where 82 percent said they had tried marijuana and 43 percent tried cocaine.

However, for an affirmation of how wide is the parents' information gap, consider the Parent Teachers Association poll taken at the same private school in the same time period. Of the 243 parents who responded, only 8 thought their child used marijuana and no one said their child used cocaine. Drug use is scary—so parents would rather not know, or acknowledge, the truth.

In case any of you are taking comfort in the notion that this disease afflicts only affluent kids at private schools, you can forget it. Yes, it's easier for the offspring of the well-to-do to buy cocaine, but a lot of kids in public schools are buying it too, and some of the poorer kids are resorting to dealing in the drug in order to get the cash for their own usage.

For a long time, the "beautiful people" tried to sell an image of cocaine as a drug that could do you no harm while it made you feel happy, lucid, creative, powerful and optimistic.

Well, the down side of that high is severe depression, paranoia, irritability, achiness, weakness and a drainage of energy. And cocaine is addictive. Some medical researchers think it's physically addictive, but all of them say it's emotionally addictive. One million or more Americans are now dependent on the drug.

Beyond the psychic damage, there is physical damage as well—and not only to the blood vessels of the nose from sniffing the powder.

More and more evidence is showing up that links regular cocaine usage to heart disease. A recent report in The American Journal of Cardiology on three patients who had suffered heart attacks left little doubt about the causal connection.

The report—by Dr. Peter Pasternack and Dr. Stephen Colvin of the New York University Medical Center—said of cocaine: "Larger doses result in an increased heart rate from stimulation of the . . . nervous system. An extremely high dose can produce a direct toxic action on the heart muscle, resulting in cardiac failure and immediate death."

Not one of the patients described in that report—all men in their 30's—had any of the other risk factors for coronary artery disease, such as hypertension, diabetes mellitus, high cholesterol levels or a family history of heart disease. Their only risk factor was cocaine.

It's bad enough that cocaine can produce heart disease in men under 40, but the damage to the nervous system and other parts of the body begins long before that—with the first use of the drug. Some researchers believe, for example, that it has contributed to the epidemic of teen-age suicides.

There is no easy way to turn around the teen-age drug scene—not after we've spent the last couple of decades creating a culture where "consciousness-raising" has included the use of "social" drugs. We told our children that designer jeans were a sign of status; next came designer drugs.

If we want them to know how dangerous these drugs are, we'll first have to stop pretending that the problem doesn't exist—and then we'll have to set a better designer role model for them.●

CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS REPEALED

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RAHALL. Mr. Speaker, yesterday, April 2, 1985, the House of Representatives voted overwhelmingly to repeal 3-month-old Federal regulations which caused quite an uproar in the State of West Virginia and throughout the country.

The Deficit Reduction Act of 1984 modified the requirements for records needed to substantiate deductions for business use of certain types of property including automobiles, airplanes, yachts, computers, and property generally used for entertainment, recreation, and amusement purposes.

Prior law permitted taxpayers to substantiate these deductions through records reconstructed after the fact, however, the 1984 act specified that the records needed to substantiate such deductions must be contemporaneous—that is, made at the time of each business use.

In October 1984 the Internal Revenue Service [IRS] issued regulations implementing the provisions which required that detailed logs be kept of business use of these types of property. Due to widespread discontent, the IRS modified its regulations in February 1985 providing less stringent rules for some farmers, as well as sales and service personnel, for vehicles used only for business and kept on business premises, and for certain other cases.

Although a clear improvement in the recordkeeping requirements, the new regulations continued to present employers with a formidable administrative task. The paperwork which was necessary to comply with these regulations was an unreasonable burden which could have led to additional cases of tax fraud.

Because legislation in this area has such wide reach, I would like to enter here the information provided by the House Ways and Means Committee on the repeal of the contemporaneous recordkeeping requirements. I am sure that my colleagues and all interested parties will find this information of tremendous import.

H.R. 1869: REPEAL OF RECORDKEEPING REQUIREMENTS

The Committee on Ways and Means today adopted legislation, by voice vote, repealing the "contemporaneous" recordkeeping requirements of the Deficit Reduction Act of 1984. These provisions required individuals to keep contemporaneous records showing the date, mileage and purpose of each trip. The contemporaneous recordkeeping requirement is repealed for all listed property, such as automobiles, airplanes, yachts and computers. In addition, the regulations issued by the Department of the Treasury to carry out the contemporaneous recordkeeping requirements are legislatively repealed.

The legislation also repeals the special negligence penalty for failure to have contemporaneous records and the provision requiring accountants to obtain written confirmation from the taxpayer that records exist.

The substantiation of automobile business deductions requirement is generally returned to prior law, except for the addition of a requirement that there be some written evidence corroborating taxpayer's own statement and the modification of the types of items subject to those requirements.

Delivery trucks, buses, marked police and fire vehicles, ambulances, hearses, and any vehicle designed to carry cargo with a loaded gross vehicle weight of over 14,000 pounds are excluded from the recordkeeping requirements. In addition, the Secretary of the Treasury shall issue regulations to carry out the provisions of this Act no later than October 1, 1985.

Income tax withholding for vehicle fringe benefits would become optional, allowing the employer either to include the imputed income on an employee's W-2, or withhold on whatever basis the employer finds to be most convenient.

The legislation is made revenue neutral by reducing the amount of investment tax credit and depreciation for luxury automobiles. These reductions are generally effec-

tive on April 2, 1985. In addition, the present law automobile inflation adjustment is deferred until January 1, 1986.

The repeal of the contemporaneous recordkeeping requirement, the no-fault negligence penalty and the preparer's penalty is effective as if those provisions had never been enacted. Thus, prior law recordkeeping requirements apply for 1985. The revised substantiation requirements apply to taxable years beginning after December 31, 1985. The withholding provision is effective January 1, 1985.●

PRESIDENT BELISARIO BETANCUR ADDRESSES COMMITTEE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BARNES. Mr. Speaker, this morning the Committee on Foreign Affairs, in behalf of the entire House, had the honor and privilege of meeting with one of Latin America's leading statesman, His Excellency Belisario Betancur, President of Colombia.

President Betancur is a powerful voice for democracy and peace in the hemisphere. He is one of the leaders of the Contadora group of countries working for a peaceful solution to the problems of Central America. In his own country he has stretched out his hand to guerrilla groups in an effort to bring peace.

In another area of importance to the Congress and the American people, illicit drugs, President Betancur has moved swiftly and effectively to cooperate fully with the United States. As he told us this morning, "we are disposed to pay the price, even of our own lives, which would be a small sacrifice to free humanity from this scourge." Those are the words of a man of commitment and of considerable courage.

Mr. Speaker, President Betancur's remarks to us this morning were eloquent but more importantly they carry an important message to the Congress from a valued friend of the United States. I include his address to the committee in its entirety at this point in the RECORD.

ADDRESS BY BELISARIO BETANCUR, PRESIDENT OF COLOMBIA

THE SUBVERSION OF UNDERDEVELOPMENT IN LATIN AMERICA

I am Belisario Betancur, freely elected, on my fourth attempt, President of a South American country called Colombia, with a territory equal to that of France, the Federal Republic of Germany and Japan combined, and with a population of almost 30 million people, distributed on the Caribbean Coast, the Pacific Coast, the Andean region, and along the Orinoco and Amazon regions. Without exaggeration, I could be taken as an example of a typical Latin American, for I am the second child of a semi-illiterate campesino family of 22 children, born of the same father and mother, 17 of whom died of a grave illness: subdevelopment. Struggling against such conditions, I was the only one in my hamlet who was able to study, sleeping in parks, and doing all kinds of work, from picking coffee beans as a child and working in bars, to writing for newspapers and being a university professor.

1. Our Mutual Sin

North Americans as well as Latin Americans have to confess and be ashamed of the ugly sin of mutual ignorance, which, most of the time, denotes a lack of interest. The guilt is not unilateral, since if you at times are mistaken in identifying us, I must confess that few people in my country would be able to name the fifty states of the Union or point to them on a map; correspondingly, not even our nearest neighbors know that an hour away from Miami, in our beautiful Caribbean archipelago of San Andres and Providencia, surrounded by Panama, Costa Rica, Nicaragua, Honduras, Jamaica and the Cayman Islands, English is spoken and the predominant religion is Protestant.

2. Returning to Forgotten Lessons

In Latin America the desire to satisfy our needs, has arrived tumultuously, upsetting the traditional structure, which gives this desire the inappropriate name of subversion: inappropriate because among ourselves very often the subversive agents are not the masses, nor the leaders, but the situations and needs.

As a result, we must repeat lessons that have been forgotten, or were never really learned, one way or another. It is our aspiration that we be given the benefit of a doubt, in regard to our desire for democracy. We prefer liberty; yes, we prefer democracy. We are not fighting with anyone in North America. It is just that people oppressed by misery, grasp at any straw, seek any port in a storm, above all when they cannot find development in liberty. But I have faith that in Latin America, Central America, and the Caribbean we prefer liberty. We prefer peace to war, because our only war is against underdevelopment. We are privileged survivors among the agony of people who, nevertheless, cherish the values of the American Constitution.

3. The Contadora Group

But, in spite of our problems, we like to look around and try to help, in a democratic and Christian way, neighbors who need us. Hence the philosophy and action of Contadora is founded in the need to give contemporary and worthy metaphysical answers to the subjective and objective agents that work in every subversive process. For this reason, the Act of Contadora has as its aims:

To ensure the defense and promotion of democracy in the Central American Isthmus through means of free and pluralistic elections of governments and representative institutions, eliminating all interferences in internal matters and all forces destabilizing the governments of the region;

To create opportunities for participation to those not in agreement, so that in a state of reconciliation they become part of the solution to their country's national and international problems;

To give dignified answers to subjective or personal subversive factors, so that there are only free people in our homelands making exile and clandestine operations unnecessary; for it is our conviction that in a democracy all ideologies may exist without fear;

To make subversion impossible because the objective factors that motivate it will be eliminated by creating financial support for a social infrastructure such as hospitals, schools, water supplies, food production, sewerage systems, employment, cheap credit, and fair prices for products;

To seek peaceful solutions to conflicts, giving more importance to dialogue and the rejection of all military intervention, since we are convinced that such intervention would unchain a subversive wave throughout Latin America and the Caribbean;

To achieve, as its consequence, the demilitarization of Central America and the departure of foreign military experts.

In this we coincide with what Indiana Representative Lee H. Hamilton has said: "Military action alone will not resolve the underlying problems of the region and will not neutralize the advances of communism in the long run." [1] And with the Congressman from Arkansas, William Alexander, who says that "What is important is not who has the most powerful weapons, but who has the most valid political ideals, and who has the politics that offer the best response to the elemental prayers of Central Americans, more often motivated by Christianism than by Communism." [2]

All of which has as its basis that we recognize realistically, that peace in Central America requires that the countries interested in the region adhere to these principles. Because true peace is one and indissoluble, and war in any region affects it in the whole world. For that reason, Colombia likewise seeks agreement with internal armed groups, and also has encouraged agreement among opposing factions in other countries: we are proud that we are seen as a moral force rather than a military power. Thus we better serve democracy and humanity. Because definitely, we are citizens of the world, citizens of the cosmos as Carl Sagan would say.

I must not ignore the Report of the Bipartite Commission on Central America: we are attentive to its recommendations, even though we are not in complete agreement with the Manichean philosophy of supporting only the social infrastructure of those who behave themselves. This treatment of the crisis reminds us of the obsolete Renaissance debate over which came first, the chicken or the egg. We hope that the recommendations of the Commission will lead to peace.

4. Drugs as a Destructive Force

Permit me to touch on a painful theme. Drugs are a two-way tragedy: they weaken our two countries and destroy values that are the foundation of our moral and physical patrimony.

We are all daily victims of this plague.

Our two governments give no quarter in the struggle against drugs. Colombia has done it, and will continue to do it relentessly, even if with material and logistic limitations. We have reached a point of no return, because we wish to be on the side of human dignity. We wish to look more at history than at our human condition. And we are disposed to pay the price, even of our own lives, which would be a small sacrifice to free humanity from this scourge.

But we do not wish to feel alone in this struggle, in which you, too, take part: For here is the greatest center of drug consumption. The tremendous wealth proceeding from drugs, is deposited here. North American banks launder fantastic sums of money and are barely punished. Many of the great North American drug traffickers live here. According to the Washington Post, "The Colombians are making a mighty effort, one extending far beyond the American preoc-

cupation with law-enforcement (necessary as that is) and one costing them far more in basic social stability than the American drug problem (terrible as it is) costs the United States." And it is true: we continue to fumigate crops, destroy laboratories, seize shipments, jail criminals, and extradite nationals, for whom, notwithstanding, we request dignified treatment, at the same time that we insist on the extradition of North Americans who commit the same transnational crimes.

5. Six Proposals

In sum, I have the honor of submitting to you, Honorable Congressmen, the following proposals:

I. To establish an Alliance for Peace, Development and Democracy between the United States and Latin America;

II. In the case of Central America, support the Act of Contadora and the commitments inherent in it for all the countries that have an interest in the area; support plans to generate employment and construction for the physical and social infrastructure that the region requires, using the Interamerican Development Bank as the technical secretaryship and coordinating entity of the Advisory Group for the region, according to the general plan of the Kissinger Report;

III. Perfect the International Coffee Agreement, as a program of cooperation;

IV. Seek a better adjustment between fiscal politics and monetary politics of the United States and other industrialized countries, which is reflected in lower interest rates for the developing countries; and to facilitate the exports of these countries, eliminating protectionist barriers;

V. Strengthen multilateral credit organizations: without long-term credit directed to well-structured projects, it will not be possible to stimulate the growth of developing countries.

VI. Intensify the battle against drugs declared, by the United Nations, a crime against mankind; eradicate drug-producing crops in Latin America and in the United States, destroy drug processing laboratories, dismantle the international organization that controls drugs, strengthen the educational campaigns against their use, institute more severe punishments for drug users, and provide stimuli for the substitution of other crops;

7. A Driving Force

The opportunity to converse with the representatives of this great democracy, could not pass without a new appeal to the spirit that has endured throughout the history of this nation: the same spirit that once permitted Jefferson to say that "every man, and every group of men on earth, possesses the right to self-government."

These groups of men and all humanity, will be more secure if we give them peace; if we give them dignity, if we give them courage. We wish to give them that courage, that dignity and that peace. We would feel very well accompanied if you—free citizens of this free and great nation—persist in that courage which has illuminated its great men since the time of Washington and that has been the glory of your people.

I wished to come to you to speak frankly, as a friend: no euphemism can you expect, for that reason, from the President of Columbia. Our Liberator, Simon Bolivar, used to say that the good friend of he who governs is he who speaks the truth.

Permit me, in the manner of Niels Bohr, one of the fathers of contemporary physics, to close this unforgettable encounter with his words: "Every phrase that I utter should be considered not as an affirmation, but as a question." [3]

That is what we are: leaders who seek the ways of liberty to bring our people happiness through progress and justice. It says in the Bible: "And the Lord appeared to Solomon in a dream by night saying: Ask what thou wilt that I should give thee. And Solomon said: Give to thy servant an understanding heart, to judge thy people and discern between good and evil. And it was pleasing to the Lord that Solomon has asked such a thing. And the Lord said to Solomon: Because thou hast asked this thing, and hast not asked for thyself long life or riches, nor the lives of thy enemies, but hast asked for thyself wisdom to discern judgment, behold I have done for thee according to thy words, and have given thee a wise and understanding heart, insomuch that there hath been no one like thee before thee, nor shall arise after thee." (3 Kings, 5–13).

With a wise and just heart, we should feel the moral duty to offer responses through democracy and liberty, to the anguished questions of America and the world.

NOTES

[1] Lee H. Hamilton, "Covert Action is not in Our National Interest," The Washington Post, May 1984.

[2] William Alexander, "Schizoid Latin Policy," The New York Times, July 1983.

[3] Cited By Jacob Bronowsky, "El Ascenso del Hombre," Fondo Educativo Interamericano, Bogotá, 1979.●

LESSONS FROM VIETNAM

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RITTER. Mr. Speaker, a recent article in Stars and Stripes describes the experiences and ideas of Vietnam war veteran Al Santoli. I would like to share these insights with my colleagues as we continue to judge our foreign policy in the shadow of the Vietnam war.

AL SANTOLI'S BURDENS

(By Joan M. Maiman)

In 1983 Al Santoli was helping to evacuate Cambodian refugees who were being shelled in a camp near the border of Thailand. "There were women and children and old people dying around me as the Vietnamese mortars and artillery fell on the defenseless people," recalls Santoli.

He goes on to note that the unit doing the shelling was the 9th Div. of the Vietnamese army, a unit he had fought as a young infantry man serving near the Vietnam Cambodian border with the U.S. 25th Inf. Div. 15 years earlier.

Santoli believes that the incident of the refugee camp shelling brings home a point the American public, especially those who served in Vietnam, must be aware of—the Vietnam War is not over in Southeast Asia.

As did many young Americans during the Vietnam years, Santoli went into the service right out of high school and served in Vietnam from 1968–1969 as an infantry man. He also spent time serving with a joint U.S. Vietnamese force and this enabled him to spend time away from the Americans seeing how the war was affecting the people of Vietnam.

When Santoli returned to the States in 1969, he noted that there was: "A kind of guilt by association." That is says Santoli, "you were stigmatized by having been in Vietnam." Santoli credits the media with much of this stigma because of "their constant negative press accounts of Vietnam."

Also, he believes that the American people were confused about what was really happening in Southeast Asia.

When he got out of the service Santoli returned to school originally intending to get a degree in physical therapy, a skill in which the military had trained him.

However, opting for "the reality of nonfiction writing," Santoli began working on his bestselling book "Everything We Had," an account of the Vietnam War from the viewpoint of ordinary soldiers who had fought there.

"We were kind of sleepwalking in the 1970's, says Santoli of the Vietnam vets. "It was only at the end of that decade that those who were the ordinary people in that war began to be heard."

Noting that the men who had been in the field were not the policy makers of the war and not "those who made careers off of Vietnam," Santoli believes it is important that their voices be heard. Following the success of his book, Santoli became increasingly involved with refugees from Southeast Asia who told him of what had happened in that part of the world since the Americans left in 1975.

From their accounts of life under the Communists, Santoli says he began to realize that: "we were right in being involved in Southeast Asia." He is quick to point out however, that this "does not mean that we always made the right policy decisions in that war."

Also, based on what he saw of the activities of the Viet Cong during the time he spent with the Vietnamese units, Santoli realized that the accounts of life under the repressive Hanoi regime, were in line with what he had observed.

Santoli has made four trips to Southeast Asia in recent years including one he made with members of the non-Communist resistance forces of Cambodia.

"The numbers tell the story of what has happened in Southeast Asia," notes Santoli. In 1984, 25,000 Cambodians and 20,000 Laotians fled the communist occupation of their nations according to Santoli.

Under the "orderly departure" program of the United Nations operating in Vietnam, 2,000 persons per month may obtain exit visas to leave the country. To date, over one million have applied, knowing that they face severe action from the government when they do so.

An estimated 500,000 people have fled Vietnam as boat people and relief workers estimate than an equal number may have perished on the high seas in their quest for freedom.

In 1984 some 2,000 people per month continued to flee as boat people.

"Clearly," notes Santoli, "the government of Vietnam does not have the support of its own people."

Santoli goes on to say that the economy of that nation is a "disaster" as 50% of their GNP goes for defense.

While working on his new book "To Bear Any Burden" due for release this spring, Santoli spoke with individuals who had been former members of the Viet Cong as well as members of the post 1975 Communist government of Vietnam. One of these men stated: "I wish we had understood you

Americans better and had not fallen for the communist leaders lies. You were right." These former communist officials have joined those who have fled Southeast Asia.

Looking back, Santoli believes that the lesson we must learn from Vietnam is that of realizing that we were right in trying to preserve freedom for the people of that region. "There is no reason for Americans, especially veterans, to feel guilty about our involvement. We must realize that we lost the war in Paris and Washington not on the battlefield," he says.

For Al Santoli getting the word out about what has happened in Southeast Asia is a duty and a way of making sure that "history understands that we were right in being there, that those who died did not do so in vain."

The recent focus on the Vietnam veterans, the monuments and recognition for those who served "has a place" Santoli says. But to focus on this constantly, to be fixated in the past denies the present," he concludes.

"The struggle for freedom which we were a part of in Vietnam goes on there and in other parts of the world," he says.

(Al Santoli served in Vietnam with the 25th Infantry Division and received three Purple Hearts and a Bronze Star for valor. His first book, "Everything We Had", was nominated for the American Book Award in 1983, and was selected for the American Library Association All Time Best Books List. He now lives in New York with his wife, Phuong, and regularly contributes to Parade Magazine. His articles have also appeared in Atlantic Monthly, New Republic, and Reader's Digest.)

(His new books "To Bear Any Burden the Vietnam War" and its aftermath in the words of Americans and Southeast Asians will be released by E. P. Dutton in April 1985.)●

IMPOSE A 10-PERCENT SURCHARGE ON JAPANESE GOODS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HILLIS. Mr. Speaker, today I am introducing a bill which I hope will bring about a fundamental change in the current American-Japanese trading relationship.

On two occasions within the last 10 days the Japanese have demonstrated their reluctance to treat the American worker and farmer with equality. Last week the Japanese announced that they were increasing shipments of their cars by 25 percent to the United States. This week the Japanese Government asked for still more time to complete their technical standards for telecommunications equipment which would allow American manufacturers access to the Japanese market.

The objective of this bill is straightforward and unambiguous. A 10-percent surcharge would be imposed on all Japanese goods imported into the United States until the President certified to the Congress that "substantial progress" has been made in the removal of Japanese nontariff trade barriers to the importation of American goods. This would be imposed on an across-the-board basis.

For too long the Japanese have refused to afford the American worker and farmer the same fair treatment which we have given his counterpart. This has manifested itself in a $37 million trade deficit for 1984 alone.

This measure sends a resounding signal to the Japanese that the rules of the game are changing. It is a responsive and responsible measure. I urge my colleagues to cosponsor this bill.

The text of the bill follows:

H.R. 1944

A bill to impose a surcharge on the importation of Japanese products until such time as the President determines that Japan has made significant progress in eliminating its non-tariff barriers to American products

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Trade Act of 1985".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the current United States trade deficit with Japan of $37,000,000,000 is unacceptable to the American people;

(2) the continued refusal of Japan to make significant reductions in non-tariff trade barriers to United States products will further increase this trade deficit; and

(3) Japanese non-tariff trade barriers pose a significant threat to the stability of the economic, political, and strategic relationship between the United States and Japan.

(b) PURPOSE.—The purpose of this Act is to reduce Japanese non-tariff trade barriers to United States products and services.

SEC. 3. IMPOSITION OF SURCHARGES ON IMPORTS FROM JAPAN.

(a) IMPOSITION OF IMPORT SURCHARGES.—There is imposed on the entry, or withdrawal from warehouse for consumption, in the customs territory of the United States of each article that is the growth, product, or manufacture of Japan an import surcharge in the form of a duty of 10 percent ad valorem.

(b) TREATMENT OF IMPORT SURCHARGES.—Each import surcharge imposed under subsection (a)—

(1) shall be treated as a regular customs duty for purposes of the administration of the customs laws; and

(2) is in addition to any other duty imposed by statute as proclamation on the article.

(c) APPLICATION.—The surcharge imposed under subsection (a) applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.

SEC. 4. MONITORING OF JAPANESE ACTION.

The Secretary of Commerce shall monitor the actions taken by the Japanese Government to eliminate its non-tariff barriers to the products and services of the United States and estimate the probable monetary impact that those actions will have with respect to United States trade with Japan. The Secretary of Commerce shall report the results of the monitoring and estimates made under this section to Congress on a biannual basis.

SEC. 5. TERMINATION OF IMPORT SURCHARGE.

At such time as the President decides, based on the monitoring undertaken under section 4, that the Japanese Government has made significant progress in eliminating its non-tariff barriers to the products and services of the United States, the President shall certify that decision to the Congress and proclaim the termination of the import surcharges provided for in section 3 of this Act.●

HISPANIC CHAMBER DRAFTS BLUEPRINT EXPANDING BUSINESS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RICHARDSON. Mr. Speaker, last week, the Hispanic Chamber of Commerce held their annual meeting in the Nation's Capital. During this conference the Hispanic chamber presented a Hispanic business agenda. The purpose of the agenda was to underscore the issues facing the Hispanic business sector and to initiate plan for action in the future. The agenda was developed and drafted by the U.S. Hispanic Chamber of Commerce as a blueprint for collection action, and comprises issues and resolutions gathered from a national survey of Hispanic business leaders at agenda sessions across the country.

The No. 1 issue coming out of this business agenda was the need for capital. The lack of financing is the most critical problem facing new Hispanic businesses and established firms wanting to expand.

Last week, Robert Rodriguez received approval from the Securities and Exchange Commission, and the National Association of Securities Dealers, to establish the Nation's first Hispanic-owned investment banking house. Southwestern Capital Markets, Inc., of San Antonio, TX, is a firm with over 20 years of experience. Robert Rodriguez is a leader with the Hispanic business community and we are encouraged by his leadership. Certainly other Hispanics throughout the United States have achieved great heights, and in a business considered by many to be the world's most exclusive club. Robert Rodriguez will make his mark.

I would like to insert the following article from Hispanic Business magazine for the RECORD.

FIRM BIDS TO ENTER BUSINESS WORLD'S MOST EXCLUSIVE CLUB

(By Juan Guedella)

At age 41, Robert G. Rodriguez, of San Antonio, Texas, is finally making history. That is to say, the dream Rodriguez has nurtured since age 14—and perhaps a few years before that—is finally taking shape.

Within the next 60 days, Rodriguez expects to have the approval of the Securities

and Exchange Commission and the National Association of Securities Dealers which will make his small San Antonio firm, Southwestern Capital Markets, Inc., (SCMI), the first Hispanic-owned investment banking house in the United States.

Rodriguez is aware that he is breaking into a club, entry to which is not only jealously guarded but to which few, if any, minority firms have ever been admitted—certainly none that were Hispanic-owned.

Participation in underwritings, the bread and butter of the business, is by invitation only; and the lead underwriters—those large investment banking houses whose names appear in the largest type in the top line of participants, or above it, in the "tombstone" ads which appear on the financial pages of the country's largest newspapers—can literally starve a small, young firm to death.

NO NEOPHYTE

Still, Rodriguez is no neophyte impudently banging on the door and loudly demanding admission to that exclusive club which is the investment banking business in the U.S. Like most things he has done in his life, Rodriguez put a lot of thought—and a great deal of personal and professional preparation—into his move to establish his own investment banking house.

Texas-born Rodriguez points out that his native state is today probably the largest generator of tax-exempt issues in the entire country. He puts the current figure at around $7 billion a year; and Rodriguez, who formed Southwestern Capital Markets, Inc., in 1983, has been acting a financial advisor to a handful of municipal and public entities whose issues have been part of that huge and profitable financial pie.

Then there is the rapidly expanding world of Hispanic-owned businesses to which Rodriguez will surely be drawn by bilingual and bicultural affinities. He says that he has seen considerable evidence of the reticence of many Hispanic entrepreneurs to go into the capital market in the U.S. for urgently needed funds for expansion.

"Most of them do not understand the market's complexities. They see it as a sort of jungle; a place where they are alone, and without friends; and they fear it," he says.

He hopes that his own educational and low-key persuasive approach will encourage more Hispanic businessmen to seek an understanding of the market and how it can help meet their capital needs.

But it is a mark of the sophistication which Rodriguez has acquired in his 20 or so years in financial education and practice that his view of Southwestern Capital Markets, Inc., is not an exclusively Hispanic one.

"We want to serve clients across the business spectrum," he says. "I want the image of SCMI in the marketplace to be that of an investment banker whose principal just happens to be a Hispanic."

Rodriguez's corporation currently has three partners: Rodriguez, Raul Villasenor and Timothy Arms. As the firm grows, and its capital requirements increase, other investors may be invited in. Rodriguez expects the firm's initial capitalization to be around the $1 million mark.

Villasenor, who holds a degree in computer science, was for some years a senior computer analyst with a leading San Antonio utility company. He will head the firm's "back office" operations—keeping track of clients' accounts, reporting, settlements, etc.

Arms is a CPA, a former executive of Ernst & Whinney, one of the accounting world's "Big Eight." His immediate area of responsibility will be financial planning, and, eventually, portfolio management.

ADVISORY ASSIGNMENTS

While awaiting SEC and NASD approval to make its formal debut as the first Hispanic-owned investment banking house in the U.S., SCMI has been acting as financial adviser to a number of municipalities and public bodies floating bond issues. It advised on the Alamo Community College District's $20 million issue to finance a new campus; and on Bexar County's (and its Housing Finance Corporation's) four issues totalling $150 million. More recently, SCMI was retained by the San Antonio School District to advise on a capital improvement issue of some $25 million; and Maverick County, Texas, asked SCMI to advise on an $8 million issue to finance construction of a new jail.

Born in the military hospital of Fort Bliss, Texas, the son of a Signal Corps soldier who was to die in World War II, Rodriguez set his sights on a career in finance early in his boyhood. His mother, who supported him through high school by working as a sales clerk at J.C. Penney and Co., encouraged his early financial aspirations. His first job out of high school was that of a Collections Clerk for Montgomery Ward, "telephoning people at home in the evenings to try to persuade them to pay their overdue accounts. It was not a pleasant job, and it was not one that I liked," he says.

From high school, in Eagle Pass, Texas, Rodriguez entered the University of Houston where he majored in finance and graduated with a Master's Degree in Business Administration. From Houston, he went on to Northwestern University, in Chicago, for further studies in mortgage banking and real estate financing. His credentials from Northwestern show him to be a Certified Mortgage Banker.

On his return to Texas, Rodriguez entered the public sector, serving as executive director of the Houston Economic Center where he worked with the Small Business Administration, and the capital markets at large to gain business loans for small entrepreneurs. He was later appointed to the board of the Houston Housing Authority, and he also served on the city's planning commission.

In 1979, Rodriguez joined the Houston office of Boettcher and Company, a highly respected regional investment banking house with a head office in Denver, Colorado. At Boettcher, Rodriguez was soon invited to become a partner, and in 1981 he was chosen to expand the firm's Texas operations to the city of San Antonio. He moved his family to San Antonio, and opened Boettcher and Company's first office in that city. He left Boettcher and Company in 1983 to establish SCMI.

With his wife, Rose Mary, a teacher in bilingual education in the San Antonio School District; his twin daughters, aged 14; and his son, aged seven years; Rodriguez now counts San Antonio home—a home upon which he would like to confer the honor of being the first city in the United States to accommodate the first Hispanic-owned investment banking house to be established in the United States.●

LETTER FROM OPTOMETRISTS FOR SOCIAL RESPONSIBILITY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ADDABBO. Mr. Speaker, I would like to bring to the attention of my colleagues, a letter written by the Optometrists for Social Responsibility.

Their recognition of the senselessness and danger of the arms race is something we all need to take note of. Their message is one that I hope we will all heed so that we may begin using our resources for the betterment of mankind rather than its annihilation.

I submit the letter of the Optometrists for Social Responsibility for the RECORD:

OPTOMETRISTS FOR
SOCIAL RESPONSIBILITY,
Burlington, NJ, March 27, 1985.

DEAR MEMBER OF CONGRESS: In 1959, former President/General Eisenhower said, "I like to believe that people in the long run are going to do more to promote peace than are governments. Indeed, I think that people want peace so much that one of these days governments had better get out of their way and let them have it."

In 1953 he had stated, "Every gun that is made, every warship launched, every rocket fired, signifies in a final sense a theft from those who hunger and are not fed—those who are cold and not clothed. This world in arms is not spending money alone—it is spending the sweat of its laborers, the genius of its scientists, the hopes of its children."

Eisenhower's views in one way or another have been repeated not only by the majority of the American people and millions outside of our own country, but by experts in the field of weaponry, health, education, the arts, science, labor, religion—in every field of endeavor.

All recognize the delusion that, "more and bigger is safer." The Administration is out of step. Your role is historic. We hope that you will be your own man and vote against the MX missile and the "Star War" adventure. Both are a step backward from the forward move toward security from nuclear war.

The MX missile has been shown to be inefficient and unworkable as a defensive weapon. And if the idea of Star Wars is to keep us safe from a nuclear weapons attack, it is cheaper and safer to negotiate nuclear weapons out of existence.

We are at a technological point where we can use the billions either for food, education, health, a clean environment, a virtual Heavenly earth, or prepare for blowing up the world even as we finance it, by demeaning our people and their quality of life.

The decision of the issue is in your hands—history looks to you! We urge, hope, and expect to hear that you will vote for a peaceful, healthy future—against the MX missile and the "Star Wars" adventure.

Most sincerely,

DR. GEORGE L. BROWN, *Director.*●

CONTRACTING CONDUCTED OVER GOLDEN SAFETY NET

HON. GERRY SIKORSKI
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. SIKORSKI. Mr. Speaker, on Sunday, the Washington Post published the first in a series of indepth articles on defense contracting. This series underscores the cost overruns, improprieties, and abuses we've been uncovering in the Oversight and Investigations Subcommittee on Energy and Commerce.

CONTRACTING CONDUCTED OVER GOLDEN SAFETY NET

(By Rick Atkinson and Fred Hiatt)

When a small defense contractor in Florida was going broke two years ago, the Defense Department did what has been done in the name of national security more than 6,000 times since 1958: It bailed out the company.

The $1.8 million grant to the Wayne H. Coloney Co. of Tallahassee, a maker of ammunition cases for the A10 warplane, was pocket change by Pentagon standards.

But it provided a perfect symbol of the golden safety net the United States has woven beneath the nation's most controversial industry—the defense business.

The bailout was bestowed under an act of Congress that has been used to pump out hundreds of millions of dollars over the last 27 years, while remaining nearly hidden from public view: the Extraordinary Contractual Relief Act.

The relief to Coloney, moreover, was not from an act of God or natural disaster or fickle shift of governmental policy.

The Air Force rescued Coloney despite concluding that the company had deliberately underbid on arms contracts.

What Coloney illuminates is how throughly Congress and the Pentagon insulate the defense industry from the normal rough-and-tumble risks of doing business.

From cradle to grave in the life of a weapon the nation's defense giants are coddled in ways only dreamed about by most commercial companies, ensuring that few defense contractors fail and adding a hidden surcharge to every military budget.

The Pentagon soothes its contractors through the birth pangs of a new weapon by picking up the tab for even unsolicited and unsuccessful proposals.

It consoles the bereaved arms maker at the death of a weapon with hefty "termination" fees.

And along the way, the government again and again trusts the defense industry to tell it what to buy and how much to pay.

Again and again, the government pays for contractor mistakes.

Again and again government underwrites industry's costs with what amount to interest free loans.

Somebody said that the Pentagon runs the world's second-largest planned economy after the Kremlin," said defense analyst Wolfgang Demisch. "I think that's a little harsh, but there's something to it."

This article is the first in an occasional series that will look at this and other aspects of the peculiar institution that President Dwight D. Eisenhower darkly dubbed the military-industrial complex" and that President Reagan prefers to call "the arsenal of democracy."

Among the features of that American arsenal:

At the midpoint of Reagan's eight-year, $2.3 trillion defense buildup, the Pentagon is spending an average $28 million every hour—24 hours a day, seven days a week.

In the time it takes to read this paragraph aloud, the United States will spend $160,000 for defense.

The defense industry is racking up record profits, with many multinational corporations finding their military business two or three times more rewarding than commercial sales.

The top 13 contractors last year had combined sales, military and commercial, of more than $122 billion.

Few of the country's defense giants have paid any federal income taxes in the past three years.

General Dynamics Corp., the nation's largest defense contractor, has paid no federal taxes since 1972. The Grumman Corp. is paying federal taxes this year for the first time since 1976.

Because profits paradoxically increase as costs rise, in many cases there is no incentive for contractors to save taxpayers' money.

As Sen. William Proxmire (D-Wis.) put it. "The higher the cost, the higher the profit. It's all perfectly legal in the topsy-turvy world of defense contracting."

The industry has more than its share of patriots who have performed technological wonders in advancing the state of weaponry for American soldiers and sailors.

But persistent revelations of exorbitantly priced coffee pots, shoddy missiles and taxpayer subsidies for executives' high-rolling life styles also provoke questions about whether the industry has exploited—and thus undermined—the national consensus to rearm America.

The arsenal of democracy includes 20,000 prime contractors and 150,000 subcontractors and vendors. They labor under 154 accounting systems used by the Pentagon, as well as purchasing rules that fill more than 7,500 pages—five times the length of Leo Tolstoy's "War and Peace."

Some inkling of the torrent of paper involved can be gleaned from Lockheed Corp.'s recently submitted proposal to build a new military transport jet: One copy of the plan weighed *three tons* and had to be delivered to the Air Force by cargo plane.

This year, the Defense Department will issue 15 million contracts for purchases of everything from socks to submarines, all supervised by 54,000 officials who do the Pentagon's shopping.

"Without question, it's the biggest thing that afflicts us . . . the vastness of this bureaucracy," said Navy Secretary John F. Lehman Jr., one of the most aggressive Pentagon advocates for competition and curbs on costs.

"Nobody really realizes how big this building is and how complex it has become," Lehman said. "It's really like an ant on an elephant's knee trying to describe it.

"The problem just gets worse and worse and worse every year. Unfortunately, what it creates is the ideal environment for monopoly relationships."

Or, as former Deputy Defense Secretary David Packard put it in 1970, "Frankly, gentleman, in defense procurement we have a real mess on our hands."

THE ARMS BAZAAR

Before World War II, there was no defense industry as we know it today.

Weapons were simple enough that, with few exceptions, government arsenals could mass-produce the requisite rifles, cannons and other tools of battle.

When warfare took to the skies, however, government arms makers were incapable of building the increasingly sophisticated warplanes, and the industry was born.

By 1958, only 10 percent of the nation's munitions were made in U.S. arsenals.

Since then, captains of the defense industry have proclaimed themselves paragons of free enterprise.

But the arms bazaar remains a business like no other, part regulated utility, part national asset, part reaper of subsidized profit.

Under a broad and bipartisan policy, the United States has chosen to nurture an elaborate defense industrial base, ready to respond should the nation again be plunged into global war.

It is that fundamental manifesto that causes the Pentagon to go to extraordinary lengths to nurture the defense industry in peacetime.

"Either overtly or subconsciously, we don't let them go out of business because of concern about the defense industrial base," Maj. Gen. Bernard L. Weiss, chief of Air Force contracting policy, said in an interview. "We can drive the industry to survival of the fittest, but then we'll have even more sole-source contracts and no industrial base.

"Who should say whether that industrial base is worth the cost?" Weiss added. "I think it is."

The Reagan administration took office determined to stop what it viewed as the erosion of the military's industrial underpinnings.

Administration policy, best articulated by former deputy defense Secretary Frank C. Carlucci, called for higher industry profits, lower risk and closer working ties between contractors and the Pentagon.

This attitude of partnership has leached much of the risk from the defense business, turning it into what author and Pentagon critic Gordon Adams calls "a funny form of capitalism."

In fact, industry and government often are so snugly intertwined that defense contractors help define the enemy threat, essentially creating their own market, and then design, build and test the weapons to meet that threat.

The Defense Nuclear Agency, for example, is responsible for doing much of the Pentagon's thinking about nuclear war.

When DNA wanted to think about "hardening" the electronics in U.S. weapons against the electromagnetic effects of an atomic explosion, it appointed a technical advisory group to study the issue.

Eleven of the 15 advisers, including the chairman and executive secretary, were defense contractors, according to a Defense inspector general's audit last fall.

Almost 90 percent of the millions of dollars subsequently spent on the program went to the same contractors who had recommended themselves for the jobs.

In fact, the Defense Department frequently relies on contractors for everything from pricing data to the inspection of the contractors' own construction projects.

Federal law, for example, gives the government the right to review contractors' financial records to verify cost and pricing information.

But Woodrow Murphy, the Pentagon's chief watchdog at Texas Instruments for three years, was so effectively barred from doing his job that "today I don't even know

where the accounting department is" at the company, according to the retired auditor's testimony to a Senate subcommittee last year.

A defense inspector general's audit team last year looked at 216 Pentagon contracts and found evidence of fraud in 10 percent of them, including 11 in which the contractor had refused to let the government look at the pertinent records.

And when the contractor is caught overcharging the Pentagon, cases may drag on for years. During an appeals process that can be glacial, the contractor gets free use of the taxpayers' money. And there are no penalties for the overcharge unless fraud is proved.

In April 1980, for example, Pentagon auditors found that General Dynamics had made a $2 million error in the company's favor on a contract for F16 warplanes. The contractor quickly agreed that it had made a mistake—but managed to hold onto the money, interest free, for two years.

"FISH IN A BARREL"

Lee Iacocca, chairman of Chrysler Corp., likes to ask his suppliers who also peddle to the military whether there's easy money in defense contracting.

"They start chuckling and they look around to see if the office is bugged," Iacocca said in an interview. "And they say, 'It's like shooting fish in a barrel.' "

Defense executives believe they should be compensated for the trials of serving a single customer—the U.S. government—which can be fickle, meddlesome and capricious.

The government has been so sympathetic to that argument that it has assumed many of the companies' ordinary business costs.

In the commercial world, for instance, companies must dip into profits to pay for product development and sales. The Pentagon, on the other hand, last year gave its 100 largest contractors $3 billion—over and above profits—for independent research and the cost of submitting proposals for new weapons.

In the commercial world, companies usually compete for business, with the losers coming away empty-handed. The Pentagon gives most of its dollars to monopoly or specially chosen producers, despite greater emphasis on competition under Defense Secretary Caspar W. Weinberger.

Even when the Pentagon orchestrates competition, the loser often wins. Two companies dueling for the Army's Hellfire missile business knew before the fight began that each would end up with at least 30 percent of the pot.

"You turn on two of the bull mooses," said Pentagon whistle blower A. Ernest Fitzgerald, "and you pay 'em both."

In the commercial world, a company snaring new business has to gear up with new tools and equipment. In the defense world, the Pentagon often antes up millions of dollars in special tooling that the contractor balks at buying.

In fact, contractors are given rent-free use of more than $10 billion in factories and equipment bought by the government. M1 tanks, F16 fighters, C5 cargo planes and Stealth bombers all are being built by private companies in publicly owned factories.

Businesses in the commercial world may have to borrow money to buy supplies and pay salaries. But the Reagan administration, as one of its first initiatives, agreed to pay large defense contractors up to 100 percent of their costs every month, compared to 80 percent elsewhere in government.

Consequently, Lockheed was able to boast in its 1984 annual report that it has amassed nearly $200 million in progress payments above actual costs.

In the commercial world, companies often have to pay expensive insurance premiums. They also may find themselves losing money to inflation. The Pentagon frequently insures its contractors—even against their own negligence—while picking up the tab for inflation, which in the defense business is assumed to run 30 percent higher than in the economy as a whole.

Finally, in the rare event that the Pentagon decides to kill a weapons program earlier than expected, generous "termination clauses" can cushion the contractor against any financial shock

Thus, when the Army pulled out of a joint plan with the Marine Corps to buy light armored vehicles from General Motors of Canada, the Marines suddenly found themselves buying 758 vehicles instead of 586, paying $20,000 more for each and, for good measure, tossing in a $31 million surcharge, according to congressional testimony.

Defenders of the system contend that if eternal vigilance is the price of freedom, then this "funny form of capitalism" is the price of eternal vigilance. Critics responded that the system has bred precisely the military-industrial complex that Eisenhower fretted about a quarter century ago.

CONTRACT NOURISHMENT

It was known simply as Change Order No. 173, a bureaucratic sleight-of-hand that demonstrated just how understanding a customer the Pentagon can be.

The Air Force had agreed to pay Hughes Aircraft Co. $230,000 apiece for 400 Maverick air-to-ground missiles.

But when Hughes ran into trouble developing the new weapon and threatened to bust its budget, the Air Force cut a new deal for only 290 missiles—at about $500,000 apiece.

That modification, No. 173, was just one small example of a process known in the Pentagon as "contract nourishment."

It is a process that nurtured the Maverick's supposedly "fixed-price" contract from $90 million to $360 million in three years, thanks to almost 300 such change orders.

Over the decades, some large defense contractors have lost money. Others have been swallowed in mergers. But for the most part, the Defense Department has cushioned contractors from the impact of their slips and stumbles, at times even rewarding them for their own mistakes.

One emblem of Pentagon indulgence is the Extraordinary Contractual Relief Act, Public Law 85-804, which has allowed the government to bestow $1.4 billion on troubled contractors since 1958, including the hapless Coloney Co. of Tallahassee.

This law, enacted to protect companies deemed "essential to the national defense," is dormant except in times of national emergency. But because President Harry S. Truman's declaration of emergency at the outbreak of the Korean war in 1950 never has been repealed, the law remains quite alive.

In 1982, for example, Gichner Mobile Systems of Old Forge, Pa., underbid two other firms to win a $1.3 million contract to build "transportable shelters" for the Army.

Gichner then disclosed that it had bid too low after relying on an obsolete tax schedule. The mistake was "so obvious," the company argued, that the Army contracting officer should have saved the company from its own arithmetic. The Army agreed and handed out $62,000.

Defenders of PL 85-804, such as Wayne H. Coloney, vice president of the Florida firm, contend that the government would have lost more money had his company been shut down.

"Obviously I'm biased, but it was a hell of a deal for the taxpayers," he said.

One of the law's most enthusiastic cheerleaders is an arcane legal journal called the Extraordinary Contractual Relief Reporter.

"The fact that a mismanaged company may occasionally benefit from its relief," the journal once said, "is insignificant when compared to the statue's ability to ensure that the government promptly obtains products and services essential to the national defense.

And in truth, most large contractors do not need PL 85-804. Instead, they rely on more informal methods of contract nourishment when things go sour.

As a result, some critics allege, companies that perform poorly earn as much or more than companies building first-rate weapons.

"It's for a very simple reason," said Michael R. Burns, legislative liasion for Business Executives for National Security. "Industry gets paid to fix its mistakes. It's like consumers paying Ford for fixing exploding gas tanks in their Pintos."

Thus, the Air Force paid Lockheed Corp. $1.5 billion to put new wings on its giant C5 airplanes after studies showed that the old wings—which Lockheed had built—were in danger of cracking. Lockheed blamed the government's original specifications for shortcomings in the C5 wings, a charge repeated by most contractors when problems emerge.

The government routinely pays for fixes on a smaller scale, too:

Pratt & Whitney built a jet fighter engine that didn't work as well as the Air Force had hoped. As a result, the Air Force paid Pratt & Whitney nearly half a billion dollars in a multiyear Component Improvement Program—aimed at "improving" the engine up to its original durability goal.

In 77 cases of shoddy construction work reviewed by Pentagon auditors in 1982, only once was the contractor forced to pay for his mistakes.

General Dynamics built a rapid-firing shipboard gun for the Navy that worked beautifully, when it worked. Unfortunately, it also leaked—no small setback for a shipboard weapon—and frequently broke down. It cost $5 million to make the guns watertight and $9 million to make them more reliable. Taxpayers paid for both.

A Navy spokesman explained, "It's part of the evolutionary improvement process common to most weapons and weapon systems."

When Deputy Defense Secretary Carlucci took office in 1981, he endorsed the relatively radical idea that past performance should be considered in awarding future jobs as a way to stop rewarding contractors who fail.

Carlucci, who has worked for Sears World Trade Inc. since leaving the Pentagon two years ago, admits that the idea never left the ground.

"There's a lot of feeling in [the Defense Department] that that would turn into a blacklist, and there's something pejorative about that," he mused. "I still think there's something valuable in an institutional memory."

Even Pentagon attempts to hold contractors responsible by offering incentives sometimes beget additional risk-free profit.

A construction contract for a naval base on the tiny Indian Ocean island of Diego

Garcia, for example, allowed the contractor half of the maximum bonus even for work *rejected* by the Navy, the General Accounting Office found.

Despite a long litany of problems, the contractor pocketed $4.9 million out of a possible $6.8 million.

Pentagon officials argued that the $1.9 million the contractor didn't collect demonstrated "clear, positive actions taken to emphasize to the contractor the need for an efficient, cost-effective construction process."

Similarly, the Army established a $6 million award fee on a contract to engineer the Pershing II missile. By simply devising what was considered a good plan, the contractor qualified for three-quarters of the fee, while only one-quarter was tied to good performance.

"Breaking into the defense business is one of the most frustrating, time-consuming and difficult operations," Navy Secretary Lehman said. "But once you're in, you stay in."●

LET'S HEAR IT FOR SMALL COLLEGES

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. COLEMAN of Missouri. Mr. Speaker, on March 18, 1985, the Washington Post included an editorial by Jonathan Yardley entitled "The Lesson To Be Found in Small Colleges." The editorial highlights some interesting points at a time when many small colleges find themselves at a paradox: A tradition of pride in producing an extraordinary education experience, tempered by rising educational costs that threaten their very existence.

Danger signals point to the strong possibility that many small colleges will be forced to close their doors over the next few years because they are not cost effective. I believe this is a potential disaster for American higher education.

I am the graduate of William Jewell College, a small, liberal art college in Liberty, MO. William Jewell College and other small colleges are important components in our strong, diverse system of higher education. I believe we must work to preserve and strengthen our small colleges.

I hope that my colleagues will take the opportunity to read this interesting viewpoint.

[From the Washington Post, Mar. 18, 1985]

THE LESSON TO BE FOUND IN SMALL COLLEGES

(By Jonathan Yardley)

In all the hullabaloo about higher education that of late has stirred up so much emotion, one detail seems to have gone largely unremarked. The principal subjects of discussion have been the country's large colleges and universities, especially those of the publicly supported variety that have expanded so extravagantly in the years since World War II. There has been, by contrast, relatively little discussion of the country's small colleges, yet they have a good deal to say to us about the matters at hand.

This thought crossed my mind during the past couple of weeks as I spent some time, though hardly as much as I would have liked, at Albion College in Michigan and Mount St. Mary's College in Maryland. Both are private schools with enrollments of about 1,700; both were founded under church affiliation but no longer impose rigid religious requirements on their students; both charge tuition and fees that, though reasonable by comparison with the Ivy League, would be forbidding to many prospective students; both are located in attractive but rather rural and isolated settings.

Both, in other words, are atypical of the colleges and universities in which most American students find themselves, and no attempt will be made here to suggest that they provide, for most students, a realistic alternative to larger and less expensive institutions. But to the visitor who has been immersed in the problems of big-time higher education, they provide a refreshing and instructive contrast. Where the large schools seem more and more preoccupied with perpetuating the professoriate and its various support systems, the small ones actually seem to be concentrating on giving their students something that passes for an education.

In some, of not all, respects, the best thing about small colleges is that they are small. Low enrollments and tight budgets discourage, if not prohibit, the expansion of departments beyond the number of professors needed to teach the required and elective courses. What this means is that professors are expected to devote themselves to the classroom and its inhabitants rather than to the careerist projects through which reputations too often are made in the larger, ostensibly more prestigious institutions. It is neither simplification nor sentimentalization to say that at the small colleges more often than not the students come first.

Not only that, but they are offered an education that is stripped of much of the frivolity so widespread elsewhere. No doubt the small colleges have managed to come up with their full share of courses catering to either the laziness of students or the vanity of professors, but there simply is not room in them for the unchecked proliferation of academic busywork. Thus the English departments actually teach literature, and attempt to imbue in their students some appreciation for and understanding of it; at many of the big schools, by contrast, the English departments are turning into assembly lines for the manufacture of academic "critics" for few of whom, cruelly enough, there will be teaching jobs in academia—the only jobs for which they have been trained—since the professors who taught them have tenured the market all to themselves.

In the liberal arts, at least, the small colleges seem considerably more connected to the world's realities than are the large ones; there is little room in them for departments or programs that do not suit the actual needs of their students. At Mount St. Mary's, for example, there is a writing program, but it is hardly what anyone having an acquaintance with writing programs elsewhere would be led to expect. Yes, it is possible to write short stories and poetry at Mount St. Mary's and have them read by a member of the staff, but "creative writing" is not the program's preoccupation. Rather, it exists to train students in the clear expository writing that will almost certainly be expected of them in whatever careers they choose to pursue. No major in writing is offered; writing is viewed, as it should be, as a necessary corollary to a major in the arts and sciences, rather than an academic end in and of itself.

The small colleges simply aren't in the business of producing "critics" for whom there are no academic feather beds or "writers" who will go forever unpublished. If nothing else, economic realities force them to design—and constantly to redesign—curricula to which their students will respond positively. In small colleges, if student demand for a specific course or even a specific major withers away, then the course or major will be discontinued. This causes unpleasant disruptions, needless to say, and it has caused some legal action over the right of colleges to dismiss tenured professors, but it keeps the colleges on their toes.

This coming to terms with reality does have its pitfalls, chief among which is the temptation to offer trendy courses of study while abandoning traditional ones. Thus some of the small colleges have rushed eagerly into instruction in the use of computers and other technological marvels, perceiving this as a way to attract students. Such policies may prove, in the long run, penny-wise and pound-foolish. But there is little evidence that many of these schools are abandoning the core arts-and-sciences curriculum in order to suit the passing fancy; they seem committed to offering strong education, both basic and rounded, as their primary attraction.

They are not perfect, of course, and the admission had best be made: The principal trouble with small colleges is that, well, they are small. In the specific instances of Albion and Mount St. Mary's, campus life may well be full and free; but it is often the case that small colleges turn so obsessively inward that the atmosphere becomes positively incestuous. A small college is a very small world, and the tendency for it to become utterly preoccupied with itself is exceedingly difficult to resist. The results can be most disagreeable: bitter rivalries among the faculty that invariably descend from the professional to the personal, divisions within the student body among cliques and coteries of various persuasions, fierce resentment against administrators who must make the hard decisions the aforementioned economic realities dictate. Small may be beautiful, but it can be ugly as well.

That, though, is not the point; responsible people at small colleges are fully aware of their potential shortcomings, which is why, among other things, many teachers and administrators live a healthy distance from the campuses where they work. The point, rather, is that in some important respects the small colleges seem more connected with the real business of education than the larger ones, too many of which have gotten too big for their own—not to mention their students'—good. As the country tries to figure out what has gone wrong with higher education and how it can be fixed, the example these colleges set deserves closer attention than it has thus far gotten.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate

committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, April 4, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 5

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for March.
SD-538

APRIL 15

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for conservation programs.
SR-328A

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for research and extension programs.
SR-328A

APRIL 16

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the effect of new technologies in industrial competitiveness.
SR-253

Rules and Administration
To hold hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy shipbuilding and conversion.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 725, authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the status of the U.S. Government personnel security system.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, bilingual education, and adult and vocational education programs.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on the effect of new technologies in industrial competitiveness.
SR-253

Finance
To hold hearings to review an administration report on prospective payment for skilled nursing facilities under the Medicare Program.
SD-215

Labor and Human Resources
To hold hearings on activities of the International Labor Organization.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S. Government personnel security system.
SD-342

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session on proposed legislation authorizing funds for the Federal Bureau of Investigation, Department of Justice.
S-407, Capitol

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 725, authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S. Government personnel security system.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 19

10:30 a.m.
Finance
Health Subcommittee
To hold oversight hearings of the Peer Review organizations.
SD-215

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

Rules and Administration
To resume hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

Rules and Administration
To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

APRIL 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on the consolidation of certain trade routes.
SR-232

APRIL 25

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Fisheries Conservation and Management Act and fishery programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearing on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development program, focusing on atomic energy defense activities.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

*Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act.
SD-406

10:30 a.m.
Rules and Administration
Business meeting, to consider Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Capital Planning Commission, Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 26

9:30 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings to review options for conducting a pay equity study of the Federal pay and classification systems.
SD-342

APRIL 29

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for Amtrak.
SR-253

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to review the health prevention/promotion for Medicare beneficiaries.
SD-215

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospec-

tive Payment Commission, Railroad Retirement Board, National Labor relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

MAY 1

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Telecommunications and Information Administration.
SR-485

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. district courts.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on S. 140, Children's Justice Act.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 3

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Coastal Zone Management Act and ocean programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

MAY 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs of the Department of Transportation.
SR-253

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management (including the land and water conservation fund), Department of the Interior.
SD-138

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for fossil energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 22

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

APRIL 4

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418

HOUSE OF REPRESENTATIVES—*Thursday, April 4, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, O God, to turn our good words into good deeds, to translate our speaking for others into works of compassion for others. May our faith in You, O God, come to light and be seen through acts of kindness, mercy, justice, and love. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ;

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission; and

H.R. 1866. An act to phase out the Federal supplemental compensation program.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill, of the House of the following title:

H.R. 1869. An act to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 1869) entitled "An act to repeal the contemporaneous recordkeeping requirements added by the Tax Reform Act of 1984, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PACKWOOD, Mr. DOLE, Mr. ROTH, Mr. DANFORTH, Mr. LONG, Mr. BENTSEN, and Mr. MATSUNAGA to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill, joint resolution, and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 883. An act to extend the Export Administration Act of 1979;

S.J. Res. 96. Joint resolution condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State; and

S. Con. Res. 38. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives from Wednesday, April 3, or Thursday, April 4, 1985, until Monday, April 15, 1985.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *April 4, 1985.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the Certificate of Election received from the Honorable James H. Brown, Secretary of State, State of Louisiana, and the Honorable Edwin W. Edwards, Governor of Louisiana, indicating that the Honorable Cathy (Mrs. Gillis) Long was elected to the Office of Representative in Congress from the Eighth District of Louisiana in the Special Election held on March 30, 1985.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

STATE OF LOUISIANA—ELECTION PROCLAMATION

Be it remembered, That on this day, we the undersigned, Edwin W. Edwards, Governor of Louisiana, and James H. "Jim" Brown, Secretary of State of Louisiana, by virtue of and in obedience to Sections 513 and 1277 of Title 18 of the Louisiana Revised Statues of 1950, as amended, did proceed to ascertain the number of votes cast for each candidate for Member of the United States House of Representatives from the Eighth Congressional District of the State of Louisiana, Ninety-Ninth Congress of the United States of America, at the election held March 30, 1985, agreeably to the Constitution and laws of this State, which returns are on file and of record in the office of the Secretary of State of Louisiana and which we do hereby officially announce and declare to be as follows, to-wit:

CONGRESSIONAL VOTE, MARCH 30, 1985, EIGHTH CONGRESSIONAL DISTRICT

Daniel E. Becnel, Jr. (Democrat), 3,305.
Clyde C. Holloway (Republican), 18,013.
Mrs. Gillis "Cathy" Long (Democrat), 61,791.
Frank James McTopy (Democrat), 503.
John W. "Jock" Scott (Democrat), 27,138.

And by virtue of and in obedience to Section 511 of Title 18 of the Louisiana Revised Statutes of 1950, as amended, which provides that a candidate who receives a majority of the votes cast for an office in a primary election is elected and Section 551 of Title 18 of the Louisiana Revised Statutes of 1950, as amended, which provides that the names of candidates who were elected in the primary shall not be printed on the general election ballot, we do hereby officially announce and declare Mrs. Gillis "Cathy" Long to have been duly and legally elected Member of the United States House of Representatives from the Eighth Congressional District of the State of Louisiana, Ninety-Ninth Congress of the United States of America, for the unexpired term.

SWEARING IN OF THE HONORABLE CATHY LONG AS A MEMBER OF THE HOUSE

The SPEAKER. Will the gentleman from Louisiana, Mr. JOHN BREAUX, dean of the Louisiana delegation, kindly escort their newly elected Member to the well of the House?

The Chair recognizes the gentleman from Louisiana [Mr. BREAUX], the dean of the delegation.

THE HONORABLE CATHY LONG OF LOUISIANA

(Mr. BREAUX asked and was given permission to address the House for 1 minute.)

Mr. BREAUX. Mr. Speaker, it is always indeed a distinct pleasure and an honor when a Member of a delegation has the high honor and privilege of introducing a new Member to join our delegation.

It is always particularly a special honor when that new Member is not only a new colleague, but happens to be a very dear friend of everybody in the delegation; I would dare say most Members of the entire House.

CATHY LONG had an election a couple of weeks ago, and had four opponents who dared run against her, and she made short notice of all four of them in winning a first primary victory. I would say the way things are going in our delegation, she may well be the dean of our delegation before too long.

I would like to, of course, say that she is replacing our very dear friend and former colleague, Congressman Gillis Long. I would like to also point out to all Members that following the swearing-in, at 12 o'clock there will be a reception in the Merchant Marine and Fisheries Committee room, which is in 1334 in the Longworth Building, and we would like to invite everyone to come by and visit with CATHY.

Please join me in welcoming our new Congresswoman from the Eighth Congressional District, the Honorable CATHY LONG.

Mrs. LONG appeared at the bar of the House and took the oath of office.

The SPEAKER. The gentlewoman is now a Member of the Congress of the United States. Congratulations.

APPOINTMENT AS MEMBERS OF THE BOARD OF VISITORS TO THE U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House:

Mr. MURTHA of Pennsylvania;
Mr. WILSON of Texas;
Mrs. HOLT of Maryland; and
Mr. SPENCE of South Carolina.

APPOINTMENT AS MEMBERS OF THE BOARD OF VISITORS TO THE U.S. MERCHANT MARINE ACADEMY

The SPEAKER. Pursuant to the provisions of title 46, United States Code, section 1295b(h), the Chair appoints as members of the Board of Visitors to the U.S. Merchant Marine Academy the following Members on the part of the House:

Mr. MANTON of New York; and
Mr. CARNEY of New York.

APPOINTMENT AS ADVISORY MEMBERS OF THE NATIONAL COMMISSION ON SPACE

The SPEAKER. Pursuant to the provisions of section 203(b), Public Law 98-361, the Chair appoints as advisory members of the National Commission on Space, the following Members of the House:

Mr. FUQUA of Florida; and
Mr. LUJAN of New Mexico.

APPOINTMENT AS MINORITY MEMBERS OF COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The SPEAKER. Pursuant to the provisions of section 3, Public Law 94-304, as amended by section 1, Public Law 99-7, the Chair appoints as members of the Commission on Security and Cooperation in Europe the following minority Members of the House:

Mr. RITTER of Pennsylvania;
Mr. KEMP of New York; and
Mr. PORTER of Illinois.

APPOINTMENT AS MEMBERS OF THE COMMISSION ON THE ELEANOR ROOSEVELT CENTENNIAL

The SPEAKER. Pursuant to the provisions of Public Law 98-162, the Chair appoints as members of the Commission on the Eleanor Roosevelt Centennial the following Members on the part of the House:

Mrs. KENNELLY of Connecticut; and
Mr. FISH of New York.

APPOINTMENT AS MINORITY MEMBERS OF THE TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92-484, the Chair appoints as members of the Technology Assessment Board the following minority Members on the part of the House:

Mr. MILLER of Ohio; and
Mr. EVANS of Iowa.

APPOINTMENT AS MEMBERS OF THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 94-118, the Chair appoints as members of the Japan-United States Friendship Commission the following Members on the part of the House:

Mr. FOLEY of Washington; and
Mr. MILLER of Washington.

APPOINTMENT AS MEMBERS OF THE CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

Mr. SPEAKER. Pursuant to the provisions of title 22, United States Code, section 276d, the Chair appoints as members of the U.S. delegation of the Canada-United States Interparliamentary Group the following Members on the part of the House:

Mr. BARNES of Maryland, Chairman;
Mr. FASCELL of Florida, Vice Chairman;
Mr. GIBBONS of Florida;
Mr. HAMILTON of Indiana;
Mr. OBERSTAR of Minnesota;
Mr. LAFALCE of New York;
Mr. DONNELLY of Massachusetts;
Mr. BROOMFIELD of Michigan;
Mr. HORTON of New York;
Mr. STANGELAND of Minnesota;
Mr. MARTIN of New York; and
Mr. MILLER of Washington.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL 5 O'CLOCK, THURSDAY, APRIL 11, 1985, TO FILE REPORTS ON H.R. 1555, THE FOREIGN ASSISTANCE ACT OF 1985, AND H.R. 1931, DEPARTMENT OF STATE AND OTHER AGENCIES AUTHORIZATIONS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent, on behalf of the Committee on Foreign Affairs, that it have until 5 o'clock, Thursday, April 11, 1985, to file reports on the bill, H.R. 1555, the Foreign Assistance Act of 1985, and the bill, H.R. 1931, to authorize appropriations for the Department of State and other agencies.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1110

NATIONAL CHILD SAFETY WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 33) designating the week of September 8 through 14, 1985, as "National Child Safety Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I yield to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. I thank the gentleman for yielding.

Mr. Speaker, let me take this opportunity to thank the subcommittee chairman, the gentleman from New York, BOB GARCIA, and the ranking Republican, the gentleman from Utah, JIM HANSEN, for their assistance in bringing this resolution to the House floor.

On January 3 I introduced House Joint Resolution 33, legislation designating the week of September 8 through 14 as National Child Safety Week.

As many of us are aware, countless numbers of children are abducted each and every day. Tragically, many of these children are later found to be victims of sexual and physical abuse. And for those children still missing, little, if any information is available for law enforcement to use in locating them.

Clearly, this problem demands our immediate attention. No longer can we stand idly by and hope that child abduction, sexual abuse, and physical abuse will simply disappear.

The establishment of a special week to commemorate child safety will focus needed attention on the tragedy of missing children. It will help to educate communities nationwide about this problem and what can be done to solve it.

Members of Congress, community organizations, and local law enforcement officials can work together during this special week to promote child safety.

Recently, President and Mrs. Reagan expressed keen interest in seeing this resolution passed as quickly as possible. Therefore, I am requesting that the date of this very special week be moved to April 29 through May 5, 1985. The sooner we enact

House Joint Resolution 33, the safer our children will be.

In closing, I would like to thank all my colleagues who joined with me in cosponsoring this resolution, and my thanks to my colleague from Florida, Senator PAULA HAWKINS, for introducing the companion bill in the Senate. We believe ensuring the safety of our children is one of the most important issues facing us today and we encourage the House to pass this worthwhile legislation.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 33

Whereas every year untold numbers of children throughout the United States disappear from their homes;

Whereas children who are missing from home and are not living in a family environment are frequently the victims of sexual and physical exploitation;

Whereas many local volunteer groups already are working enthusiastically to promote child safety, but much remains to be done in the effort to fully protect our children;

Whereas the safety of our children should be one of our highest national priorities; and

Whereas the designation of a special week to commemorate child safety will draw needed attention to the tragedy of missing children and will help educate communities throughout the country about the problem and what can be done to help solve it: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 8 through 14, 1985, is hereby designated as "National Child Safety Week". The President is requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARCIA: Page 2, line 3, strike out "September 8 through 14, 1985" and insert "April 29 through May 5, 1985".

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. Garcia: "Joint Resolution designating the week of April 29 through May 5, 1985, as 'National Child Safety Week'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

OLDER AMERICANS MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 195) designating May 1985 as "Older Americans Month." and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 195

Whereas older Americans have contributed many years of service to their families, their communities, and the Nation;

Whereas the population of the United States is comprised of a large percentage of older Americans representing a wealth of knowledge and experience;

Whereas older Americans should be acknowledged for the contributions they continue to make to their communities and the Nation; and

Whereas many States and communities acknowledge older Americans during the month of May: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the traditional designation of the month of May as "Older Americans Month" and the repeated expression by the Congress of its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation, the President is directed to issue a proclamation designating the month of May 1985 as "Older Americans Month" and calling on the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEWISH HERITAGE WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 17) to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 17

Whereas the Congress recognizes that an understanding of the heritage of all American ethnic groups contibutes to the unity of our country; and

Whereas intergroup understanding can be further fostered through an appreciation of the culture, history, and traditions of the Jewish community and the contibutions of Jews to our country and society; and

Whereas the months of March, April, and May contain events of major significance in the Jewish calendar—Passover, the anniversary of the Warsaw Ghetto uprising, Israeli Indpendence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe that week with appropriate ceremonies, activities, and programs.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 33, House Joint Resolution 195, and Senate Joint Resolution 17, just acted upon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TORT SYSTEM NEEDS REFORM ON MALPRACTICE INSURANCE

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, the rising cost of medical care in this country is something that

concerns almost everyone, and I want to address that this morning, particularly from the standpoint of malpractice, which figures greatly into that equation.

I say that because of the cost of malpractice insurance. There is something drastically wrong with the tort system that we have as it applies to malpractice insurance. We find that the premiums have now become in excess of $50,000 annually. The constant threat of malpractice is causing physicians to practice defensive medicine, thus driving up the cost of care we do not know how much, maybe $15 billion to $40 billion annually.

There are many people who are dropping out of the practice of medicine because of this threat. It seems that we have a lottery here where some people are awarded greatly for the injuries they have, and other people are not awarded who should be.

It seems that our tort system needs to have some reform, as it did in the case of workmen's compensation, and also no-fault insurance. State medical boards need to do something more about the negligence that takes place. The legal profession needs to be more open to reform as it applies to malpractice. It seems to me that the Congress is virtually paralyzed on this issue. It is a problem that we need to address, Mr. Speaker.

LONG LIVE RONALD REAGAN, A TRULY GREAT PRESIDENT

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, President Reagan's successful lobbying for the MX apparently got under the skin of some Members of the opposition last week, including one who ran to the Washington Post crying that the mean old man in the White House cussed at him.

Funny, though, I don't remember the President ever complaining to the Post about some of the downright nasty, insulting, and cruel things said about him here in this Chamber.

We've heard Members of the opposition call the President a liar and a hypocrite. One Member even said he was thankful the President didn't drool.

Mr. Reagan's work habits have been ridiculed, his intelligence questioned, his character assassinated, and his motives impugned. He's been said to have a bloodthirsty foreign policy, no civil rights policy, and a heartless domestic policy.

His aides have been called crooks, his wife a spendthrift, and he himself has been dismissed as a kindly, but out-of-touch old man by people of his own generation.

If you believed just half of what you heard in this Chamber, you'd think Ronald Reagan would just as soon let the elderly get sick, the poor go hungry, and our youth remain ignorant.

But the President, whatever you think of his policies, is at least enough of a man and a political pro to take this criticism in stride.

Or maybe he just isn't listening to the complaining that is coming from the opposition party here on the House floor. And if that's the case, Mr. Speaker, he's just like the American voter.

Long live Ronald Reagan, a great American and a truly great President.

DESIGNATION OF HON. JIM WRIGHT TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL APRIL 16, 1985

The SPEAKER laid before the House the following communication:

WASHINGTON, DC,
April 4, 1985.

I hereby designate the Honorable Jim Wright to act as Speaker pro tempore to sign enrolled bills and joint resolutions until April 16, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER. Without objection, the designation is agreed to.

There was no objection.

□ 1120

THE FOOD SECURITY ACT OF 1985

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, I am happy to announce to my colleagues that today I am introducing the Food Security Act of 1985, a 5-year omnibus farm bill, and in conjunction with that, I would like to read the following poem:

THE FARMER FEEDS THEM ALL!

The politician talks and talks,
The actor plays his part.
The soldier glitters on parade,
The goldsmith plys his art.
The scientist pursues the germ
Over the terrestrial ball,
The sailor navigates his ship,
But the farmer feeds them all!

The preacher pounds his pulpit desk,
Brokers read their lengthy tapes,
The tailor cuts and sews his cloth
To fit the human shape.
The dame of fashion dressed in silk
Goes forth to dine or call
Or drive, or dance, or promenade,
But the farmer feeds them all!

The workman wields his shiny tools,
The merchant shows his wares.
The astronaut above the clouds
A dizzy journey dares.
But art and science soon would fade
And commerce dead would fall
If the farmer ceased to reap and sow,
For the farmer feeds them all!

Mr. Speaker, this bill will serve as the framework for the Committee on Agriculture to use in developing comprehensive farm and food policy legislation later this spring.

The bill is designed to extend and revise agricultural price support and related commodity programs; provide for agricultural export, resource conservation, farm credit, and agricultural research, extension, and teaching programs; provide food assistance to low-income people; and ensure consumers of a continued abundance of food and fiber at reasonable prices.

My legislation is built around several basic ideas that I believe are emerging as consensus themes among the many groups interested in the welfare of U.S. agriculture and the contributions of farmers to the national economy. These include:

A belief that the prime objective of agricultural policy should be to make it possible for farmers to return to profitability;

A strong emphasis on helping farmers compete in world markets through effective export policies and programs;

A continuation of needed farm income safety nets and credit assistance programs;

Continued use of the supply management concept where it is necessary, including new surplus control plans, to help return profit to U.S. agriculture; and

A new emphasis on long-term efforts to conserve soil resources.

Mr. Speaker, this bill also takes into consideration the need to restrain Federal spending. It reflects my belief that the farm program must be designed to stabilize and increase farm income in a fiscally responsible manner. What has been said many times by many farmers in the past is still true—farmers want to look to the market for their income, not to the Government.

The Federal farm programs should enable farmers to profit in the marketplace. A continuation of farm programs that do not stabilize and strengthen markets is simply unacceptable.

I must note, however, that agriculture has already made some very substantial contributions toward cost control by trimming existing programs in recent years. And I maintain strongly that, at recent cost levels, Federal farm programs are a good bargain for consumers. These programs, which cost only about 1 percent of the Federal budget, undergird a system that gives our consumers the world's best diet for the smallest percent of consumer income in any major nation.

I do not view my bill, in its present form, as the final, complete body of specific policies and programs that I

expect to see followed in detail. The specific provisions of the 1985 farm legislation will emerge from the work of our agriculture subcommittees, which are currently in the process of examining their individual components of the legislation. This bill will serve as the starting point for the committee's work on drafting that legislation. And it is in that spirit that I introduce the Food Security Act of 1985 today.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. DE LA GARZA. Mr. Speaker. I ask unanimous consent that, notwithstanding any adjournment of the House until Monday, April 15, 1985, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore (Mr. ROEMER). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, APRIL 10, 1985

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, April 10, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

NO BASIS IN HISTORY FOR REFUSAL TO SEAT McINTYRE

(Mr. PASHAYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASHAYAN. Mr. Speaker, my colleagues in the House of Representatives are doing great harm to this august legislative body by voting against seating Member-elect Richard McIntyre and referring his election to the Election Task Force of the House Administration Committee. No one in this Chamber denies the constitutional right of the House to be the final judge of "elections, returns and qualifications" of its Members. In fact, contested elections are a part of the history of the House.

The manner chosen by the majority of Members to resolve the 1984 McIntyre election is not historically appropriate. The tradition has been, in this century and the last, to seat a Member-elect presenting proper certification. Certification is prima facie evidence of election. However, only in cases where the House had reason to question the elections themselves, has it refused to seat a Member-elect. The House of Representatives is always free to remove a Member after an investigation and to seat the proper person if a mistake has been made.

Richard McIntyre had the proper credentials and should have been seated on January 3, 1985. His election is distinguishable from the previous cases in which the House refused to seat a Member-elect. This was not a case of two people presenting credentials like *Chalmers* v. *Manning* (1883) or *Kemp* v. *Saunders* (1937). It was not a case in which the State's secretary of state impeached the certification like *Chaves* v. *Clever* (1867). It was not a case where election fraud was alleged like *Wiggington* v. *Pacheo* (1877) and *Roush* v. *Chambers* (1961). Mr. McIntyre had the proper certification from the Indiana secretary of state and was entitled to be sworn in on the basis of this unquestioned prima facie evidence.

The doctrine of the separation of powers is being jeopardized by this body. The House's power is not immune from the Supreme Court's ability to review the actions of Congress and to discipline wrongful conduct. I suggest that by failing to accept the certification of Richard McIntyre, the House of Representatives could well have left itself open to adverse Supreme Court action. The integrity of the House, and of the legislative branch, would have been maintained if my colleagues had acted in the time-honored way and seated Member-elect Richard McIntyre.

MESSAGE FROM THE SENATE

The SPEAKER pro tempore. The Chair lays before the House the following message from the Senate.

The Clerk read as follows:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, and that when the House of Representatives adjourns on Wednesday, April 3, 1985, or Thursday, April 4, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, they stand adjourned until 12:00 o'clock noon on Monday, April 15, 1985.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

ADMINISTRATION'S FREE-TRADE POLICY A MISNOMER—NOTHING "FREE" IN IT

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, there is nothing free about the administration's so-called free-trade policy. The actual cost is measured in human suffering—in a mounting inventory of closed factories, in lost jobs and opportunities.

If there is anything free about the administration's trade policy—it's the case and freedom by which trading partners around the globe are getting away with economic murder. The Government of Japan subsidizes its products into our market place with rebated value added taxes, shuts its doors in intricate ways to American imports and this administration rewards them with a lifting of voluntary import quotas—and gets nothing in return but a promise by Japan to send us more subsidized cars.

The Soviet Union subsidizes ammonia production with free natural gas and we watch sadly as ammonia plants in America shut down and American farmers become increasingly dependent upon Soviet Russia for vital fertilizer products. Sadly we watch foreign government after foreign government manipulate imports into our economy, robbing Americans of jobs.

We've taken it on the economic chin long enough. It's time for America to get tough on foreign trade and on countries who refuse to play fair. It's time for reciprocity.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 528 AND H.R. 1460

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent to have my name deleted as a cosponsor of the bills, H.R. 528 and H.R. 1460.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

NICARAGUA'S MISKITO INDIANS SUFFERING UNDER SANDINISTA RULE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, recently I had the opportunity to meet with Miskito Indian leader Wycliffe Diego, during which he related details of a new wave of Sandinista terror directed against Nicaragua's Indian population.

According to Mr. Diego, on January 2, 1985, in a purported Sandinista act

of good faith, the residents of the Columbus "relocation camp" in the far northeastern corner of Nicaragua were allowed to return to their village of Bihmuna. Ten days later, as the residents were rebuilding their village, Sandinista aircraft completely destroyed the village by aerial bombardment. Twelve villagers were killed.

A month later, on February 12, the Miskito villages of Halover, Waunta, Laya Siska, Kua Laya, Wawa, and Tasbapauni were burned by Sandinista troops; 4,000 Miskitos were left homeless, some 2,000 fled into the jungles. About 300 were captured by the Sandinistas and sent to a new "relocation camp" near Wawa.

It has been asserted that the Sandinistas have been trying to make amends to the Indians since the election of November 1984. If this is the case, they are certainly going about it in a strange way.

THE ADMINISTRATION'S ANTI-HOME-OWNERSHIP USER FEES PROPOSALS

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, recently the President threatened to shoot down any tax increase that Congress may send him. Given the President's adamant opposition to a tax increase, I am at a loss to understand the rationale behind the administration's proposed new "user fees" on Federal mortgage programs.

Under the administration's proposal, FHA mortgage insurance premiums would be increased from 3.8 percent to 5 percent while the VA fee would rise from 1 to 5 percent. Ginnie Mae, Fannie Mae, and Freddie Mac operations would also be hit with increased fees.

Mr. Speaker, the administration euphemistically calls them user fees. I call them what they are—taxes. To make matters worse, these taxes are aimed directly at middle-income families and first time home buyers. The fees will make it increasingly difficult for young families to purchase a home while making mortgage credit less available and more costly.

Mr. Speaker, the President's proposal is a serious attack on the Federal Government's historic commitment to making homeownership affordable for millions of American families. I urge my colleagues to reject the administration's anti-home-ownership proposals.

RESOLUTION INTRODUCED TO ADDRESS PROBLEMS OF U.S. COPPER INDUSTRY

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I am introducing today a resolution that would abolish the compensatory financing facility of the International Monetary Fund. A recent study has again brought to our attention the dire condition of the U.S. copper industry. In 1 year alone, 1983, and in one State alone, Arizona, copper producers have lost over $100 million. This situation exists because foreign copper producers, most of which are located in lesser developed countries and are controlled by the various governments, are flooding the market with cheap copper. Why are they doing this? Because Chile, Peru, Zambia, and Zaire all rely heavily on copper exports as a source of foreign exchange. The more copper they produce, the more dollars they get.

Between 1975 and 1983, the IMF has loaned $4.4 billion to Chile, Peru, Zambia, and Zaire. Because of their dependence on copper exports as a source of revenues necessary to pay off the IMF loans, CIPEC countries have responded to a glutted market by increasing, rather than decreasing copper production, as privately owned U.S. companies must do.

The compensatory financing facility was created to assist Fund members to weather temporary falls in commodity prices that were beyond their control. Instead, it now plays an integral part in causing the fall of those same commodity prices. I urge my colleagues to join me in the support of this resolution and eliminate the compensatory financing facility.

□ 1130

A MESSAGE TO THE PRESIDENT

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, there has been considerable debate ensuing at the White House the last couple weeks. The moderates at the White House, understanding the political failure of the President's Central American policy, are insisting now on a new peace initiative in Nicaragua and they want to wait a few weeks before bringing it to us here in the Congress.

The more conservative advisers of the President are urging him to push ahead with his failed policy and bring it to this Congress quickly.

Mr. President, if you are sincere about the correctness of your Central American policy, come ahead.

Mr. President, if you want to face a full public discussion of your secret war in Nicaragua, come ahead.

Mr. President, if you believe you can convince this Congress to give you $14 million more to continue trying to export democracy through the barrel of a gun, come ahead, make our day.

WE REJOICE WITH EIGHTH DISTRICT OF LOUISIANA; WE GRIEVE WITH EIGHTH DISTRICT OF INDIANA

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, I ask forbearance for this freshman coming to the well to express his views.

Mr. Speaker, we must rejoice with our colleague, Congresswoman LONG of Louisiana, and we must rejoice with the Eighth District of Louisiana, which now is represented in the Congress.

We must, however, Mr. Speaker, grieve for the Eighth District of Indiana, which has been denied a representation in this Congress by deliberate confusion, smoke screens, and phony arguments.

Mr. Speaker, let us seat Rick McIntyre.

METHANOL—THE FUEL OF THE FUTURE

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, when I drive home to my West Virginia district today, I am going to be paying 50 cents a gallon for fuel with 120 octane that is so clean burning that it does not need a catalytic converter.

It is not a dream, Mr. Speaker. It is methanol, the fuel of the future.

Thanks to the Celanese Corp., I will be loaned a Ford Escort to run on this alcohol fuel. The car and I will conduct my ususal mobile office schedule, stops in many of my district's 14 counties to demonstrate that this fuel is usable and can have a dramatic economic impact on my State.

Methanol can be made from a variety of feedstocks, natural gas, and particularly coal. A coal-to-methanol industry in my State and region wouldsolve at least part of the unemployment problem.

The fuel costs a great deal less to make than gasoline and it is safer and cleaner to use. Producing methanol from our country's vast supplies of coal will bring down the cost over time while giving us an inexhaustible domestic supply of vehicle fuel.

I am going to be discussing with our State government officials the possibility of initiating a methanol-powered fleet in West Virginia.

If any of my colleagues would like to see me drive off into the future, I invite you to the base of the House steps at 4 o'clock this afternoon. We can only go forward.

REINTRODUCTION OF DEFENSE TARIFFS BILL

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, our trade deficit with Japan is out of hand. I continue to hear great tales of Japanese good intentions but nothing changes.

The fact is that it is no one's fault but our own that the Japanese do not trade fairly with us. We have never gotten tough. In fact, our military unilaterally protects their sealanes, insuring the free flow of Japanese products that flood our markets. The Japanese devote the same attention to sharing free world defense costs as they do to fair trade—very little.

It is time to stop talking and start acting. Today, my colleague, Mr. RITTER, and I are introducing the defense tariffs bill. This will give the President the power to impose tariffs on imports from Japan, NATO, and France to recover the amounts we spend on their defense.

Our aim is to provide the President with a new and powerful bargaining tool in negotiations with our allies, notably Japan, to arrive at fair trade and a more equitable allocation of the costs of defending the free world.

THE LID ABOUT TO BLOW ON TRADE DEFICITS

(Mr. HUCKABY asked and was given permission to address the House for 1 minute.)

Mr. HUCKABY. Mr. Speaker, I would like to commend the gentleman who just appeared in the well. I think he is right on the mark.

America is at the leading edge of technology in telecommunications. That is why Japan is dragging its feet to open up its market.

We have a tremendous deficit with the Japanese today. Japan says that we do not understand their system. We do not understand what they are doing.

I would suggest they do not understand us in America. We have been here for years being beat at the conference table in these trade negotiations, but the kettle has been brewing. The lid is about to blow off. America is tired of having Japan's doors closed to them while our doors are open to them.

Hopefully, we can make significant breakthroughs in telecommunications, not like they did last year on the great beef deal, where they let in very small amounts of beef into Japan.

America's rice farmers receive one-tenth of the amount the Japanese rice farmer receives for this rice, yet we are prohibited from selling rice in Japan. It is time we stood up and got tough with the Japanese.

NINETY-SECOND DAY OF NO REPRESENTATION FOR INDIANA'S EIGHTH DISTRICT

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, this marks the 92d day since Members of this body were sworn into the 99th Congress and the 92d day that the residents of Indiana's Eighth District have been without representation here in this body.

In a blatant disregard for Indiana election laws, the Democrats have refused to seat Rick McIntyre. What on earth did the half a million people of Indiana Eighth do to deserve this? They elected a Republican in a fair and complete election.

What do they get in return? No representation. Who do they turn to to represent their views, to fight for hometown interests? Who do they turn to for an academy nomination? Who did they turn to last week when we voted on the MX—a benchmark vote?

One thing they have received, the people of that district, is a lesson in the arrogance of the Democratic majority in this House. It is arrogant to deny Rick McIntyre his seat on the basis of informal and unsubstantiated challenges. It is arrogant to throw out an election when no fraud has been alleged and no formal contest has been filed. It is arrogant to ignore Indiana laws by setting up a recount under new rules, all in the name of the same old goal: Preserving the Democratic majority here.

If there is a ballot dispute, let us settle it fairly; but first, let us honor the obvious outcome and the obvious wishes of half a million people in Indiana Eight. Let us seat Rick McIntyre.

AMERICAN GOVERNMENT WORKERS PRIME GAME FOR TERRORISTS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it is sad, horrible fact that people working for the American Government are sometimes considered prime game for terrorists, political extremists, drug dealers, and kooks. While most of the recent incidents have been directed against Americans working abroad, law enforcement officials in the United States have also been targets. The murder of two AID accountants on a hijacked Kuwaiti plane in Tehran last December, and the kidnap and murder of DEA agent Enrique Camarena Salazar are two of the latest incidents where Americans have been kidnaped or killed because they work for the U.S. Government.

Joseph Reed, writing in the March 26, 1985, Wall Street Journal, recites the chilling litany:

> In the past 2 years, three embassies have been obliterated, 19 U.S. diplomats assassinated, and 59 other have been victims of terrorist attack.

And a State Department employee recently wrote to me,

> [G]overnment employees overseas, regardless of agency and whether they work in Africa, the Middle East, South America, or Paris, are terrorism targets purely because they are Government employees. Carrying a diplomatic or official passport can be an automatic death warrant.

We know that something has to be done to stop the carnage. The Foreign Affairs Committee has been pushing the administration for action on preventing terrorism. Yet, because terrorists strike without warning and in unpredictable ways, there is often little we can do until after the fact.

I am introducing legislation today which will provide benefits to U.S. Government employees who are taken captive as a result of their employment or who suffer from terrorist acts against the United States.

The legislation picks up from, and expands on, the temporary Hostage Relief Act we passed in 1980. This bill covers incidents whether they occur in Miami or Tehran. The bill amends title 5, United States Code, to provide compensation, health, and educational benefits to persons who are kidnapped or held captive as a result of hostile action directed against the United States, whether abroad or on American soil. Benefits are provided to employees and contractors of the Federal Government, and members of their families. The bill does not cover members of the Armed Forces because they are covered by other laws.

The bill has the following provisions:

First, where an employee is held as a captive, his or her pay will be deposited into an interest-bearing savings fund.

Second, captives and their families will receive payment for medical and health care expenses not covered by insurance, including psychological counseling or other needed care.

Third, the President is directed to make a cash payment to the individuals taken hostage in Iran on November 4, 1979, as well as to persons taken captive since that date. The President may consider the length of captivity and severity of treatment in determining the amount of the cash payment. A Presidential Commission recommended that the Iranian hostages receive $12.50 a day for each of their 444 days of captivity. This money has never been paid.

Fourth, civil lawsuits and judgments against an individual are put on hold while that person is a captive.

Fifth, educational benefits for a spouse and children are provided, if

the employee is held captive longer than 90 days. After release, the former captive may also be provided with educational benefits under certain circumstances.

We recognize that U.S. citizens are not the only victims of anti-American terrorism. Family members of employees and foreign nationals working for the United States abroad are often caught up in the same violence directed against their American employers. For example, 88 Lebanese were killed or injured in the two bombings of the American Embassy in Beirut.

The legislation provides compensation for such individuals who are killed or disabled as a result of a hostile act directed against the United States. There is an offset for any worker's compensation benefits provided locally that are funded in whole or in part by the United States.

I urge my colleagues to join me in supporting this legislation. The least we can do for those who have been taken captive is to make their lives a little easier when they are released. And we should establish permanent law on this subject, so we are not faced with politically charged and urgent decisions, as we were in 1980.

OILS WELL THAT ENDS WELL

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker—

OILS WELL THAT ENDS WELL [1]

Now entrepreneurship is swell,
But the state of the Union's not well.
In the guise of "free market,"
It's but a fat target
For those who buy short and then sell.

As corporate minions assemble,
The weak-kneed among them may tremble.
With management ducking,
The firm's ripe for plucking,
And vultures swoop in to dissemble.

As takeover plots go, it's easy;
The wooing of stockholders—breezy.
It's full speed ahead
'Til the company's bled.
The motive, not method, is sleazy.

Our energy needs notwithstanding,
There's often a lot of grandstanding.
Forget off-shore drilling,
The coffers need filling;
Reap profits before the crash landing.

So taxpayers wince at their lickin's;
Stockholders get mad as the dickens.
They find none too soon
That the new chief's no Boone,
Just their wallets are ripe for the Pickens.

□ 1140

MEDICARE IS SOLVENT

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, in February, President Reagan submitted a budget that continues to shift Medicare costs onto the backs of the elderly. There was nothing new about that.

Devastating Medicare cuts have been as constant as the changing seasons during the Reagan years. The administration has argued time and again that the elderly must pay more for less because Medicare is swiftly going bankrupt.

Yet now we find that it is the administration's credibility that is going bankrupt. Last week, the Medicare trustees reported that the program is expected to remain solvent far longer than previously expected. In fact, while earlier estimates had projected a deficit by 1987, the latest estimates do not anticipate any serious difficulties until almost the turn of the century.

Now that is good news. No longer is there justification for depriving our elderly citizens of the health care coverage they earned through payroll contributions. We should pay serious attention to a long-term program of overall health care cost controls but we should forcefully reject the Reagan budget proposals that would continue to unfairly burden the elderly, who have already done more than their share to save Medicare.

NO REPRESENTATION IN INDIANA'S EIGHTH CONGRESSIONAL DISTRICT

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COBEY. Mr. Speaker, I know that it has been disturbing to the majority leadership that we freshmen continue to come to the well to speak to the Rick McIntyre affair in the Indiana Eighth District. But until this injustice is rectified, we intend to continue to speak out.

I have here before me what is known as a congressional insert sent to my office by a Prof. William Tonso from the Eighth District of Indiana. A constituent can request that their Congressman insert something into the RECORD such as this material. But Professor Tonso has no Congressman to make this request.

This is an excellent article on the nature of gun control and crime in this Nation.

Rick McIntyre was elected to represent his constituents in the Eighth District. He is being denied his rightful place in this House even though he holds a certification for this seat. Consequently the constituents, over half a million of them, constituents like Prof. William Tonso, are being denied representation.

I would like to direct your attention to "Calling the Shots," a recent article by Prof. William Tonso, sociologist at the University of Evansville, IN. Professor Tonso exposes the biased and superficial nature of most of the reporting concerning "gun control" and crime in America. The article raises important questions regarding the debate on a crucial issue in a free society.

"Gun control" is one of the most hotly contested issues in American politics. As a firm believer in the sanctity of the Constitution, I have always held that the right to keep and bear arms for self-protection and defense of the community is inviolable. Yet this right is continuously under attack from the gun prohibitionists and an elite, urban media. These media "elitists," as Professor Tonso calls them, believe that: guns, especially handguns, are evil in themselves; "all reasonable and informed Americans want to do something about the 'gun problem;'" and America is the only modern, urban, industrial nation without effective "gun control" laws. These perceptions result in an antigun bias permeating crime reports or news connected with firearms.

Although these assumptions held by the media have been shattered by impeccable research conducted during the past decade, the American public has never learned the truth. Scholarly research has been unable to penetrate the mass of antigun hysteria devoted to the "procontrol" position in the nation's media. In terms of sheer numbers, Professor Tonso points out that "procontrol information and arguments get 37 inches of print to every anticontrol inch in the print media and more than 7 minutes to every minute in the electronic media." Is there another issue of such importance that receive such slanted coverage?

Had the facts on "gun control" been reported in the major media, the debate about this subject would by now be closed. Professor Tonso points specifically to media blindness regarding the most comprehensive piece of research yet conducted on this subject: a 3-year study, entitled "Weapons, Crime and Violence in America: A Literature Review and Research Agenda," undertaken through a grant from the Justice Department's National Institute of Justice. Ironically, Prof. James Wright and Peter Rossi began this study accepting the procontrol position espoused by the media. By the time they completed their review and analysis of all existing research on the issue, they had backed away from their earlier positions.

The facts uncovered by Professors Wright and Rossi undermine the distorted assumptions held by the media and the antigun lobby. There is no evidence of a domestic "arms race" in response to a fear of crime. Contrary to

[1] With apologies to Curly, Larry, and Moe.

what has been reported, there is no conclusive evidence linking gun ownership to crime. Although antigun forces would have us believe otherwise, there is little public support for handgun bans or harsh restrictions on gun ownership. Of the 20,000 existing gun laws in this country, there is little evidence to suggest that any have reduced violent crime. Finally, these eminent sociologists, after 3 years of exhaustive research, concluded that: "The prospects for ameliorating the problem of criminal violence through stricter controls over civilian ownership, purchase, or use of firearms are dim."

TWENTY-FOURTH ANNIVERSARY OF BAY OF PIGS INVASION

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, April 17th of this year is the 24th anniversary of what we know as the Bay of Pigs invasion, one of the heroic efforts in history to achieve liberation for the people of Cuba from the Communist tyranny as manifested by the regime of Fidel Castro.

That invasion for the purpose of liberating the people of Cuba was carried out by one of the most heroic groups of men ever to attempt such a task in history, the 2506 Brigade. It was an arduous task that they had assumed for themselves, ill-equipped, inadequately supported as they were. A lot of the equipment that they had was outdated and hardly usable. Nevertheless, they fought gallantly for 3 days in the swamps and amid all of the difficulties that they encountered in that very unwelcome terrain.

They were finally defeated by overwhelming force, by the Cuban Government. Many of them were killed, many of them suffered torture, and the survivors the pains and the anguish of imprisonment.

The American people always commemorate heroism anywhere in the world for the cause of liberty and freedom; and therefore I have today introduced a joint resolution that the 17th of April be commemorated as the 24th anniversary of the invasion of the Bay of Pigs by the brave 2506 Brigade for the liberation of the people of Cuba from Communist tyranny.

H.J. RES. 236

Whereas April 17, 1985, marks the 24th anniversary of the first day of the Bay of Pigs attempted liberation of Cuba by the heroic 2506 Brigade, a battle which entailed three days of fighting at a narrow strand of mangrove, bunch grass, coral head, and sand lying 30 miles from the towns of Giron and Playa Larga and bounded by the Bay of Pigs and the Cienga de Zapata swamp;

Whereas, on such day in 1961, the 1400 gallant and intrepid men who made up the brave 2506 Brigade were ill-equipped but possessing immeasurable spirit, courage, and determination, sought in the tradition of the great liberators Jose Marti and Simon Bolivar to liberate from communist tyranny the beautiful isle of Cuba and reestablish freedom and democracy for the people of Cuba, that great island lying so close to the United States; and

Whereas, the patriotic, noble and sacrifical effort of the 2506 Brigade to liberate Cuba was in the same patriotic spirit that prompted other courageous and intrepid men to liberate the American colonies from a foreign monarch and establish freedom and democracy in America; and

Whereas, the people of the United States proudly commend those courageous warriors who fight for the cause of freedom and justice anywhere in the world and the Congress wishes to express the commendation of the American people to the gallant warriors of the 2506 Brigade who made such a historic effort to establish freedom and democracy in Cuba: Now, therefore, be it

Resolved, by the Senate and the House of Representatives of the United States of America in Congress assembled, That April 17, 1985, be commemorated as the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from communist tyranny.

U.S. LEADERSHIP NEEDED TO END SOUTH AFRICA'S APARTHEID

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the call for a multiracial democracy in South Africa can no longer be ignored. Recent violence there serves as a harsh reminder to Americans of a system which completely excludes blacks from participation in the government.

The laws and actions of that minority government make all too clear its intention to perpetuate the policy of apartheid which exploits the black majority and deprives them of basic human rights.

There can be no excuse for such a policy and no excuse for the violence which inevitably it engenders.

It is crucial that the United States, always in the vanguard in the fight for human rights, lead the international call for justice in Pretoria.

A significant recent step was the administration's support for a resolution in the U.N. Security Council condemning South Africa's apartheid practices, and I applaud it.

But more is needed. I urge President Reagan to take the lead in efforts to bring an end to apartheid and establish South Africa as an ally who shares with the United States a common commitment to democracy and human freedom.

REPEAL OF IRS AUTOMOBILE LOG REQUIREMENTS

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, they say that victory has 1,000 fathers and defeat is an orphan.

The House action 2 days ago when we repealed the auto log provision of the IRS Code has generated numerous claims of authorship. As one who introduced the original piece of legislation, H.R. 600, as the one who got more than 220 cosponsors in Congress, and as one who was asked by the chairman of the Ways and Means Committee to work out the final form of the bill, I take some small and modest credit.

But the purpose of my rising is to give credit to three others. I could give some credit to 100 or to 200, but three others come to mind.

First of all, the gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Ways and Means Committee. Without his support we could not have moved.

Second of all, to the gentleman from Arkansas [Mr. BERYL ANTHONY], a Democratic member of the committee, who did a great job.

And finally to the gentleman from Nebraska [Mr. HAL DAUB] a Republican, whose efforts and work made a good bill even better.

A final word: I warn the House that the other body, as is their usual style, has added a $4.5 billion cost to what was otherwise a good bill. I urge the chairman of the Ways and Means Committee to be careful and to come back with a clean bill. That would be a victory for all of America.

UNITED STATES-JAPAN TRADE IMBALANCE

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, yesterday I posed some questions about what constitutes market access for my colleagues and for the Japanese to consider during current talks on opening their telecommunications market.

We have sent strong signals helpful to our negotiators, and I understand from today's headline that the Japanese are suddenly very concerned and are sending a special envoy to Washington.

While I remain skeptical, we may in fact get a mix of technical and symbolic concessions from the Japanese, but with our current trade deficit running at $145 billion, it is time we recognize the realities of the global marketplace, and take action in at least one area where we can permit major competitors from coopting our markets by using foreign aid to subsidize the financing terms of their exports.

We should retaliate by matching their financing offers and leveling the playing field, allowing our companies

to compete on the basis of price and quality of their product and not be shutout by the predatory actions of other governments.

Yesterday, during the foreign aid markup, the Foreign Affairs Committee approved 17 to 6 an amendment for an additional $50 million in economic support funds earmarked for the Defensive Mixed Credits Program.

This action, on which I cooperated with the Trade Subcommittee chairman, Mr. BONKER, complements legislation I will be reintroducing to strengthen our ability to compete abroad.

Mr. Speaker, I encourage my colleagues to support this very important initiative to give teeth to our Mixed Credits Program which we mandated nearly 2 years ago.

We should stop telling our competitors how serious we are about free and fair trade and start showing them.

□ 1150

COVERT AID IN NICARAGUA

(Mr. ADDABBO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADDABBO. Mr. Speaker, late last night the President of the United States submitted to the Congress, pursuant to the provisions of title VIII, section 8066 of the Department of Defense Appropriations Act, 1985 Public Law 98-473, enacted October 12, 1984; the following message:

I herewith transmit a classified report on U.S. support for the democratic resistance movement in Nicaragua. On the basis of this report, I have determined that assistance for military or paramilitary operations now prohibited by section 8066(a) of that Act is necessary.

This is a message by the President to remove the embargo which was placed in the fiscal year 1985 DOD Appropriation Act on further direct or indirect aid to support any forces for military or paramilitary operations in Nicaragua.

Under the provisions of the bill, we have 15 days within which to report out a joint resolution of approval after its introduction. The Subcommittee on Defense Appropriations, which I chair, will be reporting a joint resolution within the 15-day period and it will be considered on the floor of the House later this month. It is my hope that as the minority leader, Mr. MICHEL, has told the President, the Congress will defeat the resolution and no covert aid will be provided for military or paramilitary operations in Nicaragua.

YOUTH SUICIDE

(Mr. DIOGUARDI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIOGUARDI. Mr. Speaker, last month I introduced a joint resolution to designate June 1985 as "Youth Suicide Prevention Month." Mr. Speaker, American adolescents are killing themselves at an average rate of 13 per day. The incidence of youth suicide has more than tripled in the last 25 years and suicide is now the third leading cause of death for Americans between the ages of 15 and 24. Unfortunately, we as a people find suicide so traumatic that we refuse to address this problem and sweep it under the rug. This is a tragic error.

Education, information, and professional guidance can help to significantly reduce the occurrence of youth suicide. This resolution will help to focus national attention on the problem. A similar resolution has already been passed by the Senate. I urge my colleagues in the House to give the same attention to this matter and cosponsor House Joint Resolution 193. Your support will save more American families from the trauma of youth suicide.

PROTEST TO WEAK RESOLUTION ON TRADE DEFICIT WITH JAPAN

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRES. Mr. Speaker, on rollcall vote No. 45, I voted against House Concurrent Resolution 107, to express the sense of Congress that the President take action to reduce the growing U.S. merchandise trade deficit with Japan. I voted against this resolution in protest to the way it was weakened after having passed the other body on Thursday, March 28. The resolution passed by the House merely calls on the President to take actions to correct the imbalance between the currency exchange rates for the dollar and the yen. Under current law, the President already has this authority. A resolution by the House of Representatives merely reminds him of his authority.

The other body's resolution, on the other hand, directs the President to take all appropriate and feasible action within the power of the Presidency to enforce the rights of the United States under trade agreements to which Japan is a party, and to eliminate acts by Japan which restricts U.S. commerce. Had the House been voting on a resolution of similar force, I would have voted for the resolution.

CHILDREN'S JUSTICE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. DIOGUARDI] is recognized for 5 minutes.

Mr. DIOGUARDI. Mr. Speaker, Monday marked the beginning of Child Abuse Awareness Month, a problem which deserves national attention. In February, I introduced H.R. 1205, the Children's Justice Act. This bill would make positive strides toward alleviating the trauma suffered by children who are the victims of sexual abuse.

In addition, it would help to increase the conviction rate for child molesters, a figure which is now pitifully low.

Mr. Speaker, our Nation's children are the most vulnerable individuals in our society. We, as the legislative body for our country, must make every effort to see that their rights are protected and that their lives are not shattered by heartless and vicious adults.

I urge my colleagues to cosponsor H.R. 1205 and help give thousands of American children a second lease on life.

LEGAL SERVICES CORPORATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

● Mr. KASTENMEIER. Mr. Speaker, today I am introducing a bill to extend the authorization for appropriations for the Legal Services Corporation for 3 additional fiscal years. The bill which I am introducing will serve as a focus for the hearings which will be held by the Subcommittee on Courts, Civil Liberties and the Administration of Justice on April 17 and 18, commencing at 2 p.m. on each day. The Corporation is currently funded at $305 million for fiscal year 1985, but legal services programs have suffered severe cutbacks in funding since the Corporation's fiscal year 1981 funding level of $321.3 million was reduced by 25 percent in fiscal year 1982 and held at the $241 million level in fiscal year 1983. Funding did increase to $275 million in fiscal year 1984 before reaching the current level. Nonetheless, increases in inflation and in the poverty population require an adjustment, and I have suggested the $373 million amount—a 16.2-percent increase over the fiscal year 1981 funding level. The sum which I have suggested will certainly be reviewed in the hearings and at our markups. This is the same amount which has been recommended to the Committee on the Budget by the chairman of the Committee on the Judiciary, Mr. RODINO. I do not expect this bill to be the final product of the Committee, and welcome any suggestions to improve service to low-income clients. The Legal Services Corporation provides funds to local legal services programs and support centers which in turn serve legal services clients who are among the most vulnerable and powerless persons in our coun-

try. It benefits all of us when access to justice is available to these clients.●

EXTENSION OF MEDICARE REIMBURSEMENTS FOR OCCUPATIONAL THERAPY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana [Mrs. BOGGS] is recognized for 5 minutes.

Mrs. BOGGS. Mr. Speaker, a recent GAO report on the impact of the Medicare Prospective Payment System [PPS] on posthospital long-term care indicates that patients are being discharged from hospitals sooner and in a poorer state of health than prior to PPS. It also indicated that more patients have extensive service needs following their hospital stay. I am concerned about whether there are enough services available in the community to adequately meet the needs of Medicare beneficiaries. For example, people who have suffered a stroke, heart attack, have arthritis or cancer need sufficient rehabilitation services or they are frequently rehospitalized or confined to a nursing home.

Today, I am introducing a bill which would complete the Medicare coverage of occupational therapy services by extending part B reimbursement to skilled nursing facilities, rehabilitation agencies, and outpatient clinics. The Congressional Budget Office [CBO] has established a cost estimate for this legislation of $10 to $14 million. However, this estimate does not include any of the cost savings of allowing patients to obtain their occupational therapy in the less costly settings rather than in the more expensive hospital ones. You may be interested to know that an hour of occupational therapy treatment can be $20 to $25 less expensive in an outpatient clinic than in an outpatient department of a hospital.

As you know, many patients are placed in skilled nursing facilities when they leave the hospital because they are unable to return home. When their part A benefits are exhausted and they are switched to part B coverage, they are unable to continue occupational therapy, which can make the difference between continued institutionalization and discharge home. If occupational therapy coverge was extended to these patients, their treatment could continue and many could be discharged home, producing a savings to the Medicare Program.

Occupational therapy is a rehabilitative service which focuses on reducing symptoms such as pain and deformity and training patients to function independently regardless of their disability. Therapists teach patients swallowing techniques to remove their dependency on nasal gastric tubes, train them in the use of prosthetic and adaptive equipment and do mobility training to prevent decubitus ulcers to name a few of their services.

You may be interested to know that over 18 national and State organizations are supporting this proposal including National Easter Seal, the Arthritis Foundation, the National Senior Citizens Council, and the National Rehabilitation Association. In addition, many of our colleagues here in the House have joined me as cosponsors. I urge all of you to work with me in support of this legislation.

Mr. Speaker, I ask unanimous consent for the text of this bill to be reprinted in the CONGRESSIONAL RECORD.

H.R. 1985

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (C) of section 1832(a)(2) of the Social Security Act is amended to read as follows:

"(C) outpatient physical therapy services (other than services to which the second sentence of section 1861(p) applies) and outpatient occupational therapy services (other than services to which such sentence applies through the operation of section 1861(g));".

(b) Section 1833(g) of such Act is amended—

(1) by striking out "next to last sentence" and inserting in lieu thereof "second sentence", and

(2) by adding at the end thereof the following new sentence: "In the case of outpatient occupational therapy services which are described in the second sentence of section 1861(p) through the operation of section 1861(g), with respect to expenses incurred in any calendar year, no more than $500 shall be considered as incurred expenses for purposes of subsections (a) and (b).".

(c)(1) Section 1835(a)(2)(C) of such Act is amended—

(A) by inserting "or outpatient occupational therapy services" after "outpatient physical therapy services",

(B) in clause (i), by inserting "or occupational therapy services, respectively" after "physical therapy services", and

(C) in clause (ii), by inserting "or qualified occupational therapist, respectively," after "qualified physical therapist".

(2) The third sentence of section 1835(a) of such Act and section 1866(e) of such Act are each amended—

(A) by inserting "(or meets the requirements of such section through the operation of section 1861(g))" after "1861(p)(4)(A)" and after "1861(p)(4)(B)", and

(B) by inserting "or (through the operation of section 1861(g)) with respect to the furnishing of outpatient occupational therapy services" after "(as therein defined)".

(d)(1) Section 1861 of the Social Security Act is amended by inserting after subsection (f) the following new subsection:

"OUTPATIENT OCCUPATIONAL THERAPY SERVICES

"(g) the term 'outpatient occupational therapy services' has the meaning given the term 'outpatient physical therapy services' in subsection (p), except that 'occupational therapy' shall be substituted for 'physical therapy' each place it appears therein.".

(2) Section 1861(s)(2)(D) of such Act is amended by inserting "and outpatient occupational therapy services" after "outpatient physical therapy services".

(3) Section 1861(v)(5)(A) of such Act is amended by inserting "(including through the operation of section 1861(g))" after "section 1861(p)".

(e) The amendments made by this Act shall apply to expenses incurred for outpatient occupational therapy services furnished on or after the first day of the first month that begins more than 60 days after the date of the enactment of this Act.

LIST OF COSPONSORS

Mrs. Boggs, for herself, Mr. Addabbo, Mr. Barnes, Mr. Bedell, Mr. Beilenson, Mrs. Boxer, Mrs. Collins, Mr. Crockett, Mr. Daniel, Mr. Daschle, Mr. Derrick, Mr. Dwyer, Mr. Dyson, Mr. Fish, Mr. Florio, Mr. Foglietta, Mr. Frank, Mr. Hoyer, Mr. Hyde, Mr. Jacobs, Mr. Jeffords, Ms. Kaptur, Mrs. Kennelly, Mr. LaFalce, Mr. Lehman of Florida, Mr. Leland, Mr. Lowry of Washington, Mr. McCollum, Mr. Manton, Mr. Martinez, Ms. Mikulski, Mr. Murphy, Mr. Oberstar, Mr. Ortiz, Mr. Quillen, Mr. Rangel, Mr. Richardson, Mr. Rinaldo, Mr. Rose, Mr. Skelton, Mr. Smith of Florida, Mr. Solomon, Mr. Swift, Mr. Waxman, Mr. Weiss, Mr. Whitehurst, Mr. Wirth, Mr. Pursell, Mr. Luken, Ms. Oakar, Mrs. Burton, Mr. Mineta, Mr. Green, Ms. Snowe, Mrs. Schneider, Mr. Roe, Mr. Fazio, Mr. Mavroules, Mr. Frost, Mr. Gray, Mr. Guarini, Mr. Neal, Mr. Miller of California, Mr. Stokes, Mr. Clay, Mr. Breaux, Mr. Howard, Mr. Smith of New Jersey, Mr. Walgren, and Mr. Tauzin.

□ 1200

INTRODUCTION OF THE SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

● Mr. JONES of Oklahoma. Mr. Speaker, today I am introducing the Social Security Minor and Technical Changes Act of 1985, as approved by the Subcommittee on Social Security on April 3, 1985. This bill is a slightly amended version of H.R. 1641, which I previously introduced. I expect the subcommittee-approved bill to be approved by the full Committee on Ways and Means when the Congress returns after Easter, and will seek full House approval as soon as possible after that.●

VACATION OF 30-MINUTE SPECIAL ORDER AND PERMISSION FOR 5-MINUTE SPECIAL ORDER

Mr. RAY. Mr. Speaker, I ask unanimous consent to vacate my listed special order for 30 minutes, and ask to address the House for 5 minutes at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMERICAN AGRICULTURE—THE NEED TO PLAN FOR THE FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, last week, the big news in the Washington Post was that America's farm agencies have finally agreed on something—they have agreed that America's agricultural industry is in trouble.

When you look at the statistics, it's clear why our farm population has been able to unite on this issue:

Less than 3 percent of America's population now lives on farms, compared to 25 percent just 50 years ago.

Net farm income is projected at $19 billion to $24 billion this year, down from $30 billion in 1984 and a high of $32 billion in 1979.

The average farmer's debt to asset ratio is now at 22 percent, the highest since the depression.

Farm exports are predicted to drop to $37 billion in 1985, down from a high of $44 billion in 1981.

Farm indebtedness is near $215 billion, more than double what it was 10 years ago.

More than 200,000 farms have been auctioned off since 1981, and the number is increasing.

Although many farms are in reasonably sound financial shape, at least a third have such severe problems that they may not survive. Perhaps 10 to 15 percent may not last the year. If current trends aren't reversed, many experts believe that 1 of every 3 commercial farms in America will be bankrupt or too far gone to save in 2 to 3 years.

And the American people are leaving the farm at a faster rate than ever before. Only 1.4 percent of America's population is still active in farming and the number of U.S. farms has decreased from 6.8 million in the thirties to 2.4 million in 1984.

So there is agreement that American agriculture is in poor health, and that the industry is facing a severe crisis.

Unfortunately, Mr. Speaker, that's where the agreement ends. Farm agencies, farm groups, agribusiness people, Government, and all factions of the industry are split on how best to approach and solve the problems.

Instead of the industry uniting to focus attention on the problem, we see the various factions starting to fight among themselves over the upcoming farm bill. Each group wants to see to it that they get what they want out of the farm bill, and they aren't focusing on the overall agricultural crisis.

This leaves the people who fashion farm policy in a sticky dilemma. They want to put together programs that will provide stability for American agriculture and they want to help the industry in long-range planning, but they can't get broad, comprehensive advice from the various farm factions.

It is for that reason, Mr. Speaker, that I have written President Reagan urging that he form an agricutural commission. This commission would be made up of experts from all areas of the agricultural industry and they would be able to work in conjunction with our Government to focus attention on the long-range problems of our industry.

The White House is interested in the proposal, and we are working in conjunction with them to put together a list or experts to discuss this commission proposal. This week, I will be sending a letter to each of my colleagues here in the House of Representatives, asking you to provide me with the name of a person from your area of the country who could serve on this discussion panel. In this way, I believe we can get a list of people representing all sections of our country and all the agricultural interests.

Agriculture is our Nation's biggest industry and it is our country's largest employer. When this industry suffers, our entire country feels the effects.

For years we have molded agricultural policy through short 4-year farm bills in an attempt to stay close to developments in the industry. It is time now that we not only focus on the short-term problems of the industry, but develop a long-term policy that would give our farmers some stability.

I was a farmer myself, Mr. Speaker, and I know how uncertain the life of a farmer is. He can't control the weather and he can't control the crops. In many ways, the farmer is at the mercy of the whims of nature. But, in spite of this, the American farmer has become legendary. He produces enough food to feed our country and much of the world. He is more productive than the farmers of any other nation.

But, the whims of our economy are also affecting the farmer and the impact of the rising deficits can be seen more clearly in agriculture than in any other area. The strong dollar and high interest rates have put American farmers in a dangerous debt situation, and many of them are failing.

We can't take all of the uncertainty out of farming, Mr. Speaker, but we can make an effort to look at our agricultural industry in a broader fashion. We can put together a commission to help focus long-range planning in agriculture.

After the Easter recess, I will be introducing a sense of the Congress resolution, urging the President to form this agricultural commission. We already have a number of cosponsors for this resolution, and I hope my colleagues who are concerned about the future of agriculture in this country will join us in introducing this legislation.

There is a giant in this country that threatens to topple, and if it falls, it will bring us all down. To prevent that, it will take all of us working together. I want to provide a way for the agricultural industry to unite, and I believe this commission will do just that.

□ 1210

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise this Thursday, Holy Thursday before Easter, in another plea to the privileged orders, this time the privileged orders of America, particularly, as I have said before, my colleagues in the Congress, and the executive branch, more particularly, on this occasion. And it is my hope that my colleagues, as they depart for their various destinations, either to their districts or on some other travel assignment, in this very religious holy period of time, one of the most inspiring, for it evokes the great theme of resurrection, a rebirth or, actually, a resurrection.

In Spanish, there is a word for which there is no equivalent in English or, for that matter, I do not know in any other language. There is an old saying that says, "la vida no retoña." In other words, retoñar is the verb that speaks of that which is evocative in springtime when we have the newly born flowers, plants, trees, blossoms, and what the saying says is, life cannot be remade.

As I say, this is a word or a verb for which there is no exact translation in English and, therefore, the difficulty for me to convey to my colleagues what that means.

But, roughly speaking, what it is that I wish to evoke in my colleagues' minds as they depart to the joyous celebration of this great Easter, that while we are either having our children and grandchildren search for the Easter eggs, or just have an Easter Sunday dinner, that we have Americans down in the jungles of Central America that I firmly believe has not any time before within the last 2½ years of this monumental military buildup that the President has mandated in that part of the world, the heaviest military presence in the history of this part of the world.

At this point we have on what are euphemistically labeled training exercises components of the Texas National Guard. They have been preselected. As one Texas National Guard highly placed commander said, "Yes, we are going to that area in Texas in which

there is a greater density of Hispanic or Spanish speaking."

Let me say for the record, my colleagues, that I do not want to offend any of my other so-called fellow Hispanics, but I do not like the word "Hispanic," because I say I am a Mexican descendent. "Hispanic," when I was growing up a few decades ago, among us had a connotation that was not exactly very acceptable. It meant that some of those that came from the group from which we emerged but finding at that time great distaste and dislike and antipathy to the group and identifying the word "Mexican" with what was the most disagreeable of all would say that they were not Mexican, they were Spanish. And I remember once, I must have been no more than 10 years of age, and I went from my neighborhood on Upson Street where I was born and, as we were accustomed to doing that day and time, go over to the swimming pool, the public swimming pool, called San Pedro Park, which is one of the most beautiful type swimming pools I have ever seen. At that time it was fed by the natural spring waters of the San Pedro Springs which had been flowing since time immemorial and at the time that the Spanish first came there, and the Indians before them, had camped there, and the Spanish settled around these artesian wells, these beautiful, pristine flowing springs. And one day, in the company of my brother 3 years younger than I—and I might point out, so that there can be a clearer picture of what I am talking about, in my family I am the lighter complexioned member among my brothers and sister. There were four other brothers and one sister. And we went, in the company of two other playmates of the neighborhood, and at that time there was no fence around the pool, you did not have to pay any fees, you just went in. They had a lifeguard on duty who came over after I had taken a jump in the pool, and my brother Joaquin had followed me, when the lifeguard said, "Hey, we don't want any Mexicans around here. Get out of the pool."

I do not know what there always has been in me, but I did not get out. But I noticed, with great consternation, that my brother did, fearful and either trembling from the cold water or from the unusual harshness of the occurrence. I said, "Get back in." And he said, "No." Well, I got so angry, I got out of the pool and went up to the bathhouse where I knew a neighbor, a lady by the name of Mrs. Vidaurri was working there, and I complained to her. So she closed the bathhouse where we used to check in the clothing and went down and reprimanded the lifeguard.

But I could never persuade my brother to go back in there that morning. It took some time before that shocking experience had been overcome in his mind and in the minds of two others who had accompanied us.

Well, that is a long time ago, and, thank goodness, the world has changed, and I am able to be elected and, firstly so, in 1956, at a time when my election to the State senate was considered so revolutionary that the only way I can evoke that would be to tell you that if I were to seek the office of President or Vice President and tell you that I would win, it was just as unlikely and as outlandish at that time to say that I would win the race for the State senate. But I did.

And the point is that if I had had to depend on the vote from the group of voters that emerged from the same ethnic background as I, I would have never been elected dogcatcher, because at that time, in 1956, running countywide, this particular group was not even registered 10 percent out of a total voting potential, that is, qualified elector potential, of less than 113,000 voters. And of that number, not even 10 percent were what today are called Hispanic or what variously through the decades of my emerging have been called various things. "Latin Americans" was a most popular descriptive phrase for a while because it was more acceptable, "Mexican-American," never, because that was sort of a derogatory, pejorative, if you please, type of designation.

But I never had any reason to be ashamed of it. Our forefathers had their roots in Mexico for over 400 years.

□ 1220

They had played an integral part in the development of the whole area, including the original province that they went to, which was defined as being in boundaries, the southernmost boundary being what is today the State of Durango, and then as those documents reveal today, as far north as man could walk. Well, that would include, of course, all that trajectory through the United States and through Texas.

So that, in my point of view, and I guess my forebears, is very different from what the common American, historical conditioning view or conditioned view might be. So that I can see that we have in the American people, whether it is in the southwest of Texas or in the East or the South, for that matter, or the West, or the Midwest, that great, residual deposit of the saving sap of democracy and liberty, and that I could never have been elected, especially for such a high, vaunting place as the State senate in 1956, had it not been that many people of all kinds and creeds came out and made it possible for me to win.

Perhaps this is the reason why in later years, ironically, I became the target of epithets and threats; I was burned in effigy in California; I was almost killed in Boulder, CO, because I would not raise my fist, double it, say, "Kill the Gringo," and it was ironic because those demanding this never had had any kind of exposure to the direct discriminatory, crude practices of those ancient days.

Here we have this year of glory of our Lord, 1985, just last week, a commander of the Texas National Guard saying, "Yes, we are going to select this particular group," call them what you will, Mexican-American; "because we think that they are Spanish-speaking, and it would be ideal, to send them down to Honduras."

Now, it so happened that the Governor of Texas acceded to that request, unlike his counterpart, a Republican, incidentally, Governor of California, who refused the same request to deploy the California National Guard.

Right or wrong, the Governor of Texas said, "Well, I consented to that because I was assured they would not have any trouble." Now, this is just like President Reagan, for 14 months, willfully, calculatingly, cold-heartedly ignoring the plain logic, the unanimous advice of the most professional military: The Joint Chiefs of Staff; every one of them.

In the case of the Marines in Beirut, saying, "Oh, well, yes, but they are peacekeepers." Why, they are not going to have any trouble, even though they were beginning to get knocked off by hostile fire. Certainly they were not being killed by friends and allies, I hope to think.

It is just similarly the naivete of a Governor of Texas, who willy-nilly, before consulting, makes a decision and then bases it on some kind of pious promise that nothing is going to happen. Well, the National Guard as well as Marines as well as soldiers are warriors, if they are being sent down for what is supposed to be nonhostile, training purposes, the least one can do is see what it is in the nature of the call that makes it logical to call in the Texas National Guard. They are not going there to play red rover, red rover.

I say they are just being used as pawns; that now, more than ever, because of the nature of this so-called Pine III Operation, there is more than an even chance of violence, in which some of these men will suffer either death or serious bodily harm. What are those circumstances? The circumstances are that we have already had 17 of our active duty military killed in that area. When has this Congress bothered to ask: Under what circumstances? When has this Congress raised any objections or even questions to the President when last year, in September, to be precise, September 18, the Defense Department confirmed what we had been saying and

had been accused of lying about or being inaccurate or being misinformed, and that is that excess military aircraft were transferred from the military to the CIA, which then provided them, at no cost, to the so-called Contras or Nicaraguan rebels.

If that is not a most direct violation of the War Powers Limitation Act that this Congress passed in 1974, then I just do not understand the plain significance of plain, coherent language. Yet, a Governor says, "Oh, I gave my OK; these men can go, they are hand selected." Even though, I do not see him going to the hill country north of San Antonio and preselecting German-speaking citizens to be deployed in Germany. I do not see the President or the Secretary of Defense saying, "Let us see if we can get Jewish members of the faith of America or Arabic-speaking members of our community, and send them to the Sinai." How can we accept this?

I know nobody has spoken out on this, but I am. Because I think it is wrong. Because I think that it is giving a confirmation to a disastrous course of conduct on the part of a very much misguided President, or what history may show to be a zealot lost in his ideology.

Now, let us talk just plain common sense. Let us not talk about the horrors of communism or the unacceptability of the doctrine. I do not know anybody that I have ever met that is a card-carrying Communist or even an avowed Socialist. I have never visited in Russia. I have never gone on plush airplanes like the leading grain merchants of this country, hosting and drinking vodka and cheek-by-jowl with the Russian counterparts, selling them, even at subsidies that the American taxpayers paid for, our grain a few years ago. I never have been with Presidents when they have gone and toasted the, I guess they are Communists, leaders, cheek-by-jowl, and then turning over to them, like a couple of our Presidents have, beautiful Cadillacs, or some kind of luxury limousine with bullet-proof glass and all.

How long, my colleagues, are we going to enjoy the privileges with none of the accountability? How long are we going to tolerate the continuous indulgence of these privileged classes, never contemplated, never foreseen, much feared by those who wrote the basic law that gives us our form of government, and that is a reason for our differentiation until lately, when we have abdicated. When we have traduced that responsibility. Sold our heritage for a mess of pottage; of creature comforts. Placing us in that very comfortable segment of American society. We do not have to worry about being homeless.

□ 1230

We do not have to worry about being homeless. We do not have to worry when we go Easter about a good, fat steak. But let us not forget those who are in less privileged positions.

We just heard one of my distinguished colleagues speak about the plight of the farmer. Earlier I heard debate this week on the unemployment compensation, that the President and his supporters in and out of the Congress willy-nilly tell us there is great recovery, that there is no reason to continue any kind of help and any kind of lifeline to now over 10 million unemployed because they persist in this illusion and delusion that there is no problem, yet admitting to it in little driplets here and there.

I say that those contingents now serving, and until the first week in May in those jungles of Central America are a minute fraction of our citizens, even in Texas, the less than 500 component, they are not too visible except to their relatives. As in the case of the 241 marines, who remembers them? Well, I can tell you four who are remembered, the parents having called me all the way to my district in San Antonio during a break from States like Pennsylvania, Florida, and Ohio. Why would they call me? Because somebody told them I was the only one who had spoken out and had introduced legislation to compensate the dependent survivors because I try not to speak out unless I have some kind of an alternative or some suggestion. I never have believed in just knocking, in just saying this is not good policy or this is an erroneous action. I believe in saying why it is and saying this is what I would suggest, or let us think about it, and let us at least discuss it.

Such is not the case. But let us look at the facts. Let us assume and just a minute or 2 ago, and I say this by way of parentheses, another equally loved and highly respected Member and colleague of this House referred to the so-called Bay of Pigs invasion.

Has anybody ever stopped to ask the question: Suppose that invasion had physically succeeded? Would the people involved in that invasion have been able to govern Cuba? I can tell you categorically no, never. They were so divided themselves even in exile in Miami that it would be impossible to even govern themselves in Miami. So unless the United States were prepared to go in and further than just knocking over the Castro regime, occupy and govern Cuba like we are Grenada. You are not getting a daily report, but we still occupy Grenada. The President said we would be in there and out in 4 days. We still have military, because that is the only way that we can maintain the government of that island along the lines that we say are ideologically acceptable to us.

That is the smallest little place, not even as large as the city that I mainly represent. My city, my district, has about 500 percent more constituents than there are people in Grenada. But the point is that unless we are prepared to do the same thing in every one of these other countries where, because of ideological reasons, there cannot be any other reasons, and I will demonstrate why.

Ideology has never been the basic approach of our pragmatic American people and their rulers in the past. The whole of Central America, and I include the five countries, is no larger than the State of Texas. El Salvador is no bigger than Massachusetts. Honduras, where we now have an immense military presence, better than 10,000 just on land at this point, is about the size of Tennessee. Nicaragua, the source of so much controversy and oratory, is about the size of Iowa, with a total population that would fit just very nicely into the city of Houston, TX. Guatemala, home of one of President Reagan's favorite and most bloodthirsty caudillos, is also about the size of Tennessee. And Costa Rica, the only successful democratic state which we are compelling more and more to be military, could be squeezed within the borders of West Virginia. The total population of El Salvador is about 5 million. Most of the people, 82 percent, live in the countryside. Twenty percent of the people have lost their homes because of this continuing civil war which now even the President does not say Castro and the Russian Communists keep going. Half a million are refugees in their own land, and we have, I am sure, better than 400,000 Salvadorans and refugees right here in our country.

Life in El Salvador is hard. Forty percent of the labor force is unemployed. The last time anyone looked, 58 percent of the population earned less than $10 a month. Only 20 percent earned enough to provide the bare necessities of life. Two percent of the population owns 60 percent of the land. Ninety-six percent of Salvadorans own less than 12 acres. The vast majority of people in the countryside work at $1 a day when there is work, and this year there has not been much work.

No one living can remember when El Salvador had a genuinely democratic government. Yes, there are elections. As they say in Latin America, "A la Norte Americana," but President Duarte controls neither the army nor the National Assembly, and does not have the ability to wangle a budget to operate his own office from the country's government. The truth is the army runs El Salvador just as it always has, and strictly for the benefit of those 12 or 14 families.

Corruption runs deep in El Salvador. Our own AID admits that 20 percent of its funds get skimmed off before even the Central Bank is finished. And justice runs deep in El Salvador, in a country where there have been over 50,000 murders within the last 5 years, and in a country where political murders are still taking place at the rate of over 90 a week, and President Reagan reported a few months ago that that was a tremendous improvement. Think of it. It has been reduced to better than 90 murders a week.

No one has ever been convicted for any one of those murders except under pressure, in the case of the nuns, the Maryknoll Sisters, but that is as far as it got.

Why? Because if the truth were ever compelled, the involvement of our own CIA jowl by cheek with the murders and the assassins and the hit squads, which they call death squads but which the leader of them all, D'Aubuisson, says are "Escuadrones de Gloria," "Glorious our glory squads."

The case of the murder of Archbishop Romero has not been resolved, and that is the reason why. There is no question. It can be documented.

□ 1240

Our own CIA has been right there in the forefront and knows full well, because it was just as much a party to it as anybody.

That again reminds me of an old Mexican saying: "Tanto peca el que detiene la pata como el que mata la vaca.

"He is guilty of as much sin who holds the foot or the leg, as much as he who kills the cow."

In other words, they are accomplices. If anyone needs evidence of the degree of the squalor of El Salvador, remember that this infamous murder of this great archbishop, a man of peace and justice, has yet to be resolved. His killers have not been brought to justice, and they will not be.

In Nicaragua, one need only recall the history of the Somozas who were installed and maintained in power by our Government for 50 years. No government in the world could have been more rotten, more corrupt, more cruel than that of Somoza, nor can there be any denying of our role with him. Can there be any wonder why the people of Nicaragua, now facing a U.S.-financed revolt led by ex-Somoza military people, place more faith in the Sandinistas than in our pious and heretofore empty proclamations about freedom?

Let me say this to my colleagues: The very word, "Sandino," symbolizes what is a hero in that part of the world—"Sandino," the great hero resisting la invasion Norte American—the North American invasion. They have more freedom certainly now, taking into account all of President Reagan's pious mouthings about lack of democracy, than they ever did under Somoza.

In Guatemala we are hardly a symbol of hope. Our record there is abysmal. I visited over 2 years ago with the bishop of Chiapas. That is the Mexican state that borders the Guatemalan border. What he told me has horrified me to this day—30,000 suddenly attacked, 30,000 of the poorest of the poorest of the poor, Indians against which a genocidal effort has been made by this military dictator that President Reagan says is a "great guy." And the bishop was telling me about these Guatemalan soldiers crossing over and invading Mexican territory in pursuit and ripping open the bellies of 7-month-old baby Marxist-Leninists with American bayonets, with American-made weapons. They were not from Castro. They were not Russian, Korean, or Czechoslovakian. They were 100-percent American-made and American-provided. Even now we support a regime that is as bloodthirsty as any on Earth, as unjust as any of us will ever find, as oppressive as any in power or in existence.

Do the people of Guatemala look to us for justice and liberation? Hardly, for President Reagan thinks the local caudillo there is a swell fellow.

In Honduras we have so long supported military dictatorships that any talk of genuine democratic government is a joke. Any talk even of intelligent government in Honduras is a joke. Indeed the story is told of one, a ruling general, who was so incompetent—and even in Tegucigalpa he had stories told about him, and one story when like this:

A street-corner shine boy was telling his customer, "Have you heard the latest story about how dumb General So-and-so is?"

The customer said, "Son, I am General So-and-so."

The shine boy, without missing a beat, said, "That's OK, General. I'll tell it to you real slow."

So much for the reported respect that American-supported regimes have won in Honduras.

Central America, with the happy exception of Costa, Rica, is a place where freedom is a stranger. It is a place where the wealth is held by a tiny few, where power is exercised by force rather than through the consent of the people. It is a place where corruption is endemic, where poverty abounds, and where a hopeless fatalism is the only relief from misery. The enemy that the people of Central America face has a name, and that is misery. It is misery of degradation, of repression, of poverty, and it is a misery of hopelessness.

We say that we abhor Marxism and oppose the Marxists. But what and whom do we support? Do we support government by consent of the governed in Central America? Do we support reform an end to corruption, and end to torture? Do we support education, health, housing?

We support Honduras, and we are building huge military commitments there, but never with the consent of their representatives. They have yet to offer their consent. If we have ever sought the actual support of the people of that country, when has it been? When have we insisted that the generals let the people rule for themselves? When have we insisted that the great landholders pay a decent wage? Hardly, when the ones determining that wage are Americans, malefactors of great wealth. Like J. Peter Grace, that great billionaire princeling who is going to show us how the Federal Government can be dismantled economically, and who is the owner now, through his conglomerate, of what used to be United Fruit and is today Standard Brands. These are people who run everything in Honduras and who define who is a Communist. And that is true of every other country, including Mexico.

What a lot of our people up here are told are Communists by those ruling, wealthy classes are usually those people who have said, "Hey, look! We are tired of being cheated. We want fair wages. Hey, Look! We want a decent house. We want a chance to earn a living."

Those are the "Communists" defined by them and by our neo-Nazis. And I use that word advisedly. I am not using that word as a pejorative phase. I am using that calculatingly. I am a child of that era during which the word, "Nazi," came into vogue.

And this is Mr. J. Peter Grace, who, through his own expressions and by former Nazis like Frick, has surrounded himself with those who clearly reflect the opinions and the views and the interpretations of those that he controls of the wealthy ruling classes in Honduras. As long as they get their dividend, they are going to be very much anti-Communist.

When have we insisted that the governments provide even the most basic services? Do we even insist on open discussion and the right of dissent? We say that we oppose the Sandinistas in Nicaragua, but what and whom do we support there in Nicaragua? When did we ever say to the Somoza government that it had to allow dissent or that it had to allow individual liberty? When did we say to the Somocista regime that it had to end corruption? When did we insist on government of and by and for the people of Nicaragua? Is that what we are saying we support today?

The people of Nicaragua look at Honduras right next door and they see no evidence that this is the kind of

government we insist on or support there. They look at Guatemala and they see no dissent allowed there. They see no free elections, they see no reform, they see no basic respect for human rights. Yet that government has our support and our open-ended commitment. The President is asking us to raise the ante for the first time and provide about $40 million worth of direct military aid to this corrupt and totalitarian Guatemalan regime.

□ 1250

If the people of El Salvador or Honduras or Guatemala or Nicaragua had wanted an end to their misery, since when could they count on help from us? They never could before and the evidence is that they can hardly do so today; yet they want an end to their misery. Who can blame them?

As I have been saying ad nauseum since John Kennedy's day, this world has changed. No longer will those oppressed masses remain oppressed and subdued as they have for 300 years. That is gone forever and we had better recognize it. If they cannot count on assistance from us to end their misery and oppression, should we be surprised that they turn to Marxism or Marxist-Leninism or Castroism or Maoism or any other ism that at least offers them some help? What is it we want to do in Central America, I ask my colleagues? Let us go ahead. Let us assume we will go in, and we will. The way we are going, I predict the headlines will be, "U.S. helicopter shot down. Twelve Americans killed. Nicaraguans now have aircraft. We are going to invade."

We have already had Senators say that that is all it would take for them to vote for an invasion.

But what is it we want to do in Central America? The only decent thing I know we can do is to stand for our own revolutionary principles, which we have failed to do and which the Reagan administration is refusing to do.

What is our aim? What should be our aim? The practical reality is that we are not going to frighten the Sandinistas away, nor are we forever going to be able to prop up corrupt and incompetent regimes elsewhere, anymore than we could prop up Somoza.

I believe that we can only stand for our own principles. Those are the principles that our own people support. Those are the principles that the people of Central America yearn to live by. What would be wrong if we were to insist on sending teachers instead of riflemen? What would be so wrong about sending tools and fertilizers instead of tanks? What would be wrong about insisting on governmental reform instead of winking at corruption and paying off generation after generation of generals and Caldilles?

Where is the sin in calling for honest and open debate, honest and open elections and consent of the government and respect for the rule of law? But when have we ever done these things in Central America?

I tell you, my colleagues, unless we do these things, the people of that part of the world will turn elsewhere for their leadership and their inspiration. It is not that they really want to. Anybody talking to these people will tell you that. It is not that they dislike us. Anybody in direct communication with the masses will tell you that. It is that we are not leaving them any other choice.

Truth will not be denied, as well as justice, in Central America, nor will we succeed in effectively providing the leadership, not through tanks, and I might remind my colleagues, I would not be at all surprised that these headlines that I am predicting is because in these maneuvers now for the first time we are introducing M-60 tanks, plus the British Scorpion tanks. Now, those cannot operate except in those areas on the Nicaraguan border with Honduras where the Nicaraguans have built up their tank strength, so that our maneuvers are provocative. We are in direct alliance with those forces trying to knock out the regime—through what? What we denounce to the world—terrorism.

We, you and I, my colleagues, because we finance the CIA and we refuse to ever hold them accountable. We have let them arrogate to themselves as well as other runaway agencies powers never intended; so we as well as these deprived countries for generations are under the ominous shadow of losing those very selfsame liberties, if we have not already.

Unless we stand for truth and for justice, our policies can never succeed. We will have lost, not because the people of Central America have been gulled and fooled, but because we have been arrogant and have betrayed our own principles.

Shakespeare says: "When nations become complacent and arrogant, the wise gods seal their eyes: laugh ats, strutting to their own confusion.

We have been arrogant and we have betrayed in the process our own basic principles. If we have already foresaken the only moral leadership that I tried my best to convince, not this President, I have been speaking out before, but on April 1 this month, on the first day of April 1980, 5 years ago to the day, I spoke for the first time in the then 20 years I had been in this Congress on the subject matter of Latin America. Even though I had been appointed by the OAS as an observer in the specially held elections in Santo Domingo in 1966, I never considered myself an expert. I do not so now. I have not been an ambassador. I cannot even consider myself an expert on our next door neighbor, Mexico, because we do not have those sources of information that are so necessary to form a complete grasp and understanding, but having been privy to some information provided me by some constituents who were in service in Central America, in Nicaragua during the so-called Sandinista revolt and later at the inception of 1979 of the present turmoil in El Salvador and these individuals, good Americans, so troubled, came to Washington, sought me out, asked me to please convey this to somebody in power.

Well, I could not. President Carter was about as inaccessible, not as much, but almost as much as this President. Of all the six Presidents I have worked with, this is the most inaccessible. He does not even acknowledge a Congressman's letter.

So I took the floor 6 months, after vainly trying to penetrate those layers and processes in the State Department and over in the White House, and to no avail.

What was my plea to President Carter? The same as it is now to President Reagan. And what is it?

Please try to retrieve what we still had on April 1, 1980, and that is some leverage of leadership with our fellow countries that fate has decreed must share this part of the world with us.

Why should we bring back the dead hand of the past with wrong policies of the era of Coolidge and send the Marines, who have occupied Nicaragua in the 20th century alone six different times? Why should we go and for the American people provide that kind of bankrupt leadership, when we still have some residual ability, perhaps no, perhaps it has been eroded now, and stop this unilateral military intervention.

Let us proceed. We have been given a chance by the so-called Contadora governments, and these are the most distinguished and some of the most stable governments there, and have offered the process which we have arrogantly dismissed. First we say, well, it sounds attractive, and then when they come out with the firm package, then we say no.

□ 1300

And the President insists now that his inflexibility, irreversible course is the knocking over of a regime that on the other hand he approves of because we have an Ambassador with credentials in Managua. How much more hypocritical could we be behaving?

I say that it is a shame because America has tremendous residual moral leadership potential and I think it is the only way we can succeed.

President Eisenhower did not think it was above the United States to get together with almost the same countries involved in 1975 as what we call

the Contadora countries almost to a country, and the dispute was that continuing up to then, border dispute between Nicaragua and Honduras, which had led to some hostility. And we did not have any compunction about going in on an equal basis with the corresponding countries called the Contadoras, and then through the World Court we settled the disputes. But America was given the credit for leadership. And I think that if it was feasible and viable in 1957, when the United States would have had more of an opportunity to use more successfully the direct intervention and militaristic gunboat type diplomacy that President Reagan is exercising now, yet our leadership was far wiser at that time and more succesful because until now that pact withstood time.

What would be wrong with us sending the creative forces and tools? Why should we have preempted and left Cuba, sent the doctors, the nurses, the teachers, provided the schools in remote village which up to then had never seen a school? Our religious representatives there kept telling us that. This is the reason they still protest. This is the reason they have been killed by the very forces that the CIA has been working with cheek-and-jowl.

Certainly we cannot accuse these noble and God-destined people, consecrated to the service of God, of being mischievous, of being Marxist-Leninists, of being anti-American? Why can we not accept their advice?

Unless we do, it is inevitable because truth and justice will not be denied ultimately. And it is tragic because we will lose everything else, our ability to provide in competition with even our so-called allies of Europe our goods that are in great demand and have the potential to change the whole complexion of things in those countries. Unless our policies change we are lost. It will not be that the Marxists are so bright, yet we insist on making them very, very bright, very very successful. It will be that our Government has been foolhardy, so unwilling to see the truth, so unwilling to believe in its own principles, so unable to learn from its own mistakes.

In Vietnam, Saigon fell 10 years ago this week. In this decade in between we have learned nothing. We are like the old Bourbon kings. We forget nothing and learn nothing.

In a decade we have again begun to betray ourselves. This time in our own backyard in an area no bigger than Texas. This time we will not be allowed the privilege of apparent survival of a defeat, because involved, as I have said once over for the past 2 years, my colleagues, you are forever proscribing our children, our grandchildren, and our great-grandchildren into a world of hostility and continued and sustained enmity.

If we want to do what we are undertaking to do now in Honduras, and which I say at this point is irreversible, you will ultimately have to be resolving the question of where to get that 100,000 troops supporting the type invasion it will take. It will take no less than 100,000. All the military experts have said so.

Of course, when they say something that is not consonant with what the Commander in Chief says, you do not hear about it, just like you did not hear the unanimous advise of the Joint Chiefs of Staff against the deployment of the Marines in Beirut. You never heard about it until after the catastrophe.

I had been saying it because I had been privy to such intimations of information, as I am today saying that you will not resolve the question of communism, you cannot bomb communism out of existence. The only way is social justice. That is all.

We have been the ones that have made a Fidel Castro a No. 1 leader. No one in the world south of us had ever considered him more than perhaps a good, ferocious ideologue and perhaps a second rater.

But why after the Falklands, and after Mr. Haig had taken 50 or more Argentine soldiers, which at the time was what we needed in Honduras, that was our beginning effort then of so-called destabilizing the Sandinista regime—naturally the Argentine leaders thought, well, if we get into the fracas over the Falklands, the United States will either be for us or be neutral. But what happened, the way it did, and we said no, not only did they pull their troops back, but less than 1 year and 2 months later all those Argentine military leaders who had been touted by Haig and all of our American leaders as bitter, anti-Castro forces, were in Havana toasting Fidel Castro.

Does that mean that Fidel Castro was so able, so smart that he could reverse those Argentinan military? No; it just meant that our ability through leadership diplomatic, moral, if you please, has failed totally. It is time we abandoned these bankrupt policies where Haig 4 years almost to a month drew the line in the smallest country in Central America, in the Western World, is still back on square one.

We have poured over $2 billion, some of it reported, much of it not, just in the military exercises in and around Nicaragua in the last 2 years and several months. We have poured in over $2 billion. Right now our operations in Honduras alone are costing us more than $1 million a day.

Who cares about that? We are supposed to be balancing the budget. Who cares about the catastrophic, untold, and unpredictable costs and the ultimate consequences of this misbegotten, misguided policy of ours, all because we just have not had the faith to remain true and loyal to our basic principles.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman yields back 1 minute.

ORDER OF BUSINESS

Mr. ROWLAND of Connecticut. Mr. Speaker, I ask unanimous consent that I may proceed at this time with my special order for today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

SEATING OF RICHARD D. McINTYRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. ROWLAND] is recognized for 30 minutes.

Mr. ROWLAND of Connecticut. Mr. Speaker, the controversy of the Rich McIntyre situation continues. Just this week the Wall Street Journal presented what I felt was a very good editorial, and I would like to read it into the RECORD and add it to the long, long list of editorials that we have seen from across this country which have been in support of Rick McIntyre.

The editorial is called "Review and Outlook" and the title is "Stacking the House," which ran in the Wall Street Journal this week.

Let no one doubt that America is a civilized country. Were it otherwise, Republicans and Democrats in the House of Representatives would be out on the Capitol lawn fighting armed duels. The two parties are in the midst of bitter disputes over a vacant Indiana House seat, the gerrymandering of congressional districts and House committee assignments.

Last January, House Democrats refused to seat Richard McIntyre, the Republican who was certified the winner of the race for Indiana's eighth congressional district; that seat is now vacant. The Evansville Press's editorial page has been running a daily box titled "Taxation Without Representation," depicting an empty House desk and a running tally of the days the eighth district has gone without a congressman. This is Day 90.

Today, House Republicans will move to have Mr. McIntyre seated. If the Democrats again vote to bar him, this dispute will lumber toward a conclusion that can help Democrats very little but harm them greatly.

At this moment, the citizens of Indiana are entertaining a delegation of official counters appointed by the House Democrats to retabulate the eighth district's votes.

□ 1310

I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Speaker, may I ask the gentleman when that was written?

Mr. ROWLAND of Connecticut. I believe this was Tuesday. So we are probably up to about the 93d day at this point.

Mr. LIVINGSTON. That is right. And since then, of course, the House has actually voted on the issue; the Democrats did win once again and Mr. McIntyre has not been seated and Indiana's Eighth District I presume is still without a Congressman.

Mr. ROWLAND of Connecticut. Absolutely. We are at the 93d or 94th day that Mr. McIntyre was not seated even though he was the certified winner. The Democrats took another vote and did win, along party lines. The people, the 500,000 people in the Eighth District of Indiana still do not have representation even though we have had some very significant votes: For example, the MX vote; yesterday for example, we had important votes on the budget and the NASA authorization. We see a consensus and a movement in the House.

We are entering some bigger votes coming down the line this week and next week, as soon as we get back from the recess. We have to assume, since we have not moved to seat Mr. McIntyre that that representation will still go unfounded in that particular district.

Today something interesting happened, we swore in the distinguished Representative from the State of Louisiana. She was the certified winner, certified by the secretary of state, yet we have no problem in swearing in that particular individual.

I yield further to the gentleman from Louisiana.

Mr. LIVINGSTON. I also come from Louisiana I say to the gentleman. The gentleman in absolutely correct. The gentlewoman from Louisiana was sworn in today and we all commend her today on her election. But it seems that the ordinary, reasonable constitutional process is that when the Secretary of State would certify an individual to be the winner of an election that the House of Representatives should respect that certification and he should be sworn in and enabled to take his seat.

I have to recall when I first came to Congress back in 1977, just before I was elected, there was a preceding election in 1976 in which there was a dispute. There was a legitimate claim filed by one of the Democrats who engaged in the primary against the fellow who ultimately won, saying that there was vote fraud. Yet, despite that claim which went through the local courts, the state supreme court, the lower Federal court, the Court of Appeals in the Federal system and ultimately to the Supreme Court, the gentleman who was certified the winner of the Democratic primary and who subsequently beat me in the general election was seated without dispute. And the House of Representatives accepted him. They raised no concern of care about his certification. They swore him in on the same day that all of the rest of the Members were sworn in and it was only 6 months later when the courts ruled that the matter deserved some extra scrutiny, that ultimately he resigned of his own accord, tried to run again, failed at his election efforts and I was ultimately elected to Congress.

The point here is you had a situation where the matter was in the courts and yet the Congress went ahead and certified him, seated him, swore him in, and yet here is an instance that the gentleman raises and I want to commend him for bringing that matter to the attention of the Chamber today, here is a matter where there is much less dispute, no dispute about the certification, no allegations of fraud, or irregularities, a man who has been certified by the secretary of State has been refused admittance to this Chamber. I think it is really a unique historic constitutional precedent which we all should fear unless this particular thing is rectified in the very near future.

I thank the gentleman for yielding.

Mr. ROWLAND of Connecticut. I thank the gentleman for his comments.

Certainly we can make reference to the fact that we did have a recount in that district and the recount clearly showed that Mr. McIntyre was the winner again by some 417 or 418 votes.

Mr. Speaker, I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Louisiana, a moment ago pointed out I think exactly the issue, as the gentleman from Connecticut did just before him. I could not help but earlier today as we swore in the gentlewoman from Louisiana to her new seat, think of the irony of this situation. This is the democratic process at work where we have a vacancy and we have a person elected, in this case she brought a certificate in very promptly, just 3 or 4 days after her election. So she is here with her certificate before the House of Representatives and is being sworn into this body. That is as it should be. There is no question about the validity of that certificate of election and nobody has yet to this day challenged the certificate of Mr. McIntyre to represent the people of the Eighth Congressional District of Indiana.

Certainly as one Member of this body it strikes me, as I am sure it must the gentleman from Connecticut, you wonder where does this end? Who can be struck next in this process if we allow, just at the whim of somebody, we ask an individual to stand aside? And not just stand aside for an hour or a day until this issue is resolved; but to stand aside, as the gentleman points out, for better than 3 months, until we can get some resolution of this issue. We have no indication that it will be over soon, that we will be reaching or are getting closer to a resolution of the issue.

I came to this body with a relatively close election, 2 percent, 6,000 votes. Well, it is certainly more votes than Mr. McIntyre won his election by, but I have never had anybody explain to me what is the threshold number of votes that you have to have to win by in order to be seated in this body.

I have always assumed that bringing a valid certificate from your home State, from the secretary of state there, bringing it to this body, that you would then be seated and if there were any allegations as to the election that is something that the House Administration Committee would look into.

Mr. ROWLAND of Connecticut. I thank the gentleman for his excellent remarks.

Mr. Speaker, the gentleman from Arizona and I came into this Congress at the same time as freshmen, each representing 500,000 people, concerned about the process. I think it really hurt for all of us to see this display.

Something else happened this afternoon during the 1-minute discussions. One of our colleagues got up and talked about the fact that there was a constituent from the Indiana district who had sent a letter to this particular Congressman asking for something to be read into the RECORD.

So perhaps earlier on in the session there was not as much significance to this one vote or there was not as much significance to the fact that those people are being represented. But now the public should be more aware than ever that they are not being represented as we move ahead into more substantial votes, into the budget debate, moved to just the mere question of a constituent calling up and saying: "I want my Congresssman to vote yea or nay" or "I want my Congresssman to read something into the RECORD of concern to me."

I think we are starting to realize that as we saw in the vote on the MX, within votes, that we realize the importance of those votes and that representation, and what some of the editorials refer to as "taxation without representation."

I yield further to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Speaker, I agree completely with the point that the gentleman from Connecticut has made. It seems to me again that one of the things that we have to keep in mind in this debate is that regardless of whether or not a person has won by 1 vote, or 1,000

votes, or whether the vote on this floor is by 1 vote or by 434, now, to nothing, that the people of the Eighth Congressional District of Indiana have as much right to be represented in this body as do any of the other citizens of any district in this body.

I think it is most unfortunate that the majority has chosen to take the position they have with regard to this matter. I think it seriously calls into question the processes in the House of Representatives and I think it has been very destructive to the good will that normally should exist in a body like this. And of course the kinds of editorials which have been appearing with greater frequency than ever, I think illustrates that the American people and certainly the news media agree that the citizens of this country have a right to be represented in this Congress and that Mr. McIntyre ought to be seated.

I commend the gentleman for bringing that editorial to our attention because I think it is one of the best editorials that has been written on this subject.

□ 1320

Mr. ROWLAND of Connecticut. I thank the gentleman for his kind remarks.

Mr. Speaker, let me continue with the remarks made in the editorial; and it gets right to what the gentleman from Arizona [Mr. KOLBE] was referring to, and that was the situation that—

Mr. McIntyre won by more than 400 votes when Indiana did the counting. Late last week, Congress counters were in Vanderburgh County, where Washington's Democrats allege the most "irregularities" occurred. The recount cost Mr. McIntyre five votes off his earlier tally. But the recount in another county gained him six votes. Net change so far: one vote.

The editorial goes on to say:

If the House leadership presses forward to a victory on the seating vote today, the members will then go off on Easter vacation, the Washington-directed recounting will continue, possibly for some weeks, and on April 15 quite a few Indianians will be remitting taxes to Washington. Meanwhile, these unrepresented Indianians were locked out of the MX missile voting in the House, and they have had no input whatsoever into that chamber's writing of the farm bill. So far, the Democrats' disenfranchisement of Indiana's eighth district has gained them mainly denunciations from the nation's liberal editorial pages. Moreover, they're handing Republicans a wonderful, high-ground issue for the '86 campaign. Perhaps before the voting to seat Mr. McIntyre, Tip O'Neill can ask project-leader Tony Coelho to run by him again how the party is benefiting from all this.

A vote to seat Mr. McIntyre would make the dispute evaporate by dinner time, but the argument over gerrymandered House seats can't be shut down. Earlier this year a federal district court panel ruled—entirely independently of the McIntyre dispute—in favor of Indiana's Democratic Party, which declared itself the victim of an unconstitutional gerrymander. In 1982, Indiana's Democratic state legislature candidates won 52% of the popular vote but won only 43 of 100 seats. Should the Supreme Court agree that Indiana's local gerrymander is unconstitutional, the impact on the House of Representatives could be great.

Democrats have a 253 to 182 majority in the House. That's a 58%—42% split. But GOP House candidates last November won nearly 50% of the popular vote. A conservation estimate by political analyst Kevin Phillips atributes half of this 71-seat gap to Democratic gerrymandering of House districts. Some House Republicans believe they need only to break through the 200-seat level to precipitate party-switching and vote-switching among conservative House Democrats.

This prospect may partly explain the Democrats' attempts to divide committee assignments in a way that eviscerates the Republicans' voting power. Relations are so low that Republicans have refused to make assignments to several subcommittees and have boycotted hearings.

Gerrymandering is, of course, an abuse practiced by both parties. But its perceived benefit to House Democrats now, added to the disputes over stacked committee assignments and the vacated Indiana seat, conveys to the public the image of a party playing fast and loose with the principle of representation.

I want to thank my colleague from Arizona [Mr. KOLBE] and my colleague from Louisiana [Mr. LIVINGSTON] for their comments, and I think it is very important that we now realize and continue to realize that the so-called liberal press, in editorial pages not only in the Wall Street Journal but across this country and in Indiana are speaking out in favor of the McIntyre situation and are speaking out and asking us to respond and take action this year.

Mr. DORGAN of North Dakota. Will the gentleman yield?

Mr. ROWLAND of Connecticut. Centainly I will yield to the gentleman.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding to me.

Mr. Speaker, I was interested in listening to the gentleman's description of the McIntyre situation, and one of the aspects of that situation that was interesting to me that I would like to hear your comments about was the behavior of the secretary of state in that State in which the secretary of state refused an election certificate after the election occurred, to Mr. McCloskey, who it appeared at that point had won the election and would have in the normal course, had the secretary of state behaved the way a secretary of state normally behaved in that State, would have received an election certificate, but because it was withheld, and a partial recount then put Mr. McIntyre in the lead, the secretary of state issued the election certificate to Mr. McIntyre.

Does the gentleman feel that behavior is unusual?

Mr. ROWLAND of Connecticut. I do not feel the behavior was unusual at all; and I think they were following with their Indiana State law; they had a time period to count the ballots; they had a time period to do the recount, and in the actual recount they came up with I believe about a 400-plus margin.

Mr. DORGAN of North Dakota. If the gentleman will again yield, does the gentleman believe or understand that what the secretary of state in Indiana did in this case was unusual; or does the gentleman understand that this was what the secretary of state normally did in these cases?

The reason I ask the question is, it is my understanding that what the secretary of state in Indiana did was not in sync with what the secretary of state normally does. Normally, a secretary of state in any State, and in Indiana, would issue an election certificate after the election-eve ballots were totaled, and after that count became obvious, at that point Mr. McCloskey was ahead. After a partial recount, Mr. McIntyre was ahead; I do not know who won that race.

The fact is, I am going to vote for whoever this commission determines to be the winner, and recommends to us be certified. I intend to vote to seat that person on the floor of the House.

My concern is that, I have watched the news and television; I saw someone on your side of the aisle again the other day on television say that we were trying to "steal" the seat. That sort of nonsense does not have much place in this House and in good public debate.

What I want to say to you is that there were a number of things that happened in this race that were unusual, one of which was the behavior of the secretary of state in Indiana and the issuance of that certificate, withholding it, first, from Mr. McCloskey when it appeared that he had won, and when that certificate normally would have been issued; and then, second, going ahead and issuing it after the fact to Mr. McIntyre when he pulled ahead.

Mr. LIVINGSTON. Will the gentleman yield to me?

Mr. ROWLAND of Connecticut. I am glad to yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I am not expert on Indiana law, but I can guarantee you that there is not a State in this Union that requires that the secretary of state certify an election on the night of the election.

Louisiana requires that the certification be made some 3 days after the election, once the results are in.

Now on the night of the election, Mr. McCloskey was ahead by about 38 votes, but there was question as to whether or not certain machines were

counted and some machines were counted twice.

Three days after the election, the secretary of state, as I understand it, went according to Indiana law and certified Mr. McIntyre as the winner by some 400 votes.

The fact of the matter is, to this very day Mr. McCloskey has filed no lawsuit, alleged no irregularities; there has never been an allegation that the secretary of state has acted improperly. The secretary of state took a required or prescribed period of time, certified McIntyre the winner, and yet McIntyre—here it is April 4—is not seated in this Chamber.

I would just like to compare this with 8 years ago, there were rampant allegations of fraud and irregularity in the State of Louisiana in my own congressional race in 1976, not against me, thankfully, but against the fellow that ended up beating me in the general election. I did not file those charges of irregularity; they were filed by a Democrat, a candidate who had run for office and who had been deprived, he said, of this victory in the Democratic primary.

He filed charges in court; went all the way through the State and Federal court systems, yet despite the fact that those charges were filed, despite rampant charges of fraud and irregularity, Mr. Rick Tonry was certified by the secretary of state as being the winner of the November elections, when I lost, and in January on the prescribed date he was sworn in, and there was not mention of irregularity or anything. He was deemed by the House of Representatives to be the lawful holder of his seat, the First Congressional District seat of Louisiana.

And that thing went through the courts for 5 months thereafter, and then Mr. Tonry finally stepped down and there was a whole new series of elections.

The point is, in that instance when it was a Democrat candidate who was ultimately declared the winner by the secretary of state, and despite all the fraud allegations, there was not a peep about whether or not he should be seated.

□ 1330

In this instance, a close race, a certification by the secretary of state, not a single allegation of fraud or improper conduct by the candidate who lost against the secretary of state, and yet we have gone 4 months, 4 months without certifying or without accepting or seating the gentleman who won that election.

I do think that it is improper and I think that it is incredible that we continue to act that way.

Mr. ROWLAND of Connecticut. I would just simply like to add another instance that happened in the State of Connecticut. I made reference to it in special orders previously. In the State of Connecticut, we had a legislative race which was very, very close. It happened to be my old State Rep district. In that race, the Republican won by just over 10 votes. They had the recount. No certificate was given. They had a recount immediately after the election. The recount showed that indeed the Democrat won by two votes. So what happened at that point was, the secretary of state gave the certificate to that Democrat who won by two votes. She was seated and sworn in, despite the fact that the House and the Senate were both controlled by the Republicans. Then under the normal order of the process, they had the general elections committee then review and investigate the situation, looking into absentees and any other irregularities that were supposedly brought up, and we found from those discussions that the two-vote margin was indeed proper, and even during that time—and it took several weeks—that district was being represented because the person was sworn in and was seated, even though it was a very close election.

Mr. DORGAN of North Dakota. If the gentleman will yield, first of all, I do not think I suggested that the secretary of state of Indiana acted improperly. I think what I said was that the actions were unusual, that he did not follow the usual course of events.

Mr. LIVINGSTON. Will the gentleman yield for a question?

Mr. ROWLAND of Connecticut. I yield to the gentleman.

Mr. LIVINGSTON. Is it the gentleman's contention that the usual course of events are followed in all 435 cases, in every election in the history of this Nation?

Mr. DORGAN of North Dakota. No. The only point I want to make is that the vilification of the Democrats on this issue is a little disingenuous, at least in my estimation, because we had a Republican secretary of state down in Indiana who rushed to first withhold the certification of Mr. McCloskey and then offered, after a partial recount, for Mr. McIntyre.

The point I wanted to make to you is this, if I might: I lament also the amount of time it has taken to get a Representative from Indiana on the floor of this House. I am prepared to vote for the Republican or Democrat, whoever is declared the winner by the people who count these ballots in the way they should be counted. You know and I think I know and others on the floor know that what happened in Indiana is you had an abomination of a recount down there, each side pulling and tugging in various counties, trying to get their best advantage, in which case we had some ballots whose votes were counted for Governor, for county offices, for State offices, for State legislature, but whose vote on the same ballot for the U.S. House seat was thrown out.

Now, my interest is to see that all of the people who voted in that election have their ballots counted, assuming those votes were fairly cast, and assuming those ballots should be counted by election law, and then have that forwarded to the House and we make a judgment about who won, and I am prepared to vote for either candidate.

I am just saying that I get a little upset when people say we are trying to steal something. We are not trying to steal anything. I think that the motive of a lot of the people in this House who have voted the way I voted is to try and determine who the legitimate winner is and get that person seated representing that district of Indiana.

Mr. ROWLAND of Connecticut. If I may ask the gentleman a question, I appreciate his remarks, and I understand the opinion that he has and why he has that opinion. My question is very simple: Don't you think that those 500,000 people from the State of Indiana in the Eighth Congressional District should have been represented for the past 3 months? And who knows, whether it is going to be the next month or the next 3 months, don't you feel that while we are looking into those so-called irregularities, or whatever they may be—opinions, political or otherwise—don't you think we should be having representation and don't you feel that those people should be represented?

Mr. DORGAN of North Dakota. When you talk about voters, are you talking about all the voters, including the ones that have been thrown out, 5,000 voters' votes that have been thrown out by that recount that was such an abomination?

Mr. ROWLAND of Connecticut. I am talking about people being represented in this House.

Mr. DORGAN of North Dakota. But are you including the voters whose votes apparently have not been counted in those recounts?

Mr. KOLBE. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Connecticut. I yield to the gentleman from Arizona.

Mr. KOLBE. I would like to answer the question of the gentleman from North Dakota, if I might. Yes, I think that all those ought to be looked into. There were obviously hundreds or thousands of ballots thrown out in other districts in Indiana. In the case of the Eighth District, it may make a difference in who represents the Eighth District. But there should be no question that that district ought to be represented while the House of Representatives is looking into the sit-

uation to determine who ought to be that Representative.

I cannot help let pass the earlier comment that the gentleman from North Dakota made about the secretary of state of Indiana. The secretary of state of Indiana followed precisely the rules and the processes under which the Indiana election law was required. He is, as the gentleman from Louisiana suggested, not supposed to issue an election certificate on the night of the election. The day afterwards, when the vote changed from Mr. McIntyre to Mr. McCloskey, it became very apparent that some of the precincts, some of the counties had added up, had tallied their numbers incorrectly. It was simply a matter of addition. The court went back and said to those counties, "Retally and send in a new tally sheet to the secretary of state." When those were received, all within the time frame as required by Indiana law, the secretary of state issued a certificate to Mr. McIntyre as the duly elected Representative from that district, just as all the other Representatives, Republicans and Democrats, from all the other districts of Indiana.

Mr. DORGAN of North Dakota. Might I ask one additional question?

Mr. ROWLAND of Connecticut. I yield to the gentleman.

Mr. DORGAN of North Dakota. How does the gentleman respond to the statement by your former colleague, the Republican, Mr. Deckard, who held that seat, who has been quoted in the press, indicating he felt the House did the right thing in seating either candidate. Was that a misquote, or was that an accurate quote by Mr. Deckard? If it was, here is someone from your persuasion saying that he thinks the House did the right thing. And yet there are those of you—not necessarily those of you standing here—those of you in this House on that side of the aisle who go on national television shows and say, "You Democrats are trying to steal something." We are not trying to steal anything. We are trying to figure out who won that election and seat that person on the floor of the House.

Mr. ROWLAND of Connecticut. Let us look past the rhetoric, for a moment. I think we can get away from who stole what. We can get past even some of the rhetoric that we see in the editorials, we can get past who, from what political persuasion, feels what particular way. The bottom line is that there is no one representing those 500,000 people.

We can argue about whose votes were thrown out, whether they were black or white votes, whether they were Republican or Democrat votes, we can argue about who is on what side, but the only partisan thing that has happened is the votes that we see, the three votes that were taken on this floor, the simple votes, where we wanted to have someone seated, Mr. McIntyre was the certified winner, to be seated, and represent those 500,000 people while another recount is going on, while more attention is being given to the situation, and just making sure those people are represented. I do not think it is a lot to ask.

Mr. LIVINGSTON. Will the gentleman yield?

Mr. ROWLAND of Connecticut. I would be happy to yield.

Mr. LIVINGSTON. I would like to also add that those votes really have not been on the issue. Invariably, every time that our side has raised the issue before the House, there comes a motion to table which precedes our motion, and invariably it is an overwhelming Democrat vote against a Republican vote which sends the whole matter back to the Chair until some other time uncertain. And I think that really the gentleman's point is well taken, we should not be concerned about putting the blame one place or another. The fact of the matter is that this is an incident without precedent. There are so many more of us currently holding seats in this Chamber where much more serious disputes have arisen during the course of the election or the campaign, yet we are seated. And in this instance, because the election was close, we have taken the unprecedented step of denying the Eighth District of Indiana the opportunity to seat their Congressman. I think that is wrong. I think it is a bad precedent, and I think it is a bad precedent not only because the Democrats happen to control the House of Representatives, I think it would be a bad precedent if the Republicans controlled the House of Representatives. And, by all statistical analysis, I might expect by, say, 1992 the Republicans might control this House. I would warn the gentleman, or any other Member of the majority party now, that you cannot expect to always be in the majority party. If you wish at some time when you might become in the minority party not to be ruled with a despotic whim of majority rule, regardless of fairness or equity, then I would suggest that you should not treat us that way now.

Mr. DORGAN of North Dakota. If the gentleman will yield for another comment, I understand what the gentleman is saying. All I am saying is this: The argument is, "Seat our guy because we have these procedures that allowed our lawyers to determine in the election recount that these 5,000 people's votes should not be counted, so our guy wins if you keep those out" I think what we ought to do is have a recount that is fair and seat the winner. I am not sure who the winner was. If I knew who the winner was, I would vote to seat the person.

Mr. ROWLAND of Connecticut. It is not a question of seating our guy or your guy or any guy.

Mr. LIVINGSTON. Will the gentleman yield for one question? If in this most recent recount of many, admittedly, it turns out that Mr. McIntyre is the winner, do I understand the gentleman——

The SPEAKER pro tempore. The time of the gentleman from Connecticut [Mr. ROWLAND] has expired.

Mr. DORGAN of North Dakota. The answer is yes.

Mr. LIVINGSTON [continuing]. That the gentleman would not turn it over to a special election?

Mr. DORGAN of North Dakota. Absolutely.

Mr. LIVINGSTON. I thank the gentleman for his answer.

Mr. ROWLAND of Connecticut. I thank my colleagues for participating in this special order.

ORDER OF BUSINESS

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that my special order be heard at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MORE EVIDENCE OF SANDINISTA ABUSE OF HUMAN RIGHTS

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 60 minutes.

Mr. LIVINGSTON. Mr. Speaker, I would like to commend the gentleman from Connecticut for taking out the previous special order and for his eloquent presentation of his case.

Mr. Speaker, in the next few hours or days, the subject of U.S. assistance or lack of assistance for the freedom fighters in Nicaragua will again probably hit the top of the front page, and I think that it is important that the United States try to gain some perspective about what is happening in Nicaragua today.

The fact is that the Sandinista government which controls Nicaragua is a Marxist government, and that their rule or their reign, there are right now, abuses perpetrated against the people of Nicaragua going on day after day.

One of the major considerations of the Organization of American States, in withdrawing recognition of the Somoza government, which preceded the Sandinista government, was that that regime, that is the Somoza regime, had a record on human rights which was admittedly atrocious.

I think it is ironic that today the record of the Sandinistas makes Somoza look like a piker. Now, I do not mean to stand here and justify the rule of Anastasio Somoza, but I would like to demonstrate that there is a contrast, that there is a comparision that should be noted by all of the Members in this Chamber as we go forward on this issue in the next few days or weeks.

This past fall, the Nicaraguan Human Rights Commission, in exile, presented testimony before the OAS Inter American Commission on Human Rights. Alberto Suhr, a victim of the Sandinista human rights policy, presented testimony for the Commission.

While it is by no means complete, I would like to commend the statement to my colleagues as another in the ever-growing volume of evidence of Sandinista human rights abuses. The statement should reinforce the need for the United States to morally, politically, and diplomatically support those Nicaraguans who are fighting to regain freedom and pluralism in their country.

The statement follows, and it was gathered, again, by the Human Rights Commission of Nicaragua, in exile, and presented by Alberto Suhr to the OAS Human Rights Commission on October 1, 1984. Although the Sandinista government admits to having only some 4,000 prisoner, of which none are political, data compiled up to the 22nd of June, 1984, has determined the existence of over 50,000 political prisoners. Now, that is 50,000 people, held politically, within the confines of Nicaragua, in prison, by the Sandinista government include the following:

In the Zona Franca, the largest prison, which used to be a factory and is close to the airport near Managua, there are 12,457 prisoners. In Tipitapa, 11 kilometers from Managua, there are 8,124 prisoners. In Boaco, 77 kilometers from Managua, there are 482 prisoners.

Diriamba, 640 prisoners; Jinotepe, 570 prisoners; Rivas, 1,236 prisoners; Grenada, 2,701 prisoners; Nandaime, 131 prisoners; Santo Tomas and Juigalpa, 1,733 prisoners. Now, these are all different prisons scattered around the country of Nicaragua within some degree of proximity of Managua.

In Bluefields in jail there are 2,340 prisoners; in Matagalpa, 4,200 prisoners. There are in Jinotega, 2,411 prisoners. In Esteli, 1,790 prisoners; Ocotal, 1,200 prisoners; Cinco Pinos, 6,400 prisoners; El Chipote, 1,280 prisoners; in Leon, 3,700 prisoners; Chinandega, 1,555 prisoners; Posoltega, 800 prisoners; Puerto Cabezas, 1,338 prisoners; and Chichigalpa, 320 prisoners.

Mr. Speaker, before I go on, let me point out that this is a nation of fewer than 7 million people. We are a nation of some 230 million people, and we have, I dare say, barely that many prisoners.

This information about this number of prisoners does not include the prisoners estimated at 4,700 who are held in clandestine jails of which we know the location of only 16 of those jails.

Now, the report asks the OAS International Commission to form a committee to go to Nicaragua, and with a special guide, be taken to these jails. So far, to the best of my knowledge, that has not happened. The OAS, in fact, refused, and said that it was not their concern because the Commission on Human Rights was in exile outside of the country, and not actually in Nicaragua.

I dare say in a Marxist regime they would not be doing so good and their report would not be quite so thorough if they were in Nicaragua. The report indicates that the prisoners live in conditions where cells are, on the average, only about 5 by 5 meters, and in these cells an average of 80, 80 prisoners, are kept, although some special cells contain 100 or 110 prisoners. This forces the prisoners to live literally one on top of the other.

There are some bunks in the cells, maybe an average of seven double bed bunks made of plywood in each cell. Sanitary conditions in the cells are nonexistent. There are no lavatories in most of the jails. The prisoners are given a 5-gallon bucket in which to urinate and have bowel movements. The pail is allowed to be emptied once, on certain occasions, twice a day, although this permission to empty the bucket may vary upon the jail's warden's mood on that day, and the intentions of harassment to the prisoners.

The bucket then serves no purpose, and the prisoners, when they have one, are forced to urinate in plastic bags in which they might have some food kept. The prisoners then urinate and so forth, and I am not going back onto this; that is disgusting. But these are the conditions under which maybe 80 to 100 prisoners are kept in a 5- by 5-meter jail.

It goes on: At the time to take a bath, which can occur every day or once or twice a week, the prisoners are let out in groups of three cells and given 10 minutes to shower and eventually wash their underwear or their uniforms, which is done with the uniforms to save time. There are only 17 showers and 17 toilets per cell block, and these are outside in the open, with a wall surrounding the wash area. In 10 minutes time, the water is shut off, and if the prisoner has been able to bathe or not is his problem, and if he is lathered with soap, well, he just gets back into the cell full of soap.

Failure to leave the showers or the toilet bowl upon order can result in severe beatings. The pails are emptied on the shower floor in order to save time, and also as the gutter that takes the excrement out goes on the borderline of the shower floor.

Food is scarce and given out only in such quantities that will keep the prisoners alive. On the average, prisoners have lost some 40 percent, 40 percent of their original weight. On occasions where relatives are allowed in, food is taken to the prisoners and left in the patio. Each prisoner then goes to have his food sack searched; the food is thrown on the ground and in some cases stepped upon so as to guarantee that there are no files in the bread or in the banana, so the Sandinistas say.

□ 1350

This food is nevertheless carefully picked up by the prisoner to save for hard times, no matter if it is full of sand or mud.

The prisoners are constantly harassed on a daily basis. For example, in those cells where it is impossible to determine whether it is night or day, a person might be awakened at several different hours to take his meal or shower or take his pail out to be emptied, making the prisoner believe it is daytime or nighttime, not letting them know.

All reading material, as well as radios, cards, or TV is strictly forbidden. One prisoner once was shot for having had a small pocketbook type Bible found. His name was Enrique Reyes Potosme and he was only 17 years old.

In order to continue the harassment, the relatives of prisoners on those rare visiting days on which visitors are allowed in are searched in indecent ways, forcing some prisoners to tell their relatives that they prefer not to have them visit in order to avoid this kind of harassment. There have been occasions on which a wife or the mother of a prisoner has been raped, and the guard who raped the visitor goes to the prisoner and tells him of this and makes fun of the prisoner.

The Human Rights Commission has volunteered to have the names of these rape victims given to them, but has not done so up to the time of the writing of this report, so as to avoid any more repressive acts on the prisoner or his family.

On those days that the freedom fighters have any sort of special victory over the Sandinista forces, and of course the freedom fighters are still down there and gaining strength on a daily basis, the Sandinista government gets even with the prisoners in various different ways, using different types of torture.

The most common type of mass torture is forcing the prisoner to lie face down with his hands on his neck and wet the floor with a high-pressure hose, to keep it wet for 2 or 3 days, not allowing the prisoner to move, even to go urinate in the pail. He must stay in

this position, as the threat goes, or be shot. Sometimes he is forced to the floor naked or in his underwear, sometimes with full uniform, which is a very, very heavy drill, pocketless sort of jump suit. In both cases the floor is wet. On these occasions, the food might be doled out and the food is thrown to him on the floor in that place where the prisoner is. The prisoner can be allowed to move his head to try to pick up the food with his mouth, but he cannot move the rest of his body.

On July 7, 1984, four political prisoners died in the Zona Franca jail in the pavilion No. 3 due to health complications arising from this type of torture. These men were Gustavo Mendieta Aguilar, Rafael Sandoval, Joaquin Pereira Bustamente, and Sabastian Romero Cedeno.

Another type of group torture is the putting of 800 to 1,000 prisoners in a bathroom and again, as already indicated, they are in the open, with only a surrounding wall, no roof overhead. The prisoners were left there for several hours, sometimes up to 10 hours at a time. For a better understanding, the report shows that the bath house comprises 17 showers and 17 latrines, which are only 12 by 28 meters across. That gives you an area of 336 square meters and puts an average of three prisoners to the square meter, including latrine area and the shower areas. There have been cases where the prisoners have been left there standing under sun or rain for up to 18 hours, although the average stay is only, the report says, 10 hours.

Special select prisoners are held to a wall or tied to a chain link wall where Communist guards take turns, hour upon hour, hitting the prisoners, never too hard, but never too soft. This can take place until the Sandinistas get bored in their game.

Prisoners are put in metal or steel boxes for misbehaving. The word "misbehaving" can be cataloged as anything from a bad look at a guard to a comment on conditions in the jail or to a movement made while in line under orders for rigid standing. Sometimes a prisoner can be made to stay in his steel box several days without food or water.

The report goes on to discuss certain specific instances of torture, and I think that it is important that we focus on individuals, because we are dealing with human beings who are suffering these atrocities, these tortures at the hands of the Sandinista government in Nicaragua, and it is too easy for us to think about the nebulous folks who are some 1,200 miles to our south without really focusing on individuals. These are human beings that we are talking about.

For example, Leonidas Sandoval and Eugenio Manzanares, both ex-National Guardsmen in their early 20's, were stripped naked, tied to a chain link fence inside the pavilion No. 3 of the Zona Franca jail and beaten continuously for about 15 minutes, later held by several Sandinistas and Cuban guards by their testicles into which a syringe needle was introduced violently several times until they fainted. Later they were revived and this act was again committed on both of them in front of several hundred prisoners who were forced to watch. This was to install fear into the rest of the prisoners and make sure they knew the same thing could happen to them if they tried to escape or cause trouble.

Sandoval and Manzanares were left tied to the fence and unattended despite their constant crying, and died, one 3 days later and the other 2 days later, with severe inflammation of their lower abdomen. When a guard would pass by and hear them cry, the prisoners would receive kicks.

Ramond Colindres, Anibal Reys Calderon, and Reger Eucabio Zelaya—and I apologize to these gentlemen for probably mispronouncing their names—the last one, Eucabio Zelaya was 14 years old.

These three people were tied with hands behind their backs, and by the feet. Held by guards, they had their eyes plucked out with spoons by a guard. First one of them had one eye plucked out, then the second had one eye plucked out, and then the third had one eye plucked out. This was done in sadistic order so each could see what happening to the others. After the third person had suffered the severance of his eye, the Sandinista guards commenced on plucking out the second eye of the first person, then the second person, and then the third.

While they cried and moaned on the floor, they were constantly beaten with sticks or given kicks. They were later taken out to the yard where they tied to posts and left to die of infection and hunger.

My colleagues, one of those victims was 14 years old.

Oswaldo Perez and Juan Mendoza Arquello, these two fellows suffered general practice, which is actually put upon all the prisoners. Some prisoners, chosen at random, are given boiling water baths, which is thrown on them with a pail. They are alive, but their names are withheld for security reasons so that they or their families will not suffer persecution. Several prisoners had resulting and severe burns from this treatment. The report indicates that they know two who died. Presumably they are talking about the two that I just named.

Enrique Putoy, Jaime Navarro, Omar Nunez, Santiago Mendez, Plutarco Ramirez and Eugenio Ramirez, the last two brothers, were all tortured as examples as to what could become of anyone opposing the Sandinista regime. They were forced out of their cells, and in the presence of some 600 prisoners had their ears perforated with ice picks like piece of steel rods.

My Speaker, this is inhumane, and I am sure that people watching at this time are probably just overwhelmed with the atrocity of what I am describing, but I am describing acts alleged by the Human Rights Commission in exile, acts which were performed by representatives of the Sandinista government upon prisoners in Nicaraguan jails. This torture that I just described was ordered by the chief of the penitentiary system, called Capt. Raoul Cordon.

□ 1400

The victims, those six victims that I indicated, were later shot and buried in one of the many mass graves existing on prison grounds.

Rene Toruno was taken from his cell, stripped naked in the courtyard, had a hand grenade tied to him with tape, and was taken to a small crevice about a hundred yards from the prison, where the pin on the hand grenade was pulled as he was thrown into the crevice. Several seconds later, an explosion was heard, and the guards were seen returning and laughing.

There are other tales of torture, some of them perpetrated by Commanders Thomas Borge, a leader of the Sandinista revolution, and Daniel Ortega, one of the other leaders of the revolution, who in May or June 1982, it is alleged, came to pavilion No. 2 of the Zona Franca jail and offered troops to start shooting at the jail. The walls were metal, and the bullets passed through, killing 48 people. Those who were wounded in this 2-hour-long situation were taken out and forced to kneel befored Borge, who, one by one, according to this report, on some six prisoners, put a bullet in the base of their necks. Some 76 prisoners died like this. No exact figures are available, as the bodies were never seen nor given to their relatives. Publicly, it is known, according to this report, and the International Red Cross intervened. Yet the Sandinista government said it was an attempt to escape and only 18 were wounded, according to the Sandinistas.

To prove their point of view, some prisoners were taken at random, wounded on purpose, and sent to a hospital where they were ordered to say that they were wounded in an escape attempt.

Those killed in this massacre were taken on a helicopter that landed on prison grounds and, according to the statements of other guards who mentioned the case with one or another of the prisoners, were thrown into the nearby volcano which is active.

Mr. Speaker, that concludes the report which was gathered by the Human Rights Commission of Nicaragua in Exile and presented by Alberto Suhr to the OAS Human Rights Commission on October 1, 1984.

We would all like to think that the material covered in this report, some of which is too horrible to even think about, did not really happen. The fact of the matter is that within the last few months I personally have been introduced to individuals who said that they were tortured at the hands of the Sandinista government. One gentleman was a preacher out in the hinterlands of Nicaragua who was accused of dealing with the Contras, meaning the freedom fighters. He claimed he had no relationship with the freedom fighters. In fact, he claimed to be only a preacher, a fundamentalist preacher, who was apprehended by the Sandinista military in the course of his going from one town to another. They tied him to a tree, they shot him in the foot, and they cut off his ears.

I have met this individual. I have seen his head, and he does not have any ears. He did not make it up.

There was another individual from Bluefields, a representative of the black community, who protested when the Sandinista army went into Bluefields and started mistreating some of the inhabitants. They shot at the feet of some of the inhabitants, and they jammed a newspaper down the throat of one poor older woman when she protested about the shooting. And this fellow spoke up and tried to protest on behalf of the old woman, and they threw him in jail and left him there for several weeks or a few months, and during the course of his imprisonment they tore out his fingernails.

I have met that gentleman, I have seen his fingers, and his fingernails are torn out.

Mr. Speaker, the Sandinista government uses the technologies of the modern day to torture inhabitants, residents, and citizens of Nicaragua. As we go forward into the next few weeks of debate, we will make decisions on the issue of whether or not to support the Contra movement, the freedom fighters of Nicaragua, the people who are intent on nothing more than to restore pluralism, restore the rights and privileges that all of us in this country enjoy, the freedom of religion, the freedom of the press, the freedom of assembly, the freedom of association, and the freedom to participate in open elections and fair elections. Until we decide to support those individuals who are fighting for freedom, as we go forward into this debate, then we should continue to be mindful that the Government of Nicaragua as it exists today is a dictatorship, a Marxist totalitarian government which perpetrates atrocities on its citizens, and if we permit it to continue to exist in its current form, we will be turning a blind eye to all atrocities in the world. And we dare not do that.

Mr. Speaker, if we value our own freedoms, if we treasure the land in which we live, we must be mindful that there are individuals who live only a few hundred miles to our south who are suffering indignities, torture, imprisonment, and death, and we must be concerned about those people.

Mr. Speaker, I yield back the balance of my time.

EXPLANATION OF THE DUTIES OF INDIANA'S SECRETARY OF STATE CONCERNING ELECTIONS

(Without objection, Mr. STRANG was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, the purpose of my remarks and the reason I rise is to point out that in the recent discussion over the last hour of the McIntyre case it should be pointed out that the secretary of state of Indiana does not have the right to certify any election until a minimum of 10 days has passed, and indeed he did not certify those results until November 26. And in the case of Mr. McIntyre, when he got the retabulated and corrected numbers, it was done on December 13.

Mr. Speaker, when we are discussing this case, we have to remember that this is one of fairness, and I appreciate the opportunity given to me to address the House at this time.

IMPORTANT INITIATIVES IN THE WRITING OF THE 1985 FARM BILL

The SPEAKER pro tempore (Mr. BRUCE). Under a previous order of the House, the gentleman from Missouri [Mr. COLEMAN] is recognized for 60 minutes.

Mr. COLEMAN of Missouri. Mr. Speaker, we have asked for this time today to explain to the House the initiatives that the Republican members of the Agriculture Committee yesterday announced in the form of a press conference, and we thought we would take this opportunity today to discuss the individual parts and the initiatives that we think are very important to the discussion as we move toward writing a 1985 farm bill.

As the Speaker is well aware, that is one of the highest agendas in this body, and we recognize the seriousness of the problems that confront American agriculture. We will be faced with writing this bill in an environment that has seen an unprecedented number of farmers simply go out of business. We have had a 50-year watershed of bankruptcies and foreclosure, and I guess the least one can say is that it is tough on America's farms today.

We have already had before the House this year an emergency farm credit proposal. Bills that passed the House and also one that passed the other body and ended up being sent to the President have not provided any emergency relief, and we recognize that the planting season is upon us.

□ 1410

So we have directed our attention to a more long-range and more long-term approach and we feel that just talking about the problem is not sufficient. We feel that we need to be part of the constructive process of coming up with solutions and having new ideas placed on the table; so the Republican members of the House Agriculture Committee have been meeting for weeks putting together what we think are some very good ideas, proposals, if you will, that are new and we think very interesting.

Congressman BOB SMITH, our colleague from Oregon, has helped organize this effort on behalf of the House Republican committee members. At this time I would like to yield to the gentleman from Oregon [Mr. SMITH] and have him make any comments he might have at this time, as we will hopefully have other Members join us in explaining various proposals that we have put forward and laid on the table that we are very excited about in the new Republican initiative.

So I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Speaker, I thank the gentleman from Missouri for taking this time, because I think as he has outlined, there is no question that this may be the most important issue facing America, since agriculture truly is the backbone of this country. I thank the gentleman for doing that today.

I would like to make a statement, with his permission, regarding the Republican program which we have just announced as of yesterday.

Mr. Speaker, this Nation needs a workable, creative, and realistic blueprint for the survival of American agriculture. Republican members of the House Agriculture Committee are united here today to dedicate 1985 as the year we start returning control of the business of farming to the farmers.

Government has blurred America's image of the hard working, independent farmer. We know that American farmers want a partnership with government, not a handout from it. We're convinced that farmers want to break the cycle of dependency as much as we know it must be broken.

But Republican members of the committee know just as well that you can't do it overnight, and you can't do

it by warming over the old programs that brought us to today's crisis on the farm.

We are developing what we believe are creative alternatives to current programs. At the appropriate time during committee action on the 1985 farm bill, we will be offering all these recommendations in greater detail. But for now, we're anxious to share some of the goals and concepts behind our efforts, and we offer them in the spirit of cooperative leadership for the tremendously difficult job that lies ahead.

We have agreed to a Republican "Blueprint for the Survival of American Agriculture" encompassing five straightforward goals. Specific commodity programs in the 1985 farm bill must be judged by these standards:

First, recapture American agriculture's competitive edge in world and domestic markets.

Second, create for American agriculture a bridge from government domination to an improved marketplace.

Third, recognize profitability as a key element in the long-term stability American agriculture.

Fourth, guarantee American consumers a plentiful and stable supply of nutritious food and fiber products.

Fifth, provide an effective farm policy which is budget responsible.

Without question, American agricultural production needs room to grow and that must primarily be through overseas' sales. We must be able to expand sales at home and abroad, regardless of the value of the dollar, in the face of subsidies offered by competing governments, against foreign producers who are willing to sustain decades of losses to kill competing producers.

We believe improved market presence is the key to elimination of government domination of farm activity. Once those sales are secured through the application of creative new government production and marketing tools, we believe the basic need for most government intervention and supports will dissolve.

Farming, just like any other American enterprise, must be allowed to prosper in the free market system. Without the fuel of profit, we believe the engines of farming will sputter and fail.

An orderly and gradual shift of farm production and marketing policy away from reliance on government should return farmers to the natural system of success or failure in the marketplace. Government's role is not to assure success but to assure the opportunity for success.

Today Americans spend only 17 percent of disposable income for food. That continues to be one of the best bargains in the world. Our programs reaffirm government's most basic farm policy promise: A stable plentiful supply of nutritious food and fiber products within the economic reach of every family.

Finally, we have promised to be budget responsible. We are prepared to demonstrate that even government can be thrifty. We are committed to maintaining the cost commodity control segments of the 1985 farm bill at or below the previous year's budget levels.

We haven't tried to rescript every word in current law or to refute every proposal on the table today. Instead, we have concentrated on bringing a breathe of fresh air to those sections where we need change the most.

Our concepts include innovative programs in these areas: Marketing loans, bonus commodities, sodbuster provisions, target technology to small- and medium-size farms, export certificates, conservation reserve, contract sanctity provisions, and budget restraint.

We cannot be allowed to overlook budget considerations. If every agency of the Federal Government offered proposals which exercised the same restraint of this Republican blueprint, we would slice $38 billion off the fiscal year 1986 budget.

So I think there is hope for agriculture with this kind of program. It means that the Government is not going to turn its back on American agriculture and it means that there is an opportunity for agriculture to grow and to be prosperous.

I thank the gentleman for yielding the time he has to me for this statement.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman again and I commend him for his leadership in our activities leading up to the unveiling of our proposals yesterday and his continuing participation in leadership on this issue.

I would like to say a few words about the section dealing with the conservation, credit, and rural development aspects of our initiative.

First of all, we support a good sodbuster bill. Soil is indeed one of our most precious natural resources and it cannot be replaced as fast as we are losing it. We must take action now, we believe, to save our land.

It is our belief that the Federal Government should not continue to subsidize the breaking of new fragile land that is not suitable for cropping. Provisions under our title would discourage producers from bringing marginal, fragile land into production, and allow farmers to concentrate their efforts on their most productive land. Farmers who produce commodities on highly erodable land that has not been in production for the last 10 years and who have no approved conservation plan would not be allowed to participate in Government farm benefits.

At the same time, I might add, we believe that we ought to have a conservation reserve of a long-term nature. That, Mr. Speaker, means that the Federal Government, who encouraged farmers to plant fence row to fence row during the 1970's, has an obligation now to take some of that out of production.

A conservation reserve program will encourage the retirement of this marginal land, fragile land that should never have been cropped in the first place, by extending financial incentives for taking that land out of production and converting it to less intensive uses, such as pasture or permanent grasses or timber.

In conjunction with our soil conservation efforts, we are asking the Secretary of Agriculture to work with the EPA to develop regulations for nonpoint source pollution. This would emphasize the Department's interest in preserving water quality, while protecting the interests of agriculture.

Important regulatory decisions on this matter should be made not in a vacuum. It is important that these decisions be made by someone who has knowledge and an understanding of farm interests.

Now, our Republican initiative also includes a farm debt restructuring and conservation set-aside concept, proposed by Congressman FRANKLIN from Mississippi. This proposal would assist debt-ridden farmers in taking marginal land out of production in return for long-term easement for public conservation, hunting, recreational, and wildlife purposes.

□ 1420

At this time, Mr. Speaker, I would like to yield to the gentleman from Mississippi [Mr. FRANKLIN] who has created a new idea, a new approach, and a new way of trying to do two things at once. We are very proud of his initiative and recognize it, and I would at this time yield to the gentleman from Mississippi [Mr. FRANKLIN].

Mr. FRANKLIN. I thank the gentleman very much for yielding. I compliment him on taking this time to discuss this new Republican initiative for agriculture.

I also want to state that the gentleman from Missouri [Mr. COLEMAN] is the ranking minority member on the Conservation and Credit Subcommittee, and it is through his leadership that many of the things have been incorporated in this new plan. And it certainly is through his leadership that we have been able to come together as a unit to say to America and to the American farmer that we understand the problems and that we are willing, and ready, and able to come up with new and innovative ideas to try and correct some of the deficiencies that exist in Government policy in the two areas of credit and conservation.

I would like to state that in my district, in 1985, the Farmers Home Administration has expended approximately $113 million for crop production loans for the 1985 crop year. The Farmers Home Administration has penetrated my district's credit market for short, intermediate, non-real estate secured agricultural credit by 65 percent. That means 65 cents out of every dollar that goes into farm operations for credit and operating funds comes from the U.S. Government.

We must be aware of the fact that credit decisions in agriculture cannot continue to be made by the U.S. Government. And it should be our long-range objective to move those decisionmaking responsibilities from the Government to the private sector.

However, we, through this Republican initiative, are well aware of the fact that this cannot be done overnight and provide the kind of credit for our farmers in 1986 and the years following that will get the job done in agriculture because many of our farmers would be without a credit home.

I would like to advise the gentleman from Missouri and my other colleagues that for 15 or 20 years in Mississippi, the risk in the private sector through our farm credit system, through our commercial banks, and through our other agricultural lenders, has been systematically shifted from the private sector to the Government. And be assured that that private sector, after having spent 15 or 20 years getting rid of those risks in agricultural lending, is not going to voluntarily take them back tomorrow or the next day.

We, on the Republican side of the Agriculture Committee, understand this and we are ready, willing, and able to come up with remedies that will make a transition of credit from the Government to the private sector in an orderly fashion so that as many of those farmers can remain in business as possible under the extreme circumstances that now exist in the United States.

At the same time, I would like to point out to my colleagues one of the reasons why the Government has had to take so much of a share of the credit market in the Mississippi Delta. For example, farmers have, for years, been increasing their operations of row crop farming to justify the kind of money that it takes to borrow and plant these crops. And to do this, they have been forced, sometimes by Government policy, to clear bottomland hardwood timber, to drain swamps, and to put marginal land into production that should never have been put into production.

I think we should recognize this is a problem, and I think that the credit crisis that all of us have heard about on this House floor, and that we have been discussing for months here in this Congress has an excellent opportunity to marry with a dire need in our Nation to return some of those marginal farmlands to their natural state, to replant the bottomland hardwoods, to preserve the swamps and the lowlands that are so bountifully there—or were there—that have been turned into agricultural row croplands so that we can provide habitat for our wildlife and for our waterfowl. Particularly along the Lower Mississippi Valley, an area of our country that is most familiar to me, we have been destroying our natural wildlife habitat for farming purposes for years.

The sad thing about this, my friends and colleagues in this Congress, is that that marginal land that has been cleared and put into row crop production is helping to kill the farmer and is adding to the debt burden that he now has because he is not able to make money out of that marginal land that he has put into production. In fact, it is costing him money and those debts are accumulating.

The Farm Debt Restructure and Conservation Set-Aside Act of 1985 would work as follows: Those Farmers Home Administration borrowers who find themselves in this predicament, in debt, and normally in my area that farmer farms 1,000 acres—he has about 250 or 300 acres of ice cream land on that average farm. That is the land that is high and sandy that we call good cotton land that is very productive. He also has 350 or 400 acres of what I call high heavy land. That is the land he puts his rice on and soybeans and his wheat and feed grains. And it is good productive land, and it should stay in production.

But almost every one of those average farms in my district has another 250 to 350 acres that was formerly a swamp, or a slew or in bottomland hardwoods which has been cleared to put into row crop production. And on that land he is making 6 to 10 bushels of soybeans an acre and it is helping kill him.

What this proposal would do is it would take that 350 acres of marginal land and allow that FmHA farmer who is in debt to turn that land over to the Government on an easement basis for no less than 50 years, with a conservation program situated so that land would be put to its best conservation use. The land could be put back into bottomland hardwoods, or into a swamp for waterfowl habitat, for migratory birds. And in exchange for him giving up that land to the Government for conservation use, he would be allowed to write down the amount of his Farmers Home Administration debt by the appraised value that the Farmers Home Administration is carrying for that land.

This would do two basic things. It would help with the credit crisis. It would allow that typical farmer in my district who qualifies, to be left with two-thirds of his land, which would be the most productive land he has. He would also be left with only two-thirds of his debt to the Farmers Home Administration.

With that reduction in the amount of debt, and with his most productive land left, he would probably be able to cash-flow his operation so he could then go out of the Government sector and into the private sector and show a cash flow that would enable him to be financed on a guarantee basis with the Farmers Home Administration or be able to obtain the financing on his own without the Government. And that is what we are trying to do.

The other benefit, of course, would be that that land which is now row cropped, eroding, and is actually killing the environmental interests throughout the country, would be preserved for the future generations of this Nation so that they can enjoy it.

Right now, people ask the question: "What are the budget implications?"

My colleagues, let me tell you how I view this. Right now, the Farmers Home Administration is carrying on its books for the U.S. Government what it calls assets. And these assets are notes that farmers have signed with the Farmers Home Administration to secure the millions and millions of dollars that the Government has loaned those farmers to produce their crops. Those notes in the amount of that debt, in many instances, exceed the value of the property that secures it; therefore, the assets the Government has, in the form of those notes, are worthless. And the Government has the opportunity to foreclose and to lose all of that asset, the millions of dollars that are represented by those notes, because that land in a forced sale is not going to bring enough money to repay the Government the value of those notes that the Government holds.

What we intend to do by this new method is to exchange those notes which are worthless for valuable assets and rights to the public and the taxpayers who have paid millions of dollars into our farms. And the public will have the right to utilize that land, and the taxpayer may have a place to hunt.

I do not know if the gentleman from Missouri has the same problem I do in Mississippi, but many of the people who grew up in my county, grew up knowing how to hunt and fish and loving the wildlife, and loving to get out in the woods and to get out in the country, and to participate with nature.

□ 1430

Recently these people are being denied that right because the land that is available for hunting has been

secured by the wealthy—the doctors and the lawyers from the cities who have formed hunting clubs and who have exclusive memberships. The average taxpayer in Mississippi is finding it very difficult to find a place to hunt. This new concept would allow this asset, the real land that is now going to be put back to its natural state, to be utilized by those thousands of taxpayers out there who have provided the funds to keep these farmers in business and who now find themselves in the position where the Government has worthless assets in the form of the notes that it holds.

The concept will do a lot of good things, I would suggest to my colleagues. I would urge all of you to look at the concept, to see if you can adopt it and to see what applications it might have to your specific areas back home. I think if you look at it closely, you cannot only apply it to the bottom land areas, the delta areas of Mississippi that I am from, but to almost any area of this Nation where farmers forced by Government policy and for other reasons have expanded their operations onto marginal farmlands which has helped kill them, which has helped exacerbate the credit problem. I would appreciate your looking at it.

I want to again thank the gentleman from Missouri [Mr. COLEMAN] for yielding me this time. I want to again commend him for taking this time so that we can present this new program for American farmers to the American people.

I thank the gentleman.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman. It is that type of innovative idea that we think this Republican alternative has a lot of fine applications.

Let me say that the concept that the gentleman from Mississippi [Mr. FRANKLIN] has put forward, as he said, can be applied in different ways in different areas of the country.

In my area in Missouri, we have 70,000 acres that are now owned by the Farmers Home Administration because of defaulted notes that farmers have had.

Some of those acres would qualify under the gentleman's program and maybe, if not for 50 years in this particular case because it is not owned by individuals but by the Government, that could be put into some sort of cover and also some sort of wildlife habitat. That is the type of application that I can see in our particular part of the country.

I yield to the gentleman further.

Mr. FRANKLIN. I thank the gentleman for yielding further.

The concept also applies to the acreage that has been accumulated in Government inventory through Farmers Home Administration foreclosures and also through the fact that of those farmers who have been financed with the FmHA, many of them have thrown up their hands and have said, "I can't go any further," and have actually turned that land back over to the Government.

We have literally thousands of acres of Government-inventoried land in my district and certainly this concept would apply to that land and it would not be as complicated because the Government already has title to that land. The concept which is incorporated in H.R. 1000, the bill that I have introduced, also has provisions for the land which has been returned to the Government and is in Farmers Home Administration inventory.

I appreciate the gentleman's pointing that out.

Mr. COLEMAN of Missouri. I thank the gentleman again.

Because of time constraints, Mr. Speaker, I am going to yield now to the gentleman from Kansas [Mr. ROBERTS] and come back to some of my remarks about the credit section.

The gentleman from Kansas has some very fine ideas and ones which I think the Congress will examine very closely.

I am certain that he has already made an impact on the outcome of the final draft of the 1985 farm bill, whatever form it might take. It is this type of new idea and the gentleman's concept of the marketing loan program which he will explain to us now, which are the types of things that we are very proud of in this initiative.

The gentleman from Kansas is indeed a leader in this activity and in this area.

Mr. Speaker, I yield to the gentleman from Kansas.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, first I would like to say before going into that particular concept that I think there is some good news with regard to agriculture, more especially finally some good news for our farmers.

You know when we have the chore of writing the farm bill every 4 years it is always a very, very difficult process. That process has to be bipartisan if we are going to have a farm bill.

But with regard to our efforts here I am extremely pleased we have been able to work together and put together a Republican alternative.

In this regard I want to thank Mr. MADIGAN from Illinois, our leader, who, as I said yesterday in our press conference, has been the godfather of this effort. If there has been a foreman or a guy who has rounded us up and more or less get us headed at least in one direction it has been Mr. ROBERT SMITH of Oregon. I want to compliment him as well as my friend from Missouri [Mr. COLEMAN], Mr. COMBEST, Mr. MARLENEE, Mr. FRANKLIN, and others.

The reason I think that a Republican alternative is so important and so newsworthy is that it simply means that the administration proposal, as publicized by the Stockman approach, is not going to work, so we had a choice and we are not leaving any reservations, so to speak. Most of the press reports have indicated that Republicans disagree with the administration and they have proposed a different kind of alternative. That is not the case at all.

We just met with Secretary Block. Secretary Block early on said that we are going to disagree but at least let us have some common agreement with the goals of this administration. So that is what we are doing.

In this regard from my own personal standpoint I am going to work with the President, I am going to work with the Secretary, but I do not work for them.

Mr. COLEMAN of Missouri. I think we just visited with the Secretary. He says that our goals are the same. Now we will work together. That is something we ought to emphasize. We just have a different way of getting to those goals.

Mr. ROBERTS. I do not think we are really telling tales out of school here if we simply emphasize the point that once we get a budget in place, and that is the most important thing we have to do in this Congress and the most important thing we have to do for farmers, consumers, or businesspeople or whatever, then we can proceed with this difficult process. But I think the biggest thing that we have done as Republicans is we have come up not simply by discussing the problem and not simply by proposing issues that we know we cannot win—some people around here will prefer an issue rather than a bill; this package is budget-responsible. This package will work. It is innovative; it contains many new ideas. I think the Secretary will work with us.

Sure we are going to have a chore with some of the folks down at the White House and other places, but that is always the case in any farm bill.

Now with regard to what I would like to talk about, I have the privilege of being the ranking member on the Subcommittee on Department Operations, Research, and Foreign Agriculture of the Committee on Agriculture, which is a lot of words and it simply means that we are in charge of exports.

Now we have a hearing going on right now and I have to get back to that hearing. But if we are going to solve the farm problem we have to make sure we regain our market shares with regard to our exports. We have to export our product.

Now I come from wheat country. I have 58 counties out on the prairie and we grow more wheat than any other State. We have to export two-thirds of it if we are going to get to the cost of production and save a generation of farmers.

So if we are going to regain those markets, since we lost them, since the 1980 embargo, and because of the high dollar value we have got to come up with something very innovative. Just today when we had the Under Secretary, Dan Amstutz, before our subcommittee we pointed out that we have a burgeoning amount of stocks in surplus that we must get rid of even before we consider the 1986 farm bill. There is no reason, no reason why we cannot have some contingency plans right now in order to start this in an orderly process. One of these plans by Congressman EVANS of Iowa is to take our surplus stocks in this CCC—and we are going back into the grain business, folks should understand that, we are not supposed to be doing it—we are going to have 7 million bushels of grain in surplus, we should use all stocks, not just grain, but go ahead and take advantage of the value of the dollar index and for every one of our customers who wants to purchase this grain we can supply them with this extra value of surplus stocks. That is innovative. We can do it now. It is going to save money.

Mr. COLEMAN of Missouri. The gentleman is suggesting that the proposal is that because of the value of the dollar being so high in order to get back those markets overseas that when we do have a purchase from overseas that we give them a bonus of additional bushels of whatever grain it might be to offset the high value of the dollar so that we are not outcompeted because of that dollar value in the international markets?

Mr. ROBERTS. That is precisely correct and the value of the Republican alternative is this: Mr. EVANS takes the value of the dollar in 1980 in say country X, he compares it with the value of the dollar in 1984, he uses that as an index. We already have that as an index. Then he can equate that to the bushels of grain or excess milk or butter or whatever it is we are trying to talk about. It can work. We need to be doing it now rather than pay these storage costs and the costs of forfeiture of those commodities that we are going to pay in 1986.

It is $1 billion, I can tell the gentleman right now in terms of wheat alone. I think that is certainly a program we need to step forward.

□ 1440

Mr. ROBERT F. SMITH. Will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman.

Mr. ROBERT F. SMITH. Just for clarification, as an example let us assume that Canada has a 75 cent dollar, let us say; which is close, we have a dollar dollar. If we wanted to trade with Canada under your program, there would be $1.25 a bushel offered to Canada just for the exchange rate.

Is that a correct analysis?

Mr. ROBERTS. I am not too sure that Canada will be in the business of importing our grain, but it is a good example, and I think any country that would work in that fashion, that the gentleman is accurate in that description.

Mr. ROBERT F. SMITH. If the gentleman would yield further, I suppose that also means that, let us take the European Community which we know subidizes heavily all of agriculture, also we have a terrific discrepancy between the dollar and the franc or the mark, even the pound; then this would go part way to offset those heavily subsidized agricultural products in foreign countries; it would not take it all, but it would certainly make us more competitive in world markets with those heavily subsidized countries.

I understand that to be true.

Mr. ROBERTS. That is correct. It would send the strongest possible message that I know we could send to the European Common Market which, by the way, now is in the business of producing more wheat than the United States.

The value of the dollar, if you equate that as a subsidy, so to speak, to those farmers is worth approximately 55 cents a bushel. Now how in earth are we going to compete with that? This is the way that we can compete.

We can regain those market shares, and we need to do it now. We do not need to be sitting around and studying this, and this is all part of the Republican program.

Mr. ROBERT F. SMITH. I thank the gentleman.

Mr. ROBERTS. I would like to go on just for a very brief moment, Mr. Speaker, in regards to the marketing loan concept, and then my colleague from Montana will go into the third leg of the stool here in regards to get to a much better supply management program with his plan in regards to wheat certificates.

The idea of the marketing loan concept is to reach out to the administration and say "Look, we agree with your goal to become more competitive. We know we have to do that. We know we have to lower the loan rate. But in doing so, your own price projections show us walking through 2, 3, 4 even 5 crop years with prices far below the cost of production: $2.50 wheat and $2.00 corn."

And if you think we have problems in farm country now, if you put in those price projections, you will see a further decline in land value, you will see more problems up and down the entire lending structure of agriculture to the point that I feel we could march a whole generation of farmers right off the cliff.

I do not think we want to do that. Sure, we can compete with Argentina in 1990 with wheat—wheat that was projected to be maybe $2.20, but there is not going to be anyone left in my country to compete, or for that matter, any wheat producer.

So why not take a marketing loan concept? Put the marketing loan at whatever level you want, but let us use the example of the cost of production, which for wheat would be $4.38.

Then the farmer would have to, he would have to get rid of the grain; it would be a recourse loan. At the end of the 9 months he has to pay back that loan, but only at the average world price.

So, if we are to explain to the consumer, and if we are to explain to our colleagues here in the Congress, what we are doing is we are building an income bridge to protect that farmer's viability when we compete with our competitors, and we lower that loan rate, and we do not ratchet it down by 5 percent and 5 percent and walk to what I have labeled the "Valley of Death."

I can recall in regards to this administration, there seems to be some tie to maybe Death Valley Days. We need to hook up the 20-mule team Borax thing and get this thing going; let us move that loan rate down, OK, let us compete, but let us not sacrifice the farmer in the process.

We can make it budget-conscious. We have already tried that with Mr. MARLENEE's proposal; you can apply it just to the export acres. You could tie in an acreage reduction program, just for the cost alone of what this is going to cost us in 1986, $1.2 billion; you could put a floor under it at 270, and then you are not losing farmers; and you are market-competitive.

You can use the same adjectives, the same adverbs as Mrs. Stockman's brilliant son uses. We are competitive, we can get there from here, and we still do not hurt the farmer.

I yield to my friend, the gentleman from Montana.

Mr. MARLENEE. I appreciate my friend and colleague from Kansas, who is yielding, my colleague who has so ably represented the wheat producer, the agriculture producers across this Nation.

Mr. Speaker, my producers are just as concerned as everyone in the United States of America; every other taxpayer, about the amount of money that this Congress is spending.

What assurances can you give me that the proposals that are being

made now, basically by Republican representatives meeting of the Ag Committee? What assurances can you give me that these are budget-responsible proposals that will come in under last year's spending?

Mr. ROBERTS. In the first place, I would reply to my colleague that the overriding concern of the producer in my district is the same as his.

We know that the farm program is not working well and is costing far too much. So we know, number one, that we have to be budget-responsible. We took last year's levels of spending—and I might add that if every other agency of Government and every other program in Government around this place used last year's levels as a freeze, we would save, we would cut some $40 billion worth. So we will take the freeze at last year's levels.

Under that kind of a concept, you have already had a cost estimate as to the wheat certificate plan, and we have already had a cost estimate in regards to the bonus commodity plan, and we are now crunching the numbers on the marketing loan, and we can make that work with the variables that we can plug into it and save money from the current program levels. We can save money and still do this and have a better program.

Mr. MARLENEE. I might add, it appears that we can be much more cost-effective with the money that we are spending.

Mr. ROBERTS. Without question.

Mr. MARLENEE. I thank my colleague for yielding.

Mr. ROBERTS. It is expenditures that are an investment.

Mr. Speaker, if I may just continue for a moment in regards to cargo preference, that is a big issue in regards to the Public Law 480 program, not to mention our exports.

We have had a recent court ruling, a very unfavorable ruling, and within the Republican initiative there is legislation that will address that problem. I am very pleased to announce that yesterday, Secretary Block, speaking on behalf of the administration, indicated their strong support for this legislative relief.

We cannot exist at a time when we are going ahead with export initiatives to have that kind of a burden placed upon those initiatives.

Now, if it is in our best interests to have a strong U.S. flagship fleet; and I suggest and I do agree that that is the case, let us have truth-in-funding, if you will, and take that funding from either the Department of Transportation or the maritime people; whatever.

Mr. ROBERT F. SMITH. Will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman.

Mr. ROBERT F. SMITH. I thank the gentleman for yielding to me.

The question of cargo preference, explain to me what that is and how it affects farm policy.

Mr. ROBERTS. It simply means that, in regards to any sale entered into by the U.S. Government, that 50 percent of that product has to be shipped on U.S. vessels. But because of the maritime wages and the cost of doing that, that is going to cost American farmers $120 million at the landed cost of that product, and while we have no quarrel with the maritime folks—we are not in an adversarial role in that respect at all—we simply do not want that taken out of the hide of the Kansas wheat farmer when he is trying to export his product.

So if we would have truth-in-funding, in fact, and take those moneys from the maritime fund or whatever and—we will even take the first hit; we will even pay for it the first year, but after that I think that would answer a lot of the problems.

What the legislative relief would do would be to keep cargo preference on Public Law 480 and the AID shipments, but exempt these kind of innovative programs that we are talking about.

Mr. ROBERT F. SMITH. I thank the gentleman.

One other question, if I may, so I can understand what the gentleman is proposing; I did not hear him suggest that we eliminate the maritime industry—is he suggesting that we move that part of the budget out of the agriculture budget to maybe the Commerce Department, or the DOD so that America can exactly see who is paying for our maritime program.

Is that what he is indicating?

Mr. ROBERTS. Never let it be said that this Member from Kansas, where very seldom do we find U.S. flagship vessels sailing down the Arkansas—if they did, we could see them from a great distance I can assure you—is opposed to a strong U.S. flagship fleet. We are not trying to get into an argument with those folks. That is precisely what I am suggesting.

Mr. ROBERT F. SMITH. If the gentleman will yield further, I was interested because U.S. flagships do come up the Columbia River into a port very near me in Oregon, and I cannot go home and defend a system which would eliminate that program.

Mr. ROBERTS. No, this is a reasonable compromise, I would assure the gentleman, and I appreciate the gentleman's time.

□ 1450

Mr. COLEMAN of Missouri, I thank the gentleman.

Mr. COMBEST. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I think the gentleman from Texas would like to have a few minutes, and I yield him whatever time he wishes to consume.

Mr. COMBEST. I thank the gentleman.

Mr. Speaker, there were a couple of points that have been made that I think we should try to bring together. So many times it appears, at least from certainly some of the individuals who represent an urban constituency or those who refer to themselves as representing the consumer group, that we in agriculture, we who represent agricultural districts, are not consumers ourselves or that many times the interests that we wish to take relative to strong agriculture policy is not in the best interest of the consumer. But there are a couple of things that I think we ought to point out.

No. 1, this country has the least amount percentage per capita spent of any nation in the world for food items. We have basically established through many, many years of government programs and government involvement in agriculture what I think we could realistically refer to as a cheap food policy. We are not in any interest whatsoever not concerned with the consumer, but in fact a strong agricultural policy that provides for an opportunity for farmers and ranchers to make an income, to make a profit, providing this Nation with food and fiber, in the long run is certainly to the best interest of the consumer public. We are consumers in agriculture. We consume a lot of food and and a lot of other items as well. But I think it is important to note that we have got to always make sure that we have maintained a strong industry in this country so that we do not become totally dependent upon some foreign country for supplying us with food.

Another matter, too, that I would like to again emphasize, and I think it is of overwhelming importance in this, and I am very glad to be a part of this committee and of this effort, is that so many times today we have heard discussion of budget responsibility. And it certainly is of the interest of this committee to deliver a type of farm program that is within reason and certainly is within the budget restraints, and I think that we can do that. I think the point that I want to make here is the fact that we are trying to develop a program that does provide an opportunity for that farmer, that does provide an opportunity under good management to make a profit. I think that profitability is what we have got to return to agriculture.

I do not know of a problem in agriculture that cannot be solved by providing a profit or providing the opportunity to make that profit. That is what this Member wants to do in this involvement.

I certainly appreciate the time from the gentleman from Missouri, and I am very glad to be a part of this process.

Mr. COLEMAN of Missouri. We are very glad to have the gentleman a part of this process. As a new Member of the House Agriculture Committee and the Congress, we feel that we have gotten a tremendous contribution on the gentleman's behalf already into the process, and we really appreciate his involvement in this proposal and floor activities, and as we develop the 1985 farm bill, and the wisdom of the counsel of the gentleman from Texas.

At this time, Mr. Speaker, I would like to yield to the gentleman from Montana (Mr. MARLENEE), who is the ranking Republican on the Feed Grains Subcommittee and who would like to explain one of his initiatives in this Republican farm proposal.

Mr. MARLENEE. I appreciate my colleague yielding, my colleague with whom I have labored for 9 long years on the Agriculture Committee and who has done such an able job in the various positions he has served on in that committee.

I would ask the question, Mr. Speaker, of my colleagues and of the people of this Nation: Is it not about time that we change the direction of agricultural policy, an agricultural policy in the past that has not worked, an agricultural policy that has led us into a position where our producers are drowning in a sea of surplus grain, where the taxpayers are drowning in the amount of tax dollars and deficits that result from trying to subsidize an agriculture with programs that will not work in today's world.

It is time we change agricultural policy, the direction of that policy.

We need to keep an income net, if you will, some of the basic structures that we have to protect farmer income, but we need to reorient some of those dollars we are spending on farm programs, reorient those dollars toward making us competitive on the world market.

That is what we have endeavored to do with the Republican initiatives and proposals that we are putting forth.

The export certificate program, the bonus commodities for export, the marketing loan concept, all of these proposals are designed to destroy the price umbrella that our competitors enjoy because of the high value of the dollar, export subsidies and export overproduction in foreign nations.

The export certificate program will work very simply. It is an addition to the program for income protection we now have, utilizing some of those dollars for making us competitive. The producer simply receives an export certificate with the grain, if he complies with the program, on the export portion of his production. That passes to the buyer, to the exporter, when he buys the grain, and then when he shows proof of sale on the export market he is reimbursed for that certificate value.

All in all, these proposals will come in under last year's budget, we can guarantee that. They will result in more income for the producer at his level, and they will result in less surplus, more grain sold overseas, and in reducing the deficit that we have in our trade balance. Those are all important factors for the United States of America and its policymakers to take into consideration, given the deficit problems, the surplus problems and the budget problems we have today.

I thank my colleagues for yielding.

Mr. COLEMAN of Missouri. I thank my colleague from Montana for his contributon. The gentleman is a Member who has been dedicated to agriculture, has been an agricultural leader here, and we are very happy to have him participate in this special order this afternoon.

I would like to yield several minutes, Mr. Speaker, to my colleague, my friend from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank my colleague from Missouri for yielding, and I want to commend him for taking this time to make it possible for us to have a discussion of the issues here relating to efforts that we Republicans on the House Agriculture Committee have been making toward coming up with some constructive proposals to solve some of the problems of agriculture. I particularly want to commend our colleague from Oregon [Mr. SMITH], a very distinguished legislator, who has led this effort, and to say that while we style our efforts as a Republican approach, an alternative approach to what we presently have and perhaps to what the administration has suggested, that we welcome the support and the cooperation of our Democratic colleagues in this effort.

I think that we all know that the problems of agriculture certainly go beyond any partisan bounds. There are enough problems out there that we need the help of everyone in trying to solve them, and I just want to make sure that we do, as we proceed here, let our Democratic colleagues know how much we welcome their participation and their discussion with us as we try to solve the problems that we are indeed addressing. Beyond that, I would say, I think, Mr. Speaker, that there is an awareness among us that some of the problems in agriculture are not going to be solved by the farm bill. The larger items of the deficit and its relationship to high interest rates and the strong dollar overseas are something that we cannot address in an agriculture bill. Likewise, while there is a lot that we can do relating to trade in the 1985 farm bill, there are some problems there that will not be solved, trade problems that will not be solved in this bill, as well, and we are going to need the cooperation not only of our colleagues on the Agriculture Committee but of the trade representatives and of the administration in addressing some of these very critical trade issues, because I find, as I travel around my very large 25-county congressional district that assurances to our farmers that they are playing on a level playing field in world markets is one of their greatest concerns, and I think that anything and everything we can do to give them those assurances they deserve to have.

I thank once again my colleague from Missouri for yielding to me, and I appreciate his making this opportunity available to all of us.

Mr. COLEMAN of Missouri. I thank my colleague and, of course, we know of his leadership in agriculture, so we are so very happy to have two of us from Missouri on the Agriculture Committee, and I thank him for participating in this special order this afternoon.

Mr. Speaker, as I was saying earlier, in the area of credit we have a few more proposals I would like to put forward, and those are: We understand that the farm credit system is undergoing tremendous stress. This is a system of cooperative lenders, and the Governor of the farm credit system should look into the viability of this system. It has $80 billion worth of agricultural loans already on the books that are out there. And some of them are being in default. Some of them are not being paid back. And we think that the farm credit system ought to make a study and it ought to bring it back to the Congress and ask us to take any steps that they feel necessary and indeed through our own independent investigations determine that we ought to strengthen this system before a crisis occurs and it is too late. While we are too late again to recognize the need and too late to provide any relief to the emergency farm credit situation phenomenon which is presently in the country, we must now turn our attention to the long-term credit needs of credit reform. And from that standpoint we feel that if we are going to have more Farmers Home Administration guaranteed loans, that that guaranteed loan program work and that we feel that it has not worked as well as it should have and could have in the past, and that there are other guaranteed loan programs by the Federal Government that seem to be working better.

□ 1500

We ought to examine those; we ought to tailor our programs in Farmers Home to those very constructive, good proposals that are already working in the guarantee area.

From that standpoint, we would call for a review of this program, and make those necessary comparisons and adjustments to make sure that these programs that sound so very good when

they are announced, actually are implemented, actually are used and that we have the participation, by lenders and farmers, in any guaranteed program in the future.

Finally, Mr. Speaker, let me simply say that the economic and social needs of rural America must constantly be coming under evaluation. It is an absolutely truism that the recovery that has occurred in many parts of America has not reached rural America. Because of that, special consideration must be given this sector to the needs of our small communities, and the people who live in them.

Mr. Speaker, let me say in conclusion that we have heard today from Republican members of the House Agriculture Committee. New initiatives, proposals, things we would like to have laid on the table for discussion, as we start the process of formulating a 1985 farm bill.

We are in the process now, in our committee, of having hearings in the various subcommittees, and then when we get back at the end of this month and into early May, we will be having full committee consideration of various proposals. We think we have made a constructive contribution to this discussion.

New ideas and initiatives that should be used as a basis for a new approach to American agriculture and a Federal policy thereto. These are all threads, Mr. Speaker, and a lot of other threads are being prepared out here by different organizations and individuals, but they have to be woven together to make a mosaic of an 1985 farm bill.

We think we have made substantial contribution to that effort; we are proud of our effort. Again, let me say that we started this as a Republican initiative, recognizing that there is a Republican administration, but we want to work with them and we want to work with our colleagues on the other side of the aisle, because there are not just Republican and there are not just Democrat answers to the farm problem. We all know that the agricultural interests of this Nation, if we were to put all the Members together, would probably occupy 35 or 40 of these 435 seats.

We have to work with our urban colleagues, we have to have an understanding in this country, not just to the Congress, but members of the general public, of the needs of American agriculture and the viability of the food and fiber system that we have. That is why we think that this proposal, while initiating through the efforts of those Republicans on the committee, we wish to reach out and incorporate other ideas and participate in a true dialog with our colleagues on the other side of the aisle, with the people in the Department, and with all farm organizations and farmers in this Nation.

Mr. Speaker, with that in mind, let me conclude my remarks and again thank the gentleman from Oregon for this tremendous contribution for welding together a group of people in this House to formulate new ideas in a platform for the future in American agriculture.

NATIONAL AIR TRAFFIC CONTROL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] is recognized for 10 minutes.

● Mr. HAMMERSCHMIDT. Mr. Speaker, yesterday I introduced a resolution, together with Congressman MINETA, to designate July 6, 1986, as National Air Traffic Control Day.

July 6, 1986, marks the 50th anniversary of the establishment of an airways traffic control system by the U.S. Bureau of Air Commerce. The purpose of this system was to assure adequate spacing between airplanes flying along established air routes and to prevent congestion at airports.

Today, this purpose is more important than ever. More people are flying than ever before. Since passage of the Airline Deregulation Act in 1978, the number of operating airlines has increased significantly. Anyone who has flown during the past few months knows that at times the system appears to be stretched to the limits.

Yet, the system continues to operate safely. This is a credit to both the highly trained personnel involved and to the sophisticated technology that has been developed during the past half-century.

Establishing a national air traffic control day will serve to publicize the significance of this safe and expeditious movement of aircraft and its importance to the economy of our Nation. Educational and celebratory events and exhibits on that day will serve to foster public awareness of the progress that has been made in the science of air traffic control over the past 50 years. It will help to bring together system designers, system manufacturers, system operators, system users, and other members of the aviation community to share their knowledge and promote a safer and more efficient air traffic control system.

For all these reasons, I am pleased to cosponsor this resolution.●

EXECUTIVE BRANCH'S ATTEMPT TO IGNORE A PUBLIC LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, I want to take this opportunity to bring the Members up to date on a matter of great importance to us all. Last year, Congress passed the first major procurement reform bill in almost 40 years, the Competition in Contracting Act of 1984 (Public Law 98-369). Besides drastically restricting the use of sole-source procurements, the act greatly strengthened the GAO bid protest function to provide timely and equitable relief to companies who have been denied the opportunity to compete for Government contracts. Notwithstanding, the President unilaterally declared that the new authorities given to the GAO were unconstitutional. Subsequently, the Attorney General issued an opinion declaring these provisions to be unconstitutional. OMB Director Stockman then ordered Federal officials to violate the law.

These actions were challenged in recent hearings held by the Government Operations Committee. We found that Mr. Stockman's order was unprecedented and unparalleled. Never before has the executive branch embarked upon a wholesale suspension of a duly enacted law. This order directly undermines the constitutional system which has fostered the strength and health of our great Nation for over 200 years. These views were confirmed by every witness, except those representing the administration, who testified, including several eminent constitutional law scholars. Others have reflected the same sentiments in written testimony submitted for the record.

I wish to submit for the RECORD two articles on a recent decision by the district court in New Jersey which completely confirms the constitutionality of the law.

[From the New York Times, Apr. 3, 1985]

ACCOUNTING OFFICE MAY REVIEW U.S. CONTRACTS, JUDGE RULES

(By David Burnham)

WASHINGTON, April 2.—A Federal district judge has upheld a law authorizing the General Accounting Office to review disputed Government contracts despite the Reagan Administration's view that the law violates the separation of powers embodied in the Constitution.

The decision supported Democratic and Republican leaders in Congress who said that the Administration acted improperly when it instructed Federal agencies in December not to obey a provision of a law, which Mr. Reagan signed in July.

The judge, Harold Ackerman, who sits in Newark, made the ruling last Wednesday in case involving a New Jersey concern that had sought a pipe cleaning contract at the United States Military Academy at West Point.

The Justice Department and Reagan Administration officials, including David A. Stockman, director of the Office of Management and Budget, have argued that the head of the General Accounting Office could not be given authority over the executive branch because he was an officer of Congress.

But Judge Ackerman ruled, "The facts do not bear out defendant's attempt to label the Comptroller General a legislative officer."

Judge Ackerman cited a 1964 Federal court decision that said the Comptroller General served as an officer of the legislative branch while investigating matters relating to the expenditure of public funds but also served as the chief accounting officer of the United States. It is for this reason that the Comptroller General is appointed by the President.

The dispute centers on the Competition in Contracting Act, a law passed by Congress in 1964 to force agencies such as the Defense Department to increase the use of competitive bidding.

A recent report by the House Government Operations Committee found that at least two-thirds of the billions of dollars spent each year by the Federal Government for goods and services was spent without competitive bidding.

The act authorizes the General Accounting Office to hold hearings and offer advisory opinions on protested bid awards.

But the Reagan Administration argued the provision violated the constitutional principle of keeping separate the powers of the executive, legislature and judiciary.

A Justice Department spokesman said the decision was under review and that the Administration had not decided how to respond to it or whether to appeal it.

Judge Ackerman also questioned the explanation offered by former Attorney General William French Smith as to why the Justice Department had decided not to enforce the disputed provision. Mr. Smith said the department had acted as it did to achieve a speedy judicial resolution of issues. "In spite of these assurances," the judge wrote, "the litigating posture of the executive defendants in this case seemed to be one designed to avoid a judicial resolution of the lawfulness of the agencies' conduct in continuing to disobey the law."

Judge Ackerman's ruling involved Ameron, Inc., a New Jersey concern that was not awarded the contract to clean water pipes at the West Point Military Academy even though it had offered the lowest bid.

Judge Ackerman granted the concern's request that the contract for the West Point work not be signed until the accounting office has reviewed it.

[From the Washington Post, Apr. 1, 1985]

COURT RULES ARMY CORPS OF ENGINEERS BROKE LAW

A federal judge in New Jersey has ruled that the U.S. Army Corps of Engineers violated the law when it followed Reagan administration instructions to ignore a provision of a new law designed to promote competition in contracting.

The law, passed last year as part of the Deficit Reduction Act, authorized the General Accounting Office to delay the awarding of a government contract if a timely, legitimate protest had been filed by a losing bidder. The Justice Department, however, had told agencies to ignore that provision because it was unconstitutional. It said the GAO, as an arm of Congress, could not overrule executive branch agencies.

Judge Harold A. Ackerman's ruling came on a case involving Ameron Inc., a contractor seeking a water pipe cleaning contract at the U.S. Military Academy. Ameron went to court after the Army ignored its plea to the GAO to delay the award.

Ackerman, in his decision Wednesday, said the legal position of the administration "seems to be one designed to avoid judicial resolution of the lawfulness of agencies' conduct" in disobeying the law.

"The functions of the comptroller general [GAO chief] in ensuring that contracts are awarded in accordance with the law is . . . constitutional as the comptroller general is appointed by the executive and, therefore, may exercise law enforcement functions," he said.

The ruling pleased Rep. Jack Brooks (D-Tex.), who wrote the statute, and House lawyers who had filed a brief in support of the firm.

"It's a resounding vindication for the House and the statute," said Stephen R. Ross, general counsel to the House Clerk. "It's high time for the administration to instruct the federal agencies and federal officials to comply with the law. . . ."●

COMMUNICATION FROM THE HONORABLE MARTIN SABO

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, April 4, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, H-202 Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to Rule L(50) of the Rules of the House of Representatives, that Ms. Georgia O'Brien, a caseworker in my district office, has received a subpoena issued by the District Court for the Fourth Judicial District of the State of Minnesota, County of Hennepin.

After consultation with the General Counsel to the Clerk of the House, I will inform you of my determinations as required by the House rule.

Sincerely,

MARTIN OLAV SABO.

THE DEINDUSTRIALIZATION OF AMERICA—HOW WE'RE BEING MADE A COLONY AGAIN

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, today I would like to place in the RECORD an incisive speech made at the Democratic Issues Conference in Greenbrier, WV, on March 2 by Mr. Lee A. Iacocca, president of Chrysler. Because it offers such a penetrating insight into the trade problems our country faces today, I commend this speech to my colleagues:

THE DE-INDUSTRIALIZATION OF AMERICA—HOW WE'RE BEING MADE A COLONY AGAIN

It's an honor and a pleasure to be invited here today. And I'm happy to see so many old friends.

I understand you're here to try to find the bus that hit you last November.

I honestly didn't realize how bad you people were hurt until I picked up the New York Times one day in January. There was a story that said, and I quote, "The Democratic Party is the Chrysler Corporation of American politics."

Now, it's bad enough getting buried under a landslide, but if I were you, I wouldn't take that kind of slander lying down!

Maybe misery loves company, and that's why you invited me.

But—just for the record, I'm non-partisan. Last year I spoke to the Marching and Chowder Society. I don't know if it accomplished anything, but I guess it didn't do any harm; I had a good year . . . They sure as hell had a good year. Now it's a year later, and I'm a little older (for sure) and a little wiser.

And the election's over and by the way, I should note that you had a good year too. You got elected! You fought off the tidal wave: You must have done something right; you must have outcommunicated somebody. So, congratulations to you.

Now that the election's over, however, I've gotta tell you the truth: I never figured out what it was all about. I learned more in one year about separation of church and state, abortion, prayer in school (I thought they were running for President—not Pope) . . . and less about the gut issues . . . than I would have thought possible in a Presidential election year in the world's greatest democracy. I haven't even heard the finish to the President's trip down the California coast!

CLEAR DIFFERENCE

But let me tell you, while I may not have been able to figure out what the election was about, I sure can read the results. And I don't mean the electoral results . . . I mean the real-world results; the fallout.

For one thing: I have never seen a clearer ideological cleavage than the one that exists today. There used to be a great big gray area—I guess it was called the "center"—where both sides milled around. A consensus area. But not today; it's as clear as a bell . . . two mountains and a great empty valley where the middle used to be.

Maybe I should say it's clear on one side; the administration's side. They managed to obscure it a little during the election, but—now that it's over—it's sure as hell clear where they want to go and how they want to get there. To be honest, I'm not quite so sure about the Democratic side of the gulf . . . it's not so clear to me . . . but I'll get to that later.

Also, to be honest with you, I've got to give the administration side some points . . . at this snapshot in time. Inflation is down . . . interest rates are down . . . confidence is up . . . employment is up. Hell, that's why they got elected. I don't know whether it's luck . . . or skill. But it's on the record. And, as a so-called fat-cat businessman, I don't have a helluva lot to bitch about. We did just make $2.4 billion . . . and that's more than Chrysler made in its 60-year history! And we're off to a good start in 1985. I should be dancing in the streets. That's what business is all about . . . right?

But I'm not dancing in the streets. Actually, I'm scared! I just finished the best year in my personal history, from a commercial standpoint: sold a couple of million cars, one and a half million books, and got an obscene bonus. And I'm scared! And I've got news for you: so are a lot of other people, in the midst of these days of wine and roses.

We're worried about what's beneath the surface . . . what's under the veneer of the Dow Jones averages and the corporate profits reports. Is it real? Is it lasting? Or is it just a Halloween candy with a great big needle inside? We may be wrong . . . we may be nuts (a lot of people think so) . . . But—

we are worried. And not just about ourselves, for a change. About America . . . and where it's going. About what our kids are going to wake up with.

It's not a new feeling, for me. Most of you know I've been expressing my thoughts on the subject for a couple of years now. But let me tell you about the night the dichotomy really hit me.

It was the night before our last Board meeting, early last month. The night of the State of the Union message. We had a dinner for the Board, and we reported all the good news: $2.4 billion in profits, a fantastic sales month (best in the industry) in January; and meaningful progress in our two most important operating areas—quality and productivity. It was a night for festivity, and those nights don't come around two often.

ROCKS AHEAD

But you know what we did, after cigars? We sat around and worried: About where the hell our company and our country were headed . . . about the things that were outside our control . . . about our frustration at our inability to make an impact in the areas that counted. (And these weren't all Democrats talking—sure, Owen Bieber was there, and Joe Califano and Juanita Kreps—but there were some damned conservative Republican CEO's there.) And then we all went back to our hotel rooms and we listened to the State of the Union Message.

It was eerie. It was like Alice going through the looking glass. We had been talking about what we called the Deindustrialization of America . . . and the President was talking about the revitalization of industrial America! And I thought to myself: One of us is looking through the wrong side of the glass!

Mr. Reagan talked about his vision of what he wants America to be: strong and prosperous and free. Well, I happen to share that vision. And I'm sure all of you do, too. There's only one difference. The President thinks we're almost there. And I see that vision fading further and further into the distance.

In fact, I've almost lost sight of it because I've got to see what's right before my eyes—an America that is losing its ability to compete.

Let me tell you what I thought I saw—we saw—on our side of the looking glass.

What we saw was the world's greatest industrial giant slowly strangling. An America that is hiding all of it's losses under a pile of public debt. We saw a country that is paying its way today by writing a blind balloon note that will someday come due and cripple its kids.

PARADISE LOST

We saw a budget deficit gone abruptly and totally out of control. A deficit that—during the first term of this administration—exceeded the total run up during our first two hundred years as a country . . . through 8 wars, 2 depressions and 39 administrations. A deficit that may, in the next four years, blow that total to smithereens! A deficit that currenly carries an interest bill of $117 billion per year . . . compared to a bill of $53 billion per year just four years ago! That's an annual "fixed charge" on just staying open for business! It doesn't pave a single road . . . build a single school . . . or hire a single policeman . . . or fuel a single space shot. It's dead weight, and it's going to crush us.

We saw an America whose core "smokestack" industries are fighting for their lives while the country literally looks the other way and talk's about a bold economic future based in high-tech and services. We saw the most productive farmers in the world in trouble . . . serious trouble. So much trouble, that earlier this week an entire state legislature paid its way to come to Washington and plead for help . . . and were met by the Secretary of Agriculture.

We saw a proud company like Caterpillar—always considered one of the best-managed companies in the world—brought to its knees while it waited for an abnormal currency relationship, and a one-sided trade policy, to get straightened out. A company with a brand new, half-finished plant in Peoria that it will never move into . . . a plant that it (and the State of Illinois) now want to sell to me. A plant I can no longer afford, because I'm a victim of the same disease.

That's what we saw that night the President was telling the nation that "a great industrial nation is reborn." Let me show you as graphically as I can what we saw.

[Graphics omitted from RECORD.]

I like to start with this one because it pretty much covers my lifetime. It's our balance of trade in goods and services since 1930.

We barely slipped into the red in the thirties when the whole world was in a depression.

The last time we went below the line was in World War II. (And in those days, they were sinking our ships.)

Look at the toboggan ride we've been on since 1980. Last year we dove into a deficit again, and it looks like we're heading right to the bottom.

Well, that's the "Reagan Recovery" (everything to the right of that yellow line). It's been harder on us than world depression and world war.

And this is the real culprit—our trade deficit in goods.

We went from a $40 billion surplus to a $123 billion deficit in just four years. That's a swing of $163 billion.

And all the projections are for the nosedive to continue. We've got to re-do the chart because we're already going through the bottom.

This is where we're losing—and it's everywhere. It's not just cars, folks, it's all across the economy.

Look long and hard at this one, because it should be titled "The De-Industrialization of America." That's what you're seeing here.

Petroleum is still the biggest contributor, but at least it hasn't gotten much worse in four years. But every other industry is going in the dumper.

Cars and trucks—$29 billion more lost here (and that was with quotas on.)

Iron and steel—down $7 billion.

Textiles—down $9 billion.

And look at number four up there—Telecommunications. That's high tech, right? That's what's going to save us when old smokestack America goes under? Well, it's losing ground faster than the rest of us.

Now, I only have room for the top ten industries involved in trade. But look at the "other" category, that's all the smaller ones. They dropped by $83 billion.

So everybody gets a piece of the action.

You just saw who the losers are. Guess who the big winner is. You got it—Japan.

We had a $3 billion deficit with them in '80, and last year it was $37 billion.

I guess that speaks for itself.

This one shows imports penetration by industry. On the top are those industries in which imports have been restrained (the trade "managed"), and on the bottom the ones in which the door have been wide open.

The import market share of cars, trucks and steel has stabilized or gone down with the restraints. (We put those restraints on because we had hit our "threshold of pain" in those industries, by the way. And I'll talk more about that in a few minutes.)

But look what's happening to the other guys. Look at the high tech boys. In simiconductors, the share held by foreign companies went from 6 percent to 15 percent since 1980. Computers—from 3 percent to 13.

Paper, machine tools, lumber—all up substantially.

What does this tell you? Well, for one thing, it tells you who to expect to have coming down to see you, if they haven't already.

We were there a couple of years ago. Steel has been to see you. The farmers are there now. The machine tool guys have been in. The high tech people are on their way . . . and the lumbermen.

You better free up your calendars.

And this is the final slide. So far we've been talking about money. But this is the real measure of our trade deficit—jobs.

In 1980, 1.2 million Americans had jobs because of our trade surplus. In 1984, 3.7 million of them were on the street because of our trade deficit. (We've put over a million Japanese to work, though, and a couple of million other people around the world.)

In his State of the Union Address, the President said Americans are "hopeful, bighearted, idealistic, daring, decent, and fair."

Well, this chart shows how "hopeful, bighearted, and idealistic" we are—toward the Japanese and others.

But it also shows that we aren't very "daring, decent and fair"—to our own people.

Well, those charts tell the whole story, don't they? They show the "De-Industrialization" of America. And they show something else—they show America becoming a colony . . . again. You know the definition of a colony: A colony is a settlement which ships raw goods to a mother country, which then ships back finished products.

Earlier this year I was in Philadelphia for a big birthday party they have every year for Ben Franklin. I gave a speech in which I pointed out that America's largest exports to Japan were corn, soybeans and coal—all foodstuffs and raw materials. Then I said that Japan's top exports to us were cars, trucks and video recorders—all high-value manufactured goods.

I told them we're becoming a colony again. Just like we were in Ben Franklin's time. Except we've adopted a new "mother country" this time around. It's not England, it's Japan!

REKINDLE SPIRITS

President Reagan says we're about to have a "New American Revolution." Well, I want him to remember why we had the first one. It was because we didn't want to be a colony anymore. We threw the tea in the harbor, remember?

I told those people in Philadelphia that I was glad old Ben Franklin wasn't here to see what we're doing to his revolution.

I think we do need a new revolution. I think we need a new Declaration of Independence, too. And I think we need them fast.

Well, I've been talking about our new colonial status and about the deficits, until I'm hoarse. Nobody listens. They nod and look the other way. Maybe they don't give a damn. Or maybe they really believe we'll grow our way out of the problem, like it was acne or something.

Two and a half years ago, the President asked me into the oval office to talk about the deficit. I had a simple plan to cut it in half, and he liked it. ($60 billion was needed to cut it in half then—now it takes $100 billion or more.) I said, "Hey, slap a tax on gasoline at the pump . . . now. (15 cents per gallon, to be exact) Slap a tax on imported oil . . . now. Go to Cap the Knife and say, knife me out $15 billion or 5 percent . . . now. Go to Tip—sorry, Tip, it's equality of sacrifice time—and say give me a matching 5 percent or $15 billion in entitlements."

Do you know what they said to me, two and a half years ago? They said "Defense is not negotiable! Yes, the government is too fat and too inefficient and must be cut down; but not in defense! As soon as you get to the Pentagon, you're looking at a model of efficiency—a Swiss watch—and you'll have to trust us on that because it's classified and we can't talk about it!"

THAT SINKING FEELING

I said, "Hey, I can take 5 percent out of anything . . . try me." They said bug off. And what are they are saying two and a half years later? That defense is not negotiable.

And what happened to my gas tax idea? Nothing. "Wirthlin said that's a loser. We can't do that." To which I say, two and a half years later, why not? We don't have an energy policy . . . right? Gas has dropped in price like a rock . . . right? We thought we'd be at $2 a gallon by now . . . right?

We're still the only country with cheap gas because we barely tax it. Every penny at the pump gets you a billion dollars. And every dollar on a barrel of imported oil gets you two billion.

That's a three-for-one shot because you cut the budget deficit, the trade deficit, and you conserve energy.

Instead, they now want to roll back the fuel economy standard from 27.5 MPG to 26 MPG! What the hell kind of a signal to the people is that?

So they blew me out. They're still blowing me out. Man, they're consistent. But now, two and a half years later, let me tell you what really terrifies me. It's the thought of carrying the current budget deficit and the current trade deficit into a recession! And one's coming, boys and girls, and quicker than you think. Maybe just in time for the farmer's fall planting season!

NAIVE AMERICANS

What do you do, then? You can't raise taxes in a recession. (Hell, the President won't even touch them during prosperity!) You can't cut social costs in a recession. The defense money is committed. The car business will go to hell; the Japanese—quotas off—will get 50%, maybe 60%. There goes steel and aluminum and rubber and glass and computer chips. (By the way, for you high tech guys, the auto industry is the biggest customer for computers and semi-conductors after the military.) And then the banks and the airlines and a few thousand McDonald's drive-ins! Now, what do you do about the deficits, Mr. President? You can't grow your way out and you can't shrink your way out. You've got no options left . . . and we're dead!

I don't think anybody's doing this to us on purpose. I think it's a matter of ideology, and a matter of priorities. Their ideology is clear, and pure: Free trade and hands off the economy. Their priorities are clear: Take care of your friends and keep the pressure on Russia . . . whatever that takes.

I'm no communist, folks, but it's not Russia that's laying waste to my business, and to most of the rest of business in this country. It's Japan . . . our friend. While, by the way, we pay to defend him against our enemy!

And I'm not against ideological purity, either. Show me a guy with no ideals and I'll show you a hack and a prostitute. But if you're the only guy in the game who's trying to play it straight up—if you're the only guy without a plan to compete—you're gonna get your clock cleaned!

The President put it pretty well in his State of the Union Address, when—making his point about national security—he said, "We cannot play Innocents Abroad in a world that is not innocent." I say, "Eureka, Mr. President . . . you've found it! But turn around and apply it." Why are we the only people playing Innocents Abroad in a trade world that is not innocent? Tell me, please. Before the whole farm is gone.

Everybody knows that the deck is stacked and the yen-dollar is stacked. Even his own advisers know it, and admit it. But it doesn't seem to matter; I've been talking about the level playing field for years . . . and there's nobody on the other end of the line. While I've been talking, the field tilted some more: The yen is now at 260 to the dollar. It was 201 when I started yelling, and 230 last year. That makes a U.S. car $600 worse off than it was a year ago!

People like to point the finger for all our trade problems at American management and the American worker . . . although I note that most of the people doing the pointing are neither managers nor workers. But we're not all that bad. We know how to compete, and—as Americans—we know how to fight; it's our nature . . . in war or in commerce. So we roll up our sleeves, we get cracking, we improve our qualtiy by a ton and our productivity by 10-15% in a year . . . and the yen/dollar wipes it all out. Now, what do I tell the troops?

TRIAL AND ERROR

It's discouraging. And I've gotta tell you, I've tried everything I could think of. Last May I made a proposal to the League of Women Voters. I went to them because I'd given up on the administration and I thought: Maybe I can at least get a debate going. I said, "Hey, I'm tired of the bum rap. So I'll tell you what I'll do. I'll freeze prices on our small cars indefinitely . . . and I'll stop all further offshore sourcing indefinitely. Everybody wins: The consumer, the worker, the country. One caveat: The government comes to the party, too, and agrees to straighten out the playing field with Japan . . . or keep quotas in place until that's done. And the Union agrees to base its future wage demands on demonstrated quality and productivity improvements."

OK? They all stood up and applauded, and I thought: "Oh boy, I just hit the hot button."

I might as well have stayed in bed. Sure, Owen Bieber grunted and said he'd come to a meeting. But the administration said, "That's industrial policy. That's not our cup of tea." But you know what was worse? I never heard from Ford or General Motors, either! In fact, GM just said, "Take the quotas off and let us get on with our plan to bring in a million cars from the Far East. We'll build Cadillacs here."

But I was naive. We froze our small car prices anyway; GM didn't. Today, to keep our Belvidere and Newark and St. Louis plants running, I'm giving 8.8 percent financing and free automatic transmissions on all our small cars—which adds up to as much as a thousand dollar cut on some models—plus I'm giving a $500 certificate to every good American who bought an American-built car from Chrysler when we were in trouble.

CUT AND RUN

We call it "Thank you, America." But somebody else is saying, "He's screwing America." The FTC came out and said, again, (and on cue) that we've ripped off the American consumers by $1 billion a year during quotas, and the ITC says it was closer to $2 billion a year. It's crazy. Even the math is crazy. The Commerce Department says that an additional 1.1 million Japanese cars will pour in. Brock says 750,000. Then the FTC says lifting of quotas will cost only 4,600 jobs! And they have to be smoking something funny over there. You ought to look into the Jim Millers and the Paula Sterns of the world. Because our math says 1.1 million cars is 450,000 jobs, and 750,000 cars is 300,000 jobs.

Well, who cares if they can't even get the numbers right. You finally have to say to yourself, "Hey, what am I doing here? This isn't my job. I've got a business to run. Look at the facts, dummy. The facts are that they believe they're right . . . they won't compromise . . . and they set the rules! You'd better adapt."

So, I've got news for you. I'm adapting. I'm adapting because I know it's over when the fat lady sings . . . and I just heard the fat lady sing: 12 to nothing in the cabinet council vote on quotas. And don't worry about the math on jobs lost.

So I said to my guys, "Forget it." We fought the good fight. We took it all the way through the bottom of the ninth. But even Yogi Berra said, "It's over when it's over."

So we sat down with our people last week and we went through all our product plans and all our investment plans. I said: "Assume no quotas and a mild recession . . . assume the car industry is off 15 percent and there are four and a half million foreign nameplates per year in this market, most of them shipped here and a few of them built here. And then tell me what we can afford, without keelhauling the company all over again."

And we looked at the numbers . . . and we gulped . . . and we went through our plans, program by program and plant by plant. And we did what we had to do, as businessmen. That's what they pay us for.

And then I sent our guys down to Washington. I said "Tell the administration that we may not be able to read tea leaves, but we can sure as hell read 12 to zip. Tell 'em we fought the good fight against the deficits and against the tilted playing field . . . but when they vote 12-0—when we can't even get a hung jury—with a trade deficit in goods at $123 billion . . . we know it's over. And we play by the rules. So count us in with your pals at GM. Tell your other pals in Japan that we want 200,000 cars a year from our Japanese partner, Mitsubishi . . . starting now." Tell 'em Iacocca says he's entitled to his fair share of the deficit!"

And our people delivered the message. In fact, one of our guys got a little carried away and told Bill Brock that Iacocca was going to stop doing commercials because he

doesn't have any credibility selling Japanese cars.

It'd be funny, if it were't so sad: do you know what the administration people said to all that? They nodded . . . they were pleased we finally saw the light! The fat lady sang . . . for the second time.

So. Next week I'll meet with our Board (including Bieber) and I'll spell it all out for them. I've just given you the opening shot here today: Get the hell to the Far East and match General Motors . . . fast. I've got to take the Board through the details: What capacity we're not going to add in this country; what capacity we'll cut back, and where; what capacity we may mothball. Which product programs are cancelled . . . which are amended . . . which ones proceed full tilt.

EXPORTING JOBS

And then, assuming I've got Board approval, I'll tell the press . . . and the press can tell the world. In the meantime, the details are confidential: We've got to talk to our own people before they read it in the papers.

And then we'll go do it. Plan "B," we call it. And we'll survive: We know how to survive. We know how to live like cockroaches, because we've had to. And we're fighters.

But the sad thing is: We're not the only ones. A lot of others are going to say, "Okay, what's good for GM may not be what's good for America this time around . . . but it's apparently good for Chrysler . . . and it's probably what's good for us." And it'll add up. It's not just the Japanese plants that won't be built here, because quotas are gone. It's the American plants that will be closed here . . . and, worst of all, the American plants that will be built there. Along with the American supply base that will follow

Lord knows, I'm not happy about it. I didn't want to do it this way. I didn't want to surrender to a policy which lets the Japanese call all the shots. And that's what we have, now.

The theory, of course, is that the Japanese will show restraint because if they go too far, Congress will get mad and step in.

The message to the Japanese is: "The American people, led by their Congress, have a tolerance level and you better not overstep it."

So the administration is stepping out of the picture, and letting the Japanese test your mettle. And the Japanese, in their wisdom, are going to find out just what your threshold of pain is. They're going to send in all the cars they can, but stop just one short of hearing you say "enough."

They'll try for two-and-a-half million cars the first year. Then they'll ease up to 2.7, then 2.9. They'll see if they can go to 3.2 by '88, maybe 4.8 by '89. Who knows? Why are we letting them set the numbers and the policy? Why are we going to let them lead the United States Congress around by the nose?

Why are we letting the Japanese test our threshold of pain? What are we, masochists?

By the way, for you the threshold of pain comes when we cancel a plant in one of your districts. And a few of you are going to reach it very soon.

Don't expect any help from the administration, because they're all ideologically committed on inaction. They believe in the "invisible hand" that will reach down and right all wrongs. Well, it's become an iron fist, and it's pounding us into the ground.

Let's look at the facts.

We've got a $37 billion trade imbalance with Japan. Our doors are wide open and theirs are practically locked. Does anybody want to argue that Japan isn't protectionist?

Even under free trade rules (I think), if, you're a protectionist, the other guy gets to retaliate. Well, Japan is a protectionist. Why can't we retaliate?

The purists say, "No, if you shut them out, they'll do it to you." Well, they already are, aren't they? What more are they going to do to us?

Sure, they buy raw materials, because that creates labor. But they won't take finished goods, because that's our labor.

Potatoes, yes; potato chips, no, because that's labor.

Tomatoes, yes; tomato puree, no.

Oranges, yes; orange juice, no—don't squeeze the oranges because that's value added.

Don't worry about starting a trade war: We're already in one. When the other guy is shooting at you (taking your jobs) aren't you allowed to shoot back?

The Japanese have made it perfectly clear that they don't intend to open their markets. They aren't being devious about it. They've said it.

So, I don't blame the Japanese for what's happening. Hell, I admire them. They're smart enough to know they're in a trade war, and tough enough to win it.

It seems to me that when you're losing a war, you try for a truce before you get bled white. You use your strongest bargaining chip to freeze the situation before you lose everything.

Well, cars were our chip, and we just gave it away yesterday! We gave it away and got nothing in return. If this were defense instead of trade, they'd call it "unilateral disarmament!" Do you think the president is going to give his missiles away?

SMALL FAVORS

Which bring me, inevitably, to you. The loyal opposition: the majority party in the House of Representatives. The 'jobs' people! Where the hell do you stand? For your district first, and the country second . . . or the other way round?

I think you've missed a bet; I've got a theory about why the "Great Communicator" communicates so well. He appears to be talking to America, and for America. He's got the flag wrapped so tightly around him you can't get hold of a corner of it. You're tagged as the "special interest" people. It may not be a fair tag, but it's not entirely unfair. Let me give you an example.

GM recently announced a paper project called 'Saturn' . . . no details, just some huge investment numbers and a plant somewhere . . . and the whole country is pouring in to see Roger Smith, hat in hand. State by state. City by City. Governors, Mayors, Representatives and State Legislators are lining up outside the GM building like they were holding a fire sale.

A couple of states have put up billboards along the freeways in Detroit, I guess hoping Roger Smith will see them on the way to work.

Last Tuesday, seven governors went on the Phil Donahue show to pitch their states for Saturn and it looked like a studio game show. (The governor of Minnesota even got cut off by a Kleenex commercial.)

Well, let me tell you, ladies and gentlemen, you're fighting over the crumbs, Saturn is just a dropping from the table. You're fighting over one plant with a few thousand jobs. Meanwhile, millions of jobs are pouring out of the country.

Don't fight over whether the crumbs fall in Michigan or Illinois or Texas. Get together, and fight to keep the whole damn banquet in America—or at least the main course!

Right now, a lot of you are fighting each other! The hell with "free trade" and "fair trade" and "laissez-faire" and "let the best man win"! I want that new plant and those new jobs in my town and I'll fight with fire to get them.

Except nobody's fighting for the country! Isn't that your job? You're not in your state assembly; you're in the United States House of Representatives . . . right? You're the loyal opposition . . . right?

I think there's a hell of an opportunity for you right now, and let me tell you why.

Rightly or wrongly, the Republicans have generally been seen as the party of economic growth.

Fairly or unfairly, the Democrats have been painted as the party of economic redistribution.

I don't have to remind you which one of those images has been selling the best lately.

But now things are all twisted around. Republican policies have been redistributing America's wealth—and not among Americans, but among everybody else in the world.

I believe they're losing their grip on the growth issue, and it's yours to grab.

Now, I'm not a politician, but when I see every major industry in the country getting knocked out of the box . . . when I see the farmers twisting in the wind . . . when I see kids in Detroit dropping out of school in the 10th grade because they know there are no jobs waiting . . . when I see all that, I also see a strong, new political coalition bubbling up out there.

DROPPING THE BALL

We aren't talking about narrow issues here like taxes, or defense, or abortion. We're talking about where America goes from here.

We're talking about what kind of country America is going to be, and what kind of people we're going to be.

Are we going to hook and job and compete? Or are we going to put our heads in the sand?

Are we just going to be "hopeful, bighearted and idealistic?" (Like the President says.)

Or are we going to protect what we've built . . . maybe build on it some more . . . and give our kids something more to look forward to than fighting over the crumbs?

I thinks it's a pretty basic tune, and I know it plays. I've sung it on the Philadelphia Mainline, to blue collar people, and to ethnic groups, and it plays.

It plays to the three-piece-suit guys in New York, and even to all those people in California driving around in their Toyotas and BMW's.

It plays to young people worried about their future, and to old people worried about what kind of a country they've leaving their kids.

It plays everywhere, and I'll tell you why, It's because Americans don't like to be losers. And when you lay it out for them that bluntly, they respond.

I know there's a coalition out there, because people keep telling me about it and telling me (and that includes some people in this room) that I've got to hang in there. I get 500 letters a day to confirm this, following the chapter in my book. Hell, my own Board told me that at that dinner discussion

last month! They said, "Don't you quit. You've got to keep fighting."

Well, let me repeat it for you. It's not my job. It's your job, and it's your opportunity. It's your issue . . . to seize on and to lead. I'll help; I'll join in; I'll line up some business support; I'll keep making speeches.

I've been carrying this fight already for a couple of years, but I've had to ask myself, "What the hell am I doing running around screaming about things like jobs and quotas?" I'm a businessman. I've even got a partner in Japan. I'm practically a traitor to my class.

Hey, this isn't my fight, it's yours.

You're the "jobs party," right? Well, three and a half million of them have been "free-traded" right out the window. Where are you?

Where's the purity of your ideology? I know about the administration. Whatever you can say about them, they're certainly true to their colors. These guys are just about as ideologically pure as anybody can be. They're all going to sit in heaven with the virgins, believe me.

We know where to get idealism. What we need is some pragmatism. And I guess you people are the last hope for it.

Maybe, like the New York Times says, you are the "Chrysler Corporation of American politics" right now. Well, take it from the guy who was there, you've got nowhere to go but up.

One reason Chrysler got in trouble was because it thought it would "grow" out of its problems as the economy got better. But the economy didn't get better. So we had to act.

We had to set some tough priorities. We had to make some damn painful sacrifices. We had to get single-minded about survival.

We also had to get everybody pulling together—and that's not too hard once they understand that if they don't, they're dead.

But most of all, we had to communicate. We had to convince practically the whole country that we were going to make it.

LOSERS WE ARE NOT

The headlines were saying we couldn't survive, but we went to the American people and said, "Give us a chance." I think we stood for something. We must have touched them somehow, because we're back, stronger than ever.

So let the Times call you anything they want. But if you pull together, and you go to the American people and communicate, and they see that you stand for something, then your stock will come back up, too.

And what's the message? What do you stand for?

How about standing up and saying that you have a vision for America, too. But it does not include leaving our trade doors wide open when the other guy's are closed.

Or giving our jobs away, or becoming a colony again, or burying our kids under a dungheap of public debt.

Instead, talk about a vision of an America that is "daring, decent, and fair"—but toward Americans!

Good luck to all of you. And thanks for having me.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KOLBE) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 60 minutes, today.

Mr. HUNTER, for 60 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. MCCOLLUM, for 60 minutes, today.

Mr. COLEMAN of Missouri, for 60 minutes, today.

Mr. HAMMERSCHMIDT, for 10 minutes, today.

Mr. ROWLAND of Connecticut, for 30 minutes, today.

Mr. DIOGUARDI, for 5 minutes, today.

(The following Members (at the request of Mrs. BOGGS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. KASTENMEIER, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mrs. BOGGS, for 5 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. MILLER of California, for 10 minutes, today.

Mr. JONES of Oklahoma, for 5 minutes, today.

Mr. RAY, for 30 minutes, today.

(The following Members (at the request of Mr. COLEMAN of Missouri) to revise and extend their remarks and include extraneous matter:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. BROOKS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DINGELL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,802.50.

(The following Members (at the request of Mr. KOLBE) and to include extraneous matter:)

Mr. EMERSON in six instances.

Mr. BROWN of Colorado in two instances.

Mr. KOLBE.

Mr. HANSEN.

Mr. EDWARDS of Oklahoma.

Mr. PORTER.

Mr. ROTH.

Mr. LIVINGSTON.

Mr. HUNTER.

Mr. COUGHLIN.

(The following Members (at the request of Mrs. BOGGS) and to include extraneous matter:)

Mr. BRYANT.

Mr. LELAND in two instances.

Mr. BEDELL.

Mr. HEFTEL of Hawaii.

Mr. FORD of Michigan in two instances.

Mr. MOODY.

Mr. YATRON.

Mr. HOWARD.

Mr. MANTON.

Mr. WIRTH.

Mr. PICKLE in two instances.

Mrs. SCHROEDER.

Mr. BORSKI.

Mr. FUQUA.

Mr. ROSE.

Mr. HUBBARD in two instances.

Mr. LIPINSKI.

Mr. LANTOS.

Mr. SOLARZ.

Mr. FASCELL.

Mr. SCHUMER.

Mr. ORTIZ in two instances.

Mr. BARNES.

Mr. STARK in three instances.

Mr. CONYERS.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 96. Joint resolution condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State; referred to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ;

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission; and

H.R. 1866. An act to phase out the Federal supplemental compensation program.

ADJOURNMENT TO MONDAY, APRIL 15, 1985

Mr. COLEMAN of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 38 of the 99th Congress, the House stands adjourned until 12 o'clock meridian, Monday, April 15, 1985.

Thereupon (at 3 o'clock and 5 minutes p.m.), pursuant to Senate Concurrent Resolution 38, the House adjourned until Monday, April 15, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

971. A letter from the Chairman, National Credit Union Administration, transmitting the 1984 annual report of the Administration, pursuant to the act of June 26, 1934, chapter 750, section 102(d) (92 Stat. 3680); to the Committee on Banking, Finance and Urban Affairs.

972. A letter from the Secretary of Education, transmitting final regulations in connection with administration of final funding priorities for research in education of the handicapped, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

973. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Carl D. Perkins Vocational Education Act in order to clarify certain of its provisions and improve the operation of the programs authorized by that act; to the Committee on Education and Labor.

974. A letter from the Secretary of Energy, transmitting notice of the delay of the national energy policy plan, pursuant to 42 U.S.C. 7321 (b), (c); to the Committee on Energy and Commerce.

975. A letter from the Secretary of Transportation, transmitting the annual report on railroad financial assistance; to the Committee on Energy and Commerce.

976. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Canada, pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

977. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Charles A. Gillespie, Jr. of California, to Ambassador of the United States to the Republic of Colombia, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

978. A letter from the Associate Director, Bureau of Educational and Cultural Affairs, U.S. Information Agency, transmitting a proposed waiver of limitation on foreign travel by the former Members of Congress relative to their Salzburg Seminars, pursuant to 22 U.S.C. 2460 nt. (Public Law 98-164, section 207(a) (fiscal year 1984-85)); to the Committee on Foreign Affairs.

979. A letter from the President, Overseas Private Investment Corporation, transmitting a draft of proposed legislation to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Affairs.

980. A letter from the National President, the Girl Scouts of the U.S.A., transmitting the 35th annual report of activities, pursuant to the act of March 16, 1950, chapter 62, section 7 (H. Doc. No. 99-50); to the Committee on the Judiciary and ordered to be printed.

981. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, transmitting a report entitled: "North Pacific Fur Seals: Current Problems and Opportunities Concerning Conservation and Management"; to the Committee on Merchant Marine and Fisheries.

982. A letter from the Assistant Secretary for Civil Rights, Department of Education, transmitting a report on compliance and enforcement activities, pursuant to Public Law 96-88, section 203(b)(1); jointly, to the Committees on Education and Labor and the Judiciary.

983. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the transfer of property under the Panama Canal Treaty of 1977, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. House Resolution 72. Resolution to reaffirm the House's commitment to the Job Corps Program, with amendments (Rept. No. 99-38). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of North Carolina (for himself, Mr. UDALL, Mr. LENT, Mr. YOUNG of Alaska, Mr. BREAUX, Mr. HUBBARD, Mr. SHUMWAY, Mr. FIELDS, Mr. HUGHES, Ms. MIKULSKI, and Mr. LOWRY of Washington):

H.R. 1983. A bill to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. ASPIN:

H.R. 1984. A bill to limit the amount that the Department of Defense may obligate during fiscal year 1986 for military basic pay and payments for currently accruing military retirement benefits, and for other purposes; to the Committee on Armed Services.

By Mrs. BOGGS (for herself, Mr. ADDABBO, Mr. BARNES, Mr. BEDELL, Mr. BEILENSON, Mrs. BOXER, Mrs. COLLINS, Mr. CROCKETT, Mr. DANIEL, Mr. DASCHLE, Mr. DERRICK, Mr. DWYER of New Jersey, Mr. DYSON, Mr. FISH, Mr. FLORIO, Mr. FOGLIETTA, Mr. FRANK, Mr. HOYER, Mr. HYDE, Mr. JACOBS, Mr. JEFFORDS, Ms. KAPTUR, Mrs. KENNELLY, Mr. LAFALCE, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LOWRY of Washington, Mr. MCCOLLUM, Mr. MANTON, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MURPHY, Mr. OBERSTAR, Mr. ORTIZ, Mr. QUILLEN, Mr. RANGEL, Mr. RICHARDSON, Mr. RINALDO, Mr. ROSE, Mr. SKELTON, Mr. SMITH of Florida, Mr. SOLOMON, Mr. SWIFT, Mr. WAXMAN, Mr. WEISS, Mr. WHITEHURST, Mr. WIRTH, Mr. PURSELL, Mr. LUKEN, Ms. OAKAR, Mrs. BURTON of California, Mr. MINETA, Mr. GREEN, Ms. SNOWE, Mrs. SCHNEIDER, Mr. ROE, Mr. FAZIO, Mr. MAVROULES, Mr. FROST, Mr. GRAY of Pennsylvania, Mr. GUARINI, Mr. NEAL, Mr. MILLER of California, Mr. STOKES, Mr. CLAY, Mr. BREAUX, Mr. HOWARD, Mr. SMITH of New Jersey, Mr. WALGREN, Mr. TAUZIN, Mr. BROWN of California, and Mr. FORD of Tennessee):

H.R. 1985. A bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CONYERS:

H.R. 1986. A bill to prohibit any Federal contract from being awarded to any person with investments in South Africa, until the Government of South Africa makes substantial progress toward an end to discrimination based on race or ethnic origin; jointly, to the Committees on Government Operations and Foreign Affairs.

By Mr. BIAGGI (for himself and Mr. RANGEL):

H.R. 1987. A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers and firefighters; to the Committee on Ways and Means.

By Mr. BONKER (for himself and Mr. ROTH (by request):

H.R. 1988. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Affairs.

By Mr. DORGAN of North Dakota (for himself and Mr. DASCHLE):

H.R. 1989. A bill entitled: "The Mandatory Fish Inspection Act of 1985"; jointly, to the Committees on Merchant Marine and Fisheries and Agriculture.

By Mr. DOWDY of Mississippi:

H.R. 1990. A bill to amend titles XVIII and XIX of the Social Security Act concerning the definition of the term "physician"; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DOWNEY of New York (for himself and Mr. GRADISON):

H.R. 1991. A bill to eliminate import quotas on sugar; to the Committee on Ways and Means.

H.R. 1992. A bill to eliminate import quotas on sugar and to make amendments to section 22 of the Agricultural Adjustment Act of 1933 and section 201 of the Agricultural Act of 1949; jointly, to the Committees on Ways and Means and Agriculture.

By Mr. EDWARDS of Oklahoma:

H.R. 1993. A bill to authorize Federal agencies to accept volunteer service of individuals and nonprofit organizations to carry out certain activities of such agencies; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Iowa:

H.R. 1994. A bill to amend the Internal Revenue Code of 1954 to clarify the conditions under which scholarship and fellowship grants will be excluded from gross income; to the Committee on Ways and Means.

By Mr. FEIGHAN:

H.R. 1995. A bill to amend the Railroad Retirement Act of 1974 to permit retirement, without certain deductions in annuity amount, by certain persons who have not attained the age of 62 years but were involuntarily separated from their last railroad employment; to the Committee on Energy and Commerce.

By Mr. FISH:

H.R. 1996. A bill entitled: "The International Organization Staffs' Children Survivors, and Retirees Act of 1985"; to the Committee on the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. HAWKINS, Mr. SKELTON, Mr.

COLEMAN of Missouri, Mr. OWENS, and Mr. BIAGGI):

H.R. 1997. A bill to make certain technical and conforming amendments to the Library Service and Construction Act, and for other purposes; to the Committee on Education and Labor.

By Mr. FRANK:

H.R. 1998. A bill to provide that section 402(a)(31) of the Social Security Act, which requires that certain income of a stepparent living with a dependent child be taken into account in determining such child's need under the Aid to Families with Dependent Children Program, shall not apply in any case where the stepparent was already living with the child at the time such section became effective; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 1999. A bill to define U.S. policy toward the Republic of South Africa, to provide incentives to the Government of the Republic of South Africa to eliminate apartheid, and for other purposes; jointly, to the Committees on Government Operations and Foreign Affairs.

By Mr. DE LA GARZA:

H.R. 2000. A bill to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture.

By Mr. HEFTEL of Hawaii (for himself, Mr. DOWNEY of New York, Mr. FOWLER, Mr. MATSUI, Mr. GREGG, Mrs. SCHNEIDER, Mr. FAZIO, Mr. WOLPE, Mr. HALL of Ohio, Mrs. BURTON of California, Mr. MARKEY, Mr. HORTON, Mr. CONTE, Mr. JEFFORDS, Mr. MAVROULES, Mr. RALPH M. HALL, Mr. LUJAN, Mr. QUILLEN, Mrs. BOXER, Mr. FAUNTROY, Mr. DELLUMS, Mr. SEIBERLING, Mr. MOAKLEY, Mr. AKAKA, Mr. FISH, Mr. LEHMAN of Florida, Mr. UDALL, Mr. WALGREN, Mr. CONYERS, Mr. DASCHLE, Mr. BROWN of California, Mr. DURBIN, Mr. BEDELL, Mr. ANDERSON, Mr. VENTO, Mr. MINETA, Mr. SOLARZ, Mr. EDWARDS of California, Mr. KASTENMEIER, Mr. YATRON, Mr. FUQUA, Mrs. LLOYD, Mr. BRYANT, Mr. LELAND, Mr. DYMALLY, Mr. PANETTA, Mr. EDGAR, Mr. STANGELAND, Mr. WYDEN, and Mr. NEAL):

H.R. 2001. A bill to amend the Internal Revenue Code of 1954 to extend and phase out the energy tax credit for investments in certain classes of conservation and renewable energy property, and for other purposes; to the Committee on Ways and Means.

By Mr. HENDON:

H.R. 2002. A bill to designate certain lands in the Great Smoky Mountains National Park as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOWARD:

H.R. 2003. A bill to improve the administration and enforcement of the Magnuson Fishery and Conservation Management Act; to the Committee on Merchant Marine and Fisheries.

By Mr. JONES of North Carolina (for himself, Mr. BIAGGI, Mr. LENT, and Mr. SNYDER):

H.R. 2004. A bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to furnish flags to drape the caskets of certain persons who served as merchant seamen, and to provide for recognition on National Defense Transportation Day of persons who serve aboard seagoing merchant vessels of the United States during any period of war; jointly, to the Committees on Veterans' Affairs and Post Office and Civil Service.

By Mr. JONES of Oklahoma:

H.R. 2005. A bill to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes; to the Committee on Ways and Means.

By Ms. KAPTUR:

H.R. 2006. A bill to impose quotas on Japanese-made motor vehicles until U.S. producers are given equitable and fair access to Japanese markets; to the Committee on Ways and Means.

By Mr. KASICH:

H.R. 2007. A bill to amend title 10, United States Code, to limit progress payments under defense contracts; to the Committee on Armed Services.

By Mr. KASTENMEIER:

H.R. 2008. A bill to amend the Legal Services Corporation Act to authorize appropriations for additional fiscal years; to the Committee on the Judiciary.

By Mr. LUKEN (for himself and Mr. WYDEN):

H.R. 2009. A bill to amend the Solid Waste Disposal Act to clarify the jurisdiction of the Environmental Protection Agency over the regulations of solid waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities; to the Committee on Energy and Commerce.

By Mr. MICA:

H.R. 2010. A bill to amend title XVIII of the Social Security Act with respect to effective dates of enrollments and disenrollments of Medicare beneficiaries in health maintenance organizations and competitive medical plans; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. OAKAR:

H.R. 2011. A bill to require federally insured depository institutions to offer access accounts which provide minimum banking services to low-income consumers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ORTIZ (for himself and Mr. DE LA GARZA):

H.R. 2012. A bill to make certain provisions of the Lacey Act Amendments of 1981 inapplicable to the harvesting of, and other actions taken with respect to, foreign shrimp; to the Committee on Merchant Marine and Fisheries.

By Mr. RANGEL (for himself and Mr. GILMAN):

H.R. 2013. A bill to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnaping a Federal drug law enforcement agent; to the Committee on the Judiciary.

H.R. 2014. A bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation; to the Committee on the Judiciary.

By Mr. REGULA (for himself and Mr. RITTER):

H.R. 2015. A bill to authorize the President to impose a tariff surcharge on the products of certain countries in order to offset the expense of providing U.S. defense assistance to such countries; to the Committee on Ways and Means.

By Mr. REGULA (for himself, Mr. BLILEY, Mr. DAUB, Mr. DEWINE, Mr. FISH, Mr. HUTTO, Mr. LAGOMARSINO, Mr. MCGRATH, Mr. RINALDO, Mr. SMITH of New Jersey, and Mr. WEBER):

H.R. 2016. A bill to require certain youth-oriented organizations to make adequate inquiry to ensure that no individual, who has a prior conviction for a sexual offense of which the victim was a child, shall be hired by the organization, and to establish a system for responding to such inquiries; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. ROSE:

H.R. 2017. A bill to amend the Agricultural Act of 1949 to provide loan rates for crop years 1986 through 1990 for producers of wheat, feed grains, cotton, and rice, and for other purposes; to the Committee on Agriculture.

By Mrs. SCHNEIDER (for herself, Mr. WYDEN, Mr. LENT, Mr. STANGELAND, Mr. HEFTEL of Hawaii, Mr. BROWN of California, Mr. NIELSON of Utah, Mr. WALGREN, Mr. QUILLEN, Mr. WHEAT, Mr. SPRATT, Mr. RINALDO, Mr. BEILENSON, Mr. WIRTH, Mr. SYNAR, Mr. BEDELL, Mr. BOEHLERT, Mrs. BOXER, Mr. DIOGUARDI, Mr. DURBIN, Mr. FAUNTROY, Mr. FISH, Mr. GEJDENSON, Mr. HENRY, Mr. HUNTER, Mr. HORTON, Mr. HUGHES, Ms. KAPTUR, Mr. LAFALCE, Mr. LEACH of Iowa, Mr. LEVINE of California, Mr. LUNDINE, Mr. JEFFORDS, Mr. MORRISON of Connecticut, Mr. PETRI, Mr. PORTER, Mr. SENSENBRENNER, Ms. SNOWE, Mr. WEBER, Mr. WEISS, Mr. WORTLEY, Mr. DWYER of New Jersey, Mr. BERMAN, Mr. CONYERS, Mr. MARTINEZ, Mr. STOKES, Mr. SABO, Mr. MCCURDY, Mr. WALKER, and Mrs. JOHNSON):

H.R. 2018. A bill to amend the Internal Revenue Code of 1954 to establish a tax on the disposal of hazardous waste; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 2019. A bill to amend title 5, United States Code, to provide certain benefits for Government employees and similarly situated individuals who are captured, kidnaped, or otherwise deprived of their liberty as a result of hostile action directed against the United States and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 2020. A bill to require that employees be allowed parental leave in cases involving the birth, adoption, or serious illness of a child and temporary disability leave in cases involving inability to work due to nonoccupational medical reasons, with adequate protection of the employees' employment and benefit rights; and to authorize a study to determine ways of providing salary replacement for employees who take parental and disability leaves; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

By Mr. SCHUMER (for himself, Mr. MCKINNEY, Mr. OWENS, Mr. TOWNS, Mr. ADDABBO, Mr. LELAND, Mr. MITCHELL, Mr. MORRISON of Connecticut, and Mr. HAWKINS):

H.R. 2021. A bill to authorize the Secretary of Housing and Urban Development to provide assistance for the construction and substantial rehabilitation of single-family homes, and for other purposes; to the Com-

mittee on Banking, Finance and Urban Affairs.

By Mr. SIKORSKI (for himself, Mr. WIRTH, Mr. EDWARDS of California, Mr. MINETA, Ms. MIKULSKI, Mr. MARKEY, Mr. SEIBERLING, Mr. WAXMAN, Mr. DOWNEY of New York, and Mr. EDGAR):

H.R. 2022. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Mr. TORRICELLI:

H.R. 2023. A bill to amend the Internal Revenue Code of 1954 to impose an alternative minimun tax on corporations and to expand the items of tax preference for corporations; to the Committee on Ways and Means.

By Mr. TORRICELLI (for himself, Mr. ACKERMAN, Mr. ADDABBO, Mr. BARNES, Mr. BEILENSON, Mr. BERMAN, Mr. CONYERS, Mr. GREEN, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MITCHELL, Mr. MORRISON of Connecticut, Mr. OWENS, Mr. RODINO, Mr. SEIBERLING, Mr. STOKES, Mr. TOWNS, Mr. LEVINE of California, Mrs. BOXER, and Mr. WEISS):

H.R. 2024. A bill to penalize the possession of certain firearms which are in effect machineguns, and for other purposes; to the Committee on the Judiciary.

By Mr. UDALL (for himself, Mr. BEREUTER, Mr. BROWN of California, Mr. CHAPPIE, Mr. COELHO, Mr. DASCHLE, Mr. FAZIO, Mr. LEHMAN of California, Mr. LEWIS of California, Mr. MORRISON of Washington, Mr. PACKARD, and Mrs. VUCANOVICH):

H.R. 2025. A bill to amend the Small Reclamation Project Act of 1956; to the Committee on Interior and Insular Affairs.

By Mr. WAXMAN (for himself, Mr. SCHEUER, Mr. WALGREN, Mr. WYDEN, Mr. SIKORSKI, Mr. WIRTH, Mr. FLORIO, Mr. LUKEN, Ms. MIKULSKI, Mr. LELAND, Mrs. COLLINS, and Mr. RICHARDSON):

H.R. 2026. A bill to amend the Public Health Service Act to extend the programs of assistance for nurse education; to the Committee on Energy and Commerce.

By Mr. FOWLER (for himself, Mr. BARNARD, Mr. GINGRICH, Mr. JENKINS, Mr. ROWLAND of Georgia, Mr. HATCHER, MR. DARDEN, Mr. RAY, and Mr. THOMAS of Georgia):

H.J. Res. 233. Joint resolution to designate June 30, 1986, as "National Margaret Mitchell Day"; to the Committee on Post Office and Civil Service.

By Mr. HALL of Ohio (for himself, Mr. LELAND, Mr. FRANK, Mr. EVANS of Iowa, Mr. MOAKLEY, Mr. FEIGHAN, Mr. SABO, Mr. COATS, Mr. KINDNESS, Mr. STENHOLM, Mr. CARPER, Mr. CLAY, Mr. DORGAN of North Dakota, Mr. TRAXLER, Mrs. BURTON of California, Mr. FAZIO, Mr. GILMAN, Mr. MORRISON of Washington, Mr. DELLUMS, Mr. BERMAN, and Mr. ACKERMAN):

H.J. Res. 234. Joint resolution designating the week of May 18, 1985, through May 24, 1985, as "National Food Bank Week"; to the Committee on Post Office and Civil Service.

By Mr. HUNTER (for himself and Mr. HUTTO):

H.J. Res. 235. Joint resolution to direct the Postmaster General to issue a commemorative stamp to honor the 40th anniversary of the Blue Angels; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 236. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on Post Office and Civil Service.

By Mr. PEPPER (for himself, Mr. JONES of North Carolina, Mr. LENT, Mr. SHUMWAY, Mr. YOUNG of Alaska, Mr. BREAUX, and Mr. LOWRY of Washington):

H.J. Res. 237. Joint resolution to designate the week beginning on April 21, 1985, as "National Ocean and Underwater Exploration Week"; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 238. Joint resolution entitled: "Special Trade Management Act of 1985"; to the Committee on Ways and Means.

By Mr. FOLEY (for himself and Mr. DURBIN):

H. Con. Res. 114. Concurrent resolution to express the sense of the Congress that the President should submit to the Congress recommendations concerning the report of the President's Private Sector Survey on Cost Control (known as the Grace Commission); to the Committee on Government Operations.

By Mr. MARTIN of New York (for himself, Mr. BADHAM, Mr. CARNEY, Mr. SOLOMON, Mr. STANGELAND, Mr. MYERS of Indiana, Mr. HUTTO, Mr. STRATTON, Mr. WHITEHURST, Mr. HARTNETT, Mr. DANIEL, Mr. HUNTER, and Mr. MONTGOMERY):

H. Con. Res. 115. Concurrent resolution expressing the continued support of Congress for peacetime selective service registration; to the Committee on Armed Services.

By Mr. KOLBE (for himself, Mr. UDALL, Mr. MONSON, Mr. MCCAIN, Mr. RICHARDSON, Mr. RUDD, Mrs. VUCANOVICH, Mr. STUMP, and Mr. BOULTER):

H. Res. 126. Resolution relating to abolition of the Compensatory Financing Facility; to the Committee on Banking, Finance and Urban Affairs.

MEMORIALS

Under clause 4 or rule XXII, memorials were presented and referred as follows:

62. By the SPEAKER: Memorial of the Legislature of the State of Hawaii, relative to sugar price supports; to the Committee on Agriculture.

63. Also, memorial of the Senate of the State of Georgia, relative to Medicaid expenditures; to the Committee on Energy and Commerce.

64. Also, memorial of the House of Representatives of the State of Pennsylvania, relative to revenue sharing; to the Committee on Government Operations.

65. Also, memorial of the Senate of the State of New Mexico, relative to a National Indian Aging Policy; to the Committee on Interior and Insular Affairs.

66. Also, memorial of the Legislature of the State of Utah, relative to taxes; to the Committee on the Judiciary.

67. Also, memorial of the Legislature of the State of Nevada, relative to the Nevada test site; to the Committee on Science and Technology.

68. Also, memorial of the Legislature of the State of Massachusetts, relative to the Small Business Administration; to the Committee on Small Business.

69. Also, memorial of the Senate of the State of Georgia, relative to hazardous materials; jointly, to the Committee on Energy and Commerce, Public Works and Transportation, and Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DOWDY of Mississippi introduced a bill (H.R. 2027) for the relief of Robert and Earnestine Poindexter; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. WIRTH, Mr. GILMAN, Mr. WYLIE, and Mr. BATES.

H.R. 83: Mr. WALKER and Mr. LOEFFLER.

H.R. 85: Mr. BILIRAKIS.

H.R. 232: Mr. STUDDS, Ms. OAKAR, Mr. KOLTER, Mr. ECKART of Ohio, Mr. CROCKETT, and Mr. HAYES.

H.R. 242: Mr. THOMAS of Georgia.

H.R. 444: Mr. LOWRY of Washington.

H.R. 508: Ms. OAKAR.

H.R. 512: Mr. WYLIE and Mr. KILDEE.

H.R. 521: Mr. ECKART of Ohio.

H.R. 537: Mr. WIRTH.

H.R. 604: Mr. STENHOLM, Mr. RITTER, Mr. MORRISON of Washington, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. HUTTO, Mr. SILJANDER, Mr. DEWINE, Mr. CHAPPELL, and Mr. PEPPER.

H.R. 622: Mr. MCKINNEY and Mr. WALGREN.

H.R. 661: Mr. OWENS.

H.R. 667: Mr. LANTOS and Mr. DWYER of New Jersey.

H.R. 693: Mr. BARTLETT and Mr. MARLENEE.

H.R. 746: Mr. BONIOR of Michigan, Mr. ALEXANDER, Mr. TOWNS, Mr. MARTINEZ, Ms. KAPTUR, Mr. SUNIA, Mr. LELAND, Mr. CROCKETT, Mr. OLIN, Mr. OWENS, Mr. WHEAT, Mr. ADDABBO, Mr. GARCIA, Mr. BEDELL, Mr. PEPPER, Mr. MATSUI, and Mr. GONZALEZ.

H.R. 864: Mr. BARNARD, Mr. FLORIO, Mr. GLICKMAN, Mr. MOAKLEY, Mr. MURPHY, Mr. ST GERMAIN, Mr. SLATTERY, and Mr. TORRES.

H.R. 888: Mr. WEISS and Mr. FORD of Tennessee.

H.R. 930: Mr. SUNIA.

H.R. 932: Mr. KEMP and Mr. DICKS.

H.R. 961: Mr. STUDDS, Mr. ROYBAL, Ms. KAPTUR, Mr. LELAND, Mr. ADDABBO, Mr. SMITH of Florida, Mr. GARCIA, Mr. FAZIO, Mr. WEISS, Mr. BONIOR of Michigan, Mr. MRAZEK, Mr. RANGEL, Mr. STOKES, Mrs. COLLINS, Mr. DELLUMS, Mr. PEPPER, Mr. SABO, Mr. MATSUI, Mr. MARTINEZ, Mr. MITCHELL, Mr. REID, Mr. CROCKETT, Mr. LIPINSKI, Mr. WHEAT, and Mr. GONZALEZ.

H.R. 976: Mr. SAM B. HALL, JR.

H.R. 1017: Mr. ADDABBO and Mr. MURPHY.

H.R. 1123: Mr. AKAKA, Mr. BLILEY Mr. BONIOR of Michigan, Mr. CHAPPELL, Mr. FOLEY, Mr. FRANK, Mr. GLICKMAN, Mr. GROTBERG, Mr. HALL of Ohio, Mr. LOWRY of Washington, Mr. MORRISON of Connecticut, Mr. PANETTA, Mr. REID, Mr. SISISKY, Mr. SOLARZ, Mr. WILSON, Mr. SENSENBRENNER, Mr. BATEMAN, and Mr. STARK.

H.R. 1138: Mr. SHUMWAY.

H.R. 1146: Mr. ACKERMAN.

H.R. 1154: Mr. LANTOS, Mr. MILLER of California, Mr. MITCHELL, Mr. STOKES, Mrs.

BOXER, Mr. BERMAN, Mr. BRYANT, Mr. FRANK, Mr. BEDELL, Mr. WILLIAMS, Mr. VENTO, Mr. MARTINEZ, Mr. STUDDS, Mr. MORRISON of Connecticut, and Mr. KOLTER.

H.R. 1158: Mr. MITCHELL, Mr. RANGEL, Mr. PEPPER, Mr. WHITEHURST, Mr. CROCKETT, Mr. FUSTER, Mrs. BOXER, Mr. MARTINEZ, Mr. GONZALEZ, Mr. SMITH of Florida, Mr. OWENS, Mr. CHANDLER, Mr. SAVAGE, and Mr. REID.

H.R. 1159: Mr. GEKAS.

H.R. 1179: Mrs. BOXER, Mr. LOWERY of California, Mr. OWENS, Mr. LANTOS, Mr. TORRES, Mr. FAZIO, Mr. WHITEHURST, Mr. LOWRY of Washington, Mr. BLAZ, Mrs. BURTON of California, Mr. ROE, and Mr. VENTO.

H.R. 1207: Mr. RICHARDSON, Mr. DYSON, Mr. EVANS of Illinois, Mr. SYNAR, Mr. WILSON, Mr. BERMAN, Mr. WILLIAMS, Mr. CARR, Mr. MILLER of California, and Mr. VENTO.

H.R. 1267: Mr. COBEY, Mr. SMITH of Florida, and Mr. YOUNG of Florida.

H.R. 1272: Mr. FROST, Mr. NELSON of Florida, and Mr. ASPIN.

H.R. 1287: Mr. FAUNTROY, Mr. OWENS, Mr. CONYERS, Mr. TOWNS, Mr. ROSE, Mr. HAYES, Mr. MILLER of California, Mr. STARK, Mr. LEVINE of California, Mr. WILLIAMS, Ms. KAPTUR, Mr. SMITH of Florida, Mr. VENTO, and Mrs. BOXER.

H.R. 1302: Mr. RICHARDSON, Mr. CONYERS, Mr. TORRES, Mr. KOLTER, Mr. BERMAN, Mr. SAVAGE, Mr. KILDEE, Mr. WEISS, and Mr. LOWRY of Washington.

H.R. 1307: Mr. HARTNETT and Mr. DIOGUARDI.

H.R. 1398: Mr. LELAND, Mrs. BURTON of California, and Ms. KAPTUR.

H.R. 1408: Mr. JEFFORDS, Mr. HEFNER, Mr. BONER of Tennessee, and Mr. RICHARDSON.

H.R. 1435: Mr. KOLTER, Mr. BADHAM, Mr. BILIRAKIS, and Ms. OAKAR.

H.R. 1462: Mr. RANGEL, Mr. FAUNTROY, Mr. ROE, Mr. JEFFORDS, Mr. CROCKETT, Mr. DELLUMS, Mr. HAYES, Mr. OWENS, Mr. MORRISON of Connecticut, Mr. LEVINE of California, and Mr. REID.

H.R. 1510: Mr. MARLENEE, and Mr. STRANG.

H.R. 1511: Mr. SCHEUER, Mr. MARTINEZ, Mr. SENSENBRENNER, Mr. BILIRAKIS, Mr. KOLTER, Mr. DAUB, Mr. MURPHY, Mr. EVANS of Illinois, Mr. LOWERY of California, Mr. LAGOMARSINO, Mr. FRANK, Mr. DUNCAN, Mr. GARCIA, Mr. WEBER, Mr. ROE, Mr. SMITH of Florida, Mr. BLAZ, and Mr. ADDABBO.

H.R. 1526: Mr. STOKES, Mr. FRANK, Mrs. COLLINS, Mr. RANGEL, Mr. CONYERS, Mrs. JOHNSON, Mr. EDWARDS of California, Mrs. BOXER, and Mr. KOLTER.

H.R. 1562: Mr. GRAY of Illinois, Mr. CLAY, Mr. HUTTO, Mr. FASCELL, Mr. HAYES, Mr. ACKERMAN, Mr. MRAZEK, Mr. APPLEGATE, Mr. EVANS of Illinois, Mr. DONNELLY, Mr. FUQUA, Mr. ECKART of Ohio, Mr. WRIGHT, Mr. HUGHES, Mr. JONES of Tennessee, Mr. NATCHER, Mr. MARTIN of New York, Mr. LUJAN, Mrs. BOXER, Mr. RALPH M. HALL, Mr. RODINO, Mr. RAHALL, Mr. MCDADE, Mr. JACOBS, Mr. MAVROULES, Mr. SOLARZ, Mr. CARPER, Mr. DURBIN, Mr. GORDON, Mr. LIPINSKI, Mr. GAYDOS, Mr. LEATH of Texas, Mr. WEISS, Mr. COOPER, Mr. GARCIA, Mr. VOLKMER, Mr. BOUCHER, Mr. SAVAGE, Mr. SUNDQUIST, Mr. FAZIO, Mr. MORRISON of Connecticut, Mr. CARR, Mr. SKELTON, Mr. ALEXANDER, Mr. BILIRAKIS, Mr. SNYDER, Mr. MCHUGH, Mr. ASPIN, Mr. EARLY, Mr. BRUCE, and Mr. LOEFFLER.

H.R. 1607: Mr. VENTO, Mr. SMITH of Florida, Mr. HOWARD, and Ms. MIKULSKI.

H.R. 1613: Mr. ADDABBO, Mr. BEDELL, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. CONYERS, Mr. FROST, Mr. GLICKMAN, Ms. MIKULSKI, Ms. OAKAR, Mr. PERKINS, Mr. ROSE, Mr. RUSSO, Mr. SAVAGE, Mr. SMITH of Florida, and Mr. WEISS.

H.R. 1615: Mr. GEPHARDT, Mr. WEBER, and Mr. DE LUGO.

H.R. 1626: Mr. LIPINSKI and Mr. TORRICELLI.

H.R. 1666: Mr. LEVIN of Michigan, Mr. BORSKI, and Mr. WATKINS.

H.R. 1679: Mr. HENRY and Ms. KAPTUR.

H.R. 1709: Mr. DASCHLE.

H.R. 1715: Mr. CONYERS, Mr. NOWAK, and Mr. DYMALLY.

H.R. 1719: Mr. ARCHER, Mr. ARMEY, Mr. BATEMAN, Mr. BLILEY, Mr. CHENEY, Mr. COATS, Mr. HAMMERSCHMIDT, Mr. MCCAIN, Mr. ROBERTS, Mr. RUDD, Mr. SHUMWAY, Mr. SUNDQUIST, Mrs. VUCANOVICH, Mr. WEBER, Mr. WHITEHURST, and Mr. WOLF.

H.R. 1759: Mr. WYDEN, Mr. CONYERS, and Mr. FROST.

H.R. 1776: Mr. GALLO.

H.R. 1918: Mr. HOYER, Mr. CONTE, Mrs. SMITH of Nebraska, Mr. FLIPPO, Mr. FRANK, Mr. MCKERNAN, Mr. FIELDS, Mr. TAUKE, Mr. YOUNG of Florida, Mr. KASTENMEIER, Mr. WILLIAMS, Mrs. HOLT, Mr. DORGAN of North Dakota, Mr. BIAGGI, Mr. SKELTON, Mr. BATES, Mr. BONIOR of Michigan, Mr. SMITH of Florida, Mr. MCEWEN, Mr. LUNDINE, Mr. MITCHELL, Mr. LEHMAN of Florida, Mr. THOMAS of California, Mr. GONZALEZ, Mr. HOWARD, Mr. LOWERY of California, Mr. MURTHA, Mr. ENGLISH, Mr. KANJORSKI, Mr. TORRES, Mr. YOUNG of Missouri, Mrs. SCHNEIDER, Mr. STOKES, Mr. O'BRIEN, Mr. STANGELAND, Mr. BOLAND, Mr. CHAPPIE, Mr. CLAY, Mr. EVANS of Illinois, Mr. TORRICELLI, Mr. ROYBAL, Ms. OAKAR, Mr. MATSUI, Mr. MARLENEE, Mr. STAGGERS, Mr. WAXMAN, Mr. FORD of Michigan, Mr. WATKINS, Mr. RAHALL, Mr. VANDER JAGT, Mr. COYNE, Mr. DORNAN of California, Mr. GAYDOS, Mr. BROOKS, Mr. WISE, Mr. MOAKLEY, Mr. LAGOMARSINO, Mr. FAUNTROY, Mr. RINALDO, Mr. GUNDERSON, Mr. VENTO, Mr. WOLF, Mr. ROE, Mr. HORTON, Mr. RUDD, Mr. ROBERTS, Mr. MCGRATH, Mrs. BOXER, Mr. BEVILL, Mr. WALGREN, Mrs. KENNELLY, Mr. YATRON, Mr. ROSE, Mr. BEDELL, Mr. HUGHES, Mr. PETRI, Mrs. LLOYD, Ms. MIKULSKI, Mr. DE LA GARZA, Mr. WYDEN, Mr. MCCANDLESS, Mr. DERRICK, Mr. ACKERMAN, Mr. SUNIA, Mr. FISH, Mr. IRELAND, Mr. MACK, Mr. SIKORSKI, Mr. DYMALLY, Mr. MACKAY, Mr. FLORIO, Mr. MRAZEK, Mr. SABO, Mr. GILMAN, Mr. VOLKMER, Mr. FAZIO, Mr. MARTINEZ, Mr. SCHEUER, Mr. LOTT, Mr. KILDEE, Mr. MOLLOHAN, Mr. DEWINE, Mr. JEFFORDS, Mr. BLAZ, Mr. MAVROULES, Mr. RANGEL, Mr. ADDABBO, Mrs. SCHROEDER, Mr. BUSTAMANTE, Mr. MURPHY, Mr. GEKAS, Mr. RUSSO, Mr. PURSELL, Mr. HARTNETT, Mr. BILIRAKIS, and Mr. BADHAM.

H.J. Res. 46: Mr. PICKLE, Mr. FASCELL, Mr. FUQUA, Ms. OAKAR, Mr. PETRI, Mr. MURPHY, Mr. ROSE, Mr. DONNELLY, Ms. KAPTUR, Mr. VANDER JAGT, Mr. TORRICELLI, Mr. HOYER, Mr. DOWDY of Mississippi, Mr. ANDERSON, Mr. IRELAND, Mr. COOPER, Mr. EARLY, Mr. CHAPPELL, Mr. FISH, Mr. ROWLAND of Georgia, Mr. CLAY, Mr. YOUNG of Florida, Mr. STENHOLM, and Mr. JEFFORDS.

H.J. Res. 49: Mr. SILJANDER.

H.J. Res. 59: Mr. WAXMAN, Mr. NEAL, Mr. MURPHY, Mrs. BURTON of California, Ms. KAPTUR, Mr. MAZZOLI, Mr. LUNDINE, Mr. COUGHLIN, Mr. DELLUMS, Mr. CHAPPIE, Mr. HUBBARD, Mr. EVANS of Iowa, Mr. O'BRIEN, Ms. SNOWE, Ms. OAKAR, Mr. HAMILTON, Mr. STARK, and Mr. SNYDER.

H.J. Res. 64: Mr. BERMAN, Mr. BOEHLERT, Mr. BONER of Tennessee, Mr. BORSKI, Mr. DAUB, Mr. DEWINE, Mr. FISH, Mr. HUGHES, Mr. KOLTER, Mr. LEWIS of Florida, Mr. MONTGOMERY, Mr. MORRISON of Washington, Mr. NICHOLS, Mr. OLIN, Mr. ROSE, Mr. SABO, Mr. SHUMWAY, Mr. THOMAS of Georgia, Mr. VENTO, Mr. VOLKMER, and Mr. WHEAT.

H.J. Res. 65: Mr. BOEHLERT, Mr. BORSKI, Mr. DEWINE, Mr. FISH, Mr. GRAY of Illinois, Mr. HUGHES, Mr. KOLTER, Mr. OLIN, Mr. ROSE, Mr. SABO, and Mr. THOMAS of Georgia.

H.J. Res. 78: Mr. MORRISON of Connecticut.

H.J. Res. 79: Mr. BORSKI and Mr. COOPER.

H.J. Res. 105: Mr. ADDABBO, Mr. BATES, Mr. BEDELL, Mr. BOUCHER, Mr. MAZZOLI, Mr. ROSE, Mr. SHUMWAY, Mr. SIKORSKI, Mr. TORRES, Mr. WIRTH, Mr. SKELTON, and Mr. FIELDS.

H.J. Res. 135: Mr. GINGRICH and Mr. CLINGER.

H.J. Res. 144: Mr. DEWINE, Mr. FISH, Mr. GUARINI, Mr. HUGHES, Mr. KOLTER, Mr. LAFALCE, Mr. OWENS, Mr. RANGEL, Mr. SAVAGE, and Mr. SCHEUER.

H.J. Res. 166: Mr. MCCOLLUM, Mr. GALLO, Mr. DIOGUARDI, Mr. FRENZEL, Mr. ERDREICH, Mr. SHAW, Mr. GINGRICH, Mr. PORTER, Mr. DAUB, Mr. NIELSON of Utah, and Mr. BADHAM.

H.J. Res. 169: Mr. RICHARDSON, Mrs. HOLT, Mr. DEWINE, Mr. WORTLEY, Mr. VANDER JAGT, Mr. MURPHY, Mr. FLIPPO, Mr. DIXON, Mrs. BOXER, Mr. MARTINEZ, Mr. LELAND, Mr. TORRICELLI, Mr. MCMILLAN, Mr. SYNAR, Mr. THOMAS of Georgia, Mr. FUSTER, Mr. DELLUMS, Mr. WYLIE, Mr. KOLTER, Mr. ALEXANDER, Mr. EARLY, Mr. HATCHER, Mr. KASICH, Mr. DOWDY of Mississippi, Mr. FISH, Mr. BROWN of California, Mr. ECKART of New York, and Mr. BORSKI.

H.J. Res. 182: Mr. CARNEY, Mr. COELHO, Mr. DANNEMEYER, Mr. DASCHLE, Mr. DONNELLY, Mr. DIXON, and Mr. DWYER of New Jersey.

H.J. Res. 202: Mr. CROCKETT and Mr. HORTON.

H. Con. Res. 2: Mr. BEVILL, Mr. PASHAYAN, Mr. LAGOMARSINO, Mr. REGULA, Mr. HILER, Mr. WEBER, and Mr. SENSENBRENNER.

H. Con. Res. 5: Mr. SCHAEFER.

H. Con. Res. 50: Mr. STOKES, Mr. ACKERMAN, and Mr. EDGAR.

H. Con. Res. 56: Mr. DWYER of New Jersey.

H. Con. Res. 69: Mr. WIRTH, Mr. STALLINGS, and Mr. LOWERY of California.

H. Con. Res. 82: Mr. SCHEUER, Ms. MIKULSKI, Mr. GLICKMAN, Mr. THOMAS of Georgia, Mr. KOLTER, Mr. ECKART of Ohio, and Mr. RANGEL.

H. Con. Res. 83: Mr. STALLINGS.

H. Res. 60: Mr. LAGOMARSINO, Mrs. VUCANOVICH, and Mr. WALKER.

H. Res. 99: Mr. RANGEL, Mr. FAUNTROY, Mrs. COLLINS, Mr. DELLUMS, Mr. HAYES, Mr. LEVINE of California, and Mr. REID.

H. Res. 111: Mr. PEASE, Mr. MILLER of California, Mr. NIELSON of Utah, Mr. MORRISON of Connecticut, Mr. SENSENBRENNER, Mr. HOPKINS, Mr. PENNY, Mr. ROEMER, and Mr. DURBIN.

H. Res. 112: Mr. HORTON, Mr. WHITEHURST, Mr. DYMALLY, Mr. SAVAGE, and Mr. MARTINEZ.

H. Res. 125: Mr. SMITH of Florida and Mr. ECKART of New York.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolution as follows:

H.R. 528: Mr. LIVINGSTON.

H.R. 1460: Mr. LIVINGSTON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

77. By the SPEAKER: Petition of the City Council of Duluth, MN, relative to covert activities in Nicaragua; to the Committee on Appropriations.

78. Also, petition of the director of administrative services, Saginaw, MI, relative to the Federal budget; to the Committee on Banking, Finance and Urban Affairs.

79. Also, petition of the Sanctuary Committee of Eliot Church, Newton, MA, relative to the sanctuary movement; to the Committee on the Judiciary.

80. Also, petition of the Mid-Ohio Valley Mayors Association, relative to revenue sharing; jointly, to the Committees on Government Operations and Public Works and Transportation.

SENATE—*Thursday, April 4, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

In these closing hours before recess, God our Father, help the Senate to accomplish what is needed so that the ghosts of unfinished business will not haunt them during these next 10 days. Knowing that a heavy schedule of difficult and complicated legislation awaits them upon return, and that requests and demands of constituents lie in waiting for them, grant that they may make time for personal and family needs. Some will be on a very intensive travel schedule—protect them in their journeys, keep them from accident and illness, and give them a safe return.

Especially we commend our leadership to You, Father. Though it is impossible for them to escape the burden of their responsibility, help them to get some relaxation and rest. Bless all who are a part of this large family during these special days of celebration.

And, Father, having just, in this last hour, seen Mohammed Amin's most recent film on the tragedy of Africa, I want to thank You that the Senate passed the African famine relief bill and for the compassion of the American people.

In the name of Him who is love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each, to be followed by a special order, not to exceed 15 minutes, for the Senator from Wisconsin [Mr. PROXMIRE].

There will be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following the conclusion of routine morning business, the Senate will turn to the consideration of certain executive items if cleared for action. I discussed each of the four possibilities with the distinguished minority leader last evening. If they are cleared for action, we will approve the nomination of Donald Ian Macdonald and Rosemary M. Collyer. If the nominations of General Doolittle and General Eaker are received, those will be acted upon.

Following the conclusion of today's business, the Senate will stand in adjournment, in accordance with the provisions of Senate Concurrent Resolution 38, until 12 noon on Monday, April 15, 1985.

I repeat, as I indicated last evening, that there will be no rollcall votes today. If we should get into the position where someone would request a rollcall vote, that matter would be postponed.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished acting minority leader is recognized.

Mr. CRANSTON. Mr. President, I have nothing at this stage.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRASSLEY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, last evening before we recessed I discussed two nominations with the distinguished minority leader, Senator BYRD, and he indicated it was satisfactory to him that we proceed on these two nominations today. Therefore, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar: Calendar No. 78, Rosemary M. Collyer; Calendar No. 99, Donald Ian Macdonald.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

NATIONAL LABOR RELATIONS BOARD

The assistant legislative clerk read the nomination of Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The assistant legislative clerk read the nomination of Donald Ian Macdonald, of Florida, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the nominations were confirmed.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin is seeking recognition and is recognized.

Mr. PROXMIRE. Mr. President, I have a special order, is that correct?

The PRESIDING OFFICER. Yes; the Chair recognizes the Senator from Wisconsin for his special order not to exceed 15 minutes.

THE BIG THREAT TO THE AMERICAN ECONOMY: MILITARY SPENDING

Mr. PROXMIRE. Mr. President, what is the sinigle most important advantage the United States has over

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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the Soviet Union from a strickly military standpoint? Is it our size? No. The Soviet Union is larger in area and has a bigger population. Is it our natural resources? No. Both countries are blessed with enormous natural resources in roughly equal measure. Is it our education and the skill of our workers and scientists? This is a different capability to measure. But again, both countries are blessed with gifted scholars and scientists. Both countries have universal public education and very high literacy rates.

Then what is the difference that gives the United States an obvious and decisive military advantage? The answer is: The American economic system. The decisive superiority of the American economy compared to the Soviet economy constitutes our clearest and far and away our most significant advantage. Last year, this country's economic system produced about twice as much as the Soviet Union produced. The U.S. economy is literally twice as big, twice as productive as the Soviet economy.

So what does that mean militarily? Military significance of economic strength became dramatically clear in World War II. It was the United States, the arsenal of democracy, that won World War II. Sure, we had inspired political and military leadership with Franklin Roosevelt and great military leadership with Gen. George Marshall and Gen. Dwight Eisenhower. We had gallant allies. But can there be any doubt that it was American factories that produced the inexhaustible and endless supply of tanks, planes, munitions, and guns that finally did the job?

Is this American economic power that won World War II still the essence of military power in this nuclear world? The answer is: Yes. And more than ever. Today we need much of our big and productive economy to be able to afford to produce thousands of tanks at $3 million per copy, tens of thousands of planes at up to $30 million each, and tens of billions for such as the MX missile. Make no mistake about it, we are in a critical arms race with the Soviet Union. Why don't we have the economic strength simply to win this race for military power? The answer is simple. We cannot win it. We could not win it even if we went on the same all-out time footing as we did with the dedication to the cause this country developed in World War II. We could not win this time. And why? Because no one can win. Almost everyone recognizes this truth.

But there is another truth that almost no one recognizes. What is it? It is the grim fact that although we cannot win, we can lose. We can lose without a bomb being dropped or a shot fired. We can lose because of the devastating effect of the massive military spending that threatens this Nation over the next 15 or 20 years in the onrushing arms race.

Unless we are able to negotiate a truly comprehensive arms control agreement with the Soviet Union, the momentum of the arms race will carry us into more and more costly expenditures, from a trillion dollar antimissile defense ("star wars"), through an additional $50 billion per year lookdown, shootdown antiaircraft and anticruise missile defense, plus a new series of penetrating offensive missiles to break through the Soviet defenses, and of course, a sharply stepped-up conventional warfare capability to move in and take over when and if the enormous expenditures for antimissile defense achieve their purpose and make nuclear war obsolete.

Mr. President, this arms race will bring on a massive increase in taxes or series of runaway deficits that will drive the national debt and interest rates so high that the only spending that will exceed military spending will be the overwhelming cost of paying interest on the national debt. With an all-out, superpower arms race, the national debt could easily be $10 trillion by the year 2000. With the sky-high interest rates such borrowing would develop, interest on the debt would then range between $1 and $2 trillion a year. Could our great economy support that kind of spending? Mr. President, even if we eliminated all Federal Government spending except for the military and interest on the national debt, we would require a huge and punishing increase in Federal taxes to begin to bring the deficit under control. What an absolutely incredible waste, Mr. President.

What can we do about it? We can avoid that waste by simply recognizing that both superpowers have everything to gain and nothing to lose by negotiating a comprehensive and mutual end to the arms race with strict verification to detect cheating, and with a recognition that since both nations would lose so much by a renunciation of the treaty, and since cheating would seriously threaten renunciation, there would be a realistic prospect that both signatories would abide by the treaty.

Somehow, the leaders of our Nation have not grasped what the people of our country have shown they fully understand in referendum after referendum—that is, that the time to end the arms race has come. It is not a matter of idealism. It is a matter of the toughest kind of hardheaded realism. The national security of our country depends above all on our free and immensely productive economic system. The greatest threat to that system is the exploding Federal deficit. To bring that deficit under control, it is imperative that we end the runaway cost of the arms race.

THE TERRIBLE EXPERIMENTS

Mr. PROXMIRE. Mr. President, survivors of the Nazi death camp at Auschwitz recently returned on the 40th anniversary of the camp's liberation. Among them were Eva Moses Kor and her fraternal twin, Miriam Moses Czaigher. They were among the 1,500 pairs of twins who underwent experiments at the hands of Josef Mengele, the infamous Nazi doctor who sought the perfection of one race by the destruction of another. Of the 1,500 pairs of twins who entered the camp, less than 180 individuals came out alive.

Separated from their mother at the age of 10, Eva and Miriam were taken by this "Angel of Death." Tattooed and clothed in rags, Eva and Miriam became guinea pigs for Mengele's demented experiments. Their childhood stripped from them, they were subjected to blood transfusions and numerous injections of unknown solutions. They watched as other children entered the camp and were immediately taken to the gas chambers, knowing that their own survival was only the result of some sick plan to continue the horrors which surrounded them.

Eva and Miriam are now left with the nightmares. They cannot escape the images of death. Smokestacks remind them of crematoriums; certain smells become the stench of death. They think of their mother, to whom they never said goodbye.

Remember that Eva and Miriam are survivors of a camp in which 4 million people were murdered. Their inexpressible pain and sorrow speak for the many who never left the camp. Eva and Miriam are messengers of that grim era, pleading for a moral courage that will prevent future repetitions.

Witnesses to the near destruction of their race, guinea pigs to madmen in the pursuit of their insidious dreams, Eva Moses Kor and Miriam Moses Czaigher are victims of a selective hatred. We can, we must, find the moral courage to eliminate this hatred. I urge the Senate to move promptly toward this noble goal by ratifying the Genocide Treaty.

S. 886—HAZARDOUS WASTE REDUCTION ACT

Mr. PROXMIRE. Mr. President, today along with Representatives SCHNEIDER and WYDEN and 47 House cosponsors, I am reintroducing the Hazardous Waste Reduction Act, a tax collected from owners and operators of hazardous waste treatment, storage, and disposal facilities. Its proceeds will be used for clearing up hazardous waste sites.

While this bill has a few changes from the one we introduced in 1983, the overall scheme is the same—tax

land disposal of hazardous waste to create an economic incentive for use of other environmentally superior methods such as recycling, neutralization, or high temperature incineration.

The waste end tax is a fair, economically efficient system for raising revenues for Superfund while correcting the economic imbalances which currently encourage unsafe, landbased hazardous waste disposal.

The bill would tax all the forms of land disposal regulated by the Resource Conservation and Recovery Act [RCRA] including landfills, surface impoundments, and injection wells, whether disposed of on or off-site.

All forms of land or ocean disposal except injection wells are taxed at the rate of $20 per ton. Injection wells are taxed at the rate of $5 per ton. Wastes disposed of in violation of RCRA would also be subject to the $20 per ton rate.

In addition, wastes rendered nonhazardous within 1 year of receipt at the treatment, storage, and disposal facility would receive full credit against the tax.

The tax applies to all the wastes classified as hazardous under RCRA and excludes those not covered such as small generator and mining wastes.

The tax is expected to raise $286 million a year based on data obtained from EPA and the Chemical Manufacturer's Association and is levied on the so-called "wet weight" basis which EPA believes is a simpler, more predictable system than the "dry weight" waste tax introduced earlier by Senators BENTSEN and MOYNIHAN.

It also works well as a component of the broader, comprehensive funding packages introduced for raising Superfund revenues.

I ask unanimous consent that the bill, a question and answer sheet on the bill provided by the Northeast-Midwest Institute, and a summary of the major provisions of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 886

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act is cited as the Hazardous Waste Reduction Act of 1985.

SEC. 2. WASTE END TAX.

(a) IN GENERAL.—Chapter 38 of the Internal Revenue Code of 1954 (relating to environmental taxes) is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER D—WASTE END TAX

"Sec. 4691. Imposition of tax.
"Sec. 4692. Exemptions.
"Sec. 4693. Credits.
"Sec. 4694. Application of tax and termination.
"Sec. 4695. Definitions.
"Sec. 4696. Records, statements, and returns.

"SEC. 4691. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is hereby imposed a tax on the following:—

"(1) QUALIFIED MANAGEMENT UNIT.—The receipt of taxable hazardous waste in any qualified hazardous waste management unit.

"(2) OCEAN DUMPING OR EXPORT.—The receipt by any person of taxable hazardous waste for export or for disposal in the ocean pursuant to a permit under section 102 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1412).

"(b) AMOUNT OF TAX.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the tax imposed by subsection (a) shall be $20 for each ton of hazardous waste which is taxed.

"(2) UNDERGROUND INJECTION.—For each ton of taxable hazardous waste placed in a qualified hazardous waste management unit operating pursuant to a permit (or interim status) under section 3005 of the Solid Waste Disposal Act which is an underground injection well for which a permit is in effect under part C of title XIV of the Public Health Service Act (the Safe Drinking Water Act), the amount of tax shall be $5.

"(3) FRACTIONAL PART OF TON.—In the case of a fraction of a ton, the tax imposed by subsection (a) shall be the same fraction of the amount of such tax imposed on a whole ton.

"(4) ADJUSTMENT OF RATES OF FISCAL YEAR AFTER 1986.—

"(A) ANNUAL ESTIMATES.—Before October 1, 1986, and before October 1 of each subsequent fiscal year during which the tax under this section is in effect, the Secretary shall estimate the amount of revenues expected to be derived from taxes under this section for the fiscal year which includes such October 1.

"(B) PERCENTAGE ADJUSTMENT IN RATES.—If revenues estimated under this paragraph for a fiscal year are estimated to be less than $286,000,000, the Secretary shall, by rule effective October 1 of the fiscal year concerned, increase the rates of tax under paragraphs (1) and (2) for that fiscal year. The amount of the increase shall be expressed as a percentage of the rates applicable under paragraphs (1) and (2). Such percentage shall be the same for rates applicable under each such paragraph.

"(C) AMOUNT OF ADJUSTMENT.—The percentage promulgated under subparagraph (B) shall be the percentage which the Secretary estimates to be necessary to result in total revenues from the tax under this section during the fiscal year concerned of $336,000,000.

"(c) LIABILITY FOR TAX.—

"(1) QUALIFIED HAZARDOUS WASTE MANAGEMENT UNITS.—The tax imposed by subsection (a)(1) shall be paid by the owner or operator of the qualified hazardous waste management unit at which the taxable hazardous waste is received.

"(2) EXPORT AND OCEAN DUMPING.—The tax imposed by subsection (a)(2) shall be paid by the person exporting the taxable hazardous waste or the person holding the permit issued for transport for ocean disposal under section 102 of the Marine Protection, Research, and Sanctuaries Act of 1972.

"(d) TIME FOR PAYMENT OF TAX.—The tax imposed by this section with respect to any taxable hazardous waste shall be paid at close of the calendar quarter during which the taxable hazardous waste became subject to tax.

"(e) TAX ON OTHER PLACEMENT.—

"(1) IMPOSITION.—There is hereby imposed a tax on the placement of any taxable hazardous waste in any facility or location at which such hazardous waste is not received by any unit or person referred to in paragraph (1) or (2) of subsection (a).

"(2) AMOUNT.—The amount of the tax imposed by this subsection shall be $20 for each ton of hazardous waste which is taxed, adjusted as provided in paragraph (4) of subsection (b).

"(3) PERSON LIABLE.—The tax imposed by this subsection shall be paid by the person placing the taxable hazardous waste in the facility or location concerned.

"(4) GENERATOR STORAGE FOR ALLOWABLE PERIOD.—The tax imposed by this subsection shall not apply to the placement of any taxable hazardous waste on the premises of the generator thereof for a period which does not exceed the allowable generator accumulation period.

"(5) NOT REGULATED UNDER SOLID WASTE DISPOSAL ACT.—

"(A) SMALL QUANTITY GENERATOR WASTE.—The tax imposed by this subsection shall not apply with respect to small quantity generator waste.

"(B) OTHER EXEMPT WASTE.—The tax imposed by this subsection shall not apply to the placement of any taxable hazardous waste in any facility, vehicle, or location (including any wastewater storage or treatment tank) if such placement is not, as of the date of the enactment of this section, required to comply with permit, interim status, or manifest requirement under subtitle C of the Solid Waste Disposal Act.

"(6) PLACEMENT IN VEHICLES FOR TRANSPORT.—The tax imposed by this subsection shall not apply to the placement of taxable hazardous waste in a vehicle which is required to transport such taxable hazardous waste to a facility or person referred to in paragraph (1) or (2) of subsection (a).

"SEC. 4692. EXEMPTIONS.

"(a) RESPONSE UNDER SUPERFUND.—The tax imposed by section 4691 shall not apply to the receipt of taxable hazardous waste by, or placement of any taxable hazardous waste in, any facility or location in the course of carrying out any removal or remedial action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 if—

"(1) such removal or remedial action is carried out in accordance with a plan approved by the Administrator or the State; and

"(2) the release or threatened release which caused the removal or remedial action occurred before October 1, 1985.

"(b) MOVEMENT FROM CLOSED INTERIM STATUS FACILITY.—The tax imposed by section 4691(a)(1) shall not apply to the receipt of any taxable hazardous waste in any facility operating pursuant to a permit under section 3005(a) of the Solid Waste Disposal Act (or under a State program authorized under section 3006 of such Act) if such waste has been removed, pursuant to any order issued by the Environmental Protection Agency, from a facility operating pursuant to interim status under section 3005(e) of such Act which is being closed pursuant to such order.

"(c) STUDY WASTES.—The tax imposed by section 4961 shall not apply to the disposal of any solid waste which is required to be studied under subsection (f) or (p) of section 8002 of the Solid Waste Disposal Act unless, after the completion of the studies, a law is

enacted subjecting such wastes to the tax imposed under section 4691.

"(d) CERTAIN QUALIFIED WASTEWATER TREATMENT FACILITIES.—

"(1) EXEMPTION.—The tax imposed by section 4961 shall not apply to any qualified wastewater treatment facility.

"(2) ADDITIONAL REQUIREMENT AFTER NOVEMBER 8, 1988.—Effective November 8, 1988, the exemption under paragraph (1) shall not apply unless the qualifed wastewater treatment facility—

"(A) is in compliance with the requirements of section 3004(o)(1)(A) of the Solid Waste Disposal Act (relating to minimum technological requirements), or

"(B) meets the requirements of paragraph (2), (3), or (4) of section 3005(j) of the Solid Waste Disposal Act (relating to certain interim status surface impoundments).

"SEC. 4693. CREDITS.

"(a) MOVEMENT TO ANOTHER UNIT.—

"(1) CREDIT ALLOWED.—Under regulations prescribed by the Secretary, if—

"(A) a tax under section 4691 is imposed by any person with respect to any quantity of taxable hazardous waste (hereinafter in this subsection referred to as the 'first taxable event'), and

"(B) a tax is subsequently paid by any person under section 4691(a) (1) or (2) with respect to such quantity of taxable hazardous waste (hereinafter in this subsection referred to as the 'second taxable event'),

then a credit or refund (without interest) shall be allowed to the person who paid the tax at the time of the first taxable event in the amount determined under paragraph (2). Such credit shall be treated as an overpayment of the tax imposed with respect to such first taxable event.

"(2) AMOUNT OF CREDIT OR REFUND.—Except as provided in paragraph (3) with respect to underground injection wells, the amount of credit or refund determined under this paragraph with respect to any quantity of taxable hazardous waste is the lesser of—

"(A) the tax imposed with respect to such quantity by reason of the first taxable event, or

"(B) the tax paid with respect to such quantity by reason of the second taxable event.

"(3) RECEIPT AT UNDERGROUND INJECTION WELL.—If

"(A) a tax under section 4691(a)(1) is imposed on any quantity of taxable hazardous waste received at a surface impoundment (first taxable event), and

"(B) a credit is allowable under paragraph (1) of this subsection by reason of the receipt of such quantity of taxable hazardous waste at an underground injection well (second taxable event),

the amount of credit or refund determined under this paragraph with respect to such quantity is the amount by which the tax imposed with respect to such quantity by reason of the first taxable event exceeds the tax paid with respect to such quantity by reason of the second taxable event.

"(b) TREATMENT OR CONVERSION OF TAXABLE HAZARDOUS WASTE.—

"(1) CREDIT ALLOWED.—Under regulations prescribed by the Secretary, if

"(A) a tax under section 4691 is paid by any person with respect to any taxable hazardous waste;

"(B) no credit is allowable to such person under subsection (a) of this section for tax; and

"(C) such taxable hazardous waste is subjected by such person to qualified treatment or conversion,

then the tax paid by such person with respect to such taxable hazardous waste shall be allowed as a credit or refund (without interest) to such person in the same manner as if it were an overpayment of tax imposed by section 4691. If such qualified treatment or conversion is completed before the time for payment of the tax imposed by section 4691, in lieu of applying the preceding sentence, no tax shall be imposed on such taxable hazardous waste by section 4691.

"(2) QUALIFIED WASTEWATER TREATMENT FACILITIES.—No credit shall be allowed under this subsection for treatment or conversion at a qualified wastewater treatment facility.

"(3) LAND TREATMENT.—No credit shall be allowed under this subsection for land treatment.

"(4) VIOLATION OF EPA RULES.—The credit under this subsection shall not apply to any treatment or conversion which violates any requirement (other than a procedural requirement) of Federal or State law relating to the management of taxable hazardous waste, including any requirement in effect under subsection (q) of section 3004 of the Solid Waste Disposal Act (relating to hazardous waste used as fuel) or subsection (1) of such section 3004 (relating to dust supression).

"SEC. 4694. APPLICATION OF TAX AND TERMINATION.

"(a) PROSPECTIVE APPLICATION OF TAX.—The taxes imposed by section 4691 shall not apply to the receipt or placement of any hazardous waste in any facility or location before January 1, 1986, or to the export of any hazardous waste before January 1, 1986.

"(b) TERMINATION.—The tax imposed by this section shall not apply to the receipt or placement of any hazardous waste in any facility or location after September 30, 1990 or to the export of any hazardous waste after September 30, 1990.

"SEC. 4695. DEFINITIONS.

"For purposes of this subchapter—

"(1) TAXABLE HAZARDOUS WASTE.—The term 'taxable hazardous waste' means hazardous waste which was identified or listed under section 3001 of that Act on or before the date of the enactment of this section (and which is not thereafter removed from such identification or listing).

"(2) HAZARDOUS WASTE.—The term 'hazardous waste' has the meaning provided by section 1004 of the Solid Waste Disposal Act and the regulations thereunder. No substance (including household waste) which is not treated as a hazardous waste under such regulations shall be hazardous waste for purposes of this subchapter.

"(3) SMALL QUANTITY GENERATOR WASTE.—The term 'small quantity generator waste' means waste which is generated by a generator who does not generate more than 100 kilograms of hazardous waste in any calendar month.

"(4) UNDERGROUND INJECTION WELL.—The term 'underground injection well' has the same meaning as when such term is used in the Safe Drinking Water Act and the regulations thereunder.

"(5) TON.—The term 'ton' means 2,000 pounds.

"(6) ALLOWABLE GENERATOR ACCUMULATION PERIOD.—The term 'allowable generator accumulation period' means the period (allowable under subtitle C of the Solid Waste Disposal Act) during which a generator of hazardous waste may accumulate hazardous waste on-site without being required to obtain a permit under section 3005 of that Act (or under a State program approved under section 3006 of that Act). Such period includes any storage period allowed under section 3004(d)(6) of such Act.

"(7) QUALIFIED WASTEWATER TREATMENT FACILITY.—The term 'qualified wastewater treatment facility' means any wastewater treatment facility (including any surface impoundment within such a facility which contains treated wastewater during the secondary or tertiary phase of biological treatment or which holds treated wastewater after treatment and before discharge)—

"(A) for which a permit under section 402 of the Clean Water Act is in effect; and

"(B) which is required to comply with ground water monitoring requirements generally applicable to facilities having permits under section 3005(c) of the Solid Waste Disposal Act.

"(8) QUALIFIED HAZARDOUS WASTE MANAGEMENT UNIT.—The term 'qualified hazardous waste management unit' means—

"(A) the smallest area of land on or in which hazardous waste is placed (if such waste is not placed in or on a structure); or

"(B) if hazardous waste is placed in or on a structure, the structure in or on which such waste is placed which isolates the hazardous waste within a treatment, storage, or disposal facility which is operating pursuant to a permit (or pursuant to interim status) under section 3005 of the Solid Waste Disposal Act or under a State program authorized under section 3006 of such Act.

"(9) QUALIFIED TREATMENT OR CONVERSION.—

"(A) CHANGE WITHIN 1-YEAR.—The term 'qualified treatment or conversion' means treatment or conversion of any taxable hazardous waste which is completed within 1 year after receipt or placement of such waste at the first facility or location where a tax was imposed on such receipt or placement under section 4691.

"(B) TREATMENT OR CONVERSION.—The term 'treatment or conversion' means any method, technique, or process, which changes taxable hazardous waste into a substance which is no longer a taxable hazardous waste.

"(C) TREASURY RULES.—The Secretary shall promulgate rules to carry out this paragraph including rules for determining the application of the 1-year period referred to in paragraph (A) to fungible quantities hazardous waste which are not separately identified prior to treatment or conversion.

"(10) LAND TREATMENT.—The term 'land treatment' means the application of waste onto, or the incorporation of waste into, the soil surface.

"SEC. 4695. RECORDS, STATEMENTS, AND RETURNS.

"(a) IN GENERAL.—Every person subject to taxation under this subchapter shall keep records, render such statements, make such returns, and comply with rules and regulations as the Secretary may prescribe to ensure proper assessment, payment, and collection of the taxes imposed by section 4691.

"(b) OTHER RECORDKEEPING.—The Secretary shall consult with the Administrator of the Environmental Protection Agency and the Chief of the United States Army Corps of Engineers to ensure that records, statements, and returns required to be kept, rendered, and made under this section shall be consistent, to the extent possible, with the reports required to be submitted to the Administrator under the Solid Waste Disposal Act, title XIV of the Public Health Service Act (the Safe Drinking Water Act), and the Marine Protection, Research, and Sanctuaries Act of 1972. The Secretary may require any person who is required to maintain

records under any such Act to submit copies of such reports or make such reports available to the Secretary.".

(b) REVENUES FROM ADDITIONAL TAX DEPOSITED IN HAZARDOUS SUBSTANCE SUPERFUND.—Subparagraph (A) of section 221(b)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (relating to establishment of Hazardous Substance Superfund) is amended by striking out "section 4611 or 4661" and inserting in lieu thereof "section 4611, 4661, or 4691".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 38 of such Code is amended by adding at the end thereof the following new item:

"SUBCHAPTER D—WASTE END TAX".

(d) EFFECTIVE DATE, ETC.—

(1) IN GENERAL.—The amendments made by this section shall take effect on January 1, 1986.

(2) STUDY, ETC.—

(A) IMPLEMENTATION OF WASTE END TAX.—Not later than April 1, 1986, the Secretary of the Treasury shall submit to the Congress a report on the progress being made in preparing for the implementation of the waste end tax imposed by subchapter D of chapter 38 of the Internal Revenue Code of 1954 (as added by this section).

(B) ALTERNATIVE WASTE END TAX.—Not later than January 1, 1987, the Secretary of the Treasury shall submit to the Congress his recommendations (if any) for a waste end tax which—

(i) would raise an amount of revenue equivalent to the anticipated revenue from the waste end tax imposed by such subchapter D, and

(ii) is designed to discourage the disposal of hazardous wastes in environmentally unsound manners (and to accomplish this result with maximum administrative feasibility).

(3) RECOMMENDATIONS REGARDING CERTAIN WASTES.—In the case of any hazardous waste which is not a taxable hazardous waste within the meaning of section 4693(1) of the Internal Revenue Code of 1954, if the Administrator of the Environmental Protection Agency lists or identifies such waste under section 3001 of the Solid Waste Disposal Act after January 1, 1985, the Administrator shall simultaneously transmit to Congress his recommendations respecting the taxation of such waste under section 4691 of the Internal Revenue Code of 1954.

QUESTIONS AND ANSWERS ABOUT THE HAZARDOUS WASTE REDUCTION ACT

WHO PAYS THE TAX?

The tax is collected from the owners and operators of treatment, storage and disposal facilities (TSD) permitted under the Resource Conservation and Recovery Act (RCRA). All hazardous wastes regulated under RCRA must be taken to a permitted TSD facility.

According to EPA, there are 4,818 of these off-site on-site facilities currently in operation. Ninety-five percent of all treatment, storage, and disposal takes place at only 240 facilities.

WHAT TYPES OF WASTE DISPOSAL ARE TAXABLE?

All forms of land disposal regulated by RCRA would be taxable, including landfills, surface impoundments used for disposal, and injection wells. The tax also would apply to land treatment, ocean disposal, and the export of hazardous waste.

The tax would apply to any wastes treated or disposed of in violation of RCRA permits.

Both on-site and off-site disposal would be subject to the tax. EPA estimates that 85 percent of all hazardous waste disposal occurs on-site, typically in large surface impoundments or injection wells.

WHAT ARE THE TAX RATES?

All forms of land disposal except injection wells would be taxed at a rate of $20 per ton. The $20 rate would apply to landfills, disposal surface impoundments, waste piles, and land treatment. The $20 rate also covers ocean disposal, the export of hazardous waste, and wastes treated or disposed of in violation of RCRA permits.

The disposal of hazardous wastes in underground injection wells would be taxed at a rate of $5 per ton.

WHAT ABOUT TREATMENT OF HAZARDOUS WASTE?

The bill provides that wastes rendered nonhazardous by RCRA standards within one year of receipt at the TSD facility would receive full credit against the tax. This credit would cover such treatment processes as incineration, recycling, and the neutralization of corrosive acids. Wastewater treatment under Clean Water Act permits would not be subject to the tax.

Any waste that remains hazardous after twelve months of treatment would be taxed. This provision is intended to prevent "pseudo-treatment" (such as solar evaporation ponds) to avoid the tax.

Residues from any treatment process that are land disposed would be subject to the tax. The tax also would apply retroactively to any waste treated in violation of permit specifications.

WHAT TYPES OF WASTE ARE TAXABLE?

All wastes classified as hazardous under the Resource Conservation and Recovery Act at the time this waste-end tax legislation is enacted into law would be taxable. These include toxic as well as characteristic wastes that are ignitable, corrosive, or reactive.

ARE ANY HAZARDOUS WASTES EXCLUDED FROM THE TAX?

All hazardous wastes not covered by RCRA's regulatory framework are exempt from the tax. Examples include small generator wastes, mining waste, the temporary on-site storage of hazardous waste (90-day limit), and the discharge of effluents permitted under the Clean Water Act.

Waste removed from a Superfund site to a permitted land disposal facility would not be taxed, in order to help keep down the cost of cleanup. While it would be more appropriate to destroy Superfund wastes than to shift them to another land disposal facility, the choice of cleanup method under the program should be determined under guidelines provided by Congress, rather than through waste-end tax policy.

In addition, a number of existing disposal sites are expected to close, due to their inability to meet more stringent operating requirements imposed by Congress during reauthorization of RCRA. Wastes removed from these closed sites to permitted facilities would not be taxed. As with the exclusion for Superfund wastes, the rationale is to avoid creating obstacles to compliance with RCRA regulations.

HOW MUCH REVENUE WOULD THE TAX RAISE?

The bill would raise an estimated $286 million per year, a figure based on data derived from EPA and the Chemical Manufacturers Association. The revenue estimated is calculated below:

Method	Volume (thousand metric tons)	Tax per ton	Revenue (millions)
Landfills	3	$20	$60
Land treatment and waste piles	1	20	20
Disposal impoundments	1	20	20
Injection wells	32	5	160
Convert from metric to English tons			26
Total revenue			286

All volume estimates are expressed in metric tons, while the tax is based on English tons (Metric Tons:English Tons=1.1:1). The volume data is taken from EPA's Westat Survey, except for disposal impoundment figures, which are derived from a survey conducted by the Chemical Manufacturers Association.

HOW WOULD THE TAX BE PAID?

The tax would be paid by the TSD facility on a quarterly basis upon receipt of hazardous waste. A full credit would be provided for all wastes rendered nonhazardous by treatment within 12 months of receipt at the facility. To avoid double taxation, full credit would be provided for waste moving from one unit or facility to another.

HOW WOULD THE TAX BE ADMINISTERED?

RCRA requires that all off-site disposal be recorded on a manifest, and on-site disposal on an operating log. In addition, all waste disposal facilities are required to prepare a comprehensive biennial report listing the amount and types of waste handled.

These documents will provide the basis for record-keeping under the tax. The bill directs the IRS to refine further the reporting system for tax purposes. An EPA study has concluded: "Although changes to the existing reporting and information systems are necessary to provide data on an annual basis for all facilities, these changes are not likely to impose a large incremental burden on the regulated community, the states, or EPA."

WOULD THE TAX RATES PROVIDE AN INCENTIVE TO REDUCE WASTE DISPOSAL?

Yes. An EPA study found that a waste-end tax would have a significant effect in shifting waste to treatment. Relatively low tax rates provide a substantial incentive to reduce high volume disposal of liquid wastes. This is due to the economies of scale that can be realized in treating large volumes of waste.

For example, the EPA study estimated that at a $5 per ton rate, about a quarter of all wastes now injected in deep wells could be rendered nonhazardous through treatment, principally by neutralizing corrosive and reactive wastes.

ARE THE GOALS OF WASTE REDUCTION AND RAISING REVENUE FROM THE WASTE-END TAX CONTRADICTORY?

Both objectives can be accommodated if the revenue projections for the waste-end tax are based on the most conservative estimates possible.

For this reason, a number of waste management activities that would be subject to the tax—and would produce some revenues—deliberately were excluded from the revenue estimates because they are difficult to quantify. They include wastes "stored" in the land for longer than the RCRA 90-day limit, wastes "treated" for longer than 12 months, and wastes taxed because of a violation of treatment or disposal permits.

The bill also provides for an automatic upward adjustment of the rates for any year

in which the waste-end tax revenues fell short of projections.

This provision is similar to that included by the administration in its Superfund reauthorization proposal.

WHY TAX DEEP WELL INJECTION?

An estimated 32 million tons of hazardous wastes are injected into deep wells every year, making this method the largest source of land disposal in use today. While little is known about the deep wells, the available evidence suggests cause for concern about the environmental side-effects of this technology.

Leaks at Chemical Waste Management's deep wells in Vickery, Ohio prompted the state EPA to slap two fines totalling $16 million on the site operators. The rupture of an injection well in Presque Isle, Pennsylvania led to the possible contamination of Lake Erie, and to the site's placement on the Superfund National Priority List. The industry trade journal Chemical Week has warned about the potential hazards of deep well injection.

The lower rate of $5 per ton for injection wells provided by the bill compensates for the fact that wastes must be diluted to be suitable for this method of disposal.

WHY NOT TAX ON A DRY-WEIGHT BASIS?

Wastes with a higher water content are not necessarily "better" than solid wastes. Liquid wastes are more mobile, more liable to move into groundwater, and less susceptible to containment through land disposal.

The practical effect of a dry-weight tax would be to reduce drastically revenues from injection wells. For example, the non-water content of injected wastes ranges from 1 to 5 percent of total volume. A $50 per ton dry-weight tax would raise as little as 50 cents per ton on a wet-weight basis from wastes injected into underground wells.

An EPA study concluded that a dry-weight tax would be more complex to administer and take longer to implement than a wet-weight tax. As a result, it would be virtually impossible to predict revenues from a dry-weight tax.

The same EPA study found that the high cost of sampling ($35 to $70 per barrel) for non-water content would make the tax prohibitively expensive for small business.

WILL A WASTE-END TAX ENCOURAGE ILLEGAL DISPOSAL?

EPA compared states with waste-end taxes to those without to determine whether the reported incidence of midnight dumping increased with the tax. The study found no such correlation.

EPA has indicated that a waste-end tax could help refine the existing data on the treatment, storage and disposal of hazardous waste. The data could be used by both the IRS and EPA to target subsequent permitting and enforcement activities.

HAVE STATE WASTE-END TAXES PRODUCED THE REVENUES PROJECTED?

In the summer of 1984, EPA conducted a survey of the waste-end tax programs in eight states.

In six states, waste-end taxes had generated 71 to 98 percent of projections; in two states, revenues were ahead of projections. (For perspective, the Superfund feedstock tax has realized 78 to 84 percent of revenue projections).

EPA found that previously reported shortfalls in initial revenues from waste-end taxes were due primarily to inadequate data on actual waste volumes, overall economic recession during the startup period, failure to account accurately for the cost of tax exemptions, and lack of programmatic resources during startup.

SUMMARY OF PROXMIRE HAZARDOUS WASTE REDUCTION ACT

TAXABLE PARTIES

Owners and operators of Subtitle C RCRA permitted "TSD" facilities. According to EPA, there are 4,818 of these offsite and onsite disposal facilities currently in operation, and 95 percent of all treatment, storage, and disposal takes place at just 240 facilities.

TAXABLE EVENTS

All forms of land disposal including surface impoundments, underground injections wells, and landfills. Any treatment technology, including land treatment, that does not render waste nonhazardous within one year. The export of hazardous waste. The ocean disposal of hazardous waste.

EXEMPTIONS

All treatment methods that render waste nonhazardous within one year. Waste-water treatment facilities permitted under the Clean Water Act. All wastes excluded from RCRA's regulatory framework. Waste removed from a Superfund site to a permitted land disposal facility. Waste moved from existing sites closed under RCRA.

TAX RATES

$20 per ton for all forms of land disposal, export, and ocean disposal. $5 per ton for the underground injection of hazardous waste.

ADMINISTRATION

The tax is collected only from facility operators, using existing RCRA manifests and operating logs to monitor taxable and nontaxable events.

The tax is collected on a "wet weight" basis, so as to streamline administration and to guarantee a steady flow of revenue.

REVENUE PREDICTABILITY

This waste-end tax is expected to raise $286 million a year, based on the latest available data on the amount of waste that is land disposed. The bill contains a provision mandating an increase in the rate should the tax fall short of its revenue goal.

Mr. MOYNIHAN. I ask unanimous consent that we might proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair.

The PRESIDING OFFICER. The Senator from New York.

ISRAEL'S TREATMENT OF PRISONERS IN LEBANON

Mr. MOYNIHAN. Mr. President, we have learned with the arrival of today's New York Times that the U.S. Department of State has charged that the State of Israel had apparently violated the Fourth Geneva Convention in the treatment of prisoners which it has taken during fighting in Lebanon and is moving to facilities in Israel at this time.

The State Department said that Israel "is prohibited regardless of motive" under the terms of the Fourth Geneva Convention. The report in the Times goes on to state that "The Convention deals with treatment of prisoners and the obligation of occupying powers."

It may be, Mr. President, that there is general confusion in these matters in the Department of State. I do not think so. There is nonetheless a confusion reflected in this news report because the Fourth Geneva Convention which was signed on August 12, 1949, is "The Geneva Convention relative to the protection of civilian persons in time of war."

The relevance of this charge is at least twofold. First, this is not the first time that the U.S. Government has chosen to direct this accusation against the State of Israel. In the other instance, it was done in a most formal and legal setting, a setting in which actions are taken that have consequences in international law, which is to say the Security Council of the United Nations.

In March 1980, the United States voted with the unanimous council to find Israel in "gross violation" of the Fourth Geneva Convention with regard to settlement of Israeli citizens on the West Bank of that part of the Jordan River.

At that time, Israel became the first country ever to be found guilty by any organ of the United Nations of violating the Fourth Geneva Convention, and there was at least some interest aroused into just what this convention was.

I wish, Mr. President, I could on this very short notice—which I have felt compelled to use because the Senate is about to go out of session for almost another 2 seeks—provide a more comprehensive and detailed account of the Fourth Geneva Convention. But I believe I can provide one that will serve, and which is essentially accurate.

The origins of the agreement go back to the 1907 Hague Convention on Belligerent Occupation, which dealt with the question of the protection of civilians during the time of war, and the Geneva Convention of 1929 relative to the treatment of prisoners of war.

Time passed, and the horrors of the Second World War took place, specifically the horrors of Nazi occupation in different parts of Europe and most especially Poland, where the major extermination camps were established.

In the aftermath of Allied victory in World War II, a number of German officials were tried at Nuremberg for war crimes and were found guilty. Some were imprisoned; some were executed and some were not executed, the assertion being that individuals are responsible under international law for the acts of their Government.

Afterwards—in the period that also saw the founding of the United Nations, when it was thought that inter-

national law and organization held the best hope for maintaining the peace just established. As part of this effort, it was deemed advisable to recodify, to the extent this was possible, the conventional international law that had been first codified in the Hague Conventions, taking into account the extraordinary, unprecedented, theretofore unimaginable behavior of the Nazi Government during World War II. The Fourth Geneva Convention accordingly made provision for what were called grave breaches, making them liable as individuals for their conduct just as states were liable for theirs, although states were not put under the category of entities capable of grave breaches.

This was understood to be, and legitimately was, a retroactive attempt to declare the conduct of the Nazis in Poland, Czechoslovakia, and France as having not just been reprehensible, but criminal. There was no attempt to make it apply retroactively to any individuals. It simply said that this is the judgment of the world on that conduct and will be the judgment of the world on any such future conduct.

Mr. President, it is the great and ultimate irony and corruption of the Geneva Conventions that of all the nations of the world, in all the wars, states of belligerency and violence that have occurred since 1949, only one nation has ever been found guilty of the Fourth Geneva Convention. That is Israel.

Even as the Soviets in their propaganda declare Zionism a form of racism, and constantly assert that the massacre at Babi Yar was a collaboration between the SS and the Zionists, even so, they could never have expected the triumph of seeing the U.S. Department of State not once but now twice assert what they have charged, which is that Israeli behavior falls under a statute designed to prohibit Nazi behavior.

The lie, Mr. President, is sinking in. The language has been corrupted. The victims of the Holocaust are more and more accused of perpetrating the same crimes which we summarize under the term of "Holocaust."

It is not as if this has not been noticed. We have called attention to this over and over. In 1980, the U.S. Government voted with the Soviet Union to find Israel in gross violation of a convention that made Auschwitz a crime—perversely charging that the construction of apartment buildings within sight of the city of Jerusalem somehow was the moral or legal equivalent of the gas chambers at Auschwitz.

In 1980, there was a generalized outcry. The Secretary of State was called to hearings in the Committee on Foreign Relations. There was much discussion about whether there had been some misunderstanding or some difficulty in communication. Yet no effort was made to withdraw or revise or reverse American agreement to the proposition, to state that in fact our country did not agree. If there had been a confusion in the instructions given the U.S. Mission to the U.N., we could have said that, whatever the vote at the Security Council table was, the United States did not intend to vote that way and does not believe that. But we did not make any such attempt.

Now, 5 years later, we repeat it.

Mr. President, it was not necessary for the State Department to have leveled this charge. What is more, it is not logical. I cannot suppose a court would in any way sustain the charge or at one level even admit it.

There is behind the Geneva Convention the presumption of a European-type conflict in which armies in uniform are engaged in combat one with the other, the treatment of civilians by uniformed Nazis being so unprecedented, so without imagined consequences, that the convention rather avoided the issue of irregular warfare.

For the Department of State should have said, with reference to this week's transfer of prisoners, that a state of belligerency exists in southern Lebanon, and that if we have any arguments with the conduct of the Israeli forces, we do so under, not the fourth, but the third Geneva Convention, which has to do with the treatment of prisoners of war.

From every photograph we have seen, I think we understand the Israelis have taken into custody young men of fighting age, of an age to bear arms. They have removed some of them to Israel, just as we brought German prisoners of war to the United States during World War II. They have put them into facilities where they are detained. They are being treated as prisoners of war. Nobody is being shot; nobody is being tortured; nobody is being starved. In point of fact, the Israelis are withdrawing from the area in question and having difficulty doing so precisely because young men dressed in civilian clothes are attacking and killing their soldiers.

It is as prisoners of war that these young men are being treated, and it is in the more general context of a situation in which violent conflict takes place between groups that are not regular armed forces of a national government with uniforms, but are nonetheless in some ways even more violent.

I was on the beachhead at Beirut in the autumn of 1983 just before the departure of our Marines from there. I have never seen the extent of the artillery exchange taking place on the slopes of the mountains just above Beirut and down into Beirut.

Not the largest barrage in history, certainly, but a continued artillery duel with great consequences to be seen in the explosions and the debris and the smoke and dust in the air and the guns, some of them, not 3 or 4 miles offshore, off the beachhead.

Yet I do not imagine that there was a single artillery crew among those attacking the U.S. Marines there in uniform. Yet they were in every respect belligerent and engaged in rather complicated forms of belligerency.

The question is: Why does the Government of the United States, in the face of the self-evident fact that the Government of Israel is dealing with the problems of withdrawing from a sector of another country in which they have been in belligerent occupancy, as law would have that term, cite this Fourth Geneva Convention, which is bound to be repulsive to the sensibilities of anyone who knows its origin and the occupation which brought it into existence. This statement, in effect, associates the United States with the most obscene untruths—lies—about the State of Israel which we have heard from the Soviet Union and its allies over the last decade. Why does the Department of State repeat it?

Has the United States ever chosen to raise the question of the conduct of Vietnam in Cambodia in the context of the Fourth Geneva Convention? No.

Has the United States ever addressed itself to the conduct of Iran in the context of the Fourth Geneva Convention? No.

Has the United States ever raised the issue of the Fourth Geneva Convention with respect to any country—anywhere—save the State of Israel? To the extent that I am aware, the answer is "No."

In that situation, Mr. President, one is moved to ask: What does the State Department intend by this? Why are they treating this one country so differently from others? Why do they make charges which are not necessary and are not sustainable?

The persons in question are manifestly not civilians, protected in time of war by the Fourth Geneva Convention. The young men we see in the photographs are clearly capable of armed behavior and belligerent behavior. They are not being mistreated and not being detained any longer than one expects in a period in which the Israelis are going to be able to remove themselves altogether from Lebanon. The difficulties of this whole experience no one need question. But the persistence with which the State Department brings up the Fourth Geneva Convention argues either an utter lack of sensibility as to the implications of that charge, or a complacency and willingness that the charge be made. Whichever it is, Mr. President, it has to be regretted and should be rejected.

I would hope we might hear from the Department in this matter. I shall send these remarks to the Secretary of State and ask if he would not see that some response is in order. I shall put the response in the CONGRESSIONAL RECORD. And I shall then take the matter to the Committee on Foreign Relations to see if they do not consider this a subject appropriate for further inquiry. Once was shameful, twice becomes a pattern of disgrace.

I ask unanimous consent that the New York Times report, to which I have referred, be printed in the RECORD, along with the excerpts from the relevant Foreign Relations Committee report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 4, 1985]

UNITED STATES ACCUSES ISRAEL OF VIOLATING PACT ON SHIITE CAPTIVES

(By Bernard Gwertzman)

WASHINGTON, April 30.—The Reagan Administration said today that Israel had apparently violated an international agreement on Tuesday when it transferred 1,100 Lebanese detainees from southern Lebanon to Israel.

The State Department said the transfer of the Lebanese from the Ansar detention camp to the territory of the "occupying power"—Israel—"is prohibited regardless of motive" under the terms of the Fourth Geneva Convention of 1949. The convention deals with treatment of prisoners and the obligations of occupying powers.

In Jerusalem, a Foreign Ministry spokesman said the detainees transferred to Israel had been accorded all the privileges due prisoners of war under the Geneva Convention, although he said they did not qualify for that status.

CHARGES ALSO BY RED CROSS

The assertion by the State Department today was its first criticism of Israel's actions in southern Lebanon since the Israelis began to withdraw their troops earlier this year.

Similar charges against Israel were leveled today by the International Committee of the Red Cross in Geneva.

On Tuesday, the Israelis began dismantling the Ansar camp, moving 1,100 prisoners to a detention camp in Israel. The Israeli Army indicated on Tuesday that these detainees, whom it characterized as the most violent of the prisoners, had been "temporarily" transferred there so as not to impede further Israeli withdrawals.

ABOUT 750 PRISONERS ARE FREED

About 750 other prisoners were freed by the Israelis today after being taken to a town near Tyre.

Most of the prisoners held in the camp were Shiite Moslems and the others Sunni Moslems and Palestinians. Most were said to have been arrested by the Israelis for "security violations," according to military sources in Israel.

"We've consistently taken the position that the Fourth Geneva Convention applies to areas of Lebanon under Israeli occupation," the statement said. "According to the convention, protected persons are to be detained only within the occupied territory. Their transfer to the territory of the occupying power is prohibited regardless of motive.

"It appears that Israel's actions are inconsistent with the pertinent provisions of the Geneva convention," it said.

The Israeli official in Jerusalem said the transfer was in compliance with the convention because Article 49 of the document also says that protected persons can be removed outside of occupied territory "when for material reasons it is impossible to avoid such displacement."

A State Department spokesman, Kathleen Lang, said the Israelis had apparently violated Articles 49, 76 and 77 of the convention. Israel became a party to the convention in 1951 and the United States in 1955.

Article 49 says: "Individual or mass forcible transfers, as well as deportations of protected persons from occupied territory to the territory of the Occupying Power or to that of any other country, occupied or not, are prohibited, regardless of their motive."

The article adds, "Persons thus evacuated shall be transferred back to their homes as soon as hostilities in the area in question have ceased."

Article 76 says, "Protected persons accused of offenses shall be detained in the occupied country, and if convicted they shall serve their sentences therein."

Article 77 says those persons accused of offenses, or convicted, "shall be handed over at the close of occupation, with the relevant records, to the authorities of the liberated territory."

NO SIGN OF PENALTY

Despite the accusation, there was no indication that the Administration planned to penalize Israel for the move. American officials, including Secretary of State George P. Shultz, have been sympathetic to Israel's problems in withdrawing from southern Lebanon. The United States has criticized Syria and Lebanon for not reaching an agreement with Israel on an orderly transfer of power to the Lebanese authorities as the Israelis withdrew.

Mr. Shultz, was not asked about the withdrawal issue when he testified this morning before a Senate Appropriations subcommittee. But he was pressed by Senator Dale Bumpers, Democrat of Arkansas, on whether the Administration would support Israel's request for $1.5 billion in additional funds for the 1985 and 1986 fiscal years, above the $4.6 billion already allocated or proposed for Israel.

The House Foreign Affairs Committee was considering the foreign aid bill and was expected to approve the additional funds. But Mr. Shultz said Israel had not adjusted its economy to the extent necessary for the additional aid to have lasting effect.

"Prime Minister Peres has taken a number of very courageous steps, but in my judgment they aren't there yet," he said of Prime Minister Shimon Peres's program. "The Israeli economy needs a lot of straightening around. There are a lot of things the Government of Israel needs to do."

He said that before acting on the additional aid, Washington should wait for concrete action by Israel in such areas as cuts in the budget, adding, "I think that goes for Congress as well as the Administration."

SHULTZ MEETS WITH ARENS

Mr. Shultz, who is regarded as one of Israel's chief supporters in Washington, met later today with Moshe Arens, a member of the Israeli Cabinet, who had been ambassador here and later Defense Minister in the last Government. According to Israeli officials, Mr. Arens and Mr. Shultz discussed several matters, including the possibility that Mr. Shultz might have diplomatic discussions with various Middle East leaders after he attends Holocaust ceremonies in Israel on May 10.

The issue of whether Israel had violated the Fourth Geneva Convention also arose under President Carter, but in another connection. The Carter Administration said Israeli settlements in the occupied West Bank were in violation of that convention because Article 49 said that "the occupying power shall not deport or transfer parts of its own civilian population into the territory it occupies."

President Reagan, however, had said before his election that it was not illegal to have the settlements, and subsequently his Administration no longer referred to that provision. It has merely said the settlements were an obstacle to peace because of Jordan's concern that they made it less likely that Israel would agree to any sort of withdrawal from the area.

ISRAEL DEFENDS ACTION

TEL AVIV, April 3.—A spokesman for the Foreign Ministry in Jerusalem said today that the guerrillas transferred Tuesday from a prison camp in Lebanon to an Israeli camp had been accorded all the privileges due prisoners of war under the Geneva Convention, although he said they did not qualify for the status.

The Israeli official said the detainees did not merit prisoner-of-war status under the convention. He said the conditions for such status were that they had served under the command of a responsible officer, wore a uniform or clear identification of military allegiance, bore arms openly and abided by the accepted regulations defining conduct during war.

Replying to assertions that the Israelis had violated the Fourth Geneva Convention by transferring "protected persons" across an international border, the spokesman drew attention to Article 49, which permits the occupying power to evacuate a given area "if the security of the population or imperative military reasons so demand."

The same paragraph also says "protected persons" shall not be detained "in an area particularly exposed to the dangers of war."

The spokesman said that there was already considerable fighting among Lebanese factions in the area and that the situation would become more dangerous as the Israelis completed their withdrawal.

EXCERPTS FROM SENATE EXECUTIVE REPORT NO. 9, 82D CONGRESS, 1ST SESSION, REGARDING THE FOUR GENEVA CONVENTIONS FOR THE PROTECTION OF WAR VICTIMS

1. MAIN PURPOSE OF THE CONVENTIONS

The purpose of these conventions is to improve the treatment to be given persons who become the victims of armed conflict and to relieve and reduce the suffering caused thereby. To that end the four conventions are designed to modify, clarify, and develop existing international rules and practices dealing with the condition of wounded and sick in the armed forces in land and maritime warfare, prisoners of war, alien enemies within the territory of a belligerent and the inhabitants of areas subjected to military occupation.

At the present time the United States is a party to four basic conventions covering all these subjects except that relating to alien enemies in the national territory; but as

early as the Italo-Ethiopian conflict and the Spanish Civil War it had become apparent that their provisions were in need of reexamination. The conventions referred to are: The Geneva Convention of 1929 for the amelioration of the condition of the wounded and sick in armies in the field; the Geneva Convention of 1929 relative to the treatment of prisoners of war; Hague Convention No. IV, respecting the laws and customs of war on land; and Hague Convention No. X, for the adaptation to maritime warfare of the principles of the Geneva Convention of 1906.

Experience acquired during 1939–45 amply demonstrated the necessity of bringing these instruments up to date, making them susceptible of more uniform application and more definite in interpretation, and further improving them so as to provide greater and more effective protection for the persons whom they were intended to benefit.

Until the present time there has not been in existence a separate, comprehensive treaty establishing standards of humane treatment for civilians in time of war, although the matter is partially dealt with, so far as concerns territory under belligerent occupation, in the regulations annexed to Hague Convention No. IV of 1907. For this reason, a new convention was drawn up at the Geneva Conference in 1949, which spells out to a degree never before attempted the obligations of the parties to furnish humanitarian treatment to two broad categories of civilians: enemy aliens present within the home territory of a belligerent, and civilian persons found in territory which it occupies in the course of military operations.

The essential point is that all of the conventions now before the Senate, with the exception of the convention of civilians, are based, fundamentally, on treaty obligations which the United States had previously accepted. The function of the new texts is to provide better protection and to adapt the earlier treaties to modern conditions. So far as the policies of the United States are concerned, the convention on civilians, while new in form, reflects generally the practices which we ourselves have followed.

* * * * *

(d) Civilian persons (Convention No. IV)

The Convention on Civilians, as already noted in this report, adheres closely to principles to which the United States has subscribed previously, either in earlier international undertakings (the regulations annexed to The Hague Convention No. IV of 1907), or in its own treatment of internees within its territory during the last great war. Because however, the convention is completely new in form and creates a number of new international obligations for the parties, particularly with respect to alien enemies within the home territory of a belligerent, its provisions merit examination in somewhat greater detail than those of the three conventions thus far discussed.

(1) Scope and Coverage of the Convention

Article 4 identifies as a person protected by the convention anyone who, during a conflict or military occupation, falls into the hands of a power of which he is not a national. The convention does not, however, protect nationals of a state not bound by it, nor nationals of a neutral state found within belligerent territory as long as that state maintains diplomatic representation with the latter. Nor does it cover individuals who are protected by the other three conventions under consideration.

Protected persons suspected of hostile activities within the metropolitan territory lose only such rights and privileges under the convention as would prejudice the state's security. Similarly, protected persons in occupied territory who are detained for spying or sabotage, or as persons under definite suspicion of activity hostile to the security of the occupying power, may be deprived of all rights of communication under the convention (permitting contacts with relatives and the protecting power) where absolute military security so requires. However, such persons must be humanely treated and shall also be granted the full rights and privileges of a protected person at the earliest date consistent with the security of the state or occupying power (art. 5).

Articles 1–3 and 8–12 are those common articles already discussed above which concern the applicability of the convention to undeclared and civil war, to protecting powers and related matters.

Part II of the convention (arts. 13–26) deals with the general protection of populations against certain consequences of war.

(2) Hospitals and Safety Zones

Article 14 encourages the parties to establish within their territories hospitals and safety zones organized to protect and shelter young children, the aged, wounded, and sick and expectant mothers from the effects of war. Neutralized zones may be established, upon agreement between the parties, in regions where fighting is going on, for wounded and sick combatants and noncombatants, or civilian persons not participating in the hostilities (art. 15). The parties agree to facilitate measures taken to search for killed and wounded, to protect them against pillage and ill-treatment (art. 16) and to try to arrange for the removal from besieged or encircled areas of the wounded, sick, infirm and aged persons, children, and maternity cases (art. 17).

Articles 18–23 provide for the immunity of civilian hospitals from attack, the manner of their identification by the Red Cross emblem, the circumstances under which such protection is lost by acts harmful to the enemy, and the protection to be accorded personnel engaged in the operation of civilian hospitals. Similar provision is made for the protection of hospital convoys on land and sea, and of aircraft used for removing wounded and sick when properly marked with the emblem and flying on courses agreed between the parties. Under specified conditions protecting a party from improper use, the free passage of medical supplies, food, and clothing for children and maternity cases is stipulated.

Articles 24–26 relate to the welfare of children under the age of 15 and measures for facilitating the establishment of contact between members of a family who have been separated because of the war.

Part III is the largest and most important portion of the convention (arts. 27–141). It sets forth the principal obligations of the parties with respect to the two broad categories of persons which it protects: (a) alien enemies and other protected persons within the territory of a party to the conflict (sec. II) and (b) persons residing in territory which is occupied by the enemy (sec. III).

(3) Provisions Applicable to Both National and Occupied Territory

Certain common provisons applicable to both categories are set forth in articles 27–34 (sec. I). These common articles provided for humane treatment of the individuals protected, and bind the parties to respect their person, honor, family rights, and religious customs. Women are to be especially protected against any attacks on their honor and against enforced prostitution. Any distinction in treatment based upon race, religion, or political opinion is specifically forbidden. It is, however, recognized that a party may be justified in taking such measures of control and security in regard to protected persons as may be necessary because of the war.

Article 30 seeks to put teeth into the protection given, by requiring the parties to give protected persons "every facility for making application to the protecting powers, the international committee of the Red Cross, the National Red Cross (Red Crescent, Red Lion and Sun) Society of the country where they may be, as well as to any organization that might assist them."

Detaining powers must facilitate visits by other humanitarian or relief organizations to persons in their custody.

Coercion of any kind to elicit information from protected persons is prohibited (art. 31), as are any measures causing the physical suffering or extermination of such persons, including mutilation or so-called scientific experiments not necessitated by medical treatment (art. 32). A familiar precept of The Hague Regulations of 1907 (art. 50) is found in the prohibition of collective penalties, and of the punishment of a protected person for offenses which he has not committed (art. 33). Pillage (also prohibited in art. 47 of The Hague rules), reprisals against a person or his property and the taking of hostages are prohibited (arts. 33–34).

(4) Aliens in Territory of a Party to the Conflict

The convention grants to any protected person during a conflict the right of voluntary departure unless contrary to the national interests of the state. In the event that permission to leave is denied, the convention provides that the applicant's request shall be reconsidered by an appropriate court or administrative board designated by the detaining power (art. 35). This is analogous to the United States practice during World War II in giving interned enemy aliens hearings before advisory boards which recommended release, parole, or continued internment to the Attorney General. Persons permitted to leave are entitled to take with them necessary funds for expenses and reasonable amounts of personal effects.

Articles 27 and 38 require protected persons in the territory of a belligerent to be treated humanely, even while confined pursuant to a sentence involving loss of liberty (art. 37). Apart from the special measures of security and control contemplated by articles 27 and 41, their situation continues to be regulated in principle by the provisions concerning aliens in time of peace; but in any case they are entitled to receive individual or collective relief sent to them, medical attention if needed, and to practice their religion. Children under 15 and pregnant women and mothers of children under 7 years of age enjoy any preferential treatment provided for the nationals of the state concerned (art. 38).

Protected persons who have lost their employment as a result of the war must be permitted to find paid work on the same basis as nationals, except for security requirements. If they cannot support themselves as a result of security measures the detaining power must insure their support and that of

their dependents (art. 39). On the other hand, they may be compelled to work only to the same extent and under the same conditions as nationals of the territory. Alien enemies, however, may only be compelled to do work normally necessary to insure the feeding, sheltering, clothing, transport and health of human beings, and not related directly to the conduct of military operations (art. 40). This, too, is a general reflection of past American practice.

Under article 42, the internment or placing in assigned residence of protected persons may be ordered only if the security of the detaining power makes it absolutely necessary; and, if such internment is maintained, the internee is entitled to periodic review of his case by an appropriate court or administrative board at least twice yearly.

Article 43 introduces, with respect to internees, the concept of the protecting power borrowed from the 1929 Prisoner of War Convention. Unless the individual himself objects, the detaining power must give to the protecting power the names of any protected persons who have been interned or thereafter released. Similar opportunities to communicate with the protecting power are provided for internees as are enjoyed by prisoners of war. Protected persons may not be transferred to a power not party to the convention (art. 45) nor may the detaining power automatically treat as enemy aliens exclusively by virtue of their nationality of an enemy state refugees who in fact enjoy the protection of no government (art. 44).

(5) Occupied Territories

Articles 47-78 of the convention deal with the highly important subject of the treatment of inhabitants of occupied territory by the occupying power. In that connection, it should be noted that articles 27-34, which have already been discussed, are common both to this portion of the convention and that dealing with enemy aliens in belligerent territory.

This portion of the convention constitutes the first successful attempt in almost 50 years to revise treaty law dealing with belligerent occupation. It presents primarily a refinement, expansion, and clarification of the regulations annexed to The Hague Convention IV of 1907 respecting the laws and customs of war on the land, by which the United States is presently bound. The provisions do not replace The Hague rules but are supplementary to them as between powers which are bound by the 1899 or 1907 conventions, and are also parties to the 1949 document (art. 154).

Articles 47 prohibits the occupying power from depriving protected persons who are in occupied territory of the benefits of the convention by any change it may attempt to make in the government of that territory or its institutions, or by agreements between the occupying power and the authorities of the occupied territory, or by annexation thereof in whole or in part. Protected persons found therein who are not nationals of the dispossessed power must be given an opportunity to depart in accordance with procedure established pursuant to article 35 (art. 48). Article 49 prohibits individual or mass forcible transfers and deportations of protected persons from occupied territory to another country; but evacuation of specific areas is permissible for imperative military reasons or the security of the population (art. 49). Specific measures to insure the care, health, and education of children and prohibiting changes in their personal status are set forth in article 50. Compulsory military service by protected persons in the armed forces of the occupant is prohibited, along with pressure of propaganda aimed at inducting voluntary enlistment. Forced labor of protected persons is forbidden unless they are over 18 years of age, and then must be limited to work necessary either for the needs of the army of occupation, public-utility services, or for the feeding, sheltering, clothing, transportation, and health of the inhabitants. Compulsory work in connection with military operations is excluded (art. 51).

(6) Welfare of the Inhabitants

Article 55 considerably enlarges the responsibility of an occupying power with respect to the welfare of the occupied territory. Under article 43 of The Hague regulations, that obligation was stated merely as one to "ensure, as far as possible, public order and safety." Moreover, the occupant, under article 52, could only requisition goods and services "for the needs of the army of occupation." Article 55 of the Civilian Convention goes beyond this by imposing upon the occupying power the duty of ensuring the food and medical supplies of the population to the best of its capabilities, even if it has to bring these in from outside the territory. Services may be requisitioned, as previously noted, for the benefit of the population. Foodstuffs, articles, or medical supplies may still be requisitioned for the use of occupation forces and administrative personnel, but only if the requirements of the civilian population have been taken into account.

Articles 56-63 set forth the obligations of the occupant relative to the maintenance of hospital and medical establishments, the prevention of disease, relief consignments and their distribution, and the activities of Red Cross societies.

(7) Punishment of Criminal Offenses

Article 64 substantially rephrases article 43 of The Hague rules which required the occupant to respect "unless absolutely prevented," the laws in force in the country. Instead it is now provided that the penal laws of the occupied territory shall remain in force, with the exception that they may be repealed or suspended by the occupying power when they constitute a threat to its security or an obstacle to applying the convention. Local tribunals will continue their functions with respect to offenses covered by such laws. Penal laws enacted by the occupant may not be retroactive (art. 65). The occupying power is authorized to try offenses against such laws by its properly constituted, nonpolitical military courts, provided they sit within the territory (art. 60). Only provisions of law applicable prior to the offense and in accordance with general principles of law may be applied by the courts (art. 67). Internment or simple imprisonment is the maximum penalty which may be applied to offenses intended solely to harm the occupying power but which do not constitute an attempt on the lives or persons of members of the occupying forces or administration, nor a grave collective danger nor damage property of the occupying forces or installations used by them (art. 68).

It is further provided in article 68 that the penal provisions promulgated by the occupying power may impose the death penalty upon protected persons only for cases of espionage, sabotage, or intentional offenses which have caused the death of one or more persons—"provided that such offenses were punishable by death under the law of the occupied territory in force before the occupation began."

The United States attached a reservation to this provision at the time of signature, which is discussed in a later section of this report. (See sec. 9 below.)

Articles 70-76 contain enlightened provisions safeguarding the rights of protected persons arrested for criminal offenses. Among other things accused persons are assured the right to be informed promptly of the charges against them, to call witnesses and present evidence, to defense counsel and an interpreter, the right of appeal and to have the protecting power notified of particulars of the proceedings. No person condemned to death may be deprived of the right of petition for pardon or reprieve and, except in grave emergencies, execution of the death sentence may not be carried out before the expiration of 6 months from the date of receipt by the protecting power of notification of final judgment confirming such sentence (art. 75). Article 76 provides that protected persons who are accused of offenses shall be detained in the occupied country and serve their sentences there if convicted. Under article 77, protected persons, who have been accused of offenses or convicted by the courts in occupied territory, shall be handed over at the close of occupation to the authorities of the liberated country, with all relevant records.

(8) Treatment of Internees

Regulations for the treatment of internees are contained in articles 79-135, which are similar in a great many respects to the provisions governing the treatment of prisoners of war and need not, therefore, be recataloged here. They embrace such matters as places of internment, food and clothing, hygiene and medical attention, religious, intellectual, and physical activities, personal property and financial resources, administration and discipline, relations with the exterior penal and disciplinary sanctions, transfers of internees, deaths and release and repatriation. A final section (arts. 136-141) concerning information bureaus and a Central Information Agency also follows closely provisions on the same subject in the Prisoners of War Convention.

8. ADMINISTRATIVE REVIEW OF DETENTION AND INTERNMENT DECISIONS

The committee's attention was particularly drawn to articles 35, 43, and 78 of the Convention on Civilians. Under article 35, a protected person who has been denied permission to leave the home territory of a belligerent in time of war is entitled to have such denial reconsidered by an appropriate court or administrative board designated for that purpose by the detaining power. A similar right is provided by article 43 for persons who have been interned or placed in assigned residence in a belligerent's home territory. In article 78 it is likewise provided that persons who have been placed in internment or assigned residence in occupied territory shall be entitled to review or reconsideration by a competent body. From information furnished to the committee by the executive branch it appears that the administrative boards and the competent bodies contemplated by the three articles to reconsider decisions in these cases may be created with advisory functions only, leaving the final decision to a high official or officer of the government. This understanding of the provisions appears to be a reasonable one to the committee.

A spokesman for the Department of Justice emphasized that the internment provisions of the Civilian Convention do not require a belligerent government to hold a

hearing before it interns an alien enemy in time of crisis, and that policies which the United States have heretofore followed would not be handicapped thereby. However "they do require that the internment weapon be used with discrimination and commonsense, and that opportunities for reconsideration be provided as a safeguard against mistakes. The internment policies and procedures followed by the United States in World War II would comply with articles 42 and 43."

9. APPLICATION OF THE DEATH PENALTY IN OCCUPIED TERRITORY

Of the four conventions, the only instrument to which the United States made a reservation at Geneva was the one on civilians. Article 68, paragraph 2, of that convention in its present form permits the imposition of the death penalty by an occupying power only in cases involving espionage, serious acts of sabotage, or international offenses causing the death of one or more persons; provided, however, that such offenses were punishable by death under local law in force before the occupation began. Adoption of this limitation upon the death penalty was due to the efforts of a number of countries, some of which had experienced wholesale imposition of this extreme measure under military occupation, and others of which have abolished the death penalty in their legal systems. Our own Government, while willing to agree not to impose it except in the three categories of cases listed in article 68, was unable to accept the proviso further limiting its use. Along with the United Kingdom, we took the position that an occupying power would be unable to protect its own forces adequately against the activities of illegal combatants unless it retained the power to take drastic legal action to meet the situation. From a practical standpoint, moreover, the limitation in article 68 would permit an ememy on the point of being dislodged from the national territory to repeal a death penalty law previously applicable, thus opening the way to all kinds of subversive activities against the occupant which would not be punishable by death. Reasons of this kind impelled the United States to sign the convention with a reservation in the following form:

"The United States reserves the right to impose the death penalty in accordance with the provisions of article 68, paragraph 2, without regard to whether the offenses referred to therein are punishable by death under the law of the occupied territory at the time the occupation begins."

Similar reservations to article 68 were made by the United Kingdom, Canada, New Zealand, and the Netherlands.

The committee considers that the reservation is essential to the protection of the national interest and, accordingly, in reporting interest and, accordingly, in reporting the convention to the Senate, recommends that it be included in the resolution giving its advice and consent to ratification.

10. RELEASE AND REPATRIATION OF PRISONERS OF WAR

During the Korean armistice negotiations the most contested legal issue was whether the parties were obligated to compel prisoners to be repatriated against their will, or whether the detailing power could in its discretion grant asylum to any prisoner who desired it. The United Nations Command maintained the position that all prisoners who wished to be repatriated were entitled to repatriation, but that international law did not require force to be used if they were unwilling to return. The Communists asserted that forced repatriation was prescribed under the principle of article 118 of the 1949 convention on prisoners of war. That article provides in part:

"Prisoners of war shall be released and repatriated without delay after the cessation of active hostilities."

In the United Nations General Assembly in the fall of 1952, during debates on the Korean armistice negotiations, the Soviet bloc sought to maintain the thesis that the principles of articles 118 and 7 (which prohibits renunciation of rights by a prisoner) did not encompass a grant of asylum to prisoners of war. The exchanges, in which our own Government took a leading part, developed that the practice of many nations, including the practice of the Soviet Government, was authority for granting asylum to prisoners of war; that at Geneva, in 1949, the negotiators proceeded upon the premise that the doctrine of asylum was applicable; and that they did not intend to overturn customary law in this respect. Both General Assembly Resolution 610 (VII) and the eventual armistice agreement in Korea permitted the individual prisoner of war a free choice between return and asylum under safeguards of impartial supervision. The fact that it is a unrestricted opportunity of repatriation, and not an absolute obligation or predetermined fate of repartriation which the prisoner is given under article 118, was similarly recognized by the General Assembly in Resolution 427 (V) of December 14, 1950, and reaffirmed in Resolution 741 (VIII) of December 7, 1953.

Members of the committee, exploring the problem of involuntary repatriation with the executive branch, were informed at the hearing that the United States official position continues to be that maintained in Korea and overwhelmingly supported in the resolution of the General Assembly, and that article 118 does nothing to change accepted principles of international law under which asylum is applicable to prisoners of war.

The committee unqualifiedly concurs. It finds nothing in the Geneva conventions of 1949 which will compel the United States forcibly to repatriate prisoners of war who fear political persecution, personal injury, or death should they return to their homeland. That article, being intended for the benefit and the well-being or prisoners, will permit the United States to continue the policy of nonforceable repatriation, while at the same time leaving it free, where necessary, to refuse requests for asylum. The interpretation which has thus prevailed gives due weight to the word "release" in article 118, is faithful to precedent and legislative history, and is fully consistent with the great humanitarian purposes which underlie all four of the conventions.

* * * * *

12. THE "GRAVE BREACHES" PROVISIONS

In an earlier section of this report, reference was made to a number of common articles of the conventions relating to sanctions for what is described as "grave breaches." (See sec. 6 above.) Thus, for example the first paragraph of article 49 of the convention on wounded and sick in armed forces in the field provides—

"The high contracting parties undertake to enact any legislation necessary to provide effective penal sanctions for persons committing, or ordering to be committed, any of the grave breaches of the present convention defined in the following article."

Article 50 defines such "grave breaches" as "any of the following acts, if committed against persons or property protected by the convention: willful killing, torture or inhuman treatment, including biological experiments, willfully causing great suffering or serious injury to body or health, and extensive destruction and appropriation of property, not justified by military necessity and carried out unlawfully and wantonly."

These provisions gave rise to a searching discussion in the committee concerning the possible extent to which they might be construed as enlarging the power of the Federal Government of the United States to enact penal legislation, beyond that now vested in it under the Constitution.

Administration witnesses stated that the undertaking in article 49 was not designed to enact an international penal code, and that it was not intended that there be any enlargement of existing Federal power, which it was felt was already adequate for that purpose. On the other hand, they pointed out that the acts enumerated in article 50 were all acts already condemned by Federal and State criminal law.

At the request of the committee, which felt that no doubt should be allowed to subsist on a question of such importance, this testimony was later supplemented by an authoritative communication from the Department of Justice to the chairman, under date of June 7, 1955, discussing the matter in some detail. The letter pointed out that broad authority exists under those clauses of the Constitution which empower Congress to "define and punish * * * offenses against the law of nations (art. I, sec. 8, clause 10)" which, it is well established, includes the power to provide for the trial and punishment of offenses against the laws of war; and under the war powers as set forth in the Constitution which provide a basis for Congress to regulate the treatment accorded by the United States to enemy wounded and sick, inhabitants of territory under our military occupation, and civilian internees. Moreover, article I, section 8, clause 14, which gives the Congress the right "to make rules for the Government and regulation of the land and naval forces" would warrant enactment of penal sanctions for mistreatment of such "protected persons" by members of our Armed Forces.

The committee is satisfied that the obligations imposed upon the United States by the "grave breaches" provisions are such as can be met by existing legislation enacted by the Federal Government within its constitutional powers. A review of that legislation reveals that no further measures are needed to provide effective penal sanctions or procedures for those violations of the conventions which have been considered in this portion of the report. It should be emphasized, in any event, that the grave breaches provisions cannot be regarded as self-executing, and do not create international criminal law.

The committee was also concerned as to whether these provisions as to "grave breaches" would impose criminal liability upon persons without official status. However, it is clear that these provisions of the conventions do not convert into a "grave breach" every corresponding crime in which a protected person is the victim, but are concerned primarily with the action of civilian or military agents of a government. It should further be noted that as a practical matter only individuals exercising governmental power would normally be in a position to maltreat such protected groups as

prisoners of war, civilian internees or the inhabitants of occupied territory.

13. RESERVATIONS TO THE CONVENTION BY THE SOVIET BLOC

Members of the Soviet bloc (Albania, Byelorussia, Soviet Socialist Republic, the Bulgarian People's Republic, the Hungarian People's Republic, Poland, the Rumanian People's Republic, Czechoslovakia, the Ukrainian Soviet Socialist Republic, and the Soviet Union) entered a group of reservations which are of such potential significance that the committee considered at some length the desirability of specifically stating in the resolution of ratification that the reservations are unacceptable to the United States and that we could not agree to them as proposed changes in the convention.

These reservations pertain to common article 10 (art. 11, Civilians Convention), article 12 (art. 45, Civilians Convention), and article 85 of the Prisoners of War Convention, the reservation respecting the latter article being the most important. The possibility that the reservations might be used by the Soviet bloc to evade normal international obligations under the conventions in a broad sphere has been the subject of most extensive examination by the executive branch and the committee.

Article 85 deals with the treatment of prisoners of war who are prosecuted and sentenced for precapture offenses. It provides:

"Prisoners of war prosecuted under the laws of the detaining power for acts committed prior to capture shall retain, even if convicted, the benefits of the present Convention."

A typical reservation of the Soviet bloc (that of the Soviet Union) to this article is worded as follows:

"The Union of Soviet Socialist Republics does not consider itself bound by the obligation, which follows from article 85, to extend the application of the Convention to prisoners of war who have been convicted under the law of the detaining power, in accordance with the principles of the Nuremberg trial, for war crimes and crimes against humanity, it being understood that persons convicted of such crimes must be subject to the conditions obtaining in the country in question for those who undergo their punishment."

A reservation of this kind raises the question as to whether the Soviet-bloc countries will consider themselves bound by the convention to accord to prisoners of war accused of war crimes, as described in the reservation, the benefits of fair trial which the convention insures. By reasonable construction and its literal wording, the reservation quoted above declares that it is only when the prisoner of war has been convicted of a war crime that he ceases to benefit from the provisions of the convention. Accordingly, it would appear that the protection of the convention would continue through trial and, indeed, until exhaustion of the appellate proceedings provided by the convention.

There is, however, no definite assurance, beyond the reasonable construction of the language used in the reservation, that the Soviet bloc intends thereby to recognize the applicability to prisoners of war of the provisions of the convention respecting trial and appeal. On the other hand, in the light of the practice adopted by Communist forces in Korea of calling prisoners of war "war criminals," there is the possibility that the Soviet bloc might adopt the general attitude of regarding a significant number of the forces opposing them as ipso facto war criminals, not entitled to the usual guaranties provided for prisoners of war. As indicated above, however, the Soviet reservation expressly deprives prisoners of war of the protection of the convention only after conviction in accordance with the convention.

In view of the foregoing, the committee concurs with the conclusion of the executive branch that the most satisfactory means of dealing with these reservations is to make it clear that the United States does not accept them, but proposes to enter into treaty relations with the Soviet-bloc countries with respect to the remaining, unreserved parts of the conventions. If in the event of armed conflict any of those countries were to exploit reservations in an unwarranted manner so as to nullify the broad purposes of the conventions, such action would, of course, alter the legal situation for the United States; and this Government would be free to reconsider its position. It is hoped that the members of the Soviet bloc may one day find it possible to withdraw their reservations, or will at least construe and apply them in a manner compatible with their legal and humanitarian obligations. In the meantime, by having treaty relations the United States has obtained agreement to the best standards of treatment and is in the soundest position to protect our nationals.

To avoid any possibility of misunderstanding on this aspect of the conventions, the committee, in reporting the conventions to the Senate, recommends that there be included in the resolutions giving its advice and consent to ratification a statement adapted to each convention in the following form:

"The United States, rejecting the reservations—other than to article 68, paragraph 2, of the Civilian Persons Convention—which states have made with respect to the Geneva conventions, accepts treaty relations with all parties to those conventions, except as to the changes proposed by such reservations."

It is the committee's view that this statement adequately expresses the intention of our Government to enter into treaty relations with the reserving states so that they will be bound toward the United States to carry out reciprocally all the provisions of the conventions on which no reservations were specifically made.

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16. IMPORTANCE OF THE CONVENTIONS TO THE UNITED STATES

The history of war years since the 1929 conventions were formulated is a tragic testimonial to their value and to the importance of improving their provisions in ways dictated by the cold and cruel logic of belligerent experience. In the same way, the mistreatment of American civilians abroad in World War II has demonstrated that such civilians, particularly if they are interned, need the general benefits of the protection secured to prisoners of war. During that terrible conflict the United States, without the compulsion of an international agreement, applied the principles of the 1920 convention to civilians interned in the country; and in occupied territories our relief and reconstruction activities not only went far beyond the requirements of the Hague regulations, but stand as a model for all enlightened nations to emulate, should civilization unhappily be visited, once again, by the scourge of war.

If it be objected that the treatment of our soldiers captured in Korea by the Communists was in many respects ruthless and below civilized norms, it is also true that without the convention, that treatment could have been still worse.

Our Nation has everything to gain and nothing to lose by being a party to the conventions now before the Senate, and by encouraging their most widespread adoption. As emphasized in this report, the requirements of the four conventions to a very great degree reflect the actual policies of the United States in World War II. The practices which they bind nations to follow impose no burden upon us that we would not voluntarily assume in a future conflict without the injunctions of formal treaty obligations.

We should not be dissuaded by the possibility that at some later date a contracting party may invoke specious reasons to evade compliance with the obligations of decent treatment which it has freely assumed in these instruments. Its conduct can now be measured against their approved standards and the weight of world opinion cannot but exercise a salutary restraint on otherwise unbridled actions. If the end result is only to obtain for Americans caught in the maelstrom of war a treatment which is 10 percent less vicious than what they would receive without these conventions, if only a few score of lives are preserved because of the efforts at Geneva, then the patience and laborious work of all who contributed to that goal will not have been in vain.

(Later the following occurred:)

Mr. MOYNIHAN. Mr. President, earlier I spoke at some length about the significance of the Fourth Geneva Convention and its origins in the aftermath of the conduct of the Nazi Government in occupied territory during World War II.

At this point, Mr. President, I ask unanimous consent that I may append to my statement a portion of the report published by the Committee on Foreign Relations, at the time the Senate voted to give its advice and consent to ratification of the Fourth Geneva Convention.

The committee voted, on June 9, 1955—unanimously—to recommend ratification of the Convention. On July 6, 1955, the Senate voted, 77 to 0 to consent to ratification.

On that day, Senator Mansfield noted about the 1949 Convention on the Protection of Civilians, frequently called the Fourth Geneva Convention, that it—

is a detailed attempt to avoid the bitter experiences and horrors of the concentration camps of the last war.

That the survivors of those concentration camps, and their heirs, should be the only ones accused by the American Department of State, of having violated those conventions, is disgraceful.

REALITY AND THE MX

Mr. MOYNIHAN. Mr. President, in the last several days, we have learned that the Committee on Armed Serv-

ices has begun to make a large and impressively innovative proposal with respect to the deployment of the MX missile, which question occupied so much of our time earlier in this session. Having agreed to unfence the second 21 missiles, and the Congress having done so at the committee's recommendation, the committee now proceeds to ask itself, how many more of these missiles should be built?

The distinguished ranking member Mr. NUNN has suggested 40 ought to be a limit. His distinguished associate Mr. WARNER has suggested 50—50 in silos and another 50 to be deployed in some other manner.

The unmistakable impression one has is that now that we have gone through that debate on unfencing the 21, in which many of us argued the great inadvisability of deploying this missile in a first-strike mode in those silos in Wyoming and found ourselves not attended to, frankly, if I may put it that way, that all along, there was in the committee an awareness that this was a problem.

The problem, Mr. President, is, very simply, that the MX missile was begun as the Minuteman IV. It was meant to succeed Minuteman III in the very silos. It was designed before the United States became aware that the Soviet Union has developed or was developing a superior continental ballistic missile which could target and destroy those silos in a hard place.

I have said this before, Mr. President. I was in the Cabinet at the time Mr. Secretary Laird, in 1969 or 1970, arrived to say the Soviets had just launched something enormous, something without precedent in range and accuracy, which missile we finally recognized as the SS-18, which led us to an immediate decision that we had to get out of those existing Minuteman silos, that they could not serve as a retaliatory land-based triad of a deterrent mode.

Then the great mistake was made. The Air Force, having some sense of some cost or whatever, took the very same Minuteman IV model and went out looking for a basing mode in the desert. It wandered 15 years in the desert until it became clear there was no place you could put this except in the very silos for which it was originally designed. By that time, we appeared to have quite forgotten why we had to get out of those silos in the first place.

Finally, in a mood of amnesiac disassociation with reality, we decided to put the same missile back in the same silos which, 15 years earlier, we had decided we had to abandon. Indeed, an Air Force briefing officer not long ago told a group of students from Columbia School of Journalism, if only we had kept calling this the Minuteman IV, people would understand why we have to have it.

Of course, there was much pleasure in learning that the MX, the Peacekeeper, or what you will, fit precisely into these existing silos—not surprisingly, Mr. President, because it was designed for them.

Now, it was a very alarming thing to think we were going to continue to deploy these in the numbers intended. Grant that the administration of Mr. Reagan has cut from 200 to 100 the proposed number. Even so, it was too many.

Not a day after the decision of the House, the Soviet General Secretary, Mr. Gorbachev, referred to them as a first-strike missile. They have understood them to be that.

Now, here in the Senate we appear to be coming to our senses and planning to limit very carefully the number that are to be deployed in this mode. And I would want to welcome this. I want to welcome it as we go forward with a Midgetman which is a mobile missile, as we go forward with the Trident submarines, one going to sea every year now, the D-5 missile coming on, cruise missiles in every known conformation. The Armed Services Committee is clearly coming to its senses in this regard, and I do not mean to say really more than they have thought it over and the more they have thought it over the more they have seen the reason some of us have opposed this missile in this deployment mode. Without claiming that the argument has persuaded them entirely, clearly they have persuaded themselves, and this is to be welcomed. We welcome it not least because there was no reason for us ever to suppose that this missile and this decision would in any way affect the Soviet behavior at Geneva. I speak as an observer sent by the Senate to these talks. I have not yet been to Geneva. I expect I shall have much opportunity to do so in years ahead.

There is something that is both admirable and just a little bit unsettling in the continuous American expectation that some very generous act toward the Soviets will produce a generous response. The President has said—and one admires him for saying it—that he would like to develop the space defense initiative and then share the information with the Soviets.

Mr. President, I have to say that again history reminds us of things we might wish were otherwise. Under President Truman, the United States proposed to give the atom bomb to the United Nations at a time when we alone had the technology. The Soviets vetoed that. Later, with President Eisenhower, we proposed the Atoms for Peace program in which we would use atomic energy basically as a source of power for developing countries. President Eisenhower wanted to share it with the Soviets, a sharing which they vetoed. President Eisenhower proposed the open skies situation in which we would open our skies to one another's surveillance and make sure we knew what each other was doing, no surprises and no tricks. Again, the Soviets said no. And I cannot imagine they have changed, that they will say yes now. They might. We should certainly pursue it. But in the meantime the difficulties are real and not to be misunderstood.

Sometime before the vote on the MX treaty the Honorable McGeorge Bundy, now a professor of history at New York University and national security adviser to Presidents Kennedy and Johnson, gave the Morris and Edna Zale lecture at Stanford University in which he set forth in my view a realistic and carefully argued case that we must expect a long and difficult and probably unsuccessful negotiation with the Soviets at Geneva, so long, that is, as we insist that we will not give up our space defense initiative and they insist until we do there is nothing else to talk about. It was in this context, well before our MX debate, that Mr. Bundy said that will have no impact whatever on the proceedings in Geneva; other things entirely will drive the decisionmaking process on both sides. I believe him to have been right. And now that we find the Senate reconsidering the whole MX decision, cutting it back to a point which was manageable if not necessary, it is helpful, I believe, to have access to Mr. Bundy's insights into the reality of the nuclear discussions and the immediacy of nuclear danger in these years ahead which will be characterized by long, protracted and probably not successful negotiations, certainly not successful given the expectations which our negotiators have and which they ought to have and which we support and encourage but which in the meantime should not lead us to suppose there are not other actions in the real world that will have larger and more immediate consequences.

Mr. President, I ask unanimous consent that the full text of Mr. Bundy's Zale lecture be printed in the RECORD.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

REAGAN II, THE RUSSIANS AND NUCLEAR DANGER: FLIMFLAM AND REALITY IN 1985

(Remarks of McGeorge Bundy)

The right place to begin a discussion of nuclear danger in February 1985 is with a straightforward recognition that unless there are radical changes of policy in Moscow or Washington or both, changes more radical by far than any that have occurred until now in the 40-year history of nuclear weapons, there is no prospect whatever of any new agreement in the field of strategic arms control during the second Reagan administration. We can expect, from both sides, the most earnest protestation of undying dedication to the pursuit of

radical reductions in offensive weaponry, and Mr. Reagan in particular is likely to continue to keep talking of his own dream of a world without nuclear weapons. But the firmly stated—and I believe deeply held—convictions of both governments make the prospect of any new and substantial agreement limiting offensive strategic weapons so remote that it is a mistake for anyone, in or out of government, to spend much time working on the sort of agreement that might currently be achievable and desirable if the positions of the two governments were to change. I think the right points for attention and concern are different: they have to do with damage limitation in the short run, and a search for a new and stronger public understanding in the long run. I will come back to both toward the end of my remarks, but first, I think, you will expect me to tell you why I am so gloomy about the present prospect.

The most immediate and largest obstacle to any new arms control agreement is Star Wars, by which phrase I mean the increasingly firm commitment of the Reagan administration to the long-run objective of providing a thoroughly reliable defense against Soviet ballistic missiles—a defense which, in Mr. Reagan's unrepentantly repeated words, would make these missiles "impotent and obsolete." The President does not like the term Star Wars. But the official public statements of his own administration, including in particular a White House pamphlet issued in early January, continue to give pride of place to the notion of a layered defense that will attack Soviet missiles at four stages of their flight. Moreover, both defenders and critics of this general scheme are agreed that the most important and conceivably rewarding layer is the attack on the missiles while in their boost phase—the phase in which the propellants that lift them and speed them on their way are still burning—and attack in those first minutes of their flight is literally impossible unless major components of the attacking system are predeployed in space where they necessarily become prime targets for a countersystem. The President's initiative, in short, looks toward deployments in space that will inevitably stimulate military competition in such exotic weaponry as space mines, mirror melters, anti-laser lasers and the like. Star Wars is a name that fits.

Star Wars blocks new arms control agreements because there is no prospect that the Soviets will sign a new agreement while this objective continues to have commanding Presidential priority, and no prospect that the Reagan administration will trade it away even in return for dramatic unilateral reductions in Soviet offensive weapons. Both Washington and Moscow have now made these positions entirely clear, and there is no good reason to suppose that either side will fall back from its position at any point in the next four years. The Soviet stand has been clear and firm since the very first week after Mr. Reagan's famous speech of March 23, 1983: it is that the President's initiative, while it continues, will require intensified Soviet efforts in both offensive and defensive systems. It is entirely true that the existence of the Star Wars program is one major reason for the Soviet return to Geneva; the other is that their walkout had long since become counterproductive in terms of European and American opinion. But they have come back to denounce it, not to accept it, and to trumpet its dangers to our European friends—a labor on which they are already well embarked. They will make no agreement that lets Mr. Reagan's program run free. Nor will they be mollified by assertions that the program, for the next few years, will be limited to the research the ABM treaty permits. They are doctrinaire believers in the proposition that the imperialists always have intentions even worse than the ones they admit, so it stretches credulity to suppose that they will not take the administration at its word when it tells us all that this research is aimed at finding, and presently building and deploying, an effective space-using defense. The Soviet government will make no agreement legitimizing that ambition. I have yet to meet a serious student of Soviet behavior who disagrees with this assessment.

Until the last month or so it has been possible to hope that the position of the United States government might be less inflexible. Back in November, when I joined with three friends to argue that Mr. Reagan could have Star Wars or arms control but not both, the four of us believed that the President's evident and genuine desire for progress in arms control, and the clear-cut incompatibility between Star Wars and any such progress, might lead him to sober second thoughts about the value of his initiative, whose costs and dangers all four of us found great, and then on to a considered choice of arms control instead. There were rumors at the time that some members of his own administration hoped that he might turn in this direction. But all such hopes, in and out of the administration, have now proved vain. As he presided over the preparations for the Shultz-Gromyko meeting of last month, the President came to the opposite decision, ruling firmly and clearly that Star Wars is not to be traded away for anything. It is not to be a bargaining chip. Its friends have lost no time in reinforcing that decision. Secretary Weinberger, a self-styled "true believer" in Star Wars, told the Senate Foreign Relations Committee on January 31 that no top official of the government favored trading off this program for Soviet cuts in offensive weapons. Finally, on February 11, the President himself told the New York Times flatly that there would be no such trade. Star Wars will be on the table—to be praised by one side for its peaceful objectives and denounced by the other as profoundly destabilizing, but it will not be there for trading.

What we can expect in Geneva, then, is not a negotiation but a contest for public approval. Neither side is likely to walk away in anger, because that act, in and of itself, would meet widespread disapproval. The meetings will be a forum for propaganda, and it is hard to suppose that either side will have much to say in private beyond what it is prepared to see in the newspapers very soon thereafter. The conditions for a serious negotiation are absent, and in their absence the requirement to play to the galleries will be compelling on both sides. Pressures in this direction will be increased by the quite extraordinary incapacity of the mass media to distinguish between real and unreal international events. It is not worth your time or mine to pursue the matter further, except to say that the probable result will be a noisy draw in which each side will be damaged in the eyes of sensible observers by its addiction to wholly one-sided descriptions of the situation. In effect, we shall have a competition in flimflam. Negotiators on arms control will be right back where they were between 1945 and 1958—conducting a dialogue of the deaf in which the object of both sides will be to appear blameless in a situation of real negotiation.

This prospect has at least one advantage: it gives time for reflection. It will not be interesting in the next four years to argue for or against the desirability of particular specific positions that are plainly not negotiable with one side or the other. It will not be necessary to try to summon support for or against a particular prospective result. At the most it will be important simply to assist in discrediting the more extreme and inaccurate claims of both sides. What makes much more sense, and is much more worth our attention, is to consider the kinds of inquiry and assessment that it may be useful for all of us to attempt in these years of nonnegotiation. My own belief is that there are very good uses for this time. Underneath the stalemate in strategic lie failures of understanding, on both sides, that are in need of the kind of careful attention and study that simply do not happen except in an off-season.

But first it is important to understand the depth and strength of the forces driving the two sides to these mutually irreconcilable positions. Take the Americans first. If Mr. Reagan's unreal vision of a world in which all nuclear missiles are obsolete were the only force behind the decision not to bargain over Star Wars, one might question its firmness and durability. One proposition that has become increasingly clear (to almost everyone except Mr. Reagan) in the two years of debate since the Star Wars speech is that that there is in fact no real prospect of a defense of populations strong enough to banish the possibility of mutual devastation by the use of nuclear missiles. Mr. Reagan had it right the first time: a nuclear war cannot be won and must never be fought. He could have put it more strongly: a strategic nuclear war which engaged even small fractions of existing arsenals in attacks against populated areas would be a common catastrophe, even if we had a Star Wars kill rate of 90%. There is no escape from the underlying mutual vulnerability of populations in any Star Wars scheme, and serious analysts on both sides of the argument have now acknowledged this reality.

But there remains the claim of the friends of Star Wars that while it will never defend all our people, it can indeed protect some of our weapons. For large and powerful groups in the administration and in Congress, the defense of some of our weapons is no trivial objective—it is indeed a matter of great urgency. Those of us who are critical of Star Wars must take time to understand this second and very different line of argument.

When we look behind Mr. Reagan's sunny rhetoric to the thinking of the men and women at the second and third echelons of his administration, we find an entirely different view of the need for Star Wars or something like it—a view governed not by Mr. Reagan's unreal hope that the weapons can be rendered obsolete, not indeed by hope at all, but by fear. Mr. Reagan may tell us that America is back, standing tall, and his commonsensical Secretary of State George Shultz can tell the Veterans of Foreign Wars that "our strategic deterrent has been restored," but that is not what the boys and girls in the back room believe. To find out clearly what they think, we must move from official statements and speeches to the documents produced by the private group which, more than any other, is responsible for the public articulation of the view of these matters that currently dominates the working levels of the Reagan administration. We must turn to the Committee on the Present Danger. Keep it in your

mind, as we look at the Committee's current opinions, that its founder was Paul Nitze, that its General Counsel until this month was Max Kampelman, that Kenneth Adelman of ACDA is on leave from its Executive Committee, and that the basic argument of the Committee, first against Salt II, and then against the overall defense policy of every administration since its founding, including the Reagan administration, is that we are now dangerously No. 2, and that nothing we are now doing or planning will change that condition.

The Committee has many worries, but the most important, and the most characteristic, is its belief that the United States today would be unable to make a credible response to a Soviet pre-emptive attack on American land-based missiles in their currently vulnerable silos. This is the famous window of vulnerability. Two years ago it seemed to be closed, when the Scowcroft Commission concluded that the American strategic triad was survivable "as a whole," but the Present Dangerites disagree. They believe that a successful Soviet attack on U.S. ICBM's could be made today, and that in reply to such an attack the United States would currently have no acceptable choice. They believe further that the capacity for such an attack creates the opportunity for successful atomic blackmail. All this, in their view, is fundamentally the consequence of an enormous Soviet superiority in the throw-weight of land-based strategic missiles, and this conviction leads not only to a firm belief in efforts to reduce that special advantage, but also to a conviction that even a partially effective missile defense is greatly to be desired. Such a defense, unlike the one in Mr. Reagan's dream, need not be anything like perfect. What is necessary is to complicate the task of the Soviet planner so that he will no longer be able to feel confidence in his capacity to make a successful pre-emptive attack. One supporter of this kind of "defense for deterrence" is Edward Teller, and his argument is that we can provide it "by inducing doubts in the minds of the policy makers of the Kremlin * * * If we manage to create serious doubts, then I believe attack will never come because I am confident that the Soviets are not adventurous." (Teller to Senate Committee on Armed Services, Subcommittee on Strategic and Theater Nuclear Forces, May 2, 1983)

Let us then look the window of vulnerability in the eye. By the account of the Present Dangerites themselves we are right in the middle of the worst years of the window—the Soviet advantage in prompt hard-target kill capability is greater now than it will be in a very few years, and greater than it was when Mr. Reagan became President. How is it that the President and the Secretary of State can bravely tell us that our deterrent has been restored? The only plausible answer, and the right one, is that the window of vulnerability never existed. It is worth our while to take a closer look and see why.

Let us assume a Soviet leader deeply determined to defeat the United States in a nuclear war at acceptable cost. Here are some questions that such a leader might put to his commander of strategic rocket forces.

The dialogue begins:

Q. If you can execute this attack, what percentage of the American missiles can you knock out?

A. I think we can get nearly all of them.

Q. Are you certain?

A. We have never done anything like this, so there is necessarily some uncertainty.

Q. How much?

A. No one can be sure.

Q. Can you promise me that we would not get 100 or 200 warheads fired right back from the missiles we missed?

A. No one can promise that, but we can hope.

Q. And you think hope is enough?

This first exchange should end the discussion, but let us suppose our commander is less honest or has more faith in the perfection of a simultaneous mass launching never attempted before, or even that this answer does not trouble the leader. The questioning continues:

Q. Some 30 percent of his bombers will be on alert. They will escape?

A. We cannot promise that they will not.

Q. What will they do?

A. We must assume that they will attack us.

Q. How many hundred megatons would that bring down on us and on what targets?

A. We don't know, but we would shoot some of them down.

Q. Like those Korean airliners? But hundreds of megatons would get through?

A. I cannot say they would not.

I think the interview will surely have ended by now, but if it has not the next set of questions might go like this:

Q. And what about his submarines, the ones at sea? How many warheads do they have?

A. 2000 or so.

Q. What will he do with them?

A. The Committee on the Present Danger says he won't dare use them, because we would then destory him utterly.

Q. Do you believe that?

A. It is not a military question.

Q. So I have to decide for myself? How can I assume that they won't use them? They don't have to use the whole force, after all. Couldn't they just fire about 500 warheads from 3 or 4 submarines and hold the rest in reserve? And where would we be then, no matter what they aim at?

A. The Committee on the Present Danger hasn't thought of that.

Q. Aren't you glad they are not doing our thinking?

Let me try your patience with one last set of questions, a set that might well have been the very first.

Q. If we attack all the American weapons and command posts we can hit, how many will survive?

A. That will depend on whether the Americans execute a launch under attack.

Q. But that is what we would do, as you know. So what is the chance that they might do the same thing?

A. I do not know.

Q. If they take this course, who gains by the exchange?

A. Neither side gains, because both will suffer enormous collateral damage, but our side loses much more than theirs in military damage.

Q. So there is an unknown chance, larger than 0 and less than 1, that the attack would be an instant catastrophe?

A. That is correct.

Even before the last question, the outcome of the inquiry was already sufficient to cancel the pipedream. But this final and inescapable uncertainty—the possibility of an American launch under attack—is in and of itself sufficient to make a pre-emptive strike an act of self-destructive insanity.

I hope my point is clear. Let me emphasize that I am not describing American responses for which I assert inevitability, or even wisdom. I am trying instead to demonstrate the absolutely inescapable presence of possibilities which are bound to be appalling to the Soviet leadership. The weapons that may survive the best possible attack, and that may be fired back, are just too many and too destructive for any sane leader to take an action that could so easily let them loose against his own country. In this fundamental respect, the realities have not changed in 30 years, and I know of no way to improve on the language used by Nikita Khrushchev to John F. Kennedy on October 26, 1962, at the height of the Cuban missile crisis: "You may regard us with distrust, but you can at any rate rest assured that we are of sound mind and understand perfectly well that if we launch an offensive against you, you will respond in kind." This fundamental truth is only underlined and reinforced by the vast and varied capabilities for reply which are outlined in our imaginary dialogue.

So the nightmares of the Committee on the Present Danger simply do not translate into golden hopes for the leader of the Russians. The uncertainties that Edward Teller hopes to create by Star Wars are already overabundant today. Strategic stalemate is strong. Safety for both sides is still, as Winston Churchill long ago foresaw, the sturdy child of terror.

Nightmares caused by unreasonable fear do not always yield to reasonable analyses, and the more zealous believers in the window of vulnerability are likely to hug their fears all the more closely as their unreality becomes evident, but our national opinion as a whole is less neurotic, and I believe it is well within the bounds of possibility over the next few years that most of us will come to understand that our strategic deterrent is in fact entirely adequate today.

In these same fallow years we can also make a beginning, if we work at it, on another and harder task. Overshadowed in public discussion by Star Wars, but vastly more massive, in current outlays, is our own buildup of offensive weapons. In large part, though not entirely, this buildup is driven by countervailing and war-fighting doctrines developed over the last ten years which place new and wholly unrealistic requirements upon our armed services. Starting from a sensible recognition that in the dreadful event of nuclear war the President must have additional choices between spasm and surrender, theorists with more technical expertise than common sense have imposed upon our military commanders requirements for multiple options, and for prevailing in protracted warfare, that are in their turn now generating enormous wish lists put forward with the justification that this is what national policy requires. This particular action-reaction cycle has had much too little attention from Americans, but its increasing mass and momentum is wholly uncontrolled by a Secretary of Defense who has made it his mission to defend with indiscriminate zeal the unexamined and uncoordinated requests of his subordinates. In nuclear weaponry we need to fight our way back to the simple and common-sense understanding that as long as our forces are adequately survivable, enough is more than enough at levels long since reached. That too will take time.

Let us now consider the Russians. What is it that makes them so completely unwilling to negotiate for a new agreement while the Strategic Defense Initiative remains in place? And what about their contributions

to the concealment of reality and the propagation of flimflam?

I believe that in these matters the Soviet government, just like the American Committee on the Present Danger, takes much more counsel of fear than of hope. That government endured four years of American monopoly, ten more years of overwhelming American superiority, and another decade in which it had to recognize that the Americans remained "ahead." Soviet experience of dangers surmounted, and also of humiliation received in the Cuban missile crisis, has intensified in them a determination not to be second. Whether and how far they have hoped to have usable superiority is a quite different question, and one on which opinions vary. But I think there can be no doubt of their determination not to fall behind.

A second durable element in the Soviet attitude towards these matters is a deep respect for the capabilities of American science and technology. The Soviets have first-class scientists, and they have developed first-class weapons systems. They have the obvious advantage of a dictatorial capacity to mobilize without fear of public opposition, and no one, at least since Sputnik, has accused them of incurable backwardness. But their respect for what Americans can do when they really want to remains high, and accordingly they view the Star Wars program with a deep concern for the danger that it may produce new systems against which they must take every possible precaution if they are to keep their own offensive deterrent alive and strong.

This basic reasoning impels the Soviet Union not only to a sustained propaganda campaign against Star Wars, but also to an energetic response of its own. Its most powerful reaction will be simply to strengthen and modernize its own nuclear forces so as to be able to penetrate any plausibly expectable defensive shield. The certainty of this strong Soviet reaction, extending across the spectrum from propaganda to procurement, was central to the analysis of the Star Wars program that the four of us offered in Foreign Affairs, and I find it instructive that in the torrent of criticism which we have received from Star Wars apologists, there has not been a single suggestion by anyone that the Soviet response to the program will be different from what we predicted. The Soviets will do their utmost not to let their missiles be disarmed by new American defenses, and I must say I am not surprised at the absence of counterargument on this point, because American believers in Star Wars advance the same rationale in warning of Soviet strategic defenses. Thus Caspar Weinberger: "If the Soviets get strategic defense and we don't, it would be very much like a world in which the Soviets * * * had a nuclear weapon and we did not." That, he believes, "you can't allow."

The current response of the Reagan administration to this Soviet line of argument is that there is no need to make such a stir about what is, after all, still only a research program. The Soviets themselves have had such a program for many years, and in some ways their efforts in this field have been more extensive than our own. So what's the fuss? This argument is better logically than psychologically, and again the best answer to it is simply to examine the attitude of our own leaders toward the Soviet effort. Here is Caspar Weinberger again: "The Soviets are perhaps not violating the letter of the [ABM] treaty, but they are violating the spirit of it because they are investing very large sums in a huge effort in trying to develop a kind of defense that isn't authorized by the treaty, and presumably they would either ask for revision of the treaty or they would simply deploy it." It would be hard to find a more precise description of the Soviet view of our own program.

But before we start feeling sorry for these understandably concerned Russians, we must take note of the fact that they are themselves a most considerable part of the current problem. It is the more important to do this because it is one of the less constructive characteristics of the Soviet government that it has only the most limited capacity for understanding its own contributions to nuclear danger; it also has no audible domestic critics. Over the last fifteen years, the Soviet Union has indeed engaged in a massive and entirely excessive buildup of offensive weapons. Beyond that, it has itself played fast and loose with the requirements of the ABM treaty, most notably in the construction of the radar near Krasnoyarsk. Finally and most fundamentally, its continuing and relentless belief in the value of secrecy and deception makes it an extraordinarily difficult partner in any effort for reliable agreements. Let me comment briefly on each of these three failings.

It is impossible to study the opinions that dominate the Reagan administration without recognizing the depth and strength of the belief that the United States is gravely threatened by the massive Soviet buildup of ICBM throw-weight. I have already indicated my own belief that this concern is excessive, but I do not think it possible to avoid the conclusion that the Soviet buildup is still more excessive. It is true, of course—although the administration regularly forgets to tell us—that Soviet ICBMs represent more than two-thirds of all Soviet strategic forces, while the American ICBMs are a much smaller part of our own force. It is also true that these forces do not in reality confer any usable superiority. But it is entirely predictable that when one side builds a force of such enormous magnitude with such theoretical capabilities, there will be strong reactions on the other side. If the United States had built this grossly excessive force, we can be sure that criticism from American liberals and from observers in other countries would be strong and sustained. We can and should do our best to develop a less fearful American approach to our comparisons of two forces both of which exceed any reasonable need, and we certainly do not need to follow Mr. Richard Perle in making a numerical religion out of the notion of essential equivalence. Yet it does not seem reasonable to suppose that we can expect our people to accept a drastic double standard over time. The Soviet buildup, which continues, is very much a part of the problem, and what may be an even larger part of the problem is that the Soviet government persistently refuses to recognize this reality, either in public or, as far as one can tell, even in its private deliberations. This performance, far from incidentally, has a close parallel in Soviet deployment aimed at Western Europe.

The second Soviet contribution to an atmosphere of mutual mistrust is the existence of real and substantial Soviet violations of existing agreements. Much the most important of these, in the field of nuclear arms control, is the radar near Krasnoyarsk. The ABM treaty specifically prohibits the deployment of early warning radars except "along the periphery" of each nation's territory. The Krasnoyarsk phased array radar is a massive new installation which gives every sign of being just such an early warning radar. Moreover in military terms, from the Soviet standpoint, there is unfortunately excellent reason for just such a radar with just this orientation in approximately this location. The Krasnoyarsk radar fills a gap in Soviet early warning systems that is of particular importance because it covers the Bering Sea and the North Pacific, areas from which the Soviets are bound to fear submarine missile attack, and the more so as these missiles become highly accurate. It is regrettable but evident that the commanders of Soviet missile forces (like some of their American counterparts) think it important to have a capability for launch-under-attack, and a radar of this kind will be literally indispensable for such a capability in the coming decade. Thus in criticizing the Soviet position on the Krasnoyarsk radar I am not saying that I cannot understand Soviet reasons for it, or even that it constitutes an enormous threat in terms of effective ballistic missile defense; it does not. Assessed in that context, it is only one among many necessary elements in any remotely effective missile defense system, and a highly vulnerable one at that. It does not, as some administration spokesmen suggest in debate, create a clear and present danger of a Soviet ABM breakout.

But a violation is a violation, and Soviet officials show very little understanding of the consequences of the Krasnoyarsk radar. Worse yet, they indulge in the evasive tactic of asserting that this radar is no more than a satellite tracker, an assertion which is wholly unpersuasive to those with the best capacities for technical assessment of the kinds of radar that this installation resembles. We have here, by the persuasive weight of the evidence so far, one more illustration of the propensity of Soviet leaders to suppose that if they give something an innocent name they can also give it protection from foreign complaint. The Krasnoyarsk radar does not become a satellite tracker because that is what the Soviets call it, any more than the United States, twenty-three years ago, could be expected to treat nuclear missiles in Cuba as defensive simply because Gromyko said they were.

The treaty violation and the attempted deception in the Krasnoyarsk radar are samples of a rather broader Soviet characteristic which has been with us from the very beginning of the nuclear age—the Soviet conviction that secrecy, insulation and deception are all vital elements in the strength of the Soviet state. We try to keep some secrets ourselves, and we are not wholly above deception. But the difference between our two societies on this front is much more than a difference of degree. For Soviet leaders it is genuinely an act against nature to engage in the kind of candid and continuous exchange of accurate information that is essential to reliable arms agreements in the increasingly complex nuclear world of the 1980s. A highly relevant if somewhat recondite example is that of the encryption of telemetry—the sending in secret of data would otherwise permit the United States to make technical assessments of Soviet compliance with agreements when Soviet missiles are tested. The clause in the SALT II treaty that covers this point was bitterly debated, and the resulting language is far from unambiguous. Now the Soviet military appear to be gradually narrowing their own interpretation of that clause, if they are not indeed directly flouting it. The Soviet government seems entirely unable to bear in mind on a continuous

basis that its intense addiction to secrecy and to deception creates obstacles of a profound and far-reaching character to the very agreements it so ardently professes to desire. To pretend that this problem does not exist is another piece of flimflam.

So there is more than enough misbehavior on both sides to give us ground for anticipating very little beyond self-serving argumentation in Geneva. And we have not covered every problem of this kind. Under the general umbrella at Geneva there will be a renewal of discussion on missile forces of intermediate range, and there we can expect to see the familiar and unconstructive dance in which the Soviets seek to split the NATO partners, while the Western allies for their part seek to maintain the increasingly implausible argument that British and French forces, present and perspective, are not part of the East-West balance. There will be no serious negotiation, and much will be said on both sides that is undeserving of respect.

So what shall we do in the meantime? First, I think it is not a counsel of gloom to urge that we look the Geneva realities in the eye. No durable American interest, indeed no common interest of our two great countries, is served by pretending that either one is currently taking a genuinely constructive approach to nuclear arms control. Understanding of the real if excessive fears of each side should not blind us to the weaknesses in each side's argumentation and the unhelpful elements in each side's behavior. It will be good for us to recognize flimflam for what it is.

Second, it is important to insist that since no serious negotiations will be taking place, it is quite simply fraudulent to claim that any particular American undertaking is an important factor in the bargaining process. We have seen that Mr. Reagan has firmly decided against any use of Star Wars as a bargaining chip, but administration spokesmen continue to argue that domestic support for Star Wars is essential to the U.S. position in Geneva. Because this initiative may well be part of the cause of the Soviet return to the table, it is argued that it is necessary also to the negotiations, but the argument makes no sense. Since there will be no bargaining over Stars Wars in any case, the prospect of agreement will not be increased or decreased in the slightest by the level of Congressional support for the requested appropriations, or by the degree of Congressional approval of particular elements of the program the Pentagon sends up. In the same way, it makes no difference whatever, for Geneva, whether the MX missile is voted up or down in the new decisions that the Congress will be making this spring. There has always been ambiguity in the concept of bargaining chips, and that ambiguity has sometimes led to votes that did not reflect the best possible analysis of the real value of particular systems. The impasse that the two sides have now created for themselves removes any excuse for thoughtless consent to whatever may be claimed as important for the negotiating process.

What we should do instead, and I am happy to say that Kenneth Adelman has made this same recommendation himself, is examine each nuclear program on its merits. If the MX is entirely without strategic merit when compared to other alternatives, as I believe, it should be scrapped. This will be an indication of good sense, not weakness. There are plenty of other weapons programs whose real deterrent value is positive and not negative, and those programs are the ones that we will need at the bargaining table when the day arrives for a serious effort at agreed reductions.

But the most important target for this kind of honest and independent assessment is the Star Wars budget—the budget of what the administration calls the Strategic Defense Initiative. There are a number of criteria upon which Congress should insist. First, it should hold the administration to its own professed intent of remaining within the terms of the ABM treaty. The Krasnoyarsk radar is almost surely a Soviet violation, but is should not be treated, as some administration leaders have suggested, as a license for American infringement of the ABM Treaty. Instead we should stick to research, as the President has promised Mrs. Thatcher and the rest of us, and Congress should be particularly vigilant against tests of any sort in space. As the program continues, Congress should also insist on the kind of close attention to cost-effectiveness and survivability that has now been promised in the recent White House pamphlet. We may note in passing that the acceptance of the test of cost effectiveness is in and of itself a demonostration that no perfect system is attainable—because any such system would indeed be worth whatever it might cost. Congress should insist on what has been promised: systematic and sustained attention to the balance of advantage in various systems and countersystems. Especially in space, there remains reason for the gravest doubt that space-based system can ever be cheaper than the systems designed to knock them out. Only a clear-cut reversal of this balance could ever justify the expense of space-based defense. And while this presumption against space-based system endures, there is every reason for the Congress to do its best to slow down, and if possible prevent, the further weaponization of space. There is currently a Congressionally enforced moratorium on the testing of ASAT weaponry, and there is no argument from arms control and none from current military urgency for the abandonment of that moratorium.

Finally and more broadly, we must recognize that it is entirely unrealistic to talk or act as if there were any early escape in prospect from the reality of mutual deterrence. This is not the consequence of any particular theory of deterrence; it is the consequence of the thermonuclear realities that Winston Churchill understood so clearly thirty years ago. It may be satisfying to the friends of unlimited buildup—or the friends of unilateral disarmament, for that matter—to talk as if there were an early escape available from the prospect of mutual destruction in any nuclear war, but that is not the reality. We do not escape from mutual deterrence simply by deploring it. Rather we can escape the disaster of mutual destruction only by respecting it as an unavoidable possibility. It could happen.

So what we must respect most of all, as both technology and doctrine drive both sides toward systems of increasing accuracy and toward capabilities for very rapid action that are bound to be deeply troubling in any time of crisis, is the imperative requirement upon both great governments to keep well clear of the nuclear brink. We are adversaries, but we have a common interest in avoiding any and all confrontations that could be driven beyond our control by the rush of events an by resulting incentives for hasty action. Even our friends the Present Dangerites usually admit when pressed that their nightmares of a Soviet first-strike could only come true if a beleaguered Soviet government should conclude that all-out war was inevitable and decide to go first as a least bad option. But what they omit is that we have no need to place them, ever, in that desperate position.

And since I have been gloomy on so many other points, I am glad to be able to end my talk with an affirmation of my deep belief that this most vital common interest has in fact been continuously understood at the highest levels of both governments ever since they both looked into the abyss during the Cuban missile crisis. What both sides understood then remains true today—true in a way that is completely independent of all the intervening changes in the stockpiles systems of both sides: a nuclear war between our two countries simply must not be allowed to happen, and the only way to be sure it does not happen is for our political leaders, all of them all the time, to stay well away from the brink.

JOAN BARONE

Mr. MOYNIHAN. Mr. President, I wish to bring to the attention of the Senate what most of us have individually known and have found almost difficult to deal with as individuals even as we think it appropriate to respond as a body. Last month at the age of 38, Joan Barone died. Joan was a friend of just about every Member of this body, a professional friend, but it was her quality of grace, of a grace abounding, if I could say, that one could not know her professionally without feeling to have met her personally as well. She was the loved wife of Michael Barone, a journalist and scholar of equal eminence. For years she was the producer of the CBS Sunday morning news program Face the Nation. Those of us, and that would include most of us, who have appeared in that setting have arrived with trepidation, alarm, even at times despair, to be greeted by journalists bent upon enhancing that attitude on our part, it being one that made their own work of demolition all the easier and more satisfying, if I might say, such has been my impression.

It was Joan's great quality to welcome, to reassure, to encourage, and then, in the aftermath, no matter how ruinous a performance had been to reputation or truth—good as to reputation or deceptive as to truth—to thank us with her great warmth and assure us that we would be welcome back and, indeed, find the occasion to do so.

The personal story is one that has been stated with great care and love by Lou Cannon in the Washington Post on March 18, in his column entitled "We Remember Joan Barone." Mr. President, having read nothing so lovely by way of remembrance, I ask unanimous consent that Mr. Cannon's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE REMEMBER JOAN BARONE

This is a personal column. It has nothing to do with President Reagan or the other usual suspects at the White House. Maybe it has something to do with journalism. It is a column about my friend Joan Barone, 38, who died of cancer last week at her Washington home.

The obituary told us that Joan had been Phi Beta Kapa at Mills College and a graduate student at Harvard and that she came to Washington in 1970 as a researcher at The Washington Post. It told us that she became a researcher at CBS in 1973, and producer of "Face the Nation," and that she was a producer of "CBS Evening News" when she died.

That is what the obituary said. Here are some things it did not say.

For starters, Joan Barone was an important person in this city where the people who count are supposed to be presidents, senators, lobbyists and media stars. Joan was none of the above. But she had an impact on the influential through the force of her personality and professionalism.

Throughout her life, Joan had an obsession with politics, and it was appropriate that she was discovered by my colleague, David S. Broder, who was lecturing at Harvard in the fall of 1969. Joan was in his seminar and Broder remembers that she said to him, "My major is Zoroastrian philosophy, but I'm really interested in politics." She impressed Broder so much with her attitude and ability that he recommended her for a research opening at The Post the following year.

She also made a big impression on the national news staff of The Post, particularly those of us who came from small newspapers and thought that researchers worked in laboratories. We remember her abundant energy and her willingness to tackle any project, no matter how many others she had under way. We remember her tendency to go beyond the specific question we put to her and answer the questions we should have asked.

At CBS, in the final year of the Nixon presidency, she was an instant asset. Lesley Stahl recalls that she was a "walking encylopedia" on Watergate who had stored in her head the actors, dates and principal events of that fascinating political drama.

Joan's enduring love was "Face the Nation," for which she served as researcher and assistant producer before becoming producer. It will not come as a revelation that visiting reporters sometimes wing it, relying on what we fondly believe to be a store of knowledge rather than on careful preparation. This didn't wash with Joan. We came prepared when she was there because we didn't want to be shown up in the warm-up discussion.

Joan was difficult to ignore. In the days when she was a researcher, reporters were reminded by cue cards late in the show about questions they needed to raise. I can still see her impatiently waving those cue cards with timely reminders such as "China" or "Reagan's health." Usually, we asked the questions.

Skilled politicians who are interviewed on television typically display all the spontaneity of the Wehrmacht. They prefer set speeches to candid answers. Joan thought that the questioning should get somewhere. "Make news," she would exhort reporters. She was a model of the perseverance that prompts public officials to reveal something of themselves and their policies.

Joan fought cancer for a decade before she died. During that time she was a great friend to persons with lesser problems and an inspiration to those of us who think that journalists and politicians too often get away with less than their best. She was generous with her time and advice. She remembered kindnesses and slights. She was a friend for life. She could spot a phony at a distance.

Joan made no mystery of her politics. I hope to give the ideologues no comfort when I say she was a Democrat who shared, with this reporter, the opinion that Hubert H. Humphrey was one of the greatest Americans never elected president. But Joan's fair-mindedness invariably transcended her personal views. She ratified the bedrock journalistic belief that professionalism triumphs over ideology.

Joan's memos were a marvel of meticulousness, written in a handwriting so small it almost required a magnifying glass to read them. She spoke in a small voice. Throughout her life she was remarkably self-effacing, never assuming that people knew of her accomplishments. Well, we remember her, all right. We remember that she had tiny handwriting and a big heart.

We remember that she was a mother and a wife and a devoted daughter and a first-class friend. We remember that she did fine work in pain and fear and made a difference.

Joan Barone left behind the treasure of her memory. We remember her so well that we can never forget her.

DEATH OF ROBERT L. McMANUS, SR.

Mr. MOYNIHAN. Mr. President, with a great sense of personal loss, I report to the Senate the death of one of the most distinguished New York journalists of his time, Mr. Robert McManus, Sr., who died in Albany, at age 68, on March 18.

Bob McManus was a personal friend, a godparent to one of the Moynihan children, and a standard which I, as a young man and as an adult, tried to maintain.

Few people in his profession were so respected. He covered the great Governors of New York State, from Franklin D. Roosevelt to Mario M. Cuomo. His simple virtues and truth-telling and kindness had touched men and women in political life for two political generations.

It was perhaps the nicest statement of his career that, having left the newspaper profession in 1956, as I recall, to become a press aide to then Governor Harriman of New York, he put himself in a situation of manifest jeopardy. It was then the strict rule of the capital in Albany and of the press in Upstate New York that an individual who had gone to work in a political office could not return as a newspaper man to a city room. Being a man of equal dedication to the principles of journalism and the platform and principles of the Democratic Party, he was torn when he was asked to make that decision, but he did.

Then, in a short 2 years, when Mr. Harriman was defeated for election by Mr. Nelson A Rockefeller, Bob McManus and his beloved wife, Janet, and their very large family faced the glum prospect of having neither a political nor a journalistic career; whereupon, Nelson Rockefeller made a gesture characteristic of him in many ways. He inquired about the reputation of Bob McManus as a press secretary. Bob reported to the press what was going on in the government, explained the Governor's position, made the best case he could, but kept it precisely to the confines of fact and reasonable judgment.

Having inquired of the press corps what they thought of Robert McManus, and having learned that the universal judgment was that a press secretary would not be found who was more respected by the press corps, Governor Rockefeller made the quite extraordinary judgment—for that time—to say that Bob McManus should stay on; that he met the standards of the press corps, and those were standards which the new administration would wish to abide by as well—and stay on he did.

Then, from having been a newspaperman, he gradually became an institution of the State government. When Governor Wilson succeeded Mr. Rockefeller, he kept on Bob McManus. When parties changed and Hugh Carey, a Democrat, came to office, he kept on Bob McManus. Finally, under Governor Cuomo, Bob retired, at the time of Mr. Cuomo's governorship.

It was a full and rich life which enriched those who shared it as either readers or associates or, most especially, his friends. We mourn his death and send our special love to his wife and to his many and marvelous children.

Mr. President, I ask unanimous consent that an obituary of Robert McManus, Sr., which appeared in the Albany, New York Times Union, be printed in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

[From the Times Union, Albany, N.Y., Mar. 19, 1985]

ROBERT McMANUS SR. DEAD AT 68; EX-NEWSMAN, AIDE TO ROCKEFELLER

(By Carol DeMare)

Robert L. McManus Sr., a retired state official and former aide to the late Gov. Nelson A. Rockefeller, died Monday in St. Peter's Hospital, Albany. He was 68.

He had a long history of respiratory and heart ailments.

McManus retired in April 1983 after 12 years as deputy commissioner for communications for the state Department of Environmental Conservation. He had an illustrious career as a newspaperman, an aide to two governors and as a public relations official.

Born Nov. 8, 1916 in Binghamton, McManus served from 1959 to 1966 as press secretary to Rockefeller in the late governor's heyday.

He was Rockefeller's spokesman during his two unsuccessful attempts in the 1960s to win the Republican presidential nomination, and during Rocky's controversial divorce from Mary Todd Rockefeller in 1962, which ended 31 years of marriage.

McManus was at the governor's side in the early 1960s when state lawyers boldly filed court papers condemning 98 acres of Albany property to build the South Mall, now known as the Empire State Plaza, taking local Democrats by surprise.

From 1966 to 1971, he was the Rockefeller administration's director of communications before going to EnCon. He directed EnCon communications in the mid-1970s during the controversy over the discovery of PCBs and other toxic wastes. EnCon, subsequently, was the lead agency in a landmark agreement forcing the General Electric Co. to help finance the cleanup of PCBs in the Hudson River.

McManus came to Albany in the late 1940s as a political correspondent, covering the state Legislature for the Binghamton Press.

In 1956, he left reporting to become a speech writer for Democrat Gov. Averill Harriman, and joined Republican Rockefeller after his 1958 election.

McManus began his Press career as a copy boy during summers while attending Holy Cross College.

After graduating from Holy Cross in 1939, he worked full time as a general assignment reporter and later as a political writer.

He interrupted his work for the Press to serve two years with the Associated Press in Buffalo and Albany, before returning to Binghamton.

His acumen at covering politics stemmed from family history. His father, David F. McManus, was Broome County Democratic chairman during the 1930s and 1940s, and a contemporary of the late Daniel P. O'Connell, Democratic political boss of Albany County until his death in 1977.

Newsman Tom Cawley, a colleague at the Press, called McManus a "very, very good political reporter. Excellent."

Cawley, who free-lances a column for the Press, remembered when McManus covered a Binghamton Common Council meeting in the late 1940s. There was considerable opposition on the council to reappropriating city budget money for public library books.

McManus was "pretty offbeat in his coverage," Cawley said. He asked each of the 13 council members to produce a library card. Only two could. The story "got the library its appropriation," Cawley said.

Another friend, U.S. Sen. Daniel Patrick Moynihan, D-New York, said of McManus, "The craft of journalism begins with a commitment to truth, to find it, to tell it. Few men in his generation so embodied that commitment or so fulfilled its purpose. He enlarged his calling and enriched his friends."

Harry F. O'Donnell of Elmira, a McManus colleague from their Albany reporting days and state government work, said, "The ranks of old pros are diminished by the passing of Bob McManus who, most certainly, was an authentic professional in two exciting and exacting fields.

"Bob earned recognition as one of the best during an historical era of New York state and national politics, ranging from Franklin D. Roosevelt's long tenure as president up to Mario Cuomo's eventful arrival on the Albany and national scene."

O'Donnell, a former Associated Press reporter in Albany and later an aide to four New York governors and a New York City mayor, said he and McManus "know that we wouldn't have traded our life's time-frames for any other period in history."

Cawley and O'Donnell recalled McManus' dry wit. One day, at the Press, a vaudeville act paraded a horse into the city room as a promotion gimmick.

The entertainers were told to take the horse to McManus' desk.

For several minutes McManus continued to write his column, refusing to look up. Finally, his colleagues yelled to him.

McManus glanced up, then quipped, "This is the first time they ever brought a whole horse in here."

He married the former Jeanette Manning in Binghamton July 8, 1942. He was a parishioner of Albany's Blessed Sacrament Church.

McManus' mother was the former Agnes McCabe.

Besides his widow, McManus leaves five sons: Robert L. Jr. of Albany, a former political writer for The Times Union, Thomas D. of Lihue, Hawaii, Terence J. of Rock Springs, Wyo., John M. of Columbus, Ohio, and Timothy P. of San Francisco; four daughters: Katherine Bruin of Marblehead, Mass., Christine Mullin of Scotia, Ellen M. McManus of Saratoga Springs, and Mary Elizabeth McManus of Albany; two brothers, Donald McManus and John McManus, both of Binghamton; a sister, Grace Leary of Elmira; and 11 grandchildren.

Services will be at 9:30 a.m. Thursday in the McVeigh Funeral Home, Albany, and at 10 a.m. in Blessed Sacrament Church. Burial will be in Calvary Cemetery, Glenmont.

Memorial donations may be made to Covenant House, 460 W. 41st St., New York, N.Y. 10036.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate will now begin a period of routine morning business.

SENATOR WARREN G. MAGNUSON'S BIRTHDAY

Mr. DANFORTH. Mr. President, respect and admiration describe my feelings toward the distinguished former Senator from Washington, Warren G. Magnuson.

I was a freshman Senator from Missouri when Senator Magnuson was at the heighth of his career—a career characterized by dedicated, effective and compassionate service on behalf of the American people. It was once said of Senator Magnuson that he is a man who "never sought to make the world perfect," but who "sought to make it better." Make it better he has.

Senator Magnuson is responsible for landmark legislation in many areas. As chairman of the Commerce Committee, I personally admire his tremendous achievements in several areas under the committee's jurisdiction. His accomplishments in consumer protection are responsible for current Federal policy in this critical area. The list of major consumer laws which he authored is truly remarkable.

In 1974, he was author of the Magnuson-Moss Warranty Act which required manufacturers to make warranties clear and to live up to their promises. In addition, he was author of the Flammable Fabric Act which set flammability standards for fabric, draperies and, more importantly, children's sleepwear. The numerous other laws which Senator Magnuson authored include: The Poison Prevention Packaging Act, the Toy Safety Act, the Truth in Lending Act, the Truth in Packaging Act, the Truth in Labeling Act, and the Highway Safety Act.

Senator Magnuson was also a leader on environmental issues within the Commerce Committee's jurisdiction. For instance, he authored the Ports and Waterways Safety Act of 1972 which established stringent standards for the construction and operation of tanks. In fact, the Senator is often referred to as "Mr. Oceanography" because of his role as a prime mover in the field of ocean-related legislation.

Senator Magnuson's concern for the rights of American fishermen against foreign interlopers is well known. In this regard, the Senator authored the Magnuson Fisheries Management and Conservation Act, legislation that set a 200-mile limit on foreign fishing ships.

As a successor to the former chairman of the Commerce Committee, I am inspired by his accomplishments. Be it health, consumer protection, transportation, communications or the environment, Senator Magnuson was there working on behalf of the American people. During his time in Congress, which spanned almost 50 years, he left an indelible impact on our Nation's history and future.

Happy Birthday Maggie.

THE BIRTHDAY OF SENATOR WARREN MAGNUSON

Mr. THURMOND. Mr. President, I am pleased to join with a number of my colleagues in paying tribute to my good friend, former Senator Warren Magnuson of the State of Washington, on the occasion of his 80th birthday on April 12.

Senator Magnuson, who was my immediate predecessor as President pro tempore of the Senate, has given a lifetime of public service to his country and his home State of Washington. Following his admission to the Washington Bar in 1929, he served as special prosecutor in King County. As a member of the Washington State Leg-

islature, he sponsored a bill that became the country's first unemployment compensation law. Senator Magnuson's record as assistant U.S. district attorney and King County prosecuting attorney helped him win election to a seat in the U.S. House of Representatives in 1936, where he untiringly strove to represent his people.

In 1944 he was elected to the Senate, and within a decade, he became chairman of the Interstate and Foreign Commerce Committee, which later became the Commerce, Science, and Transportation Committee. He also served on the Appropriations Committee and became chairman of that committee. As a member of the Aeronautics and Space Sciences Committee, he became a leading advocate of Government-sponsored oceanography research as an aid to national defense. He cosponsored the Magnuson-Moose Warranty Act, which requires that warranties on certain consumer products meet minimum standards.

Senator Magnuson served his country as a lieutenant commander in the Naval Reserve and is a member of the American Legion and the Veterans of Foreign Wars.

It has been my distinct honor and privilege to succeed my esteemed former colleague, Warren Magnuson, in the office of President pro tempore of the Senate. He has inspired generations of Americans with his style of patriotism and leadership. I join my colleagues to honor him and congratulate him on the occasion of his 80th birthday, and I wish him well in all future endeavors.

THE 80TH BIRTHDAY OF SENATOR WARREN MAGNUSON

Mr. HOLLINGS. Mr. President, I wish to offer my best wishes to a former colleague, Warren Magnuson, on the occasion of his 80th birthday.

During his 36 years in this body, Maggie became one of the greatest and most influential Senators in our Nation's history. Few have left a greater mark on our Government. I know, because I served with him on the Appropriations and Commerce, Science, and Transportation Committees. It was in these two committees where Maggie's most significant achievements were born.

As chairman of the Commerce Committee for 22 years, Maggie ushered in a new era in consumer protection, transportation, and environmental policy. It was he who put together the legislation establishing the Consumer Product Safety Commission, truth in advertising laws, Amtrak, Conrail, the National Science Foundation, and important pollution laws.

On appropriations, he championed the cause of medical research. His initiatives included the establishment of the National Institutes of Health, the National Cancer Institute, and the National Health Service Corps.

Thanks to Warren Magnuson's many years of distinguished service in the Senate, America is a cleaner, safer, and more healthful society. He will always be remembered for his contributions to our Nation.

I join my colleagues in extending Maggie my heartiest congratulations as he celebrates his 80th birthday on April 12. May he enjoy continued good health and many more birthdays in the years to come.

CATFISH FARMING IN ARKANSAS

Mr. BUMPERS. Mr. President, yesterday Senator PRYOR and I and our wives, Betty Bumpers and Barbara Pryor, hosted a catfish luncheon in the Russell Building for Senators, and we had an excellent turnout. Some of the Senators who attended had eaten catfish all their lives, and so they already knew what a delicious and nutritious food it is. Others enjoyed it for the first time yesterday.

Our fine chefs were Carter and Debbie Harrison from Carlisle, AR, and the delectable meal of Arkansas farm-raised catfish, with all the trimmings including hush puppies and slaw, was sponsored by the Catfish Farmers of Arkansas.

The Catfish Farmers of Arkansas have prepared a paper describing the benefits of a thriving aquaculture economy entitled "Catfish Farming Past, Present, Future." I ask unanimous consent that this paper be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

CATFISH FARMING—PAST, PRESENT, FUTURE

Fish Farming, because of its present size and potential, can have a significant impact on our balance of trade deficit and the general well being of Agriculture in the United States.

The deficit of trade is one of the greatest problems confronting our nation today. Quoting from the National Aquaculture Plan:

"Aquaculture has the potential to provide at least part of the fresh and frozen products that currently are imported. The U.S. imports 60 percent of the fishery products consumed domestically, and the resulting trade deficit in 1978 amounted to about $2.6 billion, or 28 percent of the nation's total trade deficit for non-petroleum products."

The increasing imports and resulting deficit of trade in fish and fishing products is alarming. Imports of fish and fishery products, both edible and non-edible, totaled $5.1 billion in 1983 with a total deficit of trade of $4.1 billion. With the abundance of natural resources (land and water) in the U.S. and with a firm commitment from government and industry at this time, we could change this fish and fishery products deficit item to a balance of trade surplus item within 5 years. This is truly an attainable goal.

Although the United States is traditionally not a fish eating nation, per capita consumption of fish has increased about 25% since the 1960's. Department of Commerce statisticians, home economist and others project even a greater increase in fish consumption in the future due to:

1. A more health conscious population.

2. Reports by the Surgeon General emphasizing high fat/high cholesterol dangers, and benefits of eating more fish.

3. More consumer accessibility due to the product being placed in supermarkets, fast-food establishments and restaurants. For example, Church's Fried Chicken Chain has recently signed a contract to purchase 50 million pounds of catfish for it's national outlets. Others will follow.

Again, quoting from the National Acquaculture Plan:

"Aquaculture can provide economic incentives in agricultural areas of high unemployment and depressed economic activity. It has particular potential for increasing employment opportunities and encouraging the economy in rural areas, in places where large operations have displaced small-scale coastal fishing, and in agricultural communities with surplus land and labor. Initiation and expansion of new and associated business, such as feed and fertilizer operations, would provide increased tax revenues to the local governments."

A major problem confronting today's grain farmer is excess production. Fish farming can alleviate the excess by:

1. Diverting acreage from grain crops to fish farming (a crop not in excess).

2. Utilizing grain and grain by-products such as corn, wheat, milo, soybean and rice in fish feeds. In catfish feeds alone, these products used amounted to over 500 million pounds in 1984 and the demand for these crops will increase as fish farming grows.

The benefits of diversification of America's farmers into aquaculture are obvious. While helping to reduce our deficit of trade balance, fish farming will benefit our total farm economy.

Fish farming is a relatively new industry as compared to other agricultural enterprises. Trout farming dates back to the 1950's and catfish farming had it's beginning in the 1960's. Pen-rearing of salmon, and several other industries are even more recent.

In 1960, catfish production totaled only 325,000 pounds worth $100,000. Growth has been phenomenal. In 1984, the industry production was calculated to be over 250 million pounds worth about a quarter of a billion dollars at the farm level. This translates into a $1.5 billion industry when considering economic multipliers. The phenomenal growth of the Catfish Industry illustrates that the American public will accept, and even demand, a high quality domestically-produced fish product. However, will we as a nation make available the resources to the practicing and potential fish farmers to meet the growing needs? If we do not provide the essential resources, our nation's consumers will look elsewhere, probably to overseas sources. This will assuredly increase our imports, and thus increase further these deficits of trade balances.

Research, much of it conducted at the Fish Farming Experimental Station, U.S. Fish and Wildlife Service, in Stuttgart, Arkansas, has contributed greatly to the phenomenal growth of the catfish industry. Some of the achievements are:

1. Research in nutrition and feeds has resulted in better quality and lower-priced formulations.

2. Studies of diseases and parasites which were previously disastrous to the economics of fish farming are now effectively controlled.

3. Research in water quality management has increased the 800 pound per acre average production in 1960 to 1,500 pounds in 1977. Many farmers are producing over 5,000 pounds per acre today.

4. Developments in harvesting gear and techniques used exclusively by catfish farmers today were developed at the Fish Farming Developmental Station, U.S. Fish and Wildlife Service, Kelso, Arkansas. The Kelso Station was placed in stand-by status (closed) in 1975.

5. Research conducted at the University of Arkansas-Pine Bluff, and in the Arkansas Agricultural Experiment Station System has been instrumental in providing vital information to small farmers, cage operators, and major producers.

Additional research is essential if we are to maintain this phenomenal growth in catfish farming. Research into genetics, feed development, water quality management, better harvesting and transportation techniques, disease control, and other management needs is vital to the growth and prosperity of the fish farming industry. The need for extension assistance to disseminate these research findings is essential. The leaders of this country must recognize the importance of funding and staffing the Stuttgart Laboratory, reopening the Kelso Station, and supporting the state institutions involved in fish farming.

REFLECTIONS ON ATTITUDES TOWARD SOUTH AFRICA

Mr. HECHT. Mr. President, the unbridled rhetorical assault on the Republic of South Africa, tantamount to a declaration of economic warfare, is scandalous. It provides an ego trip for demagogues to criticize an imperfect society struggling to improve democratic processes and economic benefits for its citizenry, but this behavior in the Halls of Congress undermines true American foreign policy interests and indeed the interests of the black Africans it is intended to help.

The key question is: Do we lambaste friendly countries with parliamentary governments because they do not have perfect social systems? Is it not better to applaud the progress they are making toward more representative government? Do we permit a vision of the best conceivable democracy to justify destroying a political entity visibly making every practical effort to maintain an orderly and prosperous society that looks very good in comparison with most other African nations? In other words, is it wise to allow aspiration for the best to be an enemy of the good?

Gentlemen, it seems to me that some of us who know little about South Africa or the alternatives that might result from our punitive attitudes are committing precisely this folly. The result could be an added injury to black and white people alike in South Africa and conceivably the end of one of the few parliamentary governments based on Anglo-Saxon legal concepts on the whole continent of Africa. Is this our goal? Is it in the international interest of the United States? I say no.

Let us turn away from this vindictive "holier than thou" assault on the decent people of the South African Government plainly engaged in a constructive and orderly effort to create a more representative political system. The alternative is aiding and abetting the forces of violence and revolution intent on overthrowing the reform-mined South African Government. Is that sensible for us or for the black and white population of South Africa? Again I say no.

The reason for my decision is based on recent history. Throughout Africa we see many states that have accepted Soviet help and adopted the totalitarian Soviet model of government. Ethiopia is the most conspicuous example. The people are starving. The Soviet Union gives them guns and military hardware. These gifts are not to make the people better off, but to encourage them to meddle in the affairs of non-Communist neighboring states in order to destabilize them socially, and if possible, destroy them politically.

The Republic of South Africa is the target of this kind of Soviet-inspired game plan, involving mobilization of hostile pressures from outside and direct support of violent revolutionary action inside. The fact is the modern economy of South Africa that has drawn so many black laborers to work there is the only hope for economic growth and adequate food in all of the states of the southern cone of Africa. The assault on the stable and productive South African society, which we are being asked to join, is an attack on political and economic progress in all of Africa. If we join, we are becoming catspaws in a Soviet game that few understand though it is plain to see.

The history of the past 25 years shows that we should avoid repeating our previous errors in situations like this one. Shall we undermine a government, admittedly imperfect, that is trying to introduce democratic processes and feed its people better? Or shall we help the revolutionary critics who really want to destroy the social fabric in order to create their own totalitarian control system?

I think the answer is clear. It does not matter if the result is communism or fanatic Islamic fundamentalism or any other arbitrary, undemocratic political system. It is a tragedy.

Is Vietnam better off now with its harsh political controls, concentration camps, desperately poor economy, and expansionist war in Cambodia, than it was when at least in South Vietnam there was a parliamentary and electoral process and substantial free-enterprise economic activities. No, of course not.

Is Iran better off now with its wildly arbitrary rule by the Khomeini Moslem fanatics, its civil disorders and murders, its costly war against Iraq, and its vulnerability to Soviet infiltration from Afghanistan, than it was under the reform-minded regime of the Shah? No, of course not.

Gentlemen, let us not repeat these past follies. The Republic of South Africa is a friendly nation with tremendous economic assets for all of Africa and a strategic location at the vital junction point of the Indian and Atlantic Oceans. It is moving sociologically and politically in the right direction. If we help undermine this society the result will be similar to what followed in Vietnam and Iran. It will be disastrous for all, including the Americans who are now creating a storm of criticism of the Republic of South Africa.

Let us instead try to support and build up governments moving in an orderly way in the direction of representative and productive society. Let us for once heed the lessons of history and the facts of international life, not our narrow emotional reactions based on our own special circumstances in this fortunate country. Our influence because of our good fortune and strength is too great for us to let ourselves be manipulated needlessly into leaning in the wrong direction. For heaven's sake, let us desist from this unseemly attack on South Africa.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 4, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bills and joint resolutions:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to

clarify the intention of section 221 of the act;

H.R. 1239. An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes;

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donor Awareness Week";

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and April 7, 1985, as "World Health Day";

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites; and

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month."

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week"; and

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day U.S.A.".

The enrolled bills and joint resolutions, except for H.R. 1239, were signed on April 4, 1985, by the President pro tempore [Mr. THURMOND].

The bill H.R. 1239 was signed on April 4, 1985, by the Vice President.

MESSAGES FROM THE HOUSE

At 1:20 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 38. Concurrent resolution providing for an adjournment of the Senate and the House of Representatives from Wednesday, April 3, or Thursday, April 4, 1985, until Monday, April 15, 1985.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 107. Concurrent resolution to express the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to respond to unfair international trade practices of Japan.

The message also announced that pursuant to the provisions of section 3, Public Law 94-304, as amended by section 1, Public Law 99-7, the Speaker appoints as members of the Commission on Security and Cooperation in Europe the following minority Members on the part of the House: Mr. RITTER, Mr. KEMP, and Mr. PORTER.

The message further announced that pursuant to the provisions of 46 United States Code 1295b(h), the Speaker appoints as members of the Board of Visitors to the U.S. Merchant Marine Academy the following Members on the part of the House: Mr. MANTON and Mr. CARNEY.

The message also announced that pursuant to the provisions of section 203(b) of Public Law 98-361, the Speaker appoints Mr. FUQUA and Mr. LUJAN as advisory members of the National Commission on Space on the part of the House.

The message further announced that pursuant to the provisions of section 6968(a) of title 10, United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: Mr. MURTHA, Mr. WILSON, Mrs. HOLT, and Mr. SPENCE.

The message also announced that pursuant to the provisions of Public Law 98-162, the Speaker appoints as members of the Commission on the Eleanor Roosevelt Centennial the following Members on the part of the House: Mrs. KENNELLY, and Mr. FISH.

The message further announced that pursuant to the provisions of section 4(a) of Public Law 92-484, the Speaker appoints as members of the Technology Assessment Board the following minority Members on the part of the House: Mr. MILLER of Ohio and Mr. EVANS of Iowa.

The message also announced that pursuant to the provisions of section 4(a) of Public Law 94-118, the Speaker appoints as members of the Japan-United States Friendship Commission the following Members on the part of the House: Mr. FOLEY and Mr. MILLER of Washington.

The message further announced that pursuant to the provisions of title 22, United States Code, section 276d, the Speaker appoints as members of the U.S. delegation of the Canada-United States Interparliamentary Group the following Members on the part of the House: Mr. BARNES, Chairman, Mr. FASCELL, Vice Chairman, Mr. GIBBONS, Mr. HAMILTON, Mr. OBERSTAR, Mr. LAFALCE, Mr. DONNELLY, Mr. BROOMFIELD, Mr. HORTON, Mr. STANGELAND, Mr. MARTIN of the New York, and Mr. MILLER of Washington.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had signed the following enrolled bills:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ;

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission; and

H.R. 1866. An act to phase out the Federal Supplemental Compensation Program.

MEASURE PLACED ON THE CALENDAR

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 107. Concurrent resolution to express the sense of the Congress that the President take action to reduce the growing U.S. merchandise trade deficit and that he take action to respond to unfair international trade practices of Japan.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary reported that on today, April 4, 1985, she had presented to the President of the United States the following bill and joint resolutions:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the act;

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donor Awareness Week";

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites; and

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month."

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-810. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the Medicare hospital wage index study; to the Committee on Finance.

EC-811. A communication from the Chairman of the Council on Environmental Quality transmitting, pursuant to law, the Council's 1984 Government in the Sunshine Report; to the Committee on Governmental Affairs.

EC-812. A communication from the Comptroller General of the United States transmitting, pursuant to law, the 1984 GAO Annual Report; to the Committee on Governmental Affairs.

EC-813. A communication from the Head of the Information Section of the U.S. Copyright Office, transmitting, pursuant to law, the Office's 1983 Freedom of Information Report; to the Committee on the Judiciary.

EC-814. A communication from the Secretary of Agriculture transmitting, pursuant to law, an interim rule regarding the financing of commercial sales of agricultural commodities; to the Committee on Agriculture, Nutrition, and Forestry.

EC-815. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Thailand; to the Committee on Armed Services.

EC-816. A communication from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs transmitting, pursuant to law, the annual report on the Panama Canal Treaties; to the Committee on Armed Services.

EC-817. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on a decision to convert the T-2 aircraft maintenance (J501) function at Training Squadron 26, Chase Field, Beeville, TX, to performance under contract; to the Committee on Armed Services.

EC-818. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, an addendum to the DOD report on technology security; to the Committee on Armed Services.

EC-819. A communication from the Chairman of the National Credit Union Administration transmitting, pursuant to law, the NCUA 1984 Annual Report; to the Committee on Banking, Housing, and Urban Affairs.

EC-820. A communication from the Chairman of the Federal Financial Institutions Examination Council transmitting, pursuant to law, the Council's 1984 annual report; to the Committee on Banking, Housing, and Urban Affairs.

EC-821. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations for pipeline safety programs for fiscal years 1986 and 1987; to the Committee on Commerce, Science, and Transportation.

EC-822. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Coastal Zone Management Act of 1972; to the Committee on Commerce, Science, and Transportation.

EC-823. A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, the Commission's 23d annual report; to the Committee on Commerce, Science, and Transportation.

EC-824. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to repeal section 1214 of the Merchant Marine Act of 1936; to the Committee on Commerce, Science, and Transportation.

EC-825. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on railroad financial assistance; to the Committee on Commerce, Science, and Transportation.

EC-826. A communication from the Secretary of Energy transmitting, pursuant to law, notice of the intention to delay submission of the national energy policy plan from April 1 until September 5, 1985; to the Committee on Energy and Natural Resources.

EC-827. A communication from the Chairwoman of the U.S. International Trade Commission transmitting, pursuant to law, the annual report on trade between the United States and nonmarket economy countries; to the Committee on Finance.

EC-828. A communication from the Board of Trustees of the Federal Hospital Insurance Trust Fund transmitting, pursuant to law, the trustees 1985 annual report; to the Committee on Finance.

EC-829. A communication from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds transmitting, pursuant to law, the trustees 1985 annual report; to the Committee on Finance.

EC-830. A communication from the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund transmitting, pursuant to law, the trustees 1985 annual report; to the Committee on Finance.

EC-831. A communication from the Chairman of the National Advisory Committee on Oceans and Atmosphere transmitting, pursuant to law, a report on the conservation and management of North Pacific fur seals; to the Committee on Foreign Relations.

EC-832. A communication from the Director for Legislative Affairs, AID, transmitting, pursuant to law, an amended report on program allocations for fiscal year 1985; to the Committee on Foreign Relations.

EC-833. A communication from the Chairman of the Federal Trade Commission transmitting, pursuant to law, the Commission's 1984 Government in the Sunshine Report; to the Committee on Governmental Affairs.

EC-834. A communication from the Chief Immigration Judge, Department of Justice, transmitting, pursuant to law, a report of grants of suspension of deportation under section 244(a)(1)(2); to the Committee on the Judiciary.

EC-835. A communication from the Chairman of the Railroad Retirement Board transmitting a draft of proposed legislation to eliminate the 1985 rail industry pension cost-of-living adjustment; to the Committee on Labor and Human Resources.

EC-836. A communication from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to extend certain veterans' health programs; to the Committee on Veterans' Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

John R. Norton III of Arizona, to be Deputy Secretary of Agriculture.

(The above nomination was reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listings of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED, APRIL 4, 1985

*1. Lt. Gen. Walter F. Ulmer, Jr., U.S. Army (age 55), to be placed on the retired list; and

*2. Maj. Gen. Crosbie E. Saint, U.S. Army, to be lieutenant general. Ref. No. 148

*3. Maj. Gen. Alfred G. Hansen, U.S. Air Force, to be lieutenant general. Ref. No. 150

**4. Col. Pierce A. Rushton, Jr., U.S. Army, to be Director of Admissions, United States Military Academy. Ref. No. 156

Total 4.

**1. In the Air Force there are 48 appointments to the grade of colonel and below (list begins with Donald D. Fate). Ref. No. 161.

**2. In the Air Force there are 38 appointments of graduates of the Uniformed Services University of the Health Sciences to a grade to be determined by the Secretary of the Air Force (list begins with Raymond L. Brewer). Ref. No. 162.

**3. In the Army there are 19 permanent promotions to the grade of colonel and below (list begins with Ricardo Alba). Ref. No. 163.

**4. In the Army there are 1,636 appointments to the grade for second lieutenant (list begins with Harald K. Abbenhaus). Ref. No. 164.

*5. Adm. Steven A. White, U.S. Navy (age 56), to be placed on the retired list. Ref. No. 169.

*6. Rear Adm. George W. Davis, Jr., U.S. Navy to be vice admiral. Ref. No. 170.

*7. Rear Adm. James E. Service, U.S. Navy to be vice admiral. Ref. No. 171.

**8. In the Marine Corps there are 209 appointments to the grade of second lieutenant (list begins with Mark D. Abelson). Ref. No. 173.

**9. In the Naval Reserve there are 568 permanent promotions to the grade of captain (list begins with James L. Abbot, III). Ref. No. 174.

Total 2,521.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of March 28, April 1, and April 2, 1985, at the end of the Senate proceedings.)

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Beryl Wayne Sprinkel, of Virginia, to be a Member of the Council of Economic Advisors.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 886. A bill entitled the "Hazardous Waste Reduction Act of 1985"; to the Committee on Finance.

By Mr. DOLE:

S. 887. A bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly; to the Committee on Finance.

By Mr. DURENBERGER:

S. 888. A bill entitled the "Economic Equity Act"; to the Committee on Finance.

By Mr. SIMPSON (by request):

S. 889. A bill to amend the Atomic Energy Act of 1954, as amended, to eliminate duplicative Federal Register notices relating to the Commission's Agreement State program; to the Committee on Environment and Public Works.

By Mr. SIMPSON (by request):

S. 890. A bill to provide applicants for, or holders of, a productions facility license or a utilization facility license with access to certain Federal criminal history records; to the Committee on Environment and Public Works.

By Mr. SIMPSON (by request):

S. 891. A bill to amend the Energy Reorganization Act of 1974, as amended, to clarify notification requirements for noncompliance, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GLENN:

S. 892. A bill to amend the Solid Waste Disposal Act to clarify the jurisdiction of the Environmental Protection Agency over the regulation of solid waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities; to the Committee on Environment and Public Works.

By Mrs. HAWKINS:

S. 893. A bill to create the Florida panther National Wildlife Refuge in the State of Florida; to the Committee on Environment and Public Works.

By Mrs. HAWKINS:

S. 894. A bill to abolish parole as of the effective date of the Sentencing Reform Act of 1984; to the Committee on the Judiciary.

By Mr. SIMPSON (by request):

S. 895. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRASSLEY (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. BOREN, Mr. HEINZ, Mr. MITCHELL, Mr. PRYOR, Mr. SYMMS, and Mr. ZORINSKY):

S. 896. A bill to amend the Internal Revenue Code of 1954 to apply rural electric cooperative plans to the provisions relating to cash or deferred arrangements; to the Committee on Finance.

By Mr. BENTSEN:

S. 897. A bill for the relief of Christy Carl Hallien of Arlington, Texas; to the Committee on Armed Services.

By Mr. GRASSLEY:

S. 898. A bill to clarify the standards under which attorneys fees may be awarded prevailing defendants under 42 U.S.C. 1988; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself, Mr. HARKIN, Mr. DURENBERGER, and Mr. GLENN):

S. 899. A bill granting the consent of Congress to the Midwest Interstate Compact on Low-level Radioactive Waste Management; to the Committee on the Judiciary.

By Mrs. HAWKINS:

S. 900. A bill to protect the public investment in right-of-way lands of the Cross Florida Barge Canal; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 901. A bill to prohibit the enforcement of certain interstate compacts which may be discriminatory in nature, and to which Congress has not granted consent; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 902. A bill to establish Federal standards and regulations for the conduct of gaming activities within Indian country, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. SIMPSON (for Mr. DOLE (for himself and Mr. STEVENS)):

S.J. Res. 106. Joint resolution to approve the obligation of funds available under Public Law 98-473 for supporting military or paramilitary operations in Nicaragua; to the Committee on Appropriations, pursuant to Public Law 98-473, provided that if the Committee has not reported the resolution (or an identical resolution) fifteen calendar days after its introduction, such Committee shall be discharged from further consideration of the resolution.

By Mrs. HAWKINS (for herself and Mr. GRASSLEY):

S.J. Res. 107. Joint resolution to designate the month of May, 1985 as "Older Americans Month"; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. NUNN):

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimbursable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HART (for himself and Mr. KERRY):

S. Res. 131. Resolution expressing the sense of the Senate with respect to proposals for mutual and verifiable moratoria on certain activities involving nuclear weapons, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD:

S. Con. Res. 39. Concurrent resolution expressing the support of the Congress for Costa Rica's neutrality and urging the President to support such neutrality; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 886. A bill entitled the "Hazardous Waste Reduction Act of 1985; to the Committee on Finance.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. DOLE:

S. 887. A bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly; to the Committee on Finance.

EXTENSION OF DEDUCTION FOR ELIMINATING ARCHITECTURAL BARRIERS

Mr. DOLE. Mr. President, today I introduce legislation to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly through 1989.

This provision of the Revenue Code (section 190) will expire this year. Since its creation in 1976, it has been renewed on three occasions.

Section 190 provides an option whereby business persons can deduct from taxable income those expenditures made for accessibility, instead of depreciating the capital improvements over a number of years. The maximum allowable income tax deduction is $35,000; thus the annual revenue cost of this proposal is slight.

Income tax incentives constitute an effective way for business and the Federal Government to work together for the voluntary removal of architectural barriers that prevent disabled and elderly citizens from gaining access to places of commerce, housing, recreation, and employment. Section 190 is the only fiscal inducement to private business operators to make their facilities accessible.

Individuals with disabilities must have access to and safe use of the human-made environment if they are to enjoy the same rights and opportunities as other people to participate fully in everyday living activities.

The limitations imposed on persons with disabilities by architectural barriers severely affect their efforts to secure education and gainful employment. It reduces their access to needed health care and presents a serious deterrent to their participation in community life.

Over the last several decades America has strengthened its commitment to full equality for all of its disabled citizens by expanding educational, health, and job opportunites and by passing and enforcing landmark civil rights legislation. Nevertheless, many handicapped persons continue to find themselves in situations where their rights are effectively, if inadvertently, denied due to architectural and design barriers.

If the Federal Government fails to provide an incentive such as an income tax deduction or credit, business operators may not be inclined to bear accessibility-related costs. Because accessibility is so important to America's handicapped and elderly citizens, I urge my colleagues to join me in supporting the extension of the beneficial provisions of section 190.

By Mr. SIMPSON (by request):

S. 889. A bill to amend the Atomic Energy Act of 1954, as amended, to eliminate duplicative Federal Register notices relating to the Commission's agreement State programs; to the

Committee on Environment and Public Works.

FEDERAL REGISTER NOTICES

Mr. SIMPSON. Mr. President, at the request of the Nuclear Regulatory Commission, I am introducing today a bill to eliminate duplicative Federal Register notices relating to the Commission's agreement State program. I ask unanimous consent that the text of this bill be printed in the CONGRESSIONAL RECORD following my remarks. In addition, I ask unanimous consent that a letter from the Nuclear Regulatory Commission to the Vice President of the United States, the Honorable GEORGE H. BUSH, transmitting this legislation, a section-by-section analysis, and a legislative analysis of this legislation appear in the RECORD immediately following the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 2. (a) Section 274 of the Atomic Energy Act of 1954, as amended, is hereby amended by deleting the following language in subsection (e)(1): "once each week for four consecutive weeks."

U.S. NUCLEAR REGULATORY COMMISSION,
Washington, DC, March 12, 1985.

HON. GEORGE H. BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a Nuclear Regulatory Commission legislative proposal in the form of a draft bill which would result in modest cost savings to the Commission by eliminating duplicative Federal Register notices regarding our Agreement State Program.

Under Section 274 of the Atomic Energy Act the Commission may enter into an agreement with a State under which the Commission relinquishes its authority to regulate certain nuclear materials. Before entering into an agreement, subsection 274(e)(1) of the Atomic Energy Act requires the Commission to publish the proposed agreement once each week for four consecutive weeks in the Federal Register. Under the proposed amendment only one Federal Register notice would be required.

A draft bill (Enclosure 1), an analysis of the proposal (Enclosure 2), a comparative text (Enclosure 3) and a memorandum explaining in greater detail the need for the proposal (Enclosure 4) are provided.

Sincerely,

NUNZIO J. PALLADINO.

SECTION ANALYSIS

Section 274 of the Atomic Energy Act authorizes the Commission to enter into an agreement with a State under which the Commission relinquishes its authority to regulate certain nuclear materials. Before entering into such an agreement, subsection 274(e)(1) requires the Commission to publish its terms once each week for four consecutive weeks in the Federal Register. The purpose of the proposed amendment is to eliminate the cost of duplicative notices by requiring only one publication of the proposed agreement in the Federal Register.

LEGISLATIVE MEMORANDUM IN SUPPORT OF PROPOSED BILL

Section 274 of the Atomic Energy Act authorizes the Commission to enter into an agreement with a State under which the Commission relinquishes authority to regulate certain nuclear materials. Before entering into such an agreement, subsection 274(e)(1) requires the Commission to publish the terms of the proposed agreement once each week for four consecutive weeks in the Federal Register.

Recently, the Commission entered into an agreement with the State of Utah. The cost of publishing the terms of the agreement four times in the Federal Register exceeded $18,000. A single notice would have cost less than $5,000. The Commission anticipates entering into two Agreements with States in 1985 and with other States in the future. The Commission believes that modest cost savings could be achieved if Section 274 is revised to require publication of the proposed agreement in the Federal Register only once. We do not believe that duplicative notice promotes the public interest. All other NRC proposals, such as Notices of Proposed Rulemaking, are only published in the Federal Register once.

By Mr. SIMPSON (by request):

S. 890. A bill to provide applicants for, or holders of a production facility license or a utilization facility license with access to certain Federal criminal history records; to the Committee on Environment and Public Works.

ACCESS TO CERTAIN CRIMINAL RECORDS

Mr. SIMPSON. Mr. President, at the request of the Nuclear Regulatory Commission, I am introducing today a bill to provide applicants for, or holders of, production or utilization facility licenses with access to certain Federal criminal history records. I ask unanimous consent that the text of this bill be printed in the CONGRESSIONAL RECORD following my remarks. In addition, I ask unanimous consent that a letter from the Nuclear Regulatory Commission to the Vice President of the United States, the Honorable GEORGE H. BUSH, transmitting this legislation, a section-by-section analysis, a legislative analysis, and a letter from the Department of Justice regarding this legislation appear in the RECORD immediately following the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 890

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 2. (a) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended by adding at the end of Chapter 10 thereof a new section 112 as follows:

"FEDERAL CRIMINAL HISTORY RECORDS

"SEC. 112. The Commission may by rule require each applicant for, or holder of a production facility license or a utilization facility license pursuant to sections 103 or 104b, to develop and maintain a program whereby individuals to be allowed unescorted access to designated areas of the facility are fingerprinted and the fingerprints submitted to the Attorney General of the United States, through a person or persons designated by the Commission in consultation with the Attorney General, for identification and appropriate processing. The applicant for or holder of the license may receive from the Attorney General the results of such search except for arrest data more than one year old not accompanied by dispositions. The Commission may prescribe regulations to establish the conditions for use of the information received from the Attorney General and to limit its redissemination."

(b) The Table of Contents of the Atomic Energy Act of 1954, as amended, is amended by adding:

"Sec. 112. Federal Criminal History Records."

NUCLEAR REGULATORY COMMISSION,
Washington, DC, March 12, 1985.

HON. GEORGE BUSH,
President of the Senate,
Washington, DC,

DEAR MR. PRESIDENT: Enclosed is a Nuclear Regulatory Commission legislative proposal in the form of a draft bill to add Section 112 to the Atomic Energy Act of 1954, as amended. Its purpose is to lessen the threat of sabotage of a nuclear power plant by licensee employees.

The proposed legislation is intended to serve the following purposes:

(1) Authorize NRC nuclear power plant licensees or applicants for licenses to receive FBI criminal history records for the purpose of determining who will be granted unescorted access to protected areas and vital areas of nuclear power plants;

(2) Enable nuclear power plant licensees or applicants for licenses to conduct more rigorous criminal history checks of employees by providing them with national (as contrasted with local) criminal history data; and

(3) Help ensure the trustworthiness and reliability of individuals employed at nuclear power plants.

A background investigation conducted on individuals requiring unescorted access to protected and vital areas of nuclear power plants is an important element of the program for protection of these plants against sabotage committed by plant employees. The proposed bill would permit nuclear power plant licensees or applicants for licenses, in conducting such background investigations, to have access to the Federal Bureau of Investigation (FBI) criminal history files on the employees under consideration for unescorted access. Currently, licensees and applicants must rely on state and local government files, which may not include an individual's criminal record in other areas of the country. We consider this to be inadequate.

In addition, the kind of criminal history record information that is currently made available to licensees by state and local government varies greatly from state to state. The proposed legislation would promote uniformity by allowing nuclear reactor licensees or applicants for licenses direct access to the National Crime Information Center data on those they are investigating.

The Department of Justice has been consulted and endorses the proposed legislation.

A draft bill (Enclosure 1), an analysis of the draft (Enclosure 2), a memorandum explaining in greater detail the need for the

proposal (Enclosure 3), and the Department of Justice views (Enclosure 4) are provided.

Sincerely,

NUNZIO J. PALLADINO.

SECTION ANALYSIS

The addition of Section 112 to the Atomic Energy Act of 1954 allows the NRC to require production facility licensees (as defined at Section 11 v. of the Atomic Energy Act) or utilization facility licensees (as defined at Section 11 cc. of the Atomic Energy Act) or applicants for such licenses to fingerprint those persons to be allowed *unescorted* access to certain areas of the facility. The fingerprints will be submitted to the Federal Bureau of Investigation so that criminal history record checks can be made. The legislation allows the fingerprinting of only those employees who will be allowed unescorted access to certain areas of the facility designated by the Commission. The option of escorting an employee requiring facility access is available should a fingerprint check be delayed or inappropriate (such as for a short-term or temporary employee). For purposes of this section, the term "employee" includes licensees' or applicants' contractor personnel who will be allowed unescorted access to designated areas of facilities.

The portion of the bill which provides for submission of the fingerprint checks through "a person or persons designated by the Commission in consultation with the Attorney General," was included at the request of the FBI, as this provision would enable the FBI to work with one person rather than a large number of licensees.

Pursuant to statutes affecting other industries, the FBI currently is authorized to disseminate criminal history record information to private organizations. Implementing Department of Justice regulations and policies limit the dissemination of available data. For example, if information on disposition of the charges is not available at the time of a request, the criminal history record information provided will not reveal, in most circumstances, that the individual was arrested. The limitations on licensee access to certain arrest data in this bill is consistent with Department of Justice regulations and policies on dissemination of arrest data.

The final sentence permits the Commission to limit the licensee's use of the criminal history record information and its redissemination. The purpose of this provision is to minimize the intrusion into the person's privacy.

LEGISLATIVE MEMORANDUM IN SUPPORT OF PROPOSED BILL

The proposed bill would amend the Atomic Energy Act of 1954 by adding a new section which would grant production or utilization facility licensees and applicants for licenses, authorization for access to Federal Bureau of Investigation (FBI) criminal history record information (CHRI) on a specified category of employees. The information would be used, along with other pertinent information, for screening employees to determine whether they should be allowed unescorted access to certain areas of nuclear facilities.

An important element in protecting against sabotage of nuclear facilities by licensee employees is the background investigation conducted on individuals whose duties require them to have unescorted access to protected and vital areas of the facility. Currently, most background checks conducted by nuclear power reactor licensees are limited to a review of state or local CHRI files which may not include a summary of an individual's criminal record in others areas of the country. The proposed bill would allow nuclear power reactor licensees access to FBI criminal history files on employees under investigation for grant of unescorted access. This would permit licensees to obtain more complete criminal histories. Criminal history information can be a crucial factor in evaluating an employee's trustworthiness and reliability, important considerations in determining whether to grant or deny an individual unescorted access to vital and protected areas of the facility. We believe the licensee's determination should be based on the most complete and accurate information available. Because licensee access to the national criminal history files maintained by the FBI is presently precluded, the background investigations conducted by nuclear power reactor licensees are not as complete as they could be. In the FBI's view, legislation is required before private utilities can be given access to FBI criminal files.

The proposed legislation would also promote greater uniformity in industry-conducted personnel screening programs by assuring that all licensees would base their access determinations on the same kind of CHRI. As will be explained, there is wide diversity in the kind of CHRI that is available to licensees operating in different states.

At present, the only significant federal legislative requirements for state or local criminal history use or maintenance, including use and maintenance of information obtained from the FBI, are in the Crime Control Act of 1973, P.L. 93-83, 42 U.S.C. 3701, *et seq.*, and in regulations issued by the Law Enforcement Assistance Administration (LEAA), 28 C.F.R. Part 20, and now administered under the Justice Systems Improvement Act. The Crime Control Act directed the executive branch to assure that the privacy of all CHRI in state and local information systems is protected adequately and that such information "only be used for law enforcement and criminal justice and other lawful purposes." LEAA issued comprehensive implementing regulations which prohibit state and local dissemination of nonconviction data (including information on arrests older than a year without disposition) to non-criminal justice agencies such as private employers. The regulations, however, permit such dissemination if authorized by state or local law, executive order or court determination. The practical effect of the above exception is to vest in state and local governments the authority to establish their own CHRI dissemination policies. States and localities can set more liberal or restrictive standards and have done so. As a result, the availability to NRC licensees of CHRI is entirely dependent on state and local law and may vary even between the political subdivisions of a particular state.

For example, states have different practices regarding access to conviction information. On criterion for release of such information is how long ago the conviction occurred. Some states will only provide information on convictions that have occurred within a relatively recent period of time. As a general rule, the time periods range between three to five years for misdemeanors and felonies not involving violence, and between six and ten years for other felonies.

Variations also exist with respect to the types of crimes subject to access restrictions. Finally, some states permit access to all conviction data only in circumstances of especially sensitive employment responsibilities. There is a lack of uniformity with respect to the occupations deemed to warrant such access.

The effect of differences in state practices is that information on convictions available to nuclear reactor licensees will vary from the total unavailability of information concerning arrests to the exclusion of information regarding certain felony convictions. This lack of uniformity can be substantially remedied by legislation allowing nuclear reactor licensees direct access to National Crime Information Center data.

The proposed bill reflects coordination with the Department of Justice regarding its regulations and policies limiting dissemination of arrest records. The FBI is prohibited by regulation, in most circumstances, from releasing to private entities records of arrests without including information on the disposition of such arrests. If information on disposition is unavailable at the time of a request, the history released will not reveal the arrest. An exception to this general policy permits arrest records without dispositional data to be disseminated during the first year following the arrest or if the individual is a fugitive.

The bar against receipt of arrest data without dispositional information is to ensure that employment decisions are based on the most complete information available. Review of incomplete records could have an unjustifiably negative effect on a licensee's decision whether to permit an individual unescorted access to certain areas. For example, an incomplete record may not include entries favorable to the subject such as an acquittal. Moreover, many employers might not distinguish between an arrest and a conviction. Incomplete information could also lead to an erroneous decision to permit an employee access to certain areas of the facility. For example, the licenses could be unaware of prior felony convictions in another part of the country.

Finally, in the interest of minimizing the intrusiveness of CHRI checks and maintaining the confidentiality of the information, the proposed legislation provides explicit authority for the Commission to regulate the use and redissemination of CHRI by licensees.

OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, August 31, 1983.

Hon. NUNZIO J. PALLADINO,
Chairman, Nuclear Regulatory Commission, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to the request of the Commission for the views of the Department of Justice with respect to a proposed amendment to the Atomic Energy Act of 1954, 42 U.S.C. 2011 et seq., to provide for limited criminal history checks of persons allowed unescorted access to nuclear facilities.

As you know, we strongly support the efforts of the Commission to maintain high security standards at nuclear facilities and feel that this is a matter of utmost importance. Obviously, any security failure could have potentially devastating consequences for public safety, the environment and our energy-production capacity. We appreciate the steps you have taken to enhance security at nuclear plants and are pleased to have been able to work with security officers of the Commission to develop new proposed legislation, a copy of which is enclosed.

In summary, this proposal would require the fingerprinting of persons allowed unre-

stricted access to nuclear facilities. Fingerprints so obtained would then be submitted to the Department of Justice for comparison with the Criminal File of the Identification Division of the Federal Bureau of Investigation. Such a comparison provides a highly reliable means of identifying persons with criminal records. With access to such criminal history data, the Commission will be in a better position to make informed decisions regarding security clearances. We believe this can significantly enhance security at nuclear facilities.

Providing agencies with access to FBI records, of course, is not a novel concept. The statute authorizing maintenance of criminal history files, 28 U.S.C. 534, expressly contemplates exchange of FBI criminal history information with other agencies. Under Sec. 14(f) of Public Law 94-29 (15 U.S.C. 78(f)) securities brokers are required to fingerprint and secure records checks by the FBI in connection with partners, directors, officers and employees of brokerage houses. In fact, the enclosed draft bill is modeled upon this provision of existing law.

The Congress has also specifically authorized fingerprinting and criminal history checks with respect to certain bank employees (P.L. 92-544), certain persons involved in the trading of commodities futures (7 U.S.C. 12a) and certain farm labor contractors (29 U.S.C. 1812(4)). Without denigrating the importance of security in connection with these various fiduciary activities, the importance of security in connection with operation of nuclear power plants would appear much greater than with respect to the fiduciary activities already covered by law. We believe, therefore, that this proposal is eminently justifiable.

In closing, I should note that the enclosed draft bill was developed by Commission staff in consultation with the Department of Justice and is carefully drafted to accommodate the security needs of the Commission while minimizing (1) intrusions into the privacy of employees, and (2) burdens upon the resources of the FBI. As noted above, our search of criminal history files will be limited to a records search of the FBI's Criminal File and will thus not intrude upon the privacy of persons whose fingerprints are on file with the FBI by virtue of military service, government employment or other matters unrelated to criminal activity.

Based upon the considerations set out above, the Department of Justice strongly supports the enclosed draft bill. The Office of Management and Budget has advised this Department that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General.

By Mr. SIMPSON (by request):

S. 891. A bill to amend the Energy Reorganization Act of 1974, as amended, to clarify notification requirements for noncompliance, and for other purposes; to the Committee on Environment and Public Works.

CLARIFICATION OF NOTIFICATION REQUIREMENTS FOR NONCOMPLIANCE

Mr. SIMPSON. Mr. President, at the request of the Nuclear Regulatory Commission, I am introducing today a bill to clarify notification requirements for noncompliance with the Atomic Energy Act of 1954. I ask unanimous consent that the text of this bill be printed in the CONGRESSIONAL RECORD following my remarks. In addition, I ask unanimous consent that a letter from the Nuclear Regulatory Commission to the Vice President of the United States, the Honorable GEORGE H. BUSH, transmitting this legislation, a section-by-section analysis, and a legislative analysis of the legislation appear in the RECORD immediately following the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 2. (a) Section 206 of the Energy Reorganization Act of 1974, as amended, is amended to read as follows:

"NONCOMPLIANCE

"SEC. 206. (a) Any firm constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, or pursuant to this Act, and any individual director or responsible officer of such a firm, obtaining information reasonably indicating that such facility or activity or basic components supplied to such facility or activity—

"(1) fails to comply with the Atomic Energy Act of 1954, as amended, or any applicable rule, regulation, order, or license of the Commission relating to substantial safety hazards, or

"(2) contains a defect which could create a substantial safety hazard, as defined by regulations which the Commission shall promulgate,

shall immediately notify the Commission of such failure to comply, or of such defeat, unless such firm or individual has actual knowledge that the Commission has been adequately informed of such defect or failure to comply.

"(b) The Commission is authorized to issue such regulations and orders as may be necessary to assure compliance with this section, including regulations and orders requiring any firm subject to this section to devise and implement procedures to identify, evaluate, and report defects.

"(c) Any firm which fails to provide the notice required by subsection (a) of this section or violates any regulation or order issued under subsection (b) of this section and any individual who knowingly and consciously fails to provide such notice shall be subject to a civil penalty in the same manner and amount as for violations subject to a civil penalty under section 234 of the Atomic Energy Act of 1954, as amended.

"(d) The requirements of this section shall be prominently posted on the premises of any firm subject to this section.

"(e) The Commission is authorized to conduct such reasonable inspections, investigations, and other enforcement activities as needed to ensure compliance with the provisions of this section and with any regulations and orders issued thereunder.

"(f) For purposes of this section, the term 'firm' shall have the meaning provided for the term 'person' in subsection 11 s. of the Atomic Energy Act of 1954, as amended, except that it shall include the Department of Energy to the extent that its facilities, materials, or activities are licensed by the Commission."

(b) The first of the two sections of the Energy Reorganization Act of 1974, as amended, that is numbered 210 (section 5850, Title 5, United States Code) is renumbered as section 209A.

(c) The Table of Contents of the Energy Reorganization Act of 1974, as amended, is amended by deleting

"Sec. 210. Unresolved Safety Issues Plan."

and substituting instead:

"Sec. 209A. Unresolved Safety Issues Plan."

UNITED STATES NUCLEAR REGULATORY COMMISSION,
Washington, DC, March 12, 1985.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a Nuclear Regulatory Commission legislative proposal in the form of a draft bill to amend section 206 of the Energy Reorganization Act of 1974, as amended. Its purpose is to extend the coverage of section 206 to assure that the Commission receives proper notice of defects or violations in nuclear power plants and other regulated activities which could create substantial safety hazards.

Section 206 of the Energy Reorganization Act requires directors and responsible officers of firms constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to that Act or the Atomic Energy Act of 1954, as amended to notify the Commission immediately when they have knowledge of any defect which could create a substantial safety hazard or of any failure to comply with any Commission regulation, order or license which relates to substantial safety hazards. Knowing and conscious failure to do so exposes an individual to a civil penalty.

The Commission's bill would make the firm itself also directly responsible for failure to notify the Commission. In implementing section 206 through Part 21 of its regulations, the Commission determined that compliance with section 206 could best be assured by requiring affected firms to adopt and implement procedures for the proper evaluation of information indicative of potential hazards within the scope of section 206 and for informing directors and responsible officers. The institutional resources of affected firms thus should be brought to bear to assure routine compliance. It is therefore appropriate that the statute be clear that the firm itself is directly responsible for compliance. A firm may be liable for any failure to notify the Commission of any defect or violation, regardless of its intent or degree of negligence, in accord with the standards the Commission has applied in assessing civil penalties under the Atomic Energy Act. The bill retains the present requirements that directors and responsible officers are required to notify the Commission of violations and defects, and that knowing and conscious failures to notify the Commission could lead to assessment of a civil penalty against an individual director or officer. Consistent with its current enforcement policy, the Commission would consider willfulness or lack of willfulness in determining the level of seriousness of any failure to notify by a firm.

The proposed bill also clarifies the Commission's authority under section 206 over non-licensees as well as licensees, to conduct enforcement activities, including investigations and assessement of civil penalties, necessary to assure compliance with the statute

or implementing regulations and orders. In addition, the proposed bill makes certain minor amendments set forth in the enclosed legislative memorandum and section analysis.

Finally, the proposed legislation renumbers a misnumbered section of the Energy Reorganization Act.

A draft bill (Enclosure 1), an analysis of the draft (Enclosure 2), comparative text (Enclosure 3), and a memorandum explaining in greater detail the need for the legislation (Enclosure 4) are provided.

Sincerely,

NUNZIO J. PALLADINO.

SECTION ANALYSIS

This bill amends section 206 of the Energy Reorganization Act of 1974, as amended.

Subsection (a) provides that firms constructing, owning, operating, or supplying the components of nuclear power plants and other facilities and activities regulated by the Nuclear Regulatory Commission, and individual directors and responsible officers of such firms, are directly responsible for notifying the Commission of violations or defects that could create substantial safety hazards.

Subsection (b) clarifies the Commission's authority to implement section 206 by regulation or order.

Subsection (c) clarifies that violations of such a regulation or order, in addition to violations of section 206 itself, may be grounds for a civil penalty, and requires that a failure to notify the Commission must be knowing and conscious before a civil penalty is imposed on an individual director or responsible officer. The "knowing and conscious" requirement is appropriate to protect individuals from an undue burden.

A firm, however, may be subject to sanctions for any failure to notify, regardless of its intent or degree of negligence in failing to comply with the Commission's regulations. This is in accord with standards the Commission has applied in assessing civil penalties under section 234 of the Atomic Energy Act.

Subsection (c) also clarifies that all the provisions of section 234 of the Atomic Energy Act of 1954, as amended, apply to the imposition of civil penalties under section 206.

Subsection (d) requires that the provisions of section 206 be posted on the premises of any firm subject to section 206, not just on the premises of firms licensed or regulated under the Atomic Energy Act.

Subsection (e) clarifies that the Commission may conduct inspections, investigations, and other enforcement activities to assure compliance with its regulations, as well as with the statute.

Subsection (f) provides that under section 206, "firm" shall have the same broad meaning as "person" under section 11 s. of the Atomic Energy Act of 1954, as amended, except that it also includes the Department of Energy, to the extent its facilities, materials, and activities are licensed by the Commission.

The bill also renumbers a misnumbered section of the Energy Reorganization Act.

LEGISLATIVE MEMORANDUM IN SUPPORT OF PROPOSED BILL

The proposed bill would amend section 206 of the Energy Reorganization Act of 1974, as amended, to modify and clarify the Commission's authority in several ways and to bring section 206 more in line with the general nature of the regulatory scheme established under the Atomic Energy Act. In particular, the proposed bill would clarify that any firm subject to section 206 is itself responsible for notifying the Commission as required by section 206 and would be liable for any failure to do so, regardless of its intent or degree of negligence. Individual directors and responsible officers would continue to be personally liable, as section 206 now provides when the failure to notify is "knowing and conscious."

The proposed bill would also clarify the Commission's authority to promulgate regulations and issue orders needed to assure compliance with section 206, to assess civil penalties for violations of those regulations and orders, and to conduct inspections, investigations, and other enforcement activities needed to assure compliance with these regulations as well as with the statute itself. Finally, the bill would subject the Department of Energy to the requirements of section 206 to the extent that the Department's activities, facilities, or materials are licensed by the Commission.

Section 206 of the Energy Reorganization Act of 1974 provides that "[a]ny individual director or responsible officer of a firm constructing, owning, operating, or supplying components of any facility or activity" licensed or regulated under the Atomic Energy Act or the Energy Reorganization Act must immediately notify the Commission of violations of the Atomic Energy Act "or any applicable rule, regulation, order, or license . . . relating to substantial safety hazards, or" of any "defect which could create a substantial safety hazard . . ." (subsection (a)). "Any person who knowingly and consciously fails to provide [this] notice" is subject to a civil penalty (subsection (b)).

The Commission promulgated Part 21 of its regulations to implement section 206. In so doing, the Commission determined that notification of safety hazards could best be assured by requiring affected firms to adopt and implement procedures for proper evaluation of information suggesting potential hazards within the scope of section 206 and for informing directors or responsible officers. The institutional resources of affected firms are thus brought to bear to assure routine compliance. In particular, the regulations require affected firms to establish procedures (1) to evaluate any deviations from technical requirements in order to determine whether there is a defect in a component, or to inform the purchaser so that it may evaluate the deviation or have it evaluated, and (2) to assure that a director or responsible officer is informed of violations and defects.

The regulations also require affected firms to maintain certain records, to permit necessary inspection, to conspicuously post section 206 and the regulations implementing it, and, when applicable, to inform suppliers that the regulations apply to them. The Commission has collected a civil penalty from one firm which violated the Commission's implementing regulations.

The Commission thus further determined that achieving compliance with section 206 requires holding the involved firm primarily responsible for compliance with the Commission regulations delineating the firm's responsibility. But the Commission's authority for these requirements under section 206 is not free from doubt and has been questioned by the affected firms. The proposed bill focuses on these points and would put the Commission's authority on a firm footing. It would also make the approach of section 206 more consistent with the regulatory scheme established under the Atomic Energy Act. Since the proposed bill adds a new subsection (b) to section 206, it reletters all the succeeding subsections.

The proposed bill would amend subsection (a) to provide that the affected firm is responsible, along with individual directors and responsible officers, for notifying the Commission. This assignment of responsibility would be more in accord with the general approach to regulation under the Atomic Energy Act, which imposes responsibility on the licensee for compliance with the Act and the Commission's regulations.

While subsection (c) of the bill retains the current provision that a civil penalty may be levied against individual directors and responsible officers only for a knowing and conscious failure to notify, the bill would subject a firm to sanctions for any failure to notify, regardless of its intent or degree of negligence in failing to comply with the Commission's regulations. This is in accord with section 234 of the Atomic Energy Act, which authorizes civil penalties for violations without regard to whether they are knowing and conscious.

The proposed bill also clarifies the Commission's authority to promulgate regulations and issue orders under section 206, to assess civil penalties for their violation, and to engage in inspection, investigation, and other enforcement activities to assure compliance. First, new subsection (b) clarifies the Commission's authority to promulgate rules and regulations and issue orders under section 206. This provision parallels the Commission's existing authority under the Atomic Energy Act to "prescribe such regulations or orders as it may deem necessary . . . (3) to govern any activity authorized pursuant to this Act . . . in order to protect health and to minimize danger to life or property" (section 161 i.(3)). The new subsection endorses the Commission's present regulations by expressly authorizing the Commission to issue regulations and orders requiring affected firms to "devise and implement procedures to identify, evaluate, and report defects."

Second, subsection (c) clarifies that a firm, whether it be a licensee or non-licensee, may be subject to a civil penalty for violating Commission regulations or orders issued under section 206, as well as for violations of section 206 itself. This would make a firm civilly liable for failing, in a particular case, to implement the procedures that the regulations require it to devise. As discussed above, the subsection would also make individual directors and responsible officers personally liable for a knowing and conscious failure to report required defects or violations to the Commission. In this circumstance, the "knowing and conscious" limitation avoids placing an undue burden on an individual. Subsection (c) also clarifies that all the provisions of section 234 of the Atomic Energy Act apply to the imposition of civil penalties under section 206.

Third, subsection (e) clarifies that the Commission may conduct investigations as well as inspections and other enforcement activities under section 206 and its implementing regulations. The firms and individuals currently investigated under section 206 are frequently unfamiliar with NRC's authority and often initially challenge an investigation. While the Commission believes that investigative authority under section 206 may reasonably be inferred from reading that section in conjunction with the

broad authority given to the Commission under the Atomic Energy Act, a more explicit statement of the Commission's authority would substantially reduce resources expended in resolving initial challenges to investigations. Subsection (e) also clarifies that the Commission may conduct enforcement activities needed to ensure compliance with Commission regulations and orders issued under section 206, as well as with section 206 itself. This authority is necessary to enable the Commission to assure compliance with the statute.

The proposed bill makes three additional minor amendments to section 206. Subsection (d) clarifies that the requirements of section 206 must be prominently posted on the premises of any firm affected by the section, and not simply at facilities licensed under the Atomic Energy Act. This would expand present subsection (c) to cover suppliers of components and other firms who are covered by section 206 but not regulated under the Atomic Energy Act.

The definition of "firm" in new subsection (f) reflects the broad coverage provided for the term "person" in section 11 s. of the Atomic Energy Act, except that it would also make the Department of Energy subject to section 206 to the extent that its activities, facilities, and materials are licensed by the Commission.

By Mr. GLENN:

S. 892. A bill to amend the Solid Waste Disposal Act to clarify the jurisdication of the Environmental Protection Agency over the regulation of solid waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities; to the Committee on Environment and Public Works.

MIXED HAZARDOUS WASTE AMENDMENT ACT

● Mr. GLENN. Mr. President, I am pleased to introduce the Mixed Hazardous Waste Amendment Act of 1985. The primary purpose of this legislation is to clarify the intent of Congress that the generation, transportation, treatment, and storage of solid waste mixed with radioactive materials is subject to the Solid Waste Disposal Act, and that the disposal of solid waste mixed with radioactive materials at Department of Energy Atomic Energy Act facilities, and at other facilities not licensed for the disposal of radioactive materials, is also subject to such act. This objective will be achieved through an amendment to section 1004(27) of the Solid Waste Disposal Act.

Mr. President, I wish to emphasize that by introducing this legislation, I do not imply that the present Solid Waste Disposal Act as amended cannot be read as already giving EPA regulatory jurisdiction over mixed hazardous waste at DOE Atomic Energy Act facilities. DOE's challenge of EPA jurisdiction of hazardous waste not containing radioactive materials at DOE sites has already been rejected by the courts, and it is possible that the courts will read the congressional intent in the RCRA amendments to the Solid Waste Disposal Act as giving EPA jurisdiction over all mixed hazardous waste at DOE facilities. The uncertainty of this outcome is the prime motivation for this legislation.

The need to clarify this regulatory authority has been graphically illustrated by the recent series of events at the Feed Materials Production Center in Fernald, OH. The Fernald plant which manufactures uranium billets—metal ingots—for our nuclear production reactions, was constructed in 1951 and became fully operational in 1954. Owned by DOE, the Fernald facility is operated by National Lead of Ohio [NLO]. It is one of a number of plants throughout the United States owned by the Government and operated under contract.

Documents released by NLO and DOE show that an estimated 5 million kilograms of uranium wastes have been stored on the Fernald plant property in large tanks and in rubber or clay lined pits on the 1,050 acre site. Although the lining of the pits is designed to prevent leakage, unusually high concentrations of uranium have been found in wells south of the plant. In addition to the storage pits, there are drums of hazardous waste on site. Some of the drums have leaked hazardous waste into a nearby storm sewer. While this situation has been corrected, no action was taken by DOE until EPA discovered the situation during a routine inspection under RCRA. More appalling still is the fact that DOE has been monitoring well-water off-site only since 1981.

Whether the situation at Fernald is representative of the status of the other DOE facilities will require additional investigation. However, in my judgment, DOE has a dubious record in the area of environmental protection, and control of radioactive waste is certainly not a matter to be left to chance. The problem of overlapping and fragmented regulatory jurisdiction on mixed waste would be eliminated by the legislation I am introducing today. I have consistently fought to promote effective radiation protection legislation during my years in the Senate, and with this legislation I am extending those efforts to the area of hazardous waste. In addition, this legislation will complement work by the attorney general in Ohio, who is negotiating with DOE to voluntarily turn over to EPA the jurisdiction in setting environmental standards for mixed waste at DOE sites in Ohio. Should such negotiations fail, the attorney general has given notice that a suit will be filed to bring about, through court action, the aim of this legislation.

I believe that this legislation will be a significant step forward in correcting a number of problems which currently exist in America's nuclear facilities—problems that developed both because we were not as sensitive as we should have been to the issue of health and safety—and because DOE was overzealous in encouraging nuclear production, and not zealous enough in demanding environmental protection. As a society we know better. Therefore, although plants like Fernald are essential to the security of our country, we must see to it that the cost of that security does not include the health of our people.●

By Mrs. HAWKINS:

S. 893. A bill to create the Florida Panther National Wildlife Refuge in the State of Florida; to the Committee on Environment and Public Works.

FLORIDA PANTHER NATIONAL WILDLIFE REFUGE

● Mrs. HAWKINS. Mr. President, I am today introducing legislation to establish the Florida Panther National Wildlife Refuge.

The Florida panther is one of the most endangered mammals in North America. It primarily occupies territory in and around the Everglades and Big Cyprus Swamp in southern Florida, although isolated panthers are found in other parts of the State. The official estimate of the panther population is 30 animals, although I am advised by virtually everyone living in the region that the actual numbers are considerably higher than that—reports I sincerely hope are accurate.

The panther recovery plan adopted by the Fish and Wildlife Service and the Florida Game and Freshwater Fish Commission identifies protection of habitat as the primary key to saving the panther. The plan identified a number of areas which were scientifically determined to be prime panther habitat, and priorities were established for a variety of studies aimed at further defining the best means of insuring the panther's survival.

The refuge proposed by this legislation represents the last area of important habitat identified to date that is not in public ownership. It encompasses approximately 32,000 acres to the north of Alligator Alley, with the majority to the west of State Route 29. The strip of land running between Route 29 and the eastern border of the Big Cyprus National Preserve, for a distance of approximately 6 miles to the north, is also included.

All of the land in question is owned by two corporations, who are willing to sell it for creation of the refuge. In addition, they are offering conservation easements on certain adjoining lands to further enhance the operation of the refuge. Both the Barron Collier Corp. and Collier Enterprises, the two companies in question, have demonstrated an outstanding commitment to the public interest throughout the negotiations for the creation of the refuge; and they deserve the thanks of all Americans concerned about the preservation of endangered species.

Mr. President, because of the nature of this refuge—willing sellers of all the land and the importance of the species in question—I hope the Environment and Public Works Committee will act promptly on this legislation. It has the full support of the Department of the Interior.

I ask unanimous consent that the text of the bill be inserted in the RECORD at this point.

S. 893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to protect the habitat and enhance the preservation and recovery of the endangered Florida panther, the Secretary of Interior (hereinafter referred to as the "Secretary") is authorized to establish the Florida panther.

National Wildlife Refuge in the State of Florida. The refuge shall contain certain lands north of State Route 84 and Fakahatchee Strand State Preserve, and to the east and west of State Route 29, in Florida, comprising approximately thirty-two thousand acres as depicted on a map entitled "Florida Panther National Wildlife Refuge", dated April 2, 1985 and available for inspection in the office of the Secretary.

SEC. 2. Within the boundry of the refuge, the Secretary may acquire lands, waters, and interests therein by donation, purchase with donated or appropriated funds or exchange. When the Secretary determines that lands, waters and interests therein have been acquired sufficient to constitute an efficiently administrable unit for the purposes of this Act, he shall establish the refuge by publication of a notice to that effect in the Federal Register. Pending such establishment and thereafter, the Secretary shall administer all lands, waters, and interests therein acquired under this Act in accordance with the provisions of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd-668ee), and may utilize such additional statutory authority as may be available to him for the conservation and development of the wildlife resources in general, and the Florida panther population in particular, within the refuge.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

By Mrs. HAWKINS:

S. 894. A bill to abolish parole as of the effective date of the Sentencing Reform Act of 1984; to the Committee on the Judiciary.

TRUTH IN SENTENCING ACT

Mrs. HAWKINS. Mr. President, today I am introducing legislation entitled the "Truth in Sentencing Act of 1985."

Mr. President, it would seem that a majority of my congressional colleagues share my desire to see truth and accuracy in the sentencing of convicted Federal criminals. In October 1984, the U.S. Congress enacted into law the Comprehensive Crime Control Act, which included a section calling for a gradual end to the U.S. parole system. This was an important part of a very necessary piece of legislation, and I generally supported its provisions in the last Congress. But this gradual dissolution of a parole system which too often allows the release of chronic offenders does not go far enough; it does not address the immediacy of the need to get these repeat offenders off the streets, where they are allowed to victimize innocent citizens again and again.

This situation is made painfully clear in the most recently released Federal crime statistics. In fiscal year 1984, for example, there were 6,539 bank robberies, 980 kidnapings, and 1,975 drug offenses committed within Federal jurisdiction. A simultaneously released study of violent crime in the United States, considered the definitive study of its kind, reports that of all the crimes committed by the members of the study, chronic offenders committed 61 percent of these crimes, including 76 percent of the rapes, 73 percent of the robberies, and 65 percent of the aggravated assaults. These statistics prove that the present parole system allows perpetrators of these violent crimes back out on the streets to commit their offenses repeatedly against innocent citizens.

While the recently enacted Comprehensive Crime Control Act recognizes that failure of the parole system to address this situation effectively, and recognizes as well the need for truth and accuracy in the sentencing of convicted Federal criminals, I feel it does not act expeditiously enough. This law calls for a 5-year, eventual, dissolution of the present parole system, and I feel very strongly that the American people should not be victimized and terrorized by these criminals even 1 day longer, much less 5 years.

For this reason, I am introducing this legislation, which would abolish the parole system as of the effective date of the Sentencing Reform Act of 1984, which would, in effect, do away with the 5-year waiting period. If enacted, the "Truth in Sentencing Act of 1985" would force Federal criminals to serve their full sentences almost immediately, and in so doing, begin to make our streets safe again.

Mr. President, I would like to urge my colleagues to join me in my effort to provide this necessary, immediate, protection for American citizens.

By Mr. SIMPSON (by request):

S. 895. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; to the Committee on Environment and Public Works.

NUCLEAR REGULATORY COMMISSION AUTHORIZATION

Mr. SIMPSON. Mr. President, I am introducing at the request of the U.S. Nuclear Regulatory Commission, legislation to authorize appropriations to the NRC for fiscal years 1986 and 1987. I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD, following my remarks. In addition, I ask unanimous consent that a section-by-section summary of the proposed legislation appear in the CONGRESSIONAL RECORD, following the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 1986 AND 1987

SEC. 101. There are hereby authorized to be appropriated to the Nuclear Regulatory Commission in accordance with the provisions of section 261 of the Atomic Energy Act of 1954 and section 305 of the Energy Reorganization Act of 1974, for the fiscal years 1986 and 1987 to remain available until expended, $429,000,000 for fiscal year 1986 and $460,000,000 for fiscal year 1987.

SEC. 102. (a) The sums authorized to be appropriated in this Act for fiscal years 1986 and 1987 shall be allocated as follows:

(1) not more than $88,930,000 for fiscal year 1986 and $95,470,000 for fiscal year 1987, may be used for "Nuclear Reactor Regulation";

(2) not more than $92,890,000 for fiscal year 1986 and $101,330,000 for fiscal year 1987, may be used for "Inspection and Enforcement";

(3) not more than $40,730,000 for fiscal year 1986 and $44,870,000 for fiscal year 1987, may be used for "Nuclear Material Safety and Safeguards";

(4) not more than $135,970,000 for fiscal year 1986 and $145,800,000 for fiscal year 1987, may be used for "Nuclear Regulatory Research";

(5) not more than $29,300,000 for fiscal year 1986 and $30,000,000 for fiscal year 1987, may be used for "Program Technical Support";

(6) not more than $41,180,000 for fiscal year 1986 and $42,530,000 for fiscal year 1987, may be used for "Program Direction and Administration";

(b) The Nuclear Regulatory Commission may use not more than 1 per centum of the amounts authorized to be appropriated under paragraph 102.(a)(4) to exercise its authority under section 31a. of the Atomic Energy Act of 1954 (42 U.S.C. 2051(a)) to enter into grants and cooperative agreements with universities pursuant to such paragraph. Grants made by the Commission shall be made in accordance with the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.) and other applicable law.

(c) Any amount appropriated for a fiscal year to the Nuclear Regulatory Commission pursuant to any paragraph of subsection 102.(a) for purposes of the program referred to in such paragraph, may be reallocated by the Commission for use in a program referred to in any other paragraph of such subsection, or for use in any other activity within a program, except that the amount available from appropriations for such fiscal year for use in any program or specified activity may not, as a result of reallocations

made under this subsection, be increased or reduced by more than $500,000 unless a period of thirty calendar days (excluding any day in which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain or an adjournment sine die) passes after the receipt by the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Environment and Public Works of the Senate, of notice submitted by the Commission containing a full and complete statement of the reallocation proposed to be made and the facts and circumstances relied upon in support of such proposed reallocation.

SEC. 103. Moneys received by the Nuclear Regulatory Commission for the cooperative nuclear research program and the material access authorization program may be retained and used for salaries and expenses associated with such programs, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and shall remain available until expended.

SEC. 104. From amounts appropriated to the Nuclear Regulatory Commission pursuant to this title, the Commission may transfer to other agencies of the federal government sums for salaries and expenses for the performance by such agencies of activities for which such appropriations of the Commission are made. Any sums so transferred may be merged with the appropriation of the agency to which such sums are transferred.

SEC. 105. Notwithstanding any other provisions of this Act, no authority to make payments under this Act shall be effective except to such extent or in such amounts as are provided in advance in appropriation Acts.

SECTION-BY-SECTION SUMMARY

Title I—Sec. 101. The Nuclear Regulatory Commission is responsible for assuring that the possession, use and disposal of radioactive materials and the construction and operation of reactors and other nuclear facilities are conducted in a manner consistent with public health and safety and the common defense and security, with proper regard for environmental quality, and in conformance with antitrust statutes.

The Commission's program is comprised of nuclear facilities and materials licensing and related regulatory functions, inspection and enforcement, reactor safety research, nuclear materials safety and safeguards, rulemaking, and technical and administrative support activities.

The budget request for the Commission is stated in terms of obligational authority requested to carry out the responsibilities of the Commission.

Public Law 93-344, Congressional Budget and Impoundment Control Act of 1974, Title VI, Section 607, states that ". . . any request for the enactment of legislation authorizing the enactment of new budget authority to continue a program or activity for a fiscal year (beginning with the fiscal year commencing October 1, 1976) shall be submitted to the Congress not later than May 15 of the year preceding the year in which such fiscal year begins. . . ." Accordingly, this section also requires authorization of appropriations for FY 1987.

Sec. 102.(a). For fiscal year 1986, the requested total authorization for appropriation is $429,000,000 and for fiscal year 1987, $460,000,000 allocated as follows:

	Fiscal year	
	1986	1987
NRR	$88,930,000	$95,470,000
IE	92,890,000	101,330,000
NMSS	40,730,000	44,870,000
RES	135,970,000	145,800,000
PTS	29,300,000	30,000,000
PDA	41,180,000	42,530,000

Sec. 102.(b). This section provides authorization for moneys received by the Commission to be utilized for grants and cooperative agreements. Although the language of this section specifically addresses universities, other eligible recipients, such as state and local governments and not-for-profit institutions, may be included in the Commission's assistance program.

Sec. 102.(c). This section provides the Commission with the authority to reprogram funding among the program activities specified in Section 102.(a) with the following constraint:

Any reprogramming of an amount in excess of $500,000 will be reported to the appropriate Congressional committees.

Sec. 103. This section provides authorization for moneys received by the Commission for cooperative nuclear safety research programs and for costs of certain licensee security investigations to be used as salaries and expenses and for such moneys to remain available until expended notwithstanding the provisions of section 3617 of the revised statutes.

Funds are received from foreign governments which in turn will participate in NRC's reactor safety research experiments. These funds will be used to pay for any costs incidental to their participation. Funds are received in the form of fees from licensees for the cost of security investigations associated with access to formula quantities of special nuclear material (SNM). These funds will be used to pay the agency performing the security investigations.

Sec. 104. This section provides authorization for the transfer of amounts from the Commission's Salaries and Expenses appropriation to other agencies of the Government for the performance of the work or services rendered by such agencies on behalf of the Commission.

Sec. 105. This section provides language required by the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344), Sec. 401(a).0

By Mr. GRASSLEY (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. BOREN, Mr. HEINZ, Mr. MITCHELL, Mr. PRYOR, Mr. SYMMS, and Mr. ZORINSKY):

S. 896. A bill to amend the Internal Revenue Code of 1954 to apply rural electric cooperative plans to the provisions relating to cash or deferred arrangements; to the Committee on Finance.

APPLYING RURAL ELECTRIC COOPERATIVE PLANS TO CASH OR DEFERRED ARRANGEMENT PROVISIONS

● Mr. GRASSLEY. Mr. President, today, I am joined by my colleagues, Mr. ABDNOR, Mr. ANDREWS, Mr. BOREN, Mr. HEINZ, Mr. MITCHELL, Mr. PRYOR, Mr. SYMMS, and Mr. ZORINSKY, in introducing a bill amending section 401(k) of the Internal Revenue Code, to permit employees of rural electric cooperatives to participate in deferred compensation plans.

In the Revenue Act of 1978, Congress added section 401(k) to the Internal Revenue Code authorizing profit sharing of stock bonus plans to incorporate a cash or deferred compensation arrangement for the benefit of its participants. These arrangements encourage employee savings by allowing a portion of their salary to be contributed to a plan on a before tax basis. Apparently by oversight, the Revenue Act of 1978 limited these features to profit sharing or stock bonus plans. Other forms of compensation are not eligible for deferred income treatment under section 401(k) of the Code. As a result, rural electric cooperatives are unable to take advantage of 401(k) plans because as cooperatives, they have no stock bonus plans. Furthermore, they are unable to adopt profit sharing plans because of questions under applicable State laws requiring surplus income to be returned to the patrons of the cooperative. Moreover, because rural electric cooperatives are nonprofit tax exempt organizations, they may be prohibited from establishing profit sharing plans.

Rural electric cooperatives compete with profitmaking utilities in 46 States for employees. Presently, their employees suffer from some competitive disadvantage because of their inability to provide their employees with the same deferred compensation benefits which figure heavily in retirement planning.

The legislation we introduce today would redress an inequity suffered by employees of rural electric cooperatives throughout the Nation, with a negligible revenue impact, according to the Joint Committee on Taxation's estimates.●

By Mr. GRASSLEY (for himself, Mr. HARKIN, Mr. DURENBERGER, and Mr. GLENN):

S. 899. A bill granting the consent of Congress to the Midwest interstate compact on low-level radioactive waste management; to the Committee on the Judiciary.

CONSENT OF CONGRESS TO MIDWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT

● Mr. GRASSLEY. Mr. President, on behalf of my State of Iowa and other States privy to this regional compact, I am pleased to introduce, by request, the Midwest interstate low-level radioactive waste compact. I am joined in introducing this bill by Senator HARKIN, Senator DURENBURGER, and Senator GLENN.

All of the States privy to this agreement—Iowa, Indiana, Michigan, Minnesota, Missouri, Ohio, and Wisconsin—have ratified the terms of this bill.

As mandated by the terms of the Low-Level Radioactive Waste Policy Act (P.L. 96-573), all regional compacts must receive prior congressional consent before enactment. Pursuant to the Senate rules, the Judiciary Committee had jurisdiction over interstate compacts generally. Currently four compacts, Northwest, Central, Southeast, and Rocky Mountain, have been referred to the Committee on the Judiciary. Hearings have been held by Chairman STROM THURMOND in connection with these four compacts.

I should note that Chairman THURMOND, one of the authors of the Low-Level Radioactive Waste Policy Act of 1980, has been very diligent in his efforts to move these compacts to full consideration by the Senate. He has been nevertheless willing to acknowledge concerns voiced by other members of the committee. It is a difficult balance to strike but one which the chairman has managed with his usual insight and finesse.

Not surprisingly, one of the concerns raised by States that do not have a disposal site within the boundaries of their compact, is the timetable mandated by the 1980 act. The act provides that as of January 1, 1986, those States with compacts ratified by Congress can bar waste from outside their regions. The concern then becomes, what happens to regional compacts like the Midwest compact, that have no access to depository sites? Because it takes from 3 to 5 years to develop a new waste facility it is already too late for these States to have disposal sites operational by the January 1, 1986, deadline. It is unlikely that Congress will ratify the compacts without some access provision for States that are making a good faith effort to comply with the terms of the act.

In addition to the issue of access to existing disposal sites after 1981, several other concerns have been raised that Congress must be alert to in its review of the various compacts. For example, we must develop a uniform definition of low-level waste. Additionally, we must examine provisions regarding types of generators, inspection programs, exportation prohibitions, identification and certification requirements, transportation requirements, and provisions dealing with shared liability provisions. While this is not an exhaustive list of issues that need to be resolved, I have highlighted some concerns that I have heard.

Hearings are being conducted on this compact and other compacts. That will be an opportune time to form a record on the issues listed above. I am hopeful that we can resolve these issues quickly so as to achieve Congress' Low-Level Radioactive Waste Policy Act objective and its effective system of disposal, as soon as possible.●

By Mrs. HAWKINS:

S. 900. A bill to protect the public investment in right-of-way lands of the Cross Florida Barge Canal; to the Committee on Environment and Public Works.

CROSS FLORIDA BARGE CANAL COMPROMISE

● Mrs. HAWKINS. Mr. President, the Cross Florida Barge Canal has been the focus of controversy for many years. There has been legislation pending to deauthorize the project for the past 4 years, and the House of Representatives narrowly defeated a deauthorization amendment last year. I have opposed the deauthorization legislation, for reasons I will explain shortly, and I continue to believe that my opposition is well-founded.

At the same time, I am strongly opposed to construction of the canal. It would clearly be an environmental disaster to Florida, threatening both the quality and the very availability of water in the northern portion of the State. Even if construction should be somehow determined to be economically viable, the environmental problems make the canal totally unacceptable to me and the majority of Floridians.

The canal project has developed valuable public recreation areas at both the eastern end, Lake Ocklawaha, and the western end, Lake Rousseau and the canal to the Gulf of Mexico, of the right-of-way. These areas, and possibly the beautiful Ocklawaha River Valley as well, are threatened by lawsuits.

The former owners of canal right-of-way lands are suing in State courts for return of the land, on the ground that Congress has effectively abandoned the canal project by not appropriating funds for construction. I have delayed the introduction of this legislation in the hope that the Florida Supreme Court would have ruled on the cases now pending before it, thus clarifying the legal situation, but this has not yet happened, and no one has any idea of when it might.

The possible loss of the public benefits from these areas makes some action by the Congress necessary. Since there are extensive costs and risks associated with deauthorization, I believe some alternative is needed.

I have introduced legislation which I hope will represent an acceptable alternative.

By way of background, I would point out that the Florida Legislature passed legislation in 1979 to provide for the disposition of the right-of-way in the event Congress deauthorized the canal. This provided that the land around Ocala National Forest would be sold to the Forest Service, that the State would decide whether to drain or retain Lake Ocklawaha and the Lake Rousseau/canal segment, and that the central portion of the right-of-way would be sold, with the funds going to reimburse those counties which had contributed to the canal project.

Legislation was introduced in Congress to deauthorize the canal in accordance with the State law. I objected to that because I was not convinced that either the State law or the pending bills provided adequate protection for the public recreational areas, in that they would not prevent substantial portions of the Lake Ocklawaha area from reverting to private ownership. I was also opposed to draining the lake.

I have conducted extensive correspondence with State officials on this matter, and never received what I considered to be a satisfactory response to my concerns. I accordingly was never prepared to support deauthorization.

My basic concern is that a significant portion of Lake Ocklawaha and the immediately surrounding area is held only by easement, not in fee simple title. The State law proposed to sell those easements to the Forest Service, along with land owned in fee simple, for recreational and conservation purposes. I did not believe this was legally possible.

Subsequent contact with the American Law Division of the Library of Congress confirmed my belief. By the basic tenets of property law, which in turn are derived from the constitutional right of property ownership and are thus not subject to legislative alteration, an easement is valid only for the purpose for which it is obtained. Thus, upon deauthorization of the canal, nearly 40 percent of Lake Ocklawaha and the surrounding lake frontage would automatically revert to private ownership, free of any public claim on the taxpayer-financed lake. I ask unanimous consent that a copy of the memorandum on the easement issue be inserted in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

[Memorandum]

WASHINGTON, DC,
June 20, 1984.

To: Hon. Paula Hawkins.
From: American Law Division.
Subject: Selected Questions Regarding State-Owned Easements in the Cross-Florida Barge Canal Right-of-Way.

This memorandum runs through the salient points of our June 19 conversation with your staff, and provides authorities in support. Your concerns are understood to be prompted by a provision in S. 2728 making deauthorization of the Cross-Florida Barge Canal contingent on transfer to the United States of certain easements acquired by the State of Florida in connection with construction and operation of the canal.[1]

[1] S. 2728 § 4(4), as reprinted in 130 Cong. Rec. S. 6687 (daily ed. June 6, 1984).

Given the limited time, this memorandum seeks only to note some legal principles of potential application to the state-federal transfer. It does not purport to resolve concrete issues raised by S. 2728.

An easement is a right to use property owned by another for a specific purpose (affirmative easement) or to prevent its use for a specific purpose (negative easement).[2] Affirmative easements, involved here, are thus limited in scope and duration by the use for which the easement was granted. Once that use is abandoned or discontinued, the easement ceases to exist and the owner of the fee is relieved of the encumbrance:

"It is well settled that when an easement has been taken by eminent domain for the public use or has been acquired by purchase, prescription or dedication, as is usually the case when a location is established for a highway, railroad, or canal . . . if the public use is subsequently discontinued or abandoned, the public easement is extinguished, and the possession of the land reverts to the owner of the fee free from any rights in the public." [3]

A Florida court has recently applied the general rule above to easements held by the Canal Authority of the State of Florida for use in connection with the barge canal:

"The easements, by the very language of their creation, made their existence limited or conditioned upon use by the Canal Authority for the canal project, now abandoned.

"Where a condemning authority only has an easement, and its right to use the property has been lost or the public use has ended, the easement is extinguished, and all of its rights revert to the owner of the fee." [4]

Research reveals no other Florida state court decision speaking to this issue.

It follows as well from the definition of an easement that where an easement holder seeks to use the easement for purposes beyond its scope, the owner of the fee may recover damages for such unauthorized use or obtain injunctive relief against future violations.

You ask finally whether a state may by statutory enactment expand the range of permissible uses under an easement held by the state. Well-settled principles argue that such a legislatively decreed expansion would be unlawful in the absence of compensation to the fee holder pursuant to an exercise of the state's power of eminent domain. Under both the federal and Florida state constitutions, an easement is recognized as a property interest the taking of which triggers an obligation to pay just compensation.[5] That constitutionally required compensation is fixed by the value of the easement taken. To legislatively enlarge the scope of an easement without additional payment to the fee holder would thus fly in the face of the just compensation requirement in both state and federal [6] constitutions.

[2] See generally 2 Thompson, *Real Property* § 315 (1980); Cribbett, *Principles of the Law of Property* 335-346 (1975).

[3] 3 Sackman, *Nichols on Eminent Domain* § 9.36[1] (1981). The rule for easement holders is to be contrasted with that for holders of unconditioned title. In the latter case, discontinuance or abandonment of the purpose for which the land was obtained results in no reversion to the fee holder—whether title was obtained by eminent domain, purchase, or otherwise, *Id.* at § 9.36[4].

[4] Canal Authority v. Mainer, 440 So. 2d 1304, 1306 (Fla. Dist. Ct. App. 1983), reportedly on appeal to the Supreme Court of Florida.

[5] Kaiser Aetna v. United States, 444 U.S. 164, 180 (1979); cases collected in 5A Florida Digest, Eminent Domain § 85.

[6] The "taking clause" in the Fifth Amendment to the U.S. Constitution has been held applicable to the states as well as the federal government. Penn Central Trans. Co. v. New York City, 438 U.S. 104, 122 (1978).

Mrs. HAWKINS. Mr. President, in June of last year, apparently in recognition of the faults of the existing State law, the State passed a new law which extensively revised the deauthorization procedures. It authorizes the State to condemn the easement lands at Lake Ocklawaha, and to sell or trade them, along with the land in the area owned by the canal authority, to the Forest Service, at current market value.

This means, in essence, that the State—implicitly recognizing that it will lose control of the easement lands upon deauthorization—will condemn these lands, for which it would be required to pay current market value if successful, in order to turn around and sell them to the Federal Government, also at current market value.

This land has already been the subject of extensive litigation, and the Florida Supreme Court has already refused to grant the State fee simple title on it for canal purposes. I accordingly believe it cannot be taken for granted that the courts would approve condemnation for the sole purpose of selling the land to the Federal Government, particularly inasmuch as the Federal Government has power on its own to acquire the land if it so desires.

Deauthorization thus poses a considerable, and I believe unacceptable, risk of still losing a major portion of Lake Ocklawaha to private ownership.

Equally unacceptable, in my judgment, is that the taxpayers would be essentially required to pay for Lake Ocklawaha twice. The lake was created totally through Federal funds, provided by the taxpayers, and we are now being asked to turn around and buy it back again. Given that much, if not most, of the current market value of the land derives from the presence of the lake, we would be faced with an outrageous raid on the public treasury if the project were deauthorized and the State law were to work as intended.

I see absolutely no reason why the taxpayers should have to purchase Lake Ocklawaha when they paid for its creation in the first place. And I see no reason to take the risks involved with losing public control over the land and then attempting to recover it.

I would note that there are over 9,000 acres of easement lands at risk at Lake Ocklawaha, and over 18,000 acres at the lake altogether that would be acquired by the Federal Government under the deauthorization proposal.

I can assure my colleagues that the current fair market value of 18,000 acres of water and waterfront property in Florida will not be inconsequential. I know of one development on the St. John's River, which is linked to Lake Ocklawaha by one of the canal segments, where lots are selling for $15,000 per acre. I do not contend that any, or all, of the Lake Ocklawaha property would be worth that much; I simply do not know. But no one should be surprised if prices in that range have to be paid for some of the land.

In contrast, my bill declares that the Congress reserves to itself the decision as to whether to terminate the project, which will hopefully end the lawsuits contending that the courts should declare the project abandoned. It also declares that such abandonment would not be in the public interest at this time, for the reasons I have just discussed.

This is considerable scaling down from my proposal of last year, which would have had the Corps of Engineers acquire the right-of-way for management and legal purposes. Under current budgetary conditions, we cannot afford this sort of land shuffle when other means are available to accomplish the same objectives. The bill essentially freezes the status quo.

The bill directs the Corps of Engineers to manage the two existing lakes and canals for recreational and fish and wildlife management purposes. The bill also requires that in the very unlikely event that new construction funds would ever be appropriated, there would have to be a new environmental impact statement, and a finding of "no significant adverse impact" before the money could be spent.

Given this requirement, the fact that the State retains ownership of its right-of-way lands, and the firm opposition of both Florida Senators to any new construction, I believe that the bill offers no chance whatever of providing for construction of the canal.

What it does do is protect the public interest in Lake Ocklawaha, where there are over 400,000 visitations yearly, mostly for fishing, and in Lake Rousseau and its canal, which permits several thousand trips by boaters annually from the lake to the Gulf of Mexico. It does this without any environmental risks, and without the unnecessary expenditures of tax moneys, which we simply cannot afford at this time.

I hope that both the proponents and opponents of deauthorization will accept this in the spirit of compromise in which it is offered, and that we could proceed to a prompt resolution of the matter. I ask unanimous consent that the text of the bill be inserted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and declares—

(1) that more than $70,000,000 has been expended to date on the Cross Florida Barge Canal project, authorized by the Act of July 23, 1942 (56 Stat. 703);

(2) that completed portions of the Canal project provide valuable public recreational benefits, and habitat for fish and wildlife, including endangered and threatened species;

(3) that significant amounts of land in and near the completed portions of the project are controlled only via easements for construction and operation of the canal, rather than owned in fee simple by the State or Federal government;

(4) that a declaration of abandoment or decision to terminate the canal project would result in the lapse of those easements, and the return of the easement land, with publicly-financed improvements, to the owners of the fee title of the lands;

(5) that retention of the public benefits noted in this section after a decision to terminate the canal project, or a decision that it was abandoned, would necessitate the further expenditure of public funds to purchase the title to these easement lands, whose value has substantially increased as a result of prior Federal expenditures for construction on the Canal project; and

(6) that although it is not currently desirable, in light of the present knowledge of the likely environmental impact of the project, and the present financial problems of the Federal government, to resume construction on the project, termination of the project, for the reasons noted in this section, is not in the public interest; and the Congress reserves to itself the authority to make any decision as to the status of the project.

SEC. 2. (a) The Secretary of the Army shall continue to operate the completed portions of the project, and the lands associated therewith, for recreational purposes and fish and wildlife management and enhancement.

(b) The Secretary of the Army shall not operate Eurika Dam and Lock in such a fashion as to flood any land not flooded on January 1, 1984.

SEC. 3. No funds thereinafter appropriated for resumption of construction of the Cross Florida Barge Canal may be obligated unless and until the Secretary of the Army completes an environmental impact statement, initiated after the date of such appropriation, which funds no significant adverse environmental impact likely to result from construction of the Canal.●

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 901. A bill to prohibit the enforcement of certain interstate compacts which may be discriminatory in nature, and to which Congress has not granted consent; to the Committee on the Judiciary.

ENFORCEMENT OF CERTAIN INTERSTATE COMPACTS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation of great constitutional importance to Congress and the Nation.

Article I, section 10, clause 3 of the U.S. Constitution—the so-called compact clause—states that "No State shall, without the consent of Congress, enter into any agreement or compact with another State." Despite this explicit prohibition, several States, without the approval of Congress have created interstate banking compacts to allow banks from one State to establish branches in another. What is particularly troublesome about these compacts, even aside from their questionable constitutionality, is that they are discriminatory in nature. This is very much the case with the New England banking compact, which permits only New England banks to do business in their region, while excluding banks from the other 44 States.

This kind of interstate discrimination is exactly what motivated the framers of the Constitution to enact the compact and commerce clauses. The internecine commercial warfare that characterized the States under the Articles of Confederation—so similar to these discriminatory regional banking compacts—was precisely the issue that brought the Founding Fathers to Philadelphia in 1787. Interstate protectionism and discrimination had grown so severe in 1786 that six States sent delegates to Annapolis, MD, to seek an end to the embarrassments which characterise the present state of our national affairs.

My colleagues will recall that the Annapolis convention called upon the States to send delegates to Philadelphia to "render the Constitution of the Federal Government adequate to the exigencies of the Union." Thus, the Constitutional Convention was prompted by the resolution of six States frustrated by barriers to interstate trade. Such was the understanding of the distinguished Supreme Court Justice Robert H. Jackson:

The sole purpose for which Virginia initiated the movement which ultimately produced the Constitution was "to take into consideration the trade of the United States; to examine the relative situations and trade of said states; and to consider how far a uniform system in their commercial regulations may be necessary to their common interest and permanent harmony.

The framers went to Philadelphia knowing that something had to be done about interstate commercial discrimination. My own State of New York had been among the worst offenders, taxing firewood from Connecticut and vegetables from New Jersey, to protect local producers. The situation was so pervasive that James Madison scribbled in his notebook at the Constitutional Convention that "New Jersey, placed between Philadelphia and New York, was likened to a cask tapped at both ends." Tariffs, barriers to trade and exclusionary agreements between States had, in Madison's words, become a "national embarrassment."

The intention of the framers could not be more clear. The States were not to enter into agreements or compacts without the consent of Congress, lest they jeopardize the very existence of the Union. Alexander Hamilton, the prominent delegate to the Constitutional Convention from New York, stated the Founders' intentions directly in Federalist Paper No. 22:

The interfering and unneighborly regulations of some states, contrary to the true spirit of union, have, in different instances, given just cause for umbrage and complaint to others, and it is to be feared that examples of this nature, if not restrained by national control would be multiplied and extended till they became not less serious sources of animosity and discord than injurious impediments to the intercourse between the different parts of the Confederacy.

The Constitution wisely reserved for Congress the right to regulate interstate commerce, and especially the right to review all interstate agreements and compacts. The people of New York ratified the Constitution in 1788, and they continue to support it today, in part because it specifically guarantees the equal treatment of all States in interstate commerce. Daniel Webster put it well:

The commerce of the states was to be a union; and the system by which it was to exist and be governed, must necessarily be complete, entire, and uniform. Its character was to be described in the flag which waved over it, *E Pluribus Unum.*

Yet, Mr. President, we have a curious situation almost 200 years after the ratification of the Constitution. Regional banking compacts, meant to include some States and exclude others, have been enacted by numerous State legislatures. The regional compacts have, indeed, become working arrangements among several States. Yet, Congress has not expressly approved these compacts, as the Constitution demands.

This is absolutely unacceptable. The legislation I am introducing today states simply that no State or group of States, nor any Federal department or agency, shall give force to an interstate compact or agreement, unless the enacting State statutes are submitted to Congress for review and approval. Under this legislation, Congress would have an opportunity to review the circumstances in which compacts are constructed, and to prevent the kind of interstate commercial discrimination we are now experiencing for the first time in our Nation since the Confederation.

Another concern motivates this legislation, as well, Mr. President. And that is a very practical, rather than a constitutional matter. Regional banking compacts bad for consumers and bad for business. Like other forms of protectionism, regional banking compacts ultimately injure the American consumer, by denying him or her the lowest price for services or the highest

rates for deposits. By permitting consumers to have access to some banking services and denying access to others, the compacts limit the kind of services the consumer might choose and the rate of return he might earn if there were no barriers.

Further, regional banking compacts are anticompetitive. They permit banks within a region to merge or acquire one another, but bar banks outside the region from participating in the bidding. This limits the number of potential bids to acquire a bank, and denies the stockholders the best possible price for their stock. Additionally, increased competition in the marketplace can only lead to the development of new and better banking services.

Mr. President, there is more at stake here, however, than consumer rights and the competitive marketplace. The regional banking compacts which have been established without the direct assent of Congress are a threat to the role of the Congress in our constitutional framework. The Constitution could not be any more explicit. Interstate compacts and agreements are subject to congressional review and approval. The legislation I am introducing today would see that the clear intention of the Constitution is carried out. I urge my colleagues to support this measure and pass it swiftly.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 901

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that—

(1) article I, section 10, clause 3 of the Constitution provides that no State may enter into a compact with another State without the prior consent of Congress;

(2) a number of States have acted in concert to enact statutes permitting interstate banking on a limited regional basis;

(3) such statutes are interstate compacts that have not received the formal consent of the Congress;

(4) such statutes may be violative of the letter and spirit of the Commerce Clause and Federal antitrust laws; and

(5) the Congress should have the opportunity to review the nature and scope of each of these statutes to determine whether it shall grant its consent to such interstate arrangements pursuant to the Compact Clause.

PROHIBITION

SEC. 2. (a) No State or group of States, nor any Federal department or agency, may give force and effect nor may any transaction be consummated on the basis of any State statute authorizing an interstate compact, unless such State statute is submitted to Congress for its prior approval in compliance with article I, section 10, clause 3, of the Constitution. The Congress shall review each such statute to determine that it is not discriminatory or violative of the Commerce Clause or inconsistent with the pro-competitive requirements of Federal antitrust laws.

(b) For the purpose of this Act, legislation which authorizes acquisitions or mergers on a reciprocal basis without imposing any restrictions or other conditions against out-of-state bank holding companies by reference to their State or origin or size shall not be deemed an interstate compact.●

By Mr. DECONCINI:

S. 902. A bill to establish Federal standards and regulations for the conduct of gaming activities within Indian country, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN GAMING CONTROL ACT

Mr. DECONCINI. Mr. President, today I am introducing legislation to establish Federal standards and regulations for the conduct of gaming activities within Indian country.

I am proposing this bill to serve as a discussion draft so that all interested parties may have the opportunity to share with Congress the concerns they have about the development of gaming enterprises on Indian reservations. Since Federal courts have found consistently that tribes, under certain circumstances, have the right to conduct, license, and regulate gambling activities on lands within their jurisdiction exclusive of any right of States to do so, I hope that these discussions will produce a bill which provides the protections needed to insure that gaming activities in Indian country are conducted in a healthy and honest fashion.

At the present time, tribes are relying primarily on these court decisions when they set up gambling operations as a way to generate revenues for tribal government functions and programs. Like many States who have in recent years turned to legalized commercial gambling for economic development to support a tax base, Indian tribes are expressing increasing interest in developing gaming enterprises as a part of their tribal economic development efforts. While I reserve my judgment on the use of gambling to raise governmental revenue, I can see why the Indian tribes have a particular interest in it as a way to develop a revenue source which could make them more independent of Federal funds. Generally speaking most tribes have little or no tax base with which to support tribal government operations and programs. Subsequently, Indian tribes depend to a great extent on Federal funds. Many tribes want to reduce this dependency and are looking at gaming as one of the ways they can generate tribal revenues locally.

A number of tribes have already shown that they can manage viable and well-protected gaming activities as part of the tribal economic development program. Proceeds from these Indian gambling operations have been used to fund construction of facilities like health clinics and day care centers on reservations. Other essential tribal government operation expenses have been paid for by tribal councils out of the money raised by gambling activities. It is clear that tribal governments, like State and other local governments, consider gaming enterprises a worthwhile way to generate government revenues.

In view of this, I want to make sure that Indian tribes have as much of an opportunity as other local governments may have to pursue gaming enterprises development. But I am also concerned that the inadequacy of existing Federal authority may hinder the tribal efforts by virtue of its uncertainty. The bill which I propose today expands this limited Federal authority by establishing a Federal regulatory framework within which gaming activities can take place on reservations. At the same time, the proposed bill provides specific standards which at a minimum must be met by any gambling operation in order to protect reservation-based gambling from the influences of organized crime and other undesirable elements of our society. My proposal offers ways in which the tribal right to engage in gambling can be protected while insuring that these particular activities are conducted in a legal and orderly fashion.

By Mrs. HAWKINS (for herself and Mr. GRASSLEY):

S.J. Res. 107. Joint resolution to designate the month of May 1985 as "Older Americans Month"; to the Committee on the Judiciary.

OLDER AMERICANS MONTH

● Mrs. HAWKINS. Mr. President, I rise to introduce a Senate joint resolution to designate the month of May as Older Americans Month.

In the past, we as a country have underestimated the value of older people and their ability. Many older people achieved their best after the age of 65, disproving common myths we have held—creativity declines with age, older people cannot work productively and have no place in the working sector, and a person's health automatically declines at age 65. The ideas are changing. Some outstanding people who defied "agism" were Margaret Mead, Michelangelo, and Benjamin Franklin; each of them remained creative and working until well over 70 years old. Additionally, Picasso painted until his death at 90, Frank Lloyd Wright designed his masterpieces "Falling Water" and the Guggenheim Museum after he was 65, and Goethe finished Faust at 82. However, we must realize the importance of every older American, not just those who stand out because of their feats.

Older Americans have contributed to society in the past, and they continue to give today. Consider the lifetimes of the people who are now between 60 and 90. They built a layer of history overflowing with innovation and progression. They have seen Alaska and Hawaii join the Union. They fought in World War II and lived through the times of Vietnam and Korea. They set the stage for the rise of computer technology as well as bringing America and the world into the space age. They have seen the gradual change from the isolation of the early 1900's to the extremely connected international world of 1985. Consider the changes in the areas of transportation, medicine, and communication. The older Americans of today made these changes of the past 60 years, and we should pay tribute to them for what they accomplished and for where they have led us. We must also appreciate them for their wisdom gained from their experiences of the last 60 years.

Senior citizens are the fastest growing segment of America's population. The aging baby boom generation combined with the reduced birth rate of those who follow that generation will double the proportions of those over 65 to those between 20 and 64. By the year 2030, the ratio will be 40 percent. Additionally, the life expectancy has increased to approximately 70 for men and 78 for women.

While these demographics change, so do other characteristics of older people. The majority of the elderly live healthy, active lives with fewer than 5 percent being bedridden or institutionalized. Their income levels have risen in the past 30 years, most are well-housed, and many older citizens participate fully in various programs. They contribute to such programs as ACTION, VISTA, SCORE, the Foster Grandparents Program, and others. The Peace Corps presently recruits senior citizens because of their unique values—patience and a practical understanding of problems in various countries due to 40 or more years of experience.

We have become increasingly more aware of our older citizens as assets to our country due to their experience and expertise. We must assure their well-being now by granting them the opportunity to lead full lives—an adequate income, affordable health care, independence, dignity, and respect. We must meet the current and changing needs of America and its older citizens by tapping into that vast resource which older people offer.

So this May as we meet to honor older Americans, we should pay tribute to their accomplishments of the past, their contributions to the present, and their possibilites for the future.●

● Mr. GRASSLEY. Mr. President, I am pleased to support my colleague from Florida, Senator HAWKINS, as the primary cosponsor of Senate Joint Resolution 107, a joint resolution which would authorize the President to proclaim May as Older Americans Month. In the House of Representatives, the Older Americans Month resolution, House Joint Resolution 195, today passed with 274 cosponsors.

The Congress first authorized the President to designate May as Older Americans Month in 1963, and, as best I can determine, every subsequent Congress and President have proclaimed May as Older Americans Month. President Reagan, I feel sure, will be pleased once again to issue the proclamation which will acknowledge and help celebrate the contribution which our older citizens are making to American life.

It is certainly appropriate that we take account and recognize each year the great contributions which older Americans have made, and are continuing to make, to communities all over our country. And I want to stress the words "continuing to make" here, Mr. President, because we often lose sight of the fact that older people are contributing in major ways to the enhancement of our economic, social and cultural life.

In my own State of Iowa, for example, Mary Nieghswander, now in her late seventies, has been a strong force in the cultural life of the Quad City area. She has been one of the people who have brought theater to a respectable level, and, indeed, made it a major institution in Davenport. She recently spearheaded the renovation of the nearly 60-year-old RKO-Orpheum Theater in Davenport. She has been a leader in the children's theater all her life, and has been an integral part of the broadway theater league which is responsible for bringing first-run broadway shows to the Quad City area. All of this she has done through voluntary, uncompensated effort.

Mr. President, the designation of May as Older Americans Month by the President will kick off activities all across the country which will honor, and call our attention to, the contributions older people like Mary Nieghswander are making in every American community, and it is for that reason that I give my wholehearted support to this measure.●

By Mr. WARNER (for himself and Mr. NUNN):

S.J. Res. 108. Joint resolution authorizing the Secretary of Defense to provide to the Soviet Union, on a reimbursable basis, equipment and services necessary for an improved United States/Soviet Direct Communication Link for crisis control; to the Committee on Armed Services.

UPGRADE TO US/SOVIET DIRECT COMMUNICATION LINK

Mr. WARNER. Mr. President, I rise today along with my distinguished colleague and good friend from Georgia, Senator SAM NUNN on a matter of great importance to this body in our continuing efforts to attain a more peaceful world.

It has been a distinct honor and a privilege for me to have joined Senator NUNN in purely bipartisan efforts the past several years to seek opportunities for confidence-building measures and the lessening of the possibilities of conflict between our country and the Soviet Union.

During these past several years, the Congress has been in the forefront of efforts to devise practical measures to strengthen controls over nuclear weapons and to reduce the risk that these weapons might ever be used as a result of accident or miscalculation.

Last July, with the full support of Congress, the United States and the Soviet Union took an important step in this direction when an agreement was signed to upgrade the United States/Soviet Direct Communications Link, known popularly as the hotline.

Today, Senator NUNN and I will ask you to support legislation that we intend to introduce that is needed to fully and expeditiously implement this agreement.

Under this upgrade, a facsimile capability will be added to the hotline, enabling each country for the first time to transmit and receive graphic materials.

In addition, the planned improvements will allow the United States and Soviet heads of government to exchange messages more rapidly than they now can with the existing teletype.

The increase in the speed of communication and the ability to send pictures and maps could be especially critical in some future crisis.

The July 1984 agreement specifies that the U.S. Government will sell to the Soviet Union at cost the equipment necessary to install and maintain the improved hotline.

This transaction, which is expected to cost less than $1 million, will include facsimile equipment, personal computer [PC] equipment, modem equipment, and microprocessor systems to ensure the privacy of these very sensitive communications.

The executive branch examined each component of the improved hotline in the context of applicable transfer of technology regulations. I have here a letter on this subject from Assistant Secretary of Defense Richard Perle, in which he states that the Defense Department has determined "that the sale of those components for this purpose is entirely consistent with

current U.S. law and policy regarding trade with the U.S.S.R."

I ask unanimous consent that the resolution and Mr. Perle's letter be introduced into the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 108

Whereas section 1123(a) of the Department of Defense Authorization Act, 1983 (Public Law 97-252), directed the Secretary of Defense "to conduct a full and complete study and evaluation of possible initiatives for improving the containment and control of the use of nuclear weapons, particularly during crises";

Whereas the Congress directed that the same study should address several specific measures for building confidence between the United States and the Soviet Union, including an improved Direct Communications Link for crisis control;

Whereas the Secretary of Defense responded to that congressional mandate with a report entitled "Report to the Congress on Direct Communications Links and Other Measures to Enhance Stability" in which the Secretary proposed several improvements to existing United States-Soviet mechanisms for the prevention and resolution of crises, including the addition of a facsimile capability to the United States/Soviet Union Direct Communications Link;

Whereas the President of the United States presented the recommendations of the Secretary of Defense to the Government of the Soviet Union in May 1983;

Whereas the United States and the Soviet Union commenced negotiations on bilateral communications improvements in August 1983, and on July 17, 1984, concluded the Exchange of Notes Between the United States of America and the Union of Soviet Socialist Republics Concerning the Direct Communications Link Upgrade in which the two governments agreed to add a facsimile capability to the Direct Communications Link;

Whereas the Congress endorses that agreement and remains committed to all possible measures to facilitate the resolution of international crises and to limit the danger of conflict;

Whereas the Secretary of Defense is responsible for the installation, maintenance, and operation of the Direct Communications Link equipment for the United States; and

Whereas the Exchange of Notes Between the United States of America and the Union of Soviet Socialist Republics Concerning the Direct Communications Link Upgrade provides that the United States Government will provide to the Union of Soviet Socialist Republics, at cost, the equipment and services necessary for the Soviet Union part of the improved Direct Communications Link: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Defense may provide to the Soviet Union, as provided in the Exchange of Notes Between the United States of America and the Union of Soviet Socialist Republics Concerning the Direct Communications Link Upgrade, concluded on July 17, 1984, such equipment and services as may be necessary to upgrade or maintain the Soviet Union part of the Direct Communications Link agreed to in the Memorandum of Understanding between the United States and the Soviet Union signed June 20, 1963. The Secretary shall provide such equipment and services to the Soviet Union at the cost thereof to the United States.

SEC. 2. (a) The Secretary of Defense may use any funds available to the Department of Defense for the procurement of the equipment and providing the services referred to in the first section.

(b) Funds received from the Soviet Union as payment for such equipment and services shall be credited to the appropriate account of Department the of Defense.

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, March 25, 1985.

[In reply refer to: I-85/07907]

Hon. JOHN WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: Thank you for your letter of March 22, 1985, requesting my comments on the legislation which you propose to introduce to facilitate the upgrade of the Direct Communications Link, which the United States and the Soviet Union agreed to undertake in an Exchange of Notes, dated July 17, 1984.

As President Reagan indicated at the time of signature of this agreement, the upgrade of the Hotline by the addition of a facsimile capability is a modest, but positive step toward enhancing international stability and reducing the risk that accident, miscalculation or misinterpretation could lead to confrontation or conflict between the United States and the Soviet Union. The success of this initiative is due in no small measure to your continued support and advice. Your efforts now, to ensure the smooth and efficient implementation of the agreement, are welcomed by all who believe that it is critical that our leaders be able to communicate rapidly and comprehensively in the event of crisis. I heartily endorse your proposed legislation for this purpose.

I want as well to assure you that the sale of the facsimile system to the Soviet Union is consistent with US technology transfer policies. Prior to the United States' proposing the configuration for the addition of a facsimile capability to the Direct Communications Link, the Department of Defense examined each component proposed for that system in the context of applicable transfer of technology regulations. We determined that the sale of those components for this purpose is entirely consistent with current U.S. law and policy regarding trade with the USSR. Sale of the quantity of equipment necessary to maintain the reliability of the Soviet part of the Hotline requires COCOM approval, which the U.S. will seek.

I want to underscore for the Congress that there is a great deal of difference between selling the USSR equipment for the specific purpose of improving the Direct Communications Link and allowing the Soviet Union unfettered access to U.S. and Allied high technology products. We will continue to ensure that sales to the Soviet Union are closely scrutinized and seek to ensure that only those which are consistent with our COCOM obligations and strategic trade controls are permitted to go forward.

RICHARD PERLE.

Mr. WARNER. Mr. President, I urge all my colleagues to support this legislation.

At this time, I yield to my colleague, Senator NUNN.

Mr. NUNN. Mr. President, it is a pleasure to join my good friend and highly respected colleague, Senator JOHN WARNER of Virginia in this legislation which we hope will reduce the potential for conflict between the United States and the Soviet Union.

The legislation that we intend to introduce will authorize the Secretary of Defense to provide the Soviet Union, in exchange for payment of costs, such equipment and services as are required by the July 17, 1984 agreement.

Most of this transaction will be completed in the initial sale of the specified equipment to the Soviet Union.

However, sales of services and additional equipment, including consumable items, will recur periodically throughout the life of the improved hotline.

This legislation provides that the Defense Department is to use available appropriations for all such transactions, and it shall be reimbursed by the amounts subsequently received from the Soviet Union.

Under the timetable envisioned by the two governments, the first pieces of equipment will be delivered to the Soviet Union no later than June 30.

Accordingly, it is imperative that the Congress act quickly on this legislation to ensure that there is no unnecessary delay in the implementation of this important agreement.

We are especially pleased that the Congress provided the impetus for this important addition to our Nation's crisis prevention capability.

In the 1983 Department of Defense Authorization Act, we directed the Secretary of Defense to conduct a full and complete study and evaluation of possible initiatives for improving the containment and control of the use of nuclear weapons, particularly during crisis.

We specifically directed that the report address, among other measures, an improved hotline for crisis control.

The concrete improvements to the United States/Soviet bilateral crisis prevention capabilities including the addition of a facsimile capability to the hotline, were proposed in the Secretary of Defense's April 1983 "Report to the Congress on Direct Communications Links and Other Measures to Enhance Stability."

These proposals consistent with our objective of encouraging both countries are to work together to reduce the risk of confrontation.

Furthermore, I believe these improvements provide the foundation for the establishment of the nuclear risk reduction centers which we in the Congress have so strongly supported.

We hope our colleagues agree that this body has no greater responsibility than to reduce the possibility of nuclear crisis. With timely passage of this bill, we can take a very positive step in that direction by enabling our President and the leader of the Soviet

Union to have these improvements available to them as soon as possible.

This action is especially appropriate right now, as the United States and the Soviet Union embark on one of the most critical tasks of this century—negotiations to reduce substantially the number of strategic and intermediate-range nuclear forces.

Broad sponsorship of this bill will demonstrate the strong congressional consensus of support for all possible measures to facilitate the resolution of crisis and limit the danger of conflict.

Senator WARNER and I hope that our colleagues will support this measure with the same bipartisan spirit and hope in which it is introduced.

ADDITIONAL COSPONSORS

S. 402

At the request of Mr. PRESSLER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 452

At the request of Mr. BRADLEY, the name of the Senator from Colorado [Mr. HART] was added as a cosponsor of S. 452, a bill to enact the Gifted and Talented Children's Education Act.

S. 631

At the request of Mr. CHAFEE, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 631, a bill to amend the Securities Exchange Act of 1934.

S. 632

At the request of Mr. CHAFEE, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 632, a bill to amend the Internal Revenue Code of 1954 to require a mandatory section 338 election in hostile stock takeovers, and for other purposes.

S. 744

At the request of Mr. COCHRAN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products.

SENATE JOINT RESOLUTION 59

At the request of Mr. HATCH, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Kansas [Mr. DOLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Washington [Mr. GORTON], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate "National Science Week."

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 87

At the request of Mr. MURKOWSKI, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day."

SENATE JOINT RESOLUTION 104

At the request of Mr. DENTON, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Joint Resolution 104, a joint resolution to proclaim October 23, 1985, as "A time of remembrance" for all victims of terrorism throughout the world.

SENATE RESOLUTION 112

At the request of Mr. COHEN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Resolution 112, a resolution relating to bilateral discussions between the United States and the Soviet Union to ban chemical weapons.

SENATE CONCURRENT RESOLUTION 39—RELATING TO COSTA RICAN NEUTRALITY

Mr. DODD submitted the following concurrent resolution, which was referred to the Committee on Foreign Relations:

S. CON. RES. 39

Whereas on November 17th, 1983, the Government of Costa Rica proclaimed that country's neutrality;

Whereas such neutrality enables Costa Rica to minimize its involvement in Central America's conflicts, thereby preserving domestic stability and democracy and enhancing its ability to address its severe economic problems;

Whereas such neutrality also enables Costa Rica to play an important role in attempts to achieve political settlements of Central America's conflicts; and

Whereas it is in the interest of the United States that Costa Rica maintain its neutral status: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress supports Costa Rica's neutrality and urges the President to support such neutrality.

● Mr. DODD. Mr. President, I am submitting today a concurrent resolution in support of Costa Rica's announced policy of neutrality in Central America's conflicts. This concurrent resolution is identical to House Concurrent Resolution 33, which has been introduced in the House by Congressman BARNES.

Costa Rica announced its policy of neutrality on November 17, 1983. It has since reaffirmed this policy. The United States should support it.

Costa Rica is a nation unique in Central America. It has no army. It does not seek to protect itself with one. Rather, in the turbulence of contemporary Central America, Costa Rica seeks to protect its vital interests with wisdom, not warriors and weapons.

This is no easy task. There continues to be serious tension on the Costa Rica-Nicaragua border. The recent incident at the Costa Rican Embassy in Managua is well-known.

I take a back seat to no one in my support for Costa Rica, my sympathy for the delicacy of its situation and my desire to see Costa Rica continue as a secure and sovereign nation following its independent course in Central America. Therefore I, too, am concerned about tensions between Costa Rica and its neighbors.

But there are some in this country who are willing to let their concern for tensions between Costa Rica and Nicaragua override their perceptions of Costa Rica's position and intentions regarding Central America's conflicts. Costa Rica has announced it intends to be neutral. The United States should take Costa Rica at its word. The United States should support that small nation in this wise decision.●

SENATE RESOLUTION 131—WITH RESPECT TO PROPOSALS FOR MUTUAL AND VERIFIABLE MORATORIA ON CERTAIN ACTIVITIES INVOLVING NUCLEAR WEAPONS

Mr. HART (for himself and Mr. KERRY) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 131

Whereas the continuing nuclear arms race poses a grave threat to the survival of the human species;

Whereas the Government of the United States and the Government of the Soviet Union have agreed to resume negotiations on the control of nuclear weapons and weapons in space;

Whereas the Senate fully supports the efforts of the Reagan Administration to enter into negotiations with the Government of the Soviet Union with the objective of bringing a halt to the nuclear arms race;

Whereas the success of upcoming diplomatic efforts may depend on the willingness of both the Government of the United States and the Government of the Soviet Union to consider and implement bold and creative measures to facilitate the negotiations of arms control agreements;

Whereas President Kennedy in 1963 challenged the Soviet Union to a mutual moratorium on the testing of nuclear explosive devices in the atmosphere, setting the stage for the rapid completion of the Limited Nuclear Test Ban Treaty—the first major breakthrough in United States-Soviet arms control negotiations;

Whereas the United States is currently observing a moratorium on the testing of anti-satellite weapons against objects in space;

Whereas a temporary moratorium on weapons testing and deployment, agreed to by both the United States and the Soviet Union, would promote early progress in upcoming arms control negotiations and provide an atmosphere conducive to the conclusion of a mutually beneficial agreement; and

Whereas such mutual moratoria are entirely consistent with the national security objectives of the United States and would in no way jeopardize necessary modernization of American strategic nuclear forces: Now, therefore, be it

Resolved, That (a) in order to facilitate the upcoming negotiations for a comprehensive halt to the arms race, it is the sense of the Senate that the President should immediately propose to the Government of the Soviet Union a mutual and vertifiable moratorium, of limited duration, on the flight-testing and deployment of new strategic ballistic missiles, or on the detonation of nuclear explosive devices, or both.

(b) It is further the sense of the Senate that the President should continue to maintain the existing moratorium on the testing of anti-satellite weapons against objects in space unless and until—

(1) the Government of the Soviet Union resumes such testing of an anti-satellite weapon; or

(2) the Government of the Soviet Union refuses to proceed with further negotiations aimed at achieving a formal agreement on anti-satellite weapons.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

● Mr. HART. Mr. President; Senator KERRY and I join our colleagues in the Senate, and all Americans, in applauding the efforts of the Reagan administration to engage the Soviet Union in a negotiations to halt the nuclear arms race. We commend both the Reagan administration and the Government of the Soviet Union for agreeing to discussions on the entire range of arms control issues—including strategic and theater nuclear weapons, and weapons in space.

We know from experience, however, that negotiations carry with them no guarantee of an early success. Recent efforts at arms control—undertaken with the best of intentions—have failed to constrain significantly the growth of United States and Soviet strategic arsenals. If history is a guide, the road ahead will be long and difficult—especially given the extremely broad scope of the arms control talks.

We believe the success of the Geneva negotiations may well depend on the willingness of both sides to break with convention and undertake bolder and more creative initiatives—to demonstrate together and unparalleled commitment to ending the nuclear arms race.

We believe the resolution we are introducing today will dramatically improve the prospects for success in the negotiations in Geneva. Our resolution calls upon President Reagan to continue the existing moratorium on the testing of antisatellite weapons as long as the Soviet Union demonstrates equal restraint. It also proposes that the Soviet Government consider additional, mutual moratoria, of limited duration, on the testing and deployment of new strategic ballistic missiles, and on the testing of nuclear explosive devices.

These proposed moratoria are designed to provide impetus for early success at the arms control talks—without jeopardizing our national security. They are intended to create an atmosphere conducive to achieving a meaningful arms control accord, and to give the negotiators in Geneva an instrument they will desperately need to craft an agreement—additional time.

Our endeavors in the past have too often allowed technology to outpace diplomacy. In 1972, the United States and the Soviet Union failed to limit multiple warhead missiles—and while both sides talked on, the number of warheads grew by the thousands. We have talked for years about limiting cruise missiles, and how they are appearing by the thousands. If we continue with business as usual, there will be other new weapons to multiply by the thousands and outrun our ability to limit them.

To break this pattern, we need to provide negotiators—on both sides—time to agree on constraints on new weapons technologies before those technologies proliferate beyond our control. The moratoria we have proposed would give negotiators that time.

Moreover, we believe selected, limited moratoria can help create an atmosphere of confidence and hope. Moratoria can act as catalysts for success in this round of arms control talks.

Moratoria can work. They have before. In 1963, President Kennedy challenged the Soviet Union to a mutual halt to the testing of nuclear explosives in the atmosphere. The Soviet Union followed his lead and a cycle of confrontation and crisis was broken. Within months, our two nations had signed the Limited Test Ban Treaty—the first major breakthrough in United States-Soviet arms control efforts.

Like the moratorium in 1963, our proposals are intended as a prelude to—not a substitute for—a negotiated arms control agreement. We believe a commitment to mutual restraint coincident with the resumption of arms control talks will serve as a concrete demonstration of both sides' commitment to end the nuclear arms race, and will pave the way for a meaningful arms control accord.

Mr. President, these initiatives are entirely consistent with U.S. national security objectives. They are intended to be both mutual and verifiable, and contingent on positive Soviet action. The United States would not, and should not, continue to demonstrate restraint in the absense of an immediate Soviet response. The United States is strong enough to take the first step, but we are also realistic enough to continue only if the Soviets respond to our lead.

The moratoria we have proposed on nuclear testing and new ballistic missiles are intended to be of limited duration. They would in no way compromise the U.S. prerogative to modernize our strategic arsenal in the future, should we fail to achieve comprehensive reductions and limitations through formal negotiations.

Both the United States and the Soviet Union have at this time one new ICBM and one new SLBM that would be directly affected by a moratorium. Either side's efforts to proceed with flight-testing and deployment of these missiles would be constrained for the duration of the agreement.

Neither nation has yet to develop an antisatellite system which can credibly threaten the vital military and early warning satellites of the other side. Continuing the implicit moratorium on the testing of ASAT weapons would stabilize both sides at their present capabilities, and would allow negotiators time to complete a formal agreement to prevent an uncontrolled competition in ASAT capabilities.

If both nations agree to a limited halt on the testing of nuclear explosive devices, the development of new nuclear warheads would be forstalled in the short term—imposing a somewhat greater burden on the Soviet Union because of its more vigorous underground testing program.

In each of these areas the United States can enter into a mutual agreement with the Soviet Union without any unilateral concessions, and without jeopardizing national security interests.

Mr. President, the resumption of United States-Soviet arms control negotiations has brought a renewed sense of hope to this country and the world. But we must not confuse hope with results. If we are to break with the failures of the past, we will need truly courageous leadership—in both the United States and the Soviet Union.

We believe—in spite of the enormous growth in the nuclear arsenals of both the United States and the Soviet Union in the last two decades—that it is still within our power to take the initiative, to chart a different course, and to bring an end to the nuclear arms race.●

● Mr. KERRY. Mr. President, when President Kennedy asked the Soviet Union to agree to a mutual halt to nuclear weapons tests in the atmosphere in 1963, he made it possible for both nations to conclude a treaty which ended such tests. That act of political courage and creativity demonstrated

that it is possible to stop the nuclear arms race, if we have the will to break the relentless cycle of producing, testing and deploying weapons merely because we have the ability to do so, and not because it is in the long-term security interest of the United States.

Today, I join Senator HART in sponsoring a resolution by which the Senate declares its support for a temporary moratorium on the testing and deployment of new strategic ballistic missiles and of nuclear explosive devices, as well as continuing our current moratorium on the testing of antisatellite weapons against objects in space.

This resolution calls on the President to invite the Soviet Union to agree to such a moratorium as a prelude to concluding appropriate arms control agreements in Geneva.

A moratorium would contribute to each of the four goals which Secretary of State George Shultz has specified as our objects in the Geneva negotiations: The promotion of strategic stability, arms reductions, equality, and verifiability.

A mutual moratorium would accomplish strategic stability, because today neither side has an incentive to preempt or strike first in a crisis. As I think the administration would concede, we have parity today and the United States retains the ability to reduce the Soviet Union to rubble and ash should we be subjected to a surprise first strike of any kind. Both the Soviet Union and the United States have a new ICBM and SLBM that would be affected by a moratorium, and neither side would be left in a position of strategic inferiority by a mutual moratorium.

Secretary of State Shultz has said that U.S. arms control proposals represent a historic and systematic effort to reduce the levels of nuclear weapons substantially, rather than to merely legitimize their increase.

An obvious first step to making substantial reductions in the nuclear stockpile of both sides is to prevent new deployments that would add to the stockpile. A mutual moratorium would accomplish this. Secretary Shultz and our Geneva negotiators would be able to negotiate from a position of having a fixed level of nuclear weapons on both sides without having to worry about responding to planned increases. This would make it far easier for our negotiators to conclude a treaty leading to substantial reductions.

The third objective, of equality, is also served by a mutual moratorium. As Secretary Shultz has recently stated:

> Soviet strategic power is centered on its land-based missile force, American strategic power is spread over our triad of land-based missiles, submarines and bombers. A mutual moratorium will preserve the balance between these equivalent, if assymmetric, forces while negotiations on reductions continue.

Finally, a mutual moratorium will promote verifiability. As Secretary Shultz said:

> All our efforts to resolve the many complicated issues of stability, reductions and equality will come to naught in the absence of effective means of verification.

This moratorium will help preserve the mutual ability of both nations to verify any arms control agreements negotiated, because it will help preserve the invulnerability of our satellites.

Satellites are the foundation of our national technical means. Without them, I don't know how we could effectively verify our arms control agreements. For this reason, among others, it is extremely important that we conclude a treaty limiting ASAT's with the Soviet Union.

This legislation, calling on the President to engage in such a mutual moratorium, will help keep the door open to such an agreement.

In conclusion, Mr. President, the moratorium proposed by this legislation will promote each of the objectives described by Secretary Shultz as the goals of our arms talks in Geneva.

For that reason, I respectfully request that this Senate demonstrate its support for the arms control objectives set forth by Secretary Shultz by passing this sense of the Senate.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Subcommittee on Public Lands, Reserved Water and Resource Conservation on Monday, April 29, 1985, in Washington, DC. The subcommittee will receive testimony on the following bills:

S. 488 and H.R. 1185, to amend the act establishing the Petrified Forest National Park.

S. 543 and H.R. 1373, to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness.

S. 444, to amend the Alaska Native Claims Settlement Act.

The hearing will be held in room SD-366, Dirksen Senate Office Building, Washington, DC, at 10 a.m. Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510, phone (202) 224-0613. Those wishing to testify should sign up no later than Thursday, April 25, 1985.

Because of the number of witnesses expected to testify, oral testimony will be limited to 5 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Mr. Tony Bevinetto of the subcommittee staff at (202) 224-5161.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS TO PROVIDE URGENT RELIEF TO ISRAEL

INOUYE AMENDMENT NO. 30

(Ordered to lie on the table.)

Mr. INOUYE submitted an amendment intended to be proposed by him to a measure to provide supplemental appropriations for urgent relief to Israel; as follows:

REDUCTION OF INTEREST RATES ON FMS LOANS TO ISRAEL

For payment to the Secretary of the Treasury such sums as may be necessary, but not more than $3,952,232,085, which sums shall be used to reimburse the Federal Financing Bank for the adjustment of interest rates charged on financing guaranteed under section 24 of the Arms Export Control Act for Israel pursuant to agreements entered into prior to the date of enactment of this section, notwithstanding section 10 of P.L. 91-672 or any other provision of law: *Provided*, That the Federal Financing Bank shall adjust the rate of interest on such financing to five percent per annum, notwithstanding any other provision of law.

● Mr. INOUYE. Mr. President, in keeping with current practices of the Senate, I wish to insert in the RECORD of today's proceedings the text of an amendment which I intend to introduce when the Senate moves to consideration of fiscal year 1985 supplemental appropriations to provide extraordinary assistance to Israel.

It is my understanding that the Senate no longer orders the printing of proposed amendments as separate documents; rather such proposed amendments are published in the CONGRESSIONAL RECORD.

I will, of course, offer a detailed explanation of my amendment when it is introduced. For the moment, I wish to assure Members that this amendment does not cancel or forgive the repayment of debt by Israel. Under my proposal, Israel will repay every penny of principal that it has borrowed from the United States in military loans.

What my proposal will do is to reduce the onerous future debt burden faced by Israel by reducing the interest rate on existing loans from the present weighted interest rate of 12 to 5 percent. That is the interest rate the United States now charges on military loans under the concessional FMS

Program to countries in economic difficulty.

It is my hope that over the next several weeks Members will become familiar with my amendment and raise any questions that they might have in order that I might, in turn, address these questions when I move to introduce this amendment.

What I wish to make clear today is that this amendment should not be regarded as increasing foreign aid totals. It simply requires that funds be appropriated to compensate the Secretary of the Treasury for foregone interest payments. Under the terms of the amendment, the Secretary of the Treasury would still collect $6.4 billion in interest on outstanding FMS loans to Israel. The Secretary would forego interest equivalent to the amount appropriated—that is, the amount required by existing law to "buy down" the current interest rate to the proposed 5-percent interest. It is currently estimated that the amount in foregone interest payments would be approximately $3.9 billion.●

ADDITIONAL STATEMENTS

THE APARTHEID RESOLUTION

● Mr. WALLOP. Mr. President, yesterday the Senate passed a resolution on apartheid that was pernicious because of its hypocrisy. It left Senators the sole choice of condemning one form of evil as if it were the only instance of its kind in the world. Clearly, it is not, and clearly some that are far worse exist, ignored by the fashionable ignorance or double standard of one for the Iron Curtain tyrannies, which is nonexistent, and one for allies which is total and persistent.

I regret that this resolution was not open to amendment. Had it been, I would have proposed an amendment to make it apply first and foremost to the Soviet Union.

This is not an argument that apartheid is good or that we ought to be anything but opposed to it. This is an argument against hypocrisy, double standards, preferring the worse to the better, and irresponsible posturing. Look at pages 1119 through 1135 of the State Department Annual Report on Human Rights Practices. These pages deal with the Soviet Union. Compare them with the similar pages on South Africa, and ask, in which country is the scope and quantity of abuses greater? There is no doubt that South Africa's unequal treatment of its black majority is not in the same league as the Soviet Union's uniformly totalitarian treatment of all its people.

Let us compare, category by category.

GENERAL FREEDOM OF MOVEMENT

Every Soviet citizen must carry an internal passport, no exceptions. South Africa is abolishing a very limited, and seldom enforced version of that practice.

GENERAL LEAVE OF FREEDOM

We know about the Soviet Gulag, the infamous slave labor camps. They dot that vast country like a cancer. Some 4 million people are in them. Where are the Gulags of South Africa?

BRUTALITY

We know about the routine use of Soviet psychiatric hospitals to drug and drive dissidents out of their minds. Where are they in South Africa? We know that the South African police have killed perhaps hundreds. I challenge Senator KENNEDY to compare this with the Soviet Union's starvation of the Ukraine, where perhaps millions died. The murder of whole ethnic groups, like the Chechens, and the Soviet Union's genocide, even as we speak, in Afghanistan.

LABOR UNIONS

South Africa has free labor unions. The Soviet Union does not. Why does Senator KENNEDY spend his time railing against South Africa?

RELIGION

We have recently received and honored in this country Bishop Tutu, a prominent cleric from South Africa who is an outspoken opponent of apartheid, and who, as such, has risen within his country's church hierarchy. Where is the Soviet Union's Bishop Tutu?

THE PRESS

The South African Government knows that everything it does will be scrutinized by its own free press. If we want to know the situation in South Africa, we need but get on the phone to one of their newspapers, or talk to our own correspondents, who live freely there. Where is the free press in the Soviet Union? Why does Senator KENNEDY spend his energies against South Africa rather than against the Soviet Union?

DEMOCRACY

If we wish to argue with South Africa, we can talk, people to people. But when we deal with the Soviet Union, we are dealing exclusively with lifelong enemies in the Politburo.

EMIGRATIONS

Black people are fighting to get into South Africa. But the Soviet Union has to emply a half million border guards, dogs, and mines to keep people in.

So why does Senator KENNEDY prefer the Soviet Union?

The Senator's amendment also provides an exemption for vehicles used for commuting if first, less than 25 percent is listed as personal use, and two, if the commuting vehicle is required by the employer for bonifide business purposes—a proposition that reduces funds to the Federal Treasury by $1 billion.

This not only adds to the deficit, but opens a new area for possible abuse.

Decisions such as this—that, if passed, create further deficit growth and settle the concerns of many—do not stop with questions of taxation.

I voted to provide continued, limited unemployment benefits for those currently covered under Federal supplemental compensation [FSC]. I could not support, however, other measures to provide even greater benefits, but at a cost of hundreds of millions of dollars.

It is not that I don't care deeply over the problems of our unemployed. But our first priority must be to reduce the deficit. A measure that can provide strong economic growth, long-term price stability, lowered interest rates, and strong employment growth—our ultimate goal.

Only after we do the best we can on reducing the deficit and measuring the benefits, should we turn to additional safety-net funds, such as new supplemental unemployment moneys.

When we focus on many of these issues alone, we tend to overlook the more important concern at hand—that of an overly complex Federal tax system and the demand this year for tax reform.

Do we continue to deal with issues on a piecemeal basis that create additional imbalances within our tax system? Or do we reform our tax system in a comprehensive reform that eliminates the need for a crazy quilt of tax exemptions and deductions?

I suggest the latter.●

ADEQUATE CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS/FEDERAL SUPPLEMENTAL COMPENSATION

Mr. EVANS. Mr. President, as we work to find a responsible and fail solution to the overly burdensome adequate contemporaneous recordkeeping requirements for automobiles, trucks, and other listed property, we must continually keep in mind that these requirements were established to correct abuses.

With the many issues facing Congress, decisions are sometimes hastily made, with unintended mistakes following. While attempting to correct the abuses under business-use vehicles, we created unfair treatment to many we intended not to impact. After correcting these unintended mistakes, we must go back and more narrowly pursue those abuses we initially intended to correct. Further, we must continually remind ourselves of the continued growth of the Federal budget deficit.

With these thoughts in mind, I rise to support the recommendations submitted by the Finance Committee con-

cerning the repeal of adequate contemporaneous recordkeeping for mixed business/personal use automobiles.

Furthermore, I find the narrow exemptions worked out to exclude delivery trucks, buses, marked and unmarked police and fire vehicles, ambulances and hearses from recordkeeping requirements and taxable income for personal use an excellent solution.

The recommendations meet the tests of fairness, good public policy and restraint from those decisions that create new deficit pressures.

With these three critical tests in mind, I find the amendment offered by my respected colleague from Wyoming unacceptable. This amendment not only covers the important elements of the Finance Committee recommendations, but goes much further.

TURKEY'S HUMAN RIGHTS POLICIES

● Mr. SIMON. Mr. President, recently, Mayor Harold Washington, of Chicago, met with the Turkish Prime Minister. One of the topics the mayor raised with the Prime Minister was his concern, which many of us share, about some of Turkey's human rights policies. Following his meeting, the mayor released a thoughtful statement abut the effect of present U.S. policies toward Turkey. I ask that the mayor's statement be printed in the RECORD.

The statement follows:

STATEMENT OF MAYOR HAROLD WASHINGTON

I met this morning with the Turkish Prime Minister, Turgot Ozal, after consultation with leading Chicago citizens of Greek heritage, and took the opportunity to present the prime minister with a letter expressing our concern about human rights in his country.

I have a long-standing public record of opposition to military aid for Turkey and share the concern of many for the human rights abuses in that country.

In response to Amnesty International's campaign to abolish torture, I appealed to the Prime Minister to limit the incommunicado and extended nature of detention in those provinces still under martial law. And in response to our Greek constituency I requested that he use his good offices to bring about a just settlement in Cyprus, removing Turkish military personnel and allowing ethnic Greek refugees to return to their homes; that he prevent persecution of ethnic Greek citizens of his country and in particular protect the Greek Orthodox Patriarchate in Istanbul; and that he work for an improvement in relations between Turkey and Greece.

I am concerned that Turkey continues to refuse to indicate the whereabouts of the American citizens and the 1,600 Greek Cypriots who were taken by the Turkish army from Cyprus over 10 years ago.

Nearby, in Michigan for example, a mother and father would like to know if their son is languishing in a Turkish prison, or was this child executed with a gun and bullet provided by the American taxpayers?

I am concerned that the Turkish President recently called for Israel to withdraw from Jerusalem, accused Israel of massacring citizens in the Sabra and Satilla Palestinian camps, called upon other Arab nations for an "Islamic Strategy Against Israel" last year, and refused to allow American planes to overfly Turkey in support of Israel.

I am concerned that Turkey is alienating our life long allies, the people of Greece, by continuing its military occupation of the Republic of Cyprus, frequently violating Greek air space, threatening Greek islands by displaying American military aid opposite their coasts rather than the other side of the country opposite Russia for which the aid was intended, forcing Greece to withdraw from the NATO war games because of Turkish insistence that a Greek island, which Turkey said it wants, would be left out of the military exercises.

In particular, I am concerned that Turkey continues to practice torture and imprisonment for political beliefs. I am concerned that the Greek Orthodox Patriarchate in Istanbul—The Vatican of the major worldwide religion—has been forced by Turkish Law to degenerate into ruin. Turkish repression of Greeks living in Turkey has caused 120,000 Greeks living in Istanbul in 1955 to dwindle to 4,500 people today. This forcing out of Greek citizens coupled with a Turkish restriction that only Turkish born Greeks can attend the country's finest Greek Orthodox Theological Seminary caused a closing of that renowed institution.

I am concerned that Turkey spends $200 million a year to maintain Turkish troops occupying the Republic of Cyprus. We must ask ourselves as American Taxpayers, would the Turkish troops still be in Cyprus if hundreds of millions of American dollars were not going to Turkey each year?

I can assure you that if that $1 billion of aid were going to the city of Chicago, none of that money would be used to militarily occupy another country, or to violate the most basic human rights of our own people. I concur with my Greek friends that before Turkey is granted American aid, that nation must completely alter those policies that violate human rights, and above all bring about a just solution for Cyprus and cease its persecution of the ecumenical patriarchate.

There is no room in the 20th century for above mentioned practices. The American public and private sector does not want to be part of it.●

THE SUPPORT OF SMALL BUSINESS ADVISORY COUNCIL OF THE REPUBLICAN NATIONAL COMMITTEE FOR MAINTAINING THE SBA

● Mr. WEICKER. Mr. President, just this past week, Frank Fahrenkopf, chairman of the Republican National Committee, released the policy statement of the RNC small business advisory council in which the importance of the Small Business Administration and its programs to the Nation's 14 million small businesses is discussed.

Unlike the administration, the RNC small business advisory council has recommended maintaining the SBA as an independent agency, and, in its statement, recognizes the important financial assistance provided particularly through SBA's guaranteed lending programs. Many of its recommendations are similar to the legislation Senator BUMPERS and I have introduced, S. 408, which is now sponsored by 23 Members of this body.

I ask that Mr. Fahrenkopf's letter to the associate executives of the RNC and the position statement of the RNC small business advisory council be printed in the RECORD.

The materials follow:

REPUBLICAN NATIONAL COMMITTEE,
March 29, 1985.

DEAR ASSOCIATE EXECUTIVE: The Republican Party was established, and has flourished, based on its ability to investigate and act upon new ideas. In fact, the tradition of being open to new ideas and accommodating various points of view has increased our numbers over the past years.

In 1984, I appointed a Small Business Advisory Council (SBAC) with a number of goals in mind. Among them, was to provide expertise on small business matters to members of the Platform Committee of the 1984 Republican National Convention. Another, was to advise the Reagan Administration on issues of importance to this nation's 14 million independent business owners.

The SBAC's first goal was achieved. The submission of the Council's report to the Platform Committee aided in producing a small business plank which highlighted the important contributions made to our economy by small business owners, while at the same time recognizing that some barriers still exist to optimum productivity and profit.

The second goal, mentioned above, is actually a process which will continue through my tenure as Chairman of the Republican National Committee. Attached, for your review, is the SBAC's position statement concerning the proposed abolition of the U.S. Small Business Administration. While it is not a mirror image of the Administration's point of view, the position of the RNC Small Business Advisory Council calls for needed functions to continue and some costly and inefficient programs to end. More importantly, while the means may differ, the end result is the same; an important step toward reducing the federal deficit and a leaner bureaucracy which provides only needed services to small business owners.

Periodically, you will receive other RNC Small Business Advisory Council position statements. They will be insightful presentations concerning issues critical to the small business community. In a sense, they will be our contribution to the legislative dialogue which enriches our form of government.

Very truly yours,
FRANK J. FAHRENKOPF, Jr.

STATEMENT OF THE SMALL BUSINESS ADMINISTRATION

The Small Business Administration was established as an independent agency of the Federal Government in 1953 under the leadership of President Dwight Eisenhower and the Republican-controlled 83rd Congress. Through that action, President Eisenhower and the Congress specifically recognized the crucial role played in the American economy by independent business. At the same time, they took action to tackle the unique problems faced by the entrepreneur in an increasingly complex economy dominated by Big Government, Big Business, and Big Labor.

During the past 32 years, SBA has assumed an ever-larger role as the protector of the independent sector (and its contributions to the economy). Congress has saddled the Agency with more and more responsibilities, a number of them lying far outside SBA's natural territory. In a sense, it has been the victim of its own effectiveness. For example, SBA has been so efficient in expediting assistance to the victims of natural disasters that it has been directed to provide similar aid in cases of "economic" or man-made disasters, and has been told to assist agricultural enterprises. In the latter role, it has been forced to duplicate programs administered by the Department of Agriculture. (The Small Business Administration has correctly opposed this haphazard growth and programmatic duplication.)

On the others and, several innovative programs have been added to SBA's arsenal which render it far more effective in meeting its essential mandate.

Back in 1953, SBA could provide financial assistance only through direct loans analyzed, made, and monitored by SBA employees. Within a few years, this proved to be an expensive and labor-intensive program, so SBA began to make more and more of its loans in conjunction with banks through its loan guarantee authority. Today, the overwhelming majority of SBA loans are made through the guarantee mechanism, and SBA has made great strides in delegating lending authority to banks and other financial institutions through its certified and preferred lender programs. A recent Government study shows that 40% of all (long)-term loans to smaller firms were made with SBA help.

In 1958, Congress passed the Small Business Investment Act, and established the first institutional source of venture capital for new and growing businesses. This was a truly pioneering endeavor since it harnessed private sector capital and management to achieve a public policy goal. Congress gave SBA the authority to license and regulate these small business investment companies, as well as the power to make loans to SBICs to augment their private capital. Here again, SBA initially received appropriations to make direct loans to SBICs, but for the past 14 years, the assistance has been in the form of SBA guarantees.

In the late 1960s and early 1970s, a number of programs to encourage minority citizens to enter the mainstream of American business were established by Congress and the White House. SBA was given additional responsibilities in this critical arena.

The creation of the office of Chief Counsel for Advocacy in 1976 was a most significant step forward. The Advocate, nominated by the President and confirmed by the Senate, has the authority to represent the interests of small business in every Federal department and agency. He and the SBA Administrator fight to guarantee that smaller firms are not trampled when the leviathans gather to establish governmental policies. In less than eight short years, the Chief Counsel for Advocacy has become an active and effective champion for independent business.

For the past three years, James Sanders has been an effective and an innovative Administrator. (In line with Administration policies on cost-control, debt-collection, and maximum use of the private sector), he has studied every one of his Agency's programs. He has recommended scrapping those which are not efficient or cost-effective; he has revised others to make them more useful for small business; and he has refocused others to make the maximum utilization of the private sector, while minimizing the cost to the Federal Government and reducing the number of employees by 30% to just under 4,000 from 6,000 in 1980. We applaud his commitment, his imagination, and his achievements.

FINDINGS OF THE ADVISORY COUNCIL

After reviewing the record of the Small Business Administration and calculating the cost of its programs in this period of terrible Federal deficits, the Advisory Council makes these recommendations:

1. The Small Business Administration must remain as an independent agency in the Executive Branch of the Federal Government. The millions of small firms in our country provide about half of all jobs in the U.S., create almost all the new jobs, and account for most innovations. In spite of their numbers and their importance, the interest of small businesses are often overlooked by Federal officials when they establish economic policies. An independent SBA is essential in representing these views.

2. In the same vein, the role of the Chief Counsel for Advocacy must not only be preserved as an independent voice; it must also be strengthened and broadened.

3. SBA's direct loan program appears to be an outdated vestige of the Agency's youth. It is expensive in terms of manpower and dollars. On the other hand, the certified and preferred lenders programs bring the skills and the dollars of the private sector to bear on the financial needs of young and smaller companies. We urge termination of the direct loan programs and further expansion of the lower guarantee (in the range of 70–75%) to the banks and others making loans under Section 7(a), SBA can greatly leverage its scarce resources, maximize private sector participation and improve the quality of its loans.

4. The Council also calls for an end to SBA's involvement in agricultural disaster loans. Its present program duplicates the vastly greater manpower and resources of the Department of Agriculture and SBA lacks the expertise necessary for this specialized field of lending.

5. A number of SBA's minority business programs duplicate, or are poorly coordinated with, similar operations directed by the Department of Commerce. We recommend that SBA's activities in the field of procurement and management assistance for minority businesses be continued and increased by transferring those similar activities in the Department of Commerce to the SBA.

6. SBIC program itself is a unique Government-private sector partnership. Over the past 26 years, this program has demonstrated its tremendous effectiveness in assisting in the birth and growth of thousands of America's most successful businesses. The industry has now matured to a point where the SBIC and MESBIC programs should be operated on a private business basis and and the Government's involvement minimized. The Council supports the proposal for the Corporation for Small Business Investment (COSBI) under which the responsibility for licensing, regulating, and providing leverage for SBICs would be transferred to the private sector.

CONCLUSION

We sincerely believe that the recommendations we have made will result in a leaner, meaner, and more effective SBA. We believe these steps will assure the vigor and growth of independent small business with resultant growth in employment and tax revenues. And, equally important, we believe our proposals will contribute substantially to the reduction of the Federal deficit. By eliminating direct loans, by placing more responsibility on the private sector in the 7(a) loan program and the SBIC investment program, by eliminating SBA programs which duplicate those performed by Commerce and Agriculture, by selling the SBIC loan portfolio (presently about $1 billion) now held by the Federal Financing Bank to COSBI, we will save several billion dollars over the next three years.

The Republican Party has traditionally been the party of the independent business owner and the entrepreneur. It cannot abdicate its role in promoting economic growth. We call for a new commitment by the G.O.P. to American small business.●

THE OLMSTED HERITAGE LANDSCAPES ACT OF 1985

● Mr. MOYNIHAN. Mr. President, I wish to draw my colleagues' attention to an article appearing in the style section of the March 30, 1985 Washington Post. The article, by Benjamin Forgey, is entitled "In Congress, a Crusade for the Olmsted Legacy." It concerns legislation Representative JOHN SEIBERLING and I introduced in the 98th Congress and again this year to identify, commemorate, and preserve the historic legacy of landscapes designed by Frederick Law Olmsted, Sr., his associates, and professional descendants.

Olmsted, who lived from 1822 to 1903, is properly considered the father of landscape architecture in this country—indeed, he coined the term. His achievements are staggering. They include New York's Central Park—with Calvert Vaux in 1858, the Capitol grounds here, 1874, the World's Columbian Exposition in Chicago, 1893, and premier parks, parkways, college campuses, and residential communities across the Nation.

Sadly, many of Olmsted's landscapes have been destroyed, altered, or developed. Most are in a sorry state of disrepair due to deteriorating infrastructure, inadequate maintenance, and overuse.

The legislation Representative SEIBERLING and I have introduced (S. 194 and H.R. 37) is a modest attempt to involve the Federal Government in the burgeoning State, local, and private efforts to locate, inventory, and preserve the myriad Olmsted landscapes. Surely we must raise public awareness of the man who has done more, perhaps, than any other to preserve the beauty of nature amidst the distressing gray and black of our ever-expanding cities.

The Washington Post article highlights JOHN SEIBERLING's efforts to promote the Olmsted legislation. This is well and good, for few have championed conservation and historic preservation causes better than he. I have had the pleasure to work with him on

several occasions, most recently to commemorate the centennial of Eleanor Roosevelt's birth. And we have worked together for nearly 4 years now to establish an American Conservation Corps. I have no doubt he will prove to be as successful a steward of H.R. 37 as he has been with so many other bills.

Mr. President, I ask that the text of the March 30, 1985 Washington Post article by Benjamin Forgey be printed in the CONGRESSIONAL RECORD.

The article follows:

IN CONGRESS, A CRUSADE FOR THE OLMSTED LEGACY

(By Benjamin Forgey)

Frederick Law Olmsted Sr., the genius landscape architect who did more than any other person to humanize America's rapidly growing cities during the 19th century, today has a friend indeed in Rep. John F. Seiberling, the conservationist congressman from Ohio.

Seiberling, in alliance with New York Sen. Daniel Patrick Moynihan on the opposite side of the Hill, has taken the lead in pushing for adoption of the Olmsted Heritage Landscapes Act, a straightforward bill with a simple purpose: to study the vast Olmsted legacy and, with the all-important aid of state and local governments and private groups and individuals, to begin to put it in order.

It was touching and, in a way, depressing to witness Seiberling's lonely performance last Tuesday as he conducted a hearing on the Olmsted bill. During MX week in the House (Democrat Seiberling predictably voted on the losing side twice), with such astronomical financial stakes ($1.5 billion for 21 missiles, or more than $71 million each), here was a congressman passionately prodding an oddly recalcitrant Interior Department to accept a mere $2.5 million, to be spent over the course of 10 years, just go give some long overdue attention to one of the nation's preeminent cultural treasures.

The performance was inspired. From time to time other subcommittee members would drop in, but the show, like the bill, clearly belonged to Chairman Seiberling.

He told of his privileged boyhood at Stan Hywet Hall, the Akron estate whose beautiful grounds were designed by an Olmsted associate. He recounted his long (and successful) "one-man crusade" to save the grounds from destruction by the private foundation to which he and his family had donated the estate. He told how driving by the old Hillandale grounds in Northwest Washington, today cut into condos, makes him feel "a little bit sick, and certainly sad," because he remembers well "how those rolling hills looked in the springtime." He quoted poets (Gerard Manley Hopkins, A.E. Housman, Robert Frost) during his frequent, spirited interchanges with the mostly favorable witnesses who formed his responsive audience. He said, "Every time we lose a thing of beauty made by nature and man together, we lose a little bit of our civilization." More than once his voice cracked and tears welled in his eyes, and more than once the hearing room was filled with spontaneous applause.

Seiberling's cause is just: Olmsted was a giant. His works stretched almost literally from sea to sea. Though best known as the designer (with Calvert Vaux) of Central Park in New York, he spread his talents far and wide, from Boston to Baltimore to Washington (the splendid U.S. Capitol grounds are his) to Chicago to Yosemite Valley in California, and to hundreds of places in between. And as extensive as are the parks, estates, campuses, suburbs and government grounds that he and his partners designed directly, it might be argued that an even greater legacy was the tremendous extent of the Olmsted influence. Not idly is he known as the "father of American landscape architecture."

Even if limited to works of his direct descendants—his stepson John Charles, his son Frederick Law Olmsted Jr. and others who carried on the work of the firm well into the 20th century—the numbers are impressive. According to Charles E. Beveridge of American University, editor of the voluminous Olmsted papers deposited at the Library of Congress, the firm accounted for some 3,000 projects after Olmsted Sr. retired in 1895, including 650 parks, parkways and playgrounds designed for public use, 150 education campuses and 150 residential communities.

Many of the Olmsted sites have not fared well over the years. Some have been destroyed altogether. Others have been altered unfortunately by simple ignorance of the methods and intentions of their designers. (The views Olmsted so sympathetically laid out on the Capitol grounds, for instance, are being obliterated by ill-conceived plantings.) Other sites have been changed for the worse by being partially or wholly converted to more active recreational uses with cavalier disregard for their overall structure.

Today many more are endangered, or on their way out. In Atlanta, trees in a string of parks in the Olmsted-designed suburb of Druid Hills will be cut to make way for a highway serving the proposed Carter Presidential Library. A hilly, privately owned 228-acre Olmsted site in White Plains, N.Y., is to be converted into a multiuse commercial and residential development. Many and perhaps most others according to witnesses at the Seiberling hearing are being very poorly maintained.

So what is this bill that the Interior Department finds onerous? Basically it requires but an inventory of a great national heritage—a simple listing of locations, dates and so on, an examination of the original designs and their execution, and a report on current conditions. In this procedure the federal government's role would be crucial but rather minimal: It would set standards and make recommendations for preserving such "historic designed landscapes" (an important provision because parks have received much less attention than buildings in preservation processes), provide technical assistance to those in state and local governments and private groups who would be doing most of the actual work, and serve as a sort of clearinghouse for the results thus obtained.

As a young man, in 1850, Olmsted visited a new park in Birkenhead, England, across the Mersey River from crowded Liverpool. "Five minutes of admiration and a few more spent in studying the manner in which art had been employed to obtain from nature so much beauty," he wrote, "and I was ready to admit that in democratic America there was nothing to be thought of as comparable with this People's Garden.

From the beginning of Central Park in 1857 until 1895, when he retired from the fray with a sadly added bram. Olmsted did more than his share to redress the balance. But if from Olmsted's time onward parks have been popular in democratic America, their maintenance has been something else again. Olmsted himself learned this lesson well during his titanic struggles with the Tweed ring and other New York politicos during the decades it took to build Central Park. Today, development pressures, budget crunches and plain ignorance make this as true as, perhaps truer than, ever.

Would it not be a wonder if, by paying some close respect to the places that Olmsted and his followers designed and built, people in hundreds of cities, suburbs and towns could be inspired again by his great vision? This is at least a possibility opened up by a modest piece of legislation about which John Seiberling said, with Olmstedian spunk. "If they [opponents in the administration] don't ask for it, maybe we will give it to them, anyway."●

COERCING ABORTIONS: WERNER FORNOS, THE IPPF, THE UNFPA, CHINA, AND AID

● Mr. DENTON. Mr. President, the abortion lobby is making an all-out assault against President Reagan's policy regarding indirect U.S. funding of abortion overseas. I am sure my colleagues and all readers of the CONGRESSIONAL RECORD, particularly in the executive branch, will benefit if we make public the activities that are designed to tie the President's hands in foreign policy, for the direct monetary benefit of certain organization and the Government of the People's Republic of China.

Of particular interest in this enterprise is the role of the tax exempt Population Institute, whose president, Werner Fornos, has been a leader of the lobbying effort. His self-serving relationship with the Government of the People's Republic of China demands scrutiny and raises serious ethical questions.

But let us start this story at its beginning, with Mr. Reagan's admirable declaration of Mexico City, as it is sometimes called. In that policy statement, preparatory to the U.S. Conference on World Population last August, the President erected an international pro-life standard: The United States will not be a party to abortion. Whatever the policies of other governments, it is this government's stated policy not to fund abortions directly—which has been illegal since enactment of the Helms amendment in 1973—or indirectly, through contributions to organizations which engage in abortion, abortion research, abortion advocacy or lobbying activity.

In the Senate, an attempt was made to overturn the President's policy. On August 8, 1984, during consideration of the Second Supplemental Appropriations Act, legislation was proposed to repudiate Mr. Reagan's denial of funds to the organizations that comprise the international abortion lobby. At this point, an amendment in the second degree was offered, as follows:

The President is to be commended for his outstanding leadership in condemning abortion at home and abroad as a grave injustice against unborn human beings and that, consistent with law, the President should be encouraged to continue to modify the domestic and foreign policies of the U.S. Government to protect unborn human beings from the violence of abortion.

When a move to table that language failed, the original amendment was withdrawn.

But the abortion lobby was not yet finished. Even though all the population grantees funded by the Agency for International Development, except one, have agreed to the President's conditions, the International Planned Parenthood Federation remains defiant. As Werner Fornos himself put it in remarks to the population control lobby in Madison, WI, on March 12, 1985:

So we've now got IPPF de-funded, because IPPE had the courage to say to the Reagan Administration. "Take your money and shove it. Our principles are more important".

It is, of course, the right of IPPF and any other private organizations to refuse U.S. money. But IPPF wants to have our tax dollars and thumb its nose at President Reagan, too. It is hardly accidential that, a few weeks after IPPF began an intensive campaign to force the U.S. Government to give it $17 million—yes, $17 million, for these people have large appetites—a subcommittee of the House Foreign Affairs Committee put language in the foreign assistance authorization bill intended to tie the President's hands:

The President—

(A) shall not deny funds for population planning purposes under this part to a foreign country, an international organization, or a nongovernmental organization, and

(B) shall not deny funds (or goods or services financed with such funds) to any direct or indirect recipient of funds, goods, or services from a foreign country, an international organization, or a nongovernmental organization which receives those funds under this part for population planning purposes, because of the types of voluntary and noncoercive family planning programs which it carries out or promotes, or for which it provides funds, goods, or services (directly or through another entity), so long as it does so entirely with funds other than the funds made available by the United States under this part.

That language is designed to bail out IPPF, but it is also clearly intended to help out another group currently in danger of losing U.S. funding for population control programs. That is the U.N. Fund for Population Activities and its subgrantee, the government of Communist China. And here the plot really thickens. According to Julian Simon, in his masterful book, "The Ultimate Resource":

The UNFPA also funnels money back to U.S. groups that work for fertility reduction, including The Population Institute, Population Crisis Committee, The Institute of Society, Ethics, and Life Sciences in Hastings-on-Hudson, and the Worldwatch Institute." (See page 303.)

Let us get this straight. The tax-exempt Population Institute gets AID money channeled through the UNFPA. So no one should be surprised when the institute's president, Werner Fornos, complains about President Reagan's policies. As the President put it in his policy statement last year:

With regard to the United Nations Fund for Population Activities (UNFPA), the U.S. will insist that no part of its contribution be used for abortion. The U.S. will also call for concrete assurances that the UNFPA is not engaged in, or does not provide funding for, abortion or coercive family planning programs; if such assurances are not forthcoming, the U.S. will redirect the amount of its contribution to other, non-UNFPA family planning programs.

No U.S. money can be laundered through the UNFPA to any "coercive family planning programs." That is, we will not pay to round up pregnant women, drag them into abortuaries, and kill their babies. But beyond that, we will not contribute a dime to any family planning program that is based on coercion.

Who on Earth could complain about that? Werner Fornos, president of the tax-exempt Population Institute, the one that gets tax dollars through the UNFPA and the government officials of Communist China, of course, whose program of forced abortion has shocked the world. One of those officials, Zhang Wenjin, Ambassador of the People's Republic of China to the United States, wrote to Secretary of State George Shultz on March 9, 1985, to protest the delay in our giving $38 million to the UNFPA. These people want their money. Ambassador Zhang Wenjin insists:

The departments concerned of the Chinese Government have declared on a number of occasions that not a single dollar contributed by the UNFPA has been used by China in support of abortions. The UNFPA has also pledged not to use any of its funds to support abortions. Under such circumstances, it is obviously unjustifiable for the U.S. to withhold its contributions to the UNFPA on the ground of allegations of abortions.

Ambassador Zhang's letter is a masterpiece of misinformation. The issue is not whether the UNFPA funds abortion. It is whether the UNFPA funds, in any way, family planning programs that are coercive. That question has been emphatically answered by objective press investigations, most of them conducted under the auspices of newspapers not ordinarily sympathetic to the prolife position.

What is most remarkable about the Ambassador's letter to the Secretary of State is not that it fails to tell the truth about China's barbaric forced abortion policy. What is most remarkable is that, at the bottom of the last page, there is a note about carbon copies. Two of the copies were to go to other State Department officials. Fair enough. And the third went to—guess who?—Werner Fornos, president of the tax-exempt Population Institute, who has been crusading around the country—including an appearance on publicly funded television in Wisconsin—to demand immediate funding of the UNFPA, IPPF and the rest.

This relationship between China's Ambassador to the United States and Mr. Fornos should be no surprise. For the latter is an honorary professor of international relations at Sichuan University. When he received that honor, he was hailed by, among others, Dr. Qian Xinzhong, China's minister for family planning. This is the same Dr. Qian who received $12,500 as a special award from the UNFPA in 1983 for his leadership of China's brutal birth control program. It is no wonder Qian wants the U.S. taxpayers to continue to support the UNFPA.

So this is the company Werner Fornos keeps in his campaign to overturn President Reagan's ban on AID grants to the abortion lobby and his ban on any funding, direct or indirect, of coercion: Ambassador Zhang, Dr. Qian, and the like-minded individuals who met with Mr. Fornos during his recent visit to Madison, WI. These included Dan Weintraub, vice president for international affairs of the Planned Parenthood Federation. Let us let Mr. Weintraub speak for himself, for his words are their own best indictment:

Now, I know that there are some people in our own country—and I know who they are, they've talked to me—who sincerely believe that we should compromise, we should accept the Administration's policy. And the argument goes that, after all, abortion in our international programs is only a small percentage of our entire program. Strategically we would be better off to try to save family planning by giving up abortion.

Well, I tell you that these people are wrong. All of you sitting here in this room know in your hearts that you simply are not associated with a social service agency or a medical service agency. You're part of a movement, a cause. And causes have principles. And one of the principles of the Planned Parenthood Federation of America is that reproductive freedom is indivisible. You either have it or you don't have it. Either everyone has it, or nobody has it. It's as simple as that. It really is as simple as that * * *.

This is not the last compromise the Administration is going to ask us to make. This is simply the beginning. It's like, you know, the "slippery slope" argument—give in now and it's easy to give in later.

But it is not just the President's policy that these groups have to cope with. It is the law. Specifically, the Kemp amendment to the Foreign Operations Appropriation Act of 1985, which was folded into the continuing resolution late in the 98th Congress. The Kemp amendment, for which I compliment the distinguished Member of the House from New York, reads as follows:

Provided further, That none of the funds appropriated under this paragraph may be available to any country which includes as part of its population planning programs involuntary abortion: *Provided further,* That none of the funds appropriated under this paragraph may be available to any organization which includes as a part of its population planning programs involuntary abortion.

Note that, like the President's own policy, the Kemp amendment forbids not only the direct funding of abortion, but the indirect funding of coercive abortions. It really does not matter whether the UNFPA uses U.S. dollars only for computers in Peking and billboards in Shanghai. As long as China's program involves compulsion—and I would call arresting women and dragging them off to be aborted an unmistakable sign of compulsion—then AID must not give, and must not allow the UNFPA to give, any money to China.

Let us be very clear what is at stake in this controversy. Again, I will let Mr. Fornos speak for himself, through his candid remarks to the Fourth Annual Conference on Reproductive Health Legislation on March 12, 1985:

What we miss, as advocates on this issue, is that we need to separate the abortion issue from the family planning issue, when we're dealing with our legislators.

Two years from now, I may stand here and advocate something different, and the reality of our times may dictate that. Certainly, if we ever have enough votes, we ought to desperately seek a repeal of the Helms amendment. But at the moment, I don't think that's in the cards.

What Mr. Fornos referred to as the Helms amendment has been law since 1973. It is the statutory prohibition against AID funding fo abortion. It was widely evaded for many years, under both Republican and Democratic administrations. But at least, under President Reagan, it has been given full effect.

That is the cause of this controversy. It is not family planning that is at stake. It is the ability of the international abortion industry to thrive off of U.S. funds. It is their arrogant presumption that they are entitled to tax dollars, year after year, to sustain their operations. It is their audacity in defending China's totalitarian program of compulsory abortion. It is their unremitting opposition to the right to life of unborn children, here in the United States or in Latin America or in Africa or in the Orient.

Those fanatics are on the losing side of history, and they are panicking. They thought they would have their way with the U.N. Conference in Mexico City last year, but it blew up in their faces. One of their supporters, Robert McNamara, predicted that the U.S. delegation would be laughed out of the Conference because of President Reagan's prolife position. But Mr. Reagan had the last laugh.

Here is what really happened in Mexico City. The original draft presented to the delegates called upon all governments to protect women from illegal abortion. This is a coded way of calling for legalization of abortion.

But the delegations from all over the world rejected that language. Instead, they urged governments "to take appropriate steps to help women avoid abortion, which in no case should be promoted as a method of family planning, and whenever possible, to provide for the humane treatment and counseling of women who have had recourse to abortion."

Underscoring the setback this represented to the international abortion lobby, the Swedish delegation objected to the change in wording. They went on record in opposition to it, insisting that abortion should be legalized.

This triumph in Mexico City is why the abortion advocates have come back to the Congress to see if we will overturn for them President Reagan's policy. Repudiated by the U.N. Conference last year, faced with a Presidential ultimatum to get out of the abortion business, they have nowhere else to go except to sympathetic Members of Congress.

Less sympathetic Members of Congress, however, will want to keep a sharp eye on the machinations of the abortion lobby, both within the committee system and in such lobbying operations as Werner Fornos, of the tax-exempt Population Institute, has been launching. And for the information of all interested parties, I ask that the following documentation be printed in the RECORD:

First. "Forced Abortions in China," a compilation of press reports and academic studies about coercion in the People's Republic of China from National Right to Life Factsheet revised March 13, 1985.

Second. "China Steps Up Sterilization as Population Control," from the newsletter of the Population Reference Bureau of May/June 1983.

Third. "Paying for Abortions," from the Wall Street Journal of April 9, 1984.

Fourth. "One Couple, One Child," from the Washington Post of January 10, 1985.

Fifth. "Peking's Family Policy" by Nick Eberstadt, fellow at Harvard University's Center for Population Studies, from the New York Times of April 22, 1984.

Sixth. "More from the Beautiful People at AID," from the Washington Times of March 23, 1985.

Seventh. "Institute President Honored in China," concerning Mr. Fornos' "honorary professorship" at Sichuan University, from Popline of December 1984.

Eighth. "Pro-life, AID Forces Clash on U.S. Aid to China's Population Control," an article from the Washington Times of March 18, 1985.

Ninth. "Population Prizes from U.N. Assailed," from the New York Times of July 24, 1983.

The material follows:

FORCED ABORTIONS IN CHINA

(Revised Mar. 13, 1985)

During the past several years, numerous credible sources have reported that forced abortions are an integral part of the population-control program of the People's Republic of China (PRC). Many of the same sources also have reported that Peking's "one child" campaign has resulted in widespread infanticide against infant girls.

There is no direct U.S. aid to China. However, the Agency for International Development (AID) provides over 30 percent of the total budget of the United Nations Fund for Population Activities (UNFPA). According to AID, the U.S. contributions are "co-mingled with those of other international donors for project use."

Over the past several years, UNFPA has built up the PRC's "one child" effort with a $50 million grant, and another $50 million grant is now set to begin. According to UNFPA, this money supports various components of the population-control program, including "assistance to strengthen the State [Family] Planning Commission," which directs the entire campaign.

UNFPA officials have vigorously defended the Chinese program, and even presented the Chinese population minister with a special award in 1983 for "the most outstanding contribution to the awareness of population questions".

Congress has earmarked $46 million for UNFPA in 1985. AID is withholding payment of the first installment of this allocation while it investigates UNFPA's relationship to human rights abuses such as those reported below.

(The following excerpts are taken from a series which appeared in The Washington Post on January 6-8, 1985. The series was written by Post correspondent Michael Weisskopf. Mr. Weisskopf had just completed a four-year assignment in China which spanned the implementation the "one-child" policy.)

China, to be sure, is curbing its population growth, but its success is rooted in widespread coercion, wanton abortion and intrusion by the state into the most intimate of human affairs.

The one-child policy was launched in 1979 as the centerpiece of an ambitious plan to contain China's population at 1.2 billion by the year 2000. Loosely enforced at first, the policy was tightened in 1982 after population growth rates began to climb.

What emerges from more than 200 interviews spaced over three years with officials, doctors, peasants and workers in almost two-thirds of China's 29 local jurisdictions is the story of an all-out government siege against ancient family traditions and the reproductive habits of a billion people.

The story offers a glimpse of China usually hidden from foreigners but painfully familiar to most Chinese—a world of government-sanctioned infanticide, of strongarm sterilizations and of abortions performed at a rate as high as 800,000 a year in a single province.

[In Guangdong Province] Any mother who becomes pregnant again without receiving official authorization after having one child is required to have an abortion, and

the incidence of such operations is stunning—53 million from 1979 to 1984, according to the Ministry of Public Health.

Nor is the timing of abortion usually a factor. Many are performed in the last trimester of pregnancy—100,000 in Guangdong last year, or 20 percent of the province's total abortions—and some as late as the ninth month. Officials say it often takes that long to get reluctant women to clinics.

Doctors normally terminate late-term pregnancies by injecting an herbal drug into the womb, killing the fetus and inducing labor—a kind of induced stillbirth. The dead fetus is usually expelled in 24 hours.

In the inner Mongolian capital of Hohhot, however, hospital doctors practice what amounts to infanticide by a different name, according to a Hohhot surgeon, who would not allow his name to be used for fear of reprisal. After inducing labor, he revealed, doctors routinely smash the baby's skull with forceps as it emerges from the womb.

In some cases, he added, newborns are killed by injecting formaldehyde into the soft spot of the head. "If you kill the baby while it's still partly in the womb, it's considered an abortion," explained the 33-year old surgeon. A doctor who ignores the regulation risks losing his job, he said, although no one objects. He estimated that hundreds of babies die this way in his hospital every year.

"You get used to it," said the surgeon, explaining how doctors react. Sitting in the corner of a coffee shop during the interview, he lifted a cup and said, "It's like drinking coffee. At first, it's bitter. But after a while you don't notice the taste. I've done it myself."

A medical student in Canton who worked in a hospital gynecology ward in 1982 told foreign visitors that pregnant women were required to present birth authorization cards before admission to the delivery room. He said doctors who were under orders to abort all unauthorized pregnancies often strangled or smothered newborns.

Sometimes, officials use collective coercion in operations like that in Dongguan, where thousands of pregnant women were picked up in trucks and Jeeps, taken to commune headquarters for lectures, then driven to abortion clinics, some reportedly under police escort, in what was later described by local eyewitnesses as a "slaughter movement."

Party chief Huang Zhigao of Double Bridge Village in the southwestern province of Sichuan acknowledged the practice of "helping" pregnant women to the clinic if they refuse to go on their own.

Many pregnant women hide in the mountains or flee to a relative's village to escape official harassment, practicing what is colloquially known as "childbirth on the run." So many runaways reached the remote, northwestern province of Gansu that a regulation was passed directing local officials to "terminate within a limited time all unplanned pregnancies of women not in their home residential area," according to an internal document.

Female infanticide is the most extreme form of resistance to the one-child controls, a desperate act by parents squeezed between official restrictions and the traditional preference for male offspring. Many Chinese think that if they can have only one child, better to give away, abandon, or even murder a baby girl and try again for a boy.

The authorities have refused requests for gender breakdowns of births in recent years. But Chinese population experts in Peking have revealed privately to western demographers that the national sex ratio of newborns rose to 1.09 in 1982 and 1.11 in 1983.

Application of those unofficial ratios to total births listed for those years indicates a loss of almost 300,000 baby girls in 1982 and 345,000 in 1983.

The Post summarized and commented on the Weisskopf series in an editorial published on January 10, 1985 [attached], which read in part:

[W]hile some of the means [employed by the Chinese government] are what you could call extremely rigorous—education, propaganda, economic leverage, social pressure—other methods fall into the realm of the openly coercive and brutal: mandatory abortion, induced stillbirth, the strangling of the newborn. That the state actively sanctions and sponsors these means underlines the dilemma. In the name of modernization, the state is seeing to the death of live human beings.

Similar reports have come from many other sources, of which we offer the following sampling:

In a further escalation of its population control program, China's government may have begun to require sterilization of couples with two or more children. A directive to this effect from the central government appears to have gone out to lower officials, probably during December 1982. The matter was mentioned in a central-government circular on propaganda published in February 1983. "Permanent birth control measures [i.e., sterilization] are to be carried out among those who already have two children. Remedial measures [i.e., abortion] are to be taken as quickly as possible among those who are pregnant without quota [permission].

UN officials contacted about the policy expressed grave misgivings about any forced sterilization policy to a Washington Post reporter, adding that the international organization could not assist a family planning program with an official coercive policy—the UN currently gives China about $50 million annually [sic] in population assistance. However, the UN has an "out" because important Chinese family planning pronouncements often never attain "official" status. So government spokespersons can say (as one told the Post) that sterilization is merely being "recommended" to couples with two or more children, and that coercion or force is not a part of the policy.—"China Steps Up Sterilization as Population Control," in May/June 1983 issue of Intercom, the newsletter of the Population Reference Bureau.

Each province sets guidelines for the desired number of children to be born during the year. These guidelines are often translated into rigid quotas at the unit level [such as factories and communes]. Women must apply for permission from their unit to have a child. Although contrary to announced central government policy, many of those becoming pregnant without permission are reportedly coerced into having abortions, even in the later stages of pregnancy.—U.S. State Department's "Country Reports on Human Rights Practices for 1984," February 1985, p. 737.

Mrs Tien [a "street committee" member] was frank about how her street committee administered the program. "We assign a person to keep track of each woman's menstrual cycle. If someone misses her period and isn't scheduled to have a baby, we tell her to have an abortion. There isn't room for liberalism on such an issue."—From "China': Alive in the Bitter Sea," by Fox Butterfield (Times Books, 1982). Butterfield was chief of the New York Times's Peking bureau from 1979-81.

In Dongguan County in eastern Guangdong, a reporter for Hong Kong's leftwing newspaper Zheng Ming Ribao, saw pregnant women herded into vehicles and taken to hospitals for abortions. "The vehicles were filled with wailing noises, and the scenes were really bitterly distressing," he reported. One woman already nine months pregnant arrived at the hospital, he wrote, and immediately received an injection. "Three hours later the baby was born—but then it stopped breathing," the reporter said. Some pregnant women reportedly were handcuffed, tied with ropes or placed in pig's baskets. . . .

Though doctors aren't supposed to perform abortions past the eighth month of pregnancy, they do, a Chinese source reports. "Every day hundreds of fetuses arrived at the morgue," he says. A woman with an unauthorized pregnancy is likely to receive an injection from hospital doctors before labor, resulting in a still born child or a baby so ill that it dies in a few days, the source adds.—"Abortion and Birth Control in Canton, China," by Michele Vink, correspondent for the Wall Street Journal, Nov. 30, 1981.

Two $12,500 awards given by a United Nations population agency to Prime Minister Indira Ganhi of India and to China's family planning chief [Qian Xinzhong] have been denounced as a travesty by a United States economist whom the agency enlisted as an advisor. The economist, Theodore W. Shultz of Chicago, said that the United Nations Fund for Population Activities had ignored the recommendations of private consultants and rewarded two nations that have used brutal methods to curb population growth. Mr. Shultz, a recipient of the Nobel Memorial Prize in Economic Science, told the agency to remove his name from any material involving the prize.—"Population Prizes From U.N. Assailed," by Bernard D. Nossiter, the New York Times, July 24, 1983.

So, increasingly, the population program turned to coercion. . . . In some areas, women with "unauthorized" pregnancies were rounded up and ordered to submit to injections of abortifacients. Official edicts warned that those "who attempt to defeat the fertility plan" would be considered "enemies of the people"—a threat that any adult who lived through the Cultural Revolution understood only too well. Families that defied the "one child norm" were faced with monthly fines that often meant semi-starvation.

Almost a quarter of the United Nations Fund for Population Activities' $50 million bequest to Chinese population programs is American money. Failure to act against these grave and obvious human rights abuses would expose America to some very serious charges—and those charges would be right.—"Peking's Family Policy," by Nick Eberstadt, a visiting fellow at Harvard University's Center for Population Studies, in the New York Times, April 22, 1984.

Last July [1981] Zhengming, a Hong Kong publication sympathetic to the Peking Government, gave what it said were details of a "ruthless struggle" under way in Guangdong's Huiyang prefecture to cut the number of expected babies to 47,000. A reporter for Zhengming who visited eastern Guangdong reported how vigilantes abducted pregnant women on the streets and hauled them off, sometimes handcuffed or

trussed, to abortion clinics. Other women, he said, were locked in detention cells or hauled before mass rallies and harangued into consenting to abortions. The reporter referred to "aborted babies who were actually crying when they were born." Unofficial estimates indicate that abortions exceeded the number of live births. A Canadian physician told a foreigner of abortions being performed on the delivery table.—"Chinese Region Showing Resistance to National Goals for Birth Control," by Christopher S. Wren, in the New York Times, May 16, 1982.

From Sandhead Brigade [village] there were eighteen women, all from five to nine months pregnant, and many red-eyed from lack of sleep and crying. They sat listlessly on short plank benches arranged in a semicircle about the front of the room, where He Kaifeng [a top cadre and party member] explained the purpose of the meeting in no uncertain terms. "You are here because you have yet to 'think clear' about birth control, and you will remain here until you do.". . .

Looking coldly around the room, he said slowly and deliberately, "None of you has any choice in this matter. . . ." Then, visually calculating how far along the women in the room were, he went on to add, "The two of you who are eight or nine months pregnant will have a caesarian [abortion]; the rest of you will have a shot which will cause you to abort." Several of the women were crying by this point.—From "Broken Earth: The Rural Chinese," by Steven W. Mosher (Free Press/Macmillan, 1983), pp. 225-226.

In the meantime, a system of rewards and punishments is being brought to bear on the rural bureaucracy. Not too long ago, a prefecture in Kwangtung Province counted about 100,000 pregnant women who would be having their second or third babies. Then, during May and June, hundreds of local leaders began hunting around the countryside for pregnant women—and the figure suddenly dropped to 47,000. Even women nine months pregnant were forced to undergo abortions. The local bureaucrats apparently are determined to get rewards, not reprimands or punishment, from the Peking family-planning office.—"China's Policy on Births," by John Erik, engaged in research at Peking University, in the New York Times, Jan. 3, 1982.

There was a pregnant woman in Wazan factory. We persuaded her to have an abortion. We took her to the hospital. That night she changed her mind and escaped. The doctor didn't notice, and she escaped. She ran off to Shanghai. The Shanghai people helped us find her and we brought her back to the hospital for the abortion. We were all very busy finding her. Such things happen.—"Madame Chen," the official in change of Changzhou's "one-child" program, interviewed on 1984 PBS Nova documentary "China's Only Child."

The new birth control campaign had just begun and commune officials wanted to make an example of her. Finally, under intense pressure, the couple agreed to let the doctors induce early birth at seven months and let the baby die if it was a girl. But when a commune official standing by in the delivery room saw it was a boy, he reneged and insisted it not be saved. The husband and mother-in-law were on their knees at the delivery room door, pleading for reconsideration, but their child died because the nurses were not allowed to put it in an incubator. Some days later the mother-in-law saw the four-year-old old son of one of the officials playing by a lake. In a rage, she threw the child into the water, then jumped in herself, and both drowned. Compulsory sterilizations and abortions have become common.—From "One Billion: A China Chronicle," by Jay and Linda Mathews (Random House, 1983).

Not only are forced abortions being performed up to the time of birth, there are even cases of officially sanctioned infanticide. In one incident shortly after I left Guangdong Province, a young woman pregnant for the first time gave birth to twin boys. What should have been an occasion for rejoicing quickly turned tragic as the cadres present asked her which one she wanted. Both of them, she replied, but to no avail. One of the babies—she could not and would not choose which—was taken from her and put to death.—"Why Are Baby Girls Being Killed In China?," by Steven W. Mosher, in the Wall Street Journal, July 25, 1983.

[W]e also find it hard to believe that some of that money [which UNFPA gives to the Chinese population program] isn't going to pay for forced abortions. And even if the money goes only to Peking's birth-control bureaucracy, it still supports a policy that requires the chilling coercion that Mr. Mosher describes [see above]. In totalitarian China, policy flows from the state down, and political control is rigid enough to make sure it's enforced. China may believe that only coercion will work, but American taxpayers shouldn't have to subsidize it.—"Paying for Abortions." editorial, the Wall Street Journal, April 9, 1984.

[From Intercom, May/June 1983]

CHINA STEPS UP STERILIZATION AS POPULATION CONTROL

In a further escalation of its population control program, China's government may have begun to require sterilization of couples with two or more children.

A directive to this effect from the central government appears to have gone out to lower officials, probably during December 1982. The matter was mentioned in a central-government circular on propaganda published in February 1983; "Permanent birth control measures (i.e., sterilization) are to be carried out among those who already have two children. Remedial measures (ie., abortion) are to be taken as quickly as possible among those who are pregnant without quota (permission)."

Subsequently, provincial governments have published sterilization decrees, for example, the Hebei Daily's April pronouncement that "sterilizations will be carried out in 1983 in the province, and that the task will be basically completed during the next year for all couples of childbearing age who should undergo sterilization (i.e., couples who have had two or more children)."

UN officials contacted about the policy expressed grave misgivings about any forced sterilization policy to a Washington Post reporter, adding that the international organization could not assist a family planning program with an official coercive policy—the UN currently gives China about $50 million annually in population assistance. However, the UN has an "out" because important Chinese family planning pronouncements often never attain "official" status. So government spokespersons can say (as one told the Post) that sterilizations merely being "recommended" to couples with two or more children, and that coercion or force is not a part of the policy. However, he said that disincentives included fines or other economic penalties.

The new policy would seem to indicate that China's present one-child policy, inaugurated in 1979 and already the strictest population control policy of any nation in the world, is meeting resistance from the Chinese people. And that China's government leaders are feeling frustrated in their attempts to check their country's population growth and have seized on sterilization as the "easiest" form of fertility control.

To succeed in limiting China's population to "only" 1.2 billion by 2000 essentially requires precipitous declines in fertility. While rigorous family planning campaigns can persuade couples to begin using one contraceptive method or other, there is no way of ensuring that a couple will continue to use family planning, especially if they are ambivalent about the program. And in China, there are cultural and economic reasons to have more than one child (See INTERCOM. August 1981 and January/February 1983). With a contraceptive program, an individual must be continually persuaded, one way or other, but after an individual has been persuaded to undergo a sterilization operation, further persuasion is, needless to say, unnecessary.

The central government is serious. The actual implementation of this policy, however, is in the hands of officials lower down. And the real question is, will the bureaucracy follow through on this policy, which is bound to be controversial among the people affected by it?

[From the Wall Street Journal, Apr. 9, 1984]

PAYING FOR ABORTIONS

By now, the evidence about coercive birth control in China is overwhelming. Fox Butterfield, in his book "China: Alive in the Bitter Sea," described how neighborhood cadres monitor women's menstrual cycles. CBS's "60 Minutes" recently reported on involuntary abortions. And China scholar Steven Mosher, in his book "Broken Earth," described what he saw in one rural village:

"[The pregnant women] sat listlessly on short plank benches in a semicircle . . . where He Kaifeng [a top cadre and Communist Party member] explained the purpose of the meeting in no uncertain terms. 'You are here because you have yet to "think clear" about birth control, and you will remain here until you do. . . . None of you has any choice in this matter. . . .' Then, visually calculating how far along the women in the room were, he went on to add, 'The two of you who are eight or nine months pregnant will have a Caesarean; the rest of you will have a shot which will cause you to abort.' "

What is less well known, however, is that the U.S. government supports this "family planning." It does so by contributing to the United Nations Fund for Population Activities ($38 million this fiscal year), which in turn is giving $50 million over four years to China's birth-control program. The contribution is probably breaking U.S. law, which prohibits U.S. aid for forced sterilization or abortions.

The UNFPA naturally resists this conclusion. "This organization has never funded an abortion of any kind," says Rafael M. Salas, the agency's executive director. He says the UNFPA's agreement with China prohibits coercion. And while abuses may occur, Mr. Salas says, the UNFPA has no evidence that this has happened in China.

We respect Mr. Salas's protests, but we also find it hard to believe that some of that

money isn't going to pay for forced abortions. And even if the money goes only to Peking's birth-control bureaucracy, it still supports a policy that requires the chilling coercion that Mr. Mosher describes. In totalitarian China, policy flows from the state down, and political control is rigid enough to make sure it's enforced. Nor can the Chinese toss out the government if they don't like its policy, as the Indians did a few years back when they opposed Indira Gandhi's forced sterilizations.

The U.S. Agency for International Development is concerned enough to have begun investigating UNFPA's funding in China. Jay F. Morris, deputy administrator of AID, says "there's no denying what the Chinese are doing" with birth control. But he says that so far, AID hasn't any evidence that its money is subsidizing coercion. As for concern about indirectly subsidizing a policy, Mr. Morris says: "That's a much larger issue that we really don't deal with."

We realize that China's huge population presents a unique birth-control problem, but "poison shots" and "struggle sessions" aren't the solution. Countries with far higher population densities—such as Taiwan and South Korea—have prospered without such measures. They've recognized that the best birth-control policy is an economic policy that produces rapid growth. China may believe that only coercion will work, but American taxpayers shouldn't have to subsidize it.

[From the Washington Post, Jan. 10, 1985]

"ONE COUPLE, ONE CHILD"

The China series by Michael Weisskopf, the Post's correspondent in Peking for the last four years, illuminates the scope and type of measures the authorities there employ to limit their country's population. This is, for Westerners, a difficult subject. Many Americans, we would surmise, accept that the world's most populous nation must do something to cap and eventually trim the growth of a population already estimated at over 1 billion. But while some of the means are what you could call extremely rigorous—education, propaganda, economic leverage, social pressure—other methods fall into the realm of the openly coercive and brutal; mandatory abortion, induced stillbirth, the strangling of the newborn. That the state actively sanctions and sponsors these means underlines the dilemma.

Having favored first three children and then two children per couple earlier in the 1970s, an alarmed government went to "one couple, one child" in 1979. The difference between two and one, it calculated, was the difference between reaching 1.54 billion people in the year 2052 and peaking at 1.05 billion in 2004.

Many Chinese, especially tradition-oriented peasants, have gone to strenuous lengths of resistance and evasion to have more than one child. Even among those willing to stop at one, however, tradition and individual preference have led many to want a son. What happens when the one child officially permitted turns out to be a girl? The saddest fact of all those recounted by Mr. Weisskopf is the short count of healthy baby girls. It is measured in the hundreds of thousands each year. The explanation for it is the practice of infanticide, the horrible response of desperate parents to the official edict. The government decries it feebly.

It is sometimes suggested, in mitigation of reports like this one, that China can ill afford the ethical standards of more affluent societies and that its policy is not without its own considered and defensible moral basis: better that some suffer now so that a greater number will not suffer later. But it is not mere sentimentalism that produces a response of outrage to what is going on in China. A totalitarian state is using its immense resources to intervene crudely, often violently, in the most delicate personal choices of millions of human beings. In the name of modernization, the state is seeing to the death of live human beings. It is the kind of policy that puts a deep moral divide between the United States and the People's Republic, notwithstanding the cooperation they seek on more routine affairs.

[From the New York Times, Apr. 22, 1984]

PEKING'S FAMILY POLICY

(By Nick Eberstadt)

CAMBRIDGE, MA.—In 1982, President Reagan said, "Our goals are plain. Where families are threatened, we seek to lessen those threats." Next week, we will see these words put to the test. When the President lands in Peking, he will be conferring with a Government in the midst of the most systematic and relentless campaign against the family that the modern world has yet seen.

The campaign is officially known as the "population planning" program. That may sound like "family planning"—an unobjectionable idea accepted by most parents in both rich and poor nations. In reality, it is something radically different. It has already cost the lives of hundreds of thousands of women and children. It threatens to cast milions of families into state-enforced destitution and may deprive millions more of the opportunity to escape poverty.

In 1978, China's leaders decided that the nation's population was growing too rapidly for the state to meet the targets of its modernization drive. The Chinese planners' solution was the so-called "one child norm" for all families in the nation. At first, the program used exhortation and modest economic incentives, but many parents remained unmoved by these measures. (There was logic in the reluctance, especially in the countryside, where the household labor force is the key to economic security.) So, increasingly, the population program turned to coercion.

As early as 1980, birth quotas were strictly rationed among "eligible" mothers. In some areas, women with "unauthorized" pregnancies were rounded up and ordered to submit to injections of abortifacients. Official edicts warned that those "who attempt to defeat the fertility plan" would be considered "enemies of the people"—a threat that any adult who lived through the Cultural Revolution understood only too well. Families that defied the "one child norm" were faced with monthly fines that often meant semi-starvation.

Western family-planning programs, predicated on free choice, are supposed to improve the health of mothers and children. China's involuntary population control program has had the opposite effect. In a poor rural society, where children are expected to contribute to the income of the household, sons are typically valued more highly than daughters. By forcing China's families to settle for a single child, China's population policies have made this preference a deadly matter.

Results from the 1982 China census reveal an unexplained deficit of at least 200,000 baby girls for that year alone. By 1983, the Chinese press was noting with alarm that the ancient practice of infanticide had been revived in "some" rural areas: Little girls, they said, were being abandoned or killed outright by misguided parents. But the current population campaign seems to be threatening the lives of adults as well.

Analysts at the United States Census Bureau have concluded that the life expectancy of Chinese women may have dropped by several years since the population control campaign began. Infanticide alone does not appear to account for this striking reversal: Death rates appear to be up for women in the child-bearing ages. Census Bureau analysts have suggested a possible reason: Mothers seeking to circumvent the one child quota must now avoid all health care facilities, and are thus bereft of all medical assistance.

Chinese officials insist that "forceful" population measures are inevitable simply because of the difficulties in feeding and supporting their nation's enormous population. In reality, however, the principal force depressing living standards in China over the past generation has been bad Government policy, not population growth.

Between the early 1950's and the late 1970's, overall agricultural efficiency in China fell by 10 to 20 percent, while it rose measurably in virtually every non-Communist nation in Asia. Over those same years, overall industrial efficiency in China dropped even further—and rose even more dramatically in the rest of non-Communist Asia. And rather than liberalize or overhaul the system so that it might feed the people better, China's leaders appear content to cut back on the number of mouths in their country.

When the President arrives in China, he will have an opportunity to urge China's highest officials to desist in this terrible campaign against their own people. He also has an immediate avenue for backing his words with action: Almost a quarter of the United Nations Fund for Population Activities' $50 million bequest to Chinese population programs is American money. Failure to act against these grave and obvious human rights abuses would expose America to some very serious charges—and those charges would be right.

[From the Washington Times, Mar. 23, 1985]

MORE FROM THE BEAUTIFUL PEOPLE AT AID

The Agency for International Development's efforts to soothe pro-lifers as to the nature of its population programs has hit a bumpy road. According to reports, top AID officials have been helping the United Nations Fund for Population Activities whitewash China's forced abortion policies.

The "population community" appears to assign to the word "voluntary" a sort of talismanic value, such that the mere utterance of it in connection with a policy is enough to silence critics. Never mind that the policy is about as voluntary as a transfer of $5 on a New York subway.

The claims of voluntarism inserted in UNFPA's report on China (thanks to the intervention of AID's Kathy Piepmeyer) are belied by Steven Mosher, whose reports on the horrors of China's population control program touched off a controversy at Stanford some time back.

Not to worry, says AID. It will appoint a "blue-ribbon" commission to go to China and find out What's Really Happening. It will even put pro-lifers on it.

Even if the commission membership is entirely pro-life, it easily may be misled. Mr. Mosher, at home with the Chinese language

and culture, was a researcher who earned the grudging confidence of village authorities only after much time and effort. For him, village abortionists lowered their guard. Can a team of investigators from the U.S. government expect the same cooperation? It is unlikely.

The Kemp amendment to the current foreign aid appropriation prohibits U.S. aid to coercive population programs, but insiders say that AID now plans to define "program" as an actual coercive practice. Thus, taxpayers would continue to fund coercive population control as long as no American funds were directly traceable to the actual hauling away of kicking and screaming women.

AID is fulfilling neither the president's policy nor the intent of Congress. The administration should crack down.

INSTITUTE PRESIDENT HONORED IN CHINA

Sichuan University conferred upon Werner Fornos, president of the Population Institute, an honorary professorship in international relations in ceremonies held recently in Shengdu, China.

Fornos, visiting the People's Republic of China as a guest of that country's State Council on Family Planning, travelled more than 5,000 miles for a first-hand look at Chinese population and development programs.

Sichuan University's Vice President Peng Shegqi presented the award on behalf of the President's Council of the university. The citation emphasizes Fornos's "outstanding contribution in promoting global population programs and enhancing the friendship between the peoples of the United States and China."

Also speaking at the presentation ceremony was Hu Xiafong, director of the higher education department of Sichuan Province. He told more than 200 assembled guests the honor recognizes that "Mr. Fornos and the Population Institution, Washington, D.C., have been in the forefront in population information, education and communication program work . . . It represents the spirit of academic excellence which is the tradition of Sichuan University."

In his acceptance speech, Fornos pledged "a redoubling" of the Population Institute's efforts "so that we will truly be partners in improving the quality of life for all the world's people."

Fornos's visit to China took him from Beijing to Shaanxi, Sichuam, Zhejian and Jiangsu provinces as well as to Shanghai.

Interviewed upon his return to the United States, Fornos, who had visited China on two previous occasions, expressed his admiration for the "unequalled economic activity evidenced by the Chinese people as they work to improve themselves in every strata of their lives.

"Wherever we went, people were building, working in factories and fields with a vigor and commitment hardly matched any place today."

Fornos said that people "from all walks of life seemed to understand the need for slowing down the population growth rate in order for economic and social development to catch up."

He said he was most impressed by Sichuan Province, where "men have taken appropriate responsibility for sharing in family planning."

Fornos noted that "commitment to family planning was high" throughout mainland China "but when people choose voluntary sterilization as the method to end their fertility, it is virtually always the woman who undergoes the surgery.

"But in Sichuan the situation was reversed. In that province, 49.42 percent of the people control their fertility through sterilization and 37.94 percent are men."

Before leaving China, Fornos met in the Great Hall of the People with Huang Hue, vice chairman of the Standing Committee of the People's Republic of China.

Others present at the meeting included Hu Ke Shi, also a member of the Standing Committee; Minister Wang Wei of the State Council on Family Planning; Dr. Qian XinZhong, United Nations Population Award laureate; and Madame Hue, Vice Chair of the Asian Parliamentary Group on Population and Development.

[From the Washington Times, Mar. 18, 1985]

PRO-LIFE, AID FORCES CLASH ON U.S. AID TO CHINA'S POPULATION CONTROL

(By George Archibald)

Suspicion between pro-life and population control forces has deepened following the discovery that mid-level officials of the Agency for International Development and the State Department influenced the preparation of a U.N. paper that defended China's population control policies.

The paper emphasized the "voluntary" nature of China's one-child-per-family government policy and claimed that U.N. funds were used only for non-coercive projects such as population tracking, research and education of the populace.

AID requested the document to help it review China projects that are paid for by the U.N. Fund for Population Activities. The paper was reportedly drafted and then revised, with guidance from several U.S. government population planners, led by AID institutional policy chief Katherine Piepmeier.

Congressional anti-abortion leaders suspect the planners of wanting to help UNFPA get around the Reagan administration's strict new anti-abortion, anti-coercion requirements governing international family planning assistance.

The U.S. allotment of $46 million to UNFPA this year has been withheld by the administration until the agency could prove that none of its funds directly or indirectly supported abortion or coercive family planning programs.

More than one-fourth of UNFPA's funding comes from the United States, which contributed more than $105 million to the world agency between 1982 and 1984.

Over the past four years, UNFPA contributed $50 million to help implement China's program, which was reported by human rights organizations and western journalists to involve draconian coercion. Another $50 million UNFPA contribution to China is planned during the next four years.

In 1983, UNFPA awarded a $12,500 prize to Qian Xinzhong, China's family planning minister, who devised an elaborate system of punishment for couples having two or more children.

Mr. Qian was commended for the "most outstanding contribution to the awareness of population questions." Under his system, Chinese women who refuse to abort a second child can lose 20 percent of their pay and government housing and are subjected to official harassment and social ostracism.

Members of the Congressional Pro-Life Caucus—principally Sens. Jesse Helms, R-N.C., Gordon Humphrey, R-N.H., and Reps. Jack F. Kemp, R-N.Y., and Christopher H. Smith, R-N.J.—are reportedly monitoring AID's review of UNFPA-supported programs more closely since they obtained copies of the China briefing paper.

They are said to be unsatisfied with an AID plan to allow continued U.S. funding of UNFPA if the agency establishes a "segregated account" to ensure that U.S. funds do not help pay for government-sanctioned abortions or coercive population control methods in countries receiving UNFPA assistance.

UNFPA and some AID and State Department officials have claimed that no U.S. funds given to the world agency are used in China. But AID has acknowledged to Congress that U.S. funds are presently commingled with those of other UNFPA donors for worldwide population control projects.

Officially limiting the use of U.S. funds for acceptable projects would free other UNFPA funds for unacceptable ones, aides to pro-life lawmakers said, and for this reason would be no different from direct U.S. support for abortions and coercive population control methods in China and elsewhere.

These aides pointed out that AID Administrator M. Peter McPherson admitted during a recent House hearing that contributions to UNFPA are "fungible" or interchangeable.

In meetings and in correspondence with AID Assistant Administrator Richard A. Derham, the lawmakers and their aides have challenged the credibility of the UNFPA briefing document, which relies principally on a September 1980 letter from the Central Committee of China's Communist Party for its assertion that population control throughout the country is based "on the principle of voluntary acceptance."

The U.N. paper is dishonest, they concluded, since the Peking government sent a directive to leaders of China's 29 political subdivisions in February 1983, requiring sterilization of couples with two or more children.

"Permanent birth control methods [sterilization] are to be carried out among those who already have two children," the central government directive said.

"Remedial measures [abortion] are to be taken as quickly as possible among those who are pregnant without quota [permission]," the directive added.

Tens of millions of forced abortions and sterilizations of women and men have occurred since the Chinese program started in 1979, according to the State Department's latest human rights report. Wide-spread government-sanctioned infanticide has been prevalent in some provinces, Western journalists stationed in China have reported.

When Rep. Smith questioned AID Administrator McPherson at a Jan. 26 House Foreign Affairs Committee meeting, he cited U.S. news accounts of "abortion posses" that scoured the countryside for pregnant women—many in their third trimester of pregnancy—and herded them by the truckload in handcuffs to rural clinics for forced abortions.

"Yet, the Chinese government continued to insist as recently as this month, via the New China News Service, that there are no forced abortions in China and that the program is run on a voluntary basis," Rep. Smith said. "Either a lot of people, seasoned journalists and others, are fabricating these accounts or the Chinese government is not telling us the truth."

[From the New York Times, July 24, 1983]

POPULATION PRIZES FROM U.N. ASSAILED

(By Bernard D. Nossiter)

UNITED NATIONS, N.Y., July 23.—Two $12,500 awards given by a United Nations population agency to Prime Minister Indira Gandhi of India and to China's family planning chief have been denounced as a travesty by a United States economist whom the agency enlisted as an adviser.

The economist, Theodore W. Shultz of Chicago, said that the United Nations Fund for Population Activities had ignored the recommendations of private consultants and rewarded two nations that have used brutal methods to curb population growth. Mr. Shultz, a recipient of the Nobel Memorial Prize in Economic Science, told the agency to remove his name from any material involving the prize.

In a letter to Rafael M. Salas, the Fund's executive director, Mr. Shultz said the awards would damage family planning programs.

"The harm was done by awarding the prize to a public official in China where public policy is responsible for the appallingly high rate of female infanticide and a prize to the head of state of India despite her cruel mandated sterilization," Mr. Shultz wrote.

FORCED STERILIZATION

During the emergency rule she imposed on India from 1975 to 1977, Mrs. Gandhi's Government was accused of forcing men in villages to undergo sterilization. China, whose family planning minister, Qian Xinzhong, received the other award, uses a system of punishment for couples who have two or more children. Women carrying a second child who refuse an abortion can lose 20 percent of their pay.

Mr. Shultz, in a telephone interview, said this policy had caused "a large increase in female infanticide."

Mrs. Gandhi has said the charges against her were exaggerated, but they are among the reasons given for her defeat in elections in 1977. The Chinese Government has said female infanticide stems from a "feudal mentality" and that those who practice it would be punished.

Mr. Schultz said he was one of five advisers chosen by the United Nations Fund for Population Activities to help a committee of diplomats who chose the winners of the prize. He appeared at a meeting in New York last March after studying the files of about 80 nominees, he said. The diplomats, he said, announced they would only consider heads of state or high officials for the prize, which is given for "the most outstanding contribution to the awareness of population questions."

"None of the qualified nominees is a head of state or high public official," Mr. Schultz said in the interview. "The decision of the committee was totally self-serving. As state-appointed members, they decided to court the favor of those to whom they are beholden regardless of the excellent qualifications of other nominees."

U.N. DEFENDS AWARDS

Mr. Salas, the director of the United Nations Fund, defended the awards in a telephone conversation from Tokyo. He said female infanticide is outlawed in China and its "official policy is family planning." He said Mr. Schultz's charge that the harshness of this program encourages killing of female children "is an inference."

Mr. Salas acknowledged there "were such accusations" of forced sterilization in India under Mrs. Gandhi in the past, but added, "There is no such complaint in India today." Mr. Salas said his committee had limited its consideration for this year's awards to "public statesmen," but he denied the judges had engaged in self-promotion.

The chairman of the committee, Anwarul Karim Chowdhury of Bangladesh, declined to make any comment.

The other diplomats who served as judges came from Australia, Mexico, Yugoslavia, Japan, Egypt, Burundi, Colombia, China and Tunisia.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. SIMON. Mr. President, I am pleased to join with my colleagues in the Congressional Call to Conscience. The situation for Jews living in the Soviet Union is worsening. Each day, I hear gruesome tales of brutalization, intolerance and blatant anti-Semitism. The Chernenko government not only sanctioned this activity, it perpetrated it.

With the passing of Mr. Chernenko, the Soviet Government has an opportunity to demonstrate its concern for human rights by reversing past policy. Recently, 38 of my distinguished colleagues in the Senate and 123 of the distinguished Members of the other body sent a letter to the new leader of the Soviet Union, Mr. Mikhail Gorbachev. The letter urged the new Secretary General to dramatically change past policy by granting permission to those who wish to emigrate. Additionally, the letter stressed the importance of peaceful and improved relations between our countries. Marked positive change in this area would demonstrate the Soviet Union's sincere desire for improved relations.

One of the refusenik cases that demands action is that of Col. Lev Ovsischer. Colonel Ovsischer served his Government during the Second World War by commanding a squadron of fighter bombers which was recognized by the Soviet Government for outstanding bravery and performance. The colonel was wounded and subsequently received 15 medals of honor.

A citizen such as Colonel Ovsischer deserves respect. Yet, he has been stripped of his decorations, deprived of his military pension and is ridiculed by the Government which he served. The reason for this treatment is that Col. Lev Ovsischer has committed the crime of applying for his freedom. Under Soviet law, emigration is illegal.

Colonel Ovsischer applied for his and his wife's visas in 1971. In the past 14 years, he has been arrested, put on trial, harassed, threatened, and denied year after year. Denial is based upon the claim that the colonel possessed military secrets. He has not served since going into the reserves 24 years ago. The Soviet Union has persecuted and oppressed Colonel Ovsischer for too many years. I urge the new Government to release Ovsischer and the many others whose only crime is wanting to be free. I have adopted the colonel as part of the effort to obtain his release.

We must not cease our efforts to preserve human rights. The Meiman family, Anatoly Scharansky, Simon Levin, Ida Nudel, Natasha Khassina, and the less publicized refuseniks need the free world's voices to speak for them, I will not silence my voice until every person who wishes to emigrate in granted the permission to do so.

At this Easter and Passover season, when hope and freedom are foremost in our minds, we cannot forget those who are prohibited from celebrating their freedom.●

BEVERLY DUNFORD

● Mr. HATCH. Mr President, as I was reading one of America's fine newspapers, the Provo (Utah) Daily Herald, a familiar face caught my eye—that of La Verl Christensen, editor emeritus of the paper.

Chris has been writing news that is truly fit to print for decades, and I always enjoy what he has to say, whether he is tackling the Federal budget or writing about the community in which he lives.

This time Chris has written about the latter, about Beverly Dunford, a woman from whom we all can learn about the true appreciation of the arts. We can also learn a valuable lesson about support the arts; and, for that reason, I place this article before my colleagues and ask that it be printed in the RECORD.

The article follows:

[From the Provo (Utah) Daily Herald, Mar. 27, 1985]

MRS. DUNFORD GOES 3D, 4TH MILE

(By N. La Verl)

She performs in the violin section of the Utah Valley sympathy . . . has done so since the late 50s.

But unless you're familiar with the workings of the orchestra, you may not be aware of the key role Beverly D. Dunford plays in operating the musical organization.

You see, she's been business manager most of the years of the Utah Valley Symphony's existence.

As the musical director and conductor (presently Dr. Ralph G. Laycock) looks after the quality of performance and music repertories, so the manager is responsible for the business and operational details in cooperation with the president and the board.

Beverly, wife of A. Rex Dunford, was treasurer for a time in the early years of the UVS (it was called the Centeral Utah Community Orchestra then).

She recalls that in a very early year the symphony owed $34 for music rentals. Officers wiped out the deficit by "passing the hat." The orchestra consistently has operated "in the black" since then, meanwhile expanding in size, stature and accomplishment.

Public support has grown through the years, and this has had a positive effect on

the musicians, says Beverly. "We're excited to play for capacity crowds."

Mrs. Dunford was elected the symphony's president in 1962. She must have made quite an impression—the board kept her at the helm for seven years. Then the position of business manager was created. She has held that post ever since.

Presidents, board members, conductors, concertmasters, etc., have changed from time to time, but the business manager has remained the same, providing continuity and stability in the operation.

Rex and Beverly's residence has been the "office" of the symphony and generally the meeting place of the board—as well as home for the seven Dunford children and studio for the piano lessons which "Bev" gives.

For the symphony business manager, motivation in music began in childhood.

"My parents (the E. J. Ducketts) wanted me to have the best in the arts . . . I recall how excited I was when my sister (Mrs. Ethel Killgore) would take me with her to interview visiting music celebrities when she was women's editor at the Daily Herald."

One of Mrs. Dunford's important duties is coordinating the efforts of all who work in behalf of the orchestra, including the Symphony Guild, which has been such a valuable organization in fund-raising and sponsoring social events.

By the way, you who annually sell symphony season tickets might be surprised to know that Bev sells up to 300 herself. (I think it was 287 last year.)

She builds friendships with her "clients" and takes personal interest in their lives. For example, she learned that the March 13 symphony concert helped Owen and Inez Cope Burgener of Orem to celebrate their 66th wedding anniversary.

Sometimes unexpected problems land in the business manager's lap, like when Henri Temianka, guest violinist, developed a throbbing toothache that required post-concert attention.

The solution was quite obvious in this case. Rex, who is most cooperative in his wife's symphony endeavors, joined Beverly to escort the virtuoso to the dental office of Dr. Willard V. Loveridge, the UVS president, for an emergency night-time appointment.

Bev has learned some rather interesting musician "tricks." She accommodated a woman piano soloist by bringing some wrapped newly-baked potatoes backstage to keep the artist's hands warm until performance time. She used the same performance time. She used the same device to help a harpist at a subsequent concert.

I sought the impressions of three present or past Utah Valley Symphony officers or board members about Beverly's role.

Carol Jean Gibson spoke of her leadership and "commitment for success." Helen Robinson mentioned her attention to detail—"the thousand and one little things that need to be done." Dean B. Farnsworth commented on her dedication to music and appreciation for people.

All three were impressed with her public relations efforts—the numerous letters and "thank you" notes she writes.

Helen suggests: "We ought to dedicate a concert to Beverly." An excellent idea.●

WE SHOULD REVITALIZE THE EXTENDED BENEFITS PROGRAM

(By request of Mr. CRANSTON, the following statement was ordered to be printer in the RECORD:)

● Mr. BYRD. Mr. President, the distinguished junior Senator from Michigan [Senator LEVIN], in his usual incisive way, has put his finger precisely on a major problem besetting our system of unemployment insurance. The amendment he has offered, if adopted, would take us a considerable distance toward resolving that problem.

Those who are familiar with our unemployment insurance system know that it consists of two permanent and one temporary tiers of benefits. The foundation, of course, is composed of the State basic UI programs, generally providing 26 weeks of benefits to the unemployed. Basic benefits are set by the States, and are funded from trust funds in the name of each State that derive their revenues from payroll taxes imposed by each State on the employers within its borders.

There also exists in Federal law the Extended Benefits, or EB Program. It is a Federal-State cooperative program that provides 13 additional weeks of benefits to the unemployed who exhaust basic benefits but still cannot find work. This program, whose benefits are funded on a 50-50 shared basis with the Federal Government paying half the cost and the States paying the other half, is available on a permanent, stand-by basis to any State any time its insured unemployment rate reaches certain trigger levels. This EB Program was intended by the Congress to be the second tier of benefits.

During times of severe national unemployment, the Congress has enacted a what is intended to be the third tier of benefits, on a temporary basis, the Federal Supplemental Compensation Program.

This all seems well and good, until one examines the situation a little more closely. Upon that closer examination, a rather startling revelation just jumps out: the EB Program has been so emasculated that it virtually has disappeared from the picture altogether.

The situation truly is ludicrous. At a time when national unemployment is over 7 percent—severe by all historical standards—and over one-third of the States have unemployment rates ranging from 8 percent all the way to the 16 percent in my own State of West Virginia—the EB Program, which was intended to provide benefits in States beset with moderate to severe unemployment, is providing benefits in exactly three States and Puerto Rico.

Plainly and simply, I think that is outrageous. If an unemployment rate of nearly 11½ percent—which is the rate in Alabama, Louisiana, and Mississippi—does not qualify as severe unemployment, I do not know what would. And yet, long-term jobless workers in none of these three States are eligible for extended benefits. A number of other States with unemployment rates in the 9- and 10-percent range are ineligible as well.

The amendment of the distinguished Senator from Michigan is quite simple. It partially—and only partially, I emphasize—reverses a change in the EB eligibility criteria made at President Reagan's behest in 1981. It drops by 1 percentage point the rate of insured unemployment a State must have to qualify for the EB Program.

Will this amendment break the bank? Is it a hopelessly extravagant amendment? Will all 50 States immediately qualify for extended benefits? No is the answer to all these questions.

The Congressional Budget Office has estimated that the amendment would cost $20 million for the remainder of this fiscal year and a little over $40 million for the entirety of fiscal year 1986. Based on current insured unemployment rates, five States would qualify for extended benefits in addition to the three now eligible. Whether other States would qualify at later dates, of course, would depend on the change in their insured unemployment rates.

By no means is this amendment a sufficient answer to the problems of the EB Program—and I know the Senator from Michigan does not believe it is or present it as though it is. But at least it is movement in the right direction—and it will make 13 additional weeks of benefits available to the long-term unemployed in several States.

I want to point out one additional matter that I believe may be of interest to my colleagues. This amendment does not immediately make the State of Michigan eligible for extended benefits—and there is no guarantee that Michigan will later become eligible if the change is made. My State of West Virginia already is eligible—it is one of the three currently eligible States, which should not be surprising since its unemployment rate of over 16 percent is the highest in the Nation—so the amendment will provide no immediate benefit to my State, although at a later point it may mean West Virginia will remain eligible when it otherwise might not be.

The Senator from Michigan has offered this amendment, and I am supporting this amendment, because it is a needed change in the EB Program. It will make the EB Program just slightly more responsive and beneficial—which is enough to justify our passing it. On a day when the Congress acknowledges that it is willing to accept the President's request that the FSC Program be allowed to expire, I believe this, truly, is the least we can do—but it is worth doing.

I commend the distinguished Senator from Michigan for his amendment, his thoughtfulness, and his concern for the long-term unemployed, not only in his State but throughout the

Nation. I am pleased to join him in supporting this amendment. I have added my name to the amendment as a cosponsor.●

NICARAGUA: A SAFE HAVEN FOR INTERNATIONAL TERRORISTS

● Mr. DENTON. Mr. President, the Marxist regime in Nicaragua is now established as a surf and sand club—a resort area for international terrorists from around the world. They apparently have an open arms policy for any group which has demonstrated its contempt for democracy. Mr. President, the National Forum Foundation recently heard testimony of Nicaraguan refugees, one of which was a 9-year-old girl, who barely escaped with their lives from that barbarous state. We also have irrefutable information that that government is involved with the trafficking of drugs into the United States. Now, we are shocked, but not surprised, that Nicaragua welcomes, protects, and even encourages terrroists who are fugitives from their own countries, terrorists come to support another repressive regime, terrorists in search of a meeting place with other despots.

The Nicaraguan regime not only welcomes its guests, it provides them with facilities, gives them training in terror, and extends police protection. In its hospitality, Nicaragua has become a safe haven for terrorists in this hemisphere.

Mr. President, I have two articles from the Miami Herald, provided to me by the American Israeli Public Affairs Committee, which makes direct reference to the nexus between Nicaragua and its terrorists guests. They are excellent and insightful articles, and I ask that these documents be included in the RECORD.

The articles follow:

[From the Miami Herald, Mar. 3, 1985]

WORLD'S LEFTISTS FIND A HAVEN IN NICARAGUA

(By Juan O. Tamayo)

MANAGUA, NICARAGUA.—Scores of left-wing militants from around the world—some of them wanted on terrorism charges in their home countries—have settled in revolutionary Nicaragua since the Sandinista triumph of 1979.

Some are treated by the Nicaraguan government as virtual diplomats, representing their organizations. Others are fugitive militants, granted jobs, identification papers and safe haven.

An overwhelming majority are simple political exiles or leftist sympathizers come to express solidarity with the Sandinista revolution and mingle with ideological brethren in a friendly environment.

Several Sandinista officials acknowledge, however, that a significant minority, mostly Latin Americans, are active guerrillas, plotting the overthrow of home governments. They hold strategy meetings and, sometimes, undergo military training here and in Cuba, the officials say.

The Reagan administration has used the presence of so many people with ties to left-wing groups as proof that Nicaragua has become a nest of international terrorism. U.S. officials say they will focus on these links in asking Congress to resume U.S. assistance to anti-Sandinista rebels. Anti-Sandinista leader Alfonso Robelo calls Nicaragua "the center of terrorism in Latin America today."

But several knowledgeable sources interviewed in Managua, elsewhere in Central America and in the United States argue that Nicaragua is less a terrorists' training ground than a tropical sand-and-surf watering hole for the international revolutionary set.

One leftist intellectual close to both exile circles and the Sandinista leadership called Nicaragua "a winter barracks for over-repressed guerrillas." Training of foreign terrorists, he said, "is not government policy."

Whether they are guerrillas-at-ease or terrorists-in-waiting, it is clear that Nicaragua is attracting them by the droves.

On almost any day, Argentine and Uruguayan guerrillas gather at the Yerba Buena, a beatnik-style coffee shop-bookstore in the heart of Managua. Salvadoran rebels can often be found dining at the Los Gauchos restaurant. Italians and Germans gather for small house parties.

Some are indeed fugitives: Italians from the Red Brigades and Unita Combattente Comunisti; West Germans linked to the Baader-Meinhof Gang; members of Spain's Basque ETA separatist guerrillas; leaders of Honduras' cinchonero guerrillas; militants from Peru's Shining Path; Montoneros from Argentina; Tupamaros from Uruguay; and a hodgepodge of Salvadorans, Costa Ricans, Colombians, Chileans, Guatemalans, Paraguayans and Bolivians.

On Feb. 8, the Italian government handed the Sandinistas a list of 22 left-wing Italian extremists believed to be living in Nicaragua, some already sentenced in absentia to 22 years in prison, some wanted on arrest warrants, others described only as "subversives."

"CLEAN CONSCIENCE"

The Nicaraguan Foreign Ministry has denied any knowledge of the 22 Italians. Sandinista officials also say their "conscience is clear" regarding the Reagan administration allegations they consider most damaging to their image: Reputed links to Libyan strongman Moammar Khadafy, Iranian Moslem extremists and Colombian drug traffickers.

However, one ranking Sandinista official acknowledged that "we can't deny everything. . . . It is perfectly possible that on special occasions there would be [training] courses scheduled." The official, like almost every other knowledgeable source contacted, agreed to talk about the sensitive issue on promise of anonymity.

Some Nicaraguan officials, though not many, say they regard the aid to leftists as retaliation for U.S. support for anti-Sandinista guerrillas. And they say the European leftists are fighting NATO, "the symbol of American imperialism in Europe."

Conversations with a variety of sources indicate that the Sandinistas drew a careful distinction between guerrilla movements that have armies in the field and terrorist organizations that specialize in bombings, kidnappings and assassinations. Guerrillas, especially those from El Salvador and other Central American countries, can get training and guns. The others, mostly from Europe, are kept at arm's length.

HELP WAS DENIED

But on occasion the Sandinistas have even denied help to Latin American guerrillas. Leaders of Colombia's April 19 Movement have told friends they were denied permission to use Nicaragua as a staging base for their 1981 incursion into Colombia's Caqueta province. A Peruvian writer known to be close to Shining Path guerrillas was expelled from Nicaragua last year. And Salvadoran rebels said that the Sandinistas almost refused them permission to use the Managua airport as a stopover last month for 10 crippled guerrillas traveling from Costa Rica to Europe for medical treatment.

Despite these occasional rejections, Nicaraguan government officials said, the Sandinistas have built an extensive, intricate and highly discreet system for maintaining and cultivating contacts with the foreign leftists and funneling different kinds of assistance to them.

Many Sandinista officials acknowledge that in a sense they are repaying past favors. The Palestine Liberation Organization trained at least 150 Sandinistas in Lebanon during the 1960s and 1970s, said a former Israeli intelligence agent who used to live in Nicaragua. And Argentina's Montonero guerrillas sent 20 to 30 foot soldiers to fight in the revolution, said Eden Pastora, a one-time Sandinista turned opposition guerrilla leader, in a Miami interview.

CUBA RELATIONSHIP

The Sandinistas' relationship with Cuba dates back to 1961, when Interior Minister and Comandante Tomas Borge underwent guerrilla training there. Hundreds of Sandinista rebels eventually trained in Cuba. And in 1979, Havana sent several planeloads of guns and ammunition for the final offensive against President Anastasio Somoza.

Controlling today's aid system in Nicaragua is the Sandinista Front's Directorate for International Relations, supervised by Bayardo Arce, like Borge one of the nine commandantes who have ruled Nicaragua since 1979. Arce is regarded as one of the most radical of the nine, which also include Nicaraguan President Daniel Ortega.

The directorate, all of the sources agreed, manages the Sandinista party's "fraternal" relations with everbody from official ruling parties, to loyal oppositions, to broad front coalitions, leftist alliances, guerrilla groups and bands of terrorists.

"This includes groups battered by repression because of their active opposition to their governments," said one Nicaraguan official. "Many of these are underground groups."

And many of them are still virtually underground in Nicaragua, under Sandinista orders to stay out of public view. Long-time Sandinistas said this is the same wink-and-a-nod arrangement the Cubans imposed on them when they lived in exile in Havana in the 1960s and 1970s.

The sources said at least 30 of the clandestine groups have *delegados* in Managua who are officially recognized by the directorate. A *delegado* has three duties: maintain official contacts with the Sandinista Front; organize his group's meetings, publications and other political work; establish links with other foreign groups and potential sponsors.

PLO EMBASSY

The Palestine Liberation Organization has an embassy and diplomatic staff in Managua. Colombia's April 19 Movement has a political office. The Salvadoran guerrillas

have three news and propaganda offices, as well as a clandestine radio transmitter.

Once a *delegado* has established himself, his key job is to find work for down-and-out compatriots living in Nicaragua, Sandinista officials said. The directorate will not help here, but allows the *delegado* to exploit his personal contacts within the government.

One Latin American exile living in Managua said that Montoneros in 1980 offered to use some of their savings, amassed in dozens of ransom kidnappings, to build a Managua factory that would employ some of their guerrilla countrymen. There is no indication whether the project was carried out.

Several of the *delegados* have taken advantage of the Sandinistas' hospitality to summon followers abroad to strategy-setting sessions in Managua. Peru's Shining Path held a "spiritual retreat" last year to study Von Clausewitz's book *On War* and "the theory of betrayal" according to Shakespeare's Macbeth, said one person who attended.

Sandinista officials usually stay away from such revolutionary seminars, sources said, although they almost certainly know about them. "They are notoriously careful about who they let into the country, so it must be with their knowledge," one official said.

A former official of the Nicaraguan Interior Ministry who now lives in Costa Rica said the directorate also occasionally helps fugitive guerrillas and terrorists by arranging financial aid through labor unions and other Sandinista-run organizations. It also can provide safe houses, false passports, Nicaraguan identification cards and false license plates, he said.

The Interior Ministry's General Directorate for State Security and the Sandinista army, the source added, both have officers specially assigned to help any foreign leftist that gets into trouble—a car accident or a drunken brawl.

For the first four years of the revolution, the sources said, the Sandinistas provided a steady flow of aid and assistance to their leftist friends, especially the Salvadorans.

RIPE FOR REVOLUTION

"The Sandinista triumph brought a certain revolutionary euphoria," said one Sandinista official with close ties to the exiles. "We thought all Latin America was ripe for revolution, so there was a lot of assistance going out. Those people could count on support."

But by mid-1983, the official said, and especially after the U.S. invasion of Grenada in October of that year, the Sandinistas "began to realize that the tide of Latin American history was moving against us."

On Nov. 20, 1983, the Sandinistas gave the Salvadoran guerrillas two days to transfer some of their people out of Nicaragua and close down some safe houses. They moved some of their logistics operations, including a radio station, to more discreet locations on the outskirts of Managua, Salvadoran rebel officials said.

A year later, however, the Sandinistas moved in still another direction after noting that controversial U.S. policies—the Grenada invasion and deployment of U.S. cruise missiles in Europe—had gone forward without effective international opposition.

Seeing themselves as the next target for U.S. aggression, Nicaraguan officials said, the Sandinistas sought closer links with the radical European left, the failed antimissile movement, other Latin American leftists and even U.S. liberals.

Visitors from the United States, Europe and Latin America now return home, said one official, "sensitized to the Central America problem, and if they've spent any time at all here they have passionate sentimental links to Nicaragua."

Some of the visitors leave with more than passions. According to several of the sources, there is a second level of Sandinista assistance to Latin American leftist volunteers—one that includes military training.

Cuba's top military representative in Nicaragua, Gen. Arnaldo Ochoa, runs this program through two parallel chains of command, according to the former Interior Ministry official and two present Sandinista government officials.

"CUBAN FORCE"

One, the "Cuban Force," is made up entirely of Cuban officers. The other, the "International Force," has only Latin American exiles, many of them Argentines, Chileans and Uruguayans, who live in Cuba and hold officers' rank in the Cuban military. All foreign military advisers are issued Nicaraguan identification cards, the defector added.

Sources with access to the People's Sandinista Army's payroll records said about 700 Cuban military advisers and 555 International Force officers were in Nicaragua in 1980. The number tripled the following year, they added.

The pick of the Latin American volunteers go to Cuba for instruction in special camps in the western province of Pinar del Rio and an installation near Guanabo, close to Havana, known as "Base 00," the defector said. In 1983, he said, he saw Cuban military officers at the Managua airport escorting 10-12 Costa Rican volunteers aboard a plane for a flight to Havana.

Second-level prospects, the sources said, are trained in Nicaragua, either in groups from the same country or as individuals integrated into regular Sandinista army units. Several Honduran guerrillas captured in 1983 and 1984 described 2½ years of training in Cuba and Nicaragua, followed by several months of fighting with the Nicaraguan army against anti-Sandinista rebels.

Still, most foreign leftists living in Nicaragua did not come to hone military skills or hide out.

The majority are political exiles who fled right-wing governments, or they are militant leftists who moved to Nicaragua because of what one South American intellectual called a "moral imperative" to support the Sandinista revolution.

Many of the exiles, usually professionals and technicians who would have difficulties working in more developed countries, also came to Nicaragua because they can find jobs here, replacing a managerial class rapidly fleeing Sandinista rule.

And Nicaragua is a safe haven, a place where enemies cannot easily watch them, where they can gather in groups and perhaps persuade the government to grant them the kind of international solidarity that the Sandinistas enjoyed during their long struggle against Somoza.

"The Sandinistas received a lot of help when they were guerrillas," said a one-time high-ranking Sandinista security official now living in Costa Rica. "Now the others are collecting the debt."

SANDINISTAS ATTRACT A WHO'S WHO OF TERRORISTS

(By Juan O. Tamayo)

MANAGUA, NICARAGUA.—He is a 5-foot-11, gray-eyed surgeon, treating children in a Managua slum. She is a petite journalist, writing for a Paris magazine. Both are fugitives, wanted in their native Italy for leading left-wing guerrilla gangs.

Two West Germans linked to the Baader-Meinhof Gang are now officers in the People's Sandinista Army. One is in charge of a counterintelligence unit. The other commands an artillery battalion.

And an Argentine Montonero guerrilla, widow of the Argentine rebel who led the commando team that assassinated former Nicaraguan President Anastasio Somoza in Paraguay, is dating a ranking Nicaraguan official trained as a guerrilla by the PLO in Lebanon in the early 1970s.

These are but a few of the left-wing extremists from Europe and Latin America who came to Managua after the 1979 Sandinista revolution, seeking safe haven and a chance to prove their solidarity with the Nicaraguan government.

It is the same kind of revolutionary "networking"—leftist militants call it "internationalism"—that benefitted the Sandinistas during their long guerrilla struggle to topple Somoza.

In the late 1960s, the Sandinistas signed a pact with the Palestine Liberation Organization to train Nicaraguan guerrillas in Lebanon. Somoza was a steadfast supporter of Israel, and Nicaragua was one of the first nations to recognize the Israeli state in 1948.

A former Israeli intelligence agent once based in Nicaragua said at least 150 Sandinistas were trained in the 1970s in Lebanon camps run by the Popular Front for the Liberation of Palestine, the PLO faction most committed to terrorism in Europe and the Middle East.

Veteran Sandinistas say that it was at the PFLP camps that the Nicaraguans first met Europeans leftists—Germans from the Baader-Meinhof Gang and its spin-offs; Italians from the Red Brigades and other radical groups—and began establishing the close personal relationships that persist today.

"The European leftists believe that the Ho Chi Minh Trail and the Quebrada de Yuro run through their countries, too," said one Sandinista official, referring to a key guerrilla supply line in the Vietnam War and the Bolivian gully where famed guerrilla chief Ernesto "Che" Guevara was killed in 1967.

One PLO-trained Sandinista, Patricio Arguello, joined the PFLP's most notorious terrorist, Leila Khaled, in a botched attempt to hijack an Israeli jetliner from Amsterdam to New York on Sept. 6, 1970. Israeli security agents killed Arguello and captured Khaled, who was later exchanged for hostages seized by another group of PFLP hijackers. The Sandinistas have named a geothermal power plant after Arguello.

Another PLO-trained Nicaraguan was Communications Minister Enrique Schmidt, killed in combat with anti-Sandinista guerrillas last November. Schmidt's widow, a West German citizen born in the Basque region of Spain, now works for the Sandinista Front's Department of Political Education. Health Ministry workers say she lectured them last year on the ideology of the Basque Homeland and Liberty guerrilla group, known as ETA, fighting for independence from Spain.

Yet another Sandinista trained in Lebanon is Deputy Interior Minister Rene Vivas. He is now dating an Argentine Montonero guerrilla, the widow of Julio Alfredo Irurzun, head of the Montonero team that assassinated Somoza in Paraguay in Septem-

ber 1980, in what the killers called a show of "revolutionary solidarity" with Nicaragua.

The PLO now has a fully accredited embassy in Managua. And the Sandinista Front has "fraternal" relations with leftist groups from Italy, West Germany, Spain's Basque region, Argentina, Uruguay, Chile, Paraguay, Peru, Colombia, Libya, El Salvador, Honduras, Guatemala and Costa Rica.

The Italian government on Feb. 8 gave the Sandinistas a list of 22 Italian leftists believed to be living in Nicaragua—about half of them wanted fugitives, the rest described only as "extremists." The Foreign Ministry said it knew nothing about the Italians but would investigate.

Topping the list, obtained by The Herald, is Guglielmo Guglielmi, 39, a one-time Rome surgeon facing five arrest warrants for crimes between 1979 and 1983 ranging from kidnapping to illegal weapons possessions to "participation in armed gangs."

International terrorism records show that Guglielmi, now working at a government-run children's clinic in the Managua slum of Ciudad Sandino, was a top leader of the Unita Combattente Comunisti, a guerrilla band that spun off from the Red Brigades in the late 1970s. He was convicted in absentia last June of kidnapping and sentenced to 22 years in prison.

Also on the list is a 33-year-old Milan sociologist wanted on a warrant charging her with "organizing and leading armed gangs in Italy and abroad." An Italian woman with the same name as the fugitive is a journalist accredited in Managua as correspondent for a Paris-based magazine that specializes in Third World issues.

The fugitive is also described in the international records as a member of a group that helped Guglielmi and three other Italian fugitives move from Paris to Nicaragua after the Italian government accused France in 1983 of harboring more than 200 wanted Italian militants.

The woman journalist in Managua declined comment when two Italian journalists tried to interview her last month. "I am not who you think I am." she said. Her name is known but omitted here because of the absence of proof that the journalist and the fugitive are the same.

Roberto Sandalo, 27, a Red Brigades defector living in Kenya, told Italy's Oggi news magazine last month that five Brigadisti are now serving as officers in the Sandinista army. "That's a lie," Defense Minister Humberto Ortega said last week. "We do not require that type of support to defend our principles and our flags."

Sandinista government sources said two West Germans who have bragged of having been part of the Baader-Meinhof Gang are now serving in the army—one as a captain in an artillery unit stationed at the Montelimar base southwest of Managua and the other attached to a military counterintelligence unit.

A West German known only as "Fitz" has told friends there is a warrant for his arrest in Germany. "Fitz," described as an anarchist, fought in the Sandinista revolution and later worked as an administrator at the government-owned Julio Buitrago sugar mill.

Also living in Nicaragua is Peter Paul Zahl, a well-known West German writer with former links to Baader-Meinhof who spent four years in prison for the attempted murder of a policeman in Cologne, Germany. Friends said Zahl, who is not wanted for any other crimes, is in Bluefields setting up a theater group for the port's West Indian blacks.

Nicaraguan government officials said a handful of Basque ETA guerrillas also lived in Managua until 1983, when Spanish Prime Minister Felipe Gonzalez, a strong Sandinista sympathizer, protested to the Managua government. Several ETA members moved to neighboring Costa Rica and some went to Venezuela, the officials said.

Gregorio Jimenez, 32, an ETA militant wanted by the Spanish government on terrorism charges, was arrested in Costa Rica in September 1983 and charged with plotting to assassinate Eden Pastora, leader of an anti-Sandinista guerrilla group based in Costa Rica.

Costa Rican Justice Ministry officials say Jimenez, still awaiting trial, has confessed that a Managua-based group of ETA rebels planned Pastora's assassination, without authorization from the Sandinistas, but as a sign of "revolutionary solidarity."

Since the revolution triumphed, Nicaragua has also been visited for varying periods by a string of leftist militants from Europe and Latin America, many of them simple political exiles, some of them well-known guerilla leaders.

Mario Firmenich, head of Argentina's Montoneros, traveled legally through Nicaragua—once staying several days in the home of Interior Minister Tomas Borge—as well as Mexico and Costa Rica before the Buenos Aires government put out a warrant for his arrest. He was detained in Brazil last year and extradited to Argentina.

Two Baader-Meinhof gang members visited Nicaragua in 1980 to express their support for the Sandinistas and explain the reasons for their own struggle. They sought out three foreign journalists living in Managua and granted them interviews, one of the reporters said.

And Lauro Azzolini, 41, a Red Brigades founder sentenced in absentia to 30 years in prison for the 1978 kidnap-assassination of Italian Prime Minister Aldo Moro, visited Nicaragua in early 1980 and tried to hold a news conference to explain Moro's slaying. Journalists invited to the conference said the Sandinistas blocked it.

Azzolini, alleged to have been the man who killed Moro with a close range blast from a Czechoslovak-made Skorpion machine pistol, was later captured in Italy and is in prison.●

SOVIET TRADE: AN IMPORTANT ISSUE

● Mr. SIMON. Mr. President, international trade is crucial to the entire national economy, as well as the State of Illinois. I would like to share with you and my colleagues a column that I wrote this week about trade with the Soviet Union. I ask that this column be printed in full in the RECORD.

The column follows:

SOVIET TRADE: AN IMPORTANT ISSUE

While the focus of world attention is on the arms talks in Geneva, Secretary of Commerce Malcolm Baldrige will hold a meeting on trade in Moscow that has a much better chance than the Geneva talks to get somewhere—and should be watched with great interest.

We have been stumbling badly in world trade. The Japanese car decision by President Reagan is an example of doing the wrong thing on trade with Japan. Unfortunately, we also have been discouraging world trade with many other nations and the Soviet Union is one of them.

The Soviets are eager to trade more with us, and that is in our interest as well as theirs. Almost all the trade with the U.S.S.R. up to this point is in grains. That could be increased.

In 1983 the Soviets bought about $40 billion worth of manufactured goods from Western Europe and about $110 million from us.

One top U.S. industrial leader told me the other day that when his U.S. company—based in Illinois—does business with the Soviet Union he runs into all kinds of problems with the U.S. Government. There is clear resistance. When a firm he owns in West Germany wants to do business with the Soviet Union, West Germany does everything it can to encourage trade. Where does the business go? The answer is obvious.

And that is just one of a host of illustrations.

We require that Soviet ships, coming here to pick up grain and manufactured goods, give our ports 14 days' notice. Ships from other countries are required to give only 3 days' notice. If the same Soviet ships dock in Canada or Argentina or France they are given the same treatment accorded other nations. That encourages the Soviets to buy from other countries rather than the U.S.

We seem intent on placing as many barriers as possible in the way of more sensible relations between our two countries.

Another example: We have banned seven different types of furs from the Soviet Union.

The result is that the furs are sent to other countries—like Canada—and the coats and hats and other products are manufactured in their countries and then the final product is shipped into the United States. We have banned Soviet furs—and also American jobs in the process.

When the Soviets wanted to build a pipeline, we sanctimoniously issued an order that our suppliers could not provide the earth-moving machinery and pipes for the pipeline. The Soviets simply bought from France and Japan—and finished their pipeline project ahead of time. Who was hurt? Not the Soviet Union, other than perhaps their pride a little. Those hurt were employees of the Caterpillar company and other Americans who lost their jobs.

Our trade deficit right now is causing the loss of approximately three million U.S. jobs. That has to be turned around, on a country by country basis.

One of the nations that is most important is the Soviet Union, not because they are a huge trading partner, but because the more we can have normal relations in trade and student exchanges and the arts with them, the more we improve the atmosphere which could make possible success in arms control. The real problems in the arms control talks are not the technical problems with Pershing II's and SS-20's and the weapons that we argue about, but the atmosphere, the mood of distrust. That is not going to turn around overnight but it can gradually be improved through things like trade.

The meeting between Secretary of Commerce Malcolm Baldrige and Soviet Deputy Trade Minister Vladimir N. Sushkov is one of those meetings that will not provide headlines. But it is a meeting that can improve our economy by providing more American jobs, and it can help to avoid grim arms headlines in the future.

Secretary Baldrige is on an important assignment and I wish him well.●

PRESENTATION OF THE TORAH TO THE JEWISH COMMUNITY OF KONA, HI

● Mr. INOUYE. Mr. President, as many of my colleagues know, the islands of Hawaii, which I am privileged to represent in this body, are not only beautiful, they are filled with a deep spirituality. Native Hawaiian traditions are filled with the deep and abiding faith in powers higher and deeper than even the geography of my great State.

During this past week unusual events have taken place which will add to the sense of belief and the wonder of diversity which are the soul and strength of Hawaii.

A Torah, a parchment scroll on which is inscribed the Five Books of Moses, which had belonged to the once-thriving community of Polna, in Czechoslovakia, was formally presented to the now-thriving synagogue, Beth Shalom, in Kailua, Kona, on the big island of Hawaii.

Polna found its origins in the early 15th century in Bohemia. It thrived, building its community buildings so that by the 16th century, it had its own synagogue, community center, butchers guild, and school.

It flourished until a terrible blood libel was leveled against it at the beginning of the 20th century. Prof. Thomas Masyryk stepped forward and publicly defended this small but vibrant community against defamation. Masyryk, as we know, was to become the first head of the newly formed State of Czechoslovakia in 1918.

In 1940, as the country fell under the boots of the Nazis, Polna's Jewish community was deported to the concentration camps never to return.

Their beloved Torah, the Holy Scriptures, was sent to Prague with the other communal possessions, to become part of the 150,000 objects, manuscripts, and books. The Torah was part of what was to have become what the Nazis were to have called a Museum of the Extinct Race to be established after the success of their final solution.

After extensive negotiations, a major selection of 350 objects was selected by Mark Talisman and a team of curators. The exhibition now known as the Precious Legacy, is currently touring the United States under the sponsorship of the Smithsonian Traveling Exhibition Service and the Philip Morris Corp. It is now being viewed at the Detroit Institute of Art, where it was opened by Mr. Talisman and my colleague Senator CARL LEVIN. Thus far millions of Americans have seen this extraordinary exhibition.

Although such a museum was never formed, the vast collections were preserved, ultimately to become the State Jewish Museums of Czechoslovakia. Over 1,560 Torahs were ultimately sent to the Westminster Synagogue in London where Mrs. Ruth Shaffer currently presides, caring lovingly for each of them.

After a visit several months ago as scholar in residence, Mark Talisman, director of the Washington Office of the Council of Jewish Federations and vice chairman of the United States Holocaust Memorial Council, found that a Torah was needed on the big island of Hawaii where there was none.

Congregation Beth Shalom, which was founded nearly 5 years ago in Kailua, Kona, was formed with a few families and has now grown and was very interested in receiving a Torah from which they could pray.

Barry Shain, the executive director of the Jewish Federation of Hawaii, and Jacob Tzur, its president, made extensive arrangements with Mr. Talisman, and the Polna Torah was secured from London with the help of Mrs. Shaffer.

United Airlines became involved and provided the respectful care required to transport this precious document, which had been hand inscribed in the 16th century, from Washington, DC, to Honolulu, where it was lovingly delivered to the congregation.

This past Saturday, March 30, 1985, the Torah was officially presented to the Jewish community of Hawaii and of Kona at a moving ceremony attended by hundreds of people including representatives of other major religious groups in the State.

It is my intention to go to Congregation Beth Shalom in the very near future to see the Torah and join in the celebration.

Having the Polna Torah in our midst, in Hawaii, in the loving care not only of the growing congregation of Beth Shalom, but among all of us, serves to allow us to remember the horrors of the past which allowed Polna's Jewish community to be destroyed completely, but allows each of us to remember that loss, so as to never allow such cruelty to happen to anyone ever again. From those ashes has arisen in Kona the hope and prayers of a bright and creative future filled with peace which now emanates from our remembrances of those who have perished.

I wish to join the citizens of Hawaii in sending my best wishes to Dr. Stuart Spielman, president of Beth Shalom, Mr. Lewis, one of its founders, the Jewish Federation of Hawaii and its leaders, Jacob Tzur, president and Barry Shain, executive director and all of the board who worked so hard to make this wonderful event possible. Rabbi Arnold Magid, who conducted the service, is to be commended for his contributions as well.

Mr. President, I wish to insert at this point in the RECORD the newspaper articles which appeared in the past week in various newspapers throughout the State of Hawaii. They are as follows:

KONA-BOUND TORAH SURVIVED THE HOLOCAUST

(By Anne Harpham)

A Torah from Polna, Czechoslovakia, that in 1939 was tagged by the Nazis to be in a museum of an "extinct" faith this week completes a journey to a new Jewish congregation in Kona.

The Torah is a handwritten parchment scroll containing the Pentateuch or the first five books of the Bible. Readings from the Torah are an important part of Jewish liturgy and passages are read each week in a cycle that begins with the book of Genesis and ends with Deuteronomy.

None of the Jews of Polna survived the Holocaust, but their Torah survived, as did hundreds of thousands of other objects of Czech Jewish life, from the religious to the mundane. The Nazis systematically collected and catalogued those items, all intended for a Museum to an Extinct Race.

After the war, Torahs were returned to their congregations where possible. But in Polna there was none remaining and its Torah became one of 1,564 gathered from the grim Nazi collection and sent to London for preservation. Since then, about half of the sacred scrolls have been given—on long-term loans—to congregations needing Torahs.

Mark Talisman, director of the Washington office of the Council of Jewish Federations and vice chairman of the U.S. Holocaust Memorial Council, negotiated the loan of the Polna Torah to Kona Beth Shalom, a congregation of about 60 families.

The Torah, which has traveled with Talisman from London to New York to Honolulu, was used on Saturday at Temple Emanu-El in Honolulu, the first time it has been used since 1939. It will be accepted by its new congregation in ceremonies Saturday morning at the Keauhou Beach Hotel.

"Those who were killed can be remembered because their Torah will be in a new community," said Talisman at a press conference yesterday. "The cycle is now complete and the Torah is now alive again."

Billy Lowenberg, survivor of eight Nazi concentration camps and a member of the U.S. Holocaust Memorial Council, said completion of the cycle for the Polna Torah "is one of the most significant events in my Jewish life."

In the camps, Lowenberg said "we had accepted the fear of death, there was never a moment we believed we could get out of that hell. (But) we were afraid there would be no one who could tell the story—that's what we talked about."

The Polna Torah is believed to be about 200 years old. The printing on it could never be replicated today, Talisman said.

The Polna Torah still has written on it the catalogue number used by the Nazis—13845.

A 200-YEAR-OLD TORAH FINDS A NEW HOME WITH KONA BETH SHALOM

A 200-year-old parchment scroll containing the first five books of the Bible, handwritten in Hebrew, arrives tomorrow, March 30, in Kona.

The scroll, or Torah, is the Holy Book of the Jewish faith, and comes from Polna, Czechoslovakia, where it was used by the Jewish community there.

Taken by the Nazis in 1939, the Torah was stored in a warehouse and was to be part of

a Museum to an Extinct Race. The museum never came about, and with the defeat of Germany many of the objects gathered for the museum were returned. But the Torah from Polna did not go home. No citizen of Polna remained. They had all been exterminated during the Holocaust.

The Torah was transferred to Westminster Chapel in London, England, along with other Jewish artifacts. Then in 1968, while on a visit to Czechoslovakia, Mark Talisman, director of the Council of Jewish Federations' Washington Office, learned of the Polna Torah and other items that had been meant for the museum. He arranged for a tour of 500 of the artifacts throughout the U.S.

In the meantime, a Jewish congregation on the Island of Hawaii was in search of a Torah, a search which often lasts for years.

Jewish Federation of Hawaii executive director Barry Shain negotiated to have the Polna Torah brought to Hawaii, where it would be used by Kona Beth Shalom, a Jewish congregation of some 60 families.

Rabbi Arnold Maggid, rabbi of Temple Emanu-El, will conduct services tomorrow, March 30, 10 a.m., at the Keauhou Beach Hotel, at which time the Torah will be rededicated.

Dr. Stuart Spielman, president of the Kona Beth Shalom congregation, said, "The people who loved and revered this Torah, who carried it and read from it are all part of it and now part of Kona Beth Shalom as well. We are pleased and proud to be able to put this Torah into use once more, to reestablish it in a Jewish congregation, to give it a loving and fitting home in its rightful position as the Holy Book of a flourishing Jewish Community."

A 200-YEAR-OLD TORAH AT KONA CONGREGATION

(By Murry Engle)

The U.S. Census of Jews is now 6 million, according to Mark Talisman, vice chairman of the U.S. Holocaust Memorial Council, "the same number of Jews that the Nazis killed in Europe during the World War II holocaust."

Talisman was to see some vindication for those 6 million victims this morning, when a 200-year-old Torah that he brought from a Prague collection of Jewish artifacts went on loan to the new Beth Shalom congregation in Kona.

That congregation is just about the same size as the congregation in the Bohemian town of Polna in Czechoslovakia, the Torah's origin. No members of those 60 to 80 Jewish families—557 people—survive.

"I'm mystic enough to believe that they will be looking down and smiling," Talisman said in an interview this week.

"Tradition has it that if a Torah is burned, the words are sent to heaven," he said. "In this case, it's better."

The Torah is one of 800 placed of 4,400 that the Nazis stored, intending to use them along with other Jewish artifacts in a museum to mock an "extinct" Jewish race.

Some parts of the scroll are 300 years old, Talisman said. No part of it could be duplicated today, because no one is master of that calligraphy. Handprinting of one in more modern script today takes a year, he said.

Although Talisman, 43, was not alive when the holocaust swept Europe, the tragedy "has plagued me all my life," he said. He wants to be sure it never happens again, but it could "if we don't learn history. We can lose total sensitivity.

"It becomes too easy not to think of it," he said, when one reads about the killing of millions of Cambodians in our time or of the possibility of nuclear holocaust. "Nerve endings die," Talisman said. "We talk in language that is flippant. It's too easy to dismiss."

Even his parents were unable to explain how it could have happened. Not only were there the priorities of raising a family, he said, but "this overlay of disbelief. They could not comprehend that the rumors could possibly be true. If you can't comprehend, it becomes easy not to think about it.

"But you can't back away from it, can't make it recede. After you talk to survivors, it becomes more real. It could happen to any group."

In 1956, when Talisman was 15, he began to get answers. Then president of the International Junior Red Cross, he went to Geneva for its convention. He stayed at Chiemsee, near Berchtesgaden, Hitler's Eagle's Nest.

"I also went to Dachau, the first concentration camp," he said. "There's no memorial there. They left it just the way it was during the war.

"An ex-Nazi was my barber and he denied that it had happened. He told me that people in the town didn't know what was going on during the war. I knew damned well that they did. For anybody to have lived there—well, the very air they breathed was constantly filled with the smell of burning bodies. It was indicative to me of humans' infinite capacity to want to forget."

He doesn't hold the American government blameless, either.

"A lot of documents have been released in the last few months and the U.S. government knew a lot more than it was saying at the time; 20/20 hindsight is much better than they want to admit.

"Why didn't they, on the eve of the war, do something about it? If Americans had been more inventive instead of closing the gate to Jewish immigrants, a lot more would have lived. It makes me very bitter.

"I want to be sure our children know about it and never forget it," he said. He was able to do something about that for them and others, too, after visiting in 1968 the State Jewish Museums of Prague and learning that more than 145,000 pieces of Judaica existed—remains of Hitler's plunder for his intended Museum to an Extinct Race.

After three years' negotiations, Czechoslovak state authorities agreed to let him take 500 artifacts on a tour of the United States and a group from Hawaii saw the exhibit in San Diego.

When the Kona congregation formed, the Jewish Federation of Hawaii executive director, Barry Shain, contacted Talisman, who negotiated for the Polna Torah.

Erica Goldman, 13, isn't likely to forget that Torah. It was paraded joyfully in white velvet around the sanctuary at Temple Emanu-El in Honolulu last Saturday and then opened for religious purposes for the first time in 50 years for her Bat Mitzvah.

"She'd studied the language and read from it," Talisman said.

The joyfulness of that and today's ceremonies is appropriate, he said.

"The sacredness of life is the underpinning of Jewish life and so much of the ritual is based on that. If we didn't transcend horror, we could not stand to live."

To this portion of the Torah's epic journey—"just like a wonderful old story in the Bible"—and to those who once cherished it, Talisman said there's an ageless Hebrew toast that strangely suits: "L'Chaim!" "To Life."●

SENATE RESOLUTION 130

● Mr. WALLOP. Mr. President, I come forth today to express my extreme displeasure with the manner in which the administration has chosen to proceed with the new Sport Fishing and Boating Enhancement Fund, which is more commonly known as the Wallop-Breaux Trust Fund.

Under the terms of this law, which President Reagan signed into law last July, user fees are imposed on the Nation's boaters and fishermen in the form of Federal excise taxes on fishing equipment, Federal motorboat fuel taxes, and customs duties on imported watercraft and fishing tackle. These funds are required under the terms of the law to be returned automatically to the States for use in natural resource protection programs and for the enhancement of recreational opportunities in the States. The law and its user fees are overwhelmingly supported by recreationists and conservationists, both in business and in the private sector.

To my disappointment, and that of the recreationists and conservationists who support the trust fund, the administration's 1986 budget proposal abrogates the conditions established for the fund in the Deficit Reduction Act of 1984. Under the proposed budget, the administration would eliminate the guaranteed return of user fees and withhold two-thirds of the funds raised for use by the States. Such a situation abuses the trust of the sportsmen who sought to pay additional excise taxes in order to improve their sport and calls into question the administration's much publicized desire to shift increasingly to a policy of user fees. After an action of this nature, all user fees are suspect.

I now ask for the support of my colleagues for Senate Resolution 130, which calls upon the administration to honor its commitments under the law, and ask that Senate Resolution 130, with a list of cosponsors, be printed in the RECORD.

The resolution follows:

S. RES. 130

Whereas, in 1950 the Congress established the Dingell-Johnson Sport Fish Restoration Trust Fund to promote natural resource protection and enhanced recreational opportunities, and levied taxes on selected recreational equipment to fund this account beginning a 30-year success story of a user fee program;

Whereas, in 1984, because of the efforts of recreationists and conservationists the above said trust fund was enhanced by additional recreational related taxes as part of the Deficit Reduction Act of 1984 and was renamed Wallop-Breaux Trust Fund;

Whereas, the law passed by Congress in 1950, as enhanced in 1984, requires that the funds within the Sport Fish Restoration Trust Fund be automatically appropriated for return to the several states annually (less limited overhead costs);

Whereas, the 1984 Act also authorizes funds for a Boating Safety Account in the Trust Fund to be returned to the states for boating safety purposes;

Whereas, the funds proportionately returned to the several states are earmarked by law to be used for specific uses of natural resource protection and enhancement of recreational activities;

Whereas, severe demands on federal financial resources have threatened many recreational and environmental programs and have thus prompted calls by the administration for increased reliance on user fees;

Whereas, The President and other administration officials publicly applauded the 1984 amendment and the willingness of recreationists to tax themselves to pay for desired programs;

Whereas, the Administration's 1986 budget proposal threatens to: (1) eliminate the guaranteed return of user fees, and (2) withhold ⅔rds of the ear-marked user fees; and

Whereas, the Administration has not addressed this matter in a fashion deemed acceptable, which action is causing the erosion of any justification or public support for user fees; Now, therefore, be it

Resolved by the Senate, That it is the sense of the Senate that:

1. the administration should honor and comply with the automatic appropriation and ear-marking provisions of the Wallop/Breaux Sport Fish Restoration Trust Fund as required by law; and support adequate appropriation for the Boating Safety Account in this Trust Fund; and

2. funds due and owed under the terms of the Trust Fund to the states should neither be withheld nor delayed by the Administration.●

REFERRAL OF SENATE JOINT RESOLUTION 106

Mr. SIMPSON. Mr. President, on behalf of Senator DOLE and Senator STEVENS, I send a resolution to the desk and ask for its appropriate referral.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

Mr. CRANSTON. Is that the joint resolution on Nicaragua?

Mr. SIMPSON. I respond to the Senator from California, the minority whip, that it is the resolution on Nicaragua.

UNANIMOUS CONSENT AGREEMENT—TUESDAY, APRIL 23, 1985

Mr. SIMPSON. Mr. President, I then submit a unanimous-consent request.

I ask unanimous consent that when the Senate completes its business on Monday, April 22, it stand in recess until 8 a.m. on Tuesday, April 23, 1985.

I also ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

I further ask unanimous consent that following the Proxmire special order, there be a period for the transaction of routine morning business not to extend beyond 9 a.m., with statements limited therein to 5 minutes each.

I ask unanimous consent that at 9 a.m. on Tuesday, April 23, and not before, the Senate turn to the consideration of Senate Joint Resolution 106, supporting military or paramilitary operations in Nicaragua, and that the time between 9 a.m. and 12 noon be equally divided between the opponents and proponents of the joint resolution.

I further ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, April 23, 1985.

I also ask unanimous consent that when the Senate reconvenes at 2 p.m. on Tuesday, April 23, the Senate resume further consideration of Senate Joint Resolution 106, and that all time for consideration be equally divided.

Finally, I ask unanimous consent that a vote occur on final disposition of Senate Joint Resolution 106 prior to close of business on Tuesday, April 23, and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. CRANSTON. Mr. President, I reserve the right to object, although I will not object.

First, I thank the leadership on the majority side for their cooperation in regard to this matter. The majority leader [Mr. DOLE] was about to introduce this resolution earlier today, and I asked him to wait until we could consider it on our side and discuss the procedures with him. He graciously refrained at that time from proceeding.

Senator INOUYE and I then met with him and discussed our needs for a maximum amount of time to consider this matter before it was brought to a vote in the Senate, taking into account the fact that we are about to recess for more than a week and that the time would be running, in accordance with the calendar days that pass during that time, cutting down the time when the Senate will be here for active consideration in the Appropriations Committee and then on the floor.

The majority has its own reasons for wishing to proceed expeditiously, among them wanting do dispose of this matter before we come to grips with the budget, and those reasons are understandable. Our needs have been taken into account to a considerable degree in this unanimous-consent request, and I believe it is satisfactory to Senators on our side. I thank the majority for taking into account our requests.

At this time, I know that the Senator from Vermont wishes to speak about this matter and I yield the floor.

Mr. LEAHY. Mr. President, reserving the right to object—and I shall not—I, too, thank the majority leader for this. They could have gone forward with this today and started the clock running.

I also congratulate the Senator from California [Mr. CRANSTON] and the Senator from Hawaii [Mr. INOUYE] for working with the majority leader to hold back the time.

The White House, in a meeting called on about 20 minutes' notice this morning, notified us that this was going to be here, in the hope that it would be filed today and the clock could start running, and we could have a dialog with the White House under the original plan of a 15-day time limit. For about 10 days of that dialog time, the President would be vacationing in California, and Members of Congress on both sides of the aisle would be on recess, with full schedules, back in their home States—effectively precluding a dialog.

The leadership has ensured that there is more time for a dialog by doing this, and they should be complimented for that. The unanimous-consent request gives the amount of time necessary.

For the Intelligence Committee, I would say only that I hope our committee would be able to present to the Senate the results of inquiries it has made regarding such issues as allegations of Contra atrocities and others—and each Senator is free to vote whichever way he or she wishes—so that Senators would know precisely what they vote on, so that we will not have a repetition of last year, when, in 1 week, we voted for the Contras, and then, upon finding out that they were doing a number of things that the Senate objected to, something that most of us could not have known about in advance, voted against it.

So that I note for my colleagues that at some point within this debate there will be information made available from the Intelligence Committee, which committee will not take a position, as I understand it, on this matter, one way or the other, as a committee; but information will be made available to the Senate with regard to Contra activity.

I also strongly recommend to Senators that between now and then they may want to go to the Senate Intelligence Committee and read information, at least the partial answers that have been returned, responding to the questions raised by the chairman and myself on behalf of the committee.

With that, Mr. President, I note that I have no objection.

The PRESIDING OFFICER. Without objection, the unanimous-consent

request of the Senator from Wyoming is agreed to.

The text of the agreement follows:

Ordered, That at 9 a.m. on Tuesday, April 23, 1985, and not before that time, the Senate proceed to the consideration of S.J. Res. 106, supporting military or paramilitary operations in Nicaragua, with the time between 9 a.m. and 12 noon to be equally divided and controlled by the opponents and proponents of the Joint Resolution.

Ordered further, That the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, April 23, 1985.

Ordered further, That on Tuesday, April 23, 1985, the hour of 2 p.m. having arrived, the Senate resume consideration of S.J. Res. 106, with all time for consideration to be equally divided and controlled by the opponents and proponents of the joint resolution.

Ordered further, That a vote on final disposition of S.J. Res. 106 occur prior to the close of business on Tuesday, April 23, 1985.

Mr. SIMPSON. Mr. President, I thank the Senators.

I thank the Senator from Vermont [Mr. LEAHY]. I appreciate the caution he gives us, because I remember the turmoil with regard to the issue before. I appreciate the forceful way he pursues things in the Intelligence Committee, and I have enjoyed my relationship with him.

I want to particularly thank Senator CRANSTON again. We work together here, as he is my counterpart on that side of the aisle, as the minority whip. We have worked together as chairman and ranking minority member of the Veterans' Affairs Committee, and it is a special relationship that I enjoy greatly. He is pleasant to work with.

We have actually produced many items of legislation together. I hope that our relationship will be a harbinger of things yet to come in the coming session in which I hope we will begin to turn the course. I pledge to work more closely with those on the other side of the aisle—as we have, I believe, completed or will soon complete our grappling with regard to the budget deficit which will be a grisly process for all of us to go through right here on this floor.

I appreciate his sincerity and cordiality throughout.

Mr. CRANSTON. I thank the Senator from Wyoming and his warm feeling are fully reciprocated.

NOMINATIONS

Mr. SIMPSON. Mr. President, as in executive session, I ask unanimous consent that the Senate turn to the nomination of Gen. James Doolittle and Gen. Ira Eaker received from the White House today, and I ask unanimous consent that they be considered en bloc and confirmed en bloc.

Mr. CRANSTON. Mr. President, we are pleased on this side to proceed with those nominations.

There being no objection, the Senate proceeded to consider the nominations as in executive session.

The PRESIDING OFFICER. The nominations will be stated.

U.S. AIR FORCE

The legislative clerk read the nominations of Lt. Gen. Ira C. Eaker and Lt. Gen. James H. Doolittle to be generals.

Mr. SIMPSON. Mr. President, I simply add my congratulations and respect to General Doolittle, who is a delightful friend with whom I have fished and visited. I enjoy his company greatly. He is a great American, perhaps one of the last of the real heroes in this country.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, APRIL 15, 1985

Mr. SIMPSON. Mr. President, I move, in accordance with the provisions of Senate Concurrent Resolution 38, that the Senate stand in adjournment until 12 o'clock noon on Monday, April 15, 1985.

The motion was agreed to; and, at 2:29 p.m., the Senate adjourned until Monday, April 15, 1985, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate April 4, 1985:

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

Onalee McGraw, of Virginia, to be a member of the National Council on Educational Research for a term expiring September 30, 1987, reappointment.

NATIONAL COUNCIL ON THE HANDICAPPED

Marian North Koonce, of California, to be a member of the National Council on the Handicapped for a term expiring September 23, 1987, reappointment.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Robert E. Rader, Jr., of Texas, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1991, vice Timothy F. Cleary, term expiring.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 5064 to be Director of Budget and Reports in the Department of the Navy.

Rear Adm. William D. Smith, xxx-xx-... /1120, U.S. Navy.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) Title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Richard G. Broberg, xxx-xx-xxxx
Maj. William M. Campenni, xxx-xx-xxxx
Maj. Thomas G. Cutler, xxx-xx-xxxx
Maj. Howard W. Dixon, xxx-xx-xxxx
Maj. Preston T. Duke, xxx-xx-xxxx
Maj. Jerry L. Dunne, xxx-xx-xxxx
Maj. Russell L. Durham, xxx-xx-xxxx
Maj. Maurice C. Eldredge, xxx-xx-xxxx
Maj. Joe D. Elms, xxx-xx-xx...
Maj. Richard D. Gardner, xxx-xx-xx...
Maj. Terry J. Hart, xxx-xx-xxxx
Maj. Hugh M. Large, xxx-xx-xxxx
Maj. Wallace M. Moody, xxx-xx-xxxx
Maj. Kourtney C. Nieboer, xxx-xx-xxxx
Maj. Wylie E. Nolen, xxx-xx-xxxx
Maj. Robert L. Privett, xxx-xx-xxxx
Maj. Lynn K. Robinson, xxx-xx-xx...
Maj. David L. Scobey, xxx-xx-xxxx
Maj. Richard H. Smith, xxx-xx-xxxx
Maj. Sam P. Sox, Jr., xxx-xx-xxxx

MEDICAL CORPS

Maj. Wilburn A. Smith, Jr., xxx-xx-xxxx

DENTAL CORPS

Maj. John T. Aumiller, xxx-xx-xxxx

IN THE AIR FORCE

The following-named officers for advancement to the grade of general on the retired list pursuant to the provisions of article II, section 2, clause 2 of the Constitution of the United States:

Lt. Gen. Ira C. Eaker, 449–46–1060FR, U.S. Air Force, retired.

Lt. Gen. James H. Doolittle, xxx-xx-... FV, U.S. Air Force, retired.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. "M" Staser Holcomb, xxx-xx-... /1310, U.S. Navy.

IN THE MARINE CORPS

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. D'Wayne Gray, xxx-xx-xxxx U.S. Marine Corps.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 4, 1985:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Donald Ian MacDonald, of Florida, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

NATIONAL LABOR RELATIONS BOARD

Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board for a term of 4 years.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officers for advancement to the grade of general on the retired list pursuant to the provisions of article II, section 2, clause 2 of the Constitution of the United States:

Lt. Gen. Ira C. Eaker, xxx-xx-xxxx FR, U.S. Air Force, retired.

Lt. Gen. James H. Doolittle, xxx-xx-... FV, U.S. Air Force, retired.

EXTENSIONS OF REMARKS

H.R. 890

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RITTER. Mr. Speaker, Congress yesterday passed legislation to extend the Federal Supplemental Compensation Program until April 6, this Saturday, to allow those currently eligible to finish out the remainder of their FSC benefits.

I had cosponsored H.R. 890, legislation to extend the FSC Program for 18 months. The bill which passed tonight was reluctantly supported by many of us who strongly supported and preferred the 18-month extension, including the author of the 18-month extension. However, what we passed tonight is better than just cutting benefits off arbitrarily as of March 31 as would have happened if we had not passed this bill. Unfortunately, it does nothing for those who will become unemployed in the future.

I feel strongly that Government has a responsibility to those workers in the Lehigh Valley who are struggling through long periods of unemployment, some of which may have come as a result of policies made at the national level. We need to recognize that, in heavy industrial and manufacturing areas such as the Lehigh Valley, the local economy often lags in recovery and subsequent increases in jobs just as it lags going into a recession.

My constituents know that the Nation must pursue long-term solutions to our employment and trade problems. Unemployment insurance which can go for retraining is one solution. Toughness on trade equal to that of our trading adversaries is essential. However, we all know that these will not put food on the table or pay the rent or mortgage today for our Lehigh Valley citizens who are currently unemployed. We have a strong, hardworking labor force in the Lehigh Valley and, for those who are currently denied reentry into that labor force, we should have extended the vital FSC Program for 18 months.●

THE AMERICAN FOOTWEAR INDUSTRY RECOVERY ACT OF 1985

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BOEHLERT. Mr. Speaker, I would like to urge my colleagues to join me in cosponsoring legislation to give one of America's most hard-pressed industries a fighting chance at surviving an onslaught of subsidized imports.

The industry I'm referring to is the footwear industry—in particular, the shoe industry. And the bill I am talking about is the American Footwear Industry Recovery Act of 1985.

U.S. shoe manufacturers are awash in a flood of imports that seems to be rising faster and faster. Import's share of the U.S. market has climbed well beyond the 70-percent mark and shows no sign of stopping.

The result? A veritable epidemic of plant closings and job layoffs. In 1984 alone, 105 factories shut down and 11,000 American workers lost their jobs. Firms like Norwich Shoe Co. and Little Falls Footwear in my New York State congressional district know this grim story all too well.

The American Footwear Industry Recovery Act would simply hold annual shoe imports to 450 million pairs—about half the market—for 8 years. That would give our shoe manufacturers a needed, valuable chance to modernize and adjust to the subsidized products and trade barriers of other nations.

Mr. Speaker, when I cosponsored this bill in the last Congress, import injury to American shoe makers was already severe. But Congress failed to act on it. Now the problem is even worse—a lot worse. Let's act now to save the American shoe industry—to give it a fighting chance—while there's still an industry left to save.●

YES ON MX

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LAGOMARSINO. Mr. Speaker, the following editorial from the Lompoc Record—Lompoc, CA, Sunday, March 10, 1985—I believe succinctly and effectively expresses the various points in favor of a decision by the Congress to continue funding for the production of additional MX—Peacekeeper—ICBM's. The arguments the Lompoc Record provides in support of continued MX funding I find particularly persuasive. The editorial follows:

YES ON MX

Advanced testing of the MX missile at Vandenberg Air Force Base has shown it to be highly accurate, convincingly reliable ICBM.

These same tests demonstrate, however, that MX is not some revolutionary, destabilizing weapon system. The silo-based missile nearing deployment is properly regarded as a logical, modern compliment to the aging Minuteman force that builds on more than 20 years of experience.

During the past 14 years the MX has progressed along a rocky path to the point where it can now finally do us some good.

Here are three good reasons not to send it to the scrap heap.

1. The United States has not added a single new, land-based, intercontinental missile to its nuclear deterrent since 1975.

2. The number of deployed American ICBMs has not increased since 1967.

These are the two best reasons why Congress should keep the MX missile program alive by granting the Reagan administration's request for $1.5 billion to build another 21 of the large, 10-warhead ICBMs.

These 21, together with a first batch of 21 now being built, would fulfill almost half of the Air Force's planned deployment of 100 MXs. When fully deployed by about 1987, this force would at least partly counter the Soviet Union's nuclear Sunday punch—608 super-heavy missiles (SS-18s with up to 10 warheads each and SS-19s with up to six warheads).

Without the MX, or with only a token force of 21, the United States would have conceded the Soviet Union a virtual monopoly in heavy, land-based ICBMs. Reliability, speed, multiple warheads and extreme accuracy make heavy ICBMs the most decisive, and politically exploitable, of all nuclear weapons. That will remain so until someone begins deploying effective defenses against ballistic missiles. With such defenses still years if not a decade or so away, a permanent Soviet monopoly in heavy ICBMs would pose unacceptable risks for the United States.

Having said this, it must also be acknowledged that the military rationale for the MX would be stronger had the Reagan administration found ways to make the new missiles less vulnerable to a surprise Soviet attack. The MX was originally envisioned a decade ago and as recently as 1981 as a mobile missile, the answer to the perceived vulnerability of America's 1,000 Minuteman ICBMs in their fixed, underground launching silos.

A host of difficulties defeated this original objective. Domestic politics, budgetary constraints, technical complexities and the perverse effects of an arms control process that encouraged big (therefore countable) missiles all conspired against a mobile MX. One result is that some in Congress who support Reagan's defense buildup nonetheless have doubts about the value of producing MXs

only to put them into already vulnerable Minuteman silos.

Granted that a mobile MX would be preferable to a stationary one. But a stationary one, housed in a Minuteman silo strengthened with added steel and concrete, is certainly preferable to no MX at all. One hundred MXs carrying a total of 1,000 highly accurate, independently targetable warheads provides 1,000 more reasons for the Soviets never to contemplate a nuclear attack upon the United States. And, although no one should want the nuclear hair trigger of a launch-on-warning policy, Soviet planners could never be certain that many MXs would not be fired before the attacking Russian warheads arrived. This is the sort of uncertainty that strengthens deterrence.

What all of this amounts to is a compelling military justification for proceeding with the MX program. There is also an additional rationale, one frankly political but no less valid.

3. The design of Soviet nuclear forces shows clearly that the Kremlin regards land-based, heavy missiles as decisive weapons and vital indices of national power. During the 18 years since America's ICBM force reached its peak of 1,054 deployed missiles, the Soviets have produced and fielded five new types of land-based ICBMS. The throw-weight, or payload capacity, of the Soviet Union's land-based intercontinental missiles is at least four times that of the American ICBM force.

Since the 1979 SALT II treaty, the Soviets have almost doubled—from about 5,000 to more than 9,000—the numbers of strategic nuclear warheads targeted on the United States. The Soviets are now producing 150 to 300 ICBMs each year with increasingly accurate warheads. Indeed, the Soviets are now deploying more new warheads every year capable of destroying hardened targets than are planned for the entire MX program. While Congress vacillates, the Soviets build, build, and build.

Given these numbers and the trends they reflect, the Soviets will have little enough incentive to negotiate arms reductions at the Geneva negotiations scheduled to begin this week. In fact, without the prod of Reagan's prospective "Star Wars" defense system, the Soviets may not have bothered returning to Geneva at all.

But they are returning, prepared as always to shape their position in part on their perception of America's resolve and constancy of purpose. What will that perception be if Congress now cancels the centerpiece of President Reagan's strategic modernization program? And what constancy of purpose, or even common sense, will the Soviets detect if Congress scraps unilaterally such a major strategic system developed during more than a decade by three successive administrations of both political parties? ●

OUR NATION CAN NOW ENJOY THE SPLENDOR OF THE ST. PETERSBURG FESTIVAL OF STATES PARADE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. YOUNG of Florida. Mr. Speaker, for the first time ever, people throughout our Nation will be able to enjoy the splendor, beauty, and pageantry of the annual St. Petersburg Festival of States Parade. The parade, which I participated in last Saturday, was taped by CBS so that highlights can be broadcast nationally this Sunday afternoon between noon and 1 p.m.

The parade is the highlight of 2 weeks of activities during the Festival of States, which brings marching bands from around our Nation to Pinellas County, FL to march and perform. This celebration of springtime in St. Petersburg has been sponsored since 1958 by the Suncoasters, a unique organization of civic leaders who generously give of their time to organize this special event. Tom Gregory, president of the Suncoasters, and Al Catronovo, director of the Festival of States, coordinated this year's program.

The Festival of States mixes Florida's natural beauty with the excitement of marching bands, music, flower decorated floats, clowns, balloons, and thousands of wide eyed children. I'm happy that people from all around our great Nation will have an opportunity to share the natural beauty of Florida as the parade marches down the palm-tree-lined streets of St. Petersburg next to the blue water and beautiful boats out on Tampa Bay.

Hopefully watching the sunshine and excitement of the Festival of States parade Sunday will spread some warmth to the many parts of the United States that have not yet thawed out from winter.●

HONORING MRS. GERALDINE MARTSON, PRESIDENT OF THE AUXILIARY OF THE DEPARTMENT OF PENNSYLVANIA OF THE AMERICAN LEGION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of Congress the achievements of one very community-oriented individual in my district. She is Mrs. Geraldine K. Martson, presently president of the Auxiliary of the Department of Pennsylvania of the American Legion. As the time draws near once again for auxiliary elections, I wish to congratulate her on her many years of dedicated service.

Gerry has been a member of the auxiliary since 1946 when she joined the William H. Nauss Unit No. 143. Her eligibility in the American Legion Auxiliary is the result of her late husband's service in the Army during the Second World War and the Korean conflict.

Gerry has served not only as her own unit president, but also as a president of the unit's Past President Parley and also as a former president of the Cumberland, Dauphin, Lebanon County Council. In addition, she has served a 2-year term as district president.

Her committee work within the auxiliary has included work as the central (section) vice chairman of communications, membership and the Americanism committees. While she served as department chairman of the Children and Youth Committee she was honored with two national awards. She has also been a member of the department finance committee and was its chairman in her final year.

During the past couple of years, previous to her present positions, she held positions of ever increasing responsibility. During the 1982-83 year she was elected to the office of central vice president and last year as department membership chairman. She also has been certified as an instructor in the leadership development course sponsored by the American Legion Auxiliary.

Finally, Gerry has chosen as her presidential project a "Cavalcade of Memories." It will consist of a collection of auxiliary memorabilia in a room at the department headquarters in Wormleysburg, PA. The financial goal for the project is $20,000 and is being supervised by the chairman of the department of Pennsylvania.

Once again, I wish to extend my congratulations to Mrs. Geraldine K. Martson with the backing of the entire Congress concerning her remarkable efforts for the community and her cherished auxiliary for so many years. Thank you, Gerry, for many jobs well done.●

OPPOSES INCREASED FUNDING OF NASA

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LIGHTFOOT. Mr. Speaker, I would like to take this opportunity to express my support and appreciation for the role of the United States as a leader in space flight and exploration. Over the past few decades we have realized tremendous benefits in science and technology through the programs of the National Aeronautics and Space Administration [NASA]. In addition to these benefits, the U.S. accomplishments in space flight and exploration have inspired a genuine boost in American pride and morale, especially in regard to the space shuttle missions of recent years.

However, we as a nation are currently faced with terrific problems directly

related to the enormous Federal deficit. Rural America and the Nation's farmers are suffering from the worst economic conditions in decades. When it comes to federal spending, we have all had to tighten our belts in order to realize the long-term benefits from a significant reduction in the Federal deficit. In pursuing this goal of deficit reduction in formulating the fiscal year 1986 budget, no program should escape careful scrutiny, including those of NASA.

As a result of these efforts to reduce the deficit, funding for many valuable programs is being eliminated, drastically reduced, or frozen at current levels. Nevertheless, the bill being considered today, H.R. 1714, proposes an increase of nearly $325 million over fiscal year 1985 levels for NASA.

Moreover, at a time when efforts are being made to shift government services over to private sector initiatives, the current level of government domination of the space industry merely discourages the private sector from investing its own resources in pursuit of the very same goals.

For all of these reasons, I find it very difficult to support the levels of funding authorized for NASA in H.R. 1714.●

WLVT CELEBRATES 25 YEARS OF PUBLIC BROADCASTING EXCELLENCE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RITTER. Mr. Speaker, my congratulations to WLVT on their 25th anniversary on April 22. As the representative of all citizens of the Lehigh Valley, I want to express their and my appreciation for a job well done.

This hallmark occasion marks more than just a company being in business for 25 years. It marks 25 years of quality educational programming, 25 years of serious journalistic endeavor, 25 years of televised public service to the entire Lehigh Valley community.

The influence of the broadcast media overall in our society has been increasing and public television likewise plays an increasingly powerful role in enhancing social, economic, political, and cultural awareness of the American people. No where is this more true than in the high quality programming provided by WLVT.

WLVT has brought us programs that range from Lehigh Valley football, wrestling and scholastic scrimmages to political debates and issue-based productions, to works of Somerset Maugham and John Le Carre to epic productions about Winston Churchill, Reilly Ace of Spies, and India at the conclusion of Empire. WLVT has won the admiration of its viewers from children to adults.

WLVT entertains, it informs, it inspires, it can galvanize the attention and touch the conscience of a people. WLVT of the Lehigh Valley has been doing its work in the superlative for 25 years now. I'm delighted to see the community honor them on this important occasion in their history, and I wish them many continued years of broadcasting success.●

HOPE FOR AMERICA'S MISSING

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LAGOMARSINO. Mr. Speaker, as a long-time active member of the House Task Force on Prisoners and Missing in Southeast Asia, I have closely followed efforts of the Reagan administration to obtain a full and complete accounting of American servicemen and civilians listed as POW-MIA in Southeast Asia. A satisfactory resolution of this humanitarian issue is sought by this Government, the families who must bear the greatest suffering, and so many others. Yet, the Vietnamese Government has refused thus far to provide detailed information about the over 2,400 Americans still unaccounted for.

Yet, there is always hope. The Congress has shown a keen interest in finding a resolution to the issue, and with the strong direction from the President and his National Security Council staff, the Vietnamese have recently signaled perhaps a slight lessening of intransigence, and a faint increase in their willingness to work with the U.S. Government on the issue. On this topic, I would like to bring to my colleagues attention the following editorial from the Oxnard Press-Courier, dated Saturday, March 16, 1985, entitled "Hope for America's Missing."

HOPE FOR AMERICA'S MISSING

The Vietnamese War left many wounds that have yet to heal. None seem so cruel as that inflicted by Hanoi's calculating policy of withholding information about the fate of 2,483 Americans still unaccounted for.

It has been 12 years now since the last American soldiers left Vietnam. 12 years since the Paris Peace Accords were signed, and nearly 10 years since the betrayal of that agreement resulted in Saigon's fall to the North Vietnamese army. And still, Americans wait for an accounting of sons, brothers, husbands and fathers who never came home and whose fate remains uncertain.

Yet, there is reason to hope. There are indications, faint perhaps but there nonetheless, that Hanoi's intransigence on this matter may be coming to an end.

It is not that the members of Vietnam's ruling politburo are suffering pangs of bourgeois conscience after all these years. Far from it. The Vietnamese have sought all along to extort political and economic concessions from the United States in exchange for the remains of some missing Americans and information about the fate of others whose bodies have not been recovered.

There is even reason to suspect that some Americans are still being held as prisoners of war more than a decade after Hanoi said that all had been released.

Since 1975, The Department of Defense has amassed more than 3,000 reports, mostly from refugees, concerning American servicemen in Southeast Asia.

Of this total, 716 reports were of first-hand, live sightings: Which is to say, living Americans in communist hands in Vietnam, Laos or Cambodia after all American prisoners of war were supposedly released in 1975.

The Defense Intelligence Agency says it has carefully investigated each of these leads. Many witnesses have been given polygraph tests. Reports have been painstakingly checked with information provided by other refugees or obtained from various intelligence sources. This exhaustive sifting process, which has gone on for a decade and continues today, has left 176 reports of first-hand, live sighting "unresolved."

Put another way, the United States government has 176 apparent eye-witness accounts that could conceivably involve Americans still being held prisoner in Communist Indochina. Significantly, the Reagan administration's official position is that it cannot rule out the possibility that some Americans may still be prisoners.

In any case, it could hardly be more apparent that the cold-eyed communists who rule in Hanoi possess no humanitarian instincts at all. What might produce a breakthrough is Hanoi's recognition that the Reagan administration, now in office for another four years, will never consider any concessions to Vietnam until the Vietnamese cooperate fully in resolving the status of every last missing American.

Hanoi's latest action was the return of five more missing Americans. The Vietnamese also hint that further cooperation might be forthcoming on a much expanded scale.

As for any Americans still held prisoner, Assistant Secretary of Defense Richard Armitage said that if and when the administration obtains precise intelligence, "decisive action would be taken."

Hanoi knows that could include the use of whatever armed force was necessary to liberate any American POWs.

The Carter administration, which wanted to normalize relations with Hanoi, paid little heed to the POW/MIA issue. President Reagan made it a matter of "highest priority" immediately upon taking office. That and the necessary firmness may at last be producing results.●

PVT. ROBERT E. BARTLETT II IS AN INSPIRATION TO US ALL

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. YOUNG of Florida. Mr. Speaker, Pvt. Robert E. Bartlett II, a constituent of mine from Treasure Island, FL, who died last year in a tragic accident while on duty in the Middle East, has been honored by the Army for his dedicated service to our great Nation.

The newly constructed Florida Army National Guard airfield at Camp Blanding near Jacksonville, has been named the Anderson-Bartlett Flight Landing Strip in memory of Private Bartlett. The Army also posthumously awarded a commendation medal to Private Bartlett who was promoted to the rank of specialist 4th class.

Private Bartlett volunteered to join the army in 1982 following his graduation from Boca Ciega High School. He was stationed at Fort Brag, NC, as an electrician with the 27th Engineer Battalion, paratroopers of the 82d Airborne Division and later volunteered for duty in Egypt with the Multinational Force Observers. He was killed there in an accident March 29 of last year.

I'm pleased that the Army has recognized the service of Private Bartlett because his is symbolic of the men and woman of our military who have volunteered to defend our Nation around the world. Perhaps the Army, in awarding the commendation medal, best summed up Private Bartlett's devotion to serving our country by saying, "Private Bartlett's enthusiasm and dedication to duty greatly inspired all who came in contact with him."

Each of us owes Private Bartlett a debt of gratitude for making the ultimate sacrifice to preserve our freedom.●

ON THE DEATH OF POOR BABIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, I would like to call to the attention of my colleagues an editorial, "On the Death of Poor Babies," which appeared in the New York Times, Friday, March 15. It describes the fundamental inconsistency between the administration's stated desire to reduce the high infant mortality rates and low birthweight rates among American infants, while at the same time removing the prenatal and infant health care services which are so necessary to healthy outcomes.

It is not enough to say that their approach does not work; the fact is that the administration's policy of reducing support for prenatal and infant health programs is having tragic consequences.

Recent data show that, for the first time in 20 years, progress in reducing the infant mortality rate has stalled. We still rank 12th in the world among developed nations.

Is it knowledge we lack, or technical capacity, or medical personnel, or medical facilities? No; we lack only the will to invest in these mothers and their infants.

These findings come as no surprise to the members of the Select Committee on Children, Youth, and Families. During our hearings held in cities across the country, we saw the early warning signs of this growing tragedy. We also were repeatedly shown how quality prenatal care, adequate nutrition, and the avoidance of alcohol and tobacco are effective in helping mothers have healthy babies. The cost-effectiveness of these preventive approaches has been confirmed again and again, and is described well in the editorial.

We should be proud of our past progress in saving the lives of and assuring the healthy development of infants and young children. We have the knowledge and the means, through preventive care, to save more lives and assure more families a healthy start in life. We should not accept anything less.

[From the New York Times, March 19, 1985]

ON THE DEATH OF POOR BABIES

Dr. Edward N. Brandt Jr., until recently the Assistant Secretary of Health and Human Services, finds some new public health data "disquieting." He had thought America's declining infant mortality rate would reach 9 deaths for each 1,000 births, almost as low as that of Japan and six European countries. "My prediction was wrong," he says, "flat wrong." The rate seems to be leveling off at 11 deaths per 1,000.

That may come as a surprise to Dr. Brandt, but not to many health professionals aware of the Reagan Administration's continuing approach to basic health services: Cut them. What elevates the infant mortality rate? Figures like these: 21 of every 1,000 babies born in the Bronx's Morrisania section will die before their first birthday (compared with 6.2 in Astoria, Queens). So will 17 of those born in New Haven; 22 in Trenton; 55 in the Avalon Park section of Chicago. What these places have in common is poverty.

Three-fourths of all neonatal deaths are related to low birth weight—and that is in turn related to poor maternal nutrition and prenatal care. And the incidence of low-birth-weight babies remains high. More are living beyond their first month, thanks to special hospital neonatal units, but dying before their first birthday. Such deaths, the Public Health Service says, are a serious concern because they're "most susceptible to preventive efforts." Now consider some other figures. The Administration folded maternal and child health programs into a block grant in 1982 and cut spending 18 percent. It cut spending for community health centers 13 percent. The WIC [Women-Infant-Children] program provides diet supplements and checkups for poor pregnant and nursing women and their children—but it has only enough money to reach a third of those eligible. The Administration now proposes more—a limit on Federal Medicaid grants to the states, and a cut that would drop a million participants from WIC by 1986.

These are cruel and foolish economies. A Federal advisory panel estimates that each dollar spent on prenatal care for women at risk of bearing low-birth-weight babies will save as much as $3.38 in specialized care later. Low-birth-weight babies are more likely to suffer cerebral palsy, retardation, seizures and vision problems, and to require public funds for treatment. What kind of way is that to save money?●

OVERTIME COMPENSATION FOR CERTAIN TRAVEL PERIODS OUTSIDE OF REGULAR WORKWEEK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Ms. OAKAR. Mr. Speaker, I am introducing legislation today to provide that Federal workers would be eligible for overtime compensation for certain travel periods outside of their regularly scheduled administrative workweek.

Under current law, Federal employees who must work at their duty stations on a weekend or holiday are eligible for overtime compensation. However, if the same employee is required to travel en route to a training site or a temporary work location on a weekend or holiday, that individual is not entitled to overtime compensation. It seems to me that simple fairness dictates that both employees be treated equally and that they be eligible for overtime compensation for working on their weekends or holidays.

As chair of the Subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee for the past 4 years, I am thoroughly familiar with the torrent of rhetoric from the current administration charging that Federal employees are overpaid. Such statements, however, do not portray an accurate picture of Federal compensation practices.

As a matter of fact, a recent study performed by the prestigious consulting firm of Hay Associates for the Post Office and Civil Service Committee demonstrates that Federal compensation lags 10.3 percent behind the private sector, rising to more than 50 percent for senior executives. When benefits are included, Federal employees trail the private sector by 7.2 percent as a percentage of payroll. In virtually every category of benefits, Federal workers are behind their coworkers in private industry.

Such data is extremely important in creating a true picture of employment practices in the Federal Government, as compared to other sectors of the economy. As chair of the Subcommittee on Compensation and Employee Benefits, it is my intention, during the course of this Congress, to review the compensation and benefit structure for employees of the Federal Government and to attempt to create a system that more closely parallels the compensation and benefits package in private industry.

The bill I am introducing today is a beginning in creating a sound compensation and benefits program that will enhance productivity and morale in the Federal Government. It is time for all of us in Congress to look behind the anti-Federal worker propaganda espoused by the current administration and to focus on creating an equitable personnel structure for employees who spend their working lives implementing the programs that are so important to our country.

I urge my colleagues on both sides of the aisle to join me in supporting this bill and in seeking expeditious enactment of the legislation.●

HARRY HERMAN: A MAN OF COURAGE, JUDGMENT, INTEGRITY, AND DEDICATION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. KEMP. Mr. Speaker, I rise today to pay tribute to the memory of my dear friend, Harry Herman, who passed away in February 1984. Harry was truly a man of courage, judgment, integrity and dedication—and much more. His intelligence and foresight made him a leader in the area of labor-management relations, and his work is being carried on today by his son, Clark. His kindness, his wisdom, and his patriotism will not be forgotten, and I consider it a privilege to have been his friend.

Each year, Harry held a labor-management luncheon in Bal Harbour, FL, during the meeting of the AFL–CIO. I had the honor of speaking before the distinguished group Harry assembled in 1981. This year, the luncheon was held without Harry's physical presence, but I'm sure his spirit was with the group as they paid tribute to him.

I share the remarks of Pete Bommarito of the United Rubber Workers in praise of Harry Herman with my colleagues today. He devoted his life to family, country and bringing labor and capital together and we all are the beneficiaries of his legacy.

HARRY HERMAN: A MAN OF COURAGE, JUDGMENT, INTEGRITY, AND DEDICATION

It is appropriate that this Annual Labor-Management Luncheon honors the memory of Harry C. Herman, a man of courage, judgment, integrity, and dedication . . . a man that we were all proud to know and call friend.

Under Harry's direction, labor leaders and their corporate counterparts gathered in various meetings to establish, renew, or perpetuate relationships based on trust and friendship. He knew, better than most, that the essence of the labor-management relationship was trust between individuals and that this trust was a precondition to industrial peace and cooperation.

Harry believed in organized labor as one of the great and essential institutions of America. Working on the assembly line himself, and living through a depression and World War II, Harry recognized the need of working men and women for a collective voice at the workplace—a way they could communicate their desires, hopes, fears, and aspirations to management. At the same time, he knew that enlightened management, working cooperatively with leaders of organized labor, could create work environments mutually beneficial for all concerned.

Harry Herman's character, integrity, and beliefs were largely formulated during his World War II experiences. As a Lt. Col. in the North African Scilian and French Campaigns, he recieved the Silver Star, two Purple Hearts, and five Battlefield Citations. Due to his service in the French Foreign Legion in North Africa, he received the distinguished French Military Cross. One of his final wartime assignments was to escort Rudolf Hess to America for interrogation. In giving service in defense of his country, his appreciation for being an American grew.

If one were to summarize Harry's professional beliefs, and practices, it would be stated that he genuinely believed in and stimulated the ideal of labor-management cooperation, long before this term became a cliche. This principle of teamwork underlies today's meeting, as well as the many positive relationships that exist throughout the country because of Harry's work. We will long remember Harry's commitment to high ideals and his salient service.

Those of us who knew Harry Herman will agree he was a great man. Some people whose lives touch ours leave a major impact. Harry was such an unforgettable person.

This loving husband and father was my friend and colleague through the many years our work brought us in contact. It was my privilege to know him through the years he worked as a consultant in many labor-management agreements.

Harry and I worked together in solving some difficult problems. I still recal our first contact during December 1968, when we helped to negotiate a contract for Samsonite. Harry's sense of honesty and his keen insight into the complicated problems surrounding contract negotiations led to an amicable agreement that was fair for both sides. Because of Harry's efforts, over 2500 people were able to enjoy that holiday season. In fact, Harry's negotiations became a model for continuing successful labor-management relations that have kept Samsonite strike free since his initial work with the company.

This is only one example of the hundreds of difficult situations Harry resolved through the years, to benefit millions. His ability to clearly assess issues from an unbiased stance and then identify a fair agreement for all were his trademarks. He worked with companies and unions in a positive way that helped everyone involved.

It is especially fitting that we pay tribute to Harry at this time, because it was just one year ago that we experienced his sudden, untimely death, while the AFL–CIO meeting was in session.

Dr. Ron Harris and I had accompanied Harry to the hospital. After his death, we assisted in making arrangements for his burial with full military honors in Arlington National Cemetery—the most appropriate resting site for this hero, who had given invaluable service to his country, as well as to mankind. I still remember the day, cold and drizzly. But as we started the somber drive through the cemetery, I knew I had to walk that last mile with Harry. Clark and Robert Herman, his sons, and Dr. Harris joined me as I followed the horse-drawn caisson bearing his casket, in tribute to Harry.

We miss his physical presence today, but his spirit will not be forgotten. Harry Herman was a giant . . . truly a man of great courage, sound judgment, highest integrity, and loyal dedication.—Pete Bommarito●

THE SELF-EMPLOYMENT OPPORTUNITY ACT OF 1985

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GEPHARDT. Mr. Speaker, economic conditions are changing in America. The unemployment rate stubbornly remains above 7 percent 2 years after we supposedly ended a recession and entered a period of economic growth. Increasing plant closings and relocations are simultaneously laying off large numbers of people and depriving communities of their major source of jobs.

We are witnessing increasing structural unemployment, at least in certain sectors of the economy and certain regions of the country. It is too easy to say today that unemployment is primarily voluntary; there is too much evidence to the contrary.

Regardless of the debate surrounding acceptable levels of full employment-unemployment, I believe it remains a basic tenet of the American dream that everyone who can work and wants to work, should be able to work. We in Congress cannot accept structural unemployment at a rate of 7 percent, or even anything close.

Our Unemployment Insurance Program does nothing to address the problems of structural unemployment. Unemployment insurance was originally intended as a temporary source of income maintenance for people temporarily unemployed.

The program was designed to provide limited funds on a weekly basis, while the recipient was looking for work and holding himself ready for work—work which could reasonably be expected to become available in a relatively short period of time.

Today, however, more than 8 million people are looking for jobs—jobs that might no longer be there for them. Perhaps it is time to change our Unemployment Insurance Program to respond to our changing economic conditions.

My colleagues RON WYDEN, CHARLES SCHUMER, and I believe that we must try, and that is why on March 21, 1985, we introduced H.R. 1690, the Self-Employment Opportunity Act of 1985.

This legislation would enable a limited number of States, if they so choose,

to select a limited number of unemployment insurance recipients and allow them to use their benefits to attempt to go into business for themselves. Current law prohibits such use of unemployment insurance benefits.

Each participating State would design and run its own program. The programs would be evaluated after 3 years. Information from these evaluations would help us determine whether this program should be continued and become part of our ongoing efforts to enable individuals to find and create their own opportunities for participating in our economic system.

It is my hope that designing such an experimental self-employment program would encourage States to think about other measures, on the State and local levels, to support individuals in their attempt to become part of the work force. Such measures are surely needed, and the States are in a better position than the Federal Government to evaluate local needs and exigencies and design flexible and responsive programs.

Supporters of this bill believe that it is time to try a new way of helping the unemployed become self-sufficient and productive. We believe that it is time to ask: Should people lose their unemployment insurance eligibility if they attempt to go into business for themselves?

No one would be required to participate in the program, but in States with pilot programs, the unemployed would have a choice in solving their employment problem—a choice they are denied under current law.

Our current Unemployment Insurance Program does nothing to reduce unemployment; it was not intended to. But today American citizens are being caught up and damaged by economic change. Change is inevitable. We need to be creative and flexible enough to change our legislation to prevent people from being hurt by it.

We need to acknowledge the possibility that in these changing times some people in our economy might not have a job unless they create one for themselves, and we need to enable them to try to do so.

And we must not prejudge, explicitly or implicitly, who among us are capable of creating jobs for themselves. There is no reason to assume that the unemployed are less qualified to start their own businesses than anyone else.

There certainly are criteria which should help us identify those more likely to succeed in a self-employment venture. Under our act, it would be up to the respective States to define these criteria and apply them in their evaluation of applicants to the program.

The point is, simply being the recipient of unemployment insurance should not disqualify a person from the opportunity to start his or her own business.

Some of these self-employment ventures will fail. Many of these recipients would not have found employment under the traditional unemployment insurance program anyway, and all of them will have had the valuable experience of planning and starting up a business—experience that might well make them more employable.

But let us consider those that succeed. Not only will these indviduals be on their way toward self-sufficiency and productive participation in economic growth; there is a good chance that they will help others in the process.

In our country, 90 percent of new jobs created each year are created by new business ventures. In Europe, unemployment insurance-financed self-employment ventures have created an average of 1.7 new jobs per unemployment insurance recipient in the program, within the first 3 years. Imagine enabling a person to stop accepting unemployment checks from the Government and start issuing paychecks to his employees.

Self-employment is not for everyone, and using unemployment insurance to set up self-employment ventures is not the only solution to our unemployment problem. But it might well be part of the solution, and for some people it might be the first step on the road to self-sufficiency.

Let us let them take that first step. Let us give the States the flexibility in their unemployment insurance programs to enable unemployment insurance recipients to do more with their benefits than wait for a job that might never materialize: let us enable them to try to make a place for themselves in our economy.

Let us empower a few more people to pursue the American dream.●

MY PLEDGE TO AMERICA

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GREGG. Mr. Speaker, I am proud to share with my colleagues the winning entry from New Hampshire in the annual Voice of Democracy scriptwriting contest. This contest is conducted by the Veterans of Foreign Wars of the United States, and its ladies auxiliary. More than 300,000 secondary school students participated nationwide this year, competing for the six scholarships which constitute the top prizes. The contest theme was "My Pledge to America."

The winning contestant from New Hampshire is Elise Millen, of Littleton:

MY PLEDGE TO AMERICA

(By Elise Millen of Littleton, NH)

One of the daily routines of my childhood school days was to say "The Pledge of Allegiance". Then, what I was saying had no more meaning than any other daily routine, such as brushing my teeth after every meal. I just did as I was told, as a good child should.

I do not say "The Pledge of Allegiance" very often now, but the words live on in my memory, and the pledge I made as a child takes on a whole new meaning. My pledge to my country is like the marriage vows made between husband and wife at a marriage ceremony. It involves responsibilities, on my part, and on the part of my country.

What my country has pledged to me and every other citizen is written for the whole world to read in our Constitution. Through this document, the founding fathers placed the control of the government in the hands of the people, not just a select few. Their faith in the common man is what caused them to entrust us with the greatest document ever written in the U.S. Constitution, the very document that insures our rights. That is America's pledge to all of us. Whether we crush its high ideals or mold and shape them with the changing of the times, it is all up to us.

While America pledged to me the rights it was my good fortune to be born to, my pledge to America is to protect these rights.

Devotion to one's country is more easily shown in times of peace. In times of war, a country will soon find how devoted its citizens really are to its principles. Many have died a heroic death to make sure these principles lived on for me to enjoy. Because I believe in these ideals, I would fight for their survivial, even if my sacrifice was my own life. To pledge one's life is not something to be done lightly, but by doing so, I would be fulfilling my pledge to protect the Constitution by defending it against outside forces, but not only do forces from the outside have the power to crush the Constitution. The one single force more powerful than all the armies of the world is apathy. The rights given to us were meant to be used.

Many Americans never feel the need to exercise their rights, even if they have provication, whether, as they say, for lack of time, or just plain lack of inclination. The one thing that has kept the Constitution a moving force in our society for so long is the active participation citizens have taken in using their rights. I wonder if they would feel the inclination if it became apparent that, one day, they would lose these rights?

Because I do not want that day to come, I pledge my support and confidence to America by fully exercising my rights once I reach legal age. Such simple things as voting and writing my congressman will not only be my contribution to help my government function, but is my show of confidence in a system of government that has lasted for over two hundred years.

I pledge to make use of all my freedoms. Every American, not just the elected official, has the right to disagree, not only themselves, but openly. This, I believe, is America's greatest freedom, for it is the instigator of all reform and change. I can protest anything, from last month's electric bill, to the invasion of Afghanistan. To protest, is a freedom I can enjoy at my present age. However, I shall also enjoy this right in the latter years of my life, even if that means bombarding the editor of my local newspaper with my letters.

The interests of my country coincide with my interests, since ours is a partnership not unlike that of a married couple. In order to help protect my country and myself, I pledge to stay informed about what happens in and around my country that might affect us. It would seem a little ridiculous to protest the invasion of Afghanistan if I did not know who the invaders were. Informing myself on past and current events will insure that I can carry out my duties with responsibility and knowledgeability.

I pledge to take full advantage of all the rights and freedoms my Constitution allows me, which leads to my last and most important pledge to my country.

Because I love America, I would not follow a government blindly, as the founding fathers would abhor. I pledge to protect and safeguard my country and everything it stands for, not just for my benefit, but for the benefit of all future generations to come. And, rather than being led, I, and every other citizen shall do the leading, into the year 2000 and beyond.●

A NEW DEBATE ON POVERTY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, April 3, 1985 into the CONGRESSIONAL RECORD:

A NEW DEBATE ON POVERTY

In my talks with Hoosiers, I notice a curious reaction to the poor. Hoosiers respond generously to individual cases of hardship. They are quick to offer assistance in cases of personal need, such as a child needing medical assistance. But when asked how to relieve the distress of the poor in a methodical, continuous way, that sympathetic instinct is often lost in the concern that efforts to help will be overwhelmed by cheating and malingering.

Most of us agree that there is too much proverty in America. Despite recent economic growth, proverty is at its highest level in eighteen years. A family of four is considered poor if, in 1983, their annual cash income was less than $10,178. Over 35 million Americans now live below that level, six million more then in 1980. Almost 40 percent of these poor over 65 or under the age of 6. Even so, there does not seem to be a national push to alleviate the plight of the poor. Tnere is not much talk about the poor in Congress. The "war on poverty" has slipped from the national agenda.

During the 1970s most of us held the view that in a healthy economy, public investment could be focused on basic needs—foods, shelter and warmth—for the poor. We expected education, training, nutrition, and health care to lift the disadvantaged from poverty. Those unable to cope, such as th old and disabled, would receive continuing assistance. But economic recession and a recognition of the complexity of the problem undermined this approach. Reports of welfare cheats who accumulated benefits from government programs worsened the situation. A problem that once seemed manageable now seems insoluble.

Today, critics argue that government anti-poverty efforts not only failed, they made matters worse. In this view, the anti-poverty programs of the 1960s encouraged the poor to think that it was not their fault that they were poor. Society was to blame, and society has the responsibility to cure poverty. In this view, as the chronic poor became more dependent on welfare, personal effort declined.

Social spending did increase rapidly over the past decade, but these increases were mostly in programs for the middle class. Federal spending on programs for the poor lagged behind inflation in recent years and continues to decline. The President's budget this year proposes more major cuts in health care, nutrition, job training, housing, and legal service for the poor. Overall, federal aid to the poor is less than 8.5% of total government expenditures.

My view is that many of these government programs, even with their faults, have helped reduce poverty. Major increases in social security benefits, and the creation of Medicare and Medicaid, dramatically reduced the number of older persons in poverty. Other social programs—job training, subsidized housing, nutrition programs—have created opportunities for the economically disadvantaged. Even these programs have not solved the poverty problem, however. They have helped to meet basic needs, and they sometimes provide a valuable "safety net" to alleviate severe hardship among the poorest, but they have not reduced crime, domestic violence, unemployment, or drug addiction. Focusing the poverty debate on budget cuts alone is misleading and unproductive. There is clearly some truth in the view that people will get out of poverty only if they take individual responsibility.

How we attack poverty in the 1980s and beyond presents a formidable challenge. Our past efforts to reduce it have produced mixed results. Congress might resist further deep cuts in current programs for the poor, but there is little support for costly federal initiatives. We need a new debate, similar to the great social debate twenty years ago on the eradication of poverty. Conservatives and liberals alike must reconsider the basic approaches to reducing poverty, and strive for consensus.

Everyone agrees that the best way to end poverty is through economic growth, which increases jobs, wages and living standards. Without economic growth, people at the bottom cannot get jobs to improve their standards of living. Even with strong growth in the last thirty months, however, unemployment remains high and poverty grows. With over 15% of all Americans struggling below the poverty line, it is clear that economic growth is not enough. We need a better approach.

In general, the emphasis of the debate is shifting from a discussion of funding levels to an examination of which approaches provide assistance to the poor most effectively and responsibly. Several suggestions merit closer examination. Changing the tax laws to increase the after-tax income of the working poor would be the simplest way to reduce poverty. Recent changes sharply increased the tax bite on the poorest Americans, who now pay in taxes a percentage of their income roughly equal to what the wealthiest pay. We must also train people and prepare them to take jobs. Genuine equality of opportunity must be at the heart of any anti-poverty strategy.

Another suggestion is to identify the needy better so that we use our resources more efficiently. The present fiscal climate makes it unlikely that Congress will approve new spending to help the poor, but efficient cash transfer programs directed at the neediest would help. Among the suggested reforms are proposals to tie various benefits to employment training programs, and to increase private sector involvement in projects for the poor. Regulatory changes—such as adjusting utilities' rate schedules to enable the poor to meet expenses—would help, as would efforts to prevent poverty through health care and education programs for children in poor families.

Government programs cannot replace individual motivation and effort. We have had only limited success in reducing poverty, but we cannot let disappointing results paralyze us. I keep hoping that one day we will have the wit and compassion to deal decently and fairly with the poor.●

CIVIL SERVICE RETIREMENT SPOUSE EQUITY AMENDMENTS OF 1985

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Ms. OAKAR. Mr. Speaker, I am introducing today the Civil Service Retirement Spouse Equity Amendments of 1985. This bill sets forth a series of technical amendments to the Civil Service Spouse Equity Act of 1984.

As you may recall, the Congress enacted legislation last year to provide spouses and former spouses of Federal employees with important new rights under the civil service retirement system. This landmark legislation was signed into law on November 8, 1984, as Public Law 98-615.

Some of the provisions of Public Law 98-615 were effective upon enactment, and others were effective 180 days after enactment. Those provisions which did not become effective for 6 months were delayed because of the complexity of the legislation and the need to allow the Office of Personnel Management sufficient time to promulgate appropriate regulations.

Unfortunately, the OPM has yet to issue even proposed regulations. We are also concerned, based upon discussions with OPM, that it is taking a much narrower view of some of the provisions of Public Law 98-615 than was intended by the authors of the law.

For these reasons, I am introducing this series of technical amendments. I am also including in this bill a provision to allow all civil service annuitants a second opportunity to choose survivor benefits for their current spouses. Under Public Law 98-615, this option was provided under rather limited circumstances, for a 1-year period, beginning on the date of enactment. Since the OPM has not issued the regulations and nearly 6 months have transpired since the date of enactment, it is only fair that this time period be extended. In addition, by expanding the second election to all an-

nuitants, we will provide civil service retirees with the same right that Congress granted military retirees a few years ago and, in the process, there will be substantial short-term savings for the civil service retirement fund.

The technical amendments also would extend the same pension protections to spouses and former spouses of retirees as those that were created in last year's legislation for spouses and former spouses of employees. In drafting this provision, we have made certain that the existing financial arrangements between annuitants and current or former spouses will not be disturbed and that former spouses will simply have the same rights as if they were married to an active participant in the Federal work force.

It is my hope that Congress will move swiftly on this legislation. Last year, my Subcommittee on Compensation and Employee Benefits conducted extensive hearings on pension rights for spouses and former spouses of Federal workers and annuitants. I believe that the record is clear and that the need for this legislation is great. It is certainly my intention to schedule this legislation for consideration by my subcommittee at the earliest possible date.

I urge my colleagues on both sides of the aisle to join me in supporting this bill and in seeking expeditious enactment of the legislation.●

THE $50,000 GROUP TERM LIFE INSURANCE EXCLUSION SHOULD BE INCREASED

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RINALDO. Mr. Speaker, today I am introducing legislation that would increase to $150,000 the group term life insurance exclusion by amending section 79 of the Internal Revenue Code. The current exclusion, $50,000, has remained in effect since it was originally adopted in 1964. The exclusion from Federal income taxation should be increased to $150,000 for four reasons.

First, since 1964, the base level of the consumer price index has increased by a factor of approximately 3.2.

Second, Federal tax legislation adopted in 1983 and 1984 amending section 79 of the Internal Revenue Code provides that key employees insured under discriminatory group term life insurance programs will lose the benefit of the exclusion and the uniform rate table (table 1) in determining their taxable imputed income. As a result, any increase in the exemption will only be available to employees who are insured under nondiscriminatory group term life insurance programs.

Third, when the $50,000 exclusion was originally proposed, it was intended to encourage the purchase of reasonable amounts of low-cost group life insurance. Today, the combination of an average salary close to $25,000 and group life insurance schedules which normally provide all employees with insurance double their annual compensation has increased the typical employee's taxation.

Finally, with the growing number of employees becoming subject to additional taxation, employers are feeling increased pressure to limit their programs to a maximum of $50,000 of coverage. Any additional amounts are being purchased on an individual-by-individual basis subject to evidence of insurability and employee payment of the full cost. It was never intended that the Tax Code would so severely restrict the purchase of adequate amounts of low-cost group term life insurance. The existing $50,000 coverage exclusion is a particularly low amount in connection with our uniformed public safety employees such as police and fire personnel.

For all these reasons, Mr. Speaker, I am today introducing this legislation, and I urge its support by our colleagues. For the benefit of our colleagues, I am including the the text of this legislation in the RECORD at this point.

H.R. 1968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 79(a) of the Internal Revenue Code of 1954 (relating to group-term life insurance purchased for employees) is amended by striking out "$50,000" and inserting in lieu thereof "$150,000".

(b) The amendment made by subsection (a) shall apply to group-term life insurance provided after December 31, 1985, in taxable years ending after such date.●

HYDROELECTRIC FACILITY RELICENSING AMENDMENTS OF 1985

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, today I am introducing legislation which will affect the relicensing of hydroelectric powerplants throughout the country. Not only will this bill direct the Federal Energy Regulatory Commission [FERC] in its efforts to relicense operating plants but it also will serve the public's interest by assuring that only economically and environmentally sound plants are relicensed.

This issue concerns what is often referred to as the "preference clause." It dates back to the Federal Power Act of 1920 which gave municipally owned utilities a preference in the original licensing process. Because the law failed to address what criteria should be used when the license expired and the plant needed to be relicensed, the FERC has lacked direction and issued conflicting interpretations of the law.

My bill, the Hydroelectric Facility Relicensing Amendments of 1985, will correct the problem by directing the Federal Energy Regulatory Commission [FERC] to consider four factors when reviewing relicensing applications. They are:

First, the applicant's ability to efficiently use the waterway's power potential in a manner which provides public benefits including navigation, flood control, irrigation, and recreation;

Second, the applicant's capacity to protect and mitigate any adverse environmental impacts by enhancing fisheries, wildlife, natural, cultural and recreational resources in an economically sound manner,

Third, the applicant's ability to encourage or assist its consumers to cost effectively conserve electricity, and

Fourth, the costs which will be passed onto the consumer if the plant is relicensed to the applicant and if it is not.

These four principles are guidelines for the FERC to use when reviewing applications. They insure that only those applications which meet a public interest test, an environmental protection, mitigation and enhancement test, an energy conservation test and an honest test of economic impact on consumers will be granted licenses. In the event the applications of any two applicants equally meet the four tests, the bill provides that FERC would issue the permit to the existing licensee.

This bill will not preempt the authority granted in pending legislation such as H.R. 44 introduced by Congressman SHELBY which I cosponsored. This bill merely complements the Shelby bill which asks FERC to grant the existing licensee a new license unless it is determined that the existing licensee's project does not best utilize the waterway. The concept of my bill was included in legislation introduced in the last Congress by our retired colleague RICHARD OTTINGER, the chairman of the House Energy Subcommittee on Energy Conservation and Power.

I encourage my colleagues to join me in support of the Hydroelectric Facility Relicensing Amendments of 1985.●

BASHING JAPAN IS BASHING THE UNITED STATES

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. SHUMWAY. Mr. Speaker, not very often do I find myself in agreement with the editorials published in the Los Angeles Times. However, on March 31, that newspaper featured an editorial entitled "Bashing Japan is Bashing the United States" which should have been required reading for every Member of this House prior to last night's unexpected, and unfortunate, vote to blame Japan for our trading ills. As one of the 19 Members who opposed the resolution, I was frankly appalled that Congress could be so hasty, so shortsighted, and so irresponsible.

The United States is the leader of the free world in the realm of trade and, despite the trade deficit, our exports were good for us and good for our allies last year. For example, we exported $38 billion worth of agricultural goods. I concede that it would be desirable for us to export more. I concede that Japan has been slow to open her markets to our imports, and that it would be appropriate for us to take meaningful action vis-a-vis any nation with policies which impede free trade. However, last night's resolution not only fell far short of the desired mark—it may well damage our own citizens and consumers.

Protectionist measures can only hurt Americans. In the words of the editorial I will share with my colleagues, "it is a truism as old as commerce itself that when trade is restricted, consumers suffer." We invite—indeed, encourage—retaliation on the part of our trading partners, and that retaliation will have a far more detrimental effect than what we are now experiencing.

The measure passed last night reflects a desperation among politicians who are eager to please their constituencies, but reluctant to vote for spending reductions. Ironically, Congress has at its disposal perhaps the most effective tool to enhance our trade position. Few dispute the fact that the strong dollar is a major cause of the trade problem. American goods cost more abroad; foreign goods are cheaper here. Congress should have the courage to reduce spending and the deficit, thereby easing interest rates which produce the overly strong dollar. Sadly, instead of facing its responsibilities and acting to correct the trade deficit, Congress chose to lash out at U.S. allies, hanging the blame for our dilemma around their necks. I believe that in so doing we perform a grave disservice to the United States and to her trading partners.

In addition to congressional action reducing Federal spending, there are other appropriate—and effective—steps for us to take. Renewed trade negotiations is an appropriate route to follow and, if violations or inequities are suspected, we should file appropriate actions with the GATT. If GATT itself is found wanting or inadequate, then steps should be taken to strengthen it.

There are several meaningful approaches for us to take, any of which would be far more fitting and responsible than the antagonistic action taken last night. Those approaches are well outlined in the editorial I will share with my colleagues at this point. As the article concludes, the retaliatory action Congress wants to adopt will hurt Americans most of all in the long run.

The article follows:

[From the Los Angeles Times, Mar. 31, 1985]

BASHING JAPAN IS BASHING UNITED STATES

Japan accounted for about one-third of the $123-billion trade deficit that the United States ran last year, but as far as Congress is concerned Japan accounts for virtually 100% of the worry and frustration prompted by the imbalance. The result is an increasingly angry and even ugly congressional mood that threatens not only to damage U.S.-Japan relations but to bring considerable harm to American consumers as well.

That mood was explosively demonstrated last week when the Senate, on a 92-0 vote, advised the President to take harsh measures if Japan doesn't quickly become more accommodating in its trade policies. In the House, at the same time, a powerful committee chairman was demanding that the United States start regarding Japan the same way it does the Soviet Union—as an antagonist. If the mood that these attitudes reflect is not entirely rational, least of all in urging punitive actions, neither is it entirely unprovoked. Japan has indeed stubbornly resisted the kind of liberalization of its import policies that could ease the trade imbalance. That resistance, though, hardly makes what Congress is threatening to do any more sensible or any more beneficial to Americans.

All nations, including the United States, shield some of their domestic producers against foreign competition. But no major trading nation more insistently maintains protective barriers against legitimate competition than does Japan. Congress, upset about the overall size of the trade deficit but unsure of what to do about it, has become especially agitated by Japan's posture in trade negotiations. But in its alarm Congress is cranking up to force measures that, while they would certainly harm Japan, would be unmistakably self-wounding to America.

One of those measures came out of the Senate Finance Committee the other day, in a resolution that labeled Japan an "unfair trader" and called on President Reagan to restrict Japanese imports unless more goods from the United States are quickly allowed into the Japanese market. The resolution calls for freezing the American trade deficit with Japan to last year's level. Since Japanese car imports are scheduled to rise this year, adding $2.5 billion or so to the deficit, that would require reducing other Japanese imports by a like amount. The resolution is non-binding. But the sentiment in Congress is such that a formal insistence for trade sanctions could soon be made.

Genuine trade grievances do exist with Japan, most notably right now over the issue of American access to the Japanese telecommunications market. But Congress should know that even if Japan removed all its trade barriers, the bilateral trade balance would remain very much in Japan's favor. The Treasury's own figures show that fully free market access would likely produce no more than $10 billion a year in additional American sales to Japan. That's certainly not peanuts, but neither is it the solution for closing the trade gap.

The fact is that Japan sells a lot of things that Americans want to buy, ought to be free to buy, and benefit from having, and so long as that remains true a trade deficit seems inevitable. That's not an excuse for Japan to hold fast to its protectionist policies; there is plenty that it can do to open its markets and reduce the deficit, and those things ought to be done. But it is an argument against the kind of vindictive and ineffective measures that Congress has in mind. It is a truism as old as commerce itself that when trade is restricted, consumers suffer. Four years of auto-import quotas that cost car buyers billions of dollars in overpayments has provided suffering enough.

The easing of auto quotas ought to bring car prices down before long. But the probable increase in imports from Japan, by as many as 450,000 cars a year, can also be expected to intensify congressional calls for a confrontational trade policy, all in the name of reducing the trade deficit. In fact, though, that deficit is likely to remain huge regardless of what Japan does or what Congress does to Japan.

The deficit has swollen to its current size mainly because the dollar is so strong. That strength makes American goods more expensive abroad and foreign goods cheaper here. Bashing Japan is clearly not an effective or responsible way to address this larger issue. The trouble is that in the present atmosphere responsibility may be forgotten, with grievous consequences for everyone involved. That's why Japan should treat what is happening in Congress now with the utmost seriousness. It is why Americans should be doing so as well, for in the end the retaliatory course that so many in Congress want to adopt would hurt them most of all.●

WELL DONE, CHAIRMAN GREEN

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FRENZEL. Mr. Speaker, today the Journal of Commerce's lead editorial was a tribute to Federal Maritime Commission Chairman Alan "Punch" Green. Chairman Green has just resigned to return to private life in Oregon. According to the Journal he "left some very big shoes to fill."

The editorial praised his leadership in the passage and implementation of the Shipping Act of 1984, the primary goal of the FMC during the first

Reagan administration. It noted that he reduced the FMC staff by 30 percent through attrition, without a decrease in effectiveness.

These are only a few of the reasons that Senator BOB PACKWOOD's statement that Punch Green is the "finest Commissioner in FMC history" is being repeated throughout the maritime industry and the trade community.

America ought to be very grateful for the services of Punch Green, and many people like him who leave more comfortable, and much more remunerative, positions at home to serve their country.

Well done, Chairman Green. Your fellow citizens thank you for your unselfish, effective service for all of us. I wish you and Joanie health and happiness in whatever you do, and I wish you many pleasant trips to visit your grandchildren in Minnesota.●

JOIN THE BATTLE AGAINST DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RANGEL. Mr. Speaker, the New York Post of March 18, 1985, published a column by Jack Anderson, entitled "Join the Battle Against Drugs." Mr. Anderson provided an important public service by listing some concrete steps Americans can take in the battle against drugs. Mr. Anderson suggests that people choose whose side you're on, and demand that local police and school authorities crack down on drug trafficking. He urges people who know who drug pushers are report them to the Drug Enforcement Administration. He calls for a boycott against movies and records that glamorize drugs. Finally, he urges people to withdraw their money from banks that launder drug profits.

Too often the war against drugs is discussed only in terms of what governments can do to curtail drug trafficking and abuse. It is important to remember that people not governments use drugs, and that people can help improve the situation simply by refusing to use drugs. I commend Mr. Anderson for his column, and ask that it be inserted in the CONGRESSIONAL RECORD at this point.

The article follows:

[From the New York Post, March 18, 1985]

JOIN THE BATTLE AGAINST DRUGS

(By Jack Anderson)

The drug lords have declared war on the U.S. government.

They kidnapped and killed an agent of the Drug Enforcement Administration in Mexico. They paid a gunman $500,000 to murder U.S. Ambassador Edwin Corr in Bolivia. They exploded a bomb ouside the U.S. Embassy in Columbia. They killed 19 members of a U.S.-sponsored program to eradicate coca bushes in Peru.

They put a price on the head of ex-DEA chief Francis Mullen. They threatened to kill five Americans for every drug dealer extradited from Columbia to the U.S. They placed a $300,000 bounty on DEA agents, dead or alive. They dispatched hit teams to gun down drug enforcement officers.

This brazen challenge by the underworld, backed by billions in illicit drug profits, must be met before it destroys our country. Already there has been a breakdown of law and order in the U.S. This will be followed by chaos unless the drug gangs are smashed.

Cuba's Fidel Castro is betting the U.S. will lose the drug war. Intelligence reports say he is secretly encouraging and supporting the drug trade. The depravity of the "Yanquis," he has boasted, will bring down the U.S.

I think he's wrong, but emergency action is needed. Here's what I urge Americans who love their country to do.

Choose whose side you're on. Those who use cocaine and other "trendy" drugs are financing lawlessness in America. All it would take to defeat the drug lords is for their customers to stop using the stuff.

Demand that your local police and school authorities crack down on drug traffickers. Give no quarter to the street-corner and schoolyard pushers who are poisoning our children and ruining their lives. The drug dealers are cutting prices, my sources say, in order to hook more kids.

If you know who the drug pushers and peddlers are, send whatever evidence you have to the Drug Enforcement Administration, 1405 I Street, N.W., Washington, DC 20537.

Boycott movies and records that glamorize drugs. I urge an "X" rating on any movie that depicts drug abuse without showing the dreadful consequences that follow.

Withdraw your money from banks that launder drug profits. President Reagan has unleashed the desk-bound accountants of the Justice and Treasury departments to crack down on the money-laundries. Congressional investigators are also looking at money laundering.●

INTRODUCTION OF H.R. 1930, LEGISLATION PROVIDING FOR THE SALE OF CONRAIL

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, today Congressman DUNCAN, the ranking minority member of the Committee on Ways and Means, and myself are introducing legislation which provides for the tax treatment of the transfer of ownership of the Consolidated Rail Corporation [Conrail] to the Norfolk Southern Corp. The bill also amends the Regional Rail Reorganization Act of 1973 to effect such transfer of ownership.

The fact that I have introduced this legislation does not indicate that I approve of the sale of Conrail. In fact, I have not taken any substantive position—either for or against—the sale.

This bill is not intended to modify those tax consequences which are contemplated by the Department of Transportation and Norfolk Southern, but rather attempts to implement the plan of the Secretary of Transportation to transfer Conrail as described in the memorandum of intent, signed by both parties.

Since the Secretary's proposal to sell Conrail clearly raises as many significant questions of Federal tax policy as it does transportation policy issues, Congressman DUNCAN and I have introduced this legislation so that these important policy issues could be clearly identified and properly referred under the House rules respecting committee jurisdictional responsibility and expertise.

I want to emphasize that this legislation is intended to provide to Norfolk Southern those same tax consequences which are provided under the Secretary's proposal. No attempt has been made to pass judgment on these tax consequences and no attempt has been made to make substantive alternations to these tax results.

Examples of tax-related issues which are raised by the Secretary's plan and this legislation include: First, the elimination of Conrail's tax attributes including the net operating losses and investment tax credit carryovers; second, the cancellation of certain Conrail debt and preferred stock; third, the treatment of Conrail's employee stock ownership plan; fourth, the treatment as dividends of future Norfolk Southern distributions; fifth, the treatment of Conrail's basis in its assets, including the potential for, and significance of, any built-in loss; and sixth, guarantees or warranties by the Federal Government of certain tax results.

In order to assist the Congress in determining if Conrail should be sold, as has been proposed by the Secretary of Transportation, I expect that the Committee on Ways and Means will commence its review of the tax-related aspects of the proposed sale in the near future. Upon conclusion of this review, everyone will be in a better position to determine the extent to which tax-related conditions of the sale are consistent with operation of current tax law and sound tax policy. Only then can the Congress address the question of whether the proposed sale of Conrail represents sound public policy.

REPEALING CONTEMPORANEOUS RECORDKEEPING REQUIREMENTS

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ROWLAND of Connecticut. Mr. Speaker, I am pleased that the U.S. House of Representatives passed legislation to repeal the burdensome and costly contemporaneous recordkeeping requirements yesterday evening. As a strong opponent of the new regulations from the start of my term, I became an original cosponsor of H.R. 600 in January. This bill, the Taxpayer Relief Act of 1985, called for the outright repeal of the recordkeeping requirements.

During the first months of this session, I have received hundreds of letters from constituents expressing their resentment and outrage for the rules. Their complaints focused on the burdensome nature of the regulations and the labor costs inflicted on businesses. Of the scores of letters sent to me, not one of them favored keeping the requirements in place.

I am hopeful that the U.S. Senate will swiftly follow suit on this matter and that President Reagan will then sign a measure repealing the recordkeeping rules. It is my goal to continue my work on this issue until that objective is realized.●

INTRODUCTION OF LEGISLATION TO REQUIRE CARIBBEAN BASIN INITIATIVE COUNTRIES TO SHARE TAX INFORMATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. STARK. Mr. Speaker, I am introducing today legislation to amend the CBI Act to require that a country may not be designated as a beneficiary unless it enters into an agreement with the United States to provide for the exchange of tax information.

This bill is the same one I introduced in the 98th Congress, H.R. 5558, and described in the RECORD of May 1, 1984, page H3243.

We need the cooperation of our Caribbean neighbors if we are ever to make a dent in the drug and organized crime activities in this country. Instead of cooperation, we all too often get the governments themselves sheltering criminal elements. The recent arrest of the head of state of the Turks and Caicos, the recent foot-dragging in the investigation of the murder of our DEA agent in Mexico, are examples of the kind of problems we face in law enforcement in the Caribbean area.

We should not be rewarding with trade gifts those countries who refuse to cooperate with us in tax information sharing. Tax information sharing is a key investigative tool in tracking organized crime and drug figures. The nations of the Caribbean which resist information sharing and hold themselves out as tax havens are actively seeking blood money. They are seeking the profits from drug trafficking. They are soliciting the loot of organized crime, and money from unpatriotic citizens cheating on their taxes.

My bill requiring information sharing in exchange for trade benefits is a reasonable condition to impose upon a process designed to invigorate the economy of the Caribbean community.

I hope that we can see enactment of this bill in the 99th Congress.●

ANTIOCH, CA, OPPOSES SAN LUIS DRAIN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, many of the Members of the House are aware of the very serious agricultural wastewater problem in California which has recently received a great deal of attention.

Drain water from irrigated farmland in the Central Valley has been transported via a federally constructed canal, the San Luis Drain, to the Kesterson holding reservoir. In addition to serving as an evaporation facility, Kesterson is a wildlife refuge used by migratory birds along the Pacific flyway.

Two and one-half years ago, scientists found widespread bird mutations, and embryonic deformities among the coots, grebes, and other wildfowl nesting at Kesterson. The cause, it was found, was the naturally occurring selenium which was deposited, along with the drainage water, in the Kesterson reservoir.

For my constituents in Contra Costa County, the San Luis Drain is not an issue of recent vintage. For the 11 years I have served in this body, I have vigorously opposed the plans of irrigators and the Bureau of Reclamation to extend the drain northward and to discharge the tainted wastes into the fragile bay-delta system near the city of Antioch.

The recent revelations about the contamination at Kesterson confirms our longstanding opposition to that ill-conceived project. Last month, in fact, Secretary of the Interior Hodel announced plans to shut down Kesterson and the San Luis Drain.

As chairman of the Subcommittee on Water and Power and as a Californian vitally concerned with my State's economic and ecological future, I intend to work closely with my colleagues to solve the drainage problem while maintaining a vigorous agricultural economy in the Central Valley.

But the solution to the valley's drainage problem is assuredly not to transport its contaminated wastes to other regions of California. I am appreciative that my colleagues from California agree that the solution to the drainage crisis must be found in the Central Valley.

I would like to share with my colleagues a resolution recently passed by the city council of Antioch, where the drain's proponents would have it terminate. This resolution expresses that city's vigorous opposition to extension of the San Luis Drain to the Delta. And I want to congratulate Mayor Joel Keller and the members of the council for their vigorous statement on behalf of the people of Antioch.

RESOLUTION No. 85/40

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH DECLARING ITS OPPOSITON TO THE EXTENSION OF THE SAN LUIS DRAIN TO THE DELTA

Whereas, agricultural drainage water from the San Luis Drain service area contains high concentrations of chemicals, including selenium, various heavy metals, and agricultural pesticides and herbicides; and

Whereas, these chemicals include those which are subject to specific regulation and limitations on concentrations, due to adverse effects on the beneficial uses of water; and

Whereas, at the present time, the kind and concentration of the chemical constituents of the drainage water and their effect on human health and the environmentally sensitive Delta are not fully known; and

Whereas, the extension of the San Luis Drain, as has been proposed, to the Sacramento-San Joaquin Delta or to a water course tributary thereto could damage the environmentally sensitive Delta and adversely affect human health and the beneficial uses of Delta waters; and

Whereas, the effects of discharge of drain water to the Delta would be highly dependent on the future water project facilities and operations of the Federal Central Valley Project and State Water Project, which have not been defined; and

Whereas, among the probable adverse effects of extending the San Luis Drain as presently contemplated to the Delta would be the impairment of beneficial uses of water in the Delta including:

Creation of serious health hazards for a majority of the population of California whose present domestic water supply comes from the Delta;

Economic losses to industry and agriculture resulting from the degradation of Delta water;

Deterioration of the fragile ecosystem which supports the Delta's plant and animal life;

Diminishing the aesthetic and recreational values of the Delta; and

The rendering valueless of the Contra Costa Water District's important water supply from the Delta and the District's diversion works, pumping plant and facilities at Mallard Slough.

Now, therefore be it resolved by the City Council of the City of Antioch That this

Council hereby declares its vigorous opposition to the extension of the San Luis Drain to the Sacramento-San Joaquin Delta or its discharge in any fashion into any water course tributary to the Delta.

Be it further resolved That this City Council strongly supports the creation of an objective and independent state-wide task force which would investigate the alternatives available for the disposal of agricultural drainage water from the San Joaquin Valley in an environmentally safe manner.

* * * * *

I hereby certify that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 12th day of March, 1985, by the following vote:

Ayes: Council Members Price, Fontana, Stone, Beatty, and Mayor Keller.

Noes: None.

Absent: None.

DOROTHY P. MARKS,
City Clerk of the city of Antioch.●

THE DISTINGUISHED CAREER OF MALCOLM BALDRIGE, SR.

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. DAUB. Mr. Speaker, this past January, we lost one of America's most outstanding citizens and public servants. Malcolm Baldrige, Sr., passed away at the age of 90, but he left behind a legacy of dedication and commitment to this Nation that merits our appreciation and our admiration.

A veteran officer of both world wars, Mr. Baldrige's memorable career included service in both the U.S. Congress and the Nebraska State Legislature. In these positions he promoted the highest standards of public service and earned the deepest respect of not only his fellow Nebraskans but also those who had the privilege to work for him and with him.

Malcolm Baldrige, Sr.'s record of accomplishment will stand as a lasting tribute to this patriotic and distinguished American. I take this opportunity to share with my colleagues an editorial from the Omaha World Herald that highlights his life-long achievements and his selfless contributions to this Nation.

BALDRIGE'S MEMORABLE CAREER

Some younger Nebraskans might associate the name of H. Malcolm Baldrige with his son, Commerce Secretary Malcolm Baldrige Jr., or his daughter, Letitia Baldrige, a widely known columnist, author and former secretary to Jacqueline Kennedy.

But the senior Baldrige, who was born in Omaha, had a long, varied and distinguished career as a lawyer, politician, military officer and Washington lobbyist. He served as a Republican congressman from Nebraska's 2nd District in 1931 and 1932 and was chief fund-raiser for the Republicans in the 1936 presidential election.

Baldrige was an artillery captain in World War I. In World War II, as an Army Colonel, he spent 10 months in the Balkans directing the capture of Bulgarian Nazis and helping to rescue shot-down American airmen.

Baldrige was asked by Queen Johanna to deliver a small purple case to her brother, Prince Umberto of Italy. Baldrige did so—and was informed later that the case had contained Bulgaria's crown jewels.

Baldrige was a husky, 6-foot, 2-inch lineman on the Yale football team and was an Eastern intercollegiate wrestling champion for three years. He later coached football briefly at Creighton University.

His Nebraska record includes service in the Legislature, on the Metropolitan Utilities District board and as an assistant Douglas County attorney. He wound up his career as general counsel of the U.S. Cane Sugar Refiners Association in Washington.

Baldrige died Saturday in a Connecticut nursing home at the age of 90. He outlived many of his contemporaries and people with first-hand recollections of his achievements on the national scene. But he deserves to be remembered as one of Nebraska's outstanding citizens.●

MIKHAIL GORBACHEV

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for March 1985 into the CONGRESSIONAL RECORD:

The newsletter follows:

MIKHAIL GORBACHEV

Less than four hours after the death of Soviet leader Konstantin Chernenko was announced to the Soviet people on March 11, Mikhail Gorbachev was named the new General Secretary of the Communist Party of the Soviet Union. With his ascent, the Soviet Union began its long-awaited shift to a new generation of leadership.

Who is Mikhail Gorbachev? At 54, he is the youngest Soviet leader since Stalin. He has the best formal education of any Politburo member, and is the first leader since Lenin to complete university training. He is quick-witted and articulate. During recent trips to Great Britain and Canada, his style and energy marked a sharp contrast to his gray and somber predecessors.

Gorbachev was born to a peasant family in good farming country in Stavropol, in southern Russia between the Black and Caspian seas. Too young to fight in World War II, he nonetheless saw the Nazis occupy his home town. After the war, he drove a tractor at age 15 and joined the Communist party at age 22, beginning a long association with both agriculture and party organizational work. In the early 1950s, he studied law at the prestigious Moscow State University.

His rise is associated with two powerful political patrons, both natives of the Stavropol area: Mikhail Suslov, a long-time Politburo member; and Yuri Andropov, KGB chief, and later General Secretary. Gorbachev became a member of the Supreme Soviet in 1970, and a member of the Party's Central Committee in 1971. He was appointed to the ten-member Secretariat of the Party in 1978, then named a candidate member of the Politburo in 1979. In 1980, he became its youngest full-voting member. By Soviet standards, his was a meteoric rise through the party ranks.

He must indeed have had powerful friends, since in the Secretariat his primary area of responsibility was agriculture, where he presided over several poor harvests. Bad weather was a factor, but it is noteworthy that these results did not slow Gorbachev's climb.

When Andropov succeeded Brezhnev in 1982, Gorbachev's responsibilities in economic affairs expanded. He was associated with Andropov's anti-corruption campaign, and with the promotion of younger and more technically-trained party members. Apparently, he was being groomed to succeed Andropov. However, when Andropov died in February, 1984, the old guard chose Chernenko instead. Many analysts believe that at the same time it was decided that Gorbachev would succeed Chernenko. The speed of his succession seems to confirm this. If he has strong opposition, it was not apparent in the smooth transition.

What can we expect from Gorbachev? He will certainly bring polish and vigor to the Kremlin. I would expect him to try to improve morale and energize the Soviet bureaucracy, and to crack down on corruption. But it would be a mistake to predict major changes in relations between the Soviet Union and the U.S. It is important to remember that, since Stalin—and because of Stalin's excesses—the Communist Party has ruled through collective leadership. The Soviet Union will try to portray Gorbachev as a strong leader, but he is only first among equals and still a part of the collective leadership.

Moreover, it usually takes a Soviet leader years to consolidate authority. Because Gorbachev is young and likely to last, his rivals—including his closest rival for the party leadership, Grigory Romanov—will probably challenge his attempts to promote allies. Gorbachev's impact on the party program at the 27th Party Congress, and the replacements for several empty Politburo seats will give clues to his success. He has a unique chance to strengthen his power base and put his stamp on Soviet policy.

Gorbachev seems unlikely to turn the Soviet Union upside down. A reformer within the system, he is not a reformer of the system. He supports the dominance of the Communist Party, a rising military budget and a special role for the secret police, the KGB. In foreign affairs, Gorbachev has shown skill at western-style diplomacy, but he is inexperienced and is likely to follow the lead of Foreign Minister Gromyko and the Politburo consensus, at least for a while. On human rights he has reflected Politburo intolerance for dissent, and his pronouncements on culture and ideology have followed standard Kremlin lines.

My feeling is that Gorbachev's greatest influence will be in economic affairs. His pragmatism on economic policy makes him a liberal by Soviet standards. Last December, he called for a transformation of the Soviet economy, and in his acceptance speech he talked of restructuring the base of production. He is believed to support monetary incentives, greater flexibility for managers, some market-oriented reforms, and other measures to improve economic efficiency. The Soviet bureaucracy has defeated such reforms before, however, and they are not as ambitious as those carried out in Hungary and China. There is no hint that he will advocate genuine diffusion of the monolithic political power concentrated in the Krem-

lin. No reforms will be undertaken that could undermine the political system.

Still, it is intriguing to consider what a young leader in Moscow might accomplish and what it would mean for the United States. We like the idea of an energetic reformer devoted to improving the lives of his people. We believe that such a leader would make his country more like ours, and that this change would improve relations. But we should have no illusions about Gorbachev or the U.S.S.R., a country with a vastly different political tradition and view of the world from ours. A more efficient and dynamic Soviet Union would be a formidable adversary and could represent a greater threat to western security than it does today.

We should recognize that, despite all that has been written, we do not know Gorbachev's views on most issues. We should be cautious in making predictions about him and the changes he is likely to bring.●

TRADE LAW MODERNIZATION ACT

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GUARINI. Mr. Speaker, Representative JOHN DUNCAN and I are introducing today the Trade Law Modernization Act, a comprehensive measure to correct many of the problems confronting the United States in international trade. Senator HEINZ will introduce companion legislation in the Senate later this month.

The need for trade law modernization is clear. Almost 3 million American workers have lost their jobs from record-level import penetration. United States and international trade laws under the General Agreement on Tariffs and Trade [GATT] are outdated and inadequate. Our workers are competing against foreign targeting of our industries, foreign government subsidies, dumping practices, and many quasi-legal trading practices. And, American businessmen continue to find foreign markets closed to them.

This is especially the case with Japan. Nearly one-third of our growing $123 billion trade deficit is with this one country. We are blatantly excluded from their markets while they target our markets for increased export sales. This measure tells the Japanese that we are tired of playing on a field tilted heavily in their direction. We are capable of strongly responding to their practices, and this legislation is the vehicle for doing so.

This bipartisan legislation sets forth the objectives of U.S. trade policy and clearly defines our trade negotiating goals. It makes our trade remedy laws more responsive to American firms and workers that are injured by imports. Also, industrial targeting and the two-tier pricing of natural resources would be clearly defined as illegal trade practices.

This legislation provides a much needed improvement in our country's ability to implement a coherent and forward-looking trade policy. It not only modernizes our trade laws so that they are relevant to today's trade problems, but it also provides an overall framework within which those laws can be administered.

This measure significantly depoliticizes trade remedy determinations by putting policy decisions in the hands of the person designated by the President as the Nation's trade policy coordinator, someone like our special trade representative, who must respond to both the President and the Congress.

Our measures goes to the heart of the market access problems confronting U.S. producers. Straightforward language defines the negotiating authority and retaliatory powers of the administering authority. Special provisions relating to government procurement codes, such as in the telecommunications market, are included.

There is innovative language in this legislation establishing a business-labor-government-partnership to assist industries in staying competitive.

This bipartisan legislation is supported by the Labor-Industry Coalition on International Trade [LICIT], a coalition of major companies and unions representing the common interests of American firms and workers in increased, balanced and equitable trade.

The membership of LICIT includes AT&T; Bethlehem Steel; Amalgamated Clothing and Textile Workers Union; Communications Workers of America; Corning Glass Works; International Union of Electrical, Radio and Machine Workers; International Brotherhood of Electrical Workers; American Flint Glass Workers Union; the BF Goodrich Co.; Industrial Union Department, AFL-CIO; Ingersoll Rand Co.; International Ladies Garment Workers Union; International Association of Machinists and Aerospace Workers; United Paperworkers International Union; United Rubber Workers of America; the Signal Companies, Inc.; St. Joe Minerals Corp.; United Steelworkers of America; W.R. Grace & Co.; Westinghouse Electric Corp.

For further information a summary of the provisions of this important measure follows:

THE TRADE LAW MODERNIZATION ACT

SUMMARY OF PROVISIONS

This legislation establishes a national trade policy for the United States that gives the nation's performance in international trade appropriately greater importance in the formulation of government policy. The goals of United States trade policy are clearly stated and new negotiating objectives are defined.

Procedures for establishing our nation's trade agenda on an annual basis are provided in this legislation so that a regular and ongoing dialogue on trade matters between the general public and the government is ensured.

The chief American trade policy spokesperson is given expanded trade law responsibilities and powers so that United States trade policy interests can be better represented in discussions and negotiations with other countries.

U.S. trade laws are amended so that industrial targeting practices of other countries that cause harm to American firms and workers can now face swift and appropriate action by our government. Actions available to the government include more than just import restrictions, but extend to areas of domestic assistance and international negotiations.

Special negotiating authority is provided the government to achieve fair and equitable market opportunities for U.S. producers where such opportunities are unfairly denied them by foreign government practices. This authority extends to unfair and discriminatory state buying practices of other countries and to situations where American administrative or judicial decisions substantially alter access to our market without any corresponding opening in markets overseas.

The procedures for obtaining relief from imports that are causing economic harm to domestic firms and workers are modernized in two important ways. First, the standard for determining whether harm has occurred to domestic parties is made to conform to the international standard of the General Agreement on Tariffs and Trade (GATT), the international body that sets trade rules. This new standard is a less ambiguous and stringent standard than currently exists in U.S. law. Second, enhanced industry competitiveness is made a purpose of action under this trade law and an alternative procedure is set up to achieve such a result. This change is designed to make sure that any temporary import restrictions that the government may impose result in a positive benefit to the economy as a whole.

The laws that address unfair trade practices of other countries are updated to cover new forms of unfair competition, including the practice of underpricing government-owned or controlled natural resources to unfairly subsidized exports.

The legislation establishes a government data gathering and analytical capability to ensure that policy decisions are based on timely and accurate information.

The Presidential authority to respond to balance of payments problems is updated to correspond to today's more volatile foreign exchange markets.●

SUBMINIMUM WAGE IS SUBPOVERTY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, once again the Reagan administration has proposed implementing a subminimum wage for youth as a means of reducing unemployment and of facilitating job training.

This proposal is a ruse which deserves vigorous opposition. As chairman of the Subcommittee on Labor

Standards during the past 4 years, I held several hearings on this plan. The evidence against a subpoverty wage is overwhelming.

The fact is that a minute fraction of employers today utilize programs which permit payment of a subminimum wage to students. Estimates of hundreds of thousands of new jobs resulting from the administration's initiative fail to explain why current law has failed to produce those jobs.

No; the subpoverty wage will not stimulate creation of new jobs. It will demean labor; it will set parent against child in the struggle for low-wage employment; and it will create havoc for business and Government because of costly and intrusive regulation and enforcement.

This Nation is committed to paying a decent wage to a man or woman for an hour's work. Let us not sanction wage discrimination based on age. Rather, let us commit ourselves to decent wages for all workers.

A subminimum wage, that would leave its earner well below the poverty line, is insulting to all labor—youth or adult. It is a fraudulent elixir which will not eliminate unemployment or train youth for the highly skilled and competitive jobs they need.

The following editorial from the New York Times eloquently challenges the administration's subpoverty plan. I commend it to all my colleagues.

WHY PAY LESS TO TEENAGERS?

Would a subminimum wage alleviate high unemployment among teen-agers? The Reagan Administration thinks so. It plans to resubmit legislation to establish a "youth employment opportunity" wage for summer workers aged 19 and under.

The Administration estimates that this youth wage, to be in effect for three years from each May 1 to Sept. 30, would create 400,000 new jobs annually. But no one knows for sure what its effect would be, which is one reason for proposing a three-year trial.

Perhaps it would stimulate businesses to hire unskilled, inexperienced youths, as the Administration claims. Or perhaps it will be the camel's nose under the tent that organized labor fears, eroding the minimum wage and making low-paying jobs for younger workers at the expense of slightly better-paying jobs for slightly older workers.

The proposed trial program could help answer such questions, and so warrants support—but only if fine-tuned by Congress to improve the chances of securing useful evidence.

The problem is obvious. Unemployment among whites aged 16 to 19 is 15 percent. Among blacks it is 43 percent. And that only counts those already in the labor force. Half the white teen-agers and three-quarters of the black teen-agers aren't. The sub-minimum wage is less obvious as a remedy, raising four serious questions.

Would employers simply replace older workers with eligible youths? This is the most disturbing potential consequence, and the Administration would make it a crime. But can the Labor Department's wage and hour division, which has suffered staff cutbacks, provide adequate enforcement?

Can the jobs be targeted to the minority and disadvantaged youths most in need? Since 1978, employers have been allowed to write off 85 percent of the salary, up to $3,000, paid to a disadvantaged youth for a summer job.

This targeted jobs tax credit helps those who need jobs most. With considerable support and effort, it has worked in New York. But the Administration wants to eliminate the credit because it depletes tax revenues and it hasn't had much impact on overall youth unemployment. If a tax credit, of greater benefit to employers, hasn't helped, why should the subminimum wage?

Third, the most effective youth employment programs offer some education or job training. Why is there no programmatic content in the Administration's proposal? Finally, would this proposal lead to wage reductions for other high-unemployment groups, such as female heads of households?

Questions like these make many people skeptical of this proposed "experiment." The Administration may be right that a free-market approach is a better solution to the intractable youth unemployment problem. If so, it should offer, or welcome, a program carefully designed to provide the evidence to prove that.●

COMMENTS BY THE HONORABLE HAROLD FORD, ROBERT GARCIA, AND BILL RICHARDSON ON SECTION 936 OF IRS CODE

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FUSTER. Mr. Speaker, I request that the following comments of three of my distinguished colleagues, the Honorable HAROLD FORD, ROBERT GARCIA, and BILL RICHARDSON—the latter on behalf of the Hispanic Caucus—be printed in the RECORD. The support of such significant Members of the body is of great importance to the future of the 3.5 million American citizens of Puerto Rico who depend on the propitious manufacturing and investment climate the 936 U.S. tax provision creates for Puerto Rico.

At a recent conference held in the Nation's Capital, important colleagues such as Senator PATRICK MOYNIHAN, Congressman CARROLL HUBBARD, Congressman JACK KEMP, also expressed their support for the retention of section 936 of the IRS Code. However, the following comments are a good sampling of congressional sentiment on this important issue:

CONGRESSMAN HAROLD FORD'S REMARKS

Ladies and gentlemen, Representatives of the Government of Puerto Rico, Representatives of Banco Poppu-Lar de Puerto Rico and Puerto Rico Manufacturers Association, thank you for asking me to join you today.

I am here because I recognize the importance of the Commonwealth of Puerto Rico and because I care about the 3.2 million people of Puerto Rico who are United States Citizens. The section 936 program has become a major issue again. Section 936 was amended in 1982 when we passed the Tax Equity and Fiscal Responsibility Act (TEFRA). Many thought the issue would not be revisited for some time. However, that does not seem to be the case although we don't know for sure yet what the Reagan-Baker tax proposal will contai

I am interested in the outcome because I believe we have to be fair—fair to our citizens in Puerto Rico, fair to our citizens on the mainland and fair to our corporate citizens. It is that sense of fairness which has caused me to examine the pros and cons of the issue carefully.

My interest is strong and my examination goes on. I have had a brief opportunity to meet with some of those directly affected by the section 936 program. I look forward to additional direct contacts which help to lift the statistics and arguments off of the sterile pages.

Some argue that the section 936 program is driving investment choices while not producing "real economic activity." The Treasury Department charges that average tax benefit per employee is too high. Indeed, Treasury suggests that some companies are receiving tax benefits in excess of $100,000 per employee. There are still others, who argue privately, that the section 932 program competes with economic development efforts of States and they say that if States had a section 932 type incentive we would not have the high unemployment we have in certain States.

On the other hand, the arguments marshaled by my colleague, Mr. Fuster, and by Governor Colon have been not only cogent but they also have a moral imperative. They ask—would repeal of section 936 raise additional revenue? They ask—would repeal increase the deficit? They ask—is the proposed wage credit an adequate substitute for the section 932 program? These questions deserve to be answered thoroughly and those of us who are concerned with this problem appreciate the work you all are doing to raise the questions and to provide some of the answers.

In the coming weeks and months, as I consider these questions, I want you to know that we will be faced with many other similarly difficult decisions affecting important aspects of life in the United States. I have an open mind on this subject and a warm heart for the citizens of Puerto Rico. I hope that the resolution of this issue will occur in a way that will lead to continuation of what many now call the "economic miracle of the Carribean" and not in a way that will lead back to times like 30 years ago when the Commonwealth was called the "poor house of the Carribean." Whether this will be the continuation of section 936 as it is presently constituted I do not know; but, I do know that the people of Puerto Rico deserve the work you are devoting to this issue and they rightfully deserve the high degree of attention Members of Congress are giving the matter.

Thank you.

CONGRESSMAN ROBERT GARCIA'S REMARKS

To my friends from Banco Popular, the Puerto Rican Manufacturing Association, and others concerned with the future of Puerto Rico—Just think what we could be doing today throughout the Caribbean if only we could be assured of the survival of Section 936. Puerto Rico could truly become—as the Wall Street Journal has labeled it—"an important Caribbean defender of U.S. interests." The Governor's proposal—to use $700 million in 936 deposits in

Puerto Rican banks to finance projects throughout the Caribbean—could even get the attention it truly deserves. In fact, isn't it about time we stop playing in Washington and built Puerto Rico into the economic center of the Caribbean that it should be?

Unfortunately, we are at the same point today as we were in 1982—with a suspect and misunderstood program. What do we do?

You have heard or will hear from many experts today and I don't want to repeat or restate their thoughts. More than likely you know more about the Section 936 program than anyone else in Washington, certainly more than our friends over at the Treasury Department.

Rather, I would like to pose some questions to you today in the hope that they will stimulate some conversation among yourselves and maybe you can pose them to our more suspect friends, the non-believers, if you will.

First, What does the Treasury Proposal mean when it states that the Administration—"doesn't believe that a permanent possession tax subsidy is necessary"? What evidence does the Treasury Department have that the future of Puerto Rico's economy is so golden that it can forget about special incentives?

Second, the Treasury Department claims that total employment on the island has been flat. This may or may not be a fair statistic. But, isn't it more important to ask the question—what percentage of total employment on the island is due to Section 936 and has this been growing?

Third, Isn't it a contradiction to suggest that the repeal of Section 936 would save $3 billion by 1989—but if firms wanted to—they could reincorporate as Foreign Corporations headquartered on Puerto Rico to avoid taxes? Well, if they incorporate as foreign corporations, where will the $3 billion come from? Further, what other tax schemes might be employed by current 936 firms to avoid mainland taxes and what does this mean for federal revenue generation?

Fourth, Won't a general reduction in corporation income taxes or a flat tax lower the real usefulness of Secton 936 at any rate?

Fifth, If Treasury is to offer an employee tax credit as a substitute for Section 936, why is it limited to 60% of the minimum wage per employee rather than 60% of the total compensation per employee? Has anyone thought of whether or not this type of labor intensive tax credit will work within the industries on the Island?

Sixth, what will happen to the Island's employment base, its trained management corps and its secondary industries like housing?

Seventh, has anyone over at the Treasury Department talked to the folks at the State Department? Certainly any action with regard to Puerto Rico by Washington will be interpreted and reinterpreted by other Caribbean nations. Just what kind of signal do we want to send?

I suppose I can continue to ask questions for hours, just as many industries and corporations are doing as we sit here. But let's not lose site of one key fact—the financial lifeline of the Island is at stake.

The uncertainty created by the Treasury Department can only be surpassed by the chaos created in 1982 with the passage of that year's tax bill, TEFRA. Already, Governor Hernandez has heard from corporations fearful of increasing their investments on the Island. The sooner we settle this issue—hopefully with guarantees that 936 will be left alone—the better we will be.

Perhaps the most important job immediately before us is to build our case. Congressional hearings can help. To this end, I have asked the new chairman of the House Banking Committee's Oversight Committee, Rep. Hubbard, to hold hearings on the Island to explore the impact on the Island's economy, especially its financial structure.

Today is really the start of your efforts. The road ahead will be filled with Treasury Department potholes. Its best that we get started with a coherent and effective plan—and soon.

Thank you.

MARCH 26, 1985.

On behalf of the Congressional Hispanic Caucus, I would like to express our opposition to the proposed repeal of Section 936 of the Internal Revenue Code which provides domestic corporations with credits against U.S. taxes for income earned in Puerto Rico. The repeal of Section 936 would severely affect an already weakened Puerto Rico economy.

While the Puerto Rico economy has shown a great deal of improvement in the past four decades, it has not kept pace with that of the mainland. Per capita income is only 37% of that of the U.S. while 63% of the population is below the poverty line. The unemployment rate hovers around 20 to 25%.

Yet IRS Section 936 has provided an economic boost to the Commonwealth. The manufacturing sector in Puerto Rico accounts for almost 60% of the island's net income, most of which is provided by 936 companies as well as almost all of Puerto Rico's export income. The U.S. companies have directly provided over 100,000 jobs and indirectly hundreds of thousands more in other sectors of the economy. Without the Section 936 incentives, it is almost certain that U.S. manufacturing companies in Puerto Rico will relocate, not in the U.S., but in countries in the Caribbean, Latin America and Asia with more favorable labor and tax climates, i.e., those countries which do not have minimum wage, environmental, safety and social security laws and provisions. Any revenue increase anticipated by the Treasury Department will be more than offset by the loss of jobs and income and the resultant increased dependence on public assistance programs if the repeal is approved.

The repeal of Section 936 will deal a severe and potentially crippling blow to the economic development of the island, a democratic stronghold in the Caribbean. We urge you to retain Section 936. The Puerto Rican economy and the well being of 3.5 million U.S. citizens depends on it.

Sincerely,

BILL RICHARDSON, *Chairman,*
Congressional Hispanic Caucus.●

"WATSON, CAN YOU STILL HEAR ME?"

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. PARRIS. Mr. Speaker, I would like to submit to the RECORD the following study entitled "Watson, can you still hear me?" completed by 25 distributive education students from Mount Vernon High School in Alexandria, VA.:

In cooperation with AT&T, MCI and Sprint, representatives from each joined Mount Vernon DECA students to form an Advisory Committee. The Mount Vernon DECA students decided to explore the effects of the Bell System Divestiture through a nationwide telephone survey. The purpose of the survey was (1) To determine by phone survey the true feelings of long distance phone customers concerning the break up of Bell Systems by the United States Department of Justice, (2) To inform the public and long distance phone company executives of the influence of the break up on customer patronization of long distance phone companies, (3) To increase Marketing Research competencies through DECA member participation, and (4) To present the three long distance companies assisting us (AT&T, MCI, and Sprint) with accurate survey results and information beneficial to the Marketing Researchers.

On Monday, January 28, 1985, from 7:00 until 9:00 p.m. the 25 students from Mount Vernon High School made approximately 1,000 phone calls from the Reston AT&T Building. The calls were made in equal access in the following cities: Anniston, AL; Mobile, AL; Little Rock, AR; Alameda, CA; Oakland, CA; Salinas, CA; Denver, CO; Washington, DC; Wilmington DE; Gainesville, FL; Jacksonville, FL; Atlanta, GA; Chicago, IL; Indianapolis, IN; Wichita, KS; Monroe, LA: Holyoke, MA; Natick, MA; Baltimore, MD; Columbia, MD; Detroit, MI; Minneapolis, MN; Clifton, NJ; Hackensack, NJ; Carson City, NV; Las Vegas, NV; Buffalo, NY; New York, NY; Dayton, OH; Cleveland, OH; Columbus, OH; Portland, OR; Philadelphia, PA; Providence, RI; Memphis, TN; Houston, TX; Salt Lake City, UT; Seattle, WA; Appleton, WI; Eau Claire, WI; Madison, WI; Milwaukee, WI; and Charleston, WV.

There were 200 surveys completed. We asked for the persons paying the phone bills and of the 200 billpayers, 40% of them were male and 60% of them were female. There was a surprising split of 50-50 between the under 35 years age bracket and the over 35 years age bracket.

Of the individuals under 35 years old, 56% agreed with the United States Department of Justice on their decision to break up the Bell System, leaving 44% to disagree. Of those persons over 35 years old, 48% agreed with the decision and 52% disagreed.

Ninety percent of the people surveyed make at least five long distance phone calls per month. On an average, 38% of these people spend $10-$20 per month on long distance phone bills, 24% spend $51 and over, 19% spend $21-$30, 10% spend $41-$50, and 9% spend $31-$40 on their monthly long distance bills.

Over one half of the people surveyed are spending the same amount of money on monthly long distance phone bills as they did before the break up. One third of the people are spending more and about one fifth of the people are not spending as much.

Directly related to the amount of money spent on long distance is the number of long distance phone calls made. An 85% majority are making the same number of long distance calls, while only 15% are either making more or less phone calls than before the break up.

Since January 1, 1984, the break up of the Bell System, 83% of those persons surveyed have remained with AT&T for long distance service, 10% chose to switch to MCI for long distance, 4% chose Sprint and 3% chose another long distance phone company.

In rating the long distance companies, the overall most acceptable trait is the quality of the call with 94% responding that the quality of their long distance phone calls is acceptable. Coming in second is the customer service with 85% agreeing that it is acceptable. Next in acceptability is the billing with 74% agreement and lastly is price with 66% agreeing on its acceptability.

The overall most unacceptable trait is the price of long distance phone calls with 34% of the people agreeing on its unacceptability. Next comes the billing system with 26% agreement, 15% agreed on the customer service's unacceptability and only 6% agreed on the unacceptability of the quality of the call.

The individual company breakdown on acceptability/unacceptability are as follows:

	Percent—	
	Acceptable	Unacceptable
AT&T:		
A. Customer service	86	14
B. Price	63	37
C. Quality of the call	97	3
D. Billing	70	30
E. Overall	85	15
MCI:		
A. Customer service	82	18
B. Price	81	19
C. Quality of the call	81	19
D. Billing	94	6
E. Overall	94	6
Sprint:		
A. Customer service	83	17
B. Price	83	17
C. Quality of the call	67	33
D. Billing	100	0
E. Overall	83	17●

TO EXTEND THE MEDICARE PROSPECTIVE PAYMENT SYSTEM'S TRANSITION

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MATSUI. Mr. Speaker, I am pleased to introduce today legislation which will improve the Medicare prospective payment system [PPS].

As my colleagues are undoubtedly aware, we are halfway through the scheduled 3-year transition from payments reflecting hospital-specific circumstances to rates based almost entirely on a national average. However, as we progress through this transition period, it is becoming more and more apparent that the present PPS is seriously flawed. Hospitals' costs vary significantly because of many factors including the severity of illness of patients in the same diagnostic category, the unique situation of hospitals treating a disproportionate share of Medicare or low-income patients, the extent of medical education programs, regional variations in the cost of goods and services which hospitals must purchase on their local economies, and a hospital's labor costs. These factors are, in some instances, completely ignored under the current PPS or adjusted for in ways that are imprecise and inappropriate.

The currently designed payment system with these major problem areas will arbitrarily distort the distribution of available Medicare funds—essentially taking dollars from "losing" hospitals and giving them to other hospitals with little, if any, reason other than their geographic location. In fact, it has been projected that if, as proposed by the adminstration, Medicare's payment rates are frozen and the allowance for the cost of indirect medical education is halved during fiscal year 1986, hospitals will lose over $2.7 billion in payments for treating Medicare beneficiaries.

Continuation of the transition to payment rates based on the national averages in light of these flaws and distortions will deeply and unfairly penalize and in some cases, threaten the financial viability of many of our community hospitals. Therefore, I am introducing legislation today to interrupt the transition to national payment rates in order to provide all of us—the Congress, the administration, and the hospital community—more time to evalute the effects of the prospective payment system. My bill would simply pause the transition to national payment rates by extending the second phase, which is comprised of 50 percent hospital specific and 50 percent Federal—a blend of 75 percent regional average and 25 percent national average—for at least 12 months or for as long as the Medicare impatient rates are frozen. I believe that only within this period of stability and payment predictability will Congress and the administration be allowed to thoroughly evaluate problem areas and take corrective action.

I wish to make it absolutely clear that this bill does not represent any slacking in my commitment to the new prospective payment system. Indeed, it is precisely because of my commitment to making the system work, and work properly, that I want to take the time to study it carefully and to take any corrective action necessary to assure ourselves that it is achieving our stated objectives. This pause in the transition period will have no absolutely no effect on the amount of total impatient payments nor will it adversely affect Congress' efforts to reduce the budget deficit. Rather, this cautionary approach will provide for a fair evaluation and will help ensure an equitable prospective payment system—which I believe all of my colleagues desire.

Mr. Speaker, I urge my colleagues to join me in this effort and reaffirm our goal of moving steadily toward full implementation of a fair and equitable prospective payment system.●

ED PINCKNEY AND VILLANOVA—AN INSPIRATION TO US ALL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BIAGGI. Mr. Speaker, I want to extend my congratulations to Villanova University for their outstanding and, indeed, inspiring performance Monday night in winning college basketball's national championship. Not since the Olympics, has a sporting event had such a positive influence on an entire Nation.

Monday night's game was truly a class affair, with two great teams going head to head and Villanova proving that no matter what the odds, hard work and a belief in yourself can make the difference—for us all.

Each of the Villanova Wildcats performed magnificently, but as one who comes from the Bronx, one name stands above all others—Ed Pinckney. He grew up on White Plains Road in the South Bronx, and not only was this 6-9 center Villanova's most valuable player in the tournament he also epitomized Villanova's struggle to the championship.

When he entered Villanova 4 years ago, after leading Adlai Stevenson High School in the Bronx to the city basketball championship, he was immediately overshadowed by two other newcomers to the Big East Conference—Patrick Ewing of Georgetown, and Chris Mullin of St. John's. But, while he may have lacked the public attention during his 4 years at Villanova, he did not lack talent, and his achievements reflected that fact.

Consider, for example, that during his career, Villanova has won 91 out of 129 games; they have gone to four NCAA tournaments, making it to the regional finals three times; and they have won two regular-season Big East titles. Add to all of this the national championship and his NCAA Tournament MVP Award, and—in a classic understatement—we could say that Ed Pinckney has done his Bronx community proud.

At 6 feet, 9 inches tall, Ed Pinckney is far from the tallest collegiate center to play the game, but none works harder and none enjoys it more.

Perhaps the fact that Ed was suffering from the effects of a stomach virus throughout the Final Four tournament and, yet, was still able to turn in the MVP performance says as much as anything else about this courageous and talented young man from the Bronx. And, after all, doesn't this tell they story, too, of Villanova's own struggle against overwhelming odds to reach the top. During the postgame interviews, Villanova players and coaches gave much of the credit to

hard work. We could all stand to gain from such a simple winning philosophy.

Mr. Speaker, the experts tell us that Ed Pinckney will be moving on to a promising professional basketball career. It is likely that some of his teammates may join him and I want to wish them all the very best. But, above all else, I want to congratulate them and their talented and likeable coach, Rollie Massimino, for a championship won the old fashioned way—they earned it.●

THE FEDERAL AGENCY DIET ACT OF 1985

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. STARK. Mr. Speaker, I am today reintroducing legislation to limit the amount of money that Federal agencies can spend at the end of the fiscal year. This is nearly identical to legislation (H.R. 4687) I introduced on January 30, 1984, and which is described in detail in the CONGRESSIONAL RECORD of that date, page E168 (daily ed.).

My bill would allow agencies to spend not more than 20 percent of their appropriated budget in the last 2 months of the fiscal year, thereby reducing some of the wasteful expenditures that occur in September as agencies scramble to unload excess funds before the fiscal clock runs out on them. The bill affects fiscal years 1986, 1987, and 1988. If successful, it can be made permanent.

Mr. Speaker, on the last day of fiscal year 1983, I was surprised to receive six grant announcements worth $23.5 million for my Ninth Congressional District. While I am sure that those were all wise and good decisions, I was a little worried that that level of activity, multiplied by 435 congressional districts would produce some mistakes. I did some research on the situation, and I must say I was shocked at the scope of this last-minute grantsmanship.

The General Accounting Office report of July 18, 1980, entitled, "Government Agencies Need Effective Planning To Curb Unnecessary Year-End Spending" detailed the level of so-called September surges in spending for selected agencies in 1978 and 1979. They found that in September 1978, HUD spent 956 percent of their average monthly outlay for that year—9½ times their normal monthly expenditures for the first 11 months. The EPA shelled out 436 percent of their average monthly spending in the final fiscal month and the Department of the Interior had a September surge of 214 percent. In 1979, the three leading September surgers were the EPA at 526 percent, the Department of State at 510 percent and HUD at 317 percent.

The yearend spending frenzy leads to many forms of waste as planners hustle to get their contracts in on time. There are shortcuts taken in the regulatory process, inadequate negotiation of cost, and quality levels and a rash of noncompetitive contract awards. All this haste opens the Government to fantastic overcharging, intentional, or not, by the private sector, needlessly wasting revenue and overburdening the American taxpayer.

Mr. Speaker, the legislation is not a new idea. There have been other, similar, bills in the past but they have all quickly died from legislative inertia. I believe, though, that there has never been a more pressing time for Congress to act to reduce waste and mismanagement in the Government. My bill is obviously not a miracle cure that will evaporate the deficit overnight, but it is not snake oil either. It is a step toward improving the allocation of Federal funds, toward lightening the tax burden on our citizens and toward reducing the enourmous pressure placed on our economy by the ever-increasing Federal debt. I urge all my colleagues interested in fiscal responsibility to support this bill's passage.●

WHERE IS DR. JOSEF MENGELE, NAZI WAR CRIMINAL?

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. FLORIO. Mr. Speaker, I wish to bring to the attention of our colleagues an outstanding injustice—an injustice that denies the existence of human morality and the ideal of justice. We, as a legislative body and as representatives of this great democratic nation, pride ourselves on our Constitution, a binding and lawful document that embodies both the practice of human morality and the practice of ethical justice.

According to one renowned English philosopher, John Locke, human laws are measures in respect of men whose actions they must direct. They stand as a testimony to the society and to the civilization which enacts them. For these reasons, we, as a body of witnesses must direct our efforts to the rectification of all injustice for which we will be historically accountable.

It is all too easy in this postwar period to overlook the heinous acts and crimes against humanity committed by Dr. Josef Mengele, the most sadistic and notorious Nazi war criminal still at large. During World War II, the Nazis mercilessly executed more than 10 million innocent people. This senseless massacre of human life must be considered one of the most grievous chapters in the history of mankind. The Holocaust was a tragedy that affected not only the Jewish people, but all of humanity. As a Member of Congress concerned about the horrors of the Holocaust, I am disturbed by recent reports that Dr. Josef Mengele, the SS physician better known as the "Angel of Death" of the Auschwitz concentration camp, has been living in freedom for the past 40 years.

To the 2.5 million or more who perished at the Auschwitz death camp, Mengele personified the insane, systematic brutality of Hitler's Third Reich. In an effort to create Hitler's "master Aryan race," Mengele sent millions to the gas chambers and killed thousands more in mad genetic experiments. As prisoners arrived by rail at Auschwitz, Mengele, attired in a dress SS uniform, was the first person they saw. Positioning himself between the rows of incoming prisoners, Mengele determined with a flick of the wrist who would die outright in the gas chambers and who would be "spared" to die a slow death of torment and mutilation in his laboratory. Most of the prisoners would survive for only a few more weeks. He would use the ones he "spared" as human guinea pigs in ghoulish experiments.

Dr. Mengele is notorious for his experiments on Jewish women and children, especially twins and young children. If one of the twins died during the experiment, the other would then be killed since Mengele would have no further use for the child. Many of those who survived his genetic experiments were maimed for life. He tried to change the eye color of children from brown to blue by painfully injecting them with chemical dye. He tossed live babies into ovens and wired victims with electrodes to test their threshold for electric shock. If his victims fainted during the experiments, they would be eliminated. He once promised a special milk porridge to expectant mothers who were gassed once they had been gathered together. He was known to have sent 700 Gypsies to the gas chambers simply because of a report that their barracks was infected by lice. Hundreds of thousands of the camp's other inmates were sentenced to death at his discretion.

Many of the survivors of Mengele's atrocities are living today with their memories of hell and horror. We, as the legislators and delegates of a nation founded upon morality and justice, owe it to the victims of the Holocaust to investigate the whereabouts and activities of Dr. Josef Mengele, with the intent to apprehend him. We do not seek vengeance; we seek justice.

Several times over the years, attempts have been made to capture him. As the Soviet armies neared

Auschwitz in late 1944, Mengele disappeared. His crimes were prominently mentioned at the International Military Tribunal in Nuremberg. Meanwhile, Mengele was living under his own name in the Bavarian town of Gunzberg, where his family owned the town's only industry, a farm-equipment plant. In 1949, West German legal authorities were informed of Mengele's whereabouts. He eluded them, using the secret escape routes established by ODESSA (an acronym in German for the Organization of Former Members of the SS).

The search for Mengele has been hampered in the past by a lack of cooperation between U.S. agencies and foreign governments in their efforts to apprehend him. There is evidence that he was in the custody of the United States during the 1940's, only to be set free. Although Paraguayan authorities deny it, a declassified report of the Central Intelligence Agency indicates that Mengele may recently have been living in Paraguay under the protection of its President, Alfredo Stroessner, and participating in illegal drug trafficking.

For this reason, on March 7, 1985, I introduced House Concurrent Resolution 82, to express the sense of the Congress that the United States should do everything in its power to find Mengele and ensure that he is brought to justice.

On February 6, 1985, the U.S. Attorney General announced the commencement of a full investigation into Mengele and his activities that will be prosecuted by the Office of Special Investigations of the Department of Justice. My resolution puts the Congress on record for supporting such an investigation. The resolution has gained the support of 83 of our colleagues.

The United States, as a defender of human rights and justice for people throughout the world, is morally obligated to preserve the memory of the tragedy of the Holocaust and to ensure that a similar tragedy never occurs. It is vital that we communicate to the international community our intent to bring to justice those responsible for the Holocaust and encourage other governments to join us in this effort.

My sense of the Congress resolution calls for the establishment of an international task force, that will include the Governments of Israel and the Federal Republic of Germany, to supplement the efforts of our Office of Special Investigations [OSI]. This would enable a concentrated effort to find Mengele and bring him to justice. It directs our Government to formally request that the Governments of Paraguay, Brazil, Argentina, Uruguay, and Bolivia join in our investigation and share their archives in the interest of justice and human rights. The cooperation of these nations is vital to this effort. Furthermore, this resolution requests that all the appropriate U.S. agencies cooperate fully with each other and share their files.

House Concurrent Resolution 82 praises the investigation recently launched by the OSI and requests progress reports to the Congress by OSI through the Department of Justice.

In the interest of justice and human rights, we must continue our efforts into this investigation with renewed fervor. We owe it to the victims of the Holocaust and to those who still endure its horrors. By prosecuting Josef Mengele and by rectifying this injustice, we can hope to ensure that such a calamity will never again be repeated in the history of mankind. Only when we begin to study, to analyze, to question and to remember, can we honestly say, "Never Again!"●

NATIONAL VETERANS SERVICE OFFICE PROGRAM

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation to assist our Nation's veterans in obtaining their rightful benefits. My bill would establish a grant program to assist State governments in providing veterans with advice and assistance concerning State and Federal veterans programs and benefits.

As Members of this body know only too well, congressional offices shoulder an awesome responsibility in assisting constituents in their day-to-day dealings with the agencies of the Federal Government. We are all too familiar with lost social security checks and relatives seeking entrance visas. The same applies to veterans and their dependents applying for benefits or enrolling in programs administered by the Veterans' Administration.

Such constituent services have become a vital function of every congressional office and have greatly improved the popular perception of Government in general. At the same time, considerable expertise is required to advise veterans on the complexities of VA programs and to offer counsel in preparing or appealing claims. One is left with the impression that there are literally hundreds, if not thousands, of veterans in every congressional district who are altogether unaware of services and benefits they may have earned, based upon their military service.

In discussions with veterans' officials in my home district, it was stated time and time again that benefits are continually denied because of poorly prepared claims. Outreach efforts by the Veterans' Administration to alert veterans to regulations changes or new programs are simply too limited to satisfy the present need. For example, in the case of the recent agent orange class action suit, literally thousands of Vietnam veterans eligible to file a claim against the agent orange trust fund were unaware of their eligibility for possible compensation or the filing deadlines for such a claim. It should also be kept in mind that the average age of veterans continues to increase, greater numbers of veterans will become eligible for nonservice benefits such as the VA disability pension program.

My home State of California is one of but a handful of States to offer veterans, through a nework of county veterans service offices, advice and assistance concerning veternans programs. County offices around the State are open to advise veterans of benefits for which they may be eligible and to assist in preparing or appealing claims. Serving as as advocacy agency, county veterans service offices offer hope to veterans in approaching the formidable bureaucracy of the Veterans' Administration which has discouraged many legitimate claims.

Despite recent reductions in State funds, the results of California's program have been dramatic: veterans long disenchanted with the Veterans' Administration, have found new hope in seeking medical care and other services they have rightly earned. Moreover, county offices work closely with local veterans service organizations in providing a broad range of services—including job information and counseling—outside those sponsored by the Veterans' Administration.

Mr. Speaker, it is time that we expand upon the example of my home State and pool all available resources in counseling veterans concerning the myriad of ever-changing laws and regulations affecting their lives.

Accordingly, I am today introducing legislation which would provide a 3-year authorization for matching Federal funds to assist States in providing these needed services. Under my plan, matching funds would begin with an 80-20—Federal-State—contribution decreasing to a 50-50 match after 3 years. The higher Federal contribution in the early years would encourage those States presently lacking veterans service programs to initiate such services while assisting the other States in strengthening existing programs.

To be eligible for matching funds under the program I propose, State governments would be required to submit a grant request to the Veterans' Administration. Such a request would have to include a detailed description of services to be offered and plans for coordinating efforts with

local veterans' service organizations. The actual delivery of services to veterans under the programs would be managed at the local level, tailored to local needs and resources.

Mr. Speaker, we as a nation owe a special debt of gratitude to the men and women who served in our defense. The many veterans programs enacted by Congress underscore this unique commitment. It is time that we act to ensure that veterans are receiving all the benefits to which they are entitled by law, and which they so justly deserve; 42 of my colleagues joined me in sponsoring this legislation in the last Congress and I would like to urge all my colleagues to join with me in supporting this timely legislation.

The text of my bill is as follows:

H.R. 1967

A bill to amend title 38, United States Code, to establish a grant program to provide assistance to States in providing veterans with advice and assistance concerning veterans' benefits.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 247. Assistance to States in providing veterans information and assistance services

"(a) The Administrator shall establish a program to provide assistance to State governments in providing funding for programs of veterans' services established by a State (or by units of local self-government of the State) for the purpose of advising and assisting veterans in matters concerning veterans' benefits.

"(b)(1) Assistance under this section shall be provided by grants made after submission to the Administrator of an application for such a grant. Any such application shall describe the State's existing program of veterans' services (or describe the State's proposal for a program of veterans' services) for which the grant assistance is requested, shall specify the amount of grant assistance requested, and shall be in such form and contain such additional information as the Administrator may require. The application shall also include a plan for coordination of the State veterans' services assistance program with the activities and programs of local veterans' service organizations.

"(2) The State plan included in the application must show to the satisfaction of the Administrator—

"(A) that the actual delivery of services to veterans under the program will be managed at the local level;

"(B) that local authorities will determine the details of the advice and assistance to be provided to veterans under the State program; and

"(C) that local authorities will assume a portion of the costs of the administration of the program.

"(c) A condition of approval of a grant under this section shall be that—

"(1) during the first fiscal year for which funds are available for grants under this section, the State to which the grant is made shall match the grant by an amount equal to one-fourth of the grant;

"(2) during the second fiscal year for which funds are available for grants under this section, the State to which the grant is made shall match the grant by an amount equal to one-half of the grant; and

"(3) during the third and subsequent fiscal years for which funds are available for grants under this section, the State to which the grant is made shall match the grant by an amount equal to the amount of the grant.

"(d) The Administrator shall prescribe regulations to be used in evaluating applications for grants under this section and to be used in the administration of the program established by this section.

"(e) There is authorized to be appropriated to the Veterans' Administration for grants under this section the sum of $10,000,000 for fiscal year 1986, $8,000,000 for fiscal year 1987, and $6,000,000 for fiscal year 1988.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"247. Assistance to States in providing veterans information and assistance services.".●

AFRICAN HUNGER AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RANGEL. Mr. Speaker, I rise today to express my full support for the Africa famine relief bill, and to advise my colleagues that my absence during yesterday's vote was because of an important narcotics meeting. My colleague BEN GILMAN and I met with Attorney General Edwin Meese concerning an effort to obtain a stronger Federal commitment of resources to the law enforcement effort against narcotics abuse. Had I been present, my vote would have been a strong "aye."

I ask my colleagues to turn their attention to a successful United Nations famine relief agency: the International Fund for Agricultural Development [IFAD].

According to three independent studies conducted by Canada, West Germany, and USAID, IFAD has been a significant factor in improving the conditions of poor farmers in the Third World. IFAD's mission is to increase the productivity of the poor in developing countries. In this way, it is hoped that farmers will become more self-sufficient and better able to feed their countrymen.

Unfortunately, bickering among the U.N. sponsor nations threatens to negate the effectiveness of IFAD. The controversy turns on what percentage of IFAD's operating budget each sponsor will pay. Such a debate circumscribes the true mission of IFAD, and endangers a singularly efficient relief agency.

Mr. Speaker, I ask that we put aside administrative conflicts, and devote our energies to solving the terrible catastrophy afflicting much of the world. I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the Wall Street Journal, Feb. 28, 1985]

SHORTCHANGING A FOOD PROGRAM THAT WORKS

(By Ann Crittenden)

When money is tight, you have to be smarter and more analytical about how you spend it. A good test is whether the dollars are invested in the future: in value-creating enterprises or in human and material resources that will contribute to greater productivity down the road. Yet that is exactly the kind of investment that is being sacrificed by budget-cutters all over the world, as the sad story of a little-known United Nations agency illustrates.

It is generally agreed that the only long-term solution to the persistent problem of hunger in the world is increasing the productivity and incomes of those whose lives are most directly involved—the small farmers and the landless poor of the developing world.

Since these luckless millions usually have been bypassed by the established aid agencies, participants at the U.N. World Food Conference back in 1974 recommended that a new fund be set up. At the suggestion of the Organization of Petroleum Exporting Countries, which was feeling flush at the time, and with strong leadership by the U.S., the International Fund for Agricultural Development was established in 1977.

IFAD has been operating now for seven years, and three separate evaluations in 1984, by Canada and West Germany and by the U.S. Agency for International Development, concluded that the agency is doing the job. The recently released AID report states that "IFAD is making an important contribution to improving the economic conditions of the rural poor in developing countries."

Among its most notable innovations, the agency has enabled low-income groups in several countries to obtain credit for the first time. In Bangladesh, IFAD has provided the Gameen Bank with money for non-collateral loans to the landless rural poor. The borrowers form small groups that jointly guarantee the loans, and the bank's recovery rate is 99%, compared with a national average of 50% to 60%. The incomes of borrowers, who may use their $10 or $20 loans to buy livestock or start a food-processing enterprise, have increased at a rate 10 times the national average.

Similarly, in Pakistan an IFAD project encouraged the national agricultural bank to lend to smaller farmers, by lowering collateral requirements and instituting "mobile credit officers" who get out to the villages on motorcycles and bicycles to whip up new business. Loans to small farmers are now 70% of the bank's business, up from 40% at one time, and a recent sample of borrowers' incomes showed twice the rate of increase as a sample of nonborrowers.

In hurricane-ravaged Dominica, in the Caribbean, the supply of pork, poultry and vegetables has increased as a result of IFAD activities, according to AID. Yields from the second rice crop produced in a Gambia project are estimated at seven metric tons per hectare, compared with yields of one metric ton per hectare prior to the project. (A metric ton equals 2,204.62 pounds; a hec-

tare is 2.47 acres.) in sum, the AID team found that "substantial production increases are likely to occur in nearly all" of the 19 projects visited.

IFAD's own estimate is that by the time of their completion, IFAD projects will produce 20 million tons of wheat equivalent annually, representing about one-sixth of the total food import shortfall of developing countries. The institution figures that the lives of 8.6 million families have been improved as a result of its activities.

These results have been achieved with only 160 "concessionary loans" (many virtually grants) valued at less than $2 billion. The IFAD staff, including only 80 professionals, has been kept pencil-slim. One reason the money and the personnel stretch so far is that 70% of IFAD loans are co-financed by other donors, and many of its projects are initiated by others, such as the World Bank and the Inter-American Development Bank. IFAD's policies also hew closely to those of such donors as AID, in that they frequently urge recipient countries to adopt more free-market agricultural policies, such as eliminating artificial pricing and subsidies that stifle food production. A new loan to the agricultural credit bank of China, for example, mandates that the money will go to agricultural cooperatives and to individuals (the latter for the first time in the bank's history) and not to state farms, where productivity is lower.

Despite its promise, IFAD is facing—at best—a halving of the real resources originally available to it.

IFAD initially was capitalized at about $1 billion for three years, consisting of $570 million from the OECD countries and $435 million from OPEC—a 57-to-43 ratio. A first replenishment, for 1981–83, raised an additional $1.07 billion, with the Organization for Economic Cooperation and Development providing 58% and OPEC 42% of the total.

For the past 1½ years, negotiations on a second replenishment have been deadlocked. The oil producers have insisted that their contribution to IFAD had to be reduced in light of the sharp drop in oil revenues, and the sidelining of Iran because of the long-drawn-out war with Iraq. Net oil revenues to OPEC have fallen about 40 pecent since 1981, throwing the oil producers' budget into a chaos that makes Washington look like the land of milk and honey. The income of the United Arab Emirates, for example, has fallen by more than half, and during a recent visit IFAD president Idriss Jazairy was told that government officials had not been paid for two months while the state budget was being recalculated.

The oil producers have said that they would try to provide a target amount of $295 million, and indications are that at the next negotiating session, beginning today in Rome, they will come up with some kind of firm financial commitment. Which brings up another problem. The OECD countries, led by the U.S. have refused to make up the difference, so that IFAD can emerge with a full $1 billion replenishment. The U.S. insists that virtually the exact 58-to-42 ration must be maintained, which would mean at best a replenishment of $710 million for the next three years. The U.S. share of that would come to $120 million, compared with $200 million in 1978 and $180 million in 1981. Even if the U.S. compromises, and agrees to allow the OPEC contribution to drop to 40 percent (at an added cost to the U.S. of $5.4 million over three years), IFAD will still only receive $737.5 million, less than half, in real terms, of its initial capitalization.

A bipartisan group of congressmen, led by Sen. Mark Hatfield and Rep. Silvio Conte, has urged Secretary of State George Shultz to accept such a compromise, (The administration has responded with such indifference that as of this week it still hadn't decided whom to send to the negotiations.) But why don't we stop nickel and diming the poorest people in the world and kick in enough for IFAD to continue operations at its original level? Why is a greater OECD contribution so unthinkable? We would be talking about roughly $400 million more from the U.S. over three years.

The money can be found right in the foreign-aid budget. The administration is asking for fiscal 1986 for a $50 million increase in military assistance to sub-Saharan Africa, for a total of $220 million. Does anyone really believe that is a good investment? And there is the $213 million in concessionary food sales to Egypt. It is generally agreed these have a negative effect on food production in that country.

But then, those are the kinds of foreign aid that never seem to get cut. It is the programs that build for the future that are in trouble.●

A FRESH LOOK AT THE UNITED NATIONS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. SOLARZ. Mr. Speaker, former Ambassador and Assistant Secretary of State for International Organizations, Richard N. Gardner who is currently at Columbia University where he remains an astute observer of the United Nations, recently sent a thoughtful prescription for renewed American activity there to incoming Ambassador Vernon A. Walters. I am including Ambassador Gardner's piece from the New York Times for the RECORD because it clearly elucidates the issues at stake and outlines remedies that the United States seriously ought to consider in revising its approach to that institution. Without diminishing the excellent work accomplished by Ambassador Kirkpatrick during her tenure, I wholeheartedly join Ambassador Gardner in hoping that the administration will seize the opportunity offered by a change of ambassadors to pursue new directions at the United Nations that will further enhance national foreign policy objectives.

[From the New York Times, Mar. 8. 1985]

A MEMORANDUM: U.N. DIPLOMACY

(By Richard N. Gardner)

To Lieut Gen. Vernon A. Walters:

Soon you are expected to take up your assignment as America's chief delegate to the United Nations. Here are suggestions from scmeone who has worked closely with or observed your 12 predecessors for 25 years.

First, our ambassador's central task is to make the best possible use of the United Nations and its agencies in support of three primary interests of the United States that are reflected in the Charter: peace, human rights, economic development. Part of the job, of course, is to defend American values in debate against the enemies of freedom, as your predecessor, Jeane J. Kirkpatrick, has ably done. But the United Nations is more than a debating society. It can also be used for the avoidance, containment and resolution of conflict. For example, if our delegation had proposed a United Nations force in Beirut in the summer of 1982, we could have spared the lives of 253 marines.

Second, clean up past mistakes. In the last four years, our ideological zeal in the United Nations system has often displaced our national self-interest. We missed clear opportunities to put the Law of the Sea Treaty in a form that merited Senate approval. We opposed needed increases in the resources of international financial institutions. We needlessly interfered with multilateral efforts to help third world countries check uncontrolled population growth. We refused to abide by the World Court's ruling that we should argue the legal merits of our controversy with Nicaragua. You can promote needed rethinking in all of these areas.

Third, shake up your staff. You inherit the weakest supporting team a chief delegate has ever had in New York and in the State Department. Our interests will continue to suffer unless we replace unqualified political appointees with professionals knowledgeable in substantive issues and in United Nations procedures.

Fourth, I know you won't let ego get between you and your job. The American people pay our delegation to influence the policies of other nations, not to play to domestic galleries. This means spending more time in the delegates' lounge than on TV talk shows. This also requires that the mission should forgo putting a personal or "made in U.S.A." label on every bright idea it has. To build majorities for cooperative action, it will often be necessary to let other countries and their delegates get the credit or take the lead.

Fifth, avoid unnecessary partisanship. Of course, your job is to be the spokesman for President Reagan's foreign policy. But please remember that you represent the nation as a whole, not just one political party. Your predecessor forfeited the confidence of many Americans when she asserted at the Republican National Convention—contrary to fact—that the Democrats had adopted an isolationist platform, weak in the defense of freedom and American security. You could start out on a different footing by forming a bipartisan advisory council of eminent Americans.

Sixth, take positive initiatives. Damage limitation is not a policy. Your skill in 10 languages will not get you far unless your instructions from Washington permit you to communicate something other delegates want to hear. Try to persuade the State Department, Treasury and White House to adjust at least some policies (for example, on multilateral aid and trade, South Africa and Central America) that will harmonize our legitimate interests with those of third world moderates and our allies.

Seventh, develop a long-term strategy. Of the $5 billion a year the United Nations system spends—on, for example, peacekeeping as well as combating hunger, disease and poverty—America puts up $1 billion. Our influence is not proportionate to our contributions, partly because the relevant Government agencies have no agreed strategy for using the multilateral system in pursuit of

our foreign policy goals. Someone is needed at the center of the policy process to figure out how we might reform and strengthen international institutions in ways that yield long-term dividends for our nation. If you don't perform that role, no one else will.●

DEPARTMENT OF DEFENSE TO BE REQUIRED TO REPORT MILITARY AIR ACCIDENTS

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MACK. Mr. Speaker, today I am introducing a bill requiring the Secretary of Defense to report to Congress each year on military air accidents.

In my State of Florida alone, there have been nearly 30 military air incidents during the past 3 years. Thirty-five lives have been lost and we have been extremely fortunate that more catastrophic accidents have not occurred. Just 2 months ago, a 25 pound practice bomb fell from a Navy A-7 attack jet into a common playground area inside a Jacksonville mobile home park. Only luck prevented the death of children.

I spoke with Secretary Weinberger in early March about this issue and requested that he investigate the problem of military air incidents in Florida. Earlier this week, I received an interim response from DOD: The Department could not tell me how the problem in Florida compares to the rest of the Nation. Statistics are not routinely maintained on a State-by-State basis.

While the individual services within DOD do maintain national accident rate data, there is no centralized coordination of information on these incidents. Although it is true nationally that accident rates are declining, and the Department should be commended for this achievement, it is also true that the problem in Florida is severe. Accordingly, national statistics are disguising the dramatic increase in accidents that has taken place in recent years in my State.

I believe that we must encourage DOD to monitor military air accidents by State so that national trends do not hide developing problems at the regional or State levels. The bill I am introducing today will raise the Department's sensitivity to this problem by requiring the Secretary to report annually on the number of air related accidents occurring in each State and the resultant loss of life and property.

Mr. Speaker, to illustrate the severity of this problem in my State of Florida, I would ask that you include for the RECORD a chronology of the military air incidents that have occurred since April 1983:

A CHRONOLOGY OF MILITARY AIR ACCIDENTS IN FLORIDA SINCE APRIL 1983

February 20, 1985.—A Navy A-7 attack jet crashes into a swampy area in the Ocala National Forest after the pilot ejects safely.

February 13, 1985.—A Navy training jet crashes between two houses two miles north of the Pensacola Naval Air Station. The pilot parachutes to safety. No one is injured on the ground.

February 12, 1985.—A 25-pound practice bomb falls from a Navy A-7 attack jet and lands in a mobile home park south of Jacksonville. No one is injured by the unarmed bomb, which bounces across a street and comes to rest in a wooded area.

December 18, 1984.—Two Marine crewmen are killed when their A-6 attack jet crashes while practice bombing at the Avon Park bombing range in Central Florida.

December 11, 1984.—The pilot of a Navy A-7 attack jet is killed when his plane crashes into the Gulf 45 miles southwest of Pensacola. The Jacksonville-based pilot was flying a radar-tracking mission.

December 6, 1984.—An off-target, unarmed missile fired from a Marine helicopter skids along the ground outside the boundary of the Pinecastle range, passing within 100 yards of where a timber crew is working.

November 29, 1984.—The pilot ejects to safety as his Navy TA-7 jet crashes into a lake while practicing at the Pinecastle range.

October 5, 1984.—An Air Force F-4 jet fighter crashes into the Gulf 60 miles south of Fort Walton Beach in the Panhandle while flying a test mission. The pilot and crew member eject unhurt.

May 1984.—Fire burns some 2,000 acres of Ocala National Forest north of the Navy's Pinecastle Electronic Warfare bombing range after a dud rocket lands with fire spewing from its tail.

April 7, 1984.—Five crewmen die and three are rescued when an Air Force helicopter crashes into the ocean off Port Canaveral on a secret mission to launch a Trident missile from a nuclear submarine.

March 22, 1984.—Fifty golfers at the Live Oak Golf and Country Club in Fruitland watch as what they thought was a bomb falls from a Navy A-7 attack plane and lands in the third fairway. The object turns out to be a piece of electronic equipment.

December 6, 1983.—The pilot of an A-7 Navy jet is killed when his plane crashes at the Pinecastle range while practicing dive-bombing.

November 10, 1983.—A Navy TA-7 jet crashes at the Pinecastle range, killing the pilot.

August 30, 1983.—A live bomb drops from a Navy A-7 attack jet and lands a half-mile north of its target in the Ocala National Forest, digging a three-foot crater into a road just as a dump truck is passing. The truck drives into the crater, but the driver is not hurt.

July 25, 1983.—Two Air Force pilots parachute to safety as their F-16 jet crashes into the Gulf about 15 miles southwest of Venice.

July 5, 1983.—Two Air Force pilots die when their F-4D training fighter crashes in the Atlantic Ocean 35 miles southwest of Marathon.

May 15, 1983.—A Spanish naval student dies when his Navy T-2C training jet crashes during touch-and-go landing practice near Pensacola.

May 5, 1983.—A student pilot and his instructor are killed when their Navy T-34 trainer collides in midair with another Navy plane, which makes a successful emergency landing at Saufley field near Pensacola.

May 3, 1983.—An A-4 attack jet flies over Duval County with no one at the controls for 13 miles after the Marine pilot hits a bird while approaching the runway at the Navy's Cecil Field and is forced to eject. The plane passes over several houses before crashing into a wooded field.

April 30, 1983.—Fourteen Navy passengers are killed when a C-131 transport crashes into the St. Johns River in Jacksonville and bursts into flames. One passenger survives.●

IT'S THE GOVERNMENT'S JOB TO HELP ALL THE PEOPLE—NOT JUST THE RICH

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MARKEY. Mr. Speaker, I would like to share with my colleagues the following article from the Boston Globe which I think provides a clear analysis of President Reagan's budget proposals. During these times of increased spending and deficit growth, it is necessary to address our concerns toward President Reagan's Government expenditures. I think that this article honestly describes the apparent dilemma in the President's inconsistent Government budget proposals. I believe that this persuasive article states well the true nature of the President's budget.

IT'S THE GOVERNMENT'S JOB TO HELP ALL THE PEOPLE—NOT JUST THE RICH

(By William V. Shannon)

President Reagan's campaign against the budget deficit is a bold cover operation to conceal his plan to undo the social progress of the last half-century. Having created these enormous deficits by his unnecessary and unjustifiable tax cut in 1981, Reagan is now using them as the pretext to shrink government's responsibilities. If the deficits were much smaller than they are or did not exist at all, Reagan would still be pushing to abolish government programs.

Governments are instituted among men, to borrow Thomas Jefferson's phrase, to help them cope with the dangers and complexities of life which are as various as catastrophic illness in old age or unsettled grain prices in world markets. Reagan's philosophy, however, is that government's only functions are to defend the country militarily and to deliver the mail.

Reagan is the little brother of the rich and their political agent. The rich to not need the government to protect their interests because they are quite capable of taking care of themselves. Reagan's philosophy boils down to telling everyone else to go out in the marketplace and get rich. It is heartless and irrelevant advice to the 95 percent of people who are not going to be big winners in the lottery of life.

As part of his ideological war, Reagan is busily promoting two fraudulent ideas. One is a constitutional amendment to require the federal government to balance its budget. If this idea had any merit, Reagan could submit a balanced budget now and ask

Congress to pass it. He fails to do so because he knows that if all his recommendations for eliminating and reducing programs were adopted, the budget would still be deeply in deficit.

There is no way he or anyone else could balance the budget without increasing taxes. To ask for a tax increase would expose the emptiness of his whole performance.

Reagan's second fraudulent idea is to give the President the line item veto, enabling him to kill specific parts of an appropriation bill without having to veto the whole bill. This idea which sounds so plausible is a fraud because it could not be applied to major categories of the federal budget. Social Security payments, veterans' pensions, and interest on the national debt are set by law. They could not be changed without repudiating the good faith of the government.

The item veto makes sense at the state level because states do not have these huge obligations.

The balanced budget amendment and the line item veto are only sound and fury, signifying nothing. If Congress adopts the Reagan budget or any close approximation of it, the nation will need decades to repair the damage.

Some damage will be invisible and some irreparable. How to calculate the opportunities to save lives and improve health that will be lost it Congress accepts the Reagan proposal to cut funds for basic research in biology, chemistry and the health sciences by six percent?

If Amtrak is abolished, the nation in the future would find it enormously expensive to recreate a passenger railroad system. Thousands of family farmers who were denied refinancing of their debts by Reagan's farm bill veto will never return to farming. If the Reagan limit of $4,000 on federal aid to college students is accepted, many students from working class families will withdraw from college and may never return to their studies.

The President goes on attacking farmers, students, small businessmen, transit system passengers and other Americans as selfish special interests. Recently he asked: "Why, for instance, should the federal government be forcing taxpayers in, say, Colorado to subsidize subway fares in New York?"

The answer is simple. People in Colorado help subsidize subway fares in New York for the same reason that New Yorkers subsidized the building of the Hoover Dam and other dams on the Colorado River and help pay for national parks and irrigation projects in Colorado. We are one people. What helps one of us helps all of us. What is to be gained from having a President who tries to play off one region against another?

Those students and subway straphangers and farmers are not special interests, Mr. President. They are your fellow citizens who thought the government was there to help all of us.●

COAL LEASING AMENDMENTS

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. CHENEY. Mr. Speaker, I have today introduced a bill to revise some of the coal leasing provisions of the Mineral Lands Leasing Act of 1920—in particular, the so-called section 3 provision which would cause the imposition in 1986 of very severe penalties on companies not producing coal in commercial quantities on certain leases.

Most people who are familiar with the legislative history and potential impact of section 3 are in agreement that the provision needs to be revised. In 1976 when section 3 was enacted as a part of the Federal Coal Leasing Amendments Act, it was represented by its proponents as a means to prevent coal leases from being held indefinitely without development for speculative purposes. Yet, paradoxically, the effect of the provision will be to punish bona fide developers of Federal minerals with proven reputations for responsible operation on the public domain, while speculators who may be holding old leases with no intention of developing them or of acquiring other leases are not affected. Moreover, the penalty imposed by section 3 is harsh beyond reason and commonsense.

The bill I have introduced would repeal section 3. It also would make the following additional revisions in the coal leasing provisions of existing law:

First, for leases acquired after the 1976 enactment of the Federal Coal Leasing Amendments Act, my bill would give lessees who do not meet the 10th-year diligent development requirements the option of paying advance royalties at an escalating rate in order to extend a lease past the 10th year. Given the "softness" of the coal market and the length of time required to define reserves, find buyers and negotiate contracts, it is unrealistic to expect lessees to be producing in commercial quantities within 10 years of lease issuance. The advance royalty option provides a way to separate serious lessees from those with no intention of developing a lease. A speculator is less likely to pay an escalating fee on a lease simply to hold on to it.

Second, section 6 of the Federal Coal Leasing Amendments Act would be revised to eliminate the requirement that operation and reclamation plans be submitted within 3 years of lease issuance. Lessees frequently do not know enough about the reserves and future operating plans within the first 3 years to adequately prepare such plans. Further, other planning requirements, such as those in the Surface Mining Control and Reclamation Act, make this provision unnecessary.

Third, my bill would delete the requirement that all lands within a logical mining unit [LMU] be contiguous. There are instances where the physical separation of leases, such as by roads, easements, or geological features, should not preclude the assembly of a unit.

Fourth, the bill also would delete a provision in the Federal Coal Leasing Amendments Act which requires that coal reserves be mined out within 40 years of lease issuance. The law requires that a lease be produced not only in commercial quantities, but also that it remain in continuous operation over its economic life, defined by regulation as an amount equal to a 3-year rolling average of previous production. The 40-year mine-out provision is therefore not only unnecessary, but also could impose economically unsound and wasteful mining practices on the Federal reserve.

Fifth, finally, the bill would authorize the Secretary of the Interior to negotiate the sale of bypass and maintenance tracts.

It is my hope, Mr. Speaker, that this legislation will provide a starting point for hearings and legislative action this year in the House of Representatives. I look forward to working with my colleagues on the House Interior Committee on this important issue.●

ILL-ADVISED PUBLIC DISCLOSURE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HUBBARD. Mr. Speaker, I received a copy of a February 27 letter to Mr. Hoyle L. Robinson, Executive Secretary of the Federal Deposit Insurance Corporation, from my good friend and fellow Kentuckian, C. Beach, Jr., president of Peoples Exchange Bank in Beattyville, KY.

I would like to share Charlie Beach's comments with my colleagues at this time. I believe many people will certainly agree with his concerns about the adverse consequences to our financial institutions if the proposed public disclosure of troubled banks goes forward.

Indeed, the attention given to financial institutions by the media is certainly questionable. I agree with the concerns that we must ensure growing confidence in our Nation's financial institutions and not promote policies that might cause an erosion of this public confidence. The letter from Charlie Beach follows:

PEOPLE EXCHANGE BANK,
Beattyville, KY, February 27, 1985.

Mr. HOYLE L. ROBINSON,
FDIC Executive Secretary,
Washington, DC.

DEAR MR. ROBINSON: We wish to express our opposition to public disclosure proposed by FDIC. It will not increase the safety and soundness of banks, and I think that you will agree that the media has never taken factual information and fairly disseminated the facts to the public. It is always distorted to accommodate sensationalism.

It is our considered opinion that the FDIC presently has sufficient powers and tools to correct deficient situations that take place

within individual banks. In this turbulent time of deregulation, the public confidence in the banking industry has been seriously eroded; and recent surveys indicate that a banker's image has fallen from one of the highest respect to that level equal to a used-car salesman.

We further feel that this proposed action is gross discrimination against commercial banks; whereas, our competitors, the credit unions, and Federal Savings & Loan Associations are able to continue without any public disclosure as to their deficiencies. It is imperative that a level playing field be created. In all businesses there is a degree of confidentiality as to problems. Sensationalism and publicizing ones deficiencies can destroy an industry and an individual business quickly.

We desperately need full support and patient understanding of our problems which will ultimately contribute to an objective and supportive relationship between the financial institutions and the regulators.

Your consideration of our position will be greatly appreciated.

Sincerely,

C. BEACH, JR., *President.*●

MX MISSILE

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. OWENS. Mr. Speaker, although more than 100 congressional districts are suffering from desperate structural unemployment we have almost closed the door on any discussion of new initiatives to create jobs. We are told that in order to create jobs we must first take care of the deficit.

Last week this House debated whether to spend $1.5 billion for the next installment of the MX missile. This worthless missile, which should more accurately be called the waste-maker or the budget buster, does not add significantly to the defense of our country. The only argument in support of the MX missile is that the President wants it.

While I understand that the MX is the President's pet weapon at the moment, I do not think that this is a valid reason to waste another $1.5 billion. How can we expect the American people to believe that we are serious about improving the economy and reducing the deficit if our budget contains funds for a weapon which the experts agree is useless for defense?

Many of our people have not been touched by the so-called recovery. How can we explain that the programs which serve them must be put on the chopping block while $1.5 billion is wasted? Seven human services programs have been eliminated or cut to pay the $1.5 billion price of the MX missiles. The cut in section 202 housing funds for the elderly and the handicapped is equal to three missiles. The Job Corps, which has provided training for jobs for low-income young people, is to be terminated for a savings approximately equal to the cost of two-thirds of an MX. The Small Business Administration's Business Loan Investment Fund, which helps small businesses to get established and to expand, is scheduled for termination. The savings will pay for six MX missiles. Community services block grants, which provide core funding for many grassroots groups, are to be phased out. Savings this year will be slightly more than the cost of three MX missiles.

The Legal Services Corporation earned President Reagan's animosity when he was Governor of California. It is again slated for termination which would save enough to buy more than four MX missiles. The elimination of the Economic Development Administration would yield savings to purchase another missile.

There was much at stake in the MX vote. It was not a vote on whether or not we will have a strong national defense, since the MX does not contribute to that defense. It was not a vote to get the Russians to the bargaining table, because they are already there. It was a vote that indicates whether or not we are serious about the budget process. It was also a vote which shows whether or not we can be convinced to do something which is completely illogical.

I voted against the first 21 MX missiles and we lost that vote. Within a few months we will again be considering a vote on MX missiles. this time the request is for 48 missiles. I will again vote no and I urge all of my colleagues to vote no.●

DR. HARRY MALISOFF AND HIS WORK IN UNEMPLOYMENT COMPENSATION THEORY

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. CHAPPELL. Mr. Speaker, I rise today to honor the memory of Dr. Harry Malisoff, an economist whose writings on the issue of unemployment compensation over the years merit recognition by this body.

Dr. Malisoff, who did his undergraduate work at New York University, earned his M.A. degree in Mathematics at Columbia University and, subsequently, received his Ph.D. in economics in 1940 from Columbia. Prior to World War II, he served as a consultant to the New York State Department of Labor on methods of financing unemployment benefits. In 1939 and 1940, Dr. Malisoff's four-part series. "The Emergence of Unemployment Compensation," was published in Political Science Quarterly. He later wrote a number of other articles on this subject, including "Welfare and Social Insurance in a Great Society," which was published in 1966 in the Journal of Risk and Insurance. From 1951 until his retirement in 1977, Dr. Malisoff served as a professor of economics at the City University of New York.

In this, the 50th year since passage of the Social Security Act, which established the Federal-State unemployment compensation system, I believe it is particularly timely to read the writings of Dr. Malisoff, who passed away in 1982. While his articles are far too lengthy to be inserted in the CONGRESSIONAL RECORD, given current budgetary constraints, I would like to take this opportunity to inform the Members of the House that I have copies of the above mentioned works in my office for those of you who would like to study them.

In closing, Mr. Speaker, Dr. Harry Malisoff's contributions to our understanding of unemployment compensation are worthy of reflection, and I commend his writings to my colleagues.●

A CONGRESSIONAL SALUTE TO THE CAPITOL BANK OF COMMERCE CENTER

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MATSUI. Mr. Speaker, RJB III and Commerce Realty, Inc., are conducting opening ceremonies today for the new Capitol Bank of Commerce Center in Sacramento—a very proud day for a great number of people.

This building, Mr. Speaker, is a symbol of the special relationship between Sacramento's business leaders and city officials. Everyone concerned in this 2-year venture did an extraordinary job and, because of their efforts, the city of Sacramento is much better off.

The 19-story Capitol Bank of Commerce Center is a beautiful building with a curved front of blue-green glass and terraced sides. There is extensive landscaping, and a prominent sculptured fountain enhances the building without detracting from the beauty of the nearby State Capitol. The $52 million project came in under budget, and 40 percent of the building has already been leased.

In short, this a very worthwhile addition for Sacramento, and to those responsible I offer my sincere thanks and congratulations.●

VOICE OF DEMOCRACY SCRIPTWRITING CONTEST

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mrs. HOLT. Mr. Speaker, the winning script from the State of Maryland, as delivered by Miss Cathleen M. Gillen of Fort Washington, MD, a student at Crossland High School, as a result of the Voice of Democracy Scholarship Program sponsored by the Veterans of Foreign Wars of the United States and their Ladies Auxiliary. This year, Miss Gillen was one of the more than one-quarter million participants and I am very proud of her.

MY PLEDGE TO AMERICA

It is early morning, and from my place on the scaffold, I watch the sun rise from behind Miss Liberty's shoulder. A construction worker, I am helping to refurbish the Statue of Liberty, to restore the glow to her copper skin. Here, so close to her, I see clearly the tell-tale lines of weariness and age etched on her face. Yet in my mind's eye I see the drama of when America was but an infant and the statue an unformulated idea in an unborn mind. And I see vividly the colonists who came to America, poor and tired, fleeing from religious intolerance and economic oppression, planting in America the first seeds of freedom and democracy. I recall their brave thoughts and deeds as they fight to obtain and secure a government of the people, by the people, for the people. And I see how, through their commitments to freedom and democracy, they begin to mold our great nation.

The heat of the afternoon sun beating down on my neck interrupts my musings for a moment. I left my eyes to Miss Liberty and am overwhelmed by intense pride, for, I feel that, beneath the scaffolding, the compassion and honor in her eyes shines true. Intent, I follow her gaze to the open harbor and travel back in history to the beginning of her reign as gatekeeper to America. I see her face in its youth and hear her give voice to democracy exclaiming proudly to the world: "Give me your tired, your poor, your huddled masses yearning to breath free * * *." My mind's eye visualizes the rush of ships, heavily laden with the wretched masses eagerly accepting her invitation. I see the immigrants as they surge forth into the open arms of every growing America. I am with them as they suffer and toil to build the great dams and railroads, the arteries of this nation, and am humbled when they call this toil sweet. I see in them the fervent commitment to uphold the new American ideals of equality and opportunity. And by their strong, eager hands, this nation is shaped.

The day wears on, the shadows deepen, the gentle Lady's arm thrusts the torch into a lowering sky. I pause a moment to rest my arms and to dwell on the eloquence of this statute's stance. Embodied in her is the very heart, the very essence of America—hope, freedom, equality, and opportunity. Looking at her, I am reminded of the efforts of those who came before me, clearing a path for democracy and the American way of life. I remember the words and actions of those who stood fast against social injustice—of those who fought to secure the rights of women and minorities, and of those who gave their lives in foreign lands that democracy might survive. When I think of their devotion and commitment to America, my heart swells, for I know that they did all of this that my world might be a better place. Now the responsibility of fulfilling this honorable pledge lies in the hands of my generation.

As the early evening shadows deepen, the setting sun casts a purple golden light on Liberty's features. I lay down my tools and look beyond her shoulder at the vast expanse that is my native land, and I think, yes, America, I hear the echo of generations past and I will obey the call to duty that resounds around me. I promise you, fair America, that I will rise up, joining ranks with my generation, to carry on the torch, to refuel and rekindle the flame of democracy and freedom that it may grow in intensity and warm future generations with its golden heat. I resolve to uphold and honor your life's blood, the Constitution. I will keep our democratic form of government alive by actively exercising my rights. I will stand fast at your side in the event of crisis and will be ever ready to defend you against all enemies. I will carry on the commitment to democracy, equality and freedom. This, America, is my solemn pledge to you.

As the day closes I turn, and my eyes are drawn once again to that emblematic face. I pause to whisper, ah, Lady Liberty, your eyes will shine with new light, your weariness ebb, as you witness the efforts and accomplishments of my generation.●

THE COMPREHENSIVE FEDERAL INTRUSION ACT OF 1985

HON. RICHARD ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ARMEY. Mr. Speaker, the most interesting thing I've learned as a freshman Member of Congress is that one can pass a bad bill simply by affixing a good name to it. For example, there is an unwritten commandment—carved not in stone but in the minds of politicians—that "Thou shalt not vote against any bill that contains the words 'civil rights' or the media shall punish thee."

To cast such a vote would be blasphemous, and certain interest groups could label you a heretic or a racist. In this era of 10 second television news stories, headlines at a glance, and encapsulated newspaper summaries, most Congressmen are too afraid for their political hides to oppose an alleged civil rights bill. It amounts to "buzzword blackmail."

I refuse to let my conscience be extorted. I am not the only representative who knows that the Civil Rights Restoration Act of 1985 (H.R. 700) is one of the worst things to come down the legislative pike in a long, long time. It is as potentially dangerous to small businesses as any bill ever enacted by Congress. It is an unnecessary bill whose real impact would be to expand costly governmental intrusion into nearly every aspect of our society while igonoring the real problems minorities and the underprivileged face in today's society.

Those real problems are not civil in nature; they're economic. Discrimination on the basis of race or sex or religion is illegal, and H.R. 700 will not protect anyone who is not already protected under the laws of this country. What it will do is pick the last remaining locks on individual freedom still not touched by the Federal bureaucracy. The bill is so vague it's frightening. Many of its sponsors are not even sure of its effects. H.R. 700 could literally require "mom and pop" grocery stores to comply with racial hiring quotas and subject themselves to onsite government inspection; require family farms and ranches to install ramps, sidewalks, and elevators; and require any company that uses municipal water systems to comply with affirmative action and handicap modification guidelines.

The bill ignores the problems of unemployment, inadequate educational opportunities, urban blight, and insufficient job skills. Any bill designed to bring about equal opportunity, which is the ultimate civil right, would address these problems, and the Civil Rights Restoration Act of 1985 does not. The bill would more accurately be called the "Comprehensive Government Intrusion Act of 1985."

Those advocating the passage of this so-called civil rights bill have made careers of promoting pervasive government intrusion over individual initiative. The more they can do so, the more they can justify their existence. But if you look closely, you'll see that the advocates of this bill have little in common with the original civil rights movement. Instead, they have become a special interest group, pushing for the selective rights of a few over the real civil rights of all.

Many legislators recognize these facts and would prefer an alternative to H.R. 700 but, like the kids in the Life cereal commercial, they're afraid to try it.

I am proposing the Minority Opportunity Restoration Act of 1985. It is a bill to allow people to prosper as a result of the civil rights they have attained after years of struggle and injustice. My bill contains the following provisions:

Enterprise zones to develop economic growth in distressed areas of America's inner cities and rural towns through a broad range of economic incentives to business.

Youth opportunity wage to allow employers to offer subminimum wages to teenagers during the summer months. This would open up job opportunities and provide vital work experience to our young people, especially black teens whose unemployment rate is a staggering 44 percent.

Education vouchers to encourage the use of neighborhood based independent schools which provide quality education to inner-city students. The current illiteracy rate among minorities may be as high as 40 percent.

Privatization of public housing to allow residents of certain federally subsidized low-income housing to own and manage their own units. In the six cities where this idea has been tried, crime, teenage pregnancy, vacancies, and evictions have all declined while employment and rent collection rose.

All these provisions enjoy widespread support. They attack the real problems of minorities today. It may seem paradoxical that doing what's best for minorities requires voting against a bill with the words "civil rights" in its title, but it's time to begin thinking of the next generation instead of the next election.●

GENERAL REVENUE SHARING

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. TRAFICANT. Mr. Speaker, when the Congress approved and the President signed the reauthorization of the general revenue sharing [GRS] program in 1983, we stated, in effect, that local governments could count on the program's funding through September 30, 1986. However, the President's 1986 budget proposal would override that reauthorization and eliminate revenue sharing as of September 30, 1985.

For some in Congress who are thinking of budget constraints, this may be a quick way of saving $4.6 billion. As the Congressman from the 17th District of Ohio, I look to the residents of those communities who will be affected by the end of public health and safety programs and services. These include:

Fire protection;

Police protection;

Social services for the elderly, youth and poor;

Public transportation;

Health care;

Rescue services; and

Parks and recreation facilities and services.

Fifty-seven local governments in the 17th district stand to lose $112,179,326. Below is a breakdown provided by the Office of Revenue Sharing, U.S. Department of Treasury, listing local governments' current entitlements under revenue sharing.

Clearly, cutting these services—these general revenue sharing funds—will cause severe economic consequences. This is something my congressional district cannot afford to endure.

I urge my fellow colleagues to join me in opposing this elimination of the crucial General Revenue Sharing Program.

DEPARTMENT OF THE TREASURY OFFICE OF REVENUE SHARING

[Local Governments by Congressional Districts Revenue Sharing Current Entitlement]

	Current entitlement EP-16	Current entitlement through FP-16
Name:		
Columbiana County	$409,964	$5,488,632
Columbiana Village	55,195	805,653
Washingtonville Village	6,687	102,389
Knox Township	17,995	232,263
West Township	15,250	161,506
Mahoning County	1,485,179	19,390,195
Beloit Village	3,757	44,575
Campbell City	112,337	2,975,700
Canfield City	24,887	304,105
Craig Beach Village	7,186	75,294
Lowellville Village	21,041	282,996
New Middletown Village	7,837	96,051
Poland Village	10,901	136,928
Sebring Village	51,690	611,581
Struthers City	101,522	1,720,923
Youngstown City	2,391,028	31,952,742
Austintown Township	196,533	1,999,076
Beaver Township	50,528	451,415
Beflin Township	7,324	77,916
Boardman Township	242,894	2,142,683
Canfield Township	36,606	451,863
Coitsville Township	9,009	265,007
Ellsworth Township	8,817	134,309
Goshen Township	22,276	181,379
Green Township	14,947	162,855
Jackson Township	15,037	112,166
Milton Township	15,769	187,403
Poland Township	48,080	673,307
Smith Township	25,317	372,895
Springfield Township	21,858	266,445
Alliance City	340,535	3,700,983
Minerva Village	58,458	535,254
Trumbull County	763,411	10,959,882
Cortland City	18,656	181,513
Girard City	151,001	1,825,402
Hubbard City	57,772	685,108
McDonald Village	39,815	827,244
Newton Falls City	44,626	523,524
Niles City	163,656	2,724,693
Orangeville Village	743	11,877
Warren City	783,022	9,076,725
Yankee Lake Village	323	2,007
Lordstown Village	83,577	578,507
Bazetta Township	26,623	357,133
Brookfield Township	39,941	473,074
Champion Township	33,386	424,830
Fowler Township	10,895	129,155
Hartford Township	7,442	96,936
Howland Township	122,195	1,580,319
Hubbard Township	58,658	744,557
Liberty Township	125,770	1,224,218
Lordstown Village	0	282,712
Newton Township	35,309	407,955
Vernon Township	6,425	68,753
Vienna Township	14,989	196,234
Warren Township	55,806	1,275,958
Weathersfield Township	108,499	1,424,521
57 governments	8,588,984	112,179,326●

THE INTRODUCTION OF A BILL REDUCING THE CAPITAL GAINS RATE FOR SECURITIES HELD FOR MORE THAN 2 YEARS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MATSUI. Mr. Speaker, today I have introduced legislation to encourage investment and economic growth by reducing the tax on capital gains for individuals.

The bill introduced today would lower the capital gains rate from a maximum of 20 percent to 10 percent for those stocks that are held for more than 2 years.

Under present law, the maximum ordinary income tax rate for individuals is 50 percent, which is applied to assets held for less than 6 months. A capital gains rate is available for qualifying assets held for more than 6 months. This capital gains rate allows the taxpayer to exclude 60 percent of the gain from the sale of these qualified assets and to recognize only 40 percent of the gain. The 40 percent is taxed at the taxpayers ordinary income tax rates.

Under this legislative proposal, the exclusion would be at the 80 percent level for qualified securities, yielding a maximum capital gains tax rate of 10 percent.

Thus, my legislation would cut in half the current capital gains tax rate for gains realized on the sale of securities held for more than 2 years. At the same time, the bill would not effect the capital gains rates for securities held for less than 2 years.

We need to create a stable pool of equity capital for emerging companies. That is essential if we are going to maintain economic growth in this Nation and keep our lead in technological innovation.

This legislation has been hailed by business and high tech industry leaders. The American Council for Capital Formation said this proposal "encourages entrepreneurship, continued growth, and job creation."

The National Venture Capital Association added, "Congressman MATSUI's bill would serve as a powerful stimulus to increase substantially the availability of high risk, 'patient' equity capital for American entrepreneurs."

Perhaps most significantly, this legislation maintains a special capital gains category or differential that is eliminated in the U.S. Treasury Department's much publicized tax proposal. Under the Treasury's proposal, capital gains would be taxed at the same rate as ordinary income, although indexed for inflation.

As a member of the House Ways and Means Committee, I feel that the 1978 and 1981 capital gains tax cuts were responsible for a burst of new venture capital, entrepreneurship, and job creation in the United States.

In addition, the Treasury Department's own figures indicate that lower capital gains rates will mean more—not less—revenue for the Federal Government. The Treasury's estimates refute the contention that reducing the capital gains rates will cost the Federal Government money. The fact is that taxes paid on capital gains have increased every year since the 1978 rate reduction.

Even after the 1978 rate reduction, the United States still taxes capital gains more severely than do most other industrialized nations.

For these reasons, I hope my colleagues on the Ways and Means Committee and the House of Representatives will join me in supporting this legislative initiative.●

PRIVATE SECTOR COUNCIL WORKS TO REDUCE GOVERNMENT WASTE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. KEMP. Mr. Speaker, everyone laments the current state of government financial management systems, but one dedicated group, the Private Sector Council [PSC] is doing something about it.

In its first full year of operation, PSC has created a new sort of partnership between government and the private sector through cooperation and a sharing of expertise to solve problems.

Mr. David Packard, chairman of the board of Hewlett-Packard Co., accepted the chairmanship of the PSC National Advisory Board in early June 1984, and was joined by a blue ribbon panel that represents a cross section of American business and industry. Mr. Packard explains why he accepted the leadership role:

> Many of the recommendations of the Grace Commission are based on modernizing the Government management systems. The management expertise of the private sector must be shared with the public sector to implement those programs.

Over the past year, PSC has launched over 40 separate projects within four departments of the Government. For example, a pro bono program which loans executives to the Treasury Department has already resulted in tangible improvements in Government cash management.

The potential savings in Federal funds which can be achieved through these 40 Private Sector Council projects within Government are estimated in the $16 billion range.

This is little short of astonishing. Day in and day out we in Congress debate in which ways and with which group of citizens we are going to tax, tax, and tax again. PSC's approach is entirely different and this is the secret of its success.

We need to learn a lesson from the accomplishment of PSC. First, we must recognize that our obligation is to insure more efficient management of the structure which administers the State. Increased productivity within the public sector lessens the need for more taxation of people's labor.

Second, we must learn ways in which the public sector can better accommodate the expertise of individuals and companies—who come to them not in a spirit of adversity, but seeking to donate generously of their talents and management expertise.

There is something in the nature of Government that makes it less able to change. No doubt, this partly due to the fact that competition per se does not factor greatly into Government management decisions. Where vigorous competition may exist—for example, in the delivery of postal services—Government is forced to consider market conditions.

The potential for much greater savings exists, too. And remember—for each dollar saved through better Government management—a dollar is saved for the private sector—the only creator of the wealth that Government regulates and attempts to redistribute.

Mr. William Onsted, PSC president, cites another trenchant example, this time in the area of automated financial management systems. He states:

> While there are 17,000 computer systems in the Government and over 200 accounting systems, there is little vertical integration, let alone system to system communication. From a financial management point of view, the Federal Government is not just out of control. Controls were never established in the first place. We now face an acute crisis. In order to manage our Government more efficiently, we must modernize and reform its financial management system.

Just in the area of cash management, PSC intends to contribute 50 labor years of support to the Government by the end of 1986. Anticipated savings of $4.7 billion in interest payments, and deficit reductions of at least $28 billion are projected by PSC experts.

I would like to endorse PSC's objectives by announcing my support of the Private Sector Council "Statement of Policy". This document was presented to both major party platform committees during last summer's political conventions:

> The Federal Government has a pervasive influence in the American economy in areas such as credit management, durable goods manufacturing, hospital care, agriculture, and education. As a principal element in the effectiveness of these economic segments, the Government must conduct its affairs in a financially efficient manner.
>
> Currently, the Government does not have efficient or effective financial management systems to conduct its business. Therefore, it is urgent that the development and implementation of such financial management systems be accomplished as one of the highest priorities of Government.

Partnership and cooperation are hallmarks of the Private Sector Council's service to our country. We must thank the distinguished leaders of PSC for their invaluable work, and encourage expanded efforts on PSC's part.

Our Government must make an absolute commitment to financial management excellence. It is our duty, and obligation as public servants—not just an idealistic goal we can talk about and then leave to others to implement.

We honor the following individuals and organizations who, through their support of PSC and their contributions of financial management expertise to Government under the auspices of the Private Sector Council, are on the front line in the search for excellence in Government financial management:

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William G. Onsted, President.

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Texaco, TRW, Union Bank of California, U.S. Steel, U.S. Leasing, United Technologies, Wells Fargo, Weyerhaeuser.●

CHILDREN'S JUSTICE REFORM ACT

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. SIKORSKI. Mr. Speaker, today I am introducing the Children's Justice Reform Act, the House companion bill to Senator HAWKINS' Child Justice Act. In addition, 17 of my colleagues have signed on as original cosponsors.

During the past year, greater national attention has increasingly focused on child sexual abuse. Over 123,000 cases of child sexual abuse were reported last year—a 35-percent increase over 1983. We heard from the judges and the lawyers, the parents and the media, but we have not heard from the one group who will bear the scars of their involvement for the rest of their lives—the children.

To fully understand the need for reform we need only imagine the experience of a 5- or 6- or 7-year-old victim of sexual abuse, who is caught up in the investigation and in the litigation process. Adults speaking adult language. Lawyers, judges, and psychologists acting like lawyers, judges, and psychologists in procedures and in scenery purposely made intimidating even to adults.

There is not better testimony to this trauma than the words of two Minnesota women who were sexually abused as children who recently shared an opinion piece in the Minneapolis Star and Tribune. They said:

Each of us was so traumatized that we blanked out all memory of those years. We have lived our lives depressed, suicidal, self-hating and filled with despair. We fear for the children. Will they too carry the effects of not only the abuse they've suffered but also of the callous treatment they have received from adults who are not willing to believe them? We have memories of trying to tell and of not being believed or of being punished. Did that help drive the events underground and cause the crippling effects in our lives? We have shared our stories in the hope that those who have never experienced the devastation of sexual abuse will understand that children do not lie about it.

Could we not have spared the trauma of a 6-year-old girl who was rendered mute while on the stand by the sight of a man who had brutally molested her? Later she said, "I saw him looking at me and I though he was going to come and get me and hurt me again." How can we justify the harassment of 16 days of grueling testimony required of a 10-year-old boy in Manhattan Beach, CA? Is our sense of justice so narrow, or our judicial procedures so rigid, that these innocent children must be victimized again and again?

Our legal system was designed by adults for the use of adults, and is ill-equipped to deal with the special and delicate needs of children. Studies have indicated that the extent of emotional damage to these children is as much dependent on what occurs after the abuse as from the actual incident itself. It is our responsibility—as parents, lawmakers and citizens—to stop it. Our legal procedures must be written to insure that while the rights of the accused are fairly protected, special boundaries and protections are applied to child sexual abuse victims.

As a member of the House Select Committee on Children, Youth, and Families, and a Congressman from the youngest congressional district in the United States, I recently held a hearing in my home State of Minnesota—"Protecting the Child in Sexual Abuse Legal Proceedings." We had experts in the judicial, legal, and psychological professions, and a victim herself, tell us about the overwhelming need for reforms.

Because of this hearing, I am introducing the Children's Justice Reform Act, legislation which encourages re-

forms that will reduce trauma to the child, enhance the chances of successful prosecution of child molesters, and protect and prevent children from further sexual abuse. Suggstions include limiting the number of times a child is interviewed by coordinating court proceedings, specialized training for law enforcement judicial, legal and child welfare personnel, modifying evidentiary restrictions, establishing videotaping procedures, and providing treatment programs for both the victim and the abuser.

This legislation does not mandate any particular reforms. Rather, it serves as an umbrella under which many types of reforms can and should be considered by the States. This gives States the incentive to creatively legislate reforms dealing with child sexual abuse on their own.

The 2 year cost is $12 million—minimal in light of possible benefits for the 1.5 million victims of child abuse this year. In fact, according to the GAO's review of the Grace Commission recommendations, almost $842 million could be saved by eliminating unnecessary telecommunications equipment and some multiline phone systems by the Federal Government. This is enough to fund the act for more than 40 years.

It is time for all of us to tackle the issue of child sexual abuse and not to shy away from it because it is too complex or too controversial. Our children are too important. As we talk about protecting our children in sexual abuse legal proceedings, we must not forget that we are dealing with children who have already been victimized once. When these cases are closed and the courtrooms quiet, the lawyers and reporters, judges, and spectators walk away. But the children bear scars for the rest of their lives. It is our duty to find the most judicious and expeditious way to treat the perpetrator, protect the innocent, and provide an environment that will shelter children from further hurt. That is what the Children's Justice Act attempts to do.●

GIVE THE WHISTLEBLOWER SOME INCENTIVE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. STARK. Mr. Speaker, while hardly a new phenomenon, fraudulent contracting at the expense of the American taxpayer is assuming levels that, in this era of severe spending constraints, both threatens the budget and weakens our Armed Forces. Daily we hear of inadequately tested or shoddy goods being foisted on the Government with virtual impunity. Currently, Government officials who expose such occurrences against the wishes of their superiors risk their careers and derive little benefit for their conscientiousness. Both the incentives to blow the whistle and the relatively risk-free environment for contract cheating must be reformed in order to correct this problem.

The False Claims Act of 1863 was intended to check these abuses. This act allows qui tam actions to be brought; that is, a civil action initiated by an individual for himself as well as for the U.S. Government. That person is entitled to a proportion of any damages awarded to the U.S. Government. The Department of Justice must decide within 60 days of notification of the action whether to assume full responsibility for the suit; if it does not, or if in the court's judgment it has failed to prosecute the case vigorously within 6 months, control of the case reverts to the individual.

While apparently a useful means of encouraging the revelation and prosecution of contract fraud, this law currently contains one great self-defeating flaw. A qui tam—private action will be dismissed if the information relevant to the false claim is in the possession of the Government. Thus Government employees cannot bring such a suit. Private individuals would also experience difficulty in successfully prosecuting a qui tam action because, in this era, the Government can claim to have possession of, or access to, almost all information.

The reform I propose allows citizens, including Government employees and miltiary officers, to proceed with a qui tam suit if, after bringing evidence of a contract abuse to the attention of the head of the appropriate agency, that agency fails to undertake proper corrective action within 6 months.

To prevent grossly excessive rewards for what is, after all, basic good citizenship, I also think we should lower the percentage of damages awarded to the individual bringing suit from the current law's 10 to 25 percent, to not less than 1 percent of the total but nor more than $1,000,000.

Conventional remedies have proved inadequate against these types of consensual procurement crimes due to a lack of both complaining witnesses and sufficient incentive to inform. I believe that the qui tam action could be a powerful ancillary method of law enforcement that would bring to book dishonest contractors, discourage others from the temptation to cheat the Government, and save our taxpayers billions of dollars every year.●

SINO-AMERICAN EARLY CHILDHOOD EDUCATIONAL EXCHANGE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HAWKINS. Mr. Speaker, on April 15 through May 10, 1985, the Sino-American child development educators' delegation to China will conduct its second early childhood educational exchange with its counterpart in the People's Republic of China.

This delegation has established an excellent educational exchange program which includes indepth presentations in the form of conferences and meetings from our child development educators to the People's Republic of China child development practitioners.

These planned educational conferences, research efforts and studies, are one of the most extensive and comprehensive child development program exchanges between our two countries. Such exchanges emphasizing quality learning and educational development should be highly commended.

Under the leadership of Dr. Alexander Yeh, three components will be presented by the experts in the following related fields: One, the human potential-brain and the multiple-intelligences; two, the California extended day care programs; and three, the California intergenerational programs. All these presentations will be videotaped and be made into a 30-minute film program for presentation to our educational institutions.

Educational exchanges such as these provide an invaluable service to both participating nations. By examining exemplary childhood educational programs we can offer the best possible services to our children. As many studies have proven, effective education at the early stages of a child's schooling is so critical to their development and academic achievement in later years.

Mr. Speaker, I invite all our colleagues to join together in extending our best wishes to our goodwill ambassadors to Asia and special regards to our friends of the All China Women's Federation in China for its continuous success.●

EMPLOYMENT AND TRAINING

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mrs. KENNELLY. Mr. Speaker, today I am introducing legislation to help the Nation's unemployed by expanding their opportunities to partici-

pate in skilled training programs, thus hastening their reabsorption in the labor market. This bill is a refinement and expansion of legislation I introduced last year. It embodies a concept endorsed by the northeast-midwest congressional coalition, and recommended in its testimony before the Public Assistance and Unemployment Compensation Subcommittee. I am very pleased that Representatives DON PEASE, BILL CLINGER, MARY ROSE OAKAR, and SHERWOOD BOEHLERT, who have been leaders in the coalition and in the Congress on employment and training issued, have agreed to cosponsor this bill.

Since 1970 unemployment insurance law has prevented the States from disqualifying UI claimants who are in State-approved training programs, essentially exempting these claimants from the standard UI eligibility criterion of being available and looking for work. While all States have adopted conforming legislation to this effect, they have not all put in place affirmative administrative procedures regarding approval of training programs and determinations whether any particular individual may actually participate in one. As a result, in fiscal year 1982, it has been estimated that only one-fourth of 1 percent of the year's 7 million unemployment insurance recipients actually were enrolled in job training programs.

Clearly, more of the Nation's unemployed would benefit from spending their period of unemployment retraining for occupations and skills for which there is or will be greater demand than for their previous occupations. This was a policy pursued in title III of the Job Training Partnership Act, and because of these incentives it may be assumed that more UI recipients have more training opportunities than was the case before JPTA. My bill would extend this policy further and also provide the information we need to evaluate what is being done now and what more needs to be done in the future.

Specifically, the bill I am introducing would give States an incentive to permit unemployed workers to upgrade their skills by allowing unemployment insurance [UI] payments made to persons in State-certified work preparation and skill training programs to count toward any interest on funds a State might have borrowed from the Federal Government to cover UI costs. The bill would clarify that actions taken by the States to promote training for individuals receiving UI benefits would not be considered an expansion of the State unemployment compensation system.

In addition, the bill directs the Secretary of Labor to develop model criteria that States can use in approving programs and in identifying individuals who would benefit from retraining. The Secretary would also be required to provide certain information to the Congress on what is being done in the States with respect to retraining unemployed workers. This would include a study which shall examine whether the combination of UI and retraining results in less time on unemployment and eventually a higher paying job for individuals, and lower administrative and general assistance costs for the States actively pursuing this strategy for unemployed workers.

Yesterday, the House of Representatives was forced to vote on a limited phaseout of Federal supplemental compensation [FSC] in the face of the Administration's threats to veto any extension of the program. This was a frustrating choice for those of us who believe more should be done to reform the unemployment insurance system and to provide mechanisms for encouraging retraining programs for unemployed workers. If one thing came out of this week's debate on FSC, it was the clear signal that the House of Representatives will soon address some of the serious underlying problems which remain in our economy affecting the long-term unemployed and the need for job training. As the Congress continues to explore comprehensive reform, I hope there will be a full discussion of this bill and other mechanisms to promote solutions to these problems.●

INTRODUCTION OF LEGISLATION TO EXTEND DAYLIGHT SAVING TIME

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. CONTE. Mr. Speaker, I am introducing legislation today to extend daylight saving time [DST] for 2 additional months, to begin on the first Sunday in March, rather than the last Sunday in April as under present law. Congress has considered similar legislation several times in past years.

Mr. Speaker, the history and development of daylight saving time has followed a complicated route in the Congress. Even before the concept of DST was conside. 1, it was not until 1883 that the United States had a concept of standard time within time zones. Prior to 1883, for example, when it was noon in Washington, it was 12:24 p.m. in Boston and 11:43 a.m. in Savannah.

In 1883, however, most railroads began to operate on standard railway time, reducing the number of time zones to four. Within 5 months, 80 of the 100 principal cities in the United States had adopted the railway time system. In the early 20th century, Congress made the first of many attempts to establish a uniform system of time for the United States—one which the entire Nation would be required to follow. Interestingly enough, this legislation also established the first daylight saving time.

The idea of DST first originated with a British astronomer, William Willett. In 1907, he began a campaign for the worldwide adoption of DST, using many arguments familiar to us to this day: additional time for recreation, less crime, and a reduction in the need for artificial light. The introduction of summer daylight saving time began in the next decade: First by Germany, in 1916, and soon afterward by a number of other European countries. World War I provided the impetus; the expected saving of electricity and coal through the adoption of daylight saving time was seen as an aid in the war effort.

In the United States, however, DST and standard time were introduced at the same time; both went into effect on March 31, 1918. Congress repealed DST after two summers, partly because the war was over, and partly because of public complaints. From 1920 to 1942, DST was a matter of local option, although it was only used widely in large regions of the eastern time zone. In 1942, however, Congress again enacted a daylight saving time proposal, ending at the end of September 1945. The following spring, various States and municipalities reinstituted DST.

As the years progressed, Mr. Speaker, the confusion became worse. In 1962, the transportation industry urged Congress to end the lack of uniformity through Federal legislation. The transportation industry cited several situations as part of their argument: A 35-mile bus trip from Steubenville, OH to Moundsville, WV required seven time changes. In a Government office building in Minneapolis-St. Paul, the time was different on every floor. And a statement by the Department of the Navy declared that in general, it is not possible to tell with certainty what time it is in a particular locality on a given date.

The confusion was in large part resolved in 1966, when Congress enacted the Uniform Time Act (Public Law 89-387). This legislation required a standard time policy in the United States and established DST to begin on the last Sunday of April and end the last Sunday of October. States were allowed to elect exemptions from DST in 1972. And in 1973, Congress provided for DST on a year-round basis for a 2-year trial period in an attempt to relieve severe energy shortages. Public concern resulted in an amendment to the act to provide for 4 months of standard time from November 1974 to February 1975. In general, there have been no additional changes in the past

10 years, although the House and Senate have both, in different Congresses, passed legislation to extend DST for greater periods of time.

Mr. Speaker, my legislation provides for an 8-month DST system. As required by Congress in the 1973 statute, the Transportation Department submitted a report to the Congress on the operation and effects of the Act. The report indicated that modest overall benefits might be realized by a shift from the historic 6-month DST system to an 8-month DST system in areas of energy conservation, overall traffic safety, and reduced violent crime. The DOT report pointed out that expanded daylight saving time could reduce electricity and heating demands by as much as 3 percent.

This is fully consistent with the concept of DST. During part of the year, the Sun rises before most people do. If the clock is advanced, sunrise by the clock will be later—as will sunset. This clock shift saves daylight in the sense that it reduces the number of daylight hours when people are normally asleep and increases the number when they are normally awake.

There is some concern that later sunrises might endanger children walking to school. However, my legislation provides that DST would begin on the first Sunday in March; sunrises would be no earlier than September and October. In addition, the Transportation Department found no statistically significant increase in fatalities or serious accidents in March or April 1974 or 1975, when DST was generally in effect on a year-round basis.

My legislation also deals with concerns of AM radio broadcasters, many of whom are unable to broadcast before sunrise. The legislation would allow the FCC to implement regulations with respect to hours of operation of daytime AM radio stations.

Mr. Speaker, daylight saving time extended from March to October will provide several benefits to the Nation: saving energy, reduced crime, reductions in the number of automobile accidents, and more time for recreation. I urge my colleagues to support the legislation and urge the Energy and Commerce Committee to move expeditiously to report the bill to the full House for consideration.●

MULTILATERAL DEVELOPMENT BANK AUTHORIZATIONS

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LUNDINE. Mr. Speaker, I am today introducing legislation at the request of the administration which would authorize continued U.S. participation in the multilateral development banks. Specifically, the administration has requested congressional approval of U.S. subscriptions to a selective capital increase for the World Bank and a capital increase for the International Finance Corporation. In addition, the legislation introduced would enable a U.S. contribution to the fourth replenishment of resources of the African Development Fund.

SELECTIVE CAPITAL INCREASE

The bill authorizes the Secretary of the Treasury to subscribe to $1.5 billion worth of shares of the capital stock of the World Bank. It is important to point out that the actual budgetary cost to the U.S. of participation will actually be $131.4 million, payable over 2 years, as the paid-in portion of the total subscription. The remainder of the U.S. share will be in the form of callable capital. Purchase of these shares of stock by the United States would constitute 17.8 percent of the total capital increase of $8.4 billion. This capital increase would continue the practice of parallelism between the International Monetary Fund and the World Bank, that member countries share of the voting stock in each institution should be readjusted following an IMF quota increase. The U.S. share of the voting stock in both the IMF and the World Bank following enactment of the Selective Capital Increase will be about 20 percent. Maintenance of a 20-percent U.S. vote is important because it enables a U.S. veto of charter amendments which require an 85-percent vote of the capital stock for adoption.

INTERNATIONAL FINANCE CORPORATION

Section 3 of the bill would enable U.S. participation in a capital increase for the International Finance Corporation. If enacted, the Secretary of the Treasury would be authorized to subscribe to 175,162 additional shares of the corporation valued at $175 million and payable over a 5-year period commencing in fiscal year 1986. The total capital increase for the corporation, based on agreement with other participants, will be $650 million. The U.S. share of the total therefore will be 27 percent.

The IFC promotes private enterprises in the developing countries by providing risk capital and long-term loans, making direct equity investments in private companies. The IFC's investment is intended to act as a catalyst for additional foreign and domestic capital investment in a particular venture. The capital increase is necessary to permit expansion of the IFC's investment program in the next 5 years.

AFRICAN DEVELOPMENT FUND

Section 4 of the bill authorizes the Secretary of the Treasury to pay the African fund $225 million over 3 years as the U.S. contribution to the replenishment of its resources. The U.S. share of the $1.5 billion replenishment amounts to 15.4 percent of the total.

The AfDF is the concessional lending affiliate of the African Development Bank, making low interest loans to the world's poorest developing countries those of sub-Saharan Africa. More than 80 percent of in Fund is a critical provider of development resources and U.S. participation in this replenishment is an important contribution to the future of the African Continent.

These requests are the result of an extensive series of international negotiations which established the burden sharing among the donor member countries of the institutions. This burden sharing points out one of primary advantages of U.S. participation in the multilateral development banks; contributions from the United States are leveraged with those of other donor countries resulting in a much larger pool of resources which these banks then use to finance priority development initiatives in the developing countries. During a period when our budget faces unprecedented constraints these banks represent an extremely cost-effective means for disbursement of U.S. foreign economic assistance.●

THE QUALITY ASSURANCE REFORM ACT OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ROYBAL. Mr. Speaker, today I am introducing the Quality Assurance Reform Act of 1985. For the past several years, the Medicare Program has been squeezing down on the cost of health care. Recent proposals by both the administration and the Senate Budget Committee would increase the pressure to contain health care costs. All this is being done without adequately shielding the elderly from quality of care problems.

We need to step back and look at what is happening to Medicare beneficiaries as a result of cost containment. We need to ask whether cost containment has really become care containment and whether the worst is yet to come.

In all our efforts to contain costs for the Federal Government, we have failed to protect the Medicare beneficiary. Having watched the development of the prospective payment system this past year and listened to testimony given at my committee's February 26 hearing on quality of care, I am firmly convinced that we need to change current law and place quality assurance on at least an equal footing with cost containment.

Medicare beneficiaries and their families are confused and feel alone and unprotected. This bill would establish a 24-hour hotline for beneficiaries and for health care providers to deal with quality problems. Further consumer protection is provided by setting up a consumer advisory board to oversee the operations of peer review organizations.

At the national level, I am proposing the establishment of a National Council on Quality Assurance to oversee the entire quality assurance program and to make recommendations to the administration and the Congress for upgrading quality assurance.

To ensure that Medicare is not care containment, I am proposing that at least one-half of the pros activity be focused on quality assurance and that quality assurance be extended to cover all services covered by Medicare.

This bill does the right thing in a time of cost containment. I urge my colleagues to help ensure quality health care for the Nation's aged and disabled by supporting the Quality Assurance Reform Act of 1985.●

KILDEE SUPPORTS MEASURE TO PROVIDE FURTHER RELIEF FOR THE LONG-TERM UNEMPLOYED

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. KILDEE. Mr. Speaker, the Federal Supplemental Compensation [FSC] Program expired on March 31. More than 340,000 long-term unemployed Americans who would otherwise be eligible to receive additional weeks of these benefits will receive their last FSC check this weekend unless Congress and the President act expeditiously to provide phaseout relief. Today, the House Committee on Ways and Means has submitted legislation, H.R. 1866, to provide for continued FSC assistance for the 340,000 American unemployed workers who would otherwise face an abrupt loss of FSC benefits.

I urge my colleagues to support this measure because it will allow for the continuation of Federal supplemental compensation to unemployed workers now receiving the Federal assistance. However, I am disappointed that we only have this limited bill before us today. The Ways and Means Subcommittee on Public Assistance and Unemployment Compensation reported an excellent measure to the full committee. The subcommittee bill would have provided for a 3-month extension of the FSC program so that unemployed workers who exhaust their State benefits after March 31 would have still been eligible to receive FSC assistance. Unfortunately, because of the looming threat of a Presidential veto of the subcommittee legislation, the full committee reported out H.R. 1866 instead.

Mr. Speaker, the most recently available statistics show that there are more than 1,300 workers in the Flint area and more than 18,000 workers throughout the State of Michigan who are currently receiving assistance from the FSC program. H.R. 1866 will provide assistance to many of them.

However, the total unemployment rate in my home town of Flint, MI is 15.3 percent, more than double the national average of 7.3 percent. And the total statewide unemployment rate in Michigan still exceeds 10 percent. I am disappointed that we cannot do more at this time to help these people.

I hope that in the coming months, we go beyond our limited actions today and provide reforms in Federal unemployment programs so that we may offer more relief for unemployed workers in areas of the country with persistently high levels of unemployment.●

LEGISLATION TO REFORM THE ONSHORE OIL AND GAS LEASING PROGRAM

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, I am introducing legislation today to end the Department of the Interior's scandal-ridden noncompetitive onshore oil and gas leasing program.

Since I first introduced this legislation in 1979, the Department's noncompetitive oil and gas leasing program has been discredited repeatedly. The General Accounting Office, the Congressional Budget Office, and the Departments of the Interior and Justice have all in the last several years reported findings of fraudulent activities and substantial revenue loss due to continued use of noncompetitive leasing.

In 1980 and again in 1983, the Department of the Interior confirmed my charges of abuse by suspending the simultaneous leasing program. Just last week a House subcommittee discovered further scandals—and this after the Department had taken corrective measures. For example, the House study found that the Interior Department had sold 92 tracts for $4 million in filing fees, although the fair market value of these leases is estimated to be between $70 million and $90 million.

My legislation would eliminate the present noncompetitive system. Instead of a lottery system which confers millions of dollars worth of resource-rich lands on a lucky individual who files a $75 fee, this legislation would institute competitive bidding procedures that are currently in use for offshore leases and for land in known geologic areas onshore. The Congressional Budget Office has estimated that competitive leasing of onshore tracts would increase revenues to the Federal Treasury and the States by $700 million.

The noncompetitive oil and gas leasing program was developed in the 1950's, when the oil and gas market was vastly different than it is today. Tracts that were outside known geologic systems, were placed into a bimonthly lottery and made available for development to lucky winners at the mere cost of $10 filing fee. Bidders were not required to have any prior experience in natural resource development. Annual rents on the land were extraordinarily low. And leases were available for excessively long periods of time—10 years, compared to 5 for competitive leases—without any requirement that lessees develop the tracts diligently.

The system operated more like a glorified church raffle than a method for responsibly disposing of billions of dollars in federally owned energy resources.

Not surprisingly, this system is subject to enormous abuse. It cheats the taxpayers of this Nation out of billions of dollars of revenues which could be secured through competitive leasing and higher royalty rates. It permits individuals who lack any knowledge whatever about the production of oil and gas to secure title to vast quantities of valuable, public reserves, and to profit from the assignment of those leases to oil and gas companies.

The assignment of profitable tracts denies taxpayers a fair share of the value of the oil and gas that they own. We have heard of cases where individuals secured, through a $75 lottery entry fee, the rights to a tract which they immediately assigned, or resold, to major oil companies for as much as $200,000. The public received nothing from that assignment. If an oil producer was willing to pay $200,000 for that tract, should not the taxpayers of this country, who own the resources, receive the proceeds?

As early as 1968 and again in 1970, the General Accounting Office warned that taxpayers are not receiving the fair market value for oil and gas resources and questioned whether the program was sufficiently in tune with the real world.

A 1970 GAO study concluded that competitive leasing would insure that lands are leased at prices that more nearly approximate their fair market value. GAO noted:

The use of a competitive bidding system would eliminate the undersirable aspects of awarding leases of Federal lands on the basis of a drawing . . . The disposal of the nation's oil and gas resources under full and free competition would be more consistent with our free enterprise economy.

In 1981, the Congress adopted my proposal to raise the noncompetitive system's entry fee from $10, the rate established in 1950. In the first year at a $75 entry fee, revenues increased by $144 million, a 300-percent surge. But entry fees are provided merely to cover the program's administrative costs. They are not a source of revenue.

To increase the taxpayer's return for the use of Federal lands, the legislation I am introducing today, the Oil and Gas Leasing Reform Act of 1985, would replace the noncompetitive system with a competitive leasing program similar to that used offshore.

The Secretary would be authorized to utilize any of several bidding systems currently available for leasing of the Outer Continental Shelf. These options include royalty bidding, front-end bonuses, and net-profit sharing.

As with offshore leases, this legislation permits the Secretary to lease for small front-end bonuses in order to encourage exploration of marginal areas. This bill also allows the Secretary to reduce royalty or net profit payments in the latter phases of production to encourage enhanced recovery of oil and gas.

This bill eliminates the current 12½ percent ceiling on royalty rates and authorizes the Secretary of the Interior to set royalties at the 16⅔ percent rate common to offshore and competitive programs, or higher if appropriate. Outdated rental fees of $1 per acre, and $2 per acre for tracts where oil and gas has been discovered, would be doubled. My bill also shortens the initial lease term from 10 to 5 years and requires the diligent exploration, development, and production of tracts.

Finally, many of the scandals we have witnessed during the last few years result from inadequate monitoring of leases and a lack of information. This legislation authorizes the Secretary to collect information regarding the exploration and development of Federal lands.

In addition to increasing Federal and State revenues, competitive leasing will rid the onshore leasing program of fraudulent and unscrupulous participants and insure that Federal lands are explored and developed by interests with demonstrated experience and competence in the field.

Mr. Speaker, I believe it is time the Congress take action to reform this grossly outdated and economically inefficient onshore leasing program. I hope Members will join me in this effort to provide the taxpayers of the United States, the owners of these oil and gas resources, with the fair market value for exploration and development of our public lands.

The text of the legislation follows:

H.R. 1960

A bill to amend the Act of February 25, 1920, commonly known as the Mineral Leasing Act, to require competitive bidding for leases on Federal lands with oil or gas deposits, and to require diligent exploration for, and development and production of, such oil or gas deposits, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Oil and Gas Leasing Reform Act of 1985".

SEC. 2. MINERAL LEASING ACT AMENDMENTS.

(a) Subsections (a) through (d) of section 17 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (30 U.S.C. 226 (a) through (d)), are amended to read as follows:

"SEC. 17. (a) Except as otherwise provided in this Act, the Secretary is authorized to lease to the highest responsible qualified bidder by competitive bidding, under regulations promulgated in advance, any lands subject to disposition under this Act which may contain oil or gas deposits. The bidding shall be by sealed bid on the basis of those of the bidding systems set forth in section 8(a)(1) of the Outer Continental Shelf Lands Act which the Secretary determines would maximize competition and revenues to the United States. Such bidding shall be conducted in accordance with the procedures and requirements set forth in section 8(a) of such Act (other than paragraphs (5) and (9)(E) thereof).

"(b) A lease of land under this section shall—

"(1) be for an initial period of five years and as long after such initial period as gas or oil is produced in paying quantities from the area in compliance with diligence standards established by the Secretary with respect to exploration, development, and production, or as long as drilling or well reworking operations as approved by the Secretary are conducted thereon;

"(2) entitle the lessee to explore, develop, and produce the oil and gas contained within the lease area, conditioned upon compliance with diligence standards established by the Secretary with respect to exploration, development, and production; and

"(3) be conditioned upon payment by the lessee of a rental of not less than $2 per each acre of the lease, to be paid in advance each year.

"(c) A minimum royalty of $4 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on lands leased under this section.

"(d) Any lessee conducting exploration for, or development of production of, oil or gas pursuant to this Act shall provide the Secretary access to all data and information obtained from such activity which the Secretary may request.".

(b) Section 17(e) of the Act amended by subsection (a) of this section (30 U.S.C. 226(e)) is repealed.

SEC. 3. TECHNICAL AMENDMENTS.

(a) Section 30(a) of the Act of February 25, 1920 (30 U.S.C. 187a) is amended by striking out "30. (a)" and inserting in lieu thereof "30A.".

(b) Section 30(b) of such act is amended by striking out "30. (b)" and inserting in lieu thereof "30B.".●

MURDER OF MAJ. ARTHUR NICHOLSON

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LEVINE of California. Mr. Speaker, I am both saddened and outraged by the recent murder of Maj. Arthur Nicholson. This is yet another example of the Soviet Union's shoot-first mentality which was so graphically demonstrated less than 2 years ago when Russian pilots shot down Korean Airlines flight 007.

There is no question that Major Nicholson was engaged in intelligence-gathering information. Also, there is no question that the Soviet Union would have been well within its rights to detain and question Major Nicholson regarding his activities.

No such action were taken, however. Instead, a Russian soldier opened fire on Major Nicholson with no advance warning. One of the Russian soldier's shots hit Major Nicholson in the chest. The Russians then chose to make a bad situtation worse, by preventing Major Nicholson's companion from administering the medical care which could have saved his life.

Nothing Major Nicholson did in any way justified his shooting. Although the rules governing intelligence gathering are sometimes murky and confusing, Major Nicholson was playing within those rules when he was gunned down.

It is just as inconceivable to me that an American soldier would have shot and then denied medical care to a Russian soldier under similar circumstances, as it is that the United States would shoot down a Soviet airliner under circumstances similar to those which lead to the destruction of KAL 007.

Mr. Speaker, the recent actions of the Soviet military are despicable and beyond justification. They owe an apology to the people of the United States, and especially to Major Nicholson's wife and 8-year-old daughter.

It is my hope and expectation that the Reagan administration will convey to the Soviet Union that such an incident is not to happen again and take appropriate condemnatory action. There can be no excuse for this reprehensible act and we should find a clear and unmistakable way to make our outrage known to the Soviets.●

PURSUANT TO CONSIDERATION OF H.R. 1866 ON APRIL 2, 1985

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RAHALL. Mr. Speaker, I am pleased that H.R. 1866, which amends the Federal Supplemental Compensation Program, was passed by the House yesterday and I would like to commend Chairman ROSTENKOWSKI and the members of the Ways and Means Committee for their efforts in bringing this legislation before the House for consideration. Unfortunately, it is my understanding that the committee was not able to fully reauthorize the Federal Supplemental Compensation Program due to threats of a veto by President Reagan.

The legislation passed yesterday will allow individuals who are currently on the FSC program, that is, individuals who claim FSC benefits for the week of March 31-April 6, 1985, to collect the remainder of their FSC benefits. No new claimants will be granted benefits after April 6, 1985. Previously, there was no provision for "phasing out" recipients and benefits would have ceased after the week ending April 6, 1985, regardless of the number of weeks an individual had collected his or her original entitlement.

I have introduced a bill, H.R. 982, that would extend the FSC program for an additional 2 years. While it is true that the national unemployment rate has been on the decline as the economic recovery continues, certain States still suffer from extremely high levels of joblessness. The unemployment rate in my State of West Virginia still hovers at 15 percent. For States such as West Virginia, Alabama, Mississippi, and Michigan, additional Federal unemployment benefits are essential to the livelihood of laid-off workers and their families as they continue to search for employment. These families will have no option but welfare once the FSC program is phased out. It is my hope that Congress will continue to consider extending the Federal Supplemental Compensation Program as we struggle to deal with the still serious unemployment situation facing many areas of the Nation.●

PURCELL-MARIAN EXCELS FROM UNDERDOG TO 1985 OHIO BASKETBALL CHAMPS

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LUKEN. Mr. Speaker, I would like to call to your attention a basketball team that has achieved shocking upsets and grabbed the coveted championship title for 1985. No, I am not referring to the Villanova Wildcats, NCAA basketball champions, but a team of equal excellence and success in its league—the Cavaliers of Purcell-Marian High School of Cincinnati. OH.

The Purcell-Marian High School's class AAA State championship is a victory against the odds. Starting with a freshman coach this year who at 25 is the youngest high school basketball coach in Cincinnati, Purcell was unanimously selected to finish last this season. But the new coach, Jim Stoll, defied the prophets, and led his team from a level of high school basketball obscurity to State champions, for the first time in Purcell-Marian history. Along the way, the Cavaliers also stacked up sectional, district, and regional titles for the first time in 16 years.

One cannot help but regard the Purcell-Marian team with awe, knowing that the team has played among the best league in the city, the Greater Cincinnati League, and rose to fantastic heights in one season. To commend this wonder team, Mayor Charles Luken has presented Purcell-Marian with the key to the city of Cincinnati, and declared March 31, 1985, as Cavalier Day. An alumnus of Purcell-Marian, I am proud to congratulate Coach Stoll and the Cavaliers for mature sportsmanship, raw enthusiasm, and an unwavering determination to excel. Purcell, 24 and 3 and winner of 14 straight games, has gone from the classic underdog to the best basketball team in the State of Ohio. I lend my admiration and wishes for continued success to Purcell-Marian High School and Coach Jim Stoll, for conquering insurmountable challenge with outstanding victory.●

A TRIBUTE TO JOSEPH "REDS" VERNON

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HOYER. Mr. Speaker, at the end of last year, Joseph "Reds" Vernon retired as executive director of the sports office of the Maryland-National Capital Park and Planning Commission. Reds Vernon has devoted his life to improving sports programs for the youth of Prince Georges County and the Washington metropolitan area.

Reds Vernon had quite a successful amateur boxing career. He won national titles as a Golden Glover and AAU champion. During service in the Army Air Corps in World War II, he won the welterweight boxing championship for the South Pacific.

Upon his return from the service, Reds Vernon began to work with the Metropolitan Police Boy's Clubs in Washington, DC. In 1959 he became executive director of the Prince Georges Boy's Clubs. That group merged with the Maryland-National Capital Park and Planning Commission Sports Office in 1970 and Mr. Vernon became executive director, the job he retained until his retirement.

We all know the difference that participation in sports can make in young lives. Teamwork and training teach the qualities of discipline and self-confidence which are needed to succeed in many other endeavors. Thousands of Prince Georges County youth have benefited from the sports programs of the boy's clubs and the M-NCPPC. That they have done so is a tribute to Reds Vernon's lifetime of work. It is also a tribute to the contribution of Reds' wife, Dorothy, who was instrumental in opening the sports programs to girls as well. For their years of service, the citizens of Prince Georges County owe the Vernons a debt of gratitude.

Mr. Speaker, I hope the Members of the House will join me in wishing Reds Vernon well in retirement. I must note, however, that retirement will not sever his relationship with my county's youth sports programs. Reds Vernon has already said he intends to continue to be involved, as a volunteer.●

THE SMOKING, MEDICARE/MEDICAID, AND ALTERNATIVE REVENUE TAX ACT OF 1985 (SMART)

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ROYBAL. Mr. Speaker, I am introducing the Smoking, Medicare and Medicaid, and Alternative Revenue Tax Act of 1985 [SMART]. As all of us in the Congress recognize, this Nation has a great need to reduce the Federal deficit, to decrease cigarette smoking and its adverse health consequences, and to shore up the financially troubled Medicare and Medicaid Programs. This bill takes a critical step toward addressing these needs.

In this bill, I am proposing to increase the Federal cigarette excise tax to 32 cents per pack as of October 1, 1985. Under normal conditions, I would not support increasing a regressive tax such as this. However, these are difficult times requiring difficult decisions.

The increased revenues from these higher cigarette taxes are earmarked specifically for those Federal and State health programs—Medicare and Medicaid—serving the poor, the elder-

ly, and the disabled. Keeping in mind that these programs are currently part of the Federal budget, the added tax revenues will make a significant contribution toward reducing the Federal deficit as well.

We should also not lose sight of the importance of reducing cigarette smoking and the health problems it causes. These are health problems which most heavily strike our low- and middle-income citizens and greatly burden our already overburdened Medicare and Medicaid Programs.

This SMART bill raises the cigarette tax to 32 cents and indexes future increases to the Consumer Price Index. Over the next 5 years, this bill will provide additional revenues totaling over $25 billion. One-quarter of these added revenues are earmarked for Medicare part A and one-quarter for Medicare part B. As for Medicaid, one-quarter of the added revenues will go to the States to be used in their Medicaid programs. Similarly, one-quarter will go to the Federal portion of Medicaid.

Enactment of the SMART bill will obviate the need for the Congress to raise the costs to Medicare beneficiaries or to cutback on Medicaid benefits and eligibility. In the interest of improving the health of this Nation's citizens and reducing the Federal deficit problem, I ask my colleagues to support the Smoking, Medicare and Medicaid, and Alternative Revenue Tax Act of 1985.●

IN HONOR OF JIM VAN HORN

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. TORRES. Mr. Speaker, I wish to congratulate Mr. Jim Van Horn for his excellent service to the California Contract Cities Association. As the president of the association for the past year, Jim brought with him the creativity, persistence and patience that has always served him well as a public official.

I know Jim Van Horn best from his work as a mayor and councilman from the city of Artesia. He has helped make that small city a community with many excellent community services, streets, and businesses. He understands how a city works. He knows that an elected official must always listen and respond to the needs of constituents. And, Jim knows that a well-run city requires a unified city council and a competent city manager.

Jim brought his understanding of government to his position as president of the California Contract Cities Association. It was not an easy task. The association represents 58 California communities that contract for municipal services. These cities range in population from as small as 90 to as large as 92,000. Jim was able to unite the varied interests of these local governments. I can tell you as one Member of Congress that the views of the Association of California Contract Cities have been well represented in Washington.

While the association will be losing Jim as its president, I am pleased to know that he will continue serving as the mayor of Artesia. In a time when tough decisions must be made about public spending and taxing, I believe we are fortunate to have Jim Van Horn serving the people. I also know that the California Contract Cities Association will find few to match Jim's talent and commitment.●

CENTRAL CATHOLIC HIGH SCHOOL WINS BASKETBALL CHAMPIONSHIP

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. YATRON. Mr. Speaker, I rise today to pay special tribute to the Central Catholic High School Class A basketball team who won their first PIAA State championship on March 30 with a 55–47 overtime win against the Midland Leopards. I know that my colleagues will join me in congratulating Coach Reggie Weiss and the entire team on this outstanding achievement.

The Central Catholic Cardinals trailed six points with 1:12 left in regulation of the PIAA Class A championship game. The Cards scored the final six points of regulation and defeated Midland in overtime. This PIAA championship is the first for a Berks County Boys Basketball team since Mount Penn won the class A title in 1972. The Cards record for the year was 27–2.●

NARCOTICS IMPORTATION, MANUFACTURE AND CONTROL ACT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. HUNTER. Mr. Speaker, last week I hosted a conference in my district to discuss, with my constituents and area law enforcement officials, steps that could be taken to increase our fight against drug traffickers. Many worthwhile suggestions were made by the participants and today I am introducing legislation to establish mandatory sentences for importation and manufacturing offenses.

In 1984, 10 tons of heroin, 85 tons of cocaine and about 15,000 tons of marijuana were smuggled into the United States. In addition, the domestic production of illicit drugs continues to rise. While there are many ongoing efforts to address these problems, I believe individuals continue to engage in these illegal practices because the criminal penalties do not provide a sufficient deterrent.

This legislation, the Narcotics Importation, Manufacture and Control Act, would establish a 20-year mandatory sentence for the importation of large quantities of an opiate, cocaine, PCP, or LSD; 15-year mandatory sentence for the importation of any amount of a controlled substance in schedule I and II; 5-year mandatory sentence for the importation of certain quantities of marijuana, hashish, and hashish oil; and mandatory sentences for the illegal manufacture of a controlled substance. In addition, individuals convicted of these offenses would not be eligible for parole or probation.

I firmly believe that the establishment of these mandatory sentences will send a clear signal to those in the illegal drug business that the United States will not tolerate drug smuggling across its borders or manufacturing of illegal drugs within its boundaries. I urge my colleagues to join me in sending this signal.●

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I am pleased to place into the RECORD the text of the 1985 Bodenheimer Lecture, delivered by the Honorable GEORGE MILLER, at the University of California, Davis, School of Law, on March 11, 1985. It is fitting that Congressman MILLER was chosen to deliver this lecture, for his leadership in Congress to strengthen family law has been exemplary.

I have had the privilege of serving on the Select Committee on Children, Youth, and Families, under Mr. MILLER's leadership, since I came to the House in 1983, and have worked closely with him on issues of mutual concern. The committee's work has had strong support in the Third District of Connecticut which I represent. I look forward to continuing to work with Mr. MILLER, who has now been duly recognized by his alma mater, as we search for solutions to the myriad of issues confronting families attempting to raise healthy children in our complex society.

The text of the lecture follows:

BODENHEIMER LECTURE

It is an honor to be here tonight as a graduate of Davis and to present the Bodenheimer Lecture this year.

This isn't just the first law school lecture I've ever given. There are a good number of people in the audience tonight who think this is possibly the first law school lecture I've ever attended from beginning to end.

While I was waiting for this speech to begin, I looked at the lectern and I felt a little like Hubert Humphrey when he became the first sitting Senator to address a joint session of the Congress. You know, Humphrey ran three times for the Presidency, but he never quite made it. So when he stood up at that podium in the House of Representatives, where the President stands when delivering the State of the Union Message, he said, "Boy, you don't know how long I've waited to get here!"

I didn't study with Professor Bodenheimer, but I remember clearly her giving us very practical advice. We married students used to have to explain to our spouses and kids that law school was very demanding, and that we had to stay late at school and study. Then we ended up spending a lot of time hanging around the lounge drinking coffee. Professor Bodenheimer knew all about this behavior, and she used to come by the lounge, during one of our serious "study" sessions, and suggest that we go on home and take care of the family. It was good advice.

Let me take you back, for a moment to the late 60's and early 70's, when I was a law student at Davis. I came from a family where "public service" and social justice were fundamental.

My father served for 23 years in the State legislature, and I worked there myself for George Moscone for 5 years.

I once even dropped out of law school to run for the State senate. But there was an overwhelming public mandate from the voters that I return to school and finish my law degree. So I did.

I was one of a generation summoned to public service by John F. Kennedy, whose vision released a spirit that ignited the hopes and dreams of millions of Americans, especially the young.

We were inspired by Martin Luther King, who forced us all to confront the troubled underside of America.

And we were inspired by Robert Kennedy, who asked us to dream how, through our own energies, the world could change.

The '60s was far more than a decade of dreams.

It was a decade of activism. Cities were on fire; years of social injustice were being challenged. And the economic disparities which had existed were no longer to be tolerated.

It was also a decade of disallusionment, beginning with the assassination in Dallas. Soon, the Vietnam war tore our country apart; Martin Luther King and Robert Kennedy were cut down in the prime of life.

In the early '70s, our faith in our institutions was itself shattered by those in the highest positions of public trust who cynically perverted the political process and provoked a constitutional crisis.

My class came to study law just as America was reeling. The American people were deeply divided. Many were distrustful of government; many doubted real change could come effectively through the political process or peacefully through the law. In fact, at one point after the Kent State Massacre, we even shut down King Hall.

So many of us were so excited to go forward to help the poor, to work in clinical programs, and to give up our classwork, that we had to be admonished by Dean Dan Dykstra that "The last thing the poor needed was a poor attorney."

That is why we invested so much of ourselves and our dreams in an optimistic notion: By training as problem-solvers for those trapped or ignored by the legal complexities of modern life, we prepared ourselves for a dynamic career, and for a chance to shape a changing and dynamic public agenda.

One of the delights of returning to Davis is to say "thank you" to those who helped me on the way. Another is to report on a legal career spent in the public sector—a career which has reinforced my commitment to assuring the rule of law for all our citizens—especially for families and children.

Politicians are again paying close attention to family issues. This concern by liberals and conservatives alike has been heard before. But it often doesn't result in very much, or even last very long.

This underlying ambivalence of policymakers over involvement in children and family policy has been a consistent part of our history.

It was written into the first charter of the Federal Children's Bureau in 1912. Government should gather information, according to the law, but never delegate anyone to enter the home of an individual family.

The Sheppard-Towner Act of 1921, one of the very first maternity and infancy grant programs failed as the political climate shifted.

In 1937 the Fair Labor Standards Act passed prohibiting child labor, but only after a constitutional amendment languished unratified.

Even the Social Security Act of 1935, the cornerstone of support for economically stricken children and families, contained only modest programs of assistance, like those for crippled children.

These efforts kept children and family issues alive in the minds of policymakers. But serious action to alleviate their crises virtually disappeared from political debate at the national level until the late 1960's and 1970's.

For many years, despite our rhetorical displays, the commitment of the Federal Government to children's policies has been minimal. For most of the post-war era, there was less discussion in Congress of incest, adolescent pregnancy, family violence and child abuse than in this year's T.V. guide.

That's the main reason that I wanted to create a Select Committee on Children, Youth and Families in the House of Representatives—a committee that would have no other responsibilities or agenda than children and families. I wanted a committee that would do what the Banking Committee does for bankers, or the Ways and Means Committee does for tax attorneys. But we would focus exclusively on kids.

The formation of our Select Committee on Children, Youth and Families in 1983 does not mean we have forever overcome the ambivalence and ignorance which have historically impeded the development of a comprehensive family and children's policy.

But the record which it has written clearlay demonstrates that we are now at a point where government's indifference is simply intolerable.

For once we have discovered that the remedy is available, that there are workable answers, then it is incumbent upon us to use the same energy that we expended during the '60s and '70s, in highlighting the problems, to now solving them.

The problems are common to every area of the country, and every community is struggling with ways to find solutions—whether in the inner city, the suburbs, or on the farm.

What we are finding is that children and families live today under circumstances profoundly different than those of past generations.

More than 50 percent of all children grow up in families where both parents, or the only resident parent, works. This year, 50 percent of women with infants under one will be in the workforce.

One out three white children, and three out of four black children, can expect to spend some of their childhood in a single parent household.

Finally, a substantial number of children spend at least a portion of their formative years in poverty. During the last recession alone, American families lost $319-billion in income, more than $3,800 per family. More than two million children fell into poverty, reversing twenty-five years of progress.

And the recovery has not yet reached millions of stricken households.

At the same time, programs that provide essential services to the poor, the sick, the elderly, the disabled and other high risk people have been reduced far more severely than any other part of the budget—a total of more than 60 billion dollars in cutbacks since 1981. And now, the administration proposes $65-billion in deeper cuts for human service programs.

As a member of the Budget Committee, I often ask: Why are we supposed to cut these programs for nutrition, for medical services, for early childhood education?

The proponents of the cuts do not argue, for example, that prenatal programs are unsuccessful. I have an annual debate with David Stockman on this issue, and frankly, I think I am winning. I think Dave ought to have gone to law school before he got into a debate with somebody trained at Davis.

Stockman doesn't argue there is waste, fraud and abuse. In fact, he admits the women, infants and children's program, for example, reduces low birthweight, the number one cause of infant mortality.

He knows that W.I.C. saves 3 dollars for every dollar it costs. And he knows that this wonderfully successful program serves just one-third of the eligible, high-risk population.

He and his colleagues in the Reagan administration dispute none of the facts. They just want to cut spending, no matter what the cost.

But their foolish pennypinching will cost the taxpayers billions in future expenses. Denying W.I.C. to a high-risk woman increases the risk of a low birthweight baby. And that baby has 40 times the chance of a normal infant of dying within the first month of life. The newborn's hospital bills could cost $1,000 a day for weeks of care. And these are the children we see over and over again—with physical disabilities, with learning disorders, and with costly medical complications that affect a child for life.

WIC is just one program. The same argument can be made for a score of highly successful, severely underfunded programs: Headstart; Preschool Education; Foster Care Services; and Education for the Handicapped. In each case, we have the evidence

that we can intervene early and save lives and money, too.

In each case, we are serving only a fraction of the needy population. And in each case, the administration orders us to cut back still further.

As attorneys, we cannot deny the facts that these programs work; but as policymakers, unfortunately, we choose to ignore them.

It can no longer be said that a decision by Government to withdraw these services is made without full knowledge of the adverse impact of that decision on many thousands of children each year.

But I probably sound more pessimistic than I am. In fact, efforts to cut children's programs have not been as drastic as the administration desired, thanks to a coalition of ideologically diverse Members of the Congress.

It was this same bipartisan coalition which was responsible for some of the landmark legislation of the 1970's that brought the power of government behind the effort to safeguard the rights of the disabled, the abused and the hungry.

In 1974, Congress passed the "Child Abuse Prevention and Treatment Act," to improve systems for reporting cases of child abuse. Up to that point, there was no way for anyone to know the extent of child abuse in the country.

In 1975, Congress passed "The Education For All Handicapped Children Act," giving parents of handicapped children the right to insist on an equal education for their child in the least restrictive educational environment possible, instead of being packed away in an institution or a cellar.

In 1980, Congress passed "The Child Welfare and Adoption Assistance Act." That law, which I wrote, promotes adopted of "hard-to-place" children and requires the review of foster care placements on a regular basis. As a result, studies show, fewer children now languish for months and years, and families are more frequently reunited.

Each of these measures did more than just throw money at social programs. Each expanded the rights of those whom our political and judicial system had either ignored or abused. In each case, the law was rewritten to recognize the rights of the poorest, the weakest, and the voiceless.

And we are a better society for those changes. These are some of the achievements I think of when I hear the rhetoric about the "failures" of social and political activists.

They prove we can have a cost-effective social conscience.

Sure, there are still problems, even in these very recent efforts. We still don't provide adequate services to victims of abuse. Handicapped children and their parents still confront obstinate bureaucracies which believe that a ramp constitutes "mainstream education."

But the lives of millions of vulnerable children and families have been enhanced beyond the capacity of most of us to appreciate fully. And regardless of our political ideology, we can all be proud of it.

It is my hope that my select committee can help to create the same record of accomplishment and progress in the 1980's. For despite all the cynicism about politicians, I generally have found that once the facts are established, the importance of ideologies diminishes.

The debate becomes not whether we do the job, but how to do it right. And if there is that common ground, much good can be accomplished.

Where will public concern take children and family policy in the 1980's? What issue will be to this decade what foster care, handicapped and child abuse issues were to the 1970's?

Concern with family violence and child abuse, teen pregnancy, substance abuse and suicide, in developmental and nutritional handicaps will continue in the forefront.

The debate will extend to new areas not generally thought of as "child and family" issues.

Tax law, job training programs, pension reform will be analyzed in light of the needs of dual working parents, single parents, and working mothers.

Child care, on which the select committee has been focusing, is no longer viewed as a pseudo-welfare program for relatively few low-income, single mothers. As I noted earlier, one-half of all American women with infants under one are now working, most out of economic necessity. The fastest growing sub-group of mothers entering the workforce are women from intact, two-couple middle-class families.

Up to now, our child care system has been a patchwork, with Government playing a minor role, and a diminishing one at that. Now, there are extraordinary pressures on Government at all levels to provide more child care slots, to license and safeguard programs against abuse, and to help to ensure a setting where quality care is possible.

Child care has rapidly become a national priority. During our examination in 1984, our committee traveled throughout the country, talking to parents, corporate leaders, children, and child development specialists to identify the barriers to improved care. By focusing on the real needs of families, instead of pointless ideological haggling about what families "should" look like, we have forged a consensus.

Our recommendations were endorsed by every member of the committee, Democratic and Republican.

Why? Because we were able to demonstrate that child care is a tool by which we can make social policy in many areas:

We can reduce incidence of child abuse through good child care programs.

We can help improve the futures of pregnant teenagers through education and job training if they have child care for their kids.

For parents of handicapped children, child care can provide respite.

For the welfare recipient, child care offers the opportunity of getting training and being taken off the A.F.D.C. rolls. We heard of a Massachusetts experiment, for example, where a combination of child care and medical services promoted massive interest in finding a job.

Our committee report, which we issued late last year, provides the basis for the serious national debate on child care which now must begin.

The question of that debate will not be, "do we need child care?", but "how can all levels of government, working together with the private sector, charities and religious organizations, and families themselves, provide the highest quality care?".

Some in the child advocacy field are discouraged by the many defeats that have been suffered, and by the rhetoric that disguises the indifference. But I am not discouraged. In fact, I am optimistic.

I believe we are at a moment of opportunity. Science, technology, medicine, nutrition—all have come together in the 1980's to provide us the capability to make good on our Fourth of July rhetoric about "caring for children".

We have the scientific data. We have the test results. We have the factual basis for proving to the Congress and to the Nation that these policies are effective.

And we have the opportunity to create laws that use that evidence to save children, to rehabilitate them, and help families in crisis.

And let me add that it isn't just the government that needs to be involved. At hearings throughout this country over the last two years, my select committee has heard from foundations, academics, and corporate leaders who are committed to private sector involvement in the designing and operation of child care programs, health screening and family services.

For attorneys, too, the distinction between public and private sector is not important if we are really committed to families and children. I count among my friends many attorneys who have prospered in the corporate world, but who have retained their commitment and their concern for improving the lives of children.

Time and again, these attorneys have taken up the fight for the child locked away in an institution, the disabled child denied a seat in the classroom, the victim of abuse and neglect. They share their talents in the creation of legal rights, and the defense of those rights.

So the decision to enter the private sector is no excuse for abandoning public concerns; our training, and the ethics of our profession, compel us to use our knowledge and commitment to justice regardless of where we practice the law.

For the most basic responsibility of our profession is the upholding of justice for all. No matter how flawed in practice the principle of fairness may become, it is a love of justice that is parhaps our most widely shared belief as Americans. Everyone wants for their family and their children only an equal chance to flourish.

That is what advocacy for children and families is all about: Using the talents and the training we have been given to create and preserve the legal and human rights of generations to come.

For this advocacy to succeed in the decades to come, those of us who make public policy must carry with us the understanding expressed in the writings of Brigette Bodenheimer:

Each family is unique in its personality and its environment, and must be treated as such.

If we understand this truth, we can develop policies based on the real needs of American families and our children.

Again, many thanks for honoring me with this invitation.●

CLIFFORD J. SCOTT HIGH SCHOOL MARCHING BAND TO PLAY FOR CHERRY BLOSSOM PARADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. RODINO. Mr. Speaker, Washington's cherry blossoms are in full

bloom, and we are approaching the annual National Cherry Blossom Festival, which will take place here on April 13. It is with great pride that I take this opportunity to recognize one of the 25 marching bands selected to participate in this prestigious parade—the Clifford J. Scott High School marching band from East Orange, NJ.

I am extremely proud of these young people and their teachers who have worked so hard to reach this goal. This is not the first time that the band has received significant attention—they have appeared at Walt Disney World in Orlando, FL, four times; at Hershey Park, PA, twice; in Williamsburg, VA; and in front of the U.S. Capitol, in addition to several appearances in the New York and New Jersey areas.

The band has won numerous awards, placing first among 29 bands at the Salute to Israel Day Parade last year and receiving the highest score in New Jersey at last year's Garden State Arts Festival.

Under the direction of Vincent Potuto and Assistant Director James Turkvan, along with the assistance of Principal Irene Nichols, the Clifford J. Scott High School Marching Band has brought you to thousands of listeners and provided a tremendous opportunity for the young people who participate in the band. I want to welcome them back to our Nation's Capital and thank them for helping to make Washington's Cherry Blossom Festival even more memorable.●

BORROWING TO SAVE: AN ABSURDITY IN THE I.R.A. PROGRAM

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. STARK. Mr. Speaker, by providing enormous tax incentives, Congress established the Individual Retirement Account [IRA] Program to give people an extra way to save for their retirement and, indirectly, to increase the national savings rate so that there would be more money for investment and future growth.

IRA's are indeed popular and millions are using them to increase their retirement years' income. But the national savings rate has not changed noticeably since the program was started, and there is some evidence that IRA's merely shift savings from nontax favored accounts to tax-deductible IRA tax-free accumulation accounts.

Yesterday I got in the mail an advertisement from the Washington area First American Bank that points out the absurdity in the IRA Program when combined with the tax deductibility of interest provisions of the law. It was an ad encouraging people to borrow $2,000 to set up a $2,000 IRA account, and it pointed out how the tax laws made this a good deal—even though the bank would charge 15 to 18 percent on the loan and only give 11 percent on the IRA.

Borrow to save!

And the tax laws make this apparently nonsensical slogan sensible!

If we really want to encourage savings in this country, maybe we should get rid of the subsidy for borrowing.

If we really want to make sense of the economy, maybe we should adopt massive tax reform that eliminates all these special incentive programs and so lowers the tax rates that everyone can save without worring about the tax level.

This is just one example of the innumerable ways in which the tax code has provisions which work at cross purposes.

Following is some data quoted from the First American ad which points out why we should not count on IRA's to increase the national savings rate. It also reveals—if anyone needs more proof—how much better an IRA is for a richer, high tax-bracket person than for a lower bracket person. Why this is fair, I don't know.

BORROWING TO FUND YOUR IRA

Marginal tax bracket (percent):	Total IRA interest (A)	Net loan interest (B)	Net IRA interest (A–B)
25	$220	$133.14	$86.86
50	220	88.76	131.24

Assumptions: $2,000 is invested in IRA at beginning of year at 11 percent simple interest to yield $220 at end of year. $2,000 is borrowed for IRA deposit at beginning of year at 16 percent annual percentage rate and repaid in full at end of year for total of $177.52 in paid interest [i.e., it is paid off in monthly installments]. Taxpayer is eligible to itemize deductions.●

SINO-AMERICAN EARLY CHILDHOOD EDUCATIONAL EXCHANGE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, between April 15 and May 10, a 14-person California Child Development Educators' Delegation will visit China to attend the second annual Sino-American Educational Exchange of Child Growth and Development. Under the leadership of Dr. Alexander Yeh, child development consultant to the California Department of Education, the California delegation will meet with representatives of the All China Women's Federation.

This exchange will provide an important opportunity for scholars from both nations to share ideas and knowledge about early childhood development. Over the past 2 years, the House Select Committee on Children, Youth, and Families, which I chair, has learned from some of this Nation's best scholars how critical the very early years of childhood are to later cognitive and emotional growth. The opportunity for dialog which this exchange occasions will undoubtedly enhance our understanding of this crucial period of child development.

Several individuals from my home district in California, including Ms. Bette Boatmun, Mr. Anthony Boatmun, Ms. Eddis Harrison, Ms. Mary Lou Helix, Ms. Mary Ann Sams, and Mr. Derek Thomas, will participate in this trip. I am certain this child development exchange will provide enrichment for educators from both nations.

Mr. Speaker, I urge my colleagues to join me in extending to both these educators from California and the All China Women's Federation our strong support for this very worthy effort.●

PERSONAL EXPLANATION

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BONKER. Mr. Speaker, on Tuesday, April 2, 1985, I was necessarily absent from the House and missed several recorded votes. On that particular day I attended an Economic Summit in Olympia, WA. As chief sponsor of the summit, I felt obligated to be there for all the activities that day. The summit drew over 80 participants and 75 speakers and was a major success.

On the vote on House Resolution 21, I was paired with Representative CHENEY and would have voted "aye," in favor of referring the resolution to seat Mr. McIntyre to the House Administration Committee.

Additionally, I would have voted "aye" in favor of the following: H.R. 1239, providing emergency famine relief and recovery in Africa, H.R. 1373, designating the Phillip Burton Wilderness, H.R. 1869, repealing certain auto recordkeeping requirements, and House Concurrent Resolution 107, urging the President to take action against unfair Japanese trade practices.●

KENNETH J. DEEDY, EXEMPLARY LONG ISLANDER

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I rise on this day to pay tribute to an outstanding union leader, educator, and friend, Kenneth J. Deedy, on the occasion of his retirement as the first vice president of the New York State United Teachers.

Ken is being honored by his colleagues and friends in New York on April 18 at the Woodbury Country Club. It is a fitting tribute to a man who has devoted many years to advancing the goals of the the New York State United Teachers and creating a better climate for our public schools and the teaching profession.

Ken began his career as a science teacher in the Farmingdale public Schools in 1962 and rapidly established himself as an innovative force within the New York State school system. He served as the president of the Farmingdale Federation of Teachers for 13 years and in 1978 was elected to the position of first vice president of the 250,000 member New York State United Teachers. In addition, Ken has devoted 11 years as an elected vice president of the American Federation of Teachers, AFL-CIO.

In his responsibilities as a NYSUT vice president, Ken has instituted a statewide benefits trust in order to meet the needs of the teachers and other school employees of New York State. He has served on the Long Island Educational Conference Board and the Long Island Coalition for Public Education. He has also served as a liaison to the State parent teachers association. His concern for retired teachers prompted him to establish a special organizing committee for retirees to assist with protecting their rights and interests.

Throughout his career, Ken has demonstrated the vision and dedication of an outstanding leader and devoted educator. His leadership and influence in New York State has long been recognized. In 1981, Ken was listed by Newsday as one of Long Island's 50 most influential people.

Mr. Speaker, I am very pleased to have this opportunity to salute Kenneth J. Deedy for bringing great distinction to Long Island and for his untiring efforts on behalf of our public schools. I am also pleased to be able to extend my congratulations to him and to wish him well in his new postion with the City University of New York.●

TAX EXPERTS ENDORSE TAX SIMPLIFICATION PLAN

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LaFALCE. Mr. Speaker, in the past month, the Subcommittee on Economic Stabilization of the House Banking Committee, which I chair, held two hearings on the impact of the Treasury tax simplification plan on the U.S. economy as a whole, and on our manufacturing sector in particular. The findings of those hearings may be of interest to my colleagues.

Testifying at the hearings were some of our country's leading tax experts, including senior economists Roger Brinner and Nariman Behravesh from the economic consulting firms of Data Resources Inc. and Wharton Econometrics respectively, and academic economists Don Fullerton from the University of Virginia, Alan Auerbach from the University of Pennsylvania, Charles Hulten from the Urban Institute, and Jane Gravelle from the Congressional Research Service.

Each of these experts, without exception, endorsed the Treasury tax plan because it would create both a simpler, fairer Federal tax system and a more productive, internationally competitive U.S. economy.

Two of these endorsements came as a surprise. Data Resources Inc. and Wharton Econometrics had been perceived as critics of the tax simplification plans, and indeed studies by both firms had been prominently cited by opponents of the plans as evidence of the bad consequences they would have for the U.S. economy.

Yet in their testimony before the subcommittee, Roger Brinner, chief economist for Data Resources, and Nariman Behravesh, director of U.S. Services for Wharton, endorsed the Treasury plan. Both conceded that in the long run the Treasury plan would not retard overall U.S. economic growth, and might indeed increase growth. Nor did they foresee that the plan would have a particularly negative effect on manufacturing industries. They did express concern that the plan, by eliminating accelerated depreciation and the investment tax credit, would raise the cost of capital and slow investment and economic growth in the short run. But overall they felt the plan would be a plus for the U.S. economy.

In addition, another of the witnesses, Don Fullerton of the University of Virginia, shared with the subcommittee the findings of a study he has coauthorized for the American Enterprise Institute. That study measured the effective tax rates for 20 different sectors of our economy and calculated the net value of output under alternative tax programs.

The preliminary estimates of that study suggest that the Treasury plan would slightly reduce overall effective tax rates and help level the playing field for all investments. Further, under the Treasury plan the value of national output could be almost 1 percent higher, equivalent to a one-time wealth increase of over $400 billion. In other words, rather than retard economic growth, this AEI study found that the Treasury plan would increase growth by as much as 1 percent of GNP. The more neutral tax code that would be created by the Treasury plan would allow for a more efficient allocation of capital investment and a higher level of economic growth.

Further, Jane Gravelle of the Congressional Research Service shared with the subcommittee the findings of some original research she has done on the effect of the Treasury tax plan on particular sectors of the U.S. economy. Those findings are striking.

Gravelle found that under the Treasury tax plan, the effective tax rate on new investment by manufacturing industries would actually fall from 45 percent to 40 percent. For service industries, often touted as a big winner under the Treasury plan, the effective tax rate would actually rise from 36 percent to 39 percent. The larger losers under the Treasury plan, if they can be labeled as such, are the communications industry whose tax rate would rise from 23 percent to 39 percent and the transportation industry, whose tax rate would rise from 27 percent to 39 percent. The biggest winner would be trade industries, whose effective tax rate would fall from 50 percent to 40 percent. Overall, according to Gravelle's findings, the Treasury plan would equalize the effective tax rate on virtually all sectors of our economy at between 38 percent and 40 percent.

The bottom line to all this, Mr. Chairman, is that things are not always as they are portrayed. The fact is that the big econometric consulting firms, which were relied on by opponents of tax simplification for evidence of its negative economic consequences, have now endorsed the Treasury tax plan. For those opponents of tax simplification who argued that the Treasury tax plan would hurt economic growth, the conservative American Enterprise Institute has produced a study which indicates that the plan would actually boost growth by as much as $400 billion. And for those opponents of tax simplification who argued that the Treasury plan would devastate manufacturing industries, a respected tax expert with the Congressional Research Service has conducted research which shows that the Treasury plan would actually lower the ef-

fective tax rate on manufacturing industries.

Like many, I have serious concerns about several provisions of the Treasury plan. For example, I worry greatly about the consequences to my home State of New York and other States, if we eliminate the deduction for certain State and local government taxes currently provided in the Tax Code that would penalize States which have chosen to have higher levels of both taxation and services, and violate our most fundamental tenet of federalism, that is, that there should not be double taxation by the State and the Federal Government. Failure to correct this flaw in the Treasury proposal would, in my judgment, prove fatal.

In addition, if we move ahead with tax simplification, we should consider shifting some necessary Federal support for capital investment by industry from the Tax Code to the direct expenditure side of the budget where it could be made more accountable and conditional.

In the coming weeks, my Subcommittee on Economic Stabilization will hold additional hearings on the impact of tax simplification on various sectors of our economy, including real estate, services, and small business. In addition, we will hold a hearing comparing the corporate tax codes of our trading partners to out own as promoters of international economic competitiveness.

Thus far, the evidence seems to be building that a modified Treasury tax plan could create a simpler and fairer Federal tax system that could lead to a more productive and internationally competitive U.S. economy. This Congress and this President has the opportunity to make some fundamental and historic changes in the way our Government taxes its citizens. In my view, we should seize that opportunity.●

TRIBUTE TO ZEESHAN SIRAJ OF ELMHURST, NY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ACKERMAN. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. House of Representatives the courageous and heroic actions of Zeeshan Siraj, an 8-year-old boy from my congressional district in Queens County, NY.

Zeeshan, a second-grader at Public School 89, agreed to undergo painful surgery to donate bone marrow to his younger brother, Kamran, who suffered from Severe Combined Immunodeficiency Disease. Kamran, who just celebrated his first birthday, could have been forced to live his life in a germ-free bubble if Zeeshan's donated bone marrow hadn't given his brother the ability to fight off the disease.

Mr. Speaker, Zeeshan did not allow that to happen. An 8-year-old boy decided that he would do everything in his power to make it possible for Kamran to live a happy, healthy life.

Zeeshan's operation involved more than 100 punctures in his pelvic bones. Surgery is a frightening prospect to any youngster, and this painful process could not have been easy for Zeeshan, his mother, Parveen, or his father, Din. But his brother's life was in danger, and Zeeshan's love for him made his choice clear.

Fortunately, this story has a happy ending. The transplant was a success. Kamran and Zeeshan are now home with their parents, a united family once more.

Mr. Speaker, the courageous actions of this boy are a poignant reminder to the Members of this body and the citizens of this Nation of what selflessness and love can achieve. Through Zeeshan's sacrifice, Kamran now has a future, and their parents have been spared endless pain and possible tragedy. I would like to ask all of my colleagues in the U.S. House of Representatives to take this moment to join with me now in paying tribute to a remarkable youngster, Zeeshan Siraj.●

KUDOS TO TIMBER POINT'S BITS AND PIECES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I would like to recognize the outstanding achievement of one of the elementary schools in my congressional district, the Timber Point Elementary School in East Islip.

The Timber Point school newspaper, Bits and Pieces, was awarded a first-place rating by the Columbia University School Newspaper Contest. They received the highest rating possible among all elementary schools that competed, and will receive a gold embossed certificate for that achievement.

This achievement is indicative of the very special talents which the Timber Point Elementary School students and faculty have offered to the East Islip School District. Their hard work, energy, and competitiveness are a mark of true school spirit. I am very proud of them and wish to extend my sincere congratulations for their first-place ranking in a national competition.

The school principal, Vincent J. Sulpizio, deserves special recognition as a school administrator whose enthusiasm and devotion to his students and faculty is unmatched. Also, the past and present editors of Bits and Pieces deserve a special congratulations. They are: Elizabeth Powers, Kimberly Degen, Caitlin McCarthy, Michele Reilly, Jimmy Musa, Kristine McCarthy, Kristin Elorriaga, and Donna LaMay.

Mr. Speaker, I bring this achievement to your attention today to underscore the terrific talent and ability of the students of Timber Point Elementary School's Bits and Pieces.●

EAST BAY M.U.D. CONDEMNS APARTHEID

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MILLER of California. Mr. Speaker, in recent months the intolerable inequities of South Africa's apartheid system of government have become increasingly well understood by this Congress and the American public. South Africa's white minority, which comprises 17.5 percent of the population, controls 70 percent of the nation's income and 87 percent of its land. The white minority controls the political process, making a mockery of the word "democracy" by denying black South Africans the right to freedom of speech and assembly, due process, fair trial, voting, travel, and land ownership.

Approximately 6,000 U.S. corporations do business in South Africa, accounting for a total financial involvement estimated at $14 billion. In fact, U.S. capital makes up 15 percent of all foreign investment in South Africa.

Many U.S. companies and interests have reassessed the moral implications of investments which support South Africa's apartheid system, directly or indirectly. I would like to call attention to a recent decision by the board of directors of the East Bay Municipal Utility District, which serves my district in California, to oppose apartheid by terminating all financial relationships with companies doing business with South Africa. Below is a copy of the board of directors resolution which describes the board's policy. I commend the East Bay Municipal Utility District for taking this bold step and urge my colleagues to examine this resolution.

RESOLUTION NO. 31,177—POLICY ON INVESTMENTS IN FIRMS DOING BUSINESS IN THE REPUBLIC OF SOUTH AFRICA

Introduced by Director Warren; Seconded by Director Simmons.

Whereas the government of South Africa pursues as national policy, political, social and economic discrimination towards its Black citizens, known as "apartheid"; and

Whereas the government of South Africa also suppresses its "colored" citizens in an only slightly less deplorable manner; and

Whereas Americans of every faith and color, humble and renowned, have struggled non-violently to preserve the right of Americans to be free of bigotry, to live in dignity and to have the opportunity to achieve political, social and economic justice without restraints imposed by their government; and

Whereas various corporations continue to do business with the government of South Africa and operate plants within South Africa thereby contributing to the economy of a government which continues to practice this unacceptable national policy known as "apartheid";

Now, Therefore, be it resolved by the Board of Directors of East Bay Municipal Utility District that it expresses publicly its unalterable opposition to the barbaric and inhumane policy of apartheid as practiced by the government of South Africa; and

Be it further resolved that the Board urges all parties who are responsible for the investment of public and private funds in private corporations which may be contributing to the policy of apartheid to use their proxy authority to protest the policy of apartheid; to express directly to such corporations their desire that the corporation withdraw from corporate activity within South Africa as rapidly as possible and, if necessary, appropriate, and consistent with their fiduciary duties, to terminate all financial relationships with such corporations in order to express their insistence that pressure be brought to bear on the government of South Africa to abandon the policy of apartheid; and

Be it further resolved that the General Manager or his designee is hereby directed to investigate and report to the Board with regard to alternative programs and policies regarding investments in South Africa; and

Be it further resolved that copies of this Resolution be forwarded to the President of the United States and State and National Legislative Representatives representing constituents residing within EBMUD's service area.

ADOPTED this 26th day of February, 1985 by the following vote:

AYES: Directors Burke, Hill, Kofman, McLean, Simmons, Warren and President Skaggs.

NOES: None.

ABSENT: None.

ABSTAIN: None.

Sanford M. Skaggs, President.

ATTEST: Paula E. Malcom, Secretary.●

A TRIBUTE TO INDEPENDENT RETAIL GROCERS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Ms. MIKULSKI. Mr. Speaker, last week the House passed House Joint Resolution 74 which designates the week of September 8 through the 14 as "National Independent Retail Grocers Week." I am very pleased that the House has seen fit to honor the contributions of these fine people.

My own father was a grocer in southeast Baltimore. So I know from first hand experience how important grocers are to their communities. Carrying on this tradition in Baltimore today are Paul and Bob Santoni. The Santonis have shown time and time again their commitment to the community. For example, in a community with a growing Hispanic population, the Santonis have made every effort to accommodate Spanish-speaking customers. They are involved with Maryland food bank. And they always make an effort to provide the highest quality products for the least expense. Not only are Paul and Bob active as grocers but they are also involved in many other aspects of their local community as well.

Grocers like the Santonis are making contributions to communities throughout our country. I urge my colleagues to recognize these contributions during National Independent Retail Grocers Week in September.●

STUDENT CAMPAIGN FOR SOVIET JEWS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. LENT. Mr. Speaker, I'd like to take this opportunity to commend the newly established Queens College Student Struggle for Soviet Jewry, in Oceanside, NY, for its outstanding efforts on behalf of Soviet Jews. This organization was instituted by two outstanding Queen College students, Mark Himelfarb and Elynn Birnbaum. Their goal is to increase the awareness of fellow students and the community to the tragic plight of Soviet Jews.

Soviet Jews suffer persecution and oppression of the cruelest sort under the Soviet Government. They are denied basic human rights and freedoms, such as the right to emigrate and practice their religion freely. They are forbidden by law from teaching the Hebrew language and observing religious holidays.

The Queens College Student Struggle for Soviet Jewry has established an ambitious program, including the Refusenik of the Month Campaign. In April, the group will focus on Yosef Begun, a leading unofficial Jewish educator and refusenik. Begun was sentenced in 1983 to 12 years in prison for "anti-Soviet agitation and propaganda." This is his third sentence; twice before he was sent into Siberian exile. Begun's health is in serious condition due to the harsh prison conditions. The students are encouraging supporters to send letters to Begun and to the Soviet authorities requesting permission for Begun to emigrate.

Refuseniks, like Yosef Begun and so many others, are entering a dark and threatening time. The Kremlin has intensified its campaign to harass and intimidate Soviet Jews. Indifference on our part condemns these brave men and women to solitude and despair. They are counting on our human solidarity. By joining efforts together, we can bring renewed hope to Soviet Jews who persevere against hatred and persecution to keep their Jewish religion and culture alive. We do so knowing we give strength to their valiant fight.

I commend these young people for their commitment and dedication to the cause of Soviet Jews, and I extend my congratulations and best wishes for the continued success of their organization.●

TRIBUTE TO GORDON C. ANDERSON

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. PORTER. Mr. Speaker, I would like to pay deserving tribute to Gordon C. Anderson, chairman of the board of Fullerton Metals, Co., of Northbrook, IL, who retired April 1, 1985. Mr. Anderson has been a business leader and distinguished member of his community since he graduated from Northwestern University in 1942.

Born in Sherbrook, PQ, Canada, on August 22, 1920, Gordon Anderson moved to Chicago with his family in 1925. After attending Northwestern University, he studied at the University of Iowa where he concentrated on advanced chemical engineering. He then served 4 years in the U.S. Army as a 1st lieutenant.

In 1946, he joined Kaiser Aluminum and advanced to regional manager in a short 5 years. In 1952, he joined Fullerton Metals and his 33-year tenure with the company has been an outstanding success story. He was hired as vice-president of sales, and was elected to the board of directors in 1960. On December 16, 1969, he was elected to be president of the firm. He served in that capacity for 10 years when he was chosen to be the chairman of the board on October 9, 1979, and he still holds that position to this day.

Gordon Anderson has demonstrated his commitment to business growth and community services as a member of the board of directors of Roper Co., the Employers Association of Greater Chicago; and Western Gulf Association. He also served as a member of the executive council of Speel Service Center Institute and as president and board member of the Copper and Brass Servicenter Association. Gordon Anderson also served as president and member of the board of directors of the National Association of Aluminum Distributors.

Married to Marjorie (Kelty) Anderson in 1944, he has 6 children and 11 grandchildren.

Under his leadership, Fullerton Metals has thrived, now employing 300 people in Minneapolis, Chicago, St. Louis, and Miami. The firm has sales of $140 million.

I commend Gordon Anderson for his truly remarkable career with Fullerton Metals. His dedication to his family and society provide an excellent example for ourselves and future generations. We, as a nation, are indebted to men of such character and integrity.●

STRATFORD ACADEMY OBSERVES 25TH YEAR

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ROWLAND of Georgia. Mr. Speaker, Stratford Academy, a private, nonprofit, nonsectarian school located in Macon, GA, is celebrating its 25th anniversary this month.

During the past two and a half decades, Stratford Academy's enrollment has grown from 117 students to nearly 850, its curriculum has been expanded and advanced placement courses are offered in a wide range of subjects, and the school's outstanding facilities have steadily been improved upon.

But more important than the growth and size of the school, Mr. Speaker, is the commitment to educational excellence that Stratford has always given to its students.

Every school, public and private, that does its best to provide a good educational and social environment for our young people deserves our thanks and our support. Stratford Academy has a long record of dedicated service, and everyone associated with this fine school deserves our congratulations and best wishes for the future.●

FAIR'S FAIR

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. GRADISON. Mr. Speaker, along with 57 of our colleagues, I am a sponsor of H.R. 691, the Congressional and Judicial Equal Employment Opportunity Act, introduced by our colleague from Illinois, LYNN MARTIN. This legislation would fill an important gap in our antidiscrimination laws.

Why is it that employees of OMB are protected against employment discrimination but employees of CBO are not? Why do the 1,600 employees of the Executive Office of the President have protection, while the 2,200 committee staff of the House of Representatives have none? The answer is that the laws banning employment discrimination cover the executive branch, but they don't cover the legislative and judicial branches.

One can try to explain this discrepancy by arguing that congressional employees hold unique and highly sensitive jobs, that Members need total fidelity from their employees, and that nondiscrimination laws would interfere with Members' proper performance of their jobs.

But Mr. Speaker, what employers would not make these claims, or similar claims? Surely the same claims could be made for many jobs in the executive branch. And while Members of Congress are uniquely protected by the constitutional Speech or Debate clause, this protection was never intended to be a cloak for discrimination. As Chief Justice Burger stated in United States versus Brewster: "The immunities of the Speech or Debate Clause were not written into the Constitution simply for the personal or private benefit of Members of Congress, but to protect the integrity of the legislative process."

I believe that this legislation protects the integrity of the legislative process. It will ensure that the Congress has standards for its own performance as high as it sets for the rest of American employers. I urge my colleagues to give this bill their support.●

NEWSWEEK IMPORTANT FEATURE ON LIVING WITH CANCER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. BIAGGI. Mr. Speaker, I wish to call to the attention of my colleagues an important feature story in this week's edition of Newsweek entitled "Living With Cancer."—One of the key segments of the feature article deals with life for victims of cancer including those fortunate ones who are able to conquer cancer.

I wish to quote from the Newsweek article:

Once diagnosed, cancer is forever in the lives of the victims. The disease alters family relationships, puts friendships on trial and can cost a patient his job. The cancer survivor quickly finds that society at large may have more trouble coping with the disease than he does. "Its like TB used to be or leprosy used to be, where you were stigmatized," says Dr. Jimmie Holland, chief of psychiatry at Memorial Sloan-Kettering a place cab drivers are sometimes asked to avoid driving by because of its association with cancer. "Its simply that cancer has a long history of being associated with death.

Although cancer specialists advise their patients to get back to work and on with their lives, it isn't always easy. Many face job discrimination. A survey conducted in the late 1970's and early 1980's by Francis Feldman, a professor of social work at the University of Southern California disclosed that more than half of cancer patients in white collar jobs and 84 percent of those in blue collar occupations suffered some kind of discrimination or unpleasantness when they returned to work. They failed to win promotions, were dropped from health insurance coverage or were simply shunned by co-workers.

Earlier this year I introduced legislation H.R. 1294 a bill to amend title VII of the Civil Rights Act to outlaw employment discrimination against an individual on the basis of a cancer history. There are estimates that as many as 5 million Americans have a cancer history. Of these as many as 1 million may have already fallen victim to some form of employment based discrimination. It is a real and present problem which my bill seeks to remedy. I urge my colleagues to read this article carefully and join me as a cosponsor of the Cancer Victims Employment Rights Act of 1985.

The Newsweek article follows directly:

LEARNING TO SURVIVE

ADVANCES IN TREATMENT AND CHANGES IN ATTITUDES MEAN A BETTER LIFE FOR CANCER VICTIMS

Heart attacks kill many more people. Arthritis can inflict as much pain and deformity. And there are other chronic diseases that cause great suffering and often end in death. But there is no other disease like cancer; it has a mystique all its own. The ancient Greeks gave it its name—"the crab"—and, with it, the terrifying image of something creeping and growing insidiously from within, ultimately choking and sucking the life out of the body. For centuries, a diagnosis of cancer was virtually a death sentence.

Within just a few decades, however, this dire outlook has changed dramatically. Thanks to diagnostic innovations—like mammography to detect breast cancer—and better public awareness of the danger signs, many cancers are being detected at an early, more treatable stage. At the same time, medicine has acquired more sophisticated techniques to deal with the disease. They range from highly precise surgical procedures for extracting malignant tissue to powerful radiotherapy devices, like the linear accelerator, for burning it away and, finally, potent drugs to wipe out the last vestiges of cancer cells from the body. True, cancer eventually strikes one out of every three Americans and kills almost 450,000 of them annually. But the gratifying fact remains that almost half of the nearly 1 million people in the United States diagnosed as having cancer this year will survive. Of the 5 million Americans alive today who have already been treated for cancer, 3 million have lived for at least five years without any recurrence of the disease and, therefore, are considered cured. "They have the same life expectancy as people [of the same age] who never had cancer," says Lawrence Garfinkel, the American Cancer Society's chief epidemiologist. Cancer, in fact, seems to be the first and only "chronic" disease that *is* curable. "Did you ever hear of anybody being cured of cardiovascular dis-

ease?" asks Dr. Samuel Hellman, physician-in-chief of New York's Memorial Sloan-Kettering Cancer Center.

But the chances for survival vary widely among the various types of cancer. More than 90 percent of patients with thyroid cancer are cured, but only 2 percent of those with the fortunately rare cancer of the pancreas survive five years. Lung cancer is the leading killer among men and has nearly caught up with breast cancer as a prime cause of cancer death among women. Still, the chances of recovering have improved significantly in recent years for cancer of the prostate, testis, uterus, melanoma (a form of skin cancer) and Hodgkin's disease, a cancer of the lymph system. The brightest spot of all has been the dramatic improvement in the survival of children with lymphocytic leukemia. Prior to the advent of chemotherapy, it was nearly always fatal. Today, 65 percent of its victims grow up to lead healthy lives.

All of this means that there is a growing population of men and women throughout the country who are living with cancer. And because of cancer's special mystique, they are not like those who have suffered from any other disease. They resemble more closely the survivors of some dreadful military campaign. Like the B-17 crewmen who came back from the flak-pitted skies over Germany or the grunts who made it out of the booby-trapped saw grass of Vietnam, they have stared death in the eye and escaped with their lives. None is ever quite the same again. Each carries away a special lesson from the experience. And all of these survivors are different, in various ways, in the eyes of family, friends and the rest of the world who have not yet known, in the vernacular of many a war drama, "what it was like." Michelle McKay of Larkspur, Calif., has had 23 operations, including a hysterectomy, since she was found to have cancer at the age of four. She was once given only three weeks to live but seems to be doing fine now. "It's not worth worrying about," the 16-year-old says of the possibility that her cancer will recur. "I could get hit by a truck tomorrow." It's a remark that would seem more appropriate coming from a hard-bitten veteran of Khe Sanh than an attractive teen-ager.

Stigmatized: And the hardship isn't over just because the treatment seems to work. Once diagnosed, cancer is forever in the lives of its victims. The disease alters family relationships, puts friendships on trial and can cost a patient his job. The cancer survivor quickly finds that society at large may have more trouble coping with the disease than he does. "It's like TB used to be or leprosy used to be, where you were stigmatized," says Dr. Jimmie Holland, chief of psychiatry at Memorial Sloan-Kettering, a place cab drivers are sometimes asked to avoid driving by because of its association with cancer. "It's simply that cancer has a long history of being associated with death."

Although cancer specialists advise their patients to get back to work and on with their lives, it isn't always easy. Many face job discrimination. A survey conducted in the late 1970s and early 1980s by Frances Feldman, a professor of social work at the University of Southern California, disclosed that more than half of cancer patients in white-collar jobs and 84 percent of those in blue-collar occupations suffered some kind of discrimination or unpleasantness when they returned to work. They failed to win promotions, were dropped from health-insurance coverage, or were simply shunned by co-workers. "the less education the greater the hostility," Feldman observes, which explains the higher incidence of discrimination among the blue-collar workers. Victims of childhood cancer also have problems with their careers. Some professional schools—including medical schools—won't accept anyone with a cancer history, and many young men are rejected by the military even though they have been perfectly healthy for years.

To make matters worse, cancer survivors often can't obtain private health insurance. If a patient tells the truth about his history on his insurance application, the company may specifically exclude coverage of a recurrence or treatment-related illness. Lisa Endig, a 32-year-old Los Angeles television producer, who would like a divorce, has not gone through with it because she needs her husband's insurance coverage. "Insurance companies are acting on archaic principles about cancer," says American Cancer Society president Dr. Robert McKenna of Los Angeles. "People survive and work. They need health insurance."

Cure: Survival rates are now so high that researchers have been able to investigate and measure how well victims cope with the disease and appraise the problems they might encounter after a cure. Doctors who treat cancer—members of a growing specialty called "oncology"—now understand that their job doesn't end with removal of a tumor. That, indeed, may only be the beginning. In some ways, "the physical cure is not as important as the psychosocial cure," says Dr. Jan van Eys, chairman of pediatrics at the University of Texas M. D. Anderson Hospital and Tumor Institute in Houston.

On learning that they have cancer, experts find, many people go through somewhat the same stages psychiatrist Elisabeth Kübler-Ross described among patients who are dying: denial, anger, questioning ("why me"), rearranging life priorities and, finally, getting on with living on whatever terms are left. Denial can be unhealthy and is one reason why many cancer victims delay treatment. "If somebody's going to get cancer it'll be somebody else," is what Dennis Edgeworth, a 36-year-old Birmingham, Ala., salesman said when first told he had leukemia. However, he accepted the diagnosis and went on to receive treatment. Kathy Dixon, an 18-year-old San Mateo, Calif., girl with Hodgkin's expresses the anger and anxiety typical of a cancer patient. 'I don't always see the world as rosy and happy anymore," she says. "Lots of little things get me down—the burden of coming [to the hospital] every day, the smell of the place. I'm down on myself for not feeling confident that I'll be able to handle this."

But there is a kind of denial that counsellors now recognize as a highly favorable trait in a cancer survivor. Patients who constantly worry that their cancer is going to recur don't fare as well as those who decide not to dwell on the possibility, which is a positive kind of denial. Explains Harvard Medical School psychologist Gerald P. Koocher: "The patients who use this 'adaptive denial' turn out to be the best copers."

Pity: Bernice Shultz, 74, of Carlyle, Ill., is a case in point. She spent what she calls "five wonderful years" after undergoing a radical mastectomy in 1967. Then the cancer recurred, and she had to undergo radiation therapy. Later, she had to have the other breast removed and receive hormone therapy. Two years ago, doctors discovered not only that her breast cancer had spread to her liver, but that she had developed cancer of the colon as well. Still, she stoically refuses to give in. She and her husband now live in a trailer park in Houston while she undergoes further treatment at M. D. Anderson. "People ask if I feel angry that I was chosen, and I say no," she says. "You don't need pity. You feel glad to be alive."

Children with cancer often show the same kind of courage. Stacey Cumella, 12, of Oakdale, La., is being treated for an ominous relapse of leukemia at St. Jude Children's Research Hospital in Memphis, and the long-range outlook isn't good. But when she met a fellow patient recently who had survived for more than a decade, she told her mother, "I hope that I'm as lucky." And later, when her mother asked her if she was afraid to die, the pretty, brown-haired child replied: "I don't want to die, but I'm not afraid to die."

With children, the younger the patient, the better the adaptation, Koocher and a colleague, Dr. John E. O'Malley, found in a study of victims of childhood cancer. Adolescents have a rougher time. "These kids care about missing school, having people do things to their bodies, losing their privacy," says the Harvard psychologist. Hair loss, an almost invariable side effect of chemotherapy, is one of the hardest blows for a teenage patient to handle. John Roberts, 26, of Memphis, had to have a leg amputated for bone cancer 13 years ago. "But the worst part was losing all of my hair, eyebrows and eyelashes," he recalls. "At that age I had a lot of pride, and I went through a period when I didn't want to see anybody." In their study of 120 people who had cancer as kids, Koocher and O'Malley found that the degree of physical handicap they suffered had little or no bearing on how well they fared mentally. Only 5 to 10 percent developed really serious, long-term psychological problems, while nearly half the group showed no signs of neurotic impairment. "We were thrilled that so many survivors ended up coping so well," says Koocher.

Experts emphasize that children must lead as close to normal lives as possible during therapy, especially where school is concerned. "Children with leukemia are treated for years," notes M.D. Anderson's van Eys. "If a child waits until age nine to start kindergarten, he'll probably never become a functional adult."

Needs: Some youngsters, especially those who have received cranial radiation for leukemia, may develop learning disabilities. Others may show signs of hyperactivity due to the drug prednisone, often an element in chemotherapy. John J. Spinnetta and his wife, Patricia Deasy-Spinetta, both San Diego State University psychologists, stress the need for teachers to be informed of a child's special needs in such cases.

To make their plight all the more difficult, cancer patients of any age may still run afoul of insensitive doctors. Steve Davis, now a Birmingham gynecologist, recalls the abrupt way the urologist told him he had testicular cancer just before the Easter weekend five years ago. "He came in dressed to go to the lake and said, 'Steve, you've got cancer. I'll bring you some stuff to read on Monday.' I got so mad I checked myself into another hospital." But thanks in part to the patient-education movement, most oncologists treat their patients with more consideration and respect.

Patients are also assuming more of a say in the way they are treated. When 48-year-old Mary Jean Pascual of LaGrange Park,

Ill., was told she would have to go to a hospital periodically for drug treatment of a rare and deadly cancer called leiomyosarcoma, she put her foot down. Her doctor relented, and now she wears an "auto-syringe" for continuous administration of one drug she needs and lies on the living-room couch each day while a nurse administers the other. "Cancer patients are becoming well-educated consumers," notes Katherine Billingham, director of psychological services at Chicago's Rush-Presbyterian-St Luke's Cancer Center. Joan Karafotas, a 41-year-old suburban Chicago mother of three who has lymphoma, is just such a consumer. "I've learned to assert myself," she says. "It's your body and you have to live or die with the consequences."

For their part, oncologists agree that patients should be told the truth about the diagnosis and treatment plan. "A patient who is even partially informed is better off than one who is totally ignorant," says Dr. Gary Ratkin of Barnes Hospital, St. Louis. And the new generation of oncologists is learning to regain the bedside manner. "It's important that the patient realize that you know what he's going through," says Dr. Albert F. LoBuglio, director of the University of Alabama at Birmingham Comprehensive Cancer Center. He tells his students, "don't deliver speeches from the foot of the bed, put your hand on the patient's arm" when they talk about the diagnosis. At Alabama, M.D. Anderson, Sloan-Kettering and most other major cancer centers, physicians and nurses are joined by social workers, chaplains and others to help patients manage their problem. "We try to help the family focus" not on death, but on "chronic illness," says Jeanne Dycus, director of social work at St. Jude's. The families who do well are the families who can quickly work through the negative and establish hope for themselves.

Some medical centers also sponsor self-help groups that augment a family's ability to cope. The Children's Cancer Research Institute at San Francisco's Pacific Presbyterian Medical Center, for example, provides both an in- and out-patient program specifically centered around the family. Many less formal groups outside institutions are formed to help patients with specific problems arising from cancer, such as colostomies or laryngectomies. The groups "break down the isolation all cancer patients feel," says Dr. Stephen Hersh, a Washington-area psychiatrist. "Nobody quite understands they're not the only one." But some patients have no need—or don't care—to share their experiences with others. Dan Gifford, a 38-year-old Houston television reporter who had Hodgkin's disease, tried going to group sessions but found them unrewarding. "I never identified with those people," he says. "Those people felt sorry for themselves and I wasn't going to."

Self-Help: Many patients learn their own special ways to help themselves feel better. Some, for example, try relaxation techniques and "visualization," in which they close their eyes and imagine their immune systems churning out torrents of white blood cells to attack and destroy their tumors. Karafotas takes huge doses of vitamins in addition to her regular therapy, although her doctors don't share her faith in them. Leonard Borman, 57, who founded an Evanston, Ill., based network of self-help groups, follows Norman Cousins's advice and laughs at Don Rickles and Shelley Berman tapes while getting chemotherapy for leukemia. And some patients decide to go their own way, turning down conventional therapy with its attendant side effects. Katie Murphy, a 31-year-old breast-cancer victim now living in Evanston, Ill., does yoga, rides a bicycle, practices relaxation and visualization. But she does take anti-hormone drugs recommended by an oncologist. "It's my decision," she says, "and I have to live or die with the decision." In their desperation, some patients turn totally to quack nos -ums like laetrile and "metabolic" therapy that includes coffee enemas.

It's true that the existence of cancer in a family can pose enough of a burden and cause sufficient tension to destroy a marriage. Children have particular trouble adjusting to the news that a parent has the disease. Pat McJunkin, a 41-year-old Los Altos, Calif., mother who developed lymphoma three years ago, remembers with some pain that the week her little girl was told the news, "she said 'I hate you, Mommy,' more than I'd ever heard." But more often then not, cancer seems to draw a family closer together. "It made it real obvious that spending lots of time working [at his job] to the exclusion of your family is crazy," says Dr. Ralph Lassa, 40, a Santa Rosa, Calif., plastic surgeon who developed an inoperable brain tumor three years ago. "The family is really where it's at."

And incredible as it may seem, given the painful and harrowing nature of their travail, many of those whose fate it is to come face to face with cancer find a kind of happiness and inner peace that they never knew before. Those who live with cancer are like the GI's of World War II who found that there are no atheists in foxholes."I'm a better person because of this," says Dennis Edgeworth. "I'm at peace with myself and at peace with the Lord."●

H.R. 1869, REPEAL OF CONTEMPORANEOUS RECORDKEEPING PROVISION

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MONTGOMERY. Mr. Speaker, I am proud of the 412 to 1 vote in the House on Tuesday to repeal the Internal Revenue Service provision on contemporaneous recordkeeping for vehicles used in business. I want to commend the Ways and Means Committee for bringing the measure quickly to the floor.

I was a cosponsor of this repeal legislation and I think its passage only makes common sense. It will bring back a more reasonable procedure for business recordkeeping and relieve the American people from the impossible paperwork burden imposed by the new guidelines.

The House repeal action Tuesday is a direct result of the many calls and letters from the people back home. They tried to obey these strict, more detailed requirements but found them to be unworkable. The unnecessary paperwork hampered the efficient operation of American business. We heard that complaint from thousands of men and women, from all across the country and in all segments of the economy.

The requirement should never have been implemented and I am proud to have played a part in the effort to repeal it.

Mr. Speaker, the passage of H.R. 1869 proves to me that the system works. The people do have a voice in this Government and their elected Representatives do respond. Passage of H.R. 1869 was the right move and I am glad action was taken on it so quickly in the 99th Congress.●

FAIR HOUSING MONTH

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 2, 1985

● Mr. GARCIA. Mr. Speaker, late last night the Congress passed and sent to the President, Senate Joint Resolution 79 designating April 1985 as "Fair Housing Month." To me, the passage of Senate Joint Resolution 79 signifies that this Congress is concerned about the housing discrimination still evident in our cities. I would hope that it is also evident of a new seriousness on the part of the Congress to strengthen our Nation's fair housing law.

When the President signs this resolution, I trust that we will have his pledge to support the efforts of our colleagues from both sides of the aisle and from both sides of the Capitol to undertake a new and tough rewrite of fair housing law.

Title VIII was a good first step. But it is too obvious that more needs to be done to protect families with children from housing discrimination as well as the poor and members of the minority community who still confront barriers when they seek the home of their choice.

We need to recognize that HUD and the Justice Department also need more enforcement powers and that some sort of administrative judicial system may be needed to help those who must confront the time consuming and expensive court system.

Mr. Speaker, we should not let fair housing become the forgotten American dream. I commend our colleague, Mr. FISH for his efforts on behalf of this resolution and hope that the next time we discuss fair housing it will be in celebration of a new and tougher law.●

PERSONAL EXPLANATION

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, because of longstanding commitments in my congressional district, I was unable to cast three rollcall votes on April 2, 1985. I would like to list those rollcall votes by number and state how I would have voted had I been present.

Rollcall No. 43, "yea."
Rollcall No. 44, "yea."
Rollcall No. 45, "yea."●

NEEDS-BASED APPROVAL OF GRANTS FOR STATES VETERANS' HOMES

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. DERRICK. Mr. Speaker, I am introducing legislation today to provide that Veterans' Administration grants to States for construction of State veterans' homes be made on the basis of need rather than by the order of application to the Veterans' Administration. Currently, the Veterans' Administration must approve such applications on a first-come, first-served basis. My legislation would allow the Veterans' Administration to approve applications for grant moneys on the basis of where it is needed most.

The State veterans' homes are facilities established by a State for providing medical or residential care mainly to veterans and are supported by either a per diem from the VA or a grant program. Under the grant program, the VA pays up to 65 percent of the costs to States for construction of new domiciliary and nursing home facilities. Grants are made also to expand and remodel existing facilities provided at least 75 percent of the beds are used for veterans. State veterans' homes have long been regarded as a cost-effective way of providing care for the Federal Government because States share in the cost.

Our Nation's veteran population is rapidly aging. We have approximately 28 million living veterans. At present 4 million veterans—14 percent—are age 65 or older. By the year 2000, this number is expected to grow to about 9 million. These men and women are the potential users of VA hospital and nursing home care. The Congressional Budget Office report entitled "Veterans Administration Health Care: Planning for Future Years," concluded that while we can anticipate a stabilization in the demand for VA hospital care, a dramatic increase in nursing home care can be expected by the year 2000. Overall, there will be a great deal of pressure placed on the health care system run by the Veterans' Administration within the next 15 years.

Studies have been made on the demographics of veterans and this data has been used to determine the location of health care facilities as well as the kinds of services available to them. Over the coming years, changes in the elderly veterans population will be large and will vary for each region, State, and local community. While every State will be affected, those States with the larger veteran populations will certainly feel the strain of caring for the aged veteran. These States should not be discouraged from seeking VA assistance for State veterans' homes by the present policy. This legislation I am introducing today would allow each State and community to present the merits of their own case to the Veterans' Administration as they make applications for VA grant funds.

Mr. Speaker, for these reasons, I believe that all our Nation's veterans could be better served if we placed a greater emphasis on those States that need the VA construction project grants the most. In light of limited construction grants funds, this legislation would offer a fair and equitable solution as we address the issue of health care for our Nation's veterans. I urge my colleagues to join me in this effort.

H.R. —

A bill to amend title 38, United States Code, to provide that Veterans' Administration grants to States for construction of State veterans' homes be made on the basis of need rather than by the order of application to the Veterans' Administration

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. APPROVAL OF GRANTS FOR STATE VETERANS' HOMES.

(a) IN GENERAL.—(1) Subsection (b) of section 5035 of title 38, United States Code, is amended—

(A) by striking out paragraph (1);

(B) by redesignating paragraph (2) as paragraph (1) and by striking out "such grant" in such paragraph and inserting in lieu thereof "the amount of the grant requested"; and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Subsection (d)(1) of such section is amended by striking out "an application" in the first sentence and inserting in lieu thereof "the payment of a grant".

(3) Such section is further amended by adding at the end the following new subsection:

"(f) In determining which applicants whose applications have been approved will be awarded grants under this section, the Administrator—

"(1) shall consider the relative need for the projects for which applications have been approved; and

"(2) shall make awards of grants (within the amount of funds available for that purpose) based upon—

"(A) the principle of making grants first for those projects for which the need is determined to be greatest; and

"(B) such other factors as the Administrator considers appropriate to best carry out the purposes of this subchapter within the amounts of funds available for that purpose.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.●

COMPETITIVE BIDS ON SHUTTLE BOOSTERS COULD SAVE $1 BILLION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. TORRICELLI. Mr. Speaker, the NASA authorization bill contains language that encourages the agency to continue its investigation of the viability of a second source for the shuttle's solid rocket boosters.

What is at issue is cost. It is believed that through the injection of competition the cost of the boosters will drop significantly. It is estimated that competition on the boosters could save about $1 billion over a 10-year period.

However, I also believe the agency should focus on the "value" of a second source. In addition to the financial savings, the value of a second source takes several forms.

When shuttle flights reach 20 or 24 per year, I am told the present sole producer will be required to mix 1 million pounds of propellant a week. By the year 2000 the Shuttle Program will have consumed more than three times the amount of propellant used in the entire Minuteman Program. And Mr. Speaker, this is in an industry where fires and explosions are an unwelcomed fact of life.

It thus seems wise and valuable to broaden our production base to insure schedule protection and reliability for commercial users of the shuttle.

And as the Members know well, there is a significant national security function for the shuttle.

Each of these issues argue on their own merits for NASA to not only look at cost, but also the value of a second source.●

TRIBUTE TO TEXAS HIGH SCHOOL BASKETBALL CHAMPS

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. ANDREWS. Mr. Speaker, I rise today to pay tribute to the Texas High School Basketball State Champion, the Marlins of Madison High School in Houston.

The Marlins, who were nationally ranked throughout the season, deserve our recognition on two accounts. First, they have won the Texas 5-A class basketball championship with an unblemished record of 40-0. Their prowess on the court has earned them many honors. They have further been acknowleged by many as perhaps the best high school basketball team in Texas history.

As important as their athletic achievements are, they have an equally impressive record off the court. This is the first year of new regulations in Texas that significantly increases the academic eligibility requirements for students who want to participate in athletics. Madison Coach Paul Benton, and teacher Bernard Cannariato committed themselves to emphasizing to the basketball team the importance of achievements in their academic studies. They worked all year to ensure that the whole team would travel together to Austin to play in the State championship. They encouraged the team to work as hard on their books as they did on their basketball. Their efforts paid off. Every single member of the varsity squad exceeded the tough new standards, and went to Austin to win the State championship.

Mr. Speaker, this off-the-court performance proves that the students, faculty, and administration at Madison High School can lay claim not only to athletic excellence, but to academic excellence as well.●

NATIONAL AIR TRAFFIC DAY

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MINETA. Mr. Speaker, today I am introducing on behalf of myself and Congressman JOHN PAUL HAMMERSCHMIDT, the ranking minority member of the Aviation Subcommittee of the Committee on Public Works and Transportation, a joint resolution to designate July 6, 1986, as "National Air Traffic Control Day." This date will mark the 50th anniversary of the establishment of our air traffic control system. During this period air travel has grown exponentially, but our national airspace system has remained the safest and most efficient transportation system in the world. This is due in no small part to the hard work of the thousands of air traffic control professionals who keep the system operating at all times. The resolution commemorating the 50th anniversary of the air traffic control system will give well-deserved public recognition to the fine efforts of these dedicated professionals.●

SCHUYLKILL HAVEN WINS STATE CHAMPIONSHIP

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. YATRON. Mr. Speaker, I rise today to pay special tribute to the Schuylkill Haven High School Class A girls' basketball team who won their first PIAA State championship on March 29, 1985, with a 47-28 victory over the Linesville Lions. I know my colleagues will join me in congratulating Coach Bert Werdt and the entire team for their exceptional achievement.

The Schuylkill Haven Hurricanes, making their first appearance ever in the PIAA Class A Championship, were in command for most of the game. With an imposing defense, the Hurricanes were able to hold their opponents scoreless for 10½ minutes, including the entire third period. In the 6 remaining minutes, they advanced their lead to 19 points. On their way to the championship, the Hurricanes scored victories in all seven postseason tournament games.●

REPEAL OF LIMITATION ON DEPOSITS OF SALES PROCEEDS UNDER POSSESSION TAX CREDIT (CODE SECTION 936 (b))

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 3, 1985

● Mr. MATSUI. Mr. Speaker, the present law tax credit for certain income earned in U.S. possessions—primarily Puerto Rico—specifically requires that income be received outside of the United States in order for it to be eligible for the credit. A bill to repeal this provision was previously introduced in the 98th Congress on March 22, 1983, as H.R. 2256 and was scheduled for hearings to be held on October 3, 1984, before the Subcommittee on Select Revenue Measures, Committee on Ways and Means. However, the bill was withdrawn from the list of hearings to allow the Treasury Department—Internal Revenue Service—additional time to attempt to resolve the issue addressed by the bill through administrative procedures. Unfortunately, after months of discussions between the IRS and taxpayer representatives it was not possible to resolve the issue satisfactorily and a legislative solution now appears to be required.

The requirement under the Puerto Rico and Possession Tax Credit that income be received outside of the United States applies in addition to the provision which limits the applicability of the credit to income from sources outside of the United States and to income predominately from sources within a possession.[1] The provision requiring that income be received outside of the United States has been part of the possession corporate tax incentives—under code section 931 and, since 1976, section 936—for as long as those incentives have been in existence, dating back to years prior to World War II. The legislative history of the possession corporate tax incentive provisions as originally enacted and as modified over the years give no rationale for the received requirements.

IRS rulings issued under current section 936 and its predecessors possession corporate tax incentives provisions, section 931, make clear that the provision serves no tax or economic policy objective, but is a requirement of form only. For example, if a U.S. company manufacturing products in Puerto Rico for sale in the United States receives a check from its U.S. purchaser in Puerto Rico, the received requirement is met whether the U.S. company deposits the check in a bank in Puerto Rico or sends the check back to the continental United States for deposit. On the other hand, if a U.S. company selling the Puerto Rican manufactured goods receives the check in the United States, the received requirement is not met even if the funds are deposited and credited to an account of that company in Puerto Rico. Further, if a U.S. bank acting as agent for the selling company receives a check from the purchasing company in the United States and credits a Puerto Rican account of the seller, the amounts are received within the United States and thereby ineligible for the tax credit, whereas if that same bank were acting as agent for the purchasing company and undertook identical actions, the amounts would be treated as received outside of the United States and thereby would be eligible for the tax credit.

The net effect of this provision is a trap for the unwary, for whom substantial amounts of income can be made ineligible for the possessions tax credit. Moreover, in some instances the rule can deprive even well-advised companies of the use of money for several days while funds are formally received in Puerto Rico and then transferred back to the United States.

For these reasons it is clear that the received requirement detracts rather than adds to the incentives provided to U.S. companies under the posses-

[1] The code requires that only income from sources outside of the United States is eligible for the credit and that only taxpayers having 80 percent or more of their gross income from sources within a possession over the prior 3 years are eligible for the credit.

sion tax credit provisions. Repeal of the requirement would not have any revenue effect, and it would assist companies attempting to establish new and expanding manufacturing operations and employment opportunities in Puerto Rico and other possessions.●

FISH INSPECTION BILL

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today a bill that closes a gap in consumer protection in the foods we eat. The Mandatory Fish Inspection Act of 1985 places fish and shellfish inspection on equal footing with Federal meat and poultry inspection.

STRONGER CONSUMER PROTECTION

Currently only 20 percent of the fish consumed in this country has undergone Federal inspection. There is no mandatory inspection of these products, as there is for meat and poultry. Instead, fish inspection is a hit-and-miss voluntary program, paid for by processors themselves. While the Food and Drug Administration has some oversight responsibility, their role is limited to spot checks and recall of hazardous product only after it is on the supermarket shelf.

The disparity between inspection standards for meat and poultry, on one hand, and fish and shellfish, on the other, means that consumers do not enjoy the same health protection for similar food products, nor can taxpayers feel confident that the variety of agencies and standards result in economical and effective regulation. My bill will help ensure stronger safeguards for consumers and real results for taxpayers.

A Congressional Research Service study I requested on this issue raised a number of serious questions stemming from this inspection disparity. It noted a 1980 Centers for Disease Control report, "Foodborne Disease Surveillance," which indicated that there were 605 food-related illnesses that year; 70 were linked to red meat and poultry, of which the average American consumes more than 200 pounds annually. Another 70 outbreaks were linked to fish and shellfish, which have a per capita consumption of only 17 pounds.

INCREASED EXPORT POTENTIAL

An increasing number of fish and shellfish processors favor mandatory inspection as well, realizing that it will increase their competitive standing in foreign markets. Several other exporting countries, including Canada, Norway, and Iceland, have tighter inspection standards than we do. Given our deteriorating balance of trade picture, any reasonable step which we can take to strengthen our exports should be given serious consideration.

I urge my colleagues to support mandatory fish and seafood inspection and to carefully consider the approach my bill recommends.

H.R. 1989

A bill entitled: the "Mandatory Fish Inspection Act of 1985"

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Mandatory Fish Inspection Act of 1985".

SEC. 2. (a) The Secretary of Agriculture shall initiate, within one year after the date of enactment of this Act, a mandatory program under the Department of Agriculture for the continuous inspection of the commercial processing of all freshwater and saltwater fish, shellfish, and their products, used for human consumption.

(b) The mandatory program should be similar, to the extent practical, to the currently effective system for the continuous inspection of commercially processed meat and poultry.●

VIETNAM VIGIL

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. TORRICELLI. Mr. Speaker, it has been 10 years since the last American troops left Vietnam, yet the controversy over the prisoners of war and those missing in action stays with us today. The Vietnam war will not really be over and we will not have done justice to the courage and conviction of our soldiers until we resolve all the issues relating to their fate. America cannot forget.

On April 13 and 14, the Vietnam Veterans for America of Bergen and Rockland Counties will be holding a 24-hour vigil on behalf of our POW's and MIA's. I believe that this vigil will help tell the world that we have not forgotten the men and women who served their country in Vietnam and more importantly that we have not forgotten those who were left behind.●

A TAX TO FIGHT TOXIC WASTE

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. WYDEN. Mr. Speaker, I am pleased to join my colleague, Mrs. SCHNEIDER, in introducing today the Hazardous Waste Reduction Act of 1985, which waste-end tax on the land disposal of hazardous wastes.

This legislation gets right to the heart of two of the most pressing environmental issues facing this Congress—ensuring adequate revenues for the Superfund Program to cleanup this Nation's most hazardous waste sites and encouraging alternatives to land disposal of these wastes.

When the Congress takes up the question of renewing the Superfund Program, it should keep in mind one paramount truth: there is no such thing as a safe landfill for disposing toxic wastes. Yet right now, land disposal is still the cheapest way to dispose of hazardous waste. The reason is clear—the current Superfund law provides no incentives to use alternatives such as recycling, recovery, or changing production methods so as not to produce the waste in the first place.

Without these incentives, all Americans are paying a heavy price. Consider recent news reports: toxic waste landfills constructed with the most modern technology are themselves leaking and posing health threats to nearby communities. In fact, these are the very landfills handling the waste from sites, such as Love Canal, which are being cleaned up with money from the Superfund.

We've got to get off this toxic waste merry-go-round, and one way to do so is with a waste-end tax, which will encourage alternatives to land disposal.

Our proposal encourages these alternative uses by taxing deep well injected wastes at $5 per ton and taxing all other land disposed waste at $20 per ton. It is the actual land disposal of hazardous wastes—such as surface impoundments, landfills, underground injection wells and ocean dumping—that would be taxed. Treatment technology that does not render the waste nonhazardous within 12 months and storage of waste for more than 12 months is also taxed.

Beyond this economic incentive to find alternatives to dumping these hazardous wastes in or on the land, our proposal also encourages alternative treatments by exempting them from any of the above taxes. Specifically, all legitimate forms of recycling and treatment approved by EPA under the Resource Conservation and Recovery Act [RCRA] and wastewater treatment permitted under the Clean Water Act are exempted from the taxes in our proposals.

The Schneider-Wyden waste-end tax is also designed to help raise the significant revenues necessary to clean up the most hazardous sites under the Superfund Program. The Environmental Protection Agency predicts the cost of cleaning up the 1,800 most dangerous toxic waste sites nationwide will total $11.7 billion. At current rates of taxation, the Superfund Program would take 40 years to raise the amount of money EPA believes is needed.

Congress must find ways to do the job quicker because we cannot in good conscience ask Americans to live with these toxic dumps for the next 40 years.

Superfund is now supported by taxes that are charged without regard to the volume or toxicity of a producer's waste. Instead, taxes are based on the amount of raw materials that go into the manufacturing process that produces the waste.

As a result, an estimated 70 percent of the taxes collected under the Superfund are paid by 12 petroleum and chemical companies, which are large consumers of raw materials. Proposals to triple or quadruple the tax liability of those firms to finance a bigger Superfund are justified on the grounds that these companies can afford it. But this misses the point. The taxes are unfair not because of their rate but because they excuse hundreds of firms that dispose of a considerable amount of waste.

The Schneider-Wyden waste-end tax is designed to be a complement to—not a replacement of—the existing chemical feedstock tax. Our proposal is conservatively estimated to raise approximately $285 million per year.

One issue that is often brought up when the waste-end tax is whether hazardous wastes should be taxed on a dry weight basis or a wet weight basis. Our bill requires that volumes of hazardous waste be computed on a wet weight basis, rather than dry weight. Under the dry weight scheme the amount of solid hazardous weight is computed and a relatively higher tax is placed on just that amount. Under the wet weight scheme, the entire volume of solids and liquids disposed are taxed at a lower rate.

We believe that the dry weight scheme should be rejected for four main reasons. First, we think it would create an undue administrative burden in implementing a waste-end tax. A December 1983 EPA study bolsters this point with a conclusion that a dry weight scheme would require more regulation and writing and impose testing costs for up to $70 per drum of waste. According to the study, a dry weight scheme would also enhance the opportunity for violation without detection, increasing the personnel and resources needed to enforce the tax.

The second reason we oppose dry weight is that the proper adjustment of tax liability between high-volume liquid waste versus solid waste can be addressed through a lower tax rate for liquid waste and through an exemption of waste water treatment that is covered under the Clean Water Act.

Third, taxing on the dry weight of a liquid waste is misleading in that it suggests there is no potential harm from the water associated with the liquid waste. There is no clear evidence to suggest this is the case.

Finally, taxing hazardous waste on a dry weight basis at the rates so far put before the Congress would dramatically reduce the revenue of the waste-end tax.

In the past, the waste-end tax has been criticized as being an unsure source of revenue, and I would admit that if a dry weight scheme were used, this criticism might have some basis. However, recent information, including an EPA study, refutes the general criticism that a waste-end tax, computed on a wet weight basis, would be an insecure revenue source.

In the summer of 1984, EPA conducted a survey of State waste-end tax programs. In six States, waste-end taxes had generated revenues between 71 and 98 percent of projections; in three States, revenues were ahead of projections. By contrast, the Superfund feedstock tax has generated between 78 and 84 percent of revenue projections over its initial 3 years.

In addition, EPA found that shortfalls in initial revenues from waste-end taxes were caused for the most part by inadequate data on actual waste volumes, economic recession during the startup period, and failure to account accurately for the cost of tax exemptions.

Our proposal also makes sense from an administrative viewpoint. The basis for recordkeeping under the tax are the documents already in place under the Resource Conservation and Recovery Act [RCRA]. In addition, our bill directs the Internal Revenue Service to further refine the reporting system for tax purposes.

The Schneider-Wyden waste-end tax is a pragmatic initiative whose time has come. Last year, final passage of Superfund legislation was put off to give EPA time to finish its study of alternative Superfund financing mechanisms. The study, which gives favorable reviews to a waste-end tax, is now complete. We have worked closely with representatives from the chemical industry, environmental groups, EPA, and the Treasury Department to refine our bill into a precise and workable piece of legislation.

We invite our colleagues on both sides of the aisle to join us in working to include this proposal in the Superfund bill this Congress will send to the President later this year.●

MICHAEL JOHNSON, PUBLIC SERVANT, RETIRES

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 198:

● Mr. EDGAR. Mr. Speaker, today, I am stepping forward to honor a great man and a great Pennsylvanian—Michael Johnson. For 72 years Mr. Johnson has dedicated his vibrant life to the service of his fellow Pennsylvanians. Perhaps the most significant, if not the most memorable, period of his service has taken place during the last 9 years.

Since 1977 Michael Johnson has been the most visible of the members of the public utilities commission. Johnson looked upon his appointment to the public utilities commission as an opportunity to be a proactive representative of the public. In the fact of constant utility company rate hikes Johnson has been a consistent force for the consumer. He has nurtured the increasing consumer participation in the commission rate hearings. This increased public awareness of the utilities system has led to a sharing of the benefits of the utilities tax credits with the consumer.

Michael Johnson's career in consumer advocacy started long ago when he left the International Lady Garment Workers Union to join the AFL–CIO. As the legislative director of the Pennsylvania Committee on Political Education, Johnson worked hard for the rights of the "little guy." His efforts in improving the benefits and availability of unemployment compensation are still enjoyed by Pennsylvanians today. He has an abiding commitment to the labor movement and to all working men and women. As a bold leader he was not afraid to risk his personal reputation if it would improve worker conditions. Michael Johnson did not lose sight of the individual as he sought to enact broad social policies. The fruits of his hard work can be seen in the healthy labor environment that now exists in Pennsylvania.

Of the thousands of people that he helped, both publicly and privately, few knew how to go about thanking him. I welcome the opportunity to speak for all the Pennsylvanians and thank Michael Johnson for all his good work.

When Michael Johnson retired from the public utilities commission on March 31, the commission lost a gentleman of great integrity and character, and the people of Pennsylvania lost a true friend.●

SUGAR SUBSIDIES ARE A CONSUMER GOUGE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DOWNEY of New York. Mr. Speaker, today Congressman GRADISON and I are introducing a bill which addresses the U.S. Sugar Program. We believe that the Sugar Program, in the way it is written and in the way it is administered, is one of the worst pro-

grams in existence. This program is inconsistent with all we have been trying to accomplish in international trade policy; it distorts agricultural markets for the benefit of a very few producers; and it is adding tremendous amounts of money to the bill American consumers pay for sweeteners.

Let me take a moment, Mr. Speaker, and explain how the Sugar Program works.

Under the 1981 farm bill, the Government provides nonrecourse, low-interest loans to sugar producers with sugar as collateral. These loans are made by the Commodity Credit Corporation of the Department of Agriculture and are extended to sugar processors who use their sugar as collateral for the loans. If the domestic price for sugar exceeds the loan rate, plus shipping, handling, and storage costs, the processors will sell the sugar on the market and pay off the loan. If, however, the market price is below the price guaranteed by the Government program, the producers simply default on the loan. Since the collateral for the loan is the sugar itself, the Government ends up owning the sugar and the processor keeps the money from the loan at whatever price was set by the Government. From 1982 through 1985, the legislation required the Secretary to establish loan provisions which set a floor for sugar prices at 17 cents per pound for the 1982 crop year; 17.5 for 1983; 17.75 for 1984, and, finally, 18 cents a pound for the 1985 crop.

The problems arise because of the difference between world market prices and the loan levels set in the law. Currently raw sugar is selling at less than 5 cents per pound on the world market. Obviously, an American producer who has received a nonrecourse loan of 17.75 cents per pound will choose to forfeit on his loan and allow his sugar to pass to the Government rather than sell at the existing market price. Such forfeiture would in turn result in tremendous losses to the Government.

In order to avoid the forfeiture of sugar to the Government, the President is authorized to impose duties and fees on imported sugar. However, even the authorized duties and fees were not high enough to bridge the gap between market prices for sugar and the loan levels. Thus, in May 1982, President Reagan signed a proclamation exercising authority Congress granted him to impose quotas on imports of sugar. These quotas restrict the supply of sugar in the United States and create an American market price high enough to avoid default on loans to producers.

When the loan program was enacted by Congress, it was anticipated that the Government would protect the domestic market price at about 2 cents above the loan rate. Thus it was expected that a 17-cent loan program would result in a protected market stabilization price of about 19 cents. However, in order to make absolutely certain that there would be no defaults in loans which result in Federal Budget obligation, the administration has set the market stabilization price at nearly 4 cents above the loan levels provided in the law.

This is quite a complex program, Mr. Speaker, but I will try to describe its impact with just a few sentences. In order to subsidize American sugar producers, Congress established a loan program to ensure the producers a return far above that offered by the world market. Then, the Department of Agriculture, in administering that program, raised the price of sugar even higher than the sugar producers could have dreamed.

I have been speaking a lot in terms of pennies, Mr. Speaker. The current world market price of raw sugar is about 5 cents. The loan rate is 17.75 cents. The market stabilization price is about 22 cents. It may appear that these differences are insignificant; but let me assure you they are not. A 1-cent rise or fall in the price of raw sugar has an impact of $300 million on American consumers. Thus our sugar program, which provides a subsidy of 16 to 17 cents per pound, is costing our citizens a fortune each year.

While this program is not technically a tax, Mr. Speaker, it surely has the impact of one—and a most regressive one at that. Sugar is an essential ingredient in hundreds of our food products, and taxes on food always fall most heavily on the poor.

On the other hand, Mr. Speaker, it is not poor, struggling farmers who receive the benefits of the sugar subsidy. According to the Department of Agriculture, the American sugar industry is dominated by big companies. All told, there are fewer than 12,000 sugar producers in the United States, a mere handful compared to 446,000 wheat producers, 715,000 corn growers, or 324,000 dairy farmers. And these few producers are exacting a high price from all of us.

No other farm program comes close to being as generous as the sugar program. During 1982, in Minnesota and North Dakota, for example, the return over variable cost from sugar beets was $411 per acre, while the corn return was $121 per acre. It would take a reduction of 7 cents per pound in sugar prices to achieve an equal return. Similarly, in Louisiana, the return for sugarcane was $458 per acre, while the soybean return was $69 per acre—again a reduction of roughly 7 cents per pound for sugar would achieve an equal return.

Further, as I mentioned earlier, the sugar program has required the imposition of strict, country-by-country quotas on sugar brought into the United States. This is the most extreme and the most disruptive form of market protection and in direct contradiction to U.S. trade policy.

Sugar import quotas legitimize every other country's attempt to restrict its imports of U.S. products. They undermine our efforts to remove trade restrictions imposed by the European Community, Japan, and other trading nations. Moreover, they have shaken the economic foundations of many countries in the Caribbean and in Latin America. Those countries depend on sugar for their dollar earnings. The sugar program has reduced those earnings by 60 percent since 1981. We must remember, Mr. Speaker, that countries cannot buy from us if they have no export earnings. Further, our actions in regard to sugar are undermining our efforts to help stabilize this region which is so critical to our national security.

Clearly, Mr. Speaker, Congress should address and reconsider the sugar program. The bill we introduce does so. It will eliminate sugar quotas, which in my opinion have no place in our trade policy and have been so restrictively utilized to drive prices far above where they should be. Further, the bill reduces sugar loan rates by 5 cents on October 1 of this year, 3 cents further next year and 1 cent further each of the following 2 years. These reductions are only fair, Mr. Speaker. As I mentioned earlier, it will take at least a 7-cent reduction in loan levels for sugar to make the sugar program comparable to other farm programs. Additional reductions in the sugar loan level should roughly parallel future reductions in other programs which are currently being considered. Finally, Mr. Speaker, the bill authorizes the President to rebate fees in order that he can assist nations such as those in Latin America whose economic stability is of great importance to our country.

I hope my colleagues will consider the sugar program and our bill and lend their support to our efforts. We cannot allow this program to continue.●

WELCOMING PRIME MINISTER OZAL TO WASHINGTON

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to call to my colleagues attention the presence of a very distinguished visitor to Washington this week: Prime Minister Turgut Ozal of Turkey. Although Turkey is a NATO ally of great strategic importance and a nation with which the United States has enjoyed excellent relations in

recent years, no Turkish Prime Minister has visited the United States in 14 years.

While Prime Minister Ozal's visit is not yet over, it has already proved to be quite productive. In meetings with both the executive branch and Congress, he has strongly emphasized Turkey's desire to negotiate its differences with Greece. Minister Ozal has stated that he is "ready to meet any time, anywhere" with Greek Prime Minister Papandreou to relieve Greek-Turkish tensions, and has offered to sign an agreement of "friendship, good-neighborliness, conciliation and cooperation." I think that all of us in the Congress would welcome a better relationship between our two NATO allies in the eastern Mediterranean, and I certainly would hope that Prime Minister Papandreou would accept Mr. Ozal's offer for a summit meeting.

Prime Minister Ozal has also reiterated during the course of his visit that Turkey fully supports a negotiated political settlement on Cyprus. In this regard, I would point out that U.N. Secretary General Perez de Cuellar has praised the Turkish Cypriots' acceptance of his latest negotiating proposals. It is clear that neither Turkey nor the Turkish Cypriots are impeding a search for a settlement.

During his visit, the Prime Minister has raised the issue of U.S. foreign aid levels to his country. Although Turkey is already the third largest recipient of U.S. aid, it is indisputable that it needs and could absorb more than twice the level of aid it is already getting in order to modernize its armed forces. Unfortunately, however, despite Turkey's clear need for military assistance, the Congress has repeatedly cut the administration's aid requests. This year, for example, the Foreign Affairs Committee cut the administration's request for $785 million in military aid by $49 million, to $736 million.

I believe that such cuts are counterproductive. Turkey has a unique strategic role in NATO. Following the Soviet invasion of Afghanistan and the overthrow of the Shah in Iran, Turkey has clearly become the key to the defense of the southern flank of NATO, and an important barrier to a potential Soviet move against our friends in the Middle East. With the second largest army in NATO, Turkey helps to tie down 26 Warsaw Pact divisions that might otherwise be directed against NATO's central front. Because it controls the Bosphorus and the Dardanelles, in a time of crisis, Turkey could bottle up the Soviet fleet in the Black Sea and prevent it from sailing into the Mediterranean, where it would threaten our own 6th Fleet. Turkey's air defense and radar system provide an invaluable warning time to American naval units in the eastern Mediterranean that would otherwise be far more vulnerable to a surprise Soviet air attack. Finally, Turkey permits the United States to operate important intelligence facilities on its territory which help us considerably in tracking strategic programs and troop deployments in the Soviet Union.

In view of all of these considerations, I would hope that when the foreign aid authorization bill comes up on the House floor in the next few weeks, we will restore the $49 million military aid that was cut in the House Foreign Affairs Committee.●

PETER PERO HONORED

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. TORRICELLI. Mr. Speaker, on April 13, 1985 the Joint Legislative Council for Veterans Affairs of Bergen County will honor Peter Pero for his tireless service on behalf of his fellow veterans. Mr. Pero has served as chairman and has been one of the moving forces of the joint legislative council for the past 7 years.

Prior to working for the Veterans of Bergen County, Peter Pero served his country with honor and distinction in two wars: World War II and the Korean War. During World War II Mr. Pero served as 1st class petty officer on the U.S.S. *Matthews* in the Pacific theater. Following his discharge after World War II, Peter stayed on to serve his country in the Naval reserve. However, as soon as America needed his service in the Korean conflict, Peter Pero was there defending America on the U.S.S. *Wisconsin.*

Whether in war or peace, Peter Pero has served his country proudly. His tireless efforts on behalf of his fellow veterans and his fellow countrymen will never be forgotten.●

MY PLEDGE TO AMERICA

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. WIRTH. Mr. Speaker, it is my honor to share with my colleagues the first place script from the State of Colorado in the Veterans of Foreign Wars of the United States and its Ladies' Auxiliary's Voice of America scriptwriting contest. The winning script entitled "My Pledge to America," was written by Ms. Joan Lotz of Westminster, CO, a senior at Holy Family High School in Denver.

Mr. Speaker, the words of her script should serve as an inspiration to all Americans. I would like to take this opportunity to commend the time and effort Joan put into its preparation, and to enter her script in the RECORD.

MY PLEDGE TO AMERICA

Imagine—the Grand Canyon glowing in the sunset; the vast prairies rippling in the sunrise; the mighty Mississippi flowing on its course; the oceans lapping sandy white beaches; the stately Statue of Liberty gleaming its welcome in New York Harbor. This is America—the land of opportunity—hope—freedom. The land we love. What kind of commitment can we make to her to keep her strong and her values alive? To ensure her privileges to ourselves and our posterity?

Being a good American citizen is the best promise I can think of. Therefore, my own pledge to America—is to be a good ball player—figuratively, that is.

First, like any good ball player, there is a time for practice. No athlete can be an expert without practice, just as no American can be a good citizen without staying informed. Thus, the first part of my pledge includes a knowledge of the past and of the present. It means learning about the history of our country, and our relationship with other countries. Perfection takes hours and hours of practice and continuous attention to detail. Just so must be my study of America. It will be hard and arduous, but well worth the results.

Any good athlete realizes that following practice and preceding the game, comes warm up time. Without this vital period, muscles may be pulled and injuries may result. Skipping this stage as an American citizen may well result in a catastrophe. In this section of my pledge, I will be stretching out toward the issues and warming up to the candidates. I need to become acquainted with their views and opinions, and the party views they back. I will also need to know what they have done in preceding years and how well they have served their constituents.

After all this preparation, I, as an athlete-citizen, am finally ready for the big game. It's time to get involved with my public teammates by campaigning for them, or voting with them. No citizen should be a benchwarmer. Therefore, my pledge includes a promise always to be part of the game—to write my Congressman with suggestions or complaints, to give speeches or sign petitions when I hold a strong, informed opinion, to march for or in protest of an issue which is important, and to run for an office myself, if my teammates think that I would be best for the job.

Another part of my pledge means that I also keep the team going. This I can do by paying taxes and electing persons I think are best for their offices.

Ask any athlete, he'll tell you—there's more to a sport than just the game. He must start at the beginning with hours of tedious practice. Then there is warm-up, and finally, the game. Likewise, no American citizen is automatically a good citizen.

He must learn about this government, study up on the issues and keep America secure. Therefore, I pledge to be a good American citizen. I pledge to get out there and pass, punt, block, catch, hit or run with the ball, whichever seems right, so that, as Katherine Bate's well-known song declares, America will stand firm "from sea to shining sea".●

THE RENEWABLE ENERGY AND CONSERVATION TRANSITION ACT OF 1985

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am pleased to introduce with 47 of my colleagues legislation to extend the tax incentives for investment in renewable energy and conservation equipment beyond their 1985 expiration date. This legislation is essential to our efforts to advance the development of our domestic renewable energy sources and accelerate the conservation of our precious fossil fuel reserves.

Although we have been enjoying a brief period of relative plenty in terms of our national and worldwide energy supplies, it is clear that another energy crisis, whether due to an embargo, a Middle East war, or other cause, is a very real possibility in the years ahead. If we learned nothing else from the embargo of the early 1970's, we learned how fragile our economy is and how reliant we are on imported energy from unstable foreign sources.

The legislation my colleagues and I are introducing today would provide the renewable energy industry with the assurance that tax incentives to encourage its continued growth will be available beyond the 1985 expiration date. This extension is consistent with efforts to reform the Tax Code since reform is likely to be accompanied by a transition period of several years' duration if we do implement a new tax system.

Mr. Speaker, my colleagues and I with the advice and counsel of the renewable energy industry, have labored long and hard to develop an acceptable extension package that provides the needed incentives for the continued growth and commercialization of renewable energy sources. At the same time, we recognize the serious constraints of the budget process and the need to be compatible with the tax reform effort that lies ahead. I am satisfied with the restraint in the tax extensions that are being sought.

The incentives for most of the renewable energy technologies, namely wind, geothermal, and biomass are extended for 3 years, from 1985 to 1988, but at percentage rates that decline from the current 15- and 10-percent levels on the business side, and from 40 percent to 20 or 25 percent on the residential side. The solar and photovoltaic business and residential credits are extended for 5 years to 1990. The solar residential incentives, like the other renewable credits, are phased down over the period of the extension. The residential conservation incentives are extended for 3 years and the credit level increased from 15 to 25 percent, however, the maximum expenditure for which the credit may be claimed has been reduced from $2,000 to $700.

Our energy supply and our economy are not so strong that we can afford to eliminate the only significant remaining targeted Federal incentive for renewable energy development. Moreover, the same compelling reasons that prompted the Congress to enact the energy tax credits still exist today. This legislation has the backing of every significant renewable energy and public interest organization in the country including the American Wind Energy Association, Citizen/Labor Energy Coalition, Environmental Action, Environmental Policy Institute, Friends of the Earth, National Audubon Society, Public Citizen, Renewable Energy Institute, Renewable Fuels Association, Sierra Club, Solar Energy Industries Association, Solar Lobby, and the Union of Concerned Scientists.

Mr. Speaker, this legislation will send a clear signal to the investment community and to the country that Congress is not about to back down from its commitment to full scale renewable energy development. Now we must follow up on that signal and act quickly to pass this bill.●

THE CUBAN REVOLUTION 25 YEARS LATER

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. YATRON. Mr. Speaker, I want to take this opportunity to bring to the attention of my colleagues a recent study entitled "The Cuban Revolution 25 Years Later," published in cooperation with the Center for Strategic and International Studies of Georgetown University.

The booklet was provided to me by the Cuban American National Foundation, which has done an outstanding job of revealing human rights abuses and other injustices of Castro's regime, and in helping the oppressed Cuban people.

Clearly, 25 years after Castro's rise to power, Cuba continues to be of great concern to American policymakers. The CSIS project is quite timely and it represents, I think, an important contribution to the development of a realistic, long-term strategy for the area; a strategy reflecting American interests, recognizing regional conditions, and meriting the support of our people.

The authors' main conclusion is that politics, culture, and the economy in Cuba have become and remain rigid, stagnant, enormously militarized, and ideologically absolute under Castro's rule.

Because I believe the report is of such great value, I am submitting for the RECORD a portion of the introduction which provides an overview of the study's major findings.

THE CUBAN REVOLUTION 25 YEARS LATER

Events in the Caribbean Basin are at a critical juncture. Rising above the tide of rhetoric are dangerous trends for the regions's political security and economic viability. At the epicenter of this geopolitical environment stands Cuba—foe to some, model to others.

The Castro revolution of 1959 now stands as a decisive landmark in the modern history of Latin America. Throughout Latin America the magnetism of Castro's personality, the indoctrination and regimentation of Cuban society, the communization of the economy, and the ruthlessness of the political system have aroused deep sentiments and caused striking developments within the region. Moreover, Cuba's impact over the last 25 years has acquired extra-hemispheric dimensions. In political and military affairs Havana has become a major influence in Third World radicalism and a key component of Soviet global strategy.

A reevaluation of the Castro regime is apropos on the occasion of the Cuban revolution's silver jubilee. In particular the question arises: what is the extent and significance of the thorough permutation of Cuba under Castro? In this period of reappraisals, the Cuban government remains eager to maintain and disseminate a self-created and assiduously cultivated image of constant positive achievements. The domestic transformation of Cuba's society has in fact been widely viewed as moving toward the development of a socialist environment. Although no longer viewed as a panacea for the problems of the developing world it is still widely proposed as a problem-solver for Latin America's social ills, if not those of the entire Third World. But to what degree are these much-publicized images myths? What are the significant feats of the Cuban regime since 1959?

Attention to these issues is essential to understanding one of the major challenges to the United States in the last quarter of the twentieth century. Ultimately, an assessment of Cuban dynamics is basic to an appreciation of the tasks this nation faces in Central America and elsewhere. Revolutionary overturns in the region as a whole have placed the Caribbean Basin at the very center of world politics. Thus, the comfortable historical circumstances that have allowed American people largely to ignore and to deal ineffectually with the region, including Cuba, no longer exist.

Current foreign and domestic policy circumstances mandate an effort not only to highlight traditional concerns with Cuba, but also to reach and educate a wider public regarding Cuba's domestic condition in the 1980's. It is, after all, inconsistent for the United States to count human rights as a key issue in its Central American policy and ignore or neglect the systematic violations of human rights by the Castro regime. The CSIS Cuba Project thus constitutes the only full-scale effort, in and out of government, to address the Cuban revolution in all of its complex dimensions. Believing that an evaluation of Cuban international behavior first requires a baseline assessment of the na-

tion's internal dynamics, the project has formed four Working Groups of distinguished experts to review the *domestic* sources of Cuban policy and conduct. It is this last aspect of the Cuban revolution that is the subject of this volume.

This review of Cuba's domestic revolution yields significant conclusions, including the following salient points:

1. The promised creation of a pluralistic society with elections and reforms of a social democratic nature based on the Cuban Constitution of 1940 never materialized;

2. Fidel Castro has radically and systematically transformed Cuba into a self-styled Marxist-Leninist dictatorship closely allied with and fully dependent on the Soviet Union for its short and long-term survival;

3. The argument that the U.S. somehow forced Castro to adopt Marxism-Leninism and align Cuba with the USSR is a historical fallacy;

4. The militarization of society appears to be the most striking accomplishment of the Cuban regime—the ideology has evolved into a mere justification of the militarization of society;

5. Fidel Castro's political priorities have remained fairly constant: maintaining undiluted power; making Cuba a world class actor on the basis of an extension of its own revolutionary activity; and institutionalizing a philosophy of anti-Americanism;

6. The lack of financial discipline, the erratic planning decisions, and the whimsical advocacy of unlikely products are prime causes for Cuba's relative economic failure since 1960. In effect the island has become the sugar cane plantation of the Soviet bloc;

7. Despite claims of extensive socioeconomic improvements, comparable and sometimes superior progress has occurred elsewhere in Latin America without the concomitant loss of political and economic freedoms;

8. As in other Communist states, the rights and interests of the individual have become subservient to the rights and interests of the state; laws and procedures encourage individual conformity, discourage individualism, and punish dissent. In effect, the Council of Ministers headed by Castro makes, interprets and enforces the law;

9. The Cuban revolution cannot offer a single notable novelist, a famous poet, a penetrating essayist, not even a fresh contribution to Marxist analysis.●

A BILL TO ELIMINATE INTERIOR'S ANNUAL REPORT ON SHUT-IN OCS WELLS AND OTHER REPORTING REQUIREMENTS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. JONES of North Carolina. Mr. Speaker, I am introducing a bill, based on recommendations from the General Accounting Office [GAO], to eliminate certain reporting requirements of the Department of the Interior contained in section 15(1)(D) of the Outer Continental Shelf Lands Act [OCSLA], as amended, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978 [OCSLAA]. The purpose of this bill is to eliminate unnecessary paperwork, resulting in a reallocation of resources to other important OCS activities, and direct savings for both government and industry.

The bill is identical to H.R. 6189, which was introduced in the 98th Congress on September 5, 1984, and referred jointly to the Committee on Interior and Insular Affairs and Merchant Marine and Fisheries. The bill has bipartisan support from both committees of jurisdiction, and I know of no opposition to the proposal.

Section 15(1)(D) of the OCSLA and section 601 of the OCSLAA require the Secretary of the Interior to submit annually a list of all shut-in—not producing—oil and gas wells, and wells flaring—burning off—natural gas on leases issued under OCSLA, and to indicate why each well is shut-in or flaring and the actions the Secretary intends to take with respect to such wells. In addition, the Comptroller General is required to evaluate Interior's report every year and report his findings and recommendations to the Congress. Section 606 of the OCSLAA requires the Secretary of the Interior to conduct a continuing investigation of the availability of OCS oil and gas resources, including a determination of the maximum attainable rate of production [MAR] of oil and gas from significant OCS fields; an analysis of whether the actual production has been less than the MAR and why; an estimate of the total discovered and undiscovered OCS oil and gas resources; and an independent evaluation of trade association procedures for estimating OCS reserves and production capacity.

Since enactment of the Outer Continental Shelf Lands Act Amendments of 1978, GAO has issued six reports to Congress reviewing and evaluating Interior's OCS shut-in and flaring well reports. In its reports, GAO has questioned whether the Interior Department's reports have fulfilled the intent of the Congress and whether continuing to require such reports would serve a useful purpose. In its report of October 24, 1983, the GAO found that Interior's report is less necessary in light of the full decontrol of oil prices in 1981 and since controls over natural gas prices were being phased out; that Interior had implemented GAO's past recommendations to improve it; that the report is expensive to prepare and the resources spent could be better utilized; and that eliminating the reporting requirement would not diminish Interior's responsibility for monitoring and regulating OCS lease activities to ensure efficient development of oil and gas resources. In its most recent report of October 30, 1984, the GAO continued to recommend the elimination of the reporting requirement for the same reasons, indicating that Interior's methodology for allowing offshore oil and gas wells to be shut-in or to flare natural gas is reasonable, its procedures are adequate to effectively monitor such activities, and Interior intends to continue this oversight even if the annual reporting requirement is repealed.

The Department of the Interior has testified that the substantial time, money, and effort required to prepare the shut-in and flaring well report is an unnecessary burden, and the elimination of the report would release resources to serve higher priority needs. It is estimated that the elimination of the requirement to prepare and review the report would result in a cost savings for both the Department of the Interior and the GAO of about $45,000 annually. Prior GAO reports have estimated the combined annual cost savings at $280,000 and later $250,000; however, apparently since the new shut-in and flaring review portion of the inspection system has been fully implemented, the potential cost savings are less, particularly for the Interior Department. GAO estimates that its section 601 review and report to Congress cost $48,000 in 1982, $28,000 in 1983, and $29,000 in 1984.

Another GAO report, issued on September 10, 1982, has recommended the repeal of section 606 of the OCSLAA to eliminate the data gathering and reporting requirements related to the maximum attainable rate of production [MAR] of oil and gas from significant fields on the OCS. GAO's report found that most of Interior's rate setting effort is not useful or necessary and could be curtailed; indicated that the production rate for significant fields, the MAR, is a hypothetical number of little practical value; and found that no apparent use was made of the MAR reports and there was no interest in having them continued.

Although exact figures are not available, the costs on the part of both the Minerals Management Service [MMS], which manages the OCS leasing program, and industry to collect and report on the production rates are significant. MMS currently estimates it spends about $300,000 yearly on OCS production rate activities, and GAO inquiries placed with just seven of the many oil and gas companies that operate on the OCS indicated their expenditures to be $426,500 annually.

Previously, H.R. 7076, reported by the Merchant Marine and Fisheries Committee in the 97th Congress on October 7, 1982, would have eliminated the above mentioned reporting requirements; however, no other action was taken on the bill.

Eliminating these costly reports would not remove the requirement of the Interior Department to report annually on the OCS leasing program, or its responsibility to ensure prompt and

efficient OCS exploration and development. It would, however, reduce Government costs, allowing taxpayers' money to be put to better use, and reduce industry costs. In times of mounting budget deficits and program reductions, we should not overlook the opportunity to economize and eliminate the recurring expense entailed in preparing and reviewing these reports.●

WHAT'S REALLY BEHIND THEIR REASON TO CLOSE GLENWOOD, IA, AND SIOUX CITY, IA, PORK PLANTS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BEDELL. Mr. Speaker, the Swift Independent Packing Co. announced on February 21 that it would close its plants in Sioux City and Glenwood, IA, this fall. Some 660 jobs will be lost.

Naturally, the announcement has caused very strong emotions. A great deal of anguish and hardship is involved for these workers, their families, and neighbors. The union which represents the workers, the United Food & Commercial Workers, has sent me a statement giving its point of view on the closing.

The UFCW statement deserves our consideration. The text follows:

On February 21, 1985, Swift Independent Packing Co. announced plans to close its pork plants in Glenwood, Iowa and Sioux City, Iowa. A corporate decision that will destroy a combined 660 jobs in these two communities.

What is really behind this corporate decision to announce a plant closing of these two facilities? Management officials cite overproduction capacity as the reason. However, in the fall of 1983, Swift Independent Packing Co. used the announced closing of their meat packing plants to extract millions of dollars in wage and benefit concessions from its employees. It certainly would appear that management is using these same tactics in preparation for contract talks this fall. At best it's highly suspicious that the planned closing date of the Glenwood and Sioux City plants happen to fall on the date the labor agreement with the United Food & Commercial Workers expires.

SWIFT INDEPENDENT WORKERS MAKE MAJOR ECONOMIC SACRIFICES

In the fall of 1983, Corporate officials announced they would close their pork plants in Sioux City, Iowa, Glenwood, Iowa and E. St. Louis, Illinois unless they received wage and benefit concessions from its employees. Hoping to avoid a plant closing, and achieve long-term job security, employees at these plants cut their hourly wage by $2.44 an hour. This translated into a weekly wage reduction of $97.60, or an annual wage loss of $5,075.20. As a result of these worker wage cuts the company realized almost a $7 million savings.

In addition to the hourly wage cut, Swift Independent packing employees were forced to cut their health insurance coverage, which means workers now have to pay more money out of their own pocket when the need arises for medical treatment. Weekly sick leave benefits were also slashed thus reducing income for workers who suffer from illnesses which are often caused by conditions at the place of employment, but are not recognized by management as job related. These along with other cuts in vacations, holidays and pension benefits have resulted in millions of dollars in savings to Swift Independent Packing Co.

SWIFT INDEPENDENT WORKERS ENDURE 3½ YEARS OF HARDSHIP

The last time Swift Independent workers received an hourly wage increase was in September, 1981. This coupled with a 23-percent wage cut in 1983 has caused a terrible economic hardship on the workers and their families. During this period of time the quality of life and standard of living for Swift Independent employees have been substantially eroded. Due to the sharply reduced hourly wage, many of these workers are eligible for food stamps. Tragedy has beset many workers in the form of divorces, bankrupteies, and the loss of homes and cars. In many cases spouses have found it necessary to go to work just to make ends meet from week to week.

LOW PAY FOR DANGEROUS, DIRTY, DIFFICULT WORK

Over the past 40 years, workers in the meat packing industry have struggled through their union to establish a decent level of wages and benefits to compensate for working in an industry where the work is fast, dirty, difficult, and extremely dangerous. According to the National Institute of Occupational Safety and Health, NIOSH, meat packing remains one of the most hazardous occupations in the United States. During a four-year period NIOSH established that 20,000 workers in this industry were either permanently disabled, or killed because of an on-the-job injury. For every 100 workers employed full time, 31.4 workers are injured each year. Workers in the meat packing industry have one of the highest rates of arthritis and tendonitis in all U.S. industries. Meat packing employers such as Swift Independent are not only attacking employee wages and benefits, but it is obvious very little has been done in the way of creating a safe place of employment.

WORKER PRODUCTIVITY UP IN MEAT PACKING INDUSTRY

Packinghouse workers have increased their average production output per pound of red meat from 166.3 lbs. in 1980 to 205.7 lbs. in 1983 according to the Bureau of Labor Statistics and the U.S. Department of Agriculture. And while productivity has increased the wage cost per pound has gone down. In 1980 the wage cost per pound was 5.11 cents. In 1983 the cost was 4.17 cents. Just slightly over 4 cents per pound.

SWIFT INDEPENDENT RECORDS PROFITS EVERY YEAR

Since Swift Independent was formed in 1981 they have never had a year in which they did not make profits. From 1981 through 1984 Swift Independent reported profits of some $59 million.

In addition Swift Independent maintains a strong and aggressive position in both the pork and beef sectors of the meat industry. The company is the number one hog slaughterer in the nation and ranks number three in beef slaughtering. During this same period of time corporate officials continued to receive excellent salaries in the hundreds of thousands of dollars and stockholders continue to receive enormous dividends.

THE TIME HAS COME TO STOP SUCH CORPORATE IRRESPONSIBILITY AND ABUSE OF EMPLOYEES

Swift Independent's announced plan to close the Glenwood, Iowa and Sioux City, Iowa pork plants is yet another maneuver to gain more concessions from the employees. The Swift Independent workers cannot afford to give up any more wages, benefits, or even stand still. Swift Independent has a responsibility to keep the Glenwood, Iowa and Sioux City plants open and at a decent wage.

This is not a union/management dispute. It's a people issue. It's an issue that centers around stopping employers, such as Swift Independent, from eroding the basic American work ethics and values of the right to steady employment under safe working conditions at a decent wage. We ask that all workers, unions, farmers and the community join with us in protecting these very basic rights.●

TECHNICAL AMENDMENTS BILL

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FORD of Michigan. Mr. Speaker, today I am introducing a technical amendments bill which deals with three programs under the jurisdiction of the Subcommittee on Postsecondary Education—the Library Services and Construction Act, the Minority Institutions Science Improvement Program, and the Harry S. Truman Memorial Scholarship Act. These amendments do not increase Federal expenditures for the programs.

Section 1 of the bill concerns technical amendments to the Library Services and Construction Act [LSCA]. First enacted in 1957, the act provides funding to local public libraries to assist them in serving special populations, construction of library facilities and interlibrary linkages. During the reauthorization of the act last year, it was expanded to include programs that would provide grants to Indian tribes which were developing library programs and special grants for literacy programs and acquisition of foreign language materials.

Shortly after the reauthorization bill was signed into law, representatives of the Department of Education and the library community contacted my office to ask for clarification of certain points in the new law which the Department considered open to interpretation or in conflict with other sections of the law. After lengthy discussions between my staff and Department officials, it became clear that additional legislative language was required.

There are seven technical and conforming amendments to LSCA. The first is a conforming amendment clari-

fying that a long-range program may be from 3 to 5 years in length. Previous to the 1984 amendments long-range programs were all 5 years in length. The 1984 act allowed plans to range between 3 and 5 years, but the definition of long-range program was not changed accordingly. This amendment changes that definition to conform with other references in the 1984 act.

The second amendment clarifies that the Secretary of Education may only make grants to Indian tribes that are recognized by the Secretary of the Interior. The 1984 act only required that the Secretary of Education consult with the Secretary of the Interior. It did not mandate that grants be awarded only to approved tribes. The amendment language is more concise and leaves no question as to the role of the Secretary of the Interior.

The third LSCA amendment is conforming in nature. In addition to awarding grants to Indian tribes, the 1984 LSCA amendments also required that grants be made available to native Hawaiians under the same guidelines as they are made to Indian tribes. However, one of the requirements, maintenance of existing effort, was omitted from the statutory language. This amendment requires Native Hawaiians to maintain the same level of expenditure for library materials if they receive a Federal grant under LSCA as they did prior to receiving the grant.

The term "limited English-speaking proficiency" is defined to have the same meaning in the Library Services and Construction Act as it does in the Bilingual Education Act by the fourth LSCA amendment. Department of Education representatives were concerned that the lack of definition of the term could lead to confusion and lack of consistency in reviewing applications for grants.

The fifth LSCA amendment is required because of a misinterpretation by the Department of Education of congressional intent with respect to the amount of administrative costs allowed to States under the program. Prior to the 1984 amendments, there was no limit on the amount of LSCA funds the State could use for administrative purposes or the types of activities that could be funded through administrative costs. As a result, during the reauthorization hearings for LSCA, the subcommittee repeatedly heard from librarians that inordinantly large portions of Federal LSCA dollars were being held by State libraries instead of being allocated to local libraries as was intended by the Congress. In one case, a State was using over 50 percent of its Federal dollars to pay for upkeep and maintenance of the State library building. In order to prevent these obvious abuses, the LSCA amendments required that no more than 6 percent of $60,000—whichever is greater—of the amount allocated to States under titles I, II, and III of LSCA could be used for administrative purposes. However, because title III deals with long-range planning and interlibrary cooperation, the legislation required that the allowable administrative costs be taken from titles I and II funds, but the amount be equal to the 6 percent of all three titles. The Department has chosen to ignore the clear statutory construction of the administrative cost provision and is interpreting it to allow only 6 percent of titles I and II. This amendment clarifies that the amount that may be used for administrative costs is calculated by using the allocations from all three titles.

The Library Services and Construction Act requires that if more than $60 million is appropriated for title I, the amount in excess of $60 million will be used for libraries in cities with populations exceeding 100,000. The sixth LSCA amendment provides that the $60 million does not include the required 1.5 percent set-aside for Indian tribes or the 0.5 percent for native Hawaiians.

The final LSCA amendment clarifies the intent of Congress in requiring that grants be made to Indians living on or near reservations. The purpose of the original language was to ensure that Indians dwelling in urban areas not receive grants because they have access to already existing public libraries. However, Indians and Indian tribes in Oklahoma, California, and Alaska do not live on reservations and therefore, in strict legal terms, would be ineligible to receive grants. The amendment exempts Indians in those States from the requirement that they must live on or near reservations.

Section 2 of the technical amendments bill incorporates the provisions of H.R. 32, introduced by Chairman HAWKINS on January 3, 1985, which extend the authorization of the Minority Institutions Science Improvement Program through fiscal years 1985 and 1986 with a maximum appropriation level of $5 million for each year.

The Minority Institutions Science Improvement Program [MISIP] supports activities to improve the quality of science education at postsecondary education institutions which serve large populations of minority students and to stimulate interest in science careers for minorities. Institutions may use MISIP funds for improvement of their own science facilities and faculties or they may form cooperatives with local secondary school districts to improve science education at the precollege level. Originally enacted as part of the National Science Foundation Act, MISIP was transferred to the Department of Education in 1979 by the Department of Education Organization Act. The program's authorization expired at the end of fiscal year 1984.

The program was reauthorized through fiscal year 1985 by the House-passed version of the Emergency Science and Mathematics Education Act of 1983, but failed to be included in the Senate version of the act which was eventually signed into law. Although MISIP lacks authorization for fiscal year 1985, the Appropriations Committee did appropriate $5 million for the program in anticipation of an extension and the President's budget requests for both fiscal year 1985 and fiscal year 1986 have supported continued funding for the program at the $5 million level. It is expected that any further extension or modifications of MISIP will be incorporated in the reauthorization of the Higher Education Act.

Section 3 of the technical amendments bill eliminates the maximum amount for the Harry S Truman Scholarship and allows the board of trustees the authority to set the maximum stipend. The language of the amendment is identical to that of H.R. 1227 introduced by Representative IKE SKELTON on February 21, 1985.

The Harry S Truman Scholarship Foundation was established as an official Federal memorial to honor President Truman. The foundation operates a permanent scholarship program for outstanding students pursuing careers in public service at all levels of government. Funding for the program comes from the proceeds of a $30 million Federal appropriation provided when the foundation was created in 1975. The board of trustees in its last two annual reports to Congress has requested that the $5,000 maximum award set by the enacting statute be changed or eliminated. When the scholarship program started, $5,000 was an ample amount to cover the annual education costs of the scholars. However, because of sharply rising educational expenses most students incur costs well above the statutory maximum and as of 1984, 83 percent of the Truman scholars failed to receive the intended full scholarship.

I urge my colleagues to join me in cosponsoring this necessary legislation.●

ARTISTIC PATRIOTISM

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. WALGREN. Mr. Speaker, with all the talk about the need to balance the budget, we sometimes forget to consider the special contribution that modest Government funding can make.

In this regard, I refer specifically to President Reagan's proposals that threaten the arts and direct the attention of my colleagues to the excellent following piece by Sam Hazo, president and director of the International Poetry Forum:

ARTISTIC PATRIOTISM

The recent recommendation of the Reagan administration to cut the budget of the National Endowment for the Arts by 11.7 percent should not be considered merely as another form of savings.

Under the sword of the present deficit, the administration claims that across-the-board cuts are in order. If everything else is to be cut back, why not the National Endowment for the Arts? Such a view of the endowment is purely statistical; it does not address itself to how important the arts are to American society. And that importance is directly related to our stature and spirit as a people, money notwithstanding.

First, some preliminary brush-clearing. With those who say that the survival of the arts does not depend upon governmental assistance I have no argument. Poems would continue to be written, paintings painted, sculptures sculpted and dances danced if the NEA disappeared completely. After all, the NEA is only 19 years old, and the arts in America certainly existed before that.

The fact remains, however, that it became apparent to the federal government in the mid-'60s (and to the private sector a decade earlier) that a truly humane society was one that did not ignore the arts.

President Kennedy laid some of the foundation for this in October of 1963 at Amherst when he said: "I look forward to an America which will reward achievement in the arts as we reward achievement in business or statecraft.

"I look forward to an America which will steadily raise the standards of artistic accomplishment and which will steadily enlarge cultural opportunities for all our citizens. And I look forward to an America which commands not only for its strength but for its civilization as well."

The philosophy behind the creation of the National Endowment for the Arts was that government could have a role to play in enlarging "Cultural opportunities for all our citizens."

Programs were thus initiated that provided for funding of literary and other centers for audience-development efforts, for challenge-grant support and even for followship subsidies of writers and other artists. As with all government efforts, there was waste and misdirection.

Quality was periodically ignored, and the mediocre was often rewarded. And I, for one, still have reservations about subsidizing artists. It has the ring of patronage. In saying this, I do not denigrate many of the fine artists who have received such subsidies. I just think that there is a taming institutional risk associated with this as with the poet-laureatship of Great Britain. There are some gifts that it may be wise not to accept.

Second, some facts. In the early '80s, the NEA's annual budget was $159 million. This, in effect, was two one-hundredths of one percent of the federal budget. In 1985 the projected budget is $163.7 million. If the proposed cut of 11.7 percent is made, the working budget will be $144.5 million. For those who like comparisons, this would have financed the decade-long Vietnam war for 53 hours. In nearer and dearer terms, it would have underwritten two hours and 39 minutes of Superbowl television time.

But playing the game of equivalence is not the answer. What is at issue here is that the miniscule percentage of government capital that is devoted to the arts says much about our government's attitude to the arts. That is the real equivalence.

For those who say that support of the arts should be left to the private sector, the answer is that it is, by and large. Only 10 percent of money for the arts nationally comes from the government while the remaining 90 percent comes from private sources. But the 10 percent that comes from the government does underwrite those very things that private foundations are loath to fund, i.e., endowments and purely operational costs.

To remove or emasculate government's role in the equation of support for the arts is to hurt not only the artistic organizations so supported, but the society they serve.

If Canada, a country of approximately 29 million people, allocates more than 10 percent of its national budget for art and culture, that says something about that government's view of the importance of art and culture to Canada. In the mid-'80s, Australia allocated $32.1 million (translated into American dollars) to the same purpose, which was the equivalent of $2.14 per capita. By the same standard, France allocated $911.7 million, or $16.81 per capita; Italy $189.6 million, or $3.37 per capita; Sweden $111 million or $13.32 per capita; Great Britain, $130 million, or $2.33 per capita.

In contrast, the United States allocated two one-hundredths of one percent to the same purpose and proposes to allocate less in 1985. In either case, our commitment to the arts is perceived internationally as being measured in a fraction of a fraction or approximately 62 cents per capita.

In a nation's priorities, every chief executive must provide for the common defense, promote the general welfare and ensure domestic tranquility. The first and third of these injunctions have been well served by this and preceeding administrations. If one questions the defense budget, for example, one does so at the risk of having one's patriotism questioned since this is regarded by some as tampering with our survival. But too little attention is given to *how* we are to survive as a people, and that is certainly part of our "general welfare," and the arts are an essential part of that.

"A nation can survive on junk art as it can on junk food," wrote Edwin Wilson in The Wall Street Journal a few years ago, but he quickly added: "Some societies, however, have recognized the profound possibilities of art and have gone for the best. This was the case with the Greeks in the 5th century B.C., who built the Parthenon and produced the plays of Aeschylus and Sophocles, with the people of Medieval France who built the cathedral of Chartres and with the Medicis, the great patrons of the arts in Renaissance Florence."

Anyone with any artistic patriotism would certainly hope to see the United States included historically in that company.●

TRIBUTE TO DR. RAYMOND L. BISPLINGHOFF

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FUQUA. Mr. Speaker, Dr. Raymond L. Bisplinghoff, former Chairman of the Air Force Scientific Advisory Board, passed away in Boston, MA, on the 5th of March 1985. Dr. Bisplinghoff contributed extensively to the Air Force and to the Board in various capacities spanning a period of over 27 years.

In 1982 Dr. Bisplinghoff received the Decoration for Exceptional Civilian Service, the highest civilian decoration given by the Air Force, for his work as Chairman of that service's Scientific Advisory Board from September 1979 to July 1982. The citation accompanying the medal, presented by Secretary of the Air Force, Verne Orr, stated in part:

Through his rare combination of scientific ability and insight, leadership capability and the highest personal integrity, Dr. Bisplinghoff has personified the scientific patriot envisioned by General Arnold and Dr. von Karman more than 30 years ago when they established the Scientific Advisory Board. Dr. Bisplinghoff's sincere, selfless dedication and highly significant personal contributions reflect the highest credit upon himself and the United States Air Force.

While addressed to Dr. Bisplinghoff's service on behalf of the Air Force, these words also describe his dedication and selfless contributions to this country through his service to the National Science Foundation, NASA and the FAA as well as his active participation in numerous other senior advisory roles.

Dr. Bisplinghoff's association with the Air Force and its Scientific Advisory Board began in 1956 when he was appointed a member of the Board's Aircraft Panel—later to become the Aerospace Vehicles Panel—a position he held until 1959. He was again appointed to the Board in 1976 assuming chairmanship in 1978, a position he held until July 1982. He continued his active involvement in Board affairs until his death. Among the many studies he either chaired or participated in were C-5A; B-1 Program; cruise missile technology; C-5A structures; structural fatigue problems and most recently, chaired the study on advanced tactical fighter technologies.

Dr. Bisplinghoff had served on the faculty of MIT for 24 years. He headed its department of aeronautics and astronautics and was dean of the College of Engineering from 1968 to 1970. He was appointed Deputy Director of the National Science Foundation in 1970. From 1962 until 1966, he was with the National Aeronautics and

Space Administration [NASA], first as Director of the Office of Advanced Research and Technology, then as Associate Administrator for Advanced Research and Technology and Special Assistant to the NASA Administrator. Dr. Bisplinghoff served as Chief Scientific Advisor to the Adminstrator of the Federal Aviation Administration and as a member of the board of directors of Allied Associates of Concord, MA. He was a fellow of the American Academy of Arts and Sciences, American Association for the Advancement of Science, Royal Aeronautical Society, American Astronautical Society and an honorary fellow of the American Institute of Aeronautics and Astronautics. He was also a member of the National Academy of Sciences, National Academy of Engineering, New York Academy of Science and the Defense Science Board.

I believe it is evident that the Nation has lost a remarkable and exemplary scientist and engineer whose leadership spanned academic, industrial, and Government activities.

I ask that the details of Dr. Bisplinghoff's career as documented in who's who in America and in the obituary which appeared in the Boston Globe, be entered in the CONGRESSIONAL RECORD.

R.L. BISPLINGHOFF, MIT PROFESSOR WHO HELPED PLAN APOLLO FLIGHTS; 68

COTUIT.—Raymond L. Bisplinghoff of Cotuit and North Hampton, N.H., a world-renowned aeronautical engineer who helped plan several Apollo space flights, died Tuesday night in New England Baptist Hospital in Boston after a brief illness. He was 68.

Mr. Bisplinghoff began his 50 year career as an educator, researcher and national policymaker in science and engineering when he was a student engineer at the Aeronca Aircraft Corp. in Cincinnati, and later, during World War II, as an engineer at the Navy Bureau of Aeronautics.

Mr. Bisplinghoff, a thin, quiet, sandy-haired man whose first love was teaching, moved to Boston in 1946 to accept a post as assistant professor of aeronautics at the Massachusetts Institute of Technology. He was made a full professor in 1953 and deputy head of the department of aeronautics and astronautics in 1957.

He also headed the department's Aeroelastic and Space Structures Laboratory and chaired the Aerospace Research Division, where he developed research and instruction in flight vehicle structures.

With H. Guyford Stever, he carried out a three-year study on the effects of nuclear blasts on aircraft. He and Stever took part in the Eniwetok atoll bomb tests of 1951-52 and were awarded certificates of merit by the Air Force.

In 1962, Mr. Bisplinghoff took a leave of absence from teaching to direct advanced research and technology at the National Aeronautics and Space Administration in Washington, D.C. In 1965, he was named special assistant to NASA director James Webb.

Mr. Bisplinghoff returned to MIT a year later to succeed Charles S. Draper as head of the department of aeronautics and astronautics. He was the third person to head the department, which was the first of its kind in an American university when it was established in the early 1900s.

At MIT, Mr. Bisplinghoff worked with Apollo 8 astronaut James Lovell in "using the hardware aboard the Apollo to the best possible advantage," he once said. His work helped the Apollo 8 crew to circle the Moon and come back to Earth with only a tiny fraction of error in calculation. He also worked with NASA on plans for Apollo flights 9, 10, 11 and 12.

In 1968, he was appointed dean of the College of Engineering at MIT and head of the new Research and Technology Council at NASA. He went back to Washington, D.C., in 1970 to become deputy director of the National Science Foundation.

Mr. Bisplinghoff was named chancellor of the University of Missouri at Rolla in 1974, and three years later left to accept a position as senior vice president for research and development at Tyco Laboratories In Exeter, N.H. He retired last fall.

Among the many awards he received were a distinguished service award from the National Science Foundation, and extraordinary service medal from the FAA and a distinguished service medal from NASA.

He was internationally known for his textbooks "Aeroelasticity" (1955) and "Principles of Aeroelasticity" (1962).

He leaves two sons, Ross L. of Wellesley and Ron S. Bisplinghoff of Boston; and a sister, Ann Gillespie of Hamilton, Ohio.

A memorial service will be conducted at 7 p.m. Thursday in MIT Chapel, Massachusetts Avenue.

BISPLINGHOFF, Raymond L.—B: Feb. 7, 1917, Hamilton, OH, *Dir. and VP for Research*, Tyco Laboratories; PRIM AV/AERO ACT: Military Aviation, Aerospace Engineer, Aerospace Mfg, Research/Experimentation, Profl Assn Admin; PREV EMPLOY: Engr., Aeronca A/C Corp., 1937-1940; Engr., Wright Field, 1940-1941; Naval Officer, Bureau of Aeronautics, 1943-1946; Prof., MIT, 1946-1962; Assoc. Admin., NASA, 1962-1966; Head, Dept. of Aeronautics and Astronautics and Dean, School of Engrg., MIT, 1966-1970; Dep. Dir., Nat. Sci. Found., 1970-1974; Chancellor, Univ. of MO-Rolla, 1974-1977; Dir. and VP for Research, Tyco Labs., 1977-present. Also Dir., Gen. A/C Corp.; Dir., Commuter A/C Corp.; Dir., MITRE Corp.; Chmn., USAF Scientific Advisory Bd.; PROFL AFFIL & HONORS: Honorary Fellow, AIAA; Fellow Royal Aeronautical Soc.; Pres., Intl. Council of Aeronautical Scis.; Fellow, Amer. Acad. of Arts and Scis., Member, Nat. Acad. of Scis.; Member, Nat. Acad. of Engrs.; DSM; NASA, Extraordinary Serv. Medal, FAA; Sylvanus Reed Award, AIAA; Godfrey L. Cabor Award; Carl F. Kayan Medal; NASA Apollo Achievement Award; Amer. Astronautical Soc. Eagle Award; MIL SERV: USN, Lt. USNR; CERTS: Pvt. pilot; A/C FLOWN: Numerous light aircraft and sailplanes; EDUC: BS, 1940, Aeronautical Engrg., Univ. of Cincinnati; GRAD EDUC: PhD, 1956, Physics, Swiss Fed. Inst. of Technol.; OTHER ACT & HONORS: Explorers Club; Cosmos Club; Truman Library Inst.; Dir., NE Solar Energy Ctr.; HOME ADD: 180 Mill Rd., N Hampton, NH 03862, (603) 964-6884; BUS ADD: Tyco Laboratories, Exeter, NH 03833, (603) 772-5422●.

RETIRED STAFF OF INTERNATIONAL ORGANIZATIONS DESERVE PERMANENT RESIDENCE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FISH. Mr. Speaker, the bill I introduce today is designed to grant permanent residence to the members, spouses, and children of international organizations located in the United States. According to 1982 data from the Department of State, there are approximately 10,000 regular foreign staff members of international institutions such as the United Nations, International Monetary Fund, and the World Bank which are located in the United States. These individuals spend their professional lives in this country and their children and spouses become accustomed over time to the benefits offered by our society. Legislative efforts to grant them permanent residence have been supported by our Government, and by presidents, and former presidents of the World Bank, as well as other affected organizations.

I have been an historic supporter of this legislation, and provisions akin to what I am introducing today have been passed by both Houses of Congress as part of the Simpson-Mazzoli comprehensive immigration bill. Unfortunately, Congress failed to produce a compromise in either of the past two Congresses and, while I hope the result of congressional deliberations will be different this time around, I think it is wise for us to consider a parallel track.

Most international workers remain in the United States for relatively short periods, after which they return to their home countries. A number of others, due principally to their extensive expertise, remain in the United States indefinitely, and often end their employment by retirement in this country. Without the right to remain here, they often find themselves stripped of their friends, and family, and forced to return into a country which in many cases they have not seen for many years. This works a hardship on women whose husbands die before retirement, and it similarly affects children who have been brought up in the United States and consider it home.

Mr. Speaker, I encourage my colleagues to support this legislation. It has enjoyed nearly universal support in past years, and I trust this trend will continue.●

TRIBUTE TO CHARLES A. TILLMAN

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. STARK. Mr. Speaker, the Community Adult Day Health Services board of directors will host their first annual awards dinner in Oakland, CA, on April 9, 1985. Mr. Charles A. Tillman will be the honoree.

Mr. Tillman justly deserves this tribute. He has contributed tirelessly to improve the health and welfare of senior citizens. Because of Mr. Tillman's hard work and perseverance, the Community Adult Day Health Services at Highland General Hospital in Oakland is a reality.

But this is just the most recent success for Mr. Tillman in assisting the elderly. He has served on the State of California Commission on Aging, the Alameda County Commission on Aging, and the city of Alameda Senior Citizens Council. He has been active in numerous fraternal and civic organizations including the Alameda and Isle City American Association of Retired Persons.

Charlie Tillman has helped create numerous programs to help improve the life of senior citizens in the city of Alameda. He organized the first Meals on Wheels Program, introduced the Senior Citizens Taxi Script Program, was instrumental in developing senior housing in Alameda, and most recently spearheaded free transportation of Alameda's elderly to the Community Adult Day Health Services Center.

With all of these accomplishments on his record, Mr. Tillman remains modest about his contributions. He is constantly looking for new opportunities to improve live for the elderly.

I join Charlie Tillman's friends, who will pay tribute to him on April 9, in saying thank you for his contributions. He is truly a man of compassion and vision.●

BLUE ANGELS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HUNTER. Mr. Speaker, today I am introducing legislation which would direct the Postmaster General to issue a commemorative postage stamp honoring the U.S. Navy Flight Demonstration Squadron, known as the Blue Angels on the occasion of their 40th anniversary. The Blue Angels have been entertaining audiences all over the world since 1945. They have demonstrated the power of naval aviation to more than 186 million people.

The Blue Angels have had a profound impact on our Nation's youth, attracting the highest caliber of young people to serve in our Nation's Armed Forces. The Blue Angels have set outstanding examples of the value of hard work, disciplined training, and the merit of teamwork in achieving goals.

My district has had the honor of hosting the Blue Angels during their winter training in Imperial County for the past 19 years. During that time, they have inspired the residents of the valley with their precision maneuvers and with their dedication and determination to be the best.

Mr. Speaker, I urge all of my colleagues to join with me in honoring this dedicated group of professionals. A postage stamp commemorating their 40th anniversary is a fitting way to pay tribute to this deserving group.●

THE TIDE SHIFTS TOWARD TAX REFORM

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DONNELLY. Mr. Speaker, I am today submitting for the record an article by Albert Hunt which appeared in the Wall Street Journal on March 22, 1985, entitled, "The Tide Shifts Toward Tax Reform."

As a strong supporter of tax reform, I am delighted to see this shifting tide. Support for tax reform is clearly building among the 70 percent of taxpayers who do not itemize and would therefore benefit from legislation lowering the tax rates and broadening the base. In their responses to my recent questionnaire, my constituents enthusiastically support tax reform because it would satisfy their demand that all taxpayers, individuals and corporations alike, pay their fair share of taxes. I congratulate Mr. ROSTENKOWSKI, chairman of the Ways and Means Committee, for taking the lead as a proponent of tax reform.

I commend this article to my colleagues' attention, particularly its analysis of some of the arguments used by critics of the major tax reform proposals. It is encouraging that the taxpayers apparently know better.

[From the Wall Street Journal Mar. 22, 1985]

THE TIDE SHIFTS TOWARD TAX REFORM

(By Albert R. Hunt)

Oscar Wilde once noted that "a man cannot be too careful in the choice of his enemies." That probably occurred to Jim Baker at his recent confirmation hearings before the Senate Finance Committee.

The incoming Treasury secretary was greeted warmly, but the department's tax-simplification plan—which would lower individual and corporate tax rates and broaden the base by eliminating most write-offs—picked up almost as many enemies as there were senators there.

Committee Chairman Bob Packwood (R. Ore.) criticized proposed taxes on fringe benefits; New York Democrat Daniel P. Moynihan complained about not permitting deductions for state and local taxes; David Boren, Oklahoma Democrat, warned that the measure would hurt the oil and gas industry, endangering National Security; Steve Symms, Idaho Republican, complained about the effects on the life-insurance industry; and Sen. Spark Matsunaga, Hawaii Democrat, warned that under such a plan the macadamia nut industry never would have flourished.

With so many enemies, the conventional wisdom—on Wall Street as well as in Washington—is that any tax-overhaul scheme won't fly.

Don' bet on it. Actually, the odds are improving for some combination of a revised Treasury plan with the Democratic Bradley-Gephardt and GOP Kemp-Kasten bills. Despite the vehement protest from affected interests, public support is there for these concepts.

PUBLIC DESIRE FOR CHANGE

"There clearly is a public desire for tax change," says Republican poll taker Bob Teeter, "and the fundamental idea of less deductions and lower rates is gaining acceptance. Public Opinion is moving very fast the last couple of weeks. This is an idea whose time is coming."

Mr. Teeter's Democratic counterpart, Peter Hart, agrees "The public thinks the current tax system is unfair, doesn't work very well and is too complicated," he says. The Treasury and congressional tax-simplification schemes "fit in the broader theme of reducing special privileges, which has a huge amount of popular support, whether it's getting welfare queens or big boys ripping off the tax system.

Both agree that the keys are Mr. Reagan's active support for a tax measure and its proponents' ability to capitalize on the fairness issue. "The strongest desire here isn't for simplification but for fairer taxes," says Mr. Teeter. "Much of the public feels, not so much that they are paying too much, but that a lot of people get away without paying their fair share."

The public resentment is illustrated by some of the exaggerations and distortions paraded forth by tax-overhaul critics in recent weeks. A major theme is that any plan would cause cataclysmic dislocations. Sen. Bill Bradley of New Jersey, the main Democratic proponent of tax change, responds simply: "You don't find all the people who're going to get tax cuts complaining about dislocation."

A quick glance at the critics underscores this point. The National Associaton of Manufacturers, for example, recently released a study on the effects of the Treasury plan, using a model prepared by Wharton Econometric Forecasting Associates. The study concluded that by curbing accelerated depreciation and other tax breaks, the proposal would cause a substantial reduction in business investment.

But this study gave the back of its hand to an economically attractive feature of the proposal: Its neutral treatment of different sorts of income, which should channel some capital out of tax-sheltered enterprises and into more productive ones. Moreover, models such as Wharton's "are designed only to look at short-run effects," says Harvey Galper, an economist at the Brook-

ings Institution. "They are not designed to capture structural changes such as the Treasury plan."

To be sure, even some champions of tax simplification acknowledge that some investment could be stifled. So, they say, some adjustments are necessary. But as long as major companies like General Electric, General Dynamics, and W.R. Grace haven't been paying federal income taxes—whatever the economic justifications—the average taxpayer will think the system is unfair.

The NAM's criticism pales next to the rhetoric of the National Association of Realtors. The Realtors claim that, in embracing the tax-simplification proposal, then Treasury Secretary Donald Regan "was reneging on President Reagan's commitment . . . to preserve the home mortgage interest deduction."

Mr. Regan's egregious offense here wasn't that he touched the basic home mortgage interest deduction, which the Treasury would leave intact. What upset the Realtors is the proposal to limit this write-off for second or vacation homes. Now, my wife and I recently bought a weekend home, which we expect to enjoy immensely. But to expect taxpayers to underwrite this enjoyment is ludicrous. The Treasury should eliminate, not just modify, this $700 million annual subsidy of vacation homes.

Some critics also express concern at taking away the deductions for state and local taxes, especially in high tax states such as New York. Gov. Mario Cuomo denounces this proposal as unfair to his state's poor working citizens.

The governor overlooks some facts. In 1986, according to Treasury calculations, the median family income in New York State will be $35,160. Under the current code, the average Empire State citizen would pay $3,205 taxes on that income; under the Treasury proposal—even without deductions for State and local taxes—this average taxpayer would pay $3,182, or $23 *less*. The marginal tax rate of this average New Yorker would drop to 15% from 22%. Moreover, Gov. Cuomo usually neglects to point out that 60% of New Yorkers don't itemize state and local deductions, and thus those he champions so fervently are predominantly upper-income taxpayers. (Nationally, two-thirds of all taxpayers don't itemize.)

Critics also distort public opinion. Recently, a group called the Committee for a Responsible Tax Policy released a survey by New York pollsters Penn & Schoen concluding that "when given the outlines of the proposed Treasury tax revision, U.S. voters reject the plan by a wide margin"—better than 2 to 1 against.

Consider, though, the question: "The Treasury Department has proposed changing the tax system. Three tax brackets would be created but most current deductions from income would be eliminated. Non-federal income taxes and property taxes would not be deductible, and many deductions would be limited. Do you favor or oppose this proposal?" There's no mention that rates would be cut sharply or that personal exemption would double. The only surprise is that 27% of the respondents actually supported the position as stated.

Pollsters Teeter and Hart say that public opinion decidedly favors any proposal that cuts rates, broadens the tax base and reduces the number of tax brackets from 15 to three.

Still, there are big hurdles. Mr. Reagan must make this a top priority; his abysmal ignorance of the Treasury proposal in a recent interview with this newspaper wasn't an auspicious sign. And if Jim Baker, a superb politician with a penchant for compromise, is perceived to be taking care of groups like his Texas oil buddies, public support "could bleed from a thousand cuts," warns Mr. Hart.

Nevertheless, the more these proposals are aired, the more support they pick up. This is evident in a small, but growing, segment of the business community that is impressed by the idea of simplicity and by the cut in the corporate tax rate from 46% (the effective rate paid now is only about half that) to 30% or 35% under various proposals.

Two weeks ago the four principal congressional sponsors—Sens. Bill Bradley and Robert Kasten and Congressman Jack Kemp and Richard Gephardt—trotted out endorsements from more than a dozen executives for the concept of lowering rates and broadening the base. There was impressive diversity, ranging from the chief executive officers of such major companies as IBM and Singer to J. McDonald Williams, managing partner of Trammell Crow Co., the huge Dallas-based real-estate concern.

Real-estate write-offs supposedly are clobbered by tax simplification, but Mr. Williams offered a cogent case for his support. "The real-estate industry has too much tax-driven investments, and that's resulting in overbuilding and a series of problems," he said. Under tax simplification, if "there's is a fair comparision of returns in real estate vs. other investments then we can pay more taxes. . . . In the long run, that will be healthier for our industry, although in the short run it's difficult and means higher taxes."

FAVORABLE POLITICAL WINDS

David McLaughlin, president of Dartmouth College, took a similarly long-range view on the issues of limiting charitable contributions. "In the short run, undoubtedly, there are effects . . . that would have some negative consequences to an institution like Dartmouth," he said. But, he argued, "tax simplification and tax revision make a stronger economy," which in the long run will help such institutions.

There are favorable political winds, too, especially in House Ways and Means Chairman Dan Rostenkowski's enthusiasm for passing a tax measure this year. Privately, more and more Democrats lament the disastrous blunder Walter F. Mondale made last year when he flatly rejected making the Bradley-Gephardt bill a centerpiece of his campaign.

Finally, the similarities between the Treasury proposal and the two major congressional initiatives are far more striking than are the differences. That will facilitate any compromise. "The thrust in all three is the same," says Ronald A. Pearlman, acting assistant treasury secretary for tax policy. "Everyone wants rates down and the base broadened."

A few months ago, optimists were saying that tax simplification was an idea whose time was coming. A few months from now, it may have arrived.●

STUDENTS AND FAMILIES RESPOND TO THE PRESIDENT'S STUDENT AID BUDGET CUTS

HON. WILLIAM D. FORD

OF MICHIGAN.

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FORD of Michigan. Mr. Speaker, over the past couple of months I have received several hundred letters from students and parents who describe in their own words what effect the President's proposed budget cuts in the federally funded student financial assistance programs would have on each of their lives. These letters express personal feelings of frustration and betrayal at the barriers being thrown heedlessly into the paths of their futures. These letters are from hard-working people who have never taken a college education for granted and who have already made significant financial sacrifices to improve their, and their children's, lives through education. These letters reflect a cross section of this country's students who would be hurt by student aid cuts.

While we continue to debate how to come to terms with the Nation's budget deficit, I think it would be well to look into the faces of a few of those families whose futures would be dramatically altered if we heeded the President's proposals.

The letters follow:

LETTERS

My family and I have decided to write our first letter ever to a President. We have supported the Republican philosophy and candidates since the Eisenhower years . . . as a matter of fact, went to President Nixon's inauguration ceremony and ball. I have been chairman of a local Republican Club and a Republican precinct delegate for 18 years. After taxes, we net approximately $24,000 and are not capable of starting an IRA or keeping a savings account with house payments, food, clothing * * * Our family strongly objects to the proposed cut-off of student loans to families in the middle income bracket (like ours). I will support all of (the President's) programs but (not his proposed cut in student aid.—Parent in Michigan

Presently my father is retired and I have no source of income. And I am not the only person in my family attending college. I come from a family of eleven children. I want to pursue a career in teaching junior high school and coaching young adults in sports, but without a college degree this dream will never be fulfilled.—Student in Michigan.

I am taking time out of my schedule to write to you on behalf of my family and every family with children in college. Where does this man, who by the way in his early days was once a liberal democrat, in the days of Harry Truman his idol, get the audacity to take from students . . . this man in the White House has no compassion. No matter what you earn now-a-days the cost of an education is astronomical, even at a state school.—Parent in New York.

My family and I are all working hard to make it possible for me to finish my education at Simmons College. During school I have a part-time job, and I also work during school breaks and summer vacations. Since my brother is also in college, even with my working and my parents giving me as much as they can, it is impossible for us to come up with the $13,000 a year I need to continue my education here if the income caps on aid and the Guaranteed Student Loan program go into effect.—Student in Massachusetts.

I am a first year medical student at the University of Chicago and the tuition here is $10,000. I also have a brother who just graduated from college and plans on attending law school in the fall with another brother who is a freshman at Notre Dame. As you can see, there is a lot of money being used for education in our family. My father does make more than $30,000 a year, but if we are denied the Guaranteed Student Loans I'm not certain all three of us could attend school at the same time.—Student in Illinois.

I am writing to you even though I am not in your district. Our daughter is in her last year of college and our son in his first year of podiatry school. If this proposal is passed how can we tell him he can't go back to school? Does the President think we enjoy borrowing money to send our children to college? It is a matter of necessity so they can have a better future and add to this country of ours. We consider ourselves good citizens, we pay our taxes and try to provide an education for our children and with these loans it helps. We do not think of this as free money * * *.—Parent in Michigan

I'm a public school teacher, and I work at a second job in the evenings, and a third job during the summers. My wife is a full-time wife, housekeeper, mother and has a small part-time job. We have used up our savings and investments over the last three years to help send our three sons to college. These boys work while at school and during their summer vacations, and they always have. They do not spend three weeks at the beach * * *. We need continued support for the student loans.—Parent in Michigan.

I am an independent student who lives with my elderly grandmother and attend a college in Connecticut. My grandmother has raised me and helps to support and maintain me in college. I help her by doing as much as I can for her, especially during school breaks and summer, and I also help by working to pay some of my college expenses. If it were not for Federal aid and the GSL program I could not attend college. My course of study is not offered at all colleges, and I attend the closest university to my home. I understand the "independent student status" is in jeopardy; the President wants to abolish it for all students under the age of 22 years old. Please do not let this happen. I would like to complete college, repay my government loans, and help my grandmother who has sacrificed so much for me.—Student in Connecticut.

Mr. President: Our son Jay is attending the University of the South, Sewanne, Tennessee, where he is a freshman. If it were not for financial aid he could not attend. I've always tried to impress on Jay how important an education is * * * that it is the one thing no one could take away. So please, not only for him, but for all students whose future depends on college, please reevaluate your budget cuts.—Parent in Florida.

I was told by many that I would never make it in architecture, much less get into a school of architecture. Acceptance into the School of Architecture was competitive, only 30% of the applicants were admitted * * * (After being rejected from 4 schools), on my third attempt my application was accepted and I was graduated with a 3.9 grade point in my senior year. (I was subsequently accepted) at the Harvard Graduate School of Design. My education (there) has been possible largely because of the student loans I have received. My parents income hovers around $31-$32,000 a year and it is very difficult for them to assist me financially. My father was forced to retire early from the government because of two successive heart attacks, and a stroke. Medical costs continue to climb * * * my mother works part-time at a Hospital (but) her modest income coupled with my father's retirement barely keeps them afloat. I work two summer jobs in an attempt to dent the tuition barrier which is now cresting at $10,145 a year * * * .—Student from Maryland.

As a law Student at Oklahoma. City University School of Law, I am frightened about the possibility of reductions in financial student aid. I will have to quit law school in the middle of my second year and (hopefully) * * * graduate with my degree in the future.—Student in Oklahoma

As a freshman at the University of Rochester who relies heavily on financial aid, I would like to express my complete disbelief toward President Reagan's recently proposed Federal student aid cuts. * * * It seems ironic that a man who has received such strong support from young voters would be so quick to forget the backing * * * If President Reagan wishes to trim the Federal budget and diminish our national debt he should consider other major contributors to this country's financial problems, like large corporations and the staggering defense budget, instead of directing his assault on our nation's students.—Student in New York.

I am an 18 year old college freshman at a community college * * * my brother attends Michigan State, but could not do so without a student loan. We both work during the summer and school year to help our family afford a college education. In 1984 I voted (Republican) in my first Presidential election * * * (but) I will be in desperate need of the Student Loan Program.* * * (and) I urge you to block any attempt at cutting and minimizing the Student Loan Program.—Student in Michigan.

I am a law student at the Ohio State University College of Law * * *. I urge you to oppose cutbacks in the guaranteed student loan program. Tuition levels at professional schools have dramatically increased, as have living expenses and other costs accompanying programs of professional study. The financial aid cutbacks proposed by the Administration will, if enacted, severely jeopardize the ability of many law students to finance their professional education. This reduction will significantly affect greater than half of the law students at Ohio State University * * *.—Student in Ohio.

I have a brother and sister graduating from high school this year, and another brother who is a sophomore in college. I am a year and a half away from graduating from college, but with four of us in college at the same time, I will not be able to complete my course at my present college unless I have a student loan.—Student in Massachusetts.

We have a daughter and a son attending high school and our oldest son is working days at McDonald's and going 2 nights a week to Wayne State * * *. Next fall he planned to apply for a guaranteed student loan to be able to go to college full time. If President Reagan gets his way, plans to go to college full time for our son—in fact, for all our children—and for many other young people will be just about impossible.—Parent in Michigan.

There was once a day when education was only for the rich. Please don't let that day come again.●

CBS-WESTMORELAND TRIAL: JOHNSON NOT DECEIVED BY WESTMORELAND

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. PICKLE. Mr. Speaker, the recent libel trial between CBS and Gen. William Westmoreland ended with both sides claiming victory. It's unfortunate that the trial ended as it did, with no clear resolution of the issues. Because the trial ended as it did, it will be up to future historians to determine the merits of the case. Regardless of the trial outcome, this whole episode cannot be viewed as a jewel in the journalistic crown of CBS.

Mr. Speaker, because the verdict in this trial will be left to future generations, I would like to insert in the RECORD, an article by Prof. Walt Rostow, now with the University of Texas at Austin and former National Security Adviser to President Johnson during the period in question. Professor Rostow presents a clear and convincing case that President Johnson was not deceived by General Westmoreland, one of our Nation's great military leaders.

TRIAL REFLECTION: JOHNSON NOT DECEIVED

(By Walt Rostow)

There is wisdom in Judge Pierre Leval's observation that we should leave the verdict on the Westmoreland-CBS trial to history; although he might have added that historians will view it in different ways and their focus will shift and change with the passage of time. In responding now to requests to set down my reflections on the trial, I am, therefore, conscious that what I have to say is, simply, one individual's current perspective.

I begin with a re-statement of the purpose of the CBS broadcast, as summarized in a *New York Times* editorial published the day after the disputed television show (Jan. 24, 1982): "The CBS documentary on Vietnam last night . . . showed that Lyndon Johnson himself was victimized by mendacious intelligence." The critical questions for historians are, therefore: Did General Westmoreland deceive President Johnson? Was General Westmoreland's evaluation of enemy strength mendacious?

WHAT PRESIDENT JOHNSON KNEW

We do not know how the lawyers for each side would have summarized their cases for the jury; but it seems clear from their choice of witnesses and their direct examination that the CBS lawyers essentially

abandoned the effort to prove Westmoreland deceived President Johnson. They had good reason to do so.

As a result of a CBS subpoena, a large body of documentary evidence is now available which proves that: President Johnson knew of the difference of view within the intelligence community by Jan. 20, 1967, at the latest; that the President's National Security Adviser took the initiative at that time in suggesting to the Chairman of the Joint Chiefs of Staff that the contesting parties meet to thrash out their differences in Honolulu; that the chairman immediately supported the suggestion in a cable to Westmoreland; that a series of four meetings on the subject took place over the next ten months, of which every major official working on national security affairs was informed, including the President; that Westmoreland briefed his civilian and military colleagues on the range of figures being debated, assuring that all chains of command were knowledgeable; that the intelligence data bearing on the debate consisted of captured documents of low classification and were spread broadside to all intelligence agencies, civil and military; and that the Special National Intelligence Estimate (SNIE), dated 13 November 1967, entitled "Capabilities of the Vietnamese Communists for Fighting in South Vietnam," was a collective document produced and distributed widely by the multi-agency United States Intelligence Board. Most of this was known to CBS before its broadcast from, among other sources, a three-hour unused taped interview with me; or it could easily have been ascertained if they had followed advice from several directions to interview Ellsworth Bunker, Robert Komer, Philip Davidson and other knowledgeable officials of the time.

WERE WESTMORELAND'S INTELLIGENCE ESTIMATES MENDACIOUS?

As nearly as one can make out at a distance, the trial came to rest on the issue of whether the conclusions of the SNIE were an honest reflection of the intelligence data of the time or corrupted by political objectives. Although, initially, historians will find it hard to believe, this question in turn narrows down to the following: Should the Vietcong home guard (self-defense forces and secret self-defense forces) be presented as a solid statistical estimate, in a table including the North Vietnamese regulars, VC main force units, and guerrillas; or, should their scale, functions, and limitations be discussed separately?

Given the controversy, it is worth publishing in the press (I believe for the first time) what the SNIE actually had to say about the home guards:

"The self-defense force is described by the Communists as a military organization. It is clear, however, that its organization and mission differ from that of village and hamlet guerrillas. Self-defense forces include people of all ages and a substantial percentage of them are females. They are largely unarmed and only partially trained. The duties of self-defense units include the maintenance of law and order, the construction of bunkers and strong points, warning against the approach of allied forces, and the defense of villages and hamlets in VC-controlled territory. Self-defense forces do not leave their home areas, and members generally perform their duties part-time. Their existence poses an impediment to allied sweeps and pacification, however, and in their defensive role, they inflict casualties on allied forces.

"Another element, the secret self-defense forces, operates in government-controlled and contested areas. They provide a residual Communist presence in such areas and support the Communist effort primarily by clandestine intelligence activities.

"Our current evidence does not enable us to estimate the present size of these groups . . . with any measure of confidence. Some documents suggest that in early 1966 the aggregate size of the self-defense force was on the order of 150,000. This force and the other groups, however, have unquestionably suffered substantial attrition since that time, as well as an appreciable decline in quality, because of losses, recruiting of some of their members into the guerrillas or other VC military components and, particularly, the shrinkage in VC control of populated areas. Though in aggregate numbers these groups are still large and constitute a part of the overall Communist effort, they are not offensive military forces. Hence, they are not included in the military order of battle total. Nevertheless, some of their members account for a part of the total Communist military losses.

"In sum, the Communist military and political organization is complex, and its aggregate numerical size cannot be estimated with confidence. Moreover, any such aggregate total would be misleading since it would involve adding components that have widely different missions and degrees of skill or dedication. The VC/NVA Military Force . . . can be meaningfully presented in numerical totals and . . . we estimate that this Military Force is now at least 223,000–248,000. It must be recognized, however, that this Military Force constitutes but one component of the total Communist organization. Any comprehensive judgment of Communist capabilities in South Vietnam must embrace the effectiveness of all the elements which comprise that organization, the total size of which is of course considerably greater than the figure given for the Military force."

There is no intelligence officer of whom I am aware who would challenge the essential accuracy of that summary, including those who testified for CBS. Indeed, several CBS witnesses are on record as supporting every basic point made in the SNIE about the home guards, including the uncertain character of the evidence bearing on them.

What, then, is the source of the intense controversy? Why, after 17 years, have some men continued to regard it as an act of knavery to discuss the home guards in this measured and accurate way rather than inserting a dubious number in the order of battle table?

I believe their passion (which may well have impressed the jury) derives from two sources. First, in a familiar bureaucratic process they developed a proprietary interest in the new estimates they had made and wished to see them formally incorporated in the military order of battle table; although they fully understood the weakness and ambiguity of those estimates. Second, they concluded that the decision on how to present the home guards in the SNIE had been made on political, rather than technical, grounds.

Was there a political element in Westmoreland's decision? As he freely acknowledged, there was. Westmoreland feared that simply putting a number in a table would not only lump together forces of very different capabilities, but would also make it impossible for the media to sort out three agreed facts: (1) the old home guard estimate of 1965, inherited from the South Vietnamese, was too low; (2) in 1966–1967 the total size of the home guard units had been declining; (3) the home guards were probably larger than the previous estimate, despite their 1966–1967 decline. Westmoreland feared that press reports would be, simply, that the size of the Communist forces had increased in 1966–1967, which was not true. He therefore sought a resolution which would combine accuracy with an avoidance of media misinterpretation of which there was a good deal at the time as Don Oberdorfer ("Tet") and Peter Braestrup ("Big Story") have carefully documented.

When agreement was reached between the CIA and Westmoreland about a separate discussion for the home guards, the SNIE was completed, and the press carefully briefed. Quite accurate reports of the briefing, including its candid acknowledgement of previous underestimate of the home guards, appeared in the Washington Post (Nov. 25, 1967), New Republic (Dec. 16, 1967), and the New York Times (Sept. 20, 1967).

One can debate whether General Westmoreland's agreement with the CIA was wise or unwise. I, for example, suggested at the time that there should be both a discussion like that in the SNIE plus a retrospective estimate of how we thought the size of the home guards had evolved since 1965. But I am not sure that the agreement between CIA and Westmoreland was not a better solution, given the poor quality of the statistics on the home guards. The fact is that what was said in the SNIE and at the press briefing was as accurate as intelligence permitted; and it was more or less accurately reported in the media.

In short, I am confident that historians will find that Westmoreland did not deceive President Johnson and his intelligence evaluation was not mendacious.

Assume for a moment that my summary is as faithful to the factual record as I have tried to make it, what conclusions might a historian draw from this tale?

Many are possible, but I would suggest three.

First, we should all be conscious that in the intelligence business (as well as in academic life) some human beings can become so deeply committed to the intellectual positions they adopt that they are literally incapable of judging that their adversaries are in good faith. I have seen a good deal of the intelligence community since I joined OSS in the late summer of 1941. I have observed (and occasionally participated in) a number of debates of the kind that flared up in 1967 over the VC home guards. They go on virtually every day in every intelligence system. And, if kept under control, such debates are valuable, for no one is wise enough to be granted a monopoly in intelligence. Debate is as essential in intelligence as in academic life. That is why I suggested to the Chairman of the JCS that the contestants be brought together in Honolulu. I'm confident the SNIE of November 1967, which I believe historians will respect, was a better document than it would have been without ten months of debate. What is sad is that this perfectly normal, if somewhat noisy, intelligence debate was portrayed to the nation as a conspiratorial deception, which it certainly was not.

Second, the CBS broadcast, aside from its other elements, tended to play on a rather dangerous national weakness; that is, the tendency to reach for simple, conspirational theories to explain unpleasant events. The

war in Southeast Asia was a profoundly disturbing national experience. We shall, in time, have to come to understand why we did what we did. As with other major passages of history, the answers will be complex. It was not wise or helpful for CBS to project as truth the conspirational interpretation of a small group of intelligence officers who are still burning with frustration because they wanted passionately to see a number in a table rather than a carefully-drafted piece of prose.

Third, historians will find that the debate over the home guards was an exceedingly minor matter, quite unrelated to our ability to anticipate and deal with the Tet offensive of late January 1968. That maximum Communist effort was anticipated in Saigon and Washington for at least two months, prepared for, and crushed in the field, as Mr. Crile of CBS acknowledged to me in a letter of Jan. 15, 1982, five days before the broadcast.

We as a nation have a good deal of thinking to do about our past experience in Southeast Asia and about appropriate future policy; for Southeast Asia will not go away. At the time of the show (and now) important elements of the Soviet Far Eastern fleet were based at Cam Ranh Bay, the Soviet Air Force was flying patrols out of the Danang air bases. Vietnam's forces were on the borders of Thailand, and President Carter and Reagan had re-affirmed our military commitments to Thailand. In these circumstances, calling for serious reflection on the past and sober debate about the future, I find it unfortunate that 90 minutes of network prime time on a Saturday night were used in ways that defamed an honorable man and confused the nation rather than assisted it in finding its bearings in a still important part of the world.

(Rostow, former adviser to Presidents Kennedy and Johnson, is now professor of political economics and history at the University of Texas at Austin.)

JOHN A. BANNES TO RETIRE

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FAWELL. Mr. Speaker, this June the superintendent of Kirby School District 140 in Cook County, IL, John A. Bannes, will retire after dedicating 35 years to educating our young people.

Mr. Bannes' career in guiding the mental and physical development of children has been a long and distinguished one. While working with the Boys Club in 1950, Mr. Bannes became a substitute teacher in Chicago; 1 year later he accepted a teaching position with school district 118 in Palos Park and began teaching fourth graders. After a few years of teaching, Mr. Bannes instructed physical education classes and coached.

During his years with the Palos Park school district, Mr. Bannes played an active role in enhancing the elementary curriculum. In addition to upgrading elementary studies, he introduced foreign language instruction in the school district. It was only natural that Mr. Bannes, after spending 10 years in improving the quality of education for school district 118, would become superintendent of schools of the Tinley Park School District 140.

Mr. Bannes has engineered many changes in his capacity as superintendent over the past 25 years which have helped to provide the best public education to Tinley Park-area students. Some of the significant improvements directed by Mr. Bannes include measures to upgrade gifted and remedial programs, organize centralized libraries and material centers in the schools, and establish a district-operated transportation and mutual trust of the community, faculty, and parents.

During his years as superintendent, Mr. Bannes has been honored on many occasions for his service to the Tinley Park community. In 1972, the Tinley Park Chamber of Commerce commemorated him for his untiring efforts to improve the educational standards of school district 140. In 1980, he was recognized for the service he provided to the handicapped children of the Southwest Cook County Cooperative Association for Special Education. For his constant dedication and service, the PTA has established the John A. Bannes Scholarship Fund.

There is no doubt that Mr. Bannes will be sorely missed as superintendent. He has helped each child grow to his or her potential. I commend Mr. Bannes for his unselfish contributions over the years to public education and wish him the best for the future.●

NO NEW FOOD STAMP FEES FOR GROCERS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FEIGHAN. Mr. Speaker, hunger has returned to America. That is the principal conclusion of a study recently undertaken by a task force of physicians at the Harvard School of Public Health. The Harvard study, carried out over the course of a year with the aid of doctors and health officials from across the country, is one of a group of reports that have appeared over the last 2 years which document a growing epidemic of malnutrition in our country.

Yet, in the face of mounting evidence of the increasing number of hungry people in our Nation, the Reagan administration has worked to make access to Federal nutrition programs more difficult. Having tried a number of direct means of reducing the availability of food stamps, including funding cuts, tougher eligibility requirements for recipients, and tighter standards for participating retailers, the administration is now considering a new tack: punish the grocers. The Food and Nutrition Service of the Department of Agriculture, the agency which oversees the Food Stamp Program, is considering imposing a $50 annual fee on all stores participating in the program. I believe they should think again.

As the rapid deregulation of the savings industry has proceeded, many banks have begun to charge grocers sizable fees for the processing of food stamps. These fees have ranged from $1.50 per bundle of 100 coupons to 5 cents per coupon. The fee being considered by the USDA would place an additional financial burden on grocers already struggling to cope with fees charged by the bankers.

I recently wrote a letter to Mr. Robert E. Leard, the Administrator of the Food Stamp Program, expressing my opposition to the imposition of new fees on grocers in the program and urging him to reject what would be an unfair and ineffective measure. I ask that a copy of the letter be inserted in the RECORD at the end of my statement:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 28, 1985.

Mr. ROBERT LEARD,
Administrator, Food and Nutrition Service, U.S. Department of Agriculture, Washington, DC.

DEAR MR. LEARD: It has been brought to my attention that among its legislative proposals, the Department of Agriculture is considering the imposition of a $50 fee for retailers participating in the Food Stamp program.

I believe that such a fee would create an unfair burden for many of the grocers in the program, and would be an ineffective means of screening out participants who are considered undesirable for legitimate reasons. I, and many of my colleagues I am sure, would oppose such a fee if it were to be embodied in a piece of legislation.

As you are no doubt aware, since the deregulation of the savings industry, many banks have begun to charge grocers fees for the processing of food stamps. These fees have already added significantly to the financial burdens of retailers participating in the Food Stamp program.

The fee being considered by the Department cannot, I believe, be justified as a means of discouraging so-called party stores from participating in the program. Since 1981, only stores at least 50% of whose total food sales consist of staple items have been allowed to participate in the program. Unlike the 50% staples requirement, a flat annual fee would make no distinction between participants on the basis of the type of items they sell. It would simply punish all participants, and smaller participants most of all. Retailers with relatively small sales volumes, already under fierce pressure from their larger competitors, would be saddled with an additional financial handicap. If the Department wants to exclude from the Food Stamp program stores whose primary purpose is not selling groceries, then it should draft a more precise definition of such stores, not resort to an arbitrary fee.

I urge you to reject what would be an unfair and ineffective measure.

Thank you very much for your time and consideration.

Sincerely,

EDWARD F. FEIGHAN,
Member of Congress.●

AUTOMOBILE RECORDKEEPING RULES CHANGED

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1985

● Mr. PICKLE. Mr. Speaker, if we don't have voluntary income tax compliance, we are in serious trouble. In fact, I would say voluntary compliance is the very heart of our income tax system. When IRS issued its onerous contemporaneous recordkeeping regulations, I made the observation that we were cutting off our nose to spite our face. The IRS simply went overboard in its zeal to police the personal use of business property. The result was so frustrating to taxpayers that many just threw up their hands and said they could not comply.

So I am pleased the Ways and Means Committee and the House of Representatives restored some reason and rationale to this whole matter by passing legislation and providing committee language which will give clear guidelines on how taxpayers can maintain records regarding property used for business purposes.

The new bill, which I cosponsored, repeals the contemporaneous recordkeeping requirements and makes the previously issued IRS regulations invalid. This action generally returns substantiation of automobile business deductions to prior law, except for the addition of a requirement that there be some written evidence corroborating the taxpayer's own statement regarding the use of the automobile. The bill provides a number of ways to provide the written evidence such as through diaries, logs, receipts, trip sheets, etc. The revised substantiation guidelines will go into effect in 1986. For 1985, the recordkeeping law that applied prior to the 1984 tax bill will continue to apply.

Some types of vehicles which receive only a very small amount of personal use will be exempt from the recordkeeping requirements. Most delivery trucks, buses, marked fire and police vehicles, ambulances, hearses, and vehicles designed to carry cargo with a loaded gross vehicle weight of over 14,000 pounds are excluded.

Because the changes will result in a revenue loss, the House-passed bill reduced the amount of investment tax credit and depreciation for luxury automobiles used for business. Under the House bill, the investment tax credit is reduced from $1,000 to $675 and depreciation deductions are limited to $3,600 in the first year and $5,400 in any subsequent year. This proposed change is intended to offset the revenue loss associated with changing the recordkeeping rules. Because the Senate-passed bill does not contain such a revenue offset, we will have to go to conference to reconcile the differences.

In addition to the legislation passed, we also have taken steps to address other concerns raised at our hearing on the recordkeeping rules. With regard to IRS valuation rules for personal use of vehicles and private airplanes, the Ways and Means Committee wrote Treasury Secretary Baker urging his review of the issues involved. Secretary Baker also was asked to look into the mileage allowance for rural letter carriers.

Mr. Speaker, we do ourselves a disservice when we overburden our taxpayers with heavy regulation. I am glad we made amends with regard to the IRS recordkeeping rules and I hope we can quickly work out the differences with the Senate bill to put this matter behind us once and for all.●

PROJECT WILD

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ACKERMAN. Mr. Speaker, I would like to draw the attention of my colleagues to Project Wild, a disturbing educational program that promotes hunting and trapping as wholesome outdoor activities. This curriculum advances the ethic that animals should be thought of in terms of their value to mankind as a natural resource, just as we think of corn or wheat.

The lesson plans, developed by the Western Association of Fish & Game Agencies, and the Western Regional Environmental Education Council, present controversial views of wildlife as neutral and accepted environmental principles. They appear not as opinion, but as fact. In this way, Project Wild manipulates children's perceptions of their relationships with other animals.

The project defines animals as "renewable resources." This representation desensitizes the student to the intelligence, social behavior and pain sensory mechanisms that game animals possess.

One of the most offensive sections of the teaching material is entitled "What You Wear Is What They Were." It suggests that synthetic clothing, a "nonrenewable resource," is more harmful to the environment than clothing made from "renewable resources." The obvious inference from this is that children should wear clothes made from leather, wool, and fur, rather than those made from polyester, nylon, and acrylic.

Friends of Animals and other environmental and animal-welfare groups have attacked this curriculum as biased and self-serving, and as attempting to indoctrinate children with the view that animals are objects to be harvested for our pleasure.

Mr. Speaker, I propose that if the Western Association of Fish & Game Agencies and the Western Regional Environmental Education Council wish to present their attitude on wildlife in our classrooms, they should acknowledge that many Americans have opposing views. Studies have shown that most people in the United States oppose hunting and trapping for sport. A 1979 survey by the Yale School of Environmental Studies, for example, found that 78 percent of the American populace oppose the use of the steel-jaw leg-hold trap. A 1983 study by Doyle Dane Bernbach revealed that between 50 and 70 percent of the American public disputes the legitimacy of hunting animals for sport or for their skins or pelts, or raising animals for their skins or pelts. Despite these figures, or perhaps because of them, our children are being subjected to a program—in the guise of education—designed to alter their perceptions of sport hunting and trapping.

Project Wild tarnishes the integrity of our educational system. It couches as neutral material that is highly controversial. This stance should not be presented as fact in a curriculum protected by the umbrella of presumed objectivity.●

ARMS CONTROL WORKSHOPS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FASCELL. Mr. Speaker, I would like to inform my colleagues about the first two arms control workshops that the Committee on Foreign Affairs held in conjunction with the Congressional Research Service. These workshops are part of an effort that I am making to carry out a comprehensive review and study of our country's nuclear arms control policy and its role in our national security. The first workshop focused on the history of nuclear arms control negotiations and its importance to U.S. national security. The second workshop dealt specifically with the goals of U.S. nuclear arms control policy. These workshops are informal and off the record, they have been well attended and they are open to all Members. The third workshop will be held on April 16, at 2 p.m., in 2172 Rayburn, and it will elicit arms control policy answers to the questions

of what nuclear arms to control and how to control them.

At the first arms control workshop on February 6, 1985, Colin Gray and Herbert Scoville were the experts who were asked by the moderator, Stan Heginbotham of CRS, to present their assessments of how effectively the United States has balanced the need for nuclear force development and the pursuit of arms control agreements in order to counter the Soviet threat. They commented on whether past arms control policies have shown adequate concern for verifying Soviet compliance to existing arms control agreements. They also assessed whether past arms control efforts had been able to place constraints on new weapons technologies or simply pushed those technological advances into other areas not governed by treaties or agreements. They concluded by evaluating past piecemeal and comprehensive approaches to nuclear arms control and by offering their recommendations for future U.S. policy.

The questions and comments from the Members attending focused on three themes: Soviet compliance with existing treaties; arms control's contribution to U.S. security interests; and the relative costs and benefits of defensive versus offensive weapons systems.

The discussion regarding Soviet compliance to existing treaties and agreements illustrated that there is no consensus about the historical record of Soviet compliance and pointed out the need to have that record clarified. There was uncertainty expressed as to what actually constitutes a violation. Specific concerns focused on the Siberian radar and differences of opinion arose as to that radar's capabilities and when and how it will violate the ABM Treaty. The issues of encryption of telemetry was also raised. There was some interest expressed in having a comparison of United States and Soviet compliance and an evaluation of the effectiveness of the Standing Consultative Commission.

It was evident from the questions raised about exactly how arms control has served American security interests that there needs to be a fairly specific appraisal of the security benefits which have accured to the United States as a result of various arms control treaties and agreements. The debate about the strategic defense initiative also triggered a debate about the merits and costs of offensive and defensive weapons systems. Many specific questions were asked about the ABM Treaty.

The second arms control workshop was held on March 4, 1985. The moderator, Mark Lowenthal, of CRS, presented a survey of the issues covered in the CRS study on the goals of U.S. nuclear arms control policy. He emphasized that arms control goals are a reflection of political, strategic, and economic considerations. He noted that strategic stability is the U.S. goal of arms control, and can be achieved by reducing or limiting the quantity or quality of nuclear weapons. Economic savings are often sought by limiting the arms race but he stated that these savings are seldom realized.

Eugene Rostow and David Aaron were the visiting experts at this workshop. It was noted that the Soviet Union and the United States may have diametrically opposed views about the goals of nuclear arms control.

Three main principles were emphasized in the discussion. The first was that in arms control negotiations efforts to achieve the best conceivable agreement often get in the way of concluding less satisfactory, albeit good agreements. The United States also should not attempt to achieve those military goals through arms control negotiations that it is not willing to pursue in the absence of an arms control agreement. The third point was that the United States and the Soviet Union often have the same goals in arms control negotiations, but at different times. The political relationship between the United States and the Soviet Union was regarded as the main factor in arms control efforts.

Questions by Members tended to be concerned with three broad subjects: arms control verification and Soviet compliance with previous agreements, arms control, and the broader issues of nuclear weapons proliferation, and the future of the U.S. strategic nuclear triad. A specific concern was the role of the MX missile in our strategic forces and in the Geneva negotiations.

Combining the CRS comprehensive study on U.S. arms control policy with this series of workshops for Members seemed to me to be an excellent way of learning more about the contributions that arms control has made to our national security, of testing assumptions about arms control, of pinpointing the additional things we need to know, and of brainstorming some new approaches and ideas for the future of arms control. The first two workshops were successful and I hope that other colleagues who are interested will join us at our next workshop on April 16 and in the future.●

REMARKS OF HON. STEPHEN J. SOLARZ BEFORE THE SUGAR USER'S GROUP

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BARNES. Mr. Speaker, I would like to bring to my colleagues' attention a speech delivered by our colleague, STEVE SOLARZ, before the Sugar User's Group in Palm Springs, CA, on February 19, in which he makes some valuable points regarding the administration's sugar policy and its effects on the economies of Latin America and the Caribbean.

STATEMENT OF STEVE J. SOLARZ

Let me confess that I really first became aware of the problems that you were facing when a group of sugar refiners who were located in my own district back in Brooklyn indicated they wanted to meet with me because of a pressing problem that they were facing. When this request came in, I said to myself, "Uh-oh. I'm sure to be asked to support some protectionist proposal designed to protect this local industry, even though, as a matter of principle, I happen to be very much in favor of free trade."

I went to the luncheon with a sense of political trepidation, fearing that I would be obligated to weigh the claims of my conscience and my convictions on the one hand against the claims of my constituents on the other. And lo and behold, much to my amazement, I found out not only about the problems that the sugar industry was facing in this country, but also how so much of that problem was a result of the imposition of the sugar quotas and the implicit sugar subsidies which we have.

The solution to the problem, it seemed, was not the enactment or enhancement of existing protectionist policies; the solution to the problem seemed to be to adopt a kind of classic free-trade approach, which called for the elimination of these barriers to the importation of sugar into our own country. This, of course, was very welcome news. It was a little bit, perhaps, like a "Man bites dog" story, with a Congressman being asked to help a group of constituents by supporting policies based on the principles of free trade, rather than policies based on the principles of protectionism.

But it was certainly a request which I found extremely congenial. As I began to look into the question more and more deeply, it became clear to me that this was an issue which not only had very significant domestic consequences, but that it was an issue which had extraordinarily important foreign policy implications as well. Since I've spent much of my time over the course of the last decade in the Congress as a member of the Foreign Affairs Committee, concentrating on foreign policy problems, this was a dimension of the issue which I found extremely interesting and, I might say, quite important as well.

When we examine American foreign policy, we have an understandable and natural tendency to focus on weapons sales, or human rights or meetings between heads of state. Very often, as a consequence, we overlook another principal element of our relations with other countries, namely the question of our trade policies. It seems to me that in the case of sugar we have an absolutely classic example of how our policy on trade is running completely counter to other extremely important American foreign policy interests.

Take, for example, the situation in Central and South America. I recently returned from a two-week trip to Central America, where I met with the leaders of countries such as Honduras, Guatemala, El Salvador, Nicaragua, Panama, and Costa Rica. This is a region which is, very clearly, in turmoil after decades of economic inequity and social injustice combined with political re-

pression. The revolutionary chickens are coming home to roost. One doesn't have to accept the Administration's view of a kind of Central American domino theory—which says that should the government in El Salvador fall, every other nation in the hemisphere will inevitably and ineluctably fall to communism as well—in order to conclude that it would clearly not be in the interests of the United States for the forces of revolution to triumph south of the Rio Grande.

And yet, I would submit that, in the final analysis, the fate and the future of revolution in Central America will primarily be a function of indiginous forces and circumstances in each of the countries in the region. More than anything else, it will depend on the ability of the governments of Central America to deal with the pressing social and economic problems of the peoples of the region.

I don't want to suggest that the willingness on the part of the U.S. to provide military assistance to embattled regimes is unimportant in stanching the tide of revolution in Central America. But in the final analysis, what will really make the difference, much more than the level of our military assistance, is the kind of social and economic help we can provide these nations. It seems to me, for reasons I will explain shortly, that our trade policy on sugar is clearly undermining all of our other efforts to provide significant economic resources to friendly governments in the region in order to help them help the people of their countries cope with the problems that confront them.

The situation in South America is not very different. Over the course of the last few years, South America has witnessed a tidal wave of democracy, as one country after another has emerged from the dark shadows of dictatorship into the sunlight of democracy. In Argentina, in Brazil, in Peru, in Colombia, in country after country, nations that were previously ruled by repressive military regimes have witnessed the return of the military to the barracks, and the emergence of democratically elected civilian government. To a large extent the transition from military dictatorships to civilian democracies was a function of growing economic problems which the military leadership of those nations are incapable of dealing with. And the consequent demand on the part of the peoples of those countries was for a new leadership presumably more capable of coping with the economic crisis that confronted it.

In the long run, the survival of democracy in South America, which is a matter in which we have a great ideological and political interest, will be more than anything else a function of the ability on the part of democratically elected governments in South America to improve the economic plight of their peoples. If we are going to support and sustain democracy in South America, and if we are going to contain the tide of revolution in Central America, then we have got to be prepared to make additional resources available to friendly governments throughout Latin America.

We have tried to do this. We have tried to do it through the enactment of the Caribbean Basin Initiative, which was designed to give trade preferences to countries of the Caribbean and Central America in order to enable them to generate the additional resources they need to meet the legitimate demands of their own people. We've had a very substantial increase in the level of our foreign aid programs, particularly in Central America, stemming to some extent from the recommendation of the Kissinger Commission.

Take, for example, the impact of our sugar policy on the Caribbean Basin Initiative. You have here, I think, a very dramatic example of how what we give with one hand we take away with another. Many of us in the Congress who have disagreed with other aspects of the Administration's Latin American policy supported the CBI as a creative and even cost-effective means of bolstering economic development, and thereby enhancing democracy in the Caribbean.

In 1982 President Reagan told the Organization of American States that the linchpin of the CBI would be free trade of Caribbean Basin products to the U.S. But 1982, as you so well know, was also the year in which the President reimposed sugar quotas. Since that time, these quotas have been successively tightened, and sugar revenues for Caribbean and Central American countries have drastically decliend.

In 1981, U.S. sugar imports from Latin America totaled 3.4 million tons. By 1984, the quotas for these countries allowed for less than half that amount. The 1985 sugar quotas are even more restrictive. Two months ago the ambassadors from 11 Caribbean and Central American nations wrote to Secretary of State Shultz that the 1985 fiscal year sugar import quota would collectively cost their countries $80 million in lost revenue from the previous year. That is $80 million less for jobs, $80 million less for education, $80 million less for social welfare, less for housing—less for all of the things which make it possible for people to have faith in democracy and to reject the forces of revolution.

The Caribbean Basin Initiative was ballyhooed as an important new departure. The objectives of this program are being seriously eroded by our highly protectionist sugar policy. Almost all of our sugar imports come from less developed countries, with over 70 percent of them coming from the Caribbean and South America. Many of these nations have a comparative advantage in sugar, but in few other products. Indeed, most of these nations have only a handful of major products which they are even in a position to export. And if we deny them the right to maximize their exports of sugar to the United States, it has extraordinarily grave consequences for their economies.

The sugar quotas that we have imposed undermine the process of development and the prospects for democracy in the Caribbean Basin and in Central and South America. On the one hand, the U.S. extends economic aid to foster development in many of these nations. On the other hand, we establish a substantial and growing barrier against the third largest export in dollar terms in the region.

Looking at some of the individual recipients of our foreign aid, we can see how our sugar policy is clearly working at cross purposes with our foreign policy. El Salvador, for example, received about $36 million from sugar sales to the U.S. in fiscal year 1984, but will probably get only a little more than half that amount in fiscal year 1986.

The Dominican Republic received $330 million from sugar sales here in calendar year 1981. By fiscal year 1984 that figure had dropped by $100 million, and it is expected to fall almost another $100 million by fiscal year 1986. This decline in sugar earnings for the Dominican Republic over the past four years easily exceeds the total amount of economic aid, roughly $93 million, that we provided to that country in fiscal year 1984.

Or take Panama, which received about $12 million in economic aid from the United States in the 1984 fiscal year. That $12 million is roughly equivalent to the year-by-year decline in Panamanian revenue from sugar sales to the U.S. In Honduras, which has a fledgling democracy we are trying so hard to sustain and support, sugar revenues from exports to the U.S. have fallen about $30 million over the past four years, or about one-third of the total of our economic aid to that country in fiscal year 1984.

If our sugar policy is at odds with our foreign aid program in Central America, it also deepens the debt problem of such nations as Argentina and Brazil in South America—which are not recipients of significant amounts of our economic assistance, but which do depend to a large extent on exports to the U.S. to raise the revenues they need to solve their growing problem associated with the debt crisis. Export earnings from sugar sales to the United States have declined precipitously for both these countries. Four years ago, Brazil earned $388 million from sugar sales in the U.S. Their current annual earning total is at only about one-fourth that level. Argentina earned $210 million in 1981, but earns less than one-fifth of that figure on an annual basis today. The election of Raul Alfonsin as President of Argentina a year ago, which brought to an end five decades of political repression in Argentina, was one of the most significant political developments in the hemisphere in a long, long time.

But democracy is not yet out of the woods in Argentina. If we don't provide more assistance to Argentina, if we are not responsive to their concerns, President Alfonsin may well go under to a rising tide of social and economic discontent, and democracy will have been lost in such an important country.

For much of the Caribbean and Latin America, the sugar industry has been a leading source of export earnings. It is also—and this is a particularly important point—a labor-intensive industry. A dramatic decline in sugar revenues can have severe political and economic repercussions. To see the dimensions of this problem, it is important to note that the revenue from sugar exports to the U.S. on a worldwide basis dropped from $2.1 billion in 1981 to only $1 billion in 1983. By denying badly needed foreign exchange to sugar exporters in the Caribbean and Latin America and in such other developing countries as the Philippines, we can give momentum to a terrible cycle of government austerity measures, increased economic suffering, political protest, repressive government response, and increased militarization.

If we are truly serious about promoting democracy and political pluralism in the Third World, we can hardly afford to seal off or substantially close our markets to foreign goods. Our sugar policy collides, as I've indicated, with both the Caribbean Basin Initiative and our foreign program. It exacerbates the problem of Third World debt to the United States. And it compromises our ability to persuasively advocate reduction or elimination of trade barriers against American goods.

As the world's largest exporter of agricultural commodities, the U.S. clearly has an overriding interest in securing agreements that will allow our farm products to enter foreign markets. Yet, at the same time that Bill Brock and other American trade repre-

sentatives are pressing to get American beef and citrus into Japan or American soybeans into Europe, we are erecting walls against the importation of sugar into the United States. Our sugar quota system clearly fans the fires of protectionism and calls into serious question our commitment to free and fair trade in agricultural commodities or other products.

The negative impact of our sugar policy is evident, however, not only with respect to our foreign policy. It also has negative consequences in terms of our domestic policy as well. Refiners and dockworkers are paying a heavy price for our sugar policy. Since the 1981 farm bill came into effect, four large American sugar refineries have had to close their doors, and thousands of American workers have lost their jobs.

At the same time, the domestic sugar subsidy has harmed American consumers. I can only classify this, as I began to look into it, as the Great American Rip-Off. Last year that subsidy totalled about $3 billion, or roughly $250,000 for each of the 1,200 domestic sugar producers in the U.S. Consider by comparison the subsidy we provide to 800,000 wheat farmers, which averages $3,500 per producer. Or compare it to the subsidy we provide to 300,000 dairy producers, who receive an average subsidy of $9,000 per producer. When it comes to sugar, we are providing a subsidy which is equivalent to $250,000 for each of only 1,200 producers.

It has also forced the price of sugar in the U.S. up, and sugar refiners are obligated to pay over 20 cents per pound for imported sugar that sells for 4 cents to 6 cents in the world market. Last week, in testimony before the Congress, budget director David Stockman spotlighted the cost to the Federal Government of direct agricultural subsidies. Mr. Stockman has focused the country's attention on a serious problem. But I think we have to look not only at direct subsidies, but also at hidden or indirect subsidies such as the sugar program.

At a time when massive budget deficits are likely to lead to significant sacrifices by many Americans, it is fair to ask how we can justify a $250,000-per producer sugar subsidy. If I can take the liberty of paraphrasing the remarks of Winston Churchill, who, after the Battle of Britain paid tribute, in a famous speech in the House of Commons, to the handful of British airmen who saved his country from defeat at the hands of the Nazis during the blitz over London. He said at that time, "Never have so many owed so much to so few." I think if Winston Churchill were living today and was asked to comment on the sugar subsidy, he would say, "Never have so few extracted so much from so many." [Applause]

Let me say in conclusion that I think our sugar policy must be significantly changed. When the farm bill comes up for consideration in the House later this year I expect to actively support an effort to ease the quotas we have clamped on foreign sugar producers and reduce the price support levels. It is simply not acceptable to continue a policy which contradicts important foreign policy objectives of the United States, such as preventing the spread of revolution in Central America and supporting the development of democracy in South America, while at the same time extracting a heavy price from American consumers, American refiners, and American dockworkers and laborers here at home.

The time has clearly come for a fundamental redirection of our sugar policy, and I am hopeful that 1985 will be the year when we succeed in that endeavor. [Applause]●

ANN MARGARET SCHNELLER, VOICE OF DEMOCRACY WINNER

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DASCHLE. Mr. Speaker, I am delighted to recognize Ann Margaret Schneller of Rapid City, SD, who has won the Voice of Democracy scriptwriting contest for South Dakota. Additionally, Ann, the daughter of John and Mary Schneller, has been awarded one of six national scholarships for the excellence of her script and I join with her family and friends in congratulating her on both of these fine achievements.

Recognizing that we, as a nation and as individuals, have changed, Ann challenges us to recapture, reawaken, and renew our sense of patriotism and love of country. Ann reminds us that our patriotism and our love of country, like our flag, need to be continuously unfurled, not placed in storage and displayed merely on ceremonial occasions; our patriotism and our love of country should truly be active and personal, not impersonal and passive.

Mr. Speaker, as a nation and as individuals our patriotism and love of country should be encouraged and I commend the script of Ann Schneller to my colleagues.

MY PLEDGE TO AMERICA

(By Ann M. Schneller)

America, you've changed.

Your boundaries have extended far beyond the dreams of your original colonies. Your people are from every race, creed, tongue and region of the earth. Your industries have grown and matured into an unsurpassed technological era. Your arms have held and embraced the unknown depths of the ocean floors and your hand has caressed the moon in its palm.

Yes, America, outwardly you've changed, yet the principles and beliefs you were founded on are still strongly evident in our system. They have given us a foundation on which we've relied to overcome the problems of the past, and it is with these timeless tools of universal suffrage and all the freedoms that guarantee the will of the people, that we will forge solutions for the future.

But America, your people have changed too. Presently your children have been so caught up in their own little worlds, that they neglect to be in yours.

Contrary to what is popularly believed, the opposite of love is not hate, rather, the opposite of love is indifference. This apathy can kill all that you represent, as it is for the love of this country that your people remain free.

Patriotism is dusty, America. You've seen your citizens with their hands in their pockets and hats on their heads during the National Anthem and the flying of your flag. The stirring hymns of your grandeur remain unknown to the youngsters—even your anthem's words have been forgotten by many. Flags, the glorious and patriotic symbol of your freedoms, remain folded and unused. Even your holidays are more of a three day vacation than a celebration of your liberties and freedoms under God.

It's time for an internal change, America. An attitude change. it is time to scrape off the barnacles of indifference, fear, and pessimism and to concentrate on the beauty of all that you stand for.

Your children need to actively reclaim the companionship and responsibility of your lands and liberties. We must become involved, exercising our rights of sufferage and the freedoms of speech. For it is through involvement and participation that your people will come to claim America as their own. So, instead of saying "the country of America", it will be "my country, America!" and rather than "the flag", it will be "my flag of freedom!"

Then your flags will be unfurled and your songs sung throughout the world. The Fourth of July will no longer be just a fireworks display, but a true celebration of all that you stand for and of all you've come through.

Patriotism can thrive in the face of all difficulties except neglect. So, America, I promise to CARE!●

SUGAR LEGISLATION

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. GRADISON. Mr. Speaker, I am pleased to join with Congressman DOWNEY in introducing a bill which addresses the sugar program established by the 1981 farm bill. The quotas which have been imposed under that legislation to protect sugar prices are proving to be extremely costly to consumers and are undermining our Government's efforts to open world markets to American products.

The administration reluctantly imposed quotas in May 1982 after a drop in the world sugar price made it impossible to continue to protect the sugar loan program with import duties and fees. In order to avoid the Government's acquisition of sugar through the forfeiture of loans, the Department of Agriculture determined that the market price should be maintained several cents above the statutory loan level. When quotas were used as a means of achieving that price, sugar prices went even higher.

Quotas are not an effective tool for setting prices. It is difficult, if not impossible, to "fine tune" the market relying upon them. As a result, USDA felt it should be safe and err on the high side. Thus, USDA has set very restrictive country by country quotas which have caused domestic sugar prices to rise to 22 cents per pound today, over four times the world price of 5 cents per pound.

All of this is extremely costly to our constituents, Mr. Speaker. It is estimated that the cost to Americans for each 1-cent increase in the price of sugar is at least $300 million a year. This is particularly hard on the poor

who pay such a large percentage of their wages for food.

Mr. Speaker, I have worked very hard in my years in Congress toward deregulation of the economy and to eliminate restrictions, protections, and subsidies from special segments of our economy. I believe that through tough, healthy, and unrestricted, competition, with protections only when they are clearly needed, the American economy will regain its vigor and retain its place as the most creative and efficient economic force in the world.

I also believe that our trade policy should reflect these goals. I have applauded every effort our President has made to encourage foreign nations, who wish to export their goods to the United States, to open their own markets to products made in America. There is no question in my mind that we can compete with any nation if we are permitted to do so.

I am grateful, Mr. Speaker, that many of my colleagues share these views, and I hope they will join me in giving careful scrutiny to the sugar program. Quotas are the most restrictive and damaging of trade barriers. As U.S. Trade Representative Brock has stated, their imposition under the sugar program has made our efforts to remove barriers to American goods in Europe and Japan an even more difficult task. Our bargaining position will be seriously jeopardized as long as quotas remain in force, and provide an excuse for foreign nations to protect their home markets from American goods.

Further, Mr. Speaker, the quotas are creating tremendous difficulties for sugar-producing nations. This is particularly true in Latin America and the Caribbean. Quotas have reduced the quantities of sugar they can sell to the United States by more than 60 percent since the implementation of this program. Since many of these nations depend upon sugar as one of their most important cash crops, our policy is having tremendously destabilizing impacts upon their economies. This is directly contrary to the Caribbean Basin Initiative and years of bipartisan support from the administration and the Congress for efforts to help bolster the economies of our Latin American allies. Further, Mr. Speaker, these nations cannot buy our products if they cannot earn dollars by selling their own products.

Our bill will eliminate the hypocrisy of quotas from the sugar program and our trade policy, and, at the same time, give the President authority to rebate fees to foreign nations whose economic viability is of critical concern to us. The bill will also reduce the loan level provided under the sugar program, and I believe this is equally as appropriate. The sugar program provides a higher degree of support than nearly any other commodity. The reductions set out in our bill will bring the sugar program in line with other agricultural programs over a period of time.

The sugar support prices are much higher relative to production costs than virtually all other agricultural commodities. It will take a 7-cent reduction in sugar prices to bring that program in line with programs for such commodities as corn and soybeans. Our bill envisions a 5-cent reduction for the first year, a 3-cent reduction the following year and then 1-cent reductions in the next 2 years. These reductions bring the sugar program in line with other programs and keep it there.

Congress is reexamining nearly all of its agricultural programs, Mr. Speaker. Surely, we must also look again at the most generous farm program of them all—sugar. This program is costing our constituents a fortune each year. It is disrupting our trade policy and moving us away from the free market we have been working so hard to restore. It is also creating tremendous difficulties for our friends in the Caribbean and Latin America.

I hope my colleagues will carefully consider this legislation and support our efforts to provide rationality in the sugar program. Our bill will significantly reduce the irritant that program has been in the international marketplace. It will also save consumers $1.5 billion in the first year alone. I believe it is time that we take action.●

A BILL TO RECOGNIZE THE MERCHANT SEAMEN WHO SERVE DURING TIMES OF WAR

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. JONES of North Carolina. Mr. Speaker, I am offering a bill to recognize and honor the long neglected heroism of the merchant seamen who have served our country in wartime.

During World War II, merchant mariners, all of whom were volunteers, manned the "bridge of ships" to United States and Allied forces, transporting supplies and personnel through dangerous combat areas.

At the outbreak of the war, the U.S. Navy failed to incorporate all merchant marine personnel into the U.S. Naval Reserve, although mariners were subject to the Uniform Code of Military Justice; they were also required to meet professional standards set by the U.S. Coast Guard. In addition, many merchant seamen, upon official Navy request, voluntarily served as gun crews to supplement the Armed Forces, valorously protecting troops and cargoes against submarine and air attack.

A total of 5,638 seamen were killed during World War II, a death rate of 2.8 percent of the merchant seamen registered with the maritime service. This rate is second only to the U.S. Marine Corps for World War II casualties. Many of these deaths were the result of action by enemy U-boats which refused to rescue the seamen after they had abandoned their torpedoed ships. Forty years later, many of those mariners involved in the war still suffer from combat injuries for which they receive no provision for treatment or hospitalization.

Furthermore, when the GI bill was presented to President Roosevelt for his signature in 1943, merchant seamen were not included in the provisions, and they were further denied the status of military veterans under a ruling by the Department of Defense in 1982.

The bill that I have proposed would acknowledge and honor those individuals who serve aboard seagoing merchant vessels of the United States during periods of war, as well as furnishing an American flag to drape the casket of those merchant seamen who served in wartime prior to the end of World War II.

The cost of this recognition to the Federal Government would be negligible, and it is the very least we can do in return for the patriotism, courage, and valor shown by these American heroes. It would be long overdue thanks for essential service they have provided our country in times of great national need.●

CONSUMERS PAYING MORE FOR BANKING SERVICES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Ms. OAKAR. Mr. Speaker, consumers are paying more for basic banking services than ever before. Service fees imposed by banks and other depository institutions unnecessarily penalize consumers who can't afford to maintain large deposit balances in savings or checking accounts. For them, financial deregulation has not provided the benefits that it has for others.

Last year, my chairman of the Committee on Banking, Finance and Urban Affairs held comprehensive hearings on the financial system and how it can be shaped to best meet the needs of the average consumer. Throughout the hearings, we focused on the responsiveness of financial institutions in meeting the basic financial needs of the average consumer. What we learned was that deregulation is a disaster for low-income consumers.

In terms of service fees, delayed funds availability, truth in savings, and community service, much improvement is needed by our financial institutions.

In 1980 and 1982, legislation was enacted to deregulate the financial services marketplace by phasing out limits on interest rate ceilings and allowing banks and other depository institutions to compete with money market mutual funds by offering deposit accounts that pay market rates of interest. Clearly this is popular with consumers who can now earn higher rates of interest than ever before on their federally insured deposits. Unfortunately some are discouraged from participating and their access to the payments system is limited.

In 1979, prior to enactment of deregulation measures, basic banking services cost the average consumer approximately $90 annually. Astonishingly, those same basic banking services, after enactment of two major deregulation measures, cost the consumer more than $180 annually. Factoring out inflation, service fees increased 63 percent.

Service fees are imposed through a regressive system whereby the poor pay more. Routinely, depository institutions impose fees based on the amount of money held in an account. If the balance is low, the consumer is assessed a fee. If the balance is high, no service fee is levied. Additionally, the rate of interest paid on low balance accounts is lower. In some cases, payment of interest on low balance accounts is suspended. The low-income consumer could actually have less money after deposit as a result of service charges, reduced interest payments, or no interest payments at all.

Mr. Speaker, today I am introducing the financial services access act to require federally insured depository institutions to offer access accounts which provide minimum banking services to low-income consumers.

If enacted, my legislation would require federally insured institutions to offer consumers an account without service charges, no minimum balance requirement, and no more than 10 transactions per month. Additionally the account would be limited to low-income consumers by placing a ceiling on the permissible deposit balance and requiring direct deposit for recurring Federal payments. Each such account shall offer consumers a detailed monthly record of transactions or as substitute a passbook.

Reserves held against such accounts by depository institutions shall receive interest. Finally, provision of such an account is to become part of an institutions overall compliance with the Community Reinvestment Act.

Mr. Speaker, the Congress will be pressured once again by special-interest groups seeking passage of financial deregulation legislation this Congress. I hope we do not proceed with such legislation until we are certain that institutions receiving the tremendous benefit of Federal deposit insurance provide access to all consumers regardless of income.●

CONGRESSIONAL CALL TO CONSCIENCE SOVIET REFUSENIK IOSIF BERENSHTEIN

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MANTON. Mr. Speaker, we will momentarily be adjourning for the Passover/Easter district work period. We will be going back home to celebrate Easter or Passover with our families, constituents, and friends. Most of us will not think twice about the fact that we are free to celebrate our respective religious holidays as we choose. However, I think it is appropriate for us to take a moment before we adjourn, and remember that there are people around the world who do not have that freedom.

For the Jewish people, the Passover holiday is a festival of freedom, commemorating the liberation of the Jewish people from slavery under the Pharaohs of Egypt. The Passover season is a time to celebrate freedom. Therefore, it is particularly appropriate for us to call attention today to the plight of the Jews in the Soviet Union who are denied their freedom of religion and who are denied the right to emigrate to Israel. The 2½ million Jews in the Soviet Union are unable to hold a Seder in their homes, the traditional observance of Passover, without risking harassment and possibly arrest. In all reality, it is illegal for the Jewish people of the Soviet Union to practice their religion or study their heritage. As we are about to return home, we must remember the Jewish people of the Soviet Union.

Mr. Speaker, today I would like to share with my colleagues the plight of the Berenshtein family. Theirs is an all too common story in the Soviet Union today. Iosif Berenshtein, his wife Fania and their daughter Yanna, applied for an exit visa to Israel in 1979. As a result, all lost their jobs and have been subjected to a campaign of harassment. Mr. Berenshtein, who is an activist in emigration activities, had twice been arrested for 15 days and in 1980 he was threatened with 7 years' imprisonment. In September 1982, the Berenshtein home was searched and numerous items, including Hebrew study books, were confiscated. In 1983 the Berenshtein family was granted Israeli citizenship. Iosif was told by Soviet authorities that he might be indicted for slandering the U.S.S.R.

Most recently, on November 12, 1984, Iosif went to the city of Novograd-Volinski to purchase a monument for his mother's grave. There he was arrested and charged with "resisting the authorities." His family was not notified of his arrest until 3 days later. The actual arrest warrant was issued on November 13, 1984, the day after his actual arrest. A complaint has been lodged with the Prosecutor General's office because the arrest warrant was postdated. Although Iosif is a diabetic, he was not allowed to receive special food from his family.

On December 10, 1984, Iosif was sentenced to 4 years in a labor camp. Iosif was put into a prison cell with two hardened criminals and was attacked by them with a piece of broken glass. Mrs. Berenshtein believes that this attack was encouraged by Soviet authorities. As a result of the attack, Iosif has lost 60 percent of the vision in his right eye, which he is unable to open, and he has lost 30 percent of the vision in his left eye. At the beginning of 1985, Iosif was transferred to Zheltie Vody prison camp in Donetsk. If Mr. Berenshtein does not receive medical attention, he faces the possibility of permanent and complete blindness. Prison authorities have not allowed Mr. Berenshtein to receive medical treatment.

I am planning to write to Soviet leader Gorbachev, asking that he intervene on behalf of Mr. Berenshtein and allow him medical treatment. I will also ask that Mr. Berenshtein be freed from prison and that he and his family be allowed to emigrate to Israel.

Mr. Speaker, I call upon the Soviet Union to honor the Helsinki accords, the Universal Declaration on Human Rights, and other international agreements to which they are a signator and grant the Jewish people of the Soviet Union their basic human rights. We in the Congress will not waiver in our commitment to Soviet Jewry. We will continue to be the voice for these people who have no voice.

Mr. Speaker, it is traditional at the end of the Passover Seder for all present say, "Next Year in Jerusalem." I hope that any of my colleagues who are interested will join me in my letter to Mr. Gorbachev and help me in making it possible for this dream to be a reality for the Berenshteins and all the Jewish people in the Soviet Union.●

DR. RUSH—PIONEER IN BONE PINNING

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MONTGOMERY. Mr. Speaker, I would like to take this opportunity today to acknowledge the accomplishments of a man who has contributed greatly to the medical treatment of long bone fractures—Dr. Leslie Rush, Sr.

On September 25, 1936, in the town of Meridian, MS, Dr. Leslie Rush, Sr., performed the first successful intramedullary bone pinning in the United States. Kate Belle Rembert had suffered a very severe fracture of the elbow—the sort of fracture which would eventually wind up as a stiff, painful, and likely deformed elbow. Dr. Rush introduced a metal pin at the point of the elbow and discovered its stabilizing effect. This master stroke of innovation led to the evolution of the Rush pin, now used worldwide for the treatment of fractures.

The technique was so impressive it was reported in the American Journal of Surgery in 1937 and presented before the Southern Medical Association the same year. The Rush pin, as it is now known, was finally perfected in 1948 after many years of research and experimentation.

Dr. Rush has dedicated his life to the development of the Rush pin and the establishment and development of the Rush Medical Complex in Meridian, MS. The Rush technique, which follows the principles of dynamic fixation, is known worldwide, although it is chiefly used in the United States. While other types of intramedullary pins are also in use today, many of these owe their development to Dr. Rush's idea of so long ago.

Because of the increased demand for the pin, Dr. Rush formed the Berivon Co. to manufacture and market the Rush pin. Over 60,000 Rush pins were produced by the Berivon Co. last year and distributed throughout the United States and the world. Berivon also manufactures various accessories, including mallets, pliers, wire loops, racks, and the Rush fracture table, for use with the pins. The company sells to Medimex, the West German medical supply giant, which distributes Berivon products in seven West European countries. Additionally, Rush pins are exported to Italy, Bangladesh, Taiwan, and parts of Africa. In 1984, the Federal Small Business Administration honored Berivon for excellence in exports.

The Rush technique offers a viable alternative for the treatment of fractures in children. Conventional fracture treatment generally forbids the use of rigid, internal fixation in children because rigid nail insertion damages the growth plate and the medullary canal, and plating requires large incisions. Children with fractures that cannot be managed by simple external means must be put in traction for 4 to 6 weeks and wear spica casts after that. The Rush pin can be introduced away from the growth plate through a tiny incision and removed as soon as healing is secure. No growth disturbances have been observed and hospital stays can be significantly reduced. This is very important in light of today's increasing medical costs. The potential for savings is high, with the average stay of 4 days using the Rush technique versus 35 days for those using the conventional treatment.

Even today in underdeveloped countries, many people are left suffering in pain and deformed because of lack of treatment and facilities to perform needed surgery. Because of the simplification of insertion and limited equipment needed, the Rush pin should be just the pin for Third World countries to treat those suffering from broken bones.

Intramedullary pinning is still primarily relied upon in the treatment of long bone fractures and the medical field owes much to the accomplishments and medical advances of Dr. Leslie Rush. I have written the chairman of the Nobel Prize Committee to request consideration of Dr. Rush for a Nobel Prize for Medicine.

It gives me great pleasure to take this time to honor the work and accomplishments of Dr. Leslie Rush, Sr.●

OPPORTUNITY ACT, APRIL 4, 1985

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. SCHUMER. Mr. Speaker, today I am introducing legislation along with Mr. MCKINNEY of Connecticut and seven of our colleagues which could help revive the American dream of home ownership for families living in our inner cities with incomes as low as $20,000 and below. This legislation is modeled after the widely acclaimed Nehemiah plan, currently rising in East Brooklyn, NY.

Perhaps the best way to describe this legislation is to begin with a description of the Nehemiah plan itself. The plan—named for the biblical prophet who rebuilt the walls of Jerusalem—is an ambitious proposal to build 5,000 single family homes in some of the poorest, most deteriorated neighborhoods of New York City. When it was first announced, its proponents were dismissed as idle dreamers. But now, with over 250 homes occupied, and enough resources to meet a schedule that calls for completing over 40 houses per month, the Nehemiah plan has proven to be much more than an idle dream.

At the heart of the plan is a group of 40 local churches brought together as East Brooklyn Churches, Inc., with the assistance of the Industrial Areas Foundation. Their determination to fight the seemingly irreversible deterioration of their neighborhoods was perhaps the most important element in making the Nehemiah plan a success.

The plan was announced with the commitment of $5 million for use as a revolving fund to make interest-free construction loans by the Roman Catholic Diocese of Brooklyn. Since the announcement the fund has been built up to $8 million with contributions by the Episcopal and Lutheran Churches. This fund has made it possible to pay suppliers and contractors in 10 days or less; the certainty of payment has encouraged them to offer the Nehemiah plan reduced prices, further cutting construction costs. The city of New York has contributed land, tax abatements, and $10,000—as an interest-free second mortgage—per house. And the State of New York has floated mortgage revenue bonds to provide low-cost permanent financing.

With this assistance, and the economies of large-scale construction methods, homes can be built for $49,000. After the $5,000 downpayment required of each purchaser, and the $10,000 loan from the city, homes can be sold with a mortgage of $34,000. A family earning $20,000 can easily afford the home.

The Nehemiah plan has served as a catalyst for the transformation of East Brooklyn. Its success has been on three distinct levels. First, it is providing housing for hundreds, and soon thousands, of families who previously believed that home ownership would be forever beyond their reach. These are the solidly built two- and three-bedroom homes with full basements that are desperately needed in our cities.

Second, it has built a new neighborhood. By building on a large scale the Nehemiah plan is building a neighborhood large enough to withstand the forces of deterioration that operated in economically depressed neighborhoods. Small scale in-fill projects in these neighborhoods expose the new homes to more rapid deterioration. A large-scale project concentrated on a single area can be self-protecting and self-sustaining, and can serve as a stimulus to development of the surrounding areas rather than be engulfed by it.

Third, and perhaps most importantly, the Nehemiah plan has helped neighborhood residents take control of

their own lives. East Brooklyn's residents are no longer simply individuals, but are citizens in the fullest sense of that word. They have a new feeling of belonging to a larger group, which, through collective effort, is shaping its own future instead of having it shaped by others. Pulling together to triumph over seemingly insurmountable obstacles has given them a taste of success. They feel a new optimistic sense of neighborhood, and a feeling of confidence in their ability to shape their own future. In short, there is new life and new hope in a neighborhood that had been written off as beyond hope.

People who were resigned to a life of renting or living in public housing—three of every seven Nehemiah purchasers come from public housing—now line up early on Saturday mornings to view the model homes on display. People who had never thought that they would take out a mortgage are putting aside whatever they can toward the goal of saving the $5,000 downpayment. Yards which were once cluttered with trash and broken bottles now sprout fresh grass. The sounds of hammers, saws, and shovels fill the air as if it was a new suburban subdivision rather than the middle of Brooklyn.

The theory behind this legislation is that through the targeted use of limited Federal assistance, the Nehemiah experience can be repeated in similar neighborhoods throughout the Nation.

Like the Nehemiah plan, the legislation begins with neighborhood organizations. Applications for assistance may be submitted only by nonprofit organizations, who must demonstrate that they have the full support of residents in the project area, as well as the support of the local government. Funds awarded under the program will be used as a second mortgage loan to purchasers, up to $15,000 per unit. These second mortgages will not bear interest, but will be repayable when the home is sold. Assistance may be used for construction or substantial rehabilitation of one to four family homes. Moderate rehabilitation is not eligible; this is not a fix-up program.

The act contains a number of restrictions designed to target funds to distressed neighborhoods, and to build developments that are large and concentrated enough to generate positive externalities.

Funds may only be used in census tracts in which the median income is less than 80 percent of the area median income. This is the same restriction which currently applies to HUD's Rental Rehabilitation Program.

The maximum income for a family eligible to purchase a home is 115 percent of the area median income. This figure was chosen to allow Nehemiah projects to attract families with a broad mix of incomes. Attracting a mix has proven essential to the success of the Nehemiah plan in Brooklyn. Due to the neighborhood targeting, it is estimated that the bulk of the families purchasing homes will be at or below the median income. In the Brooklyn Nehemiah plan, for example, although families earning up to $40,000 are eligible to purchase a home, the average income of a purchasing family is around $23,000, which is below the median income of the New York area.

The minimum program size is 50 units, or 1 percent of the number of housing units in the applicant's jurisdiction, with no program required to be larger than 1,000 units. As stated before, if a new development is to be successful, it must be large enough to be self-sustaining. The larger a city is, the larger a program should be to be successful. In addition, large jobs are cheaper than small ones. They allow the exploitation of economies of scale in the building process. They reduce the costs of compliance with local regulations, since it is just as hard to get a small job through local housing, planning, environmental, and other bureaucracies as it is to get a large job through. And large projects reduce the per unit legal, architectural, engineering, and selling costs.

Eligible purchasers must put 10 percent of the purchase price down as a downpayment at a time of signing a contract. This may operate as an obstacle to eligibility for some families. But the downpayment requirement has proven to be a valuable incentive to save for families wishing to purchase a home. And by giving the families some equity in their homes, it gives them a greater stake in its upkeep.

In deciding among competing applications for funding, the Secretary of HUD will take into account factors which are designed to stretch Federal dollars to produce the largest number of units possible, and to maximize contributions from State and local governments and the private sector. Specifically, the Secretary will take into account the extent to which:

Non-Federal public and private entities will contribute land required to make the program feasible;

Non-Federal public and private entities will make other contributions—including, but not limited to tax abatements, waivers of fees related to development, or direct financial contributions—which will reduce the carrying charges of homes built under the program;

The program is concentrated in an area of poverty, abandonment, disinvestment, and severe economic blight;

The program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved;

The program will produce the greatest number of units for the least amount requested from the Federal Government, taking into account cost differences among different areas;

The program calls for the employment of local residents in the planning and construction of homes.

In order to assure that funds awarded under the program are used efficiently, grantees may not break ground, except on model homes to be used to assist in sales, until at least 25 percent of the homes to be built are contracted for sale to a purchaser who intends to live in the home, and an appropriate downpayment has been made.

This legislation authorizes $300 million to be used for the program. If the maximum grant is used for every home, 20,000 homes could be built.

I believe that this program can become an essential element in the revitalization of the Nation's most distressed neighborhoods. I welcome all comments and suggestions from my colleagues, and invite cosponsors.

Mr. Speaker, I ask that a summary of the bill be printed in the RECORD.

SUMMARY OF THE NATIONAL NEHEMIAH HOMEOWNERSHIP OPPORTUNITY ACT

PURPOSE

This Act authorizes a competitive grant program in which federal funds will help leverage local private and public funds in the construction of low-cost, single-family homes in severely blighted urban neighborhoods.

ELIGIBLE APPLICANTS

Non-profit organizations, with endorsement of local government.

USE OF FUNDS

Funds shall be used as a second mortgage loan, not exceeding $15,000 per loan, to families purchasing homes built or rehabilitated with assistance under the Act. These second mortgages shall not bear interest, and shall be repayable out of the proceeds of the sale of the home, if the proceeds exceed the amount due on the first mortgage. The second mortgages will be held by the federal govenment.

MINIMUM PROGRAM REQUIREMENTS

1. Assistance may be used for new construction or substantial rehabilitation of 1-4 family homes. Substantial rehabilitation is defined as: a) construction involving costs in excess of 60 percent of the maximum sales price of a home assisted under this Act in the area in which it is located, or b) the rehabilitation of a vacant, uninhabitable structure.

2. Eligible families are families with annual incomes not more than the greater of: a) 115 percent of the median income for a family of four in the project's metropolitan area; or b) the national median income. Purchasers must be first-time homebuyers.

3. The minimum program size is the lesser of one percent of the number of housing units in the local jurisdiction or 1,000 units.

4. Purchasers must make a minimum downpayment of at least 10 percent of the price of the home, or higher if the sponsor-

ing group prefers. The sponsoring group must pay interest to the purchaser on the downpayment during the construction period.

5. A purchaser may not lease the property.

TERMS AND CONDITIONS OF ASSISTANCE

1. Applicants must demonstrate that they have consulted with and received the support of residents in the neighborhood in which the project is to be located.

2. Applicants must submit an estimated schedule, agreed to by the local government, setting forth a timetable for completion of the project.

3. Grantees may not break ground (except on model homes to be used to assist in sales) until at least 25% of the homes to be built are contracted for sale to a true purchaser (one who intends to live in the home) and an appropriate downpayment has been made.

4. Assistance may be used only in census tracts in which the median income is below 80 percent of the area median income.

5. All homes assisted under the Act must be on contiguous parcels of land, except that 25 percent of the funds may be used for projects not on contiguous parcels of land, but confined to a single neighborhood.

6. Sales contracts entered into under the program must contain provisions requiring repayment of the second mortgage upon resale or other transfer of the home, unless the Secretary approves otherwise. If any transfer without repayment is approved, the lien shall remain in force until it is paid in full.

PROGRAM SELECTION CRITERIA

In selecting programs for assistance under the Act from among the eligible projects, the Secretary shall make such selection on the basis of the extent to which:

1. Non-Federal public and private entities will contribute the land necessary to make each program feasible;

2. Non-Federal public and private financial or other contributions (including, but not limited to tax abatements, waivers of fees related to development, or direct financial contributions) which will reduce carrying charges of homes built under the program;

3. The program is concentrated in an area of poverty, abandonment, disinvestment, an severe economic blight;

4. The program uses construction methods that will reduce the cost per square foot below the average construction cost in the market area involved;

5. The program will produce the greatest number of units for the least amount requested from the federal government, taking into account cost differences among different areas;

6. The program calls for the employment of local residents in the planning and construction of homes;

AUTHORIZATION

FY 1986, $300 million, which would assist at least 20,000 units, and more if the average amount requested is below the maximum amount.●

THE HAZARDOUS WASTE REDUCTION ACT

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mrs. SCHNEIDER. Mr. Speaker, today I join with Mr. WYDEN and a bipartisan coalition of 47 House Members in introducing the Hazardous Waste Reduction Act of 1985.

The Hazardous Waste Reduction Act will amend Superfund with a waste-end tax on the land disposal and storage of hazardous waste. The bill is an improved version of the legislation that was approved by the House Energy and Commerce Committee during the 98th Congress.

The waste-end tax will apply to all forms of land disposal, including surface impoundments, underground injection wells, and landfills. The tax rate is $20 per ton, except for underground injection, which will be taxed at a rate of $5 per ton. All forms of treatment that render a waste nonhazardous within 1 year would be exempt from the tax, including waste water treatment permitted under the Clean Water Act.

The tax will be collected from the owners and operators of RCRA permitted subtitle C treatment, storage, and disposal facilities. There are 4,800 of these facilities currently in operation, and 95 percent of all treatment, storage, and disposal takes place at just 240 facilities.

The tax will be administered on a wet weight basis in order to streamline the administration of the tax and to guarantee a study flow of revenue.

With proper administration and using conservative revenue estimates, this waste-end tax is expected to raise $286 million a year. We have included a clause mandating an automatic escalation in tax rates if the tax falls short of revenue goals in order to guarantee a stable revenue stream.

The benefits of the waste-end tax are twofold: First, the waste-end creates an economic incentive for waste producers to switch to environmentally preferable methods of waste management. EPA's 4-year evaluation of the Superfund Program concluded that a waste-end tax at relatively modest rates could cause a significant shift from land disposal to treatment and recycling technologies. The waste-end can work in concert with new RCRA regulations on land disposal to hasten the switch to safe waste-management technologies.

Second, the waste-end tax will broaden the tax base and increase the revenue available to clean up the thousands of toxic waste sites nationwide. Proposals to expand the Superfund range from the $5.3 billion, 5-year program backed by the administration, to the $13.5 billion, 5-year program backed by the National Campaign Against Toxics. Regardless of the proposal you prefer, it is clear that the current $300 million a year feedstock tax will have to be supplemented. The waste-end tax offers a fair and efficient way to provide another reliable stream of revenue for Superfund.

Mr. Speaker, the long-term solution to the toxic waste problem involves more than efforts to clean up abandoned waste dumps. It must also include specific action to discourage future reliance on land disposal. Experience has shown that there is no such thing as a safe landfill, and that supposedly safe Superfund repositories are starting to leak and will eventually require Superfund attention. The waste-end tax, together with strong RCRA regulations, can help us move toward the day when only an absolute minimum of waste is land disposed.

The waste-end concept has also been endorsed by the Chemical Manufacturers Association, the Environmental Policy Institute [EPI], the National Wildlife Federation, and the Center for the Study of the American Business. The bipartisan group of Members who join with me today in introducing this legislation recognize that the waste-end tax is a progressive, responsible idea whose time has come.

Without objection, I ask permission to enter into the RECORD a series of questions and answers on the Hazardous Waste Reduction Act.

Who Pays the Tax?

The tax is collected from the owners and operators of treatment, storage and disposal facilities (TSD) permitted under the Resource Conservation and Recovery Act (RCRA). All hazardous wastes regulated under RCRA must be taken to a permitted TSD facility.

According to EPA, there are 4,818 of these off-site and on-site facilities currently in operation. Ninety-five percent of all treatment, storage, and disposal takes place at only 240 facilities.

What Types of Waste Disposal are Taxable?

All Forms of land disposal regulated by RCRA would be taxable, including landfills, surface impoundments used for disposal, and injection wells. The tax also would apply to land treatment, ocean disposal, and the export of hazardous waste.

The tax would apply to any wastes treated or disposed of in violation of RCRA permits.

Both on-site and off-site disposal would be subject to the tax. EPA estimates that 85 percent of all hazardous waste disposal occurs on-site, typically in large surface impoundments or injection wells.

What Are the Tax Rates?

All forms of land disposal except injection wells would be taxed at a rate of $20 per ton. The $20 rate would apply to landfills, disposal surface impoundments, waste piles, and land treatment. The $20 rate also covers ocean disposal, the export of hazardous waste, and wastes treated or disposed of in violation of RCRA permits.

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The disposal of hazardous wastes in underground injection wells would be taxed at a rate of $5 per ton.

What About Treatment of Hazardous Waste?

The bill provides that wastes rendered nonhazardous by RCRA standards within one year of receipt at the TSD Facility would receive full credit against the tax. This credit would cover such treatment processes as incineration, recycling, and the neutralization of corrosive acids. Wastewater treatment under Clean Water Act permits would not be subject to the tax.

Any waste that remains hazardous after twelve months of treatment would be taxed. This provision is intended to prevent "pseudo-treatment" (such as solar evaporation ponds) to avoid the tax.

Residues from any treatment process that are land disposed would be subject to the tax. The tax also would apply retroactively to any waste treated in violation of permit specifications.

What types of Waste are Taxable?

All wastes classified as hazardous under the Resource Conservation and Recovery Act at the time this waste-end tax legislation is enacted into law would be taxable. These include toxic as well as characteristic wastes that are ignitable, corrosive, or reactive.

Are any Hazardous Wastes Excluded from the Tax?

All hazardous wastes not covered by RCRA's regulatory framework are exempt from the tax. Examples include small generator wastes, mining waste, the temporary on-site storage of hazardous waste (90-day limit), and the discharge of effluents permitted under the Clean Water Act.

Waste removed from a Superfund site to a permitted land disposal facility would not be taxed, in order to help keep down the cost of cleanup. While it would be more appropriate to destroy Superfund wastes than to shift them to another land disposal facility, the choice of cleanup method under the program should be determined under guidelines provided by Congress, rather than through waste-end tax policy.

In addition, a number of existing disposal sites are expected to close, due to their inability to met more stringent operating requirements imposed by Congress during reauthorization of RCRA. Wastes removed from these closed sites to permitted facilities would not be taxed. As with the exclusion for Superfund wastes, the rationale is to avoid creating obstacles to compliance with RCRA regulations.

How Much Revenue Would the Tax Raise?

The bill would raise an estimated $286 million per year, a figure based on data derived from EPA and the Chemical Manufacturers Association. The revenue estimated is calculated below:

Method	Volume (MMT)	Tax (tons)	Revenue (millions)
Landfills	3	$20	$60
Land treatment and waste piles	1	20	20
Disposal impoundments	1	20	20
Injection wells	32	5	160
Convert from Metric to English tons			26
Total revenue			286

All volume estimates are expressed in metric tons, while the tax is based on English tons (Metric Tons: English Tons=1.1:1). The volume data is taken from EPA's Westat Survey, except for disposal impoundment figures, which are derived from a survey conducted by the Chemical manufacturers Association.

How Would the Tax be Paid?

The tax would be paid by the TSD facility on a quarterly basis upon receipt of hazardous waste. A full credit would be provided for all wastes rendered nonhazardous by treatment within 12 months of receipt at the facility. To avoid double taxation, full credit would be provided for waste moving from one or facility to another.

How Would the Tax be Administered?

RCRA requires that all off-site disposal be recorded on a manifest, and on-site disposal on an operating log. In addition, all waste disposal facilities are required to prepare a comprehensive biennial report listing the amount and types of waste handled.

These documents will provide the basis for record-keeping under the tax. The bill directs the IRS to refine further the reporting system for tax purposes. An EPA study has concluded: "Although changes to the existing reporting and information systems are necessary to provide data on an annual basis for all facilities, these changes are not likely to impose a large incremental burden on the regulated community, the states, or EPA."

Would The Tax Rates Provide an Incentive to Reduce Waste Disposal?

Yes. An EPA study found that a waste-end tax would have a significant effect in shifting waste to treatment. Relatively low tax rates provide a substantial incentive to reduce high volume disposal of liquid wastes. This is due to the economies of scale that can be realized in treating large volumes of waste.

For example, the EPA study estimated that at a $5 per ton rate, about a quarter of all wastes now injected in deep wells could be rendered nonhazardous through treatment, principally by neutralizing corrosive and reactive wastes.

Are the Goals of Waste Reduction and Raising Revenue from the Waste-End Tax Contradictory?

Both objectives can be accomodated if the revenue projections for the waste-end tax are based on the most conservative estimates possible.

For this reason, a number of waste management activities that would be subject to the tax—and would produce some revenues—deliberately were excluded from the revenue estimates because they are difficult to quantify. They include wastes "stored" in the land for longer than the RCRA 90-day limit, wastes "treated" for longer than 12 months, and wastes taxed because of a violation of treatment or disposal permits.

The bill also provides for an automatic upward adjustment of the rates for any year in which the waste-end tax revenues fell short of projections.

This provision is similar to that included by the administration in its Superfund reauthorizaton proposal.

Why Tax Deep Well Injection?

An estimated 32 million tons of hazardous wastes are injected into deep wells every year, making this method the largest source of land disposal in use today. While little is known about deep wells, the available evidence suggests cause for concern about the environmental side-effects of this technology.

Leaks at Chemical Waste Management's deep wells in Vickery, Ohio prompted the state EPA to slap two fines totalling $16 million on the site operators. The rupture of an injection well in Presque Isle, Pennsylvania led to the possible contamination of Lake Erie, and to the site's placement on the Superfund National Priority List. The industry trade journal Chemical Week has warned about the potential hazards of deep well injection.

The lower rate of $5 per ton for injection wells provided by the bill compensates for the fact that wastes must be dilute to be suitable for this method of disposal.

Why Not Tax on a Dry-Weight Basis?

Wastes with a higher water content are not necessarily "better" than solid wastes. Liquid wastes are more mobile, more liable to move into groundwater, and less susceptible to containment through land disposal.

The practical effect of a dry-weight tax would be to reduce drastically revenues from injection wells. For example, the nonwater content of injected wastes ranges from 1 to 5 percent of total volume. A $50 per ton dry-weight tax would raise as little as 50 cents per ton on a wet-weight basis from wastes injected into underground wells.

An EPA study concluded that a dry-weight tax would be more complex to administer and take longer to implement than a wet-weight tax. As a result, it would be virtually impossible to predict revenues from a dry-weight tax.

The same EPA study found that the high cost of sampling ($35 to $70 per barrel) for non-water content would make the tax prohibitively expensive for small business.

Will a Waste-End Tax Encourage Illegal Disposal?

EPA compared states with waste-end taxes to those without to determine whether the reported incidence of midnight dumping increased with the tax. The study found no such correlation.

EPA has indicated that a waste-end tax could help refine the existing data on the treatment, storage and disposal of hazardous waste. The data could be used by both the IRS and EPA to target subsequent permitting and enforcement activities.

Have State Waste-End Taxes produced the Revenues Projected?

In the summer of 1984, EPA conducted a survey of the waste-end tax programs in eight states.

In six states, waste-end taxes had generated 71 to 98 percent of projections; in two states, revenues were ahead of projections. (For perspective, the Superfund feedstock tax has realized 78 to 84 percent of revenue projections).

EPA found that previously reported shortfalls in initial revenues from waste-end taxes were due primarily to inadequate data on actual waste volumes, overall economic recession during the startup period, failure to account accurately for the cost of tax exemptions, and lack of programmatic resources during startup.●

HAROLD L. HOLLIDAY, SR.

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. WHEAT. Mr. Speaker, I am greatly saddened by the death of Harold L. Holliday, Sr., a founder of one of Kansas City's major political

organizations and a courageous civil rights activist.

A forceful personality and a brilliant orator, his contribution to civil rights and social justice in the Kansas City community is immeasurable. Mr. Holliday was literally a pioneer in the field of civil rights. He was fighting for social and economic justice long before the civil rights movement of the 1960's attracted popular support. The legacy he leaves will be felt for generations to come in Kansas City.

One of his early civil rights struggles was to challenge the rule that banned blacks from the University of Kansas City School of Law. He was successful and he received his law degree from that school in 1952, the first black person ever to do so. For the rest of his life he used his keen legal mind to help break down racial prejudice.

Mr. Holliday was one of the founders of Freedom, Inc., the powerful black political organization that is a dominant political force in local, State, and national elections. Mr. Holliday served as a Jackson County magistrate, a leader in the NAACP, and the Missouri Bar and the American, National, Kansas City and Jackson County Bar Associations. Mr. Holliday also served 12 distinguished years in the Missouri House of Representatives.

During his tenure in the Missouri Legislature from 1965 to 1976, he was noted for supporting progressive legislation not only in civil rights, but in consumer protection and other areas as well. His revision of the criminal code was especially noteworthy. Mr. Holliday consistently fought against proposed increases in interest rate ceilings on small loans and helped win support for new laws to tighten requirements on door-to-door sales and to permit suspension of payments on defective merchandise. Throughout his career in Jefferson City, Mr. Holliday was a strong voice in the Missouri House. He was not always liked, but he was always admired. His was a voice of courage and conviction.

In 1976, Harold Holliday put his political future at stake when he relinquished a safe seat in the Missouri House of Representatives to attempt to give Kansas City's black community representation in the Missouri State Senate for the very first time. He realized the odds were slim, but made the effort willingly, pointing out that those who were able to serve had a responsibility to give of themselves even if only to pave the road for those who would follow.

In seeking someone to support as his successor in the Missouri House of Representatives, Mr. Holliday settled on me, informing me of his support on Valentine's night in 1976 by saying:

"Wheat, you know we looked long and hard for someone bright and able, someone really capable, someone couragous, someone with statute, someone who can fill my shoes . . . , but we couldn't find anyone so, I guess you'll have to do,

and he laughed. Later that year, as I was winning my first election to public office, Harold Holliday lost his bid for the senate by less than 300 votes out of more than 10,000 votes cast in an election divided strictly on racial lines.

It was a bitter defeat for one who was regarded by all objective sources as one of the most able persons ever to serve in the house of representatives and a powerful force for progressive causes without regard to race. But even at this disheartening time he was ready with counsel typical of his steadfast commitment to service telling me that "in Jefferson City there's a lobbyist for every cause under the Sun, liquor lobbyists, truck and bus lobbyists, utility lobbyists, a voice for everyone but the people; you go be a voice for the people." And he laughed, a laugh that showed no trace of bitter disappointment he felt.

My career in State politics lasted from 1977 to 1982, with the standard set by Harold Holliday, Sr., not only a goal to strive for, but an ethic to live by. While never intruding, he was always available to lend a helping hand. He encouraged me to support Ken Rothman for speaker of the house of representatives saying he was "by far the most qualified candidate and if he doesn't win, it will be only because white folks don't elect Jews" and "if a Jewish person can become a speaker today, maybe a black person will make it tomorrow," and he laughed. Ken Rothman not only became speaker of the house, he was later elected Lieutenant Governor of the State of Missouri and in 1984 was the Democratic nominee for Governor.

Holliday was the keynote speaker of the first Missouri Legislative Black Caucus weekend in 1981. He recalled for a captivated audience, earlier days of the political rights struggle in Jefferson City when in 1970 just a few black legislators had worked together—"like fingers on a hand; like a fist," to create a seat for a black Congressman in St. Louis. Holliday's impassioned call for unity among black legislators was the catalyst that spurred, in 1981 a strong effort to prevent BILL CLAY from being gerrymandered out of his seat in the U.S. Congress.

In 1981, Dick Bolling announced his intention to retire from the U.S. House of Representatives. I approached community leaders, both black and white, to gauge their opinion as to whether I ought to run for Congress. While many were complimentary, almost without question all wondered whether a black person could win a district with only a 20-percent black population. Harold Holliday, Sr., however, was different. He said that it was my obligation to at least make the attempt; that perhaps I would not win, but "you know WHEAT, black people have a right to fail too," and he laughed.

On election night the vote totals came in and I had won by 1,000 votes over my nearest opponent and media representatives were calling it a stunning upset. Holliday said he too was surprised—that he hadn't expected it to be that close.

In recent months I saw Mr. Holliday only infrequently, usually at a public function for a progressive group that could count Harold Holliday, Sr., as a long-committed supporter. He remarked to me at the last of those meetings that it seemed we saw each other only when one of us was receiving an award presented by the other and he only wondered what we had done to deserve it, and as he said that he laughed.

Last week I saw Harold Holliday as he was laid to rest, and I realized there was no trophy or plaque which could honor his life.

I feel fortunate to say I knew Mr. Holliday. He was a rare individual and his death is a loss shared by all his determined spirit touched. Many have benefited from his knowledge and his dedication, and he will not be forgotten. Each of us will remember this man in some special way. His laugh, his spirit, his intellect, his compassion will be missed especially by his family, but Harold Holliday will live in the memories of his loving wife Margaret, his son Harold, Jr., his daughter Bertha, his daughter-in-law Gayle, his grandchildren Harold and Holli.

Perhaps they commemorate his life best, as he instilled in them the spirit that was his hallmark. His 12-year-old grandson, Harold III, told me recently that he expected to be Kansas City's Congressman someday soon. Because Harold Holliday, Sr., lived the life he did, his grandson will have that opportunity and because he inherited Holliday's spirit, I expect he'll make it.●

ERIC TRAYNOR, ST. PETERSBURG'S AWARD WINNING AUTHOR

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. YOUNG of Florida. Mr. Speaker, the John F. Kennedy Center for the Performing Arts will present again this year a special edition of Children's Radio Theatre featuring award winning plays written by talented children throughout our Nation. One of this year's five winning authors, selected from more than 1,000 entries, is Eric Traynor, a 14-year-old student from St. Petersburg, FL.

Eric's winning play "A Dagger of the Mind" particularly impressed the com-

petition's judges with its "topicality and depth of emotions." The play is especially relevant because it deals with the serious subject of suicide by children. "A Dagger of the Mind" is a moving account of a teenager's struggle with his feelings about his parent's divorce. The play within a play takes place during a rehearsal of "Macbeth," where a young man is finally able to confess his thoughts of suicide to his leading lady, a Cambodian boat person.

Eric's parents, Anthony and Page Traynor, both professional writers, can be proud because their son exhibits the creative energy that our youth provide our Nation. I recommend to my colleagues this hour-long broadcast of Eric's and the other four students' plays during the Seventh Annual Henny Penny Playwriting Contest that will be aired nationally on public radio stations beginning April 13. Listening to these works by young authors will reassure you that our Nation has a bright future when this generation of Americans assumes their position to guide our country.●

IN MEMORY OF DEA SPECIAL AGENT ENRIQUE CAMARENA SALAZAR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. RANGEL. Mr. Speaker, recently we were shocked and saddened at the tragic outcome of the kidnaping in Guadalajara, Mexico, of DEA Special Agent Enrique Camarena Salazar and the pilot who occasionally assisted him, Alfredo Zaval Avelar. The slaying of these brave men is a blow to the DEA, indeed to our entire Nation, as the tragedy of drug abuse strikes every segment of society. Most importantly, it is a great loss to their families and friends. My deepest sympathies go out to them.

A veteran DEA agent, Mr. Camarena has been involved in successful investigations of cocaine and marijuana traffickers in the Guadelajara area. We will remember Enrique Camarena for his skill and dedication to his work as a special agent and for having made the supreme sacrifice to preserve the health and integrity of his country. May his death not be in vain. I pray that the citizens of our great country unite to overcome the viciousness and brutality of the criminals who so ruthlessly took Agent Camarena's and Mr. Zaval's lives in order to continue to saturate our country with their poison, narcotics.

The single most important thing we can do to honor these men is to not only continue their fight, but to win it. In the memory of these two brave men, we must overcome.●

CONGRATULATIONS TO MAX SCHENKLER ON HIS 80TH BIRTHDAY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ACKERMAN. Mr. Speaker, I would like to ask my colleagues in the U.S. House of Representatives to join me now in congratulating Max Schenkler on the occasion of his 80th birthday, on April 16, 1985.

Mr. Speaker, Max Schenkler is a man who is much loved in Queens County, NY, where he lived for almost 25 years. When he and his wife, Pearl, left several years ago to make their home in Boca Raton, FL, it was no surprise that their departure was deeply felt by the entire community—because they had made everyone in that community part of their family. Max and Pearl Schenkler are cherished by everyone who comes to know them. And in Queens, a great many people came to know and love then—in their neighborhood and synagogue, through Max's many years as a teacher and educator, and through their loving service in community organizations. We in New York still miss them.

Max gives himself to people in many ways. He spent 40 years giving his talent, humor, and insight to New York City schoolchildren. As a teacher, Max did much more than impart knowledge. His enthusiasm for life and gift for sharing himself with others gave him a special relationship with his students. If children are to become interested in learning, in growing, and in stretching their minds and imaginations to meet new challenges, they must be shown the way. Max Schenkler did that. Generations of young students were instilled with an excitement about learning. For thousands of young New Yorkers, Max provided the spark so vital and so necessary to propel them on to higher education and exciting careers and opportunities.

Mr. Speaker, Max has had a distinguished career as an educator, and as principal of Public School 143, an elementary school in Queens. There he trained and inspired scores of dedicated teachers to the extent that his impact will be felt for many generations yet to come. He is a man of wide interests and talents, one who throws himself into whatever he's doing—whether he's helping someone in need or in trouble, hosting a birthday or anniversary celebration for a friend, or pursuing his most beloved hobby—golf.

Max's professional and family life have been rich with success. His 80th birthday is a joyous occasion for his many friends and his beautiful family—his lovely wife, Pearl, his loving daughter, Carol Jacobson and her husband, Gil, and daughter, Debbie, and Max's son and my dear friend, Michael. Max always gave his children the love and encouragement they needed when the time came to make tough decisions or embark on new challenges.

Mr. Speaker, Max Schenkler is a beautiful man who has touched many lives. I would like to ask all of my colleagues in the U.S. House of Representatives to join with me now in wishing him a joyous 80th birthday.●

OPPORTUNITY WENT THATAWAY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mrs. ROUKEMA. Mr. Speaker, of the many priorities facing the present Congress, the reauthorization of the Higher Education Act, which includes the Federal student aid programs, is certainly near the top.

In my view, the Higher Education Act is not only an essential component of the higher education system, but is a fundamental tool in our effort to maintain a healthy and competitive economy and social structure. Hence, even among those of us who harbor a healthy skepticism of a strong Federal role in education, the need for continuation of the student aid programs is beyond question. Of course, this does not presume that these programs cannot be further perfected based upon our experience with them. Obviously, the need for that perfection defines the role of this Congress in reauthorizing the programs.

As it turns out, the reauthorization process, which involves numerous complex issues, has become further complicated because it occurs at a time when we are faced with massive budget deficits. In an attempt to curb those deficits, the administration has proposed significant changes in the programs. Regardless of one's position on the merits of those proposals, one can reasonably ask the question of whether we should be considering drastic changes before we engage in the reauthorization process, which will not be completed until next year.

This is precisely the question that has been so well articulated by my colleague on the Postsecondary Education Subcommittee, JOHN MCKERNAN, in an op-ed column which appeared in the Washington Times on March 15, 1985. I commend the attention of my colleagues to this article. The points raised by the gentleman from Maine are well deserving of our attention as we continue with the budget deliberations.

The article follows:

OPPORTUNITY WENT THATAWAY

(By John McKernan)

Recent budget proposals by President Reagan and Education Secretary William J. Bennett to cut student aid by 25 percent is more than a swipe at "stereos, cars, and beach vacations"—to paraphrase Mr. Bennett's now-famous insult to the American college student.

It is also a very bad sign for those of us in the Republican Party who attribute our party's recent success to its promise of opportunity—economic, educational, or otherwise. After all, hasn't GOP come to mean "Grand Opportunity Party?"

So why then is President Reagan sending signals to millions of American families that they may well be denied the chance to pursue a slice of this nation's prosperity? What's our party doing talking about denying people the educational opportunity that is so instrumental to economic success?

At no time in our history has economic "opportunity" been more closely tied to education. With our whole economic system in transition, it is imperative that individuals have the skills and knowledge to succeed in today's fast-changing labor market. "The most formidable challenge for the future will be to train people to work in the information society," John Naisbitt said in Megatrends. "Jobs will become available, but who will possess the high-tech skills to fill them?"

Since Richard Nixon said in 1971 that "no qualified student who wants to go to college should be barred by lack of money," the Republican Party has been a front-line advocate for all who demonstrated the ability and desire for further education. It is, indeed, ironic that administration officials are jeopardizing post-secondary education for 1 million youngsters, when, for the first time in 50 years, a plurality of Americans now find themselves identifying with the Republican Party, and when the greatest gain made by the GOP has been among younger voters.

There is no question that our current federal deficit problems must restrict funding for student aid as well as other worthy programs. To stretch the available dollars, we need to make changes in our current student aid portfolio. As it did in 1981, the Reagan administration makes some valid suggestions for reform.

A major overhaul of student aid programs, however, should be part of the reauthorization of the Higher Education Act, scheduled to take place later in the 99th Congress. Withholding major revisions in the program until then will allow for a thorough review of the impact of the proposed changes, in addition to allowing us to find a streamlined, efficient way of providing assistance to the neediest of students.

I, for one, hope the Congress will eventually adopt some of the proposals, such as requiring multiple disbursements by lenders and reducing the reinsurance rate, as well as combining some of the programs to give more flexibility to institutions themselves.

Regardless of one's position on the administration's proposals, however, we should not use the budget process to make significant changes in a program that has done its job. Instead, we should consider a funding freeze for student aid at 1985 fiscal year levels. With the reduced levels of real dollars available for student aid, an income limit on eligibility might be necessary, but not the arbitrary $32,500 limit proposed by the administration. Nor should we accept the proposed $4,000 cap on total aid, since that affects those having the greatest need.

After careful and orderly evaluation, we should make whatever changes are necessary to distribute equitably the burden that reduced funding would entail, taking into consideration family size and needs.

The Republican Party is on the verge of being considered a true "opportunity" party by a majority of the American people. Those who believe in an opportunity society know there are limits to that which government can and should provide. They understand that programs, such as the student loan program, cannot be open-ended. Yet, they also recognize that the key to opportunity is preserving access to education.

Any party purporting to champion opportunity must be tested by its stand on student aid, because it is mainly through our schools that we can offer hope for a better future.

It was the father of our party, Abraham Lincoln, who said: "I can only say that I view [education] as the most important subject which we, as a people, can be engaged in." ●

GIVE THE WHISTLEBLOWER SOME INCENTIVE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. STARK. Mr. Speaker, while hardly a new phenomenon, fraudulent contracting at the expense of the American taxpayer is assuming levels that, in this era of severe spending constraints, both threatens the budget and weakens our Armed Forces. Daily we hear of inadequately tested or shoddy goods being foisted on the Government with virtual impunity. Currently, Government officials who expose such occurrences against the wishes of their superiors risk their careers and derive little benefit for their conscientiousness. Both the incentives to blow the whistle and the relatively risk-free environment for contract cheating must be reformed in order to correct this problem.

The False Claims Act of 1863 was intended to check these abuses. This act allows qui tam actions to be brought; that is, a civil action initiated by an individual for himself as well as for the U.S. Government. That person is entitled to a proportion of any damages awarded to the U.S. Government. The Department of Justice must decide within 60 days of notification of the action whether to assume full responsibility for the suit; if it does not, or if in the court's judgment it has failed to prosecute the case vigorously within 6 months, control of the case reverts to the individual.

While apparently a useful means of encouraging the revelation and prosecution of contract fraud, this law currently contains one great self-defeating flaw. A qui tam—private—action will be dismissed if the information relevant to the false claim is in the possession of the Government. Thus Government employees cannot bring such a suit. Private individuals would also experience difficulty in successfully prosecuting a qui tam action because, in this era, the Government can claim to have possession of, or access to, almost all information.

The reform I propose allows citizens, including Government employees and military officers, to proceed with a qui tam suit if, after bringing evidence of a contract abuse to the attention of the head of the appropriate agency, that agency fails to undertake proper corrective action within 6 months.

To prevent grossly excessive rewards for what is, after all, basic good citizenship, I also think we should lower the percentage of damages awarded to the individual bringing suit from the current law's 10 to 25 percent, to not less than 1 percent of the total but not more than $1,000,000.

Conventional remedies have proved inadequate against these types of consensual procurement crimes due to a lack of both complaining witnesses and sufficient incentive to inform. I believe that the qui tam action could be a powerful ancillary method of law enforcement that would bring to book dishonest contractors, discourage others from the temptation to cheat the Government, and save our taxpayers billions of dollars every year. ●

DISINVESTING FEDERAL SUPPORT FOR APARTHEID

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. CONYERS. Mr. Speaker, today I am introducing H.R. 1986, the "Federal Contracts for Apartheid Prohibition Act of 1985." If enacted, this bill would deny Federal contracts and/or grants to any business or corporation with direct or subsidiary investment of any kind in South Africa. This would include those who make loans to any South African enterprise or the Government. The objective of the bill is to remove direct and indirect Federal support for the apartheid system and in so doing to further encourage the disinvestment process from South Africa, already undertaken by over 40 firms.

Countless corporations and firms with investments in South Africa receive Federal contracts and grants of some kind. Because, as virtually all analysis and studies show, foreign investment in South Africa directly supports the economic, political, and social structures of apartheid, this continued Federal contribution to the brutally racist system of apartheid is

contrary both to our principles and interests.

The time to start Federal as well as corporate disinvestment from South Africa is now. While U.S. firms employ less than 1 percent of the black South Africans, they control major sectors of the economy which are crucial to the maintenance of the apartheid structure. Numerous studies point to the deteriorating and increasingly repressive conditions that have accompanied increased foreign investment in South Africa during the course of the past 20 years. Federal support for this racist repression, direct or indirect, is unacceptable.

Indeed, it is telling that while the major black trade union federations in South Africa have issued strong statements calling for disinvestment from South Africa, the regime has spent millions of dollars fighting disinvestment legislation in the United States and has also imposed strong criminal penalties against those in South Africa who advocate disinvestment.

Many well-intentioned individuals have acknowledged the direct material support that U.S. investment provides apartheid, but argue that if the United States were to disinvest, firms from other countries would replace them. This argument is fatuous. Were a major superpower like the United States, with control over a large segment of the South African economy, to disinvest, the investment climate would be so dramatically changed that no prudent firm would risk investing in South Africa, particularly when the walls of apartheid are crumbling under internal turmoil and civil war. Indeed, this contention has been supported by many South African economists and business leaders, most notably Harry Oppenheimer, chairman of the Anglo-American Corp. which is South Africa's largest industrial corporation and the world's top producer of gold.

Recent events underscore the fact that time is running out for the apartheid regime. The demonstrations against City Corp in South Africa this week remind us that unless the U.S. Government and U.S. firms take a clear position on the side of the black South Africans, then we will become increasingly the object of the unrest. As the managing director of Goodyear Tire & Rubber Co.'s South African subsidiary explains, "foreign firms are going to be the target * * * we are right here in the tinderbox." We must now constructively disengage while doing so can still be perceived in a positive light.

A summary of the bill and the text follows:

SUMMARY OF H.R. 1986

I. A bill to prohibit any federal contract or grant from being awarded to any person with investments in South Africa, until South Africa is rid of its system of apartheid and moves to a system of one-man, one vote.

II. Definition of Investment in South Africa:

(a) Investment in the Government.—A person makes or holds an investment in the government of South Africa if that person makes a loan or other extension of credit to, or beneficially owns or controls a bond or other debt instrument issued by the government of, South Africa or any corporation, partnership or other organization which is owned or controlled by the Government of South Africa.

(b) Investment in a business enterprise.—A person makes or holds an investment in a business enterprise if that person (1) establishes or controls funds or other resources (including making a loan or other extension of credit) for the establishment of such a business enterprise; (2) otherwise invests funds or resources in such a business enterprise including beneficially owning or controlling a share or interest in such a business enterprise including beneficially owning or controlling a bond or other debt instrument issued by such a business enterprise, making capital contributions in money or kind to such a business enterprise, and making a loan or other extension of credit to such a business enterprise, or giving security for the debts or such a business enterprise.

III. Enactment: The provisions of the bill are to become effective seven (7) days after its enactment and are to remain in effect until the President determines, and both houses of Congress agree by Joint Resolution, that apartheid has been eliminated.

H.R. 1986

A bill to prohibit any Federal contract from being awarded to any person with investments in South Africa, until the Government of South Africa makes substantial progress towards an end to discrimination based on race or ethnic origin

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON FEDERAL CONTRACTS.

No contract may be entered into by the United States Government with any person who makes or holds any investment in the Government of South Africa or in a business enterprise in South Africa until—

(1) the President determines and certifies to the Congress that—

(A) the Republic of South Africa has ended its military occupation and political control of Namibia and has recognized the independent sovereignty of Namibia, and

(B) the Government of South Africa has made substantial progress toward the full participation of all the people of South Africa in the social, political, and economic life in that country, and toward an end to discrimination based on race or ethnic origin; and

(2) a joint resolution is enacted approving the President's certification.

SEC. 2. REGULATIONS AND REPORTS.

The President may issue such regulations, licenses, and orders as are necessary to carry out this Act. The President may require persons subject to section 1 of this Act to file such reports as may be necessary to ensure compliance with that section.

SEC. 3. ENFORCEMENT.

The President shall take the necessary steps to ensure compliance with the provisions of this Act and any regulations, orders, and licenses issued under this Act, including establishing mechanisms to monitor compliance with the prohibitions contained in this Act. In ensuring such compliance, the President may conduct investigations, hold hearings, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation.

SEC. 4. PENALTIES.

Any officer or employee of the United States who violates section 1 of this Act shall be fined not more than [$] or imprisoned not more than — years, or both.]

SEC. 6. DEFINITIONS.

For purposes of this Act—

(1) PERSON.—The term "person" includes a State or local government.

(2) SOUTH AFRICA.—The term "South Africa" includes—

(A) the Republic of South Africa,

(B) any territory under the administration, legal or illegal, of South Africa, and

(C) the "bantustans" or "homelands", to which South African blacks are assigned on the basis of ethnic origin, including the Transkei, Bophuthatswana, Venda, and Ciske.

(3) INVESTMENT IN THE GOVERNMENT OF SOUTH AFRICA.—A person makes or holds an investment in the Government in South Africa if that person makes a loan or other extension of credit to, or beneficially owns or controls a bond or other debt instrument issued by, the Government of South Africa or any corporation, partnership, or other organization which is owned or controlled by the Government of South Africa, as determined under regulations issued by the President;

(4) INVESTMENT IN A BUSINESS ENTERPRISE IN SOUTH AFRICA.—

(A) IN GENERAL.—A person makes or holds an investment in a business enterprise in South Africa if that person—

(i) establishes or controls funds or other resources (including making a loan or other extension of credit) for the establishment of such a business enterprise;

(ii) otherwise invests funds or other resources in such a business enterprise, including—

(I) beneficially owning or controlling a share or interest in such a business enterprise;

(II) beneficially owning or controlling a bond or other debt instrument issued by such a business enterprise;

(III) making capital contributions in money or kind to such a business enterprise; and

(IV) except as provided in subparagraph (B) of this paragraph, making a loan or other extension of credit to such a business enterprise, or giving security for the debts of such a business enterprise; or

(iii) controls a business enterprise in South Africa, in cases to which clauses (i) and (ii) do not apply.

(B) EXCETION FOR CERTAIN EXTENSIONS OF CREDIT.—The term "investment in a business enterprise in South Africa" does not include an extension of credit which—

(i) is made to finance the sale of goods or services to a business enterprise in South Africa, and

(ii) is repayable not more than [60] days after the goods or services are delivered.

(5) BUSINESS ENTERPRISE.—The term "business enterprise" means any organization, association, branch, or venture which exists

for profitmaking purposes or to otherwise secure economic advantage, and such term includes the ownership of real estate.

(6) BRANCH.—The term "branch" means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.

(7) CONTROL.—A person shall be presumed to control a business enterprise in South Africa if—

(A) a majority of the members of the board of directors of the business enterprise are also members of the comparable governing body of that person;

(B) that person has authority to appoint a majority of the members of the board of directors of the business enterprise;

(C) that person has authority to appoint the chief operating officer of the business enterprise; or

(D) the business enterprise is oprated by that person in accordance with an exclusive management contract.

SEC. 7 EFFECTIVE DATE.

This Act shall take effect —— days after the date of the enactment of this Act.●

DEFENSE CONTRACT ABUSES

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BRYANT. Mr. Speaker, the Washington Post has begun a series of articles which will examine the abuses uncovered in defense contracting, an issue which has been under scrutiny by the Energy and Commerce Subcommittee on Oversight and Investigation.

I commend this second in the series to my colleagues' attention:

PROFITS SOAR IN BUILDUP AS FIRMS CASH IN, QUESTIONS CROP UP

(By Fred Hiatt and Rick Atkinson)

MARIETTA, GA.—The arsenal of democracy is busy these days at Air Force Plant No. 6. Where the Lockheed Corp. nearly died 15 years ago, 17,000 workers now move with an agile hustle among the heaps of aluminum and rivets and tires being fashioned into military cargo planes—and record profits.

Five miles to the north, in the shadow of Kennesaw Mountain, one of Lockheed's 5,871 subcontractors also is flourishing. While Lockheed builds the world's largest airplane, workers at the Torco Inc. machine shop turn out thousands of slender metal pegs destined for the fuselage of that plane, the C5B. The pegs represent Torco's reentry into military contracting after an eight-year hiatus.

Colossal Lockheed and tiny Torco are among tens of thousands of beneficiaries of a spending spree so intense that aerospace sales this year are expected to break the record set at the peak of the Vietnam war. The industry's backlog, built mostly from Pentagon orders, has reached a staggering $133 billion. Defense production since 1980 has grown at three times the clip of U.S. industry as a whole.

President Reagan's $2.3 trillion buildup is like nothing ever seen in peacetime America. It has produced jobs, advances in science and, for many Americans, a renewed sense of patriotism.

RENEWAL OF SUSPICIONS

With that pride, however, have come age-old suspicions of war profiteering by arms merchants.

The arsenal of democracy, as Reagan calls the weapons industry, is cashing in at an astonishing rate. And critics question whether it is delivering fair value for the taxpayers' billions.

Defense contracts are yielding profits rarely matched by commercial business; the Pentagon's top dozen companies earned more than $6 billion last year.

But few of those defense giants are paying any federal income taxes to help finance the buildup—instead exploiting a giant loophole, known as "The Method" to industry accountants.

Some of the most profitable have collected tax refunds, payments from the government that amount to a negative income tax.

While charging the government inflated prices for everything from pliers to helicopters, according to Pentagon and congressional investigations, the companies often reward top executives with million-dollar salaries and other employees with wages far above national norms.

Nor does top dollar appear to be buying top quality. Just in the past year, the Pentagon has found improperly tested microchips and sloppily soldered missiles, as well as cracks in the wings of attack planes and the tails of its newest jet fighters.

Furthermore, there are vexing questions about whether the Pentagon is getting a lot less bang for a lot more buck.

Although warplanes today obviously are bigger and more complex, Air force Plant No. 6 was cranking out three B29 bombers a day during World War II; today, Lockheed is muscling up to build one C5B a month.

Finally, a spotlight has been turned on the industry's ethics by allegations of improper billing for nucler-warhead contracts (General Electric); falsifying bills on the MX missile (Sperry); billing taxpayers for boarding an executive's dog (General Dynamics); charging the Navy $25 million in legal fees (McDonnell Douglas); cutting corners in testing electronic chips (National Semiconductor) and billing the Pentagon for political contributions (Boeing).

Administration and business leaders contend that abuses are rare and unfairly sensationalized by the news media and congressional critics.

"We care as Americans, and we care as an industry," Roy A. Anderson, Lockheed's chairman, told Congress.

"Sure, industry has made some mistakes, but I believe that in relation to the magnitude and complexity of defense procurement, they have been isolated."

But former deputy defense secretary Frank C. Carlucci, who left the Pentagon two years ago, said he was dismayed that companies expend so much energy elbowing each other for a bigger slice of the pie.

"The biggest problem I have with the defense industry is their desire to expand their own program at the expense of the other fellow," Carlucci said.

"As I've told them publicly, it's kind of like rearranging deck chairs on the Titanic . . . Maybe [I am] unrealistic and utopian, but certainly other industries have looked to the common good."

WAGES TAKE OFF

It was only a quarter century ago that the Air Force used to scrutinize every contractor salary above $25,000 a year, reserving the right to approve or quash those deemed exorbitant.

Times have changed. The lowest annual pay for a chief executive among the top 10 defense contractors is just under $500,000. Several earn more than twice that.

Executive pay at a dozen large defense aerospace companies averages 42 percent higher than the average salaries and bonuses at comparably large commercial companies, according to a General Accounting Office study last fall.

The relatively high salaries aren't limited to the corporate brass, either.

The Congressional Budget Office last year found that aerospace workers earned 21 percent more than the average U.S. worker, even after adjusting for their higher skills and training.

Defense Department auditors last year found that security guards at 13 defense plants were earning as much as $26,000 a year more than guards at nearby commercial plants. Other studies show similar results for secretaries and janitors.

The Pentagon's interest in salaries is more than idle curiosity: about 70 percent of contract dollars underwrite wages, according to Maj. Gen. Bernard L. Weiss, chief of Air Force contracting policy.

The Defense Department has a legal obligation to ensure that those contractor wages are "reasonable," but the burden of proof for demonstrating exorbitance rests with the government.

SALARIES AT THE TOP: 1983

[What Executives Earned at the Biggest Defense Contractors]

Corporation and executive	Annual pay	Long-term compensation[1]
General Dynamics:		
D.S Lewis, chairman	$478,000	$898,000
O.C. Boileau, president	539,000	605,000
McDonnell Douglas:		
S.N. McDonnell, chairman	567,000	(2)
J.F. McDonnell, president	357,000	(2)
Rockwell International:		
R. Anderson, chairman	1,047,000	(2)
D.R. Beall, president	782,000	(2)
General Electric:		
J.F. Welch, Jr., chairman	1,158,000	1,673,000
E.E. Hood, Jr., vice president	829,000	1,084,000
Boeing:		
T.A. Wilson, chairman	873,000	1,052,000
M.T. Stamper, president	528,000	278,000
Lockheed:		
R.A. Anderson, chairman	698,000	(2)
L.O. Kitchen, president	541,000	334,000
United Technologies:		
H.J. Gray, chairman	1,191,000	959,000
R.J. Carlson, president	700,000	619,000
Tenneco:		
J.L. Ketelson, chairman	810,000	(2)
J.P. Diesel, president	547,000	(2)

[1] Stock options, retirement plans, tax deferred savings plans, etc.
[2] Did not receive long-term compensation.
Source: Sibson & Co. & Standard & Poor's Compustat Services, Inc.

That has been nearly impossible. An Air Force memo in March 1984 complained about contractor "wage escalations far in excess of actual inflation" and lamented that the Pentagon lacks the clout to challenge "excessive compensation costs."

Inflated salaries also boost a contractor's profits. Because profit often is calculated as a percentage of overall costs, the higher the costs paid by the government—including reimbursement for wages—the greater the profit.

The Pentagon may even pay for employees of the contractor who aren't working on government business. The Air Force memo cited one "blatant example" involving the Stanwick Corp., in which the Armed Services Board of Contract Appeals ruled that the Pentagon had to pay for "admittedly 'unproductive' engineers."

Why? Because, according to the memo, "the contractor had to retain its technical expertise in order to attract new work."

OUT OF A NOSEDIVE

After a brush with bankruptcy and a billion-dollar loss in the 1970s on a commercial jetliner, the L1011, Lockheed has found the secret of success in the 1980s: government work.

Lockheed, which now gets 85 percent of its sales money from the U.S. government, isn't alone. Boeing, General Dynamics, Litton, Martin Marietta, Rockwell and other giants with both government and commercial contracts have leaned increasingly toward the Pentagon.

The reason is simple: Work is bountiful and profits are dwarfing companies' earnings on commercial work. In some cases, defense work is 10 times as lucrative, according to an internal Navy study, a sharp reversal from the 1970s.

In 1983, Boeing reported a profit of $98 million on about $7 billion in commercial sales. Its military work, by contrast, reaped almost three times the profit—$289 million—on $2.6 billion in sales. Moreover, Boeing had nearly four times as much of its money tied up on the commercial side, according to company figures.

Across the board, the defense industry is flush with cash and boasting about it to stockholders. Lockheed: "1984 was the third consecutive year of record earnings." United Technologies: "Best year ever in 1984." General Dynamics: "For the first time in many years, all operating units were profitable."

Industry chieftains point out that when profits are calculated in proportion to sales, the returns are modest.

Lockheed, for example, earned about a 4 percent profit on sales last year, according to Lockheed-Georgia president W.P. Frech, who observed, "It's not the lucrative thing that people think."

But when using the yardstick most analysts say gives a truer picture—return on equity, or profit as proportion of money invested—quite a different story emerges. Lockheed ranked first among defense contractors, with a remarkable 87 percent annual return on equity during the past five years, according to Forbes magazine.

The Pentagon usually doesn't ask its suppliers how much profit they end up making, and companies balk at disclosing contract-by-contract earnings.

But some notion can be gleaned from a General Accounting Office study of several cases that Adm. Hyman G. Rickover had denounced as excessive:

On a contract to supply cobalt material for large valves in Navy nuclear ships, the Cabot Corp. of Boston earned profits of 61 percent of the contract value.

The Carborundum Co. of Niagara Falls, NY, earned 25 percent profits on a contract to provide boron carbide for Navy nuclear reactor cores.

The United States Steel Corp. insisted on profits between 27 and 38 percent for high-pressure cylinders used in Trident nuclear submarines.

In each case, the companies either disputed the GAO's conclusions or asserted that the profits were in line with the difficulty of the job.

Since 1976, the Pentagon has steadily increased profits for its contractors in hopes that the companies will plough more cash into modern equipment. But an Air Force study in 1982 found that, while profits had increased sharply, "relative investment did not change."

Once again, the Pentagon is doing a major study of industry profits and investment, with results expected this spring.

Some critics say that contractors have little incentive to invest, either because the government often antes up its own money or because Pentagon logic frequently dictates that the more money a contractor spends building a weapon, the more profit he earns.

"Therefore, a contractor may actually see profits reduced as a result of efforts to improve productivity and reduce costs," two Pentagon officials concluded in Industrial Engineering magazine last year.

To encourage savings, the Pentagon has tried to replace "cost-plus contracts"—which reimburse a company for whatever it spends—with fixed-price contracts. But some contractors beat the system by shifting costs from fixed-price contracts in one part of their factory onto cost-plus work under way elsewhere, according to Pentagon investigators.

Inappropriate charging, for which General Electric was indicted last week, is common, the Pentagon told Congress last year.

"Because the government reimburses all costs which are allowable, allocable and reasonable, the contractor may increase profit by mischarging," the Pentagon added. "Frequently, work that is being done by low-level technicians is billed as being done by senior scientists or engineers at much higher rates."

In addition to paying a negotiated profit, the Pentagon reimburses contractors for part of their overhead costs—electricity or clerical help, for example—just as other companies cover overhead in the price of their products. But overhead has long been "the contractor's carpet, the one where you lift the corner to sweep the dirt under," according to Pentagon critic Gordon Adams.

Recent investigations have shown how General Dynamics billed taxpayers for such overhead expenses as babysitters for executive's children, kennel fees for an executive's dog and the purchase of a $546 mattress for an executive displeased with a standard hotel bed.

But General Dynamics isn't alone, according to George R. Spanton, who recently retired as chief Pentagon auditor at Pratt & Whitney's aircraft engine plant in West Palm Beach, Fla.

The government has challenged billings by Pratt & Whitney for such overhead costs as a Halloween party thrown for "employee morale" and a $67,500 donation to an Oklahoma arts society favored by an Air Force general's wife, Spanton said.

A spokesman for Pratt & Whitney said that the donation was charged in error and quickly withdrawn and that, in general, the company has not billed the government improperly. None of the charges questioned by the Pentagon since 1978 have been "negotiated" or resolved yet, the spokesman added.

"It's not billions of dollars," Spanton said. "But it gives you an idea of their 'I don't give a damn' attitude."

A FREE LOAN

Hidden under the $314 billion the Reagan administration wants to spend on defense next year is an annex to the military budget: the money the government won't collect from defense contractors in taxes.

"When you have deferred taxes of $10 billion, that's a free loan," defense analyst Laurence Lytton said. "It costs the taxpayers $1 billion a year."

According to spokesmen for the companies, General Dynamics has paid no federal income taxes since 1972, Lockheed since 1979, Boeing since 1980. Grumman has paid about $30 million in the past few months, the company's first contributions to the Treasury since 1976.

In fact, like many American corporations, some defense giants have collected massive refunds from the government by taking advantage of 1981 tax legislation.

General Electric, ranked fourth in the defense industry, earned $6.5 billion in profits from 1981 to 1983, yet paid no federal income tax and claimed a refund of $283 million, according to a study by Robert S. McIntyre of Citizens for Tax Justice, a labor-backed interest group.

McIntyre said the five companies named above, with profits of $10.5 billion in the first three years of the Reagan administration, "have been able to exempt themselves from contributing one dime toward the cost of the national defense buildup from which they stand to profit so handsomely."

"It looks to somebody who looks at this for the first time that the company is getting away with something," said Doug Dahlgard, Grumman's director of taxes. "The story is really a lot longer than that."

None of the tax avoidance is illegal, Dahlgard said. Instead, the companies largely rely on what industry has come to know as The Method.

Construction companies traditionally used the "completed contract" method of accounting to delay paying taxes until a building project was finished and profits could be measured accurately.

In the mid-1970s, the Treasury Department expanded The Method, and defense contractors quickly turned it to their advantage, since arms contracts may remain open for many years. In 1982 Congress again tightened some aspects of The Method, and the deferred taxes eventually will be paid. In the meantime, however, the contractors get what amounts to hundreds of millions of dollars in interest-free loans.

"No question the company has made some fine uses of the deferred taxes," Dahlgard said.

In addition, defense companies have profited from the same tax saving opportunities extended to other manufacturers, amounting to millions of dollars in investment credits and accelerated write-offs for the cost of heavy machinery and research credits—even for projects financed by the government.

"Nothing is really fair in this world," Dahlgard said. "Everybody has to take advantage of every situation."●

NEW YORK CITY AWASH IN DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. RANGEL. Mr. Speaker, an article from the March 13, 1985, edition of the New York Post proclaimed "City Is Trapped By Drug Users." The article contains several grim statistics on the relationship between drugs and crime.

For example, there are an estimated 200,000 heroin addicts in New York City. In a recent study of 6,000 Manhattan males charged with serious

crimes, 54 percent showed evidence of recent drug use—with cocaine used most often.

In 1985, New York City's special narcotics prosecutor, Mr. Sterling Johnson, and his 50 staff attorneys plan to prosecute more the 3,000 drug dealers and buyers. That is an increase of 250 percent from the 1,200 felony indictments his office handled 5 years ago. Because of a shortage of prosecutors, judges, and courtrooms, only 139 of Johnson's 2,900 drug indictments went to trial last year.

Mr. Speaker, these figures are made more alarming, because of the inability of the Federal Drug Enforcement Administration to concentrate its resources to reduce the problem. For example, the article reports that the DEA spokesman, Andy Fenrick, acknowledged that New York City "has a huge cocaine problem, but we simply don't have the men to concentrate on it. "Except for occasional high-level cocaine cases," he says, "his 200 agents are devoting their time almost exclusively to heroin investigations."

As the elected representative of the people of the 16th Congressional District of New York, and the chairman of the House Select Committee on Narcotics, I am committed to doing everything I can to curtail drug abuse in my city, State, and Nation.

It is for this reason that I introduced on Janaury 7, 1985, H.R. 526, the "State and Local Narcotics Control Assistance Act of 1985." This legislation would, beginning in fiscal year 1986 and running through fiscal year 1990, make available to States and local governments $750 million for more prosecutors, judges, jails, eradication activities, and drug abuse prevention, education, and treatment programs.

Mayor Koch says that "no matter what we do we will not be able to end pushing." I, for one, am not about to give up the fight against drugs. The situation is serious. Our DEA agents are being murdered, and Colombian drug traffickers have threatened to kill five Americans for every suspected Colombian drug smuggler extradited to the United States. Drug abuse is destroying the vitality and creativity of many people in our society, especially the young. I call again for my colleagues to join with me as cosponsors of H.R. 526. By enactment of this bill, we will give our rhetoric new meaning, and demonstrate to our constituents that we are serious, when we say we are working to bring drug abuse under control.

Mr. Speaker, I ask that the article entitled "City Is Trapped By Drug Users" be inserted in the CONGRESSIONAL RECORD at this point.

The article follows:

[From the New York Post, Mar. 13, 1985]

"CITY IS TRAPPED BY DRUG USERS"

(By Ransdell Pierson)

The city's 200,000 heroin addicts and a new class of "cocaine junkies" are responsible for more than half the city's robberies, burglaries and other crimes, according to local law enforcement officials.

"These folks aren't working," says Sterling Johnson, Jr., the city's special narcotics prosecutor. "They're stealing from supermarkets, stores, robbing people on the street. Anything to get $100 or $200 a day to support their habits."

Johnson estimates the average heroin addict steals more than $25,000 a year in cash and merchandise.

"They're not overly concerned about the police. The only thing they're afraid of is not getting their drugs."

He cited a Baltimore study which showed that 243 heroin addicts committed a total of 500,000 crimes over an 11-year period—more than 2000 each.

In a recent study of 6000 Manhattan males charged with serious crimes, 54 percent showed evidence of recent drug use—with cocaine used most often.

Harlem, Bedford-Stuyvesant, the Lower East Side, and the South Bronx are the city's worst heroin centers. Addicts, however, can be found in depressingly large numbers throughout the city.

This year, Johnson and his 50 staff attorneys plan to prosecute more than 3000 drug dealers and buyers through the city's Special Narcotics Courts Program.

That's up 250 percent from the 1200 felony indictments his office handled five years ago.

Johnson attributes the dramatic surge in cases to police round-ups, such as Operation Pressure Point—and the increased drug smuggling into the U.S.

Johnson said his biggest surprise has been the "explosion" of cocaine charges coming in.

Cocaine-related cases now surpass the number of heroin indictments on his court calendar.

"If you are spending $100,000 a year to put cocaine up your nose, which is not unusual, that's an addiction. You've got to steal to support that kind of lifestyle.

"The city is being trapped by drug users," he said. "It's worse and worse every year."

Because of a shortage of prosecutors, judges and courtrooms, only 139 of Johnson's 2900 drug indictments went to trail last year.

"We'll arrest a person for selling drugs, and it will take a year to dispose of the case," he explained. "If you have a prosecutor with 100 cases, what can you do?

"You can plea bargain."

Local agents of the Federal Drug Enforcement Administration told The Post they are unequipped to tackle the city's mushrooming cocaine problem.

DEA spokesman Andy Fenrich acknowledged that the Big Apple "has a huge cocaine problem, but we simply don't have the men to concentrate on it."

Except for occasional high-level cocaine cases, he says, his 200 agents are devoting their time almost exclusively to heroin investigations.

"That does not mean we don't have a huge cocaine problem.

"Heroin over the last few years has remained fairly stable, while the cocaine problem has gotten much worse.

"But we simply don't have the men to work on both the cocaine and the heroin."

State Appellate Justice Francis Murphy Jr. estimates that "one out of every 40 of the city's citizens is a heroin addict."

"That's more than the whole population of a lot of major cities. When does the our war against narcotics begin?" asks Murphy, who serves as president of the New York State Federation of Judges.

"Should we wait till it's one in 20—or one in five?"

Mayor Koch says the drug statistics keep him awake at night.

"No matter what we do we will not be able to end drug pushing," he conceded. "All that we can do is move it around. Operation Pressure Point gets it out of the Lower East Side, in part. But I know, and the police know, that it moves elsewhere—either off the street into buildings, or into other communities.

"It's just too lucrative for those smuggling heroin and cocaine into this country—at least $50 billion annually in street value."

He compared drug smugglers to "terrorists carrying bombs" and said the military—not just the U.S. Customs Service and the Border Patrol—should be given authority to police the country's borders and apprehend dealers.

"Why aren't the armed forces given the same mission—to apprehend terrorists of a different form. Some say that in some way it would violate civil liberties and civil rights. And I say, whose civil liberties—that of a terrorist?"

Julio Martinez, director of the state Division of Substance Abuse Services, said his agency is keeping 23,921 heroin addicts away from crime by daily doses of methadone—a drug which inhibits withdrawal pains when substituted for heroin.

"But another 200,000 addicts aren't receiving any treatment, because his agency doesn't have enough funds to serve them," said Martinez.●

OPPORTUNITY FOR DIPLOMATIC BREAKTHROUGH IN NORTHERN IRELAND?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs I am fortunate to come in contact with a number of individuals who have a deep commitment to the cause of peace and justice for Northern Ireland. One of the most effective of these is Peter T. King, county comptroller of Nassau County in New York.

Peter King recently embarked on one of the several trips he has taken to Northern Ireland. During his trip which commenced on January 26 and ended on January 31, he observed another group of so-called supergrass trials; a highly controversial process under which paid informants provide uncorroborated testimony which can be used and which is used to convict defendants.

I call upon my colleagues to review the report which Peter King compiled on this trip. It serves to focus atten-

tion on still another facet of British policy in Northern Ireland which takes extraordinary liberties with the rights of individuals to due process.

At this point in the RECORD I wish to insert Peter King's report and I would also like to add that Peter did serve with great distinction as the grand marshal of the glorious St. Patrick's Day parade in New York this past March 17.

LOYALIST ALIENATION IN NORTHERN IRELAND: AN OPPORTUNITY FOR A DIPLOMATIC BREAKTHROUGH

(By Peter T. King)

During the period of January 26-January 31, 1985, I was in Belfast, Northern Ireland at the invitation of Families For Legal Rights which is an organization comprised of relatives of loyalist defendants who have been charged on the uncorroborated testiony of "supergrass" informers.

The purposes of this visit were (a) to observe the current loyalist supergrass trial where 29 alleged members of the outlawed loyalist para-military Ulster Volunteer Force [UVF] are being tried on the uncorroborated testimony of supergrass James Crockard and (b) to meet with leaders and representatives of the loyalist community.

I had previously been to Northern Ireland five times. While I had met with loyalists on several of those occasions, my main contact had been with nationalists. It has been a fact of life and death in Northern Ireland that political and sectarian divides are not easily crossed.

In October 1983 I had been in Belfast to observe two supergrass trials (McGrady and Grimley) of nationalist defendants. At a news conference in Belfast and in a report which I wrote upon my return to the United States, I stated that these supergrass trials, where large numbers of defendants are tried together for unrelated crimes, without a jury, and are convicted on the uncorroborated testimony of a supergrass informer, are show trials reminiscent of Stalin's Russia. I charged that the judiciary of Northern Ireland had surrendered its independence and had become a mere adjunct of British military policy. I contended that the use of supergrasses was merely the latest abuse by England of Northern Ireland's criminal justice system. Previous abuses, some of which continue to date, include internment without trial, tortured confessions, the use of lethal plastic bullets against civilians, and indiscriminate searches of homes and arrests of civilians by security forces.

In January 1984 I participated in the filming of a television documentary on the supergrass system for the program "20/20 Vision" which is shown on Channel 4 in England. At that time I met with relatives of loyalist defendants in supergrass trials. While they made me aware of loyalist disaffection with British rule, I did not realize the actual extent of that disaffection.

I accepted the invitation of Families For Legal Rights because it has always been my position it is just as wrong when loyalists have their rights violated as it is when nationalists' rights are violated. Human rights are universal and cannot be allowed to be restricted by political or sectarian boundaries. I also believed it was significant that a hard-core loyalist group, which was fully cognizant that I was a Catholic and supported the nationalist cause, would invite me to assist it. This signalled to me a considerable change in loyalist thinking.

The Crockard trial is as violative of due process and civil and human rights as were the McGrady and Grimley trials. In virtually every particular this loyalist trial equalled the nationalist trials in its perversion of justice. Even if any or all of the 29 defendants are acquitted, justice will not have been done because the lives of the defendants and their families will have been devastated because of a criminal prosecution and trial which were fatally defective *ab initio*. In fact, the supergrass trials are a sophisticated version of internment because whether or not the defendants are convicted—bowing to international pressure, the judges have been acquitting defendants on evidence which would have been more than sufficient for conviction just one year ago—large numbers of them are imprisoned from the time of their arrest until trial. This time "on remand" often exceeds two years.

The prevalent thinking in Northern Ireland today is that the use of supergrasses has just about run its course with only two significant cases remaining—Kirkpatrick (nationalist) and Gibson (loyalist). This, however, should provide little solace because recent history has demonstrated that England replaces one draconian system with another—e.g., internment was succeeded by Diplock Courts which were characterized first by tortured confessions and then by supergrasses.

What has made the supergrass system unique is the extent to which it has been imposed upon the loyalist community. Internment, tortured confessions and plastic bullets were directed primarily against the nationalist community and this caused England considerable public relations problems. England attempted to avoid this problem with the supergrass system by charging loyalists as well as nationalists, thereby giving the appearance of even-handedness.

This had outraged the loyalist community for several very basic reasons. First, in their frenzied pursuit to erect the facade of impartiality, the British have charged loyalists on evidence which, in some instances, is even less credible than the evidence against nationalists. Second, the "terrorist" offenses for which the loyalists are now being charged are the very type actions which, in the past, the British security forces condoned and even encouraged them to commit against the nationalists. Third, while the British have moved against the loyalists in the past, it has never been on this scale or to this extent. Indeed, the loyalists have historically viewed themselves as the ultimate defenders of British rule in the six counties. For loyalists to witness the British system of justice being so horribly perverted with themselves included among its victims is psychologically shattering to growing numbers of loyalists.

The extent to which many working class loyalists feel alienated from England was made clear to me in my meetings with Families For Legal Rights and with loyalist politician George Seawright and with Andy Tyrie who is the commander of the loyalist para-military Ulster Defense Association [UDA].

At this juncture, I believe that my terminology should be defined. In the context of Northern Ireland, "loyalist" is interchanged with "Protestant" and "nationalist" is interchanged with "Catholic". It has been, however, and continues to be my firm belief that the tragedy of Northern Ireland is in no sense a "religious" conflict. The loyalists historically were Scotch or English settlers who happened to be Protestant and the nationalists were native Irish who happened to be Catholic. It has also been my belief that the loyalist and nationalist communities have far more in common with one another than they do with England. The British, however, have succeeded in dividing the communities and pitting one against the other by according the loyalist majority a status superior to the nationalists. Among the working class, however, where, ironically, the animosity is most bitter, the loyalist superiority is often marginal. As Andy Tyrie states to me: "The Catholics have always claimed they have been second class citizens in Northern Ireland. That is not true. The loyalists were the second class citizens; the Catholics were third class citizens."

Because of the traditional loyalist attachment to British rule, however, loyalist politicians generally refrain from any criticism of British policy. Thus many loyalist politicians support the use of supergrasses because they believe that to attack any part of the British system would give credence to the nationalist movement. Thus, while loyalists are being illegally imprisoned, their elected representatives have been silent and, accordingly, have lost touch with many of their constituents.

George Seawright is an elected member of the Belfast City Council and the Northern Ireland Assembly. Some of his remarks, such as his desire to "incinerate" Catholics, can only be described as undisguised bigotry. He does, however, demonstrate an intellectual consistency uncommon among loyalist politicians. For instance, he has sided with Sinn Fein in the Belfast Council when he believes nationalist representatives are being denied their rights. He is also an outspoken opponent of the supergrass trials and is opposed to the strip-searches of women in Armagh Prison even though few loyalists have yet been victimized by this degrading process.

Andy Tyrie heads a para-military organization which has killed many nationalists. For several years, however, he has advocated independence from Britain in the form of a six-county Ulster. Understandably, the nationalists reject Tyrie's proposal because they believe—quite rightly in my opinion—that a loyalist controlled six-county state would result in the same type of government sanctioned oppression of the nationalists that characterized Northern Ireland from 1920-68. Tyrie is, however, very much opposed to supergrasses and strip searches and is anxious to set forth his positions on these issues to Irish-Americans. Indeed, my meeting with him at the UDA headquarters in East Belfast went on for more than 3 hours.

What most vividly demonstrated to me the dramatic change in loyalist attitude and thinking, however, was my meeting with accused UVF members and their relatives which Seawright also attended. The meeting was held in the Loyalist Club on the Shankill Road which is the embodiment of the most bitter hatred between loyalists and nationalists. Yet, as a Catholic and professed nationalist supporter, I was graciously and politely received. Quite frankly, I could not imagine such a meeting taking place several years ago. These most dedicated loyalists were willing to ignore my Catholic religion and republican sympathies in an attempt to reach agreement on matters such as supergrasses which are of concern to both loyalists and nationalists.

I do not for a moment minimize the extent of the breach between the communities. Nonetheless, I believe that there now

exists a unique diplomatic opportunity which should be seized before the moment passes. The ideal role for the United States to play is as an honest broker. Every effort should be made by the United States to encourage meaningful dialogue between the two communities on issues of mutual relevance and importance. Supergrasses and strip-searches are two such issues. Additionally, the United States must not only permit but indeed encourage loyalist and nationalist representatives to set forth and articulate their positions to the American people. In short, the United States must discard its visa denial policy and allow all Northern Ireland representatives into our country including nationalists such as Gerry Adams, Danny Morrison, and Owen Carron and loyalists such as Andy Tyrie, George Seawright, and Ian Paisley.

The time has also long since come to acknowledge that a war situation exists in Northern Ireland and that peace will never come until all parties to the conflict including para-militaries such as the Ulster Defense Association, the Ulster Volunteer Force and the Irish Republican Army are permitted to take part in whatever negotiations are ultimately held.

My own views on Northern Ireland are unchanged. I believe that Northern Ireland is a failed political entity and that the only viable, long-term solution is a united 32 county Ireland wherein the legitimate rights of loyalists and nationalists would be guaranteed. The precise framework and time table for a united Ireland would be arrived at after honest and meaningful diplomatic initiatives by London and Dublin and negotiations among all parties including para-militaries.

Ideally, the United States would set this process in motion by furthering the dialogue between loyalists and nationalists. Even, however, if the dialogue does not bring about a long-term political solution, it could nevertheless result in the alleviation of human rights violations by the British against both communities and that in itself would be a very meaningful achievement.

Finally, London and Dublin can be expected to resist any effort to achieve nationalist-loyalist dialogue because that will limit their influence. The English and Irish governments have, however, failed miserably over the past 65 years in Northern Ireland. Each has cynically manipulated and abandoned the communities whose interests it supposedly represented. In short, the bankrupt policies of London and Dublin cannot be allowed to once again frustrate the hope of progress.

The people of Northern Ireland have suffered too long and too hard for the United States to ignore the potentially historic diplomatic opportunity which presently exists. The time for action is now. The judge is history.●

FAMILY PLANNING AND FOREIGN AID

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MOODY. Mr. Speaker, on Tuesday the Foreign Affairs Committee voted to restore funding in the foreign aid appropriations bill for family planning programs, thus recognizing the urgent need to bring the world's population under control and exhibit the ability to show some foresight regarding a situation that can only become worse if left unchecked.

I am especially cognizant of the immediacy of this problem, having just participated in a public policy seminar on population and development held by the population Institute in Ciudad Juarez, Mexico. The seminar's other participants, coming from every corner of our hemisphere, appropriately pointed out how close the relationship is between the Third World's poverty and its burgeoning population. We had the opportunity to view firsthand one of the most successful programs of its kind, organized and sponsored by the Federacion Mexicana de Asociaciones Privadas de Planificacion Familiar [FEMAP], an umbrella organization of private family planning groups.

Many of us are aware of the social, economic, and cultural pressures which bear down on the people of this region, making all the more impressive the progress made by FEMAP. I visited with people who are intimately involved at all levels of the program, from its charismatic founder, Guadalupe de la Vega to users of its services who ardently praise FEMAP's efforts.

Two experiences in particular deserve special notice. Our visit to a local high school revealed some very sophisticated, articulate young people who themselves aid the FEMAP program by offering information and counseling on a limited basis to their peers. These dynamic students have been chosen specifically because of their talent for communicating with others. During our meeting, I was struck by the pride they take in helping form Mexico's future and the hope they express for improving the quality of life for all of Mexico's citizens.

The final stop on our tour was the house of a woman who has helped many people in her neighborhood achieve important goals in the number and spacing of children in their families. She spoke to us with great feeling and conviction, and brought tears to our eyes with a poignant request not to forget the children of Mexico—because they, too, want the ability to plan families.

In conjunction with the seminar the institute held its fifth annual awards program for excellence in media reporting on population issues. I am pleased to list the honorees:

Best Radio Program, Steve McVicker, National Public Radio. Honorable Mentions: Rene Augusto Flores, Radio Diario, Guatemala Vaughn Phillip, Radio Grenada.

Best Periodical, Veja Brazil.

Best English Daily in Latin America, Roger Toll, Mexico City News.

Best Public Service Announcement, Maria Christina Rosales Diaz, APROFAM, Guatemala.

Most Conscientious News Service, Jose Luis Alcazar, Inter Press Service, New York.

Best Individual Reporting, Olivia Ward, Toronto Star, Canada.

Best Team Reporting, Paul Goodsell, James Flanery, Omaha World Herald.

Best Editorial, Juan Vasquez, Los Angeles Times (Mexico City Bureau).

Best Television, Turner Broadcasting Inc.

Best Daily in Latin America, Roger Toll, Novedades, Mexico City.

In addition, cited as best independent national columnist was Georgie Ann Geyer of the Universal Press Syndicate. Her acceptance remarks are particularly relative to the importance of the population issue and I am pleased to also include them at this point:

I cannot tell you how deeply honored and pleased I am to receive this meaningful award.

The work you are doing stands today not only as an important work but as work of unprecedented importance in the entire history of man. Modern wars? Many of them—El Salvador's bloody war, for instance, stem directly out of overpopulation. Ethiopia's famine? At the turn of the century Ethiopia had 40 percent of its land arable; today, that percentage is 4 percent. With the doubling of its population in the last 20 years, it is no wonder there is massive famine. Indeed, it can be no other way.

Of course, it could be another way. Mankind could learn to plan rationally so that we evolve and devolve. Yet, that is not happening in most of the world. Where there is rational planning—in the countries around the rim of the Pacific, for instance—mankind is forging ahead.

You are in the vanguard of this planning. You are in the vanguard of the only hope for a better life for mankind. The work you are doing is no longer a luxury, it is today a desperate necessity if we are all even to survive.

Bless you all—and thank you.

These sobering remarks, and those of the other honorees, raise serious issues which can only be ignored at our peril. We must continue to help the people who want help. Family planning programs are crucial to raising the quality of life for untold numbers of citizens in Third World countries—those who are here today and those who will come tomorrow.●

MILITARY RETIREMENT REFORM

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ASPIN. Mr. Speaker, I have introduced today a bill to cut $4 billion from the Military Retirement Program in order to force a change in the Pentagon's pension system.

Congress and the Pentagon have dickered with the retirement issue for two decades. It's time to bring matters to a head.

I am not proposing detailed legislation rewriting the military retirement system. What I am proposing would

force the Pentagon to draft legislation. Under my bill, Congress simply removes money from the requested budget for military pay and benefits. The Pentagon would then have to draft legislation to change the retirement system in order to have enough money left to make its payroll.

I am taking this tack for several reasons.

First, there are many intricate, technical issues involved in retirement. I want the Pentagon to have first crack at dealing with these.

Second, there are always great moans from the Pentagon that any change in the pension plan will induce service members to quit the military. The Pentagon will obviously design legislation that it feels will have the least impact on retention; career service personnel will feel happier if their own people are doing the drafting, rather than civilians in Congress.

Third, there's a pure and simple political reason. Members of Congress may want to reduce the military pension burden, but they feel ill at ease dealing with the technical intricacies and facing lobbyists who argue that this or that or another proposal is damaging to the military.

The tack I am suggesting allows Congress to make the fundamental policy decision—how much money do we want to spend on military pensions—while allowing specialists in uniform to draft the details.

I emphasize that I am not asking for a study. This issue has been studied to death. The last thing we need is another sheaf of paper. In the last two decades, there have been at least nine studies, including five done by the Defense Department itself. All have recommended significant changes. In the 1980's, we have seen the Grace Commission call for fundamental reform, and we've seen the Pentagon's own staff draft the Fifth Quadrennial Review of Military Compensation—a proposal for reform that has languished in the Pentagon for lack of support from higher-ups.

The change I am proposing is made possible by a change we put into the defense bill 2 years ago to shift from a pay-as-you-go system to an accrual system. Previously, we simply provided money each year to pay current retirees. The only way you could save money was to cut pensions for current retirees. Cutting the pensions promised to new recruits would save nothing for 20 years. Now we use an accrual system under which the Pentagon makes payments into a trust fund to cover the pension obligations it incurs for the year's incoming group of recruits.

This means that a decision to reduce the pensions promised to recruits entering next year would translate directly into a reduction in amounts the services must pay into the retirement trust fund.

I caution that a reduction in benefits offered new entrants would not translate into an immediate reduction in the deficit, however. If we cut pension promises, we cut the defense budget—but the trust fund will still be paying out an unchanged amount to current retirees. You only get an immediate deficit reduction if you trim the benefits paid those already retired.

The huge deficit looming before us and the fact that military retirement is just about the only entitlement program not cut under the Reagan administration prompts some in Congress to think about cutting back the benefits paid current retirees and those nearing retirement. Personally, I have never thought we should cut benefits for these people. The point of this proposal, of course, is that it is up to the Defense Department whether it wants to propose such reductions.

I know of no proposal that has ever been made by anyone respected in this area that would cut basic benefits, as opposed to COLA's, for current retirees, so I doubt that poses any grounds for concern. Personally, I don't think any changes should apply to those with long years of service. But, again, under my proposal, it is up to the Pentagon whether it wants to grandfather everybody or nobody.

A second concern that I have heard is that Congress might pick apart any Pentagon proposal—choosing the parts that save the most money while rejecting those parts that might improve some benefits. I don't think that's a reasonable fear under my proposal. Congress will work its will in deciding the dollar amount of the cut. If the Pentagon makes that mark, Congress will have no incentive to get involved in the nitty-gritty.

THE ACCRUAL SYSTEM

The heart of the change I am proposing lies in the nature of accrual accounting. So, let me explain the budget arcana.

In the past, appropriations were voted each year to cover the military retired pay actually paid to retirees in that year.

Beginning in fiscal year 1985, however, a new retirement fund was established. The Department of Defense is required to pay into the fund a percentage of its military payroll sufficient to pay for the retirement benefits earned in that year—but to be paid in the future. In other words, until fiscal year 1985, the Department of Defense had to pay for retirement benefits earned in the past but due in the present; now the department must pay for retirement benefits as they are earned.

The amount that needs to be placed in the fund each year in order to pay for the future retirement benefits earned in that year is called the accrual charge. It is now equal to approximately 50 percent of the basic pay appropriated for that year. Payments to the fund are made from the military personnel appropriations. This category includes basic pay, allowances, special and incentive pays, and permanent change of station travel, as well as the retirement accrual charge.

For fiscal year 1986, the Department of Defense has requested $73.4 billion for the military personnel appropriation, of which $35.9 billion is for basic pay, $18.2 billion is for the accrual charge, and $19.3 billion for the other items I just mentioned.

PROPOSED APPROACH

A permanent change to the military retirement system carries with it a change to the accrual charge. For example, a reduction in future benefits means that less money needs to be set aside in the fund to pay for benefits earned in that year.

Working in the opposite direction, Congress could reduce the funds available for the accrual charge as an incentive to change the retirement system. The law requires the department to pay the accrual charge. A reduction in the funds available for the accrual charge would leave the department with no realistic alternative but to change the retirement system.

Such an approach will require an expeditious response from the Department of Defense. The change in the retirement system would have to come sometime close to the start of the fiscal year. A savings mandated in the 1986 accrual charge would require a change to the retirement system to take place close to October 1. If the change is delayed much beyond October 1, the change will have to be more substantial to achieve the same savings in that fiscal year. To save $4 billion via a retirement change that takes place halfway through the year would require cuts that would annualize at $8 billion.

It should not be impossible for the department to come up with a plan expeditiously. Nine recent studies have provided a wealth of suggestions for change—the most recent study, the Fifth Quadrennial Review of Military Compensation, offered a variety of proposals only a year ago. All the spade work has been done. What remains for the Department of Defense is the decisionmaking on the specifics.

The proposal I am introducing today would reduce the amount available for the accrual charge by $4 billion. No specific change to the retirement system is recommended—savings of this amount could be achieved through enactment of any number of recommendations made in the past. Several proposals that could achieve a reduction of at least $4 billion per year are shown in table I. No specific proposal is being suggested; the specifics

would be left up to the services and the Department of Defense.

My bill also explicitly directs the Department of Defense to submit a legislative proposal that would change the military nondisability retirement system in such a way as to reduce the accrual charge by the amount necessary to meet the ceiling. This direction is intended to prevent the Department from attempting to obtain the savings from some other source, from simply changing actuarial assumptions or methodology, or from structuring a situation in which the Congress may have no alternative but to increase the appropriation categories late in the year.

Because the accrual charge is based on benefits to be earned in the future, the savings could be achieved without affecting those already retired or those in the service. The changes could grandfather everyone or no one or some. It is a matter for the services to decide.

BACKGROUND

For background purposes, let me explain the features of the current military retirement system. There are three key parts.

First, an immediate annuity is available to a service member who completes 20 years of service; no benefit is available for a service member who separates before completing 20 years of service.

Second, retired pay equals final basic pay times a multiplier. For those entering active duty for the first time after September 7, 1980, retired pay will be based on a high-three average of basic pay instead of final basic pay. The multiplier equals 2½ percent times years of service and ranges from 50 percent at 20 years of service to 75 percent at 30 or more years of service.

Third, retired pay is adjusted annually by the increase in the cost of living as measured by the Consumer Price Index [CPI].

PAST STUDIES

I have mentioned that many studies of the military retirement system have been conducted in the past 10 years. All have recommended change in the system. These recommendations have followed the same general form:

First, earlier vesting. A benefit from the retirement system, though usually deferred to age 60 or later, would be offered after completing as few as 5 or 10 years of service.

Second, a reduced immediate annuity for those service members completing only 20 years of service, perhaps coupled with a larger annuity for those completing 30 or more years of service. Often the reduced annuity for the early retirees would be increased to current levels at some later point, for example, when the member would have completed 30 years of service or at some age associated with normal retirement.

Third, averaging the final 3 or 5 years of basic pay as the base for computing the retirement annuity.

Fourth, integrating military retired pay with the social security benefit earned as a result of military service.

Fifth, early withdrawal. A lump sum payment representing some commuted value of the retirement annuity but offered to offset the adverse retention impact of a reduced lifetime stream of earnings.

TABLE I.—*Examples of the cost impact of recent studies*

[Annual savings in billions of dollars]

Grace Commission	13.2
Uniformed Services Retirement Benefits Act (DOD recommendation, 1979)	5.1
Half COLA to age 62; full COLA thereafter	4.4
Retirement multiplier reduced 1 percent for each year before 30 yr of service and COLA minus 1 percent	4.2
Retirement Modernization Act (DOD recommendation, 1974)	2.4

HMO PROGRAM

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MICA. Mr. Speaker, today I am introducing legislation to improve the enrollment and disenrollment procedures for Medicare beneficiaries who join health maintenance organizations [HMO's].

As the HMO Program is expanded nationwide, I believe we must learn from the HMO experiences of Florida and provide the quality health care that the seniors of this country deserve.

This legislation is a direct outgrowth of a field hearing conducted by the House Select Committee on Aging in Boca Raton last July, and is based on a recent General Accounting Office report on Florida HMO's.

One of the greatest concerns regarding HMO's is the procedure for enrolling and disenrolling. This proposal would ensure that there is no gap in health care coverage under enrollment. It also would speed up the process for disenrollment.

Under the current regulations, it is unclear who is responsible for the doctor bills of a Medicare beneficiary who is already hospitalized when their HMO membership becomes effective. According to a recent GAO study, although the incidence of such cases is relatively small, the financial impact on individuals and their families is potentially catastrophic.

This legislation would require the HMO to be responsible for medical bills incurred after the effective enrollment date. This clarification will ensure that their is no break in coverage under the HMO Program.

A second concern over HMO's is the time that it takes to disenroll. Under the current regulations, a minimum of 4 weeks and a maximum of about 8 weeks is required to disenroll from an HMO, depending on what part of the month a member requests disenrollment.

When people are dissatisfied, I do not believe that they should have to wait several weeks or months to obtain alternative health care under Medicare. The proposed legislation would reduce the waiting period for disenrollment to 7 days after the request to disenroll is made.

Mr. Speaker, I urge my colleagues to join me in working for the passage of this legislation to improve the HMO Program for Medicare beneficiaries. I am also pleased to note that congressional scrutiny of HMO's will continue this spring when the Aging Committee holds a national hearing on the subject.●

THE AGRICULTURAL ACT OF 1985

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ROSE. Mr. Speaker, today I am introducing the Agricultural Act of 1985, and I have a statement for the RECORD which goes into it in some detail, but I would like to say now that I believe this bill will accomplish three major and much sought purposes. It will enable farmers to earn a decent living and pay their debts, it will provide adequate supplies of commodities and food at reasonable prices, and it will greatly lower costs to the Government.

THE AGRICULTURAL ACT OF 1985

The farm owners and operators who produce a substantial amount of the raw food and fiber so vital to our national well-being are in deep trouble. This is especially true of the mid-range growers who derive a major portion of their income from farming and ranching. It has been repeatedly stated by many authorities that, despite the losses of recent years, approximately one-third of our remaining producers in that group are in danger of failure in 1985 or 1986.

These are efficient producers. They are the victims of high interest rates and other increasing production costs that are beyond their control. Their export markets are soft or declining despite the promises of earlier administrations and some of our academic forecasts of more market expansion widely released only a few years ago. I am concerned about these good families that have provided the very strength and stability for rural America since the founding of this country. If we lose them, the banks, businesses, schools, churches and other elements of rural America will vanish also and they can never be re-established.

The recent trends of increasing bankruptcy rates, business failures and anticipated

increases in world supplies of several commodities point to more headaches in the farming segment of our economy. This contrasts sharply with improvements predicted sometime in the future by the Administration when its 1985 farm program proposal was recently released. The provisions of the 1981 Farm Act will run out this year. It must be replaced with more effective legislation.

For the first time in many years, farm land and related assets are subjected to tremendous deflationary pressures. As a result, farm asset values have declined $58 billion since 1981. Land prices have declined as much as 50 percent in some hard-pressed communities. It will be impossible to restore liquidity in land values and stabilize local economies throughout most farming areas of the U.S. unless we can arrange modest increases in prices paid for our farm products.

I offer a modification of the current program for wheat, cotton, rice and feed grains designed to reduce the cost of program operation, while increasing the income for those producers who qualify through meaningful conversion of some land to conserving uses. It is now reluctantly acknowledged by many qualified observers that we cannot borrow our way out of the farm crisis. We must afford these producers an opportunity to earn reasonable returns and retire some of their debts in an orderly manner.

That does not appear to be possible under the program proposed by Secretary Block. I offer this Agricultural Act of 1985 as an alternative, and hasten to assure you that this does not pretend to cover all the commodities. For example, legislation is also necessary in the case of milk. This bill is offered now, however, to point the way to a new, clean approach for these important commodities.

TIME AND COST

The Agricultural Act of 1985 is designed to run for five years on the crops for 1986 through 1990. Farmers and others concerned with production or processing of food, as well as the financial community dealing with agriculture, want a program of at least five years to facilitate adequate long-range plans.

The cost of Commodity Credit Corporation outlays in billions of dollars for the three most recent five-year periods, including a projection for 1985, are as follows:

	Total outlay (billions)	Annual average (billions)
1971–1975	$12.2	$2.44
1976–1980	17.0	3.4
1981–1985 [1]	56.93	11.4

[1] The cost of the Payment in Kind program variously estimated at $8 to $12 billion, depending upon a fair accounting of all costs, is not included in the 1983 program cost.

The record of economists in anticipating annual farm program costs is not very encouraging. When the current program was written into law in 1981, according to the National Journal, "the Reagan Administration predicted that its cost from fiscal 1982 until the farm bill expired in fiscal 1986 would be about $11 billion. In fact, the cost will be $63.4 billion, according to the Agriculture Department's latest projection."

The following summary of cost of the Deficiency and Diversion Expenditures by crop points up a very important difference of opinion to be resolved regarding this 1985 farm bill. Deficiency payments once made from the Treasury are cash pay-outs that are gone once the checks are mailed—these payments are not retrievable or repayable. In contrast, loans made in a well administered program are repaid with interest if the market improves. If the commodity is delivered in satisfaction of the non-recourse loan, that commodity becomes the property of the CCC and it may be marketed in a wise manner that returns part or all of the original loan value to the U.S. Treasury. Much depends upon good management on the part of those in charge of the U.S. Department of Agriculture.

I propose to terminate entirely the deficiency payments and reduce the diversion payments to mere assistance for establishing a conserving crop cover, or similar conserving practice, on a set-aside acreage in some instances. That would be only a few dollars per acre if that type of cover is seeded or a similar conserving use is installed. It would not be a payment designed to off-set taxes, debt service or otherwise buy the land out of production.

THE NEW PROGRAM

Section 2 of the bill sets up this new program. Non-recourse loan rates are to be established at 75 percent of parity for these crops that are basic to much of American agriculture. Such rates must be established, not at a level necessary to guarantee a profit, but high enough to provide the more efficient operators a chance to retire some of the overpowering debt now plaguing our best farmers. Only by offering these increased loan rates to brace up the farm economy and persuade producers to participate in the program, we also offer to forego the payments summarized above.

An accurate estimate of loans to be made cannot be forecast as demonstrated by the record of cash outlays over the last fifteen years. Weather and markets that are often influenced by foreign governments both have a bearing on this question.

I believe the conclusion is obvious if one studies these numbers. Even with the modest increases in loan rates called for in this bill, there should be substantial net savings to the Treasury if the deficiency payments and most of the diversion payments are discontinued as contemplated in the Agricultural Act of 1985.

NATIONAL PRODUCTION GOAL

Section 2 of the bill also directs the Secretary of Agriculture to set, for each crop at the beginning of each year, a National Production Goal, an Estimate of Production that will be harvested in the absence of any set-aside program, and the amount of set-aside of production to be required by the Secretary if that is deemed necessary to bring production in line with the Goal.

The Production Goal to be determined each year for each crop, shall be the amount needed, in addition to the amount of any carry-over stocks on hand, that will be required to meet both domestic and export demands, plus a reserve believed necessary to protect the public interest from any shortage of supplies.

ESTIMATE OF PRODUCTION

The Secretary shall estimate the amount of each crop that would be produced in a year in the absence of any adjustment under this program. In accordance with regulations he shall issue, the county ASC committees shall establish individual farm bases. These bases may be set in bushels or pounds, or in acres based on the production harvested in the previous three crop years. Adjustments are to be made to reflect production adjustments for bad weather and participation in previous programs.

SET-ASIDE PROGRAM

When the national production goal is announced for a crop the Secretary also shall announce whether a set-aside program is to be in effect for the coming year and, if so, the percentage of reduction to be accomplished on each farm in order for the production on that farm to be eligible for price support loans or purchases.

At the time of this decision, the Secretary also must decide whether to administer all such set-aside programs for the coming year in pounds and bushels, or in terms of acreage. Many producers and their organization spokesmen have expressed a keen desire for these programs to be administered in terms of bushels and pounds, thus providing a more effective reduction in the crop if that is needed.

This approach also affords the producer an opportunity to cut back production by reducing the acreage planted or by cutting back on other production elements. The choice, as to administrative approach, is left to the Secretary, however, in order that the decision may be made in terms of the latest information available when the program is placed in operation.

PRODUCER RESPONSE

In order to establish eligibility for a loan or purchase on a farm, the producer must certify that he has not exceeded his production base as reduced by any set-aside requirement for the year applicable to that farm. He also must comply with bases and set-aside requirements on other farms in which he has a substantial interest. This arrangement is to be developed in more detail in regulations, but the intent of the law is to prohibit any producer with multiple farm interests from benefiting from the program on one farm or, in the case of one crop, while increasing production elsewhere and defeating the purpose of the program.

If the Secretary determines, pursuant to Subsection (d)(2)(A), that compliance will be determined in terms of the amount produced, the producer may meet that set-aside requirement by reducing production inputs, or he may choose to set aside acreage. If the latter course is taken, he must cut back production on a percentage basis determined by the Secretary in setting national production goal. If, on the other and, the Secretary chooses to administer the progam in terms of acreage, then all participating producers must reduce plantings and set aside the required number of acres on all farms participating in the program.

The producer's certification, and any supporting evidence of the amount harvested for market, will be subject to compliance checks performed by ASCS personnel. Finally, this provision was drafted with due regard for accidental errors or unusual weather conditions by providing for exceptions to be made by the county committees in determining eligibility for price support when the producer has made an honest effort to be eligible but failed within reasonable bounds, either unintentionally or for reasons beyond his control.

PAYMENTS

If the producer chooses to meet program requirements by setting aside acres, or if the program is administered only through an acreage set-aside requirement, the Secretary may offer modest financial assistance to share the cost of establishing a conserving use on such set-aside acreage. This is not regarded as a payment to buy land out of production, but only as assistance to encourage

the best conserving treatment of that acreage. Conserving uses are to be defined in a manner consistent with the high quality conservation standards appropriate to any production area.

REPAYMENT OF LOANS

This feature is designed to set the farm program on a new and equitable course. It is the provision that will enable this government to reverse the present financial crisis in agriculture by providing reasonable market prices for the commodities and still make them available to compete in foreign markets.

This arrangement will do two things of real significance. First, if there are some losses of the loans, it means that all our people who pay taxes are sharing the cost of fighting for foreign markets that are considered vital to our best national interests—not just our producers who can no longer carry this burden alone. It also means maintenance of very reasonably priced raw food materials for our own consumers.

Second, this arrangement places the control of costs of the program squarely in the hands of the Secretary. By wisely estimating the production goals and establishing set-aside requirements to bring supplies closely in line with market demands, the Secretary can limit the losses represented by the gap between loan levels and the prices received by farmers.

Loan rates set at the levels required, 75 percent of parity, will bring in voluntary participation. If administrators of the program faithfully try to make it work well, they can cut the expense of farm programs below the runaway levels of recent years while improving the financial position of producers. Obviously, the thrust of this bill is to make the loan rates sufficiently attractive that farmers will want to participate. They can reduce production if necessary to do so.

SUSPENSIONS

Sections 3, 4, and 5 suspends certain permanent provisions of law relating to programs for wheat, feed grains and cotton that are outdated and inconsistent with this new approach to a sound farm program.

PRODUCER RESERVE

Provision for a farmer-owned reserve of wheat and feed grains in the 1978 Act, and amendments adopted in 1981, have served a purpose in the past. However, it is also true that this provision has been misused somewhat, by making it the dumping ground for production quite in excess of any reasonable reserve needed to protect the public.

The provisions defining entry and release of the commodities from the farmer-owned reserve have been too confusing for farmers to use the program as intended.

The same purpose can be accomplished by the Secretary through the long-standing authority to extend a particular loan when it is about to mature, if that is considered in the best interest of farmers and the program. This authority was just used by the Secretary in making such an announcement on March 27, 1985.

In summary, the Agricultural Act of 1985 is designed to change the direction of the farm program, reduce the cost thereof and provide a means of survival for the independent owner-operator style of farming in this country. Time has run out on the old system in which we have tried to hang on with both loans and payments at such inadequate rates that the program became both ineffective and expensive.●

FISCAL CHILD ABUSE

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. PORTER. Mr. Speaker, fiscal child abuse. That's a strong term, but that's exactly what a decade-long string of $200 billion deficits amounts to. Fiscal child abuse is a threat to the very future of America—a threat to the long-term opportunity and freedom of every child in our land.

Everyone concerned about our young people—every parent, grandparent, educator, legislator, or community leader—should pause and take note of these numbers:

Every year we run a $200 billion deficit—that's two $200,000 million—means another $10,000 in extra taxes that every child will have to pay, over his or her lifetime, just to cover the interest costs.

If we have a $3 trillion national debt—that's $3 million million—each child will have to pay $150,000 in extra taxes, over a lifetime, just to cover the interest costs. We could easily reach that milestone by the end of this decade.

These sums have staggering implications for our children's future. Someday, they will need to pay to maintain a national defense, provide pensions—for which we may be beneficiaries—make infrastructive repairs, and finance the many services we have come to expect from Government. But before our children can spend 1 penny for any of this, their Treasury will have to pay roughly $300 billion per year in interest charges on old debts. That's more than we presently spend on the entire defense budget.

Our children already face enormous economic obstacles that we, their parents, never confronted. Just 15 years ago, a family with an income 26 percent below the national median could buy an average house. Today, a young family has to have an income 29 percent above the median to buy the same house.

As houses have become more expensive, young people have become poorer. The real per capita income for the young adult age bracket has declined by one-fifth since 1970. The poverty rate for Americans under age 25—including children—is higher than for any other age group—and growing the most rapidly.

The long-term retirement prospects for today's young people are very uncertain. They confront a Social Security System which often takes a bigger bite from their paycheck than all other taxes combined. We may have cut other taxes, but we keep raising—and have never cut—the FICA tax. Young taxpayers know that when they retire, Social Security will be far less generous toward them than it has been for today's senior citizens. Today's typical retiree receives at least $3 back—sometimes $5 or $10 back—for every $1 contributed in payroll taxes. But today's 12-year-old boy can expect to receive less than 75 cents back for every dollar he will have to pay in Social Security taxes.

Add to this long-term burden of huge budget deficits, year after year, and I ask—what are we doing to our children?

Will more than a small percentage of them ever enjoy the same standard of living that we, their parents, enjoy today? Our society has long set the standard for economic opportunity and upward mobility. That is what we mean by the "American Dreams." But with these huge deficits, this dream may be slipping beyond our children's reach.

Over the first 200 years of American history, no generation passed to the next a long-term debt of this consequence. Thomas Jefferson had warned against doing so.

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

According to Mr. Jefferson, each generation should leave for the next the same liberties, the same opportunities it enjoyed in its own turn.

Our own parents and grandparents did this for us. They survived the Great Depression, and fought and won World War II. To meet these challenges, they had to borrow to a degree unprecedented in American history. The debt was justified. It was manageable, and interest rates were reasonable. We, their children, were left with an annual debt burden which, in the 1950's, was about $7 billion.

Compare this with what we are doing to our own children, whose annual debt burden could rise, on our watch, to as much as $300 billion. Adjusted any way you like, we are passing on to the next generation an annual debt burden five times what our parents left us. And what are our great accomplishements to justify this huge burden?

America's young people are just beginning to awaken to what this debt will mean for them. Frankly, I am surprised they have not already marched into Washington, circled the Capitol Building with pickets, and shouted through bullhorns for us to stop this fiscal nonsense. I wish they had, some time ago. As things stand now, I worry that our children—and especially the historians among them—may someday render a harsh verdict upon us, their parents. They may call us, and deservedly so, the most financially irrespon-

sible generation of leaders in America's history: the one which couldn't—or wouldn't—pay its bills.

Earlier this year, I met with seven high shool students from my northeastern Illinois congressional district. They were so distressed about what Federal budget deficits meant to them and their future that they held their own Washington, DC, press conference. They said:

It's just commonsense. When you borrow money, you have to pay it back. Our parents won't let us run up a bill on their credit cards. So why should we sit quietly while our government runs up a huge bill on ours?

Why, indeed?

Whenever we say "yes" to all our spending plans, without having the courage to tax the American people to pay for them, we are saying "no" to our children's future.

It's time we started saying "yes" to our children, and "no" to any calls, from any quarter, for increased Government spending—and "no" to Government programs that make little or no sense to anyone other than their own narrow constituencies. This will hurt. We can't deny it. But these short-term sacrifices hardly compare with the fiscal child abuse America's young people will suffer at our hands if we do nothing and leave the deficits unabated.

Let's redirect our compassion and our generosity toward our children. Let's remind ourselves of the old-fashioned American virtue of not buying what we can't afford.

In particular, let's remember that America is at root an extended family—a family that owes devotion and responsible stewardship to its young people.●

DON'T PENALIZE OUR TAXPAYERS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HUBBARD. Mr. Speaker, on March 26, 1985, Nita Gellhaus of Gellhaus Insurance Agency in Hopkinsville, KY, wrote to me about an issue that I have been hearing from on a steady basis—the U.S. Treasury Department's tax reform proposals.

I am certain my colleagues will be interested to read her timely comments in opposition to taxing individual life insurance and annuity policies as well as employee benefit programs.

I agree with Nita Gellhaus and the others who have written to me about placing a tax that would penalize our taxpayers who "have worked hard to achieve important benefits."

The letter from my constituent follows:

GELLHAUS INSURANCE AGENCY,
HOPKINSVILLE, KY,
March 26, 1985.

Hon. CARROLL HUBBARD, Jr.,
Kentucky House of Congress, Rayburn House Building, Washington, DC.

DEAR MR. HUBBARD: As a licensed agent representing the insurance industry, I am strongly opposed to any government tax on individual life insurance and annuity policies as well as employee benefit programs.

I cannot stress enough how detrimental such a tax would be to my clients—Americans who have worked hard to achieve these benefits and rely on the financial security they provide during times of crisis. I urge you not to minimize the life and health insurance benefits they have earned.

Please keep my opinion in mind when this proposal is presented and vote accordingly.

Sincerely,

NITA GELLHAUS.●

ROOTS—A TURKISH AMERICAN'S EXPERIENCES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. LANTOS. Mr. Speaker, the phenomenon of Americans returning to their roots in other lands is one that Alex Hailey dramatized, but it is one that many others have also written about with nostalgia and understanding.

This week—as we have been honored by a visit of the Prime Minister of Turkey and the relations between our two countries have been given considerable attention—I would like to call the attention of my colleagues to an excellent, beautifully written article by Lenor Skenazy about the return to her family's ancestral home in Canakkale, Turkey. It highlights the positive attitude of the Turks toward their Jewish citizens and the Jewish tradition in Turkey.

The article follows:

[From the Washington Post, Feb. 17, 1985]

THE ROAD TO CANAKKALE: IN SEARCH OF TURKISH ROOTS

(By Lenore Skenazy)

"Haven't you seen the movie 'Midnight Express'?" friends asked, agitated, when I announced I was off to seek my Turkish roots, alone. They had seen the film of Billy-the-Drug-Dealer's trauma in Turkish prison and harbored the image of Turkey as a torture chamber. But to me, Turkey meant a land of tolerance: My Jewish ancestors had lived there for more than 400 years without persecution.

In 1914 my paternal grandparents left that world beyond. Like any second-generation child, with a cushion of parents between my American ease and the ordeal of immigration, I found myself wondering, "What if I had been born one hundred years earlier. . . ?"

I had to complete the picture; I had to connect the dots. I would visit my grandparents' hometown on the Dardanelles: Canakkale, on the far west coast of Turkey.

By the time my bus pulled into Canakkale late one autumn afternoon, I had been traveling through Turkey for three weeks. Along the way, I'd picked up two useful things: a little Turkish and a lot of confidence.

"Traveling alone" merely means starting out alone, I'd quickly learned. After that, you meet the world, if only by asking directions. The Turks, especially, love to help their few tourists for, as Allah said, "A guest comes from God." A rare young American guest is especially welcome.

I got off the bus armed with my octogenarian aunts reminiscences of their town's Jewish quarter 70 years ago:

"There was a bakery in the corner of the central square," one aunt had told me back home. "And a bath opposite it," recalled her sister. In Istanbul I met a man, originally from Canakkale, who drew a crude map of that intersection, and I carried this with me, too. The map proved my salvation. I showed it to the clerk in a store near the bus station, and though just those two landmarks were labeled, he led me directly to the square.

"Let me say this," I wrote my relatives at the end of the day. "I don't think the town has changed much since you left." Fresh loaves of crusty *ekmek* were on sale at the old bakery, and bathers still bustled to the Turkish bath. Hand-painted horse-drawn carts and vintage cars rumbled by, while the square screamed with rag-tag children, their chickens, tomcats and mothers.

"My kin?" I wondered, and suddenly realized I was at a loss. Were these people perhaps long-lost relatives, or strangers? Were there, in fact, any Jews left in town? I had made it to Canakkale: Now what?

I found a clean, cheery pensione, overpriced by Turkish standards at $5 a night (most nights on my travels I paid $1.50 for less-comfortable quarters). Passing small stores selling cast-iron stoves, juicy baklava, knitting yarn, auto parts and lamb. I asked, "Synagogue? Jewish mosque?" of the people I met. At length I came upon the building I sought—and immediately wished I had not. It stood grand, inspiring, antique—and padlocked, it looked, for eternity. I had come too late ever to see inside.

Heartsick, I paced the hard dirt lot facing the temple until a young, pregnant woman behind me called out from her window, "Welcome!"

Startled to hear my language, I spun around to face a bleak apartment building, its paint peeling, its closest neighbor a structure torn down by earthquake or man. "You English-speak?" asked the young woman, standing out against this scene by virtue of her liveliness. I nodded. "Wait," she said. "I bring you English-speak man."

And, knocking on her next-door neighbor's crumbling stucco apartment, she did. An aged man, stooped and unshaven, emerged and greeted me with, "How do you do? Where are you from?"

I explained my grandparents came from his town.

"Their names?" he asked.

But when I told him, he smiled and shook his head.

"No," he insisted, "their names in Hebrew."

Then the old man introduced himself. He was one of Canakkale's 35 remaining Jews, Haim Sidi, age 71, the rabbi.

"It is 7 o'clock now," he continued, "at 8 we go to the synagogue to welcome Shabbat," the Jewish day of rest.

Night falling, the rabbi unlocked the gates I'd feared permanently shut. I entered the synagogue with great emotion: It was beau-

tiful. The grand sanctuary's ceiling was high, the bema (from which the rabbi reads the Torah) carved of fine dark wood, the women's balcony gracefully peering down on this musty splendor like the best seats in an opera house. But it was in the cozy antechamber that the rabbi held services this night—a small room adorned with hand-illuminsted prayers and an ark draped with velvet. I took a seat in this room, as my forebears must once have done, and Rabbi Sidi led four old men, the remnants of his congregation, in thanks to God.

The Jews of Turkey have had much to be thankful for: half a millenium without persecution. In 1492, when Columbus left Spain sailing west toward America, the Spanish Jews headed in the opposite direction, fleeing the Inquisition. Five years later they were followed by their Portuguese-Jewish counterparts.

In Turkey, Sultan Bayezid II not only welcomed these refugees, he actually sent a fleet to rescue them. As a ruler of a young Islamic empire at a time when Moslems considered commerce beneath them, Sultan Bayezid hoped the Jewish artisans and multilingual businessmen would enrich his country.

This the Spanish or "Sephardic" (from sepharad, Hebrew for Spain) Jews did—and, in the process, many enriched themselves. Throughout the centuries, however, rich and poor Jews alike kept a very low profile. They lived their lives apart from the Moslem mainstream and never aspired to political or military power. And for 400 years very few Jews learned Turkish.

The spoke, instead, "Ladino," medieval Spanish written with Hebrew characters—the Sephardic equivalent of Yiddish. Today Ladino is dying out. For the last 30 years, Jewish children in Turkey have grown up speaking Turkish. But my father's family in Chicago still speaks Ladino, and so does Rabbi Sidi, in Canakkale.

I was connecting the dots.

That evening the rabbi invited me home for dinner. His house was damp. The table was wooden, the oilcloth worn, the plaster veining and the light fluorescent.

We shared Mrs. Sidi's modest meal of stuffed peppers and decanted a dusty bottle of Coca-Cola to toast my trip. "Normally," explained the rabbi, "we drink water."

After dinner he showed me his few treasures: an 1816 Ladino-Hebrew prayer book, a parchment he was caligraphing and a 1949 English primer. The primer's expressions were archaic—"old chap," "darling"—as were its jokes, but by studying this book one hour every night for three years, the rabbi had taught himself an English we could speak.

Finally, he picked up a yellowing song book stuffed with hand-copied ballads. Trembling slightly, the rabbi sight-read them in Hebrew, Turkish and Ladino.

When I returned to my pensione after midnight, I marveled that I had made it here, the place where my family worked, prayed, gossiped and sang, and that now I'd heard songs here, too.

The next day, after morning services, the rabbi declared he was at my service.

"I'd like to find my ancestors, in the cemetery," I said.

"You will find them 60 years from now, in Paradise," replied the rabbi, "not today in Canakkale."

Our trek to the graveyard proved him right. Passing pleasant homes and an outdoor market deserted on Saturdays except for its wooden stands and a few forgotten vegetables, we came to our sad conclusion. All that remained of my readable roots were crumbled tombstones, scattered and worn smooth, grazed by the occasional goat.

Back in town the rabbi introduced me to more lively links: a significant sample of Canakkale's 35 Jews. We met the baker, who plied us with rolls fresh from his deep, roaring oven, and a pair of delicate white-haired ladies invited us in for Turkish coffee served with marzipan and gentility. Then we met Yasar.

Jolly Yasar Yohay runs a sporting goods store about two people wide by three people deep (one person wide, if you're Yasar). But "Shalom! Bienvenido! Welcome!" he said, placing the rabbi and me squarely at the entrance, nearly blocking it, and summoned tea for us.

As we sipped, the townswomen—dressed in traditional salvar (baggy pants)—came bustling by with their crew-cut boys and pigtailed girls, all anxious to buy book bags and shoes since school throughout Turkey would begin the following Monday. Between these sales, Yasar and the rabbi discussed the next day's plans conspiratorily. Both men loved tourists, but met them all too rarely. So while Yasar gleefully set the agenda, the rabbi nodded, pleased. At last Rabbi Sidi suggested, in English, "Will you permit us to show you Truva tomorrow?"

Truva, in English, means Troy.

Homer's Troy, Helen of Troy's Troy, lies only 15 miles from Canakkale. But as both the rabbi and Yasar almost never leave their town, this was a grand outing.

To get there we took a mini-bus that traveled along a twisting, one-lane road, constantly stopping at tea and hookah parlors to pick up passengers, animals and, for the driver, cigarettes. The view out to the coast was ravishing—the water as blue as it must have been in Homer's time—but I preferred the scenes of village life, especially watching the old men play backgammon at the small cafes and the women hanging clothes to dry in the bright sunshine. The rabbi smiled, drinking in the scenery and chatter, but Yasar greeted fellow commuters with nearly deafening 'Hellos!" When he recognized someone outside the bus, he banged on the windows, waving frantically. And he knew, it seemed, almost everyone.

His circle of friends included Troy's one tour guide, so we got a private tour of the site. Except for one monument to kitsch, a huge wooden horse sired by the most modern of Trojans, little distinguished this desolate landscape. Acres of tumbled walls and gray white rocks are all that remains of the historic site.

Much of Troy was destroyed, explained the guide, by the very man who discovered it, Heinrich Schliemann. Schliemann devoted his life to finding the Troy of Homer, but when at last he did, he plowed straight through it, convinced that another deeper level, was the layer he sought.

Poor Schliemann, I thought. He tried to connect and missed. No Rabbi Sidi had awaited him with a key to the past he sought.

After our tour we stopped for lunch at a tiny outdoor restaurant run from the kitchen of another of Yasar's pals. While we waited in the sunshine for our fried eggs drenched in butter and salt, Yasar played with his friends dogs and I showed the rabbi how to use the square-root function of my solar-powered calculator. If he could bring me my past, I owed him a glimpse of the future.

Lunch finished, we walked to the beachside fig orchard and white-washed home of Hamit Kartal, former curator of the Truva museum and director of the archeological site of Troy. He came out to greet us looking so pleased to have visitors that I smiled with a lump in my throat.

"Ask him questions," Yasar and the Rabbi whispered. "He is a very great expert."

I did, and the distinguished old man hauled out books and maps to the porch where we sat, delighted to have a student again. When he finished his lesson, Kartal opened an illustrated archeology tome and pointed to a photograph of Troy's earthenware jugs. He would, he vowed, give anything to fashion jugs like these and exhibit them in New York.

Such is the stuff of dreams. While American romantics dream of ruins and roots, the man whose ward was Troy hoped someday to sell kitsch in Manhattan.

Another friend of Yasar's motorcycled by as we spoke. He was Canakkale's one journalist. With the rabbi intrepreting, he took down the story of my odyssey and snapped a picture of me sitting between the rabbi and Yasar, in an orchard midway between ancient history and my own.

As evening fell we bade goodbye to the Troy director and, having missed the minibus, hitchhiked back to town. The driver picking us up turned out to be—what else?—a friend of Yasar's.

At last it was time for me to leave Canakkale: In one weekend I had seen what I hoped to see. The impoverished rabbi insisted on buying me sandwiches and sweets for the bus ride to Bursa en route to Ankara. At the station he also handed me a tiny piece of homemade parchment. On it he had calligraphed the prayer all Jews are commanded to post on their doorways.

The rabbi will thus be with me whenever I come and go from home.

About a month after leaving Turkey, I received a copy of the country's biggest newspaper. Hurriyet, mailed to me from Yasar in Canakkale. On page 15, I found myself sitting between him and the rabbi again, in the fig orchard near Troy. I felt proud for the young woman who had made that adventurous journey all by herself.

But the truth is that when I was traveling, I was very rarely alone. Throughout Turkey strangers met and helped me. And while I was there, I did not need to be brave or deliberately adventurous. For six weeks I just woke up to explore Turkey the way I woke up today to go to work.

Moreover, as the cemetery was in ruins and I did not search for genealogical documents, I cannot claim to have found my Canakkale roots, per se. I found, instead, the last living tree, scraggly but beautiful, 35 branches strong, thanks to Rabbi Sidi, Yasar and their friends.●

THOMAS F. RILEY HONORED

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BADHAM. Mr. Speaker, it gives me great pleasure to announce that on April 15, 1985, there will be a William Spurgeon luncheon to honor Orange County Supervisor Thomas F. Riley for his service to our community and especially for his significant contributions to Scouting.

Tom was first appointed on September 4, 1974, to the board of supervisors by then-Gov. Ronald Reagan to fill the unexpired term of Supervisor Ronald Caspers. When Gov. Edmund G. Brown, Jr, was elected, Tom was reappointed to fill out the term. In June 1976, Tom won his first public election, receiving 64 percent of the votes cast and has since been reelected every 4 years. He has been selected for two consecutive terms as chairman of the board by his peers in recognition of his outstanding leadership and consistent fairness.

In addition to representing the fastest growing district of the county, Tom serves as chairman of the board of supervisors for 1985 and has accepted his share of memberships on a number of important commissions, districts, and committees.

Tom has been a leader in working with other affected jurisdictions to solve the sedimentation problem in Upper Newport Bay. He has earned a reputation of honesty, integrity, and openness to the local residents and maintains an open door policy in his office, always welcoming visits from his constituents.

Under his leadership, strong commitments have been established to coastal recreational areas, inland parks, wide greenbelts through the county's high priority open space corridors, and to quality residential development.

Born Thomas Felton Riley on July 6, 1912, in Harrisonburg, VA, Tom attended Virginia Military Institute and graduated with a bachelor of science degree in civil engineering. He then accepted an appointment as a second lieutenant in the U.S. Marine Corps. In this way, Tom began a long career in the Marine Corps that lasted until his retirement in 1964 as a brigadier general. During his career in the military, he distinguished himself by receiving more than 15 medals and decorations.

It will be my pleasure to join the William Spurgeon luncheon on the 15th in honor of Supervisor Thomas F. Riley for his dedication and commitment to the community.●

INTRODUCTION OF LEGISLATION TO END TRADE PROBLEMS WITH JAPAN AND TO MAINTAIN VITAL UNITED STATES-JAPAN RELATIONS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. STARK. Mr. Speaker, I am today, reintroducing a resolution to cap our trade deficits with Japan. This bill is an effort to end the increasingly bitter trade dispute between our two nations, which is threatening the even more important political alliance.

The latest telecommunications agreements between our two nations announced this week are not going to solve the trade problem. We are going to be back, justifiably hammering at the Japanese on something else within a few days. We are going to continue to have $100 million a day trade deficits with Japan.

On paper, she is going to appear to be an open trading partner—and yet she is different. She is a poor importer. A people (some have used the word clan) who have lived by themselves on a set of islands for nearly 2,000 years of recorded time do not buy readily from outsiders. There is no GATT, there is no law, there is no treaty, there is no negotiation that is going to change that.

Time might change it. But we don't have time, not with our trade deficits and not with our high unemployment and not with the overvalued dollar which, even if it corrects itself overnight, will not provide trade relief for 1 year to 18 months.

We can all admit that much of the trade problem is America's fault: the high deficits and high interest rates have brought us an overvalued dollar that makes imports attractive and our exports less competitive. We let inflation and profit and salary and wage rates get out of hand in the 1960's and 1970's and lost competitiveness. Our business management styles are not always as good as the Japanese in dealing with workers. We got careless and sloppy and the quality of our products has not always been what it should. Even our Tax Code is not as good as the Japanese code (which we gave them and which they kept pure) and our laws have encouraged questionable investments.

Having said this, much of the trade deficit—perhaps a third of it—is not our fault but is the fault of legal and extra-legal, unspoken Japanese protectionism. Raw and processed foods, lumber, cigarettes (as long as the Japanese want to smoke, why not our cigarettes?), chemicals, some hi-tech items, military aircraft—in all these areas there have been denied sales and lost jobs for Americans. In hi-tech industries particularly, the Japanese are endlessly creative at blunting our competitive advantage. They are, to put it mildly, screwing us on the industries of the future.

But more important than the trading relationship, is the political relationship. Japan is a democratic success story. She is a nation of incredibly hard-working, talented people who can bring progress to all of Asia. She is an important military ally. For example, we keep urging Japan to spend more on military, but she is one of the top 10 military powers in the world in terms of spending and talent.

But the trade wars—and that is a phrase one Senator used last week—are damaging the political relationship. It does sound like war: the Finance Committee Chairman has said, "an eye for an eye."

The United States-Japan Wisemen's Group offered many ideas for improving the relations between our two countries, and the most important recommendation for the American side was to start treating Japan as an equal nation.

We don't. To listen to many of my colleagues in the Congress in recent days, you would think that Japan is the same as Grenada.

Japan is not Grenada. Japan is a major world power. General MacArthur did not fade away. He is dead. The General Headquarters—to respond to one Japanese comment—has not been reopened in downtown Tokyo.

Can you imagine the reaction of Americans if a foreign nation wanted us to translate our telephone regulations—say Judge Green's opinions—into Japanese at our expense? Can you imagine if the Japanese insisted as a negotiating point that a foreigner or a foreign company sit on one of our Government Advisory Commissions? Can you imagine the reaction of American cattlemen or American dairymen if a foreign country insisted that we repeal the meat import quota and cheese quota acts? Can you imagine our reaction if Japanese politicians scorned meeting with top level American delegations? Can you imagine the reaction if the Diet passed a resolution 500 to zip threatening the United States with trade retaliation?

We'd go nuts.

Yet that is what we are demanding of the Japanese. As one of our chief negotiators said recently, "No American effort since the Occupation has dug into the guts of the Japanese system as we have done in the past year."

Let's stop it.

Let's stop tearing apart the guts of an ally.

Let's preserve the political and cultural relationship.

Let's admit that the Japanese are lousy importers and we can't make them buy from us. Let's admit that they make a good product and that our consumers want to buy from them. Let's admit that under any economic theory, it would be natural and normal for Japan—as a small, resource poor nation—to be running an export surplus with the world in capital and consumer goods.

Let's admit all that, and set a limit to it.

The bill I am proposing was inspired by MIT economics professor Lester Thurow and is the same as House Joint Resolution 195 of the 98th Congress. It would cap Japan's balance-of-trade surplus with the United States

at $15 billion per year. The more Japan buys from us, the more she can sell. She just can't run an overdraft of more than $15 billion a year.

Under this approach, there will be no hassles or frustrating negotiations on specific products, on the interpretation of regulations, on goodwill and the keeping of one's commitments. The cap is substantially below today's Japanese trade surplus but does not require a balance. This recognizes the fact that with truly free trade, the deficit might be about one-third less; and Americans do want to buy a substantial number of Japanese products. Once the cap is reached, that is it for the year. No hassles. No pressure for negotiations. No bullying. No more screaming speeches from Congressmen.

When I first proposed this Thurow idea in legislative form, it was ridiculed as unwise protectionism. Two years have passed. I ask the critics: "Will you now admit that the economic tension is seriously threatening the political relationship? Will you admit that we have just been drifting in the bilateral trade area with no solutions in sight? Will you admit that Japan is different and that maybe—to save the political and friendship relations—we should apply new approaches to a unique problem?"

Anyone who gives thoughtful response to these questions will see the need for new approaches. Maybe my approach is not the right one. But current policy is a disaster that threatens much more than our pocketbooks.

I am trying to save the United States-Japan relationship. If you have a better idea, offer it now. Increasing the tension on our bilateral relationship will only create contention.●

TRIBUTE TO ALONDRA DE LA FRONTERA

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to an outstanding member of the arts, a renowned ethnic recording artist of Mexican-American folklore, better known as Alondra de la Frontera, the Lark of the Border, Mrs. Lydia Mendoza. Lydia will be honored on April 14, 1985, at the Stardust Ballroom in Corpus Christi, TX, in commemoration of 50 years, her golden anniversary, as a recording artist.

Lydia grew up in San Antonio and now resides in Houston, TX. Her music career commenced in 1927 when she started singing with her family. Then, in 1934, she recorded her first, well noted song, "Mal Hombre." Since the 1930's Lydia has affectionately been known as Alondra de la Frontera or the Lark of the Border. Lydia's recording career continued throughout the years with such well known recording studios as Radio Corp. of America, Victor, Columbia Studios, and Falcon. Through her gift of song, she has enriched the lives of many who have come to know her expressive style and warmth. The lives of many in our community have been deeply and emotionally touched by Alondra de la Frontera.

Lydia was an artist in residence with the California State University at Fresno. Her autobiography was featured in 1982 by the Library of Congress in their publication "Ethnic Recording in America—A Neglected Heritage." On July 3, 1982, the National Endowment for the Arts honored Alondra de la Frontera by awarding her a National Heritage Fellowship in recognition of her outstanding artistic contributions to our national heritage. In conjunction with the award ceremony in Washington, DC, Lydia was invited to and did participate in the Smithsonian Institute Festival of American Folklife. During this last decade there has been a reawakening or rebirth of Lydia's music. Many of her earlier recordings have been reissued on the Arhoolie label.

We thank you Lydia, the Lark of the Border for lifting our hearts and enriching our lives, where ever we go, with your songs. God bless you Alondra de la Frontera and be with you where ever you go.●

UNFAIR TAX PROPOSALS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HUBBARD. Mr. Speaker, I received a March 21 letter from one of my constituents, Mr. James E. Venable, Jr. special agent for Northwestern Mutual Life Insurance Co. in Paducah, KY.

I believe my colleagues will be interested in Mr. Venable's comments after his study of the proposed tax reform plans. Although I agree with his support of efforts to produce greater fairness and equity to all taxpayers, I agree with his strong opposition to efforts to drastically change the tax treatment of life insurance products.

I urge my colleagues in the U.S. House of Representatives to carefully review James E. Venable, Jr.'s, comments. His letter follows:

MARCH 21, 1985.

Congressman CARROLL HUBBARD,
Room 2182, Rayburn Building,
Washington, DC.

DEAR CONGRESSMAN HUBBARD: I have looked forward with great interest to the administration's tax reform proposals, both as a concerned citizen and tax payer, and as a life insurance agent. Revision of the tax code to produce greater fairness and equity by removing loop holes that benefit the wealthy to the detriment of everyone else is long overdue. Since I consider myself, as well as the vast majority of my clients, to be the sort of average tax payer who would be helped by tax reform, I was surprised and extremely distressed at the Treasury Department proposals to drastically change the tax treatment of life insurance products.

Under Treasury's plan, increases in the value of a life insurance policy (inside buildup) would be taxed as current income to the policyholder despite the fact that the policyholder has not received any money. This would be akin to taxing a homeowner who has not sold his home on the property's appreciation. Loans taken out against the cash value of life policies would be taxed as income to the borrower, while deductions of the interest paid on such loans would be denied. This is both absurd and ironic. A loan, which must be paid back with interest, is certainly not income, and an action usually taken as a last resort to avoid having to surrender a policy should not be deemed a surrender which generates income for tax purposes. Furthermore, interest paid on such loans should be deductible as long as any interest on any kind of loan is deductible. With specific reference to the Treasury's proposal to allow deductions for home mortgages, I cannot understand why ownership of life insurance can be considered an any less desirable goal than his home ownership. Finally, the Treasury plan would also tax employees on the full value of employer provided group term life insurance.

When the Treasury proposal was first released last November, Secretary Regan noted that under it, there would be winners and there would be losers. If Treasury's provisions affecting the taxation of life insurance were adopted, the losers would be each and every owner of a whole life insurance policy and each and every employee covered by employer provided group term life insurance, as well as all of their beneficiaries. According to statistics published by the American Council of Life Insurance in it's "Life Insurance Fact Book", 1983, this would mean 86% of U.S. families.

Another big loser under the Treasury scheme is likely to be the U.S. economy. Aside from being a major pillar of economic security to many millions of average American families, the assets which build up in whole life policies are a major source of capital formation in our economy. In 1983 alone, life insurance contributed 56.5 billion dollars to U.S. capital markets including government securities, corporate stocks and bonds, public utility and railroad bonds, and real estate properties of all kinds, including shopping centers, hospitals, residents and offices.

In view of all of these facts, I think it is appropriate to seriously question whether the public interest would be served by Treasury's Life Insurance Proposals. The income of 61% of those who own life insurance is less than $25,000 per year. The current (and long standing) tax treatment of insurance products has made self-help possible for these many millions of working Americans. Congress saw no reason to change the thrust of this tax treatment as recently as last year. Making the changes that Treasury suggests would, by increasing costs to individuals and businesses, probably result in cutbacks of coverage by those who have the least financial security as it is, and

could least afford the consequences of inadequate coverage. Government policy should be aimed at making it easier, not harder for people to provide for themselves at their own cost and initiative, for if they cannot, expensive government programs will be needed to pick up the slack.

Since the announcement of the Treasury plan the market for insurance products has been damaged as many pending sales have fallen through. The long range nature of the financial commitment needed to sustain a whole life policy makes these products extremely vulnerable to this kind of uncertainty. I strongly urge you, Congressman Hubbard, to prevent further damage by rejecting the above mentioned elements of the Treasury proposal as quickly as possible.

Best personal regards,

JAMES E. VENABLE, Jr.,
Special Agent,
Northwestern Mutual Life.●

NICARAGUAN FREEDOM FIGHTERS

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. LIVINGSTON. Mr. Speaker, let's clear the air about the Nicaraguan freedom fighters President Reagan is trying to get this Congress to support. The American people should be told that our Government is on the side of the progressive forces inside Nicaragua. The individuals who make up these forces are relatively few—too few in actual fighters to ever overthrow the self-avowed Marxist Communists who rule them. But when we count the much larger number of average Nicaraguan citizens who are suffering under this rule, these progressive freedom forces are far too many for us to simply ignore.

As reported in the February 28 Washington Post—no friend of the President's policies—the main organization of freedom fighters, the Nicaraguan Democatic force, is "a mainly peasant army, backed by a political organization headed by (Adolfo) Calero and other civilian opponents of the late dictator Anastasio Somoza." The military component is "14,000, mostly peasants" and only "40 officers and about 200 fighters served in Somoza's National Guard." That's less than 2 percent. The Post added that "even committed critics of the FDN agree" to the fact that the commander to this peasant army, Enrique Bermudez, "never played a role in atrocities or abuses carried out by National Guard troops during the civil war leading to Sandinista rule." He was Nicaragua's military attache in Washington at that time.

And what about the other leaders of the FDN, Mr. Speaker? Here's how the Post describes them: Indalecio Rodriguez, "A former university dean who was active against Somoza * * * (who) was active in armed rebellion against the dictator's rule"; Adolfo Calero and Marco Zeledon, key figures "in organizing strikes against Somoza during an uprising against the dictator"; Alfonso Callejas, originally an official in the Somoza government, "but resigned in 1972 in disagreement with the government"—7 years before it fell; and Lucia Cardenal, "widow of Jorge Salazar, a prominent businessman who shielded clandestine Sandinistas under Somoza but turned against them when the leftist direction of their government became clear after 1979."

The Post describes those freedom fighters who are working separately from the FDN against the Sandinistas: Eden Pastora, "Closely tied to the original Sandinista revolution * * * a hero of the war" and Alfonso Robelo, "A businessman who served in the first Sandinista government until he became disillusioned and went into opposition in exile." These two men and others have formed the Revolutionary Democratic Alliance [ARDE] together with labor leaders and the Miskito Indians of Nicaragua, the Post reports. The Miskitos, by the way, have been the victims of any number of atrocities at the hands of the Sandinista government of Nicaragua.

I was appalled to learn recently from Wycliffe Diego, a Miskito leader who was forced to flee his homeland into Honduras, that the human rights abuses of the Sandinistas against the Miskitos continue inside Nicaragua.

On January 2, 1985, residents of the Columbus relocation camp were allowed to return to their village of Bihmuna, as a purported act of good faith by the Sandinista front. Bihmuna is located at the far northeastern corner of the country.

On January 12, 1985, as the residents were beginning to rebuild the village, Sandinista aircraft completely destroyed Bihmuna with aerial bombardment. Twelve villagers were killed.

On February 12, 1985, the villages of Halover, Waunta, Laya Siksa, Kuka Laya, Wawa, and Tasbapauni were burned by Sandinista troops, 2,000 civilians fled to the jungle where they remain today without shelter, food, or medicine. About 300 were captured by the Sandinistas and sent to a "relocation" camp near Wawa. The Sandinista troops also destroyed all crops and fruit trees near these villages, located in northeastern Nicaragua near Pueurto Cabezas on the Atlantic coast.

So, Mr. Speaker, let's make it clear, the President is on the right side. No one is going to topple the Sandinista regime. But that regime is the equivalent of a far-left Somoza. And, like Somoza before, it will never negotiate away its power in good faith if this Congress turns its back on the progressive forces inside Nicaragua.●

ALCOHOL ABUSE AND ITS IMPLICATIONS FOR FAMILIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MILLER of California. Mr. Speaker, the Select Committee on Children, Youth, and Families has just concluded its first hearing of the 99th Congress: Alcohol Abuse and Its Implications for Families.

Held jointly by the task forces on Crisis Intervention and Prevention Strategies, the hearing began our in-depth look at the connections between alcohol abuse and many of our most serious family problems.

As we began to see during the 98th Congress, abuse of alcohol, and other drugs appears to be very strongly associated, for example, with marital dysfunction and family violence; with emotional, learning and behavior problems in young children; and, with running away, delinquency, depression, and suicide in adolescents.

Substance abuse is a problem of paramount significance to American families. The economic costs of alcohol and drug abuse are estimated to be more than 4 times that of cancer and 3 times more than cardiovascular diseases. As staggering as they are, these figures hardly reflect the damage done to the lives of family members that surround the substance abuser.

Our members were extremely interested in taking a look at this issue. The comments I received after the hearing reflected even a greater interest in further pursuing the questions of prevention and intervention with regard to alcohol abuse and families.

If there is one thing that sticks in my mind from this hearing it is the words of Dr. Sheila Blume, one of our expert witnesses. Testifying after the family members, Dr. Blume said:

> Each of those whom you heard from today is typical, except for one thing—they all had the advantage of treatment. In every case, it was the treatment that turned them around.

As we have seen many times at the select committee, some of the most severe problems facing children and families, like teenage pregnancy, infant mortality, and family violence, are preventable and treatable.

So, we learned at this hearing, is alcohol abuse.

As policy makers, we needn't despair because no miracle cures are available.

The only miracle we need in this, as in so many other cases, is understanding and commitment.

Our first panel was comprised of family members who had directly experienced problems with alcohol abuse, and it was their involvement in treatment programs that has allowed

them to face, and successfully deal with their destructive behavior.

Mrs. Dot West and her 21-year-old son Bret from Baton Rouge, LA, described in graphic and emotional terms how the alcohol and drug addictions of each of the West's three teenage sons transformed a close-knit, religious family into a divided, argumentative household. Mrs. West, a public school teacher, and her husband, a businessman, tried without success to help their sons. Every effort, even including clinical mental health counseling by those not trained to deal with addictive persons, failed. Finally, with help from a local, publicly funded substance abuse treatment center, which treated the entire family, each son has overcome his addiction and is attending a local university.

The committee heard similar experiences from Marjorie, from Montgomery County, MD, a 36-year-old mother of two daughters and Mrs. Beverly Faria, from Concord, CA, a 28-year-old mother of three young children.

Marjorie described her childhood spent with alcoholic parents where she assumed responsibility early in life for her four siblings and for managing the household. At crisis points, as when her younger brother was hit by a school bus, the children were left to manage on their own. The chaos and loneliness led to her own addiction to alcohol and Valium as an adult, and later to her daughter's problem drinking at age 13. Fortunately, she was able, with her family, to obtain help, and neither Marjorie, her parents, or her daughter abuse alcohol or drugs any longer.

Mrs. Faria's problem drinking began at age 20, and quickly progressed to the point where it disrupted her marriage and interfered with her ability to care for her preschool-age children. When a local child protective services agency intervened, she was faced with the choice of staying in a residential treatment program long enough to overcome her addiction and giving up her children to foster care, or keeping her children, but obtaining less intense treatment and risking a return to drinking.

Unfortunately, under our current system, since many residential substance abuse treatment centers do not accommodate children, many single parents must give up their children to foster care. Mrs. Faria has not had a drink for 10 months.

Dr. Ian Macdonald, Chief Administrator of the Alcohol, Drug Abuse and Mental Health Administration [ADAMHA] began our second panel of witnesses. He was followed by Judge Albert L. Kramer, presiding justice of the Quincy District Court in Massachusetts, and Judge Andy Devine of Lucas Court, Court of Common Pleas, Juvenile Division, in Toledo, OH.

Dr. Macdonald told us that alcohol abuse directly affects 10 million American adults and 3.3 million teenagers between the ages of 14 and 17. He reported that alcohol abuse in 1983 cost our society $116.7 billion. He told us that the rate of separation and divorce among alcoholics is 7 times that of the general population, and is a factor in 50 percent of spouse abuse cases and 38 percent of child abuse cases.

He was very careful to point out, however, that treatment for alcohol abuse works, and that funding for those treatment services is essential.

Judge Kramer described the connection between alcohol abuse and the family problems he sees in his courtroom.

For example, of 139 child abuse cases heard at Quincy District Court between 1980 and 1984, 42 percent of the children involved had alcohol or drug dependent mothers, and 34 percent had similarly addicted fathers. Of 75 cases of spouse abuse seen in one 3-month period during 1984, 81 percent of the abusers were alcoholic, and 54 percent of them came from alcoholic homes. Furthermore, 25 percent of the victims were problem drinkers and 53 percent of them came from families with alcohol problems. Judge Kramer stated that alcohol abuse was also a factor in cases involving adolescent runaway behavior and delinquency.

Since the evidence of alcohol involvement is so strong among his cases, Judge Kramer has ordered his court to provide a comprehensive evaluation of all suspected problem drinkers. In cases where the court has direct control, intensive treatment for substance abuse has also been made part of the sentencing procedure.

Judge Andy Devine next described a communitywide effort to address the problems of alcohol and drug abuse which began after it was learned that 13,000 juveniles in the Toledo community were heavy users of alcohol and/or marijuana. With Devine's leadership, a communitywide educational effort was undertaken. Three years later, it has become a nonprofit agency called C.A.R.E.S [Chemical Abuse Reduced Through Education and Services]. Incorporating parents, schools, hospitals, police, and mental health agencies, C.A.R.E.S is currently seeking a grant to evaluate whether its work has been effective in reducing teenage substance abuse in Toledo.

A researcher, two program administrators, and a representative of a parent self-help group completed our witness list.

Dr. Sheila Blume, medical director of the Alcoholism and Compulsive Gambling Programs at South Oaks Hospital, Amityville, NY, and a member of the board of directors, Children of Alcoholics Foundation, Inc. [CAF], also in New York, shared with us a review of recent literature on children of alcoholics.

Dr. Blume described a Children of Alcoholics Foundation study which suggests there are 28.6 million children of alcoholics in the United States—nearly 7 million under the age of 18. She believes that the most recent research strongly indicates that alcoholism is, in part, an inherited problem, which itself suggests the importance of targeting "at risk" individuals. Dr. Blume also pointed out that while we now know much more about substance abuse, treatment services are not reaching the vast majority of individuals who need them.

Mr. John Daigle, executive director of the Florida Alcohol and Drug Abuse Association, and vice chairperson of the Governor's Commission on Drug and Alcohol Concerns, described the commission's findings. The data from Florida underscore the strong link we have seen so often between substance abuse and a host of serious social problems. For example, one-third of all reported child abuse cases in Florida are drug-related. Fully 64 percent of all homicides are substance abuse related, and direct involvement with drugs or alcohol caused the incarceration of 1 out of 4 inmates in Florida's prisons.

As a result of the commission's work, Florida is beginning a comprehensive, statewide prevention, early intervention, and treatment program. Implementation will directly involve parents, schools, churches, businesses, and all aspects of the media.

Members heard next from Mr. John Bland, director of Maryland's Alcoholism Control Administration. Mr. Bland's agency has also found that alcohol abuse is correlated with truancy, school and community vandalism, poor school performance, adolescent pregnancy, suicide, and auto accidents and deaths.

Mr. Bland stressed that substance-abusing teenagers are frequently reacting to problems at home. As a result, they cannot be successfully treated unless the entire family is involved in the treatment process. This awareness guides the continuum of treatment services Maryland provides to address the problems of substance abuse.

Our final witness was Ms. Carolyn Burns, vice president of the National Federation of Parents for Drug Free Youth [NFP]. NFP provides technical assistance, resource materials, and advice to nearly 9,000 parent groups across the country. Burns echoed a theme heard throughout the hearing—that effective treatment for a substance abusing adult or child must involve the entire family. She explained that family members can adopt various roles—like ignoring, overpolicing or overcompensating—to protect themselves against a substance

abusing relative, but that these roles can harm those who assume them and can perpetuate the addiction of the substance abuser.

Committee members saw the extent to which individuals, families, and society suffer due to alcohol abuse. But we also learned that there is much that can be done to repair the wreckage or to prevent it from occurring.

The families who came before us and so courageously shared their personal struggle with substance abuse stressed the importance of obtaining help from professionals and self-help organizations who recognize addiction as a primary disease that must be tackled directly. Only when the addiction is controlled can more traditional counseling efforts have a chance to succeed.

We also learned that we must view an alcohol or drug dependent individual as a member of a family. Regardless of whether the substance abuser is a child or an adult, other family members suffer both directly and indirectly, through the self-protective behaviors they adopt in defense. Those defenses can remain throughtout life, seriously affecting an individual's functioning in important areas of his or her life, as well as perpetuating the addiction of the substance abuser. That is why the entire family should be involved in a program of treatment.

The first step in developing an effective prevention approach is recognition from the community as to the extent of alcohol and drug abuse in its midst—and it exists everywhere—and its connection to so many other serious social problems. Facing up to the dimensions of substance abuse can galvanize a community to take broad and concerted action. Truly effective measures involve every aspect of the community, parents, schools, churches, and other key institutions.

The effectiveness of prevention and treatment programs was clear to everyone who participated in the hearing. Reducing or eliminating support for these efforts won't make the problems any less, but will dramatically reduce our ability to offer alternatives and assistance to families affected by substance abuse.

We would be wise to remember that many of our programs work very well, keep families together, and help people through troubled periods. For those who would continue to attack these efforts, I only ask: What is your alternative?

Mr. Speaker, I would like to conclude by further submitting, for the RECORD, a very useful fact sheet entitled "Alcohol Abuse and Its Implications for Families." I believe every member who was unable to attend our hearing will learn much if they simply skim this document.

Thank you.●

TRIBUTE TO DOROTHY B. WHITTINGTON

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DOWDY of Mississippi. Mr. Speaker, I would like to call my colleagues' attention to an act of bravery, selflessness, and heroism on the part of the late Mrs. Dorothy B. Whittington of Smithdale, MS. On the night of December 23, 1983, Mrs. Whittington sacrificed her life in an attempt to save her grandchild, 3-month-old Kristi N. Mitchell. Kristi was asleep at Mrs. Whittington's home when fire broke out in another part of the house. Mrs. Whittington awoke and tried to report the fire, but the phone was inoperable. She, then, thinking not of her own safety, ran through the smoke-filled rooms to rescue Kristi. As conditions in the house worsened rapidly, Mrs. Whittington took Kristi into her arms and made her way to a window in another bedroom, where she was overcome by the smoke. Efforts by other family members to reach the two failed and both died. Mrs. Whittington could have easily escaped on her own, but instead remained in the burning home in an effort to save Kristi. For her courage and sacrifice, Mrs. Whittington has been presented posthumously the Carnegie Hero Fund Commission's Medal of Heroism. I join, today, the family of Mrs. Dorothy Whittington and the many Mississippians who knew and loved her in saluting her for her great and unselfish act.●

BEER AND WINE ADS ON TV

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HANSEN. Mr. Speaker, I would like to call to the attention of my colleagues an insightful and important editorial in the February 19, 1985, edition of the Christian Science Monitor. The editorial addresses an issue which Congress might have to confront in the near future, namely a proposal to ban beer and wine advertising from TV and radio.

There is a growing concern in this Nation about the health risks of alcohol consumption and the enormous cost society pays due to alcohol abuse. We need to increase the public debate about the costs of alcohol abuse and the wisdom of this proposal to ban beer and wine ads. I'm confident this editorial from the Christian Science Monitor and others like it, pro and con, will help us find the correct solutions.

[From the Christian Science Monitor, Feb. 19, 1985]

No To TV BEER ADS

A move is afoot in the United States to ban nationwide the advertising of beer and wine on television, on grounds the ads glamorize alcohol and contribute to the problems arising from drinking.

The effort is being pushed by a coalition of organizations, led by the Center of Science in the Public Interest. Earlier this month a Senate subcommittee held hearings on the issue. The endeavor is worthwhile; organizations and individuals that care about young Americans should support it actively. Alcohol use results in considerable financial and health problems for America, as a broad spectrum of the public is increasingly realizing.

Getting beer and wine ads off TV will not be easy. Some analysts are now saying it is unlikely the Congress can pass a law this year that forbids TV advertising; the opposition, which includes broadcasters and the alcoholic beverage industry, is extremely powerful.

Hard liquor is not advertised on television, as the result of an agreement between liquor manufacturers and the National Association of Broadcasters.

Precedent exists for a ban on beer and wine advertising. Cigarette advertising has not been shown on TV since 1970; a year earlier the National Association of Broadcasters, under heavy pressure from the Federal Trade Commission, agreed to end all cigarette advertising on television. In 1971 the United States Supreme Court held that such a ban was constitutional, over the objections of tobacco companies, which claimed it violated the First Amendment's protection of free speech.

As proponents point out, the television ad drive is a logical extension of the increasingly successful nationwide effort to combat drunken driving.

Proponents are saying in effect that it is time to attack a more fundamental issue: the advertising of beer and wine that seeks to entice the impressionable young to drink by a variety of subtle but insistent messages.

These commercials are shown on television programs watched by the young, such as sporting events. Particularly reprehensible is the use of sports figures, role models for the young, to sell beer in the commercials.

The effort to ban these ads from TV comes when per capita alcohol consumption has been declining in the United States, and the alcohol beverages industry is fighting to reverse the decline. Televised ads are not the only effort to woo the young: Some breweries are sponsoring highly promoted beer nights on college campuses, featuring their own brands. Already alcohol is the No. 1 abuse problem on college campuses today.

Action is warranted to reduce the specious appeal of alcohol to the young. Banning beer and wine ads from TV would be a good first step.●

H.R. 1918—WORLD WAR I SERVICE PENSION ACT OF 1985

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ANDERSON. Mr. Speaker, this week I have reintroduced H.R. 1918, the World War I Service Pension Act of 1985. My bill would award a service pension of $150 a month to veterans of World War I and $100 a month to their widows.

Mr. Speaker, time is rapidly running out for the men and women who served in the armed forces during World War I. These veterans average over 80 years of age—last year approximately 50,000 of them died without being honored for their heroic service with receipt of a service pension. Of the 5 million men and women who served their country during the war, only 225,000 remain.

The veterans of every war prior to World War I have received a service pension, from the Revolutionary War to the Spanish-American War and even the Boxer Rebellion in China. Due to a policy shift, veterans from every war after World War I received GI bill benefits to help them readjust to civilian life. However, the World War I veterans were caught in the switches and receive neither. Last year, this Congress passed a new GI bill for newly recruited military personnel. I supported this bill because I believe it will assist the military in recruiting quality people, however, I think that it would behoove this body to repay its old debts before creating new ones.

In order to attempt to reach a compromise on H.R. 1918 with the chairman of the Veterans Committee, my colleague from Mississippi, I have made significant concessions to reduce the cost of this program. The cost of this bill as written in the 98th Congress for fiscal year 1986 would have been approximately $775 million. The cost of this year's leaner, trimmer H.R. 1918 for the same fiscal year will be on the order of $250 million. It is my hope that this action will induce the esteemed chairman to meet me and all of H.R. 1918's supporters halfway.

Last year, 221 of my colleagues joined me as cosponsors of H.R. 1918. This year 117 Members asked to become original cosponsors. Due to an administrative error in my office, H.R. 1918 was submitted without the accompanying list of original cosponsors. I apologize for this oversight and ask that the list be printed here so that these Members can be recognized for their generous support for World War I veterans. I and the veterans of World War I and their families are grateful for their efforts and would be equally grateful to additional cosponsors.

ORIGINAL COSPONSORS

Representative Hoyer, Representative Conte, Representative Smith (Nebraska), Representative Flippo, Representative Frank, Representative McKernan, Representative Fields, Representative Tauke, Representative Young (Florida), Representative Kastenmeier, Representative Williams, Representative Holt, Representative Dorgan, Representative Biaggi, Representative Skelton, Representative Bates, Representative Bonior, Representative Smith (Florida), Representative McEwen, and Representative Lundine.

Representative Mitchell, Representative Lehman (Florida), Representative Thomas (California), Representative Gonzalez, Representative Howard, Representative Lowery, Representative Murtha, Representative English, Representative Kanjorski, Representative Torres, Representative Young (Missouri), Representative Schneider, Representative Stokes, Representative O'Brien, Representative Stangeland, Representative Boland, Representative Chappie, Representative Clay, Representative Evans (Illinois), and Representative Torricelli.

Representative Roybal, Representative Oakar, Representative Matsui, Representative Marlenee, Representative Staggers, Representative Waxman, Representative Ford (Michigan), Representative Watkins, Representative Rahall, Representative Vander Jagt, Representative Coyne, Representative Dornan, Representative Gaydos, Representative Brooks, Representative Wise, Representative Moakley, Representative Lagomarsino, Representative Fauntroy, Representative Rinaldo, and Representative Gunderson.

Representative Vento, Representative Wolf, Representative Roe, Representative Horton, Representative Rudd, Representative Roberts, Representative McGrath, Representative Boxer, Representative Bevill, Representative Walgren, Representative Kennelly, Representative Yatron, Representative Rose, Representative Bedell, Representative Hughes, Representative Petri, Representative Lloyd, Representative Mikulski, Representative de la Garza, and Representative Wyden.

Representative McCandless, Representative Derrick, Representative Ackerman, Representative Sunia, Representative Fish, Representative Ireland, Representative Mack, Representative Sikorski, Representative Dymally, Representative MacKay, Representative Florio, Representative Mrazek, Representative Sabo, Representative Gilman, Representative Volkmer, Representative Fazio, Representative Martinez, Representative Scheuer, Representative Lott, and Representative Kildee.

Representative Mollohan, Representative DeWine, Representative Jeffords, Representative Blaz, Representative Mavroules, Representative Rangel, Representative Addabbo, Representative Schroeder, Representative Bustamante, Representative Murphy, Representative Gekas, Representative Russo, Representative Purcell, Representative Hartnett, Representative Bilirakis, Representative Badham, and Representative de Lugo.●

VOLUNTEERING IN GOVERNMENT ACT OF 1985

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. EDWARDS of Oklahoma. Mr. Speaker, today I have introduced the Volunteering in Government Act of 1985, a bill to open more doors of opportunity for volunteers in the United States. I am excited about the prospect of creating a thriving volunteer work force within the Federal Government.

Currently, Federal law prohibits the acceptance of volunteer services by the Federal Government, except in specifically exempted agencies such as the National Forest Service and the Federal Emergency Management Administration. This antiquated law, approved at the turn of the century, has been allowed to obstruct the volunteer spirit for too long.

No reasonable explanation exists to deny people the opportunity to volunteer in Federal programs, as long as their service is needed, their tasks are appropriate for voluntary action and protections exist for Federal employees. All three of these safeguards are expressed within the language of the Volunteering in Government Act.

The Volunteering in Government Act affords all executive agencies of the Federal Government permission to accept volunteer services. The bill limits the amount of funds which can be expended on behalf of these programs and also encourages agencies to consider voluntarism when awarding grants to private organizations.

While we all know that volunteers run fire departments and fold bandages at the Red Cross, we perhaps did not know that they also conduct research, provide financial counseling, tutor the young and the disabled, assist with health examinations, and operate computers. Volunteers consist of attorneys, doctors, construction workers, teachers, artists, housewives, college students, retirees—a general cross-section of American society.

By approving the Volunteering in Government Act, Congress will make it possible for these and other Americans to contribute their time and talents on behalf of others through programs administered by the Federal Government.

I urge my colleagues to support the Volunteering in Government Act of 1985.●

LOYOLA UNIVERSITY OF CHICAGO RAMBLERS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. LIPINSKI. Mr. Speaker, now that one of the most memorable NCAA basketball tournaments has been captured by a Cinderella basketball team, I rise today to recognize another Cinderella team—the Loyola University of Chicago Ramblers. While operating in the crowded Chicago sports market often dominated by the shadow of the DePaul Blue Demons and the venerable Ray Meyer, the team captured the hearts and the imagination of Chicagoans everywhere by completing one of the school's most successful seasons.

Coach Gene Sullivan, despite operating on a shoestring budget, put together one of this Nation's most prolific scoring machines of the 1984–85 season. In posting a final record of 27–6, this team was comprised of many Chicago public league players who were overlooked by the Nation's top-college recruiters. Noted for their run and shoot style of play, the Ramblers bested such perennial powerhouses as Illinois, Louisville, and SMU. They also won bragging rights in the windy city by defeating the DePaul Blue Demons in an exciting, emotional contest.

The team was led by consensus third team All-American Alfredrick "The Great" Hughes, who was second in the Nation in scoring with a 26.3-points-per-game average. Alfredrick finished his collegiate career at Loyola as the fifth leading scorer in NCAA basketball history with 2,914 career points. Senior Andre Battle, a graduate of Chicago Simeon High School, also completed his collegiate career at Loyola by averaging over 20 points per game and being named "Honorable Mention All-American" by the Associated Press. The team's sparkplug, 5 foot 9½ inch guard Carl Golston, hailing from Chicago Phillips High School, led the Nation in total assists with 305 and was second in assists per game at 9.2 per game. Carl was also named to the first team of the United Press International's "Small All-American" team.

Chicago Collins High School's Greg Williams provided the team with his great quickness and defensive ability at the off-guard position. Center Andre Moore showed his flexibility in playing out of his natural forward position but still holding his own on the glass often against taller and more physical players, including SMU's Jon Konchak and Georgetown's Patrick Ewing. Also contributing to the Rambler's successful season were the performances off the bench of Mike Cenar, a graduate of Loyola Academy High School and Ivan Young, a graduate of Chicago Simeon High School.

This season was especially satisfying for Coach Gene Sullivan and his two assistants, Doug Bruno and Andre Wakefield. After being shunned by both the NCAA and NIT Tournament Selection Committees the past two seasons, Coach Sullivan proved his program's tournament worthiness by advancing to the semifinals of the Eastern Regional. Coach Sullivan's "gas tank" recruiting strategy of only concentrating on local talent within a 25-mile radius of the Loyola campus finally received the attention it deserves.

In conclusion Mr. Speaker, I want to extend my personal congratulations for the fine efforts and achievements of Coach Sullivan and his Loyola Ramblers. I am optimistic Loyola's basketball program will continue to provide the fans of Chicago with great excitement in the years to come. This team has truly embodied the spirit of the underdog, which was certainly the prevalent theme of this year's NCAA basketball tournament.●

A TRIBUTE TO MR. EDGAR BRIDGES, SR.

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DOWDY of Mississippi. Mr. Speaker, I want to take this opportunity to extend my congratulations to Mr. Edgar Bridges, Sr. of Monticello, who has been elected Grand Master of the Most Worshipful Stringer Grand Lodge, Jurisdiction of Mississippi. Mr. Bridges originally took office on February 27, 1984 following the death of Mr. H.M. Thompson. He was elected again on December 3, 1984.

Mr. Bridges has an outstanding record of service to the community. He has served as president of the Lawrence County Education and Recreational Association, president of the Lawrence County Black Federation, superintendent of mission, Lawrence County Baptist Association, dean of the Lawrence County Extension Center of the Mississippi Baptist Seminary, and as a member of the board of trustees of McCullough High School in Monticello.

Among the many awards he has been honored with are outstanding contribution to Head Start for several years, life membership in the Mississippi State Conference, NAACP, and the Medgar Evers Award, southeast region, for outstanding leadership.

In addition, Mr. Bridges has served as chairman of the board of directors of Five County Child Development Program, deacon and treasurer of the Pearl River Valley Baptist Church, co-chairman of the home health agency, Lawrence County Hospital, and member of the board of directors and executive committee of the Southwest Planning and Development District.

I know that my colleagues here in Congress join me in extending congratulations and best wishes to a very dedicated Mason, Mr. Edgar Bridges, Sr.●

NICARAGUA DEBATE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. MILLER of California. Mr. Speaker, the attention of the Congress and the country will soon be riveted on the so-called Nicaragua debate. The President has made his position clear: The antigovernment Contras are peace-loving freedom fighters who deserve Amercian moral and financial support; the current Nicaraguan Government does not suit our interests; and the regime should be overthrown—by violent force, if need be.

Many of us may challenge Mr. Reagan's perception of reality in this particular instance.

We must avoid being pushed into a potentially perilous confrontation, one that could easily involve the introduction of U.S. troops and many, many more millions of dollars. It is only too easy to be lulled into that kind of a conflict, if we accept the rhetoric and ignore the facts. Glittering generalities, if repeated often enough, have a tendency to transcend reality; the results can be fatal.

One very thoughtful columnist who understands that danger is Richard Cohen. I urge my colleagues to carefully consider the following column, which he authored in the April 3, 1985, Washington Post.

[The article follows:]

[From the Washington Post, Apr. 3, 1985]

TELL ME NO "NICARAGUAS"

(By Richard Cohen)

Washington loathes the word lie. Instead, it prefers such imprecisions as "misspoke," "political rhetoric" or, in congressional testimony, "to the best of my recollection." In that spirit, let me propose a new word for a statement that is—ahem—at variance with the facts: a Nicaragua.

A recent "Nicaragua" was the president's charge that the Sandinistas were "using Stalin's tactic of gulag relocation. . . ." Stalin? The Gulag? What's this man talking about? The Sandinistas are moving people out of combat areas. That may or may not be a nice thing to do, but it is a long way from Josef Stalin and his prison system.

Similarly, the president stretched things a lot when he called the contras "our brothers" and "the moral equivalent of the Founding Fathers." A whopper of a "Nicaragua" there. Unless Washington, Jefferson

and the venerable Mr. Franklin did some raping on the way to Valley Forge, the contras are something less than their moral equivalent. In fact, they are a mostly peasant army created not by Nicaraguan dissidents, but by the CIA, and whose significant leaders are former officers of the brutal National Guard.

Still another "Nicaragua" is the repeated assertion that the Sandinista regime is ruthless and tyrannical. It is not by any means a democracy, and it may, in fact, be heading toward a communist dictatorship, but it is not there yet—not by a long shot. In fact, compared with El Salvador, Nicaragua has an admirable record on human rights. The Sandinistas do not drag people out of their homes and decapitate them in gullies.

Yet another "Nicaragua" is the canard that Nicaragua poses a military threat to its neighbors. In fact, Nicaragua's army of 40,000 is smaller than El Salvador's and not significantly larger, if the 20,000-man civilian militia is included. It has hardly any air force, and its tanks, Soviet-built T54s and 55s, are 25 to 30 years old—sitting ducks against modern anti-tank weapons or the repectable air forces of Honduras and El Salvador. Moreover, the Sandinistas must know that even a feint toward a neighboring state would bring the wrath of Reagan down on them. Talk about making his day!

So what's going on? Why is the president (and his Charlie McCarthy of a vice president) so exaggerating the fault and the capabilities of the Sandinistas and the attributes and vulnerabilities of their enemies? Why is the administration's rhetoric so out of proportion to the facts? In other words, why so many "Nicaraguas" about Nicaragua?

The answer is Cuba. It's the monkey on the administration's back. The creation of a communist state in our hemisphere is to Reagan's brand of conservatism what the treaty of Versailles was to a generation of Germans—a sellout and a humiliation. Reagan will not permit it to happen again, not again allow what he thinks is the inescapable nature of Marxism to be camouflaged by gains in literacy or health, declaration of peaceful intent, promises of an eventual democracy and the seemingly limitless ability of some Americans, particularly liberals, to be taken in by all this.

You may want to argue with some or all of that, but it is a legitimate enough theory. The trouble is, though, it's not what the president tells the American people. Instead, in the manner of a parent talking to a child, he dispenses with ambiguities and subtleties and even with the future tense. In rhetoric, he has created a Nicaragua that is already a Cuba and he treats it as such. He makes war against it, forces it to militarize and then cites that very militarization as evidence of aggressive designs. He plants mines in the harbors, sabateurs on land and then cries totalitarianism when the Sandinistas respond with a state of emergency.

Maybe in the end the president will be able to vindicate his own exaggerations. Given his actions and the proclivities of the Sandinastas, Nicaragua may well end up being another Cuba, and then we can all wonder who's to blame—the United States for its hostility or the Sandinistas for causing that hostility. In the meantime, though, Nicaragua is a long way from becoming a Cuba. To declare otherwise simply forecloses policy options—and hastens the day when a lie finally becomes the truth.●

THE TRADE DEFICIT

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BRUCE. Mr. Speaker, our trade deficit continues to rise. Last year it was $123 billion; this year it may rise to $150 billion. The implications of this record-setting deficit are clear. The American workplace has shrunk by 2 million jobs since 1980; 57,000 of those jobs were in my home State of Illinois.

There are two things we must do here in Congress. First, we must make the hard choices necessary to reduce the budget deficit which is driving up our dollar and producing a flood of imports. The overvalued dollar puts the equivalent of a 30-percent tax on every items the United States exports.

Second, we must work to ensure that where our products are competitive, foreign markets are open to them. Given that we have a $37 billion trade deficit with Japan, removing the voluntary restraint agreements which kept Japan's share of the American automobile market to around 20 percent is not good policy. "Free trade" is a popular term, but we will not produce free trade merely by laying our markets wide open to foreign competitors. Free trade involves reciprocity, and we should not permit the Japanese to exploit the U.S. auto market without lessening the restrictions they place on highly competitive American products such as telecommunications equipment, wood products, medical equipment, and some agricultural commodities.

By ending the voluntary restraint agreements, the United States stands to lose another 110,000 jobs by 1987. The Department of Commerce has said that several of the 10 plants in the United States which assemble small cars could close if Japan picks up another 10 percent of the small car market. One of these plants is located in Illinois, which already has double-digit unemployment.

The American economy cannot stand continued strain of this sort. I urge my colleagues to support legislation such as House Concurrent Resolution 93, which would permit Japan to increase its auto exports to the United States gradually if it at the same time increases its imports of U.S. agricultural and industrial products. This kind of reasoned approach offers incentives for the Japanese and jobs for Americans. Coupling a balanced trade policy with a strong attack on the budget deficit will help maintain America's long-term prosperity.●

EXTENDING FEDERAL SUPPLEMENTAL COMPENSATION

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. BORSKI. Mr. Speaker, I rise on behalf of many long-term jobless workers facing the loss of unemployment benefits.

Two days ago, we approved a bill to continue benefits for those already on the Federal supplemental compensation [FSC] rolls, allowing them to receive the full number of weeks of payments to which they are entitled under the expiring law. Unfortunately, because benefits last no more than 14 weeks, this will mean an end to the current FSC Program by early July.

This bill is little more than a Band-Aid approach to solving our country's unemployment problem. We need a revised and permanent plan to aid those suffering from the deterioration of industrial America.

Despite the economic recovery being experienced across the country, unemployment remains at persistently high levels. There are currently 8.9 million unemployed workers looking for jobs, and 1.4 million of these have been looking for work for more than 6 months. Another 1.3 million jobless fall into the "discouraged worker" category—people who are so discouraged about the prospects of finding jobs that they have given up looking, and are thus not counted among the officially unemployed.

The extension of unemployment benefits is especially important for industrial States with high unemployment, such as Pennsylvania. Last year in my State, 499,000 workers were classified as unemployed. Only California and New York, States which have the highest numbers of people in the work force, have more unemployed workers than Pennsylvania. Additionally, many unaccounted long-term jobless reside in my State.

While I supported the bipartisan measure to extend FSC benefits because it will provide a life raft for hundreds of thousands of unemployed workers faced with the immediate loss of benefits, I do not believe we have gone far enough in addressing the long-term unemployment picture. As one of our colleagues put it: "This is not the very most we can do. It is the least we can do."

For precisely this reason, I am hopeful that in the coming months Congress will work to permanently reform our unemployment system so that benefits will continue to be available to meet the needs of our unemployed in times of high unemployment.●

DR. MARTIN LUTHER KING, JR.

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. LELAND. Mr. Speaker, today, April 4, marks the 17th anniversary of the death of Martin Luther King, Jr., an American who actively sought to remind us that justice and equality are the cornerstones of American democracy. An American whose thirst for justice and whose strength of will exemplified the best qualities of the American spirit.

We here in the U.S. Congress, designated with the responsibility of preserving and protecting the rights of the American people, can use the words and philosophies of Dr. King to guide us in our legislative duties. The issues we contemplate here are grave. Should we allocate funds to develop more weapons for our defense? Should we finance the civil wars of foreign countries?

If we vote yes to purchase more weapons, then how many weapons is enough? If we vote yes to participate in another country's civil war, which side do we support?

Dr. King, with all his brilliance, gave us a guideline to use to answer questions such as these. He said:

> The ultimate test of a man is not where he stands on positions of comfort and convenience but where he stands on positions of challenge and controversy. So on some questions cowardice asks, "Is a position safe?" Expediency asks, "Is a position politic?" Vanity asks, "Is the position popular?" But conscience asks, "Is the position right?"

My fellow colleagues, I challenge you to make decisions on what is right. On the anniversary of this great man's death, let's reacquaint ourselves with his philosophy and renew our commitment to decide issues on the side of morality, human consciousness, and justice.●

PERSONAL EXPLANATION

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. COUGHLIN. Mr. Speaker, I rise to explain my absence from the Chamber the evening of April 2, 1985. I was meeting with the Prime Minister of Turkey and my pager did not sound.

Had I been present in the Chamber, I would have recorded my votes as follows:

Roll No. 43: Motion to suspend and pass H.R. 1373, designating Point Reyes National Seashore Wilderness as the Phillip Burton Wilderness Area. I would have voted "yea."

Roll No. 44: Motion to suspend and pass H.R. 1869, repealing contemporaneous recordkeeping requirements added by Tax Reform Act of 1984. I would have voted "yea."

Roll No. 45: Motion to suspend and pass House Concurrent Resolution 107, expressing the sense of Congress that the President take action relating to trade deficit and unfair trade practices of Japan. I would have voted "yea."●

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. ORTIZ. Mr. Speaker, on Tuesday, April 2, 1985, and Wednesday, April 3, 1985, I was unable to be present and voting. My presence was required in my Corpus Christi District Office due to an issue of significant economic impact on the 27th Congressional District of Texas.

Several important votes were taken in my absence. If I had been able to cast my vote on these issues, I would have voted in the following manner:

Rollcall No. 40, on approving the Journal, "yea."

Rollcall No. 42, H.R. 1239, supplemental appropriations for African famine relief, "yea."

Rollcall No. 43, H.R. 1373, designating the Philip Burton Wilderness Area, "yea."

Rollcall No. 44, H.R. 1869, repeal of contemporaneous recordkeeing requirements of the Internal Revenue Code, "yea."

Rollcall No. 45, House Concurrent Resolution 107, relating to the U.S. trade deficit and the unfair international trade practices of Japan, "yea."

Rollcall No. 46, on approving the Journal, "yea."

Rollcall No. 48, the Walker substitute to the Meyers amendment to H.R. 1714, NASA authorization, "yea."

Rollcall No. 49, Walker amendment to H.R. 1714, NASA authorization, "nay."

Rollcall No. 50, Morrison amendment to H.R. 1714, NASA authorization, "yea."

Rollcall No. 51, on passage of H.R. 1714, NASA authorization for fiscal year 1986, "yea."●

IN SUPPORT OF THE AFGHAN PEOPLE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. CONTE. Mr. Speaker, Thursday, March 21, 1985, people remembered and honored a country which is being murdered bit by bit and piece by piece. This country has never been a threat to its neighbors; it has never had expansionist ambitions; and it has never concerned itself with the internal workings of other nations. In the past, those who tried to conquer this land and its people, despite military and organizational superiority, found that they could not control a people who loved freedom so deeply. Today, as we speak in this building which represents freedom for so many around the world, the Soviet Union is trying to crush and murder a people who refuse to die without a fierce and valiant struggle.

Earlier this year, I joined some of my House and Senate colleagues in forming the Congressional Task Force on Afghanistan. The purpose of the task force is to help focus attention and heighten public awareness on the human tragedy which is Afghanistan. The time has come for a public debate on this issue. To date the task force has held three hearings dealing with the humanitarian situation in Afghanistan. The picture painted by these hearings can be described in one word: grim.

For over 5 years the Afghan people, the Pushtuns, Tajiks, Uzbeks, Turkmen, and several other tribes, have withstood a harsh and brutal occupation. Let us not delude ourselves, however, into thinking that just because the freedom fighters have fought the Soviet forces to a standstill that they are winning this war. They are not, and this is due mainly to a policy instituted by the Soviet Union which some have termed "migratory genocide." Reports abound of crops bombed and burned, orchards destroyed, villages razed, and livestock killed. The Soviets appear not to care whether the people stay in Afghanistan or leave their homeland for Pakistan. The message that they are sending is clear: fall under our domination or suffer the consequences. Many of the people, however, would rather tend their fields at night by lantern light than leave the land of their ancestors. Because the Kabul government will not allow international relief agencies to operate within Afghanistan, alternative ways of providing humanitarian assistance to the people still inside Afghanistan must be found. At the same time we must not forget those who have been forced out of Afghanistan. There are over 3 million refugees in Pakistan, and we must continue to assist the Pakistani authorities and worldwide relief agencies in aiding them.

Five years of oppression by the Soviets have made one thing clear; they are in Afghanistan for the long haul. They are undertaking a massive program of Sovietization. They rob the cream of the Afghan youth, and take them into the Soviet Union to train them in their own fashion. Soldiers,

professors, teachers, and political people are indoctrinated in the Soviet Union, and then sent back to Afghanistan. It is all part of a Soviet policy of killing the individuality and culture of the Afghan people, and substituting it with one more palatable to their own.

The Karmal government and its Soviet masters have demonstrated a complete disregard for human rights. Human rights abuses are so brutal and numerous that Amnesty International has targeted Afghanistan in its anti-torture campaign. Amnesty International has reported the use of various forms of torture by the Afghan Secret Police. Beatings, electric shocks, solitary confinement, filthy prison conditions, and other forms of torture too ghastly to mention are frequent occurrences. As a recent Washington Post article stated, "These are the facts in Afghanistan. It is necessary for everyone to know them."

These are the facts, and the time is long overdue for a heightened public debate on the situation in Afghanistan and an assessment of an appropriate U.S. role. The very life and identity of a nation are at stake.●

FAIR TREATMENT FOR STEPPARENTS AND CHILDREN UNDER AFDC

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FRANK. Mr. Speaker, I introduced a bill today to correct the injustices done to stepparents living with dependent children eligible for aid to families with dependent children assistance [AFDC] created by budget cuts contained in the Omnibus Budget Reconciliation Act of 1981. In 1981 the Reagan administration succeeded in passing budget cuts in the AFDC Program which now require that the income of a stepparent living with a dependent child be considered in determining the child's eligibility for AFDC. My bill would not consider such income in determining AFDC assistance for children and stepparents already living together on September 30, 1981. I think it is unfair to disrupt the budget of essentially poor families, which are delicately balanced.

I think we must consider the legal duties of stepparents to children living in their household, when reviewing the appropriateness of the 1981 AFDC budget cuts. Unless a stepparent adopts the child of their spouse, they have no legal duty to support such a child. A child has a right of financial support from his or her parents, whether they be birth parents or adoptive parents, but not from stepparents. The 1981 Budget Act disregards the laws on child support and reaches for the nearest pocket. It does not consider if the stepparents already have a legal duty to support children living or not living with them. Children in the end will loose by this attempt to save a few dollars on domestic spending. Children will not receive the support from AFDC and have not legal rights to demand support from their stepparents. I am sure that in most cases these families will try to make up for the loss of AFDC, but such families have little discretionary money. AFDC assistance is important to the welfare of children not able to receive adequate financial support from their parents. I think parents, if they are financially able, must be made to financially support their children, and I commend the Congress' work last session of passing legislation to assist with the enforcement of child support. I think counting the income of stepparents to deny children AFDC assistance is injust. I am asking my colleagues to join me in correcting this problem and restore fairness to families already living together when the AFDC budget cuts were enacted.●

HAITI: RIGHTS DENIED

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. TOWNS. Mr. Speaker, the House Foreign Affairs Committee recently reported out the foreign aid authorization bill for fiscal year 1986. The committee rightfully retained the Certification for Haiti in the legislation. The current human rights situation has been marred by a series of arrests in November and December 1984 of people who were associated with agricultural and community development organizations and church groups. These 30 or so Haitians were held without charge until this February when the Government of Haiti revealed that 23 of those detained in November would be tried together for conspiracy against the internal security of the Haitian state. To date, no trial date has been set.

These actions suggest that the Government of Haiti is conducting business as usual—the intimidation of any forces for positive social change. The arrests in late 1984 are the most serious crackdown on development workers since the 1980 arrest and expulsion of independent press and human rights monitors. The Department of State's Country Report for 1984 supports the contention that basic freedoms continue to be denied by law and in practice. The report states clearly that "constitutionally guaranteed freedoms, such as freedom of speech, press, and association, are in practice effectively restricted by other legislation and laws. Due process guarantees relating to judicial procedures are often not respected."

A synopsis of the current human rights situation is described in a recent report to the United Nations Commission on Human Rights by the National Coalition for Haitian Refugees, Americas Watch and the Lawyers Committee on International Human Rights. The report is entitled "Haiti: Rights Denied, A Report on Human Rights in Haiti in 1984." I have included the conclusions of this report for my colleagues' review. An examination of these conclusions, as well as the report itself, clearly indicate that the certification process should be maintained for Haiti.

HAITI: RIGHTS DENIED—A REPORT ON HUMAN RIGHTS IN HAITI IN 1984

CONCLUSIONS

1. Haitian security forces continue to detain without charge or explanation persons perceived to be opponents of the current President-for-Life, Jean Claude Duvalier. Detainees are held incommunicado and are often severely beaten during interrogation by security force officials.

2. In 1984 the Haitian government engaged in the most pronounced campaign of intimidation since the November 1980 crackdown on independent journalists, human rights advocates, lawyers, politicians and trade union officials. In November and December 1984 the security forces detained without explanation or charge approximately 35 persons, primarily church and community development workers. Many were held incommunicado and no trial dates have been announced, although it appears that some 16 of these persons may be brought to trial for "conspiracy against the internal security of the Haitian state."

3. Throughout 1984 independent human rights monitors continued to be subjected to considerable harassment by Haitian security forces. A National Commission on Human Rights was created by the Haitian government, but has failed to take any action or position that is even mildly independent or critical of the government. By its own admissions the Commission will not act on "political cases," cases involving "national security," or other cases of "immediate importance to the government."

4. The Haitian government continues to effectively suppress political opposition. A 1984 communique indefinitely banned political parties and other "political groupings," and the activities of the Haitian Christian Democratic Party and the Haitian Social Christian Party were subject to increased harassment and intimidation.

5. Freedom of the press in Haiti has been significantly curtailed through the Press Laws of 1979 and 1980 and through state security legislation. In 1984 censorship and other restrictions were increased through a communique ordering the suspension of all newspapers and periodicals that were not approved in advance by the government. Haiti's few remaining independent editors were detained by the security police in 1984 without explanation and one was injured during interrogation by secret police officials.●

REAGAN BUDGET CONTINUES TO DENIGRATE FEDERAL WORKERS, RETIREES

HON. JAMES J. HOWARD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. HOWARD. Mr. Speaker, several weeks ago, a number of my colleagues on the Federal Government Service Task Force discussed the administration's budget proposals affecting Federal employees and retirees. I would like to take this opportunity to add my voice to those who have already publicly denounced these proposals.

Over the past 3 years, I have heard from hundreds of Federal workers and retirees who reside in my district regarding proposals to reduce their benefits. When looking at the proposals recommended by the Reagan administration over this period of time, one can certainly justify their concern.

Fortunately, the Congress has had the wisdom to reject the majority of these proposals. Now don't get me wrong. Federal employees and retirees have made their sacrifices during the past 3 years. Despite the fact that Federal workers trail their private-sector counterparts in pay by a substantial amount, cost-of-living adjustments [COLA's] have been postponed and reduced. For retirees living on a fixed income, COLA's have been delayed and curtailed. Employees and retirees have seen the cost of health insurance increase, while benefits have been slashed. Federal employees have also been subjected to a new Medicare tax. Certainly, no one can argue that the civil servant has not sacrificed.

With the deficit still in record proportions and knowing of the attitude this administration has toward the civil servant, it is not surprising to see the Reagan administration again attempt to lower the deficit on the backs of the Federal worker and retiree.

However, unlike previous recommendations, the administration has offered a new proposal—one which would reduce pay for civil servants by 5 percent. Although this proposal is so ludicrous that it should not even be seriously considered, I think it is necessary to discuss the pay cut to further illustrate the contempt this administration has for Federal workers.

Mr. Speaker, only once has the Federal Government asked its workers to take a pay cut. That was during the Great Depression. Requesting something that was done only during the Great Depression seems to contradict all of the happy talk we have been hearing from this administration over the last year regarding economic recovery. Try explaining economic recovery to a Federal worker after he has had his pay cut 5 percent.

I wonder if President Reagan, David Stockman, or Donald Devine realize that Federal employees are the only group of employees in the U.S. labor force whose real earnings have not increased since 1982. If they don't realize this fact, then they should. However, if they are aware of this fact and yet they still make this recommendation, it further illustrates the belief of many that this administration views Federal workers as second-class citizens.

I would like to make one final point regarding the proposed pay cut. There is no question that the Federal worker is an easy target. Sadly, many people have the view that Federal workers are lazy and very overpaid. It is unfortunate that the Office of Personnel Management has perpetuated this myth by using phony statistics such as quit rates. But just for one moment, I think we should look at a typical Federal worker and what this pay cut really means.

A single mother in my district who works at Fort Monmouth making $15,007 would take home approximately $950 per month. After she pays $300 rent and $100 in utilities for her modest apartment, she is left with $550. After you subtract insurance and child care, she is left with $375 a month for clothing and food. If the administration gets the 5 percent pay cut it requested, she will be left with only $317—under $80 a week for clothing and food for herself and her 6 year-old son. This does not include transportation expenses or any out-of-pocket health expenditures. In addition, if you take the entire President's budget, then you would also have to figure in an increase in her retirement contribution of another 2 percent. Certainly, this person cannot afford to have your budget adopted, Mr. Reagan.

This is just not one isolated case and the numbers I have used are very conservative. I am told that approximately 30 percent of the employees at Fort Monmouth fall within the lower grades. In addition, a 5-percent pay cut would also drain the Long Branch-Asbury Park area of $8.3 million.

Of course, Mr. Speaker, the general feeling is that the administration is really seeking to freeze the COLA for Federal workers. With 4-percent inflation, a freeze is not a freeze, it is an actual cut of 4 percent. And remember, Federal workers are already trailing their private-sector counterparts in pay by 7 to 18 percent.

Freezing the COLA is also unfair to the Federal retiree. These persons, living on a fixed income, are experiencing increases in medical costs, utilities, and food. A freeze is unfair unless you also talk about freezing these other costs. However, as we all know, the President's budget would require senior citizens to pay even more for health care.

The final budgetary item I would like to address is the proposal to raise the retirement age from 55 to 65. My constituents tell me that they started working for the Federal Government 20 years ago not because of tremendous salaries—they were just as far behind then as they are today—but because of the retirement program. To change the rules, after one has faithfully worked for the Government for a number of years would be morally wrong. Mr. Speaker, the Civil Service Retirement Program is a contract this Government took out with its employees. We must not break this contract.

Mr. Speaker, I simply want to state again that this assault on the pay and benefits of Federal workers and retirees must cease. It is in our national interests to have a government made up of competent working men and women. Whether it be the dedicated person working for the FBI, the Defense Department, or the person processing Social Security checks, or risking his life at the Drug Enforcement Agency, this Government cannot afford to employ anything but the best and the brightest.●

THE COPPER INDUSTRY

HON. JIM KOLBE
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. KOLBE. Mr. Speaker, I am introducing today a resolution that would abolish the compensatory financing facility of the International Monetary Fund. A recent study has again brought to our attention the dire condition of the U.S. copper industry. The Western Economic Analysis Center has released a study which shows that in 1 year alone, 1983, and in one State alone, Arizona, copper producers have lost over $100 million. Table 1 gives a complete breakdown of this costly loss.

The domestic copper industry is in serious trouble because foreign copper producers, most of which are located in lesser developed countries and most of which are controlled by the various governments, are flooding the market with cheap copper. Why are they doing this? Because the CIPEC countries such as Chile, Peru, Zambia, and Zaire all rely heavily on copper exports as a source of foreign exchange. The more copper they produce, the more money they get.

The irony of this situation is that much of this foreign copper production has been funded by U.S. money through loans by the International Monetary Fund. Between 1975 and 1983, the IMF has loaned $4.4 billion to Chile, Peru, Zambia, and Zaire.

Thirty-eight percent of the current loans are made through the compensatory financing facility. Although the Fund does not loan money for specific projects, it has had the effect of stimulating copper production. Because of their dependence on copper exports as a source of revenues necessary to pay off the IMF loans, CIPEC countries have responded by increasing copper production. This has caused an oversupply of copper in the marketplace and a severe fall in the price of copper. This in turn causes them to produce even more copper to maintain the same total revenues necessary to pay off the loans.

Privately owned U.S. companies have responded to harsh economic times by restricting production and improving operating efficiencies. The U.S. industry continues to be the most efficient miner of copper ore in the world. But this has not been nearly enough to compete with copper produced by foreign governments. An article in last Saturday's Washington Post vividly described the situation that exists in the Southwest where a number of mines have reduced production or closed, and thousands of former copper workers are unemployed. I am enclosing that article because it contains one of the best descriptions of the conditions that the domestic copper industry and the thousands who depend on it for their livelihood are facing. We must take steps to remedy this deplorable situation.

The compensatory financing facility was created to assist Fund members in weathering temporary falls in commodity prices that were beyond their control. It now plays an integral part in causing the fall of those same commodity prices. I urge my colleagues to join me in the support of this resolution and eliminate the compensatory financing facility.

The table and article follows:

TABLE 1.—*The distribution of copper industry income directly to the Arizona Economy, 1983*

Industry sales of	$1,295,685,000
Provided: Personal income for Arizonans of	415,220,000
Including:	
Wages and salaries for Arizona workers of	372,892,000
Dividends to Arizona stockholders of	1,353,000
Transfer payments to Arizona residents of	40,975,000
Sales for other Arizona businesses of	507,137,000
Including sales to copper producers by:	
Wholesalers of	169,293,000
Public utilities of	141,760,000
Manufacturing firms of	100,336,000
Service businesses of	28,304,000
Transportation firms of	25,274,000
Construction contractors of	23,016,000
All other types of businesses of	19,154,000
State and local government revenues of	81,480,000
Including amounts for:	
Public Schools and Junior Colleges of	37,480,000
Counties, Cities, and Towns of	21,319,000
The State of Arizona of	22,556,000
Special District Governments of	125,000
With a net result for the Arizona economy of a total direct contribution of	1,003,837,000
But to do this, copper producers had to make expenditures outside of Arizona of	392,810,000
To cover:	
Out-of-State business expenses of	356,560,000
Federal income and payroll taxes of	26,102,000
Dividends to non-Arizona investors of	10,148,000
Resulting in a net loss for Arizona copper producers of	100,962,000

Source: Western Economic Analysis Center.

COPPER INDUSTRY LANGUISHES IN THE ECONOMIC PITS—MINING HURT BY COMPETITION, AIR STANDARDS

(By Paul Taylor)

MORENCI, ARIZ.—This is where copper is coming a cropper.

The great open pit copper mines of Arizona, New Mexico and Utah, world-dominant for most of this century, are mired in a three-year depression.

It has halved mining employment, idled 16 of the nation's 28 largest mines, triggered the longest strike in industry history (21 months and counting here at Phelps Dodge's mile-wide Morenci mine), generated net industry operating losses of nearly $3 billion since 1981 despite a 29 percent reduction in per-ton production costs and set off a round of almost panic-stricken divestitures by the same oil companies that went on a cash-happy shopping spree for copper mines in the 1970s.

This week, Phelps Dodge announced that its smelter in Ajo will close April 4, laying off 200 workers. Prognoses for the survival of the industry as a whole—from whose vivid, sometimes violent, history could be chronicled the taming of the American Southwest—range from dire to dour.

Copper is not the only afflicted metal in this country.

Lead producers have been stung by the unleading of gasoline; the great iron ore mines of Minnesota's Mesabi Range have been losing a generation-long battle with low-cost imports; gold and silver prices have gone soft, and aluminum producers have been hurt by the high cost of power, which they use abundantly in smelting.

Nationwide, metals mining employment dropped from 109,000 in 1981 to 44,800 last year.

But the $2.4 billion copper industry is the largest metal miner and, at the moment, the most crippled. And it is mined in a sparsely populated, politically vulnerable part of the country, reducing prospects for a congressional bailout.

Copper's humiliation has come at the hands of a rougue's gallery of economic and social forces that mugged a swath of Smokestack America throughout the 1980s.

This lineup includes: low-wage third World competitors that have been overproducing (and driving the world copper price to Depression-era depths) to raise the money their countries need to pay off international loans financed, in part, by U.S. taxpayers; federal clean air standards that have forced the industry to spend—and often misspend—hundreds of millions of dollars on antipollution processes that have added to cost but not productivity, and a strong dollar that has devoured export markets as voraciously as it has sucked in copper imports.

Besides these generic causes of U.S. deindustrialization, there is a another problem specific to copper.

Most of the known high-grade copper ore in this country has been mined. The grade or copper content of the ore in the gargantuan Chuquicamata mine in Chile, which has become the Saudi Arabia of copper, is twice that of a typical U.S. mine, and the ore grades in Zaire's nationalized mines are more than five times the U.S. average.

Given these multiple ills, the copper debate will bump into some hard questions. Are old-line "dirty" industries like copper worth saving? If so, are they capable of salvation? Or, sooner or later are they bound to be done in by broad forces of economic change?

In the darkest hours of auto and steel, such questions were not entertained seriously. At stake were too many jobs, too much national security, too expansive an economic ripple.

"The next 12 to 18 months will decide whether there's going to be a domestic copper industry," said Bruce Wright, administrative aid to Rep. Morris K. Udall (D-Ariz.), who earlier this month introduced a rescue bill in Congress.

"The only difference between us and the industries that get bailed out," said Carl J. Forstram, plant manager of the Phelps Dodge mine here, "is that we don't have the votes in Congress."

Udall's bill, introduced on behalf of the new congressional Copper Caucus, would provide a five-year "recovery window" by negotiating production limits for foreign competitors. (Under the legislation, competitors that refused to live within the limits would have tariffs slapped on their exports to the United States).

IMPORT QUOTAS URGED

Prospects for passage are not good. There are 23,000 jobs left in copper mining and smelting, a fraction of the auto and steel payroll. Moreover, the copper fabricating industry—which buys refined copper from U.S. and overseas producers—employs five times as many workers as the mines.

Last year, after the International Trade Commission found that unfair foreign competition had hurt the American copper producers, the fabricators opposed ITC recommendations for tariffs or quotas, fearing that either approach would create a two-tier pricing structure—one U.S. price and a lower world price—that would place them at a competitive disadvantage.

The Reagan administration sided with the fabricators. "It was a political year, and in a

political year, you count heads," said Robert Wardell, president of the Copper and Brass Fabricators Council. "We had 125,000 jobs, the producers 25,000."

"It's not just the politics of it," said Don Phillips of the Office of the U.S. Trade Representative, which turned down the ITC request. "If, by imposing tariffs, you are going to lose more jobs in fabrication than you save in mining, that's a legitimate economic consideration."

If the jobs argument alone cannot carry the day for the mines, Udall and others say defense considerations should.

Copper is used in everything from ammunition casing to battlefield communications lines to engine parts. The nation experienced copper shortages during each of its last three wars; the shortages were deemed so serious that in the late 1960s the federal government, through the Defense Production Act, helped finance the development of several large private mines.

Copper is one of 61 commodities designated by Congress as part of the National Defense Stockpile, but as of 1984, the government had filled only 3 percent of its target stockpile of 1 million short tons of copper. The industry has been clamoring for additional reserve purchases in this, its hour of need, but government experts say that, given the current world oversupply of copper, there are more pressing purchasing priorities.

"The national security danger is that this is an industry that can't be turned on and off like a faucet," said C.J. Hansen, president of the Arizona Mining Association. "Once you close mines, you tend to lose them."

Industry leaders believe that is what Chile is banking on. They say that Chilean overproduction—which they describe as a deliberate strategy of selling two pounds of copper at 50 cent a pound rather than one pound at $1—amounts to a predatory "squeeze play" designed to drive high-cost U.S. producers under.

Chile can make a profit on low-price copper; the U.S. producers, whose costs are 50 percent higher, cannot. Already the U.S. share of the world market has dropped from 50 to 13 percent over the past two generations.

Domestic copper producers are enraged that the Chilean copper industry has been aided by loans from the International Monetary Fund and World Bank granted in what J. Hugh Leidke, chairman of the Pennzoil Co. (which recently put its copper subsidiary, Duval Corp., up for sale), calls a "global Ponzi game" to ensure that developing countries will have the revenue to pay off earlier loans.

Most parties to the copper debate agree that the domestic industry has legitimate gripes. But one school holds that, even so, any rescue effort would only postpone the inevitable.

"Let's face it, what's happening with copper is what we are supposed to want to happen," said Robert Horton, director of the Interior Department's Bureau of Mines. "The developing countries are in fact developing. No government can stand in the way of long-term trends for very long."

Even Arizona Gov. Bruce E. Babbitt has been muted in his calls for federal help. "The governor realizes that copper's heyday has come and gone," said Jim West, Babbitt's press secretary. ". . . He doesn't want to raise hopes that will only be dashed later. He's more interested in economic diversification."

UNION MOVE BLUNTED

Behind the cold-eyed assessment of economic history, there is a human and intensely poignant side to the decline of a "company-town" industry.

Copper is the source of the genteel wealth of the Hearsts and the Guggenheims, but its history is that of a rugged, Wild West industry, pioneered by prospectors who spilled as much blood fending off each other as they did fighting the Apache.

Because copper deposits were so remote, mining companies built company towns to attract and hold a stable work force. Labor relations in such towns have ranged from violent to imperial to benign; one historian has likened them to imperial Britain's mercantilistic outposts, with their rigid social and economic strata.

Seventy years ago, the Industrial Workers of the World ("wobblies") tried to establish a foothold in the copper towns. But in 1917, in one of the infamous episodes of U.S. labor history, 1,250 workers and IWW sympathizers at Phelps Dodge's Bisbee, Ariz., mine were rounded up by a sheriff's posse on orders from Phelps Dodge officials and set by train to a town in New Mexico with a warning never to return.

The labor movement in the copper mines never has been the same, nor has management ever been quite so heavy-handed. Company towns like the one here grew into little mountaintop oases of the good life: palm trees, manicured lawns, good schools, plenty of hunting and fishing, all set in the stark beauty of the southern Rockies.

By 1983, when the current Phelps Dodge strike began, workers here were getting wage and benefit packages worth an average of $36,000 a year. "As an industry, we had gotten fat, dumb and happy," Hansen said.

Most of the Phelps Dodge workers grew up as second- or third-generation miners; the whole town had the quality of a extended—and fairly happy—family. Race relations among Hispanics, Anglos and Indians were good, on the whole.

"It was a pretty good life, no question," said Angel Rodriguez, head of United Steel Workers Local 616, the largest of 13 unions that used to represent 2,000 workers here.

A BRUTAL, BITTER STRIKE

It came unglued July 1, 1983. Other copper companies had agreed that spring to a pattern contract that involved a wage freeze; Phelps Dodge also wanted to eliminate cost-of-living adjustments and extract some other concessions. When the unions went on strike, the company decided to keep the mine open, which it was able to in the critical first days only with the help of National Guard units mobilized by Babbitt.

It has been a brutal, bitter strike. There have been no deaths, but vandalism in Morenci is in the $250,000 range, company officials say; comparable damage has been done in Ajo, Douglas and other Phelps Dodge towns.

Brother has been set against brother, friend against friend, father against son as miners have made the agonizing choice between working and striking. About half the jobs at the mine are filled by ex-union members who crossed their own picket lines.

The strike has been a disaster for the unions. Phelps Dodge has been able to operate; it says that it even set production records last fall. New workers' wage scales have been cut by one-third, and all 13 unions were kicked out last fall in a decertification vote that is still being appealed. Workers at other mines in Arizona, fearful for their jobs, are decertifying their unions as well.

Nearly 21 months after the strike began, strikers and "scabs" still wave ritual obscene gestures at one another each afternoon at the shift change, but the strike long since has been lost.

"I'm just sort of hanging around to see how the [appeal of the] decertification vote comes out," said Janner Nessler, a striking filter helper. Most of his fellow strikers long ago drifted away to Tucson or Phoenix or Stafford, leaving behind not just their jobs, but also their roots, their homes, their relations.

Even with the cost-cutting and union-busting, the Phelps Dodge mine here may not be able to make it. In January the company had to close its Morenci smelter into which it had poured $90 million in an effort, ultimately futile, to comply with an Environmental Protection Agency consent decree.

"In hindsight, they would have been better tearing the smelter down and starting from scratch," Hansen said. "They tried for an innovative approach to pollution control, and they could never get it to work."

Phelps Dodge is not the only company to miscalculate antipollution strategy. The Duval Corp. spent millions developing a state-of-the-art hydrometallurgical smelting system that does not foul the air but has proven too costly to operate.

When the Phelps Dodge smelter here closed, it meant laying off permanently 600 workers, some of whom were the very ex-union members who had estranged themselves from their families by choosing to work. Officials said the Ajo smelter, the town's only industry, could reopen if copper prices rise.

JAPANESE FIRMS BUY IN

Phelps Dodge, Arizona's largest copper producer and the nation's second largest (behind Kennecott), lost $267.8 million in 1984. The most optimistic reading of its future is uncertain. And if a miracle rescue comes, it may come from a strange corner of the globe.

Earlier this year the Sumitomo Corp., a Japanese trading company, signed a letter of intent to purchase 25 to 40 percent of the Morenci mine. Sumitomo is following the footsteps of the Mitsubishi Corp., which in 1980 became a one-third owner of Kennecott's Chino Mines in New Mexico.

Japan is a copper importer, and its modern, post-World War II smelters, which are low in pollution, are always hungry for more ore concentrate. the company apparently plans to ship the concentrate—which is 25 percent copper—across the ocean from Morenci and smelt it in Japan.

If that happens, the mine here would serve a function commonly associated with those in the Third World as a supplier of a raw metal to an industrial power that would smelt it, fabricate it and sell it on the world market.

A circle, of sorts, would be closed in Morenci. The world's first and foremost industrial giant, unable to compete with the developing nations, would become one.

"The Japanese are our best hope," said J.D. Ferrin, an instrument repairer who moved here with his wife and three children a few months after the strike began because the pay was 50 percent better than he could make anywhere else.

"I can't imagine them sinking a lot of money in here and not giving it a good try," he said.

MAJOR COPPER-PRODUCING COUNTRIES IN 1983

Country	Metric tons	Percent of free world total	Percent of domestic production capacity
Chile	1,245,000	20.4	100
United States	1,046,000	17.1	59
Canada	625,000	10.2	73
Zambia	514,000	8.4	100
Zaire	503,000	8.2	100
Peru	315,000	5.2	100
Philippines	271,000	4.4	92
Australia	265,000	4.3	100
South Africa	205,000	3.4	100
Mexico	191,000	3.1	100
Papua New Guinea	183,000	3.0	100

Source: American Bureau of Metal Statistics.
Compiled by James Schwartz—The Washington Post.●

JOB CORPS PROGRAM VITAL TO OUR YOUTH

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. DOWDY of Mississippi. Mr. Speaker, this administration has recommended that the Job Corps Program be eliminated. As a representative of a State that has benefited a great deal from this important program, I cannot urge too strongly that the Congress oppose such an unwise move.

In Mississippi we have three Job Corps centers: at Crystal Springs, Batesville, and Gulfport. I visited the center in Crystal Springs recently and was greatly impressed by the services and help being extended to our young people.

Mississippi is a poor State. We are struggling to improve the standard of living and the level of education of all of our citizens. We are trying to attract industry to expand our economic base. The Job Corps is a major help in these pursuits. It has allowed many young people who have dropped out of school or who never have had the opportunity to attend school to learn skills necessary for today's competitive job market. To cut the program now would immeasurably harm the progress we have been able to make.

We are all concerned with the deficit, but cutting Job Corps does not further our long-term goals of a balanced budget. The economy as a whole is better served and the level of Government revenues is increased when we provide training and employment for all of our citizens. An unproductive citizen carries a much higher cost to Government than what we are expending on the Job Corps Program.

It is also pertinent that Job Corps has won such widespread support throughout the State of Mississippi. I have received hundreds of letters from students, workers, employers, and elected officials all urging that the Job Corps Program be continued. I think this is a measure of the effectiveness of the program.

The Job Corps Program is a vital investment in our Nation's future. We cannot afford to discontinue it now.●

SDI BUDGET REVEALS NEGATIVE IMPACT ON ABM TREATY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 4, 1985

● Mr. FASCELL. Mr. Speaker, in keeping with the House Foreign Affairs Committee's oversight of the national security and defense policy of this administration, the Subcommittee on Arms Control, which I chair, will continue the series of hearings it began last Congress in an effort to monitor and evaluate the arms control, technical feasibility, and budgetary implications of the administration's strategic defense initiative [SDI].

In this light, I have requested the administration to provide the committee with the budget history and the projected budget for ballistic missile defense/strategic defense programs through fiscal year 1987.

The budget figures that follow outline selected Army, Navy, Air Force, DARPA [Defense Advanced Research Projects Agency] and DNA [Defense Nuclear Agency] ballistic missile defense/strategic defense programs from fiscal year 1962 through fiscal year 1987. The figures were compiled by the Office of the Assistant Secretary of Defense for the Comptroller.

Previously unavailable, these figures provide in unprecedented detail the past, current, and future budget status of ballistic missile defense and strategic defense programs.

Of particular note are the figures listed for the SDI. The administration is requesting funds for the initial development in fiscal year 1986 of several programs for actual demonstration in the late 1980's, early 1990's. Based on subcommittee hearings to date, there is growing concern that such demonstrations are inconsistent with the ABM treaty and could, therefore, result in violation of that important arms control agreement. This will remain an area of ongoing examination by my Arms Control Subcommittee in its series of hearings on "Arms Control in Space" in the 99th Congress.

Finally, it would be useful if the administration would be forthcoming with the unclassified report it was required by law to submit to the Congress on March 15. The administration is required to provide an analysis of SDI programs and their impact on the ABM treaty. Such a report would be of use to this committee and others in evaluating what the budget figures mean as well as their policy implications.

ARMY SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1962–87

[In millions of dollars]

PE and title	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
12514A—Sentinel/Safeguard							384	311	399	361	298	299	181
63308A—Site Def/Sys Tech										25	CO	80	110
62304A—Exp Dev—ATP												44	24
63304A—ATP							29	134	110	104	96	49	38
65301A—KMR				30	29	33	39	58	83	76	80	76	71
62113A—Hardened Materials											4	4	4
64304A—Nike Zeus		259	176	64	40								
63305A—ZMAR/Sprint		19	90										
64301A—Nike-X			269	329	390	391							
12516A—Communications—O&M											15	10	0
12517A—Logistics Spt—O&M											37	38	40
12518A—Training—MilPers											4	3	
12520A—Base Spt												5	6

	1975	1976	197T	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
12514A—Sentinel/Safeguard	34													
63308A—Site Def/Sys Tech	117	100	25	100	107	113	121	143	336	371	319			
62304A—Exp Dev—ATP														
63304A—ATP	91	97	25	102	106	113	120	123	126	142	153			
65301A—KMR	76	80	20	93	94	97	100	125	140	152	143	154	162	163
62113A—Hardened Materials														
64304A—Nike Zeus														
63305A—ZMAR/Sprint														
64301A—Nike-X														
12516A—Communications—O&M	8	5	1											

ARMY SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1962–87—Continued

[In millions of dollars]

PE and title	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
12517A—Logistics Spt—O&M	42	57	13										
12520A—Base Spt	11	10	3										

NAVY SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1962–87

[In millions of dollars]

PE and title	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
62735N—Hi-Energy Laser														
62768N—Dir. Energy Tech														
63318N—Ad. Sur.-to-Air Msl														
63754N—Hi-Energy Laser								2.5	5.8	4.7	11.7	18.2	19.5	22.5
64303N—Area Air Defense								2.57	35.0	72.0	100.0	78.5	39.1	63.0
64304N—CSED Combat Sys. Eng. Dev														
64307N—Aegis Improve														
64363N—Trident II Penaids														
64365N—SM–2 Nuclear														.4

PE and title	1976	197T	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
62735N—Hi-Energy Laser							38.3	57.5	61.0				
62768N—Dir. Energy Tech								6.0	13.5	13.4			
63318N—Ad. Sur.-to-Air Msl			1.3	3.3	5.4	3.2	5.2	10.9	14.2	3.9	7.3	41.5	81.2
63754N—Hi-Energy Laser	31.1	7.0	24.1	15.3	33.8	35.3							
64303N—Area Air Def. Eng. Dev	65.8	9.7	28.2	28.5	27.3	14.4	16.8	36.7	8.1	12.3	13.6	11.1	12.6
64304N—CSED Combat Sys	45.0	6.5	82.8	35.5	38.8	44.8	26.3	16.1	11.2				
64307N—Aegis Improve									40.7	53.7	44.8	11.1	12.6
64363N—Trident II Penaids										4.9	14.0	15.1	2.0
64365N1—SM–2 Nuclear	1.0	.2	1.4	6.0	7.1	.1	4.0	13.1	18.8	17.1		9.8	23.9

STRATEGIC AND RELATED PROGRAMS—USAF FORCE AND FINANCIAL PROGRAM, FISCAL YEAR 1962–87

[In thousands of dollars]

PE and title	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
12310F—NCMC—TW/AA Sys													
12311F—NCMC-Space Def Sys	2,500	5,800	5,675	4,250	400	154							11,799
12313F—Ballistic Msl TW/AA													
12323F—TW/AA Interface Ntwrk													4,699
12423F—BMEWS													
12424F—Spacetrack	18,700	23,000	12,731	8,300	7,900								
12429F—Nike Targets	4,200	5,900	3,600	7,340	8,700	9,565	6,774	6,999	6,999	7,000			
12432F—SLBM Radar Warn Sys													
12434F—PARCS													
63314F—Strat Laser Sys Tech		5,500	8,900	8,800						1,073	1,000	1,015	1,372	3,476
63424F—Msl Surv Tech (only thru FY84)							1,206	3,211	12,669	21,277	11,474	11,085	
63425F—Adv Warning System													
63428F—Space Surv Tech SBSS										5,108	2,471	2,320	17,161
63438F—Satellite Sys Surv (part)												2,800	1,800
63605F—Adv Radiation Tech								5,056	6,984	18,673	26,135	26,876	28,190
64711F—Sys Surv (Nuc Effects)								1,437	2,144	3,090	3,098	6,988	8,235

PE and title	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
12310F—NCMC—TW/AA Sys								1,283	4,291	21,213	23,834	57,445	67,857
12311F—NCMC-Space Def Sys	6,298	6,298	2,967	3,546	7,499	5,875	15,954	23,463	24,077	46,964	37,441	72,996	64,938
12313F—Ballistic Msl TW/AA									1,271	1,875	3,214	2,655	3,187
12323F—TW/AA Interface Ntwrk												1,468	6,952
12423F—BMEWS					5,000		8,360	12,236	8,185	12,599	10,016	12,966	18,771
12424F—Spacetrack		63	2,400	6,948	8,111	6,200	6,658	9,107	8,062	4,995	10,214	9,613	14,212
12429F—Nike Targets													
12432F—SLBM Radar Warn Sys	350	2,600	7,000	8,485	4,691	4,200		2,994	5,627	3,719	12,219	8,235	23,569
12434F—PARCS				10,000									
63314F—Strat Laser Syst Tech	5,448	7,700	21,199	47,100	58,500					45,843			
63424F—Msl Surv Tech (only thru FY84)	5,616	6,609	5,735	9,130	5,825	3,960	10,058	14,463	11,538	11,128			
63425F—Adv Warning System						5,000		7,954	9,96	10,832			
63428F—Space Surv Tech SBSS	18,760	13,283	20,452	36,898	35,932	42,620	25,585	27,649	20,285	14,563			
63438F—Satellite Sys Surv (part)	2,387	4,105	4,780	8,759	21,305	18,350	19,500	5,600	4,727	11,311	3,319	3,173	4,288
63605F—Adv Radiation Tect	45,789	54,400	79,900	76,300	90,700	78,300	58,237	75,543	76,466	46,680	5,000	19,749	52,002
64711F—Sys Surv (Nuc Effects)	6,687	7,460	8,200	10,399	10,570	14,000	12,149	12,075	11,992	11,703	9,055	7,927	11,121

[1] As reflected in fiscal year 1986 President's budget.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION, SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1984–87

[In millions of dollars]

PE and title	1984	1985	1986	1987
63220C—Surveillance and Tracking	(366.5)	(546.0)	(1,386.4)	(1,874.9)
Radar Discrimination Tech	24.1	29.9	74.1	98.5
Optical Discrimination Tech	50.5	133.7	198.7	192.3
Imaging Radar Tech	6.3	15.3	45.8	123.0
Imaging Optical Laser Tech	5.6	28.3	127.0	188.8
IR Sensors Technology	86.8	57.8	151.4	157.8
Booster Surv & Track Spt Demo	28.3	38.0	131.1	302.9
Space Surveil & Track Demo	35.6	37.0	136.0	267.1
Airborne Optical System Demo	28.8	117.0	191.6	168.0
Terminal Imaging Radar Demo	100.5	6.0	74.6	93.0
Space-Based Imaging Demo			5.8	11.1
Common Tech and Architecture		83.0	250.2	272.5
63221C—Directed Energy Weapons	(322.5)	(376.4)	(965.4)	(1,195.6)
Space-Based Laser Systems	157.0	162.7	371.9	507.7

STRATEGIC DEFENSE INITIATIVE ORGANIZATION, SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1984–87—Continued

[In millions of dollars]

PE and title	1984	1985	1986	1987
Ground-Based Laser Systems	133.1	178.1	431.5	455.2
Space-Based Particle Beams	13.9	32.1	133.4	184.0
Nuclear Driven Systems	8.5	3.4	28.6	48.7
Other DEW Efforts	10.0			
63222C—Kinetic Energy Weapons	(195.8)	(256.0)	(859.7)	(1,238.6)
Endo Non-Nuclear Kill Tech	111.1	68.7	100.6	86.2
Exo Non-Nuclear Kill Tech	.1	49.1	109.7	148.4
System Analysis	2.4	4.0	11.8	19.6
Hypervelocity Launcher Tech	6.6	19.1	68.7	100.3
Novel Concepts/Advanced	2.3	9.0	29.5	29.5
Endo Intecpt NNK Demo	36.8	27.6	101.9	255.0
Exo Interceptor	24.2	12.7	120.7	185.9
SLBM Boost Engagement	.1			
Hypervelocity Launcher	6.6	3.5	39.3	100.4
Kinetic Kill Vehicle	5.5	30.0	147.4	221.4
Technology Demo Program	.1	32.3	130.1	91.8
63223C—Systems Concepts & Battle Mgmt	(82.7)	(99.0)	(243.3)	(272.5)
Battle Management/C³		46.0	145.0	164.9
SDI Systems Architecture		53.0	98.3	107.6
Other Efforts	82.7			
63224C—Surviv, Letahlity & Key Tech	(23.5)	(112.0)	(258.2)	(316.7)
System Survivability	9.2	36.2	72.1	88.7
Lethality & Target Hardening	11.3	63.3	103.5	121.6
Space Power & Power Conver	2.0	11.0	63.8	76.8
Space Logistics	1.0	1.5	18.7	29.6
65989C—SDIO Program Management		(8.0)	(9.2)	(10.0)

DARPA SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1962–85

[In millions of dollars]

PE and title	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
62301E—Project Defender	115.5	110.1	128.2	129.1	113.1	104.9								
62301E—Shortwave Laser Technology								15.0	17.3	16.3	21.1	20.5	17.0	21.0

PE and title	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
61101E—Computer Sci									18.3	(1)
61101E—Space Nuclear Power									5.0	(1)
62107E—3rd Generation Def Tech									6.8	(1)
62301E—Shortwave Laser Technology	24.7	24.2	23.6	20.5	27.1	23.1	45.0	54.3	64.0	(1)
62702E—Electromagnetic Gun				.6	1.5	.9	3.6	4.9	7.0	(1)
62707E—Particle Beam Tech							30.5	36.3	30.9	(2)
62711E—Ad. Sensor				13.5	11.4	14.3	17.8	15.8		
62711E—Talon Gold				5.2	10.4	17.1	25.6	34.7	57.9	
62711E—Alpha				4.9	6.4	17.0	20.4	23.6	36.9	
62711E—Lode					4.9	6.8	13.2	13.7	23.0	(1)
65805E—Tri Service Nat'l Laser Test Range									24.0	(1)

[1] Transferred to SDIO. [2] BMD programs transferred to SDIO.

DEFENSE NUCLEAR AGENCY SELECTED BALLISTIC MISSILE DEFENSE AND STRATEGIC DEFENSE PROGRAMS, FISCAL YEARS 1970–85

[In millions of dollars]

PE and title	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
62715H—Aerospace system vulnerability	0.3	0.9	0.9	6.0	2.9	2.1	2.2	2.4	2.4	3.3	4.0	4.1	5.4	7.4	7.8	(1)

[1] Transferred to SDIO—Survivability, Lethality and Key Technologies (63224C).●

HOUSE OF REPRESENTATIVES—*Monday, April 15, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 4, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Monday, April 15, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The heavens declare Your glory, O God, the beauty of the Earth reminds of Your renewing presence. As You give new life to Your creation, so renew us with a desire to seek those things that make for justice and love in our lives and in our world. May Your gracious spirit keep us in Your grace now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On March 8, 1985:

H.J. Res. 50. Joint resolution designating the week beginning March 3, 1985, as "Women's History Week."

On March 13, 1985:

H.R. 1251. An act to apportion funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986 and substitute highway and transit projects for fiscal years 1984 and 1985.

On March 15, 1985:

H.R. 1093. An act to give effect to the Treaty Between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985.

On March 22, 1985:

H.J. Res. 85. Joint resolution to designate the week of March 24, 1985, through March 30, 1985, as "National Skin Cancer Prevention and Detection Week".

On April 3, 1985:

H.J. Res. 134. Joint resolution authorizing and requesting the President to designate the week of March 10 through 16, 1985, as "National Employ-the-Older-Worker Week".

On April 4, 1985:

H.R. 1239. An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes;

H.R. 1866. An act to phase out the Federal supplemental compensation program;

H.J. Res. 121. Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month";

H.J. Res. 160. Joint resolution designating March 22, 1985, as "National Energy Education Day";

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles; and

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day, U.S.A."

On April 14, 1985:

H.J. Res. 74. Joint resolution designating September 8 through 14, 1985, as "National Independent Retail Grocer Week."

NEW TAX POLICIES MUST PUT FAMILIES FIRST

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, during the 98th Congress, I introduced a bill that would have increased the amount of the deduction allowed for personal exemptions from $1,000 to $2,600. I did so because of clear evidence that families with children were suffering because of tax policies which had increased the average tax rates for a couple with two children 43 percent since 1960 and 223 percent for a couple with four children. Working poor families were most severely impacted by the effects of the 1981 tax act which failed to make adjustments for inflation for the tax provisions most important to families—the personal exemption, the standard deduction—zero bracket amount—and the earned income tax credit. As a result, a family of four at the poverty line which paid $462 in taxes in 1980 was required to pay $1,079 in 1984.

Hopefully, this Congress will move forward on the various tax simplification measures before it and come to an agreement on a bill which will be fair and workable for all taxpayers. Though I believe in a comprehensive approach to tax reform, I am reintroducing my bill to increase the deduction for personal exemptions from $1,000 to $2,600. I am doing so to highlight that it is the one deduction in the Tax Code which benefits all families, and is, as my colleague Mr. COATS has said, "the family exemption." I am doing so to say to those of my colleagues who are willing to deal down this exemption from the levels presently proposed in the major bills—all of the bills are inadequate. Don't be misled by those who call for small reductions in the proposals in order to use the amounts saved to continue loopholes for the corporations. While a reduction of as little as $100 from the proposals may indeed give us $5 billion to play with, such an approach is unconscionable. Big business had its "Corporate Welfare Act" in the guise of the 1981 Tax Act and the inequities of that act visited upon families should be rectified by this Congress, not compounded.

The family exemption should be set at a level that bears some relation to its purpose. The $2,600 figure represents what the exemption approximately would be if it had been indexed since 1948, when it was $600. I must point out that the actual cost of raising a child is far in excess of this amount. Statistics of the U.S. Department of Agriculture indicate that in 1984, it cost an average of $4,794 to raise a child at a moderate standard of living in an urban north central area of the country.

I ask my colleagues who believe, as I do, that any change in tax policy should put families first, to join with me in supporting a realistic and fair increase in the personal and dependent exemptions.

ADDRESS AT STANFORD UNIVERSITY: ALTERNATIVE TO WAR IN CENTRAL AMERICA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, during the recess I was privileged to be invited to address the Latin American Studies School at Stanford University in Palo Alto, CA. My subject was,

"U.S. Policy in Central America: An Alternative to War."

Mr. Speaker, it is clear that a military solution in Central America is not a permanent solution to the problems there. While the United States possesses the military might to destroy Nicaragua or, for that matter, any nation in the Western Hemisphere, militarism as a U.S. policy in Central America does not address the problems of poverty, disease, malnutrition, social injustice, and political corruption.

A long-term solution requires a policy that addresses the aspirations of the people of the region. A return to the military dictatorships of the past ignores the problems and prolongs the conflict.

The address follows:

U.S. POLICY IN CENTRAL AMERICA: AN ALTERNATIVE TO WAR

(Address by Hon. William Alexander)

Dr. Wirth, Ladies and Gentlemen, before the end of the month, Congress will vote on a request by President Reagan for $14 million in aid for the guerrilla army fighting to overthrow the government of Nicaragua. While the amount of the aid request may seem relatively insignificant, this vote is in reality a vote on the overall direction of American foreign policy in Latin America for well into the next decade.

During a recent trip to Central America, I had dinner with one of Mr. Reagan's most ideological ambassadors. At one point I asked him what Latin America would look like if the Reagan Administration were 100 percent successful in pursuing its foreign policy objectives. What kind of society . . . what kind of an economy . . . what kind of government would we see in that part of the world if Mr. Reagan's vision became a reality.

The Ambassador thought for a moment—almost as if he had never even considered the question—and he said, "Congressman, it would be like things were down here in the 1950's—commerce was flourishing, the people loved and respected Americans, and there was a general sense of contentment with things."

After spending most of my life in or around politics, I am not astounded at anything very often. But this response was astounding.

To me it seems that it was the social and economic condition in Latin America in the 1950's that gave rise to the political upheaval of the 1960's and 1970's. The vestiges of that period are still having their impact today. The 50's were years marked by extraordinary repression and deprivation for most Latin peoples. There was rampant poverty and disease for most, while economic prosperity and political power resided in the hands of a relative handful of fortunate families.

The governments of these nations could be described variously as "tin horn dictatorships" and "banana republics . . ." most bought and paid for through outside forces—mostly in the United States.

For many years, we in this country enjoyed a comfortable, paternalistic relationship with these nations. However, slowly we began to see a threat to that relationship spawned by a growing restlessness. We Americans saw a threat to our security in Latin America—and we focused our fears on the appearance of Marxism.

It would be easy to let the story end there. It would be far more simple to adopt the view—as has been adopted by the Reagan Administration—that Marxism is the cause of all evil in Central and South America . . . and if we could just contain that movement all would be right again.

That is a convenient view but not one firmly rooted in reality.

Latin America—and especially those nations in Central America—is a series of unique nations undergoing an inevitable transition. In every one of those countries there is a process underway in which an old order is failing, and a new order is coming to power.

In Central America the symbol of this process of transition is Nicaragua. Somoza and his loyalists stayed well beyond their time, lost touch with the public, undercut the moderate opposition, allowed the center to be destroyed, and created conditions that permitted revolution by extremists to dominate the opposition. When Somoza ultimately fled, there was no popular-based moderate force to fill the void.

Other nations in Central America are undergoing a similar process of change. The traditional alliances between the landed oligarchy, political elites and military commanders are encountering greater and greater difficulty in controlling events.

The questions are what new alliances and systems will take over, whether they will be consistent with the interests and values of the United States, and what policies will best serve those interests and values under these conditions of change.

Basically, the nations of Central America are members of the Western rather than the Eastern world, and should be more open to Western than Eastern models. There is no reason that the United States cannot successfully help these nations along this course.

The challenge faced by the United States is to develop policies which carefully define and effectively protect U.S. national interests in the long term, and work comprehensively to support pluralistic and stable new structures in Central America.

Given the strategic and psychological importance of Central America to the United States, we must clearly define these goals and objectives.

The essential institutional requirements will differ somewhat from one nation to another, but will include:

1. Development of respect for the rule of law and human rights.

2. Creation of political institutions that allow and encourage citizen participation.

3. Emphasis on building up human resources through education, training and other means.

4. Development of region-wide cooperation.

The most practical way to achieve U.S. objectives is to help Central American nations deal with one another, and to help them solve internal problems through negotiations rather than militarism and violence. We should support change through democratization and peace through diplomacy, seeking a region-wide system of economic cooperation and open trading markets.

Progressive policy-makers in this country must realize that monolithic communism in Latin America has failed. Cuba is a virtual economic client state of the Eastern bloc countries.

The real enemies of the United States' interests in Latin America are disease, hunger and poverty. These are the forces that could well defeat our most well-intentioned initiative.

Last Thursday afternoon, President Reagan was doing what he does best as he stood before a national television audience and attempted to sell a peace plan. The President argued his case for increasing aid to the guerrillas in Nicaragua by conjuring up a world view completely at odds with reality. He recast the situation in Central America in such a way as to argue that—in Orwell's words—"war is peace."

Mr. Reagan reiterated his support for peace and democracy in Central America. He repeated his opposition to the spread of communism. . . and I speak for all in my party when I applaud these goals.

Unfortunately, we cannot support the means by which the President hopes to achieve these goals. His thinking is rooted deep in the world of the 1950's. Instead of providing an incentive for peace, his proposal is an invitation to greater violence and a further step away from the processes of change taking place in Latin America today.

There is nothing new in what the President said last week. The essential realities remain the same. The President wants Congress to give its approval to his war against the Nicaraguan government. It is a new face on an old horror.

This new proposal for negotiations is a very sophisticated subterfuge. Do not be fooled . . . it is a ploy . . . a ploy designed to give Mr. Reagan what he wants, and that is official sanction from Congress to fight a war in Nicaragua.

Mr. Reagan wants Congress to approve $14 million for the "Reaganistas," which he says will only be used initially for "humanitarian support." The leadership of the House has been advised that the Administration defines "humanitarian" as inclusive of trucks, uniforms and other logistical support short of actual guns and bullets.

Mr. Reagan says that only if the negotiations break down will he convert the so-called "humanitarian aid" to military assistance.

This proposal insults the intelligence of Members of Congress and the American people—under the Reagan plan, the Reaganistas are guaranteed $14 million if they walk away from the negotiating table! They have no incentive to try to achieve some sort of settlement. Clearly, Mr. Reagan developed this plan as a round-about way of getting his aid request through Congress—a request he was told by leaders of his own party on Wednesday ". . . was dead in the water."

Mr. Reagan would have Americans take their eyes off the ball. He would divert our attention away from the real issues. Mr. Reagan does not want peaceful solution in Nicaragua. He will not tolerate the presence of the Sandinistas in a government there. He is using a suggestion of peace to induce support for a policy of war.

The real question here is "Why is the United States involved militarily in Nicaragua in the first place?" Mr. Reagan has given us the answer time and time again—we are there to overthrow the Sandinista Government. Mr. Reagan has repeatedly said that he will not tolerate "another Cuba" in Latin America. On several occasions, including his speech last Thursday, he referred to the Sandinistas as thugs or murderers. Are we to believe that he has changed his position? That he is now willing to tolerate their continued presence there?

Mr. Reagan—in that speech last week—tried to pass himself off as the compassion-

ate peacemaker in a war which he has helped create. The Reaganistas army exists largely because Mr. Reagan has provided it with the means to fight a war of bedevilment against the Sandinista government. The Reaganistas are essentially an American mercenary army—and Mr. Reagan is asking the Congress and the American people to give their official support to that cause.

Mr. Reagan and his supporters suggest that gunboat diplomacy will bring democracy to Latin America. However, history does not support that conclusion. Instead, history demonstrates that democracy in Latin America has taken hold only when democratic structures offered real hope for coming to terms with poverty, disease and despair that plagues Latin societies. Mr. Reagan should understand that no amount of military aid, that no increase in arms will be big enough to make democracy work in Latin America. Our foreign policy in Latin America will only succeed when we align our objectives with those of the people of the region. Then there can be hope. Then there can be true progress.

Contrary to the claims of the President, U.S. policy in Central America is out of control—lacking in direction and substance. We are wasting millions upon millions of dollars, while needlessly placing at risk the lives of brave American soldiers along with countless other Latin civilians.

Mr. Reagan is transfixed by an antiquated view of Latin America, wholly inconsistent with modern realities. His policies make it more likely that we Americans will repeat the mistakes of the past than to learn from them. Gunboat diplomacy did not work in the 1950's—it is not likely to succeed today.

Is the United States going to fulfill the fear of Simon Bolivar, the George Washington of Latin America, who worried that:

"Los Estados Unidos paracen destinados . . . plagar a las Americas de miseriea e nombre de la libertad.

"The United States appears destined . . . to plague the Americas with misery in the name of freedom."

Or, are we going to provide the leadership which is the mark of a great nation?

I urge those in my party to look at the constructive, positive alternatives available to our nation. Mr. Reagan would have us resort to a policy which substitutes military action for diplomacy. I cannot endorse that. The opportunities for a comprehensive diplomatic settlement in Central America are real and available. Let us offer words of hope rather than threats of war.

To achieve a long term settlement in this region, I suggest the following:

1. The full force and power of the United States should be placed in support of the Contradora negotiations. There should remain no doubt in the minds of the leaders of the Contradora nations, and others throughout Latin America that the United States is taking every possible step and using all possible leverage in support of an end to the bloodshed through the use of diplomacy.

The example of President Bellisario Betancur of Colombia is important. Through diplomatic leadership, personal courage and good faith, President Bettancur has begun to bring peace to Colombia by negotiating with his opponents. The United States should fully support his efforts and other similar efforts, to negotiate an end to the region-wide violence.

2. The Administration should work with Congress in a bi-partisan effort to devise a significant foreign assistance program, directed toward the following objectives:

a. To support the creation or improvement of institutions designed to strengthen the administration of justice and the democratic process.

b. To improve education and training programs including projects within Central American nations and student exchange programs between those nations and the United States.

c. To improve local infrastructure (e.g., transportation) as an aid to economic development.

d. To improve local health care.

e. To support economic cooperation projects, movements toward inter-American economic integration, and a more open regional trading system.

f. To support local agricultural projects, and to promote export of American agricultural products.

g. To improve training of armed forces, respect for human rights by military personnel, and defensive military capabilities.

3. The Administration might approach friends and allies in Latin America and Europe to propose that the above program involve joint funding as part of an international "democratic initiative."

The policy stated above could be implemented by taking the following steps:

1. The United States should put its full force and power behind the Contradora initiative undertaken by Mexico, Panama, Colombia, and Venezuela.

2. The United States should offer to support, promote, or organize a general hemispheric peace conference, which would focus on the major disputed questions of the Americas, should the Contadora heads of state conclude that such a conference would contribute to the search for peace.

3. The United States should express a willingness to work with any nation, through Contadora, a hemispheric peace conference, or any other appropriate forum that professes an interest in pursuing non-violent solutions to the crises in Central America. The United States, working with and through the Contadora nations, should test the sincerity of claims by Cuban President Fidel Castro that he will take strong action in support of the Contadora process. U.S. policy towards Cuba should avoid the mistaken extremes of naive optimism or blind paranoia and instead should offer a willingness to pursue careful, realistic and tough-minded diplomacy in search of gradual lessening of U.S.-Cuban tensions.

In 1945 the Soviet Union emerged from World War II as a superpower in sole competition with the United states for influence among the developing nations. The Soviets were eager to demonstrate the merits of communism as an economic system. During the forty years that have elapsed, Marxism is failing and has succeeded only as a process of distribution, unable to compete with capitalism in production. Committed Marxists continue to flirt with the U.S. and the Western World:

The Peoples Republic of China (PRC) turned to the West in 1978, adapting capitalistic methods in order to increase productivity;

Cuba's Fidel Castro, a disciple of Marxism, describes the "China Model" as a goal for future Cuban-U.S. relations;

North Korea hints a coming to terms with South Korea in exchange for economic ties with the U.S. and Japan;

Vietnam increases its cooperation with the U.S. to discover and return MIA's lost in the conflict;

Ethiopia turns to the U.S. and Europe for food to relieve famine;

And, Mozambique and Angola look to the U.S. to broker deals with South Africa.

Indeed, the United States has a unique opportunity to lure Third World States away from the influence of the Soviet Union to the capitalist orbit. But, we must seize the initiative to take advantage of the oportunity that exists at this time to proposed change within the Kremlin.

Democratic capitalism can compete ideologically in the Third World with Marxist Communism. Militaristic competition between the U.S. and U.S.S.R. appears inevitable; however, armed conflict need not be a solution when dealing with Soviet client states. The success of capitalism as a superior system of productivity demonstrates that the Marxist ideology of the Soviet Union is not, per se, a threat to the United States.

The triumph of capitalism continues simultaneously with the tragic lessons learned by the failure of militarism. This week marks the tenth year of the defeat of militarism as a policy in Vietnam. We must develop a policy that is not rooted in the brute force of militarism but instead builds upon the success of capitalism.

"To live bravely by convictions in which the free peoples of this world can take heart, the American people must put their faith in stable, long range policies—political, economic, and military—programs that will not be heated and cooled with the brightening and waning of tension.

"The United States has matured to world leadership; it is time we steered by the stars, not by the lights of each passing ship." (General Omar Bradley, 1945)

President Reagan's position on Central America is not a policy—it is a tactic. Moreover, it is outmoded because of the heavy reliance upon militarism.

Most knowledgable observers agree that militarism is not a solution in Central America inasmuch as it does not address the problems of poverty, disease, malnutrition, social injustice and political corruption.

A long-term solution requires a long-term policy that addresses the aspirations of the people of the Central American region. A return to the military dicatorships of the past ignores the problems and prolongs the conflict. And, a U.S. policy is bound to fail which violates American traditions and values.

"In the great struggle against Communism, we must find our strength by developing and applying our own principles, not in abandoning them." (Walter Lippmann, 1962)

It is time to stop squandering billions of dollars; needlessly wasting lives, and alienating our allies; and to gain control of U.S. foreign policy in a positive and meaningful way that serves America's best interest—peace.

Thank you.

CAPTURED GRENADA COMMUNIST DOCUMENTS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I think the distinguished gentleman from Arkansas has, in a sense, correctly laid out one side of the story for Central America. Over the course of

the next few days, in a series of special orders, I hope to take a recent publication, "The Grenada Documents: An Overview and Selection," which is a study of some of the 35,000 pounds of Communist documentation that were captured when we liberated the island of Grenada.

I think by looking at the record of the actual Communist Government of Grenada and its relationships and then looking at the record we have so far of Nicaragua, it will become obvious just how Communist leaders think and how Communist governments behave, and since this is the historical record, I think we can begin to learn about precisely what it is that they are really doing and why they say one set of things while doing another.

So I think as a study in communism in the Western Hemisphere, the Grenada documents are well worth looking at before voting on Nicaragua.

EMPLOYMENT OPPORTUNITIES FOR DISABLED AMERICANS ACT

(Mr. BARTLETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT. Mr. Speaker, today I, along with a number of other colleagues, introduced the Employment Opportunities for Disabled Americans Act.

This legislation, which is long overdue, would permanently authorize section 1619 of the Social Security Act and require a notification to disabled Americans that that amendment is available. It would also create two new demonstration programs at a very low cost to taxpayers to match disabled Americans who are seeking employment with jobs, and to demonstrate to employers techniques to retrain and to rehire their own disabled workers.

Mr. Speaker, in this country we estimate that there are approximately 16 percent of all disabled Americans who are employed, or an 84-percent unemployment rate. I am told and I believe it to be true that the No. 1 disincentive to full employment is the lack of availability of medical insurance for disabled Americans while they are employed.

This is significant legislation, and it is a first step to correct that lack of availability to lead to full employment for disabled Americans.

PRESIDENTIAL VISIT TO BITBERG CEMETERY REPREHENSIBLE

(Mr. YATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATES. Mr. Speaker, the press reports that President Reagan proposes on his forthcoming trip to West Germany to visit the cemetery at Bitberg and to lay a wreath. Such a ceremony would be shocking to all Americans. The American Legion has already protested.

Buried in that cemetery are many of the Waffen SS soldiers, the contingent most responsible for carrying out Hitler's crusade to annihilate the Jewish people of Europe.

Particularly would such a visit be reprehensible when it is coupled with Mr. Reagan's announced determination not to visit Dachau or any concentration camp because, according to a Reagan assistant, it would revive guilt feelings that would be imposed on today's German population for the Holocaust.

Mr. Speaker, the President cannot sweep under the rug the horrible crimes that were committed against the Jewish people in the Holocaust, nor should he make the attempt. Later this week, pursuant to a resolution passed by both the House and the Senate, in the rotunda of the Capitol the Holocaust will be commemorated in the Days of Remembrance ceremony which has now became a national observance.

I trust, Mr. Speaker, that the President will revise his schedule to show a more realistic and sensitive portrayal of the views and ideals of the American people.

A TRIBUTE TO S. ROY WOODALL, SR.

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to and memory of a longtime friend and constituent of mine, Samuel Roy Woodall, Sr., of Paducah, KY, who died at the age of 81 on November 2, 1984.

A native of Crittenden County, KY, Roy Woodall lived in Paducah for 59 years. An outstanding citizen and well respected by his community, Roy was the former owner of Woodall & Melton Insurance Agency and worked in his insurance business for 50 years.

Roy Woodall was especially active in Paducah. He was on the first board of directors at Western Baptist Hospital, a noted hospital in Paducah. He was past president of the Paducah Lions Club and a member of the group for 50 years. In fact, in 1982 Roy Woodall was voted Outstanding Lion of the year by his fellow members.

His accomplishments continue. Roy was past president of the Paducah Chamber of Commerce and of the State Insurance Agencies in Kentucky. Indeed, he was certainly recognized by all Kentuckians for his concern and business expertise. A member of Immanuel Baptist Church in Paducah, he was deacon for 50 years as well. Roy was also proud to be a Kentucky Colonel.

He was a good citizen—a man who loved his country, his State, and his community. Obviously, this Member of Congress was fond of Roy Woodall and proud to recognize his many accomplishments.

In addition to his wife Louise—to whom Roy had been married for 57 years—Roy Woodall, Sr., is survived by his son Samuel Roy Woodall, Jr., of Atlanta, GA; a daughter, Phyllis Shelton of Flanders, NJ; three brothers, Howard Woodall, Dalton Woodall, both of Paducah, and C.A. Woodall, Jr., of Princeton, KY; one sister, Carrie Baldree of Frankfort, KY; five grandsons, one granddaugther, and several nieces and nephews.

My wife Carol and I extend our deepest sympathy to the family and friends of this outstanding western Kentuckian, Roy Woodall, Sr.

□ 1210

DISTRICT OF COLUMBIA BUDGET, FISCAL YEAR 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-51)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

(For message, see proceedings of the Senate of today, Monday, April 15, 1985.)

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, I was unable to be present the evening of Tuesday, April 2, 1985, when, after 7:20 p.m., there were three votes at unexpected times in the House. The first bill, H.R. 1373, passed by a vote of 342 to 69 and was roll No. 43. Had I been present, I would have voted "aye."

The second vote was on the question of suspending the rules and passing the bill, H.R. 1869, which passed by a vote of 412 to 1 and was roll No. 44. Had I been present, I would have voted "aye."

House Concurrent Resolution 107 expressed the sense of Congress that the President take action relating to the trade deficit and unfair trade practices of Japan and passed by a vote of 394 to 19. This was roll No. 45. Had I been present, I would have voted "aye."

On April 3, 1985, I was unable to be present for the Chair's approval of the

Journal; that passed by a vote of 246 to 155 and was roll No. 46. Had I been present, I would have voted "aye."

On the evening of April 3, 1985, at 8 p.m., there was a vote on the passage of H.R. 1714, a bill to authorize appropriations to the National Aeronautics and Space Administration, roll No. 51. The vote was 395 to 3. I was unable to be present at the time of the unexpected final vote. Had I been present, I would have voted "aye."●

LESSIONS FROM GRENADA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, today, in the first of a series of special orders, I am going to take up the "Grenada Documents: An Overview and Selection," a publication of the State Department of September 1984. This rather heavy blue book, which has several hundred pages of documents from the Government of Grenada and the Communist Party of Grenada, represents the first time we have ever captured the entire basic bureaucracy of a Communist Party and a Communist government, and it has in it a number of very specific lessons that I think the people of the United States need to look at.

It was very striking this morning when Paul Harvey said that in politics, President Reagan's popularity rating, as measured by the Gallup pollsters, shows that 60 percent think he is doing a good job but only 20 percent are with him on Nicaragua. At the same time, when you look here in the House and you listen to well-reasoned and well-intentioned Members of Congress who do not agree with the President on Nicaragua, you have to ask yourself, why is there such a vast difference between the President's general approval and general understanding in this one area? Is it a situation where he is wrong, or is it a situation where he may be well informed but for some reason, in a very un-Reagan-like manner, has not been able to articulate clearly what is going on?

I suggest that we are in the last stages in which American foreign policy, partially because of Vietnam and partially because of the McCarthyism period in the 1950's, has seen a very powerful segment of the American Nation with an ostrichlike view of what is happening in the world; that is, very important, very intelligent people were committed to a belief about the way the world worked that is simply wrong but to which they were also very deeply committed not to learn about, almost, if you will, ostriches who first hide their heads in the sand in reality and then have amnesia when in fact lessons are developed.

There can be a lot of arguments about past American relationships with Communist states, but I think in this case we are looking at the case of Grenada and what it teaches us about another Western Hemisphere Communist government, that of Nicaragua.

As a former history teacher, I hope that every Member of the House will, first of all, get a copy of the Grenada Documents. It is available from the State Department. I hope that every library in America will someday have a copy of this volume. In addition, I hope they will look at one particular speech from the Grenada Documents and compare it with one speech by a Nicaraguan Communist, Commandante Baryardo Arce, a secret speech which was given in 1984. Now, Arce's speech is available in a small document from the State Department, as is the original copy of Maurice Bishop's secret speech. Both have been published, both are available to the public, to libraries, and to Members of Congress.

Maurice Bishop was chairman of the Central Committee, and on Monday, September 13, 1982, he talked to the Grenadian Communist Party. The speech was called "The Line of March for the Party," a speech presented by Comrade Maurice Bishop, Chairman of the Central Committee. It is a fascinating document. It basically walks through, step by step, what the Grenadian Communist Party was attempting to do. It is a 49-page-long speech, and obviously, even in a 1-hour special order, I am not going to be able to put the whole speech in. Furthermore, large parts of the speech relate to the local situation at that time in Grenada.

But what is important is to recognize that Maurice Bishop, in speaking secretly, was clearly a Communist, thought of himself as a Communist and thought of himself as leading a Communist Party. Let me give you some examples.

He said on page 7:

> It requires a serious Marxist-Leninist vanguard party leading, guiding, and directing the whole process.

He goes on to say on page 8:

> Obviously if we are speaking of building socialism, and we are, then it is clear that our objective as Marxist-Leninists must be in the first instance to construct socialism as rapidly and as scientifically as possible.

Again on pages 14 and 15, he goes on to say that "it is only under the leadership of the working class led by a Marxist-Leninist vanguard party."

Now, Americans listening to this might ask, what does all this stuff mean? Why all these terms like "Marxist-Leninist" and "vanguard party"? The important thing for Americans to understand is that Lenin, the founder of the Bolshevik Party, which now dominates the Soviet Union, was an intellectual. He used words for very deliberate reasons. He created the concept of a vanguard party to justify the dictatorship in which the Communists control the country.

Let me quote again from Maurice Bishop in Grenada. On page 15, he said:

> The essence of that political aspect is the dictatorship of the working people, the dictatorship of rule of the working people. That is the essence.

Now, in the Soviet Communist jargon, a "dictatorship of the working people" in fact becomes a secret police state, a state in which the secret police dominates everybody else and in which you can go to jail without any recourse to law and in which there are no elections.

□ 1220

I will come back to that, but I want to emphasize that clearly when you read the Grenada Documents, when you look at this volume of documents which were captured when we liberated the island of Grenada, that the Communist Government of Grenada was committed to becoming a dictatorship in which a secret policy would dominate.

Let me carry this a stage further in Maurice Bishop's secret speech. Why, Bishop asks in effect, why if we are going to be Communist, do we have to have all these other people participate in government?

This is what he said and I think this applies absolutely, directly, to Nicaragua and the Nicaraguan experience. From page 17:

> Within the first few hours of taking power, we tried to build an alliance and we began to build that alliance for two main reasons. First, to hold on to power in the first few seconds, minutes, hours, days, and weeks; and the second reason was to defeat imperialism in the months and years thereafter, because defeating imperialism is a complex process that requires a political orientation.

In other words, in the classic manner suggested by Lenin, when the Grenadian Communists took power, they deliberately set up a common front, allowed a few businessmen to participate so that the Americans would think that it really was not a Comunist dictatorship.

What was happening in fact behind the scenes? All this applies very directly to Nicaragua, where there is today a Communist dictatorship which is systematically lying to the United States and lying to the American people. What did Maurice Bishop say in his secret speech to the Grenadian Communists? He said on page 17 again: "It was the party and the party alone that took power."

Let me repeat that: "It was the party and the party alone that took power."

He goes on to say: "There was no alliance with any upper petty bourgeoisie or any national bourgeoisie on seizing power."

He goes on to say: "We took power on its own, but NJM"—that is the Communist party of Grenada—"then decided correctly that an alliance was needed to hold power."

In other words, the only reason they are allowing anybody but Communists into the government in the beginning stages is to deceive the United States so that they could lie to the Americans and say, "Oh, we really aren't just Communists. We have a lot of people in this popular government."

But let us go on again to say, what does Maurice Bishop, the Communist leader of Grenada say, in this period? On page 18:

"It is very significant, Comrades, that from the start, from the very first second of the Grenada revolution (let us say 4:30 a.m. on March 13, 1979), from the very first second of the Grenada revolution, what was established was a dictatorship of the entire working people in its operationalization, in its initial concretetisation. It took the form of the anti-Gairy poor and working people; in other words, those people who were opposed to Gairy were the ones who appeared to be in the vanguard, and that is true. They were in the vanguard; but right from the start the effective dictatorship was not only of the anti-Gairy working people, it was a dictatorship of the entire working people.

Now, what is that saying in Communist doctrine? Bishop is saying that from the very second they seized power, they were determined to establish a Communist secret police dictatorship.

What is the parallel in Nicaragua? The fact is that the FSLN, the Nicaraguan Communist Party, from the very day it seized power was dedicated to establishing a Communist dictatorship in Nicaragua.

Let me carry on, because it is very important to recognize how they did that. When he talks about setting up the alliance, this is how Bishop explains the Grenadian Communists setting up an alliance, from his secret speech on page 19:

This was done deliberately so that imperialism won't get too excited and would say, "Well, they have some nice fellows in that thing. Everything all right, and as a result wouldn't think about sending in troops."

In other words, the Grenadian Communists guided by the Soviets and the Cubans deliberately set up a phony front in order to kid the Americans so that the Americans at that time under Jimmy Carter would say, "Oh, gosh,"—and let me quote what he said. This is Bishop describing the United States: "Well, they have some nice fellows in that thing. Everything all right."

In other words, the Grenadian Communists were confident, based on their Cuban and Soviet advice, that we, as a country, we Americans, are so gullible, so naive, so eager to be taken in, that as long as they had a handful of people at the front of the government, they could fool us as to the real nature of their government.

Again, this is not some conservative analyst. This is the actual secret speech which we captured of the Communist dictator explaining to the Communist members of his party in a secret meeting what they were doing, and you can apply it directly to Nicaragua. All of the nice, naive church groups that come in talking about "the Sandinistas," they are talking about Communists. All the people who go down there and are given a sincere show where they will walk around and they are shown only the people the dictatorship wants them to see, they are shown only the situation the dictatorship wants them to have.

Once again, the ability of the American left to become an ostrich, the ability of the American left to hide from reality, is being counted on by the Communists as the best way of insuring that they can establish a military dictatorship of Communist style with secret police in Nicaragua.

Now, why did they do this? Well, Bishop goes on to say that the reason they put up a phony front was because they knew if they were openly Communist, they would be deposed. Here is what he says, from page 19 of the secret speech:

That was the mistake, for example, the comrades in Gambia made a few months ago. Remember the Gambia coup d'etat a few months ago? What was the first thing those comrades did? They say, "We are Marxist-Leninists and we have just had a Marxist-Leninist revolution and we go wipe out the bourgeoisie." The same day they overthrew them, the same day, they did not even give them three days. So fortunately, NJM had a little more sense than that, and like I said, comrades, the first 14 names were bourgeoisie, big capitalists, petty bourgeoisie, middle capitalists, peasantry and professional middle strata. That is who made up the people's revolutionary government. It is only after about a week and a half, if I recall correctly, when we held the party general meeting in Radio Free Grenada's studio, and some comrades here would have been present at that meeting, that we finally got around to pooling some more party comrades. You all remember that meeting down in Radio Free Grenada's studio. It was then we chose nine more comrades to make up the 23, but the first set of names were Lyden Pam Buxo, Norris Bain, Lloyd Noel, and so on. That is what I mean by saying that the alliance began from the first few hours, from the first few days. That alliance was and is extremely important. From our point of view, comrades, why do we need the alliance? We need the alliance, firstly, as we pointed out already, to hold power in the first few days and weeks. We need the alliance, secondly, to consolidate and build the revolution and to insure the defeat of imperialism. This time we can't do this effectively without the alliance.

Now, what is the Communist leader of Grenada saying on these two pages of his secret speech? He is saying that they form a phony alliance to deceive the United States in order to buy time to consolidate their power, to establish a secret police state. This is exactly the pattern used by Castro in 1959 and 1960. It is exactly the pattern being used today in Nicaragua and it is exactly the pattern which was described by Lenin in the 1920's.

Let me go on to say that there is absolute contempt for the West, for the left, for the United States on the part of Communists. Listen to Maurice Bishop again secretly telling his own comrades how they are setting up a Communist dictatorship, on page 23:

Part of the reason we can form the alliance with them is because of their own low level of class consciousness. Therefore, they don't really fully understand what it is we are doing. It comes over in a million things they say from time to time. They are not really sure. They are still hoping that what we are building is not Socialist, but as one of them puts it, Socialist-Capitalism or Capitalist-Socialism, whatever that means; so there is that area of confusion; but comrades, a few more words in the nature of the alliance that we have with these sections. First of all, it is important to us to understand that the alliance we have gives full, total, complete control to the party and the working people. The party and the working people have hegemony. A monopoly will mean total power. Hegemony will mean total control and that is the distinction we are drawing between hegemony and monopoly; but there is absolutely no doubt that we have a hegemonic control on power and over all the capital areas of the state.

□ 1230

In other words, what the Communist dictator of Grenada was saying is, we can lie to the businessmen because they are so gullible and so foolish they will accept our lies. But the fact is that the Communists have absolute control.

In fact, he goes on to quote on page 23:

If you look at the party and the Cabinet and you analyze them carefully, you will discover an over-90-percent control by the party of the ruling council.

In other words, behind the phony front set up to deceive the Americans, the Communists in Grenada controlled 90 percent of what was going on.

Let us apply that to Nicaragua. The fact is that in Nicaragua, the Communist Party has established a Communist dictatorship and is lying to us just as cheerfully as the Communists did in Grenada.

He goes on to say, to reassure his friends about the dictatorship they are establishing:

Look at the composition of our army and militia. We don't have any upper or petit bourgeoisie or bourgeoisie in our army or militia. When you look at the officers in the army it is working class comrades or petit-bourgeoisie revolutionary democrats or Communists who are the officers in the

army. That's the situation in our army. Thirdly, comrades, consider our zonal Councils and Workers' Councils and so on. The bourgeoisie is not invited deliberately and consciously, so they don't have the opportunity to come and try to confuse people inside the councils. When we're having a zonal council in this building or workers' parish council, we send out the invitations, we decide who we want to invite, and we leave the bourgeoisie out deliberately and consciously.

In other words, the Communists in Grenada deliberately set up a system where the average person on the surface could think that there was an open government but every method of controls, the army, the militia, the government, the neighborhood councils, were totally controlled by Communists in a deliberate and systematic manner.

He goes on to say, "There is no doubt about it; what we have is hegemony; we have full control."

Now, for people who talk about legality and they tell us about how concerned they are about American legality, and they tell us all their concerns for Nicaragua, listen to what the Communist dictator of Grenada said about the law:

Just consider, comrades, how laws are made in this country. Laws are made in this country when cabinet agrees and when I sign a document on behalf of cabinet. And then that is what everybody in the country, like it or don't like it, has to follow. Or consider how people get detained in this country. We don't go and call for no votes. You get detained when I sign an order after discussing it with the National Security Committee of the Party or with a higher Party body. Once I sign it, like it or don't like it, it's up the hill for them.

Up the hill was a reference to where the prison was on top of a hill.

What is in this secret document from Grenada? What is the Communist dictator saying about how they operate? It is very simple.

They have a small, secret committee of Communist members who decide who to arrest, when to arrest them, where to send them, and what happens to them. And, as he says, and it is a wonderful line: "We don't go and call for no votes. You get detained when I sign an order."

In other words, when we say how free is Nicaragua, it is about as free as the Grenadian Communist dictatorship. It is about as free as Cuba. It is about as free as the Soviet Union.

Why do American tourists get this impression of a free country? Because the Communists deliberately set up a sort of a Disneyland. They designed an artificial world in which to fool the Americans, and when you get the secret documents from Grenada, and this is the secret document that we captured, and I keep reminding you this is an actual document from a Communist government captured when we liberated the island of Grenada, and what do we learn from studying the secret documents of the Communists? We learn that in fact they systematically dominate in secret and they know what they are doing.

Listen again to the Communist dictator of Grenada as he explains how they do it. This is on page 24:

It is also important to note, comrades, that while we are in an alliance with sections of the bourgeoisie and the upper petitbourgeoisie, they are not part of our dictatorship. They are not part of our rule and control—they are not part of it. We bring them in for what we want to bring them in for. They are not part of our dictatorship because when they try to hold public meetings and we don't want that, the masses shut down the meeting.

What is he saying here? This is exactly parallel to Nicaragua where when they tried to have honest democracy-loving free people campaign last year they used a system called divine mobs. The divine mob of Nicaragua is described by the Grenadian Communists as: "When they try to hold public meetings and we don't want that, the masses shut down the meeting." It is the very same pattern in the Grenadian Communist Party and in the Nicaraguan Communist Party.

He goes on to say:

When we want to hold zonal councils and we don't want them there, we keep them out. When they want to put out a newspaper and we don't want that, we close it down. When they want freedom of expression to attack the Government or to link up with the CIA and we don't want that, we crush them and jail them. They are not part of the dictatorship. In fact, if the truth is told, they have been repressed by the dictatorship. They have lost some of the rights they used to have.

In other words, what is this guy saying in the secret meeting? This Communist dictator is saying, "Look, if you don't believe in communism, you don't get to print a newspaper," which explains, for example, in Nicaragua, why La Prenza has been censored more by the Communists than it was in 28 years of the Somoza regime. They are saying if you are a free businessman and we don't like it, the phrase is pretty clear: "We crush them and jail them."

That is as true for the Grenadian Communist Party as it is true in Nicaragua.

Well, what should we say then when a Nicaraguan Communist comes to the United States and gets on television and says to Dan Rather: "Gosh, I don't really know that these things are going on"? What did Maurice Bishop say? He says, "We pretend we don't know what is happening." This is a direct quote from page 26 of the secret speech of the Communist dictatorship.

When you see Fidel Castro telling CBS News things that are clearly lies, what you need to know is he is lying, but what is so disturbing is that Dan Rather and CBS News are so totally uninformed about the nature of communism that they allow him to get away with his lies as though he is a reasonable man. It would be like interviewing Adolf Hitler and having him explain that there is no Auschwitz, and saying "Go ahead," and saying, "Gosh, Adolf Hitler assured us that he is not massacreing anybody."

We know that that is crazy, and I would suggest to you when you read the secret documents from Grenada which the Government of the United States has now published after having captured them when we liberated that island of Grenada, there is no excuse for not knowing when a Communist lies to you, that all you have is a lying Communist, that it has nothing to do with reality as we would describe it.

The point is all rights are not for them, all freedoms are not for them, but all rights and freedoms are now for the majority, who are no longer oppressed and repressed by a tiny minority. That is very important to understand because that is what dictatorship or rule means. That is how every state operates.

What is he saying here? You have to again understand Communist language. The Communist dictator of Grenada was saying in his secret meeting that the police state will oppress anybody it defines as not being part of the Communist Party.

He goes on to say: "It means control by the party."

Now, what is the nature of all of this? The nature of all of this is that Maurice Bishop is clearly and deliberately a Marxist-Leninist Communist; he was committed to the establishment of a Communist dictatorship in Grenada, and he saw himself as the active ally of the Soviet Union. He saw the United States as his enemy, and he saw his job to be the destruction of the United States. He felt that it was his job to work closely with the Soviet Union. He saw the Soviet Union as "the land of Lenin." He saw it as necessary to work with the Cubans and the Russians in order to establish what he called a Leninist vanguard party.

He was very committed to establishing, as he said, "Strengthening the Leninist character of the party."

He talked about "building the internal organization of the party."

Now, that is Communist language for establishing a police state. When you read his secret speech on page 49 you will see the term Lenin, Leninist, Marxist, Leninist, again and again and again, because he was, no matter what honest, well-meaning ostriches were saying in America, no matter what the leftwing of America thought he was saying, no matter what good, decent, church men and women would like to have believed, the fact was that the Communist dictator of Grenada knew he was a Communist, was determined to be a Communist, thought of himself as a Communist, was trained in

communism, worked with the Communist Governments of Cuba and the Soviet Union, and was establishing a Communist police state.

□ 1240

When did they start doing that? Was it in reaction to the Americans? You know the classic argument of the American left, of our liberal friends who are committed particularly in the Democratic Party but also a handful of Republicans, is also this notion that "Gosh, if only Ronald Reagan will be reasonable." You are going to hear in the next 2 weeks again and again left-wing ostriches get up and say, "We are scaring the Nicaraguans." Well, let us look at it: When did the Communist Party in Grenada decide that they had to become a Leninist secret police-dominated dictatorship? He says it was in April of 1974. In other words the Grenadian Communists, if you take the ostrich analysis of the world, the Grenadian Communists in 1974, when Ronald Reagan was Governor of California, knew that some day Ronald Reagan would become President and so they had to be a secret police dominated Leninist party; in April 1974 when they were not in power, when Ronald Reagan was in California as Governor. It was not in reaction to Ronald Reagan. It was because, and he is very clear about this and it is something that Americans have got to learn to understand, they tried to take power in 1984 and they failed and they sat down and here is how he said it happened: From pages 39 and 40:

After the defeat in January 1974, the party held its first major evaluation in April 1974 and we were then exactly one year and one month old. We spent a few days, a whole weekend looking at the party and trying to decide where we went wrong and what corrective action was needed. That is when we decided in theory and in principle that we should build a Leninist party. That decision was taken in April 1974 but in practice that decision was not implemented for many years. In fact it was a constant struggle within the party to get Leninist principles in practice and in a concrete way going. But it was always an uphill struggle, particularly on the need for collective study.

He goes on to say:

In the time period July 1977 to August 1978, the party did make a qualitative leap forward in terms of Leninist standards and principles.

What is he saying here? He is saying that under Gerald Ford as President, under Jimmy Carter as President, when they were still out of power, that the Communists of Grenada made a systematic conscious effort to become a Leninist secret police-dominated Soviet style dictatorial party, that it was not in reaction to the United States, it was not in reaction to Ronald Reagan, it was not in reaction to any of our threats, but before they ever took power they had thought through and defined themselves as a Leninist dictatorial Communist secret police state.

Now, in that situation all of the modern ostrich analysis, all the speeches by various Members of this House about Grenada were just plain wrong. The analysis was wrong. In fact, our leftwing ostrich friends who kept saying, "Gosh, these people aren't really Communists," were wrong. We have the absolute secret speech of Maurice Bishop, the head of the Communist Party in Grenada in which he says flatly, "Hey, we were Communists all along. We always meant to be Communists."

Let me continue. What does he think the historical pattern was going to be? He talks about establishing:

We are required to work on a dozen critical fronts at the same time and that is going to require a lot more application of Leninist standards of discipline, consistency and seriousness. All of this, comrades, means that our ideological and organizational level as a party will have to rise considerably. It is clear that if we had not insisted on higher standards, we would have not reached where we have reached but it is equally clear, comrades, that holding power is much more difficult than taking power. There is no doubt that the party can be built more rapidly on the basis of lower standards but this will mean that the task we have set ourselves, including our historical task of building socialism, will not be accomplished. As Lenin told us a long time ago "Better fewer but better". Immortal words that we must never forget.

What is he saying? The Communist dictator of Grenada is saying we are going to establish a highly disciplined internally controlled secret police style party on the writings of Lenin and we are going to control the country of Grenada. His answer was never to negotiate with the United States, it was never to be reasonable, it was to lie to the Americans while rapidly consolidating power.

What do they mean by a Leninist Party being disciplined? He is rather clear about this, on page 44:

This last requirement includes a complete willingness to accept party discipline in many, many areas of one's personal life, not just political life; to fully and really accept and implement the principles and programs of the party requires you to let the party decide when you can get vacation and sometimes even what kind of activities you can be involved in. In other words, even our personal life is under security to some extent.

In other words, in Grenada under the Communists, when you took a vacation, where you went on vacation, what you did on your vacation, what you were allowed to say when you were on vacation were all controlled.

Now, when our good ostrich friends visit Nicaragua, if they do not realize it is a secret police state, if they do not realize that there are neighborhood block organizations that watch every single person, if they do not realize that it is controlled down to the level of when you are allowed to go on vacation and what kind of a vacation you can take and they listen to people, what do you expect people to say when they live in a Communist police state? Do you think they are going to run up to you and say, "Gosh, these Communists are terrible," and then get shot or get put in jail or have their ration cards taken away? Of course not.

So when our good ostrich friends visit Nicaragua and discover people who love their government they ought to ask themselves what would the penalty be for not loving your government in a Communist dictatorship? How foolish do you have to be to be actually taken in by this kind of Communist language?

Let me carry it a stage further. He talks in here about "accepts the science of Marxism Leninism."

Now this is the core of why I am beginning this series of special orders. Real Communists believe in the way of thinking, in a way of doing business, in a way of working which is best described as a Marxist-Leninist science. A Marxist-Leninist science is a way of survival just like the Nazis and if we try to translate that into America, if we define communism as sort of like belonging to the Kiwanis Club, "Oh, he is a Communist," as though he were a Rotarian, we misunderstand the nature of what we are dealing with. Communism is a virus. It has a very clear pattern. It establishes a popular front which is a phony organization to lie to the West; it lies deliberately to the United States; it manipulates church groups, it manipulates the news media, it sends people up here who smile and lie but at home it is a ruthless brutal secret police dominated dictatorship in alliance with the Soviet Union determined to destroy America.

The minute you say the Nicaraguans are Communists, you are saying they are at war with the United States. We are living in a state of war with Cuba and with Nicaragua and anyone who does not understand that does not understand communism.

Let me give you an example. When I say Communists, why do I say Communist? I say Communist in part because Maurice Bishop who many of our ostrich friends standing in this very room promised us was not a Communist, uses the word Communist. He says, "Being a Communist, comrades, means becoming a different kind of person."

He says, "It takes time for a Communist to be built."

In other words, Maurice Bishop, when he was developing his secret speech to his Communist comrades was very clear about who he was; he was a Communist and he was equally clear about lying to the United States. So when you see Fidel Castro lying to Dan Rather, it tells you a lot about

how gullible Dan Rather is, it does not tell you anything about Fidel Castro, who is open about being a Communist. It is the nature of Communists to lie to Dan Rather. It is unfortunately the nature of all too many American newsmen to cheerfully be lied to.

One topic I will take up later out of the Grenada document volume is specifically written instructions on how to manipulate the American news media. There are also written instructions on how to infiltrate churches. It is a fascinating volume and I hope that every American citizen will take seriously the obligation to get a copy of this book for free from the Department of State and put it in your high school library, put it in your college library, put it in your public library. Every library in America should have a copy of the Grenada documents and every Member of Congress should read the key speeches and the key documents in this book before they vote next week or the week after on Nicaragua.

□ 1250

Because once you have read the actual secret documents of a Communist dictatorship, you never again quite have the same sense of what it is they are doing. From that point on, you understand that if they are truly Communist, they are probably lying to you.

Now, let me turn and show you an exact parallel from the captured documents of Grenada with a document which was by accident released from Nicaragua. Just as we have a secret speech by Maurice Bishop, the Communist dictator of Grenada, we have a secret speech by a Communist leader of Nicaragua.

Comandante Bayardo Arce gave a speech in May of 1984 which is a secret speech. This was tape recorded without his knowledge and was printed originally in the Barcelona, Spain, La Vanguardia, July 31, 1984.

According to Foreign Report, August 23, 1984, published by the Economist in London: "Junta coordinator now President, Daniel Ortega acknowledged the authenticity of the text."

This speech was reprinted by the U.S. State Department in an English language translation, and is available to every Congressman before the vote on Nicaraguan money, is available for every American citizen, is available to all of those church groups that are so well-meaning and so naive and so uninformed.

And I say flatly: Any church person who stands up and tells you that the Communists in Nicaragua are not Communists is clearly uninformed. They are the ostriches that may well doom the West in its struggle with communism.

Bayardo Arce is a Communist. He is proud of being a Communist. Here is what he says in his very first paragraph: quote:

"We Communists" close quote. He does not say "you Communists," he does not say "some Communists." As a leader of the Nicaragua Communist Government he says: "We Communists."

He goes on to say: And I want you to think again about the secret speech of the Grenadian Communists and why they set up a front organization. Why it was necessary to go through a process. They consider themselves, he talks about in here, as quote: "state of war," close quote. In other words, they are in a state of war with the United States. They are engaged in war with the Americans, whatever we think of.

Some of our friends will say to you "Well, that is because of Ronald Reagan." Let me quote directly from the Nicaragua Communists, quote: The war will not end on November 4 or on January 10. The war will continue with or without Reagan. It may take on other forms, but it will go on." Close quote.

In other words, from the Nicaraguan Communist viewpoint, they hate the United States; they are anti-American; they are determined to destroy democracy, they do not care who the President of the United States is; if Walter Mondale were now President, the war would go on. This is again from a speech by a Nicaraguan Communist. This is not an analysis by some conservatives.

What did he say in that speech? Remember how the Grenadian Communist dictator said we have to have a popular front; we have to involve other people in order to be able to lie to the Americans? This is what he says:

They took risks that were "manageable from the revolutionary standpoint."

Of course, if we did not have the war situation imposed on us by the United States, the electoral problem would be totally out of place in terms of its usefulness. What a revolution really needs is the power to act. The power to act is precisely what constitutes the essence of the dictatorship of the proletariat—the ability of the [working] class to impose its will by using the means at hand [without] bourgeois formalities.

For us, then, the elections, viewed from that perspective, are a nuisance, just as a number of things that make up the reality of our revolution are a nuisance.

But from a realistic standpoint, being in a war with the United States, those things become weapons of the revolution to move forward the construction of socialism. Furthermore, for us it is useful, for example, to be able to display an entrepreneurial class and private production in the mixed economy system we promulgated, while we move ahead in strategic ways. The important thing is that the entrepreneurial class no longer controls all the means to reproduce itself. It no longer controls the banks, foreign trade, or the source of foreign exchange. Therefore, any investment project in our country belongs to the State. The bourgeoisie no longer invests—it subsists.

What is he saying? He is saying that the Communists in Nicaragua deliberately run a phony front in order to deceive the Americans. If you were to take this paragraph and put it next to the same paragraph in the speech by the Grenadian Communist, it is almost word for word. Only the local dialect and the translation from Spanish to English changes it.

Now, why is it so similar? It is similar because they are both Marxist-Leninists. It is similar because they are both Communists. It is similar because the Cuban and Russian advisers tell them the same things.

It is like having two football teams with the same coach; they both run the same play because the coach designed the same play. The coach in this case is Castro and the Cuban Communists—the coach in this case is the Soviet Union and communism.

He says, flatly, that in fact they are having elections only for the phony purpose of deceiving the United States. But our friends will say, Well, even if they are going to be a dictatorship, can't they, nonetheless, be worked with? Cannot we have a reasonable deal?

Here is what he says:

Imperialism asks three things of us: to abandon interventionism, to abandon our strategic ties with the Soviet Union and the socialist community, and to be democratic. We cannot cease being internationalists unless we cease being revolutionaries.

We cannot discontinue strategic relationships unless we cease being revolutionaries. It is impossible even to consider this.

Yet the superstructure aspects, democracy as they call it, bourgeois democracy, has an element which we can manage and even derive advantages from for the construction of socialism in Nicaragua.

In other words, we can pretend to have an election to deceive the Americans, but under no circumstance can we give up trying to destroy our neighbors; under no circumstance can we cut our ties with the Soviet Union.

It is very important to understand that; as long as the Communist dictatorship exists in Nicaragua, it is a deliberate, systematic, moral commitment to destroy freedom in Costa Rica, to destroy freedom in Honduras and El Salvador, and to destroy the United States of America.

They say they are at war with us. Our ostrich friends in the United States continue to say, Oh, gosh, they don't really mean it.

Quoting again from the secret speech by the Nicaraguan Communists:

We have not declared ourselves Marxist-Leninists publicly and officially, we get along without definition. The United States did us the favor of saying who we are and tried to frighten the whole world. But they failed. So now, what ideological value do we see in the electoral process?

In other words, the only reason they are not calling themselves Marxist-

Leninists is because that way they can lie to the American press, the American churches, and to the American politicians.

In fact, they are getting advice from the Cubans and the Soviets not to call themselves Communists.

He goes on to say, the Nicaraguan Communist says:

> Why are we Communists going to be putting on different shirts if real, concrete socialism is being constructed through the strategy of power of the Sandinista Front?
>
> Our strategic allies tell us not to declare ourselves Marxist-Leninists, not to declare socialism.

He goes on to say:

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> We thus urge the party, for this is still not a decision for us to make (we have begun to discuss it), but urge you also to discuss the matter—whether we decide after the elections to drop the fiction of a Marxist-Leninist Socialist Party on the one side and on the other those of the Sandinista Front who have not yet changed labels.

Now, let me be quite clear, particularly to my Democratic friends, but also to the handful of Republican ostriches in this House.

It is my intention in the next 2 weeks to challenge every speaker who uses the word "Sandinista," to ask them if they have read Arce's speech and to ask them if in fact they will not recognize that Arce himself says it is a fiction. There is no Sandinista government. It is, in fact, an insult to Sandino, who was a true Nicaraguan nationalist, to use the word "Sandinista" to describe Communists. Sandino himself repudiated communism. Sandino said flatly, "I am a nationalist from Nicaragua, communism is an international form of imperialism, and I am against it."

He wrote a very strong letter to the Communist guerrilla in El Salvador, repudiating that Communist guerrilla's communism. The Communist Party of Mexico in 1933 attacked Sandino on the grounds that he was not a Communist but was a nationalist.

In that setting, I say to all of my friends, even the most committed ostrich on the left, when you have a Communist in Nicaragua in a secret speech saying flatly that it is a fiction to talk about the Sandinista front, why should we not honor their own feelings? They are Communists, they secretly call themselves Communists, they want to be Communists, and they only use other words to deceive America.

He talks about "this artifice of pluralism * * * which has been useful thus far."

In other words, in their private meetings, they see themselves deliberately deceiving Americans by using words that will not scare us, while they go ahead and impose a dictatorship. They have contempt for us. They think we are incredibly stupid and gullible.

He says here, on page 7—and every American ought to read this before they decide that they would not support freedom fighters against Nicaragua:

> Our strategic allies tell us not to declare ourselves Marxist-Leninists, not to declare socialism. Here and in Rome, we know, we've talked about this being the first experience of building socialism with the dollars of capitalism.

Lenin once said, "The capitalists will sell you the rope with which we will hang the capitalists."

The Nicaraguan Communists, with the advice of the Cubans and the Russians, and with the help of American ostriches, are going a stage better. Now the capitalists do not sell them the rope, we give them the rope with which to hang us.

And listen how they describe it: "We've talked about this being the first experience of building socialism with the dollars of capitalism."

What he is saying is that they are Communists, they are getting advice from Cuban and Russian Communists, they are at war with the United States, and they are able to get us to stupidly cover it as though we are at peace. They use our language to lie to us while they know what they are doing. And we allow them to get away with it.

Remember, I quoted from the Communist dictator of Grenada about how they used mobs to close down people who are not Communists. Listen to the Communists of Nicaragua:

"We still have not worked the turbas (Sandinista mobs), as they say, because it is not yet time."

Now, why do you see mobs in Grenada? And why do you see mobs in Nicaragua? Because the Cubans and the Russians train Communist dictatorships to set up mobs. They have organized, paid mob organizers. They have people who go out and arrange the mob, and they say to you,

> You have two choices. You can join the mob, and that counts as good Brownie points toward being a good Communist, or you cannot join the mob, you have mob duty, it is time to go out and be part of a mob.

What happens then? CBS News goes down and films the mob and says, "Gosh, look at this popular demonstration."

Now, here we have in both the Grenada papers and in the papers from Nicaragua absolute Communist secret doctrine on how to organize a mob. Are you going to see that on CBS tonight? Are you going to see a study, are you going to see a reporter starting to say, on CBS, "Gosh, here is another Communist demonstration"? No. American newsmen have a passionate commitment to be gullible. They are determined to pretend that there is no normal difference between Communist dictatorships. I should not say all American newsmen, but there are certainly specific American newsmen who seem to have a passion; they are not only ostriches, they are ostriches with amnesia; they forget each new experience and go ahead and pretend as though it never happened. And, of course, in this body, we have ostriches with amnesia, and there are all too many church groups who are ostriches.

Here is his closing line. I want to come back and really bring this together as it relates to the upcoming vote. Arce, the Communist from Nicaragua, says, in closing:

> We believe that between the Nicaraguan socialist party and the Sandinista front, strategically there is nothing to debate. We must take advantage of the change offered by the elections to gain other positive benefits: the unity of the Marxist-Leninists of Nicaragua.

Now, we have today two documents, a rather fat book, the Grenada documents available from the State Department, and Comandante Bayardo Arce's secret speech available from the State Department, both in English. They are free. Every citizen can read them. Every newsman can read them, every politician can read them, every church group can read them. And what is their message? Their message, in overwhelming detail, is that the Communist dictatorship of Nicaragua is the active and deliberate ally of Cuba and the Soviet Union, attempting to destroy the United States.

Their message is that the Communists in Nicaragua are systematically, intellectually, committed to establishing a secret police dictatorship. Their message is that communism and Marxism, Leninism is a specific form of behavior which is knowable by reading Lenin's writings, which is understandable by studying the Grenadian documents and that in fact we are engaged in a war with communism which we, in the West, have persistently refused to deal with head-on.

Meanwhile, what do they also tell us? They tell us that the Communists in Nicaragua will lie, that they will lie to the church groups, they will lie to the news media, they will lie to politicians.

They tell us that they understand Americans pretty well and they will count on our gullibility, that they believe they can seduce us into impotence where they could never rape us into impotence. They are deliberately attempting to seduce the American Nation into believing that they are not Communists while they are deliberately working with the Cubans and the Soviets to establish Communist dictatorships across Latin America.

The choice which will come up in about 2 weeks is simple: Which signal are we going to send? Are we going to send a signal of impotence? Are we

going to have ostrich after ostrich get up on the floor and say, "Gosh, I don't like those Communists either, but what can we do?"

Are we going to have people get up here who visited recently, who have found their particular fantasy, who have allowed the Communists to lie to them and say, "Well, you know, when I talked to them, they were very nice to me"?

Are we going to have people who refuse to read the documents, who refuse to deal with the historical reality, who are determined to be impotent and incapable of stopping communism?

And what will the American people do? In the next 2 weeks, will you try to find out the truth? Will you call your Congressman and Senator? Will you get involved in your local radio call-in show? Will you write letters to your local newspaper editor?

Or will you allow the deliberate public relations manipulation?

And it is wonderful stuff to read. The Grenadian Communists actually hired American public relations firms to teach them how to manipulate the American Congress and the American news media.

They talk openly in this book about how to infiltrate churches and how to find sympathetic church leaders that you can get to be gullible.

The next time your church minister gets up and tells you about how good the Communists are in Nicaragua, will you ask them if they have read the Grenadian Documents, ask them if they have read Arce's secret speech?

If we cannot draw the line in Nicaragua, a country which is closer to Miami than Miami is to Washington, DC, if we cannot draw the line when we have documents of a Communist dictatorship that prove what communism is like, then where do we draw the line? In Honduras? In Guatemala? In Mexico?

Do we really want 70 million Mexicans faced with the problem of a civil war?

And if you think that is false, in later special orders week, I will read from the messages of the Grenadian Embassy in Moscow, in which they said flatly that the amount of money they were getting from the Russians depended on their ability to undermine other countries. In the case of Grenada, their assignment was Belize and Surinam. And they talk very specifically in their documents about their job of undermining governments in order to get the Soviets to send them money.

Now, the Nicaraguans are getting a lot more money from Russia than the Grenadians did. If the Nicaraguans are getting more Communist money than the Grenadians did, what does that tell you about the Nicaraguan secret commitment to undermine democracies in free countries if in fact the Soviet Communists measure their aid, in part, based on how willing a Communist government is to deal with it.

I will also outline in the future special orders the very real fact, as you go through all of this, that there were secret treaties that had specific clauses promising to keep them secret. And I would suggest to you if they were secret, why don't we assume that the Nicaraguan Communists have similar treaties?

So, I say to my colleagues, in the coming 2 weeks, as a former history teacher, I hope to raise again and again and again the lessons of history. I say to my leftwing ostrich friends that the day of the ostrich being unchallenged is over. If you are determined to come on the floor with your head buried in the sand and deny the nature of the Government of Nicaragua, I shall do everything I can, and I hope many of my colleagues will join me, both Democrats and Republicans. There are many Democrats who know better. There are many Democrats who know that communism is communism.

I also say to my friends in the State Department and the White House that the time has come to drop the phony term "Sandinista," to accept the Communist dictators' words at face value, to recognize that they are truly Communists and to talk only of the Communist Government of Nicaragua and of Communist guerrillas in El Salavador.

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We are dealing with a straightforward, simple issue of communism, and I am confident, as Winston Churchill once said to the British people, that, "The American people, given the truth, will rally to reality. That the American people, given leadership, will rally to that leadership."

That reminded of how close Nicaragua is; reminded of the military danger of that 12,000-foot military runway, if it handles Soviet bombers; reminded of the danger of Soviet-led subversion with Cuban advisers and Nicaraguan forces, that the American people will rally to a policy that is clear, that is firm, that is decisive. But for that policy to work, they must be told about it in clear terms.

I am delighted to yield to my good friend, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. I thank the gentleman from Georgia for yielding.

Mr. Speaker, I want to compliment the gentleman for taking this special order, and also join him in asking others who have similar or opposite views to make their views known here on the floor. I think we as Americans all too often forget the lessons of history, and we have often been told and retold that those who ignore history are fated to repeat the lessons of history.

Serving on the Foreign Affairs Committee, I was going to mention to the gentleman from Georgia, always I am concerned somewhat when people other than the President speak for our country overseas. For example, I was reading in yesterday's paper about a group of Congressmen who were in Nicaragua asking the leader of Nicaragua if he would give them certain guarantees if they guarantee that we are going to defeat $14 million of aid to the Contras.

I think that we in this body have an obligation, and a very important obligation, to pass judgment. But I do not think that we in this body can take it upon ourselves, individually, or even in small groups, to contact foreign leaders and ask them what they will do if we vote one way or another on this floor.

I think that the American people still make the foreign policy of this Government, and not some foreign dictator. I think these are important lessons that the gentleman from Georgia is bringing to the attention of the American people. I want to compliment him for doing it.

I hope people that may view the situation differently also take the floor, because the American people have to make the ultimate judgment. They can only make that judgment if they are informed of the facts. The American people today are not informed of what the real facts are in many of these situations, especially an important situation like this.

I want to again compliment the gentleman from Georgia for taking this time and educating the American people.

Mr. GINGRICH. It is interesting, in looking at the Grenadian document, that there were Members of this Congress dealing with the Grenadian Communists, and the Grenadian Communists saw themselves working in active alliance with Members of this House against the American Government. They saw themselves in a situation where they literally expected help in defeating the policies of the U.S. Government.

I think it is a very serious problem, and the Grenadian documents raise very serious challenges to every Member of Congress about how we are going to deal with communism. The fact is that Communists systematically and cynically manipulate American politicians and manipulate the American news media and are contemptuous of us. They say in effect to each other, look how foolish the Americans are. You know, when is the next American delegation going to come so we can manipulate them and use them to get across our particular point?

I yield to my good friend from Arizona [Mr. RUDD].

Mr. RUDD. I thank the gentleman for yielding, and I appreciate his taking this time on a special order which relates to Grenada, Nicaragua, and Communist encroachment in the Western Hemisphere.

I will tell the gentleman that I just returned from a trip into seven countries, into Central America and South America, also, and the feeling there is a lot different than it was a year ago and a year before that when I visited the same general area. In talking with the people, they no longer have any doubts about the fact that the United States of America is their friend.

THE PUBLIC SECURITIES ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 5 minutes.

Mr. DINGELL. Mr. Speaker, today, I am introducing legislation entitled the Public Securities Act of 1985 to provide improved protection for investors in Government-related securities.

Prompt action on this legislation is needed to restore investor confidence in the Government securities market and to provide for the efficiency, liquidity and integrity of the giant market in U.S. Treasury securities. The successful operation of this market is essential to the conduct of fiscal and monetary policy.

The recent failures of two small unregulated dealers, ESM Government Securities, Inc., and Bevill, Bresler & Schulman, provide dramatic evidence of the inability of the Securities and Exchange Commission and other Federal and State regulators to prevent serious failures in the Government securities market.

The failure of ESM victimized school districts and city governments across the country to the tune of over $300 million and led to a savings and loan panic in Ohio, forcing a temporary closing of 71 privately insured savings and loans associations. Last week's failure of Bevill, Bresler, coming so quickly on the heels of the ESM failure, rekindled widespread fears over the integrity of the huge unregulated Government securities market. Bond prices fell and the dollar declined as a result of renewed concern.

These are not isolated incidents. In 1982 Drysdale Government Securities, Inc., and Lombard-Wall, Inc., collapsed. The Drysdale failure cost Chase Manhattan Bank over $135 million. Lion Capital Group failed last year. We are witnessing a pattern of bankruptcies caused by unsupervised, speculative trading practices and the failure to conform to strong financial standards.

Government securities dealers finance their operations primarily with borrowed funds, which places them in a highly leveraged position. Dealers face failure if losses on securities deplete what is sometimes a thin margin of capital relative to the risks assumed. Dealer failures can result in losses to, and possible failures of, their counterparts—creditors and other dealers with whom they conduct business. Such failures can also have an adverse effect on Government securities market by causing reluctance on the part of creditors to lend funds—even to dealers who are leveraged at an acceptable level. Such reluctance could reduce the availability of dealer financing and, consequently, the capability of dealers to market the national debt. Debt that cannot be sold to the public must be bought by the Federal Reserve. This is not a desirable result since Fed purchases pump up money growth, planting the seeds for inflation. Problems in the Treasury market can be transmitted into interest rates, capital flows and inflationary pressures worldwide.

Current regulatory controls are insufficient to restore order to this market. There is no direct regulation of Government securities dealers by either the Federal Reserve Board or the SEC. No regulatory body even knows how many dealers operate in this market. The Federal Reserve Board exercises some control over the 36 primary dealers with whom it does business. However, the Fed has no statutory authority to regulate these dealers; it merely requires strong financial standards and outside auditing as a condition of doing business with the Fed. The capital adequacy guidelines proposed by the New York Bank—calling for a 1.2-to-1 capital-to-risk ratio and outside auditing—are appropriate. However, they necessarily retain the status of voluntary guidelines, not mandatory requirements, under current law.

Two weeks ago, E. Gerald Corrigan, the president of the Federal Reserve Bank of New York stated in congressional testimony that:

> Perhaps the more serious problem is that by having an informal monitoring role, we may create an appearance of providing much greater protection from abuse than it is realistic to assume.

Skepticism about the Fed's reliance on voluntary financial disclosure by dealers was highlighted when Mr. Corrigan disclosed that the New York Federal Reserve Bank had been receiving voluntary reports from ESM since April 1984.

"Indeed, even when such firms report monthly, as ESM did, the mere presence of such a reporting relationship may work to create a false and unwarranted sense of confidence about such firms," said Mr. Corrigan.

The SEC is limited as well. After each of the recent failures, the SEC has come in after the fact, asserting its antifraud jurisdiction. The SEC has acknowledged that it does not have the statutory authority to inspect the books and records of these securities dealers or take other steps which might have prevented the fraudulent activities.

The loophole in regulatory authority was created in the 1930's by exemptions in the U.S. securities laws. Government securities are exempt from registration under the Securities Act and regulation under the Securities Exchange Act. Broker-dealers who effect transactions exclusively in Government securities are also exempt. The SEC has regulatory authority over registered broker-dealers that engage in Government securities business. But, it does not have statutory authority to regularly examine broker-dealers that restrict their business to Government securities transactions. The theory was that an exemption for these dealers was warranted because Government securities represented the safest, most secure form of investment, backed by the full faith and credit of the U.S. Government.

However, in recent years we have seen the development of new investment vehicles and products relating to Treasury securities, for example, when-issued trading, futures and options, forward commitments, zero-coupon securities such as Salomon Bros.' certificates of accrual on Treasury secuities—or CATS. Sophisticated new financial techniques related to Government securities, such as repurchase agreements, reverse repurchases and "matched books"—offsetting repurchase and reverse repurchase agreements—have developed for general investors. In a repurchase agreement, an investor purchases Government securities from a Government securities dealer. At the same time, the dealer agrees to buy the securities back at a fixed time at a higher price. In a reverse repurchase, the dealer purchases the securities and agrees to sell them back to the customer. In both cases, the dealer is essentially borrowing money with the securities acting as collateral.

There is nothing in principle wrong with these financial dealings. Indeed, the Fed itself uses these mechanisms to implement monetary policy. The problem arises in assuring general investors that the dealers involved in these transactions have sufficient reserves to cover potential losses, and in assuring that potential fraud is uncovered in time to prevent investor losses. The limited regulatory authority available today does not allow sufficient regulatory oversight of government securities dealers to resolve these problems.

The proposed legislation would amend section 15B of the Securities Exchange Act of 1934. Section 15B was added by amendments to the Exchange Act in 1975, to bring previously unregulated municipal securities dealers under the regulation of a newly created self-regulatory organization, the Municipal Securities Rulemaking Board, composed largely of industry participants. The Board promulgates regulations requiring the registration of all municipal securities dealers, subjecting them to customer protection, antifraud, recordkeeping and other requirements, and providing for inspections of their books and records. The rules of the MSRB are enforced by the NASD, the SEC and the appropriate Federal bank regulators.

The proposed legislation would expand the authority of the MSRB to include dealers in Treasury securities and Government agency securities, and would rename the MSRB the "Public Securities Rulemaking Board." This would provide uniform regulation of Government securities dealers, subjecting them to inspections, books and records and capital adequacy requirements and other protections. Absent this additional statutory authority, the reputable firms in the industry—which are an overwhelming majority—and the regulators appear to be unable to prevent dangerous abuses. We are giving the industry an opportunity to clean up its own act.

Mr. Speaker, a summary of the legislation follows the close of my remarks. I commend Representatives BROYHILL, WIRTH, RINALDO, LUKEN, SWIFT, COLLINS, BRYANT, and RODINO. For joining me in cosponsoring this bill. I especially wish to thank the distinguished gentleman from Colorado, Mr. WIRTH, for his cooperation with me and vigorous efforts on behalf of this bill. I look forward to full consideration being given to this proposal in the near future and enactment of legislation on this subject during the course of this Congress. We cannot take any more massive firm and system failures in this market.

THE PUBLIC SECURITIES ACT OF 1985—SECTION-BY-SECTION ANALYSIS

TITLE I—ESTABLISHMENT OF A SELF-REGULATORY ORGANIZATION WITH RESPECT TO MUNICIPAL AND GOVERNMENT SECURITIES

Section 101 creates a new Section 15B of the Securities Exchange Act of 1934 to provide for the registration and regulation of public securities dealers.

Section 15B(a)—Registration and regulation of municipal securities dealers

Paragraph (1)—Regulation.—This paragraph would prohibit any public securities dealer from making use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any public security unless registered with the Commission or exempted by rule or by order. A broker or dealer already registered with the Commission under section 15 would not be required to re-register.

Paragraph (2)—Registration Statement and Grant or Denial of Registration.—A person would register as a public securities dealer by filing a registration statement with the Commission containing such information and documents concerning the public securities dealer and any persons associated with the public securities dealers as the Commission may, by rule, prescribe. The registration of a public securities dealer would become effective in the same manner as presently provided for the registration of brokers and dealers in section 15(b).

The Commission is authorized to grant the registration if it finds that the requirements of this section are met and may deny such registration if it is unable to make that finding or if it finds that the registration, if granted, would be subject to suspension or revocation under subsection (c) of this section.

Paragraph (3)—Prohibited Conduct of Public Securities Dealers.—This paragraph would make unlawful any act or practice or course of business prohibited by the Act (other than section 5 or paragraph (1) of this subsection) by a registered public securities professional which would be prohibited if the mails or any means or instrumentality of interstate commerce were used in connection therewith irrespective of any use of such means.

Paragraph (4)—Commission Exemptive Authority.—The Commission would be granted broad powers to exempt, by rule or by order, upon its own motion or upon application, conditionally or unconditionally, any broker, dealer or public securities dealer in whole or in part from any provisions of this section or any rule or regulation promulgated under authority of this section. The intent of this grant of broad exemptive power is to give the Commission flexibility to implement the policies of the bill and to allow the Commission to develop practical and workable means of regulating the public securities industry and trading in public securities.

Paragraph 15B(b)—The Public Securities Rulemaking Board.—This subsection would establish and delegate rulemaking responsibility to the Public Securities Rulemaking Board, a self-regulatory organization for the public securities industry. Like the existing Municipal Securities Rulemaking Board, the Board would not be a membership organization, nor would it have any inspection or enforcement responsibilities.

Paragraph (1)—Establishment of the Board.—This paragraph would create the Board and provide for the equal division of its membership among representatives of, investors in, and issuers of, public securities who are not associated with any public securities professional, representatives of public securities professionals which are brokers or dealers, and representatives of public securities dealers which are banks or departments thereof ("public representatives," "broker-dealer representatives" and "bank representatives," respectively.) The Department of the Treasury and the Federal Reserve would have a role in appointment of members.

Paragraph (2)—Board Rulemaking Authority.—The sole function and responsibility of the Board would be to prescribe rules for the public securities industry and with respect to transactions in public securities (otherwise than on a national securities exchange), subject, of course, to Commission review and approval. Accordingly, paragraph (2) would grant to the Board broad rulemaking authority over all public securities dealers and require it to promulgate rules to effect the purposes of this legislation and the Exchange Act. Similarly, the procedures established in section 15 of the bill for SEC review of proposed changes in the rules of the Board would be applicable and no rule of the Board or change in, addition to, or deletion from the rules of the Board may take effect except in accordance with section 19 of the Act. Furthermore, the Federal Reserve Board is given a role with respect to the impact and appropriateness of any proposed rules with special relation to and effect on government securities. The Board is required to include with the materials submitted to the Commission under section 19(b), the Board's response to any written comments or suggestions submitted by the Federal Reserve or the Department of the Treasury with respect to the impact of the proposed rule on the efficiency, liquidity, or integrity of the markets for Government securities.

The scope of the Board's authority would be defined in terms of purposes rather than subject matters in prescribed areas.

Subparagraph (A) would require the promulgation of rules establishing professional standards with respect to training, competence, experience and other qualifications deemed necessary for public securities professionals and natural persons associated with public securities brokers and dealers, including financial responsibility of such persons. The Board would be permitted to classify public securities professionals in adopting such professional qualifications and standards, taking into account all relevant factors, in a manner analogous to the classification powers granted to registered securities associations under section 15A.

Subparagraph (B) would require the adoption of rules establishing fair procedures for the nomination and election of members of the Board. Such rules would be required to provide that nominees for membership on the Board as public representatives must be, in fact, representative of issuers of and investors in public securities and not associated with any public securities professional. In addition, the subparagraph would make clear that the size of the Board may be varied by rule so long as membership is equally divided among the three categories identified in paragraph (1) of this subsection, is an odd number, and the proportion of public representatives is not materially reduced.

Subparagraph (C) would require that the rules of the Board, be designed to regulate the dealings of securities professionals so as to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation with self-regulatory organizations and certain other persons, to remove impediments to and perfect the mechanism of a free and open market in public securities, and, in general, to protect investors and the public interest. The subparagraph would require that such rules not be designed to permit unfair discrimination among customers, issuers, public securities brokers, or public securities dealers, to fix minimum profits or other fees to be charged by members, to regulate matters not related to the purposes of the Exchange Act or to the administration of the Board or to impose any burden on competition not necessary or appropriate in furtherance of its purposes. No such rules shall relate to issuing, bidding, or underwrit-

ing procedures fixed or approved by the Department of the Treasury.

Subparagraph (D) specifically states that the Board may promulgate regulations requiring the arbitration of claims, disputes and controversies relating to transactions in public securities, but provides that no person other than a public securities professional or person associated with a public securities professional shall be compelled to submit to such arbitration except at his instance and in accordance with Section 29 of the Act.

Subparagraph (E) would require the Board to promulgate regulations governing the periodic examination of public securities professionals to determine compliance with the provisions of the Exchange Act and the rules and regulations promulgated thereunder by the Commission and by the Board. This provision would enable the Board to determine the minimum frequency of such examinations and the matters to be inspected. Inspections would be carried out in accordance with paragraph (7) of subsection (c).

Subparagraph (F) would require the Board to promulgate rules governing the form and content of quotations relating to public securities and the persons to whom such quotations may be supplied to provide fair and informative quotations, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations. Such authority should enable the Board to ensure uniformity of quotations in public securities and uniform methods of disseminating quotations.

Subparagraph (G) would authorize the Board to prescribe recordkeeping and maintenance requirements for public securities professionals.

Subparagraph (H) would require the Board to define the term "separately identifiable department or division" with reference to banks by establishing specific criteria for determining the circumstances under which a bank division or department is sufficiently "separately identifiable" to permit its registration as a public securities dealer entity pursuant to section 30(a)(30). At the minimum, to avoid registration of the entire bank with the SEC as a "public securities dealer," the department or division of the bank must, by its operations, personnel and organization, permit independent examination, and the enforcement of applicable provisions of this Act, rules and regulations thereunder and the rules of the Board.

Subparagraphs (I) and (J) would delegate authority to the Board to provide for the administration of its affairs and operations, including selection of a Chairman from among the members of the Board, and setting the compensation for Board members as well as appointing and compensating the personnel necessary to conduct its self-regulatory functions.

Under subparagraph (K), the Board would have the responsibility of exercising its rulemaking authority to establish the terms and conditions under which any municipal securities dealer may sell, or prohibit the sale by any such dealer, of any part of a new municipal securities issue during the underwriting period to any municipal securities investment portfolio. Thus, the Board will continuously be in a position to exercise its powers to promulgate rules governing syndicate practices and conflicts of interest to prevent any preferential treatment or advantage which may accrue to participating syndicate members, banks or nonbanks, or any proprietary investment portfolios to the detriment of public investors.

Subparagraph (L) empowers the Board, in consultation with the Federal Reserve, to formulate rules to regulate the amount of initial and maintenance margin in connection with the purchase, sale, or carrying of government securities. Rules may also be developed concerning the type of deposit or collateral which shall be furnished; the carrying of undermargined accounts for limited periods and under specified conditions; the withdrawal of funds or securities; the substitution or additional purchase of securities; the transfer of accounts from one government securities broker or government securities dealer to another; special or different margin requirements for delayed deliveries, short sales, repurchase and reverse repurchase agreements, and arbitrage transactions; the bases and methods to be used in calculating collateral deposits, the margins and market prices; and similar administrative adjustments and details.

Section 15B(c)—Enforcement and inspection by the Commission and the bank agencies

Paragraph (1)—It would be unlawful for any broker, dealer or public securities dealer to effect any transaction in or induce or attempt to induce the purchase or sale of any public security in contravention of any rule of the Board.

Paragraph (2)—Commission Administrative Power to Sanction Public Securities Dealers.—This paragraph would grant to the Commission broad disciplinary authority over public securities dealers, persons associated with them and other persons in connection with violation of the act and rules and regulations thereunder by the Board or the Commission comparable to the Act. Accordingly, the Commission may, by order, after appropriate notice and opportunity for hearing on the record, censure, suspend (for a period not exceeding 12 months) or revoke the registration of any public securities dealer if such action is necessary to appropriate in the public interest and such broker, dealer or public securities dealer has committed or omitted any act enumerated in section 15(b)(4)(A-E) of the Exchange Act. In addition, the SEC may impose appropriate limitations on the activities, functions and operations of public securities dealers which it determines are in the public interest.

Paragraph (3)—Suspension of Registration, Withdrawal or Cancellation of Registration.—The Commission may suspend any registration pending a final determination as to whether registration shall be revoked. In addition, this paragraph would authorize the SEC to prescribe procedures governing the withdrawal of registration by public securities dealers and to cancel any pending registration or terminate any registration for public securities dealers who have ceased acting in such capacity.

Paragraph (4)—Commission Power to Sanction Persons Associated with Public Securities Dealers.—The Commission would have the authority, by order, to censure or impose appropriate limitations on the functions and activities, or bar or suspend (for a period not to exceed 12 months) any person from being associated with a public securities dealer if it finds, on the record following notice and opportunity for a hearing, that such persons has committed or omitted any act or omission enumerated in clauses (A), (D), (E), has been convicted of any offense specified in clause (B), or is enjoined from any action, conduct or practice specified in clause (C), or Section 15(b)(4).

Paragraph (5)—Bank Agency Enforcement Powers.—This paragraph would vest primary responsibility and authority with the bank agencies to enforce compliance with the requirements of paragraphs (2) and (4) and the rules of the Board by public securities dealers which are banks and persons associated with such dealers. Bank regulatory agencies may enforce compliance by such public securities dealer or any associated person with the provisions of sections 15B and 17 of the Exchange Act, the rules of the Board, and the rules of the Commission thereunder pertinent to the regulation of public securities dealers and transactions in public securities in accordance with Section 8 of the Federal Deposit Insurance Act. Any violation of the rules of the Board or of the Commission by any bank, or a wholly owned subsidiary or department or division of a bank registered as a public securities dealer, would constitute a violation of the Federal Deposit Insurance Act. This paragraph will in no way affect any existing powers vested in the banking agencies under other laws to take disciplinary action against public securities dealers which are banks or departments or divisions thereof or against persons associated with such public securities dealers.

Paragraph (6)—Consultation and Cooperation Among Federal Agencies.—This paragraph would require the Commission and the bank agencies to consult with each other prior to initiating any action against a public securities dealer which is a bank or a person associated with any such dealer bank, or for violations of any Commission rule promulgated under 15(c) (1) or (2) of the Act or of any Board rule. The Commission would be required to give notice to the appropriate bank regulatory agency of the entry of an order of investigation and the commencement of any action against any public securities dealer which is a bank or a department or division thereof or against any person associated with such a public securities dealer. The notice must include the identity of such dealer or associated person and the nature of and basis for the proposed action. The banking agencies would be required to give notice to the Commission in similar circumstances.

The agencies are expected to consult with each other in good faith concerning the effect of the proposed action both on sound banking practices and the protection of investors and the possibility and desirability of coordinating enforcement actions.

The Committee believes the ends of both the banking and securities laws can be achieved in this manner while minimizing the likelihood that public securities dealers will be subjected to unnecessary regulatory duplication or enforcement proceedings. The requirements of notice and consultation are intended to assure a coordinated and efficient regulatory structure and to facilitate fair, effective and evenhanded regulation of the public securities industry.

Other than the requirements of prior consultation, nothing in the bill would interfere with the use of any authority the Commission or the bank agency may have under the Exchange Act or any other law to conduct inspections or enforce compliance. Specifically, although the bank agency would have the primary responsibility to enforce applicable requirements with respect to banks which are registered public securities dealers, the Commission would retain its full authority under section 21 of the Act and elsewhere with respect to all violations or suspected violations by all brokers, dealers, or

public securities dealers. Under no circumstances would the requirements of notice and consultation confer any veto power on the banking agencies over Commission action.

Paragraph (7)—Allocation of Responsibility for Tests and Examinations.—Responsibility for the conduct of periodic examinations and for the administration of such entrance tests as the Board, may, by rule, establish would be assigned by this paragraph. Registered securities associations (e.g., the National Association of Securities Dealers, Inc. ("NASD")) and registered national securities exchanges would be delegated this duty with respect to public securities brokers and public securities dealers which are members, and the bank agencies in the case of public securities dealers which are banks or departments or divisions thereof. Reports and data resulting from an examination conducted by an association pursuant to section 15B(b)(2)(E) must be made and, on request, furnished to the Commission. The Board would be entitled to receive examination reports of public securities brokers and dealers prepared or furnished under this paragraph or section 17(c)(3), only upon request, and subject to any limitations which the Commission finds necessary or appropriate in the public interest.

Paragraph (8)—SEC Administrative Power to Sanction Members of the Board.—The Commission would be authorized to remove from office or censure, by order, any member, officer, or employee of the Board who is found, after notice and opportunity for a hearing on the record, to have willfully violated any provisions of the Exchange Act respecting public securities, any rule or regulation promulgated under the Act or any rule of the Board, or to have abused his authority.

Section 15B(d)—Pre-filing requirements for public issuers

The subsection would prohibit the Board or the Commission from promulgating any rules which would directly or indirectly impose any filing requirements on public issuers in connection with offerings of such securities. The bill does not affect in any way the existing exemption of any governments from the Securities Act of 1933, and this paragraph would ensure that de facto registration requirements are not inposed which would interfere with the governmental borrowings.

Section 111 contains a number of necessary conforming amendments to the Act. Paragraphs (a)–(f) amend the definition of exempted security in section 3(a)(12), self-regulatory organization in section 3(a)(26), municipal securities dealer in section 3(a)(30), person associated with a public securities dealer in section 3(a)(32), appropriate regulatory agency in section 3(a)(34) and statutory disqualification in section 3(a)(39). When used with respect to a public securities dealer, the "appropriate regulatory agency" means the Board of Governors of the Federal Reserve System with respect to a government securities dealer that is not a bank but that is monitored by and reports to the Federal Reserve Bank of New York.

Paragraph (g) amends section 3(a) of the Act to add certain necessary new definitions: public securities, public securities broker, public securities dealer, government securities, government securities broker, and government securities dealer.

Paragraph (h) clarifies the inapplicability of the Act to government entities unless specifically provided.

Section 112 amends paragraphs (1) and (6) of section 6(b) of the act to clarify enforcement of the rules of the Public Securities Rulemaking Board by national securities exchanges.

Section 113 amends Section 7 of the Securities Exchange Act concerning the establishment of deposit requirements by the Federal Reserve Board with respect to government securities.

Section 114 contains a number of additional conforming amendments concerning references to the Municipal Securities Rulemaking Board, references to municipal securities and municipal securities brokers and dealers, consultation by the Commission with the Federal Reserve and Treasury Department in rulemaking with respect to capital requirements for government securities dealers, rulemaking by registered securities associations, and transfer and access to documents.

TITLE II—TRANSITIONAL AND SAVINGS PROVISIONS

Sections 201–204 contain the necessary provisions for transfer and allocation of funds and personnel from the Municipal Securities Rulemaking Board to the Public Securities Rulemaking Board; termination of the Municipal Securities Rulemaking Board; savings provisions for the continued effect of rules, regulations, interpretations, contracts, policies, procedures and other actions; effect on pending administrative and judicial proceedings; nonabatement of proceedings; substitution of parties; and references in any other federal provisions.

TITLE III—EFFECTIVE DATE

Section 301 makes the general effective date 180 days after enactment. Section 302 provides special effective dates for appointment and rulemaking authority.

● Mr. WIRTH. Mr. Speaker, today, it is my privilege to join the distinguished chairman of the Committee on Energy and Commerce, JOHN DINGELL, in introducing legislation to address serious failures in the Government securities market.

Events of recent years have made this legislation critical to maintaining confidence in our financial system, to the conduct of the Nation's monetary policy and to the health of our national economy.

In 1982, the failure of Drysdale Government Securities, Inc. sent shock waves throughout the financial markets, when it was learned that Drysdale was unable to pay $270 million in interest due on Government bond transactions with Chase Manhattan Bank. Following Drysdale's default, Chase initially refused to pay that interest to about 30 of its securities firm customers, threatening widespread disruption of the markets through a domino effect of failures. Fortunately, Chase reconsidered and had the financial ability to step in to avert these serious consequences. Drysdale's problems were soon followed by the failure of yet another small Government securities dealer, Lombard-Wall, Inc.

The Government securities market consists of 36 primary dealers who deal directly with the Federal Reserve and also with the many "secondary" Government securities dealers—like Drysdale and Lombard-Wall—who make a market in Government securities for the public. These recent problems in the Government securities market have occurred with the wholly unregulated secondary dealers.

After the Drysdale failure, the Federal Reserve took steps to attempt to gain greater control over the Government securities market. Some of us in Congress believed those steps were not adequate, and, moreover, believed the Federal Reserve was not equipped, nor did it have the desire, to regulate small Government securities dealers not otherwise subject to its oversight.

Last spring, 2 years after the Drysdale collapse focused attention on the lack of controls over Government securities dealers, the failure of Lion Capital Group demonstrated that sufficient steps had not been taken by the Federal Reserve to improve those controls.

For that reason, Chairman DINGELL and I turned to the Securities and Exchange Commission requesting its views on methods to provide greater regulatory supervision over this important market. The SEC is an agency charged not only with the protection of investors but with ensuring the integrity of the markets as a whole. It is the Agency charged with picking up the pieces after a securities fraud. It is the Agency that has had the unfortunate task of unraveling the recent failure of ESM Government Securities and, just last week, Bevill, Bresler & Schulman Asset Management Corp.

These two most recent failures have demonstrated that after-the-fact enforcement cannot take the place of a regulatory apparatus that prevents fraud from occurring. This is especially true today as Federal borrowing needs have increased substantially and the Government securities market has expanded accordingly.

The failure of ESM caused a savings and loan panic in Ohio and resulted in millions of dollars of losses to cities and other investors throughout the country. Following the ESM collapse, with the resulting savings and loan closings in Ohio, foreign confidence in the U.S. financial system was temporarily shaken, with the dollar weakening considerably on foreign markets. Last week, it was reported that U.S. consumer spending had decreased in recent weeks, as a result of fears about the U.S. banking system.

It is estimated that the losses from the Bevill, Bresler & Schulman bankruptcy will exceed $200 million. Late last week, concerns were voiced that additional small Government securities dealers might fail as investors begin to demand delivery of collateral they previously left on deposit with firms.

Our financial markets are too interrelated, and too fragile, to permit a

small group of unregulated Government securities dealers to cause such chaos.

The Public Securities Act of 1985 is an attempt to prevent these disruptive events from occurring. It would accomplish this objective through the least intrusive means possible—industry self-regulation. The bill endorses and expands upon a concept that has worked well to put an end to problems in the municipal securities market. The bill would add to the authority of the Municipal Securities Rulemaking Board, giving the Board authority to set rules for Government securities dealers, and renaming the Board the Public Securities Rulemaking Board. The SEC, the National Association of Securities Dealers and the banking regulators would continue to have supervisory authority over institutions under their jurisdictions and would enforce the rules of the Public Securities Rulemaking Board.

In view of the serious problems in the Government securities markets in recent weeks and our concern that Federal regulators, after almost 3 years of discussions of these problems, have not moved quickly enough to plug the regulatory gaps that have permitted these problems, we believe it imperative to press forward with legislation at this time.

This bill is a starting point. It will be the subject of hearings in the Subcommittee on Telecommunications, Consumer Protection and Finance during the next 2 months, and I believe those of us sponsoring the legislation expect, and indeed welcome, the comments of affected industry participants, Federal regulators and the investor community.

I want to take this opportunity to commend Chairman DINGELL on his forceful leadership in developing the legislation and moving forward quickly to ensure the health of this vital and important segment of our markets. He has led a bipartisan effort, in which the distinguished ranking minority member of the Energy and Commerce Committee, JAMES BROYHILL, and my colleagues on the Subcommittee on Telecommunications, Consumer Protection and Finance—Representative THOMAS LUKEN, AL SWIFT, MATTHEW RINALDO, and MICHAEL OXLEY and others have participated during the past 2 weeks. I want to commend each of them, and I look forward to working with them and other Members during the coming months as we consider this important legislation.●

● Mr. LUKEN. Mr. Speaker, I join today with my distinguished colleagues, the chairman of the Committee on Energy and Commerce, Mr. DINGELL, the chairman of the Subcommittee on Telecommunications, Consumer Protection, and Finance, Mr. WIRTH, and others, in introducing legislation to protect investors and the American public against repercussions stemming from the failure of unregulated Government securities dealers.

The collapse March 1 of a Government securities dealer in Florida and the reverberations of that collapse have shaken the financial world, not only in this country but internationally. This crisis sent the price of gold soaring while the dollar suffered its largest single-day loss in 14 years.

And then just 1 week ago, on April 8, a second Government securities dealer, this one located in New Jersey, was shut down after it could not meet obligations to its customers.

The sudden shutdown of ESM last month resulted in the closure of the largest State-insured savings bank in Ohio, Home State Savings Bank, which happens to be in Cincinnati, my congressional district, because of Home State's dealing with ESM in the unregulated Government securities market.

The collapse of ESM also left more than half a million depositors in Cincinnati and other Ohio cities without access to their savings as a bank holiday was declared for 71 savings and loans in Ohio.

These half a million depositors depended upon the regulators to protect the sanctity of their deposits in American financial institutions. But instead of protection from State and Federal authorities, they found laxness, negligence and ultimately evasion of responsibility, or in common parlance, passing "the buck."

Although many of these financial institutions have reopened, at least for limited withdrawals of $750 per month, many of my constituents are still deprived of access to funds they need for the necessities of life, for food, medical care, rent, and yes, even to pay their income taxes. They are frustrated and they are angry.

Many have waited in long lines throughout the night. And they are demanding answers from a government that rushed to the aid of an improvident behemoth, Continental Illinois, but casts an indifferent glance at the little people in lines outside the savings and loans.

In short, Mr. Speaker, many Ohioans used to bank with complete confidence. Today, they can't bank on it any longer, and neither can any American. That's why the dollar has been shaken.

But the collapse of ESM has victimized as well. There are a number of cities all across this country that are ESM's creditors. And they too have lost millions of dollars of the taxpayers' funds.

The collapse of two Government securities dealers in the last month and a half, unfortunately, are not isolated instances. In 1982, we witnessed the collapse of Drysdale Government Securities, Inc., and Lombard-Wall, Inc., and just last year still another Government securities dealer—Lion Capital Group—failed.

With respect to ESM, in spite of all the warning signals that were raised and recognized, every Federal agency which is supposed to shore up our financial institutions—the Fed. SEC, and the Federal Home Loan Bank Board—had some knowledge but failed in the pinch.

For example, where was the SEC, which had been investigating ESM since 1977, and then dropped the ball 4 years later?

What did the Fed. do when the crisis was forcefully brought to its attention recently? Simple, the Fed. referred the S&L's to the Federal Home Loan Bank Board.

Where was the Federal Home Loan Bank Board, when the Federal Home Loan Bank in Chicago, learning of the troublesome transactions in 1981 between a financial institution called Unity Savings Association and ESM, ordered the association to end its repurchase agreements with ESM, but failed to alert any financial institutions or other regulatory bodies of their concerns?

In short, how did a securities firm, insolvent since 1980, for 4 years, at least, systematically replace its losses at the expense of the public, municipalities and depositors and in full view of the regulators?

I find it incredible that on February 28, the 11th largest accounting firm in the country, Alexander Grant, gave ESM an unqualified endorsement. And 4 days later, on March 4, ESM was placed in receivership.

How could the auditors and the SEC not have known that something was wrong when the ESM parent company and its subsidiaries in fact had been losing millions of dollars since 1977? If the SEC was powerless to act, though armed with the facts, why isn't the SEC clamoring for enabling legislation?

For some time now, the SEC has been sitting on its hands talking about the wonders of the free market and deregulation while ignoring its responsibilities to protect investors and assure the stability of our Nation's financial markets.

I recognize that the SEC does not have exclusive jurisdiction over the Government securities market and Government securities dealers. The Federal Reserve Board must share in the responsibility.

The more I think about it, the more I believe in the adage that where you have shared responsibility, you often have no accountability. Everyone wants to pass the buck. And I think that's exactly the situation we face with respect to Federal supervision of dealers in Government securities. There isn't any.

The SEC says to the Fed., "You have responsibility for the issuance of Government securities, so you do it. We don't have any authority to regulate Government securities dealers." And the Fed. says to the SEC, "You regulate other securities dealers, so you do it."

I submit, Mr. Speaker, that's exactly why we have the problems that we have right now in the Government securities market—problems that brought about the most extensive shutdown of financial institutions in the United States since President Roosevelt's bank holiday of 1933.

The SEC and the Fed. are passing the buck back and forth while savings and loans, communities, and hundreds of thousands of depositors are paying the price.

I might note parenthetically that the bank holiday declared by Roosevelt occurred on a March 5. ESM was placed in receivership on March 4, 1985—1 day of the 52d anniversary of that bank holiday.

This legislation would bring previously unregulated dealers in U.S. Treasury and Government agency securities under Federal surveillance by expanding the authority of an existing self-regulatory organization, the Municipal Securities Rulemaking Board, by renaming the MSRB the Public Securities Rulemaking Board, and by providing for the inspection of books and records of Government securities dealers. The National Association of Securities Dealers, the SEC and the Federal Bank regulatory agencies would be responsible for enforcement.

The legislation has the advantage of expanding the authority of existing agencies and organizations rather than creating a new regulatory structure.

Passage of this legislation will go a long way toward assuring the kind of protection that investors and the American public at large have a right to expect but have not received from the Federal Government. I ask for the support of my colleagues for this important measure.●

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise in continuation of the subject matter which had to do with my advice to the privileged orders in which I have stated on past occasions included my colleagues because we are part of the privileged orders of this country, both in a political sense as representatives of the people, as well as in economic power. A little better than one-third of the Senate is in the millionaire class and a comparable situation exists even here among us, so we are very privileged.

I am going to, by way of parenthesis, because of a combination of things, one the coming vote on the $35 million that the President is requesting in direct military aid to the Government of Guatemala, such as it is. It is an out-and-out military dictatorship. Certainly nobody can say there are any more freedoms there than in any other closed society, whether it is communistic totalitarian, fascistic totalitarian or oligarchic totalitarian, and the President is asking us to provide for the first time in several years direct military assistance to a government that is exterminating, committing genocide, among the poorest of the poor of the poor in the world, the Indian tribes up in the mountains and in between in Guatemala who have been forced at intervals to flee into the neighboring Provinces or States of Mexico and pursued by Guatemalan soldiers, and in the name of eliminating Marxist-Leninists have been ripping open the bellies of 6- and 7-month-old children, all with American-made material, every bit of it. There is none of it that is Communist originated. It is all 100-percent American bayonets and rifles and other implements of war.

After hearing the newspaper comments about the President's request for the $14 million, which is actually a deceptive amount because the President's discretionary budget in less than 2 years has increased exponentially 750 percent and, in fact, that incremental increase coincides with the Congress cutting off direct aid to the so-called Contras in Nicaragua which have been financed up to now, led up to now, by our CIA, which in turn has been conducting war. I call it Casey's war in Nicaragua and around.

What I rise, and what motivates my rising for is because of the imminent vote with respect to these two issues, and the fact that it looks to me as if the President once again through his ability, through the powerful intercession of very powerful groups, some of the most powerful in our country, will be able, I think, to have better than a 50–50 chance to get that money in a way that means his policy is irreversible and the consequences I do do not think have been realistically presented to my colleagues in Congress, despite the fact there are colleagues who have spoken against the aid, but the reasons they give and the reality of the situation, not only in Nicaragua but in the rest of that area, because let me advise my colleagues, we might think it is a simplistic thing because of our invasion of the tiny place of Grenada to concentrate and isolate Nicaragua, but let me tell my colleagues, you will never do that because the entire area will go up in flames, as it is already, certainly after an investment of about $2 billion in the smallest republic of all, El Salvador, in which 4 years ago this President and his then-Secretary of State drew the line. We are still back on square 1 there.

So obviously there is something wrong with the assessment of the problem there. What is wrong? Well, I think that in my opinion it has been reflected in the statement of those supporting the President in this request that we will get within 48 hours and those supporting him outside of the confines of the Congress that represent forces that can raise $6 million, for instance, which incidentally were found on the plane that went down in Texas and was headed for D'Aubuisson, the murderer of the Archbishop of El Salvador and the 4 American nuns and the 4 Scandinavian reporters and the countless 50,000 Salvadorans, the majority of whom have been murdered by the so-called death squads, or what D'Aubuission calls glory squads or escuadrones de gloria. D'Aubuisson came to the United States; in fact, he was wined and dined right here in Washington, DC, and $6 million in cash was headed down that way. Unfortunately, the plane landed where it should not have in Texas. Where the money is now, I do not know. The newspapers have not reported it. But that is just one. The countless millions that have left Miami, for instance, or Florida, are still to be accounted for, yet that was the main source of financing for these elements that are determined to keep the cloak and the suffocating mantle of oppression on the masses south of the border, and my colleagues, let me advise you, the day when we could do, and this President is invoking actions that we called gunboat diplomacy back when Calvin Coolidge sent the Marines to Nicaragua in 1929, and what was the reason he stated for sending the Marines there—in order to stop Mexican bolshevism from being exported. Today it looks hilarious, but it is no more hilarious than I know history will show some of the utterances we have heard on this House floor with respect to a misinterpretation, a misperception of what that world is south of us.

□ 1330

In the first place, we have never wanted much to pay attention. We are not going to maintain and create and

bring about a purity of ideology. We have got to make up our minds, what is our policy going to be? Is it going to be to strive for ideological purity? If that is the case, not only in Latin America but everywhere else in the world, we are going to have an eternal struggle that we cannot win.

You cannot bomb communism out of existence. The only way is through social justice. The people in these countries south of us and elsewhere would much rather have the help and the understanding of the United States. There still is a reservoir of good will among all of these that have been labeled as "Marxist-Leninists" simply because some members of the revolutionary factions who knocked out the most corrupt and most tyrannical regime of any in the history of the world happened to mouth the so-called dialectics of Marxism-Leninism. But even their recent election in Nicaragua is very eloquent in its results. Of all of the groups and parties vying for election, the one that received the least amount of votes, not even quite 6 percent, was the so-called Communist or the Marxist-Leninist group. In El Salvador, where you do not have one group but you have an aggregation of about five different rebel groups, the least numerous up to now and the one in the least position of power is the Marxist-Leninist component of those five rebel groups.

But the policy we have embarked upon under Ronald Reagan is one that will leave them no choice if we are trying to murder their leaders, as the CIA has for a couple of years, and if we are mining their harbors and blowing up their public facilities, as we have. We went before the World Court and lost the case. The World Court has found that the United States was guilty of acts of war by mining the harbors of Nicaragua.

What would we say if Nicaragua were to come and mine Chesapeake Bay? Certainly we would consider that an act of war.

So when my colleagues talk about Marxism-Leninism and the hypocrisy of Marxism-Leninism, let us keep the record straight. In Grenada, Bishop, who later was assassinated and his fate was doomed, told his story to anybody who cared to hear him when he came to the United States, and in vain he tried to talk to President Reagan, who would give him no audience. If you had bothered to talk to a man such as that, he would have told you that he would much prefer to have guided a course that would have been in coordination and not hostile with U.S. policy or interests.

The airstrip that the President justified for invasion, alleging it was being built by Communists, was actually under construction by a British construction firm, Plessey & Co. The Canadians, the British, and the French all had medical students on the island. They did not have to invade Grenada to get them out. They got them all out in good health, with no trouble whatsoever.

The truth is that the plans had been set for the invasion of Grenada to have taken place later than that month of October in 1983. But with the murderous assault and the death of 241 marines, all occasioned by the President's obtuseness and almost—in fact, I charge criminal neglect, criminal negligence, because everyone in the professional military that this Congress has raised moneys for, in order to have a professional military, including the Joint Chiefs of Staff, everyone to a man, had recommended against that; yet the Commander in Chief, willy-nilly and in obvious and callous disregard of the safety and well-being of those marines, allowed them to stay for 14 months, as we were constantly being told, and allowed them to be murdered, and he has escaped that responsibility. It is very much like I remember, when I was in school, the propaganda of Herr Goebbels, the "big lie." If you just tell it often enough, it is going to be sold. I never thought I would see it being performed so well and so successfully by American leaders such as the President, because the invasion of Grenada took place less than 48 hours after that catastrophe in Beirut.

Everybody in the world knows that the dateline of the invasion was hastended and moved up to take away not only the country's opinion but world mind from the catastrophe in Beirut.

But have we learned anything? Absolutely nothing. We are about to pursue an equally disastrous course of events, as I have been saying, now since April 1, 1980, and certainly at that date President Reagan was not President; it was President Jimmy Carter. My plea has been made, and in fact the only thing that could possibly save us would be an immediate reversal of policy and an approach on the true basis of a brotherhood of nations in the Western World such as we have given lip service to in the treaties of the OAS, in the Rio Pact, and in the Punta del Este Pact, all of which President Reagan violated in his invasion of Grenada.

This is what the American people have not been adequately told. There was not one country in the world, from England to West Germany, that has endorsed the U.S. invasion of Genada. The only countries that did—and in fact our Secretary of State as much as arm-twisted them—were five client states that depend absolutely economically on us for our handouts, and the State of Israel. These were the only ones that said anything favorable about the invasion.

The truth is that with that, the President destroyed any kind of ability for moral leadership in the New World. This is what they want.

If I had my way, what would I do? First, I would pull out every soldier we have south of the border right now, and instead of tanks, I would send water tanks, I would send doctors, I would send nurses, and I would let the missionaries who are so religiously dedicated to God be able to work there without getting assassinated by the goon squads that our conservatives are paying money to support.

Yes, that is what I would do. Instead of soldiers, I would send a doctor and a nurse. Instead of rifles, I would send grain and food and supplies. I would do the reverse of what the Secretary of State did just 2 weeks ago, and that was go before the Inter-American Development Bank and prohibit a line of credit to the Government of Nicaragua. War? We are at war. The President has committed acts of war. He is waging war. He has surrounded Nicaragua with 30,000 of our military. What more do we want? The paper last week said that an American had been reported killed. Well, that is just the 18th. We have already had 17. They have not been reported as such.

We have not had any accountability because we do not want any. This Congress has let organizations such as the CIA operate in such a way that they now have the power of war or peace. That responsibility that the Constitution places in this Congress, and only in this Congress, to declare war has not only been blithely but arrogantly ignored by the President who could just care less and snap his fingers at the very laws the Congress passed in 1974 such as the War Powers Limitation Act.

I have introduced a resolution. I think that I have put my actions where my mouth is, and many months ago, I introduced a resolution in which I am charging that the President is in direct violation of the War Powers Limitation Act.

□ 1340

I allege specificities, but even more, since September of last year when the Defense Department admitted at last that it had given an untold number of aircraft and other military material to the CIA for use against the Sandinista government in Nicaragua, where we have had servicemen, active duty servicemen, who have been asked to go on chores and missions that would be in direct violation of the War Power Limitations Act, so these men have been told, "If you get caught, we are going to disavow your membership in the armed services, and if you get killed, the same thing."

Now, what is different about that than when we started out in Vietnam? Nothing. It is identical.

I am saying to you, my colleagues, woe unto you if you ignore the obvious bankruptcy of what this President might still call a policy, but which is not a policy. If he is ideologically turned on and wants ideological purity in the countries south of us, then why does he not follow a consistent course when he goes to China? Certainly nobody in the world, including the Chinese themselves on the mainland say they are anything but a Socialist and Communist nation. Yet, Mr. President, what was the extent of your military secret agreement with China? Why have you not reported that to the Congress or to the American people? Why is it you can blink your eyes at those Communists?

If we follow the same line that we cannot abide some self-programmed and stylish Marxist-Leninist in the Government of Nicaragua, then why not invade France? France has two Communists in the French Government. Why do I not hear one of your colleagues getting up and reading secret documents about how the two French Communist cabinet members are plotting to take over France?

I will tell you why, my colleagues, because they have an outworn misperception, enough mischief, enough price in blood and treasure it has cost us. If we had had the right perception, would we have lost over 50,000 men in Vietnam? I do not think so.

Now, you might say, "You want to pull out every man that we have there and let the commies take over?" That is an absurd question.

If our soldiers, such as we have now, are the things that are holding back communism, then, my friends, you might as well stop now. You might as well then declare war; but you know you cannot and have the decent respect of mankind throughout the world.

We know and you know that we have been conducting war. You know and I know, or you should know, that the President's discretionary budget, what he does not have to account for, has grown 750 percent in less than 2 years. How much of that, Mr. President, have you sent down to the Contras through the CIA without accounting, since Congress directly shut off those funds?

I ask that, Mr. President, I want to know how you can come and have the nerve to ask us to cut out all of the farmers' home programs and yet in the name of trying to balance the budget and reduce the deficit while your own personal discretional budget has gone up 750 percent. I want to know that and I think, my colleagues, that is a question you yourselves ought to be asking. How can any of you join in this litany or chorus of saying, "Me, too," but not as much in the name of reducing the deficit that was created by the mischievous policies of not only this President, but the then Congress as well.

You cannot drain away the Treasury and not expect to have a deficit and when you reach the point as a result of the action this Congress sanctioned in 1981 and generally approved throughout the land and at the President's insistence, and he signed that tax bill, you now have—what? You have the richest of the rich paying not one penny of income taxes. You have the largest corporations not only not paying any such taxes, but getting as much as $300 million in tax credits from smaller corporations that they purchase them from. That is wrong. That is sinful, my colleagues.

I say woe to a lighthearted approach to the vote you will be asked for. This is an opportunity to review the whole mistaken course, the bankrupt nature of this President's approach to the problems that happen to lie to the south of us. If, indeed, and in fact what I hear from some of you and the President, you are more preoccupied with having ideological purity, then I say to you, you will soon be asked to pay a price that you do not now visualize, nor do I think soberly considering you would be willing to approve.

Why do I say this? Because every single professional military, not the political military, and remember, we have them, we have political generals, we have always had them. We had them during the Mexican war. We had them every time an occasion has risen and we have them today; but I am talking about the professional soldier. I am talking about such men as General Myers who retired about 2 years ago. What were his words, Mr. President? You are the Commander in Chief. I think they are worth looking up, because he will tell you that in order to engage in acts of war in which you will be calling the military to implement your falling and failing diplomacy, we do not go to war and nobody, no nation calls the military until they have failed diplomatically, and this is our confession of utter and abject diplomatic failure to the south of us, individually and collectively.

I say that the professional will tell you, in fact, one of the political generals has said already and he has been in a position of command in those areas, that the Contras or anybody else that you want and are even asking private groups in violation of the Logan Act, this just 3 weeks ago, Mr. President, you were saying, "Oh, you private people, you are doing right. Keep on sending money. If I can't get the Congress and the Congress won't give it to me, you do it." That is a violation of the Logan Act and that is, of course, a contemptuous attitude toward the Congress which I think adequately reveals the President's size-up of the Congress.

The professional military will tell you the Contras can't do it. You have got to go in direct.

I say and I will tell you this in all soberness, my colleagues, if we persist in what I think now is an irreversible course, you will soon see that the call will have to be for at least 100,000.

Now, let us ask some real questions. Let us ask some questions and let us look at what we have done already in Grenada.

Well, the President said then he was going in to save lives. He said this 24 hours after he invaded. He had to think of some international law he could seize and that we would be out of there before the week was out. Well, we still have the troops there.

□ 1350

And it was the only way we could have any kind of what we called an election. The American troops had to be there.

Well, what is Grenada? Grenada is about the size of the city I represent, San Antonio, in geography; in population, it is about one-tenth. The police force in Grenada could not even stand up to the police force or an invasion of the police force from San Antonio, TX. Yet we expect anything but ridicule from the rest of the world.

Now, in that tiny island, we had to come in, we had to take it over, we had to occupy it, and we had to supervise elections.

Now, you take a country like Nicaragua. We would have to go in. If you think, my colleagues, that the so-called Contras, over 85 percent of who are ex-Samosistas, hated to a man in the interior of Nicaragua, if you think they can govern Nicaragua, what an abysmal error you will be making. It will take the United States not only going in militarily taking possession of the country; it will require the United States ruling the country, remaining in possession of the country, stationing at least 100,000 troops in Nicaragua, at least, and then forever and a day facing sporadic guerrilla attempts.

The very name, Sandino, is taken with good cause down there. That name evokes the resistance to what they call the North American invasion of 1929 which Sandion was a hero resisting. And we had to stay in occupation of Nicaragua for almost 10 years.

Then we had to train what turned out to be the national guard of Nicaragua, and install the Somoza tyrannical regime, and then continue to uphold it through the years. It finally got so rotten it half fell out itself. But also because the people themselves finally got fed up.

But we have been imposing that type of regime all up and down from the Rio Grande to the Rio Platte.

I say, my colleagues, that that day is gone. It is another world. If we want

to think that this is going to be the approach in Nicaragua, what is it going to be when Guatemala blows up? And it is in the process of blowing up. Guatemala is even larger, and what is more, it is next to Mexico.

What are we doing about the 50-percent inflation and the 50-percent unemployment in Mexico, the consequent pressure, the fact that our policies in El Salvador alone where we talk about, and some of my colleagues talk as if the Communist takeover you will see a great mass exodus. We already have it. We have it now.

In my city and in my area, we have just as many Salvadoran refugees or illegals, depending on the point of view, as you have Mexican nationals. So who is addressing that issue? I hear no debate on that subject matter. I hear nobody talking about what is going on in Guatemala.

If suddenly we find that through our policies we give no alternative, absolutely no alternative, if I were in that government in Nicaragua, and the United States was trying to kill me off, bomb my harbors, bomb my public facilities, destroy the coffee crops on which I depend for some kind of minimal economic existence of the regime, and the Communists are the devil with pitchforks, horns on his head, tail on his back, who came and said, "I will help you," you bet your life I would take help, for self-preservation if nothing else.

This is the reality.

Now, the reality also is that we cannot expect ideological purity because countries south of us we look upon as sort of vassal states and then say, though, that we will accept ideological impurity, but let us see on a grander scale what it is we should be concentrating on. If we were true to this ideological business, why did not the President succeed with the Russians in stopping the Russian construction of the gas pipeline which is fully operational now into West Europe? Maybe the reason is that the very people that have supported him financially were the controlling interests financially speaking of the pipeline companies in which Mobil and Exxon have the controlling interest, and they in turn are controlled by the Chase Manhattan, the First City National Banks.

But now these are the banks that are so overstretched in bad loans to these very same countries, Nicaragua, Mexico—but not so much Nicaragua—but Mexico, Brazil, Argentina, that they were foolish enough to lend more than 100 percent of their capitalization structure. If your little bank in your city were to do that, it would have been declared illiquid or bankrupt by now.

Now, these are the forces that are controlling the policies of this administration under this President. These unseen, unaccountable, manufacturers of great corporate worth, they could care a tinker's hoot for the general interests of the American people who are being victimized now with extortionate rates of interest, which in turn has made it attractive for foreign capital now, fickle foreign capital, to determine such things as the fate of the Illinois Continental Bank which we have nationalized. If Mexico had done this to a private bank in Mexico, we would say it had nationalized the bank. We did it, but we call it "bailing it out."

Now, the President says that even if it took $5 billion plus to do that, it was all right. But $250 million to help communities take care of the homeless, most of whom are now homeless because of the direct policies that the President calls Reaganomics and with which the majority of the Congress here at critical moments have gone along, this is why I would say that realistically looking at it, when the vote comes up on the so-called aid to the Contras, you will be made to appear disloyal to the President—not the issue as to whether he is violating the War Powers Limitation Act. He is the one that ought to be here before us accounting; not us accounting to him.

Yet we live in such a day and time in which the American people have very little choice as to their discernment and their ability to evaluate if they are not provided the facts involved. If they are provided not white papers from the State Department, the same State Department that could see nothing wrong with calling the Marines "peacekeepers" while injecting them into one of the most explosive areas in a most unmilitary fashion, in a way that was calculated to bring about disaster. It is the same State Department that knows what is going on while it has a duly acknowledged Ambassador in Managua, meaning that we say to the world that we accept that regime. If the President wants us to wage war, he ought to come before the Congress.

My resolution says, "Mr. President, the Congress has not declared war, so you stop making war. You are proceeding illegally and you have proceeded illegally. And even though you have been encouraged by your ability to manipulate a pluralistic body such as the Congress"—after all, there are 535 individuals and it is not just one man and a cadre of six or seven strong men around him actually writing the script for his speeches.

□ 1400

The President is an actor that has to have a script. As I said even during the campaign in 1980, and I predicted then, my colleagues, not now, I predicted in 1980, except it sounded so farfetched, I was accused of being a bitter partisan; I told the people in my area, I said if Mr. Reagan happens to get elected, you are going to see your children fighting in the jungles of South America and Central America. How farfetched does it seem now? Well, maybe it still does. Maybe the President can sell you on the fact that it will not go beyond aiding Contras. But you should know and you are charged with knowledge; no Member of this body can say that he has no knowledge as to what the issue really is. And the issue, simply put, is this: Are we or are we not going to develop a policy on a national basis that will distinguish between these social upheavals that are purely indigenous, that are native civil wars, that have not come about because of external pressures be they Communist, be they what have you, and those that perhaps are; I say this is an important and a critical distinction we had better start making. The President obviously is not going to, so it is up to us in the Congress to do it. I urge everything—it is an ill wind that blows somebody no good—but the truth is that this discussion that will be brought about on the $14 million specifically and the $35 million for Guatemala, can give us an opportunity, if my colleagues see fit, to bring it into focus, to hold the President accountable, which you have not been willing to do.

The last time, which was the year before last, there was a meager discussion on the so-called War Powers Limitation Act, it did not turn out to be that at all. Rather the issue was: Are you loyal or are you disloyal to the President? And this is the way it will be again.

I was here at the time of the Gulf of Tonkin resolution and the same thing will happen. The scenario has been set. Let me tell you something else I said before this last election. I said this at home and I said it in six other States. I said: If it looks as if it will be a close election, you will see these headlines before the election. If it does not look as if it will be a close election, as soon as the elections are over with, you are going to see these headlines, "Migs in Nicaragua."

My friends, I ask you to tell me, is that not what happened? And what happened after that pronunciamento? They discovered they were not Migs. But we keep on going. And if Nicaragua gets Migs, I for one will not be surprised. I will not be surprised because we have been waging war and the law of self-preservation says you do everything in your power to stay alive. This is a basic law of life. As Khrushchev said when Gary Powers was shot down, "All living things want to keep on living." This is true. It is a universal truth.

And we must never forget that history, very immediate history, has given us ample opportunity to examine and reexamine, but we do not. We are

about to be asked to vote a massive increase in what is called a defense budget; to $315 billion. I say it is a war budget. Why do I say that? Because the basis upon which all of the debate, such as it has been on that issue, there is not even a mention of the changed nature of the world in Central Europe.

I think that the completion, after the attempt of President Reagan to try to stop it, of the natural gas pipeline from Siberia into Western Europe should give us reason to examine.

We ought to be a little bit more knowledgeable about what is going on in West Germany, in Middle Europe; even in England; because we are asking the American people to tax themselves 315 billion dollars' worth based on an assumption that is really, in my opinion, a misperception.

In Germany we have on the threshold of power a generation that does not remember World War II. In fact, the present German leader, Kohl, was 15 years of age. The Russian new leader was 15 years of age. They are contemporaries.

Yet, in reading what the President said, in hearing the debates from my colleagues, my conclusion is that the mindset is on a Europe of 1946-47.

My friends, that is a calamitous mistake. We have the same mindset. We have a President that says, "I am going to make them cry 'Uncle.'" When he came back from his trip, it will be 3 years this next autumn, from South America where he visited four or five countries down there, the first words he said after he got one place wrong, when he landed in California was, "Gee, I didn't know they were that different."

My friends, the luxurious days in which we could afford that incompetence in leadership are gone forever. And I am saying to you that we have set in motion forces that inevitably are going to suck you and your children and your grandchildren and your great-grandchildren and mine into an eternal hostility and enmity with the very people that fate says and decrees we shall share the future.

Do we want to make out of the New World another Balkan situation, another Europe with ancient hatreds still to be healed?

France, remember, is not a member of NATO. Why not? Why did France pull out? Nobody ever discusses that. The President says he will not visit the horrible camps of the Holocaust, Buchenwald, because it will hurt German feelings. But he is going to lay a wreath on the cemetery of the German soldiers that protected those incinerators, that fought against Americans and killed them; he is going to lay a wreath of flowers there.

What perversity have we reached? What is the big issue then upon which the assumption of $315 billion is based? I will tell you what it is. Among other things, the revival of those ancient hatreds and fears, what they call in France and in Russia, revanchism.

You have now in Germany strong movements of the Silesians there, that is from the province of Silesia, presently in Poland, they are demanding a return of that area to Germany. You do not read about that here; but why? Because we ignore the intricate, mixed-up history to which we have permitted ourselves to get drawn in, with the luxury of thinking that we can escape with no harm, with no sacrifice. And I say that one cause has brought about the other problem?

If you have the horrible situations which the masses south of us will no longer tolerate, and they have for 250, 300 years, they will no longer, my friends. It depends on how we want to meet it. Will we be on the side of those people whose aspirations no longer can or will be thwarted? Or do we want to continue and persist to defend the oppressors and the exploiters?

□ 1410

I think that given a clear, clear issue—to me it is clear—I would hope and I would pray that the decision would be: Yes, it would be uncomfortable to think that Ortega says he is a Leninist and we overlook the three priests, who obviously are not Marxist-Leninists, or whatever you want to call them in that same Government, but the people themselves, there is not a person, American or any other visitor from any other country that will tell you that that regime has undertaken an out-and-out Marxist-Leninist or socialist course.

Up to now, it is a mixture. But how long will we allow them, when we are trying to disrupt their economy; we are trying to reduce them, bring about hardship so that the people have become unhappy with that regime.

It is not going to happen. The Sandinistas are not going to roll over or cry "uncle"; they are going to fight. When our American soldiers invade, they are going to have to kill peasant women, children, grandmothers, and grandfathers. They will have to go into the barrios of Managua where the people have built barricades and sandbags and take every corner by corner.

The question is, my friends, so certainly we are against communism, but we are not going to bomb communism out of existence. I thought we would have learned that long ago. I thought we would have learned it in 1918 when we and France and England invaded Russia to try to put down the Russian Revolution—which they have not forgotten, and could not, and we have not in any other comparable instance, whether it was the Mexican Revolution or any other.

Coolidge gave the excuse for sending the Marines to Mexico because he said, "We don't want the sending out, the exportation of Mexican bolshevism"—that is what they called it then. They did not call it Marxist-Leninism; they called it bolshevism.

What happened? You had the then Mexican President, Elias Calles, who had up to then taken a sort of a disinterest, but with the American invasion, sending arms to the extent they could, to help Sandino.

We have invaded Nicaragua six times in the 20th century. My friends, maybe we have not noted it, but they have not forgotten it. When the same thing starts happening in Mexico, and we are headed that way for this reason: The CIA has been trying to destabilize the present Mexican President. What an egregious error.

Why do that? Because we think we can compel the Mexican President to join us a little bit in our mistaken course in Nicaragua. Well, you are not going to do it. Neither will the other Contadora nations do it. Some of them have gone as far as they can in denouncing the Communist influence, but they also recognize, as the President of Argentina came here last month and told us to our face, the integrity of the civil war as being indigenous and native and not one imposed or presently carried on by external forces.

There are no Russian soliders, and it would be quite a story.

Let us look at the course and see the mischievousness and the out-and-out prevarication. They call our President the great communicator. I say he is also the great prevaricator, and I will tell you why, on the record.

The reason first given this Congress for the moneys to the contras and others, advisers and training Salvadoran troops in Honduras, which is another abysmal error, there has been strains through history between those two countries; neither one of which has had 1 day of democracy in their couple of centuries of existence.

We are not in Honduras with the permission of the people through their representatives. We are occupying Honduras. But when the President first started out he said: We want to stop the shipment of arms that are emanating from Nicaragua and going to El Salvador.

Here is it, 3 years later, and there has not been one interception of one kind of cargo or another from Nicaragua to El Salvador. You know that if they had, that would have been headlines for 60 days. So that goes out the window. The President does not talk about that anymore. Now he is saying Oh, yes, the revolution started out indigenous.

But now it has been taken over by Communists, and we have just got to knock them out.

So that unless we remember this course of events, we will replicate the

other costly, now-considered to be errors. Costly in blood and in treasure; in my opinion unnecessarily.

The United States, as I have tried to say it was my advice to the privileged orders then, in 1980 to President Carter, was, "Look, the United States still has a little vestige of remaining leverage of leadership in the New World. Please use it. Before you decide to go unilaterally and especially militarily, try the other. You still have a reservoir."

That has been blown out of the water. I doubt that we have that, but I think that if we were to show first and honest and a policy of integrity, one that could be trusted, that we could pull out every single soldier that we have south of the border with no harmful effect.

I will tell you this, and I said this about the Vietnam war—and remember, the President then was a neighbor; certainly he was not of the opposite party, but I said it then. It antagonized him, but I did not go around here and I did not double up my fist and go around shouting the concatenation of noise: "Hey, hey, L.B.J., how many babies have you killed today" so that those latecomer protesters now are saying that I was prowar because I did not. They do not examine the record.

I was the one that introduced into the House of Representatives—not in 1967, not in 1968, 1969, but in 1965, the Senator Ernest Gruening resolution. He was a friend of mine. He had a resolution, I introduced it in the House and obtained 70 cosponsors.

What did that resolution say? It said, Mr. President, why don't you pull out and go under the aegis, like you did in Korea, of the United Nations?

Yes, I was criticized. It offended the President then, and many friends in Texas, but the record shows that that is what I did. I also was the only one, and continued to be the only one, except that right now it is not hot.

I will say this, that draft will be an issue if we persist in this course that we are following in Central America. You will be facing the possibility of draft calls; you certainly will see the Ready Reserve called. When you do that, if it is going to take 100,000 you are going to have to pull them.

Are you going to pull them from Korea? Are you going to pull them from Germany where we have 300,000? Are you going to pull them in from the Middle East? No. So you are going to get the Ready Reserve.

When you do that and the casualties start coming in, you will have draft calls. Let the record show, so that nobody can say that they were not charged with knowledge, at some future date—I do not think too far from now—I hope not; I pray to God I am dead wrong, as I have all along on some of the things I have felt impelled to come out and say.

But like that other issue that I raised in the sixties, the issue of conscripting an unwilling American into an undeclared war without a declaration of war.

□ 1420

I have maintained all along that not only was it unconstitutional but it was in direct violation of the original Draft Act of 1941. In fact, that passed by one vote, and the only reason it got that one vote was because they had to enact a clause saying that no person subject to that act would be compelled to serve outside the continental United States against his will unless a declaration of war by the Congress or otherwise specifically provided so by Congress.

But then through the course of events we all have been under the impression World War II is over with. Let me remind you, my colleagues, there has been no peace treaty. In fact, that is what the German leader Kohl told these groups protesting and wanting the reacquisition of Silesia. They said, "Wait until we have a peace treaty."

Well, how are you going to get a peace treaty if we cannot get together with the other war ally, Russia, as to what you are going to do about German reunification?

We are the ones who have rearmed Germany. We started. We are the ones who finally, after all of the bitter debates of the 1950's, when NATO was being formed and the question of the deployment of the bomb, never, they said, will we have the German finger. Now we do. This was the real issue. When have you debated it here? You thought you were voting on what? To allow the money so that Pershing II could be deployed? Well, there was more than that involved, and that is that for the first time we have the German finger on that trigger right there with ours.

Just like Maggie Thatcher. She may be a Tory, and what have you, but she knows her own national interests. And when we wanted the cruise missile deployed, she said, "Yes, if we have comanagement."

THE UNITED NATIONS IS A GOOD PLACE TO START CUTTING THE DEFICIT

The SPEAKER pro tempore [Mr. VISCLOSKY]. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD] is recognized for 15 minutes.

Mr. RUDD. Mr. Speaker, I have asked for this special order today to call attention to the strong anti-American bias of the United Nations and to suggest that—as we look to cut the deficit—the United Nations is a good place to start.

Recently I introduced legislation, H.R. 1908, to cut our Nation's contribution to the United Nations to a level that is proportionate to the U.S. share of the professional staff employed there.

Since 1977, the total number of Americans working in key staff slots in the United Nations Secretariat has fallen—from 536 in 1977, to 501 in 1980, to 485 in 1983, and 477 in 1984. Our share of the total last year was only about 15.5 percent, despite our contribution of some 25 percent of the U.N. budget or more than $1 billion annually. Even U.N. Secretary General Javier Perez de Cuellar admits that the number of U.S. citizens in senior and policymaking positions is well below the "desirable" range and is falling.

An agency-by-agency breakdown of U.S. staffing and financial contributions for the United Nations, prepared by the Department of State, indicates how badly we have been shortchanged in our representation there. I insert the breakdown in the RECORD at this point:

NUMBER AND PERCENTAGE OF SELECTED PROFESSIONAL STAFF [1] IN THE SECRETARIATS OF THE U.N. SYSTEM (AS OF DECEMBER 1984) AND PERCENTAGE OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET [2]

Agency	Total staff	U.S. staff	Percent U.S. staff	Percent U.S. contribution
United Nations	3,078	477	15.50	25.00
Food and Agriculture Organization	867	76	8.77	25.00
International Civil Aviation Organization	178	16	9.04	25.00
International Labor Organization	544	48	8.82	25.00
International Maritime Organization	58	3	5.17	4.96
International Telecommunication Union	182	13	7.14	7.63
United Nations Educational, Scientific and Cultural Organization [3]	863	82	9.50	25.00
Universal Postal Union	58			4.70
World Health Organization	1,017	136	13.37	25.00
World Intellectual Property Organization	74	4	5.41	5.46
World Meteorological Organization	85	7	8.24	24.51
International Atomic Energy Agency	563	96	17.05	25.85

[1] Internationally recruited and financed from the agencies' regular budget.
[2] Calendar year 1984/fiscal year 1985 for all except UPU and ITU which are calendar year 1984/fiscal year 1984.
[3] The United States withdrew from UNESCO on Dec. 31, 1984.
Source: Department of State.

Dr. Arkady Shevchenko of the Soviet Union, who was Under Secretary General for Political and Security Affairs until his defection in 1978, observed how very vital that a more prominent American presence be exercised at the U.N. Secretariat. He explained that the Secretariat is extremely important in setting the tone at the United Nations by drafting committee resolutions, setting up expert terms, preparing reports, and carrying on a wide variety of other tasks which affect the degree of politicization of the organization.

The Soviets are well aware that strategically placing its people in the U.N. bureaucracy can be of considerable use to its Government. Through years of

clever maneuvering, Moscow has captured key Secretariat posts, and along with them, access to personnel files—used by the KGB to recruit new agents—and the Department of Public Information—used for propaganda purposes.

According to Dr. Shevchenko, more than a third of all Communist bloc nationals in the Secretariat are officers of their respective secret police under the direct guidance of the KGB. Their activities range from direct recruitment of Secretariat employees, gathering information of a political nature from U.S. employees and diplomats, to using the United Nations for espionage activities throughout the United States.

The Soviets have also been more successful than the United States in the number of high level posts it has held. In 1977, 12.7 percent of the total posts held by the Soviets in the United Nations were high level, with 10.5 percent for the United States as a proportion of its total posts. By 1983, the number increased to 15 percent for the Soviets, but dropped to 9.7 percent for the United States.

The results of this maneuvering by the Soviets, and the importance of capturing key U.N. posts, can be seen in the U.N. work itself. While an unwritten but strictly observed rule at the United Nations ensures that the Soviet Union is never denounced by name in a U.N. resolution, the United States is often singled out for such attacks. In 1982, 14 separate resolutions denounced the United States by name; in 1983, the number rose to 16.

The United Nations could not even strongly condemn the Soviet Union's barbaric shooting down of Korean Air Lines flight 007 in 1983, The U.S. delegation only managed to muster a bare minimum of votes for a watered-down resolution requesting an investigation of the incident and criticizing the Soviets mainly by implication. Even that worthless resolution was later vetoed by the Soviets.

Another example is the annual U.N. resolution on the Afghan situation which carefully avoids mentioning the Soviet Union despite the presence of some 100,000 of its occupation troops there.

The General Assembly's voting habits, too, reveal the far-reaching anti-American bias of the organization. In 1981, the United States was in the minority on 77 percent of all recorded votes; on 84 percent of the votes in 1982; and on 81 percent of the votes in 1983. By contrast, the so-called nonaligned nations, which comprise a majority of the U.N. members, vote with the Soviet Union about 85 percent of the time on average. Only 25 percent of the time do they side with the United States.

The State Department, responsing to a request from the 98th Congress, recently issued a report on voting practices of member nations at the United Nations. We ought to keep the findings of this report in mind not only when reviewing out contributions to the United Nations, but also in conducting our relations with various nations and when granting foreign aid. The State Department information on voting practices of member nations follows:

TABLE 1.—*U.N. voting record [1] 38th General Assembly—All UNGA plenary votes [2]*

[Percent coincidence with U.S. votes (yes/no)]

	Percent
Africa:	
Ivory Coast	30.5
Swaziland	29.0
Liberia	28.3
Chad	26.0
Zaire	25.9
Somalia	25.2
Malawi	24.7
Morocco	23.7
Togo	23.6
Lesotho	23.5
Egypt	23.4
Cameroon	22.2
Gabon	22.2
Central African Republic	21.9
Sudan	21.0
Botswana	20.2
Niger	20.2
Equatorial Guinea	20.0
Senegal	19.8
Mali	19.7
Mauritius	19.7
Nigeria	19.7
Gambia	19.5
Kenya	19.0
Mauritania	19.0
Ghana	18.9
Tunisia	18.9
Rwanda	18.4
Guinea	18.0
Uganda	17.9
Burundi	17.8
Sierra Leone	17.8
Zambia	17.8
Comoros	17.5
Tanzania	16.4
Djibouti	16.3
Madagascar	15.7
Upper Volta	15.3
Congo	15.2
Zimbabwe	15.2
Benin	14.3
Ethiopia	13.7
Guinea Bissau	13.4
Algeria	13.2
Cape Verde	12.4
Sao Tome and Principe	12.3
Libya	11.4
Seychelles, The	10.3
Angola	10.0
Mozambique	8.7
Group average	18.6
Eastern Europe:	
Yugoslavia	19.1
Romania	16.3
Poland	14.6
Hungary	14.1
Czechoslovakia	14.0
Bulgaria	13.8
Byelorussia S.S.R.	13.8
German Democratic Republic	13.8
Ukraine	13.8
USSR	13.8
Albania	4.4
Group average	14.2
Americas:	
Canada	76.8
Paraguay	45.1
Guatemala	41.0
Dominica	40.5
St. Lucia	38.6
Antiqua and Barbuda	34.9
Chile	33.3
St. Christopher and Nevis	33.3
St. Vince and Grenadines	32.7
Haiti	32.1
Costa Rica	30.5
El Salvador	30.2
Honduras	30.0
Uruguay	29.3
Barbados	28.3
Jamaica	25.4
Belize	25.0
Ecuador	24.6
Colombia	24.5
Dominican Republic	24.1
Peru	24.0
Brazil	23.6
Bahamas	23.4
Bolivia	22.7
Trinidad and Tobago	22.5
Panama	22.2
Venezuela	22.0
Suriname	20.7
Mexico	19.5
Argentina	18.5
Grenada	18.4
Guyana	17.6
Nicaragua	14.1
Cuba	10.2
Group Average	26.8
Western Europe:	
United Kingdom	84.2
Federal Rep. Germany	82.0
Belgium	73.7
Luxembourg	73.7
Italy	71.3
France	67.6
Netherlands	66.3
Norway	60.4
Portugual	57.0
Iceland	56.7
Denmark	51.5
Ireland	44.4
Sweden	42.9
Spain	41.6
Turkey	40.5
Finland	38.8
Austria	36.7
Greece	26.8
Malta	21.6
Group average	53.8
No affiliation: Israel	93.3
Asia and the Pacific:	
Japan	69.0
New Zealand	66.7
Australia	65.6
Samoa	39.0
Solomons	38.9
Philippines	30.4
Singapore	25.6
Fiji	25.4
Kampuchea	25.0
Thailand	24.8
Nepal	23.0
Pakistan	22.8
Lebanon	22.5
Malaysia	22.1
Papua New Guinea	22.1
Indonesia	21.4
Sri Lanka	21.1

Burma	21.0
Bangladesh	20.6
China	20.5
Oman	19.8
Bhutan	19.4
Saudi Arabia	19.3
Vanuatu	19.3
Maldive	18.1
Cyprus	18.0
Jordan	17.2
Qatar	17.2
Emirates	17.0
Bahrain	16.4
India	16.4
Kuwait	15.9
Yemen North	14.3
Iran	14.2
Iraq	14.2
Mongolia	12.6
Yemen South	12.1
Syria	11.3
Afghanistan	10.3
Viet Nam	8.7
Laos	8.3
Group average	21.5

[1] Table contains all countries which participated in the 38th UNGA September-December 1983.
[2] Table reflects all votes recorded in UNGA including separate paragraph votes.

TABLE 2.—*U.N. voting record 38th General Assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

NATO:	*Percent*
United Kingdom	84.2
Germany, Federal Republic of	82.0
Canada	76.8
Belgium	73.7
Luxembourg	73.7
Italy	71.3
France	67.6
Netherlands	66.3
Norway	60.4
Portugal	57.0
Iceland	56.7
Denmark	51.5
Spain	41.6
Turkey	40.5
Greece	26.8
Group average	64.6

TABLE 3.—*U.N. voting record 38th General Assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

Western European and other group:	*Percent*
United Kingdom	84.2
Germany, Federal Republic of	82.0
Canada	76.8
Belgium	73.7
Luxembourg	73.7
Italy	71.3
France	67.6
New Zealand	66.7
Netherlands	66.3
Australia	65.6
Norway	60.4
Portugal	57.0
Iceland	56.7
Denmark	51.5
Ireland	44.4
Sweden	42.9
Spain	41.6
Turkey	40.5
Finland	38.8
Austria	36.7
Greece	26.8
Malta	21.6
Group average	55.8

TABLE 4.—*U.N. voting record 38th General Assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

Warsaw Pact:	*Percent*
Romania	16.3
Poland	14.6
Hungary	14.1
Czechoslovakia	14.0
Bulgaria	13.8
Byelorussia	13.8
German Democratic Republic	13.8
Ukraine	13.8
U.S.S.R	13.8
Group average	14.2

TABLE 5.—*U.N. voting record 38th General Assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

Arab group:	*Percent*
Somalia	25.2
Morocco	23.7
Egypt	23.4
Lebanon	22.5
Sudan	21.0
Oman	19.8
Saudi Arabia	19.3
Mauritania	19.0
Tunisia	18.9
Jordan	17.2
Qatar	17.2
Emirates	17.0
Bahrain	16.4
Djibouti	16.3
Kuwait	15.9
Yemen-North	14.3
Iraq	14.2
Algeria	13.2
Yemen-South	12.1
Libya	11.4
Syria	11.3
Group average	17.5

TABLE 6.—*U.N. voting record 38th General Assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

Islamic conference:	*Percent*
Turkey	40.5
Chad	26.0
Somalia	25.2
Morocco	23.7
Pakistan	22.8
Lebanon	22.5
Cameroon	22.2
Gabon	22.2
Malaysia	22.1
Indonesia	21.4
Sudan	21.0
Bangladesh	20.6
Niger	20.2
Oman	19.8
Senegal	19.8
Mali	19.7
Gambia	19.5
Saudi Arabia	19.3
Mauritania	19.0
Tunisia	18.9
Maldive	18.1
Cyprus	18.0
Guinea	18.0
Uganda	17.9
Sierra Leone	17.8
Comoros	17.5
Jordan	17.2
Qatar	17.0
Emirates	17.0
Bahrain	16.4
Djibouti	16.3
Kuwait	15.9
Upper Volta	15.3
Yemen Arab Republic	14.3
Iran	14.2
Iraq	14.2
Guinea Bissau	13.4
Algeria	13.2
Yemen, P.D.R. of	12.1
Libya	11.4
Syria	11.3
Group average	18.7

TABLE 7.—*U.N. voting record 38th general assembly—All UNGA plenary votes*

[Percent coincidence with U.S. votes (yes/no)]

ASEAN:	*Percent*
Philippines	30.4
Singapore	25.6
Thailand	24.8
Malaysia	22.1
Indonesia	21.4
Group Average	24.7

Nonaligned:	
St. Lucia	38.6
St. Kitts	33.3
Ivory Coast	30.5
Swaziland	29.0
Barbados	28.3
Liberia	28.3
Chad	26.0
Zaire	25.9
Singapore	25.6
Jamaica	25.4
Somalia	25.2
Belize	25.0
Kampuchea	25.0
Malawi	24.7
Ecuador	24.6
Colombia	24.5
Peru	24.0
Morocco	23.7
Togo	23.5
Lesotho	23.5
Bahamas	23.4
Egypt	23.4
Nepal	23.0
Pakistan	22.8
Bolivia	22.7
Lebanon	22.5
Trinidad/Tobago	22.5
Cameroon	22.2
Gabon	22.2
Panama	22.2
Malaysia	22.1
Central Africa	21.9
Malta	21.6
Indonesia	21.4
Sri Lanka	21.1
Sudan	21.0
Suriname	20.7
Bangladesh	20.6
Botswana	20.2
Niger	20.2
Equatorial Guinea	20.0
Oman	19.8
Senegal	19.8
Mali	19.7
Mauritis	19.7
Nigeria	19.7
Gambia	19.5
Bhutan	19.4
Saudi Arabia	19.3
Vanuatu	19.3
Yugoslavia	19.1
Kenya	19.0
Mauritania	19.0
Ghana	18.9
Tunisia	18.9
Argentina	18.5
Grenada	18.4
Rwanda	18.4
Maldive	18.1
Cyprus	18.0
Guinea	18.0
Uganda	17.9
Burundi	17.8
Sierra Leone	17.8
Zambia	17.8
Guyana	17.6
Comoros	17.5
Jordan	17.2
Qatar	17.2
Emirates	17.0

Bahrain	16.4
India	16.4
Tanzania	16.4
Djibouti	16.3
Kuwait	15.9
Madagascar	15.7
Upper Volta	15.3
Congo	15.2
Zimbabwe	14.3
Benin	14.3
Yemen North	14.3
Iran	14.2
Iraq	14.2
Nicaragua	14.1
Ethiopia	13.7
Guinea Bissau	13.4
Algeria	13.2
Cape Verde	12.4
Sao Tome	12.3
Yemen South	12.1
Libya	11.4
Syria	11.2
Afghanistan	10.3
Seychelles	10.3
Cuba	10.2
Angola	10.0
Mozambique	8.7
Vietnam	8.7
Laos	8.3
Group average	18.9

Certainly other nations have the right to disagree with us, but such lopsided voting patterns, the disproportionate share of the burden borne by the U.S. taxpayers in financing the United Nations, and the lack of adequate representation in key staff slots raises simple questions of fairness. By any standard, we are being used and abused at the United Nations by the Soviets and Third World Nations.

The voting procedures of the United Nations may even be used to prevent the United States and its allies from voicing their opinions or promoting their policies at the United Nations. This was the case during the 38th General Assembly when it imposed a "gag rule" to prevent the United States and others from speaking in the debate on Grenada.

That the United Nations promotes peace and provides a forum for arms control is also a folly. Arms control accords are concluded between the United States and the Soviet Union outside the framework of the United Nations Assembly. Despite its basic mission to keep the peace, the organization has also failed to prevent some 140 military conflicts since 1945 in which up to 10 million people have died.

The United Nations has also managed to redefine the term "human rights" to emphasize economic rights rather than traditional concern for political and civil liberties. As a result, the United States and other Western nations are roundly denounced for causing problems confronting the Third World. The organization has attacked free enterprise, and endorsed the right of nations to nationalize foreign businesses. It has, through agencies such as UNESCO, challenged the freedom of the press.

It supports the self-determination of peoples and national liberation movements, but only when they are friendly to the Soviet Union or opposed to the West. The Palestine Liberation Organization and the South West African People's Organization are championed, while the freedom fighters in Nicaragua, fighting repression of basic human rights by the Sandinistas, are shunned.

Our national interest are not well-served by continuing to finance this organization without question. If we aren't willing to withdraw from the United Nations altogether—that is something we should seriously consider—we should at least make a substantial reduction in our contributions or ensure that we control key staff slots there. I urge my colleagues to join me in cosponsoring H.R. 1908 to make our contributions proportionate to our share of the professional staff at the United Nations. I hope we will seek reductions in U.N. funding when we consider state Department authorizations later this year.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DINGELL, for 5 minutes, today.

Mr. RUDD, for 15 minutes, today.

(The following Members (at the request of Mr. SUNDQUIST) to revise and extend their remarks and include extraneous material:)

Mr. BEREUTER, for 60 minutes, April 17.

Mr. BEREUTER, for 60 minutes, April 18.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, April 16.

Mr. GINGRICH, for 60 minutes, April 17.

Mr. GINGRICH, for 60 minutes, April 18.

(The following Members (at the request of Mr. ALEXANDER) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GEPHARDT, for 60 minutes, April 16.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, April 16.

Mr. ALEXANDER, for 5 minutes, April 17.

Mr. ALEXANDER, for 5 minutes, April 18.

Mr. GAYDOS, for 30 minutes, April 16.

Mr. GAYDOS, for 30 minutes, April 17.

Mr. GONZALEZ, for 60 minutes, April 16.

Mr. GONZALEZ, for 60 minutes, April 17.

Mr. GONZALEZ, for 60 minutes, April 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend was granted to:

(The following Members (at the request of Mr. SUNDQUIST) and to include extraneous matter:)

Mr. BARTLETT.

Mr. GILMAN in two instances.

Mr. CHENEY.

Mr. ROTH.

Mr. RUDD in two instances.

(The following Members (at the request of Mr. ALEXANDER) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. GONZALEZ in 10 instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. FLORIO.

Mr. GUARINI in two instances.

Mr. WALGREN.

Mrs. SCHROEDER.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announcement his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 35 minute p.m.) the House adjourned until tomorrow, Tuesday, April 16, 1985, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1985, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, April 2, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC

DEAR MR. SPEAKER: In accordance with the notification requirements of 50 U.S.C. Section 1434 (Public Law 85-804, August 28, 1958, as amended by Public Law 93-155, No-

vember 16, 1973) as implemented by Executive Order Number 10789, November 14, 1958, I am pleased to report that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1984.

Sincerely,

ELIZABETH HANFORD DOLE.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

984. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal year 1985 and amendments to the request for appropriations for fiscal year 1986, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-52); to the Committee on Appropriations and ordered to be printed.

985. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting a report that the appropriation to the Bureau of Alcohol, Tobacco and Firearms for salaries and expenses for the fiscal year 1985 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

986. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting a report that the appropriations to the U.S. Customs Service for salaries and expenses for the fiscal year 1985 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

987. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting a report that the appropriation to the U.S. Secret Service for salaries and expenses for the fiscal year 1985 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

988. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals as of April 1, 1985, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 99-53); to the Committee on Appropriations and ordered to be printed.

989. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting a report on the current major defense acquisition programs (Quarterly Selected Acquisition Report) for the quarter ending December 31, 1984, pursuant to 10 U.S.C. 139a(b)(1) and (f) (96 Stat. 740); to the Committee on Armed Services.

990. A letter from the Acting Director, Defense Security Assistance Agency, transmitting information concerning the Department of the Navy's proposed letter of offer of defense articles in excess of $50 million to the Federal Republic of Germany (Transmittal No. 85-23), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

991. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice that the Marine Corp plans to study the conversion from inhouse operations to private contractor performance of various functions at different installations, pursuant to 10 U.S.C. 2304 nt. (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

992. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of contract award dates for the period May 1, 1985 to June 30, 1985, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

993. A letter from the Secretary of the Navy, transmitting the determination that the development of a modernized A-6F aircraft and the initiation of second source production of the Phoenix missile have exceeded unit cost baselines, by more than 25 and 15 percent, respectively, pursuant to 10 U.S.C. 139b(d)(3)(A); to the Committee on Armed Services.

994. A letter from the Deputy Assistant Secretary of Defense, transmitting report that the Defense Logistics Agency indicates the necessity to exclude the examination of records by the Comptroller General clause from a proposed contract with the Government of Somalia, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

995. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to increase the rates of basic pay, basic allowance for quarters, and basic allowance for subsistence for members of the Armed Forces; to the Committee on Armed Services.

996. A letter from the Secretary of Defense, transmitting a report entitled: "Report on Arms Control Limitations on Deployed Nuclear-Armed SLCM's and Their Verification"; to the Committee on Armed Services.

997. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions to Communist countries during February 1985, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

998. A letter from the Secretary of Education, transmitting a notice of final priorities for Innovative Programs for Severely Handicapped Children, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

999. A letter from the National Foundation on the Arts and Humanities, transmitting a draft of proposed legislation to amend the National Foundation on the Arts and the Humanities Act of 1965, as amended, and for other purposes; to the Committee on Education and Labor.

1000. A letter from the Under Secretary of Labor, transmitting a report entitled: "Study of the Unemployment, Poverty and Training Needs of American Samoans"; to the Committee on Education and Labor.

1001. A letter from the Secretary of Transportation, transmitting a report that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1984, pursuant to Public Law 85-804, section 4; to the Committee on Energy and Commerce.

1002. A letter from the Secretary, Interstate Commerce Commission, transmitting the Commission's determination to extend the time period for acting on the appeal in No. 38188, *Westinghouse Electric Corp.* v. *Alton & Southern Railway Co., et al.*, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

1003. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of intent to approve manufacturing licensing agreements in Japan, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

1004. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of intent to issue commercial export license for sale of certain major defense equipment to Greece (Transmittal No. MC-11-85), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

1005. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to the Federal Republic of Germany for defense articles and services Transmittal No. (85-23), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1006. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

1007. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Sheldon J. Krys, Ambassador and Extraordinary and Plenipotentiary-elect, to the Republic of Trinidad and Tobago, and members of his family, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

1008. A letter from the Assistant Secretary for Congressional and Intergovernmental Affairs, U.S. Department of Commerce, transmitting a copy of a report of the Office of Export Enforcement [OEE], "Commerce Enforcement of U.S. Export Controls: The Challenge and the Response"; to the Committee on Foreign Affairs.

1009. A letter from the Chairman, Federal Home Loan Bank Board, transmitting the Board's calendar year 1984 report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1010. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the Board's 1984 annual report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1011. A letter from the Executive Officer, National Science Board, transmitting a report covering calendar years 1983 and 1984 regarding the Board's compliance with the requirements of the Government in the Sunshine Act, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1012. A letter from the Secretary of Housing and Urban Development, transmitting the Department's 10th annual report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1013. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting a copy of an approved application submitted by the Elsinore Valley Municipal Water District, Riverside County, CA., for a loan and grant under the Small Reclamation Projects Act (70 Stat. 1044, as amended), pursuant to the act of August 6, 1956, chapter 972, section 4(c)

(71 Stat. 48); to the Committee on Interior and Insular Affairs.

1014. A letter from the Assistant Secretary of the Interior for Water and Science, transmitting notification that the Bureau of Reclamation has approved a deferment of the 1984 construction repayment installments due the United States from the Glosgow Irrigation District, Milk River Project, MT; to the Committee on Interior and Insular Affairs.

1015. A letter from the Secretary of Transporation, transmitting a draft of proposed legislation to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for Coast Guard services and for other purposes; to the Committee on Merchant Marine and Fisheries.

1016. A letter from the Administrator, Federal Aviation Administration, transmitting the revised National Airspace System Plan, a third updated edition of the original version published in December 1981, pursuant to Public Law 97-248, section 504(b)(1); to the Committee on Public Works and Transportation.

1017. A letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to authorize the Administrator of General Services to continue to collect contributions of money for the Nancy Hanks Center provided to him by private individuals or organizations; to the Committee on Public Works and Transportation.

1018. A letter from the Executive Secretary, Office of the Secretary of Defense, transmitting a report on Department of Defense procurement from small and other business firms for October 1984, pursuant to SBA, section 10(d); to the Committee on Small Business.

1019. A letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Administrator to provide respite care to chronically ill service-connected disabled veterans on a 3-year pilot test basis; to the Committee on Veterans' Affairs.

1020. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend section 411(a) of title 38, United States Code, to increase the dependency and indemnity compensation for the surviving spouse of the commander of the Coast Guard; to the Committee on Veterans' Affairs.

1021. A letter from the U.S. Trade Representative, transmitting proposed amendments to the Trade Act of 1984; to the Committee on Ways and Means.

1022. A letter from the Secretary of Agriculture, transmitting the third quarterly commodity and country allocation table showing current programming plans for food assistance under title I/III of Public Law 480 for fiscal year 1985, pursuant to the act of July 10, 1954, chapter 469, section 408(b) (91 Stat. 552; 94 Stat. 2246; Executive Order 11963); jointly, to the Committees on Agriculture and Foreign Affairs.

1023. A letter from the Deputy Assistant Secretary of Defense for Administration, Department of Defense, transmitting the fiscal year 1984 annual report of NATO acquisition and cross-servicing agreements entered into by each military department, pursuant to 10 U.S.C. 2330 (94 Stat. 1018); jointly, to the Committees on Armed Services and Foreign Affairs.

1024. A letter from the Comptroller General, General Accounting Office, transmitting a report on the examination of financial statements of the Minority Printing Clerk, House of Representatives, for the years ended September 30, 1983 and 1982 (GAO/AFMD-85-33), pursuant to 40 U.S.C. 193m-1; jointly, to the Committees on Government Operations and House Administration.

1025. A letter from the Comptroller General, General Accounting Office, transmitting a report on the examination of financial statements of the Majority Printing Clerk, House of Representatives, for the years ended August 31, 1983 and 1982 (GAO/AFMD-85-23), pursuant to 40 U.S.C. 193m-1; jointly, to the Committees on Government Operations and House Administration.

1026. A letter from the Secretary of the Interior, transmitting the fiscal year 1984 annual report with respect to actions taken to recruit and train Indians to qualify them for positions subject to Indian preference, including actions taken to place non-Indians employed by the Bureau of Indian Affairs in other Federal agencies, pursuant to Public Law 96-135, section 2(d) and 2(e)(2); jointly, to the Committees on Interior and Insular Affairs and Post Office and Civil Service.

1027. A letter from the Acting General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1986 and fiscal year 1987, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on April 4, 1985. the following reports were filed on April 11, 1985]

Mr. FASCELL: Committee on Foreign Affairs. H.R. 1555. A bill to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes; with amendments (Rept. No. 99-39). Referred to the Committee of the Whole House on the State of the Union.

Mr. MICA: Committee on Foreign Affairs. H.R. 1931. A bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board of International Broadcasting, and for other purposes; with an amendment (Rept. No. 99-40). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY (for himself, Mrs. KENNELLY, and Mr. ROWLAND of Connecticut):

H.R. 2028. A bill to render watches eligible for preferential treatment under title V of the Trade Act of 1974; to the Committee on Ways and Means.

H.R. 2029. A bill to amend the Tariff Schedules of the United States in order to eliminate the special marking requirements for imported watches and clocks and components thereof; to the Committee on Ways and Means.

By Mr. BARTLETT (for himself, Mr. FORD of Tennessee, Mr. CAMPBELL, Mr. JEFFORDS, Mr. JONES of Oklahoma, Mr. GRADISON, Mr. GOODLING, Mr. MURPHY, Mr. TAUKE, Mr. GUNDERSON, Mr. NIELSON of Utah, Mr. DUNCAN, and Mr. MCCAIN):

H.R. 2030. A bill to make permanent and improve the provisions of section 1619 of the Social Security Act which authorize the continued payment of SSI benefits to individuals who work despite severe medical impairment, to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619, and to provide for a GAO study of the effects of such section's work incentive provisions; and to amend the Rehabilitation Act to establish demonstration grant programs for the employment of disabled workers; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. BIAGGI:

H.R. 2031. A bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1954 to increase by 50 percent all criminal and civil tax penalties, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. BROYHILL, Mr. WIRTH, Mr. RINALDO, Mr. LUKEN, Mr. SWIFT, Mr. COLLINS, Mr. BRYANT, and Mr. RODINO):

H.R. 2032. A bill to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the Government securities market, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARTINEZ:

H.R. 2033. A bill to amend the Solid Waste Disposal Act to reduce the risk to public health and the environment associated with gas leaks from landfills; to the Committee on Energy and Commerce.

H.R. 2034. A bill to amend the Solid Waste Disposal Act to reduce the risk to public health and the environment associated with gas leaks from landfills; to the Committee on Energy and Commerce.

By Mr. MICA:

H.R. 2035. A bill to amend title 38 of the United States Code to require the Administrator of Veterans' Administration to consider the number of veterans residing in each State, and the projected changes in the number of veterans residing in each State, in acquiring and operating medical facilities; to the Committee on Veterans' Affairs.

By Mr. MYERS of Indiana:

H.R. 2036. A bill to provide for the establishment of a commission to study revision of the Federal tax laws; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 2037. A bill to amend the Communications Act of 1934 to protect commerce and competition in telephone terminal equip-

ment, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROYBAL (for himself, Mr. ADDABBO, Mr. AKAKA, Mr. HOYER, Mr. COLEMAN of Texas, Mr. YATES, Mr. SKEEN, Mr. LOWERY of California, Mr. WOLF, Mr. BIAGGI, and Mr. LEWIS of Florida):

H.R. 2038. A bill to name the Federal building located at 1200 Pennsylvania Avenue Northwest, Washington, District of Columbia, as the "Ariel Rios Memorial Federal Building"; to the Committee on Public Works and Transportation.

By Mrs. SCHROEDER:

H.R. 2039. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the deductions allowed for personal exemptions; to the Committee on Ways and Means.

By Mr. UDALL (for himself and Mr. MARKEY):

H.R. 2040. A bill to authorize appropriations to the Department of Energy for fiscal years 1986 and 1987 for expenditures from the nuclear waste fund for activities under title I of the Nuclear Waste Policy Act of 1982; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. UDALL (by request):

H.R. 2041. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1986 and fiscal year 1987, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

By Mr. WALGREN:

H.R. 2042. A bill to direct the Federal Trade Commission to issue a trade regulation rule respecting unfair and deceptive acts and practices by life care homes, and to direct the Federal Trade Commission to conduct a study of unfair and deceptive acts and practices engaged in by nursing homes; to the Committee on Energy and Commerce.

By Mr. MICHEL (for himself, Mr. BROOMFIELD, Mr. MCDADE, and Mr. STUMP):

H.J. Res. 239. Joint resolution to approve the obligation of funds available under Public Law 98-473 for supporting military or paramilitary operations in Nicaragua; to the Committee on Appropriations.

By Mr. KANJORSKI:

H. Con. Res. 116. Concurrent resolution expressing the sense of the Congress that Social Security cost-of-living adjustments [COLA's] should not be reduced or eliminated; to the Committee on Ways and Means.

By Mr. GILMAN (for himself and Mr. RANGEL):

H. Res. 127. Resolution to express the sense of the House of Representatives concerning Solidarity Sunday for Soviet Jewry; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

70. By the SPEAKER: Memorial of the Legislature of the State of Indiana, relative to agricultural economic emergency; to the Committee on Agriculture.

71. Also, memorial of the House of Representatives of the State of Massachusetts, relative to farm workers; to the Committee on Education and Labor.

72. Also, memorial of the Senate of the State of Kansas, relative to Amtrak; to the Committee on Energy and Commerce.

73. Also, memorial of the Legislature of the Commonwealth of Pennsylvania, relative to the Consolidated Rail Corporation; to the Committee on Energy and Commerce.

74. Also, memorial of the Senate of the State of Illinois, relative to Americans missing in Southeast Asia; to the Committee on Foreign Affairs.

75. Also, memorial of the House of Representatives of the State of California, relative to the Kesterson Reservoir; to the Committee on Interior and Insular Affairs.

76. Also, memorial of the Legislature of the State of North Dakota, relative to Indian reservations; to the Committee on Interior and Insular Affairs.

77. Also, memorial of the Senate of the State of New York, relative to the Veterans' Administration budget; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. DYSON introduced a bill (H.R. 2043) for the relief of Nassim Yadgar and Linda Yadgar, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 75: Mr. KINDNESS, Mr. RUDD, Mr. FRANKLIN, Mr. BLILEY, and Mr. DUNCAN.

H.R. 76: Mr. KINDNESS, Mr. RUDD, Mr. FRANKLIN, Mr. BLILEY, Mr. YOUNG of Florida, and Mr. DUNCAN.

H.R. 97: Mr. ROBERT F. SMITH, Mr. RUDD, Mr. BLILEY, and Mr. DUNCAN.

H.R. 177: Mr. CHAPPELL.

H.R. 281: Mrs. BURTON, Mr. CARR, Mr. COELHO, Mr. FASCELL, Mr. GRAY of Pennsylvania, Mr. HOYER, Mr. RINALDO, Mrs. SCHNEIDER, Mr. FROST, Mr. BOLAND, Mr. BRYANT, Mr. CONYERS, Mr. CROCKETT, Mr. FAUNTROY, Mr. HAYES, Mr. MATSUI, Mr. RANGEL, Mr. SOLARZ, Mr. STOKES, and Mr. TOWNS.

H.R. 598: Mr. SOLARZ, Mr. BLAZ, Mr. HYDE, Mrs. LLOYD, Mr. HAWKINS, Mr. WEAVER, Ms. OAKAR, and Mr. WALGREN.

H.R. 708: Mr. SILJANDER.

H.R. 709: Mr. KOLBE.

H.R. 748: Mr. BADHAM, Mr. CHENEY, and Mr. MCCAIN.

H.R. 770: Mr. LOWRY of Washington, and Mr. HAYES.

H.R. 773: Mr. LEHMAN of California, Mr. SHUMWAY, and Mr. LEATH of Texas.

H.R. 777: Mr. GINGRICH, Mr. COURTER, Mrs. VUCANOVICH, Mr. RITTER, and Mr. LUNGREN.

H.R. 816: Mr. SPRATT.

H.R. 915: Mr. MRAZEK.

H.R. 951: Mr. WILSON.

H.R. 963: Mr. MARTINEZ.

H.R. 965: Mr. CARPER, and Mr. MARTINEZ.

H.R. 966: Mr. MARTINEZ.

H.R. 967: Mr. CARPER, and Mr. MARTINEZ.

H.R. 968: Mr. HAWKINS.

H.R. 1099: Mr. OWENS, Mr. LELAND, Mrs. COLLINS, Mr. CONYERS, Mr. ROE, Mr. WEISS, Mr. HAYES, Mr. ADDABBO, Mr. SAVAGE, Mr. DYMALLY, Mrs. BOXER, Mr. TOWNS, Mr. ROSE, and Mr. BERMAN.

H.R. 1123: Mr. BEILENSON, Mr. BEVILL, Mr. BROOMFIELD, Mr. CARR, Mr. DAUB, Mr. DAVIS, Mr. DIOGUARDI, Mr. HEFTEL, of Hawaii, Mr. HENRY, Ms. KAPTUR, Mr. KASICH, Mr. KEMP, Mr. MCKERNAN, Mr. MEYERS of Kansas, Mr. ROTH, Mrs. SCHROEDER, Mr. SMITH of New Jersey, Mr. SMITH of New Hampshire, Mr. TORRES, and Mr. WHITTAKER.

H.R. 1142: Mr. TAUKE.

H.R. 1245: Mr. HYDE.

H.R. 1294: Mr. TOWNS.

H.R. 1345: Mr. RUDD, Mr. FRANKLIN, Mr. BLILEY, Mr. YOUNG of Florida, and Mr. DUNCAN.

H.R. 1418: Mr. STRANG and Mr. SCHAEFER.

H.R. 1421: Mr. VALENTINE.

H.R. 1436: Mr. MATSUI.

H.R. 1449: Mr. MCGRATH and Mr. DENNY SMITH.

H.R. 1453: Mr. DIXON, Mr. OWENS, Mr. EVANS of Illinois, Mrs. COLLINS, Mr. SAVAGE, Mr. FRANK, and Mr. SEIBERLING.

H.R. 1454: Mr. OWENS, Mr. EVANS of Illinois, Mrs. COLLINS, Mr. SAVAGE, and Mr. SEIBERLING.

H.R. 1607: Mr. HOYER, Mr. CROCKETT, and Mrs. COLLINS.

H.R. 1771: Mr. GRAY of Illinois, Mr. MARTIN of New York, and Mr. WHITEHURST.

H.J. Res. 41: Mr. OLIN, Mr. THOMAS of Georgia, Mr. LEVIN of Michigan, Mr. SKELTON, Mr. FIELDS, and Mr. DWYER of New Jersey.

H.J. Res. 62: Mr. SKELTON, Mr. CROCKETT, Mr. STRANG, Mr. CONYERS, Mr. WORTLEY, Mr. VENTO, Mr. BUSTAMANTE, Mr. HANSEN, Mr. HARTNETT, Mr. KOLTER, Mrs. BENTLEY, Mr. SAVAGE, Mr. FISH, Mr. FAZIO, Mr. LAFALCE, Mr. DE LUGO, and Mr. SPRATT.

H.J. Res. 133: Mr. FASCELL, Mr. BENNETT, Mr. YOUNG of Florida, Mr. BONIOR of Michigan, and Mr. IRELAND.

H.J. Res. 233: Mr. SWINDALL.

H. Con. Res. 67: Mr. ORTIZ.

H. Res. 56: Mr. BADHAM, Mr. BARNARD, Mr. BERMAN, Mr. BIAGGI, Mr. BLILEY, Mr. BONER of Tennessee, Mr. BRYANT, Mr. CAMPBELL, Mr. DEWINE, Mr. DYMALLY, Mr. DYSON, Mr. FIELDS, Mr. FISH, Mr. FRANK, Mr. GAYDOS, Mr. GINGRICH, Mr. HOPKINS, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Ms. KAPTUR, Mr. KOLTER, Mr. LELAND, Mr. LEVINE of California, Mr. LEWIS of California, Mr. LOWERY of California, Mr. LUNGREN, Mr. MCHUGH, Mrs. MARTIN of Illinois, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. ORTIZ, Mr. PANETTA, Mr. PARRIS, Mr. RICHARDSON, Mrs. SCHROEDER, Mr. SMITH of Florida, Mr. STANGELAND, Mr. STENHOLM, Mr. SWINDALL, Mr. TORRICELLI, Mr. WAXMAN, Mr. WEBER, Mr. WOLF, and Mr. WORTLEY.

H. J. Res. 104: Mr. CAMPBELL, Mr. ANDERSON, Mr. MARTIN of New York, Mr. MOLLOHAN, and Mr. WEBER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

81. By the SPEAKER: Petition of the Arden Hills City Council, MN, relative to the persecution of the Baha'i minority in Iran; to the Committee on Foreign Affairs.

82. Also, petition of the Somerville Board of Aldermen, MA, relative to Social Security and Medicare; jointly, to the Committees on Ways and Means and Energy and Commerce.

SENATE—*Monday, April 15, 1985*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer today will be offered by Rabbi Max A. Shapiro, Temple Israel Synagogue, Minneapolis, MN. He is Senator RUDY BOSCHWITZ' rabbi.

PRAYER

Rabbi Max A. Shapiro, Temple Israel Synagogue, Minneapolis, MN, offered the following prayer:

It is written, "And the Lord said, 'I will bless you and make your name great and you shall be a blessing'."

Heavenly Father, we thank You that we have been so richly blessed—blessed with a land of plenty, blessed with a heritage of freedom and justice, blessed with a people creative and purposeful.

We thank You that our name has been made great—that ours is a haven that many seek, a hope to which many aspire, that ours is a strength for which others wish.

And we pray that this Nation will always be a blessing—a home for the homeless, a champion for righteousness, a defender of liberty—and that somehow, because of us, there will emerge a world untroubled by war, unvexed by fear, untrammeled by hunger, and unfettered by cruelty; a world where justice and freedom, compassion and opportunity, will always prevail.

Make it so, Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the two leaders have 10 minutes each, followed by, unless reserved, a special order not to exceed 15 minutes for the distinguished Senator from Wisconsin, Senator PROXMIRE, and routine morning business not to extend beyond the hour of 1 p.m. with statements limited therein to 5 minutes each.

Following morning business, the Senate will turn to any of the following: S. 413, war risk insurance; Executive Calendar nominations, and Legislative Calendar items cleared by unanimous consent.

I would just indicate to my colleagues that for the week there are a number of committee resolutions from the Judiciary Committee which we believe are not controversial, as well as a number of Rules Committee resolutions. We hope we might dispose of those by unanimous consent today.

Tomorrow we had hoped to move to the nomination of John E. Krings, to be Director of Operational Test and Evaluation, Department of Defense. It is my understanding that Senator PRYOR wanted some discussion of that nomination and perhaps a record vote on that nomination. There are also other Executive Calendar nominations that we hope we can take up tomorrow.

There are about three or four minor measures from the Commerce Committee that will be ready for consideration on Wednesday, April 17, and hopefully they can be disposed of without a great deal of debate.

Then on Thursday we may take up any remaining Commerce Committee business not disposed of on Wednesday and any Executive Calendar nominations. I hope to make an announcement tomorrow on what we may be doing on Friday, April 19.

It is my understanding that if S. 413 is called up, it will be the subject of a number of amendments, including cargo preference. I will advise my colleague, Senator BYRD, of any action on that, obviously, before it is brought up. It may be that we cannot take it up today.

It is my intention next Monday that we will start on the budget resolution and interrupt that debate on Tuesday for action on the Contra aid proposal and then return to the budget matter on Wednesday of next week and stay on that until disposed of. It is very likely that we can expect next week, without much doubt, a Friday session. I am not certain about a Saturday session. It depends on how near completion we may be on the budget resolution.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. BOSCHWITZ). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished majority leader for laying out the program for the week as well as he has done.

THE 20TH ANNIVERSARY OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Mr. BYRD. Mr. President, 20 years ago last week, on April 11, 1965, President Lyndon Baines Johnson signed into law the historic Elementary and Secondary Education Act of 1965 [ESEA].

At the signing ceremony in his boyhood school in Johnson City, TX, President Johnson remarked that, "As President of the United States, I believe deeply no law I have signed or will ever sign means more to the future of America." In a White House ceremony 2 days later for Members of Congress, President Johnson enlarged on this theme. He said,

> Health is important. So is beautification, civil rights, agriculture, defense posture, but all of these are nothing if we do not have education.

He went on to say,

> I will never do anything in my entire life, now or in the future, that excites me more, or benefits the Nation I serve more, or makes the land and all its people better and wiser and stronger, or anything that I think means more to freedom and justice in the world than what we have done with this education bill.

Mr. President, I am well aware, as are many of my colleagues, of former President Johnson's aptness at turning a phrase. He was a master. But I know these remarks were a genuine reflection of what he and the extraordinary bipartisan group of congressional sponsors felt on that historic occasion.

I feel and believe in this sentiment today.

Education is the key to the future security and prosperity of our country. Because education is a national priority, so, too, should it receive a considerable Federal commitment. And this commitment must, of necessity, consist of dollars as well as desire.

The Federal Government, along with the State and local levels, where primary responsibility for education rightly belongs and should remain, together hold this key to our future. President Johnson and the Members of the 89th Congress understood this. Today, 20 years later, despite the views and recommendations of the Reagan administration, there still exists a bipartisan base of commitment to our critical Federal education programs.

These past 4 years, Republicans have joined Democrats in refusing the most onerous education budget cuts proposed by the administration. We have saved the core programs of the

original Elementary and Secondary Education Act for hundreds of thousands of children who would have suffered had the administration had its way. But still, despite our best efforts, there has been a significant diminution of Federal support.

And the administration's fiscal year 1986 spending proposal represents further slippage in the Federal Government's commitment in this area. According to the Committee for Education funding, in fiscal year 1980, the Federal Government spent 1.09 percent of its total authority on elementary and secondary education; in fiscal year 1986, the Federal Government would spend only 0.71 percent under the President's proposal. Furthermore, the proposal would represent a significant reduction from the level needed to maintain services at their present levels. Approximately $8.216 billion would be needed in fiscal year 1986 to maintain services at the fiscal year 1985 levels rather than the $7.481 billion that is requested. The difference, $735 million, represents a real cut of about 9 percent in fiscal year 1986, an amount sufficient to diminish the services of nearly 600,000 students nationwide.

One of the prime victims of the President's proposal for elementary and secondary education would be the chapter I program—the successor to the original title I program of the ESEA. The chapter I program is our major elementary and secondary program geared to help provide access to quality education for America's disadvantaged youth. School administrators tell me that roughly 90 percent of the chapter I money in their schools pays for teacher salaries. Thus, less chapter I money means fewer teachers, larger classes, and, poorer education.

These proposals for cuts have come, and continue to come, in the face of report after report telling us that our education system is in crisis. They tell us that our elementary and secondary education system fails to achieve excellence in the basics, graduating youth who are ill prepared for either work or further education. At the fourth grade elementary level, 40 percent of the average school day is estimated to be spent in nonacademic pursuits, and the time many teachers allocate to basic core courses is less than what experts recommend.

And, there is a critical lack of math and science skills in our students. Although the decline in scholastic aptitude test scores has generally halted, and these scores now look to be on the rise again, nonetheless the aggregate slide in verbal and math scores is dramatic. International comparisons of student achievement, completed a decade ago, reveal that on 19 academic tests American students were never first or second and, in comparison with other industrialized nations, were last seven times. This may not be as surprising as it first appears when one is made cognizant of the fact that the typical Japanese high school student takes 6 years of science and math, including a year of calculus; the average Russian takes twice as much. By contrast, fewer than half of American high school graduates take any math or science after the 10th grade.

Business and military leaders complain that they are required to spend millions of dollars on costly remedial education and training programs in such basic skills as reading, writing, spelling, and computation. And these remedial skills are not lacking in just secondary education level graduates, but are also found lacking in some students with higher education experience. Between 1975 and 1980, remedial mathematics courses at public 4-year colleges increased by 72 percent and now constitute one-quarter of all mathematics courses taught in those institutions.

The crisis in our education system is critical to the ability of our country to remain competitive in the international marketplace. By 1987, American colleges and universities will graduate less than half the 1987 projected nationwide demand for electrical engineers and computer scientists. The Japanese—with half our population—are graduating more engineers than the United States. Between 1955 and 1982, the number of bachelor's degrees awarded in engineering in Japan rose from 9,613 to 73,600, while in the United States, they rose from 22,589 to 67,400. During the same period, the number of doctoral degrees in engineering dropped in the United States. Almost half or 49 percent of these doctoral degrees awarded in engineering by American universities in 1981 went to citizens of other countries, people who will not stay in the United States after graduation.

These facts, from the numerous reports of the past 3 years, are staggering. The reports have called for major reforms and adequate spending for education to achieve these reforms. States and localities have responded—all around the country reforms have been enacted and spending levels for education have been raised.

The record to date in Washington has not been as innovative or supportive, for we have spent considerable time protecting existing Federal education programs from an administration committed to the proposition that cutting Federal education programs will improve education.

The 89th Congress did not believe this proposition when they enacted the landmark Elementary and Secondary Education Act of 1965. I have faith that the 99th Congress will also reject this approach. The ESEA was an expression of Federal commitment to each and every child in America. It is a commitment from which we in the Democratic Party will not quietly shrink.

AFGANISTAN'S AGONY

Mr. BYRD. Mr. President, on another subject according to a recent account by the Washington Post reporter Joanne Omang, just a month ago death visited the little village of Chinar in southern Afghanistan—death in the uniform of the Soviet Red Army.

Muhammad Gul, a 30-year-old Afghan refugee from chinar, recounted in Peshawar, Pakistan, that at 8 a.m. on March 17, Soviet troops attacked his village and perhaps 15 others, "killing every living thing" that could not escape. Gul said that, in one incident, 52 women and children tried to hide on a rooftop. Soviet troops spotted them, however, and set fire to the building, burning those 52 innocent civilians alive when the flames reached the roof.

Muhammad Gul's story is but one more tragic report of the Afghan agony. In a recent study prepared for the United Nations Human Rights Commission, Austrian law professor Felix Ermacora accused the Soviet Union of massacring Afghan civilians, executing guerrilla fighters, and, in some instances, using poison gases against them. When the Soviets attacked Ermacora's report as a CIA fake, the Austrian professor retorted, "Every word in it is true. And to anyone who says I am falsifying the record, I reply: if 4 million people leave their country Afghanistan, then there must be a good reason."

Unfortunately, we live in a century long on inhumanity and short on memory. In the hideous wars of our era, millions have lost their lives on battlefields. But other millions of noncombatants and innocent men, women, and childen have been slain in acts of official barbarism. Too often in reaction to such bloody deeds, the rest of the world has shrugged its shoulders.

One of our duties as civilized men and women is to brand the memory of Buchenwald, Dachau, and Auschwitz into history. "Never again!" should become part of democracy's creed.

Likewise, we cannot let Afghanistan become just another occasional continuing feature on the evening news. Real men and women are suffering and dying in the rugged mountains of Central Asia. Soviet bullets and bombs are mutilating Afghan children. Flesh-and-blood human beings are struggling there to save their country, their religion, their culture, their freedom, and their way of life. We cannot let Afghanistan become another victim of world apathy and historical amnesia.

We are fated to share this Earth with the Soviet Union, and the peace

and future of all mankind will be affected by the Soviet Union and the United States being able to avoid catastrophic clashes in the years ahead.

Currently, as intermittently since the death of Josef Stalin, the Soviet Union is settling in under a new leader. Each time that has happened, hopes, if not wishful thinking, have risen that perhaps the West can strike a better understanding with the Kremlin.

But whenever American diplomats go up to a "summit meeting" or sit down at a bargaining table with the Soviets, they should remember that in Afghanistan the Soviet Union is showing its real face. The bosses of the Soviet Union are not dedicated to the same values that we hold dear—unalienable rights, eternal truths, human dignity and freedom, the worth of individuals, or faith in God. The Soviet Union is a totalitarian system with worldwide, even universal, ambitions, and we should never delude ourselves into thinking that the Red army or those who give it orders have any more respect for the lives and traditions of Americans or Western Europeans than for those of Afghanistan.

In pursuit of hope, let America continue seeking accords with the Soviet Union to ease tensions and prolong peace. But in respect for reality, let Afghanistan serve as a warning of the ruthlessness of Soviet tactics and of the relentlessness with which Russia's new tsars are trying to enlarge the Soviet empire.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WHY WE MUST RECOGNIZE THAT WE CAN NEVER RID THE WORLD OF NUCLEAR WEAPONS

Mr. PROXMIRE. Mr. President, to hear the statements of lifelong advocates of military strength—like President Reagan and Paul Nitze—that their ultimate purpose in arms negotiations is to see the end forever of nuclear weapons should be quite a shock. Andrei Gromyko, the hard line cold warrior of the Soviet Union, has announced that this is his fervent purpose too. As we all know, the Soviet Union is a collective body with an iron discipline, and a preeminent survivor like Gromyko of one ruthless Soviet dictator after another would not speak out on such an issue if he were not voicing the party line. So the Soviet Community Party line is to say they want to eliminate all nuclear weapons from the face of the Earth. Do you believe that? I do not.

Think about it. Does the most military minded and most conspicuously anti-Soviet American administration since the Soviets seized power in Russia in 1917 really favor the total abolition of all of this country's massive nuclear arms? And does the Soviet Union that continues to show its willingness to engage in aggression and violence wherever it can get away with it in the world honestly agree that the superpowers should ultimately push their agreements to remove nuclear weapons totally from the arsenals of all countries everywhere in the world?

The answer, Mr. President, is that when we hear the leaders of either country say they favor the elimination of all nuclear weapons everywhere we are being treated to the ultimate example of hypocrisy. The leaders of both superpowers fully understand that the fondest hopes and dreams of all people throughout the world is to see the peaceful end of this terrible nuclear nightmare. People throughout the world know that a nuclear sword of Damocles swings suspended by a fragile thread over their heads. What easier and cheaper way to appear to be on the side of the universal yearning for peace than to announce on the very eve of kicking off the most wildly expensive arms race in world history, that the purpose of this buildup is to eliminate nuclear arms from the face of the Earth?

So why should not the proponents of this appalling nuclear arms race say that they want a total end to nuclear arms? The astonishing fact is that they seem to be getting away with it. And they should not. The easy way for a hawkish administration to deal with the protests of those who make peace the highest priority is for the hawks to announce that they have exactly the same objective in mind—just a different way of achieving it. The President can tell the peace advocates when he pleads for billions more for the MX missile that would provide a hundred additional nuclear missiles and a thousand warheads: "Don't worry when we get these thousand new warheads in place, the Soviets will know we mean business so they will agree that both sides can reduce nuclear missiles." If you buy that you buy the notion that this administration—headed by a President who has opposed every arms control agreement this country has ever made—will take a step toward peace that no previous administration has every taken. In all the long history of arms control negotiations, neither side has ever—that is ever—agreed to give up an offensive nuclear missile as part of an arms control agreement. So do not hold your breath until the Soviets and the Reagan administration agree to do so.

Mr. President let us spend a minute or two examining the proposition that somehow, some way we can banish nuclear weapons from the face of the Earth. The first step in wisdom is to recognize and accept reality. The world would be a great deal better if we could banish all kinds of things from the Earth such as greed, selfishness, hatred. But we know we cannot even banish them from the smallest community in this most blessed land. How could we banish the secret of the atom and the almost infinite power that an atomic explosion provides? The answer is that we cannot. If MARK HATFIELD or Mahatma Ghandi or Martin Luther King or Jonathan Schell—the author of the great anti-nuclear weapon diatribe, "The Fate of the Earth"—were President of the United States and had 535 clones in the Congress of the United States, and we had a similarly dovish leadership in the Soviet Union, we still could not eliminate nuclear weapons from this world. At this moment, the United States and the Soviet Union have about 95 percent of all the strategic nuclear weapons on Earth. At least three other nations have nuclear weapons and three or four others probably have them.

Would nuclear weapons disappear if every country that had nuclear weapons agreed to destroy them? No way. Here is why: The secret of how to design and construct a nuclear weapon is known. It is not the province of a handful of scientific geniuses. College undergraduates have been able—starting from scratch—to put together a nuclear weapon that needed only plutonium to blow up a city. Could we deny any 1 of at least 50 sovereign nations that have the economic and scientific wherewithall the ability to buy enough plutonium to construct a nuclear arsenal that would give them a decisive military advantage in the event all present nuclear weapons were destroyed? Of course not. We can no more ban nuclear weapons than we can ban gun powder, TNT, or the bow and arrow. We have this monster. Our only course is to learn to live with it or die with it. That means we must have arms control, comprehensive arms control, including an effective, verified prohibition against testing of new nuclear weapons so technology will not sweep the arms race out of control and so that every arms control treaty in the future will not follow the course of the past—simply pushing ingenious scientists into developing new forms of nuclear weapon power that have not been reached by past agreements. And of course we need to prohibit and verify that prohibition against all future production and deployment of nuclear weapons. Will that make the world safe? No. The genie is out of the bottle and the world can never again be as safe as it was. But an honest, realistic confrontation of the grim truth that mankind is fated to live with nu-

clear weapons forever will give nuclear peace a fighting chance, and its only chance. The nuclear weapons policies proposed by President Reagan will not lead to the abolition of nuclear weapons forever, nor will the policies pursued or urged by anyone else. The first step in bringing this nuclear weapons threat under control is to realize that we must now live with nuclear weapons. They will never disappear. We must make and abide by the tough, hard rules of limitation, verification and insistence on abiding by the letter of nuclear arms control treaties and building on them for as long as mankind dwells on this planet.

THE REVEREND JAMES CLARK BROWN: RELIGION AND THE FEDERAL DEFICIT

Mr. PROXMIRE. Mr. President, since 1981 the Reverend Richard Halversen has opened almost every session of this body with a prayer that has often startled us with relevance of religious faith to the problems that face us as U.S. Senators.

Recently I discovered a sermon from another gifted minister, the Reverend James Clark Brown, that brilliantly applies the teachings of Christ to the most perplexing and bedeviling problem that confronts this Congress today: How do we reduce the appalling series of Federal deficits that confront our Federal Government and our Nation?

For a number of years Rev. Jim Brown served as the minister in a United Church of Christ in Cleveland Park that my family and I regularly attended. Reverend Brown was an important moral inspiration in our lives and the lives of our neighbors who belonged to his church. For several years since then this remarkable minister has served the First Congregational Church in San Francisco and lately served the Community Church of the Monterey Peninsula in Carmel, CA. On February 17 of this year he delivered a sermon that especially deserves a congressional audience. In the first part of that sermon he answered the message many Members of the Congress and the general public ask: Why should a minister get involved in politics? I challenge any Member of the Congress to read his answer and not agree that the clergy not only has a right but a duty to speak out on the political issues of the day.

In the second part of his sermon, he addresses the duty of those of us who serve in the Congress to find the political courage to face up to the politically unpopular spending cuts and revenue increases necessary to bring these monstrous deficits under control.

Mr. President, regardless of our religious faith the message of the Reverend James Clark Brown on deficit reduction is one we should take to heart.

And so I ask unanimous consent that the text of this remarkable sermon be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

THE CASE FOR INTELLIGENT OPTIMISM

(A Sermon preached by The Rev. James Clark Brown, Minister, Community Church of the Monterey Peninsula, Carmel, California, February 17, 1985.)

Text: Deuteronomy 30:15-20; John 3:16-21; and Matthew 7:9-12

Poets, preachers, politicians; perhaps even you and I, have an almost irresistible impulse when giving our appraisal of some large, complex problem and of the people involved in it, to reduce the whole tangled issue to something unrealistically simple and so we say things like " . . . there are only two basic points of view regarding this matter".

How many times have you heard a politician say: "Those of us who are thinking clearly on this momentous issue are opposed by those whose thinking is not so clear." Simple as that. We divide some issue, almost every issue, by two: "us clear thinkers and others whose thinking is a bit fuzzy and fallible."

Now listen. Here comes a poet. What does she say?

There are two kinds of people on earth today,
Just two kinds of people. No more, I say.
Not the good and the bad, for tis well understood
The good are half bad and the bad are half good.
Not the happy and sad, for the swift flying years
Bring each man his laughter and each man his tears.
Not the rich and the poor, for to count a man's wealth
You must first know the state of his conscience and health.
Not the humble and proud, for in life's busy span
Who puts on vain airs is not counted a man.
No, the two kinds of people on earth I mean
Are the people who lift and the people who lean!
Where-ever you go you will find the world's masses
Are ever divided in just these two classes.
And strangely enough, you will find too, I ween
There is only one lifter to twenty who lean.
In which class are you? Are you easing the load
Of overtaxed lifters who toil down the road?
Or are you a leaner who lets others bear
Your portion of worry and labor and care?

—*Ella Wheeler Wilcox.*

There's obvious truth in the poet's words but also exaggerated simplicity: all of humanity reduced to two classes: the lifters and the leaners!

Many churches on Sunday morning, once the worship begins, contain captive congregations who are required to listen to oversimplified sermonic "solutions" of the world's problems reduced to "two basic points of view" served up in a three-point sermon with a concluding poem! So! Here we go again! Think with me this morning about optimist and pessimists. Yes, at the sermon's end I pray that you may be even somewhat more persuaded that there is a case for honest, intelligent optimism. But give me credit. I know, and so do you, that neither the world nor any signficant problem in it can be realistically dealt with simply by dividing it by two!

The case for intelligent optimism! The dictionary defines optimism as being: "a disposition or tendency to look on the more favorable side of happenings and to anticipate the most favorable result." Optimisim is the secular word for the Bible's word of "hope". And let me warn you! Do not go near the Bible, the God who inspired it, the people who triumphantly move through its pages as they moved through life unless you want to stand under a sky ablaze with hope, be challenged to live courageously with hope, to experience being lifted up on the power and love of the great God of Hope for this life and beyond death and for all eternity!

Listen to the psalmist: "Why are you cast down, O my soul, and why are you disquieted within me? *Hope in God, for I shall again praise him, my help and my God.*" And again: *"Thou, O Lord, art my hope, my trust, O Lord, from my youth.* Upon thee I have leaned from my birth; thou art he who took me from my mother's womb. My praise is continually of thee." The Apostle Peter, so enormously eager to share with us the good news of what God wants to give to us all, flags us down as we speed frantically along life's highway, holds up a huge sign which says, 'Stop! Listen! Receive! This is important!' What is important? And Peter says: *". . . brace up your minds, and, as men and women who know what they are doing, rest the full weight of your hopes on the grace that will be yours when Jesus Christ reveals himself."* (I Peter 1:13 J.B. Phillips tr.)

There is a case for intelligent optimism whenever we commit ourselves to Jesus Christ as Lord. We are given power to work miracles and indeed we, ourselves, become a sort of miracle. Do you remember the earliest creed of the Church? It contains but three words: "Jesus is Lord". Yet those three words represented the faith which energized all persons who lived in commitment to their truth. Those three words, "Jesus is Lord" became for the first followers of our Lord Jesus a magnificent window through which they saw their lives, their personal relationships with one another, their labor, their leisure, their politics, the way they made their money, the way they would spend it; all that they were and all that they did bowing down in adoration of Jesus as Lord!

O dear people! Our hope and optimism can never be higher than the level of what it is, or WHO it is that is the center of our life! If at the center of our life there is something or someone who is unworthy, or unreliable, or unredemptive then we are carrying a burden of heavy stones which makes slow and sad our journey through life. God has given us as the redemptive center for our lives—the joy of Jesus Christ! When life loses that center, life loses its sense and meaning! But

When Jesus is first in my life,
Joy is close upon our heels!

Consider with me now one specific involvement of our lives and let us endeavor to consider it in relation to Jesus Christ as Lord. That specific is "politics." Now the very mention of that word from most pulpits raises the anxiety level of many people in the pew. So let me endeavor to assure you at the outset: relax! Trust me that I would not indulge in any partisan ploy to suggest that any political party, Democratic or Republican has God "in its pocket". Our Lord

Jesus stands in transcendent judgement upon the best and surely upon the worst that is done by all political parties. Before we go any farther, let's say what we mean by "Politics". Politics is the exercise of power, influence through public policy that affects all our lives for good or ill. How can one love his neighbor, as Jesus commended us to do, without participating in politics which involves our prayers for world peace, providing the kind of public care given (or not given) to our elderly, our children through a good or bad school system, to the poor who through no fault of their own cannot find sufficient employment to put adequate food on the table or sufficient heat in the winter months for their house or clothes on the backs?

Whenever you are tempted to say, "The church shouldn't meddle in politics" you are sharing a conviction with the Communists and bringing joy to their hearts! The fierce struggle going on in much of the world today, in Poland with "Solidarity" vs. the State, in Latin America where priests, nuns and an archbishop along with many devout lay-people have been tortured and killed because their Christian commitment to a more just society required them to engage in political dissent against injustice and tyranny! Moreover, any church or churchpeople who, as a matter of policy, refrain from political involvement are engaged in politics; they are being silent when their voices should be heard; they are given quiescent consent to the status quo when often they should be challenging and contentesting it! In the parable of the Good Samaritan why did Jesus condemn the priest and levite who saw the robbed, wounded and needy man on the side of the road and nonetheless passed him by? Why? Because they chose to do nothing, to be uninvolved in a circumstance which cried out for compassionate human response!

But someone is thinking: are there not dangers in a church and church people becoming politically involved? Of course there are but they should be considered intelligently, not with insufficient thought. The most basic of these notions is the one that religion and politics are different spheres of human activity and should not be "mixed." The intelligent reply is that the Christian religion is "not one room of our human life but is the foundation of all the rooms of life and, therefore, related to all of them. Jesus is Lord!, not just of religion but of all of life.

"But religion is a private matter", someone says, "its concern is with the spiritual life, not with worldly affairs, it deals with individuals, not with institutions; it is concerned with saving souls, not with politics." The intelligent answer is: What these phrases represent is not the authentic faith that Jesus is Lord of all life and of all individuals and institutions. Such interpretations which emphasize only the "private" or "spiritual" dimension of our Lord's dominion distort the whole reign of God's rule as made known in Christ Jesus. They attempt to compartmentalize life; 'this is religious, something else is not'; as if not everything that we do, say, become or fail to become, lies subject to the Lordship of Christ. "The temporal world, including politics, is made more important, not less, by the doctrines of Christian faith, which affirm that God created the world, (not simply the church), that the Word became flesh, that God acts to reconcile the world to himself."

"But what of the Constitution?" says the objectors to the necessity of religion mixing with politics. It establishes the separation of church and state. So it does. But separating the institutions of church and state does not mean separating religious conscience from politics—that's something quite different, and a bad idea.

One other objection: "We must begin with the individuals and if we convert every individual, then social problems will take care of themselves. The intelligent answer is: "Suppose that the good Samaritan coming along the road, letting someone else be concerned with converting those evil robbers who had wounded the man by the side of the road. Let us suppose the Good Samaritan was so intent on his devotional prayers and Bible reading that he had not seen the wounded man in need. Now take another step. Suppose on a succession of 12 days travel on the Jericho road that the Good Samaritan had each of those twelve days encountered a wounded man and sought, individually, to minister to them. Would we not think that there was somethig deficient in his faith (and intelligence?) if eventually he never decided to see if he could not get a police patrol to more effectively monitor that dangerous roadway and prevent the frequency of robbery and attack? Intelligent Christian action often requires united effort by the community which no individual, however sincere and dedicated, can do alone.

We cannot here deal with every possible objection made by people to the necessity of mature, effective religion dealing with politics. Politics is the exercise of power, influence through public policy that affects all our lives for good or ill. Now let me raise one significant issue involving politics which I believe all persons who affirm the Lordship of Jesus will see both its relevance to what we have been saying and to need for immediate, corrective action. I refer to the crisis of our national deficit and particularly to the escalating payment of interest which affects all of us, the community of nations, and most particularly, it affects the welfare of our children and grandchildren.

"I didn't come to worship to hear the preacher talk about our national deficit and the run-away-escalation of our annual payment of interest on it" someone is thinking. To which I reply: Anyone who is actually listening to what this sermon is about is aware that its theme is the Lordship of Christ Jesus, under whose sovereign rule are all human activities, living responsibly or irresponsibly, the concern we have for what consequences our actions have upon others, particularly innocent others which includes children and grandchildren . . . is a profoundly moral, spiritual matter and the national deficit and our interest payments on it involve all these "spiritual" concerns.

The current national indebtedness of our country is now 1 trillion, 679 billion, 916 million dollars. Please hear me, loud and clear, when I say that such indebtedness is not the result of any single administration or of any single president. It is the result of an accumulated spending which has been the action of Democrats, Republicans. We have built up this mountain of debt (and here is the profoundly moral and spiritual implication of it all—namely, for all our American commitment to traditional family values we are not responsibly paying our debts, and even more reprehensibly, we are burdening our children and grandchildren with paying our debts along with the devastating interest payments on the debt!).

In 1979 interest payment on the deficit was $32 billion a year. In 1984 the interest payment had tripled to $111 billion a year. By 1989 President Reagan estimates that the interests payments will have quintupled in 10 years to $159 billion dollars!

If the cost of a weapons system, or welfare, or foreign economic assistance, or Federal highway funding, or any other federal spending program was so out of control that interest payments on it quintupled within five years, citizens and perhaps even a few brave, informed politicians would rise up and say: Enough is enough. Such a deficit and its interest payment requirements is like a legacy of leprosy which we bequeath to our children and grandchildren.

Governor Richard Lamm of Colorado is one of several distinguished public officials of both parties who has courageously sounded the alarm bell of the calamity we have brought upon ourselves. He has stated:

"I should like to tell you the parable of the prodigal parents. In the original Biblical parable, the prodigal son selfishly and thoughtlessly advanced his interests at the expense of this father. In my version of the parable, the prodigal father (and mother) advanced their interests at the expense of their children. The story is of our generation.

"The Democrats can't say no to social programs and the Republicans can't say no to the military. The debt bomb builds. Ronald Reagan has accumulated more debt in five years than all his predecessors did in 192 years. The pious word of the politican of both parties is "Blessed are the young, for they shall inherit the debt."

"Christmas is when kids tell Santa Clause what they want and adults will pay for it. Deficits are when adults tell the government what they want and their kids will pay for it. This is what we have done."

So concludes Governor Lamm. Let me now say that decent people throughout the country have recently been shocked and made furious with anger at the disclosure of the sexual molestation of children by trusted teachers and other adults. Sexual molestation of children is indefensible and its perpetrators must be removed from society by being either hospitalized or imprisoned. But, dear people, what justice awaits you and me who have assaulted our own children and grandchildren with a deficit so monstrous, its consequences so crippling, its savage limitations which will cling to them all their lives?

What will our children and grandchildren say to us as they bear the disfigurement of the deficit which we have bequeated to them? Now and then one sees a newspaper story which tells of a child who has mistakenly received notice by reason of a faulty computer and is called to serve on "jury duty." But such a story is never altogether an error. We adults stand in the defendant's place on trial and our judge and jury are the children and grandchildren who shall render an inescapable verdict upon the kind of world which we by our faithfulness, or lack of it, shall pass on to them. In the vivid phrase of my friend, Bill Coffin, we adults need always to remember that

"We have not so much inherited the world from our parents as we have borrowed it from our children."

Recall with me that lovely story our Lord Jesus told about how caring parents would give to their children that which would bless their lives:

"What father among you, if his son asks for a fish, will instead of a fish give him a serpent; or if he ask for an egg, will give him a scorpion"?—Luke 11:11-12.

But we, dear people, by the legacy of debt we are bequeathing to our children and grandchildren are doing diabolically the opposite of what Jesus said that loving parents

would do! Our children are entitled to ask of us a gift of fish and freedom and we are giving to them serpents of indebtedness; they have a right to expect from us a bequest of egg and somethings lovely and we are bequeathing to them scorpions of scandlous self-indulgence, the extravagance of which we cynically say, "let the kids pay for it"!

Thus far, we have sought to lift up the basic affirmation of any authentic follower of The Christ and say, "Jesus is Lord" of all things. How do we proceed from that affirmation to practical, political, spiritual action that shall lessen the danger and increase, realistically hope for ourselves and our children? If we are asking the right question with honest zeal to find its answer, God's Holy Spirit will guide us in the paths we should walk. Clearly we need a revival of the human spirit which embraces Democrats, Republicans, citizens of all parties and of none; a revival of the Spirit which enables us to live in response to the prayer:

O God, grant that I, and each of my fellow citizens may be willing to make any sacrifice, discipline my life-style, remembering children and grandchildren both living and yet to be born, and then to politically conduct myself in such a way that I ask not:

What can my God, my country, my children do for me? But rather, what can I and my fellow citizens do for You, O God, for our country, and our chilren?

That may well mean we clergy give up some of our valued tax exemptions; we tobacco farmers give up our costly subsidies and seek alternative crop productions, that we retired military, many of us drawing pensions after only 20 years of non-combat service, then adding to our income through additional job and pension, that we might see some patriotic and spiritual duty to reduce the $18 billion dollars in military pensions to be paid in 1986,[1] and that all of us be prepared to do what our many timid political leaders are afraid to ask us to do, to accept increased taxes. What is your proposed solution? Pray about it. Be concerned about it. There is reason for intelligent optimism, for hope, if we commit ourselves anew to the Lordship of Christ in all things and act on such faith while yet there is time. "I have set before you life and death, blessing and curse" sayeth the Lord. Then, with all the passion and prayer of God's love made known in Christ Jesus, God says in appeal: "Choose life"!—Deuteronomy 30:19.

MSHA WINS APRIL GOLDEN FLEECE AWARD

Mr. PROXMIRE. Mr. President, I am awarding my Golden Fleece of the Month Award for April to the Labor Department's Mine Safety and Health Administration [MSHA] for operating its mine equipment testing center in the hole for the past 3 years at a "coal-lossal" cost to the Government of more than $10 million.

Federal law requires the MSHA center to recover the entire cost of equipment testing by charging manufacturers a fee for performing this service. By not charging these manufacturers nearly enough, MSHA has been shifting the cost of mine product approvals from the manufacturer to the general taxpayer. What this amounts to is a hidden—and hefty—Government subsidy for a lot of large corporations.

The taxpayer really got raked over the coals this time, especially since the Labor Department's own auditors pointed out major cost overruns at the center as early as 1981. Now more than 3 years have passed and MSHA's fees continue to be so low that the facility still recovers from manufacturers less than 10 cents for every dollar it spends testing their equipment.

Could you or I keep a business running for years that was so far from being in the black? Hardly. Unlike us, though, MSHA doesn't have to take its lumps for such fiscal irresponsibility. It simply passes them right along to the taxpayer.

Think about it. Almost 20 years have gone by since MSHA last updated most of the fees it charges manufacturers for testing their equipment. Moreover, the Agency has not revised a single fee schedule to reflect current operating costs since Labor Department auditors urged it to do so in 1981. Result? The Government continues to lose about $300,000 each month.

MSHA officials apparently are not too upset about it either, since they do not intend to have a fee schedule revision take effect until next July at the earliest—at a cost to the Government of at least another $4 million!

The MSHA center also failed to maintain a strong quality assurance program to ensure that products it tested and approved continue to meet Federal safety requirements. In fact, in the last 4 fiscal years MSHA has post-evaluated less than 2 percent of the 25,000 pieces of equipment it previously had approved for use. This is especially troubling, since one out of every eight pieces of equipment the center did test has turned out to have critical or major deficiencies.

The mission of the MSHA testing center is a highly important one—ensuring that products used in our Nation's mines are safe. The center's failure to establish an effective quality assurance program probably means that every day U.S. miners are working with equipment that is defective and hazardous, even though it proudly bears the MSHA seal of approval.

The MSHA center tests equipment for all types of U.S. mines—metal and nonmetal, as well as coal. The fact that coal alone provides more than one-fifth of the energy consumed in the United States underscores how important it is that the center operate efficiently. And you cannot help wondering whether there is any connection between the center having such a lax quality assurance program and the number of U.S. coal mine deaths jumping 77 percent last year—from 70 in 1983 to a whopping 124!

In the past few months, MSHA has taken some faltering steps to bolster its quality assurance program, increasing its rate of evaluation to about 8 percent of all products tested. In such a critical area, though, this comes as too little too late.

Is it not ironic, too, that MSHA probably could acquire sufficient funds to stoke up its quality assurance efforts simply by charging manufacturers realistic fees for equipment testing?

April might be too early to give MSHA coal in its stocking for this pitiful performance, but it is a grand time for awarding it the Golden Fleece.

SUPPRESSION IN BULGARIA

Mr. PROXMIRE. Mr. President, on Tuesday, the Washington Post ran an article which further underscores the crucial need to ratify the Genocide Convention. The article, "Suppression in Bulgaria is Reported," details a systematic program by the Bulgarian Government against its Turkish-speaking population.

Genocide can be either cultural, involving the suppression of a language or religion, or physical, involving the actual destruction of a group. This news report raises the specter that incidents in Bulgaria involve elements of both types of genocide. Hundreds of deaths have occurred and the United States should be in the forefront of the effort to bring this heinous action to a halt.

Yet Bulgaria has ratified the Genocide Convention, while the United States has not. Bulgaria claims that the Turkish affair is an internal matter. Under the Genocide Convention, there is a mechanism for requiring Bulgaria to explain its actions. Unfortunately, we do not have that right, for we have not ratified this important treaty.

Mr. President, genocide is not simply a matter for the past—it occurs today, and as in Bulgaria, the prospect of genocide is all too often lurking in the wings. It is an issue that must be dealt with now. The Foreign Relations Committee has expeditiously scheduled a mark up for the treaty on April 23. This body should be equally prompt when this treaty reaches the floor. The Senate may be able to wait—but can the Turks of Bulgaria? Let us ratify the Genocide Convention now.

I ask unanimous consent that the article from Tuesday's Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[1] An illuminating assist in helping us to understand better what "a billion" of anything represents is found in Dr. Thomas H. Ainsworth, M.D. exciting book, "Live or Die". He tells us "If you spend a dollar a second, it will take thirty-two years—until the year 2017—to spend a billion dollars. It has been only one billion minutes since the birth of Christ; and one billion hours ago, there was no human life on earth."—Live Or Die, MacMillian, p. 11.

SUPPRESSION IN BULGARIA IS REPORTED

DRIVE AGAINST TURKS SAID TO HAVE CAUSED "NUMEROUS DEATHS"

(By Don Oberdorfer)

A Bulgarian government program of obliterating the special identity of that country's Turkish minority has led to "numerous deaths" among the population and reports of some deaths among government security agents, State Department officials said yesterday.

Reports of the Bulgarian campaign have prompted large-scale street demonstrations among angry Turks in Istanbul and brought at least two offical protests to Bulgaria from the Turkish government.

A statement on the subject yesterday by Assistant Secretary of State Elliott Abrams, the first U.S. public declaration on what he called Bulgaria's "gunpoint program," reflected growing concern here.

The statement came in response to a Washington Post inquiry as Turkish Prime Minister Turgut Ozal arrived here last night on an official visit.

"We have reason to believe that several hundred members of the Turkish minority have been killed and more wounded" in the course of the campaign that began last year and reached a peak early this year, a State Department official said. "We also have reports that some security personnel have been killed and wounded, but we don't have specific numbers," he added.

Abrams, the State Department's senior human rights official, said in a statement that "the government of Bulgaria appears determined to denationalize ethnic and cultural distinctions of the 1-million-strong Turkish-speaking population inside its borders."

He said Bulgarian police and military have sought to coerce members of the Turkish minority "voluntarily" to give up their Turkish identity and adopt Slavic names.

"In some cases, troops supported by tanks, have surrounded entire villages, transporting the inhabitants to central administrative centers for renaming. There are also reliable reports that some resisters have been summarily shot," Abrams said.

He added that all Bulgarian-supported Turkish-language radio broadcasts have ceased and that Turkish language newspapers are no longer published in the country.

The Bulgarian Embassy, in written comments provided to The Post, rejected reports of forced changes of names by "so-called Bulgarian Turks," calling the accounts "fabricated and ungrounded."

A statement originally issued in Sofia said that every citizen has the right to choose or change his name under Bulgarian law and that "voluntary change of names" does not damage lives or rights of those concerned.

Turkish Foreign Ministry spokesman Yalim Eralp said last week that Bulgaria has rejected both diplomatic notes about the treatment of Bulgarian Turks. Responding to the Bulgarian position, Eralp said his government's protest is "completely humanitarian" and "has nothing to do with intervening in another country's internal affairs."

He added, "These people, while they are Bulgarians, have the same blood as Turks. They are our kinsmen."

Some reports circulating in Moscow, which could not be confirmed here, indicated that at least 40 Bulgarian soldiers were killed in recent serious clashes with members of the Turkish minority. One report said two Bulgarian Politburo members had been called to the Soviet capital to discuss suppression of the Turks.

In mid-March, Turkish Prime Minister Ozal said Turkey was ready to accept all of the ethnic Turks residing in Bulgaria rather than have them face continued persecution.

Shortly thereafter, Dimitur Stanishev, secretary of the central committee of the ruling Bulgarian Communist Party, was quoted as saying, "There will be no emigration of Bulgarian citizens in Turkey."

Stanishev went on to say "we shall have no talks with any country about this" because Bulgarian citizens should not become "a bargaining chip" during "any negotiations and dealings."

State Department officials said the United States has raised the fate of the Turkish minority with Bulgaria on several occasions, without satisfaction from Sofia.

"The government of Bulgaria considers this denationalization campaign to be strictly an internal matter," Abrams said. "We cannot agree. Bulgaria's actions constitute a violation of the basic human rights of the Turkish minority."

Abrams said the administration would continue to discuss the matter with Bulgaria in bilateral contacts and seek to focus international attention on "this serious problem."

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

BILL READ SECOND TIME AND PLACED ON CALENDAR—S. 776

The PRESIDING OFFICER. The clerk will state S. 776 for the second time.

The assistant legislative clerk read as follows:

A bill (S. 776) to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1985 planting season operation, and for other purposes.

Mr. BYRD. Mr. President, I object to any further proceedings on this measure.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. CHAFEE]. Without objection, it is so ordered.

RETURN FROM MONTANA

Mr. MELCHER. Mr. President, I had the pleasure of spending the past 10 days in the Big Sky State of Montana. I spent the past 10 days meeting with the folks that are usually described as the "salt of the Earth."

Montanans these spring days are tough and enduring, but also feeling salty. They expect more from this Congress and this administration than what they see happening. Specifically, they want a chance to make a profit in their business, whether it is agriculture, mining, forest products, or small business. They want a chance for a job or, if they have a job, the assurance that the job will continue.

They almost universally say we are spending too much for military weapons and foreign meddling. They do not rate Nicaragua a priority. They think Montana alone has many more problems than Nicaragua and the rest of Central America.

Montanans wish we would cut the budget and get interest rates down. Defense and foreign aid, they strongly believe, should be cut. They do not believe war is imminent, but do believe further economic decline is a real pressing problem. They believe our trade policy is ruinous and demand immediate correction on the trade imbalance with Japan, livestock and lumber imports from Canada, subsidized farm commodity sales from the Common Market, and the lack of a consistent U.S. trade policy of correct or compete with these trade encroachments are all on Montana minds.

The Republican proposed budget cuts to sacrifice Social Security, Medicare, education, research and conservation in order to preserve added Pentagon spending or to increase foreign spending cause an especially emphatic Montana reaction. They reject the increase in the Pentagon and foreign spending and believe a freeze is fair on most programs except Social Security.

There is much more Montanans believe needs to be done, but for the coming weeks they are watching closely the action Congress takes on the budget and interest rates, trade policy and the new farm bill, and a return to putting the needs of the country on a higher priority than foreign spending.

I believe they are on the right track, and I believe they expect actions, not words.

As I said, Montanans are in a "salty" mood.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

(Mr. ANDREWS assumed the chair.)

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FEDERAL DEFICIT AND OUR TRADE IMBALANCE

Mr. CHAFEE. Mr. President, the restrictive trade practices of the Government of Japan have compelled forceful action by the United States in recent weeks to open Japanese markets to American products.

Sometimes I think the problems with Japan are misstated. The problems with Japan are not that we have a trade deficit with Japan. If Japan builds a better mousetrap or a better automobile or a better camera or better hi-fi equipment, I think we should be glad, because our consumers benefit. But what we object to is the lack of access of American products to Japanese markets.

So, Mr. President, I have joined in an effort to open those markets by introducing legislation to permit full access for American-made telecommunications equipment in Japan.

Japan's hostility toward American imports has justified a strong response by the United States. However, it is important for us to remember that the long-term remedy for our growing trade imbalance with most foreign nations is not retaliation, but a reversal of the economic patterns which imperil American exports. And this means reducing our Nation's staggering budget deficits.

Federal deficits are having a devastating effect on the ability of American industries to compete in world markets—not only American industries but American agricultural products as well. High interest rates brought about by the deficits that have led to an extremely strong dollar, causing our exports to be expensive and imports to be cheap. It is a double loser. Our products cost more abroad; their products cost less in our country. This poses damaging consequences for our export-oriented industries, not just now but in the long term as well.

We cannot restore our balance of trade only by retaliating against restrictive foreign trade practices. The most significant action we can take to help American manufacturers compete in the international marketplace is to reduce Government borrowing, bring down interest rates, and lower the dollar's value abroad. To do this, we must work to reduce the deficit now.

An editorial in yesterday's edition of the New York Times points out that Federal deficits, not foreign trade practices, are the chief cause of our export problems. Mr. President, I ask unanimous consent that the text of this editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHAFEE. Mr. President, I particularly stress in this editorial the comments made by Special Trade Representative for the United States, Ambassador William Brock, who is shortly to become Secretary of Labor. Mr. Brock, who is knowledgeable in this area as anybody in the United States has said that two-thirds to three-quarters—66 percent to 75 percent—of America's trade deficit with Japan is our own responsibility because of the strength of the dollar which results from our Federal deficit.

Mr. President, it is the duty of Congress, it is the duty of the Senate, and it is the duty of each of us, as we start on this subject next Monday, to do all we can to bring down the deficits which the Federal Government of the United States is running.

EXHIBIT 1

[From the New York Times, Apr. 14, 1985]

A CRISIS MADE IN U.S.A.

Bravely, Prime Minister Nakasone of Japan last week implored his people to buy something American. He warned that Japan's large trade surplus with the United States had stirred so much passion that America's reaction could "affect the life and death of our country."

If the Japanese now dig deep to appease their former conquerors, they might reduce the difference between their American exports and imports from $37 billion to perhaps $35 billion a year. And it is certainly in America's interest to give Mr. Nakasone's further effort to reduce trade impediments a chance. But as the numbers suggest, the anger being vented on Japan is a sideshow. Americans simply have to recognize that any palatable solution to our export problems requires above all a reduction in our own Government's huge budget deficit.

Congress's resentment against Japan needs to be taken seriously. Japan's reluctance to admit imports that compete with its most favored domestic products—from lumber to communications equipment—is well documented and has been tensely challenged for years. But this conflict has to be balanced against a broader American interest, even economic interest. For the only alternative to even sluggish progress at the bargaining table is a trade war, which would raise consumer prices and dislocate industry on both sides of the Pacific.

What has aggravated Congress's annoyance is not any new action by Japan but the coming home of domestic chickens: the steep rise in the value of the dollar, threatening many export industries with collapse. Thus companies like Motorola, once defenders of open trade, now think they have little to lose by protecting home markets. And in alliance with traditional opponents of open trade, such as steel, autos and apparel, they have forged a formidable bloc in Washington.

Prime Minister Nakasone recognizes the danger and is surely trying to achieve some import reforms. President Reagan, too, seems alert to the risks. Having for a time encouraged the Japanese bashers to strengthen his negotiators in Tokyo, he is now cautioning against protectionist retaliation. As Bill Brock, his former trade negotiator, observed, "two-thirds to three-quarters" of America's trade deficit with Japan "is our responsibility."

No unique Japanese action explains America's declining trade balance. Our deficit with Canada and the Common Market has similiarly increased. Even if Japan were to open all its markets to foreign competition—something that we would never do for others—its trade surplus with America would still be around $30 billion a year.

The main culprit is the 30 percent increase in the exchange value of the dollar since 1981. That has raised the price of American products abroad by 30 percent while lowering the price of foreign goods to Americans by the same amount. America has been flooded with bargain imports and its traditional exports—machinery, chemicals, electronics, grain—have lost their competitive edge.

The best way to bring down the dollar's value and reverse these trade fortunes is to bring down America's interest rates by sharply reducing the Federal deficit. Some economists want to hasten the correction by heavily taxing foreign earnings in America. That would help, but Americans would not like the consequences. For so long as Federal deficits exceed $200 billion, they absorb most of the money that Americans save. If foreign investments decline before the deficit is reduced, little money would remain to finance our housing, cars and industrial investment. Interest rates would skyrocket and a recession would probably follow:

Even deficit reduction might not itself redress America's trade balance. But any approach that tolerates these deficits will only turn the trade crisis into a credit crisis. Forget Pearl Harbor. The enemy is us.

COMMEMORATING THE TWENTIETH ANNIVERSARY OF THE HEAD START PROGRAM

Mr. CHAFEE. Mr. President, I am pleased to join as a cosponsor of Senate Concurrent Resolution 28, a resolution commemorating May 18 as the 20th anniversary of the Head Start Program. This resolution reaffirms congressional support for a program which has, in its 20 years, compiled an impressive track record.

Head Start provides educational, medical, and nutritional services to more than 450,000 lower income preschoolers, in order to eliminate the gap between disadvantaged children and their more fortunate peers. It has been widely recognized as one of our most cost-effective and successful programs, due in part to its unique approach stressing parent involvement and strong community support.

Head Start is a program that works. Its effectiveness has been documented again and again, in numerous independent evaluations. Head Start children score higher than nonparticipants on standardized tests of intelligence, school readiness, math, language, vocabulary, and perceptual skills. Studies have found that they perform better in school and are less likely to require special education. Head starters are more likely, in later years, to hold after-school jobs and are less likely to show signs of delinquent behavior.

Children receiving Head Start's medical services generally improve in physical development and motor skills, relative to other children. and they are more likely to be of normal height

and weight, to have fewer absences from school, and to perform better on physical tests.

Children are not the only ones who have benefited from Head Start, thanks to its consistent emphasis on parent and community involvement. For every 15 children in Head Start, 10 parents volunteer their services to the program. Clearly, the program reinforces parents' commitment to their children's well-being, with results that last a lifetime.

All these factors account for the most impressive compelling statistic of all: It has been estimated that, taking into account the cost of special and remedial education that Head Start makes unnecessary, the program's benefits outweigh its costs by 236 percent.

Head Start enriches the lives of thousands of Rhode Island children and their families, with eight programs currently in operation, serving communities in Cranston, Newport, North Providence, North Scituate, South County, Providence, Riverside, Warren, Bristol, Warwick, and Woonsocket. The outstanding efforts of talented and dedicated Head Start staff members have earned the respect and admiration of parents and community leaders. These efforts have contributed greatly to the success of the Head Start Program.

Head Start has proven to be well worth all we have invested in it. This is a program that has more than fulfilled its promise, and I urge the Senate to affirm its continued strong support by acting favorably on this resolution.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 5, 1985, during the adjournment of the Senate, received a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on April 5, 1985 are printed at the end of the Senate proceedings.)

FISCAL YEAR 1986 BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT—PM 35

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the fiscal year 1986 Budget of the District of Columbia.

The proposal for the Federal payment to the District of Columbia reflected in this document is consistent with that included in the fiscal year 1986 Federal Budget submitted to Congress on February 4, 1985.

RONALD REAGAN.

THE WHITE HOUSE, *April 15, 1985.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled joint resolutions:

On April 4, 1985:

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week", and to designate April 7, 1985, as "World Health Day";

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites;

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution; and

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month,"

On April 14, 1985:

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

ENROLLED BILLS SIGNED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the President pro tempore (Mr. THURMOND) announced that he had signed the following enrolled bills, on April 4, 1985, during the adjournment of the Senate, which had previously been signed by the Speaker of the House of Representatives:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, Arizona;

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission; and

H.R. 1866. An act to phase out the Federal Supplemental Compensation Program.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 2:41 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bill, which has been reported from the Committee on Environment and Public Works was ordered referred to the Committee on Finance for the purpose of considering title II of the bill and any provisions relating to revenues for the Hazardous Substance Response Fund:

S. 51. A bill to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 776. A bill to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1985 planting season operation, and for other purposes.

REPORTS OF COMMITTEES SUBMITTED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of April 3, 1985, the following reports of commitees were submited on April 10, 1985:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 597. A bill to amend subtitle II of title 46, United States Code, "Shipping", making technical and conforming changes, and for other purposes (Rept. No. 98-26).

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

S. Res. 132. An original resolution authorizing expenditures by the Committee on Armed Services; referred to the Committee on Rules and Administration.

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 661. A bill entitled the "George Milligan Control Tower."

REPORTS OF COMMITTEES

The following reports of commitees were submited:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 903. An original bill to authorize appropriations for the National Science Foundation for fiscal year 1986, and for other purposes (Rept. No. 99-27).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 813. A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes (Rept. No. 99-28).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 817. A bill to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes (Rept. No. 99-29).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 818. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974 (Rept. No. 99-30).

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-151. A resolution adopted by Senate of the State of Hawaii; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE RESOLUTION No. 27

"Requesting Congress to Include a Sugar Price Support Program in the 1985 Farm Bill.

"Whereas, Hawaii's sugar industry is a vital component of the State's economy and has provided gainful employment and income for many of the State's residents; and

"Whereas, Hawaii's sugar producers are among the most productive, innovative, and efficient sugar producers worldwide; and

"Whereas, sugar is a widely produced commodity and almost every producing nation has highly protective market mechanisms to support its domestic sugar industry; and

"Whereas, United States' sugar producers cannot economically compete in a world market wherein better than 80 percent of the sugar is either controlled, pre-purchased or subsidized; and

"Whereas, despite the imposition of sugar import quotas, significant amounts of foreign surplus sugar are dumped in the United States which has contributed to depressed sugar prices; and

"Whereas, the sugar price support provisions of the 1981 Farm Bill have enabled U.S. domestic sugar producers to continue operations and have proven to be acceptable to nearly everyone; and

"Whereas, the sugar program has operated without cost to the government, given stability to domestic sugar prices, and assured consumers an adequate supply of sugar at reasonable prices; and

"Whereas, the price supports provided domestic sugar in the Farm Bill as well as the import quotas set by the U.S. Department of Agriculture will expire in 1986; and

"Whereas, the Farm Bill has worked well in the past and is in the best interests of agricultural producers and consumers throughout the United States as well as in Hawaii; now, therefore,

"Be it resolved by the Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, that the Congress of the United States is requested to include sugar price support provisions within its 1985 Farm Bill; and

Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Agriculture, and to each member of Hawaii's Congressional delegation."

POM-152. Concurrent resolution adopted by the legislature of the State of Hawaii; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE CONCURRENT RESOLUTION No. 6

"Whereas, Hawaii's sugar industry is a vital component of the State's economy and has provided gainful employment and income for many of the State's residents; and

"Whereas, Hawaii's sugar producers are among the most productive, innovative, and efficient sugar producers worldwide; and

"Whereas, sugar is a widely produced commodity and almost every producing nation has highly protective market mechanisms to support its domestic sugar industry; and

"Whereas, United States' sugar producers cannot economically compete in a world market wherein better than 80 percent of the sugar is either controlled, pre-purchased or subsidized; and

"Whereas, despite the imposition of sugar import quotas, significant amounts of foreign surplus sugar are dumped in the United States which has contributed to depressed sugar prices;

"Whereas, the sugar price support provisions of the 1981 Farm Bill have enabled U.S. domestic sugar producers to continue operations and have proven to be acceptable to nearly everyone; and

"Whereas, the sugar program has operated without cost to the government, given stability to domestic sugar prices, and assured consumers an adequate supply of sugar at reasonable prices; and

"Whereas, the price supports provided domestic sugar in the Farm Bill as well as the import quotas set by the U.S. Department of Agriculture will expire in 1986; and

"Whereas, the Farm Bill has worked well in the past and is in the best interests of agricultural producers and consumers throughout the United States as well as in Hawaii; now, therefore,

"Be it resolved by the House of Representatives of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, the Senate concurring, that the Congress of the United States is requested to include sugar price support provisions within its 1985 Farm Bill; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Agriculture, and to each member of Hawaii's Congressional delegation."

POM-153. A resolution adopted by the City Council of South Gate, California urging Congress to support the award of a construction contract for the United States Navy's Arleigh-Burke class (DDG 51) Guided Missile Destroyer to the Todd Pacific Shipyards Corporation; to the Committee on Armed Services.

POM-154. A resolution adopted by the Greater Augusta Advertising Club, Inc. opposing any legislation prohibiting or limiting advertising in any medium of any product which is legal to produce, legal to sell, and legal to use; to the Committee on Commerce, Science, and Transportation.

POM-155. A resolution adopted by the Senate of the State of Georgia; to the Committee on Commerce, Science, and Transportation.

"RESOLUTION 187

"Whereas, the public health, safety and environment of the citizens of this state are of paramount importance to all Georgians; and

"Whereas, there is increasing concern about the amount of hazardous materials being transported on the nation's highways, rail systems, and waterways; and

"Whereas, transportation accidents which involve hazardous materials, create the potential for releases of such materials to the air, water, and land of Georgia and the nation and thereby pose a real and substantial threat to the health and well-being of this state and the nation; and

"Whereas, current federal laws limit and restrict the various states' authority to regulate the transportatioon of hazardous materials; and

"Whereas, current federal laws pertaining to the packaging and transportation of hazardous materials are not strong enough to ensure the most effective protection of public health and safety.

"Now, therefore, be it resolved by the Senate that the Congress of the United States is urged to strengthen the federal laws by:

(1) Requiring the training of truck drivers, train engineers, and boat captains in emergency response procedures to be followed in the event of accidents involving hazardous materials;

(2) Requiring that vehicles carrying less than 1,000 pounds of hazardous materials be placarded on the outside of the vehicle to identify the presence of hazardous materials;

(3) Establishing a funding mechanism for assisting state and local governments to maintain emergency response resources;

(4) Providing for the delegation of enforcement authority to states to enforce the federal laws pertaining to the packaging and transportation of hazardous materials, as well as enabling state and local governments to establish routes and times for movement of certain hazardous materials; and

(5) Establishing an effective public information and education program to inform the public about procedures for ensuring public health and safety.

"Be it further resolved that the Secretary of the Senate is authorized and directed to transmit a certified copy of this resolution to the President of the United States Senate and the Speaker of the United States House of Representatives."

POM-156. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION No. 9

"Whereas, The Nevada Research and Development Center of the Nevada Test Site is among the foremost facilities for the development and testing of nuclear power systems for use in space; and

"Whereas, The United States Department of Energy is about to select a location for the development and testing of a new nuclear power system for use in space designated the SP-100 Space Reactor Program; and

"Whereas, The location of this program in Nevada would take advantage of the excellent facilities that already exist at the site and would also create additional jobs and income for Nevadans and further the economic growth of the state; and

"Whereas, The location of such research projects will encourage the enlargement and diversification of the engineering programs offered by the University of Nevada System by fostering the demand for qualified engineering graduates throughout Nevada; now, therefore, be it

"Resolved by the Senate and the Assembly of the State of Nevada, jointly, That the legislature hereby urges the Secretary of the Department of Energy to select the Navada Test Site as the location for the SP-100 Space Reactor Program and any resulting programs for similar purposes; and be it further

"Resolved, That copies of this resolution be immediately transmitted by the legislative counsel to the President of the United States, the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, the Secretary of the Department of Energy and each member of the Nevada congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-157. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Finance.

HOUSE RESOLUTION No. 15

"Whereas, The Reagan administration is proposing to eliminate revenue sharing for local communities as part of its budgetcutting efforts; and

"Whereas, Such elimination would have a very serious impact on political subdivisions within Pennsylvania, the curtailment of vitally needed municipal and social services, and possible bankruptcy in certain cases; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the President and Congress of the United States to maintain the revenue sharing program for local communities at no less than current levels; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-158. A resolution adopted by the Senate of the State of Georgia; to Committee on Finance.

"RESOLUTION 229

"Whereas, Georgia certainly supports efforts to reduce the federal budget deficit, but programs such as Medicaid which provide essential "safety net" services to low-income citizens should not be further reduced; and

"Whereas, Georgia's Medicaid program, as a result of major modifications between 1982 and 1984, has been reduced by over $100 million; and

"Whereas, under the President's proposal, Georgia would lose an additional $90 million in federal funds in Federal Fiscal Year 1986; and

"Whereas, by basing future growth on expenditures in 1984, the proposal discriminates against states, like Georgia, which have been the most cautious in expanding their programs and which have demonstrated prudent management; and

"Whereas, the proposal particularly punishes those 18 states, including Georgia, which conscientiously constrained program costs in order to comply with the provisions of the Omnibus Budget Reconciliation Act of 1981 encouraging states to limit the growth of Medicaid expenditures; and

"Whereas, services, eligibility standards, and reimbursement levels already are limited to the extent that further reductions would seriously impair the state's ability to meet the health-care needs of the medically indigent.

"Now, Therefore, be it *resolved by the Senate* that the members of this body urge the Congress of the United States to reject the President's Federal Fiscal Year 1986 budget proposal to cap the growth of federal Medicaid expenditures and to distribute funds based on a state's proportional share in 1984.

"Be it further *resolved* that the Secretary of the Senate is authorized and directed to transmit an appropriate copy of this resolution to the President of the United States Senate and the Speaker of the United States House of Representatives."

POM-159. Concurrent resolution adopted by the Legislature of the State of Utah; to the Committee on Finance.

"H. C. R. No. 25

"Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:

"Whereas, the generally accepted accounting methods in common use by foreign taxpayers incorporated and doing business outside the United States and any state or political subdivision thereof materially differ from accounting methods used by taxpayers doing business in the United States;

"Whereas, financial statements prepared under foreign accounting standards are not readily convertible into financial statements necessary to comply with the corporate franchise tax laws of Utah;

"Whereas, many unresolved problems have arisen in attempting to convert such foreign financial statements, to reconcile incompatible systems of accounting, and to account for changes in foreign exchange rates, for purposes of determining the income and apportionment factors of foreign taxpayers on a basis consistent with that used to determine income earned in Utah by United States taxpayers;

"Whereas, the cost burden of converting financial statements of foreign taxpayers to financial statements more comparable to those of United States taxpayers is often substantially greater than any resulting tax on income considered to be earned in Utah;

"Whereas, the inclusion of foreign income in determining the tax liability of multinational taxpayers (whether based in the United States or in a foreign country) wishing to invest in Utah has frequently resulted in unfair taxation of taxpayers owning or controlling, or owned or controlled by foreign corporations and has consequently acted as an impairment to investment in Utah by such taxpayers, and has hindered the creation of new opportunities for employment and the diversification of the economic base of this state.

"Now, therefore, be it *resolved* that the Legislature and the Governor accept the State Tax Commission's recommendation that no positive recommendation for any legislation altering the State Tax Commission's authority to utilize the unitary method of determining income earned in Utah and subject to its corporate franchise tax come from this Legislature.

"Be it further *resolved* that the Legislature and the Governor endorse the State Tax Commission's recommendation that it adopt via its rulemaking authority taxpayer's option for a water's edge unitary method and that any such rule become effective upon adoption by the commission and become operative upon adoption by the federal government of legislation or regulations to fulfill its responsibility for increased administrative assistance and cooperation to promote full taxpayer disclosure and accountability.

"Be it further *resolved* that the Legislature urge the United States Congress to adopt such legislation or regulation, and that a copy of this resolution be forwarded to the Congress for this purpose.

"Be it further *resolved* that the State Tax Commission report in detail to the next General Session of the Legislature and to the Governor its regulatory policy on the "water's edge" unitary method."

POM-160. A resolution adopted by the House of Representatives of the State of New Mexico; to the Select Committee on Indian Affairs.

"A MEMORIAL RELATING TO THE NATIONAL INDIAN AGING POLICY

"Whereas, the United States government has a legal and moral responsibility to ensure that the Indian elderly in this country are entitled to all benefits and services available, and that these services and benefits should be provided in a manner that preserves and restores their dignity, self respect and cultural identity; and

"Whereas, the Indian elderly (those aged sixty or over according to the 1980 United States bureau of census) of this country are:

"A. increasing in population from sixty-four thousand in 1970 to one hundred nine thousand in 1980 with projections of an increase to two hundred thousand by 1990;

"B. unemployed at a rate exceeding eighty percent;

"C. living in poverty at a rate of seventy percent;

"D. living ten years less than the general population in terms of life expectancy;

"E. impacted by the lack of Indian nursing homes and Indian area agencies on aging;

"F. living in substandard and overcrowded housing;

"G. receiving less than adequate health care; and

"H. excluded from benefiting from social security which affects an estimated fifty-seven percent of the nation's Indian elderly population;

"Now, Therefore, be it resolved by the House of Representatives of the State of New Mexico that it respectfully requests the congress and the president of the United States to ensure that the following policy directives be implemented in order to meet the physical and mental health needs of the Indian elderly, their spiritual well-being, their continued involvement and roles within society:

"A. economic security;

"B. long-term health care;

"C. readily available health services and facilities;

"D. social well-being to receive supportive services which will enable the Indian elderly to remain in their own homes and communities, thus maintaining their culture, dignity and independence; and

"E. spiritual well-being to ensure that the Indian elderly continue to exercise their inherent right to believe and practice their native religion which enables them to live in harmony with their creator; and

"Be it further resolved that copies of this memorial be sent to the president of the United States, the president pro tempore of the United States senate, the speaker of the United States house of representatives and to each member of the New Mexico congressional delegation."

POM-161. A resolution adopted by the House of Representatives of the Common-

wealth of Massachusetts; to the Committee on the Judiciary.

"RESOLUTIONS MEMORIALIZING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO ENSURE THAT ONLY THE FEDERAL CONSTITUTION AND THE CONSTITUTION OF THE FIFTY STATES BE RECOGNIZED AS THE SUPREME LAW OF THE LAND

"Whereas, the proud people of the United States of America have enjoyed more than two centuries of cherished independence; and

"Whereas, throughout this historic period Americans have striven to preserve our American heritage and unprecedented tradition of freedom of speech, press, assembly and religious freedom as free men and women in this great Nation under God; and

"Whereas, It is fitting that contemporary Americans reaffirm the independent spirit that animated and inspired the Founding Fathers to proclaim their right to be free; Therefore be it

"*Resolved*, That the Massachusetts House of Representatives hereby urges the President and the Congress of the United States to exercise their best offices to ensure that only the Constitution of the United States of America and the constitutions of our own fifty States shall be recognized as the supreme law of our great country and that at no time shall the United Nations Charter or any treaty with foreign states overrule or supersede the Constitution of the United States of America or the constitutions of our fifty States; and be it further

"*Resolved*, That copies of these resolutions be sent by the clerk of the House of Representatives to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this commonwealth."

POM-162. A resolution adopted by the Senate of the State of Illinois; to the Committee on Foreign Relations.

"SENATE RESOLUTION No. 39

"Whereas, On January 27, 1973, the United States and North Vietnam signed the Paris Peace Accords, providing for the return of nearly 600 American war prisoners held in Vietnam but ignoring the 566 servicemen lost in Loas, which did not participate in the agreement; and

"Whereas, Hundreds of recent refugee reports describe similar scenes of American servicemen held virtually as slaves in caves and remote villages, guarded Vietnamese and Laotian soldiers, at times forced to repair American weapons and electronic equipment left over from the war; and

"Whereas, The conscience of every American citizen should be troubled on behalf of the families of those prisoners of war still held in Loas, who for 12 years have been subjected to unrelenting mental anguish and a sense of futility in their quest for information about their loved ones; and

"Whereas, Hanoi's policy is to do nothing to attempt to find these prisoners of war until the United States government stops supporting Peking, opens full diplomatic relations with Hanoi and makes good on past promises, including a multibillion dollar reconstruction program involving medical, educational and other nonmilitary humanitarian aid to the people of Southeast Asia; and

"Whereas, It is the United States government's moral and legal responsibility to ensure the return of all prisoners of war and to secure an accounting of missing personnel and the repatriation of remains of those who perished serving our Nation; therefore, be it

"*Resolved*, by the Senate of the Eighty-Fourth General Assembly of the State of Illinois, that we urge the President and the Congress of the United States to renew our government's efforts to facilitate the accounting for and return of all American prisoners of war still being held captive in Southeast Asia, especially the 566 known missing in Laos; and be it further

"*Resolved*, Whereas, That a suitable copy of this preamble and resolution be delivered to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of the Illinois Congressional Delegation."

POM-163. A resolution adopted by the House of Representatives of the State of Kansas; to the Committee on Labor and Human Resources.

"HOUSE RESOLUTION No. 6080

"Whereas, Suicide is currently the third leading cause of death among American youth 15–24 years old and the second leading cause of death among Kansas youth in the same age group; and

"Whereas, At a rate that has increased by more than 300% since 1955, adolescent suicide now claims more young lives than cancer; and

"Whereas, The actual number of suicides may be as great as four times the number reported, but are often classified as accidents or homicides; and

"Whereas, There is an emergent need for the compilation of a comprehensive body of information and guidelines detailing methods for addressing this public health concern: Now, therefore,

"*Be it resolved by the House of Representatives of the State of Kansas:* That we urge the Congress of the United States to create a Federal Commission on Youth Suicide Prevention; and

"*Be it further resolved:* That the Federal Commission on Youth Suicide Prevention be charged with a broad mandate to:

"(1) Amass a national data based on youth suicide;

"(2) research and analyze the underlying causes of youth suicide in our society;

"(3) formulate policy and legislative recommendations for the President and Congress of the United States; and

"(4) provide guidance to state and local governments and school systems in the development of suicide prevention and related programs; and

"*Be it further resolved:* That the Chief Clerk of the House of Representatives be directed to send enrolled copies of this resolution to the President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; each member of the Kansas Congressional Delegation; Dr. Stella Pigano, Suite 835, Lieutenant Governor's Office, 230 Park Avenue, New York, New York 10169; Charlotte Ross, Suicide Prevention and Crisis Center of San Mateo County, 1811 Trousdale, Burlingame, California 94010; Julie Perlman, Director, American Association of Suicidology, 2459 S. Ash, Denver, Colorado 80222; and Elizabeth A. Tillman, Sheldon Education Center, 1155 Seabrook, Topeka, Kansas 66604."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

S. 903: An original bill to authorize appropriations for the National Science Foundation for fiscal year 1986, and for other purposes; placed on the calendar.

By Mr. DECONCINI (for himself, Mr. DURENBERGER, Mr. MOYNIHAN, Mr. HEINZ, Mr. MATSUNAGA, AND Mr. ABDNOR):

S. 904. A bill to establish a water research foundation, to include a water research planning center and a water information clearinghouse, to promote water research and to disseminate information relating to water resources; to the Committee on Governmental Affairs.

By Mr. BURDICK (for himself and Mr. ANDREWS):

S. 905. A bill to amend title 38, United States Code, to provide a service pension of $150 per month for veterans of World War I and a pension of $100 per month for certain surviving spouses of such veterans; to the Committee on Veterans' Affairs.

By Mr. DOLE (for Mr. THURMOND (for himself, Mr. BIDEN, Mr. LAXALT, Mr. HEINZ, Mr. GRASSLEY, Mr. DENTON, Mr. SPECTER, Mr. ABDNOR, Mr. KENNEDY, Mr. BAUCUS, Mrs. HAWKINS, Mr. COCHRAN, Mr. BURDICK, Mr. ZORINSKY, Mr. HATCH, Mr. HEFLIN, Mr. WARNER, Mr. KERRY, Mr. BOSCHWITZ, Mr. MCCLURE, Mr. NUNN, Mr. PRYOR, Mr. HUMPHREY, Mr. INOUYE, Mr. WILSON, Mr. LEVIN, Mr. SASSER, Mr. STEVENS, Mr. SYMMS, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. MATHIAS, Mr. DECONCINI, Mr. METZENBAUM, Mr. MCCONNELL, Mr. LAUTENBERG, Mr. BOREN, Mr. EAST, and Mr. TRIBLE):

S.J. Res. 109. A joint resolution to designate the week of April 14, 1985, as "Crime Victims Week"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 133. A resolution to direct the Senate Legal Counsel to represent Max Barber in "The Christian Broadcasting Network, Inc. versus Carol Ann Kadushin, d/b/a Capital Broadcast News," Civil Action No. 84-1821; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI (for himself, Mr. DURENBERGER, Mr. MOYNIHAN, Mr. HEINZ, Mr. MATSUNAGA, and Mr. ABDNOR):

S. 904. A bill to establish a Water Research Foundation, to include a Water Research planning Center and a Water Information Clearinghouse, to promote water research and to disseminate information relating to water

resources; to the Committee on Governmental Affairs.

WATER RESEARCH FOUNDATION ACT

● Mr. DECONCINI. Mr. President, along with DAVE DURENBERGER and my other Senate colleagues, I am introducing legislation today entitled, the Water Research Foundation Act of 1985, to establish the Water Research Foundation.

Mr. President, our Nation's water resources are steadily and very rapidly becoming inadequate and unusable. This alarming reality is due not to any inherent deficiency in nature: We are blessed with plentiful resources. But it is due to a very complex mix of social, economic, and physical conditions resulting from too much change and too little planning.

The prosperity of America in the 20th Century, Mr. President, is often laid at the feet of the free enterprise system. But, it has been the mining of our most valuable resource, knowledge, an exclusively human resource—that has lifted this Nation to the pinnacle of social and economic wealth. The foundations of this wealth are rooted in the Constitution and the process of democracy.

In other lands, and in other times, education was the dominion of a privileged few. Policy was made by those who controlled and dictated to the masses. Information was a very scarce and precious resource to be parceled out in meager amounts for the purposes of the managers, to serve their narrowly conceived and, therefore, limited options.

In America, and in every society in which education is considered to be not only every individual's right, but obligation, we have management by the many. This guarantees policy by the majority.

These revolutionary principles have given us the most dramatic, and at times traumatic gains in the history of the world. In agriculture, for example, our greatest threat is producing too much. With the mass production of inexpensive goods, even the impoverished live more comfortably than kings of previous centuries. And the explosion of technology advances in this century have demonstrated the awesome power of knowledge and human imagination. There are many persons still alive today, in the space age, who rode to school on horseback and once considered human flights to be a romantic dream.

At the midpoint of this century, we looked ahead and became to fully realize the depth and potential of this technological and scientific Renaissance. We established the National Science Foundation [NSF]. The purpose of the NSF was not to dictate scientific policy but instead to support the basic research and related studies that were considered necessary by the scientific community, not the Government. The NSF is an independent agency which does not conduct its own in-house research but supports, financially and systematically, the innovations of independent institutions. It supplements Federal agency programs and gives cohesion to the many fragments of basic scientific study.

The Water Research Foundation, which we propose today, is similar in structure and purpose.

Mr. President, if there is going to be anything more important than water from now on, it is going to be information about water. Not just data, but useful information. But look at what we are doing. Federal support for water-related study has declined by 30 percent over the past few years. And yet we are obligated to pass legislation providing many billions of dollars to clean up so-called Superfund sites that are more the result of ignorance than malice. We are also faced with the need to spend billions of dollars to protect the quality of our surface water, to replace deteriorating water delivery systems, to modernize our harbors and waterways, and to deal with the cyclical problems of drought and floods. But we are stymied because we cannot answer some very basic questions about who should pay, what the standards should be, who is liable to whom, and how we can assure safe and reliable water supplies through a complex maze of local political and planning entities. We need to know how the great sweep of technological and social changes, including population shifts, are going to affect the demands on our already overstressed water resources in the coming decades. The economic and social consequences of inadequate management, because of insufficient knowledge, could be catastrophic.

Mr. President, in the last Congress, after looking at the recommendations from the Office of Technology Assessment, the General Accounting Office, and other such entities that usually give us good advice, I came to the conclusion that we as a country needed to coordinate and more fully support our water research efforts. I offered an amendment to an appropriations bill, now Public Law 98-181, to direct the President's Council on Environmental Quality to "consider and define" a National Center for Water Resources Research and to "define and plan" a National Clearinghouse to disseminate water-related information.

That 1-year study has been completed and submitted to Congress. The CEQ report includes three basic options on the two proposed centers. Concering the three research options, the CEQ states:

The options proposed are not mutually exclusive. Each research center meets a prescribed need, and thus sufficient justification exists for all three to be established simultaneously. Research and information functions could also be combined within a single organizational entity.

The legislation we proposed today is close to the CEQ option 2, but also includes elements of options 1 and 3. It provides a structure capable of linking research efforts, planning for long- and short-term research and information needs, and providing research support in conjunction with State and private entities.

The Foundation incorporates two separate but coordinated centers: the Water Research Planning Center and a Water Information Clearinghouse. The research planning center is designed to promote and support the water research activities already initiated within the various States and make recommendations for additional short- and long-term water research needs.

The clearinghouse is established to make credible information available not only to water professionals but to Government officials, businesses, academic institutions, the public media and interested citizens. It could also support educational programs from scholarly symposia to public information publications. It encourages State and local participation with combined financing to establish State information clearinghouses which would deal with topics of local importance.

The independent Foundation will not duplicate Federal agency, or other research efforts but will engage national problems and issues not otherwise allocated by the Federal agency mission-oriented research. It is governed by a board of directors.

The CEQ has estimated the startup costs for the Foundation at approximately $2 million for fiscal year 1986 and approximately $8 million a year thereafter. There is a separate authorization of $300 million a year for research grants. The focus for extramural financial support will be primarily interregional and interdisciplinary, and will involve institutional, social, and legal issues, as well as science and technology.

Mr. President, I would like to commend the Council on Environmental Quality and their contract study group, the Chesapeake Research Consortium, for presenting a very usable set of options within a very short period of time.

I would also like to commend the National Water Alliance for devoting a great deal of time and resources to studying this important national topic and developing the legislative summary which is the backbone of this bill. Additionally, there are a large number of individuals and organizations which have directly contributed to this process.

We hope that they continue to make their considerable resources and expertise available to the committees

and to the whole Senate as it deliberates on this legislative proposal.

Mr. President, in closing I would like to say that if we do not commit ourselves to more knowlegeable planning in the future, we condemn ourselves to the very costly and even more disastrous mistakes of the past.

I ask unanimous consent that the complete text of the bill be printed in the RECORD at this point. I urge my colleagues to take immediate action on this measure.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 904

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Water Research Foundation Act of 1985".

ESTABLISHMENT OF WATER RESEARCH FOUNDATION

SEC. 2. (a) ESTABLISHMENT.—There is established in the executive branch of the Government the Water Research Foundation (hereinafter in this Act referred to as the "Foundation"). The Foundation shall include a Water Research Planning Center (as established in section 3) and a Water Information Clearinghouse (as established in section 4).

(b) PURPOSES.—The Foundation is authorized and directed to—

(1) promote and support water research and related study activities within the States and territories of the United States;

(2) survey and link and supplement as required the appropriate existing water research and information dissemination efforts and capabilities within the States;

(3) determine and make public, recommendations of additional water resources study needs;

(4) assist in the determination of the long term national priorities for the study of basic and applied studies related to scientific, social, and legal concerns linked to the preservation, protection, and use of the Nation's water resources;

(5) support scientific and social research by making contracts or other arrangements including grants for the conduct of such study and to appraise the impact of such studies; and

(6) foster the interchange of water resource information within the United States and between the United States and foreign countries.

(7) Encourage the establishment of nongovernmental water research programs by water utilities and others and work in cooperation with such efforts to further promote research on water issues.

(c) ORGANIZATION.—(1) The Foundation will be governed by a Board of Directors (hereinafter in this Act referred to as the "Board"), which shall be composed of eleven members to be appointed by the President, with the advice and consent of the Senate. The Board shall exercise the authority granted to the Foundation by this Act.

(2) The persons nominated for appointment as members shall be—

(A) eminent in the fields of education, engineering, environmental study, hydrology, water management, agriculture, basic and applied sciences, computer technology, finance, public policy, and other fields which impact water-related issues;

(B) selected on a nonpartisan basis solely on the basis of established records of distinguished service; and

(C) selected in a manner that provides representation of the views of water leaders in all areas of the United States.

(3) The President is requested, in making the nominations of persons for appointment as members, to give due consideration to any recommendations for nomination which may be submitted to him by organizations representing, or engaged in, fields of endeavor referred to in paragraph (2).

(4) The term of office of each voting member of the Board shall be four years except that—

(A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

(B) the terms of office of the members first taking office after the date of the enactment of this Act shall expire as designated by the President at the time of appointment, five at the end of two years, and six at the end of four years, after the date of enactment of this Act.

Any person who has been a member of the Board for four consecutive years shall thereafter be ineligible for appointment during the two-year period following the expiration of the fourth year.

(5) The President shall call the first meeting of the Board, at which the first order of business shall be the election of a Chairperson. The Board shall meet no less than twice during each calendar year. Six members of the Board shall constitute a quorum.

(6) Members of the Board shall serve without pay, expect that they shall receive per diem and travel expenses in accordance with section 5703 of title 5, United States Code.

(7) Within one year of its appointment, the Board shall—

(1) hire a director for the Water Research Planning Center and a director for the Water Information Clearinghouse;

(2) determine the location, type of facilities, and other logistical requirements for the Center and the Clearinghouse; and

(3) determine programs and submit a budget request and justification to the Congress for fiscal year 1986.

(d) GENERAL AUTHORITY.—(1) In order to carry out the provisions of this Act, the Board shall have the authority to—

(A) prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization and personnel;

(B) make such expenditures as may be necessary for administering the provisions of this Act;

(C) enter into contracts or other arrangements with organizations or individuals in the United States and foreign countries, including other government agencies of the United States and of foreign countries, for study and dissemination activities as the Board deems necessary to carry out the purposes of this Act;

(D) acquire by purchase, lease, loan or gift, and to hold and dispose of by sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from, the exercise of authority granted by this Act;

(E) receive and use funds donated by others, if such funds are donated without restriction other than that they be used in furtherance of one or more of the general purposes of the Council;

(F) publish or arrange for the publication of appropriate information so as to further the full disseminaton of such information;

(G) accept and utilize the services of voluntary and uncompensated personnel and to provide transportation and subsistence as authorized by section 5703 of title 5, United States Code, for persons serving without compensation; and

(H) prescribe, with the approval of the Comptroller General of the United States, the extent to which vouchers for funds expended under contracts for water resource research and information dissemination shall be subject to itemization or substantiation prior to payment, without regard to the limitations of others laws relating to the expenditures and accounting of public funds.

(2) In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determinations, personnel, or curriculum, or the administration or operation of any State, local, or private school, agency, institution, organization, or association.

WATER RESEARCH PLANNING CENTER

SEC. 3. (a) ESTABLISHMENT.—There is established within the Water Research Foundation, a Water Research Planning Center (hereinafter in this Act referred to as the "Center").

(b) PURPOSES.—(1) The Center is authorized and directed to—

(A) support a broad range of studies in cooperation with other institutions, universities, and Federal and non-Federal agencies;

(B) correlate and link, as appropriate, Federal, State, academic, private sector, and other water related studies;

(C) determine additional research needs to make recommendations to the Congress and the President and to others;

(D) identify and recommend on a continuous basis long term research priorities to include those interrelated scientific, social, and legal concerns which affect water resources management and planning; and

(E) provide funding and other support for basic and applied research and related study efforts as approved by the Board, with emphasis on inter-disciplinary and interregional research for the enhancement of water quality, water quantity and supply, and the natural environment.

(2) The Center shall coordinate its activities with existing research efforts, both public and private, and the Clearinghouse in order to avoid the wasteful duplication of research and related study efforts. The Center may contract for required expertise and other capabilities with approval from the Board.

(c) DIRECTOR.—(1) The Center shall have a director who shall be appointed by the Board and shall be paid at a rate not to exceed the rate of basic pay payable to level V of the Executive Schedule.

(2) The Center may appoint and fix the pay of such additional personnel as the Center considers appropriate.

(3) The director and staff of the Center may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and may be made without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employee subject to the civil service laws and regulations who may

be employed by the Center shall retain civil service status without interruption or loss of status or privilege. In no event shall any employee of the Center other than the director receive as compensation an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

(4) Subject to the limitations of the following sentence and in accordance with the policies established by the Board, the director shall be responsible for implementing the purposes of the Center described in subsection (b), together with the performance of such other duties as may be delegated to him by the Board. No final action shall be taken by the director in the exercise of his authority under this Act unless the Board has reviewed and approved the proposed action.

(5) The director, with the advice of the Board, is authorized to establish and carry out a program of grants-in-aid to groups or, in appropriate cases, to individuals engaged in or concerned with water research and related studies for the purpose of enabling them to support the purposes of the Board described in subsection (b).

WATER INFORMATION CLEARINGHOUSE

SEC. 4. (a) ESTABLISHMENT.—There is established within the Water Research Foundation, a Water Information Clearinghouse (hereinafter referred to in this Act as the "Clearinghouse").

(b) PURPOSES.—(1) The Clearinghouse is authorized and directed to—

(A) identify and provide information in a timely manner to various user groups including academic institutions, engineers, scientists, business people, State government officials, Federal Government officials, public interest groups, members of the public media, trade associations, and other interested parties;

(B) analyze and synthesize water resource information from a large range of sources and provide references to additional sources of information;

(C) develop an information retrieval system to direct staff and clients to appropriate sources of information on water resources;

(D) evaluate the need, and establish as necessary, a system of regional and State organizations to serve as an integrated clearinghouse system; and

(E) carry out all other functions the Board deems appropriate to enhance its goal of providing a useful and continuous system for the dissemination of information on water-related topics.

(2) The Clearinghouse may support programs with educational purposes ranging from in-depth scholarly symposia, to activities for the employment and identification of individuals of all age groups who are interested in learning about water. These educational programs shall include information presentations at conferences and seminars, the development of publications on various water resource topics, and the development of other information to be made available to the general public.

(3) The Clearinghouse shall, from time to time, reevaluate the adequacy of its national information systems and make improvements as may be appropriate.

(c) DIRECTOR.—(1) The Clearinghouse shall have a director who shall be appointed by the Board and shall be paid at a rate not to exceed the rate of basic pay payable to level V of the Executive Schedule.

(2) The Clearinghouse may appoint and fix the pay of such additional personnel as the Clearinghouse considers appropriate.

(3) The director and staff of the Clearinghouse may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and may be made without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. Any Federal employee subject to the civil service laws and regulations who may be employed by the Clearinghouse shall retain civil service status without interruption or loss of status or privilege. In no event shall any employee of the Clearinghouse other than the director receive as compensation an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

(4) Subject to the limitations provided in the following sentence and in accordance with the policies established by the Board, the director shall be responsible for implementing the purposes of the Clearinghouse described in subsection (b), together with the performance of such other duties as may be delegated to him by the Board. No final action shall be taken by the director in the exercise of his authority under this Act unless the Board has reviewed and approved the proposed action.

(5) The director, with the advice of the Board, is authorized to establish and carry out a program of grants-in-aid to groups or, in appropriate cases, to individuals engaged in or concerned with water research and related studies for the purpose of enabling them to support the purposes of the Clearinghouse described in subsection (b).

REPORT

SEC. 6. Five years after the appointment of the Board, the Foundation shall report to Congress concerning—

(1) the activities and programs conducted by the Foundation in the first five years;

(2) the expenditures made by the Foundation during such period with an analysis of the impact of such expenditures; and

(3) whether the Congress should continue or terminate the Foundation with a justification for such continuation or termination.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. (a) GENERAL AUTHORIZATION.—There are hereby authorized to be appropriated—

(1) $2,000,000 for the fiscal year 1986 for the establishment of the Water Research Foundation, the Water Research Planning Center, and the Water Information Clearinghouse;

(2) $10,000,000 for each of the fiscal years 1987, 1988, 1989, and 1990 for operation of the Water Research Foundation, the Water Research Planning Center, and the Water Information Clearinghouse; and

(3) $300,000,000 for each of the fiscal years 1987, 1988, 1989, and 1990 for scientific and social research grants to carry out the purposes of this Act.

(b) PRIVATE DONATIONS.—In addition to the support provided by Federal appropriations, the Council may receive private donated funds to expand and enrich its programs. A report detailing the amount and sources of all donated funds shall be submitted to the Office of Management and Budget on an annual basis.

(c) OTHER FEDERAL AGENCIES.—The Council may receive federal grants and contracts from federal agencies and departments for special projects which can be conducted through the Center because of its ability to respond to specific water-related study on information dissemination needs.●

ADDITIONAL COSPONSORS

S. 49

At the request of Mr. MCCLURE, the names of the Senator from Missouri [Mr. EAGLETON], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Alaska [Mr. STEVENS], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

S. 58

At the request of Mr. DANFORTH, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 408

At the request of Mr. WEICKER, the names of the Senator from Pennsylvania [Mr. SPECTER] and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 536

At the request of Mr. HART, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 536, a bill to establish a select commission to examine the issues associated with national service.

S. 554

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 614

At the request of Mr. BUMPERS, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 614, a bill to amend section 3505 of title 44, United States Code, to further reduce the Federal paperwork burden on small businesses.

S. 653

At the request of Mr. ABDNOR, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Nevada [Mr. LAXALT] were added as cosponsors of S. 653, a bill to name the Federal Building located at 1200 Pennsylvania Avenue NW., Washington, DC, as the "Ariel Rios Memorial Federal Building".

S. 729

At the request of Mr. DURENBERGER, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 736

At the request of Mr. BUMPERS, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 736, a bill to amend the Bank Holding Company Act of 1956 to provide for the safe and sound operation of depository institutions.

S. 739

At the request of Mr. DIXON, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 739, a bill to establish a National Endowment for the Homeless.

S. 746

At the request of Mr. CHILES, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 746, a bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

S. 850

At the request of Mr. THURMOND, the names of the Senator from Maryland [Mr. MATHIAS] and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 850, a bill to create a Federal criminal offense for operating or directing the operation of a common carrier while intoxicated or under the influence of drugs.

S. 879

At the request of Mr. PROXMIRE, the names of the Senator from Vermont [Mr. LEAHY] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 879, a bill to authorize funds for research, development, test, and evaluation in connection with Strategic Defense Initiative programs and advanced strategic missile systems for fiscal year 1986, and for other purposes.

S. 881

At the request of Mr. KENNEDY, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Michigan [Mr. RIEGLE], the Senator from Arizona [Mr. DECONCINI], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 29

At the request of Mr. GLENN, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Joint Resolution 29, a joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 45

At the request of Mrs. HAWKINS, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. ANDREWS], the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Alabama [Mr. DENTON], the Senator from Kansas [Mr. DOLE], the Senator from North Carolina [Mr. EAST], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nevada [Mr. LAXALT], the Senator from Michigan [Mr. LEVIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Maryland [Mr. MATHIAS], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Georgia [Mr. MATTINGLY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Texas [Mr. GRAMM], the Senator from Virginia [Mr. WARNER], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 45, a joint resolution to designate "National Child Safety Week."

SENATE JOINT RESOLUTION 59

At the request of Mr. HATCH, the names of the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], the Senator from Ohio [Mr. GLENN], the Senator from Massachusetts [Mr. KERRY], the Senator from Nevada [Mr. LAXALT], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate "National Science Week."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Carolina [Mr. THURMOND], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. WILSON, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Ohio [Mr. METZENBAUM], the Senator from South Carolina [Mr. THURMOND], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nevada [Mr. LAXALT], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 86, a joint resolution designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week".

SENATE JOINT RESOLUTION 87

At the request of Mr. MURKOWSKI, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of Senate Joint Resolution 87, a joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A Recognition Day".

SENATE JOINT RESOLUTION 104

At the request of Mr. DENTON, the names of the Senator from Georgia [Mr. MATTINGLY], the Senator from South Dakota [Mr. ABDNOR], the Senator from Maine [Mr. COHEN], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 104, a joint resolution to proclaim October 23, 1985, as "A time of remembrance" for all victims of terrorism throughout the world.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. CRANSTON, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of the Congress that May 18, 1985, should be commemorated as the

20th anniversary of the establishment of the Head Start Program and reaffirming congressional support for the Head Start Program.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. PROXMIRE, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Concurrent Resolution 36, a concurrent resolution expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations.

SENATE RESOLUTION 81

At the request of Mr. ARMSTRONG, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senator Resolution 81, a resolution to establish regulations to implement television and radio coverage of proceedings of the Senate.

SENATE RESOLUTION 130

At the request of Mr. WALLOP, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Nevada [Mr. HECHT,] the Senator from Idaho [Mr. MCCLURE], the Senator from Kentucky [Mr. FORD], the Senator from Arkansas [Mr. PRYOR], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Maine [Mr. COHEN], the Senator from Florida [Mr. CHILES], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arkansas [Mr. BUMPERS], the Senator from Missouri [Mr. EAGLETON], the Senator from Connecticut [Mr. DODD], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from South Dakota [Mr. ABDNOR], the Senator from Colorado [Mr. ARMSTRONG], the Senator from West Virginia [Mr. BYRD], the Senator from Alaska [Mr. STEVENS], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Mississippi [Mr. STENNIS], the Senator from Montana [Mr. MELCHER], the Senator from Maine [Mr. MITCHELL], the Senator from Virginia [Mr. WARNER], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. LEAHY], the Senator from Oregon [Mr. PACKWOOD], the Senator from Louisiana [Mr. LONG], the Senator from New York [Mr. D'AMATO], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Florida [Mrs. HAWKINS], the Senator from Tennessee [Mr. SASSER], the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. ANDREWS], the Senator from Arizona [Mr. DECONCINI], the Senator from Maryland [Mr. MATHIAS], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Resolution 130, a resolution relative to the Sport Fish Restoration Trust Fund.

SENATE RESOLUTION 133—DIRECTING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 133

Whereas, the case of *The Christian Broadcasting Network, Inc. v. Carol Ann Kadushin, d/b/a Capital Broadcast News,* Civil Action No. 84-1821, is pending in the United States District Court for the District of Columbia;

Whereas, defendant has served a trial subpoena for testimony and documents on Max Barber, Superintendent of the Senate Radio and Television Gallery;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent members and employees of the Senate in civil actions relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Max Barber in the case of *The Christian Broadcasting Network, Inc. v. Carol Ann Kadushin, d/b/a Capital Broadcast News.*

SEC. 2. That Max Barber is authorized to testify and to produce subpoenaed documents in the case of *The Christian Broadcasting Network, Inc. v. Carol Ann Kadushin, d/b/a Capital Broadcast News* except concerning matters that the Senate Legal Counsel or his representative determine are privileged from disclosure.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. COHEN. Mr. President, I wish to announce that the Senate Oversight of Government Management Subcommittee will hold a hearing on Oversight of the Office of Government Ethics on Wednesday, April 24, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COHEN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Monday, April 15, to hold a hearing on conservation and research and extension.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. COHEN. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Monday, April 15, to hold a hearing on fiscal year 1986 authorization for HUD and Rural Housing and Mass Transit Authority.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1985 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared the Federal Supplemental Compensation Phaseout Act, H.R. 1866, for the President's signature.

The report follows:

REPORT NO. 85-5: REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 280—REFLECTING COMPLETED ACTION AS OF APR. 3, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Budget resolution level	1,021,350	932,050	750,000
Current level	1,015,973	933,364	750,739
Amount remaining	5,377	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $5,377 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 280 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 280 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 280.●

NATIONAL CHILD SAFETY WEEK

● Mr. D'AMATO. Mr. President, I am pleased today to join as a cosponsor of Senate Joint Resolution 45, which designates September 8 through 14 as National Child Safety Week. Child safety is something we should be concerned about not just during the month of September, but throughout the year as well. Children are our most precious resource, they are the innocent future of this great country.

Both children and parents must know that America is a safe place for them. They deserve nothing less. Therefore, I have introduced legislation, the National Child Protection Act (S. 142), to prevent the sexual abuse, exploitation, and molestation of our children. This legislation can provide us with the needed information to detect and deter the abuse of our children. Every opportunity that I get, I will make certain that child molesters know that we will not tolerate their abnormal behavior. Our children will be protected. The safety of our children is our responsibility.

This resolution increases public awareness of the needs of our youth and their families. Increased awareness of the etiology and prevention of child sexual abuse will help us stop this despicable crime. We must begin to focus attention on methods of preventing harm to the most vulnerable. Mr. President, I firmly believe that this resolution will help toward this effort. It promotes child safety and protection. Child molesters, and others who prey on young innocent lives, must know that we will not stop fighting for the safety of our children. I will continue my fight to save our children until all of them are safe.

Mr. President, I urge my colleagues to join me in cosponsoring this resolution. It heightens awareness of the crimes our children face and asserts that we will not tolerate such crimes. Children are our concern during National Child Safety Week and every other week throughout the year.●

LET'S CONTINUE THE WORK OF ARC

● Mr. SASSER. Mr. President, I am pleased to join with my colleagues, Messrs. ROCKEFELLER, BYRD, SARBANES, HEINZ, STENNIS, HOLLINGS, MOYNIHAN, METZENBAUM, GLENN, HEFLIN, PRYOR, SPECTER, GORE, and BUMPERS in sponsoring S. 847, the Appalachian Regional Development Act Amendments of 1985. This is critical and much needed legislation. The work of the Appalachian Regional Commission has brought progress and promise to this economically depressed region of the country. Enactment of S. 847 will help Appalachia to finish the job.

The economic prosperity of this region is a shared concern of the several States. For far too many years now, indeed, decades, Appalachia has languished on the fringes of our Nation's economic growth. The Appalachian Regional Commission, for two decades, has been the driving force in the effort to correct this inequity. Because of ARC, people from Ohio to New York to Tennessee and Mississippi have witnessed a positive change in the quality of their lives. Appalachia has come a long way. America can help Appalachia to finish the job.

The Reagan administration has been repeatedly remiss in its responsibilities toward Appalachia. For years now, this administration has sought the elimination of ARC and this year is no different. If enacted, the Reagan administration's fiscal year 1986 budget for ARC would pull the plug on two decades of critical economic development. Through its fiscal year 1986 budget, the Reagan administration essentially turns its back on Appalachia.

But ARC has meant too much to too many people in the 397 counties of the 13-State Appalachian region. Now is not the time to call it quits on Appalachia. Rather, now is the time to strengthen our resolve to see the job completed.

Mr. President, because of ARC, Appalachia is no longer physically isolated from the rest of the Nation. The ARC highway program has opened up this region for development. The highway system, some 2,471 miles proposed, has helped provide easier access to schools, medical facilities, and housing.

Over $335.7 million has been invested by ARC in vocational education programs. By 1980, the number of Appalachians with 4 or more years of high school increased 75 percent from the 1960 level of 32.8 percent.

Mr. President, education is not a luxury. It is a basic right to which all Americans should have equal access and opportunity.

Through its community building program, ARC has helped Appalachia America to help itself. Grant assistance moneys, totaling some $464.6 million, have helped to provide basic public services such as safe drinking water, sanitary waste disposal, and recreation facilities.

Also, Mr. President, not the least of ARC's 20-year achievements is its work in providing critical health and child development programs. Since 1965, ARC has funded 1,771 health and 533 child development programs with $605.8 million in ARC funds, $240.3 million from other agencies, and $704.5 million in State and local funds. The work of ARC has been a shared Federal, State, and local commitment to improvement.

Because of ARC, the Appalachia region has turned the tide on an alarming rate of infant mortality, which, in some counties, still reaches a staggering 50 percent higher than the national average.

S. 847 provides a critical means to continue assistance efforts to Appalachia. This legislation is an important means by which we can continue to combat illiteracy, infant mortality, isolation, and economic despair. Enactment of S. 847 would continue the ARC highway program through 1992. This would enable some 470 additional highways to be constructed. S. 847 would also extend the important economic development programs of ARC through 1988.

The Appalachian Regional Commission is as relevant today as it was in 1965. Through the years, it has taken a shared National, State, and local effort to make ARC work. ARC is a prime example of federalism that works. ARC works for Appalachia and America. I urge my colleagues to join me in supporting the continuation of the Appalachian Regional Commission.●

NATIONAL SCIENCE WEEK

● Mr. D'AMATO. Mr. President, I am pleased today to join as a cosponsor of this resolution, Senate Joint Resolution 59, which designates May 12-18, 1985, as National Science Week. We should not only be concerned about science during May, but throughout the year as well. This resolution calls attention to the importance of science for all of America.

National Science Week celebrates past scientific achievements and inspires future advancement. It is essential that we continue to heighten public awareness and commitment to technologies that make this country strong and prosperous. Our children must be provided with scientific information to enhance their understanding of the complexities with which we live. They need to know the basics to help them solve future problems. Our children are the scientists of tomorrow.

We need programs that stimulate student interest in science and mathematics, which is vital for continued U.S. technological strength and development. Therefore, I am pleased that the National Science Foundation has joined with four U.S. corporations in promoting National Science Week. The four companies are: Dupont, IBM, Eastman Kodak, and General Electric. During this special week of events, television and radio programs, museum exhibits, open houses at research facilities, and other events will draw

public attention to this fascinating subject. This national effort, from diverse groups and organizations, will have a dual approach to the study of science; it will show how science is both challenging and fun.

Mr. President, this resolution provides a unique opportunity to focus public attention on the importance of science and technology. This resolution is part of our continuing effort to make certain that science has every opportunity to continue to advance and that our children are advanced in science. Therefore, Mr. President, I urge my colleagues to join me in cosponsoring National Science Week.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. Any portion which is classified information has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 27, 1985.

In reply refer to I-01111/85ct
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-19, concerning the Department of the Air Force's proposed Letter of Offer to Saudi Arabia for defense articles and services estimated to cost $77 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

[TRANSMITTAL NO. 85-19]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Saudi Arabia

(ii) Total estimated value:

	Million
Major defense equipment [1]	$0
Other	77
Total	77

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Cooperative logistics supply support arrangement (CLSSA) under a foreign military sales order II (FMSO II) blanket order requisition for spare parts and supplies to support U.S. origin equipment now in Saudi Arabia's inventory.

(iv) Military Department: Air Force (KBZ).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending 31 March 1984.

(viii) Date report delivered to Congress: 27 March 1985.

POLICY JUSTIFICATION

SAUDI ARABIA-COOPERATIVE LOGISTICS SUPPLY SUPPORT

The Government of Saudi Arabia has requested the purchase of a cooperative logistics supply support arrangement (CLSSA) under a foreign military sales order II (FMSO II) blanket order requisition for spare parts and supplies to support U.S. origin equipment now in Saudi Arabia's inventory at an estimated cost of $77 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own self-defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support the Saudi Arabian effort to improve the security of the country through modernization of the Saudi Armed Forces. In addition, enhancement of the defensive capabilities of Saudi Arabia in a regional context will also contribute to overall Middle East peace.

This sale will provide the CLSSA FMSO II for spare parts and supplies necessary for Saudi Arabia to maintain its U.S. origin Air Force equipment.

The sale of this equipment and support will not affect the basic military balance in the region.

Procurement of these items and services will be from private contractors.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC., April 1, 1985.

In reply refer to I-01291/85ct
Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-20 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to Thailand for defense articles and services estimated to cost $360 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

GLENN A. RUDD,
Acting Director.

[TRANSMITTAL NO. 85-20]

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Thailand.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$200
Other	160
Total	360

[1] As defined in sec. 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: A quantity of 12 F-16A/B aircraft with government-furnished aeronautical equipment for installation during production, aircraft spares, support equipment, and training.

(iv) Military department: Air Force (SKA).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid:

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Case not included in sec. 28 report.

(viii) Date report delivered to Congress; April 1, 1985.

POLICY JUSTIFICATION

THAILAND—F-16 AIRCRAFT

The Government of Thailand has requested the purchase of a quantity of 12 F-16A/B aircraft with government-furnished aeronautical equipment for installation during production, aircraft spares, support equipment, and training at an estimated cost of $360 million.

This sale will contribute to the foreign policy and national security objectives of the United States by helping to improve the security of Thailand, an ally which is an important force for peace and regional stability in Southeast Asia. This sale will also contribute to maintaining the current balance within the region.

Sale of the F-16A/B aircraft to Thailand will strengthen Thai air defenses enabling Thailand to provide for its own security and thus reduce the likelihood of armed aggression against Thailand. With the recent deployment of MIG-23 aircraft to Vietnam and increased Vietnamese activities along the Thai-Kampuchean border, it is important to honor the Thai request for F-16A/B aircraft to provide the capability to respond to the increased threat.

The sale of this equipment and support, will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Forth Worth, Texas.

Implementation of this sale will require the assignment of one additional U.S. Government representative to Thailand for one year; and, 30 additional contractor representatives will be required in-country for 24 months.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,

Washington, DC., March 27, 1985.
In reply refer to I-15443/84ct
Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN. Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-21 and under separate cover the classified annex thereto. This transmittal concerns the Department of the Army's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $65 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 85-21

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Pakistan.
(ii) Total estimated value:

	Millions
Major defense equipment[1]	$53
Other	12
Total	65

[1] As defined in sec. 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: A quantity of 15 AN/TPQ-36 radars and related support.
(iv) Military department: Army (VDV).
(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.
(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.
(vii) Section 28 report: Included in report for quarter ending 30 September 1984.
(viii) Date report delivered to Congress: 27 March 1985.

POLICY JUSTIFICATION

PAKISTAN—AN TPQ-36 RADARS

The Government of Pakistan has requested the purchase of a quantity of 15 AN/TPQ-36 radars and related support at an estimated cost of $65 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan. Pakistan plays an increasingly greater role as a stabilizing force in the Indian Ocean region. It is strategically important in the defense of sea lines of communication in the Arabian Sea and approaches to the Persian Gulf.

The Government of Pakistan requires these weapon-locating radar systems as a primary means of countering hostile mortar fire. This sale is a part of Pakistan's overall force modernization plan.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Corporation of Fullerton, California.

Implementation of this sale will require the assignment of four additional U.S. Government personnel for one month and one contractor representative for 12 months to Pakistan.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 28, 1985.
In reply refer to I-00557/85ct
Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-22 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Pakistan for defense articles and services estimated to cost $50 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

GLENN A. RUDD,
Acting Director.

TRANSMITTAL No. 85-22

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Pakistan.
(ii) Total Estimated Value:

	Millions
Major defense equipment [1]	$43
Other	7
Total	50

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles of services offered: A quantity of 500 AIM-9L air-to-air missiles with related support equipment, spare parts, training, and technical assistance.
(iv) Military department: Navy (ABU).
(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.
(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.
(vii) Section 28 report: Case not included in sec. 28 report.
(viii) Date report delivered to Congress: March 28, 1985.

POLICY JUSTIFICATION

PAKISTAN-AIM-9L MISSILES

The Government of Pakistan has requested the purchase of a quantity of 500 AIM-9L air-to-air missiles with related support equipment, spare parts, training, and technical assistance at an estimated cost of $50 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Pakistan to increase its capability to provide for its own security and defense, particularly in view of the increased threat resulting from the Soviet invasion of Afghanistan. Pakistan plays an increasingly greater role as a stabilizing force in the Indian Ocean region. It is strategically important in the defense of sea lines of communication in the Arabian Sea and approaches to the Persian Gulf.

The Government of Pakistan needs these AIM-9L missiles to improve its air defense posture. Acquisition of these AIM-9L's will give Pakistan an all-aspect air-to-air missile which will enhance the capability to deter and defend against persistent air incursions from Afghanistan. The Pakistan Air Force is qualified to absorb these missiles.

Pakistan Air Force's best fighter aircraft, the F-16's are handicapped in countering the air threat from Afghanistan by the absence of an air-to-air missile with a forward hemisphere intercept capability. Purchase of the AIM-9L will help rectify this deficiency.

The sale of this equipment and support will not affect the basic military balance among the regional states.

The prime contractors will be the Raytheon Corporation of Lowell, Massachusetts and the Ford Aerospace Corporation of Newport Beach, California.

Implementation of this sale will require the assignment of three additional U.S. Government personnel for one month and four contractor representatives for one month to Pakistan.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

WEAPON SYSTEMS

● Mr. QUAYLE. Mr. President, there appears in the March issue of Air Force magazine, which is published by the Air Force Association, an excellent article by Lt. Gen. Robert D. Russ, Deputy Chief of Staff for Research, Development, and Acquisition, explaining the emphasis which the Air Force is placing on reliability and maintainability of weapon systems. I think all Senators will find General Russ' discussion of this important subject interesting, and I ask that the article be printed in the RECORD.

The article follows:

FOURTH WHEEL ON THE ACQUISITION WAGON

(By Lt. Gen. Robert D. Russ, USAF)

Historically, cost, schedule, and performance have been the dominant management wheels in the acquisition process. To move forward, a system had to fit the acquisition budget, join the force when it was needed, and perform as advertised. A fourth and vital wheel—reliability and maintainability, or R&M—while not ignored, clearly received less emphasis than the other three. Because of this, many of our acquisition wagons didn't roll as well as they should have. The time has come to give that fourth wheel the same priority and emphasis that have been accorded the other three.

The desirability of reliable and maintainable systems has long been recognized, but persuit of such reliability has been erratic. Life-cycle costs, which are strongly driven by R&M, have often assumed a secondary role in the effort to produce system performance within budgeted front-end costs. Given the options to pay now or pay later, the choice was almost always the latter. That practice is no longer acceptable.

To understand why the Air Force is so keenly interested in R&M, three factors that strongly affect Air Force capability must be considered. These are manpower, both in numbers and skills, the rising cost for maintaining large inventories of spare parts, and, most important of all, the need to get more combat effectiveness from each weapon system.

CONSTRAINTS ON MANPOWER

To generate sorties, many highly skilled technicians are required. Of the some 490,000 enlisted personnel in the Air Force today, one in three is involved in maintaining aircraft. As we add new capabilities to

the force structure (with GLCM, for example) and as we increase the size of the force structure (as with the C-5B), we cannot expect large increases in our authorized strength. Even if we had the congressional authorizations and could afford the price for training and salaries, there is no assurance that larger numbers of high-quality people will be available. The future recruiting picture is less favorable than that of today because of demographic trends, private-sector competition, and changing attitudes.

The manpower question is not just one of numbers; it's also one of skills. A smaller manpower pool with substantially better prospects for employment in the civilian sector means not only a tougher time in recruiting the number of personnel needed, but also an increased difficulty in obtaining personnel with the ability to master highly technical skills. Therefore, our new systems must be designed so they break less often and are easier to repair when they do break. Such systems will provide more capability through increased availability and reliability. Further, they will require fewer people and lesser skills to maintain the force structure.

We have made some significant improvements in recent years, and current systems are more reliable and maintainable than the systems they replaced. The F-15, our air-superiority fighter, needs one-third fewer maintenance man-hours per flying hour than the F-4. The F-16 requires only about half as many maintenance man-hours per flying hour as the F-4. Our newer systems will continue this emphasis on reduced manpower. The C-17 will require about a third of the C-5's maintenance man-hours.

However, we need to reduce manpower at an even faster rate, and the opportunities to do so are clearly available. Currently, an F-16 wing with seventy-two aircraft requires 206 people providing "hands-on maintenance" for the fire-control systems and engines. If we were able to improve the reliability of these systems twofold, we could reduce this group by forty percent. That means we could free eighty-two men and women to help support other needs of the Air Force.

The recent Alternate Fighter Engine competition resulted in a significant achievement in reliability and maintainability. Through an eminently successful competition between the two major engine contractors, the Air Force is now obtaining engines for the F-15 and F-16 aircraft that will save the government between $2 billion and $3 billion in support costs over the twenty-year life cycle. The overhaul period for the cores of these engines has been extended to more than eight years of operational use, compared to the approximately four-year overhaul interval for today's F-15 and F-16 engines. Benefits gained from the engine competition will continue to accrue through the use of comprehensive warranties. They contain positive and negative incentives that ensure that the contractors will deliver engines that continue to perform to specification levels in extended field use.

SPARES AND READINESS

Increasing system reliability also drives down life-cycle costs by reducing the number of spares required. And spare parts are big business. The Air Force manages some 835,000 different types, and the parts inventory is worth more than $38 billion. In Fiscal Year 1985, the budget contained more than $6 billion for spares. Management of spare parts involves a huge, complex system that employs hundreds of thousands of people.

The higher the reliability of our systems, the lower the requirement for spare parts, transportation assets, repair facilities, and storage locations. But better reliability means more than solving manpower and spare-parts problems. Its impact is on readiness and system effectiveness—in short, on our ability to fight.

Today's F-15 is quite a different aircraft from the F-15 delivered ten years ago. Configuration changes have improved the performance capability of the fire-control and electronic warfare systems. The plane's range is greater. Reliability of F-15 subsystems has improved to the point where the aircraft today can fly two and a half times longer between corrective maintenance actions than it could a decade ago.

Mission-capable rates are also affected by maintainability improvements. If systems can be designed to ease troubleshooting and repair, more sorties can be generated. The F-15 force in 1984 flew fifty percent more missions per month per aircraft than its counterpart in 1975.

A one percent increase in the mission-capable rate for a force of 700 F-15s is the equivalent of adding seven more F-15s to the inventory.

The F-15E will be even more capable than today's F-15, and with better field reliability. The aircraft will be equipped with a ring-laser gyro inertial navigation system that has the potential for a tenfold improvement in reliability. Another example of improved reliability and maintainability can be found in the F-15E engine monitor display. It deletes twenty cockpit instruments and puts the same information in one display. It improves flight operations by improving the pilot's visibility while saving nine pounds in aircraft weight. But, most important, the Mean Time Between Failure (MTBF) rates are projected to climb from a cumulative eighty-four hours for the twenty-instrument system to 1,000 hours with the new system, illustrating that intelligent application of modern technology allows us to improve both reliability and performance.

R&M AND THE B-1B

The new B-1B strategic bomber also provides some excellent examples of what can be done when proper emphasis is placed on R&M. As the Air Force begins taking possession of new B-1B this year, the benefits of R&M planning will become evident. Examples of subsystem improvements range from a complex oxygen-generating system to simple light bulbs.

The aircraft uses a new Molecular Sieve Oxygen Generating System that makes its own oxygen during flight. It will replace the old liquid-oxygen systems that required extensive ground equipment to replace the oxygen prior to each flight. This one improvement is anticipated to net the Air Force a savings of more than $17 million.

The B-1B also has a new built-in Central Integrated Test Subsystem, which can test and check out avionics systems while the aircraft is in flight or on the ground. In the ground mode, the integral subsystem eliminates the need for almost all flight-line, subsystem, and specialized test and support equipment. The result is a savings of more than a half billion dollars and a sixty percent reduction in specialized maintenance personnel.

An electronically steerable phased-array antenna will improve antenna system reliability on the B-1B by a factor of three. The rotary launcher, which will accommodate multiple weapons, is designed to be a common strategic system carrier. The commonality standardizes loading procedures, reduces training, and requires fewer spares and support equipment.

Even the light bulbs on the B-1B will be more reliable. With new push-button switches and dual high-reliability integral lamps, we expect life-cycle cost savings of more than $6 million in light bulbs alone. The lamps are so reliable that the control panels themselves will fail and require maintenance long before both bulbs in any one switch fail.

The limits on system reliability are often those limits we impose unknowingly on ourselves. We have seen in a number of subsystems that a concerted effort to build for reliability has yielded Mean Time Between Failure rates that are far better than expected. There is no reason we cannot double the maintenance interval rates on every system we have. Some could be improved manyfold.

EARLY EXPERIENCE WITH MINUTEMAN

Our experience with the Minuteman strategic missile is an example of what can be accomplished when a concerted effort is made to improve the reliability of a system.

When the Minuteman I was first deployed, the guidance system failed about every 600 hours. The guidance can was removed some fifteen times a year per missile. Moreover, maintenance people took seven days to remove, reinstall, calibrate, and warm up the guidance system and put it back on line. The average out-of-commission rate was 105 days a year.

In 1963, $150 million was invested to improve Minuteman reliability. As a result, Mean Time Between Failures of the guidance system rose to 9,000 hours. Less than one removal per year per silo became the norm for the fleet, and missile availability rose significantly. We saved $1.5 billion with that $150 million investment. Today's Minuteman guidance system has been further improved. It enjoys more than 10,000 hours Mean Time Between Failure.

At Vandenberg AFB, Calif., on October 17, 1984, the seventy-second Minuteman I missile ever built was launched in a research experiment. It was the first time that a twenty-year-old Minuteman had ever been launched. All three missile stages and the guidance set, built in 1964, performed exactly to orginal specifications.

Last September, the Secretary of the Air Force and the Chief of Staff of the Air Force issued a policy memorandum to all major commands that outlined the Air Force commitment to institutionalizing reliability and maintainability in all weapon systems. Two things were of special importance in this commitment. First, it related improved R&M directly to the need to lower manpower requirements, improve operational effectiveness, and reduce life-cycle costs. Secondly, it required development of an Air Force action plan to ensure that these important objectives were met.

Since issuance of the memorandum, an action plan has been developed to ensure that R&M will be a primary program objective throughout the acquisition of production and use.

Reliability and maintainability are not new subjects for the Air Force. In developing the plan, a wealth of information—including a thorough review of prior successes and failures—was examined. Existing policies came under close scrutiny, particularly

those policies that might create "disincentives" or roadblocks. This review reaffirmed that R&M must be designed into new systems as well as into existing systems through modifications and the replacement of subsystems.

LIST OF NEEDED ACTIONS

The action plan is aimed at accelerating R&M improvements. To ensure that this vital fourth wheel on the acquisition wagon continues to receive proper emphasis, a list of needed actions was developed.

First, Air Force objectives will be identified and established. By objectives, I refer to resource goals set at Headquarters Air Force level that relate directly to mobility, manpower, and life-cycle cost requirements. These objectives will be translated into firm program requirements at the major commands. These requirements will be monitored across the Air Force. To ensure that the Air Force stays on track, doctrine and policy will be updated to tie R&M to operational requirements.

Second, organizational changes are being made to establish focus and accountability for R&M. Reliability and maintainability advocacy will offer a combination of technical expertise, improved program coordination, and greater R&M exposure.

Third, a system to ensure integrated R&M planning throughout the Air Force is being created. Major commands will be responsible for R&M planning within their operations, and the planning will involve all weapon systems. In addition, planning will cover other areas, such as personnel levels. It will include technology roadmaps to ensure that new capabilities bring reliability and maintainability with them.

Fourth, a long-range program for communicating our concerns and motivating our people about R&M must be part of this institutionalization process. We will explain our actions to Air Force people and to industry to ensure that there are no lingering doubts as to the Air Force commitment to R&M.

The fifth area involves accountability and feedback. To ensure that R&M is being given consideration at least equal to that given the other acquisition wheels of cost, schedule, and performance, program reviews of reliability and maintainability factors will be scrutinized at all levels. Emphasis from the Inspector General and from the R&M staffs will be increased. Independent review teams will examine the weapon system R&M programs in detail. If R&M is to be an equal wheel, we must give it the same emphasis now provided cost, schedule, and performance. We will tract, measure, and review R&M from cradle to grave, as it were.

INFLUENCING CONTRACTORS

Finally, it is the contractor who designs and builds R&M into the systems. Therefore, we will influence the contractor's R&M performance directly. Addressing reliability and maintainability at conferences and in articles is useful, but we expect to gain industry's undivided attention to R&M through strong contractual incentives, both positive and negative. By raising the consideration level of R&M in source selection, increasing R&M incentives during development, insisting on warranties in production, and extending the contractor's participation and responsibility beyong the factory and into the field, we will be able to bring about the improvement that is desired.

This nation is fortunate to have been endowed with brilliant scientists and engineers who have developed and applied advanced technology that is the envy of the world. The capabilities of our systems have been our strong suit in the balance of power, enabling us to maintain credible deterrence in the face of superior numbers.

However, an equation based on the balance of cost, schedule, and performance pervades our acquisition system today from the drawing board through the assembly plant to the flight line. It has provided us with highly capable systems. But the price we have paid for manpower and training, for spare parts, for support equipment, for out-of-commission rates, and for mobility restraints is too high and can no longer be allowed to continue. We must strengthen this equation by including R&M as a prime management parameter. The technology—with the dedicated people who developed and applied that technology—can create reliability and maintainability.

The Air Force is committed to an acquisition wagon with four equal wheels, a wagon that runs smoothly and efficiently because R&M has been given proper emphasis from beginning to end.●

ETHNIC AMERICAN DAY

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation introduced by my good friend and colleague from South Dakota. This legislation, Senate Joint Resolution 32, would make September 15, 1985, "Ethnic American Day" and would illuminate the contributions to the United States of all American citizens, who, like myself, have roots in other nations around the world.

As the land of opportunity, the United States has offered immigrants from all over the globe the ability to better themselves in a way their own country would or could not. In turn, these immigrants have created a social and cultural diversity which truly cannot be appreciated by any other country in the world. For example, New York City boasts the most diverse melting pot in the world; places such as Chinatown, Little Italy, and Harlem provide the city with a truly unique and very special identity.

Ethnic Americans have given of their lives in defending the United States and they have made significant contributions to the United States in the arts, sciences, medicine, business, and government. Ethnic Americans have played a role in developing the greatest society in the world today.

I am proud to cosponsor Ethnic American Day for it will recognize and celebrate the tremendous value of ethnic Americans to the United States. September 15, 1985, will be a day for all of America to celebrate.●

BIRTH CONTROL: A GRIM GAME OF NUMBERS

● Mr. HUMPHREY. Mr. President, I know we have all reacted with horror to the reports coming out of the People's Republic of China which tell of forced abortions, forced sterilizations, and female infanticide. This is wreaking havoc with the population. Chinese who feel they must have a boy are driven to female infanticide under the "one couple, one child" policy. This stringent "one child" policy has resulted in a serious disproportion of sexes in some areas where infant boys are found to outnumber girls 5 to 1, according to the Washington Post.

In reviewing the eyewitness accounts of this tragedy given by anthropologist Steven W. Mosher, I am outraged by the cruel and unrelenting enforcement of the Chinese coerced abortion program. The reported incidents are appalling and poignant beyond words. We must be fully aware of these heinous crimes against women and families, and respond without equivocation.

Mr. President, I ask that the entire chapter entitled "Birth Control: A Grim Game of Numbers" from Mr. Mosher's book, "Broken Earth, the Rural Chinese," be printed in the RECORD.

The chapter follows:

BIRTH CONTROL: A GRIM GAME OF NUMBERS

(By Steven W. Mosher)

(Birth control is a way of slaughtering the Chinese people without drawing blood.—People's Daily editorial, 1952)

(Socialism should make it possible to regulate the reproduction of human beings.—Vice Premier Chen Muhua, 1979)

The Chinese government, it turns out, is deadly serious about birth control. That is not what you would think from the sheer mass of the Chinese population, numbering over 1 billion, or one-fifth of the world's population, at last count. And that is not the way it seems when you enter the main gate of the Yuexiu Park in the northern section of Guangzhou City on any day of the week to be confronted with a 1-million-square-meter carpet of people of all ages. Nor is that the impression left by walking through the narrow alleyways of a Chinese village and encountering band after band of little urchins playing in front of their high-walled brick homes. But it is what I found when I attended a family-planning meeting at Equality Commune.

Family-planning meetings, which all women who were pregnant with their third or later child were required to attend, or who had had their first child within the last four years, had already been in progress for four days in each of the commune's twenty brigades, and over 300 women had agreed to terminate their pregnancies under urging from local cadres. An equal number of village women had not acceded to the cadres' demand, however, and the commune revolutionary committee had decided to move the meetings to the commune headquarters, where their progress could be more carefully monitored and senior cadres placed in charge. The sessions continued to be segregated by brigade and led by high-ranking cadres, usually the Party secretary or assistant Party secretary of the brigade in question, but now a member of the commune revolutionary committee was present as well. Their goal was to implement the directive issued by the Guangdong provincial revolutionary committee restricting couples to no more than two children, thus holding

down the rate of population increase in the commune to the prescribed 1.0 percent.

From Sandhead Brigade there were eighteen women, all from five to nine months pregnant, and many red-eyed from lack of sleep and crying. They sat listlessly on short plank benches arranged in a semicircle about the front of the room, where He Kaifeng, a commune cadre and Communist Party member of many years' standing, explained the purpose of the meeting in no uncertain terms. "You are here because you have yet to 'think clear' about birth control, and you will remain here until you do." He spoke to the women with an ease that bespoke many years of experience in mass meetings, but his message to the women was anything but reassuring. "China must develop, and we will gradually develop China into a strong socialist state," he continued, "But whether or not we develop depends on controlling our population."

Then he began to reason with the women about their concerns. "We know that you want a son in order to be secure in your old age. But remember that you are still young. As the country develops, it will create welfare programs. By the time you are old, you will not have to worry about who is going to support you. The government will support you." Speaking directly to the several women present who had brought along their girl children, he said, "You must remember that some girls can be as filial as boys. And you can always call in a son-in-law. I know one in Sandhead Brigade who treats his mother- and father-in-law as if they were his own parents. I hope that everyone will think more clearly about this problem, discuss this problem with relatives, and agree to an abortion."

Up to this point he had spoken in a persuasive, not unfriendly fashion, but then he heard one of the women mutter something about the Communist Party to her neighbor, and his voice became loud and hard. "Don't say anything against the Communist Party," he warned sternly. "It is very concerned about you. The Party is not saying that you are not allowed to have children, just that two children are enough, and that it is best to have just one child."

The sudden edge in his voice surprised me. He Kaifeng was of medium height, with close-cropped gray hair and a benevolent, grandfatherly expression. He kept his Mao jacket open at the neck, and he wore sandals, unlike most of the other ranking commune cadres, who wore leather shoes. He had originally been a peasant, and still had something of the folksy, downhome manner of the villager. But at the meeting he was official and distant, all propaganda and Party line.

I was even more taken aback by his next remark. Looking coldly around the room, he said slowly and deliberately, "None of you has any choice in this matter. You must realize that your pregnancy affects everyone in the commune, and indeed affects everyone in the country." Then, visually calculating how far along the women in the room were, he went on to add, "The two of you who are eight or nine months pregnant will have a caesarean; the rest of you will have a shot which will cause you to abort." Several of the women were crying by this point, and Comrade He Kaifeng apparently decided that his words had the proper impact, for he went back to the table at the end of the room and took his seat with the other cadres.

There matters were left for a half an hour or so, in order, He Kaifeng told me afterwards, to allow the women time to think about what he had said. "They must be made to realize the seriousness of this matter before they will think clear about abortion," he explained. At the end of this intermission, Chen Shunkui, the assistant Party secretary of Sandhead Brigade, strode to the center of the room and began to talk to the women. In contrast to He Kaifeng, who had been stern and authoritarian, even threatening the women, Chen Shunkui was relaxed and easygoing, and joked with the women at several points. He was a slender man of medium height, with a sort of awkward pleasantness about him. Although a cadre, he was called by his first name by his fellow villagers, and he was even more informal with them, often using their nicknames.

"We aren't forcing you to abort," he said, taking the edge off of He Kaifeng's concluding remark. "The decision to undergo an abortion has to be made by you yourselves. But in making this decision, you have to consider not only yourselves but the country and the collective as well. Obviously the country needs to control its population for the sake of the Four Modernizations. The collective, as well, needs to limit its population."

This was, as I knew, perfectly correct. At the time of the 1952 land reform Sandhead Brigade had had only 3,480 residents all told. The 1979 annual census registered a total of 8,010 brigade members, for an increase of 130 percent in twenty-seven years. Like most other collectives, Sandhead had already brought all available land under cultivation, and further population expansion would only lower per capita resources to even more marginal levels.

"There is already only one-sixth of an acre for each person in the village," he continued. "Having more children is only going to make it more difficult for all of us to make a living."

Chen Shunkui spoke in a light and rather matter-of-fact fashion, befitting the fact that he was talking with friends and neighbors. "The commune Party committee is quite concerned about you. They have even"—here his tone brightened even further—"arranged to have cars pick you up and take you to the commune clinic for the operation and back to the village when it is over." Several of the women laughed out loud at the outrageous thought of riding in a car, a Cinderella-like fantasy for peasant women, some of whom have never even ridden on a bus. The laughter broke the ice, and one woman, voicing a concern of many, called out, "What about safety?" Chen Shunkui had a ready answer. "The commune has arranged for two doctors from the Red Wind People's Liberation Army Hospital in Guangzhou to take charge of the operations. The abortions will be done properly. You will be safe and secure. The doctors are experts." Chen Shunkui paused momentarily to gain the women's full attention before contining with his line. "Mosquito nets have even been brought over from the commune reception center [a kind of hotel used by visiting cadres] for your use while you are in the clinic."

This the women found amusing as well, but their bemused chatter stopped as Chen Shunkui brought the meeting back to its main point with a question. His query, "Who would like to undergo an abortion?" was greeted with silence. After a pause, a woman flanked by two young daughters raised a question that was on all of their minds. "Will we be allowed to go home tonight? If not, then we have to go home to fetch our blankets." The women had been told during the earlier round of brigade meetings that once the commune meetings began, they would have to stay in a commune dormitory until they agreed to an abortion. Hoping to have an excuse to go home at least briefly on the evening of the first day, they had agreed among themselves not to bring bedding. The atmosphere grew tense as the women waited for Chen's answer.

"Well, we aren't going to make everyone stay here," he began in conciliatory fashion, but he quickly went on to make clear what the price of going home was going to be. "We will allow you to go home, but only to convince your husbands, mothers-in-law, or fathers-in-law, or others at home that it is best that you have an abortion. You must first tell me that you agree to an abortion and are going home to convince others. If not, then you must stay here tonight." He ended on this note, stepping back to the table and taking a seat. Again the women were left to mull over his remarks among themselves.

Except for a break for lunch, the meeting continued in this fashion throughout the day, with Comrade He Kaifeng, Chen Shunkui, and Sandhead Brigade's woman's work cadre taking the floor in turn. The commune cadre would usually take a hard line, while the two brigade cadres just as often took a more amiable approach. Although the atmosphere of the meeting was less tense when the brigade cadres were speaking—they were, after all, fellow villagers—the gist of their argument was identical to that of the commune cadre: the women must agree to an abortion. After each cadre spoke, there would follow a half-hour break to allow the women to consider what had been said.

Finally, late in the afternoon, Chen Shunkui strode again to the center of the semicircle of benches and announced that it was time for the women to decide whether to stay overnight at the commune or go home. Taking out a small notebook, he began to read out the names of the women one by one.

"Lin Xinlan," he called out. Everyone in the room swung around to regard the woman flanked by two small daughters who had earlier raised the question about going home. Her face remained expressionless. "Do you want to go home?" Chen Shunkui pressed, deliberately avoiding the use of the word "abortion." The woman's control suddenly broke, and she cried out that she would "never abort."

Ignoring her outburst, Chen Shunkui smoothly read out the next name on his list. "Su Shaobing." A very young and very pregnant woman replied in a small, hesitant voice that she wanted to go home. "Good," the cadre said quickly. "Go home and convince your parents-in-law that you should have an abortion. Remember that you have already agreed."

Chen Shunkui continued down the list, reading one name after another, noting each woman's reply to the question "Do you want to go home?" Although one other woman, whose only child, a lad of two and a half, was severely retarded, shouted out that she was going to bear her child regardless of the consequences, the rest of the women responded quietly and fatalistically. Of the twenty-four women whose names were read out, three agreed to abortions, all of which were scheduled for the following day, five agreed to go home to convince

their families that they should abort, and ten refused an abortion. Six of the twenty-four who had been instructed to attend that day were not present, and would each have 2 rmb deducted from their family's income, a fine that would continue to be levied each day they did not attend.

Overall, that first meeting brought jarringly home to me certain realities of China's effort to control its population growth. Although the program is officially described as planning births, it might more appropriately be entitled "restricting births," for its goal is to limit births to the lowest number possible. The technique of reeducation in public meetings adopted to achieve this goal is similar to that used in China's numerous earlier sociopolitical movements. Alternately threatening and cajoling, persuading and reasoning, the cadres explain over and over why it is necessary to follow the Party line, applying a steady psychological pressure that deadens reason and gradually erodes the will to resist. Experience has taught the Chinese that arguing back at authority will only make matters worse, and so they listen passively and finally come to agree to whatever is being demanded of them. The whole process is reminiscent of the Chinese proverb "Water drops can pierce a rock."

But a more appropriate metaphor for the birth control meeting that I attended would be "like a hot knife through butter." The easily cowed, inarticulate young village women, whose sex, age, and social position combined to place them at the opposite end of the rural hierarchy of status and power from the senior male cadres who ran the meeting, were particularly easy for these cadres to convert to the proper way of thinking, even though the issue was something as near and dear to them as their bodies and their babies. What I observed that day was nothing more—or less—than a mild but still very effective form of the process that has become known in the West as brainwashing.

If China is applying an irresistible force to the solution of its population problem, then that population itself, if not quite an immovable object, has in its massiveness a vast, lead-like inertia accreted over millennia. China's population was already 60 million at the time of the birth of Christ and reached ever-greater peaks during later dynasties—80 million in the ninth-century Tang Dynasty, 110 million in the twelfth-century Sung, 200 million in the sixteenth-century Ming, and 425 million in the nineteenth-century Ching. In the century preceding the Communist conquest of the mainland, however, the Malthusian checks of war, famine, and disease kept the death rate hovering near the birth rate, and the population remained under 500 million. With the end of the civil war in 1949, China's population took off on an upward trajectory that added nearly 20 million new citizens every year for the next decade to the newly founded People's Republic, a number equal to the total population of East Germany or California.

As self-evident as the need to control China's population growth already seemed to many in the early years of the PRC, Chairman Mao did not see it that way. Rather he took the standard Marxist position on overpopulation, diagnosing it as just one more symptom of the disease of capitalism. Once disorganized capitalist society has been replaced by a smoothly regimented socialist one, in which wealth is distributed equally and all are engaged in productive work, the doctrine went, then the nightmare of overpopulation will simply disappear in the dawn of the socialist millennium. Not only did he overrule Malthus's dismal theorem, which held that population constantly tended to exceed the food supply, he went so far as to take the opposite position. He regarded a large and growing population as an asset, an important element of national power, vital for economic progress. Mao argued, with typical exuberance of language, that "every stomach comes with two hands attached," by which epigram he meant to emphasize man's role as a producer of wealth over his role as a consumer. Not only was family planning unnecessary, it was a positive evil, a sort of genocide. In 1952 the *People's Daily* condemned birth control as "a way of slaughtering the Chinese people without drawing blood . . . [The people are] the most precious of all categories of capital."

The census of 1953, which revealed a population near 600 million, apparently shocked certain members of the ruling circle into reconsidering the issue, and public discussion on the advantages and disadvantages of family planning was allowed. Professor Ma Yinchu, president of Beijing University, Professor Chen Ta, a well-known economist, and others wrote articles warning of the dangers of uncontrolled population growth. As a result, some efforts were made in 1956–57 to promote birth control in urban areas, although little was done in the countryside, where energies were directed at making collectivization work. With the coming of the Great Leap Forward, however, those who had come out in favor of birth control were denounced as rightists who were carrying out political intrigues in the name of the population problem. The purge that followed ended all discussion of birth control for several years.

But it was perhaps just the catastrophe called the Great Leap Forward and its aftermath, "the three difficult years," that finally roused Mao from his dogmatic complacency about overpopulation. During the three years from 1959 to 1961 China's population overtook its resources. A combination of bureaucratic mismanagement and natural disasters caused tens of millions of deaths from disease and famine. Properly chastised by reality for ignoring it, Mao went through a reluctant conversion on the issue of birth control from a doctrinaire Marxism to a more pragmatic policy of population planning. Beginning in the early sixties and continuing to the present day, China has pursued a consistent and ever more stringent policy of birth control.

The gathering momentum of the program has nevertheless been twice deflected by political movements, the first time during the Cultural Revolution from 1966 to 1968 and more recently during the period following the overthrow of the Gang of Four. During both periods the local powers that be were preoccupied simply staying afloat in the sometimes violent political currents of the times, and birth rates bounded. The reverses of the period following the downfall of the Gang were described to me by the woman's work cadre to a brigade located down the West River from Guangzhou. "We performed 168 tubal ligations in our brigade during 1976," this woman said. "Then late that year the Gang of Four was overthrown. Throughout 1977 all of our meetings at the brigade and commune level and all of the directives from the county and the province concerned criticizing the Gang of Four and rooting out their influence. For over a year we held no birth control 'high tides' [short, intense campaigns] because we had no instructions to do so. Only twelve women had tubal ligations performed in 1977 and only two in 1978." Left to themselves, the villagers let nature take its course, and nine months later the birth rate began an upward swing that took it from 1.69 percent in 1977 to 2.17 percent in 1978 and 2.61 percent in 1979, a ten-year high.

These two stutter steps aside, the campaign continued to move forward throughout the sixties and seventies and scored early successes in China's cities, where conditions encouraged smaller families. Shanghai, the largest of China's cities, has consistently reported rates of population growth under 1 percent a year for the last decade, and other cities are not far behind. One of the axioms of modern demography is that urban areas have significantly lower birth rates than rural, and this is especially true in China, where couples live in cramped quarters and most women hold down full-time jobs, making it difficult to manage more than one child. And these pressures have grown more intense over time. In the 1950s each Chinese had an average of 5.4 square yards of housing. But the building of apartment houses has not been given high priority in the program of socialist construction, and a gradually expanding urban population has mostly been crowded into thirty-year-old flats. By 1977 there were only 4.3 square yards of living space per person. In the early 1950s only a minority of women were employed outside of the home. For the last two decades nearly all women have worked. Another factor is that many couples, especially those in which the husband and wife are college or technical school graduates, have been given work assignments which keep them apart for all but a few weeks out of the year. This makes it difficult for such working "single" mothers to take care of even one child, and it is sometimes difficult to conceive that child as well in a marriage that consists of a series of relatively brief conjugal liaisons each followed by a long period of separation.

Financial considerations tends to inhibit large families as well. Many urban couples simply cannot afford to have more than one or two children. At the senior middle school of Rongqi Town in southeastern Guangdong, Guo Fangxu, a tall, handsome teacher with a university degree in Chinese literature, told me how he and his wife, a doctor stationed in a commune clinic 25 miles away from Rongqi, were just able to support themselves and their two children, a boy of 9 and a girl of 6, on their combined salary of 99 rmb [$66] a month. "My income of 54 rmb is only sufficient to provide for my boy and myself," he complained. "I pay 10 rmb a month for my apartment and over 30 rmb a month for food. The rest goes for miscellaneous expenses like cloth, shoes, electricity, and so on. My wife is a little better off, because she lives in a free commune dormitory, and because the commune day care center that our daughter attends is only 3 rmb a month. We would be totally unable to make ends meet if we had a third child, though."

Yet it is not just Chinese urban life-styles, with their lack of space, time, and money, that have reduced the size of urban families; it also is the enforcement of strict birth quotas from the early seventies onward. Each year all urban residence committees and production units are given quotas of children that their residents and workers will be allowed to bear. Pressure is applied

on headstrong couples from three directions at once—through their neighborhood residence committee, through the husband's work unit, and through the wife's work unit. Chen Taitai, the stout, middle-aged head of a local residence committee in the Yuexiu District of Guangzhou, explained how the system was enforced in her ward of 2,100 people. "Every woman who has yet to have a tubal ligation is given a gynecological examination once every three months by the clinic at her place of work, and any woman who is discovered to be pregnant is ordered to attend birth control meetings. Her husband's work unit and the residence committee where the couple lives will also be notified so that they can help with the 'thought work.' The heaviest responsibility for averting over-quota births belongs to the woman's work cadre at the pregnant woman's place of work, but she will be assisted by the residence committee of the woman's neighborhood, who will visit the woman at home in the evenings. The husband will be approached at his place of work and encouraged to put pressure on his wife to agree to an abortion. The system is quite effective. Last year only fifteen babies were born in my ward, only one over the quota of fourteen." [1]

Thought work is not just a matter of appealing to pregnant women to terminate their pregnancies for the sake of China's future, much stronger arguments are available. Entering the birth of an over-quota baby in the household registers maintained by the local police station can take a year or more, during which time the infant is not eligible for rice, cloth, or other rations, all of which his parents have to purchase at high prices on the black market. If a child is to be a couple's third, 10 percent is deducted from their wages beginning from the fourth month of pregnancy as an inducement to abortion and to cover increased community costs after birth. But the ultimate recourse of the work unit against an intractable mother-to-be is dismissal. This is a break with Marxist orthodoxy, for job security is one of the ten commandments of socialism, and work assignments in China have customarily been for life. Women fired from positions in the industrial and service sectors, which offer relatively high salaries and generous retirement benefits, have no choice but to seek low-paying jobs in neighborhood cooperatives or as short-term laborers. Staying unemployed is almost always out of the question, for few families could afford to live on only one salary, especially with another mouth to feed.

China can win the battle against births on the urban front and still lose the war in the vastness of her countryside, where over 80 percent of the population live. Certainly the birth control program made little headway in the early sixties, when free contraceptive devices were first made available in rural collectives and the advantages of having fewer children were suggested to skeptical peasants. These early efforts had little effect on the number of births in the villages, in part because many couples had lost children during the "three difficult years"; women continued to have four or more children each.

But the infant and child mortality rate declined steadily after that time as rural health care improved, and peasant women came to realize that it was no longer necessary to bear three or four sons in order to have an odds-on chance of raising two to maturity. Moreover, female participation in field labor was mandated after the formation of the communes, tying up rural women in the same work-home double bind that urban women were in. As a result of such pressures, the rural birth rate started downward, dropping from 3.8 percent in 1963 to 2.9 percent in 1970 in one prosperous Guangdong county that I visited. Later, in the early seventies, the first monetary incentives were introduced. In one Pearl River commune women were paid a cash reward of $4 (roughly equal to a week's wages), and $3 worth of pork and fish ration coupons if they agreed to a tubal ligation. This smallish inducement led most women who had already borne two or more sons to accept sterilization, and the birth rate may have been levered downward slightly as a consequence, but it was too modest a measure to persuade those women who did not yet have as many sons as they desired to begin contraception.

Since 1974 the principal method of encouraging smaller families has been to hold annual or biannual family planning "high tides." At meetings and during home visits, women are barraged with all kinds of propaganda, from the reading of family-planning regulations and directives about rewards and sanctions for those who accept and reject birth control, to arguments advanced by cadres against having large families and against simply letting nature take its course.

Women are not paid their regular work points for the days that they are in meetings. This amounts to an enforced idling of, in most cases, one-half of the family work force and acts as a strong prod toward the alacritous acceptance of family planning. "It seems harsh," a local brigade cadre admitted to me, referring to the meetings-without-pay principle, "but the collective had no choice. If we were to continue to give them work points for not working, they would never 'think clear' about contraception." What keeps the women in the meetings and out of the fields is that women who miss meetings are fined 2 rmb a day for each day they are absent, an amount equivalent to more than a day's wages.

Chinese peasant women have never been given to vague, romantic statements about fulfillment through motherhood and the like. They were led during the course of family-planning "high tides" to rethink their reasons for wanting children in an even more hardheaded way, and the younger women that I spoke with no longer gave the continuation of the family line as the primary reason for having children. Mencius may have believed that "there is no behavior more unfilial than to have no male descendants," but young rural Chinese women are no longer so sure. "Though my mother-in-law says that you have to have a son to carry on the family name and lineage, I really don't think that this is a very good reason," one young woman, pregnant with her third child, told me. "I have already agreed to have a tubal ligation performed immediately following delivery, regardless of the sex of the child." She paused momentarily and then added with a wan smile, "I hope it is a boy."

Many women now say that they would be satisfied with two children, that this would be their ideal number of children, but only if both turned out to be boys. Otherwise they would continue to bear children until they reached this number of sons, even if it meant having a string of girls in the process. "Many sons mean a happy and prosperous household" and "Boys are precious, girls worthless." are among the traditional proverbs that rural women for hard, practical reasons, still quote when cadres are not around. Jwang Yaguan, the secure mother of two teenaged boys, told me that "a woman needs a manchild because without one she will be poor and picked on in her old age. Families with only girls have little voice in village affairs. Everyone knows that the girls will sooner or later marry out. A son will stay by your side until you pass away."

Sons are the only social security system known to peasant parents, for the vast majority of rural collectives are too poor to provide for the welfare of the elderly. Neither can daughters render long-term assistance, for in the countryside custom decrees that they take up residence with their husband's family upon marriage and sever all economic ties with their natal family. Only sons continue to live at home after marriage, the sole support of aging parents.

Unlike Americans, who see old age as a grim and dreary finale to life, Chinese look forward to it as a relaxed time of leisure and high status. The "entering the ancestral hall" ceremoney at age 60 celebrates a man's release from the backbreaking slog of field labor. Thereafter he spends his days in the courtyards of the village ancestral halls, smoking and chatting with the other old men of the village. But whether he actually retires at this point depends on having one son, or better yet two, to slog in his place. I remember seeing a grizzled old peasant at work on a private plot some distance from the village on a dreary winter's day, his hoe rising and falling in a slow, tired rhythm. In his tattered black cotton trousers and coat of coarse burlap, shoeless despite the cold, he made a pathetic figure alone in the fields. I judged him to be nearly 70, and asked my companion in surprise what such an elderly man was doing in the fields. "That's Old Man Wang," he replied. "His wife died several years ago, and his daughters have all married out. He lives alone." Then, after we had gone a few steps farther, he grimly observed, "You see, that is what happens when you have no sons." Wang, dirt-poor and pitied by his neighbors, has no choice but to continue toiling in the fields until he dies. For the Chinese villager there remains no greater misfortune in life than to have no sons to "inherit the ancestral estate and pass along the generations." To his government this is feudal nonsense which hinders the program to bring reproduction under state control, and thus threatens the success of the all-important modernization program.

To counter the argument that only one's sons can provide support in old age, the cadres advocate "the boy's going to live with the girl's family." The problem is that brides have traditionally resided with their husbands' families after marriage, and in contemporary rural China this custom continues. The claim that one can call in a good son-in-law as easily as a daughter-in-law runs counter to local experience. He Kaifeng's claim that he knows a son-in-law in Sandhead Brigade who treats his parents-in-law very well was scoffed at by the women. "Why shouldn't he treat his parents-in-law well? They practically support him," one young woman who had attended the meeting said to me privately afterwards. "He is a lazy good-for-nothing," she continued, "and he is the only son-in-law in the entire village who lives with his wife's family." As she spoke, she grew more impassioned. "Listen to me. People are having fewer children

[1] Beginning in 1981, this same quota system was implemented in the Guangdong countryside.

nowadays. If everybody has only one boy and I have two girls, who is going to give me their son? I'll tell you who: Nobody! Sons are becoming more and more valuable." She also rejected the argument that she could go and live with her daughter after she married into another family. "My son-in-law will have parents of his own to support," she countered. "He certainy won't welcome me. I would be worse off than if I stayed in my own village, where at least I have friends and other relatives."

The village women I spoke with were more receptive of the idea of a pension program, though many doubted that their own brigades would be able to afford one anytime in the near future. Cheng Binglan, one of the holdouts against abortion in Sandhead Brigade, echoed the appeal of the brigade's plans to eventually establish a pension for the elderly. "As things stand now," she said, "a person without a son has nothing to lean on in old age, but I would agree to a tubal ligation if the brigade would guarantee my support when I can no longer work."

Despite these reservations on the part of village women, much progress has been made in recent years. Consider, for example, the extent of contraceptive use in Sandhead Brigade at the end of 1979. Of the 892 women in the child-bearing years, defined as all married women 36 and under, 699 were contracepting. The most common method of contraception was female sterilization, with 417 brigade women having undergone tubal ligations by September 1979. The next common method was I.U.D. implantation, used by 234 women, most of whom had only borne one child to date and were waiting four years to have a second. Other methods in use were birth control pills (fifteen women), prophylactics (sixteen couples), and vasectomies (seventeen men). Of the 193 then not practicing contraception, 129 had yet to bear their first child, or had born their first child more than four years ago, and under the 1979 regulations were free to reproduce.

Nationwide, over 170 million birth control operations were carried out from 1971 to 1978. This figure represents the total number of abortions, tubal ligations, and vasetomies—euphemistically referred to in the Chinese press as the "three operations"—carried out during this period, and is truly a staggering number. Although vasectomies are easier to perform surgically than tubal ligations, the procedure remains uncommon in the Chinese countryside, where most men equate the operation with castration. And though tubal ligations were once more common than abortions with the intensification of the program in the mid- to late seventies the reverse became true. Even if just half of the above total represented abortions, it would mean that nationwide an average of over 10 million abortions were performed annually throughout most of the seventies. Though this figure is impossible to confirm, I did obtain accurate figures for smaller rural units. On a visit to one prosperous Guangdong commune of 60,000 people in the spring of 1980, I was informed by the cadre responsibile that 743 of the "three operations" had been performed there in the first quarter of that year alone. "We have been performing about two abortions for every sterilization," she told me. "We have performed 247 sterilizations, all but sixteen on women, and 496 abortions.

As a result of such overwhelming efforts, the rate at which China's population has been increasing has come down considerably in the last fifteen years. As late as 1971 it stood at 2.3 percent, a rate that would double the population, and impoverish the countryside, in just thirty-one years. By 1979 it had fallen to 1.2 percent, a rate at which the population would take a much more leisurely fifty-nine years to double, and one coming close to the 1 percent former Chairman Hua Guofeng set as the target for 1980.

In contrast with many underdeveloped countries, China's birth rate seems hardly catastrophic. The population of Bangladesh, for example, continues to expand at a rate of nearly 3 percent, and many regions are burgeoning at even greater rates. Yet Beijing has ample reason for concern. The population of China has more than doubled in the thirty years since the revolution, and was disclosed to have exceeded 1 billion in 1981. With such a large base, even birth rates that are low by the standards of the Third World produce a bumper crop of babies. At the modest 1.2 percent rate reported for 1979, the population still increased by 12 million, a number equal to the entire population of Australia. Not all Western experts are convinced that China has accurate census information; some estimate that the birth and death rates reported may represent underenumerations of 10 percent and 15 percent, respectively. Another reason for concern is that China's baby-boom generation of the fifties is coming of marriageable age, and Beijing's birth planners expect them to produce a baby boom of their own in the early eighties. All this will hinder the achievement of the next stage in China's struggle against overpopulation, a reduction of the rate of natural increase to 0.5 percent by 1985.

Whether this ambitious goal, or the even more far-out one of zero population growth by the year 2000, will be met depends in part on how the local population responds to the system of rewards and punishments designed by national, provincial, and local governments to force down the birth rate. A new national family-planning law came into effect in late 1980, after being circulated in draft form for nearly a year, and most of China's twenty-seven provinces, self-governing cities, and "autonomous regions" have added additional provisions depending on the severity of the local population problem. And at least in Guangdong, the new and extensive provincial regulations have been further supplemented by county and commune planned-birth "procedures."

For most rural families the national measure with the most bite is the deduction of 10 percent of a family's salary for each child after the second. Over the past thirty years, significant gains have been made in rural health care, education, and welfare, in programs paid for out of community coffers. As a result, parents have been partly insulated from the rising costs of raising children. The income deduction will change all this, effectively shifting the burden of community costs to the consumer. For added effect the deductions will begin from the fourth month of pregnancy, presumably because there is still then time for the family to reconsider its finances and terminate the pregnancy.

Another Beijing provision designed to put an economic crunch on overproducing families concerns private plots. These carefully tended gardens, which produce approximately 25 percent of household income in Sandhead, will not grow along with the family as they did formerly. Instead, collectives have been instructed to allocate plots on the basis of a two-child family. A couple with three children will have to provide vegetables for the family dinner table from the same-sized parcel that a family with only one child will till. Such a couple will also be forced to purchase oil, cloth, and other rationed goods, even grain in areas which grow primarily commercial crops, since ration tickets will be denied the extra mouths. It is this sanction that will cost parents the most, since current free-market food prices run from 50 to 200 percent higher than those charged under the government subsidy program. Together, the above measures will more than double the cost of raising a child in rural China, from birth to age 16, from $900 to over $2,000.

Beijing is also encouraging rural collectives to establish social security programs. By providing the elderly an economic alternative to total dependence on their offspring, such programs will have a certain, though not immediate, effect on fertility. A problem is that any communes in the hinterlands remain too poor to fund an adequate program. Even in one relatively prosperous commune I visited, only one of twenty brigades has been able to institute pensions, though cadres from other brigades say they are definitely interested, not least because the brigade which pioneered the program also happens to have the lowest birth rate in the commune.

The national program also decrees rewards for having only one child. In addition to receiving an extra share of private plot land, rural families will receive from 300 to 400 extra work points a year, providing approximately 10 percent in extra income. Despite such inducements, peasants in many areas remain unresponsive.

The economic value of children to their parents remains high in rural China. By their middle teens they already produce more than they consume, and they still constitute the only social security system known to peasant parents. To bring its birth rate down and hold it down over the long run, Beijing is banking on making children too expensive for rural Chinese to afford more than one or two. The main obstacle to the success of the program is that the best investment and, in China's socialist economy, the only investment that many Chinese ever make is their children. The government understands this, and has been emphasizing the need for lower-level units to take even more drastic steps to curb births when necessary.

"In order to control population increase, achieve the planning of births, and thoroughly implement the policy of 'few births, late marriages, and late births,'" and more specifically to aid the success of the March 1980 family-planning "high tide," one rural commune in Guangdong rewarded cooperating couples in three ways. First, all women who underwent an abortion during the "high tide" received 10 or 20 rmb, 10 rmb if the abortion could be accomplished by the scraping technique and 20 rmb if the pregnancy was in its later stages and a caesarean was necessary. Second, for each year after marriage that couples postponed conceiving their first child they were to receive 10 rmb. Revealing the commune cadres' lack of faith in the long-term efficacy of this bonus, the directive went on to add that if no conception had occurred by the fourth year of marriage then the couple were to present themselves to the commune clinic for a medical examination. If one of them was discovered to be infertile, the bonus would stop.

The third local provision, as well as its fate, was even more symptomatic of the problems that plague the birth control program. It declared that those couples who agreed to sterilization after the birth of their first child were to be awarded 500 rmb. Unlike the rewards for undergoing an abortion or postponing starting a family, which were too stingy to have any real impact on fertility behavior, the one-child bonus gave peasants pause, for 500 rmb was more than double the local annual income for a field hand. In the six months following its announcement, this sum proved sufficient to induce two dozen couples to pledge that their first child would also be their last. But the program proved too much of a strain on commune resources to be continued indefinitely. By September 1980 12,000 rmb had been paid out to contracepting couples from the rapidly diminishing general welfare fund, and the bonus paid to one-child families was abruptly dropped to 100 rmb. Not surprisingly, peasant applicants dropped to zero.

The commune authorities found themselves in a typical Chinese predicament: they could not afford politically to let the peasants have as many children as they wanted, nor could they afford to pay them enough to bring them into line. As in past movements, they proceeded instead to what one of the local brigade Party secretaries termed "a too easy recourse to force." On the surface, the pressure came in the form of economic sanctions. The three rewards above led off the commune directive but were followed by no less than twelve different sanctions to be levied on those who violated the principle of "few births, late marriages, and late births," all in addition to those in force nationwide. The most trenchant of these provisions, designed to "eliminate" all third births, stated that couples were to be subject to a one-time fine of 300 rmb upon the birth of their third child, were to pay a 20-rmb-a-month fine from the fourth month of pregnancy until the child was 14 years of age, and were to pay double the normal amount to participate in their brigade's collective medical program. These same fines were also levied on couples who did not wait at least four years from the birth of their first child to have a second and couples who had a child before receiving official permission to marry, although they ceased when these requirements were satisfied. Even in the rich Pearl River Delta, where average annual per capita income from the collective is double that of the national average of 83 rmb, these are hefty fines.

In an unusually frank conversation a brigade cadre, a short, powerfully built man in his thirties, revealed the inside assessment of these regulations. "There is no doubt that they will prove impossible to implement," he stated flatly. "They will sooner or later have to be revised." He paused and took a drag on his cigarette, then continued. "In fact the process of revision has already started. The 'procedures' state that all third babies must be delivered in the commune clinic."

"The commune regulations go on to add ominously that the clinic will not be held responsible for any mishaps that occur during the births of these 'excess' babies," I interjected. Cadre Huang looked significantly at me before continuing.

"Originally, the commune announced that a fine of 30 rmb would be levied against any midwife who delivered such a child at home, thinking that this would force women to go to the clinic," he said, adding in reference to my comment, "even though they are afraid to. Only afterwards did it occur to the commune revolutionary committee members," he said with deliberate irony, "that there may be problems with their policy. Labor often comes suddenly, and there may not be time for the woman to be taken to the commune clinic. What if it is a difficult birth such a breech birth? Is the brigade midwife still not to help? What if a woman dies during delivery? Who is responsible? Because of such considerations the 30-rmb penalty has just been revoked only two weeks after it was announced. And this is only one example. The real problem with the new procedures is that the fines are too severe. They don't leave a family with enough money for food."

Putting out his cigarette, he took my pen and notebook in hand to illustrate what he meant. "Take a family in which there are two laborers, a husband and a wife, who make a total of 800 work points a month. After the 10 percent deduction of work points required by national policy, they would have 720 work points left," he said, writing down the figures as he spoke. "Now in our brigade a work point is worth an average of only 0.05 rmb, so that their 720 work points translates into a total of 36 rmb per month. From this subtract the 20 rmb-a-month penalty assessed by the commune and the extra 3 rmb a month in collective medicine fees. The family has only 13 rmb left." He circled the net income of 13 rmb for emphasis, adding, "And this is it. The private plot of land of the family will not increase with the birth of the third child, and the family may not have enough vegetables for their own table as their children get older. A farm family that has to buy vegetables is in a sorry state. Even if they manage to grow enough for themselves, they won't have any left over to sell in the free market, cutting off this source of income. Nor will they have any extra grain to raise pigs or even chickens. They also cannot work in brigade enterprises where they could earn more, for the procedures have forbidden the employment of 'violators.' Unless they have help from other relatives, this 13 rmb is it," he said, pointing to the bottom line, "and it is not enough. A family of five needs to eat at least 100 catties of rice a month. Even if they could purchase rice at the rationed price of 14 rmb a month, they would still be in trouble. The revolutionary committee has gone even further, however, saying that not only the third child but its parents as well will have to purchase rice at the market price, which is currently 27 rmb per 100 catties. It will be impossible for them to stay alive," he concluded forcefully. "When people starve, they won't go to the commune with their complaints, but will come to us at the brigade for help."

"How could the commune cadres even consider implementing regulations of such severity?" I asked. "Surely they understand the economics of peasant families."

"In part it is because there is an activist in charge of our prefecture of thirteen counties, who has told the leading cadres here to take a hard line against 'excess births,'" he answered. "The procedures were drawn up by the commune's birth-planning group following suggestions made by county-level family-planning cadres. When the procedures were presented to the commune revolutionary committee, they met with no enthusiasm but also with no serious objections. Everyone knew that this was what the county and prefecture wanted, and so discussion was very limited. They were passed quickly."

"Didn't anyone object?" I pressed.

"I understand that one brigade Party secretary did," my informant said with a grin. "He told the commune Party secretary that he couldn't participate in the 'high tide' that was to begin in a few days—all brigade Party secretaries had just been instructed to attend—because he had"—here my informant paused to milk what was obviously a punch line—"qi guan yen." In the delta Cantonese that I knew, qi guan yen meant throat infection. This seemed a strange excuse to use for not participating in an event still a week hence, strange but hardly humorous. Seeing my perplexity, Huang explained that the term was also a homophone (these abound in Chinese) for "controlling too strictly," and that the sense given by the juxtaposition of meanings was that the whole plan, procedures, meetings, and all, "stuck in his throat." "You see," he concluded, "he was telling the leader of the commune to his face that he didn't agree with the plan."

"Economic sanctions in themselves are not objectionable," I said, "as long as they are reasonable. But the commune regulations don't seem designed to be implemented at all. One pregnant woman from your brigade said to me, 'The regulations are just used to scare us into accepting abortions.'"

He nodded immediately, in full agreement with the point. "The regulations really worry the women," he said. "Except for a few who have regular remittances from Hong Kong or Singapore, the women know that their families will 'eat bitterness' if they don't agree to an abortion. So they agree. The procedures are nothing more than a plan to force the women to abort."

It would be wrong to leave the impression that women throughout China are being brutally pressured into abortions and sterilizations that they are opposed to. I don't know this to be the case. There are areas which have done considerably better than Guangdong, most notably the western province of Sichuan, whose 100-million-strong population was reported to have increased by only 0.6 percent in 1978; but it is not clear by what means this has been achieved. It is certainly true that most areas of China are too poor to be able to reward peasants into giving up their second and later born, and there is not enough time given the current blistering pace of birth control to allow reasonable economic sanctions to take effect. At least in Guangdong and perhaps elsewhere, the real work of birth control in the villages is accomplished at nonstop "Think clear" meetings held during spring and fall abortion campaigns. Here the objective is not just to familiarize women with the penalties they will face if they have a second or third child, but to use "100 strategies and 1,000 tactics," the Chinese equivalent of "by hook or by crook," to convince already pregnant women that they have no alternative to abortion and sterilization.

Such hard-nosed, callous efforts at the local level are a coarsened but still recognizable version of the uncompromising resolve at the national level on the issue of population control. Vice Premier Chen Muhua, the female head of China's Family Planning Board, put it bluntly. "Socialism should make it possible to regulate the reproduction of human beings so that population growth keeps in step with the growth of material production," she said in 1979.

It is no accident that her statement reads more like an order than an argument. Thus

far the identifying characteristic of China's demographic transition from high to low birth rates has been the fact that it was created and is maintained through the liberal use of political power. This makes it historically unique. With the exception of India's ill-fated sterilization campaigns of the early 1970s, one looks in vain for parallels. The decline of birth rates in the West, recognized only after it was well underway, was a passive response to the forces of modernization, industrialization, and urbanization. Governments remained largely indifferent. And the current programs of other Third World nations, which make do with persuasion, posters, and part-time workers, have had little or no demonstrable effect. Beijing, not content with half measures, is determined to lower its birth rate in advance of, and to facilitate, modernization.

Clearly implied in Vice Premier Chen's statement was that the state was going to assume regulatory power over reproduction, formerly an unquestioned human right. This puts the program beyond the pale, not only of conventional morality but also of demographic theory, the first of which assumes that a husband and wife should be, and the second that they in fact are, free to have children. If they desire more children for reasons of love, custom, or money, or if they want fewer children because they have other interests, concerns, or responsibilities, they are free to act on their preferences.

This assumption is no longer totally valid for China. The peasants are no longer independent actors in the endless drama of procreation and birth, but are increasingly acting under the duress and direction of bureaucratic forces. This came out clearly when I asked women how many children they wanted. "What does it matter?" one woman echoed by others responded. "The government has said that we can have only two." Chinese peasants are nothing if not realistic. What does it matter, indeed, how many children you would like to have in the face of a government decree specifying how many children you or your collective will be permitted to have, a decree enforced by the impressive organizational skills and human resources of the Chinese Communist Party and the government bureaucracy?

China brings a powerful troika of human and bureaucractic strengths to bear on the regulation of the reproduction of human beings. With a rural administration extending down to the grass roots, mass organizations with cells in every hamlet throughout the country, and a cadre of rural officials trained in social control, it is in a formidable position to press forward with birth control.

With the establishment of collective agriculture in the mid-fifties, rural China was swept into the tight embrace of the expanding Chinese bureaucracy. Townships became communes, villages production brigades, and hamlets production teams, and these newly forged administrative units were the lower rungs in a ladder of command and control that reached upward to Beijing. Rural dwellers became susceptible in an unprecedented way to the direct influence and control of the Chinese state. This three-tiered system of rural collectivization and administration—the communes, brigades, and teams—has proved invaluable in implementing birth planning. It is through this system that the household registers are maintained and annual population reports are compiled. And it is this organization that allows the efficient organization and execution of the "high tides" and the ready enforcement of the new birth control regulations.

Reinforcing this omnipresent administration is the Women's Federation. Established to subordinate women to the Party's social, economic, and political line, in recent years it has been entirely coopted for the purpose of implementing the birth control program. Like all organizations in China, the Women's Federation is organized hierarchically and is headed by Beijing officials, who direct the activities of over 5 million local federation officials, one in each of the country's million production brigades and teams. These cadres are responsible for the legwork of the program at the team and brigade level. They educate peasant women about population policy and maintain records on contraception use and fertility. They are further charged with detecting pregnancies and accompanying women to the health clinic for abortions and sterilizations.

Finally, Beijing can rely on a vast phalanx of rural cadres, Communist Party members, and activists to advocate and advance the official line in the countryside. Especially cadres at the brigade and commune level, who occupy important positions in the rural administrative structure, possess redoubtable persuasive power, honed to a scintillating sharpness in the dozens of political movements of the Mao decades. With their authority and communications skills, they are especially effective in group settings. Alternately threatening and persuading, cajoling and reasoning, they are more than a match for the inarticulate young village women, who are further inhibited by their fear of giving offense. They are only too aware that it is invariably those peasants who bend to the cadre's wishes who are allowed to go to work in brigade or commune factories, who are given much-prized home sites, or who receive smaller but still important favors such as the loan of 1,000 bricks for the construction of a pig sty or a travel permit to journey outside the county limits or to stay overnight outside the brigade.

The specific organizations responsible for Beijing's past success in birth control—the collectives, the cadres, and the Women's Federation—are in one sense merely different facets of China's bureaucratic totalitarian form of government. With a centralized bureaucracy, a totalitarian political apparatus, a largely state-run economy, and close supervision of all social groups, Beijing is able to carry out programs that would topple less firmly seated governments with little fear of popular unrest. Few countries so thoroughly enmesh their people in a web of economic, political, and social controls, and fewer still presume a right to dictate not only behavioral norms but also personal values. The Chinese success in reducing the birth rate, as in controlling dissent and preventing immigration to urban areas, is the direct result of this power to subordinate individual preferences to state goals. Beijing's birth control program will be exportable only to countries whose citizens do not have inalienable rights vis-a-vis their government.

One manifestation of the government's power—the primary precondition of the program's success—is its ability to pass costs along to the producer rather than pay for them from central government funds. The cost of sending all women who threaten to exceed their fertility quotas to meetings for months on end would be prohibitive if the costs were borne by anyone except the peasants themselves. In one brigade of 4,000 members the income lost by the involuntary peasant participants in the 1979 spring and fall "high tides" totaled approximately $6,000, no mean sum in a collective where a year's labor only earns a peasant between $100 and $200. With semiannual family-planning campaigns occurring nationwide, China probably "spent" over a billion dollars of peasant and cadre labor in 1979 alone. Meeting participants receive no compensation for the time lost during meetings, and agricultural production may have suffered slightly as part of the work force was kept out of the fields in meetings. Another burden on the rural collective is that Women's Federation cadres at both the team and brigade level, as well as other brigade cadres who became involved in the movement, continue to draw their regular salaries from collective funds during the course of the meetings. The state does pay the salaries of commune and higher-level cadres engaged in birth control work, but these expenditures account for but a fraction of the true economic cost of the program.

The second precondition of China's success on the population front is program stability. There can be little doubt of the government's current commitment to setting and adhering to strict birth quotas. Recently promulgated documents have directed cadres to "with one hand grasp production, and with the other birth control," placing birth control on a par with the perennial problem of feeding China's masses. Birth quotas have been given to counties and communes, and demotion and dismissal await cadres whose units exceed their alloted number of babies. (It is not surprising that cadres whose careers are threatened in this way commit excesses in the name of population control.) Birth control is written into China's 1978 Constitution, and a new set of birth control regulations came into effect in 1980.

But will Beijing continue to be unsparing in its demand for the regulation of the reproduction of the fifth of humanity that it controls? Past Pendulum shifts in policy as party factions vied for power would seem to call into question Beijing's ability to sustain a program over the long course. The lesson from the Guangdong countryside is that by the mid-seventies leftists and rightists seemed to have reached a consensus on the necessity for birth control. Though the leftists formerly opposed family planning, rationalizing uncontrolled population growth with such short-sighted slogans as "Every stomach comes with two hands attached," during the last years of their tenure in power (1973–76) mass sterilizations were vigorously pushed, and regular family-planning "high tides" were held. Should the leftists recover their former preeminence, there is no reason to expect birth control to go aground on the shoals of shifting policy. On the contrary, they seem certain to keep the program on the same basic course. At worst, birth control would be becalmed during the period of political transition, as it was for the two years following the fall of the Gang. Future leftists would probably continue to rationalize their policy somewhat differently from the so-called pragmatists, stressing the social and familial benefits of family planning to be gained, rather than the purely economic advantages.

This apparent consensus of the right and left is critical, for the population program will indeed have to be continued over the long run. China's population increase rate was lowered from 2.3 percent in 1971 to 1.2 percent in 1978 by direct, consciously applied pressure from Beijing, not by seren-

dipitous social and economic change. Should the program be discontinued tomorrow, there would be a baby boom in the Chinese countryside that would make America's postwar boom seem in retrospect more like a whimper. For left to themselves, as they were during 1977 and much of 1978, the peasants would have as many children as necessary to reach their two-boy ideal. Population increase rates would return to levels last seen a decade ago, reaching 2.5 percent a year or more. To curb its population, China's birth control program will have to remain in force for decades; to reduce it will require restrictions on fertility for generations to come. The consensus that has emerged is a guarantee of the stability and continuity vital to the program's ultimate success.

With the revolutionary vision that has become their trademark, China's leaders have not been loath to look ahead. Beijing has targeted 2000 as the year by which the plateau of zero population growth should have been reached. Even more distant goals are emerging: the merits of gradually reducing China's population to levels more in concert with natural resources have been debated in newspaper articles. How such awesome social engineering is to be accomplished is already apparent: couples are to have just one child. In June 1979 Hua Guofeng told delegates to the Fifth People's Congress that families which limit themselves to one child should be suitably rewarded. Within a few months the line had hardended appreciably. The major conclusion of a national conference on the population problem held in Sichuan Province in December 1979 was that the primary task of birth control work is to universalize the one-child family. At the beginning of 1980 all of China's major newspapers simultaneously published a report on a series of population projections based on varying assumptions regarding average number of children per family made by researchers of the Chinese Academy of Social Sciences. Only if, they reported, all couples have only one child after 1985 will zero population growth be possible around the turn of the century. According to their estimates, China's population would then peak in the year 2004 at 1.054 billion, thereafter gradually decreasing to 960 million in 2028, 613 million in 2060, and a mere 370 million in 2080.

In the spring of 1980 the assistant mayor of Shanghai, Yang Kai, described his city's birth control goal for that year in terms of the universalization of the one-child family. "We must exert ourselves to the utmost to raise the percentage on only children, which should reach 90 percent of the urban area and approximately 75 percent in the suburban area," he said. "We must severely limit second births, and absolutely halt third births, in order to restrict population growth to 0.6 percent or less." By the end of 1980, the same phrases had percolated down to rural communes in Guangdong and Guangxi, indicating that the drive for yihaihua, or "single-infant-ization," was on nationwide. In Guangdong it was announced in 1981 that all state employees, over whom the government exercises an obvious leverage, would henceforth be permitted only one child; 70 percent of the residents of cities and towns were to follow suit, as were 50 percent of the peasants. The plan is to continously push up the percentage of single-child families in the towns and villages, with the goal of reaching 100 percent by 1985.

How this will be accomplished is diabolically simple. "The licensing of first births" was how one birth control worker privately described it to me. "Every brigade will be given an annual quota of babies," she explained. "Newlyweds who wish to have a child must apply to the commune family-planning office for a birth permit. To receive this, they must meet two conditions: they must fall within their brigade's yearly quota, and they must agree to have only one child. If they go ahead and have the child without a permit, they will be violating the birth control regulations. Their baby will be a 'black market person,' no grain, oil, cloth, or other ration coupons will be issued, and the parents will have to pay a monthly fine of 20 rmb." Couples who conceive a child without first obtaining a birth permit will be ordered to attend birth control meetings, at which they will be pressured to accept the one-child limit and sterilization. "And all, sterilization is better than abortion," the cadre concluded.[2]

Population is no longer taken as a given in the Chinese jigsaw puzzle of prosperity, but is being shaped by the state for the good of the greater collective. It somehow seems a logical, even inevitable extension of the Chinese state's already formidable powers that it should arrogate to itself control over the reproduction of its citizens. After the fashion of bureaucratic socialist states, Beijing ministries already closely control the output, distribution, and consumption of material goods and foodstuffs. Children, too, have long been regarded as the property of the state, which oversees their education and later assigns them work. Controlling the production of what might be called raw humanity further facilitates the rational, socialist planning of China's command economy. Looked at from this perspective, Beijing's move is a natural step, completing its cradle-to-grave embrace of the Chinese people.

Surprising though it may seem, given the enormity of the problem to be contended with, controlling China's population may turn out to be one of the simpler tasks of the modernization program. Instead of relying on costly imported technology or difficult-to-master business management techniques, it draws upon skills of directed social change and control through mass movements long in use in revolutionary China. This social calculus is a home-grown specialty, developed by Mao to a high, if Machiavellian, art during the four decades of his rule. The cadres, organizations, and administrative infrastructure required for the successful implementation of the birth control program are already in place and operating in the Chinese countryside. Birth rates, already reduced to impressively low levels for a developing country, continue to be eroded away by wave after wave of "high tides." Though the timing may require some adjustment, it is not premature to predict that China will achieve its goal of zero population growth.

China hands of an earlier generation were fond of remarking that the teeming masses of China could never pass entirely through an archway, for they would multiply faster than they could advance. Beijing has set out to prove them false. The fifth of humanity that it commands has been organized, regimented, and given its marching orders. By dint of will and organization, it appears that the Chinese people, four abreast and in lockstep, will ultimately be marched through to the last man, woman, and child. One can only hope that the drive does not turn into a stampede.

The birth control plan is quintessential Chinese socialism: the state setting forth a far-reaching blueprint to reengineer society. The people are expected to fall uncomplainingly into line despite the shortcomings of the state plan. The plan in operation exacts from the population a heavy toll to which the state remains largely obvious.

Though I had gained glimpses of the human costs of birth planning Chinese Communist style while attending meetings and interviewing cadres, I only apprehended the full dimensions of the sacrifice being demanded of Chinese women during a visit to a commune clinic during the 1980 "high tide." I found that this facility had been transformed into an abortion clinic for the duration of the campaign, an impression confirmed by Dr. Chen Buozhen, one of four clinic codirectors (and the only one of the four with any medical training). "At this early stage in the high tide we have been giving priority to abortions over sterilizations," he explained as we sipped tea in the clinic office. "Our seventy beds are currently all occupied with women undergoing abortions, our surgical staff has been organized into special abortion teams, and our two operating theaters are in use throughout the day performing caesarean sections and induced abortions. We have even called up four barefoot doctor midwives from the brigades to help with the patient load."

Despite the concentration of all available medical resources, the clinic had averaged only a dozen abortions a day the first four days of the "high tide," and the waiting list of 170 women was growing longer with each day of meetings. One reason for the slow pace was a lack of space: as a concession to the women's fears, they were accompanied by family or cadres during their three-to-four-day stay in the hospital. But the main reason, Director Chen confided, was that the commune cadres, worried lest premature births spoil their drive for 100 percent compliance, had directed that all pregnancies of seven or more months be terminated first. "On a woman seven or eight months pregnant, performing an abortion is a complex and time-consuming procedure," Chen pointed out. "We begin by injecting Rivalor, an abortifacient, into the uterus to destroy the fetus and cause birth contractions to begin. The fetus usually expires within twenty-four hours, and is expelled on the second day. In the cases where expulsion does not follow within forty hours, we have no choice but to perform a caesarean." "And if the fetus has not yet expired?" I asked, wondering what the clinic staff would do when faced with the awkward problem of how to dispose of a live baby delivered by caesarean. "We always wait until the fetus expires," he answered finally.[3] While pass-

[2] Sonless peasants do not always agree. On my frequent trips to Hong Kong, after leaving China, I began to hear reports of female infanticide from Chinese friends who had made trips back to Pearl River Delta Commune. That the "one child per family" policy is responsible for this brutal practice there can be no doubt. Sandhead residents had earlier heatedly denied to me that girl babies had ever been put to death in the village, even during Qing times. "Ours is a 'land of fish and rice,'" one wrinkled old midwife told me. "Everyone has always been able to raise their daughters."

[3] But I did uncover cases in which women very close to term were given injections only after their labor pains had already begun naturally, a method used by officials to overcome the women's fear of a caesarean. In such cases the baby either is born dead or dies shortly after birth.

ing quickly for the harried clinic staff, this death watch can seem interminable to the women themselves, I found out later that day when I visited the patient wards.

Alongside the entrance to each of the small wards a slip of red paper with the characters yinchan sushe (literally, abortion dormitory) had been posted. This was, I realized, an imitation of the traditional Chinese lunar New Year practice of festooning homes, especially doorframes, with slips of red paper on which have been brushed happy and auspicious sayings. Under the present circumstances, however, which were as unhappy as they were inauspicious, the slips of red paper seemed a grotesque touch. None of the wards had doors, so I simply selected one at random and stepped inside. The room was a 10-by-10-foot square of raw concrete slap crowded with three plank beds placed against the walls so that the head of one was against the foot of another. Two of the beds were occupied by young women who lay covered by thick cotton comforters. On the third, alongside a neatly folded stack of bedding, a fiftyish woman sat erectly. I advanced and introduced myself to her.

As I had sensed from her age and some subtle nuance of authority, she was a woman's work cadre. She explained that she and her young roommates were all from the No. 8 Production Team of Southhead Brigade, and that it was her responsibility to stay with them during their confinement. The young women were here, the cadre went on, because they did not have permission to give birth. "She is seven months pregnant with her second baby," she said, pointing with her chin the way the Chinese do at the woman in the far bed. "But it came too soon, only two years after her first. She won't have a quota [renwu] for two more years." Nodding at the nearer bed, she added, "Ah Hui here doesn't have a quota because she is only 22 and is not yet officially married." The girl in the middle bed the cadre had called Ah Hui had levered herself up into a half-sitting position as we were talking and now interjected, "My husband and I had a wedding feast in the village last November"—apparently after she discovered herself to be pregnant—"but the commune wouldn't let us register our marriage because I was not yet 23. In three months I will turn 23, so I was hoping that I could keep this baby, but the cadres told me that I will not be allowed to have a baby until nine months after registration." She lay back down, and her voice became more subdued as she told me that she had agreed to an abortion the day before because, after a week of holding out, she was sick of day after day of endless meetings. Besides, she added with rather more spirit, she was young and would have another opportunity to give birth, perhaps next year.

This plucky young woman, already looking beyond a present in which she had been given an injection of what she called "poison" (the peasants, not interested in the niceties of names, called the abortifacient what it in fact was, poison, and the injection a du zhen, or "poison shot"), seemed under the circumstances to be bearing up amazingly well. The woman in the far bed was clearly in much worse shape. Her swollen and blood-flecked eyes had regarded me briefly when I entered the room, but soon moved listlessly away. Thereafter she took no notice of my presence, lying inert under the mantle of her blanket, seemingly unaware of her surroundings. I had thought at first that she was under medication for pain, but the woman's work cadre informed me that, aside from the "poison shot," she had received no medicine. (According to Dr. Chen, none of the women received pain pills, tranquilizers, or sleeping pills.) Nevertheless, the cadre hastened to add, the woman was not in any pain.

Not in any physical pain perhaps, I mentally corrected her as I moved over to the woman's side, intending to ask her how she felt. But before I could get the question out, she turned away from me to face the wall and pulled her heavy quilt up over her head as a further shield. I could see her body compact itself under the quilt as she curled up in a ball around her dead fetus. I heard the cadre say from behind me that she was scheduled for an abortion later that afternoon. The final step for this woman and the others in the abortion dormitory was a trip to the operating room, and it was there that I concluded my visit to the clinic.

The operating room was constructed of the same gray concrete as the rest of the hospital but was better lit, with large windows in each wall. The low operating table in the center of the room was already occupied by a short, stocky peasant woman in her late twenties. She lay midriff unclothed on her back as a nurse busily painted her exposed, swollen stomach with a yellow antiseptic solution. An occasional curious face appeared surreally at the windows, only to be quickly driven away each time by the shouts of the nurse. When she had completed her work, a doctor swiftly made a series of injections of local anesthetic in the woman's abdomen. As he waited for the shots to take effect, he explained to me that the woman had been given an injection of Rivalor early the previous day, that it had been determined this morning that the fetus had died, but there was still no sign of uterine contractions. Now, he went on, oblivious to the woman lying underneath his gesticulating gloved hands, the fetus would have to be removed, thus and thus. The woman for her part stared fixedly at the ceiling throughout his verbal dissection, her body immobile. Only her laboring, calloused hands, clenching tightly at the edge of the operating table, gave a hint as to her state of mind. I left the operating room unbidden as the doctor made the first incision.

I came away from that clinic visit appalled at the physical and mental anguish of the women I had seen, but even more puzzled by the absence of opposition to it, not only from the women themselves, but from any segment of Chinese society. In contrast to America, the question of abortion, even when involuntary and performed late in term, has not flared into a public issue in China. In part this may be because the state-controlled media impose an almost total blackout on any kind of criticism of current government policy. But even through the rural grapevine I heard no reports of fiery confrontations between placard-carrying marchers and the authorities, of "pro-life" crusaders staging sit-ins at clinics and hospitals protesting the late abortions, of "pro-choice" advocates crashing the birth control meetings to demand that women be free to make individual decisions on abortion privately and without pressure. Little or none of the explosive moral and political drama that has surrounded this issue in the U.S. has disrupted PRC efforts at population control.

One reason for the damping of this issue is that in China there are not many who would risk confrontation with the establishment over abstract questions of human rights raised by birth control excesses. Then, too, while the worst excesses of the birth control campaign are occurring in the countryside, China's few dissidents are concentrated in the cities, where their attention is held by other issues. Moral outrage is limited as well by the sometimes "nasty, brutish, and short" character of life in overpopulated, famine-prone China, and by a lack of a religious tradition grounded in the sanctity of human life. Man is not made in god's image in China. Confucious never said, "Thou shalt not kill."

What moral indignation there is over the program in the Chinese countryside is kept in close check by the juggernaut of state power, the implicit threat of which so cows most people that they attend closely to the state's desires and behave accordingly. Not that the PRC is above making open threats when necessary, as in the 1978 fertility-planning regulations of Guangdong Province, whose section on rewards and punishments contains a chilling warning to those who, for whatever reason, oppose the provincial government's will: "Those who attempt to defeat the fertility plan by engaging in rumormongering, distorting the truth, attacking and harming fertility-planning workers and activists, and generally breaking the law and running amuck must be dealt with severely. If they have actually obstructed the implementation of the fertility plan, they must be brought before the law for punishment. Those enemies of the people who attempt to defeat the fertility plan must be exposed immediately and resolutely attacked." [4]

In view of the state's uncompromising attitude, those among the cadres inducing the women to abort and the doctors actually carrying out the abortions who are conscientiously opposed to the program dare not make any public expression of disapproval or opposition. The only instance I came across where the program was openly challenged by those who were charged with its enforcement involved the Party secretary of a brigade in Hetang Commune, Xinhui County, Guangdong, who, supported by several of his fellow brigade cadres, refused to implement the birth control procedures handed down by the county in the spring 1980 campaign. The reaction of the commune revolutionary committee to this insubordination was immediate and devastating. With the approval of the county, a work team was sent to the brigade to organize mass criticism meetings against the offending cadres, the predictable outcome of which was the removal of the mutinous Party secretary and his supporters from office. The work team then stayed on to ensure the full compliance of the brigade members during the remainder of the "high tide."

Most cadres are to canny and cautious to openly buck the system, and keep their complaints about this issue very muted and private. One brigade cadre, who was distressed by what he saw as excessive pressure on women to abort, burst out to me, "If Liu Shaoqi"—the moderate former Chairman of the People's Republic who perished during the Cultural Revolution—"had stayed in power, we would never have seen this day. The problem of population growth would

[4] Guangdong Provincial Revolutionary Committee, Implementation Regulations Governing Certain Problems in the Area of Guangdong Provincial Fertility Planning Work (Guangdong: Fertility Planning Office of the Guangdong Provincial Revolutionary Committee, December, 1978), section 8, article 26, last paragraph.

have been taken care of by gradualism." A doctor told me that many of his colleagues were very upset about the abortions on seven- or eight-months-pregnant women, but that no one had considered protesting publicly by refusing to perform such operations. "The consequences would be very serious. There would be criticism, transfer, demotion, struggle, perhaps even labor reform," he told me. "No doctor that I know is prepared to take that risk."

Although it is the peasants whose security, privacy, and family continuity are most threatened by the program, they are for the most part politically inarticulate and naive about matters beyond their own rice bowl. Even the young peasant women themselves, who stand to lose the most, mount only individual and passive resistance to the program. They keep their pregnancies secret, telling only their families, and avoid prenatal physicals, knowing the brigade midwife will report their condition to the authorities. They continue to work in the fields as usual, binding up their abdomens under their baggy pants and blouses from the fourth month on so that they will not show. Many in this way avoid detection until they are only two or three months from term, thinking that they have a shorter gauntlet of meetings to run. Those who can afford to pay the fines go away to the hills or to the home of a relative, coming back only after their infant is born. Those women who attended the meetings I witnessed were largely silent, less defiant than resigned, less rebelious than fatalistic, each enduring on her own. On the one occasion when a woman unexpectedly railed bitterly against the cadres, I saw the other women self-consciously look away, distancing themselves from the protester. They seemed as helplessly isolated as their unborn babies, incapable of uniting in even verbal opposition to a policy that each one of them privately opposed. Neither did their husbands or other family members back in the village work to undermine or circumvent the program, or even go so far as to criticize it publicly. To be sure, men grumbled and cursed that the program was taking away their sons and grandsons, but only within their family gates and only to family members and trusted friends.

Yet I did witness several spontaneous outbursts by individuals against the policy, the most striking of which came during the course of a birth control meeting. One of the young mothers present, who had two girls but no boys, had started talking during an interlude about how she had managed to keep her pregnancy a secret until just a few days previous when "they" became suspicious and ordered her to undergo a physical. "They are so strict now," she continued, tears welling up, "I just want to have this one more baby, and then I'll be glad to have a tubal ligation. In the village there is no way to survive when you are old if you don't have a son. Sons are like heavy cotton quilts in the winter; if you don't have one, you will freeze to death."

She was sobbing heavily by this time, and, thinking it best to end the conversation, I stood up to go.

"They won't let me have my baby," she burst out. "I will agree to anything they want if they only let me have my baby."

I was anxious to shut off her torrent of words, but was carried along by her intensity.

"If I talk to you like this, is it illegal?" she asked suddenly, eyeing the two cadres present who had sat with faces averted during our conversation.

"No, it isn't," I answered with an assuredness that I definitely did not feel.

"I don't care if it is," she went on without really listening to my reply. "Vice Premier Deng says that we are to 'tell it like it is.' All I am doing is telling you the truth."

I nodded, noting apprehensively that the cadres were casting glowering sidelong glances at the woman.

But she was not to be cowed. Looking directly at the two cadres, she cried, "They are forcing us to have abortions!"

Occasionally, protest has gone beyond the merely vocal and become violent as well, as happened in a village in the Pearl River Delta where the birth control campaign was pushed with special vigor by a young, ambitious brigade Party secretary. Finally all but one of the village women pregnant with an over-quota child had reluctantly gone to the commune clinic for an abortion. The lone holdout was a woman whose husband, himself an only son, was desperate for a son to continue the family line. They held out against the cadre's harassment and veiled threats for several weeks more before finally caving in. When the woman's seven-month pregnancy was aborted, she was found to have been carrying twin boys. In the eyes of rural Chinese, who prize sons above all else, this was a monstrous tragedy, and word of it quickly spread beyond hospital walls to the woman's horrified husband. This man went into a black fury and, shreiking that his two sons had been murdered, tore wildly to the Party secretary's home. Seizing the man's two sons, aged 8 and 10, he heaved them into the courtyard well and then leaped in himself. All three drowned.

This household-shattering double murder and suicide, as tragically poignant as it was, touched me less deeply than a quiet ritual I observed, which better exemplified the passive Chinese acceptance of acts of gods, fate, and the state. During the early April Qing Ming Jie, the "bright and clear" festival on which Chinese remember their ancestors, I visited a neighbor woman who had gone through a late abortion a month earlier and found her just completing the domestic portion of the memorial ritual. Eight sticks of incense were smoldering on the high mantle before the family's ancestral tablet, clothing, money, and ingots made of paper were being transsubstantiated by fire into the nether world for the use of the ancestors, and she was chanting prayers for the peace and prosperity of the household members, both living and departed. But instead of ending the rite at that point as customary, she lit a final length of incense in a corner of the room and briefly stood crooning before it. It was, she explained to me afterwards, for "the unborn one."●

AMERICAN HEROES; NOT HUCKSTERS

● Mr. D'AMATO. Mr. President, on April 18, 1775, Paul Revere left Boston on a borrowed horse bound for Concord via Lexington. Under the cloak of night, Revere raced furiously across the countryside to warn of a British militia heading toward Concord with orders to break up "mobs," destroy supplies, and arrest John Adams and John Hancock, two of the major architects of our emerging democracy. Although Revere was captured between Lexington and Concord, William Dawes and Dr. Samuel Prescott escaped and Dr. Prescott managed to complete the journey. Their heroic efforts ensured that when the Tory militia arrived in Concord on April 19, Adams and Hancock were safely out of reach and that there was an appropriate committee of American minutemen.

Mr. President, I rise today not only to call attention to the 210th anniversary of this altruistic undertaking, but to suggest reverence as the appropriate attitude for honoring great American heroes and their efforts, rather than the irreverent use of American leaders in tasteless, demeaning advertisements for any and every product known to the market. Is one to expect that we will be reminded of this historic occasion by a Paul Revere character riding into a local retailer crying "One by land; Two for the price of One"? I feel compelled to ask if advertisers can find no better way in which to use their talents than by dressing such American heroes as Revere, Abraham Lincoln, and George Washington as clowns?

Let me affirm in crystalline language my unwavering support for freedom of speech. I in no way intend for my remarks to become the basis for any action that encroaches upon the liberties provided in our Bill of Rights or within the spirit of our Constitution. However, I do believe that, if the 210th anniversary of Revere's famous ride should be heralded in as the signal for yet another all-night or day-long sale, then our Nation runs the risk of total failure in its struggle to preserve its glorious heritage for generations yet to come.

Furthermore, I implore every merchant and advertiser to consider if they would choose to have their children recalling George Washington, not as the "Father of our Country," but as the excited gentleman whom they recognize as announcing the greatest sale on Earth? I beseech each merchant, advertiser, and salesperson to consider the individual role they play in preserving our national heritage.●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

● Mr. BOREN. Mr. President, I rise today to again speak as a participant in the congressional call to conscience vigil for Soviet Jewry. While it is always a privilege to speak here on the floor, I believe that those of us who are a part of this ongoing effort on behalf of those in the Soviet Union who are denied the right to emigrate feel this as a tremendous responsibility as well. Here in this country we often take our freedom for granted. However, the problems confronting many people in the Soviet Union cause

me to pause and to realize that the Congress and the people of the United States must do everything possible to assist those who are not afforded such freedoms.

Today I would like to speak particularly about some friends of mine. These friends live in the Soviet Union. While I was traveling in that country a few years ago, I met Naum and Fiana Kogen and learned of their desire to leave the Soviet Union.

There are many Soviet citizens who share this desire but, in my view, there are fewer people who have the striking need that the Kogens do for leaving that country. Both Naum and Fiana are in very poor health. I feel certain that their conditions could be treated more appropriately outside of the Soviet Union. Unfortunately, although they have followed all of the lengthy proscribed procedures for emigrating, they continue to be denied permission to leave the Soviet Union.

Despite the apparently dismal prospects for their departure, Naum and Fiana remain hopeful that someday they will be allowed to join other members of their family outside the Soviet Union, including their children who now live in Michigan. It would have been particularly special for the Kogens to be allowed to leave the Soviet Union in time to join their grandson Michel on May 31 of this year on the occasion of his bar mitzvah.

These family members, and many other friends, continue to work to hasten the day when they can be reunited. In Oklahoma City, the Kogens have been adopted by the Jewish community, and correspondence continues to be sent to President Reagan and other U.S. officials, as well as to officials of the Soviet Union. We must continue to believe that these efforts will eventually be successful.

Mr. President, it is with a renewed sense of hope that I speak about the Kogens and others in similar situations today. We all realize that over the past decades there have been fluctuations in the emigration policies of the Soviet Government. Often these fluctuations have coincided with changes in relations between the Governments of the Soviet Union and the United States. I am hopeful that now that arms negotiations are again underway in Geneva, and that Mr. Reagan and Mr. Gorbachev appear to be anxious to work toward better relations between our two countries, that emigration from the Soviet Union will again increase.

In addition, I call upon those who represent the United States in Geneva and in all contacts with Soviet officials to make it clear to them that the United States—its Government and its people—continue to be vitally concerned about Soviet emigration policy and about the treatment of Jews, Christians, and all ethnic minorities within the Soviet Union. Mr. Gorbachev has stated that he believes this to be strictly an internal matter, and that no other Government should attempt to influence its policies in these areas. Mr. President, I believe that we not only have the right to speak of these matters, but we have an obligation to do so. For there are some values which supersede national boundaries and governmental authority. There are some values and rights which I believe to be universal and applicable to all people regardless of their country of birth. Mr. President, one of those rights is the right to live in the place of one's own choosing. I will continue to speak about this right in whatever forum is available to me, and I call upon my colleagues to do the same.●

SOUTH AFRICA

● Mr. SYMMS. Mr. President, I have made previous statements on the floor of this body about the disingenuousness of the divestment advocates. It is evident from all the information available that divestment would hurt the very people the divestment proponents claim they want to help. The only logical conclusion, consequently, is that the divestment movement is propagated by those who have little real concern about South Africa's blacks but, instead, are motivated by domestic political considerations. I ask that an article entitled, appropriately, "Eating People Is Wrong," be printed in the RECORD.

The article follows:

[From Barron's, Mar. 4, 1985]

EATING PEOPLE IS WRONG

(By Peter Brimelow)

Any student of financial markets can tell at a glance that the current agitation against South Africa has reached the political equivalent of the hysterical or "blow-off" stage. It now constitutes an extraordinarily popular delusion on the scale of the Mississippi Scheme, the South Sea Bubble or the Great Tulip-bulb Mania in 17th century Holland. In such situations, facts are irrelevant—temporarily. But it is well to remember how far from reality we have strayed.

South Africa does not remotely threaten American geopolitical interests. Unlike the Soviet Union, it is not a relentlessly hostile superpower with thousands of nuclear warheads trained on the U.S. It has not systematically sought to subvert the American political process, nor even to assassinate a pope. It has, in fact, been a consistent and valuable friend to the United States. And it is not conquering Afghanistan. Right now, as you read this, Soviet troops are killing Afghan men, women, and children—already over a million out of a total population of some 17 million, with a further three million driven into exile. There is no parallel to such savagery anywhere in the world—except perhaps in Ethiopia, where another Soviet-backed regime is exacerbating a famine to starve into submission its secessionary northern provinces.

When President Reagan tried to keep U.S. firms from building the Soviets' Siberian pipeline, American liberals claimed that such sanctions were ineffective, counterproductive and a threat to peace. Yet, astonishingly, the very same voices are now calling for some sort of ban on U.S. corporations doing business with South Africa—divestment. This is a catch-all for proposals ranging from the prohibition of the sale of Krugerrands to the liquidation of all investments in South Africa, the sale of stock in companies doing business with South Africa, and even the banning of all trade relations between the two countries. There is a grave possibility that Congress will comply. By the time this speculative bubble bursts, however, the price may well have been paid not by its instigators but by innocent bystanders everywhere.

The practical objections to "divestment" are overwhelming. It will pose no problem that the South African economy cannot overcome. Since U.S. corporations could hardly pick up their factories and leave, their South African assets would be bought at fire-sale prices by local investors, who are not short of capital. Trade or technology bottlenecks can be circumvented by an able and enterprising elite, as the utter failure of sanctions against Rhodesia made plain. Moreover, the primary victims of any economic slowdown in South Africa would be its marginal workers, mostly black, and the neighboring black states, which are wholly dependent on it. Marxist Mozambique's main source of foreign exchange, for example, is a levy on the wages of its migrant workers in South Africa, which the latter's government obligingly collects and hands over.

This state of affairs explains why South African black leaders like the Zulu Chief Gatsha Buthelezi, backed by their followers in numerous surveys, have opposed divestment. Apartheid is expensive. The South African business class in general and U.S. corporations in particular have been pioneers in its steady dismantling. But even more urgently, South African blacks have a vital material interest in the continued health of the South African economy. Already they are by far the wealthiest blacks in Africa; by the end of 1985, they will own more private automobiles than the entire population of the Soviet Union. It is not insignificant that the 1976 Soweto riots subsided after migrant Zulu mineworkers, enraged at the burning of their hostels and the blow to their earnings, began to attack student demonstrators and beat them to death.

The secondary victims of divestment could well be American. In a study of the legal and economic implications recently published in Georgetown University's Law and Policy in International Business Journal, John H. Chettle of the Washington-based South Africa Foundation presents evidence that exports to South Africa directly employ over 100,000 Americans. President Kennedy's 1962 unilateral embargo on arms sales to South Africa, and the discouragement of one nuclear power deal alone, have already cost the U.S. $14 billion in exports and 750,000 jobs. Additionally, corporations with business links to South Africa make up over half the capitalizaiton of the S&P 500. Money managers could not shun them without incurring significant increases in risk and declines in return, to say nothing of the one-time transaction costs of purifying their portfolios. This would be a clear violation of their fiduciary duty.

U.S. advocates of divestment dismiss as purely cosmetic the reforms being pushed

by P.W. Botha's Nationalist Party government; the steady expansion of social integration, the heavy expenditures on black health and education, the legalization of trades unions, the constitutional changes including the election of Coloured and Indian representatives, the effort to reach agreement with Marxist juntas in Angola and Mozambique. But this is emphatically not the view of Dr. Andries Treurnicht, the former leader of the Transvaal Nationalists. Viewing all these developments as foolish attempts to appease the unappeasable, he has quit the governing party to form, with a solid bloc of legislators, his own oppostion Conservative Party. Power in white African politics has invariably gravitated to the hardliners. The threat to Botha is particularly acute because his policies have produced exactly the wave of unrest that right-wing critics forecast. Rejection by America could finish him completely.

Beyond these practical reasons why divestment will not help reshape South Africa to American tastes, there lies the more profound question of why this country should seek to interfere in its internal affairs at all. South Africa's Afrikaner rulers may not wear charming tribal robes. They may appear dour and even authoritarian. But the fact is that by comparison with other African governments, they are as innocent as newborn lambs, as pure as the driven snow. At least 30 African countries are ranked in the respected Freedom House organization's new yearbook as decisively less free than South Africa. And this by standards so hostile to South Africa's blend of First and Third World cultures that it counts as less free than Uganda, which is currently divided between warring factions and where a foreign arms of occupation reversed the result of the last election.

The suffering in Africa since independence has just not penetrated America's consciousness. Millions have died in civil strife, whole economies have collapsed, and diseases like malaria that were suppressed in the colonial era once again rage unchecked. The situation can be compressed into a symbolic tale of four African heads of state: While their delegations were voting on world affairs in the United Nations, the rulers of Benin and Equatorial Guinea each murdered their foreign ministers with their own hands; the rulers of Uganda and the Central African Republic both not merely tyrannized their subjects but actually ate them. In these circumstances, to insist on one man, one vote in South Africa is to demand that the white community commit suicide.

There is an acid test of any country's internal policies: Are people trying to get in or out? With over a million illegal immigrants, South Africa passes that test. It also has no difficulty whatever in recruiting blacks for its Defense Force and police. It has achieved this basic measure of legitimacy because it offers something more elemental than the vote, which Americans blithely take for granted: order, amid Africa's chaos. Outsiders can only guess how long the Afrikaners can continue their perilous trek through African history, now in its fourth century. But their recent success in allying with the black guerrilla movements that have paralyzed Angola and Mozambique suggest that their grasp of power and politics in the African context still remains firm.

Not even the emotional view that racism is the supreme evil can explain anti-South African agitation. According to The Netherlands' Institute for the Study of Plural Societies, more than 60 countries practice some kind of racial discrimination, sometimes in spectacularly gross forms, such as Malaysia's dispossession of its Chinese and Indian majority. For that matter, there is no apartheid in the "national states" of Venda, Bophuthatswana, the Ciskei and the Transkei, which remain internationally unrecognized, although at least at independent as U.N. member states like Mongolia, Byelorussia or the Ukraine.

Ultimately the agitation has no more to do with South Africa than speculative frenzies have to do with intrinsic values. White South Africa is simply a convenient outlet for purely domestic American political pressures: racial antagonisms; the left's need for a cause to rally round; the professional politicans' need for something to feed to the civilrights lobby that will not impinge upon their constituents. The poet Byron once described a dying gladiator as "butcher'd to make a Roman holiday." The peoples of South Africa, it appears, are to be sacrificed for a few points in the opinion polls. Yet as two social satirists, in "Beyond the Fringe," pointed out a couple of decades ago: "Eating people is wrong." ●

CONDITIONS IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, on April 3—just prior to the Easter recess—I discussed the first installment of an article written by Dr. Claude Malhuret on the conditions which exist inside Afghanistan. At this time I would like to present for the RECORD the second and final section from that article, written over a year ago, but just as compelling a report and just as strong an indictment of Soviet terror in that country as ever.

Dr. Malhuret's "Report from Afghanistan" possesses a special quality of reliability and authenticity for two reasons. First, the organization which he directs, Medecins sans Frontieres, is an eyewitness to the horrors which have been perpetrated upon the Afghan people by Soviet forces. When he speaks of the war in Afghanistan as a war fought against small children, it is because the M.S.F. physicians there have had to treat the ghastly wounds inflicted by the explosion of booby-trapped toys. When he writes of the mass proportions of starvation which exist—the result of deliberate Soviet policy to starve the populace into submission—it is because M.S.F. medical personnel have been exposed first-hand to the many epidemics of disease which have erupted as a byproduct.

The authenticity of Dr. Malhuret's report is reinforced by the strictly apolitical role which Medecins sans Frontieres has played. This rapid-deployment medical organization has sent teams to conflict areas in Southeast Asia, Africa, Lebanon, Central America and Iran—often despite the opposition of host governments. Clearly their purpose is not to advocate a political position or to influence policy, but rather their mission is a humanitarian one, to relieve just a fraction of the human suffering engendered by the brutal consequences of war. In the case of Afghanistan, where the genocidal actions of the Soviet occupation and their quisling Afghan "hosts" have resulted in the loss of 1 million Afghan lives and a refugee population of 4 million, the need for just such humantarian assistance could not be more crucial.

Mr. President, I ask that the second installment of Dr. Malhuret's "Report From Afghanistan" be printed in the RECORD.

The material follows:

REPORT FROM AFGHANISTAN

Before coming to the last issue, which concerns the final outcome of the tactics just discussed, a word must be said about one of the conditions needed for this strategy to be a success: secrecy.

International public opinion would never accept such enormities if it were informed daily on the developments in Afghanistan. The need for secrecy explains why borders are systematically closed and why journalists are not allowed to enter the country. Of course, some journalists disregard this, but they are so few in number that their reports draw little attention. Compare, for instance, the amount of coverage on Afghanistan with that given for several years on the war in Vietnam.

The French physicians who have been on permanent duty in Afghanistan for the last four years have become key eyewitnesses, and in spite of their lack of experience in journalism, they have been able to make up somewhat for the negligence of news reporting. I use the "negligence" because, if a small organization like ours can succeed in maintaining more than 20 physicians on permanent duty in four provinces in Afghanistan, despite government acts of violence against them, the news media could do likewise. The Russians cannot tolerate the fact that we are there to witness what is happening, and we have therefore become their target. In 1980 and 1981, four MSF hospitals were deliberately destroyed by MI-24 helicopters. Two other hospitals in the region of Panjshir, which are operated by another French organization, Aide Medicale Internationale, were destroyed in the same way. May I add that one of the hospitals had a big red cross clearly visible on its roof.

Also, on several occasions, the physicians themselves have been pursued by Soviet soldiers who had in their possession photos of the doctors that they showed to the people they questioned. All the doctors have managed to get away except one, Dr. Philippe Augoyard, who was captured in January 1983. But we do not think that the Russians will try that type of operation again, as it proved disastrous for their image in Europe—especially of course in France. Rather than discouraging new recruits, which was probably the goal, the Augoyard case let physicians in other countries know about our work. Such incidents result in a bad press that affects the Soviets in other spheres. At the present time, only 50 percent of our medical teams are French; the remainder are Dutch, English, Belgian, Swiss, Scandinavian, and other nationalities. If, for example, a Dutch doctor were arrested in Afghanistan, the anti-Soviet publicity would certainly influence the ongoing debate over the installation of American missiles in Europe.

Now we come to the question of the final outcome of the Soviet strategy. The examples given above concerned Kampuchea and Ethiopia. The reason for this is that Afghanistan is not a very good example to illustrate Soviet anti-guerrilla warfare, precisely because the results have so far been unsuccessful. The towns of Afghanistan, the main bases for Soviet intervention, are poorly controlled. Not a week goes by without word of an attack against the government or against communist-bloc embassies in Kabul. In response, the heavily commercial districts in big cities such as Herat and Kandahar were reportedly severely bombed and nearly destroyed by planes because they had gone over to the resistance—just another example of the Soviet terror strategy and massive destruction, which can be contrasted with the house-by-house taking of the Algiers Casbah by the French army in 1970, with little loss to property or human life. The Soviet strongholds of Bamiyan, Ghazni, Gardez, and Khost are completely encircled by the Mujahedeen. In Bamiyan, for example, a garrison composed of 200 Russians and 200 Afghans has its post high up on a peak; supplies reach the garrison by helicopter. Helicopters are therefore gaining in importance for the Soviets as a means of transport between towns because communication links are not at all under control, although efforts have recently been made to improve them.

The puppet government of President Babrak Karmal has also attempted psychological warfare, by trying to play on local antagonisms among the Pushtun tribes. But the government has not been very successful at this, particularly since the death in 1981 of Faiz Mohammed, Minister for Tribal Affairs, who was killed by a group he was trying to bribe.

The cease-fire agreements that have been made have worked as much in favor of the resistance fighters as they have in favor of the government leaders, and they are based more on a balance of power than on a successful psychological warfare strategy. This is currently the case in Panjshir.

The number of armored vehicles that have been destroyed by resistance forces is incredibly large, considering their outdated weaponry and suicidal tactics (such as leaping onto tanks with homemade gasoline bombs). We counted more than 600 vehicles destroyed in the areas where we work, which, when extrapolated, comes to a total figure of some three or four thousand for the entire country. This figure is generally found to be so unbelievable that, whenever I mention it, I never fail to have with me a set of slides to document what I am saying.

The economic blockade has also not succeeded. The border areas are as easily accessible as they were before it was imposed; our medical teams need only three days to reach the central province of Hazarajat. Our movement is not restricted, as people generally think; we travel by car or truck, and only during the day.

Setting fire to crops and storage shelters is another anti-guerrilla tactic, but its effect is limited because less than half the amount of food that was needed before the war is needed now due to the diminished population. In addition, caravans going to and from Pakistan continue to bring fresh produce. Another striking—and ironic—example of the ambiguous effect on the economy, also from Hazarajat, is the need in Kabul for firewood, which has forced the government to deal with the resistance. The resistance fighters bring wood to government outposts and exchange it for salt or sugar from Kabul.

Despite the attempts to restrict the food supply, trends in local market prices indicate that the blockade is not working. Some prices have actually dropped since the Soviet invasion. At Jaghori, for instance, a gallon of gasoline that cost 200 to 300 Afghanis (AFS) in 1979 costs 160 AFS today. A pack of cigarettes that cost 60 AFS in 1979 now costs 28 AFS. These figures suggest that supplies are adequate to keep prices from rising. Other prices have risen, but less rapidly than those in many Third World countries, even countries that are not at war: a ser (15 pounds) of flour cost 70 AFS in 1978; it rose to 160 AFS in 1979; today it costs 180 AFS. The price of a ser of tea doubled between 1978 and 1979, from 960 to 1,920 AFS; since then it has only risen to a current price of 2,500 (less than one-third of the 1978-79 rate of increase), and even this price rise may be largely attributable to inflation.

The examples illustrating the poor short-term effect of Soviet strategy suggest a rather optimistic trend with regard to the Afghan resistance movement, but my conclusion is much less so. Everything I have said about the current situation shows that the war in Afghanistan is one in which the balance of power has not changed in four years, in spite of the fact that the two adversaries are unequally matched—on one side the world's biggest army, on the other a handful of people standing tall against the invader. There is no sign of any change soon in this state of affairs, and I do not believe that the Afghans can be beaten in the short or medium term. But Soviet strategy involves two aspects that may make the outcome in Afghanistan differ from the Western experience; one, already mentioned, is the use of mass terror, completely unlike any of the more moderate types of intervention. The second is that the Soviets can afford a protracted war in the short term for the sake of a long-term victory.

The Russians do not need smashing victories to announce to their citizenry, as Soviet public opinion does not influence Soviet policy. Catastrophes, such as that in the Salang tunnel were several hundred Soviet and communist-regime troops (and civilians) were killed, do not incite an outcry in Moscow for Soviet "boys" to come home. The Soviet army can wait it out as long as it did for the Basmachi revolt to end—and it waited for that for 20 years. It can wait even longer if necessary. The Afghan resistance will hold out for a long time, but in the end it will probably be beaten. It might not be beaten, however, if in the coming years there is a profound change in the international balance of power and in the reactions of Westerners to Soviet totalitarianism. It is not impossible that this change could take place, but only a very wise person would dare to predict the future of Afghanistan.●

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the minority leader if he is prepared to do any of the following legislative items: Calendar Nos. 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, and 74.

Mr. BYRD. Mr. President, I have no objection from this side with respect to any or all of the calendar orders numbered from 55 through 69 and in addition thereto 74 as enumerated by the distinguished majority leader.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

I ask unanimous consent that the calendar items just identified be considered en bloc and agreed to en bloc, that all amendments, preambles, and amendments to titles be considered and agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

The joint resolution (S.J. Res. 47) designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week," was considered.

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs and the author of this resolution, I rise in strong support of Senate Joint Resolution 47, a measure I introduced on February 7 to designate the week beginning November 10, 1985, as National Women Veterans Recognition Week. Joining with me as original cosponsors of this measure were the chairman of the Veterans' Affairs Committee, my colleague from Alaska [Mr. MURKOWSKI], as well as Senators SIMPSON, DECONCINI, SPECTER, and LEAHY,

The response to this initiative has been very gratifying. Currently joining with us as cosponsors are the following: Senators PELL, SARBANES, STENNIS, DOMENICI, HOLLINGS, CHAFEE, SIMON, HAWKINS, BURDICK, THURMOND, KASSEBAUM, BRADLEY, NICKLES, MCCONNELL, INOUYE, BOSCHWITZ, METZENBAUM, GORE, LEVIN, COCHRAN, WARNER, PRESSLER, and ANDREWS. In particular, I want to thank the chairman and ranking minority member of the Judiciary Committee, Senator THURMOND and Senator BIDEN, for their support and assistance in bringing this measure through the Judiciary Committee from which it was reported on April 4, and before the Senate so quickly.

Mr. President, this measure is very similar to a measure I authored in the last Congress, Senate Joint Resolution 227, which was enacted into law as Public Law 98-438. Pursuant to that law, the week of November 11 of last year was designated as "National Women Veterans Recognition Week."

Mr. President, as I noted when I introduced this resolution, last year's effort made a very good start in creating greater public awareness and recognition of the contributions of women veterans; many activities were carried out across the Nation honoring women veterans. Designating such a week again this year will reflect, appropriately, the view that much re-

mains to be done to make the public more aware of the many contributions of women veterans over the years so as to gain for them the recognition they so richly deserve and to make the women veterans themselves aware of the many benefits available to them because of their service.

Mr. President, with reference to this second goal—of making women veterans themselves more aware of the benefits that relate to their status as veterans—it has become clear, beginning with a 1982 General Accounting Office report, then through the work of the VA Advisory Committee on Women Veterans, and, most recently, through a September 1984 VA Report, that far too many women veterans are not aware of the implications of their status as veterans. For example, the recent VA report, entitled "Data on Female Veterans, Fiscal Year 1983," found that women veterans accounted for only 2.1 percent of the population in VA medical centers on "census day" in June 1983 and for only 1.8 percent of the total VA hospital discharges in fiscal year 1983 even though women veterans then constituted 4.1 percent of the overall veteran population.

The VA Advisory Committee on Women Veterans was first established administratively but later, in November 1983, given statutory permanance by virtue of the enactment of legislation I initiated in the Congress. In its first report, issued in July 1984, the advisory committee made the following points:

Two fundamental problems cut across the issues discussed by the committee. First, many women veterans are not aware of their entitlement to the benefits administered by the VA and other women who may be aware of their entitlements are reluctant to initiate claims for their benefits. Second, VA information materials, brochures, and outreach programs designed to inform veterans of their rights and benefits have been aimed at a male constituency. In part, this is merely a reflection of a traditional societal mindset that a veteran is, almost by definition, male.

I concur fully with these concerns of the advisory committee and believe that this measure is one concrete response to those concerns.

Mr. President, the VA has recently issued two directives—a February 8, 1985, circular and a February 12, 1985, chief medical director's letter—which respond directly to some of the recommendations of the advisory committee concerning health care for women veterans. Both of these documents demonstrate genuine progress by the VA in meeting the needs of women veterans, and I congratulate the members of the advisory committee for the success of their efforts. I ask unanimous consent that these two VA documents be printed in the RECORD at the conclusion of my remarks. For further information on the advisory committee, I refer my colleagues and others with an interest in this subject to page 2206 of the CONGRESSIONAL RECORD for February 7, 1985, where, as part of my introductory remarks on the pending measure, I inserted the full text of the advisory committee's first report, which included all the committee's recommedations.

Mr. President, I am delighted by the warm reception and rapid consideration that Senate Joint Resolution 47 has received in the Senate. I hope that our colleagues in the other body will again, as they did last year, take timely action so as to ensure enactment of this measure in time to allow advance publicity of the week it would proclaim.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION, DEPARTMENT OF MEDICINE AND SURGERY,
Washington, DC, February 8, 1985.

To: Regional Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, and Regional Offices with Outpatient Clinics.

Subj: Health Care for Female Veterans, RCS 10-0649.

1. This circular is a revision of Circular 10-84-8, dated January 4, 1984, and contains significant changes.

2. Planning for and providing comprehensive health services to female veterans continues to be a priority goal of the Department of Medicine and Surgery, which is committed to providing equitable care to all veterans, male and female. Written plans for the care of female veterans should be reviewed and updated as needed. Their implementation will be evaluated by SERP teams during regularly scheduled SERP surveys. All facility plans must address at a minimum four crucial elements in providing adequate care for female veterans:

a. It is DM&S policy that a complete physical examination for a female patient include both a pelvic examination and a breast examination.

b. Gynecologic services must be available for all hospitalized female veterans as well as those in VA nursing homes and domiciliaries.

c. Female veterans must be able to receive ambulatory care for gender-related conditions on a par with the care male veterans receive for their gender-related ailments. Therefore, each VA medical center and outpatient clinic must provide outpatient gynecologic services by at least one mechanism in addition to fee basis care.

d. Referral procedures so that female veterans can receive necessary services currently unavailable at the medical center because of privacy considerations must be in place.

3. The correction of physical barriers which limit the access of females to care in VA medical centers is an ongoing process.

4. Each medical center director will appoint a person to serve as coordinator for women veterans. This person should be sensitive to the needs of women in VA health care facilities and capable of working with both care givers and patients to achieve a positive environment for equitable care. The name, location and telephone number of the coordinator should be posted and appropriately publicized. A discussion of the role of the coordinator may be found in IL 10-85-6 dated February 12, 1985, entitled "Update on the Provision of Health Care for Female Veterans."

5. A list of Coordinators for women veterans will be maintained in VA Central Office. Please provide the name, title, and telephone number (commercial and FTS) of the coordinator at your facility by March 1, 1985 to Dr. Susan Mather, 10BA/111. Subsequent coordinator changes should be reported to 10BA/111 within 10 workdays of the redesignation.

JOHN A. GRONVALL, M.D.,
Deputy Chief Medical Director.

VETERANS' ADMINISTRATION, DEPARTMENT OF MEDICINE AND SURGERY,
Washington, DC, February 12, 1985.

CHIEF MEDICAL DIRECTOR'S LETTER

To: Regional Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, and Regional Offices with Outpatient Clinics.

Subj: Update on the Provision of Health Care for Female Veterans.

1. The past year has seen significant strides in improving the access of female veterans to care in the VA system. The plans for the care of female veterans appear to have been implemented smoothly in all VA medical centers. Twenty-eight medical centers have been identified as having significant physical barriers which might limit access to care by female veterans in some areas. Specific projects have been identified and/or are currently in the design or construction phases in 25 facilities. Three others have projects under review.

2. Much more statistical information has become available. You should be aware of three reports from the Office of Information Management and Statistics, Research Division (711), "The Female Veteran Population," RSM 70-84-1, November 1983, "Data on Female Veterans Fiscal Year 1983," and "Women Veterans Usage of VA Hospitalization," Biometrics Monograph No. 19.

3. The VA Advisory Committee on Women has met three times since it was chartered by the Administrator. P.L. 98-160 authorized it as a Congressionally mandated committee and required a semiannual report to Congress. The first report was submitted July 1, 1984 and copies have been sent to each medical center. It contained a number of areas of concern for DM&S, some of which will be covered in this letter.

4. The Advisory Committee continues to place emphasis on a women veterans' coordinator as a way of dispelling the perception on the part of the women veterans that they are unwelcome in a male-oriented facility. This role was encouraged in IL 10-83-43 as one way of making VA facilities more accessible and more sensitive to the growing number of female veterans. Where it has been instituted, it is so successful that it is being included in the new circular on Health Care for Female Veterans, Circular 10-85-16.

a. Medical District 12 has a well organized program of counselors or coordinators. These 11 counselors met in Tampa on December 5, 1983 and have since maintained communication through conference calls. The counselors are submitting quarterly reports to their hospital directors on problems

reported to them as well as steps taken to improve the care of female patients.

b. Other VA medical centers have appointed coordinators and some have established position descriptions. Nurses, social workers, physicians and physicians' assistants are among the health professions represented by coordinators. These coordinators visit hospitalized female veterans, serve as a liasion between women and needed services within the VA, monitor the implementation of plans for the care of female veterans, help to identify unmet needs and generally function as an ombudsman for women veterans. In some facilities, they chair or serve on a committee set up to address issues involving female patients.

5. It is important that each medical center maintain appropriate supplies for women patients, both medical and personal, such as shampoo boards, hair dryers, mirrors, sanitary supplies and various sized specula for gynecologic examinations.

6. Each facility director should establish procedures for timely local purchases of pharmaceuticals for common gynecologic diseases if it is not practical to stock these items. This is especially important for local antimicrobial preparations used in treating gynecologic infections.

7. Veterans Administration medical centers must continue efforts to assure that women veterans have equal access to health care and that the care provided to them is on a par with that provided to men.

JOHN W. DITZLER, M.D.,
Chief Medical Director.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 47

Whereas there are more than one million one hundred and sixty thousand women veterans in this country, representing 4.1 per centum of the total veteran population;

Whereas the number and proportion of women veterans will continue to grow as the number and proportion of women serving in the Armed Forces continue to increase;

Whereas women veterans through honorable military service often involving hardship and danger have contributed greatly to our national security;

Whereas the contributions and sacrifices of women veterans on behalf of this Nation deserve greater public recognition and appreciation;

Whereas the special needs of women veterans, especially in the area of health care, have often been overlooked or inadequately addressed by the Federal Government;

Whereas this lack of attention to the special needs of women veterans has discouraged or prevented women veterans from taking full advantage of the benefits and services to which they are entitled as veterans of the United States Armed Forces; and

Whereas recognition of women veterans by the Congress and the President through enactment of legislation declaring the week beginning on November 10, 1985, as "National Women Veterans Recognition Week" would serve to create greater public awareness and recognition of the contributions of women veterans, to express the Nation's appreciation for their service, to inspire more responsive care and services for women veterans and to continue and reinforce important gains made in this regard last year as a result of the designation of the first National Womens Veterans Recognition Week during the week of November 11, 1984: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on November 10, 1985, is designated "National Women Veterans Recognition Week". The President is requested to issue a proclamation calling upon all citizens, community leaders, interested organizations, and Government officials to observe that week with appropriate programs, ceremonies, and activities.

NATIONAL SCHOOL LIBRARY MONTH

The joint resolution (S.J. Res. 52) to designate the month of April 1985 as "National School Library Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 52

Whereas school libraries serve a critical function in American education and provide an information center for students at all levels of study;

Whereas elementary and secondary school libraries provide young people with their first exposure to books, and can instill a lifelong love of reading;

Whereas university and college libraries are the cornerstone of scholarly research, and house information and resources to be used for the improvement of all society;

Whereas school libraries at all educational levels provide a full range of media resources, including audio-visual aids, computers, works of art, and materials for the blind and handicapped;

Whereas school libraries, with their extensive collections, serve as an important link in interdisciplinary education;

Whereas school libraries rely on the dedication and talents of well-trained, well-read librarians and other support staff;

Whereas school libraries should be encouraged and assisted in efforts to expand and diversify collections to meet the changing needs of patrons; and

Whereas the special role school libraries play relative to American libraries in general and in American society warrants special recognition; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1985 is designated "National School Library Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

NATIONAL DES AWARENESS WEEK

The joint resolution (S.J. Res. 63) to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 63

Whereas Diethylstibestrol (DES), a powerful synthetic hormone was given to over three million pregnant women in the United States from 1941 to 1971 for the purpose of reducing miscarriages, despite reports as early as the 1950's that the drug was ineffective;

Whereas it is estimated that over three million "DES daughters and sons" were also exposed in utero;

Whereas mothers who have been exposed to DES have been demonstrated to have a higher incidence of breast cancer with that risk becoming increasingly more pronounced with age;

Whereas approximately one out of one-thousand DES daughters will develop a rare cancer of the cervix and vagina known as Clear-Cell Adenocarcinoma;

Whereas these cancer victims are subject to hysterectomies, vaginectomies and lymphotomies with a 25 percent possibility of death as a result of such exposure;

Whereas a second type of cervical and vaginal cancer known as cervical dysplasia (precancerous) and carcinoma in situ (CIS) has been shown to have a higher incidence in DES daughters affecting more than eighty-thousand women with at least five-thousand developing the actual cancer;

Whereas problems with pregnancies have been reported to affect a large proportion of DES daughters including ectopic pregnancies, miscarriages, infertility and premature deliveries;

Whereas DES sons have shown a higher incidence of maldescent of the tests, a known risk factor for testicular cancer; and

Whereas identification, appropriate evaluation, and treatment of individuals exposed to DES is dependent upon a greater public awareness: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 21, 1985, through April 27, 1985, is designated as "National DES Awareness Week" and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 67) to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 67

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas alcohol, drug, and mental disorders affect almost 19 per centum of American adults in any six-month period;

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Whereas mental illness in at least twelve million children interferes with vital developmental and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand with combined suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totaling an estimated $87,000,000,000 in direct treatment and support, and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (pharmacological, behavioral, psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major effective disorders, phobias, and panic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 6, 1985, is hereby designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

SEVENTY-FIFTH ANNIVERSARY OF THE BOY SCOUTS OF AMERICA

The joint resolution (S.J. Res. 90) commemorating the 75th anniversary of the Boy Scouts of America was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 90

Whereas the Boy Scouts of America is our Nation's largest organization for young people and has served our Nation's youth since the founding of the organization in 1910;

Whereas more than seventy million people have benefited from membership in this highly regarded youth organization, and millions more have benefited from the service, inspiration, and leadership provided by the Boy Scouts;

Whereas Scouting builds character and fitness, teaches good citizenship skills, and provides leadership development opportunities for all young people regardless of their race, religion, or socio-economic background;

Whereas the Boy Scouts encourage conservation of natural resources through environmental awareness;

Whereas the Boy Scouts has remained true to its original values and purposes as outlined in its Federal charter, while also demonstrating its ability to be innovative;

Whereas the Scout Oath, Scout Law, Scout Slogan, and Scout Motto, which express the essential principles of Scouting, are the same now as they were in 1910;

Whereas Scouting is supported by religious, civic, educational, fraternal, and community organizations, and is encouraged by the continued commitment of such organizations to its values, ideals, and traditions;

Whereas the Boy Scouts of America is moving into the future with even greater emphasis on personal ethics, values, and the importance of the family;

Whereas many Members of Congress have participated in the Boy Scouts, including some who have become Eagle Scouts; and

Whereas the seventy-fifth anniversary of the founding of the Boy Scouts of America provides an opportunity to recognize the contribution of the organization to the improvement of our Nation's youth and to congratulate and commend the volunteer adult leaders who make the Boy Scouts possible: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1985 is designated as the "Seventy-fifth Anniversary of the Boy Scouts of America", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such year with appropriate ceremonies and activities.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

The joint resolution (S.J. Res. 94) to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 94

Whereas digestive diseases represent one of the most serious health problems of the Nation in terms of human discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas digestive diseases rank among other forms of illness as the third largest burden on the economy of the Nation;

Whereas 20,000,000 Americans suffer from chronic digestive diseases and disorders, and more than 14,000,000 cases of acute digestive diseases are treated in the Nation each year;

Whereas digestive diseases account for one-third of all malignant growths and for some of the most common acute infections;

Whereas more Americans are hospitalized with digestive diseases than with any other form of illness;

Whereas digestive diseases account for 25 percent of all surgical operations and comprise one of the most common causes of disability in the working force;

Whereas digestive diseases represent more than $17,000,000,000 annually in direct health care costs and represent a total economic burden of almost $50,000,000,000 annually;

Whereas more than 200 deaths annually are caused by each of at least 100 different diseases and disorders of the gastrointestinal tract;

Whereas the people of the Nation should be concerned with research into the causes, cures, prevention, and clinical treatment of digestive diseases and related nutrition problems and should recognize prevention and treatment of digestive diseases as a major health priority;

Whereas national lay and professional digestive diseases organizations, individually and through the Coalition of Digestive Diseases Organizations and the Federation of Digestive Diseases Societies, are committed to promoting awareness and understanding, among members of the general public and the health care community, of digestive tract disorders;

Whereas the National Digestive Diseases Advisory Board, and the National Institutes of Health through its National Digestive Diseases Education and Information Clearinghouse, are committed to encourage and coordinate these educational efforts;

Whereas the National Digestive Diseases Education Program is a coordinated effort to educate the public and the health care community as to the seriousness of digestive diseases and to provide information on treatment, prevention, and control; and

Whereas the 2nd anniversary of the National Digestive Diseases Education Program occurs during the week beginning May 12, 1985: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 12, 1985, hereby is designated "National Digestive Diseases Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon all public officials and the people of the United States to observe such week with appropriate programs and activities.

PRINTING OF THE REPORT ENTITLED "DEVELOPMENTS IN AGING: 1984"

The resolution (S. Res. 30) to authorize the printing for committee use of the report entitled "Developments in Aging: 1984" was considered, and agreed to, as follows:

S. RES. 30

Resolved, That there shall be printed for the use of the Special Committee on Aging the maximum number of copies of volume 1 of its annual report to the Senate, entitled "Developments in Aging: 1984", which may be printed at a cost not to exceed $1,200.

TO PAY A GRATUITY TO MAUREEN S. McROY

The resolution (S. Res. 117) to pay a gratuity to Maureen S. McRoy was considered, and agreed to, as follows:

S. RES. 117

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Maureen S. McRoy, widow of

Robert T. McRoy, an employee of the Senate at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO VICTOR, NATALI, LENA BARDELLI, MAFALDA REVETTA, AMERICO NATALI, EDITH SERRA, ELMO NATALI, AND ELSIE DelMASTRO

The resolution (S. Res. 118) to pay a gratuity to Victor Natali, Lena Bardelli, Mafalda Revetta, Americo Natali, Edith Serra, Elmo Natali, and Elsie DelMastro, was considered, and agreed to, as follows:

S. RES. 118

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Victor Natali; Americo Natali; Elmo Natali, brothers of Lewis A. Natali and Lena Bardelli; Mafalda Revetta; Edith Serra; Elsie DelMastro, sisters of Lewis A. Natali, an employee of the Senate at the time of his death, a sum to each equal to one-seventh of one years' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO RAY K. LARKIN

The resolution (S. Res. 119) to pay a gratuity to Ray K. Larkin was considered, and agreed to, as follows:

S. RES. 119

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ray K. Larkin, widower of Virginia L. Larkin, and employee of the Senate at the time of her death, a sum equal to nine months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO ANDRE WHITNEY

The resolution (S. Res. 120) to pay a gratuity to Andre Whitney was considered, and agreed to, as follows:

S. RES. 120

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Andre Whitney, widower of Maxine M. Whitney, an employee of the Senate at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO BONITA B. BASS

The resolution (S. Res. 121) to pay a gratuity to Bonita B. Bass was considered, and agreed to, as follows:

S. RES. 121

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Bonita B. Bass, widow of Charles G. Bass, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO AQUILLA H. ROSS

The resolution (S. Res. 122) to pay a gratuity to Aquilla H. Ross was considered, and agreed to, as follows:

S. RES. 122

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Aquilla H. Ross, widow of Henry L. Ross, Jr., an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO ALENE J. AYERS

The resolution (S. Res. 123) to pay a gratuity to Alene J. Ayers was considered, and agreed to, as follows:

S. Res. 123

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Alene J. Ayers, widow of Bernard M. Ayers, an employee of the Senate at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

GRATUITY TO ALBERT C. JOHNSON, EARL M. JOHNSON, STEPHEN LESLIE JOHNSON, CHRISTY JOHNSON MAGUSCHAK, PAULA JOHNSON MICHALEK

The resolution (S. Res. 124) to pay a gratuity to Albert C. Johnson, Earl M. Johnson, Stephen Leslie Johnson, Christy Johnson Maguschak, and Paula Johnson Michalek was considered, and agreed to; as follows:

S. RES. 124

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Albert C. Johnson and Earl M. Johnson, sons of Helen O. Kane, an employee of the Architect of the Capitol assigned to duty on the Senate side at the time of her death, a sum to each equal to one-third of six months' compensation at the rate she was receiving by law at the time of her death, and to Stephen Leslie Johnson, Christy Johnson Maguschak and Paula Johnson Michalek, grandchildren of Helen O. Kane, a sum to each equal one-ninth of six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

GEORGE MILLIGAN CONTROL TOWER

The Senate proceeded to consider the bill (S. 661) entitled the "George Milligan Control Tower."

Mr. PACKWOOD. Mr. President, as the Senate considers S. 661, the George Milligan Control Tower, I wanted to provide some very brief legislative history on the measure.

I introduced S. 661 on March 14, 1985. I did so to honor the memory of George Milligan, a pilot who served the population of southern Oregon through a nonprofit air ambulance and emergency air service for many years. George was killed when his plane suffered mechanical failure and crashed on approach to the Medford airport, while transporting a patient for emergency medical service.

S. 661 was referred to the Committee on Commerce, Science and Transportation. On April 2, 1985, the committee voted unanimously to report the measure, without amendment. On April 10, 1985, the bill was reported by the committee's chairman, Mr. DANFORTH. Because of the noncontroversial and straightforward nature of the measure, it was deemed unnecessary to file the bill with a written report.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 661

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the air traffic control tower at the Medford-Jackson County Airport is designated and shall hereafter be known as the "George Milligan Control Tower". Any reference in a law, map, regulation, document, or other paper of the United States to such control tower shall be held and considered to refer to the "George Milligan Control Tower".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the measures were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

SUPERFUND IMPROVEMENT ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent that S. 51, the Superfund Improvement Act of 1985, as reported from the Committee on Environment and Public Works, be sequentially referred to the Committee on Finance for the purpose of considering title II of the bill and any provisions relating to revenues for the hazardous substance response fund.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent the Senate go into executive session to consider nominations on the Executive Calendar.

Mr. BYRD. Mr. President, will the distinguished majority leader indicate before he puts that request what items thereon he would like to pass?

Mr. DOLE. Yes. Calendar Order No. 56 and Calendar Order No. 87, Calendar Order No. 101 through 106, and all nominations placed on the Secretary's Desk.

Mr. BYRD. Mr. President, on this side, I have no objection to proceeding as the distinguished majority leader has outlined, with the exception of Calendar No. 106 on page 3. I hope that could be excepted for the time being.

Mr. DOLE. Mr. President, I revise my request for unanimous consent to go into executive session to consider the following nominations on the executive calendar: Calendar Nos. 56, 87, 101, 102, 103, 104, 105, and all nominations placed on the Secretary's desk.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations referred to be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

INTER-AMERICAN FOUNDATION

Lynda Anne Barness, of Pennsylvania, to be a member of the board of directors of the Inter-American Foundation for a term expiring October 6, 1990.

THE JUDICIARY

R. Allan Edgar, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

[NEW REPORTS]

IN THE AIR FORCE

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Alfred G. Hansen, xxx-xx-... FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Walter F. Ulmer, Jr., xxx-xx-... (Age 55), United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Crosbie E. Saint, xxx-xx-xxxx, United States Army.

IN THE NAVY

The following-named officer to be placed on retired list in the grade indicated under the provisions of Title 10, United States Code, Section 1370.

To be admiral

Adm. Steven A. White, xxx-xx-xxxx/1120, United States Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. George W. Davis, Jr., xxx-xx-.../1110, U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. James E. Service, xxx-xx-xxxx/1310, U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Donald D. Fate, and ending Forrest C. Yancey, Jr., which nominations were received by the Senate on March 29, 1985, and appeared in the CONGRESSIONAL RECORD of April 1, 1985.

Air Force nominations beginning Raymond L. Brewer, and ending Paul E. Wright, which nominations were received by the Senate on March 29, 1985, and appeared in the CONGRESSIONAL RECORD of April 1, 1985.

Army nomination of Colonel Pierce A. Rushton, Jr., which was received by the Senate on March 29, 1985, and appeared in the CONGRESSIONAL RECORD of March 28, 1985.

Army nominations beginning Ricardo Alba, and ending Robert T. Anderson, which nominations were received by the Senate on March 29, 1985, and appeared in the CONGRESSIONAL RECORD of April 1, 1985.

Army nominations beginning Harald K. Abbenhaus, and ending Randal J. Zimmerman, which nominations were received by the Senate on March 29, 1985, and appeared in the CONGRESSIONAL RECORD of April 1, 1985.

Marine Corps nominations beginning Mark D. Abelson, and ending Ronald A. Zaleski, which nominations were received by the Senate on April 1, 1985, and appeared in the CONGRESSIONAL RECORD of April 2, 1985.

Navy nominations beginning James L. Abbot, III, and ending Marshall Pope Waters, III, which nominations were received by the Senate on April 1, 1985, and appeared in the CONGRESSIONAL RECORD of April 2, 1985.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRIME VICTIMS WEEK

Mr. DOLE. Mr. President, I send to the desk a joint resolution on behalf of Senator THURMOND, and I ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 109) to designate the week of April 14, 1985, as "Crime Victims Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was introduced by Mr. THURMOND, for himself and Mr. BIDEN, Mr. LAXALT, Mr. HEINZ, Mr. GRASSLEY, Mr. DENTON, Mr. SPECTER, Mr. ABDNOR, Mr. KENNEDY, Mr. BAUCUS, Mr. HAWKINS, Mr. COCHRAN, Mr. BURDICK, Mr. ZORINSKY, Mr. HATCH, Mr. HEFLIN, Mr. WARNER, Mr. KERRY, Mr. BOSCHWITZ, Mr. MCCLURE, Mr. NUNN, Mr. PRYOR, Mr. HUMPHREY, Mr. INOUYE, Mr. WILSON, Mr. LEVIN, Mr. SASSER, Mr. STEVENS, Mr. SYMMS, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. MATHIAS, Mr. DECONCINI, Mr. METZENBAUM, Mr. MCCONNELL, Mr. LAUTENBERG, Mr. BOREN, Mr. EAST, and Mr. TRIBLE.

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation which would designate the week of April 14, 1985, as "Crime Victims Week."

In recent years, a national movement has developed to address the plight of crime victims in this country. The crime rate is intolerably high. In its wake, it leaves millions of victims, who have suffered emotional and physical injury, financial loss, strains on their families, and disruption of their lives. All too frequently, our criminal justice system focuses on the rights of the accused, to the exclusion of the needs of the victims. The national victims movement has been an effort to provide more compassionate and just treatment for victims of crime. Although there has been considerable success in this area, particularly in many State and local jurisidictions because of the assistance of devoted volunteers groups, much remains to be done.

On the Federal level, both the Congress and the executive branch have taken steps to assist crime victims. The Victim and Witness Protection Act of 1982 authorized Federal courts to order restitution to crime victims and mandated the establishment of Federal Guidelines for the Fair Treatment of Crime Victims, which are currently being implemented. The Victims of Crime Act of 1984, Chapter XIV of the Comprehensive Crime Control Act, created a Victims Compensation Fund in the U.S. Treasury, comprised primarily of criminal fine payments, to finance aid to the States for victims compensation and assistance programs. The President appointed a Task Force on Victims of Crime and the Department of Justice has established an Office for Victims of Crime.

I am hopeful that Crime Victims Week will serve as an opportunity for Federal, State, and local government officials, representatives in the private sector, and the general public to focus their attention on the problems of crime victims and possible solutions to those problems. I urge my colleagues to support this measure and to join in activities which will further the cause of crime victims.

The joint resolution was agreed to.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 109

Whereas crime often inflicts considerable physical and emotional pain and financial hardship upon its victims, disrupting their lives, and placing great strains upon their families;

Whereas our criminal justice system has often failed to provide the victims of crime with the compassionate treatment they deserve;

Whereas it is the fundamental obligation of government to protect its citizens from the criminal element;

Whereas there is a national movement in support of more just and compassionate treatment of victims of crime;

Whereas the establishment of the President's Task Force on Victims of Crime and an Office for Victims of Crime in the Department of Justice, and enactment of the Victim and Witness Protection Act of 1982 and the Victims of Crime Act of 1984 evidence the Federal government's increased awareness of the plight of crime victims; and

Whereas further efforts are needed, at all levels of government and in the private sector, to help ease the trauma suffered by crime victims: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 14 through April 20, 1985, as "Crime Victims Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe that week with appropriate ceremonies, activities, and programs.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORITY FOR SENATE LEGAL COUNSEL TO REPRESENT MAX BARBER

Mr. DOLE. Mr. President, I send to the desk a resolution, on behalf of Senator BYRD and myself, relating to the authority of the Senate legal counsel and testimony by a Senate employee, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 133) to direct the Senate Legal Counsel to represent Max Barber in *The Christian Broadcasting Network, Inc.* v. *Carol Ann Kadushin, d/b/a/ Capital Broadcast News,* Civil Action No. 84-1821.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, this resolution would direct the Senate legal counsel to provide representation for Max Barber, superintendent of the Senate Radio and Television Gallery, in response to a subpoena from the defendant in the case of the Christian Broadcasting Network, Inc. versus Carol Ann Kadushin, d/b/a Capital Broadcast News. This case is pending in the U.S. District Court for the District of Columbia and concerns claims over the use of the trademark CBN, which are the initials of both the plaintiff and defendant organizations. The subpoena seeks both documents and testimony concerning the utilization of this mark in the accreditation of the two organizations by the Senate Radio and Television Gallery. The resolution authorizes Mr. Barber to testify and produce the documents in response to the subpoena and directs the Senate legal counsel to represent him and to assert any Senate privileges.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 133

Whereas, the case of *The Christian Broadcasting Network, Inc.* v. *Carol Ann Kadushin, d/b/a Capital Broadcast News,* Civil Action No. 84-1821, is pending in the United States District Court for the District of Columbia;

Whereas defendent has served a trial subpoena for testimony and documents on Max Barber, Superintendent of the Senate Radio and Television Gallery;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288(a) and 288c(a)(1982), the Senate may direct its counsel to represent members and employees of the Senate in civil actions relating to their official responsibilities;

Whereas by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Max Barber in the case of *The Christian Broadcasting Network, Inc.* v. *Carol Ann Kadushin, d/b/a Capital Broadcast News.*

SEC. 2. That Max Barber is authorized to testify and to produce subpoenaed documents in the case of *The Christian Broadcasting Network, Inc.* v. *Carol Ann Kadushin, d/b/a Capital Broadcast News* except concerning matters that the Senate Legal Counsel or his representative determine are privileged from disclosure.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ACTION ON HOUSE JOINT RESOLUTION 188 VITIATED

Mr. DOLE. Mr. President, I ask unanimous consent that action taken on House Joint Resolution 188 be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the RECORD remain open until 5 p.m. today, for the introduction of bills, resolutions, and submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF JOHN E. KRINGS

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that at 2 p.m. on Tuesday, April 16, the Senate go into executive session to consider the nomination of John E. Krings to be director of Operational Test and Evaluation, Department of Defense and that it be considered under the following time agreement:

Four hours on the nomination, to be equally divided between the chairman of the Armed Services Committee and the ranking minority member, or their designees; that no motions, appeals, or points of order be in order; and that the agreement be in the usual form.

I further ask unanimous consent that following the conclusion or yielding back of time, the Senate proceed immediately to vote on the confirmation of the nomination of Mr. Krings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that it be in order now to order the yeas and nays on the nomination of John E. Krings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. on Tuesday, April 16, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on tomorrow there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD OF TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that following the Proxmire special order there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS BETWEEN 12 NOON AND 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. on Tuesday, April 16, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at 2 p.m. tomorrow by unanimous consent the Senate will go into executive session to consider the nomination of John E. Krings to be the Director of Operational Test and Evaluation, Department of Defense, under a 4-hour time limitation. A rollcall vote will occur on the confirmation of Mr. Krings.

Also during the tomorrow session the Senate could turn to any other Legislative or Executive Calendar items cleared for action.

RECESS UNTIL TOMORROW AT 11 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess, in accordance with the previous order, until 11 a.m. on Tuesday, April 16, 1985.

The motion was agreed to; and at 3:16 p.m., the Senate recessed until Tuesday, April 16, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate April 5, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Sheldon J. Krys, of Maryland, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

DEPARTMENT OF JUSTICE

John C. Lawn, of Virginia, to be Administrator of Drug Enforcement, vice Francis M. Mullen, Jr., resigned.

THE JUDICIARY

John P. Moore, of Colorado, to be U.S. circuit judge for the 10th circuit, vice Robert H. McWilliams, Jr., retired.

Stanley Sporkin, of Maryland, to be U.S. district judge for the District of Columbia, vice June L. Green, retired.

DEPARTMENT OF JUSTICE

Herbert M. Rutherford III, of Virginia, to be U.S. Marshal for the District of Columbia for the term of 4 years, vice James O. Golden.

NATIONAL FOUNDATION FOR THE ARTS AND THE HUMANITIES

Edward A. Curran, of Maryland, to be Chairman of the National Endowment for the Humanities for a term of 4 years, vice William J. Bennett.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard K. Saxer, [redacted] FR, U.S. Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15, 1985:

INTER-AMERICAN FOUNDATION

Lynda Anne Barness, of Pennsylvania, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 1990.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

R. Allan Edgar, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Alfred G. Hansen, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Walter F. Ulmer, Jr., [redacted], (age 55), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Crosbie E. Saint, [redacted], U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. Steven A. White, [redacted]/1120, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. George W. Davis, Jr., [redacted]/1110. U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. James E. Service, [redacted] 1310, U.S. Navy.

IN THE AIR FORCE

Air Force nominations beginning Donald D. Fate, and ending Forrest C. Yancey, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 1, 1985.

Air Force nominations beginning Raymond L. Brewer, and ending Paul E. Wright, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 1, 1985.

IN THE ARMY

The following-named officers for appointment as Director of Admissions, U.S. Military Academy, in accordance with the appropriate provisions of title 10, United States Code, section 4333:

To be Director of Admissions, U.S. Military Academy

Col. Pierce A. Rushton, Jr., [redacted]

Army nominations beginning Ricardo Alba, and ending Robert T. Anderson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 1, 1985.

Army nominations beginning Harald K. Abbenhaus, and ending Randal J. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 1, 1985.

IN THE MARINE CORPS

Marine Corps nominations beginning Mark D. Abelson, and ending Ronald A. Zaleski, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 2, 1985.

IN THE NAVY

Navy nominations beginning James L. Abbot III, and ending Marshall Pope Waters III, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 2, 1985.

EXTENSION OF REMARKS

HEALTH RESEARCH GRANT REDUCTIONS: MISPLACED PRIORITIES

HON. DOUG WALGREN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. WALGREN. Mr. Speaker, the Office of Management and Budget is now blatantly and indefensibly circumventing the intent of Congress in directing the National Institutes of Health to award only 5,000 research grants, instead of 6,500 as funded by Congress. I am an original cosponsor of House Joint Resolution 136 which would require the administration to comply with the law, as passed by the Congress and signed by the President, and award all 6,500 grants in fiscal 1985.

There was no ambiguity whatsoever in the law passed by the Congress last year. When we considered the fiscal 1985 appropriations for NIH, both the House and Senate provided the funds for 6,500 grants. Their intent was spelled out in report language accompanying the bill as it was signed by the President.

This long overdue increase in support for health research was designed to improve our chances for finding cures to diseases like cancer, diabetes, heart disease, and others that cause so much personal pain and suffering—and ultimately cost us tremendously in lost dollars of productivity and medical treatment.

Congress knew what it was doing then when it authorized and appropriated these sums—and so did the President when he signed the legislation shortly before the election last fall.

Now we find the White House, through its own version of "creative budgeting," disowning the President's own signature in an effort to arbitrarily reduce the number of these research grants to 5,000.

Administration efforts to justify their actions as a dollar-saving measure make no sense when you consider that this Nation's entire health research budget—$5 billion—is less than the increase they seek in military research this year—an increase of $8 billion to a record $39 billion for Pentagon research.

The administration's arbitrary reduction of research grants is not just a question of dollars. Over the past few weeks I have heard from 107 doctors, researchers, and scientists from the Pittsburgh area outlining the consequences of loss of funding for vital research projects. The University of Pittsburgh School of Medicine has 87 scientists whose work is supported by NIH grants. Carnegie-Mellon University has 60 active NIH grants, most of which involve biological sciences. All of this work is put in jeopardy by this major cut in medical research. Pittsburgh's Children's Hospital—an institution which has earned a worldwide reputation for life-saving organ transplants—will also be affected.

Because of OMB's action, an important research effort to understand the cause of middle-ear infection in children is threatened. Ear infections are the most common problem treated by health care professionals who care for children in this country. As any parent of small children can attest, the pain and suffering caused by earaches is extreme.

The insertion of plastic tubes into eardrums, and related medical treatment now costs approximately $2 billion each year, involving 30 million outpatient visits. The work at Children's Hospital could ultimately save us millions of dollars. But not if OMB has anything to say about it.

Although the NIH reviewing team enthusiastically recommended continued funding for this research at Children's Hospital, OMB's action will cut 83 percent of the funds beginning September 1.

Currently only one-third of the research proposals that are recommended by reviewing scientists are funded. Two out of every three research proposals go unfunded and their promise is lost.

OMB argues that we have had too many "hills and valleys" in health research funding in recent years and that we must stabilize funding. In my view, this is a simple misrepresentation to cover the fact that, in their world, they place little priority on public funding for medical research. I can find no valleys in funding except one, and that valley was dug by OMB in preventing the award of these grants.

OMB may not value health research, but I believe the people do. As a member of the House Health Subcommittee, I will do all I can to see that OMB's action is reversed. When only one-third of approved health research proposals are funded and the administration can find enough money to buy $600 toilet seats for the Pentagon, I simply do not understand why we cannot give adequate support to one of the Federal Government's most important missions.●

DEATH PENALTY FOR SERIOUS DRUG OFFENSES

HON. ELDON RUDD
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. RUDD. Mr. Speaker, I have asked for this time today to discuss legislation I recently introduced to provide for the imposition of the death penalty for those convicted of serious drug offenses.

A little over a month ago, on the weekend of March 3 here in our Nation's Capital, we witnessed a shocking outbreak of nine fatal overdoses across the city all caused by either a highly potent or contaminated batch of heroin. The drug dealer who supplied that heroin is as guilty of murder as if he had taken a gun to each of the victim's heads. Indeed, detectives in the District said that if a single source of the heroin could be found, they would try to charge those responsible with homicide.

But despite the tough attitude and beefed-up efforts of police in the District of Columbia, the death rate from overdoses keeps right on climbing. In 1980, there were 82; by the end of fiscal year 1984, there were 185 heroin overdose deaths in the Washington area. D.C. police officers are seizing heroin of 7 percent purity today, compared to an average of 1.8 percent purity in 1978.

Those who produce and push these dangerous drugs are not experts, chemists, or doctors, and are obviously not concerned with the safety of their products. They are looking only to turn a quick profit regardless of all the death and illness they cause, and all of the families they tear apart.

Though this frightening incident took place in the Nation's Capital, the drug problem is by no means unique to the Washington area. It is a problem across the Nation. About 12,500 heroin- and morphine-related hospital emergencies were reported across the country in 1983, including about 600 deaths.

Every year, drug traffickers smuggle into the United States as much as 4.4 U.S. tons of heroin, 77 tons of cocaine, and 16,530 tons of marijuana. But, despite our best efforts, we have been able to intercept only a small portion of these illegal drug imports. In 1983, the quantity of combined seizures of marijuana amounted to only about 13.4 U.S. tons of the estimated 15,000

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

tons demanded in the country that year.

According to Government estimates, some 25 million Americans have tried cocaine, and 5 to 10 million use it at least once a month. Dr. Arnold Washton, cofounder of a national cocaine hotline, has suggested that even those estimates are quite low and that another 5,000 Americans try cocaine for the first time every day.

This use has had its devastating impact. Cocaine-related hospital emergencies reached almost 6,900 in 1983; during the year, there were 280 cocaine-related deaths.

Some 5,500 marijuana-related hospital emergencies occurred in 1983.

All this death and destruction caused by the illegal drug trade requires that the strictest penalties be imposed. Last year, in the Comprehensive Crime Control Act, we increased maximum fines for the most serious drug offenses from $25,000 to $125,000 for individuals. For trafficking in large quantities of illegal drugs, we set the maximum fine at $250,000 and a maximum prison term at 20 years, up from the current 15. We increased first-offense penalties for illegally distributing or making certain drugs from a maximum of 5 to 15 years.

Heavier fines and penalties were clearly in order. Almost half of all defendants convicted were sentenced to 5 years or less through December 31, 1984. Another 20 percent of those convicted were not sentenced to prison at all, but were granted parole or given suspended sentences.

The heavier penalties in last year's legislation were a step in the right direction, but for repeat offenders and the kingpins behind these operations, the death penalty ought to be imposed.

With profits running into the billions of dollars, dangerous drug dealers put little value on human life, whether the life of the addict whom he is killing quietly or the law enforcement official whom he is out to kill with a vengeance.

Drug Enforcement Administration [DEA] Agent Enrique Camarena Salazar was tortured and brutally murdered by drug traffickers in Mexico bent on revenge. Camarena Salazar had taken part in an investigation which had already resulted in the seizure of 3,600 pounds of cocaine and $20 million.

Drug lords in Colombia have vowed to kill leaders of that country, from the President on down. We have heard the reports that they have offered $350,000 to anyone who will kidnap U.S. drug enforcement officials and deliver them, dead or alive.

In Bolivia, intelligence agents discovered that Colombian and Bolivian cocaine traffickers had paid a gunman $500,000 to murder U.S. Ambassador Edwin Corr. Fortunately the Ambassador is still safe, but must carefully vary his routine daily.

In Peru, 19 crop eradication workers were murdered on the orders of a local drug czar.

They murder, they conspire with Communist countries and terrorists, they put thousands in the hospitals each year and put the very security of our Nation at risk.

Drug trafficking is serious business. We can only put a dent in it if we give our law enforcement officials every tool they need to combat it. The death penalty for those who threaten the lives and health of our citizens ought to be imposed, and I hope my colleagues will join me in supporting legislation to this end.●

BIAGGI SPONSORS TAX AMNESTY/DEFICIT REDUCTION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation which I hope will get serious consideration as we work for ways to reduce our Federal deficit—clearly, the major domestic issue in our Nation. My legislation would establish a 6-month national tax amnesty program which would provide those Americans who have failed to pay their Federal tax obligations an opportunity to do so without being assessed any civil or criminal penalties; those persons would also be forgiven 50 percent of any interest penalty which would normally be assessed. I would point out that my bill is modeled after legislation introduced earlier this year by the distinguished Senator from Illinois [Mr. DIXON.]

The Treasury Department estimates that for the tax year which ends today, the Government will be cheated out of between $89 and $92 billion under what is called the tax gap. This simply is the difference between what the Government is owed in taxes versus what it will actually collect from taxpayers, whether individuals or corporations. We have seen an alarming increase in the tax gap in this Nation over the past 12 years. In fact, the gap more than tripled between 1973 and 1981 when it reached $81 billion. In addition to this direct loss, the Government also stands to suffer a further loss of revenues from the estimated $250 billion in income that will go unreported by Americans this year, some of which is also taxable.

It is obvious that we must take some steps to recoup these losses. I propose as one practical approach a short-term one-time opportunity for delinquent taxpayers to come forth and pay these taxes and, in doing so, make a meaningful contribution to reducing the Federal deficit. Estimates point to the fact that such an amnesty program could reduce the Federal deficit by as much as $20 billion.

Specifically under my proposal the amnesty period would begin on or around July 1, 1985, and would continue for 6 months. During that time taxpayers could pay their delinquent taxes and be provided with amnesty for the aforementioned penalties. The amnesty would cover all tax years from 1977 to 1983—the 7-year period that is still subject to IRS collection efforts.

The amnesty proposal is not all inclusive. It bars from participation those persons who are involved with the IRS in administrative and/or judicial proceedings before the amnesty period begins, those under criminal investigation by the IRS, or those persons who make false or fraudulent representations in attempting to take advantage of the amnesty.

One additional point. The amnesty I am proposing would only apply to taxes owed on legal sources of income.

I offer this legislation in light of the successful experience which 12 States in our Nation have had in establishing their own amnesty programs. According to the Library of Congress these 12 States have collected over $345 million in new State revenues as a direct result of these tax amnesty programs. The States that have implemented tax amnesty programs are Alabama, Arizona, California, Idaho, Illinois, Kansas, Massachusetts, Minnesota, Missouri, North Dakota, Oklahoma, and Texas. One only has to assume that a tax amnesty program at the national level would also be successful in recovering a substantial portion of the $90 billion in delinquent Federal taxes.

We realize that the idea of tax amnesty, pure and simple, might concern those millions of Americans who have honored their obligation and paid their taxes in a timely fashion. However, there is much more to this bill than the amnesty provisions. Included in this bill are two other provisions offering a "carrot and stick" approach to this problem. One would increase all tax-related civil and criminal penalties, including money fines and prison sentences for future tax cheaters. The second would authorize the hiring of more than 3,000 new permanent IRS agents to improve existing enforcement of tax laws.

In my judgment this is the time to propose a tax amnesty program. A recent nationwide IRS survey on taxpayer attitudes toward taxes found that 19 percent of the public admitted to having cheated on their taxes at some time or another by overstating deductions, understating income, or both. Of that 19 percent, approximately two-thirds said they did it once or

twice, about one-fourth did so three times or more, and the remainder said they did not remember. For those who overstated deductions, the amounts were by $100 or less. Those who did so by underreporting income did so by more than $100.

Further, the IRS reports that the compliance rate for individuals in terms of paying their full Federal tax obligations is falling by 0.2 percent a year. This can translate into hundreds of millions of dollars in lost revenues each year. In specific categories we see similar trends. For example, in 1973 more than 90 percent of all dividends were reported. By 1981 that figure had fallen to 83 percent. There has also been a 15-percent drop in capital gain taxes paid between 1973 and 1981.

The idea of tax amnesty is not unprecedented at the national level. There have been two previous examples of a limited form of amnesty tried by the Federal Government. Between the years 1919 and 1952, the then Bureau of Internal Revenue did maintain a policy of providing immunity from criminal prosecution to tax evaders who voluntarily disclosed. Then, in 1945, Treasury Secretary Morgenthau made a specific amnesty offer as it related to black marketeers. In the 18 months following this amnesty offer, $500 million of some $3 billion collected from tax evaders came from those making voluntary disclosures.

I introduce this legislation today both to coincide with the date that Americans are obligated to pay their taxes before late penalties are assessed, but also to coincide with the return of Congress from the Easter district work period and our serious work on the fiscal year 1986 budget. As all of us know, we are laboring under a record Federal deficit of somewhere near $185 billion. There are only two ways to reduce the deficit—reduce spending or increase revenue by raising taxes. It appears likely that the only route we will consider will be spending reductions. The latest budget proposal being considered would call for serious sacrifices on the part of many needy people to accommodate deficit reduction.

I offer tax amnesty as one relatively painless way to reduce the deficit through increasing revenue, but not by increasing actual tax obligations. There are few, if any, proposals being considered at the present time that can make the same claim.

I am aware of the fact that this legislation is being offered at a time when the IRS is under fire for their processing of tax returns already filed by millions of Americans. I consider this to be a most unfortunate problem which I hope will lend itself to a prompt and equitable solution.

Benjamin Franklin once observed that nothing in life was certain but death and taxes. However, with a $90 billion tax gap caused by people not paying their taxes, it appears that the certainty of taxes is anything but that for millions in this Nation. Tax amnesty can both right a wrong and help solve a larger problem facing all Americans—reducing our national deficit without raising taxes.●

LEGISLATION TO PROTECT ELDERLY RESIDENTS OF LIFE CARE HOMES

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. WALGREN. Mr. Speaker, today I have introduced a bill with the goal of providing some protection to people who put their resources—and their lives—in the hands of life care homes. My bill would direct the Federal Trade Commission to conduct a rulemaking on the life care industry that would establish some protections for those people now and in the future who choose life care homes as the way to live their retirement years.

WHAT IS LIFE CARE?

Life care, also known as continuing care, is a contractual arrangement under which a person or couple pays an entry or endowment fee and a monthly service fee in return for a place to live, health care, and other services for the duration of the individual's life. Residents receive housing, meals, services such as cleaning, recreation, and health care, including nursing home care. These services are usually provided in a single complex containing a range of living units.

Sixty percent of people retiring in the United States could probably afford life care; 73 percent of the elderly own their own home and 80 percent of these have paid off their mortgages. The average value of their homes is $46,000.

Life care residents are generally people over age 65 who have sold their own homes and have paid an entrance fee ranging from $20,000 to $120,000—the average is $40,000—and who pay monthly fees from $300 to $1,200 per individual. Today there are approximately 600 life care communities or homes and 100,000 residents. Pennsylvania, my home State, has the third largest number, following California and Florida. It is a rapidly growing industry, with $2.5 billion in revenues, according to Forbes magazine.

Life care is attractive to many people for several reasons: In the words of one elderly resident: "When you get to be our age—74 and 79—you have the feeling that something could happen at any time. Here we know we could be taken care of immediately." As the former Social Security Commissioner Robert M. Ball put it:

> In a life-care community, the fear of someday being a burden on relatives and friends, or finding oneself helpless among uncaring strangers, is effectively removed.

In essence, the guarantee of lifetime health care and comfortable living arrangements among companions is very appealing.

THE ECONOMICS OF LIFE CARE: A CASE OF GOOD AND BAD

For the individual, life care offers congregate living and shared expenses. Life care distributes the costs among residents which can be particularly economical in providing health care needs which are more expensive among the elderly. For many, life care may enable people to purchase higher quality care which they perhaps could not afford individually.

But along with the economic pluses there have been some economic minuses for elderly residents, people who have put their entire lifetime resources into the hands of life-care home operators. The April 1985 issue of Money magazine, an article entitled "The Broken Promise of Life Care Communities," lays out the problem this way:

> The personal and financial welfare of an unknown but significant number of residents of life-care communities is at risk. They face the loss of thousands of dollars. They confront a serious erosion of their sense of security. They are victims of an industry that on the surface brims with promise but in reality is deep in distress, plagued by financially unsound enterprises and sometimes beset by criminally unscrupulous operators.

POOR FINANCIAL PLANNING

What are the problems? They are a combination of unscrupulous business dealings and innocent miscalculations. Many homes have gone bankrupt from faulty planning, leaving residents high and dry. Money magazine identified 40 life-care communities that since the mid-1970's have gone bankrupt or have experienced severe financial difficulties. One analyst who follows the industry, says that of 50 financed with tax-exempt bonds since 1980, 10 percent have defaulted on their debts and another 14 percent are failing to meet occupancy rates initially projected.

Financial management problems include the failure to pay mortgage or other obligations and then using entrance fees—which residents presume are in reserves—to pay off debts; borrowing for capital expansion and improvements without the ability to repay loans; engaging in speculative investments instead of reserving funds; failing to establish reserve funds to cover services specified in contracts.

These problems have been caused in part by poor planning. Large reserves must be developed at the outset by preselling homes and monthly costs must be met with predictable revenues. Operators have also underesti-

mated inflation rates, health care needs, and life expectancies, and turnover rates. Ironically, cash shortfalls and miscalculations have clashed with increased life expectancies—and higher finances. If turnover rates are lower than anticipated, fewer infusions of cash—$50,000 entrance fees—come in.

The tragic result of this poor planning is that the resident, who has sold his or her home and put all resources into life care, has sometimes been left with virtually nothing: No cash, no refund, no equity, no home.

MISREPRESENTATION

Misrepresentation of a home's services and stability has occurred in contracts, in advertising and promotional materials. There have been many cases of vague, incomplete or highly technical contracts. People are led to think they are contracting for a certain service such as doctor's care on the premises to later learn that the doctor is only available on call. Some contracts have stated that buyers are facing no financial risk. Some contracts fail to mention that monthly fees will increase. Some contracts have implied that a portion of residents' funds are being held in reserves.

In advertising and promotional materials, companies have suggested, implied or promised outright things that just do not materialize. Sadly, some homes have misrepresented their affiliation with religious organizations, giving the impression of an affiliation with a religious organization or church, and even worse implying that the religious institution is responsible—and will be responsible, no matter what happens. Some use religious-sounding names like Christian Care or Good Neighbor Fellowship. Some homes have been vague about who exactly is legally responsible for the community's debt, implying that payment of the debt will be guaranteed by the sponsoring entity or some other party. Some homes have misrepresented how entrance fees will be used, implying they will be there for future care or emergencies. Some have misrepresented how much of the entrance fee will be refunded if a resident terminates the contract or dies. Some operators have not been upfront about monthly fees and increases in those fees over the coming years. Some residents are led to believe that increases will not exceed Social Security benefit increases, but later learned to find them higher. There have been instances of operators suggesting there is nursing home care when in reality there is no nursing home. Some have promised, for example, to paint residence every 5 years at no charge to the resident, and then failed to do so.

Many, and probably most, life-care proprietors are reputable, honest, responsible businesspeople. But some are not and some terrible mistakes have been made. Some unfortunate misunderstandings have resulted from the vagueness of contract and promotion, whether that vagueness was intentional or not. We have laws to protect the consumer from unfair and deceptive commercial acts in most transactions of our lives. In my view, we need to do more to protect these people who turn over the life's savings and all their assets in exchange for a promise of security. We have to make sure that promise is real.

One of the hardest decisions one has to make in life is how to insure that one has adequate housing and health care in old age. Most of us fear that increased longevity and increased health problems will combine—maybe conspire—to destroy our independence, leaving us alone, dependent, sick, and poor. For those able to plan for their needs of their later years, we need to guarantee that they are dealt with fairly and squarely, that they actually get what they pay for.

LIFE CARE PROTECTION LEGISLATION

The bill I am introducing today would direct the Federal Trade Commission to conduct a rulemaking on unfair and deceptive acts and practices by life-care homes. The bill does not require any particular practices nor prohibit any, but it does require the FTC to examine certain areas. The thrust of my bill is to require complete, understandable disclosure to the prospective resident of the company's financial health and services offered, so that the purchaser will have complete knowledge for deciding whether to buy a life-care contract. It does not require contracts to have any particular provisions nor prohibit any. Its goal is to give to the purchaser complete information so that the purchaser can make an informed decision, knowing all the risks and benefits involved.

The bill has several provisions. Basically, it would require the Federal Trade Commission to conduct a rulemaking addressing unfair and deceptive practices by life-care homes. The FTC is directed to consider including in a rule certain specified requirements relating to disclosure to prospective and current residents; prohibition of unfair and deceptive advertising practices; and requirements for writing contracts in clear, understandable terminology.

In the area of disclosure, the FTC would have to consider the merit of providing to prospective residents the following information: The maintenance of reserve and escrow accounts; the use of revenues derived from entrance fees for ventures not directly related to life care; an audited, annual financial statement; a development budget for the home in the planning and expansion stage; the financial obligations of a resident; the complete terms of contracts, including the home's duties; rights to terminate the contract; conditions for refunds; conditions for increasing fees; disposition of residents' funds and possessions upon death; legal actions pending against the home.

Finally, the bill directs the FTC to do a study of commercial practices in nursing homes and to report to Congress on the desirability of a rule in this area.

NURSING HOME TRANSACTIONS QUESTIONED

Several years ago a Senate committee surveyed nursing homes and found evidence of consumer fraud and abuse. That report, from the Senate Special Committee on Aging, found:

> Abuses in nursing homes have been well publicized during the last decade. . . . Most of the concern that has been generated has focused on the quality of care issues and indications of medicaid fraud. Because the government, as the purchaser of services, is so evidently defrauded by these activities, we have often lost sight of the fact that the seniors are often also defrauded. They may be conned into paying an "admission" fee to purchase a place in a medicaid facility, overcharged for specific services, defrauded out of personal maintenance funds, and forced to pay for specific services and supplies that should be included in the home's per diem rate.

There have been reported cases of inadequate cost disclosures and billing practices, misappropriation of residents' funds, arbitrary discharge policies, inadequate protection of resident property, and deceptive contract provisions.

It would be very helpful to the Congress to have more information on nursing home business transactions. The consumers themselves are exceedingly vulnerable and may in fact need more protection of their economic interests than other consumers. My bill directs the FTC to do a study of nursing home commercial practices within 6 months from enactment to report to Congress on any problems that may be occurring in nursing home transactions and to recommend the need for an FTC regulation. I understand that the FTC is now doing some work in this area. My bill would ask them to send a report to Congress by a date certain.

NEED FOR LEGISLATION

Why do we need legislation? First, there is the nature of the life-care or nursing home care transaction. This purchase does not fit into the traditional free market or health care model. Under the free market approach, in a competitive environment consumers are able to protect themselves and can choose from many products on their merits. In purchasing health care, consumers have limited choices and are not able to do comparison shopping to get the best product or service. The very reasons that lead people to seek life care and nursing home care make them among the

most vulnerable people in the marketplace. They are probably less able, and sometimes more desperate, to protect themselves.

Commendably, 11 States, including my own, have enacted consumer protection laws in this area, yet in the view of many, these State laws may not be adequate and they are laxly enforced. Proprietors also operate across State lines in interstate commerce. It would no doubt be easier for them to have a uniform standard, rather than a variety of laws. In the words of a University of Pennsylvania Law Review article in 1980:

Federal inattention to continuing care has had a neutral impact; at worst, it has actually contributed to the problems of continuing care.

FULL DISCLOSURE GOOD FOR ALL

Basically, I believe that by requiring full disclosure before a purchase will be the best insurance of good business practices. Openness is the best deterrent. Sunlight is the best disinfectant. Full disclosure is especially critical in life care, a transaction that must be unique because of the magnitude of the investment and the magnitude of the contracted promise. People give over everything in exchange for everything. The homes that have good practices will get good results—people waiting at the door. Money magazine cites several homes which have undergone actuarial reviews and have excellent reputations. They have waiting lists of applications.

The Federal Trade Commission has done some work in this area, but I believe more needs to be done. In trying to help the elderly live their "golden years" in peace and security, we can hardly do enough.

SUMMARY OF THE WALGREN LIFE CARE RESIDENTS PROTECTION BILL, APRIL 15, 1985

LIFE CARE HOME PROVISIONS

The bill would require the Federal Trade Commission to conduct a rulemaking addressing unfair and deceptive practices by life care homes. The FTC is directed to consider including in a rule certain specified requirements relating to disclosure to prospective and current residents; prohibition of unfair and deceptive advertising practices; and requirements for writing contracts in clear, understandable terminology.

In the area of disclosure, the FTC would have to consider the merit of providing to prospective residents the following information: the maintenance and operation of reserve funds, escrow accounts, trusts, and other reserves to insure the financial ability of homes to perform their contractual obligations; the interests of the life care home in other businesses which provide services to the home; the use of revenues derived from entrance fees for ventures not directly related to life care; an audited, annual financial statement certified by an independent certified public accountant; a development budget for the home in a planning and expansion stage; the financial obligations of a resident, including initial and monthly payments; the complete terms of contracts, including the home's duties; rights to terminate the contract; conditions for refunds; conditions for increasing fees; disposition of residents' funds and possessions upon death; legal actions pending against the home.

The bill would require the FTC to consider defining specific advertising practices which are unfair and deceptive.

The bill would direct the FTC to consider requiring the use of readily understandable terms in life care contracts (a "plain English" requirement).

"Life care home" is defined as "a facility or facilities occupied or planned to be occupied, by residents or prospective residents where a provider undertakes to provide living accommodations and services pursuant to a life care contract."

"Life care contract" means "a contract between a resident and a provider to provide the resident, for the duration of such resident's life, living accommodations and related services in a life care home, including nursing care services, medical services, and other health-related services, which is conditioned upon the transfer of an entrance fee to the provider and which may be further conditioned upon the payment of periodic services fees."

NURSING HOME PROVISIONS

The bill would require the Federal Trade Commission to send to Congress within six months of enactment of the bill a study of unfair and deceptive acts and practices engaged in by nursing homes, including a recommendation on the desirability of issuing trade regulations.

"Nursing home" is defined as "a residential facility that provides convalescent or chronic nursing care, or both, for persons unable to care for themselves."●

SOLIDARITY SUNDAY FOR SOVIET JEWRY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. GILMAN. Mr. Speaker, today I call upon my colleagues to join Congressman RANGEL, and myself in reaffirming congressional commitment to liberty and religious freedom by expressing their support for "Solidarity Sunday for Soviet Jewry." Today we are proud to introduce this supportive measure of the House of Representatives for this most important event.

Each year, the Coalition to Free Soviet Jewry—formerly the Greater New York Conference on Soviet Jewry—sponsors a massive rally at the United Nations in New York City. During the course of its existence, this outcry has become the preeminent gathering for expressing solidarity for Soviet Jews. In addition, this event has served as a model for communities across the country to sponsor similar supportive events on the same day.

This year the 14th Annual Solidarity Sunday will be held on May 5, 1985. More that 100,000 people are expected to gather for this occasion at Dag Hammarskjold Plaza opposite the United Nations building. In this international setting, these participants will express as one voice their message of hope and solidarity for the almost 3 million Soviet Jews who are denied their rightful freedoms.

Since 1979, the number of Jewish citizens granted emigration rights has plummeted almost 98 percent, from a peak of 51,320 to a low of 896 last year. The figures for this year are even grimmer, especially in light of new Soviet regulations making the emigration process more complicated. In addition, the Soviet government has, in the past year, stepped up its official anti-Semitism campaign by arresting Jewish Hebrew teachers and cultural activists on fabricated criminal charges.

The list of Soviet Jews who long to practice their religious and cultural beliefs in the open is mounting daily. There are currently more than 20,000 Soviet Jews who have become refusniks, among them some who have been refused emigration vizovs for 15 years. In addition, 400,000 others have begun the lengthy application process to emigrate but have not yet received final word. These people await in anguish and frustration for permission to live in a country free from religious oppression.

We in the United States, as the symbol of freedom for the rest of the world, cannot ignore the determination and courage of these people. We must take every opportunity to ally ourselves with them and to give them strength when their own wanes.

Congressman RANGEL and I hope that our colleagues will add their strength to this worthy cause by joining us as cosponsors of this measure and by urging participation in this event. In supporting this resolution for Solidarity Sunday, we will help to keep the spirit of freedom alive in the hearts and minds of Soviet Jews and at the same time send a clear signal to the Soviet Government that we will not be silent until their Jewish citizens are free.

Mr. Speaker, I insert the full text of this resolution in support of Solidarity Sunday at this point in the RECORD:

H. RES. 127

Resolution to express the sense of the House of Representatives concerning Solidarity Sunday for Soviet Jewry

Whereas, on May 5, 1985, the eighty-five constituent agencies of the Coalition to Free Soviet Jewry (formerly the Greater New York Conference on Soviet Jewry) will sponsor "Solidarity Sunday" to reaffirm the resolve to secure freedom for Soviet Jews and beleaguered people everywhere;

Whereas Americans of all faiths and from all regions of the country will join with the Coalition on that day in activities expressing the solidarity of our people with the almost three million Jews in the Soviet Union;

Whereas the right to emigrate freely and to be reunited with families abroad is being denied Soviet Jews and others, in clear violation of the Universial Declaration of Human Rights, the Helsinki Final Act of

1975 and the Final Document of the Madrid Conference, signed in 1983;

Whereas Soviet Jewish emigration has dropped alarmingly from a high of fifty-one thousand three hundred and twenty in 1979 to just eight hundred and ninety six in all of 1984;

Whereas the Government of the Soviet Union has implemented new emigration restrictions designed to make the process of obtaining a visa even more arduous;

Whereas those Soviet Jews and other persons who have applied to leave the Soviet Union have been subjected to expulsion from jobs and schools, exile from major Soviet cities and constant surveillance and harassment;

Whereas the Government of the Soviet Union is denying all its Jewish citizens even those rights and privileges accorded other recognized religions in the Soviet Union;

Whereas the Government of the Soviet Union has sharply increased its discrimination against Jewish culture and religion by arresting Hebrew teachers on false criminal charges, attacking Hebrew teaching circles as "subversive," and promoting anti-Semitic ideology under the cloak of "anti-Zionism;"

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from friends in the West so long as those who cherish liberty and human rights continue to speak out on behalf of beleaguered people everywhere;

Whereas the recent appointment of Mikhail Gorbachev as General Secretary of the Communist Party of the Soviet Union renews hope for a US-USSR dialogue concerning liberalization of Soviet policies regarding Soviet Jews and other minorities;

Whereas "Solidarity Sunday for Soviet Jewry" will serve as an expression of our determination to continue efforts to obtain freedom for Soviet Jewish Prisoners of Conscience, to have exit visas granted to veteran refuseniks who have sought permission to emigate for up to fifteen years, and to secure the free exercise of religious beliefs and cultural expression for all minorities: Now, therefore, be it

Resolved, That the House of Representatives supports "Solidarity Sunday for Soviet Jewry" on May 5, 1985.●

NATIONAL LEGION OF VALOR DAY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. RUDD. Mr. Speaker, on January 3d, I introduced House Joint Resolution 41 to set aside August 4, 1985, as "National Legion of Valor Day" in honor of the distinguished men and women of the Legion of Valor. To date, 91 of my colleagues have joined me in this tribute to veterans who have received our Nation's highest decorations for valor.

It was therefore with great remorse that I learned that one of the outstanding members of the Legion of Valor, Nurse Helen Grace McClelland, passed away on December 20, 1984, at University Hospital in Columbus, OH before this legislation could be passed. She was 97.

Nurse McClelland had earned the Army's distinguished Service Cross in World War I for extraordinary heroism while under fire at British casualty clearing station No. 61 on the German front lines.

The Legion of Valor recently paid tribute to Nurse McClelland in the organization's newsletter, General Orders. I ask that this tribute be reprinted in the RECORD at this point:

[From General Orders, January-February 1985]

IN MEMORIAM: MISS HELEN GRACE MCCLELLAND, DSC, 1887-1984

Miss Helen Grace McClelland, Companion of the Legion of Valor, World War I nurse, holder of the Distinguished Service Cross, died on 20 December 1984 at University Hospital, Columbus, Ohio. She was 97.

Miss McClelland, known to many of her students as "H.G." when she was director of nursing at Philadelphia's Pennsylvania Hospital, entered war-time nursing when she went to France in 1915 for duty with the American Hospital at Neuilly, Paris. Volunteering for field service, she also served at a casualty station just behind the lines at Ypres. At the declaration of war by the United States in 1917, Miss McClelland joined Pennsylvania Base Hospital No. 10, a unit formed by her alma mater, the Pennsylvania Hospital. It was assigned to the U.S. II Army Corps, an element that also included British forces. Because of her previous experience, she was a member of a surgical team at British Casualty Clearing Station No. 61. This unit was frequently under German artillery fire and on 17 August 1917 because the target of a German aerial bombardment. For her extraordinary heroism on that occasion, Miss McClelland received the Army's Distinguished Service Cross. She was also cited in dispatches by the British and received the Royal Red Cross from His Majesty, King George V.

Miss McClelland became a member of the Legion of Valor over 50 years ago, a status held by only three other women in the history of the organization. All four, all Army nurses during World War I, received the Distinguished Service Cross for extraordinary heroism under enemy fire.

After World War I, Miss McClelland became superintendent of nurses at Protestant Hospital in Norfolk, VA but returned to her Pennsylvania Hospital in a similar position in 1926. She remained there till her retirement in 1956, with time out for helping to organize the Army's 53rd Evacuation Hospital being readied for service in the Pacific during World War II.

Upon retiring from her nursing career, Miss McClelland worked an 83-acre farm in Pennsylvania where she was able to exercise her skills as gardener, fisher, and hunter. She was known to hit a woodchuck in the eye at 75 yards with her .22 rifle.

When she was well into her 80's, Miss McClelland withdrew to her native Ohio where she maintained an active correspondence till her death on 20 December, 1984. Although burial services were private, Past National Commander Robert W. Smith, DSC, of Orrville, Ohio was invited to represent the Legion of Valor and to read her favorite poem, "In Flanders Fields", written by Lt. Col. John McCrae, Canadian Expeditionary Force doctor and poet who died in action in 1918.

The Legion of Valor has suffered a great loss with the passing of Helen Grace McClelland. We will long remember her warmth and friendship shown to us at many of our conventions and her membership on the Board of Directors.

May her Soul rest in Peace of our Lord.

Brig. Gen. ROBERT M. GAYNOR, DSC,
National Historian.●

UDAG: SOME FACTS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. GARCIA. Mr. Speaker, you would think that any Federal program that has generated 479,000 permanent jobs, as many construction jobs and retained over 120,000 jobs in economically distressed areas while generating over $500 million in new revenues with numerous spin-off opportunities would receive better treatment than it has received from the White House and the Senate Budget Committee. It seems that no matter how successful, how useful, and how economically efficient the UDAG program is, there are those who simply want to eliminate it. In an effort to show just how important the UDAG program is, I would like to include in the RECORD an article written by Robert Maffin, executive director of the National Association of Housing and Redevelopment Officials entitled "Why terminating UDAG would be a step in the wrong direction." In addition, I have included a factsheet on the UDAG program for my colleagues to consider.

WHY TERMINATING UDAG WOULD BE A STEP IN THE WRONG DIRECTION

(By Robert W. Maffin)

(Mr. Maffin is Executive Director of the National Association of Housing and Redevelopment Officials)

President Reagan's proposal to terminate the Urban Development Action Grant program in order to help reduce federal budget deficits is a step in the wrong direction that would be counterproductive and a devastating blow to the physical and economic revitalization efforts of distressed cities.

In the seven years since the program began, UDAG has awarded $3,678,184,000 to 1,084 distressed cities for 2,410 development projects that, when completed, will have generated 479,000 new permanent jobs and 467,000 construction jobs while enabling the distressed cities to retain 120,000 jobs that would otherwise have been lost. Each UDAG dollar has leveraged approximately $6 in additional investment. Projects approved to date will generate a total of $521 million a year in new property taxes and other tax revenues for distressed cities. In addition, a Reagan Administration study has found that 48 percent of all UDAG projects have produced spin-off investment activity in addition to the private investment directly leveraged by the UDAG.

For distressed cities and towns throughout the nation, UDAG is helping to make the difference between continued economic decline and physical deterioration on the one hand, and economic growth and physical revitalization on the other. The pro-

posed elimination of UDAG comes at a time when the demand for UDAG assistance for commercial, industrial and residential development in distressed cities is at an all-time high. In the most recent UDAG funding round in September, 1984, only 13.4 percent of the $949 million in UDAG grants requested by large cities were funded and only 11 percent of the $460 million requested by small cities were funded. The current annual budget for UDAG is only $440 million. Grants are awarded on a competitive basis, with the primary criterion for selection being the comparative degree of physical and economic distress among eligible cities.

Although the current level of funding for UDAG is clearly insufficient to meet the needs that exist for UDAG assistance, USAG still has a significant impact in recipient cities. At the current funding level USAG buys 50,000 new permanent jobs, 30,000 jobs for lower income persons, 100,000 construction jobs, $2 billion in private investment, and $40 million in local tax revenues each year for distressed cities and towns. More than one-third of all UDAG projects involve manufacturing and related activities, and projects often serve to soften the impact of plant closings by stimulating new job-creating activities. UDAG funds are also used to enable cities to retain existing manufacturers planning to close facilities. Since 79 percent of all UDAG industrial investment occurs in industries for which productivity exceeds twice the national average, distressed cities are helped to make the transition from declining to growth industries, thus favorably shifting their economic bases and helping them to adjust to structural changes in the economy.

The types of commercial activity supported by UDAG tend to have the kind of high employment growth necessary to help distressed cities narrow the economic gap that exists between them and both their suburbs and the rest of the nation.

With already high and increasing concentrations of the poor and minorities and with accelerating population loss, UDAG-eligible distressed cities simply do not have the capacity to deal with their economic development and physical revitalization needs without UDAG assistance. The already high local tax burdens in these cities cannot be increased further without undermining their ability to retain their existing job bases and attract new investment in job-creating enterprises.

The need UDAG has never been greater. And the termination of UDAG will not help reduce the federal deficit. The fact is the U.S. Department of Housing and Urban Development has estimated that additional federal tax payments from UDAG-project profits and employee income plus the cost savings of reduced transfer payments to the previously unemployed is $991 million a year. In terms of reducing federal deficits, termination of UDAG would be a counterproductive step in the wrong direction.

UDAG is needed. It is doing the job it was created to do in a cost-effective way. It is producing more in tax revenue and cost savings for the federal government than is spent on it each year, and it should be continued.

THE FACTS ABOUT UDAG

The Urban Development Action Grant program was created in 1977 to stimulate private investment in distressed cities and urban counties to help alleviate physical and economic deterioration.

UDAG funds are targeted to distressed cities and urban counties and are awarded on a competitive basis with the primary criterion for selection being the comparative degree of physical and economic distress as measured by the extent of growth lag and poverty and the age of housing. Other measurements of distress are considered together with factors relating to the physical and fiscal impact of the assistance proposed on the applicant city or urban county and on low- and moderate-income and minority residents.

The proposed elimination of UDAG comes at a time when demand for UDAG assistance for commercial, industrial and residential development is at a record high. In the UDAG funding round that ended on September, 1984, large cities requested $949 million in UDAG grants, of which only 13.4 percent were funded. Small cities requested $460 million, of which only 11 percent were funded. Total current annual funding for UDAG is $440 million.

UDAG requires a firm private-sector commitment to a project before any UDAG funds are awarded. A minimum of $2.50 in private-sector financing is required for each dollar of UDAG funds granted to a project. Actual experience has shown that UDAG grants leverage $6 of other investment for each UDAG dollar spent.

HUD has conservatively estimated that additional federal tax payments from UDAG-project profits and employee income and the cost savings resulting from reduced transfer payments is approximately $991 million per year. This is more than twice the annual budget of UDAG.

Each $440 million in UDAG funding generates 50,000 new permanent jobs, 30,000 jobs for lower income persons, 100,000 construction jobs, $2 billion in private investment, and $40 million in local tax revenues.

In seven years of operation, UDAG has assisted 2,401 development projects in 1,084 cities in 46 states. Each UDAG dollar has leveraged approximately $6 of other investment. Total UDAG funds awarded in this period totaled $3,678,184,000 and total investment in the projects exceeded $26 billion.

More than one-third of all UDAG projects involve manufacturing and related activity, with about one-half of the companies benefiting from UDAG funding being new to the community in which the facilities are located.

Seventy-nine percent of UDAG industrial development investment is in industries for which growth of productivity exceeds the national average, and 52 percent is in industries for which productivity growth exceeds twice the national average.

Half of all UDAG projects involve total or partial expenditures for commercial development in distressed cities.

Almost two-thirds of UDAG commercial projects include construction of retail space as a single activity or as part of a mixed-use project.

About 45 percent of UDAG commercial projects include the construction or rehabilitation of office space.

The types of commercial activity supported by UDAG tend to have high employment growth compared to the economy as a whole. Retail employment growth, for example, was 2 percent annually between 1974 and 1982 while the national average was 1.5 percent. Employment growth in industries requiring substantial office space, such as insurance and finance, grew at a compound annual rate of 3.6 percent, and employment in the hotel industry grew at 10.6 percent annually.

Already-approved UDAGs include 95,000 units of housing, evenly split between new construction and rehabilitation of existing units. A total of 37 percent of newly constructed units are for owner occupancy and sell for an average of $51,000, which is substantially below the national average.

As of August, 1984, the unemployment rate in all UDAG-eligible cities was 8.2 percent, compared to an unemployment rate of 5.5 percent in cities not eligible for UDAG and 7.4 percent in the U.S. as a whole.

Total employment growth in UDAG-eligible cities was just over half the rate for the U.S. as a whole from 1969 to 1979, and between 1980 and 1984 their employment growth was only one-third of the average for the nation as a whole.

The poverty rate in UDAG-eligible cities was over 17 percent in 1980 and increased to 19.8 percent by 1983.

In UDAG-eligible cities the percent of the population that is minority is almost twice the U.S. average (35.7 percent vs. 18.1 percent), and almost one-quarter of the households in distressed central cities are female-headed households with children.

UDAG-eligible cities already had a tax burden in 1982 that was twice that of non-eligible cities. Further increases would make it even more difficult for them to retain and attract businesses and jobs.

UDAG projects approved to date are expected to generate a total of 479,000 new permanent jobs at an average UDAG cost of $7,676 per new job.

According to a UDAG Evaluation Study conducted by the Reagan Administration in 1982, 70 percent of the jobs created by UDAGs were low- and moderate-income jobs. Just over one-fourth of the employees hired had been unemployed proviously, and just over one-fourth of the jobs were filled by minorities.

UDAGs already approved have provided 479,000 permanent jobs, 467,000 construction jobs and have enabled distressed cities to retain more than 120,000 jobs that would otherwise have been lost.

A Reagan Administration study found that 48 percent of UDAG projects produced spin-off investment activity in addition to the private investment directly generated by the UDAG.

UDAG projects approved to date are expected to generate a total of $521 million of additional property taxes and other local taxes annually.

Two-thirds of the large-city UDAG dollars have gone to the most-distressed and neediest one-third of all cities. In 1984 almost three-fourths of UDAG funds went to the neediest and most distressed cities.●

AMNESTY INTERNATIONAL INTERVENES IN NORTHERN IRELAND HUMAN RIGHTS CASE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs, I wish to place into the RECORD a recent press release issued by Amnesty International regarding their call for

the British Government to "make public the facts on the reported torture of a man by police in Northern Ireland."

The case involves a 23-year-old man by the name of Paul Caruana who was a prisoner at the Castlereagh Police Holding Center in Belfast last August. He was arrested under the Prevention of Terrorism Act which allows police to arrest and hold someone for up to 7 days without charge merely if a person is suspected of involvement with a terrorist organization.

For many years, I have been raising the issue of human rights in Northern Ireland. I contend that excesses do exist in the enforcement of the Prevention of Terrorism Act by British security forces. Today the fact that human rights violations do exist in Ulster is no longer in issue. Respected human rights commissions have reported on abuses over the years.

It is my hope that the British Government will fully cooperate with Amnesty International and provide the necessary facts. I have also called upon the State Department to provide whatever information they have on this case.

No one will or should underestimate the complexity of the Northern Ireland question. However, if we are in pursuit of the goal of peace and justice for Ireland, then there must be a commitment to restore full human and civil rights to all in Ireland.

AMNESTY INTERNATIONAL CALLS FOR FACTS ON REPORT OF TORTURE IN NORTHERN IRELAND

Amnesty International has called on the British government to make public the facts on the reported torture of a man by police in Northern Ireland, the movement said today, Tuesday, March 26, 1985.

Amnesty International emphasized that the findings of official inquiries should not be confined to the authorities responsible for investigating the case.

The worldwide human rights movement, which carried out its own investigation and medical examination of 23-year-old Paul Caruana, said there was strong evidence to support his statement that he was systematically ill-treated during interrogation last August.

Paul Caruana said police repeatedly punched him, forced his head against his chest, pulled his legs apart and put plastic bags over his head so that he could not breathe. They threatened to abuse his wife sexually, he said. The police questioning him spit and blew their noses in his face, covering it with spittle and mucus as he lay on the floor, he said.

After his first day of interrogation, he was taken to the hospital and fitted with a cervical collar as a result of his injuries, but was then brought back and subjected to more ill-treatment, he said.

The abuse was said to have taken place at Castlereagh Police Holding Center in Belfast after he was arrested at a police checkpoint in Londonderry on August 11 under the Prevention of Terrorism Act. This allows police to arrest and hold someone for up to seven days if he or she is suspected of involvement with terrorist organizations.

The beatings started when he remained silent after police told him to "confess" Paul Caruana said.

The torture only stopped after his lawyer was allowed to see him 72 hours after his arrest, he said. He was released from custody on August 16, five days after his arrest.

Amnesty International sent a doctor to examine him a month after his release. The doctor, who is from Denmark and was accompanied by another Amnesty International delegate from the Netherlands, concluded that there was consistency between Paul Caruana's account of ill-treatment and the signs and symptoms found. Similar findings had been reached by local doctors who examined him soon after his release and who were consulted by the delegate.

Amnesty International asked the British government in December 1984 to investigate the case fully and promptly, and to say whether the interrogation had been monitored on closed-circuit television by senior officers—one of the procedures introduced in Northern Ireland in 1979 after an official inquiry into reports of ill-treatment of security suspects. Amnesty International also asked why Paul Caruana was not allowed access to his lawyer after 48 hours, as required by the regulations.

The authorities replied that an internal police investigation had been carried out and the results sent to the Director of Public Prosecutions to decide whether there would be criminal proceedings in connections with the prisoner's treatment. The file would then be sent to the official police complaints board to decide whether there would be disciplinary action.

Amnesty International said today it had responded by calling on the government to clarify the facts fully after internal investigations were completed.●

BELL CRITICIZES "ASSAULT ON THE PRIVATE COLLEGES"

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. FORD of Michigan. Mr. Speaker, Terrel H. Bell, a career education professional, served as Secretary of Education during the first term of the Reagan administration. In this past Sunday's New York Times Education Survey, he spoke out forcefully on the administration's budget proposals for student financial aid in an article entitled, "Bell Criticizes 'Assault on the Private Colleges'." In this excellent article, Bell states:

Money for student financial aid is a high-priority investment of the taxpayers' dollars. It helps students to help themselves by making them productive, intelligent and self-sufficient. It represents an investment that makes taxpayers out of potential tax eaters. The return to the taxpayer over the years is very high. In short, the student-aid program is good public policy, and the radical changes currently proposed are not justified.

Former Secretary Bell also makes several other important points. He notes that the primary burden of the administration's cuts in student aid will fall on students attending private colleges and universities. This could result in substantial enrollment shifts from the private colleges and universities to the less expensive public institutions. This would mean shifting costs from Federal taxpayers, who have been providing student aid to enable students to attend more expensive private institutions, to State taxpayers, who provide a substantial State subsidy for each student enrolled in a public institution. Worst of all, the drastic cuts proposed by the Reagan administration would indicate that we are abandoning the policy of trying to "nurture an aristocracy of academic excellence," allowing talented but low-income students to "reach the outer limits of their ability." We will return instead to the policy which foolishly barred the doors of many of our best institutions to all but the wealthy.

I commend former Secretary Bell's article to the attention of all of my colleagues.

[From the New York Times, Apr. 14, 1985]

BELL CRITICIZES "ASSAULT ON THE PRIVATE COLLEGES"

(By T.H. Bell)

The proposals advanced by the Director of Management and Budget, David Stockman, to place new limits on Federal aid to college students constitute an unwitting assault on the nation's private colleges and universities.

The legislation that has been proposed—that no federally supported loans would be made to families with incomes above $32,500 and that the total amount of Federal loans, grants and work-study aid for any one student would not exceed $4,000—would result in transfer of thousands of students from private to public institutions. For this reason this higher-education package flies in the face of the arguments advanced by the Reagan Administration that Government policy should encourage the private sector to do more so that government can do less. Public college and university costs are subsidized by taxpayers who support these institutions through state and local taxes. Most state higher-education systems fix their institutional budgets by using a formula that is driven by student enrollments. More students transferring from private to public institutions because they can no longer qualify for Federal student aid will obviously drive up the costs to taxpayers in the states.

Thus the transfer of students from private to public institutions will be accompanied by a transfer of higher-education expenses from the Federal budget to state budgets. This shift of enrollments will, in turn, result in underutilized physical plants at many private institutions and a demand for new construction on campuses of public institutions.

The Stockman proposals apparently assume that government-operated institutions are more efficient and cost-effective than the private colleges and universities because tuition is much lower. This assumption ignores, however, the fact that state appropriations are an indirect tuition subsidy. States subsidize some of the cost of attendance at public institutions through direct appropriations. Federal student aid subsi-

dizes the cost of attendance at private colleges through providing larger loans and grants to the students who choose to attend these institutions as contrasted to the size of the loans and grants to students who attend low-tuition public institutions. But it is not true that great numbers of students who neither need nor deserve a loan are ripping off the taxpayers so they can live in luxury on campus.

The Stockman proposals are not new. They were advanced in earlier years, but they were easily shot down in deliberations inside the Administration because they were so obviously harmful to many deserving students as well as many institutions that depend on tuition revenue to remain solvent.

President Reagan established a Cabinet council procedure to facilitate review of critical issues faced by his Administration. In group discussion meetings with other members of a Cabinet council, each Cabinet officer had an opportunity to make presentations, voice issues and object to proposals of others. Ronald Reagan often sat in on these sessions. His schedule did not permit participation in all of them. Additionally, Cabinet officers had the right to appeal decisions on budget levels to the President's Budget Review Board comprised of James Baker, Edwin Meese and Mr. Stockman. In unusual situations one could even appeal directly to the Oval Office.

To his great credit, the President made his Cabinet members accountable, and he provided ample opportunity for us to remonstrate over O.M.B. decisions. Through this procedure this writer was able to expose weaknesses in new proposals constantly coming out of O.M.B. to emasculate programs of student financial aid. These procedures also highlighted needed reforms in student aid as O.M.B. brought forth some telling criticism that led to changes in the law and in our Administration.

This process apparently did not work well in the current budget preparation cycle. Under the great stress of our horrendous deficits these old ideas found their way into budget recommendations. They should have been debated more thoroughly and the consequences analyzed more carefully inside the Administration. But 1984 was an election year, and it was not until after Nov. 4 that the top policy-makers had an opportunity to spend full-time on matters such as this.

There are certain basic costs required to operate any college. As enrollments decline, those students remaining in the private colleges will be faced with enormous escalations of tuition charges to cover basic costs previously paid from a much higher enrollment base. As this happens even more students will transfer to public institutions. Without the existing student-aid program many of our finest private colleges would have closed their doors years ago.

O.M.B. budget analysts have failed to disprove this in the past in debates we have previously had on the issue that many private colleges cannot survive the huge enrollment loses they might inevitably absorb.

The threat of massive enrollment shifts will cause at least some damage at the private liberal-arts colleges even if the proposals are not enacted. Students are now making decisions as to where to go to school. Many will choose not to attend a private liberal-arts college because of the uncertainty about student aid that will be available in the fall. And this issue will likely not be settled until the fall if Congress disposes of its business at the usual rate.

When an institution's stability is in question the faculty members start looking for other positions. The most distinguished professors are the most mobile. They can easily move to another institution, and the drain on the most qualified faculty will change the basic nature of many prestigious liberal-arts colleges. It takes years to build a distinguished college, and it takes only a few months to tear it apart if the rumor mill begins to start an academic panic.

America's system of higher education is the envy of the world. It has grown over the decades into a healthy mix of public and private colleges and universities. Its diversity is a significant part of its strength. Alongside our distinguished state research universities exist private institutions that are the hallmark of excellence. Some of the best low-income students strive to meet rigorous academic admissions requirements. Some enter directly from high school; others who cannot qualify initially find the motivation to redeem themselves academically in local or regional colleges and then subsequently realize the dream of entering a Harvard, a Univesity of California at Berkeley or other institution with national reputation. But the motivation is there because our government has offered the financial assistance to those who otherwise would not dare to dream of such aspirations. One could argue that we should simply tell these low-income students to plan to go to the Berkeleys and we will write of the Harvards or maintain them for the wealthy, but this would be a foolish policy.

Some remarkable liberal-arts colleges have set the nation's standards for liberal learning in the arts, sciences, and humanities on the undergraduate level. Many of the nation's greatest political leaders, scientists, and industrial executives were educated in these colleges, which add a dimension to the total picture of American academe that we must preserve. O.M.B. budget analysts have not understood this, though this writer spent four years trying to explain it.

The Federal Government's policy of providing financial aid to students rather than subsidizing the institutions is a wise practice.

We have been able to nurture an aristocracy of academic excellence in preference to one of wealth. Under this wisdom, we promise the gifted and talented an equal opportunity if such students are willing to spend the long hours of intense effort demanded to gain admission to our most distinguished institutions. We take away the motivation and hope when we tell a low-income student of great promise that he or she cannot aspire to gain admission to the institution prized by so many.

The criticism that there have been abuses in student loans through defaults cannot be denied. These are exceptional situations, though, that should not result in penalizing the great majority of our students who need the assistance and will pay back the loans as well as pay higher taxes made possible by the education they attain. Moreover, the default rate has been declining in recent years, and loan-default collections were increased threefold during the first four years of the Reagan Administration.

The amendments that we were able to persuade the Congress to enact have resulted in meeting most but not all of the criticisms of the student-aid programs. For example, students with annual family incomes in excess of $30,000 must, under present rules, prove need through the needs-analysis system that is well established in higher education.

Several million conscientious and deserving college students avail themselves of government financial assistance and without such assistance they would not be able to pursue their goals.

Money for student financial aid is a high-priority investment of the taxpayers' dollars. It helps students to help themselves by making them productive, intelligent and self-sufficient. It represents an investment that makes taxpayers out of potential tax eaters.

The return to the taxpayer over the years is very high. In short, the student-aid program is good public policy, and the radical changes currently proposed are not justified.

Thousands of families have been planning to utilize student loans and other forms of financial aid to help them meet the high and growing costs of higher education.

As their plans are revised and as vast numbers of students move to the low-tuition schools that are heavily subsidized by state taxes the Federal budget will be relieved of a few dollar demands, but the headaches will simply shift from the hearing rooms of Congressional appropriations committees to their counterparts in the legislatures of the 50 states.

The stress and pain on students in changing institutions, the relocation of faculty and staff, expansion of facilities on public campuses and the abandonment of existing physical plant on private campuses must all be calculated in assessing the cost of this profound change in Federal policy.

The wealthy will be the only ones able to attend schools where the tuition is high. In order to keep losses of students from reaching disastrous proportions, some institutions will be tempted to lower academic standards to admit the least-well-prepared students who have the money to pay the costs.

As we strive for equal opportunity in higher education, we must provide both access and choice among the public and private institutions.

We do not want a policy that segregates students with the wealthy attending private institutions and the moderate- and low-income students attending the public colleges.

We have a student-aid program that has some imperfections. Let's correct them as the Higher Education Act comes up for renewal in 1985. But let's keep the existing philosophy that promises all academically able students an equal chance.

Equality of educational opportunity leads to unequal results based upon the willingness of the nation's students to work diligently to reach the outer limits of their ability.●

A BILL TO HONOR ARIEL RIOS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. ROYBAL. Mr. Speaker, I am introducing today a bill to honor Ariel Rios, the first member of the Vice President's Organized Crime Drug Enforcement Task Force to give his life while defending the good citizens of

this country against the threat of illegal drugs.

As chairman of the Appropriations Subcommittee with oversight over some of the agencies involved in the task force, I know that our first line of defense in the war on drugs is those dedicated Federal agents, like Special Agent Rios, whose duty it is to prevent the importation and distribution of addicting drugs. The drug enforcement task forces now operate in 13 of our cities where drug trafficking and drug abuse are especially serious. Their combined agency efforts have been significant in terms of seizures of cocaine, heroin, and marijuana.

Yet, the drug menace remains a major problem, most tragically, among our young people. The seriousness of this problem is one reason for selecting Special Agent Rios as an individual who deserves to be memoralized. He is an example of an Hispanic-American who, while still a youth, decided to join the fight against crime.

A New York City native, Ariel Rios enrolled at John Jay College of Criminal Justice in Manhattan upon his graduation from high school in 1972. He joined the Bureau of Alcohol, Tobacco and Firearms in 1978, and in a short time developed a reputation for integrity, enthusiasm, and professionalism.

Ironically, within the span of 4 short years, Ariel Rios was to become a drug-related crime victim himself, no less a victim than the thousands of his contemporaries who have become reliant on dangerous drugs and no less a victim than countless other law-abiding Americans who have suffered directly from drug-related crimes.

After his death in 1982, Ariel was selected as the Most Outstanding Officer of the Year by the Dade County Association of Chiefs of Police. In 1983, Secretary of the Treasury Regan conferred the highest award presented by the Secretary, the Exceptional Service Award, on Ariel.

The bill I am introducing will further honor this most deserving individual and ensure that his unselfish sacrifice will be memorialized, as is fitting, by naming the Federal building where his agency is headquartered the Ariel Rios Memorial Federal Building. I urge the House to approve this bill so that the Nation can benefit from and learn of his example.

An account of the incidents surrounding his death follows. That account shows, more eloquently than anything I could say, the bravery of Ariel Rios in the line of duty and the dangerousness of the circumstances under which Federal drug enforcement agents must operate every day. Let us not forget the contribution of this brave young man, but let his name inspire us and future generations of Americans to work toward the aim of someday being entirely free of crime and dangerous drugs.

EVENTS LEADING UP TO DEATH OF SPECIAL AGENT ARIEL RIOS

On December 2, 1982, while a member of the Vice President's Task Force on Crime in South Florida, Special Agent Ariel Rios died of a gunshot wound received while serving in the line of duty. Special Agent Rios and his partner, Special Agent Alexander D'Atri, who received critical injuries, were conducting undercover negotiations for the purchase of a quantity of cocaine from suspects involved in illicit narcotics and firearms trafficking.

Although the meeting had gone as planned, one of the perpetrators apparently observed agents closing in to effect an arrest. When this subject drew a gun, Special Agent Rios moved to disarm him and was shot in the face. He died almost instantly.

Special Agent Rio's action was taken quickly and decisively. He acted for his own protection, for the protection of his partner, and for the protection of the other agents effecting the arrest. Ultimately, his life was given for the protection of the citizens of his country. He was the first Federal officer serving with the task force to be killed in the line of duty.

Prior to this incident, Special Agent Rios had been one of the most active and effective agents assigned to the ATF Task Group. For example, one week prior to this incident, he was the case agent for an investigation resulting in the seizure of 2 machineguns and over 100 silencers. The case received notoriety as the silencers were being manufactured where, 3 months earlier, eight people had been shot-gunned to death. The defendant in this case and his son were two of the three people who survived that massacre. Special Agent Rios displayed an infectious enthusiasm in the performance of his duty, which was indispensable to the success of the Task Force. The energy and optimism with which he approached his duty contradicted the personal sacrifice of prolonged separation from his wife and children.

The day he died was not the first time he had been faced with danger while assigned to the Vice President's Task Force. In one investigation, while in an undercover capacity, a defendant had pointed a loaded machinegun to his head during the transaction. The night before he was killed, while working on a separate phase of the same investigation which led to his death, a subject being arrested pulled a gun on his undercover partner. Special Agent Rios and other agents immediately went to his partner's aid and become involved in the struggle while the subject had the gun in hand. Special Agent Rios received a blow to the head during this melee.

Ultimately the investigation, on which Ariel Rios was working when he died resulted in the confiscation of 5 kilograms of cocaine, $82,000 in U.S. currency, 1 automatic weapon, 5 silencers, 20 silencer kits, and 20 other firearms (4 of which were stolen). Seventeen individuals were indicted in three different conspiracies to sell drugs and illegal weapons. Most of these individuals had long criminal histories in narcotics trafficking. Many were Mariel Cuban refugees who spent long terms in Cuban prisons. It was in response to the criminal activities of such individuals that the Vice President's Task Force was formed.

Special Agent Rios dedicated himself to achieving the goals and objectives of the Vice President's Task Force. He died defending the citizens of this country from the criminal element. He died defending the ideals in which he believed.

MY PLEDGE TO AMERICA

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. DICKS. Mr. Speaker, the Veterans of Foreign Wars annually sponsors a "Voice of Democracy Scholarship Program" to encourage national pride among young people in high schools across the Nation. I was pleased to learn that a student in the sixth Congressional District of Washington, which I represent, was selected as the Washington State contest winner. Brian P. Fey, of Gig Harbor, WA, prepared an essay using the contest theme of "My Pledge to America," in which he outlined his view of the rights and responsibilities of U.S. citizenship. His perspective is a most interesting one, and one which I would like to share with my colleagues in the House of Representatives.

MY PLEDGE TO AMERICA

(By Brian P. Fey, Gig Harbor, WA)

My Pledge to America is composed of three parts; my pledge to participate in our democratic system, my pledge to contribute to America in repayment for what I receive from it, and finally my pledge to be a guardian of American liberty and ideals.

My first pledge of participation is simple, but one that too many Americans neglect. A stable democracy needs intelligent participation through the voting process. The American voting system is of vital importance because it provides a peaceful system for change and perhaps is a reason why America has defied Karl Marx's predictions that the U.S. would fall into violent revolution. Naturally along with my pledge to participation goes a commitment to having a rationale for voting as I do. Simply voting is of little purpose unless I make myself fully aware of how each candidate stands on the issues and what the results and repercussions of an initiative or referendum will be. I also try to discourage apathy by challenging people to defend their beliefs and by showing them why I believe as I do.

The second pledge, the pledge I have made to contribute to America, is necessary because of the ways that America serves me. If I wish to receive the freedom, education, protection and security that America offers me, then I am obligated to make some sort of repayment. This repayment may be in the form of civil or military service or in the form of taxes. Of course not all of my repayment need be made to the government. We all have a responsibility to contribute to the lives of our fellow citizens. This can be done through food drives for the needy, crimewatch programs or any other way available to give our neighbors a helping hand. America has been made great through these individual contributions, and I am responsible to return as much or more to American society as I have received.

My final pledge is the most difficult to achieve, but the most personal and impor-

tant. It is not as much a pledge to America as it is a pledge to guard the ideals which America represents. In American history there have been times when America did not follow its original ideals but wavered from its path of freedom, liberty and equality. The true patriots did not blindly support America during these times but worked successfully to return America to its ideals. America does not need blind patriotism. The guardians of the American ideals, citizens and leaders alike, are the reason America continues to be the finest nation on earth. My personal pledge to America is to do my best to be a guardian of the American ideals. After I gain in education and experience, I intend to seek public office. Until that time I will continue to work as a volunteer in political campaigns and to influence the views of those around me. It is my pledge to America to work at every stage of my life in every way possible to be a positive influence upon America today, preparing myself to be a leader in this nation who continues the cause of freedom, liberty, equality and, most important, hope for the future.●

B-1 BOMBER

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. JONES of Oklahoma. Mr. Speaker, I rise to bring to my colleagues' attention an editorial from the March 25 issue of Aviation Week, and ask that it be printed in the RECORD.

This excellent essay, "Decision B-1," raises a number of disturbing questions—questions that may have more bearing on our long-term national security than the much-publicized MX missile.

The Secretary of Defense apparently won't let his staff do what staffs are meant to do: examine all options and possibilities without prejudging or favoring one over another. Creating an intellectual desert in the Pentagon certainly makes for less turmoil; it also makes for $600 toilet seats and $100 wrenches. Now Aviation Week raises the possibility that we may be in for a major procurement catastrophe.

The essay points out the problem which Secretary Weinberger chooses to ignore: We must soon choose between one airplane, the B-1—that is now being built below cost and ahead of schedule—and another airplane, the Stealth, that has never been flown and whose cost is unknown.

Given the fiscal problems we face, I question the wisdom of making a blind commitment to buy the Stealth bomber. How many of us are willing to sign on now to support an untested airplane that could cost $40 billion or more?

Given, also, the threat we face from the Soviet Union, why should we pass up the opportunity to replace B-52's with B-1's, purchased at the most economical rates possible.

These are questions America must face, and if the Department of Defense does not want to take on the necessary task, I hope that Congress will rise to the occasion.

DECISION ON B-1

(By William H. Gregory)

Fiscal 1986 will be a watershed year for the USAF/Rockwell B-1B bomber in terms of the ultimate life of the program. It is the last opportunity to put money in the federal budget for extending the production run beyond the 100 airplanes committed now before the line begins its slow wind-down and workers are laid off or transferred. It is the last chance to attain peak economies from a longer production run, though not the last chance to save the line from extinction.

If Defense Secretary Caspar Weinberger and his staff prevail, the option will be foreclosed. Weinberger is adamant about capping the program at 100 aircraft and moving into the Advanced Technology Bomber stealth aircraft under contract for development with Northrop Corp. He has warned any Air Force leader expressing contrary ideas to start looking for other work. Some USAF planners have been studying the idea even so, but any continuation of the B-1 program has an uphill climb.

Extension of the B-1 is generally controversial, and not the simple, familiar case of the Office of the Secretary of Defense versus one or more of the services. That fact is complicating the campaign of those who are seeking to maintain the production line. Several arguments are advanced for preserving the program:

Existence of an ongoing B-1 program would provide competition for the Advanced Technology Bomber to provide a lever to hold down its cost.

The 100-aircraft number was plucked more or less out of the air and does not represent either the true requirement—originally 240 aircraft—or an economic production program. A 100-airplane program was deemed a nice, round, politically acceptable number at the time the decision was made. True force requirements seldom drop out as neat, even hundreds. Loading development and other non-recurring costs onto a 100-airplane run has resulted in a staggering unit cost for the B-1 at $200 million or more. Extending the program could drop unit costs to around $100 million, or on the order of what a new Boeing 747 costs now.

Introduction of more B-1s into the Strategic Air Command's inventory could mean replacement of General Dynamics FB-111s, which have less delivery capability, or of more Boeing B-52s than planned now. The latter, first delivered in the 1950s, is getting older and more expensive to maintain. It also must be modified to get rid of tube avionic equipment as tubes fade from manufacturing lines. FB-111s could bolster Tactical Air Command forces.

Production money will have to be committed next year for the Advanced Technology Bomber, an airplane that has not flown or been built yet on an assembly line. Keeping the B-1 line running would guard against technical or cost obstacles in the stealth bomber program by having a conventional bomber backup in production.

Low-observable technology, as stealth is more formally referred to, in the Advanced Technology Bomber's flying wing configuration could encounter technical unknowns, as the earlier flying wing did. Stability and control are such areas mentioned for the stealth aircraft.

There are also arguments on the other side of the issue. One of the most important is the lack of enthusiasm for a longer B-1 production run on the part of some in the user community. The MX intercontinental ballistic missile is of far greater priority to strategic planners at the moment than the problem of how to structure the bomber element of the triad.

In that sense, the B-1 controversy is a reenactment of a classic confrontation between research and development troops trying to introduce new technology into the field and the user resisting replacement of his tried-and-true system with an unknown, often regarded as an interloper. Sometimes the user is overcautious in these cases, and sometimes his suspicion of a new and untested piece of hardware is bitterly justified.

While the B-52 in the Strategic Air Command inventory is getting older, its structural life extends easily into the next decade. It is considered by SAC as a highly effective weapon system, especially when it is equipped with cruise missiles. Modernization programs to provide new solid-state avionics to eliminate tubes are programed to cost $4 billion, a sum strategic planners believe will go a lot further in buying added capability than it would put into a B-1 production pot.

Strategic planners do not accept the competition-price argument for the B-1. They show more interest in introducing the Advanced Technology Bomber into the force to use as a hunter-killer against new and difficult-to-detect Soviet mobile intercontinental ballistic missile sites. B-1 proponents argue that these sites will be profoundly difficult to find by a stealth bomber or anything else.

One point in this issue is clear. That is that the Advanced Technology Bomber has not flown yet, and ownership costs of the new stealth technology are far from defined with precision. If the Advanced Technology Bomber meets its preproduction estimates for 138 aircraft, its unit costs will be on the same order as the B-1 as the program is structured now. That estimate has yet to be demonstrated on the assembly line. The argument for extending the B-1, though, is not to do it to displace the Advanced Technology Bomber. It is to go slowly, fly the stealth aircraft before buying, and settle on the B-1 in the interim as a known quantity. Those who support moving ahead with dispatch on the low-observable bomber see this strategy as a way of waltzing the new airplane out of the budget entirely.

Because of the secrecy surrounding stealth, the taxpayer is in a poor position to make an informed judgment on this issue. Congress could do the electorate an inestimable service by getting to the bottom of the question rather than wasting its time playing amateur auditor and ranting about defense industry overhead charges that it knows little about. It is another example of fire and fury over nickels and dimes while the real billions slip quietly out the door.●

A TRIBUTE TO PAMELA COBURN

HON. DAVID SMITH MONSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. MONSON. Mr. Speaker, it is with great pleasure that I bring to the

attention of my colleagues and to all Americans a young citizen of my district who has distinguished herself by writing a winning essay for the Voice for Democracy scriptwriting contest. This contest is sponsored by the Veterans of Foreign Wars and its ladies auxiliary. They conduct this contest each year in order to provide scholarship prizes to outstanding high school students throughout the United States.

Pamela Coburn is a resident of Sandy, UT, and her essay was chosen as the winner from the State of Utah. Her essay describes the importance of participation by each and every person in our governmental process. Pamela demonstrates with this essay that she is proud to be an American and I am proud to recognize this fine young person. I would ask that her entire essay be inserted into the RECORD so that all may benefit from her insight.

MY PLEDGE TO AMERICA

I have a pledge. My pledge to America is to be a responsible citizen. There are at least three ways I know to do this. One way might be for me to actually become involved in politics, and run for an office. But this is not something I plan to do. Although I admire our leaders, I believe there are other kids in my generation whose talents for leadership are more numerous than my own. Because America is important to me and to many others as well, I want to support my country in two other ways.

The first way I can be a responsible citizen is to be an informed citizen. In a few years, I will be old enough to vote. I will be helping to make decisions that may deeply affect our country as well as others, and political issues and leaders are far too important to be decided by people who don't know what they stand for. So starting now, I want to learn about things that are going on in our country. I want to search out the information that's available, but not just any information. I want to be able to rely on my sources as being accurate and unbiased.

I once heard a story about two ant colonies that lived side by side. They distrusted one another so much that they developed tremendous weapon devices in case the other should get too close for comfort. One day, a scouter ant from one of the colonies came back to headquarters, very much frightened. It seemed that this scout had heard a loud noise coming from the neighboring ant's defense area, and he was sure that they were launching an attack. In reality, they were doing nothing of the sort. But the scouter and his colony began a counterattack. The results? Both colonies were destroyed. One faulty piece of information caused it all. Likewise, should I use inaccurate information dealing with an issue or leader of this country, it could cause me to act in a way that could do more harm than good.

Other kinds of information can be just as dangerous. As Benjamin Disraeli said, "It is easier to be critical than correct". Biased reports could limit my knowledge. Good decisions can never be made on limited knowledge. Most of the time, I can rely on newspapers, magazine articles, and the news media to give me the solid information I need.

Now, I know where I can find the facts, but many times I need help understanding them. The issues of today have many sides to them. More than one viewpoint is very important, but luckily for me, one of the favorite topics of discussion is politics. I can get a clearer understanding of the issues by listening to people I hear at school, at home, and other places. Reading about how similar situations were handled in history can also help a lot.

In these ways I can become an informed citizen. But what do I do with the information I receive? Ah, here is the second part of my pledge. I want to become a productive citizen. A productive citizen uses the information he or she has collected, and puts it to good use.

An example of this is the voting ballot. As I mentioned before, information is vital when it comes to decision making. Once I have the facts, I will be able to make constructive decisions for or against issues or politicians.

Another way I can be a productive citizen is to be a respectful citizen. I may not always agree with the way this country is being run. I know this because I often disagree with how things are run at home! But I still respect my parents decisions because of their position of authority. It's the same way with our local and national leaders. Their authority gives them a right to make decisions that will affect us. If I have problems with those decisions, then I should find a way to take action that I think could make a change for the better.

So, here is my pledge. As a responsible citizen, I will become informed and act productively based on the information I receive. These are the ways I believe I can serve America best.●

VOICE OF DEMOCRACY WINNER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. FLORIO. Mr. Speaker, I am pleased today to call my colleagues' attention to an outstanding essay written by Brian Hall of Turnersville, NJ. Mr. Hall is this year's New Jersey winner of the Veterans of Foreign Wars Voice of Democracy contest. Over 300,000 secondary school students entered the contest this year, with one student from each State selected to attend the final judging in Washington, DC. Mr. Hall's essay well deserves this honor, reflecting a profound sense of patriotism and the responsibilities that go with it.

Mr. Speaker, I would like to commend the VFW for sponsoring an essay contest which not only awards six scholarships totaling $32,000, but also encourages young people to consider their special relationship to their country. I believe my colleagues will be proud of Brian Hall and all of the students who participated in this contest when they read his essay, "My Pledge to America."

The essay follows:

I see, in my mind, a vision that is quite clear. It is a picture of children standing outside of their school by the flagpole on a cold winter morning. As a silence seems to govern the morning air, the children proudly raise their hands to their hearts and begin to say, "I pledge allegiance to the flag of United States of America . . . . "

And so morning has begun all across the land. Children of all ages are reciting the flag salute. Some will say only mere words, but others will express a deep-felt conviction for the principles that have made this country great. In one way or another, these people are the true Voice of Democracy. They are pledging a part of themselves to ensure a better future for us all, and, when you think of it, this is a great way to start off each day. I, too, have a pledge that I feel is worth telling others.

I am very grateful to be an American. I am thankful for the freedoms and the luxuries that we have, but I realize that, more importantly, I must also be willing to pledge my support for maintaining our freedom. Therefore, with freedom comes responsibility. I want to take the responsibility that is needed to uphold the values of our land. Much of the world has looked to America as a great hope, but if we fail to live an ambitious future, we may ultimately lead the rest of the free world to its downfall. I want to see a world where all of us are free, so that is why when I pledge my support for America, I am actually pledging my support for ourselves. We have succeeded as individuals only because America has succeeded as a nation.

So that we can continue to succeed, I must play an active role in fulfilling the dreams of our Fathers. I will be patriotic in my waving of the flag at a parade, or the chanting of the letters "U-S-A" at a rally, but patriotism goes much deeper than that.

The fact that I've written this essay is an affirmation of my belief in America. Unlike in a communist country where I might be forced to say that I'm proud to be a citizen of that country, I say it here, because I really am. I realize that if I am to continue to have freedom, I must also be willing to die to protect it. I will speak up when others are putting America down, and I will try to let my voice proclaim my belief and determination to defend the principles of this land. When I freely attend church or send a letter to the editor of a newspaper or simply wear red, white and blue on a special day, I am telling the world that I am an American, proud and free.

If I were to put together a specific pledge, it would go something like this:

"I pledge to my country my support for its principles of freedom, justice, and equality because I realize how great of a land this is. I will, if called upon, fight to defend these principles in time of war, and I will not remain silent in my defense of them in times of peace. I will practice my rights of free speech, free worship, and free thought. I understand that I must be a good citizen, but I must also be a good person. I will not let my name demoralize this country by becoming a statistic on an unfavorable list. I pledge to honor our leaders and give them my respect. I will vote; I will speak up I will not take anything for granted. It is my hope, and my pledge, to give back to America as much of a portion possible of what America has given to me."

That is my pledge, and with that in mind, I can now return to the picture of the school and children outside saying the salute to the flag on top of that pole. They are finishing it up now with those famous words " . . . indivisible, with liberty and justice for all." If we all pledge ourselves to preserving these principles, the flag on top

of that pole will always wave over a land that is free.●

REMEMBER THE HOLOCAUST

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. DYSON. Mr. Speaker, during his press conference of March 21, President Reagan was asked whether or not he intended to include a visit to Dachau as part of his upcoming trip to Europe—a trip dedicated to commemorating V-E Day. The President responded by pointing out that few German citizens alive today were involved in the Second World War. Therefore, he suggested, a trip to Dachau would be inappropriate. President Reagan apparently believes that no purpose is served by a visit to the notorious death camp that is universally recognized as the symbol of the Holocaust.

The President's thinking betrays a startling lack of understanding, and I am convinced that omiting a visit to Dachau would be a serious mistake. First, public recognition of the Holocaust has nothing to do with the number of German citizens alive today who were involved in the Second World War. Those individuals guilty of personal participation in the genocide of 6 million Jews must be brought to justice, and a visit to Dachau would reaffirm America's commitment to the purpose. But more important, we must not be lulled by the passage of time into forgetting the horror of Hitler's final solution.

The German people are now our friends and allies, and I hope will always remain so. Recalling the Holocaust, however, is not intended to shame our friends. Instead, it is a humble way of paying respect to those who died in the camps, and to those still living that continue to suffer from that pogram. And by paying these respects, we renew our commitment to preserving human rights; our condemnation of wanton murder.

The Baltimore Jewish Council has contacted me to express their concern for the implications of the President's decision, and I wish to have their most recent correspondence included for the RECORD. I support their request that President Reagan reconsider his decision, and urge my colleagues to do likewise.

BALTIMORE JEWISH COUNCIL,
Baltimore, MD.

President RONALD REAGAN,
The White House, Washington, DC.

DEAR PRESIDENT REAGAN: We both heard and read, with dismay, your answer at your March 21 press conference as to why you were not visiting Dachau on your trip to Europe to celebrate V.E. Day.

While the Germans, today, may be our friends and allies, the memory of the destruction of European Jewry, the Holocaust, by Nazi Germany and its cohorts cannot be ignored or dimmed. Your comments that few Germans are alive today who participated in the Holocaust is not consistent with the facts. Thousands of persons, including many living in the U.S., who participated in the Holocaust and World War II, have never been brought to justice.

We urge you to reconsider your decision not to visit Dachau. By doing so, you will demostrate what we believe is your understanding of the lessons of the Holocaust and the remembrance of 6 million Jews, including 1½ million children, killed at the hands of the Nazis simply because they were Jews. We show our commitment to prevent future genocides by working to assure equal justice for all people regardless of their race, ethnicity, or religion and remembering the lessons of the past.

Respectfully yours,

HERBERT GOLDMAN,
PRESIDENT.
STANLEY SOLLINS,
Executive Director.●

TORCH OF FREEDOM AWARD

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. WAXMAN. Mr. Speaker, on Wednesday, April 17, 1985, Los Angeles County Supervisor Kenneth Hahn will be awarded the Torch of Freedom by the State of Israel.

In his 36 years in public office, Kenneth Hahn has been regarded as a unique and effective legislator by his colleagues on the Los Angeles Board of Supervisors as well as by his royal constituents.

A native of Los Angeles, Mr. Hahn received a B.A. in political science from Pepperdine University and an M.A. in education from the University of Southern California. During World War II, he served in the U.S. Navy attaining the rank of lieutenant. Since 1947, at the age of 26 when he became the youngest person ever to serve on the city council, he has been a devoted public servant. From 1952 to the present, as a Los Angeles County Supervisor, he has helped govern the largest county in the Nation comprising 7.5 million people in 84 cities. His interest in making government responsive to the needs of the people has resulted in a wide range of successful projects covering health, recreation, and municipal improvements.

Mr. Hahn's long years of service parallel the period which has seen the establishment and growth of the State of Israel. His dedication and concern for his community, and in a larger sense for the world community, has earned him the recognition he has been designated to receive at this time.

I ask all my colleagues to join me in congratulating Kenneth Hahn on this special occasion and to extend our best wishes to Mrs. Hahn and the other members of the Hahn family who share in the pride of this recognition.●

MAKE DEBATES A PERMANENT FIXTURE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. COELHO. Mr. Speaker, a very timely article written by Mr. James A. Johnson, chairman of the 1984 Mondale Presidential campaign, was published recently in the Washington Post. The article deals with the need to institutionalize candidate debates into the Presidential campaign process. In recognition of the importance of this issue, I have reprinted Mr. Johnson's article below:

MAKE DEBATES A PERMANENT FIXTURE

(By James A. Johnson)

With the second Reagan inaugural more than two months old and the next Iowa presidential caucus and New Hampshire primary nearly three years away, we are as close as we ever get to a "down" period in presidential politics. And right now is the time to institutionalize presidential debates for the 1988 general election and all future presidential elections.

The experience with presidential campaigns and debates since 1960 tells us two important things.

First, the American people value very highly the chance to catch a glimpse of the candidates for president without the producers, directors and puppeteers who always surround them. The degree of public interest is demonstrated by the massive audience for the recent debates.

Second, efforts of presidential campaigns to control their television message have intensified. The techniques of the Nixon campaigns in 1968 and 1972, which were the subject of exposés at the time, are today more and more commonplace. Each day a single prepackage, carefully controlled image is prepared for the voters.

Debates are welcomed by the voters because they are the most effective antidote to this trend toward more and more candidate-packaging. The 90 minutes of hand-to-hand combat in a debate expose new dimensions of the candidates and provide a significant test of each candidate's knowledge, judgment, humor and ability to make an effective argument.

The value of the debates does not lie in how many votes are changed. The debates provide the best opportunity for voters to confront the strengths and weaknesses of the two candidates in a manner they may escape merely by trying to follow the day-to-day political coverage on the evening news.

Further, the debates generally give the candidate who is trailing a chance to reopen consideration of his candidacy. Events that prolong consideration of the alternatives are healthy for a democracy.

Last August and September, as chairman of Walter Mondale's campaign, I negotiated for several weeks with representatives of President Reagan over the number, timing and format of the 1984 presidential debates. Fortunately, those negotiations led to two

presidential and one vice presidential debate. In 1964, 1968 and 1972 similar negotiations either never occurred or led to no agreement and no debates.

In my opinion leaving the decisions about when, whether, and how to debate to the two nominees in the post-convention period does not adequately protect the interests of the voters. In 1960, 1976, 1980 and 1984, there were 4, 3, 1 and 2 debates respectively. In 1964, 1968, and 1972 there were none.

When there were debates, the length, timing, format and venue were the subjects of endless bickering and in the end were determined by the candidate who had to least political need to participate in the debate. Surely this is not the best way to organize such important events.

Now is the time to institutionalize presidential debates. President Reagan cannot seek reelection. A large number of potential candidates in both parties is likely. The only certainty to the nominating process is that it will grow longer and longer. And perhaps most important, the candidates are more susceptible to broad-based political pressure early in the process than later. Clearly, we should take this opportunity to make presidential debates a permanent part of the political landscape.

I propose that we create a broad bipartisan effort to get all candidates for president in 1988 to declare at the moment they announce their candidacies that they are prepared to participate in general election debates if they get the nomination. In addition, each candidate would agree to participate again in 1992 if elected president in 1988.

There should be a program of three presidential debates and one vice presidential debate. The presidentials should be held on the fourth Sunday of September and the second and fourth Sundays of October. The vice presidential debate would be held during the same period. The length of each debate would be 90 minutes.

We have an unusual opportunity for the leaders of the two parties to join together, for labor and business to work together, for good-government groups of all kinds to come forward, and even for Congress through joint resolution to help guarantee presidential debates. We can build a force that is formidable indeed. We can make an offer no candidate for president can refuse. No laws need to be passed, no minor fights need divert us. This is plainly and simply a political opportunity for those of us who believe presidential debating is important. Let's get to work.

Presidential debates allow the voter to see the candidates respond to issues in an unrehearsed and more spontaneous manner. As such, they allow voters to make a more knowledgeable choice when they cast their ballots. I agree with Mr. Johnson that now is the time to institutionalize these debates, and I urge further consideration of his proposal by both parties.●

EMPLOYMENT OPPORTUNITIES FOR DISABLED AMERICANS ACT

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. BARTLETT. Mr. Speaker, today I am introducing, along with my colleagues Messrs. HAROLD FORD, CAMPBELL, JEFFORDS, JAMES JONES, GRADISON, GOODLING, MURPHY, TAUKE, GUNDERSON, NIELSON, MCCAIN, and DUNCAN, the Employment Opportunities for Disabled Americans Act. The primary purpose of this legislation is to create conditions for the increased employment of disabled persons.

The legislation is limited in scope: It is the first step in removing all Federal disincentives related to the full employment of disabled persons. The bill has four specific purposes:

First, it would permanently authorize section 1619, a work incentive provision, in the Social Security Act; the provision allows disabled Supplemental Security Income [SSI] recipients to have earned income which exceeds $325 a month, while retaining access to Medicaid. An SSI recipient who does not take advantage of the section 1619, loses both SSI cash benefits and eligibility for Medicaid, when earned income exceeds $325 a month.

Second, it would mandate that the Social Security Administration inform disabled SSI recipients about section 1619 at two times: when the person first becomes a recipient, and again when the person's earned income exceeds $200 a month. Currently only about 6,000 disabled SSI recipients are taking advantage of section 1619. There are about 1.7 million disabled SSI recipients.

Third, it would establish a demonstration grant program to encourage employers to become involved directly with the reemployment or retraining of disabled employees, and thus help reduce disability benefit costs.

Fourth, it would establish a demonstration grant program to assist States develop and secure employment for SSI and Social Security Disability Insurance [SSDI] recipients.

Many disabled Americans, particularly those with severe and multiple disabilities do not work. They do not work, not because they do not want to work and not because they are incapable of work—rather, they do not work because they will lose their medical insurance, specifically, Medicaid. As of September 1984, approximately 1.7 million disabled and blind individuals between 18 and 64 years of age were recipients of Supplemental Security Income [SSI] and through SSI were eligible for Medicaid. Because SSI is means-tested, such persons are by definition, poor, and typically have never had earned income. For example, only 6,082 earn more than $300 a month. The vast majority of disabled SSI recipients do not know that they can earn over $300, and in most States retain their eligibility for Medicaid. Even if they know they can earn—in most States at least three times $300 a month—they are afraid to do so. They are afraid to take the risk of work because the provision, section 1619 of the Social Security Act, which allows them to pursue earnings of over $300 a month expires June 30, 1987. It expired once before on December 31, 1983, leaving over 5,000 disabled SSI recipients at risk—with jobs, but with no medical insurance. Many stopped working to reinstate their eligibility for SSI and Medicaid before Congress reinstated section 1619 in the summer of 1984. The price of economic independence, without access to medical insurance, was too high a price to pay. Many have told me that even with an extension of section 1619 through June 30, 1987, they are reluctant to seek full-time permanent employment. The price of uncertainty in 1987 associated with section 1619 is unemployment today.

In response to this uncertainty I introduced H.R. 6263 in the 98th Congress to make section 1619 a permanent provision in the Social Security Act. H.R. 6263 would have also mandated that the Social Security Administration follow specific notification procedures so that all disabled SSI recipients would know about section 1619.

The bill which my colleagues and I are introducing today includes these important provisions from H.R. 6263, but it goes further. It also includes two new demonstartion programs to promote the employment of disabled persons. These two new programs complement and strengthen the work incentive underlying section 1619. These demonstration programs require very small dollar expenditures up front, but will generate a multiple return to the Treasury through an increase in unexpended Social Security cash benefits and income taxes paid by working disabled persons.

Disabled persons have told me that lack of access to permanent medical insurance is the largest single barrier to employment. There are also many other barriers to the employment of severely disabled citizens. I would like to comment on four. The one barrier that does not exist, in my judgment, is the will to work. In addition to the need for medical insurance, disabled persons often have other special needs related to employment. First, they may require special transportation in order to get to work, they may require a modified or adapted piece of equipment, a job coach, or even an assistant to do a specific job. Adaptive equipment and transportation represent

costs, yet such costs are seldom as high as the enormous support costs of unemployment.

Second, employers may not know that such adaptation would permit a disabled person to become a fully abled employee—and unfortunately, even when employers recognize the potential of a disabled person, they are reluctant to make the additional investment. Moreover, it takes time and expertise to achieve certain types of workplace accommodations, technical assistance that may not be readily available at any price.

Third, State vocational rehabilitation agencies play a critical, and demonstrably effective role in preparing over 900,000 disabled persons a year for the world of work. They concentrate their efforts on the individual, training him or her to develop skills that will transfer to many settings. State vocational rehabilitation agencies must stretch dollars. Therefore, few dollars are available for permanent or expensive on-the-job site modifications or adaptions in a specific company.

Fourth, when an able-bodied employee becomes disabled and can no longer do a job, the partnership between the employee and the company is often severed. The employer may think the only recourse is longer term disability benefits—not retraining, not job site modification. The newly disabled employee may accept disability benefits in lieu of retraining, rehabilitation, or job site accommodation because it is usually easier to obtain. Thus, we have a paradox: retraining or job-site accommodation is cheaper and more productive for the employer, the employee, and the Government than long term monetary support; however, SSI, SSDI, or disability company benefits are more available.

This bill is a modest effort to address these barriers to employment and reemployment of the disabled. The legislation I am introducing today is limited. At some point, we must tackle other issues like assuring appropriate medical insurance for all disabled persons who want to be fully employed. Social Security Disability Insurance [SSDI] does not provide access to section 1619, and Congress must promote a full range of permanent, effective incentives to encourage employers to hire disabled persons and disabled individuals to seek full employment. This bill is a first step.

In summary, the bill has four major purposes:

First, it would make section 1619 of the Social Security Act permanent, and thus allow a disabled person to earn over $300 a month, and in most States continue to have access to Medicaid until earned income exceeded a State specific threshold.

Second, it would require the Social Security Administration to notify each disabled SSI recipient about section 1619 at least on two occasions: (a) when the person first becomes eligible for SSI, and (b) when the person's earned income reaches $200 a month.

Third, it would establish a grant program to provide technical assistance for employers and groups of employers to plan, implement, or evaluate programs to retrain and reemploy disabled employees, thus reducing the need for disability payments and recapturing the past investment made in the employee.

Fourth, it would establish a grant program to assist States to identify, promote, secure, and evaluate jobs for SSI and SSDI recipients. Some of the funds would be targeted for outreach to employers and disabled SSI and SSDI recipients. The majority of the funds, however, would be allocated to on-the-job assistance.

The cost of the bill would be as follows:

First, section 1619—in title I of the bill—would represent a savings of about $324 a month for each of the 6,000 SSI recipients—August 1984—who earned over $713 a month. For such persons Medicaid eligibility would continue, but SSI cash payments per month would be only $1 each; a projected reduction in cash benefits of $23 million in one year. Such persons would also be contributing to Federal, State, and local tax bases.

Second, disabled Worker's Demonstration Program—in title II of the bill—is authorized from 1986 through fiscal year 1992 at these levels:

(a) Fiscal year 1986, $5,000,000.
(b) Fiscal year 1987, $5,500,000.
(c) Fiscal year 1988, $6,000,000.
(d) Fiscal year 1989, $6,500,000.
(e) Fiscal year 1990, $7,000,000.
(f) Fiscal year 1991, $7,000,000.
(g) Fiscal year 1992, $8,000,000.

Third, employment Opportunity Demonstration Program for SSI and Disability Insurance Recipients—in title III of the bill—is also authorized from fiscal year 1986 through fiscal year 1992. On a competitive basis to States, grants would be made for up to 3 years per State. Authorization levels are highest in years where the maximum level of State participation is anticipated, specifically:

(a) Fiscal year 1986, $5,000,000.
(b) Fiscal year 1987, $10,000,000.
(c) Fiscal year 1988, $15,000,000.
(d) Fiscal year 1989, $15,000,000.
(e) Fiscal year 1990, $15,000,000.
(f) Fiscal year 1991, $10,000,000.
(g) Fiscal year 1992, $5,000,000.

Titles II and III of the bill would amend an existing statute, title VI of the Rehabilitation Act of 1973. Both of these demonstration programs are designed to sunset in 1992. State grants under title III are limited to 3 years, to assist States with startup costs. The programs would have a high benefits-costs ratio to the States and employers, and this would typically be permanently funded by either the States or groups of employers.

In considering the introduction of the Employment Opportunities for Disabled Americans Act, my colleagues and I were very aware of the new spending implications that may be associated with the demonstration programs in the bill. Fortunately a strong benefit-cost case can be made for such programs and the section 1619 work incentive. Collectively these initiatives represent a sound investment in fiscal terms. Their principal purpose is to convert disabled persons into taxpayers. The full contribution they will make to the U.S. Treasury may be difficult to project at this point, but costs of disability and unemployment have been documented. To reduce these costs should be a major objective in any deficit reduction plan. The magnitude of the problem is self-evident. For example, for the year 1981—a year in which extensive data on the disabled and unemployment were compiled, these data figures are available: 13.1 million disabled persons were between 18 and 64 years of age—usually defined as working age; 83.5 percent of this age group were unemployed; or only 16.5 percent were employed; 13.6 percent or 1,779,720 of this age group were receiving SSI benefits; 21.2 percent or 2,776,519 disabled persons of working age were receiving SSDI benefits; 1.12 percent or 19,934 of SSI recipients were rehabilitated; less than 1 percent or 18,839 of SSDI recipients were rehabilitated.

Although we cannot determine from these data how many of disabled SSI and SSDI recipients of working age were employed, we do know SSI and SSDI recipients constituted 34.8 percent of the 13.1 million disabled persons between 18 and 64 years of age. Further we know that only approximately 1 percent of this 34.8 percent were rehabilitated, much less employed. The four barriers to employment I have mentioned, directly or indirectly, contributed to unemployment or the underemployment of such persons. Moreover, costs of such unemployment and underemployment to society were enormous not only in human but in fiscal terms. By one estimate, $184.6 billion was spent in 1981 on disability payments to disabled persons of working age: $114 billion for health care—$50.16 billion paid by the Federal Government; $70 billion paid for wage replacement.

The significance of these costs increases if we stop to remember that such costs are for 1 year only, and these benefits are paid every year to every recipient who remains unemployed. By increasing employment and lowering cash outlays for SSI and SSDI benefits, we will be making a de-

monstrable contribution to deficit reduction.

It is imperative that we learn to manage the present if we are to have a future in which disabled citizens, as well as other citizens, benefit. Management of disability costs, reduction of disability costs now, is essential and timely. To reinforce this point, consider an analysis of disability expenditures prepared by Monroe Berkowitz, an economist with the Bureau of Economic Research at Rutgers University, who has studied disability expenditures for the last 15 years. The analysis is of data from 1980 to 1982. Such expenditures include transfer payments, medical costs, and direct services costs. These expenditures increased 401 percent for the 12-year period. In 1970, the total disability expenditures were $24 billion. Expenditures for 1982 were $121.5 billion. The 1982 expenditure figure represented 4 percent of the gross national product, up from 2.4 percent. In 1970, disability expenditures constituted $211 of per capita income; by 1982 it constituted $865 of per capita income.

These dramatic increases from 1970 to 1982 are also reflected in Berkowitz' data for SSI income support payments and Medicaid payments. In 1970, SSI payments were $573.5 million; in 1982, similar payments were $4.2 billion—a 640.4-percent increase (estimates by the Ways and Means Committee are even higher at over $8 billion). In 1970, medical costs paid by the Federal Government were $1.2 billion—in 1982 similar costs were $11.7 billion—an increase of 821.6 percent.

According to the staff of the Ways and Means Committee, in September 1984, the disabled SSI population of working age was 1.7 million; the total SSI population was 4 million. Thus, about 40 percent of the SSI population was disabled in 1984, and, to that extent, received SSI and Medicaid benefits from the Federal Government.

If we create employment opportunities and work incentives for the disabled SSI population now, then we will make a noticeable impact: We will reduce the amount the Federal Government pays in SSI and SSDI benefits to disabled persons in the future.

We have additional incentives for planning for the future—the younger disabled SSI population has increased dramatically. For example, the disabled SSI population under 18 approximately doubled from December 1975 to September 1984, from 104,000 in 1975 to 201,000 in 1984, and the disabled SSI population, age 18-22, increased by 40 percent in the same period. We must respond to the needs of the emerging generations. These young people and those responsible for their care and development have different expectations than those evident a decade ago. They expect to have access to appropriate services and training, and to have opportunities for independent living and jobs. They have different attitudes than those evident a decade ago. They believe that it is just as appropriate, perhaps more appropriate, to adapt environments to people as to adapt people to environments. The cosponsors and I hope that the Employment Opportunities for Disabled Americans Act will promote wider adoption of such an attitude.

The general climate is conducive to such an attitude—civil rights guarantees provided through Public Law 94-142 and section 504 of the Rehabilitation Act ensure broader access and opportunity. Steps have been taken by the private sector: the Washington Business Group on Health initiative is working to reduce disability costs in the work place; the Dole Foundation was created to promote the economic independence of disabled persons; technological advances have been targeted to maximize the abilities of the disabled; moreover, trade associations, business and industry have made efforts to develop job opportunities for disabled Americans. The Employment Opportunities for Disabled Americans Act will complement and help to expand a positive employment climate for the disabled.

I welcome the cosponsorship of all my colleagues. The bill we introduce today is a response to a basic human need—the opportunity for employment—and it is fiscally justifiable.●

TELEPHONE TERMINAL EQUIPMENT CERTIFICATION ACT OF 1985

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. RINALDO. Mr. Speaker, I am introducing legislation today which is designed to ensure that trade reciprocity is accorded to American manufacturers of telecommunications equipment.

This legislation would require that the Federal Communications Commission establish stringent standards for the processing of applications for certification of telephone terminal equipment from nations which discriminate against equivalent American products. Among other things, the Commission may require the submission of prototypes or production samples. The Commission is also advised to give priority to certification of U.S. products or those from foreign nations which do not discriminate aganst U.S. manufacturers. Products from countries that maintain barriers against U.S. exports would be the last to be certified in this country.

As late as 1982, the United States had $850 million trade surplus in telecommunications equipment. Yet, just 1 year later, after the divestiture of AT&T, the U.S. imported $38 million more of this equipment than it exported. Last year, the deficit in telecommunications equipment was more than $600 million.

Perhaps nowhere are the barriers to American manufacturers greater than in Japan. In 1984, American manufacturers sold $110 million worth of telecommunications equipment in Japan compared with Japanese exports to the United States of $1.5 billion. The House Subcommittee on Telecommunications, Consumer Protection and Finance has spent more than 3 years focusing upon the procurement policies of the Nippon Telephone & Telegraph Co., the Japanese Government-owned telephone monopoly. Despite our efforts and repeated assurances by the Japanese Government that they will commit themselves to more open procurement policies, there has been very little improvement. Indeed, our telecommunications trade deficit with Japan has quadrupled in the last 4 years, and U.S. manufacturers continue to face a myriad of nontariff barriers which makes entry into their market almost impossible.

The closed Japanese market enables them to amortize the fixed costs of production as well as research and development in sales in their domestic market. This not only results in an indirect subsidy of their exports, but also means that developing nations closed out of the significant Japanese market direct a larger proportion of their energies to the United States where no barriers to trade exist.

While we know that other U.S. industries are also facing severe setbacks because of their failure to reinvest in state-of-the-art technology, this has not been the case with the telecommunications industry. Last year alone, U.S. manufacturers spent $3.8 billion on research and development efforts and our record of innovation and competitive dynamism remains the envy of our trading partners.

The procurement of telecommunications equipment in Japan and in most other foreign nations comes primarily from state monopolies which operate the national telephone, telegraph, and data transmission systems. Most of these systems pursue a buy national policy which effectively keeps their markets closed and ultimately creates an important advantage in pursuing an aggressive export policy.

I remain firm believer in free trade, believing that American industry and labor has the ability to meet the challenges of the international marketplace. Yet, I also feel that our trading partners should not be entitled to enjoy the benefits of an open market

in the United States while closing their doors at home. Thousands of persons are employed in this industry, and it is time for us to ensure that they enjoy the same advantages as their competitors in Japan and Europe.●

TABULATION OF 1985 QUESTIONNAIRES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. HUBBARD. Mr. Speaker, in January of this year I distributed my 1985 questionnaire throughout the First Congressional District of Kentucky. A total of 34,898 western Kentuckians responded to the questionnaire.

The questionnaires which were completed and returned to my office were tabulated by my staff and 116 college students at Murray State University and the community colleges at Henderson, Hopkinsville, Madisonville, and Paducah, KY.

The results of the questionnaire will be published in the near future. However, I would like to take this opportunity to thank the faculty and students for their hours of effort in scoring the questionnaires. Indeed, their assistance with the tabulation of the thousands of responses has been invaluable.

The following are the names of the faculty and students who helped me with the tallying of the 1985 questionnaires:

MURRAY STATE UNIVERSITY

Dr. Winfield H. Rose, chairman, department of political science, Beth Baton, Terry Cain, Elizabeth Eissler, Robyn Fridy, Samuel Hall, Judy Harrison, LuAnn Loberger, John Mayolo, Carol Norcia, Machelle Owens, Susan Parkinson, Natalie Tabor, and Richard Watson.

HENDERSON COMMUNITY COLLEGE

Brent Smith, instructor of history and political science, Donna Barron, Sheila Burns, Robert Campbell, Renee Grace, John R. Greenwell, John Hagman, Phyllis Herrin, Sharmari L. Konsler, Emmett Mayhall, Mary Anne McBride, Jackie Roberts, Gary A. Samples, Paul Schmuck, Mike Scott, Courtney Settle, Gwen Shockley, Kelly Steward, Peggy Stone, and Amy R. Zachary.

HOPKINSVILLE COMMUNITY COLLEGE

Don Hoover, associate professor of history and political science, James B. Camp, Linda Cansler, Charles E. Crabtree, Dale Cunningham, Tim East, Lilian E. Glass, Steve Grace, Curtis W. Green, James Harnage, Joyce Henderson, Rubin E. Jones, Jr., Tracy Kunkel, Melvin D. Ladd, John T. Mitchell, David Moddrelle, Wade Moore, Betty J. Petty, Helena Radford, Stephanie R. Rice, Billy B. Taylor, and Cynthia D. White.

MADISONVILLE COMMUNITY COLLEGE

Tim Cantrell, chairman of social sciences, Eddie Albin, Jackie Armstrong, Sharon L. Cain, Gladys Conway, Phyllis Green, James W. Hancock, Kathryn Hancock, Karen W. Imboden, David Kittinger, Melissa Darnell Payton, Jim Ramsey, Marie Ramsey, Vonda Lynn Rickard, and Wanda Sisk.

PADUCAH COMMUNITY COLLEGE

Dr. Chun Ro, chairman, division of social sciences, business, and related technologies, Terri Adams, Vic Adams, Amy Barnhill, Robyn J. Barringer, Linda Bishop, Carol Bonds, Kim Bonds, Greg Brown, Christina Campbell, Todd Cooper, Byron Kelly Cox, Sandra Crawford, Todd Dick, Matthew Doom, Scott Elkins, Laura Evans, Michael Fenwick, Mike Fulgham, Kelly Giles, Lisa Grubbs, John Hagler, Cindy Hardy, Lori Hardy, Todd Hatchcock, Beth Howie.

John Ingram, David W. James, E.J. Emil Jezik, Gregg Jones, Dana Karnes, Sue Khatibi, Roger Lamb, Kevin Long, Lois Manning, Dana Martin, Gilly Martin, Billy Metcalfe, Lisa Mick, David Miller, Lisa Morris, Rudell Pate, Joe Paul, Walter K. Penny II, Harold Riley, Greg Ringstaff, Dennis Roberts, John Scott, Trent Duane Smith, Bubba Spain, Michele Trevathan, Eva Walker, and Johnna Wilson.●

THE FARM CRISIS

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. ROSE. Mr. Speaker, an excellent analysis of the farm situation appeared in the Washington Post on April 7, and since many Members were in their home districts then, I would like to appear with my remarks, so that all of us can benefit from its perceptiveness. Its author, James R. Dickenson, points out that while only a very small percent of our people is directly involved in agricultural production, that small percent delivers the security of at least adequate food supplies for us and a lot of the rest of the world. It also points out that we're losing a younger generation of farmers—a dangerous precedent.

Mr. Speaker, I introduced H.R. 2017, the Agricultural Act of 1985, on April 4 because I want to head off and diminish, if not eradicate, the problems the Post article warns about. A description of my bill is on page 7755 of the April 4 RECORD, and I know that Members are going to be letting me know what their views on it are. I welcome that.

Summed up, Mr. Speaker, my bill would:

Drop the target price and diversion payments system, and, instead, establish loan rates at an acceptable level, 75 percent of parity, to raise farm income and maintain adequate supplies for consumers.

Permit repayment of the loans at market price levels, to increase exports and keep prices to consumers reasonable.

Deny loans to speculators and others who break out highly erodable land, wetlands, or timberlands.

Run the program on a bushels and pounds basis, unless the Secretary of Agriculture determines that it should be run on an acreage basis. I am still considering a limit on the amount of money that could be loaned, including soybeans in the bill, and other modifications, and I would like to include three tables which provide additional information.

THE FARM CRISIS: TWADDLE AND TRUTH

(By James R. Dickenson)

There is a lot of nonsense about the nation's current agriculture woes being spread around these days, much of it by President Reagan, much by supposedly tough-minded and knowledgeable administration spokesmen such as budget director David Stockman, who seems to believe that the trouble is simply a matter of greedy, stupid farmers being punished with bankruptcy.

Such twaddle only masks the fact that our farm problems go well beyond the widespread suffering and heartbreak of farm families individually and rural society in general.

The farm difficulties have a potentially long-term adverse effect on our future farm productivity, which is why there is an unusually high level of public concern about our agriculture problems. People get uneasy when they sense that agriculture is in serious trouble because they know that the security of the nation's food supply is crucial.

Foremost among the erroneous ideas so blithely being fostered by the free marketeers of the administration is that it is inefficient, marginal and greedy farmers who are being forced into bankruptcy as atonement for their mistakes and sins, and that what will emerge thanks to the magic of the market system is a lean, efficient farm industry.

Second is that farm efficiency and productivity is in direct proportion to size because of ongoing technological and scientific improvements—that big is good and bigger is better.

In the first case, the opposite is happening. Most of the farmers being forced into bankruptcy are the younger, more aggressive, more progressive and most willing to take risks. Those who are surviving are generally older, less educated, smaller operators who are less productive but have a tolerable debt ratio.

"What we're seeing has little to do with efficiency because we're cutting out farmers on the basis of debt, not efficiency," says Prof. Neil E. Harl of Iowa State University, one of the nation's leading agriculture economists. "We're cutting out the young, aggressive managers who have set the pace in efficiency. And America doesn't have as much excess [agricultural productive] capacity as many think."

This is partly because the strength of the dollar has cut greatly into American farmers' ability to compete in the export markets that were a great source of their prosperity in the 1970s, with the result that surpluses are piling up at home and driving prices down. The strength of the dollar is a "devastating force" working against the farmers. Until it is devalued by 20 or 30 percent we are going to continue to have serious agriculture problems, Harl says.

The troubles that are driving the best and brightest out of farming began in the 1970s, when they incurred their now intolerable debt loads buying land and machinery. Some were motivated by greed by many

were trying to get a rational hedge against inflation, just as nonfarmers were by indexing wages and income tax brackets.

And many young farmers, who started as most of them do by renting land, were at the normal age to start buying land of their own, which they have to do if they don't want to remain perpetual tenants. Land prices and interest rates were high but inflation kept pushing them up and up, and to many young farmers it seemed that land was moving out of reach, so they grabbed for it.

Iowa State University studies show that the average age of the Midwest farmers who have the lowest debt/asset ratio—10 percent or less of total assets—is 61. The average age of those whose debt/asset ratio is 11 percent to 40 percent is 53. For those in the debt/asset range of 41 percent to 70 percent, the average age is 48. For those 70 percent and over it's 46.

The younger the farmer, the better educated and more productive he is. A farmer's productivity follows a bell curve, according to Harl. It climbs as he builds his operation, is highest between ages 45 and 55, then efficiency and farm size start to fall as he begins to pull back, phase out, turn it over to a son or sons and starts easing into retirement.

There is also the erroneous idea that the demise of a large number of family farmers is inevitable because bigger operations are more productive. In Midwest corn, cattle and hog farming, peak efficiency of scale is reached with about 600 acres. Bigger operations don't enjoy additional economies, and corporate farms particularly start suffering inefficiencies because of problems of management and motivation.

"There are problems of control and coordination, and corporate employees aren't profit-oriented because they don't have a stake in the operation," Harl says. "The Midwest family farm has a high level of management ability and, because of that plus a high level of capital and credit available, corporate farms have been kept out of most states except a few such as California, Hawaii and Florida. States that have limits on farm size don't have a different farm structure than those that don't."

The farmers' worst enemies are public policies such as the huge federal deficits that have the dollar overpriced and contribute to high interest rates and tax provisions that were supposed to help the full-time family farmers. Instead, they have mostly benefited the wealthy who invest in unprofitable operations as tax shelters and encouraged land speculators—"sod busters"—who are paid by the taxpayer to drain wetlands and plow under fragile grasslands to put into crops that are already in surplus. You don't hear of suicides by those operators.

That's why the administration's proposal to do away with price supports eventually is crazy unitl there is a rational economic environment for the most productive farmers. To throw so many into an open market situation—and bankruptcy—under the burdens they now bear is not only desperately unfair but counter to the national interest.

"In the fall of 1983, we were closer to the bottom of the barrel in grain supplies worldwide because of drought and the PIK program [payment in kind of products to farmers as an incentive to curb production] than most realize, probably the lowest in two decades," Harl says. "It wasn't apparent because of our domestic surplus due to our fall off in exports because of the dollar."

There's a reason why the hard-ball remarks of Stockman, a former flower child turned Social Darwinist, and the bad Gridiron Club jokes of President Reagan ("I think we should keep the grain and export the farmers") deserve the contempt with which they were received. Neither of them knows what he's talking about.

TABLE A.—DEFICIENCY AND DIVERSION EXPENDITURES, 1981–84 CROP YEARS

[In thousands of dollars]

	Wheat	Corn	Other feed grains[1]	Rice	Upland cotton	Annual total
Crop year:						
1981:						
Deficiency	414,300		281,085	21,521	467,361	1,184,267
Diversion	221,000					221,000
1982:						
Deficiency	476,469	290,852	124,230	267,215	522,454	1,681,220
Diversion			92			92
1983:						
Deficiency	770,645		47,795	233,047	432,453	1,483,940
Diversion	309,309	903,487	150,151	23,089	2,544	1,388,580
1984:						
Deficiency	1,115,000	1,630,000	205,000	377,370	613,000	3,940,370
Diversion	528,000					528,000
Total deficiency and diversion	3,834,723	2,824,339	808,353	922,242	2,037,812	10,427,469

[1] Includes barley, sorghum, oats.

Source: U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, "CCC Estimates," Jan. 10, 1985 and July 15, 1983.

TABLE B.—RATES AND AMOUNTS UNDER LOAN, 1982–85 CROPS

Crop and year	Loan rate	Average price	Target price	Under loan
Wheat:				
1982	$3.53	$3.52	$4.05	[1] 645,693,000
1983	3.65	3.58	4.30	[1] 634,911,000
1984	3.30	3.46	4.38	[1] 272,654,000
1985	3.30		4.38	
Corn:				
1982	2.55	2.37	2.70	[1] 1,579,845,000
1983	2.65	2.99	2.86	[1] 161,896,000
1984	2.55	3.05	3.03	[1] 1,047,311,000
1985	2.55		3.03	
Grain sorghum:				
1982	4.32	4.00	4.64	[2] 134,466,000
1983	4.50	4.89	4.86	[2] 7,631,000
1984	4.32	4.61	5.14	[2] 35,732,000
1985	4.32		5.14	
Barley:				
1982	2.08	2.28	2.60	[1] 92,614,000
1983	2.16	2.32	2.60	[1] 32,114,000
1984	2.08	2.44	2.60	[1] 53,321,000
1985	2.08		2.60	
Cotton:				
1982	.9989	.555	.9989	[3] 5,006,988
1983	.9625	.629	.9625	[3] 1,743,022
1984	.8250	.655	.99	[3] 2,777,777
1985	([4])		.81	
Rice:				
1982	8.14	8.11	10.85	[2] 65,152,000
1983	8.14	8.76	11.40	[2] 39,990,000
1984	8.00	8.11	11.90	[2] 55,234,000
1985	8.00		11.90	

[1] Bushels.
[2] Hundredweight.
[3] Bales.
[4] Cannot be determined until after Oct. 15.

Parity Stands at 55

Prices received by farmers during February were unchanged from January, according to the latest USDA Agricultural Price Report. Lower prices for cotton and soybeans were offset by higher prices for cattle and hogs. The index is 6.2 percent below one year ago.

Prices paid by farmers remain unchanged from a month earlier and a year ago. Declines from a month earlier for feed, fuels and energy, and building and fencing were offset by an increase for feeder livestock.

The parity ratio this month stands at 55, compared to 58 for February of 1984.

In the table below, the first column is prices received for the various products as of Feb. 15. The second column is 100 percent of parity for each item as of Feb. 15. The third column is the percentage of parity that farmers were getting for the items at mid-month.

Commodity and unit	Prices received	100 percent of parity	Percent of parity received
Wheat (per bushel)	$3.37	$7.08	48
Corn (bushel)	2.62	5.15	51
Barley (bushel)	2.16	4.77	45
Grain Sorghum (hundredweight)	4.20	8.70	48
Soybeans (bushel)	5.74	12.80	45
Dry Edible Beans (hundredweight)	18.30	40.00	46
Cotton, Upland (pound)	.479	1.24	39
Milk (hundredweight—all)	13.80	23.50	58
Beef Cattle (hundredweight—all)	58.70	101.00	58
Calves (hundredweight)	66.20	114.00	58
Hogs (hundredweight)	49.60	89.60	55
Lambs (hundredweight)	64.70	114.00	57
Wool (pound)	.653	2.35	28

COLORADO RIVER FLOODWAY PROTECTION ACT

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. CHENEY. Mr. Speaker, on February 25, 1985, I introduced legislation, the Colorado River Floodway Protection Act, to improve the management of the Colorado River. The Colorado is a major natural resource for the seven Colorado River Basin States, including my home State of Wyoming. The legislation I introduced will allow the existing Colorado River reservoir system, in which billions of dollars have been invested, to function efficiently by maximizing the water storage capability of the system. In that sense, the legislation is a water resources conservation measure.

The Colorado River Floodway Protection Act, H.R. 1246, formally designates a floodway for the Colorado River between Davis Dam and the U.S. border with the Republic of Mexico. Within the designated floodway, an area required to accommodate part of unusually high river flows, the legislation provides that most forms of future Federal financial assistance to persons and development will be prohibited.

My interest in this legislation originated in the high water conditions on the Colorado River in 1983. The Committee on Interior and Insular Affairs, on which I serve, held 2 full days of field hearings on these problems in September 1983. At these hearings, it became clear that there had been significant encroachment in the floodway of the Colorado River below Hoover Dam since that dam was designed and built.

Since the basic purpose of the Colorado River reservoir system is to store water in order to satisfy the interests of many different river users, it is important that requirements for flood control space—that is, empty space in the reservoirs—be rationally related to the multiple purposes served by the reservoir system. Encroachments on the floodway of the river, limiting its use, may lead to requests for broadened flood control requirements to substitute for the flow accommodation and dam safety protection potential of the floodway.

The Colorado River is perhaps the most highly regulated river in the United States. The Federal Government is by far the largest landowner in the area which would be affected by this bill. And finally, the seven Colorado River Basin States have made multibillion-dollar investments in the river reservoir system, a system which would be made more efficient by this bill. For these reasons, legislation to deal with the specific management issue presented by encroachment on the Colorado River Floodway is desirable.

The legislation I have introduced will preclude Federal assistance for future encroachments in the floodway, thus limiting incentives for development in this high hazard area. The floodway boundaries were chosen to accommodate the existing Corps of Engineers flood control regulations for Hoover Dam, with appropriate adjustments for high flows on downstream tributaries and watersheds. The choice of the existing Corps of Engineers flood control regulations for the upstream element of the floodway definition was based in significant part on the fact that the Corps of Engineers had only recently completed an exhaustive review of these regulations and concluded that on balance they best served all of the varied interests of users of the river.

I think it is important to be clear about certain features of the bill, which is modeled in significant part on the Coastal Barrier Resources Act, Public Law 97-348. First, the bill does not alter in any way the existing legal authority of various agencies, particularly the Department of the Interior and the Department of the Army (Corps of Engineers), to regulate the Colorado River and its reservoir system. If changes in river regulation are necessary or desirable, they can be made after the bill is enacted in precisely the same manner in which they can be made under existing law. Second, the bill does not impose any legal limitations on private development of any kind. If it is enacted, private development will be able to occur exactly as it does today. Third, the legislation provides a series of "grandfather" provisions for existing residents and development, and therefore applies essentially prospectively.

I am pleased that my colleague from California GEORGE MILLER, the chairman of the Subcommittee on Water and Power Resources, has agreed to join in cosponsoring this legislation. I believe the legislation is very much in the interest of all seven of the Colorado River Basin States. I look forward to working with my colleagues to enact this legislation, which is a significant first step in dealing with the problem of high water on the Colorado River.●

FIVE OUTSTANDING CITIZENS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. GILMAN. Mr. Speaker, following the fine tradition of Sons of the American Revolution Organizations across the Nation, the Stony Point Chapter in New York recently honored five outstanding citizens during its 21st Annual Awards Dinner. The five honorees recognized on this occasion for their community service were Ernest Bradley Bobb, of Nyack; Charles Hatala, of Garnerville; Hon. David S. Ritter, of New Hampton; Mrs. Marian Valentino, of Blauvelt; and George White, of Haverstraw.

Through their hard work and dedication to public service, these five awardees have enriched not only the Stony Point community but all of our region's citizenry. I am proud to commend their efforts today.

Designated as "Man of the Year" and "Woman of the Year" respectively were Bradley Bobb and Mrs. Marian Valentino. As Nyack Junior High School assistant principal, Bradley Bobb has enhanced students educational opportunities by planning and implementing outdoor education programs. He has also contributed to community education as town historian and by coordinating reenactments of historical events. Mrs. Valentino has served the community as a longtime volunteer for a variety of charitable, civic and historic organizations. Among her many activities, Mrs. Valentino is a founding member and first chair of the Raymond DeMeola Veterans of Foreign Wars Ladies Auxiliary.

The S.A.R. Good Citizenship Award was presented to George A. White, an artist and art teacher. For the past few years, Mr. White has dedicated his talents to the community by teaching others, including children and the mentally and physically handicapped.

S.A.R. Law Enforcement Awards were presented to Orange County Judge David S. Ritter and Haverstraw Police Officer Charles Hatala for service above and beyond the call of duty. Judge Ritter was honored for his efforts in the Rockland County Brinks robbery and murder trials, over which he presided. He has devoted his past 21 years to Orange County law enforcement as assistant to the district attorney, as district attorney from 1976-1979, and finally as Orange County court judge.

Police Officer Hatala was honored for his heroism in rescuing four small children and one adult from a burning building and for his alertness in calling for help. Officer Hatala entered the burning building three times to search for the five victims and to lead them to safety.

The accomplishments of these five distinguished people clearly demonstrates their devotion to society both in their work and in their leisure. They serve as an inspiration to us all. It is my hope that the S.A.R. will continue to recognize such good citizens to serve as worthy examples of achievements for which the youth of today can strive.●

A TRIBUTE TO CAMPUS PARK SCHOOL

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. COELHO. Mr. Speaker, the students of the Campus Park School in Livingston, CA, recently held a fundraising drive to raise money for the restoration of the Statue of Liberty. Due to their hard work and dedication to their project, they succeeded in raising $500.

The project was spearheaded by a teacher at Campus Park School, Ms. Mary Lima. With the help of the school's principal, Mr. Henry Escobar, Ms. Lima and the students of Campus Park held bake sales, craft sales, and an aluminum can drive to raise funds for the restoration project.

This effort by schoolchildren across the United States to raise the funding necessary to restore the Statue of Liberty is very important, because the statue is much more than a simple copper shell. Instead, she is a symbol representing the ideals of liberty and democracy which are so cherished by the people of the United States. As long as the lady stands guard in New York Harbor, welcoming new immigrants to our country with her torch held high and proud, she will remind us of the fundamental freedoms our great Nation was built upon over 2 centuries ago. The movement to restore and rededicate the Statue of Liberty is also a movement to restore and rededicate our Nation's commitment to these fundamental freedoms.

I am very proud of the students of the Campus Park School for their part in this movement, and I commend them for their noble efforts to keep the torch of liberty burning brightly, long into the future.●

YOUTH POLICY INSTITUTE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mrs. SCHROEDER. Mr. Speaker, I wanted to bring to the attention of my colleagues and their staffs a rather special opportunity to stretch those legs after the long winter, and for a good cause to boot.

In 1908, President Theodore Roosevelt issued an Executive order proclaiming that marines should be able to march 50 miles in 20 hours. Half a century later, President John F. Kennedy, challenged American citizens to improve their physical fitness and urged members of his administration to set an example. Attorney General Robert F. Kennedy accepted the challenge and set out on a 50-mile trek to Camp David on a cold February day with several Justice Department colleagues. Only Kennedy finished the walk; 2 years ago, young people at the Youth Policy Institute, a spinoff of the Robert F. Kennedy Memorial, decided to take on the challenge as well. Since then, the institute has sponsored the challenge walk as a fundraiser to provide scholarships for minority students. The institute is a private, nonprofit research group established in 1978 to provide opportunities to young people to monitor, analyze, and report on Government policies affecting youth.

This year's walk will begin early in the morning on Saturday, April 20, at Fletchers Boat House, Washington, DC. Detailed information can be obtained by contacting Mrs. Judith Hackett at YPI at 635-6087. This event combines an exciting personal challenge and an opportunity to help an important effort to broaden minority participation in Government. I urge you all to put on your walking shoes, or short of that, pray for sunshine.●

THE NEED FOR FEDERAL REGULATION OF LANDFILL EMITTED GASES

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. MARTINEZ. Mr. Speaker, I rise today to offer legislation aimed at addressing the problem of gas emissions from landfills. The bill simply amends the Solid Waste Disposal Act [RCRA] to require that EPA promulgate regulations concerning landfill emissions.

I would like to quote Hon. Jennings Randolph. He said, "We as individual Members of Congress have a responsibility to make the public aware of the potential for reusing large amounts of solid waste." Mr. Chairman and esteemed colleagues, I wish to align myself with the Senator and submit that Congress should not only protect the public, but also provide leadership in changing ideas and finding solutions to the problems of waste and waste management.

This bill will accomplish this goal. It protects the public, their health and quality of life, by requiring gas collection devices be installed at landfills. Second, by requiring gas collection the bill will promote better waste management.

The problem is clear. I am sure all of us have driven past a landfill on a hot day only to be nearly overcome by the horrendous odor. My bill will address this problem, and holds landfill emission containment as its goal.

The beauty of the program is that the gas that is captured is a marvelous source of fuel. This is a key part of the effective waste management to which Senator Randolph was referring. In addition to recycling our bottles and cans, we should value our decomposable wastes as well, and use their potential energy to its fullest.

My experience with waste management spans nearly a decade as a city official and as a member of the California Solid Waste Management Board. I have seen the gas collection and reclamation technology and I know it can work. And so do at least 75 landfill owners or operators who have invested in gas energy systems. More facilities are on the way.

I would like to take this opportunity to discuss several other reasons to support this legislation.

Until such time that dumping in landfills is phased out and improved methods of waste management can be implemented, economic and population growth in this country will cause more solid waste to be produced and deposited into landfills. These larger landfills can be managed to produce greater quantities of combustible gas. With respect to the gases released from landfills; continuing technological improvements in landfill management will increase the supply of landfill gas and improve its purity.

Although improved criteria concerning siting of landfills are called for in last year's RCRA amendments, continued encroachment of urban and suburban populations towards existing landfills will increase the possibility of human contact with the potential hazards which exist at some of these sites. Since the amendments were passed last year, EPA has been at work reorganizing itself and adapting its regulations to comply with the new law. This is the perfect time for Congress to voice direction and more specific intent on this issue.

I strongly believe the assurance of proper collection, disposal, and regulation of solid wastes and their byproducts should remain primarily the responsibility of State government—in cooperation with county, or local agencies—and landfill management. But the problem has become national in scope and concern. Landfill problems necessitate Federal action to ensure that State regulatory agencies address landfill gas by enforcing Federal, State and local regulations to deal with landfill gas migration and by encouraging the recovery of landfill gas for utilization. The State will also benefit by having the support of the Federal Government and Federal statutes when dealing with uncooperative landfill management.

I also believe Federal action should take the form of technical assistance and leadership in the development, demonstration, and application of new and improved methods and processing

of landfill gas. Recent cuts in the Department of Energy budget and the great demands put on EPA funding have severely curtailed this sort of Government leadership. Requiring collection will provide an incentive to use private capital for energy systems.

This legislation has several important health and environmental benefits to those who live or work near landfills. Very often the gas which escapes from landfill carries with it a hazardous substance, but normally at very low—nonhazardous—level. Most landfill gas is either not collected and allowed to escape into the atmosphere, or burned-off emitting potential hazards into the air.

One of the major changes in modern landfill management is to separate hazardous substances from sanitary solid wastes—paper, food, cardboard, and so forth. Most landfills are safe, but those that do pose a threat, EPA must have authority to take action. Disposal of solid waste in or on the land without careful planning and management, however, can cause conditions which endanger human health and the environment.

Collection of landfill gases before they reach the ground's surface will reduce the potential contact with surrounding populations and improve the quality of life of those around the site by reducing unpleasant odors. Unlike solid or liquid waste, polluted air quickly travels across legal boundaries to irritate nearby inhabitants.

The best known problem related to gases produced from landfills is that of underground migration. The fire and explosion at the Lorton Youth Facility last December is an example close to home of how deadly this situation can become. At Lorton the landfill gas traveled underground into a neighboring building, where it collected and exploded. Underground migration of landfill gases tend to travel along the path of least resistance, such as utility and sewer lines.

Methods of keeping our air clean must be developed since much of the air over our cities threatens the health of the elderly or sick. In the Los Angeles basin any addition to the already dirty air is cause for concern. Even a small reduction in the amount of impurities in the air is worthy of our support.

The methods already in use to produce energy from landfill methane have proven productive. These methods include: first, a fuel for boilers to heat businesses and homes; second, to generate electricity either by producing steam or directly with turbine generators; third, processed to remove the carbon dioxide and sold to gas utilities to supplement natural gas supplies; fourth, as a chemical feedstock for use in producing plastics; fifth, for use in fuel cells to produce electricity.

Although landfill methane energy technology is not appropriate in every case, I believe critics are unaware of the great strides that have taken place in the technology in recent years. Critics say that the quantities of gas are too small to be productive. They are wrong. The quantities of methane produced from landfills are significant and can become a needed supplement to America's energy supply. Studies by the American Gas Association have shown that billions of cubic feet of methane are wasted each year from lack of collection or burn-off. With the introduction of fuel cells, even small landfills can now productively use the methane produced. I believe this supplement will reduce America's dependence of foreign, unstable sources of petroleum.

Critics state that the methane produced at landfills is too impure and too diluted to burn properly. I disagree. Methods do indeed exist to improve the Btu content and remove the impurities from methane gas collected from landfills.

I urge all my colleagues to review and support the Landfill Gas Collection and Reclamation Act of 1985. For the benefit of my colleagues, I would like to have the text of the bill inserted into the RECORD at the end of my remarks.

H.R. —

A bill to amend the Solid Waste Disposal Act to reduce the risk to public health and the environment associated with gas leaks from landfills

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Landfill Gas Collection and Reclamation Act of 1985".

SEC. 2 FINDINGS.

(a) GAS RELEASES.—The Congress finds with respect to methane and other gases released from landfills:

(1) The continuing technological improvements in methods of collection, refinement and use of combustible landfill gases will allow greater quantities of the landfill gas available to be put to productive use.

(2) Continued economic and population growth in this Nation will result in more and more waste produced and deposited into landfills, (until such time that dumping in landfills is phased out and improved methods of waste management are found) which, if managed properly will produce even greater quantities of combustible gas;

(3) Even with RCRA criteria concerning siting of landfills, continued encroachment of urban and suburban population towards existing landfills will increase the possibility of human contact with the potential hazards which exist at some of these sites.

(4) While assurances of proper collection, disposal, and regulation of solid wastes and their by-products should remain primarily the responsibility of State government, (in cooperation with local agencies), and the landfill management, the problems associated with landfills emissions have become national in scope and in concern and necessitate Federal action to ensure that State regulatory agencies address landfill gas by enforcing current Federal, state and local regulations that deal with landfill gas migration and secondly by encouraging the recovery of landfill gas for utilization. Federal action should also take the form of technical assistance and leadership in the development, demonstration, and application of new and improved methods and processing of landfill produced gas.

(b) ENVIRONMENT AND HEALTH.—The Congress finds with respect to the environment and health, that:

(1) Although useful in several applications, some landfill-produced gas is either not collected and allowed to escape into the atmosphere, or burned-off emitting potential hazards into the air.

(2) Disposal of solid waste in or on the land without careful planning and management could cause dangerous conditions to human health and the environment. Although most gases emitted from landfills are harmless, gases from some landfills may carry with them substances, which could be hazardous or carcinogenic at certain concentration levels.

(4) Collection of these gases before they reach the ground's surface will reduce the potential contact with surrounding populations and improve the quality of life of those around the site by reducing unpleasant odors.

(5) Unlike solid or liquid waste, polluted air is difficult to contain once released into the atmosphere. It can quickly travel across legal boundaries to threaten nearby inhabitants.

(6) Landfill gases, including methane, can travel underground and emerge into neighboring buildings causing potential for explosion and fire. Landfill gases tend to travel along the path of lease resistance, (e.g., utility and sewer lines).

(7) Alternative methods of cleaning the air must be developed since much of the air over our cities threatens the health of the elderly or sick under certain meteorological conditions.

(c) MATERIALS.—The Congress finds with respect to the quality and availability of methane gas that:

(1) Billions of cubic feet of methane are wasted each year from lack of collection or burn-off.

(2) Methods are available to improve the BTU content of methane gas collected from landfills.

(3) The recovery and conservation of this methane can reduce the dependence of the United States on foreign resources and reduce the balance of payments deficit.

(d) ENERGY.—The Congress finds with respect to energy, that:

(1) Landfill gas represents a potential energy resource which can be used as a fuel for boilers to heat businesses and homes; to generate electricity either directly with turbine generators or indirectly by producing steam.

(2) Landfill gas can be processed to remove the carbon dioxide and sold to gas utilities to suppliment natural gas supplies, used as a chemical feedstock for use in producing plastics, or for use in fuel cells to produce electricity.

(3) The need exists to develop alternative energy sources for public and private consumption in order to reduce dependence on such non-renewable sources such as petroleum.

(4) Technology exists to produce usable energy from methane collected from landfills.

SECTION 3. CONTROL OF GAS AT SUBTITLE D FACILITIES.

(a) FEDERAL GUIDELINES.—Section 4002 of the Solid Waste Disposal Act is amended by adding the following new subsection at the end thereof:

"(d) SPECIFIC GUIDELINES FOR LANDFILL GAS CONTROL.—

"(1) SPECIFIC GUIDELINES FOR CONTROL OF GAS.—Not later than 12 months after the date of the enactment of the Landfill Gas Collection and Reclamation Act of 1985, the Administrator shall amend the guidelines promulgated under subsection (b) to include specific guidelines concerning the collection and control of gas from solid waste disposal facilities which received putrescible waste.

"(2) STANDARDS AND CRITERIA.—The guidelines shall establish such standards or criteria as may be necessary to protect human health and the environment from the risks associated with gas which is present at, or which is released from, such facilities. Such guidelines shall provide that facilities required to retrofit shall also include gas collection devices in their pollution collection systems.

"(3) RECOVERY OF ENERGY AND MATERIALS.—The guidelines under this subsection shall also include provisions regarding the recovery of energy and materials from methane and other gas emitted from such facilities which are combustible.

"(4) STANDARDS FOR EXEMPTIONS.—The guidelines under this subsection shall also include provisions to set standards for granting exemptions for specific classes of landfills from such guidelines where the State determines that the application of such guidelines would be inefficient and impractical.".

"(b) MINIMUM REQUIREMENTS FOR STATE PLANS.—(1) Section 4003(a) of such Act is amended by adding the following new paragraph at the end thereof:

"(7) The plan shall provide for compliance with the guidelines promulgated in accordance with section 4002(d) regarding the collection and control of gas, and the recovery of energy and materials from gas, at solid waste disposal facilities which have received putrescible waste. The plan may provide for exemptions for specific classes of landfills from such guidelines where the State determines (based on criteria promulgated under section 4002(d)) that the application of such guidelines would be inefficient and impractical.".

(2) Section 4007 of such Act is amended by striking out "and (5)" and substituting "(5), and (7)" in each place it appears in paragraphs (1) and (2) of subsection (a) and by adding the following at the end thereof:

"(d) GAS CONTROL.—No plan or plan amendment may be approved by the Administrator under this section after the date 12 months after the date of enactment of the Landfill Methane Gas Collection and Reclamation Act of 1985 unless such plan or amendment contains provisions complying with sections 4003(a) (7) (relating to the collection and control of gas and recovery of energy and materials from landfill-emitted gas). Not later than 2 years after the date of the enactment of such Act, the Administrator shall—

"(1) review every plan approved before such 12 month date, date, and

"(2) withdraw approval of the plan unless such plan or amendment contains provisions complying with section 4003(a)(7) (relating to the collection, control, and recovery of energy and materials from landfill-emitted gas).".

(c) CRITERIA FOR SANITARY LANDFILLS.—Section 4004(a) of such Act is amended by adding the following at the end thereof:

"(c) COMPLIANCE WITH GAS CONTROL GUIDELINES.—After the date 2 years after the date of the enactment of the Landfill Gas Collection and Reclamation Act of 1985, no facility which receives putrescrible waste may be classified as a sanitary landfill unless the facility complies with the guidelines promulgated in accordance with section 4002(d) regarding the collection and control of gas and the recovery of energy and materials from gas (or unless such facility is exempt in accordance with the guidelines contained in section 4002(d).".

(d) EPA ENFORCEMENT.—(1) Subtitle D of such Act is amended by adding the following new section at the end thereof:

"ENFORCEMENT OF GAS CONTROL GUIDELINES

"SEC. 4011. (a) Definition of Compliance With Gas Control Guidelines.—Not later than 2 years after the enactment of this section, the Administrator shall determine whether each State has adopted a plan under section 4003 which meets the requirements of section 4003(a)(7) (relating to gas control). The Administrator shall make such a determination in conjunction with approval, disapproval or partial approval of a State plan under section 4007.

"(b) ENFORCEMENT.—

"(1) SECTIONS 3007 AND 3008.—In the case of any State that has not adopted a plan which meets the requirements of section 4003(a)(7) within the 2-year period specified in subsection (a), the Administrator shall use the authorities available under sections 3007 and 3008 of this title to require all facilities in such State which receive putrescible waste to comply with the guidelines under section 4002(d) (relating to gas collection, control, etc.).

"(2) TERMS USED IN SECTIONS 3008 AND 3007.—For purposes applying paragraph (1) of this subsection, after the 2-year date referred to in subsection (a)—

"(A) The term 'requirement of this subtitles' in section 3008 shall be deemed to include guidelines promulgated by the Administrator under section 4002(a) of the title.

"(B) The term 'hazardous wastes' in section 3007 shall be deemed to include solid waste at facilities that may handle putrescible waste."

(2) TABLE OF CONTENTS.—The table of contents for such subtitle D is amended by adding the following new item after the item relating to section 4010:

"SEC. 4011. Enforcement of gas control guidelines.".●

COAL GROUP TO MEET ON PROPOSED CONRAIL SALE

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1985

● Mr. RAHALL. Mr. Speaker, the Congressional Coal Group will hold a meeting on the proposed sale of Conrail on April 17, 1985, in 2167 Rayburn House Office Building, at 1:30 p.m.

Appearing before the coal group will be representatives of Chessie System Railroads, the Norfolk Southern Corp. and Conrail.

I would like to take this opportunity to inform all Members with an interest in this matter of this meeting, and to extend an invitation to them to attend.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, April 16, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 17

9:00 a.m.

•Labor and Human Resources

Business meeting, to mark up S. 484, to extend for 3 years the moratorium on the ban of the use of the artificial sweetener saccharin.

SD-430

9:30 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Agriculture and related agencies.

SD-138

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, bilingual education, and adult and vocational education programs.

SD-116

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice.

S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the effect of new technologies on industrial competitiveness.
SR-253

Finance
To hold hearings to review an administration report on prospective payment for skilled nursing facilities under the medicare program.
SD-215

*Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S Government personnel security system.
SD-342

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on the enforcement of certain copyright laws.
SD-226

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

Environment and Public Works
To hold hearings on the nomination of A. James Barnes, of the District of Columbia, to be Deputy Administrator of the Environmental Protection Agency.
SD-406

10:15 a.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

11:00 a.m.
Environment and Public Works
To hold hearings on the nominations of Brig. Gen. Robert J. Dacey, USA, and Brig. Gen. Thomas A. Sands, USA, each to be a member of the Mississippi River Commission.
SD-406

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session on proposed legislation authorizing funds for the Federal Bureau of Investigation, Department of Justice.
S-407, Capitol

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Agriculture and related agencies.
SD-138

Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on environment and safety programs.
SD-366

Judiciary
To hold hearings on the nomination of Joseph H. Rodriguez, to be U.S. district judge for the District of New Jersey.
SD-226

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

*Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S. Government personnel security system.
SD-342

10:00 a.m.
*Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 725, authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Veterans' Affairs
Business meeting, to mark up H.R. 752, Veterans Educational Assistance Eligibility Amendments of 1985.
SR-418

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings on world petrochemical trade.
SD-538

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

3:30 p.m.
Appropriations
Business meeting, to markup Senate Joint Resolution 106, to approve the obligation of funds available under Public Law 98-473 for supporting military or paramilitary operations in Nicaragua.
SD-192

APRIL 19

9:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions and Consumer Affairs Subcommittee
Housing and Urban Affairs Subcommittee
To hold joint oversight hearings to review adjustable rate mortgages.
SD-538

10:00 a.m.
Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the role of Nicaragua in drug trafficking.
SD-430

10:30 a.m.
Finance
Health Subcommittee
To hold oversight hearings of the Peer Review Organizations.
SD-215

APRIL 22

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on the tax treatment of corporation takeovers.
SD-215

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on extended voluntary departure issues.
SD-226

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on the strategic defense initiative.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

*Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act.
SD-406

Finance
To hold hearings on the impact of floating exchange rates on the international trading system.
SD-215

Labor and Human Resources
To hold hearings on the nomination of William E. Brock III, of Tennessee, to be Secretary of Labor.
SD-430

Rules and Administration
To resume hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on the strategic defense initiative (policy and capability).
SD-192

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

Rules and Administration
To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:30 p.m.
Finance
To continue hearings on the impact of floating exchange rates on the international trading system.
SD-215

APRIL 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

Finance
To continue hearings on the impact of floating exchange rates on the international trading system.
SD-215

*Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on activities of the Office of Government Ethics.
SD-342

Labor and Human Resources
To hold hearings on the nominations of Hortencia Benavides, of Texas, Leaanne Bernstein, of Maryland, Lorain Miller, of Michigan, Claude G. Swafford, of Tennessee, Robert A. Valois, of North Carolina, William C. Durant, III, of Michigan, Paul B. Eaglin, of North Carolina, Pepe J. Mendez, of Colorado, Thomas F. Smegal, Jr., of California, Basile J. Uddo, of Louisiana, and Michael B. Wallace, of Mississippi, each to be a Member of the Board of Directors of the Legal Services Corporation.
SD-430

*Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain healthcare programs and services provided and administered by the Veterans' Administration, and related health legislation affecting veterans.
SR-418

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

*Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 644, to provide that loan guarantees in certain programs shall be limited only by the availability of qualified applicants and limitations in appropriation Acts, and other related proposals.
SD-232

Foreign Relations
To hold hearings on American policy toward South Africa.
SD-419

APRIL 25

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for the United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Fisheries Conservation and Management Act and fishery programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

Finance
To hold hearings on Title II (tax exemption for animal feed substances) and certain provisions relating to revenues for the Hazardous Substance Response Fund of S. 51, Superfund Improvement Act of 1985.
SD-215

Veterans' Affairs
To continue hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related health legislation affecting veterans.
SR-418

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Air Force aircraft procurement and research, development, technology and engineering.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

Foreign Relations
Business meeting, to consider the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st Cong., 1st sess.).
SD-419

10:30 a.m.
Rules and Administration
Business meeting, to consider Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Capital Planning Commission, Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 26

9:30 a.m.
Finance
To continue hearings on Title II (tax exemption for animal feed substances) and certain provisions relating to revenues for the Hazardous Substance Response Fund of S. 51, Superfund Improvement Act of 1985.
SD-215
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings to review options for conducting a pay equity study of the Federal pay and classification systems.
SD-342

APRIL 29

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for Amtrak.
SR-253

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 488 and H.R. 1185, bills to establish the Petrified Forest National Park, Arizona, S. 543 and H.R. 1373, to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness, and S. 444, to convey certain U.S. lands in Alaska to NANA Regional Corp. in exchange for lands owned by such corporation.
SD-366

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on energy research programs.
SD-366
Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SW-342
Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342
Labor and Human Resources
To hold hearings on S. 801, authorizing funds for fiscal year 1986 for the National Science Foundation.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Army modernization.
SD-192
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

MAY 1

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Telecommunications and Information Administration.
SR-485

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253
*Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138
Environment and Public Works
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act, and other related measures.
SD-406

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138
*Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SG-219

May 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy aircraft procurement and research, development, technology and engineering.
SD-192
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124
Environment and Public Works
Business meeting, to mark up S. 124, authorizing funds through fiscal year 1989 for programs of the Safe Drinking Water Act, including public water systems and protection of underground sources of drinking water.
SD-406
Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on S. 140, Children's Justice Act.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territo-

rial affairs, Department of the Interior.
SD-138

MAY 3

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Coastal Zone Management Act and ocean programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

MAY 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs of the Department of Transportation.
SR-253

10.00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on the consolidation of certain trade routes.
SR-232

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

Labor and Human Resources
To hold hearings on the nominations of Marshall B. Babson, of Connecticut, and Wilford W. Johansen, of California, each to be a member of the National Labor Relations Board.
SD-430

Veterans' Affairs
Business meeting, to mark up S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals, and S. 367, to provide for judicial review of certain administrative decisions of the VA, to codify certain VA adjudication procedures, to improve the VA appeals process, to require the VA to comply with certain rulemaking procedures, and to provide for reasonable fees to attorneys serving as legal counsel for veterans.
SR-418

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Managememt (including the land and water conservation fund), Department of the Interior.
SD-138

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on fusion energy programs.
SD-366

MAY 10

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on conservation and renewable programs.
SD-366

MAY 13

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on nuclear waste activities.
SD-366

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for fossil energy.
SD-138

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on fossil energy programs.
SD-366

MAY 17

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on the deregulation of surface freight forwarders.
SD-253

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

51-059 O-86-28 (Pt. 6)

MAY 22

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATION

APRIL 29

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to review the health prevention/promotion for Medicare beneficiaries.
SD-215

SENATE—*Tuesday, April 16, 1985*

(Legislative day of Monday, April 15, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

The things that are impossible with men are possible with God.—Luke 18: 27.

Gracious God, our Heavenly Father, You know the immense task before the Senate—the imponderables which involve not only the people of this Nation but all the peoples in the world. You know the issues which collide in the Senate—local, State, and regional concerns—special interests—social corruption and decay—individual constituent needs. You know the political implications which compound the magnitude of these issues—tension between the White House and the Hill—between parties and candidates, who in a sense are never not running for office. Almighty God, for whom nothing is impossible, help the Senators to find the balance between pragmatic politics and principled statesmanship so that fundamental issues in the present are not hostage to 1986. Help the Senators in humility to acknowledge their fallibility, their limitations, their vulnerability, and allow You, Almighty God, room to work Your will among us.

We pray for Senator GARN and those whom he has joined in space a successful mission and a safe return to their families. In His name in whom dwells all wisdom and all power. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. ARMSTRONG. Mr. President, it is good to be back in session after a few days of recess.

THE CHAPLAIN'S PRAYER

Mr. ARMSTRONG. Mr. President, on my own behalf and that of others, may I thank the Chaplain for his eloquent prayer in which we all join. Especially I am indebted to him for recalling the Lord's words that things that are impossible under human leadership are possible under divine leadership. I think we are all looking forward to an arduous task in the next couple of weeks, and we will be calling on that guidance, and we thank the Chaplain.

SCHEDULE

Mr. ARMSTRONG. Mr. President, I do not have very much business to undertake at this point. We have previously entered an order for Senator PROXMIRE to address the Senate for not to exceed 15 minutes, following the leaders' time. Then, following that, have we already entered an order for the conduct of routine morning business not to extend past the hour of 12 noon? Has that order also been entered?

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator is correct.

Mr. ARMSTRONG. Then, it is my understanding that the Senate will stand in recess from 12 noon until 2 o'clock in order to accommodate the work of the two caucuses.

I am asked to advise the Senate that the majority leader intends, at 2 o'clock, to go into executive session for consideration of the nomination of John E. Krings, to be Director of Operational Test and Evaluation, Department of Defense, hopefully under a 4-hour time limitation. A rollcall vote will occur on the confirmation of Mr. Krings perhaps at the end of this day.

It will also be the intention of the majority leader to turn to other legislative or executive calendar items which have been cleared for action.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the time under my control, at least for a couple of hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the remainder of the time allocated to the Republican leader be allocated to the Senator from Washington [Mr. GORTON].

The PRESIDING OFFICER. The Senator from Wisconsin has the floor. The Senator from Washington will be recognized when the Senator from Wisconsin is finished.

Is the Senator yielding the leader's time?

Mr. ARMSTRONG. Yes. I am asking unanimous consent that the remainder of the leader's time be yielded to the Senator from Washington.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized.

Mr. GORTON. Mr. President, the Senator from Washington will defer to the Senator from Wisconsin for his special order.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for a period not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I thank my good friend from Washington.

IS THE NUCLEAR FREEZE DEAD?

Mr. PROXMIRE. Mr. President, what has happened to the nuclear freeze? In September 1982, the people of Wisconsin voted by a massive 74-percent margin in a statewide referendum in favor of calling on the President of the United States to negotiate a mutual, verifiable nuclear weapons freeze with the Soviet Union. In eight other States, similar referenda were submitted to a statewide referendum. In seven of those States, the nuclear freeze was affirmed. In most cases, the affirmation was by a smashing margin. From time to time, throughout the country, in town meetings, and city referenda, the people of this country again and again affirmed their support for a nuclear freeze to end the arms race. Since then, the recognized professional polls have continued to appraise the public sentiment toward a negotiated nuclear weapons freeze. The results have consistently supported the freeze and by huge margins that have varied from 2 to 1 to 3 to 1.

Now, Mr. President, this is a democracy. It would be difficult to find an issue more important to the survival of our country and to most American citizens than the issue of how to prevent a nuclear war. And yet our Government has failed to make any arms control progress at all.

Why has public opinion on this most critical of all issues—in this democracy—been so ineffective? How about it? Well, the answer is obvious. In this democratic Republic, the President of

the United States has the final, definitive, decisive voice on whether or not this country takes any initiative to negotiate any kind of agreement with a foreign country. And in this democratic Republic, the President is elected democratically. Once elected by all the people, he fulfills the ends of the Republic by exercising the power of the Government on behalf of the people who elected him.

So what does this mean? This means the President may or may not reflect the expressed wish of the people of the country on any particular issue, however strongly our people may feel on the issue. The President is elected to represent the people by following the policies he believes are in the public interest. The President has made no secret about his opposition to a nuclear freeze. He made that opposition clear in 1980. He won a landslide victory in spite of his nuclear freeze opposition.

In the 1984 Presidential election, the nuclear freeze became a major and a central issue in that campaign. The President's opponent, Walter Mondale, declared that his first act as President of the United States would be to invite Soviet leaders to meet with him to negotiate a comprehensive, mutual, verifiable nuclear freeze. The issue could not have been more explicit in the 1984 campaign. The President opposed the freeze. Mr. Mondale favored the freeze. Who won? The President won. President Reagan won by a smashing one-sided landslide.

Does that mean the people of this country had lost faith in the nuclear freeze? Of course not. There were many issues in the 1984 Presidential campaign. The freeze was by far the most significant to many of us. But it was certainly not a sufficiently significant issue for the majority of American voters to outweigh other considerations.

What did determine the election? The economic issue was one major factor. Nineteen hundred and eighty-four turned out to be the best economic year for our country in 33 years. Real economic growth after inflation, personal income, and profits after taxes all improved greatly. Meanwhile, inflation continued at a surprising moderate pace. And even interest rates came down some. All these economic factors greatly helped the President. Also, in spite of the usual international turmoil, in 1984, the country was at peace. America's single military initiative—in Grenada—turned out successfully. And the President had put himself squarely on the side of the traditional moral virtues the people of our country respect. Also he undoubtedly gained from his attractive personality and his superlative ability to deliver speeches.

So the nuclear freeze was swamped in issues of more immediate and vivid concern, and in a personality contest, the President obviously won. In our democratic Republic, the President decides not only the details of arms control negotiations, but whether to proceed at all to any arms control negotiations. So the 1984 election seems to have buried the nuclear freeze at least until January 1989.

What option then does that leave for those of us—a majority of the population of this country—who still believe that the nuclear freeze is still the best course we can follow to achieve peace? First, we should recognize that while 4 years is a political eternity, it is a brief blip in the pursuit of international peace. So we should keep the comprehensive freeze—the one policy that would end the arms race—alive.

And how do we do that? We do that by challenging the options to the freeze that the President has advanced. The most conspicuous current option is the President's proposal to achieve peace by developing a defense against nuclear missile attack, the so-called high frontier or SDI or star wars. The second option pursued by the President is embraced in the arms control negotiations in Geneva that began March 12 and headed by chief negotiator Max Kampelman. Those negotiations would attempt to limit and, if possible, reduce nuclear weapons controlled by both superpowers.

Neither the star wars defense, nor the limitation on reduction of nuclear weapons, would stop the arms race. They might change it. They might push superpower weapons into more or less stable modes. They might provide, through defense, a reduction in the killing power of some offensive weapons. They might provoke a more intensive development of both defensive and offensive new nuclear weapons. That would not be constrained by an agreement. But we know two things the proposed arms control agreement and the missile defense system would indeed achieve. First, they would increase the uncertainty and therefore probably increase the fear on both sides. Second, they would encourage both sides to pursue and feverishly pursue those technologies that would overcome any antimissile defense and those technologies left outside any arms control limitation or reduction.

This is why only a comprehensive end to the arms race, and that is a nuclear freeze that is mutual, verifiable, and designed for the simple single purpose of ending the testing, production, or deployment of nuclear arms by both superpowers, can truly bring the world closer to peace. That is why we need to keep faith in the nuclear freeze.

GENOCIDE: YEAR 36

Mr. PROXMIRE. Mr. President, on another subject very briefly, the Washington Post today ran a very timely and insightful editorial calling for the ratification of the Genocide Convention. The piece is particularly timely because of the Foreign Relations Committee's scheduled April 25 vote on the convention and is insightful in its evaluation of the opponents' major concern.

The editorial effectively lays to rest the arguments of the opponents "who want to sink the treaty by frightening their countrymen." As the Post correctly concludes, "there is absolutely no threat to any American in this treaty, and it is ridiculous to try to persuade citizens that they will be at the mercy of foreign judges if it is ratified."

Mr. President, this is the 36th year that the Genocide Convention has awaited our approval and it is the 40th anniversary of the liberation of the concentration camps. Is it not time at long last that we act decisively and ratify the Genocide Convention?

Mr. President, I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GENOCIDE: YEAR 36

It seems right that, in the month the liberation of the concentration camps is being commemorated, the Senate will once again consider the Genocide Treaty. The pact, which was in part a response to the Holocaust, has been accepted by 96 countries, but not this one. For 36 years the Senate has refused to consent to ratification, first because of fears that the United States would be accused of genocide because of segregation, and later because of similar fears concerning our actions in Vietnam.

Last year, supporters of the treaty were given a boost when President Reagan pressed for ratification. The treaty was approved by the Foreign Relations Committee on a 17-to-0 vote, but it never came to a vote on the floor because time ran out. Instead, the Senate adopted a resolution supporting the principles of the agreement and urging prompt consideration this year. The Foreign Relations Committee is expected to vote April 23, which will leave plenty of time for a floor debate, if it is needed.

Sen. Jesse Helms, who did not oppose the treaty last year, has raised some questions about its provisions that may delay consideration. Sen. Helms asserts that the rights of Americans might be jeopardized under the treaty because, by its terms, the World Court is authorized to hear cases concerning its interpretation. The World Court, of course, is not a criminal tribunal, and no one can be tried and punished for acts in violation of the treaty in that forum. Moreover, it does not have the power to enforce its judgments and must rely on the Security Council of the United Nations—where the United States has a veto—to apply sanctions. Nevertheless, Sen. Helms has indicated his intention to offer a reservation that would take the World Court out of the treaty entirely. Even worse, he has persuaded the administration to accept his terms in the interest of speeding Senate consideration.

The Helms reservation is an old ploy used time and again by those who want to sink the treaty by frightening their countrymen. There is absolutely no threat to any American in this treaty, and it is ridiculous to try to persuade citizens that they will be at the mercy of foreign judges if it is ratified. This country can honestly and proudly affirm its abhorrence of genocide by agreeing to the treaty. Continued reluctance to consent to ratification simply gives others grounds to question the American commitment to human rights. The public has done nothing to deserve that slur.

Mr. PROXMIRE. Mr. President, I yield the floor. I thank my good friend from Washington for his courtesy.

The PRESIDING OFFICER. The Senator from Washington is recognized.

S. 906—TRADE ENHANCEMENT ACT OF 1985

A NEW APPROACH TO GAINING FAIR ACCESS TO OVERSEAS MARKETS

Mr. GORTON. Mr. President, America's burgeoning trade deficit with Japan and other countries is one of the great challenges facing the Nation and the Senate. It reflects injury not only to our export-oriented industries but also to the industrial base of the United States as it competes with imports from nations around the world.

In my view, the single most effective remedy available to this legislative body is fiscal discipline. The budget deficit and in turn the high value of the dollar hurt the ability of all American producers to compete effectively overseas and with imports here. First and foremost, the trade deficit has roots in our own fiscal policy.

That trade deficit is not, however, due entirely to the high value of the dollar. It is also due to the lead the American economy has taken in global economic recovery and to the necessary special trade preferences granted to developing countries. Naturally enough, these countries are taking full advantage of this opportunity to earn hard foreign exchange, and we benefit as they are better able to repay their debts to American banks and suppliers.

The trade deficit is certainly a symptom of serious problems here at home and our efforts to help the developing countries, but I wish to emphasize today that the trade deficit is a symptom of problems originating abroad as well. Given the comparative advantages we enjoy in many markets, were it not for trade restrictions overseas our exports would be considerably greater and our trade deficit considerably smaller.

Congress preempted headlines a couple of weeks ago when both Houses passed resolutions that singled out Japan. The precise timing of this action was triggered by Japan's decision to raise auto exports to the United States by 25 percent, retain quotas, and to ignore the request of the President to reciprocate by opening up Japanese markets. More significant than the exact timing of those resolutions, however, is the continuing and rapidly growing perception that Japan is the prime example of a developed trading partner which enjoys relatively open access to the U.S. market while closing its markets to U.S. producers. The concern of the Congress was also affected by the sheer magnitude of the imbalance—$37 billion in 1984, with some reports indicating that it will top $50 billion in 1985. Nor is this problem faced by the United States alone. European and even other East Asian countries have been stymied in their efforts to break into the free world's second largest market.

Singling out Japan is not entirely fair, for a number of the newly industrialized countries seem to be patterning themselves after the Japanese model. Obviously the world can only accommodate a finite number of nations which pursue a polcy of maximizing exports and minimizing imports.

Let me emphasize that the problem is one of commercial policy, a desire on the part of the United States to see to it that trade is as free as possible in both directions. And not just with Japan. Our concern extends to breaking down barriers to trade with other nations as well. But Japan must be the focal point of our attention for the obvious reason that it is the largest successful country following protectionist policies, and it unavoidably sets an example for much of the world.

Our method of attempting to change these policies for a number of years, beginning before the first Reagan administration, has been specific, product-by-product negotiations which have produced little more than immense frustration. While talks went on over such products as softball bats and more significant items such as beef, electronics, citrus fruits, processed fish products and others, Japanese exports to the United States grew precipitously.

At the summit meeting between President Reagan and Prime Minister Nakasone this January, the administration proclaimed a new approach and came out with an agreement to start a fresh round of talks. As only our beloved State Department can put it, we are now taking what it calls the "market oriented sector selected" MOSS approach, otherwise known as more of the same stuff. This new round focuses on four sectors: forest and paper products, which are of great interest to a Senator from Washington, electronics, medical equipment and pharmaceuticals, and telecommunications.

The telecommunications field provides a perfect example of the failure of negotiations—even negotiations that appear successful—to achieve results. In 1980, the United States and Japan signed an agreement that was intended to open the door to American telecommunications equipment. Since then, American companies have accounted for only about 5 percent of purchases by Japan's telephone company NTT, in spite of being recognized as world leaders in telecommunications technology. In addition, a U.S. study found that:

> Little of what NTT purchases from American firms has been high technology equipment of the type that is central to the telecommunications network and likely to promote the development of long-term relationships with American suppliers.

On the contrary, I understand that these sales consist in part of such items as paper to print telephone books. I am convinced that the present talks are leading us to exactly the same dead end.

This holds true in other product areas as well. As recently as April 9, Prime Minister Nakasone said:

> As for forest products, the government will, for the next five years, take special measures for the promotion of the domestic forest and wood products industry. While observing the development of such promotional measures the government intends to positively consider the reduction of tariffs on plywood, etc., including those made of softwood and hardwood, with a view to starting implementation approximately from the third year.

It is exactly this kind of attitude which is creating a firestorm with respect to or trading relationship with Japan. A 3-year study of the possibility of lowering tariffs on plywood is simply not an acceptable response to an annual trade deficit of $37 billion.

Accumulated frustrations from years of this kind of action has led to sharp congressional reaction this year. We have seen many bills, mostly product-specified in nature, to restrict imports into the United States. Members of Congress from steel States are interested in steel quotas. Those from auto manufacturing States want more restrictive auto import quotas. Those from States in which forest products are important feel pressure to restrict Canadian forest products imports. The list goes on and on.

Not all of these proposals are aimed at Japan. But most are, and it is clear that the large number of Members who wish to cut imports of these and dozens of other products are speaking to a more receptive audience and reflect a greater sense of urgency than at any other time in decades. Congress seems on the verge of passing a bill focused not on one or two commodities, but representing a broad alliance of protectionists imposing quotas on dozens of classes of imports. The effect will be to reduce imports and, to the extent that there is retaliation, exports as well.

At the same time, we see a second congressional approach to this challenge, a range of proposals for general tariff surcharges, several at the level of 20 percent. Some of these proposals have a sunset date, and some do not. They are, by definition, not product-specific, but they have an identical impact. They would obviously reduce imports into the United States without increasing exports from this country. They would have a tendency to create the kind of retaliation which would actually reduce exports from the United States.

Each of these two sets of proposals has one additional impact: Increased consumer prices on imported goods to individual consumers and businesses.

It is easy for any Member of the Congress, or for that matter any person interested in international trade, to criticize this kind of protectionist threat as ultimately self-defeating. But it would be exceedingly unwise to react in no other way without appreciating the real threat to a wide cross-section of our manufacturing and technological infrastructure, affecting jobs of hundreds of thousands of American workers, posed by present and projected trade deficits. It is, I am convinced, absolutely imperative that we develop a more constructive response than those which I have outlined, but a decisive response nevertheless, one which expresses the sense of urgency for greater reciprocity and fairness with our trading partners. The legislation which I am proposing here is, I believe, just such a response.

My bill would impose a 20-percent surcharge on all imports from Japan without exception, and would authorize the President to impose a similar surcharge on imports from any nation when, upon the advice of the U.S. Trade Representative [USTR], he finds that that nation has imposed substantially greater restrictions on American exports than we apply to its products. The surcharge on Japanese goods would drop automatically by 1 percent for every $1 billion by which the 1984 trade deficit is reduced. It would increase by 1 percent for every $1 billion by which that bilateral trade deficit increases. That means that as and when we return to approximately the same situation we found ourselves in 1981—a $17 billion trade deficit with Japan—there would be no surcharge. It would also mean that the surcharge would be considerably larger if, in fact, a $50 billion trade deficit in 1985 becomes a reality. Instead of dealing with Japan on a frustrating ineffective product-specific basis, the bill will give the Japanese Government and economy an economic motive to buy more goods and services from the United States because that will control the level of the surcharge imposed on their exports. The effect on other nations to which the President applies this doctrine will be identical.

The surcharge would be phased in over a 9-month period to give the Japanese time and further incentive to liberalize their markets, and would be calculated quarterly to make it responsive to rapid changes in the trade balance.

I understand that the U.S. Trade Representative presently has a system for monitoring and evaluating trade practices of other nations. It would be my expectation that the information gathered through this system could be used in preparing the reports to the President that are called for in this bill. It is not my intention to require the USTR to continue with any particular system or procedure, however. Rather, the USTR should retain the discretion to comply with the requirements of the bill in whatever efficient manner it finds appropriate.

There are, of course, both advantages and disadvantages even to this approach. The one disadvantage is that it will cause higher consumer prices for some, though I suspect not for all, Japanese goods. For example, the automobile quota system of the last 4 years has resulted in approximately a 20-percent surcharge over what a free market would cause the Japanese automobile to cost in the United States. But perhaps 15 percent of that 20-percent override has gone to the Japanese manufacturer, who has taken advantage of its ability to demand higher prices for goods in limited supply. At the very least, the effect of this 20-percent surcharge would be to put that money into the Treasury of the United States to be applied against our deficit, rather than put it in the hands of the Japanese manufacturers.

The advantages of the proposal, on the other hand, substantially outweigh the disadvantages. They include an almost certain substantial increase in the dollar value of our exports to Japan and in the number of jobs which depend on those exports. Each extra billion dollars of exports of forest products, for example, would mean 10,000 direct and as many as 25,000 indirect jobs in the United States. In fisheries, the effect would be approximately the same. This increase in exports is the primary goal of my proposal.

A secondary result would be to make somewhat more competitive those domestic industries that are now suffering from strong import competition, whether that competition is based on efficiency or on below cost dumping.

Finally, even if the response of the Japanese should be to lower their exports to the United States rather than to increase their imports from the United States, it will result in several billion dollars per year in tariffs to reduce the annual deficit. Imports from Japan last year were roughly $60 billion. One could expect, even with some reduction in imports, $10 to $12 billion in increased tariffs.

We have reached the point at which we can no longer believe in promises that 2 years from now, 3 years from now, 5 years from now, trade will be more free in both directions, not only with Japan but with a number of other nations as well. It is time that we concern ourselves with the future of our own industries. In the State of Washington, we have fisheries and forest products, apple growers and other agricultural producers, communications equipment manufacturers, all of whom are cut out of the Japanese market by arbitrary trade barriers. Fruitless product-by-product negotiations have had no positive results measured by actual new sales. The number of dollars worth of goods flowing in each direction is the true bottom line in international trade. By adopting this suggestion, we can preempt destructive protectionist measures, increase our exports, and begin to reduce the debilitating trade deficit with which we are saddled today.

It is time to act now, decisively and constructively.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 906

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trade Enhancement Act of 1985".

FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) the economic health of the United States is threatened by continuing increases in the Nation's trade deficits with Japan and other foreign countries;

(2) a significant factor in the escalation of such trade deficits is the inability of products of the United States to penetrate foreign markets, even when such products have a comparative advantage over products of foreign countries;

(3) despite continuing frustration of efforts by the United States to open foreign markets, markets in the United States have remained accessible to foreign products;

(4) the inability of products of the United States to penetrate foreign markets is often the result of unreasonable and discriminatory tariff and non-tariff barriers;

(5) negotiation and consensus are the preferred methods for resolving trade problems, in order to promote international cooperation, good will, and free trade; and

(6) bilateral negotiations directed toward making foreign markets accessible on a product-by-product basis, such as those between the United States and Japan, have frequently resulted in neither reductions in trade barriers nor increases in purchases by foreign countries of products of the United States.

(b) PURPOSE.—It is therefore the purpose of the Congress in this Act to provide Japan and other foreign countries with incentives to permit businesses of the United States to compete in their markets without unreasonable tariff and non-tariff barriers.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "entry" means the entry, or withdrawal from warehouse, of a product for consumption in the customs territory of the United States;

(2) "private entity" means any individual, corporation, partnership, cooperative, or other nongovernmental organization; and

(3) "product" means any item grown, produced, or manufactured by or in any country which is considered part of the merchandise trade of such country.

IMPOSITION OF SURCHARGE DUTY

SEC. 4. (a) DUTY ON JAPAN.—Except as provided in subsection (d) of this section, beginning on July 1, 1985, there is imposed a surcharge duty on the entry of any product of Japan, if the United States had a deficit in its bilateral merchandise trade with Japan that exceeded $4,250,000,000 for the most recent calendar quarter for which bilateral merchandise trade figures are available from the Department of Commerce.

(b) DUTY ON OTHER FOREIGN COUNTRIES.—Except as provided in subsection (d) of this section, beginning on July 1, 1985, the President may, at his discretion, impose a surcharge duty on the entry of any product of a foreign country, if—

(1) the United States had a deficit in its bilateral merchandise trade with such country that exceeded the amount calculated by the United States Trade Representative under subsection (c) of this section for the most recent calendar quarter for which bilateral merchandise trade figures are available from the Department of Commerce; and

(2) the President determines, after consultation with the United States Trade Representative, that such country is or has, within such most recent calendar quarter, engaged in trade practices that are unreasonable, discriminatory, or that unduly burden or restrict the international commerce of the United States.

(c) DETERMINATION OF TRADE BALANCE.—The United States Trade Representative shall, beginning on July 1, 1985, and on the first day of each calendar quarter thereafter, determine (for each foreign country other than Japan) the amount, if any, by which the current dollar value of products which entered the United States from such country exceeded the current dollar value of products which the United States exported to such country. For each foreign country other than Japan with which the United States had a deficit in its bilateral merchandise trade for such most recent calendar quarter, the United States Trade Representative shall estimate what would have been the balance in bilateral merchandise trade with such country if such country had not engaged in trade practices described in subsection (b)(2) of this section. Such estimated balance shall be the figure used to calculate a surcharge duty on the entry of any product of such country under section 5 of this Act.

(d) APPLICABILITY.—No surcharge duty shall be imposed under this section on the entry of any product before the date which is 30 days after the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAW.—Any surcharge duty imposed under this section shall be in addition to, and not in lieu of, any other duty permitted or required by law.

DETERMINATION OF SURCHARGE DUTY

SEC. 5. (a) RATE OF SURCHARGE DUTY.—Subject to the provisions of subsection (b) of this section, the surcharge duty to be imposed during a calendar quarter pursuant to section 4 of this Act shall be determined on July 1, 1985 and on the first day of each calendar quarter thereafter. The rate of such surcharge duty shall be, for each increment of $250,000,000 by which the deficit in bilateral merchandise trade with a foreign country for each calendar quarter exceeds the applicable amount of deficit specified in section 4(a) or (b) of this Act, a sum equal to one percent of the amount of such deficit in bilateral merchandise trade, except that any such surcharge duty shall not exceed forthree percent of such applicable amount of deficit.

(b) INITIAL RATE OF SURCHARGE DUTY.—On July 1, 1985, the surcharge duty imposed pursuant to section 4 of this Act shall be twenty-five percent of the amount determined under subsection (a) of this section. On the first day of each quarter beginning after July 1, 1985, such surcharge duty shall increase by twenty-five percent of the amount determined under subsection (a) of this section, in order that, on April 1, 1986, such surcharge duty shall be one hundred percent of the amount determined under subsection (a) of this section.

CALCULATION OF BILATERAL MERCHANDISE TRADE

SEC. 6. (a) CALCULATION.—The Secretary of Commerce shall, for each calendar quarter beginning with April 1, 1985, calculate and publish the bilateral merchandise trade figures for the United States with respect to trade with each foreign country.

(b) EXCLUSION FROM CALCULATION.—No purchase of a product of the United States by a government or private entity of a foreign country shall be included in calculating the balance of bilateral merchandise trade between the United States and such country under subsection (a) of this section, if such product is resold without substantial alteration to the government of another country or to a private entity located in another country within two fiscal years after the date of which such product entered the country in whch the purchaser of such product is located.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

S. 908—AGRICULTURE ACT OF 1985

Mr. McCONNELL. Mr. President, on November 7, 1984, I was elected to the U.S. Senate. It took nearly 3 weeks for the Board of Elections to certify my victory. But it was only 3 days before the Farm Bureau, Kentucky's tobacco growers, our dairy farmers, grain farmers, and all the other farm interests in my State began to find their way to my offices in Jefferson County.

They couldn't wait for me to be certified, Mr. President. They couldn't wait for me to be sworn in or wait for me to get my seat on the Senate Agriculture Committee.

Our farmers couldn't wait, Mr. President, because they knew there was no time to waste. In November, and today, Kentucky's farmers and farmers all across the country face an economic crisis. They need help. They need leadership. They need a farm policy that responds to changing economic conditions. Farmers need a government which stands with them; a government which recognizes that a healthy farm economy is the cornerstone of a healthy America; a government which sets as a primary goal maintaining the health and vitality of America's family farms.

That is the urgent message farmers brought to me last November, Mr. President, and it is the reason I stand before you today.

In 1982, there were 103,000 farms in the State of Kentucky. In 1984, there were 101,000 farms. Across the Nation, we have lost 68,000 farms in the past 2 years. 68,000 farms.

Agriculture is an $11 billion industry in Kentucky alone; 110,000 people in my State derive their income from farming; 750,000 more have agriculture-related jobs. A crisis in agriculture, Mr. President, is a crisis for Kentucky.

And so it is that I stand before my colleagues today to introduce my first piece of legislation as a U.S. Senator from Kentucky. I am introducing a farm bill today, Mr. President, a bill that I believe responds to our current crisis in a fair and equitable and reasonable fashion.

My farm bill represents a new direction in farm policy—a farm policy which clearly recognizes that the prosperity of our Nation's farmers must be derived from the marketplace. This policy was not recommended by some economist who doesn't know the difference between soybeans and green beans, but by farmers and ranchers who are members of the Nation's largest farm organization. The legislation which I am introducing today is the product of countless hours of debate and discussion and is authorized by the members of the American Farm Bureau Federation. I feel privileged to be called upon to sponsor this bill.

Agriculture, Kentucky and America's leading industry, is at a crossroads. American farmers are participating in farm programs designed 40 years ago, when this country was recovering from the Great Depression and preparing for war. Our current farm programs were designed for times and conditions that no longer exist. American farmers no longer produce only for domestic consumption. Our farmers no longer produce

for an ever-expanding export market. Farmers today have to fight for their own domestic markets, not to mention foreign markets. It is time we in the Congress act, and act aggressively, to give America's farmers the tools they need to be competitive in the world marketplace. I believe my farm bill provides those tools.

About the only thing the administration, the Congress, farm groups, and consumer groups agree on is that current farm policy is not working. More and more farmers face economic catastrophe at a time when Federal Government outlays for farm programs are at all-time highs. In fact, we have spent more money on farm programs in the last 4 years than we have in the previous 20. It has been said that agriculture is in the grips of a farm credit crisis, but I think the problem is deeper than that. American agriculture is facing a farm profit crisis, and until some profitability is restored to farming things are not going to get any better.

Mr. President, the McConnell-Farm Bureau proposal is a sensible and realistic approach to the farm profitability crisis. It provides positive direction to farm export policy, which is the key to making America's farmers competitive in the world marketplace. It also provides income safeguards for our farmers while emphasizing the importance of soil and water conservation. This bill recognizes the success of the wool, peanut, and sugar programs by maintaining them in their existing forms. This proposal will also reduce huge Government milk surpluses by finally providing a clear and simple signal to dairy farmers—if you continue to produce more milk than the market can absorb, then we will reduce price supports. Finally, this bill will abolish the farmer-owned grain reserve which hangs like a dark cloud over the marketplace. But, more importantly, this bill provides for an orderly and cautious approach to market orientation. I applaud the administration's efforts to create a fundamental change in agricultural marketing concepts, but these efforts go to far too fast. The administration fails to recognize agriculture as it is today. We simply cannot expect farmers to change overnight the way they have been doing business for years. I believe my bill is a sensible recognition of that fact.

I think it is safe to say that nobody in this body expects any single farm proposal will be enacted in its entirety. The farm bill which eventually becomes law will be the product of earnest compromise by Senators from both sides of the aisle. As we begin this process of developing new farm legislation, I submit that my proposal provides a sound basis from which to begin our discussion.

Witness after witness testifying before the Senate Agriculture Committee has noted that American farm commodities are not competitive in foreign markets. My bill establishes crop loan rates which are set by market prices, not on political trends. Our competitors in the world market will no longer be able to set prices for their commodities based on U.S. loan rates which were arbitrarily established through misguided but well-intentioned legislation. Moreover, this bill will allow American producers to compete profitably against the agricultural subsidies of foreign governments, by offering surplus CCC grain as a bonus to countries which purchase American grain in the world market.

This is a comprehensive farm bill, one that addresses all segments of our agricultural economy, yet recognizes that farm commodities aren't all alike. This legislation provides a reasonable and orderly transition from the current U.S. farm marketing philosophy to a philosophy guided by market signals. I believe that the future prosperity of American agriculture depends on this new direction.

Mr. President, this is a watershed year for American agriculture. This Congress has an opportunity to redirect farm policy in a manner which can truly restore profitability to American agriculture. The transition will not be easy, but in the bill I put before you today we have a solid framework that will give American farmers the edge they need to weather the storm.

I believe the McConnell-Farm Bureau bill represents the middle ground in the farm policy debate. I hope this legislation will help provide the framework and structure for a debate that will result in a farm policy which allows our farmers to produce and prosper. I stand before you today to pledge my commitment to, and signal my involvement in, the development of a national policy that will have a profound effect on the health of our farm economy for years to come.

Mr. President, I ask unanimous consent that a title-by-title summary and the text of the bill appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TITLE-BY-TITLE SUMMARY

TITLE I—DAIRY

Provides for continued use of a dairy purchase program with support price set at 90 percent of the previous three years' average "all milk" price. This price level shall be automatically revised effective April 1 and October 1. The support price level shall also be adjusted in relation to the net Government purchases according to the following table:

"If the estimated amount (in billions of pounds) of net Government price support purchases of milk during the relevant period is (in milk equivalent):	The percentage of price support level per hundred-weight for milk shall be:
Less than 3	104
3.0–3.99	103
4.0–4.99	102
5.0–5.99	100
6.0–6.99	98
7.0–7.99	96

The Secretary of Agriculture shall have authority to further adjust the support price by not more than an additional three percent on April 1, 1986, and for any subsequent six-month period if government net purchases are estimated to exceed 7.99 billion pounds milk equivalent during the next 12 months.

TITLE II—WOOL AND MOHAIR

The Wool Act is extended in its present form through 1989.

TITLE III—WHEAT

Wheat loan levels are established at 75 percent of the five year average of domestic prices excluding the high and low valued years. The loan level may not be adjusted by more than 10 percent in any year including the first year of the program.

The wheat target prices in 1986 will be frozen at the 1985 target price level. Beginning in 1987, the target price will be established at the 110 percent of the five year average of domestic prices excluding the high and low valued years. The target price will not be adjusted by more than 5 percent annually.

The Secretary will have authority to require compliance with an acreage reduction and/or paid land diversion program as a condition of eligibility for program benefits. If carryover stocks of wheat exceed 4 percent of annual world utilization, the Secretary will be required to implement and acreage reduction program.

TITLE IV—FEED GRAINS

Corn loan levels are established at 75 percent of the five year average of domestic prices excluding the high and low valued years. The loan level may not be adjusted by more than 10 percent in any year including the first year of the program. Loan levels of grain sorghum, barley, oats and rye will be set in relation to fee value compared to corn.

Corn target prices for 1986 will be frozen at the 1985 target price level. Beginning in 1987, the target price will be established at 110 percent of the five year average of domestic prices excluding the high and low valued years. The target price will not be adjusted by more than 5 percent annually. The target price for grain sorghum, oats and, if designated, barley will be set in reasonable relation to the target price for corn.

The Secretary will have authority to require compliance with an acreage reduction and/or paid land diversion program as a condition of eligibility for program benefits. If feed grain carryover stocks exceed 4 percent of annual world utilization, the Secretary will be required to implement an acreage reduction program.

TITLE V—COTTON

Cotton loan rates will be set at the lower of:

(a) 85 percent of the average price (weighted by market and month) of the U.S.

spot market price of the previous five years excluding the high and low valued years; or

(b) 90 percent of the average of comparable cotton prices quoted C.I.F. Northern Europe. The loan level shall not be adjusted by more than 10 percent in any year including the first year of the program.

The cotton target price in 1986 will be frozen at the 1985 level. Beginning in 1987, the target price will be established at 110 percent of the same average market price used to determine the loan rate. The target price will not be adjusted by more than 5 percent annually.

The Secretary will have authority to require compliance with an acreage reduction and/or paid land diversion program as a condition of eligibility for program benefits. If carryover stock of cotton exceeds normal supply by more than 15 percent, the Secretary will be required to implement an acreage reduction program.

TITLE VI—RICE

Rice loan levels are established at 75 percent of the five year average of domestic prices excluding the high and low valued years. The loan level may not be adjusted by more than 10 percent in any year including the first year of the program.

The rice target price in 1986 will be frozen at the 1985 target price level. Beginning in 1987, the target price will be established at 110 percent of the five year average of domestic prices excluding the high and low valued years. The target price will not be adjusted by more that 5 percent annually.

The Secretary will have authority to require compliance with an acreage reduction and/or paid land diversion program as a condition of eligibility for program benefits. If carryover stocks of rice exceed normal supply by more than 15 percent, the Secretary will be required to implement an acreage reduction program.

TITLE VII—PEANUTS

The peanut program is continued in its present forms with minor modifications. The quota support price in 1986 is maintained at current levels. Changes in quota loan levels would be modified only to reflect the percentage change in the prices paid index of the previous year from the prior year.

The peanut quota will be established at the level of the previous three years' average of domestic edible and seed use with Secretarial discretion for further modification by no more than 5 percent if justified by supply and demand projections.

TITLE VIII—SOYBEANS

The current soybean loan formula is retained. No additional authority for acreage reduction programs or deficiency payments is included.

TITLE IX—SUGAR

The Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at appropriate levels but not less than 18 cents per pound for the 1986 through 1989 crops of sugar. Sugar beet loan levels shall be set at levels that are fair and reasonable in relation to the level of loans for sugarcane.

TITLE X—MISCELLANEOUS

If the Secretary makes land diversion payments to assist in adjusting acreage of the 1986, 1987, 1988, or 1989 crop of wheat, feed grains, cotton or rice, at least 50 percent shall be made available at signup.

The Farmer-Owned Reserve is terminated.

Deficiency payments are limited to $50,000 per person in each of the 1986 through 1989 crop years.

TITLE XI—AGRICULTURAL EXPORTS AND PUBLIC LAW 480

Provides for an export commodity bonus program to offset the use of export subsidies by competing countries and the U.S. trade disadvantages being experienced because of currency exchange relationships. This provision would help regain foreign markets and reduce CCC and farmer-owned reserve stocks. The provisions of the cargo preference laws shall not apply to this program.

The Export Credit Revolving Fund would be activated and extended through 1989. Export sales financed or guaranteed under any CCC export credit program would be exempted from cargo preference laws.

Use of the intermediate credit program authorized under section 4 of the Food for Peace Act of 1966 is mandated.

The special standby export subsidy program is exempted from cargo preference laws.

To provide additional export outlets while helping meet the food needs of developing countries, the minimum tonnage to be shipped under titles I, II and III of PL 480 shall be 10 million tons (up from current levels of about 8 millon tons). All PL 480 shipments would be exempted from cargo preference laws.

TITLE XII—RESOURCE CONSERVATION

The Secretary of Agriculture must provide for a conservation reserve program for owners and operators of erosion-prone land to assist them in conserving soil consistent with budgetary limitations. Contracts of seven to fifteen years would be offered under which producers would convert erosion-prone cropland to less intensive uses such as pasture, permanent grass, legumes or trees.

Any producer who brings fragile land into production shall be ineligible for any farm program benefits on any crop in his entire farming operation.

S. 908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agriculture Act of 1985".

TITLE I—DAIRY

FEDERAL MILK MARKETING ORDERS

SEC. 101. (a) The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, is further amended by—

(1) striking out in paragraph (B) of subsection 8c(5) all that part of said subparagraph (B) which follows the comma at the end of clause (c) and inserting in lieu thereof the following: "(d) a further adjustment to encourage seasonal adjustments in the production of milk through equitable apportionment of the total value of the milk purchased by any handler, or by all handlers, among producers on the basis of their marketings of milk during a representative period of time which need not be limited to one year, and (e) a provision providing for the accumulation and disbursement of a fund to encourage seasonal adjustments in the production of milk may be included in an order.";

(2) striking out the period at the end of subsection 8c(17) and adding in lieu thereof the following: *"Provided further,* That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order. Subsection (12) of this section shall not be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced the decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same."; and

(3) inserting after the phrase "pure and wholesome milk" in section 8c(18) the phrase "to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs".

(b) The provisions of subsection (a) shall become effective January 1, 1986 and shall terminate December 31, 1989.

LEGAL STATUS OF PRODUCER HANDLERS

SEC. 102. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, shall be the same subsequent to the adoption of the amendment made by the Agriculture Act of 1985 as it was prior thereto.

MILK PRICE SUPPORT

SEC. 103. Section 201 of the Agricultural Adjustment Act of 1949 is amended by—

(1) striking out everything in subsection (c) after the first sentence and inserting in lieu thereof the following: "Notwithstanding the foregoing, milk shall be supported through the purchase of milk and the products of milk at such level equal to 90 percent of the simple average "all milk" price received by farmers for each of the preceding three years: *Provided,* That such price support shall be automatically revised effective April 1 and October 1 of each of the years 1986 through 1989 except in the case of 1985 the price level revisions shall occur on the first day of the month following enactment of the Agriculture Act of 1985: *Provided further,* That if the Secretary estimates that net government price support purchases of milk or the products of milk will be less than 5 billion pounds or in excess of 5.99 billion pounds milk equivalent he shall adjust the price support as determined in this subsection according to the following table:

"If the estimated amount (in billions of pounds) of net Government price support purchases of milk during the relevant period is (in milk equivalent):	The percentage of price support level per hundred-weight for milk shall be:
Less than 3	104
3.0–3.99	103
4.0–4.99	102
5.0–5.99	100
6.0–6.99	98
7.0–7.99	96

The Secretary of Agriculture shall have authority to further adjust the support price by not more than an additional three percent on April 1, 1986 and for any subsequent six-month period if government net pur-

chases are estimated to exceed 7.99 billion pounds milk equivalent during the next 12 months."

and

(2) deleting subsection (d) thereof.

TRANSFER OF DAIRY PRODUCTS TO VETERANS HOSPITALS AND THE MILITARY

SEC. 104. Section 202 of the Agricultural Act of 1949 is amended by striking out "1985" in subsections (a) and (b) and inserting in lieu thereof "1989".

DAIRY INDEMNITY PROGRAM

SEC. 105. Section 3 of the Act of August 13, 1968 (7 U.S.C. 450 1), is amended by striking out "1985" and inserting in lieu thereof "1989".

REDUCTION OF DAIRY PRODUCT INVENTORIES

SEC. 106. The Secretary of Agriculture shall utilize, to the fullest extent practicable, the authorities under the Commodity Credit Corporation Charter Act (including exportation of dairy products at not less than prevailing world market prices), the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and other authorities availble to the Secretary to reduce inventories of dairy products held by the Commodity Credit Corporation so as to reduce net Commodity Credit Corporation expenditures to the estimated outlays for the milk price support program used in developing budget outlays under the Congressional Budget Act of 1974 for the appropriate fiscal year.

TITLE II—WOOL AND MOHAIR

EXTENSION OF SUPPORT PROGRAM; SUPPORT PRICE

SEC. 201. Section 703 of the National Wool Act of 1954 is amended by—

(1) striking out "1985" in subsection (a) and inserting in lieu thereof "1989"; and

(2) striking out all that follows the comma in subsection (b) after the word "Provided" and inserting in lieu thereof the following: "That for the marketing years beginning January 1, 1986 and ending December 31, 1989, the support price for shorn wool shall be 77.5 per centum (rounded to the nearest full cent) of the amount calculated according to the foregoing formula".

TITLE III—WHEAT

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, WHEAT ACREAGE REDUCTION AND SET ASIDE PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF WHEAT

SEC. 301. Effective only for the 1986 through 1989 crops of wheat, the Agricultural Act of 1949 is amended by adding after section 107A a new section as follows:

"SEC. 107B. Notwithstanding any other provision of law—

"(a) The Secretary shall make available to producers non-recourse loans and purchases for each of the 1986 through 1989 crops of wheat at a level equal to 75 per centum of the simple average domestic price of wheat received by farmers for each of the preceding five marketing years, excluding the high and low valued years; *Provided*, That the level of loans and purchases shall not be adjusted by more than 10 per centum in any year, including the first year of such program. The loans to be made available by the Secretary under this subsection shall be available without interest for a nine month period and may be extended at the option of the producer for another nine months, but with interest at a rate equal to the cost of money to the government at that time.

"(b)(1)(A) In addition, the Secretary shall make available to producers payments for each of the 1986 through 1989 crops of wheat in an amount computed in this subsection. Payments for any such crop of wheat shall be computed by multiplying (i) the payment rate by, (ii) the farm program crop acreage, by (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on a greater acreage than actually planted to wheat.

"(B) The payment rate for wheat shall be the amount by which the higher of:

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop as determined by the Secretary, or

"(ii) the loan level determined under subsection (a) of this section for such crop is less than the established price per bushel.

"(C) The established price for wheat in 1986 shall not be less than the established price for wheat in 1985. Beginning in 1987, the established price shall be set at a level equal to 110 percent of the simple average domestic price of wheat received by farmers for each of the preceding five marketing years, excluding the high and low valued years, but shall not be adjusted by more than 5 per centum annually each of the 1987 through 1989 crops.

"(D) The total quantity on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for wheat to wheat or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected by not to exceed the acreage planted to wheat for harvest (including any acreage which the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate, equal to 33⅓ per centum of the established price for the crop.

"(B) Except as provided in subparagraph (c) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of wheat which the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act with respect to their wheat acreage.

"(D) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting wheat or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of wheat. The proclamation shall be made not later than July 1 of each calendar year for the crop harvested in the next succeeding calendar year, except that in the case of the 1986 crop, the proclamation shall be made as soon as practicable after enactment of the Agriculture Act of 1985. The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information, and the secretary shall proclaim such revised national program acreage as soon as it is made. The national program acreage for wheat shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of wheat are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of wheat. The allocation factor for wheat shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event shall the allocation factor for any crop of wheat be more than 100 per centum nor less than 80 per centum.

"(3) The individual farm program acreage for each crop of wheat shall be determined by multiplying the allocation factor by the acreage of wheat planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by an application of the allocation factor if the producers reduce the acreage

of wheat planted for harvest on the farm from the acreage base established for the farm under subsection (e)(2) of this section by at least the percentage recommended by the Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of wheat planted for harvest is less than the acreage base established for the farm under subsection (e)(2), but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for wheat, the Secretary may make such adjustments as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisons of this paragraph.

"(d) The farm program payment yield for each crop of wheat shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for wheat was established for the farm in the previous crop year, the Secretary may determine such yield as the Secretary finds fair and reasonable. Notwithstanding the foregoing provisions of this subsection, in the determination of yields, the Secretary shall take into account the actual yields proved by the producer, and neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection. If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or, if such data are not available, on the Secretary's estimate of actual yields for the crop year involved. If national, State or county program payment yields are established, the farm program payment yields shall balance to the national, State or county program payment yields.

"(e)(1) Notwithstanding any other provision of this section, the Secretary may provide for any crop either for a program under which the acreage planted to wheat would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) of this subsection if the Secretary determines that the total supply of wheat, in the absence of such a program, will be excessive, taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. The Secretary shall announce any such wheat acreage limitation program or set-aside program not later than July 1 prior to the calendar year in which the crop is harvested, except that in the case of the 1986 crop, the Secretary shall announce such program as soon as practicable after enactment of the Agriculture Act of 1985.

"(2) If a wheat acreage limitation program is announced under paragraph (1) of this subsection, such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each wheat-producing farm. Producers who knowingly produce wheat in excess of the permitted wheat acreage for the farm shall be ineligible for wheat loans, purchases, and payments with respect to that farm. The acreage base for any farm for the purpose of determining any reduction required to be made for any year as the result of a limitation under this paragraph shall be the acreage planted on the farm to wheat for harvest in the crop year immediately preceding the year for which the determination is made or, at the discretion of the Secretary, the average acreage planted to wheat for harvest in the two crop years immediately preceding the year for which the determination is made; provided, under no circumstances shall the sum of the base acres of all program crops on a farm exceed the crop base acreage for the farm. For the purpose of the preceding sentence, acreage planted to wheat for harvest shall include any acreage which the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base. A number of acres on the farm determined by dividing (A) the product obtained by multiplying the number of acres required to be withdrawn from the production of wheat times the number of acres actually planted to such commodity, by (B) the number of acres authorized to be planted to such commodity under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. If an acreage limitation program is announced under paragraph (1) of this subsection for a crop of wheat, subsection (c) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsection with respect to such crop. The individual farm program acreage shall be the acreage planted on a farm to wheat for harvest within the permitted wheat acreage for the farm as established under this paragraph.

"(3) If a set-aside program is announced under paragraph (1) of this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of wheat planted for harvest for the crop for which the set-aside is in effect. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. If a set-aside program is established, the Secretary may limit the acreage planted to wheat. Such limitation shall be applied on a uniform basis to all wheat-producing farms. The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4) The regulations issued by the Secretary under paragraphs (2) and (3) of this subsection with respect to acreage required to be devoted to conservation uses shall assure protection of such acreage from weeds and wind and water erosion. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adeqate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely. In determining the amount of land to be devoted to conservation uses under an acreage limitation or set-aside program with respect to land that has been farmed under summer fallow practices, as defined by the Secretary, the Secretary shall consider the effects of soil erosion and such other factors as the Secretary considers appropriate.

"(5) The Secretary may make land diversion payments to producers of wheat, whether or not an acreage limitation or set-aside program for wheat is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of wheat to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission on bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county of local community.

"(6) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots of wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(8) Notwithstanding any other provision of this section, when the carryover stocks of wheat exceeds four percent of annual world utilization, the Secretary of agriculture shall implement an acreage reduction program.

"(f) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section pre-

cludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relating to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2) of this section, but may be required if a set-aside program is established under subsection (e)(3) of this section.".

NONAPPLICABILITY OF CERTIFICATE REQUIREMENTS

SEC. 302. Section 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processors or exporters during the period June 1, 1986 through May 31, 1989.

SUSPENSION OF MARKETING QUOTAS AND PRODUCER CERTIFICATE PROVISIONS

SEC. 303. Sections 331, 332, 333, 334, 335, 336, 338, 339, 379b, and 379c of the Agricultural Adjustment Act of 1938 shall not be applicable to the 1986 through 1989 crops of wheat.

SUSPENSION OF QUOTA PROVISIONS

SEC. 304. Public Law 74, Seventy-seventh Congress (55 Stat. 203, as amended) shall not be applicable to the crops of wheat planted for harvest in the calendar years 1986 through 1989.

NONAPPLICABILITY OF SECTION 107 OF THE AGRICULTURAL ACT OF 1949 TO THE 1986 THROUGH 1989 CROPS OF WHEAT

SEC. 305. Section 107 of the Agricultural Act of 1949 shall not be applicable to the 1986 through 1989 crops of wheat.

TITLE IV—FEED GRAINS

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, FEED GRAIN ACREAGE REDUCTION AND SET-ASIDE PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF FEED GRAINS

SEC. 401. Effective only for the 1986 through 1989 crops of feed grains, the Agricultural Act of 1949 is amended by adding after Section 105A a new section as follows:

SEC. 105B. Notwithstanding any other provision of law—

"(a)(1) The Secretary shall make available to producers nonrecourse loans and purchases for each of the 1986 through 1989 crops of corn at a level equal to 75 per centum of the simple average domestic price of corn received by farmers for each of the preceding five marketing year, excluding the high and low valued years: *Provided*, That the level of loans and purchases shall not be adjusted by more than 10 per centum in any year, including the first year of such program. The loans to be made available by the Secretary under this subsection shall be without interest for a nine month period and may be extended at the option of the producer for another nine month period and may be extended at the option of the producer for another nine months, but with interest at a rate equal to the cost of money to the government at that time.

"(2) The Secretary shall make available to producers loans and purchases for each of the 1986 through 1989 crops of grain sorghums, barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and other factors specified in section 401(b) of this Act.

"(b)(1)(A) The Secretary shall make available to producers payments for each of the 1986 designated by the Secretary, barley, in an amount computed as provided in this subsection. Payments for any such crop of feed grains shall be computed by multiplying (i) the payment rate, by (ii) the farm program acreage for the crop, by (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on a greater acreage than the acreage actually planted to such feed grains.

"(B) The payment rate for corn shall be the amount by which the higher of—

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(ii) the loan level determined under subsection (a) of this section for such crop is less than the established price per bushel.

"(C) The established price for corn in 1986 shall not be less than the established price for corn in 1985. Beginning in 1987, the established price for corn shall be equal to 110 per centum of the simple average domestic price of corn received by farmers for each of the preceding five marketing years, excluding the high and low valued years, but shall not be adjusted by more than 5% annually for each of the 1987 through 1989 crops.

"(D) The payment rate for grain sorghums, oats, and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn.

"(E) The total quantity on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for feed grains to feed grains or other nonconserving crops because of drought, flood or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to feed grains for harvest (including any acreage which the producers were prevented from planting to feed grains, or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(B) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of feed grains which the producers are able to harvest on any farm is less than the result of multiplying 60 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 50 per centum of the established price for the crop for the deficiency in production below 60 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act with respect to their feed grain acreage.

"(D) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting feed grains or other nonconserving crop or from reduced yields, and that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(c)(1) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of feed grains. The proclamation shall be made not later than October 1 of each calendar year for the crop harvested in the next succeeding calendar year, except that in the case of the 1986 crop, the proclamation shall be made as soon as practicable after enactment of the Agriculture Act of 1985. The Secretary may revise the national program acreage first proclaims for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information, and the Secretary shall proclaim

such revised national program acreage as soon as it is made. The national program acreage for feed gains shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of feed grains are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determine will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of feed grains. The allocation factor for feed grains shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop, except that in no event shall the allocation factor for any crop of feed grains be more than 100 per centum nor less than 80 per centum.

"(3) The individual farm program acreage for each crop of feed grains shall be determined by multiplying the allocation factor by the acreage of feed grains planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage of feed grains planted for harvest on the farm from the acreage base established for the farm under subsection (e)(2) of this section by at least the percentage recommended by the Secretary in the proclamation of the national program acreage. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of feed grains planted for harvest is less than the acreage base established for the farm under subsection (e)(2), but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for feed grains, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(d) The farm program payment yield for each crop of feed grains shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for feed grains was established for the farm in the previous crop year, the Secretary may determine such yield as the Secretary finds fair and reasonable. Notwithstanding the foregoing provisions of this subsection, in the determination of yields, the Secretary shall take into account the actual yields proved by the producer, and neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection. If the Secretary determines it necessary, the Secretary may establish national, state or county program payment yields on the basis of historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or, if such data are not available, on the secretary's estimate of actual yields for the crop year involved. If national, state, or county program payment yields are established, the farm program payment yields shall balance to the national, state or county program payment yields.

"(e)(1) Notwithstanding any other provision of this section, the Secretary may provide for any crop either for a program under which the acreage planted to feed grains would be limited as described in paragraph (2) or a set-aside program as described in paragraph (3) of this subsection if the Secretary determines that the total supply of feed grains, in the absence of such a program, will be excessive, taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. The Secretary shall announce any such feed grain acreage limitation program or set-aside program not later than October 1 prior to the calendar year in which the crop is harvested, except that in the case of the 1986 crop, the Secretary shall announce such program as soon as practicable after enactment of the Agriculture Act of 1985.

"(2) If a feed grain acreage limitation program is announced under paragraph (1) of this subsection, such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each feed grain-producing farm. Producers who knowingly produce feed grains in excess of the permitted feed grain acreage for the farm shall be ineligible for feed grain loans, purchases, and payments with respect to that farm. The Secretary may provide that no producer of malting barley shall be required as a condition of eligibility for feed grain loans, purchases, and payments to comply with any acreage limitation under this paragraph if such producer has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest, and meets such other conditions as the Secretary may prescribe. The acreage base for any farm for the purpose of determining any reduction required to be made for any year as the result of a limitation under this paragraph shall be the acreage planted on the farm to feed grains for harvest in the crop year immediately preceding the year for which the determination is made, or at the discretion of the Secretary, the average acreage planted to feed grains for harvest in the two crop years immediately preceding the year for which the determination is made; provided, under no circumstances shall the sum of the base acres of all program crops on a farm exceed the crop base acreage for the farm. For the purpose of the preceding sentence, acreage planted to feed grains for harvest shall include any acreage which the producers were prevented from planting to feed grains or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base. A number of acres on the farm determined by dividing (A) the product obtained by multiplying the number of acres required to be withdrawn from the production of feed grains times the number of acres actually planted to such commodity, by (B) the number of acres authorized to be planted to such commodity under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. If an acreage limitation program is announced under paragraph (1) of this subsection for a crop of feed grains, subsection (c) of this section shall not be applicable to such crop, including any prior announcement which may have been made under such subsection with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to feed grains for harvest within the permitted feed grain acreage for the farm as established under this paragraph.

"(3) If a set-aside program is announced under paragraph (1) of this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of feed grains planted for harvest for the crop for which the set-aside is in effect. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. If a set-aside program is established, the Secretary may limit the acreage planted to feed grains. Such limitation shall be applied on a uniform basis to all feed grain-producing farms. The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, topography, and such other factors as the Secretary deems necessary.

"(4) The regulations issued by the Secretary under paragraphs (2) and (3) of this subsection with respect to acreage required to be devoted to conservation uses shall assure protection of such acreage from weeds and wind and water erosion. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely.

"(5) The Secretary may make land diversion payments to producers of feed grains, whether or not an acreage limitation or set-aside program for feed grains is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of feed grains to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers

and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreement in any county or local community so as not affect adversely the economy of the county or local community.

"(6) Any reduced acreage, set-aside acreage, and additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(7) An operator of a farm desiring to participate in the program conducted under this subsection shall execute an agreement with the Secretary providing for such participation not later than such dates as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(8) Notwithstanding any other provision of this section, when the carryover stocks of feed grains exceeds four percent of annual world utilization, the Secretary of Agriculture shall implement an acreage reduction program.

"(f) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(g) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(h) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(i) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this section.

"(j) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

"(k) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this section if an acreage limitation program is established under subsection (e)(2) of this section, but may be required if a set-aside program is established under subsection (e)(3) of this section."

NONAPPLICABILITY OF SECTION 105 OF THE AGRICULTURAL ACT OF 1949 TO THE 1986 THROUGH 1989 CROPS OF FEED GRAINS

SEC. 402. Section 105 of the Agricultural Act of 1949 shall not be applicable to the 1986 through 1989 crops of feed grains.

TITLE V—COTTON

SUSPENSION OF BASE ACREAGE ALLOTMENTS, MARKETING QUOTAS AND RELATED PROVISIONS

SEC. 501. Sections 342, 343, 344, 345, 346, and 377 of the Agricultural Adjustment Act of 1938 shall not be applicable to upland cotton of the 1986 through 1989 crops.

LOAN RATES AND TARGET PRICES, DISASTER PAYMENTS, COTTON ACREAGE REDUCTION PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF UPLAND COTTON

SEC. 502. Effective only for the 1986 through 1989 crops of upland cotton, section 103 of the Agricultural Act of 1949 is amended by adding at the end thereof a new subsection as follows:

"(g)(1) The Secretary shall, upon presentation of warehouse receipts reflecting accrued storage charges of not more than sixty days, make available for the 1986 through 1989 crops of upland cotton to producers nonrecourse loans for a term of ten months from the first day of the month in which the loan is made at such level as will reflect for Strict Low Middling one-and-one-sixteenth-inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States the smaller of (A) 85 per centum of average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during three years of the five-year period ending July 31 in the year in which the loan level is announced, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, or (B) 90 per centum of the average, for the fifteen-week period beginning July 1 of the year in which the loan level is announced, of the five lowest-priced growths of the growths quoted for Middling one-and-three-thirty-seconds-inch cotton C.I.F. northern Europe (adjusted downward by the average difference during the period April through October 15 of the year in which the loan is announced between such average northern European price quotation of such quality of cotton and the market quotations in the designated United States spot markets for Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9). If for any crop the average northern European price determined under clause (B) of the first sentence of this paragraph is less than the average United States spot market price determined under clause (A) of the first sentence of this paragraph, the Secretary may, notwithstanding the foregoing provisions of this paragraph, increase the loan level to such level as the Secretary may deem appropriate, not in excess of the average United States spot market price determined under clause (A) of the first sentence of this paragraph. The loan level for any crop of cotton shall be determined and announced by the Secretary not later than November 1 of the calendar year preceding the marketing year for which such loan is to be effective, except that in the case of the 1986 crop such determination and announcement shall be made as soon as practicable after enactment of the Agriculture Act of 1985, and such level shall not thereafter be changed. Nonrecourse loans provided for in this subsection shall, upon request of the producer during the tenth month of the loan period for the cotton, be made available for an additional term of eight months, except that such request to extend the loan period shall not be approved in a month when the average price of Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9) in the designated spot marked for the preceding month exceeded 130 per centum of the average price of such quality of cotton in such markets for the preceding thirty-six-month period.

"(2) Whenever the Secretary determines that the average price of Strict Low Middling one-and-one-sixteenth-inch cotton (micronaire 3.5 through 4.9) in the designated spot markets for a month exceed 130 per centum of average price of such quality of cotton in such markets for the preceding thirty-six months, notwithstanding any other provision of the law, the President shall immediately establish and proclaim a special limited global import quota for upland cotton subject to the following conditions:

"(A) The amount of the special quota shall be equal to twenty-one days of domestic mill consumption of upland cotton at the seasonally adjusted average rate of the most recent three months for which data are available.

"(B) If a special quota has been established under this paragraph during the preceding twelve months, the amount of the quota next established hereunder shall be the smaller of twenty-one days of domestic mill consumption calculated as set forth in subparagraph (A) of this paragraph or the amount required to increase the supply to 130 per centum of the demand.

"(C) As used in the subparagraph (B) of this paragraph, the term 'supply' means, using the latest official data of the Bureau of Census, the United States Department of Agriculture, and the United States Department of the Treasury, the carryover of upland cotton at the beginning of the marketing year (adjusted to four-hundred-and-eighty-pound bales) in which the special quota is established, plus production of the current crop, plus imports to the latest date available during the marketing year, and the term 'demand' means the average seasonally adjusted annual rate of domestic mill consumption in the most recent three months for which data are available, plus the larger of average exports of upland cotton during the preceding six marketing years or cumulative exports of upland cotton, plus outstanding export sales for the marketing year in which the special quota is established.

"(D) When a special quota is established under the provisions of this paragraph, a ninety-day period from the effective date of the proclamation shall be allowed for entering cotton under such quota.

Notwithstanding the foregoing provisions of this paragraph, a special quota period shall not be established that overlaps an existing quota period.

"(3)(A) In addition, the Secretary shall make available to producers payments for each of the 1986 through 1989 crops of upland cotton in an amount computed in this subsection. Payments for any such crop of upland cotton shall be computed by multiplying (i) the payment rate by, (ii) the farm program crop acreage by, (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on a greater acreage than the acreage actually planted to cotton.

"(B) The payment rate shall be the amount by which the higher of—

"(i) The average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during the calendar year which includes the first five months of the marketing year for such crop as determined by the Secretary, or

"(ii) The loan level determined under paragraph (1) of this subsection for such crop

is less than the established price per bushel.

The established price in 1986 shall not be less than the established price for cotton in 1985. Beginning in 1987, the established price shall be set at a level equal to 110 per centum of average price (weighted by market and month) of such quality of cotton as quoted in the designated United States spot markets during three years of the five-year period ending July 31 in the year in which the loan level is announced, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period, but shall not be adjusted by more than 5% annually for each of the 1987 through 1989 crops.

"(C) The total quantity on which payment would otherwise be payable to the producer for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the crop under paragraph (4) of this subsection.

"(4)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for cotton to cotton or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to cotton for harvest (including any acreage which the producers were prevented from planting to cotton or other nonconserving crop in lieu of cotton because of drought, flood or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(B) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of cotton which the producers are able to harvest on any farm is less than the result of multiplying 75 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 33⅓ per centum of the established price for the crop for the deficiency in production below 75 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act with respect to their cotton acreage.

"(D) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting cotton or other nonconserving crop or from reduced yields, that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(5) The Secretary shall establish for each of the 1986 through 1989 crops of upland cotton a national program acreage. Such national program acreage shall be announced by the Secretary not later than November 1 of the calendar year preceding the year for which such acreage is established, except that in the case of the 1986 crop, such announcement shall be made as soon as practicable after enactment of the Agriculture Act of 1985. The Secretary may revise the national program acreage first announced for any crop year for the purpose of determining the allocation factor under paragraph (6) of this subsection if the Secretary determines it necessary based upon the latest information, and the Secretary shall announce such revised national program acreage as soon as it has been made. The national program acreage shall be the number of harvested acres the Secretary determines (on the basis of the estimated weighted national average of the farm program yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. The national program acreage shall be subject to such adjustment as the Secretary determines necessary, taking into consideration the estimated carryover supply, so as to provide for an adequate but not excessive total supply of cotton for the marketing year for the crop for which such national program acreage is established. In no event shall the national program acreage be less than ten million acres.

"(6) The Secretary shall determine a program allocation factor for each crop of upland cotton. The allocation factor (not to exceed 100 per centum) shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop.

"(7) The individual farm program acreage for each crop of upland cotton shall be determined by multiplying the allocation factor by the acreage of cotton planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage of cotton planted for harvest on the farm from the acreage base established for the farm under paragraph (9)(A) of this subsection by at least the percentage recommended by the Secretary in the announcement of the national program acreage. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of cotton planted for harvest is less than the acreage base established for the farm under paragraph (9)(A) of this subsection, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for upland cotton, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(8) The farm program payment yield for each crop of upland cotton shall be determined on the basis of the actual yields per harvested acre on the farm for the preceding three years, except that the actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, or other natural disaster or other condition beyond the control of the producers. In case farm yield data for one or more years are unavailable or there was no production, the Secretary shall provide for appraisals to be made on the basis of actual yields and program payment yields for similar farms in the area for which data are available. Notwithstanding the foregoing provisions of this paragraph, in the determination of yields, the Secretary shall take into account the actual yields provided by the producer, and neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this paragraph. If the Secretary determines it necessary, the Secretary may established national, State or county program payment yields on the basis of historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or, if such data are not available, on the Secretary's estimate of actual yields for the crop year involved. If national, State, or country program payment yields are established, the farm program payments yields shall balance to the national, State or county program payment yields.

"(9)(A) Notwithstanding any other provisions of this subsection, the Secretary may establish a limitation on the acreage planted to upland cotton if the Secretary determines that the total supply of upland cotton, in the absence of such limitation, will be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. Such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each cotton-producing farm. Producers who knowingly produce cotton in excess of the permitted cotton acreage for the farm shall be ineligible for cotton loans and payments with respect to that farm. The acreage base for any farm for the purpose of determining any reduction required to be made for any year as a result of limitation under this subparagraph shall be the acreage planted on the farm to upland cotton for harvest in the crop year immediately preceding the year for which the determination is made or, at the discretion of the Secretary, the average acreage planted to upland cotton for harvest in the two crop year immediately preceding the year for which the determination is made. For the

purpose of the preceding sentence, acreage planted to cotton for harvest shall include any acreage which the producers were prevented from planting to cotton or other nonconserving crop in lieu of cotton because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base. A number of acres on the farm determined by dividing (i) the product obtained by multiplying the number of acres required to be withdrawn from the production of upland cotton times the number of acres actually planted to such commodity, by (ii) the number of acres actually planted to such commodity under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary, which will assure protection of such acreage from weeds and wind and water erosion. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to sweet sorghum, hay and grazing, or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely. If an acreage limitation program is announced under this paragraph for a crop of upland cotton, paragraphs (5), (6) and (7) of this subsection shall not be applicable to such crop, including any prior announcement which may have been made under such paragraphs with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to upland cotton for harvest within the permitted upland cotton acreage for the farm as established under this paragraph.

"(B) The Secretary may make land diversion payments to producers of upland cotton, whether or not an acreage limitation for upland cotton is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of upland cotton to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreement in any county or local community so as not to affect adversely the economy of the county or local community.

"(C) The reduced acreage and the diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(10) An operator of a farm desiring to participate in the program under paragraph (9) of this subsection shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(11) The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis.

"(12) The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers.

"(13) If the failure of a producer to comply fully with the terms and conditions of the program formulated under this subsection precludes the making of loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(14) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this subsection.

"(15) The Secretary shall carry out the program authorized by this subsection through the Commodity Credit Corporation.

"(16) The provisons of subsection 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this subsection.

"(17) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans or payments under this subsection.

"(18) In order to encourage and assist producers in the orderly ginning and marketing of their cotton production, the Secretary shall make resource loans available to such producers on seed cotton in accordance with authority vested in the Secretary under the Commodity Credit Corporation Charter Act.".

"(19) Notwithstanding any other provision of this subsection, when the carryover stocks of cotton exceeds three and one half million bales, the Secretary shall implement an acreage reduction program.

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

SEC. 503. Effective only with respect to the period beginning August 1, 1978, and ending July 31, 1989, the tenth sentence of section 407 of the Agricultural Act of 1949 is amended by striking out all of that sentence through the words "110 per centum of the loan rate, and (2)" and inserting in lieu thereof the following: "Notwithstanding any other provision of law, (1) the Commodity Credit Corporation shall sell upland cotton for unrestricted use at the same prices as it sells cotton for export, in no event, however, at less than 115 per centum of the loan rate for Strict Low Middling one and one-sixteenth inch upland cotton (micronaire 3.5 through 4.9) adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, and (2)".

MISCELLANEOUS COTTON PROVISIONS

SEC. 504. Section 103(a) and 203 of the Agricultural Act of 1949 shall not be applicable to the 1966 through 1989 crops.

SKIPROW PRACTICES

SEC. 505. Section 374(a) of the Agricultural Adjustment Act of 1938 is amended by striking out "1985" and inserting in lieu thereof "1989".

PRELIMINARY ALLOTMENTS FOR 1989 CROP OF UPLAND COTTON

SEC. 506. Notwithstanding any other provision of law, the permanent State, county, and farm base acreage allotments for the 1977 crop of upland cotton, adjusted for any underplantings in 1977 and reconstituted as provided in section 379 of the Agricultural Adjustment Act of 1938, as amended, shall again become effective as preliminary allotments for the 1989 crop.

TITLE VI—RICE

LOAN RATES, TARGET PRICES, DISASTER PAYMENTS, RICE ACREAGE REDUCTION PROGRAM, AND LAND DIVERSION FOR THE 1986 THROUGH 1989 CROPS OF RICE

SEC. 601. Effective only for the 1986 through 1989 crops of rice, section 101 of the Agricultural Act of 1949 is amended by adding at the end thereof a new subsection as follows:

"(i) Notwithstanding any other provision of law—

"(1) The Secretary shall make available to all eligible producers non-recourse loans and purchases for each of the 1986 through 1989 crops of rice at a level equal to 75 percent of the simple average domestic price at rice received by farmers for each of the preceding five marketing years, excluding the high and low valued years, except that the level of loans and purchases shall not be adjusted by more than 10 percent in any given year. The loan and purchase level and the established price for each of the 1986 through 1989 crops of rice shall be announced not later than March 1 of each calendar year for the crop harvested in that calendar year, including the first year of such program.

"(2)(A) In addition, the Secretary shall make available to producers payments for each of the 1986 through 1989 crops of rice in an amount computed in this subsection. Payments for any such crop of rice shall be computed by multiplying (i) the payment rate by, (ii) the farm program crop acreage by, (iii) the farm program payment yield for the crop. In no event may payments be made under this paragraph for any crop on

a greater acreage than the acreage actually planted to rice.

"(B) The payment rate for rice shall be the amount by which the established price for rice exceeds the higher of:

"(i) the national weighted average market price received by farmers during the first five months of the marketing year for such crop as determined by the Secretary, or

"(ii) the loan level determined under paragraph (1) for such crop.

"(C) The established price for rice in 1986 shall not be less than the established price for rice in 1985. Beginning in 1987, the established price shall be set at a level equal to 110 percent of the simple average domestic price of rice received by farmers for each of the preceding five marketing years, excluding the high and low valued years, but shall not be adjusted by more than 5 percent annually for each of the 1987 through 1989 crops.

"(D) The yield established for the farm for any year shall be determined on the basis of the actual yields per harvested acre for the three preceding years. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other condition beyond the control of the producers. If no rice was produced on the farm during such period, the yield shall be determined taking into consideration the yield of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

"(E) The total quantity on which payments would otherwise be payable to a producer on a farm for any crop under this paragraph shall be reduced by the quantity on which any disaster payment is made to the producer for the corp under paragraph (3) of this subsection.

"(3)(A) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that the producers on a farm are prevented from planting any portion of the acreage intended for rice to rice or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers on the number of acres so affected but not to exceed the acreage planted to cotton for harvest (including any acreage which the producers were prevented from planting to rice or other nonconserving crop in lieu of rice because of drought, flood or other natural disaster, or other condition beyond the control of the producers) in the immediately preceding year, multiplied by 75 per centum of the farm program payment yield established by the Secretary times a payment rate equal to 33⅓ per centum of the established price for the crop.

"(B) Except as provided in subparagraph (C) of this paragraph, if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of rice which the producers are able to harvest on any farm is less than the result of multiplying 75 per centum of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 33⅓ per centum of the established price for the corp for the deficiency in production below 75 per centum for the crop.

"(C) Producers on a farm shall not be eligible for disaster payments under this paragraph if crop insurance is available to them under the Federal Crop Insurance Act with respect to their rice acreage.

"(D) Notwithstanding the provisions of subparagraph (C) of this paragraph, the Secretary may make disaster payments to producers on a farm under this paragraph whenever the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producers, producers on a farm have suffered substantial losses of production either from being prevented from planting rice or other nonconserving crop or from reduced yields, that such losses have created an economic emergency for the producers;

"(ii) Federal crop insurance indemnity payments and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency, or no crop insurance covered the loss because of transitional problems attendant to the Federal crop insurance program; and

"(iii) additional assistance must be made available to such producers to alleviate the economic emergency.

The Secretary may make such adjustments in the amount of payments made available under this subparagraph with respect to individual farms so as to assure the equitable allotment of such payments among producers taking into account other forms of Federal disaster assistance provided to the producers for the crop involved.

"(4)(A) The Secretary shall proclaim a national program acreage for each of the 1986 through 1989 crops of rice. The proclamation shall be made not later than January 31 of each calender year for the crop harvested in that calendar year. The Secretary may revise the national program acreage first proclaimed for the purpose of determining the allocation factor under paragraph (B) of this subsection if the Secretary determines a revision necessary based upon the latest information, and the Secretary shall proclaim such revised national program acreage as soon as it has been made. The national program acreage for rice shall be the number of harvested acres the Secretary determines (on the basis of the estimated weighted national average of the farm program yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of rice are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(B) The Secretary shall determine a program allocation factor for each crop of rice. The allocation factor for rice shall be determined by dividing the national program acreage for the crop by the number of acres that the Secretary estimates will be harvested for such crop. In no event may the allocation factor for any crop of rice be more than 100 per centum nor less than 80 per centum.

"(C) The individual farm program acreage for each crop of rice shall be determined by multiplying the allocation factor by the acreage of rice planted for harvest on the farms for which individual farm program acreages are required to be determined. The farm program acreage shall not be further reduced by application of the allocation factor if the producers reduce the acreage of rice planted for harvest on the farm from the acreage base established for the farm under paragraph (5)(A) of this subsection by at least the percentage recommended by the Secretary in the proclamation of the national program acreage. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of rice planted for harvest is less than the acreage base established for the farm under paragraph (5)(A) of this subsection, but for which the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for rice, the Secretary may make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(5)(A) Notwithstanding any other provisions of this subsection, the Secretary may establish a limitation on the acreage planted to rice if the Secretary determines that the total supply of rice, in the absence of such limitation, will be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. Any such limitation shall be announced by the Secretary not later than January 31 of the calendar year in which the crop for which the announcement is made is harvested. Such limitation shall be achieved by applying a uniform percentage reduction to the acreage base for each rice-producing farm. Producers who knowingly produce rice in excess of the permitted rice acreage for the farm shall be ineligible for rice loans, purchases, and payments with respect to that farm. The acreage base for any farm for the purpose of determining any reduction required to be made for any year as a result of limitation under this subparagraph shall be the acreage planted on the farm to rice for harvest in the crop year immediately preceding the year for which the determination is made or, at the discretion of the Secretary, the average acreage planted to rice for harvest in the two crop year immediately preceding the year for which the determination is made; provided, under no circumstances shall the sum of the base acres of all program crops on a farm exceed the crop base acreage for the farm. For the purpose of the preceding sentence, acreage planted to rice for harvest shall include any acreage which the producers were prevented from planting to rice or other nonconserving crop in lieu of rice because of drought, flood, or other natural disaster, or condition beyond the control of the producers. The Secretary may make adjustments to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base. A number of acres on the farm determined by dividing (i) the product obtained by multiplying the number of acres required to be withdrawn from the production of rice times the number of acres actually planted to rice, by (ii) the number of acres actually planted to rice under the limitation established by the Secretary shall be devoted to conservation uses, in accordance with regulations issued by the Secretary, which will assure protection of such acreage from weeds and wind and water erosion. The number of acres so determined is hereafter in this subsection referred to as 'reduced acreage'. The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe,

all or any part of the reduced acreage to be devoted to sweet sorghum, hay and grazing, or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not affect farm income adversely. If an acreage limitation program is announced under this paragraph for a crop of rice paragraphs (4) of this subsection shall not be applicable to such crop, including any prior announcement which may have been made under such paragraphs with respect to such crop. The individual farm program acreage shall be the acreage planted on the farm to rice for harvest within the permitted rice for harvest within the permitted rice acreage for the farm as established under this paragraph.

"(B) The Secretary may make land diversion payments to producers of rice, whether or not an acreage limitation for rice is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of rice to desirable goals. Such land diversion payments shall be made to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreement in any county or local community so as not to affect adversely the economy of the county or local community.

"(C) The reduced acreage and the diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

An operator of a farm desiring to participate in the program conducted under this paragraph shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any such agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

"(6) The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis.

"(7) The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers.

"(8) If the failure of a producer to comply fully with the terms and conditions of the program formulated under this subsection precludes the making of loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(9) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this subsection.

"(10) The Secretary shall carry out the program authorized by this subsection through the Commodity Credit Corporation.

"(11) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this subsection.

"(12) Notwithstanding any other provision of law, compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans, purchases, or payments under this subsection.

"(13) Notwithstanding any other provisions of this section, when the carryover stocks of rice exceeds normal supply by more than 15 percent, the Secretary shall implement an acreage reduction program.

TITLE VII—PEANUTS

SUSPENSION OF MARKETING QUOTAS AND ACREAGE ALLOTMENTS

SEC. 701. The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 1986 through 1989 crops of peanuts:

(1) Subsections (a) through (j) of section 358;

(2) Subsections (a) through (h) of section 358(a);

(3) Subsections (a), (b), (d), and (e) of section 359;

(4) Part I of subtitle C of title III; and

(5) Section 371.

NATIONAL POUNDAGE QUOTA AND FARM POUNDAGE QUOTA

SEC. 702. Effective only for the 1986 through 1989 crops of peanuts, section 358 of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof new subsections as follows:

"(k) The national poundage quota for peanuts for each marketing year, 1986 through 1989, shall be established at the level of the previous three-year average of domestic edible and seed use, with modifications to be made by the Secretary of Agriculture, not to exceed 5 percent.

"(l) The national poundage quota established under subsection (k) of this section shall be apportioned among the States so that the poundage quota allocated to each State shall be equal to the percentage of the national poundage quota allocated for farms in the State for the preceeding year.

"(m)(1) A farm poundage quota shall be established for each farm which had a farm poundage quota for the 1985 crop year. Except as provided in subsection (k), the farm poundage quota for any such farm for the 1986 through 1989 marketing years shall be the same as the farm poundage quota for such farm for the immediately preceding marketing year, but not including any increases for under-marketings from previous marketing years, except that if the farm poundage quota, or any part thereof, is permanently transferred in accordance with section 358a of this Act, the receiving farm shall be considered as possessing the farm poundage quota (or portion thereof) of the transferring farm for all subsequent marketing years.

"(2) The farm poundage quota so determined shall be increased by the number of pounds by which total marketings of quota peanuts from the farm during previous marketing years (excluding any marketing year before the marketing year for the 1980 crop) were less than the total amount of the applicable farm poundage quotas (disregarding adjustments for undermarketings from prior marketing years) for such marketing years. Increases in farm poundage quotas made under this paragraph shall not be counted against the national poundage quota for the marketing year involved.

"(3) Notwithstanding the foregoing provisions of this subsection, if the total of all increases in individual farm poundage quotas under paragraph (2) of this subsection exceeds 10 per centum of the national poundage quota for the marketing year in which such increases shall be applicable, the Secretary shall adjust such increases so that the total of all such increases does not exceed 10 per centum of the national poundage quota.

"(n) For each farm for which a farm poundage quota was established for the 1985 crop of peanuts, and when necessary for purposes of this Act, a farm yield of peanuts shall be determined for each farm. Such yield shall be equal to the average of the actual yield per acre on the farm for each of the three crop years in which yields were highest on the farm out of the five crop years 1981 through 1985. In the event that peanuts were not produced on the farm in at least three years during such five-year period or there was a substantial change in the operation of the farm during such period (including, but not limited to, a change in operator, lessee who is an operator, or irrigation practices), the Secretary shall have a yield appraised for the farm. The appraised yield shall be that amount determined to be fair and reasonable on the basis of yield established for similar farms which are located in the area of the farm and on which peanuts were produced, taking into consideration land, labor and equipment available for the production of peanuts, crop rotation practices, soil and water, and other relevant factors.

"(o) Not later than December 15 of each calendar year (or in the case of the 1986 crop, as soon as practicable after enactment of the Agriculture Act of 1985), the Secretary shall conduct a referendum of farmers engaged in the production of quota peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to poundage quotas with respect to the crops of peanuts produced in the four calendar years immediately following the year in which the referendum is held, except that, if as many as two-thirds of the farmers voting in any referendum vote in favor of poundage quotas, no referendum shall be held with respect to quotas for the second, third, and

fourth years of the period. The Secretary shall proclaim the result of the referendum within 30 days after the date on which it is held, and if more than one-third of the farmers voting in the referendum vote against quotas, the Secretary also shall proclaim that poundage quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held. For purposes of this subsection, if the referendum for the 1986 crop is held after December 31, 1985, it shall be deemed to have been held in calendar year 1985.

"(p) For the purposes of this part and title I of the Agricultural Act of 1949—

"(1) 'quota peanuts' means, for any marketing year, any peanuts produced on a farm having a farm poundage quota, as determined in subsection (m) of this section, that are eligible for domestic edible use as determined by the Secretary, that are marketed or considered marketed from a farm, and that do not exceed the farm poundage quota of such farm for such year;

"(2) 'additional peanuts' means, for any marketing year (A) any peanuts that are marketed from a farm for which a farm poundage quota has been established and that are in excess of the marketing of quota peanuts from such farm for such year, and (B) all peanuts marketed from a farm for which no farm poundage quota has been established in accordance with subsection (m) of this section.

"(3) 'crushing' means the processing of peanuts to extract oil for food uses and meal for feed uses, or the processing of peanuts by crushing or processing into flakes or otherwise when authorized by the Secretary; and

"(4) 'domestic edible use' means use for milling to produce domestic food peanuts (other than those described in paragraph (3) of this subsection) and seed and use on a farm except that the Secretary may exempt from this definition seeds of peanuts that are used to produce peanuts excluded under section 359(c) of this Act, are unique strains, and are not commercially available.".

SALE, LEASE OR TRANSFER OF FARM POUNDAGE QUOTA

SEC. 703. Effective only for the 1986 through 1989 crops of peanuts, section 358a of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof new subsections as follows:

"(i) The owner, or the operator with permission of the owner, of any farm for which a farm poundage quota has been established under this Act may, subject to such terms, conditions or limitations as the Secretary may prescribe, sell or lease all or any part of such poundage quota to any other owner or operator of a farm within the same county for transfer to such farm. The owner or operator of a farm may transfer all or any part of such farm's farm poundage quota to any other farm owned or controlled by such owner or operator that is in the same county or in a county contiguous to such county in the same State and that had a farm poundage quota for the 1985 crop. Notwithstanding the foregoing provisions of this subsection, in the case of any State for which the poundage quota allocated to the State was less than 10,000 tons for the 1985 crop, all or any or part of a farm poundage quota may be transferred by sale or lease or otherwise from a farm in one county to a farm in another county in the same State.

"(j) Transfers (including transfer by sale or lease) of farm poundage quotas under this section shall be subject to the following conditions: (1) no transfer of the farm poundage quota from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholders; (2) no transfer of the farm poundage quota shall be permitted if the county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act determines that the receiving farm does not have adequate tillable cropland to produce the farm poundage quota; (3) no transfer of the farm poundage quota shall be effective until a record thereof is filed with the county committee of the county to which such transfer complies with the provisions of this section; and (4) such other terms and conditions that the Secretary may by regulation prescribe."

MARKETING PENALTIES; DISPOSITION OF ADDITIONAL PEANUTS

SEC. 704. Effective only for the 1986 through 1989 crops of peanuts, section 359 of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof new subsections as follows:

"(f)(1) The marketing of any peanuts for domestic edible use in excess of the farm poundage quota for the farm on which such peanuts are produced shall be subject to penalty at a rate equal to 140 per centum of the support price for quota peanuts for the marketing year (August 1 through July 31) in which such marketing occurs. The marketing of any additional peanuts from a farm shall be subject to the same penalty unless such peanuts in accordance with regulations established by the Secretary, are either (A) placed under loan at the additional loan rate in effect for such peanuts under section 108A of the Agricultural Act of 1949 and not redeemed by the producers, (B) marketed through an area marketing association designated pursuant to section 108A(3)(A) of the Agricultural Act of 1949, or (C) marketed under contracts between handlers and producers, pursuant to the provisions of subsection (j) of this section. Such penalty shall be paid by the person who buys or otherwise acquire the peanuts from the producer, or if the peanuts are marketed by the producer through an agent, the penalty shall be paid by such agent, and such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer. If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or other proceeds thereof shall be jointly and severally liable for the amount of the penalty. Peanuts produced in a calendar year in which farm poundage quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins. If any producer falsely identifies or fails to certify planted acres or fails to account for the disposition of any peanuts produced on such planted acres, an amount of peanuts equal to the farm's average yield, as determined under section 358(n) of this Act, times the planted acres, shall be deemed to have been marketed in violation of permissible uses of quota and additional peanuts and the penalty in respect thereof shall be paid and remitted by the producer.

"(2) The Secretary shall authorize, under such regulations as the Secretary shall prescribe, the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or reduce marketing penalties provided for under this subsection in cases in which such committees determine that the violations that were the basis of the penalties were unintentional or without knowledge on the part of the parties concerned. Errors in weight that do not exceed one-tenth of 1 per centum in the case of any one marketing document shall not be considered marketing violations except in cases of fraud or conspiracy.

"(g) Only quota peanuts may be retained for use as seed or for other uses on a farm and when so retained shall be considered as marketings of quota peanuts, except that the Secretary may exempt from consideration as marketings of quota peanuts seeds of peanuts that are used to produce peanuts excluded under section 359(c), are unique strains, and are not commercially available. Additional peanuts shall not be retained for use on a farm and shall not be marketed for domestic edible use, except as provided in subsection (k) of this section. Seed for planting of any peanut acreage in the United States shall be obtained solely from quota peanuts marketed or considered marketed for domestic edible use.

"(h) Upon a finding by the Secretary that the peanuts marketed from any crop for domestic edible use by a handler are larger in quantity or higher in grade or quality than the peanuts that could reasonably be produced from the quantity of peanuts have the grade, kernel, content, and quality of the quota peanuts acquired by such handler from such crop for such marketing, such handler shall be subject to a penalty equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts that the Secretary determines are in excess of the quantity, grade, or quality of the peanuts that could reasonably have been produced from the peanuts so acquired.

"(i) The Secretary shall require that the handling and disposal of additional peanuts be supervised by agents of the Secretary or by area marketing association designated pursuant to section 108A(3)(A) of the Agricultural Act of 1949. Quota and additional peanuts of like type and segregation or quality may, under regulations prescribed by the Secretary, be comingled and exchanged on a dollar value basis to facilitate warehousing, handling, and marketing. Failure by a handler to comply with regulations issued by the Secretary governing the disposition and handling of additional peanuts shall subject the handler to a penalty at a rate equal to 120 per centum of the loan level for quota peanuts on the quantity of peanuts involved in the violation.

"(j) Handlers may, under regulations prescribed by the Secretary, contract with producers for the purchase of additional peanuts for crushing, export, or both. All such contracts shall be completed and submitted to the Secretary (or if designated by the Secretary, the area marketing association) for approval prior to April 15 of the year in which the crop is produced.

"(k) Subject to the provisions of section 407 of the Agricultural Act of 1949, any peanuts owned or controlled by the Commodity Credit Corporation may be made available for domestic edible use in accordance with regulations established by the Secretary. Additional peanuts received under loan shall be offered for sale for domestic edible use at prices not less than those required to cover all costs incurred with respect to such peanuts for such items as inspection, warehousing, shrinkage, and other expenses, plus (1) not less than 100 per centum of the

loan value of quota peanuts if the additional peanuts are sold and paid for during the harvest season upon delivery by and with the written consent of the producer, (2) not less than 105 per centum of the loan value of the quota peanuts if the additional peanuts are sold after delivery by the producer by not later than December 31 of the marketing year, or (3) not less than 107 per centum of the loan value of quota peanuts if the additional peanuts are sold later than December 31 of the marketing year. For the period from the date additional peanuts are delivered for loan to March 1 of the calendar year following the year in which such additional peanuts were harvested, the area marketing association designated pursuant to section 108A(3)(A) of the Agricultural Act of 1949 shall have sole authority to accept or reject lot list bids when the sales price as determined under this section equals or exceeds the minimum price at which the Commodity Credit Corporation may sell its stocks of additional peanuts, except that the area marketing association and the Commodity Credit Corporation may agree to modify the authority granted by this sentence in order to facilitate the orderly marketing of additional peanuts.

"(l)(1) The person liable for payment or collection of any penalty provided for in this section shall be liable also for interest thereon at a rate per annum equal to the rate of interest which was charged the Commodity Credit Corporation by the Treasury of the United States on the date such penalty became due.

"(2) The provisions of this section shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less if the producers who share in the peanuts produced on such farm do not share in the peanuts produced on any other farm.

"(3) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to farm poundage quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States.

"(4) Notwithstanding any other provision of law, the liability for and the amount of any penalty assessed under this section shall be determined in accordance with such procedures as the Secretary by regulations may prescribe. The facts constituting the basis for determining the liability for or amount of any penalty assessed under this section, when officially determined in conformity with the applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. Nothing in this section shall be construed as prohibiting any court of competent jurisdiction from reviewing any determination made by the Secretary with respect to whether such determination was made in conformity with the applicable law and regulations. All penalties imposed under this section shall for all purposes be considered civil penalties.

"(5) Notwithstanding any other provision of law, the Secretary may reduce the amount of any penalty assessed against handlers under this section if the Secretary finds that the violation upon which the penalty is based, was minor or inadvertent, and that the reduction of the penalty will not impair the operation of the peanut program.".

PRICE SUPPORT PROGRAM

SEC. 705. Effective only for the 1986 through 1989 crops of peanuts, the Agricultural Act or 1949 is amended by adding a new section as follows:

PRICE SUPPORT FOR 1986 THROUGH 1989 CROPS OF PEANUTS

SEC. 108A. Notwithstanding any other provision of law—

"(1) The Secretary shall make price support available to producers through loans, purchases, or other operations on quota peanuts for each of the 1986 through 1989 crops. The national average quota support rate for the 1986 crop of quota peanuts shall be modified only to reflect the percentage change in the prices paid index of the previous two years, but in no event less than 27.5 cents per pound, farmers stock basis. The national average quota support rate for each of the 1987, 1988, 1989 crops of quota peanuts shall be the national average quota support rate for such peanuts for the preceding crop, adjusted to reflect any increase or decrease, during the period January 1 and ending December 31 of the calendar year immediately preceding the marketing year for the crop for which a level of support is being determined, based upon changes in the prices paid index, except that in no event shall the national average quota support rate for any such crop exceed by more than 6 per centum the national average quota support rate for the preceding crop. The levels of support so announced shall not be reduced by any deductions for inspection, handling, or storage: *Provided*, That the Secretary may make adjustments for location of peanuts and such other factors as are authorized by section 403 of this Act.

"(2) The Secretary shall make price support available to producers through loans, purchases, or other operations on additional peanuts for each of the 1986 through 1989 crops at such levels as the Secretary finds appropriate, taking into consideration the demand for peanut oil and peanut meal, expected prices of other vegetable oils and protein meals, and the demand for peanuts in foreign markets: *Provided*, That the Secretary shall set the support rate on additional peanuts at a level estimated by the Secretary to ensure that there are no losses to the Commodity Credit Corporation on the sale or disposal of such peanuts. The Secretary shall announce the level of support for additional peanuts of each crop not later than February 15 preceding the marketing year for the crop for which the level of support is being determined.

"(3)(A) In carrying out paragraphs (1) and (2) of this section, the Secretary shall make warehouse storage loans available in each of the three producing areas (described in 7 CFR 1446.10 (1980 ed.) to a designated area marketing association of peanut producers that is selected and approved by the Secretary and that is operated primarily for the purpose of conducting such loan activities. The Secretary may not make warehouse storage loans available to any cooperative that is engaged in operations or activities specified in this section and in section 359 of the Agricultural Adjustment Act of 1938. Such area marketing associations shall be used in administrative and supervisory activities relating to price support and marketing activities under this section and section 359 of the Agricultural Adjustment Act of 1938. Loans made under this subparagraph shall include, in addition to the price support value of the peanuts, such costs as the area marketing association reasonably may incur in carrying out its responsiblities, operations, activities under this section and section 359 of the Agricultural Adjustment Act of 1938.

"(B) The Secretary shall require that each area marketing association establish pools and maintain complete and accurate records by type, area, and segregaton for quota peanuts handled under loan, for additional peanuts placed under loan, and for additional peanuts produced without a contract between a handler and a producer as described in section 359(j) of the Agricultural Adjustment Act of 1938. Net gains on peanuts in each pool, unless otherwise approved by the Secretary, shall be distributed in proportion to the value of the peanuts placed in the pool by each producer. Net gains for peanuts in each pool shall consist of (i) for quota peanuts, the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in such pool plus an amount from the pool for additional peanuts to the extent of the net gains from the sale for domestic food and related uses of additional peanuts in the pool for additional peanuts equal to any loss on disposition of all peanuts in the pool for quota peanuts and (ii) for additional peanuts, the net gains over and above the loan indebtedness and other costs or losses incurred on peanuts placed in the pool for additional peanuts less any amount allocated to offset any loss on the pool for quota peanuts as provided in clause (i) of this subparagraph. Notwithstanding any other provision of this section, any distribution of net gains on additional peanuts of any type to any producer shall be reduced to the extent of any loss by the Commodity Credit Corporation on quota peanuts of a different type placed under loan by such producer.

"(4) Notwithstanding the foregoing provisions of this section or any other provision of law, no price support shall be made available by the Secretary for any crop of peanuts with respect to which poundage quotas have been disapproved by producers, as provided for in section 358(o) of the Agricultural Adjustment Act of 1938.".

REPORTS AND RECORDS

SEC. 706. effective only for the 1986 through 1989 crops of peanuts, the first sentence of section 373(a) of the Agricultural Adjustment Act of 1938 is amended by inserting immediately before "all brokers and dealers in peanuts" the following: "all farmers engaged in the production of peanuts,".

SUSPENSION OF CERTAIN PRICE SUPPORT PROVISIONS

SEC. 707. Section 101 of the Agricultural Act of 1949 shall not be applicable to the 1986 through 1989 crops of peanuts.

TITLE VIII—SOYBEANS

SOYBEAN PRICE SUPPORT

SEC. 801. Effective only for the 1986 through 1989 crops of soybeans, section 201 of the Agricultural Act of 1949 is amended by—

(1) inserting in the first sentence "soybeans," after "tung nuts,"; and

(2) adding at the end thereof a new subsection as follows:

"(g)(1) The price of soybeans shall be supported through loans and purchases during each of the four marketing years beginning with the 1986 marketing year at a level equal to 75 per centum of the simple average price received by farmers for soybeans for each of the preceding five marketing years, excluding the high and low valued years except that in no event shall the Sec-

retary establish a support price of less than $5.02 per bushel: *Provided*, That if the Secretary determines that the average price of soybeans received by producers in any marketing year is not more than 105 per centum of the level of loans and purchases for soybeans for such marketing year, the Secretary may reduce the level of loans and purchases for soybeans for the next marketing year by the amount the Secretary determines necessary to maintain domestic and export markets for soybeans, except that the level of loans and purchases shall not be reduced by more than 10 per centum in any year nor below $4.50 per bushel. For the purposes of this subsection, the soybean marketing year shall be the twelve-month period beginning on September 1 and ending August 31. The Secretary shall make a preliminary announcement of the level of price support not earlier than thirty days in advance of the beginning of the marketing year based upon the latest information and statistics available when such level of price support is announced, and shall make a final announcement of such level as soon as full information and statistics are available on prices for the five years preceding the beginning of the marketing year. In no event shall such final level of support be announced later than October 1 of the marketing year for which the announcement applies; nor shall the final level of support be less than the level of support set forth in the preliminary announcement.

"(2) Notwithstanding any other provision of law, the Secretary shall not require participation in any production adjustment control program for soybeans or any other commodity as a condition of eligibility for price support for soybeans.".

TITLE IX—SUGAR

SUGAR PRICE SUPPORT

SEC. 901. Effective only for the 1986 through 1989 crops of sugar beets and sugarcane, section 201 of the Agricultural Act of 1949 is amended by—

(1) striking out in the first sentence "honey, and milk" and inserting in lieu thereof "honey, milk, sugar beets, and sugarcane", and

(2) adding at the end thereof a new subsection as follows:

"(h) Effective October 1, 1986, the Secretary shall support the price of domestically grown sugarcane through nonrecourse loans at such level as the Secretary determines appropriate but not less than 18 cents per pound for the 1986 through 1989 crops of sugar. Effective October 1, 1986 the Secretary shall support the price of domestically grown sugar beets through nonrecourse loans at such level as the Secretary determines to be fair and reasonable in relation to the level of loans for sugarcane. The Secretary shall announce the loan rate to be applicable during any fiscal year as far in advance of the beginning of that fiscal year as practicable consistent with the purposes of this subsection. Loans during any such fiscal year shall be made available not earlier than the beginning of the fiscal year and shall mature before the end of that fiscal year.".

TITLE X—MISCELLANEOUS

SUBTITLE A—ADVANCE DIVERSION PAYMENTS

SEC. 1001. If the Secretary of Agriculture makes land diversion payments as provided for in the Agriculture Act of 1985 to assist in adjusting the stated acreage of the 1986, 1987, 1988, or 1989 crop of wheat, feed grains, cotton or rice, at least 50 percent of such a land diversion payment shall be made available to a producer as soon as possible after the producer agrees to undertake the diversion of land in return for the payment.

SUBTITLE B—GRAIN RESERVES

TERMINATION OF PRODUCER OWNED RESERVES

SEC. 1002. The Secretary of Agriculture shall not carry out a producer storage program for any commodity under section 110 of the Agricultural Act of 1949 after the date of enactment of this Act. Commodities which have heretofore been stored under the provisions of section 110 of the Agricultural Act of 1949 shall be permitted to remain in such producer storage program under the terms and conditions upon which the commodities were entered. Effective upon the expiration of the loan and storage agreements for the commodities held in storage as of the date of enactment of this Act, the provisions of section 110 of the Agricultural Act of 1949 are repealed.

WITHDRAWAL OF COMMODITIES

SEC. 1003. Notwithstanding the provisions of section 110 of the Agricultural Act of 1949 or any regulations or contracts governing participation by producers in farmer-owned reserves established under that section, a producer may withdraw any commodity placed in a reserve from that reserve without penalty at anytime that the market price for the commodity is more than 110 percent of the current price support loan rate for that commodity.

SUBTITLE C—MISCELLANEOUS COMMODITY PROVISIONS

PAYMENT LIMITATIONS FOR WHEAT, FEED GRAINS, UPLAND COTTON, AND RICE

SEC. 1004. Notwithstanding any other provision of law–

(1) The total amount of deficiency payments that a person shall be entitled to receive under one or more of the annual programs established under the Agricultural Act of 1949 for wheat, feed grains, upland cotton, and rice shall be limited to $50,000 for each of the 1986 through 1989 crop years.

(2) The term "payments" as used in this section shall not include loans or purchases or land diversion payments, or any part of any payment that is determined by the Secretary of Agriculture to represent compensation for resource adjustment or public access for recreation.

(3) If the Secretary determines that the total amount of payments that will be earned by any person under the program in effect for any crop will be reduced under this section, any acreage requirement established under a set-aside or acreage limitation program for the farm or farms on which such person will be sharing in payments earned under such program shall be adjusted to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

(4) The Secretary shall issue regulations defining the term "person" and prescribing such rules as the Secretary determines necessary to assure a fair and reasonable application of such limitation: *Provided*, That the provisions of this section that limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970, under section 101 of the Agricultural Act of 1970.

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR WHEAT AND FEED GRAINS

SEC. 1005. Effective only for the marketing years for the 1986 through 1989 crops, section 407 of the Agricultural Act of 1949 is amended by—

(1) striking out in the third sentence the language following the third colon and inserting in lieu thereof the following: *"Provided*, That the Corporation shall not sell any of its stocks of wheat, corn, grain, sorghum, barley, oats, and rye, respectively, at less than 115 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate, plus reasonable carrying charges.";

(2) striking out in the fifth sentence "current basis county support rate including the value of any applicable price-support payment in kind (or a comparable price if there is no current basic county support rate)" and inserting in lieu thereof the following: "current basic county loan rate (or a comparable price if there is no current basic county loan rate)"; and

(3) striking out in the seventh sentence", but in no event shall the purchase price exceed the then current support price for such commodities" and inserting in lieu thereof the following: "or unduly affecting market prices, but in no event shall the purchase price exceed the Corporation's minimum sales price for such commodities for unrestricted use".

APPLICATION OF TERMS IN THE AGRICULTURAL ACT OF 1949

SEC. 1006. Effective only for the 1986 through 1989 crops of wheat, feed grains, upland cotton, and rice, section 408(k) of the Agricultural Act of 1949 is amended to read as follows:

"REFERENCES TO TERMS MADE APPLICABLE TO WHEAT, FEED GRAINS, UPLAND COTTON, AND RICE

"(k) Reference made in sections 402, 403, 406, 407, and 416 to the terms support price, 'level of support', and 'level of price support' shall be considered to apply as well to the level of loans and purchases for wheat, feed grains, upland cotton, and rice under this Act; and references made to the terms 'price support', 'price support operations', and 'price support program' in such sections and in section 401(a) shall be considered as applying as well to the loan and purchase operations for wheat, feed grains, upland cotton and rice under this Act".

SUPPLEMENTAL SET-ASIDE AND ACREAGE LIMITATION AUTHORITY

SEC. 1007. Effective for the 1986 through 1989 crops of wheat and feed grains, section 113 of the Agricultural Act of 1949 is amended to read as follows:

SUPPLEMENTAL SET-ASIDE AND ACREAGE LIMITATION AUTHORITY

SEC. 113. Notwithstanding any other provision of law or prior announcement made by the Secretary to the contrary, the Secretary may announce and provide for a set-aside or acreage limitation program under section 105B(e) or 107B(e) of this title for one or more of the crops of wheat and feed grains if the Secretary determines that such action is in the public interest as a result of the imposition of restrictions on the export

of any such commodity by the President or other member of the executive branch of Government. In order to carry out effectively a set-aside or acreage limitation program authorized under this section, the Secretary may make such modifications and adjustments in such program as the Secretary determines necessary because of any delay in instituting such program".

NORMALY PLANTED ACREAGE AND TARGET PRICES

SEC. 1008. Sec. 1001 of the Food and Agriculture Act of 1977 is amended by striking "1982 through 1985" and inserting in lieu thereof "1986 through 1989" in subsections (a) and (b).

NORMAL SUPPLY

SEC. 1009. Notwithstanding any other provision of law, if the Secretary of agriculture determines that the supply of wheat, corn, upland cotton, or rice for the marketing year for any of the 1986 through 1989 crops of such commodity is not likely to be excessive and that program measures to reduce or control the planted acreage of the crop are not necessary, such a decision shall constitute a determination that the total supply of the commodity does not exceed the normal supply and no determination to the contrary shall be made by the Secretary with respect to such commodity for such marketing year.

SUBTITLE D—GENERAL PROVISION

SPECIAL GRAZING AND HAY PROGRAM

SEC. 1011. Section 109 of the Agricultural Act of 1949 is amended by striking out "1985" in the first sentence of subsection (a) and inserting in lieu thereof "1989".

TITLE XI—AGRICULTURAL EXPORTS AND PUBLIC LAW 480

SUBTITLE A—EXPORT PROVISIONS

AGRICULTURAL EXPORT CREDIT REVOLVING FUND

SEC. 1101. Section 4(d) of the Food for Peace Act by 1966 (7 U.S.C. 1707(a) is amended by—

(1) striking "1985" wherever it appears in paragraph (6) and inserting in lieu thereof "1989"; and

(2) adding a new paragraph (9) as follows:

"(9) Notwithstanding any other provision of law and regardless of terms, interest rates, or other loan conditions, the provisions of the cargo preference laws shall not apply to any agricultural export promotion and sales financed under any Commodity Credit Corporation export credit program.".

SPECIAL STANDBY EXPORT SUBSIDY PROGRAM

SEC. 1102. Section 1203 of the Agriculture and Food Act of 1981 is amended by adding at the end thereof a new subsection as follows:

"(f) The provisions of the cargo preference laws shall not apply to export sales financed under any Commodity Credit Corporation export program.".

EXPANSION OF INTERNATIONAL MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES AND PRODUCTS THEREOF

SEC. 1103. Section 1207(a) of the Agriculture and Food Act of 1981 is amended by—

(1) striking in the first paragraph "the Secretary of Agriculture should and is requested to" and inserting in lieu thereof "the Secretary of Agriculture shall"; and

(2) in paragraph (1) insert immediately after the word "basis" the words "and, in the event the Secretary of Agriculture shall fail to do so, the President shall report to the Senate and House Committees on Agriculture the reasons therefor"; and

(3) in paragraph (2) insert immediately after "1966" the words "and, if the Secretary of Agriculture fails to request such funds, the President shall report to the Committee on Agriculture, Nutrition and Forestry of the Senate and to the Committee on Agriculture of the House, the reasons therefor".

BONUS COMMODITY EXPORTS

SEC. 1104. (a) Notwithstanding any other provision of law and in addition to any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation by any other provision of law, the Secretary shall use "bonus commodities" from the Commodity Credit Corporation acquired through its price support operations, to the extent they are available, that shall be provided to United States exporters, users and foreign purchasers at no cost to offset the adverse effects of export subsidies of competing exporting countries and to offset disadvantages for United States agricultural commodity exports due to the low value of foreign currencies in relation to the United States dollar.

(b) The Secretary shall calculate the estimated annual storage, interest and handling costs of those Commodity Credit Corporation stocks which he determines to be in excess of those Commodity Credit Corporation stocks which together with domestic commercial stocks are in an adequate carryover status, and declare an amount of such excess stocks, equal to the calculated total costs of the storage, interest and handling costs of all stocks the Secretary determines to be excess, to be bonus commodities available for export under this section. The Secretary shall use a minimum of one-third of such bonus commodities each year for the purpose as set forth in subsection (a) and, in the event the Secretary fails to do so, he shall report to the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Agriculture of the House, the reasons therefor.

(c) Notwithstanding any other provision of law, the provisions of the cargo preference laws shall not apply to the bonus commodity program provided for in this section.

SUBTITLE B—PUBLIC LAW 480

MINIMUM LEVELS OF EXPORTS

SEC. 1105. Section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new subsection:

"(c) In order to more adequately meet the food requirements of needy people in the developing nations while at the same time providing additional export outlets for U.S. farmers, a minimum average quantity of 10 million metric tons of U.S. farm commodities shall be exported annually under titles I, II and III in fiscal years 1986, 1987, 1988 and 1989; *Provided,* That this requirement shall not affect the minimum levels set for title II by section 201(b); *Provided further,* That the 10 million metric ton annual minimum level of exports must be met unless (i) export supplies are not available as determined under subsection (a) or (ii) food needs of developing nations do not merit that quantity as gauged by a lack of request for food assistance by such nations or it is determined by the Food and Agriculture Organization of the United Nations that unfilled food requirements of the developing nations are less than 10 million metric tons during the fiscal year involved. If a quantity less than the minimum level is exported during any year, the President shall report to the Committee on Agriculture, Nutrition and Forestry of the Senate and the Committee on Agriculture of the House the specific reasons for the shortfall."

CARGO PREFERENCE

SEC. 1106. Title IV of the Agricultural Trade Development and Assistance Act of 1954 is amended by—

"Sec. 414. The provisions of the cargo preference laws shall not apply to the export of agricultural commodities under this Act.

EXTENSION OF PROGRAM

SEC. 1107. Section 409 of the Agricultural Trade Development and Assistance Act of 1954 is amended by—

(1) striking out in the first sentence "1985" and inserting in lieu thereof "1989"; and

(2) striking out in the second sentence "Agriculture and Food Act of 1981" and inserting in lieu thereof "Agriculture Act of 1985".

TITLE XII—RESOURCE CONSERVATION

SUBTITLE A—CONSERVATION RESERVE

CONSERVATION RESERVE PROGRAM

SEC. 1201. (a) Notwithstanding any other provision of law, the Secretary may formulate and carry out a program with owners and operators of erosion-prone land to assist such owners or operators to make, in orderly progression, changes in their cropping and land use systems needed to conserve, develop, protect, and use the soil and water resources of their farms, ranches, or other lands and to implement the soil and water conservation measures and practices needed under such changed systems and uses. In assisting such owners and operators, the Secretary shall provide contracts covering other than erosion-prone land upon a demonstration by the conservation district that a serious soil erosion problem exists on such land.

(b) The Secretary may enter into contracts of not less than seven or more than fifteen years for the purpose of carrying out this section. In such contract, the owner or operator shall agree—

(1) to effectuate a plan approved by a conservation district for the farm, ranch, or other land substantially in accordance with the schedule outlined therein unless any requirements thereof are waived or modified by the Secretary;

(2) to forfeit all rights to futher payments under the contract and refund to the United States all payments, with interest, received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the soil conservation district and the Administrator of the Soil Conservation Service, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract;

(3) upon transfer of his right and interest in the farm, ranch, or other land during the contract period to forfeit all rights to further payments under the contract and refund to the United States all payments received thereunder, unless the transferee of any such land agrees with the Secretary to assume all obligations under the contract;

(4) not to adopt any practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract; and

(5) to such additional provisions as the Secretary determines are desirable and are

included in the contract to effectuate the purposes of the program or to facilitate the practical administration thereof.

(c) In return for such agreement by the owner or operator, the Secretary shall agree to provide technical assistance, to share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest, and to pay an annual land rental fee on those acres of erosion-prone cropland that are placed in a conservation use for the duration of the contract.

(d) In determining the amount of cost sharing for conservation measures and practices under this section, the Secretary shall determine that part of the total costs that is necessary and appropriate to effectuate the installation and maintenance of the conservation plantings and practices for a normally expected life of such a planting or practice. Payment shall be made in accordance with a formula developed by the Secretary to take into consideration—

(1) the costs of establishing and maintaining the agreed-upon conservation measures, plantings, and practices for a normal life span;

(2) the severity of the erosion hazard on the land to be converted from cropland to permanent cover; and,

(3) the willingness of the owner or operator, as evidenced in the contract, to apply the conservation measures as specified in the contract early in the life of the contract and maintain them for their normally expected life.

(e) In determining the amount of land rental to be paid for the retirement of erosion-prone cropland to conserving uses for the life of the contract, the Secretary shall accept bids from the owners and operators. In considering bids for acceptance, the Secretary shall give priority to those that will give a combination of—

(1) the lowest cost per ton of soil saved on the diverted land, as calculated by the difference between the estimated soil loss on the pre-contract cropping system employed by the owner or operator and the system that will be installed as a result of the contract; and

(2) the lowest cost per acre/year of erosion-prone cropland diverted, taking into account both the amortized value of the cost sharing required for installation of conservation measures and practices and the proposed per-acre rental fee contained in the bid proffered by the owner or operator.

(f) Notwithstanding any other provision of law, payments under this section shall be made in cash or in in-kind commodities in such amounts as agreed upon and specified in the contract.

(g) The Secretary shall provide the owner or operator the option to elect to receive payments under this section on a schedule, as outlined in the contract, that provides for a close correlation between the time the costs for conservation measures and practices are incurred by the owner or operator and the time the Secretary makes the payments to the owner or operator.

(h) The Secretary shall provide the owner or operator the option to hay or graze the land placed in a conservation use in lieu of annual rental payments.

(i) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under the program.

(j) The Secretary shall provide by appropriate regulations for preservation of cropland, crop acreage, and allotment history applicable to acreage deverted from the production of crops to establish vegetative cover for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation or for participation in such program.

(k) In carrying out the program authorized by this title, the Secretary may use the funds, facilities, and authorities of the Commodity Credit Corporation.

SUBTITLE B—PROGRAM ELIGIBILITY ON HIGHLY ERODIBLE LAND

SEC. 1202. (a) Except as provided in subsection (b) and notwithstanding any other provision of law, following the date of enactment of this title, any person who produces and agricultural commodity on highly erodible land shall be ineligible, for—

(1) any type of price or income support assistance made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) the Commodity Credit Corporation Charter Act of (15 U.S.C. 714 et seq.) or any other Act;

(2) a loan for the construction or purchase of a facility for the storage made under section 4 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h));

(3) crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(4) a disaster payment made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose which will contribute to excessive erosion of highly erodible land.

(b) Subsection (a) shall not apply to—

(1) any land which was cultivated by a person to produce any of the 1975 through 1985 crops of agriculture commodities;

(2) any agricultural commodity crop planted by a person before the date of enactment of this title;

(3) any agricultural commodity crop planted by a person during any crop year beginning before the date of enactment of this title.

(4) any loan described in subsection (a) made before the date of enactment of this title; or

(5) any agricultural commodity crop produced using a conservation system that has been approved by a conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that conservation district. In areas where no conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

SUBTITLE C—GENERAL PROVISIONS

RULES AND REGULATIONS

SEC. 1203. The Secretary shall, within one hundred and twenty (120) days after the enactment of this title, publish in the Federal Register regulations implementing this title, including the technical definition of erosion-prone land and highly erodible land.

ADDITIONAL AUTHORITY

SEC. 1204. The authority provided by this title shall be in addition to and not in place of other authorities available to the Secretary and the Commodity Credit Corporation for carrying out soil and water conservation programs.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 1205. There is hereby authorized to be appropriated such sums as are necessary for the administration of this title.

XIII—EFFECTIVE DATE

SEC. 1301. Except as may otherwise be provided herein, the provisions of this Act shall become effective on enactment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I congratulate the Senator from Kentucky for introducing, at this very early stage in his Senate career, a most meaningful and far-reaching bill affecting agriculture, the McConnell farm bureau bill, as he has called it.

He mentions that it is a signal of his intended involvement in the process of developing farm legislation in this watershed year, and I agree with that term, that indeed this is a watershed year. I have already seen vast evidence of that involvement by Senator MCCONNELL in the process of agriculture legislation. I have held a series of hearings in the process of coming up with a farm bill, and the hearings have affected the farm bill. To the best of my knowledge, Senator MCCONNELL has been at each of those hearings, speaking and contributing to the development of the particular subject at hand for those hearings.

My attitude toward the farm bill probably will not be very far from that of the Senator from Kentucky. I, too, feel that some fundamental changes must be made in the farm picture. I feel, as he does, that the change cannot come overnight, as the administration bill would seem to mandate. That bill, in my judgment, would be a hard blow to the farm economy.

I agree with the Senator from Kentucky when he gives the analysis that no farm bill that is introduced in this session is going to be adopted in toto and that there will be a process of compromise. It is indeed a pleasure to know that the Senator from Kentucky will be hardheaded and will be an important element in developing that compromise.

My attitude with respect to the 1985 farm bill is that some things of great importance must be accomplished. Competitiveness must be restored to American agriculture. Certain conservation aspects must be achieved, because much crop land that is now tilled is fragile and is threatening to blow away. Not only the farmer but also the infrastructure of American agriculture must be put to work again, and that means full production. I support agricultural legislation that moves quickly toward full production of the agriculture sector.

Finally, the other important element of the farm bill, in my judgment, will be the protection of income, because the farmer does need a protective period during what are probably

going to be several hard years ahead. Some protection of farm income is necessary during that period, as we return to a greater free-market concept.

I congratulate the Senator from Kentucky for the introduction of his first bill. I believe it is his first bill. Is that correct?

Mr. McCONNELL. That is correct.

Mr. BOSCHWITZ. It is the first bill he has introduced, and that it should be such a wide-ranging and far-reaching bill as the Farm Bureau bill is an extraordinary compliment to him, as well as the fact that the largest farm organization in the United States would seek him out for the purpose of introducing this bill.

Mr. McCONNELL. Mr. President, will the Senator yield?

Mr. BOSCHWITZ. I yield.

Mr. McCONNELL. Mr. President, I thank the distinguished Senator from Minnesota for his kind remarks about this bill.

I do not think there is anyone in this body who knows more about agriculture than he does. We have all been impressed with his observations during committee meetings and on the floor about the status of American agriculture and what to do about it. Without his inspired leadership on this subject, I do not think we could find our way through this morass in the direction of an appropriate farm bill for the next 4 years.

Mr. BOSCHWITZ. I thank the Senator from Kentucky for those remarks. He will be involved in this process of developing a farm bill for 1985, and so will I. I suppose we will see eye to eye on many of the issues, and I look forward to working with him. I have enjoyed working with him through the committee process, and I compliment him for his extreme activity in the committee. I believe he attended each of the hearings at which I was present.

Once again, I think it is indeed remarkable that a new Senator would be given the task by the largest farm organization in the country of introducing legislation to impact the agriculture sector. I congratulate the Senator from Kentucky.

Mr. McCONNELL. I thank the Senator.

CLAYTON YEUTTER, U.S. SPECIAL TRADE REPRESENTATIVE

Mr. DIXON. Mr. President, today I would like to bring to the attention of my colleagues an editorial from the April 9, 1985, Chicago Tribune commenting on the recent appointment of Mr. Clayton Yeutter as U.S. Special Trade Representative.

The editorial very accurately expresses my own feelings about the wisdom of the selection of Mr. Yeutter, and I ask unanimous consent that it be reprinted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

YEUTTER'S NEW JOB

Clayton Yeutter's new assignment as the nation's chief trade official puts him on a tough spot, which is the kind of spot Mr. Yeutter thrives on. He has done so for the last six years as president of the Chicago Mercantile Exchange, which has renovated itself under his leadership.

The job for which President Reagan nominated Mr. Yeutter, U.S. special trade representative, is exceptionally challenging right now. The clash with Japan over trade imbalance is a serious concern to both countries and takes in a complex set of issues—not just government policies but deep-rooted traditions and practices on both sides.

Mr. Yeutter fundamentally is a free-trade advocate, and is a tough, able and experienced negotiator in foreign trade matters. He is not noted for tactfulness, and that may seem a drawback in dealing with the Japanese.

Still, courtesies may sometimes mask an inflexible bargaining position. If Mr. Yeutter cannot outdo Japan's representatives in politeness, he is well qualified for any hardball negotiations that may be called for. He and Mr. Reagan are both to be congratulated for the choice.

JOBS CORPS FIREFIGHTERS

Mr. FORD. Mr. President, many reasons have been given for maintaining the Job Corps Program which is providing employment for 44,000 low-income Americans, ages 16 to 22, this year. While the Reagan administration has proposed eliminating the program, the aid of Job Corps workers during the recent rage of forest fires across several Southeastern States gives us the most powerful reason yet to save the program from a proposed elimination.

It is apparent that the primary attack on these devastating forest fires in many of these States, including Kentucky, came from Job Corps crews. I ask unanimous consent that an article from Louisville Courier Journal, which describes Job Corps firefighting assistance, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Louisville Courier Journal, Apr. 15, 1985]

CUTBACKS MAY DOOM JOB CORPS FIREFIGHTERS

(By William Keesler)

PINE KNOT, KY.—When forest fires raged across the Southeast earlier this month, crews from two Job Corps centers in the state helped battle flames on federal land in a half-dozen Eastern Kentucky counties.

A 15-man Job Corps crew helped combat a 1,300-acre fire in Alabama.

And a 10-man crew cooked for firefighters in North Carolina.

The U.S. Forest Service depends heavily on the Job Corps for fire control.

"We couldn't do it without them right now," said Jack Steelmon, district ranger for the Somerset District of the Daniel Boone National Forest. "We would be in serious trouble without their help."

Forest officials are concerned about a Reagan administration proposal to abolish the Job Corps, which is providing employment training for 44,000 low-income Americans, ages 16 to 22, this year.

The $615 million program has frequently been targeted for the fiscal ax, however, and forest officials hope it will again escape a deadly blow.

Job Corps crews make up 75 percent of the firefighting force for the 679,000-acre Daniel Boone National Forest, said Charles J. Crait, forest public information officer.

Corpsmen once were used primarily to back up forest service fire crews. They assisted mainly with mop-up work—helping ensure that fires were completely out.

Over the past two years, however, 100 part-time federal forest-service workers in Eastern Kentucky, many of whom were trained firefighters, have been laid off because of federal budget-cutting measures.

As a result, Job Corps crews now serve as the primary attack force on many fires.

Two of the six Job Corps centers in the state provide fire units. Seventy-five of 224 corpsman at the Pine Knot center in southern McCreary County are trained to fight fires. And 40 of the 168 corpsmen at the Frenchburg center in Menifee County are trained firefighters.

Bill Knisley, deputy director of the Pine Knot center, says firefighting is "strictly a sideline" to the regular Job Corps business of training young people for employment in carpentry, masonry, cooking and other trades. (Job Corps also teaches academic skills, to help corpsmen earn high school equivalency diplomas, and living skills, such as personal hygiene.)

Firefighting supplements the pay of corpsmen, adding $6.49 per hour of firefighting to the $40-to-$100 allowance they receive each month.

"And it's a service to the taxpayers," Knisley said.

Larry Valverde, a vocational-training specialist who supervises firefighters at the Frenchburg center, said firefighting duties also help corpsmen grow—by exposing them to people and dangers they normally wouldn't encounter at the center.

The two centers draw youths from across the country, particularly from the Southeast. Many of the corpsmen come from urban areas and have never tried to negotiate the kind of rugged terrain they find in Eastern Kentucky.

Frank Whaley, a 22-year-old Pine Knot corpsman from Charleston, S.C., says such conditions can be particularly difficult at night, when the forest fire and the battery-operated lamp on a corpsman's helmet often provide the only light.

"You can see the fire on one side of you, but on the other side it's just darkness and silence," Whaley said.

"We don't have too much woods in Charleston. We have streetlights and sidewalks, and you have cars coming at you with headlights.

"It's a different experience."

Corpsmen must be 18 years old and must pass a physical-fitness test to become firefighters. They complete four hours of classroom fire study and four hours of outdoor field training.

Then they spend 12 to 30 hours assisting with prescribed burns—controlled fires set by the forest service to improve growing conditions for pines and destroy undergrowth that could fuel forest fires.

Once corpsmen have sufficient experience with prescribed burns, they can be sent to fight full-fledged forest fires.

Corpsmen from the Pine Knot center helped fight a blaze in Georgia last month. In 1977, nine 20-man crews from Pine Knot spent 28 days battling fires in California.

One afternoon earlier this month, a 10-man Job Corps crew from Pine Knot, plus two supervisors, assisted with a 30-acre prescribed burn on a ridge near Sawyer in northeastern McCreary County.

The corpsmen expected just to help mop up. But things got hotter than anticipated when a spark apparently blew down the slope and set the face of an old coal mine on fire.

When the corpsmen arrived in their van, Kim Spielman, a wildlife biologist with the forest service, came running up to greet them.

"Get the rakes," she urged. "We've got a breakout down by the cliff."

The corpsmen, wearing hard hats and green and yellow fire-retardant clothes, ran several hundred yards to the scene, where they eased carefully down the steep, 75-foot incline, split into two groups of five and began raking.

Every few seconds, a corpsman in each group shouted, "Bump up!" and the line of workers methodically shifted 10 to 20 feet to the left, where the raking continued.

Within 45 minutes, the corpsmen, plus a half a dozen forest service employees, had scratched a 3-foot clearing around the cliff. Then they helped widen the line, limiting the accidental blaze to one acre.

"This kind of situation is exactly what we have them here for," Clemon Garrison, who supervised the prescribed burn for the forest service, said of the corpsmen.

Forest service workers "could have controlled the fire" themselves, said Garrison, his face black with soot. "But we would have had to work a lot harder."

The next night, a crew from Pine Knot was sent to fight the 1,300-acre fire in Alabama.

And during the next three days, five 10-man crews from Pine Knot battled fires in Clay, Leslie, Laurel and Rockcastle counties.

Meanwhile, three 10-man crews from Frenchburg worked on a 100-acre fire in the Morehead area, with one also helping out on the fire in Leslie.

Fires struck more than 500 acres managed by the forest service over the three-day period.

What will happen if there are no more Job Corps crews to fight such fires?

Steelmon said the forest service would still be able to control fires, but only if the corpsmen were somehow replaced. The most logical replacements for Job Corps firefighters would be college forestry students, Steelmon said.

But training the students and paying their wages would likely be more expensive than using the Job Corps, he warned.

NATIONAL LIBRARY WEEK

Mr. MOYNIHAN. Mr. President, I rise to note that yesterday the Senate passed legislation, which I introduced and which 27 of my colleagues cosponsored, to designate the month of April 1985 as National School Library Month.

I would wish to take a moment of the Senate's time, with the kind indulgence of my friend from Arizona [Mr. GOLDWATER], who says I can speak on any subject I like in this regard so long as I mention the Phoenix Library, which I do with great enthusiasm. It is a library which has a longer and more illustrious history than many of the libraries of other parts of the country. Arizona was a settled civilization of the Spanish conquest in the mid-17th century. It was not until 1833 that New Hampshire began a free public library, the first of its kind in the country. But long before that, the people of Phoenix had access to the very considerable libraries associated with the cathedral there.

The object of our joint resolution, Mr. President, which I hope the House will shortly pass and become a law, is to acknowledge this country's school libraries. As we celebrate the 28th annual National Library Week, we acknowledge all our country's libraries, and we remind this body of its responsibility to them—a responsibility which stems from the enactment of the Library Services and Construction Act in 1956, and which has proceeded in a steady, principled, and wholly successful pace for almost three decades.

It was not the first time Congress supported this country's libraries. It was one of the great and inspired choices of our predecessors in this body to purchase Thomas Jefferson's personal library at Monticello in 1815, and thereafter establish the Library of Congress, which is the principal library of its kind. Along with the New York Public Library, they are the two great research libraries of this country, and indeed the world, to which the public has full access.

Mr. President, the point we make is that of all the moneys spent on education, surely none are so modest, nor yet so important as those spent on libraries, which reach from teacher to child, librarian to student, and student to student, through a very long chain of events indeed.

I ask if there are many Members of this body who, if asked to think of the person who most influenced them in school as a young child would not name that librarian, who brought that book down, who said, "Here, have it, take it, it is yours. The shelves are full. Come in. Read what you want. This is for free."

In a world where candy stores were not for free and movie houses were not for free, libraries were. Libraries welcomed; libraries gave. And since 1956, we have been encouraging them with small, steady appropriations in the neighborhood of $100 million a year, never much more than that.

And we have something to show for it. We now have a much improved library system which is responsible, among other things, for introducing young children to data processing, electronic retrieval, and the whole world of computers. As children learn to manage the school library on its computer index, they find themselves connected from the smallest school in New Hampshire or upstate New York or Phoenix to the Library of Congress across the street; they are provided instant access to the most complicated and effective information system in the world.

Mr. President, I make the point that the recent compromise proposal between the White House and the majority in this body apparently intends to put an end to the support for libraries in next year's budget. I urge us not to do this. It would be the smallest of savings and the largest of losses in terms of the education of our children and the vitality of our educational system.

Mr. President, I know that there are Members on the floor who wish to proceed with another debate. So I will not extend my remarks but to say thank you for your courtesy and to ask everyone in this body, if we do not save another program in the budget debate that begins Monday a week from now, let us save the school libraries. Let us at least have that much sense.

TRIBUTE TO B. FINLEY VINSON

Mr. PRYOR. Mr. President, I am pleased to rise today in recognition of one of the truly outstanding Arkansas citizens in recent times, Mr. B. Finley Vinson. He is not only a leader among the people of my State, he is also my longtime friend.

Finley Vinson is chairman emeritus of First Commercial Bank and First Commercial Corp. In his long record of service he has literally changed the face of Arkansas. With his concentration of quality customer service, he has long known the importance of people and the human touch. He is a friend of education who gets excited over the projects of young people, and at the same time he is a leader among community-minded volunteers who make dreams of Arkansas come true.

A native of Texas, Finley came to Little Rock over 30 years ago, and in time he joined First National Bank in Little Rock. He was elected First National president in 1963 and in 1967 was named chairman of the board.

Colleagues in banking have honored him with leadership posts for his entire career. He served as president of the Arkansas Bankers Association and as a member of the board of the American Bankers. He also chaired the ABA Federal legislative committee for 4 years and served on the board of the Federal Reserve bank in Little Rock.

As a member of his community, Finley Vinson is known as a leader with vision. He has been president of the Chamber of Commerce, the Community Concert Association, and the Arkansas Arts Center. He has given

his time to the United Way, the Little Rock Rotary Club, the Red Cross, and the Arkansas Baptist Medical Center. All of us in the State know of his ceaseless efforts on behalf of the Little Rock airport.

I am pleased to congratulate Finley Vinson on the occasion of his retirement. I'm pleased to join his family and many friends in wishing him many years of happy and distinguished contribution in the future. Knowing his energy and commitment, I am certain that he will be active throughout the State. All of us wish him well.

NATIONAL DRUG ABUSE EDUCATION AND PREVENTION WEEK

Mrs. HAWKINS. Mr. President, a very important piece of legislation has recently been introduced in the U.S. Senate, and I am very proud to be its cosponsor.

My esteemed colleague from the State of Florida, Senator LAWTON CHILES, recently introduced legislation authorizing the "National Drug Abuse Education and Prevention Week," to be held April 21-27, 1985. The dates have been chosen to coincide with two major occurrences: The Pharmacists Against Drug Abuse [PADA] Foundation is celebrating its first anniversary in its efforts to educate parents on drug abuse; and the Parents' Research Institute for Drug Education [PRIDE] is hosting an international conference in Atlanta, GA, to focus on current research findings and the outlook for prevention in the future.

Inasmuch as I firmly believe that the key to preventing drug abuse is in educating potential users to its true dangers, I am pleased to be a part of this effort. The use of illicit narcotics threatens our national safety and security, and brings ruin to the lives of too many of our young people. My work as chairman of the Subcommittee on Alcoholism and Drug Abuse, and the drug enforcement caucus, has revealed that the most tragic aspect of drug abuse problem is its affect on an entire generation of young people. Studies, like the highly acclaimed Operation PAR study of my home State of Florida, prove to an alarming degree that drug use by young Americans is increasing. Other indications are equally frightening, for example, the number of multidrug use, like mixing cocaine and heroin, is up, and the use of more debilitating drugs, like PCP and psychotropic inhalants, is also increasing. Despite the enormous amount of information that is available to our kids today, demand has not abated—in fact, we are witnesses to the contrary.

It is up to us, therefore, as parents, and as legislators, to devise new and more effective means to educate young Americans to the real dangers of drug use. This information can help educate parents, too, in their efforts to reverse the peer pressure that exists virtually forcing their children to use drugs. Too often young people begin using drugs at the ages of 8, 9, and 10 years, when they are too young to realize that what they are doing isn't the least bit cool, it's suicidal. Research indicates that when the real story is made clear to children, especially at home, this peer pressure doesn't have the same effect.

There are many reasons why I am excited about the introduction of this resolution, and I am proud to be a cosponsor of the proposal calling for National Drug Abuse Education and Prevention Week.

TRIP TO EUROPE—APRIL 5-13, 1985

Mr. DOLE. Mr. President, during the Easter recess, I led a six-member Senate delegation on a working visit to Western Europe. During the trip, we had the chance to meet with senior leaders of four of our most important allies: the United Kingdom, France, West Germany, and Italy. We also had the privilege of a private audience in the Vatican with His Holiness, Pope John Paul II.

MEMBERS OF THE DELEGATION

Joining me on the delegation were five Senators with special interest in European affairs and special knowledge of the issues dominating our relations with the countries of Western Europe:

Senator STROM THURMOND of South Carolina, the distinguished president pro tempore of the Senate, ranking majority member of the Armed Services Committee and chairman of its Military Construction Subcommittee, whose special interests include defense, NATO affairs and trade problems, especially those impacting on the American textile industry.

Senator JIM MCCLURE of Idaho, the distinguished chairman of the Energy and Natural Resources Committee and member of the appropriations committee, who is especially interested in defense, arms control and trade questions, particularly those related to trade in agricultural products.

Senator PAUL LAXALT of Nevada, a senior member of the Appropriations Committee and chairman of its Military Construction Subcommittee, with special interest in defense, NATO and trade issues. As confidant of the President, Senator LAXALT is also recognized in Europe as speaking with special authority on the administration's positions on United States-European relations.

Senator THAD COCHRAN of Mississippi, whose membership on the Agriculture and Appropriations Committees reflects his expertise and deep involvement in the issues of U.S. defense spending, U.S. agriculture policy, trade—especially trade in agricultural products—and world hunger.

Senator LARRY PRESSLER of South Dakota, chairman of the European Subcommittee of the Foreign Relations Committee, and expert on our relations with NATO and deeply interested in agricultural trade questions.

ISSUES UNDER DISCUSSION

The delegation's discussions with our European friends covered the entire range of security, political, and economic issues permeating the Western alliance. Before outlining the substance of the most important of our individual meetings, though, it is worthwhile to summarize the principal issues which arose during our talks.

Arms control. First, with all of our allies, we found enormous interest in and hope for the Geneva arms control talks. We stressed the strong support in the Senate for the President's efforts in Geneva, and we found a similarly unified allied support for our position. We were especially heartened to find that, despite the existence in some European countries of political minorities pushing for unilateral concessions to the Soviets, everyone with whom we spoke displayed whole-hearted backing for a tough, patient stance in Geneva.

SDI. Second, we found a growing understanding of the President's strategic defense initiative. There is widespread European interest in the potential benefits of participating in SDI-related research, though in some places that interest has not yet crystallized into a firm national decision to participate.

We also found, in candor, some persistent concerns about SDI. Though we appear to be making progress in debunking the notion that SDI reflects an American impulse to delink our defense from Europe's, some of those with whom we spoke still expressed that concern. Two other fears were even more apparent: First, that the high cost of SDI might drain away resources from NATO's force modernization program; and second, that our own arguments for SDI might undercut Western European popular support for deterrence and INF deployments, on which our own security will depend for years to come. We promised our European friends that we would keep these concerns in mind as we continue our own consideration and debate on SDI.

Deficits and interest rates. Third, we found continuing unease about high U.S. deficits and interest rates, which our allies see as at the root of our trade problems and as distorting the international flow of capital. We left with our friends the message that the Senate is determined to do something about our deficits and to do it now. We

will be acting in the days ahead to live up to that pledge.

Trade issues. Finally, and perhaps most important of all, we told our friends that the trade honeymoon is over for all those in Western Europe, Japan, and elsewhere who will not abide by some fair rules of the game. We stated flatly that the upcoming Bonn economic summit may be the last chance to make progress on trade problems in a cooperative, mutually beneficial way, before the forces of protectionism and retaliation overwhelm us. Without denigrating the potential value of a new round of global trade talks, we stressed that we have gone beyond the point where talking is enough. We need action.

Many of us in the delegation represent farm States, and we expressed our special deep concern about the EC's agricultural policies, especially production and export subsidies. We outlined the legislative steps we were considering and predicted—indeed, let me be frank and say we warned—that we will take whatever steps are necessary to see that our farmers are no longer disadvantaged in world markets.

SUMMARY OF INDIVIDUAL DISCUSSIONS

Each one of these issues arose in each of the countries we visited, though naturally in different ways and combinations. I would, therefore, like to give the Senate the flavor of some of the most important of the individual meetings we held at each stop.

London. Because of the Easter holidays, we were in London for only part of 1 working day, but we did have the chance to meet several members of Parliament and discuss INF, SDI and trade related questions. We also met with senior officers of CINCUSNAVEUR, for a briefing on Soviet military capabilities and intentions in Europe, and officials from our missions to NATO and the EC, who came from Brussels to brief us on the security and trade concerns of our European allies. We urged these U.S. officials to stress to their European counterparts the deep concerns in the United States, including in the Congress, on EC agricultural production and export subsidies and import-restricting policies.

Paris. We met, among others, with the following:

OECD Secretary General Paye. Paye said Western Europe's principal economic problems are slow growth and politically dangerous levels of unemployment and its main concern vis-a-vis the U.S. is the high value of the dollar, which helps European exports but destabilizes international exchange markets. The delegation stressed the Senate's determination to tackle our deficit problem. It also underscored its deep concern about EC protectionist practices and especially agricultural subsidies and predicted that time was running out for a negotiated solution to these problems—the pressure for unilateral U.S. action is growing stronger every day. Paye responded that all parties must act to meet the international economic dilemma: The U.S. must reduce deficits and stabilize the value of the dollar; Japan must make a major effort to take more imports; and Western Europe must undertake policies leading to more growth and must deal intensely with the problems created by its agricultural subsidies. Paye counseled against U.S. trade retaliation, which he warned might doom the prospects for real progress in any new round of global trade talks. The delegation indicated American frustration with more talking without concrete action.

Defense Minister Hernu: Hernu stressed two themes: That France, though not in NATO's integrated force structure, was an active member of the Western Alliance, and that France was a loyal and enthusiastic ally of the U.S. He said that France's determination to maintain an independent nuclear force should not be misunderstood—France saw it as one important pillar of overall Western Defenses, not a reflection of any isolationist impulse. France's commitment to the alliance was reflected in the troops it keeps stationed in Germany and its close coordination on defense strategy with NATO. Asked by the delegation about France's view of SDI, he said his government accepted the need for research since the Soviets were similarly engaged. He asked that we consider carefully the impact of U.S. SDI rhetoric in Europe—suggestions that traditional deterrence was somehow immoral might undercut public support for INF deployments, not so much in France but elsewhere in Western Europe. He said France was pushing for a common European position on the question of participating in SDI research, though the potential technological beneifts were clear.

Economics Minister Beregovoy: At the minister's request, the delegation briefed him on the Senate's plans to cut Federal spending and reduce deficits. Beregovoy stated that France is deeply concerned about the strong dollar—that a new round of trade talks must be accompanied by a comprehensive look at the international monetary exchange system. In such trade and monetary talks, the key to success will be that everyone put everything on the table for negotiation—everyone must be willing to compromise. The delegation stressed the seriousness of U.S. concern on our trade deficits and the growing protectionist pressures at home, indicating that the Bonn summit might be the last chance to deal with these problems on a cooperative basis. Beregovoy acknowledged that the EC must be willing to discuss seriously its trade and agricultural policies, including production and export subsidies. He said there is deep admiration for America's recent economic performance. It is up to Europe to initiate industrial restructuring and other economic policies which will produce similar growth.

Senate President Poher: Poher made an eloquent statement on the strength and durability of Franco/American friendship; related his deep personal admiration for the United States; and, in response to delegation questions, discussed the current political situation in France, including the prospects for the 1986 assembly elections.

Bonn. The two most important meetings during our brief stop in Bonn were with:

Foreign Minister Genscher: Genscher offered some general observations on the Soviet Union. He said Gorbachev's moratorium proposal was aimed primarily at Western European public opinion, especially in the Netherlands—which has made no final decision on INF deployments—and at demonstrating publicly that Gorbachev was in charge. He believes that Gromyko's influence may have increased, especially in setting Kremlin policies toward the United States but Soviet policies showed no essential change. Moscow regarded relations with the United States and Bonn as the key to relations in Europe. Genscher stressed his government's close ties with France, even though France remained outside NATO's integrated force structure. In response to delegation questions, he indicated that West Germany understood the need for SDI research and recognized the technological and commercial benefits of participating in that research—though it would want to do so only on a footing equal to the United States, with real access to the relevant technology. He said there was genuine concern, though, about the impact of U.S. Government SDI rhetoric on West German public opinion—if SDI is sold as a substitute for deterrance, it might undermine support for Kohl's security policies. Genscher said he expected a United States-Soviet summit at some point. On economic questions, Genscher said there was great fear that the United States would turn to protectionist trade policies and persistent concern over high U.S. interest rates. He acknowledged that Europe had benefited greatly from the strong U.S. economic recovery. The delegation stressed our special concern over the EC's agricultural policies, indicated that we were growing impatient for some substantial progress on economic issues and urged that the West Germans go to the Bonn summit ready to deal seriously with the alliance's economic problems.

Defense Minister Woerner: Woerner acknowledged that Bonn was initially perturbed that SDI was "sprung on us" with no advance consultations, but he said the West German Government understands that: First, since the Soviets are engaged in similar research, the West must keep up; second, SDI was a major factor in getting the Russians back to the table in Geneva; and third, no one is really happy about basing Western security on the destruction of millions of people. He said Bonn will join in SDI research if there is a full partnership—a full sharing of technology. Woerner dismissed the Gorbachev moratorium proposal as propaganda and expressed his government's support for U.S. arms control efforts. He indicated great concern about NATO's conventional force shortcomings. He also praised highly the quality and combat readiness of U.S. forces and noted the degree to which they were accepted and appreciated by the German public. Genscher expressed understanding of U.S. concerns over NATO burden-sharing but asked for American understanding of West Germany's large, nonmonetary contributions to the alliance. He also asked the delegation to be sensitive to the dangers of "overloading the political circuits" in West Germany by asking too much of our alliance—the INF deployments were necessary but took a political toll in West Germany.

Rome. We met with the most senior leadership of the Italian Government and with the Director General of the FAO.

Prime Minister Craxi: The delegation congratulated Craxi on his address to the joint session. Craxi stressed Italy's freindship for the United States and support for the alliance, despite some fringe political groups in Italy who are anti-United States. He said it is too early to tell if Gorbachev will make a difference in Soviet policies—it will take the new Soviet leader some time to consolidate his control. Craxi indicated he is hopeful for progress in Geneva but recognizes that many hurdles have to be overcome first. The delegation indicated its hope that the Soviets would not try to negotiate through the media, with grandstand plays like the Gorbachev moratorium proposal. The delegation asked Italy's views on SDI, and Craxi said it was clear that Italy was "interested" in participating in SDI research but it would take more than 60 days to determine how that might best be accomplished. Craxi outlined the steps Italy had taken to combat terrorism. As President of the EC, Craxi said he hoped the OECD meetings would lead to progress on trade questions, and he acknowledged that EC agricultural policies needed to be reexamined. The delegation stressed the growing protectionist pressures in the United States and the Senate's determination to see that American agricultural products were not disadvantaged on world markets. Craxi offered his views on a number of middle East issues, saying he hoped that peace initiatives would be given "breathing space" by all sides. He also expressed hope that some way could be found for progress toward peace in central America.

Defense Minister Spadolini: Spadolini said Italy was proud of its record of "perfect" support for NATO despite the existence of a large Communist party. He asked for the delegation's understanding of Italy's contributions to the alliance, both concrete and invisible, when burden-sharing questions were debated. He said the resumption of the Geneva talks was a great political victory for the United States and asked the delegation's views on the prospects for success. The delegation indicated that the United States was serious about the talks but would not compromise on the security of the alliance. The role of the Senate observer team was explained. Spadolini said the Italian Government supported SDI research and regarded SDI as a powerful bargaining chip for Geneva. He did note European concern that SDI rhetoric might outpace its technical development, leading to unrealistic expectations and undermining support for deterrence. Spadolini said tensions between Greece and Turkey were unfortunate and impacted on the strength of NATO's southern flank, increasing further the importance of Italy's role in the alliance. Spadolini said Western Europeans recognized that the Soviet invasion of Afghanistan represented an indirect threat to Europe, but he said NATO's ability to respond directly was limited.

Foreign Minister Andreotti: In response to delegation questions, Andreotti outlined his Government's views on the problem of Cyprus, stressing the need for a negotiated settlement between NATO allies Greece and Turkey. He expressed high hopes for the Geneva arms control talks and said that a Reagan-Gorbachev summit at the appropriate time could be useful. On SDI, he said that the main concern was how to manage any transition from a deterrence-based strategy to an SDI-based strategy without undermining western security by prematurely undercutting public support for deterrence. Italy understands the need for SDI research, said Andreotti, but has not yet reached a common position on how it might participate in that research. Andreotti said he hoped that the political ferment in the Middle East, especially between the Jordanians and the Palestinians, offered some new prospect of progress and encouraged the United States to be as flexible as possible. The delegation expressed to Andreotti the Senate's intention to take firm action to cut Federal spending and reduce deficits but said at the same time Europe must begin to remove protectionist barriers and adopt more reasonable agricultural policies. Andreotti said that as a net importer of food Italy understood the benefits of freer trade in agricultural products.

FAO Director General Saouma: Saouma asked for delegation support for FAO's request for a budget increase of 1.4 percent over the next 2 years. The delegation explained the budget constraints which make any increase of funding difficult. Saouma and his staff outlined the reasons for different FAO and A.I.D. estimates of food need for Africa this year and expressed the belief that, because of better communication between the two organizations, there would be no repetition of such discrepancies next year.

The Vatican. The delegation was privileged to have a private audience with his Holiness, Pope John Paul II, during which I presented a letter to the Pontiff from the President. The letter touched on two issues of deep personal concern to the Pontiff, the troubling situation in Central America and the arms control talks in Geneva. For the information of all Members, I ask unanimous consent to include in the RECORD the statement which I made to the Pontiff on behalf of the delegation and the response of his Holiness.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BOB DOLE

Your Holiness, on behalf of the members of our delegation, I express deep appreciation for this honor. All of us have the greatest respect and admiration for your tireless efforts on behalf of global peace and the welfare of the most vulnerable among the peoples of the world.

In Europe, we have met with the leaders of four of our closest friends and allies: the United Kingdom, France, the Federal Republic of Germany, and Italy. Our visit to the Vatican today is a fitting climax to our journey.

We have engaged in discussions of a number of major issues—the prospects for reducing the risks of war, especially nuclear war; relations between the states of Europe; improving the economic conditions of our countries; and many other specific matters.

This morning, we fulfill our final important task—delivering to Your Holiness a personal letter from President Reagan. The President's letter touches on two issues which, I know, are of deep personal interest to Your Holiness—the troubling situation in Central America and arms control talks in Geneva.

The President is firmly committed to doing everything reasonably possible to make progress in both these areas. He has outlined constructive steps which our Government has taken in the interest of peace. All of us pray that the President's initiatives will be dealt with objectively by all the other involved parties, and we ask for your

prayers, that these peace efforts will be crowned with success.

Again, thank you sincerely for the privilege of this audience. We will remember it the rest of our lives.

STATEMENT BY POPE JOHN PAUL II

Ladies and Gentlemen, dear Friends,

I am very pleased that you would wish to have this meeting with me during your visit to Europe. For me it is a happy occasion to extend to you the hospitality of the Vatican, and to offer you a word of fraternal encouragement and friendship. I know that you consider me a friend of the American people and I am happy to be looked upon as such.

It is extremely evident from history and from an accurate reading of the signs of the times that the American people have a special mission of service in the world. God has abundantly blessed your forebears and the land they settled in; it is no wonder that he permits so many people throughout the world to place so much hope in America. How many refugees and immigrants have found new life in your land!

I am sure that this visit of yours to Europe is in fact placed under the sign of solidarity—a solidarity that you wish to manifest as representatives of the American people, a solidarity that transcends your national boundaries and reaches out to peoples everywhere. I am sure that every day you pose questions to yourselves: What can we do to be of service to our people? And what can we do to enable our people to fulfill their role of service to their fellow human beings? In a word: How can we advance the great cause of human solidarity? In our search, you certainly come face to face with immense problems, urgent needs, critical situations. But in all of this you must remain conscious of your mission: service and solidarity. And certainly in this service and solidarity there is great human enrichment for the American people, who are themselves confirmed in their traditions and strengthened in their own identity.

But in order to make a lasting contribution of service, in order to promote the true solidarity of peoples, America must remain faithful to herself as "one Nation under God," being truly conscious—in the expression of your own Declaration of Independence—of "Nature's God," of the "Creator," of "the Supreme Judge" and of "the Protection of Divine Providence."

In the awareness of this dependence of God, America is then able to sustain the defense of those rights which your Founding Fathers reverently spoke of as "Life, Liberty and the Pursuit of Happiness."

As Senators of the United States you are in a splendid position to make a monumental contribution to the defense of life, the preservation of liberty and the attainment of true human happiness for countless men, women and children—millions of whom are yet unborn. It is my prayer that the effectiveness of your service will be recorded for future generations in the annuals of the Congressional history of the United States. And through you and your fellow legislators may the cause of human solidarity be advanced among the peoples of the earth.

CONCLUSION

Mr. DOLE. Everywhere we went, our talks were frank, but they were also friendly. And everywhere we went, we found a great interest in the views of the Senate and a great friendship for the United States.

And I would be remiss if I did not mention one final phenomenon which we experienced, perhaps the most encouraging of all. It was French Defense Minister Hernu who first spoke to us of the new wave of support for the western alliance among France's young people, but it was a theme we heard replayed everywhere. The new generation, no less than our own, is committed to the Atlantic alliance as the cornerstone of our mutual security. It is dedicated, no less than we are, to the preservation of the democratic ideals on which the alliance is based. And it is ready to carry on the work begun by the alliance nearly 40 years ago, to preserve peace, defend freedom, and build prosperity on both sides of the Atlantic, by talking, working, and sticking together.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 15, 1985, during the recess of the Senate, received a message from the President of the United States, submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received on April 15, 1985, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:05 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1714. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications. construction of facilities, and research and program management, and for other purposes;

H.J. Res. 33. Joint resolution designating the week of April 29 through May 5, 1985, as "National Child Safety Week"; and

H.J. Res. 195. Joint resolution designating May 1985 as "Older Americans Month."

MEASURES REFERRED

The following measures were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1714. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.J. Res. 195. Joint resolution designating May 1985 as "Older Americans Month"; to the Committee on the Judiciary.

MEASURE HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent pending further disposition:

H.J. Res. 33. Joint resolution designating the week of April 29 through May 5, 1985, as "National Child Safety Week."

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary reported that on today, April 16, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-837. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, report covering certain properties to be transferred to the republic of Panama in accordance with the Panama Canal Treaty of 1977; to the Committee on Armed Services.

EC-838. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report stating that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1984; to the Committee on Commerce, Science, and Transportation.

EC-839. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for Coast Guard services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-840. A communication from the National Commander of the Civil Air Patrol,

transmitting, pursuant to law, the 1985 Civil Air Patrol Report to the Congress; to the Committee on Commerce, Science, and Transportation.

EC-841. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Merchant Marine Act, 1936, to authorize the foreign acquisition of subsidized U.S.-flag vessels; to the Committee on Commerce, Science, and Transportation.

EC-842. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend section 901(b) of the Merchant Marine Act, 1936; to the Committee on Commerce, Science, and Transportation.

EC-843. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970; to the Committee on Commerce, Science, and Transportation.

EC-844. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to approve the Interstate Cost Estimate and permit the apportionment of funds authorized for fiscal year 1987; to the Committee on Environment and Public Works.

EC-845. A communication from the Chairman and Directors of the Tennessee Valley Authority, transmitting, pursuant to law, the fifty-first annual report of the TVA covering fiscal year 1984; to the Committee on Environment and Public Works.

EC-846. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Cleaning Up Hazardous Wastes: An Overview of Superfund Reauthorization issues"; to the Committee on Environment and Public Works

EC-847. A communication from the Secretary of Transportation transmitting a copy of proposed legislation "to amend title 23, United States Code"; to the Committee on Environment and Public Works.

EC-848. A communication from the United States Trade Representative transmitting a copy of proposed legislation "to provide authorization for the Office of the United States Trade Representative through fiscal year 1986 and to provide express authority for certain necessary actions"; to the Committee on Finance.

EC-849. A communication from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, annual trust fund reports; to the Committee on Finance.

EC-850. A communication from the President of the Overseas Private Investment Corporation transmitting a copy of proposed legislation to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Relations.

EC-851. A communication from the Attorney General transmitting, pursuant to law, the annual report of the Attorney General for fiscal year 1983; to the Committee on the Judiciary.

EC-852. A communication from the Chairman of the Federal Home Loan Bank Board transmitting, pursuant to law, the annual report for calendar year 1984; to the Committee on the Judiciary.

EC-853. A communication from the National President and the National Executive Director for the Girl Scouts transmitting, pursuant to law, the annual report of Girl Scouts of the United States of America; to the Committee on the Judiciary.

EC-854. A communication from the Freedom of Information Officer, United States Environmental Protection Agency, transmitting, pursuant to law, an annual report of Agency actions during the preceding calendar year; to the Committee on the Judiciary.

EC-855. A communication from the Chairman of the Board, Student Loan Marketing Association, transmitting, pursuant to law, an annual report and a review of the association's operations and activities for the year ended December 31, 1984; to the Committee on Labor and Human Resources.

EC-856. A communication from the Secretary of Education transmitting, pursuant to law, a copy of the 1985-86 Guaranteed Student Loan Family Contribution Schedule; to the Committee on Labor and Human Resources.

EC-857. A communication from the Assistant Secretary for Civil Rights, Department of Education, transmitting pursuant to law, an annual report summarizing the compliance and enforcement activities of the Office for Civil Rights and identifying significant civil rights or compliance problems; to the Committee on Labor and Human Resources.

EC-858. A communication from the Administrator of Veterans Affairs, Veterans Administration, transmitting a copy of proposed legislation to amend title 38, United States Code, to repeal provisions relating to setting the interest rate on guaranteed or insured housing loans to veterans and inspecting manufactured homes purchased by veterans, to increase the VA loan fee, to authorize direct appropriations to the loan guaranty revolving fund, and for other purposes; to the Committee on Veterans Affairs.

EC-859. A communication from the Under Secretary of Agriculture transmitting, pursuant to law, the third quarterly commodity and country allocation table for food assistance for fiscal year 1985; to the Committee on Agriculture, Nutrition, and Forestry.

EC-860. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, an annual report on a decision to study the conversion of numerous functions at various bases to performance under contract; to the Committee on Armed Services.

EC-861. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on a decision to study the conversion of numerous functions at various bases to performance under contract; to the Committee on Armed Services.

EC-862. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, notice of the intention to exclude certain records from examination by the Comptroller General; to the Committee on Armed Services.

EC-863. A communication from the Deputy Secretary of Defense transmitting, pursuant to law, certain certifications with respect to the Low Level Laser Bomb Guidance Kit program; to the Committee on Armed Services.

EC-864. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a listing of certain contract award dates for May and June, 1985; to the Committee on Armed Services.

EC-865. A communication from the President and Chairman of the Export-Import Bank transmitting, pursuant to law, a report on transactions with communist countries in February 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-866. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, notice of an extension of time for action on an appeal in Allied Chemical Corp., et al. v. Ann Arbor Railroad System, et al.; to the Committee on Commerce, Science, and Transportation.

EC-867. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, notice of an extension of time for action on an appeal in Westinghouse Electric Corp. v. Alton & Southern Railway Co., et al.; to the Committee on Commerce, Science, and Transportation.

EC-868. A communication from the Administrator of the Federal Aviation Administration transmitting, pursuant to law, the revised National Airspace System Plan; to the Committee on Commerce, Science, and Transportation.

EC-869. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, approval of a deferment of certain 1984 construction repayment installments due the U.S. from the Glasgow Irrigation District, Montana; to the Committee on Energy and Natural Resources.

EC-870. A communication from the Acting General Counsel of the Department of Energy transmitting a draft of proposed legislation to authorize appropriations for the Department of Energy for civilian programs for fiscal years 1986 and 1987; to the Committee on Energy and Natural Resources.

EC-871. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, notice of approval of a loan and grant to the Elsinore Valley Municipal Water District, California; to the Committee on Energy and Natural Resources.

EC-872. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on a study of the Medicare hospital wage index; to the Committee on Finance.

EC-873. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. in the sixty days previous to April 4, 1985; to the Committee on Foreign Relations.

EC-874. A communication from the Chairman of the D.C. Retirement Board transmitting, pursuant to law, an actuarial report on the D.C. Police and Firefighters' Retirement Fund Disability Retirement Rate; to the Committee on Governmental Affairs.

EC-875. A communication from the President of the Federal Home Loan Mortgage Corp., transmitting, pursuant to law, the Corporation's 1984 annual report under the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-876. A communication from the Chairman of the Interstate Commerce Commission transmitting, pursuant to law, the Commission's 1984 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-877. A communication from the Executive Officer of the National Science Board transmitting, pursuant to law, the Board's 1984 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-878. A communication from the Secretary of the Foundation of the Federal Bar Association transmitting, pursuant to law, the 1984 audit report of the Foundation; to the Committee on the Judiciary.

EC-879. A communication from the Chairman of the U.S. Merit Systems Protection

Board transmitting, pursuant to law, the Board's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-880. A communication from the Secretary of Education transmitting, pursuant to law, notice of final funding priorities for research in education of the handicapped; to the Committee on Labor and Human Resources.

EC-881. A communication from the Secretary of Education transmitting a draft of proposed legislation to amend the Carl D. Perkins Vocational Education Act; to the Committee on Labor and Human Resources.

EC-882. A communication from the Executive Secretary of Defense transmitting, pursuant to law, the October 1984 report on DOD procurement from small and other businesses; to the Committee on Small Business.

EC-883. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals for April 1, 1985; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture, Nutrition, and forestry, Armed Services, Commerce, Science, and Transportation, Energy and Natural Resources, Environment and Public Works, Finance, Foreign Relations, Select Indian Affairs, the Judiciary, Labor and Human Resources, Small Business, and Veterans Affairs.

EC-884. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Report on the Implementation of the Farm Credit Act Amendments of 1980"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-885. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of the fy 1985 appropriation for the Bureau of Alcohol, Tobacco, and Firearms on a basis necessitating a supplemental appropriation; to the Committee on Appropriations.

EC-886. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of appropriation for the Internal Revenue Service on a basis necessitating a supplemental appropriation; to the Committee on Appropriations.

EC-887. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of the appropriation for the U.S. Customs Service necessitating a supplemental appropriation; to the Committee on Appropriations.

EC-888. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of the appropriation for the Financial Management Service on a basis necessitating a supplemental appropriation; to the Committee on Appropriations.

EC-889. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report stating that the A-6F aircraft and the PHEONIX missile systems have both exceeded unit cost baselines; to the Committee on Armed Services.

EC-890. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the ninety-eighth annual report of the Interstate Commerce Commission covering fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-891. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend section 411 (a) of title 38, United States Code, to increase the dependency and indemnity compensation for the surviving spouse of the Commandant of the Coast Guard; to the Committee on Commerce, Science, and Transportation.

EC-892. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-893. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority, transmitting, pursuant to law, the annual report of the TVA under the Government in the Sunshine Act for calendar year 1984; to the Committee on Governmental Affairs.

EC-894. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report with respect to actions taken to recruit and train Indians to qualify them for positions subject to Indian preference; to the Select Committee on Indian Affairs.

EC-895. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-896. A communication from the Executive Director of the Civil Air Patrol, transmitting, pursuant to law, the annual report of the Civil Air Patrol for calendar year 1984; to the Committee on the Judiciary.

EC-897. A communication from the Under Secretary of Labor, transmitting, a draft of proposed legislation to assure adequate authorization of appropriations for the President's Committee on Employment of the Handicapped; to the Committee on Labor and Human Resources.

EC-898. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for innovative programs for severely handicapped children; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 796. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes (Rept. No. 99-31).

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Special Report on the activities of the Committee on Environment and Public Works for the Ninety-Eighth Congress (Rept. No. 99-32).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON:

S. 906. A bill to provide for the imposition of a surcharge duty on products imported from foreign countries under certain conditions, and for other purposes; to the Committee on Finance.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S. 907. A bill to authorize the establishment of the Jimmy Carter National Historic Site in the State of Georgia and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCONNELL:

S. 908. A bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. QUAYLE:

S. 909. A bill to amend the Internal Revenue Code of 1954 to simplify the tax system by providing a low rate progressive schedule for individuals, and for other purposes; to the Committee on Finance.

By Mr. INOUYE:

S. 910, A bill for the relief of Sun Ok Kim Ok Lyun Kim, Koang Hi Kim, Chin Hi Kim, and Hyun Soo Kim; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. HART) (by request):

S. 911. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1986 and fiscal year 1987, and for other purposes; to the Committee on Armed Services.

By Mr. D'AMATO:

S. 912. A bill to amend the Internal Revenue Code of 1954 to increase the percentage of household and dependent care services for which a credit against tax is allowable; to the Committee on Finance.

By Mr. FORD:

S. 913. A bill to amend the Mineral Lands Leasing Act of 1920 to improve the administration of the Federal coal leasing program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DODD:

S. 914. A bill for the relief of Walter R. McBridge of Hartford, CT; to the Committee on Governmental Affairs.

By Mrs. HAWKINS:

S. 915. A bill to reimburse the State of Florida and its political subdivisions for certain costs incurred in furnishing services to certain aliens; to the Committee on Labor and Human Resources.

By Mr. HEINZ:

S. 916. A bill to amend the Social Security Act to make permanent the provision limiting increases in the Medicare part B premium to the extent necessary to insure that there will not be a net reduction in the benefit check after applying the cost-of-living increase—or when there is no such increase; to the Committee on Finance.

By Mr. GLENN (for himself and Mr. DECONCINI):

S. 917. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the payment of benefits with respect to public safety officers who die of certain medical conditions sustained in the performance of duty; to the Committee on the Judiciary.

By Mr. D'AMATO (by request):

S. 918. A bill to amend the Securities Exchange Act of 1934 to authorize the Securi-

ties and Exchange Commission to subject banks, associations, and other entities that exercise fiduciary powers, to the same regulations as brokers-dealers, pursuant to section 14(b) of the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

S. 919. A bill to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal years 1986 through 1988; to the Committee on Banking, Housing, and Urban Affairs.

S. 920. A bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE (for himself, Mr. FORD and Mr. BOREN):

S. 921. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain passenger motor vehicle safety requirements, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO (by request):

S. 922. A bill to make certain conforming amendments to the Securities Investor Protection Act of 1970 required by the enactment of the Bankruptcy Amendments and Federal Judgeship Act of 1984; to the Committee on the Judiciary.

By Mr. RIEGLE:

S. 923. A bill to establish a Department of International Trade and Industry as an executive department of the Government of the United States, and for other purposes; to the Committee on Governmental Affairs.

By Mr. THURMOND (for himself, Mrs. HAWKINS, Mr. BIDEN, Mr. COCHRAN, Mr. DENTON, Mr. EAST, Mr. KENNEDY, Mr. LAXALT, Mr. MATHIAS, Mr. METZENBAUM, Mr. SPECTER, Mr. ABDNOR, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. DOMENICI, Mr. GRAMM, Mr. HEINZ, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MCCLURE, Mr. NUNN, Mr. PRYOR, Mr. ROTH, Mr. SASSER, Mr. STEVENS, Mr. SYMMS, Mr. WARNER, Mr. WILSON, and Mr. ZORINSKY):

S.J. Res. 110. A joint resolution designating the month of May 1985 as "National Child Safety Awareness Month"; to the Committee on the Judiciary.

By Mr. DIXON:

S.J. Res. 111. A joint resolution to designate the month of October 1985 as "National Spina Bifida Month"; to the Committee on the Judiciary.

By Mr. PELL:

S.J. Res. 112. A joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CHILES:

S.J. Res. 113. A joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COCHRAN:

S. Con. Res. 40. Concurrent resolution to express the sense of the Congress that the President appoint a bipartisan commission to study the trade deficit and related problems; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORTON:

S. 906. A bill to provide for the imposition of a surcharge duty on products imported from foreign countries under certain conditions, and for other purposes; to the Committee on Finance.

(The remarks of Mr. GORTON and the text of the legislation appear earlier in today's RECORD.)

By Mr. MCCONNELL:

S. 908. A bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. MCCONNELL and Mr. BOSCHWITZ and the text of this legislation appear earlier in today's RECORD.)

By Mr. QUAYLE:

S. 909. A bill to amend the Internal Revenue Code of 1954 to simplify the tax system by providing a low rate progressive schedule for individuals, and for other purposes; to the Committee on Finance.

SELF-TAX PLAN ACT

● Mr. QUAYLE. Mr. President, today I am introducing a modified version of my SELF tax reform act; a plan I first introduced in May 1982.

THE CONSENSUS FOR TAX REFORM

With the unveiling last November of the Treasury Department's plan, tax reform is now high on the congressional agenda. But tax simplification has been high on the agenda of the citizens of Indiana for quite some time. In my 5 years in the U.S. Senate I have noticed a rising groundswell of discontent with the complexity, unfairness and vagaries of the Internal Revenue Code. This discontent has been expressed in the union halls and the coffeeshops around my State and across this country for some time. Just this past February I chaired a series of field hearings of the Senate Budget Committee in Indiana and heard the plea again and again for tax simplification. I believe it is time that the Congress responded to our constituents' sensible demand for tax reform. I am proud that I took the initiative—almost 3 years ago—to introduce in the Senate the first major tax simplification bill—the SELF tax plan. SELF incorporates what I believe should be the guiding principles of any tax code; simplicity, efficiency, low rates, and fairness. It is significant that all the major reform proposals introduced after SELF espouse the same goals.

SIMPLICITY

The driving force behind tax reform is the public's desire for simplicity. True—we need to reform the code to improve administrative and economic efficiency—but it is the perceived complexity and unfairness of the tax code that makes tax reform a populist issue. To the extent that simplicity requires the wholesale elimination of tax expenditures and allows us to lower rates, it also brings us to the beneficial derivatives of efficiency and fairness.

I believe that it is essential that individuals be able to understand the basic requirements of the tax law and how to file their own returns. Our current code is a helter skelter maze that confuses and discourages the average taxpayer. Although two-thirds of all taxpayers do not itemize they find it difficult to understand a system that allows their neighbors making the same income to pay thousands of dollars less in taxes because they know how to take advantage of some loopholes or fringe benefits from their Fortune 500 employer.

Current law is so complicated that not even the IRS is able to render consistently reliable interpretations of it. Ralph Nader's tax reform research group ran a test some years ago in which the tax data for a nonexistent couple with one child was submitted to 22 IRS offices around the country. Incredibly, each office came up with a different result ranging from a refund of $811.96 to an underpayment of $52.14—a difference of $864.10.

We must, of course, ask ourselves "at what price simplicity?" There are some deductions that are necessary to the maintenance of traditional American values, such as those for home mortgage interest, charities, and medical expenses. Others, such as IRA's and Keoghs, actually increase aggregate savings by relieving the bias against savings. While SELF allows these deductions, it draws the line at tax preferences which distort tax neutrality and reduce the tax base by targeting savings to specific investments—or which actually reduce aggregate savings by requiring higher marginal tax rates to recoup lost revenues.

EFFICIENCY

SELF intends to promote economic efficiency—to reduce the burden and role of taxation on individual economic decisions through lower rates and a broader base, while maintaining the current level of Federal tax revenues. The Joint Committee on Taxation has

found that SELF would be revenue neutral.

Moreover, broadening the base is essential if we are to increase the neutrality of the code, reduce avenues of avoidance and distortion, and lower marginal tax rates. Taxing fringe benefits, such as health and life insurance, is unpopular—and sometimes not a simple matter—but efficiency and fairness demand it. Income exclusions encourage individuals to invest in tax free goods and services and to underestimate their true income. For instance, high tax rates and special treatment of fringe benefits have encouraged an erosion of the taxable base and inefficient investment in nontaxable employer-provided benefits. These benefits now equal 20 percent of employee compensation—double what they were 20 years ago and rising. A more rational allocation of compensation resulting from the elimination of these preferences will improve the efficiency of the economy. Moreover, the current system is not fair to the employee of a small business because he is not able to take advantage of these fringe benefits to reduce his taxes.

LOW RATES

Even with the great Kennedy and Reagan tax cuts over the last 20 years Federal tax policy has had two simultaneous—and regrettable results: the upward creeping of marginal tax rates and the constriction of the tax base.

In 1960 less than 3 percent of the population was burdened by marginal tax rates in excess of 30 percent. But by 1981, more than 34 percent of Americans were so burdened. Despite the tremendous increase in the average rate of marginal taxation, which measures the economic burden of taxation, Federal revenues remain 19 percent of GNP—evidence that though the amount of revenues collected by the Federal Government has not increased the financial burden on the economy certainly has.

It is no wonder that over the years individuals and special interests have lobbied Congress for special tax preferences. In fact, the number of exemptions allowed against the income tax has doubled in the last 15 years. Unfortunately, the more Congress yielded to demands for additional tax preferences the more Congress found it necessary to raise marginal tax rates in order to recoup lost revenues. This in turn only made more attractive special interest pleas for relief from even higher tax rates. It should be no surprise that nearly 30 percent of all itemized deductions are taken by 4 percent of the richest taxpayers who pay less than 20 percent of all taxes.

SELF aims to reverse this degenerative cycle. I believe that the best way to reduce the role of taxation on individuals and their economic decisions is primarily though the reduction of tax rates and secondarily through the elimination of all but the most vital tax exclusions and exemptions. SELF cuts the top marginal tax rate 40 percent—reducing it to 30 percent on married couples with incomes over $45,000.

So high is the penalty on taxable income that recently released data from the IRS reveals that the share of income taxes paid by the wealthy has actually increased in the 2 years immediately following the 1981 Reagan marginal tax rate cuts—despite the fact that taxpayers in the highest brackets received the largest tax rate reduction. This data yields further credence to the theoretical arguments that marginal rates of taxation over 30 percent are counterproductive and that the real way to soak the rich is to lower their rates and broaden the base.

I believe that we need to continue on this path of reducing the marginal rate of taxation. The recently followed path of loophole closing without rate reductions is quickly approaching political and economic points of diminishing marginal returns. This past summer Congress spent hundreds of hours on the Deficit Reduction Act reducing tax loopholes and increasing revenues. Can we continue on this course? I believe it will be more difficult to eliminate the remaining tax expenditures one at a time. I also question whether such marginal reductions can really increase revenues significantly. I do know from my mail on recordkeeping requirements that they can increase congressional mail considerably.

FAIRNESS

The Joint Committee on Taxation informs me that SELF has an equal number of winners and losers across the income spectrum, and that SELF would leave virtually undisturbed the current distribution of tax liability by income class.

There is more to fairness than political expediency, however. Taxing the poor is just plain unfair—and bad welfare economics. It takes money from those who need it to survive and provides perverse economic constraints. A recent study by Art Laffer demonstrated that the working poor face marginal taxes as high as 279 percent because every dollar they earn reduces their welfare benefits by as much as 100 percent and is taxed at rates of at least 11 percent. By eliminating taxes on individuals with incomes less than $7,000; as well as on couples with two children with incomes less than $14,000; SELF eliminates much of this marginal tax on the working poor. SELF encourages the poor to work—without weakening the safety net. Finally, SELF is fair to all income earning taxpayers because it limits tax preferences to general deductions available to more than an exclusive group of taxpayers.

REASONS FOR TAX REFORM

The U.S. Tax Code represents a major impediment to continued American productivity and prosperity. A combination of punitively high marginal tax rates and hundreds of special exclusions, credits, exemptions, and deductions have an inappropriate distortive effect on individual economic decisions. Our current personal income tax system wrongly induces individuals to consume rather than to save, and to invest in housing and other durable goods rather than financial investments that could lead to further economic growth.

The foundation of any tax reform must be a reduction in the current top marginal income tax rate. Lower marginal tax rates have vital, far reaching economic benefits for all income classes. Low rates encourage individual entrepreneurship, discourage tax avoidance, and allow individuals to make decisions on work, savings, and investments without regard to distorting tax rates.

SELF serves as a model of a comprehensive income tax. It eliminates the current distortions of high marginal tax rates by lowering the top marginal tax rate to 30 percent and by broadening the base.

SELF retains current law deductions for home mortgage interest, charities, medical expenses, IRA's, Keoghs, and other retirement plans.

SELF retains current law treatment of State and local bonds.

SELF indexes all rate schedules, exemptions, and zero bracket amounts to inflation and taxes income at rates of 0, 15, 24, and 30 percent.

SELF provides "zero bracket amounts" of $6,000 for individuals and $10,000 for married taxpayers.

SELF will eliminate the marriage penalty by permitting optional separate filing by two-earner married couples.

SELF will tax all corporations at a rate of 30 percent.

SELF will eliminate most corporate tax preferences and provide for economic depreciation.

SELF will allow for 100-percent deduction of dividends paid on new equity.

CORPORATE TAX

The bill I introduce today differs from its predecessors in that it includes also a model for reform of the corporate tax system. The primary goal of corporate tax reform ought to be tax neutrality—on two levels—neutrality between consumption and savings and neutrality between different investments. The present system taxes long-term structures at significantly higher effective tax rates than shorter term equipment. This results in an uneven tax burden among industries and shortsighted and inefficient investment policies. Higher tax rates on

plant and long-term assets, such as equipment, have contributed to the obsolescence of American plant and industry. Some major companies pay no taxes at all by taking advantage of other preferences. The simplest way to restore tax neutrality is to eliminate most of these preferences—including the investment tax credit [ITC].

We must be concerned about overall neutrality between investment and consumption. Merely eliminating the bias between different kinds of investment by terminating the ITC only aggravates the current bias of the corporate tax system against savings. In order to lower the tax disincentive against all investment SELF provides for a maximum corporate rate of 30 percent and allows a deduction for 100 percent of all dividends paid on new equity. This would eliminate the double taxation of savings and dividends. Current law discourages equity financing because interest is deductible, but dividends paid are not. SELF is vastly more effective than the Treasury proposal—which allows the deduction of 50 percent of all dividends paid. SELF's 100-percent deduction doubles the incentive to invest, but does not provide a multibillion windfall to shareholders of outstanding equity.

SELF applies the principle of tax neutrality to cost recovery also. SELF essentially maintains the current classifications of ACRS, but adjusts the depreciation rate to reflect economic depreciation. The Capital Recovery System in SELF has two other efficient provisions. As does the Treasury proposal, SELF will allow the indexation of all depreciation charges. This will be facilitated by converting depreciation vintage accounts to five open-ended capital accounts.

Indexation of tax provisions is economically efficient and should be considered wherever possible—but not when it conflicts with simplicity. That is why I have chosen to forgo indexing of the capital gains in lieu of continuing a favorable rate.

CONCLUSION

Congress must finally undo the grip of the special interests and act on the need for tax simplification.

Mr. President. I ask unanimous consent that the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 909

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "SELF-Tax Plan Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL AND CORPORATE TAX RATES

Subtitle A—Reduction of Rates

SEC. 101. SIMPLIFIED RATES FOR INDIVIDUALS.

So much of section 1 (relating to imposition of tax on individuals) as precedes subsection (f) thereof is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b) who is not a married individual (as defined in section 143), a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $6,000	No tax.
Over $6,000 but not over $20,000	0 plus 15% of the excess over $6,000.
Over $20,000 but not over $30,000	$2,100 plus 24% of the excess over $20,000.
Over $30,000	$4,500 plus 30% of the excess over $30,000.

"(b) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and every surviving spouse (as defined in section 2(a)), a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $10,000	No tax.
Over $10,000 but not over $24,000	0 plus 15% of the excess over $10,000.
Over $24,000 but not over $45,000	$2,100 plus 24% of the excess over $20,000.
Over $45,000	$7,140 plus 30% of the excess over $45,000.

"(c) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)), a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $6,000	No tax.
Over $6,000 but not over $20,000	0 plus 15% of the excess over $6,000.
Over $22,000 but not over $35,000.	$2,400 plus 24% of the excess over $22,000.
Over $35,000	$5,520 plus 30% of the excess over $35,000.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $5,000	No tax.
Over $5,000 but not over $12,000	0 plus 15% of the excess over $5,000.
Over $12,000 but not over $22,500.	$1,050 plus 24% of the excess over $12,000.
Over $22,500	$3,570 plus 30% of the excess over $22,500.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this section a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $7,000	15% of taxable income.
Over $7,000 but not over $17,500	$1,050 plus 24% of the excess over $7,000.
Over $17,500	$3,570 plus 30% of the excess over $17,500."

SEC. 102. FLAT TAX FOR CORPORATIONS.

(a) IN GENERAL.—Subsection (a) of section 11 (imposing tax on corporations) is amended to read as follows:

"(a) CORPORATIONS IN GENERAL.—There is hereby imposed on the taxable income of every corporation a tax equal to 30 percent of the taxable income for the taxable year."

(b) CONFORMING AMENDMENT.—Subsection (b) of section 11 (relating to amount of tax) is hereby repealed and subsection (c) and (d) are redesignated as subsection (b) and (c), respectively.

Subtitle B—Repeals and Changes Related to Reduction in Rates

SEC. 111. REPEALS.

(a) GENERAL RULE.—The following provisions are hereby repealed:

(1) Section 3 (relating to tax tables for individuals).

(2) Part VI of subchapter A of chapter 1 (section 55 and following, relating to minimum tax for tax preferences).

(3) Part I of subchapter G of chapter 1 (section 531 and following, relating to corporations improperly accumulating surplus).

(4) Part II of subchapter G of chapter 1 (section 541 and following, relating to personal holding companies).

(5) Section 1551 (relating to graduated corporate tax rates).

(b) TRUST THROWBACK RULES APPLY ONLY TO FOREIGN TRUST.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distributions by trust) is amended by adding at the end thereof the following new section:

"SEC. 669. SUBPART TO APPLY ONLY TO FOREIGN TRUSTS.

"This subpart shall apply only with respect to amounts distributed from a foreign trust."

SEC. 112. INCOME AVERAGING DISALLOWED FOR TAXPAYER WHO WAS A STUDENT DURING BASE PERIOD.

Subsection (a) of section 1303 (defining individuals who are eligible for income averaging) is amended to read as follows:

"(a) GENERAL RULE.—For purposes of this part, the term 'eligible individual' means any individual who—

"(1) is a citizen or resident of the United States, and

"(2) was not a student in any base period year."

TITLE II—BASE BROADENING

Subtitle A—Credits

PART I—REPEALS

SEC. 201. REPEALS.

The following provisions are hereby repealed:

(1) Section 21 (relating to credit for expenses for household and dependent care services necessary for gainful employment).

(2) Section 22 (relating to credit for the elderly and the permanently and totally disabled).

(3) Section 23 (relating to residential energy credit).

(4) Section 24 (relating to contributions to candidates for public office).

(5) Sections 27(b) and 936 (relating to possessions tax credit).

(6) Section 28 (relating to clinical testing expenses for certain drugs for rare diseases and conditions).

(7) Section 29 (relating to credit for producing fuel from a nonconventional source).

(8) Section 30 (relating to credit for increasing research activities).

(9) Section 32 (relating to earned income).

(10) Section 38 (allowing credits determined under sections 40 and 41 and subparts E and F).

(11) Sections 40 and 87 (relating to alcohol used as fuel).

(12) Section 41 (relating to rules for determining amount of employee stock ownership credit).

(13) Subpart E of part IV of subchapter A of chapter 1 (section 46 and following relating to rules for computing credit for investment in certain depreciable property).

(14) Subpart F of such part IV (sections 51 and 52 relating to rules for computing credit for employment of certain new employees).

PART II—OTHER CHANGES

SEC. 202. REESTABLISHMENT OF PER-COUNTRY LIMITATION ON FOREIGN TAX CREDIT.

Subsection (a) of section 904 (relating to limitation on amount of foreign tax credit) is amended to read as follows:

"(a) PER-COUNTRY LIMITATION.—The amount of the credit allowed under section 901(a) in respect of the tax paid or accrued to any country shall not exceed the same proportion of the tax against which such credit is allowed which the taxpayer's taxable income from sources within such country (but not in excess of the taxpayer's entire taxable income) bears to his entire taxable income for the taxable year."

Subtitle B—Exclusions

PART I—REPEALS

SEC. 211. REPEALS.

The following sections are hereby repealed:

(1) Section 104 (relating to compensation for injuries or sickness).

(2) Section 106 (relating to contributions by employer to accident and health plans).

(3) Section 107 (relating to rental value of parsonages).

(4) Section 112 (relating to certain combat pay of members of the Armed Forces).

(5) Section 113 (relating to mustering-out payments for members of the Armed Forces).

(6) Section 116 (relating to partial exclusion of dividends received by individuals).

(7) Section 118 (relating to contributions to the capital of certain regulated public utilities).

(8) Section 119 (relating to meals or lodging furnished for the convenience of the employer).

(9) Section 120 (relating to amounts received under qualified group legal service plans).

(10) Section 121 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55).

(11) Section 124 (relating to qualified transportation provided by employer).

(12) Section 125 (relating to cafeteria plans).

(13) Section 126 (relating to certain cost-sharing payments).

(14) Section 127 (relating to educational assistance programs).

(15) Section 129 (relating to dependent care assistance programs).

(16) Section 305(e) (relating to dividend reinvestment in public utilities).

(17) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

(18) Section 911 (relating to earned income of citizens or residents of the United States living abroad).

(19) Section 912 (relating to exemption for certain allowances).

(20) Section 931 (relating to income from sources within the United States).

(21) Section 933 (relating to income from sources within Puerto Rico).

(22) Subsections (b) and (d) of section 1382 (relating to exclusion of patronage dividends and per-unit retain allocations for cooperatives).

PART II—OTHER CHANGES

SEC. 212. CERTAIN PRIZES AND AWARDS.

Section 74 (relating to prizes and awards) is amended to read as follows:

"SEC. 74. PRIZES AND AWARDS.

"Except as provided in section 117 (relating to scholarship and fellowship grants), gross income includes amounts received as prizes and awards."

SEC. 213. GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES.

(a) IN GENERAL.—Subsection (a) of section 79 (relating to group-term life insurance purchased for employees) is amended to read as follows:

"(a) IN GENERAL.—There shall be included in the gross income of an employee for the taxable year an amount equal to the cost of group-term life insurance on his life provided for part or all of such year under a policy (or policies) carried directly or indirectly by his employer (or employers); but only to the extent that such cost exceeds the amount, if any, paid by the employee toward the purchase of such insurance."

(b) EXCEPTIONS.—Subsection (b) of section 79 is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(c) CONFORMING AMENDMENT.—Subsection (d) of section 79 is hereby repealed.

SEC. 214. TAXATION OF UNEMPLOYMENT COMPENSATION AND OTHER GOVERNMENTAL BENEFITS.

(a) IN GENERAL.—Section 85 (relating to unemployment compensation) is amended to read as follows:

"SEC. 85. UNEMPLOYMENT COMPENSATION AND OTHER GOVERNMENTAL BENEFITS.

"(a) IN GENERAL.—Gross income includes—

"(1) any unemployment compensation received by the taxpayer during the taxable year, and

"(2) any governmental welfare or assistance benefit received by the taxpayer during the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) the term 'unemployment compensation' means any amount received under a law of the United States or of any State which is in the nature of unemployment compensation,

"(2) the term 'governmental welfare or assistance benefit' means any amount payable in cash or by a qualified instrument under a law of the United States, any State, or the District of Columbia which is in the nature of a welfare benefit or of monetary assistance and which is not otherwise specifically excluded from gross income by a provision of this title or a revenue Act, and

"(3) the term 'qualified instrument' means any scrip, voucher, coupon, stamp, or other instrument which has a fixed monetary value designated on its face and is redeemable for cash or other thing of value.

"(c) LIMITATION.—In the case of any governmental welfare or assistance benefit for which the taxpayer made a cash contribution, the amount includible in gross income of the taxpayer under subsection (a) shall be reduced by the amount of any such contribution."

(b) CLERICAL AMENDMENT.—The item relating to section 85 in the table of sections for part II of subchapter B of chapter 1 is amended to read as follows:

"Sec. 85. Unemployment compensation and other governmental benefits."

SEC. 215. LIMITATION ON PRIVATE-PURPOSE TAX-EXEMPT BONDS.

(a) REPEAL OF TAX EXEMPTION FOR INDUSTRIAL DEVELOPMENT BONDS.—All paragraphs of section 103(b) (relating to industrial development bonds) other than paragraphs (1), (2), and (3) are hereby repealed.

(b) REPEAL OF TAX EXEMPTION FOR MORTGAGE SUBSIDY BONDS.—Section 103A is amended to read as follows:

"SEC. 103A. MORTGAGE SUBSIDY BONDS.

"(a) GENERAL RULE.—Any mortgage subsidy bond shall be treated as an obligation not described in subsection (a) of section 103.

"(b) MORTGAGE SUBSIDY BOND DEFINED.—For purposes of this title, the term 'mortgage subsidy bond' means any obligation which is issued as part of an issue a significant part of the proceeds of which is to be used directly or indirectly for mortgages (or other owner financing) on owner-occupied residences."

(c) REPEAL OF TAX EXEMPTION FOR CERTAIN PRIVATE PURPOSE BONDS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 103 is amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State, a territory, or a possession of the United States, any political subdivision of any such State, territory, or possession, or the District of Columbia."

(B) Subsection (e) of section 103 is amended to read as follows:

"(e) CERTAIN PRIVATE PURPOSE BONDS.—Any obligation which is issued as part of an issue all or a major portion of the proceeds of which are to be used (directly or indirectly)—

"(1) to finance loans to individuals for educational expenses, or

"(2) by an organization described in section 501(c)(3) which is exempt from taxation under section 501(a),

shall be treated as an obligation not described in subsection (a)."

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b)(1) and (c)(1) of section 103 are each amended by striking out "subsection (a) (1) or (2)" each place it appears and inserting in lieu thereof "subsection (a)".

(B) Paragraph (3) of section 103(b) (defining exempt person) is amended to read as follows:

"(3) EXEMPT PERSON.—For purposes of paragraph (2)(A), the term 'exempt person' means a governmental unit."

(C) Subsections (d), (g), (h), (k), (l), and (m) of section 103 are hereby repealed.

SEC. 216. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsections (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant,

to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection."

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

(c) EXCLUSION OF THE AMOUNT OF TUITION REDUCTION REPEALED.—Subsection (d) of section 117 (relating to qualified tuition reduction) is hereby repealed.

Subtitle C—Deductions

PART I—REPEALS

SEC. 221. REPEALS.

The following provisions are hereby repealed:

(1) Subsections (c) and (d) of section 151 (relating to deductions for additional personal exemptions for the elderly and blind) are hereby repealed.

(2) Section 179 (relating to election to expense certain depreciable business assets).

(3) Section 184 (relating to amortization of certain railroad rolling stock).

(4) Section 185 (relating to amortization of railroad grading and tunnel bores).

(5) Section 193 (relating to tertiary injectants).

(6) Section 194 (relating to amortization of reforestation expenditures).

(7) Section 196 (relating to certain unused business credits).

(8) Section 221 (relating to deduction for two-earner married couples).

(9) Section 222 (relating to adoption expenses).

PART II—OTHER CHANGES

SEC. 222. REPEAL OF DEDUCTION FOR ALL CONSUMER INTEREST OTHER THAN INTEREST ON RESIDENTIAL PROPERTY.

Section 163 (relating to interest expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) DENIAL OF DEDUCTION FOR ALL CONSUMER INTEREST OTHER THAN INTEREST ON RESIDENTIAL PROPERTY.—

"(1) IN GENERAL.—No deduction shall be allowed under subsection (a) for any consumer interest.

"(2) CONSUMER INTEREST DEFINED.—For purposes of this subsection, the term consumer interest means any interest which is allowable as a deduction under this chapter solely by reason of this section, except that such term does not include any interest on any indebtedness the proceeds of which were used exclusively to acquire, construct, or rehabilitate any residential property."

SEC. 223. REPEAL OF DEDUCTION FOR STATE AND LOCAL TAXES.

(a) IN GENERAL.—Subsection (a) of section 164 (relating to deduction for taxes) is amended to read as follows:

"(a) GENERAL RULE.—The following taxes shall be allowed as a deduction for the taxable year within which paid or accrued:

(1) Foreign real property, income, war profits, and excess profits taxes.

(2) The windfall profit tax imposed by section 4986."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Subsection (b) of such section 164 is amended to read as follows:

"(b) FOREIGN TAXES DEFINED.—For purposes of this section, the term 'foreign tax' incudes only a tax imposed by the authority of a foreign country."

SEC. 224. TERMINATION OF TAX EXEMPTION FOR DEPOSITS INTO, AND WITHDRAWALS FROM, THE CAPITAL CONSTRUCTION FUND UNDER SECTION 607 OF THE MERCHANT MARINE ACT, 1936.

(a) TAXATION OF DEPOSITS.—Subsection (d) of section 607 of the Merchant Marine Act, 1936 (relating to nontaxability for deposits) is hereby repealed.

(b) ALL WITHDRAWALS TREATED AS NONQUALIFIED.—Subsection (f) of such section 607 is amended by adding at the end thereof the following new paragraph:

"(3) No withdrawal after December 31, 1985, shall be treated as a qualified withdrawal."

Subtitle D—Adjustment to Basis; Changes in Certain Special Capital Gains Treatment Provisions

SEC. 231. ADJUSTMENTS TO BASIS TO ALLOW FOR INFLATION.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF LAND AND CERTAIN OTHER NONFINANCIAL ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—If an indexed asset is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any interest in land held by the taxpayer (whether or not connected with his trade or business),

"(B) any property held by the taxpayer, in connection with a trade or business, of a kind which would normally be included in the inventory of the taxpayer if on hand at the close of the taxable year to the extent the taxpayer does not use the LIFO method of inventorying goods, and

"(C) except as provided in paragraph (2), any other property held by the taxpayer which is not a financial asset (such as stock in a corporation).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include any of the following property or interests in property:

"(A) Recovery property (within the meaning of section 168(e)).

"(B) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(3) LIFO METHOD DEFINED.—The term 'LIFO method' means the method of inventorying goods described in section 472.

"(c) INDEXED BASIS.—For purposes of this section—

"(1) IN GENERAL.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1985).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest $\frac{1}{10}$ of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which the second sentence of section 1231(a) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as

having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(4) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (a) (1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(2) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN A COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584 (a)).

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"SEC. 1022. Indexing of certain assets for purposes of determining gain or loss."

SEC. 232. CHANGES IN CERTAIN SPECIAL CAPITAL GAINS TREATMENT PROVISIONS.

(a) DEDUCTION FOR CERTAIN NET CAPITAL GAINS ALLOWED FOR CORPORATIONS.—Subsection (a) of section 1202 (relating to deduction for capital gains) is amended to read as follows:

"(a) IN GENERAL.—If any taxpayer has a net capital gain for any taxable year, 33⅓ percent of the amount of the net capital gain shall be a deduction from gross income."

(b) REPEAL OF ALTERNATIVE TAX FOR CORPORATIONS.—Section 1201 (relating to alternative tax for corporations) is hereby repealed.

(c) NO SPECIAL CAPITAL GAINS TREATMENT ALLOWED FOR INDEXED ASSETS AND RECOVERY PROPERTY.— Section 1221 (defining capital asset) is amended—

(1) by adding at the end thereof the following new paragraphs:

"(6) recovery property (as such term is defined in section 168(e)); and

"(7) indexed assets (as such term is defined in section 1022(b)).", and

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon.

(d) LIMITATION ON CAPITAL LOSSES APPLIED WITHOUT REGARD TO DISTINCTIONS BETWEEN SHORT TERM AND LONG TERM.—

(1) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses in the case of taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges plus (if such losses exceed such gains) whichever is the smallest:

"(A) the taxable income for the taxable year,

"(B) $3,000 ($1,500 in the case of a separate return by a husband and wife), or

"(C) the net capital loss.

"(2) COMPUTATION OF TAXABLE INCOME.—For purposes of paragraph (1), taxable income shall be computed without regard to gains or losses from sales or exchanges of capital assets and without regard to the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof."

(2) CONFORMING AMENDMENT.—Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—If a taxpayer other than a corporation has a net capital loss for any taxable year, the excess (if any) of—

"(1) the amount of such loss, over

"(2) the amount allowed for the taxable year under subparagraph (A), (B), or (C) of section 1211(b)(1),

shall be treated as a capital loss in the succeeding taxable year."

(e) ELIMINATION OF DISTINCTIONS BETWEEN SHORT-TERM AND LONG-TERM GAINS AND LOSSES BASED ON HOLDING PERIOD.—Section 1222 is amended to read as follows:

"SEC. 1222. OTHER TERMS RELATING TO CAPITAL GAINS AND LOSSES.

"For purposes of this subtitle—

"(1) CAPITAL GAIN.—The term 'capital gain' means gain from the sale or exchange of a capital asset if, and to the extent that, such gain is taken into account in computing gross income.

"(2) CAPITAL LOSS.—The term 'capital loss' means loss from the sale or exchange of a capital asset if, and to the extent that, such loss is taken into account in computing taxable income.

"(3) NET CAPITAL LOSS.—The term 'net capital loss' means the excess of the losses from the sales or exchanges of capital assets over the gains from such sales or exchanges.

"(4) NET CAPITAL GAIN.—The term 'net capital gain' means the excess of the gains from the sales or exchanges of capital assets over the losses from the sales or exchanges of capital assets."

(f) REPEAL OF RELATED PROVISIONS.—The following provisions are hereby repealed:

(1) Section 268 (relating to sale of land with unharvested crop).

(2) Section 272 (relating to disposal of coal or domestic iron ore).

(3) Paragraphs (1), (2), (4), and (5) of subsection (a) and subsections (b), (c), and (d) of section 291 (relating to reduction in certain corporate preference items).

(4) Section 341 (relating to collapsible corporations).

(5) Section 631 (relating to gain or loss in the case of timber, coal, or domestic iron ore).

(6) Section 735 (relating to distributions of property).

(7) Section 751 (relating to collapsible partnerships).

(8) Paragraph (2) of section 1221 (defining capital asset).

(9) Section 1231 (relating to property used in the trade or business and involuntary conversions).

(10) Section 1235 (relating to sale or exchange of patents).

(11) Section 1238 (relating to amortization in excess of depreciation).

(12) Section 1239 (relating to gain from sale of depreciable property between certain related taxpayers).

(13) Section 1245 (relating to gain from dispositions of certain depreciable property).

(14) Section 1246 (relating to gain on foreign investment company stock).

(15) Section 1247 (relating to election by foreign investment companies to distribute income currently).

(16) Section 1248 (relating to gain from certain sales or exchanges of stock in certain foreign corporations).

(17) Section 1249 (relating to gain from certain sales or exchanges of patents, etc., to foreign corporations).

(18) Section 1250 (relating to gain from disposition of certain depreciable realty).

(19) Section 1252 (relating to gain from disposition of farm land).

(20) Section 1254 (relating to gain from disposition of interest in oil, gas, or geothermal property).

(21) Section 1255 (relating to gain from disposition of section 126 property).

(22) Section 1374 (relating to capital gain of subchapter S corporations).

TITLE III—CAPITAL COST RECOVERY

SUBTITLE A—ACCELERATED COST RECOVERY SYSTEM REFORM

SEC. 301. DEPRECIATION ACCOUNT SYSTEM ESTABLISHED; ACCOUNTS INDEXED FOR INFLATION.

Section 168 (relating to accelerated cost recovery system) is amended to read as follows:

"SEC. 168. CAPITAL COST RECOVERY SYSTEM.

"(a) ALLOWANCE OF DEDUCTION.—In the case of recovery property, there shall be allowed the recovery deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—The amount of the deduction allowable by subsection (a) for any taxable year shall be the aggregate amount determined by applying—

"(1) The recovery percentage for each class of property, to

"(2) the balance in the recovery account for such class at the end of such year.

"(c) CLASS AND CLASS LIFE.—

"(1) TABLE.—All recovery property—

"(A) shall be placed in 1 of the classes set forth in the following table, and

"(B) shall have the class life set forth for such class in the following table:

"Class	Class life (in years)
1	3
2	5
3	10
4	15
5	18

"(2) ASSIGNMENT TO CLASSES.—For purposes of paragraph (1)—

"(A) IN GENERAL.—Except as provided in subparagraph (B), recovery property shall be assigned to classes in accordance with the following table:

"If the present class life of the property (in years):	The property shall be assigned to (class):
Is less than 4	1
Equals or exceeds 4.0 but is less than 9.5	2
Equals or exceeds 9.5 but is less than 14	3
Equals or exceeds 14	4

"(B) BUILDINGS AND STRUCTURES ASSIGNED TO CLASS 5.—All class 5 real property shall be assigned to class 5.

"(3) CLASS 5 REAL PROPERTY.—For purposes of paragraph (2), the term 'class 5 real property' means any recovery property which is real property except that such term shall not include any real property with a present class life which is less than 9.5 years.

"(d) RECOVERY PERCENTAGE.—For purposes of this section, the term 'recovery percentage' means, with respect to any class of property for any taxable year, the percentage determined under the following table:

"In the case of class:	The recovery percentage is:
1	33⅓
2	20
3	10
4	5
5	2½

"(e) RECOVERY PROPERTY DEFINED—For purposes of this title, the term 'recovery property' means property of a character subject to the allowance for depreciation—

"(1) used in a trade or business, or

"(2) held for the production of income, which is placed in service by the taxpayer after December 31, 1985.

"(f) RECOVERY ACCOUNT.—

"(1) IN GENERAL.—The taxpayer shall establish a recovery account for each class of recovery property.

"(2) ADDITIONS TO ACCOUNT.—

"(A) IN GENERAL.—The recovery account for any class of recovery property shall be increased by an amount equal to the sum of—

"(i) the product of—

"(I) the basis of each recovery property in such class which is placed in service by the taxpayer during the taxable year, and

"(II) the applicable fraction, plus

"(ii) the product of—

"(I) the basis of each recovery property in such class which was placed in service by the taxpayer during the preceding taxable year, and

"(II) 1 minus the applicable fraction.

"(B) ADJUSTMENT FOR INFLATION.—The recovery account for any class of property shall be increased on the first day of each calendar quarter by the applicable inflation ratio.

"(3) REDUCTIONS IN ACCOUNT.—

"(A) PROPERTY DISPOSED OF DURING YEAR.—The recovery account for any class of recovery property shall be deduced by an amount equal to the amount realized on each recovery property of such class disposed of by the taxpayer during the taxable year.

"(B) AMOUNT ALLOWED UNDER THIS SECTION.—The recovery account for any class of recovery property shall be reduced by an amount equal to the amount of the deduction allowed under subsection (a) with respect to such class (but not less than the amount allowable).

"(4) APPLICABLE FRACTION DEFINED.—For purposes of this subsection, the term 'applicable fraction' means, with respect to any recovery property, a fraction—

"(i) the numerator of which is the number of months (using a mid-month convention) in the taxable year during which the property was in service, and

"(ii) the denominator of which is 12.

"(5) APPLICABLE INFLATION RATIO DEFINED.—For purposes of this subsection, the term 'applicable inflation ratio', with respect to the first day of any calendar quarter, is the percentage arrived at by dividing—

"(A) the gross national product deflator (as defined in section 1022(c)(3)) for the second preceding calendar quarter ending before such day, by

"(B) the gross national product deflator for the third preceding calendar quarter ending before such day.

"(6) TIME FOR MAKING ADJUSTMENTS.—

"(A) IN GENERAL.—Any adjustment under paragraph (2)(A) or (3)(A) shall be made as of the close of the taxable year but before the determination of the amount allowable as a deduction under subsection (a) for such taxable year.

"(B) REDUCTION FOR DEDUCTION.—Any reduction under paragraph (3)(B) shall be made as of the beginning of the taxable year following the taxable year for which the amount was allowed (or allowable) as a deduction under subsection (a).

"(7) COORDINATION WITH OTHER PROVISIONS.—

"(A) DISPOSITIONS NOT TREATED AS DISPOSITIONS FOR CERTAIN PURPOSES.—For purposes of this title (other than this section), the disposition of any property in a recovery account shall be treated as if it were not a disposition.

"(B) NEGATIVE BALANCE.—If, as of the close of any taxable year (after the adjustments under paragraphs (2) and (3)(A)), there is a negative balance in any recovery account then, notwithstanding any other provisions of this subtitle—

"(i) an amount equal to the amount by which—

"(I) such negative balance (expressed as a positive number), exceeds

"(II) the applicable fraction of the basis of all recovery property in the class of recovery property for which such account is established which was placed in service by the taxpayer during the taxable year, shall be included in gross income for such taxable year as ordinary income, and

"(ii) the balance in the account shall be adjusted (as of the beginning of the following taxable year) by adding to the account an amount equal to the amount included in gross income under clause (i).

"(g) SPECIAL RULES.—

"(1) PRESENT CLASS LIFE.—The term 'present class life' means the class life (if any) which would be applicable with respect to any property under subsection (m) of section 167 (determined without regard to paragraph (4) thereof and as if the taxpayer had made an election under such subsection).

"(2) NO ADJUSTMENT WHERE PROPERTY DISPOSED OF BEFORE CLOSE OF TAXABLE YEAR IN WHICH PLACED IN SERVICE.—No adjustment shall be made under paragraphs (2) and (3)(A) of subsection (f) in respect of any property which is disposed of by the taxpayer before the close of the taxable year in which placed in service by the taxpayer.

"(3) TRANSFERS AT DEATH.—No reduction shall be made under paragraph (3)(A) of subsection (f) by reason of any transfer at death.

"(4) PROPERTY CEASING TO BE RECOVERY PROPERTY.—If any property taken into account under subsection (f) ceases to be recovery property during any taxable year—

"(A) such property shall be treated as disposed of by the taxpayer during such taxable year, and

"(B) the basis of such property in the hands of the taxpayer after such cessation shall be treated as equal to its fair market value.

"(5) DISPOSITIONS OTHER THAN SALE OR EXCHANGE.—If any recovery property is disposed of in a disposition which is not a sale, exchange, or involuntary conversion and which is not described in paragraph (6) or (7), the reduction under paragraph (3)(A) of subsection (f) for such disposition shall be the fair market value of the property. In the case of a disposition of property by abandonment, the fair market value thereof shall be treated as if it were zero.

"(6) TRANSFERS WHERE BASIS GOES OVER.—

"(A) IN GENERAL.—If any recovery property is transferred and the transferee's basis of such property is determined in whole or in part by reference to the adjusted basis of the transferor, then, under regulations prescribed by the Secretary—

"(i) the transferor's recovery account for the class of property in which the recovery property falls shall be reduced by the transferred amount, and

"(ii) for purposes of determining the transferee's basis in such property, the adjusted basis of such property in the hands of the transferor shall be treated as equal to the transferred amount.

"(B) TRANSFERRED AMOUNT.—For purposes of subparagraph (A), the transferred amount shall be the amount which bears the same relation to—

"(i) the total amount in the transferor's recovery account immediately before the transfer, as

"(ii) the fair market value of the transferred property bears to the fair market value of all property in such account immediately before the transfer.

"(C) AUTHORITY TO PRESCRIBE ALTERNATE METHODS OF ALLOCATION.—The Secretary may by regulations prescribe alternate methods for allocating the balance in any recovery account for purposes of determining the transferred amount of any property.

"(7) LIKE KIND EXCHANGES; INVOLUNTARY CONVERSIONS.—Under regulations prescribed by the Secretary, in the case of any exchange described in section 1031 or 1033—

"(A) if the properties fall in the same class, changes shall be made in the taxpayer's recovery account for such class only to the extent necessary to reflect the money or other property (within the meaning of section 1031) or property not similar or related in service or use (within the meaning of sec-

tion 1033) paid, exchanged, or received, as the case may be, and

"(B) if the properties fall in different classes, proper adjustments in the recovery accounts for both classes shall be made to carry out the nonrecognition provided for in such section.

"(8) SHORT TAXABLE YEARS.—The application of this section to taxable years of less than 12 months shall be in accordance with regulations prescribed by the Secretary.

"(9) TRANSITIONAL RULE.—

"(A) IN GENERAL.—For any taxable year beginning after December 31, 1985, the taxpayer may elect to treat as recovery property any property which would be recovery property if it had been placed in service after December 31, 1985.

"(B) ELECTION MUST APPLY TO ALL CLASSES.—An election made under this paragraph for any taxable year shall apply with respect to all classes of property.

"(C) METHOD IN WHICH PROPERTY TAKEN INTO ACCOUNT.—Any property which is treated as recovery property by reason of an election under this paragraph for any taxable year—

"(i) shall be treated as placed in service during such taxable year, and

"(ii) shall be taken into account in an amount equal to the adjusted basis of such property as of the beginning of the taxable year."

SUBTITLE B—OTHER CHANGES

PART I—REPEALS

SEC. 311. REPEALS.

The following provisions are hereby repealed:

(1) Subsection (c) of section 263 (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells).

(2) Section 167 (relating to depreciation).

(3) Subsections (b), (c), (g), and (j) of section 169 (relating to amortization of pollution control facilities).

(4) Subsections (c) and (d) of section 177 (relating to trademark and trade name expenditures).

(5) Section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property).

(6) Section 179 (relating to election to expense certain depreciable business assets).

(7) Section 194 (relating to amortization of reforestation expenditures).

(8) Sections 613, 613A, and 614 (relating to percentage depletion).

(9) Section 616 (relating to development expenditures).

(10) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

PART II—OTHER CHANGES

SEC. 316. POLLUTION CONTROL FACILITIES.

(a) IN GENERAL.—Subsection (a) of section 169 (relating to allowance of deduction with respect to the amortization of pollution control facilities) is amended to read as follows:

"(a) Each person, at his election, may treat the amortizable basis of any certified pollution control facility as class 2 recovery property and add an amount equal to such basis to the recovery account (established pursuant to section 168(f)(1)) for such property. Any adjustment in a recovery account under this section shall be made as of the end of the taxable year in which such facility was completed or acquired or the succeeding taxable year. Any election under this subsection shall be made at such time and in such manner as the Secretary shall prescribe."

(b) CLERICAL AMENDMENTS.—Such section 169 is amended by redesignating subsections (d), (e), (f), and (i) as subsections (b), (c), (d), and (e), respectively.

SEC. 317. CIRCULATION EXPENDITURES.

Section 173 (relating to circulation expenditures) is amended to read as follows:

"SEC. 173 CIRCULATION EXPENDITURES.

"(a) GENERAL RULE.—Expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be treated as class 1 recovery property and added to the recovery account (established pursuant to section 168(f)(1)) for such property. Any adjustment in a recovery account under this section shall be made as of the end of the taxable year in which any such expenditure was paid or accrued.

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to any portion of the expenditure as (under regulations prescribed by the Secretary) is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the total amount of such portion of the expenditure which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Secretary permits a revocation of such election subject to such conditions as he deems necessary."

SEC. 318. TRADEMARK AND TRADE NAME EXPENDITURES.

Subsection (a) of section 177 (relating to trademark and trade name expenditures) is amended to read as follows:

"(a) IN GENERAL.—Any trademark or trade name expenditure paid or accrued during a taxable year beginning after December 31, 1955, may, at the election of the taxpayer, be treated as class 2 recovery property and added to the recovery account (established pursuant to section 168(f)(1)) for such property. The expenditures added to such recovery account shall be treated as expenditures properly chargeable to capital account for purposes of section 1016(a)(1) (relating to adjustments to basis of property). Any adjustment in a recovery account under this section shall be made as of the end of the taxable year in which such expenditure was paid or accrued. Any election under this subsection shall be made at such time and in such manner as the Secretary shall prescribe."

SEC. 318. AMORTIZATION OF CONSTRUCTION PERIOD INTEREST AND TAXES.

(a) GENERAL RULE.—Subsection (b) of section 189 (relating to amortization of amounts charged to capital account) is amended to read as follows:

"(b) AMORTIZATION OF AMOUNTS CHARGED TO CAPITAL ACCOUNT.—Any amount paid or accrued which would (but for subsection (a)) be allowable as a deduction for the taxable year in which paid or accrued shall be treated as class 3 recovery property and added to the recovery account (established pursuant to section 168(f)(1)) for such recovery property. Any adjustment in a recovery account under this section shall be made as of the end of the taxable year in which such amount was paid or accrued."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsections (c) and (d) of section 189 are hereby repealed.

(2) Subsection (e) of section 189 is redesignated as subsection (c).

SEC. 319. START-UP EXPENDITURES.

Subsection (b) of section 195 (relating to start-up costs) is amended to read as follows:

"(b) ELECTION TO TREAT AS RECOVERY PROPERTY.—Any start-up expenditure may, at the election of the taxpayer, be treated as class 2 recovery property and added to the recovery account (established pursuant to section 168(f)(1)) for such property. Any adjustment in a recovery account under this section shall be made as of the end of the taxable year in which any such expenditure was paid or accrued. Any election under this subsection shall be made at such time and in such manner as the Secretary shall prescribe."

TITLE IV—MISCELLANEOUS PROVISIONS

Subtitle A—Foreign Income

SEC. 401. ELIMINATION OF DEFERRAL OF INCOME OF CONTROLLED FOREIGN CORPORATIONS.

(a) GENERAL RULE.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by adding at the end thereof the following new subpart:

"Subpart J—Undistributed Profits of Controlled Foreign Corporations

"SEC. 987. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNTS INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation (as defined in section 957) for an uninterrupted period of 30 days or more during any taxable year, every person who is a United States shareholder (as defined in section 951(b)) of such corporation who owns (within the meaning of section 958) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in his gross income, for his taxable year in which or with which such taxable year of the corporation ends, his pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 958) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to its earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the earnings and profits of such corporation for the taxable year, as (ii) the part of such year described in subparagraph (A)(ii) during which such shareholder did not own (within the meaning of section 958) such stock bears to the entire year.

"(b) EARNINGS AND PROFITS.—For purposes of this subpart, under regulations prescribed by the Secretary, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules substantially similar to those applicable to domestic corporations,

"(2) shall be appropriately adjusted for deficits in earnings and profits of such corporations for any prior taxable year beginning after December 31, 1985, and

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States.

"(c) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"(d) ADJUSTMENTS AND FOREIGN TAX CREDITS.—Under regulations prescribed by the Secretary, the following rules shall apply:

"(1) Adjustments to the basis of stock on account of earnings and profits taxed under subsection (a) shall be made in the manner provided in section 961 (relating to increases and reductions in basis on account of the income tax treatment of subpart F income).

"(2) Elimination of double taxation of previously taxed earnings and profits when distributed shall be made in the manner provided in section 959 (relating to exclusion from gross income of previously taxed subpart F income).

"(3) Corporations shall be deemed to have paid income, war profits, and excess profits taxes paid (or deemed paid) by foreign corporations to a foreign country or possession of the United States in accordance with the special rules set forth in section 960."

(b) TERMINATION OF SUBPART F.—Section 951 (relating to taxation of subpart F income) is amended by adding at the end thereof the following new subsection:

"(e) TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1985.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1)(A)(ii) of such subsection) with respect to a taxable year of a controlled foreign corporation beginning after December 31, 1985."

SEC. 402. REPEAL OF FSC AND INTEREST CHARGE DISC.

(a) FSC.—

(1) IN GENERAL.—Section 921 (relating to exempt foreign trade income excluded from gross income) is amended by adding at the end thereof the following new subsection:

"(e) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 1985."

(2) CONFORMING AMENDMENT.—Section 922 (defining FSC) is amended by adding at the end thereof the following new subsection:

"(c) TERMINATION.—No corporation shall be treated as a FSC for any taxable year beginning after December 31, 1985."

(b) INTEREST CHARGE DISC.—

(1) IN GENERAL.—Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following new sentence: "This section shall not apply to any taxable year beginning after December 31, 1985."

(2) CONFORMING AMENDMENTS.—

(A) Section 992(a) (defining DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1985."

(B) Section 995(b)(2) (relating to deemed distributions upon DISC disqualification) is amended by adding at the end thereof the following new subparagraph:

"(C) A corporation which, by reason of the provisions of section 992(a)(4), is a former DISC, for its first taxable year beginning after December 31, 1985, shall be treated, for purposes of this paragraph, as having failed to satisfy the conditions of section 992(a)(1) for such taxable year."

Subtitle B—Other Miscellaneous Provisions

SEC 411. ZERO RATE OF TAX WHERE CORPORATION DISTRIBUTES DIVIDENDS.

(a) ZERO RATE OF TAX.—Part II of subchapter A of chapter 1 (relating to tax on corporations) is amended by redesignating section 12 as section 13 and inserting after section 11 the following new section:

"SEC 12. ZERO RATE OF TAX WHERE CORPORATION DISTRIBUTES DIVIDENDS.

"(a) IN GENERAL.—The amount of the tax imposed by section 11 for the taxable year with respect to the taxable income of a corporation shall be reduced by an amount equal to the amount which would be imposed by section 11 if the taxable income of the corporation for the taxable year equaled its section 12 dividend amount for such year.

"(b) SECTION 12 DIVIDEND AMOUNT DEFINED.—For purposes of this section, the term 'section 12 dividend amount' means the amount of any qualified dividend which was paid by the corporation during the taxable year on eligible stock of the corporation.

"(c) QUALIFIED DIVIDEND AND ELIGIBLE STOCK DEFINED.—For purposes of this section—

"(1) QUALIFIED DIVIDEND.—The term 'qualified dividend' means any dividend (as defined in section 316), but only if such dividend—

"(A) is paid in cash (or is a consent dividend meeting requirements similar to those of section 565),

"(B) is pro rata, with no preference to any share of stock as compared with any other share in the same class, and with no preference to 1 class of stock as compared with another class except to the extent the former is entitled (without reference to waivers of their rights by shareholders) to such preference, and

(c) is not in redemption or in partial or complete liquidation.

"(2) ELIGIBLE STOCK.—The term 'eligible stock' means any share of stock—

"(A) which is issued after December 31, 1985,

"(B) which is a new issue,

"(C) with respect to which the corporation makes an election (in the manner provided in subsection (d)(1)) to have such share taken into account under this section, and

"(D) which is not treasury stock.

"(3) EXCEPTION FOR DIVIDENDS ON CERTAIN PREFERRED STOCK.—The term 'dividend' includes a distribution with respect to stock which is not common stock only if—

"(A) the corporation first issued stock in that class after December 31, 1985, and

"(B) the corporation makes an election (in the manner provided in subsection (d)(1)) to have stock of that class taken into account under this section.

"(d) ELECTION; RECORDKEEPING REQUIREMENT.—

"(1) ELECTION.—The corporation shall make an election—

"(A) to have a new issue of stock treated as eligible stock, or

"(B) to have a class of stock which is not common stock taken into account under this section, at such time and in such manner as the Secretary shall prescribe but not later than the date of issue of such share or class of stock. Any election under this paragraph may not be revoked.

"(2) RECORDKEEPING REQUIREMENT.—Each corporation which makes any election under paragraph (1) shall maintain records in such form as the Secretary shall prescribe of each new issue of and each new class of stock to which such election applies. Records relating to any issue of a share of stock with respect to which an election is in effect shall contain at a minimum the following information with respect to such share:

"(A) The date of issue of such share.

"(B) The amount received by the corporation on the issue of such share (including the fair market value of any property received in lieu of cash).

"(C) The financial characteristics of the issue of which such share was a part.

"(e) DISQUALIFICATION OF ELIGIBLE STOCK IN EVENT OF SUBSEQUENT STOCK PURCHASE OR REPURCHASE BY CORPORATION.—

"(1) IN GENERAL.—In the case of a corporation which has issued any eligible stock and after such issue acquires any share of stock in another corporation or any share of its own stock, the number of eligible shares shall be reduced by the disqualification amount as of the date of any acquisition.

"(2) DISQUALIFICATION AMOUNT.—For purposes of this section, the term 'disqualification amount' means that number of shares of eligible stock for which the corporation received (on the issue of such shares) an amount which is equal to the amount paid by the corporation for an acquisition described in paragraph (1) (including the fair market value of any property transferred by such corporation).

"(3) ORDER IN WHICH SHARES ARE TAKEN INTO ACCOUNT.—For purposes of determining any disqualification amount, eligible stock shall be taken into account on the basis of the average amount of the qualified dividends paid on such stock during the 2-year period ending on the date of any acquisition to which this subsection applies beginning with the highest such average.

"(f) SPECIAL RULES.—For purposes of this section—

"(1) DIVIDENDS PAID AFTER CLOSE OF TAXABLE YEAR.—A dividend paid after the close of any taxable year and on or before the 15th day of the 3rd month following the close of such taxable year shall, to the extent the taxpayer elects in its return for the taxable year, be considered as paid during such taxable year.

"(2) TREATMENT OF DIVIDENDS.—

"(A) IN GENERAL.—The zero rated portion of any dividend paid by a corporation during any taxable year shall not be treated as a dividend for purposes of section 243.

"(B) ZERO RATED PORTION.—The zero rated portion of any dividend is an amount equal to such dividend multiplied by a fraction—

"(i) the numerator of which is the corporation's section 12 dividend amount for the taxable year, including any amount which the corporation elects to treat as such amount under paragraph (2) (or, if lesser, its taxable income for the taxable year), and

"(ii) the denominator of which is the aggregate amount of the dividends paid by the corporation during the taxable year.

"(3) CERTAIN CORPORATIONS NOT ELIGIBLE.—Subsection (a) shall not apply to any corporation which is—

"(A) an insurance company subject to tax under subchapter L,

"(B) a corporation subject to tax imposed by subchapter M (relating to regulated investment companies and real estate trusts), or

"(C) a corporation to which an election under section 936 applies.

"(4) COMPONENT MEMBERS OF THE SAME GROUP.—In the case of controlled group of corporations (within the meaning of section 1563(a))—

"(A) all component members of the group shall be treated as 1 corporation,

"(B) the section 12 dividend amount shall be divided among the component members of the group in the same manner as amounts specified in paragraph (2) of section 561(a) are divided among such members under such section,

"(C) distributions from 1 component member of the group to another component member of the group shall not be treated as dividends, and

"(D) in applying section 1244(c)(3), subparagraph (A) of this paragraph shall apply and amounts received by 1 component member of the group from another member of the group shall not be taken into account.

"(5) SPCEIAL RULE WHERE 20 PERCENT OR MORE OF DIVIDENDS IS PAID TO TAX-EXEMPT OR ACCUMULATION TRUSTS.—Subsection (a) shall not apply to any corporation for any taxable year during which 20 percent or more of the dividends paid by the corporation are paid (directly or indirectly) to one or more of the following:

"(A) Persons which are exempt from tax under section 501.

"(B) Any trust unless, under the terms of the instrument establishing the trust, all of its income is required to be distributed currently.

"(6) PASSIVE INCOME LIMITATION.—

"(A) IN GENERAL.—If the passive investment income fraction of any corporation for any taxable year exceeds ⅛, such corporation's section 12 dividend amount for the taxable year shall not exceed the taxable income of the corporation for the taxable year determined by not taking into account any passive income and any deductions allocable to such income.

"(B) PASSIVE INVESTMENT INCOME FRACTION DEFINED.—The term 'passive investment income fraction' means, with respect to any taxable year, a fraction—

"(i) the numerator of which is the passive investment income for such year, and

"(ii) the denominator of which is the gross receipts for such year.

"(C) PASSIVE INVESTMENT INCOME DEFINED.—The term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities.

"(D) SALES OF STOCK AND SECURITIES.—Gross receipts from the sales or exchanges of stock or securities shall be taken into account only to the extent of gains therefrom.

"(E) SPECIAL RULE FOR CERTAIN LENDING OR FINANCE COMPANIES.—If the corporation meets the requirements of section 542(c)(6) for the taxable year, the term 'passive investment income' shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1))."

(b) CONFORMING AMENDMENT.—Section 243 (relating to deduction for dividends received by corporations) is amended by adding at the end thereof the following new subsection:

"(e) CROSS REFERENCE.—

"For adjustment to deduction where zero rate provisions of section 12 apply, see section 12(f)(2)."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 1 is amended by redesignating the item relating to section 12 as section 13 and by inserting after the item relating to section 11 the following new item:

"Sec. 12. Zero rate of tax where corporation distributes dividend."

SEC. 412. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

(a) GENERAL RULE.—The section heading and subsection (a) of section 447 (relating to method of accounting for corporations engaged in farming) are amended to read as follows:

"SEC. 447. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

"(a) GENERAL RULE.—The taxable income from farming (including timber) shall be computed on an accrual method of accounting and with the capitalization of preproductive expenses described in subsection (b)."

(b) ACCRUAL METHOD NOT REQUIRED FOR TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS: REPEAL OF OTHER EXCEPTIONS.—Section 447 is amended by striking out subsections (c), (d), (e), (g), and (h) and by inserting after subsection (b) the following new subsection:

"(c) TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS.—

"(1) IN GENERAL.—This section shall not apply with respect to any taxpayer if for each prior taxable year of such taxpayer beginning after December 31, 1985 (December 31, 1975, in the case of a corporation), such taxpayer (and, in the case of a corporation, any predecessor) did not have gross receipts exceeding $1,000,000. For purposes of the preceding sentence, all taxpayers which are treated as a single employer under subsection (a) or (b) of section 52 (as in effect before its repeal) shall be treated as 1 taxpayer.

"(2) FARMING SYNDICATES SUBJECT TO ACCRUAL METHOD WITHOUT REGARD TO AMOUNT OF GROSS RECEIPTS.—Paragraph (1) shall not apply to any farming syndicate (as defined in section 464(c))."

(c) CERTAIN EXPENSING DEDUCTIONS NOT ALLOWED TO TAXPAYERS TO WHOM SECTION 447 APPLIES.—Section 447 is amended by inserting after subsection (c) the following new subsection:

"(d) TAXPAYERS TO WHOM SECTION APPLIES NOT ALLOWED TO EXPENSE CERTAIN EXPENDITURES.—In the case of a taxpayer to whom this section applies, the following provisions shall not apply:

"(1) section 175 (relating to soil and water conservation expenditures),

"(2) section 180 (relating to expenditures by farmers for fertilizer, etc.), and

"(3) section 182 (relating to expenditures by farmers for clearing land."

SEC. 413. ADJUSTMENTS TO COMPLETED CONTRACT METHOD.

(a) GENERAL RULE.—Section 229 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to modification of regulations on the completed contract method of accounting) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) DEFERRAL OF INCOME OR LOSS TO BE TAKEN INTO ACCOUNT IN DETERMINING TAX LIABILITY UNDER COMPLETED CONTRACT METHOD OF ACCOUNTING.—

"(1) IN GENERAL.—The tax treatment of any long-term contract with respect to which the completed contract method of accounting is used shall take into account the fact that under such method there has been a deferral of income or loss for purposes of the Internal Revenue Code of 1954.

"(2) SECRETARY OF TREASURY TO PRESCRIBE REGULATIONS ESTABLISHING METHODS.—

"(A) IN GENERAL.—The Secretary of the Treasury (or his delegate) shall prescribe regulations establishing 2 methods which carry out the purposes of paragraph (1), the exact method and the simplified method.

"(B) ALLOCATION OF INCOME AND LOSS TO PROPER YEAR.—Each method described in subparagraph (A) shall be based on allocating to each taxable year in which activities relating to the long-term contract occur such taxable year's proper share of the net income or loss from the contract.

"(C) EXACT METHOD.—For purposes of this paragraph, the term 'exact method' means a method under which interest is computed under chapter 67 of the Internal Revenue Code of 1954 on the underpayments or overpayments for prior taxable years which would result solely from the application of subparagraph (B).

"(D) SIMPLIFIED METHOD.—For purposes of this paragraph, the term 'simplified method' means a method under which the taxpayer's income or loss for the current year is adjusted by an amount which represents interest on each amount which is allocated under subparagraph (B) to a taxable year before the current year. For purposes of the preceding sentence, interest shall be computed under subchapter C of chapter 67 of such Code but at 70 percent of the rates established by section 6621 of such Code.

"(E) $10,000 SMALL BUSINESS EXEMPTION.—

"(i) IN GENERAL—For each current year, the first $10,000 of interest equivalent which (but for this subparagraph) would be owed by the taxpayer under subparagraph (C) or (D) shall not be taken into account.

"(ii) RELATED PERSONS RULE.—For purposes of clause (i)—

"(I) all trades or businesses (whether or not incorporated) which are under common control shall be treated as 1 taxpayer, and

"(II) all interest equivalents of the taxpayer (and related persons) shall be taken into account.

"(F) ELECTION.—The taxpayer may elect the exact method or the simplified method at such time and in such manner as may be prescribed by regulations. Such an election shall apply to all long-term contracts to which the completed method of accounting applies, and (once made) may be revoked only with the consent of the Secretary of the Treasury or his delegate.

"(G) CURRENT YEAR DEFINED.—For purposes of this paragraph, the term 'current year' means the taxable year in which the income or loss from the long-term contract is taken into account under the completed method of accounting."

(b) ELIMINATION OF EXCEPTION FOR CONTRACTS COMPLETED WITHIN 3 YEARS.—Subparagraph (A) of section 229(c)(2) of the Tax Equity and Fiscal Responsibility Act of 1982 (as redesignated by subsection (a)) is amended to read as follows:

"(A) IN GENERAL.—The term 'extended period long-term contract' does not include any construction contract entered into by a taxpayer whose average annual gross receipts over the 3 taxable years preceding the taxable year in which such contract is entered into does not exceed $25,000,000."

SEC. 414. REPEAL OF TAX EXEMPTION FOR CREDIT UNIONS.

Paragraph (14) of section 501(c) (relating to list of exempt organizations) is hereby repealed.

SEC. 415. RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTY BY CORPORATIONS.

(a) DISTRIBUTION.—Section 311 (relating to taxability of corporation on distribution) is amended to read as follows:

"SEC. 311. TAXABILITY OF CORPORATION ON DISTRIBUTION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property with respect to its stock in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION FOR DEBT OF CORPORATION.—Subsection (a) shall not apply with respect to any distribution of an obligation of the corporation."

(b) DISTRIBUTION IN LIQUIDATION.—Section 336 (relating to distributions of property in liquidation) is amended to read as follows:

"SEC. 336. DISTRIBUTIONS OF PROPERTY IN LIQUIDATION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property in complete liquidation in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION WHERE BASIS DETERMINED UNDER SECTION 334(b).—Subsection (a) shall not apply to any liquidation under section 332 for which the basis of property received is determined under section 334(b)."

(c) REPEAL OF SECTION 337.—

(1) Section 337 (relating to gain or loss on sales or exchanges in connection with certain liquidations) is hereby repealed.

(2) ADJUSTMENTS TO SECTION 338.—

(A) Paragraph (1) of section 338(a) (relating to certain stock purchases treated as asset acquisitions) is amended by striking out "to which section 337 applies".

(B) Subsection (c) of section 338 is hereby repealed.

SEC. 416. REPEAL OF TAX EXEMPTION FOR CERTAIN EMPLOYEE TRUSTS.

The following provisions are hereby repealed:

(1) Paragraph (9) of section 501(c) (relating to tax-exempt status of voluntary employee beneficiary associations).

(2) Paragraph (17) of section 501(c) (relating to tax-exempt status of supplemental unemployment compensation benefit trusts).

(3) Paragraph (21) of section 501(c) (relating to tax-exempt status of Black Lung trusts).

SEC. 417. PROVISION EXCLUDING REAL ESTATE FROM AT-RISK RULES REPEALED.

Subparagraph (D) of section 465(c)(3) (relating to exclusions for real property) is hereby repealed.

SEC. 418. ELIMINATION OF SPECIAL BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) BANKS.—

(1) Paragraph (1) of section 585(b) (relating to addition to reserves for bad debts of banks) is amended to read as follows:

"(1) GENERAL RULE.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (2)."

(2) Subsection (b) of section 585 is amended by striking out paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(b) OTHER FINANCIAL INSTITUTIONS.—Subsection (b) of section 593 (relating to addition to reserves for bad debts) is amended to read as follows:

"(b) ADDITION TO RESERVES FOR BAD DEBTS.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be the amount determined to be a reasonable addition to the reserve to the extent such amount does not exceed an amount determined in the same manner as provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(2)."

SEC. 419. CERTAIN EMPLOYEE BENEFITS TAKEN INTO ACCOUNT FOR PURPOSES OF CERTAIN EMPLOYMENT TAXES.

(a) FEDERAL INSURANCE CONTRIBUTIONS ACT TAXES.—Subsection (a) of section 3121 (defining wages is amended—

(1) by striking out paragraphs (2), (4), (17), (18), and (19), and

(2) in paragraph (20), by striking out "or 132".

(b) RAILROAD RETIREMENT TAX.—Subsection (e) of section 3231 (defining compensation) is amended—

(1) in paragraph (4)(A), by striking out clause (i),

(2) in paragraph (4)(B), by striking out ", except to the extent that such sickness (as determined in accordance with standards prescribed by the Railroad Retirement Board) is the result of on-the-job injury", and

(3) in paragraph (5), by striking out "or 132".

(c) UNEMPLOYMENT TAX.—Subsection (a) of section 3306 (defining wages) is amended—

(1) by striking out paragraphs (2), (4), (12), (13), and (14), and

(2) in paragraph (16), by striking out "or 132".

(d) WITHHOLDING.—Subsection (a) of section 3401 (defining wages) is amended—

(1) by striking out paragraphs (1), (12)(C), (15), (18), and (19), and

(2) in paragraph (20), by striking out "or 132".

SEC. 420. REPEAL OF LIFO CONFORMITY REQUIREMENT.

Subsection (c) of section 472 (relating to condition applicable to last-in, first-out inventorying) is hereby repealed.

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATES.

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1985.

(b) TRUST THROWBACK RULES.—The amendment made by section 111(b) shall apply with respect to income accumulated during taxable years of trusts beginning after December 31, 1985.

(c) CREDITS.—

(1) INVESTMENT TAX CREDIT.—The amendment made by section 201(8), to the extent such amendment relates to the credit determined under section 46(a) of the Internal Revenue Code of 1954, shall apply to—

(A) property (to which section 46(d) of the Internal Revenue Code of 1954 does not apply) placed in service after December 31, 1985, and

(B) property to which such section 46(d) applies to the extent of qualified progress expenditures made after December 31, 1985.

(2) PRESERVATION OF EXISTING CREDITS.—The repeals and amendments made by section 201 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1986, to a taxable year beginning after December 31, 1985; except that any carryover to a taxable year beginning after December 31, 1985, shall be reduced to an amount equal to 60 percent of the amount which would have been carried over but for this paragraph.

(d) POSSESSIONS TAX CREDIT.—

(1) REPEAL EFFECTIVE IN 1991.—The amendments made by section 201(5) shall apply to taxable years beginning after December 31, 1990.

(2) 5-YEAR PHASEOUT OF EXISTING CREDIT.—The amount of any credit allowable under section 27(b) of the Internal Revenue Code of 1954—

(A) for taxable years beginning after December 31, 1985, and before January 1, 1987, shall be reduced by 20 percent of the amount which, but for this subparagraph, would be allowed,

(B) for taxable years beginning after December 31, 1986, and before January 1, 1988, shall be reduced by 40 percent of the amount which, but for this subparagraph, would be allowed,

(C) for taxable years beginning after December 31, 1987, and before January 1, 1989, shall be reduced by 60 percent of the amount which, but for this subparagraph, would be allowed, and

(D) for taxable years beginning after December 31, 1988, and before January 1, 1990, shall be reduced by 20 percent of the amount which, but for this subparagraph, would be allowed.

(e) EMPLOYEE BENEFITS AND WAGE REPLACEMENT PAYMENTS.—The amendments made by paragraphs (1), (2), (3), (8), (9), (11), (12), (14), and (15) of section 211 and sections 214 and 419 shall take effect on January 1, 1987.

(f) TAX EXEMPT BONDS.—The amendments made by section 216 shall apply to obligations issued after December 31, 1985.

(g) INDEXED BASIS.—The amendments made by section 231 shall apply to dispositions after December 31, 1979, in taxable years beginning after such date.

(h) CAPITAL GAIN TREATMENT.—The amendments made by section 232 shall apply to dispositions after December 31, 1985, in taxable years beginning after such date.

(i) DEPRECIATION.—The amendment made by section 301 shall apply with respect to property placed in service after December 31, 1986.

(j) ZERO RATE OF TAX WHERE CORPORATION DISTRIBUTES DIVIDENDS.—The amendments made by section 411 shall not be treated as a change in the rate of tax for purposes of section 21 of the Internal Revenue Code of 1954.

(k) RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTIES BY CORPORATIONS.—

(1) The amendment made by subsections (a) and (b) of section 415 shall apply to distributions after December 31, 1985, in taxable years ending after such date.

(2) The amendments made by subsection (c) of section 415 shall apply to sales or exchanges after December 31, 1985, in taxable years ending after such date.●

By Mr. WARNER (for himself and Mr. HART) (by request):

S. 911. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1986 and fiscal year 1987, and for other purposes; to the Committee on Armed Services.

NATIONAL SECURITY PROGRAMS AUTHORIZATION ACT FOR FISCAL YEARS 1986 AND 1987

Mr. WARNER. Mr. President, by request, for myself and the senior Senator from Colorado [Mr. HART], I introduce, for appropriate reference, a bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1986 and fiscal year 1987, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 911

Be it enacted the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Programs Authorization Act for Fiscal Years 1986 and 1987."

TITLE I—NATIONAL SECURITY PROGRAMS OPERATING EXPENSES

SEC. 101. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,505,400,000.

(2) For materials production, $1,616,300,000.

(3) For defense waste and byproducts management, $405,122,000.

(4) For verification and control technology, $83,475,000.

(5) For nuclear safeguards and security, $54,325,000.

(6) For security investigations, $33,400,000.

(7) For naval reactors development, $489,000,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 86-D-101, general plant projects, various locations, $29,900,000.

Project 86-D-121, general plant projects, various locations, $33,700,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $1,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $8,000,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $3,000,000.

Project 86-D-123, environmental hazards elimination, various locations, $8,700,000.

Project 86-D-124, safeguards and site security upgrading, Phase II, Mound Plant, Miamisburg, Ohio, $3,000,000.

Project 86-D-125, safeguards and site security upgrade, Phase II, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 86-D-130, Tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $5,000,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $81,600,000, for a total project authorization of $117,000,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $27,900,000, for a total project authorization of $32,600,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $45,400,000, for a total project authorization of $53,000,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $1,900,000, for a total project authorization of $2,700,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $15,300,000, for a total project authorization of $19,800,000.

Project 85-D-113, power plant and steam distribution system, Pantex Plant, Amarillo, Texas, $18,500,000, for a total project authorization of $23,000,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $17,700,000, for a total project authorization of $20,600,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $14,000,000, for a total project authorization of $19,000,000.

Project 85-D-123, safeguards and site security upgrade, Phase I, Pantex Plant, Amarillo, Texas, $4,000,000, for a total project authorization of $5,000,000.

Project 85-D-124, safeguards and site security upgrade, Rocky Flats Plant, Golden, Colorado, $2,400,000, for a total project authorization of $3,400,000.

Project 85-D-125, tactical bomb production facilities, various locations, $11,000,000, for a total project authorization of $21,000,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $15,500,000, for a total project authorization of $37,500,000.

Project 84-D-104, nuclear materials storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,100,000, for a total project authorization of $19,300,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $30,540,000, for a total project authorization of $65,940,000.

Project 84-D-112, TRIDENT II warhead production facilities, various locations, $60,700,000, for a total project authorization of $140,700,000.

Project 84-D-113, antisubmarine warfare/standoff weapon warhead production facilities, varous locations, $16,00,000.

Project 84-D-115, electrical system expansion, Pantex Plant, Amarillo, Texas, $3,300,000, for a total project authorization of $14,800,000.

Project 84-D-117, insert assembly and test facility, Pantex Plant, Amarillo, Texas, $400,000, for a total project authorization of $13,600,000.

Project 84-D-118, high-explosive subassembly facility, Pantex Plant, Amarillo, Texas, $40,000,000, for a total project authorization of $47,000,000.

Project 84-D-120, explosive component test facility, Mound Plant, Miamisburg, Ohio, $2,300,000, for a total project authorization of $22,300,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $7,500,000, for a total project authorization of $23,000,000.

Project 84-D-212, safeguards and site security upgrade, Pinellas Plant, Florida, $3,800,000, for a total project authorization of $7,500,000.

Project 83-D-199, buffer land acquisition, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $17,000,000, for a total project authorization of $34,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, Phase III, various locations, $195,500,000, for a total project authorization of $765,900,000.

Project 82-D-111, interactive graphics systems, various locations, $6,000,000, for a total project authorization of $26,000,000.

Project 82-D-114, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $10,300,000, for a total project authorization of $34,000,000.

Project 79-7-0, universal pilot plant, Pantex Plant, Amarillo, Texas, $4,500,000, for a total project authorization of $20,400,000.

(2) for materials production:

Project 86-D-146, general plant projects, various locations, $34,800,000.

Project 86-D-149, productivity retention program, Phase I, various locations, $27,200,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $5,460,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $3,500,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $4,000,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $2,000,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $2,500,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $3,000,000.

Project 86-D-157, hydrofluorination system—FB-line, Savannah River, South Carolina, $2,200,000.

Project 85-D-137, vault safety special nuclear material inventory system, Richland, Washington, $1,900,000, for a total project authorization of $4,400,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho,

$15,000,000, for a total project authorization of $25,000,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $12,000,000, for a total project authorization of $18,000,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $16,000,000, for a total project authorization of $25,800,000.

Project 84-D-135, process facility modifications, Richland, Washington, $15,000,000, for a total project authorization of $32,500,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $7,200,000 for a total project authorization of $19,600,000.

Project 83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina, $3,100,000, for a total project authorization of $22,100,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations, $48,900,000, for a total project authorization of $349,534,000.

Project 82-D-201, special plutonium recovery facilities, JB-Line, Savannah River, South Carolina, $4,400,000, for a total project authorization of $83,800,000.

(3) For defense waste and byproducts management:

Project 86-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $26,451,000.

Project 86-D-172, B plant F filter, Richland, Washington, $1,000,000.

Project 86-D-173, central waste disposal facility, Oak Ridge, Tennessee, $1,000,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $2,500,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,000,000.

Project 85-D-157, seventh calcined solids storage facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,500,000, for a total project authorization of $21,500,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $5,000,000, for a total project authorization of $5,700,000.

Project 85-D-159, new waste transfer facilities, H-Area, Savannah River, South Carolina, $9,000,000, for a total project authorization of $20,000,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,250,000, for a total project authorization of $4,250,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $205,000,000, for a total project authorization of $637,500,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $4,500,000, for a total project authorization of $5,500,000.

(5) Nuclear safeguards and security:

Project 86-D-186, nuclear safeguards technology laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

(6) For naval reactors development:

Project 86-N-101, general plant projects, various locations, $7,500,000.

Project 86-N-104, reactor modifications, advance test reactor, Idaho National Engineering Laboratory, $4,500,000.

Project 82-N-111, materials facility, Savannah River, South Carolina, $11,000,000, for a total project authorization of $176,000,000.

Project 81-T-112, modifications and additions to prototype facilities, various locations, $27,000,000, for a total project authorization of $137,000,000.

(7) For capital equipment not related to construction—

(A) for weapons activities, $277,750,000;

(B) for materials production, $123,440,000;

(C) for defense waste and byproducts management, $38,997,000;

(D) for verification and control technology $5,600,000;

(E) for nuclear safeguards and security $4,600,000; and,

(F) for naval reactors development, $30,000,000.

TITLE II—GENERAL PROVISIONS REPROGRAMMING

SEC. 201. Except as otherwise provided in this Act—

(1) no amount appropriated pursuant to this Act may be used for any program in excess of 105 percent of the amount authorized for that program by this Act or $10,000,000 more than the amount authorized for that program by this Act, whichever is the lesser, and

(2) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless the Secretary of Energy (hereinafter in this title referred to as the "Secretary") transmits to the appropriate committees of Congress a full and complete statement of the action proposed to be taken with respect to the program and the facts and circumstances relied upon in support of the proposed action.

LIMITS ON GENERAL PLANT PROJECTS

SEC. 202. (a) The Secretary may carry out any construction project under the general plant projects provisions authorized by this Act if the total estimated cost of the construction project does not exceed $1,200,000.

(b) If at any time during the construction of any general plant project authorized by this Act, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

LIMITS ON CONSTRUCTION PROJECTS

SEC. 223. (a) Whenever the current estimated cost of a construction project which is authorized by section 102 of this Act, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of (1) the amount authorized for the project, or (2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress, construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action.

(b) Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

FUND TRANSFER AUTHORITY

SEC. 204. To the extent specified in appropriation Acts, funds appropriated pursuant to this Act may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

SEC. 205. The Secretary may perform planning and design utilizing available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

SEC. 206. Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this Act for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

AVAILABILITY OF FUNDS

SEC. 207. When so specified in an appropriation Act, amounts appropriated for "Operating Expenses" or for "Plant and Capital Equipment" may remain available until expended.

TITLE III—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1987

SEC. 301. There are authorized to be appropriated to the Department of Energy to be available not earlier than October 1, 1986, such sums as may be necessary for fiscal year 1987 for programs set forth in this Act.

DEPARTMENT OF ENERGY,
Washington, DC, March 21, 1985.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is proposed legislation "[t]o authorize appropriations for the Department of Energy for national security programs for fiscal year 1986 and fiscal year 1987, and for other purposes." This bill would authorize specific appropriations for FY 86 and those appropriations which might be necessary for FY 87. The total amount proposed in title I for FY 86 is $7,958,710,000 of which $6,187,022,000 is for operating expenses, $480,387,000 is for capital equipment, and $1,291,301,000 is for construction projects.

Title II sets forth general provisions that would govern reprogramming of funds, general plant projects, construction projects, fund transfers, construction designs, and availability of funds.

The Office of Management and Budget advises that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

ERIC J. FYGI,
Acting General Counsel.

By Mr. D'AMATO:

S. 912. A bill to amend the Internal Revenue Code of 1954 to increase the percentage of household and dependent care services for which a credit against tax is allowable; to the Committee on Finance.

EXPANSION OF DEPENDENT CARE TAX CREDIT

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation designed to assist working parents across the Nation. My bill expands the current dependent care tax credit for individuals who pay employment-related child and dependent care expenses. This legislation is similar to the proposal to expand the dependent care tax credit made by the President in his fiscal year 1986 budget. The growing demand for an expanded credit results from the increasing percentage of families where both parents work or where there is only a single parent who works. In particular, the increasing role of women in the labor force exacerbates this need.

One needs merely to examine hard, simple facts to discover the problem. The percentage of women in this country who work grew from 24 percent in 1970 to 44 percent in 1984. The percentage of women in the labor force with children under the age of 6 has risen from 37 percent in 1970 to 57 percent in 1984. These statistics do not represent the partial employment of mothers, but the stark reality that 71 percent of all working mothers now have full-time careers and work 35 hours a week or more.

This growth, unfortunately, has not been coupled with increasing private or public child care assistance. The Women's Bureau of the U.S. Department of Labor estimated that, in the particular case of one program, title XX of the Social Security Act provided subsidies for full-day care for low-income children to the tune of 799,000 children under the age of 13 at a cost of $800 million in 1977. However, the 1980 expenditure level was down to $650 million and budget cuts have eliminated services for approximately 150,000 children.

The largest Federal program to assist with child care is provided through the dependent care tax credit, which allows working parents to select their own day care services and then receive Federal tax relief. To qualify for the credit, an individual must have a dependent under the age of 15 for whom the taxpayer may claim a dependency exemption; or a dependent of the taxpayer who is physically or mentally incapable of taking care of himself or herself; or a spouse of the taxpayer, if the spouse is physically or mentally incapable of taking care of himself or herself.

Employment-related day care expenses that allow a taxpayer to work are subject to both a dollar limit and income limit. The current credit begins with a maximum of 30 percent of eligible employment-related expenses for an individual with an adjusted gross income of $10,000 or less—this would be changed by my legislation to 40 percent. This portion of my bill is identical to the President's proposal made in his budget for fiscal year 1986.

A comparison of current law to my proposal is as follows:

AGI	Present credit	Proposed credit
0 to $10,000	30 percent of $2,400 of Child care expenses.	40 percent of $2,400 of child care expenses.
$10,000 to $20,000	30 percent less 1 percent for each $2,000 over $10,000.	40 percent less ⅗ of 1 percent for a full $1,000 over $10,000.
$20,000 to $30,000	25 percent less 1 percent for each $2,000 above $20,000.	33 percent less ⅗ of 1 percent for a full $1,000 over $20,000.
$30,000 to $40,000	20 percent	26.7 percent less ⅗ of 1 percent for a full $1,000 over $30,000.
$40,000 and up	20 percent	20 percent.

I firmly believe that this new credit schedule would offer more relief to lower and middle income families most in need. Under current law, the dependent care tax credit is too small and does not target the income groups who most need the assistance.

My proposal is a must. The huge expense faced by the middle class for child care is staggering. These people—not the wealthy—need our help. The bill I am introducing today offers this relief.

Furthermore, I am pleased that the President requested assistance for the middle class in light of the Treasury tax reform proposal to make the current dependent care tax credit a deduction. The Treasury proposal makes little sense because deductions are most valuable to the wealthy and not lower and middle income families. My bill targets those in most need of help. I urge Congress to accept my proposal.

Mr. President, I ask unanimous consent that this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (2) of section 21(a) of the Internal Revenue Code of 1954 (defining applicable percentage) is amended to read as follows:

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 40 percent reduced (but not below 20 percent) by ⅗ of 1 percentage point for each $1,000 by which the taxpayer's adjusted gross income for the taxable year exceeds $10,000.".

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1985.●

By Mr. FORD:

S. 913. A bill to amend the Mineral Lands Leasing Act of 1920 to improve the administration of the Federal Coal Leasing Program, and for other purposes; to the Committee on Energy and Natural Resources.

MINERAL LANDS LEASING ACT AMENDMENTS OF 1985

● Mr. FORD. Mr. President, I have always favored a strong energy industry in this country. The very essence of our way of life and the maintenance of America's national security demands that we provide for a viable and resilient domestic energy sector. All of our primary fuels—coal, oil, natural gas, and uranium—must remain plentiful for the United States to thrive.

In the midst of the 1974 energy crisis, Congress, in an attempt to prevent speculation on Federal coal leases and to hasten the development of such leases, enacted section 3 of the Federal Coal Leasing Amendments Act. This section prohibits the Secretary of Interior from issuing any type of onshore mineral lease including oil, gas, oil shale, tar sands, and coal obtainable under the Mineral Lands Leasing Act of 1920 to any entity failing to produce coal in commercial quantities from a Federal coal lease within 10 years from August 4, 1976, the date section 3 was signed into law.

Today, as we approach the 10 year statutory deadline, there is still a need to prohibit the accumulation of Federal coal leases for speculative purposes. However, many of the companies who explore for oil and gas and other minerals on Federal lands would be prohibited by section 3 from continuing this search for natural resources which is essential for this country's energy security.

The bill I am introducing today will continue to prohibit a company from obtaining more Federal coal leases until it develops and produces those Federal coal leases it already has. This legislation will repeal that portion of section 3 of the Federal Coal Leasing Amendments Act which prohibits a lessee from obtaining other Federal mineral leases where such lessee holds and has held a Federal coal lease for 10 years without producing coal in commercial quantities. The ban against obtaining additional competitive coal leases would be retained.

Adding the word "competitive" before "coal leases" will allow the issuance of certain congressionally approved lease acquisitions related to coal exchanges, bypass leases, and maintenance leases.

Adding the term "prior to August 4, 1976" following the word "issued" is for the limited purpose of clarifying the law as presently written and is not considered to be a material change. Leases issued after August 4, 1976, which are not producing in commercial quantities at the end of 10 years

are terminated by statute and therefore would not come within the section 3 prohibition in any event.

I look forward to working with all of my colleagues who are interested in seeing this issue resolved during this session of Congress.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 913

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) this Act may be cited as the "Mineral Lands Leasing Act Amendments of 1985".

(b) any amendment or repeal in this Act expressed in terms of an amendment to or repeal of, a section or other provision of the Mineral Lands Leasing Act, shall be considered to be a reference to a section or other provisions of the Act of February 25, 1920, entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (41 Stat. 437).

SEC. 2. Section 2(a)(2) (30 U.S.C. Sec. 201(a)(2)) of the Mineral Lands Leasing Act is amended by deleting subparagraph (A) and by inserting in lieu thereof the following:

"(A) The Secretary shall not issue a competitive coal lease or leases under the terms of section 2(a) of the Mineral Lands Leasing Act (30 U.S.C. 201(a)), to any person, association, corporation, or any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation, where any such entity holds a lease or leases issued prior to August 4, 1976, by the United States to coal deposits and has held such lease or leases for a period of ten years when such entity is not, except as provided in Section 7(b) of this Act, producing coal from the lease deposits in commercial quantities. In computing the ten-year period referred to in the preceding sentence, periods of time prior to August 4, 1976, shall not be counted."●

By Mrs. HAWKINS:

S. 915. A bill to reimburse the State of Florida and its political subdivisions for certain costs incurred in furnishing services to certain aliens; to the Committee on Labor and Human Resources.

STATE OF FLORIDA ALIEN REIMBURSEMENT ACT

● Mrs. HAWKINS. Mr. President, today I am introducing legislation to right a wrong that has been committed against the people of my State. Five years ago this month a massive wave of humanity, 150,000 strong, swept up on the shores, beaches, and docks of south Florida.

Florida, like the rest of this country, has been proud of its immigrant heritage. We have stood firm in our commitment to do our share in making the United States a refuge for those who are fleeing tyranny and persecution, and we continue to stand firm in that commitment, but enough is enough. We are committed to doing our share, to pulling our load, but we have been asked instead to pull a disproportionate share of this burden.

In the period of 6 short months, 150,000 Cuban refugees inundated south Florida. They did so with the full knowledge and cooperation of the U.S. Government reflecting the fact that immigration policy in this country is the responsibility of the Federal Government. Yet the Federal Government has failed to live up to its obligations.

This so-called Mariel boatlift has cost the State and local taxpayers of Florida over $150 million, and this doesn't include such things as the additional pressures that such a large influx of people have on State and community services, such as fire, sewage, utilities, and so forth.

The legislation I am introducing today will put this burden back where it belongs—on the Federal Government. The legislation calls for a reimbursement of $150 million to the State of Florida and its local governments for expenses they have incurred in helping these refugees adjust to their new lives here in the United States.

Mr. President, it is fundamentally unfair to expect one State and its taxpayers to bear such a large portion of this burden. The Federal Government must face up to its responsibilities. This is not a regional or State issue, this is an issue of simple justice. When there is a flood or fire or other natural events that place a great burden on a State or locality, the Federal Government steps in to help. In many respects the economic costs to my State of the Mariel boatlift have been similar to the battering it might receive during a major hurricane—only this hurricane was man-made and accomplished with the full cooperation of the Federal Government.

What my State wants is justice, and I urge you to support this plea.●

By Mr. HEINZ:

S. 916. A bill to amend the Social Security Act to make permanent the provision limiting increases in the Medicare part B premium to the extent necessary to insure that there will not be a net reduction in the benefit check after applying the cost-of-living increase (or when there is no such increase); to the Committee on Finance.

PRESERVATION OF SOCIAL SECURITY

● Mr. HEINZ. Mr. President, today, I am introducing legislation to ensure that older Americans and others relying on Social Security benefits will never have their monthly benefit amounts reduced. We have made a solemn compact with those who face a lengthy disability or retirement on Social Security that they will continue to receive the benefits they have earned and are entitled to. I believe no Member of the Senate or of the House intends that this compact ever be broken. The legislation I am introducing today will ensure that it is not broken unintentionally.

Mr. President, the need for this legislation arises out of a danger that congressional efforts to reduce the massive Federal budget deficit might, inadvertently, cut Social Security benefits. This could occur, for example, if the President's 1986 budget proposal to raise monthly premiums paid by Social Security beneficiaries for their medical insurance (Medicare—Part B) caused these premiums to rise faster than the annual Social Security benefit increases. Since the Part B premium is withheld from the monthly Social Security check, the monthly benefit amount could decrease.

In the past, Part B premiums were prevented by law from increasing more rapidly than the cost-of-living adjustment (COLA) in Social Security benefits. However, in 1982, the Congress began increasing Part B premiums at a faster rate to make up for some of the increase in the cost of the Medicare program. A provision was included in this legislation to assure that the premium would not increase by more than the Social Security benefit amount. This provision, Mr. President, is set to expire at the end of 1987. Thereafter, a Part B premium increase more rapid than the Social Security COLA would reduce monthly benefits.

Mr. President, a decrease in Social Security benefits would be a travesty. We have promised the 36 million Americans now dependent on these benefits that their Social Security income will not go down, and we must keep this promise. We must reassure the nearly 100 million workers contributing to Social Security that the Congress is committed to protecting the compact we have with them as well.

The legislation I am introducing today will help keep our promise, and do so quite simply. This bill will extend indefinitely the provision, which otherwise expires in 1987, preventing Medicare Part B premiums from increasing by more than the Social Security benefit amount. This provision will remain in effect whether or not the Congress escalates Part B premiums, and will ensure that monthly Social Security checks do not decline due to an accident of Congress.

I strongly urge my colleagues to join me in this important piece of legislation, Mr. President, and I request its swift consideration and adoption.●

By Mr. GLENN (for himself and Mr. DECONCINI):

S. 917. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the payment of benefits with respect to public safety officers who die of certain medical conditions sustained in the performance of duty; to the Committee on the Judiciary.

BENEFITS WITH RESPECT TO DEATH OF PUBLIC SAFETY OFFICERS WHO DIE OF CERTAIN MEDICAL CONDITIONS

● Mr. GLENN. Mr. President, I rise today in order to introduce a measure to inject a much-needed element of common sense into the existing Public Safety Officers Benefit Act. Specifically, I hope to correct a defect that denies benefits to deserving survivors. The costs, according to the best estimates, normally would run about $2.5 to $3 million annually.

In passing the 1968 bill, Congress intended to grant benefits to dependents only when officers are killed in the line of duty, not when death resulted from a non-job-related heart attack or an occupational disease incurred in other employment.

Although well-intentioned, that provision has generated inequities that I am attempting to address. Spouses and children have been denied benefits when a law enforcement officer or firefighter dies from service-related causes, though not as a result of direct traumatic injury. An example is the firefighter who makes a strenuous rescue of an endangered citizen several stories above the ground, then carries the person down a ladder and later dies of a heart attack. Given interpretations of existing law, the firefighters' survivors likely would be denied compensation because no direct personal injury was involved.

Such rulings are unfairly restrictive. They force families to suffer unnecessarily, and the example is not entirely hypothetical. Such incidents have occurred and will continue to occur, until we amend the law. That is my purpose today.

The current standard for benefit payments to survivors stipulates that death must have stemmed from "the direct and proximate result of a personal injury sustained in the line of duty." The new language outlined in my bill would grant death benefits to survivors when a public safety officer dies from "a medical condition sustained while ingesting or inhaling a poisonous substance or while subject to extreme physical stress on a single occasion, or during a single event, in the performance of duty."

Nothing we do here can erase the anguish felt by the spouses and children who lose loved ones killed while trying to prevent injury to the rest of us. Congress, however, can permit these families to heal without enduring the added burden of financial stress. We can do no less if we hope to reaffirm the value of human life.

Mr. President, I urge the favorable consideration of this measure by my colleagues and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 917

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1201(a) of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by the Comprehensive Crime Control Act of 1984 (Title II, Public Law 98-473), is amended by inserting after "in the line of duty" the following: "or of a medical condition sustained while ingesting or inhaling a poisonous substance or while subject to extreme physical stress, on a single occasion or during a single event, in the performance of duty".

SEC. 2. The amendment made by the first section of this Act shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.●

By Mr. D'AMATO:

S. 918. A bill to amend the Securities Exchange Act of 1934 to authorize the Securities and Exchange Commission to subject banks, associations, and other entities that exercise fiduciary powers, to the same regulations as broker-dealers, pursuant to section 14(b) of the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

SHAREHOLDER COMMUNICATIONS ACT

● Mr. D'AMATO. Mr. President, identifying shareholders and communicating with them directly is a right of every publicly held corporation in America. Unfortunately, the increased use of street name registration by brokerage house customers and the use of depository companies by banks and other institutional holders have placed an impenetrable barrier between stock-issuing companies and a majority of their stockholders.

Today, I am introducing a bill which is designed to help break down that barrier. It would provide the Securities and Exchange Commission with authority to impose on banks which hold shares in nominee name the same requirements it has for broker-dealers for shareholder communication.

In July 1983, the SEC adopted rule 14b-1(c) which will enable stock-issuing companies—beginning January 1, 1986—to obtain the name, address and number of shares held by nonobjecting shareholders registered in the name of brokerage firms. However, neither the Commission nor the bank regulators currently has authority to regulate the activities of banks, associations, or other entities that hold stock on behalf of beneficial owners. That inability creates a regulatory gap which denies beneficial owners of securities held by those organizations the benefits of the Commission's rules that require timely delivery of information to beneficial owners of securities held in the name of brokers.

The absence of such authority is especially significant with respect to banks because banks hold a majority of the securities registered in nominee name. To remedy this deficiency, the Commission's Advisory Committee on Shareholder Communications, composed of private sector participants, including representatives of issuers, banks, brokers and others, recommended that legislation be enacted to cover banks and other associations exercising fiduciary powers. Last year, the Commission sent to Congress a legislative proposal incorporating this recommendation.

The bill I am introducting today, entitled the Shareholder Communications Act of 1985, which would amend the Securities Exchange Act of 1934 to authorize the Securities and Exchange Commission to regulate the proxy processing activities of banks, associations and other entities in the same fashion as the Commission currently regulates brokers with respect to the dissemination of proxy materials. This legislation will ensure that investors whose securities are held in the name of a bank, association or other entities are accorded the same protection as shareholders whose securities are held in the name of a broker.

This legislation is identical to legislation I introduced in the last Congress. I hope that it can be acted on favorably this year.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD in its entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 918

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as "The Shareholder Communications Act of 1984."

SEC. 2. Section 14(b) of the Securities Exchange Act of 1934 is amended by inserting, after the phrase "under this title," the phrase "or any bank, association or other entity that exercises fiduciary powers,".

SEC. 3. The amendments made by this Act shall become effective one year after the enactment of this Act.

SECTION-BY-SECTION ANALYSIS

SECTION 1. The Act may be cited as "The Shareholder Communications Act of 1984". The Act authorizes the Securities and Exchange Commission to adopt rules and regulations that would require bank nominees, association nominees, and other nominees that exercise fiduciary powers, to perform the same tasks currently required of registered broker-dealers, with respect to proxy voting and distribution, under Section 14(b) of the Securities Exchange Act of 1934.

SEC. 2. The Act amends Section 14(b) of the Securities Exchange Act of 1934 to make this section applicable to banks, associations, and any other entities that exercise fiduciary powers. The amendment to Section 14(b) broadens the authority of the Commission by allowing it to adopt rules and regulations which will extend to banks, associations, and other entities that exercise fiduciary powers, the rules governing proxy distribution and voting which currently apply only to registered broker-dealers.

The amendment to Section 14(b) will allow the Commission to improve the process by which issuers communicate with the beneficial owners of securities which are registered in the name of a bank, association, or other entity that exercises fiduciary powers. The term "bank" is defined in Section 3(a)(6) of the Securities Exchange Act of 1934.

Historically, the fiduciary powers which this legislation encompasses have been exercised primarily by banks. The inclusion of the phrase "association or other entity that exercises fiduciary powers" is designed to deal with the growing authority of savings and loan associations (both state and federal) and other entities (i.e. savings banks chartered by the Federal Home Loan Bank Board and business trusts) to exercise fiduciary powers and therefore to engage in the same activities as banks that act as nominees. Since these associations and other entities will be permitted to maintain custodian and trust accounts for their customers, the Commission intends, where appropriate, to extend its rules and regulations governing proxy distribution and voting to them, and to other entities that hold securities as nominees for their customers. The Commission would not, pursuant to this legislation, regulate individuals exercising fiduciary powers.

SEC. 3. The Act is to become effective one year after its enactment.●

By Mr. D'AMATO:

S. 919. A bill to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal years 1986 through 1988; to the Committee on Banking, Housing, and Urban Affairs.

AUTHORIZATION OF APPROPRIATIONS FOR THE SECURITIES AND EXCHANGE COMMISSION

● Mr. D'AMATO. Mr. President, I am introducing legislation today which would authorize appropriations for the Securities and Exchange Commission for fiscal years 1986 through 1988 in the following amounts: $113.6 million for 1986, $116 million for 1987, and $121.8 million for 1988. The Senate Banking Committee Subcommittee on Securities will conduct a hearing on April 17, 1985 on the budget authorization request of the Securities and Exchange Commission. The hearing will begin at 10 a.m. in SD-538.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 919

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended—

(1) in the first sentence thereof, by striking out "and" immediately after "1982,";

(2) by inserting immediately before the period at the end of the first sentence thereof the following: ", $113,647,000 for the fiscal year ending September 30, 1986, $116,023,000 for the fiscal year ending September 30, 1987, and $121,837,000 for the fiscal year ending September 30, 1988"; and

(3) in the last sentence thereof, by striking out "fiscal year 1983" and inserting in lieu thereof "fiscal year 1988.".●

By Mr. D'AMATO (by request):

S. 920. A bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SECURITIES LAW TECHNICAL AMENDMENTS ACT OF 1985

● Mr. D'AMATO. Mr. President, I am introducing legislation today at the request of the Securities and Exchange Commission. This legislation was drafted by the SEC to correct anachronistic or inconsistent provisions of its statutes as well as to clarify some provisions. Many provisions of the bill contain minor changes, such as typographical errors. The bill does not appear to be controversial and will be considered at a hearing of the Senate Banking Committee Subcommittee on Securities on April 17, 1985.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Law Technical Amendments Act of 1985".

TITLE I—AMENDMENTS OF SECURITIES ACT OF 1933

SEC. 101. Section 2(5) of the Securities Act of 1933 (15 U.S.C. 77b(5)) is amended by striking out "Federal Trade Commission" and inserting in lieu thereof "Securities and Exchange Commission".

SEC. 102. Section 2(6) of the Securities Act of 1933 (15 U.S.C. 77b(6)) is amended by striking out "Canal Zone,".

SEC. 103. Section 3(a)(1) of the Securities Act of 1933 (15 U.S.C. 77c(a)(1)) is amended by striking all that appears therein and inserting in lieu thereof "(1) Reserved."

SEC. 104. Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended—

(1) by striking out "section 103(c)" each place it appears and inserting in lieu thereof "section 103(b)"; and

(2) by striking out "(7)" and inserting in lieu thereof "(13)".

SEC. 105. Section 3(a)(5)(A) of the Securities Act of 1933 (15 U.S.C. 77c(a)(5)(A)) is amended by striking out ", except that the foregoing exemption shall not apply with respect to any such security where the issuer takes from the total amount paid or deposited by the purchaser, by way of any fee, cash value or other device whatsoever, either upon termination of the investment at maturity or before maturity, an aggregate amount in excess of 3 per centum of the face value of such security".

SEC. 106. Section 6(e) of the Securities Act of 1933 (15 U.S.C. 77f(e)) is hereby repealed.

SEC. 107. Section 9(a) of the Securities Act of 1933 (15 U.S.C. 77i(a)) is amended—

(1) by striking out "Circuit Court of Appeals" and inserting in lieu thereof "court of appeals";

(2) by striking out "Court of Appeals of the District of Columbia, by filing in such court" and inserting in lieu thereof "United States Court of Appeals for the District of Columbia, by filing in such Court"; and

(3) by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

SEC. 108. Section 19(c) of the Securities Act of 1933 (15 U.S.C. 77s(c)) is amended by adding at the end thereof the following new paragraph:

"(6) Notwithstanding any other provision of law, neither the Commission nor any other person shall be required to establish any procedures not specifically required by the securities laws, as that term is defined in section 3(a)(42) of the Securities Exchange Act of 1934, or by chapter 5 of title 5, United States Code, in connection with cooperation, coordination, or consultation with:

"(A) any association referred to in paragraph (1) or (3) or any conference or meeting referred to in paragraph (4), while such association, conference, or meeting is carrying out activities in furtherance of the provisions of this subsection; or

"(B) any forum, agency, or organization, or group referred to in section 503 of the Small Business Investment Incentive Act of 1980, while such forum, agency, organization, or group is carrying out activities in furtherance of the provisions of such section 503.

As used in this paragraph, the terms 'association', 'conference', 'meeting', 'forum', 'agency', 'organization', and 'group' include any committee, subgroup, or representative of such entities.".

SEC. 109. (a) Section 20(b) of the Securities Act of 1933 (15 U.S.C. 77t(b)) is amended by striking out the first sentence and inserting in lieu thereof the following: "Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this title, or of any rule or regulation prescribed under authority thereof, the Commission may, in its discretion, bring an action in any district court of the United States, or United States court of any Territory, to enjoin such acts or practices, and upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.".

(b) Section 20(c) of such Act (15 U.S.C. 77t(c)) is amended to read as follows:

"(c) Upon application of the Commission, the district courts of the United States and the United States courts of any Territory shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this title or any order of the Commission made in pursuant thereof.".

SEC. 110. Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(1) by striking out "United States, the" in the first sentence and inserting in lieu thereof "United States and";

(2) by striking out ", and the United States District Court for the Distirct of Columbia"; and

(3) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code,".

TITLE II—AMENDMENTS OF SECURITIES EXCHANGE ACT OF 1934

SEC. 201. Section 3(a)(6)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(6)(C)) is amended by striking out "under section 11(k) of the Federal Reserve Act, as amended" and inserting in lieu thereof "Under the authority of the Comptroller of the Currency pursuant to the first section of Public Law 87-722 (12 U.S.C. 92a)".

SEC. 202. Section 3(a)(12) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)) is amended by striking out "(g)(2)" and inserting in lieu thereof "(g)(3)".

SEC. 203. Section 3(a)(16) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(16)) is amended by striking out "the Canal Zone,".

SEC. 204. Section 3(a)(22)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(22)(B)) is amended—

(1) by striking out "association or any" and inserting in lieu thereof "association, or any"; and

(2) by striking out "own behalf in" and inserting in lieu thereof "own behalf, in".

SEC. 205. Section 3(a)(29) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(29)) is amended—

(1) by striking out "section 103(c)" each place it appears and inserting in lieu thereof "section 103(b)"; and

(2) by striking out "(7)" and inserting in lieu thereof "(13)".

SEC. 206. Section 3(a)(34)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)(C)) is amended by striking out "state" each place it appears and inserting in lieu thereof "State".

SEC. 207. Section 3(a)(39)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(39)(B)) is amended—

(1) by striking out "months, revoking" and inserting in lieu thereof "months, or revoking"; and

(2) by striking out "barring his" and inserting in lieu thereof "barring or suspending for a period not exceeding twelve months his".

SEC. 208. Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end thereof the following new paragraphs:

"(42) The term 'securities laws' means the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.), the Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.), the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), the Investment Advisers Act of 1940 (15 U.S.C. 80b et seq.), and the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.).

"(43) The terms 'person associated with a transfer agent' and 'associated person of a transfer agent' mean any person (except and employee whose functions are solely clerical or ministerial) directly engaged in the management, direction, supervision, or performance of any of the transfer agent's activities with respect to transfer agent functions, and any person directly or indirectly controlling such activities or controled by the transfer agent in connection with such activities.".

SEC. 209. Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, whenever any fee is required to be paid to the Commission pursuant to any provision of the securities laws or any other law, the Commission may provide by rule that such fee shall be paid in a manner other than in cash.".

SEC. 210. (a) The Securities Exchange Act of 1934 is amended by inserting after section 4 (15 U.S.C. 78d) the following new sections:

"DELEGATION OF FUNCTIONS BY COMMISSION

"SEC. 4A. (a) In addition to its existing authority, the Securities and Exchange Commission shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, an administrative law judge, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter. Nothing in this section shall be deemed to supersede the provisions of section 556(b) of title 5, or to authorize the delegation of the function of rulemaking as defined in subchapter II of chapter 5 of title 5, United States Code, with reference to general rules as distinguished from rules of particular applicability, or of the making of any rule pursuant to section 19(c) of this title.

"(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, upon its own initiative or upon petition of a party to or intervenor in such action, within such time and in such manner as the Commission by rule shall prescribe. The vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review. A person or party shall be entitled to review by the Commission if he or it is adversely affected by action at a delegated level which (1) denies any request for action pursuant to seciton 8(a) or section 8(c) of the Securities Act of 1933 or the first sentence of section 12(d) of this title; (2) suspends trading in a security pursuant to section 12(k) of this title; or (3) is pursuant to any provision of this title in a case of adjudication, as defined in section 551 of title 5, United States Code, not required by this title to be determined on the record after notice and opportunity for hearing (except to the extent there is involved a matter described in section 554(a) (1) through (6) of such title 5).

"(c) If the right to exercise such review is declined, or if no such review is sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

"TRANSFER OF FUNCTIONS WITH RESPECT TO ASSIGNMENT OF PERSONNEL TO CHAIRMAN

"SEC. 4B. In addition to the functions transferred by the provisions of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to the Commission personnel, including Commissioners, pursuant to section 4A of this title.".

(b) The Act of August 20, 1962 (Public Law 87-592; 76 Stat. 394) is hereby repealed.

SEC. 211. The first sentence of section 6(c)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(2)) is amended by striking out "protection shall" and inserting in lieu thereof "protection of investors shall".

SEC. 212. Section 6(c)(3)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(3)(A)) is amended by striking out "association" and inserting in lieu thereof "associated".

SEC. 213. Section 6(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(4)) is amended by striking out "may (A) limit" and inserting in lieu thereof "may limit (A)".

SEC. 214. Section 6(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(e)) is amended—

(1) by striking out paragraph (3) thereof and by redesignating paragraph (4) as paragraph (3); and (2) in paragraph (3)(E) (as so redesignated)—

(A) by striking out "fixes" and inserting in lieu thereof "fixing";

(B) by striking out "paragraph (4)(A)" and inserting in lieu thereof "subparagraph (A) of this paragraph"; and

(C) by striking out "paragraph (4)(B)" and inserting in lieu thereof "subparagraph (B) of this paragraph".

SEC. 215. Section 11A of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1) is amended—

(1) by striking out "transaction" in paragraph (2) of subsection (b) and inserting in lieu thereof "transactions"; and

(2) by striking out everything after the first sentence in paragraph (4) of subsection (c).

SEC. 216. Sections 11A(e) and 12(m) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(e) and 78l(m)) are hereby repealed.

SEC. 217. Section 13(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(c)) is amended by striking out "thereof of" and inserting in lieu thereof "thereof".

SEC. 218. Section 13(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(h)) is hereby repealed.

SEC. 219. Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) is amended—

(1) by striking out "fiduciary, or any" in clause (ii) of subparagraph (B) of paragraph (4) and inserting in lieu thereof "fiduciary, transfer agent, or";

(2) by striking out subparagraph (C) of paragraph (4) and inserting in lieu thereof the following:

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person or employee of any investment company, bank, insurance company, or entity or person required to be registered under such Act, or from engaging in or continuing any conduct or practice in connection with any such ac-

tivity, or in connection with the purchase or sale of any security.";

(3) by striking out "or seeking to become associated," in the first sentence of paragraph (6) and inserting in lieu thereof "seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(4) by striking out "17A(b)(4)(B)" in paragraph (10) and inserting in lieu thereof "17A(b)(4)(A)".

SEC. 220. Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(b)(2)(C)) is amended—

(1) by striking out "security" and inserting in lieu thereof "securities";

(2) by striking out "or the securities"; and

(3) by striking out "burden or competition" and inserting in lieu thereof "burden on competition".

SEC. 221. Section 15B(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(c)(4)) is amended by striking out the first sentence and inserting in lieu thereof the following: "The Commission, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with a municipal securities dealer, or suspend for a period not exceeding twelve months or bar any such person from being associated with a municipal securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted by any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).".

SEC. 222. Section 15B(c)(6)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(c)(6)(A)) is amended by striking out "board' and inserting in lieu thereof "Board".

SEC. 223. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 17q) is amended—

(1) by amending subsection (c)(2) to read:

"(2) The appropriate regulatory agency for a clearing agency, transfer agent, or municipal securities dealer for which the Commission is not the appropriate regulatory agency shall file with the Commission notice of the commencement of any proceeding and a copy of any order entered by such appropriate regulatory agency against any clearing agency, transfer agent, municipal securities dealer, or person associated with a transfer agent or municipal securities dealer, and the Commission shall file with such appropriate regulatory agency, if any, notice of the commencement of any proceeding and a copy of any order entered by the Commission against the clearing agency, transfer agent, or municipal securities dealer, or against any person associated with a transfer agent or municipal securities dealer for which the agency is the appropriate regulatory agency."; and

(2) by striking out subsection (f)(3) and inserting in lieu thereof the following:

"(3) In order to carry out the purposes of paragraphs (1) and (2) of this subsection, the Commission or its designees may enter into agreements with the Attorney General that will permit the Commission or the designees to use the facilities of the Federal Bureau of Investigation to receive, store, and disseminate information in regard to missing, lost, counterfeit, or stolen securities and to have direct inquiry access to such information. Notwithstanding any other provision of law, in performing identification and processing functions pursuant to paragraph (2), the Attorney General shall provide the Commission, and self-regulatory organizations that the Commission designates, with access to all criminal history record information in the possession of the Federal Bureau of Investigation, including any such information in the Computerized Criminal History File.".

SEC. 224. Section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1) is amended—

(1) by inserting after "concerning such transfer agent" in subsection (c)(2) "and any persons associated with the transfer agent";

(2) by striking out "thirty" in said subsection (c)(2) and inserting in lieu thereof "forty-five";

(3) by striking out subsection (c)(3)(A) and inserting in lieu thereof:

"(3) The appropriate regulatory agency for a transfer agent, by order, shall deny registration to, censure, place limitations on the activities, functions, or operations of, suspend for a period not exceeding twelve months, or revoke the registration of such transfer agent, if such appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such denial, censure, placing of limitations, suspension, or revocation is in the public interest and that such transfer agent, whether prior or subsequent to becoming such, or any person associated with such transfer agent, whether prior or subsequent to becoming so associated—

"(A) has committed or omitted any act enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4); or

"(B) is subject to an order entered pursuant to subparagraph (C) of paragraph (4) of this subsection barring or suspending the right of such person to be associated with a transfer agent.";

(4) by redesignating subparagraphs (B) and (C) of subsection (c)(3) as subparagraphs (A) and (B), respectively, of new subsection (c)(4);

(5) by inserting after subsection (c)(4)(B) (as so redesignated) the following new subparagraph:

"(C) The appropriate regulatory agency for a transfer agent, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with the transfer agent, or suspend for a period not exceeding twelve months or bar any such person from being associated with the transfer agent, if the appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed or omitted any act enumerated in subparagraph (A), (D), or (E) or paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4). It shall be unlawful for any person as to whom such an order suspending or barring him from being associated with a transfer agent is in effect willfully to become, or to be, associated with a transfer agent without the consent of the appropriate regulatory agency that entered the order and the appropriate regulatory agency for that transfer agent. It shall be unlawful for any transfer agent to permit such a person to become, or remain, a person associated with it without the consent of such appropriate regulatory agencies, if the transfer agent knew, or in the exercise of reasonable care should have known, of such order. The Commission may establish, by rule, procedures by which a transfer agent reasonably can determine whether a person associated or seeking to become associated with it is subject to any such order, and may require, by rule, that any transfer agent comply with such procedures.";

(6) by striking out "clearing agency or transfer agent" in subsection (d)(3)(B) and inserting in lieu thereof "clearing agency, transfer agent, or person associated with a transfer agent"; and

(7) by inserting, after "transfer agent" in subsection (d)(4), ", or a person associated with a transfer agent,".

SEC. 225. Section 21 of the Securities Exchange Act of 1934 (15 U.S.C. 78u) is amended—

(1) by striking out "Wherever" in subsection (d) and inserting in lieu thereof "Whenever";

(2) by striking out ", and the United States District Court for the District of Columbia," in subsection (e); and

(3) by striking out the second sentence of subsection (g).

SEC. 226. Section 23(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(a)) is amended—

(1) by inserting "or" before "any self-regulatory organization" in the last sentence of paragraph (1); and

(2) by inserting "shall" after "section 19(b) of this title," in paragraph (3).

SEC. 227. Section 23(b)(4)(F) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(b)(4)(F)) is amended by striking out "The" and inserting in lieu thereof "the".

SEC. 228. Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended—

(1) by striking out ", the United States District Court for the District of Columba,"; and

(2) by striking out "Sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

SEC. 229. Section 28(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(c)) is amended by striking out "self-regulatory organization or a member thereof" and inserting in lieu thereof "self-regulatory organization on a member thereof".

SEC. 230. Section 28(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(d)) is amended by striking out "change is beneficial" and inserting in lieu thereof "change in beneficial".

SEC. 231. Section 28(e)(1) of the Securities Exchange Act of 1934 (15 U.S.C 78bb(e)(1))

is amended by striking out "Amendments in 1975" and inserting in lieu thereof "Amendments of 1975".

SEC. 232. Section 211 of the Securities Exchange Act of 1934 (15 U.S.C. 78jj) is hereby repealed.

TITLE III—AMENDMENTS OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

SEC. 301. Section 8 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79h) is amended by striking out "otherwise,—" and inserting in lieu thereof "otherwise—".

SEC. 302. Section 18 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78r) is amended—

(1) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(2) in subsection (f) (as so redesignated), by striking out ", the district court of the United States for the District of Columbia,".

SEC. 303. Section 24 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78x) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

SEC. 304. Section 25 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79y) is amended—

(1) by striking out ", the district court of the United States for the District of Columbia,"; and

(2) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347), and section 7, as amended, of the Act entitled 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893 (D.C. Code, title 18, sec. 26)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

SEC. 305. Section 30 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z-4) is amended by striking out the last sentence thereof.

TITLE IV—AMENDMENTS OF TRUST INDENTURE ACT OF 1939

SEC. 401. Section 303(4) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(4)) is amended by striking out "undertakng" and inserting in lieu thereof "undertaking".

SEC. 402. Section 303(12) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(12)) is amended by inserting "(including a guarantor)" after "person" each place it appears.

TITLE V—AMENDMENTS OF INVESTMENT COMPANY ACT OF 1940

SEC. 501. Section 2(a)(19) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)) is amended by inserting "completed" before "fiscal years" each place it appears.

SEC. 502. Section 2(a)(39) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(39)) is amended by striking out "the Canal Zone,".

SEC. 503. Section 2(a)(48)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(48)(B)) is amended by striking out "sections 55(a) (1) through (3)" and inserting in lieu thereof "paragraphs (1) through (3) of section 55(a)".

SEC. 504. Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended—

(1) by inserting "or" after "therefor;"; and

(2) by inserting a period after "guardian" and striking out all that follows through "principal to another or others.".

SEC. 505. Section 3(c)(7) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(7)) is amended by striking it out and inserting in lieu thereof "(7) Reserved.".

SEC. 506. Section 3(c)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(11)) is amended—

(1) by striking out "or which holds only assets of governmental plans" and inserting in lieu thereof "; or any governmental plan"; and

(2) by striking out "trusts;" and inserting in lieu thereof "trusts or governmental plans, or both;".

SEC. 507. Section 5(a)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-5(a)(2)) is amended by striking out "Close-end" and inserting in lieu thereof "Closed-end".

SEC. 508. Section 6(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)) is amended—

(1) by striking out "the Canal Zone," in paragraph (1); and

(2) by striking out paragraph (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

SEC. 509. Section 9 of the Investment Company Act of 1940 (15 U.S.C. 80a-9) is amended—

(1) by striking out paragraphs (1) and (2) in subsection (a) and inserting in lieu thereof the following:

"(1) any person who within ten years has been convicted of any felony or misdemeanor involving the purchase or sale of any security or arising out of such person's conduct as an underwriter, broker, dealer, investment adviser, municipal securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act;

"(2) any person who, by reason of any misconduct, is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an underwriter, broker, dealer, investment adviser, municipal securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security; or"; and

(2) by inserting after "this title," in paragraph (2) of subsection (b) "or of the Commodity Exchange Act,"; and

(3) by inserting after "this title," in paragraph (3) of subsection (b) "or of the Commodity Exchange Act,".

SEC. 510. Section 12 of the Investment Company Act of 1940 (15 U.S.C. 80a-12) is amended—

(1) by striking out "Treasury" in subsection (d)(1)(A)(iii) and inserting in lieu thereof "treasury";

(2) by striking out "it reasonably possible" in subsection (d)(1)(G) and inserting in lieu thereof "is reasonably possible"; and

(3) by striking out "only thereof" in subsection (f) and inserting in lieu thereof "thereof only".

SEC. 511. Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a-15) is amended—

(1) by striking out "(40)" in subsection (d) and inserting in lieu thereof "(42)"; and

(2) by striking out the period at the end of subparagraph (B) of paragraph (3) of subsection (f) and inserting in lieu thereof a comma.

SEC. 512. Section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a-17) is amended by striking out the second sentence of each of subsections (h) and (i).

SEC. 513. Section 18(e) of the Investment Company Act of 1940 (15 U.S.C. 80a-18(e)) is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

SEC. 514. Section 20 of the Investment Company Act of 1940 (15 U.S.C. 80a-20) is amended—

(1) by striking out the second sentence of subsection (b);

(2) by striking out the first sentence of subsection (d); and

(3) by striking out "at any time after the effective date of this title" in subsection (d).

SEC. 515. Section 21(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-21(b)) is amended by striking out "to the extension or renewal of any such loan made prior to March 15, 1040, or".

SEC. 516. Section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a-22(e)) is amended—

(1) by striking out "subsection (b)(8)" in paragraph (1) of subsection (b) and inserting in lieu thereof "subsection (b)(6)";

(2) by striking out paragraph (2) of subsection (b) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;

(3) by striking out "section 15A(k)(2)" in subsection (b)(2) (as so redesignated) and inserting in lieu thereof "section 19(c)";

(4) by inserting in the first sentence of subsection (e) a comma after the word "redemption" where it first appears and where it appears for the third time; and

(5) by striking out the last sentence of subsection (e).

SEC. 517. Section 24(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-24(d)) is amended by inserting a period immediately after "issuer" in the second sentence thereof and by striking out all that follows in such sentence.

SEC. 518. Section 26(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(b)) is amended by striking out "intend" and inserting in lieu thereof "intended".

SEC. 519. Section 26(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(c)) is amended by striking out "contract of agreement" and inserting in lieu thereof "contract or agreement".

SEC. 520. Section 28(a)(2)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(a)(2)(B)) is amended by striking out "subsection" and inserting in lieu thereof "paragraph".

SEC. 521. Section 28(d)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(d)(2)) is amended by inserting "of" immediately before "subsection (a)".

SEC. 522. Section 36 of the Investment Company Act of 1940 (15 U.S.C. 80a-35) is amended—

(1) by striking out "loans" in paragraph (4) of subsection (b) and inserting in lieu thereof "loads";

(2) by redesignating subsection (d) as subsection (c); and

(3) in subsection (c) (as so redesignated), by striking out "through (c)" and inserting in lieu thereof "and (b)".

SEC. 523. Section 42 of the Investment Company Act of 1940 (15 U.S.C. 80a-41) is

amended by redesignating subsection (e) as subsection (d).

SEC. 524. Section 53 of the Investment Company Act of 1940 (15 U.S.C. 80a-52) is amended by inserting a period in the first sentence thereof immediately after "1941" and by striking out everything that follows in such sentence.

SEC. 525. Section 54(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-53(a)) is amended by striking out "defined in sections" and inserting in lieu thereof "defined in section".

SEC. 526. Section 55(a)(1)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-54(a)(1)(B)) is amended by striking out "described in sections" and inserting in lieu thereof "described in section".

SEC. 527. Section 57(i) of the Investment Company Act of 1940 (15 U.S.C. 80a-56(i)) is amended by striking out "sections 17(a) and (d)" each place it appears and inserting in lieu thereof "subsections (a) and (d) of section 17".

TITLE VI—AMENDMENTS OF INVESTMENT ADVISERS ACT OF 1940

SEC. 601. Section 202(a)(19) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(19)) is amended by striking out "the Canal Zone,".

SEC. 602. Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended—

(1) by striking out "or fiduciary" in subparagraph (B) of paragraph (2) of subsection (e) and inserting in lieu thereof "fiduciary, transfer agent, or entity or person required to be registered under the Commodity Exchange Act";

(2) by striking out paragraph (3) of subsection (e) and inserting in lieu thereof the following:

"(3) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.";

(3) by inserting after "this title," in paragraph (4) of subsection (e) "the Commodity Exchange Act,";

(4) by striking out "or seeking to become associated" in the first sentence of subsection (f) and inserting in lieu thereof ", seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(5) by striking out "subsection (d)" in subsection (g) and inserting in lieu thereof "subsection (c) or subsection (e)".

SEC. 603. Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5) is amended to read as follows:

"SEC. 205. (a) No investment adviser, unless exempt from registration pursuant to section 203(b), shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to enter into, extend, or renew any investment advisory contract, or in any way to perform any investment advisory contract entered into, extended, or renewed on or after the effective date of this title, if such contract—

"(1) provides for compensation to the investment adviser on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client;

"(2) fails to provide, in substance, that no assignment of such contract shall be made by the investment adviser without the consent of the other party to the contract; or

"(3) fails to provide, in substance, that the investment adviser, if a partnership, will notify the other party to the contract of any change in the membership of such partnership within a reasonable time after such change.

"(b) Paragraph (1) of subsection (a) shall not—

"(1) be construed to prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates, or taken as of a definite date;

"(2) apply to an investment advisory contract with—

"(A) an investment company registered under title I of this Act, or

"(B) any other person (except a trust, governmental plan, collective trust fund, or separate account referred to in section 3(c)(11) of title I of this Act), provided that the contract relates to the investment of assets in excess of $1 million,

if the contract provides for compensation based on the asset value of the company or fund under management averaged over a specified period and increasing and decreasing proportionately with the investment performance of the company or fund over a specified period in relation to the investment record of an appropriate index of securities prices or such other measure of investment performance as the Commission by rule, regulation, or order may specify; or

"(3) apply with respect to any investment advisory and a business development company, as defined in this title, if (A) the compensation provided for in such contract does not exceed 20 per centum of the realized capital gains upon the funds of the business development company over a specified period or as of definite dates, computed net of all realized capital losses and unrealized capital depreciation, and the condition of section 61(a)(3)(B)(iii) of title I of this Act is satisfied, and (B) the business development company does not have outstanding any option, warrant, or right issued pursuant to section 61(a)(3)(B) of title I of this Act and does not have a profit-sharing plan described in section 57(n) of title I of this Act.

"(c) For purposes of paragraph (2) of subsection (b), the point from which increases and decreases in compensation are measured shall be the fee which is paid or earned when the investment performance of such company or fund is equivalent to that of the index or other measure of performance, and an index of securities prices shall be deemed appropriate unless the Commission by order shall determine otherwise.

"(d) As used in paragrahs (2) and (3) of subsection (a), 'investment advisory contract' means any contract or agreement whereby a person agrees to act as investment adviser to or to manage any investment or trading account of another person other than an investment company registered under title I of this Act.".

SEC. 604. Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by redesignating subsection (e) as subsection (d).

SEC. 605. Section 211(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-11(b)) is amended by striking out "the Federal Register Act" and inserting in lieu thereof "chapter 15 of title 44, United States Code,".

SEC. 606. Section 213(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-13(a)) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended" and inserting in lieu thereof "section 1254 of title 28, United States Code".

SEC. 607. Section 214 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-14) is amended by striking out "sections 128 and 240 of the Judicial Code, as amended, and section 7, as amended, of the Act entitled, 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

SECTION-BY-SECTION ANALYSIS

The short title of the bill is the Securities Law Technical Amendments Act of 1985.

TITLE I

Title I of the Bill would affect various amendments of the Securities Act of 1933 (the "1933 Act").

Section 101 would change the definition of the term "Commission" in section 2(5) of the 1933 Act so that it refers to the Securities and Exchange Commission rather than the Federal Trade Commission. The FTC administered the 1933 Act before the establishment of the SEC in 1934.

Section 102 would amend the definition of "Territory" in section 2(6) of the 1933 Act to exclude the Canal Zone. Pursuant to the Panama Canal Treaty between the United States and Panama, T.I.A.S. No. 10,030 (Sept. 7, 1977), the Canal Zone is no longer a possession of the United States. *Sections 203, 502, and 601* would exclude the Canal Zone from the definition of "State" under the Securities Exchange Act, the Investment Company Act, and the Investment Advisers Act, respectively, and *Section 508(1)* would exclude the Canal Zone from a list of United States possessions, for the same reason.

Section 103 would repeal as obsolete Section 3(a)(1) of the 1933 Act. Section 3(a)(1) provided an exemption from the registration provisions of the Act for offerings pending at the time the Act's enactment and, in the words of a leading commentator, "has long since spent its force." L. Loss, Fundamentals of Securities Regulation 297 (1983). The bill would reserve the paragraph (1) designation for future use, rather than renumber the remaining paragraphs. These paragraphs have been in effect for over 50 years, and are among the most frequently cited provisions of the securities laws. Renumbering them would cause unnecessary confusion and result in undue expense in, for example, the extensive editing of reference works that would be required.

Section 104 would amend section 3(a)(2) of the 1933 Act by changing cross-references to section 103(c) of the Internal Revenue Code to cross-references to section 103(b) of the Internal Revenue Code. Public Law No. 94-455 repealed former section 103(b) of the Internal Revenue Code, redesignated former section 103(c) as section 103(b), and made other nonsubstantive changes in designation to which *Section 104* would conform the 1933 Act. *Section 205* would effect similar changes in the Securities Exchange Act of 1934 for the same reasons.

Section 105 would amend the registration exemption in section 3(a)(5)A) of the 1933 Act for securities issued by regulated savings and loan associations and similar institutions by eliminating the so-called "3 per-

cent limitation." The 3 percent limitation makes the S&L exemption inapplicable if the issuer of the security takes a fee from the purchaser in excess of 3 percent of the face value of the security.

The reason for including the 3 percent limitation in the S&L exemption is unclear. The legislative history of the 1933 Act is silent on the subject, and the Commission has rarely attempted to deny the availability of the exemption on the basis of the limitation. The only apparent recorded instance of a denial occurred in 1935, when the Commission staff indicated in a letter that the exemption would be unavailable if an S&L deducted a withdrawal fee in excess of 3 percent from the account of an investor, even if the deduction were made solely from profits previously credited to the investor's shares.

The 3 percent limitation appears to have little or no application to the securities of S&L's in today's marketplace. Moreover, it could be considered a form of discrimination against S&L's, as compared to banks, since banks are not subject to any similar restriction in the exemption provided for their securities under section 3(a)(2) of the 1933 Act.

Section 106 would delete section 6(e) of the 1933 Act as obsolete. Section 6(e) provides that no registration statement may be filed within the first 40 days following the Act's orginal enactment, which occurred on May 27, 1933.

Section 107 would make conforming changes to section 9 of the 1933 Act necessitated by other enactments. *Section 107(1)* would conform the nomenclature for federal appellate courts of general jurisdiction in section 9(a) of the 1933 Act from "Circuit Courts of Appeals" to "courts of appeals,"to conform to the nomenclature adopted in 1948. *Section 107(2)* would conform the name of the United States Court of Appeals for the District of Columbia to the name change adopted in 1934. *Section 107(3)* would replace a reference to sections 239 and 240 of the Judicial Code with a reference to 28 U.S.C. 1254, where the provisions of sections 239 and 240 of the Judicial Code were codified when title 28 was enacted into law in 1948. *Sections 303 and 606* would make the same change in Section 24 of the Public Utility Holding Company Act of 1935 and sections 213(a) of the Investment Advisers Act of 1940, respectively.

Section 108 would amend section 19(c) of the 1933 Act to facilitate cooperation by the Commission with state regulators and industry groups in resolving small business capital formation problems. Such cooperation was mandated by title V of the Small Business Investment Incentive Act of 1980, Pub. L. No. 96-477, 94 Stat. 2275 (primarily codified at 15 U.S.C. 80a-53—64) ("Incentive Act").

Title V calls for two annual conferences at which federal and state securities authorities meet with one another, and with the investment community and small business organizations, for the purpose of resolving problems of small business capital formation and coordination of federal and state securities laws in general. The first conference, required under section 503 of the Incentive Act (15 U.S.C. 80c-1), is an annual government/business forum to review the status of problems and programs relating to small business capital formation. The Commission is required to invite to participate in the forum other federal agencies, organizations representing state securities commissioners, and leading small business and professional organizations concerned with capital formation.

The second conference, required under section 19(c) of the 1933 Act (as added by section 505 of the Incentive Act), is an annual conference to promote cooperation among federal and state securities authorities. Section 19(c) requires the Commission to invite participation in this conference by representatives of associations of state securities officials and other duly constituted securities associations, securities self-regulatory organizations, agencies, and private organizations involved in capital formation. Section 19(c) also directs the Commission to conduct necessary meetings with these representatives to carry out the policies and purposes of Congress reflected in section 19(c). Finally, title V authorizes the Commission to cooperate and share information with associations of state securities officials to effectuate greater uniformity among the Federal Government and the states in securities regulation matters.

Since the decision of the United States Court of Appeals for the District of Columbia Circuit in *Center for Auto Safety* v. *Cox*, 580 F.2d 689 (1978), there has been some question as to whether federal statutes requiring standards and uniform procedures governing the establishment, operation, and duration of advisory committees, task forces, and similar groups apply to cooperative efforts like those required of the Commission by title V. The court in *Center for Auto Safety* held that some provisions of the Federal Advisory Committee Act ("FACA") applied when the Administrator of the Federal Highway Administration used the American Association of State Highway and Transportation Officials to obtain advice and recommendations in developing regulations, which were exempt from the notice and comment requirements of the Administrative Procedure Act, to govern the federal-aid highway program. The court did not determine which specific provisions of the FACA applied when the Administrator used this association of state officials in developing the regulations.[1] The FACA includes numerous provisions that could apply, including provisions requiring federally-approved charters, balanced membership, open meetings chaired by a federal official, review by the Office of Management and Budget, and automatic termination of groups unless extended.

The Commission believes that it was not Congress' intent in enacting the Incentive Act that these kinds of provisions should apply to the cooperative efforts mandated by title V of that Act. It would be difficult, if not impossible, to implement several of the FACA's requirements in the context of the meetings and communications required by title V. For example, under the FACA legislation, agencies establishing advisory committees should "require the membership * * * to be fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee." Congress clearly had no such balance requirement in mind when it passed title V. It is of the nature of the meetings and consultations contemplated by title V that the composition of the groups formed to discuss various issues will change radically depending on the issue and the nature of the discussions. It would be impossible to carry out the congressional mandate with one—or even several—"committees" with fixed membership and a defined charter. Applying these and other provisions of the FACA would substantially impede the cooperation that currently exists between the Commission and state securities authorities in the area of promoting small business capital formation and would hamper efforts to improve such cooperation. It would be particularly inappropriate to apply the FACA to the Commission's work with pre-existing organizations like the North American Securities Administrators Association, with which the Commission has been working closely under title V.

Thus, *Section 108* merely would clarify what the Commission believes to have been Congress' original intent. The Administrative Procedure Act and the securities laws contain safeguards sufficient to prevent the kinds of abuses that concerned the court in *Center for Auto Safety*. The Commission would have to adopt any proposed regulations resulting from title V consultations pursuant to the notice and comment procedures of the Administrative Procedure Act, and in compliance with additional standards set forth in the securities laws.

Sections 109 and 110 would delete references in sections 20 and 22(a) of the 1933 Act to the District Court of the United States for the District of Columbia. These references are superfluous in view of 28 U.S.C. 132(a), which states that "[t]here shall be in each judicial district a district court which shall be a court of record known as the United States District Court for the district," and 28 U.S.C. 88, which states that "[t]he District of Columbia constitutes one judicial district." *Section 109* would also make minor, nonsubstantive stylistic changes to section 20(b) and (c). *Section 110(3)* would amend section 22(a) by replacing a reference to sections 128 and 240 of the Judicial Code with a reference to sections 1254, 1291, 1292, and 1294 of title 28, where the provisions of sections 128 and 240 of the Judicial Code were codified when title 28 was enacted into law in 1948. *Sections 225(2), 228, 302(2), 303, 304, 606, and 607* would delete references to the United States District Court for the District of Columbia and replace references to the Judicial Code with references to title 28 in the Securities Exchange Act, the Public Utility Holding Company Act, and the Investment Advisers Act for the same reasons.

TITLE II

Title 2 of the Bill would effect various amendments of the Securities Exchange Act of 1934 (the "1934 Act").

Section 201 would replace a reference to section 11(k) of the Federal Reserve Act in section 3(a)(6)(C) of the 1934 Act with a reference to the Comptroller of the Currency. Public Law No. 87-722, which was enacted in 1962, repealed section 11(k) of the Federal Reserve Act and transferred the authority exercised under that subsection to the Comptroller of the Currency pursuant to 12 U.S.C. 92a.

Section 202 would correct an apparent typographical error in section 3(a)(12), which now provides that, for purposes of section 15A(g)(2) (granting power to deny membership on the basis of statutory disqualifications), municipal securities are "exempted securities." The proper section reference should have been to section 15A(g)(3) (granting authority to deny membership based on operational and professional qualifications). Since section 15A(f) of the 1934 Act provides that "[n]othing in this section

[1] The court remanded the case to the district court for such a determination. The district court's determination on this issue is not reported.

shall be construed to apply with respect to any transaction * * * in any exempted security," section 3(a)(12) as written would prohibit the National Association of Securities Dealers, Inc. ("NASD") from denying membership in that organization to persons subject to a statutory disqualification, while granting the NASD the power to establish operational and professional qualifications. In fact, the opposite result was intended by the Congress, as evidenced by the fact that (1) in S. 2474, the predecessor bill to the 1975 amendments to the 1934 Act, the definitional section was drafted so that the NASD could not deny membership based on operational and professional qualifications (*see* S. 2474, 93d Cong., 2d Sess., para 1 (1975)), and (2) the Municipal Securities Rulemaking Board was given the rulemaking authority with respect to the establishment of standards of operational capability (*see* section 15B(b)(2)(A) of the 1934 Act). *See* Securities Exchange Act Release No. 11876, at n.7 (Nov. 26, 1975), 40 Fed. Reg. 60084, 60085 n.7 (1975).

Section 203. See discussion of *Section 102*, above.

Section 204 would remove the ambiguity in the definition of "exclusive processor" in section 3(a)(22)(B) of the 1934 Act that resulted from the omission of two commas, an apparent typographical error.

Section 205. See discussion of *Section 104*, above.

Section 206 would capitalize the word "state" in section 3(a)(34)(C) of the 1934 Act and thereby remove any ambiguity as to whether it refers to the defined term "State" used elsewhere in the Act.

Section 207 would correct two apparent typographical errors in section 3(a)(39)(B) of the 1934 Act. The first correction involves inserting a conjunction in a series of items where there is none now. The second involves including within the definition of "statutory disqualification" for purposes of the Act "suspen[sion] for a period not exceeding twelve months" from being associated with a broker, dealer, or municipal securities dealer. This would conform the definition of "statutory disqualification" to the statutory sanctioning authority of the Commission in section 15(b)(6) of the 1934 Act. It is apparent that the omission is a typographical error both because the language does not conform to section 15(b)(6) and because suspension by a self-regulatory organization from being associated with a member of the organization, which would generally be a lesser sanction than suspension by the Commission for a period not exceeding twelve months from being associated with a broker or dealer, is included within the definition of "statutory disqualification" under section 3(a)(39)(A).

Sections 208 and 225(3) would transfer the definition of the term "securities laws," which now appears in section 21(g) of the 1934 Act, to section 3(a), the "definitions" section of the Act. The transfer is advisable because the term is used in new section 4(c), which would be added by *Section 209. Section 208* also would conform the language of the definition to the style of section 3(a) and correct several obviously erroneous cross-references in the definition.

Section 208 also would add a definition of the term "person associated with a transfer agent" to section 3(a). The new definition is necessary because of the new authority over such persons conferred under *Section 224*. The definition is patterned after the definition of the terms "person associated with a broker or dealer" and "person associated with a municipal securities dealer" in sections 3(a)(18) and 3(a)(32) of the 1934 Act, except that persons whose functions are solely clerical or ministerial are excluded from the new definition for all purposes. The definition also excludes employees of diversified transfer agents, such as banks, who are not involved in transfer agents functions.

Section 209 would add new subsection (c) to section 4 of the 1934 Act. Section 4(c) would give the Commission authority by rule to decline to accept payment of fees in cash, and to prescribe the manner of such payments.

The receipt of cash by the Commission raises security and safekeeping problems. The Commission's administration of the federal securities laws does not otherwise require it to handle, safeguard, and maintain records regarding large amounts of cash. The amount of individual and aggregate cash payments received on a particular day is sometimes quite large, occasionally several thousand dollars. The Commission now attempts to assure the safety of the cash it receives, and of the employees who receive it, by making special security arrangements. Special separate recordkeeping and auditing procedures are also required because of the Commission's acceptance of cash. The Commission believes it could reduce costs if it were not required to accept cash payments for fees.

Section 210 would add new sections 4A and 4B to the 1934 Act. The additions would not make any substantive change in current law. The provisions that would be added as sections 4A and 4B are now contained in a 1962 statute, which is codified after section 4 of the 1934 Act in the United States Code, but is not a part of that Act. The provisions concern delegation of functions by the Commission and transfer of functions with respect to assignment of personnel to the Chairman. *Section 210* would insert these provisions into the 1934 Act, where they would be more readily accessible, and would make minor stylistic changes to conform the provisions to current legislative drafting conventions.

Section 211 would correct a typographical error in the first sentence of section 6(c)(2) of the 1934 Act. The words "of investors" were omitted after the word "protection." Inserting the words would logically complete an otherwise incomplete thought.

Section 212 would correct an obvious typographical error in section 6(c)(3)(A) of the 1934 Act. The phrase "any natural person association with such broker" is meaningless. By changing the word "association" to "associated," the phrase assumes the meaning intended by Congress.

Section 213 would amend section 6(c)4) of the 1934 Act to correct a typographical transposition of the letter "(A)", which designates a clause within a sentence, and the verb in the sentence.

Section 214 would delete as obsolete paragraph (3) of section 6(e) of the 1934 Act. It also would provide for the redesignation of paragraph (4). Paragraph (3) provides for the filing by the Commission, until December 31, 1976, of certain information with Congress. The filings are not required after that date. *Section 214(2)* would correct an obvious typographical error by substituting the word "fixing" for the word "fixes" in subparagraph (E), so as to conform its use to other clauses in the subparagraph.

Section 215(1) would amend an obvious typographical error in section 11A(b)(2) of the 1934 Act. The word "transaction" should be in the plural so as to be in accord with the words "in securities" which immediately follow.

Section 215(2) would delete as obsolete two sentences in section 11A(c)(4) of the 1934 Act. The sentences required the Commission, by September 1975, to report to Congress on exchange rules limiting off-board trading and to commence, and to conclude before the end of 1975, a proceeding amending any such rules that were unnecessary or inappropriate. These requirements were met several years ago.

Section 216 would delete sections 11A(e) and 12(m) of the 1934 Act. Section 11A(e) provides for a study and report concerning the extent to which persons excluded from the definitions of "broker" and "dealer" maintain accounts on behalf of public customers. The report was submitted in 1977. Section 12(m) provides for a study and report concerning the practice of recording ownership of securities in street and nominee names. The report was submitted in 1977.

Section 217 would correct an apparent typographical error in section 13(c) of the 1934 Act, where the word "of" appears between the words "thereof" and "the" in what is obviously intended to be the phrase "the Commission shall require in lieu thereof the submission".

Section 218 would delete section 13(h) of the 1934 Act. Subsection 13(h) provides for a study and report concerning the effectiveness of the ownership reporting requirements of section 13 and the desirability and feasibility of modifying the 5 percent threshold reporting requirement of section 13. The report was submitted in 1980.

Sections 219(1) and (2) would amend section 15(b)(4) of the 1934 Act to permit the Commission to bar or otherwise sanction a broker-dealer on the basis of a conviction arising out of the conduct of the business of a securities transfer agent or on the basis of an injunction prohibiting the broker-dealer from acting as a transfer agent. The amendment also would have the effect of permitting the Commission to sanction municipal securities dealers and associated persons of broker-dealers and municipal securities dealers for convictions or injunctions related to securities transfer agent activities, and of permitting the "appropriate regulatory agency" [2] for a municipal securities dealer to do likewise with respect to municipal securities dealers and their associated persons within the jurisdiction of the agency.[3]

At present, section 15(b)(4) permits the Commission and the appropriate regulatory agencies to sanction broker-dealers, municipal securities dealers, and their associated persons on the basis of convictions and injunctions relating to numerous financial activities, including banking, insurance, commodity futures, and most securities-related activities. There is no apparent reason for

[2] Section 3(a)(34)(A) of the 1934 Act provides that either the Comptroller of the Currency, the Federal Reserve Board, or the Federal Deposit Insurance Corporation is the "appropriate regulatory agency" for a municipal securities dealer that is a bank, bank holding company, or department, division, or subsidiary thereof within the primary regulatory jurisdiction of the agency.

[3] These effects would result because sections 15(b)(6), 15B(c)(2), and 15B(c)(5) of the 1934 Act, which authorize administrative sanctions against associated persons of broker-dealers and against municipal securities dealers and their associated persons, incorporate by reference most of the permissible bases for sanctions provided in section 15(b)(4).

not authorizing sanctions for convictions and injunctions related to securities transfer agent activities.

The amendment is similar in concept to Congress' action in section 6(b) of the Insider Trading Sanctions Act of 1984, Pub. L. No. 98-376, § 6(b), 98 Stat. 1265 (Aug. 10, 1984), where convictions and injunctions related to commodity futures activities and violations of the Commodity Exchange Act were added to the list of permissible bases for administrative sanctions against broker-dealers, municipal securities dealers, and their associated persons. The amendment also would effect several stylistic changes to conform section 15(b)(4) to the administrative sanctioning provisions of the Investment Advisers Act of 1940, which also would be amended by the bill to add convictions and injunctions related to transfer agent activities to its list of permissible bases for administrative sanctions. *See* discussion of *Sections 602(1) and (2)*, below. Sections 9(a) and (b) of the Investment Company Act of 1940 would be amended correspondingly to add convictions and injunctions related to transfer agent activities to their lists of bases for disqualifying persons from serving in various capacities to investment companies. *See* discussion of *Section 509*, below.

Sections 219(3), 221, and 602(3) would clarify ambiguities in sections 15(b)(6) and 15B(c)(4) of the 1934 Act and in section 203(f) of the Investment Advisers Act of 1940. These amendments would codify the Commission's interpretation that it has jurisdiction under those sections to bring administrative proceedings against persons who were associated with, or were seeking to become associated with, a broker-dealer, municipal securities dealer, or investment adviser at the time they committed an alleged violation of the federal securities laws, regardless of their current employment or association status.

Before 1975, section 15(b)(7) of the 1934 Act and section 203(f) of the Investment Advisers Act authorized the Commission to bring administrative proceedings and to censure or suspend for not more than 12 months from the broker-dealer and investment advisory businesses "any person" found to have made false statements to the Commission, or to have otherwise violated the federal securities laws or aided or abetted a violation.

At that time, based on the plain language of these sections, the Commission brought a number of administrative proceedings under section 15(b)(7) against banks, lawyers, and other persons who had allegedly violated the federal securities laws, but who had not been and were not engaged in the securities business as brokers, dealers, or investment advisers, and had no apparent intention of becoming so engaged.[4] As mentioned above, the only sanction the Commission could impose under sections 15(b)(7) and 203(f) were censure, suspension, or a bar from the business of broker-dealer or investment adviser, respectively.

Apparently, objections were raised as to the logic and fairness of imposing these sanctions in administrative proceedings on persons who were not subject to regulation by the Commission as registered broker-dealers and investment advisers and had no intention of entering the businesses from which they might be suspended or barred.[5]

In apparent response to these objections, section 15(b)(7) (renumbered section 15(b)(6)) was changed in 1975 to refer to "any person associated, or seeking to become associated, with a broker or dealer," rather than to "any person," and section 203(f) was changed to refer to "any person associated or seeking to become associated with an investment adviser."[6] Section 15B(c)(4), which was added to the 1934 Act by the 1975 amendments and applies to associated persons of municipal securities dealers, follows the same pattern.

This phrasing creates a possible ambiguity, however. It raises the possibility of an argument that a person who was associated with a broker-dealer, municipal securities dealer, or investment adviser at the time of the violation, but who is no longer so associated at the time of the bringing of an administrative proceeding, could not be the subject of such a proceeding. It also raises the possibility of an argument that someone who was seeking to become associated with a broker-dealer, municipal securities dealer, or investment adviser at the time of alleged misconduct, but is not seeking such association at the time of an administrative proceeding, cannot be a subject of the proceeding.

These interpretations would clearly be contrary to the purposes of the sections, however, since they would allow persons who had violated the federal securities laws to avoid administrative sanctions merely by leaving the business and stating that they were no longer associated with a broker-dealer, municipal securities dealer, or investment adviser and were not seeking to become so associated. This situation could arise, for example, if an employee charged with violations resigned his employment or, in the case of principals of a firm, resigned or caused the firm to cease doing business. It could also arise if someone who files a fraudulent application for registration abandons the application.

The proposed amendments correct this potential problem by inserting, in sections 15(b)(6), 15B(c)(4), and 203(f), the phrase "or, at the time of the alleged misconduct, associated or seeking to become associated." These amendments make clear Congress' original intent that misconduct during a *past* association or attempt at association, as well as during a *present* or *prospective* association, subjects a person to administrative proceedings and sanctions under the Securities Exchange Act and the Investment Advisers Act.

The proposed amendments follow closely the language and the rationale of section 1809(a) of the American Law Institute's Federal Securities Code.[7] There the proposed statutory language subjects a person to liability who "*is, was* at the time of any conduct alleged [to be a violation] * * * or *is seeking* to become * * * an associate" (emphasis supplied). The commentary on this section in effect acknowledges that it would be merely a codification of present law: "[I]t does seem fair enough to make clear that the Commission can proceed against a person who *was* a broker, etc., *at the time of the alleged conduct*" (emphasis in original).[8]

Section 219(4) would correct an apparent typographical error in section 15(b)(10) of the 1934 Act, where there is a cross reference to "statutory disqualification" under section 17A(b)(4)(B), but that section does not use the term "statutory disqualification," whereas section 17A(b)(4)(A) does use the term, and it is apparent that the correct reference is section 17A(b)(A).

Section 220 would correct several obvious typographical errors in section 15B(b)(2)(C) of the 1934 Act.

Section 221 would effect two changes in section 15B(c)(4) of the 1934 Act, which deals with administrative proceedings against persons associated with municipal securities dealers. The first change would conform the remedies available against persons associated with municipal securities dealers to those provided in parallel provisions of the federal securities laws for persons associated with broker-dealers and investment advisers. The second change would clarify that administrative proceedings may be instituted against a person who was associated or seeking to become associated with a municipal securities dealer at the time of the conduct complained of. *See* discussion of *Section 219(3)*, above.

The first amendment would make it clear that the Commission and other appropriate regulatory agencies may "place limitations on the activities or functions" of a person associated with a municipal securities dealer.[9] At present, the language of section 15(c)(4) authorizes the agencies to impose against such persons the sanctions of censure, suspension, and bar. The other provisions of the securities laws that deal with permissible sanctions against persons associated with broker-dealers and investment advisers, however, allow the Commission to censure, suspend, or bar them and also to *place limitations on* their activities.[10]

The omission of specific language giving the Commission and the other agencies "limitations" authority with respect to persons associated with municipal securities dealers is not explained in the legislative history of section 15B(c)(4). Indeed, the legislative history suggests that the omission

[4] 5 Loss, Securities Regulation 3386-87 (1969).

[5] *See* II American Law Institute, Federal Securities Code 870 (1980).

[6] The definition of "associated person" does not include lawyers, banks, or other persons unless they are employed in the securities business or are in a control relationship with a broker-dealer or investment adviser. Section 3(a)(18) of the 1934 Act defines the term "person associated with a broker or dealer" as "any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such broker or dealer, or any employee of such broker or dealer, except that any person associated with a broker or dealer whose functions are solely clerical or ministerial shall not be included in the meaning of such term for purposes of section 15(b) of this title (other than paragraph (6) thereof)." Similarly, section 202(a)(17) of the Investment Advisers Act defines "person associated with an investment adviser" as "any partner, officer, or director of such investment adviser (or any person performing similar functions), or any person directly or indirectly controlling or controlled by such investment adviser, including any employee of such investment adviser, except that for the purposes of section 203 of this title (other than subsection (f) thereof), persons associated with an investment adviser whose functions are clerical or ministerial shall not be included in the meaning of such term."

[7] II American Law Institute, Federal Securities Code § 1809(a) (2d Supp. 1981).

[8] *Id.* at 870 (1980).

[9] Section 15B(c)(5) of the Act allows other "appropriate regulatory agencies" to impose on municipal securities dealers and associated persons within their jurisdictions the same sanctions that Sections 15B(c)(2) and (4) authorize the Commission to impose. The appropriate regulatory agency for bank-affiliated municipal securities dealer is defined in Section 3(a)(34)(A) of the Act as one of several federal bank regulatory authorities. *See* note 2, above.

[10] 1934 Act § 15(b)(6), 15 U.S.C. 78o(b)(6); Investment Advisers Act § 203(f), 15 U.S.C. 80b-3(f).

was an oversight. The Senate Report that accompanied the Securities Acts Amendments of 1975, which added section 15B(c)(4) to the Act, indicated that the provision was intended to provide "limitations" authority. The Report stated that section 15B(c)(4) would authorize the Commission "by order, to censure or *impose limitations on the functions and activities.* or bar or suspend * * * any person from being associated with a municipal securities dealer."[11] However, neither at the time the 1975 bill was reported, nor when it was enacted into law, did its actual text ever include a reference to "limitations." [12]

Additional evidence that the lack of express "limitations" authority in section 15B(c)(4) was an oversight is found in section 15B(c)(2) of the Act, which was added at the same time as section 15B(c)(4). Section 15b(c)(4) sets out the permissible sanctions applicable to municipal securities dealers themselves. It expressly confers "limitations" authority upon the Commission and the other appropriate regulatory agencies. There is no explanation in the legislative history for the difference in treatment of municipal securities dealers and persons associated with municipal securities dealers. In the sections of the securities laws dealing with sanctions applicable to other registrants and their associated persons, there is "limitations" authority with respect to both.[13]

The proposed amendment would remedy this apparent oversight and conform the provisions governing the sanctions expressly applicable against persons associated with municipal securities dealers to those applicable against persons associated with other dealers and with brokers and investment advisers.[14] The Commission regards this as a desirable change in the law because the limitations authority is an important recognition by Congress of the need for flexibility to fashion sanctions that fit the offense and situation presented. For example, the Commission may use its "limitations" authority in the broker-dealer area to suspend the operation of a single branch office, rather than an entire firm, where misconduct was localized; or to confine an offending employee to nonsupervisory positions where an outright bar or suspension is unnecessary; or to bar persons formerly associated with broker-dealers from entering other securities professions where they might continue to perpetrate frauds upon unsuspecting investors.

Section 222 would capitalize the word "board" in section 15B(c)(6)(A) of the 1934 Act and thereby remove any ambiguity as to whether it refers to the defined term "Board" used elsewhere in the Act.

Section 223(1) would amend section 17(c)(2) of the 1934 Act to require that the Commission and the federal banking agencies, which serve as regulatory agencies for transfer agents and municipal securities dealers, to notify each other when they institute proceedings and enter orders against persons associated with transfer agents and municipal securities dealers. Currently, section 17(c)(2) requires the Commission and the banking agencies to notify each other only when they institute proceedings and enter orders against transfer agents and municipal securities dealers themselves, not when they do so against associated persons only. The purpose of the requirement is to foster cooperation among government agencies in law enforcement and regulation. *See* S. Rep. No. 94-75, 95th Cong., 1st Sess. 120-21 (1975). The extension of the requirement to proceedings and orders against associated persons is consistent with this purpose and is the approach adopted in the American Law Institute's *Federal Securities Code.*[15] Section 15B(c)(6) of the 1934 Act already requires the Commission and the banking agencies to notify and consult with each other before entering orders of investigation and commencing proceedings against *both* municipal securities dealers *and* associated persons of municipal securities dealers. Therefore, the extension of the section 17(c)(2) requirement to associated persons of municipal securities dealers should not impose any significant burdens on the agencies. The extension to associated persons of transfer agents is consistent with *Section 224(5)* of the bill, which would extend the administrative jurisdiction of the agencies to such persons. Moreover, the requirement that the agencies file with each other copies of orders imposing sanctions on persons associated with transfer agents would facilitate the employment review process contemplated under *Section 224(5).*

Section 223(2) would amend section 17(f)(3) of the 1934 Act to provide the Commission and self-regulatory organizations ("SRO's") designated by the Commission with access, in connection with the identification and processing of fingerprints taken in satisfaction of the fingerprinting requirement of section 17(f)(2), to all criminal history record information in the FBI's National Crime Information Center system. The amendment is specifically intended to enable the NASD and other SRO's that have plans for the processing of fingerprint cards approved by the Commission to obtain complete arrest information on prospective employees of their members.

At present, the SRO's are unable to obtain complete arrest information in connection with section 17(f)(2) fingerprint submissions because of Department of Justice regulations. The regulations prohibit the release to the SRO's of arrest information not accompanied by information relating to the disposition of the arrest if the arrest information is more than one year old and no active prosecution of the case is known to be pending. *See* 28 C.F.R. §§ 20.33, 50.12 (1984). Under current law, the Commission itself could obtain such arrest information, but the proposed amendment covers the Commission so as not to raise a negative implication that the self-regulatory organizations could obtain access while the Commission could not.

A restriction on release of year-old arrest data not accompanied by disposition data where there is no known active prosecution is not, on its face, unreasonable. But such a restriction is not advisable when the purpose of a fingerprint submission is the investigation of prospective employees in the securities business who will handle and act as fiduciaries with respect to large amounts of other peoples' money. Moreover, arrest data in the National Crime Information Center system may not be accompanied by disposition data for reasons entirely unrelated to the seriousness of the arrest. There may be delays in the disposition of arrests, and local law enforcement officials sometimes fail to report dispostions, even convictions, to the FBI. As a consequence, the SRO's and their members can be prevented by the regulations from receiving precisely the kind of information they need to identify potentially untrustworthy personnel and make informed hiring decisions about persons convicted of securities-related offenses.

The proposed amendment would provide the SRO's with access similar to that granted by section 233 of the Futures Trading Act of 1982, Public Law No. 97-444, 96 Stat. 2294, to registered futures associations, which are regulated by the Commodity Futures Trading Commission ("CFTC"). Frequently, prospective employees who are subject to the jurisdiction of a registered futures association, which is in essence a futures SRO, are also subject to the jurisdiction of a securities SRO. Since trustworthiness concerns are as important in the securities industry as they are in the futures industry, it is appropriate that securities SROs have access to the same type of information as futures SROs. Moreover, restricting securities SRO access to criminal history record information contributes to duplicative fingerprint and background investigation requirements when employees move from the securities industry to the futures industry by changing jobs or by expanding their product lines. Currently, sales personnel whose fingerprints have been processed by the FBI and are on file with the CFTC are exempt from the SEC's fingerprinting requirement. The CFTC does not have a reciprocal exemption, however, because the information provided by the FBI to securites SROs does not include the more extensive arrest information available to registered futures associations regulated by the CFTC. By granting access to such information to securities SROs, the amendment would enable the CFTC to consider adopting an exemption that would eliminate dual fingerprint and background investigation requirements.

Section 224 of bill would amend the provision in section 17A of the 1934 Act relating to regulation of transfer agents. The purpose of the amendments is to improve compliance with those provisions. The amendments would place the enforcement authority of the Commission and the federal bank regulatory agencies with respect to transfer agents and transfer agent professionals [16]

[11] S. Rep. No. 94-75, 94th Cong., 1st Sess. 116 (1975).

[12] *See id.* at 215.

[13] *See* 1934 Act § 15(b)(4), (b)(6), 15 U.S.C. 78o(b)(4), (b)(6); Investment Advisers Act § 203(e), (f), 15 U.S.C. 80b-3(e), (f).

[14] If the municipal securities dealer with which the person is associated is also a broker-dealer against which the Commission may proceed under section 15(b) of the Act, of course, the Commission can proceed against the associated person under the general sanctioning provisions of section 15(b)(6), which contains express "limitations" sanctioning authority. The definitions in the 1934 Act, however, prevent the Commission from sanctioning a bank-affiliated municipal securities dealer or its associated persons under section 15(b). Instead, the Commission must rely on section 15B(c), which addresses municipal securities dealers specifically. Thus, the principal effect of the proposed amendment would be expressly to permit the Commission to place limitations on persons associated with bank-affiliated municipal securities dealers. *See* 1934 Act §§ 3(a)(5), 3(a)(30) & 3(a)(32), 15 U.S.C. 78c(a)(5), 78c(a)(30), 78c(a)(32).

[15] *See* II American Law Institute, Federal Securities Code § 1803(f)(2), at 828 (1980).

[16] Section 3(a)(34)(B) of the 1934 Act provides that the Comptroller of the Currency, the Federal Reserve Board, or the Federal Deposit Insurance Corporation is the "appropriate regulatory agency" for a transfer agent that is a bank within its primary regulatory jurisdiction, or the subsidiary of such a bank, and that the Commission is the "appropriate regulatory agency" for all other transfer agents.

on a par with their authority over brokers, dealers, municipal securities dealers, and investment advisers and their associated professionals.

Transfer agent regulatory authority was added to the 1934 Act by Congress in 1975. *See* Pub. L. No. 94-29, § 15, 89 Stat. 141. Thus, the proposed amendments reflect ten years' experience in federal regulation of transfer agents.

The amendments were developed in consultation with the staffs of the other transfer agent regulatory agencies—the Comptroller of the Currency, the Federal Reserve Board, and the Federal Deposit Insurance Corporation. The staffs of all three agencies offered support for the legislation.

The Securities and Exchange Commission believes that the proposed changes would enhance significantly the enforcement capabilities of the transfer agent regulatory agencies. The proposed legislation would close existing gaps in administrative authority and would provide important, flexible tools with which the Commission and the other agencies more efficiently may remedy violations of the federal securities laws by registered transfer agents and their associated professionals.

Section 224(1) would amend section 17A(c)(2) of the 1934 Act to make it clear that the Commission or the other appropriate regulatory agency for a transfer agent may require information about professionals associated with the transfer agent in the transfer agent's application for registration. The clarification is desirable in view of *Section 224(5)* of the bill, which would extend the adjudicative jurisdiction of the agencies to professionals associated with transfer agents.

Section 224(2) would amend section 17(A)(c)(2) of the 1934 Act to extend the effective date of a transfer agent's registration from 30 days to 45 days after the filing of the application, as is the case for brokers and dealers. The additional processing time is needed for the agencies to review the additional information about professionals that may be required under the amendment provided for in *Section 224(1)*, discussed above. The existing provision allowing the agencies to accelerate the effectiveness of the registration would not be changed.

Section 224(3) would amend section 17A(c) of the 1934 Act, the section of that statute that provides for the institution of administrative proceedings against transfer agents, in two ways. First, it would permit the appropriate regulatory agency for a transfer agent to institute administrative proceedings against, and impose sanctions on, the transfer agent for acts committed or omitted by professionals associated with the transfer agent itself. The new scheme would conform the regulation of transfer agents to the rules that apply to broker and dealers, which are subject to administrative proceedings both for their own acts and for acts of their associated persons.

Second, *Section 224(3)* would significantly expand the grounds for instituting administrative proceedings against, and imposing sanctions on, transfer agents. The current statute authorizes administrative proceedings and sanctions only for violations of, or inability to comply with, sections 17 and 17A of the 1934 Act and the rules thereunder. Sections 17 and 17A and their accompanying rules are quite narrow in scope. They prescribe statutory and regulatory requirements only with respect to maintaining books and records and clearing and settling securities transactions. The amendment would expand the grounds for sanctioning transfer agents to include those currently available for sanctions against brokers, dealers, and municipal securities dealers. The grounds include violations by transfer agents and their associated persons of the federal securities laws; convictions and injunctions relating to financial activities such as banking, insurance, commodity futures, and securities-related businesses; and convictions for offenses involving fraud or dishonesty. The grounds are set out in detail in subparagraphs (A) through (E) of section 15(b)(4) of the 1934 Act, which would be incorporated by reference in section 17A(c)(3) under the proposed amendment. An outstanding order barring or suspending the transfer agent or one of its associated persons from associating with a transfer agent also would constitute grounds for an administrative sanction. This is comparable to the provision that applies to brokers and dealers in section 15(b)(4)(F) of the 1934 Act.

The legislative history of section 17A(c)(3), which was added by Congress to the 1934 Act in 1975, does not disclose why the adjudicative authority of the transfer agent regulatory agencies is limited to violations of sections 17 and 17A. The Commission's experience over the last ten years in administering the federal securities laws relating to transfer agent activities, however, indicates that transfer agents can use their position as recordkeeper and certificate processor for issuers to violate other federal and state laws that outlaw fraud and deception and regulate the provision of financial services. However, if a transfer agent violates, for example, the antifraud provisions of the securities laws, the Commission and the other transfer agent regulatory agencies cannot now bring an administrative proceeding under section 17(A)(c)(3) to revoke, deny, or suspend registration or to censure or place limitations on the activities of the transfer agent, absent violations of section 17 or 17A or the rules thereunder.

Transfer agents that violate other provisions of the federal securities laws, of course, occasionally also violate section 17 or section 17A of the 1934 Act.[17] In such cases, however, under current law, the Commission may be required to bring two separate proceedings to satisfy the public interest. The Commission would have to institute administrative proceedings to revoke the transfer agent's registration on the basis of section 17 or 17A violations, and seek an injunction from a court to redress the violations of other provisions of the federal securities laws, if the public interest required both sanctions. Moreover, transfer agents and their associated persons that violate other provisions of the federal securities laws may operate their transfer agency in substantial compliance with sections 17 and 17A or may be able to cure any minor section 17 or 17A violation easily. In those cases, the public interest and investor protection may not justify severe administrative sanctions, such as revocation or registration, for the section 17 or 17A violations, even though the violations of other provisions of the federal securities laws might merit such remedies.

The proposed amendment would close this gap in the administrative authority of the Commission and the other transfer agent regulatory agencies. It would confer upon them administrative adjudicatory authority comparable to that applicable to brokers, dealers, municipal securities dealers, and investment advisers.[18] The agencies thus would be able to tailor administrative remedies in cases of multiple violations and would not be required to rely exclusively on section 17 or 17A violations.

Section 224(4) would redesignate current subparagraphs (B) and (C) of section 17A(c)(3) of the 1934 Act as subparagraphs (A) and (B) of new section 17A(c)(4). This would accommodate the amendments of section 17A(c)(3) accomplished under *Section 224(3)*.

Section 224(5) would add a new paragraph (4)(C) to section 17A(c) of the 1934 Act. As mentioned above, the new provision would permit the Commission or the other appropriate regulatory agency for a transfer agent to institute administrative proceedings against, and impose sanctions on, persons associated with the transfer agent. At present, the Commission and the other transfer agent regulatory agencies can bring administrative proceedings only against the transfer agent itself. The grounds for instituting proceeding against, and imposing sanctions on, associated persons of transfer agents would be the same as those applicable to other securities professionals, including violations of the securities laws and convictions and injunctions relating to financial services industry activities. The available sanctions also would be the same—bar, suspension, censure, and placing of limitations on the activities of the transfer agent professional.

New paragraph (4)(C) of section 17A(c) also would make it unlawful for a person subject to a bar or suspension from associating with a transfer agent to become so associated without the consent of both the appropriate regulatory agency that entered the bar or suspension and the appropriate regulatory agency for the transfer agent with which the person wishes to associate, if different. Likewise, it would be unlawful for a transfer agent to knowingly or negligently permit a person subject to such a bar or suspension to associate with it without the consent of both the appropriate regulatory agencies.

To enable a transfer agent to determine whether a person associated or seeking to become associated with it is subject to a bar or suspension, the legislation authorizes the Commission to establish procedures to allow transfer agents to obtain the relevant information. The Commission contemplates that, in exercising this authority to establish procedures, it will consult with the other transfer agent regulators and weigh carefully the statutory objectives against paperwork, reporting, and recordkeeping burdens. Recent Commission experience and consultations with the other agencies indicates that no more than a handful of bars and suspensions would be issued in any given year. It would be possible, therefore, for each transfer agent regulator to disseminate notice of these actions to all registered transfer agents, and to require that all transfer agents maintain a file of these notices. The transfer agents could be required to check this file before permitting a professional to

[17] *See, e.g., International Postal Systems, Inc.*, Securities Exchange Act Release No. 14901 (June 28, 1978) (administrative proceedings to determine whether to deny registration to a transfer agent involved in violations of section 5(a) of the 1933 Act and section 10(b) of the 1934 Act, on the basis of violations of section 17A(c)(1) of the Act).

[18] *See* 1934 Act §§ 15(b) (4) & (6), 15B(c) (2) & (4); Investment Advisers Act §§ 203 (e) & (f).

associate with them. This alternative may be less burdensome than establishing or appointing a central repository of the information and requiring a transfer agent to inquire of the respository each time a professional seeks association.

Under the current statutory scheme, the Commission and the federal banking regulatory agencies are empowered to impose administrative sanctions on transfer agents as entities, but not on persons associated with transfer agents, even if those persons are directly responsible for violations of the federal securities laws.[19] Moreover, although the Commission can revoke the registration of a transfer agent, it cannot, without cumbersome proceedings, prevent culpable associated persons from establishing a new transfer agent and continuing their unlawful activities.[20] Administrative authority over associated persons is therefore essential if the Commission is to fashion efficient enforcement remedies that satisfy the public interest.

The existing statutory scheme unduly hampers Commission enforcement capabilities. For example, in *Corporate Registrar and Transfer Company* ("CR&T").[21] The Commission instituted administrative proceedings against a transfer agent for violations of sections 17 and 17A of the Act. The Commission, however, could not impose administrative sanctions on the associated person responsible for the transfer agent's violations.[22] Moreover, although the associated person consented to revocation of the transfer agent's registration, the associated person acquired another transfer agent and assigned to it all of the assets and clients of CR&T.[23]

The proposed legislation would rectify these enforcement limitations. The Commission and the other transfer agent regulatory agencies would be able to tailor appropriate remedial sanctions against associated persons, as is currently the case with associated persons of registered broker-dealers, municipal securities dealers, and investment advisers, through censure, limitation of activities, suspension, and bar of association. Furthermore, the Commission would be able efficiently to revoke or deny the registration of a transfer agent on the basis of an associated person's prior misconduct.

Sections 224(6) and 224(7) would add references to persons associated with a transfer agent to sections 17A(d)(3)(B) and 17A(d)(4) of the 1934 Act. Section 17A(d)(3)(B) provides that nothing in the Act should be construed to limit the Commission's authority to make rules pursuant to the Act and to enforce compliance by transfer agents and clearing agencies. Section 17A(d)(4) provides that nothing in section 17A should be construed to impair the authority of any state or federal regulatory authority having jurisdiction over transfer agents and clearing agencies to make or enforce rules governing such agents and agencies that are not inconsistent with the 1934 Act. The new references are advisable in recognition of the new authority over associated persons of transfer agents that *Section 224* would provide.

Section 225(1) would correct an apparent typographical error in section 21(d) of the 1934 Act, where the word "wherever," rather than the word "whenever," is used to indicate the time at which something may be done.

Section 225(2). See discussion of *Section 109*, above.

Section 225(3). See discussion of *Section 208*, above.

Section 226(1) would insert in section 23(a)(1) of the 1934 Act the conjunction "or" before the last of a number of items in a series where a disjunctive conjunction obviously is required.

Section 226(2) would insert the verb "shall" before the work "keep" in a sentence in section 23(a)(3) of the 1934 Act that otherwise would read: "The Commission * * * keep in a public file * * *."

Section 227 would set in lowercase the letter "t" in the word "the" in section 23(b)(4)(F) of the 1934 Act. The word does not appear at the beginning of a sentence and does not otherwise require initial capitalization.

Section 228. See discussions of *Sections 109 and 110(3)*, above.

Section 229 would correct an apparent typographical error in section 28(c) of the 1934 Act. It appears that the word "or" was inserted in section 28(c) instead of the word "on," because, as written, section 28(c) speaks of sanctions imposed *by* members of self-regulatory organizations and *by* persons associated with members. These concepts are totally foreign to the 1934 Act. The inapt language can be harmonized with the remainder of section 28 by amending it to refer to a "disciplinary sanction imposed by a self-regulatory organization *on* a member thereof."

Section 230 would correct a typographical error in section 28(d) of the 1934 Act, where the word "is," instead of the word "in," is used in what is obviously intended to be the phrase "change in beneficial or record ownership."

Section 231 would amend a reference in section 28(e)(1) of the 1934 Act from the "Securities Act Amendments *in* 1975" to the "Securities Acts Amendments *of* 1975."

Section 232 would delete section 211 of the 1934 Act. Section 211 provided for a study and report by the Commission of reorganization proceedings. The report was completed and became the basis for the Trust Indenture Act of 1939.

TITLE III

The Title III of the Bill would effect various nonsubstantive and noncontroversial amendments to the Public Utility Holding Company Act of 1935 ("PUHCA").

Section 301 would conform section 8 of PUHCA to the *Government Printing Office Style Manual* rule that a dash is not used immediately after a comma.

Sections 302 through 304. Section 302(1) redesignates subsections (f) and (g) of section 18 of PUHCA to eliminate the nonconsecutive subsection designations that resulted from the repeal of subsection (e) by Public Law No. 91-452 in 1970. *Sections 302(2), 303, and 304* would make the conforming changes discussed above in connection with the discussions of *Sections 107, 109, and 110.* In addition, *Section 304(2)* would delete a reference in section 25 of PUHCA to the 1893 statute that established a court of appeals for the District of Columbia. The statute was repealed in 1949. The rights of appeal provided for in the statute are now provided for in 28 U.S.C. 1254, 1291, 1292, and 1294, to which section 25 would refer under the proposed amendment. *Section 607* would delete a similar reference in section 214 of the Investment Advisers Act of 1940 for the same reasons.

Section 305 would delete from section 30 of PUHCA the sentence that provided for the study and report that led to enactment of the Investment Company and Investment Advisers Acts of 1940.

TITLE IV

Title IV would effect several amendments of the Trust Indenture Act of 1939.

Section 401 would correct an obvious typographical error in section 303(4) of the Act, where the word "undertaking" is spelled "undertakng."

Section 402 would amend the definition of the term "obligor" in section 303(12) of the Act to clarify that a guarantor is an obligor with respect to indenture securities under the Act. The amendment reflects current administrative practice and is beneficial in eliminating the necessity to interpret the term "obligor" to include a guarantor.

TITLE V

Title V would effect a number of amendments of the Investment Company Act of 1940.

Sector 501 would amend the definition of the term "interested person" in section 2(a)(19) of the Investment Company Act by inserting the word "completed" before the words "fiscal years" each time the latter words appear. The words "two fiscal years" are used in the definition of the term "interested person" as a test of the materiality of certain business relationships immediately before the time in question. The revision conforms with SEC staff interpretations and removes an ambiguity in the present law.

Section 502. See discussion of *Section 102*, above.

Section 503 would correct an apparent typographical error in section 2(a)(48)(B) of the Investment Company Act, where the word "sections," instead of the word "section," is used before "55(a)(1) through (3)," by amending the provision so that it refers to "paragraphs (1) through (3)," which is the preferred usage.

Section 504 would delete the last clause of section 3(c)(3) of the Investment Company Act, which was intended to, and effectively did, create an exemption from the Act for the Massachusetts Hospital Life Insurance

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[19] The federal bank regulatory agencies may have authority under other federal statutes to remedy violations by associated persons. *See, e.g.*, 12 U.S.C. 1818 (1976).

[20] Contrast these limitations with the provisions pertaining to administrative authority over brokers and dealers and persons associated with brokers and dealers. Under section 15(b)(6) of the Act, for example, the Commission could place limitations on association with a broker or dealer on the ground that the associated person previously violated the federal securities laws. Furthermore, under section 15(b)(4) of the Act, the Commission could deny registration to an applicant broker or dealer on the ground that an associated person previously violated the federal securities laws.

[21] Securities Exchange Act Release No. 20765 (Mar. 19, 1984).

[22] *See also National Bond and Share Company*, SEC Litigation Release No. 9898 (Feb. 17, 1983), in which the Commission obtained an injunction against both the transfer agent and its controlling person after the Commission suspended trading in five shell companies for which the transfer agent performed transfer functions. The Commission later brought administrative proceedings against the transfer agent for violations of sections 17 and 17A of the 1934 Act and several rules thereunder, but was unable to seek administrative remedies against the individual. *See* Securities Exchange Act Release No. 19638 (Mar. 29, 1983).

[23] Under the proposed scheme, the Commission could have prevented such a clear circumvention of its enforcement program easily and efficiently. The Commission might have sanctioned the associated person for his part in the violations of sections 17 and 17A. It then could have revoked the registration of the newly acquired transfer agent on the ground that an associated person previously violated the federal securities laws.

Company. The "Massachusetts Company," the successor to that company, no longer requires the exemption.

Section 505 would delete as obsolete section 3(c)(7) of the Investment Company Act. Section 3(c)(7) exempts from the operation of the Act companies subject to regulation by the Interstate Commerce Commission under Section 11302 of title 49, United States Code (section 214 of the Interstate Commerce Act before the enactment of title 49 in 1978), and certain holding companies controlled by companies subject to regulation under section 11302. Section 11302 provided for regulation by the Interstate Commerce Commission of the securities activities of interstate motor vehicle carriers. It was repealed by section 19(a) of the Bus Regulatory Reform Act of 1982, Pub. L. No. 97-261, § 19(a), 96 Stat. 1121. Since there are no longer any companies subject to regulation under section 11302, section 3(c)(7) of the Investment Company Act has no force and effect, and should be repealed. The bill would reserve the paragraph (7) designation for future use, rather than renumber the succeeding paragraphs, to avoid the confusion that would result from renumbering these frequently-cited provisions of law.

Sections 506 (1) and (2) would amend section 3(c)(11) of the Investment Company Act to make clear that a governmental plan described in that section need not be a trust to be exempted from the operation of the Act. The purpose of this amendment is to carry out Congress' apparent intent when it amended the Investment Company Act in the Small Business Investment Incentive Act of 1980.

Section 3(c)(11) does not specifically provide for the exemption of collective trust funds consisting solely or partially of assets of governmental plans not held in a trust. But the clear intent and purpose of Congress in amending section 3(c)(11) in 1980 was to conform section 3(c)(11) to section 3(a)(2) of the 1933 Act. Section 3(a)(2) was amended by the same legislation to exempt from application of the registration provisions of the 1933 Act any interest in a collective trust fund maintained by a bank issued in connection with a governmental plan, without requiring that the plan's assets be held in trust before it invested in the fund. *See* 126 Cong. Rec. 21,272-74 (1980) (remarks of Senator Sarbanes); 126 Cong. Rec. 28,632 (1980) (remarks of Representative Scheuer). The proposed amendment thus merely corrects a draftsman's oversight and codifies the current Commission staff interpretation of section 3(c)(11). Moreover, the proposed amendment is consistent with the action of Congress in 1982 when it amended the Internal Revenue Code to provide that a group trust that otherwise meets the requirements of section 401 of the Code shall not be treated as not meeting those requirements on account of the participation or inclusion in the trust of money of a governmental plan. The House Report on the legislation stated that the tax-exempt status of a group trust would not be affected adversely because the trust accepts money from a governmental plan "whether or not * * * the assets are held in trust." H.R. Rep. No. 97-760, 97th Cong., 2d Sess. 640 (1982).

Section 507 would correct an obvious typographical error in section 5(a)(2) of the Investment Company Act, where "closed-end" is spelled "Close-end."

Section 508(1). See discussion of *Section 102*, above.

Section 508(2) would remove as obsolete the exemption in section 6(a)(2) of the Investment Company Act for companies for which a receiver, trustee in bankruptcy, or similar officer had been appointed by a court before the effective date of the Act, so long as the conduct of the company's business remains subject to the supervision of the court. The Commission knows of no company that meets the conditions for the exemption today, and it is highly unlikely that any such company exists.

Section 509(1) would amend section 9(a) of the Investment Company Act to add three additional kinds of conduct to the existing list of activities that give rise to disqualification under the provision. The three kinds of conduct that would be added are convictions or injunctions in connection with activities of transfer agents, municipal securities dealers, and entities or persons required to register under the Commodity Exchange Act. Similarly, *Sections 509 (2) and (3)* would add willful violations of the Commodity Exchange Act to the lists of statutes, in section 9(b) of the Investment Company Act, the violation of which may give rise to administrative sanctions after notice and opportunity for hearing before the Commission.

Section 9(a) disqualifies persons who have been convicted of certain crimes, or against whom certain injunctions have been issued, from serving in the management, as employees, as investment advisers, or as principal underwriters of investment companies without an order granted by the Commission under section 9(c). At present, the list of disqualifying items includes injunctions and convictions of crimes arising out of the person's conduct as an underwriter, broker-dealer, or investment adviser, or as an affiliated person or employee of an investment company, bank, or insurance company. Section 9(b) gives the Commission authority to disqualify a person for willful violations of, or for willfully aiding and abetting violations of, the 1933 Act, the 1934 Act, and the Investment Company and Investment Advisers Acts.

Sections 9 (a) and (b) serve essentially the same purpose as section 15(b)(6) of the 1934 Act and section 203(f) of the Investment Advisers Act, which give the Commission authority to bar persons from association with broker-dealers and investment advisers on the basis of specified convictions, injunctions, and violations. The Investment Company Act and the Advisers Act, unlike the 1934 Act, however, do not include, among the specific bases for disqualification, convictions and injunctions relating to transfer agent activities and activities of an entity or person required to register under the Commodity Exchange Act. Moreover, the Investment Company Act, unlike the 1934 Act and the Investment Advisers Act, does not specifically include convictions and injunctions related to conduct as a municipal securities dealer. *Section 509* would close this gap in the Investment Company Act and substantially conform the 1934 Act, the Investment Company Act, and the Investment Advisers Acts in these respects. The amendments adding violations, and aiding and abetting violations, of the Commodity Exchange Act would follow the pattern set by Congress in the Insider Trading Sanctions Act of 1984, Pub. L. No. 98-376, § 6(b), 98 Stat. 1265, in which Congress added violations of the Commodity Exchange Act to the list of permissible bases for bars and other sanctions against broker-dealers and persons associated with broker-dealers. *Sections 602 (1), (2), and (3)* would effect corresponding changes in the Investment Advisers Act.

Section 510 would correct three obvious typographical errors in section 12 of the Investment Company Act. In one instance, the word "treasury" is capitalized when referring to the "treasury stock" of an investment company. In another, the word "it," instead of the word "is," is used in what is obviously intended to be the phrase "as is reasonably possible." Finally, the words "thereof" and "only" are transposed in the phrase "own all or any part of the capital stock thereof only if such stock is acquired and held for investment."

Section 511(1) would correct an erroneous cross-reference to paragraph 40 of section 2(a) in section 15(d) of the Investment Company Act. Section 2(a)(2) of the 1970 Amendments to the Investment Company Act redesignated paragraph (40) as paragraph (42), but section 15(d) was not amended to reflect the redesignation.

Section 511(2) would correct an obvious typographical error in section 15(f)(3)(B) of the Investment Company Act, where a period, instead of a comma, is used in the middle of a sentence.

Section 512 would delete as obsolete the second sentence of each of section 17(h) and section 17(i) of the Investment Company Act. The second sentences of both sections provide that the prohibitions of the section will not be deemed violated if noncomplying language in effect on the effective date of the Investment Company Act is amended to comply with the sections within one year of that date or if, if not so amended, persons who would otherwise be protected under the language file waivers with the Commission. We are not aware of any such waivers that have been filed that are still in effect.

Section 513 would delete as obsolete paragraph (1) of section 18(e) of the Investment Company Act. Paragraph (1) makes inapplicable the prohibitions of section 18, which relate to the capital structure of investment companies, to senior securities issued or sold by any registered closed-end company pursuant to a firm contract to purchase or sell entered into before March 15, 1940.

Section 514 would delete as obsolete two sentences in section 20 of the Investment Company Act and would remove superfluous language in section 20(d). This first sentence to be removed as obsolete is the second sentence of section 20(b), which makes the prohibition in that section on the use of interstate commerce to sell voting-trust certificates inapplicable to a class of voting-trust certificates if any certificates of the class were publicly offered by the issuer before March 15, 1940. The second sentence to be removed as obsolete is the first sentence of section 20(d), which required elimination of cross and circular ownership of investment companies, which are prohibited by section 20(c), within five years of enactment of the Act.

Section 515 would delete as obsolete the exemption in section 21(b) of the Investment Company Act for the extensions or renewals of loans made before March 15, 1940. Section 21(b) generally makes it unlawful for any registered management company to lend money or property to persons in control of the company.

Section 516(1) would correct an obsolete cross-reference in section 22(b)(1) of the Investment Company Act from section 15A(b)(8) of the 1934 Act to section 15A(b)(6). The provisions contained in section 15A(b)(8) before the 1975 amendments to the 1934 Act are now contained in section 15A(b)(6), but the cross-reference to section 15A(b)(8) has never been changed.

Section 516(2) would delete as obsolete paragraph (2) of section 22(b) of the Investment Company Act and renumber the remaining paragraphs of the section. Paragraph (2) gave the Commission authority to adopt rules with respect to excessive sales loads in primary distributions of redeemable securities of investment companies. The rules were applicable to broker-dealers regulated by the Commission under its "SECO" (SEC only) program. The rules were necessary because broker-dealers regulated under the SECO program were not members of the NASD and not bound by the NASD's rules on excessive sales loads unless they chose to bind themselves. However, Commission rulemaking authority in this area is no longer necessary. The SECO program was abolished by legislation in 1983. Pub. L. No. 98-38, § 3, 97 Stat. 206. All broker-dealers now are required to join the NASD unless they effect transactions solely on national securities exchanges, in which case they are regulated by the exchanges. Thus, most of the broker-dealers formerly regulated under the SECO program are now regulated by the NASD, and subject to the NASD's rules on excessive sales loads. Those few that are not regulated by the NASD effect transactions solely on national securities exchanges. Since redeemable investment company securities normally are neither traded nor distributed on exchanges, it is not necessary to have excessive sales load rules applicable to this group. If one of these broker-dealers effected a distribution off an exchange, it would lose its exemption from the requirement of NASD membership, be required to join the NASD, and become subject to the NASD's rules on excessive sales loads.

Section 516(3) would correct an obsolete cross-reference in current section 22(b)(3) of the Investment Company Act, which would be redesignated section 22(b)(2) under the bill. Section 22(b)(3) refers to the Commission's authority to affect the rules of registered securities association, such as the NASD, under section 15A(k)(2) of the 1934 Act. The Commission's authority in this area was moved to section 19(c) of the 1934 Act in the 1975 amendments to that Act. Secion 15A(k)(2) no longer exists.

Section 516(4) would amend the first sentence of section 22(e) of the Investment Company Act to make it clear that the seven-day period referred to in the sentence may not be used to suspend redemptions. Rather, an investment company may use the period only to postpone payment or satisfaction upon redemption for up to seven days. A company may suspend the right of redemption or extend the seven-day period for postponements of payments only if one or more of the three conditions specified in paragraphs (1) through (3) of section 22(e) is satisfied. This is the Commission staff's interpretation of the sentence and the interpretation adopted in the *Federal Securities Code* of the American Law Institute. *See* II American Law Institute, Federal Securities Code §1418(e), at 50 (2d Supp. 1981); Investment Co. Act Release No. 14244 (Nov. 21, 1984), 49 Fed. Reg. 46558 (1984); Investment Co. Act Release No. 10113 (Feb. 7, 1978). The interpretation is supported by a recognized authority in the field. *See* 3 T. Frankel, The Regulation of Money Managers 160-61 (1980).

Section 516(5) would delete as obsolete an exemption in the third sentence of section 22(e) of the Investment Company Act that terminated one-year after the effective date of the Investment Company Act, which was November 1, 1940.

Section 517 would delete as obsolete the provision in section 24(d) of the Investment Company Act which makes available the intrastate offering exemption in Section 3(a)(11) of the 1933 Act for new offerings of securities sold by the issuer or bona fide offered to the public before the effective date of the Investment Company Act.

Section 518 would correct a typographical error in section 26(b) of the Investment Company Act, where the word "intend," instead of the word "intended," is used in what is obviously intended to be the phrase "the purposes fairly intended by the policy and provisions of this title."

Section 519 would correct a typographical error in section 26(c) of the Investment Company Act, where the word "of" is used instead of the word "or" as a conjunction.

Section 520 would correct an error in section 28(a)(2)(B) of the Investment Company Act, where the word "subsection" is used to refer to a paragraph.

Section 521 would correct a typographical error in section 28(d)(2) of the Investment Company Act, where the word "of" is omitted from what is obviously intended to be the phrase "paragraph (2) of subsection (a)."

Section 522(1) would correct a typographical error in section 36(b)(4) of the Investment Company Act, where the word "loans," instead of the words "loads," is used in what is obviously intended to be the phrase "sales loads."

Section 522 (2) and (3) would redesignate subsection (d) of section 36 as subsection (c) and, within redesignated subsection (c), amend the phrase "subsections (a) through (c)" to read "subsections (a) and (b)." At present, section 36 has a subsection (d) but no subsection (c).

Section 523 provides for redesignating subsection (e) of section 42 of the Investment Company Act as subsection (d), to eliminate the nonconsecutive designation that resulted from the repeal of former subsection (d) by Public Law No. 91-452 in 1970.

Section 524 deletes as obsolete the proviso in section 53 of the Investment Company Act which permitted face-amount certificate companies to register before January 1, 1941, the effective date of the Act's provisions relating to face-amount certificate companies, and declare that such registration would not operate to change or affect the effective date as to the company or any face-amount certificates issued by it.

Section 525 through 527 would amend sections 54(a), 55(a)(1)(B), and 57(i) of the Investment Advisers Act, where the word "sections" was used before a citation to a single section of the Act.

TITLE VI

Title VI would effect a number of amendments of the Investment Advisers Act of 1940.

Section 601. See discussion of *Section 102*, above.

Section 602 (1) and (2) would amend section 203(e) of the Investment Advisers Act to add convictions and injunctions related to transfer agent activities to the list of permissible bases upon which the Commission may impose administrative sanctions on investment advisers and persons asssociated with investment advisers; the amendment also would conform section 203(e) stylistically to the administrative sanction and disqualification provisions in the 1934 Act and the Investment Company Act. *See* discussions of *Sections 219 (1) and (2) and 509*, above. In addition, *Sections 602 (2) and (3)* would add, to the list of permissible bases for sanctioning investment advisers and their associated persons, convictions and injunctions related to commodity futures activities and violations of the Commodity Exchange Act. This amendment would conform the Investment Advisers Act to section 15(b)(4) of the 1934 Act, which Congress amended recently to authorize administrative sanctions for convictions and injunctions relating to commodity futures activities and violations of the Commodity Exchange Act. *See* Insider Trading Sanctions Act of 1984, Pub. L. No. 98-376, § 6(b), 98 Stat. 1265; discussion of *Sections 219 (1) and (2) and 509*, above.

Section 602(4). See discussion of *Section 219(3)*, above.

Section 602(5) is a conforming amendment to correct an erroneous cross reference in subsection (g) of section 203 of the Investment Advisers Act. The error was occasioned by amendments to subsection (d) of section 203, to which subsection (g) currently refers, in 1970 and 1975. Subsection (g) discusses the Commission's authority to deny registration to or revoke or suspend the registration of successors to registered investment advisers. This authority, which is found in subsections (c) and (e), was conferred under subsection (d) before 1970, and the cross-reference was correct. Subsection (d) was redesignated subsection (e) in section 24(c) of the 1970 amendments to the securities laws, however, and the cross-reference in subsection (g) was not altered to conform to the redesignation. *See* Pub. L. No. 91-547, § 24(c), 84 Stat. 1430. The problem was compounded by the 1975 amendments to the securities laws, which lodged the Commission's authority to deny registration in subsection (c), separating it from the Commission's authority to revoke or suspend registration, which remained in redesignated subsection (e). *See* Pub. L. No. 94-29, § 29, 89 Stat. 166-68. The proposed amendment would correct the erroneous cross-reference.

Section 603 would reenact present section 205 of the Investment Advisers Act with two major changes. First, the amendment would add new subsection and paragraph designations to section 205 to conform to the accepted usage in other portions of the Act and to make the section easier to read and understand. Several stylistic changes also would be made in connection with this rearrangement. Second, the amendment would conform the language forbidding investment advisers from charging performance fees to retirement plans described in section 3(c)(11) of the Investment Company Act to the clarifying amendments to section 3(c)(11) in *Sections 506 (1) and (2)* of the bill. The language change would make it clear that no investment adviser required to register under the Act may charge a performance fee to a governmental retirement plan. In amending section 205 in 1970, Congress intended to extend the protection of the ban on performance fees in that section to all retirement plans exempt from the operation of the Investment Company Act under section 3(c)(11). *See* discussion of *Sections 506 (1) and (2)*, above; H.R. Rep. No. 91-1631, 91st Cong., 2d Sess. 31 (1970). Because section 3(c)(11) is being amended to make it clear that all governmental retirement plans described in section 3(a)(2)(C) of the 1933 Act are within the purview of section 3(c)(11), section 205 must be correspondingly amended to refer to all such plans.

It is recommended that section 205 be reenacted in its entirety, with these changes,

because confusion has resulted from the 1980 amendments to the Investment Advisers Act over the current form of section 205. Some publishers have printed current clause (C) of the section after the last sentence, rather than immediately after clause (B) as was intended by Congress. It is hoped that this confusion will end with the reenactment of the entire section with conventional subsection and paragraph designations.

Section 604 provides for redesignating subsection (e) of section 209 of the Investment Advisers Act as subsection (d) to eliminate the nonconsecutive subsection designation that resulted from the repeal of former subsection (d) by Public Law No. 91-452 in 1970.

Section 605 would amend section 211(b) of the Investment Advisers Act by replacing a reference to the Federal Register Act with a reference to chapter 15 of title 44 of the United States Code, where the provisions of the Federal Register Act were codified when title 44 was enacted into law in 1968.

Section 606. See discussion of *Section 107(3)*, above.

Section 607. See discussion of *Sections 110(3), and 304(2)*, above.●

By Mr. INOUYE (for himself, Mr. FORD, and Mr. BOREN):

S. 921. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain passenger motor vehicle safety requirements, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MOTOR VEHICLE TRAFFIC SAFETY

● Mr. INOUYE. Mr. President, I am introducing legislation today with Senator FORD to stop the importation of foreign automobiles that are not in compliance with U.S. safety and emissions standards.

This so-called gray market was created a number of years ago to prevent hardship to those Americans who went overseas long enough to purchase automobiles and then wished to return to the United States with these automobiles. This was accomplished by permitting persons other than automobile manufacturers to bring into the United States cars that are not in compliance with U.S. standards of safety and emissions. This exemption has been exploited, however, by commercial importers who are bringing in noncomplying automobiles and reselling them without doing the proper modifications. The result is that over 50,000 potentially dangerous and polluting automobiles will enter the United States this year, an increase of 1,000 percent since 1982.

The problems created by noncomplying automobiles are numerous and well documented. Besides the pollution caused by emissions and the serious safety problems such as electrical fires and ruptured gas tanks, there are also accountability problems. These vehicles are not covered by manufacturers warrantees as their modifications cannot all be inspected and documented by the proper agencies. Gray market vehicles also cannot be traced in the United States and thus cannot be reached in a manufacturers recall campaign.

Furthermore, purchasers of gray market vehicles have no assurance of the quality of the modifications that have been made are or indeed if they have been made at all. In short, these vehicles are like time bombs which may or may not go off, but either way create much uncertainty and distort the marketplace.

I urge my colleagues to support this measure, and I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 921

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 102(5) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391(5)) is amended by striking all after "motor vehicle equipment," and inserting in lieu thereof "or who has express written authorization of any such person to import such motor vehicles or motor vehicle equipment for resale.".

(b) Section 108(a)(1)(A) of such Act (15 U.S.C. 1397(a)(1)(A)) is amended by inserting "and is covered by a certification issued by the manufacturer under section 114," immediately after "such standard".

(c) Section 108(b) of such Act is amended—

(1) in paragraph (2), by striking "or importer";

(2) by amending paragraph (3) to read as follows:

"(3) a motor vehicle or item of motor vehicle equipment offered for importation in violation of paragraph (1)(A) of subsection (a) shall be refused admission into the United States, except under any of the following circumstances:

"(A) The Secretary may exempt any motor vehicle or item of motor vehicle equipment from the prohibition against importation in such paragraph upon such terms and conditions as the Secretary finds necessary for the purpose of research, investigations, studies, demonstrations or training, competitive racing events, or for reasons of national security.

"(B) The Secretary of the Treasury and the Secretary may, by joint regulations, authorize the temporary importation into the United States of a motor vehicle or item of motor vehicle equipment upon such terms and conditions (including the furnishing of bond) as may appear to the Secretary of the Treasury and the Secretary to be appropriate to ensure that any such motor vehicle or item of motor vehicle equipment will be exported from or abandoned to the United States.

"(C) The Secretary of the Treasury and the Secretary may, by joint regulations, authorize importation into the United States of a motor vehicle or item of motor vehicle equipment where an individual, who has never before imported a nonconforming motor vehicle or item of motor vehicle equipment, seeks to import such a motor vehicle or item of motor vehicle equipment for personal use and not for resale and demonstrates that such importation is necessary to meet unforeseen cases of extreme hardship or unforeseen extradordinary circumstances. In any such case, the motor vehicle or item of motor vehicle equipment may be imported into the United States upon such terms and conditions (including the furnishing of a bond) as may appear to the Secretary of the Treasury and the Secretary to be appropriate to ensure that any such motor vehicle or item of motor vehicle equipment will be brought into conformity with applicable Federal motor vehicle safety standards prescribed under this subchapter.

"(D) An incomplete motor vehicle or incomplete item of motor vehicle equipment (as defined by the Secretary) shall not be refused admission into the United States where such motor vehicle or item of motor vehicle equipment is accompanied at the time of importation by a statement issued by the person who first manufactures or assembles the incomplete vehicle or incomplete item of equipment, indicating the Federal motor vehicle safety standards in effect at the time of manufacture with which such incomplete vehicle or item of equipment is in compliance. The Secretary shall prescribe the form and contents of such statement."; and

(3) by striking paragraph (4) and by redesignating paragraph (5) as paragraph (4).

(d) Section 114 of such Act (15 U.S.C. 1403) is amended—

(1) by inserting ", as appropriate," immediately after "dealer";

(2) by striking "or distributor" the second time it appears; and

(3) by inserting "Every distributor of a motor vehicle or motor vehicle equipment shall furnish to a dealer, at the time of delivery of such vehicle or equipment, a certification which was previously furnished to the distributor by the manufacturer." immediately after the first sentence.●

By Mr. D'AMATO (by request):

S. 922. A bill to make certain conforming amendments to the Securities Investor Protection Act of 1970 required by the enactment of the Bankruptcy Amendments and Federal Judgeship Act of 1984; to the Committee on the Judiciary.

MAKING CONFORMING AMENDMENTS WITH RESPECT TO BANKRUPTCY

● Mr. D'AMATO. Mr. President, I am introducing legislation today which would preserve certain jurisdictional provisions of the Securities Investor Protection Act [SIPA]. The recently enacted Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law No. 98-353, 98 Stat. 333 conflicts with the jurisdictional provisions of SIPA and may render them meaningless. The legislation I have proposed would eliminate these unintended conflicts.

SIPC was created by Congress in 1970 to protect the clients of brokerage firms. SIPC is an insurance fund that provides each brokerage firm customer up to $500,000 in coverage for securities held by the firm and $100,000 for customer cash balances. All registered broker-dealers are required to join SIPC and pay assessments to support the fund at a level now set at $300 million. In an emer-

gency, SIPC can also draw up to $1 billion from the U.S. Treasury through the Securities and Exchange Commission.

This legislation is urgently needed in order to preserve this important protection. It is my hope that we act expeditiously on this much needed legislation.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFERENCE TO BANKRUPTCY JUDGES.

Section 5(b)(4) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78eee(b)(4)) is amended to read as follows:

"(4) REFERENCE TO BANKRUPTCY JUDGES.—Upon the issuance of a protective decree and appointment of a trustee, or a trustee and counsel, under this section, the court shall forthwith refer the entire liquidation proceeding to the bankruptcy judges for the district. Section 157(d) of title 28 of the United States Code notwithstanding, the district court may withdraw, in whole or in part, the liquidation proceeding so referred, on its own motion or on timely motion of any party, for cause shown. For purposes of this paragraph, such cause shall not include the circumstance that resolution of the proceeding or part thereof requires consideration of both title 11, United States Code, and one or more of the following Federal securities laws: the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, and this Act.".

SEC. 2. SECURITIES INVESTOR PROTECTION CORPORATION PARTICIPATION.

Section 5(d) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78eee(d)) is amended by inserting at the end thereof the following new sentence: "SIPC may, on its own motion, file notice of its appearance in any proceeding held in State court by reason of sections 1334(c) (1) or (2) of title 28, United States Code, and may thereafter participate as a party.".

SEC. 3. JURISDICTION OF DISTRICT COURTS.

Section 10(e) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78fff-4(e)) is amended to read as follows:

"(e) JURISDICTION OF DISTRICT COURTS.—After SIPC has published notice of the institution of a direct payment procedure under this section, any person aggrieved by any determination of SIPC with respect to his claim under subsection (c) may, within six months following mailing by SIPC of its determination with respect to such claim, seek a final adjudication of such claim. The district courts of the United States shall have original and exclusive jurisdiction of any civil action for the adjudication of such claim. Any such action shall be brought in the judicial district where the head office of the debtor is located. Any determination of the rights of a customer under subsection (c) shall not prejudice any other right or remedy of the customer against the member.".

SEC. 4. TECHNICAL AMENDMENT.

Section 16 of such Act (15 U.S.C. 78111) is amended by striking out "the Bankruptcy Act" in the matter preceding paragraph (1) and inserting in lieu thereof "title 11, United States Code,".

EXPLANATION/JUSTIFICATION

Section 5(b)(4) of SIPA now provides for the removal of the entire liquidation proceeding from the district court "to the court of the United States in the same judicial district having jurisdiction over cases under title 11 of the United States Code." Recently the Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law No. 98-353, 98 Stat. 333 ("Bankruptcy Amendments Act") took bankruptcy jurisdiction from the bankruptcy courts and gave it the district courts, thus making the removal provision under SIPA, if read literally, a nullity. The amendment of section 5(b)(4) will avoid this problem.

The withdrawal provisions of section 157(d) of title 28 of the United States Code could be interpreted to allow the piecemeal withdrawal of claims filed in a liquidation proceeding and thereby play havoc with the trustee's review of claims and frustrate the Congressional intent that the SIPA trustee cause prompt satisfaction of customer claims. Indeed, since claims under SIPA can be viewed as requiring consideration of both title 11 and title 15 of the United States Code, section 157(d) could require district court review of hundreds or thousands of claims in SIPA proceedings. This would be disastrous to the courts and the claimants. The amendment of section 5(b)(4) of SIPA would avoid this problem. The withdrawal provision would permit the withdrawal of any part of the liquidation proceeding which, under applicable law other than title 11 of the United States Code or SIPA, requires trial by jury.

Section 5(d) of SIPA needs to be amended to allow SIPC to participate in State court proceedings which will occur because newly amended sections 1334(c) (1) and (2) of title 28 of the United States Code mandate the abstention of the district courts on State law claims or causes of action related to a case under title 11 of the United States Code.

Section 10(e) of SIPA needs to be amended to take into account the jurisdictional changes caused by the newly amended section 1334(a) of title 28 of the United States Code.

The amendment of section 16 of SIPA makes a technical conforming change only.

SECTION-BY-SECTION ANALYSIS

SECTION 1—REFERENCE TO BANKRUPTCY JUDGES

Section 1 of the bill amends section 5(b)(4) of SIPA to carry out Congress' clear intention that all questions arising in SIPA liquidation proceedings be handled by bankruptcy judges rather than by district judges. See, H.R. Rep. No. 95-746, 95th Congress, 1st Session 27 (1977); S. Rep. No. 95-763, 95th Congress, 2d Session 10 (1978). The courts, too, believe SIPA liquidation proceedings should be before bankruptcy judges. See, e.g. Exchange National Bank of Chicago v. Wyatt, 517 F. 2d 453, 458 (2d Cir. 1975) ("This is the kind business [oversight of trustee's review of claims] for which bankruptcy judges have developed special expertness and administrative skills and which Congress did not intend to dump on already overburdened district courts without needed clerical and other facilities."). This amendment will remove any confusion that may exist over the jurisdictional changes effected by the Bankruptcy Amendments and Federal Judiciary Act of 1984, Public Law No. 98-353, 98 Stat. 333.

Section 1, of the bill also amends section 5(b)(4) of SIPA by limiting the withdrawal powers of the district courts. Notwithstanding the withdrawal provisions of section 157(d) of title 28 of the United States Code, only the entire liquidation proceeding (with one exception) can be withdrawn. This will avoid piecemeal withdrawal which could disrupt the liquidation proceeding, play havoc with the trustee's review of claims, and frustrate the Congressional intent that the SIPA trustee cause prompt satisfaction to claimants by the delivery of securities and, where necessary, funds advanced by SIPC. This section does allow for withdrawal of any part of the liquidation proceedings which, under applicable law other than title 11 of the United States Code or SIPA, requires trial by jury.

SECTION 2—SECURITIES INVESTOR PROTECTION CORPORATION PARTICIPATION

Section 2 of the bill amends section 5(d) of SIPA by providing for SIPA's participation in state court proceedings. This amendment recognizes that more matters will be heard in State courts because newly amended sections 1334(c) (1) and (2) of title 28 of the United States Court mandate the abstention of the district courts on State law claims or causes of action related to a case under title 11 of the United States Code. Such a provision would not raise any Constitutional question because "[i]n enacting SIPA, Congress drew upon the commerce power and the bankruptcy power." Exchange National Bank of Chicago v. Wyatt, 517 F. 2d 453, 459 (2d Cir. 1975).

SECTION 3—JURISDICTION OF DISTRICT COURTS

Section 3 of the bill amends section 10(e) of SIPA to reflect newly amended section 1334(a) of title 28 of the United States Code.

SECTION 4—TECHNICAL AMENDMENT

This section makes a conforming change only.●

By Mr. RIEGLE:

S. 923. A bill to establish a Department of International Trade and Industry as an Executive Department of the Government of the United States, and for other purposes; to the Committee on Governmental Affairs.

DEPARTMENT OF INTERNATIONAL TRADE AND INDUSTRY

Mr. RIEGLE. Mr. President, over the past 3 weeks both the House and the Senate have passed resolutions urging the President to act against the unfair trade practices of the Japanese. Soon, we may consider legislation requiring that he do so. But Japan's trade practices are only one part of the problem. As we take long-needed action to address the trade practices of Japan we must not lose sight of the broader goal of regaining American competitiveness.

Japan is taking unfair advantage of our market while continuing to keep out American exports. But the real danger is that Japan is setting a course that others are following. Korea, Taiwan, and other newly indus-

trializing nations are adopting the Japanese model. These countries are embarking on single-minded nationalistic policies aimed at a continual increase in exports, primarily to the United States.

The challenge is not simply to open foreign markets but to ensure that American industry is fully able to compete in them. Over the past few years it has become painfully clear that we, as a Nation, are unable to take decisive and coherent action in American trade policy. Instead we have relied on ad-hoc policies that are usually too little too late.

The administration has kept trade policy on the back burner until the problems have gotten too big to ignore.

We must change U.S. trade and economic policy to reflect the new realities of the international economic system. U.S. policy must be based on a coordinated effort to promote the competitiveness of American industry while working to keep world markets open.

CURRENT U.S. TRADE POLICY SYSTEM IS NOT WORKING

In the last 6 months alone, two Presidential commissions have found that the current U.S. system for setting trade policy is not equipped to deal with the new realities of the international economy.

The President's Commission on International Private Enterprise, release in December, found that: "In order to cope with the new and changing circumstances, a new institutional structure is needed to ensure better formulation and coordination of U.S. international and domestic economic policy."

The President's Commission on Industrial Competitiveness, released in February, found that: "Fragmented trade policy responsibility in the United States seriously limits our ability to respond to growing volume and complexity of international trade."

Over the past few years many reports on the long-term competitiveness of the United States, have been issued by a wide variety of groups. They have come from organized labor, leading companies of all sizes, public policy foundations and political action groups. One common thread has run through the nearly 20 reports issued over the past 30 months. They all express alarm over the confusion in U.S. trade policymaking, and they all call for better coordination of the various actions that influence business activities and U.S. participation in the global marketplace.

I believe a prime reason why we do not have a clear U.S. trade policy is that we do not have a single authoritative voice to articulate such a policy.

In the current system, responsibility for trade policy is divided among 25 different agencies, none of whom is clearly the leader. By law, the U.S. Trade Representative is the President's primary adviser on trade. But a number of high level officials, many with full cabinet status also deal with our trading partners as the spokesman on U.S. trade policy.

Trade policy is made in one department and expected to be carried out in another. The Office of the U.S. Trade Representative has responsibility for setting policy and negotiating trade agreements with foreign nations. But these policies and agreements must then be implemented in a number of other departments including, the Department of Commerce, the Department of the Treasury, the International Trade Commission and the Department of Agriculture.

The Trade Representative is responsible for representing the interests of American industry, but is not responsible for analyzing the competitive status of these industries.

Such fragmentation makes a single coherent trade policy impossible. As we flounder in search of a trade policy the competitiveness of American industry has been ignored. If we wait to act our economy will soon suffer irreparable damage.

THE EFFECTS OF DISORGANIZATION

The recent negotiations with Japan give the clearest picture of the effects of the fragmentation of U.S. trade policy. No less than five different American agencies have taken roles in the negotiations.

The National Security Council and the Department of State handled the January summit between President Reagan and Prime Minister Nakasone, and currently oversee the sectoral negotiations agreed to at that meeting.

The trade negotiations themselves are headed by four different agencies. The Department of Agriculture is the lead agency in the negotiations on forest products. The U.S. Trade Representative is the lead agency for electronics and medical equipment. And the Department of Commerce and the USTR work together on telecommunications.

The "market-oriented sector selective," or "moss," approach of the negotiations was proposed by the Department of the Treasury after their negotiations with the Japanese on financial markets.

While these negotiations were going forward the Trade Policy Council, chaired by the USTR, the Cabinet Council on Commerce and Trade, chaired by the Secretary of Commerce, and the Senior Interagency Group—International Economic Policy chaired by the Treasury were all considering whether or not the Japanese restraint on auto exports should be continued.

Perhaps we shouldn't be surprised—with so many people trying to make policy—that American officials finally decided to let the Japanese make key decisions about our future. We gave up on the single biggest part of the $37 billion trade deficit with Japan. Why should the Japanese have taken our negotiators seriously?

Recent news reports make it even clearer that Prime Minister Nakasone could not understand the U.S. position because there was no clear U.S. position.

As a result, there has been little progress in any of the negotiations.

In this absence of a strong, coherent trade policy, Congress has tried to fill the void. We must develop a mechanism to deal with trade and national competitiveness issues on a regular and coordinated basis.

THE DEPARTMENT OF INTERNATIONAL TRADE AND INDUSTRY

Today I am introducing legislation that will establish a Department of International Trade and Industry to make American competitiveness in world trade a national priority guided by a national policy. This bill is similar to the trade reorganization bill that was reported out of the Senate Committee on Governmental Affairs and supported by the administration.

The bill would transfer all of the USTR and most of the Commerce Department to a new department which would be responsible for both international and domestic commerce and competitiveness.

The office of the USTR would be a part of the office of the Secretary of International Trade and Industry, who would be the trade representative and top spokesman for U.S. trade policy. A deputy Secretary and three under secretaries would serve under him.

The Department would be responsible for U.S. trade policy and the broad range of issues that affect competitiveness. An Office of Productivity would oversee the activities of the Patent Office, the National Technical Information Service, and the National Telecommunications Office. This office could also be used by the Secretary to assist in implementing the Stevenson-Wydler Act of 1980 to encourage research on new manufacturing technologies and help business utilize such innovations.

An office of Small Business Assistance would be established to provide information and technical assistance to small business to foster increased exports.

This legislation would establish an Office of Competitive Analysis to monitor and analyze trends in American industry on a sector-by-sector basis. OCA would report to Congress annually on problems or opportunities facing specific sectors of American industry.

The Secretary of DITI would be empowered to establish advisory councils of business, labor, and Government representatives to make recommenda-

tions on how industry can meet the challenges found by OCA. These councils would be set up on a temporary basis, and their recommendations would be nonbinding. But they would help foster the kind of cooperative attitude this country would need to address the challenges of adjustment to the new international marketplace.

The President would be required to issue International Economic Impact Statements on all proposed rules, regulations, and laws.

This bill would also establish a top level Economic Security Council within the White House. Members of the ESC would be designated by the President. It would provide the coordination and guidance for national and international business and economic policy that the National Security Council provides in defense and foreign affairs.

Both Secretary of Commerce Baldrige and USTR Brock agree on the need for just such a coordinating body with direct access to the President.

The President's Task Force on International Private Enterprise has recommended that "the President establish an Economic Security Council [ESC] to formulate and coordinate domestic and international economic policy."

The President's Commission on Industrial Competitiveness recommended that the establishment of "a more effective coordinating mechanism under the direction of the President for integrating, balancing, and reconciling differences between domestic and international policies—for example, trade, economic, national security, foreign relations * * *."

The provision which establishes the ESC is based on the language which set up the National Security Council in 1947 and was also used as the basis of the National Trade Council Act proposed earlier this year by Senator HOLLINGS.

Because of the complex interaction of domestic and international economic affairs, the ESC would have a broad mandate to coordinate all policies that affect business and U.S. competitiveness—of which trade policy is only one part.

A BIPARTISAN CALL TO ACT

Mr. President, the need to reorganize this Nation's process for making trade policy could not be clearer or more urgent. I believe that there now is strong bipartisan support for reform.

Last session, with the active support of President Reagan, Secretary Baldrige, Senators ROTH and EAGLETON worked together to bring a trade reorganization bill out of the Senate Governmental Affairs Committee.

It is my hope that introduction of this bill today will get that legislative iniative back on a fast track. I believe it is a sound, vigorously needed bill, that deserves the support of the President and the Congress.

By Mr. THURMOND (for himself, Mrs. HAWKINS, Mr. BIDEN, Mr. COCHRAN, Mr. DENTON, Mr. EAST, Mr. KENNEDY, Mr. LAXALT, Mr. MATHIAS, Mr. METZENBAUM, Mr. SPECTER, Mr. ABDNOR, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. DOMENICI, Mr. GRAMM, Mr. HEINZ, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MCCLURE, Mr. NUNN, Mr. PRYOR, Mr. ROTH, Mr. SASSER, Mr. STEVENS, Mr. SYMMS, Mr. WARNER, Mr. WILSON, and Mr. ZORINSKY):

S.J. Res. 110. Joint resolution designating the month of May, 1985 as "National Child Safety Awareness Month"; to the Committee on the Judiciary.

NATIONAL CHILD SAFETY AWARENESS MONTH

Mr. THURMOND. Mr. President, today, I, along with 35 of my colleagues, including Senator PAULA HAWKINS, the ranking minority member, and 7 other distinguished members of the Judiciary Committee, am introducing legislation to designate the month of May 1985, as "National Child Awareness Month."

More than 1.5 million children have been reported missing in the United States. Many of these children may never be found; many may become the innocent victims of physical and/or sexual abuse, as recently portrayed in the television drama "Adam."

The beginning of a national, coordinated effort to combat this problem took place in the 97th Congress with the passage of the Missing Children Act. This was continued during the final days of the 98th Congress, when the Comprehensive Crime Control Act of 1984—Public Law 98-473—containing the Missing Children's Assistance Act, was passed by both Houses of Congress and signed by President Reagan. Both of these measures have facilitated the investigation and prosecution of crimes involving missing and exploited children and the identification of deceased missing children.

In addition, there is now a national clearinghouse, the National Center for Missing and Exploited Children, and a toll-free hotline to centralize the efforts to locate missing children. The toll-free number—1-800-843-5678—is available for information about, and inquiries regarding, missing children. The information received through the hotline is disseminated to appropriate law enforcement agencies. The National Center provides other assistance, such as educational child safety literature and materials about identification procedures, to help combat the tragedy of missing children.

Much more needs to be done. Establishing May as "Child Safety Awareness Month" will bring nationwide attention to the problem of missing and exploited children. During this month, attention should be focused on preventive programs—voluntary fingerprinting, dental charting, obtaining hair samples, photographing, and compiling vital statistics of children. Involving parents, children, volunteer groups, and whole communities will aid State and national law enforcement officials in locating missing children.

The protection, safety, and security of all children should be one of our highest priorities. Therefore, I urge my colleagues to take an active role in establishing educational projects in their States during May to assist in the safeguarding of our children—our greatest natural resource and the future of our country.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 110

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas more than 1.5 million children have been reported missing in the United States;

Whereas many of these children are never found;

Whereas missing children are often innocent victims of physical and sexual abuse;

Whereas many local volunteer groups already are working enthusiastically to promote child safety;

Whereas the Missing Children Act and the Missing Children's Assistance Act have facilitated the investigation and prosecution of crimes involving missing and exploited children;

Whereas there is now a national clearinghouse, The National Center for Missing and Exploited Children, and a toll-free hotline to centralize the efforts to locate missing children;

Whereas The National Center for Missing and Exploited Children provides educational child safety materials and information about identification procedures, such as voluntary fingerprinting, dental charting and photographing of children;

Whereas information received through the toll-free hotline is disseminated to appropriate law enforcement agencies;

Whereas the protection, safety, and security of all children should be one of our highest priorities;

Whereas it is essential that we continue to increase public awareness and provide information and assistance to combat and prevent the increasing problem of missing and exploited children: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of May, 1985, as "National Child Safety Awareness Month," and to call upon Federal, State, and local government agencies, and the

people of the United States to observe the month with appropriate programs, activities, and ceremonies for the better protection, security, and safety of all children.

By Mr. DIXON:

S.J. Res. 111. Joint resolution to designate the month of October 1985, as "National Spina Bifida Month"; to the Committee on the Judiciary.

NATIONAL SPINA BIFIDA MONTH

Mr. DIXON. Mr. President, again this year I am introducing a joint resolution to designate the month of October as "National Spina Bifida Month."

The purpose of this joint resolution is to focus public attention on this birth defect of the spinal column. Spina bifida is the most common crippler of newborns, resulting when one or more bones in the vertebrae fail to close completely during prenatal development.

The cause of spina bifida is not known. However, it appears to be the result of multiple environmental and genetic factors. Studies have shown a high occurrence of spina bifida in urban areas and more births during certain months of the year.

Spina bifida occurs more frequently than muscular dystrophy, multiple sclerosis, polio, and cystic fibrosis combined. It occurs in one of every 1,000 births, often accompanied by hydrocephalus—a condition involving improper circulation and accumulation of fluid in the brain. Spina bifida results in varying degrees of paralysis, loss of sensation in the lower limbs, and in bowel and bladder complications.

Although most of the March of Dimes and Easter seal poster children have spina bifida, many people have not heard of the defect. Even today, only a few cities in the United States have proper care centers and specialized professionals that can provide the most effective, aggressive treatment for children and adults with spina bifida.

I am confident that activities surrounding October 1985, "National Spina Bifida Month" will heighten public awareness of this crippling birth defect. Additionally, I am confident that the activities will generate public awareness of the much improved treatment available to infants born with spina bifida.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD and I urge its prompt approval.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 111

Whereas spina bifida is a birth defect in the spinal column which occurs in one of every one thousand births in the United States;

Whereas spina bifida is the most common crippler of newborns, resulting when one or more bones in the back (vertebrae) fail to close completely during prenatal development;

Whereas while the cause of spina bifida is not known, it appears to be the result of multiple environmental and genetic factors;

Whereas although most of the March of Dimes and Easter Seal poster children have spina bifida, many people have not heard of the defect;

Whereas only a few cities in the United States have proper care centers and specialized professionals that can provide the most effective, aggressive treatment for children and adults with spina bifida; and

Whereas an increase in the national awareness of the problem of spina bifida may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for spina bifida: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1985 is designated "National Spina Bifida Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

By Mr. PELL:

S.J. Res. 112. Joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes; to the Committee on Labor and Human Resources.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

● Mr. PELL. Mr. President, during this 28th annual observance of National Library Week (April 14–20), it seems altogether fitting and proper that I take this opportunity to introduce legislation calling for the second White House Conference on Library and Information Services to be held in 1989. You may recall that I announced my intention to do this last August 3d when I placed in the RECORD the Department of Education's publication, "Alliance for Excellence: Librarians Respond to a Nation at Risk." There was much food for thought in that document, highlighting the role of our Nation's libraries in helping to foster excellence in education and in providing adequate, up-to-date resources for a learning society.

Now, during National Library Week, we are all particularly conscious of the budgetary dilemma that besets us, with a $200 billion deficit confronting us. We note that libraries, too, at every level are beleaguered by budgetary problems. As a matter of fact, they suffered from double-digit inflation long before the rest of the country, in terms of trying to keep pace with rising book and periodical subscription costs. And when the rest of us worried over gasoline shortages, they too felt the pinch in their pocketbooks when the prices soared for petrochemical-based products, such as films, microfiche, and audio tapes. More recently, libraries have been turning to automated circulation systems, computerized resource, sharing networks, and other high tech devices to modernize their services and to increase productivity in order to keep up with increasingly sophisticated user demands.

Accordingly, it appears none to soon for library users, civic leaders, and lawmakers at all levels to join forces in working with librarians and suppliers of library and information service products to consider what new directions we expect our libraries to take in the future. Because so much information becomes available only online and for a fee-per-use, the library role in guiding users to the most appropriate source in whatever format and to providing access to those who could not otherwise afford needed information, will be crucial.

Although I do not for 1 minute believe that books are going to disappear, I do envision libraries widely utilizing satellite receivers and optical discs and microwave devices to help resolve storage and preservation problems as well as to facilitate delivery of services to their patrons in remote areas and those precluded from using the library because of age or handicap.

It is important to keep in mind that a significant aspect of the White House Conference process is the preceding series of local town hall meetings, speakouts, and Governors' conferences held in each of the States to help our citizens assess and better use the resources we have on a nationwide basis.

I would eagerly invite those of you who share my interest and concern, that all our citizens have access to quality library and information services to join me in cosponsoring this legislation calling for a second White House Conference on Library and Information Services in 1989.●

By Mr. CHILES:

S.J. Res. 113. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny; to the Committee on the Judiciary.

BAY OF PIGS INVASION COMMEMORATION

● Mr. CHILES. Mr. President, I introduce this resolution in commemoration of the 24th anniversary of the Bay of Pigs attempted liberation of Cuba.

On this day, we honor and pay tribute to the men of the 2506th Brigade. These brave men who fought and died on that day never questioned the almost insurmountable odds they faced. They set forth in their just cause with dedication and courage. And theirs was a cause many still long for today—the liberation of a beloved homeland, the resurgence of a free and independent Cuba. This patriotic effort commands nothing less than utmost respect from all.

We must never forget the cause for which these men so courageously fought. The spirit of the 2506th Brigade should be contagious.

While it is well known that these men lacked the resources to successfully complete their mission, they proved to be amply equipped with courage and bravery. The final outcome of the Bay of Pigs liberation effort was unsuccessful, but the men who so gallantly fought in the invasion were genuine heroes. They are true Cuban patriots who risked their lives and in some cases sacrificed their lives for a free Cuba.

On this day, with this resolution, we commemorate the spirit of the 2506th Brigade and the bravery of these true Cuban heroes. Mr. President, I ask unanimous consent that the text of this resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 113

Whereas April 17, 1985, marks the twenty-fourth anniversary of the first day of the Bay of Pigs attempted liberation of Cuba by the heroic 2506 Brigade, a battle which entailed three days of fighting at a narrow strand of mangrove, bunch grass, coral head, and sand lying thirty miles from the towns of Giron and Playa Larga and bounded by the Bay of Pigs and the Cienga de Zapata swamp;

Whereas, on such day in 1961, the fourteen hundred gallant and intrepid men who made up the brave 2506 Brigade were ill-equipped but possessing immeasurable spirit, courage, and determination, sought in the tradition of the great liberators Jose Marti and Simon Bolivar to liberate from Communist tyranny the beautiful isle of Cuba and reestablish freedom and democracy for the people of Cuba, that great island lying so close to the United States; and

Whereas the patriotic, noble, and sacrificial effort of the 2506 Brigade to liberate Cuba as in the same patriotic spirit that prompted other courageous and intrepid men to liberate the American colonies from a foreign monarch and establish freedom and democracy in America; and

Whereas the people of the United States proudly commend those courageous warriors who fight for the cause of freedom and justice anywhere in the world and the Congress wishes to express the commendation of the American people to the gallant warriors of the 2506 Brigade who made such an historic effort to establish freedom and democracy in Cuba: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 17, 1985, be commemorated as the twenty-fourth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.●

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. CRANSTON, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 6, a bill to amend title 38, United States Code, to make certain improvements in Veterans' Administration health-care programs, and for other purposes.

S. 58

At the request of Mr. DANFORTH, the names of the Senator from Florida [Mrs. HAWKINS] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 84

At the request of Mr. INOUYE, the names of the Senator from Montana [Mr. MELCHER], the Senator from Tennessee [Mr. SASSER], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. HECHT], the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. EAST], the Senator from Maine [Mr. COHEN], the Senator from South Dakota [Mr. ABDNOR], the Senator from Florida [Mr. CHILES], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 84, a bill to incorporate the Pearl Harbor Survivors Association.

S. 281

At the request of Mr. PRYOR, the name of the Senator from Indiana [Mr. LUGAR], was added as a cosponsor of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 412

At the request of Mr. GOLDWATER, the name of the Senator from Maryland [Mr. MATHIAS], was added as a cosponsor of S. 412, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 434

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 631

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 631, a bill to amend the Securities Exchange Act of 1934.

S. 632

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 632, a bill to amend the Internal Revenue Code of 1954 to require a mandatory section 338 election in hostile stock takeovers, and for other purposes.

S. 633

At the request of Mr. D'AMATO, the names of the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 633, a bill to continue the authorization for Federal Crime Insurance under the National Housing Act.

S. 657

At the request of Mr. THURMOND, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 725

At the request of Mr. BENTSEN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 725, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990.

S. 728

At the request of Mr. CHAFEE, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 728, a bill to prohibit the entry of Japanese telecommunications products until Japanese markets are open to U.S. telecommunications products.

S. 744

At the request of Mr. COCHRAN, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products.

S. 746

At the request of Mr. CHILES, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 746, a bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

S. 766

At the request of Mr. CHILES, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 766, a bill entitled the "International Narcotics Control Act of 1985."

S. 768

At the request of Mr. PRESSLER, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 768, a bill to authorize the President of the United States to award a Congressional Gold Medal to Jan C. Scruggs in recognition of his work on behalf of Vietnam veterans, and to authorize the Secretary of the Treasury to sell bronze duplicates of such medal.

S.770

At his own request, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 770, a bill to amend the Tariff Sched-

ules of the United States to impose a surcharge tariff on all imports from Japan.

S. 825

At the request of Mr. PRESSLER, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 825, a bill to amend the Immigration and Nationality Act to provide for a program for the waiver of the visa requirement in the case of nonimmigrant tourists from certain countries.

S. 837

At the request of Mr. HEINZ, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act.

S. 843

At the request of Mr. COCHRAN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 843, a bill to amend the Agricultural Act of 1949 to provide support for the 1986 through 1989 crops of certain agricultural commodities, to promote the export of U.S. agricultural commodities, and for other purposes.

S. 887

At the request of Mr. DOLE, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 42

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of Senate Joint Resolution 42, a joint resolution to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act.

SENATE JOINT RESOLUTION 46

At the request of Mr. MATSUNAGA, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 46, a joint resolution relating to NASA and cooperative Mars exploration.

SENATE JOINT RESOLUTION 47

At the request of Mr. CRANSTON, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

SENATE JOINT RESOLUTION 66

At the request of Mr. D'AMATO, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of Senate Joint Resolution 66, a joint resolution designating June 14, 1985, as "Baltic Freedom Day."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from California [Mr. CRANSTON], the Senator from Illinois [Mr. SIMON], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 92

At the request of Mr. DENTON, the names of the Senator from Kansas [Mr. DOLE], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Georgia [Mr. NUNN], the Senator from California [Mr. CRANSTON], the Senator from Indiana [Mr. LUGAR], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Joint Resolution 92, a joint resolution to designate October 1985 as "National Foster Grandparents Month."

SENATE JOINT RESOLUTION 93

At the request of Mr. METZENBAUM, the names of the Senator from Kansas [Mr. DOLE], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. ANDREWS], the Senator from South Carolina [Mr. THURMOND], the Senator from Alabama [Mr. DENTON], the Senator from Connecticut [Mr. WEICKER], the Senator from Georgia [Mr. MATTINGLY], the Senator from Nevada [Mr. LAXALT], the Senator from Florida [Mrs. HAWKINS], the Senator from Vermont [Mr. STAFFORD], the Senator from Maryland [Mr. SARBANES], the Senator from North Dakota [Mr. BURDICK], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Massachusetts [Mr. KERRY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from California [Mr. CRANSTON], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. RIEGLE], the Senator from Arizona [Mr. DECONCINI], the Senator from Arkansas [Mr. BUMPERS], the Senator from New Jersey [Mr. BRADLEY], the Senator from Hawaii [Mr. INOUYE], the Senator from Ohio [Mr. GLENN], the Senator from Louisiana [Mr. JOHNSTON] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 93, a joint resolution to designate the month of May 1985 as "Better Hearing and Speech Month."

SENATE JOINT RESOLUTION 98

At the request of Mr. D'AMATO, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from Maine [Mr. COHEN] were added as cosponsors of Senate Joint Resolution 98, a joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

SENATE JOINT RESOLUTION 103

At the request of Mr. PELL, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from South Carolina [Mr. THURMOND], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Joint Resolution 103, a joint resolution to designate the month of May 1985, as "Very Special Arts U.S.A. Month."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. BAUCUS, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Idaho [Mr. SYMMS], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution to express the sense of the Congress concerning the reduction of trade barriers by Japan.

SENATE RESOLUTION 82

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Resolution 82, a resolution to preserve the deduction for State and local taxes.

SENATE RESOLUTION 112

At the request of Mr. COHEN, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Resolution 112, a resolution relating to bilateral discussions between the United States and the Soviet Union to ban chemical weapons.

AMENDMENT NO. 24

At the request of Mr. CRANSTON, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of amendment No. 24 intended to be proposed to Senate Concurrent Resolution 32, an original concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988, and revising the congressional budget for the U.S. Government for the fiscal year 1985.

SENATE CONCURRENT RESOLUTION 40—FAVORING A COMMISSION TO STUDY THE TRADE DEFICIT AND RELATED PROBLEMS

Mr. COCHRAN submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 40

Whereas the continuing imbalance of foreign currencies with the United States dollar is a principal factor in undermining United States trade competitiveness;

Whereas the United States trade deficit grew to a record $123,300,000,000 in 1984;

Whereas with the appreciation of the dollar by more than 40 percent against a trade-weighted average of fifteen major currencies, United States exports are under pressure in all segments of the economy;

Whereas the trade deficit has caused the loss of millions of jobs and severe dislocation in many areas of the United States economy;

Whereas the strength of the dollar is motivating United States manufacturers to shift production abroad or to purchase components and finished products from foreign suppliers;

Whereas United States exporters have been forced to abandon overseas markets while foreign producers are gaining a foothold in the United States market;

Whereas the serious imbalance of trade threatens the continuing economic recovery which the United States has experienced over the last two years;

Whereas domestic policy decisions must include a full consideration of the international competitive position of the United States; and

Whereas the trade deficit and related problems require immediate attention and a comprehensive plan of action: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should appoint a Commission which shall—

(1) be composed of bipartisan members selected from government, private industry, and educational institutions;

(2) make a full study of the United States trade deficit and related problems; and

(3) within six months after the formation of such Commission, submit a report including findings and recommendations for a plan of action, to the President.

● Mr. COCHRAN. Mr. President, today I am submitting a concurrent resolution urging the President to appoint a bipartisan commission to study the imbalance of currency values and other problems associated with the current trade deficit.

The continuing imbalance of foreign currencies with the U.S. dollar is a principal factor in undermining U.S. trade competitiveness abroad. U.S. exports are under extreme pressure in all segments of the economy. With the appreciation of the dollar by more than 40 percent against a trade-weighted average of 15 major currencies, U.S. exporters are losing their overseas markets while foreign producers gain footholds on U.S. markets. The strength of the dollar is likewise motivating domestic manufacturers to shift production abroad, causing the loss of millions of jobs and severe dislocation in many areas of the U.S.

The trade problem requires the immediate attention of the best minds in our Nation. That is why I am calling upon the President to appoint a bipartisan commission, composed of individuals from both the public and private sectors, to study the problem and to report its findings and recommendations to the President within 6 months of its formation.

It is essential that domestic policy decisions are made with a full consideration of our international competitive position and a full understanding of alternatives for addressing the trade problem. I am confident that the findings and recommendations of this bipartisan commission would provide valuable assistance in efforts to relieve pressure on U.S. exporters and to ensure continued economic recovery.

I hope my colleagues will join me by cosponsoring this legislation and by giving it prompt approval.●

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, April 16, 1985, to conduct a hearing on International Organizations and Multilateral Diplomacy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, April 16, 1985, to conduct a hearing on the U.S. Government's Personnel Security System.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REBUTTAL TO SENATOR GRASSLEY'S PROPOSED DEFENSE FREEZE

● Mr. GOLDWATER. Mr. President, certainly there is more than just cause for Members of Congress and, in fact, for people all across this country, to be upset by the continuing revelations of bad practice on the part of some, I say again, some, of the large firms doing business with the Pentagon.

Senator GRASSLEY of Iowa has been one of the leaders in condemning these people, and I have always supported his approach. However, some time ago, the Wall Street Journal ran an article by Senator GRASSLEY in which there appeared some errors and, wanting to correct those errors, I wrote a piece in answer and submitted it to the paper. The paper has not seen fit to use this article so, wanting to keep the record clear, as I have said before, I will insert it into the CONGRESSIONAL RECORD in hopes that editors across this country can find corrections for the mistakes that were made in the Journal article.

I ask that my reply to Senator GRASSLEY's article be printed at this point in my remarks.

The reply follows:

[From the Wall Street Journal, Mar. 14, 1985]

DRAFT REPLY FOR SENATOR B.W. GOLDWATER TO ARTICLE BY SENATOR C.E. GRASSLEY "A FREEZE IS JUST WHAT THE PENTAGON NEEDS"

On March the fourteenth, the Wall Street Journal published an article by Senator Charles Grassley entitled "A Freeze is Just What the Pentagon Needs". In his article, Senator Grassley argued first that a freeze on defense spending this year is necessary to reduce the federal deficit. His major second point was that a defense freeze would not weaken the security of our nation.

Senator Grassley is dead wrong on both counts. A defense freeze would be financially short sighted because it would actually increase defense costs in the future. More importantly, a freeze would dangerously disrupt all the progress we've made in rebuilding our nation's defenses.

Senator Grassley is not a member of the Armed Services Committee, so he does not have access to all the information required to discuss the defense budget. This may explain why he fails to understand the consequences of a defense freeze for our national security. But his irresponsible use of misleading statistics to bolster patently unfounded arguments is inexcusable. Senator Grassley does his state and our nation a disservice when he passes off his simplistic, self serving advocacy as reasoned analysis.

How can Senator Grassley suggest, for example, that somehow this nation's defenses have grown weaker, when exactly the opposite is so clearly evident? As Chairman of the Senate Armed Services Committee, I have just completed a series of hearings on the current readiness and future needs of our armed forces. Leaders of the Army,

Navy, Air Force, and Marines all said that, by virtually any measure, our military forces today are better manned, better equipped, better trained and more combat ready than ever before. But professional opinions aside, the objective facts further contradict Senator Grassley's arguments at every turn.

Take his assertion that during that 1982-1985 period, we have been buying fewer weapons. For many items, such as munitions, this is patently false. But even so, how many items we buy is not always a clear indication of how much capability we're getting for our money. Quality often matters as much as quantity, as in the case of the Army's Bradley Fighting Vehicle. For years the Army bought comparatively large numbers of their M113 Armored Personnel Carriers, in part because they were nursing along an inadequate combat vehicle. In short, they were substituting quantity for quality. Now that the superior Bradley Vehicle is available, we are buying less of them, but getting more capability through higher quality.

Senator Grassley also says there has been little force modernization, but again that kind of allegation is clearly not based on facts. Airlift is a good example. Adequate airlift is essential to our ability to project force to respond to crises or support allies. Here the progress has been substantial. Since 1981, the Air Force has bought 13 new C-5B heavy airlift transports, nearly 50 C-130 intra-theater transports, and more than 30 KC-10 tanker aircraft. During the last four years, our total strategic airlift capability has increased by 28 percent.

Similarly, in the case of Navy ship construction, Senator Grassley asserts that "... major surface combatants decreased by 17% from the Carter years despite a 47% increase in funds". But Senator Grassley ignores the entire U.S. nuclear submarine force, along with the fact that meaningful sea power derives from the collective capabilities of many ship types which compose a balanced fleet.

At the core of this fleet are the combatant ships: aircraft carriers, battleships, cruisers, destroyers, frigates, and nuclear powered attack and ballistic missile submarines. In February 1981, the Navy had 309 of these fighting ships. Exactly four years later, this number had grown to 341. Among major combatants which include aircraft carriers, battleships, cruisers and attack submarines, the improvement has been even more dramatic. Between 1978 and 1981, a total of 11 major combatants were authorized by Congress. By contrast, from 1982 to 1985, 28 major combatants were authorized, an increase of 254%.

Still, one really has to look at the entire fleet, rather than any single category in isolation, to appreciate the real progress which has been made. When President Reagan took office in 1981, there were 479 ships in the U.S. battle forces. Today there are 532 ships, an increase of 53 ships and 10%. An additional 103 ships are under construction, conversion, or reactivation. United States maritime supremacy is being restored and by 1989, the U.S. Navy will be 600 ships strong.

Marine Corps modernization has kept pace as well. Marine infantry battalions are being restructured with 10% fewer people and 25% greater firepower. This is possible because of a host of new, more powerful individual and crew served weapons. Marine artillery battalions have already taken delivery of more than 300 of their new M198 155mm Howitzers, which shoot further than earlier guns and can deliver highly accurate precision-guided munitions. In the air, three Marine Fighter/Attack Squadrons have replaced their aging F-4 Phantom aircraft with the versatile F/A-18 Hornet. Three more squadrons will follow during the next year.

Senator Grassley's approach to the issue of force readiness is similarly misleading. First he asserts improvements in readiness have not been proportional to the increased funding we've provided to those accounts. As with procurement, he then bases his argument on a carefully selected collection of statistics, again taken out of context. He argues, for example, that increases in the operations and maintenance budget have not resulted in major improvements in material readiness. Once again, both the objective facts and operational experience are quite the contrary.

Between 1980 and 1984, the share of Air Force F-15, F-16, and F-111 fighter aircraft that were fully ready to perform all their combat missions improved by 33%, 24% and 41% respectively. Air Force tactical pilots are flying 22% more training hours and having 30% less mishaps. Wartime airlift capacity of the C-5 and C-141 aircraft has increased by 64% and wartime fighter sorties by 76%. Further, because of a continuing commitment to correcting longstanding ammunition shortages, today the Air Force can support 48% more aircraft sorties with optimum munitions than just 2 years ago.

The Army has also made substantial gains in training and readiness. Since 1980, Army flying hours and battalion training days have increased substantially. As a result of additional funding, the Army has also been able to overhaul more equipment and reduce its backlog of depot level maintenance by more than $100 million during 1984 alone. By one estimate, the Army's total potential warfighting capability improved by 18% between fiscal year 1980 and 1984.

The Navy's experience is equally encouraging. As a direct result of higher quality manning and increased funding for spare parts, the readiness of the Navy's surface ships has improved 29%, nuclear attack submarines by 34%, and aviation squadrons by 42% over the last four years. From FY 1981 to FY 1985, actual munitions in magazines for Navy and Marine Corp major weapons systems increased by 37%. By FY 1987, when current ammunition contracts will be delivered, those levels will improve by another 41%.

Senator Grassley would have us believe a lack of competition is the root cause of all his alleged defense ills. Competition, he asserts, is alien to the defense world. But is it? Again the Senator's use of statistics is selective and self-serving. When he claims only 5% of all defense dollars are awarded competitively, Senator Grassley includes only those contracts that are formally advertised. But, Congress has recognized in legislation that contracts competitively negotiated are equal to those formally advertised. By this broader standard, the outlook is far brighter.

The Navy has been leading the way in fostering competition in the weapons procurement process. In FY 1984 the Navy awarded $14 billion dollars competitively, which is 37% of all Navy procurement dollars. Should you doubt we are making progress, this represents a 54% increase over the total dollars awarded competitively in FY 1982. The percentage of competition in Navy shipbuilding has risen from 15.7% in 1980 to 84.3% in 1985.

The resulting savings can be enormous. For example, competition among two shipbuilders for three AEGIS class cruisers in FY 1984 saved more than $228 million from the President's budget request. Similarly, competition in the SSN-688 class submarine program saved $108 million last year.

But if competition is to be sustained, then we must build ships and the like in sufficient quantities to make it worthwhile for more than one manufacturer to compete. For example, when we build three AEGIS cruisers a year, the contending builders sharpen their pencils and reduce costs, because the low bidder wins two ships. By contrast, if the AEGIS program were cut to only two ships, competition would be impractical and sole sourcing would inevitably lead to sharply increased costs.

The same is true of programs where we are enjoying substantial savings because of stable and efficient production rates. Freezing funding means cutting back on production rates and that inevitably will drive unit costs higher. The Navy's EA-6B electronic warfare aircraft makes the point well. In 1985 we paid $64.1 million each for 6 of these planes. This year the administration has proposed to buy 12 of the same airplanes for $39 million each. By supporting efficient production levels, we can save more than $25 million per aircraft. Similarly, the Administration has asked to buy 48 Air Force strategic B-1 bombers in 1986 at a cost of $159 million each. If that quantity is halved, it would add $4.6 billion to the total cost of the B-1 program. In short, we will end up paying more to get less.

The defense budget is not sacrosanct. Some reductions will doubtless be necessary this year in light of the federal deficit. But given how far we've come in improving our defenses, how those reductions are applied is terribly important. Superficial, impulsive schemes, like Senator Grassley's defense freeze, are far better suited to bumper stickers than the realities of the dangerous world in which we live. When reductions are made, it is vital they be based on thorough analysis and guided by the best professional judgment available. Our own taxes and our children's security depend on it.

THE WISDOM OF OUR YOUTH

● Mr. SIMON. Mr. President, today as we return to the challenges of our responsibilities, many of us have honored two special holidays with our families and constituents. In meeting with those people who have elected us to this body, we have been made aware of their needs and concerns once more. I have appreciated the opportunity to listen to those messages.

On return to my office, I was humbled further by a group of letters written by seventh- and eighth-grade students at Costa Catholic School in Galesburg, IL. These, of course, are not messages from registered voters or taxpayers or contributors. They are letters from young adults, future heirs of this Nation. They are representative of the letters I receive each week written by elementary and high school students from across the State of Illinois. I must say, that in my 3 months

as a U.S. Senator, I have not been so deeply touched as I have been by the simple truth, faith, and poignancy found in these letters.

It would be wise for us to listen to these young people. As we have seen in the past, our Samantha Smiths and exchange students are frequently among our greatest ambassadors. Children are blessed with the remarkable gift of sifting through great streams of knowledge and retaining the substance of issues. As we ponder the complexities of our world policies, we ought to remember that it is the course of these children's future we chart.

In preparation for Easter, these students have studied sacrifice. They have learned of hunger and have prayed for peace. They have pleaded with us to listen and to consider their voices in the decisions being made by this body.

With these pleas in mind, I wish to share their messages with my colleagues and ask that excerpts of these letters be printed in the RECORD.

The material follows:

EXCERPTS

In the past few weeks we have been praying for world peace, saw a movie on world peace, kept a vigil in our chapel and fasted for 30 hours, all in preparing for Easter . . .—DON O'BRIEN.

We talked about World Peace for the last couple of days and we had a lenten service. At the beginning of lent everyone wrote down what they were doing for lent. We sealed them in an envelope and the last day of school before Easter Vacation, we burnt the envelopes. Each Tuesday, the whole school gathered for a prayer service. The seventh and eighth grade fasted March 28 and March 29. We gathered together today and said the rosary. Those who participated in the fast stayed after school today and we wrote letters to the Senators, the President and our daily newspaper. I feel strongly about the subject of World Peace.

In South Africa and in Iran the black people are treated differently. I don't think this is a good way to express ones Americanism. Every man is equal. No man should be treated differently because of their looks, color or something else about him. The people in our school act as one community. There is much love and peace in our school. I wish this love could spread throughout the world. Thank you for your time.—ERIN HANEGHAN.

We have been fasting for world peace for 2 days . . . We felt like we were going to die because we were starving but we weren't starving as much as the Ethiopians are. They have been starving for months, and people send their money but it's not enough. I wish people would start recognizing that they really are starving and they are dying because of it.—*Michelle Leahy.*

We did more than just fast, we prayed the rosary, and had a vigil.—BETH NELSON.

. . . the tragic problem of starvation in our world. This concern not only includes foreign countries, but our own nation. I, along with other caring junior high students at Costa Catholic School, have wholeheartedly attempted to experience true hunger. I am not only concerned with hunger, but world peace. Our nation is so powerful, I hope we can stay in control of it.—CARLA CARPENTER.

I myself feel even if I haven't given any money to hungry people . . . by doing this fast I feel as if I've saved someone's life. In the words of Martin Luther King, Jr., I have a dream for world peace to prevail.—KEISHA HARRIS.

We participated in a . . . fast for world peace. It enriched our feelings and concerned us about world peace.—MARIPAT MANNINO.

All of this has made us realize how the starving people all around the world are suffering. Even though the fast hasn't been too long, it's been hard.—JOE THOMPSON.

We now realize what the starving people feel like . . .—LISA MANGIERI.

I feel very strongly about getting World Peace. This is something every nation should have.

I think that nuclear bombs should be destroyed. I feel this would be a wonderful start. I would love to have a world without war.—MISSY ALLEN.

. . . At least we can work towards peace.

One thing that I feel we should do away with are nuclear weapons. We have enough to blow up the world ten times. Why do we need that many? Do you think the excuse, well if we don't have as many as the Russians then we will have a war, is a good one? Don't you think we could find a better solution?

Another thing that you are considering doing is putting weapons in space . . . now you want to ruin space too. Don't you think this is a little crazy?

One last thing I would like you to think about are the one billion dollar sub-marines we are having built. With that money we could feed the hungry people in South America for the next 20 years. You talk about trying to send help to the Ethiopians and how could you even think about building one billion dollar weapons. Just think about how much food and help we could send over with that money.—KATHRYN C. CONKLIN.

I am 100 percent against nuclear missiles. I have one suggestion about the money going towards nuclear missiles. Why don't you send it to Ethiopia to people who really need it? Thank you.—JULIE MARER.

I am strongly against nuclear bombs because the adults of today are deciding tomorrows adults' future. I think most of tomorrows adults would just like world peace. Thank you for your consideration.—HEATHER NALL.

I would really appreciate if the world would come to peace. Please try to get world peace because God would want it . . .—JOE PONCE.

We have all been praying for world wide peace, I know that everyone has probably prayed for it at least a dozen times, but I think the president should take it into consideration, starting NOW . . . he's going and spending all of our money on missiles, I think he should spend a little bit more time worrying about the people in Ethiopia.—MICHELLE WELLS.

World peace is a necessity to all the people in this world. If in the future we do not have it this world will be dead.

We hope that this fast will do some good.—CHRISTIAN DUBOIS.

. . . I have learned much from it. I found out how hard it is for people in other countries with no food and that was what this sacrifice was mostly for, to see what it felt like. We sacrificed for them so couldn't you cut down on missiles and unnecessary expenses. A lot of people would appreciate it so please help.—MIKE RUTLEDGE.

. . . We were doing it for world peace. I wish there was no nuclear war because I think it is stupid.—JENNIFER BURGTORF.

. . . During this fast we had people in our chapel to pray for world peace. We can achieve world peace by working together.—CHRIS KENNEDY.

For many years our students and their parents have been concerned about nuclear war and world peace. Just a few months ago we started to recognize that nuclear war could become a real problem.

I feel the government is working on the issue of nuclear war, but I also feel it should be given more attention. It would be a total waste of hard work and human lives to start or take part in a war. I know you will do everything in your power to keep world peace and abolish nuclear war. My fellow students and I just wanted to let you know how we feel. I hope this shows you how strongly we feel . . . please consider this issue.—ANGELA D. THURMAN.

. . . We were particularly surprised at the statistics on the number of people who marched in different protests against nuclear war. There were many more people who marched in other countries than there were at the protests in the United States.

I hope our fast has made an impression . . .—CARRIE LARSON.

I hope you can help us unite with other countries.—KEVIN BOBOFCHAK.

We are writing letters to our country's leaders and if for no other reason we learned what the hungry people in the world must feel like. Everyone in the United States should stop and see how fortunate we really are.

I appreciate being able to write to my country's leaders.—JENNIFER GOHRING.

We are all depending on you to make decisions that will help promote world peace. Thank you for your time.—GERI REED.

My greatest dream is for one man that is so devoted to his country that he would do anything for his country and that he would make peace with every living thing on this Earth. I know that it only has about a 10 percent chance . . . but there is still that 10 percent.—TRACY FOX.

. . . It was a voluntary idea. My prayer was to make peace with Russia, and that can only begin with you.—LINDA THOMPSON.●

REVEREND NAUDE'S ACCOUNT OF SOUTH AFRICAN VIOLENCE AND U.S. RESPONSE

● Mr. KENNEDY. Mr. President, I call to my colleagues' attention an article published in the Friday, April 12 edition of the New York Times, entitled "South African Blacks Have Started to Rise Up." The article was written by Rev. Beyers Naude, a minister in the Dutch Reformed Church and general secretary of the South African Council of Churches.

Reverend Naude describes the tenuous nature of the situation in South Africa. "Taking everything into account, the position of the blacks has substantially worsened over the last 25 years. This year will bring more polarization between the white ruling classes and the majority of the people, more clashes, strikes, injuries, and deaths. For too long the black commu-

nity has suffered political oppression, economic exploitation, and educational neglect, while the government has ignored the warning pleas of millions of young people."

Reverend Naude argues that preventing violence in South Africa depends on dismantling apartheid. He believes that the United States has an obligation to take action to help minimize the emerging violence and maximize the chances of peaceful change in South Africa. But lack of support from the United States for the black community has only served to deepen feelings of anger toward the United States as well as American institutions and policies. Reverend Naude concludes that the United States should end its policy of "constructive engagement" and initiate more meaningful pressures to hasten fundamental, nonviolent change.

I ask that the full text of Reverend Naude's article be printed in the RECORD.

The article follows:

[From the NY Times, Apr. 12, 1985]

SOUTH AFRICAN BLACKS HAVE STARTED TO RISE UP

(By Beyers Naude)

The era of protest politics has been set aside in South Africa, replaced by the first phase of a militant revolutionary era. As one youth leader put it last year: "We are now at war."

The 25 years since the massacre in Sharpeville have brought increasing polarization to our politics. The ruling Nationalist Party points to the new Constitution and other legislative reform as proof of real change. Most black leaders disagree and maintain that, taking everything into account, the position of blacks has substantially worsened in the last 25 years.

In the meantime, indisputably, black opinion on political issues has become much better informed, support for resistance has become more widespread both in urban and rural areas, black attitudes have become much more militant and black actions are much better organized. In reaction, white political feelings, in both the Afrikaans and English-speaking communities, have shifted noticeably to the right. This has been going on for some time, as demonstrated by the growth of the Conservative Party, but the recent unrest in the black townships is creating a sharp new sense of insecurity and fear.

All indications are that 1985 will see an exacerbation of the hardships endured by the majority of South Africans. It will also surely bring an extension of the struggles waged in 1984.

The recession is deepening, with companies going bankrupt daily and thousands of people being thrown out of work. Wages are not keeping up with rising prices. Meanwhile, as the government cuts spending on education, conditions in the schools will get worse. As bosses try to hold down wages and push up productivity, tension in the factories will grow. And, as local authorities persist in calling on the police and the military, our communities will surely remain a battleground.

It is clear to me that this year will bring more polarization between the white ruling classes and the majority of the people, more clashes between the police and striking students and workers, more injuries and deaths. It does not require the insight of a prophet to predict that, unless the Government initiates clear and fundamental change, the unrest throughout the country will increase—to the point where violence becomes endemic and eventually uncontrollable.

For too long, the black community has suffered under political oppression, economic exploitation, educational neglect and denigrating white attitudes. For too long, the authorities (and those who put them in power) have ignored the warning pleas of millions of young people. For too long, people have been detained, tortured, banned and imprisoned without adequate cause. And for too long, the regime has succeeded in cajoling, manipulating, bribing or pressuring blacks and others to collaborate in implementing apartheid in the hope that they will be incorporated in the system.

Now the moment has arrived when the people, after decades and decades of silent suffering, have started to rise up—burning Government property, bombing the homes and businesses of black officials and other stooges, killing black police officers. Many of us who oppose the regime have forseen these developments for years—and we believe that all of it could have been prevented if our pleas had been heard and heeded. But now that this situation has become a bitter reality, what awaits us?

South Africans, both black and white, will now have to agonize on how to resolve the crisis. Yet a serious obligation also rests on the most powerful and affluent country in the world to reconsider its responsibility toward South Africa. The United States must help us to minimize the emerging violence and maximize the chances of peaceful change.

To begin with it must recognize that its lack of meaningful support for the South African black community and its struggle for liberation has created feelings of deep anger and animosity not only toward Washington and its policy of "constructive engagement," but also toward many American institutions and initiatives in South Africa. A word of serious warning has to be sounded to the American Government and people: Do not be surprised if the anger of black South Africans eventually turns to hatred or rejection of an American presence in Africa. Take cognizance now of these feelings of anger and bitterness and consider active steps to create a better attitude.

Second, Americans must disabuse themselves of the bogus concept that the root cause of the unrest in our country is a Communist onslaught created and manipulated by Moscow. Please recognize that the policy of apartheid is the real threat to peace and stability in my country—and all of southern Africa.

Third, Americans should give more serious attention and weight to the pleas of the churches and other organizations in South Africa known for their opposition to apartheid. Please listen to these groups, which are trying to do everything in their power to bring about fundamental change by peaceful means or, where peaceful change is no longer possible, with a minimum of violence. Americans should also do all they can to support the efforts in their own country—by churches, academic institutions and other organizations—to press their Government to change its disastrous policy toward South Africa.

Fourth, the United States should terminate the policy of "constructive engagement" and initiate more meaningful pressures to hasten fundamental, nonviolent change. The whole disinvestment debate could soon become irrelevant if the current unrest in South Africa continues unabated—for before long it will have created such an unstable economic climate that overseas investors will be frightened to do business here. Before long, they will decide of their own free will not to support any further investment. They will conclude that the risk is too great and will initiate steps toward disinvestment.

Fifth, Washington should encourage Pretoria to ease up. I am convinced that no return to stability is possible here as long as the black leader Nelson Mandela and other political prisoners remain in prison. Americans must understand this, and they should demand the unconditional release of all political prisoners, the right of all exiles to return, the release of all detainees, the unbanning of the banned and the banished. They should also encourage Pretoria to grant all South African people the freedom to elect their own leaders to initiate a process of negotiated change.

Sixth, the United States must make it clear that it does not want to see things get worse. The situation in South Africa may eventually become so ungovernable that the authorities would be forced to declare a state of emergency—and this could very easily lead to military rule of some kind. Such a development would have disastrous consequences for the cause of justice and peace in South Africa, fanning the flames of violent revolution and eventually leading the country into civil war. If the United States is sincere in its concern to prevent further violence, it should take effective steps now to prevent the establishment of military rule, with all its serious consequences not only for black and white South Africans, but also for the rest of southern Africa.

Finally, the American Government and people must reassess their policy toward Namibia, Angola, Mozambique and Zimbabwe—a policy that is creating increasing frustration, cynicism and bitterness toward the United States in all these countries. The State Department clearly fears their Marxist tendencies and fears to lend them American support. But the sooner both the United States and South Africa accept that the political change that black South Africans wish to bring about will inevitably involve changes in the capitalist system of free enterprise—a change toward some form of socialism—the less traumatic and painful the transition toward majority rule will be.

I do not believe that the United States can determine the direction or momentum of change in South Africa, but it can help the South African Government to understand and accept what is happening. It can also enlist the support of other Western countries to prepare South Africa and themselves for the upheaval of fundamental change that is on its way. I share the fears of many here that this process is going to be painful—and bloody. But the sooner the apartheid system is dismantled, the greater the hope of shortening this period of bloodshed and hastening the transition to nonracial democratic rule.●

SPORT FISHING AND BOATING ENHANCEMENT FUND

● Mr. D'AMATO. Mr. President, I rise today in support of Senate Resolution

130, introduced by my distinguished colleague, Senator WALLOP, which calls upon the admininistration to honor its commitments under the Wallop-Breaux Trust Fund, also known as the Sport Fishing and Boating Enhancement Funds.

Just last summer, the President signed into law legislation creating this new fund designed to expand the Dingell-Johnson fund. This bill was intended to enhance boating and fishing opportunities with funds raised by user fees.

By signing this bill into law, the President was being consistent with his long-time position that many of the programs which, in the past, have been subsidized by the Federal Government should be self-sufficient. The fund allowed our Nation's anglers and boaters to respond to the President's call to reduce the deficit by providing a tax to pay for fishing programs.

However, the administration is now refusing to release these funds to the States. This means that all over the country, boaters and sportfishermen who are now paying additional Federal user fees will lose $100 million authorized by the Congress last year. New York will lose about $1.4 million from its freshwater and saltwater programs.

Specifically, New York will not be able to purchase the new Lake Erie research vessel, there will be severe cuts in Lake Erie, Lake Ontario, Finger Lakes, and the Hudson River Fishery Unit programs, we will face delayed construction of many new launching sites, progress will be stopped on statewide walleye rehabilitation and hatchery construction plans, warmwater fishery research and the annual fishery monitoring of Oneida Lake will be terminated, and we will need to defer maintenance and repairs to 75 fishing access sites. New York will not be able to purchase $50,000 of new hatchery equipment which would improve efficiency and fish production.

Mr. President, I believe that if the administration can make this type of decision on the Wallop-Breaux Fund, we will find that the Congress will become skeptical of any user fee legislation. User fees will become identical to any other tax used to reduce the deficit. This was not the intent of the Wallop-Breaux Fund.

Mr. Henry Williams, commissioner of environmental conservation in New York State, pointed out the irony of this situation when he said:

> . . . Sportsmen, boaters, conservationists and fisher professionals fought hard for seven years to get Wallop-Breaux passed. Now they are paying increased excise taxes and may get nothing in return.

It is time for these funds to be used as the Congress intended. I urge my colleagues to join in support of this resolution.●

THE U.S. SENATE: LET'S DEBATE THE ISSUES

● Mr. SIMON. Mr. President, I am honored and happy to serve Illinois in this unique body of lawmakers, but I must share with my colleagues my disappointment that there is not more debate on the issues before all Senators here on the floor. I ask to have printed in full in the RECORD a column I write each week for the newspapers in my State.

The column follows:

P.S./WASHINGTON

(A weekly column from U.S. Senator Paul Simon of Illinois)

THE U.S. SENATE: LET'S DEBATE THE ISSUES

The other day Senator Dale Bumpers of Arkansas commented, "The United States Senate is supposed to be the world's greatest deliberative body, it is not."

That is not the exact quote, but it approximates what he said.

Unfortunately there is an element of truth to his comments.

There is no forum in the world that compares with the Senate. But that forum is not used effectively. When Sen. Bumpers made his remarks, discussing the important issue of the MX missile, he talked to an almost empty Senate.

I have made only brief remarks on the floor of the Senate so far, because of my freshman status, but when I spoke on the MX there also were only a few members present.

We do have a radio hooked up in our personal offices that permits us to follow debates half-way. We listen as we dictate letters or sign mail. But often Senators are in committee meetings, or we're in meetings with constituents where we cannot listen.

It is also true that the debate is reported in detail in the *Congressional Record* the next day, but no Senator has time to read all of it.

Where the major discussion now takes place is in the Democratic and Republican caucuses. The best statements I heard on the MX were not on the floor of the Senate, but in the Democratic caucus where Sen. Albert Gore of Tennessee supported the MX and Sen. John Glenn of Ohio opposed it.

This issue—as is true of most issues—should not be a partisan matter and the whole Senate, and the nation, should have heard that exchange, not just one political party's caucus.

Sometimes at lunch in the Senate dining room I see more Senators than I do on the floor of the Senate.

There should be some method of encouraging genuine give-and-take on the floor of both the Senate and the House, more than now occurs. There were many flaws in the Illinois General Assembly when I served in that body more than a decade ago, but when we debated the members generally were present. It was rare indeed to have only one-third of the membership present for debate.

In this United States Senate it is rare indeed to have one-third of the members present to hear the debate.

Yes, there is dialogue and debate, but most of it does not take place on the floor under public scrutiny.

Yes, the quality of membership in the U.S. Senate is higher than the public image.

But what ails the U.S. Senate is part of what ails the world: We're not listening to each other.●

VOICE OF AMERICA'S "FOCUS" PROGRAM ON THE SEARCH FOR JOSEPH MENGELE

● Mr. KENNEDY. Mr. President, on March 22, 1985, Congressman ROBERT MRAZEK and I proposed that the next appropriations bill include a provision for the Department of Justice to pay a reward of $1 million for information leading to the apprehension of Josef Mengele, the infamous Angel of Death at Auschwitz. In addition, we asked the U.S. Information Agency to give a high priority in its overseas programming to publicizing the reward and other aspects of the search.

I am pleased to call the attention of my colleagues to the ongoing role of the Voice of America, a division of the U.S. Information Agency, in the search for Mengele. Its February 28 Focus program, entitled "The Search for Joseph Mengele," was broadcast in English, and distributed to Voice of America's 41 language services for translation and use. In eloquent detail, the program includes interviews with survivors of Mengele's gruesome experiments at Auschwitz, excerpts from a recent Senate hearing chaired by Senator SPECTER, discussions with French Nazi-hunter Serge Klarsfeld, Justice Department officials from the Office of Special Investigations, and Simon Wiesenthal, Chairman of the International Academic Advisory Board of the Simon Wiesenthal Center.

In one of the most moving parts of the program, Marc Bercowitz, a twin of 12 when he entered Mengele's cruel laboratory, describes his mother's death and the motivations of those who seek to bring Mengele to justice:

> I saw a line of women and suddenly I recognized my mother in the line and I knew if she passed the gate of "F" Lager, that was it. Nothing beyond that point . . . I literally walked my mother to the gas chambers . . . the next thing I saw smoke, flame and smoke . . . and I promised my mother not to be a hateful person because she didn't want me. From all I've seen, she asked me not to be a mad person, to love God, to love humanity, and to seek justice. So I'm not here out of hate or vengeance, but I'm here for my brother and all the soldiers who served in that tragedy, who gave their lives, not that this man should be free . . . so I beg you, please, for the sake of future generations, for my grandson, not for me, and for the little babies that I saw march every day to the gas chamber, help us. Bring this man to justice.

Mr. President, the Voice of America program has a special timeliness this week as people throughout America and around the world pause to remember the victims of the Holocaust. I ask that the text of Focus: The Search for

Joseph Mengele may be printed in the RECORD.

The text follows:

FOCUS: THE SEARCH FOR JOSEPH MENGELE

ANNCR: The Voice of America presents "Focus."

CART: "Focus" theme (established, then fade under Anncr)

ANNCR: At an international hearing in Israel in early February, thirty people who survived the death camp of Auschwitz told an International Board of Inquiry about the medical experiments that Nazi physician Joseph Mengele had performed on them. Board member Telford Taylor of the United States read the Board's conclusions.

TAPE: Cut one: Taylor (:46)

"There exists a body of evidence justifying the commitment for trial of the S-S Physician Hauptsturmfuhrer Joseph Mengele for war crimes and crimes against humanity, including crimes against the Jewish people and against members of other nations.

"Among those crimes, first mention should be given to acts of murder, the causing of grievous bodily harm, acts of brutality against the bodies and souls of men and women, children and adults.

(OPT) "All these acts were perpetrated by Joseph Mengele as a medical practitioner, a member of the Nazi party, and as an officer of its criminal organization, the S-S, under the role of the Third Reich." (End OPT)

ANNCR: As the board was issuing its statement, the U.S. Justice Department announced an investigation into Doctor Mengele's whereabouts and reports he may have been in U.S. custody after World War Two. The U.S. Senate also opened hearings on the case.

To focus now on the search for Joseph Mengele, here is Todd Leventhal.

HOST: Some three million people died in the camps of Auschwitz. For the few who survived, the past is never far away.

TAPE: Cut two: Berkowitz (:19)

"It's not forty years, it's a moment ago. It's a moment ago that a little boy with his family arrives, with his mother, little twin sister, grandparents, and aunts and uncles, to a place called Birkenau."

HOST: From the railway station at Birkenau, it was a three kilometer walk to the main camp at Auschwitz for young Marc Berkowitz and for millions of others. Berkowitz survived because he was a twin and because his blond hair and blue eyes interested Doctor Mengele.

(OPT) Testifying before the U.S. Senate, Berkowitz described the experiments that Mengele performed on him.

TAPE: Cut three: Berkowitz (:50)

BERKOWITZ: "He told us to lay face down and the next thing I knew that they were, you know, sort of checking my spinal area, my vertebrae area, and I felt a very sharp instrument. And then the next thing I just fought to keep my consciousness. And I whispered to my little twin sister, 'just bear with it.' "

Senator SPECTER: "What happened to you?"

BERKOWITZ: "For about half an hour I felt paralyzed. But I could hear voices and I heard them say that the fluid is not clear enough and we'll have to try it again."

SPECTER: "What was done to you?"

BERKOWITZ: "I was twelve years old. I was a guinea pig (an animal used for experiments). I was a Jewish child. I never asked." (End OPT)

HOST: Mengele was trying to unlock medical secrets that would enable the Nazis to build a race of supermen. He experimented not on laboratory animals, but on human beings.

(OPT) Mengele was particularly interested in twins. Many believe he hoped to find a way to allow Germany to increase its population more quickly after the war. His experiments produced nothing of scientific value. (End OPT)

Those who could not be used by Mengele were consigned to death. One of them was Marc Berkowitz's mother, who passed before her son while he picked vegetables in Mengele's garden.

TAPE: Cut Four: Berkowitz (2:10)

BERKOWITZ: "I was picking brussels sprouts for him because he had us make a garden for him where we grew brussels sprouts for him. And while picking the brussels sprouts, I saw a line of women and suddenly I recognized my mother in the line and I knew if she passed the gate of 'F' lager, that was it. Nothing beyond that point. The next thing is that big gate that takes you to gas chamber five or four. And I knew that once one woman passed that barrack, the S-S barrack outside, that was it."

SPECTER: "And did she pass that barrack?"

BERKOWITZ: "The woman passed that barrack. With that Mengele stepped out of his quarters because he wasn't too far away. And he said to me, 'I have an errand for you to run.' And that meant that I could report out and I literally walked my mother to the gas chambers."

(OPT) SPECTER: "And that was the last you saw of your mother."

BERKOWITZ: "The next thing I saw smoke, flame and smoke. I wasn't supposed to say kaddish. I was too young. I wasn't a man yet. But I said whatever I could say.

"And I promised my mother not to be a hateful person because she didn't want me. From all I've seen, she asked me not to be a mad person, to love God, to love humanity, and to seek justice.

"So I'm not here out of hate or vengeance but I'm here for my brother and all the soldiers who served in that tragedy, who gave their lives, not that this man should be free. What did they die for? So that this man could live and be free? The man is a free man.

"So I beg you, please, for the sake of future generations, for my grandson, not for me, and for the little babies that I saw march every day to the gas chamber, help us. Bring this man to justice." (end OPT)

(OPT) HOST: Vera Kriegel was another Jewish twin whom Mengele experimented on. As a child of six, she saw a sight she would never forget in Mengele's laboratory.

TAPE: Cut five: Kriegel (:30)

"I looked at the wall and what did I see on this wall? I saw all kinds of colors of human eyes, looking at me. And I was thinking I was maybe in some other world. I was on another planet. I wasn't in this world at all.

"And I'm telling you, he was turning these poor children's eyes with his fingers, he was turning them over. And he was taking them out of the sockets and he was also putting drops into these eyes. He was trying to change the color." (end OPT)

HOST. Mengele injected dye into his victim's eyes, in an attempt to change their color to blue. He mutilated bodies, removed organs, and injected powerful chemicals that caused enormous pain and sometimes death.

In one of Mengele's cruelest experiments, he prevented a newborn baby from nursing. The child's mother, Ruth Eliaz, had infuriated Mengele because he had not noticed she was pregnant.

TAPE: Cut six: Eliaz (4:08)

(OPT) "He said in his sarcastic smile, he said, 'You wait and give birth to your child and then we will see.' I couldn't imagine in my biggest fantasies what's waiting me.

"And my hour came when I got my pains. A Polish midwife was assisting my birth. I laid on the stones without anything. And I gave birth to a beautiful girl. No soap, no hot water, no cotton ball, nothing. In my own filth, with my baby. (end OPT)

"In the morning, Mengele arrived and he gave the order to bandage my breasts. I heard afterwards that he wanted to make an examination, a trial, a research, I don't know how to call it—how long a newborn can live without food.

(OPT) "I had no other choice from the diet but to take a little bit of linen, and I chewed the bread I got, I put it into this little piece of linen, put it either in coffee or in the soup I got. And with this I fed my child, my girl. (End OPT)

"She got thinner and thinner and thinner. Everyday came Mengele. My milk started to dry up. And the child was crying for hunger and I couldn't give her anything. After several days, she had no strength anymore to cry, it was only whimpering and it was a skeleton lying near me.

"One day, Mengele arrived. It was, I think, six or seven days. And he told me, 'tomorrow morning, you be prepared with your child, I'm coming to fetch you.' And I knew that my last day of living had arrived, that I was going to the gas chambers.

"I started to cry. (OPT) I think I was hysterical. (End OPT) I started to scream. And a doctor came to me, a Jewish doctor, a prisoner, Marsha Steinberg. And she asked me why I am crying. I told her my story. And she said, 'I must help you.'

"After the lights went off, she came back with a syringe in her hand. And she told me in such a brisk voice, 'give this to your child.'

"And I said, 'what is it?'

"And she told me, 'it is morphine. This will kill your child. It can't live anymore.'

"So I told her, 'Marsha, you want me to kill my own child?'

"So she told me, 'look here, (OPT) you are young and I made the oath of Hippocrates—saving people's lives. (End OPT) I must save your life. Your child can't live anymore. And I can't do it.' And she started to talk in an angel's voice. And she talked and talked and talked until I did it. I murdered my own child."

HOST:

After World War Two, Mengele apparently lived for a time in his home town of Gunzburg (Ginz-Burg), in Bavaria, where his family owns a large company that manufacturers farm equipment. The United States Justice Department is investigating recent reports that he may have been in the custody of the U.S. Army in 1947. In the early 1950's, Mengele went to Argentina, where he lived for the most part until 1959, when West Germany sought his extradition. He then fled to Paraguay, where he became a citizen.

Under international pressure, Paraguay revoked Mengele's citizenship in 1979 but said they had no knowledge of his whereabouts. The Paraguayan Government now promises to arrest Mengele, if they can locate him.

(OPT) After so many years, there is a real question as to whether Mengele is still alive. French Nazi-Hunter Serge Klarsfeld, who helped bring Klaus Barbie to justice, believes that he is.

TAPE: Cut seven: Klarsfeld (:27)

"We know that he is alive, Mengele, because if he were dead, the family would announce it. It would change the financial structure of the firm and also, I would say, for the company, whose name is Mengele, it would be the end of the link between a Nazi criminal so horrible and the company." (end opt)

HOST: Allan Ryan headed the Justice Department's Office of Special Investigations, which is responsible for prosecuting war criminals, from 1980 to 1983. He believes the chances for locating Mengele depend on international cooperation, in particular from the South American countries where Mengele was last seen.

TAPE: Cut eight: Ryan (1:06)

"(OPT) from 1960 onward, he was living in Paraguay under the official protection of the Government of Paraguay and he lived in great physical security behind barriers that made it very difficult for anyone to approach." (end OPT)

"The official protection has ended. The question is, does unofficial protection exist. And I think the answer to that question will come when we see how fully the Government of Paraguay cooperates with the Justice Department in its investigation. Will the Government of Paraguay cooperate fully or will they simply say 'good luck, but we're not going to help you."

"If it's the latter response, then in a way it's an unofficial protection (OPT) because looking for someone in Paraguay is not like going into the streets of New York or Chicago. It's a jungle. And unless the United States Government has the cooperation of the governments down there—Paraguay, Argentina, where Mengele lived for many years in the 1950's, and its neighbors—and unless it has the cooperation of European governments in generating information, I think the chances of success are smaller than they otherwise would be." (end OPT)

HOST: Simon Wiesenthal (see'-mon vee'-sen-thal) has hunted Nazis since the end of World War Two. On several occasions, he missed trapping Mengele by only a day or two.

(OPT) Wiesenthal says that only a handful of the Nazi criminals he has apprehended have expressed any regret for their actions.

TAPE: Cut nine: Wiesenthal (:41)

"I am working forty years. I brought to justice in different parts of the world, in different countries, a little over eleven hundred people. From all these people, only three confess. Three people confess. And these three people say sorry.

"The others keep silent or say 'I fulfilled the orders. I was a soldier. I fulfilled my orders, I fulfilled my duty.' The duty of an S-S man will be, you know, to kill innocent people, women and children and so on." (end OPT)

HOST: Wiesenthal believes it is very important to capture Joseph Mengele and to bring him to trial. A forgetful world must be reminded, he believes, that Nazi atrocities were real. And, he adds, those people who might engage in genocide in the future should know that such crimes will be punished.

TAPE: Cut ten: Wiesenthal (2:24)

"Why we need Mengele before a trial? You can believe me that in all these years we had offers of people to kill him. I say no. First of all, this is not my way. We need sentenced criminals. We don't need to produce martyrs, (OPT) first of all. (end OPT)

"And second, we have today two generations after the Holocaust. (OPT) Young people. (end OPT) And at the same time we have the deniers of the Holocaust. They are groups, they are organizations, which have published so many books that the Holocaust was a hoax; that Auschwitz was only a labor camp; that the gas chambers never existed or when they existed it's only for disinfection of clothing.

"A trial of Mengele is not only of juridical but I would say of educational and historic importance. This will be a repetition of a historic lecture. Naturally, such a trial will be a half year or more. And this will be an answer against the indoctrination, especially of young people.

"(OPT) and from the other side, (end OPT) sometimes people come to me and say, 'look you are doing forty years, you are working between blood and tears. Why are you doing it? (OPT) Why you do it? (end OPT) These people are not a danger. They wish only to die in peace.'

"I say I am doing it for my grandchildren. You see, the history of man is a history of crimes. And maybe at this moment are born the murderers of tomorrow. (OPT) We never knew when the murderers of our families were born. But (end OPT) these new murderers should know what to expect—that even forty years after a crime, (OPT) or forty-five years in many cases, (end OPT) they have no place in the world that could be safe.

(OPT) "They also wish to die in peace. But we don't let them die in peace. (end OPT) This is the lecture for the murderers of tomorrow. He who is involved in a genocide will never have peace. If we will not do it, then the millions died for nothing."

HOST: The search for Joseph Mengele, now seventy-three years old, continues. Simon Wiesenthal says that his latest information, (OPT) from January of this year, (end OPT) places Mengele in Paraguay. Other professionals (OPT) in the field (end OPT) believe that Mengele may be on the move among several South American countries. Whatever is the case, the search for the man known as the Nazi "Angel of Death" seems certain to continue until his death.

CART: "Focus" theme (establish, then fade under Anncr)●

HOME CARE PROTECTION ACT OF 1985

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 778, the Home Care Protection Act of 1985, introduced by my good friend and colleague, the senior Senator from Pennsylvania.

The steady growth of our elderly population and the rising cost of institutionalized medical care have resulted in the increasing popularity and necessity of home health care. Home care is a cost effective and humane alternative to institutionalized care.

Medicare, however, is currently an acute care provider. Although it does cover some home care services, Medicare is primarily a hospital-based payer. The implementation of the diagnosis related groups (DRG) reimbursement system for Medicare part A has decreased by almost 25 percent the average number of patient days spent in hospitals. According to a report recently released by the General Accounting Office, this has had the unintended effect of releasing elderly patients prematurely. This problem underscores the importance of home health care.

Although Medicare was intended to cover home care, its application has been severely limited. The differing interpretation of intermittent care has denied millions of elderly Americans proper home care coverage. Because of strict Federal interpretation of intermittent care, many elderly patients have had to spend down to Medicaid eligibility to receive coverage for home care—80 percent of all Medicaid funds spent for home care are spent in my home State of New York.

The Home Care Protection Act would explicitly, when medically necessary, allow up to 60 days of home care coverage, and will guarantee beneficiaries access to these services. The availability of such care will not only discourage excessive hospital readmissions, but also will reduce admissions into nursing homes. Although one reason that home care benefits have not already been expanded or clarified is a concern over the cost of additional coverage. It is important to remember that hospital and nursing home care cost several times more than home care. It is also important to remember that many of the elderly would prefer to be medically attended at home whenever possible.

The demand for home health care will grow as the number of elderly citizens increase. Congress must reaffirm and clarify its intent with respect to home health coverage under Medicare. The Home Care Protection Act is just the bill necessary for this job. I urge my colleagues to join with me as cosponsors of this bill.●

THE 10TH ANNIVERSARY OF THE END OF THE VIETNAM WAR

● Mr. MURKOWSKI. Mr. President, I rise to join with citizens across our Nation to mark the 10th year of the end of the Vietnam war. Today, thanks in a large part to the leadership of our President, a renewed sense of patriotism is felt throughout the country. This national pride has come partially as a result of our coming to terms with the difficult questions raised by our Nation's involvement in Vietnam. Regardless of one's political viewpoint on the merits of the Vietnam war, our Nation has recognized the need to pay respect to the many men and women who served during these troubling times.

The past 10 years has been a time of healing. The Congress has contributed greatly to welcoming the Vietnam veteran home by providing a number of important benefits and services specifically to foster their readjustment

process. Some of those programs include vet centers, which provide readjustment counseling in 185 storefront centers and satellites throughout the country; special noncompetitive hiring into the Federal civil service known as veterans readjustment appointments to assist veterans' entry into the work force; Emergency Veterans' Job Training Act, which provides money for employers to hire and train chronically unemployed Vietnam veterans so they can build a new career; the Vietnam era GI bill, which provided, and continues to provide, a most generous and important educational benefit; as well as several important legislative initiatives which address the concerns raised by veterans who were exposed to agent orange in Vietnam. Those initiatives include free health care to Vietnam veterans who believe that their disabilities are related to agent orange exposure, a number of important studies to document scientifically if any diseases can be related to exposure to agent orange, and the Vietnam Veterans' Relief Act, which provides a framework for adjudication of claims filed by veterans who were exposed to agent orange. These are just a few of the many worthwhile programs extended to Vietnam veterans by a grateful Nation and Congress for the sacrifices rendered by men and women in uniform.

Mr. President, in spite of the fact that some Vietnam veterans still do have problems as a result of their experiences in Vietnam, these veterans have come a long way since they returned home from fighting a most unpopular war. They have become productive, responsible citizens and have gained the respect of their compatriots who did not participate in the war effort.

It is important to emphasize the positive and to recognize the individual contributions of these patriotic Americans. Although we need to continue to recognize the special problems associated with service during the Vietnam conflict, we also need to give credit where credit is due. I wish to thank the millions of men and women who bravely and patriotically served during the Vietnam war and to note my pride in their service and my gratitude for their efforts on the behalf of all Americans. I am honored to serve as chairman of the Veterans' Affairs Committee and I pledge to continue my efforts to demonstrate our Nation's gratitude to all our veterans of Vietnam. Let us work together in that effort and reap the benefits of the peace they fought so hard to win.●

NATIONAL COMMISSION ON ILLITERACY

● Mr. GLENN. Mr. President, today I rise to join in a bipartisan effort to establish a National Commission on Illiteracy. Currently, a staggering 20 percent of the adult population are illiterate. Among minorities the illiteracy rate is as high as 40 percent.

Billions of dollars have been spent on remedial reading by our schools, colleges, businesses, governmental agencies, and the armed services. In a 1983 survey, three out of four corporations indicated that they had to provide some form of remedial assistance to their employees. The Army alone spent over $14 million in an effort to bring its recruits, 90 percent of whom were high school graduates, up to the ninth grade levels. The Air Force, in their effort to bring over 2,000 recruits up to the ninth grade reading level spent $1.8 million in fiscal year 1984.

Despite the considerable amount of funds which have been spent, the number of adult illiterates increases substantially each year. Therefore, Mr. President, I agree with my colleague from Nebraska, Senator ZORINSKY, that American taxpayers deserve a better return on their investment in reading instruction. Not only are the results dismal, but the net effect is that additional funds must be spent to remedy what the schools should have done properly in the first place.

Therefore, while I am not fond of establishing commissions, I feel a Commission on Illiteracy is necessary. This Commission would be more than a symbolic gesture. It would have at least four clearly defined objectives. First, it would assess the factors which contribute to illiteracy. Second, it would recommend programs and policies to prevent illiteracy. Third, it would recommend the appropriate local, State, and Federal roles in the prevention of illiteracy, and finally the Commission would assemble, analyze, and publish its findings.

This Commission is not intended to create any Federal policy with respect to reading, nor is it just another spending bill. This Commission would merely identify problems and propose solutions. Even in an era of tight budget restraint, I am convinced it shows foresight to establish a commission not only to evaluate the return taxpayers receive for their investment, but also to determine if we are doing all that is possible to combat the problem of illiteracy and its problematic side effects. For these reasons I join with Senator ZORINSKY and other distinguished colleagues who have cosponsored this much needed legislation.

Mr. President, I urge my colleagues full and favorable consideration of this measure.●

DR. WILLIAM E. FOUNTAIN, MERCED, CA

● Mr. WILSON. Mr. President, I rise today to congratulate Dr. William E. Fountain of Merced, CA, on winning the "Rural Physician of the Year" award for 1985 from the California Medical Association.

Dr. Fountain received the Frederick K.M. Plessner Memorial Award for his work as a local physician who "best exemplifies the ethics and practice of a rural country practitioner." Dr. Fountain devoted nearly 50 years to serving the public and caring for people and their families in Merced.

Throughout his career, Dr. Fountain served his community with personal attention. He made house calls, visited the elderly and handicapped on weekends, and often delivered babies of the poor in their homes. Retired from his office duties 18 months ago, Dr. Fountain remains active in local health efforts such as teaching nutrition to elementary school children.

Once again, I congratulate Dr. Fountain on a job well done in Merced. His lifetime of dedication to his community deserves much praise.

I also request that Dr. Fountain's biography be included in the RECORD.

The biography follows:

1985 FREDERICK K.M. PLESSNER MEMORIAL AWARD RECIPIENT

The 1985 recipient of the Frederick K.M. Plessner Memorial Award is William E. Fountain, M.D., of Merced.

With time out for World War II service in the Navy medical corps, "Dr. Bill" served the people of Merced County as a physician and surgeon from 1937 until his 1983 retirement from active practice; he still practices part-time.

Dr. Fountain, who was born in Oregon and moved to Merced at age four, was graduated from Stanford University and from its School of Medicine in 1937. He began practicing general medicine and surgery in Merced in association with his father, the late Dr. Edwin R. Fountain, and was the county's public health officer for two years.

From 1942 to 1945 he served in the Navy medical corps in the South Pacific, earning a presidential citation and saving the lives of both American and Japanese troops.

During his entire career, Dr. Fountain made house calls. He visited migrant workers in agricultural camps throughout the county and delivered babies of indigents in their homes. Because of the risks to mothers and babies under such conditions, Dr. Fountain was instrumental in establishing a new obstetrical unit at the Merced hospital, specifically to give indigent mothers a safer alternative to home deliveries. "Dr. Bill" considers this OB unit one of his most important achievements in improving the quality of health care in Merced.

After retiring from half a century of very active medical practice that occupied most of his waking hours, Dr. Fountain has become the Merced-area regional director of the San Joaquin Valley Health Consortium. Through the consortium he is developing a nutrition project to teach nutrition to first, second and third graders, and he hopes to expand it to higher grades. It is to this project that he plans to contribute his $5,000 Plessner Award.

Over the years, Dr. Fountain has taken time for community involvement, as president of the Rotary Club and, twice, the Merced-Mariposa Medical Society. He spearheaded the society's professional relations

committee for many years because he felt it had the greatest potential for monitoring the quality of medical care and correcting physicians' practices when needed. He is also a member of the California and American Medical Associations, American Academy of Family Practice, Elks and American Legion.

He helped initiate an "academic decathlon" for local high schools, endowed a scholarship fund at Merced College and is a sustaining member of the Friends of Merced County Library. He is an avid reader; his home library reflects his interest in history, and it includes medical texts dating back to the 1400s. Other interests include coins, travel, foreign languages and working with University of California/Davis' family-practice resident physicians at the Merced Community Medical Center.

"Dr. Bill" is married to the former Ester June Lockhart of Santa Rosa; they have two married sons. Robert L., Ph.D., is Muskegon, Michigan's city chemist and has rewritten a textbook on wastewater management. James is a deputy health officer in the Los Angeles County Public Health Department, working on a cure for a penicillin-resistant strain of gonorrhea.

THE AWARD

California Medical Association's Frederick K.M. Plessner Memorial Award is presented to the CMA-member physician residing and practicing in California who best exemplifies the ethics and practice of a rural country practitioner. Mr. Plessner requested in his will that, in selecting the winner, consideration be given to services donated by the physician to the indigent or services rendered to charitable groups.

The Plessner Award traditionally is presented at the CMA House of Delegates by the chairman of CMA's governing Council.

The CMA Council selects the Plessner Award recipient. Nominations for the award are submitted by CMA's component county medical societies, reviewed by the CMA Committee on Nominations and its specially appointed Plessner Award subcommittee, which interviews the finalists and makes a recommendation to the CMA Council.

The Award, consisting of $5,000 and a commemorative silver bowl, is financed with income from a $50,000 endowment, as stipulated in Mr. Plessner's will.

Besides the Frederick K.M. Plessner Memorial Award presented by CMA, a similar award is presented in Michigan through the Michigan State Medical Society and the University of Michigan. Mr. Plessner's estate also underwrites the Frederick and Besse Moulton Plessner Loan Fund for medical students at the University of Southern California.

WHO WAS FREDERICK K.M. PLESSNER?

Frederick K.M. Plessner, though not himself a physician, was the son, grandson and great-grandson of physicians and held great admiration for the medical profession.

According to accounts of relatives, Mr. Plessner worshipped the American dream, Horatio Alger and the self-made man. Fred Plessner never had any financial help or a business partner, and he never had an employer throughout his entire working life. He made his fortune operating a chain of theaters on the East Coast and florist shops on the West Coast, and for the last 25 years of his life, built and managed apartments in Southern California.

Frederick Plessner was born in Saginaw, Michigan in 1889, was graduated from the University of Pennsylvania's Wharton School of Business and Finance and earned a commission as a cavalry officer during World War I.

Mr. Plessner was a lifelong bachelor. According to his nephew, "In all his life he never smoked, never drank and the most profane word he was ever heard to use was 'rascal.' A 'rascal' was someone who had cheated him out of a sum of money in excess of $100,000. Lest you think Fred Plessner weird, at his death he left a female blonde 30 years his junior in a condo in Spain. Fred Plessner never married because he felt it was as illogical as smoking cigarettes."

Mr. Plessner's generosity is attributed to his esteem for the medical profession and his gratitude for the handsome scholarship he received to Wharton School of Business. It is said he was most grateful to higher education as an institution for having made his way of life possible.

PAST RECIPIENTS OF THE FREDERICK K.M. PLESSNER MEMORIAL AWARD

1980: James R. Fassett, M.D., Gonzales.
1981: Jack C. Gilbert, M.D., Cedarville.
1982: Robb Smith, M.D., Orange Cove.
1983: Ehler H. Eiskamp, M.D. Watsonville.
1984: George J. Wood, M.D., St. Helena.●

RELIEVING NEW JERSEY'S OVERBURDENED JUDICIARY

● Mr. LAUTENBERG. Mr. President, recently I joined my colleague from New Jersey [Mr. BRADLEY] in urging President Reagan to move expeditiously to fill vacancies in the Federal district court in New Jersey. We urged the President to move expeditiously to nominate qualified and able candidates for the bench. In case the President might have difficulty identifying such candidates, we offered to make some suggestions of our own.

The President has not accepted our offer. Yet, the need is well documented. The Federal judges in New Jersey carry a heavier caseload than do the judges in the other districts in the third circuit.

Mr. President, the New Jersey Law Journal recently published an editorial, praising the President for his renomination for Joseph Rodriguez for one of the openings, but pleading with him to move swiftly on the other openings in order to address the problem of the overburdened Federal judiciary in New Jersey.

I ask that the editorial of April 4, 1985 be printed in the RECORD.

The editorial follows:

WE NEED THREE MORE FEDERAL JUDGES

The failure to fill three additional Federal judgeships established for the District of New Jersey by Congress over 10 months ago is affecting the work of that court. Eleven Federal judges together with an active senior judge, simply cannot continue to carry the extraordinary load of criminal and civil federal litigation, often complex in nature and of long duration, which confronts this state.

The 1984 statistics from the Administrative Office of the United States Courts proves the point that almost all federal practitioners intuitively appreciate: New Jersey Federal judges carry a much heavier case load than do their brethren in the Third Circuit and in other comparable districts throughout the country. Only by dint of prodigious effort are they able to move those cases with reasonable dispatch.

For example, in 1984 there were 5,700 new cases filed in this district, or 518 per judge. This was the highest average in the circuit, and significantly higher than the 428 cases per judge filed in the Middle District of Pennsylvania, the next highest district in this circuit (barring the Virgin Islands where there are virtually no significant or complex cases).

More significant, the weighted filings—a mathematical adjustment of filings which gives heavier count to cases known to be of more difficult and time consuming nature—average 582 per judge, compared with the next highest figure of 433 per judge in the Eastern District of Pennsylvania and the national average of 496. Just by way of comparison, the Southern District of New York, which most laymen and perhaps lawyers regard as the busiest district in the country, averaged only 378 new filings per judge and 422 weighted filings per judge in 1984.

Nonetheless, our Federal judges have managed to keep their collective heads above water. The median time from filing to disposition for criminal trials is 5.4 months (compared with the national average of 5.0 months), and for civil cases is only 8 months, compared to the national average of 7 months. The more significant figure, which discards those cases terminated before issue is joined, is 17 months from issue to trial for civil cases, compared with the national average of 14 months.

But our judges cannot keep it up. Pending cases have increased year by year from 3,224 in 1979 to 4,842 in 1984, and from 293 to 440 per judge in the same period. In short, they are falling further and further behind. Unless there is immediate action to fill their ranks, the administration of justice in our Federal court inevitably will deteriorate, not just because litigants will wait longer for their day in court, but because our Federal judges will be debilitated by volume and unable to give the thoughtful attention and considerable time most of their cases require. Quantity, not quality, may become the result.

Ordinarily a senator of the same political faith as the President would be the official responsible for suggesting appropriate judicial nominees to the Department of Justice and the Administration for the three vacancies which now exist. Because New Jersey has two Democratic senators, that role falls to the Governor. We applaud his steadfast adherence to his previously announced determination to recommend Joseph Rodriguez for one of those vacancies and the President's renomination of Rodriguez. However, there seems to be considerable foot dragging with respect to the other two. We discern little concerted effort to present viable, capable, responsible nominees to the President for consideration.

Meanwhile the bench, the bar and the public suffer. A full complement of active, capable Federal judges must not be a matter of pork barrel politics. The demonstrated need for more Federal judges in this state has been recognized by Congress; their selection is not a matter of juggling alternative priorities.

We urge the Governor, as leader of the Republican party in this state, to proceed to draw up a list of worthy candidates for Federal judgeship and promote them with vigor

to the President for consideration and action now.●

THE KIRKPATRICK LEGACY

● Mr. KASTEN. Mr. President, last month the Heritage Foundation released a backgrounder entitled "At the U.N.: The Kirkpatrick Legacy." This study is a thorough, thoughtful look into the 4 years Ambassador Kirkpatrick has been the U.S. permanent representative to the United Nations. Her leadership has "strengthened the U.S. role at the United Nations, slowed the pace of attacks on Western values and institutions, and attempted to bring the United Nations back to the original purposes of its charter." That is quite a legacy.

Mr. President, I would like to share this document with my colleagues. I ask that this study be inserted in the RECORD.

The study follows:

AT THE U.N.: THE KIRKPATRICK LEGACY

(By Roger A. Brooks)

INTRODUCTION

Ambassador Jeane J. Kirkpatrick, after four years as the chief U.S. representative at the United Nations, will be returning to private life next month. During her long tenure at the U.N., she has demonstrated that the United States need not always be on the defensive and need not always apologize for pursuing U.S. interests. Her willingness to state U.S. positions forcefully and directly and at times to be confrontational has begun paying dividends. She has strengthened the U.S. role at the U.N., slowed the pace of attacks on Western values and institutions, and attempted to bring the U.N. back to the original purposes of its Charter. This contrasts sharply with the defeatist policies pursued at the U.N. by her Carter Administration predecessors—Andrew Young and Donald McHenry. Kirkpatrick declared to the U.N., for example, that the U.S. would no longer wear the "kick me" sign at the organization, and argued convincingly that those who use the U.N. as a political "playpen" demean the organization. She therefore set out not only to argue passionately and persuasively for U.S. interests, concerns and values, but also, and more important, to get the votes needed to actually win some key decisions within the organization. As such, the Kirkpatrick years at the U.N. have left the U.S. an important legacy and teach the U.S. valuable lessons about how to conduct U.S. diplomacy successfully in international organizations.

A key part of the Kirkpatrick legacy is her perception, as she told the U.S. Senate last year, that other member-states of the U.N. must be shown that "their votes, their attitudes and their actions inside the U.N. system inevitably must have consequences for their relationship (with the U.S.) outside the U.N. system." [1]

She also identified a number of trends at the U.N. which not only work against U.S. interests, but prevent the U.N. from fulfilling the worthwhile goals of its Charter. Among these trends are:

The use of the U.N. by the Group of 77 (the Third World bloc) and the Soviet bloc to attack the free enterprise system in general, and multinational corporations in particular, as the source of the world's "economic ills";

The "globalization" of world problems by bringing local or regional issues to the General Assembly, forcing every nation to take a stand;

The U.N.'s support for terrorist organizations and the elevation of those organizations, particularly the Palestine Liberation Organization (PLO) and Southwest African Peoples' Organization (SWAPO), to quasi-member status;

A "double standard" by which the U.N. majority practices "selective indignation" over alleged human rights violations by the U.S., Israel, South African, and other Western states, while so often overlooking outrages committed by socialist and communist countries.

Succeeding Kirkpatrick at the U.N. is General Vernon Walters. If he is to build on the Kirkpatrick legacy, he must be prepared to address the U.N. problems identified by Kirkpatrick and reduce, if necessary, the U.S. role and financial support for those components of the U.N. that promote agendas inimical to U.S. interests and the West. Where appropriate, he must be willing to review U.S. participation in those programs and bodies.

Most important, Walters should be aware of the seven major lessons of the Kirkpatrick years at the U.N.:

LESSON 1: TAKE THE U.N. AND ITS AGENDA SERIOUSLY

In testimony before congressional committees, in speeches at the U.N. and to audiences throughout the world, Kirkpatrick has emphasized the importance of "taking the U.N. seriously." [2] At the U.N. she demonstrated that Washington no longer would "shrug off what happened at the U.N. as though it didn't really matter." [3] She did so, for example, in April 1981 when she headed the U.S. delegation to the U.N.'s International Conference on Assistance to Refugees in Africa (ICARA-I) in Geneva. After learning that the majority at the Conference was about to introduce a resolution to expel Israel, she declared that if the resolution were introduced she would fly back to New York with the more than $200 million which the U.S. had earmarked for the refugees. The anti-Israeli initiative collapsed.

She was similarly tough later that year when the so-called "nonaligned" countries on September 28, 1981, issued a communiqué criticizing the U.S. by name for a host of the globe's political and economic ills. On October 6th, Kirkpatrick sent a letter to most of the U.N. ambassadors of the nonaligned nations, expressing surprise and dismay at the communiqué, and asking each of them whether the statement actually represented the views of their country. The letter noted that the Soviet Union, which was conducting or supporting wars in Afghanistan, Cambodia, and Chad, was not mentioned even once in the document, while the U.S. was condemned nine times. Many of the "nonaligned" delegates were dumbfounded that anyone would care what the communiqué said, or that any U.S. official would even read such a document. When Kirkpatrick made it clear that the U.S. was paying attention to what happens at the U.N., many nations began acting more carefully when it came to offending Washington. Kirkpatrick had gotten the message across.

Kirkpatrick told The Heritage Foundation that the job required using all her skills as a seasoned political scientist. It also required that she carefully select articulate, intelligent and high-principled individuals to serve her in a forceful "management team" at the U.S. Mission to the U.N. This "team" included Charles Lichenstein, Richard Schifter, Jose Sorzano, Alan Keyes, Kenneth Adelman, Carl Gershman, and Allan Gerson.

An obvious result of the Kirkpatrick policy of taking the U.N. seriously was the unusual moderation in tone of the recently concluded U.N. 39th General Assembly. Verbal abuse was generally diminished, direct assaults on the U.S. were few and muted and even vitriolic attacks on Israel declined. The earlier condemnation of the U.S. for its "colonial" and "imperialist" domination of Puerto Rico, a staple of U.N. resolutions for two decades, arose neither in U.N. committees nor in the plenary. Furthermore, an intensive U.S. lobbying campaign in world capitals and New York produced two 62 to 47 vote victories for the U.S.-backed amendments that deleted the words "in particular the United States and Israel" from a general condemnation of Western aid to South Africa.[4] Perennially, the U.S. and Israel had been singled out for condemnation.

In another case, the Nicaraguans withdrew an anti-American resolution in the General Assembly when they found that they could not marshal sufficient votes for its adoption.

A recent press report on a preliminary study of 1984 U.N. voting records indicated that the U.S. voted with the majority of U.N. members only 14 percent of the time in 1984, down from 21 percent in 1983.[5] Kirkpatrick explains, however, that when the statistics are examined according to issues the U.S. considers important and when other, unquantifiable factors are taken into account, the last General Assembly "was substantially more constructive than [it] had been for some time."[6]

In 1984, for example, the U.N. majority, as in previous years, targeted Chile, El Salvador, and Guatemala for "selective indignation" in three separate resolutions,[7] while ignoring abuses in Cuba and Nicaragua. Though the U.S. voted against all three resolutions, Kirkpatrick succeeded in changing much of the language in the resolution condemning El Salvador so that it was far preferable to previous General Assembly resolutions on the same subject.

Kirkpatrick's resolve to take the U.N. seriously prompted her to use the veto in the Security Council when U.S. security interests, or those of U.S. allies and friends, were at stake. Since 1981, the U.S. cast 17 of the total 39 vetoes it has cast since the U.N.'s inception. During Kirkpatrick's tenure, the U.S. has cast the lone opposition vote 12 times. She admits that she would like to have avoided this, but that the U.S. was going to stick to its principles, with or without help from other countries.

[1] Ambassador Jeane J. Kirkpatrick, Testimony before the Senate Appropriations Committee, Foreign Operations Subcommittee, March 2, 1984.

[2] Most recently repeated in her remarks at a Press Briefing, U.S. Mission to the United Nations, November 20, 1984.

[3] Ibid.

[4] "The Interdependent", September/October 1984, vol. 10, No. 5. Also see: U.N. General Assembly Resolution 39/15.

[5] "Study Shows U.S. Losing More Votes in the U.N.," the New York Times, Friday, Feb. 13, 1985.

[6] Ibid.

[7] 39th Session of the U.N. General Assembly, Resolution 39/119 (El Salvador), 39/120 (Guatemala), and 39/121 (Chile).

LESSON 2: CONFRONT SOVIET HUMAN RIGHTS AND U.N. CHARTER ABUSES

Kirkpatrick and her team forcefully confronted the Soviets and their clients on their human rights abuses and their continuing effort to export war, revolution, and unrest. She also began to confront the Soviets on their abuses of the U.N. Charter within the U.N. Secretariat.

Addressing the General Assembly on December 17, 1984, for example, Ambassador Jose Sorzano of the U.S. Mission, deplored the "shameless introduction" by the USSR of a resolution on "State Terrorism." Sorzano noted that this demonstrated "George Orwell's point that totalitarian regimes seek to hide their own despotic practices by . . . accusing others of acts in which they themselves systematically engage."[8] The U.S., joined by 29 other nations, abstained on the resolution in order to demonstrate contempt for the "multilateral cynicism" of the U.N.[9]

Kirkpatrick and her deputies made equally strong statements on the Soviet war and occupation in Afghanistan and the Vietnamese aggression against the people of Cambodia. For the fifth year in a row in each case, the General Assembly voted to condemn the occupation of those countries by "foreign forces," without condemning by name the Soviets in Afghanistan or the Vietnamese in Cambodia.[10]

Kirkpatrick successfully opposed Moscow's candidates in 1984 for the non-permanent members of the Security Council. The Soviets sponsored Outer Mongolia and Ethiopia. Through the exercise of what one of Kirkpatrick's advisors has called "good machine politics," the U.S. successfully pushed the election of Thailand and Madagascar for the two vacant seats.

More important, perhaps was Kirkpatrick's determination to expose Soviet use of the U.N. Secretariat as a base of espinoage operations against the U.S. and as a center of dissemination of Soviet propaganda. Soviet espoinage activities at the U.N. recently have been documented in the recollections of Arkady Shevchenko, a former Soviet Under-Secretary General in the U.S.[11] Kirkpatrick also brought to the attention of the U.N. Secretary General and the media that the Soviet bloc, through inordinate influence within the U.N. Secretariat, controls important staff appointments and the daily agenda of U.N. conferences, agencies, and meetings.

General Walters should work with Congress to ensure passage of legislation to reduce the numbers of Soviet bloc personnel in New York and to restrict their mobility within the U.S. There is a need too to press the U.N. Secretary-General to appoint more Americans to high level Secretariat positions. He should also reemphasize to the Secretary-General President Reagan's demand to put an end to Soviet propaganda activities in the U.N. through the Secretariat's Political Information News Service (PINS).

LESSON 3: FIRMLY OPPOSE ATTACKS ON ISRAEL ANYWHERE IN THE U.N. SYSTEM

During Kirkpatrick's years at the U.N., Israel has dominated the U.N. agenda. Of the Security Council's 88 sessions in 1982, for example, 46 were on issues related to Israel. In the 37th General Assembly in 1982 and its seven main committees, debates on the Middle East consumed over one-third of the delegates' time and led to 44 resolutions. The 39th General Assembly produced 36 Israel-related resolutions.

Kirkpatrick has made U.S. firmness in the defense of Israel a focal point of her tenure at the United Nations. Not only did she work to ensure U.S. opposition to attacks on Israel, but also worked with lawmakers in Washington, including Senator Robert Kasten and Congressmen Jack Kemp and Stephen Solarz to enact legislation tying Israel's status within the U.N. to that of the U.S.: if Israel is driven out, says the legislation, then the U.S. leaves too.

The message sent by the U.S. Congress and reinforced by Kirkpatrick have reduced the severity of threats to expel Israel from the General Assembly and other U.N. bodies in 1984. At the 39th General Assembly the annual effort by radical Third World elements, joined by the communist and Arab countries, to expel Israel foundered. It had less support than in previous years.

General Walters should re-affirm the strong U.S. commitment to Israel at the U.N. He should ask Congress to ensure that, if the U.S. leaves a U.N. body when Israel is expelled, the U.S. will not restore funding lost to the organization if and when the U.S. returns.

LESSON 4: WORK TO DISRUPT U.N. VOTING BLOC PATTERNS

Kirkpatrick split several of what had been solid U.N. voting blocs. She developed previously untapped and underutilized sources of support among moderate states within the so-called "nonaligned" movement in the U.N. In a January interview with The Heritage Foundation, she pointed to the most notable of these "moderates": Cameroon, Ivory Coast, Morocco, Niger, Pakistan, Senegal, Togo, Zaire, the Eastern Caribbean states, and the nations of the Association of Southeast Asian Nations (Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand). To some extent, this is becoming true of the Portuguese-speaking countries of Guinea-Bissau, Sao Tome, Mozambique and Cape Verde.

In an attempt to circumvent the normal voting blocs within the U.N., the U.S. has been going to U.N. member-state capitals to voice opinions on issues under consideration by the General Assembly, agencies, and committees, and to rally support for Security Council resolutions. Kirkpatrick and her colleagues have visited scores of capitals. Along with those of State Department and U.S. embassy officials, the visits also conveyed displeasure with the way a country may have voted or spoken at the U.N., or expressed gratitude for support within the world body.

Working behind the scenes with individual countries before and during a General Assembly session have helped the U.S. in the work of the U.N.'s First (Disarmament) Committee. There were three notable U.S. successes in the disarmament area during the 39th General Assembly.

First, the U.S. successfully sponsored a carefully worded resolution on chemical and bacteriological weapons that called for the "strict observance of existing international obligations regarding prohibitions on chemical and biological weapons," and condemned "actions that contravene them."[12] The resolution, which implicitly condemned Soviet chemical weapons use in Afghanistan and Cambodia, received 118 votes of support. An alternative resolution, sponsored by East Germany, and implicitly critical of the United States for "the intended production and deployment of binary chemical weapons," received only 84 "yes" votes.

Second, Ambassador Sorzano, assisted in this case by other U.N. delegations and a well-documented U.N. Secretariat report, blunted the efforts of several developing countries to undermine the Antarctic Treaty, and move Antarctica under the questionable management of the U.N. In the process, they also discouraged a resolution that would have declared the resources of the Antarctic the "common heritage of mankind," U.N. code-language for the redistributionist strategy of the "New International Economic Order."

Third, U.S. negotiators convinced the Committee on the Peaceful Uses of Outer Space (COPUOS) to return to the consensus voting principle on substantive matters. This will require the Committee to seek uniform agreement on such issues before passing a draft resolution to the General Assembly. This enables the U.S. to wield a veto in the Committee.

In the past four years, nations discovered that lending the U.S. support on key votes and in crucial debates within the U.N. would not go unnoticed or unappreciated by Washington. Congressional legislation requiring the annual accounting of how nations voted in the U.N. also helped gain behind-the-scenes support from some countries.

Furthermore, the commitment of the U.S. to leave UNESCO at the end of 1984 sent shock waves throughout the U.N. system. To numerous delegates from moderate Third World states, U.S. withdrawal demonstrated that the Reagan Administration was not bluffing when it warned that it was going to take the U.N. seriously.

LESSON 5: CONTROL THE EXPANSION OF THE U.N. BUDGET

Despite U.S., industrialized nation, and Soviet bloc opposition or abstention on all three budget resolutions, the 39th General Assembly approved a U.N. budget for the biennium 1984-85 of $1.6 billion. Of this, the U.S. must pay 25 percent, or approximately $400 million. What is worse, the U.S. and 14 other countries in the U.N. will pay around 85 percent of the assessed contribution alone, or about $1.3 billion. The U.S. contribution, however, is only part of the total $1.5 billion that the U.S. hands over to the U.N. bodies, agencies, and voluntary programs each year.

Two recent examples illustrates the difficulties encountered and moderate success enjoyed by the U.S. in controlling the U.N. budget:

In 1984, the U.N.'s International Civil Service Commission (ICSC) recommended that all U.N. employees in New York receive a 9.6 percent "post adjustment" salary increase, the first half of which would become effective immediately. The increase was also effected in all other U.N. duty stations throughout the world. At the 39th General Assembly, because of strong U.S. opposition, the second half of the "post adjustment" increase was voted down by the General Assembly's Fifth (Budgetary) Committee.

In December 1984, over U.S. opposition, the General Assembly approved the construction of a $73.5 million conference center in Ethiopia, even as millons of Ethiopians were starving. The U.S. delegation em-

[8] Statement by Ambassador Jose Sorzano, in Plenary, 39th Session of the U.N. General Assembly, on State Terrorism. U.S. Mission to the United Nations, Dec. 17, 1984.

[9] U.N. General Assembly Resolution 39/159.

[10] U.N. General Assembly Resolution 39/5 and 39/13.

[11] See: Arkady N. Shevchenko, "Breaking with Moscow" (New York: Alfred A. Knopf, 1985), esp. pp. 131 ff.

[12] U.N. General Assembly Resolution 39/65A.

phasized the utter hypocrisy in such a vote, embarrasssing a large number of West European states that did not oppose the resolution.

Under Kirkpatrick's leadership, U.S. policy regarding the U.N. regular or assessed budget has been to encourage the U.N. to maximize the level of program output through better use of available resources and to exercise "significant restraint in budget growth.[13] The U.S. has also encouraged administrative reform in the U.N. system and has sought and gained assistance from other delegations to hold down the level of budget growth.

Yet, as 1982 U.S. House of Representatives Appropriations Committee hearings discovered, there is little or no incentive at the U.N. to hold down budget growth or reduce cost. The reason is that the vast majority of nations voting on a budget pay a tiny share of U.N. outlays. Thus, for every $1 million increase in the United Nations budget, the 80 developing countries who contribute the minimum 0.01 percent of the U.N. budget are assessed a mere $100. These countries, of course, receive far more aid and assistance from each $1 million the U.N. spends than their $100 investment. Thus, it is the U.S. and other developed countries who bear the burden of increased budgets, and not the developing nations who insist on budget growth. The trouble is that the U.S. and the developed nations have relatively few votes with which to influence budget decisions.

Nonetheless, Kirkpatrick enjoyed significantly more success than her Carter Administration predecessors in holding down the growth of the regular U.N. budget. Even though the 39th General Assembly approved a revised approriation for the current two-year budget (1984-1985) of $1.61 billion, with the U.S. and 16 other nations opposing the resolution, this budget still represents less than a 10 percent increase over the 1982-1983 appropriation. Indeed, during Kirkpatrick's tenure at the U.N., the average increase in the regular biennial U.N. budget has been around 13 percent. On the other hand, the average increase for the U.N. regular budget for the biennia 1978-1979 and 1980-1981, during the Young-McHenry tenure at the U.N., was approximately 30 percent. The reduction in U.N. regular budget growth in recent years derives significantly from Reagan Administration economic policies which have virtually eliminated inflation in the U.S. and strengthend the dollar throughout the world. Yet Kirkpatrick's effectiveness in articulating Reagan Administration policies, and her tenacity in holding down U.N. spending have played equally important roles.

LESSON 6: PROMOTE ECONOMIC OPPORTUNITY AND FREE ENTERPRISE FOR THIRD WORLD DEVELOPMENT

The economic welfare of the globe's inhabitants is best served by expanding their economic opportunities, and thus increasing their living standards. Regrettably, the U.N.'s approach to development policy—and international economic issues in general—has retarded economic growth much more than advanced it. The U.N.'s economic philosophy is hostile to the free enterpise system and nearly ignores the market economy. This is shortsighted because private sector trade and investment benefit industrialized and developing nations alike.

Alan Keyes and Dennis Goodman, Kirkpatrick's deputies for economic issues, have argued firmly at the U.N. for increasing free market opportunities and ending statist barriers to growth in developing countries. They also have waged a tough campaign against the New International Economic Order, the predominant U.N. economic ideology, which calls for the transfer of wealth from developed to developing countries without regard for economic incentives. This new "order' also depicts multinational corporations as the source of all social evil and economic distress in developing countries.

The U.S. delegation opposed many U.N. guidelines and codes that would circumscribe and eventually reduce the activities of multinational corporations in the developing world. In cases where they did not oppose these initiatives, the U.S. delegation worked to improve the draft guidelines or codes. Keyes and his staff, for example, played a constructive role in the Economic and Social Council's efforts to come up with sensible Consumer Guidelines relevant to the needs of the developing world.[14]

U.S. policy in economic development at the U.N. should be to support those U.N. programs that help people rather than governments; that have limited and clearly defined goals; and that concentrate on producing results rather than on simply amassing or increasing inputs of resources. U.S. policy should assist U.N. member-state representatives in understanding that governments are not the chief engine of development, and that they indeed are often the obstacle to development. U.S. delegates should emphasize the importance of including the private sector in U.N. approaches to development problems.

The postwar transfer of resources from Western nations to the less developed countries, both direct and through multilateral bodies such as the U.N., appears to have accorded with neither of the two original premises for extending "development assistance"—it has not improved the climate for productive international investment and it has not contributed generally to self-sustaining economic growth. Ironically, financial transfer from the industrialized states in the U.N. actually may have made it possible for many nations to avoid participating more fully in the world economy.[15] Many U.N. development programs, particularly those conducted by the U.N.'s Food and Agriculture Organization, do not encourage economic health or self-sustaining growth in low-income nations; indeed, they actually subsidize practices that perpetuate or even generate poverty in certain places. The U.S. should insist on change in these programs. Where change is resisted, the U.S. should consider diverting its contributions to other U.N. and non-U.N. programs which actually promote self-sufficiency and economic health.

LESSON 7: THE U.S. PERMANENT REPRESENTATIVE MUST RESIST TRADITIONAL STATE DEPARTMENT POLICIES REGARDING THE U.N.

Charles Lichenstein, who served as a deputy to Kirkpatrick from 1981 to 1984, maintains the State Department establishment often posed greater problems for the U.S. Mission than did the U.N. itself. Kirkpatrick too is believed to feel this way. Frequently, State Department careerists tried determinedly to dilute Kirkpatrick's counteroffensive against attacks in the U.N. on U.S. interests and her efforts to halt the mismanagement of U.N. programs and agencies. Lichenstein and others close to Kirkpatrick have told the Heritage Foundation that each stage of increasing U.S. effectiveness at the U.N. faced the active opposition of the Department of State, usually at the "desk" level, sometimes from higher up.

Lichenstein recalls that State Department Personnel who took part in negotiations at the U.N. often dismissed Kirkpatrick's opening position as being unacceptable to other U.N. member-states. As such, these State Department staffers would exercise "preemptive capitulation" by giving in to other countries' demands even before negotiations began.

Kirkpatrick and her colleagues found that the predominant State Department view of the U.N. was that attacks leveled at the U.S. or its allies and friends merely represented the Third World "letting off steam" or what Kirkpatrick terms the "Turkish Bath" theory of the U.N. Senior State Department personnel maintained that other countries really did not mean any harm to the U.S., and that they would even "feel better" by venting some anger.

The key 1983 law, in fact, that requires compilation of U.N. voting records (P.L. 98-151 and 98-164) was criticized by the State Department as being inappropriate and "unproductive."

Because probably of Kirkpatrick's persistence, the State Department has begun to provide more support to the U.S. Mission to the U.N. on important issues, and may appreciate that at times it pays to be firm in dealing with friends and adversaries at the U.N. Says one of her deputies: "Once they saw that we could be successful with a tough policy, they didn't object."

OVERCOMING PAST LEGACIES

In contrast to her predecessors, Kirkpatrick has had the advantage of longevity at the U.N. She has served in the role of U.S. Permanent Representative longer than any other ambassador since Adlai Stevenson. When she departs the U.N. this month, she will have been there 50 months—almost three times the average tenure of U.S. representatives at the world body. This extended term allowed her to become more effective at the U.N. and in the Department of State.

Upon arrival at the U.N., Kirkpatrick felt that she would have to overcome no small degree of bias against her as a woman. She has often said that any time a woman is involved in nontraditional roles, she is likely to encounter certain kinds of discrimination.

Kirkpatrick soon found that she would have to overcome a legacy of acquiescence and timidity left by her predecessors. The Carter Administration, in particular, allowed U.N. debate to depict the U.S. as the principal source of instability and injustice in the world.[16] The posture of U.S. Ambassadors Andrew Young and Donald McHenry seemed to signal to the world that the U.S. was ready to abdicate its role as defender of the free enterprise system, of Israel, and of its other allies and friends. Young and McHenry also were reluctant to criticize

[13] U.S. Department of State, *"U.S. Participation in the U.N."* Report by the President to Congress for the Year 1983 (Washington, D.C.: U.S. Government Printing Office, September 1984), p. 335.

[14] "The Administration's Consumer Guidelines Effects on the U.N.," the New York Times, Oct. 30, 1984.

[15] Nick Eberstadt, "Famine, Development and Foreign Aid," Commentary, Mar. 1985, p. 30.

[16] Daniel P. Moynihan, "Joining the Jackals: The U.S. at the U.N. 1977-80," Commentary, Feb. 1981, p. 24.

Soviet and Third World human rights abuses. On numerous occasions, moreover, Young and McHenry indicated that the U.S. was willing to join the U.N. majority in calling for the adoption of a long list of new "orders," most notably, the New International Economic Order (NIEO) and the New World Information and Communication Order (NWICO)—a U.N. blueprint for restricting press freedoms throughout the world.

Because of a policy characterized in part by defeatism and self-deprecation, the U.S. found itself under attack, outvoted and outmaneuvered in the U.N. The attacks against the U.S. and the West continued for some time after Kirkpatrick arrived in New York. Realizing that these attacks were not going unnoticed outside the U.N., however, Kirkpatrick strengthened the prevailing image of the U.S. and eventually reasserted U.S. moral and political leadership in the organization.

CONCLUSION

Jeane Kirkpatrick has demonstrated that the U.S. need not always be defeated at the U.N. nor always on the defensive. She demonstrated too the continuing validity of key basic principles in the conduct of foreign policy:

That international relations depend above all on the relative power of nations;

That the power of international affairs is cumulative—the more you have, the more you get and vice versa;

That the relative position of the U.S. and the Soviet Union depends in very important measure on U.S. success in dealing with noncommunist nations in the world;

That U.S. influence with other nations depends largely on hopes of gains and fears of losses; and finally

That U.S. effectiveness and power in organizations as the United Nations require absolutely that the U.S. believe in itself and have confidence in its own values and experience.[17]

Kirkpatrick outlined these principles, which were first offered by American diplomat George Kennan thirty years ago, in a recent speech in Honolulu. She added that "even though we are a great nation, we became virtually powerless in the United Nations in the course of 20 years, largely because we ignored these basic facts about politics."[18]

Whether Kirkpatrick's legacy continues will depend to a great extent on the actions of her successor. Few candidates for her post seem more qualified to build on the legacy than Vernon Walters. He would be wise to maintain the momentum that she started. But he could go beyond this, using his office and his prominence in the Reagan Cabinet to focus attention on much-needed structural reform of the U.N. system. He should look closely, for example, at the U.N. Relief and Works Agency (UNRWA), a woefully expensive organization which has subsidized training bases for Palestine Liberation Organization (PLO) terrorists.

Other bodies requiring intense scrutiny are the U.N. Conference on Trade and Development (UNCTAD), the U.N.'s think-tank for furthering the ideology of the New International Economic Order; and the Food and Agriculture Organization (FAO), a Rome-based specialized agency of the U.N., which has wasted enormous sums of money and has betrayed its mandate to provide sound economic development advice to the Third World.

Many other problems at the U.N. also deserve attention. In focusing on them, Vernon Walters can count on help from key members of Congress and the American people. Their awareness of the United Nations' shortcomings and threats to the U.S., indeed, may be one of the most valuable of the Kirkpatrick legacies.●

[17] Ambassador Jeane J. Kirkpatrick, Address to the American Farm Bureau Federation, Honolulu, Hawaii, Jan. 9, 1985.

[18] Ibid.

FARRAR LEAVES "WEAVING SHED"

● Mr. PELL. Mr. President, there is an old school of journalism that finds its best expression in the dedicated, objective, and thoroughly professional reporter who enjoys his work and covers his beat like a blanket.

George R. Farrar, who recently retired from the Woonsocket Call in Rhode Island, is just such a reporter. He knows his city and its people. He also has never lost track of its roots—the textile mills that long were the backbone of its economy.

He sometimes referred to his desk at the Woonsocket Call as the "weaving shed." It was at that desk that he gathered all the threads of his notes, his knowledge, and his observations to weave a complete story about the news of the day in Woonsocket.

He once told a group gathered to honor him that his newspaper experience "has been a pleasant road for me. I've done what I've wanted to do all of my life, be a reporter."

George R. Farrar's byline became a guarantee of a comprehensive and readable story about city, State, or national events. Readers will miss the stories that carried his byline and continually demonstrated his insight.

Fortunately, despite his retirement, his byline and his work may continue to appear in the Woonsocket Call. I expect his byline to reappear with news of the Rhode Island State House or a thoughtful analysis of local events.

The Woonsocket Call termed his retirement the end of a "Farrar Era," but I suspect it is only the beginning of a new one.

Mr. President, I ask that an article by James Anagnostos, assistant managing editor of the Woonsocket Call, be printed in the CONGRESSIONAL RECORD. The article is titled: "Farrar Era Ends at the Call."

The article follows:

[From the Woonsocket (RI) Call, Apr. 6, 1985]

FARRAR ERA ENDS AT THE CALL

(By James Anagnostos, Assistant Managing Editor)

A number of reporters preceded George R. Farrar into retirement in the years since we joined The Call. A number will follow. But George's was special. He seemed such a fixture. Would the press retire?

We can recall the departure of Zel Levin, who was executive editor when he departed in October, 1950, to publish his own newspaper, the Sunday Star. He was followed by many others over the years up to the departure one week ago yesterday of our colleague Farrar.

Retiree names which come to mind include those of William Stonebraker, Daniel J. Kelleher, Otto R. Frueh, Edgar J. Allaire, Arthur E. Monahan, Eileen Doyle Hurley, Edward Berman, William H. Burlingame, Harvey S. VanBrocklyn Sr., Gregory C. Greene, Peter Fitzgerald, Harold T. Gilbert, Woodrow L. Abbott, Walter Wilcox, J. Richard MacMullen, Philip E. Thomas Jr., Louis Bleiweis, William A. Crouse and his predecessor as managing editor, Paul L. Smith, Normand H. Chamberland.

There were many others who joined the staff, stayed for a while and went on to greener pastures. The names of Martin S. Bander, Robert T. Grey Louise J. Lind, John H. Luttrell, Douglas Weatherly, Diane Houle Dufresne, Brian Beaulieu, Stewart Jenkins, Bruce Smith, Donald Jeffrey and William Jere Green come immediately to mind.

It matters not for the moment to name all who have come and gone. The point we seek to make is that George Farrar worked with all of them and for many of them.

Many have died. All of his colleagues over the years would agree that if this man named Farrar had anything over them it is his dedication to his profession. George Farrar is first and always a reporter.

He once told a group of veterans gathered to honor him that "newspaper experience has been a pleasant road for me. I've done what I've wanted to do all of my life, be a reporter."

He may not have been cut out to be a super columnist or a big city star reporter, but no other journalist, as famous as one might have been, could muster more dedication to a task than could George Farrar.

He lived his profession. He was reporting at every minute, on duty or off. He was paid for an eight-hour day but the other 16 hours belonged to the newspaper, too.

We should not talk of George in the past tense. He may have given up his video terminal at The Call, but he is not through reporting, and readers of this newspaper and others will still be seeing his byline.

George Farrar covered Woonsocket municipal affairs like a blanket for nearly three decades. He did the work which before him had required the efforts of two reporters. He had his pulse on every aspect of municipal life. He did it so well that it appeared he was an official part of it and this resulted in his being criticized for being an apologist for the administration—anyone which might have the City Hall reins, except for one, we recall. He was not in the pocket of any mayor or any administration. His great knowledge of "the crazy house," as he familiarly referred to City Hall, surpassed that of many chief executives; and his desire for good government led him to suggest, prod, provoke, counsel, advise. He was anxious to see good government, and he felt it was his duty as a citizen and a close observer of the City Hall scene to help if he could. At times that smacked of favoritism, but only among those on the outside trying to get inside.

There have been—and there will be more—but none has covered a story with greater intensity. We have watched him cover the sports scene. Though he loved all sports, he could play few because of a childhood bout with polio. This did not restrict him from being a manager, coach, umpire or referee.

He was a graduate of the school of hard knocks, learning his profession by doing, and by accepting any challenge thrown at him. Unfamiliarity has not retarded his venturesome soul. He has tackled any assignment and has gained mastery over all. He has been as familiar at the capital as he has been on the municipal scene.

George Farrar has earned his retirement, but neither the mind nor the soul will permit this aching body to sit still. We can look for him to continue his journalistic endeavors wherever the challenge exists and the opportunity affords itself. He impended his "30" in the final article. The end of an era at The Call. But that was only for those who want to believe this. We don't, and we feel that the Farrar mill will continue to churn out the copy on stories which need to be told and which less experienced souls may not discern as readily.●

JAMES W. BALDWIN

● Mr. DOMENICI. Mr. President, the Silver City Daily Press recently printed an article about Silver City school teacher James W. Baldwin. The paper recognized him for his leading participation in the first discovery of a rare fossil in the State. This discovery of a jaw from a young hadrosaur (duck-billed dinosaur) at a site south of Farmington came after Mr. Baldwin noticed what looked like a very small tooth row exposed in a block of sandstone. At the time he was working with two other Mexico teachers, Mariann Patterson of Bingham and Mary Peckinpaugh of Roswell.

The discovery marks another significant milesone in Mr. Baldwin's unique career. The La Plata Junior High School teacher is also known and honored for his discovery of the only known complete fossil of the extinct mammal Titanothere, a hippopotamus-like creature.

Mr. Baldwin, who could teach at any level, including college, chooses to teach at the junior high level because of his great interest and dedication to this age group. The science teacher keeps current in his profession by combining summer college courses and field trips in various scientific fields, including the important one of energy uses and applications. He uses these experiences to bring hands-on education to the classroom, a technique so important to learning.

These examples contribute to why, in 1983, James Baldwin was chosen by the National Association of Geology Teachers as their Teacher of the Year. Mr. President, I feel proud that we can honor a New Mexico teacher such as him. I want to share the following two news articles with my colleagues, and I ask that they be printed in the RECORD: From the Silver City Daily Press, Oct. 20, 1984; From the Silver City Daily Press, May 18, 1983.

The articles follow:

DINOSAUR'S JAW FOUND NEAR FARMINGTON

SOCORRO.—The discovery of a jaw from a young hadrosaur (duck-billed dinosaur) at a site south of Farmington was announced this week by Donald Wolberg, paleontologist with the New Mexico Bureau of Mines and Mineral Resources at New Mexico Tech. This is the first discovery of an infant dinosaur fossil in the state.

The jaw, which Wolberg believes came from a hadrosaur between six months and one year in age, was found in late Cretaceous rocks roughly 72 million years old in the San Juan Basin about 35 miles south of Farmington.

It was recovered from a block of sandstone excavated by a group of teachers participating in a master of science teaching program during the summer. The field paleontology course taught by Wolberg brought 22 teachers, primarily from New Mexico, to an excavation site in "the Fossil Forest" south of Farmington.

Three teachers—James Baldwin of Silver City, Mariann Patterson of Bingham, and Mary Peckinpaugh of Roswell—actually worked on the sandstone block that contained the jaw.

"We were interested in this particular block because it contained a reasonably preserved humerus (shoulder), radius and ulna (arm bones), and an isolated tarsal (toe) bone. I think it was Jim Baldwin who first noticed what looked like part of a very small tooth row exposed in the block," Wolberg said.

"At the time it seemed almost too good to be true that a juvenile jaw would be contained in the block," he continued.

Under the direction of Wolberg and Adrian Hunt, now a doctoral student at the University of New Mexico, Baldwin, Patterson, and Peckinpaugh carefully excavated the block containing the fossils. The group trenched down on four sides of the massive block and gradually undercut beneath it.

The top and sides were covered by newspaper, burlap strips soaked in plaster, wood strips for added strength, and additional plaster. The block, measuring three by four feet, was overturned and the process repeated.

"The MST field paleontology course provides teachers with 'hands-on' experience in a field environment and enables the teachers to translate what they have learned to the classroom. I found the teachers to be extremely well-organized, hardworking and interested in the work," Wolberg said.

"They were able to cope with extremes in weather and uncomfortable field conditions," he continued. "They have made a substantive contribution to our understanding of the paleontology of New Mexico."

Well-preserved remains of infant dinosaurs were previously unknown in New Mexico but have been found elsewhere. One of the best of these sites in Cretaceous rocks from Montana is presently being studied by Jack Horner of the Museum of the Rockies in Bozeman, Mont.

Wolberg said that Horner's localities represent an ancient inland environment, perhaps bordering a lake, whereas the recent San Juan lower Kirtland discovery is from a stream channel deposit not too far from what was the shore of a vast north-south trending seaway that covered much of the western interior region.

"I had expected that dinosaurs nested inland," Wolberg said, "and didn't hold out much hope for finding dinosaur eggs or juveniles in the Fruitland or Kirtland formations. My ideas should have changed when Dr. Barry Kues, of the University of New Mexico, recently reported egg shell fragments from the Upper Fruitland.

"I figured that Barry had probably found turtle, lizard or crocodile shell fragments, important discoveries on their own but not terribly unusual," Wolberg said. "Barry's egg shells ought to be looked at more carefully now to see if they possibly are dinosaur shell fragments."

After description of the infant dinosaur jaw is completed, the fossil will be on display at the New Mexico Bureau of Mines and Mineral Resources Museum in Socorro.

JAMES BALDWIN WINS TEACHER OF YEAR

GEOLOGISTS PROVIDE HONORS

(By Frank Thayer)

If the epitome of teaching is to be a highly competent professional who chooses the classroom out of a sense of dedication then Jim Baldwin deserves to be Teacher of the Year.

With 17 years of science teaching to his credit, Baldwin is the 1982-83 Teacher of the Year as chosen by his professional peers, the National Association of Geology Teachers (NAGT) which is a group of educators representing junior high, high school, college and university professionals.

Baldwin's selection singles him out as the best of the profession from West Texas, New Mexico, Arizona and Southern Colorado.

Baldwin's La Plata Junior High School classroom has the aura of both earth and space sciences and it displays the teacher's love for his field and his sincerity in trying to communicate this commitment to his students.

Students in Baldwin's science classes are busy calculating the number of astronomical units distance from the planet Pluto to the sun and are learning from shelves of samples the difference between igneous and metamorphic rock.

His eighth graders are exposed to science from the fossil records of millions of years ago to the latest knowledge from interstellar space—not just out of textbooks but from Baldwin's firsthand experience.

Baldwin, who holds his bachelor of science in geology from Utah State and a master's in science teaching from New Mexico Tech in Socorro, keeps current in his field by gaining at least two college semester hours each summer but that is only the beginning of his professional self-development.

The La Plata science teacher is known for his discovery of the only known complete fossil of the extinct mammal Titanothere, a creature which walked the Americas not long after the disappearance of the dinosaurs and resembled to some extent a long-snouted hippopotamus with lumps on its head not unlike those of the modern rhinoceros but of varying shapes.

Baldwin made this important fossil discovery in the Big Bend National Park in Texas.

Astronomy is also one of Baldwin's major interests and he spends part of each summer at the McDonald Observatory on Mount Locke in Texas as part of a group called the Texas Star Party. D. Clyde Tombaugh, the discoverer of Pluto, addressed the group last summer and the observatory will be the site of a 300 inch telescope, the world's most powerful optical telescope, when it is built.

Baldwin is qualified to teach at any level, including college, but he teaches junior high students because, in his words, "I really like them." He also says that he prefers to teach in Silver City because the area is an outstanding laboratory for the earth scientist.

La Plata Junior High Principal Bill Rogers said of Baldwin, "One of the most significant things about him is that he does keep himself abreast of major developments in his field and he does provide a lot of first-hand experience for his students through the samples he brings back from his field trips."●

THE SILENT SCREAM

● Mr. HUMPHREY. Mr. President, Dr. Bernard Nathanson's film, "The Silent Scream," has continued to cause controversy. Dr. Nathanson is certainly qualified to comment on abortion in America, having once been a major advocate of abortion on demand and an abortionist himself. Over the years, because of the advance in medicine and technology, he was faced with the obvious need to reexamine his position and to recognize that the preborn child is not only a living human being but also a patient deserving of the protection of the physician. He believes that these scientific advances will also play a part in the ultimate reversal of the Supreme Court's Roe versus Wade decision which legalized abortion in 1973.

Dr. Nathanson's career is noteworthy, and he has a remarkable story to tell from a remarkable vantage point. His unique experience can assist us in taking a better look at abortion and its ramifications than the Supreme Court did in 1973. For this reason, Mr. President, I ask that the article entitled "The 'Scream' of Bernard Nathanson, the Obstetrician's Odyssey, From Abortion King to Anti-Abortion Activist," which appeared in the Washington Post on Sunday, March 24, 1985, be printed at this point in the RECORD.

The article follows:

[From the Washington Post, Mar. 24, 1985]

THE "SCREAM" OF BERNARD NATHANSON

(By Phil McCombs)

NEW YORK.—Dr. Bernard N. Nathanson, in dark blue suit, conservative tie and cuff links, opens the door of his Manhattan brownstone. There is a certain gravity in his manner, in his careful smile.

With a well-placed toe, he stops Counselor, the family dog, from breaking toward the sunny, wind-swept street.

He is calm, controlled, a man at home.

And a man at the center of the rising storm of debate over abortion.

Nathanson originated the idea for and narrates the grisly antiabortion film "The Silent Scream," which shows an abortion-in-progress by means of ultrasound photography, a relatively new technology. It has been seen by millions on "Donahue," the Rev. Jerry Falwell's weekly cable television progam and elsewhere. At President Reagan's suggestion, copies of the film are being given to every member of Congress. Critics call it propaganda, and inaccurate at that, but the film's emotional megatonnage has hit "pro-choice" forces hard.

"For the first time," Nathanson narrates flatly in the film, his words a slow, sepulchral march, "we are going to watch a child being torn apart, dismembered, disanticulated, crushed and destroyed by the infeeling steel instruments of the abortionist."

Words spoken with the intensity of a convert.

Nathanson was formerly a leading advocate of abortion on demand. His change of mind has given new ammunition to "pro-life" forces, who also point to his self-proclaimed atheism as evidence that the appeal of their movement reaches beyond the hard religious right.

As the head of a major clinic here in the early 1970's Nathanson by his own count presided over 60,000 abortions. He himself performed thousands. He helped lead the pro-choice movement that preceded the 1973 Supreme Court approval of abortion on demand, which opened the way for an estimated 18 million abortions since.

He was dubbed the Abortion King.

Now, on a pleasant Saturday morning in his home, Nathanson leads the way upstairs to his library, a sanctum of dark wood and comfortable old furniture, of brandy snifters on the coffee table. An entire section is devoted to Joyce.

He settles into a deep armchair, touches his fingertips together.

He says, among other things, that he must confine his antiabortion work to weekends because his life centers on his practice here in obstetrics and gynecology, and he has no partners.

He smiles warmly.

"I'm just a practicing doc."

Nathanson's patients sometimes come to him wanting to end pregnancies.

He tailors his response to each case.

"You really have to try and read your patient carefully," he says, "and understand, and really get some sort of a visceral nexus with the patient." If I feel this woman has made up her mind after turmoil, and she's there only to have me carry it out, I just say. "No, I don't do abortions, you'll have to find somebody who does. I want to reassure you that the moment the abortion's finished you can come right back to me, because if there's any complications . . . I want to see you. Don't worry about my feelings on it . . . I do not try to persuade such women from abortions. I know that they have gone through a terrible turmoil [and] it's a very private thing and I don't want to interfere."

But if a patient appears undecided:

"I will try to draw out her feelings . . . counsel her against the abortion . . . tell [her] that it does involve another human being, and that the human being is being torn apart . . . that there is enough support out there to help her through this . . . No obstetrician practices with only one patient in mind, and you have to tell the one patient about the other patient and balance their needs. [If her] situation is so extreme that it justifies the destruction of a human being, well then, that's the way she thinks. But you have to understand that this is . . . not at all dissimilar to infanticide . . . If I begin to counsel them and I notice they're beginning to pull away from me, I will not pursue it."

Bernard Nathanson, 58, has now stood publicly and vociferously on both sides of one of the great issues of contemporary life, each time investing, he says, his entire moral being in the effort.

Each time seen as a pariah.

Critics accuse him of grandstanding, but he says he must speak loudly now because he spoke loudly before.

Accused of making money on both sides, he says he lost income doing abortions and is not paid for pro-life activities now.

"It is extremely telling that this man, who is a doctor and who has performed by his own account at least 5,000 abortions, can claim to say he never knew what was there [in the womb], that he didn't know what the fetus was, and now he does," says Judy Goldsmith, president of the National Organization for Women.

Recently in a speech she said, "It was only 15 years ago that a woman who had to terminate a pregnancy risked fear, pain, injury and even death."

Nathanson says he saw these kinds of horrors as a young doctor and that they helped prompt his early activism. In his 1979 book, "Aborting America," he tells of a harrowing experience as a student at McGill University Medical College in Montreal. Nathanson got his girl pregnant and sent her for a back-alley abortion; she returned with "a pool of clotting blood on the floor of the cab. She was ashen and trembling violently."

It poisoned the relationship and eventually they broke up.

Barbara Radford, director of the National Abortion Federation, a group of clinics, says Nathanson fails to grasp what abortion means for women. "Any woman who's faced with an unplanned, and often unwanted, pregnancy goes through a lot of pain . . . We're not saying that abortion is an easy decision . . . but one that must remain available [and] safe."

The criticism can get personal.

"Bernie Nathanson from the beginning had seemed willing to be more radical than radical," says feminist Betty Friedan, recalling the late 1960s when she, Nathanson and others started the National Abortion Rights Action League (NARAL). "He seemed to be a really avid supporter . . . but there were things . . . that began to make me uneasy."

One night after dinner at Nathanson's house, she says he took a saber or knife "and he sticks it at my throat. I said, 'Bernie, what's wrong with you?' . . . He ran it up and down on his thumb . . . gloating in the sharpness of the knife . . . I began to wonder, 'God, where are some of these men coming from?' Any movement is going to attract all kinds."

Says Nathanson: "That's purely a figment of her imagination . . . I don't fool around with such instruments. I don't think it's funny at all. I don't know where she got this."

Nathanson's sense of humor can be a bit macabre. On ABC's "Nightline" Dr. Hart Peterson of Cornell University Medical School attacked "the notion that the fetus is being tortured" during abortion and Nathanson said: "If [pro-choice advocates] think that they're going to see the fetus happily sliding down the section tube waving and smiling as it goes by, they're in for a truly paralyzing shock."

"I don't understand why people castigate my husband for, in good conscience, having a change of mind," says Nathanson's wife of 20 years, Adelle. (They have an 18-year-old son.) "He didn't just wake up and say, 'hey, I'm not in the limelight any more, I've got to change!' That's outrageous. I know, I was there. He is a man [of] the utmost conscientiousness."

She always hated the idea of abortion.

They would argue, and she remembers that he once said the difference between a fetus and a baby was like the difference between a set of blueprints and a building.

"I believe in the sanctity of human life," she says, "so I'm quite delighted and, really, very very proud of my husband."

Nathanson's Odyssey.

The son of a New York obstetrician, he was destined for a medical career. His father

was a religious skeptic, and after Bernard was bar mitzvahed he didn't attend synagogue. His family had no direct experience with the Holocaust, Pro-life leaders call abortion a silent holocaust, but Nathanson avoids the term, saying it trivializes what happened under the Nazis.

In 1952, Nathanson became a resident in obstetrics and gynecology in a Manhattan hospital and "began to see for the first time the harvest of illegal abortions. Women . . . very ill, and often requiring major surgery."

He doesn't remember his first abortion but by 1965 was performing "legal psychiatric abortions" regularly. "Every abortion I ever did was legal. We would submit letters to the therapeutic abortion committees and indicate that the woman was suicidal."

In 1967 Nathanson then in his mid-thirties and with two marriages behind him, met radical activist Larry Lader, who had written a book advocating abortion on demand. After that, Nathanson says, he was "swept up."

"Those were years in which the passions were rolling around in the country, and I suppose the overriding theme of it all was antiauthoritarianism." He took part in antiwar activities, "and this idea with Lader of striking down all abortion laws seemed to me not only good medicine but in the spirit of the times, the Zeitgeist. The appeal was powerful to get rid of all this garbage and let's really set women free."

In 1971 Nathanson agreed to direct the Center for Reproductive and Sexual Health here. By the time he left a year and a half later, more than 100 abortions a day were being performed at the center.

He then took a job as chief of obstetrics at New York's St. Luke's Hospital, and soon began to have doubts about abortion.

The doubts, he says, were not of heart or spirit, but were intellectual, scientific.

"It was about that time that we were moving in all this new equipment and technology. The ultrasound machines came in and the electronic heart-monitoring machines and fetascopes . . . which I began to work with . . . beginning to look at this child in the uterus. And then, again, as in the pro-abortion time of my life, when it seemed that a confluence of events just pulled me on . . . in the middle '70s another concatenation of events swept me along [including the increasing emphasis on the welfare of the fetus, or child."

A recent edition of "Williams' Obstetrics," a textbook, puts it this way: "Happily, we have entered an era in which the fetus can be rightfully considered and treated as our second patient." Dr. Nancy W. Dickey, chairman of the American Medical Association's judicial council, says two new specialties developed in the 1970s: neonatology, the care of newborn problem babies; and perinatology, the care of high-risk pregnancies. Perinatologists, Dickey says, "most emphasize the two-patient concept. They go in and operate on the fetus sometimes. It's almost Buck Rogers stuff."

Nathanson began to change.

"I began to look at this. I began to say, 'Wait a minute, what is going on here? I mean, we are wiping out this creature that I am charged to take care of.' "

In 1974, while still performing abortions, Nathanson confessed in the New England Journal of Medicine to being "deeply troubled by my own increasing certainty that I had in fact presided over 60,000 deaths. . . . There is no longer serious doubt in my mind that human life exists within the womb from the very onset of pregnancy."

It caused a big stir.

Nathanson wrote that he still believed abortion should be "unregulated by law," but wanted somehow to end the "moral evasiveness."

As the years passed, he wrestled with the problem.

He discovered with his wife and close friends the "accumulating weight of evidence," gradually "breaking down the mechanism of denial."

He continued to do abortions, but "more and more reluctantly."

Finally in 1977 when Nathanson was temporarily in charge of obstetrics at a large Manhattan hospital, he was told that a woman 33 weeks pregnant was about to be admitted for an abortion.

"And I said no way would I sanction that. I said, 'I am literally going to stand in the door and prevent this.' But this time the weight of evidence was beginning to just drag me down. . . . The woman had what is called a thanatophoric dwarf she was carrying. They had diagnosed it by ultrasound. Thanatophoric dwarfs are misshapen and they live a very short time, but I said, 'There can be no abortion at 33 weeks while I am here.' "

There was a furor.

Nathanson was ousted and the abortion performed.

But he had made his stand.

How could he have performed so many abortions without feeling, thinking, seeing what seems so clear to him now?

"Because I didn't see it, didn't see it! I didn't know what it was about, I mean, I hadn't seen that fetus. Oh, I'd listened to its heartbeat. . . ."

When you take them out, you don't see them?

"Naw, you don't see anything."

What about in "The Silent Scream," all those abortion clinic tubs filled with recognizable dead human forms?

"You mean the second-trimester abortions? First-trimester abortions are suction, where this child comes out all chopped up and you don't see anything. All you see is just bloody meat. . . . These second-trimester abortions, you have to understand this, we would inject the saline and then we would leave [his voice grows soft], and the women would deliver these fetuses in the bed with the nurse in attendance. We never saw them."

Never?

"Naw. They'd be sent right to the pathology lab. I don't think I saw, of all the hundreds, maybe thousands, of second-trimester abortions I did, I didn't think I saw half a dozen fetuses."

And it never bothered you when you did?

"Not particularly, no. I mean, this was the end product. This was a lifeless, limp thing lying there."

But it had a human form?

"Oh, absolutely."

You looked, but you didn't see?

"Naw, I was busy denying it. You could not continue to do this unless you were busy denying it. . . . We were shielded from it. The nurses took the brunt of it."

They didn't say anything to you?

"Well, no, but we could not escape the fact that a nurse's tenure on such a unit was pretty short."

On "Nightline," Nathanson said he thought the Supreme Court would reverse Roe v. Wade, the 1973 decision legalizing abortion on demand.

What he really wants, however, is not a legal but a technological solution.

A medical miracle that will make the whole problem go poof! Gone. Everybody happy.

"Ten years from now," he says, "we are going to be able to take that pregnancy out of the uterus of a woman who doesn't want it, put it into either somebody else's uterus, or into a life support system, and let it just grow to maturity."

Not likely soon, if ever, says Prof. LeRoy Walters, director of the Center for Bioethics at Georgetown University.

"It's possible to keep earlier and earlier premature infants alive at the newborn end," says Walters. ". . . At the other end, with *in vitro* fertilization, embryos are cultured for several days before being transferred to the uterus. But there is that long period between four days and, say, 22 or 24 weeks where there simply is not any technology that comes close."

Nathanson, however, has "not the slightest doubt" of an eventual breakthrough.

He says: "Until then, my feeling is we must declare a moratorium on what's going on now. I think as history looks back on this era, it will be contemptuous of us, because we have been contemptible.

"The Silent Scream" is about pain.

Do the unborn "often feel pain—pain that is long and agonizing" during an abortion, as President Reagan said in his Jan. 30, 1984, speech before the National Religious Broadcasters, kicking off his reelection campaign?

Nathanson got the idea for the film after the president made the assertion.

"I thought, well, listen, there's only one way to answer this question," he say. "Let's just do an ultrasound of an abortion and see what we come up with."

Ultrasound is a system using sound waves and computers to project an image of a fetus moving within its mother's womb. In hospitals today, parents watch the movements on TV screens as a doctor studies the same images for possible problems.

Through acquaintances, Nathanson arranged to film ultrasound images of an abortion at 12 weeks, the end of the first trimester.

Statistics kept by the Alan Guttmacher Institute, a research organization, show that slightly more than half of the roughly 1.5 million abortions done each year occur at eight weeks or less, and 91 percent occur by the end of the first trimester. About 130,000, or 8.7 percent, are in the second trimester.

Using the ultrasound film and Nathanson's narration, American Portrait Films produced the 28-minute "Scream."

The title is drawn from Nathanson's statement in the narration that, "The child's mouth [is] wide open in a silent scream."

Nathanson also says that, as the abortion instruments approach, "the child will rear away . . . is extremely agitated . . . the heart rate has speeded up dramatically . . . it does sense aggression . . . is moving away . . . to escape . . . "

This is, critics say, propaganda.

"Emotional pornography," says NOW's Goldsmith. "These are gross lies."

"Leading doctors have said that the movement is just a reaction to stimulus," says NARAL spokeswoman Emily Tynes.

Critics say the ultrasound film is so unclear that, without the narration, one couldn't tell what is happening. One can generally, however, discern a small babylike image—its two-inch size magnified on the television screen—that moves, appears to suck its thumb, and then becomes a swirl of

movement after the abortion instruments enter the picture.

Controversy over the pain question began in the medical community shortly after Reagan's statement last year. The American College of Obstetricians and Gynecologists issued a statement saying there was no scientific evidence "that a fetus experiences pain early in pregnancy."

A dissident group of college members, including Nathanson, issued a statement saying the unborn "do respond to stimuli."

The official college statement itself left open the possibility that a fetus might be well enough developed to "perceive pain" at some point in the third trimester. (Asked about this recently, a college spokesman said: "It would be ludicrous for us to say in the ninth month a baby isn't going to feel pain.")

In a recent telephone interview, Dr. Jennifer Niebyl, director of maternal and fetal medicine at Johns Hopkins Hospital, says a fetus at 12 weeks that moves in response to stimulus "is exhibiting reflex behavior" and doesn't feel anything "on a conscious level."

"The nervous system is so undeveloped it doesn't feel pain as we know it," she says. She says one can stick a needle in a fetus and get a "reflex from the spinal cord, but that message may not be communicated to the brain as conscious awareness."

At some point between seven months and term, she says, a fetus may feel pain.

"Nobody really knows for sure."

Niebyl has seen "The Silent Scream," and says that what Nathanson describes as the fetus recoiling from pain and seeking to escape may be, in fact, simply the kind of movements fetuses make all the time.

"They have periods of quiet and periods of violent activity," she says.". . . That was what you might see in a baby at 12 weeks" that was not being aborted but simply moving about in the womb.

Niebyl also says suction abortions aren't as drawn out as appears on the film, but are "almost instantaneous . . . It takes maybe a couple of minutes."

The particularly disturbing scene in the film where the fetal skull is crushed with forceps to make it small enough for extraction is not typical of a 12-week abortion, Niebyl says.

The film, she says, "has parts that are accurate, but it has exaggerations of the parts that are unpleasant statements that have no factual documentation. We can't say that the baby feels pain, and he acts like he knows it does."

"You have to understand that this is a mute creature," responds Nathanson during the interview in his home. "Incommunicado, like an animal, and all we can do with animals is infer that they are in pain from response. They cannot tell you, 'I am in pain.' But you look, and you see . . . the grimacing here and the violent churning and the agitation . . . And you must infer from this that this is a creature in pain."

The Practicing Doc settles deep into his chair.

Says he didn't particularly like obstetrics and gynecology in medical school. He tried, when young, general surgery and other specialties.

"I liked it [surgery], but it didn't speak to me. I don't know, I just can't tell you, but on some . . . level it didn't speak to me, and the same with urology."

He came around, finally, to his old man's specialty.

"If you want a real paean of praise about obstetrics, talk to my father. He just adores obstetrics."

Nathanson thinks.

"It's joyous."

Laughter wells up, burbling into his words.

"It is incredible, and even at 4 o'clock in the morning, tired, hungry, you do this, you help this woman, you see, in whatever small way you can. And I am not any longer so young and so egocentric as to think that I deliver the baby. I mean, no, the doctor is there to just oversee it a little bit, guide it along, but the women do it . . ."

He laughs happily.

". . . Women really have put the doctor in the proper perspective. I was one of the early boosters of Lamaze [a "natural" birth procedure]. Twenty years ago I did that. I love it. I thought it was just tremendous. No more did we take over the delivery rooms! . . . My father, unfortunatley, never agreed, because he was brought up in the era when you really were an authoritarian, patriarchal figure."

Birth.

"Oh, it's great. I mean, you look at the baby, and it's really a remarkable . . ."

He searches for the word.

". . . Miracle! I mean, I am not a religious man, I'm an atheist. But I must tell you that probably I get as close to, uhhh, accepting some beneficent order in the universe when I look at a baby as I never do . . ."

As if in some crazy confirmation, the little antique clock on the mantlepiece begins chiming 2.

". . . It's at that instant that I know that there is some kind of elliptical poetry in the universe . . ."

His voice softens.

". . . And, for a moment, my mind snaps onto it, you see. And then I think, 'Aw, wait a minute, I'm gettin' carried away here.' "

Pause.

He laughs suddenly, explosively, his face bunching into a great wreath of a smile.

"But it is such a compelling sight! Such a compelling experience!"●

MOUNT SINAI RECEIVES APPROVAL TO REBUILD

● Mr. D'AMATO. Mr. President, we are all concerned with the need to contain rising health care costs while insuring that the quality of care provided to our citizens is not diminished by such efforts. Balancing these two concerns will not be easy. This task will be most difficult for our older voluntary hospitals in major cities, where aging and obsolete facilities make it difficult to provide the care local residents require.

I rise today to inform my colleagues about one such hospital whose efforts deserve our recognition. The Mount Sinai Medical Center in New York City has just received New York State approval for a major rebuilding and renovation project. Their project reflects 7 years of intensive work to create plans that will improve health care in the local community, provide a more pleasant environment for their patients, and develop new health care delivery systems to improve cost-effectiveness.

A strategic planning effort begun by Mount Sinai's trustees in 1978 made clear the urgent need to rebuild the Mount Sinai Hospital, part of which was constructed more than 75 years ago. Construction on the new hospital will begin in early 1986 and be completed in 1991. A 10-story patient care pavillion with 633 beds will replace 10 outmoded buildings. The remaining three patient pavillions will be renovated and modernized. To improve the efficiency of hospital operations, related patient services, such as operating rooms and intensive care units, will be clustered together.

Reflecting national concern for health care cost containment and health care trends, the new hospital will contain fewer beds and expanded ambulatory, or outpatient, care services. A reduction of 100 beds during the course of construction will bring Mount Sinai's bed capacity from 1212 to 1112. In addition, Mount Sinai's rebuilding project includes plans for a new Ambulatory Surgery Center, providing facilities for outpatient surgery, certain diagnostic tests and outpatient chemotherapy. With new medical technology, outpatient surgery is a realistic option for many patients. It reducers costs and eliminates the need for a hospital stay.

Mount Sinai's project incorporates plans to improve health care in the local community as well. The emergency room will be rebuilt and expanded. In addition, the hospital will be working with other local health care agencies to improve primary care services and prenatal care in east Harlem. Mount Sinai also will develop a consumer health education and promotion program for its community within the next year.

Finally, the rebuilding project will produce an environment that is more conducive to compassionate patient care. The floors in the new hospital are designed so that each room will be visible from a central nursing station. Two hallways will be created, so that patient and visitor traffic will be separated from laundry carts, supplies, and other support service transportation.

The cost of constructing the new Mount Sinai will be $275 million. I am pleased to note that the medical center has taken responsibility for raising $110 million of that total in philanthropy. The remainder will come from a long-term, tax-exempt bond issue.

All of us can be proud of the work Mount Sinai has done in developing this plan, which will result in better and more efficient health care services for all New Yorkers. The outcome will be one of the most modern and effective medical centers in the country, one which serves our health care needs well into the 21st century.●

LOYALTY DAY

● Mr. LAUTENBERG. Mr. President, on May 1 the United States will again celebrate Loyalty Day. This day of celebration was established by Congress in 1958 and has become a part of our national tradition. Loyalty Day is appropriately celebrated on the 1st of May as it represents a season of renewal and hope. Spring festivals and maypoles have occurred in observance of this day since ancient times. But in recent years, this day has taken on greater meaning.

All over America, Loyalty Day has come to signify a day on which we renew our faith and commitment to the preservation of the basic freedoms we enjoy. At all of these celebrations, the American flag, the symbol of our commitment to these freedoms and to our democratic institutions, is raised high. Loyalty Day is an occasion for us to rededicate ourselves to our fundamental values.

The Veterans of Foreign Wars are always in the forefront of Loyalty Day celebrations. I commend the many veterans and VFW branches in New Jersey for taking the lead in sponsoring observance of this day of patriotism and for providing a means for all Americans to express their pride in our heritage, and our accomplishments.

The essence of Loyalty Day is the time taken by each American to examine what living in America means to him or her, and what steps we can take to make our country even greater. We may have different dreams and different viewpoints. But, that is the essence of America—the freedom to try to make our dreams come true in all their diversity.

Mr. President, that is the reason that throughout our history people have come to this country from all over the world, seeking freedom and peace and opportunity. In achieving these goals, they have made an invaluable contribution to our rich and diverse national heritage and to the strength of our country. On Loyalty Day we all renew our allegiance to the United States of America.●

THE SDI BUDGET

● Mr. CHAFEE. Mr. President, I join with my colleagues, Senators MATHIAS, BUMPERS, and PROXMIRE in cosponsoring S. 879, an alternate Strategic Defense Initiative [SDI] budget, which cuts the administration's $3.7 billion request to $1.86 billion. This is legislation that will bring a realistic and fiscally responsible approach to the SDI.

I feel that the SDI, as it is proposed, could threaten the ABM treaty within the next 10 years, and cost enormous sums of moneys.

I bring to your attention the following points:

Accelerating the Strategic Defense Initiative [SDI] will have a negative impact on the upcoming United States-Soviet space weapons negotiations. The administration is not willing to give up the SDI in the Geneva negotiations; President Reagan and Secretary Weinberger have both stated that it is not a bargaining chip. The prospects for reaching an agreement on space weapons will be strongest if the United States maintains a strong but steady level of ABM research. Our legislation earmarks $75 million for a new hard point defense technology development program to continue R&D of conventional ABM systems. In case of Soviet breakout of the ABM treaty, the advanced strategic missile system program—the Air Force Penaids Program—would be doubled in fiscal year 1986 as well. The legislation also establishes a strategic defense evaluation panel, comprised of four Congressmen and four Senators, which would evaluate defensive R&D activities of DOD, the status of work on SDI, and the effect of SDI on U.S. arms control goals and policies.

The SDI threatens the long-term future of the 1972 ABM treaty. The administration maintains that all SDI activities fully comply with the ABM treaty. However, current U.S. policy and planning regarding the SDI seriously undermine both the principles and the provisions of the treaty and threaten its long-range future. Acceleration of the SDI at the rate sought by the administration is likely to lead to the erosion, if not a deliberate abandonment, of the ABM accord, which has served as the cornerstone of arms control.

The SDI is outrageously expensive. President Reagan has requested $3.7 billion for the SDI in fiscal year 1986. This request is $2.3 billion over last year's level and would more than double the program's budget in a single year. Under the administration's long-term projections, total costs for the SDI will go over $60 billion before deployment occurs in the early 1990's—if deployment occurs. Estimates of the cost of full-scale deployment range from several hundreds of billions to over $1 trillion.

We propose to cut the administration's $3.7 billion request to $1.86 billion. This appropriation would still be a 33-percent increase over the fiscal year 1985 level. This bill provides a realistic approach to achieving the goals of the SDI while at the same time acknowledging the constraints of the Federal budget.

Funding at the $1.86 billion level will provide a comprehensive and vigorous research program to explore the potential of newly emerging technologies. At the same time, it will reaffirm Congress' commitment to the antiballistic missile treaty—the principal accomplishment of strategic arms control to date. To achieve this, we would hold demonstration projects within the SDI to a 4-percent increase. This would avoid creating a dangerously unstable international situation in the near term.

The critical question which SDI research must answer is whether a militarily effective defensive system can perform in the face of the Soviet offensive threat and countermeasures. This bill, therefore, funds the system survivability and lethality and hardening research projects at the rate the administration requested. Additionally, a new program would be created called threat analysis, to research Soviet countermeasures and offensive nuclear response.

I urge my colleagues to view this bill as a complete package for a more realistic pursuit of the Strategic Defense Initiative. I call for your support.●

ST. MARY MEDICAL CENTER'S FIGHT AGAINST ALCOHOL ABUSE

● Mr. QUAYLE. Mr. President, the staff of St. Mary Medical Center and the concerned citizens of Gary and Hobart, IN, are to be commended for organizing and taking part in the fourth annual northwest Indiana "I'm Not Drinking Today" on Tuesday, April 16, 1985.

For the fourth year in a row, the Alcoholism Treatment Program [ATP] at St. Mary Medical Center has sponsored the "I'm Not Drinking Today" observance to call public attention to the serious problem of alcohol abuse.

As a member of the Senate Labor and Human Resources Subcommittee on Children, Family, Drugs and Alcoholism, I am painfully aware of the detrimental effects of alcoholism on the individuals, their families and friends, and society as a whole.

The responsibility for protecting our society from the growing problem of alcohol abuse is shared by all of us as citizens, educators, business and community leaders, and Government and elected officials. I am personally disturbed about the rising incidence of alcohol abuse, especially among our young people. That is why for the fourth school year in a row I sponsored the VOLS Conference [for Voluntarism—Opportunities for Leadership and Service] for Indiana's high school students. The 1985 VOLS Conference was held on April 13 in Indianapolis to encourage students to get involved in efforts to curb alcohol and drug abuse. This year I was joined by Ken Kercheval, star of the hit CBS-TV series "Dallas," Indianapolis Colts quarterback Art Schlichter, and Bill Essex, founder and president of an alcohol/drug abuse consulting agency and a 16-year veteran of the Indiana State Police.

Each year, 25,000 Americans die on our Nation's highways due to drunk driving. The impact of alcohol abuse on health, job performance and economic security can be devastating. Alcoholism is a disease that touches all of our lives to some degree.

Since its inception in 1977, St. Mary Medical Center's Alcoholism Treatment Program has provided care and treatment to over 3,500 persons between the ages of 17 and 72, who have alcohol problems. Today, nearly 3,000 of those patients are still following a more desirable lifestyle.

I am proud to have this opportunity to thank the dedicated professionals from St. Mary Medical Center and the business leaders and residents of the Gary and Hobart communities for their continued efforts to fight this growing menace which threatens our lives and the lives of our children.●

A BLANK CHECK FOR THE PRESIDENT IN NICARAGUA?

● Mr. KENNEDY. Mr. President, as we approach the vote next Tuesday on whether to approve an additional $14 million in funding for the Contras fighting in Nicaragua, we should pay special attention to what the Senate is actually voting on. In a perceptive oped piece that appeared last Sunday in the Los Angeles Times, Senator CRANSTON has urged the Senate to examine the precise language of this resolution. He argues that an affirmative vote on this measure might "provide an even more specific and generous license than Congress gave the executive in 1964 in the fateful Gulf of Tonkin Resolution."

According to Senator CRANSTON,

> If this Congress adopts the Nicaragua resolution, it would give the President arguable justification for immediate use of the substantial U.S. military forces that we have amassed on Nicaragua's borders.

I urge my fellow Senators to read Senator CRANSTON's piece and to take heed of its warning.

I ask that this article by Senator CRANSTON be printed in the RECORD.

The article follows:

REMEMBER THE GULF OF TONKIN—PRESIDENT'S BID FOR CONTRA AID HAS CHILLING SIMILARITY

(By Alan Cranston)

The Senate vote on the President's bid to expand military operations against Nicaragua is not simply a question of approving another $14 million for "secret" anti-Sandinista operations. The stakes could be far higher. Under the terms of the Nicaragua resolution that will be before Congress next week, the President will be requesting authorization of what could substitute for a virtual declaration of war.

Examine closely the precise language that the White House is trying to have adopted: "Congress approves the obligation and expenditure of funds available for fiscal year 1985 for supporting directly or indirectly military or paramilitary operations in Nicaragua."

An affirmative vote on this proposal would provide an even more specific and generous license than Congress gave the executive in 1964 in the fateful Gulf of Tonkin resolution. That sufficed for more than a decade as a substitute for a declaration of war against Vietnam, Cambodia and Laos. More than 50,000 American troops died in the supposedly "limited" war authorized by the 1964 congressional resolution.

Congress believed that the Gulf of Tonkin resolution simply provided rhetorical backing of a popular President for a show of force against a pesky Third World nation. But the White House subsequently used the hurried-through resolution as a far more broad grant of authority. Interviews conducted for a recent Senate study showed that key officials in the 1964 Administration recognized this opportunity. McGeorge Bundy, then the national security adviser, conceded, "Congress surely did not believe in 1964 that it was voting for the war that happened." Yet, as Bundy noted, the executive branch later persisted "in describing the (Tonkin Gulf) resolution as the functional equivalent of a declaration of war." Nicholas deB. Katzenbach, who was deputy attorney general in 1964, later admitted that the reported torpedoing of U.S. ships in waters off Vietnam was "nothing." But Katzenbach would insist in key 1967 Congressional hearings that the Gulf of Tonkin resolution "is as broad an authorization for the use of armed forces for a purpose as any declaration of war."

If this Congress adopts the Nicaragua resolution, it would give the President arguable justification for immediate use of the substantial U.S. military forces that we have amassed on Nicaragua's borders. These forces include 5,000 U.S. troops that the Pentagon has engaged this month in infantry, tank and air support exercises rumbling within three miles of Nicaragua's border. The Pentagon also has maintained a semipermanent naval presence within tight of both Nicaragua's western and eastern shores; these navel forces begin new exercises this week.

The President would, of course, have to come back to Congress for additional funding. But with a blanket authorization in hand and U.S. troops already in combat, the White House would be in a strong positon to get what it wanted from a Congress reluctant to "withdraw under fire."

This is not simply a debate over parliamentary formalisms, over the proper mechanism for authorizing acts of war. We should take the opportunity provided by next week's first full, public Senate debate and vote on military operations against the Sandinistas to consider an escalating U.S. policy gone wrong.

Our Nicaragua policy is wrong because it is immoral: U.S. taxpayer dollars should not be used to sponsor acts of international terrorism in Nicaraguan villages, harbors and cities.

It is wrong because it is illegal: U.S. funding of military efforts to overthrow a government that we recognize violates not only the charter to the United Nations and the Organization of Amercan States but our own Constitution as well.

It is wrong because it violates our national principles: No matter how we deplore the Sandinistas" curbs on civil liberties and their support from Havana and Moscow, we must not adopt the attitude that our ends justify our means. We ill serve America's mission of promoting democracy when we emulate our adversary's most deplorable tactics.

But for those who feel that morality and legality and national principles have no place on a troubled planet, I would hope that the impracticality of current Administration efforts would be decisive.

The fact is that U.S.-bankrolled efforts to undermine the Sandinistas have proven utterly counterproductive. They have increased domestic, nationalist support for the Sandinistas. They have isolated Nicaraguans opposed to the Sandinistas and have made them, by association, allies of CIA-backed terrorists. They have provided the Sandinistas with ready-made excuses for curbing press and political freedoms and for relying heavily on Warsaw Pact nations for security assistance. And after four years and nearly $100 million in U.S. taxpayer funds, these efforts have failed to wrest one inch of soil from the Sandinistas control. A resolution authorizing direct or indirect military or paramilitary operations in Nicaragua will not help either.

On the 10th anniversary of our withdrawal from our "limited war" in Vietnam, we should recall some of the lessons of opposing nationalist movements in urban and jungle warfare on their own soil.

Just as the Gulf of Tonkin resolution did, the Nicaragua authorization could open the door for a war that the American people do not understand, will not support and do not believe holds the promise of advancing our national interest in stable democratic developments in a turbulent region.

Congress must not repeat the tragic error of 1964.●

THE 1985 CONGRESSIONAL CALL TO CONSCIENCE

● Mr. CHAFEE. Mr. President, I rise today to join Senator BOSCHWITZ and other distinguished colleagues in the 1985 Congressional Call to Conscience for Soviet Jewry.

As we all know, the Government of the Soviet Union has long persecuted the Soviet Jews. Under official Soviet policy, Jews who struggle to maintain and carry on their cultural and religious heritage are denied educational and employment opportunities and—in thousands of tragic cases—imprisoned or forced into internal exile. Those who comprise this courageous segment of Soviet society struggle daily for the basic human rights we in the United States take for granted.

In the last year, as the Soviet Government has slowed emigration to a trickle, the plight of Soviet Jews has become even bleaker. The figures are becoming familiar to all of us, but they bear repeating: In 1979, 51,320 Jews were allowed to emigrate; in 1984 that figure plummetted to 896, the lowest level since 1970. It is estimated that some 350,000 Soviet Jews have received invitations from Israel to leave the Soviet Union and settle in a land where they would be welcome as citizens and free to practice their beliefs. We now face a situation in which almost all of those brave enough to apply for exit visas are refused and face an uncertain future of unemployment, KGB harassment, and false

arrest. The persecution of these refuseniks has discouraged thousands of other Jews who long to leave the Soviet Union from even expressing that desire.

I recently joined 38 of my distinguished colleagues in signing a letter to Mr. Mikhail Gorbachev, the new leader of the Soviet Union, urging him, at this crucial junction in Soviet-American relations, to review his Government's current policy toward Soviet Jews and open once again the door of emigration.

It is vital that Soviet leaders be made aware of our deep concern in this matter, not only because of the emigration problem, but also because of the stepped-up suppression of Jewish cultural activities. According to a State Department report entitled "The Soviet Crackdown on Jewish Cultural Activities," in late July 1984, the Soviet authorities began a major, sustained crackdown on Hebrew teachers and other Jewish cultural activists. The report adds, "There can be no doubt that the campaign has been consciously directed by Soviet authorities to discredit the revival of Jewish culture in the Soviet Union."

One victim of this kind is Igor Guberman, a refusenik whose case recently was brought to my attention. Mr. Guberman is a writer, the author of popular books and science articles for young people, and the former editor of the unofficial Jewish cultural journal, "Jews in the U.S.S.R." In December 1978 he applied for an exit visa and was contacted several months later by the KGB with an offer of a visa in return for spying activities and denunciation of fellow Jewish activists. Mr. Guberman refused to collaborate and was arrested shortly thereafter on false charges of selling icons, of which he had been a collector for many years. He was convicted and sentenced to 5 years of hard labor, and at last word he was living in internal exile in Siberia, far from his wife and two children.

I urge my distinguished colleagues to consider the fact that there are thousands of Igor Gubermans whose stories never reach the West. Their treatment by the Soviet Government is an intolerable denial of some of the most basic human rights—the right to think and believe as one chooses, and to preserve one's cultural heritage. Let us hope that our call to conscience is heard by the new Soviet leadership and that the persecution of Soviet Jews will soon come to an end.●

ORDER OF BUSINESS

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. Without objection, the order for the quorum call is rescinded.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, the Senate, at 11:58 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MATTINGLY].

EXECUTIVE SESSION

NOMINATION OF JOHN E. KRINGS TO BE DIRECTOR OF OPERATIONAL TEST AND EVALUATION, DEPARTMENT OF DEFENSE

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will now go into executive session to consider the nomination of John E. Krings, to be Director of Operational Test and Evaluation, Department of Defense, which the clerk will report.

The assistant legislative clerk read the nomination of John E. Krings, of Virginia, to be Director of Operational Test and Evaluation, Department of Defense.

Mr. DOLE. Mr. President, while we are waiting for the managers to come to the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The time for consideration of the nomination will now be limited to 4 hours, to be equally divided and controlled by the chairman of the Armed Services Committee, and the ranking minority member or their designees, with motions, appeals, or points of order to be in order, and following conclusion of the yielding back of the time, the Senate shall proceed immediately to vote on the confirmation of the nomination.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that any further quorum calls be equally divided between both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. PRYOR addressed the Chair.

Mr. NUNN. Mr. President, how much time does the Senator desire?

Mr. PRYOR. Mr. President, I say to the distinguished Senator that I do not think I will take over 15 minutes.

Mr. NUNN. I yield to the Senator from Arkansas such time as he may require.

Mr. PRYOR. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, after a delay of a year and a half, the administration has announced a nominee to be the first Director of the congressionally mandated Office of Operational Test and Evaluation: Mr. Jack Krings.

Of all the appointments that the Senate will review during the 99th Congress, this will probably be the one most crucial to the defense of this Nation. Whoever holds this job will determine whether our soldiers, sailors, and airmen will be forced to fight the next war with weapons that do not work.

I have met Mr. Krings. I like him and find him superbly qualified to direct noncombat testing. But too many lives are at stake to permit someone without any experience at all in realistic combat-type testing and with 29 years of pro-industry orientation to set the first and most lasting precedents for this vitally needed new function. It is therefore with great reluctance—and only on behalf of those who will have to risk their lives in combat—that I am forced to oppose Mr. Krings' appointment and urge my colleagues to join me.

The Senate voted 91 to 5 to establish this independent position and this office because it was becoming all too clear that, since well before the Vietnam war, we have been buying an increasing number of weapons that have failed, or will fail, in combat. The Congress wanted someone quite independent of development and procurement interests to insure adequate combat-type testing before each major procurement decision and to insure unbiased reporting of the results of that testing to the Secretary of Defense and the Congress.

The minimum qualifications necessary to perform this job properly are:

First, solid experience in the difficulties of conducting and/or analyzing realistic operational tests; that is, tests that realistically reproduce the stressful, hostile combat environment rather than tests under the clean, idelized conditions of the engineering test range.

Second, demonstrated independence from bureaucratic pressures and a proven willingness to risk career in order to report truthfully on matters affecting survivial and effectiveness in combat.

I know that people meeting these minimum qualifications do indeed exist. Twice in the last year, at the administration's request, Members of the Senate and House have recommended

Col. James Burton, an officer who has certainly proven that he exceeds these standards. Of course, I understand that the administration is under no constraint to accept such a recommendation. On the other hand, having twice requested congressional advice, the administration is obligated to come up with a candidate at least as qualified as the one we recommended. This they have failed to do. Much to my regret, Mr. Krings cannot come close to meeting either one of these minimum standards.

First, with respect to experience in conducting or analyzing realistic operational testing, Mr. Krings has none—as, to his credit, he clearly stated that before the military reform caucus on March 19. I believe he has outstanding qualifications as a corporate engineering test pilot, but that kind of carefully rehearsed and controlled developmental testing has no relationship to the world of operational testing; that is, to reproducing the rigors and surprises of combat in order to weed out weapons that will fail in war. As just one example of this absence of experience, when asked by the military reform caucus, Mr. Krings was unable to give even a cursory description of how he might approach testing a new ICBM under combat-like conditions.

Second, with respect to demonstrated independence from the pressures of industry and the weapons acquisition bureaucracy, I greatly admire Mr. Krings' 29 years of loyal, successful service to McDonnell Douglas. But, based on Mr. Krings' own statement, the attitudes ingrained by those 29 years are likely to be an insurmountable obstacle when the time comes to demand a year's production slippage in order to test an excessively flammable armored infantry carrier or to report forthrightly the failure of a major missile program with $5 billion already invested.

This we see, Mr. President, as a prime example of the revolving door in reverse. In the revolving door syndrome, usually we see military personnel who make giant awards to contractors and then only a few days or even a few hours later are working for those same contractors.

Mr. Krings, on the other hand, has been with McDonnell Douglas, one of the prime and major contractors in the defense industry, for 29 years, and whether or not he would occupy this position of an institutionalized whistle blower remains in my mind much in doubt.

A few other examples, Mr. President, will demonstrate some of the reasons for my concern.

Mr. Krings told the Senate Armed Services Committee that he hoped the need for an independent operational testing director would disappear after he had restored confidence in the testing process.

Mr. President, to my way of thinking, this is very similar to naming a Secretary for the Department of Energy or a Secretary for the Department of Education to hear them only in their first day at work to say that their role and their mission is to abolish that particular Department.

When asked by the military reform caucus whether he would have opposed a highly artificial "success-oriented" McDonnell Douglas operational flight test of an F-18 that took place under him, Mr. Krings responded, "No"—and went on to explain that a test pilot's job is to simply carry out the tests that are assigned to him without questioning their usefulness or realism.

Mr. President, perhaps that is the creed of a test pilot, but if we name a person with that philosophy to direct our new Office of Operational Testing, then I fear this exercise we are engaged in this afternoon is futile.

Similarily, he told the military reform caucus that, as Director of Operational Testing he would not review or question the combat realism of service "requirements" for a weapon and, further, that he would simply test any system against those requirements, independent of their artificiality.

Jack Krings is an accomplished corporate test pilot and an admirable individual. He has remarkable qualifications to help develop weapons, but not for the job of Director of Operational Test and Evaluation. I know that candidates fully qualified for the job exist. As anxious as I am to have this long-vacant position filled, I am convinced that an individual with excellent but unrelated qualifications would be worse than no Director at all. After all, the first leader of this critical office will set the standards for realistic testing and unbiased reporting for years to come.

The Director of Operational Test and Evaluation will be our servicemen's last line of defense against a slipshod weapons acquisition process that has repeatedly—in World War II, Korea, and Vietnam—produced weapons that have cost the lives of too many of our young people in combat.

We owe these young people, Mr. President, the right person for this job, one who is not afraid to blow the whistle, one who is not afraid to stand up to the contracting industry, one who is not afraid to stand up to the Pentagon itself, and one who will certainly stand up and speak for our military personnel at home and abroad.

I do not think, Mr. President, in all due respect to Mr. Krings, that he is the proper man for this role. He has evident talents. He is sincere. He is conscientious.

I believe those talents and his long experience in developmental testing would be extremely valuable in the highest DOD developmental testing position, the Director of Defense Test and Evaluation under the Undersecretary for Defense Research and Engineering, a job which is now vacant and for which I believe Mr. Krings, to be eminently qualified.

The first Director of the Operational Test Office will set the tone and precedent for those who follow, and it is especially important to find a man who is tough enough and stubborn enough to stand up to extraordinary pressures. I have three sons of draft age and do not want any of them to ever have to rely on an M-16, a Bradley tank or an Aegis system that has not received rigorous testing.

Of all the thousands of bureaucrats, should you prefer to call them that, Operational Testing Director is the most responsible for the safety of the soldiers, sailors, and airmen who will fight our wars. The buck stops on his desk.

Mr. President, Jack Krings is a good guy, but he is the wrong guy for the job we are considering at this moment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Mr. President, I yield whatever time the Senator from Georgia may need.

Mr. NUNN. I thank the chairman. I believe that I have time in my own right. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. NUNN. Therefore, I will be using my time.

Will the Senator from Arkansas give me some indication of how much more time he will require so we make sure we have plenty left for him?

Mr. PRYOR. Mr. President, I think the Senator from Arkansas has all kinds of time—ample time, as a matter of fact. I have no further statement, I say to my friend from Georgia. I would perhaps engage in a question or two should questions arise, and I should like to reserve that opportunity. I might want to make a summary or a closing statement before the vote.

Mr. NUNN. Does the Senator from Arkansas know of others who will speak on this subject?

Mr. PRYOR. Yes. We have at least one other speaker on this side of the aisle, I say to my friend from Georgia. I think there is a speaker, in addition to the chairman of the Armed Services Committee, on the other side. I am not certain about that. I understand that another Senator from that side will be speaking.

Mr. NUNN. Mr. President, I yield myself such time as I may need.

Mr. President, I rise in support of the nomination of John E. Krings of Virginia to be the Director of the Office of Operational Test and Eval-

uation at the Department of Defense. The Armed Services Committee reviewed his nomination carefully, conducted a thorough confirmation hearing, and favorably reported his nomination with no opposing votes and one "present" vote. I believe that Mr. Krings is qualified for this new position by reason of his extensive testing background and his firm commitment to ensuring an independent office. I am satisfied that, after he fulfills his commitment to dispose of stock within 90 days in two companies which are on the defense master list, Mr. Krings will not have any actual conflict of interest, or the appearance of a conflict of interest with his new responsibilities.

In my review of the nomination in the Senate Armed Services Committee, I concluded that Mr. Krings would be able to effectively carry out the important statutory responsibilities which Congress is expecting of this first Director of the Office of Operational Test and Evaluation.

As my colleagues recall, this Office was established by Congress in 1983. I want to complement the Senator from Arkansas [Mr. PRYOR], the Senator from Kansas [Mrs. KASSEBAUM] as well as my colleagues on the Armed Services Committee (Senators HART and LEVIN), for their leadership in creating this office. I share their concern about the importance of an independent, highly-trained, and functional Office of Operational Test and Evaluation. Pursuant to the requirements of the statute, that Office was charted by the Secretary of Defense just over 1 year ago, on April 2, 1984. I ask unanimous consent that a copy of the charter for the Office be inserted in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NUNN. We have also received two annual reports from the Office, as required by the statute, and have recently received classified reports on the results of tests on three specific systems.

I believe the charter of the Office meets all of the requirements set forth in the law. In fact, the Secretary of Defense has gone one step further by making the Director of the Office of Operational Test and Evaluation a full member of both the Defense Systems Acquisition Review Council [DSARC] and the Defense Resources Board [DRB]. In my judgment, it is important to get a qualified director of this office confirmed and on board at the earliest opportunity.

Mr. President, I know that there have been concerns raised about Mr. Krings' experience in the area of operational testing. While I share my colleagues concern about the critical role of operational testing, I believe that Mr. Krings does have experience in this area. As my colleagues know, there are basically three types of testing. The first is done by the contractor to ensure that the system they produce meets the service's requirements, as the contractor understands them. The second type of testing is called "developmental testing," done by the services in cooperation with the contractor. This developmental testing is done under highly controlled conditions to ensure that the contractor has in fact met the services' specifications for the system. The final type of testing, done exclusively by the services, is called "operational testing," and is conducted under simulated combat conditions. This operational testing has been referred to as the "final exam" before a service decides whether to buy a system.

Under long-established Defense Department policy, a contractor is not permitted to participate in this final checkout phase. So to the extent that Mr. Krings has acknowledged that he does not have extensive "operational" testing, it is because, as a test pilot and director of testing for a contractor, he has been precluded from doing operational testing. But, in reality, during the last stages of developmental testing both the contractor and the services work together on a series of tests that are tantamount to "operational" testing in everything but name.

Finally, I believe it is important to note that it is common practice within the aerospace industry for the contractor to assist in the design, and to conduct, the equivalent of "operational testing" before a foreign government will purchase a system. Mr. Krings has been involved in several foreign government sales and has designed and monitored the "operational testing" of some of those systems.

In my view, it is important that we confirm a qualified Director of this Office so that the Office can become fully staffed to meet the important responsibilities which Congress expects. Critical testing is now being delayed within the Office of Test and Evaluation under the control of the Under Secretary of Defense for Research and Engineering because of a "fence" on their funds Congress adopted last year until a Director of OT&E is confirmed.

I was supportive of that fence. I think the Pentagon had delayed much too long in making the appointment.

It is also important that we confirm a qualified Director so that upcoming operational testing of major weapons systems can be planned and carefully monitored as the Congress expected.

Mr. President, I believe Jack Krings is qualified for the important position that we are considering him for today. He assured the committee during his confirmation hearings that he will exercise the independence so critical to the success of the Office's operation. In the long run, I believe the Office will provide the Secretary of Defense and the Congress with valuable information on the performance and capabilities of the major weapons systems that we are providing to our fighting men. With the confirmation of Mr. Krings for this important job, the responsibility shifts to him, to the Secretary of Defense, and to the President, to ensure that he fully and completely carries out the task which Congress has prescribed. He has agreed to keep in close touch with Congress on these issues and to maintain the highest standards of objectivity and integrity.

I intend to vote to confirm John Krings for the position of Director of the Office of Operational Test and Evaluation within the Department of Defense.

Mr. President, I reserve the remainder of my time.

EXHIBIT 1

[Directive]

DEPARTMENT OF DEFENSE,
April 2, 1984.

Subject: Director of Operational Test and Evaluation

References:

(a) Title 10, United States Code.

(b) DoD Directive 5000.1, "Major System Acquisitions," March 29, 1982.

(c) DoD Instruction 5000.2, "Major System Acquisition Procedures," March 8, 1983.

(d) DoD 5025.1-M, "DoD Directives System Procedures," April 1981, authorized by DoD Directive 5025.1, October 16, 1980.

(e) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976.

A. PURPOSE

This Directive:

1. Implements section 136a of reference (a) which establishes the position of Director of Operational Test and Evaluation (Director, OT&E).

2. Assigns responsibilities, functions, relationships, and authorities, as prescribed herein, to the Director, OT&E, pursuant to the authority vested in the Secretary of Defense under reference (a).

B. DEFINITIONS

1. DoD Components. The Office of the Secretary of Defense (OSD); the Military Departments; the Organization of the Joint Chiefs of Staff (OJCS); the Unified and Specified Commands; the Office of the Inspector General, Department of Defense; and the Defense Agencies. The term "Military Services" as used herein, refers to the Army, the Navy, the Air Force, and the Marine Corps.

2. Independent Test Agency. The Army Operational Test and Evaluation Agency, the Navy Operational Test and Evaluation Force, the Air Force Operational Test and Evaluation Command, and the Marine Corps Operational Test and Evaluation Agency.

3. Low Rate Initial Production (LRIP). The production of a system in limited quantity to be used in OT&E for verification of production engineering and design maturity and to establish a production base.

4. Major Defense Acquisition Program. As specified in section 136a of reference (a):

a. A DoD acquisition program that is not a highly sensitive classified program (as determined by the Secretary of Defense) and:

(1) That is designated by the Secretary of Defense as a major defense acquisition program; or

(2) That is estimated by the Secretary of Defense to require an eventual total expenditure for research, development, test, and evaluation of more than 200 million dollars (based on fiscal year 1980 constant dollars) or an eventual total expenditure for procurement of more than 1 billion dollars (based on fiscal year 1980 constant dollars).

b. A DoD acquisition program that is so designated by the Director, OT&E, for the purpose of carrying out the responsibilities, functions, and authorities of this Directive.

5. Operational Test and Evaluation. The field test, under realistic combat conditions, of any item of (or key component of) weapons, equipment, or munitions for the purpose of determining the effectiveness and suitability of the weapons, equipment, or munitions for use in combat by typical military users; and the evaluation of the results of such test.

C. POLICY

1. Within the Department of Defense it is recognized that operational testing is the continuum of realistic, operational field tests conducted by a Military Service independent test agency. Operational testing begins during the development period before a final decision to proceed beyond low rate initial production. This continuum of tests will employ increasing operational realism as engineering design nears its final form to provide an independent measure of development progress and of the ultimate operational effectiveness and suitability of weapon systems, equipment, or munitions, or their components. Operational testing of production (or production-representative) articles is intended to confirm that the items actually tested are effective and suitable for intended to confirm that the items actually tested are effective and suitable for combat.

2. A follow-on phase or phases of operational testing on production systems, equipment, or munitions, or their components are normally conducted after the decision is made to proceed beyond low rate initial production to assess the operational effectiveness and suitability of any changes made in the systems, equipment, or munitions, or their components.

D. RESPONSIBILITIES

The Director of Operational Test and Evaluation shall serve as the Principal Staff Assistant and advisor to the Secretary of Defense on OT&E in the Department of Defense and the principal OT&E official within the senior management of the Department of Defense. In this capacity, the Director, OT&E, shall:

1. Prescribe policies and procedures for the conduct of OT&E within the Department of Defense.

2. Provide advice and make recommendations to the Secretary of Defense, and issue guideline to and consult with the heads of the DoD Components with respect to OT&E in the Department of Defense in general, and with respect to specific OT&E to be conducted in connection with a major defense acquisition program.

3. Designate selected special interest weapons, equipment, or munitions as major defense acquisition programs, as the Director, OT&E considers appropriate to carry out section 136a of reference (a) and the responsibilities, functions, and authorities assigned to the Director, OT&E under this Directive. Such a designation applies exclusively to the implementation of section 136a of reference (a) and this Directive, and does not extend to other purposes for which the term may be used outside of this context.

4. Develop systems and standards for the administration and management of approved OT&E plans for major defense acquisition programs.

5. Monitor and review all OT&E in the Department of Defense to ensure adherence to approved policies and standards.

6. Coordinate operational testing conducted jointly by more than one DoD Component.

7. Coordinate Joint Operational Test and Evaluation (JOT&E) programs to obtain information pertinent to operational doctrine, tactics, and procedures.

8. Initiate plans, programs, actions, and taskings to ensure that OT&E for major defense acquisition programs is designed to evaluate the operational effectiveness and suitability of U.S. military weapon systems.

9. Review and make recommendations to the Secretary of Defense on all budgetary and financial matters relating to OT&E, including operational test facilities and equipment.

10. Review and report to the Secretary of Defense on the adequacy of operational test planning, priorities, support resources, execution, evaluation, and reporting for major defense acquisition programs while avoiding unnecessary duplication.

11. Promote coordination, cooperation, and mutual understanding within the Department of Defense and between the Department of Defense and other federal agencies, state, local, and foreign governments, and the civilian community with regard to OT&E matters.

12. Serve on boards, committees, and other groups pertaining to assigned OT&E, and represent the Secretary of Defense on OT&E matters outside the Department of Defense.

13. Execute such other related responsibilities as the Secretary of Defense may prescribe.

E. FUNCTIONS

The Director, OT&E, shall carry out the responsibilities described in section D., above, for all aspects of OT&E, to include the following functions:

1. OT&E programs of the DoD Components, to include their operational test facilities and resources and the coordination of Military Service OT&E activities.

2. JOT&E programs and Joint Military Service operational testing.

3. Analysis of OT&E results on all major defense acquisition programs.

4. Review of budget submissions to determine the adequacy of OT&E funding.

5. Approval of OT&E sections of the DoD Test and Evaluation Master Plan (TEMP) for major defense acquisition programs.

6. Review of new major system requirements documents, system concept papers, decision coordinating papers and, if appropriate, integrated program summaries for OT&E implications.

7. Enhancement of operational test realism.

8. Development and administration of an OT&E data base.

F. RELATIONSHIPS

1. In the performance of assigned functions, the Director, OT&E, shall:

a. Report directly to the Secretary and Deputy Secretary of Defense without intervening review or approval.

b. Provide guidance to and consult with the Secretary and Deputy Secretary of Defense and the Secretaries of the Military Departments with respect to OT&E in the Department of Defense in general and with respect to specific OT&E activities to be conducted in connection with major defense acquisition programs.

c. Coordinate and exchange information with officials of DoD Components exercising collateral or related functions. In particular, the Director, OT&E, shall consult closely with, but be independent of, the Under Secretary of Defense for Research and Engineering.

d. Use existing facilities and services of the Department of Defense or other federal agencies, and allied countries whenever practicable, to avoid duplication and to achieve maximum realism.

3. Serve as a permanent member of the Defense Systems Acquisition Review Council and the Defense Resources Board for the purpose of carrying out the principles and policies of DoD directive 5000.1 (reference (b)) and DoD Instruction 5000.2 (reference (c)), and DoD Directives System issuances pertaining to test and evaluation activities.

2. Other OSD officials and heads of DoD Components shall coordinate on all OT&E matters as prescribed herein.

3. The Secretaries of the Military Departments shall report promptly to the Director, OT&E, the results of all OT&E conducted by the Military Departments and on all studies conducted by the Military Departments in connection with their OT&E activities.

G. AUTHORITIES

The Director, OT&E, is hereby delegated authority to:

1. Issue DoD Instructions, DoD publications, and one-time directive-type memoranda, consistent with DoD Directive 5025.1-M (reference (d)), that implement policies approved by the Secretary of Defense in order to carry out the functions assigned to the Director, OT&E. Instructions to the Military Departments shall be issued through the Secretaries of those Departments or their designees. Instructions to Unified and Specified Commands shall be issued through the JCS.

2. Obtain reports, information, advice, and assistance, consistent with DoD Directive 5000.19 (reference (e)), as necessary in carrying out assigned functions. Have access to all records and data in the DoD (including those of each DoD Component) that the Director, OT&E, considers necessary to review in order to carry out assigned functions.

3. Act as prior approval authority for OT&E section of the TEMPS and for OT&E funding for each major defense acquisition program. Operational testing of a major defense acquisition program may not be conducted until the Director, OT&E, has approved in writing the adequacy of the plans, including the adequacy of projected levels of funding and resources for OT&E to be conducted in connection with that program.

4. Require, as the Director, OT&E, determines necessary, that observers designated by the Director, OT&E, be present during the preparation for and the conduct of the test part of any OT&E conducted by DoD Components.

5. Monitor and review all OT&E conducted in the Department of Defense and ana-

lyze the results of OT&E conducted for each major defense acquisition program.

a. The Director, OT&E, shall submit a report to the Secretary of Defense and to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives that addresses specifically:

(1) The adequacy of the test and evaluation performed; and

(2) Whether the results confirm the effectiveness and combat suitability of the items or components actually tested.

b. Copies of the report will be provided to appropriate DoD officials and Components to facilitate the development of comments by the Secretary of Defense.

c. A final decision to proceed with a major defense acquisition program beyond low rate initial production may not be made until the report has been submitted to the Secretary of Defense and received by the Armed Services and Appropriations Committees.

6. Prepare an annual report for the Secretary of Defense and the Congress by January 15 of each year summarizing the OT&E activities of the Department of Defense during the preceding fiscal year.

a. The report shall include such comments and recommendations as the Director, OT&E, considers appropriate, including comments and recommendations on resources and facilities available for OT&E and levels of funding made available for OT&E activities.

b. Copies of this report shall be provided to appropriate DoD officials and Components to facilitate comments by the Secretary of Defense, if desired.

7. Communicate directly with the heads of DoD Components. Communications to commanders of the Unified and Specified Commands shall be coordinated with the JCS.

8. Arrange for DoD participation in nondefense governmental programs for which the Director, OT&E, is assigned primary DoD cognizance.

9. Communicate with other government agencies, representatives of the Legislative Branch, and members of the public, as appropriate, in carrying out assigned functions.

H. EFFECTIVE DATE

This Directive is effective immediately.

WILLIAM H. TAFT IV,
Deputy Secretary of Defense.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. I yield myself what time I might need.

Mr. President, there are three points I should like to make this afternoon about the nomination of Jack Krings to be Director of Operational Test and Evaluation at the Department of Defense, but first let me say a few words about Mr. Krings himself. He is a graduate of Louisiana State University with a degree in chemistry and physics. He served in the Air Force as a fighter pilot from 1952 to 1956. He served 4 more years as a pilot in the Air National Guard. He has attended and graduated from the U.S. Navy Test Pilot School. Since 1956, Mr. Krings has been employed in weapons system testing by the McDonnell Douglas Corp. and served as chief test pilot for that company. He is recognized by the military test and evaluation community as a leading authority and expert on flight test and evaluation. He has made significant personal contributions to the design, development, test and evaluation, from concept formulation through production, of three major aircraft, the F-4, the F-15, and the F-18. And he also planned and flew the first flight series for the F-18 aircraft.

Mr. President, I should like to step aside from the job of an aircraft test pilot for just a moment because we are talking about a man who has been that.

I remind my colleagues that the M-1 tank employs test people. They test these tanks under every kind of weather condition that can be conceived, every condition that might be met in war—through rain, snow, mud, smoke, gas, and everything else. We do not have to confine ourselves to the M-1. We can talk about the Bradley battlewagon, which I watched being tested just 2 weeks ago down in Fort Benning, GA. I cannot think of a single weapons system of the Army, Navy, Air Force, or Marines that does not go through the type of testing we are interested in.

I am quite concerned about and interested in what my friend from Arkansas has said about the job qualifications. I read from what he said:

First, solid experience in the difficulties of conducting and/or analyzing realistic operational tests—that is, tests that realistically reproduce the stressful, hostile combat environment rather than tests under the clean, idealized conditions of the engineering development test range.

I imagine that if you were to find a man like that, he would have about eight or nine bullet holes in him; he would have been badly wounded in war and managed to survive.

What we are talking about is men—and I have to say women, also—who engage in the job of taking a weapons system out and trying it out under every conceivable condition that might develop on the field of battle. Then they have the power to say, "I don't think it is going to work," or, "If it is going to work, we have to do this to it."

This man is the inventor of the up-front control on target, designated control for today's aircraft cockpits. He planned and managed and conducted the F-15 spin test program.

He has been active in contemporary avionics design, development, and testing.

Mr. Krings has had continuous participation in military flight operations with the U.S. Air Force, the U.S. Navy, and allied foreign air forces. He has been chairman of the Flight Test Operating Committee of the Aerospace Industries Association. He has received numerous awards for professional achievement, and is the author of several publications on aircraft testing.

Jack Krings is clearly one of the leading experts in the United States on the testing of weapons. He may be the leading expert today in the testing of aircraft.

I have made clear to the Secretary of Defense that I would not endorse the confirmation of any Presidential nominee for a position in the Defense Department unless the person had direct prior experience with the responsibilities he would have at DOD. I have said the same thing in articles that have been published. I intend to stand by my word.

I am supporting Jack Krings' nomination in the strongest possible way because he is exactly the kind of nominee that we want. He is a demonstrated expert in his field, he is tough minded and independent, and he has all of the necessary qualifications to perform with competence and distinction in this job.

Second, notwithstanding Mr. Krings' obvious abilities and the relevance of his former experience, the Senator from Arkansas asserted in a letter of April 2 to all Senators that Mr. Krings lacks the two major qualifications to perform effectively as Director of Operational Test and Evaulation. I must respectfully disagree with the Senator from Arkansas.

Jack Krings has experience in conducting tests that realistically reproduce stressful, hostile combat environments. He led a team of experts that planned and conducted force-on-force tests between the F-15 and F-18 aircraft and those combat operational aircraft of the Israeli, Japanese, Spanish, British, and Australian forces to determine which aircraft was the most combat effective. This was done in a realistic operational environment. Another operational experience factor that needs to be considered is that for 8 years Jack Krings flew combat operational aircraft as a member of the U.S. Air Force and the Air National Guard. This experience enables him to relate and understand how the airmen, soldiers, and seamen feel and how they depend upon the system to provide them with equipment that will work in combat.

The Senator from Arkansas also questions whether Mr. Krings has the personal courage to speak his mind and, in the words of the Senator from Arkansas, has a "demonstrated independence from the pressure of industry and the weapons acquisition bureaucracy." The fact that the Senator from Arkansas would ask the question indicates that he fails to recognize that a test pilot for an aircraft manufacturer must be an internal critic who will speak his mind. Who is to tell McDonnell Douglas that it has problems with its aircraft if not the chief test pilot?

Jack Krings has testifed before the Armed Service Committee that he is not afraid to truthfully report on matters affecting survivability and effectiveness of weapons in combat. I have heard no challenge to his entegrity nor has any reason been given to disbelieve his statement. Yes; he has worked for industry. But to find an individual that meets all the qualifications for this job requires that he be a senior industry executive or a senior military officer. The Congress has stipulated that the appointee must come from civilian life and there is no better choice than Jack Krings. We are fortunate to have such a highly qualified nominee.

Third, all Senators should be aware that the Committee on Armed Services has met its responsibilities with regard to evaluating this nomination. The committee held a hearing on March 7 at which Mr. Krings appeared and was examined at some length by Senators who were present. In my view, Mr. Krings satisfactorily answered all questions that were asked of him. No Senator, to my knowledge, expressed any reservation about Mr. Krings' nomination prior to this hearing, when there was ample time and opportunity to do so.

The Senate operates through reliance on its committees. It cannot do its work in any other way. I do not dispute the right of any Senator to bring any matter he wishes to the floor of the Senate. But I believe it would be more effective and more courteous. If Senators intend to oppose a nomination, to provide some notice to the cognizant committee before the nomination has been acted upon so that the committee can consider the objections that are to be raised.

After the hearing in the Armed Services Commttee, 16 members of the committee voted to confirm Mr. Krings. One Senator voted present and two Senators did not vote. Thus, even amongst the membership of our committee, which represents a broad spectrum of the Senate, Mr. Krings was unanimously endorsed.

I hope that, under such circumstances, the Senate would defer to the judgment of the committee responsible for the nomination.

I shall make one final point. Jack Krings has elected, at the request of the President of the United States, to leave a career in private industry in order to enter public service. I am thankful to him for making that decision, because the country needs his services. I am greatly concerned that if nominees who are highly qualified, such as Mr. Krings, are subjected to unfair criticism and personal disparagement as part of the confirmation process, we will soon find that no one of Mr. Krings' character, background, and qualifications will be willing to accept a Presidential request to serve his country.

I urge all my colleagues to evidence the appreciation which they ought to feel to Mr. Krings for the service he is willing to render by voting to confirm his nomination.

Mr. President, I certainly do not classify myself as a weapons expert, nor do I classify myself as a test pilot. But just last night I was out in St. Louis, at the factory of McDonnell-Douglas, and sat in the cockpit of a simulator in which they had installed a new fire control system. A fire control system is what the fighter pilot has to worry about when he goes into combat, to see the enemy, and so forth. This is a new concept.

How do you test that? You try it. You take it up and fly it or sit in a simulator and assume that you are in the air. After you have done that, you travel to a test base, get in the aircraft, take it up, and fly it against targets. This goes on day after day in every branch of service.

When you try to say Mr. Krings is not qualified to do this, you are slapping one of the greatest organizations of people who spend their lives, devote their lives—in fact, lose their lives—to proving that a weapons system will or will not work. The experimental test pilot is one of those groups. Frankly, I do not like to hear them belittled.

I do not know who this group is, the Military Reform Caucus. I have never heard of them. I do not think they are a part of Congress.

Mr. Krings did appear before the Armed Services Committee, which is a proper committee of this body to hear the testimony of people such as this. After many, many long years of an interest in this type of work and quite a bit of practice in this type of work, I have to say that he is one of the finest men of his kind to ever come before our committee.

Mr. President, I have no qualms at all about this man and his ability to test and evaluate.

So far as weapons failures are concerned in the wars we have fought, yes, we have had them, and we will always have them. I do not imagine that any man who has been in combat has found that his gun fired every time, that the airplane started every time, that everything worked perfectly. As long as things are made by men, there are going to be mistakes.

So I hope this body will vote, and vote soon, on this man. He does fill a position that was created by my good friend from Arkansas.

I think it is a very worthwhile position and one that should be filled.

I can think of no better man right now for this job. I can think of a lot of other men in this country who might do as a good a job. But it must be remembered that this man is giving up his private life and probably giving up a nice, happy home and a nice, happy family, to come to this town and try to exist and put up with it. That, in itself, is quite a test; and if he can live through that, I think he can live through any combat.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Mr. John E. Krings to be the Director of Operational Test and Evaluation for the Department of Defense. I feel that the allegations about Mr. Krings being unqualified for this position are unfair and without merit.

Mr. President, I would like to point out that the Committee on Armed Services held a confirmation hearing for Mr. Krings on March 7, 1985. He was questioned at length concerning his qualifications for the position for which the President has nominated him.

Not one Senator raised any objections concerning this nomination prior to this confirmation hearing, and the committee recommended his confirmation with opposition.

Mr. Krings is imminently qualified for this position. He has served as the chief test pilot for the McDonnell Douglas Corp., where he was responsible for the evaluation of both the F-15 and F-18 aircraft. He has helped to invent aircraft components and participated in aircraft redesign following testing results. We are lucky to have a man with his experience willing to serve the public at a considerable loss of personal income.

Mr. President, I urge my colleagues to support the recommendation of the Armed Services Committee and vote in favor of the confirmation of Mr. John E. Krings to be the Director of Operational Test and Evaluation.

Mr. ROTH. Mr. President, I am going to vote to approve the nomination of Mr. Jack Krings to be Director of the Defense Department's Office of Operational Test and Evaluation. I have met Mr. Krings and he has assured me that he will be open with Congress and candid concerning his views with respect to testing matters. He has a long background in the technical aspects of weapons design and performance and his experience as a test pilot should give him knowledge which he can use in monitoring and evaluating operational tests and in recommending whether weapons should enter production.

Obviously, the performance of the candidate for this position will be important to the ultimate success of the OT&E Office. However, while we all have our own preferences as to the abilities and characteristics of a nominee for Director of OT&E, I think the crucial factor in the effectiveness of the new Office will be the support it receives from the Secretary of Defense. Without his support, his willingness to accept the Director as a key

advisor on weapons testing and production and his recognition and protection of the statutory independence of the Director, it will be difficult at best for anyone to succeed as the head of the new OT&E Office no matter what his qualifications.

I made these points in a letter I recently sent to Secretary Weinberger. I ask unanimous consent to have it printed in the RECORD at this point. Based on the supportive manner in which the Secretary has worked with Joe Sherick, the independent inspector general of the Defense Department, I believe there is good reason to be confident that the new Director will be given the latitude and support he needs to do his job.

There being no objectrion, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON
GOVERNMENTAL AFFAIRS,
Washington, DC, April 2, 1985.

Hon. Caspar Weinberger,
Secretary, the Department of Defense, the Pentagon, Washington, DC.

DEAR CAP: As you know, I was one of the principal authors of legislation establishing the independent Office of Operational Test and Evaluation in the Department of Defense. I believe that operational tests, conducted and evaluated by an independent test agency in an environment simulating as closely as possible the actual conditions under which weaponry will be used, are a crucial component in the development and production of effective defense hardware. The safety and effectiveness of our military personnel depend on the existing of a rigorous and comprehensive operational testing process.

A nominee for the Director's position was submitted to Congress some weeks ago and is expected to come before the Senate in the near future. The success of this Office depends heavily on its initial performance. I urge you to take a personal interest in the Office as the new Director takes over. The Office can only be effective if the Director is able to obtain the data and resources he needs to do his work in an independent and thorough manner.

I believe that the independent advice of the Office Director will greatly aid you in determining whether a weapon is ready to begin production. I stand ready to assist you and the new Director in strengthening the operational testing process and look forward to working with you on this important issue.

Sincerely,

WILLIAM V. ROTH, Jr.,
U.S. Senate.

Mr. ROTH. Mr. President, I am a principle author, along with Senator DAVID PRYOR, of the legislation to establish the Office of Operational Test and Evaluation. I yield to no one in my belief that we simply must have the most effective test and evaluation process possible in order to assure the safety and combat readiness of our military personnel. Where the safety of the troops is concerned, we can ill afford to skimp on or, even worse, ignore necessary operational testing. Test results must be a key component in the decision on whether to proceed to production of weaponry.

The legislation Senator PRYOR and I developed provides safeguards for the independence of the Director of OT&E, makes him the key adviser to the Secretary on all matters related to operational testing, gives him the authority and responsibility to review and approve all test plans for major weapons programs and mandates that he constantly monitor the performance of the service test agencies. This is a big and important job but I believe the legislation we developed provides the tools needed to do it. If Mr. Krings' nomination is approved here today by the Senate, he will not find the position of Director of OT&E an easy one to fill, but it is not supposed to be. However, he can rest assured that there are many of us here in Congress who are very concerned about the operational testing process and committed to seeing the OT&E Office become a success.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I yield the Senator from Arkansas such time as he may desire.

Mr. PRYOR, I thank the Senator from Georgia for yielding me a few minutes to respond to my very good friend, my eloquent friend, from Arizona, Senator GOLDWATER.

Mr. President, first, in no way did I intend or mean, by any stretch of the imagination, to belittle the wonderful test pilots in our country who bravely test the aircraft we use, not only militarily but also commercially. Not only do I have the greatest respect for those test pilots, but also, as I have said probably 13 times today, I have tremendous respect for this individual whose name we are considering, Mr. Krings. I respect him in every way for any job, with the exception of Director of Independent Testing. Development testing, yes. Acquisition, yes. Any position except Independent Director of the Office of Operational Testing and Evaluation.

In fact, I have recommended that he be named for the now vacant position of development testing, which I understand is vacant. He would be splendid in that role. However, with respect to his capabilities or his expertise in the area of creating a battlefield scenario, in creating those conditions under which the real test of weapons is going to be called for, he has admitted that he has had no particular training in that field. I simply want the chairman of the Armed Services Committee, whom I respect him, and I want all my colleagues to recognize that any other position is fine for this gentleman, except this particular one.

The second point: The Senator from Arizona has raised the question of the military reform caucus.

He said it was not a part of the Government, and it is really not a part of the Government. It is a small, loosely knit group of individuals who meet maybe once a month, once every 2 months, where we bring in a speaker or where we take upon ourselves some area in the whole arena of military concerns, things that we feel need to be changed. I would not call us bomb-throwers. In fact, one of our members of this very loosely knit Democratic-Republican, liberal-conservative group is the distinguished Senator from Georgia, Senator NUNN. The immediate past chairperson of the military reform caucus is the very distinguished Senator from Kansas, Senator KASSEBAUM. On the House side, the co-chair of the military reform caucus is none other than a very fine Republican Congressman from Oregon, Congressman DENNY SMITH. So it is bipartisan. It has no official sanction.

But I must say that 1½ years ago, I think without the military reform caucus getting behind the concept of the need for an independent director of operational testing sent to us by the President and confirmed by the Senate, I do not feel that legislation would have passed the House or the Senate had it not been with this group of people giving it their support.

The military reform caucus, by the way, is open to any and all Members of the Senate. We invite the membership of those who may not have joined thus far.

Mr. President, I sincerely believe that Mr. Jack Krings is not the person for this task which lies ahead, and I am going to vote against him. I do so with reluctance, and I do so also, Mr. President, because I feel that this particular job, at this particular time, there is no more important job that we have in properly testing those weapons under the battlefield scenarios and conditions before we either commit billions and billions of dollars to weapons that do not work or we see that those weapons under battlefield scenarios will not work.

Mr. President, at this time, I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, I do not have anyone on this side at this time who cares to speak. I do not know about the Senator from Arkansas, but on this side, I am perfectly willing to yield back its time if the Senator from Arkansas is, and we can proceed to vote.

Mr. NUNN. Mr. President, much as I would like to go ahead and vote on this nomination—of course I agree with the Senator from Arizona in substance—I would have to reserve the remainder of my time at this point.

Mr. PRYOR. If I am not mistaken, let me say to the Senators from Arizona and Georgia I believe there is one additional speaker on this side. I think

the Senator is on his way over here at this time. I will just assume he will be here momentarily.

Mr. NUNN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NUNN. Will the Chair inform Senators what the time remaining is on both sides?

The PRESIDING OFFICER. The majority has 111 minutes remaining and there are 90 minutes remaining on the minority.

Mr. NUNN. I thank the Chair. I reserve the remainder of the time.

The PRESIDING OFFICER. Who yields time?

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, with considerable reluctance, I must oppose the nomination of Mr. Jack Krings to be the first Director of the Office of Operational Test and Evaluation. The reputation of Mr. Krings in these deliberations is not in any way at issue. He is an accomplished corporate test pilot and an admirable individual. The issue is whether this nominee possesses the degree of independence necessary to carry out this very, very difficult assignment.

Mr. President, Congress mandated creation of an independent Office of Operational Test and Evaluation in 1983. We did so because of our growing concern that the Department of Defense had been funding development of increasing numbers of overly-complex, untested weapons systems that would ultimately prove ineffective in combat. We recognized that such practices posed a clear and pressing threat to this country's national security. We believed an independent agency to implement and oversee rigorous weapons testing was essential to ensure adequate combat capability of weapons systems before major procurement decisions were made, as well as to guarantee that those test results were reported accurately and without bias both to the Congress and to the American people.

Mr. President, for this type of unique, independent testing office to function effectively, its Director must possess certain basic qualifications.

First, this individual must have firsthand experience in the difficulties of conducting and analyzing tests that simulate realistic combat situations. This is known in the parlance as operational testing. Second, that individual must be entirely independent of private interests in defense contracting activities.

The administration has finally put forward a nominee for this position after a year and a half delay, but it has proposed a nominee who, regardless of his other accomplishments, fails to meet these very, very rigorous criteria.

Mr. Krings has clearly stated that he has no experience in conducting realistic operational testing. He has been an outstanding corporate engineering test pilot but in that capacity has had no requirement to consider or recreate the rigors and surprises of actual combat operations.

Further, Mr. President, Mr. Krings has given nearly 30 years of service to the McDonnell Douglas Corp. Without in any way calling into question Mr. Krings integrity, because that is not in question, this period of service to one individual weapons contracting corporation—and it could have been any one of many others—does not qualify this nominee to provide the independent, rigorous oversight required of this critical agency.

Mr. President, the Director of Operational Test and Evaluation will have overwhelming influence over whether our servicemen and women will be forced to fight the next war with weapons that are untested and do not work. For that reason, this nomination will be critical to the future of our national security. Our Armed Forces deserve someone in this office who has the experience to do this job effectively beyond perhaps any standard we have ever created.

Mr. President, my own decision in this matter is heavily influenced by private conversations, not a matter of public record or appearance before our Armed Services Committee, in which very difficult and tough questions were put to this nominee about whether he would pursue the activities of this office as rigorously as the office will require.

This individual will probably be tested in ways that are even more difficult than the weapons he himself has been called upon to test. I am not satisfied, Mr. President, with the responses given by this nominee with regard to the importance of this office or its continued existence. In fact, I think, as the Senator from Arkansas [Mr. PRYOR] has commented already in these deliberations, it is Mr. Krings' goal to see that the office is eliminated. It is the goal of those of us who helped establish that office to see it continues as long as this country requires a Department of Defense and a structured, permanent national security apparatus.

Mr. President, it is with a great deal of reluctance, because of the other high qualifications this individual possesses, that I ask my colleagues to join with me, the Senator from Arkansas, and others in opposing this critical nomination.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I do not see the Senator from Arkansas on the floor. I am wondering if the Senator from Colorado might know where he is, because, so far as this side of the aisle is concerned, we have no further debate, and I am perfectly willing to yield back the remainder of my time, if we can get the Senator from Arkansas to do the same.

Here he is now. I was just saying, I say to the Senator from Arkansas, that this side has completed its arguments, and I am perfectly willing to yield back the remainder of my time and proceed to vote.

Mr. PRYOR. I say to the Senator from Arizona that so far as this Senator is concerned, I am prepared, on our side, to vote. I think the minority leader wants to be on the floor for a moment.

Mr. NUNN. Mr. President, if the Senator will yield, it is my understanding that Senator BYRD is coming to the floor and will address this subject in a moment.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, after discussion with my good friend from Arkansas and the minority leader, I am again prepared to yield back the remainder of my time, if the Senator from Arkansas is willing to do so. If he says yes, I will suggest that, since the yeas and nays have been ordered, the clerk call the roll and we go on.

The PRESIDING OFFICER. Is all time yielded back?

Mr. NUNN. Not yet.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. All time has been yielded back.

The PRESIDING OFFICER. The Chair notes that time has been yielded back on one side only.

Mr. GOLDWATER. I thought the Senator had yielded back his time.

Mr. NUNN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is, Will the Senate advise and consent to the nomination of John E. Krings, of Virginia, to be Director of Operational Test and Evaluation, Department of Defense? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I ann ce that the Senator from Washington [Mr. EVANS], and the Senator from Utah [Mr. GARN], are necessarily absent.

I also announce that the Senator from Alaska [Mr. STEVENS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON], and the Senator from Louisiana [Mr. LONG], are necessarily absent.

I further announce the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], and the Senator from New Mexico [Mr. BINGAMAN], are officially absent.

The result was announced—yeas 73, nays 18, as follows:

[Rollcall Vote No. 30 Ex.]

YEAS—73

Abdnor	Goldwater	Metzenbaum
Andrews	Gorton	Murkowski
Armstrong	Gramm	Nickles
Bentsen	Hatch	Nunn
Boschwitz	Hatfield	Packwood
Bradley	Hawkins	Pell
Burdick	Hecht	Pressler
Byrd	Heflin	Quayle
Chafee	Heinz	Rockefeller
Cochran	Helms	Roth
Cohen	Hollings	Rudman
Cranston	Humphrey	Simpson
D'Amato	Inouye	Specter
Danforth	Johnston	Stafford
DeConcini	Kassebaum	Stennis
Denton	Kasten	Symms
Dixon	Kennedy	Thurmond
Dodd	Lautenberg	Trible
Dole	Laxalt	Wallop
Domenici	Lugar	Warner
Durenberger	Mathias	Weicker
East	Matsunaga	Wilson
Exon	Mattingly	Zorinsky
Ford	McClure	
Glenn	McConnell	

NAYS—18

Baucus	Harkin	Proxmire
Boren	Hart	Pryor
Bumpers	Kerry	Riegle
Chiles	Melcher	Sarbanes
Gore	Mitchell	Sasser
Grassley	Moynihan	Simon

NOT VOTING—9

Biden	Evans	Levin
Bingaman	Garn	Long
Eagleton	Leahy	Stevens

So the nomination was confirmed.

Mr. EXON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to the nomination of John E. Krings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, all the matters I will take up have been cleared with the distinguished minority leader, Senator BYRD, and he has agreed that I can proceed without his presence.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR OFFICIAL LEAVE OF SENATOR STEVENS

Mr. DOLE. Mr. President, I ask unanimous consent that Senator STEVENS be granted official leave of the Senate until Monday, April 22, 1985, while he attends the arms control negotiations as an official Senate observer in Geneva.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE HELD AT DESK

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate receives from the House Joint Resolution 33, National Child Safety Week, it be held at the desk pending further consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 12 NOON

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon, Wednesday, April 17, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Further, Mr. President, I ask unanimous consent that following the two leaders under the standing order, there be a special order of not to exceed 15 minutes for the Senator from Wisconsin [Mr. PROXMIRE].

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Following that special order, Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 1 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Following routine morning business, it will be the intention of the majority leader to turn to any of the following Commerce Committee authorization bills if part of the 3-day rule can be waived: S. 597, shipping technical changes; S. 814, pipeline safety; S. 817, earthquake hazards; S. 818, fire prevention. For most, if not all, I think we could get unanimous consent. There is still a possibility of rollcall votes. I do not see any need for rollcall votes on these relatively minor measures, and I would hope there would not be rollcall votes.

Also, the Senate could turn to any other legislative or executive items that have been cleared, but again it is my understanding that both the Legislative and Executive Calendars are fairly clear right now.

RECESS

Mr. DOLE. Mr. President, there being no further business, I move the Senate stand in recess until 12 noon on Wednesday, April 17, 1985.

The motion was agreed to; and, at 5:34 p.m., the Senate recessed until Wednesday, April 17, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 16, 1985:

DEPARTMENT OF STATE

Douglas W. McMinn, of Virginia, to be an Assistant Secretary of State, vice Richard T. McCormack, resigning.

Executive nominations received by the Secretary of the Senate April 15, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Thomas R. Pickering, of New Jersey, a career member of the Senior Foreign Service, personal rank of career ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

U.S. COMMISSION ON PUBLIC DIPLOMACY

Hershey Gold, of California, to be a member of the U.S. Commission on Public Diplomacy for a term expiring July 1, 1987. (Reappointment.)

CONFIRMATION

Executive nomination confirmed by the Senate April 16, 1985: Department of Defense.

John E. Krings, of Virginia, to be Director of Operational Test and Evaluation, Department of Defense.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—Tuesday, April 16, 1985

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, O God, to lift our eyes to the gracious gifts we have received, and not only to the real problems that we meet. In spite of the trials and difficulties that we face, may we begin each day with a prayer of thanksgiving for the life that You have breathed into our souls and for the many good people who are colleagues and friends. For our concerns, give us strength, and for our blessings, we offer this word of praise. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 661. An act entitled the "George Milligan Control Tower";

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week";

S.J. Res. 52. Joint resolution to designate the month of April 1985 as "National School Library Month";

S.J. Res. 63. Joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week";

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week";

S.J. Res. 90. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America;

S.J. Res. 94. Joint resolution to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week"; and

S.J. Res. 109. Joint resolution to designate the week of April 14, 1985, as "Crime Victims Week."

MARVELOUS MARVIN HAGLER

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, Marvelous Marvin Hagler is one of the great athletes of our age.

If anyone still had any doubts, he put them to rest last night with a spectacular defense of his undisputed middleweight boxing championship.

Marvin Hagler's courage, dedication, and athletic ability put him in the same class as the legendary Rocky Marciano, another son of Brockton, MA, the city of champions.

His boxing career began 12 years ago in Brockton, and he has worked his way to greatness under the guidance of longtime local trainers Pat and Goody Petronelli.

Boxing is a test of one man's strength, skill, and heart against another's, one on one. Marvin Hagler is simply the best.

CHILDREN AND YOUNG FAMILIES—AMERICA'S NEW POOR

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, 25 years ago, the poverty rate for America's elderly people was close to twice the national average. Today, it's well below average. In fact, when all transfer payments are taken into account, the poverty rate for the elderly is only about 3 percent; that's less than for any other age group.

This is a tremendous national accomplishment. We can take pride in knowing that our society provides a decent and comfortable retirement, with good health care, for our senior citizens.

But a new problem has popped up. We have a new population of poor people. Young families. Young adults, single and unemployed. Small children. The poverty rate for Americans under the age of 25 is the highest for any age group. Over the past 5 years, that rate grew by almost 50 percent—while the rate for the elderly fell by 7 percent.

In the 1981-82 recession, young people were especially hard hit—as they will be again, if we hit another downturn.

It is on top of this that we add, year after year, $200 billion of public debt to our children's burden, and $100,000 in extra taxes for each of them to pay just to carry the interest on the $2 trillion of debt that is their inheritance.

HARD CHOICES ON MEDICAL CARE

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, once again, attention is being focused on the difficulty of addressing complex medical issues by the tragedy of Karen Ann Quinlan, which happened 10 years ago today.

Mr. Speaker, highly sophisticated life-support systems have helped to increase the life and improve the quality of life for many of our citizens, but on the other hand, these same systems have become monsters. The Department of HHS has recently released regulations that have to do with Baby Doe cases and in the decision that is made there, there can be no decision with reference to quality of life that can be used.

Mr. Speaker, it seems to me that this is an infringement upon families and physicians and upon our Maker, third parties becoming involved in these decisions. We talk about increasing cost of medical care in this country on the one hand; but then on the other hand, we do those very things that will increase the cost of medical care.

Mr. Speaker, there are some hard choices that are going to have to be made by the people in this country.

LOCAL GOVERNMENTS' CONCERNS WITH THE DEFICIT DEBATE

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, recently, my good friend and colleague, Congressman TOM RIDGE, and I conducted a survey of, and held field hearings with, local government officials from our districts to get a clear idea, in light of the current budget debate, which Federal programs they considered to be truly vital. Not surprisingly, we heard support expressed for continuing programs like UDAG, Community Development Block Grants, the various economic development programs, and others. The merits and successes of such programs are always more apparent outside the Capitol Beltway.

At the same time, most local officials are not ignorant of the Federal deficit's magnitude, and are realistic about the prospects for their favorite programs surviving forever. They were almost unanimous, however, in cautioning that the abrupt cancellation of general revenue sharing could be dis-

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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astrous, resulting in local property tax increases of 25 to 50 percent.

Local governments have prudently and properly included revenue sharing in their operating budgets through next year because we, in Congress, promised them it would be there. Less than 2 years ago, this body voted overwhelmingly to continue this relationship with local authorities, and our President told us we had never spent money more wisely.

One writer recently said the Federal Government may have so thoroughly woven itself into the American social fabric that it cannot now be removed without ripping it. I propose that, if revenue sharing is to be finally eliminated, we owe it to our local governments to not rip the social fabric, to phase it out properly, allowing them adequate lead time to plan.

With this in mind, I have decided to cosponsor H.R. 796 to reauthorize the general revenue-sharing program for 3 years.

□ 1210

WORLD WOMEN PARLIAMENTARIANS GROUP OFFERS UNIQUE PERSPECTIVE FOR LASTING PEACE

(Mrs. BOXER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks, and include extraneous matter.)

Mrs. BOXER. Mr. Speaker, as Congresswoman SCHROEDER has stated, she and Congresswoman SCHNEIDER and I represented America in the first ever Women's Peace Summit in Stockholm, Sweden. It was very exciting and rewarding to work with women from 15 different countries from all kinds of political systems, but with one goal, to make sure the world never explodes in a nuclear holocaust.

We believe, with women parliamentarians from all over the world, that we bring a unique perspective to the nuclear arms race. We are daughters, we are mothers, we are grandmothers, we have raised our children to thrive in a peaceful world, not to die in war, and we want a just and lasting peace for all God's children. This year, in the bilateral talks between the Soviet Union and the United States, there will be a real chance for a lasting peace, and I hope that this new organization of women parliamentarians from all over the world will help that chance.

LESSONS OF THE HOLOCAUST

(Mr. SAXTON asked and was given permission to address the House for 1 minute.)

Mr. SAXTON. Mr. Speaker, the 40th anniversary of the end of the Holocaust is being observed this week in ceremonies throughout the United States. I commend my colleagues for voting to allow one such ceremony in the Capitol rotunda.

Today, I am also asking my colleagues in the House to cosign a letter to the President. This letter encourages him to finalize plans for a visit to Dachau concentration camp in his forthcoming trip to West Germany.

I appreciate the President's theme of reconciliation and peace in his visit. However, I believe it is also important to acknowledge and honor the victims of man's inhumanity to man.

There are those, I know, who argue that time should heal all wounds, and that generations born after the Holocaust should not have to bear responsibility for the tragedy.

Yet remembrance of the Holocaust teaches us that racism of any kind is a curse to all mankind.

It was for this very reason that I sponsored legislation in the New Jersey Assembly in 1979 which provided for an educational curriculum on the Holocaust.

I believed then, as I believe now, that our children must know of the history of the Nazi rise to power, and the resulting horrors perpetrated against humanity.

History teaches us many lessons. And perhaps this one is the most difficult—yet the most important—of all.

SUPPORT URGED FOR CONTADORA PEACE PROCESS

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, my recent travels in Nicaragua have persuaded me that our policy of providing aid to the Contras is having the opposite of its intended effect.

The President's goal is to destabilize Nicaragua's Government, but by supporting remnants of the hated Somoza National Guard he is facilitating consolidation by the government of its control.

Nicaragua's neighbors, our allies in the region, have produced a treaty which they believe will protect their security interests. It would prohibit the placement of foreign military bases on Nicaraguan soil. It would prevent the Nicaraguans from arming or training insurgents in other countries, and it would provide for onsite inspection to ensure Nicaragua's compliance.

These are treaty terms which will protect the security of our Latin American allies and our security as well. Rather than conduct an illegal covert war against Nicaragua we should promote stability and our long-term security by supporting the Contadora peace process.

A "CLOSE VOTE" IN INDIANA

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, there is an old adage in the law that says, "bad cases make bad laws."

In the past 52 years, only three election recounts have been conducted by the House. In all three cases the decision to proceed with a congressional recount was based on at least one or more of three objective standards. These standards are:

First, no State certificate of election had been issued, or if issued, had been revoked, and/or

Second, the State in which the election was held lacked a statute providing for a recount, and/or

Third, there were allegations of fraud.

None of these standards apply in the McIntyre election.

Objective standards to determine when this House should take jurisdiction of a congressional recount have thus been removed by congressional action in the McIntyre case and replaced with a subjective criteria, which is: a congressional recount is in order solely on the grounds of a "close vote." There is no definition of what is a "close vote."

That precedent will eventually come back to haunt future sessions of Congress.

"GHOST VOTERS" HOLD KEY TO INDIANA RECOUNT RESULT

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, for those who have been following the saga of the Eighth Congressional District in Indiana, you will be interested in knowing the plot has taken a surprising turn.

Over the past 4 months this body has been subjected to a barrage of speeches by our Republican colleagues over the election contest in Indiana's Eighth Congressional District.

In an expensive media campaign by the Republican National Committee the Democrats have been accused of denying the Republican candidate a victory which at various times he has claimed to have won by 34 or 418 votes.

The facts of the recount dispute these false Republican claims.

As of this morning the candidates are separated in the recount by only one vote.

In two counties there are 40 more votes appearing on the voting machines than the total number of voters who signed in at the polling place.

If these ghost voters are counted, the Republican candidate may prevail.

If the recount committee does not add in these ghost voters, the Democrat will be declared the victor.

This 1984 Indiana election contest finally rests on a very simple question.

Will the voters of Indiana's Eighth Congressional District make the choice and return Frank McClosky to Washington or will 40 ghost voters send us their choice, Mr. McClosky's opponent?

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1617, NATIONAL BUREAU OF STANDARDS AUTHORIZATIONS, 1986 AND 1987

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-41) on the resolution (H. Res. 128) providing for the consideration of the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1210, NATIONAL SCIENCE FOUNDATION AUTHORIZATIONS, 1986 AND 1987

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-42) on the resolution (H. Res. 129) providing for the consideration of the bill (H.R. 1210) to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes, which was referred to the House Calendar and ordered to be printed.

THE MOST IMPORTANT DEBATE OF THE DECADE

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, these Chambers will soon witness the latest chapter in what perhaps is the most important debate of the decade. This debate will not only be about Nicaragua and its establishing of a Soviet Communist base on the land bridge between North and South America, it will be about the soul of the Democratic Party. All over the country Democrats are holding conferences on how to move their party back toward the center.

Well, I call upon my Democratic colleagues to see this crucial debate on Nicaragua as an opportunity to show the American people that you are serious about returning to the mainstream.

The fringe philosophy of "blame America first" has heralded our foreign policy setbacks and paralleled the setback of the Democratic Party in national elections.

As a Republican, I might welcome this self-immolation, but as an American I view it as a disaster for the well-being of our mutual enterprise.

Mr. Speaker, the ghosts of Franklin Roosevelt, Harry Truman, John F. Kennedy, Hubert Humphrey, and Henry Jackson will be present during this debate.

Democrats who are talking about recapturing the center should pay heed to them. Not to do so will only injure their memory and further injure the Democratic Party itself.

CENTRAL AMERICA: A DOSE OF REALITY

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, beginning today, I will speak to the issue of Central America. Each day, I will seek to provide factual background, because we cannot hope to formulate a workable policy without a clear understanding of Central America, what our role has been, and how our policy has not only violated decency and offended commonsense, but has violated the letter and spirit of law after law.

I will discuss how our own laws have been violated in Central America. I will show how our policy has violated international law. And I will discuss what the region is like, what our role there has been, and how current policy in no way differs from failed policies of the past.

Each day, I will present a little dose of reality. Each day, I will light a little match, in the hope of igniting a torch of honesty, in a region where dishonesty and utter cynicism has been the rule of our policy. After all, where else in the world but Central America, and specifically Nicaragua could or would a U.S. President justify support of a dictator as evil as Somoza by saying: "He may be an SOB, but he's our SOB." It is long past time that our policy becomes more decent than that. It is time that we understand how we are perceived, what we have done, and we can now do to redeem ourselves in Central America, the most notable scene in the world of benign neglect and malign action from our Government. It is time that we base our policy on decency rather than expediency, on humanity rather than greed, and on honesty rather than paternalism.

HOUSE SHOULD CONSIDER RESOLUTION CONDEMNING SOVIETS FOR MURDER OF MAJ. ARTHUR D. NICHOLSON

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, earlier this morning, the House Democratic leadership made a capricious decision to remove House Resolution 125 from consideration by the House. House Resolution 125 is the resolution condemning the Soviet Union for the brutal murder of Maj. Arthur D. Nicholson, and had over 60 cosponsors, including 18 members of the Foreign Affairs Committee, from both sides of the aisle.

I believe that if the majority of Members feel that it is not in the best interest of the United States for the House to issue such a condemnation, then they should vote the resolution down—but we should not be prevented from considering the issue on its merits.

By playing down the importance of the murder of Major Nicholson we are once again doing our best to paint a rosy picture of the nature and intentions of the Soviet leaders, and in the process creating a false hope for a faithfully observed arms reduction agreement.

For once let's expose the dishonorable methods and motives of the Soviet leadership, and let the people of the world pass judgment. As a start, let's consider House Resolution 125.

This is the strongest statement to date expressing American indignation over the murder, and our refusal to tolerate future violations of treaties and agreements. If Mr. Gorbachev is testing our resolve, let's show him we've come to play hardball. If Mr. Gorbachev is seeing just how far he can push us, let's call his bluff.

No retaliation, as such, is necessary. My proposal is simple: Present the facts to the people of the world and let them pass judgment. This means maintaining a full-scale information barrage throughout the United States and the world. If ever there was a situation which demands public diplomacy, not silence, this is it.

SOCIAL SECURITY/REAGAN

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, last November President Reagan promised that he would never stand for a reduction in Social Security.

Last month Ringling Brothers Circus announced that its new star attraction would be a live unicorn.

Both turned out to be a hoax.

President Reagan has now given his blessing to a Republican budget plan which proposes a major reduction in Social Security. By supporting this plan, he has flatly broken his promise to millions of senior citizens.

Mr. Speaker, we Democrats believe a promise is a promise is a promise. Obviously, the Republicans believe a promise is a promise only as far as the next election. After all, if Mr. Reagan did not cut Social Security, he might have to forego an increase in Pentagon spending or, even worse, close tax loopholes that allow thousands of wealthy Americans and corporations to avoid taxes, General Dynamics, which paid no taxes last year, should be very happy with President Reagan.

Mr. Speaker, when the circus promised a unicorn, it delivered a goat. When the President promised to protect Social Security, he delivered a turkey.

ACCEPT THE LAWFUL RESULT

(Mr. ECKERT of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKERT of New York. Mr. Speaker, here we are more than 5 months after the general election and still there is no representation in this House for the people of the Eighth Congressional District of Indiana. What a travesty of our representative system of government! The political motivations which have prevented this House from permitting the duly elected—and properly certified—candidate—Rick McIntyre—to assume his rightful place here are a blot on the record of the House.

Mr. McIntyre won his election in a fair count of the votes on election day. He won again in a strict recount of the votes in the district conducted under Indiana election law. His election was properly certified by the responsible officials of the State of Indiana under the laws of that State.

What we apparently have now is yet a third count under improvised rules of a House task force which exist in no election law and which have been applied to no other congressional election. And even these rules are being subjectively, unevenly applied in different areas. What if there is a result at odds with the first two counts? Will we be asked to accept the 1-out-of-3 result achieved by dubious standards irregularly employed?

Mr. Speaker, we are a government of law. Let the House accept the results of the lawful election of the State of Indiana and seat Rick McIntyre.

THE PRESIDENT HAS BEEN FAILING TO PROVIDE NORMAL LEADERSHIP

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, of all events, human tragedy should not be politicized. That is especially true of the supreme tragedy—the Holocaust.

As a result, there was a muting of public criticism by many in political life when the President first decided to refrain from a trip to a concentration camp on his trip to Germany.

My personal concern was heightened when I heard the President explain that decision in these words:

> Very few alive (in Germany) remember even the war . . . they do have guilt feelings that's been imposed upon them.

Then the President decided to visit a German military cemetery. The Holocaust was a cataclysmic event that tolerates neither equivocation nor political or publicity tradeoffs. A President has a unique opportunity to exert moral leadership. In this case, President Reagan has been failing the Nation; indeed, the world.

□ 1230

REMOVAL FROM AGENDA OF HOUSE RESOLUTION 125 CONDEMNING SOVIET GOVERNMENT FOR MURDER OF MAJ. ARHUR D. NICHOLSON, JR.

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I have before me a copy of the program of the House of Representatives for this week. Listed as one of the items that we were to take up today is House Resolution 125 condemning the Soviet Government for the murder of Maj. Arthur D. Nicholson, Jr.

It is now my understanding that we will not take up that resolution. I am disappointed. We have waited far too long already to condemn the brutal, calculated murder of that American soldier.

It seems to me that we had, by scheduling it today, a chance to correct our waiting too long. By pulling it off the calendar we will now wait more. That is wrong, Mr. Speaker.

When we talk about moral leadership, we need to provide some moral leadership right here, too, by condemning those who murder as a part of their political will.

HOUSE RECOUNT OF INDIANA EIGHTH CONGRESSIONAL DISTRICT

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, I take this time to update the House on the results in the Eighth District election.

Today the actual count will be completed in all 15 counties so that the actual counting process in all 15 counties will, in fact, be completed by today.

However, it is clear that out of some 234,000 votes that were cast that the result will be extremely close. It is a dead heat at this point.

The final count will depend on two things: a resolution by the task force in three areas. One, the ballots that are segregated by the various teams. We expect about a dozen of those to have to resolve. A final resolution of questions relating to unnotarized absentee ballots, and also third, a final resolution of reconciliation questions that have come up in about 40 of the 400 precincts.

This has been a difficult and challenging process. I want to commend the GAO auditors and the teams and the various individuals involved with this count as well as the members of the task force who have been involved in trying to resolve these issues.

I also want to thank the House for its patience in this difficult issue. My hope is that a final report will be completed on Thursday and reported to the House floor at the beginning of next week, and that the result will be a credible count. It will be a close count, obviously. But I think the House will be true to its responsibility to the Constitution and to the people of the Eighth District.

Mr. Speaker, as I indicated to the House on April 2, during the debate on House Resolution 121, and again 2 weeks ago on Thursday, before the House recessed for the Easter district work period, the task force, after consultation with the recount director, had set today as the target for completion of the House recount of the eighth Congressional District of Indiana.

The counting teams, under the direction of the recount director, Mr. James Shumway, whose appointment the members of the task force unanimously agreed to, have nearly completed the counting, and although I am not able this afternoon to announce the final vote totals, I can assure you that those figures will be known in short order.

Let me bring you up to date on where we are in the counting process. First, as of this moment, the GAO counting teams have completed counting in 12 of the 15 counties which make up the Eighth Congressional District. There will be counting teams in each of the three remaining counties today. The 14 GAO auditors and the GAO Supervisor, Mr. Jim Meissner, comprise 7 counting teams. Each member of each counting team is rotated daily to ensure that no two auditors serve together on consecutive days.

At each counting location during the recount, the task force has assigned House staff from the majority and the minority, who share responsibility with the recount director for the maintenance of order in the recount process. The majority and minority staff are the House watchdogs, ensuring that the process is carried out under the recount procedures agreed to unanimously by the members of the task force.

In addition, majority and minority staff are responsible for deciding which ballots the task force must individually examine. The task force then determines whether each such ballot can be counted under the counting rules, which were adopted, with one exception, by unanimous agreement of the task force.

In addition to the GAO counting teams, and the majority and minority staff at such counting location, each of the candidates is allowed an observer for each of the seven GAO counting teams. Each of the candidates has assigned such observers, who watch the process and inform the majority and minority staff of any problems which they might observe.

To ensure that the press and the public are well served and fully informed, the counting process is open to observation firsthand, and any and all interested parties are free to observe and to witness all of the events connected with the counting.

So let me summarize with respect to the cast of characters who are present at each counting location. First, the recount director, or in his absence the GAO supervisor, oversees the counting teams, ensuring that all records are properly maintained, and that the ballots remain secure.

Second, the majority and minority task force staff share responsibility for orderliness, and determine which ballots are set aside for individual consideration by the task force.

Third, each candidate has observers, one for each of the seven counting teams at each counting location.

And fourth, the press and the public are regular observers of all the recount processes.

Now, what about the recount process itself. What are the mechanics which are taking so long to complete? Well, for one thing, as the counting teams have gone through each precinct in each county, they have been examining each ballot separately, to determine whether each ballot complies with the counting rules adopted by the task force. There are 22 task force counting rules, and there are approximately 234,000 ballots in the Eighth Congressional District, and before the recount is through, each will have been separately examined for compliance with the counting rules.

And as is true with any undertaking of this magnitude and complexity, the counting teams have run across situations for which no rule exists. In such cases, when the matter cannot be ironed out by the recount director with the concurrence of both the majority and minority staff, the matter is referred to the task force for resolution. These unanticipated and unavoidable situations have required approximately a third again the amount of time that the recount was supposed to have taken.

Now, how these situations, and the ballots which have been segregated for task force review, get resolved? Well, under the task force counting procedures, all such decisions must be made in the Eighth Congressional District of Indiana. So the task force has convened in the municipal building in Evansville, IN on 3 separate days during each of the last 3 weeks to resolve such matters.

So far the task force has examined the several dozen ballots referred to it, and in all but two instances, has unanimously agreed to count each of the ballots. In each of the two instances, the ballots bore marks which the task force considered distinguishing marks, which are marks placed on the ballot by the voter to identify that ballot to that particular voter. Under the task force counting rules, and under House precedents and most State laws, ballots with distinguishing marks are invalid as a matter of public policy.

A second category of questions has been referred to the task force for consideration. That is the category of reconciliation. There are over 400 precincts in the eighth Congressional District, and as you can imagine, the numbers in many of the precincts do not add up perfectly. The discrepancies usually take the form of one or two more, or one or two fewer ballots cast than the number of persons who signed in on the poll book.

The task force has directed the recount director to reconcile these differences wherever possible. In order to do so, the recount director, in the presence of majority and minority staff and GAO auditors, has been reexamining balloting material in the possession of precinct officials on election day.

In some cases, the discrepancies have been reconciled. For example, in Vanderburgh County, the largest county in the eighth Congressional District, there were 11 precincts with discrepancies. After searching the balloting material in one precinct, a single ballot was found in the stack of secrecy envelopes. These envelopes are used by the voter to enclose his or her ballot before depositing it in the ballot box, to ensure its secrecy. That ballot, when added to the other ballots which were counted on election night in that precinct, caused the precinct totals to balance. And it is absolutely clear that in processing the ballots on election night, that ballot was merely overlooked by the precinct officials. Despite an extensive search, the recount director was unable to find a basis for reconciling the remaining 10 precincts in Vanderburgh County.

And that brings me to an important point. The task force is operating, as I believe it should, on a presumption with respect to the administration of the election. The presumption is that of regularity. That is to say, in the absence of demonstrated facts, to the contrary, the task force has assumed that, in the administration of this and any other election, the normal range of administrative errors or omissions will lead to discrepancies in the number of ballots cast versus the number of persons who signed into the poll book in some precincts. The Vanderburgh precinct I mentioned earlier is just such an example. Had the pack of secrecy envelopes not been searched, the ballot would never have been included in the vote totals, and the precinct would have never been in balance.

Given the intense scrutiny which this election has received, it is amazing that the number of precincts slightly out of balance is so few, in the range of 40. Such discrepancies will show up in any election, and most of the discrepancies in this election will never be resolved, even after a thorough review of unreconciled precincts by the recount director, who is an experienced veteran in the administration of elections.

Two precincts were more out of balance than the others, one having 12, and the other having 15 more ballots cast than the number of persons who signed in on the poll books. In each of these instances, the task force directed the recount director, in the presence of majority and minority staff and GAO auditors, to test the lever machines used in each of the precincts, and to make inquiries as to how the machines were used on election day. The finding of the recount director was that the reconciliation questions posed by these two precincts could reasonably have been caused by numerous shortcomings in the administrative processes used by the county on election day. Based upon the presumption of regularity under which the task force is working, and in the absence of facts to the contrary, the variation of 12 and 15 in the two precincts from the number of persons who signed into the poll books does not vitiate the results from that county.

But this entire discussion about reconciliation is a bit of a red herring. The fact is that the House has gone back to the voting materials in the possession of the precincts' officials on election night, and has counted all of the ballots which it could find under a

uniform set of counting rules which did not vary from county to county. And the House recount has demonstrated beyond any doubt that there was no uniform set of counting rules which applied to the 15 counties of the Eighth Congressional District on election night.

Hence, whether or not each of the 400 plus precincts in the Eighth Congressional District is in balance, the House has examined, or will have examined by the end of the counting process, all the ballots which were in the hands of the precinct officials on election night. The House has no way to determine what the precinct officials did on election day, which may have caused too many or too few ballots to be in the ballot box in those precincts with discrepancies. The most frequent explanation proffered by the recount director is that precinct workers, during the course of the day, neglected to have one or more voters sign in, thus causing a discrepancy between the number of ballots cast and the number of persons who signed the poll book. But there were also instances in which there were more people signed into the poll book than there were ballots in the ballot box. Hence a ballot shortage discrepancy. Again, the explanation that some voter or voters chose to take their ballots with them rather than put them in the ballot box may be the reason for the shortage. But whatever happened on election day, you can be certain of one thing. The House recount teams have looked at each and every ballot in the hands of precinct election officials on election day, and have counted or not counted those ballots throughout the Eighth Congressional District under a consistent set of counting rules. So by the time the recount is done, the House will have examined all such ballots, and will have an accurate count of the number of ballots cast for each candidate. That is the number upon which the House can rely in deciding which of the candidates has the final right to the seat.

And that brings me to the third problem with which the task force has been confronted. The problem is one of determining how to deal with a class of ballots which were improperly sent to the precincts by at least 4 of the 15 county clerks, and were then mistakenly and inconsistently treated by precinct officials in such counties. By "inconsistently treated" I mean that most of such ballots were opened and cast by the precinct officials, and such ballots are not now segregable from other valid ballots which were put into the ballot box.

The reason these ballots should never have been sent to the precincts is that they were absent voter ballots which were deficient in either notarization, witnessing or signature, or some combination of these factors. In most of the counties, those ballots were never sent to the precincts, so they never became integrated with other ballots at the precinct level. However in some counties, the precinct officials opened and voted the ballots. Hence the ballots are now scrambled up with the other ballots in that precinct, and are not segregable.

The question with which the task force was faced was how to deal with such ballots.

If all ballots in such a category were to be left out of the count, and those already in the count were to be thrown out, then some mathematical formula would have to be devised which would, in effect, arbitrarily disenfranchise voters merely to get the numbers to match. And such a mathematical formula would be difficult, and in some cases impossible to work out. For example, where there is one such ballot among other valid absent voter ballots, and you must therefore remove a single ballot, for which candidate do you remove a ballot? Or should this race be determined by just reaching in the hat and arbitrarily pulling out one such ballot. And are we perhaps thereby disenfranchising a voter who cast a perfectly valid ballot.

If all of such ballots were to be brought into the count, then the task force is faced with a similar dilemma. If such deficient absent voter ballots were not handled and maintained by the county clerks in a manner identical to other regular ballots, then there is no way of ensuring their integrity. In the instances where such ballots sent to the precincts, we know that they were treated with the sanctity accorded all other regular ballots. But those which were never sent to the precincts, and were retained in the clerks' offices, were not afforded the identical treatment as ballots which were sent to the precincts. By virtue of their being maintained in the clerks' offices, they were not afforded the identical treatment given to ballots sent to the precincts. But to ensure that like ballots are treated alike, the task force is asking each clerk to certify whether such deficient ballots, maintained by the clerks, were afforded identical treatment, in accordance with the statute, to those ballots sent to the precincts. If any were, then the task force will have to revisit its decision, and determine how to deal with such ballots.

So to summarize, the task force has met in Indiana to decide upon individual ballot questions—that is—whether or not such ballots should be counted under the uniform set of counting rules adopted by the task force. We have received reports, and have directed inquiry into precincts where there are reconciliation discrepancies, and expect to receive a report from the recount director at the conclusion of the counting. And we have made a determination to count ballots which were included in precinct materials on election night, even if they contain some technical deficiencies in notarization or witnessing.

As of this moment, I anticipate that the task force will convene on Thursday afternoon in Evansville, IN, to make the final decisions necessary for the recount director to render a final tally. I will keep you informed of any further developments as they are reported to me this week, and look forward to wrapping the counting up shortly.

The staff of the task force reports that the counting teams have been doing yeoman service. That was certainly my observation when I visited a counting location. They are making every effort to conclude the recount in the most expeditious manner consistent with accuracy. Having a count upon which the House can depend is essential to our responsibility to the Constitution, the House and the people of the Eighth District.

WORLD WOMEN PARLIAMENTARIANS FOR PEACE

(Mrs. SCHNEIDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHNEIDER. Mr. Speaker, I would like to take a moment to share with my colleagues my experiences at the World Women Parliamentarians for Peace meeting recently held in Stockholm. This meeting was held to prepare for the U.N. Conference on the Decade of Women which is to be held in Nairobi in July. It is of extreme importance that the U.N. Conference address world peace—it is most appropriate that women members of parliamentary bodies are the moving force in this effort.

The Conference in Stockholm was marked by a lack of nationalistic fervor. We witnessed no threats, no posturing, no name calling. Rather, we participated in an informed discussion by people who are very concerned about the future of the world. We discussed peace, not only as the absence of international hostilities, but also as the need for social justice and equality for all people in all nations. We discussed the drain on world resources that is caused by the arms race, and the need for redirecting these resources to end hunger, homelessness, and illiteracy.

We left Stockholm with no delusions about the difficulty of the task facing us. But we left with a sense of urgency mixed with hope; a sense that the involvement of women in the search for peace is an absolute necessity.

REPUBLICAN HYPE ON INDIANA EIGHTH CONGRESSIONAL DISTRICT ELECTION

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, isn't it amazing?

At first, the Republicans did not want to count all of the votes in the Eighth Congressional District of Indiana. Now they want to count 40 additional votes that were cast by people who cannot be identified.

Contrary to the indignant statements of the Republicans on the floor of this House, no one knew who won, nor by how many votes.

A bipartisan committee and the General Accounting Office auditors are working on a full and fair recount. Who opposed that? The Republicans on the floor of this House.

Blatantly false accusations by the Republican media campaign that the Democrats were planning to steal the election have been proven for what they are: political hype.

Let us count the votes of the voters of the Eighth Congressional District of Indiana and seat the winner.

PROTECT SOCIAL SECURITY

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, during the last campaign, the President said he would cut Social Security only over his dead body. The President said he would permit a "cost-of-living adjustment to the Social Security recipients" even if inflation is below 3 percent." And he said he would "never stand for a reduction of the Social Security benefits to the people that are now getting them."

Yet, the President proposes to cut Social Security in his budget compromise with the Senate. Mr. Speaker, this is outrageous. Haven't our Nation's seniors suffered enough under this administration's budget cuts? The administration claims seniors must bear their fair share of the deficit reduction burden. What is fair about cutting Social Security and energy assistance and Medicare and Medicaid and elderly housing and nutrition programs at a time when our Nation's seniors are faced with rising utility bills, escalating medical costs, and higher food and housing costs?

This cut is simply wrong. Two years ago, we in the Congress passed legislation to assure the soundness of the Social Security system. Today that system is running a surplus. Why should Congress allow the President to hold Social Security hostage to the budget process. The Congress should refuse to balance the budget on the backs of this Nation's elderly, and so should the President.

MR. PRESIDENT, WHERE IS YOUR SENSE OF DECENCY?

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, what in God's name is the matter with Ronald Reagan?

First he refuses to include a visit to the site of the Dachau concentration camp on his forthcoming trip to Germany. To do so, he says, would open old wounds.

But now Mr. Reagan says he will visit a German military cemetery which contains the graves of Nazi SS troops.

The President's sense of the appropriate is shockingly out of control. To refuse to honor the memory of the millions who were slaughtered by the Nazis in the Holocaust, but to pay respect to their executioners, dishonors all of those, including the many thousands of Americans, who fought and died in the battle against Hitler's evil forces.

Mr. President, where is your sense of history? Where is your sense of decency?

NATIONAL TAX AMNESTY/DEFICIT REDUCTION ACT OF 1985

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, Benjamin Franklin once said, "in this world nothing is certain but death and taxes." However, the Treasury Department might dispute this statement as it relates to taxes. They estimate that for the tax year which ended yesterday, they will be cheated out of between $89 and $92 billion dollars by the "tax gap"—the difference between what they are owed in taxes and what they will be paid.

Both in response to this and to the urgent need to find ways to reduce our deficit, yesterday I introduced H.R. 2031, the National Tax Amnesty/Deficit Reduction Act of 1985. It provides for a 6-month amnesty during which time those Americans who have failed to pay their full tax obligations could come forward and pay and be free from civil and/or criminal penalties and forgiven of 50 percent of any interest penalty. Those who are involved in administrative or judicial proceedings before the IRS would be exempt.

Tax amnesty has worked with great success in 12 States. It has produced more than $345 million in new State revenues from payment of overdue taxes by 200,000 individuals and businesses.

It is estimated that a 6-month national tax amnesty could produce $20 billion in new revenues which could be applied directly to reducing the record deficit. It may be the only opportunity we have to raise new revenues without increasing anyone's taxes. Tax amnesty belongs in any deficit reduction plan we consider this year.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TOMORROW

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on tomorrow, April 17, 1985.

The SPEAKER pro tempore (Mr. AuCoin). Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1240

HOUR OF MEETING ON TOMORROW, APRIL 17, 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

HELSINKI HUMAN RIGHTS DAY

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 15) to designate May 7, 1985, as "Helsinki Human Rights Day."

The Clerk read as follows:

S.J. Res. 15

Whereas this year will be the tenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki Accords");

Whereas on August 1, 1975, the Helsinki Accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland,

Italy, Liechtenstein, Luxembourg, Malta, Monaco, The Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the Helsinki Accords express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki Accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki Accords also express the commitment of the participating States in whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law, will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and co-operation among themselves as among all States";

Whereas the Helsinki Accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations and will endeavour jointly and separately, including in co-operation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki Accords also express the commitment of the participating States to "confirm the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki Accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki Accords, have acknowledged an adherence to the principles of human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas the aforementioned Governments have not fulfilled their commitments to the Helsinki Accords by denying individuals their inherent rights to freedom of religion, thought, conscience, and belief;

Whereas on May 7, 1985, a meeting of experts on human rights and fundamental freedoms will be convened in Ottawa, Canada, to discuss questions concerning respect for human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas this meeting is called for in the concluding document of the Madrid Review Conference of September 9, 1983; and

Whereas this meeting will be attended by representatives of all Helsinki signatory nations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) May 7, 1985, the opening date of the Ottawa meeting of experts on human rights and fundamental freedoms, is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki Accords, urging all signatory nations to abide by their obligations under the Helsinki Accords, and encouraging the people of the United States to join the President and Congress in observance of "Helsinki Human Rights Day" with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights provisions of the Helsinki Accords by raising the issue of noncompliance with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania at every available opportunity;

(4) the President if further requested to convey to all signatories of the Helsinki Accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process; and

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is the most effective means to promote the full implementation of the human rights and humanitarian provisions of the Helsinki Accords.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Joint Resolution 15 designates May 7, 1985, as "Helsinki Human Rights Day" and calls upon the President to issue a proclamation reasserting the commitment of the United States to full implementation of the human rights and humanitarian provisions of the 1975 Helsinki Final Act.

This resolution unanimously passed the other body on March 28 and was ordered reported by the Committee on Foreign Affairs on April 3. The measure was also referred to the Committee on Post Office and Civil Service which I understand has no objection to it being considered here today. Senate Joint Resolution 15 is nearly identical to House Joint Resolution 132 which was introduced by our colleagues Mr. LANTOS and Mr. PORTER, the cochairmen of the congressional human rights caucus, along with 79 cosponsors.

Mr. Speaker, I am pleased to be the floor manager for this legislation. For almost the past 9 years, I have had the privilege of serving as chairman of the Commission on Security and Cooperation in Europe, known as the Helsinki Commission, which monitors Soviet and East European compliance with the human rights provision of the Helsinki accords. I have witnessed firsthand the importance of expressions of congressional support for human rights. We in the Congress must remain steadfast in our defense of human rights and redouble our efforts to draw the glare of international public opinion onto those governments that abuse the human rights of their citizens.

In this connection, Mr. Speaker, I would like to draw the attention of our colleagues to a report issued by the General Accounting Office last month on the work of the Helsinki Commission. The GAO found that "with a small professional staff, the Commission has: First, actively promoted a strong U.S. human rights policy in the Helsinki process; second, played a major role in planning and conducting U.S. Helsinki diplomacy; third, made itself a principal Western source of information on Soviet and East European violations; and fourth, helped resolve numerous family reunification cases for Eastern victims of Communist repression."

Mr. Speaker, I am extremely proud of the Commission's record and I would like to take this opportunity to offer my best wishes to the Commission's new Chairman from the other body, the distinguished Senator from New York, Senator D'AMATO, and to the new cochairman, our distinguished colleague from Maryland [Mr. HOYER]. It is with a great deal of satisfaction and a tinge of regret I step down as Chairman although I plan to remain an active member of the Commission. Satisfaction over what we have accomplished and yet regret that the deplorable actions of Soviet and East European authorities—including the denial of religious rights, restrictions on emigration, and repression of human rights activists—necessitate the exist-

ence of the Commission. It is precisely these kinds of actions which also require constant and consistent expressions of congressional concern such as the resolution now before us.

Mr. Speaker, Senate Joint Resolution 15 is similar to a measure adopted by the Congress 2 years ago which designated August 1, the anniversary of the signing of the Helsinki Final Act, as "Helsinki Human Rights Day." The date change in this resolution was made to focus attention on the 35-nation Meeting of Experts on Human Rights that will be held in Ottawa, Canada, beginning on May 7, 1985. This special Human Rights Meeting was mandated by the Madrid Meeting of the Conference on Security and Cooperation in Europe and will be attended by representatives of the Soviet Union, all East European countries as well as the United States, Canada, and the West European nations.

By designating May 7, the opening day of this conference, as "Helsinki Human Rights Day" we will be strengthening the hand of the U.S. delegation and publicly supporting their efforts to achieve greater respect for human rights in all Helsinki countries.

Mr. Speaker, Senate Joint Resolution 15 calls upon the President to continue his efforts to achieve full implementation of the Helsinki accords' human rights and humanitarian provisions by raising at every available opportunity, both in bilateral and multilateral fora, the issue of Soviet and East European human rights violations.

The resolution also calls upon the President to enlist the support of our allies in promoting respect for human rights in Eastern Europe and the Soviet Union. Finally, the measure requests the President to communicate to the other 34 signatories of the Helsinki accords our position that respect for human rights is vital to further progress in the ongoing effort to achieve total compliance with the accords, thus making it clear that progress in human rights is an essential component of improved East-West relations.

Mr. Speaker, I commend the Senator from Arizona and one of the newest members of the Helsinki Commission, Senator DECONCINI, for his initiative in introducing this legislation and I urge our colleagues to support the measure.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer my strong support of this joint resolution designating May 7, 1985, as "Helsinki Human Rights Day." This is an important commitment to the cause of human rights.

As my colleagues well remember, 10 years ago, the Helsinki accords were signed by numerous countries to include the Soviet Union and Eastern bloc nations.

The Helsinki accords clearly express the commitment of all participating states to respect human rights and fundamental freedoms. These accords also require that the participating states act in conformity with the principles of the Charter of the United Nations and with the Universal Declaration of Human Rights.

Unfortunately, the U.S.S.R. and many other Communist countries around the world are routinely violating human rights. These governments are denying individuals their inherent rights to freedom of religion, thought, conscience, and belief.

As called for at the Madrid Review Conference of 1983, a meeting of experts on human rights will be convened in Canada on May 7, 1985. Important questions concerning human rights will be discussed there. It is appropriate that the opening date of this Ottawa meeting be designated by Congress as "Helsinki Human Rights Day."

Our support for this joint resolution is an important message to the world about our strong support for human rights and the Helsinki accords. I call upon my colleagues in the House to join me in support of Senate Joint Resolution 15.

The administration supports enactment of Senate Joint Resolution 15.

□ 1250

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I rise in strong support of Senate Joint Resolution 15 and want to congratulate the chairman of the Foreign Affairs Committee, DANTE FASCELL, for his masterful caring, and courageous leadership. For over 7 years of the Commission on Security and Cooperation in Europe. The Helskinki Commission. I also want to commend the chairman for bringing this timely resolution to the floor for our consideration.

In addition to designating May 7, 1985, as "Helsinki Human Rights Day", Senate Joint Resolution 15 requests that the President convey to the other 34 signatory countries of the Helsinki Final Act the view that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process.

As you know, Mr. Speaker, the Final Act signed in Helsinki, Finland, in August of 1975, set forth guiding principles to govern relations among the signatory states. Though not legally binding, to the extent that we monitor and periodically review compliance or noncompliance, we institute a process that may become politically binding and morally compelling.

The Helsinki process allows a context for serious, public debate on East-West issues. One of those issues, which is a legitimate international concern, is respect for human rights. The relevance and pertinence of human rights issues within the overall context of East-West relations should not be underestimated.

Respect for human rights—defined in principle VII of the Helsinki Final Act as "deriving from the inherent dignity of the human person and essential for his free and full development"—is made an essential principle guiding relations among the signatories.

Principle VII, which holds the signatories to certain levels of tolerance for individual beliefs and rights, and the implementing provisions of basket III legitimated the issue of human rights as an appropriate item of public discussion and negotiation within an East-West context.

One of the successes of the Madrid meeting under the expert leadership of Max Kampelman was the agreement to convene an expert's meeting in Ottawa, Canada, on May 7, 1985, to focus on the status of human rights in the participating states. This meeting is an integral part of the Helsinki process. I am committed to that process, for it affords us the unique and exciting prospect for promoting more human, political, social and cultural exchanges.

As cochair of the Helsinki Commission, I look forward to working in partnership with other Government agencies in Ottawa. With the effective and positive influence of nongovernmental organizations, I am hopeful that the Commission will contribute to the growth of confidence among nations and will play a role in bringing pressure to bear on the Soviet Union and other nations to comply with the Helsinki accords. As the Commission undertakes specific new commitments, I hope to continue the legacy of nonpartisanship left by Chairman FASCELL.

Mr. BROOMFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. GILMAN], a member of the committee.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me, and I want to commend our distinguished chairman, the gentleman from Florida [Mr. FASCELL] and our ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], for bringing this measure to the floor at this time on the 10th anniversary year of the Helsinki accords, a particularly important year as we look back on what has been accomplished and what has yet to be accomplished.

Mr. Speaker, I rise in support of Senate Joint Resolution 15, legislation

designating May 7, 1985, as "Helsinki Human Rights Day," and requesting the President to continue our Nation's efforts to achieve full implementation of the Helsinki accords. I was pleased that the Committee on Foreign Affairs, of which I am a member, recently passed this measure, which was approved by the Senate.

The resolution before us outlines the obligations and commitments of states party to the Helsinki accords of 1975. The Helsinki Final Act underscores the commitment that these signatory nations are obliged to respect with regard to human rights—rights to freedom of movement, thought, religion, cultural exchanges, and freedom to emigrate. While the intent of the Helsinki agreement is clear, the Soviet Union and other Warsaw Pact nations have failed to implement the Final Act. Indeed, these nations have continued, and in a number of areas, accelerated their blatant denial of even the most basic human rights.

The Belgrade Review Conference (1977-78) and the Madrid Review Conference (1980-83), both of which I had the opportunity to participate in, underscored the intention of the U.S. and other nations committed to the full implementation of the Helsinki process, to bring life to the Final Act, and to maintain pressure on the Soviets and East Europeans to recognize and to fulfill their human rights obligations. A third followup is scheduled for November 1986, and as the resolution indicates in May of this year, a human rights expert meeting focusing on Final Act obligations and commitments will be convened in Ottawa.

Mr. Speaker, in January, I had the opportunity to travel to Moscow with a delegation of my congressional colleagues. During that visit, we met with a number of Soviet officials. In February, a number of my colleagues and I participated in discussions with a group of Soviet parliamentarians who had come to the United States. It was clear to me, during these discussions, as it had been during earlier meetings I had had with Soviet officials, that the subject of human rights is not a subject that the Soviets can discuss comfortably. No wonder, their record is abysmal, their defense utilizes mirrors, selective interpretations of international agreements, and a touch of Alice in Wonderland thrown in for good measure.

The Soviets maintain that they have fulfilled their obligations. Soviet Foreign Minister Gromyko stated during a rare press conference in Moscow in January of this year—following his meeting with Secretary Shultz—that "the Soviet Union is not in the habit of violating its commitments under treaties and agreements signed by it and other states, be it bilateral or a multilateral agreement. We take pride in this fact. Incidentally, the world is used to this. When the Americans say that the Soviet Union's respect for the provisions of one agreement or another is doubtful, they are listened to, you know, rather with indifference, and no other state has ever made us any statements that such claims correspond to reality, no never. Our conscience is clear. We do not make agreements to break them, we fulfill them from beginning to end."

Politiburo Member Shcherbitsky, when he and his Soviet colleagues met with us in Washington last month, echoed a similar theme. He said, "In the Soviet Union we consistently observe all conventions and agreements, specifically Helsinki."

Against this backdrop, one must consider the reality of human rights abuses in the Soviet Union, abuses suffered not only by Jews, but by Christians and other minority groups. Concerning emigration and the case of Soviet Jews, the situation is particularly grave: The number permitted to emigrate has dropped precipitously—from 51,000 in 1979, down to 900 in 1984—while the Soviets engage in a systematic campaign of harassment of those seeking to emigrate.

Indeed, emigration has risen and fallen from 1971 to 1984, for example 34,700 in 1973 to 16,736 in 1977 to 51,000 as I indicated in 1980. Such movement can be chartered over the early years of détente, the Jackson-Vanik amendment on trade, the grain embargo, U.S. boycott of the Olympics, the Soviet invasion of Afghanistan, and the KAL shoot down. We can only speculate about the relationship between these events and rates of emigration.

Any request to emigrate today leads to loss of job, harassment, charges of parasitism, and imprisonment. Estimates place at close to 400,000 those Soviet Jews who have begun the emigration process and are now trapped in limbo. Of this number some 20,000 have been formally refused.

Mr. Speaker, we must not hesitate to continue to point out violations of the Helsinki agreement by the Soviet Union and any other nations which trample on human rights. We must continue to shed light on the terrible plight of those who can now only dream about the most basic of freedoms for themselves and for their families.

I have seen that dream in the eyes of those refused the right to emigrate, of those who suffer arbitrary harassment, and of those whose children are beaten in schools because their families adhere to certain religious beliefs. I believe that this measure will help to bring needed visibility to the Helsinki process and the basic freedoms and rights it is struggling to secure for millions who are denied these rights.

Accordingly, I urge my colleagues to suspend the rules and pass Senate Joint Resolution 15, so that the Soviets and others who claim adherence to the Helsinki agreement will fully recognize that Congress is determined to bring some facts to the words of the Helsinki document.

□ 1300

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], a member of the committee.

Mr. SOLOMON. I thank the gentleman for yielding time to me.

Mr. Speaker, in commending the gentleman from Florida [Mr. FASCELL] for his outstanding leadership as chairman of the Helsinki Commission, I rise in strong support of this resolution and now is a particularly appropriate time for us, as the representatives of the American people, to be making this statement.

At a time when new leadership has come to the Kremlin, and when arms control talks are underway in earnest in Geneva, it is incumbent on us to reaffirm the centrality of the human rights issue in the dialog between East and West. This resolution is a necessary declaration to that effect. Because, Mr. Speaker, there can be neither security nor cooperation in Europe until all of the signatories to the Helsinki Final Act—those signatories on both sides of the Iron Curtain—respect by word and deed those basic human rights and aspirations that are enumerated in that document.

It is also important for us, as free men and women, to use every opportunity we have to press the issue, to demand compliance by the signatories. This resolution seeks to make the Helsinki Final Act a living document, a living and powerful expression of the rights of man. Without continued vigilance on our part, including resolutions of this kind, the Helsinki Final Act could become merely an empty document, not worth the paper it is printed on.

And so I commend our distinguished chairman of the Committee on Foreign Affairs for expediting the consideration of this resolution. May 7 is the day that an important conference begins up in Ottawa and that conference will examine the developments these past years since the Helsinki Final Act was signed. It is most appropriate, then, for us to declare May 7 as "Helsinki Human Rights Day" and to mark that occasion with the necessary ceremonies and observation that it deserves. In such a way we are keeping faith with our own heritage as a free people, and we are offering hope to those still oppressed—we have not forgotten them.

I urge passage of Senate Joint Resolution 15.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KEMP].

Mr. KEMP. I thank my colleague from Michigan for yielding.

Mr. Speaker, I rise to offer my strong support of this resolution proclaiming May 7 as Helsinki Human Rights Day, and to pay my deepest and most profound respects to the chairman, the gentleman from Florida [Mr. FASCELL], for the great effort that he has made as the chairman of the Commission over these early years of the Commission. I am proud to stand as a new member of the Commission, and I look forward to working with the gentleman from Florida [Mr. FASCELL] and the new chairman, AL D'AMATO, from our State.

I appreciate the remarks of the gentleman from New York who preceded me. I believe that there is no better way to stand in solidarity with the men and women of Central and Eastern Europe, and particularly the Jews and Christians and the dissidents of the Soviet Union, than by overwhelmingly and unanimously passing May 7 as Helsinki Human Rights Day.

May 7, the day we have chosen to commemorate Helsinki Human Rights Day, is the opening day of the Ottawa Human Rights Experts Meeting. 1985 marks an important year in the Helsinki process as we celebrate the 10th anniversary of the signing of the Helsinki accords. This is also an important time for me personally, as I have just been appointed to the U.S. Helsinki Commission.

Yesterday, former Helsinki Commission chairman, DANTE FASCELL, turned the gavel over to my good friend and colleague, Senator AL D'AMATO. Chairman FASCELL and his staff have been universally acclaimed for the fine work they have done in monitoring and furthering the goals and mandates of the Commission. I would like to reiterate my congratulations and appreciation for his outstanding leadership of the Commission for the past 8 years.

The accords on Security and Cooperation in Europe signed at Helsinki, Finland, in 1975 established a framework for the 35 participating states to resolve the humanitarian, economic, political and military issues which divide Europe. It also called for periodic meetings, one of which is scheduled to begin on May 7 in Ottawa on the subject of human rights and fundamental freedoms.

Each signatory country established an organization at home to monitor the process. Some of these monitoring groups were official, such as ours, and their members have been honored for their hard work and achievements. But some were unofficial, such as the Soviet Union's, whose members were subsequently jailed and exiled on charges of anti-Soviet agitation and propaganda. Only two of the original 50 members of the Soviet Helsinki Watch group stayed out of jail, and they did this by publishing a document in 1982 stating that the watch had been disbanded.

In other words, in the Soviet Union the very organization constituted to monitor observance of the accords became a victim of Soviet violations of their obligations thereunder.

It is bitterly ironic that this should happen. This is exactly the type of repressive antihumanitarian activities we have vowed, by treaty, to eliminate. I look forward to working with former Chairman FASCELL, Chairman D'AMATO, and my colleagues on the Commission here in the U.S. and in the other 34 signatory countries to achieve the mandates of the Helsinki accord. Let's start by proclaiming May 7 Helsinki Human Rights Day.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. I thank the gentleman for yielding.

Mr. Speaker, first I would like to pay public tribute to Chairman DANTE FASCELL for the phonomenal way he has set the course for the Helsinki Commission. With dedication, commitment, and judgment he has set a pattern which will, for years to come, establish the Helsinki Commission as a serious organization determined to protect human rights and to insist that human rights violations cease, in accord with the Helsinki accords.

Mr. Speaker, as we sit down with the Soviet Union in Geneva to deal with the question of arms control, arms reduction, and disarmament, the persistent failure of the Soviets to observe the Helsinki accords must be uppermost in our minds. There is no way the Soviet Union can gain credibility to observe arms treaties in Geneva unless they observe human rights commitments they have made. The pattern of violations, which we have seen over the years, in direct defiance of international treaties agreed to by the Soviet Union, does not auger well for the Geneva arms control and disarmament negotiations.

The American people must ask the simple question: If the Soviet Union has set its signature to the Helsinki accords and has persistently violated it, what guarantees do we have that they might not violate disarmament and arms control agreements?

As one who is profoundly committed to arms control and disarmament so that we might diminish the threat of a nuclear holocaust, I strongly urge the Soviet Union, as we begin the second decade of the Helsinki accords, to move in the direction of improving its human rights performance.

The Congressional human rights caucus is monitoring the acts of the Soviet Union in this field, and we are deeply concerned that unless dramatic improvements occur in the near future, the hope that the new Soviet leader has brought to the whole world for a change in policy will be a vain and unrealized hope.

It is appropriate for us to approve this resolution. But it is even more important for us to recognize that Helsinki is not a symbolic act. It deals with the lives of millions of human beings who are crying out for fundamental human rights in the Soviet Union—rights which have thus far been denied them.

I hope that in the second decade of the Helsinki accords there will be a more proper adherence to the agreements reached at Helsinki and we will be able to place confidence in negotiations that we have with the Soviets on other matters.

I urge my colleagues to approve the resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I rise to commend my colleague, the chairman of the Foreign Affairs Committee for offering this resolution and for his continuing leadership and commitment throughout his long congressional career to the cause of human rights throughout the world.

I commend also my colleague, the gentleman from Maryland [Mr. HOYER], and, in the other body, Senator D'AMATO, the new chairman of the Helsinki Commission, and the sponsor of this resolution in the Senate, Senator DECONCINI, for their work on behalf of human rights.

This resolution marks May 7, 1985, as Helsinki Human Rights Day to coincide with the opening of a 6-week meeting in Ottawa to discuss compliance with the human rights provisions of the accords.

As a new member of the Commission on Security and Cooperation in Europe, a founding member of the International Parliamentary Group on Human Rights in the Soviet Union [IPG], and as founder and cochairman with my very distinguished colleague from California [Mr. LANTOS], of the congressional human rights caucus, I will be proud to participate with my colleagues in this important process.

I think that we have to remember that not only do we in governments in the western world have a commitment to the Helsinki process but, most importantly, the oppressed peoples in the Soviet Union and in Eastern Europe, have made such a commitment. Many voluntary monitoring groups were established throughout the Soviet Union and in Eastern Europe after the accords were signed in 1975, with great personal risk to the individuals involved, who have suf-

fered harassment, repression and persecution, including imprisonment and incarceration in psychiatric hospitals, for their commitment to see that their countries carry out the provisions of these accords.

We will bring to the process at Ottawa many of the cases that have come to our attention, the matters of Viktor Savelev of Georgia, imprisoned recently for simply transporting unauthorized Baptist materials, the matters of Pavel Vezikov, of Estonia, of Rudolf Battek, of Czechoslovakia, the repression of Turks in Bulgaria by their government—all of these will be brought by us to the table at Helsinki to bring before the Soviet Union and Eastern European nations the instances of their noncompliance with the Helsinki accords.

This resolution is an important expression of Congress' support for human rights. I urge its adoption.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I want to commend the committee and I want to commend the Commission but I want to raise, I think as the next level of Western concern for human freedom, an underlying problem that the Commission is going to run into, and I cite and recommend tc the Commission members to read the State Department publication, Grenada Documents, An Overview and Selection.

The problem for Western thought in dealing with the Helsinki accords is the fact that the Soviet Union is a system which honestly and sincerely believes in Marxism and Leninism and that Marxism and Leninism is a system which systematically oppresses human beings for the power of an elite.

□ 1310

I would suggest that anyone who reads the Grenada Documents, which is the first time we have ever captured a Communist government's and a Communist party's records, will discover things such as, for example, Maurice Bishop's statement, and I quote from his secret speech, "The Line of March of the Party":

> Laws are made in this country when Cabinet agrees and when I sign a document on behalf of Cabinet. And then that is what everybody in the country—like it or don't like it—has to follow. Or consider how people get detained in this country. We don't go and call for no votes. You get detained when I sign an order after discussing it with the National Security Committee of the Party or with a higher Party body. Once I sign it—like it or don't like it—its up the hill for them.

The point is, when you read this document, including Embassy reports from Moscow, training agreements with the Soviet Union, reports by the Cuban Emissaries, the Soviet system and Marxism-Leninism is a systematic approach to the oppression of human beings.

Having a Helsinki accord with the Soviet Union is comparable to having a Helsinki accord with Nazi Germany. The challenge to the West is, once you really understand that they are systematically and deliberately oppressing human beings, then what? Do you continue the public relations charade? Do you vote through "Days of Remembrance"? In what way, effectively, do we in the West force a study of human rights violations by a system whose current leader, Gorbachev, was the handpicked choice of Andropov who spent 15 years as the head of the KGB, the secret police, locking people up, and who invented the practice of appointing political prisoners to serve in mental institutions.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding me this time.

Mr. Speaker, I, too, want to say to the committee that I think that this resolution is fine; it should be passed. But the question that you have to raise is: Just what are we doing with the resolution? The question comes up because this resolution is aimed at telling our President that he ought to request full implementation of human rights; that we ought to move forward in trying to get the Soviets to comply with Helsinki.

We say flatly in this resolution that the Soviets are in noncompliance with Helsinki. We all know that; absolutely. So we are passing this resolution to say, well, they ought to get into compliance.

Are they going to listen to this resolution? Is this resolution going to do that much good? What we are dealing with here is brutal, murdering liars. They brutally murdered Major Nicholson. We pulled that resolution off the calendar today. Then we say in this resolution that they are in noncompliance with Helsinki, which proves that they are liars. That is what we are dealing with.

The question is whether we pass resolution like this after resolution like this, whether or not we are going to get the message across. Now, it seems to me what we have got to begin to do is deal with them firmly in a way which suggests that we are not going to put up with this nonsense any more. That we are going to do more than simply pass resolutions that condemn them. We are going to do more than simply say to our President that we ought to say to them that they ought to get into compliance.

It is high time that we develop as a policy in this Congress something which really means something to them. That we do take the steps that are needed to have a defense that the Soviets are concerned about. That we do not treat them as though they are good actors in the world; they are not. They are brutal, murdering liars who need to be treated that way by this House.

This resolution simply says that it is time that they get into compliance and so on, and we ought to proclaim a day to do it. Fine. But it seems to me we have got to do a lot more.

● Mr. MILLER of California. Mr. Speaker, I rise is strong support of Senate Joint Resolution 15, which would designate May 7, 1985, as "Helsinki Human Rights Day."

We have just returned from a very historic mission to the Soviet Union, where we met with the new leadership of that nation. We discussed several of the most important issues which stand between our two nations.

As the chair of the human rights task force during our trip, I raised with our Soviet hosts very troubling record of the Soviet Union with respect to human rights and the persecution of Soviet Jews and other religious and cultural minorities within that country.

The failure of the Soviet Union to abide by the terms of the Helsinki Final Act raises very serious concerns in the Congress of the United States. As I told the Soviet leaders, if we cannot trust you to abide by the terms of a treaty assuring human rights to those who pose no real threat to Soviet security, how can we trust you to abide by an arms control treaty whose violation could endanger the security of all our citizens, and the future of the entire planet?

The issue of human rights does not just apply to the Soviet Union. In South Africa, in Central America, in Eastern Europe—in far too many nations around the world, governments disregard fundamental human rights. No government, least of all our own which has the strongest historic commitment to human liberty, should ignore those abuses.

This resolution (S.J. Res. 15) proclaims that respect for human rights and fundamental freedoms is a vital element of further progress in the relations between nations. It is an indispensable item on the American agenda; it cannot, and it will not, be bargained away or muted. On that, all of us in this Chamber—Democrat and Republican, liberal and conservative—are in full agreement.

For as Thomas Jefferson wrote nearly two centuries ago:

> The God who gave us life gave us liberty at the same time. The hands of force may destroy, but cannot disjoin them.

Mr. Speaker, I am very hopeful that the negotiations which occurred in Moscow and Leningrad this last week will help pave the way for improved relations between the Soviet Union and the United States. And I am simi-

larly hopeful that the forthcoming meetings in Ottawa will serve to reinforce the basic importance of human rights and freedom among all nations.

I urge all Members of this House to vote in favor of this resolution, and I urge the President to issue this proclamation declaring once again the commitment of this Nation to full implementation of the human rights and humanitarian provisions of the Helsinki Final Act.●

● Mr. SMITH of New Jersey. Mr. Speaker, I rise today in strong support of Senate Joint Resolution 15 designating May 7, 1985, as Helsinki Human Rights Day. I am proud to have cosponsored this important resolution.

For a 6-week period, beginning on that day, representatives of the 36 nations which signed the Helsinki Final Act will meet in Ottawa to discuss compliance with the historic human rights provisions of that agreement. Signed in 1975 by the United States, Canada, the Soviet Union and 33 European nations, the Final Act was a vital step forward in the international human rights movement. Not only does the document commit the signatories to respect fundamental human rights such as family reunification, but for the first time it committed all of us to convene periodically to review each nations' progress in implementing the accords.

The Ottawa meeting has been scheduled to specifically address the human rights provisions of the Helsinki Final Act. In Principle VII of the agreement, the signatories agreed to respect human rights and fundamental freedoms, including freedom of religion, thought, conscience and belief. The Ottawa meeting has been scheduled at the insistence of the Western nations, I might add it is no surprise, Mr. Speaker, that the Soviet Union and its Eastern European allies were extremely reluctant to attend such a meeting.

The countries of the Eastern bloc have tragically failed to uphold their commitments to respect these fundamental freedoms. Since the Madrid followup review ended in 1983, the Soviets, for example, have escalated their brutal war against the people of Afghanistan. They have killed 289 innocent civilians by shooting down a civilian airliner. And their campaign against their own citizens who dare to practice their religion or to speak out in favor of human rights ranks among the most systematic and repressive programs in recent history.

The plight of Jews in the Soviet Union stands out as perhaps the most glaring example of Soviet disregard for their solemn commitment to observe fundamental human rights. Emigration of Soviet Jews has declined from 51,320 to less than 1,000 in a matter of 5 years, Mr. Speaker. This steady decline has been accompanied by a brutal and pervasive campaign of anti-Semitism resulting in the arrests of Hebrew teachers, the wide dissemination of vicious propaganda, the harassment of thousands of believers, and the denial of countless applications for exit visas on spurious grounds.

And sadly, Mr. Speaker, this campaign is only one aspect of Soviet disregard for human rights—fundamental rights which they agreed to uphold in 1975 at Helsinki, in 1977 at Belgrade, and most recently in 1983 at Madrid. And now we are meeting again, this time to discuss human rights explicitly. Some might ask why we continue to support the Helsinki process when it appears our efforts to improve the lives of human rights activists in Eastern Europe have apparently reaped few benefits.

On the eve of the Ottawa meeting, I would like to defend this ongoing progress to those who might question its impact. As a member of the U.S. (Helsinki) Commission on Security and Cooperation in Europe, I have followed the process with great interest. During that time I have come to realize that without question, the Helsinki process provides us with an invaluable forum to discuss violations of human rights. Morover, it has given us a set of standards to which all have agreed and all can and must be held accountable. It has survived the inevitable episodes of decline in East-West relations, providing an ongoing forum where allied and nonallied nations may discuss their differences openly.

But the factor which has truly convinced me that this process must continue, and that it does indeed have lasting value and impact, is the deeply held belief in the East that the Helsinki process has eased the plight of human rights activists in these nations. The issue of human rights is now in the forefront of the international debate, thanks largely to the periodic review meetings. These discussions have legitimized international action and provided an indispensable forum to criticize violations, applaud improvements, and monitor compliance in general. Millions of Eastern Europeans have taken heart in the human rights provisions of the Final Act. Activists have testified again and again as to the significance of this agreement, a unique and unprecedented means of publicizing violations of basic human rights principles.

I think it is fitting, Mr. Speaker, that we recognize the great significance of the Ottawa Human Rights Experts Meeting, and the Final Act in general, by designating May 7, 1985, as Helsinki Human Rights Day.

It is an excellent opportunity for the United States to reassert its commitment to fundamental human rights. It is my sincerest hope that the passage of this resolution will improve the prospects for a fuller implementation of the Helsinki accords, and I urge its approval by my colleagues.●

● Mr. CONTE. Mr. Speaker, I rise in support of Senate Joint Resolution 15, a resolution to designate May 7, 1985 as "Helsinki Human Rights Day."

On May 7, a meeting will convene in Ottawa, Canada to review progress in implementing the Helsinki accords. Unfortunately, that meeting will reveal continued noncompliance by a number of signatory nations.

Last week, for example, Jewish people all over the world celebrated Passover—all over the world, that is, except in the Soviet Union. It is more than symoblic to note that it is imposible for Soviet Jews to celebrate Passover, which commemorates the struggle of the Jews from slavery to freedom, without fear of harassment, arrest, or persecution by the government. The restrictions on emigration rights is further testament to the realization that, as Passover 1985 passed, the struggle for religious freedom continues in the Soviet Union.

But the plight of the Soviet Jews, unfortunately, is not an isolated example. Press restrictions, imprisonments without due process, torture, and countless other violations of human rights exist throughout the Soviet Bloc and in many Latin and South American countries, death to dissenters is the "modus operandi" of the Khomeini regime in Iran, a genocide of the Afghan people is being perpetrated by the Soviet occupation force, and the Marxist Ethiopian Government spends millions of dollars on its 10th anniversary while its people starve.

Yes, the struggle for human rights continues, but the world is a better place with the Helsinki accords. The accords serve as a beacon of hope for oppressed people everywhere, and this resolution is an important statement of continued U.S. support for the accords ideals. Senate Joint Resolution 15 tells the world that we continue to support a higher moral order and that violations by signatory nations will not, and must not, go unnoticed.

Mr. Speaker, I have a meeting scheduled at the White House shortly to brief the President on our just-completed trip to the Soviet Union. Given that commitment, I may miss the vote on this resolution. I endorse wholeheartedly Senate Joint Resolution 15, However, and urge the support of my colleagues. Let May 7, 1985 be designated "Helsinki Human Rights Day" and let the American people through our President, condemn the self-righteous pronouncements on hyman rights by Helsinki violators. We must continue to play our role in the "Helsinki process," a process that we confidently believe will utilmately achieve the goal of human rights, freedom and justice throughout the world.●

Mr. FASCELL. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the Senate joint resolution, Senate Joint Resolution 15.

The question was taken.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Senate joint resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

EXPRESSING SENSE OF CONGRESS THAT TAIWAN SHOULD CONTINUE TO COOPERATE IN THE CASE OF HENRY LIU AND TO CONCLUDE AN EXTRADITION AGREEMENT

Mr. SOLARZ. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 110) expressing the sense of the Congress that the authorities on Taiwan should continue to cooperate fully in the case of Henry Liu and that an extradition agreement should be concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs.

The Clerk read as follows:

H. CON. RES. 110

Whereas Henry Liu, a United States citizen of Chinese ancestry, was murdered in Daly City, California, on October 15, 1984;

Whereas certain citizens of Taiwan have been, and others may be, charged by authorities in the United States in connection with this crime;

Whereas certain citizens and government officials of Taiwan, including Vice Admiral Wang Hsi-ling, head of the Intelligence Bureau of the Ministry of National Defense, have been indicted in Taiwan for involvement in the murder of Henry Liu;

Whereas Taiwan has requested on numerous occasions that an extradition agreement be concluded with the United States; and

Whereas an extradition agreement with Taiwan would improve the administration of criminal justice in the United States: Now therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the American Institute in Taiwan and the Coordination Council for North American Affairs should take immediate steps to conclude an extradition agreement which meets the best interest of both sides.

SEC. 2. It is further the sense of the Congress that—

(1) inasmuch as legal proceedings against several of the individuals charged with the murder of Henry Liu are currently underway in Taiwan, justice be done under the laws of Taiwan;

(2) the authorities on Taiwan should cooperate fully with authorities in the United States in the investigation and prosecution of the case of Henry Liu; and

(3) following the current proceedings in Taiwan referred to in paragraph (1), the authorities on Taiwan should exercise the powers they may have, under all applicable law—

(A) to bring to justice any other individuals who may be criminally liable in accordance with law in connection with the murder of Henry Liu, and

(B) to send to the United States, under appropriate legal processes, any citizen of Taiwan, and any other person in Taiwan, who is charged by authorities in the United States in connection with the murder of Henry Liu, and whose transfer to the United States is requested by authorities in the United States.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York [Mr. SOLARZ] will be recognized for 20 minutes and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on October 15, 1984, an American citizen of Chinese descent by the name of Henry Liu, was brutally murdered at his home in Daly City, CA. It subsequently turned out that the assassins of Henry Liu were citizens of Taiwan who had been recruited, trained, and dispatched to the United States by authorities of the Government of Taiwan in order to execute Henry Liu.

Henry Liu's crime, it appears, is that he was a known critic of the Government of Taiwan. Now, I know there are differences of opinion in this House about the nature of the regime on Taiwan. But of one thing I am sure all of us agree: That is that here in the United States, we cannot accept, we cannot tolerate, we cannot forgive efforts by foreign authorities to intimidate and, indeed, to eliminate, American citizens on American territory.

The law enforcement authorities in California have charged two Taiwanese citizens, Chen Chi-li and Wu Tun, with responsibility for this foul deed. The U.S. Government has requested the authorities on Taiwan to deliver these two individuals to the United States so that they can be put on trial before the appropriate judicial authorities in our own country.

The U.S. Government has also asked the authorities on Taiwan to cooperate with us in the investigation of this crime. I want to acknowledge this afternoon that, so far, the authorities on Taiwan have complied with all of the requests that we have made for their cooperation in the investigation of this crime except one. That is that they have so far refrained and refused to extradite these two individuals to the United States.

Subsequent to the indictment of these two hired guns by the law enforcement authorities here in the United States for their involvement in the murder of Henry Liu, it turned out that the authorities on Taiwan themselves acknowledged that the murderers had been recruited for this assignment by Admiral Wang, who is the head of the Bureau of Military Intelligence, and both Admiral Wang and two of his associates in that bureau have been, as I understand it, indicted by the authorities on Taiwan for their complicity in this affair.

The resolution before us today expresses the sense of the Congress that the authorities on Taiwan should fully cooperate with the United States in our efforts to make sure that justice is done in this affair, and to extradite to the United States, in compliance with the appropriate legal processes and procedures in Taiwan, those individuals who have been accused of involvement in this affair by the duly-constituted law enforcement authorities of California and of our own country.

□ 1320

The resolution also calls for the negotiation of an extradition agreement between Taiwan and the United States so that a formal arrangement can be put in place to deal with problems like this in the future. There are some who have said that Taiwan, in the absence of an extradition treaty, lacks the authority to deliver the individuals involved to the United States. Yet it is the belief of the Committee on Foreign Affairs, based on a memo submitted to us by the Law Division of the Library of Congress, that within the framework of Taiwanese law, the President of Taiwan retains the residual authority, if he chooses to use it, to deliver the individuals involved to the United States.

It is our feeling that if justice is going to be ultimately done in the case of the murder of Henry Liu, it will be important to the individuals accused of responsibility for his assassination to be tried not just in Taiwan but here is the United States as well.

We need to know not simply who is responsible for pulling the trigger, but who is responsible for giving the order that ultimately led to the murder of Henry Liu.

So I want to urge my colleagues in the House to support this resolution. It has been modified in a number of

ways to meet the concerns which were expressed both in our subcommittee and in the full committee by some of my good friends such as the gentleman from New York [Mr. SOLOMON] and the gentleman from Illinois [Mr. HYDE].

I believe that the final product reflects their concerns as well as ours and that this resolution does have broad bipartisan support.

Let me just say in conclusion that all of us, without exception, not only object to what happened to Henry Liu; all of us without exception are not only deeply dismayed by what happened to Henry Liu; but all of us, I believe, recognize that the future relationship between Taiwan and the United States requires a cessation of any efforts on the part of the authorities on Taiwan to intimidate people in the United States. This kind of behavior is simply not acceptable, particularly between friendly governments, and I think that the adoption of this resolution expressing the sense of the Congress on this issue will make it very clear to the authorities on Taiwan that we are concerned about what happened and that we seek their continuing cooperation in making sure that justice is done in this matter.

Mr. Speaker, I reserve the balance of my time.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I fully endorse everything that the distinguished chairman of the Subcommittee on Asian and Pacific Affairs, the gentleman from New York [Mr. SOLARZ], has indicated and would like to present a little different and larger perspective on the issue that relates a little bit beyond just simply the murder of an American citizen, Mr. Henry Liu.

Mr. Speaker, I rise in support of House Concurrent Resolution 110 which expresses the sense of Congress that the authorities on Taiwan should cooperate fully in the case of Henry Liu and that an extradition agreement should be concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs.

I want to commend the gentleman from New York, [Mr. SOLARZ], and the gentleman from Florida, the chairman of the full committee [Mr. FASCELL], for bringing this resolution before the House. I also want to take this opportunity to commend the gentleman from New York [Mr. SOLOMON], who is a member of the Subcommittee on Asian and Pacific Affairs, for having first recommended that the resolution not only touch on the Henry Liu case but also urge that an extradition agreement be concluded between the American Institute on Taiwan and the Coordination Council for North American Affairs.

It should be noted that the resolution is supportive of and consistent with administration efforts to obtain the return to the United States of those individuals in Taiwan who have been charged by American authorities in California with the murder of Henry Liu. In addition, the Foreign Affairs Committee has also received written comments from the Department of State stating that it has no objection in principle to the conclusion of an extradition agreement between AIT and CCNAA. The Department notes, however, that concluding such an agreement will involve complex negotiations with potential problems of implementation and questions about the appropriate legislative authority required.

The murder of Henry Liu poses potentially grave ramifications for future United States-Taiwan relations. The indictment of Vice Adm. Wang Hsi-Ling, head of the Intelligence Bureau of Taiwan's Ministry of National Defense, and other Government officials for involvement in the murder of Henry Liu is extremely disturbing. The notion that a foreign government may have attempted to silence an outspoken critic and extend the control over free expression it maintains internally on the island into the United States itself is an insult to our constitutional heritage.

It was not long ago, in 1981, that Congress held hearings on the death of Dr. Chen Wen-Cheng, an assistant professor at Carnegie Mellon University, who was found dead under suspicious circumstances following interrogation by Taiwan Government officials during a visit back to his homeland. At that time, it was the hope of concerned Members of Congress that the congressional hearings, efforts by the FBI and State Department, and the subsequent enactment of legislation barring arms sales to governments engaged in harassment and intimidation of individuals in the United States would effectively deter any future such conduct—either on the part of the Taiwan Government or any other government.

Sadly, the murder of Henry Liu demonstrates otherwise and we have seen not an end to but a more blatant example of the silencing of dissent on foreign soil.

Although the United States may have a national interest in maintaining warm relations with certain governments which do not protect as assiduously as we the civil liberties of their citizens, such relations should not provide opportunity and temptation to such governments to abridge the rights guaranteed by the U.S. Constitution to individuals—citizens and aliens alike—residing within our borders.

The protection and guarantees of the U.S. Constitution are not negotiable. The Taiwan Government has been effectively on notice since 1981 that any action taken by their agents against any individual in this country who is engaged in the lawful exercise of his or her civil and constitutional liberties would seriously jeopardize the warm relations between our governments.

Although Taiwanese authorities have convicted and sentenced two of the individuals charged by U.S. authorities with involvement in Henry Liu's murder and have permitted U.S. law enforcement officials to interview certain individuals in Taiwan implicated in Mr. Liu's death, Congress continues to expect the Taiwan Government to respond appropriately to all U.S. Government requests on this matter. More importantly, Congress expects the Government on Taiwan to cease and desist from interfering with any individuals freely exercising their civil liberties in this country. Failure to do so may result in congressional action to exercise appropriate prerogatives regarding United States-Taiwan relations. As I suggested in testimony before the Asian and Pacific Affairs Subcommittee on the Dr. Chen case back in 1981, if there continues to be evidence of espionage or harassment by Taiwan agents in the United States, the State Department should give serious consideration to cutting back the current number of CCNAA offices in the United States, which have grown from eight to eleven since the enactment of the Taiwan Relations Act.

In addition, the Department should consider requesting the withdrawal of all Taiwanese Government personnel who may be part of the intelligence services implicated in the ordering of the murder of this U.S. citizen. The conduct alleged in the case before us—of government sanctioned murder—is not the conduct of friends. Actions—not words—will be the response Congress will be looking for in the days ahead.

There are perhaps two larger lessons to be drawn from the issue before us today. First, the murder of Henry Liu emphasizes anew the stark reality of the institution of martial law in Taiwan—the intolerance it breeds for dissent both at home and abroad—and the comfort it provides those who subscribe to a doctrine of national security which subordinates basic respect for law and human rights to the self-interest of ruling authorities. As long as the broad brush of national security can be used to gloss over the excesses of the state, there can be no guarantee in the future that murderous acts will not reoccur. Nondemocratic governments which refuse to submit themselves to a genuine test of popular will are more easily seduced by the temptations of personal power and operate with far fewer of the restraints, checks

and balances which democratic governments, like our own, must respect.

The murder of Henry Liu must be seen in this larger context and the Government of Taiwan urged once again to repeal marital law and restore to the people of Taiwan a fully functioning democratic system.

Second, this incident underscores the need for Congress to take another look at the steps taken by our own Government since our hearings in 1981 to ensure that individuals of foreign descent in the United States are fully protected in the exercise of their civil and constitutional rights. The death first of Dr. Chen and now of Henry Liu, not to mention the years of less publicized accounts of harassment and intimidation of Taiwanese students on American campuses, have left everyone of Taiwanese descent living in America with a chilling message.

Tragically, they are not the first or only ones to have felt the terror of the long arm of a foreign government. Other aliens and U.S. citizens of foreign descent have too frequently been coerced by agents of foreign governments over the years. The activities of the Iranian Savak and the KCIA against Iranians and Koreans in the United States, particularly in the 1970's, have been well documented in congressional hearings and other public records. The assassination on the streets of Washington of the former Ambassador from Chile, Orlando Letelier, led to a U.S. grand jury indictment against agents associated with DINA, the Chilean secret police. And, prior to the expulsion of the Libyan diplomatic delegation from the United States in 1981, Libyan students living in the United States were also targeted by their home government.

The case with the most striking similarities to that of Henry Liu, however, goes back to the 1950's, when Jesus de Galindez, a Spanish exile who taught in the Dominican Republic before coming to the United States, was murdered for writing as Henry Liu did a book critical of a foreign head of state. Galindez, an instructor at Columbia University, wrote his doctoral thesis on Trujillo.

Agents of the Trujillo government in the Dominican Republic reportedly offered to buy Galindez's writings before they could be published but, like Henry Liu, who was likewise reported to have received similar offers to temper his description of Chiang Kai-shek and his family from Taiwan agents, he refused. Accounts of the Galindez case are not entirely clear. But it appears that he was kidnapped from his home in New York, drugged and flown secretly one night to the Dominican Republic never to be heard from again.

The Galindez incident became a cause celebre in Congress and caused a fundamental reassessment of our Government's policy toward the Trujillo regime in the Dominican Republic. Unless full accountability is established for this crime, a similar reassessment may occur toward the Government on Taiwan.

Mr. Speaker, this Congress does not want to hold more hearings and consider more legislation on this subject in the years to come. It is time to put an effective end to hostile acts of murder and censorship on U.S. soil. Congressman SOLARZ, Congressman MINETA and I have written to the House Intelligence Committee to request a full investigation into the extent of activity by foreign governments in the United States who harass and intimidate individuals exercising their civil and constitutional rights, as well as into the effectiveness of existing laws and the need for additional remedies.

In this regard, I want to commend the State Department, the Justice Department and the authorities in California, particularly the Daly City police, for their diligent efforts to pursue justice in this case and urge my colleagues to give their unanimous support to House Concurrent Resolution 110 in an effort to show the solidarity of the U.S. Congress in support for the concerns of Americans of Taiwanese descent. American civil liberties must never be considered fickle and less applicable to immigrants from an Asian or African country than to emigres from Northern Europe.

Finally, lest my colleagues think we are talking about an abstract problem, I would like to bring to the attention of the House the case of a leading citizen of my State of Iowa, Hualing Engle, a Chinese-born American novelist, married to one of America's most respected poets and founder of the University of Iowa's Writer's Workshop, Paul Engle.

Last fall, Hualing received an anonymous death threat because in a recent novel she apparently was not critical enough of the People's Republic of China, even though her father was executed by Mao Tse-tung, her brother killed while serving in the Taiwan Air Force, and she herself was a refugee who fled to Taiwan from the Communists in 1949.

This death threat, which is being investigated by the FBI is not of light consequence in that one of the individuals implicated in the murder of Henry Liu reputedly testified that in coming to our shores he was also asked to murder a prominent American novelist, name unmentioned. As recently as December 1984, Hualing Engle has been referenced in the Taiwan press as 1 of 12 American so-called "leftists" unfriendly to the Taiwan Government. There may be doubt she was targeted for murder, but there is little doubt that she is the object of Taiwan Government intimidation.

For a foreign government to censure its own press is a violation of civil liberties with which no American can sympathize; but for a foreign government to attempt to muzzle free literary expression in America itself is a high crime of a profoundly graver nature.

It is simply the height of naivete to think the Taiwanese Government does not penetrate Taiwanese organizations and keep close records on Taiwanese citizens and Taiwan-born Americans in this country.

Why, my colleagues might ask, does the Government have so much concern? Part of the answer presumably relates to the desire of Taiwanese authorities to repress potential criticism of their Government in the United States. Part is simply a reflection of paranoid authoritarianism. And part may be an understanding that the freedom of dissent that exists here causes America to be a safe haven for political ideas and prospective political organizing. Governments around the world understand that it is no accident leaders of the stature of Sun Yat Sen, Benigno Aquino, and Kim Dae Jung lived in exile at one time or another in the United States.

But whatever the reasons foreign governments may have for their efforts to stifle dissent in America, we have a responsibility to uphold without compromise our constitutional standards. It is one thing for a foreign government to establish repressive institutions within its borders, but there must never be any tolerance of any kind for intimidation of American citizens on American shores.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLARZ. Mr. Speaker, I yield 4 minutes to the very distinguished gentleman from California [Mr. LANTOS], in whose district the murder of Henry Liu took place, and who was among the very first to issue a call for congressional action in response to this dastardly deed.

□ 1330

Mr. LANTOS. Mr. Speaker, I thank the gentleman for yielding me this time, and I would like to pay public tribute to both the subcommittee chairman, the gentleman from New York [Mr. SOLARZ], and the gentleman from Iowa [Mr. LEACH] for the diligence and seriousness with which they have pursued this case.

Mr. Speaker, the issue before the House in this resolution is a matter of grave concern, with extremely serious and far-reaching implications for the relationship between the United States and the Government in Taiwan. These matters relate to the brutal murder of Mr. Henry Liu, an American

citizen of Daly City, CA, in my congressional district.

Although for us this is an important matter of national policy, for Mrs. Liu it is a very personal and tragic event, and I would like publicly to express my deepest and most sincere sympathy to her.

Mr. Speaker, it is unacceptable for U.S. citizens to be killed on American soil by individuals from other countries, whether these people are acting on their own authority or whether they are put up to these acts by government officials. It is in the best interest of justice, it is in the best interest of the United States, and it is in the best interest of the Government of Taiwan for this matter to be fully and fairly aired in an American court of law.

I, of course, understand that the United States and the Government of Taiwan have no treaty of extradition. This resolution urges the U.S. Government to reach agreement with the Government of Taiwan on an extradition procedure. It is important that this be done.

The lack of such a treaty must not prevent the Government of Taiwan from voluntarily returning the perpetrators of the murder of Henry Liu, as well as their accomplices, to the United States so they can be tried in California, where they committed this outrageous crime.

It is in the interest of the governments of Taiwan and the United States to close the book on this tragic and horrible event as quickly and as fully as possible. This cannot be accomplished except through court proceedings in an American court of law. Although individuals may be tried in Taiwan, the suspicion will inevitably linger that there might be a coverup.

It would be naive to suggest that this brutal murder has not cast a shadow upon the relations between the United States and Taiwan. It is, therefore, important for both our countries to remove that shadow by acting as expeditiously as possible to assure that the accused are returned to the United States and will stand trial.

In conclusion, Mr. Speaker, I would just like to add that we must insist upon opposing terrorism, whether it is perpetrated by Qadhafi of Libya or Khomeini of Iran or our friends in Taiwan, Terrorist activities on American soil will not be tolerated by either the American people or by the Congress of the United States.

Mr. LEACH of Iowa. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, this resolution, in its final form, is the result of a considerable amount of work at both the subcommittee and full committee levels.

Let me say that all of us are united in our condemnation of the brutal and disgusting murder of Henry Liu, an American citizen of Chinese descent who was shot down in front of his home last October.

In considering the practical implications of a resolution of this type, several issues had to be faced, including the fact that no legal extradition procedures exist between the United States and the Republic of China on Taiwan. So language to that effect was added. Moreover, most countries of the world, including ours, do not make it a practice to extradite their own citizens to other countries for purpose of standing trial.

Therefore, the language of this resolution had to be refined further so as to take into account the established legal procedures on Taiwan and to ask that the persons accused of murdering Henry Liu be sent to the United States in a manner consistent with those procedures.

I support this resolution and hope that the authorities in the Republic of China will be sensitive to the outcry in the United States over the murder of Henry Liu and the demand that justice be done.

I do believe, however, that the record should state that, short of returning the two accused gangsters to the United States to stand trial in this case, Taiwan has cooperated fully with the United States.

It was police authorities in Taiwan who first cracked the case last November and who reported their findings to American authorities immediately.

The Government of the Republic of China has made any and all documents and evidence in the case available to American investigators and allowed FBI agents to interrogate the two accused gangsters in the case for 17 hours in Taipei last January.

At no time has our State Department ever said or insinuated that the authorities in Taiwan have acted irresponsibly in this case.

The two accused gangsters have been convicted in Taiwanese courts and have been sentenced to life in prison. Three officials in the Military Intelligence Bureau who were implicated in the case are presently in a court-martial and if convicted, they face the likelihood of a sentence at least as harsh as that given to the gangsters.

Let me conclude by declaring again that I support this resolution. The murder of Henry Liu was a tragic and inexcusable crime committed against an American citizen and this resolution expresses our outrage.

Mr. LEACH of Iowa. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I thank my good friend, the gentleman from Iowa [Mr. LEACH], and I want to acknowledge that I endorse this resolution completely. I think it says what needs to be said. The murder of Henry Liu was an outrage, and anyone who was involved in it or who had anything to do with it ought to be brought to justice, and justice ought to be speedy, and it ought to be thorough.

That said, I think that a few other comments are necessary. First of all, the Government of Taiwan cannot be accused at this point in the proceedings of training and recruiting the gangsters who committed this murder. It is true that there are three people, citizens of Taiwan, who hold positions in or who formerly held positions in the military. The former Director of the Defense Ministry's Intelligence Bureau and two of his deputies have been tried before a court-martial last Friday. They have not yet been found quilty or innocent nor have they been sentenced.

But the point is that no demand for the return of these people has been made by our Federal Government, only by local authorities. I think that should be noted for the record, and I think it should be noted that the Taiwan authorities have cooperated with our Federal authorities.

Next, I think it is important to note that naming government officials for their involvement in a crime cannot be taken as evidence of official complicity in this matter. I do not think that the fact that these three people are being tried and have been tried, in addition to the two convicted murderers, necessarily means that this was an official act of the government. I think that is unfair and really ought not to be added to this debate.

The only other point I would make is that initially this resolution indicated that we wanted them sent back here. We want them returned here, but I think we need to recognize that there are legal processes that exist in Taiwan, the Republic of China, and that these legal processes ought to be respected and followed before we can properly request someone to be shipped back to us. It must be done according to the rule of law.

Now, it is ironical that Taiwan has been asking for an extradition agreement with us for many years.

□ 1340

It takes a tragedy like this to finally get some momentum going toward obtaining an extradition agreement, because Taiwan has some people over here they would like extradited back to their country.

But I think it is a good resolution. I share the horror of what happened. I hope and pray that justice will be effectively meted out and if, in accord-

ance with a reasonable construction of the law of the Republic of China, then these criminals should be returned here for trial.

Mr. SOLARZ. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MINETA], who has been one of the most eloquent exponents of this resolution and who testified before our committee on the issue several weeks ago.

Mr. MINETA. Mr. Speaker, I rise in strong support of House Concurrent Resolution 110. This legislation is appropriate, moderate, and timely, and I urge my colleagues to support it.

For those who are unfamiliar with the case that prompted this resolution, let me provide the main facts. Henry Liu was a U.S. citizen who was murdered in Daly City, CA, by gangsters acting as agents on behalf of a foreign government.

The murder was a blatant act of international terrorism. How else can we classify the brutal murder by foreign agents of U.S. citizens trying to exercise their constitutional right to speak and publish political commentary?

Several aspects of this case are particularly distressing to me.

First, is the failure of our own Federal Government to respond more boldly to this crime. Several weeks ago, a U.S. drug agent was tragically murdered in Mexico. The response by our Government was immediate and dramatic. When it appeared that the Mexican Government was not fully cooperating in solving the case, officials from the White House on down voiced their criticism. Borders were tightened, ambassadors were summoned—all to express the necessary and rightful outrage of both the crime and the subsequent inaction.

And yet, how many people know of Henry Liu? He was not a heroic U.S. Government agent, simply a U.S. citizen, who believed he was free to write what he wanted, and that our Federal Government would protect him. He was not killed in a foreign land by drug dealers. He was killed in his garage in California by foreign agents. And the U.S. Government's reaction has been inaction. While the FBI has investigated the case, the files sit in the cabinet gathering dust, because no Federal grand jury has been called by the U.S. attorney to decide if Mr. Liu's civil rights were violated.

I was terribly disappointed that the administration did not make a stronger effort to have these criminals returned to the United States for trial. The government on Taiwan is currently trying those involved in the killing, including the three top officials of their defense intelligence service. Frankly, I am not confident that we will learn all of the facts of this act of terrorism as long as the only trials occurring are those in Taiwan. This was a crime occurring in our country; it requires U.S. justice: a full hearing, in an open courtroom.

I deeply regret that the government of Taiwan did not return the criminals to the United States for trial. For a government which claims to want close friendship with the United States, their behavior is curious. For a government who depends on the United States for millions of dollars of arms, their behavior is curious. The murder of Henry Liu has put a thorn in the side of United States-Taiwanese relations, a thorn whose pain will remain in this Member's mind for a long time to come.

Mr. Speaker, as a former member of the House Permanent Select Committee on Intelligence, I deplore the activities of all foreign agents in this Nation. I deplore the activities of those agents who work for our adversaries, and I deplore the activities of those who work for our would-be friends. Those who would call themselves friend, but send spies to surveil and harass our citizens, endanger that friendship.

Along with Mr. SOLARZ and Mr. LEACH, I have written to the chairman of the Intelligence Committee requesting his assistance in studying this problem, and I will insert our letter and Mr. HAMILTON's reply for the RECORD following my remarks.

Mr. Speaker, this case has been a tragedy for the family of Henry Liu, and for all Americans of Asian ancestry. I urge my colleagues to demonstrate their awareness and concern for this sad event by approving House Concurrent Resolution 110.

In closing, Mr. Speaker, let me just add my deep thanks to Mr. SOLARZ, Mr. LEACH, Mr. LANTOS, and Mr. LAGOMARSINO without whose hard work this resolution would not be before us today.

I include the material referred to, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 14, 1985.

Hon. LEE H. HAMILTON,
Permanent Select Committee on Intelligence, H-405, The Capitol, Washington, DC.

DEAR CHAIRMAN HAMILTON: As you may know, a United States citizen named Henry Liu was recently murdered in California by agents of the government of Taiwan. Mr. Liu's killing was apparently the result of his writings, which have been critical of the Taiwan government.

The two men identified by the FBI as being directly responsible for the killing are now in Taiwan, and will not be returned to the United States for trial in our courts. In addition, the three top officials of the Taiwan military intelligence agency have been linked to this killing.

Our review of this case has raised serious questions about the extent of activity within this country of foreign agents who harass and intimidate U.S. citizens and residents seeking to exercise their rights under our Constitution. In the last few years, Congressional studies and news reports have increasingly highlighted this important problem.

We are particularly concerned about the Liu case, and other reports of extensive activities directly against U.S. citizens by agents of friendly nations such as Taiwan. We, therefore, urge that your committee investigate this problem with special emphasis on the activities of agents of Taiwan and other countries.

We are interested in your conclusions on the magnitude of such activity, the effectiveness of existing laws, and what administrative or legislative steps need to be taken to relieve this unwelcome and unlawful intrusion into the lives of our citizens and residents.

We look forward to the results of your investigation with great anticipation, and are ready to work with you and your staff in this work.

Thank you very much.

Sincerely yours,

NORMAN Y. MINETA,
STEPHEN J. SOLARZ,
JIM LEACH,
Members of Congress.

U.S. HOUSE OF REPRESENTATIVES,
PERMANENT SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, April 4, 1985.

Hon. NORMAN Y. MINETA,
2350 Rayburn House Office Building, Washington, DC.

DEAR NORM: Thank you for your letter of March 14 urging that the Permanent Select Committee on Intelligence investigate activities against U.S. citizens in this country by agents of friendly nations, such as Taiwan.

Responsibility for investigating and preventing such activities rests with the Federal Bureau of Investigation. The Committee authorizes the Foreign Counterintelligence budget of the FBI and conducts regular oversight over the Bureau's counterintelligence activities. The FBI applies its resources and energies against the intelligence services of foreign countries on a case-by-case basis. Some countries, such as the Soviet Union, have a history as well as a current profile of active espionage within the U.S. and require major proactive efforts. Other countries may conduct intelligence activities in the U.S. but do not pose a threat to U.S. citizens or classified information. Here the Bureau's response is reactive.

The FBI has an obligation to respond to any allegations made to the Bureau of harassment or intimidation by a foreign intelligenc service of U.S. citizens or residents in this country. Overall, the FBI believes that foreign nations that may be interested in the activities of U.S. residents of the same national strain or who may attempt to influence such persons must temper these desires with the awareness that the Bureau monitors their activities carefully and is capable of acting to prevent such activities.

It is clear to me that the Bureau must take a proactive stance against some nations and a reactive one versus others who represent less of a threat. This sort of a posture naturally follows from the application of finite resources against the threat from a very large foreign presence in this country.

The Permanent Select Committee on Intelligence has devoted particular attention to this problem in the last four years and has consistently supported or added to FBI foreign counterintelligence personnel augmentations. I believe the Committee is im-

pressed by the Bureau's desire to cover any possible counterintelligence threat to our citizens and I have no information which would contradict their statements to the Committee that, with regard to so-called friendly nations whose intelligence services may be active in this country, the Bureau's efforts are adequately sized and funded in the context of overall FBI resources.

The Committee feels that its inquiry into this question with, as you have pointed out, the background of previous Congressional expressions of concern in this area, may help to reaffirm that the Bureau's efforts should continue to be directed in the future towards providing adequate resources to address this problem. The Committee will continue to review this issue from time to time and would appreciate any information which you can supply now or in the future which would assist in ensuring that the Bureau's efforts are well focused and appropriately sized in view of the nature of friendly intelligence activities in the United States.

I cannot assure you that incidents such as the Liu case will not occur in the future, but I do point out that the Bureau's reaction to the murder of Professor Liu has been swift and, I believe, effective. The Bureau believes that the Liu case is unusual in many respects and does not represent a pattern of harassment of Americans by the Taiwanese intelligence services.

Finally, I have suggested to the Bureau that the Committee would be sympathetic to any reallocaton of investigative effort it may feel is called for in light of any possible increased threat or enhanced appreciation of such a threat in this area.

With best wishes, I am,

Sincerely yours,

LEE H. HAMILTON,
Chairman.

Mr. LEACH of Iowa. Mr. Speaker, let me just comment briefly that I appreciate very much the leadership of the gentleman from New York [Mr. SOLARZ] and the rest of the committee, but particularly also the comments of the gentleman from California [Mr. MINETA] indicating that this is a civil liberties issue.

I think all of us have to understand that we cannot allow our system to be one in which civil liberties are considered fickle and in which there is less concern for descendants of an Asian or African state than there might be for those of a northern European one.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding. I may require an extension of that 1 minute.

Mr. Speaker, I appreciate the gentleman yielding. I would have had no difficulty at all at the outset of the pending resolution if the facts had yielded a situation in which no action at all was being taken by the Government from which these assassins came; that is, if we had been placed in a situation where a foreign government was granting sanctuary to its own citizens to prevent them from coming to justice, so speak, then I would have no difficulty with this, because the outrage would have been replicated much more than the outrage is being fomented in this resolution; but the fact of the matter is that the Government of Formosa, so far as I have been able to uncover, took action on its own to bring this to justice.

Mr. LANTOS. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. LEACH of Iowa. Mr. Speaker, I would be delighted to yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. GEKAS. I yield to the gentleman from California.

Mr. LANTOS. Mr. Speaker, I thank my friend for yielding.

The issue here is not an ordinary garden variety murder case. We understand that the people who pulled the trigger have been tried and have been convicted.

The fundamental issue is how high up in the hierarchy of the Taiwan Government did the orders come from that made these gangsters pull the trigger? That issue will not be resolved by a Taiwanese court. That issue will have to be resolved in a California court.

Mr. GEKAS. Mr. Speaker, I would regain my time simply to say that I feel a basic comfort in the fact that this very same government took the pains to bring those individuals to justice for whatever level of administration of justice is going to be undertaken on the Island of Formosa. That does not detract from the validity of this resolution, and I support the resolution.

I simply wish to place on record that many of us have reservation about a huge outcry on our part of a country that is taking measures to bring these individuals to justice and to comply with requests from our Government; not so with other governments also friendly to us who grant sanctuary to assassins and other criminals of similar ilk. That is the point that I wanted to bring up.

I thank the gentleman for yielding.

□ 1350

Mr. SOLARZ. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, three reputed gangsters have recently been sentenced for the slaying in Daly City, CA, of Asian American author Henry Liu. They were not sentenced in San Mateo County, CA, where the assassination took place. They were not sentenced in a court of the United States. Rather, the alleged murderers of Henry Liu, an American citizen shot to death on American soil, were sentenced in a court in Taipei, Taiwan.

I strongly encourage the Government of Taiwan to voluntarily return the perpetrators of this crime to the United States.

The fact that the United States and the government in Taiwan have no treaty of extradition serves only as a fence behind which suspicion will grow. It is in the mutual interest of the Government of Taiwan and the Government of the United States to remove this barrier. A trial in Taiwan, even one which is conducted in a fair and open manner, does not remove that suspicion. Only a trial in an American court of law can adequately remove any suspicion of a coverup on the part of the Taiwan authorities.

I strongly urge my colleagues to support House Concurrent Resolution 110 which will make known the sense of the Congress that Taiwan should continue to cooperate in the case of Henry Liu and to conclude an extradition agreement.

Mr. Speaker, I would like to congratulate the gentleman from New York [Mr. SOLARZ] and the gentleman from Iowa [Mr. LEACH], and certainly I would like to congratulate the gentleman from California [Mr. MINETA] in the sense that they have brought this issue to the public conscience of the American people.

I would just like to say one thing in the remaining 30 seconds I have. You know, this is not a situation where the crime occurred in Taiwan or some foreign country. The crime occurred in Daly City, CA. This was an American citizen, and I just have to believe that it was an outrageous situation.

We do not know how far it went but if it were a Greek American citizen who was killed in Pennsylvania, I think perhaps the gentleman who just spoke might have a different attitude about this and might say no, this person should not be tried in Greece; this person should be tried in the United States. And I think that is where the mistake is coming from.

This happened in this country. It was an American citizen.

Mr. GEKAS. Will the gentleman yield?

Mr. MATSUI. I will yield to the gentleman whatever time I have remaining.

Mr. GEKAS. I have never placed the rights of American citizens under any coloration of ethnic background or of any race. Of course I would react the same way.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. MATSUI] has expired.

Mr. LEACH of Iowa. I yield the gentleman from Pennsylvania [Mr. GEKAS] 1 additional minute.

Mr. GEKAS. I think it is unseemly on the part of my comrade in arms here in the Congress to ascribe to me any kind of ethnic considerations here. There are none. We are not talking about that.

What we are talking about is, and the only comment I made was this is

totally a different situation from where a country normally many times grants sanctuary to its citizens rather than prosecuting them. Here the Government of Formosa, of Taiwan, did take, in comparison, some other extraordinary measures to bring the culprits to justice. That is the only comment I made. It has nothing to do with the ethnicity or the ethnic background of the victim.

Mr. SOLARZ. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLARZ] has 2 minutes remaining.

Mr. SOLARZ. Mr. Speaker, I yield one of my precious 2 remaining minutes to my very good friend, the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I want to commend the gentleman from New York [Mr. SOLARZ] and my colleague from Iowa [Mr. LEACH] for this resolution. I think it is very important to do this for all Americans.

I had the privilege of representing the Liu in Congress for 2 years, and along with my colleague from California [Mr. LANTOS], I want to express my deepest sympathy to the Henry Liu family who have suffered an irreversible loss.

Why is what we do here today important to all Americans? First of all, we have to take a stand against terrorism in our own country. If we do nothing, there is a chilling effect on all our citizens who could be the victim of foreign terrorism, because they are exercising their rights of freedom of press, freedom of speech, rights that we treasure here in our Nation. So we must protect the rights of all Americans to be defended by our criminal justice system, the greatest criminal justice system in the world.

Mr. Liu deserves nothing less.

I yield back the balance of my time.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

I would just like to conclude with the observation made by the gentleman from Pennsylvania [Mr. GEKAS]. It is impressive that the Government of Taiwan has convicted and sentenced to life imprisonment two of the triggermen involved in this incident. It is also impressive that they have brought to trial a higher ranking authority, although that verdict is still out.

But I would stress from the perspective of the United States that the higher ranking authorities that have so far been implicated, or at least the highest ranking authority that has so far been implicated, is the equivalent of what might be considered the head of our Defense Intelligence Agency or the head of the CIA. So it is an extraordinarily high ranking authority of a foreign state.

Finally let me just stress that there are indications that two murders were ordered by high ranking authorities of Taiwan. One was a citizen of the State of California; one was possibly a citizen of the State of Iowa. And as a citizen of the United States, we have to ask why were their murders ordered? They were ordered because these citizens criticized a foreign government. That is an extraordinary motivation: criticism, one a literator, one a journalist. For our society to tolerate the kind of behavior implied in this act without a very strong sense of outrage being reflected in this Congress I think would be a mistake.

I yield back the balance of my time.

Mr. SOLARZ. Mr. Speaker, I yield myself the remaining time.

In conclusion I would just like to say that if this was an isolated incident it would have been bad enough. What makes matters worse is that it is part of a pattern.

Four years ago the authorities on Taiwan murdered a permanent resident in the United States, Chen Wen-Cheng, a professor at the Carnegie-Mellon Institute in Pittsburgh, on a return visit which he made to see his family in Taiwan. In the interim there have been persistent reports that the authorities on Taiwan are intimidating Taiwanese Americans in our country. The bullet which was aimed at the heart of Henry Liu was also aimed at the heart of the Constitution of the United States. It was designed not only to silence Mr. Liu, it was designed to silence other critics of the Government of Taiwan.

That is why we need to adopt this resolution, in order to make it clear to the authorities on Taiwan that the Congress simply will not tolerate these activities in the future.

Mr. Speaker, I yield back the balance of my time.

● Mrs. BURTON of California. Mr. Speaker, I urge the House to pass this important resolution, which calls on the Government of Taiwan to cooperate in the case of Henry Liu and the extradition of the men accused of his murder.

Passage of this bill by the House today will send a strong message to Taiwan that the United States will not tolerate foreign nationals assassinating Americans.

The involvement of Taiwanese Government officials in this cold-blooded crime makes it all the more outrageous. I am committed to continue to pressure the Taiwanese Government and to ensure that our own Justice Department actively pursues this case.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 110.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXPORT ADMINISTRATION ACT REAUTHORIZATION

Mr. BONKER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1786) to reauthorize the Export Administration Act of 1979, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

Titles I and II of this Act may be cited as the "Export Administration Amendments Act of 1985".

TITLE I—AMENDMENTS TO EXPORT ADMINISTRATION ACT OF 1979

SEC. 101. REFERENCE TO THE ACT.

Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the the Export Administration Act of 1979.

SEC. 102. FINDINGS.

Section 2 (50 U.S.C. App. 2401) is amended as follows:

(1) Paragraph (2) is amended by striking out "by strengthening the trade balance and the value of the United States dollar, thereby reducing inflation" and inserting in lieu thereof "by earning foreign exchange, thereby contributing favorably to the trade balance".

(2) Paragraph (3) is amended by striking out "which would strengthen the Nation's economy" and inserting in lieu thereof "consistent with the economic, security, and foreign policy objectives of the United States".

(3) Paragraph (6) is amended to read as follows:

"(6) Uncertainty of export control policy can inhibit the efforts of United States business and work to the detriment of the overall attempt to improve the trade balance of the United States.".

(4) Paragraph (9) is amended by striking out "achievement of a positive balance of payments" and inserting in lieu thereof "a positive contribution to the balance of payments".

(5) Section 2 is amended by adding at the end the following:

"(10) It is important that the administration of export controls imposed for foreign policy purposes give special emphasis to the need to control exports of goods and substances hazardous to the public health and the environment which are banned or severely restricted for use in the United States, and which, if exported, could affect the international reputation of the United States as a responsible trading partner.

"(11) The acquisition of national security sensitive goods and technology by the Soviet Union and other countries the actions or policies of which run counter to the national security interests of the United States, has led to the significant enhancement of Soviet bloc military-industrial capabilities. This enhancement poses a threat to the security of the United States, its allies, and other friendly nations, and places additional demands on the defense budget of the United States.

"(12) Availability to controlled countries of goods and technology from foreign sources is a fundamental concern of the United States and should be eliminated through negotiations and other appropriate means whenever possible.

"(13) Excessive dependence of the United States, its allies, or countries sharing common strategic objectives with the United States, on energy and other critical resources from potential adversaries can be harmful to the mutual and individual security of all those countries.".

SEC. 103. DECLARATION OF POLICY.

Section 3 (50 U.S.C. App. 2402) is amended as follows:

(1) Paragraph (3) is amended by inserting before the period at the end "or common strategic objectives".

(2) Paragraph (7) is amended—

(A) by striking out "every reasonable effort" in the second sentence and inserting in lieu thereof "reasonable and prompt efforts"; and

(B) by striking out "resorting to the imposition of controls on exports from the United States" in the second sentence and inserting in lieu thereof "imposing export controls".

(3) Paragraph (8) is amended—

(A) by striking out "every reasonable effort" in the second sentence and inserting in lieu thereof "reasonable and prompt efforts"; and

(B) by striking out "resorting to the imposition of export controls" in the second sentence and inserting in lieu thereof "imposing export controls".

(4) Paragraph (9) is amended—

(A) by inserting "or common strategic objectives" after "commitments" each place it appears; and

(B) by inserting before the period at the end the following: ", and to encourage other friendly countries to cooperate in restricting the sale of goods and technology that can harm the security of the United States".

(5) Section 3 is amended by adding at the end the following:

"(12) It is the policy of the United States to sustain vigorous scientific enterprise. To do so involves sustaining the ability of scientists and other scholars freely to communicate research findings, in accordance with applicable provisions of law, by means of publication, teaching, conferences, and other forms of scholarly exchange.

"(13) It is the policy of the United States to control the export of goods and substances banned or severely restricted for use in the United States in order to foster public health and safety and to prevent injury to the foreign policy of the United States as well as to the credibility of the United States as a responsible trading partner.

"(14) It is the policy of the United States to cooperate with countries which are allies of the United States and countries which share common strategic objectives with the United States in minimizing dependence on imports of energy and other critical resources from potential adversaries and in developing alternative supplies of such resources in order to minimize strategic threats posed by excessive hard currency earnings derived from such resource exports by countries with policies adverse to the security interests of the United States.

"(15) It is the policy of the United States, particularly in light of the Soviet massacre of innocent men, women, and children aboard Korean Air Lines flight 7, to continue to object to exceptions to the International Control List for the Union of Soviet Socialist Republics, subject to periodic review by the President.".

SEC. 104. GENERAL PROVISIONS.

(a) VALIDATED LICENSES AUTHORIZING MULTIPLE EXPORTS.—Section 4(a)(2) (50 U.S.C. App. 2403(a)(2)) is amended to read as follows:

"(2) Validated licenses authorizing multiple exports, issued pursuant to an application by the exporter, in lieu of an individual validated license for each such export, including, but not limited to, the following:

"(A) A distribution license, authorizing exports of goods to approved distributors or users of the goods in countries other than controlled countries. The Secretary shall grant the distribution license primarily on the basis of the reliability of the applicant and foreign consignees with respect to the prevention of diversion of goods to controlled countries. The Secretary shall have the responsibility of determining, with the assistance of all appropriate agencies, the reliability of applicants and their immediate consignees. The Secretary's determination shall be based on appropriate investigations of each applicant and periodic reviews of licensees and their compliance with the terms of licenses issued under this Act. Factors such as the applicant's products or volume of business, or the consignees' geographic location, sales distribution area, or degree of foreign ownership, which may be relevant with respect to individual cases, shall not be determinative in creating categories or general criteria for the denial of applications or withdrawal of a distribution license.

"(B) A comprehensive operations license, authorizing exports and reexports of technology and related goods, including items from the list of militarily critical technologies developed pursuant to section 5(d) of this Act which are included on the control list in accordance with that section, from a domestic concern to and among its foreign subsidiaries, affiliates, joint venturers, and licensees that have long-term, contractually defined relations with the exporter, are located in countries other than controlled countries, and are approved by the Secretary. The Secretary shall grant the license to manufacturing, laboratory, or related operations on the basis of approval of the exporter's systems of control, including internal proprietary controls, applicable to the technology and related goods to be exported rather than approval of individual export transactions. The Secretary and the Commissioner of Customs, consistent with their authorities under section 12(a) of this Act, and with the assistance of all appropriate agencies, shall periodically, but not less frequently than annually, perform audits of licensing procedures under this subparagraph in order to assure the integrity and effectiveness of those procedures.

"(C) A project license, authorizing exports of goods or technology for a specified activity.

"(D) A service supply license, authorizing exports of spare or replacement parts for goods previously exported.".

(b) CONTROL LIST.—Section 4(b) is amended—

(1) by striking out "Commodity" and "commodity"; and

(2) by striking out "consisting of any goods or technology subject to export controls under this Act" and inserting in lieu thereof "stating license requirements (other than for general licenses) for exports of goods and technology under this Act".

(c) FOREIGN AVAILABILITY.—Section 4(c) is amended—

(1) by striking out "significant" and inserting in lieu thereof "sufficient";

(2) by inserting after "those produced in the United States" the following: "so as to render the controls ineffective in achieving their purposes"; and

(3) by adding at the end the following: "In complying with the provisions of this subsection, the President shall give strong emphasis to bilateral or multilateral negotiations to eliminate foreign availability. The Secretary and the Secretary of Defense shall cooperate in gathering information relating to foreign availability, including the establishment and maintenance of a jointly operated computer system.".

(d) NOTIFICATION OF PUBLIC AND CONSULTATION WITH BUSINESS.—Section 4(f) is amended to read as follows:

"(f) NOTIFICATION OF THE PUBLIC; CONSULTATION WITH BUSINESS.—The Secretary shall keep the public fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging trade. The Secretary shall meet regularly with representatives of a broad spectrum of enterprises, labor organizations, and citizens interested in or affected by export controls, in order to obtain their views on United States export control policy and the foreign availability of goods and technology.".

SEC. 105. NATIONAL SECURITY CONTROLS.

(a) AUTHORITY.—

(1) TRANSFERS TO EMBASSIES OF CONTROLLED COUNTRIES.—Section 5(a)(1) (50 U.S.C. App. 2404(a)(1)) is amended by inserting after the first sentence the following new sentence: "The authority contained in this subsection includes the authority to prohibit or curtail the transfer of goods or technology within the United States to embassies and affiliates of controlled countries.".

(2) CLERICAL AMENDMENT.—Section 5(a)(2) is amended—

(A) by striking out "(A)"; and

(B) by striking out subparagraph (B).

(3) SAFEGUARDS TO PREVENT DIVERSIONS.—Section 5(a)(3) is amended by striking out the last sentence.

(b) POLICY TOWARD INDIVIDUAL COUNTRIES.—

(1) CONTROLLED COUNTRIES.—Section 5(b) is amended by striking out the first sentence and inserting in lieu thereof the following: "(1) In administering export controls for national security purposes under this section, the President shall establish as a list of con-

trolled countries those countries set forth in section 620(f) of the Foreign Assistance Act of 1961, except that the President may add any country to or remove any country from such list of controlled countries if he determines that the export of goods or technology to such country would or would not (as the case may be) make a significant contribution to the military potential of such country or a combination of countries which would prove detrimental to the national security of the United States. In determining whether a country is added to or removed from the list of controlled countries, the President shall take into account—

"(A) the extent to which the country's policies are adverse to the national security interests of the United States;

"(B) the country's Communist or non-Communist status;

"(C) the present and potential relationship of the country with the United States;

"(D) the present and potential relationships of the country with countries friendly or hostile to the United States;

"(E) the country's nuclear weapons capability and the country's compliance record with respect to multilateral nuclear weapons agreements to which the United States is a party; and

"(F) such other factors as the President considers appropriate.

Nothing in the preceding sentence shall be interpreted to limit the authority of the President provided in this Act to prohibit or curtail the export of any goods or technology to any country to which exports are controlled for national security purposes other than countries on the list of controlled countries specified in this paragraph.".

(2) EXPORTS TO COCOM COUNTRIES.—Section 5(b) is amended by adding at the end the following:

"(2) No authority or permission to export may be required under this section before goods or technology are exported in the case of exports to a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement of the group known as the Coordinating Committee, if the goods or technology is at such a level of performance characteristics that the export of the goods or technology to controlled countries requires only notification of the participating governments of the Coordinating Committee.".

(3) TECHNICAL AMENDMENT.—Section 5(b)(1), as amended by paragraph (1) of this subsection, is amended in the last sentence by striking out "specified in the preceding sentence" and inserting in lieu thereof "set forth in this paragraph".

(c) CONTROL LIST.—

(1) ANNUAL REVIEW.—Section 5(c) is amended—

(A) in paragraph (1) by striking out "commodity"; and

(B) by amending paragraph (3) to read as follows:

"(3) The Secretary shall review the list established pursuant to this subsection at least once each year in order to carry out the policy set forth in section 3(2)(A) of this Act and the provisions of this section, and shall promptly make such revisions of the list as may be necessary after each such review. Before beginning each annual review, the Secretary shall publish notice of that annual review in the Federal Register. The Secretary shall provide an opportunity during such review for comment and the submission of data, with or without oral presentation, by interested Government agencies and other affected or potentially affected parties. The Secretary shall publish in the Federal Register any revisions in the list, with an explanation of the reasons for the revisions. The Secretary shall further assess, as part of such review, the availability from sources outside the United States of goods and technology comparable to those subject to export controls imposed under this section.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1)(B) of this subsection shall take effect on October 1, 1985.

(d) EXPORT LICENSES.—Section 5(e) is amended—

(1) in paragraph (1) by striking out "a qualified general license in lieu of a validated license" and inserting in lieu thereof "the multiple validated export licenses described in section 4(a)(2) of this Act in lieu of individual validated licenses"; and

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) The Secretary, subject to the provisions of subsection (1) of this section, shall not require an individual validated export license for replacement parts which are exported to replace on a one-for-one basis parts that were in a good that has been lawfully exported from the United States.

"(4) The Secretary shall periodically review the procedures with respect to the multiple validated export licenses, taking appropriate action to increase their utilization by reducing qualification requirements or lowering minimum thresholds, to combine procedures which overlap, and to eliminate those procedures which appear to be of marginal utility.

"(5) The export of goods subject to export controls under this section shall be eligible, at the discretion of the Secretary, for a distribution license and other licenses authorizing multiple exports of goods, in accordance with section 4(a)(2) of this Act. The export of technology and related goods subject to export controls under this section shall be eligible for a comprehensive operations license in accordance with section 4(a)(2)(B) of this Act.".

(e) INDEXING.—Section 5(g) is amended to read as follows:

"(g) INDEXING.—In order to ensure that requirements for validated licenses and other licenses authorizing multiple exports are periodically removed as goods or technology subject to such requirements becomes obsolete with respect to the national security of the United States, regulations issued by the Secretary may, where appropriate, provide for annual increases in the performance levels of goods or technology subject to any such licensing requirement. The regulations issued by the Secretary shall establish as one criterion for the removal of goods or technology from such license requirements the anticipated needs of the military of controlled countries. Any such goods or technology which no longer meets the performance levels established by the regulations shall be removed from the list established pursuant to subsection (c) of this section unless, under such exceptions and under such procedures as the Secretary shall prescribe, any other department or agency of the United States objects to such removal and the Secretary determines, on the basis of such objection, that the goods or technology shall not be removed from the list. The Secretary shall also consider, where appropriate, removing site visitation requirements for goods and technology which are removed from the list unless objections described in this subsection are raised.".

(f) MULTILATERAL EXPORT CONTROLS.—Section 5(i) is amended—

(1) by striking out paragraph (3);

(2) in paragraph (4)—

(A) by striking out "(4)" and inserting in lieu thereof "(3)"; and

(B) by striking out "pursuant to paragraph (3)" and inserting in lieu thereof "by the members of the Committee"; and

(3) by adding at the end the following:

"(4) Agreement to enhance full compliance by all parties with the export controls imposed by agreement of the Committee through the establishment of appropriate mechanisms.

"(5) Agreement to improve the International Control List and minimize the approval of exceptions to that list, strengthen enforcement and cooperation in enforcement efforts, provide sufficient funding for the Committee, and improve the structure and function of the Secretariat of the Committee by upgrading professional staff, translation services, data base maintenance, communications, and facilities.

"(6) Agreement to coordinate the systems of export control documents used by the participating governments in order to verify effectively the movement of goods or technology subject to controls by the Committee from the country of any such government to any other place.

"(7) Agreement to establish uniform, adequate criminal and civil penalties to deter more effectively diversions of items controlled for export by agreement of the Committee.

"(8) Agreement to increase on-site inspections by national enforcement authorities of the participating governments to ensure that end users who have imported items controlled for export by agreement of the Committee are using such items for the stated end uses, and that such items are, in fact, under the control of those end users.

"(9) Agreement to strengthen the Committee so that it functions effectively in controlling export trade in a manner that better protects the national security of each participant to the mutual benefit of all participants.".

(g) COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES.—Section 5(j) is amended to read as follows:

"(j) COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES.—(1) Any United States firm, enterprise, or other nongovernmental entity which enters into an agreement with any agency of the government of a controlled country, that calls for the encouragement of technical cooperation and that is intended to result in the export from the United States to the other party of unpublished technical data of United States origin, shall report to the Secretary the agreement with such agency in sufficient detail.

"(2) The provisions of paragraph (1) shall not apply to colleges, universities, or other educational institutions.".

(h) NEGOTIATIONS WITH OTHER COUNTRIES.—Section 5(k) is amended—

(1) by inserting after "conducting negotiations with other countries" the following: ", including those countries not participating in the group known as the Coordinating Committee,"; and

(2) by adding at the end the following: "In cases where such negotiations produce agreements on export restrictions comparable in practice to those maintained by the Coordinating Committee, the Secretary shall treat exports, whether by individual or multiple licenses, to countries party to such

agreements in the same manner as exports to members of the Coordinating Committee are treated, including the same manner as exports are treated under subsection (b)(2) of this section and section 10(o) of this Act.".

(i) DIVERSION OF CONTROLLED GOODS OR TECHNOLOGY.—Section 5(l) is amended to read as follows:

"(l) DIVERSION OF CONTROLLED GOODS OR TECHNOLOGY.—(1) Whenever there is reliable evidence, as determined by the Secretary, that goods or technology which were exported subject to national security controls under this section to a controlled country have been diverted to an unauthorized use or consignee in violation of the conditions of an export license, the Secretary for as long as that diversion continues—

"(A) shall deny all further exports, to or by the party or parties responsible for that diversion or who conspired in that diversion, of any goods or technology subject to national security controls under this section, regardless of whether such goods or technology are available from sources outside the United States; and

"(B) may take such additional actions under this Act with respect to the party or parties referred to in subparagraph (A) as the Secretary determines are appropriate in the circumstances to deter the further unauthorized use of the previously exported goods or technology.

"(2) As used in this subsection, the term 'unauthorized use' means the use of United States goods or technology in the design, production, or maintenance of any item on the United States Munitions List, or the military use of any item on the International Control List of the Coordinating Committee.".

(j) ADDITIONAL NATIONAL SECURITY PROVISIONS.—Section 5 is amended by adding at the end the following new subsections:

"(m) GOODS CONTAINING MICROPROCESSORS.—Export controls may not be imposed under this section on a good solely on the basis that the good contains an embedded microprocessor, if such microprocessor cannot be used or altered to perform functions other than those it performs in the good in which it is embedded. An export control may be imposed under this section on a good containing an embedded microprocessor referred to in the preceding sentence only on the basis that the functions of the good itself are such that the good, if exported, would make a significant contribution to the military potential of any other country or combination of countries which would prove detrimental to the national security of the United States.

"(n) SECURITY MEASURES.—The Secretary and the Commissioner of Customs, consistent with their authorities under section 12(a) of this Act, and in consultation with the Director of the Federal Bureau of Investigation, shall provide advice and technical assistance to persons engaged in the manufacture or handling of goods or technology subject to export controls under this section to develop security systems to prevent violations or evasions of those export controls.

"(o) RECORDKEEPING.—The Secretary, the Secretary of Defense, and any other department or agency consulted in connection with a license application under this Act or a revision of a list of goods or technology subject to export controls under this Act, shall make and keep records of their respective advice, recommendations, or decisions in connection with any such license application or revision, including the factual and analytical basis of the advice, recommendations, or decisions.

"(p) NATIONAL SECURITY CONTROL OFFICE.—To assist in carrying out the policy and other authorities and responsibilities of the Secretary of Defense under this section, there is established in the Department of Defense a National Security Control Office under the direction of the Under Secretary of Defense for Policy. The Secretary of Defense may delegate to that office such of those authorities and responsibilities, together with such ancillary functions, as the Secretary of Defense considers appropriate.

"(q) EXCLUSION FOR AGRICULTURAL COMMODITIES.—This section does not authorize export controls on agricultural commodities, including fats, oils, and animal hides and skins.".

SEC. 106. MILITARILY CRITICAL TECHNOLOGIES.

(a) Section 5(d) (50 U.S.C. App. 2404(d)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B) by striking out "and" after "test equipment,";

(B) by adding "and" at the end of subparagraph (C);

(C) by inserting after subparagraph (C) the following:

"(D) keystone equipment which would reveal or give insight into the design and manufacture of a United States military system,"; and

(D) by striking out "countries to which exports are controlled under this section" and inserting in lieu thereof the following: ", or available in fact from sources outside the United States to, controlled countries"; and

(2) by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) The Secretary and the Secretary of Defense shall integrate items on the list of militarily critical technologies into the control list in accordance with the requirements of subsection (c) of this section. The integration of items on the list of militarily critical technologies into the control list shall proceed with all deliberate speed. Any disagreement between the Secretary and the Secretary of Defense regarding the integration of an item on the list of militarily critical technologies into the control list shall be resolved by the President. Except in the case of a good or technology for which a validated license may be required under subsection (f)(4) or (h)(6) of this section, a good or technology shall be included on the control list only if the Secretary finds that controlled countries do not possess that good or technology, or a functionally equivalent good or technology, and the good or technology or functionally equivalent good or technology is not available in fact to a controlled country from sources outside the United States in sufficient quantity and of comparable quality so that the requirement of a validated license for the export of such good or technology is or would be ineffective in achieving the purpose set forth in subsection (a) of this section. The Secretary and the Secretary of Defense shall jointly submit a report to the Congress, not later than 1 year after the date of the enactment of the Export Administration Amendments Act of 1985, on actions taken to carry out this paragraph. For the purposes of this paragraph, assessment of whether a good or technology is functionally equivalent shall include consideration of the factors described in subsection (f)(3) of this section.

"(5) The Secretary of Defense shall establish a procedure for reviewing the goods and technology on the list of militarily critical technologies at least annually for the purpose of removing from the list of militarily critical technologies any goods or technology that are no longer militarily critical. The Secretary of Defense may add to the list of militarily critical technologies any good or technology that the Secretary of Defense determines is militarily critical, consistent with the provisions of paragraph (2) of this subsection. If the Secretary and the Secretary of Defense disagree as to whether any change in the list of militarily critical technologies by the addition or removal of a good or technology should also be made in the control list, consistent with the provisions of the fourth sentence of paragraph (4) of this subsection, the President shall resolve the disagreement.

"(6) The establishment of adequate export controls for militarily critical technology and keystone equipment shall be accompanied by suitable reductions in the controls on the products of that technology and equipment.

"(7) The Secretary of Defense shall, not later than 1 year after the date of the enactment of the Export Administration Amendments Act of 1985, report to the Congress on efforts by the Department of Defense to assess the impact that the transfer of goods or technology on the list of militarily critical technologies to controlled countries has had or will have on the military capabilities of those countries.".

SEC. 107. FOREIGN AVAILABILITY.

(a) CONSULTATIONS ON FOREIGN AVAILABILITY.—Section 5(f)(1) (50 U.S.C. App. 2404(f)(1)) is amended by inserting after "The Secretary, in consultation with" the following: "the Secretary of Defense and other".

(b) DETERMINATIONS OF FOREIGN AVAILABILITY.—Section 5(f)(3) is amended to read as follows:

"(3) The Secretary shall make a foreign availability determination under paragraph (1) or (2) on the Secretary's own initiative or upon receipt of an allegation from an export license applicant that such availability exists. In making any such determination, the Secretary shall accept the representations of applicants made in writing and supported by reasonable evidence, unless such representations are contradicted by reliable evidence, including scientific or physical examination, expert opinion based upon adequate factual information, or intelligence information. In making determinations of foreign availability, the Secretary may consider such factors as cost, reliability, the availability and reliability of spare parts and the cost and quality thereof, maintenance programs, durability, quality of end products produced by the item proposed for export, and scale of production. For purposes of this paragraph, 'evidence' may include such items as foreign manufacturers' catalogues, brochures, or operation or maintenance manuals, articles from reputable trade publications, photographs, and depositions based upon eyewitness accounts.".

(c) NEGOTIATIONS ON FOREIGN AVAILABILITY.—Section 5(f)(4) is amended by striking out the first sentence and inserting in lieu thereof the following: "In any case in which export controls are maintained under this section notwithstanding foreign availability, on account of a determination by the President that the absence of the controls would prove detrimental to the national security of the United States, the President shall actively pursue negotiations with the govern-

ments of the appropriate foreign countries for the purpose of eliminating such availability. If, within 6 months after the President's determination, the foreign availability has not been eliminated, the Secretary may not, after the end of that 6-month period, require a validated license for the export of the goods or technology involved. The President may extend the 6-month period described in the preceding sentence for an additional period of 12 months if the President certifies to the Congress that the negotiations involved are progressing and that the absence of the export control involved would prove detrimental to the national security of the United States.".

(d) OFFICE OF FOREIGN AVAILABILITY.—

(1) ESTABLISHMENT.—Section 5(f)(5) is amended to read as follows:

"(5) The Secretary shall establish in the Department of Commerce an Office of Foreign Availability which, in the fiscal year 1985, shall be under the direction of the Assistant Secretary of Commerce for Trade Administration, and, in the fiscal year 1986 and thereafter, shall be under the direction of the Under Secretary of Commerce for Export Administration. The Office shall be responsible for gathering and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability under this Act. The Secretary shall make available to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at the end of each 6-month period during a fiscal year information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability, during that 6-month period, including information on the training of personnel, the use of computers, and the use of Foreign Commercial Service officers. Such information shall also include a description of representative determinations made under this Act during that 6-month period that foreign availability did or did not exist (as the case may be), together with an explanation of such determinations.".

(2) CLERICAL AMENDMENT.—Section 5(f)(6) is amended by striking out "Office of Export Administration" and inserting in lieu thereof "Office of Foreign Availability".

(e) REGULATIONS ON FOREIGN AVAILABILITY.—Section 5(f) is amended by adding at the end the following new paragraph:

"(7) The Secretary shall issue regulations with respect to determinations of foreign availability under this Act not later than 6 months after the date of the enactment of the Export Administration Amendments Act of 1985.".

(f) TECHNICAL ADVISORY COMMITTEES.—

(1) MEMBERSHIP.—Section 5(h)(1) is amended by inserting ", the intelligence community," after "Departments of Commerce, Defense, and State".

(2) MATTERS ON WHICH COMMITTEES CONSULTED.—Section 5(h)(2) is amended in the second sentence—

(A) by striking out "and" at the end of clause (C); and

(B) by inserting before the period at the end of the second sentence the following: ", and (E) any other questions relating to actions designed to carry out the policy set forth in section 3(2)(A) of this Act.".

(3) FOREIGN AVAILABILITY CERTIFICATIONS.—Section 5(h)(6) is amended by striking out "and provides adequate documentation" and all that follows through the end of the paragraph and inserting in lieu thereof the following: "the technical advisory committee shall submit that certification to the Congress at the same time the certification is made to the Secretary, together with the documentation for the certification. The Secretary shall investigate the foreign availability so certified and, not later than 90 days after the certification is made, shall submit a report to the technical advisory committee and the Congress stating that—

"(A) the Secretary has removed the requirement of a validated license for the export of the goods or technology, on account of the foreign availability,

"(B) the Secretary has recommended to the President that negotiations be conducted to eliminate the foreign availability, or

"(C) the Secretary has determined on the basis of the investigation that the foreign availability does not exist.

To the extent necessary, the report may be submitted on a classified basis. In any case in which the Secretary has recommended to the President that negotiations be conducted to eliminate the foreign availability, the President shall actively pursue such negotiations with the governments of the appropriate foreign countries. If, within 6 months after the Secretary submits such report to the Congress, the foreign availability has not been eliminated, the Secretary may not, after the end of that 6-month period, require a validated license for the export of the goods or technology involved. The President may extend the 6-month period described in the preceding sentence for an additional period of 12 months if the President certifies to the Congress that the negotiations involved are progressing and that the absence of the export control involved would prove detrimental to the national security of the United States.".

(i) STANDARD FOR FOREIGN AVAILABILITY.—Subsections (f)(1), (f)(2), and (h)(6) of section 5 are each amended by striking out "sufficient quality" and inserting in lieu thereof "comparable quality".

(j) TECHNICAL AMENDMENTS.—Subsections (f)(1), (f)(4), and (h)(6) of section 5 are each amended by striking out "countries to which exports are controlled under this section" and inserting in lieu thereof "controlled countries".

SEC. 108. FOREIGN POLICY CONTROLS.

(a) AUTHORITY.—Section 6(a) (50 U.S.C. App. 2405(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "or (8)" and inserting in lieu thereof "(8), or (13)"; and

(B) by inserting in the second sentence after "Secretary of State" the following: ", the Secretary of Defense, the Secretary of Agriculture, the Secretary of the Treasury, the United States Trade Representative,";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) Any export control imposed under this section shall apply to any transaction or activity undertaken with the intent to evade that export control, even if that export control would not otherwise apply to that transaction or activity."; and

(4) in paragraph (3), as redesignated by paragraph (2) of this subsection, by striking out "(e)" and inserting in lieu thereof "(f)".

(b) CRITERIA.—Section 6(b) is amended to read as follows:

"(b) CRITERIA.—(1) Subject to paragraph (2) of this subsection, the President may impose, extend, or expand export controls under this section only if the President determines that—

"(A) such controls are likely to achieve the intended foreign policy purpose, in light of other factors, including the availability from other countries of the goods or technology proposed for such controls, and that foreign policy purpose cannot be achieved through negotiations or other alternative means;

"(B) the proposed controls are compatible with the foreign policy objectives of the United States and with overall United States policy toward the country to which exports are to be subject to the proposed controls;

"(C) the reaction of other countries to the imposition, extension, or expansion of such export controls by the United States is not likely to render the controls ineffective in achieving the intended foreign policy purpose or to be counterproductive to United States foreign policy interests;

"(D) the effect of the proposed controls on the export performance of the United States, the competitive position of the United States in the international economy, the international reputation of the United States as a supplier of goods and technology, or on the economic well-being of individual United States companies and their employees and communities does not exceed the benefit to United States foreign policy objectives; and

"(E) the United States has the ability to enforce the proposed controls effectively.

"(2) With respect to those export controls in effect under this section on the date of the enactment of the Export Administration Amendments Act of 1985, the President, in determining whether to extend those controls, as required by subsection (a)(3) of this section, shall consider the criteria set forth in paragraph (1) of this subsection and shall consider the foreign policy consequences of modifying the export controls.".

(c) CONSULTATION WITH INDUSTRY.—Section 6(c) is amended to read as follows:

"(c) CONSULTATION WITH INDUSTRY.—The Secretary in every possible instance shall consult with and seek advice from affected United States industries and appropriate advisory committees established under section 135 of the Trade Act of 1974 before imposing any export control under this section. Such consultation and advice shall be with respect to the criteria set forth in subsection (b)(1) and such other matters as the Secretary considers appropriate.".

(d) CONSULTATION WITH OTHER COUNTRIES.—Section 6 is amended—

(1) by redesignating subsections (d) through (k) as subsections (e) through (l), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) CONSULTATION WITH OTHER COUNTRIES.—When imposing export controls under this section, the President shall, at the earliest appropriate opportunity, consult with the countries with which the United States maintains export controls cooperatively, and with such other countries as the President considers appropriate, with respect to the criteria set forth in subsection (b)(1) and such other matters as the President considers appropriate.".

(e) CONSULTATION WITH THE CONGRESS.—Section 6(f), as redesignated by subsection (d) of this section, is amended to read as follows:

"(f) CONSULTATION WITH THE CONGRESS.—(1) The President may impose or expand

export controls under this section, or extend such controls as required by subsection (a)(3) of this section, only after consultation with the Congress, including the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(2) The President may not impose, expand, or extend export controls under this section until the President has submitted to the Congress a report—

"(A) specifying the purpose of the controls;

"(B) specifying the determinations of the President (or, in the case of those export controls described in subsection (b)(2), the considerations of the President) with respect to each of the criteria set forth in subsection (b)(1), the bases for such determinations (or considerations), and any possible adverse foreign policy consequences of the controls;

"(C) describing the nature, the subjects, and the results of, or the plans for, the consultation with industry pursuant to subsection (c) and with other countries pursuant to subsection (d);

"(D) specifying the nature and results of any alternative means attempted under subsection (e), or the reasons for imposing, expanding, or extending the controls without attempting any such alternative means; and

"(E) describing the availability from other countries of goods or technology comparable to the goods or technology subject to the proposed export controls, and describing the nature and results of the efforts made pursuant to subsection (h) to secure the cooperation of foreign governments in controlling the foreign availability of such comparable goods or technology.

Such report shall also indicate how such controls will further significantly the foreign policy of the United States or will further its declared international obligations.

"(3) To the extent necessary to further the effectiveness of the export controls, portions of a report required by paragraph (2) may be submitted to the Congress on a classified basis, and shall be subject to the provisions of section 12(c) of this Act. Each such report shall, at the same time it is submitted to the Congress, also be submitted to the General Accounting Office for the purpose of assessing the report's full compliance with the intent of this subsection.

"(4) In the case of export controls under this section which prohibit or curtail the export of any agricultural commodity, a report submitted pursuant to paragraph (2) shall be deemed to be the report required by section 7(g)(3)(A) of this Act.

"(5) In addition to any written report required under this section, the Secretary, not less frequently than annually, shall present in oral testimony before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on policies and actions taken by the Government to carry out the provisions of this section.".

(f) EXCLUSION OF CERTAIN ITEMS FROM FOREIGN POLICY CONTROLS.—Section 6(g), as redesignated by subsection (d) of this section, is amended—

(1) by inserting after the first sentence the following: "This section also does not authorize export controls on donations of goods (including, but not limited to, food, educational materials, seeds and hand tools, medicines and medical supplies, water resources equipment, clothing and shelter materials, and basic household supplies) that are intended to meet basic human needs."; and

(2) by striking out the last sentence and inserting in lieu thereof the following: "This subsection shall not apply to any export control on medicine, medical supplies, or food, except for donations, which is in effect on the date of the enactment of the Export Administration Amendments Act of 1985. Notwithstanding the preceding provisions of this subsection, the President may impose export controls under this section on medicine, medical supplies, food, and donations of goods in order to carry out the policy set forth in paragraph (13) of section 3 of this Act.".

(g) FOREIGN AVAILABILITY.—

(1) IN GENERAL.—Section 6(h), as redesignated by subsection (d) of this section, is amended—

(A) by inserting "(1)" immediately before the first sentence; and

(B) by adding at the end the following:

"(2) Before extending any export control pursuant to subsection (a)(3) of this section, the President shall evaluate the results of his actions under paragraph (1) of this subsection and shall include the results of that evaluation in his report to the Congress pursuant to subsection (f) of this section.

"(3) If, within 6 months after the date on which export controls under this section are imposed or expanded, or within 6 months after the date of the enactment of the Export Administration Amendments Act of 1985 in the case of export controls in effect on such date of enactment, the President's efforts under paragraph (1) are not successful in securing the cooperation of foreign governments described in paragraph (1) with respect to those export controls, the Secretary shall thereafter take into account the foreign availability of the goods or technology subject to the export controls. If the Secretary affirmatively determines that a good or technology subject to the export controls is available in sufficient quantity and comparable quality from sources outside the United States to countries subject to the export controls so that denial of an export license would be ineffective in achieving the purposes of the controls, then the Secretary shall, during the period of such foreign availability, approve any license application which is required for the export of the good or technology and which meets all requirements for such a license. The Secretary shall remove the good or technology from the list established pursuant to subsection (l) of this section if the Secretary determines that such action is appropriate.

"(4) In making a determination of foreign availability under paragraph (3) of this subsection, the Secretary shall follow the procedures set forth in section 5(f)(3) of this Act.".

(2) AMENDMENTS NOT APPLICABLE TO CERTAIN EXISTING CONTROLS.—The amendments made by paragraph (1) of this subsection shall not apply to export controls in effect under subsection (i), (j), or (k) of section 6 of the Export Administration Act of 1979 (as redesignated by subsection (d) of this section) immediately before the date of the enactment of this Act, or to export controls made effective by subsection (i)(2) of this section or by section 6(n) of the Export Administration Act of 1979 (as added by subsection (l)(1) of this section).

(h) INTERNATIONAL OBLIGATIONS.—Section 6(i), as redesignated by subsection (d) of this section, is amended by striking out "(f), and (g)" and inserting in lieu thereof "(e), (g), and (h)".

(i) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—

(1) IN GENERAL.—Section 6(j), as redesignated by subsection (d) of this section, is amended to read as follows:

"(j) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—(1) The Secretary and the Secretary of State shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 days before any license is approved for the export of goods or technology valued at more than $7,000,000 to any country concerning which the Secretary of State has made the following determinations:

"(A) Such country has repeatedly provided support for acts of international terrorism.

"(B) Such exports would make a significant contribution to the military potential of such country, including its military logistics capability, or would enhance the ability of such country to support acts of international terrorism.

"(2) Any determination which has been made with respect to a country under paragraph (1) of this subsection may not be rescinded unless the President, at least 30 days before the proposed rescission would take effect, submits to the Congress a report justifying the rescission and certifying that—

"(A) the country concerned has not provided support for international terrorism, including support or sanctuary for any major terrorist or terrorist group in its territory, during the preceding 6-month period; and

"(B) the country concerned has provided assurances that it will not support acts of international terrorism in the future.".

(2) APPLICABILITY TO PRIOR DETERMINATIONS.—Any determination with respect to any country which was made before January 1, 1982, under section 6(i) of the Export Administration Act of 1979, as in effect before the date of the enactment of this Act, and which was no longer in effect on the date of the enactment of this Act, shall be reinstated upon the expiration of 90 days after such date of enactment unless, within that 90-day period, the President submits a report under section 6(j)(2) of the Export Administration Act of 1979, as amended by subsection (d) of this section and paragraph (1) of this subsection, containing the certification described in such section 6(j)(2) with respect to that country.

(j) CRIME CONTROL INSTRUMENTS.—

(1) CONCURRENCE OF SECRETARY OF STATE.—Section 6(k)(1), as redesignated by subsection (d) of this section, is amended by adding at the end the following new sentence: "Notwithstanding any other provision of this Act—

"(A) any determination of the Secretary of what goods or technology shall be included on the list established pursuant to subsection (l) of this section as a result of the export restrictions imposed by this subsection shall be made with the concurrence of the Secretary of State, and

"(B) any determination of the Secretary to approve or deny an export license application to export crime control or detection instruments or equipment shall be made in concurrence with the recommendations of the Secretary of State submitted to the Secretary with respect to the application pursuant to section 10(e) of this Act,

except that, if the Secretary does not agree with the Secretary of State with respect to any determination under subparagraph (A) or (B), the matter shall be referred to the President for resolution.".

(2) APPLICABILITY OF AMENDMENT.—The amendment made by paragraph (1) of this subsection shall apply to determinations of the Secretary of Commerce which are made on or after the date of the enactment of this Act.

(k) CONTROL LIST.—Section 6(l), as redesignated by subsection (d) of this section, is amended—

(1) in the first sentence by striking out "commodity"; and

(2) by amending the second sentence to read as follows: "The Secretary shall clearly identify on the control list which goods or technology, and which countries or destinations, are subject to which types of controls under this section.".

(l) ADDITIONAL PROVISIONS ON FOREIGN POLICY CONTROLS.—

(1) CONTRACT SANCTITY, EXTENSION OF CERTAIN CONTROLS, AND EXPANDED AUTHORITY.—Section 6 is amended by adding at the end the following:

"(m) EFFECT ON EXISTING CONTRACTS AND LICENSES.—The President may not, under this section, prohibit or curtail the export or reexport of goods, technology, or other information—

"(1) in performance of a contract or agreement entered into before the date on which the President reports to the Congress, pursuant to subsection (f) of this section, his intention to impose controls on the export or reexport of such goods, technology, or other information, or

"(2) under a validated license or other authorization issued under this Act,

unless and until the President determines and certifies to the Congress that—

"(A) a breach of the peace poses a serious and direct threat to the strategic interest of the United States,

"(B) the prohibition or curtailment of such contracts, agreements, licenses, or authorizations will be instrumental in remedying the situation posing the direct threat, and

"(C) the export controls will continue only so long as the direct threat persists.

"(n) EXTENSION OF CERTAIN CONTROLS.—Those export controls imposed under this section with respect to South Africa which were in effect on February 28, 1982, and ceased to be effective on March 1, 1982, September 15, 1982, or January 20, 1983, shall become effective on the date of the enactment of this subsection, and shall remain in effect until 1 year after such date of enactment. At the end of that 1-year period, any of those controls made effective by this subsection may be extended by the President in accordance with subsections (b) and (f) of this section.

"(o) EXPANDED AUTHORITY TO IMPOSE CONTROLS.—(1) In any case in which the President determines that it is necessary to impose controls under this section without any limitation contained in subsection (c), (d), (e), (g), (h), or (m) of this section, the President may impose those controls only if the President submits that determination to the Congress, together with a report pursuant to subsection (f) of this section with respect to the proposed controls, and only if a law is enacted authorizing the imposition of those controls. If a joint resolution authorizing the imposition of those controls is introduced in either House of Congress within 30 days after the Congress receives the determination and report of the President, that joint resolution shall be referred to the Committee on Banking, Housing, and Urban Affairs of the Senate and to the appropriate committee of the House of Representatives. If either such committee has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution.

"(2) For purposes of this subsection, the term 'joint resolution' means a joint resolution the matter after the resolving clause of which is as follows: 'That the Congress, having received on a determination of the President under section 6(o)(1) of the Export Administration Act of 1979 with respect to the export controls which are set forth in the report submitted to the Congress with that determination, authorizes the President to impose those export controls.', with the date of the receipt of the determination and report inserted in the blank.

"(3) In the computation of the periods of 30 days referred to in paragraph (1), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

(2) APPLICABILITY OF AMENDMENTS.—Subsections (m) and (o) of section 6 of the Export Administration Act of 1979, as added by paragraph (1) of this subsection, shall not apply to export controls in effect immediately before the date of the enactment of this Act, or to export controls made effective by subsection (i)(2) of this section or by section 6(n) of the Export Administration Act of 1979 (as added by paragraph (1) of this subsection).

SEC. 109. PETITIONS FOR MONITORING OR SHORT SUPPLY CONTROLS.

Section 7(c) (50 U.S.C. App. 2406(c)) is amended to read as follows:

"(c) PETITIONS FOR MONITORING OR CONTROLS.—(1)(A) Any entity, including a trade association, firm, or certified or recognized union or group of workers, that is representative of an industry or a substantial segment of an industry that processes metallic materials capable of being recycled may transmit a written petition to the Secretary requesting the monitoring of exports or the imposition of export controls, or both, with respect to any such material, in order to carry out the policy set forth in section 3(2)(C) of this Act.

"(B) Each petition shall be in such form as the Secretary shall prescribe and shall contain information in support of the action requested. The petition shall include any information reasonably available to the petitioner indicating that each of the criteria set forth in paragraph (3)(A) of this subsection is satisfied.

"(2) Within 15 days after receipt of any petition described in paragraph (1), the Secretary shall publish a notice in the Federal Register. The notice shall—

"(A) include the name of the material that is the subject of the petition,

"(B) include the Schedule B number of the material as set forth in the Statistical Classification of Domestic and Foreign Commodities Exported from the United States,

"(C) indicate whether the petitioner is requesting that controls or monitoring, or both, be imposed with respect to the exportation of such material, and

"(D) provide that interested persons shall have a period of 30 days beginning on the date of publication of such notice to submit to the Secretary written data, views or arguments, with or without opportunity for oral presentation, with respect to the matter involved.

At the request of the petitioner or any other entity described in paragraph (1)(A) with respect to the material that is the subject of the petition, or at the request of any entity representative of producers or exporters of such material, the Secretary shall conduct public hearings with respect to the subject of the petition, in which case the 30-day period may be extended to 45 days.

"(3)(A) Within 45 days after the end of the 30- or 45-day period described in paragraph (2), as the case may be, the Secretary shall determine whether to impose monitoring or controls, or both, on the export of the material that is the subject of the petition, in order to carry out the policy set forth in section 3(2)(C) of this Act. In making such determination, the Secretary shall determine whether—

"(i) there has been a significant increase, in relation to a specific period of time, in exports of such material in relation to domestic supply and demand;

"(ii) there has been a significant increase in the domestic price of such material or a domestic shortage of such material relative to demand;

"(iii) exports of such material are as important as any other cause of a domestic price increase or shortage relative to demand found under clause (ii);

"(iv) a domestic price increase or shortage relative to demand found under clause (ii) has significantly adversely affected or may significantly adversely affect the national economy or any sector thereof, including a domestic industry; and

"(v) monitoring or controls, or both, are necessary in order to carry out the policy set forth in section 3(2)(C) of this Act.

"(B) The Secretary shall publish in the Federal Register a detailed statement of the reasons for the Secretary's determination pursuant to subparagraph (A) of whether to impose monitoring or controls, or both, including the findings of fact in support of that determination.

"(4) Within 15 days after making a determination under paragraph (3) to impose monitoring or controls on the export of a material, the Secretary shall publish in the Federal Register proposed regulations with respect to such monitoring or controls. Within 30 days after the publication of such proposed regulations, and after considering any public comments on the proposed regulations, the Secretary shall publish and implement final regulations with respect to such monitoring or controls.

"(5) For purposes of publishing notices in the Federal Register and scheduling public hearings pursuant to this subsection, the Secretary may consolidate petitions, and responses to such petitions, which involve the same or related materials.

"(6) If a petition with respect to a particular material or group of materials has been considered in accordance with all the procedures prescribed in this subsection, the Secretary may determine, in the absence of significantly changed circumstances, that any other petition with respect to the same material or group of materials which is filed within 6 months after the consideration of the prior petition has been completed does not merit complete consideration under this subsection.

"(7) The procedures and time limits set forth in this subsection with respect to a pe-

tition filed under this subsection shall take precedence over any review undertaken at the initiative of the Secretary with respect to the same subject as that of the petition.

"(8) The Secretary may impose monitoring or controls, on a temporary basis, on the export of a metallic material after a petition is filed under paragraph (1)(A) with respect to that material but before the Secretary makes a determination under paragraph (3) with respect to that material only if—

"(A) the failure to take such temporary action would result in irreparable harm to the entity filing the petition, or to the national economy or segment thereof, including a domestic industry, and

"(B) the Secretary considers such action to be necessary to carry out the policy set forth in section 3(2)(C) of this Act.

"(9) The authority under this subsection shall not be construed to affect the authority of the Secretary under any other provision of this Act, except that if the Secretary determines, on the Secretary's own initiative, to impose monitoring or controls, or both, on the export of metallic materials capable of being recycled, under the authority of this section, the Secretary shall publish the reasons for such action in accordance with paragraph (3)(A) and (B) of this subsection.

"(10) Nothing contained in this subsection shall be construed to preclude submission on a confidential basis to the Secretary of information relevant to a decision to impose or remove monitoring or controls under the authority of this Act, or to preclude consideration of such information by the Secretary in reaching decisions required under this subsection. The provisions of this paragraph shall not be construed to affect the applicability of section 552(b) of title 5, United States Code.".

SEC. 110. SHORT SUPPLY CONTROLS.

(a) DOMESTICALLY PRODUCED CRUDE OIL.—Section 7(d) (50 U.S.C. App. 2406(d)) is amended—

(1) in paragraph (1) by striking out "unless" and all that follows through "met" and inserting in lieu thereof "subject to paragraph (2) of this subsection";

(2) in paragraph (2)(A) by striking out "makes and publishes" and inserting in lieu thereof "so recommends to the Congress after making and publishing";

(3) in paragraph (2)(B)—

(A) by striking out "reports such findings" and inserting in lieu thereof "includes such findings in his recommendation"; and

(B) by striking out "thereafter" and all that follows through the end of the sentence and inserting in lieu thereof "after receiving that recommendation, agrees to a joint resolution which approves such exports on the basis of those findings, and which is thereafter enacted into law."; and

(4) by adding at the end the following:

"(4) Notwithstanding the provisions of section 20 of this Act, the provisions of this subsection shall expire on September 30, 1990.".

(b) REFINED PETROLEUM PRODUCTS.—Section 7(e)(1) is amended in the first sentence by striking out "No" and inserting in lieu thereof the following: "In any case in which the President determines that it is necessary to impose export controls on refined petroleum products in order to carry out the policy set forth in section 3(2)(C) of this Act, the President shall notify the Congress of that determination. The President shall also notify the Congress if and when he determines that such export controls are no longer necessary. During any period in which a determination that such export controls are necessary is in effect, no".

(c) UNPROCESSED RED CEDAR.—Section 7(i) is amended—

(1) in the last sentence of paragraph (1) by inserting "harvested from State or Federal lands" after "red cedar logs";

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) To the maximum extent practicable, the Secretary shall utilize the multiple validated export licenses described in section 4(a)(2) of this Act in lieu of validated licenses for exports under this subsection."; and

(4) by amending paragraph (5)(A), as redesignated by paragraph (2) of this subsection, to read as follows:

"(A) lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau Export R-List Grades of Number 3 common or better;".

(d) AGRICULTURAL COMMODITIES.—Section 7(g)(3) is amended to read as follows:

"(3)(A) If the President imposes export controls on any agricultural commodity in order to carry out the policy set forth in paragraph (2)(B), (2)(C), (7), or (8) of section 3 of this Act, the President shall immediately transmit a report on such action to the Congress, setting forth the reasons for the controls in detail and specifying the period of time, which may not exceed 1 year, that the controls are proposed to be in effect. If the Congress, within 60 days after the date of its receipt of the report, adopts a joint resolution pursuant to paragraph (4) approving the imposition of the export controls, then such controls shall remain in effect for the period specified in the report, or until terminated by the President, whichever occurs first. If the Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such controls, then such controls shall cease to be effective upon the expiration of that 60-day period.

"(B) The provisions of subparagraph (A) and paragraph (4) shall not apply to export controls—

"(i) which are extended under this Act if the controls, when imposed, were approved by the Congress under subparagraph (A) and paragraph (4); or

"(ii) which are imposed with respect to a country as part of the prohibition or curtailment of all exports to that country.

"(4)(A) For purposes of this paragraph, the term 'joint resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 7(g)(3) of the Export Administration Act of 1979, the President may impose export controls as specified in the report submitted to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (3), a joint resolution with respect to the export controls specified in such report shall be introduced (by request) in the House by the chairman of the Committee on Foreign Affairs, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee and all joint resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

"(E) A joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this paragraph, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this paragraph which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

"(F) In the case of a joint resolution described in subparagraph (A), if, before the passage by one House of a joint resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the joint resolution of the other House.

"(5) In the computation of the period of 60 days referred to in paragraph (3) and the period of 30 days referred to in subparagraph (D) of paragraph (4), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

(e) CONTRACT SANCTITY.—Section 7 is amended by striking out subsection (j) and inserting in lieu thereof the following:

"(j) EFFECT OF CONTROLS ON EXISTING CONTRACTS.—The export restrictions contained in subsection (i) of this section and any export controls imposed under this section shall not affect any contract to harvest unprocessed western red cedar from State lands which was entered into before October 1, 1979, and the performance of which would make the red cedar available for export. Any export controls imposed under this section on any agricultural commodity (including fats, oils, and animal hides and skins) or on any forest product or fishery product, shall not affect any contract to export entered into before the date on which such controls are imposed. For purposes of this subsection, the term 'contract to export' includes, but is not limited to, an export sales agreement and an agreement to

invest in an enterprise which involves the export of goods or technology.".

SEC. 111. LICENSING PROCEDURES.

(a) REDUCTION OF PROCESSING TIME.—Section 10 (50 U.S.C. App. 2409) is amended—

(1) by striking out "60" each place it appears and inserting in lieu thereof "40";

(2) by striking out "90" each place it appears and inserting in lieu thereof "60"; and

(3) by striking out "30" each place it appears and inserting in lieu thereof "20".

(b) AMENDMENTS WITH REGARD TO EXPORTS TO COCOM COUNTRIES.—

(1) ACTION ON APPLICATIONS NOT REFERRED TO OTHER DEPARTMENTS OR AGENCIES.—Section 10(c) is amended by striking out "In each case" and inserting in lieu thereof "Except as provided in subsection (o), in each case".

(2) REFERRALS TO OTHER DEPARTMENTS AND AGENCIES.—Section 10(d) is amended—

(A) by striking out "In each case" and inserting in lieu thereof "Except in the case of exports described in subsection (o), in each case"; and

(B) by adding at the end the following: "Notwithstanding the 10-day period set forth in subsection (b), in the case of exports described in subsection (o), in each case in which the Secretary determines that it is necessary to refer an application to any other department or agency for its information and recommendations, the Secretary shall, immediately upon receipt of the properly completed application, refer the application to such department or agency for its review. Such review shall be concurrent with that of the Department of Commerce.".

(3) ACTION BY OTHER DEPARTMENTS AND AGENCIES.—Section 10(e) is amended—

(A) in paragraph (1) by striking out the first sentence and inserting in lieu thereof the following: "Any department or agency to which an application is referred pursuant to subsection (d) shall submit to the Secretary the information or recommendations requested with respect to the application. The information or recommendations shall be submitted within 20 days after the department or agency receives the application or, in the case of exports described in subsection (o), before the expiration of the time periods permitted by that subsection."; and

(B) in paragraph (2)—

(i) by striking out "If the head" and inserting in lieu thereof "(A) Except in the case of exports described in subsection (o), if the head", and

(ii) by adding at the end the following:

"(B) In the case of exports described in subsection (o), if the head of any such department or agency notifies the Secretary, before the expiration of the 15-day period provided in subsection (o)(1), that more time is required for review by such department or agency, the Secretary shall notify the applicant, pursuant to subsection (o)(1)(C), that additional time is required to consider the application, and such department or agency shall have additional time to consider the application within the limits permitted by subsection (o)(2). If such department or agency does not submit its recommendations within the time periods permitted under subsection (o), it shall be deemed by the Secretary to have no objection to the approval of such application.".

(4) ACTION BY THE SECRETARY.—Section 10(f) is amended in paragraphs (1) and (4) by adding at the end of each such paragraph the following: "The provisions of this paragraph shall not apply in the case of exports described in subsection (o).".

(c) RIGHT OF APPLICANT TO RESPOND TO NEGATIVE RECOMMENDATIONS.—Section 10(f)(2) is amended—

(1) by inserting "in writing" after "inform the applicant"; and

(2) by striking out ", and shall accord" and all that follows through the end of the paragraph and inserting in lieu thereof the following: ". Before a final determination with respect to the application is made, the applicant shall be entitled—

"(A) to respond in writing to such questions, considerations, or recommendations within 30 days after receipt of such information from the Secretary; and

"(B) upon the filing of a written request with the Secretary within 15 days after the receipt of such information, to respond in person to the department or agency raising such questions, considerations, or recommendations.

The provisions of this paragraph shall not apply in the case of exports described in subsection (o).".

(d) RIGHTS OF APPLICANT WITH RESPECT TO PROPOSED DENIAL.—Section 10(f)(3) is amended by striking out the first sentence and inserting in lieu thereof the following: "In cases where the Secretary has determined that an application should be denied, the applicant shall be informed in writing, within 5 days after such determination is made, of—

"(A) the determination,

"(B) the statutory basis for the proposed denial,

"(C) the policies set forth in section 3 of this Act which would be furthered by the proposed denial,

"(D) what if any modifications in or restrictions on the goods or technology for which the license was sought would allow such export to be compatible with export controls imposed under this Act,

"(E) which officers and employees of the Department of Commerce who are familiar with the application will be made reasonably available to the applicant for considerations with regard to such modifications or restrictions, if appropriate,

"(F) to the extent consistent with the national security and foreign policy of the United States, the specific considerations which led to the determination to deny the application, and

"(G) the availability of appeal procedures.

The Secretary shall allow the applicant at least 30 days to respond to the Secretary's determination before the license application is denied.".

(e) ADDITIONAL PROVISIONS.—Section 10 is amended—

(1) in the section heading by adding "; OTHER INQUIRIES" after "APPLICATIONS"; and

(2) by adding at the end the following new subsections:

"(k) CHANGES IN REQUIREMENTS FOR APPLICATIONS.—Except as provided in subsection (b)(3) of this section, in any case in which, after a license application is submitted, the Secretary changes the requirements for such a license application, the Secretary may request appropriate additional information of the applicant, but the Secretary may not return the application to the applicant without action because it fails to meet the changed requirements.

"(l) OTHER INQUIRIES.—(1) In any case in which the Secretary receives a written request asking for the proper classification of a good or technology on the control list, the Secretary shall, within 10 working days after receipt of the request, inform the person making the request of the proper classification.

"(2) In any case in which the Secretary receives a written request for information about the applicability of export license requirements under this Act to a proposed export transaction or series of transactions, the Secretary shall, within 30 days after receipt of the request, reply with that information to the person making the request.

"(m) SMALL BUSINESS ASSISTANCE.—Not later than 120 days after the date of the enactment of this subsection, the Secretary shall develop and transmit to the Congress a plan to assist small businesses in the export licensing application process under this Act. The plan shall include, among other things, arrangements for counseling small businesses on filing applications and identifying goods or technology on the control list, proposals for seminars and conferences to educate small businesses on export controls and licensing procedures, and the preparation of informational brochures.

"(n) REPORTS ON LICENSE APPLICATIONS.—(1) Not later than 180 days after the date of the enactment of this subsection, and not later than the end of each 3-month period thereafter, the Secretary shall submit to the Committee on Foreign Affairs of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate a report listing—

"(A) all applications on which action was completed during the preceding 3-month period and which required a period longer than the period permitted under subsection (c), (f)(1), or (h) of this section, as the case may be, before notification of a decision to approve or deny the application was sent to the applicant; and

"(B) in a separate section, all applications which have been in process for a period longer than the period permitted under subsection (c), (f)(1), or (h) of this section, as the case may be, and upon which final action has not been taken.

"(2) With regard to each application, each listing shall identify—

"(A) the application case number;

"(B) the value of the goods or technology to which the application relates;

"(C) the country of destination of the goods or technology;

"(D) the date on which the application was received by the Secretary;

"(E) the date on which the Secretary approved or denied the application;

"(F) the date on which the notification of approval or denial of the application was sent to the applicant; and

"(G) the total number of days which elapsed between receipt of the application, in its properly completed form, and the earlier of the last day of the 3-month period to which the report relates, or the date on which notification of approval or denial of the application was sent to the applicant.

"(3) With respect to an application which was referred to other departments or agencies, the listing shall also include—

"(A) the departments or agencies to which the application was referred;

"(B) the date or dates of such referral; and

"(C) the date or dates on which recommendations were received from those departments or agencies.

"(4) With respect to an application referred to any other department or agency which did not submit or has not submitted its recommendations on the application within the period permitted under subsection (e) of this section to submit such recommendations, the listing shall also include—

"(A) the office responsible for processing the application and the position of the officer responsible for the office; and

"(B) the period of time that elapsed before the recommendations were submitted or that has elapsed since referral of the application, as the case may be.

"(5) Each report shall also provide an introduction which contains—

"(A) a summary of the number of applications described in paragraph (1)(A) and (B) of this subsection, and the value of the goods or technology involved in the applications, grouped according to—

"(i) the number of days which elapsed before action on the applications was completed, or which has elapsed without action on the applications being completed, as follows: 61 to 75 days, 76 to 90 days, 91 to 105 days, 106 to 120 days, and more than 120 days; and

"(ii) the number of days which elapsed before action on the applications was completed, or which has elapsed without action on the applications being completed, beyond the period permitted under subsection (c), (f)(1), or (h) of this section for the processing of applications, as follows: not more than 15 days, 16 to 30 days, 31 to 45 days, 46 to 60 days, and more than 60 days; and

"(B) a summary by country of destination of the number of applications described in paragraph (1)(A) and (B) of this subsection, and the value of the goods or technology involved in the applications, on which action was not completed within 60 days.

"(o) EXPORTS TO MEMBERS OF COORDINATING COMMITTEE.—(1) Fifteen working days after the date of formal filing with the Secretary of an individual validated license application for the export of goods or technology to a country that maintains export controls on such goods or technology pursuant to the agreement of the governments participating in the group known as the Coordinating Committee, a license for the transaction specified in the application shall become valid and effective and the goods or technology are authorized for export pursuant to such license unless—

"(A) the application has been otherwise approved by the Secretary, in which case it shall be valid and effective according to the terms of the approval;

"(B) the application has been denied by the Secretary pursuant to this section and the applicant has been so informed, or the applicant has been informed, pursuant to subsection (f)(3) of this section, that the application should be denied; or

"(C) the Secretary requires additional time to consider the application and the applicant has been so informed.

"(2) In the event that the Secretary notifies an applicant pursuant to paragraph (1)(C) that more time is required to consider an individual validated license application, a license for the transaction specified in the application shall become valid and effective and the goods or technology are authorized for export pursuant to such license 30 working days after the date that such license application was formally filed with the Secretary unless—

"(A) the application has been otherwise approved by the Secretary, in which case it shall be valid and effective according to the terms of the approval; or

"(B) the application has been denied by the Secretary pursuant to this section and the applicant has been so informed, or the applicant has been informed, pursuant to subsection (f)(3) of this section, that the application should be denied.

"(3) In reviewing an individual license application subject to this subsection, the Secretary shall evaluate the information set forth in the application and the reliability of the end-user.

"(4) Nothing in this subsection shall affect the scope or availability of licenses authorizing multiple exports set forth in section 4(a)(2) of this Act.

"(5) The provisions of this subsection shall take effect 4 months after the date of the enactment of the Export Administration Amendments Act of 1985.".

SEC. 112. VIOLATIONS.

(a) IN GENERAL.—Section 11(a) (50 U.S.C. App. 2410(a)) is amended by inserting after "violates" the following: "or conspires to or attempts to violate".

(b) WILLFUL VIOLATIONS.—Section 11(b) is amended—

(1) in paragraph (1)—

(A) by striking out "exports anything contrary to" and inserting in lieu thereof "violates or conspires to or attempts to violate";

(B) by striking out "such exports" and inserting in lieu thereof "the exports involved";

(C) by inserting after "benefit of" the following: ", or that the destination or intended destination of the goods or technology involved is,"; and

(D) by striking out "country to which exports are restricted for national security or" and inserting in lieu thereof "controlled country or any country to which exports are controlled for";

(2) in paragraph (2) by striking out the last sentence; and

(3) by adding after paragraph (2) the following new paragraphs:

"(3) Any person who possesses any goods or technology—

"(A) with the intent to export such goods or technology in violation of an export control imposed under section 5 or 6 of this Act or any regulation, order, or license issued with respect to such control, or

"(B) knowing or having reason to believe that the goods or technology would be so exported,

shall, in the case of a violation of an export control imposed under section 5 (or any regulation, order, or license issued with respect to such control), be subject to the penalties set forth in paragraph (1) of this subsection and shall, in the case of a violation of an export control imposed under section 6 (or any regulation, order, or license issued with respect to such control), be subject to the penalties set forth in subsection (a).

"(4) Any person who takes any action with the intent to evade the provisions of this Act or any regulation, order, or license issued under this Act shall be subject to the penalties set forth in subsection (a), except that in the case of an evasion of an export control imposed under section 5 or 6 of this Act (or any regulation, order, or license issued with respect to such control), such person shall be subject to the penalties set forth in paragraph (1) of this subsection.

"(5) Nothing in this subsection or subsection (a) shall limit the power of the Secretary to define by regulations violations under this Act.".

(c) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—Section 11(c) is amended—

(1) by striking out "head" and all that follows in paragraph (1) through "thereof," and inserting in lieu thereof "Secretary (and officers and employees of the Department of Commerce specifically designated by the Secretary)"; and

(2) by adding at the end the following new paragraphs:

"(3) An exception may not be made to any order issued under this Act which revokes the authority of a United States person to export goods or technology unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate are first consulted concerning the exception.

"(4) The President may by regulation provide standards for establishing levels of civil penalty provided in this subsection based upon the seriousness of the violation, the culpability of the violator, and the violator's record of cooperation with the Government in disclosing the violation.".

(d) REFUNDS OF PENALTIES.—Section 11(e) is amended—

(1) by inserting after "subsection (c)" the following: ", or any amounts realized from the forfeiture of any property interest or proceeds pursuant to subsection (g),"; and

(2) by inserting after "refund any such penalty" the following: "imposed pursuant to subsection (c)".

(e) FORFEITURES; PRIOR CONVICTIONS.—Section 11 is amended—

(1) by redesignating subsection (g) as subsection (i); and

(2) by inserting after subsection (f) the following new subsections:

"(g) FORFEITURE OF PROPERTY INTEREST AND PROCEEDS.—(1) Any person who is convicted under subsection (a) or (b) of a violation of an export control imposed under section 5 of this Act (or any regulation, order, or license issued with respect to such control) shall, in addition to any other penalty, forfeit to the United States—

"(A) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in the goods or tangible items that were the subject of the violation;

"(B) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in tangible property that was used in the export or attempt to export that was the subject of the violation; and

"(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

"(2) The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of section 1963 of title 18, United States Code.

"(h) PRIOR CONVICTIONS.—No person convicted of a violation of section 793, 794, or 798 of title 18, United States Code, section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778) shall be eligible, at the discretion of the Secretary, to apply for or use any export license under this Act for a period of up to 10 years from the date of the conviction. The Secretary may revoke any export license under this Act in which such person has an interest at the time of the conviction.".

(f) TECHNICAL AMENDMENT.—Section 11(i), as redesignated by subsection (e) of this section, is amended by striking out "or (f)" and inserting in lieu thereof "(f), (g), or (h)".

SEC. 113. ENFORCEMENT.

(a) GENERAL AUTHORITY.—Section 12(a) (50 U.S.C. App. 2411(a)) is amended—

(1) by inserting "(1)" immediately before the first sentence;

(2) by striking out "such investigations and" and inserting in lieu thereof "such investigations within the United States, and the Commissioner of Customs (and officers or employees of the United States Customs Service specifically designated by the Commissioner) may make such investigations outside of the United States, and the head of such department or agency (and such officers or employees) may";

(3) by striking out "the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and" and inserting in lieu thereof "a district court of the United States,";

(4) by adding at the end the following new sentence: "In addition to the authority conferred by this paragraph, the Secretary (and officers or employees of the Department of Commerce designated by the Secretary) may conduct, outside the United States, pre-license investigations and post-shipment verifications of items licensed for export, and investigations in the enforcement of section 8 of this Act."; and

(5) by adding at the end the following new paragraphs:

"(2)(A) Subject to subparagraph (B) of this paragraph, the United States Customs Service is authorized, in the enforcement of this Act, to search, detain (after search), and seize goods or technology at those ports of entry or exit from the United States where officers of the Customs Service are authorized by law to conduct such searches, detentions, and seizures, and at those places outside the United States where the Customs Service, pursuant to agreements or other arrangements with other countries, is authorized to perform enforcement activities.

"(B) An officer of the United States Customs Service may do the following in carrying out enforcement authority under this Act:

"(i) Stop, search, and examine a vehicle, vessel, aircraft, or person on which or whom such officer has reasonable cause to suspect there are any goods or technology that has been, is being, or is about to be exported from the United States in violation of this Act.

"(ii) Search any package or container in which such officer has reasonable cause to suspect there are any goods or technology that has been, is being, or is about to be exported from the United States in violation of this Act.

"(iii) Detain (after search) or seize and secure for trial any goods or technology on or about such vehicle, vessel, aircraft, or person, or in such package or container, if such officer has probable cause to believe the goods or technology has been, is being, or is about to be exported from the United States in violation of this Act.

"(iv) Make arrests without warrant for any violation of this Act committed in his or her presence or view or if the officer has probable cause to believe that the person to be arrested has committed or is committing such a violation.

The arrest authority conferred by clause (iv) of this subparagraph is in addition to any arrest authority under other laws.

"(3)(A) Subject to subparagraph (B) of this paragraph, the Secretary shall have the responsibility for the enforcement of section 8 of this Act and, in the enforcement of the other provisions of this Act, the Secretary is authorized to search, detain (after search), and seize goods or technology at those places within the United States other than those ports specified in paragraph (2)(A) of this subsection. The search, detention (after search), or seizure of goods or technology at those ports and places specified in paragraph (2)(A) may be conducted by officers or employees of the Department of Commerce designated by the Secretary with the concurrence of the Commissioner of Customs or a person designated by the Commissioner.

"(B) The Secretary may designate any employee of the Office of Export Enforcement of the Department of Commerce to do the following in carrying out enforcement authority under this Act:

"(i) Execute any warrant or other process issued by a court or officer of competent jurisdiction with respect to the enforcement of the provisions of this Act.

"(ii) Make arrests without warrant for any violation of this Act committed in his or her presence or view, or if the officer or employee has probable cause to believe that the person to be arrested has committed or is committing such a violation.

"(iii) Carry firearms in carrying out any activity described in clause (i) or (ii).

"(4) The authorities conferred by paragraphs (2) and (3) shall be exercised pursuant to regulations promulgated by the Attorney General concerning searches, detentions, stops, examinations, seizures, arrests, execution of warrants, or use of firearms.

"(5) All cases involving violations of this Act shall be referred to the Secretary for purposes of determining civil penalties and administrative sanctions under section 11(c) of this Act, or to the Attorney General for criminal action in accordance with this Act.

"(6) Notwithstanding any other provision of law, the United States Customs Service may expend in the enforcement of export controls under this Act not more than $12,000,000 in the fiscal year 1985 and not more than $14,000,000 in the fiscal year 1986.

"(7) Not later than 90 days after the date of the enactment of the Export Administration Amendments Act of 1985, the Secretary, with the concurrence of the Secretary of the Treasury, shall publish in the Federal Register procedures setting forth, in accordance with this subsection, the responsibilities of the Department of Commerce and the United States Customs Service in the enforcement of this Act. In addition, the Secretary, with the concurrence of the Secretary of the Treasury, may publish procedures for the sharing of information in accordance with subsection (c)(3) of this section, and procedures for the submission to the appropriate departments and agencies by private persons of information relating to the enforcement of this Act.

"(8) For purposes of this section, a reference to the enforcement of this Act or to a violation of this Act includes a reference to the enforcement or a violation of any regulation, order, or license issued under this Act.".

(b) CONFIDENTIALITY.—Section 12(c)(3) is amended—

(1) by striking out "Departments or agencies which obtain" and inserting in lieu thereof "Any department or agency which obtains";

(2) by inserting ", including information pertaining to any investigation," after "enforcement of this Act";

(3) by striking out "the department" and inserting in lieu thereof "each department"; and

(4) by adding at the end the following: "The Secretary and the Commissioner of Customs, upon request, shall exchange any licensing and enforcement information with each other which is necessary to facilitate enforcement efforts and effective license decisions. The Secretary, the Attorney General, and the Commissioner of Customs shall consult on a continuing basis with one another and with the heads of other departments and agencies which obtain information subject to this paragraph, in order to facilitate the exchange of such information.".

SEC. 114. ADMINISTRATIVE PROCEDURE.

Section 13 (50 U.S.C. App. 2412) is amended—

(1) in the section heading by striking out "EXEMPTION FROM CERTAIN PROVISIONS RELATING TO";

(2) in subsection (a) by inserting "and subsection (c) of this section" after "11(c)(2)"; and

(3) by adding at the end the following:

"(c) PROCEDURES RELATING TO CIVIL PENALTIES AND SANCTIONS.—(1) In any case in which a civil penalty or other civil sanction (other than a temporary denial order or a penalty or sanction for a violation of section 8) is sought under section 11 of this Act, the charged party is entitled to receive a formal complaint specifying the charges and, at his or her request, to contest the charges in a hearing before an administrative law judge. Subject to the provisions of this subsection, any such hearing shall be conducted in accordance with sections 556 and 557 of title 5, United States Code. With the approval of the administrative law judge, the Government may present evidence in camera in the presence of the charged party or his or her representative. After the hearing, the administrative law judge shall make findings of fact and conclusions of law in a written decision, which shall be referred to the Secretary. The Secretary shall, in a written order, affirm, modify, or vacate the decision of the administrative law judge within 30 days after receiving the decision. The order of the Secretary shall be final and is not subject to judicial review.

"(2) The proceedings described in paragraph (1) shall be concluded within a period of 1 year after the complaint is submitted, unless the administrative law judge extends such period for good cause shown.

"(d) IMPOSITION OF TEMPORARY DENIAL ORDERS.—(1) In any case in which it is necessary, in the public interest, to prevent an imminent violation of this Act or any regulation, order, or license issued under this Act, the Secretary may, without a hearing, issue an order temporarily denying United States export privileges (hereinafter in this subsection referred to as a 'temporary denial order') to a person. A temporary denial order may be effective no longer than 60 days unless renewed in writing by the Secretary for additional 60-day periods in order to prevent such an imminent violation, except that a temporary denial order may be renewed only after notice and an opportunity for a hearing is provided.

"(2) A temporary denial order shall define the imminent violation and state why the temporary denial order was granted without a hearing. The person or persons subject to the issuance or renewal of a temporary denial order may file an appeal of the issuance or renewal of the temporary denial order with an administrative law judge who shall, within 10 working days after the appeal is filed, recommend that the tempo-

rary denial order be affirmed, modified, or vacated. Parties may submit briefs and other material to the judge. The recommendation of the administrative law judge shall be submitted to the Secretary who shall either accept, reject, or modify the recommendation by written order within 5 working days after receiving the recommendation. The written order of the Secretary under the preceding sentence shall be final and is not subject to judicial review. The temporary denial order shall be affirmed only if it is reasonable to believe that the order is required in the public interest to prevent an imminent violation of this Act or any regulation, order, or license issued under this Act.

"(e) APPEALS FROM LICENSE DENIALS.—A determination of the Secretary, under section 10(f) of this Act, to deny a license may be appealed by the applicant to an administrative law judge who shall have the authority to conduct proceedings to determine only whether the item sought to be exported is in fact on the control list. Such proceedings shall be conducted within 90 days after the appeal is filed. Any determination by an administrative law judge under this subsection and all materials filed before such judge in the proceedings shall be reviewed by the Secretary, who shall either affirm or vacate the determination in a written decision within 30 days after receiving the determination. The Secretary's written decision shall be final and is not subject to judicial review. Subject to the limitations provided in section 12(c) of this Act, the Secretary's decision shall be published in the Federal Register.".

SEC. 115. ANNUAL REPORT.

(a) CONTENTS OF REPORT.—Section 14(a)(15) (50 U.S.C. App. 2413(a)(15)) is amended by striking out "an analysis" and all that follows through "process, and".

(b) ADDITIONAL REPORTING REQUIREMENTS.—Section 14 is amended by adding at the end the following:

"(d) REPORT ON EXPORTS TO CONTROLLED COUNTRIES.—The Secretary shall include in each annual report a detailed report which lists every license for exports to controlled countries which was approved under this Act during the preceding fiscal year. Such report shall specify to whom the license was granted, the type of goods or technology exported, and the country receiving the goods or technology. The information required by this subsection shall be subject to the provisions of section 12(c) of this Act.

"(e) REPORT ON DOMESTIC ECONOMIC IMPACT OF EXPORTS TO CONTROLLED COUNTRIES.—The Secretary shall include in each annual report a detailed description of the extent of injury to United States industry and the extent of job displacement caused by United States exports of goods and technology to controlled countries. The annual report shall also include a full analysis of the consequences of exports of turnkey plants and manufacturing facilities to controlled countries which are used by such countries to produce goods for export to the United States or to compete with United States products in export markets.".

SEC. 116. UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION; REGULATIONS.

(a) IN GENERAL.—Section 15 (50 U.S.C. App. 2414) is amended to read as follows:

"ADMINISTRATIVE AND REGULATORY AUTHORITY

"SEC. 15. (a) UNDER SECRETARY OF COMMERCE.—The President shall appoint, by and with the advice and consent of the Senate, an Under Secretary of Commerce for Export Administration who shall carry out all functions of the Secretary under this Act which were delegated to the office of the Assistant Secretary of Commerce for Trade Administration before the date of the enactment of the Export Administration Amendments Act of 1985, and such other functions under this Act which were delegated to such office before such date of enactment, as the Secretary may delegate. The Secretary shall designate three Assistant Secretaries of Commerce to assist the Under Secretary in carrying out such functions.

"(b) ISSUANCE OF REGULATIONS.—The President and the Secretary may issue such regulations as are necessary to carry out the provisions of this Act. Any such regulations issued to carry out the provisions of section 5(a), 6(a), 7(a), or 8(b) may apply to the financing, transporting, or other servicing of exports and the participation therein by any person. Any such regulations the purpose of which is to carry out the provisions of section 5, or of section 4(a) for the purpose of administering the provisions of section 5, may be issued only after the regulations are submitted for review to the Secretary of Defense, the Secretary of State, and such other departments and agencies as the Secretary considers appropriate. The preceding sentence does not require the concurrence or approval of any official, department, or agency to which such regulations are submitted.

"(c) AMENDMENTS TO REGULATIONS.—If the Secretary proposes to amend regulations issued under this Act, the Secretary shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives on the intent and rationale of such amendments. Such report shall evaluate the cost and burden to United States exporters of the proposed amendments in relation to any enhancement of licensing objectives. The Secretary shall consult with the technical advisory committees authorized under section 5(h) of this Act in formulating or amending regulations issued under this Act. The procedures defined by regulations in effect on January 1, 1984, with respect to sections 4 and 5 of this Act, shall remain in effect unless the Secretary determines, on the basis of substantial and reliable evidence, that specific change is necessary to enhance the prevention of diversions of exports which would prove detrimental to the national security of the United States or to reduce the licensing and paperwork burden on exporters and their distributors.".

(b) PAY FOR THE UNDER SECRETARY.—Section 5314 of title 5, United States Code, is amended by inserting "Under Secretary of Commerce for Export Administration," after "Under Secretary of Commerce for Economic Affairs,".

(c) PAY FOR THE ASSISTANT SECRETARIES.—Section 5315 of such title is amended by striking out

"Assistant Secretaries of Commerce (8)."

and inserting in lieu thereof

"Assistant Secretaries of Commerce (12).".

(d) EFFECTIVE DATE.—The provisions of section 15(a) of the Export Administration Act of 1979, as amended by subsection (a) of this section, and the amendments made by subsections (b) and (c) of this section shall take effect on October 1, 1985.

(e) BUDGET ACT.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this section shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriation Acts.

SEC. 117. DEFINITIONS.

Section 16 (50 U.S.C. App. 2415) is amended—

(1) in paragraph (3), by inserting "natural or manmade substance," after "article,";

(2) by amending paragraph (4) to read as follows:

"(4) the term 'technology' means the information and know-how (whether in tangible form, such as models, prototypes, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data, but not the goods themselves;";

(3) by redesignating paragraph (5) as paragraph (8); and

(4) by inserting after paragraph (4) the following new paragraphs:

"(5) the term 'export' means—

"(A) an actual shipment, transfer, or transmission of goods or technology out of the United States;

"(B) a transfer of goods or technology in the United States to an embassy or affiliate of a controlled country; or

"(C) a transfer to any person of goods or technology either within the United States or outside of the United States with the knowledge or intent that the goods or technology will be shipped, transferred, or transmitted to an unauthorized recipient;

"(6) the term 'controlled country' means a controlled country under section 5(b)(1) of this Act;

"(7) the term 'United States' means the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, and includes the outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)); and".

SEC. 118. EFFECT ON OTHER ACTS.

(a) CLARIFYING AMENDMENT.—Section 17(a) (50 U.S.C. App. 2416(a)) is amended by striking out "Nothing" and inserting in lieu thereof "Except as otherwise provided in this Act, nothing".

(b) ACT NOT TO AFFECT CERTAIN PROVISIONS OF AGRICULTURAL ACT OF 1970.—Section 17 is amended by adding at the end the following:

"(f) AGRICULTURAL ACT OF 1970.—Nothing in this Act shall affect the provisions of the last sentence of section 812 of the Agricultural Act of 1970 (7 U.S.C. 612c-3).".

SEC. 119. AUTHORIZATION OF APPROPRIATIONS.

Section 18 (50 U.S.C. App. 2417) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 18. (a) REQUIREMENT OF AUTHORIZING LEGISLATION.—(1) Notwithstanding any other provision of law, money appropriated to the Department of Commerce for expenses to carry out the purposes of this Act may be obligated or expended only if—

"(A) the appropriation thereof has been previously authorized by law enacted on or after the date of the enactment of the Export Administration Amendments Act of 1985; or

"(B) the amount of all such obligations and expenditures does not exceed an amount previously prescribed by law enacted on or after such date.

"(2) To the extent that legislation enacted after the making of an appropriation to

carry out the purposes of this Act authorizes the obligation or expenditure thereof, the limitation contained in paragraph (1) shall have no effect.

"(3) The provisions of this subsection shall not be superseded except by a provision of law enacted after the date of the enactment of the Export Administration Amendments Act of 1985 which specifically repeals, modifies, or supersedes the provisions of this subsection.

"(b) AUTHORIZATION.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

"(1) $24,600,000 for the fiscal year 1985, of which $8,712,000 shall be available only for enforcement, $1,851,000 shall be available only for foreign availability assessments under subsections (f) and (h)(6) of section 5 of this Act, and $14,037,000 shall be available for all other activities under this Act;

"(2) $29,500,000 for the fiscal year 1986, of which $10,000,000 shall be available only for enforcement, $2,000,000 shall be available only for foreign availability assessments under subsections (f) and (h)(6) of section 5 of this Act, and $17,500,000 shall be available for all other activities under this Act; and

"(3) such additional amounts for each of the fiscal years 1985 and 1986 as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.".

SEC. 120. TERMINATION OF AUTHORITY.

Section 20 (50 U.S.C. App. 2419) is amended to read as follows:

"TERMINATION DATE

"SEC. 20. The authority granted by this Act terminates on September 30, 1989.".

SEC. 121. IMPORT SANCTIONS.

Chapter 4 of title II of the Trade Expansion Act of 1962 (19 U.S.C. 1861 et seq.) is amended by adding at the end the following new section:

"SEC. 233. IMPORT SANCTIONS FOR EXPORT VIOLATIONS.

"(a) Any person who violates any national security export control imposed under section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404), or any regulation, order, or license issued under that section, may be subject to such controls on the importing of goods or technology into the United States as the President may prescribe.

"(b) Except as provided in subsection (a) of this section, any person who violates any regulation issued under a multilateral agreement, formal or informal, to control exports for national security purposes, to which the United States is a party, may be subject to such controls on the importing of goods or technology into the United States as the President may prescribe, but only if—

"(1) negotiations with the government or governments, party to the multilateral agreement, with jurisdiction over the violation have been conducted and been unsuccessful in restoring compliance with the regulation involved;

"(2) the President, after the failure of such negotiations, has notified the government or governments described in paragraph (1) and the other parties to the multilateral agreement that the United States proposes to subject the person committing the violation to specific controls on the importing of goods or technology into the United States upon the expiration of 60 days from the date of such notification; and

"(3) a majority of the parties to the multilateral agreement (other than the United States), before the end of that 60-day period, have expressed to the President concurrence in the proposed import controls or have abstained from stating a position with respect to the proposed controls.".

SEC. 122. HOURS OF OFFICE OF EXPORT ADMINISTRATION.

The Secretary of Commerce shall modify the office hours of the Office of Export Administration of the Department of Commerce on at least four days of each workweek so as to accommodate communications to the Office by exporters throughout the continental United States during the normal business hours of those exporters.

SEC. 123. TECHNICAL AMENDMENTS.

(a) ARMS EXPORT CONTROL ACT.—Section 38(e) of the Arms Export Control Act (22 U.S.C. 2778(e)) is amended by striking out "(f)" and inserting in lieu thereof "(g)".

(b) MINERAL LEASING ACT OF 1920.—Subsection (u) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185) is amended—

(1) by striking out "1969 (Act of December 30, 1969; 83 Stat. 841)" and inserting in lieu thereof "1979 (50 U.S.C. App. 2401 and following)"; and

(2) by striking out "1969" each subsequent place it appears and inserting in lieu thereof "1979".

SEC. 124. AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.

Section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) is amended by inserting after "Senate" the first place it appears the following: "and the chairman of the Committee on Banking, Housing, and Urban Affairs of the Senate (when licenses are to be issued pursuant to the Export Administration Act of 1979).".

SEC. 125. EXPORT OF HORSES.

The Act of March 3, 1891 (46 U.S.C. 466a and 466b), is amended by adding at the end the following:

"SEC. 3. EXPORT OF HORSES.

"(a) RESTRICTION ON EXPORT OF HORSES.—Notwithstanding any other provision of law, no horse may be exported by sea from the United States, or any of its territories or possessions, unless such horse is part of a consignment of horses with respect to which a waiver has been granted under subsection (b).

"(b) GRANTING OF WAIVERS.—The Secretary of Commerce, in consultation with the Secretary of Agriculture, may issue regulations providing for the granting of waivers permitting the export by sea of a specified consignment of horses, if the Secretary of Commerce, in consultation with the Secretary of Agriculture, determines that no horse in that consignment is being exported for purposes of slaughter.

"(c) PENALTIES.—

(1) CRIMINAL PENALTY.—Any person who knowingly violates this section or any regulation, order, or license issued under this section shall be fined not more than 5 times the value of the consignment of horses involved or $50,000, whichever is greater, or imprisoned not more than 5 years, or both.

"(2) CIVIL PENALTY.—The Secretary of Commerce, after providing notice and an opportunity for an agency hearing on the record, may impose a civil penalty of not to exceed $10,000 for each violation of this section or any regulation, order, or license issued under this section, either in addition to or in lieu of any other liability or penalty which may be imposed.".

SEC. 126. ALASKAN OIL STUDY.

(a) REVIEW OF ALASKAN OIL POLICY.—

(1) IN GENERAL.—The President shall undertake a comprehensive review of the issues and related data concerning possible changes in the existing incentives to produce crude oil from the North Slope of Alaska (including changes in Federal and State taxation, pipeline tariffs, and Federal leasing policies) and possible changes in the existing distribution of crude oil from the North Slope of Alaska (including changes in export restrictions which would permit exports at free market levels and at levels of 50,000 barrels per day, 100,000 barrels per day, 200,000 barrels per day, and 500,000 barrels per day), as well as the appropriateness of continuing existing controls. Such review shall include, but not be limited to, a study of—

(A) the effect of such changes on the energy and national security of the United States and its allies;

(B) the role of such changes in United States foreign policymaking, including international energy policymaking;

(C) the impact of such changes on employment levels in the maritime industry, the oil industry, and other industries;

(D) the impact of such changes on the refiners and on consumers;

(E) the impact of such changes on the revenues and expenditures of the Federal Government and the government of Alaska;

(F) the effect of such changes on incentives for oil and gas exploration and development in the United States; and

(G) the effect of such changes on the overall trade deficit of the United States, and the trade deficit of the United States with respect to particular countries, including the effect of such changes on trade barriers of other countries.

(2) FINDINGS, OPTIONS, AND RECOMMENDATIONS.—The President shall develop, after consulting with appropriate State and Federal officials and other persons, findings, options, and recommendations regarding the production and distribution of crude oil from the North Slope of Alaska.

(b) CONSULTATION AND REPORT.—In carrying out subsection (a), the President shall consult with the Committees on Foreign Affairs and Energy and Commerce of the House of Representatives and the appropriate committees of the Senate. Not later than 9 months after the date of the enactment of this Act, the President shall transmit to each of those committees a report which contains the results of the review under subsection (a)(1), and the findings, options, and recommendations developed under subsection (a)(2).

TITLE II—EXPORT PROMOTION PROGRAMS

SEC. 201. REQUIREMENT OF PRIOR AUTHORIZATION.

(a) GENERAL RULE.—Notwithstanding any other provision of law, money appropriated to the Department of Commerce for expenses to carry out any export promotion program may be obligated or expended only if—

(1) the appropriation thereof has been previously authorized by law enacted on or after the date of the enactment of this Act; or

(2) the amount of all such obligations and expenditures does not exceed an amount previously prescribed by law enacted on or after such date.

(b) EXCEPTION FOR LATER LEGISLATION AUTHORIZING OBLIGATIONS OR EXPENDITURES.—To the extent that legislation enacted after the making of an appropriation to carry out any export promotion program authorizes the obligation or expenditure thereof, the

limitation contained in subsection (a) shall have no effect.

(c) PROVISIONS MUST BE SPECIFICALLY SUPERSEDED.—The provisions of this section shall not be superseded except by a provision of law enacted after the date of the enactment of this Act which specifically repeals, modifies, or supersedes the provisions of this section.

(d) EXPORT PROMOTION PROGRAM DEFINED.—For purposes of this title, the term "export promotion program" means any activity of the Department of Commerce designed to stimulate or assist United States businesses in marketing their goods and services abroad competitively with businesses from other countries, including, but not limited to—

(1) trade development (except for the trade adjustment assistance program) and dissemination of foreign marketing opportunities and other marketing information to United States producers of goods and services, including the expansion of foreign markets for United States textiles and apparel and any other United States products;

(2) the development of regional and multilateral economic policies which enhance United States trade and investment interests, and the provision of marketing services with respect to foreign countries and regions;

(3) the exhibition of United States goods in other countries; and

(4) the operations of the United States and Foreign Commercial Service, or any successor agency.

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $113,273,000 for each of the fiscal years 1985 and 1986 to the Department of Commerce to carry out export promotion programs.

SEC. 203. BARTER ARRANGEMENTS.

(a) REPORT ON STATUS OF FEDERAL BARTER PROGRAMS.—The Secretary of Agriculture and the Secretary of Energy shall, not later than 90 days after the date of the enactment of this Act, submit to the Congress a report on the status of Federal programs relating to the barter or exchange of commodities owned by the Commodity Credit Corporation for materials and products produced in foreign countries. Such report shall include details of any changes necessary in existing law to allow the Department of Agriculture and, in the case of petroleum resources, the Department of Energy, to implement fully any barter program.

(b) AUTHORITIES OF THE PRESIDENT.—The President is authorized—

(1) to barter stocks of agricultural commodities acquired by the Government for petroleum and petroleum products, and for other materials vital to the national interest, which are produced abroad, in situations in which sales would otherwise not occur; and

(2) to purchase petroleum and petroleum products, and other materials vital to the national interest, which are produced abroad and acquired by persons in the United States through barter for agricultural commodities produced in and exported from the United States through normal commercial trade channels.

(c) OTHER PROVISIONS OF LAW NOT AFFECTED.—In the case of any petroleum, petroleum products, or other materials vital to the national interest, which are acquired under subsection (b), nothing in this section shall be construed to render inapplicable the provisions of any law then in effect which apply to the storage, distribution, or use of such petroleum, petroleum products, or other materials vital to the national interest.

(d) CONVENTIONAL MARKETS NOT TO BE DISPLACED BY BARTERS.—The President shall take steps to ensure that, in making any barter described in subsection (a) or (b)(1) or any purchase authorized by subsection (b)(2), existing export markets for agricultural commodities operating on conventional business terms are safeguarded from displacement by the barter described in subsection (a), (b)(1), or (b)(2), as the case may be. In addition, the President shall ensure that any such barter is consistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade.

(e) REPORT TO THE CONGRESS.—The Secretary of Energy shall report to the Congress on the effect on energy security and on domestic energy supplies of any action taken under this section which results in the acquisition by the Government of petroleum or petroleum products. Such report shall be submitted to the Congress not later than 90 days after such acquisition.

TITLE III—NUCLEAR AGREEMENTS FOR COOPERATION

SEC. 301. AGREEMENTS FOR COOPERATION.

(a) NOTIFICATION OF AND CONSULTATION WITH THE CONGRESS; HEARINGS.—Section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) is amended—

(1) in subsection a. by inserting after "Assessment Statement" the following: "(A) which shall analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of this Act, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in this subsection, and (B)";

(2) in subsection b. by inserting before "the President" the following: "the President has submitted text of the proposed agreement for cooperation, together with the accompanying unclassified Nuclear Proliferation Assessment Statement, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, the President has consulted with such Committees for a period of not less than thirty days of continuous session (as defined in section 130 g. of this Act) concerning the consistency of the terms of the proposed agreement with all the requirements of this Act, and"; and

(3) in subsection d. by inserting before the sentence which begins "Any such proposed agreement" the following: "During the sixty-day period the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall each hold hearings on the proposed agreement for cooperation and submit a report to their respective bodies recommending whether it should be approved or disapproved.".

(b) CONGRESSIONAL REVIEW OF AGREEMENTS.—Subsection d. of section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153(d)) is amended—

(1) by striking out "adopts a concurrent resolution" and inserting in lieu thereof "adopts, and there is enacted, a joint resolution";

(2) by striking out the period at the end of the first proviso and inserting in lieu thereof ": *Provided further,* That an agreement for cooperation exempted by the President pursuant to subsection a. from any requirement contained in that subsection shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does favor such agreement."; and

(3) by striking out "130 of this Act for the consideration of Presidential submissions" and inserting in lieu thereof "130 i. of this Act".

(c) PROCEDURES FOR CONSIDERATION OF AGREEMENTS.—

(1) TECHNICAL CHANGES.—Section 130 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2159(a)) is amended—

(A) in the first sentence—

(i) by striking out "123 d.,"; and

(ii) by striking out ", and in addition, in the case of a proposed agreement for cooperation arranged pursuant to subsection 91 c., 144 b., or 144 c., the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate,"; and

(B) in the proviso, by striking out "and if, in the case of a proposed agreement for cooperation arranged pursuant to subsection 91 c., 144 b., or 144 c. of this Act, the other relevant committee of that House has reported such a resolution, such committee shall be deemed discharged from further consideration of that resolution".

(2) PROCEDURES FOR CONSIDERATION OF JOINT RESOLUTIONS.—Section 130 of the Atomic Energy Act of 1954 is amended by adding at the end the following:

"i. (1) For the purposes of this subsection, the term 'joint resolution' means a joint resolution, the matter after the resolving clause of which is as follows: 'That the Congress (does or does not) favor the proposed agreement for cooperation transmitted to the Congress by the President on .', with the date of the transmission of the proposed agreement for cooperation inserted in the blank, and the affirmative or negative phrase within the parenthetical appropriately selected.

"(2) On the day on which a proposed agreement for cooperation is submitted to the House of Representatives and the Senate under section 123 d., a joint resolution with respect to such agreement for cooperation shall be introduced (by request) in the House by the chairman of the Committee on Foreign Affairs, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement for cooperation is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(3) All joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee or committees, and all joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations and in addition, in the case of a proposed agreement for cooperation arranged pursuant to section 91 c., 144 b., or 144 c., the Committee on Armed Services.

"(4) If the committee of either House to which a joint resolution has been referred has not reported it at the end of 45 days after its introduction, the committee shall

be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter; except that, in the case of a joint resolution which has been referred to more than one committee, if before the end of that 45-day period one such committee has reported the joint resolution, any other committee to which the joint resolution was referred shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

"(5) A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this subsection, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

"(6) In the case of a joint resolution described in paragraph (1), if prior to the passage by one House of a joint resolution of that House, that House receives a joint resolution with respect to the same matter from the other House, then—

"(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(B) the vote on final passage shall be on the joint resolution of the other House.".

(d) APPLICABILITY OF AMENDMENTS.—The amendments made by this section shall apply to any agreement for cooperation which is entered into after the date of the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROTH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington [Mr. BONKER] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. ROTH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1786 is the extension and reauthorization of the Export Administration Act of 1979. This measure has been thoroughly considered by the House of Representatives in the last session of Congress. It has been the subject of extensive hearings and markup and over 6 months in conference with the other body in 15 separate conference meetings.

In the final hours of the last session, we were unable to resolve two very controversial features of this bill: Title III, which related to economic sanctions on South Africa, and section 10(G), which pertains to the authority of the Defense Department to review shipments to free world countries.

Now both those issues have been resolved. Title III has been removed and introduced as a separate bill and amendments to 10(G) have been removed from the legislation before us.

Mr. Speaker, H.R. 1786 attempts to balance the competing priorities which are affected by this complex legislation. It represents a consensus of the Foreign Affairs Committee, as well as a coordinated effort with other standing committees which have claimed some jurisdiction over this bill. The modifications we have made in H.R. 1786 have been closely coordinated with the other body and I have every reason to expect that the Senate will act promptly and favorably on this bill. It has the support of the business community and, I believe, the ranking member will attest to this later on, the support of the Reagan administration.

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H.R. 1786 contains only minor modifications of what the conference committee produced in the last session of Congress. In addition to removing title III, which will be the subject of separate legislation, the committee also deleted the section dealing with nuclear exports, offered by Mr. WOLPE, which will also be addressed in a separate bill.

The Export Administration Act is the President's principal authority for controlling exports for foreign policy and for national security reasons. In this legislation, we have attempted to remove the President's authority to terminate existing contracts for foreign policy reasons. The contract sanctity provision protects all U.S. export contracts from disruption for foreign policy reasons. The retroactive application of foreign policy export controls brands American companies as unreliable suppliers in the eyes of our trading partners. As a result, foreign purchasers have sought out alternative foreign suppliers. The committee believes the "sanctity of contract" provision set forth in section 108 of H.R. 1786 will restore the reputation of U.S. exporting companies as reliable suppliers by extensively constraining the retroactive application of foreign policy export controls.

We have also included language that requires the President to consult before he imposes foreign policy controls in the future, with the Congress of the United States, industry, and our allies. We have established elaborate criteria which must be followed. We have provided for consideration of foreign availability in case the President feels disposed to use the foreign policy control authority in the future.

I believe that these contract sanctity provisions will restore the reputation of U.S. exporters as reliable suppliers in international markets.

We have also dealt effectively with national security problems. The reforms in H.R. 1786 enable U.S. high technology exports to compete more effectively in foreign markets. We have done this simply by decontrolling at least the low technology licensing requirements on shipments to countries that maintain controls in cooperation with the United States that otherwise would be destined for adversary nations.

On mid-level and high-level technology we have provided for expedited procedures so there will be no further delays in the licensing process. We have also put into the language a foreign availability section that will require the Secretary of Commerce to deal effectively with our controls when there are comparable products that are in circulation worldwide. He will have 18 months in which to negotiate with the other country to have that item controlled if it is in circulation, and if the Secretary does not succeed, then he has no choice but to decontrol the item.

We have also decontrolled those products that are being restricted solely because they have an embedded microprocessor. We have provided for notification to Congress of license application exceeding the statutory time limits for decision, the result of an amendment put forth by Congressman LES AUCOIN.

At the same time, we have also put forth additional programs for enforcement. We have done this by broadening the prohibitions and allowing for tougher penalties for violators of national security export controls. We have provided new authority to impose import controls against foreign violators of our export control policy, if approved by the allies. We have strengthened and clarified enforcement authorities for the customs and for the Commerce Department to deter and detect violations in the future.

This legislation also contains new provisions that protect the agricultural and commodity exports of this Nation. We have done this by exempting agricultural exports from national security controls, providing for sanctity of agricultural contracts both under foreign policy and the short supply sections of the legislation. Any future agricultural export embargo is subject to an automatic termination unless approved by the Congress in 60 days.

Let me say with respect to agricultural products, I cannot imagine how we can constrain the President any more effectively than by way of this legislation. There is simply no way that he can find authority in the future to tamper with existing con-

tracts on exports of agricultural commodities.

Finally, the legislation has a number of other provisions, including the extension of the existing prohibition on exports of Alaskan crude oil from the North Slope. For nuclear cooperation agreements, where the Congress previously has had a procedure for dealing with bilateral nuclear agreements that was ruled unconstitutional by the Chadda decision, we have provided a new two-tier procedure for congressional approval or disapproval of bilateral nuclear agreements. That is in this legislation as well.

Finally, we have an extension of the Export Administration Act that will carry this law through September 1989.

Now let me conclude, Mr. Speaker, by noting that since March 1984, we have been without an Export Administration Act. The 1979 act originally expired in September 1983 but the House and the Senate extended the law several times. Since March 1984, however, exports have been controlled under the International Emergency Economic Powers Act. It is a rather inadequate emergency authority under which to administer export controls, particularly for the antiboycott provision and the short supply provisions. Therefore, many parts of this elaborate law are subject to challenges because the President lacks the explicit authority he needs to carry out these controls effectively.

So I think it is the responsible and necessary action of this Congress to vote favorably on this legislation and hopefully the Senate will do likewise. That way we can restore the Export Administration Act authorities and procedures, and put this issue to rest for another 4 years.

Mr. Speaker, I would like to acknowledge the leadership of the ranking member of the committee, Mr. ROTH. He has been knowledgeable and informed, involved in all aspects of this complex legislation. He has worked cooperatively with the majority. He has had a very difficult job in that the administration has never spoken with a single voice on these issues. This legislation has been known to bitterly divide some of the departments and agencies that are involved in our export control program. Yet he has managed to keep communication going on all sides, as well as with the leadership in the other body.

I would also like to acknowledge Congressman ZSCHAU from California and Congressman BEREUTER, both of whom have been heavily involved in this legislation, as well as a number of Members on the majority side, notably Congressman BERMAN, for putting forth a considerable effort over a 2-year period of time to make the Export Administration Amendments Act of 1985 a reality.

Mr. Speaker, the Committee on Foreign Affairs in H.R. 1786 has adopted without change most of the provisions worked out in the last Congress by the conferees on similar bills passed in that Congress, H.R. 3231 and S. 979. In so doing, the committee endorses the reasoning and intent expressed on behalf of the House conferee, at least, in the draft statement of managers inserted in the CONGRESSIONAL RECORD of October 11, 1984, at pages H12150 and following. I would like to mention just a few sections of H.R. 1786 to review and reaffirm the intent of the committee in the 99th Congress, and the House conferees in the 98th Congress, on certain important points.

Among other amendments to section 3 of the act, the committee added a policy statement on sustaining the ability of scientists and other scholars freely to communicate their research findings. The committee is deeply concerned that an overly broad interpretation of the Export Administration Act may seriously limit, on grounds of national security, the legitimate scientific communication process on which scientific productivity in the United States depends.

Clearly, the strength of U.S. technology which underlies national security will not be maintained or improved if scientific and technological progress and innovation are inhibited as a result of overreaching security limitations on dissemination of scientific information under the Export Administration Act. As a National Academy of Sciences panel on Scientific Communication and National Security concluded in September 1982, the country's long-term security is best protected through the continued vitality and achievements of its economic, technical, scientific, and intellectual communities.

Moreover, science and national security are not antagonistic to one another. Scientists and Government leaders demonstrate a broad appreciation of the national security concept, including not only military applications and preparations, but also economic, cultural, and other considerations.

The committee shares the concerns expressed by the Academy panel. The policy statement on scientific enterprise was added to make explicit the view of the committee that traditional scientific communication activities of universities and the academic community, such as basic research, publications, and exchanges in the open classroom and among scholars, should be free from restriction unless the scientific information in question is subject to security classification under the President's Executive Order 12356 or its availability in the United States is limited by Government contract controls or proprietary or trade secret restrictions. The Committee recognizes that there are legitimate concerns about the flow of sensitive U.S. technology through scientific communication and exchanges which may be damaging to U.S. national security and that there is an important role for U.S. Government oversight.

However, the committee conferees believes that existing Government, authority to declare material classified, to control work performed under contracts, and to limit the entry to and movement within the United States of foreign nationals is adequate to meet virtually all of our reasonable security needs. Any application of the provisions of the Export Administration Act to traditional scientific communication that deviates from the views stated here bears a heavy burden of justification to the Congress.

Amendments to section 4(a) of the act repeal the authority of the Secretary to offer qualified general licenses and authorize the Secretary to offer distribution, comprehensive operations, project, and service supply licenses, except that distribution and comprehensive operations licenses may not be offered for exports to controlled countries.

In agreeing to the executive branch's request to repeal the authority of the Secretary to offer qualified general licenses, the committee does not intend that the Secretary rescind such licenses currently in effect; nor does the committee necessarily intend that qualified general licenses not be available in the future. The committee notes that the Secretary retains authority to create by regulation such types of licenses as may assist in the effective and efficient implementation of the act, and leaves to the Secretary's discretion the possibility of continuing to offer the qualified general license or to create new types of licenses which the Secretary finds appropriate to protect national security and reduce the burden of individual validated licenses on U.S. exporters and on U.S. Government agencies.

The committee strongly supports the use of licenses authorizing multiple exports. The use of such licenses for transactions between reliable suppliers and customers will result in more effective and efficient export control by permitting greater attention to unknown customers while enhancing the competitive position of U.S. firms through prompt deliveries to reliable consignees.

By designating in this bill certain multiple licensing procedures, such as the Comprehensive Operations License, the committee does not intend to limit the Secretary's discretionary authority to establish new categories of multiple licenses to assist in the effective and efficient implementation of export controls and enforcement of the EAA. (If the Secretary determines

that a multiple licensing procedure for exports of certain commodities or to certain geographic locations is needed for the effective and efficient operation of the act, he may establish the license under his general authority of section 4(a)(4) of the EAA.)

The committee endorses the distribution license for exports to countries other than the controlled countries listed pursuant to section 5(b) of the act, as amended, as a means of reducing the burden on exporters engaging in trade not prejudicial to the national security, and of reducing the license processing burden on administering authorities. The factors described in the provision to be considered when relevant in individual applications for a license are not to be determinative in creating categories or general criteria for denial of applications or for withdrawal of such a license. This does not limit the authority of the Secretary to determine which items on the control list are eligible for export under a distribution license.

The committee agreed to create a new type of license authorizing multiple exports, the comprehensive operations license, which is to be made available for exports to all countries other than the controlled countries listed pursuant to section 5(b) of the act, as amended. The license is intended to facilitate cooperative innovation and transfer of know-how among the affiliated companies, including subcontractors and suppliers, of the international operations of U.S. exporters. The comprehensive operations license should not affect or restrict the scope or availability of other licenses authorizing multiple exports, such as the distribution license.

The committee notes that in deleting the House requirement that a comprehensive operations license be valid for more than 1 year, their intent is to leave to the Secretary's discretion the length of time for which such a license would be valid. The committee expects that on a case-by-case basis the Secretary may find it appropriate to authorize such a license for a period of several years; however, the Secretary and the Commissioner of Customs, consistent with their respective authorities under section 12(a) of the act, are required to perform annual audits of exports pursuant to such licenses.

The committee agreed to amend section 5(b) of the act to eliminate U.S. licensing requirements for exports to Cocom countries with respect to relatively low-technology items that require only notification for export under Cocom multilateral controls, that is, for items specified in the Administrative Exception Notes [AEN's] of the control list. The committee preserved U.S. licensing requirements for all other shipments of controlled goods and technology to such cooperating countries but, through amendments in section 111 of this bill, modified the licensing process, effective 4 months after the date of enactment of this bill, to provide greater speed and predictability for export license applicants.

The application process for individual validated licenses for exports to such countries under section 10 of the act is amended to provide that if the Secretary does not inform the applicant within 15 working days after receipt of the export license application of the disposition of the application or that more time is necessary to consider it, a license automatically becomes valid and effective and shipment can be made pursuant to that license. If the Secretary notifies the applicant that more time is necessary to consider the application, an additional 15-working-day period is available for the Secretary to take action. At the end of this second 15-working-day period, however, absent action by the Secretary to deny, a license automatically becomes valid and effective.

The committee intends that the notification by the Department of Commerce to an export license applicant that the Department has received an export license application shall contain an application number that shall be identical to the number of the subsequent license to export, and when a license becomes effective, either by Government action or by the expiration of the specified time periods, the exporter may refer to that number—such as on a Shipper's Export Declaration—in exporting the goods or technology specified in the application, without waiting to receive a formal license to export.

U.S. exporters gain certainty that they may ship their products to cooperating countries after no more than 15 or, if necessary, 30 working days of submitting an application, unless the application is denied within such time periods. Export authority obtained in this manner constitutes an individual validated export license in all respects, while general and multiple licensing procedures remain unaffected.

The same treatment of license applications shall be applied, as provided in section 5(k), as amended, to all exports to non-Cocom countries which cooperate formally or informally with the United States in the application of export controls to controlled countries.

The committee's review of the implementation of the Export Administration Act during the last session of the Congress has revealed instances in which the competitiveness of U.S. exporters has been hampered by the inefficiency of the agencies with regulatory and enforcement authority. Specifically, the committee is aware that the application of the export administration regulations in some cases is inconsistent and irrational, and that some U.S. exporters and foreign customers are not accorded the fair and equal treatment on a day-to-day basis to which they are entitled.

The committee has not attempted to specifically address these problems in this bill, in the belief that it is the express policy of the United States that these controls be administered fairly. The committee intends, however, to monitor closely the administrative practices in the future and, if necessary, to consider remedial legislation.

The committee agreed to expand the category of agreements to export technical data which must be reported to the Secretary under section 5(j) of the act, and to retain the existing exemption for educational institutions.

In retaining the exemption in current law for colleges, universities, and other educational institutions from the requirement to report agreements which involve technical cooperation, the committee notes and emphasizes that educational institutions remain subject to the same controls and license requirements for technology transfers as all other exporters. Prior reporting of technical cooperation agreements, however, is a mechanism for possible prior restraint of scientific discourse. The courts have generally recognized and upheld a freer standard for such discourse in the academic setting than for commercial speech. (See, for example, *Trane Co.* v. *Baldrige*, 552 Fed. Supp. 1378, Aff'd 728 F. 2d 915.)

On that basis, the committee concludes that it is appropriate to require prior reporting of commercial agreements with foreign government agencies, but to place no such requirement on colleges, universities, and other educational institutions, which must nevertheless obtain appropriate licenses before exporting any controlled technology, technical data, or goods. It is the intent of the committee that U.S. Government agencies should require, as part of U.S. Government research contracts with colleges, universities, and other educational institutions, reporting to the Commerce Department of such institutions' agreements with any agency of the Government of a controlled country that might involve transfer of technology or technical data, to the extent that any U.S. Government agency might wish to be informed of such agreements.

The committee is particularly concerned by recent reports that the Defense Department is imposing restrictions on the exchange of technical and scientific information by educational institutions through international conferences and other scholarly activities. The Defense Department has no unilateral authority under this legislation or the Export Administration Act to determine what activities of education-

al institutions may require an export license, to require prior reporting, or to exercise prior censorship of scientific meetings and exchanges unless, as I have noted, the information involved comes under a Defense Department contract with the institution or individuals involved which specifically contains such a stipulation. It would appear that the Defense Department may be taking actions which exceed its authority.

It is certainly the intention of this legislation to reaffirm the exemption for universities and educational institutions from prior reporting requirements, and to reaffirm that any export license required of those institutions for the export of any technology is subject to the procedures of the Export Administration Act. Those procedures give the Secretary of Commerce final authority to interpret licensing requirements, with the advice of the Defense Department is some circumstances, and to issue or deny licenses. In no case under this legislation, however, are such authorities to be excercised directly or solely by the Department of Defense.

The committee agreed to amend section 5(k) of the act to require negotiations on controls with countries which are not members, of Cocom, to provide that countries which enter into agreements on export restrictions comparable in practice to those of Cocom are to be treated like Cocom countries for purposes of export controls, and to specify that treating other countries like Cocom countries includes comparable treatment on exports by multiple as well as individual licenses, the elimination of licenses for low-technology items indicated in the Administration Exception Notes, and the expedited processing of applications provided in the new subsection (o) of section 10 of the act.

The committee feels that the Secretary should focus on the practical effect of agreements with non-Cocom countries in restricting transfer of goods and technology to potential adversaries, rather than the formal or informal nature of the agreements or arrangements, in deciding whether to extend favorable licensing treatment on exports to such cooperating countries.

The committee agreed to amend section 5 of the act to state that controls may not be imposed on a good containing an embedded microprocessor unless the function of the good itself is such that export of the good would make a significant contribution to the military potential of a controlled country. The committee concurred with actions of the Secretary, in consultation with the Secretary of Defense, in April 1984 to decontrol 94 categories of unilaterally-controlled instruments incorporating microprocessors.

The committee is deeply concerned, however, that the United States may have overstated the agreement of Cocom during the recently-completed Cocom list review in U.S. regulations issued on December 31, 1984, which appear to reimpose controls on the decontrolled instruments through an impractical definition of "embedded." The committee notes that no comparable definition yet has appeared in the regulations of any other Cocom member. The December 31, 1984, regulations therefore constitute unilateral U.S. controls. The committee notes that no national security justification has been provided for reimposing such controls, that the definition of "embedded" is inconsistent with the intent of the committee, and that an apparently unilateral control over previously decontrolled items has been deceptively promulgated in the regulations as a multilateral control. The committee expects a national security justification for controlling any nonstrategic item with an embedded microprocessor and a delay in the effective date of the December 31, 1984, regulations until the regulations can be revised to eliminate all unilateral controls over any good or technology and to conform U.S. regulations to the Cocom agreement and the intent of the committee in adopting this provision.

The committee agreed in section 108 to a number of constraints on the President's authority to impose new foreign policy controls, including additional requirements for consultations and reports, and greater attention to foreign availability of items controlled for foreign policy purposes.

It is important to note that the act refers to imposition, expansion, or extension of foreign policy controls. Controls in effect on the date of enactment, or made effective by enactment, may be extended for an additional time period upon their renewal date and in some cases are exempted from these new constraints. But addition of items or destinations to the control list constitutes imposition of new controls, even if the items or destinations are added to an existing category of controls. Imposition of new controls or expansion of existing controls after the date of enactment is subject to these new constraints.

Section 113 of H.R. 1786 amends section 12(a) of the Export Administration Act regarding investigation and other enforcement authorities. The intent of these amendments is that the Secretary of Commerce and the Commissioner of Customs should have complementary and cooperative roles in the enforcement of this act inside and outside the United States. The committee does not intend for the Commissioner of Customs to have exclusive responsibility for investigations outside the United States. The Commerce Department should continue to use and upgrade its prelicense checks and post-shipment verification techniques. The committee intends that the Commerce Department have independent authority to investigate potential export control violations, both domestically and overseas. Any investigations undertaken, expanded, or continued on the basis of prelicense or post-shipment inquiries should be considered part of the prelicensing and post-shipment verification authority granted to Commerce in this act.

The committee intends that the Commission of Customs have primary, but again not exclusive, responsibility for enforcement at ports of entry and exit from the United States. For purposes of this act, the term ports of entry and exit from the United States is limited to the actual areas at which international carriers arrive and depart, such as airports, boat docks, or bus terminals, and public and private premises immediately adjacent to such areas which provide direct services to ports, such as port authority facilities, warehouses, and freight forwarding terminals. It also includes the international vehicles and carriers entering such port areas.

In carrying out its enforcement and investigation authority inside the United States, at places other than ports of entry and exit from the United States, Commerce is not required to consult with our seek the concurrence of the Commissioner of Customs. Exercise by Commerce of its authority at ports of entry and exit requires the concurrence of the Commissioner of Customs or a person designated by the Commissioner. The concurrence should not unreasonably be withheld, and should be provided in a timely manner so that law enforcement officials can effectively prevent the illegal export of goods and technology. To that end, the committee intends that Customs and Commerce development procedures which will allow for swift and routine concurrence on the part of the Commissioner.

Section 12(c) of the act is amended to provide for greater sharing of information between the Commerce Department and the Customs Service. This amendment is not intended, however, to provide or entitle either agency to unlimited access to the other's enforcement or licensing data. Rather, the amendment is intended to provide for a reasonable and timely sharing of information pertinent to ongoing investigations, export control violations, and license decisions. Specifically, whenever the Secretary uncovers evidence or information pertaining to an ongoing investigation of the Commissioner of Customs, the Secretary shall provide that information or evidence to the Commissioner. Whenever the Commissioner uncovers evidence or information pertaining to

an ongoing investigation being conducted by the Secretary, or whenever the Commissioner uncovers evidence or information pertaining to an export control violation, the Commissioner shall provide such information or evidence to the Secretary. The sharing of data by the Commissioner is essential not only to further enforcement efforts, but also to ensure that the Secretary makes informed licensing decisions in the meantime. It is not intended that the agency furnishing information or evidence is, by so doing, relinquishing investigatory jurisdiction over the matter or case to which the information or evidence pertains. Whenever the two agencies may determine that they are independently investigating the same apparent export control violations, the Secretary and Commissioner should take appropriate steps to establish which agency will have primary responsibility for completion of the investigation.

The committee expects that H.R. 1786 will result in a greater number of criminal prosecutions for violations of the EAA. However, I also wish to emphasize that the Commerce Department should continue to bring administrative proceedings seeking to impose civil penalties and other administrative sanctions. In this regard, I understand that some confusion has arisen concerning the time limits for initiating administrative actions and on bringing actions in Federal court to collect civil penalties.

Our intent is that the Commerce Department must bring its administrative case within 5 years from the date the violation occurred. Thereafter, if it is necessary for the Government to seek to enforce collection of the civil penalty, the complaint must be filed in Federal court within 5 years from the date the penalty was due, but not paid. Any other interpretation would have the Commerce Department discover, investigate, prosecute, and, file a complaint in U.S. District Court to collect the penalty imposed, but not paid, in the administrative proceeding all within 5 years from the date of the violation. In many instances, particularly those involving well-hidden diversions through foreign countries, such a task would be impossible.

Section 113 of H.R. 1786 requires that the grant of police powers given by this bill to the Department of Commerce and the U.S. Customs Service shall be exercised pursuant to regulations promulgated by the Attorney General concerning the use of police powers. The intent of this provision is to ensure that, through guidance to be provided by the Attorney General, police powers are exercised in a uniform manner by all agencies that have the legislative authority to use such powers. This provision is not intended to dilute or fundamentally to alter, in any manner, the authority of Commerce and Customs to exercise the police powers given to them by this bill.

Section 123 of the Atomic Energy Act, as amended by the 1978 Nuclear Non-Proliferation Act [NNPA], 42 U.S.C. 2153, requires that proposed agreements for nuclear cooperation with other countries shall include the terms, duration, nature, scope of cooperation, and other requirements listed in that section. Subsection (d) of that section presently provides that the President must submit proposed agreements for nuclear cooperation to the Congress and that such agreements cannot become effective if, during a 60-day review period, Congress adopts a concurrent resolution stating Congress does not favor the agreement. The Supreme Court's June 1983, Chadha decision raised serious questions about the constitutionality of that concurrent resolution disapproval procedure. In order to remedy that legal problem, and to ensure an adequate and timely congressional review procedure for agreements for nuclear cooperation proposed by the President, the provisions of this bill dealing with such agreements make changes to the existing provisions of sections 123 and 130.

Section 123(a) presently requires, among other things, that the Director of the Arms Control and Disarmament Agency [ACDA] must prepare a nuclear proliferation assessment statement regarding any proposed agreement for peaceful nuclear cooperation. This bill amends section 123(a) to require that any such assessment statement must analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of this act, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in section 123(a). This provision is intended to ensure that the ACDA director specifically analyzes in writing why any proposed agreement is or is not consistent with each of these nine criteria.

This provision is very important because section 123(d) of the bill is also amended to provide that if the President exempts a proposed agreement from one or more of the criteria for nuclear agreements which are set forth in section 123(a), then the agreement cannot be brought into force unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does favor the agreement. If there is no exemption, then such agreements for cooperation can be brought into effect after the congressional review period is completed unless Congress adopts a joint resolution of disapproval.

This bill also amends section 123(b) of the present law to require that before the beginning of the 60-day congressional review period set forth in section 123(d), as amended by this bill, the President submit the text of a proposed agreement along with the Nuclear Proliferation Assessment Statement to the Committees on Foreign Affairs and Foreign Relations of the House and Senate respectively, and consult with these committees for a period of not less than 30 days of continuous session concerning the consistency of the terms of the proposed agreement with all the requirements of the Atomic Energy Act. This special provision—the amendment to section 123(b)—does not have any precedential value for other agreements concluded by the President and is included here solely because we are adopting a new system for nuclear cooperation agreements so that the balance between the Congress and the President on nuclear agreements that was upset by the Chadha decision can be restored. Since the track chosen for approving such agreements depends on whether they are outside the parameters of the nine section 123(a) nonproliferation criteria, the provision is intended to ensure that the committees can advise the President on that all important issue during the 30-day prior consultation period but not necessarily before that agreement is signed.

For example, if during the 30-day prior consultation period either the House Foreign Affairs Committee or the Senate Foreign Relations Committee indicates that in its judgment the proposed agreement is outside the parameters of the nine section 123(a) nonproliferation criteria, the Congress expects that the President will submit an exemption. When an exemption is submitted, the amendment to section 123(d) requires that the Congress pass a joint resolution of approval before such an agreement becomes effective. During the 30-day period of informal committee review, the respective committees could, of course, conduct hearings to assist their Members in reaching a recommendation as to whether the President should submit an exemption.

The provisions of section 123(b), as amended, are not intended to insert Congress into the process of negotiating agreements. After the 30-day period of informal consultation, the President may choose to renegotiate an agreement. However, the provision does not require renegotiation of an agreement prior to its final consideration by the Congress. These provisions are intended to ensure that the President has the advice of the Congress as to whether there should be an exemption from any of the nine nonproliferation criteria of section 123(a).

The steps for submitting, consulting and approving nuclear cooperation agreements set forth in section 123(b), as amended, need not be taken in any particular sequence. It is up to the

President to decide if he wants to authorize the execution of an agreement for cooperation before seeking congressional advice regarding whether an exemption is required, and thus the agreement may or may not be approved and executed prior to submission for the 30-day prior consultation review period. While the President may choose to resubmit an agreement following the 30-day consultation period, these amendments do not require separate submissions under section 123(b) and section 123(d). A single submission would satisfy the law. The Congress fully expects, however, that the President will resubmit any agreement for which he has not submitted an exemption if either committee during the prior consultation period recommends that an exemption is required.

This bill, as noted above, also amends section 123(d) of present law to provide that if the President exempts a proposed agreement for nuclear cooperation from any section 123(a) nonproliferation criteria, then the agreement cannot be brought into force unless the Congress enacts a joint resolution of approval. If there is no exemption, the agreement can go into effect after the 60-day congressional review period in section 123(d) unless Congress passes a joint resolution of disapproval.

Section 123(d) is further amended to provide that during the 60-day period proposed agreements for nuclear cooperation are formally before the Congress that the Committees on Foreign Affairs and Foreign Relations of the House and Senate shall hold hearings on them and report to their respective bodies whether such agreements should be approved or disapproved. This is to ensure that Members of each body are given an opportunity to cast an informed vote on such agreements. It is our clear intention that the respective committees shall hold hearings on each proposed agreement for cooperation. We fully expect and are directing and mandating in law that the committees of jurisdiction comply with this requirement.

However, if for some reason, either of the committees ever fails to hold the hearings and/or submit the reports by the end of the congressional review period mandated by this subsection, that would not constitute a procedural defect in the congressional review of an agreement for nuclear cooperattion, and would not prevent the entry into force of the agreement. This amendment to section 123 makes clear that only a joint resolution of disapproval may prevent the entry into force of such an agreement unless there has been a Presidential exemption of a required provision, in which case a joint resolution of approval is needed to permit such an agreement to come into force. If unanticipated circumstances prevent a hearing from being held or a report from being issued during the statutory period, we fully expect the appropriate committee chairman will explain in writing to the respective House the precise reasons for such an unexpected omission.

Section 130 of existing law has also been amended with respect to its provisions providing expedited procedures for consideration of nuclear cooperation agreements. That section has been amended to state, among other things, that all joint resolutions of approval and disapproval which are introduced in the House of Representatives shall be referred to the "appropriate Committee or Committees." This does not mean that such agreements or resolutions relating to them will be referred to an expanded number of committees in the House or will be subjected to hearings before an expanded number of committees in the House.

It is our intention that both agreements and related resolutions dealing with civil nuclear cooperation will continue to be referred to the House Foreign Affairs Committee, as under current law, and that agreements and resolutions for defense nuclear cooperation will continue to be referred to the Armed Services Committee as well. This is what would occur currently under House rules, and this is appropriate in view of the expertise and jurisdiction of these committees in this area.

The SPEAKER pro tempore (Mr. MINETA). The gentleman from Washington has consumed 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me begin by complimenting our chairman Mr. BONKER for his excellent statement and for his expertise in this area. Mr. BONKER is possibly the most gifted Member of this body and it is a pleasure to work with him. I also wish to compliment all the members of our subcommittee and the staff, for their diligent and superb work. When we began work on this comprehensive and far-reaching legislation, 2½ years ago, we had four goals in mind.

First, to reduce the number of goods and technology subject to export controls;

Second, to increase and improve the scrutiny of any foreign sales of our most sophisticated and militarily critical technologies;

Third, to improve the efficiency of the export licensing process so as not to unduly handicap our exporters' ability to be competitive; and

Fourth, to establish a set of criteria and procedural requirements to govern the use of foreign policy controls.

These goals have been addressed in this legislation. This is a complicated bill and probably the most important legislation affecting trade to come before Congress this session.

To hammer out a compromise agreed to by all, was not an easy task. But I think we have managed to do it. This compromise enjoys the support of the Senate and the House, Republicans and Democrats, the administration and the business community.

We have a moral obligation to enact this legislation into law without delay. Export controls strike at the national security of our Nation. The President is now invoking national emergency measures to control and prohibit the export of U.S. technology to our adversaries abroad, and he has been forced to use these extraordinary measures because Congress has not passed an EAA bill.

There is no more urgent trade matter before the Congress than the renewal of the Export Administration Act. Exporters in your district and mine are subjected to lengthy delays in obtaining export licenses. Critical high-technology items are being diverted to the Soviet bloc because Government resources are spread too thin. The export licensing morass urgently requires corrections.

That is why I reintroduced a renewal of the Export Administration Act—H.R. 28—on the very first day of this Congress. Under the very fine leadership of our subcommittee chairman, the gentleman from Washington [Mr. BONKER] we immediately took action in our subcommittee and in our full committee to report this bill to the floor, now as a committee bill H.R. 1756. Congressman BONKER and I agreed early in this session that a fast-track approach to this legislation was essential.

Many people contributed to this bill. I would like to extend my personal gratitude to the gentleman from Washington for his dedication to this bill. It is a truly bipartisan product. Let me just enumerate some of the improvements contained in this bill:

With respect to national security—

It imposes much tougher penalties for violators of national security export controls.

It grants authority to the President to impose import controls against foreign violators of export controls.

It adds enforcement powers for Customs and Commerce to deter and detect violations.

With respect to streamlining the export licensing process—

We have eliminated the need for some 40 percent of the volume of export licenses now required. Exporters selling low-technology items to our

allies will no longer have to file for export licensing permits.

We have mandated a faster licensing process in all product categories. With respect to high-technology exports to our allies, our exporters must receive a response on their applications for licenses within 15 days.

The bill provides a process for eliminating restrictions on U.S. exports of items freely available in other countries.

Agricultural exports are largely exempted from national security, foreign policy, and short supply controls.

Any future agricultural export embargoes are subject to automatic termination unless a continuation is approved by Congress within 60 days.

With respect to foreign policy controls—

The criteria that the President must meet in order to impose foreign policy controls are significantly tightened. That is, trade sanctions can only be used if all other channels of diplomacy have been tried.

The President must now take into account, among other criteria, the foreign availability of comparable goods and technology before imposing trade sanctions.

And, a "contract sanctity" provision protects all U.S. exports covered by contracts in the event of trade sanctions.

This is a comprehensive bill that will make a substantial difference in our conduct of national security, foreign policy, and short supply controls. We have worked diligently to take into account the many diverse concerns of the administration, our allies, and the business community and to meet the four goals which we established for ourselves 2½ years ago. I therefore ask my colleagues to join me in passing H.R. 1786.

□ 1410

Mr. BONKER. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Speaker, I rise in support of the export policy amendments before us today and urge their prompt adoption.

I am particularly pleased that the bill before us includes the amendment I authored in the last Congress—an amendment which is critical to the future of the high technology industry in Oregon and elsewhere—to expedite export licenses for U.S. manufacturers.

International competition in the high-technology sector is ferocious, a fact all of us here know only too well. Innovation is the lifeblood of that competition, and the premium is on being the first to the market with a new product. Unfortunately, the ability of American innovators to win customers against foreign competitors is hamstrung by infuriating delays in U.S. Government export applications. Companies in my district are still waiting for approval of export applications involving our own allies filed more than a year ago—applications that are supposed to be handled within 180 days.

We address that problem in this bill with a provision that holds agencies responsible for processing export applications accountable to Congress for undue delays. We give the oversight committees of Congress a new tool with which to identify and alleviate backlogs that damage the credibility of U.S. manufacturers as reliable suppliers, cost them customers and profits abroad, and cost jobs and payrolls at home.

I also want to commend my colleague, Mr. Bonker, and members of the committee, for including provisions which recognize that every piece of U.S. equipment that has a microchip in it isn't a threat to our national security. Companies in my district, such as Tektronix, have told me that this is one of their top priorities. This bill takes a first step in removing excessive controls that only damage our competitive position abroad. And, as new technologies develop and others become less sensitive, we should keep in mind that need to impose controls only on those products which raise legitimate national security concerns.

Mr. Speaker, one of the very regrettable casualties of the last session of Congress was the failure of the House and Senate to reach a consensus on what our national policies should be concerning the products we export to other countries * * * regrettable because every day's delay in resolving this critical policy dispute costs us jobs and profits here at home. A year ago, this country ended up with a trade deficit of $70 billion, then a record. We've just ended a year in which the trade deficit hit $123 billion.

Every billion-dollar increment in this soaring deficit represents 20,000 to 40,000 jobs here at home that aren't created.

By adopting the export policy amendments before the House today, we can begin to attack this problem—not with protectionism—but by implementing sensible policies that will give U.S. manufacturers some predictability in shaping their strategies for marketing their products overseas.

Mr. BONKER. Mr. Speaker, I yield 2 minutes to the distingiushed chairman of the Committee on Energy and Commerce, the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Speaker, I want to commend the distinguished gentleman from Washington State, the chairman of the subcommittee; and my distinguished friend from Florida, the chairman of the full committee.

I observe that we can rejoice that we were able to resolve in such a gentlemanly fashion the jurisdictional concerns that have involved this bill to the satisfaction of both the distinguished Committee on Foreign Affairs and the Committee on Energy and Commerce.

As I note, H.R. 1786 addresses certain energy matters and certain programs and activities of the Department of Commerce under the jurisdiction of the Commerce Committee, which are defined as export promotion.

Because the Committee on Foreign Affairs agreed to certain energy amendments and an explicit recognition that some of the programs and activities covered by section 201 fall within the jurisdiction of the Committee on Energy and Commerce, my committee did not insist on sequential referral.

I want to again commend my colleague from Washington and also my colleague from Florida, the chairman of the full committee, because of this.

I note that as a part of the resolution of these concerns, an exchange of correspondence between the chairmen of the two committees addressed these various jurisdictional concerns and that those documents will be included in the record.

I also wish to express my thanks to my colleagues, the gentleman from Washington, and also the gentleman from Florida, for the gracious and statement-like fashion in which they and their staffs handled this matter so that we were able to resolve the issues that related to jurisdiction in an expeditious and gentlemanly fashion.

Mr. BONKER. I thank the gentleman, and speaking on behalf of the chairman of the full committee, we concur with the sentiments which the gentleman has just expressed. We also are rejoicing that we were able to settle these jurisdictional issues.

Mr. ROTH. Mr. Speaker, I yield 3 minutes to the ranking member of the Committee on Foreign Affairs, the very able gentleman from Michigan [Mr. Broomfield].

Mr. BROOMFIELD. Mr. Speaker, I would like to take this opportunity to commend the gentleman from Wisconsin [Mr. Roth] and the subcommittee chairman, Mr. Bonker, for their leadership in developing legislation to reauthorize the Export Administration Act. Mr. Roth, as the ranking Republican on the subcommittee, has helped provide the leadership and dedication necessary to bring this legislation to the House floor.

On the first day of this session, he introduced H.R. 28—the fast-track vehicle needed for rallying a coalition that includes the administration, the business community, and a bipartisan team in the House and the Senate. With only minor technical amendments made to H.R. 28, a clean bill—

H.R. 1786—was reported out of the Foreign Affairs Committee and is before us today.

An exhaustive evaluation was made throughout the last Congress to devise ways to deter more effectively the illicit transfer of American technology to the Eastern bloc. This bill contains many new provisions that will help safeguard our militarily critical technologies from falling into Soviet hands. At the same time, many improvements are made in this bill to correct a deficient and cumbersome export licensing system that has caused unnecessary hardships for many American exporters.

In my opinion, this bill strikes a balance between the twin objectives of abating the transfer of sensitive Western technologies to the Soviet bloc and streamlining the export licensing process so as not to unduly handicap the competitiveness of U.S. exporters.

Business has a right to expect the Congress to set standards and criteria for exporting U.S. technology abroad and it behooves us to act now. We, as a Nation, cannot afford to delay this effort any longer. I again extend my sincere congratulations to Mr. ROTH, Mr. BONKER, and the staff for the decisive action taken in this session to move this bill forward. I urge my colleagues to support H.R. 1786.

□ 1420

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL], who I am sure will agree with us because he usually agrees with us on these matters.

Mr. FRENZEL. Mr. Speaker, I want to endorse the comments made by the distinguished gentleman from Washington, the chairman of the Subcommittee on International Economic Policy, and to congratulate him and the distinguished gentleman from Wisconsin for their persistence in moving this bill along.

Members will recall that the House bill was passed nearly a year ago at this time. It was in conference for about 8 months, many long weeks of consistent actual discussion with the other body in that conference. As the last Congress adjourned, we were not able to reach agreement in the conference committee. Now the managers of the bill, particularly the gentleman from Washington and the gentleman from Wisconsin, have brought us back a bill which is very similar to the House position of last year. In my judgment, it is a good compromise.

We do not yet have a bill that suits exactly what the House would have wanted. We do not have a bill that suits what I would have wanted or probably exactly the way the gentleman from Wisconsin and the gentleman from Washington would like to see that bill. Nevertheless, it is an enormous improvement. It does provide a better opportunity for American companies, particularly smaller ones, to move goods in world commerce, both West West and West East and, therefore, it will help America's export prospects, in my judgment.

I do believe that there have been seldom wider differences between the two bodies of Congress than in this bill. The other body took a very strong position on national defense, ours on expanding commerce. I think this is a good compromise. I hope it will be accepted.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, I am not a member of the committee, but I and many other Members of Congress on both sides of the aisle who are trying to reduce Federal spending in a fair and equitable way are carefully watching these authorization bills. I am disappointed that the bill is on the suspension calendar, that we have not had a chance to look at the hard numbers because no CBO estimates were available and, due to the circumstances surrounding the bill, no report was filed, and, finally, that amendments thereto that would bring this bill back to the 1985 appropriation level are not permitted because it is on the Suspension Calendar.

As I understand the bill, and I would encourage either manager of the bill to correct me if I am wrong, we are requesting $24.6 million for administration in this piece of legislation for 1985 which matches the fiscal year 1985 appropriation, obtained in the last Congress through a waiver of the House rules. This legislation also calls for a 1986 authorization of $29.6 million for administration only. The export promotion activities portion of the bill is $113.3 million per year through 1989. If you look at this and if my figures are correct—and I think we are going to have a colloquy on the other side with the gentleman from Connecticut [Mr. MORRISON] later—this authorization bill on suspension calls for an increase in administrative expenditures alone of 21 percent. My first question to our chairman is: Are we getting a 21-percent increase in administration in this authorization bill?

Mr. BONKER. If the gentleman will yield, first of all, the figures that are in the measure before us were all recommended by the administration. These were not increases by the committee.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. PURSELL] has expired.

Mr. BONKER. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan.

If the gentleman will yield further, the figures come from the administration. They are the administration's requests for fiscal years 1985 and 1986.

The legislation enhances the enforcement responsibilities of the Department of Commerce. Hopefully, the additional funds will equip them to better process licenses that until now have been subject to lengthy delays and which has frustrated American exporters and hindered U.S. competitiveness.

Mr. PURSELL. How many new personnel will this authorization bill give us over and above 1985 levels?

Mr. BONKER. There is a distinction between money that is set aside for the administration of the licensing program and the money that is set aside for enforcement. Most of the increases have come with respect to enforcement.

This is one issue of which there was a consensus between the Senate and the House, and that is Commerce had to do more with respect to enforcement.

I might add that, while we have increased Commerce's enforcement budget slightly, we have cut back the Customs Service budget for enforcement on export controls by about $16 million. So, overall, the taxpayer is much better off with this legislations.

Mr. PURSELL. But that is in Treasury, not in Commerce. I will ask the gentleman again—I have not had an answer yet—how many additional personnel are we hiring under this authorization bill? All programs: administration, new office, restructuring, total, aggregate, bottom line, personnel.

Mr. BONKER. Let me read from the administration's fiscal year 1985 budget proposal: The increase to be used to audit distribution licenses, that will be 31 positions; support Cocom and the technical advisory committee's work to integrate the militarily critical technologies list, that is 5 positions; assess foreign availability which is required now in this legislation, 24 positions.

Mr. PURSELL What is the total number?

Mr. BONKER. The total number would be 60 new positions.

Mr. PURSELL. Sixty new positions?

Mr. BONKER Yes.

Mr. PURSELL. I think it is unfortunate, in the limited time here, with all due respect to the committee, that we have an expenditure in growth not only in dollars but also in personnel. In light of the deficit, I would suggest that the bill should not have been on the Suspension Calendar so that we could have had full debate on this.

I am not against safeguarding national security or facilitating commerce, two of the basic functions of this country's export administration activities. However, I am against increasing funding for any program in fiscal year 1986 over what was appropriated in fiscal year 1985.

At least a freeze in funding must be accomplished in fiscal year 1986 if we are to make any progress at reducing the deficit. The budget deficit now under current law will increase to well over $200 billion next fiscal year—and that accounts for inflation. If we increase budgets on top of that, the budget deficit will go even higher. To get a real reduction in the deficit, we must freeze spending at fiscal year 1985 appropriated levels.

Unfortunately, because this bill is being considered on the Suspension Calendar, there is no ability to amend this bill to reduce funding fiscal year 1985 appropriated levels. We did that with the NASA authorization for fiscal year 1986 2 weeks ago on this very floor. The gentleman from Connecticut [Mr. MORRISON] and myself introduced an amendment to freeze NASA authorization for fiscal year 1986 at fiscal year 1985 appropriated levels. It passed overwhelmingly—369 to 36. The Members of this body expressed their will in a bipartisan and unequivocal way, and hence expressed the will of the people of this country—that we have to reduce Federal spending and hence the deficit. And we have to do it across the board—there can be no sacred cows. But without the ability to amend this bill as we did the NASA authorization and as we will do again this week with National Science Foundation and National Bureau of Standards authorizations for fiscal year 1986, we have no alternative to represent that will but to vote against the bill, to continue across the board the movement to freeze spending, and to send a message to those committees that have yet to report out their authorizations that an overwhelming number of Members of this House are serious in their commitment to reduce Federal spending and hence the burgeoning Federal deficit, which threatens the economic health of this country.

I therefore urge my colleagues to oppose this legislation. Thank you.

Mr. ROTH. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ZSCHAU].

Mr. ZSCHAU. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 1786. This is a bill that has been carefully worked out over a 2-year period with hours of hearings, hours of discussions in the House of Representatives, in the various committee levels, and then over a period of months last year with the other body in conference. It is a tribute to the leadership of the gentleman from Washington [Mr. BONKER] and the leadership of the gentleman from Wisconsin [Mr. ROTH] that we have brought together this carefully crafted bill. It attempts to do almost the impossible, the impossible task of controlling better our militarily critical technologies, while streamlining the procedures under which export licenses are granted, so that our exporting companies are not subjected to undue or unncecssary delays as they attempt to compete in very competitive markets.

The question was raised earlier by the gentleman from Michigan [Mr. PURSELL]: How can we justify in times of large budget deficits a small increase in millions of dollars for this legislation?

□ 1430

If we want to have economic growth in this country, we are going to have to have a strong export policy. The amount of money that we are spending in this bill in order to speed up the licensing process and enable our companies to compete better, will be paid for many, many times by the increase in exports and the increase in economic growth.

I think that at a time when our trade deficit is so large, when our budget deficit is so large, this is a very high-leverage way of expending money now in order to improve the overall economic situation.

I would, in conclusion, like to pose a question to the gentleman from Washington [Mr. BONKER], the chairman of the subcommittee. I would like to ask this question of his interpretation of a change that we did not make in H.R. 1786. I notice that H.R. 1786 does not amend the section 10G of the Export Administration Act, and I ask the chairman: Does he interpret this to mean that the Department of Defense has no authority in the Export Administration Act, as amended by this bill, H.R. 1786, to review export license applications for exports to countries other than the control countries?

I yield to the gentleman for his reply.

Mr. BONKER. The gentleman is correct. The law is explicit, and this legislation is explicit in that DOD has review authority only on shipments to controlled countries. It does not possess statutory authority to review license shipments to free world or COCOM countries, and no such authority is contained in this legislation.

Mr. ZSCHAU. I thank the chairman for that clarification. In conclusion, I would urge my colleagues to support H.R. 1786.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. I thank the gentleman for yielding me this time.

Mr. Speaker, a short while ago, the American public was shocked to learn of the shipment of a whole flock of helicopters to North Korea. Following that bizarre event, editorially at least, and on many occasions from the floor of this House, questions were asked as to how that could have happened, and various targets were fomented for blame.

I would like to know whether or not, if the ranking member, the gentleman from Wisconsin, would care to answer, whether or not, as I believe it does, that this piece of legislation goes a long way toward preventing a repeat of that kind of bizarre incident.

I yield to the gentleman for his reply.

Mr. ROTH. As usual, the gentleman from Pennsylvania is very astute in his interpretation of the legislation. I think that had we had this legislation, we have tougher penalties for violators; it adds enforcement powers to Customs and to Commerce, and that is precisely why I think the gentleman would want to vote for this legislation.

Mr. GEKAS. I thank the gentleman for that explanation. I tell you, I feel better about the prospective prevention of this thing happening again than I do about any explanation yet forthcoming on how it happened in the first place. At least we have some confidence, at least from the drafters and from the interpretation of this particular piece of legislation that we are not likely to have to undergo that embarrassing situation again.

Mr. ROTH. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER], who has done such a yeoman job on this legislation.

Mr. BEREUTER. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to begin my comments by commending the chairman, the gentleman from Washington [Mr. BONKER] for his very able, diligent and skillful leadership in bringing back to the floor this compromise legislation once again. It has been a long time in the making. The conference last year was the longest before the 98th Congress.

I would like also to extend my congratulations and recognition, on a personal basis, to the gentleman from Wisconsin [Mr. ROTH] for his outstanding role in formulating this legislation and its predecessor in the 98th Congress.

To our chairman, the gentleman from Florida, and to our ranking member, we appreciate the expedited treatment given by the committee to bring the bill to the floor today.

The bill has been very comprehensively explained by the gentleman from Wisconsin and the gentleman from Washington. This legislation builds almost totally upon the bill as it existed at the end of our very long conference last year. There are at least several exceptions.

Those exceptions relate to two very controversial areas, where, with the recognition and support of the primary cosponsors, we deleted those two very controversial sections of the bill.

Second, through the able work of our staff and our chairman, we were able to iron out jurisdictional difficulties with the Energy and Commerce Committee through technical amendments.

With those exceptions, we are building upon the experience of the last Congress. I, of course, am interested in all of the provisions. As the gentleman from California said, the importance of this legislation, in terms of increasing our export base and solving some of our trade deficits, cannot be overemphasized. But I am particularly pleased with the strong antiembargo and strong contract sanctity provisions that relate to agriculture.

I thank my colleagues and our staff for all of the work that they have done in bringing us once again to this point. We hope for a similar expeditious treatment of the legislation by the other body.

Again, I want to thank the chairman. It has been a very knowledgeable experience working with you, and I very much appreciate the cooperation that I have received.

Mr. ROTH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BONKER. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. I thank the gentleman for yielding me this time.

Mr. Speaker, I want to join with the gentleman from Michigan to express my concern about an increase in the administration expense for this authorization from an appropriated level of this time, for fiscal 1985, of $18.5 to $29.5 million for fiscal 1986.

We are talking here about a 60-percent increase. It is true that this may be an area of priority for increased expenditures, but writing in the dark without a budget at a time when we have a $200 billion budget deficit is not the way to solve our budget deficit crisis. We ought not to have this increase now before us on suspension with no chance to deal with that amount of money.

I think it is unfortunate that the substantial content of this bill is put in jeopardy by this relatively small budget consideration.

Mr. BONKER. Mr. Speaker, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman.

Mr. BONKER. I think it should be remembered by those who are concerned about the cost that we have effectively reduced the Customs Service budget from $30 to $12 million. That is a considerable savings. We have increased the enforcement responsibility of the Commerce Department, and we cannot expect them to carry out that work if they do not have the resources to do the job.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. I thank the gentleman from yielding me this time.

Mr. Speaker, I have to add my comments to those of the speakers before me. What a tremendous amount of respect and regard should be paid to both the gentleman from Washington and the gentleman from Wisconsin. For those who are not on the subcommittee or the conference committee, they can have very little understanding of the incredible number of obstacles and hurdles that were overcome in reaching the point that we seem to be today. It is only through their perseverence, and hard work, and patience that we are able to come to this point.

Mr. Speaker, the legislation before this House is the result of 2 years of work by the Foreign Affairs Committee. It achieves the two goals which guided us throughout the process. The bill reduces the licensing requirements which burden the exporting community and cause delays in foreign trade. At the same time it strengthens the controls necessary to protect our national security. The bill's provisions make export controls more effective and efficient.

One of the bill's central reforms is a decontrol of low-technology exports to Cocom member countries—NATO minus Iceland, plus Japan. This will reduce the number of licenses required by at least 12,000 and possibly by as much as 18,000. Low-technology goods are available to the Soviet Union from other countries. This legislation recognizes the fact of foreign availability and ensures that American businesses will not face continued delays and redtape because of outdated restrictions.

The bill requires action on most Cocom licenses within 15 days and on all within 30. Throughout our work on the legislation, we heard business complaints about delays in processing licenses. Congress now mandates swift action on all license applications. This efficiency is necessary if the United States is to regain its competitive edge in foreign trade.

One provision mandates Cocom negotiations and requires that one-third of the commodity control list be negotiated annually. This ensures a timely review of the list of sensitive commodities. It will keep the list up to date and should speed the process of removing goods which no longer require controls.

The legislation decontrols much equipment containing embedded microprocessors. This is another example of the committee's recognition that current controls place outmoded restrictions on the export of these goods.

The bill contains a range of other reforms to streamline the export process. These include:

Preservation of the distribution license and the project license;

Creation of a new bulk license for technology transfer, known as a comprehensive operations license;

Defining integration of the military critical technologies list and the commodity control list.

One significant reform is a decontrol of goods readily available to the Eastern bloc from other nations. If a good is available to the Soviet Union from other sources, the United States does not enhance its security by maintaining controls on the good. The provisions in this bill facilitate findings of foreign availability and decontrol of such goods. It requires an official finding on foreign availability when an exporter or a technical advisory committee say that a good is available. Once foreign availability was found, a good would have to be decontrolled within 18 months if other exporters did not agree in negotiations to remove its availability to controlled countries.

The bill makes important reforms in foreign policy export controls. It establishes stricter procedures for imposition of foreign policy controls and limits a President's authority to halt contracted exports.

The Export Administration Act is this Nation's basic legal authority for administering controls on U.S. exports. We have been operating for too long under the unwieldy, International Emergency Economic Powers Act. It is time to bring our export control regime back into order. I urge my colleagues to support passage of H.R. 1786.

In one area of particular interest, I want to clarify my view that we have significantly constrained, although not prohibited, the Presidential authority in the area of nonagricultural commerce from imposing foreign policy controls where there are existing contracts. This bill reflects significant constraints but not prohibitions on such Presidential authority.

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Mr. BONKER. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The Chair will advise the gentleman from Washington that he has 1 minute remaining.

Mr. COLEMAN of Texas. Mr. Speaker, will the gentleman yield?

Mr. BONKER. I yield to the gentleman from Texas very briefly.

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Speaker, the only question I had from the chairman was whether or not the amendment which was dropped out of the conference last year that was added in 1983 by this House would not be prohibited; that is, the utilization of computer terminals at ports of entry into and exiting from this coun-

try for utilization by the Department of Commerce. They could still do that with this legislation?

Mr. BONKER. The gentleman is correct.

Mr. Speaker, I yield the balance of my time to the gentleman from Florida [Mr. GIBBONS].

Mr. ROTH. Mr. Speaker, I have 1 minute remaining, and I would like to yield that time also to the gentleman from Florida [Mr. GIBBONS].

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] is recognized for 1½ minutes.

Mr. GIBBONS. I want to thank both gentlemen for yielding me this time.

Mr. Speaker, I want to say that I have carefully watched and closely watched the development of this legislation. It is an excellent, workmanlike job. All of us have some complaints about every piece of legislation, but when you see what we started with, you will have to commend these two gentlemen and their committee for the fine work that they have done.

Some complaint has been made about the personnel involved in this. Let me say that we are operating an industry at the border that is vastly larger and is growing each year by leaps and bounds. The Department of Commerce and the people who monitor our laws at the border are administering a business that essentially did about $50 billion worth of business a few years ago, and today they are doing $600 billion worth of business at the border, the Department of Commerce and the Customs Service. There is no way you can carry on any kind of function like that with lesser personnel unless you are just going to say there are no laws; we will have laws but not enforcement.

There is already too much complaint that there is not adequate enforcement of our laws at the border, and that is true to some extent, but there is no way you can cut out more law enforcement and have better law enforcement. It is just not possible. You have to open crates, you have to look in trucks, and you have to examine, and people have to be there, and they have to know what they are doing.

● Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of section 126 of this act, which directs the President to undertake a comprehensive review of the issues and related data concerning possible changes in the existing incentives to produce crude oil from the North Slope of Alaska.

Since 1973, Alaska North Slope crude oil has been subject to an export ban, resulting in inefficiencies in transportation to east coast refineries and increased change of environmental damage from tanker traffic, the leading source of oil spills in the world. Additionally, the State of Alaska and the Federal Government have lost hundreds of millions of dollars in revenue due to the existence of the ban.

This section would direct the President to consider the following impacts of lifting the export ban:

Impacts on energy and national security interests of the United States.

The role of lifting the ban on international energy policymaking;

The impact on jobs in the maritime, oil and other industries;

Impacts on refineries and consumers;

Impacts on Federal and State revenues;

Impacts upon future explorations and development of oil and gas;

And, the effect on the trade deficit of the United States.

In short, this section requires a comprehensive look at the question of lifting the export ban, and requires he report his findings and recommendations to Congress within 9 months.

I believe the facts will show great benefits to the State and Federal Governments, and that a partial lifting of the ban with certain conditions will prove attractive for Congress. I urge that the members support this important provisions by voting to suspend the rules for consideration of H.R. 1786. Thank you Mr. Speaker.●

● Mr. LAGOMARSINO. Mr. Speaker, I rise to express my support for H.R. 1786, legislation to revise and extend the Export Administration Act of 1979, for the next 4 years.

While this legislation is not perfect, it does resolve some of the most contentious issues that have confronted the Congress for the past 2 years during its consideration of renewal legislation involving export controls.

With bipartisan support, this legislation, which is largely identical to a bill agreed to in conference last year, generally satisfies and strikes an important balance between needed national security and foreign policy controls for high tech strategically significant exports and the needed reforms urged by American industry.

I urge prompt adoption of this legislation so that our exporters can finally function with the certainty of clearly defined ground rules for their exporting operations.●

● Mr. FEIGHAN. Mr. Speaker, I rise in support of H.R. 1786, legislation to reauthorize the Export Administration Act of 1979. This important piece of legislation defines the way in which the President can control American exports for economic, national security or foreign policy reasons. In granting this authority, Congress must consider both our national security and the legitimate interests of U.S. exporters. It must evaluate the effectiveness of export controls and weigh their political and military benefits against their economic costs.

In the past, a reasonable balance between export restrictions and export promotion has not always been achieved. The economic costs of the grain embargo of 1980 and the pipeline sanctions of 1982 far outweighed their political benefits. The U.S. trade deficit for 1984 amounted to $123 billion. We can no longer afford to impose ineffective and costly export controls. We need a more realistic and restrained approach to export restrictions.

With H.R. 1786, which essentially reflects the compromise achieved in conference last year, we have made substantial progress toward balanced legislation that protects our security interests abroad without hurting our business interests at home. This bill will prevent the flow of militarily sensitive technology to our adversaries more effectively by strenghtening our ability to enforce existing export controls. It ensures a more cautious and effective use of foreign policy controls through improved congressional oversight and better defined criteria to be considered before imposing foreign policy controls. Finally, this bill will help promote exports and improve America's image as a reliable trading partner by providing contract sanctity and major improvements in the export licensing procedure.

Mr. Speaker, I am happy with the provisions of H.R. 1786, but I would like to express my deepest concern about one section that has been taken out of the Export Administration bill as passed by the House nearly 2 years ago. H.R. 1786 is without title III, the provisions dealing with South Africa. They were taken out as a sign of good faith on the part of the House to ensure a quick passage of the Export Administration Amendments Act.

I would hope that this fast-track approach, which has indeed produced remarkable progress on this legislation so far, will also be honored by the Senate and result in the passage of an identical version by that body. Furthermore, especially in light of the horrible massacres in South Africa, I would hope that both the House and the Senate act quickly and favorably on H.R. 1460. This bill, which was introduced by the gentleman from Pennsylvania [Mr. GRAY], and which I have cosponsored, includes most of the provisions on South Africa previously contained in title III of the Export Administration bill.

With these reservations in mind, I urge my colleagues to join me in my support of H.R. 1786 to reauthorize the Export Administration Act of 1979.●

● Mr. McKINNEY. Mr. Speaker, I would like to register my support for H.R. 1786, legislation to reauthorize the Export Administration Act of 1979. For more than 2½ years, Congress has worked to revise and extend the Export Administration Act [EAA].

The EAA is complex legislation which is enormously important because it governs the exportation of critical technologies to potential adversaries, promotes foreign policy objectives, and controls exports of strategic materials. One of these strategic materials controlled by the EAA is Alaskan North Slope crude oil.

Last Congress, my distinguished colleague from Michigan, Representative HOWARD WOLPE, and I introduced legislation to amend the EAA to indefinitely extend the export restrictions on Alaskan oil. That legislation received overwhelming support in the House. Some 237 Members cosponsored the bill. We again have introduced similar legislation in an effort to demonstrate our concern over the importance of this portion of the EAA. H.R. 1786 contains an extension of controls on North Slope crude for 5 years and a provision to allow a comprehensive Presidential study on the impact of exporting Alaskan oil. While we believe a permanent export ban would be more desirable, we accept the House-Senate Conference agreement of last session as a sufficient measure to continue the export ban on this vital domestic resource.

Today, the reasons for not exporting Alaskan oil are as compelling as ever. Exporting Alaskan oil to Japan would be a dangerous smoke screen that would mask the fundamental problems underlying our trade inequities with Japan. This illusion of progress would seriously undermine our efforts to reduced Japanese barriers to American manufactured and agricultural goods. In addition, because of the higher cost of foreign imports versus the price of Alaskan oil, exporting Alaskan oil would mean that consumers would pay $1 to $2 billion more each year for petroleum products. Finally, the oil lost through exports would have to be replaced by imports from foreign sources. This would be a tremendous blow to our Nation's efforts to become energy independent.

Currently the controls on Alaskan North Slope crude and the many other provisions of the EAA are administered under the President's emergency authorities of the International Economic Emergency Powers Act. However, these emergency powers have been challenged in court, and will be subject to further legal challenges unless an EAA bill is promptly enacted. Therefore, I commend the members of the House Committee on Foreign Affairs for expeditiously reporting this reauthorization measure, and urge the support of the entire House on this matter. Passage of H.R. 1786 will ensure that the United States can effectively achieve its foreign policy aims, safeguard national security, and facilitate commerce.●

● Mr. FASCELL. Mr. Speaker, I would like to acknowledge the efforts of those Members of the House who have worked so diligently to resolve the differences which have made the renewal of the Export Administration Act such a lengthy and arduous process.

First, I would like to commend the chairman of the Subcommittee on International Economic Policy and Trade, Mr. BONKER, and his ranking member, Mr. ROTH, for devoting the better part of 2 years to guiding and staying with the difficult and complex process of moving a bill through the House and then negotiating with the Senate. They have done a masterful job and the House owes them a debt of gratitude. They have been supported in this process by the other members of the subcommittee who also have devoted considerable time to bringing to the House a finished product.

The chairman and members of other committees have also played an important role along the way. Members of the Committee on Ways and Means and the Committee on Armed Services served on the conference committee and helped produce the compromises. Some of those conference agreements led to jurisdictional issues with other committees in the House. I would like to express my personal appreciation to the chairmen and staffs of those committees—Chairman PEPPER of the Committee on Rules, Chairman DINGELL of the Committee on Energy and Commerce, and Chairman RODINO of the Committee on the Judiciary—for their willingness over the last several weeks to work with us in finding means to recognize and respect their jurisdictional interests while still permitting the expedited consideration of this bill. At this point I would like to insert in the RECORD an exchange of correspondence with Chairman DINGELL and Chairman ROSTENKOWSKI.

Mr. Speaker, this bill has been carefully drafted and the differences have been resolved, and I urged its support by the Members of the House.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, March 22, 1985.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing with regard to H.R. 28, the Export Administration Amendments Act of 1985, which the Committee on Foreign Affairs ordered favorably reported on March 21. Section 121 of that bill authorizes the President to impose import restrictions to enforce national security export controls under certain circumstances.

Through the cooperation of your Committee with conferees from the Committee on Ways and Means, this Senate provision was incorporated last year into H.R. 4230 as an amendment to the Trade Expansion Act of 1962 and passed by the House.

Since this same provision as amended is now contained in H.R. 28, the Committee on Ways and Means will not seek sequential referral of the legislation, with the understanding that waiver in this instance in no way establishes a precedent or prejudices our jurisdiction over this section of the bill.

I appreciate the consideration that you and other Members of your Committee have given to the views of our Members on this and other Export Administration Act issues and wish you success in completing satisfactory Congressional action on this important legislation.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

MARCH 28, 1985.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter foregoing the right of the Committee on Ways and Means to sequential referral of H.R. 28, or the likely subsequent clean bill.

Section 121 authorizing the imposition of import restrictions to enforce national security export controls does properly fall within the jurisdiction of the Committee on Ways and Means, and the decision of the Committee not to seek sequential referral will in no way derogate from the jurisdiction of that Committee.

I greatly appreciate your cooperation in expediting consideration of the Export Administration Act extension bill.

With best wishes, I am,

Sincerely,

DANTE B. FASCELL,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, April 2, 1985.

Hon. DANTE FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As you know, on March 14, 1985, I requested sequential referral of H.R. 28, the Export Administration Act Amendments of 1985. Several aspects of the bill involve matters within the jurisdiction of the Energy and Commerce Committee. On March 28, 1985, a clean bill, H.R. 1786, was introduced, incorporating Committee amendments to H.R. 28, and containing the same provisions of great interest to my Committee.

I understand your interest in a speedy process that would restore the legislative basis for U.S. export controls, which lapsed last October. Fashioning compromise language that may be acceptable to both House and Senate negotiators has taken considerable time and required the exceptional skills of the Members of your Committee. I sincerely appreciate your efforts and your desire to complete the process as quickly as possible.

In the interests of maintaining an accelerated schedule for this important legislation, I would agree not to seek referral of H.R. 1786 to the Committee on Energy and Commerce provided that the following changes were made in the bill and that the Foreign Affairs Committee explicitly recognized the shared jurisdiction of this Committee over these matters.

Section 126 of the bill directs the President to conduct a broad "review of the issues and related data" concerning "possible changes" in the existing "incentives" to produce crude oil from the North Slope of Alaska. It is clear that this section impacts heavily on domestic laws and policies that are matters within the jurisdiction of the Energy and Commerce Committee. The lan-

guage of section 126(b) should be amended to include a reporting requirement to, and consultation with, the Committee on Energy and Commerce.

Section 203(a) of the bill requires a study of Federal programs for the barter of commodities for foreign produced materials and products. Such materials and products clearly could include petroleum and petroleum products which would affect domestic energy supplies. The language of 203(a) should be amended to include consideration of the study by the Secretary of Energy. Section 203(b) of the bill creates a broad, new Presidential authority for a barter program. The section should be amended to ensure that such action conform to existing law by striking the phrase "Nowwithstanding any other provision of law." In addition, a new subsection should be added which would require the Government to conform with applicable law when storing, distributing, or using petroleum or petroleum products acquired under this section. Finally the Secretary of Energy should report to the Congress on the effects on energy security and energy supplies of any action taken under this section to acquire petroleum or petroleum products.

Section 201 of the bill authorizes funds to the Department of Commerce to carry out export promotion programs. In so doing, the section defines export promotion to include "any activity of the Department designed to stimulate or assist United States business in marketing their goods and services abroad." Certain of the programs and activities funded by section 201 involve the jurisdiction of the Committee on Energy and Commerce. In agreeing to expedited consideration of H.R. 1786, the Committee on Energy and Commerce does not waive jurisdiction over these programs and activities nor its right to referral of similar authorizations in the future.

Provided that the changes identified above are agreed to and the jurisdiction of this Committee is properly recognized by the Foreign Affairs Committee, I will agree not to seek referral under the rules of the House with the understanding that waiver of this Committee's jurisdiction in this instance would not constitute a precedent for purposes of future referrals.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, April 3, 1985.

Hon. JOHN D. DINGEL,
Chairman, Committee on Energy and Commerce, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for the letter of April 2, 1985, which permits the expedited consideration of H.R. 1786, the Export Administration Amendments Act of 1985.

The amendments to sections 126 and 203 which you have requested will be made by the Committee on Foreign Affairs later today. I concur that the Committee on Energy and Commerce waiving its right to seek referral does not derogate from the jurisdiction of that Committee over matters covered by these two provisions or over certain programs and activities which are authorized under section 201 of the bill.

Mr. Chairman, I greatly appreciate your cooperation and that of your staff in helping to find a way to expedite floor consideration of H.R. 1786 while at the same time respecting the jurisdiction of both the Committee on Energy and Commerce and the Committee on Foreign Affaris.

With best wishes, I am,

Sincerely yours,

DANTE D. FASCELL,
Chairman.●

● Mr. MICHEL. Mr. Speaker, in 1984, the United States suffered a record trade deficit of $123.3 billion. Preliminary forecasts indicate that the trade deficit will reach another record high in 1985.

The weakening trade competitiveness of the United States is exacerbated by the retroactive application of foreign policy export controls which brands U.S. farmers and manufacturers as unreliable suppliers. I can report to you that in my discussions with Soviet leaders last week this was continually brought up as the major obstacle to increased trade with the Soviet Union.

For U.S. exporters, lost sales translate into reduced production, profits and reinvestment; for workers of these firms, they mean reduced wages or greater unemployment. For government at all levels—Federal, State, and local—they mean loss of tax revenues and increased unemployment and social costs.

The inclusion of effective foreign availability and contract sanctity provisions in the Export Administration Act is the only way to restore the reputation of U.S. exporting companies as reliable suppliers and to avoid unfair competitive burdens on U.S. exporters and workers.

I am glad to see that this bill is essentially the same as the conference agreement worked out between the House and the Senate last year. I assume, therefore, that the colloquy defining contract sanctity—which Congressman BEREUTER and I engaged in last October 11 when the conference report came up on the House floor—will continue to be part of the legislative history of this legislation.

This is a sound bill which will hopefully prevent any future grain embargoes or pipeline sanctions. It should restore the reputation of U.S. exporters as reliable suppliers by prohibiting the retroactive application of foreign policy export controls except in the most extreme circumstances.●

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Washington [Mr. BONKER] that the House suspend the rules and pass the bill, H.R. 1786, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BONKER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 883) to extend the Export Administration Act of 1979, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 20 of the Export Administration Act of 1979 is amended by striking out "March 30, 1984" and inserting in lieu thereof "June 15, 1985".

(b) The amendment made by subsection (a) takes effect on March 30, 1984.

MOTION OFFERED BY MR. BONKER

Mr. BONKER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BONKER moves to strike out all after the enacting clause of the Senate bill, S. 883, and to insert in lieu thereof the provisions contained in H.R. 1786, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to reauthorize the Export Administration Act of 1979, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1786) was laid on the table.

GENERAL LEAVE

Mr. BONKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: Senate Joint Resolution 15 and House Concurrent Resolution 110, both by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

HELSINKI HUMAN RIGHTS DAY

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing Senate Joint Resolution 15.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the Senate Joint Resolution, Senate Joint Resolution 15, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 390, nays 0, not voting 43, as follows:

[Roll No. 52]

YEAS—390

Addabbo	Coyne	Green
Akaka	Craig	Gregg
Alexander	Crane	Gunderson
Anderson	Crockett	Hall (OH)
Andrews	Daniel	Hall, Ralph
Annunzio	Dannemeyer	Hall, Sam
Anthony	Darden	Hamilton
Applegate	Daschle	Hammerschmidt
Archer	Daub	Hansen
Armey	Davis	Hartnett
Aspin	de la Garza	Hatcher
Atkins	DeLay	Hawkins
AuCoin	Dellums	Hayes
Badham	Derrick	Hefner
Barnard	DeWine	Hendon
Barnes	Dickinson	Henry
Bartlett	Dicks	Hertel
Barton	Dingell	Hiler
Bateman	DioGuardi	Hillis
Bates	Donnelly	Hopkins
Bedell	Dornan (CA)	Horton
Beilenson	Downey	Howard
Bennett	Dreier	Hoyer
Bentley	Duncan	Hubbard
Bereuter	Durbin	Huckaby
Berman	Dwyer	Hughes
Bevill	Dymally	Hunter
Biaggi	Dyson	Hutto
Bliley	Early	Hyde
Boehlert	Eckart (OH)	Ireland
Boggs	Eckert (NY)	Jacobs
Boner (TN)	Edwards (CA)	Jeffords
Bonior (MI)	Edwards (OK)	Jenkins
Bonker	Emerson	Johnson
Borski	English	Jones (NC)
Bosco	Erdreich	Jones (OK)
Boucher	Evans (IA)	Jones (TN)
Boulter	Evans (IL)	Kanjorski
Boxer	Fascell	Kaptur
Breaux	Fawell	Kasich
Brooks	Feighan	Kastenmeier
Broomfield	Fiedler	Kemp
Brown (CA)	Fields	Kennelly
Brown (CO)	Fish	Kildee
Broyhill	Flippo	Kindness
Bruce	Florio	Kleczka
Burton (CA)	Foglietta	Kolbe
Burton (IN)	Ford (TN)	Kolter
Byron	Fowler	Kostmayer
Callahan	Frank	Kramer
Campbell	Franklin	LaFalce
Carney	Frenzel	Lagomarsino
Carper	Frost	Lantos
Carr	Fuqua	Leach (IA)
Chandler	Gallo	Leath (TX)
Chappell	Garcia	Lehman (CA)
Chappie	Gaydos	Lehman (FL)
Cheney	Gejdenson	Lent
Clay	Gekas	Levin (MI)
Clinger	Gephardt	Levine (CA)
Coats	Gibbons	Lewis (CA)
Cobey	Gilman	Lewis (FL)
Coble	Gingrich	Lightfoot
Coelho	Glickman	Lipinski
Coleman (TX)	Gonzalez	Livingston
Combest	Goodling	Lloyd
Conyers	Gordon	Loeffler
Cooper	Gradison	Long
Coughlin	Gray (IL)	Lott
Courter	Gray (PA)	Lowery (CA)
Lowry (WA)	Pashayan	Solarz
Lujan	Pease	Solomon
Luken	Penny	Spence
Lundine	Pepper	Spratt
Lungren	Perkins	St Germain
Mack	Petri	Staggers
MacKay	Pickle	Stallings
Madigan	Porter	Stangeland
Marlenee	Price	Stark
Martin (IL)	Pursell	Stenholm
Martin (NY)	Quillen	Stokes
Martinez	Rahall	Strang
Matsui	Ray	Stratton
Mavroules	Reid	Studds
Mazzoli	Richardson	Stump
McCain	Ridge	Sundquist
McCandless	Ritter	Swift
McCollum	Roberts	Synar
McCurdy	Robinson	Tallon
McEwen	Rodino	Tauke
McGrath	Roe	Tauzin
McHugh	Roemer	Taylor
McKinney	Rogers	Thomas (CA)
McMillan	Rose	Thomas (GA)
Meyers	Roth	Torres
Mica	Roukema	Torricelli
Mikulski	Rowland (CT)	Towns
Miller (OH)	Rowland (GA)	Traxler
Miller (WA)	Roybal	Udall
Mineta	Rudd	Valentine
Mitchell	Sabo	Vander Jagt
Moakley	Savage	Vento
Molinari	Saxton	Visclosky
Mollohan	Schaefer	Volkmer
Monson	Scheuer	Vucanovich
Montgomery	Schneider	Walgren
Moody	Schroeder	Walker
Moore	Schuette	Watkins
Moorhead	Schulze	Weber
Morrison (CT)	Schumer	Weiss
Morrison (WA)	Sensenbrenner	Wheat
Mrazek	Sharp	Whitehurst
Murphy	Shaw	Whitley
Myers	Shelby	Whittaker
Natcher	Shumway	Whitten
Neal	Shuster	Williams
Nelson	Sikorski	Wilson
Nichols	Siljander	Wirth
Nielson	Skeen	Wise
Nowak	Skelton	Wolf
O'Brien	Slattery	Wolpe
Oakar	Slaughter	Wortley
Oberstar	Smith (IA)	Wright
Obey	Smith (NE)	Wyden
Olin	Smith (NH)	Wylie
Ortiz	Smith (NJ)	Yates
Owens	Smith, Denny	Yatron
Packard	Smith, Robert	Young (AK)
Panetta	Snowe	Young (FL)
Parris	Snyder	Zschau

NOT VOTING—43

Ackerman	Grotberg	Regula
Bilirakis	Guarini	Rinaldo
Boland	Heftel	Rostenkowski
Bryant	Holt	Russo
Bustamante	Latta	Seiberling
Coleman (MO)	Leland	Sisisky
Collins	Manton	Smith (FL)
Conte	Markey	Sweeney
Dixon	McDade	Swindall
Dorgan (ND)	McKernan	Traficant
Dowdy	Michel	Waxman
Edgar	Miller (CA)	Weaver
Fazio	Murtha	Young (MO)
Foley	Oxley	
Ford (MI)	Rangel	

□ 1500

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

Pursuant to the provisions of clause 5, of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

EXPRESSING SENSE OF CONGRESS THAT TAIWAN SHOULD CONTINUE TO COOPERATE IN THE CASE OF HENRY LIU AND TO CONCLUDE AN EXTRADITION AGREEMENT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 110.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. SOLARZ] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 110, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 387, nays 2, not voting 44, as follows:

[Roll No. 53]

YEAS—387

Addabbo	Carper	Emerson
Akaka	Carr	English
Anderson	Chandler	Erdreich
Andrews	Chappell	Evans (IA)
Annunzio	Chappie	Evans (IL)
Anthony	Cheney	Fascell
Applegate	Clay	Fawell
Archer	Clinger	Feighan
Armey	Coats	Fiedler
Aspin	Cobey	Fields
Atkins	Coble	Fish
AuCoin	Coelho	Flippo
Badham	Coleman (TX)	Florio
Barnard	Combest	Foglietta
Barnes	Conyers	Ford (TN)
Bartlett	Cooper	Fowler
Barton	Coughlin	Frank
Bateman	Courter	Franklin
Bates	Coyne	Frenzel
Bedell	Craig	Frost
Beilenson	Crane	Fuqua
Bennett	Crockett	Gallo
Bentley	Daniel	Garcia
Bereuter	Dannemeyer	Gaydos
Berman	Darden	Gejdenson
Bevill	Daschle	Gekas
Biaggi	Daub	Gephardt
Bliley	Davis	Gibbons
Boehlert	de la Garza	Gilman
Boggs	DeLay	Gingrich
Boner (TN)	Dellums	Glickman
Bonior (MI)	Derrick	Gonzalez
Bonker	DeWine	Goodling
Borski	Dickinson	Gordon
Bosco	Dicks	Gradison
Boucher	Dingell	Gray (IL)
Boulter	DioGuardi	Gray (PA)
Boxer	Donnelly	Green
Breaux	Dornan (CA)	Gregg
Brooks	Downey	Gunderson
Broomfield	Dreier	Hall (OH)
Brown (CA)	Duncan	Hall, Ralph
Brown (CO)	Durbin	Hall, Sam
Broyhill	Dwyer	Hamilton
Bruce	Dymally	Hammerschmidt
Burton (CA)	Dyson	Hansen
Burton (IN)	Early	Hartnett
Byron	Eckart (OH)	Hatcher
Callahan	Eckert (NY)	Hawkins
Campbell	Edwards (CA)	Hayes
Carney	Edwards (OK)	Hefner

Hendon	McHugh	Sharp
Henry	McKinney	Shaw
Hertel	McMillan	Shelby
Hiler	Meyers	Shumway
Hillis	Mica	Shuster
Hopkins	Mikulski	Sikorski
Horton	Miller (OH)	Siljander
Howard	Miller (WA)	Skeen
Hoyer	Mineta	Skelton
Hubbard	Mitchell	Slattery
Huckaby	Moakley	Slaughter
Hughes	Molinari	Smith (IA)
Hunter	Mollohan	Smith (NE)
Hutto	Monson	Smith (NH)
Hyde	Montgomery	Smith (NJ)
Ireland	Moody	Smith, Denny
Jacobs	Moore	Smith, Robert
Jeffords	Moorhead	Snowe
Jenkins	Morrison (CT)	Snyder
Johnson	Morrison (WA)	Solarz
Jones (NC)	Mrazek	Solomon
Jones (OK)	Murphy	Spence
Jones (TN)	Myers	Spratt
Kanjorski	Natcher	St Germain
Kaptur	Neal	Staggers
Kasich	Nelson	Stallings
Kastenmeier	Nichols	Stangeland
Kemp	Nowak	Stark
Kennelly	O'Brien	Stenholm
Kildee	Oakar	Stokes
Kindness	Oberstar	Strang
Kleczka	Obey	Stratton
Kolbe	Olin	Studds
Kolter	Ortiz	Sundquist
Kostmayer	Owens	Swift
Kramer	Packard	Synar
LaFalce	Panetta	Tallon
Lagomarsino	Parris	Tauke
Lantos	Pashayan	Tauzin
Leach (IA)	Pease	Taylor
Leath (TX)	Penny	Thomas (CA)
Lehman (CA)	Pepper	Thomas (GA)
Lehman (FL)	Perkins	Torres
Lent	Petri	Torricelli
Levin (MI)	Pickle	Towns
Levine (CA)	Porter	Traxler
Lewis (CA)	Price	Udall
Lewis (FL)	Pursell	Valentine
Lightfoot	Quillen	Vander Jagt
Lipinski	Rahall	Vento
Livingston	Ray	Visclosky
Lloyd	Reid	Volkmer
Loeffler	Richardson	Vucanovich
Long	Ridge	Walgren
Lott	Ritter	Walker
Lowery (CA)	Roberts	Watkins
Lowry (WA)	Rodino	Weber
Lujan	Roe	Weiss
Luken	Roemer	Wheat
Lundine	Rogers	Whitehurst
Lungren	Rose	Whitley
Mack	Roth	Whittaker
MacKay	Roukema	Whitten
Madigan	Rowland (CT)	Williams
Manton	Rowland (GA)	Wilson
Marlenee	Roybal	Wirth
Martin (IL)	Rudd	Wise
Martin (NY)	Sabo	Wolf
Martinez	Savage	Wolpe
Matsui	Saxton	Wortley
Mavroules	Schaefer	Wright
Mazzoli	Scheuer	Wyden
McCain	Schneider	Wylie
McCandless	Schroeder	Yates
McCollum	Schuette	Yatron
McCurdy	Schulze	Young (AK)
McEwen	Schumer	Young (FL)
McGrath	Sensenbrenner	Zschau

NAYS—2

Nielson	Stump

NOT VOTING—44

Ackerman	Ford (MI)	Regula
Alexander	Grotberg	Rinaldo
Bilirakis	Guarini	Robinson
Boland	Heftel	Rostenkowski
Bryant	Holt	Russo
Bustamante	Latta	Seiberling
Coleman (MO)	Leland	Sisisky
Collins	Markey	Smith (FL)
Conte	McDade	Sweeney
Dixon	McKernan	Swindall
Dorgan (ND)	Michel	Traficant
Dowdy	Miller (CA)	Waxman
Edgar	Murtha	Weaver
Fazio	Oxley	Young (MO)
Foley	Rangel	

□ 1510

Mr. CRANE changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 528

Mr. STARK. Mr. Speaker, I ask unanimous consent that the name of Repesentative BILL LOWERY of California be removed from the list of cosponsors of H.R. 528.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

COMMEMORATING 24TH ANNIVERSARY OF BAY OF PIGS INVASION TO LIBERATE CUBA FROM COMMUNIST TYRANNY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 236) commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object. I simply would like to inform the House that the minority has no objection to the legislation being considered.

Personally, many of us support this and commend the gentleman from Florida for putting this legislation together. We thank him for it.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 236

Whereas April 17, 1985, marks the twenty-fourth anniversary of the first day of the Bay of Pigs attempted liberation of Cuba by the heroic 2506 Brigade, a battle which entailed three days of fighting at a narrow strand of mangrove, bunch grass, coral head, and sand lying thirty miles from the towns of Giron and Playa Larga and bounded by the Bay of Pigs and the Cienga de Zapata swamp;

Whereas, on such day in 1961, the fourteen hundred gallant and intrepid men who made up the brave 2506 Brigade were ill-equipped but possessing immeasurable spirit, courage, and determination, sought in the tradition of the great liberators Jose Marti and Simon Bolivar to liberate from Communist tyranny the beautiful isle of Cuba and reestablish freedom and democracy for the people of Cuba, that great island lying so close to the United States; and

Whereas the patriotic, noble, and sacrificial effort of the 2506 Brigade to liberate Cuba as in the same patriotic spirit that prompted other courageous and intrepid men to liberate the American colonies from a foreign monarch and establish freedom and democracy in America; and

Whereas the people of the United States proudly commend those courageous warriors who fight for the cause of freedom and justice anywhere in the world and the Congress wishes to express the commendation of the American people to the gallant warriors of the 2506 Brigade who made such an historic effort to establish freedom and democracy in Cuba: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 17, 1985, be commemorated as the twenty-fourth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 236, the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REPUBLICAN PLEDGE TO SUSTAIN PRESIDENTIAL VETO OF LEGISLATION RAISING TAXES

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, yesterday, my colleague from Florida, CONNIE MACK, and I had the honor of meeting with the President to present a letter, signed by 146 Republican Members of this body, who have pledged to sustain a Presidential veto of any legislation raising taxes.

The magic number—146—is assurance that such a veto cannot be overridden.

I hope that this letter will serve as a warning to any in this body who might want to try to raise the taxes of the American people. Rather than waste time on an effort that is guaranteed to meet with both a Presidential veto and House support of that veto it is time that this body begins actively cutting Federal spending.

The White House and the leadership in the other body have come up with a deficit reduction plan. It may not be perfect, but it is a genuine compromise, and one that should be considered as a beginning. Our options, which have been pointed out by Budget Director Stockman, are clear. Either we start now to reduce Government spending, or we do exactly what the people of the United States voted against last November—raise taxes.

Mr. Speaker, in light of the letter presented yesterday and the votes of the American people on November 6—there is only one choice. It's time to start a massive housecleaning of the Federal budget.

FREEZE CONCEPT FIGHTS THE DEFICIT

(Mr. McKINNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKINNEY. Mr. Speaker, 2 weeks ago, the House had its first major opportunity to use the "freeze concept" as a method of controlling our Nations's deficit. The measure before us, as you recall, was the NASA reauthorization bill for fiscal year 1986. The task before us, however, was to decide whether we would let slide an authorization bill 5 percent over the 1985 appropriation level, or begin to exercise prudence and fiscal responsibility to curb Federal spending. As you recall, Mr. Speaker, the House overwhelmingly decided in favor of the Morrison-Pursell amendment, which I supported, freezing the NASA authorization at the fiscal 1985 level. Three hundred and sixty-nine Members of this House voted to freeze the budget of the agency. This was a major statement—we, in Congress, are going to take seriously our duty to tackle the deficit problem.

This week, we have before us two more authorization bills, one for the National Science Foundation and one for the National Bureau of Standards. These bills contain authorization levels over last year's appropriation levels; 6 percent and 13 percent respectively. As I mentioned on the floor in support of the Morrison-Pursell amendment, if we are going to live up to what we are all saying, "fairness, hold the line, and cut the deficit," we must do so authorization by authorization. With all due respect to the members and staff of the Science and Technology Committee, who carefully and diligently prepared, marked up, and presented us with these bills, the House cannot vote in favor of these authorizations in their present form. We must continue to be serious about addressing the deficit and, once again, call upon the freeze concept.

I have always been and will continue to be in favor of science research and development—but right now we must hold the line. I call upon the Science and Technology Committee chairman and ranking minority member to take into account the sentiment present in this House which demands getting the budget back under control. And, in anticipation of action to impose a freeze at last year's appropriation levels, I believe it would be fitting that the committee itself take the initiative to amend the authorization levels to correspond with the will of this body. The committee members know best the various programs embodied in these authorizations, and they have the expertise to come up with the necessary cuts to bring down costs to last year's levels.

It is inevitable that the House will use the freeze concept this week as a means to fight the deficit. I hope that with the cooperation of the Science and Technology Committee, we are not only able to demonstrate fiscal responsibility, but also are able to ensure maximum effectiveness in the programs authorized by these bills. I invoke the wisdom and determination of this House and urge my colleagues to freeze the authorization levels of the National Science Foundation and the National Bureau of Standards at last year's appropriation levels.

WOMEN PARLIAMENTARIANS WORK FOR PEACE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, May Britt Theorin, Swedish Member of Parliament and only woman in the world representing a government at the disarmament talks in Geneva, encapsules the spirit of two other great Swedes, Raul Wallenberg and Alva Myrdal.

Raul Wallenberg saw a holocaust going on around him and did everything in his power to stop it. Alva Myrdal has done some of the world's most creative thinking on arms control.

May Britt Theorin sees the possibility of a nuclear holocaust increasing daily, with nothing constructive being done about it, only a constant quickening of the arms race.

This year she decided to gather female parliamentarians from five continents to prepare a statement on the arms race for the July 1985 Nairobi World Conference To Review and Appraise the Achievements of the United Nations Decade for Women. Women will end the decade in worse shape economically than they began it and in a world where the chance of a nuclear holocaust has increased, not decreased. To better the position of women and children, the arms race must be stopped. I will place in the RECORD today the statement that resulted from the Stockholm seminar. Representative BARBARA BOXER suggested a permanent World Women Parliamentarians for Peace Group, and the delegates enthusiastically accepted it. The group is now permanent.

In this year, the 40th anniversary of the Hiroshima, and the end of World War II in Europe, women parliamentarians joining together to promote peace and disarmament is good news.

The statement of the women parliamentarians follows:

JOINT STATEMENT ISSUED ON 12 APRIL 1985 IN STOCKHOLM BY WOMEN PARLIAMENTARIANS FROM 15 COUNTRIES AND ALL CONTINENTS INCLUDING CONGRESSWOMEN SCHROEDER, SCHNEIDER, AND BOXER OF THE UNITED STATES

As women parliamentarians—representing 15 countries from all continents and of differing political systems—we are unified in our concern for peace and disarmament. We come together four decades after the founding of the United Nations, and at the end of the United Nations decade for women, to be evaluated in Nairobi but also four decades after the second World War and the nuclear bombing of Hiroshima and Nagasaki.

Facing a world rife with conflict, bristling with arms and riddled with hunger and malnutrition we view these anniversaries as a time for concrete progress in stopping the arms race—a fundamental obstacle to peace, equality, and development. This is the interrelated agenda of the Nairobi Conference.

Women have so far had inadequate influence on decision-making concerning war and peace, military budgets and structures, disarmament negotiations and resolution of conflicts.

For true equality to become a reality for women, the sharing of power on equal terms with men is vital. Women should fully participate in all efforts, including negotiations, to strengthen and maintain peace and to promote international co-operation, détente and nuclear and conventional disarmament. Governments must implement this by institutional, educational and organizational changes.

Achieving peace, security, disarmament, economic and social development is an indivisible task. As women parliamentarians, we are keenly sensitive to this reality. We call on all women to join us in the task of making governments realize this and to counter the negative economic consequences of the arms race.

We consider that the concept of peace includes not only the absence of war, violence and hostilities at international and national levels, but also social justice and equality for all nations and for all people.

Lack of progress towards disarmament has meant a continued and compounded drain on world resources. It has not been possible to free any amount, however modest, from the unproductive and spiralling arms race for the long-term solution of social and economic problems.

Urgent action is needed to halt the technological escalation of the conventional and nuclear arms race. To achieve this goal we recommend the reallocation of funds to non-military research and development, limits on international arms transfers in general, particularly to areas of conflicts,

and the conversion and redeployment of resources released from military purposes to economic and social aid to developing countries.

Men and women all over the world long for peace and justice. Interdependence between nations is greater than ever. Unfortunately, the search for security has too much been based on national aspirations and armaments, and too little on common efforts towards mutual understanding and international peace. It is our firm belief, that this pattern has to be broken, if humankind is to survive. In the nuclear age, security must be based on common interests instead of confrontation and nuclear deterrence. The technological imperative of the arms race must be replaced by concrete political initiatives for disarmament.

In principle all nations and governments condemn the arms race, but in practice they participate in that race. The dilemma is to find ways of transition from one security system to a different one. As women parliamentarians we fully realize this difficulty, but we cannot accept the existing stalemate, which prevents progress in the necessary disarmament process.

We therefore propose these transitional measures: an immediate moratorium on the testing, production and deployment of nuclear weapons and their delivery vehicles, reciprocally undertaken by the Soviet Union and the United States followed by the other nuclear powers. We also propose negotiations aiming at formal agreements beginning with a comprehensive test ban treaty. We further call for the absolute prevention of an arms race in space. These actions constitute the foundation for agreements on sharp reductions of the immense arsenals of nuclear and conventional weapons.

We urge the Nairobi Conference to support the proposals outlined in this statement, which are aimed at promoting peace, equality and development.

Unified in our concern for peace and disarmament and convinced that the arms race is a fundamental obstacle to peace, equality and development we have formed World Parliamentarians for Peace. The compelling agenda of this network will be the implementation of these and other proposals at the national and international level. We invite women parliamentarians from all continents and political systems to join us in this urgent task.

THE TIME IS LATE—DO YOU KNOW WHERE YOUR CONGRESSMAN IS?

(Mr. MARLENEE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, a well written editorial in yesterday's Times entitled "Welcome Back Congress" should be addressed and referenced to American voters across the Nation and could well have been entitled, "The Time Is Late—Do You Know Where Your Congressman Is?"

Every voter and more specifically every member of every congregation in America should read the series entitled "The Network." It is well documented and well referenced. Washington's major newspaper, the Times, has done a superb job of exposing how the Sandinistas, the Marxists, and their surrogates are manipulating public opinion, misleading the American people, and using well meaning people and church groups.

I will be submitting into the RECORD from day to day the series documenting the abuse.

After reading this series I would speculate that anger and frustration will elevate to new levels when the American public realizes how foreign ideologies are using our system against us.

While the freedom fighters—Contras—are fighting for true democracy, here at home several misguided groups are attempting to subvert precious U.S. aid to the cause for freedom in Central America.

But missing from the efforts of these groups are calls for Cuba and the Soviet Union to curtail the massive amount of military weapons and ammunition that are flooded into Nicaragua daily. There are no calls for the thousands of Cuban, Soviet, Libyan, PLO, North Korean, and East German military advisers to leave Nicaragua. And there are no calls for Nicaragua to end its support of Marxist guerrillas fighting in the region.

I urge my colleagues not to play politics with freedom. Support the only hope of freedom in Nicaragua.

DISINFORMATION: TWISTED FACTS DISTORT REALITY

(By Arnaud de Borchgrave, Editor-in-Chief)

President Reagan told The Washington Post last week that "we've been subjected, in this country, to a very sophisticated lobbying campaign by a totalitarian government—the Sandinistas. There has been a disinformation program that is virtually worldwide, and we know that the Soviets and Cubans have such a disinformation network that is beyond anything we can match."

The Post in particular, and the liberal media in general dismiss the very notion of Soviet and Soviet-proxy disinformation as a manifestation of mindless anti-communism. In a column headlined "Sandinista Disinformation?"—the question mark was designed to discredit the president's irrefutable statement of fact—The Post's deputy editorial page editor, Stephen S. Rosenfeld, wrote, in effect, "Yes, but so what?"

So a lot, Mr. Rosenfeld.

Vietnamese officials (e.g., General Giap himself) and defectors have confirmed that disinformation operations in the U.S. media and on Capitol Hill played a major role in changing perceptions about that war.

The former justice minister of so-called National Liberation Front of South Vietnam—created and controlled by the Hanoi government—escaped among the boat people. He has testified that clever disinformation operations led us to believe that the 1968 Tet offensive was an unmitigated disaster for the United States.

So pervasive was this perception—this misperception—that President Johnson felt compelled to abdicate a few months later. The reality, according to Truong Nhu Tang, was the other way round. Tet was an unmitigated disaster for Hanoi.

There is every indication that the liberal media and the Congress do not support the Reagan administration's policy in Central America—notwithstanding the endorsement of the bipartisan Kissinger Commission report in January 1984. But there is also every indication that disinformation and Soviet-Cuban-Nicaraguan "active measures" have played a crucial role in laying the groundwork for yet another U.S. strategic defeat.

There are many groups in the United States whose media connections are an open secret. Their mission is to shade, embroider and distort the truth for their own disinformation agenda, while excoriating anyone else who is less than truthful.

These groups have helped nurture an entire new generation of journalists who have made it their duty to transform America's sworn enemies into misunderstood innocents, while at the same time portraying our own leaders as the foes of democracy and freedom.

Apologists for communism in Cuba, Vietnam, Angola, Mozambique, Ethiopia, Nicaragua, Afghanistan and elsewhere have argued that they were driven down the Marxist path of hostility because of abuse by the U.S. government. That this is sheer, unadulterated disinformation is confirmed by communist dissidents and defectors, yet it is still eagerly regurgitated by the liberal establishment on both sides of the Atlantic.

How is it possible that so many intelligent people accept these dangerous misconceptions as the geopolitical gospel? Disinformation is the key. The Washington Times, beginning today and ending Friday, will unravel "The Network" that has been poisoning the lifeblood of democracy.

How does it do this? Quite simply by distorting the data and corrupting the process of understanding in such a way that it leads public opinion to react differently than if it understood the true nature of reality.

It would behoove the Congress to take note before our elected representatives vote yet another resolution that will once again make it possible for the Marxists to steal a revolution from the people, only to impose a totalitarian dictatorship more draconian than the authoritarian regime that was overthrown.

WELL-OILED PROTEST MACHINE AIMS TO KILL CONTRA AID

(By John Holmes and Bill Outlaw)

Intelligence experts call it "The Network"—a massive but almost invisible spiderweb of hundreds of left-wing groups and organizations, linked together by sinewy threads of personnel, ideology and politics, and seeking dramatic changes in the social, economic and political policies of the United States government.

And now, The Network has focused its attention and resources on its latest target: President Reagan's Latin American policy.

Last Thursday night, shortly after President Reagan announced his plans for bringing a halt to conflict in Nicaragua, a coalition of pacifist church groups began to prepare for a program of "nationally coordinated legal vigils and phone-ins" of protest.

Dennis Marker, spokesman for that coalition, which is called Pledge of Resistance, was quoted over the weekend as saying that an "active alert" went out over its 55,000-person telephone network. Members of this network were told to call their congressmen the day after Mr. Reagan makes a future television speech on Nicaragua and urge them to vote against his policies.

This apparently well-oiled protest machine is just a small part of what is called The Network. Over the years, those who organize, operate and manipulate this web have thrown their efforts behind many causes opposed to policies of the administration.

The Network consists of literally hundreds of groups on the left side of the religious and political spectrum. Many are shoebox and telephone booth outfits—small groups of cause-oriented people working in cramped spaces for little or no money. Some, however, are large, well-funded and highly organized.

Most of these organizations claim to be nonpartisan and independent, interested in such noble causes as 'human rights" and "social justice." To a degree, that's true; and many individuals who participate in these activitiesa are motivated out of a genuine sense of righteousness and altruism.

But in many cases, that's not the whole truth.

Wall Street Journal columnist Suzanne Garment pointed out that "there is by now—on the American left—a whole cottage industry using the language of human rights and social justice to delegitimize" the United States' efforts to nurture democratic, anti-communist regimes in Latin America.

"While these organizations portray themselves as 'objective' observers of Latin America, this often is not the case," said Joan Fraley, an analyst writing in the Heritage Foundation's "Policy Review."

"Analysis of Latin American issues is offered mainly by organizations whose fundamental ideological perspective is sharply suspicious of, if not openly hostile to, U.S. policy in this region."

Of course, legitimate differences of opinion and debate are essential to the democratic process. But experts who have observed The Network over many years point out that some of the groups employ questionable tactics, including the planting of disinformation and outright deception—a tactic known as "active measures."

"Anything that advances their cause is, in their eyes, the truth. Anything that retards it becomes an untruth," wrote Auguste Lecoeur, a former high-ranking Communist Party official in France, who was drummed out for protesting the Soviet invasion of Czechoslovakia.

Adds one analyst: "Ever since the creation of the World Peace Council by the Soviet Union in 1949, Moscow has manipulated the slogan 'peace' as a weapon of 'war'."

And some groups in The Network actively cooperate with organizations established by the Kremlin for just these "active measures," proclaiming allegiance nevertheless to the lofty goal of "world peace."

The president himself expressed concern over this aspect of The Network.

"We've been subjected, in this country, to a very sophisticated lobbying campaign by a totalitarian government—the Sandinistas," Mr. Reagan said.

"There has been a disinformation program that is virtually worldwide, and we know that the Soviets and the Cubans have such a disinformation network that it is beyond anything that we can match," the president said in a recent interview with The Washington Post.

Mr. Reagan has proposed $14 million in aid for Nicaraguan resistance. Congress has until late April to act on the president's proposal.

* * * * *

In 1978 Brian Crozier, a London-based, veteran Soviet affairs analyst, called the IPS the "perfect intellectual front for Soviet activities which would be resisted if they were to originate openly from the KGB."

Mr. Crozier later stated that in 1982 the IPS concluded a public arrangement with two Soviet institutions used regularly by the Kremlin for "active measures" against the West.

IPS co-founders Richard Barnet and Marcus Raskin "are both specialists in 'blame-America-for-everything lobby,'" said Rael Jean Isaac, a close observer of The Network, in an interview.

Writing in "Midstream" magazine in 1980, Mrs. Isaac stated, "What IPS is really concerned about is assuring United States withdrawal of support from 'reactionary' regimes worldwide. Once that is done, IPS is quite confident in the ability of 'progressive' forces (backed presumably by 'progressive' arms of Cuba, the Soviet Union, etc.) to achieve victory."

Robert Borosage, IPS director, maintains that allegations of Soviet influence on the institute are "preposterous."

He said the organization has had meetings with the Soviet Academy of Sciences but said these are done to promote an exchange of ideas. Asked about allegations that IPS is strongly influenced by those meetings, Mr. Borosage said "That's ridiculous. It's an open dialogue between two institutes."

He said IPS itself does not take a position on issues, but that institute fellows are free to take a position in their research. He futher stated that efforts to link the IPS to pro-Soviet positions are attempts to "discredit" the organization.

"The IPS, nevertheless, has espoused many Soviet, Cuban and North Vietnamese positions since its creation 23 years ago," said an analyst. "It has acted as a conduit for major Soviet disinformation themes."

Depending on the specific task at hand, members of The Network will work together or separately. Cooperation isn't mandatory, or even easy at times, but they often pool their resources to great effect.

While on the surface separate, free-standing entities, each seems to specialize in a specific area. IPS keys much of its efforts to research; COHA has mastered the art of influencing—and, some say, manipulating—the media.

CISPES and other solidarity groups organize demonstrations and protests on university campuses across the country and around the world. The National Council of Churches, the Interreligious Task Force on Central America and others seek to spread their liberal political gospel in the religious world.

Many of these groups, both politically and religiously oriented, are banding together later this month to stage one of the largest, most overt shows of strength in some time. They will be protesting "Reagan's War In Central America."

Organizations such as the Women Strike for Peace, CISPES, the Mobilization for Survival and the U.S. Peace Council—which the FBI has characterized as Soviet-controlled—are organizing and sponsoring a four-day weekend of activity in Washington, D.C., and around the country beginning April 19.

[When the U.S. Peace Council was set up in 1979 as one of the Moscow-controlled World Peace Council's 137 national branches, numerous U.S. and state congressmen particpated in the founding conference and subsequent meetings.]

The upcoming weekend of activity, according to the groups' literature, will include protests, marches and rallies, as well as "training sessions" for lobbying and civil disobedience, activities that the groups plan to carry out primarily on Monday, April 22.

Similar activities also are planned for New York, Seattle, San Francisco, Los Angeles and other cities. Organizers expect 20,000 protesters for the Washington rally.

But while such demonstrations are the most obvious and blatant shows of strength, the key element and single most important facet of The Network's operation is influencing policy- and decision-makers.

These groups may not see themselves as "lobbyists" and, in the classic sense of gladhanders in three-piece suits who spend their days chatting up congressmen and staff assistants, they are not.

But if "lobbying" can be defined as an attempt at persuasion through education, then there is little doubt that these groups are "lobbyists," and very effective ones at that.

A major reason many of these organizations so vehemently renounce the label of "lobbyist" is legal. Groups such as IPS, COHA and WOLA are non-profit, tax-exempt organizations. That is a highly desirable status that might be jeopardized if they were deemed to be engaged in influencing legislation.

"We don't do lobbying on the Hill," said Larry Birns, COHA's founder and director.

"We've never lobbied. I don't think I've been to Capitol Hill 10 times in the past 10 years."

Reggie Norton, an associate at WOLA, admits that WOLA representatives meet and talk with members of Congress and their staffs, but disagrees that that constitutes lobbying.

"We don't lobby," he said. "I don't see them and say, 'vote against the Contras.' I go in and say this is the situation we saw and a peaceful solution is possible."

And IPS' Borosage stated that institute fellows may talk with a lot of people in Washington about a wide range of issues, but said that these are not pegged to any congressional agenda.

There is, however, little question to conservatives involved in the Latin American question that these groups are lobbying.

"Lobby? Absolutely," said the ASC's Sam Dickens. "They have an extremely effective lobby, particularly with staffers on the Hill."

The Network uses a variety of tactics in their efforts to influence Congress and public opinion. The primary technique in dealing with Congress is the passing of information, at least some of which is held by many conservatives to be biased or misleading.

Mr. Dickens explains that representatives from these groups establish contacts with congressional staffers and supply them with "slanted" information. Some staffers then pass the information to members of Congress.

Often, some of the material ends up in the Congressional Record, in speeches the congressmen give, in mailings they send out, or in articles they write for various publications.

COHA Director Larry Birns boasts that his people prepare as many as 100 Congressional Record inserts each year for various legislators, including, according to Mr. Birns, D.C. Delegate Walter Fauntroy, Rep. James Oberstar, D-Minn.; Rep. Don Bonker, D-Wash.; and Sen. Tom Harkin, D-Iowa.

Some of the individuals with the groups—most notably IPS and COHA—also generate opinion pieces for major newspapers around the world. Articles by IPS fellows can frequently be found on the New York Times and Washington Post's opinion-editorial pages and are picked up by many of America's 1,700 daily papers.

Some media watchdogs have complained that IPS is seldom, if ever, identified in these publications as a radical think-tank on the left. Rather, it is frequently termed a "Washington-based research institute," as the New York Times has called it.

COHA issues scores of press releases each year. Mr. Birns claimed COHA is merely spreading the word, but those on the other side accuse him of manipulating the media by passing his information as straight news.

"COHA is not a human rights group. It is a left-wing foreign policy group that often masquerades as a human rights group," said Elliott Abrams, assistant secretary of state for human rights and humanitarian affairs.

"If you read what they've had to say through the years about human rights violations in Surinam, or Bishop's Grenada, or Cuba—worst of all, Cuba—you will see that they don't care about human rights in left-ist or Communist regimes," he said.

Some groups such as WOLA—which Mr. Dickens describes as "openly supportive of the Sandinista government"—go far beyond the gathering and distribution of information.

"In addition to lobbying, they're [WOLA] taking people to Nicaragua on the guided tour effort," Mr. Dickens says. "They're playing an activist role in getting people to be supportive." WOLA's Mr. Norton maintains that they merely allow people to see the situation in Nicaragua for themselves.

Some of the church-related groups also are heavily involved in this "guided tour" effort, an activity that appears to be growing in popularity throughout The Network.

"Some of these church-related groups seem to think the Sandinista regime is just another form of government," said one analyst. "But even the Sandinista anthem refers to the U.S. as 'the enemy,'" he said. [The verse in question is: "The children of Sandino don't surrender or sell out. . . . We fight against the Yankee, enemy of humanity."]

Much of the left-wing church activity is coordinated through the National Council of Churches, the umbrella group covering 32 major Protestant and Eastern Orthodox churches with congregations totaling 42 million people.

Since the mid-1960s, the NCC has actively campaigned for what it calls "social justice." But, said one observer, "just think of any left-of-center cause and the NCC has been involved."

Through the liberal church network maintains its own agenda, it is extremely similar, if not identical, to that pursued by its secular counterpart. And in many cases, the two groups are tightly interwoven, sharing common goals, projects, ideology and membership.

The North American Congress on Latin America, for instance, was established in the NCC offices in Washington, D.C., and receives financial support from numerous Protestant churches through the NCC's Latin American Division and through specific projects like the Presbyterian hunger program, according to a report by the independent Institute for Religion and Democracy.

And the Heritage Foundation quotes WOLA's 1983 annual report as saying that WOLA received $124,000 from the United Methodist Church.

The IRD has documented mainline Protestant church support for left-wing political activities in the United States and to Vietnam. The United Methodist Board has contributed to the national Network in Solidarity with the Nicaraguan People, which was founded "to support and defend the Nicaraguan revolution," and other solidarity groups that assist the Salvadoran rebels, according to IRD.

In her book, "The Coercive Utopians," Rael Jean Isaac details many examples of the ways in which church groups fund leftists in Central America and around the world. Primary among her tales is that of David Jessup, an AFL-CIO official and member of the United Methodist Church, who studied Methodist contributions and reported to the 1980 General Conference of the Church.

"Most Methodist churchgoers would react with disbelief, even anger, to be told that a significant portion of their weekly offerings were being siphoned off to groups supporting the Palestime Liberation Organization, the governments of Cuba and Vietnam, the pro-Soviet totalitarian movements of Latin America, Asia and Africa, and several violence-prone fringe groups in this country," Mr. Jessup wrote.

Another group, the American Friends Service Committee, has become involved in political controversy.

In December 1984, the Citizens for Reagan submitted a letter to the Internal Revenue Service requesting an investigation of the AFSC and four other groups. CFR stated that the groups were violating the rules governing their tax-exempt status because they were engaged in "substantial lobbying" and political activities in favor of the Sandinista regime in Nicaragua and in opposition to U.S. policy in Central America.

As one observer of The Network put it, "the church lobby is important because they give (the debate) respectability. You can't argue with priests and nuns," he said.

CRISIS IN CENTRAL AMERICA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, last night, addressing the Nicaraguan Refugee Fund, President Reagan said, and I quote, "The national security of all the Americas is at stake in Central America."

The Public Broadcasting System has produced a series entitled "Crisis in Central America" which illustrates the history of U.S. policy in Latin America beginning about 1900.

□ 1220

The series was produced for Front Line by WGBH in Boston in association with the Blackwell Corp. and made available to the House Broadcasting System by Charles Benton of Chicago.

The first series, entitled "The Yankee Years" will be broadcast today on the House Broadcasting System at 1:30, followed by a 2:20 episode entitled "The Castro Revolution" and then it will be followed by two broadcasts on Thursday at 1:30 and 2:30 respectfully, "Revolution in Nicaragua" and "The Battle for El Salvador."

I urge all my colleagues and all staff associates to prepare for the upcoming debate on the Contra aid and the refugee relief as requested by the President by viewing this series.

[From the New York Times, Apr. 9, 1985]

"CRISIS IN CENTRAL AMERICA," ON PBS

(By John Corry)

"Crisis in Central America" confronts a question it does not explicitly raise: Is the United States responsible for the crisis? The four-part "Frontline" series provides no answer, expecting us to find it ourselves. We can, although we must work at it, perhaps harder than we may wish. The series, beginning on Channel 13 at 9 tonight, continues through Friday.

The episode tonight, "The Yankee Years," begins with flickering old film: it is 1898; United States troops land in Cuba. Interventionism has begun. The Panama Canal is dug. United Fruit reaps its harvests. Marines are sent to Nicaragua. The Central Intelligence Agency manipulates Guatemala. For more than 50 years, American interests flourish.

Tomorrow night's program deals with the Cuban revolution and its aftermath. Nicaragua is examined on Thursday, and El Salvador on Friday. The final image in the series, a freeze frame, is "a crowd of Salvadorans," the narrator tells us, "who came to witness the prospect of peace."

The series, using old film and interviews, is even-handed, determinedly so. For example, a former Marine, who fought Augusto César Sandino, the Nicaraguan rebel, in 1926, says, "I think the natives really favored the Marines." A Nicaraguan says, "We wanted to shoot them, and run them through with machetes." Thus the format: credit the United States, if only for good intentions; then penalize it for insensitivity or something worse. There is balance.

Therefore, "Crisis in Central America" suggests that the United States was neither as malevolent as critics claim, nor as benevolent as apologists insist. The most interesting sequence in the first program looks at an inglorious episode: the Central Intelligence Agency-sponsored coup that overthrew Jacobo Arbenz Guzmán in Guatemala in 1954.

The Arbenz Government, democratically elected, was influenced, but apparently not led, by Communists. Mr. Arbenz began labor and land reform, including the appropriation of 80 percent of the land owned by United Fruit. Secretary of State John Foster Dulles, alarmed, dispatched an envoy, who demanded that Mr. Arbenz remove Communist labor leaders. Mr. Arbenz refused.

Consequently, the Eisenhower Administration decided to remove Mr. Arbenz. Richard Bissell, a former Special Assistant to the Director of Central Intelligence, says in an interview that there "is absolutely no reason to believe" the desire to help United Fruit played "any significant role" in reaching the decision.

The dominant factor was presumably Mr. Dulles' obsession with Soviet expansionism. Whatever it was, however, was incidental. The coup, fabled today, was carried out largely by a C.I.A. radio station that broadcast news of a "liberation" army. The army

was actually 150 Guatemalans in a few trucks and station wagons.

As coups go, this wasn't much. Reasonable people may agree that it was wrong for the United States to intervene, although the principal result was unintended. Mr. Bissell hints at it delicately: "In other situations, in other countries, too much reliance was placed on the method that had been successful."

Possibly, he is thinking of the disastrous 1961 invasion at the Bay of Pigs in Cuba. Meanwhile, José Figueres Ferrer, the former President of Costa Rica, notes that "the leftists have great propaganda machinery" and that the Guatemalan intervention provided the left with a cause.

"The Yankee Years" suffers from omission—it suggests that Central American history began around 1900, which ignores 300 years of wars, revolutions, European adventurism and local politics. But certainly unrest did grow after Guatemala in 1954. Anastasio Somoza Garcia was assassinated in Nicaragua in 1956; Carlos Castillo Armmas, the C.I.A.'s Guatemala heir, was killed a year later. By then, Fidel Castro had landed in Oriente Provinece in Cuba. Two years later, he entered Havana.

"Crisis in Central America" is addressing another foreign policy concern here. It is implicit and unspoken, but it is there: no more Vietnams; no more Cubas, either. Tomorrow night's espisode, "Castro's Challenge," looks at the problem.

Fidel Castro overthrew Fulgencio Batista, a thug. American moderates rejoiced, but too quickly. Cuba soon became a Soviet client. "Castro's Challenge" does not argue that world peace would have been better served with Batista, although it does note that Mr. Castro's ascension led to the Cuban missile crisis, and that Cuba dispatched 30,000 troops to Angola in 1975 and 10,000 troops to Ethiopia in 1978. Batista may have been odious, but he did not export violence.

Moreover, right-wing dictatorships such as Batista's sometimes evolve into democracies, while left-wing dictatorships such as Mr. Castro's do not. More than one million Cubans have fled their country. Does this mean the United States should support right-wing dictators? This is an unpalatable proposition, and "Crisis in Central America" is cautious.

Therefore, we get Fred C. Icklé, an Under Secretary of Defense, raising the possibility that Nicaragua may turn into another Cuba. Hence we should oppose the Sandinistas. We also get Michael D. Barnes, a liberal Democratic Congressman from Maryland, saying that the Administration has chosen the worst possible way to deal with Nicargua: C.I.A. involvement with old allies of the Somozas. If anything, Mr. Barnes says, this will unite the Sandinistas and their allies against us.

It is possible that Mr. Icklé and Mr. Barnes both share a part of the truth. "Crisis in Central America" is often plodding, and sometimes repetitious. Visually, it is not nearly as gripping as "Vietnam: A Television History," the public television series with which it will most often, even if unfairly, be compared. But it does give us a sense of complexity. In an age in which simplistic rhetoric flourishes, that's an accomplishment of note.

"Crisis in Central America" was produced for "Frontline" by WGBH in Boston in association with the Blackwell Corporation, an independent production company. The executive producer for the Blackwell Corporation is Neal B. Freeman.

□ 1520

DESTRUCTIVE ENGAGEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MATSUI] is recognized for 5 minutes.

● Mr. MATSUI. Mr. Speaker, I rise to speak about the status of our current relations with the Republic of South Africa.

The Government of South Africa, since 1948, has constitutionally promoted racial oppression and white supremacy. Blacks, who make up the vast majority of the population, are denied the basic rights and freedoms that are guaranteed to whites. This includes freedom of speech, assembly and travel, access to a fair trial, and the right to choose were they live or work.

Almost every Member of Congress has shown the courage to speak out forcefully against the South African Government's official practice of apartheid. Clearly the time for words alone has passed and the time for action is upon us.

I am an original cosponsor of H.R. 1460, a bill which expresses the opposition of the United States to the system of apartheid in South Africa. More importantly, this bill requires that certain substantive economic policy steps be taken which will leave no doubt about our Nation's opposition to apartheid. H.R. 1460 will prohibit loans to the South African Government and will place restrictions on new investments in South Africa.

I encourage all of my colleagues to continue to speak out against apartheid and to join me in cosponsoring H.R. 1460.●

PERSONAL EXPLANATION

(Mr. SWINDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWINDALL. Mr. Speaker, on rollcalls No. 52 and 53, upon which this body just voted, I was unavoidably delayed.

Mr. Speaker, had I been present I would have voted yea on both rollcalls.

GRENADA DOCUMENTS: AN OVERVIEW AND SELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, today I am going to take the second in a series of special orders which use the Grenada Documents: An Overview and Selection, as released by the Department of State in September 1984, as a framework for looking at Marxism, Leninism and its relationship to Nicaragua and the upcoming vote on aid to the freedom fighters.

My purpose in doing this is to lay out the historical record that on the one occasion where we have had actual capture of Soviet documents, that we are aware of a great deal we have learned about the nature of communism and we are aware about what it is they intend, what they say in public, and what in fact they do in private.

To remind the Members of the House, when the United States liberated the Island of Grenada from the Communist dictatorship, we captured for the first time in history all of the documents that a Communist Party and a Communist government, for the first time ever we knew what their secret speeches were, what their secret diplomatic dispatches were, what the secret minutes of their meetings were, what they said in their diaries.

Out of that entire collection of some 35,000 pounds of material, the U.S. Government selected what was regarded by two experts, Michael Ledeen and Herbert Romerstein, to be the most significant documents, including among others a secret speech which I outlined in a special order yesterday called the "Line of March for the Party," presented by Comrade Maurice Bishop, chairman of the central committee, to a general meeting of the party on September 1, 1982.

In the speech by Bishop, he outlines the degree to which the Grenadian Communist Party was systematically a Marxist-Leninist party and was committed to an alliance with the Soviet Union.

Similarly, in yesterday's speech, I introduced a secret speech by Commandante Dayarda Arce, of the Nicaraguan Communists, a speech which was secretly tape recorded and released through the Barcelona newspaper, La Vanguardia.

In this speech Arce, himself, once again outlines the Nicaraguan Communists are in fact Communists. He says, in the opening paragraph, "We Communists." He says at the very end of the speech, "We must take advantage of the change offered by the elections to gain other positive benefits, the unity of the Marxists-Leninists of Nicaragua."

In Arce's speech by a Nicaraguan Communist he refers again and again to Marxism-Leninism and to the fact that the only reason they are pretending not to be Communists is in order to fool the Americans and to fool the American Government and American politicians.

In fact, he specifically says, and I quote: "Our strategic allies tell us not to declare ourselves as Marxist-Leninists, not to declare socialism." The reason I think this is important to

look at is because the fact that a Nicaraguan Communist, in his secret speech, is directly parallel to the Grenadian Communists in his secret speech, that is, if you were to take the Maurice Bishop speech and lay it out side by side with Arce's speech in Nicaragua, you would discover that the formulas are almost the same, that the arguments are almost the same and that in each case they refer to advice they were given by other Communists. In both cases we happen to know the Communist advisers to Nicaragua and the Communist advisers to Grenada were the Cubans and the Soviet Russians.

I think this is important because in framing the debate next week and the week after, as we look at the question of whether or not to help the freedom fighters or whether to participate in allowing the Soviets to establish a military base in Central America, in allowing a Communist Marxist-Leninist dictatorship to establish itself more securely, one question Members of this House have to ask themselves is: What do we know about the nature of Marxism-Leninism and what do we know is probably going on in Nicaragua?

It is particularly important to look at the Grenadian documents, and I would say the average Member of the Congress and the average American citizen that this group of Grenada documents: an overview and selection, is available free from the State Department, is more valuable than 10 trips to Nicaragua, more valuable precisely because a Nicaraguan Communist Party will do precisely what in fact we see in this document the Grenadians doing.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be delighted to yield.

Mrs. SCHROEDER. I think one thing we also need to know, Mr. Speaker, is, what do we know about the Contras or the freedom fighters, as the gentleman from Georgia calls them.

I think one of the issues here is not so much who are the good guys and who are the bad guys; I think it is a little vague. My understanding is there are all sorts of data about the Contras that makes one wonder whether they truly are the freedom fighters at the same time. And I think that is where the gentleman might be fuzzing up the facts a little bit because that is obviously what the gentleman is asking us to do, but he is only presenting to us evidence on one side and not talking about the Contras.

Does the gentleman know, for example, that the Contras are going to adopt something like the Declaration of Independence or the Constitution or the Bill of Rights or whatever? If he does, that is entirely contra to what we have heard about the Contras.

Mr. GINGRICH. I think the gentlewoman raises a perfect question and I think it goes to the heart of the whole debate.

In fact, I would say to the gentlewoman, if this were 1944 and we were trying to make the decision whether or not to help the French throw the Nazis out of France, that we could produce a whole series of very accurate horror stories about the French Resistance; that there is no question—and I say this as a historian—there is no question but that partisan guerrillas in Europe did a number of things which, if they showed up on television or if they were witnessed by various church groups, would have been very effective arguments in America; "Why would you help the French Resistance overthrow the Nazis when the French Resistance has committed a number of atrocities?" There is no question they did.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield further?

Mr. GINGRICH. I would be delighted to yield.

Mrs. SCHROEDER. As a fellow historian, let me say that I think there is a good answer for why you would help the French Resistance, and that is that you understood the long tradition in France for a democracy, you understood what they were doing. And that tradition has not been prevalent in Nicaragua. The very tragic problem in Central America is, we have not seen people like Jefferson and Washington and so forth. I think if all of us, if we look at our history, where we have been burned in the United States over and over and over again, is the fact that we are constantly looking at revolutions like they were ours, like they were the wonderful revolutionary forefathers we had when they came to power; people like George Washington, who was offered the kingship and said no. We would not even offer it to politicians today. I think the gentleman is confusing oranges and apples. I am thinking about Contras in a country that does not have the democratic traditions that the French did, and I am saying we both know that all wars are terrible, and guerrilla movements are terrible. I am looking beyond that to the traditions in a particular country.

□ 1530

Mr. GINGRICH. Let me ask the gentlewoman two questions, then, because I think this is the heart of the issue:

In both Afghanistan and Cambodia, members of your party have proposed that we provide aid, covert aid to guerrillas who are fighting against the Soviet Union. Now in both those countries, it has not been conditional aid; in both those countries, in fact, there is no tradition of George Washington—in fact, Afghanistan was for a long time a monarchy.

I am not going to defend a group that frankly I do not know the details of, because I do not think that the choice here is between two evils. My argument is on two counts: First, that Marxism-Leninism is a systematic doctrine in alliance with the Soviet Union for the death of America; and that I can produce for the gentlewoman quote after quote after quote by Marxist-Leninists who say flatly, including an Arce speech, the Nicaraguan, who says flatly that "the war does not relate to Ronald Reagan, that the war will go on no matter what."

So we know, flatly, I would assert to the gentlewoman, that however bad the freedom fighters are, the freedom fighters are not committed to helping the Soviet Union, and the freedom fighters are not the sworn enemies of America.

Mrs. SCHROEDER. If the gentleman will yield further, then let me say if the basis of your argument is that the Marxist-Leninist/Communists are our enemies, which I would agree with, how does the gentleman then explain the administration's position?

Because we have more Communists on our side than the Russians do. We have the Chinese, and we are supposed to be their friends. That perplexes me. How do we do that——

Mr. GINGRICH. I think it is very clear.

Mrs. SCHROEDER. The administration goes to visit them? Somehow they are OK there, and somehow we have to overthrow them in Nicaragua, but we do not know what the people——

Mr. GINGRICH. If I may reclaim my time, because the gentlewoman is again raising an excellent question.

If you look at the history of Maoism in China, you will discover that beginning with Mao, there is a specific repudiation of Soviet-style communism beginning in the late 1950's. You will discover also that the Chinese have rather specifically said to us, "We want to be your ally."

They have given us a variety of listening bases; they have done a number of things that have been reported in the news by which they have said, "We are the strategic allies of the United States against the Soviet Union."

Now, I suspect that if, tomorrow morning, the Communists in Nicaragua were to call President Reagan and say, "We want to kick the Russians out this afternoon, we would like to invite the Americans in; we are going to kick the Cubans out this evening, we would like to replace them with Americans," I suspect we would have no major claim if their immediate security concerns are their right to run a government that happens to be somewhat different from America. It is not

our job to impose democracy everywhere; although I think it is our job to preach democracy.

I would suggest to the gentlewoman that if she would read the Grenada documents, she would discover very systematically that a true Marxist-Leninist party is committed—particularly one which is getting aid from the Soviet Union and consistently votes with the Soviet Union in the United Nations and in every way claims itself to be an ally of the Soviet Union, that a Marxist-Leninist party is by definition led by people who are the committed enemies of America.

Now this is not a question of whether you like or dislike somebody or whether, as Mary McGrory reports, "they smile or don't smile"; this is a question of whether in their own secret documents, they say—and let me quote Arce.

Arce said, in a secret speech—this is a Communist from Nicaragua—

The war will not end on November 4 or January 10, the war will continue with or without Reagan. It may take on other forms, but it will go on. What we are going to do is arm ourselves better in order to continue to develop and to cope with it.

Let me say to the gentlewoman, if a Nicaraguan Communist tells you that their war with America is going to go on even if Mondale had defeated Reagan, does not that give you a hint that maybe they are your enemies?

Mrs. SCHROEDER. The gentleman is misconstruing my position. I am not defending the Nicaraguan Government, and I think that is what the gentleman is trying to say the whole party is doing.

Mr. GINGRICH. Of course you are. Of course you are.

Mrs. SCHROEDER. What I am saying to the gentleman is what I hear you saying is probably the biggest threat in the hemisphere is really Cuba, because Cuba causes an awful lot of these——

Mr. GINGRICH. Yes, it is.

Mrs. SCHROEDER. They are the primary contractor, or the first contractor for the Soviet Union in the hemisphere.

So I am saying to the gentleman, then, why do you not go after the primary source, if that is really the basis of your argument?

The way I feel is, I do not like what I see going on in Nicaragua; I do not like the Nicaraguan Government, but I also have no answers about who the Contras are, and the way I have seen this Government get in trouble before is, suddenly make a problem our problem. I do not think we should make it our problem until we know the side that we are lining up with, and they do not look like a bunch of good guys to me.

Mr. GINGRICH. Wait a second. If the gentlewoman will let me continue for a second—because I think you are really raising the heart of the dialog between the right and the left in this country today.

If, in fact, the Nicaraguan Communists say explicitly they are at war with America, then, as Churchill once said when he aligned himself with Stalin: If the devil would declare war on Hitler, he would say a few kind words about hell.

Then the first issue for the gentlewoman to answer is, if the Nicaraguan Communists are the active, dedicated enemies of America—and I can find you quote after quote in which they say flatly they are our enemies—and if they are systematically allied with Cuba and Russia, is not it our first duty to defeat our enemies?

Mrs. SCHROEDER. But, sir, what you are misconstruing once again is, you constantly want to align me with them——

Mr. GINGRICH. Well, you are.

Mrs. SCHROEDER. I am saying, I want you to tell me who the Contras are, because you are trying to say, "They're so bad, I don't even know who the Contras are, but you must align yourself."

Mr. GINGRICH. Right. No.

Mrs. SCHROEDER. Let me move one step further. If you remember Peter Sellers' great movie, "The Mouse That Roared," his theory was every country should say that, and if we could get the United States all juiced up, then that is how they would get aid coming back in.

Anybody, then, could stand up and say, "We're the enemy of the United States." Does that mean we run in there?

Just in your prior statement, you said we were not to run in and try and control every government in the world. We know that. We are only 4 percent of the population.

Mr. GINGRICH. But in this case, we do not notice—I will continue and yield in a second again, if you would like.

Mr. Speaker, let me say flatly that what they are saying—and I will be very precise about this—what they are saying is, and it is not Nicaragua in isolation. If there was no Soviet Union, this whole dialog would be different, because the Soviet Union is the systematic enemy of freedom, and it is the Soviet Union which is arming, training, and equipping the Nicaraguans at this stage through the Cubans.

Let me say further——

Mrs. SCHROEDER. What if we found out it was the Chinese?

Mr. GINGRICH. Wait a second. Well, let me say further, that this is what bothers me about the gentlewoman's position, and the whole position of our friends on the left: We have documents—this is not something made up. We have documents from Grenada where we know explicitly—it is sitting right here—that they signed secret treaties with the Soviets to ship the arms to Havana, to have the Cubans repack them and send them to Grenada.

Now we know that. Let me continue for 1 second.

Mrs. SCHROEDER. But is not the gentleman asking us to do the same thing in re the Contras?

Mr. GINGRICH. Yes, Yes. I am saying to you, very clearly, that in defense of freedom, one is allowed to do things; you know, a policeman shoots a pistol and a criminal who shoots a pistol are doing the same thing, but they are morally very different.

Let me say to you, because I want to say it very precisely. If you vote to kill aid to the Contras, you are functionally helping the Nicaraguan Communists. Now you are not necessarily favoring them; I am not saying you are pro-Communist, but I am saying that there is no question that the functional effect of your vote is to increase the ability of the Nicaraguan Communists to dominate Central America.

Mrs. SCHROEDER. If the gentleman will yield further to me, if you do not mind, I just want to say that I think that the gentleman should be telling us who the Contras are; I think the gentleman should also be trying to tell us, what effect is this going to have on the whole hemisphere when we have other allies in the hemisphere who are protesting very loudly about this method.

I think that is very serious. I think that we should listen to that.

I also am not sure that I agree with the gentleman's analysis that if the Soviet Union does it, then we can do it, because it is OK.

Mr. GINGRICH. I did not say that.

Mrs. SCHROEDER. I grew up with a mother who said, our Government does not do things like that.

Mr. GINGRICH. Wait a second. I did not say that.

Mrs. SCHROEDER. We are at a higher level.

Mr. GINGRICH. I did not say that. In the first place, as the gentlewoman well knows, in Afghanistan, we do that, and we all know we do that, and it is explicit; that covert aid is legitimate; it is a diplomatic form of behaving which is accepted, which your own party has voted for in the case of Afghanistan.

So it is not a question of whether we do it or do not do it. The question is whether it is wise in Central America.

In the second place, I would say to the gentlewoman, that I am quite willing to define who the Contras are. The Contras are Nicaraguans who are committed to the defeat of the Soviet Union.

Mrs. SCHROEDER. And then what do they plan to do?

Mr. GINGRICH. I am willing, as a first order of debate, to say unequivocally that if my choice is between a Communist dictatorship in alliance with the Soviet Union, and people who are opposed to the Soviet Union building a 12,000-foot airfield for their bombers in our hemisphere, that I favor the non-Communists, period.

Now, if there are second-level problems with that; if we need to apply pressure to them as we have in El Salvador, if we need to do things to get them to straighten their act up, that is the second order; but I will tell you flatly the first order of business has to be to prevent the Soviet Union from establishing a colony in this hemisphere in addition to the colony it already has in Cuba.

□ 1540

Mrs. SCHROEDER. Why is not the gentleman concerned about Cuba? What is the gentleman's plan for that?

Mr. GINGRICH. I am very concerned. If the gentlewoman would like to propose a bill to go with the heart of Cuba, I would be very interested in cosponsoring with her.

Mrs. SCHROEDER. But it is the gentleman who is standing here saying that we should do everything we can to make sure that there is——

Mr. GINGRICH. Well, as a practical matter, if we cannot convince your side to even support anti-Communist steps in an area where it is still in doubt, it is impossible to sustain in this House any serious action against Cuba.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. DELLUMS. I appreciate the gentleman's yielding.

First, with all due respect to the gentleman, I would like to say that I think that this is a pseudo intellectual discussion that has enormous and frightening implications in the real world. We might be able to talk about this in some classroom off in academia the way the gentleman makes his intellectual assertion. In the real world, we are talking about living and dying. I would like to make two comments in that respect.

First of all, I have respect for the gentleman's right to make any political statement the gentleman chooses to make. But I do not accord the gentleman the right to attempt to characterize the nature of the other person's argument.

If there is one thing you and I must agree upon, it is that the process itself must have integrity. And in the marketplace of ideas, every single individual elected to the Congress has a right to articulate that point of view without being characterized.

Mr. GINGRICH. I did not characterize it. I talked about the functional——

Mr. DELLUMS. This "left," "right," "Communist," "non-Communist," that is a game that gets played here.

Mr. GINGRICH. Well, come on. The gentleman from California has got to be kidding.

Mr. DELLUMS. Will the gentleman let me make my last comment?

Mr. GINGRICH. OK.

Mr. DELLUMS. Then I will back off.

Mr. GINGRICH. All right.

Mr. DELLUMS. First, my argument is, simply: Any one of us is not an individual when we take the floor of Congress. We are people who are articulating a political perspective that has a right to be heard, again as I said, in the marketplace of ideas. I am not willing to take my marbles and walk home because the body does not agree with my point of view. But we have a right to air it without being in any way characterized.

Mr. GINGRICH. Of course.

Mr. DELLUMS. My second point: I would like to go specifically to the question the gentleman raised with my colleague. The gentleman said: Is it not our responsibility or objective, whatever word the gentleman used, to defeat the enemy?

I would say in 1985, against the backdrop of nuclear armaments, billions of dollars in military buildup, no, it is not our responsibility to defeat the enemy. I think we have a larger responsibility, and that is to begin to communicate with people so we move beyond seeing them as enemies. The enemy in Nicaragua is not some political idea. If it were, then it would seem to me that we ought to defeat a political idea with a better political idea, not with a bigger gun, not with a bigger bomb. And that is where I do not support the notion of advancing more money to the Contras, because if you agree that you have a better idea than my colleague, then assert the idea. You do not do it through the barrel of a gun. You do it by alleviating poverty and hunger and disease and inadequate education, and all of the other problems that confront people in Central America.

Mr. GINGRICH. Well, let me say one thing to my distinguished friend: First of all, I do not characterize. If the term "left" or "right" offends the gentleman——

Mr. DELLUMS. It does not offend me. It is just the game that I am used to the gentleman playing.

Mr. GINGRICH. OK. I think it is an important way of distinguishing patterns of thought. But let me continue with my good friend, for a second.

Mr. DELLUMS. I think that I played beyond ideology.

Mr. GINGRICH. All right. The gentleman may, but let me challenge him to look at the documents, because they do not. The fact is, they call themselves Communists, they call themselves Marxist-Leninists. If you look at the speech and you look at the documents, they say to you we are at war.

Let me give you two quotes for you to think about, because it does not do much good for you to believe in civil disobedience and them to believe in machineguns, because they will shoot you while you are civilly disobeying them.

Now, let me walk you through two quotes.

Mr. DELLUMS. I am not sure I understand your assertion.

Mr. GINGRICH. It is not an assertion. You know, Ghandi could only exist in an Anglo-Saxon government in which the Government of England was not willing to kill him. Ghandi in Germany under Adolf Hitler would have been sent to Auschwitz. He would have died in the gas chamber.

Mr. DELLUMS. Will the gentleman yield briefly to me?

Mr. GINGRICH. Let me finish. I will yield in just a minute.

Ghandi in the Soviet Union would have died in a gulag in Siberia, with no one ever hearing of him. Civil disobedience only works in a country which believes in law.

Mr. DELLUMS. But you are building your own straw man. I have not mentioned Ghandi. You are building your own staw man.

Mr. GINGRICH. No, no. I am bringing him up because when you talk about how you do not want to focus on guns, that is fine—let me finish my point here for a second.

Mr. DELLUMS. All right.

Mr. GINGRICH. Two quotes for you to think about: In Arce's speech, he says, as I quoted to the gentlewoman from Colorado, "The war will not end on November 4 or on January 10. The war will continue with or without Reagan. It may take on other forms, but it will go on."

This is a Nicaraguan Communist saying in their minds, in their decisions, they are at war with us.

Let me give you one other quote from the Grenada documents, from the Embassy of Grenada in Moscow, 10th of March, 1983. This is a report by the Grenadians themselves to their own government from the head of their army, who was meeting with the marshal of the Soviet Union, Ogarkov. Let me just read you this quote for you to think about. Marshal Ogarkov said:

> Over two decades ago, there was only Cuba in Latin America. Today there are Nicaragua, Grenada, and a serious battle is going on in El Salvador.

It is clear from that quote that as far as the Soviet Union was concerned they are engaged in a war in the Western Hemisphere, that they won at that time in Cuba, they had won in Grenada until we liberated the island, they thought they had won it in Nicaragua.

Now, all I am saying to you is, you may not want to be at war. They do. You may not want to use code words. They call themselves Communists. I do not know why you are attacking me because they use ideological terms.

Mrs. SCHROEDER. Will the gentleman yield?

Mr. GINGRICH. Let me yield to the gentleman from Pennsylvania, and then I will come back.

Mr. WALKER. I thank the gentleman for yielding, because the other thing that we do not seem to get into this discussion, when we start talking about the fact that we want to reach out and we ought to be talking with nations like Nicaragua, is the fact that in fact we were a part of the overthrow of Somoza, that our Government, participated in the overthrow of Somoza and we were a part of installing the Sandinistas, in the first place.

Having done that, we also provided the Sandinista government with a large largess from the United States over a period of some months, in fact over a period of 12 to 18 months, providing the Sandinistas with more aid than we had given to Somoza in the previous 20 years.

Their reaction at that point was to use the money in building an army; they expanded the army substantially; they invited in the Russians and the Cubans during that same period; they began to coalesce Marxist power within the government at the same time we were trying to provide helpful aid in trying to have a dialog.

Their stance has been clear from the days when even we helped them. And in the meantime we are throwing out the democratic elements of the Sandinista movement that we are attempting to install what they had originally promised. And the gentlewoman from Colorado wants to know who the Contras are. Among the Contras are many of those democratic leaders who were previously Sandinistas, who would still like to reclaim the revolution that the Sandinistas originally promised to the people of Nicaragua. Those are among them. They are not all of them; they are among them.

We ought to at least be aware that in supporting the Contras we are doing the similar kinds of things that we were doing when we were opposing Somoza; we are trying to give to them some of the traditions of democracy that up until now they have not been able to attain. And one of the reasons why they have not been able to attain them is because they are being ruled by Marxist dictators at the present time.

Mr. DELLUMS. Will the gentleman yield for me to make one final assertion?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. DELLUMS. Let me put it this way: Even if we accepted all of the statements that you and my distinguished colleague from Pennsylvania made, even if we accepted that, I am prepared to even go beyond that. Even if we accept all of these paranoiac ideations, I am saying we must now, by virtue of the reality of where war can take us, to the abyss of thermonuclear disaster, I am saying we must be bold enough to think beyond the mundane pedestrian notions of war.

Mr. GINGRICH. I agree with you.

Mr. DELLUMS. And what better place than now should we begin the process of nonviolent, peaceful negotiations?

Mr. GINGRICH. But I say to the gentleman, if you know from the documents——

Mr. DELLUMS. Where else are we going to fight war? How many more Grenadas can there be?

Mr. GINGRICH. Let me pursue this, and then I will come back to the gentlewoman.

I say to the gentleman: At what point would you decide you had to resist? You did not want to resist in Grenada, where we now know for sure they really were Communists. You are telling us not to resist in Nicaragua.

Mr. DELLUMS. Do not put words in my mouth.

Mr. GINGRICH. Would you resist in Mexico?

Mr. DELLUMS. If the gentleman will yield, I resent that. What I said to the gentleman——

Mr. GINGRICH. Why?

Mr. DELLUMS. What I said to the gentleman was this——

Mr. GINGRICH. I am asking you, why do you resent it?

Mr. DELLUMS. Because you have no right to characterize my words.

Mr. GINGRICH. I read your words.

Mr. DELLUMS. I am articulate enough to make my own statement.

Mr. GINGRICH. That is right.

Mr. DELLUMS. What I am saying to you——

Mr. GINGRICH. Were in favor of eliminating the Communist Government of Grenada?

Mr. DELLUMS. What I am in favor of is stopping the Contras.

Mr. GINGRICH. Answer the question.

Mr. DELLUMS. What I am in favor of is the United States, Nicaragua, and other Central American governments sitting down to peacefully and not violently negotiating the circumstances around which they will live, short of the cruelty of war.

Mr. GINGRICH. Listen, I would love to do that.

Mr. DELLUMS. That is what I am saying. We are a powerful Nation.

Mr. GINGRICH. No; we are not.

Mr. DELLUMS. We should be in the forefront of leading for peace, not of projecting war in the world. That is what I am trying to suggest.

Mr. GINGRICH. My point to the gentleman, if I might, is that I am with you.

Mr. DELLUMS. I am sorry, I feel passionately about these things.

Mr. GINGRICH. I understand. I feel as passionately as you do.

I would love to be able to sit down with the Nicaraguan Communists. And what I am trying to report to the gentleman is—and I can cite you specific passages from both the Nicaraguan Communist speech and the Grenadian Communist speech, where they say they are lying to you. They say flatly in the documents we captured, I say to the gentleman from California, they explain how they are lying to you, they are explaining how they are duping you; they are explaining how you fall for it all the time—"you" collectively, not "you" personally. The Americans. They say, quite clearly—let me just give you two examples for you to think about.

Mrs. SCHROEDER. Before you do that, will the gentleman yield?

Mr. GINGRICH. No, not until I finish this.

□ 1550

Mr. DELLUMS. Let us stay on the ground you first asserted and that we are trying to deal with.

Mr. GINGRICH. I am trying to respond to your intervention.

Mr. DELLUMS. You can talk with me as a human being. We do not need the book. You and I can talk about it.

Mr. GINGRICH. No, we cannot talk, and that is exactly my point.

Mr. DELLUMS. Let us talk; let us debate for real.

The SPEAKER pro tempore. The Chair would state to the gentleman from California that the gentleman from Georgia controls the time.

Mr. GINGRICH. I thank the Chair.

My point to my good friend from California is precisely that the book matters because the book has facts in it which destroy the gentleman from California's argument. I wish, like the gentleman from California——

Mr. DELLUMS. Destroys what argument?

Mr. GINGRICH. The book says, unequivocally, the Grenadian documents that we captured say unequivocally, that they were always Communists; they were Communists before they took power; they established a dictatorship from the very first day; they deliberately lied to the Americans, and they did it because they were confident.

He says, and let me give you two quotes.

Mr. DELLUMS. So what are we going to do, go to war with all the Communists and bomb them to stone age? What are you talking about?

Mr. GINGRICH. This is from Maurice Bishop's speech to the Communist Party of Grenada:

It is very significant, comrades, that from the start, from the very first second of the Grenada Revolution, let us say, 4:30 a.m. on March 13, 1979, from the very first second of the Grenada Revolution, what was established was a dictatorship.

He then went on to say, and I cite it. Let me say before I quote, he is saying the reason they included people and established a front that was phony:

This was done deliberately so that imperialism will not get too excited and would say, "Well, they have some nice fellows in that thing; everything all right, and as a result, would not think about sending in troops."

Let me just say that I would suggest that the exact arguments of both my distinguished colleague from Colorado and my distinguished colleague from California fit precisely the reason that the Communists in Grenada were told, and that we have evidence here from a Communist in Nicaragua that they were advised by the Cubans and the Soviets to do exactly the same thing, because they say flatly in here, and I think the quote, frankly, is devastating. The say flatly in here that: "Our strategic allies tell us not to declare ourselves Marxists-Leninists, not to declare Socialism, and the reason is because they are convinced that there are always people in America willing to believe the next story."

Now, in fact from the secret documents in both cases, in Grenada and Nicaragua, what I am saying to my good friend from California, and I say it with great sadness, I wish the world did not exist like this. I wish there were no Soviets; I wish there were no evil people. I wish there was no KGB. But the fact is, we have absolute evidence that in Nicaragua today there is a Soviet alliance determined to destroy the United States of America, and that to say, well, why do we not talk to them, is, I think, incredibly naive.

I yield to the gentlewoman.

Mrs. SCHROEDER. But I think the gentleman, once again, is mischaracterizing what we are trying to say. The gentleman is trying to put words in our mouths, and is trying to look like we are naive, innocent, little pussycats that have no idea what is going on and you are going to bring this quote and show it to us.

I personally am not of any, any misconception that the Sandinistas are doing a terrific job. I want you to know that, so you do not need to read the quotes to me, I understand that.

Mr. GINGRICH. If I can reclaim my time.

Mrs. SCHROEDER. Let me move on.

Mr. GINGRICH. I want to reclaim my time to ask you something. You just made an assertion——

Mrs. SCHROEDER. The gentleman wants to characterize my arguments——

Mr. GINGRICH. No, I want to ask you a question. The issue is not are the Sandinista Communists doing a good job. The issue is are they allies of the Soviet Union, and is their goal the defeat of America?

How would you characterize that?

Mrs. SCHROEDER. I have absolutely no question that they have become allies of the Soviet Union. Whether they are going to defeat the United States, a little, tiny country——

Mr. GINGRICH. As allies of the Soviet Union.

Mrs. SCHROEDER. It becomes a little silly.

Mr. GINGRICH. Why?

Mrs. SCHROEDER. I do not think that we can say that they are planning to invade; I do not think that is happening. But let me move forward. Our allies in that region that are Spanish-speaking, that share their historical and linguistic background are all saying that we should not be backing the Contras.

Now, are all of our allies dupes?

Mr. GINGRICH. That is simply not true. If I may reclaim my time, I want to say to the gentlewoman——

Mrs. SCHROEDER. The Contadora process has been going on——

Mr. GINGRICH. I say to the gentlewoman the Governments of El Salvador, Honduras, and Costa Rica, which are the closest three countries, all favor our aid to the freedom fighters. The President of Costa Rica was up here yesterday, a country that has no army, asking for help for the freedom fighters. Now, will the gentlewoman retract her statement? You were factually wrong.

Mrs. SCHROEDER. I am talking about the Contadora process, which are our largest allies in the region.

Mr. GINGRICH. Will you retract your statement? You are factually wrong. Factually, that is not what you said is not correct.

Mrs. SCHROEDER. I am saying our major allies in the region engaged in the Contadora process do not think backing the Contras is correct, as far as I am aware.

Mr. GINGRICH. That is not what you said. Will you concede that the three countries closest to Nicaragua are all supporting——

Mrs. SCHROEDER. No, I have not seen statements from them.

Mr. GINGRICH. You have not seen statements from Honduras, El Salvador? If I get the gentlewoman statements from the three governments——

Mrs. SCHROEDER. Look, first of all, it makes no difference. The gentleman just enjoys——

Mr. GINGRICH. Of course it does.

Mrs. SCHROEDER. Let me tell what I think you are into: You are into what America is into. You know, we all have got to prove we are not wimps.

Mr. GINGRICH. I am not trying to prove that.

Mrs. SCHROEDER. So the main is to go down and show how macho we are. What I am trying to say is that there is a rule of thinking that there is a way to deal with Nicaragua by not making them such a big deal. You are making them a big deal.

Mr. GINGRICH. I say to the gentlewoman I wish there was some plausible reason to believe there was hope for what you just said. I have no interest in being macho or being wimp. I do know that since you have conceded that Nicaragua is an ally of the Soviet Union, that the Nicaraguan Communist Government, in alliance with the Soviet Union, is a threat to America.

The minute you agree that they are allies of the Soviet Union, then that 12,000-foot runway is a totally different issue because now you have Backfire bombers potentially. Now you have a totally different capacity for infiltration.

Mrs. SCHROEDER. If the gentleman will yield, that is ridiculous.

Mr. GINGRICH. Why?

Mrs. SCHROEDER. The gentleman knows that the Soviet Union is the superpower and not Nicaragua. The gentleman is suddenly saying that the Soviet Union is suddenly the equivalent of Nicaragua?

Mr. GINGRICH. Wait. No. See, this is why the lady might think some people come to the conclusion she is naive. Let me talk through it again, since you raised that issue yourself.

If Nicaragua is the Soviet Union's ally, and you have said it is, and if the Soviet Union is committed to the destruction of the United States, and every piece of evidence we have is that they are——

Mrs. SCHROEDER. And the Soviet Union builds one runway in Nicaragua, I should go buy a night light and fund the Contras? Come on.

Mr. GINGRICH. I do not know why you are exaggerating. What I said was, at that point, that runway, in addition to Cuba, becomes an increased threat to America. That it is the Soviet Union that transfers the Nicaragua issue into an issue of concern to Americans.

Mrs. SCHROEDER. Let me come back and say why the Soviet Union, I think, has been so quick to come in there, OK? If we want to deal with Nicaragua, the best way to do it, I think, is lower our voices and try to do it quietly and try to do it through the Contadora process.

Mr. GINGRICH. Why?

Mrs. SCHROEDER. Because I think all the countries in this hemisphere feel that they are shoved in a bathtub with an elephant; that is, the United States.

The way you get to be really popular and probably stay in power for ever and ever is to find some way to have

the President of the United States and the entire U.S. Government single you out. Then you become a big deal because you have got the elephant's attention.

It seems to me that if the United States wants to be as constructive as they can in trying to figure out how to bring Nicaragua around to a true democracy as we want it, then we should lower our voices; we should work with the neighbors; we should do what we can to try and change the situation so it is not fertile ground for the Communists to till. That is the way——

Mr. GINGRICH. I know that it bothers some of my colleagues if I actually use books and make reference to documents, but if I could cite the Embassy of Grenada in a secret dispatch from the Soviet Union. This is from Moscow, July 11, 1983.

By itself, Grenada's distance from the U.S.S.R. and its small size would mean that we would figure in a very minute way in the U.S.S.R.'s global relationship. Our revolution has to be viewed as a world-wide process with its original roots in the great October Revolution. For Grenada to assume a position of increasingly greater importance, we have to be seen as influencing at least regional events. We have to establish ourselves as the authority on events in at least the English-speaking Caribbean and be the sponsor of revolutionary activities.

Now, I would say to the gentlewoman: I do not know what more evidence you can ask for. Here is the Grenadians who are getting a small amount of money from the Russians, saying they get the money in return for undermining other countries. They happen to mention as their job taking out Surinam and Belize.

I am suggesting to you that if we had the same document in Nicaragua, we would discover that the Nicaraguan Communists have been told by the Soviets their assignment is Central America. All of the historical evidence is on the side of the analysis that I am describing. You cannot find a single piece of historical evidence on your side.

Mrs. SCHROEDER. The historical evidence on my side is that when there is not fertile ground for the Communists to till, they have nothing to sell.

Second, when we have alliances with our allies, it is the same thing. So that they have us fight our enemies. I mean, alliances are built on that.

□ 1600

Mr. GINGRICH. If I may reclaim my time, I would just say to the gentlewoman that there is no way that that analysis stands up historically. They did not say here we are only supposed to go and sell revolution in countries that want it; they said our assignment is "X." They said our assignment is given to us by the Soviet Union, and if you read this book you discover they are trained by the Cubans.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, in respect to the gentlewoman's last statement where she said basically that Marxism only flourishes where there is fertile ground and we should not produce the fertile ground, I was reflecting on Poland and Afghanistan and wondering how unfertile the ground has to get before there is a chance of having real change there.

Mrs. SCHROEDER. Could I answer the gentleman?

Mr. HUNTER. Let me finish, and then I think the gentlewoman will have plenty of time here.

I remember when the gentleman from California [Mr. DELLUMS] brought Maurice Bishop before the House Armed Services Committee and we had an informal meeting with Mr. Bishop. I think every member of the committee thanked the gentleman from California for allowing us to talk with Maurice Bishop, to have a dialog with him, and he was, No. 1, a very articulate gentleman, very intelligent. I think he was educated in Great Britain.

I reflected on Maurice Bishop the night that I heard that Maurice Bishop had been machinegunned by his fellow Marxists, and I reflected on the gentleman's statement about the need to produce a marketplace of ideas and the way you change governments is by having a better idea. It occurred to me that Mr. Coard and General Austin, who essentially effected the assassination of Mr. Bishop, along with many very innocent townspeople, were not articulate; they did not have better ideas. What they had were essentially automatic weapons and they had Mr. Bishop and his friend up against a stone wall and they machinegunned them.

In reflecting on that, it would appear to me that the gentleman should at least agree that what we did in Grenada was the right thing and that, in fact, they had a system that could not possibly be condoned by the United States, and that the very ideas that the gentleman is a champion of, the ideas of free debate, of having the best idea win, not necessarily the best rifle or the best army or the best military.

All these ideas were defeated by simple brutal force in Grenada, and I would ask if the gentleman could yield to the gentleman from California in basically answering that question? Were we not right in Grenada in doing what we did?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. DELLUMS. I thank my colleague for yielding.

I think that the point you make of Maurice Bishop, who was an articulate person who came here to talk, was shot down by the use of brutal force, makes my point. At some point we have to, as human beings on this planet, in this country, in this body, get beyond the barbaric notions of the use of violence and war as a way of solving our differences.

What I have said to the gentleman in the well, and what I say to you is, even if we accept your fears, I am saying, do we solve those problems by picking up the gun and beginning to go down that road toward greater violence that ultimately will end up with the exchange of thermonuclear weapons blowing us all off the planet, or do we find some more rational and intelligent way to address our differences and that is what you have not addressed.

That is the only point I make. Even if I accept your assumption, tell me why sitting down to negotiate is not superior to continuing to finance Contras and engaging in war?

Mr. GINGRICH. The question I would pose to the gentleman——

Mr. DELLUMS. You just pointed out that violence is insane. That is what I am trying to say.

Mr. GINGRICH. No, violence is not insane. Would you say, then, the American invasion of France was insane; that the defeat of Adolf Hitler was insane?

Mr. DELLUMS. We are not talking about war in World War II terms. We are talking about a generation of global strategic nuclear war capability.

Mr. GINGRICH. Nobody on our side is suggesting anything——

Mr. DELLUMS. We are not talking about M-1 rifles. We are talking about MX missiles and Trident submarines, cruise missiles, Pershing missiles, Trident missiles, B-1 bombers. That is what we are talking about.

Mr. GINGRICH. That is precisely where I do not understand the gentleman's position. Not a single dollar of the aid to the freedom fighters will go to nuclear weapons, and it will go precisely to rifles. Not a single dollar of the aid to the freedom fighters——

Mr. DELLUMS. Why is it necessary to fight it out? Why can we not sit down around the table to negotiate? Answer that question.

Mr. GINGRICH. I am trying to answer the gentleman. Let me tell you why.

Mr. DELLUMS. Why is killing people more superior than talking with them, even if you have a difference of opinion like you and I. We are not shoting guns at each other. We are firing words and ideas.

Mr. GINGRICH. They are shooting at us, if I might reclaim my time. The reason I keep bringing out the Grenada Documents, and the book which is

available to every citizen to look at, is because when you read the Grenada Documents you discover, for example, when did your friend, our friend, a decent man, an articulate man who came up here and said, "Gosh, I would really like to talk to you," when did Mr. Bishop become a Communist? When did he decide he was going to set up a Marxist-Leninist party? Not because of Ronald Reagan or Jimmy Carter or Gerald Ford.

He said in April 1974: "That is when we decided in theory and in principle that we should build a Leninist party." Intellectually, that means——

Mr. DELLUMS. You stepped away from my question again. You are very smooth at that.

Mr. GINGRICH. I am not stepping away.

Mr. DELLUMS. Tell me why it is more superior to wage war than it is to sit down to negotiate? Our credibility is on the line.

Mr. GINGRICH. I will tell you: Because Marxist-Leninists believe deeply, as the Nicaraguan Communist said in this secret speech, they believe deeply that they are at war with you, and while you are sitting and negotiating with them, they are systematically building their airfield, their secret police, their army, they are setting up guerrilla movements in other countries, and they are glad you are talking so they can fight.

Mr. DELLUMS. Do you think we should be negotiating with the Soviet Union?

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, my point was, and I think this answers the gentleman's point head on, was that the only time that we had free elections, when an intellectual can stand up and can talk on the soap box on the election trail is today, after the Americans have gone in. I do not think anybody on this earth would claim that under General Coard and Mr. Austin you could have any type of a democracy, so the point was you had a very brutal government that assassinated a gentleman that the gentleman from California knew very well, who was articulate, who was intelligent, and he completely stifled any intellectual debate. So you could have waited a thousand years, in my estimation, and if you had a succession of Coards and Austins ruling Grenada, you would have never had that free and fair debate, that exchange of ideas that you speak about. It was only when armed Americans landed on the island and set up a system in which people could get up on that soap box and run for office, I talked to some of the people who were in exile who were going back down to run as politicians. They did not have much chance, but they said, "We have a little chance and now we can go back and express our ideas and we may have a chance of winning."

What is what the gentleman likes to promote. That is what I like to promote. But that was not possible until American Marines and Rangers landed on October 25 in Grenada.

Let me make one last point. The Contadoras were mentioned by the gentlewoman from Colorado. Why can we not listen to the Contadoras, she asked? Why can they not have an effect on the situation?

I think we all have to agree that since Fidel Castro came to power, the Contadoras are afraid to death of Cuba. I have been in Mexico City. I have looked at a great many of the statements made by Mexico City media, a great many statements made by their official government. Their unofficial statements to us that are made in some confidentiality are much, much different, I would say to the gentleman, and to the gentlewoman from Colorado if she were here, than the statements that appear in their official press releases.

You have a country like Colombia that just had one of its cabinet assassinated by the drug trade in Colombia. That country is barely able to control its own revolution right now. It is not able to stifle its own drug trade that is sending literally tons of cocaine and other addictive narcotics into America's youth. They cannot win that war. How can they possibly have a real effect on Nicaragua or on Cuba, especially when they are very, very much intimidated by those countries?

I would invite the gentleman from California to engage in some off-the-record discussions with Mexico, because Mexico, in my estimation, is very, very worried about instability brought on by Nicaragua. They are treading on eggs right now. We cannot expect any support from them, I think rhetorically, in the newspaper, in the official media or coming from their administration. They are scared to death.

So for us to take this group of countries that are absolutely scared to death of Cuba and of Nicaragua and say we are going to let them negotiate something out is just not being realistic.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield briefly, and I will just make one last brief remark?

Mr. GINGRICH. Let me just yield to the gentleman from Pennsylvania [Mr. WALKER] and then I will come back to you.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman from California raises a good point with regard to violence. I think anybody who believes fundamentally in democratic ideals says that we are far better off talking within the political process. The fact is, though, that our adversaries are tyrants who believe that the effective use of violence works very well.

□ 1610

So they are very willing to use violence, sometimes very narrowly, sometimes on a broad scale, in order to send us the kind of messages the gentleman from California [Mr. HUNTER] just referred to. The nations of Central America are scared to death of Cuba because they know Cuba is willing to use violence. The neighbors of the Soviet Union are scared to death of the Soviet Union because they know that the Soviet Union is willing to use violence.

It would be fine to say that we can always talk those things out. In fact, the President has proposed in Nicaragua that we try a process of talking for 60 days, and the Nicaraguans themselves have rejected that as a concept.

It seems to me we have got to understand that there are tyrants in this world who are perfectly willing to use violence to their own advantage.

Now, the question is, when you put the umbrella of thermonuclear war over that, how often are you willing to back away from their violence under the theory that it could lead to thermonuclear war and thereby give up a little bit of your alliance or a little bit of your freedom? How long can we back away because the threat posed by them is that someday they might use those horrible weapons? The fact is that that is exactly what they are saying to the world at the present time, that "if you don't do what we say and if you don't negotiate on our terms, the threat is that the world could go to nuclear holocaust."

I think for people who love freedom that means they can chip away at Afghanistan, Cambodia, Vietnam, Nicaragua, and Grenada, and they can continue to chip away at freedom across the world in order to advance Communist tyranny. That is what the gentleman from Georgia is talking about, and it seems to me that violence is not something we have to address. Violence in our context has to be used only in defense, but it seems to me that that defense is an extremely important ingredient toward preserving freedom.

Mr. GINGRICH. Mr. Speaker, let me make one point, and then I will yield to the gentleman from California. I want to make this point while he is on the floor, and I will be glad to come back another day if he would answer it later after he thinks about it.

I do not know if you have read the Line of March speech by Maurice Bishop, but in that speech he says three things that, if I were in your position, would bother me a very great deal, given your moral position, which I think is a very sincere one. He says, first, that they had always been, since 1974, Marxist-Leninists, and that means a very specific set of ideas which the Soviets train people in which involves dictatorship.

He said, second, that he was an absolute dictator who locked people up whenever he wanted to without rule of law. And he said that very specifically.

And he said, third, that they systematically lied to America.

Now, it would seem to me that those of our friends in this House who honestly believed in Maurice Bishop and who honestly tried to explain how we could talk to the Grenadans had to answer the question: If you were fundamentally wrong about the nature of their party, the nature of their dictatorship, and the legitimacy of their behavior, why should we think you are right about Nicaragua?

Mr. DELLUMS. May I respond to that? Will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I want to respond to some other points first. If you want to set that particular theme up, then you and I can have at it for an hour on that theme alone.

Mr. GINGRICH. All right.

Mr. DELLUMS. Let me make a couple of quick comments.

First of all, it is not a moral position, as if this is some bleeding heart position. I assert my position because I believe that we have now achieved a level of danger in this world that peace is an imperative, not an alternative. I think the world is becoming a very dangerous place.

I think we have to stop fighting proxy wars in Third World countries. My colleague said, "I hate to see places where there are Communists and the KGB." I hate to see poverty, hunger, disease, starvation, and inadequate education.

Mr. GINGRICH. Wait. Wait.

Mr. DELLUMS. These are problems that grip the world that I would like to resolve. These are my priorities.

Mr. GINGRICH. Wait a second. Let me reclaim my time.

Mr. DELLUMS. Let me finish.

Mr. GINGRICH. No, I want you to tell me something because you have made an assertion that is very important here.

If you do not stop the Soviet Union in Afghanistan, if you do not stop the Soviets in Nicaragua, is there any country where you would fight them?

Mr. DELLUMS. What I am saying to you is that I think we have got to sit down around the table and negotiate our differences.

Mr. GINGRICH. No, but they are not going to negotiate with you. If they think you will give in everywhere——

Mr. DELLUMS. Let me make this assertion.

Mr. GINGRICH. Where would you fight them?

Mr. DELLUMS. Let me just finish this, and then I will back all the way off to the moral initiative.

Mr. GINGRICH. Where would you stop them? Where would you fight them?

Mr. DELLUMS. If you push this point to its logical extreme, what you are advocating is war, and I do not want to kill our children and our children's children because you want to play some macho game.

Mr. GINGRICH. Wait a second. I do not want to play some macho game.

Mr. DELLUMS. Let us sit down around the table and negotiate in peace.

Mr. GINGRICH. Where would you stop them? If you would not stop them in Nicaragua and you would not stop them——

Mr. DELLUMS. Let us sit down at the table in Geneva where they are sitting at the table now and let us start backing away from total ignorance and total annihilation. That is what we need to do.

Mr. GINGRICH. Wait. But they are invading Afghanistan.

Mr. DELLUMS. Let us use our intellectual capability and the power of our politics, not the power of our bombs.

Mr. GINGRICH. Let me explain it to you. They are invading Afghanistan, their puppet is invading Cambodia, they have troops in Nicaragua, and we have absolute proof here that they are systematically setting up guerrilla wars. So you are negotiating in Europe. You sit at a nice table while they conquer the world.

Where would you stop them? If you would not stop them in Nicaragua, would you stop them in Guatemala? Honduras? Mexico? Where are you going to stop them?

Mr. DELLUMS. First of all, from a historical perspective, where we have said to the Soviet Union, "This is our sphere of influence. Don't move in that," they meticulously stayed away, where they said our sphere of influence——

Mr. GINGRICH. Would you accept a resolution declaring the Monroe Doctrine intact, that our sphere of influence includes the Western Hemisphere?

Mr. DELLUMS. I think when we start playing spheres-of-influence games, that is when we divide the world up into a whole lot of——

Mr. GINGRICH. But you mentioned spheres of influence. Wait. You are the one who mentioned it. You cannot have it both ways.

Mr. DELLUMS. That is when we divide the world up into a whole lot of chauvinistic, paternalistic, parochial divisions that have led up to the cold-war mentality that has dominated our foreign policy for over 40 years, and the cold war is a simplistic, naive, dangerous way to view the world.

Mr. GINGRICH. Wait.

Mr. DELLUMS. That is how I am challenging you.

Mr. GINGRICH. I say to the gentleman from California, since you are the one who has raised the term, "sphere of influence," if you would not stop the Soviets in Afghanistan and you would not stop them in Nicaragua, tell me a country you would try to stop them in.

Mr. DELLUMS. What I am saying to you again, I repeat one more time, I would like to stop where both countries are now, in Geneva, and begin the process of trying to normalize our relations.

Mr. GINGRICH. Wait a second.

Mr. DELLUMS. We cannot continue this intensity and this stress in the world. Otherwise we will blow up the world. I am not macho enough to want to blow up the world. I do not play that game.

Mr. GINGRICH. Wait a second. Let me reclaim my time.

Mr. DELLUMS. I am an advocate of peace, and I would challenge you to the last breath I have that war is insane, whether it is in Nicaragua or whether it is anywhere else in the world.

Mr. GINGRICH. Mr. Speaker, let me reclaim my time.

Mr. DELLUMS. I want the gentleman to understand that. We should have learned something in Vietnam. Fighting proxy wars is not in our best interest.

Mr. GINGRICH. Wait a second. There is a Nicaraguan speech in which a Nicaraguan Communist says—and I want to repeat the quote because I want the gentleman's comment; this is a Nicaraguan Communist, this is not one of us, this is a Nicaraguan Communist—"The war will not end on November 4 or on January 10. The war will continue with or without Reagan. It may take on other forms, but it will go on. What we are going to do is arm ourselves better in order to continue to develop it and to cope with it."

Now, if you know that the Soviets are pouring weapons into Nicaragua and you know the Nicaraguan Communists say they are at war with us and you know that every evidence we have is that they are being trained by the Cubans and the Soviets to eventually take over all of Central America and you know from the Grenada documents that the Grenadian Communists in their own secret dispatches talk specifically about being assigned by the Soviets to take over two countries, I would say to the gentleman—and I am all for talking in Geneva, but

I am also for stopping the Soviet Union in Central America while we talk in Geneva—where would you attempt to stop the Soviet Union if they are determined to launch this kind of secret war?

Mr. DELLUMS. That is absurd.

Mr. GINGRICH. Wait. Why is it absurd?

Mr. DELLUMS. Let me ask you this: How can we have as a nation credibility to say to nations in the Middle East, where the problems are magnified by religion, culture, history, et cetera, "Go to the table and negotiate" when we are financing Contras here and are not willing to go to the table? Either we believe in that process or we do not.

Let us say to the world that we will get down around the table and negotiate the circumstances around which we will live with each other.

Mr. GINGRICH. What if they will not negotiate?

Mr. DELLUMS. How can we say that to the Middle East if we cannot say it to ourselves?

Mr. GINGRICH. Does the gentleman understand that in both the Nicaraguan and Cuban cases we have documents in which they say in effect that it is their job to lie to us while winning the war? Do you understand that this is exactly like Adolf Hitler?

What they are saying to you is that "We will be glad to negotiate with you as long as we get to win all the wars while we are negotiating."

How many countries are you willing to give up?

Mr. DELLUMS. Let me take that out a little further. Are you saying we should not negotiate at this time?

Mr. GINGRICH. No, I say we should do both. We should defend the freedom fighters and we should negotiate, but we have to teach the Soviet Union——

Mr. DELLUMS. Would you negotiate with me if I was financing this guy to shoot your brains out?

Mr. GINGRICH. Sure, of course I would if I thought the danger was nuclear war. We negotiated with the Soviets while we were in Vietnam.

Mr. DELLUMS. How can you do both?

Mr. GINGRICH. Because we did it.

Mr. DELLUMS. How can you go about negotiating with people while you——

Mr. GINGRICH. Wait a second. All of our major treaties with the Soviet Union in the 1970's were signed when we were fighting in Southeast Asia. In fact, it is precisely when you tell the Soviets that they cannot run over you, it is precisely when you tell them you are not going to let them win their cheap wars that they are willing to negotiate. The Russians are much more——

Mr. DELLUMS. Will you drop nuclear bombs on them while we are in Geneva and bring them to the table?

Mr. GINGRICH. Do you deny what I just said, that in fact all the major treaties in the 1970's were signed while the Americans were in Southeast Asia? That is a historical fact.

Mr. DELLUMS. What this gentleman cannot get over is the amount of human suffering and the amount of human misery and death that took place at that time. I cannot be cavalier enough to say, "Well, let's finance the Contras and kill off the people in the countryside, and eventually we will have peace and drive them to the table."

Mr. GINGRICH. Wait.

Mr. DELLUMS. You are killing human beings, taking human lives, and the American people ought to be beyond that.

Mr. GINGRICH. Wait a second. In other words, are you saying it was Eisenhower and Roosevelt who were at fault because Hitler ran the gas camps?

Mr. DELLUMS. Go back through history and take me up to today.

Mr. GINGRICH. All right. That is what I tried to do.

Mr. DELLUMS. Let us talk about now.

Mr. GINGRICH. This document proves conclusively that in your lifetime today, in this hemisphere, the Communists were setting up a dictatorship that was allied against the United States and that was committed to the destruction of America.

□ 1620

Now, this document proves that. It proves it beyond any reasonable doubt.

Mr. DELLUMS. Mr. Speaker, if the gentleman will yield, what I am saying is that for a while there are going to be people in the world who disagree with us philosophically.

Mr. GINGRICH. They are trying to kill you.

Mr. DELLUMS. But what I am saying is, is war the answer? The gentleman has not answered me. If the gentleman is going to be honest and say war is the answer, then we can debate.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield.

Mr. WALKER. The question can be rephrased. Is peace at any price the answer? Is peace at any price the answer?

Mr. DELLUMS. OK. What is the price in Central America? Let us discuss that.

Mr. WALKER. The question is, it seems to me, whether or not you are going to allow the concept of violence to govern all your actions in a way that peace at any price becomes your goal.

I would say that that has the potential where you know that there are people documented who are willing to use violence against you, that that ultimately ends up destroying freedom.

Now, that is a key question in all this, whether or not you allow those people to overcome you.

Mr. DELLUMS. When did the people of Nicaragua violate us? Did they drop a bomb on us? What did they do? Did Nicaragua invade us? Unless I was on a break somewhere, I did not get the word.

The SPEAKER pro tempore. The gentleman from Georgia controls the time.

Mr. GINGRICH. Mr. Speaker, I will be glad to yield to the gentleman from Pennsylvania and then I will come back.

Let me say before I yield—I am about to run out of time, but I am told that the gentleman from Minnesota [Mr. WEBER] has some time. We would be glad to continue this dialog. We do not mean to cut anyone off.

I will yield to the gentleman from Pennsylvania, then we will go back.

Mr. WALKER. Well, the point I am making, the gentleman from Georgia has documented here today that our adversaries are willing to use violence. They see themselves as arming for war.

The question is if you take what I hear the gentleman from California saying to us, it then becomes a question of whether or not you stand up against that question, and the gentleman is saying no, that violence is so bad that what we have to do is negotiate, even though they are fighting while they negotiate. They are fighting in Southeast Asia. They are fighting in Afghanistan. They are fighting in Central America.

The SPEAKER pro tempore. All time allowed the gentleman from Georgia has expired.

A REVIEW OF THE EVENTS IN INDIANA'S EIGHTH DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. STRANG] is recognized for 30 minutes.

GENERAL LEAVE

Mr. STRANG. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks on the subject of this special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. STRANG. Mr. Speaker, I rise today sadly to discuss again the tragedy in Indiana's Eighth Congressional District. By way of review, Mr. Speaker, I would like to summarize some events that happened on November 6 and since then in the Eighth District of Indiana to try to show, Mr. Speaker, and to show my colleagues in the

House that an enormous injury and wrong has been done and that an extremely dangerous precedent has been set by this body.

Basically, Mr. Speaker, on election night, November 6, 1984, press results in the race for Congress in Indiana's Eighth District indicated that Republican Richard McIntyre was leading Democrat Frank McCloskey by more than 100 votes. Then tabulation errors were discovered in two counties during the 10-day period provided by Indiana law for the correction of errors.

On the day after the election, November 7, the county clerk retabulated the results in Vanderburgh County before providing certified totals to the Indiana secretary of state. The retabulation added almost 200 votes to Mr McCloskey's total, indicating a 72-vote lead districtwide for Mr. McCloskey.

Two days later, on November 9, it was discovered that Gibson County had also made a tabulation error, a simple and obvious machine counting error. Two precincts had been counted twice, incorrectly inflating McCloskey's margin by 111 votes.

The correct tabulation in Gibson County, Mr. Speaker, gave McIntyre a 39-vote districtwide lead based upon election night returns.

Correction of the Vanderburgh County error was made before the certification was sent to the Indiana secretary of state. The Gibson County clerk, however, had already sent a certificate bearing the incorrect totals. Although admitting the error, the clerk, a Democrat, refused to correct the certificate. Although admitting the error, he refused to correct the certificate.

McIntyre filed a mandamus action to require the Gibson County clerk to correct the error. The action was pursuant to a specific statutory remedy to correct certification errors, Indiana Election Code, section 3126-7, and was entirely apart from Indiana's statutory recount process.

The Indiana secretary of state was notified of the action filed by McIntyre. He decided to delay certification of the winner in the eighth district pending resolution of the Gibson County error under the statutory remedy.

McIntyre also was granted a temporary injunction by the Marion County Court in Indianapolis to prevent the secretary of state from certifying McCloskey based on the incorrect totals.

Mr. McCloskey opposed the Gibson County mandamus action on the grounds that only a recount could correct the mistake.

The judge in Gibson County dismissed the mandamus action and ordered a recount to begin.

McIntyre appealed the dismissal.

The Indiana State Supreme Court on November 29, 23 days after the election, decided the issue in favor of the McIntyre position to correct the election night errors and against the McCloskey position to rely exclusively on a recount.

The State supreme court ordered the Gibson County court to accept jurisdiction and recognize the statutory mandamus remedy and to decide upon the request for a mandamus order to correct the election results separately from the recount; however, the county recount was completed by the time the Gibson County court reassumed jurisdiction, officially acknowledged error in the county returns and granted the mandamus on December 10.

The Gibson County clerk then sent a corrected certificate to the Indiana secretary of state which verified the original tabulation error, but also reflected the results of the recount in which McIntyre lost five votes by other tabulation corrections.

McIntyre now led McCloskey, Mr. Speaker, by 34 votes.

During this same time, McCloskey had filed a complaint before Judge Brooks in the U.S. district court in Evansville seeking two injunctions. First, he requested an order directing the Indiana secretary of state to certify him the winner by 72 votes based on incorrect totals, arguing that the secretary must certify a winner based on the county certificate then in his possession, no matter how clearly erroneous these totals were known to be.

Second, McCloskey sought an order to prevent the conducting of the recounts requested by McIntyre.

Mr. Speaker, we have the example of a former Member of Congress requesting the secretary of state of the sovereign State of Indiana issue a certificate based on tabulation errors that were known to both parties to be incorrect. We find that astonishing.

Judge Brooks denied both injunctions after a lengthy hearing during which both McCloskey and the Indiana secretary of state testified. Upon receipt of the corrected Gibson County totals on December 13 and as required by Indiana law, the Indiana secretary of state immediately issued a certificate naming Richard McIntyre the winner.

Mr. Speaker, when we arrived here on January 3 to take our oath of office, the first thing we did was to vote for our leaders. Mr. McIntyre was allowed to vote in that process. In that election we elected a Speaker and we elected a House minority leader.

Immediately thereafter, a resolution was offered before this body to deny the seat to Mr. McIntyre. This seat came after a long and legal and careful process in the State of Indiana and this body exercised a heavy-handed cold-blooded evisceration of the corpus politic of the sovereign State of Indiana.

□ 1630

They did it in front of an entire nation.

The danger here, Mr. Speaker, as I see it, is that in exercising this kind of unilateral, heavyhanded unfairness, a kind of political apartheid, we have set into motion a set of forces which indicates that this House can question any election of any Member, this House can say to any of the sovereign States, "We don't like your procedures; we are going to recount. We don't care what your law says; we are going to have a recount."

Right now there is a recount going on in the State of Indiana. This recount, regardless of its outcome, is in total contravention of the laws of the State of Indiana.

There is no real contest. There never has been a contest in Indiana because there has only been one certified winner, Mr. Speaker, and that is Mr. McIntyre.

The contest is between Mr. McIntyre and the U.S. House of Representatives. There is no precedent for that in 200 years.

Mr. GINGRICH. Will the gentleman yield?

Mr. STRANG. I will be most delighted to yield to my colleague from Georgia.

Mr. GINGRICH. Let me first of all say that I think the points the gentleman is making are so accurate, the degree to which the Democrats in this House have acted are so outrageous that it is interesting, I hope the House has taken note of the fact, that the very distinguished chairman of the Republican Congressional Campaign Committee, the gentleman from Michigan [Mr. VANDER JAGT], was scheduled to debate the very distinguished Democratic Member who I will not name because he is not on the floor, and that that debate was canceled, and that the very same Democratic leader on four occasions recently turned down an opportunity to debate another Republican on this issue. And it is understandable, if you look at the case of the McIntyre situation, that there is no real ground for anything except the seating of the Member who has won an election and has won the recount and has been certified.

But I would ask the gentleman one thing because I know he has had a very distinguished career as a legislator in Colorado. I would just wonder, since I was only just a history teacher and I never got to serve in the State legislature, I wonder if the gentleman could share with us what his reaction would be to somebody who voted on a State election and voted to try to run clean elections in Colorado, and was trying to take care of Colorado, what would the gentleman's reaction be to the idea that the Democrats in the

House of Representatives could step in, and by a 2-to-1 party vote, usurp the entire election law of Colorado and simply eliminate everything the gentleman's legislature had done; how would the gentleman feel about that as a State legislator?

Mr. STRANG. I thank my colleague from Georgia.

Mr. Speaker, I would respond to him that as a former State legislator I am appalled that the U.S. Congress would usurp unto itself powers that are not allowed or even recognized in one of the sovereign 50 States. The State of Indiana has a set of rules and procedures which they have followed meticulously and scrupulously, and they have sent this Congress their Representative from the Eighth District of Indiana.

This Congress has refused to seat him. Even during the process while they are going through a fatuous exercise of a recount in contravention of Indiana law, we have refused to seat him.

State legislatures do not understand that. State legislatures are charged with the responsibility of adhering to the constitution of their States and seeing that those constitutional imperatives and prerogatives are observed.

We as a body take an oath to the Constitution of the United States and we think that is serious business. And for this body to pick up the reins and to defy one of the States who has sent us one single certified winner, the loser has never contested the election, I might point out, Mr. Speaker, never contested the election, is an appalling exercise of sheer raw power.

As we look at the situation, Mr. Speaker, I am reminded of something that occurred to me about 2 months ago when I was at this podium. It is a dilemma that one gets, Mr. Speaker, when one is shoeing a mule. I do not know how many of my colleagues have ever had the privilege of shoeing a mule, if privilege it can be deemed. But I have.

Sometimes when you are shoeing a mule, Mr. Speaker, you feel that hind leg tighten up and you know you are in trouble because you can stay there quite a while and hold that leg up in the air, but you cannot hold it up the rest of the night. And you know when you put it down he is going to kick you.

I think, Mr. Speaker, that is the kind of dilemma that the majority party has got itself in with the McIntyre issue, and I would like to offer to work with them to help put that mule's foot down on the ground and get them out of the way when he kicks.

The serious problem of having a body who has already voted against Mr. McIntyre's interests, being the body that is the judge of Mr. McIntyre's interests in the State of Indiana, they have voted against him by 2 to 1, places them in an impossible position. We believe in a trial by jury in this country. In this case the jury was stacked and the same stacked jury is now charged with dealing with the same question on which they have voted in the negative once before. That is almost an impossible charge.

I admit that our colleagues on the House Administration Committee are above reproach. I think they have set themselves a dubious task.

Mr. COBEY. Will the gentleman yield?

Mr. STRANG. I would be happy to yield to my colleague from North Carolina.

Mr. COBEY. I appreciate the gentleman from Colorado yielding, and I appreciate the fact that he has come to the well of the House continually to speak out against this injustice that is going on in this country, this unconstitutional act that has no historical precedent.

I note and want to note today that this is the 104th day since January 3 of this year that the people of the Eighth District of Indiana have not been represented. Yesterday we passed the deadline for filing of income taxes. This is a duty of all of our citizens, to file their income tax and pay their taxes as of April 15. Truly we can say that the people of the Eighth District of Indiana are being taxed without representation, the very thing that our Revolution was fought over, that we broke away from the mother country and formed our own United States.

We are told continually that this process will come to an end soon. We passed the promise 45 days. Two weeks ago we said that the votes would be completed and tabulated within a few days. Then we were told another week and then another week. We are told this morning by the distinguished chairman of the task force that again our hopes that the people of Indiana would be represented are dashed again. We thought that the process would come to an end this week. We are told now that the process will not be over until perhaps next week.

But can we count on that or is this going to go on and on and on?

Mr. STRANG. If the gentleman will yield back for just a moment, the point the gentleman raises, Mr. Speaker, is that 500,000 people in the Eighth District of Indiana have been denied representation in this body while they have had to watch from the sidelines as people voted on farm bills, on MX, on all kinds of issues that affect their future. They have not had representation and, in fact, the proposal from this podium that they be permitted to waive income taxes for the period for which they were not represented has a good deal of merit.

I think the gentleman raises an extremely good point. If the gentleman will let me continue for a time I would like to read, Mr. Speaker, an editorial in the Denver Post of April 1, Denver, CO.

SEAT THE CONGRESSMAN

Nearly five months after voters in Indiana's 8th District narrowly elected Republican Richard McIntyre to Congress, they remain taxpayers without representation. Ruling House Democrats, including Colorado Reps. Pat Schroeder and Tim Wirth, rallied behind defeated Democratic incumbent Frank McCloskey to prevent McIntyre from taking his seat.

Democrats have defended this naked abuse of the electoral process because the initial returns showed McCloskey won by 72 votes. But one county made an error—admitted by both parties—in reporting votes. When the totals were corrected, McIntyre was the winner by 34 votes.

Next, a full recount by special county commissions again named McIntyre the winner—by 418 votes. The Democrats then argued McIntyre didn't deserve to be seated because during the recount, Indiana officials tossed out some 5,000 ballots, many from Democratic areas. But the vast majority of those ballots were disqualified by local commissions controlled by Democrats.

Next, with a gesture of contempt toward the taxpayers, House Democrats ordered that both candidates would receive a congressional salary although neither could represent the district until a special commission of two House Democrats and one Republican completed yet a third recount. Since both Democratic commissioners had already voted against seating McIntyre, that's a bit like asking Fidel Castro and Mikhail Gorbachev to "impartially" evaluate Ronald Reagan.

Historically, in such disputed elections, the House has seated the apparent winner while the legal process of investigation and recount unfolds. That's what should have happened in this case. If a fair, bipartisan commission—not a stacked one—ultimately determined McCloskey had indeed won, he should then have replaced McIntyre.

With a 70-vote House majority, Democrats hardly need to worry about losing one seat. But in their blind frenzy to protect one of their own, they've trampled on the rights of 500,000 Hoosiers to a voice in Congress. Schroeder and Wirth should stop abetting this cheap partisan charade and, along with the rest of the House, vote to seat McIntyre.

□ 1640

I yield to the gentleman from North Carolina.

Mr. COBEY. I thank the gentleman for yielding.

I appreciate the gentleman reading that editorial. None of us has said that the House should not exercise its constitutional duty to investigate any election that they think there are irregularities involved. But the point that we have been making ever since January 3 is that the duly elected and certified person in that race, who is Rick McIntyre, should be seated. I am concerned about the fact that this departs from all historical precedent and in a sense sets a new precedent. I hope that the Governor on behalf of the

people of Indiana will continue to pursue this in the courts so that not only can justice be done in the sense of Rick McIntyre being seated but that the precedent will not be set for years ahead that no other duly elected and certified Member will not be seated pending an investigation.

Mr. Speaker, I appreciate the gentleman coming to the well and pointing this out again. I hope that this injustice will be corrected by next week and that we do not have to subject the people of the Eighth District to this kind of unconstitutional situation of not being represented but being taxed.

I thank the gentleman.

Mr. STRANG. I thank the gentleman for his comments.

Mr. Speaker, by way of conclusion this Member would beg this body to exercise the kind of fairness which is basic to our country as a people and to our country as we are made up; fairness, fairness: Seat Mr. McIntyre.

Mr. Speaker, I yield back the balance of my time.

SHOGUN POLITICS: EXPORT EVERYTHING YOU CAN; BUY ONLY WHAT YOU REALLY NEED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDO. I thank the Speaker.

Mr. Speaker, I am not going to take 60 minutes. I do want to congratulate my colleagues for a most interesting debate which preceded my remarks. It was most interesting and made the time move very fast.

Mr. Speaker, once again, the voices of sirens, those beautiful sea nymphs that led Ulysses and his crew into dangerous waters, are lulling us into believing that calm waters lay ahead, even though we know the sky will turn dark, the seas will boil and we'll be pushed onto the rocks of disaster.

For those who don't know, I am referring to the latest announcement by Japan that it is ready and willing to provide a more open marketplace for American manufactured goods.

Quite frankly, I applaud Japanese Prime Minister Nakasone for his willingness to put his political future in jeopardy by urging the Japanese people to "buy American," but at the same time, I harbor little hope for success.

For those who may not be aware of the Prime Minister's recommendations, let me just highlight the key elements in the package.

First, the Government will implement an "action program" within 3 years to improve market access and will increase investment and industrial cooperation for developing countries.

Second, the Government of Japan will ask its people and companies to make their best effort to import and buy more manufactured goods, while the quasi-governmental Export-Import Bank of Japan will reduce interest rates on import financing.

Third, tests for technical standards on telecommunications equipment will be conducted by a neutral, impartial and independent agency.

Fourth, when technical standards are established or amended, the Government will ensure that interested parties are informed of schedules and plans.

Fifth, further consultations will be held with the United States and other industrialized nations about eliminating tariffs on electronic equipment.

Sixth, foreign clinical test data will be accepted on some pharmaceuticals and medical equipment. Insofar as pharmaceuticals are concerned, the foreign test data will be acceptable ony for those used outside the body in diagnosis rather than treating illnesses.

Seventh, cargo containers used by American shippers will be allowed on Japanese roads "under certain conditions."

Eighth, Japan will promote the liberalization of its financial and capital markets as well as the internationalization of the yen.

I could add a few other items, but those I have mentioned are fairly illustrative.

For example, the last item mentioned, the liberalization of Japanese financial markets and the internationalization of the yen were supposedly part of an agreement reached between this administration and Prime Minister Nakasone last year. The implication is that we are no further along in Japan's movement toward these goals today after almost a year of waiting for action.

If you read the various accounts detailing the items cited by Prime Minister Nakasone, you find words such as consultation, negotiation, and consideration.

To me, those words mean that while an expression of good faith has been made, we are a long, long way from realizing the ultimate goal and that there could be a number of snags in the interim.

Just a moment ago I applauded Prime Minister Nakasone's efforts to ease the trade tension between our two nations. I believe he is sincere in his desire to prevent an all out trade war. At the same time, I fear that he may not be able to deliver. I fear that, as in the past, the Japanese Parliament and perhaps even the Prime Minister's own party will rebel against his recommendations, leaving us in the same position as we are now. I fear that the Japanese will continue their practice of shogun politics.

How many times in recent years have Japanese leaders sought to mollify our anger at the overwhelming imbalance of trade by offering us assurances that they would open their markets to our manufactured goods, would eliminate the hidden and not so hidden, barriers to our products, and would come to the negotiating table ready and willing to make firm decisions?

How many times have we seen the end result be no change in the system?

The answer, of course, is too often.

I know that I will be accused of "Japan bashing," I can accept that. But, really, my anger is less directed at the Japanese for wanting to protect their markets, their companies, and their employees, than it is at our own Government for failing to do the same.

Let me just cite a few examples of what I mean. Shortly after the current administration agreed to let the quota limits on Japanese car imports lapse, Lee Iacocca of Chrysler Motors said that instead of going ahead with plans to expand operations in the United States, he would seek to increase the number of Japanese-made cars already being made for Chrysler. That cut, an estimated $2 billion, will cost the United States some 20,000 new jobs.

In the current issue of Business Week, Robert Galvin, the chief executive of Motorola, Inc., is cited for his efforts to encourage this administration to set realistic limits on imports that undercut his product line. At the same time, however, Galvin indicates that Motorola's present work force, which is currently 30 to 35 percent offshore, could shift to 50 percent in the next few years.

How does Galvin explain it? He says, simply, "We will do that to survive. But that survival includes a process of defection. We are defecting from this country."

How much clearer must we state the issue? At what point will we decide that enough is enough?

Everyone seems prepared to blame the United States for its problems in trade. Our industries are too old and outdated to compete favorably, some say. Our unions have pushed the cost of labor up to the point where labor costs cut too deeply into profits, say others. Our Federal deficit and the strong dollar make it more difficult for us to compete in the world's markets, is the response from still others.

No one can doubt the validity of those arguments. But, even taken together, they are not enough to account for the tremendous and increasing trade imbalance.

Just look at the figures. The current account, the broadest measure of trade because it includes goods and services, for 1984 showed a deficit of $101 billion, almost 2½ times the 1983 deficit of $41 billion.

The merchandise deficit for 1984 was $123 billion, a new record. And, given the figures for January and February of 1985, the picture is going to look a lot worse. In January, the merchandise deficit was $10.3 billion; in February, $11.4 billion, roughly a 10-percent increase over January.

Even assuming there is no change from month to month for the rest of the year, the merchandise deficit would be above the $130 billion mark for 1985. And most experts are estimating a 1985 deficit closer to $150 billion.

And why do we focus our attention on Japan? For two reasons. First, the largest share of the deficit with any single nation is with Japan—$36.8 billion in 1984. And look at the product imbalance. The Japanese sold us $13 billion worth of new cars; $5.5 billion worth of office and data-processing equipment; $5.1 billion of electrical machinery and parts; $5.4 billion in miscellaneous manufactured goods; $4.8 billion in consumer electronics; $4.3 billion in telecommunications equipment; and $3.5 billion in steel mill products.

And what did we ship to Japan? $4.7 billion in grain; $4.5 billion worth of ores; $3 billion in chemicals; $2.8 billion in industrial machinery; $1.5 billion in light manufactured goods; $1.4 billion in other manufactured goods; and $1.1 billion in office machines.

Apparently the Japanese don't mind accepting our natural resources.

The second reason for the focus on Japan is the restrictive policies, both stated and unstated, that limit the entry of American goods into the Japanese market and, at the same time, exclude the goods of others nations, including and especially the developing nations of Asia and the Pacific Basin.

And that means, as I noted in my remarks to this body on March 6, that those nations ship their excess production to the United States, the most open market in the world.

Some of us might wonder why the other industrialized nations aren't suffering from as heavy a burden as we. Well, it's fairly easy to understand. The nations of the European Economic Community, according to a report in the Wall Street Journal of April 8, take a hard line when it comes to imports, especially from Japan.

Before the Europeans give away a share of their markets, they want something in exchange. They wouldn't accept a deal such as this administration's in dropping the "voluntary" quota on cars without getting a major concession in return.

An anonymous common market official is quoted in the article as saying:

> We have had lots of political messages (from Japan) that have made us look up and say, "things are changing, but the goods are never delivered."

And that's the whole point of my standing here before you today. We have been here before. We have listened to the Japanese promise to open their markets. We have watched our representatives in negotiations with them, heard the words, but in only a rare instance or two have we seen any real action.

Mr. Speaker, I am not suggesting that we close America's doors to foreign goods. That would be tantamount to suicide. All I am suggesting is that we practice some control, that we be somewhat more judicious in the quantity of foreign goods entering this country.

When Lee Iaccoca decides that a planned investment of $12½ billion is trimmed by nearly 20 percent, that is cause for alarm because it means that those dollars will be going abroad, putting profits into someone else's pockets and putting some other nation's workers on jobs that could have been here in the United States.

The 20,000 jobs that experts believe will be lost as a result of Chrysler's decision may seem like a drop in the bucket when we talk of millions unemployed.

But when that is added to all the other jobs in this country that have been lost because American manufacturers have been driven out of business by subsidized and dumped foreign goods or because American businesses moved their operations offshore because that was the only way they could compete, then it's a whole different ball game.

Bob Galvin of Motorola, even though he says he might have to move more of his operations offshore, doesn't really want to do that. He speaks firsthand about the difficulties of breaking into the Japanese market, being denied permission to invest in Japan, especially after encouraging Japanese companies in the United States.

As Galvin says, "The present administration has refused to recognize the problems of unfair competition from abroad, but especially from Asia." As he put it in the article in Business Week, "By failing to stand up for American industry, the American Government is letting American industry walk out of this society."

Mr. Speaker, we cannot afford this type of policy. We can neither afford the loss of these industries to offshore locations nor the loss of those jobs here, nor the loss of the investment capital and the taxes that would be used to reduce the deficit.

Bob Galvin deserves some credit for speaking his mind. Unfortunately, the people who are listening to him are the same people who have been concerned about this problem for a number of years.

Galvin suggests that the United States impose a 20-percent surcharge on all imported, manufactured goods for a 3-year period.

Of Course, there is another alternative. Ben Wattenberg, a columnist for the Washington Times and a senior fellow at the American Enterprise Institute, recently offered his own program for eliminating the trade deficit between the United States and Japan. Although Wattenberg's suggestion is obviously done as a tongue-in-cheek thought, I repeat it for those of you who might not have seen it.

As Wattenberg says it:

> What we need is elementary; a device to lower the budget deficit, lower the trade deficit, send the Japanese a message, and make taxes simpler. My all-purpose solution: "The fair, flat, Japanese defense tax.'"

Wattenberg notes that while the Japanese spend only about 1 percent of their gross national product for defense, the United States spends about 6 percent of its GNP for defense purposes.

Wattenberg says:

> That's not fair. After all, the United States defends Japan. We have pledged our armed forces and our nuclear retaliatory ability to let the world know that Japan is off limits • • •
>
> For many years we have urged the Japanese to raise their defense budget. Each year they say they will; each year they do very little • • •
>
> Our policy should be this: "OK, we understand your problem, Japan. Just pay us the money."
>
> The Japanese GNP runs about $1 trillion a year. If they spent an additional 5 percent per year of that on defense—the same rate we spend, that is—it would cost them an extra $50 billion. Under my plan we would levy a flat tax of $50 billion on Japan.
>
> Such a payment would meet the current target of budget-deficit reduction. It would curtail our trade deficit with Japan by an immediate $50 billion. Finally, some of the bonus could be used to cut American taxes • • •

Mr. Wattenberg offers another alternative as well, Mr. Speaker. He suggests that Japan could just contract with the United States for defense purposes at a flat rate of $50 billion a year.

While Mr. Wattenberg is pulling our leg, Mr. Galvin isn't, even though both seem to recognize the importance of the problem this country faces.

Perhaps an answer to some of the problem has been offered by Sam Walton, chairman of Wal-Mart Stores, a 753-unit chain of stores that operates primarily in rural communities.

Mr. Walton is concerned by the rate at which his smalltown customers are losing their jobs as factories around the country close or cut back on production because of imports.

And, rather than add to the rhetoric, he acted. He has decided to emphasize American-made products in his stores.

One positive example of Mr. Walton's decision affects Lasko Metal

Products of West Chester, PA, a manufacturer of portable electric fans.

Over the past 10 years, Lasko, because of import competition, had reduced its employment rolls by 30 percent. "A recent Wal-Mart order for 400,000 fans," says Lasko, "will put them back where they were."

Perhaps it is jingoistic to encourage "Buy American" programs here in the United States, but why is it so different for us to encourage consumption of domestic goods over imports when other countries have the same kinds of policies?

There is a growing trend among American manufacturers to use American-made products and parts, wherever and whenever possible, but I hope it isn't too late. I hope some of those industries that are happily becoming extinct can be saved.

Perhaps what we need in this country is a new policy—similar to the one we have for preserving wildlife species that are on the verge of extinction—that would provide special protection for industries that were in danger of extinction because of imports supported by Government subsidies as well as those dumped in this country at cut-rate prices.

After all, Japan used that concept in reverse when it provided special import protection to new and developing industries that its government had decided were worth the investment for the future.

Perhaps we must decide now what our investments for the future of our economy should be—and then we must do something about it.

Until we do something, let us not be lulled by the siren song. As much as I would like to believe Prime Minister Nakasone, I have doubts that he will be able to deliver. I also believe the Japanese are underestimating the concerns of the Congress and the people of the United States.

A recent interview in USA Today with Kenichi Ohmae, managing director of McKinsey & Co. in Tokyo, underlines that point. According to Ohmae, the Japanese believe their markets are open to American companies and, therefore, have trouble understanding what our complaints are.

Ohmae points to several American companies that are producing goods in Japan and marketing those goods there. The key to success in the Japanese market, according to Ohmae, is being based in Japan.

But that really doesn't solve the problem. It merely means more offshore production and a comparable loss of American jobs.

And, Mr. Speaker, if Americans aren't working, it means they can't buy goods, whether domestic or imported.

But the real answer is quite simple. All the Japanese have to do is truly put in action the recommendations of Prime Minister Nakasone—and put them into action quickly.

As Douglas MacArthur II, a former Ambassador to Japan, said in a recent commentary in the Christian Science Monitor:

> For those in Japan who claim that the problem is not Japanese protectionism but the "failure of Americans to understand the Japanese market" and "to try hard enough," the answer is simple: "Then you have nothing to fear in lowering your unfair trade barriers."

And to Mr. MacArthur's answer I would add only this: And follow the rules insofar as exporting Japanese goods to the United States.

□ 1710

THE CENTRAL MIDWEST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MADIGAN] is recognized for 10 minutes.

● Mr. MADIGAN. Mr. Speaker, I am pleased to join today with my distinguished colleagues from the States of Illinois and Kentucky in introducing the central Midwest interstate low-level radioactive waste compact. This legislation is needed to put the central Midwest compact into effect, and I hope Congress will act expeditiously on this matter.

In 1980, Congress enacted the Low-Level Waste Policy Act, which established the Federal policy that each State must be responsible for providing the capacity for disposing of the low-level radioactive waste generated within its borders. This law also recognized, however, that such waste can be best managed and safely stored if done on a regional basis. Accordingly, the Low-Level Waste Policy Act authorized States to enter into regional compacts to develop regional disposal facilities for low-level radioactive waste.

The legislation I am introducing today is the regional compact that Illinois and Kentucky have entered into. This compact will not become effective, however, until it has been ratified by Congress. I understand that several other regional compacts are similarly awaiting congressional attention.

Mr. Speaker, it is time for Congress to address this matter. As has been explained by my distinguished colleague from Arizona [Congressman MO UDALL], we must act on the regional compacts this first session if we are to avoid a political crisis and possible disruption of low-level waste disposal next year.●

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I continue in my advice to the privileged orders of America, in this case. I have explained at the outset, earlier, that this is a takeoff on one of the most intriguing personalities in the history of America, Jowel Barlow, who was a chaplain in George Washington's Revolutionary Army.

He was truly a revolutionary. His writings reflect that he would be very much a revolutionary today. Of course, we live in a day and time in which the Tories are in control in our country. Had many of our leaders acted correspondingly in that day and time as today, they would have been the conservatives of the day; they would have been the Loyalists; the Tories, upholding th· sovereignty of King George the Thi.d. So that I have advisedly selected Jowel Barlow's admirable approach at that period of time, which coincided with the French Revolution and the tremendous fear that that spread throughout Europe and the kingdoms of Europe from England to Spain, very much like the Russian Revolution in 1917 did and has continued to spread fear, sometimes quite irrational fear, among other realms and jurisdictions of the modern world.

His full title was "My Advice to the Privileged Orders of Europe for the Need of Revolutionary Change." This is exactly what I am asking in the course of these pleas to my colleagues, whom I consider to be in that class or category of highly privileged Americans. The only difference being that in this day and time the question is whether we reaffirm those basic tenets that gave rise to the Constitution, which is the charter, of course, of our Government. Or whether through abdication, we, almost on the eve of the 200th anniversary of this form of government.

We have not quite had, as I have said repeatedly, our bicentennial in that request. That is the 200th anniversary of the founding of this form of government. Because that will not be until 1989. In fact, that will be the bicentennial of the First Congress in 1789; March 4, in New York City.

The issues, as small and struggling as those Thirteen Colonies were then, we are speaking about a nationhood that did not have too many more than 3 million citizens. The issues were very basic, as they always have been throughout mankind's history, and they are today. I have used this as sort of a predicate in order to address the main, immediate issues, plus some of the underlying, long-term issues that our generations following us will have to confront.

First and foremost, I have discussed the question that has led, amazingly,

to our country going back to a status that was true during the colonial period, in which the merchantile system prevailed. That is, the mother country controlling the economy of the Colonies through the merchantile system, whereby all of the finished goods, the manufacturing processes and all, were retained in the mother country and to the mother country. So that this was one of the underlying but basic causes of the American Revolution.

As to the outward form that the Revolution took, and the immediate cause, the massacre in Boston and the like, those were things that triggered off all of these churning and boiling feelings, and sentiments, and resentments that had been building up. The Stamp Act; the various Tax Acts; all of which were predicated in upholding the merchantile system, whereby the Colonies were producers of raw goods, if any, or were consumers of all of the processes and products that the manufacturing elites in England and in other European countries were producing.

Our country has been, up to now, a creditor nation. It has also been, particularly since about the time of Teddy Roosevelt, a sort of a creditor nation. We are now a consuming or a dumping ground, and we have just heard one of my illustrious colleagues from Pennsylvania discuss some of the problems in what we now call the Rust Belt, it is not now the producing area of the world. It is now the unemployment capital of our country. We have there more persistent, long-term unemployment than anywhere else. No nation, no society can long endure with that as a sufferance, without recognizing, through a strict class structural ossification the fact that America has reached that point that Thomas Babbington McCollough referred to about 110 years ago after his visit to America and was asked by an English journalist what he thought of those boastful, prideful Americans that talk about egalitarianism, that is, equality. Equality in opportunity for economic well being as well as equality before all of the political, judicial processes.

He said: "Well, it remains to be seen, America has the frontier as a safety valve."

But I appeal to the 20th century, in about a century, when America has by then has then filled with teeming people, very much like present teeming Europe, then I appeal to the future to see if the Americans have found a different result from the European experiment or result. In other words, stratification of social classes.

We forget, and I see it never reflected, even in what some very preeminent authors write, in bringing in our so-called allies, the fact that there is a profound chasm of difference between our set up and theirs.

□ 1720

There is not any intellectual in Europe. There has not been any writing that does not speak very much like the Arab finance minister who, at the height of the embargo on oil and watching very much our discomfiture because of political reasons, that he said:

> Well you Americans, with your libertinage, with your type of freedom that you have which is so violative of any kind of discipline, it is about time that you receive some and learn the lessons of the other part of the world.

We forget that in these countries if you are the son or the daughter of a laboring man, if you are a hod carrier's son, the chances that you will become a doctor, or a dentist, or a lawyer, or a professional, or go into business for yourself, whether it is in England, or France, or West Germany, or Spain are nil. They are just not there. You have an accepted class structuralization that America was filled by people who escaped from that with the promise of equality before the law, equality for economic opportunity, if the citizen was law abiding, hard working, honest, and toiling for his livelihood.

Today America has reverted in a matter of 4 years from a creditor nation position to a debtor. We have reverted to the mercantile system, and we are now preempted as a producer. We are the consumer dumping ground for the world's products whether they be Japanese, even Chinese, where the Chinese favored nations status that this Congress gave China has put heavy pressure on our textile industries in this country. Anybody who has anything to do with a clothing manufacturing or a garment shop in his district, just ask the manager of that district what has happened just within the last 3 to 5 years with respect to China and its impact.

With respect to the other, whether it is steel, whether it is farm products that now for the first time we are not having a favorable balance of trade. As a matter of fact, this is the most calamitous issue of all, and yet no discussion on it, and that is that for the first time in the history of this country or any other nation, our imbalance in trade, or what they call the international account, that is, the imbalance of trade and interest payments, is of such magnitude that I predict sheer disaster, and because of the interdependence of the world, not only for the United States but for the rest of the industrialized world.

There will be a summit next month, but you hear no discussion about that, any more than you heard any discussion about what is known as the ECU, the European currency unit, or the European Monetary Fund, the EMF. Yet both of these were announcements after the 1979 economic summit meeting in Bonn, Germany, where the President will be going next month for the same purpose, a so-called economic summit meeting.

Since there has been no debate in Congress, in fact, I have been the only Member of the Congress, either in the House or in the Senate, who has even referred to European currency units or the European Monetary Fund.

Let me tell you what it means, my colleagues: It means that now Europe is in a position where it can dictate to the United States what it is going to do about substituting, as a generally accepted currency, ECU for the dollar. In 1979, perhaps, it sounded a little bit outlandish, even though the communique that was issued by President Carter, Helmut Schmidt at the time, Giscard D'Estaing of France, and the others, had only one line at the end of the communique that referred to the European currency unit or the European Monetary Fund, ECU or EMF. But today those countries, the 6 or the 10, depending on what you want to call them, the group of ten, or the 6 basic European countries in the European Common Market, have more gold as reserves than the United States for the first time. What that simply means is that the United States and its leadership in monetary and fiscal matters, and this is wholly an executive branch question, the Congress has delegated most of this to that one person we call our Chief Executive, and he, erstwhile working through the Secretary of the Treasury, but today that is just the tail of that dog and the one that really wags that is the Federal Reserve Board, because the Federal Reserve Board is supposed to be the fiscal agent of the U.S. Treasury, but the way it is working today and for some time now, it is the other way around. It is the U.S. Treasury that is there as a sort of a lap dog of the Federal Reserve Board.

The Federal Reserve Board was intended and it was written into the law when the Congress created it that it would be accountable to the Congress and the President, but it is not today, so it is making monetary policy. It is making fiscal policy. And now, as the present Chairman of the Federal Reserve Board told me when I questioned him when he appeared before the Banking Committee, which I have belonged to since I came to the Congress 24 years ago, said they will determine even the social issues, what should be the allocation of credit, even Government resources, in these all-important questions of social services into which is dumped everything from Social Security to disability, for veterans and everybody else.

It is Mr. Volcker who is determining that, and that is what he said when he appeared before the committee and I challenged him, and I said:

But your policies are actually dictating this. You are saying the Congress ought to cut the budget, but you are telling us exactly where and how, according to your priorities.

And whose priorities are those? Are they that of the elected representatives of the people? No; they are those policies representing the wishes and the demands of the most powerful financial banking industry in the world, because the Federal Reserve Board is in the lap and is the lap dog and is controlled by six or seven of the principal banking institutions in this country, from Chase Manhattan to the First City National. They are the ones sitting on the Open Market Committee that determines the interest rates which presently are flagellating at the highest real interest rate in the history of our country with respect to long-term mortgage interest than at any time in the history. They are the ones who are determining that. It is not the Congress. It is not the executive branch. It is not the Secretary of the Treasury.

As a matter of fact, the Constitution says that it is the Congress that shall coin the money and provide the currency.

□ 1730

But you look at your dollar bill in your pocket and you will see that it says, "Federal Reserve Note." It does not say, "Treasury Note," as they used to. As I have said repeatedly here, when I came to the Congress 24 years ago, at least four out of the five dollar bills I would have in my pocket said "Treasury Note," not "Federal Reserve Note."

Now, what does that mean? What it means is that it is the Federal Reserve that has arrogated to itself this power. Also, with this equivalent power that goes with it and transcends the national sovereignty, it has become in turn a "patsy" when it comes into competition with these crafty, knowledgeable, 400-year-experienced bankers in Zurich, in Germany, in Paris, and, above all, in London. And now you have the ridiculous situation where our country for the first time since Teddy Roosevelt's time is a debtor nation.

When Teddy Roosevelt decided that we would build the Panama Canal, we did not have the resources to build it. The French had failed, but we had to go to France to get the capital. It was about $40 million, which at that day and time was a tremendous sum. We had to go to foreign capital markets in Europe.

Of course, when World War I came around, we were the only creditor nation, and we were the only creditor nation in World War II. But not any longer, as of less than 3 years ago. We are now a debtor nation. Our entire financial system is teetering, depending on the whims of fickle foreign investors and speculators. Then the Congress went along and, over my objections, agreed on so-called private ownership of gold in 1976, about January 1. The act was going to be effective then; it was actually approved in 1975. And it was against all reasonable warnings, and privately the then-Chairman of the Federal Reserve Board said I was right, but he did not have the guts. Why? Because all of those fellows, every one of them, are errand boys for these powerful bankers who, in the meanwhile, have sold out the American people and their interests, just as Jefferson warned in his time, as Jackson did in his, as Lincoln did during the last week he was alive, and as Woodrow Wilson last did in 1917.

We are now completely in the control of these interests. They are the ones who are shaping and molding the policies, including the issue of war and peace today.

So my advice to the privileged orders is that whether this has happened or whether we are back in the days of the kingdoms, you cannot produce or you cannot sell out the people's interests without ultimately having to confront the day of reckoning.

And I say, why wait? Why not do now what we should have done at least 2½ decades ago at the latest? Is it too late?

I have been privileged to travel throughout the country in the last 3 years as chairman of the largest subcommittee in the entire Congress, one which has been the most heavily impacted in its jurisdiction by this administration's thrust in its so-called programs, the Subcommittee on Housing and Community Development. I have been into the rural areas, and I have seen the lamentable situation just 1 hour and 15 minutes' drive from the Nation's Capital where the growing season will be beginning in a few weeks. If you will go with me, I can take you there and you will see the worst living conditions for migrant workers that you can find in any of the underdeveloped nations that we say we are much better than—including the poorest country in Central America, Honduras. All you have to do is get in your car go up here to the Eastern Shore. I have been there.

I have been to the teeming metropolises where we have been building up explosive, dangerous social situations. I have been to the coast way out in the West. I have been to the Middle West, in rural and urban areas, and the thing there that is inspiring is the people themselves.

Now, the fact is that if it is too late, it is not because the American people are not willing to do what it takes to be done, but it is simply that they have not been given any kind of leadership or basic information as to the nature of the issues on which they can base a knowledgeable decision or use as criteria.

But what is this that has led to this creditor nation becoming the supplicant and debtor nation? What has led the great producer, the arsenal of democracy during war, to become the dumping ground of the other countries, from Japan to West Germany, and, as I say and repeat, even China? Has it not become a basic abdication of principle? Has it not become a betrayal of the basic American participatory democracy based on representative republican government? I think it has.

□ 1740

I think it is. I think that the people have lost control up to now of these vital decisionmaking elements which I do not think could happen until just relatively recently in the so-called post-World War II era, forgetting that World War II has not ended. There is no peace treaty giving a final resolution to the conflict known as World War II.

As a matter of fact, we, of all the countries involved, have the greatest stake in that situation which we have not had the courage to confront either through incompetence or the lack of vision or the lack of responsibility.

It so happens that our oath of office calls and summons forth from us far more basic discharge of that oath than what I have been forthcoming. Our oath simply says, "I shall discharge this office well and effectively and, of course, loyally." I do not think so.

When we answer the question, how come this to pass, how come at this critical juncture of our development we are in this dilemma? The answer is astounding. It is that we have not even bothered to remember history, not even relatively recent history, the interim period between World War I and World War II.

We are doing the same thing. We hear all this talk today about, well, but you have got to consume those products so that those countries will have the means with which to pay their debts and they have got to have a favorable balance of trade. Well, what is a favorable balance of trade for one and not an unbalance for another?

This was the same thing that operated after World War I and in which the geopoliticians—later called Hitlers, but actually antedating Hitler—the German geopoliticians, financial wizards such as Dr. Hjalmar Schacht, who really was an American and came here and was able to raise tremendous funds. Some of our principal financial corporations were major backers of

Hitler and even after the war when we look at the history of the so-called de-Nazification programs, you will find it is a sorry mess because these very same interests came back, regrouped, and they absolutely prevented de-Nazification and the cartels reappeared, except they are not called cartels any longer. But over in Basel, Switzerland, where you have the so-called International Bank for Settlements of which the United States is still not a member, but now has to hat-in-hand, as our leaders of finance had to do just recently, and will go as sheep to be shorn to the economic conference next month in which they will be told, "Look, we are going to put bone and fiber as well as blood and flesh on this little skeleton up to now known as the European currency unit and the European monetary fund."

What that means then is that they are formally anchoring down the demise of the American dollar.

What does that mean to you and to me? Well, you do not have to be an expert to know. What we have vauntingly boasted as the American standard of living and as the chairman of the Federal Reserve Board told me, he said, "Well, some Americans are going to be adversely impacted in their standard of living."

And when I asked him, "Which Americans?" I wish you could have been there. He seemed to think I had insulted him. Well, you know what Americans. That is, you and me. That is anybody but the David Rockefeller classes who are the ones really running this country at this time, because the fate of this country is predicated on an economic well-being that is rooted in whether or not you have a viable participatory democracy.

So how come this pass? Well, we ignored history. We ignored that that same scheme was concocted by Dr. Hjalmar Schacht. The same thing was said then. If we do not lend them the credit, they will not be able to buy our products, overlooking the fact that when we extended credit, say, to Germany then, the German financiers then loaned some of that money to the Russians, to the Russian struggling Bolshevik government in order that it could finance some of its 5-year plans and other things.

We have done the same thing in the post-World War II era, except it was refined. The names of some of the countries, of course, have disappeared since World War II and are different, but the essential formula is the same and the essential result is the same.

What some of the European leaders so critically and so arrogantly have dismissed as Uncle Sap—not Uncle Sam, but Uncle Sap—so that where are we here in this Congress at this point. Well, my advice is, let us reaffirm the basic revolutionary principles, still revolutionary as exemplified in the first five, six or seven words of the Preamable of our Constitution, which says, "We, the people", not "I, the President" or "We, the Congress" or "We, the Judiciary." It says, "We, the people of the United States, are the ultimate sovereign."

Now, when you say that nowadays, they call you a Socialist. They call you a Communist and yet this is what the struggle is all about throughout the world, because at the same time that the world has grown, it has shrunk and we are not going to be able to continue to have the margin or leeway of time for fundamental errors in this world of the 1980's. We might have been able to temporize in the middle twenties, the 20th century, but not now. We cannot afford the luxury of crass misperceptions of what that real world is to the south of us, what that real world is across the seas, whether it is the Pacific or the Atlantic.

Hearing the so-called discussions—I will not call them debate—there has not been any genuine debate. People are afraid in America today because the issue will be, like the President was trying to put it last night, "Are you unpatriotic? Are you for communism or against it? Are you loyal or disloyal to your leader?"

Not is this program right or wrong, is this policy right or wrong, is this issue to be discussed as it ought to be with full-blown debate? Not at all. We have had a deterioration. We have had a decadence of discussion in and out of the most solemn discussion body, such as the Congress.

Why is that? Again, we come back to what I hear so often. Look, it is fine to be a statesman, but remember, you have got to get reelected every 2 years.

The tragedy of all this is that it reflects a basic lack of faith in the judgment and the discernment of the average American citizen.

Let me say to you by way of advice to my fellow privileged members of the order in the United States, the people are way ahead of us. Yes, we got elected and some of us have been elected and reelected and elected and reelected; but I, for one, want to say that I have never forgotten where I come from or why I am here and that is that enough of a cross-section of citizens of all kinds, from all classes, of all colors, were reasonable minded, soberminded, responsible and just plain hardworking Americans and we gave them an issue and we fought the issue. We did not talk a fight. We have fought a fight and the people can tell the difference. That is all I can bear testimony to, but when I hear all the excuses, all the sophistry as to why even though it is a calculated course of disaster, it cannot be done differently.

The historian, Barbara Tuchman, just finished and published a book that I would recommend, "The March of Folly," it is titled. She is intrigued and develops this tremendous thesis:

> Why throughout history from the Trojan War to the Vietnam War do governments and heads of governments despite all of the known facts and the logic involved will persist in a course that is unproductive of good for the government and its people, is counter to the best interests of the people, yet steadfastly persistent in a calculated course for catastrophe.

As she says:

> In government this has happened more often than no, whereas in other realms of human activity the average seems to be different.

Well, that was the first part of the subject matter; that is, if we are going to base such a thing as a $315 billion defense budget, and as I have said ad nauseum, I do not consider this a defense budget. I consider it a war budget. The President has been illegally conducting war, not once, but more than once. Presently it is a war in Central America where he now is spending several million dollars a day, at the same time that he is asking us to tax the American people for the greatest exponential increase in so-called defense or military spending, while he is asking us to cut out housing.

It is all right to give other countries $500 million—half a billion dollars—so that they can construct housing for their citizens, but it is a budget buster. You are a spender recklessly spending the money if you advocate holding on to the national housing programs on assisted housing for the poor and the moderate income that today now constitute the majority of the American people.

□ 1750

No, if you want $250 million for a modest program to try to shelter the homeless, that is budget-busting. But if you have $500 million, some of it never to be repaid, some of it to be repaid after a 40-year period at 1 percent, it is OK to give it so that housing can be built from the Middle East to the Far East and in between and in some of those countries to the south of us. I think that is a perversion of priorities.

I have always felt charity begins at home. There is an old saying in Spanish that I will not repeat in Spanish because, in the first place, I think that it is in a certain way not proper, and it is difficult to convey the significance except to those that speak the language. But what it simply says is that you can be a great light out in the street, a great beacon of light, while at home you are total darkness. That is exactly what is happening to us on this level, the most vital level, because no matter what we do domestically, I will tell you, my colleagues, you can cut out all of the so-called social spending right now, this budget can cut out housing, it could even cut out

Social Security, and everything else that you call social spending, nondefense, and you will still have a deficit of over $35 billion.

Why is that? Why? Why did our country suddenly evolve this monumental, monstrous domestic deficiency known as the national deficit, and which the President says we have to look forward to for the next at least and possibly 5, but at least the next 3 fiscal years, $200 billion or more?

This is while completely overlooking the $140 billion deficit in international trade where our agricultural products had been the only source of our keeping an economic balance there, and even a little surplus now and then. But that is gone. That is gone.

This is why the farm crisis. The immediate triggering was what? The fact that China reneged on its purchase of 6 million metric tons of wheat. It reneged last year. We had the immediate consequences.

Where is the farm crisis in the wheat bill? Who talks about that?

That was a celebrated deal that the President made, some of it in secret, which he still has not divulged to the American Congress or the American people. And that is what was the secret deal with the Communist Government of China.

If it is all right to enter into a deal with that Communist country, what is wrong in letting a meager government that happens to have two or three so-called Marxist-Leninists in its government in Nicaragua? I fail to see the difference. If we are going to go to war, as we are already, if we are going to further commit our youth and our treasury to those jungles of Central America because we want and demand ideological purity, then I say all is lost, all is lost.

But I think that if any one of my colleagues goes out and really, really discusses it with the people, he will find that they have entirely different notions about that.

But in the meanwhile, what is happening here to us? We know what is happening now to the farm bill. We know what has happened to the rust bill. We know what is in the making is the other, because the average interest rate at which a little businessman must borrow money in order to finance a little meager inventory—and I am talking about real small businessmen. I am not talking about the U.S. Chamber of Commerce definition of a small business. I am talking about a real small businessman in America, that corner cleaners, the grocery store that still has mom and pop or the private little grocery store in the neighborhood. I am talking about the little car dealer that is trying to stay alive and is still a meager little agency. I am talking about the other real small business men that you and I deal with in our ordinary American life. They have to pay usurious, exorbitant rates of interest. They cannot stay in business.

We have more businesses going out and have for the last 1 year and 3 months than we had during the Depression. Of course, there are more businesses and there are more American people now than during the Depression. But what does that mean? It means that we will be like we were during the Vietnamese war, that as long as it was that poor kid, the one who could not afford to go to college, or he could not afford to go to Harvard and take that very sophisticated course on how to duck the draft that got drafted and died in Vietnam.

What good did it do? My voice was the same in 1965. I was the first to get up here on floor. Sure, there was no TV coverage, but I still got up and I reported in August 1965 that those in the line of action, or apt to be in action, or had been in action in Vietnam in August 1965, over 45 percent were draftees.

Who got up in the Congress and said it is wrong to conscript an unwilling American into an undeclared war outside of the continental United States? I was looked upon as a radical even though I did not get up and double my fist and say "Hey, hey, LBJ, how many babies have you killed today."

But among the administration circles then and the Presidential circles, I was kind of questionable, of doubtful loyalty because I was raising these issues. I still am.

Oh, there may not be a draft going on now, but it is there. It is waiting in the wings. And its reimposition along the same unjust lines, it is there, it is the potential. Nobody wants to address that issue now. Nobody wanted to even then. It was in 1967 when the Draft Act came up for extension that I got up in the well of this House and offered a little simple amendment—really, it was not necessary—but it was my way of reminding my colleagues that when that original Draft Act was first passed by one vote in 1941 before December 7, the only reason they finally got that one vote was that they had to put a clause in there that said that notwithstanding any provisions of that act, no unwilling American could be conscripted against his will to serve outside of the continental United States, except a declaration of war by the Congress, or otherwise expressly provided so by the Congress. I say that is still an issue. I certainly thought so. And when I brought up the statistics that over 45 percent of those we were asking to die, or be maimed and hurt, were draftees, where were the pros? They certainly were smart enough to know where to stay out of it.

Who cared? It was not until later when the draft had used itself and the casualties started coming in, the near 100 a week, then all of a sudden it looked as if some of those exemptions would have to be cut out, and it looked as if that upper middle class young man was about to be called in, that you started getting telegrams and letters from corporate chiefs saying "Hey, Mr. President, what are we doing here now? We had better think it over."

Well, we are doing the same thing economically. The only difference is this: These invisible unemployed, most of them now have been unemployed for more than 18 months, they are invisible right now but they now amount to 10 million plus. Well, you say that is a drop in the bucket. Well, so was that number who were in Vietnam in 1965. It was a drop in the bucket according to some comments I heard from my colleagues.

I remember at a White House briefing that President Johnson called, and he was saying, "I am getting all of this criticism from the hawks, and I have my own Senator from Texas, John Tower, saying 'Bomb Haiphong' and 'Mine Haiphong' and then I have over here Senator Church," and he pointed to Senator Church who was present, and he said, "They want me to go easy or pull out."

□ 1800

"And you just heard the Joint Chiefs of Staff of the Navy point out what was involved and the casualties are coming." One of my colleagues got up and said, "Mr. President, what are you worried about? Why that figure of 65, last week, was, shucks, much less than the total traffic fatalities in our country for the same period." That was the reasoning.

Well, the rest is history, but we are on the verge of repeating the errors. We have learned nothing, as I have said we are like the Bourbon kings of old; we have learned nothing and forgotten nothing. Amazing, in the days of so-called democracy which were not even dimly visualized at that time, when the men wrote the most revolutionary words in the history of mankind, those first seven words in the preamble of the Constitution, "We the people of the United States in order to form a more perfect union, insure domestic tranquility"; it said "We the people." That was really revolutionary because every government in the world was ruled by divine right, kings or czars or potentates; and it still is the most radical revolutionary word today.

Let us go to the second phase of my advice to the privileged orders and my colleagues, what you are about to emerge into south of the border.

It has been so remote to the overwhelming preponderant number of Americans. When we have the question of immigration laws and reforms,

every one of our acts has been out of fear, an inordinate fear. Never has it been based by the overwhelming preponderant majority of these members as a reality along the border or for that matter along our shores. We forget, because of the publicity given the southern borders, that more than 40 percent of the illegal flow of immigrants into this country is not across the Mexican border.

We have one of the heaviest Asian illegal immigrations into this country and yet it is relatively unnoticed or unreported. Yet in shaping the laws here there is oblivion as to: First, the immediate thing; and second, the underlying cause. Nobody talks about why. And what can the resources of the Nation do, both short-term and long-term? I have not heard any discussion.

I have offered bills as I have said repeatedly to my colleagues in the RECORD, in this well, if I have gotten up often, if I have been critical and if I have said so of fundamental policies and programs, I have also always offered suggestions, either through resolution or a bill or an amendment. And for over 18 years, well more than that, because 1965 was the famous day in August that the Congress approved and sent to the President, who, with great fanfare, went and signed the bill at the foot of the Statue of Liberty, the great immigration law that was supposed to end every problem in 1965.

I got up right here in that seat and was the only voice raising an objection to an amendment offered then by a Minnesota Representative, for the first time placing a quota on Western Hemisphere countries. I asked him the rationale. He said, "We want to treat every country equally." I said, and this is all in the RECORD, it is not what I am saying now, an afterthought, I said, "Do you mean you want to put Mexico and the United States, or United States, Mexico, and Canada, the only two contiguous nations fate has decreed will share this part of the North American continent, you want to put them on an equal footing with Iceland?" And he answered from that well, "Yes, indeed."

I knew it was no use. We were in a state of mind, you cannot reason, you cannot debate when you are in that state of mind. And I predicted, I said, "Well, I will appeal to the very near future before you will see a real problem, because it is folly, it is. Anybody who knows the reality of the history of that part of our country and the reality of circumstances." So subsequent to that when the problem did begin to emerge and you began to have those that just could not or were not about to wait the lawful quota list in Mexico, they started crossing the border. I then introduced, especially when the economic situation in Mexico reached the fact and the proportion where it is today, 50-percent unemployment, 50-percent rate of inflation and with the labor force getting an average, each year, of a number that exceeds by about 1,000 percent the ability of the Mexican economy to absorb. I then proposed what I have proposed every Congress since then, including this one, a bilateral development bank tailored on the private banking system. It is not going to be one of these governmental things, that would be targeting the border area on our side. Since 1982 and I amended it, so it would have jurisdiction of the 200 miles of our border inside, because we now have often 20-percent unemployment along the Mexican border, you have many businesses that have gone out with the financial pressures in Mexico. So, the development bank would provide resources and would concentrate, of course, on the Mexican side, on the basis that for every job we help create there we have one less illegal coming over here.

But up to now we are still struggling with it. I think this has to be addressed. I think unless and until we have a bilateral effort, not only on economic but on immigration matters generally, the situation will never be controlled, even minimally restrained. I have studied this matter throughout the world, whether it was in Europe or France, Germany and Spain. Of course in those countries they do not have to worry about constitutional rights. So their treatment of their imported Italian workers, Algerian workers, some Spanish workers, has been horrible. But they have the same problem. They used them in a time of need, and they did not know how to get rid of them so they kicked them out willy-nilly. We have a lot of resentment, persistent hatred. I had a call in San Antonio and I had two letters from individuals who said, "What are you worried about, the illegals? If you want to stop it just shoot them when they try to cross the border."

Well, if we want to go that way, that is one thing. I am assuming though that we have not been taken over by the Nazis yet, that our system of Government is not predicated on that which we went out and fought and shed blood to keep away from our shores.

So I am predicating it on humanitarian and civilized interaction between civilized governments. What I have said is very simple. Unless and until the U.S. Government and Mexican Government get together on a bilateral understanding, nothing is going to happen. This has been true in those countries where you have this phenomenon. It has been true in Hong Kong where you had the nearest parallel. Mainland China was sending in thousands of illegals just massing in Hong Kong, using up public facilities, eating up their resources and it was not until some 6 or 7 years that finally the mainland Chinese Government came in and joined the Hong Kong Government that they finally managed to control the situation, even though Hong Kong had and still has strict identification card requirements. Every person in Hong Kong must carry an I.D. card. But I have seen the similarity in problems, and how it was not until both governments involved had a directly bilateral understanding in an attempt to try to resolve the problem, that you really did. But our current problems are based on the very, very erroneous and outmoded and failed policies of the past, where we could have Calvin Coolidge sending the Marines to Nicaragua, occupying that country for 9 years, leaving the heritage of the Somoza regime that we imposed and kept for 40 years and also building up their National Guard, the soldiers to keep it in power. The very name Sandino evokes their constant reminder that they were invaded. Sandino was the resistance leader of that day.

□ 1810

And what did you have then? You had Mexican presidents. They were revolutionary presidents like Elias Calles, sending Mexican mariel to help Sandino resist the Marines. It took us 9 years then.

We have invaded Nicaragua six times in the 20th Century. So we have got to remember that those policies, they worked then because it was a more primitive existence at the time. They will not work now. The world has changed. It has changed all over, but it certainly includes Latin America.

When we talk about a general term such as Latin America, we are really confusing the issue. What we are on the verge of is the conduct of direct American intervention. Logistically and practically speaking, there is not a professional military that will tell you that it will take less than 100,000 of our troops.

Then what have you got? Let us assume we knocked out the Sandinista regime. Who is going to govern Nicaragua? Do we think that we can impose successfully the so-called Contras or rebels, 85 percent or better of whom are ex-Somozistas? Bitterly hated to this day?

What it will involve now is our American soliders going in very much like in Vietnam, where the solider was compelled to kill men, women, children, peasants, grandfathers, grandmothers, because they are all armed. If the Sandinista regime were afraid of its people, it would not have turned out the profusion of arms to every hamlet, to every peasant, to every housewife in Managua itself. If you visit Managua and you go into the in-

terior of the city, you will see sandbag locations, you will see barracks and complete setup to foist any invasion.

They fully expect an American invasion, and I can see why, because we are on the threshold of that. We have not invested $2 billion in just 2½ years just to train Salvadoran troops in Honduras. And I hate to see this because I believe it is unnecessary. I believe that I was impelled to speak for the first time, even though my name is what it is, I have never considered myself an expert; why, my goodness, I do not even consider myself an expert of local politics in San Antonio. Much less those of Mexico or any other country south of the border.

I have been charged with knowledge, information that is of impeccable nature that led me to speak out for the first time on April 1, 1980, and the President was not Ronald Reagan; it was Jimmy Carter. My message was identical, the same. My recommendation was the same as it is now.

If I had my way, even now, I would pull every American soldier out. Instead of the M60 tanks that we sent down there last week or so from the Texas National Guard, I would send water tanks. Instead of soldiers, I would send doctors, nurses, teachers. I would stimulate the religious missionaries that have been there: Protestant, Catholic, who have been murdered by the very forces we have financed in El Salvador and in other places.

I would pull them out, because I think we would be way ahead. If we would not do that, then I think we could do more good if we were to take those $2 billion plus that we have already spent in this venture since the buildup 2½ years ago, and I would convert it to $1 bills, and I would put them on C-130's and I would just bomb the country with dollar bills.

This is what I told one of President Johnson's chief advisers in 1968, and they almost threw me out of the plane. I think that if we had done that, we probably would be better off than what it turned out to be.

I say that if we ignore the fundamentals that are involved, whether it is these all-important questions of the economy, of the international trade, of our financial institutional setups which, as I have said, may be beyond redemption.

How are the people, even through the Congress, going to regain control of their financial future? Are we going to have to get up in arms and knock out the Federal Reserve? That would be ridiculous. I would not advise it; if we reach that point, then there is no use talking about anything.

I am still hopeful that the Congress will not continue to abdicate its responsibility in that respect. I am still optimistic and hope that perhaps before catastrophe, we can even have a congressionally mandated audit of the Federal Reserve Board, which you cannot get today.

As far as I know, the Federal Reserve Board does not have an inspector general. I found that out when I brought out what I consider to be one of the most insidious things happening in America history, and that was the leaking of confidential information by the Open Market Committee, which developed and inured to the enormous profit of many financial institutions.

MRS. ONIE B. CURTSINGER

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to and in memory of a longtime friend of mine, Mrs. Onie B. Curtsinger of Fancy Farm, KY, who died on January 16 of this year at the age of 87.

Mrs. Onie Curtsinger was a lifelong Democrat. She was a respected, influential lady in her native town of Fancy Farm in Graves County, KY.

The widow of Lucian J. Curtsinger, Sr., since World War I, she was commissioned a Kentucky Colonel many years ago and devoted much of her life to politics and good government.

Mrs. Onie Curtsinger was an active member of the St. Jerome Catholic Church in Fancy Farm and was also a member of the American Legion auxiliary. I cannot say enough about this great lady who is missed dearly by her family and many friends. If all people were as devoted to and conscientious about our country and our future as Onie Curtsinger, America would be an even better place to live.

Surviving are her son Lucian J. Curtsinger, Jr., of Wingo, KY; her daughter, Mrs. Mildred Hayden of Fancy Farm, KY; a sister, Mrs. Maybelle Willett of Fancy Farm, KY; and seven grandchildren and three great-grandchildren.

My wife Carol and I extend our sympathy to the family of this outstanding Kentuckian who was an inspiration to those of us who knew her.

REPORT ON TRAVEL SEMINAR CONDUCTED BY CENTER FOR GLOBAL SERVICE AND EDUCATION, AUGSBURG COLLEGE, MINNEAPOLIS, MN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. WEBER] is recognized for 60 minutes.

Mr. WEBER. Mr. Speaker, in a very few days this House will be asked to vote on an important issue, perhaps the most important foreign policy issue that this Congress will be considering. That being aid to the democratic resistance forces known as the Contras in Nicaragua.

This subject, of course, has spurred a great deal of discussion in the House itself and across the countryside.

One of the main sources of information being given to Members of Congress today from the populace at large comes from individuals who have recently traveled to Central America, particularly to Nicaragua, mainly with American church groups.

I had the opportunity to visit Central America, including a visit to Nicaragua recently, on a factfinding tour with our colleague from California, BOB DORNAN.

One of the things we found down there from the people in Nicaragua, particularly the people in the Catholic Church, was a deep concern about the biased nature of the information given to American church groups visiting Nicaragua.

In this special order what I would like to do is introduce a report submitted to me by one of my constituents and by another woman living in the State of Montana on a tour that they took of Nicaragua sponsored by a Lutheran church group.

I commend it to my colleagues because I think that it shows that we should be somewhat skeptical of the information conveyed to our constituents and the American public as a whole on the tours that they take of Central America under the auspices of certain churches.

This is the report on the travel seminar conducted by the Center for Global Service and Education of Augsburg College, in Minneapolis, MN, submitted to me by Linda Westrom of Elbow Lake, MN, and Jane Otten of Montana; two of the women that were part of this trip. It was submitted to me on March 20, 1985.

□ 1820

Mr. Speaker, I would like to begin by reading into the RECORD the introduction and summary of the report so that my colleagues can have I think a taste of the kind of information that is available to them in this report:

INTRODUCTION AND SUMMARY

The travel seminars sponsored by the American Lutheran Church Women and organized and conducted by the Center for Global Service and Education, Augsburg College in Minneapolis, are not objective educational experiences designed to aquaint women with the problems of Central America as they are purported to be. They are instead two weeks of intensive anti-United States pro-Sandinista indoctrination.

The purpose of this report by Linda Westrom of Elbow Lake, Minnesota, and Jane Otten of Bigfork, Montana, is to record our experiences on one such seminar in the hope it will alert others about the true nature of these trips.

We were part of a group of twelve women who participated in the Travel Seminar entitled "Mexico, El Salvador and Nicaragua—

Women in Mission: A View from Latin America" conducted November 7 through 21, 1984. We met for the first time at the airport in Mexico City where the group came together. Upon getting acquainted we discovered we had similar motivations for being there. We had some knowledge and considerable interest in the area and we had a desire to discover which of the many conflicting reports about it were true. We also shared some skepticism about the presentation in the Center's brochure which states the goal of the Seminar was: "to introduce participants to the reality of poverty and injustice in Latin America, to examine the root causes of these conditions and to reflect on our responsibilities as Christian women in alleviating hunger while working for social and political change."

The women in our group come from Ohio, Minnesota, Iowa, South Dakota and Montana. Most were leaders in their churches, and they were all sincere and genuinely concerned about Central America but they had little or no background knowledge about the area, its history, its people or United States policy there. What little information they had, had been sent by the Center prior to the trip and it supported the organizers' bias. In other words the group was susceptable and open to influence by the tour leaders and the instructors along the way.

The group assembled in Mexico where we spent five days at Augsburg House in Cuernavaca. From there we went to El Salvador where we stayed at the Alameda Hotel in San Salvador. We remained there three days and were hosted by members of the Resurrection Lutheran Church. We spent the remaining six days in Managua, Nicaragua, where we lived at another Augsburg House.

The staff of the Augsburg Houses were our instructors. They were U.S. citizens . . . capable and articulate young men and women who acted as our guides, interpreters and teachers and who demonstrated aside from their concern for the poor a deep commitment to Liberation Theology and the Marxist Revoluntionary movement.

During the two week period our group was subject to incessant thinly disguised indoctination. The root cause of poverty in Central America was the United States and its evil capitalistic system. The socio-political system which would rescue the area would come from the Marxist revolution as exemplified by the Sandinistas and validated by Christianity as defined by Liberation Theology. President Reagan was pictured as an evil man comparable to Herod seeking to kill the infant Jesus.

There was no balance. There was no attempt on the part of the trip leaders to represent U.S. policy or U.S. support of the area. We were exposed to a total of 45 speakers of which only 7 spoke from a pro U.S. perspective and we were conditioned to distrust them before and after they spoke to us.

Joel Mugge, the Center's director, acknowledges this slanted perspective. In a Minneapolis Tribune interview he admitted the program "does have a bias," and "The staff in general sees policies of the U.S. government as too militaristic and too interventionalist." This we found to be a remarkable understatement!

During the several "reflection and evaluation" sessions in the course of the trip our instructors urged us to report what we saw, what we heard and how we felt when we returned home. Since our view of the trip is probably very different from the other participants and not what the Center expected from us, we are pleased to comply with their request by writing this joint report about what we saw, what we heard and how we felt.

Mr. Speaker, at this point in the RECORD I will insert the body of the report by Linda Westrom and Jane Otten:

MANIPULATION AND INDOCTRINATION

Early in the trip, and even before it started, we realized the participants might be subjected to some manipulaiton and indoctrination

One technique was to make us feel insecure and apprehensive and to put us in a defensive frame of mind.

"LINDA. In a pre-trip orientation meeting held at the Center Headquarters at Augsburg College in Minneapolis they emphasized how we would be feeling during the trip. We were encouraged to vocalize our "fears" and to record them in our journals. We were then given the assurance that they were in touch with the State Department and it it seemed unsafe we would not go into these countries. (It is ironic that the Center staff trusted the State Department in matters of our physical safety but did not trust its motives or polices relative to Central Amercia) . . . We were warned particularly about El Salvador. We were told that the Bible is considered subversive material there . . . We were told that we would probably be followed while in the country; that our hotel rooms might be bugged and our belongs searched. We were urged to be as inconspicuous as possible while there . . . Furthermore the staff warned us that we probably would be body searched in the U.S. Embassies we would visit . . . We were told we would be asked by customs upon our return whether or not we had visited any farms and we should answer no because we would not be on a real farm. We did visit a real farm despite what they said."

The staff people leading our group made no effort to conceal their own feelings during the trip. In fact it seemed they deliberately revealed and exaggerated them in order to influence our own feelings. For example, they seemed genuinely apprehensive about our stay in El Salvador. In retrospect we understand why, since by predisposition our group was hostile to the government and the authorities probably knew it and would have been justified in keeping tabs on us. In any case, our guides succeeded in building tension and apprehension in us while we were there. By contrast we were surprised at how much they relaxed into a state of near euphoria as soon as we arrived in Nicaragua. We did not share the feeling but it was clear they felt they were among friends and as a consequence so did the majority of the group. Thus they manipulated the group's "feelings" to be negative about El Salvador and positive about Nicaragua.

Another early technique used by the Center staff was to make us feel dependent upon the staff personnel.

JANE. I arrived at the Mexico City Airport with a lady from Missoula, Montana, and one from Rapid City, South Dakota. We met briefly with some of the others and then the three of us were guided by our trip leader via subway and bus to Cuernavaca. It was during the rush hour and we made four subway changes; we were given no map and no destination address and we were conspicuous as North Americans. My Spanish was very rusty and we were travel weary and feeling the change in altitude. We felt disoriented, isolated and apprehensive and our dependence upon our guide was quickly established. We were completely in her hands. It seemed to me that the whole episode may have been calculated and if so it certainly was effective."

The Center organized full itineraries for each country which allowed only short periods of time on our own. However, the language barrier and unfamiliar environments still kept us dependent on the staff.

A technique throughout the trip was incessant anti-U.S. rhetoric. When we arrived at Augsburg House in Cuernavaca the Center's hostility toward the United States government and the current administration became immediately evident. The staff was in despair over the results of the U.S. elections. They held an orientation session during which they directed us to their library which clearly reflected their leftward bias. The bulletin board contained posters and clippings which supported the Marxist revolutionaries and denigrated the U.S. One especially colorful poster depicted U.S. helicopters carrying bombs with the caption, "Herod searches for the baby Jesus to kill." Ronald Reagan was equated with Herod several times during the trip.

Another technique was used throughout the trip was setting aside a period in the evenings for what they called "reflection time." During these sessions they always encouraged discussions putting emphasis on our "feelings" rather than on facts. These seemed to be directed conversations which led to the conclusions they desired. For example, when there were comments about the material the Center had given us, the staff confided that this was material we would not otherwise see. From this, one lady in our group concluded that the U.S. press accounts of the situation was what the State Department wanted written. The staffers agreed with her conclusion and no one quarrelled with it.

We often had a period of worship in the morning when we read passages from the Bible and sang hymns. During these sessions we were sometimes encouraged to use the feminine pronoun "she" in referring to God.

The most overtly manipulative technique our trip leaders employed was to plant preplanned questions with us before we met with agencies likely to represent views favorable to U.S. policy and unfavorable to the revolutionaries. During the trip we listened to 38 speakers representing the anti-U.S. position and only 7 who were pro. Preplanned questions were used only when we were to hear pro-U.S. speakers. This procedure was followed before we visited officials of the "institutional Church" (meaning non liberation theology church), the U.S. embassies in El Salvador and in Nicaragua and the newspaper La Prensa in Managua.

In meetings before these visits we were encouraged to think of questions to be asked. Questions were suggested and individuals were urged "to take responsibility for asking them." Although the questions were generally perceptive and courteous they were clearly designed to embarrass the speaker or to put him on the defensive.

These visits were followed by another meeting during which we reviewed the questions and analyzed the answers. Whatever had been said that might support the U.S. position was derided, discredited, or somehow neutralized. For example immediately following our visit to the embassy in Nicaragua we met with Nora Astorga. She is the woman, quite glamorous, who lured a

Samoza general into her bedroom where he was brutally murdered. As a result she became a revolutionary heroine of the Sandinistas. Later she was proposed as the Nicaraguan ambassador to the U.S. but was rejected. Several of our group, at the urging of our guides, naively reviewed what we had been told at the embassy and asked her to comment. This gave her a chance to discredit everything we had been told.

On occasion when one of our group confessed to being confused by the conflicting testimony, a staff member always was ready with an answer which reflected the Center's bias. They seldom allowed a question to remain open lest that suggest there might be some validity in the other view.

Throughout the trip they tried to get us emotionally involved. One of the most flagrant examples occurred in Managua where the group attended a parish church service by a Marxist priest named Uriel Molina. (We found out later that he leads Centro Amtonio Valdivieso, one of the orgnaizations which propagate Liberation Theology.) At the end of his service during which he talked about solidarity, he invited the North Americans present to gather around the altar, join hands and sing "We Shall Overcome." The two of us did not participate.

We found that it is extremely difficult to maintain a balanced perspective after being exposed to these combined techniques for a period of two weeks. If we had not had each other to talk to we might have begun to question our own positions even knowing what they were trying to do to us. We feel it is virtually impossible for anyone who is naive and uninformed, and trusting of the Center, not to succumb to this type of brainwashing.

ROLE OF LIBERATION THEOLOGY

Both of us had heard a great deal about Liberation Theology before we made this trip but neither of us fully realized its importance to the foment in Central America. It is clearly being used in three ways:

1. To attack and discredit both the traditional church and the United States in these countries.

2. To encourage activism among people who historically have been apolitical.

3. To justify Marxist-Leninist revolutionary doctrine.

We were exposed to generous doses of Liberation Theology during the trip. In our introductory lecture to it, our instructor admitted it was controversial and then extolled its virtues—she never touched on its shortcomings. At first it sounded reasonable and even compelling and it seemed that it might have a part to play in Latin America. But as we heard more about it, its strident overtones of anti-capitalism, anti-church, pro-Sandinista, and pro humanism became painfully apparent, and it quickly lost its appeal. In fact, it become apparent to us that Liberation Theology is counterfeit Christianity. Like any counterfeit it masquerades as the genuine article, its deception carefully hidden, and it is apt to be accepted at face value by the unwary. The obvious contradiction is the fact that Liberation Theology which purports to be a Christian movement, is being used to advance the cause of an atheistic ideology. In his book "Christians Under Fire," Humberto Belli sums it up very well when he writes:

"In practice the revolutionary Christians do not preach to Marxists in order to attract them to Jesus Christ, but to Christians in order to attract them to Marx. The conversion of Christians to Marxism is indeed the main evangelistic thrust of the (Liberation Theologists)."

U.S. Christians should look at Liberation Theology from all perspectives and examine it closely before they jump on the bandwagon. We found that the pro-L.T. speakers we heard did not hesitate to misrepresent the meaning of the scriptures.

"LINDA. Liberation Theology was introduced to us right away in Mexico . . . the theme of 'the poor versus the rich' was hand fed to us. They used a misquote of the scriptures, 'Money is the root of all evil,' as justification for this theme because it fit their thesis. The correct quote, 'The love of money is the root of all evil,' does not, so they represent the popular corruption as being scriptural . . . One of the guest lecturers in Mexico, a Sister Dolores, stated emphatically that the verse in Matthew which states that Jesus came to preach good news to the poor does not refer to 'the spiritually poor,' but to the 'materially poor.' She also stated that 'the rich cannot be Christians' . . . Another guest lecturer on L.T. we heard in Mexico was an ex-priest, Gerardo, Tijissen who claimed to have served 'caring and concerned parishioners who happened to be socialists' in Chile. He was expelled from that country because he participated with his parishioners in a 'peaceful land take-over.' He now heads a Christian Socialist group. He had also been expelled from Peru and Ecuador and admitted that Archbishop Posadas Ocampo of Mexico now wants him out of that country. During his lecture he said, 'Cuba is the freest country I know and the most politically active' . . . Small wonder he is not welcome anywhere."

Our instructors made the claim that the purpose of the Base Christian Communities organized by the Liberation Theologists is to teach people to read the Bible and understand the scriptures. We feel that would be a wonderful goal if that were it, but we soon learned that it does not end there. The technique employed in the Base Communities is group study of the Bible in an informal atmosphere "without students or teacher." According to our Center guides it follows a standard fixed procedure:

First they read a Bible verse

Then the group discusses it and relates it to a current situation

Finally, they agree on a concrete action to be taken by the group

When they reconvene, they review the old lesson and critique their action before reading a new lesson.

This procedure obviously can be innocent and useful in everyday living, but in practice it is used to organize political activity which carries added force because of its alleged linkage with the Scriptures. It obviously can be a manipulative tool. (Incidentally the same technique was used on our group throughout the trip.)

Despite the claim that there are no teachers or students, clearly these are organized, well structured and directed gatherings. The question is who directs them and to what purpose? The answer is that people committed to supporting the Marxist-Leninist revolutionaries direct them to win activist converts. This was confirmed for us in Nicaragua by a Salvadoran priest, Fr. Pedro Decleary, who told us that the three questions they ask as they study the Bible verse by verse are:

(1) Where did Jesus go and what did he do?

(2) Who opposed Jesus and why?

(3) Who do we see today doing what Jesus did?

He indicated that they solicit the following answers to these questions:

(1) He went among the poor to liberate them.

(2) The rich, powerful, and educated opposed Him.

(3) Today the Sandinistas are doing as Jesus did.

It seems to us that these answers are worse than inaccurate . . . they are a perversion of the scriptures. Comparing the Sandinistas to Jesus would be funny if it were not for the fact that this sacrilege is being represented as the truth to innocent, semi-literate people who are excited about the Bible for the first time in their lives.

Humberto Belli in "Christians Under Fire" refers to this kind of activity as being a subtle form of religious persecution. He writes:

"When one speaks of religious persecution, one usually thinks of churches being seized, Bibles being confiscated, Christians facing mistreatment because they do not repudiate their belief in Jesus Christ. But there are more disguised ways in which a government can attempt to curtail the influence of religion in society and undermine its citizens commitment to their religious beliefs, leaders, and institutions. It is this kind of anti-religious policy that the Sandinista government is, in fact pursuing. Indeed, the Sandinistas have developed in innovation in the field of anti-Christian persecution: anti-Christian policies often carried out in the very name of Jesus Christ."

We know this sort of thing is happening. We know because we were told that it was, over and over again by our tour leaders and instructors. What we find hard to believe is that the same approach is being used to capture the support of sincere U.S. Christians like the women in our group. It is one thing to misrepresent the scriptures to semi-literate people just getting acquainted with the Bible but quite another to do it with people who have been raised with the scriptures and who are supposed to know them. Nevertheless that is what is happening and the frightening thing is that some supposedly knowledgeable people are accepting these misrepresentations.

It seems to us that people on these travel seminars lose their objectivity. They become so emotionally involved with the relatively poor conditions in Central America that they lose sight of the larger picture. Of course we believe that is exactly what the Center for Global Services and Education hopes will happen.

"JANE. It seems obvious that the Soviet-Cuba axis is pursuing the long term objective of communism which is the strategic isolation of the United States and that it sees opportunity in fishing in the troubled waters of Central America. However, it knows that to be successful it must conceal its true aim from the American people and thus it obscures the issues and casts for support from innocent people. Through experimentation it has developed tackle called Liberation Theology, which seems to catch some fish. the bait is Christianity, the hook is poverty, but the line is Marxist revolution and the net is totalitarian control of these strategically important countries. Like real fish, the innocents that are caught are not aware of the fisherman, his net or his line until they have taken the bait and swallowed the hook. Then it is too late."

The women who were with us on this tour were victims of this sort of trap because they are compassionate, caring people and were overwhelmed, smothered, by what

they say and what they were told. They lost their objectivity and seemed not to have sufficient background knowledge or political awareness even to recognize the distortions presented to them, much less to resist or challenge them.

IMPRESSIONS OF COUNTRIES AND PERSONALITIES

Our visits to the three countries, Mexico, El Salvador and Nicaragua, left us with some vivid impressions worth noting. Each country has a unique character. While they share a common language and cultural origin, their geography, history, ethnic influences, educational structure and present circumstance are very different. As a consequence their people and their societies are quite different.

It surprised us therefore, to be exposed to the identical message in each country. There was almost no variation in what the Center's speakers had to say from country to country. It was the same condemnation of United States policy, the same enthusiasm for the work of "the people churches," and the same defensiveness about the Sandinistas. With the exception of the seven pro-U.S.-policy talks we heard, the speakers could have been interchanged with out varying the message.

This reinforced our early suspicions about the program and eventually convinced us they were well founded. However, for those women who had given their trust to the Center, or who had no background knowledge of Latin America, or who were overwhelmed by the shock of being in unfamiliar environments, the repetition of these messages seemed to be convincing. Having lived with them for two weeks and undergone the same indoctrination we can understand why they were deceived.

Jane, who had lived and travelled in Latin America, observed that the people we met through the Center activities lacked the warmth and friendliness that she had come to associate with Latin Americans. They seemed too intent on delivering their message. Somehow they treated us more as couriers than as concerned people. The exception was in Nicaragua where we met some people who were not associated with the Center.

The following paragraphs record some of the more revealing experiences, activities and personalities encountered during the trip.

IN MEXICO

We visited a public market which was interesting and fun. The Mexicans were used to tourists so they have a lot of souvenir items for sale. Bargaining is part of the game and they are obviously very good at it. The market seemed to exemplify small scale free enterprise at its best. There were no signs of social unrest or discontent there.

We were exposed to a number of Mexican feminists while there. We visited CIDHAL, womens training center where a spokeswoman told us "the popular causes" were advancing through women. She linked exploitation of women with capitalism and indicated their belief that women were better off in Cuba. She also talked about abortion rights which "President Reagan was trying to prohibit." She said that the Mexican government and the U.S. government were involved in massive sterilization programs without telling the women they were being sterilized. She was very conspiratorial and said she was taking a risk talking to us as the U.S. was supplying funds for family planning because it was afraid women were having babies to fight guerilla wars. . . . Another woman, Irene Ortiz, spoke to us on a different occasion. She linked the feminist movement to the class struggle indicating the rights of women must challenge not only the social structure but also the democratic system. She indicated that men and women must strive together against class exploitation and that the solutions cannot come from the upper or middle classes. She also condemned feminists who get elected to high office and then fail to struggle for laws "to help women". . . . We also heard from leaders of a group which is organizing domestic servants. Its intermediate aims are better pay and vacation time but its ultimate aim is the eliminaton of domestic servants.

The Mexican Bishop Posadas Ocampo was one of the people who spoke to us who did not condemn the United States for its involvement in Central America. He warned against Liberation Theology. He had recently met with Pope John Paul II who he said, "Sees with clear eyes all that has been done in Christian Liberation as he himself is an example of it." He said the church has the Pope's support for evangelism but not for Marxism or violence. "The Church says, be careful. Do not deviate from Him who brings the love of God."

We got the feeling that the poor people of Mexico were bettering their lot through Bible study . . . not from the directed Liberation Theology type study but from the fact that they were actually reading the scriptures. We feel the truth of the scriptures can survive any effort to bend it or misuse it and that if people really read the Bible they cannot long be misled.

IN EL SAVADOR

The public market we visited in San Salvador was a treat. Like the market in Mexico bargaining prevailed but it was less geared to tourists. The people were bright and friendly and had attractive wares for sale.

We visited four refugee camps in El Salvador. They are operated and supported by the Lutheran and Catholic churches. All but one seemed to be well run under difficult circumstances. The exception was an extremely crowded facility in which the refugees were confined in a partially completed church building. It was operated by nuns and we wondered why the church or government did not provide better facilities. We were told tht the church did not want help from the government. The uncharitable thought crossed our minds that perhaps miserable conditions made better revolutionaries. . . . By contrast the largest camp, Fe Y Esperanza, located about one hour's drive north of San Salvador was complete with a school, a chapel, a health clinic and workshops where they manufactured shoes, furniture and mended clothing. A characteristic of all the refugee camps was that they only housed women, children and elderly men. There was an explanation; all the young men were either in the army or with the guerrillas. Naturally the government would be suspicious of young male refugees and might well assume they were guerrillas, so one can understand how there is some tension between the camps and the government. One important fact remains, however, and that is the refugees in these camps were from areas where there is guerrilla activity and the people have fled to escape a dangerous situation.

We also visited an orphanage which housed very young children. We were told that the operators were reluctant to place the children for adoption because they believed some of the children were not really orphans but were brought there for safekeeping by their parents who presumably are involved with the guerrillas. We were told that the orphanage was "harassed" with ongoing investigations by government authorities.

We visited the headquarters of "Mothers of the Disappeared" in San Salvador and were surprised by the reaction of women in our group. We were prepared for a very emotional experience because of the horror stories we had been told but it turned out to be the opposite. The office was located at a very noisy downtown street corner and the people there were laughing and behaving quite naturally. It appeared that the tragic tales had been related too many times. It was a shock to the women in our group to find themselves unmoved by the testimonies.

We had heard that San Salvador was a dynamic, bustling city and that its people were hardworking and businesslike. We found this to be true although the guerrilla threat has obviously taken its toll. There is tight security and the economy is down. But the people are alert and interested and we were treated well and felt comfortable there despite the warnings of our tour leaders.

IN NICARAGUA

The public market in Managua was a dramatic contrast to those in Mexico and San Salvador. The vendors seemed apathetic and indifferent and there was nothing attractive to buy. Our guides blamed "the war" for this condition but it should be remembered there is a parallel war situation in El Salvador.

We visited a cooperative farm near Managua which was operated for Salvadoran refugees. One hundred fifty people lived there. It was in a pleasant rural setting with neat houses and a few pigs and cows and some vegetable gardens. It was obviously meant to be a show place for visiting groups like ours. We were impressed until we looked more closely at a large, tidy cabbage patch in which three men were spraying the plants. They could have saved the time and effort because they were too late. . . the leaves of the plants were so riddled with holes they were lacey, and the plants had not headed and obviously would yield no cabbages. Later away from the tour we would hear, "It was just like the government. . . there is nothing there."

We visited the state-owned Helanica Textile Factory where a spokeswoman appealed to us to tell the people in the U.S. that they did not want war. "All we want is peace. Tell your men not to come here to fight because they also will die." . . . She asked, "Why is President Reagan fighting us? Communism? We don't know what it is." . . . but she went on to say, "We have good relations with Cuba and the Soviet Union and they will help us fight a war to survive." It was difficult to determine whether or not she believed what she was saying was true, but there is no doubt she wanted us to believe it.

The same no war theme was repeated by the Minister of Education, Fernando Cardinal, the Jesuit Priest who was recently "fired" by the Vatican. He told us that in the event of a U.S. invasion of Nicaragua, 50,000 young men would die in Managua alone and, "They will ship thousands of cadavers back to the United States." . . . Like most of the speakers he reassured us of their love for us and emphasized that they were Christians and only wanted peace. He

went on to say that we, "North Americans had re-elected a crazy man. If things do not change, you must warn him. We love peace but we will dedicate ourselves day and night to kill." . . . Cardinal's message was mostly threats. Nevertheless our American guide indicated his great admiration for him. . . . During this session Cardinal told us he sometimes spoke to groups like ours two or three times a day and that nine out of ten of them represented protestant churches.

The forced relocation of the Moskito Indians was "justified" by another priest, Justinian Liebl. Despite the fact that the Sandinistas have subrogated the Moskitos' local government, deprived them of their fishing industry, cut down their fruit trees, destroyed their livestock, and broken up their churches, he claimed the Sandinistas were "only protecting the Indians from the Contras." He did admit, however, that the FSLN had alienated the Moskitos after the "triumph" in 1979.

We were exposed to a number of different speakers in Nicaragua. Each had different focus in his presentation but they all had common themes which reoccurred with great frequency. One such theme was that "the Sandinistas are trying to create a new human being and a new society" which is a universal humanistic theme . . . They also talked about "solidarity" as they did in Mexico. But the word changed meanings—in Mexico it meant spiritual unity with the congregation, but in Nicaragua it clearly meant support of the Marxist regime.

Nicaraguans were not our only contacts which promoted the pro-Sandinista anti-U.S. themes. Jack Nelson, the Center's manager in Managua, did also. Incidentally, there were several anti-U.S. revolutionary posters displayed on the walls there as there were in Mexico. Nelson is the author of a book "Hunger for Justice," (Orbis Press) in which he applauds China and Cuba for their wonderful humanitarianism. He claims these countries have no unemployment, they have wonderful health care and no illiteracy (despite evidence to the contrary in the Mariel refugees). Nelson held these countries up as a shining example for the U.S. and promoted to us a program for our country which included: organic farming, cancellation of the farm debt (since farmers had to buy expensive machinery to disperse chemical fertilizers), and redistribution of land in the United States. In Managua he told some of us that he felt there should be a legal limit on what an American can earn. It was shocking to hear such nonsense from a fellow American.

We did have a few contacts which were pro-U.S.A. One was Cesar Rivas of the newspaper La Prensa. His talk was one of the ones which was discredited before and after by the staff personnel, but it nevertheless was a refreshing change from what we had been hearing. "It is strange," he said, "that intelligent people cannot see what kind of people the Sandinistas really are." He also talked about the invasion rhetoric indicating that the Sandinistas had been playing the theme of "imminent invasion" for five years.

Another pro-U.S.A. contact was not on the itinerary. We were able to get out on our own on two occasions in Managua where we met several people through friends of Jane's family. These people had nothing to do with our tour and had a very different view of what was happening in the country. We showed one woman our itinerary and recounted what we were being told. She introduced us to a friend and repeated what we had said. They reacted half in amused disbelief and half in anger and assured us, "It was all lies!" . . . They indicated life in Nicaragua had been pretty good for about one year after Somoza was deposed, but had gotten steadily worse and now everyone was worse off than when he held power. They showed their ration cards which entitled them to one pound each of beans and rice per person per week. If they did not claim their ration on the appointed day, they forfeited it. . . . We asked about the election which had been held a few days before our arrival. They indicated it had been a show. The high turnout was a result of the threat of loss of ration cards of people who did not vote. One woman said that many did not mark their ballots and many wrote obscenities across it. (Later an election official admitted to us that there could have been some excesses in the use of threats) . . . Since many families had had their young men conscripted for military service, they were somewhat reluctant to criticize the government, but they seemed not only willing but eager to tell us the facts. They chuckled about the Pajaro Negro, the local name for the U.S. spy planes. Our guides had led us to believe that the population was terrified by them, but these people indicated that most Nicaraguans not only joked about them but cheered them.

To us these people were credible, as were the spokesmen at our embassies, Cesar Rivas at La Prensa and the anti-Liberation Theology church people we heard, despite the staff's effort to discredit them. Together they opened a different door for us and made us aware that there was, after all, another side of the story which was worth pursuing. The efforts of our guides to dismiss the opposing view as nothing more than State Department propaganda only served to confirm our belief that they themselves had something to hide. We are convinced that what the Center represents as reality is not reality at all and that one would come closer to the truth if she were not a captive of the Center's controlled and directed seminar.

Mr. Speaker, I would like at this point read into the RECORD the conclusions—and they are fairly brief—that these two women came to in the course of their trip to Central America:

CONCLUSIONS

One cannot participate in this kind of "Seminar" and remain neutral and uninvolved. She must take a stand. Either she "buys" the package being pushed by the Center or she rejects it. If she rejects it, she is compelled to question the motives of the Center's leadership and personnel.

We reject their package and we do question their motives. We are convinced that the Center is working against the best interests of the people of Central America and of the United States. Looking back objectively, reexamining the agenda, the events themselves and our own impressions and feelings, have led us to some firm conclusions, which are as follows:

First, the travel seminar is designed, organized and conducted to overwhelm the participants with information which supports the anti-U.S. pro-Sandinista bias of the Center for Global Service and Education.

Second, it became obvious to us that the poor, illiterate and semiliterate people of Mexico and Central America are being manipulated by the left to build hatred and fear of the U.S. and build trust and approval of Marxism-Leninism. Women's movement organizations, Liberation Theology, so-called literacy campaigns, as well as Nicaraguan government propaganda all support these efforts.

Third, Liberation Theology, which is a perversion of Christian principles, is being used extensively not only to ensnare the suffering people in the revolutionary movement but also to corrupt well intentioned people, such as the women of our group who are genuinely concerned about conditions in the area, into support and approval of the "revolution."

Finally, over the course of the trip and after visiting these countries we gained the strong impression that reality in Central America is not as it was painted for us by our tour leaders. While Liberation Theology and the revolutionary movement may be encouraging some division, fear and hatred in these countries, we got the feeling that their influence is really somewhat superficial and more important in the minds of the liberal activists than to the people in these societies. Central Americans, even the uneducated, are not stupid and may not be as easily led as these liberal activists apparently believe. It seems to us that freedom, opportunity and a better future are the real goals of the people and that the kind of revolution as represented by the Sandinista government in Nicaragua is neither providing nor intends to provide any of these.

Our first three conclusions seem to be sustained by the nature of the materials we have received from the Center since our return. See especially:

Attachment #4 in Addenda which provides a list of Resources used by the Center. It includes well-known left wing organizations.

Attachment #7 which provides names and other detail on the Regional Network "clusters" being established by the Center. Note that it states, "You can depend on your cluster coordinator" for among other things, "specific contingency plans for your area in case of invasion."

Attachment #8 which discusses a "Public Hearing on U.S. Policy toward Nicaragua" organized by the Center on March 9. The interesting thing here is the list of the sponsoring organizations.

We really did not need the material mentioned above to give us confidence in our conclusions. If we had any doubts at all, it was dispelled at the end of the trip when the staff urged us to organize in opposition to U.S. policy in Central America; to call for an end of aid to El Salvador and the Contras; and a "hands-off" policy in Nicaragua.

It concerns us that these people are working against the best interests of our country and the people of Central America. It concerns us more, however, that they are doing it under the protection our system extends to religious institutions, in the name of Christianity while they attack its fundamental principles.

Mr. Speaker, at this point I include in the RECORD the addenda to the report:

ADDENDA

Materials supplied before Seminar:

1. Itinerary, Attachment 1.
2. List of Contacts, Attachment 2.
3. List of Participants, Attachment 3.

Materials supplied after Seminar:

1. Center for Global Service and Education Resources, Attachment 4.

2. Central America Audio Visual Resources, Attachment 5.
3. Periodicals to be Familiar With, Attachment 6.
4. Regional Network and Cluster Coordinators, Attachment 7.
5. Public Hearing Announcement, Attachment 8.

ATTACHMENT 1

ITINERARY: ALC WOMEN TRAVEL SEMINAR, NOVEMBER 7-21, 1984

Center staff: Mavis Lund.
Cuernavaca staff: Brad Burkhartzmeyer, Richard Wood, Cindy Ofstead, Mary Clark.
Manague staff: Jack Nelson-Pallmeyer, Sara Nelson-Pallmeyer, Ann Dohrmann.

WEDNESDAY, NOVEMBER 7

Afternoon: Arrive in Cuernavaca by subway and bus (small groups).
7:00 p.m., Dinner.
8:00 p.m., House and program orientation.

THURSDAY, NOVEMBER 8

7:45 a.m., Worship.
9:00 a.m., Introduction to Liberation Theology—Cindy Ofstead.
11:30 a.m., Field trip—Village of Coatetelco; Susana (barefoot doctor); Ricardo and Agripina (campesinos).
Picnic on Lake Coatetelco.
Pyramids of Xochicalco.
6:00 p.m., Reflection.
Evening free.

FRIDAY, NOVEMBER 9

7:45 a.m., Worship.
8:30 a.m., Visit Angela at La Estacion, a squatter settlement.
10:30 a.m., Reflection.
11:00 a.m., Bishop Juan Jesús Posadas Ocampo, Cathedral of Cuernavaca Padre Onisimo.
12:00 noon, CIDHAL, Centro para Mujeres (women's organization for education and documentation).
Latin American History from a Woman's Perspective—Guadelupe García Velasco.
Discussion—Edna García.
3:30 p.m., Walking tour of Cuernavaca: The Cuernavaca Quest.
7:30 p.m., La Casa Hogar: The Reality of Domestic Servants in Mexico: Herlinda; Graciela; Rosa; Carmen; Irene Ortiz.

SATURDAY, NOVEMBER 10

7:45 a.m., Worship.
9:00 a.m., Reflection.
9:30 a.m., Irene Ortiz, Education and Alternatives for Women in Latin America.
3:30 p.m., Girardo Thijssen—Christianity and Socialism.
7:30 p.m., Introduction to El Salvador—Brad Burkhartzmeyer Introduction to Nicaragua—Richard Wood.

SUNDAY, NOVEMBER 11

7:00 a.m.-12:00 noon, Attend various masses; Iglesia San Anton—with Rich; Iglesia Alta Vista—with Cindy; Iglesia Plan de Ayala—with Mary (J & L); Cathedral—celebration of 50 years of ordained priesthood for former Bishop Sergio Méndez Arceo.
9:00 a.m., Breakfast.
Afternoon free.
4:00 p.m., Adela Jiménez—Forming and Utilizing Base Christian Communities.
7:30 p.m., Sister Dolores—Christian Catechetical Education.

MONDAY, NOVEMBER 12

7:45 a.m., Worship.
9:00 a.m., Evaluation and travel procedures for El Salvador.
10:00 a.m., Depart for airport.
2:00 p.m., Flight to San Salvador, Taca International #211.
4:00 p.m., Arrive in San Salvador. Check in at Alameda Hotel.
7:00 p.m., Dinner at the home of Pastor Medardo and Abelina Gómez Wake at Resurrection Lutheran Church.

TUESDAY, NOVEMBER 13

8:00 a.m., Visit Comunidad Fey Esperanza (Faith and Hope Refugee Community), Visit Comunidad La Reina (The Queen Refugee Community)—Terry Steinert.
2:00 p.m., Independent Commission of Human Rights.
4:00 p.m., Committee of Mothers and Families of the Politically Imprisoned, Disappeared and Killed of El Salvador Monsenor Oscar Arnulfo Romero: Carmen Campos (mother).
6:00 p.m., Dinner and discussion with Society of Women of Resurection Lutheran Church: Abelina C. de Gómez, Cecilia Alfarro.

WEDNESDAY, NOVEMBER 14

8:00 a.m., Visit San José de la Montaña (Catholic refugee camp).
11:00 a.m., Metropolitan Cathedral of San Salvador and tomb of Archbishop Oscar Arnulfo Romero.
12:00 noon, Shopping at Mercado Ex-cuartel (artisan market).
3:00 p.m., American Embassy: Pat Butenis, staff assistant to ambassador; Vitorio Brod, political officer; Bastiaan Schouten, acting director, U.S. AID (Agency for International Development); Ambassador Thomas R. Pickering.
6:00 p.m., Visit Centro de Convivencia Infantil (Baptist orphanage)—John Lamb.
7:30 p.m., Supper of Pupusas, Planes de Renderos.

THURSDAY, NOVEMBER 15

9:00 a.m., Visit La Roque (Catholic refugee camp).
10:00 a.m., Tutela Legal (Archdiocese human rights group): Alan Martell, social secretariat.
3:00 p.m., Depart for airport.
5:00 p.m., Flight to Managua, Taca International #311.
6:10 p.m., Arrive in Managua, Dinner and house orientation.

FRIDAY, NOVEMBER 16

7:00 a.m., Worship.
8:00 a.m., Hilanica Textile Factory.
9:15 a.m., La Prensa: César Rivas, Chief of correspondence.
10:45 a.m., Eje Ecuménico: José Miguel Torres, director.
3:00 p.m., Fr. Fernando Cardenal, Minister of Education.
5:00 p.m., Margarita Navarro; Batahola Norte and women's sewing coop.

SATURDAY, NOVEMBER 17

7:00 a.m., Worship.
8:15 a.m., Justiniano Liebl, CEPA.
10:15 a.m., VidioNic: Wolf Tirado, Film: Nicaragua: the other invasion.
11:00 a.m., Salvadoran Refugee Collective, crafts.
1:30 p.m., Visit main plaza (National Palace, Cathedral, grave of Carlos Fonseca), Shopping.
3:30 p.m., CISAS, Health Care in Nicaragua: María de Zúniga, Ana Quirós.
5:00 p.m., Reflection.
7:30 p.m., Base Christian Community-type Bible Study: Padre Pedro Decleary.

SUNDAY, NOVEMBER 18

7:00 a.m., Worship.
8:00 a.m., Visit an El Salvadoran refugee cooperative.
11:00 a.m., Mass at the Archdiocese of Managua: Archbishop Obando y Bravo.
3:00 p.m., Swimming (??) at a lake near Managua.
5:00 p.m., Mass at Iglesia Santa María de Los Angeles: Rev. Uriel Molina.

MONDAY, NOVEMBER 19

7:00 a.m., Worship.
8:00 a.m., Field trip to León—Los Lechecuagos (rural village), Colegio María Eugenia de Jesús, Women's sewing cooperative, Health clinic, Hermana (sister) Leyla.
Indio Viejo (prostitute training center: sewing school and restaurant) Bonina Roja.
Prison #21, from time of Somoza.
Gladys Baez, delegate elect to the Council of State.
Project Minnesota/León: Elizabeth Sander.
8:00 p.m., Reflection.

TUESDAY, NOVEMBER 20

7:00 a.m., Worship.
8:00 a.m., Visit Ciudad Sandino: Sister Bea Zaragoza.
9:45 a.m., Consejo Supremo Electoral: Roberto Euentaz.
11:00 a.m., The Nicaraguan Economy: Jack Nelson-Pallmeyer.
2:30 p.m., American Embassy: Susan Clyde, public affairs consul.
4:00 p.m., Nora Astorga, Nicaraguan Foreign Ministry.
5:30 p.m., Reflection, Closing Worship and Eucharist.
7:00 p.m., Dinner at Los Antojitos restaurant.

WEDNESDAY, NOVEMBER 21

5:30 a.m., Depart for airport.
8:00 a.m., Flight to San Salvador, Mexico City, Dallas, etc.

ATTACHMENT 2

TRAVEL SEMINAR RESOURCE LIST—THE CENTER FOR GLOBAL SERVICE AND EDUCATION

MEXICO RESOURCES

Brad Burkhartzmeyer, Apartado 116-B, Cuernavaca, Morelos, 62190 Mexico; 52-731-25641.
Richard Wood, Apartado 116-B, Cuernavaca, Morelos, 62190 Mexico; 52-731-25641.
Mary Clark, Cindy Ofstead, Apartado 116-B, Cuernavaca, Morelos 62190 Mexico; 52-731-25641.
Ricardo & Agripe Nabor, Calle 5 de Mayo, Coatetelco, Morelos, Mexico.
Irene Ortiz, Apartado 297, Cuernavaca, Morelos, Mexico; 52-731-57007.
Gerardo Thjissen, Apartado 297, Cuernavaca, Morelos, Mexico; 52-731-57007.
Sister Dolores, Apartado 116-B, Cuernavaca, Morelos, Mexico.
Adela Jimenez, 1110 Domingo Diaz, Colonia Empleado, Cuernavaca, Morelos, Mexico; 52-731-30496.
Bishop Juan Jesus Posadas Ocampo, Padre Onesimo, St. Francis Cathedral of Cuernavaca, Hildalgo and Morelos, Cuernavaca, Morelos, Mexico; 52-731-20630.
Guadelupe Garcia Velasco, Edna Garcia, CIDHAL, A.C., Centro para Mujeres, Apartado Postal 579, Av. Francisco Madero No. 516, Cuernavaca 62000, Morelos, Mexico; 52-731-38894.
La Casa Hogar, c/o Irene Ortiz, Apartado 297, Cuernavaca, Morelos, Mexico; 52-731-43748.

EL SALVADOR RESOURCES

Commission of Human Rights in El Salvador (CDHES), 2a Avenida Norte y 17a, Calle Oriente, 1003 Planta Alta, San Salvador, El Salvador; 503-22-2376.
Committee of Mothers of Prisoners, Disappeared and Assassinated of El Salv., Edif.

ACUS, Urb. La Esperana, Av. Las Americas, San Salvador, El Salvador; 503-26-2005.

Rev. Medardo Gomez, Abelina C. de Gomez, Iglesia Luterana La Resurreccion, Calle 5 de Noviembre No. 242, San Salvador, El Salvador; 503-25-2942.

Ambassador Thomas R. Pickering, Pat Butenis, Vitorio Brod, Bastiaan Schouten, U.S. Embassy, San Salvador, El Salvador; 503-26-26710.

Alan Martell Tutela Legal Apartado 2253, San Salvador, El Salvador; 503-26-3479.

San Jose de la Montana, c/o Arzobispado de San Salvador, U.I. Menendez, Edificio Centro Univisitario Catolico, San Salvador, El Salvador; 503-26-19-43, 503-26-20-85, 503-24-52-55 (seminary).

La Roque Refugee Community, c/o Arzobispado de San Salvador, U.I. Menendez, Edificio Centro Univisitario Catolico, San Salvador, El Salvador; 503-26-19-43, 503-26-20-85.

Centro de Convivencia Infantil, c/o Iglesia Baptista Emanuel, Cuba Avenida & Mexico Calle, San Jacinto, San Salvador, El Salvador.

NICARAGUA RESOURCES

Jack and Sara Nelson-Palimeyer, Apartado 3267, Managua, Nicaragua, C.A.; 505-2-24268, 505-2-24713.

ATTACHMENT 3

TRAVEL SEMINAR TO MEXICO, EL SALVADOR AND NICARAGUA, NOVEMBER 7-21, 1984, LIST OF PARTICIPANTS

Nancy Mayer, 712 Vernon Rd., Columbus, OH 43209; 614/231-5829 h., 235-4136 w., Admissions Dir./Register at Trinity Lutheran Seminary.

Beverly Everson, 135 Water St. Box 0, Shell Rock, IA 50670; 319/885-4566 h., 885-4363 w., homemaker/bookkeeper and receptionist.

Alvine Duroe, 114 Hawley St., Jesup, IA 50648; 319/827-1340 h., retired.

Ruth Halvorson, RR 2 Box 354, Stanchfield, MN 55080; 612/689-3540 h., 340-0352 w., Retreat Center director.

Marlene Engstrom, 4300 Philbrook Ln., Edina, MN 55424; 612/926-6252 h., National ALC Women, Director.

Linda Westrom, RR 1 Box 70, Elbow Lake, MN 56531; 218/685-4232 h., Farm homemaker.

Lois Hove, 416 Westview Dr., Missoula, MT 59803; 406/543-5505 h., Homemaker.

Debbie Wee, 300 Shelard Pkwy, St. Louis Park, MN 55426; 612/542-9549 h., 475-4200 w., Social Worker.

Jane Otten, 695 Echo Lake Rd., Big Fork, MT 59911; 406/837-6135.

Kathy Thornes, 1321 Canyon St., Spearfish, SD 57783; 605/642-5665 h., Artist/writer.

Susan Everson, ALC Women, 422 South 5th St., Minneapolis, MN 55415; 612/330-3179 w., Director of Education, ALC Women.

Cindy Ofstead, Apartado 116-B, Cuernavace, Morelos 62190, Mexico; 52-731-25641, Staff, Cuernavace house.

Mavis Lund, Center for Global Service and Education, Augsburg College, 731 21st Ave. So., Minneapolis, MN 55454; 612/330-1159.

(Thought you'd like Bill's address, too. . . .)

Bill Dexheimer, 1524 20th Street, Detroit, MI 48216; 313-963-7879, translator/consultent.

Ann Dohrmann, Apartado 3267, Managua, Nicaragua, C.A.; 505-2-24260, 505-2-24713.

Wolf Tirado, Tercer Cine, Apartado 4442, Managua, Nicaragua, C.A.; 505-2-5038, 505-2-27092, Telex 1054 Inhotelco.

Mary Hamlin de Zuniga, Apartado 3267, Managua, Nicaragua; hm 505-2-96102, wk 505-2-24713.

Ana Quiros, Apartado 3267, Managua, Nicaragua; hm 505-2-74186, wk 505-2-24713.

Nora Astorga, Ministerio de Relaciones Exteriores, Managua, Nicaragua, C.A.

Hilanica Textile Factory, Apartado 3217, Managua, Nicaragua, C.A.; 505-2-41130.

Cesar Rivas, La Prensa, Managua, Nicaragua; 505-2-41240, 505-2-44738.

Justinian Liebl, CEPA, Apartado T-45, Managua, Nicaragua, C.A.; 505-2-74971.

Susan Clyde, U.S. Embassy—Managua, APO Miami, FL 34021; 505-2-27732.

Fernando Cardenal, Minister of Education, Ministerio de Educacion, Managua, Nicaragua, C.A.

Jose Miguel Torres, Eje Ecumenico, Apartado P-50, Managua, Nicaragua, C.A.; 505-2-27798, 505-2-23211.

Uriel Molina, Director, Centro Antonio Valdivieso, Apartdo, 3205, Managua, Nicaragua, C.A.; 505-2-25993, 505-2-24577.

Maryknoll Sisters, Bea Zaragoza, Ciudad Sandino, Apartado A-165.

Sr. Leyla, Lachecuago, Leon, Nicaragua, C.A.; 505-031-2713.

Elizabeth Sander, Project Minnesota-Leon (send mail to her through Center); 505-031-3322.

Roberto Euentaz, Padre Pedro Decleary, Consejo Supremo Electoral; 505-2-26069.

Archbishop Obando y Bravo, Arquidiocesis de Managua, Managua, Nicaragua, C.A.

Margarita Navarro.

OTHER CONTACTS

Bus Driver—Jose Benito Solorzano.

Los Antojitos near the Intercontinental Hotel. Outdoor restaurant with nice atmosphere for evening snacks.

Visit Eduardo Contreras market. Popular market on the outskirts of the city where one can find some crafts and also dialogue with shop owners.

Swimming at Lakeside resort of Xilos, just outside of Managua.

ATTACHMENT 4

CENTER FOR GLOBAL SERVICE AND EDUCATION RESOURCES

ORGANIZATIONS

Clergy and Laity Concerned, 198 Broadway, New York, NY 10038; 212/964-6730.

Interfaith peace and justice organization with national network CALC report—$20 year.

Coalition for a New Foreign and Military Policy, 120 Maryland Ave. N.E., Washington, DC 20002; 202/546-8400.

Network of 43 national organizations; publishes voting records, action guides, newsletter Coalition: Close-up $20 yr.

CISPES (U.S. Committee in Solidarity With the People of El Salvador), 3410 19th Street, San Francisco, CA 94110; 415/861-0425.

National solidarity organization; publishes newsletter.

COSCA (Committees of Solidarity: Central America), 2706 Gaines Street, Davenport, IA 52804; 319/324-2937.

Resources for solidarity work; Newsletter with a daily Central America chronicle, $6.

EPICA, 1470 Irving Street NW, Washington, DC 20010; 202/332-0292.

Ecumenical Program for Interamerican Communication and Action; research and publications.

Honduran Information Center, 1151 Massachusetts Ave., Cambridge, MA 02138; 617/497-0150.

Coverage of events in Honduras; Honduras Update, $12 year.

Human Rights Office, National Council of Churches, 475 Riverside Drive, New York, NY 10115; 212/870-2424.

Information on human rights work around the world; Newsletter and Directory of human rights organizations.

Impact Network, 110 Maryland Ave. NE, Washington, DC 20002; 202/544-8636.

Ecumenical legislative information/action network; state organizations; publications with membership.

The Nicaragua Exchange, 239 Center Street, New York, NY 10013.

Arranges 2-week Nicaragua visits to help harvest crops.

Inter-Religious Task Force on El Salvador and Central America, 475 Riverside Drive, Room 633, New York, NY 10115. 212/870-3383.

Organizes national actions and events; information packets and mailings.

Institute for Food and Development Policy, 1885 Mission Street, San Francisco, CA 94103; 415/864-8555.

Research and publications on development; newsletter Food First News, $20 year.

NACLA (North American Council on Latin America), 151 West 19th Street, 9th Floor, New York, NY 10011; 212/989-8890.

Research organization on Latin America and U.S. foreign policy; NACLA Reports and other publications.

National Network in Solidarity With the Nicaraguan People, 2025 "I" Street, NW, Suite 402, Washington, DC 20006; 202/223-2328.

National solidarity organization which coordinates actions, events, and speakers.

Network in Solidarity With the People of Guatemala, 930 F Street NW, Suite 720, Washington, DC 20004; 202/483-0050.

National coordination of Guatemalan solidarity work.

New York Circus, P.O. Box 37, Times Square Station, New York, NY 10108; 212/663-8112.

Ecumenical center for social justice and international awareness; publishes LUCHA, $10 year.

New Wine Exchange, Lutheran Metropolitan Ministry, 3800 Bridge Ave., Cleveland, OH 44113; 216/281-2600.

National Lutheran network doing Internationalization of Mission.

Oxfam America, 115 Broadway, Boston, MA 02116; 617/482-1211.

International development agency that funds self-help projects and disaster relief; prepares educational material.

Washington Office on Latin America, 110 Maryland Ave. NE, Washington, DC 20002; 202/544-8045.

International organizations liaison; information resource for supporting religious groups.

Witness for Peace, P.O. Box 29241, Washington, DC 20017; 202/636-3642.

Creative non-violent action organization for Christians concerned about Nicaragua.

ATTACHMENT 5

CENTRAL AMERICA AUDIOVISUAL RESOURCES

This relatively short list of audiovisual resources has been compiled by the Center for Global Service and Education. Not all films have been previewed by the Center, so we suggest that you preview films before use. Asterisks are placed by highly recommended AVs. Addresses of offices where films are available are at the end of list. For a more complete list of audiovisuals, send for a Guide to Films on Central America, Media

Network, 208 West 13th Street, New York, NY 10011. $2.

GENERAL

*Americas in Transition, 29 min., 16mm, 1981.

What are the influences that sway the politics of Honduras, El Salvador, Guatemala and Chile? What role has the U.S. played in the past and present and what role will it play in the future of these countries? This film examines the causes and effects of change in Latin America today. *Narrated by Ed Asner.* Available from: APH, $8 rental. AFSC, $5 rental. MCC, price negotiable.

*Struggle and Hope, 28 min., videotape, 1982.

Account of 25 ALC members travels through Mexico and Nicaragua, their perceptions of the struggle and hope in these countries' peoples; and, the telling of their own spiritual awakening, which surprised, challenged and renewed these ALC members. Produced by ALC Media Services Center. Available from: APH, $4.

*Power for Change, 25 min., videotape, 1982.

A dialogue between Christians of the United States and Latin America about changes in Central America. They share their reflections on new understandings of political and theological ferment in the region. Produced by ALC Media Services Center. Available from: APH, $4.

Dollars and Dictators, 30 min., filmstrip, 1981.

Examines the role of the U.S. in Central America, including descriptions of corporate, government, and financial involvement. Available from: AFSC, $5. RC, $25/week.

*In Pursuit of Refuge, 30 min., filmstrip, 1982.

Tells in their own words and music the story of people who have been forced to flee the war-torn countries of Guatemala and El Salvador. Available from: APH, $4. CROP, nc.

*Born from the People, 22 min., filmstrip, 1983.

Introduction to the history of five Central American countries and background for understanding 1983 U.S. church policy statements on U.S. role in Central America. Produced by Presbyterian Church. Available from local Synod or Presbytery office or CROP.

*Sanctuary, 58 min., 16mm, 1983.

Describes the world wide plight of refugees, following families from Central America, Southeast Asia, and Africa in their search for safety. Produced by Church World Service. Available from: APH, $8.

Central America: Roots of the Crisis, 25 min., slides and cassette.

Historical overview from the point of view of those who are most affected by the crisis—peasants, workers, students and churchpeople. Produced by and available from AFSC.

*Excuse Me, America, 50 min., 16mm.

A portrait of the struggle for nonviolent social change and a look at the United States from the perspective of Dom Helder Camara, Archbishop in Brazil, Cesar Chavez, Dorothy Day and Mother Theresa of Calcutta. Available from: *APH,* $8 and CROP.

EL SALVADOR

*Roses in December, 55 min., 16 mm, 1982.

Moving examination of the situation in El Salvador and the work of U.S. lay missionery Jean Donovan, slain in 1980. Available from: CROP, nc.

Grave of an Unknown Salvadoran Soldier, 28 min, filmstrip.

Depicts the plight of Salvadoran refugees who flee into neighboring Honduras. It shows the murder of one refugee as a microcosm of the conflicts in Central America. Produced by Church World Service. Available from: MCC.

*Seeds of Liberty, 30 min., 16mm, 1981.

Examines the deaths of four American missionaries in El Salvador on Dec. 2, 1980. Explores through interviews with military, government, and church leaders in El Salvador and the U.S. Available from: *APH,* $8.

GUATEMALA

Guatemala: I Carry Your Name, 25 min., slide/tape set, 1984.

Provides an excellent background to the current crisis. Special attention is given to the nearly one million Guatemalans made refugees from the repressive policies of their military government. Produced by Take 4 with P.E.A.C.E. for Guatemala. Available from: Oxfam, $15.

Adios Guatemala, 22 min., 16mm, 1983.

Powerful and moving film which depicts the plight of Guatemalan refugees living in camps of Chiapas, Mexico. Provides an understanding of the historical and political situation which has caused hundreds of thousands of Guatemalans to flee their country. Available from: AFSC, $10.

Witness to the Slaughter: The Church in Guatemala, 22 min. filmstrip.

Portrays base communities of the church uniting to challenge status quo of oppression. Produced by National Council of Churches. Available CROP, nc.

Todos Santos Cuchumatan: Report from a Guatemalan Village, 41 min., 1982, 16mm.

Illustration of historical changes and response of indigenous peoples to introduction of cash cropping. Available from CROP, nc.

Guatemala: The Gathering Storm, 29 min. video or slide/tape, 1983

Introduction to Guatemalan history and reasons behind fighting there. Good photography and music. Available from Oxfam; AFSC, $10.

HONDURAS

*Honduras: On the Border of War, 25 min., slideshow/tape set, 1983.

Describes the strategic importance of Honduras, and examines role of banana corporations, the country's internal politics, and the growing opposition within Honduras. Available from: HIC, price negotiable. *APH,* $4.

In Their Own Words, 12 min. slideshow/tape, 1982.

Drawings by refugee children and narrative by a school teacher in the camp. Available AFSC, $10.00.

Seeds of Revolution, 30 min., 16mm, 1980.

A provocative documentary about hunger, land reform, multinational agribusiness and the military in Honduras. Follows a worker-controlled cooperative as it became a symbol of hope throughout Central America for agrarian reform. Available from: MCC; HIC.

NICARAGUA

Nicaragua: The Hopeful Revolution, 20 min., filmstrip, 1980.

Traces events which led up to the resurrection and compares the revolution in Nicaragua to the American revolution. Available from CROP, nc.

Nicaragua: Report From the Front, 32 min., 16 mm., 1983.

Documentary on U.S. foreign policy as it is played out on the Nicaraguan-Honduran border. Actual filming with contras and Nicaraguan military. Available from CROP, nc.

Thank God and the Revolution, 50 min., 16 mm. 1981.

Compares Christian ideals and practices with those of the revolution. The interviewees—ranging from an American nun living in Nicaragua to leading government officials—stress the similarity between revolutionary and Christian values. Available from: APH, $8. Oxfam, $30.

In Nicaragua: Where Everybody's Learning, 20 min. side/tape, 1984.

This slide set for grade school children looks at the new school system in Nicaragua. Also, it introduces a school supplies material aids program. Available from: AFSC, $25.

*Nicaragua: The Other Invasion, 16 mm. and videotape, 30 min. 1984.

Documentary on the changes in health care with the resolution. Emphasis on the east coast. Available from APH, $8.

ADDRESSES

American Friends Service Committee (AFSC), Rm. 370, 407 So. Dearborn, Chicago, IL 60605.

Augsburg Publishing House (APH), Audiovisual Dept., P.O. 1209, Mpls., MN 55440.

CROP, Church World Service, P.O. Box 968, Elkhart, Ind. 46515, no charge except mailing costs.

Honduras Information Center (HIC), 1151 Mass. Ave., Cambridge, MA 02138.

Mennonite Central Committee (MCC), 21 South 12th St., Akron, PA 17501.

Oxfam-America (Oxfam), 115 Broadway Ave., Boston, MA 02116.

The Resource Center (RC), P.O. Box 4726, Albuquerque, NM 87196.

TIPS: USING FILMS FOR ORGANIZING AND EDUCATING ON CENTRAL AMERICA

(Reprinted with permission from: Media Network, 108 West 13th Street, New York, NY 10011, 212-620-0877.)

(The Media Network is an organization which supports alternative films for grassroots organizing and education.)

Anyone who has ever used a good film, videotape, or slideshow can attest to media's ability to actively engage an audience, stimulate thought, educate, and inspire. Films can bring together events, ideas and experiences in a dramatic way that leaves a lasting impression. They can provide a common experience for a diverse group, spark interest in an issue, and provide a catalyst for discussion and action.

However, no film can effect change on its own. Films need to be placed in a context and audiences need encouragement to take their first impressions further. Planning a discussion after a film showing provides people with an opportunity to analyze or criticize what they've seen, have their questions answered, and explore possibilities for action.

Here are some tips to help in putting together a successful, dynamic event:

In working with organized groups to set up film programs, it is crucial to sit down with representatives of any group beforehand to figure out the audience's needs, the goals of the event, and possible program options. Many groups will not have the issue that is being addressed as their primary focus, while others will be unfamiliar with the issues, or will not automatically share the film's point of view. Plan programs to fit the interests and experience of each group, whether it's a church group that might decide to offer sanctuary to refugees, a high school class studying US history, or a neighborhood meeting called to urge local

residents to support an end to US aid to military dictatorships.

Many of the films in this guide are available from secondary sources in addition to their commerical distributors. This guide contains a list of low-cost film libraries that carry some films on Central America (see page 13). But there are many others across the country that also have small film collections available on a local basis. If you are operating on a low budget, check to see if a local university, public library, church group, or solidarity group has a copy of the film you want.

Depending on the audience you are trying to reach, it may be important to exercise some care in choosing a location for your program. One group in Santa Rosa, California, which aims to reach new audiences, emphasizes that its programs have been most successful when held in a neutral or public setting, like a library. Remember that an auditorium in which seats are fastened to the floor is not conducive to group discussions, although it is adequate for a question-and-answer format.

Every film has its own point of view. Each one deals with some aspects of an issue but leaves out others. You may disagree with certain parts of it, or think some elements are inadequately stressed. With things in Central America changing constantly, almost any film will need to be brought up to date. Without fail, the person who leads the discussion at your program should see the film beforehand in order to plan questions that will stimulate a dynamic discussion, and to be prepared for the audience's reactions. Many potential disasters have been averted by previewing films.

Begin the program with an introduction that not only explains who you are, but that also notes some of the strong points or limitations of the film you are about to show, or that sets up a connection between the film and the circumstances of the audience's lives. Even a bad film can be saved by an introduction that poses a provocative question, focuses on one good aspect, or posits the film as an example of a way of thinking that can be challenged. Placing the film in a context makes it easier for the audience to focus its reactions afterwards. If a discussion after the film is not possible, a good introduction can at least direct the audience's attention during the film itself.

Make sure to designate a discussion leader or moderator for your program who will encourage active participation and keep the discussion focused.

As a discussion leader, when the film is over, start by referring directly to the film and involving the audience directly. Useful questions are: "What struck you most in the film? What is your first reaction to the film's content?" Many of the films on Central America are highly emotional. Allow people in the audience to express their emotions. Draw out their arguments, and ask whether they agree or disagree. Be prepared to take people's immediate reactions one step further. From here you can proceed to ask the questions that will help you move toward your program's goals.

It is always useful to have back-up material on hand with facts and figures for people who have questions or want to know more. It is also a good idea to have flyers or other written information that will tell people how to get involved, where to go next, and what they can do to help.

Afterwards ask the audience for evaluations of the program and suggestions for future events.

ATTACHMENT 6

PERIODICALS TO BE FAMILIAR WITH

Amnesty International Newsletter. Address: Amnesty International Publications, 1 Easton Street, London WCIX 8DJ, United Kingdom. Rate: $12.50/yr. (monthly). Amnesty International has an international reputation for its work with human rights. Their newsletter frequently has articles on Latin American governments which are guilty of human rights violations.

A Voice of the Voiceless. Publication of MICAH (Michigan Interchurch Committee on Central American Human Rights), 1812 Mt. Elliott, Detroit, MI 48207. Rate: Donation Requested. Coverage includes current events in Central America, U.S. policy, etc.

Barricada International. International Weekly newspaper of the Sandanista National Liberation Front In Nicaragua. Address: Barricada International, Apartado 576, Managua, Nicaragua, Central America. Rate: $24/yr. (weekly) Request English or Spanish Edition.

CALC Report. (Clergy and Laity Concerned). Address: 198 Broadway, New York, NY 10038. Rate: membership $20/yr. ($7/yr. for students and limited income). Clergy and Laity Concerned is a religionsly based network of people working together on issues of peace and justice. The CALC Report reviews international and domestic news, and carries organizing notes and resource lists as well. They frequently have stories related to Latin America and U.S. foreign policy in this region.

Coalition Close-Up. Address: Coalition for a New Foreign and Military Policy, 120 Maryland Ave. N.E., Washington, DC 20002. Rate: $20/yr. (quarterly bulletin and other materials), membership. The Coalition unites 46 national religious, labor, peace, research and social action organizations working for a peaceful, non-interventionist and demilitarized U.S. Foreign Policy. Publishes background resources, action guides, voting records and legislative updates.

COSCA. (Committee of Solidarity: Central America). Address: 2706 Gaines St., Davenport, IA 52804. Rate: $12/yr. (monthly newspaper). Contains Central American Chronicle which notes day by day occurrences in Central America, and in Washington with regard to U.S. Policy.

Envio. Publication of the Instituto Histórico Centroamericano. Address: Central American Historical Institute, Intercultural Center, Georgetown University, Washington, DC 20057. Rate: $25/yr. (monthly) Request English or Spanish Edition. Provides excellent analysis of the current situation in Nicaragua.

GIST. A quick reference aid on U.S. Foreign Relations published by the Bureau of Public Affairs, U.S. State Department, Washington, DC 20520. (You can request the Latin American Editon). No Charge.

Honduras Update. Honduran Information Center, 1151 Massachusetts Ave., Cambridge, MA 02138; (617) 497-0150. Rate: $12/yr. (monthly). Summarizes and analyzes news on Honduras drawn from a variety of sources, many of which are not widely available in the U.S.

Institute for Religion and Democracy Newsletter. A project of The Foundation for Democratic Education, Inc. which sponsors various educational projects in support of democratic values and institutions. Address: 1000 16th St. NW, Suite LL50, Washington, DC 20036. (202) 822-8627. Rate: $25/yr. (membership), $15/yr. subscription only.

Inter-Religious Task Force on El Salvador and Central America. (IRTF). Address: 475 Riverside Drive, New York, NY 10115. (212) 870-3383. Provides information, coordination and organizational skills toward shaping a foreign policy based on peace and justice. Works with locally organized committees and churches and prepares background material, legislative alerts, worship aids. Newsletter is $15/yr. (monthly); with action alerts, $20/yr.

Latinamerica Press. (Spanish Edition: *Noticias Aliadas).* Address: Latinamerica Press, Apartado 5594, Lima 100, Peru. Rate: $40/Yr. (a weekly news report). Latin America Press is a news and documentation service working to help fill the information gap that continues to hide the real Latin America. It offers good information on the role of the church in Latin America.

MesoAmerica. Address: MesoAmerica, Institute for Central American Studies, Apdo. 300, 1002 San Jose, Costa Rica. Rate: $30/yr. (students, $20/yr.) MesoAmerica's regular coverage includes economics and politics, as well as the human realities of the people of Central America, all within the perspective of the particular histories of these countries.

NACLA. (North American Congress on Latin America). Address: 151 W. 19th St. (9th floor). New York, NY 10011. Rate: $18/yr. (bi-monthly). Focuses on a particular Latin American country each time. In addition, the magazine contains a great deal of interpretive material designed to help the reader better understand the socio-political themes that are within the current events relevant to each country.

National Catholic Reporter. Address: National Catholic Reporter Publishing Company Inc., P.O. Box 281, Kansas City, MO 64141 (or call 1-800-821-7926 toll-free). Rate: $23/yr. (weekly Newspaper). National Catholic Reporter is an independent Catholic newsweekly. Aside from having excellent coverage of the Catholic Church, it consistently has articles about countries in Latin America and other Third World countries. They have staff writers contributing regularly from all parts of the world.

New Internationalist. Address: 113 Atlantic Ave., Brooklyn, NY 11201. Rate: $22/yr.; $39/2 yrs.; $54/3 yrs. The New Internationalist exists to report on the issues of world poverty and focus attention on the unjust relationship between rich and poor worlds; to debate and campaign for the radical changes necessary within and between nations if the basic needs of all are to be met and to bring to life the people, the ideas and the action in the fight for world development.

Nicaragua Update. Publication of NICA (Nicaragua Interfaith Committee for Action), 942 Market St., Room 709, San Francisco CA 94102. Rate: $10 donation requested. Articles on Nicaragua and Central America with particular emphasis on church and religious issues.

Update: Latin America. Address: Washington Office on Latin America, 110 Maryland Ave., NE, Washington, DC 20002. (202) 544-8045. Rate: $14/yr. (bi-monthly). The Washington Office on Latin America was established in 1974 by a coalition of religious and academic groups with a profound concern for the economic, political and social conditions in Latin America. The office serves as a liaison between Latin Americans and the U.S. institutions affecting foreign policy, such as churches, the press, non-governmental organizations and the executive & legislative branches of the government. Update is their bi-monthly publication.

(Compiled July, 1984, Center for Global Service and Education. We subscribe to almost all of these periodicals and have them available for reading in our lounge. Feel free to stop by and browse! Phone: 330-1159).

ATTACHMENT 7

REGIONAL NETWORK

As the number of travel seminar participants grows and expands throughout all areas of the United States, regional clusters are being developed. At present, there are 12 clusters in 11 states. The cluster coordinators are listed on the reverse side. New clusters will be developed in Pennsylvania, Illinois and Nebraska.

Each cluster will take on a style of its own, depending on the coordinator, the individuals and the geography of the area. some things for which you can depend on your cluster coordinator are:

Names of other travel seminar participants in your region;

Names of addresses of organizations in your area which focus on Central America and Mexico;

Specific contingency plans for your area in case of invasion;

Help with resources such as current publications and audiovisuals; and

Support for your "re-entry" and the follow-up work you may do.

Some clusters may gather together for further study and to listen to updates if there are recently returned alumnae. Some may want to sponsor events; others may participate in action. One cluster is setting up a speaker's bureau and is going to churches and community organizations to solicit speaking engagements.

The coordinators are there to help this network grow, but are not assumed to be the only ones doing this. Everyone who is interested needs to take initiative. The coordinators may try to contact all who are in their cluster. If you are in a cluster and have not been contacted, call the coordinator yourself. If you are in an area with no coordinator and would be interested in this important work, please let me know.

Please use the network. It has a center in Minneapolis as well as with all of you. It will be what we make it to be. If you have suggestions or requests, call Meredith Dregni, 612-330-1791.

TRAVEL SEMINAR PARTICIPANTS CLUSTER COORDINATORS

North Dakota: Merri Sue Heltan, 37 North Terrace, Fargo, ND 50102, 701-232-2528.

Oklahoma: Talitha Stark, 2909 Hollows, Bethany, OK 73008, 405-495-1605.

Colorado: David Barber, 815 E. 16th Street, Loveland, CO 80537, 303-667-1836.

Michigan: Bill Dexheimer, 1524 20th Street, Detroit, MI 48216, 313-963-7879.

Ohio: Dennis Highben, 236 4th Street NE, Navarre, OH 44662, 216-879-2320.

Arizona: Audrey Elliott, 6110 N. 52nd Place, Paradise Valley, AZ 85253, 602-840-4632.

So. California: Nancy Vernon Kelley, 805 E. Orange Grove Blvd., Pasadena, CA 91104, 818-794-5659.

No. California: Dan Garnass, 1798 Scenic Ave. #392, Berkeley, CA 94709, 415-843-8439.

Iowa: Julis Dennison, Box 178, Elkadar, IA 52043, 319-589-0326.

Texas: Cynthia Caruso, P.O. Box 92, Comfort, TX 78013, w. 512-995-3664, h. 512-995-3163.

Wisconsin: Audrey Lukasak, 5526 Riverview, Waunakee, WI 53597, 608-849-7748.

Florida: Margaret Gula, 3201 NW 112th Ave., Coral Springs, FL 33065, 305-752-5298.

ATTACHMENT 8

PUBLIC HEARING ANNOUNCEMENT

The Center for Global Service and Education, in conjunction with the Central American Resource Center and the other organizations listed below, invites you to exercise your democratic privileges at a

PUBLIC HEARING ON UNITED STATES POLICY TOWARD NICARAGUA

This unique opportunity will be held from 10:00 a.m. to 12:30 on March 9, 1985 in room 112 at the Minnesota Capitol.

Minnesotans are urged to enter into a dialogue with representatives of our national government. Senators DURENBERGER and BOSCHWITZ and Congressmen WEBER, SIKORSKI, SABO, VENTO, FRENZEL, STANGELAND, PENNY, and OBERSTAR have been invited to listen to Minnesota citizens and then to make five minute responses. This information should help them make crucial decisions on U.S. policy, such as renewal of the covert aid program.

All Minnesotans who have traveled to or lived in Nicaragua are requested to testify and to bring verbal and written accounts about their first person experience and how this has shaped their opinion about United States policy toward Nicaragua. Verbal testimonies of one to five minutes will be given. A reservation for time must be made by March 6 by calling (612) 330-1791. Eleven copies of written testimony are requested; one for each representative and one for the record of the hearing.

The hearing is open to the public. Child care will be available for a small fee. For reservations, call or write Rachel Lord, 2323 Talmadge Ave. S.E., Minneapolis, MN 55414, (612) 379-8868. For additional information on the hearing, call Nancy Jones, (612) 938-9043.

SCHEDULE FOR MARCH 9

9:30 am—Informal Gathering, coffee and rolls available.

10:00 am—Public Statements by Minnesota Citizens, by reservation only.

11:00 am—Response by Minnesota Senators and Representatives.

12:00—Open time for questions and statements.

Co-sponsors and endorsers of the Public Hearings are:

Inter-Religious Committee on Central America.

Board of Church and Society of the United Methodist Church.

Women's International League for Peace and Freedom.

Nicaragua Solidarity Committee.

Friends for a Nonviolent World.

Bemidji Friends for a Nonviolent World/Central America Group.

Minnesota Clergy and Laity Concerned.

Women Against Military Madness.

MSTAR (Minnesota Students Together in Action and Resistance).

Bishop Lowell Erdahl, Southeast Minnesota District, American Lutheran Church.

Central America Week Coalition.

Central America Working Group.

Project Minnesota/Leon.

Brainerd Ad Hoc Committee on Central America.

Northfield Peace Network.

Rochester Study Group on Central America.

Witness for Peace.

The Rt. Rev. Robert M. Anderson, Episcopal Bishop of Minnesota.

Fargo/Moorhead Citizens in Solidarity with the Central American People.

St. Cloud Area Interfaith Committee on Central America.

Northern Sun Alliance.

Minnesota Trade Union Coalition for Peace.

National Chicano Alliance.

Minnesota Fellowship of Reconciliation.

Church and Society Committee, Presbytery of the Twin Cities Area.

Bob Killeen, Subregional Director, UAW.

Mr. Speaker, I commend this report to my colleagues. If they are seriously interested in casting an objective vote on the question of aid to the democratic resistance forces in Nicaragua, they need to know more about the nature of the trips being sponsored by many American church groups and non-church-related groups to Central America. This church group, this trip which was reported to me by these two women, is typical, I believe, of many of the church organization tours through that part of the country. As I said, a great concern about these trips was expressed to Congressman DORNAN and myself by Archbishop Obando y Bravo in Managua, as well as many other people in Nicaragua and throughout the Central American region. In a later special order I intend to spend more time talking about their observations directly.

Mr. Speaker, I yield back the balance of my time.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1985

(Mr. DERRICK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DERRICK. Mr. Speaker, pursuant to the procedures of the Committee on the Budget section 311(b) of the Congressional Budget Act of 1974, and as chairman of the Budget Process Task Force, I am submitting the official letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1985. As chairman of the Budget Committee's Budget Process Task and Force and on behalf of Chairman WILLIAM H. GRAY III, I intend to submit the current level of spending to the House on the first Wednesday of each month that the House is in session or more often as legislation is ratified. When there have been no changes since the last report to the House, I will submit a letter stating such.

The current level is used to compare enacted spending after the start of a fiscal year with the aggregate ceiling on budget authority, outlays, and revenues established in a second budget resolution and enforced by point of

order pursuant to section 311(a) of the act. The term current level refers to the estimated amount of budget authority, outlays, entitlement authority, and revenues that are available (or will be used) for the full fiscal year in question based only on enacted law.

As with last year, the procedural situation with regard to the spending ceiling is affected this year by section 4(b) of House Concurrent Resolution 280. Enforcement against possible breaches of the spending ceiling under section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered. This exception is only provided because an automatic budget resolution is in effect and will cease to apply if Congress revises the budget resolution for fiscal year 1985.

The intent of the section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by section 4(b) of the resolution is to protect a committee that has stayed within its own spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on House Concurrent Resolution 280 were printed in the CONGRESSIONAL RECORD, September 25, 1984, H. 10190 (H. Rept. 98-1079, page 32).

Since the last filed current level on February 7 (H. 384), three pieces of legislation have affected current level: House Joint Resolution 181, Appropriations for the MX Missile; H.R. 1239, Urgent Supplemental Appropriations for Emergency Famine Relief and Recovery in Africa; and H.R. 1866, Federal Supplemental Compensation Phaseout.

As chairman of the Budget Process Task Force, I intend to keep the House informed regularly on the status of current level.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report under H. Con. Res. 280, the First Concurrent Resolution on the Budget for Fiscal Year 1985. This report reflects the adopted budget resolution of October 1, 1984, and the current CBO estimates of budget authority, outlays, and revenues.

As with last year, the procedural situation with regard to the spending ceiling is affected this year by Section 4(b) of H. Con. Res. 280. Enforcement against possible breaches of the spending ceiling under Section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to Section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered. This exception is only provided because an automatic budget resolution is in effect and will cease to apply if Congress revises the budget resolution for fiscal year 1985.

The intent of the Section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by Section 4(b) of the resolution is to protect a committee that has stayed within its spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on House Concurrent Resolution 280 were printed in the CONGRESSIONAL RECORD, September 25, 1984, H. 10190 (H. Rept. 98-1079, page 32).

The attached tables compare actual legislation to each committee's 302(a) allocation of discretionary budget authority and of new entitlement authority.

With best wishes,

Sincerely,

WILLIAM H. GRAY III,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 280

REFLECTING COMPLETED ACTION AS OF APRIL 3, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate Level	1,021,350	932,050	750,900
Current Level	1,015,965	933,359	750,739
Amount Under Ceilings	5,385		
Amount Over Ceilings		1,309	
Amount Under Floor			161

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $5,385 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 280 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate in outlays for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 280 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 280.

FISCAL YEAR 1985, BUDGET AUTHORITY

Comparison of current level and budget resolution allocation by committee

[In millions of dollars]

House Committee:	*Amount*
Total current level	−5,385
Appropriations Committee Discretionary	(−4,497)
Authorizing Committee—Discretionary Action:	
Agriculture	(−90)
Armed Services	(+276)
Banking, Finance, and Urban Affairs	(...)
District of Columbia	(*)
Education and Labor	(...)
Energy and Commerce	(−4)
Foreign Affairs	(...)
Government Operations	(...)
House Administration	(...)
Interior and Insular Affairs	(+2)
Judiciary	(+50)
Merchant Marine and Fisheries	(+15)
Post Office and Civil Service	(+1)
Public Works and Transportation	(−713)
Science and Technology	(...)
Veterans' Affairs	(...)
Ways and Means	(+50)

[1] Committees are over (+) or under (−) their 302(a) allocation.
*Less than $1 million.

FISCAL YEAR 1985 NEW ENTITLEMENT AUTHORITY

COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION ALLOCATION BY COMMITTEE

[In millions of dollars]

Committee	Allocation	Reported	Enacted
Agriculture		3,600	
Appropriations			
Armed Services	1,900	1,500	1,663
Banking, Finance and Urban Affairs			
District of Columbia		1	1
Education and Labor	202	−306	
Energy and Commerce		3	4
Foreign Affairs			
Government Operations			
Interior and Insular Affairs		1	1
Judiciary			
Merchant Marine and Fisheries			
Post Office and Civil Service			
Public Works and Transportation			
Science and Technology			
Small Business			
Veterans' Affairs	402	503	432
Ways and Means	40	254	201

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 4, 1985.

Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1985 budget (H. Con. Res. 280). This report for fiscal year 1985 is tabulated as of close of business April 3, 1985, and is based on assumptions and estimates consistent with H. Con. Res. 280. A summary of this tabulation is as follows:

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current level	1,015,965	933,359	750,739
1985 Budget Resolution, House Concurrent Resolution 280	1,021,350	932,050	750,900
Current Level is:			
Over resolution by		1,309	
Under resolution by	5,385		161

Since my last report the Congress has cleared Appropriations for the MX Missile, H.J. Res. 181, urgent supplemental appropriations for Emergency Famine Relief and Recovery in Africa, H.R. 1239, and the Federal Supplemental Compensation Phaseout Act, H.R. 1866.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

PARLIAMENTARIAN STATUS REPORT HOUSE SUPPORTING DETAIL, FISCAL YEAR 1985 AS OF CLOSE OF BUSINESS APRIL 3, 1985

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	651,994	579,636
Enacted previous session	543,411	534,273
Offsetting receipts	−184,669	−184,669
Enacted this session		
Total enacted	1,010,735	929,240
II. Entitlement authority and other mandatory items requiring further appropriation action:		
Assistance payments	23	23
Black Lung trust fund	25	25
Child support enforcement	82	82
Civilian agency pay raise allowance	777	803
Coast Guard pay raise allowance	25	23
Defense pay raise allowance	2,242	2,201
Defense claims	20	3
Family social services	20	20
Medicaid	7	7
Public Health Service officers retirement pay	3	
Range improvements	2	2
Readjustment benefits	163	156
Salaries of judges	5	5
Student loans	498	
Supplemental Security Income	5	
Veterans compensation	389	241
Total	4,286	3,591
III. Continuing resolution authority		
IV. Conference agreements ratified by both Houses:		
Appropriations for the MX missile (H.J. Res. 181)		79
Famine relief and recovery in Africa (H.R. 1239)	784	289
Federal supplemental compensation phaseout (H.R. 1866)	160	160
Total	944	528
Total, current level as of April 3, 1985	1,015,965	933,359
1985 Budget Resolution, House Concurrent Resolution 280	1,021,350	932,050
Amount remaining:		
Over ceiling		1,309
Under ceiling	5,385	

Note.—Detail may not add due to rounding.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LELAND (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. ACKERMAN (at the request of Mr. WRIGHT), for April 16 and 17, on account of official business.

Mr. BILIRAKIS (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MEYERS of Kansas) to revise and extend their remarks and include extraneous material:)

Mr. PASHAYAN, for 60 minutes, April 24.

Mr. KOLBE, for 60 minutes, April 17.

Mr. LUNGREN, for 5 minutes, April 17.

Mr. STRANG, for 30 minutes, today.

Mr. MADIGAN, for 10 minutes, today.

Mr. EMERSON, for 60 minutes, April 24.

Mr. WALKER, for 60 minutes, today.

Mr. DORNAN of California, for 60 minutes, April 18.

Mr. RUDD, for 60 minutes, April 23.

Mr. WEBER, for 60 minutes, today.

Mr. WEBER, for 60 minutes, April 17.

Mr. WEBER, for 60 minutes, April 18.

(The following Members (at the request of Mr. COOPER) to revise and extend their remarks and include extraneous material:)

Mr. MATSUI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HAYES, for 5 minutes, today.

Mr. FRANK, for 60 minutes, April 17.

Mr. MARTINEZ, for 5 minutes, April 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MEYERS) and to include extraneous matter:)

Mr. GINGRICH.

Mr. COURTER in two instances.

Mr. LENT in two instances.

Mr. DANNEMEYER.

Mr. MACK.

Mr. CLINGER.

Mr. WOLF.

Mr. PORTER.

Mr. GEKAS in two instances.

Mr. BROOMFIELD in two instances.

Mr. PURSELL.

Mr. GREGG.

Mr. MCGRATH.

Mr. GROTBERG.

Mr. BATEMAN in two instances.

Mr. MICHEL.

Mr. LEWIS of Florida.

(The following Members (at the request of Mr. COOPER) and to include extraneous matter:)

Mr. FUSTER.

Mr. TORRICELLI.

Mr. OBERSTAR.

Mr. UDALL.

Mr. ASPIN.

Mr. FLORIO.

Mr. BARNES in two instances.

Mr. HAMILTON.

Mr. KANJORSKI.

Mr. FORD of Michigan.

Mr. GUARINI.

Mr. YATRON in two instances.

Mr. FRANK.

Mr. BROOKS.

Mr. ACKERMAN.

Mr. FASCELL in two instances.

Mr. COELHO.

Mr. SOLARZ in four instances.

Mr. MILLER of California.

Mr. KOLTER.

Mr. HALL of Ohio.

A SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 661. An act entitled the "George Milligan Control Tower"; to the Committee on Public Works and Transportation.

S.J. Res. 47. Joint Resolution designating the week beginning November 10, 1985, as "National Woman Veterans Recognition Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 52. Joint Resolution to designate the month of April 1985 as "National School Library Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 63. Joint Resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 67. Joint Resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 90. Joint Resolution commemorating the 75th anniversary of the Boy Scouts of America; to the Committee on Post Office and Civil Service.

S.J. Res. 94. Joint Resolution to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 109. Joint Resolution to designate the week of April 14, 1985, as "Crime Victims Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. WEBER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 17, 1985, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 99th Congress, pursuant to the provisions of 2 U.S.C. 25:

CATHY (Mrs. Gillis) LONG, Eighth Louisiana.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the third and fourth quarters of calendar year 1984 and the first quarter of calendar year 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Fuqua		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Winn		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Lewis		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Hanson		9/5	United States				2,147.93				2,147.93
	9/6	9/10	England	423.36	584.00	128.37	166.21	1.87	2.42	553.60	716.63
	9/10	9/11	Norway	919.60	109.00		481.00			919.60	590.00
	9/11	9/11	England								
	9/11		United States								
Tate		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Rodgers		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Smith		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Taylor		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Dugan		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Kripowicz		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Kopp		9/5	United States				1,073.97				1,073.97
	9/6	9/10	England	423.36	548.00	128.37	166.21	1.87	2.42	553.60	716.63
	9/10	9/11	Norway	919.60	109.00		481.00			919.60	590.00
	9/11	9/11	England								
	9/11	9/15	France	5,045.04	546.00		68.00		12.00	5,045.04	626.00
	9/15		United States			4,210	454.15			4,210	454.15
Branscome		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Harvey		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Holmfeld		9/5	United States				2,147.93				2,147.93
	9/6	9/10	England	423.36	548.00	128.37	166.21	1.87	2.42	553.60	716.63
	9/10	9/11	Norway	919.60	109.00		481.00			919.60	590.00
	9/11	9/11	England								
	9/11		United States								
Stanford		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Hicks, Jr.		9/5	United States				2,147.93				2,147.93
	9/6	9/11	England	529.20	685.00	128.37	166.21	1.87	2.42	659.44	853.63
	9/11		United States								
Committee total					11,422.00		37,917.43		50.72		49,390.15

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON FUQUA, Chairman, Mar. 14, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY AND SEPT. 30, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Barber B. Conable	8/18	8/19	Portugal				14.83		223.54		238.37
Hon. Thomas J. Downey	8/18	8/19	Portugal				14.83		223.54		238.37
Hon. Bill Frenzel	8/18	8/19	Portugal				14.83		223.54		238.37
Hon. Sam M. Gibbons	8/18	8/19	Portugal				14.83		223.54		238.37

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY AND SEPT. 30, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Frank J. Guarini	8/18	8/19	Portugal				14.83		223.54		238.37
Hon. Richard T. Schulze	8/18	8/19	Portugal				14.83		223.54		238.37
Hon. William M. Thomas	8/18	8/19	Portugal				14.83		223.54		238.37
Thelma J. Askey	8/18	8/19	Portugal				14.83		223.54		238.37
Franklin C. Phifer	8/18	8/19	Portugal				14.83		223.54		238.37
Graciela P. Sullivan	8/18	8/19	Portugal				14.83		223.54		238.37
Committee total							148.30		2,235.40		2,383.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Mar. 15, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE POST OFFICE AND CIVIL SERVICE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. William D. Ford	11/20	11/24	Egypt		585.00						585.00
	11/24	11/27	Italy	430,560	230.00	295,243	155.555				385.555
Hon. William (Bill) Clay	11/24	11/27	Italy	645,840	345.00	295,243	155.555				500.555
Committee total					1,160.00		311.11				1,471.11

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, Mar. 28, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Tony Hall	11/07	11/13	Addis Ababa	768.49	375.00					768.49	375.00
	11/13	11/14	Rome	149,650	82.00					149,650	82.00
Commerical transportation							4,380.00				4,380.00
Committee total					457.00		4,380.00				4,837.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER, Chairman, Mar. 20, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Peter W. Rodino, Jr., MC	11/9	11/18	Italy		1,040.00		757.87		199.47		1,997.34
	11/18	11/21	Switzerland		432.00		21.70				453.70
Military transportation							10,445.82				10,445.82
Hamilton Fish, Jr., MC	11/9	11/18	Italy		1,040.00		757.87		199.47		1,997.34
	11/18	11/21	Switzerland		432.00		21.70				453.70
Military transportation							10,445.82				10,445.82
William J. Hughes, MC	11/9	11/18	Italy		1,040.00		757.87		199.47		1,997.34
	11/18	11/21	Switzerland		432.00		21.70				453.70
Military transportation							10,445.82				10,445.82
Edward F. Feighan, MC	11/9	11/18	Italy		1,040.00		757.87		199.47		1,997.34
	11/18	11/21	Switzerland		432.00		21.70				453.70
Military transportation							10,445.82				10,445.82
Garner J. Cline, staff	11/9	11/18	Italy		1,040.00		757.87		199.47		1,997.34
	11/18	11/21	Switzerland		432.00		21.70				453.70
Military transportation							10,445.82				10,445.82
Deborah Leavy, staff	11/25	12/2	France		833.00		30.64				863.64
Commercial transportation							1,413.00				1,413.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bruce Morrison, MC	11/26	12/1	France		595.00						595.00
Commercial transportation							1,419.82				1,419.82
Patricia Schroeder, MC	12/6	12/12	Turkey		328.03		146.21		9.72		483.96
	12/12	12/15	Bulgaria		350.00						350.00
Commercial transportation							1,543.00				1,543.00
Don Edwards, MC	12/9	12/12	Turkey		328.03		146.21		9.72		483.96
	12/12	12/15	Bulgaria		350.00						350.00
	12/16	12/16	Greece		108.00						108.00
	12/16	12/21	Israel		665.00		477.75				1,142.75
Commercial transportation							3,053.40				3,053.40
James F. Sensenbrenner, Jr., MC	12/9	12/12	Turkey		328.03		146.21		9.72		483.96
	12/12	12/15	Bulgaria		350.00						350.00
	12/16	12/16	Greece		108.00						108.00
	12/16	12/21	Israel		665.00		477.75				1,142.75
Commercial transportation							3,511.36				3,511.36
Philip Kiko, staff	12/9	12/12	Turkey		328.03		146.21		9.72		483.96
	12/12	12/15	Bulgaria		350.00						350.00
	12/16	12/16	Greece		108.00						108.00
	12/16	12/21	Israel		665.00		477.75				1,142.75
Commercial transportation							3,053.40				3,053.40
Catherine LeRoy, staff	12/9	12/12	Turkey		328.03		146.21		9.72		483.96
	12/12	12/15	Bulgaria		350.00						350.00
	12/16	12/16	Greece		108.00						108.00
	12/16	12/23	Israel		665.00		477.75				1,142.75
Commercial transportation							3,164.40				3,164.40
Committee total					15,270.15		75,958.02		1,045.95		92,274.12

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER W. RODINO, JR., Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Claude Pepper	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Hon. Tony Beilenson	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Cynthia Brock-Smith	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Trevia A. Dean	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Albert A. Sayers, Jr	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Leanita Shelby	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56
Thomas J. Spulak	1/05	1/08	Israel		399.00				566.28		965.28
	1/08	1/11	Egypt		246.00				304.81		550.81
	1/11	1/15	Greece		540.00				80.66		620.66
	1/15	1/18	Spain		327.00				197.51		524.51
Military transportation							8,817.30				8,817.30
Total					1,512.00		8,817.30		1,149.26		11,478.56

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER, Chairman, Mar. 20, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE POST OFFICE AND CIVIL SERVICE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Mary Rose Oakar	1/8	1/16	Japan	233,680	920.00						920.00
Commercial transportation							1,995.00				1,995.00
Joe Grimes	1/8	1/16	Japan	233,680	920.00						920.00
Commercial transportation							1,995.00				1,995.00
Committee total					1,840.00		3,990.00				5,830.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, Apr. 3, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, FRANCES CAMPBELL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 4 AND JAN. 18, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Frances Campbell	1/5	1/8	Tel Aviv	133			[3] 5,383.35				
	1/8	1/10	Egypt	123							
	1/10	1/15	Greece	108							
	1/15	1/18	Spain	109							

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Pro rated share, total cost for 18 in party, $96.900.30.

FRANCES CAMPBELL, Mar. 7, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION ENGLAND AND ISRAEL, U.S. HOURS OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 7 AND FEB. 18, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Lew		2/7	United States				1,418.38				
	2/8	2/10	England	311.40	348.00						348.00
	2/10	2/18	Israel		614.00						614.00
	2/18		United States				474.00				474.00
Total					962.00		1,892.38				2,854.38
Woolsey		2/7	United States				2,836.75		[3]		2,836.75
	2/8	2/10	England	311.40	348.00					311.40	348.00
	2/10	2/15	Israel		665.00						665.00
	2/15	2/18	Italy	939,600	464.00					939,600	464.00
	2/18		United States								
Total					1,477.00		2,836.75				4,313.75

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Amended report will be filed as soon as expenses are received from the Department of State.

CHESTER A. WOOLSEY, Apr. 4, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO PORTUGAL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 10 AND FEB. 18, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Tony Coelho, M.C.	2/11	2/18	Portugal		600.00		[3] 975.00		162.00		1,737.00
Gwen Luty	2/11	2/18	Portugal		600.00		975.00				1,575.00
Committee total					1,200.00		1,950.00		162.00		3,312.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Awaiting additional information from the Department of State. An amended report will be filed when it becomes available.

TONY COELHO, Mar. 20, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HONORABLE DUNCAN HUNTER, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 11 THROUGH FEB. 14, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Duncan Hunter, M.C	2/11	2/14	Mexico		375.00		385.00		687.65		1,447.65

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DUNCAN HUNTER, Apr. 5, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BELGIUM AND AUSTRIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 13 AND FEB. 16, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brown, Elliott A.	2/13	2/14	Belgium—Brussels		108.00						108.00
	2/14	2/16	Austria—Vienna		224.00		111.0				335.00
Military transportation	2/13		Washington, DC/Brussels				1,676.71				1,676.71
Commercial airfare	2/14	2/16	Brussels/Vienna/Washington, DC				1,244.00				1,244.00
Cusack, John T.	2/13	2/14	Belgium		108.00						108.00
	2/14	2/16	Austria		224.00		111.00				335.00
Military transportation	2/13						1,676.71				1,676.71
Commercial airfare	2/14	2/16					1,249.00				1,249.00
Gilman, Benjamin A	2/14	2/16	Austria		224.00		111.00				335.00
Commercial airfare	2/14	2/16	Brussles/Vienna/Paris				431.00				431.00
Rangel, Charles B	2/13	2/14	Belgium		108.00						108.00
	2/14	2/16	Austria		224.00		111.00				335.00
Military transportation	2/13						1,676.71				1,676.71
Commercial airfare	2/14	2/16					1,249.00				1,249.00
Committee total					1,220.00		9,647.13				10,867.13

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES B. RANGEL, Chairman, Mar. 21, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 10 AND MAR. 13, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
George Berdes	3/11	3/13	Switzerland		324.00		5,357.36				
Bill Broomfield	3/11	3/13	Switzerland		324.00		5,357.36				
Norm Dicks	3/11	3/13	Switzerland		324.00		5,357.36				
Bill Fite	3/11	3/13	Switzerland		324.00		5,357.36				
Marjorie Holt	3/11	3/13	Switzerland		324.00		5,357.36				
Mike Johnson	3/11	3/13	Switzerland		324.00		5,357.36				
Trent Lott	3/11	3/13	Switzerland		324.00		5,357.36				
John Mack	3/11	3/13	Switzerland		324.00		5,357.36				
Bob Michel	3/11	3/13	Switzerland		324.00		5,357.36				
Jim Moody	3/11	3/13	Switzerland		324.00		5,357.36				
Estebin Torres	3/11	3/13	Switzerland		324.00		5,357.36				
Juney Wright	3/11	3/13	Switzerland		324.00		5,357.36				
Jim Wright	3/11	3/13	Switzerland		324.00		5,357.36				
Committee total					4,212.00		69,645.68				

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JIM WRIGHT, Chairman, Apr. 4, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1028. A letter from the Secretary of Agriculture, transmitting the fiscal year 1984 annual animal welfare enforcement report, pursuant to Public Law 89-544, section 25 (84 Stat. 1565); to the Committee on Agriculture.

1029. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend and extend the authorization of the Food Stamp Act of 1977, as amended; to the Committee on Agriculture.

1030. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting notification that the appropriation to the Internal Revenue Service for "Investigation, collection and Taxpayer Service" for fiscal year 1985 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriations, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

1031. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting notification that the appropriation to the Financial Management Service [FMS] for "Salaries and Expenses" for fiscal year 1985 has been reapportioned on a basis that indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

1032 A letter from the Comptroller General of the United States, transmitting a review of the President's fifth special message proposing 226 new rescissions, pursu-

ant to 2 U.S.C. 685 (H. Doc. No. 99-55); to the Committee on Appropriations and ordered to be printed.

1033. A letter from the Comptroller General of the United States, transmitting a review of the President's sixth special message for fiscal year 1985 proposing 16 new rescission proposals, 9 revised rescission proposals, 21 new deferrals of budget authority, and 8 revised deferrals of budget authority, pursuant to 2 U.S.C. 685 (H. Doc. No. 99-56); to the Committee on Appropriations and ordered to be printed.

1034. A letter from the Secretary of Housing and Urban Development, transmitting the Department's quarterly report on HUD-owned multifamily project negotiated sales; to the Committee on Appropriations.

1035. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a report of real and personal property held by the Department of Defense as of September 30, 1984, pursuant to 10 U.S.C. 2701(b); to the Committee on Armed Services.

1036. A communication from the President of the United States, transmitting his determination that the authority available to the Export-Import Bank for fiscal year 1985 is more than sufficient to meet the current estimate of the needs of the Bank, pursuant to 12 U.S.C. 635e(a)(2)(A)(ii) (97 Stat. 1257) (July 31, 1945, chapter 341, section 7(a)(2)(A)(ii)) (H. Doc. No. 99-54); to the Committee on Banking, Finance and Urban Affairs and ordered to be printed.

1037. A letter from the Secretary of Housing and Urban Development, transmitting a report entitled, "Report on the Reorganization of the Administration of the Congregate Housing Services Program (CHSP)"; to the Committee on Banking, Finance and Urban Affairs.

1038. A letter from the Director, Office of Dependents Schools, Department of Defense, transmitting the annual test report for school year 1984-85 for the overseas dependents' schools administered by the Department of Defense, pursuant to Public Law 95-561, section 1405(b); to the Committee on Education and Labor.

1039. A letter from the Secretary of Education, transmitting a copy of regulations in connection with final funding priorities for the National Institute of Handicapped Research, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1040. A letter from the Secretary of Education, transmitting a draft of proposed legislation to extend and amend the Higher Education Act of 1965, to establish a financial assistance program emphasizing student self help, to improve access to postsecondary education for the neediest students, to enhance the equity and effectiveness of Federal programs in support of higher education, to improve debt collection activities and default recoveries, to reduce collection costs and program abuse, to increase flexibility and simplify higher education programs, and for other purposes; to the Committee on Education and Labor.

1041. A letter from the Undersecretary, Department of Labor, transmitting a draft of proposed legislation to authorize adequate appropriations for the President's Committee on Employment of the Handicapped; to the Committee on Education and Labor.

1042. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting notice that the President has authorized the furnishing of up to $5 million in assistance from the emergency refugee and migration assistance fund for unexpected urgent refugee and migration needs of the U.N. High Commissioner for Refugees, the International Committee of the Red Cross, and other agencies, as appropriate, for programs in Africa, pursuant to 22 U.S.C. 287b; to the Committee on Foreign Affairs.

1043. A communication from the President of the United States, transmitting a bimonthly report on progress toward a negotiated settlement of the Cyprus question, pursuant to 22 U.S.C. 2373(c); to the Committee on Foreign Affairs.

1044. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

1045. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Thomas R. Pickering, Ambassador and Extraordinary and Plenipotentiary-elect to Israel, and members of his family, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

1046. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting an accounting of the amounts obligated and expended in Nicaragua for the period July 1, 1984, to December 31, 1984, from funds made available under section 724(e) of the International Security and Development Cooperation Act of 1981; to the Committee on Foreign Affairs.

1047. A letter from the Director, Office of Management and Budget, transmitting a report on formula approaches to Federal budgeting, pursuant to Public Law 98-369, section 2906 (98 Stat. 1209); to the Committee on Government Operations.

1048. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting notice of a new Federal records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1049. A letter from the Chairwoman, U.S. International Trade Commission, transmitting a report of the commission's activities during 1984 under the Government in the Sunshine Act, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1050. A letter from the Administrator, Federal Aviation Administration, transmitting the Federal Aviation Administration's semiannual report on the effectiveness of the Civil Aviation Security Program covering the period July 1 through December 31, 1984, pursuant to Public Law 85-726, section 315(a) (88 Stat. 415); to the Committee on Public Works and Transportation.

1051. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a report on the extent to which the actions of the Government of Haiti are consistent with the three provisions contained in subsection (b) of the Foreign Assistance and Related Programs Appropriations Act of 1985, pursuant to Public Law 98-473, section 540(c); jointly, to the Committees on Appropriations and Foreign Affairs.

1052. A letter from the Administrator, Agency for International Development, transmitting the Agency's annual report for fiscal year 1984 on equal employment opportunity and recruitment in the Foreign Service, pursuant to Public Law 96-465, section 105(d); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

1053. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a draft of proposed legislation to amend the United States Institute of Peace Act, and for other purposes; jointly, to the Committees on Foreign Affairs and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 128. Resolution providing for the consideration of H.R. 1617, a bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes, (Rept. No. 99-41). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 129. Resolution providing for the consideration of H.R. 1210, a bill to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes (Rept. No. 99-42). Referred to the House Calendar.

Mr. FUQUA: Committee on Science and Technology. H.R. 1617. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes; with amendments (Rept. No. 99-43). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA: Committee on Science and Technology. H.R. 1210. A bill to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes; with amendments (Rept. No. 99-44). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (for himself and Mr. BROOMFIELD) (by request):

H.R. 2044. A bill to amend the Arms Control and Disarmament Act in order to increase the authorization for appropriations for fiscal year 1985; to the Committee on Foreign Affairs.

H.R. 2045. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FORD of Tennessee:

H.R. 2046. A bill to amend title XVI of the Social Security Act to provide a special increase (over and above the regular cost-of-living adjustment) in the Federal benefit standard under the Supplemental Security Income Program; to the Committee on Ways and Means.

By Mrs. BENTLEY:

H.R. 2047. A bill to authorize appropriations for the restoration of Fort McHenry; to the Committee on Interior and Insular Affairs.

By Mr. BOSCO:

H.R. 2048. A bill to prohibit temporarily certain hard mineral leasing in the Gorda Ridge Outer Continental Shelf area, to require a report on the effects of such potential leasing, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. DELLUMS:

H.R. 2049. A bill to establish a U.S. Health Service to provide high quality health care and to overcome the deficiencies in the present system of health care delivery; jointly, to the Committees on Energy and Commerce; Armed Services; Banking, Finance and Urban Affairs; the District of Columbia; Education and Labor; the Judiciary; Post Office and Civil Service; Veterans' Affairs; and Ways and Means.

By Mr. DYMALLY:

H.R. 2050. A bill to give to the Board of Parole for the District of Columbia exclusive power and authority to make parole determinations concerning prisoners convicted of violating any law of the District of Columbia, or any law of the United States applicable exclusively to the District; to the Committee on the District of Columbia.

H.R. 2051. A bill to change the appointment process for judges of District of Columbia courts, and for other purposes; to the Committee on the District of Columbia.

H.R. 2052. A bill to establish an office of the attorney general for the District of Columbia and to transfer prosecutorial authority for local offenses and custodial responsibility for prisoners convicted of local offenses to the District of Columbia government; to the Committee on the District of Columbia.

By Mr. FRANK:

H.R. 2053. A bill to amend title 10, United States Code, to waive contributions to the military survivor benefit plan in the case of certain persons whose military retired pay is reduced because of an offsetting increase in compensation paid to such persons by the Veterans' Administration due to an increase in disability rating; to the Committee on Armed Services.

H.R. 2054. A bill to amend the Internal Revenue Code of 1954 to exempt from the communications services excise tax telephone facilities designed for individuals who are deaf or hearing impaired; to the Committee on Ways and Means.

H.R. 2055. A bill to amend the Internal Revenue Code to change certain accounting rules related to inventory, and for other purposes; to the Committee on Ways and Means.

H.R. 2056. A bill relating to the duty on certain knives (commonly known as snap blade tools) having movable blades; to the Committee on Ways and Means.

H.R. 2057. A bill entitled: "The Energy Tax Reform Act of 1985"; to the Committee on Ways and Means.

H.R. 2058. A bill to amend chapter 203 of title 18, United States Code, to provide specific law enforcement authority for members of the Federal Protective Service, and for other purposes; jointly, to the Committees on Public Works and Transportation and the Judiciary.

By Mr. LEHMAN of Florida:

H.R. 2059. A bill to provide funds to the State of Florida to acquire certain property in the State of Florida for park and recreation purposes; to the Committee on Interior and Insular Affairs.

By Mr. LENT:

H.R. 2060. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for commuting expenses incurred on public mass transit; to the Committee on Ways and Means.

By Mr. LUNGREN (for himself, Mr. HYDE, Mr. HANSEN, Mrs. VUCANOVICH, and Mr. KINDNESS):

H.R. 2061. A bill to clarify the meaning of the phrase "program or activity" as applied to educational institutions that are extended Federal financial assistance, and for other purposes; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. MADIGAN (for himself, Mr. MAZZOLI, Mr. MICHEL, Mr. ROSTENKOWSKI, Mr. NATCHER, Mr. SNYDER, Mr. GRAY of Illinois, Mr. ANNUNZIO, Mr. HYDE, Mr. RUSSO, Mr. HOPKINS, Mr. PORTER, Mr. EVANS of Illinois, Mr. ROGERS, Mr. PERKINS, Mrs. MARTIN of Illinois, Mr. BRUCE, and Mr. GROTBERG):

H.R. 2062. A bill to grant the consent of the Congress to the Central Midwest Interstate Low-Level Radioactive Waste Compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. PERKINS:

H.R. 2063. A bill to continue until June 30, 1989, the present exclusion of bicycle component parts which are not reexported from the exemption from the customs laws otherwise available to merchandise in foreign trade zones; to the Committee on Ways and Means.

By Mr. STANGELAND:

H.R. 2064. A bill entitled: the "Modified Agricultural Debt Recovery Act of 1985"; to the Committee on Agriculture.

By Mr. RODINO (for himself, Mr. FISH, Mr. CONYERS, Mr. FRANK, Mr. BERMAN, Mr. BOUCHER, Mr. SCHUMER, Mr. GEKAS, Mr. SWINDALL, and Mr. COBLE):

H.J. Res. 240. Joint resolution to designate the week of April 14, 1985, as "Crime Victims Week"; to the Committee on Post Office and Civil Service.

By Mr. LEWIS of Florida (for himself and Mr. MICA):

H. Con. Res. 117. Concurrent resolution to express the sense of Congress that no limitation should be placed on the Federal income tax deduction for interest paid on a residential mortgage; to the Committee on Ways and Means.

By Mr. CONYERS:

H. Res. 130. Resolution expressing the sense of the House of Representatives that the amount and timing of the annual cost-of-living adjustment currently provided under the Social Security Act should be preserved; to the Committee on Ways and Means.

By Mr. CLINGER:

H. Res. 131. Resolution expressing the sense of the Congress that legislation which would further restrict eligibility for, or access to, Federal student financial aid should not be enacted; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

78. By the SPEAKER: Memorial of the Legislature of the State of Kansas, relative to Federal grain grade standards; to the Committee on Agriculture.

79. Also, memorial of the Legislature of the State of Arizona, relative to the ratification of a proposed amendment to the Constitution of the United States; to the Committee on the Judiciary.

80. Also, memorial of the Legislature of the State of North Dakota, relative to the continuation of the Small Business Administration; to the Committee on Small Business.

81. Also, memorial of the Legislature of the State of Maine, relative to funding for the Small Business Administration; to the Committee on Small Business.

82. Also, memorial of the Senate of the Commonwealth of Puerto Rico, relative to the provisions of Section 936 of the Federal Internal Revenue Act; to the Committee on Ways and Means.

83. Also, memorial of the House of Representatives of the State of Kansas, relative to the personal taxation of nonbusiness travel on business aircraft; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Colorado:

H.R. 2065. A bill for the relief of Charles Che-Li Shen; to the Committee on the Judiciary.

H.R. 2066. A bill for the relief of Ching Jeanne Shen; to the Committee on the Judiciary.

By Mr. SHUMWAY:

H.R. 2067. A bill to validate conveyances of certain lands in the State of California that form part of the right-of-way granted by the United States to the Central Pacific Railway Co.; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. SWIFT.

H.R. 9: Mr. CHAPPELL.

H.R. 13: Mr. CHAPPIE, Mr. EDWARDS of Oklahoma, Mr. GRAY of Illinois, Mr. HENDON, Mr. LOWERY of California, Mr. RIDGE, Mrs. SMITH of Nebraska, Mr. TAUKE, Mr. WHITTAKER, and Mr. YATRON.

H.R. 36: Mr. GRAY of Illinois.

H.R. 147: Mr. BARNARD.

H.R. 180: Mr. ST GERMAIN.

H.R. 183: Mr. DOWDY of Mississippi.

H.R. 240: Mr. SILJANDER.

H.R. 242: Mr. BROYHILL.

H.R. 281: Mr. KILDEE, Mr. LIPINSKI, Mr. BORSKI, Mrs. BOXER, Mr. BROOKS, Mr. STAGGERS, Mr. WHEAT, and Mr. BIAGGI.

H.R. 386: Mr. PERKINS.

H.R. 436: Mr. GREGG.

H.R. 437: Mr. KOLBE.

H.R. 512: Mr. EDWARDS of California.

H.R. 526: Mr. PRICE, Mrs. BURTON of California, Mr. SUNIA, Mr. GARCIA, Mr. MRAZEK, Mr. DOWNEY of New York, Mr. STRATTON, Mr. MARTIN of New York, Mr. LAFALCE, Mr. WRIGHT, and Mr. SHAW.

H.R. 555: Mr. MURPHY, Mr. BADHAM, Mr. LAGOMARSINO, Mr. PACKARD, Mr. DENNY SMITH, Mr. SHUMWAY, and Mr. DELAY.

H.R. 604: Mr. NELSON of Florida and Mr. ORTIZ.

H.R. 704: Mr. EDWARDS of Oklahoma.

H.R. 747: Mr. OBEY, Mr. GRAY of Illinois, Mr. GARCIA, Mr. HOWARD, Mr. VENTO, Mr. KOLTER, Mr. RAHALL, Mr. BONIOR of Michigan, Mr. FOLEY, Mr. ROSE, and Mr. BONER of Tennessee.

H.R. 844: Mr. BADHAM, Mr. CARPER, Mr. LOWERY of California, Mr. RIDGE, Mr. STALLINGS, and Mr. WORTLEY.

H.R. 846: Mr. PENNY.

H.R. 956: Mr. HYDE.

H.R. 963: Mr. STOKES, Mr. FORD of Tennessee, and Mr. RICHARDSON.

H.R. 964: Mr. TORRICELLI.

H.R. 965: Mr. STOKES, Mr. FORD of Tennessee, and Mr. RICHARDSON.

H.R. 966: Mr. STOKES, Mr. FORD of Tennessee, and Mr. RICHARDSON.

H.R. 967: Mr. STOKES, Mr. FORD of Tennessee, and Mr. RICHARDSON.

H.R. 1000: Mr. BADHAM.

H.R. 1029: Mr. EDWARDS of Oklahoma, Mr. FIELDS, Mr. HENRY, Mr. MARLENEE, Mr. NIELSON of Utah, Mr. STALLINGS, and Mr. STENHOLM.

H.R. 1108: Mr. BEREUTER, Mr. DASCHLE, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. FAZIO, Mr. FOLEY, Mr. FUSTER, Mr. HAMILTON, Mr. IRELAND, Mr. MILLER of California, Mr. OLIN, Mr. ROBINSON, Mr. SKELTON, and Mrs. VUCANOVICH.

H.R. 1125: Mr. NIELSON of Utah, Mr. HARTNETT, Mr. SAXTON, Mr. DIOGUARDI, Mr. HYDE, Mr. PORTER, Mr. SILJANDER, Mr. BADHAM, and Mr. EDWARDS of Oklahoma.

H.R. 1126: Mr. MOORHEAD, Mr. NIELSON of Utah, Mr. DAUB, Mr. PARRIS, Mr. DIOGUARDI, Mr. SAXTON, Mr. WHITTAKER, Mr. SMITH of New Jersey, Mr. GROTBERG, Mr. BADHAM, Mr. GINGRICH, Mr. EMERSON, and Mr. BARTLETT.

H.R. 1127: Mr. MOORHEAD, Mr. DARDEN, Mr. DAUB, Mr. PARRIS, Mr. GROTBERG, Mr. GINGRICH, and Mr. BARTLETT.

H.R. 1128: Mr. NIELSON of Utah, Mr. PARRIS, Mrs. MARTIN of Illinois, Mr. DIOGUARDI, Mr. BATEMAN, Mr. GROTBERG, Mrs. BENTLEY, Mr. SILJANDER, and Mr. GINGRICH.

H.R. 1129: Mr. GROTBERG, Mr. NIELSON of Utah, Mr. WORTLEY, Mrs. VUCANOVICH, Mr. WILSON, Mr. MACK, Mr. BLAZ, Mr. PARRIS, Mr. BATEMAN, Mrs. BENTLEY, Mr. GINGRICH, and Mr. PORTER.

H.R. 1145: Mr. HORTON, Mr. ANDERSON, Mr. REID, Mr. HAWKINS, Mr. BERMAN, Mr. GUARINI, Mr. HOWARD, and Mr. MITCHELL.

H.R. 1200: Mr. WORTLEY and Mr. PETRI.

H.R. 1216: Mr. ARMEY.

H.R. 1271: Mr. WILSON and Mr. WOLPE.

H.R. 1297: Mr. VENTO and Mr. DURBIN.

H.R. 1316:Mr. AKAKA, Mr. BEDELL, Mr. CROCKETT, Mr. DEWINE, Mr. EDGAR, Mr. KILDEE, Mr. KOSTMAYER, Mrs. LLOYD, Mr. MARTINEZ, Mr. MOAKLEY, Mr. SABO, Mr. SENSENBRENNER, Mr. SHAW, Mr. THOMAS of Georgia, and Mr. SPRATT.

H.R. 1347: Mr. BADHAM.

H.R. 1361: Mr. RUSSO and Mr. MATSUI.

H.R. 1398: Mr. FAZIO, Mr. CROCKETT, and Mr. MARTINEZ.

H.R. 1419: Mr. GINGRICH.

H.R. 1482: Mr. GREEN, Mr. ACKERMAN, Mr. MARTINEZ, Mr. SOLARZ, Mr. EDWARDS of Oklahoma, Mr. FAZIO, and Mr. CROCKET.

H.R. 1550: Mr. CROCKETT and Mr. STAGGERS.

H.R. 1683: Mr. LEACH of Iowa, Mr. DAUB, Mr. CHANDLER, Mr. DYMALLY, Mr. OWENS, Mr. MRAZEK, Mr. FAUNTROY, Ms. KAPTUR, Mr. BARTON of Texas, Mr. PENNY, Mr. COATS, Mr. DEWINE, Mr. FORD of Tennessee, and Mr. MARTINEZ.

H.R. 1684: Ms. MIKULSKI, Mr. REID, Mr. MARTINEZ, Mr. WILLIAMS, Mr. DEWINE, Mr. CROCKETT, Mr. DORNAN of California, and Mr. WORTLEY.

H.R. 1704; Mr. HUTTO, Mr. SAXTON, Ms. OAKAR, Mrs. COLLINS, Mr. DANIEL, Mr. VENTO, Mr. SUNIA, Mr. WEBER, Mr. DORNAN of California, Mr. LAGOMARSINO, and Mr. MURPHY.

H.R. 1706: Mr. SCHUMER.

H.R. 1730: Mr. MAVROULES, Mr. THOMAS of Georgia, Mr. DARDEN, Mr. LIGHTFOOT, Mr. ARMEY, Mr. ROBINSON, Mr. SWINDALL, and Mr. TAUKE.

H.R. 1746: Mr. HYDE, Mr. SILJANDER, Mr. SOLOMON, Mr. YATRON, Mr. CONYERS, Mr. SAVAGE, Mr. PEPPER, Mr. ROE, Mr. WOLF, Mr. KOSTMAYER, Mr. WILLIAMS, Mrs. COLLINS, Mr. BERMAN, and Mr. FUSTER.

H.R. 1763: Mr. DORNAN of California, Mr. DAUB, Mr. KINDNESS, and Mrs. SCHNEIDER.

H.R. 1771: Mr. HUTTO and Mr. RAY.

H.R. 1776: Mr. FAUNTROY, Mr. MURPHY, Mr. STOKES, and Mr. FRANK.

H.R. 1785: Mr. SAVAGE, Mr. OWENS, Mr. FAUNTROY, Mr. HAWKINS, and Mr. STOKES.

H.R. 1816: Mr. ROSE, Mr. TOWNS, Mr. LELAND, Mr. BOUCHER, Mr. GARCIA, Mr. CONYERS, Mr. OWENS, Mr. SMITH of Florida, Ms. KAPTUR, Mr. SOLARZ, Mr. EVANS of Illinois, Mr. FAZIO, and Mr. FORD of Tennessee.

H.R. 1817: Mr. ROSE, Mr. TOWNS, Mr. LELAND, Mr. BOUCHER, Mr. GARCIA, Mr. CONYERS, Mr. OWENS, Mr. SMITH of Florida, Ms. KAPTUR, Mr. SOLARZ, Mr. FAZIO, and Mr. FORD of Tennessee.

H.R. 1856: Mr. MILLER of California, Mr. HAYES, Mrs. COLLINS, Mr. SAVAGE, Mr. KOSTMAYER, Mr. BARNES, Mr. BERMAN, Mr. STOKES, Mr. DIXON, Mr. ROYBAL, Ms. KAPTUR, Mrs. BOXER, and Mr. CARR.

H.R. 1908: Mr. BLILEY and Mr. MURPHY.

H.R. 1916: Mr. DICKS, Mr. YATRON, Mr. BILIRAKIS, Mr. DYMALLY, Mr. DANIEL, Mr. DONNELLY, Mr. MURPHY, and Mr. PERKINS.

H.J. Res. 46: Mr. ORTIZ, Mr. GEPHARDT, Mr. EDGAR, Mr. BLAZ, Mr. MCKERNAN, Mr. MANTON, Mr. SMITH of New Jersey, Mrs. BENTLEY, Mr. BORSKI, Mr. SAXTON, Mr. LIGHTFOOT, and Mr. BLILEY.

H.J. Res. 79: Mr. CALLAHAN, Mr. SHELBY, Mr. HAYES, Mr. HOWARD, Mr. SMITH of New Jersey, Mr. VENTO, Mr. DICKINSON, Mr. SAXTON, Mr. MAVROULES, Mr. AKAKA, Mrs. BENTLEY, Mrs. BYRON, and Mr. CLAY.

H.J. Res. 91: Mr. BLILEY, Mr. SHUMWAY, and Mr. DELAY.

H.J. Res. 101: Mr. MATSUI.

H.J. Res. 131: Mr. EVANS of Illinois, Mrs. LLOYD, Mr. HERTEL of Michigan, Mr. O'BRIEN, Mr. MARTIN of New York, Mr. RAHALL, Mr. WEISS, Mr. BERMAN, Mr. ROE, Mr. SMITH of New Jersey, Mr. YOUNG of Alaska, Mr. LUNGREN, Mr. DAUB, Mr. FAZIO, Mr. BEVILL, Mr. SMITH of Florida, Mrs. COLLINS, Mr. MURPHY, Mr. FAUNTROY, Mr. DWYER of New Jersey, Mr. MILLER of California, and Mr. CALLAHAN.

H.J. Res. 133: Mrs. BURTON of California and Mr. DORGAN of North Dakota.

H.J. Res. 136: Mr. LEACH of Iowa, Mr. ST GERMAIN, Mr. TORRES, Mr. VISCLOSKY, Mrs. LLOYD, Mr. GEPHARDT, Mr. FOLEY, Mr. LOWERY of California, and Mr. PANETTA.

H.J. Res. 137: Mr. ROBERT F. SMITH, Mr. BLAZ, Mr. RANGEL, Mr. WRIGHT, Mr. GONZALEZ, Mr. COLEMAN of Texas, Mr. RALPH M. HALL, Mr. WILSON, Mr. LOWRY of Washington, Mr. FLORIO, Mr. SABO, and Mr. SCHUETTE.

H.J. Res. 154: Mr. SOLARZ, Mr. HOPKINS, Mr. DERRICK, Mr. HORTON, Mr. JACOBS, Mr. MCEWEN, Mr. CHANDLER, Mr. CHAPPIE, Mr. BEVILL, Mr. FAZIO, Mr. FOLEY, Ms. KAPTUR, Mr. LEACH of Iowa, Mrs. MARTIN of Illinois, and Mr. PANETTA.

H.J. Res. 161: Mr. BERMAN, Mr. BOLAND, Mr. DAUB, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EDGAR, Mr. EVANS of Iowa, Mr. FAUNTROY, Mr. FOWLER, Mr. LUNGREN, Mr. MCEWEN, Mr. MATSUI, Ms. OAKAR, Mr. RICHARDSON, Mr. STENHOLM, Mr. STOKES, Mr. TOWNS, Mr. VENTO, Mr. BARNES, and Mr. MURPHY.

H.J. Res. 179: Mr. BARNARD, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BROOKS, Mr. BRYANT, Mr. CARR, Mr. COELHO, Mr. CONYERS, Mr. COYNE, Mr. DASCHLE, Mr. DERRICK, Mr. EARLY, Mr. ENGLISH, Mr. GINGRICH, Mr. HATCHER, Mr. HOWARD, Mr. HUTTO, Mr. JONES of North Carolina, Mr. KANJORSKI, Mr. KLECZKA, Mr. LAGOMARSINO, Mr. LATTA, Mr. LEVINE of California, Mr. LIGHTFOOT, Mr. LOWRY of Washington, Mr. LUNDINE, Mr. MARTINEZ, Mr. MRAZEK, Mr. MURPHY, Mr. O'BRIEN, Mr. PACKARD, Mr. ROBINSON, Mr. ROGERS, Mr. SPRATT, Mr. VENTO, Mr. WHITTEN, and Mr. WIRTH.

H.J. Res. 204: Mr. TOWNS, Mr. BERMAN, Mr. DYMALLY, Mr. FEIGHAN, Mr. HORTON, Mr. BUSTAMANTE, Mr. ADDABBO, Mr. SMITH of Florida, Ms. OAKAR, Mr. BROWN of California, Mr. MOLINARI, Mr. PEPPER, Mr. OWENS, Mr. STRANG, Mr. LEHMAN of Florida, Mr. FUSTER, Mr. WEISS, Mr. MCGRATH, Mr. SCHEUER, Mr. CROCKETT, Mr. HEFTEL of Hawaii, Mr. FORD of Tennessee, Mr. HATCHER, Mrs. COLLINS, Mr. DOWNEY of New York, and Mr. DAUB.

H.J. Res. 205: Mr. JACOBS, Mr. MOAKLEY, Mr. ROBERTS, Mr. LEWIS of California, Mr. CHAPPELL, Mr. TOWNS, Mr. LELAND, Mr. DANIEL, Mr. DARDEN, Mr. MORRISON of Connecticut, Mr. CARPER, Mr. MAZZOLI, Mr. MONTGOMERY, Mr. FEIGHAN, Mr. WILSON, Mr. HORTON, Mr. JENKINS, Mr. BORSKI, Mr. LAGOMARSINO, Mr. BOUCHER, Mr. MCCAIN, Mr. HEFTEL of Hawaii, Mr. FLORIO, Mr. FAUNTROY, Mr. BROYHILL, Mr. KINDNESS, Mr. RAHALL, Mr. VOLKMER, Mr. WEBER, Mr. LIGHTFOOT, Mr. LUNGREN, Mr. CONTE, Mr. MCMILLAN, Mr. BONIOR of Michigan, Mr. HANSEN, Mr. ROSE, Mr. COYNE, Mr. APPLEGATE, Mr. GEJDENSON, Mr. BERMAN, Mr. MURPHY, Mr. SMITH of Florida, Mr. WOLF, Mr. ADDABBO, Mr. EDGAR, Mr. MOLINARI, Ms. OAKAR, Mr. GIBBONS, Mr. NELSON of Florida, Mr. TALLON, Mr. KOSTMAYER, Mr. LEVINE of California, Mr. EVANS of Illinois, Mr. OWENS, Mr. BILIRAKIS, and Mr. HYDE.

H.J. Res. 211: Mr. JENKINS, Mr. CONYERS, Mr. HORTON, Mr. BONER of Tennessee, Mr. ROSE, Mr. WEISS, Mr. LUNGREN, Mr. HATCHER, Mr. WILSON, Mr. SMITH of Florida, Mr. KOLTER, Mr. STALLINGS, Ms. KAPTUR, Mr. ROE, Mr. BEVILL, Mr. THOMAS of Georgia, Mr. VENTO, Mr. FROST, Mr. HOWARD, Mr. SKELTON, Mr. SIKORSKI, Mr. FORD of Tennessee, Mr. DARDEN, and Mr. FUQUA.

H.J. Res. 230: Mr. LAGOMARSINO and Mr. ROSE.

H.J. Res. 234: Mrs. COLLINS, Mr. EVANS of Illinois, Mr. LEVIN of Michigan, Mr. WEISS, Mr. VENTO, Mr. TOWNS, Mr. AKAKA, Mr. DASCHLE, Mr. DWYER of New Jersey, Mr. OWENS, Mr. HEFTEL of Hawaii, and Ms. KAPTUR.

H. Con. Res. 18: Mr. MOLLOHAN.

H. Con. Res. 21: Mr. KOLTER.

H. Con. Res. 37: Mr. BUSTAMANTE, Mr. DINGELL, Mr. GROTBERG, Mr. DENNY SMITH, Mr. SWINDALL, Mr. BILIRAKIS, Mr. DYMALLY, Mr. ENGLISH, Mr. EVANS of Illinois, Mr. FLIPPO, Mr. NELSON of Florida, and Mr. VALENTINE.

H. Con. Res. 40: Mr. LUNGREN and Mr. EDWARDS of Oklahoma.

H. Con. Res. 41: Mr. HOWARD, Mr. YOUNG of Alaska, Mrs. SCHNEIDER, Ms. KAPTUR, Mr. LEACH of Iowa, Mr. FRANKLIN, and Mr. MYERS of Indiana.

H. Con. Res. 57: Mrs. ROUKEMA and Mr. PURSELL.

H. Con. Res. 69: Mr. MCCURDY, Mr. PEPPER, Mr. ST GERMAIN, Mr. FRANK, Mr. CARNEY, Mr. HUTTO, and Mr. BIAGGI.

H. Con. Res. 74: Mr. GARCIA, Mr. BARTON of Texas, Mr. MONSON, Mr. JEFFORDS, Mr. LAGOMARSINO, Mr. BILIRAKIS, Ms. MIKULSKI, Mr. MCGRATH, Mr. BIAGGI, Mr. FIELDS, Mr. REID, Mr. CHANDLER, Mrs. COLLINS, Mr. FAZIO, Mr. PORTER, Mr. FORD of Tennessee, Mr. LENT, Mr. WORTLEY, and Mr. BURTON of Indiana.

H. Con. Res. 95: Mrs. BURTON of California, Mr. HOYER, Mr. FUSTER, Mr. CONYERS, Mr. JACOBS, Mr. HAMMERSCHMIDT, Mr. DIXON, Mr. MOAKLEY, Mr. FOLEY, Mr. WEISS, Mr. BONER of Tennessee, Mr. COYNE, Mr. STOKES, Mr. LELAND, Mr. PEPPER, Mr. BERMAN, Mr. BARNES, Mr. ROE, Mr. UDALL, Mr. EVANS of Iowa, Mr. SCHEUER, Mr. SAVAGE, Mr. FAUNTROY, Mr. DYSON, Mr. STENHOLM, Mr. DWYER of New Jersey, Mr. AKAKA, Mrs. COLLINS, Mr. SMITH of New Jersey, and Mr. EARLY.

H. Con. Res. 99: Mr. EVANS of Illinois, Mr. FRANK, Mr. ANDREWS, Mrs. BOXER, Mr. FROST, Mr. SMITH of Florida, Mr. SAVAGE, Mr. CHANDLER, Mr. DANIEL, Mr. AKAKA, Mr. RUSSO, Mr. WHEAT, Mr. MONSON, Mr. GRAY of Illinois, Mr. ZSCHAU, Mr. RANGEL, Mr. THOMAS of Georgia, Mr. HATCHER, Mr. LEVINE of California, Mr. DIOGUARDI, Mr. WEISS, Mr. LIGHTFOOT, Mr. CROCKETT, Mr. MARTINEZ, Mr. FAZIO, Mr. REID, Mr. LEHMAN of California, Mr. FORD of Tennessee, Mr. TOWNS, Mr. FUSTER, Mr. CONYERS, Mr. DORGAN of North Dakota, Mr. KLECZKA, Mr. PEPPER, Mr. GILMAN, Mr. MURPHY, Mr. CHAPPIE, Mr. HOYER, Mr. ECKERT of New York, and Mr. COLEMAN of Texas.

H. Res. 60: Mr. HOPKINS, Mr. DELAY, and Mr. LIVINGSTON.

H. Res. 105: Mr. ROE, Mr. RAHALL, Mr. HUBBARD, Mr. MURPHY, Mr. WEISS, Mr. DANIEL, Mr. KOLTER, Ms. MIKULSKI, Mr. GALLO, Mr. DARDEN, Mr. RANGEL, Mr. SENSENBRENNER, Mr. DIOGUARDI, Mr. BIAGGI, Mr. LENT, Mr. WORTLEY, Mr. CROCKETT, Mr. HORTON, and Mr. TOWNS.

H. Res. 122: Mr. LELAND, Mr. STAGGERS, Mr. TOWNS, Mr. KANJORSKI, Mr. HAYES, Mr. SAVAGE, Mr. OBERSTAR, Mr. VENTO, Mr. STOKES, Mr. ROE, and Mr. BOUCHER.

H. Res. 127: Mr. BOLAND, Mr. CARPER, Mr. DOWNEY of New York, Mr. BRYANT, Mr. LENT, Mr. MOAKLEY, Mr. BOSCO, Mr. LELAND, Mr. COYNE, Mr. BIAGGI, Mr. FISH, Mr. DYSON, Mr. KEMP, Mr. ROE, Mr. PEPPER, Mr. YATES, Mr. ARCHER, Mr. NOWAK, Mr. HAYES, Mr. HEFTEL of Hawaii, Mr. DWYER of New Jersey, Mr. MCCAIN, Mrs. JOHNSON, Mr. SILJANDER, Mrs. COLLINS, Mr. ACKERMAN, Mr. DIOGUARDI, Mr. ECKERT of New York, Mr. GARCIA, Mr. GREEN, Mr. MCGRATH, Mr. MCHUGH, Mr. SCHEUER, Mr. SCHUMER, Mr. TOWNS, Mr. WORTLEY, Mr. VANDER JAGT, Mr. LANTOS, Mr. KOSTMAYER, Mr. UDALL, Mr. BOUCHER, Mr. FRANK, Mr. SAXTON, and Mr. MRAZEK.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 528: Mr. LOWERY of California.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

83. By the SPEAKER: Petition of the City Council, New York, NY, relative to the Job Corps; to the Committee on Education and Labor.

84. Also, petition of the City Council, New Bedford, MA, relative to International Flag Week; to the Committee on Foreign Affairs.

85. Also, petition of the City Council, New York, NY, relative to the Supplemental Compensation Program; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1617

By Mr. PURSELL:

—At the end of the bill, add the following new section:

LIMITATION ON TOTAL AUTHORIZATION

SEC. 13. Notwithstanding any of the preceding provisions of this Act—

(1) the total amount authorized to be appropriated to the Secretary of Commerce for activities and expenses of the National Bureau of Standards under sections 2, 3, and 4 shall not exceed the total amount appropriated for activities and expenses of such Bureau for fiscal year 1985;

(2) the amount authorized to be appropriated to the Secretary for activities of the Office of Productivity, Technology, and Innovation under section 9 shall not exceed the total amount appropriated for activities of such Office for fiscal year 1985; and

(3) the amount authorized to be appropriated to the Secretary for patent licensing activities of the National Technical Information Service under section 10(b) shall not exceed the total amount appropriated for patent licensing activities of such Service for fiscal year 1985.

EXTENSIONS OF REMARKS

JOE HARP

HON. CHARLES McC. MATHIAS, JR.
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1985

● Mr. MATHIAS. Mr. President, Joe Harp, one of Maryland's finest newspapermen, has stepped down from the Hagerstown Herald-Mail after 59 years, and all of us who have read the newspaper over the years will miss his deft touch.

Joe Harp began his long and distinguished career back in the "old days" when editors wore green eye shades, when newsroom decor duplicated the sets in "The Front Page" and when reporters kept their hats on inside as well as out of doors. But Joe presided over the transition from those days when news was sent by Morse code to the high speed computer technology of today.

Joe started his career as a cub reporter and ends it after stints as reporter, city editor, managing editor, executive editor, and consultant. And he carried out each of his duties with care and professionalism. As the Herald-Mail wrote in a goodby editorial:

It's well-nigh impossible to sum up Joe's career or Joe the man. He is and was simply one helluva newspaperman.

He has seen it all, and he has written about it all honestly, clearly, and fairly.

He started out bright and ended up wise.

Slow to burn, quick to laugh, he has given balance and ballast to the turmoil that is a newsroom.

In truth, The Herald-Mail is losing an irreplaceable talent and resource.

I am happy to report that although Joe is gone from his editorial duties, he will not be forgotten. I, for one, intend to spend many more years sharing in the wisdom of Joe Harp.

Some of Joe Harp's many accomplishments were described recently in the Herald-Mail. I ask that the article be printed in the RECORD.

The article follows:

"MR. HERALD-MAIL"—FOR 59 YEARS, JOE HARP KEPT PULSE WITH THE NEWS

(By Gloria Dahlhamer)

It's odd to think that a possible toothache could lead to a career spanning six decades.

But if young Joseph Moody Harp hadn't had a dental appointment on March 25, 1926, he never would have applied for a job at The Herald-Mail Co. It was only because he had to travel into Hagerstown from his Smithsburg home to see the dentist that he decided to check out a reporting job his brother had told him about.

Tomorrow, Harp will leave that job he applied for so offhandedly—59 years later to the day.

He is, he says with a lopsided grin, "finally retiring after retiring."

Harp is probably Hagerstown's longest-running news show. He began his career with The Morning Herald as a "very cub" cub reporter. He ends it after stints as reporter, city editor, managing editor, executive editor, and consultant.

Now 77, he says it's time to hang it up and "let the young regime take over."

It won't be easy.

Even though he "retired" in 1980 at the mandatory retirement age of 72, he has remained at his desk as a consultant, daily supplying from his prodigious memory all that Hagerstown history that occurred before most of today's crop of reporters was born.

When he moves out tomorrow with his scarred Underwood typewriter, he'll take with him enough memories to write a book.

His family hopes he will.

"My kids have been after me to write a first-person account of my years as a journalist," he says. "Maybe I will. Maybe I'll fix up a little office at home and put it all down for them."

There'll be one heck of a lot to put down. For 59 years, Harp has been at the center of every major event in Washington County. He has recorded the county's passing parade from Prohibition to Moral Majority. Like the Biblical preacher in Ecclesiastes, he's found there's not much new under the sun. Today's events have a precedent somewhere in his memory.

As he contemplates the final "30" to his threescore years of reporting, he recalls that he wasn't overly impressed by newspapering when he started.

As he remembers it, he had been graduated less than a year when his older brother Jerry, returning from his job in Hagerstown, told him he'd heard there was an opening at The Morning Herald.

"I had to go to town for a dental appointment," Harp says, "so I figured what the heck, I'll go see about it."

He talked to Sam Phillips, who was then general manager of The Herald-Mail Co.

"Sam asked me if I'd mind working at night. I told him I'd work any hours. He said, 'Okay, get on upstairs.'

"I went to the dentist, then I came back and started to work."

Harp says he doesn't remember much about his first day on the job. He surmises he didn't do much.

"When I first came, I was lost. I didn't like it. I started right out looking for another job. I even applied at a bank."

He never heard from the bank, and somewhere along the line he started liking the newspaper business.

One of his first assignments was to cover a piano recital for Dixie White, who was then The Herald's women's editor. "She said I did a pretty good job," Harp recalls, "so I guess that's when I started liking it."

When he began what was to be a long and colorful journalistic career, The Herald boasted an editorial staff of four. The late C. Neill Baylor was managing editor. Preston Usilton was assistant editor, Ms. White handled women's news and feature stories, Frank Colley was sports editor. Harp was the reporter.

"There are a lot of great stories when you are the reporter," he says. "Of course, when something doesn't get reported, it's your fault."

Harp started working for $15 a week. It took him two years to get a $2.50 raise. He worked six nights—Sunday through Friday—and remembers he got plenty ticked off when he was told to work the seventh day covering the long-standing Tilghmanton (jousting) tournament. He soon discovered seven days was to be the norm rather than the exception.

When he joined the fourth estate in the former Herald-Mail building in the first block of Summit Avenue, the newsroom was located on the third floor. It was a scene right out of "Front Page."

"We all wore green eyeshades . . . and hats indoors and out."

Reporters relied on shoe leather and the telephone to get all the news fit to print. Mostly shoe leather, Harp says. A telephone call to any other exchange in the county was a long-distance call at 10 cents a hello. "Management discouraged excessive use of the phone."

Harp moved up the ladder to full reporter status when Usilton, who was making $35 a week, asked for a raise and was turned down. Usilton quit and Harp took over his beat; covering city and county government, the courts, the jail, the county hospital, the weather.

"You personally covered everything," he says.

Newsmen didn't carry compact, spiral-bound reporters' notebooks like they do today. "You kept most of it in your head," Harp says. "The rest you jotted down on the back of an envelope."

He recounts the times he sat through long, late-night City Council sessions with an envelope in his pocket and a paperback whodunit propped up in front of him. Once, he says, he went through a book from cover to cover in one meeting, but had an accurate story in the next morning's paper.

"You learned how to glean the wheat from the chaff," he grins.

It's a lesson he's never forgotten. He still writes briefly and to the point, from memory and a few scribbled notes on the back of an envelope.

In all his 59 years as a newsman he has followed one philosophy: "If something happens today, write about it today and get it in the next edition of the newspaper."

Hitting the next edition sometimes was a hassle.

He remembers the night Roleigh Poffenberger was murdered in Keedysville. Sports editor Frank Colley was the only local reporter who owned a car, and Harp and Colley cruised the county most of the night trying to get information.

"Nobody was talking," Harp says, "and we finally went to press with only a brief account of the killing."

But he stuck with the story and when two boys confessed to the murder, he had a front page streamer. After they were tried and sentenced to hang, he kept them in cigarettes and they kept him in copy.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

He wrote the final chapter from the Maryland Penitentiary where he watched their execution.

"I didn't want to go," he confesses, "but Sheriff Joe Baker accused me of being a sissy, so I went with Baker and Deputy Bob Miller.

"I witnessed the first execution thoroughly. The second got only a glance. Miller fainted. When they trap door dropped, you knew it."

Harp says news was easier to gather in the pre-World War II days. Hagerstown was smaller, news-makers were more approachable, and folks weren't so quick to sue.

"People trusted the press," he says. "We earned that trust and often it was implicit."

He chuckles over the era when magistrates were also acting coroners. "When Dick Sweeney was magistrate, I often went along with him in his capacity as coroner. Dick didn't like to look at dead people. I'd look to make sure they were dead, and he'd sign the death certificate."

In his long career, Harp was only sued twice. Neither case went to trial.

Each decade of the veteran journalist's career has its own brand of reminiscences. In the Prohibition era of the 1920's, it was the revenuers who tipped him to his best stories. "They'd call me when they were going to raid an illegal still, and I'd go along," he says. He remembers one raid in particular, when he was mistakenly identified as the snitch and almost shot.

In the 1930s it was the weather that made memorable headlines: the blizzard of '32 and the flood of '36. Harp says they were probably the two biggest stories of his career.

When the blizzard hit in 1932, Hagerstown was completely cut off from the rest of the world. Nothing moved—neither cars nor trolleys nor trains nor news. Roads were blocked and hundreds of travelers stranded. Telephone and telegraph lines were down. News of what was happening here couldn't get out, and news of what was happening elsewhere couldn't get in.

Harp heard about an amateur radio operator living on Maryland Avenue. He trudged almost a dozen city blocks through drifted snow to reach the operator, who transmitted word of the city's plight to the outside world. His signal was picked up by KDKA in Pittsburgh, and the radio station read an assortment of national and international news over the air which Harp and other editorial staffers copied down and ran in the next day's paper.

When the Potomac overflowed its banks in 1936, threatening to wash Williamsport off the map, Harp hitched a ride to the river town in a police cruiser so he could survey the damage and write a first-hand account. What stands out in his memory is not the devastation of the raging waters, although that is sharp enough, but the toll bridge operator who made a fortune off sight-seers.

"The son-of-a-gun charged them to get on the bridge and then charged them again to get off."

The most tragic story he ever had to write occurred in the 1930s, when a busload of Williamsport High School students was struck by a train in Rockville. Many of the students were killed.

"I was sitting in Mark Beck's restaurant on North Potomac Street, having a snack when I heard the news," he says. "I rushed back to the office and called a teacher who lived in the Hamilton Hotel. She fainted, and I had to get somebody to go over there and revive her."

He and other reporters spent hours talking to school personnel and parents, piecing the facts together. "But we had the story by presstime."

Reporters were often the bearers of bad news in the early years of the century, he says, remembering the time he reported on the death of a man who was struck by a car while fixing a flat on his own automobile. The man lived on West Antietam Street, just around the corner from The Herald-Mail, and Harp was delegated to tell the man's wife she had just been widowed.

"The police didn't do that sort of thing in those days," he says. "It was either the newspaper or the undertaker."

The 1940s are marked in Harp's memory by America's involvement in World War II. He and Editor Baylor were in Baltimore on Dec. 7, 1941, when the first news of the Japanese attack on Pearl Harbor was broadcast.

"We drive back to Hagerstown as fast as we could to get an extra on the streets," he recalls.

There was another extra at war's end when church bells tolled in jubilation across the city, and joyous crowds surged into Public Square to dance in celebration.

Harp recalls Gen. Dwight Eisenhower's visit to Hagerstown on the presidential campaign trail in the 1950s, the assassination of President John F. Kennedy in the '60s, the Vietnam War, Nixon and the Watergate era of the '70s.

For much of his working years, he put in 14-hour days, working from shortly after noon when The Daily Mail went to press to 2 or 3 o'clock in the morning when The Herald hit the streets. It was life in the fast lane before wage-and-hour laws, before health insurance and pension plans and Social Security.

In 1945, he was made managing editor of The Morning Herald and gave up reporting to edit other people's copy. He was named executive editor of both The Herald and The Mail in 1960, a post he held until he "retired" to become consultant to The Herald-Mail Co.

Genial, soft-spoken, unflappable, Harp has been "Mr. Herald-Mail" to generations of Hagerstown's reading public. Not just because he's been employed by the company for so long, but because he's always been on the job.

To him, there is a distinction between the two. "You can't find out what's going on out there without being out there," he says.

He still shows up at City Hall and the courthouse. He still chats with police officers and government administrators. Folks big and little still come into his office to pass the time of day and pass on a little news.

He's always been a workhorse . . . reliable, dependable. As a longtime Herald reader says, "You just always counted on having Joe Harp with your morning cup of coffee."

But there's more to Joe Harp than this morning's headlines.

As a young man, he played trombone with a touring dance band called The Dagmar Castilians. Later on, he joined the Sunday school orchestra at Zion Reformed Church. It was not unusual to hear the strains of "Rock of Ages" wafting from the Herald-Mail newsroom at 3 a.m. as he practiced for Sunday services. He still is a music lover, with tastes that run "from the sublime to the ridiculous." He favors the classics and Dixieland jazz.

He used to cover vaudeville shows at The Maryland Theatre and the old Academy, and more than once had his free pass "lifted" because he panned an act he didn't consider up to snuff. Once he appeared in a Potomac Playmakers production of "The Barker." Often he junketed to Baltimore or Washington or New York to catch the Broadway shows.

Back in the 1950s, when The Herald and The Mail produced four daily newscasts for WJEJ Radio, Harp regularly did the midnight broadcast from his office. Once he lost his manuscript and ad libbed the entire news show.

The son of a salesman, Harp was born in Cavetown, "in a house right beside the Reformed Church where I was baptized." The family moved to Smithsburg when he was 5 and he attended the Smithsburg school, where all 12 grades were housed in the same building. He graduated in 1925 with a smattering of Latin and French, but no typing. He learned the "three-finger system" which has been his trademark for 59 years from Frank Colley.

He was married in 1941 to Alice Himelright.

"We'd been dating for two years and talking about getting married," he muses. "We went on a fishing trip over in Frederick County with Harry Fridinger and his wife and Harry said there'd never be a better time for us to get our marriage license, so we did—at the Frederick County Courthouse.

"Harry paid for the license," he chuckles.

Alice Harp died in 1979.

Harp has two sons: Joseph Jr., who lives with his wife and two sons in Columbus, Ohio, where he's a salesman for Honda, and David, a photographer for the Baltimore Sunday Sun Magazine who lives with his wife and two daughters in Baltimore.

He has a brother, Admiral Edward Harp (Ret.) living in San Diego, whom he visits every year.

Although it was his brother who actually went to sea, Harp has carried on a long and lively love affair with boats and the water. He has paddled the Potomac and fished from its banks, and sailed East Coast waterways with his son David. The walls of his office are dotted with seagoing paraphernalia.

In the "old days," he participated in the annual baseball games between the Newsies and the Police. The game was always played in fun, at least in theory, although Harp says it produced some real rivalries on occasion. Many of the games were long and drawn-out, and there's a tale that he deliberately put an end to one protracted game by dropping a fly ball in right field at Municipal Stadium. He won't say yea or nay.

"A newsman," he says, "writes the news. He doesn't make it."●

THE SECOND ANNUAL MAYORAL CONFERENCE ON ALZHEIMER'S DISEASE—NEW YORK CITY CONTINUES AN IMPORTANT TRADITION OF COMMITMENT AND ADVOCACY FOR VICTIMS OF THIS DREADED DISEASE AND THEIR FAMILIES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BIAGGI. Mr. Speaker, as an original member of the House Select

Committee on Aging, it is a great honor for me to place into the CONGRESSIONAL RECORD important segments of the Second Annual Mayoral Conference on Alzheimer's Disease conducted on November 3, 1984, in New York City.

I am proud to note that the New York City Department for the Aging in cooperation with the mayor and other city agencies as well as private and voluntary organizations have established an important partnership committed to providing genuine assistance not only to victims of Alzheimer's but also support help to their families or those providing care.

Perhaps the best example of this working partnership was the establishment of the New York City Alzheimer's Resource Center operated by the New York City Department for the Aging with a tremendous assist from the Brookdale Foundation. Together they have initiated the first and only municipally funded center of its type in the Nation.

Alzheimer's disease is a progressive, degenerative brain disease. It afflicts between 1.2 and 4 million Americans a year and is now the fourth leading cause of death. The cost for caring for a victim of Alzheimer's is estimated at between $17,000 and $50,000 a year. Most of this cost is borne by family members.

As we work on a governmental response, we must combine our efforts both at funding research to work at uncovering the causes on this disease but we must also provide adequate funds to provide critically needed support services for victims and their families. New York City has demonstrated great leadership in this regard and I would like to now insert excerpts of the Alzheimer's conference for the review of my colleagues. These include excerpts from the speeches of Mayor Edward I. Koch, Commissioner Janet S. Sainer, of the New York City Department for the Aging, Peter V. Rabins, M.D. assistant professor of psychiatry at Johns Hopkins University School of Medicine, Yasmin Kahn, vice president, Board of Directors of the National Alzheimer's Disease and Related Disorders Association, Marian Roach, author "Another Name for Madness," and Lonnie E. Wollins, Esq., president of the Greater New York Chapter of the Alzheimer's Disease and Related Disorders Association. Finally I would also like to acknowledge the significant contribution of Randi Goldstein, director of the New York City Alzheimer's Resource Center.

EXCERPTED REMARKS BY MAYOR EDWARD I. KOCH AT SECOND ANNUAL MAYORAL CONFERENCE ON ALZHEIMER'S DISEASE IN NEW YORK CITY

This conference bids to be of great significance and is indicative of the importance that each and every one of us here today places on finding the answer to Alzheimer's and on uniting our efforts on all fronts to help Alzheimer's patients and their families.

I want to extend a special welcome to the many experts and dedicated people who are with us today. Time doesn't permit going down the entire list, but I want you to know that I see you out there, and I'm personally grateful for your participation, as is Janet Sainer, commissioner of the New York City Department for the Aging.

We are indebted to Lonnie Wollin, president of the Greater New York Chapter of the Alzheimer's Disease and Related Disorders Association whose vital association works closely with the New York City Alzheimer's Resource Center to effect better linkages between Alzheimer's patients and families and appropriate services and programs in the city.

I'm proud that our city has worked in partnership with the Brookdale Foundation to initiate the only municipally funded center in the Nation. It is our hope that other cities will emulate our effort.

I'm delighted to welcome Dr. Peter V. Rabins, assistant professor of psychiatry at Johns Hopkins University School of Medicine and co-author of "the 36-Hour Day".

Yasmin Kahn, vice president of Board of Directors of the National Alzheimer's Disease and Related Disorders Association, member of the Advisory Board of the New York City Alzheimer's Resource Center, consultant to the Alzheimer's Disease Program at Boston University School of Medicine, president of the International Federation of the Alzheimer's Disease and Related Societies, Inc., national council member of the Salk Institute.

And Marion Roach, author of "Another Name for Madness", and also dedicated caregiver.

The topic of caregiving occupies an important place on today's agenda.

As we know, it is estimated that there are more than 70,000 victims of this devastating disease just in our city alone—and 2,000,000 across the Nation.

Thus, it is imperative that we win this war. I commend Randi Goldstein for her ceaseless efforts as director of the New York City Alzheimer's Resource Center, on behalf of those who need counsel and referral and I pledge the city's continued involvement in this endeavor and my personal, enduring concern. I look forward with great interest to the findings that will be forthcoming from today's conference.

EXCERPTED REMARKS BY JANET S. SAINER, COMMISSIONER OF THE NEW YORK CITY DEPARTMENT FOR THE AGING

This year, the New York City Department for the Aging and our cosponsor—the Greater New York Chapter of the Alzheimer's Disease and Related Disorders Association, have dedicated this mayoral conference to the family care givers and care providers of New York City, for you are the ones that the city and ADRDA would like most to help. Together we are dedicated to finding the most effective ways to assist the Alzheimer patient, and particularly their families who daily serve in such selfless and significant ways.

I wish, on this occasion, to thank the Brookdale Foundation and the City of New York, under the mayor's leadership, for helping to fund the New York City Alzheimer's Resource Center, making it the first and only such municipally sponsored center in the Nation. The Department for the Aging is proud that we have been given the responsibility and honor of undertaking the job of helping to ease the burden that all those whose lives are affected by Alzheimer's disease face.

I would like to extend my thanks from all of us, and our deepest appreciation, and also to the Greater New York Chapter of ADRDA, co-sponsors of this conference. To Randi Goldstein—and for her tireless efforts in responding to the needs of Alzheimer's patients and their families. Randi and her staff work devotedly to produce, for example, the updated resource directory—to convene workshops and seminars—to coordinate this conference—all to help to give greater access to available programs and services in the city—and to further more thorough knowledge about Alzheimer's disease to the public—in cooperation with the Greater New York Chapter of the Alzheimer's Disease and Related Disorders Association, we mutually strive to reach out in as many ways as is humanly possible to those whose lives are affected by Alzheimer's disease.

I'm happy to be able to report to you that in this upcoming year we will be expanding our services by providing individual counseling to family caregivers—and that we will be intensifying our outreach with a highly visible publicity campaign—our goal is not to let this disease continue to be what it is so commonly called "the hidden disease".

EXCERPTED REMARKS BY PETER V. RABINS, M.D., ASSISTANT PROFESSOR OF PSYCHIATRY, JOHNS HOPKINS UNIVERSITY SCHOOL OF MEDICINE, JOHNS HOPKINS HOSPITAL

CARE OF ALZHEIMER'S DISEASE VICTIMS—WHAT CAN BE DONE NOW?

While Alzheimer's disease is sometimes spoken of as an untreatable disorder, this is not true. It is true that we cannot change the ultimate course of the disease but there are many elements of it which can be treated. I will highlight five of these.

1. Evaluation and information

The evaluation serves several purposes. It determines whether there is a treatable cause of the thinking impairment and identifies the specific symptoms of dementia from which the patient is suffering. Such a determination is crucial since it is a focus on these symptoms which can make a difference.

The initial assessment should also include time for the clinician to discuss the disease with the famiy. Many questions about future course or genetics often arise.

This evaluation should also focus on the patient's remaining abilities. One goal of treatment is to ensure that the ill person remains as active as possible and identifying remaining strengths is one way to ensure this.

2. Symptom management

A focus on specific problems leads to solving them. Helping families identify the problems and then search for potential solutions can be an important contribution of the professional.

3. Family emotionaal support

The majority of people with Alzheimer's disease are cared for by their families. They must face the physical burden of care of an ill person as well as the emotional effects of seeing a loved one deteriorate. Emotional support of them can help them emotionally adapt to caregiving and can lessen problems in the home.

4. Good general medical care

Patients with dementia frequently suffer other medical disorders for which treatments are available. When these other conditions are treated the demented person's thinking may well improve and some of the behavior problems diminish or disappear. Therefore, good medical care is essential. Minor infections such as bronchitis or urinary tract infections can lead to a significant deterioration of thinking and behavior which can improve dramatically when these seemingly minor insults are treated.

5. Longitudinal care

Most dementing illnesses are progressive. Therefore symptoms change over time. Both the patients and their families need professionals who can periodically reassess the person and the situation. This can identify newly developed problems and sometimes problems which have been resolved. A professional who intermittently sees an individual can often see new issues that are not obvious to a person who has been living with the patient day by day.

This care over time can also provide different emotional supports when they are needed.

Finally, care over time can help a family decide if and when a nursing home placement is appropriate. The factors which go into the decision of placing a loved one in a nursing home are not well understood. While many people believe that problems such as incontinence are the main predictors, my experience and a minimum amount of research suggest that it is actually a more general feeling of being overwhelmed and exhausted. A better understanding of the problems that lead to nursing homes might help us construct better health care systems to support people at home. But even more importantly, this might help us understand and accept the fact that nursing homes are a necessary part of the care of people with dementia and that professional support in making this decision can have positive impact on their emotional health and can sometimes lead to better physical care of the dementia victim.

EXCERPTED REMARKS BY YASMIN AGA KAHN, PRESIDENT OF THE INTERNATIONAL FEDERATION OF ALZHEIMER'S DISEASE AND RELATED DISORDERS SOCIETIES, INC.

Many of you in the audience are family members of Alzheimer's victims, so I don't have to describe to you what it is like to live with an Alzheimer's patient. The fact that you are here demonstrates you are aware of the devastation brought about by the progress of this illness.

Progress—what a strange word to use. If years of slow degeneration, progressive debilitation, and increasing dependency are what is called progress—then I've used the right word.

Before my mother Rita Hayworth was diagnosed as an Alzeheimer's victim there were sad indications that her memory was slipping and that she was becoming disoriented.

I remember one day I found her facing a mirror. I was standing behind her watching. She looked in the mirror, looked at me, looked back at herself and then again at me and asked "Who are you?"

Those were days when she could still verbalize. When my mother's condition was finally diagnosed, I become determined to do something about this nightmare that has already stricken 2 million Americans. I felt that joining a national effort would be the most effective way of accomplishing any real results.

With the help of organizations like the Alzheimer's Disease and Related Disorders Association, I am able to say Alzheimer's is no longer unknown. It is nationally and internationally acknowledged as a tragic, consuming affliction, and great steps towards finding a cause and cure have been made.

We know that medical research is gradually beginning to unravel the puzzle—and that our educational efforts have alerted young professionals to the danger Alzheimer's disease poses to our Nation.

These are now more support groups around the country which are providing much needed comfort, guidance, information, and daily help to families who are suffering from this devastating illness. City, State, Federal agencies and legislatures, are working to channel more resources into the fight. These funding sources are now beginning to take a hard look at the long-term needs of today's patients and their families.

The United States Congress is recognizing how desperately relief is needed for the daily care of these patients. Legislation was just passed directing the Medicare Program to review its current policies and come up with recommendations for addressing these needs. The preliminary report will include the possibility of finding sources of financial aid for families from other Federal programs. We are hopeful that Congress will take quick action and that private insurers will broaden their coverage to include respite care, because most medical insurance policies do not pay for long-term care. It is essential that medicare and insurance companies take some of the burden of the "36 hour day" from those of us whose lives have been so tragically altered by this disease.

When such important events as this annual mayoral conference take place and the Senate "Labor and Human Resources Subcommittee on Aging" holds special hearings on funding Alzheimer's research and respite care—I know I can sincerely use the word "progress" with a positive meaning.

EXCERPTED REMARKS BY MARION ROACH, AUTHOR OF "ANOTHER NAME FOR MADNESS"

A year and a half ago I published an article in the New York Times Sunday Magazine. The headline read "Another Name for Madness." It was about my mother. Six years ago my mother's doctor told me that he thought my mother was senile. I thought she was going mad. We were both wrong. My mother is one of the more than 2 million victims of Alzheimer's disease in this country and according to recent statistics, she is one of the fifty thousand victims living in New York City. What I called madness began as forgetfulness—her keys, the phone number at the house we lived in together, and developed into severe depression, vast memory lapses, confusion and a lack of her previous articulate nature. She groped for words, for familiar phrases.

But I called it madness. A lot of people criticized me for the title of that piece. When I decided to write a book about her illness, the publisher insisted that the title be "Another Name for Madness." I fought the title both times, but here I am before an assembled group which knows about this disease, and the title couldn't be better.

How old was I when I first heard the sentence "ignorance is bliss?" We apply it so much. But it is not blissful to be ignorant when someone you love is dying of something you do not understand. Worse, it is not blissful to be ignorant when you can help someone you love. How old are we when we hear "the truth hurts?" What I ignorantly and painfully called "madness" has a proper name and we, the caregivers of the victims of this dreadful killer, know what it is—Alzheimer's disease. And the truth hurts. It hurts more each time we feel it. The truth I refer to is the truth of separation.

As caretakers of victims of this frightful disease we know that this is a disease of separation.

A very smart man, my friend, my mother's doctor, Barry Reisberg said, "when the communication stops, the grief for the family begins."

I wrote in my article that "grief is a mute sense of panic." I wrote that almost a year to the day before Dr. Reisberg said that about grief and communication to me, and at the time, it was a desperate, but misunderstood, feeling for me.

This is a disease during which those who care most get less and less advice from those who know better than anyone else about how awful the disease is. The Alzheimer's victim becomes less and less able to reveal the panic as he or she gets more sick and the care takers are left so very alone and ignorant unless they find help.

In the early stages of my mother's illness, I called it "Madness." I was ignorant, yes, but I was also hiding.

My mother's name is Allene. She is a decendant of Ethan Allen, the Revolutionary War hero, and everyone of her paternal side had Allen in his or her name. Allene was very smart, independent, willful and witty. Just as she could toss out phrases and be clever, she could toss on clothes and be beautiful.

She became a newspaper reporter, a wife, a mother, a girl Scout leader, visting nurse volunteer and after my sister and I were grown, she went back to school and got her masters degree in education, and became a teacher at a bilingual school on the Lower East Side of Manhattan.

In the progression of her disease she became frightened, angry, paranoid, hostile and incompetent. She became completely dependent on the aid of others, repetitive, confused, agitated. She stopped reading. She speaks rapid gibberish. She has no memory. She has to be bathed, fed and dressed. She now lives in a nursing home, where this total care is provided. My mother is fifty five years old. I put her in a nursing home two months ago.

In the course of this disease we have all learned to push courage into the unknown and we have despite the panic, the loneliness, the total despair, pushed our courage that one step further again and again.

Right from the start the victim and the family must accept the truth of this disease and accept the care available. Learn to label drawers, to be patient, to aid as long as you can until you have to do the tasks yourselves, to distinguish between teaching helplessness and prolonging ability.

There is something to cleave us together beyond this bond of sadness. I have made more than several true friends in my family support group at N.Y.U., in ADRDA, at the mayor's office. We come together because we have someone we love who is a victim. Sometimes we walk away from our meetings hurt and depressed.

This is our second mayoral conference. This is national Alzheimer's month. Our New York City chapter of our national organization has grown. Our mayor truly cares.

We have books available to us. We have family support groups. We have research, funded, but not by enough money.

We think our connection is unique. Together we are a powerful political force, meeting in the greatest city in the world, and believe me there is no war to be won.

We have a nationwide ADRDA network that flourishes. Last year, in this city we set up an Alzheimer's resource center from which everyone who has called it, has benefitted.

Another cliche: "Necessity is the mother of invention." Take strength in that. But let us not rest on our laurels. There are sometimes overpowering, horrible aspects of this disease.

Someone said to me last year, with a shake of her head, "God, I never know what's going to happen next."

My mother always said to me that women shouldn't quote themselves, but here I go: I replied, "Thank God."

Good or bad, I don't want to know.

Our obligation as caregivers is to meet each seemingly unconquerable next stage of this disease and grab the help available.

A year ago, no one could have told me that my mother would be in a nursing home. My mother was living in an apartment my sister and I bought for her, with twenty-four-hour a day, seven-days-a-week care at the sum of four thousand dollars a month. My father is dead. We exhausted his life savings, then my mother's, and then our salaries. Save today, and fight and seek the way to save those we can tomorrow.

EXCERPTED REMARKS BY LONNIE E. WOLLINS, ESQ., PRESIDENT OF THE GREATER NEW YORK CHAPTER OF THE ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION

At the official opening of the Alzheimer's resource center, I quoted an international author and I think it deserves repeating here—that author has a sign of his desk which reads—"if you say it cannot be done, you are probably right, you cannot do it." And thank God that the author is also the mayor of New York City. It is that attitude and leadership that encourages the commissioners of the city; a city which came from bankruptcy, to perform and excel. Specifically Commissioner Janet Sainer, whose finger is on the pulse of the elderly of New York City, whose hard work, dedication and guidance helped to create the resource center.

Through the combination of Brookdale Foundation and City of New York tax levy funds, with the mayor's commitment and generosity, under the able direction of Randi Goldstein, and with the assistance of the Greater New York Chapter of the Alzheimer's Disease and Related Disorders Association, the center was opened in March of 1984 and I am happy to report the success of its operations. In less than a year, the center is serving over 100 clients per week. Many of the calls are family members referred by the ADRDA who need specific help from city agencies. This is humanity.

In addition to the provision of information and referral, the center is co-sponsoring seminars and helping to develop a speakers' bureau.

Yet still I was relentless in my desire to keep her in the community. Jacob Reingold, who runs the Hebrew Home for the Aged in Riverdale called me, just by chance at that time, and reminded me that I had promised to come and see his facility. We walked and talked and spent four hours together.

Mr. Reingold took both my hands and said, "You've done a good job, your sister and you. You've protected your mother. She's safe. But when the nurse gets finished cleaning, dressing and feeding your mother, do you really think the nurse has a lot of time to talk to her? Come, Marion, try a nursing home. See what we in the field of caring can do."

Four months later I put her in a home. I brought a form from NYU which releases her brain to autopsy when she dies. It was the hardest thing I've ever had to accept.

Yet in two days' living in the nursing home, my mother, for the first time in six months initiated a conversation. She recognized me for the first time in three months. She is happy, cared for, stimulated, safe and clean.

She speaks to me, and you know, she's better off, because there are people who are working so very hard for us and them.

Get help. Ask. The idea of the next step may be frightening, but you have come this far, and so some part of you must know that there is more care, more hope, more help available.

My mother is supposed to be in the prime of her life. She is suffering from a disease that we used to think of as a natural part of aging. There is nothing natural about it. It is a horror, and it is here until we attack it in earnest. Let's not accept it and be ignorant. Let's provide the best care for those we cannot * * *.

The awareness of Alzheimer's disease is almost universal—both locally and nationally. We are reaching and helping more and more people. When ADRDA started in 1978-1979 we may have seen 5 articles per year on Alzheimer's disease and most of those were in medical journals. In 1984 hardly a week goes by without 1 or 2 such articles—and of course, there's the hope that in my lifetime there will be an announcement of a treatment or a cure.

Of course I read with great interest of the Darthmouth announcement of the implant, but I am very cautious. It is not the answer. It is experimental. It is a small sample and it will need extensive further testing—but it is an important step in basic research, and hopefully someday there will be a treatment that will postpone the onset of this terrible disease.

What this tells me is that the media and voluntary health organizations such as ADRDA must expand and cooperate with our government, with the people of New York City, New York State and the Federal Government to fund and encourage research—to help families to care for victims—to improve the victim's quality of life until Alzheimer's is no more.●

ARLINGTON COUNTY MEDICAL SOCIETY'S ADOPT A HOSPITAL PROGRAM—SANTA ANA, EL SALVADOR

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. WOLF. Mr. Speaker, after I returned from a trip to El Salvador last year and shared my concerns about the critical shortage of medical supplies and equipment for El Salvador's civilian population with the Arlington County, VA, Medical Society, the society sent its own factfinding team to Santa Ana, El Salvador, and returned to organize a program to adopt the hospital there.

I commend their work as a fine example of American generosity and concern for the needy worldwide and I would like to bring this program to the attention of my colleagues with the hope that the medical societies across the Nation would also initiate similar adopt a hospital programs.

San Juan de Dios Hospital in Santa Ana, El Salvador, is a government-run hospital serving the indigent civilian population and treating primarily women and children. With 900 beds, it draws from a community of approximately 200,000. It is the largest hospital of its kind in the country. Tragically, this hospital is faced with severe shortages of basic medical supplies such as surgical gloves, sutures, and instruments, as well as blood pressure cuffs, wheelchairs, stretchers, and cribs.

Project Santa Ana is a humanitarian effort sponsored and supervised by the Arlington County Medical Society to gather supplies and funds for San Juan de Dios Hospital in order to upgrade the quality of medical care it provides. In addtion to collecting medical supplies and funds, Project Santa Ana will provide a biomedical engineer to evaluate necessary equipment repairs and train local people to maintain the hospital's equipment.

The activities in El Salvador are coordinated by the Santa Ana Rotary Club. The Rotary Club and other service organizations are now attempting to remodel the hospital's emergency room and have provided rudimentary equipment to the rehabilitation department. As various hospital departments are upgraded, the need for necessary medical supplies becomes even more obvious.

The following article from the American Medical News discusses the development of the project in detail. Since this article was printed, the medical society has shipped an additional 30,000 pounds of medical equipment to Santa Ana, including incubators, wheelchairs, surgical instruments, lamps, x-ray equipment, and room lights. Most of these supplies were donated by the Arlington Hospital, Northern Virginia Doctors Hospital, the National Hospital, and several doctors who are members of the Northern Virginia Medical Society. The Rotary Club (district 760) which includes the Arlington chapter donated about $4,000 to cover administrative costs of the project.

The long-term future of El Salvador depends upon the ability of its people, particularly its children, to survive the current turmoil. The availability of adequate medical care for the entire civilian population is necessary to ensure this survival. I am proud to

have constituents in my district working to meet this need. The efforts, made by the Arlington County Medical Society, are ongoing. Those interested in knowing more about the project should contact Patricia Murray with the Arlington County Medical Society, at 4615 Lee Highway, Arlington, VA 22207, 703-528-0888.

VIRGINIA PHYSICIANS ORGANIZING TO HELP EL SALVADOR HOSPITAL

(BY CAROL CANCILA)

The physicians in the darkened conference room at the Arlington County (Va.) Medical Society watched quietly as the color slides taken at a struggling hospital in war-torn El Salvador forced the realities of abject poverty and severe medical need home to suburban Virginia.

The slides, taken by Virginia pediatrician Cathy Casey, MD, spoke poignantly, needing little explanation but the fleshing in of medical details: A malnourished baby, a fly resting on his stick-like thigh, lay in a crib without sheets. Surgical gloves protruding from a tub of rusty water waited to be resterilized.

Rusty instruments lay on an OR tray before gynecological surgery, and a thin, naked toddler—clothes and diapers and nonexistent in the hospital—sat silently alone, with no toys, on a mattress covered only with a green plastic sheet.

The setting was San Juan de Dios Hospital, a government-subsidized 900-bed obstetric and pediatric center that serves the entire southeastern region of El Salvador as well as Honduras. In a country the slides showed to be beautifully lush, with tropical flowers and jewel-blue lakes, life also means unrelenting poverty for most of the people who come for treatment at San Juan de Dios with no money and only a little hope.

Until this summer, the 400 members of the Arlington County Medical Society never had heard of San Juan de Dios. A link between the society and the hospital was developed when U.S. Rep. Frank Wolf, a Virginia Republican who had been active in quietly sending down food and supplies to El Salvador, told several medical society members about the struggling hospital.

The medical society decided to send its own fact-finding mission to El Salvador, and in early June, three physician volunteers—Dr. Casey, 36, a pediatrician; Philip Borges, MD, 34, a urologist; and Javier Vasquez, MD, 36, a general surgeon—left their practices for a week to tour the hospital and meet its staff.

"I had never been to Central America. I really had no idea what to expect," Dr. Casey said of her interest in the mission.

Dr. Borges, who had the advantage of speaking Spanish, never had been in the country either and was intrigued by the prospect.

Although both physicians insisted they went down with few expectations and a lot of questions, they returned, they said, determined that they and the medical society should do what they could to help.

"For any of us, working without CAT scanners and lab tests would be unthinkable," Dr. Casey said. "From our perspective, the need there was just unbelievable."

"No, I didn't come back feeling guilty," Dr. Borges said. "I did come back feeling very fortunate. I think it would take an American doctor a long time to adjust to the hardships there, and to be efficient practicing medicine under the circumstances.

The physicians learned, as Dr. Casey's slides illustrate, that the problems affecting health care in El Salvador are great and complex, and while San Juan de Dios is located in the southeast—as far removed from the war in the northwest as is possible—the war continues to affect the hospital and the medical services it can provide.

Occasionally the physicians saw war-related casualties at San Juan de Dios, including a wounded child shown in one of Dr. Casey's slides, but said they saw no fighting in the area while they were there. The effect of war, however, was felt daily at the hospital in its severe shortage of medical supplies.

Medical supplies in El Salvador are scare, and the war diverts the available supplies to hospitals where soldiers and war wounded are treated. That diversion leaves little for low priorities—a primarily women's and children's hospital, such as San Juan de Dios.

The Slides tell the hospital's story well, Dr. Casey and Dr. Borges agreed. The story is one of a low concrete building, connected by a labyrinth of walkways and gardens. Inside, the dank green walls and lack of light suggest that this is a place to survive, but not to thrive.

Despite the humid tropical heat, there is no air conditioning, and insects swarm through open windows and doors—which also allow dogs and cats freely to wander the wards.

Everywhere there are severe shortages of the most basic equipment—no or few blood pressure cuffs, beds, sutures, or stretchers.

In the emergency room, patients wait stoically, while the injured or ill are brought in on rusted stretchers, which have no linens. The few hospital sheets available still are ironed by hand, Dr. Casey said, and linen turnaround is slow.

In the examining rooms, "everything was reused," Dr. Casey emphasized. "Gloves were resterilized six to eight times. Most everything we consider disposable, they reuse. They would take I.V. bottles and tubes, sterilize them, and then reuse them as hookups to catheters to collect urine."

"They do have an autoclave and the sterilization is adequate," Dr. Borges said. "It's just what they do have is in short supply."

Lack of air conditioning is a problem particularly in the operating room, which has an air conditioner that is inoperative most of the time. "There are no screens, so flies are everywhere," Dr. Casey said. The hospital's usual problems with lack of light bulbs were particularly reflected in the O.R., where physicians finally installed Toyota headlights instead of regular bulbs.

"The headlights, of course, made it terribly hot. The doctors would just be drenched with sweat," Dr. Casey said. The heat problem did not adversely affect the sterile atmosphere needed during surgery, Dr. Borges added, but it raised the concern that could be a problem with physicians literally sweating over a patient during surgery.

Surgery often is performed with old, rusty instruments, which, "although they don't look nice, are fine if they're sterilized," said Leonard Weyl, MD, chairman of the medical society's relief fund for San Juan de Dios.

"But the problem of the equipment in general is that it is old and deteriorated," Dr. Casey said, "The oxygen tanks—and they were always tanks, never wall units—were rusted. The rubber was often rotted away on the anesthesia machines."

Common surgical procedures at San Juan de Dios included repair for a prolapse of the uterus and surgery for complications from septic abortions. Because abortion is illegal in El Salvador, women are forced to go to back-alley abortionists, who simply insert an object and leave it there, knowing it will eventually cause an infection that will then require proper medical care for the botched attempt. Luckily for these women, Dr. Casey said, antibiotics seemed to be readily available.

Speculums in these wards were almost non-existent, Dr. Casey said, as were comfortable facilities for childbirth. One delivery room had a warmer bed for the baby, Dr. Casey said. The hospital performs few cesarean sections, and has few resources for high-risk births or premature infants.

Bilirubin lights and oxygen are available, but the oxygen, which runs through a tube over the baby's head into an isolette, is not measured or controlled, which can lead to a risk of hypoplaxia. "Basically, the conditions we saw were a lot like American hospitals in the 1930s and '40s," Dr. Casey said.

In the children's wards, the common problems were malnutrition, infectious diseases, diarrhea and trauma. There are 250 pediatric beds, but no toys, except for a rusty swing set with no swings. Babies toddle through wards or sit in beds all day long. Often they are naked, because of the shortage of diapers.

"We saw children with polio, malaria, diphtheria. I saw an 8-year-old and a 12-day-old baby with tetanus," Dr. Casey said. "The immunization is poor. And the government health units that had been providing immunizations have been disrupted by the war."

Equipment in the orthopedic ward also was dilapidated. In one slide, Dr. Casey pointed out, an orthopedic pin holding a small boy's fractured arm in traction was held together with tape. The hospital does have an intensive care unit, so-called because each bed has a blood pressure cuff and there is an EKG machine that works.

But there were no monitors in this ICU, the blood bank often was disrupted because of electrical shortages, and because the bank has no centrifuge, only whole blood could be given.

At a more basic level, back in the kitchen, meals are prepared in huge vats. There is little refrigeration, only enough for meat and dairy products, which are few. "Nutrition in the hospital is very poor, although it is much better than what most of the people get at home," Dr. Casey said. On most of the days the physicians visited, the hospital served meals of tortillas with and egg and potato mixture.

The lack of proper equipment leaves the hospital with no choice but to perform only adequate or often less than adequate care, a situation that is probably more frustrating for the physicians and nurses than their patients. Although new equipment cannot eliminate the poverty and health care catastrophes of San Juan de Dios, it can help reduce the suffering and make the hospital more comfortable and humane, the physicians say.

"For example, it was not uncommon to see patients doubled up in hospital beds," Dr. Borges said. "It was a little startling to see it for the first time, lined up head to toe."

"And how many hospitals here have beds they can't use?" asked Dr. Weyl, chairman of the relief fund.

After their trip, the physicians, armed with Dr. Casey's slides, reported back to the medical society. Recently, the society voted to support the massive relief drive—Project

Santa Ana—to help the poverty-stricken hospital. So far that has translated into about $7,000 in medical supplies already donated and an additional $150,000 to be shipped in medical equipment donated by area hospitals.

"We have just been amazed at the response, not only from our own doctors, but from hospitals in the area as well," Dr. Weyl said. "We still face some obstacles, like the high costs of shipping the supplies there, and we are hoping to find some shipping businessmen who might be able to help us out with that. We are excited about this and very committed. And we see this as just the beginning."

This month and next, Dr. Casey will show her slides throughout Virginia—to the medical society auxiliary, which has already pledged $500 to the effort; to the Medical Society of Virginia; to the local Rotary; and she hopes, to other medical societies, in hopes of soliciting more support for Project Santa Ana.

Already, she said, the response from area Virginia hospitals has been warm. Arlington Hospital, National Orthopedic Hospital, Washington Hospital Center, and Holy Cross together donated nearly $150,000 in beds, furniture, toys, catheters, linens, soap, surgical instruments, and other equipment. "So much of this equipment the hospitals couldn't use or had a surplus of," Dr. Casey said. "They were very eager to help."

Given their short but already encouraging progress, the physicians involved in Project Santa Ana are determined to see it through, and say they hope to encourage other hospitals and physicians to join their drive, or "adopt" their own struggling hospitals.

"There are so many other hospitals in developing countries, in Africa, in southeastern Asia, in other Central American countries that need our help," Dr. Weyl said. "We are not trying to sound self-serving. But we think there is a lot of interest, particularly from younger doctors who are very eager to get involved in these kinds of projects."

Despite nearly overwhelming support, some fellow physicians are skeptical. "There were some who said, 'Why do we need to go down there? We should take care of our own right here,'" Dr. Weyl said. "You really can't compare the situation in this country with what it's like down there. We're talking about a complete lack of resources."

Others suggested that the medical society might appear to be politically motivated in their choice of an El Salvador hospital, a question the physicians vehemently deny.

"There is nothing political about it," Dr. Weyl said. "We are working with the local Rotary to help provide equipment for the hospital. We are not working at all through the government. We made it clear when we talked to the former ambassador that we do not want to get politically involved. That's why we chose San Juan de Dios—because it is so remote."

Because of the concern that the new resources being sent to San Juan de Dios must be used efficiently, the medical society also plans to send a biomedical engineer to the hospital periodically to assess the equipment and to train other workers to repair it properly. The medical society will monitor the progress of the hospital through the local Rotary Club, whose members sponsored the physicians during their stay and invited them to stay as guests in their homes during their week visit.

For Dr. Casey and Dr. Borges, who saw Santa Ana and San Juan de Dios firsthand, "it was a great experience," Dr. Casey said. "I think we're both glad we had the opportunity to go."

Would they go back? "Yes, to visit," Dr. Borges said. "Not to practice."

For more information about Project Santa Ana, call the Arlington County Medical Society, (703) 528-0888. The address is 4615 Lee Highway, Arlington, Va. 22207.●

COL. CHESTER E. WHITING

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1985

● Mr. MATHIAS. Mr. President, recently the former director of the U.S. Army Field Band and a distinguished Marylander died. Col. Chester E. Whiting organized the Army Field Band in 1946 and during his 40-year military career distinguished himself and received many commendations and awards.

After retiring from the Army in 1960, Colonel Whiting taught school in the Prince Georges County school system and was appointed to the school board there and served until 1980. During that time he oversaw the desegregation of the county's schools and provided cool-headed leadership at a time of great change and uncertainty.

Mr. President, I insert the obituary of Col. Chester E. Whiting from the Washington Post into the RECORD:

[From the Washington Post, Mar. 2, 1985]

CHESTER WHITING, EX-P.G. SCHOOL BOARD HEAD, DIES

(By Joseph D. Whitaker)

Chester E. Whiting, 84, a retired Army lieutenant colonel who was founder of the U.S. Army Field Band and the chairman of the Prince George's County school board when a massive and controversial busing plan went into effect in 1973, died of cardiopulmonary arrest March 21 at Walter Reed Army Medical Center. He lived in Takoma Park.

For 40 years he was military musician. During his career he also was a teacher and school administrator in Maryland and his native Massachusetts. A mild-mannered man who was nonetheless capable of pointed remarks, his work in Prince George's was done when the county was still in transition from a rural farm area to a heavily populated group of suburban communities. Whatever his personal views may have been, Col. Whiting provided cool-headed leadership when it was needed to comply with federal court desegregation orders.

Col. Whiting, a Boston native, graduated from the New England Conservatory of Music. Prior to World War II, he was director of instrumental music in the public schools of Malden, Mass.

He also was in the Massachusetts National Guard, and from 1924 to 1940 he led the band of the 110th Cavalry. When the war began, he went on active duty in the Army and was sent to the Southwest Pacific. There, he organized the band of the American (Infantry) Division, which was activated in 1942 in New Caledonia.

He served with the division in the Northern Solomons and the Philippines. In combat, bandsmen act as stretcher bearers for the wounded and perform other duties, but they still keep up their musical skills and turn out for parades and other ceremonies in quiet times. Col. Whiting wrote several marches during this period.

In 1944, he was ordered to Washington to form the Combat Infantry Band, which traveled throughout the country selling War Bonds.

After the war, Col. Whiting decided to stay in the Army. In 1946, he organized what became the U.S. Army Field Band. The unit is based at Fort Meade, Md., and the colonel led it on tours in this country and Europe. Sometimes it played music he wrote himself.

Col. Whiting retired from the Army in 1960 and went to work as a music teacher in the Prince George's County school system. In 1967, he was appointed to the county school board by Gov. Spiro T. Agnew. In 1973, the board became an elected body. Col. Whiting continued to serve until 1980, when he was defeated.

His service spanned the years in which the county's black population was increasing rapidly. School desegregation was a difficult and emotional issue. Col. Whiting favored neighborhood schools and in 1971 and 1972 he joined a majority of the board in voting against full desegregation.

But in 1973, when a federal court ordered extensive busing to carry out a previously mandated desegregation plan, he moved ahead with it. He became chairman of the board in that year and he said the court's edict was the law of the land. He characterized the adverse reaction of some officials and parents as "hysteria."

Col. Whiting's military honors include the Bronze Star and two Legion of Merit medals. He was a past president of the American Band Masters Association.

His marches include "The Doughboy and Marine March," "The Caduceus March," and "The Schoolboards of America March." He also wrote an autobiography called "The Baton and the Pendulum."

Survivors include his wife, Helen B., of Takoma Park; a daughter, Susan E. Whitting, and a stepdaughter, Phyllis H. Boyd, both of San Francisco; a brother, Frank, of Elkin, N.C.; three sisters, Margaret G. Foster of Merrimack, N.H., Florence E. Gilman of Tecumseh, Mich., and Dorothy E. Blamire of Ogunquit, Maine; two grandchildren, and four great-grandchildren.●

PROTECT AND PRESERVE THE SEAFOOD INDUSTRY

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BATEMAN. Mr. Speaker, recently I had the privilege to address the annual meeting of the Virginia Seafood Council in Williamsburg, VA.

The seafood industry is an integral element of the Virginia economy and a significant part of the livelihood of thousands of people in the First Congressional District on and around one of America's great natural resources, the Chesapeake Bay. As such, it was a

pleasure to participate in this program and to share the views and ideas of representatives of this industry on ways to protect and preserve the seafood industry and to speculate on the future of seafood activities in Virginia.

The keynote speaker for the program, the Honorable W. Tayloe Murphy, a member of the Virginia House of Delegates, made an excellent presentation on the state of the seafood industry in Virginia, the clean up of the Chesapeake Bay, and discussed what government should be doing to assist this industry. His remarks included some ideas on what role the Federal Government should play in the seafood industry and I would like to share them with my colleagues.

It might seem totally unnecessary for me to begin this talk by telling you how important I believe the seafood industry of Virginia to be. But the fact of the matter is that I do believe it, and I believe the people of the Commonwealth need to be reminded as often as we can that it is important both in its size and in its relationship to the fisheries of other States and the United States as a whole. Standing alone it is important in terms of its monetary contribution to the Virginia economy and in the number of jobs it provides. In 1983, according to the Marine Resources Commission, Virginia ranked third among the States in the total poundage of its commercial fisheries harvests. Only Louisiana and Alaska were larger. Because menhaden accounts for about 80% of the commercial catch, the Commonwealth ranks only eighth in dockside catch value. Nevertheless, that figure is approximately $85 million. Moreover, some 14,000 people are employed full and part-time in the harvesting and processing of commercial fisheries in the Old Dominion.

The impact of the Virginia Seafood Industry on the State's economy is quite significant. Leonard Shabman and Thomas Johnson of Virginia Polytechnic Institute and State University have estimated that, on the basis of its interaction with other segments of the Virginia economy, the total State output associated with the Virginia Seafood Industry for 1979 was $216,000,000 and the value added to the State economy from the sales of these products was $109,000,000. The seafood industry's contribution to domestic products in the coastal area of the State was estimated to be about 1.25% of the total. Shabman and Johnson considered that percentage very important in the highly urban Tidewater economy.

Having established the importance of the Virginia Seafood Industry both to the Nation and the State, let us examine some trends within the industry, the relationship of those trends to other industries and the State of the environment, as well as the activities of various governments. In making this examination my major emphasis will be on the Chesapeake Bay because the bay has proven more sensitive, and hence, has been more heavily impacted by man's activities than the offshore fishery.

As anyone associated with the seafood industry knows, natural fluctuations in fisheries stocks can have a profound effect on all segments of the industry, as can competition from foreign producers and even from recreational fishermen. Of particular importance have been the trends in decreased harvests of freshwater-spawning fish such as shad and striped bass and decreases in oyster harvests. These trends are even more disturbing when compared with the stable or even increased harvests of marine-spawning fish such as menhaden and bluefish.

The EPA Chesapeake Bay Program found a strong relationship between these trends and trends in water quality and the deterioration of other resources in the bay and its tributaries. Since the 1960's submerged aquatic vegetation such as eelgrass and widgeongrass has declined in abundance and diversity throughout the bay. This trend has moved progressively down the estuary in severity. The amount of water in the main stem of the bay that has low, or no dissolved, oxygen has increased about fifteenfold between 1950 and 1980. Now, from May through September in an area reaching from the Bay Bridge at Annapolis to the Rappahannock River, much of the water deeper than forty feet has no oxygen, and is, thus essentially devoid of life. High concentrations of toxic chemicals, particularly organics and heavy metals, are found near centers of population and industrial facilities. In one instance the commercial fishery of an entire river, the James, was destroyed by the careless and willful discharge of the pesticide Kepone.

The causes of this deteriorating water quality are many but they ultimately boil down to increased inputs of nutrients and toxics into the waters of the bay and its tributaries through the various activities of man. Inefficient agricultural practices result in increases in non-point source runoff of nitrogen and phosphorous. Uncontrolled runoff from urban and suburban areas results in excessive amounts of nutrients and toxics being flushed through storm sewers. Insufficient treatment of municipal and industrial wastes result in point-source discharges of these same nutrients and toxics. Antequated and poorly designed waste treatment systems also overflow and during heavy rainfalls the systems themselves are bypassed, flushing raw sewage into the streams. All of these human activities result in degraded water quality from the standpoint of the living resources that are harvested by the Virginia Seafood Industry.

In order to correct these problems of inefficiency and inadequacy in waste management, governments—both State and Federal—have attempted to implement regulatory programs to curb pollution and to effectively manage the living resources themselves, but often with less than adequate success. Because of the close connection between the living resources and water quality, the seafood industry has a higher stake than most in the regulatory programs of the State and Federal governments.

And so it is important that you ask: "How are we doing in restoring and protecting the bay's environment, on which our industry depends?"

It seems, in my experience, that most assessments concerning the environment are mixtures of good news and bad—of optimism and pessimism. The Chesapeake Bay is no exception. Perhaps this phenomenon is for the best. If the assessments were too rosy, we would all go home and neglect the work that remains to be done. If they were too bleak, we would throw up our hands and abandon the effort.

It is true that there is a gratifying amount of good news about the bay. If nothing else, the past several years have seen the protection and restoration of the Chesapeake Bay move closer to their rightful places in the national consciousness and on the priority lists of both the Federal and State governments. Through careful study, we have begun to gain the knowledge necessary to understand the bay's complex cycles and processes—knowledge that is absolutely necessary if we are to remedy present problems and avoid future ones.

On a more intangible but equally important level, protection of the bay has become a goal that transcends philosophical and political boundaries. You may find some differences in the details, but there is no "conservative" or "liberal", "republican" or "democratic" position on the bay's place as a national treasure, or in the importance of restoring and maintaining it for ourselves and our posterity. The bay is so important, and its plight is so obvious, that it has become one of those rare subjects that generates almost automatic consensus.

This awareness and commitment have already begun to pay dividends. Support for an ambitious set of programs, called the Virginia Bay initiatives was indeed bipartisan. The Governor's original proposal to spend $6 million in the 1984-86 biennium was increased by the 1984 general assembly to $13.3 million. This year's general assembly has just added an additional $3.3 million. Clearly there is concensus on the need to clean up the bay.

But before we indulge too heartily in self-congratulation, we should remind ourselves that in most campaigns the easy victories come early, and may fade as quickly as they came. It is the details, not this big issues, that bring most glorious causes to a sputtering, ignominious halt. And only those who have the patience, resolve and ability to stick around after the opening fanfare and tackle the details will see the fruits of victory.

Unfortunately, the details tend to be unpleasant, lacking in drama, and impossible to resolve without hurting someone's percieved interest.

Past campaigns to "save the bay" have run aground on the details. The effort stopped being fun, and as individual groups which, in the abstract, supported the effort, scrambled to protect their interests, the consensus crumbled like a sand castle at high tide.

In regard to the current "initiatives" we have now reached the "details" stage, and if the effort is to succeed, we must keep a few fundamental principles in mind. These principles apply in any situation where human activity affects the natural environment. And whether you like them or not, and no matter what your personal views or interests might be, they cannot be avoided.

The first, and most important of these principles can be summed up in the phrase, "There is no free lunch." Surprisingly, it was not until the beginning of the last decade that the proposition became sufficiently self-evident to affect national environmental policy. All of our major environmental laws rest on that principle, although their implementation may not honor it in every case.

What it means is simply this: Everything you do that affects the environment imposes a cost, and that cost must be paid by somebody—if not by you, then by someone else.

For years, however, we cheerfully operated under the assumption that where the environment and natural resources were concerned, we could operate outside the laws of nature and economics.

Thus, in the "good old days" cities disposed of their sewage for "free." Factories poured industrial wastes into the bay and its

tributaries at little or no cost—to them. Unfortunately, even though the cost of such activities did not show up on any ledger book, they were being paid for, with heavy interest.

The downstream municipality forced to find another water supply, the dairy farmer forced to go out of business, the waterman facing condemned oyster grounds, the seafood packer forced to look further and further afield for products to market, the tourist campground and charter business whose customers were driven away by polluted water and depleted fishing—all of them picked up the tab for this "free" activity. But, expensive as the bill was, they picked up only part of it. As a society, we have been getting a pretty good glimpse in the past few years of just how big a bill we will have to pay to bring back what has been lost. The vast sums necessary to restore the bay are nothing more than the accumulated sum of many supposedly "free" lunches, with compound interest.

Our environmental laws and regulations, as burdensome as they sometimes may seem, are intended at their most basic level to make sure that persons that benefit from a particular activity pay the full cost of that activity. For example, if a manufacturer is required to install pollution control equipment to protect water quality, that becomes part of his cost of doing business. The cost is borne by the users of his product rather than by those who happen to live and work downstream. Likewise, if a municipality raises its sewer rate to pay for the upgrade of its treatment plant, that increase simply reflects the cost that would otherwise be shown in the degradation and ultimate loss of other uses of the receiving stream.

It is necessary to keep this in mind, as programs to protect the bay begin to pinch. As complaints about cost come in from this group or that group, and as legislators begin to backpedal, fearing the reaction from various constituencies, remember that each exemption, each exception, simply transfers a cost from someone whose responsibility it should be, to someone else. Each time this happens, we grant a subsidy to the favored group just as surely as if we took money from the public coffers and handed it over. Only this type of subsidy is even more dangerous than the monetary kind, because it is paid in a currency that is not replaceable—the very life and health of the bay. Thus, for those whose livelihood depends on the bay, this type of subsidy is fatal. It can be paid only at their direct expense and ultimately, at the price of their ruin.

Another principle that we must keep in mind as we grapple with the details, or hard issues, is that of the commons. Simply stated, the law of the commons decrees that, if each user of a finite resource follows his natural tendency to maximize his benefit from the resource, the combined effect of these individual and seemingly rational actions will destroy the resource. This is true whether we take resources from the commons or put destructive wastes into it. Thus, we agree to restraints on our freedom to use the bay, in the form of conservation laws and environmental regulations, so that we can continue to enjoy its benefits. But, to the extent that anyone is allowed to take from the commons more than it can support, he will diminish the fair share of everyone else, including, eventually, himself. This principle is inexorable, and failure to heed it will lead sooner or later to the bay's destruction.

A third and related principle is that, where the natural environment is concerned, we can never do "just one thing." Every action will have consequences that radiate from it like ripples on a still pond. Some of these are easily foreseeable: some not. Who would have guessed, when DDT was introduced in the 1940's, that in spite of its benefits it would lead to the near extinction of the osprey—that magnificent creature that comes so close to capturing the spirit of the bay itself?

Most activities that affect the bay are of little apparent consequence in themselves—a subdivision here, a road there, a new field cleared from woodland—but as they are added together they have the effect of an avalanche that starts with a few pebbles rolling down a hillside. We can not make decisions by simply trying to determine the effects of individual acts. We have to look at an activity in the context of everything else, including not only our own activities, but the cyclical "wild cards" that mother nature throws in from time-to-time. There are simply too many of us doing too many things in the bay's vicinity to continue with the notion that our individual actions make no difference.

All of these principles that I have mentioned work whether we like them or not. That they have been working all along is demonstrated by the all-too-obvious evidence of the bay's decline.

The most insidious thing about these principles is that they are not always obvious to the individual making day-to-day decisions.

Furthermore, their voluntary observance is not usually in the individual's immediate self-interest. Thus, we must accept the fact that well-designed and evenly-enforced laws and regulations are necessary if the bay is to survive. In some cases, financial incentives may be preferable to regulatory restrictions, but in any case, we cannot rely on platitudes or on appeals to good will to accomplish the job. After all, if protection of the bay were that simple, it is not likely that we would be taking the time to worry about it. That is not to say that along with concrete, effective programs we do not need to expand our concepts of personal responsibility for the bay and for the protection of the environment on which our lives and livelihoods depend. Without an understanding and acceptance of that responsibility, there will never be the kind of mutual support and the willingess to forego some personal gain for the sake of a larger goal, that is necessary to such an undertaking. Too often, unfortunately, we tend to think of conservation as something that someone else will take care of, or that we can accomplish by recycling our newspapers and beer cans and by contributing a few dollars to the Chesapeake Bay Foundation. Not that those things don't help, but they do not discharge our responsibility, either. As one noted conservationist has said, "In our attempts to make conservation easy, we have made it trivial." We need to realize that it is not easy, that it will cost us, but that the investment will be generously—though perhaps slowly—repaid.

A few moments ago I spoke of the principle embodied in the phrase, "There is no free lunch." By now Federal, State and local governments ought to be aware that the lunch isn't free. But, unfortunately, they all want someone else to pick up the check. It is necessary that all levels of government contribute their energies and resources to the effort, and not expect a bailout from the next level up or down. Local governments should not use cutbacks in Federal funding as an excuse to avoid their clear responsibilities to treat their sewage adequately. The State government should not hide behind politically safe but outmoded concepts of local autonomy to avoid dealing with areawide problems such as nonpoint source pollution and nutrient removal. And the Federal Government must acknowledge the fact that "federalism" consists of neither dictation, at one extreme, nor indifference, at the other.

Of course, the problem is that officials at each level of government prefer not to be the ones responsible for the painful, and thus unpopular, decisions. It is easier to call upon someone else to take the responsibility, and then to blame him when the problem continues. That is human nature. But our system of government was not designed to amplify those characteristics of human nature: It is supposed to provide a vehicle for overcoming them so that the public interest is served in spite of our perverse human traits.

As long as each level of government looks on the others as a convenient place to lay blame, the bay's decline will continue despite annual infusions of money from Washington, Annapolis, Harrisburg and Richmond. Until each unit of government accepts its responsibility as a necessary part of a combined function, all the studies and recommendations in the world won't help.

What can each level do? To start with, the Federal Government can acknowledge, openly and without ideological embarrassment, that as part of the Federal system, it has a rightful role in the protection of our environment. Only the Federal Government has the resources to undertake the planning, research, standards-setting and technical assistance that make possible the determination and attainment of long-range, national goals. Without the continued active presence of the Federal Government, protection of the bay is impossible. After all, it wasn't until the enactment of national legislation and the assumption of an active Federal role in the early 1970's that we saw a reversal in the serious and accelerating decline of our environment.

On the other hand, the Federal Government needs to resist the temptation to think that it knows best when it comes to the details of administration and enforcement. It also needs to keep in mind the value of consistency. It can not change the groundrules every few years and expect anything worthwhile to result.

The States, for their part, must not forget that if they want to be treated as equal partners in a Federal system, they must accept the political and fiscal responsibility that goes along with the territory. The States are best situated to administer and enforce most environmental programs. They understand, often far better than Washington does, the particular needs and problems of administering those programs. But "flexibility" doesn't mean license. The States must accept their full responsibility to ensure that the laws they administer are vigorously and evenly enforced. Because there is no free lunch, you don't help industry or your State's economy in the long run by lax enforcement of environmental laws.

Looking in the other direction, the States must also acknowledge their responsibility for managing regionwide problems where traditional mechanisms are demonstrably inadequate. While land use control is traditionally—and properly—a local matter, it will not do to hide behind tradition if that prevents a solution to an obvious problem that transcends local boundary lines.

Local governments, for their part, must accept more of the responsibility for paying the cost of their activities and decisions that affect the bay. The writing is clearly on the wall that Federal support to local governments will soon be sharply curtailed, if not eliminated. While it is tempting to use these cutbacks as an excuse for delay or inaction, localities will have to face the fact that they must find other ways to make up the shortfall. This may mean imposing higher costs on local users, rather than spreading the cost across the entire tax base. But if the localities do not absorb the cost, the bay will.

Local governments, to the extent that they have the authority to do so, must look at the overall impact of their land use control authority and allow protection of the bay equal time with local growth and development. To the extent that localities are restricted in their ability to do so, they should be given the necessary authority by the legislature.

To sum up, we are all in this effort together. Speeches are easy to make. It takes no effort to profess one's love for the bay, and not much more to attend a conference where voices professing concern for the bay are raised in unison. In the past year, we have gone beyond the talking stage and are beginning to see some concrete results. But soon, the shoe will start to pinch. We will all have to accept some significant costs and make some painful choices. Those of us in political life will have to take the risk of making decisions that will be unpopular with some powerful interests and constituencies. But there is no easy way to do it, and there is no way it will be done if responsibility is parceled out only part way. I would like to think, with reason for optimism, that the bay will be seen as worth the effort by everyone involved.●

KEY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The date of the vote;
6. My vote, in the form Y=yes, N=no, and NV=not voting;
7. The vote of the entire Arizona delegation in the form (yes-no-not voting);
8. An indication of whether the motion or amendment was approved or rejected; and
9. the vote total.

251. H.R. 5798. Treasury, Postal Service and General Government Appropriations, Fiscal 1985. Nelson, D-Fla., amendment to reduce by $147,100 the $1.17 million appropriation in the bill for pension, salary and staff of former presidents. Adopted 347-59: Y(5-0-0), June 27, 1984.

252. H.R. 5798. Treasury, Postal Service and General Government Appropriations, Fiscal 1985. Passage of the bill to provide fiscal 1985 appropriations of just under $12 billion for the Treasury Department, U.S. Postal Service, Executive Office of the President and other agencies. Passed 313-98: Y(3-2-0), June 27, 1984.

253. H.R. 5898. Military Construction Appropriations, Fiscal 1985. Adoption of the rule (H. Res. 532) providing for House floor consideration of the bill to appropriate $8,258,471,037 for military construction projects of the Department of Defense in fiscal 1985. Adopted 366-35: Y(5-0-0), June 27, 1984.

254. H.R. 5898. Military Construction Appropriations, Fiscal 1985. McNulty, D-Ariz., amendment to reduce spending in the bill by $25 million to reflect savings achieved by greater reliance on performance standards in contracting for Pentagon construction projects. Adopted 219-180: Y(2-3-0), June 27, 1984.

255. H.R. 5898. Military Construction Appropriations, Fiscal 1985. Passage of the bill to appropriate $8,258,471,037 for military construction projects of the Department of Defense in fiscal 1985. Passed 347-52: Y(5-0-0), June 27, 1984.

256. H.R. 5927. Debt Limit Increase. Ways and Means Committee amendment to raise the existing public debt limit of $1.52 trillion by $232 billion to $1.753 trillion, an amount estimated to provide sufficient government borrowing authority through June 1985. Rejected 87-332: N(1-4-0), June 28, 1984.

257. H.R. 5927. Debt Limit Increase. Passage of the bill to increase the existing public debt limit of $1.52 trillion by $53 billion to $1.573 trillion, an amount estimated to provide sufficient government borrowing through August 1984. Rejected 138-282: N(2-3-0), June 28, 1984.

258. H.R. 5154. National Aeronautics and Space Administration Authorization, Adoption of the conference report on the bill to authorize $7.5 billion for the National Aeronautics and Space Administration in fiscal 1985. Adopted 298-119: Y(3-2-0), June 28, 1984.

259. H.R. 5753. Legislative Branch Appropriations, Fiscal 1985. Adoption of the conference report on the bill to appropriate $1,551,015,038 in fiscal 1985 for Congress and related agencies. Adopted 253-157: Y(3-2-0), June 28, 1984.

260. H.R. 5899. District of Columbia Appropriations, Fiscal 1985. Daschle, D-S.D., amendment to the Walker, R-Pa., amendment to reduce the funding levels in the bill by 1 percent. Rejected 138-286: N(2-3-0), June 28, 1984.

261. H.R. 5899. District of Columbia Appropriations, Fiscal 1985. Walker, R-Pa., amendment to cut the funding levels in the bill by 2 percent. Adopted 239-186: N(3-2-0), June 28, 1984.

262. H.R. 5899. District of Columbia Appropriations, Fiscal 1985. Walker, R-Pa., amendment to cut the funding levels in the bill by 2 percent. Rejected 151-273: N(3-2-0), June 28, 1984.

263. H.R. 5899. District of Columbia Appropriations, Fiscal 1985. Passage of the bill to appropriate $639,470,000 in federal funds, and $2,317,875,000 in District funds, for fiscal 1985. Passed 308-116: Y(2-3-0), June 28, 1984.

264. H.R. 5680. Federal Pay Equity. Daniel B. Crane, R-Ill., amendment to the Oakar, D-Ohio, amendment, to change the definition of discriminatory wage-setting practices to be examined in the study required by the bill from "comparable" duties and working conditions to "substantially equal" duties and working conditions. Rejected 22-395: N(2-3-0), June 28, 1984.

265. H.R. 5680. Federal Pay Equity. Passage of the bill to require a study of possible discriminatory wage-setting practices in the federal government and to establish a federal employee performance management and recognition system. Passed 413-6: Y(5-0-0), June 28, 1984.

266. H.R. 3678. Water Resources Development Authorization. Shaw, R-Fla., amendment to deauthorize the Cross-Florida Barge Canal. Rejected 201-204: Y(1-3-1), June 28, 1984.

267. H. Con. Res. 332. Andrei Sakharov and Yelena Bonner. Adoption of the concurrent resolution expressing the sense of Congress that the Soviet Union should provide signers of the Helsinki Final Act with specific information on the whereabouts, health and legal status of Soviet dissidents Andrei Sakharov and Yelena Bonner (Sakharov's wife). Adopted 399-0: NV(2-0-3), June 29, 1984.

268. H.R. 5950. Quadrennial Political Party Conventions. Adoption of the rule (H. Res. 544) providing for House floor consideration of the bill to increase the federal contribution to the quadrennial political party presidential national nominating conventions. Adopted 267-136: NV(1-2-2), June 29, 1984.

269. H.R. 5953. Debt Limit Increase. Ways and Means Committee amendment (offered by Rostenkowski, D-Ill.) to raise the existing public debt limit of $1.52 trillion by $232 billion to $1.753 trillion, an amount estimated to provide sufficient government borrowing authority through June 1985. Rejected 109-300: NV(1-2-2), June 29, 1984.

270. HR. 5953. Debt Limit Increase. Passage of the bill to increase the existing public debt limit of $1.52 trillion by $53 billion to $1.573 trillion, an amount estimated to provide sufficient government borrowing authority through August 1984. Passed 208-202: NV(2-1-2), June 29, 1984.

271. H.R. 5950. Quadrennial Political Party Conventions. Passage of the bill to increase the federal contribution to the quadrennial political party presidential national nominating conventions. Passed 226-169: NV(1-2-2), June 29, 1984.

272. H.R. 5174. Bankruptcy Amendments of 1984. Adoption of the conference report on the bill to restructure the bankruptcy courts, bar companies filing for bankruptcy from abrogating their labor contracts without prior court approval, make it more difficult for consumers to declare bankruptcy and cancel their debts, provide expedited procedures for farmers and fishermen to recover their products or proceeds there from when grain elevators or processing plants go bankrupt, and bar the discharge in bankruptcy of debts incurred as a result of

drunken driving. Adopted 394-0: NV(3-0-2), June 29, 1984.

273. H.R. 3678. Water Resources Development Authorization. Hopkins, R-Ky., amendment to require state cost-sharing for the construction of the Falmouth Dam in Kentucky. Rejected 148-196: NV(2-1-2), June 29, 1984.

274. H. Con. Res. 334. Adjournment Resolution. Adoption of the concurrent resolution to provide for the adjournment of the House and Senate from June 29 to July 23, 1984. Adopted 319-9: NV(3-0-2), June 29, 1984.

275. H.R. 3678. Water Resources Development Authorization. Petri, R-Wis., amendment to require non-federal interests to pay certain shares of water project costs during the project's construction, require non-federal interests to pay 30 percent of costs of general cargo ports, and set an annually declining ceiling on obligation of general revenues for inland waterway projects. Rejected 85-213: NV(0-2-3), June 29, 1984.

276. H.R. 3678. Water Resources Development Authorization. Passage of the bill to authorize various water resources development and conservation projects to be constructed by the Army Corps of Engineers. Passed 259—33: NV(2-0-3), June 29, 1984.

277. H.R. 5541. Public Broadcasting Authorization. Dannemeyer, R-Calif., substitute to the Oxley, R-Ohio, amendment to limit the authorized funding for the Corporation for Public Broadcasting to $130 million in each of fiscal years 1987-1989. Rejected 95-298: N(1-3-1), July 24, 1984.

278. H.R. 5541. Public Broadcasting Authorization. Oxley, R-Ohio, amendment to reduce the authorized funding for the Corporation for Public Broadcasting to $186 million in fiscal 1987, $214 million in 1988 and $246 million in 1989; and to reduce the authorized funding for the Public Telecommunications Facilities Program to $14 million in fiscal 1985, $16 million in 1986 and $18 million in 1987. Rejected 176-217: N(2-2-1), July 24, 1984.

279. H.R. 5541. Public Broadcasting Authorization. Passage of the bill to authorize funding for the Corporation for Public Broadcasting at $238 million in fiscal 1987, $253 million in 1988 and $270 million in 1989; and for the Public Telecommunications Facilities Program, $50 million in fiscal 1985, $53 million in 1986 and $56 million in 1987. Passed 302-91: Y(3-1-1), July 24, 1984.

280. H.R. 1580. Aviation Drug-Trafficking Control Act. Mineta, D-Calif., motion to suspend the rules and pass the bill to increase penalties for aircraft pilots and owners who knowingly parciptate in illegal drug trafficking. Motion agreed to 393-1: Y(4-0-1), July 24, 1984.

281. H.R. 5616. Counterfeit Access Device and Computer Fraud and Abuse Act. Hughes, D-N.J., motion to suspend the rules and pass the bill to make it a federal crime to obtain unauthorized access to computers and to set new penalties for trafficking in fraudulent credit cards or bank cards, or cards that are stolen, lost or revoked. Motion agreed to 395-0: Y(4-0-1), July 24, 1984.

282. H.R. Emergency Mathematics and Science Education Act. Perkins, D-Ky., motion to suspend the rules and discharge the Education and Labor and Judiciary Committees from further consideration of the bill and to concur in the Senate amendment to make it unlawful for high schools receiving federal aid to deny use of their building to religious, political and other student groups, if such access is granted to other student groups. Motion agreed to 337-77: Y(4-0-1), July 25, 1984.

283. H.R. 1310. Emergency Mathematics and Science Education Act. Perkins, D-KY., motion to concur in the Senate bill to make it unlawful for high schools receiving federal aid to deny the use of their buildings to religious, political and other student groups, if such access is granted to other student groups; and to authorize funds for fiscal 1984-86 for math-science improvement, asbestos abatement, desegregation aid and other programs. Motion agreed to 393-15: NV(3-0-2), July 25, 1984.

284. H.R. Christopher Columbus Quincentenary. Adoption of the conference report on the bill to establish a commission to observe the 500th anniversary of Columbus' first voyage to the New World. Adopted 279-130: Y(2-2-1), July 25, 1984.

285. H.R. 5973. Interior Appropriations, Fiscal 1985. Adoption of the rule (H. Res. 551) providing for House floor consideration of the bill to make fiscal 1985 appropriations for the Interior Department and related agencies. H. Res. 551 would not have waived points of order against amendments to rescind appropriated funds from the U.S. Synthetic Fuels Corporation. Rejected 148-261: N(1-3-1), July 25, 1984.

287. H.R. 11. Education Amendments/School Prayer. Walker, R-Pa., amendment to the Coats, R-Ind., amendment, to cut off federal education assitance to states and school districts with policies that prohibit silent or vocal prayer in public schools. Rejected 194-215: N(2-2-1), July 26, 1984.

288. H.R. 11. Education Amendments/School Prayer. Gunderson, R-Wis., amendment to the Hunter, R-Calif., substitute for the Coats, R-Ind., amendment to prohibit states and school districts from denying individuals the opportunity to participate in moments of silent prayer in public schools. The Gunderson amendment struck language in the Hunter amendment that would have cut off federal funds to states and schools that prohibit voluntary spoken and silent prayer in the schools. Adopted 378-29: Y(4-0-1), July 26, 1984.

289. H.R. 11. Education Amendments/School Prayer. Coats, R-Ind., amendment as amended by the Hunter, R-Calif., substitute as amended by Gunderson, R-Wis., to prohibit states and school districts from denying individuals the opportunity to participate in moments of silent prayer in public schools: to provide that no person could be required to participate in prayer and to stipulate that federal, state and local officials could not influence the form or content of any prayer. Adopted 356-50: Y(4-0-1), July 26, 1984.

290. H.R. 11. Education Amendments/School Prayer. Goodling, R-Pa., perfecting amendment to the Ford, D-Mich., substitute for the Goodling amendment to reduce fiscal 1985 authorizations for education programs in the bill from $1.7 billion to $947 million. The perfecting amendment was identical to the original Goodling proposal that that Ford substitute would have blocked from coming to a vote. Rejected 169-233: N(1-2-2), July 26, 1984.

291. H.R. 11. Education Amendments/School Prayer. Goodling, R-Pa., amendment as amended by the Ford, D-Mich., substitute, to reduce fiscal 1985 authorizations for education programs in the bill from $1.7 billion to $1.32 billion. Adopted 397-0: Y(3-0-2), July 26, 1984.

292. H.R. 11. Education Amendments/School Prayer. Passage of the bill to reauthorize through fiscal 1989 11 education programs, including bilingual education, impact aid and grants for the education of adults, immigrants and women, and to prohibit states and school districts from denying individuals the opportunity to participate in moments of silent prayer in public schools. Passed 307-85: Y(2-1-2), July 26, 1984.

293. H.R. 4784. Trade Remedies Reform Act. Frenzel, R-Minn., motion to recommit the bill to the Ways and Means committee with instructions to modify the legislation, including elimination of a provision making the use of unfairly priced parts in manufactured goods imported to the United States an unfair trade practice. Motion rejected 128-231: N(1-2-2), July 26, 1984.

294. H.R. 4784. Trade Remedies Reform Act. Passage of the bill to expand the range of unfair trade practices eligible for retaliation by the United States. Passed 259-95: Y(3-0-2), July 26, 1984.

295. H. Res. 558. George Hansen Reprimand. Adoption of the resolution to reprimand Rep. George Hansen, R-Idaho, for failing to disclose his financial dealings as required under the 1978 Ethics in Government Act. Adopted 354-52: Y(3-2-0), July 31, 1984.

296. H. Res. 555. Anne M. Burford Appointment. D'Amours, D-N.H., motion to suspend the rules and adopt the resolution urging President Reagan to withdraw the appointment of former Environmental Protection Agency Administrator Anne M. Burford to be chairman of the National Advisory Committee on Oceans and Atmosphere. Motion agreed to 363-51: Y(2-3-0), July 31, 1984.

297. H.R. 6028. Labor, Health and Human Services, Education Appropriations, Fiscal 1985. Dannemeyer, R-Calif., amendment to cut spending in the bill by $147.5 million through a variety of cost/saving measures. Rejected 182-226: N(4-1-0), Aug. 1, 1984.

298. H.R. 6028. Labor, Health and Human Services, Education Appropriations, Fiscal 1985. Frenzel, R-Minn., amendment to reduce discretionary spending in the bill by 5.9 percent across-the-board, or $1.5 billion. Rejected 144-276: N(3-2-0), Aug. 1, 1984.

299. H.R. 6028. Labor, Health and Human Services, Education Appropriations, Fiscal 1985. Passage of the bill to provide $85,579,931,000 in fiscal 1985 appropriations and $10,568,609,000 in advance fiscal 1986 appropriations for the Departments of Labor, Health and Human Services, Education and other related agencies. Passed 329-91: Y(3-2-0), Aug. 1, 1984.

300. H.R. 6040. Supplemental Appropriations, Fiscal 1984. Walker, R-Pa., amendment to reduce the overall spending amount in the bill by 1 percent. Rejected 184-238: N(2-3-0), Aug. 1, 1984.●

THE NICARAGUANS AND TERRORISM INTERNATIONAL: BIRDS OF A FEATHER

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BROOMFIELD. Mr. Speaker, as our unsuspecting country is treated to a professional public relations onslaught by the Sandinistas, I want to pause and consider the seamier side of

that Marxist-Leninist government. I am deeply concerned about their attitudes toward terrorism and their affiliation with well-known terrorists from various groups around the world.

Few of us know that some Sandinistas were trained in the past by PLO terrorists; some were actually involved in PLO terrorist operations. At the present time, a number of well-known international terrorists are still residing in Nicaragua while others pay courtesy calls to that country. It is reported that a number of international terrorists, wanted on terrorist charges in their home countries, are living in Nicaragua. They include a few former Red Brigade members who may be serving in the Sandinista Army. Other leftists in Managua are fugitive militants, and are granted jobs, identification papers and a safe haven in that country.

As we in the Congress and the free world do as much as we can to confront the brutal hand of terrorism, we should carefully look at the Sandinistas and the kinds of people they refer to as comrades. Let us all judge the Sandinistas by their actions and not by their words.

With these sobering thoughts in mind, I commend his informative article to my colleagues in the Congress.

[From the Miami Herald Mar. 8, 1985]

SANDINISTAS ATTRACT A WHO'S WHO OF TERRORISTS

(By Juan O. Tamayo)

MANAGUA, NICARAGUA.—He is a 5-foot-11, gray-eyed surgeon, treating children in a Managua slum. She is a petite journalist, writing for a Paris magazine. Both are fugitives, wanted in their native Italy for leading left-wing guerrilla gangs.

Two West Germans linked to the Baader-Meinhof Gang are now officers in the People's Sandinista Army. One is in charge of a counterintelligence unit. The other commands an artillery battalion.

And an Argentine Montonero guerrilla, widow of the Argentine rebel who led the commando team that assassinated former Nicaraguan President Anastasio Somoza in Paraguay, is dating a ranking Nicaraguan official trained as a guerrilla by the PLO in Lebanon in the early 1970s.

These are but a few of the left-wing extremists from Europe and Latin America who came to Managua after the 1979 Sandinista revolution, seeking safe haven and a chance to prove their solidarity with the Nicaraguan government.

It is the same kind of revolutionary "networking"—leftist militants call it "internationalism"—that benefitted the Sandinistas during their long guerrilla struggle to topple Somoza.

In the late 1960s, the Sandinistas signed a pact with the Palestine Liberation Organization to train Nicaraguan guerrillas in Lebanon. Somoza was a steadfast supporter of Israel, and Nicaragua was one of the first nations to recognize the Israeli state in 1948.

A former Israeli intelligence agent once based in Nicaragua said at least 150 Sandinistas were trained in the 1970s in Lebanon camps run by the Popular Front for the Liberation of Palestine, the PLO faction most committed to terrorism in Europe and the Middle East.

Veteran Sandinistas say that it was at the PFLP camps that the Nicaraguans first met European leftists—Germans from the Baader-Meinhof Gang and its spin-offs; Italians from the Red Brigades and other radical groups—and began establishing the close personal relationships that persist today.

"The European leftists believe that the Ho Chi Minh Trail and the Quebrada del Yuro run through their countries, too," said one Sandinista official, referring to a key guerrilla supply line in the Vietnam War and the Bolivian gully where famed guerrilla chief Ernesto "Che" Guevara was killed in 1967.

One PLO-trained Sandinista, Patricio Arguello, joined the PFLP's most notorious terrorist, Laila Khaled, in a botched attempt to hijack an Israeli jetliner from Amsterdam to New York on Sept. 6, 1970. Israeli security agents killed Arguello and captured Khaled, who was later exchanged for hostages seized by another group of PFLP hijackers. The Sandinistas have named a geothermal power plant after Arguello.

Another PLO-trained Nicaraguan was Communications Minister Enrique Schmidt, killed in combat with anti-Sandinista guerrillas last November. Schmidt's widow, a West German citizen born in the Basque region of Spain, now works for the Sandinista Front's Department of Political Education. Health Ministry workers say she lectured them last year on the ideology of the Basque Homeland and Liberty guerrilla group, known as ETA, fighting for independence from Spain.

Yet another Sandinista trained in Lebanon is Deputy Interior Minister Rene Vivas. He is now dating an Argentine Montonero guerrilla, the widow of Julio Alfredo Irurzun, head of the Montonero team that assassinated Somoza in Paraguay in September 1980, in what the killers called a show of "revolutionary solidarity" with Nicaragua.

The PLO now has a fully accredited embassy in Managua. And the Sandinista Front has "Fraternal" relations with leftist groups from Italy, West Germany, Spain's Basque region, Argentina, Uruguay, Chile, Paraguay, Peru, Colombia, Libya, El Salvador, Honduras, Guatemala and Costa Rica.

The Italian government on Feb. 8 gave the Sandinistas a list of 22 Italian leftists believed to be living in Nicaragua—about half of them wanted fugitives, the rest described only as "extremists." The Foreign Ministry said it knew nothing about the Italians but would investigate.

Topping the list, obtained by The Herald, is Guglielmo Guglielmi, 39, a one-time Rome surgeon facing five arrest warrants for crimes between 1979 and 1983 ranging from kidnapping to illegal weapons possessions to "participation in armed gangs."

International terrorism records show that Guglielmi, now working at a government-run children's clinic in the Managua slum of Ciudad Sandino, was a top leader of the Unita Combattente Comunisti, a guerrilla band that spun off from the Red Brigades in the late 1970s. He was convicted in absentia last June of kidnapping and sentenced to 22 years in prison.

Also on the list is a 33-year-old Milan sociologist wanted on a warrant charging her with "organizing and leading armed gangs in Italy and abroad." An Italian woman with the same name as the fugitive is a journalist accredited in Managua as correspondent for a Paris-based magazine that specializes in Third World issues.

The fugitive is also described in the international records as a member of a group that helped Guglielmi and three other Italian fugitives move from Paris to Nicaragua after the Italian government accused France in 1983 of harboring more than 200 wanted Italian militants.

The woman journalist in Managua declined comment when two Italian journalists tried to interview her last month. "I am not who you think I am," she said. Her name is known but omitted here because of the absence of proof that the journalist and the fugitive are the same.

Roberto Sandalo, 27, a Red Brigades defector living in Kenya, told Italy's Oggi news magazine last month that five Brigadisti are now serving as officers in the Sandinista army. "That's a lie," Defense Minister Humberto Ortega said last week. "We do not require that type of support to defend our principles and our flags."

Sandinista government sources said two West Germans who have bragged of having been part of the Baader-Meinhof Gang are now serving in the army—one as a captain in an artillery unit stationed at the Montelimar base southwest of Managua and the other attached to a military counterintelligence unit.

A West German known only as "Fitz" has told friends there is a warrant for his arrest in Germany. "Fitz," described as an anarchist, fought in the Sandinista revolution and later worked as an administrator at the government-owned Julio Buitrago sugar mill.

Also living in Nicaragua is Peter Paul Zahl, a well-known West German writer with former links to Baader-Meinhof who spent four years in prison for the attempted murder of a policeman in Cologne, Germany. Friends said Zahl, who is not wanted for any other crimes, is in Bluefields setting up a theater group for the port's West Indian blacks.

Nicaraguan government officials said a handful of Basque ETA guerrillas also lived in Managua until 1983, when Spanish Prime Minister Felipe Gonzalez, a strong Sandinista sympathizer, protested to the Managua government. Several ETA members moved to neighboring Costa Rica and some went to Venezuela, the officials said.

Gregorio Jimenez, 32, an ETA militant wanted by the Spanish government on terrorism charges, was arrested in Costa Rica in September 1983 and charged with plotting to assassinate Eden Pastora, leader of an anti-Sandinista grerrilla group based in Costa Rica.

Costa Rican Justice Ministry officials say Jimenez, still awaiting trial, has confessed that a Managua-based group of ETA rebels planned Pastora's assassination, without authorization from the Sandinistas, but as a sign of "revolutionary solidarity."

Since the revolution triumphed, Nicaragua has also been visited for varying periods by a string of leftist militants from Europe and Latin America, many of them simple political exiles, some of them well-known guerrilla leaders.

Mario Firmenich, head of Argentina's Montoneros, traveled legally through Nicaragua—once staying several days in the home of Interior Minister Tomas Borge—as well as Mexico and Costa Rica before the Buenos Aires government put out a warrant for his arrest. He was detained in Brazil last year and extradited to Argentina.

Two Baader-Meinhof gang members visited Nicaragua in 1980 to express their support for the Sandinistas and explain the

reasons for their own struggle. They sought out three foreign journalists living in Managua and granted them interviews, one of the reporters said.

And Lauro Azzolini, 41, a Red Brigades founder sentenced in absentia to 30 years in prison for the 1978 kidnap-assassination of Italian Prime Minister Aldo Moro, visited Nicaragua in early 1980 and tried to hold a news conference to explain Moro's slaying. Journalists invited to the conference said the Sandinistas blocked it.

Azzolini, alleged to have been the man who killed Moro with a close range blast from a Czechoslovak-made Skorpion machine pistol, was later captured in Italy and is in prison.

THE INTERNATIONAL CONNECTION—NICARAGUA'S NETWORK OF THE LEFT

PLO—A PLO faction trained as many as 150 Sandinista guerrilla fighters in the 1970s, including the late head of the Nicaraguan telecommunications office. A Sandinista, Patricio Arguello, was killed during a Palestinian hijacking attempt. The PLO now has an embassy in Managua.

Red Brigades—Sandinistas reportedly first met members of Italy's Red Brigades in Palestinian training camps. The Italian government has claimed that 22 terrorists and political extremists now are living in Nicaragua, a claim the Sandinistas say they will investigate.

Baader-Meinhof—Sandinista contacts with Baader-Meinhof terrorists also began in Palestinian training camps. Two West Germans now in the Sandinista army reportedly have said they were Baader-Meinhof members. Other Baader-Meinhof members are reported to have visited Nicaragua since the revolution.

Montoneros—Former Sandinista fighter Eden Pastora says 20 to 30 of the Argentine guerrillas joined Sandinistas fighting Somoza. A Montonero commando team assassinated Somoza in Paraguay. Several Montoneros now live in Nicaragua.●

SEX EDUCATION IS THE ONLY ANSWER

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. PORTER. Mr. Speaker, recently the Chicago Sun-Times ran an article entitled "Sex Education is the Only Answer" which reports on a study released by the Alan Guttmacher Institute on the subject of teenage pregnancy. The article raises some very important issues regarding the use of contraceptives by teenagers in this country. I recommend the article to my colleagues.

SEX EDUCATION IS THE ONLY ANSWER

(By Michael J. McManus)

At a recent conference sponsored by the Children's Defense Fund, I heard about three programs that have cut teenage pregnancy rates in half in cities as diverse as Jackson, Miss., St. Paul, Minn., and Houston.

The need for such programs became clear 10 days ago in a report released by the Alan Guttmacher Institute.

Only 14 teens out of 1,000 get pregnant in the Netherlands, but 96 per 1,000 do so in America. The figures for the other countries: Sweden 35, France 43, Britian 45 and Canada 44 per 1,000.

Chances are, every assumption you might make is wrong:

America has higher rates because its high minority population is more inclined to have sex at an earlier age. While black teens are twice as likely to get pregnant as whites (1,631,000 for black vs. 831,000 for whites), our white pregnancy rate is at least double that of other Western countries.

Ready access to abortion here prompts greater sexual activity than it does elsewhere. Actually, abortion is more available and cheaper in the other nations. It is free in France and Sweden, for example, but their abortion rates are half that of the United States.

A thesis that this columnist advanced last fall is also a myth—that the availability of welfare induces poor teens to have babies so they can move out.

In most cases, support appears to be more generous in other countries than that provided under the Aid to Families with Dependent Children.

Americans are more sexually active than Canadians or Europeans, some say. Not so. The median age at which half of teen females have had sex is the same in the United States, France, Britain and the Netherlands, slightly under 18. Sweden's median age is a year younger, and Canada's a year older.

The most important myth is that America's high pregnancy rate is due to greater availability of birth control is more available in other countries and is free or nearly so, but more costly and less accessible in the United States. And fewer American teens use contraceptives, and of those who do use them, they are less likely to use the Pill, the most effective method.

Thus, the heart of America's teen pregnancy problem is that they are having sex without birth control.

European countries believe that government has a responsibility to take every step possible to prevent pregnancies of unwed teenagers—including giving free birth control to sexually promiscuous ones.

That is the heart of the programs in St. Paul, Jackson and Houston. In each city, birth control assistance is given in the schools.

In Jackson, Dr. Aaron Shirley, director of the Jackson-Hinds Comprehensive Health Center, got a report in 1979 that there were 120 student mothers in high school out of a population of 3,000. Only a few students had come to the center for birth control assistance.

So Shirley went to the principal and worked out a unique solution. His center now runs the school's entire health program—ranging from examinations of athletes to testing for hypertension and routine care.

Two questions were added to the form every student must fill out: Are you sexually active? If so, are you using contraceptives?

Students generally answered the form honestly, giving the staff the opening to urge sexually active students to use birth control.

The result? Now there are only 40 student mothers—not 120. Why shouldn't every high school adopt a similar strategy?●

SUPPORT OF VETO OF TAX INCREASE

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. MACK. Mr. Speaker, yesterday my distinguished colleague from Texas, BEAU BOULTER, and I went to the White House to express our support to the President for his opposition to new taxes. Representative BOULTER and I delivered a letter to the President signed by 147 Members of this House which guarantees that we will sustain his veto of any legislation raising taxes.

With successive $200 billion plus deficits on the horizon for years to come, we believe Congress must act now to enact substantial deficit reduction measures. Decisions to cut popular problems are not easy, but we have no choice; the continued health of our economy is at stake.

The American public has unambiguously expressed its view that deficit reduction must come entirely from the spending side. Our constituents will not tolerate a citizen bailout of the Government through increased taxes. Accordingly, as the House moves forward in the budget process, none of us should be deceived into thinking that we can avoid these difficult program reforms and eliminations by simply looking at revenue proposals.

The President will not hesitate to veto legislation raising taxes and the signers of this letter have pledged to sustain his veto. Plans for a revenue escape through a hike in taxes therefore have been taken off the table and thrown into the trash can.

Mr. Speaker, attached for the RECORD is a copy of the letter presented to President Reagan.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 18, 1985.

Hon. RONALD W. REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: We wholeheartedly support your commitment to veto any increase in taxes.

The American people expressed themselves clearly in the November election: they oppose any attempt by Congress to tax its way out of the deficit problem.

When you challenged the legislative branch to "make my day," you again demonstrated the political courage necessary to tackle the deficit problem head on. Mr. President, we stand with you all the way.

We, the undersigned members of Congress, join with the American people in support of your veto of any legislation raising taxes.

Sincerely,

CONNIE MACK.
BEAU BOULTER.

Dick Armey, Bob Badham, Steve Bartlett, Joe Barton, Helen Delich Bentley, Doug Bereuter, Mike Bilirakis,

Ben Blaz, Bill Broomfield, Hank Brown, Jim Broyhill, Dan Burton, Sonny Callahan, Carroll Campbell, William Carney, Gene Chappie, Dick Cheney, Bill Clinger, Dan Coats, Bill Cobey, Howard Coble, Larry Combest, Larry Coughlin, Jim Courter, Larry Craig, Philip Crane, Bill Dannemeyer, Hal Daub, Bob Davis, Tom DeLay, Mike DeWine, Joe DioGuardi, Robert Dornan, David Dreier, John Duncan, Fred Eckert, Mickey Edwards, Bill Emerson, Harris Fawell, Bobbi Fiedler, Jack Fields, Webb Franklin, Dean Gallo, George Gekas, Ben Gilman, Newt Gingrich, Bill Goodling, John Grotberg, John Paul Hammerschmidt, James Hansen, Tommy Hartnett, Bill Hendon, John Hiler, Bud Hillis, Marjorie Holt, Larry Hopkins, Duncan Hunter, Henry Hyde, Andy Ireland, John Kasich, Tom Kindness, Jack Kemp, Jim Kolbe, Ken Kramer, Bob Lagomarsino, Del Latta, Norman Lent, Jerry Lewis, Tom Lewis, Jim Lightfoot, Bob Livingston, Tom Loeffler, Bill Lowery, Trent Lott, Manuel Lujan, Dan Lungren, John McCain, Al McCandless, Bill McCollum, Joseph McDade, Bob McEwen, Jack McKernan, J. Alex McMillan, Ed Madigan, Ron Marlenee, Lynn Martin, Jan Meyers, Bob Michel, Clarence Miller, Guy Molinari, David Monson, W. Henson Moore, Carlos Moorhead, Sid Morrison, John Myers, Howard Nielson, George O'Brien, Mike Oxley, Ron Packard, Stan Parris, Charles Pashayan, Tom Petri, John Porter, Carl Pursell, James Quillen, Matthew Rinaldo, Don Ritter, Pat Roberts, John Rowland, Eldon Rudd, James Saxton, Bill Schuette, Jim Sensenbrenner, Dan Schaefer, Claudine Schneider, E. Clay Shaw, Norman Shumway, Bud Shuster, Mark Siljander, Joe Skeen, Chris Smith, Denny Smith, Robert C. Smith, Robert F. Smith, Virginia Smith, Olympia Snowe, Gene Snyder, Jerry Solomon, Floyd Spence, Arlan Stangeland, Mike Strang, Bob Stump, Don Sundquist, Mac Sweeney, Pat Swindall, Gene Taylor, Guy Vander Jagt, Barbara Vucanovich, Bob Walker, Vin Weber, Bob Whittaker, Chalmers Wylie, Bill Young, Don Young, Ed Zschau.●

REPEALING A USEFUL TAX PROVISION (SECTION 936) IS HARDLY THE BEST WAY TO SIMPLIFY IT

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FUSTER. Mr. Speaker, very soon, both Houses may have to decide on a proposal that would be a disaster both for the United States and Puerto Rico. I refer to the proposed repeal of section 936 of the IRS Code, which provides an essential fiscal incentive to U.S. corporations doing business in Puerto Rico. Section 936 is to most an obscure provision of the code referred to as the "territorial exemption." However, to the 3.5 million American citizens living in Puerto Rico, that arcane language translates into a vital bread-and-butter matter whose elimination would spell disaster to the economy of our island, which is already suffering from a staggering 23-percent unemployment rate.

The repeal of section 936 will cause severe economic and social hardships in Puerto Rico while producing no appreciable revenue gains and a significant net revenue loss for the U.S. Treasury. It would also undermine the U.S. security interests in the political stability of the Caribbean region and place an onerous strain on United States-Puerto Rico relations.

Norman Ture has contributed an enlightening article to the debate on section 936 entitled "Treasury Prepares a Caribbean Austerity Initiative" published in the Wall Street Journal of April 11, 1985. I commended his article to my colleagues' attention in the hope that they will agree with us that the elimination of section 936 from the Tax Code would be untimely, very detrimental to the United States, and, as Ture says: "* * * repealing a useful tax provision is hardly the best way to simplify it * * *".

I insert the entire article into the RECORD:

[From the Wall Street Journal, Apr. 11, 1985]

TREASURY PREPARES A CARIBBEAN AUSTERITY INITIATIVE

(By Norman B. Ture)

A Treasury Department official once calculated on the back of an envelope what the "cost" was of not applying the corporate income tax to Puerto Rican subsidiaries of mainland corporations. It went like this: You figure out what the corporations would pay if they had to pay the tax and, of course, nothing else changed. You assume, that is, that the plant would still be in Puerto Rico, or at least in territory subject to U.S. taxes. Then you divide this number by the number of Puerto Ricans on the payrolls of these plants. You find that it's "cheaper" to give the Puerto Ricans more food stamps.

Ever since this idiot calculation was first made, the Internal Revenue Service has been gunning for Section 936 of the IRS code, the possessions corporation tax credit.

Under this provision, affiliates of U.S. mainland companies engaged in business in a U.S. possession, chiefly in Puerto Rico, may claim a credit against their federal income-tax liabilities with respect to the income produced by these affiliates in the possession. Coupled with the tax holidays granted by Puerto Rico under Operation Bootstrap, qualifying possessions corporations are substantially free of income tax on their possessions source income. The Treasury Department's tax-reform proposal wants to repeal the Section 936 tax credit because it believes that the current possessions corporations tax system is complex, expensive and inefficient.

The complexity in the possessions corporations provisions is, of course, primarily of the Treasury's own making. Treasury is to be commended for acknowledging this complexity, but repealing a useful tax provision is hardly the best way to simplify it. The charge that the credit is expensive and ineffective is based on the Treasury's gross overestimate of the tax revenue it forgoes because of the credit and an equally gross underestimate of the number of jobs that result from the operations of possession corporations in response to the Section 936 credit.

The Treasury Department, not willing to give the Puerto Ricans cold turkey, acknowledges that repeal of the credit will cause disruptions in the possessions, particularly in Puerto Rico. It proposes, therefore, to replace the present Section 936 credit with a "wage credit" that, it asserts, will be more cost-effective.

The Treasury Department is wrong.

The so-called wage credit would be a fixed dollar amount per hour worked by all people employed in the possession by an establishment engaged in manufacturing. This amount would be 60% of the minimum wage applicable to such employees in the first year—1987, decreasing by 10% a year beginning in 1993 until it is completely phased out in 1998. The credit would apply against the federal income-tax liability on the possession source profits of the company. For this reason, It is obviously wrong to treat the wage credit as a subsidy for employment. The credit would reduce the tax on profits, not on wages. It would, therefore, reduce the cost of using capital, although not to anywhere near the same extent as the present credit. It would not reduce the cost of labor.

The proposed wage credit is nothing more than a severe cutback in the existing Section 936 credit. As such, it would do little to reduce complexity, and it certainly would not be more effective in promoting employment. And unless one relies on the Treasury's implicit assumption of inert, non-responsive taxpayers, it won't produce any of the revenue gains so extravagantly estimated by the Treasury Department.

Far more is at stake than merely the tax purity, tidiness or revenue gains that the Treasury presumably is seeking by repeal of Section 936. The combination of Puerto Rican tax holidays and the Section 936 tax exemptions induced a flood of new business investment and business ventures into Puerto Rico from 1948 until the mid-1970's. The resulting expansion of production, employment and income transformed the Puerto Rican economy from a dismally unproductive agricultural society into a highly advanced industrial economy. It has made the Puerto Rican economy the model for economic development and growth originating in the private sector.

When the Reagan administration was seeking to develop a Caribbean Basin Initiative, emphasizing the private sector's responsibility for development and growth-generating activity. It could have done no better than to implement a Section 936 approach. Instead, the Treasury successfully pushed for highly punitive limitations on Section 936 that were included in the 1982 tax increase. The Puerto Rican economy, which had been faltering since the late 1970s as a result of IRS efforts to cancel the tax exemption afforded by Section 936, was stunned; it has yet to share in the mainland's economic recovery. Repeal of Section 936 as the Treasury proposes would be a devastating blow to the island's economy and might well send it tumbling back toward its pre-1948 status as the poorhouse of the Caribbean.

Even if the Treasury and Congress were to be unconcerned about these economic consequences, they would have to be concerned

about the enormous increases in relief outlays of various sorts that the federal government would have to make to attempt to relieve the Puerto Ricans' economic distress. The results would be a significantly greater fiscal burden on the federal government and a far poorer, less productive Puerto Rico in which the unemployment rate would attain unthinkable levels.

As serious as these distressing outcomes would be, they do not tell the entire story. The geopolitical consequences of pulling the rug out from under the Puerto Rican economy should be recognized. Only the most naive believer in the beneficent intentions of Fidel Castro would believe that a Puerto Rico in economic collapse would not entice Cuba to try and foment revolution on the island.

For the Treasury and Congress to consider repealing Section 936 without providing equally effective incentives would not only be unfair but would utterly erode the credibility of U.S. efforts to promote economic development and progress throughout the Caribbean and Latin America.

(Mr. Ture is president of the Institute for Research on the Economics of Taxation. From 1981-82 he was undersecretary for tax and economic affairs in the Treasury Department.)●

HUMAN EVENTS WARNS OF SOVIET STAR WARS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. COURTER. Mr. Speaker, below is an article from the April 13 issue of Human Events on Secretary of Defense Weinberger's presentation of Soviet Military Power.

As usual, Human Events is right on the mark in picking out the most disturbing aspect of the report: the Soviet lead in the area of strategic defense. The article follows:

While liberals keep insisting that the President's "Star Wars" proposal or Strategic Defense Initiative is threatening to "destabilize" the U.S.-Soviet "balance of terror," the Soviets, Caspar Weinberger revealed last week, have been vigorously pushing ahead with a massive buildup in strategic defenses that dwarfs anything that the U.S. is doing. The defense secretary made his assertions during a briefing on the Defense Department's publication of *Soviet Military Power*, the 1985 edition of its Soviet military power series.

What Weinberger said in remarks televised to some of our major allies—and what the 143-page booklet disclosed—can only be considered alarming. Here are some of their findings:

Who's "militarizing" space? In the past year, says the booklet, "some 80 per cent of Soviet space launches have been purely military in nature, with much of the remainder serving both military and civil functions. This is an increase from 70 per cent in previous years."

The Soviet Union is developing a wide range of high-tech defensive systems, involving laser, particle beams and more conventional technology, much larger than the U.S. effort. They have built over a half-dozen major R&D facilities and test ranges, and they have over 10,000 scientists and engineers associated with laser development. They are developing chemical, gas dynamic and electric discharge lasers, and have progressed beyond technology research "to the development of prototype laser weapons."

The Soviets are also developing defense weaponry using particle beams, strong radio frequencies and kinetic energy technology.

The Soviets maintain the world's "most extensive early warning system for both ballistic missile and air defense." Their operational ballistic missile early warning system includes a launch-detection satellite network, over-the-horizon radar and a series of large phased-array radars located primarily on the periphery of the USSR.

The Soviets, says the booklet, are "continuing a major upgrading of their ballistic missile defense capabilities. The Moscow missile defenses are being enlarged and equipped with a new generation of radars and interceptor missiles. Developments aimed at providing the foundation for widespread ABM deployments beyond Moscow are under way. . . ." Moreover, they are developing a rapidly deployable ABM system; indeed, the "aggregate of the USSR's ABM and ABM-related activities suggests that the USSR may be preparing an ABM defense of its national territory," which would be in total violation of the 1972 ABM treaty.

"All of this emphasizes," Weinberger told reporters in his low-key way, ". . . the very extensive work and resources that the Soviets are devoting to the very defensive systems that they [oppose] and say are so very dangerous if we pursue them. These are the systems that the Soviets are doing everything they can to block the Americans from proceeding in, and it's quite obvious why they are doing that.

"It's because they are not only doing it themselves, but they've made very great progress, and they clearly want a monopoly in this field, exactly as they wanted a monopoly in the intermediate-range weapons, the SS-20, and why they fought and exerted all of the propaganda efforts that they could to block the NATO deployment of the ground-launched cruise missiles and the Pershing II's. The same kind of campaign is under way now, not because of any of the reasons that they assign to opposing the . . . strategic defense program, but because they are doing it themselves and they want to be left alone to do it."●

FILL THE PETROLEUM RESERVE

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BROOKS. Mr. Speaker, under the President's fiscal year 1986 budget proposals, as well as the budget resolution currently being debated in the Senate, our Nation's strategic petroleum reserve would be severely jeopardized. I am very much concerned that the moves to stop filling the reserve and to end construction at the Big Hill storage site represent a pennywise, pound foolish approach to responsible government, and I would like to insert in the RECORD editorials from Business Week and the New York Times which echo this sentiment.

[From Business Week, Feb. 18, 1985]

FILL THE PETROLEUM RESERVE

After what seemed like endless debate, the government started building an emergency oil stockpile in earnest during the late 1970s—shortly before oil prices peaked and the current glut began to develop. That faltering move marked the beginning of one of the more ludricrous government efforts in recent memory. At the outset, the Energy Dept. had no way of retrieving the oil it was freely pouring into underground caverns. Later, it became clear that the department wasn't buying the proper mix of crudes for U.S. refineries. And it turns out the right system to distribute the oil to the appropriate refineries is not in place. The so-called Strategic Petroleum Reserve, in other words, hardly seems worth fighting for. But it is. Congress should rebuff the Administration's proposal to stop building the reserve.

For all its shortcomings, the reserve is the only buffer we have against another oil shock. True, we are now enjoying what seems to be an enduring surplus. But "glut" is a word used all too loosely. If the war between Iran and Iraq were suddenly to spread across the Persian Gulf or if some fundamentalist sect were to touch off a civil war in Saudi Arabia, the glut could quickly turn to a temporary shortage—exactly what a strategic oil reserve is supposed to ensure against.

The Administration's arguments against further purchases are not unreasonable, just superficial. A halt, it says, would cut federal outlays by more than $2 billion a year while intensifying the downward pressure on oil prices. But the incremental pressure on prices would be minimal. As for the alleged dollar "saving," that's questionable on two counts: Avoiding that expenditure is not the same as cutting down on what the government spends for, say, paper or pencils, since the money is buying an asset that may be worth a lot more a decade from now. Further, if that asset does have to be consumed in an emergency, it would instantly pay for itself many times over by sparing all of us the many disruptions we endured in the 1970s.

On balance, a bigger reserve remains a workable and worthwhile target. Needed adjustments in the reserve's mix of crudes should be made immediately, and its distribution problems must be resolved once and for all. Lowering our sights now might well prove penny wise and dollar foolish.

[From the New York Times, Apr. 16, 1985]

KEEP FILLING THE OIL BUFFER

Both the Administration and Congress seem inclined to save money by delaying oil purchases for the nation's strategic reserve. Though the public no longer lives in fear of gasoline lines and no industry seems to be protesting, the proposed moratorium is foolishly shortsighted.

Economics argues for continuing the purchases. But national defense should be an even more important consideration. Emergency oil supplies are as vital to security as the ships that protect our sea lanes.

The strategic reserve was designed to serve as a first line of defense against another oil shock. The Federal Government had planned to acquire 750 million barrels by 1990. Despite a slow start and the opposition of budget-cutters in the Reagan Administration, it has actually acquired 466 million barrels, the equivalent of three months of imports, and held them ready underground for quick pumping. With oil in glut

the world over and no supply crisis on the horizon, the Administration wants to stop buying more oil and use the $2 billion annual saving for other needs.

That confuses a critical investment with ordinary spending. Oil in storage doesn't depreciate. Indeed, if it is one day sold to the highest bidder to buffer another oil shock, the Government could end up with a big profit. Delay in building the reserve is also false economy in the more conventional sense. Accordingly to the General Accounting Office, a stop-start construction policy would raise the total cost of the underground storage system.

In any case, however, this debate over whether we can afford $2 billion a year to fill the reserve seems most peculiar at a time when we spend many times that amount to protect the nation's foreign oil supplies. If, in spite of the oil glut, the ability to get oil from Saudi Arabia is still worth sizable military expenditures, why not supplement that effort with highly reliable economic insurance?

There is no prospect of another major oil crisis anytime soon. But oil is still a depleting resource and there is no easy substitute for it as a transportation fuel. Inevitably, the world oil market will tighten again. The faster the United States completes its reserve, the safer it will be and the cheaper will be its adjustment to a future shortage.●

RALPH GOLDMAN: AN AMERICAN HERO

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to pay tribute to the dedicated work of Ralph Goldman who recently retired as the executive director of the American Jewish Joint Distribution Committee. Mr. Goldman has displayed tireless commitment in his lifelong service to Jewish communities throughout the world. His selfless devotion has bettered the lives of countless people, and I would like to take this opportunity to call attention to his fine work.

I personally witnessed his devotion to the diaspora when the Joint Distribution Committee worked closely with my office to arrange for the release of several Syrian Jewish women in 1977.

Mr. Goldman's tact and diplomatic skills were the crucial element in the successful negotiation with the Syrian Government.

The Talmud teaches, "He who has saved a single life, it is as if he has saved the entire world." By that measure Ralph Goldman is a true hero.

A recent article in the Jewish Week further details the accomplishments of Mr. Goldman, and I commend it to the attention of my colleagues.

[From the the Jewish Week, Inc., Apr. 5, 1985]

HE LOOKS BACK ON A CAREER OF SELFLESS SERVICE TO JEWS

(By Adriel Bettelheim)

Ralph Goldman recalls his career with the American Jewish Joint Distribution Committee in short vignettes, the way a veteran diplomat would at a Washington cocktail party.

There was the time when he signed a pact to provide aid to Jews in Poland on a slip of paper he was carrying, because the formal declaration prepared by the authorities there had not arrived on time. "It was all based on good will," he said.

Then, there were the years immediately following the Six Day War, during which he completely overhauled and moved the committee's operations for Tel Aviv to Jerusalem, where the city's municipality renamed the hill where the offices were to be located "Givat Joint"—JDC Hill.

In his 16 years with the JDC, Goldman has also flown tens of thousands of miles, attended banquets with leaders past and present from the eastern bloc and African nations, and today could legitimately claim to be a leading authority on Jewish communities abroad.

Goldman, 70, retired as executive vice president of the relief agency in March, and now acts as an adviser to the JDC's projects in over 30 countries abroad.

Early in his career, Goldman raised money for the JDC while working for a Jewish community center in Boston. The years that followed brought him to Israel, where he coordinated the U.S. Point Four and United Nations Technical Assistance Programs credited with transforming the country from an agricultural to an industrial society.

He recalls with a shudder the lack of high schools and community centers in the country in the 1950s, and how under his direction the United Jewish Appeal's Israel Education Fund raised money to build a network of schools and cultural centers.

"These days, American and world Jewish leaders verbalize the need for Jewish education," he said. "That's a great achievement for the world, because sometimes people forget the Jewish focus."

Goldman is perhaps best known for restoring JDC relief activities in Hungary, Czechoslovakia and Poland during the 1970s and early 1980s through successful negotiations with the governments there. His modus operandi was appealing to authorities on a humanitarian basis, sometimes choosing to ignore selected policies of the particular regime.

"One thing you learn is not to have a monolithic approach and not recognize those governments as only representing one thing." he said. "Some government policy is just that, but they have certain humanitarian standards that say the remaining Jewish communities should have the benefit of services they might not otherwise get."

Such services included providing *shochetim* to slaughter meat and poultry for holidays in Eastern Europe. On other continents, there are matzot for the 43 Jews the JDC has identified in Afghanistan and money for Hebrew schools in Syria.

While some may have critized Goldman's apparent indifference to the goings on in some countries, he said he never lost sight of what he aimed to accomplish.

"When I arrived in Poland in 1981, it was on the day martial law was declared," he remembered. "But I was there as an emissary to help Jews. I had to be concerned with helping them, not with extraneous things. So, I went about my business and didn't make any public declarations."

Goldman, whose credits also include years of work with cultural and civic organizations here and abroad, also used this direct approach to speed relief to Jewish communities in Alexandria and Cairo after Israel and Egypt normalized relations. He was in Ethiopia years before famine put the country on the map, identifying Jewish communities there and sending supplies and educational materials.

Healthy and energetic at 70, Goldman said he always look to the future and still wants an active part in the JDC's operations.

"I'm not a careerist," he said. "I suppose I could have been like some colleagues and gone into a profession, but I was fortunate to have lived at a time when I could spend my life being of service to Jews.

"Some organizations like to talk about statistics," he added. "What I like about this one is that we deal with broad issues, but we never lost touch with the individuals."●

HOUSE RESOLUTION 130 SUPPORTS SOCIAL SECURITY COLA

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. CONYERS. Mr. Speaker, today, I am introducing House Resolution 130 expressing a sense of the House that the Social Security cost-of-living adjustment [COLA] not be reduced, delayed or frozen in fiscal years 1986, 1987, and 1988.

The White House recently demonstrated that Tom Sawyer is alive and well at the Nation's Capitol when it reached a compromise with the Senate leadership on the fiscal year 1986 budget which proposes a 3-year reduction of cost-of-living adjustment [COLA] for Social Security recipients.

If you will remember, Tom Sawyer cajoled other children into whitewashing a fence that he was supposed to be doing. He then stood aside and watched them do his dirty work. In the case of Social Security COLA, President Reagan, after repeatedly promising not to tamper with Social Security benefits, earlier this year practically invited the Congress to do the dirty work of reducing COLA benefits.

Shortly after it received his budget, the Senate declared the President's budget "dead on arrival," and developed its own budget proposal which included a 1-year freeze on COLA payments. The substitute budget proposal subsequently was rejected by the President because it froze defense spending.

After weeks of negotiation, the White House and the Senate leadership announced a compromise budget which called for limiting the Social Security COLA increases for 3 years to the Consumer Price Index [CPI] minus 2 percentage points, with a guarantee that benefits would go up at least 2 percent annually.

The result of the compromise is that America's 36.5 million senior citizens could be on diet COLA for the next 3 years. This includes Michigan's 1.4 million Social Security recipients, and Wayne County's 379,000 in my home State.

In classic fashion of Tom Sawyer, President Reagan, when asked if he was reneging on his promises to senior citizens, said, "How is adding a 2-percent raise reducing it?"

In trying to make the COLA reduction look like an increase, the While House disregarded its own inflation projections of 4 percent in each of the next 3 years. Senior citizens would have received an automatic 4 percent COLA increase rather than the "generous" 2 percent proposed in the White House/Senate leadership compromise budget.

It seems strange that the White House, which only a few weeks ago pulled out all stops in conquering a reluctant Congress in obtaining an additional $1.5 billion increase for more MX missiles now will have us believe that it was forced into accepting a compromise with Senate leaders on the COLA limit.

What's even more suspicious is that the Senate original 1-year COLA freeze proposal would have saved $22.4 billion over a 3-year period while the compromise proposal saves $22.4 billion. That's about as close as 99.9 is to 100.

We all realize that our enormous deficits must be trimmed, and that sacrifices must be made. However, senior citizens are again being asked to contribute a portion of their retirement benefits toward reducing the deficit and increasing military spending.

Senior citizens and the Congress have always been suspicious of the White House's obsession with tampering with the Social Security system which seems to occur every other year under the present administration. In 1981, after ramming through major changes in the Social Security Program in the Ominbus Reconciliation Act, the White House presented Congress with another Social Security package consisting almost entirely of benefit reductions which were supposed to solve the system's financial problems.

Because of adverse reaction from Congress and the public, the White House withdrew the proposal, and then called for a bipartisan commission to come up with solutions. This commission made recommendations to the President, and subsequently, the Congress passed a reform package which will pump $165 billion into the Social Security system by 1989, and make it solvent for decades to come. This was achieved through a combination of adding new people into the program, increasing the Social Security tax rate, raising the retirement age, and reducing benefits.

Democrat and Republican Members of Congress worked together in 1983, in bipartisan spirit, to pass this legislation which provided new life to the Social Security system. The current budget proposal by the White House/Senate leadership to limit COLA increases does not provide a congressional mandate since it was developed by the White House and the leaders of the Republican-majority Senate.

Because of actions taken in 1983, the Social Security system has a surplus of funds now. Under the unified budget concept which consolidated the Social Security trust fund with the Federal budget, the surplus does lower the overall deficit. Consequently, by reducing COLA benefits, a larger trust fund surplus is created which gives the appearance of reducing the Federal deficit.

Reducing COLA benefits from a system which is more than paying its own way overshadows the real reasons for our huge deficits. The Social Security system is not a rogue elephant thrashing through the budget jungle and gobbling up every available dollar in sight. The system does not contribute to our enormous budget deficits. It not only is self-supporting but provides a surplus. Our huge increase in military spending combined with the large tax reduction in 1981 and mounting interest payments have created our current $213 billion deficit.

It should be noted that in the White House/Senate compromise budget, while senior citizens' COLA's are being determined by an inflation minus 2-percent formula, the standard which is being proposed for fiscal year 1986 defense spending is inflation plus 3 percent.

Many of this year's budget reductions are targeted toward cutting or eliminating some of the so-called middle class programs. Too often, Social Security is viewed as a program which primarily benefits our middle class. Yet studies show that two-thirds of those on Social Security receive more than half of their income from the program, and more than one-fourth derive 90 percent of their income from Social Security.

Additionally, a Congressional Budget Office [CBO] analysis of the White House/Senate leadership budget proposal predicts 650,000 additional people to fall below the poverty level in 3 years if that budget proposal were enacted—two-thirds of them would be elderly.

On the average, elderly couples will lose approximately $1,200 over the next 5 years and another $400 in increased Medicare premiums. This does not include loss of income from previous actions taken in regard to Social Security. Older Americans have provided more than their fair share of Social Security reductions in 1981 and 1983.

After numerous promises of no more reductions, many feel they, in plain old simple English, have been "double crossed."

I ask my colleagues to join with me in expressing their feelings about the White House/Senate leadership budget proposal to reduce the Social Security COLA's of America's 36.5 million senior citizens.

The sepcific language of House Resolution 130 reads as follows:

H. RES. 130

Resolution expressing the sense of the House of Representatives that the amount and timing of the annual cost-of-living adjustment currently provided under the Social Security Act should be preserved

Resolved, That no legislation should be considered by the House of Representatives with respect to the fiscal years beginning on October 1, 1985, October 1, 1986, and October 1, 1987, which—

(1) would result in a determination of the cost-of-living increase under section 215(i) of the Social Security Act on any basis other than the Consumer Price Index to the extent provided in such section as in effect on the date of the adoption of this resolution,

(2) would result in an effective date for such increase at a date later than the date provided in such section, or

(3) would eliminate such increase, would result in a limitation on the amount of such increase to an amount less than the amount provided in such section, or would result in a limitation on benefits to an amount less than the amount as increased pursuant to the increase provided under such section.●

WASTE IN THE DEFENSE DEPARTMENT

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FIELDS. Mr. Speaker, today, when we must bring our budget deficit under control, when we also face numerous and threatening challenges to our security around the globe, nothing is more important than making certain that we get the maximum amount of military power and capability out of the defense dollars we spend.

With this in mind, I am pleased to submit for the RECORD the executive summary of a study released last week by Mr. Jesse M. Calhoon, president of the National Marine Engineers' Beneficial Association, a union whose members have served our Nation well in peace and war.

This study documents 104 examples of waste in the Pentagon, waste that is simply due to bad management. These examples, totaled together, cost our Nation between $30 billion and $100 billion each year.

This kind of waste, on this scale, cannot be tolerated. It helps drive up our deficit, and it denies us the increased military capability that this Nation needs. This kind of waste means less tanks, less ships, less fighter aircraft and less pay for our military.

I commend this study to the attention of my colleagues for several reasons. It is not ideological, and it is not partisan. It is a compendium of examples drawn from sources such as the Heritage Foundation, the GAO, past defense officials of both parties and the Grace Commission. It does not address military compensation or retirement. It does not attack specific weapons systems or recommend divisive strategy changes. Yet, this study is still able to identify enormous potential savings. It ought to be taken seriously.

There are few Americans, I believe, who do not now think that it is time to get tough on waste and mismanagement everywhere in our government. This study is fair; it is balanced; and it can assist all of us in identifying in one basic document changes that can give us a stronger defense for the money we spend.

Thank you, Mr. Speaker.

The text of the executive summary follows:

WASTE IN THE DEFENSE DEPARTMENT [1]—MARCH 1985

EXECUTIVE SUMMARY

"There is something about preparing for destruction that causes men to be more careless in spending money than they would be if they were building for constructive purposes."

—The late Senator Richard Russell, former chair, Senate Armed Services Committee

Scores of opportunities exist for cutting billions of dollars from the Defense budget without even beginning to confront the problems of weapon procurement and U.S. foreign and military policy.

The public debate on future cuts in the Defense budget currently focuses on the need for the MX missile, the "Star Wars" Strategic Defense Initiative, and a long list of other weapon systems. The focus remains on hardware, with military policy and strategy at the heart of every debate. Those analysts seeking to cut billions of dollars from Defense often overlook waste in scores of non-strategic areas. Over 100 well-documented cases of waste through faulty process and procedure are presented in this paper. This is not a paper about military policy or military strategy. Elimination of the waste discussed here is not seen as diminishing the mission of the military or reducing its readiness to perform that mission. In fact, greater efficiency and effectiveness should actually enhance the structure and capability of our fighting forces.

A wide-ranging compendium of expert views on the broad range of alleged defense waste and potential savings has not previously existed. For decision-makers in the Congress and Executive Branch of the Government, as well as for concerned individuals from a wide spectum of groups and interests, such a compendium would seem essential. Allegations of waste, especially reported in scandals in defense spending, are common headlines. But it is not possible from these reports to know just how widespread the waste is. The attention of the media and Congressional committees tends to be concentrated on the more spectacular scandals and examples of mismanagement. Less attention is given to the persistent and seemingly institutional inefficiencies that together may account for 20 percent or more of the entire defense budget. Defense Department officials often argue that waste is coming to light because of their own vigorous efforts to root it out. Advocates of a strengthened military fear that attacks on waste are really nothing more than an attack on a necessary military buildup. But other proponents of a stronger national defense effort are equally worried that continuing with "business as usual" at DOD will produce only a marginal increase in U.S. military strength at the cost of hundreds of billions of dollars. This paper is dedicated to the task for developing a more comprehensive view of waste in the U.S. military, so that future expenditures might better be directed toward achieving military goals.

This paper cites 104 separate DOD problems in the different categories—waste in the procurement process, the R&D process, operations and maintenance, the compensation system, and basic management. The 104 items of alleged annual waste range in size from $1 million to over $16 billion. (See Table ES-1 at the end of the Executive Summary.) The largest area of waste, accounting for 40 to 60 percent of the total, was found in the procurement process—not which or how many weapons are purchased, but rather how the purchases are made. Allowing excessively high overhead charges by contractors is alone alleged to cost U.S. taxpayers between $3 billion and $16 billion each year. Other multi-billion dollar problems in the procurement process include the instability in the budgeting and procurement process which leads to uneconomic production rates, the lack of cost-conscious weapons design, early cash outlays due to accelerated payments to contractors, the lack of competitive bidding, and theft by military and contractor personnel.

A second major area of DOD waste is in the R&D process. While over $6 billion a year of alleged waste was documented from expert sources, details about the R&D process are largely cloaked in secrecy for national security reasons, so that careful and detailed scrutiny is difficult at best. While national security certainly requires some secrecy, many have argued that far more details of the R&D budget should be open to the public.

Operations and maintenance (O&M) is the third large area of Defense spending for which data on waste were calculated—for items ranging from problems with automatic data processing to inefficient utilization of depot personnel and resources to subsidies for Pentagon executive dining rooms. Problems in inventory control, maintenance inefficiencies, and energy management made up the largest numbers of O&M categories.

Waste in the Defense Department's compensation system was the fourth major area of calculation. Because any alterations in the compensation system would likely be grandfathered, at least in part, most reforms would take ten to twenty years to produce substantial savings. Such long-range reforms and their potential savings are not included in this paper, but are the subject of a forthcoming paper on reform of the military compensation system—a paper whose primary focus is military retirement. The items discussed in this paper are substantially smaller problems, but nonetheless account for hundreds of millions of dollars wasted each year. These items are mostly concerned with compensation apart from direct salary payments.

The fifth and final major area of waste discussed is basic management. The four subareas of focus are poor consolidation and coordination among the service branches, problems in personnel management, problems with the management of the Military Health Care System, and other problems of basic management. Fifty-seven separate items are included in this chapter.

While it is tempting to focus on the very "large ticket items" of hundreds of millions or billions of dollars per year, many items 1/10 to 1/100 that scale have been included. A $100 million item of waste, for example, may be very easy to overlook in a Defense budget of $273 billion—less than 4/100 of 1 percent—yet it is nearly equivalent to the total FY84 budget authority of the Peace Corps. An important lesson of this paper on Defense waste is that what may easily slip through the cracks at Defense, can be very substantial dollars relative to other aspects of the federal budget. Just the waste from excessive use of aircraft afterburners, and other inefficiences in aircraft thrust management, waste enough fuel each year (over $410 million worth) to fund the School Lunch Program for nearly one year, the Occupational Safety and Health Administration for nearly two years, the Bureau of the Census for more than five years, or the federal Fair Housing Program for 86 years—entire agency budgets covered by an issue that is certainly less than extreme or critical to military managers of aircraft fuel, maintenance and training.

Waste in this report has only been quantified where a published responsible source existed, and no extrapolations were made from waste in one service branch to potential waste in another. Every attempt has been made to eliminate potential overlap among items. All dollar figures are expressed as FY84 dollars. When original source material was expressed in other than FY84 dollars, estimates in this paper were made either as an extrapolation from a previous budget year or by using the inflators developed and used by the Department of Defense. (See Appendix 1 for full description of methodology.)

One should not read this paper with an expectation of undisputed accuracy. One cannot avoid the fact that few details, if any, that are presented in this paper are devoid of controversy. Not only do each of the 104 items contain potential controversial sources or assumptions, but the very process of combining the 104 items into a single added range of total dollars wasted is even more controversial. Every attempt has been made to include the broadest range of experts and political perspectives possible and to make assumptions, where necessary, in as conservative a manner as is reasonable.

No one number in this paper should be considered critical in and of itself. In many instances several sources for an individual item are cited, providing valuable compari-

[1] Prepared on behalf of the National Marine Engineers' Beneficial Association, Jesse M. Calhoon, President; by Ruttenberg, Kilgallon & Associates, Dr. Ruth Ruttenberg, principal investigator.

son and contrast insights for the range of analyses. All numbers have been documented, but because of the complexity of the issues each number can also be considered controversial. In addition, the Defense Department has publicly contested many of the items and specific numbers of published critics. In some cases DOD might argue that an item of management actually affects military strategy, and that military not economic considerations are the prime concern. Some studies have been criticized by non-DOD analysts as well. The 1983 and 1984 publications of the President's Private Sector Survey on Cost Control (sometimes known as the Grace Commission) for example, have been subjected to harsh criticism by many, including the Congressional Budget Office and the U.S. General Accounting Office. The focus of the reader should be on the massive size and pervasive nature of the alleged waste, not on any one expert's quantification or analysis of any one problem.

CONCLUSIONS

Many conclusions can be drawn from the 104 separate items of DOD waste which are reported on in this paper:

Waste is massive and pervasive, and the rapid growth planned by the current Administration may make the problems even worse.

Most problems cited here have been identified and studied for years by a number of experts, but little if any progress has been made.

The controversies over which weapon systems are unnecessary (and, therefore, wasteful) grab the headlines, but do not represent the largest waste at DOD. In addition, because of the bow-wave nature of Defense spending, savings from unnecessary weapon systems would take longer to achieve than savings from elimination of management waste, which recur annually.

The Congress needs to review the Defense budget in a unified way and with its own analysts.[2] All procurement items in the budget should have associated with them, at minimum, the O&M and personnel compensation costs of items procured so that full cost can be the basis for decisions.

While DOD constantly updates weapons, and plans for and procures the most modern and sophisticated ones available, it has antiquated computers and software systems and antiquated research laboratories. Its management organization and compensation systems are virtually unchanged from a generation, sometimes a century, before.

Reform is needed in the military compensation system but it must be based on comprehensive review and must consider the long-run implications of such reform on force composition and the armed forces in general. Other issues needing comprehensive review include the impact on the U.S. economy of Defense activities affecting technology transfer, contracts from overseas equipment and parts, ailing defense industrial base, inefficiencies from production bottlenecks, etc.

NEEDED REFORMS

Many reforms are needed at DOD. Some are quite incremental in nature; others represent radical changes from past practice. Some can be accomplished quickly and internally, others may need longer periods for planning and implementation. All 104 items of alleged waste carry with them implied reforms and necessary changes. The Department of Defense could institute many reforms on its own, through most analysts believe that Exective and Legislative branch action will also be necessary. The White House and Congress may have to take the lead with DOD on other reforms.

Management incentives within DOD should change to emphasize cooperation rather than competition among the service branches. After all, a large part of the raison d'etre of creating the Department of Defense was to establish one coordinated and unified administrative center for military activity. A variety of efforts to apply the concept of coordination should be pursued aggressively. Among them are programs to consolidate activities among the service branches—activities from base consolidation to the creation of one military hospital system. Overlapping duties and responsibilities need to be eliminated where possible. Attempts should be made to reduce interservice rivalry and should include weapon standardization where possible; joint management in base support, logistics, transport, etc.; and an increase in interservice assignments. DOD employees should maintain oversight relationships with DOD contractors, and avoid the tempting role of prospective (post-retirement) employee. Managers who effect savings should be able to reclaim from the U.S. Treasury a portion of those savings for unbudgeted DOD programs. The audit function should be enhanced, and whistleblowers should be both protected and encouraged.

Priority should be given to modernizing and consolidating DOD information systems. One common computer language and effective hardware investment policies are critical. Data which are not critical to national security interests should be available to outside analysts.

Stability and competition for procurement should be achieved. In order to increase the economic efficiency of U.S. weapons procurement, adequate production rates are necessary. Better planning through multi-year procurement and multi-year budgeting as well as weapon standardization (or partial standardization) should be utilized whenever possible. Competition in procurement is necessary to hone down overhead and excess facilities capacity among contractors as well as to ensure lower prices and improved quality of weapons. Competitive bidding, dual sourcing, product warranties, value engineering and a variety of other procedures are necessary to enhance the competitive process.

The primary and critical function of the Department of Defense is to protect and defend the national security of the United States. Review and reform of weapon systems, tactical and strategic programs, deployment of troops, etc. are the first priority of DOD management. But an organization spending, in the public trust, hundreds of billions of dollars a year, and allegedly wasting a large percent of that through management inefficiences must make management efficiency a higher and more pressing priority.

[2] NOTE.—While the Congressional Budget Office annually does a comprehensive review of the Defense Department budget, it is a descriptive review and, according to CBO staff, not intended to be analytical.

TABLE ES–1.—104 AREAS OF ALLEGED WASTE IN THE DEFENSE DEPARTMENT

[In millions of fiscal year 1984 dollars]

Problem	Estimated amount of waste
I. WASTE IN THE PROCUREMENT PROCESS	
1. High overhead charged by defense contractors	$2,822.6 to 16,230.2.
2. Instability in the budgeting and procurement process which leads to uneconomic production rates.	3,991.8 to 9,408.8.
3. Lack of cost-conscious weapons design	2,485.9 to 9,408.8.
4. Lack of competitive bidding	4,437.5 to 5,645.3.
5. Early cash outlays due to accelerated progress payments.	2,000.0 to 5,100.0.
6. Poor productivity among defense contractors	540.4 to 4,704.4.
7. Failure to breakout spare parts procurement	217.5 to 4,044.0.
8. Redundant prime contractor facilities	2,350.0 to 2,820.0.
9. Theft by military and contractor personnel	940.9 to 2,822.6.
10. Not using commercial components and specifications when feasible.	1,320.9 to 2,016.2.
11. Lack of standardization of weapons and equipment.	611.0 to 2,100.0.
12. Lack of specialization in DOD procurement and production functions in the Army.	330.0 to 1,880.0.
13. Prepaying for vacations of contractors' employees.	207.1 to 258.9.
14. Unnecessary DOD and contractor reporting requirements.	216.2.
15. Weak management in procurement of conventional ammunition.	85.7.
16. Overly expensive packaging of training ammunition.	5.2 to 8.8.
17. Unnecessary materials included with ammunition.	2.0.
II. WASTE IN THE R&D PROCESS	
18. Lack of coordination among the branches and poor strategic planning.	2,962.2.
19. Large design teams and excessive data requirements.	2,484.5.
20. Lack of effective discipline on decisions to start new weapons systems.	525.7.
21. Poor control over contract management support services for R&D.	233.5.
22. Inefficient administration of independent research & development program.	103.6.
23. Antiquated Federal laboratories	75.1.
III. WASTE IN OPERATIONS AND MAINTENANCE	
24. Problems with automated data processing	776.6 to 1,767.8.
25. Lack of the most modern technology to diagnose avionics failures.	720.0 to 1,152.0.
26. Inefficient utilization of depot personnel and resources.	529.6 to 882.7.
27. High administrative overhead	653.3.
28. Lack of aircraft thrust/power management	414.2.
29. Excessive procurement of M–1 tanks for training.	223.7.
30. Inefficiencies in maintenance of naval aircraft	190.5.
31. Lack of competitive bids for procurement of petroleum products.	54.6 to 266.9.
32. Poor productivity in maintaining motor pool vehicles.	93.5
33. Unnecessary construction of military housing in urban areas.	72.1 to 103.6.
34. Excessive amounts of Navy material handling equipment.	80.9.
35. Lack of centralized management of consumable items inventory.	77.7.
36. Lost freight claim recovery opportunities	53.9.
37. Poor controls over Government furnished materials provided to contractors.	20.7 to 62.1.
38. Overlap in Marine Corps logistics	9.9.
39. Lack of "reliability-centered maintenance" for Army combat vehicles.	8.3.
40. Subsidizing Pentagon executive dining rooms	2.2.
IV. WASTE IN THE DOD COMPENSATION SYSTEM	
41. Poor management of enlistment and reenlistment incentive bonuses system.	400.2 to 452.0.
42. Poor management of Variable Housing Allowance Program.	349.5.
43. Unauthorized use of meal services	103.6.
44. Unnecessary payments in Aviation Career Incentive Pay Program.	93.0.
45. Duplicate compensation payments for new retirees.	41.1.
46. Poor exchange of pay data between the military services and VA.	7.8 to 19.8.
47. Granting accrued leave pay to recruits who do not complete 6 months of service.	5.4.
V. WASTE IN BASIC MANAGEMENT	
A. Failure to consolidate:	
48. Lack of one common computer program language.	1,500.0.
49. Lack of consolidation of military base support.	383.1 to 1,541.9.
50. Lack of consolidation in depot-level maintenance and management functions.	294.2 to 1,459.3.
51. Lack of control over contract management support services.	429.1.
52. Lack of consolidation of foreign military sales activities.	334.2.
53. Lack of consolidation in military recruiting support operations and advertising.	95.3.

TABLE ES–1.—104 AREAS OF ALLEGED WASTE IN THE DEFENSE DEPARTMENT—Continued

[In millions of fiscal year 1984 dollars]

Problem	Estimated amount of waste
54. Lack of consolidation of contract administration.	93.2.
55. Lack of consolidation of wholesale depots.	51.8.
56. Lack of consolidated activities of Air Force Reserve and Air National Guard.	51.8.
57. Lack of consolidation of traffic management.	20.7.
B. Inadequate personnel management:	
58. Inadequate use of apprenticeship and on-job-training.	2,134.9.
59. Inefficient processing of personnel security clearances.	1,086.3.
60. Poor personnel policy which inhibits length of Army careers, and places added burden on recruitment and training.	590.3.
61. Unnecessary permanent change of station moves.	103.6 to 776.6.
62. Ineffective training programs	415.1.
63. High cost of first-term attrition	302.7.
64. Needlessly high Air Force requirements for strategic airlift crews.	97.8 to 155.6.
65. Poor management of the Troop Feeding Program.	57.8.
66. Excessive raw food costs for troop feeding.	52.3.
67. Not collecting on servicemen's bad debts	36.2.
68. Counterproductive nature of civilian end-strength ceilings.	30.0.
69. Not civilianizing certain Air Force positions.	17.7.
70. Not imposing penalties on "no-show" passengers for military airlift command flights.	16.2.
71. Unnecessary paperwork requirements for temporary duty travel in the Air Force.	15.1.
72. Ineffective Army learning resource centers.	10.6.
73. Use of enlisted personnel as personal servants to top military officials.	4.7.
74. Unnecessary operating costs of the DOD overseas dependent school system.	3.5.
C. Management and problems in the military health care system:	
75. Not recovering the cost of medical care from eligible, inactive beneficiaries covered by private health insurance.	432.3.
76. New construction for hospitals with less than 60 percent occupancy.	295.3.
77. Lack of coordination among the service branches for health care delivery.	243.2 to 308.0.
78. Inaccurate administration of CHAMPUS benefits.	253.8.
79. Lack of emphasis on national supply contracts.	20.6 to 119.8.
80. New construction for hospitals with less than 50 operating beds.	52.9.
81. Health care services provided to ineligible beneficiaries.	44.5.
82. Poor energy management in military hospitals.	29.1 to 53.1.
83. Using physicians to staff executive management positions.	32.4.
84. Poor procedures for recovering the cost of medical care from third-party payers.	20.7
85. Poor management and operations of medical supply depot inventories.	9.6.
86. Not limiting or charging user fees for civil consultations at the Armed Forces Institute of Pathology.	8.7.
D. Other management problems:	
87. Unnecessary military bases	144.9 to 5,177.6.
88. Need to create a procurement audit system.	517.8.
89. Inefficient maintenance and repair program for military housing.	414.1.
90. Air Force inefficient in financial reporting and control.	378.3.
91. Not efficiently identifying disposable land and expediting its sale-Army.	100.0.
92. Inefficient cash managment in the military.	65.0.
93. Lack of economic analysis for construction projects.	45.4.
94. Problems with housing for unaccompanied enlisted personnel.	37.1.
95. Absence of competitive bidding for movement of household goods to Alaska and Hawaii.	20.5.
96. Failure to use shipper associations for less-than-truckload transportation.	14.3 to 38.1.
97. Existence of the military's stunt pilot show.	8.3.
98. Poor management of property leased to foreign governments.	7.2.
99. Anachronistic administrative structure for the Army Corps of Engineers.	5.4.
100. Lack of coordination of programming with the budget review process within the Air Force.	2.6.
101. Less than full utilization of cargo space on military aircraft returning to United States.	2.4.
102. Poor packaging of household goods bound for Alaska.	2.2.
103. Lack of coordination in determining container loading and unloading priorities.	1.1 to 2.7.
104. Existence of the National Board for promotion of Rifle Practice.	0.9

Sources: See individual items in main text for specific citations.●

DEFENSE PROCUREMENT REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 10, 1985 into the CONGRESSIONAL RECORD:

DEFENSE PROCUREMENT REFORM

What President Eisenhower called the "military industrial complex," President Reagan calls the "arsenal of democracy." To keep it going, the Pentagon spends an average of $28 million every hour of every day of every week. At its best, it produces marvels of technology that arm American servicemen with the world's finest weapons. At worst it prices coffee makers at $7,600 and toilet seats at $600. It is a livelihood for 20,000 prime contractors, and 150,000 subcontractors, who work with 154 separate accounting systems, 7,500 pages of purchasing rules, and 1½ million new contracts each year.

As more and more Hoosiers demand an end to defense waste, I wonder if the system's shortcomings have undermined the national consensus to rearm America. Criticisms of the way the Defense Department buys weapons are easy to find:

A defense inspector general's audit last year found evidence of fraud in 10% of 216 contracts.

If a contractor overcharges the Pentagon, the case may take years. Meanwhile, the contractor suffers no penalties unless fraud is proved.

Thousands of companies receive defense contracts, but just a few contractors are dominant. Last year the top 15 contractors received over 40% of all contracts.

Some contractors are given rent-free use of over $10 billion in factories and equipment paid for by the government.

The Pentagon insures some contractors against their own negligence and pays for inflation.

Since profits rise as costs increase, there is little incentive to reduce costs. The Pentagon cushions contractors from their own errors. One company underbid other companies to win a contract, then found it had bid too low. The company argued that the Army should have caught the mistake. The Pentagon agreed and awarded the company $62,000. This happens all too frequently.

The Pentagon regularly discovers improperly made weapons. Yet, companies that do poorly can earn as much or more than those building first-rate systems. The Air Force paid one company $1½ billion for new aircraft wings after they found the old wings could crack.

Military spending does produce jobs, advance science and technology, and provide goods and services vital to our defense. It stirs a sense of patriotism in many Americans. But defense industries also make big profits. Profit surveys show defense contractors enjoy substantially higher returns than other manufacturers. Their top executives and employees earn far better than average pay. Cost formulas sometimes allow these salaries to boost a contractor's profits still further. Moreover, most of the largest defense companies, taking advantage of accepted accounting practices, have paid little or nothing in federal income taxes.

Controlling the cost and quality of weapon is hardly a new problem. Defense secretaries have sought ways to control costs, with unimpressive results. In looking over the record of procurement problems I sometimes think weapon acquisition is management-proof.

A number of steps should be taken. Until recently, Congressional oversight has been cursory and sporadic. More must be done to understand what works and what doesn't in weapons acquisition. Congress often compounds procurement difficulties by canceling and restricting programs, stretching out funding, and protecting industries in members districts. We clearly need the best management advice we can get on a continuing basis. Beleaguered as they may be with other matters defense secretaries can't delegate this responsibility to deputies. Top Pentagon managers, who now average only two or three years on the job, have to be kept longer. Defense auditors must be thorough and energetic and carry the authority to command attention for their findings. Simply fixing the procedures and regulations of defense acquisition is insufficient. Top political leaders, including the President, must motivate the enforcement of the system.

The Pentagon must award contracts competitively, and discourage the awarding of contracts on a sole-source basis. Competition saves money and produces reliable goods. For too long the defense acquisitions process has not attracted the best and the brightest defense personnel. More emphasis must be placed on finding, training, and keeping the most qualified persons for management careers in defense procurement. Particular attention must be given to assuring that quality and cost contract monitors are skilled and competent.

Since the costs of weapons systems often escalate because of unnecessary changes during development and production, special efforts must be made to reduce the cost of these changes. Management procedures must also be found to improve cost estimates for weapons systems. The Congress, the Defense Department, and the defense contractors must develop a healthier, less adversarial relationship. Uniformed officers will always want the best and the most regardless of cost, but Congress must insist on cost effectiveness. The Congress and the Pentagon must review the profits of defense contractors. Certainly the rules which allow profit from his costs must be changed.

Changing the way the Pentagon buys weapons will be tough. The problem and the solution can be identified; but it will be difficult to make effective reforms. I am convinced that the weapons acquisition must be substantially improved and costs drastically

reduced. Otherwise, the public and the Congress will no longer support the defense program, and our security will suffer.

(Some of the facts in this newsletter were drawn from articles in the Washington Post.)●

FREDRIC DICKER REPORTS FROM THE NICARAGUAN BORDER

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. COURTER. Mr. Speaker, there is a myth, endlessly repeated, which holds that the Nicaraguan resistance is the pawn of Somoza's loyal soldiers. This myth cannot explain why so many former Sandinistas are now with the Contras, not fighting against them. It cannot explain the defection of Sandinista-trained militiamen to the opposition. It cannot explain how the Contra force, so small in 1979, has grown steadily ever since (U.S. aid can supply weapons and clothing, but it cannot supply the will to resist). Nor can this myth explain the large number of teenagers in the Contra ranks. And yet the myth persists.

Please allow me to enter into the RECORD this dispatch from the Central American front by New York Post journalist Fredric Dicker. Its discussion of the composition of the resistance force is a worthy one.

[From the New York Post, Apr. 9, 1985]

FREDRIC DICKER REPORTS FROM THE NICARAGUAN BORDER

ON THE HONDURAN-NICARAGUAN BORDER.—The supreme commander of the largest army battling Nicaragua's Marxist dictators was clearly angry, and I wasn't surprised.

Col. Enrique Bermudez, the 52-year-old bushy-eyebrowned father of three, could tick off painful casualty figures and embarrassingly slim munitions statistics without emotion.

Indeed, he seemed quite at ease speaking by candelight at his hot, dusty, jungle surrounded, mountain citadel called Las Vegas, the scream of insects and incessant chorus in the background.

But when Bermudez was asked about a charge heard all too often these days in Washington, in the halls of Congress—that his Nicaraguan Democratic Force (FDN) army is composed of "a bunch of one-time backers of dictator Anastasio Somoza—his demeanor changed quickly to anger.

"It is Sandinista propaganda and it is, regrettably, widespread in the United States," said Bermudez, who is partly responsible since he earned his officer's rank in Somoza's army.

"Look, of my 54 commanders only 11 served in Somoza's army, mostly below the rank of captain.

"I have the highest rank and I didn't fight in the (1979) revolution. I was in Washington (as the Nicaraguan military attache.)

"I think the Somoza regime was a classic of the kind, with a high-degree of corruption," Bermudez continues.

"During the war there were abuses against the population. Somoza handled the war very badly.

"We're not trying to restore a Somoza-type government.

"We want a democratic government like that in the United States."

Any honest observer—and that includes members of Congress—who thinks the FDN army is composed of Somoza thugs, should spend a few days in Bermudez' camp, as I did.

They'd see thousands of high-spirited volunteer fighting men, 99.9 percent of whom are tough campesino peasants—with no past connections to Nicaraguan politics, much less to the dictator Somoza.

But few Americans—much less congressmen—have gone in search of the truth about the problems which are destroying Nicaragua and threatening all of Central America.

And sadly, it isn't only the myth of the Somoza fighters that is being perpetuated as a result.

The highly-explosive Nicaraguan situation is engulfed in myths.

How else can one explain the widespread publicity given allegations of civilian atrocities committed by the anti-Sandinista fighters?

An estimated 50,000 refugees have fled Sandinista-controlled Nicaragua—population three million—to Honduras.

I saw thousands of them here. I visited and talked with dozens of them.

Over and over again, the stories were the same: Sandinista atrocities including allegations of murder and torture.

Time and time again, I asked myself, "How much sense does it take to realize that people run away from brutality, not towards it."

If the Sandinistas—or for that matter, the Cuban, East German, Russian, Vietnamese, Cambodian, and Chinese Communists—are so terrific, why is it that millions of people always want to get away from them?

Of course, there have been atrocities committed by the anti-Sandinistas.

But they appear to have been the work of remotely-based, widely scattered, and semi-autonomous fighting groups far from the control of Bermudez and other anti-Sandinista leaders (four separate groups are batting the Sandinistas.)

Bermudez concedes the FDN has committed atrocities against Nicaraguan civilians.

But he insists they are isolated incidents strongly condemned (in at least one case by execution), when discovered, by the FDN.

"It is not the rule. It is the exception.

"As a matter of policy we see the people of Nicaragua as the base of our support. Without them, we can't survive."

The Sandinista army, by contrast, is under the iron-fisted control of disciplined communist fanatics, many of whom are "volunteers" from Cuba, South America, and eastern Europe.

When the Sandinista Army commits atrocities—as it did when it murdered hundreds of Misquito Indians on the Atlantic Coast—it is carrying out government policy.●

SOVIET BRUTALITY IN AFGHANISTAN

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BROOMFIELD. Mr. Speaker, the terrible rape of Afghanistan continues unabated. As the Soviet Union tries to annex that once-peaceful country, the Soviet military is now targeting the Afghan people. Innocent men, women, and children are being murdered in cold blood as Soviet units sweep through wide areas of the country, and eliminate all living things in those areas. Unbelievable atrocities are being committed on a daily basis.

When the Soviets invaded Afghanistan in December 1979, the Kremlin claimed its troops had been invited in by the Afghan Government in order to protect that country from so-called "Western designs" on that nation. It is bizarre that the army which marched in is now decimating the population of that country. The puppet Afghan Government and its Soviet backers are reportedly willing to kill millions of Afghans, and drive others into refugee camps in Pakistan, in order to preserve their fledgling Communist state.

The free world watches in horror as the Soviets turn Afghanistan into a captive nation through the brute application of force. Our only hope is that the Afghan freedom fighters will succeed in winning the struggle with the Soviet invaders and regain control of their homeland.

With these thoughts in mind, I commend the following article detailing Soviet atrocities to my colleagues in the Congress.

[From the Washington Post, Mar. 30, 1985]

SOVIET ATROCITIES ALLEGED—AFGHAN REFUGEE DETAILS BURNING, KILLING

(By Joanne Omang)

Soviet troops last week burned more than a dozen remote villages in Afghanistan, killed most of their inhabitants and booby-trapped many of the bodies, according to a report allegedly from the scene.

A State Department official said the report "is probably true, although we have no independent confirmation." The report was quoted yesterday by the conservative Committee for a Free Afghanistan.

Committee spokesman Steven Nimetz said a man, Muhammad Gul, 30, appeared in Peshawar, Pakistan, Thursday claiming to have survived an attack March 17 on his village of Chinar in the Durbaba subdistrict of Nangahar province in southern Afghanistan.

"He said the Soviet troops attacked at 8 a.m. in full force, killing every living thing. This also happened to 14 or 15 other villages around Chinar," Nimetz said. Gul said that, in one incident, 52 women and children tried to hide on a rooftop but were spotted and burned to death when the house caught fire, Nimetz said.

"He said the Soviets came in with large packs on their backs and sprayed a yellow substance into all the homes, ignited the substance and burned everything," Nimetz said.

Bodies were later dismembered and booby-trapped, and the area was mined, Gul was quoted as saying. He reported that an Afghan who went with him to investigate the scene was killed as one of the bodies exploded.

Nimetz said Gul had come to Peshawar to obtain food and supplies for his family, who

had escaped with him and were hungry in the mountains.

Nimetz said Gul could not supply numbers of Soviet troops or of the total dead, and talked only reluctantly to Karen McKay, executive director of the committee who is visiting Peshawar, and to an unidentified journalist there who taped the interview.●

THE ENCRYPTION OF SATELLITE TELEVISION PROGRAMMING

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. GREGG. Mr. Speaker, on March 27, I introduced into the House of Representatives legislation to amend the Communications Act of 1934, with respect to the encryption of satellite television programming.

The purpose of H.R. 1769 is to foster the more widespread availability of television programming transmitted by satellite. The legislation is designed to complement the "satellite television viewing rights" amendments to the Communications Act of 1934, which resulted from provisions of the recently enacted Cable Communications Policy Act of 1984—Cable Act; Public Law 98-549 signed into law by President Reagan on October 30, 1984.

Section 5 of that act amended the Communications Act of 1934 to make it crystal clear that individual home Earth station viewers of unencrypted satellite signals are not in violation of provisions of the Communications Act. In order to avoid frustration of the Congress' desire to encourage widespread public access to satellite television programming, further legislation is immediately needed. A review of the developments in the delivery of video services to American homes crystalizes the need for this immediate action.

When television was first introduced in the late 1940's, it was centered in the Nation's urban capitals. As television became more popular, it reached out for smaller population centers and was thought to have potential to serve rural America. But the economics of television operation prevented it from adequately serving rural America. Television revenues depend on advertising revenues and advertising revenues depend on service to the largest audience possible. Over-the-air broadcast television has not been profitable in areas with sparse population.

With the 1950's came the advent of cable television. Although born in smaller communities, cable television could not fulfill its potential for rural America and it quickly gravitated to densely populated areas. The economics of cable television operation, which center on the laying of coaxial cable to carry television signals, dictate that systems serving communities where houses are located close together will be the most profitable. For most cable television systems, the cost of laying cable in areas where houses are far apart is prohibitive. Therefore, the advent and proliferation of cable television systems still left the rural dweller disenfranchised from the benefits of developments in communications technology which were being provided to the Nation's other citizens.

The beginning of the 1980's witnessed the development of another technology which had the potential to provide Americans with television programming: home satellite Earth stations. For the first time since the beginning of the age of television, a home delivery system was developed which did not rely for its profitability on serving densely populated areas. In this regard, satellite Earth stations are unique amongst the various technologies that had the potential to deliver television programming directly to the home. By receiving television signals from satellites which blanket the continental United States with their coverage, home satellite Earth stations provide a major benefit by serving America's rural population as effectively and as efficiently as they can serve Americans in suburban and urban centers. The home satellite Earth station industry is establishing equality for rural viewers with their more urban counterparts. A basic home satellite Earth station system can be purchased today for less than $2,000. It is a technology which is within the reach of many of those rural Americans who for so long have been disenfranchised from television programming service.

A testament to the reality of rural television delivery is that in 4 years more than 1 million home satellite Earth station receiving systems have been installed throughout the United States. The industry estimates that more than 60,000 of these systems are currently being shipped each month by manufacturers. Moreover, this is largely an American manufacturing and distribution enterprise; the only one of the consumer electronics industries which remains predominantly American.

As the final decades of the 20th century draw to a close, there are still millions of Americans who are unable to receive adequate over-the-air television service; millions more that do not receive basic broadcast transmissions via cable, let alone satellite services; and still millions more receive programming that is technically inferior. By and large, these Americans residing in the more rural areas of the country have too long been the subject of irrational discrimination in the receipt of television programming.

Satellite transmissions which result from the use of scarce orbital satellite positions and scarce public spectrum take advantage of a valuable national resource. For the last 4 years rural Americans have enjoyed the benefit of educational, informational, and entertainment programming. The public benefit that this programming provides to rural Americans must be preserved. Last year's action by the Congress (Public Law 98-549) in clarifying that home use of satellite Earth stations is legal was an attempt to ensure that this technology will continue to serve rural and other Americans.

But several satellite subscription services have announced their intention to scramble satellite television signals. The scrambling of satellite signals can permit the withholding of reception of such signals from Earth station owners. To date, there has been no definite commitment by satellite distributors of motion pictures to provide descrambling equipment or viewing rights to Earth station owners. Immediate encryption may likely foster the selective distribution of television programming to elite groups based on their geographic location, economic status, affiliation with a cable system or any number of criteria which will result in the withholding of service to rural and other Americans. At a time when rural America is finally emerging from the dark ages of television service, encryption of television programming threatens to banish rural America once again to the outer limits. Such a result will not serve the public interest and will not meet the needs of rural Americans.

Section 705(b)(2) of the Communications Act was recently enacted by the 98th Congress to relieve possible inequities in the provision of programming services to satellite Earth station users. These provisions provide incentives and encourage the development of program viewing agreements for unscrambled signals. Scrambling by program distributors, coming right on the heels of the adoption of this national policy, thwarts the congressional intention that fairly negotiated marketplace agreements can ensure the public interest in widespread satellite television programming service at reasonable rates.

One distributor has announced its intention to scramble in the near future and has indicated that it plans to give cable operators exclusive rights to market scrambled signals to Earth station users in franchised cable areas. Such a plan would discriminate against Earth station dealers nationwide and against Earth station users who would be forced to deal through the local cable operator which already has a local franchised monopoly. This would foreclose competition between Earth station dealers and cable operators. Recently, the same satellite television programmer announced plans to force most satellite master antenna

systems [SMATV], which serve multiunit dwellings within cable franchised areas, to purchase the program service from the cable operator instead of directly from the programmer. Such distribution systems discourage competition to the local cable operation and can keep prices artificially high for consumers. The method the programmer will use to enforce the distribution system is the withholding of decoders from customers it does not desire to serve.

Scrambling of signals is not justified at this time to deter unauthorized commercial use of satellite cable programming. The sanctions in section 705(d) of the Communications Act which were also newly enacted by Congress in the Cable Act, provide substantial penalties for unauthorized commercial use of satellite television programming—up to $50,000 in damages plus criminal sanctions. In fact a coalition of cable companies, programmers and distributors [COST] was recently formed to ferret out unauthorized commercial users and it has filed many legal actions nationwide, several of which have already been successful. The judicial remedies now provided in the Communications Act appear to provide a more than adequate system of remedies to aggrieved parties. Therefore, particularly at this junction, when home Earth station users are not assured a right of access to satellite programming, scrambling is unnecessary for protection in the commercial arena.

Scrambling at this time would give programmers the capability to impose discriminatory distribution systems and frustrate the development of marketplace negotiated distributor-viewer/private viewing agreements which may more effectively ensure compensation to the distributor for the viewer's use of its programming. The 1984 Cable Act, for the first time, put into place a framework whereby fair marketplace agreements can be negotiated. A moratorium on scrambling will give these processes an opportunity to develop.

All indications are that immediate scrambling may lead to the withholding of satellite cable programming from rural home Earth station users. There is no plan in place that will ensure continued access to services that intend to scramble their signals. An executive of one satellite program distributor recently stated that "slowly but surely the sky will go dark." Thus, the bill I am introducing today ensures continued access of rural families to a wide variety of programming by prohibiting scrambling for a period of time.

Earth station users now receive satellite programming without charge. Immediate encryption would radically change the situation for rural viewers who are finally receiving access to television. Purchasing an Earth station is still a major investment for most rural families. A denial of access to programming, or the imposition of unreasonable payment requirements on such families, may likely make television programming once again unavailable to these families if scrambling is permitted at this time. Pay television programmers are receiving millions of dollars each year in revenues and profits from the use of the airwaves. They do this without regulation and without the requirement of public responsibility that pertains to broadcasters and others that rule the airwaves. The national public interest mandates that rural Americans finally get their fair share of television programming.

Our 1984 legislation was supposed to ensure viewing rights and Congress now needs to protect these rights. The moratorium will enable the Congress to pursue substantive legislation ensuring that the right of all citizens to Earth station technology is not eroded. It will also give the marketplace a chance to work. If signals are to be scrambled, we want to know that there will be access to these signals on a fair and reasonable basis. We do not have any such assurances thus far. Therefore, I call upon the Congress to take immediate action to prevent scrambling for a 2-year period of time to allow a proper marketplace to develop or for congressional oversight to take its proper course. Unless we are vigilant, a cartel-like operation controlling access and prices could emerge to the detriment of competition and the rights of the viewing public.●

AMTRAK SHUTDOWN MAKES NO SENSE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FLORIO. Mr. Speaker, the administration has proposed the elimination of all funding for Amtrak. This would result in the shutdown of Amtrak's passenger service throughout the Nation

This proposal makes no sense. Amtrak is an important part of our national transportation infrastructure. Indeed, the proposal could cost more than it would save, as the following article from the March 25, Philadelphia Inquirer points out.

AMTRAK WOULD COST MORE TO SHUT DOWN

(By George Bradford)

As federal budget-slashers swoop through the country with their indiscriminate swords drawn, anything not nailed down is a candidate for the junk pile—especially Amtrak. There have been several editorials pleading for clemency to Amtrak because of the valid need for a balanced transportation system. But this is only a small part of the story.

Amtrak's multiple opponents want to end it by eliminating the entire $684 million annual subsidy. They justify this by saying that Amtrak is merely a luxury for the middle class and wealthy. They also act as if removing the Amtrak subsidy will actually cut the deficit by $684 million and not cause hardship for most people. These excuses for axing the passenger rail system are just factually incorrect.

The most important fallacy to correct is the assumption that discontinuing Amtrak's $684 million subsidy will cut the deficit by that amount. This, in fact, is the basis of the whole Amtrak-killing proposal.

The truth is that Amtrak, according to the 1971 statute that created the passenger carrier, is locked into labor protection payments for employees laid off when rail service is discontinued. Thus Amtrak, or the government, must continue to pay these employees a portion of prior salaries for up to six years.

Because Amtrak operations employ over 25,000 people, 4,200 indirectly through other railroads, these labor protection payments in the first year alone are estimated, by Amtrak president Graham Claytor, to be between $600 million and $800 million—possibly more than the full $684 million subsidy. Over six years, the cost would be about $2.1 billion.

Thus the taxpayers could either pay $684 million next year for a nationwide passage rail system, or they could cut out that subsidy, and instead pay at least that amount for 25,000 people to do nothing. Even the most ardent Amtrak opponent would rather have his tax money pay people to run trains than have it pay people to do nothing.

President Reagan, Budget Director David A. Stockman, et al., say that trains do not provide an essential service, but are luxuries for the rich and middle class. Nobody who ever walked, at night, through the passenger coaches of the Crescent to New Orleans, the Silver Star to Florida, or Broadway Limited to Chicago could convince me that those were the rich and middle class sprawled across seats, trying to keep the kids quiet, and shifting around while attempting to sleep until their luxurious arrivals at 2:20 a.m. in Charlotte, N.C., or 2:51 a.m. in Canton, Ohio.

What about providing an essential service? It is true that living in a major city we can fly easily to Washington or Chicago, or from Chicago to San Francisco. But anyone who ever looked at Amtrak's national timetable will be amazed at the plethora of small communities strung out along the Amtrak route lines.

For these relatively isolated places all over the country with little or no air and bus connections, Amtrak is the vital link to the major metropolitan areas along the routes. For example, the California Zephyr is not just carrying people between its endpoints, Chicago and San Francisco. It is simultaneously transporting plain folks—not just the rich—between Ottumwa, Iowa, and Chicago, or between McCook and Omaha, Neb., or between Helper, Utah, and Salt Lake City.

The same comparison can be made on any of Amtrak's long distance routes. But then Stockman has probably never found himself alone in Hinton, W.Va., trying to get back to Washington. If he did, he would gratefully accept a ride on the Cardinal and watch the beautiful West Virginia countryside glide by.

Those who want Amtrak out believe that they can delude the country into thinking

they are saving money and not causing many people hardship. Indeed, it may not pose a hardship for Reagan or Stockman, but the 20 million Americans who rode Amtrak last year cannot be written off so easily. Many of them had no car or couldn't afford to fly, and some just didn't want to fly.

Reagan's quoted subsidy of $34 per passenger was obtained by dividing the 20 million riders into the $684 million subsidy.

The figure, however, is misleading. Actually, passengers traveling longer distances are more highly subsidized than those going smaller distances. The lower-income passengers, who generally travel further, are thus receiving more subsidy than the higher income short-haul riders. This is only fair, but Reagan merely quoted the average of $34 without realizing that the poorer travelers benefit more than others.

Air and highway congestion will increase if Amtrak shuts down. The administrative costs of shutting down stations and disposing of a vast "estate" would be horrendous, especially after investing over $2 billion in improving the Northeast Corridor alone.

Once abanboned, the cost of reactivating a rail system would be prohibitive. Most significantly, according to Tom Wicker in the New York Times, the United States, "once boasting the most extensive transportation network anywhere, will become the only nation in the developed world without a national rail passenger system." I might also add that we would also be the only nation willing to pay $2.1 billion for the privilege of achieving that status.

(George Bradford is a physician and travel writer specializing in rail travel.)●

ADMINISTRATION STATEMENTS ON NICARAGUA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BARNES. Mr. Speaker, President Reagan has accused his critics in the Congress and elsewhere of being victims of a disinformation campaign. But, judging from a recent article in the New York Times, the disinformation is coming from the administration.

Among the points made in the Times report are the following:

The administration claims that Nicaragua's "war machine" dwarfs the forces of all their neighbors combined." In fact, according to the Defense Department's own data, the Salvadoran and Guatemalan armies are nearly as large as Nicaragua's, and the other Central American armies combined are far larger than Nicaragua's.

Despite frequent administration claims to the contrary, administration officials privately admit that they do not believe Nicaragua has any intention of attacking its neighbors.

The administration claims that the Sandinista military buildup began before the U.S.-supported Contra attacks, and therefore cannot be explained by U.S. hostility. However, according to the Defense Department, shipments of heavy Soviet-made arms to Nicaragua began after the Contra attacks started. Also, the Sandinistas announced the creation of a large militia only after 67 Nicaraguan soldiers had been killed by the rebels.

Despite frequent administration claims that Nicaragua's fears of an American invasion are entirely self-induced, in fact Defense Department documents and statements by U.S. officials demonstrate that it is U.S. policy to create Nicaraguan fear of an invasion.

The administration claims that the Sandinistas are pursuing a "revolution without frontiers." But the State Department has conceded that it does not know of any Sandinista official who ever made such a statement.

Administration officials concede that Nicaragua does not in fact have the capability to attack Honduras, since Nicaraguan tanks would be defenseless against modern antitank weaponry and the Honduran air force.

In his speeches, Vice President Bush likes to display a Nicaraguan stamp with a picture of Karl Marx on it. What he does not say is that this stamp is part of a series depicting important figures in history, including George Washington and Pope John Paul II.

Mr. Speaker, we all share serious and legitimate concerns about Nicaragua. But we also ought to share some decent respect for the truth in our political discourse. The House will shortly vote on the President's request for renewed funding for the Contras. To help my colleagues determine their position on that request on the basis of facts and not disinformation, I include the entire New York Times article at this point.

[From the New York Times, March 30, 1985]

NICARAGUAN ARMY: "WAR MACHINE" OR DEFENDER OF A BESIEGED NATION?

(By Joel Brinkley)

WASHINGTON.—The threat that Nicaragua's Army may pose to other Central American countries has become a central issue in the debate over renewed United States financing for the rebels fighting to topple the Government.

The Administration says the army is a juggernaut, far larger than the other Central American militaries and poised to attack its neighbors. But Democrats in Congress and some officials in the Administration say they believe the White House has overstated its case.

At the same time, however, even many of the Administration's critics agree with two of President Reagan's other major concerns about Nicaragua: that many Sandinista leaders are Marxist-Leninists and that they have aided El Salvador's leftist guerrillas.

REAGAN SEES A "WAR MACHINE"

Mr. Reagan has accused the Nicaraguans of building "a war machine" that "dwarfs the forces of all their neighbors combined."

In February, Vice President Bush belittled "some who still insist" that "these Marxists have no extraterritorial ambitions."

In interviews with more than two dozen officials in the White House, the Defense and State Departments, Congress and private organizations involved with Central American affairs, these were some of the main findings:

The Salvadoran and Guatemalan regular armies, with 48,000 and 40,000 troops, are each nearly as large as the Nicaraguan Army, which has 40,000 regular troops and another 20,000 militia members on active duty, according to Defense Department figures. When all the other Central American armies are combined, they are far larger than Nicaragua's. On the other hand, when army troops and militia are lumped together, Nicaragua's military forces are larger than those of any other Central American country, although Guatemala claims to have a 900,000-member Rural Civil Guard.

Senior Administration officials, in speeches and in public reports, have frequently said Nicaragua intends to attack its neighbors. But State and Defense Department officials say unofficially that they do not believe Nicaragua has any such intention.

President Reagan has said that "the Sandinista military buildup began two and a half years before" the United States-backed Nicaraguan rebels took up arms and was not a result of rebel attacks. But Defense Department records show that the first shipment of heavy Soviet-made arms to Nicaragua came many nonths after the first reports of rebel attacks.

Nicaraguan officials have said one reason for their buildup is that they fear an American invasion. Administration officials confirmed that since at least 1983, the United States had used a "perception management" program, as a classified Defense Department document called it, to keep the Nicaraguans concerned that the United States might attack.

White House and State Department officials were unable to verify the accuracy of several quotations that the President and others have attributed to Nicaraguan leaders in support of their assertions about Nicaragua's intentions. In one case, the State Department acknowledged that it knew of no Sandinista official who ever used an often-quoted phrase that Nicaragua seeks a "revolution without frontiers."

Even the Administration's critics agree with several of the President's fundamental assertions about Nicaragua.

Many of them say they are convinced that Nicaragua has supplied arms and other assistance to El Salvador's leftist rebels, although there is disagreement about the scope of that assistance and whether it continues.

Representative Michael D. Barnes, Democrat of Maryland, the chairman of the House Subcommittee on Western Hemisphere Affairs, said that "there is no doubt" about Nicaragua's "support to the left in El Salvador."

Administration critics also agree that many of Nicaragua's leaders are Marxist-Leninists with close ties to Cuba. To some Administration supporters, that fact alone is sufficient evidence of aggressive intent.

There also is widespread concern that Nicaragua could become a Soviet military base. "There's a possibility for air bases and submarine pens," said Senator Richard G. Lugar, Republican of Indiana, the chairman of the Foreign Relations Committee. Soviet and Nicaraguan officials have denied such assertions.

ARMY'S SIZE AND ABILITY IS A MATTER OF DISPUTE

A White House spokesman said Otto J. Reich, Ambassador for Latin American public diplomacy, was the official best suited to outline the Administration's concerns about Nicaragua and the evidence to support them.

In an interview, Mr. Reich described the Nicaraguan Army as "enormous in relation to its immediate environment" and added that "invasion is one of the things we are concerned about."

The Defense Department estimates that the Nicaraguan Army includes about 40,000 regular, active-duty troops and another 20,000 civilian militia members on active duty, for a total troop strength of about 60,000.

The department also estimates that El Salvador has 48,000 troops on active duty, Honduras has 21,000 and Guatemala has about 40,000 for a combined troop strength of about 109,000. Costa Rica has no army but does have a 9,500-man Civil Guard.

Nicaragua also has a civilian militia of 50,000 in addition to those on active duty, and Administration officials sometimes include the militia in their public statements about the size of the Nicaraguan Army.

Carlos Tunnerman Bernheim, the Nicaraguan Ambassador to the United States, said the militia included "all types of people: factory workers, students, women, children and old people."

All of them, he said, "have had some minimal training," adding that they would be issued weapons if Nicaragua were invaded.

A Defense Department official, acknowledging that the militia includes some women and children, said that "we don't know how well trained they are" or how many have arms.

Costa Rica has a 10,000-member civilian militia, Honduras has a 4,500-member, "public security" force and Guatemala claims to have a 900,000-member rural defense force.

Of the assertions of a possible Nicaraguan invasion of its neighbors, Foreign Minister Miguel d'Escoto Brockman of Nicaragua said, "To believe that is to believe that in addition to being evil, we are also insane."

A senior Defense Department official directly involved with Central American affairs agreed, saying that "we don't expect an attack" because "we don't think they would be that stupid."

"That would be the solution" to the Nicaragua problem, he added, because the United States would "most certainly" attack.

Administration officials frequently point to Nicaragua's armor as evidence of aggressive intent. Nicaragua has more tanks than any other country in the region.

In a speech last month, Vice President Bush said Nicaragua had "over 150 tanks." And Government white papers describing a Nicaraguan threat point out that Nicaragua has "heavy ferries to give additional amphibious mobility" to the tanks, as one white paper said. It also noted that Nicaragua's borders with Honduras and Costa Rica are "largely defined by rivers."

Defense Department officials say the Nicaraguans have 110 Soviet-built T-54 and T-55 tanks that are 25 to 30 years old. Col. Lawrence L. Tracy, the State Department's military adviser for Latin American public diplomacy, said the tanks "couldn't survive against modern antitank weaponry." Colonel Tracy is one of the authors of the Government's most recent white paper, issued in March.

Since most of Nicaragua is too hilly for tanks, to be used against Honduras they would probably have to be loaded on flatbed trucks and driven up the Pan-American Highway, Colonel Tracy and others said.

That could be "suicidal," Colonel Tracy said. The Honduran Air Force, which include more than two dozen jet fighters and bombers, "could easily take them out," a senior Defense Department official said, since Nicaragua has "no significant air force to speak of."

Mr. Reagan, in a 1983 session with reporters, said Nicaragua had "fighter planes, bombers and so forth." Defense Department officials say Nicaragua has no jet fighters or bombers or other modern combat aircraft, except about 10 sophisticated Soviet helicopter gunships.

Mr. Reich said, "If all the Nicaraguan tanks were to simply occupy a plain in southern Honduras, they could humiliate the Honduran Army, and the Government could collapse."

But Mr. Reich also acknowledged that the "Sandinista military hasn't shown us much so far" in its war against the rebels.

NICARAGUAN BUILDUP: ORIGIN IS DEBATED

Ambassador Tunnerman, like other Nicaraguan officials, said that "we had to increase our military because we are facing aggression from the contras," as the rebels are often called.

But a senior State Department official contended that "they announced their intentions and were rushing pellmell to buy tanks long before the contras were a threat." Nicaragua denies that.

The first clear statement of Nicaragua's intent was a Government paper called "the 72-hour document." Published in Managua in the fall of 1979, a few months after the Sandinistas came to power, it reported "in detail on an extraordinary meeting Sept. 21 to 23" of the Sandinista leadership, a State Department cable from Managua said. The United States Ambassador called the document "remarkably frank," and Reagan Administration officials frequently cite it.

Of military plans, the document said, "Though we do not wish to downplay the need for a strong military to take care of national defense, we would like to point out that at the present time there is no clear indication of an armed counterrevolution" and "what merits our attention is domestic factors."

At the same time, in 1979 Cuba was sending a variety of specialists to Nicaragua, including military advisers, and a Defense Department official said that showed that the Nicaraguans "had this buildup planned all along."

Bosco Matamoros, an official in the largest rebel group, the Nicaraguan Democratic Force, said recently that armed rebels began attacks in Nicaragua in 1980. That is also when Sandinista officials began complaining of attacks. And in recent interviews, rebel leaders have said they began receiving training and assistance from the Argentine military in 1980.

In February 1981, Nicaragua announced it would form a large citizen militia. By then, 67 Nicaraguan soldiers had been killed in attacks by several hundred rebels, many of them former Nicaraguan National Guardsmen who had been operating out of Honduras for more than a year, press reports of the time said.

Also in February 1981, Defense Minister Humberto Ortega Saavedra asserted that Nicaragua needed a large militia because "there is a danger that the thousands of former National Guardsmen abroad" could find support from the United States.

Months later, in mid-1981, a senior Defense Department official said, Nicaragua acquired its first Soviet-made tanks. Until then, another Defense Department official said, they had been receiving "small arms and light artillery, mostly."

Late that year, President Reagan authorized the Central Intelligence Agency to begin aiding the Nicaraguan rebels.

U.S. HAS STIRRED FEARS OF INVASION

Nicaraguan officials have repeatedly said they are worried about a United States invasion, and since at least 1983 the Reagan Administration has intentionally reinforced those fears, senior Administration officials confirmed.

A 1983 Defense Department document on "Central American initiatives" mentioned a "perception management program" to be "coupled with the activities of" the Big Pine II military manuevers held that August in Honduras. The Defense Department "will take the lead" in the program, the document said, with help from the C.I.A. and the State Department.

A senior State Department official confirmed this week that the program was still in place and said its purpose was to gain concessions from the Nicaraguan Government. "Every time there's an invasion scare, they make some concessions," he said. Another senior official said, "We do our best to keep them concerned."

Statements from the President and other senior officials in Washington raise invasion concerns in Managua. But the most important element of the program, officials said, has been a series of large-scale American military maneuvers in Honduras, beginning in early 1983. From the start Administration officials have said the maneuvers were intended to intimidate Nicaragua.

"One of the central purposes is to create fear of an invasion," a senior Administration official said. The American troops "push very close to the border, deliberately, to set off all the alarms," he added.

Ambassador Tunnerman said that "with 12,000 troops on our border" and a "corresponding escalation of statements from the Government" in Washington, "we have reason to be concerned."

The Defense Department is preparing for large-scale maneuvers along the Nicaraguan-Honduran border that will begin within a few weeks.

The Administration intentionally scared the Nicaraguans in another manner last November, when officials in Washington said a ship docking in Nicaragua might be carrying Soviet fighter planes.

Administration officials said later that no planes had been unloaded. But during the MIG crisis, as Nicaraguans now call it, American surveillance aircraft flying over Managua caused a series of sonic booms, further alarming the Nicaraguans at a time when tensions were already high.

Such planes frequently fly over Nicaragua and other countries without causing sonic booms.

Mr. Reich confirmed that the booms were intended to scare the Nicaraguans. Another senior State Department official said that "there is talk about doing the same thing again."

Central American Troop Strengths

	Numbers are approximate
Nicaragua:	
Regular armed forces	40,000
Civilian militia members now on active duty	20,000
Other civilian militia members	50,000
El Salvador:	
Regular armed forces	48,000
National Guard, treasury police, national police	8,500
Honduras:	
Regular armed forces	21,000
Public security forces	4,500
Guatemala:	
Regular armed forces	40,000
Treasury police, national police	11,000
Rural Civil Guard	900,000
Costa Rica:	
Regular armed forces	None
Civil and rural guards	9,500
Civil militia	10,000

Source: Defense Department and Central American Governments.

DID NICARAGUA SAY WHAT U.S. SAYS IT SAID?

WASHINGTON.—In a speech last year, President Reagan discounted the Nicaraguan Government's explanations for its military buildup.

The Sandinistas "claim the buildup is in response to American aggression," Mr. Reagan said. "And that is the most cynical lie of all. The truth is, they announced at their first anniversary, in July of 1980, that their revolution was going to spread beyond their borders.

Nicaraguan officials said no such statement was made. And officials at the White House and the State Department said they could not substantiate the President's remarks.

"I think he might have been referring to something said at the second anniversary" of the Sandinista victory, "not the first," a White House official said. "But I'm not sure."

AUTHENTICITY IS UNCERTAIN

The President and other Administration officials often cite quotations from Nicaraguan officials. But American officials acknowledge that the authenticity or origin of some of the quotations is uncertain.

For example, in a 1983 speech President Reagan said that the Sandinistas "make no secret of their goal" and they "preach the doctrine of 'revolution without frontiers.'"

In testimony in 1983 to the Senate Foreign Relations Committee, Secretary of State George P. Shultz was asked for evidence that "the Nicaraguans are contemplating using massive force outside their borders."

Mr. Shultz responded that "the Communist leaders regularly say what their objectives are" and that "the Government of Nicaragua does not conceal what it wants is a 'revolution without frontiers.'"

In the same year, Representative Edward J. Markey, Democrat of Massachusetts, wrote to Mr. Shultz, asking for the source of the phrase. A State Department officer replied, "Administration officials, while not attributing the phrase to individual Sandinista leaders, have used it to characterize Nicaragua's aggressive policy."

REFERENCES TO COSTA RICA

An Administration official said this week that "actually we've had problems" with the quotation and could not verify that anyone actually said it.

Recently, officials have quoted Tomas Borge, the Nicaraguan Interior Minister, as saying that Costa Rica would be "the dessert" in Nicaragua's foreign conquests.

In a speech last week, President Reagan said of the Sandinistas, "Once in power in Nicaragua, they began working for their revolution without frontiers in which small, democratic, unarmed Coasta Rica would be—and I quote their words—'the dessert.'"

An Administration official said this week that the quotation was taken from a 1983 opinion-page column in The Wall Street Journal by Huber Matos Jr. Mr. Matos, the son of a prominent Cuban exile, lives in Miami and works for an organization called Independent and Democratic Cuba.

In an interview this week, he said he heard the quotation while in Costa Rica several years ago. "It was pretty widely known," he said.

But Mr. Matos acknowledged that he had never heard Mr. Borge use the phrase and had never spoken to anyone else who had heard Mr. Borge use it. A State Department official said that "we've been trying to find the sourcing on that one."

In general, an official in the State Department Office of Public Diplomacy said this week, "what has happened is that people have been quoting some of these things from 1981 on, and some of them have become distorted."

A BROAD BRUSH PAINTS STAMPS

Nicaraguan postage stamps honoring Karl Marx, were shown by Vice President Bush in a recent speech to underscore his contention that the Sandinistas had set up a Marxist state.

The stamps, however, are part of a series on world leaders past and present, including George Washington, and Pope John Paul II.●

CALIFORNIA COALITION OPPOSES OCS LEASING MORATORIA

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. DANNEMEYER. Mr. Speaker, a broad-based citizens coalition of California individuals and organizations has come forward to speak out against a continuation of congressional moratoria on leasing for oil and gas development on the Outer Continental Shelf [OCS].

A mailgram signed by the members of the citizens coalition was presented to the Appropriations Subcommittee on Interior on March 22 by Don Cobbs, vice president of the Black Business Association of Los Angeles. A copy of the mailgram was sent to members of the California congressional delegation. Those signing it included State and local elected officials, chambers of commerce, statewide trade associations, and other interest groups.

Mr. Cobbs was joined as a witness at the Appropriations Subcommittee hearing by Larry Luera of the California chapter of the League of United Latin American Citizens [LULAC]; Robert Moeller, president of the Yolo County Farm Bureau on behalf of the California Farm Bureau Federation, and Walter Stanley, State representative in California for the National Alliance of Senior Citizens.

The Interior Appropriations bill for fiscal year 1986 must not contain another OCS leasing moratoria for almost the entire region offshore California. This area is believed to contain some of the most promising acreage in the country for oil and gas reserves.

Among other things, an extension of the moratoria will only hamper our efforts to reduce the trade deficit. This is illustrated by the fact that when we ran up a $123 billion record trade deficit in 1984, purchases of crude oil and petroleum product amounted to $57 billion, or almost one-half of the trade deficit.

Mr. Speaker, so that my colleagues might better appreciate the breadth of interest and support in California for reasonable offshore energy development, I insert the mailgram from the coalition at this point in the RECORD:

LOS ANGELES, CA,
March 19, 1985.

Hon. WILLIAM DANNEMEYER,
House Office Building,
Washington, DC.

In the last year, many California organizations and elected officials have become concerned about the control a few coastal interests are exercising over the Federal Outer Continental Shelf.

Our message is: Environmentally safe and responsible development of America's offshore petroleum resources is vital for this Nation's energy future, national security, and collective economic growth.

Although today there is a surplus of oil in the world, oil production in the United States is declining and oil imports are growing. By 1990, experts say, the United States will be more dependent on OPEC oil than ever.

Given that it takes up to 15 years to develop an offshore oil field, we believe it is essential that the Department of the Interior's Offshore Leasing Program continue on schedule.

We urge you not to include offshore leasing moratoriums in the DOI's fiscal year 1986 budget.

State Senator Ed Davis.
State Senator Jim Nielson.
State Senator Ed Royce.
Assemblyman Bill Bradley.
Assemblyman Jim Costa.
Assemblyman Gerald N. Felando.
Assemblyman John Lewis.
Assemblywoman Cathie Wright.
Mayor Alan Catlin, City of Fullerton.
Mayor Herbert W. Cranton, City of South Gate.
Mayor Bill Cunningham, City of Huntington Park.
Mayor David Hannah, City of Arcadia.
Mayor Dennis Orrock, City of Ventura.
Mayor Durill Wright, City of Port Hueneme.
Councilman Frank Greinke, City of Tustin.
Councilman Jim Hayes, City of Stanton.
Councilwoman Linda Lequire, City of Fullerton.

Councilman Dennis Lojeski, City of Arcadia.
Councilwoman Patti Longo, City of Ventura.
Councilman Jim May, city of Santa Maria.
Councilman Thomas Mills, city of Carson.
Councilman James Monahan, city of Ventura.
Councilman Don Pellegrino, city of Arcadia.
Councilman Lester Reese, city of Buena Park.
Councilman Daniel Tabor, city of Inglewood.
Supervisor Joseph Flynn, El Dorado County Board of Supervisors.
Supervisor Mary K. Shell, Kern County Board of Supervisors.
Supervisor Anna Sparks, Humboldt County Board of Supervisors.
Robert Clarke, harbor master, Crescent City.
Sergio Banuelso, president, California Hispanic Chamber of Commerce.
James Barucca, executive director and vice-president, Greater Ventura Chamber of Commerce.
Hector Barretto, president, U.S. Hispanic Chamber of Commerce.
Wesley Bush, executive director, El Segundo Chamber of Commerce.
Clarence Childs, executive director, Compton Chamber of Commerce.
Dale Dunn, president, Huntington Beach Chamber of Commerce.
Patricia Farlander, executive administrator, Ridgecrest Chamber of Commerce.
John Hay, president and CEO, California Chamber of Commerce.
Mike Plisky, president, Oxnard area Chamber of Commerce.
Frank M. Reid, executive vice-president, Fullerton Chamber of Commerce.
Steven Rubenstein, president and director, Conejo Valley Chamber of Commerce.
Tom Sawyer, director, Oxnard area Chamber of Commerce.
Nick Strangio, president, Port Hueneme Chamber of Commerce.
Philip Wagner, executive director, Montebello Chamber of Commerce.
William J. Wood, executive vice president, San Bernardino area Chamber of Commerce.
Eduardo Bernaldez, president, American G. I. forum.
Clarence Broussard, director, Century Freeway Affirmative Action Committee.
Meda Chamberlain, president, Los Angeles Chapter of National Council of Negro Women, Inc.
Dick Cowger, director, Ventura County Taxpayers Association.
Hank Crockett, president, Ventura Economic Development Association.
Margaret Cruz, former state president, Mexican-American Political Association.
Rear Admiral Walter "Buck" Dietzen, retired.
Firmin Feuerborn, executive secretary, Building Trades Council (Santa Barbara/San Luis Obispo).
Paul Golis, director, Constituency for Public Awareness.
Zelda Kaiser, president, Ventura County Taxpayers Association.
Ed Lyon, president, Constituency for Public Awareness.
John Mack, director, Los Angeles Urban League.
Bob Moller, president, Yolo County Farm Bureau.
Nancy Morris, director, Ventura Economic Development Association.
Mario Obledo, national director, League of United Latin American citizens.
Esq. Kenneth Thomas, chairman of the board, Los Angeles Sentinel Newspaper.
Bob Vice, past president, San Diego Farm Bureau, Yolo County Farm Bureau.
Warren White, executive director, Tri-Agency Economic Authority, Crescent City.
City of Antioch.
City of Arcadia.
City of Compton.
City of Eureka.
City of Fullerton.
City of Port Hueneme.
City of Stanton.
City of Ventura.
El Dorado County Board of Supervisors.
California Chamber of Commerce.
Central California Hispanic Chamber of Commerce.
Coachella Valley Mexican-American Chamber of Commerce.
Compton Latino Chamber of Commerce.
Downey Chamber of Commerce.
Eureka Chamber of Commerce.
Fullerton Chamber of Commerce.
Greater Bakersfield Chamber of Commerce.
Huntington Beach Chamber of Commerce.
Merced Mexican-American Chamber of Commerce.
Montebello Chamber of Commerce.
Monterey Park Chamber of Commerce.
Oakland Chamber of Commerce.
Orange County Mexican-American Chamber of Commerce.
Oxnard Area Chamber of Commerce.
Port Hueneme Chamber of Commerce.
Redding Chamber of Commerce.
Ridgecresi Chamber of Commerce.
Riverside Hispanic Chamber of Commerce.
Sacramento Mexican-American Chamber of Commerce.
San Bernardino Area Chamber of Commerce.
San Bernardino Mexican-American Chamber of Commerce.
San Jose Mexican-American Chamber of Commerce.
San Pedro Peninsula Chamber of Commerce.
Southern Alameda Mexican-American Chamber of Commerce.
Stanislaus County Mexican-American Chamber of Commerce.
Stockton Mexican-American Chamber of Commerce.
Woodland Hispanic Chamber of Commerce.
U.S. Hispanic Chamber of Commerce.
Agricultural Council of California.
Black Business Association of Los Angeles.
California Cattlemen's Association.
California Farm Bureau Federation.
California Highway User's Conference.
California Hotel and Motel Association.
California League of Food Processors.
California Manufacturer's Association.
California Travel Parks Association.
Concerned About Petroleum.
Constituency for Public Awareness.
Fresno County Farm Bureau.
Hollywood/Wilshire Committee on Aging.
Marina and Recreation Association.
NAACP: Hollywood/Beverly Hills Chapter.
NAACP: Watts Chapter.
Northern California Marine Association.
Southern California Marine Association.
Western Timber Association.
Councilman E. Llewellyn Overholt Jr., city of Anaheim.
August A. Caires, city administrator, city of Shafter.●

SAVE SOCIAL SECURITY COLA'S

HON. PAUL E. KANJORSKI
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. KANJORSKI. Mr. Speaker, on Monday, April 15, I introduced in the House, House Concurrent Resolution 116, legislation expressing the sense of the Congress that Social Security cost-of-living adjustments should not be reduced or eliminated.

Many senior citizens are understandably concerned about their futures as a result of the recent agreement between the administration and the Senate Republican leadership to cut this year's COLA in half. I encourage my colleagues to reassure their senior citizens that their full COLA's will be paid in full by cosponsoring and working for the passage of House Concurrent Resolution 116.

I would like to share with my colleagues the text of House Concurrent Resolution 116, as well as an editorial from this Sunday's Washington Post, explaining why it makes no sense to cut or eliminate Social Security COLA's.

H. CON. RES. 116

Concurrent resolution expressing the sense of the Congress that Social Security Cost-of-Living Adjustments (COLAs) should not be reduced or eliminated

Whereas more than 36 million Americans depend upon Social Security for their livelihood;

Whereas Social Security benefits are provided through a trust fund separate from general revenues;

Whereas the Social Security trust fund is supported entirely by contributions from employees and their employers;

Whereas the 1985 Annual Report of the Board of Trustees of the Social Security trust fund concludes that the assets of the trust fund are sufficient to pay benefits "well into the next century;"

Whereas Social Security is a fully funded insurance program and not a welfare program;

Whereas Social Security recipients have already made major sacrifices as a result of the passage of the 1983 Social Security Amendments in order to restore the solvency of the Social Security trust fund;

Whereas these sacrifices already include the elimination of the minimum benefit, the taxation of one half of many recipients' benefits and a six month delay in COLAs;

Whereas Social Security cuts already enacted into law will cost retired and disabled persons $100 billion by the end of the decade;

Whereas the average income of Social Security recipients is substantially below the average income for the population as a whole;

Whereas automatic COLA increases have reduced by more than 40% the percentage of senior citizens with incomes below the poverty level;

Whereas a freeze on COLAs could push more than a half a million Americans under the poverty line next year, and as many as 2.3 million by 1990;

Whereas proposals are being seriously considered by the administration and in the Congress to either eliminate or reduce Social Security Cost-of-Living Adjustments; and

Whereas any reduction in benefits would impose a substantial hardship on millions of senior citizens which is unnecessary because the Social Security System is sound and solvent: Now, therefore, be it

Resolved, by the House of Representatives (the Senate concurring), That it is the sense of the Congress that Social Security Cost-of-Living Adjustments (COLAs) should not be reduced or eliminated.

[From the Washington Post, Apr. 14, 1985]

A BAD BUDGET COMPROMISE

When the Senate returns to work this week, it will have to face up to the fact that the much-heralded budget compromise reached between the president and the Senate leaders doesn't offer much promise. It's important, as reassurance to the financial markets, that the budget process didn't bog down entirely. But the details of the compromise make apparent why so few senators, including Republicans, currently support it.

The linchpin of the compromise is agreement by the president to cut the buying power of Social Security and other pension benefits over the next three years. That's not a good idea on any terms—the Congressional Budget Office estimates that the plan would put about 600,000 old and disabled people into poverty. But, with the trust funds in reasonably secure shape, even a more modest curb on Social Security would be hard to justify unless it could be truly argued that the compromise called for broad sacrifices. In fact, the losses are concentrated on the same vulnerable groups that have already sacrificed most even as the deficit has soared.

Neither of the two big beneficiaries of the Reagan administration's fiscal policies are called upon for real sacrifices. All that is asked of the Pentagon is that it slow down the rate of increase in its budget. But the military is actually planning step-ups in its buying: The other day it revealed that the cost of 84 major weapons systems had jumped by another $25 billion, mostly because it now plans to buy more of each.

Nor will taxpayers who pocketed the benefits from the enormous three-year tax cuts be asked for a contribution. Using its still-aborning tax reform proposals as an excuse for inaction, the administration opposes even efforts to stem the growth in tax shelters and other loopholes.

The plan, however, would accomplish many administration objectives that are not measured in dollars alone. Targeted for oblivion are the last vestiges of the War on Poverty—the Job Corps, community action and legal service agencies, job programs for welfare mothers and displaced workers and economic development aid. The savings are relatively trival. But they serve the conservative cause of dismantling federal programs that might arguably provide rallying points or a network of support for the economically disadvantaged and their liberal advocates.

Gone, too, or severely reduced, would be many of the programs through which the federal government has tried to help meet local needs. Revenue-sharing, support for passenger trains and operating subsidies for mass transit and public housing would all be eliminated. Aid for highways and the air traffic controller system would be cut. Federal civilian employment would suffer another big cut—though it is clear that more federal workers are needed for tax collection, drug enforcement, immigration control and policing of hazardous waste and other environmental contaminants. Medicaid help for institutionalized people and other needy persons would suffer another big cut.

Most of these are dubious proposals. They provide no sound basis for the serious deficit reduction program that is still needed.●

REAGAN AND THE ARMENIANS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. COELHO. Mr. Speaker, as you know, Turkish Prime Minister Turgut Ozal visited the United States a couple of weeks ago. This visit was significant in that it was the first time in 13 years that a Turkish leader had visited the United States, and its purpose was to demonstrate the desire to both governments to improve relations, as well as to bring Turkey's case for more military aid to Congress.

However, in his efforts to provide a warm welcome to Prime Minister Ozal, President Reagan ignored addressing any sensitive issues such as the genocide that was committed against an entire people 70 years ago; namely, the Armenians, in discussions with the Prime Minister or with the press. He did address the issue of the genocide in a prepared response to a question submitted by Hurriyet, the national Turkish paper, in which it asked whether the President approved of congressional action on the so-called genocide of 1915. President Reagan directly responded to the issue of commemorative resolutions which would recognize April 24 as National Day of Remembrance of Man's Inhumanity to Man and commemorate the anniversary of the genocide of 1.5 million Armenians by Turkey from 1915 to 1923 by linking the passage of any resolution of this type to encouraging terrorism against Turks and Turkish-Americans. I thought that this was a sad statement for the many Armenians who survived the genocide and immigrated to the United States as well as the whole Armenian community. Clearly a tragedy, which is well documented and should be commemorated for the sake of those who endured the suffering as well as for future generations of Amrenians, need not be obscured or negated by our government in an effort to improve relations with the present day Turkish government. I think that the editorial below which appeared in the Fresno Bee recently also emphasizes this concern and puts into perspective the efforts by the Armenian community to see that this resolution is passed.

REAGAN AND THE ARMENIANS

Of all the arguments against a congressional resolution for a "day of remembrance" of the massacres of Armenians in Turkey during World War I, President Reagan chose the argument with the least intellectual honesty.

That accounts in part for the angry responses to the statement he made in an interview with Turkish journalists, which coincided with a visit to Washington, D.C., by Turkish Prime Minister Turgut Ozal.

Surely no one was surprised at Reagan's opposition to memorializing the massacres. The State Department has vigorously lobbied against the resolution on the grounds that it would give comfort to Armenian terrorists who have killed Turkish diplomats, and would affront the Turkish government, a NATO ally. Presumably this position has been taken with Reagan's approval.

But it apparently still came as a shock to the Armenian community to learn that Reagan buys into the idea that the day of remembrance, in his words, "might inadvertently encourage or reward terrorist attacks on Turks and Turkish Americans."

That makes the great majority of law-abiding, concerned, responsible people in the Armenian diaspora hostage to a tiny minority whose murderous ways they have condemned without reservation.

The majority sees the congressional resolution as a simple recognition of historical truth in the face of the frustrating refusal by Turkish governments to acknowledge what their predecessors did. This does not pander to vengefulness; just the opposite. Appropriate remembrance of horror allows all sides to put it in its historical setting, which makes it easier to deal with emotionally.

It is unjust to deprive the Armenian community of this symbolic support because of things that are out of their control: the terror, which they have taken pains to decry; and the Turkish government's decision to cling to historical revisionism and make the issue a touchstone of its relationship with the United States.

That relationship is important strategically. But it shouldn't have to be propped up by an evasion of truth.

That's why the repeated failure to move the "day of remembrance" resolution through both houses of Congress sticks in so many throats.●

A TRIBUTE TO LYNN SINGER, CHAMPION OF HUMAN RIGHTS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. LENT. Mr. Speaker, throughout my 15 years in Congress, I have been an active supporter in the movement to free Soviet Jews. There is one individual who, to my mind, is the heart and soul of this movement and that is Lynn Singer of East Meadow, Nassau County, NY.

Since 1970, Lynn Singer has dedicated her time and endless energies to aiding Soviet Jews suffering persecu-

tion and oppression under the Kremlin's rule. She is past president and currently executive director of the Long Island Committee for Soviet Jewry, Hempstead, NY. Lynn is also the national past president and currently serves as chairperson of the advisory board of the Union of Councils for Soviet Jews. The Union of Councils, headquartered in Washington, DC, is a national grassroots organization with over 50,000 individual members and 34 councils in major cities across the United States and Canada dedicated to the free emigration of Soviet Jews. She is an honorary chairperson of the New York Conference on Soviet Jewry, and was appointed by the White House to the Federal Advisory Committee on Immigration and Naturalization.

On April 25, Lynn Singer will be honored by the Long Island Center for Business and Professional Women and will be presented with the Achiever's Award for Human Rights. This well-deserved honor is fitting recognition for this remarkable woman.

At this time, I'd like to take the opportunity to pay a personal tribute to Lynn Singer and to express my heartfelt appreciation for her outstanding accomplishments and contributions to the cause of freedom and human rights.

Lynn Singer is recognized throughout this country—as well as in the Soviet Union—as a champion of human rights. Through her efforts, countless Russian Jews are now citizens of the free world.

Born into an Orthodox Jewish family, Lynn had long been active in her local community on Long Island. Then came the Leningrad trials of 1970. During these famous trials, a group of Jews and two non-Jews were tried for having plotted to hijack a Soviet airplane to escape to Israel. The trials were a turning point for Lynn who then decided to dedicate her work to the plight of Soviet Jews.

Lynn is untiring in her commitment to restore human rights and freedoms to the victims of the Kremlin's vicious anti-Semitic policies. She makes frequent telephone calls to refuseniks in the Soviet Union, writes letters, sends packages, promotes fundraising efforts. She coordinates speaking engagements for and about Soviet Jews and publishes a monthly newsletter. She briefs tourists and officials visiting the U.S.S.R. on how to contact Russian Jews to bring them news of life outside the Iron Curtain. Her intimate involvement with each family, their problems and needs have earned Lynn the affectionate name "the Jewish Mother" among the refusenik community. Her compassion for her fellow man is limitless.

One of the most critical aspects of the movement's work is its political activity. Lynn has proved to be an essential force in marshalling increased support from Congress for Soviet Jews.

One of her most effective programs is the adopt-a-prisoner of conscience program. Members send letters to the prisoners and appropriate American and Soviet officials to help obtain visas for those denied the right to emigrate. One of the most fulfiling moments during my congressional career was in 1979, when my prisoner of concience, Hillel Butman, was released from Soviet imprisonment after 9 years, was reunited with his family, and visited with me in my Rayburn Building office here in Washington, DC.

Lynn Singer is relentless in her passion to aid these courageous men and women in their struggle for cultural and religious freedom. It can be said without exaggeration that this woman has done more than any one individual to increase public awareness and vigorous support for Soviet Jews.

Lynn Singer's indomitable spirit and determination are an inspiration to those of us who have joined in the valiant fight for freedom and human rights. It is a great honor and privilege to work alongside this outstanding American who has earned the respect and admiration of so many.

On behalf of my fellow Members of Congress, her many friends and colleagues, I extend my warmest congratulations to Lynn on this memorable occasion. And I offer my most sincere gratitude and appreciation for her many years of hard work and dedication as a leader to secure human rights and freedom for all mankind.●

AID FOR THE NON-COMMUNIST RESISTANCE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. TORRICELLI. Mr. Speaker, in the years since Vietnam, our proper role in world affairs has been a constant source of debate among Members of Congress. There has been no Member of this body, however, who has been a more consistent participant in this debate than Congressman STEPHEN SOLARZ. Through his leadership on the House Foreign Affairs Subcommittee on Asian and Pacific Affairs, Congressman SOLARZ has been active in renewing American commitment to democratic change within Southeast Asia. Mindful of the lessons of Vietnam, he has sought to develop a constructive role for the United States in the region. Congressman SOLARZ' reasoning, which is summarized in an editorial which he recently wrote on the matter of providing aid to democratic rebels in Cambodia, speaks for many of us that serve on his subcommittee. I have chosen to include his essay in the RECORD because I believe it represents a new approach to the problem of Vietnamese aggression in Southeast Asia.

AID FOR THE NON-COMMUNIST RESISTANCE

(By Stephen J. Solarz)

WASHINGTON.—Nearly a decade after its fall to the murderous followers of Pol Pot, Cambodia is still a source of regional tension and international concern. Occupied by 170,000 Vietnamese troops who ousted the Khmer Rouge regime six years ago, Cambodia remains a battlefield where an indigenous resistance movement is fighting to liberate the country from foreign occupation.

The resistance consists of the remnants of the Khmer Rouge, 35,000 troops under the leadership of Pol Pot; and two smaller, but growing, non-Communist groups: the Khmer People's National Liberation Front (KPNLF), led by Son Sann, which has 15,000 troops, and the Nationalist Army (ANS) of Prince Norodom Sihanouk, the former head of state, which has 5,000 men under arms.

The United States has two main objectives in Cambodia: securing the departure of Vietnamese troops and preventing the return of the Khmer Rouge.

The withdrawal of Vietnamese forces would enable the Cambodian people, at long last, to determine their own destiny. It also would reduce the Vietnamese threat to Thailand, an American ally, to whose defense the United States is committed.

At the same time, the United States has a compelling interest, as do the Cambodian people, in preventing the return of Pol Pot to power in Phnom Penh. It was, after all, the Khmer Rouge who carried out a reign of unspeakable terror that took the lives of between 1 and 3 million Cambodians.

The United States has voted for U.N. resolutions calling for the withdrawal of Vietnamese forces from Cambodia and self-determination for the Cambodian people. The United States has no diplomatic relations with either Hanoi or Phnom Penh and has maintained an economic embargo against Vietnam and Cambodia. Yet the United States has never developed a realistic strategy for achieving the withdrawal of Vietnam and preventing the return of the Khmer Rouge.

The Vietnamese are not likely to leave Phnom Penh on the basis of appeals to conscience or compassion alone. Nor are economic and diplomatic pressures by themselves likely to be effective. Vietnam will withdraw from Cambodia only when the price of its continued occupation there increases to the point where it opts for a political settlement rather than a military solution.

Raising that price clearly requires a more effective resistance movement. While the primary responsiblity for sustaining the resistance rests with the Cambodian people themselves, and with the ASEAN nations and China, which have supported it, the United States also has a meaningful role to play. ASEAN, the Association of South East Asian Nations, is comprised of Indonesia, the Philippines, Singapore, Malaysia, Thailand and Brunei.

American assistance to the KPNLF and ANS would show the Vietnamese that the resistance may be more difficult to overcome than they had anticipated. Coming not long after the recent Vietnamese offensive, U.S. aid would also boost the morale of

the resistance movement by indicating that the United States was prepared to support the resistance in its fight for freedom. Finally, it would also encourage ASEAN, which last month appealed to the international community to support the Cambodian people "in their political and military struggle to liberate their homeland from foreign occupation."

But American aid to the non-Communist resistance would serve another critically important purpose. It would help the KPNLF and ANS, if Vietnam ever agrees to withdraw, to prevent the return of the Khmer Rouge to power.

Who, after all, would be able and willing to prevent Pol Pot from reestablishing his reign of repression, should Vietnam actually leave, if not the non-Communist resistance forces?

The United States clearly has no desire or intention to reintroduce combat troops into Indochina. The ASEAN countries failed to lift a finger against Pol Pot when he was in power. And China has been the chief sponsor of the Khmer Rouge.

The best hope of preventing the Khmer Rouge's return to power in the wake of a Vietnamese withdrawal is the Cambodian people themselves, as represented by the non-communist resistance. Yet the KPNLF and ANS must be substantially strengthened if they are to serve as an effective counterweight to the more numerous and ruthless Khmer Rouge.

Some opponents of American aid to the KPNLF and the ANS have contended that, however noble its cause, the non-Communist resistance will never be able to force the more powerful Vietnamese out of Cambodia. The non-Communist forces, to be sure, will never be in a position to drive the Vietnamese out, but with increased material assistance they may be able to substantially raise the pressure on Vietnam, thereby increasing the possibility of a political settlement. Over the past few years, the non-Communist forces have grown from a few hundred troops to over 20,000. As long as the Cambodian people remain opposed to Vietnamese domination, the non-Communist resistance will have a powerful stimulus for the further recruitment.

Other critics have expressed the fear that the Khmer Rouge might obtain some of our aid. This is a legitimate concern. Any American assistance to Pol Pot would be unthinkable and unacceptable. Yet there is no reason we should not be able to prevent the diversion of U.S. assistance to the Khmer Rouge. The resistance forces are comprised of three separate armies in three separate locations, and the Thais have given us explicit assurances that any American support would be channeled exclusively to the KPNLF and ANS forces. Thailand has every reason to keep American aid away from the Khmer Rouge, knowing that a diversion of our assistance to Pol Pot would result in the immediate and irreversible termination of American aid.

We also need not fear that American aid will lead to direct U.S. military involvement in the region. After our searing experience in Vietnam, it is inconceivable that limited amounts of American assistance would lead to the reintroduction of American combat forces into Indochina. The Cambodians have not requested U.S. troops, ASEAN does not want them, and Congress would never permit them.

Finally, a decision to provide assistance to the non-Communist resistance in Cambodia would not, as some have feared, legitimize a resumption of American aid to the Contras in Nicaragua. In Cambodia, as in Afghanistan, we would be supporting an indigenous resistance movement which is opposing foreign occupation. In Nicaragua, by resuming aid to the Contras we would be involving the United States in a civil war as part of an effort to overthrow an internationally recognized government. Furthermore, in Cambodia, our friends in the region have publicly asked us to aid the resistance movement. In the case of Nicaragua, most of our friends in Latin America believe that U.S. support for the Contras is inappropriate and counterproductive.

The people of Cambodia have been victimized first by the unbelievable and unrelenting brutality of the Khmer Rouge and then by the invasion and occupation carried out by the Vietnamese. Yet they have never abandoned their struggle for freedom and independence. Their determination in the face of extraordinary adversity is a tribute to the human spirit. Surely their cause is deserving of tangible American support.

Stephen J. Solarz, a Democrat from New York, is chairman of the House Subcommittee on Asian and Pacific Affairs.●

TRIBUTE TO HON. CHARLIE BENNETT

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FASCELL. Mr. Speaker, I know that I am joined by many of our colleagues in paying tribute today to the dean of the Florida congressional delegation, Congressman CHARLES BENNETT. For all of my years in Congress, CHARLIE BENNETT has been one of the most highly respected and admired Members of Congress. Since he was first elected to Congress in 1948, his courage and wisdom has been a source of admiration and strength for many of us. CHARLIE is the distinguished author of five books and a celebrated veteran of World War II. He has long been a source of sound and thoughtful judgment, particularly in matters having to do with the armed services and our national defense, and many are grateful for his knowledge and his expertise, as well as his friendship. It is with great honor that I call to the attention of our colleagues a recent article, published by the Wall Street Journal on CHARLIE BENNETT:

REP. BENNETT FINDS DEFEAT IN CONGRESS BRINGS NEW FREEDOM TO SPEAK ON ISSUE

(By David Rogers)

WASHINGTON.—Before Florida Rep. Charles Bennett sat down in the House last week, his fellow Democrats stood up.

An emotional ovation signaled the end of debate on the MX missile, but even more it marked a turning point in a personal journey for the 74-year-old Jacksonville conservative.

Less than three months before, Mr. Bennett had been brushed aside by younger Democrats in the race for House Armed Services Committee chairman, and now the applause was a bridge for both sides to reach out again to one another.

In his office the next day, Rep. Bennett's voice broke as he struggled to hold back tears. "I said, 'Thank you for taking me back,'" he recalled. "I didn't feel like 'Where were you?' I said, "Thank you for taking me back.'"

In this city where winning is so much a part of survival, Mr. Bennett's story is one of living with defeat, and a reminder of the casualties of change as a new generation of Democrats muscles its way to power in the party leadership.

Although humiliated and bitter after his loss, Mr. Bennett is nevertheless freer as a result. "Now I can be the worrisome nettle that at times I wanted to be," he says. Whether advising his president or his party, there is a new power and poignancy to his remarks.

"Although I am a bit older than you," he recently wrote President Reagan, "unlike you I have been recently rejected, by the Democratic caucus, for a position which seniority should normally have given me. This rejection . . . has freed me to speak my mind without any impediment of leadership responsibility of my party. So I do not speak as a Democratic leader but as a concerned citizen and a combat infantry veteran who wants to prevent war and best serve his country at the same time."

MR. SEA POWER

There is a touch of the archangel to the white-haired Mr. Bennett, as if he embodies a fierce religiosity and the swift sword of the Pentagon. He is "Mr. Sea Power" on the Armed Services Committee and the man who successfully sponsored legislation in the 1950s making "In God We Trust" the nation's motto.

Yet he also exhibits a renegade independence and a vulnerability that mark more his politics.

Long before he opposed the MX missile, Mr. Bennett was an early critic of the Vietnam War, and this adds to the irony that he was rejected by a generation of Democrats whose own politics sprang from the same protest movement.

First elected to the House in 1948, Mr. Bennett has spent nearly half his life in the chamber. The Armed Services Committee defined his legislative career, and in an office only a few yards from the committee room, he bided his time in hopes of someday becoming chairman. He is obsessed with his record number of floor votes, and listening for the bells signaling a roll call, he can seem a caricature of the congressman consumed by the process—not the substance—of government.

A frail, complex figure, he is a man of contradictions. He is capable of great personal courage, but is criticized for being too preoccupied with image. In debate, he is given to long, rambling harangues, yet in his writings and comments, he can be blunt with a sudden clarity.

"It is like sticking pins in a rattlesnake," he wrote President Reagan of the administration's covert military aid to anti-Sandinista guerrillas in Nicaragua. "If we can't do more than that, we should do less."

FOUGHT IN PHILLIPPINES

Mr. Bennett fought with Philippine guerrillas against the Japanese in northern Luzon as an Army officer in World War II. The independent, small-unit combat suited his personality, and the war marked him for life when he was crippled by polio contracted in the jungle. He wears a steel brace on his right leg, and with his two black canes,

he is a fixture in the House as he rushes to make yet another vote.

"He wears his clothes out from the inside," says Rep. Sam Gibbons (D., Fla.) with admiration, yet in his own remarks, Mr. Bennett betrays some misgivings about his obsession with legislative matters.

He blames himself now for not finding more time to help a drug-addicted son who died from an overdose of narcotics in an apparent suicide, "I do blame myself," he said. "That has been real hard to live with."

Like other Southerners, he struggled with civil rights in the 1960s. He opposed the 1964 Civil Rights Act, he says, but uncomfortable with his position, he supported voting-rights legislation a year later. "I came to see how wrong I was about black people," he says.

In June 1971, Mr. Bennett was the most senior member of the Armed Services Committee to support an anti-war amendment in the House, and among those who joined him was a young freshman on the committee, Rep. Les Aspin (D., Wis.). Seven terms later it would be Mr. Aspin who would win the chairmanship, and the contrast in the styles of the two men was already a harbinger of what was to come.

Mr. Aspin saw Vietnam from inside Robert McNamara's Pentagon. An Army economic analyst, he emerged unscathed by combat and with the brash confidence of a whiz kid looking beyond conventional wars to nuclear weapons and the nuances of arms control. A consummate deal maker, Mr. Aspin was a natural to beat the standoffish Mr. Bennett.

The same young liberals who contributed to Mr. Bennett's defeat in January cried foul last week when Mr. Aspin used his new position as Armed Services Committee chairman to preserve production funds for the nuclear missile. It was Mr. Bennett who co-sponsored the motion to kill the MX authorization, and there was a twinge of guilt for some of those giving him the standing ovation at the end of the MX debate.

"It wasn't for the speech, it was for something else," said Rep. Thomas Downey (D., N.Y.), remembering the mix of anger and admiration on the floor. "He has stayed by his position and didn't run and hide."●

SBCO'S RABBI LEFKOWITZ: A MASTER BUILDER OF THE BOROUGH PARK COMMUNITY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to an extraordinary young man, Rabbi Shmuel Lefkowitz, whom I have come to know and greatly respect over the last 8 years. His wisdom, integrity, and perseverance have helped him to build one of the most remarkable neighborhood development organizations in the United States, the Southern Brooklyn Community Organization. SBCO is largely responsible for the resurgence of a neighborhood and the preservation of a way of life for the people of Borough Park and Kensington in Brooklyn.

Since 1977 he has served as the executive director of the Southern Brooklyn Community Organization, an interethnic neighborhood preservation and development group which is also a division of the Agudath Israel of America. This small agency, staffed by local housing, economic development, and social work professionals has literally rewritten the books on how to go about preventing pockets of blight and building abandonment from destroying entire neighborhoods and ethnic communities.

I have been privileged to work with Rabbi Lefkowitz and his able board of directors at numerous planning and negotiating sessions over the last 8 years. Shmuel Lefkowitz is always prepared. With maps, charts, graphs, conferences, briefing papers, filmstrips, and walking tours, he has convinced elected representatives, Federal and local government officials, businessmen, bankers, homeowners, and religious leaders that making investments to improve and provide affordable housing for low- and moderate-income families is both prudent and profitable and a civic duty. As the audience demands he can speak eloquently or bluntly, briefly or for hours, about the wisdom of maintaining a healthy mix of private and public investment programs in our neighborhoods and of the importance of community organizations and merchant associations. But most of his and SBCO's energies have been aimed at the eradication of decay and abandonment and the revitalization of Borough Park and Kensington as a good place to live, work, and raise a family.

Shmuel Lefkowitz is an Orthodox rabbi, a social worker, a fundraiser, and the father of six children. He possesses an amazing array of abilities and extraordinary energies that make it possible for him to bring together people of various political, economic, ethnic, racial, and religious backgrounds and convince them to work together to improve their neighborhoods. After talking "tachlis" with them, explaining his vision of neighborhood preservation as a key to urban survival, he is able to disarm the most cynical New Yorker or hardened bureaucrat and inspire them to work with him and SBCO to preserve and revitalize the local community and to strengthen neighborhood institutions. His creativity, vision, and determination helped him to develop new initiatives and to reshape old programs to fit the needs of the people of Brooklyn.

In searching for a way to build affordable housing for moderate-income families, particularly those with many children, he set out to convince the Federal Government that a Federal program subsidizing mortgage costs for moderate-income families that had never been tried in New York could work, provided the program was modified by the Congress for areas with higher cost housing.

As the Representative from Borough Park, I worked with Shmuel first to convince the Congress to raise the mortgage ceiling, and then to convince HUD that there was no reason that section 235 housing couldn't be condominiums in apartment buildings, instead of suburban single-family homes on a sixth of an acre. Shmuel's perseverance and persuasive powers paid off, and now some 16 communities in New York and some 2,200 families are enjoying new housing built under this modified section 235 program.

Rabbi Lefkowitz knew that Brooklyn families wanted to own their own homes. Affordable home ownership gives people a permanent stake in their communities and makes it possible for families to stay near their synagogues, churches, schools, ethnic neighborhoods, and shopping areas. Homeowners are traditionally more interested in protecting their property values and working to make their neighborhoods safer and more attractive. So Shmuel helped organize the Borough Park Community Patrol to increase public confidence and to improve public safety. The first viable community anticrime organization in Borough Park, the community patrol now has hundreds of volunteer members and dozens of activities which have helped reduce crime and improve the neighborhood.

Over and over again he told groups of housing and community development experts, Federal officials, bankers, businessmen and community leaders, tenants and homeowners that it is far cheaper in human and financial terms to save neighborhoods than to attempt to recreate them after they have been destroyed. Neighborhood preservation through community action was Shmuel's motto and guiding principle, and the plan worked.

But now it has come time for Rabbi Lefkowitz to leave the Southern Brooklyn Community Organization and the busy offices which he planned, renovated, and established on 18th Avenue. But Rabbi Lefkowitz, the SBCO Board of Directors, Rabbi Sherer and the Agudath Israel can take great pride in the substantial accomplishments that have occurred under Shmuel's able stewardship at SBCO. Over $50 million in private investment has been leveraged into Borough Park and Kensington. One thousand units of new or renovated housing have been constructed to provide decent, safe, affordable shelter for large families, low- and moderate-income residents, and for our elderly and handicapped citizens.

More important than the new apartments and the revitalized shopping area on 13th Avenue, however, is the new positive spirit that Rabbi Lefkowitz has helped bring to the forefront in one of the Nation's largest

Jewish communities. Shmuel Lefkowitz proved that individuals can overcome the indifference of city hall and the White House and that diverse groups can put aside differences of philosophy or politics and work together to aid families, and improve the physical and social communities in which we raise our children.

Shmuel leaves at SBCO a tradition of quiet, effective advocacy, coupled with firsthand knowledge of the intricacies of development programs. SBCO worked to accommodate the needs of the various actors in neighborhood preservation: Federal agencies, private investors, local businessmen, community leaders, home buyers, and residents in order to produce the positive results that spell healthy, happy, prosperous neighborhoods.

I am proud to have this opportunity, here in the halls of the Congress, to pay public tribute to and to thank Rabbi Lefkowitz and the Agudath Israel for all that has been accomplished to make Brooklyn a better place to live. May Shmuel's new efforts to rebuild and revitalize neighborhoods in the private sector be equally successful, give him much satisfaction, and more time for his growing family.

I would not be surprised if Rabbi Lefkowitz were one day entrusted with major national responsibilities here in Washington for, to quote the poet Emerson: "He builded better than he knew; the conscious stone to beauty grew," and we are all the beneficiaries of his efforts.●

A BLUEPRINT FOR ACTION ON THE UNITED STATES-JAPAN TRADE GAP

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. McGRATH. Mr. Speaker, a constituent of mine, Mr. Robert McMillan of Garden City, NY, recently penned a thought provoking commentary outlining the basic steps we must take to reduce our trade gap with Japan. Mr. McMillan is a member of the trade policy advisory committee and is widely respected in the New York business community.

His article is a useful reference for our colleagues as debate over the equities of the United States-Japanese trade relationship continues. I hope that Members of this body as well as corporate leaders throughout our Nation take note of Mr. McMillan's work which follows:

WE MUST TAKE ACTION TO CLOSE TRADE GAP WITH THE JAPANESE

(By Robert R. McMillan)

Last year, the trade deficit of the United States stood at $123.3 billion—an all-time record high. The trade deficit for 1985 is expected to be at least $140 billion. Meanwhile, Japan showed a $44.4 billion trade surplus in 1984, up sharply from 1983.

You would think these deficits would spur significant action on the part of our government, but last week's trade negotiations notwithstanding, Washington has not risen to the challenge.

The most significant action on trade in the last several months remains the decision to repeal voluntary import restrictions on Japanese automobiles.

In the interest of free trade, the restrictions indeed should have been removed, but we must take action if we are to prevent further loss of manufacturing jobs in the United States. Here is a seven-point action program to help turn around our trade deficits over the next decade.

First, trade equity with Japan must be achieved. Our government must become more articulate and aggressive in insisting that Japan change some of its restrictions on the importation of services, agricultural goods and finished consumer products.

Second, U.S. companies should take greater advantage of a 1982 federal law removing obstacles to the formation of export trading companies by businesses and banks. Since the enactment of that law, only 50 such companies have been formed. There are over 6,000 export trading companies in Japan whose sales total $350 billion a year.

Third, we must move towards the creation of a North American Common Market so that goods and services may move freely among Canada, Mexico and the United States. Creation of such a market would mean even less dependence on Mideast crude oil for the United States and would open the markets of Mexico and Canada to more of our manufactured goods and investment dollars.

Fourth, changes should be made in the antitrust laws so that our businesses may properly combine and become more competitive with foreign firms. Mature and tired industries in the United States, such as steel, need to be able to put their resources together so that their corporate structures can be streamlined and made more productive.

Fifth, business must work with government and educators to make some basic changes in our educational system. Foreign languages must be taught to our children at an early age. Whether "everyone" overseas speaks English or not, our competitiveness is weakened when our sales forces are unable to communicate effectively in the language of those they are selling to.

Sixth, labor and management must continue to pursue excellence in product quality. Anyone who thinks Japan's products lack quality need only look at their penetration into the U.S. automobile and electronics markets.

Seventh, the United States should convene a world monetary conference to explore the means to stabilize world currency markets. Unless all nations work together to solve the continuous devaluations of currencies, the balance of trade will continue to ebb and flow with the strength of the U.S. dollar. The current high value of the dollar overprices our goods in world markets.

These steps will help to improve our balance of trade. Action is now required.●

COLOMBIAN OPPOSES U.S. AID TO NICARAGUAN REBELS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BARNES. Mr. Speaker, the administration has been telling us that Latin American statesmen support its Contra aid proposal. Now it turns out that the administration misled Colombian President Belisario Betancur when it described the proposal to him when he was in Washington. Betancur told the New York Times yesterday that Secretary of State Schultz never told him that President Reagan's plan provided for military aid to the Contras. That, Betancur said, makes it "no longer a peace plan, but a preparation for war." He voiced "outright rejection" of the idea, and said, "I haven't spoken with any Latin American leader who feels differently."

Betancur told the Times that it "would be a contradiction" for anyone to try to use his statements in Washington to imply approval of President Reagan's plan. He said he disapproves of Reagan's 60-day time limit on negotiations because it is "almost like an ultimatum." The Times further reports that the views of the other Contadora countries on Reagan's plan are similar to Betancur's.

I urge my colleagues to read the New York Times report, which follows:

[From the New York Times, Apr. 16, 1985]

COLOMBIAN OPPOSES U.S. AID TO NICARAGUAN REBELS

(By Joel Brinkley)

BOGOTA, COLOMBIA, April 15.—The President of Colombia said today that he and other Latin American leaders were opposed to renewed United States military aid for rebels fighting the Nicaraguan Government.

Earlier this month the President, Belisario Betancur, told reporters in Washington that his reaction to President Reagan's plan on Nicaragua had been "very positive." But today Mr. Betancur said his response had been based on the plan's call for a cease-fire and negotiations.

He said President Reagan and Secretary of State George P. Shultz had not mentioned to him that the proposal also provided for renewed aid to the rebels, and he said he had not realized this was part of the plan until his return to Bogota.

Mr. Betancur, speaking in an interview here, said Mr. Reagan's recent call for Congress to approve $14 million in aid to the rebels made that part of the President's plan "no longer a peace proposal, but a preparation for war."

In the last few days, several senior Reagan Administrtation officials have said that Mr. Betancur and other Latin American leaders supported Mr. Reagan's initiative, including a call for renewed aid to the rebels if a deadline for talks in Nicaragua is not met.

FOREIGN INTERVENTION OPPOSED

Mr. Betancur said today that he and other Latin American leaders "firmly believe that any foreign support to guerrilla groups,

whatever the origin, is clearly in opposition to the prevailing doctrine in Latin America regarding foreign intervention in the internal affairs of our continent."

His view on foreign financing of Latin American conflicts, he said, is "outright rejection" of the idea.

He said he had discussed the matter in the last few days with heads of state of many Central and South American countries, and added, "I haven't spoken with any Latin American leader who feels differently."

Mr. Betancur also said he believed that "we are now very close to reaching a full agreement" in the Contadora peace negotiations for Central America, which have been under way for more than two years.

The remaining obstacles, he said, involve agreements on limiting foreign military maneuvers, bases and advisers. But he said that "we have made some headway on that," adding that "there may be one or another matter out of the whole agreement that the United States would not agree with."

In the 60-minute interview at the Presidential Palace here, Mr. Betancur said that while parts of Mr. Reagan's Nicaragua initiative were "positive and constructive," other parts were in direct conflict with the goals of the Contadora discussions.

In what he called a "peace initiative" for Nicaragua, Mr. Reagan proposed a cease-fire and negotiations between the American-backed rebels and the Sandinista Government that would lead to new elections. Nicaragua immediately rejected the plan.

At the same time Mr. Reagan asked Congress to approve $14 million in renewed aid for the rebels, saying the money would be used for nonmilitary purposes for 60 days. If the Nicaraguan Government does not agree to talk with the rebels by June 1, Mr. Reagan said, the aid would then be available to the rebels for weapons.

Mr. Betancur was in Washington on April 4, when the plan was announced, and he said today that Mr. Reagan and Mr. Shultz had given him only a partial briefing on it. In a meeting that morning, Mr. Betancur said, they told him that they planned to propose a ceasefire, negotiations and nonmilitary aid to the rebels—ideas that Mr. Betancur said he accepted with enthusiasm.

"I DID NOT KNOW IT WAS TIED"

But he said that when he left the White House, he "did not know it was tied to the $14 million" in renewed aid to the rebels.

Mr. Shultz gave him a printed copy of the full plan as he left, Mr. Betancur said, but he did not have time to read it until much later.

That afternoon, Mr. Reagan appeared on national television and described his plan in detail. Mr. Betancur held a news conference in Washington at about the same time—he did not see Mr. Reagan's address, he said—and when he was asked what he thought of Mr. Reagan's plan, he said, "My reaction is very positive."

A few days later, Robert C. McFarlane, Mr. Reagan's national security adviser, told reporters that the leaders of the four Contadora countries—Colombia, Venezuela, Panama and Mexico—all had endorsed Mr. Reagan's plan, including the call for renewed military aid, although he said Mexico was "less effusive" than the others.

"QUALIFIED SUPPORT"

Today Mr. Betancur said, "I understand that Mr. McFarlane has interpreted my cautious remarks in which I stated that the proposal was, at least in part, constructive and positive, as a sort of blanket approval rather than qualified support."

If the Administration is trying to use his statements to gain renewed military aid for the rebels, Mr. Betancur added, "there would be a contradiction by whomever attempts to do so."

He said it would be "infinitely more constructive" if Mr. Reagan's proposal "made no mention of a 60-day time limit" for the end of nonmilitary aid, because that "is almost like an ultimatum."

Mr. Betancur said the first part of Mr. Reagan's plan, the call for a ceasefire, "is constructive and positive inasmuch as it delays the second part of the proposal, which is the onset of a military solution."

At a meeting in Panama last week, their first since last fall, officials from all four Contadora countries said their Governments had come to similar conclusions.

The Contadora group, named for the island off Panama where the first meeting was held, has been trying to fashion a peace plan for Central America since January 1983. The plan would encompass Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

TALKS ARE "SPECTACULAR SUCCESS"

Mr. Betancur, who is widely viewed as the Contadora leader most actively involved in the negotiations, called the meeting last week "a spectacular success." After several months of inaction, problems that had been blocking the talks are now resolved, he said, adding that the negotiations now seem to be surrounded by "a state of grace."

An agreement was reached Friday on the establishment of a commission to monitor an accord being negotiated on reducing arms in the region. "This was the greatest obstacle," Mr. Betancur said today. "We are now very close to reaching an agreement."●

THE PUCCIO REPORT ON WESTWAY—PART I

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. GUARINI. Mr. Speaker, today I am inserting the first part of a report by former Federal prosecutor, Thomas P. Puccio, on the proposed westway highway project in New York. The report was commissioned by Gov. Mario Cuomo in 1983 to compare westway's projected benefits with those which would accrue from the use of interstate highway trade-in funds to aid New York's mass transit system. In the first part of the report, Puccio provides a clear description of the project's magnitude, its evolution and present status, and the major issues involved. He analyzes New York's trade-in option and reveals that it would be more viable than westway and more beneficial to New York. In tomorrow's RECORD I will conclude the report.

THE PUCCIO REPORT ON WESTWAY—PART I

Last July, I agreed to report on the continued viability of the controversial Westway project, in light of a federal District Court Judge's finding that State officials had suppressed important evidence during the approval process. This task proved too burdensome to complete in the sixty-day period of time originally contemplated. Since taking the assignment, I have devoted considerable time to a review of documents (including briefs, court decisions, correspondence, and newspaper articles concerning Westway), and I have spoken at length with a number of individuals who are in favor of, and opposed to, the project.

Based on the above, I have reached two basic conclusions:

1. Whatever merit the Westway project originally had, it has now become a luxury that the City and State probably cannot afford. Moreover, legal entanglements which continue unresolved to date have put Westway almost out of reach. Accordingly, the valuable trade-in opportunity should be seriously explored before it is too late.

2. The federal District Court findings of deception by state officials makes an investigation by an appropriate state or federal agency a necessary step to restore public confidence in the integrity of the approval process.

BACKGROUND

Westway is a proposed highway/land development project that has been designed to take advantage of federal funding available under the interstate highway laws. To the extent that Westway expenditures fall within the "interstate highway" definition, and subject to the ultimate availability of funds. Westway's costs would be 90 percent covered by the Federal government, 10 percent by the State. At present, the State's cost estimate is in the order of $2 billion, though opponents believe that the eventual price would be $4 billion or more.

Westway is styled as a replacement roadway for the old West Side Highway south of 42nd Street. It would not, however, be built in the existing right-of-way (which is adequate to support a modest replacement roadway). Instead, approximately 200 acres of the Hudson River would be landfilled, and the road would be tunneled through this fill (or, for approximately one-third of its length, routed through an open cut in the fill or mounted on an elevated structure above the fill). The area of the fill ranges from the current bulkhead line outward as far as 800 feet to the pierhead line and is generally referred to as the "interpier area." According to the 1977 Environmental Impact Statement (EIS) for Westway, approximately 90 acres of the landfill would be used for parkland, 100 acres would be available for development, and the remaining area would support the highway and its interchanges.

The history of how Westway was developed as a concept and manipulated through the review process is lengthy and need not be repeated here. It is sufficient to note that funding approval was given by the Federal Highway Administration (FHWA) in January 1977; an air quality permit was issued for the project in 1980; and a Corps of Engineers' dredge-and-fill permit has since been set aside by the U.S. District Court (recently affirmed by the U.S. Court of Appeals), and the matter has been remanded to those agencies for reconsideration after the preparation of a new EIS. The preparation of that EIS is now underway.

THE PRINCIPAL ISSUES

At the center of the Westway debate are two principal issues first, the allocation of available Federal money to a combined highway real estate project or the alternative use of such funds for transit rehabilitation and other infra-structure improve-

ments; and second the impact of the highway and potential landfill development on existing communities, especially Greenwich Village. In addition, the District Court trial identified a third issue of substantial importance-i.e., the damage that the landfill might do to important fisheries resources of the Hudson River.

ALLOCATION OF FEDERAL FUNDS

The debate over the allocation of available Federal monies derives from Section 103(e)(4) of the Federal-Aid Highway Act, which authorizes the State and City (if they agree) to abandon Westway and use the funds instead for substitute transit and roadway projects. Most Westway opponents are strongly in favor of this "trade-in" alternative, because of the immense infrastructure capital needs that the State and City face. Westway proponents, in contrast, have asserted that the trade-in is illusory and that in any event, Westway represents a "once-in-a-lifetime opportunity" which should not be missed.

LAND USE

The "land use" issue has its own history. When Westway was first conceived, the Lower West Side was generally run down as it edged toward the Hudson. As a consequence, Westway was seen as the key to revitalizing this area. Since 1977, however, much of the Lower West Side has renewed itself through new construction and accelerated conversions. Thus, today the residential communities in the Village and Tribeca, as well as in Lower Manhattan, already extend to West Street, and Westway has become something of an anachronism in this regard. Instead, for many community residents, Westway has become a spectre, since the landfill development could serve to cut them off from the Hudson. In addition, if the development should end up being luxury housing the pressures on rentals (as well as co-op and condominium prices) in the existing upland neighborhoods could be severe.

IMPACT ON FISHERIES

Finally, the potential fisheries impacts have become a matter of concern to the groups who have been concerned with protecting the Hudson over the past 20 years. In this construction, the species of fish the most severely affected appears to be the striped bass, which has great commercial and sports value not only in the Hudson, but also on the north and south shores of Long Island, all the way to Montauk.[1] The striped bass has been at the center of power plant controversies on the Hudson for many years and was probably the key factor in defeating Con Edison's proposal to build a pumped storage plant at Storm King Mountain. For the groups involved in that and other Hudson River controversies (including sports and commercial fishing interests), the idea that Westway could (to quote the National Marine Fisheries Service) "threaten the survival of the Hudson River population of striped bass" is a matter of deep concern.

THE CURRENT STATUS OF WESTWAY AND THE LITIGATION

When the U.S. District Court set aside the Corps and FHWA approvals of Westway, Judge Griesa directed the preparation of a revised EIS on the fisheries impacts and reconsideration by both the Corps and FHWA, based on that revised EIS. Pending such reconsideration, the Court enjoined all major construction connected with Westway and most other substantial expenditures. As a result of that decision and injunction (which was affirmed by the U.S. Court of Appeals on February 25, 1983), major work on Westway has been brought to a halt.

In issuing its decision and injunction, the District Court found that the New York State Department of Transportation (NYSDOT), as well as FHWA, had acted in bad faith and conspired to conceal critical new information on potential fisheries impacts. As a consequence of these findings (which were also affirmed by the Court of Appeals), the District Court made specific in its injunction the further steps that the Corps was bound to follow on the remand. Central among these was the obligation that the Corps act independently of, and not defer to, NYSDOT in shaping its decision. In addition, the Corps was explicitly instructed to consult with, and give great weight to the views of, the expert Federal fisheries agencies in deciding what additional field studies, if any, were to be undertaken.

CORPS' RECENT BEHAVIOR

Following the Court decision, the Corps began to gear up to prepare a revised EIS, and in that connection initiated a systematic inquiry into the need for additional studies. This led in August 1982 to a recommendation by the Corps' own consultants that further field studies be undertaken. Subsequently, in October, an expert panel assembled by the Corps concluded that two winters of additional work were needed and that the studies must be carried out independent of NYSDOT and its consultants. These judgments were, in turn, endorsed by each of the Federal fisheries agencies. However, when the State objected to doing such studies, the Corps abandoned the position which its expert consultants had taken and simply accepted what the State offered (which was a single winter of local sampling). Furthermore, despite the specific terms of the injunction that the Corps conduct its own independent evaluation, and despite the explicit recommendations of the expert panel that any studies be carried out independent of NYSDOT consultants. The Corps is apparently using NYSDOT—and the same NYSDOT consultants whom the District Court found to have misrepresented the earlier fisheries results—to carry out the future field work. Beyond this, the studies now being undertaken were commissioned without consultation with the Federal fisheries agencies.

In view of the proceeding conduct (which is virturally a repetition of the 1980-81 activities that the District Court found unacceptable), the plaintiffs have moved to hold the Corps and NYSDOT in contempt. Judge Griesa, for his part, has made his concern quite clear and his scheduled court proceedings which are now ongoing. If the Corps and/or the State are held in contempt, the EIS process will have to start over and two winters of additional field work will eventually have to be undertaken.

TIMETABLE

This, of course, is not in accord with the State's timetable. To the contrary, shortly before the contempt motion was filed, the State was reported as expecting a revised draft EIS to be available by April. This has not happened; but even if a draft was forthcoming soon, in light of the conduct described above, it would very likely be found defective by Judge Griesa. Accordingly, it is unlikely that an adequate EIS will be issued in 1983. If this happens, and taking account of time required for further judicial review, it is unlikely that major Westway work could resume before 1985, even if the outcome of the review process were favorable to the project.

NO POSSIBLE ALTERNATIVES

In this last connection, one other point should be recognized: there may well be an insuperable substantive obstacle to Westway Specifically, under the Clean Water Act, the foiling of "special aquatic habitat" can only be permitted under extraordinary circumstances, where there are no possible alternatives. If, as the 1979-80 fisheries data appear to show, the interpier area is an important winter nursery for young striped bass and other fish, it will qualify as a "special aquatic habitat;" and since there are clearly alternatives to Westway (even if some people deem them less desirable), then under the applicable law, the Corps will not be able to issue a landfill permit. The likelihood of this outcome is all the greater because the Federal fisheries agencies continue to oppose the landfill permit; and, as recently emphasized by the Court of Appeals in affirming Judge Griesa, the Corps must give "great weight" to these views. The Corps will not meet that test if, as in the last time around, it simply ignores the negative recommendations of the agencies.

In summary; the legal proceedings surrounding Westway are likely to stretch out many months, if not many years; and while it would be foolish to contend that a permit could never be issued, the obstacles are substantial and any authorization to proceed is uncertain at best.

THE TRADE-IN ALTERNATIVE

The alternative to Westway deserving the most serious consideration is the trade-in of Westway, and the use of Westway funds for a substitute replacement road, combined with transit and other infrastructure improvements.

The trade-in requires as a first step that the Governor and the Mayor join together to request that Westway be withdrawn as an interstate route and that the funds required to complete it (as set out in the most recent interstate cost estimate) be made available instead for substitute transit and roadway projects. The request is made to the Secretary of the U.S. Department of Transportation. The date, every such request made to the Secretary (now totalling nearly 30) has been approved, and there is no reason to believe that the result would be different with Westway. To the contrary, every recent Secretary of Transportation has indicated that, if a Westway trade-in request were made, it would be approved.

Once the trade-in was effected, an "account" to the benefit of the City and State would be established in Washington, against which substitute transit and roadway projects would be authorized. The value of that account, based on current cost estimates, would be approximately $1.5 billion. (These funds require a 15% local match whether used for transit or roads.)

An initial allocation from the trade-in funds would be required to complete and improve the substitute roadways link between 42nd Street and the Battery: The State has already removed most of the old overhead structures, and an interim road has been developed which provides a reasonable, if sometimes congested, vehicle route

[1] The value of the striped bass fishery in New York and elsewhere along the North Atlantic coast has been estimated at more than $100 million annually.

down the West Side. Significant improvements, however, may be possible with trade-in funds. For example, according to one view, within the 260-foot right-of-way that exists today, the roadway could be relocated eastward to permit the construction of a border park; a pedestrian overpass could be provided to facilitate access to the waterfront; turning lanes could be added to smooth the flow of traffic; intersections could be reduced in number to alleviate congestion; and, in general, a first-rate surface arterial could be developed to carry both auto and truck traffic along the West Side corridor. While the resulting roadway would not have the capacity of Westway, the speed differential would be small, involving, at most, five to ten minutes of additional driving time in a rush hour setting.

FUNDS FOR OTHER BOROUGHS

To reconstruct such a replacement road, including associated rehabilitation of the waterfront, the allocation of $100 million of the trade-in funds would undoubtedly be more than sufficient. The remaining trade-in funds, totalling approximately $1.4 million (plus the State share of approximately $200 million), would then be available for transit rehabilitation and bridge, road and related infrastructure repairs and improvements. These funds could be used, moreover, not only in Manhattan, but also to the benefit of the outlaying boroughs and, the general metropolitan area. For example, subway improvements could be financed in the Bronx, Brooklyn and Queens, as well as in Manhattan; funds might be used to purchase new buses for Staten Island; interborough bridges could be rehabilitated; and roadways could be repaired in diverse sections of the metropolitan area. In short, while the bulk of the funds would presumably be spent in Manhattan, trade-in offers options that could provide much broader benefits.[2]

The trade-in funds would be a major and critical source of the money needed to buoy up failing capital infrastructure. Even with the MTA's expanded 10-year program, for example, there are substantial shortfalls of transit capital funds; and the problem is equally serious in connection with bridges and roads. Furthermore, the allocation of trade-in funds to transit rehabilitation would avoid the need for up to $1 billion of borrowed capital and the resultant interest charges. This could save 10 cents to 20 cents in terms of the fare.

SURER FUNDING FOR TRADE-IN

Recent changes in the Federal Highway laws have increased the attractiveness of trade-in, in certain respects. In particular trade-ins for substitute roadway projects (including bridges) will now be funded out of the Highway Trust Fund, rather than being dependent on annual appropriations from the General Fund. This should provide somewhat greater assurance of receiving such funds in a timely way (at least as great assurance as for Westway itself) and will also relieve to some degree the annual competition for transit trade-in funds. The latter have been tentatively set at between $365 million and $400 million annually for the next four years—a relatively low sum which could, however, be increased. In any event it has been estimated that if Westway were traded in, New York could obtain at least $100 million a year for transit, based on the current authorization level. That would be a substantial amount in its own right.

The preceding discussion assumes that the trade-in funds would be drawn down within the context of the current law. However, this need not be the case if a decision were made to trade-in, it is possible (if not probable) that a deal could be negotiated with the Federal government that would be more advantageous than the scenario described above. For example, a regularized flow of Federal funds (perhaps $200 million a year over 10 years) might be effectively guaranteed, allowing the State to issue its own bonds, backed entirely by the flow of Federal funds. This would allow major repair work to proceed immediately and in an expansive way—all the time when it is needed most. Such a program could also generate large numbers of current jobs, equal to or even greater than could Westway.

Based on experience in Boston, Chicago, and Washington itself, it is apparent that the State of New York can make a deal with the federal government to assure that trade-in works. Up to now, neither the State nor the City has been prepared to negotiate, and so long as they remain unwilling to do so, they will be inclined to assert that trade-in does not work. However, it does, as the elections by other cities and states have shown; and, in my view, there is little doubt that it will work in the case of Westway, if the City and State make that election and follow it through.●

[2] It is also worth noting that the trade-in would benefit the poor to a far greater extent than Westway, since the less affluent are heavily dependent on the subway and bus system.

OCEAN MINERAL RESOURCES DEVELOPMENT ACT

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BOSCO. Mr. Speaker, last year I introduced legislation aimed at slowing the Department of Interior's proposal to offer lease sales for undersea mining on the Gorda Ridge off northern California and Oregon until the Federal Government resolved the unanswered questions and concerns raised by both the mining industry and area residents. The draft environmental impact statement released by the Minerals Management Service in January 1984, which covered potential seafloor mining on 40 million acres from 20 to 40 miles offshore, drew intense criticism from environmental and fishing groups and State and local governments. Even the mining industry viewed the plan with considerable skepticism.

In response to the criticism of the draft EIS, the Interior Department agreed to scale back the size of the lease area to 4 million acres and established a joint Federal-State working group to conduct additional economic and environmental studies. It appeared to be a good-faith effort to respond to our concerns, and I did not pursue committee consideration of my legislation.

It now appears, however, that the joint Federal-State working group may report its findings within the next few months after only a limited number of meetings with limited financial and technical support. These findings, which will be far from comprehensive, may provide the basis for a revised draft EIS and could open the door to lease sales as early as 1986.

Although I do not want to prejudge the results of the working group's efforts, I firmly believe that we are still at least several years away from filling the large scientific data gaps that surround the issue of ocean mining on the Gorda Ridge. Ocean scientists who reviewed last year's draft EIS found it totally inadequate and said it would probably require another 4 to 7 years to get a better idea of what is out there and what the potential impacts of development might be. Moreover, most experts agree that the technology necessary for actual mining will not be available for at least 20 years. In short, leasing of mineral rights on the Gorda Ridge next year would clearly be premature. As a result, I am today reintroducing the Ocean Mineral Resources Development Act, which would provide for a moratorium on Gorda Ridge lease sales until more definitive scientific information is gathered and analyzed on both the mining potential of the area and the environmental impacts of development.

There are a number of issues that need to be further explored. First, to the best of my knowledge, there is still no definitive evidence that polymetallic sulfide minerals—including such strategic metals as copper, zinc, chromium, silver, platinum, nickel, and cobalt—exist on the Gorda Ridge. As Interior's draft EIS showed, very little is really known about the overall physical, chemical, and biological environment of the Gorda Ridge. In the absence of this information, the mining industry has been understandably hesitant to invest capital in the type of exploration technology necessary to undertake a successful mining venture—particularly now in light of the worldwide glut of polymetallic sulfides and the fact that the technology for actual mining may be 20 years away.

It is also clear that no adequate assessment of environmental impacts will be possible until more is known about the ore source and mining methods to be used in development. The possible destruction of the ocean-bottom ecosystem is an obvious concern, as are the potential onshore pollutant effects of polymetallic processing plants. In addition, the commercial fishing industry has raised serious concerns about the effects of heavy metal discharges on the ocean food chain in an area with extremely valuable salmon, steelhead, and alabacore fishery resources.

Serious questions also remain as to which Federal agency has jurisdiction

over the polymetallic minerals on the Gorda Ridge. While Interior claims jurisdiction under the Outer Continental Shelf Lands Act, the Department of Commerce has historically been assigned jurisdiction over the commercial mining of manganese nodules on the deep seabed under the Deep Seabed Hard Minerals Resources Act.

Finally, with little industry interest, a lack of basic information, and a worldwide glut of polymetallics, there is ample reason to doubt that the Government could receive anything near fair market value for leases on the Gorda Ridge. There was discussion last year that bids might be accepted for as little as 5 cents per acre.

The Ocean Minerals Resources Development Act is designed to address all of these issues.

First, this legislation would prohibit lease sales on the Gorda Ridge until such time as the President issues a feasibility report to the Congress and the prohibition is lifted by joint resolution, or until September 30, 1989, whichever occurs earlier.

Second, the Department of Commerce and the Department of Interior would be authorized to prepare a memorandum of understanding with respect to research and other scientific studies pertinent to the Gorda Ridge. This memorandum of understanding is to be submitted to Congress no later than 1 year after enactment.

Third, the President is to submit a Gorda Ridge feasibility report to Congress no later than September 30, 1988. Preparation of this report during the moratorium should lay a sufficient scientific foundation upon which future governmental and industry decisions can be based. Among other things, the report must contain a summary of the physical and biological environment; a determination of what, if any, additional technology is necessary to fill the scientific data gaps; a study on the feasibility of mining the area; and information on the most appropriate leasing procedures and lease values for exploratory and production activities on the Gorda Ridge.

Mr. Speaker, there is no practical economic, environmental, or national security rational for rushing ahead with hard mineral leasing in the Gorda Ridge area. The Ocean Mineral Resources Development Act offers an opportunity to take a more reasoned, careful, and pragmatic approach to the issue, and I hope my colleagues will give it careful consideration.●

SENATE JOINT RESOLUTION 15

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. YATRON. Mr. Speaker, I rise today in support of Senate Joint Resolution 15, designating May 7, 1985, as "Helsinki Human Rights Day." This legislation also asks the President to reaffirm U.S. commitment to implementing the provisions pertaining to human rights in the Helsinki Final Act and to engage the support of our allies in this process.

It is not enough for the United States to be a signatory to the Helsinki Final Act. We must also act as a defender of fundamental freedoms and an enforcer of the human rights promised in this treaty. The ideals aspired to in this document can only be attained if the language binding the 35 signatory countries is adhered to and not ignored. Actions taken by parties to the accords which make a mockery of this vital instrument should be challenged immediately by other members.

As chairman of the Subcommittee of Human Rights and International Organizations, I have learned that one of the most effective ways of combatting gross violations of human rights is exposing the violator and calling attention to those who have been violated. Ironically, some of the most grievous perpetrators of human rights abuse are signatories to the Helsinki accords. Repression runs rampant in many countries which have chosen to bind themselves, at least in theory, to the principles embodied in the Helsinki process. Basic individual liberties, including freedoms of religion and expression, are denied. Citizens of these nations live daily with the fear of government harassment and intimidation. Those who protest their treatment may be exiled, incarcerated, or murdered.

For millions of people, there is no means of escaping this way of life. They are not permitted to emigrate, even for the purpose of being reunited with their families. Their only hope may be through our intervening in their behalf by demanding that every government honor the dictates of the Helsinki accords.

Senate Joint Resolution 15 gives us the opportunity to uphold the dreams of the creators of the Helsinki Final Act, as well as the dreams of the oppressed and abused who are looking to us for leadership.●

SALUTE TO ARNOLD T. BALAND

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. OBERSTAR. Mr. Speaker, I ask the House to join me today in saluting one of my district's civic leaders, Arnold T. Baland, of Virginia, MN.

On April 25, Arnold will be formally honored and recognized for his 25 years of service to Project Democracy, for which he has been chief fundraiser, promoter, and inspirational leader since its inception in 1960. At age 81, Arnold has decided to retire from the arduous work and long hours of directing Project Democracy.

Project Democracy each year invites high school students from across Minnesota's Mesabi Iron Range to submit essays and oral presentations on a selected patriotic theme. Topics in the past have included: "1984—A Year of Decision for America"; "America, the Dying Dream?"; and this year, "The American Tradition, Alive in '85." Thousands of students have participated in the program over the past quarter century.

It is a contest which encourages young people to reflect on the tremendous opportunities which they have in this country, on their heritage, and on their future. It is a program which allows them to think about the past and dream about the future.

Project Democracy would not have existed without the leadership of Arnold Baland. I admire his consistency and his dedication. I, along with my fellow citizens of the Iron Range, salute Arnold Baland for his dedication to young Americans. We are fortunate to have had his unselfish support for this program. I wish him many happy and healthy years in his retirement.●

TRIBUTE TO JOHNELLA H. MARTIN

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BONER of Tennessee. Mr. Speaker, I rise today to commend an outstanding educator and human being.

Her name is Johnella H. Martin. Since 1955, she has been employed by the Metropolitan Nashville Board of Education where she has worked in both the junior high and elementary levels and served as a librarian and a classroom teacher.

For nearly two decades her name has been synonymus with hard work; human, civil and professional rights; and leadership. During this period we have recognized her as a tireless advocate for the rights of all persons, as an empathetic listener when sensitive problems surface, as a fighter in the battles to correct social and professional unjustices, and as a person in whom others place immediate trust.

She has worked with diverse groups during her nearly 30 years in the public schools. Whether dealing with a segregated class of all-black children early in her career or with an all-white group as one of Nashville's first minority teachers transferred to the sub-

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urbs, Johnella Martin conveys to children that she cares. She displays warmth and abiding concern for every child, the child with ideal qualities and the child with a multiplicity of problems.

One of Johnella's most memorable challenges was leading 4,000 teachers in 1975-76 as their local president. During her tenure, there was an ever-increasing likelihood of Nashville's first teachers' strike. Although the strike was avoided, many will never forget the courage she displayed, the fairness with which she presided, the determination of her leadership style, the confidence which she displayed in dealing with the public, and the emotional strain she shouldered for her colleagues.

Teachers, both black and white, rallied to her as their leader. Nearly a decade later her name still generates awe.

Her style is direct but her warm sensitivity is always crystal clear. She consistently has been a leader who remembered her roots. She has never compromised her identity as a minority by going along with majority leaders who were less committed to social justice than she is.

She served with distinction for 10 years as a member of the Tennessee State Board of Regents during stormy battles to desegregate our State universities.

Her goal in life has been to render service to others and to make this world a better place in which to live.

It gives me great pleasure to make her achievements known to the House of Representatives.●

THE 12TH ANNUAL DAYTON "A WORLD A'FAIR"

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. HALL of Ohio. Mr. Speaker, May 31, 1985, marks the beginning of the 12th Annual Dayton "A World A'Fair," sponsored by the Dayton International Festival, Inc. The purpose is to make area citizens aware of the diverse culture and heritage of the Miami Valley and to promote friendship and understanding among all cultures.

Every year, community organizations representing the area's ethnic groups and nationalities gather in a large fair. These groups set up educational displays, conduct demonstrations of folk art and dance, and serve samples of their native food.

The result is a successful, community-wide extravaganza which helps bridge the geographical gap between the citizens of the Miami Valley and the peoples of the world.

Moreover, the World A'Fair helps maintain the cultural identity of its participants, which can be strengthened and passed on from generation to generation. That is the priceless heritage of all Americans who have participated in the melting pot which makes up our great Nation.

Many of the groups which participate in the World A'Fair have been active in international relations and promoting increased U.S. attention to human rights. This, too, serves to draw together the nations of the world and promote good will among all men and women.

I wish success and enjoyment for all who contribute to making the Dayton World A'Fair the meaningful experience it has come to represent.●

GRANTING PUERTO RICO THE SAME TREATMENT UNDER SECTION 5517 OF TITLE 5 OF THE UNITED STATES CODE

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FUSTER. Mr. Speaker, on April 3, I introduced H.R. 1943 to include Puerto Rico within the definition of State for the purposes of the requirement imposed on the Secretary of the Treasury to withhold State income taxes from the income of Federal employees.

The proposed change would have a twofold effect. It would ease a significant burden presently faced by Federal employees located in Puerto Rico, and also benefit the Commonwealth by providing for faster receipt of tax revenues.

There are currently approximately 8,000 civilian employees in Puerto Rico who have Federal income tax withheld from their salaries. Their tax liability on these earnings accrues to the Commonwealth of Puerto Rico. Consequently, they file a Federal return to obtain a full refund of the withheld tax, which is then used to partially satisfy their Commonwealth tax liability. The tax due the Commonwealth is higher than the Federal tax currently withheld. Thus, many Federal employees need to make lump sum payments equaling 10 to 20 percent of their total tax liability.

The procedure presently in place has proved to be unsatisfactory in terms of revenue collections since there is usually a significant delay in the payment of Commonwealth taxes arising from the necessity to wait for the refund of withheld Federal taxes. Moreover, many Federal employees simply forget their Commonwealth tax liability once they have received their Federal tax refund.

I would like to emphasize that the proposed amendment would not result in the loss of revenue to the United States. It merely would authorize the Secretary of the Treasury to grant the Commonwealth of Puerto Rico the same treatment under section 5517 of title 5 of the United States Code, as any State having withholding statutes. Similarly, the administrative burden to the United States would be roughly equivalent to the burden currently assumed by private employers and should not be an onerous chore to the Federal Government in view of the benefit to its employees located in the Commonwealth of Puerto Rico.●

A TRIBUTE TO MS. E. MARIE FLENOURY

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. DIXON. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to a dedicated and inspirational woman whose tireless efforts and compassion enabled hundreds of children in the Los Angeles community to experience the joy of learning to play musical instruments and to participate in choirs and marching bands. Ms. E. Marie Flenoury is a sensitive and warm person, who for the last 34 years has been a music teacher with the Los Angeles Unified School District.

Marie possesses innate musical talents which she selflessly and frequently shared with her students and friends. Upon graduating from the University of Southern California she had already been a violinist and soprano at several of Los Angeles' major churches and had arranged choral music for the Lillian Randolph Singers. While pursuing a theatrical career, Marie decided to take the elementary teaching exam and passed. In September of 1950 Marie accepted her first teaching assignment at Main Elementary School. Although at times difficult, something special happened during her 10 years at Main Elementary. Becoming involved with children changed Marie's life. Children became her life.

Having a strong desire to bring the joy of music to as many children as possible, Marie accepted the position of traveling music teacher and taught at 32d Street School, Castelar, Florence Avenue, Clifford Avenue, Elysian Heights, Commonwealth and Wilton Place elementary schools. Yet, it was at Manchester Avenue School, where she taught for the past 20 years, that her outstanding work with children earned her much praise and many commendations from the community.

It was not uncommon during her career for Marie to purchase opera and symphony tickets for children who otherwise could not attend, but

who longed for exposure to the fine arts. On more than one occasion Marie bought shoes for needy students, gave items of clothing and provided hot lunches for those who were participating in weekend activities. Marie, with the help of Addreona Trammell and the late Mary Coleman Jackson, formed a scholarship committee to assist children interested in music. Many of them, inspired by Marie's skillful teaching and encouragement, went on to music careers of their own.

Marie is not only gifted with a talent to play many orchestral instruments; she is also adept at writing choral arrangements and directing children's plays. In fact, in the 1930's when Duke Ellington was rehearsing for his musical, "Jump For Joy," and having problems with the choral arrangement of the theme song, a member of the cast suggested Marie redraft the arrangement. In a week's time Marie had reworked the theme song, and it was this version which opened the show. Later Duke asked Marie to come to New York to do the choral score to "Beggars Opera," but her heart belonged to the children, and there she stayed.

Among the many activities that Marie initiated while at Manchester Avenue, was a massive orchestra composed by young people who had studied with her, which ranged from her current students to older ones who were by then teaching. She also coordinated several special holiday parades and programs, and many of her students participated in the annual district orchestra and chorus.

Mr. Speaker, Marie Flenoury, after 34 years of bringing the delectation of music to the children to whom she had dedicated her life, decided that the time for retirement had finally arrived. Marie Flenoury is a special woman with special talents. And while I am certain that she is missed at Manchester Avenue School, I share with her many friends the happiness of knowing that she is vibrant and young in spirit and that she will enjoy greatly this opportunity to relax, become fluent in Spanish, obtain a degree in church music and appreciate those things for which she has worked so hard.

I join her many friends, colleagues and students in not only wishing Marie the very best, but also in extending to her our heartfelt thanks for sharing her wonderful gift of music with us through the years.●

TRIBUTE TO FRANK X. BATTERSBY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. LENT. Mr. Speaker, I take great pleasure in paying tribute today to an outstanding citizen, Frank Battersby, who is retiring from a distinguished career with the PDR division of the Harris Corp.

On May 3, 1985, Frank's many friends, family, and colleagues will gather at a testimonial dinner to honor his significant achievements throughout his lengthy career.

Frank enjoyed a career with the U.S. Government having worked from 1952 to 1963 with the U.S. Army, New York Ordnance District, working as Branch Chief of the Tank and Automotive Branch. Frank's commitment and dedication in this area earned him both the Outstanding Performance Award and the Superior Performance Award.

In 1963 Frank transferred to the National Aeronautics and Space Administration as Business Manager and Contracting Officer for the Lunar Module Program of the Apollo project. Frank was instrumental in promoting the growth of a contract which grew from an initial award of $330,000,000 to an incredible $3¼ billion, a clear tribute to his talent and skill as business manager and contractor. For his outstanding work in this capacity Frank was once again presented the Superior Performance Award. He was also duly commended by both the Manned Spacecraft Center and the National Aeronautics and Space Administration Headquarters after the successful landing on the moon.

On the completion of the Apollo Program in 1970, Frank was employed by the Government Support Systems Division as Director of Purchasing. I know I speak for Frank's colleagues in the Harris Corp., as well as for all of us who have benefited from Frank's exceptional skills, in expressing our gratitude for his many years of dedicated service. Frank will certainly be sorely missed but we all extend our heartfelt appreciation and best wishes for continued success.●

NATIONAL CRIME VICTIMS WEEK

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. SCHUMER. Mr. Speaker, today Members of Congress are seeking to designate this week, April 14-20, 1985, National Crime Victims Week. The very existence of this legislation signals both the seriousness of the nation's crime problem and a significant shift in the way we are addressing this problem. In 1983, 27 percent of the Nation's households were touched by a crime of violence or theft. Almost 37 million individuals were victims of serious crime. Twenty-three thousand citizens die as the result of crime each year, and many times that number are injured. Increasingly, public attention is shifting its focus from the perpetrators to the victims of crime.

The 98th Congress enacted major legislation designed to crack down on crime, including stiffer sentencing requirements and closer parole monitoring. For the first time, this legislation also authorized programs to aid crime victims. In particular, the continuing resolution contains the Victims of Crime Act of 1984, which takes a major step toward reversing the preoccupation of our criminal justice system with the criminal at the expense of the victim. Last month, the Justice Department began implementing the act's central program, a trust fund, financed completely by fines imposed on criminals, from which matching grants will be made to State victim compensation and assistance programs.

The legislation of the last Congress is a notable start, but much more needs to be done. This week, I will introduce legislation to add an additional grant program to those contained in the Victims of Crime Act. My program, the Good Samaritan Assistance Act of 1985, will provide matching grants to States for programs that reward citizens who intervene in an attempt to prevent a crime or apprehend a criminal. We have all heard the tales of victims who suffered at the hands of criminals while onlookers did nothing. But the brave acts of those who have done something, many of whom who have been severely injured or even lost their lives trying to help their fellow citizens, have received little attention and little compensation. The Good Samaritan Act would encourage States to reward these deserving individuals and, at the same time, would educate the public that one can do something to help another who is being victimized.

Earlier this session, I introduced two other bills designed to help crime victims and to help communities band together to combat crime. H.R. 841 would allow crime victims to deduct medical expenses incurred as a result of crime without regard to the usual 5 percent floor on this deduction. Allowing victims to deduct crime-related medical expenses from their taxes is an important step toward a crime policy that also helps crime victims. Allowing nonitemizers to deduct their crime-related medical expenses assists

all victims of crime, regardless of income level. Moreover, the tax deduction provides a means for Congress to alleviate the hardship suffered by crime victims whether or not the crimes fall under Federal jurisdiction.

The second bill, H.R. 840 would allow all taxpayers, including nonitemizers, to deduct contributions to anticrime groups, including community crime watches and victim assistance programs. My legislation will help alleviate the financial burden faced by the less affluent in their efforts to responsibly protect their homes and their persons. In addition, it would encourage a spirit of self-help and community cooperation, which would make our neighborhoods both more secure and more pleasant.

This week, I urge the support of my colleagues for these and other efforts to put action behind our words of concern for victims of crime. This Nation's crime victims have begun to stand up for themselves, and it is our duty as their representatives to help them make this stand in a responsible and meaningful way.●

THE ADMIRAL METCALF CASE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. ASPIN. Mr. Speaker, Joseph Metcalf gained considerable fame as the leader of U.S. troops in Grenada a year and a half ago. He later gained considerable notoriety when it was revealed that he returned from Grenada with 24 Soviet-made AK-47 rifles on his airplane. Metcalf received only a reprimand for taking home the illegal souvenirs, while several lower-ranking soldiers and marines faced courts-martial.

There are two issues involved here.

First, there is the Metcalf case itself. Was Metcalf shown favoritism because he was an admiral? Was his offense fully investigated? The Committee on Armed Services has been looking into just these questions. But the committee is withholding further action or comments on this set of issues while the Defense Department's inspector general performs his own investigation, which is expected to be concluded shortly.

The second issue is far broader than this particular case. Is there a systemic problem with the way allegations involving high-ranking officers are investigated? Do military investigators have the independence needed to pursue their work impartially, or are they subject to pressure—or even directions—from the very persons they are supposed to be investigating?

As we peel back the layers of the onion, we come to yet another broad issue. For even if the investigative process is truly tamperproof, the Metcalf case demonstrates that it fails to look tamperproof. Service personnel as well as the general public have complained of the smell of favoritism. What can be done to ensure not only that the process is honest, but also that it is perceived to be honest?

Without judging the Metcalf case itself, I believe the investigation of the House Armed Services Committee into this second set of issues has progressed to the point where we can make some recommendations.

I am proposing legislation specifically designed to prevent tampering with investigations of high-ranking officers and also calculated to send a signal to the military community and the public at large that we do not intend to permit high-ranking officers to sidestep allegations against them.

A major part of the problem we face is a result of the different ways that the Army, Navy, and Air Force have organized their investigative agencies. I am proposing to strengthen the relatively weak investigative arms of the Navy and Air Force so that a high-ranking officer will not be able to intervene to protect himself or a buddy.

To understand the solution, it is first necessary to describe the structure in each of the services today.

The Criminal Investigation Command—historically known by the acronym [CID]—is a major command within the Department of the Army. CID elements are normally tenant units at Army installations and provide investigative support to commanders within their geographic areas. CID elements determine what investigative actions are appropriate for all criminal allegations, whether reported to them or developed on their own. CID elements keep the command posted unless doing so would compromise an investigation.

The Office of Special Investigations [OSI] is the Air Force counterpart to CID. It, too, is a separate organization with detachments dispersed as tenant units at various installations. OSI detachments, however, undertake investigations as requested by local commanders. If an OSI detachment thinks a matter merits investigation, it usually must secure a request from the commander concerned before it can go ahead. Even though the head of an OSI regional office has some authority to start an investigation—if seeking a command request might handicap the effort—still, OSI must immediately secure command ratification of that decision. What's more, an OSI regional office must shut down an investigation at the request of the command. All the OSI regional office can do when this happens is notify OSI headquarters in Washington.

The Naval Investigative Service [NIS] is the Navy counterpart. Like OSI (and unlike CID), it has counterintelligence responsibilities in addition to its criminal investigative mission. Like OSI, NIS is structured chiefly to respond to command requirements. NIS may act on its own initiative only to investigate espionage, to give reciprocal support to other law enforcement or intelligence agencies, or, where urgent circumstances warrant, to gear up preliminary investigative action.

In the Metcalf case, the customs service uncovered the two dozen AK-47's when Admiral Metcalf's aircraft arrived in Norfolk, VA. Customs investigators deferred jurisdiction to NIS. About 1 week later, NIS approached Adm. Wesley McDonald, Commander in Chief of the Atlantic Fleet, and Metcalf's immediate superior, to ask if McDonald wanted any further investigation of the AK-47 issue. It is this approach by NIS—one mandated by the nature of its charter—that gives a bad odor to the Metcalf case, regardless of whether there was any actual wrongdoing by Admiral Metcalf.

McDonald summoned Metcalf, who proclaimed himself "totally responsible" and asked for an opportunity to speak to NIS to "clear things up." NIS agents interviewed Metcalf and then asked McDonald's office once again whether any further investigation were desired. McDonald's deputy, Vice Adm. Kenneth Carr, determined that "since responsibility had been fixed, no further investigation was necessary." As a result, NIS filed a report of what it had done to that point, and Metcalf ended up with a reprimand from Admiral McDonald.

The investigation was thus shortcircuited. While Metcalf had indeed accepted responsibility, NIS never had the opportunity to establish just what Metcalf was responsible for. Was he bringing the weapons into the country for "resale"? Was he bringing them in for personal souvenirs? Was he bringing them in to present to others? How much did he know about the rifles themselves, since the names of Metcalf's battle staff members were taped to many of them? It is to answer questions such as these that the Defense Department's inspector general is now trying to marshal the facts.

My immediate concern is that, regardless of the outcome of that IG investigation, the initial NIS investigation was shortcircuited by an admiral's direction to NIS. NIS was not free to make its own decision whether or not to pursue the case further.

As outlined earlier, the Army has the strongest internal protections against command interference in the investigative process. The Army CID is an autonomous command. It is not subject to the directions of local commanders or other officials below the level of the Army staff.

This is not to say that giving autonomy to the investigators solves everything. Generals and admirals, being the senior executives in their military organizations, get a lot of attention—both positive and negative. High rank shouldn't spare an officer from scrutiny; neither should it subject him to the third degree. Because the idea is to keep rank from skewing the investigative process, care must be taken to avoid either extreme.

Complementing the autonomy that it gives its investigators, the Army has a system for making sure that any scrutiny given the conduct of its generals is flagged for deliberate attention.

Any allegation of impropriety on the part of a general must be reported to the Army Inspector General [IG]. The IG then refers any criminal aspect of the case to CID. If CID brought the case to the attention of the IG in the first place, then CID retains any criminal investigative jurisdiction it exercises in the matter. The CID report to the IG in such a case would be chiefly informational, to let the system know that a general has come under a cloud.

Additionally, whenever a CID investigation develops any need to confront a general, a report is made to CID headquarters. This report serves two purposes. First, it gives investigators pause to deliberate on their approach to an unusual subject of investigation—the "ducks-in-a-row" purpose. Second, it gives CID headquarters the chance to avert any perception of a breach in protocol—the "my investigators are not the ones on trial here" purpose.

This simply goes to say that, although giving military investigators an independent charter probably doesn't suffice as the whole solution, it is absolutely necessary to any solution.

The legislation I am proposing would give the investigative services of the Air Force and the Navy the kind of independence the Army CID already has. That is a relatively simple corrective measure which, had it been taken earlier, would have precluded the shortcircuiting of the NIS investigation and averted the odor of tampering that permeates the Metcalf case.●

THE PRESIDENT'S PEACE PLAN HAS THE SUPPORT OF OUR CENTRAL AMERICAN ALLIES

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. STUMP. Mr. Speaker, on April 4, President Reagan set forth a bold new initiative for peaceful resolution of the Nicaraguan civil war. The Reagan plan will assist the Nicaraguans in achieving political and economic progress with full recognition of human rights and freedoms. The key leaders of the region have endorsed the President's plan and so should the U.S. Congress.

I. THE REAGAN PEACE PLAN FOR NICARAGUA

The President has asked both the Sandinista government and the Nicaraguan resistance to lay down their arms and to accept church-mediated talks on internationally supervised elections and on ending repression of the church, the press and individual rights. To facilitate this process, the President specifically asked the Nicaraguan resistance to extend the ceasefire offer it made in March to June 1, 1985. The President also has asked the Congress to release the $14 million it conditionally appropriated for aid to the Nicaraguan resistance under section 8066 of the Department of Defense Appropriations Act, 1985, incorporated in the fiscal year 1985 continuing resolution.

The President has pledged that, during the period that the ceasefire offer is on the table, the released funds will be used solely for humanitarian support to the Nicaraguan resistance groups, which specifically excludes arms and munitions.

The President's plan combines the key elements of a successful policy. The ceasefire stops the bloodshed in Nicaragua. Mediation by the church ensures that the mediators will have the trust and confidence of the people of Nicaragua. The agenda of the talks, that is, elections and an end to repression, begins the process of achieving legitimate democratic government in Nicaragua with respect for the rights of all. The release of the $14 million demonstrates the commitment of the United States to democracy in the Americas and also ensures that the resistance can subsist during the talks. Moreover, the release of the funds provides a clear and unmistakeable pragmatic incentive to the Sandinista government to participate in good faith in the process. The President stated:

If the Sandinistas accept this peace offer, I will keep my funding restrictions in effect, but peace negotiations must not become a cover for deception and delay. If there is no agreement after 60 days of negotiations, I will lift these restrictions unless both sides ask me not to.

II. THE VIEWS OF OUR ALLIES IN THE REGION

The Governments of Honduras, Costa Rica, and El Salvador have endorsed the President's plan. On April 12, President Suazo of Honduras informed a House Intelligence Committee delegation that his country supports the President's plan, especially since it goes hand in hand with the Contadora process. On April 13, Acting President Arauz and Foreign Minister Gutierrez of Costa Rica told the committee delegation that Costa Rica supports the President's initiative. Honduras and Costa Rica, which border on Nicaragua, have direct vital interests at stake in the democratization and demilitarization of Nicaragua. The consolidation of Sandinista control of all aspects of Nicaraguan life, the Sandinista military buildup, and Sandinista support for terroristic subversion, threaten the security of Honduras and Costa Rica.

In addition to Honduras and Costa Rica, El Salvador has expressed its support for the President's plan. President Duarte recently wrote the following letter to President Reagan:

DEAR MR. PRESIDENT: I want to thank you most sincerely and warmly for your letter delivered to me today which explains your new peace initiative in Nicaragua and Central America. Your initiative and approach have my complete support and I strongly urge all of the friends of Central America in your Congress to give it their full backing. It is the right step at the right time in our quest for peace and democracy in this region. We appreciate as well your continuing strong support for democracy in El Salvador.

As you know, the Salvadoran people have just been to the polls for the fourth time in three years. While we do not yet have the official results, the apparent significant victory of my government and my party is, in my opinion, first and foremost an endorsement of the efforts we have made, with the help of the people and government of the United States, to bring peace, reconciliation and democracy to our own country through an internal dialogue. We believe our approach of opening such a dialogue and offering a full opportunity to all of our Salvadoran brothers to participate in a free and constitutional democratic process in our country should also be offered to all of those who are struggling for democracy in Nicaragua. I speak for all Salvadorans in warmly applauding your efforts.

We remain concerned, as we have been for some time, by the continuing flow of supplies and munitions from Nicaragua to guerrilla forces here in El Salvador which are fighting against my government and our programs of reform, democracy, reconciliation, and peace. This continuing intervention in our internal affairs is of great concern to us and we deeply appreciate any efforts which your government can take to build a broad barrier to such activities—efforts which a small country like El Salvador cannot take in its own behalf.

Please accept my personal thanks for this courageous step and my best wishes to your family.

Sincerely,

JOSE NAPOLEON DUARTE,
President of the Republic of El Salvador, San Salvador.

Mr. Speaker, our friends and allies who are most directly affected support the Reagan plan for peace. The plan is a carefully balanced approach to a difficult situation and every element in the plan is critical to its success, including the release of $14 million for the Nicaraguan resistance. Congress must do its part to give peace a chance by supporting the President's plan and releasing the funds. The House of Representatives should approve House Joint Resolution 239 to release the funds.●

PERSONAL EXPLANATION

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. GROTBERG. Mr. Speaker, I was not present and voting when the House considered two suspensions Tuesday: House Concurrent Resolution 110 and Senate Joint Resolution 15. Had I been present, I would have voted "yea" on both of them.●

A RESOLUTION ON STUDENT AID

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. CLINGER. Mr. Speaker, with Congress poised to begin debate on the 1986 budget, I feel that now is the most appropriate time for the House of Representatives to reaffirm its commitment to higher education and to the student financial aid program. Although the administration-Senate budget plan for this program is not as draconian as the administration's initial one, it still cuts to the heart of this country's traditional commitment to equal access to higher education. I am, therefore, introducing a resolution which declares that no further cuts should be made in the student financial aid program which limits access to, or eligibility for, Federal student financial aid. The text of the resolution follows my statement.

The compromise budget would limit eligibility for guaranteed student loans to families with adjusted gross incomes of $60,000; the administration had originally proposed a $32,500 income limit. In addition, an $8,000 annual cap would be placed on the amount of college costs that would be allowed for purposes of determining Federal support.

These cuts, especially the $8,000 annual cap, will seriously undermine needy students' accessibility to their institution of choice. Pennsylvanians will be particularly hard hit. The Pennsylvania Higher Education Assistance Agency provides some startling data which persuaded me to oppose cuts in student aid. First of all, Pennsylvania ranks 44th among the 50 States in the proportion of its citizens who participate in postsecondary education. Two factors which contribute to this low participation rate are financially related. One, the average costs of a year of attending college in Pennsylvania are from 17 to 19 percent greater than the costs in the rest of the Nation, depending on the types of schools the students attend. Two, on the average, due to their lower incomes and larger family sizes, Pennsylvania's students and families can afford to pay only three-fourths of what all other States' students and families can afford to pay for college costs—$2,340 as compared to $3,050 per year. This year, the parents of over half of Pennsylvania's freshmen college students reasonably can afford to pay no more than $1,200 per year for college from their current income. The average cost of a year of attendance at Pennsylvania's 4-year public colleges is $6,070 while a year of attendance at the State's 4-year private colleges averages $10,200. In addition, since 1979, Pennsylvania students' and families' average ability to pay for college costs has risen by 30 percent while the national average has risen by 38 percent.

These facts clearly illustrate the desperate need in Pennsylvania for this program to continue in full force. I am sure that Pennsylvania is not unique in this situation and that my colleagues from other States share in the urgency of defeating these budget cuts. Yes; this program is expensive, but it represents an investment in human potential and in the future greatness of this country.

H.RES. 131

Expressing the sense of the Congress that legislation which would further restrict eligibility for, or access to, Federal student financial aid should not be enacted

Whereas rising tuition at public and private colleges and universities has increased the financial burden of students and their families;

Whereas any further restriction on eligibility for, or access to, Federal student financial aid would seriously interfere with the ability of low-income or middle-income students to attend their institution of choice, thereby undermining the American principle of equal access to higher education; and

Whereas the idea that a student's talent, and not finances, should be the sole factor in determining how far the student may pursue goals in education has been a reality in the United States since the passage of the Higher Education Act of 1965: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that legislation should not be enacted which would further restrict—

(1) eligibility for Federal student financial aid; or

(2) access to higher education.●

JOE B. SWANNER RETIRES

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. PICKLE. Mr. Speaker, if there ever was a prototype of the big cigar-smoking bureaucrat, it would be Joe B. Swanner. No question about it—Joe has all the attributes. He looks massive, important, challenging, and ready to dish out the Federal goodies on a ward-heeling basis. As a matter of fact, they could say of Joe, as some folks used to say about me when I was connected with the State Democratic Party. "I don't know Joe. B. Swanner, but I suspect him." I say this in jest, partly, but Joe really is all of these things, and I mean that to be a compliment to him.

Joe B. Swanner began his career in the Federal Government with the U.S. House of Representatives in 1950, on the floor of the House helping to prepare the Journal. From 1953 to 1959, he served as legislative assistant to Congressman O.C. Fisher. From 1960–63 he was chief file clerk for the U.S. House of Representatives. Between 1964 and 1966 he served as Director of the Office of Congressional Relations, Small Business Administration.

In 1966, he became the Special Assistant to the Administrator, Economic Development Administration. Later as Special Assistant to the Assistant Secretary, he was responsible for all EDA congressional relations and public information.

In 1968 he became Deputy Regional Director for the southwestern region of the Economic Development Administration in Austin, TX. He was appointed regional director in August 1973.

For many years, Joe represented our Government by helping our country build and develop. Joe and his agency, the EDA, have helped thousands of cities and communities build up their own resources and offered jobs to the unemployed.

I have the feeling that the value Joe and the EDA have given to most of these communities probably has been more lasting than most of the other Government programs. Joe had the tough job of deciding what community should get the help, but I always found him to be openminded and fair.

I am particularly grateful for Joe's and the EDA's assistance in the creation of the Buescher Science Center near Smithville, TX. That project alone lays the beginning of a new world health research program. We could not have built it without Joe's and the EDA's cooperation. Housing projects, water and sewer programs, the Paramount Theater, and countless other projects are monuments of Joe Swanner's achievements.

I am pleased to claim Joe B. Swanner my bureaucratic friend and thank him for his years of service to our Government.●

CONGRESSMAN GEORGE MILLER SALUTES MIKE GRIMES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. MILLER of California. Mr. Speaker, I am privileged to honor today Michael K. Grimes who, this week, will become the president of the Council for Exceptional Children. Mr. Grimes is currently the coordinator of special education for the Contra Costa County Office of Education, in my community in California. He has served the Contra Costa schools for 17 years, and has been a member of the Council for Exceptional Children for more than 20 years.

It is especially gratifying to me that Mr. Grimes has been recognized by this organization for dedication to handicapped children and their families, and for his continuing work with the professionals who serve them. Mike has given his time and energy to educating me about the needs of these children and has taught me to be an advocate for them. He has helped me understand how special education programs operate in the school systems throughout my county, and has communicated the concerns of school professionals seeking to strengthen their programs.

In addition to his distinguished career with the Contra Costa County schools, Mr. Grimes has been a principal leader and organizer of the Special Olympics in my county. I have been fortunate to participate with him at many Special Olympics events and to witness his delight in the opportunity brought to the children involved.

Mike's commitment to disabled children and their families, his longstanding involvement with the laws and programs assuring education for disabled children, and his continuing efforts to improve the lives of thousands of Contra Costa children make him a perfect choice to lead the Council for Exceptional Children. I look forward to working with him, and I congratulate him on his selection as president of the Council for Exceptional Children.●

A TRIBUTE TO RUTH AND ERICK LIEBENSTEIN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. ACKERMAN. Mr. Speaker, I would like to call the attention of my colleagues to the remarkable lives of Ruth and Erick Liebenstein, Jewish refugees from Nazi Germany who demonstrated noteworthy courage on behalf of Israel, their community, Jewish freedom, and Jewish life.

In the latter part of July 1944, Corporal Liebenstein landed in Normandy and was assigned to a part of Gen. George Patton's 3d Army. The Germans were going to invade and the French expected the American liberators to help them. With virtually no arsenal, however, only moral support could be given in the event of an attack.

Corporal Liebenstein and his unit drove through French territory to locate German prisoners, realizing that they could be confronted at any moment. When indeed they faced a group of German soldiers who pointed at them with rifles in hand, they displayed exceptional courage, and finally obtained the group's surrender. The Americans proceeded to disable German rifles, detonate their hand grenades, and deliver the 32 Nazis to the appropriate division.

Mr. Speaker, for his heroism, Corporal Liebenstein was awarded the Silver Star. He is also the recipient of two Purple Heart Medals for having been twice wounded. Interestingly, during the Battle of the Bulge, a piece of shrapnel which would otherwise have killed him struck his mezuzah, and saved his life. This mezuzah—a symbol of his commitment of Judaism—was given to him by Ruth Strauss, who later became Mrs. Ruth Liebenstein.

Erick and Ruth are an extraordinary couple with a longstanding commitment to Jewish matters and the State of Israel. They have devoted their energies to mobilizing resources for Israel's economic strength, security, and growth. Mr. Liebenstein contributes to various Jewish philanthropic and communal endeavors, serving the Israel Bond Organization, the Board of the Young Israel of Forest Hills, the Yeshiva Dov Revel, and the Congregation Machane Chodosh. He also serves as a member of the Advisory Council on the Holocaust to the U.S. Congress. For all of their efforts, Mr. and Mrs. Liebenstein will be honored by the Congregation Machane Chodosh at the State of Israel Bond Testimonial Breakfast on April 21, 1985.

Mr. Speaker, I call on all my colleagues in the U.S. House of Representatives to join me in congratulating Ruth and Erick Liebenstein on this well-deserved tribute.●

REPEAL TAX BREAKS TO OIL COMPANIES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FRANK. Mr. Speaker, today I am introducing legislation that would put an end to some of the most egregious special interest tax breaks to be found in the Internal Revenue Code—those benefiting oil producers and royalty owners.

There are a number of provisions in the current code, some of which passed as a part of the 1981 Economic Recovery Tax Act, which have little, if any, justification from either an economic or an energy policy perspective. And I am pleased to note that at least some in the administration have come to agree with this view. To quote from the Treasury Department's tax proposal, "Because investment in oil and gas is tax-favored, capital is diverted from other, more productive, economic activities." With deficit reduction at the top of our agenda in this session of Congress, it is incumbent upon us to look not only to budget expenditures, but to tax expenditures, as well. These breaks for the oil companies are among the biggest tax expenditures in the Tax Code.

This bill would change five provisions of the Internal Revenue Code, three of which were the result of amendments made by ERTA in 1981. It would repeal those sections of ERTA which exempted three barrels of oil per day for royalty owners, reduced the tax on newly discovered oil from 30 to 15 percent over 5 years, and exempted stripper oil for independent producers from the Windfall Profits Tax.

In addition to the repeal of the ERTA provisions, I am also proposing significant changes in two other provision of the code—the percentage depletion allowance and the expensing of intangible drilling costs. Under percentage depletion, independent producers and royalty owners are given an option accorded no other taxpayer in America. They may choose cost depletion, which is essentially like straight depreciation available to all taxpayers holding capital assets, or percentage depletion, which allows a deduction of 15 percent of gross oil related income (with certain restrictions). Since percentage depletion can be used for whatever number of years the oil will continue to produce, we are left with the outrageous result that total deductions can far exceed the taxpayers investment. If it could be demonstrated that percentage depletion led to greatly increased production, perhaps it could be justified. However, there is serious question whether percentage depletion has any stimulative effect at all on the production of oil. In any case, it is a drain on the Treasury that cannot be justified, particularly in light of the massive deficits we are currently facing.

Another preference accorded the oil industry is the allowance of expensing for intangible drilling costs [IDC's]. These include drilling, shooting and cleaning the well, draining, roadmak-

ing, surveying and geological work in preparation for drilling, construction of derricks, tank pipelines necessary for drilling, and preparation of the well for production. In any other context, costs such as these would be treated as capital expenditures and depreciated over the useful life of the asset. However, IDC's can be expensed in the first year, which results in a tremendous tax deferral opportunity for the oil industry.

Although the 1976 Tax Reform Act restricted the use of IDC expensing, and the Tax Equity and Fiscal Responsibility Act of 1982 reduced this preference by 15 percent, this break still exists. Even the Treasury Department's tax proposal recommends its elimination. The Treasury report estimates that, in 1986, 31,000 individuals with adjusted gross incomes of over $100,000 would receive over one-half of the total IDC tax benefits that go to individual taxpayers. These individuals would receive an average benefit of approximately $28,000. To quote the report's defense of eliminating this benefit, "By allowing investors in oil and gas ventures to base their decisions on intrinsic economics, rather than on the tax benefits generated from their investments, the productivity of all investments would increase . . ."

Mr. Speaker, there are clearly untold numbers of unproductive tax breaks throughout the Internal Revenue Code that are costing taxpayers billions of dollars. The provisions of my bill, I believe, address the most egregious. While many are arguing that we should ignore inequities and inefficiencies in the Tax Code until we have slashed the Federal domestic budget to the bone, I strongly disagree. I believe that fairness demands that we look at the entire range of Federal fiscal policy in formulating a solution to the problem of the deficit. The Tax Code deserves, indeed cries out for, at least as much scrutiny as the budget.●

GOLDIE ROTH: A WOMAN OF CONSCIENCE AND COMMITMENT

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to Goldie Roth for dedicated work as a member of my staff. Her long and devoted service has been inspirational not only for the rest of my staff but for the entire Brighton Beach community in Brooklyn. I am proud to have had the privilege of working with her for the last 10 years and wish to express my deep gratitude for her unparalleled compassion, patience, and service.

Born in Poland, Goldie exemplifies the immigrant tradition upon which this country was built. Having lost both her parents before the age of 5, she came to America and was raised by her aunt. It was in Brooklyn that she met Ben Roth to whom she was married for nearly 50 years. Upon his death in 1976, she joined my staff. Since then, she has volunteered countless hours of her time in trying to help the members of her community in any way that she could. As a resident of Brighton Beach for over 50 years, she has developed deep ties to her community and has demonstrated unfailing loyalty and commitment to anyone who seeks her help. An active member of the Brighton neighborhood, Goldie has been a member of both the Boardwalk Men's Club and the Shorefront "Y."

In addition to generously volunteering her time at my office, Goldie is a patron of the Home for the Sages, a residence in Manhattan for displaced elderly men. Wherever there is a need, Goldie is prepared to give of herself regardless of the sacrifice that might be involved. Time and again, Goldie puts the welfare of others before herself.

Having traveled extensively throughout both the United States and Israel, Goldie has learned much about people and their needs and has brought this special knowledge to her work in Brighton. She is truly a rare individual whose fine work is an example for all of us to follow. As Henry David Thoreau once said:

> To be a philosopher is not merely to have subtle thoughts, nor even to found a school, but so to love wisdom as to live accordingly to its dictates, a life of simplicity, independence, magnanimity, and trust.

Goldie Roth is indeed a philosopher. It is an honor to know her.●

1985 CONGRESSIONAL CALL TO CONSCIENCE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. FORD of Michigan. Mr. Speaker, it is indeed a great privilege to join in the 1985 Congressional Call to Conscience. At this time I would like to remind my distinguished colleagues of the plight of the noted Ukrainian writer, Mykola Danylovych Rudenko, who has been serving a 12-year sentence in a corrective labor colony in the Mordovian complex in the Soviet Union since 1977. The strength and profound courage of Rudenko is never ending and serves as an inspiration for all of us in the free world as we continue our fight for human rights for all mankind.

Throughout his life, Rudenko has made many great accomplishments. As an active member of the Communist Party, he served in the Soviet Army during World War II where he received a serious spinal injury. After the war he was an editor in the official Ukrainian publishing house, Soviet Writer, and later was appointed managing editor of DNIPRO, the official journal of the Young Communist League of the Ukrainian S.S.R. During this period, Rudenko held the position of deputy secretary of the party organization of the Union of Soviet Writers of the Ukrainian S.S.R. From 1947 onward, numerous collections of his poetry were published officially in the U.S.S.R.

By the early 1970's, however, his work had begun to be criticized as it reflected his protests of Soviet life style. Rudenko received reprisals from the authorities. Ultimately, he was expelled from the party and forbidden to publish any more of his literary work.

In November 1976, the Ukrainian Public Group to Promote Observance of the Helsinki Accords was formed with Rudenko as chairman. During a series of police searches at the homes of Ukrainian group members 1 month later, group documents and Rudenko's manuscripts were confiscated. On February 5, 1977, during a closed trial, he was sentenced to 7 years in strict regimen labor camps followed by 5 years internal exile.

Mr. Speaker, I am greatly concerned about Rudenko's health, which has deteriorated considerably since his imprisonment. The length of Rudenko's sentence, his state of health which was already bad before his arrest, and the fact that he still faces 4 years internal exile, give rise to serious concern for his physical well-being.

It is no secret that the conditions in these labor camps are grueling and the prisoners receive inadequate nourishment and medical care. When Rudenko's wife, Raisa, visited him in 1980, he was so ill that he was unable to stand. She, too, was arrested and is currently serving a sentence because she attempted to smuggle some of her husband's writing out of prison.

Mr. Speaker, I am outraged at the cruel treatment Rudenko has received while serving his sentence in prison. He has been subjected to inhumane conditions which are not in accordance with the spirit of the Helsinki accords or in conformity with Soviet law. Such behavior demonstrates the Soviet Union's unwillingness to abide by the Helsinki accords which they signed in 1975.

As a member of a free nation, we must continue to speak against such violations by the Soviet Union. We must continue to seek the enforcement of the Helsinki accords and impress upon the Soviet Union our objection to the denial of basic human rights.

Mr. Speaker, I am very moved by the strength and conviction of Mykola Danylovych Rudenko. I am thankful for this opportunity to pay tribute to this brave man whose profound courage and overwhelming commitment for freedom and human rights is an inspiration to us all.●

TAX DEDUCTIONS FOR INTEREST PAID ON RESIDENTIAL MORTGAGES

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. MICA. Mr. Speaker, today I am introducing legislation with my fellow Congressman from Palm Beach County, the Honorable TOM LEWIS, to express our support for the current tax deduction for interest paid on residential mortgages.

As the Congress reviews tax reform proposals in the coming months, I believe we must keep in mind the positive effects that the deduction for residential mortgages has on our country.

Homeownership has risen steadily over the years. In 1983, 64.7 percent of all occupied housing units were owner occupied. In 1940, only 43.6 percent of families owned their homes. We are all aware that homeownership is a vital part of the American dream and that the tax deduction for residential mortgages has been a prime incentive and financial tool in helping families to realize that dream.

Our economy also benefits from the tremendous growth of the housing industry. In 1983 alone, the value of new construction on all housing units was $86 billion.

Mr. Speaker, I urge my colleagues to join with me in recognizing the tremendous contributions of the tax deductions for interest paid on residential mortgages.●

IN RECOGNITION OF THE HEROISM OF CHARLES M. PETERSON

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. LEHMAN of California. Mr. Speaker, it is a great honor to acknowledge an act of unselfish heroism performed by my constituent, Charles M. Peterson. On June 17, 1983, Mr. Peterson risked his own life to rescue a fellow park employee of Yosemite National Park.

Mr. Peterson and another park employee were assisting with a plugged culvert problem on Tioga Road in Yosemite National Park when Mr. Peterson's companion scuba diver became trapped in a rapid flow of water. Although both men had very little supply of air remaining, Mr. Peterson rescued his fellow employee and both escaped with less than 1 minute of air supply left.

For this act of personal courage, Charles M. Peterson has been awarded the Citation for Valor by the Secretary of the Interior. This award is given to Department of the Interior employees who have demonstrated unusual courage involving a high degree of personal risk in the face of danger. In recognition of Charles Peterson's outstanding heroism, he will be awarded an engraved gold medal.

Mr. Speaker, Charles Peterson's willingness to sacrifice his own safety for that of his colleague demonstrates the very highest level of human conduct. We can learn from Charles Peterson's example and strive to reach his exemplary standard of personal behavior, so that his valor can inspire our own. On behalf of the House of Representatives, we thank you, Charles Peterson, for being an example of the best in our public servants.●

SILVIO O. CONTE RECEIVES SERVICE AWARD

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. PURSELL. Mr. Speaker, last November, one of our colleagues received a very distinguished award. I would like for all of us to be aware of the recognition SILVIO CONTE has received for his strenuous efforts on behalf of Federal support of research for neurological and communicative disorders at the Annual Convention of the American Speech-Language-Hearing Association [ASHA].

An estimated 22 million Americans have communicative disorders, including 3 million school-age children with speech and language impairments and over 7 million elderly citizens with hearing losses.

For nearly 60 years, the American Speech-Language-Hearing Association [ASHA] has been the organization responsible for training, research, and service in the area of communicative disorders. Over 41,000 members of ASHA work in a wide range of settings including public schools, colleges and universities, hospital clinics, rehabilitation and home health agencies, Veterans' Administration and Department of Defense facilities, and in private practice.

ASHA has played an important role as an advocate for improving opportunities, access, and services for handicapped individuals. Members of the Appropriations Committee recognize the association and its staff for their expertise on programs like the Education of the Handicapped Act and the Rehabilitation Act.

Recently, ASHA presented its highest honor, the Distinguished Service Award, to our colleague, SILVIO O. CONTE. Representative CONTE was recognized for his dedicated support for health research and other programs benefiting persons with communicative disorders. I would like to share the remarks made in the presentation and acceptance of the award.

In presenting the award, president-elect Richard Flower, Ph.D., stated:

As you know, the Association is very proud of its Distinguished Service Award [DSA]. As awards to individuals outside of our field for their contribution to speech, language and hearing problems, they are few in number. Since 1960, only 34 awards have been made. Of these, only five have been made to Members of Congress. We are very proud that such Members of Congress are truly deserving of this honor. Previous awards have gone to Senator Charles H. Percy, Republican of Illinois, for his focus on the problems relating to services for individuals with impaired hearing and abuses in the hearing aid delivery system. Senator Lowell Weicker, Republican of Connecticut, received the award in 1981 for his great leadership on protecting Public Law 94-142, the Education of the Handicapped Act and for assuring continued adequate funding for handicapped programs. Senator Richard S. Schweicker, Republican of Pennsylvania, received the award in 1980 for his attention to the needs of the hearing impaired individuals and investigation of the adequacy of Federal support for these handicapped individuals.

In 1975, the DSA was awarded to first member of the House of Representatives John Brademas, a Democrat of Indiana, who was devoted to assuring that the Federal Government meet the rehabilitative needs of its people. In 1982, Congressman Claude Pepper, a Democrat of Florida, received the award for his attention to the problems of the speech and hearing impaired elderly and for his advocacy for services to the elderly population.

And so we come to the awards today. No one here is unaware of the struggle in Washington between those seeking to control the Federal deficit by cutting Federal spending and those seeking to increase Federal support for various interests. The last four years has seen bitter fights within the House of Representatives over Federal spending. Many of these fights have been focused on appropriations for education, health and human services. The subcommittee which deals with these budgets has enormous responsibilities.

During this period, ASHA has advocated for adequate appropriations for such programs as P.L. 94-142, for funds to train qualified personnel to serve the handicapped population, and for adequate funding to continue research affecting our knowledge of speech, language and hearing disorders. In pursuing the latter focus, ASHA helped create and has held leadership roles in a broad coalition called the National Committee for Research in Neurological and Communicative Disorders [NCR]. This Committee is composed of some 60 professional organizations including neurology, otolaryngology, and speech-language pa-

thology and audiology and many voluntary agencies such as the National Multiple Sclerosis Society, Alzheimer's Disease and Related Disorders Association and Muscular Dystrophy Association.

Throughout this most difficult period of time, NCR was able to find a member of the Appropriations Committee who wanted to devote the time and attention in order to understand the enormous potential that exists at this moment for research in almost all areas having to do with the brain and with disorders that affect 20 million Americans with speech, language and hearing handicaps. The man who picked up that challenge was the ranking Republican member of this subcommittee, a leader in his party, a fighter against pork-barrel politics and a humanitarian.

His efforts and his intelligence have shown themselves in the tangible, dramatic growth in funding for the National Institute for Neurological and Communicative Disorders and Stroke [NINCDS]—25% growth in the last two years—almost $100 million. His work will be remembered for many, many years in the future when we here assembled implement the fruits of that research.

Accepting the award, Representative Conte stated:

I am honored to be chosen by this organization for this coveted award. This only strengthens my resolve to carry on the battle for adequate funding for research to understand, treat, and hopefully cure, many of the communicative disorders affecting the 22 million Americans served by the members of this organization.

Over the last several years, amidst probably the most adverse climate for increasing funding for any domestic program in the last several decades, we have succeed in continuing Congress' strong support for biomedical research. When I first came to Congress in 1959, funding for the National Institutes of Health amounted to $324 million. In this fiscal year, 1985, funding will amount to more than $5.145 billion. And over that period of time, two of the biggest increases have come in the last two years, with a 12% increase in 1984 and a 14% increase in 1985. In 1983, funding NIH surpassed $4 million for the first time, and it only took two years for funding to surpass $5 billion.

I think those figures make it clear that those of us who support biomedical research in the Congress know of the fine work that is being done through NIH support, and are willing to fight, even in difficult times, to make sure that this work continues.

Research in the area of communicative disorders is, of course, conducted at many Institutes, such as the National Institute on Child Health and Human Development, the National Institute of Mental Health, National Science Foundation, and others. But the National Institute on Neurological and Communicative Disorders and Stroke [NINCDS] remains the Institute with the largest commitment to furthering research in speech, language and hearing. Over the past couple of years, as a result of a $15 million amendment, I sponsored on the FY 1984 appropriation bill, and efforts by a number of Members on the FY 1985 bill, funding for NINCDS has been growing significantly faster than the overall average for NIH. That is something I've worked hard for and am proud of. Let me also say I remain convinced of the merits of increasing the funding for basic research in communicative disorders and the neurological process, and let me briefly tell you why.

First, the research breakthroughs in this area are now upon us. Dr. Murray Goldstein, Director of NINCDS, stated to me that more has been learned about the brain in the last five years than in the previous 500. It is for that reason that I have been calling this "The Decade of the Brain." And it is born out by public recognition, such as the current Public Broadcasting Series entitled "The Brain." These are times of great excitement, and I believe we ought to do everything we can to take advantage of the tremendous opportunities now upon us.

Second, the aging of the population of the United States presents us with a future where communicative disorders will be ever more apparent and ever more important. It is estimated now that between 1980 and 2050, the number of persons with speech and hearing impairments will increase at faster rates than the U.S. population as a direct result of the aging factor. By the year 2000, it is estimated that 25% of the population over 65 will have impaired speech, and 46% will have impaired hearing. As much as some would like to avoid the implications of these figures, we know that we can do so only at our own peril.

And the third reason is a practical one—your people, in Washington, doing your educational and lobbying work, won't let us forget how important this area is. In this respect, NINCDS has been fortunate in having an effective lobbying effort—the National Committee for Research in Neurological and Communicative Disorders, more sensibly known as NCR. And I know that NCR has benefited from ASHA's leadership. This has included your Executive Director, Frederick T. Spahr, Ph.D., serving as NCR's Acting Treasurer and a member of their Executive Board, as well as your Director of Government Relations, Morgan Downey, ably presenting the opportunities in this field to Congress.

Putting aside the accomplishments of the past several years, which I try never to let you do, I know that many of you are concerned about the future of Federal funding: not just those of you who are researchers; but those of you who are not researchers but who provide clinical services under Medicare, Medicaid, or under the Education for All Handicapped Children Act, P.L. 94-142; and also those of you in university training programs which depend upon Federal funds to improve your programs. I don't know if anyone is in a position yet to predict what the next four years will bring in terms of federal funding, but I think it is not too hard to predict that we will have another "battle royale" on our hands.

Many of the programs that you have been concerned about have survived some severe proposals to cut back funding. Those proposals are going to be back, in full force, across the board. All of us are going to have to redouble our efforts, to educate all Members of Congress, not just those who have been supportive, and to educate the Administration, to assure that the handicapped in this society are not the ones that get left behind when the going gets tough.

If building an opportunity society is the goal of the next four years, then we must continue to build opportunities for those with communicative disorders to participate in the fullness of opportunity that America should afford all of its citizens. And that means supporting the work that ASHA members do. It is something I will strive for, and it must be something that you strive for, more so than ever.

With that, let me thank you once again for this award and say that I look forward to continuing to work with ASHA in the months ahead.

Thank you very much.

Mr. Speaker, I am sure we all are proud of the accomplishments of our colleague for which he has been honored.●

SS. PETER AND PAUL ORTHODOX CHURCH CELEBRATES 75TH ANNIVERSARY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. YATRON. Mr. Speaker, on September 7 and 8, 1985, the members of SS. Peter and Paul Orthodox Church, in Minersville, PA, will celebrate the 75th anniversary of the founding of their church. There will be a divine liturgy by His Grace, Bishop Herman, followed by a jubilee banquet and dance.

Since its founding in 1910, SS. Peter and Paul Orthodox Church, has stood as a focal point for steadfast spiritual commitment to helping meet and ministering to the needs and hopes of others. After 75 years of activity, the devotion and strength exhibited by Pastor Hatrak and the entire congregation stands as a model for all of us to emulate.

I am proud to take this moment to pay special tribute to the congregation of SS. Peter and Paul Orthodox Church for their selfless devotion to God, their church, and their community and for bestowing on the world immeasurable goodness.

I know my colleagues will join me in congratulating the congregation and in wishing them many more years together.●

SOCIAL SECURITY OFF LIMITS FOR DEFICIT REDUCTION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. COURTER. Mr. Speaker, like many of my colleagues, I am concerned that attempts will be made to achieve budget savings on the backs of senior citizens in this Nation. Social Security COLA's are in danger of being substantially cut. I respectfully ask that my statement in opposition to these cuts be inserted in the RECORD, and I encourage other Members of the House to take action against any proposed Social Security benefit reductions.

Some Republicans in the House and Senate are considering a Social Security cost-of-living-adjustment [COLA] freeze in their efforts to draft a

budget. I believe the American people oppose Social Security benefit reductions, no matter how disguised.

The Social Security fund does not add to the budget deficit; it is a self financing program with its own trust account. Moreover, the fund is strong and healthy today, accumulating surpluses into the next century, thanks in great part to the expansion and price stability of 1983-84. I do not believe Congress should undermine this newfound public confidence in the system by returning to the evasion of letting inflation silently erode benefits.

Freezing Social Security COLA's would impose real hardship on thousands of America's elderly, many of whom depend on Social Security as their sole source of income. The Social Security Administration estimates that 419,000 Americans, mostly elderly and two-fifths of them single women living alone, would fall below the poverty line if COLA's were frozen even 1 year. Keeping scheduled COLA adjustments makes it unnecessary for Congress to adjust—and less tempting for Congress to overadjust—benefits from time to time.

Social Security was greatly debated in the 1984 campaign. President Reagan said "never" and categorically overruled any reduction in Social Security benefits. Moreover, in our Republican platform the party pledged it "must never turn its back on our elderly," and we promised "that we will adequately provide for them during their golden years so they can continue to enjoy our country's high standard of living, which their labors helped to provide."

I believe Republicans should adhere to their commitments. Social Security benefits, including COLA adjustments, should be declared off limits for deficit reduction.

I am opposed to any Social Security benefit cuts, including the postponement or elimination of COLA adjustments.●

FOUR OUTSTANDING CIVIC LEADERS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. DARDEN. Mr. Speaker, in 1967, when I was a senior at the University of Georgia School of Law, a number of prominent businessmen from Cobb County, GA, contacted me about the enormous potential for career development there. Those individuals were W. Wyman Pilcher, Sr., president of United Federal Savings & Loan Association; William E. Bullard, president of Mayes Ward Funeral Home, Inc., and a director of United Federal Savings & Loan Association; Ernest W. Barrett, chairman of the Cobb County Commission; and G. W. (Romeo) Hudgins, a civic leader and regional director of the U.S. Savings Bond Division of the Department of the Treasury.

These four outstanding civic leaders persuaded me to move to Cobb County and arranged for me to become employed as an assistant district attorney under the late Ben F. Smith. During the initial years of my career up to the time of my election to Congress, these men were a continuous source of strength and support to my family and me. They represented the core of leadership in our community and deserve special recognition.

A recent article appeared in the Marietta Daily Journal about these four outstanding community leaders. It was written by Jasper Dorsey, a close friend of these distinguished gentlemen and retired executive with Southern Bell Telephone & Telegraph Co.

Mr. Dorsey, an outstanding civic leader in his own right, now writes a weekly column which is published in newspapers throughout the State. His column which appeared on Friday, April 5, 1985, is a fitting tribute to these men who personify integrity, leadership, and achievement.

Mr. Speaker, accordingly I am inserting this article in the RECORD.

[From the Marietta Daily Journal, Apr. 5, 1985]

COBB HAS BEEN BLESSED WITH DISTINGUISHED LEADERS

(By Jasper Dorsey)

Georgia lost a distinguished son a few weeks ago when Honorable Ernest Barrett, 62, died of cancer.

He had retired in December as chairman of the Cobb County Commission after 20 years and as chairman of the Atlanta Regional Commission since its inception.

Ernest was a rare man and a unique politician. He did not profit himself from political office. He went out of office less well-off than when he made his first political campaign.

All in spite of his presiding over one of the most rapidly growing areas in America, where he had advance knowledge of all the developments and interstate highway intersections, in all of greater Atlanta's counties. He refused to profit from this knowledge.

Had he done so, he could have become a multi-millionaire. It is to smile to think of what some politicians we know would do with those opportunities. Yet Ernest retired with almost no pension because he wouldn't ask for one. Legislators control commissioners' salaries and insist upon being asked, because it gives them leverage and trading strength. Barrett's old-fashioned virtue wouldn't let him beg them.

Bill Bullard, an old friend and counselor, chaired a November retirement party which raised enough money from business firms and friends to give his family a $100,000 annuity and a new car. Almost 1,000 people attended the dinner to thank Ernest for 20 years of unequaled growth with absolute integrity. And low taxes.

Barrett was the third of four unusual, distinguished and closely associated leaders in Cobb County to die in just a few years. A massive heart attack took the life of G.W. Romeo Hudgins first. Romeo was probably the most beloved and basically useful man in Cobb County because he gave himself and his friendship so extravagently to everyone.

W. Wyman Pilcher Sr. was taken by a heart attack in 1984. Retired as president and founder of United Federal, he had early dedicated his life to serving the needs of his community and his church. He had been named Cobb Citizen of the Year as had Romeo. Barrett was chairman and a founder of United Federal, Bullard was a founder, too, and still serves on the board of directors. He's just recovering from a cardiac arrest and four heart bypasses.

These four great citizens, about the same age, closer than brothers, were united in the common cause of service. Only Barrett ever sought public office, but they were uniquely effective in helping or hindering political candidates they thought deserving. Moreover, it was said they couldn't be bought . . . nor paid for. They sought no personal gain.

One of their early political efforts was to elect a seventh district congressman, John Davis, of Summerville, in 1960, over several local candidates, two of whom were very popular incumbent legislators.

They not only shaped elections, they shaped the community by giving the greatest gift of all. They gave themselves enthusiastically to every worthwhile cause. And they made a positive difference in all they touched.

Bullard, the first among equals, was the only one to grow up in Cobb. The others came there about the same time and immediately became friends in a service they tremendously enjoyed.

From the beginning, they were leaders in church, little leagues, high schools and in every good cause for God, country and community. To say they have been among the most useful, helpful, effective and outstanding leaders in Georgia is at best an understatement.●

FESTIVAL WILLIAMSBURG

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. BATEMAN. Mr. Speaker, it is with great pride that I rise today to share with my colleagues in the House news of an exciting and important cultural event taking place only a short drive from Washington in America's First Congressional District.

On the weekend of April 19-21, 1985, historic Williamsburg and the nearby Berkeley Plantation in Virginia will be the site of the first annual Festival Williamsburg. Over the course of this weekend, music lovers and visitors from all over the United States will be treated to a wide variety of performances ranging from early classical and Renaissance music to familiar Gershwin classics. The music will be performed by local artists as well as distinguished international musicians, including the National Orchestra of New York, the Brandenburg Collegium directed by Anthony Newman, Musica

Sacra, Israeli violinist Yuval Waldman, and pianist Rudolph Firkusny.

The weekend will begin with a private fundraiser featuring an all-Bach concert with Newman. This event has special significance in light of the attention being focused due to the recent 300th anniversary of the birth of the composer, Johann Sebastian Bach. This fundraiser is an integral part of Festival Williamsburg because the proceeds from this event will enable festival sponsors to hold ticket prices for all of the other festival programs to a minimum, thus making the festival accessible to a wider audience.

Saturday's activities will include a series of four concerts lasting all day and into the evening. These concerts will feature the National Orchestra of New York, conducted by Mitch Miller and Alvaro Cassuto; the New York Trumpet Ensemble; and the Brandenburg Collegium. The highlight of the concerts is expected to be "An American Concert for Everyone," featuring an all-Gershwin program including "Rhapsody in Blue" and "An American In Paris."

The concerts on Saturday, hosted by noted entertainer Steve Allen, will be held at the Berkeley Plantation on the James River, site of America's first Thanksgiving celebration.

The final series of concerts, on Sunday, will include performances in Williamsburg by the Williamsburg Consort, Yuval Waldman, and Musica Sacra.

Williamsburg, VA has long been recognized as a community rich in cultural heritage as well as steeped in historic significance for our Nation. I am confident that Festival Williamsburg will become a major national cultural event in the years ahead.

I invite all of my colleagues and their families and friends, their staffs, and any of their constituents from their home districts visiting Washington to travel to Williamsburg on the weekend of April 19 for this exciting event.●

PHIL BURTON WILDERNESS AREA IN THE POINT REYES NATIONAL SEASHORE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. UDALL. Mr. Speaker, it is impossible to compare Phil Burton to anyone or anything because he was a one of a kind. This unique and fascinating man left his impression on all of us, and on countless American citizens. In all likelihood we shall not see one like him again. He left a personal and a professional legacy, however, that will outlive us all and our personal memories of him.

It is very fitting that we should honor that legacy by naming the wilderness area of the Point Reyes National Seashore after him. Phil Burton may have been the very essence of the urban man, the committeed indoorsman—in fact, it was said that the only time Phil Burton went outside was to smoke a cigarette—but he understood and appreciated what the life of the outdoors means to us and to our planet. So he spent much of his life fighting to preserve the natural wonders of our continent and no one could argue with his enormous success. Point Reyes National Seashore was one of Phil Burton's most beloved endeavors, It was a very complicated and arduous task to see it established, expanded and refined, and its wilderness designated, and his role in that task was indispensable.

The preservation of wilderness takes many people to accomplish. It takes scientists and biologists and geologists and academicians and park planners and foresters and writers and many, many everyday citizens. But it also takes people like Phil Burton to guide their dreams and ideas through the political system we have constructed to make these often difficult decisions.

Some people have expressed qualms about naming public things after people, especially after politicians, and I have often shared those misgivings. But it is true that the Forest Service has frequently named wilderness areas after people—one of the very first wilderness areas, in fact, is Montana's Bob Marshall Wilderness. And the Park Service itself, while prohibiting the naming of the parks themselves after people, does name unique features within the parks after people.

Well, Phil Burton was a unique feature of this institution. And if the naming of this wilderness area after him serves to honor his memory and to remind those future generations that the preservation of its beauty and integrity did not and could not have just happened—that it took people like Phil Burton with courage, tenacity, and vision to make it happen—then that is a very good thing.

So I am very pleased to support this legislation today.●

A TRIBUTE TO JOHN SILAN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. YATRON. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the outstanding achievements of Mr. John Silan, who is being honored on April 20 at a banquet hosted by the Cougar Tale Club for his contributions to sports and their appreciation of his accomplishments.

John Silan retired from coaching 7 years ago. In his coaching career, he spent 19 years at Kutztown High School as their basketball coach. His teams posted an outstanding record of 414–75 and won 15 Berks County Eastern Divison titles, 12 county championships, 8 District 3 crowns and 3 PIAA Class B State titles. When he left Kutztown High he coached 9 years at Delaware Valley College and 2 at Wilson High School, where he won another Berks County title in 1977.

The Cougar Tale Club is a group of over 90 men who played under Coach Silan when he was at Kutztown High School. They will honor their former coach on "John Silan Day."

Coach Silan is an outstanding example of dedication and excellence. He has left a lasting imprint on those he coached and on the sport of basketball. I urge my colleagues to join me in saluting this fine man, who has become a legend in his community. I wish him the very best in all his future endeavors. He has enriched the lives of all who have been privileged to know him and to work with him.●

SHIKELLAMY BRAVES WRESTLING TEAM WINS CLASS AAA TITLE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. GEKAS. Mr. Speaker, some say it's harder staying at the top than getting there, but the Shikellamy Braves wrestling team proved conventional wisdom wrong when the team won the coveted Pennsylvania Interscholastic Athletic Association Class AAA wrestling title for an unprecedented second consecutive year. No one will ever forget the accomplishments that led this team from Sunbury, PA, down the road to the State wrestling championship. Behind all the recordbreaking statistics stands a skillful group of athletes and their coaches with an uncanny ability to ignite an excitement that has left not only the city of Sunbury in a frenzy but the surrounding communities as well.

The Shikellamy Area High School Braves wrestling team, led by Head Coach Phil Lockcuff and assistants Rob Johnson and John Supsic, became the first team to repeat as State champions and boasted a 49-match winning streak, losing only once in 88 matches. The highlight of the Braves' wrestling season came on March 16, 1985, when a record eight wrestlers went to the State tournament in Hershey, and six of them placed. Two of them won State championships while the team scored 97 points, more than any other team in Pennsylvania's high school wrestling history.

Head Coach Phil Lockcuff also received special recognition when he was named the Pennsylvania Wrestling Coaches Association's 1985 Class AAA State Coach of the Year after amassing a career record 180-16-3.

The coaches and players should be congratulated for their outstanding performances on and off the mat both as performers and outstanding citizens of their community. The sportsmanship which was displayed throughout their long and grueling season is a credit to themselves and the fans who enjoyed watching them wrestle.

Those players contributing to the team's winning effort this year include: Ron Furr, Greg Garman, John Herman, Jeff Reed, Chris Rose, Chris Derr, Bob Supsic, Pete Solomon, Kevin Kreider, Drew Wetzel, Rob Whary, John Supsic, Dan Bottiger, Tony Reed, Earl Malick, Todd Tilford, Ed Krankoskie, Paul Gemberling, Jason Bottiger, Mark Bogovich, Joe Burke, Bill Lytle, Keith Schell, Craig Welfer, Mike Bogovich, Rich Shipe, John Gemberling, Todd Lawrence, Joe Kremer, Jerry Zimmerman, Tim Dressler, Andy Shipe, Troy Underkoffler, Ben Amerman, Mike Sites, and Steve Evitts.

Congratulations and praise go to the coaches and players for giving the fans of Sunbury a season of unending thrills and showing us the joy of high school wrestling at its finest.●

CALIFORNIA DELEGATION ENDORSES H.R. 442

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. MINETA. Mr. Speaker, the California Democratic delegation to this House has unanimously endorsed H.R. 442, the Civil Liberties Act of 1985. This important legislation provides long overdue redress for the loss of basic constitutional rights which 120,000 loyal Americans of Japanese ancestry suffered during World War II.

Forty-three years ago, the California delegation played a regrettable role in developing the political and public demand for the internment. With our action endorsing redress and repudiating our predecessors actions, we have made a bold break with the past. Forty-three years from today, others will point with pride to the California Democratic delegation for our courageous stand in support of H.R. 442.

I wish to congratulate the delegation, and especially our dean, DON EDWARDS, for this action.

The Civil Liberties Act of 1985 is a historic bill. With the passage of this bill, the Congress will do something that only a great democracy can do: Admit a mistake, apologize for it, and recommit itself to the principles of due process and equal justice.

When my family and I were interned with other loyal Americans at Heart Mountain Relocation Camp in 1942, the Nation interned its Constitution, because when the rights of some citizens are lost, then the rights of all citizens are threatened.

The text of the delegation resolution and a chronology of the internment follow:

CALIFORNIA DEMOCRATIC CONGRESSIONAL DELEGATION RESOLUTION ON H.R. 442

Whereas, the internment of Americans of Japanese ancestry during World War II was unnecessary and unwarranted; and

Whereas, the internment was the result of racial prejudice, wartime hysteria and a failure of political leadership at the time; and

Whereas, on February 13, 1942, the California Congressional delegation in a letter to President Roosevelt requested the evacuation of Americans of Japanese ancestry from the West Coast; and

Whereas, on March 19, 1942, the Congress adopted Public Law 503 implementing the evacuation and the internment; and

Whereas, the internment deprived 120,000 loyal Americans of their liberty, their Constitutional rights, and their standing in their communities; and

Whereas, the Congressionally created Commission on Wartime Relocation and Internment of Civilians has proposed a package of recommendations to remedy the damages of the internment; and

Whereas, those recommendations are the basis of H.R. 442, the Civil Liberties Act of 1985; and

Whereas, as H.R. 442 attempts to insure that no other Americans ever face such a wholesale loss of basic liberties: Now therefore be it

Resolved, That this delegation regrets the actions of its predecessors in 1942 and repudiates the letter sent to President Roosevelt by the California, Oregon and Washington delegations; and be it further

Resolved, That this delegation endorses H.R. 422, the Civil Liberties Act of 1984 and urges prompt action upon that legislation.

CHRONOLOGY OF INTERNMENT OF AMERICANS OF JAPANESE ANCESTRY

Dec. 7, 1941—War begins with Japan.

Jan. 16, 1942—U.S. Rep. Leland M. Ford of California sends letters to the Secretary of War and the Attorney General proposing that "all Japanese, whether citizens or not, be placed in inland concentration camps."

Jan. 24, 1942—Attorney General Biddle responds saying, ". . . unless writ of habeas corpus is suspended, I do not know of any way in which Japanese born in this country and therefore American citizens, could be interned."

Jan. 26, 1942—The Office of Naval Intelligence issues two year study of West Coast Japanese Americans by Lt. Commdr. Kenneth Ringle. The Ringle Report concludes that the vast majority of Americans of Japanese Ancestry are loyal to the U.S. The Report recommends any detention be handled on an individual rather than racial basis.

Jan. 27, 1942—U.S. Reps. Alfred Elliot and Jack Anderson both of California meet with Edward Ennis of the Justice Dept. to argue the case for internment.

Jan. 30, 1942—Justice and War Departments meet with the California Congressional Delegation who present an internment plan; internment jurisdiction assigned to War Dept.

Feb. 13, 1942—President Roosevelt reviews letter on behalf of all California, Washington and Oregon members of Congress who recommend immediate evacuation of all persons of Japanese ancestry.

Feb. 19, 1942—President Roosevelt signs Executive Order 9066 that authorizes internment.

Mar. 9, 1942—Secretary of War Stimson asks Congress to act swiftly on bill to make violation of internment orders a federal offense punishable by a $5,000 fine or one year in jail.

—S. 2352 introduced in the Senate.

—H.R. 6758 introduced by Rep. John Tolan of California.

Mar. 19, 1942—Congressional penalty bill passes both houses with no opposition.

Mar. 21, 1942—President Roosevelt signs legislation into law as Public Law 503.●

STEEL IMPORT QUESTION

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. KOLTER. Mr. Speaker, it has to come to my attention that the Secretary of Commerce has been asked to reconsider his decision on a steel import question.

Goodyear Tire & Rubber Co. is planning construction of a 1,780-mile oil pipeline. About two-thirds of the steel to be used would be supplied by French and Belgian steelmakers. Only one-third would come from domestic steel producers. Normally, this action would be inconsistent with the steel accord reached between the United States and the European Economic Community in 1982. Goodyear had requested a waiver from the Commerce Department, arguing that 30-inch, thin-wall line pipe was in short supply. A clause in the European Steel Accord would allow these imports if Commerce did indeed establish that this particular type of pipe was in short supply domestically.

Fortunately, for domestic steelworkers, who have already suffered enough at the hands of steel imports, the Commerce Department found that domestic steelmakers could produce sufficient quantities of pipe for this particular project. It found no reason for granting a waiver and permitting 471,000 tons of foreign pipe to enter this country.

Mr. Speaker, I urge Secretary Baldrige to remain firm in his determination that domestic pipemakers can supply this project and I urge him not to reconsider his decision.●

PRESERVING THE MORTGAGE INTEREST DEDUCTION

HON. TOM LEWIS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1985

● Mr. LEWIS of Florida. Mr. Speaker, today I am introducing legislation with my colleague from Florida, Mr. MICA, to express the sense of Congress that no limitation should be placed on the Federal income tax deduction for interest paid on a residential mortgage.

Home ownership is an important part of the American dream—the newly married couple purchasing their home in which they hope to raise a family, the middle-aged couple purchasing a vacation or second home to which they hoped to retire. These are examples of striving to realize the American dream, a dream whose realization contributes to family security, community responsibility and civic stability.

In recognition of the importance of home ownership, and in an effort to encourage it, the Internal Revenue Code has long provided major incentives to individuals to purchase a home through the mortgage interest deduction.

Several of the tax reform and simplification proposals pending before the Congress and being considered by the administration may significantly modify the home ownership deductions. As a result, individuals are postponing decisions to purchase a home because they are worried that their investment in owning a home might be eaten up by tax reform.

We need to reassure not only those people who currently own homes, but also those people who are hoping to buy one in the future, that Congress is committed to home ownership and will preserve the Federal income tax interest deduction for residential mortgage.

I urge my colleagues to join us in support of home ownership by cosponsoring this resolution.●

SENATE—*Wednesday, April 17, 1985*

(Legislative day of Monday, April 15, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father God, we ask for Your presence with us today in each office and home and with each person who is part of this large Senate family. We thank You for the recovery of Senator EAGLETON and pray for his rapid restoration to fullness of health and strength. We remember with loving concern Stan Kimmitt and his family in this time of great pain. Be with his son, Tom—touch him with healing love. Thank You, Father, that You are able to communicate with him even when we cannot. Grant Your peace to the family; guide the physicians, surgeons, and nurses in their ministries of healing. Gracious God, if there be others in our family who suffer, we commend them to Your gracious goodness and Your comforting care. In the name of the Great Physician. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, each leader has 10 minutes and may reserve whatever time is not used.

Following that, there will be a special order, not to exceed 15 minutes, for the Senator from Wisconsin [Mr. PROXMIRE], to be followed by routine morning business until 1 p.m., with statements therein limited to 5 minutes each.

Following morning business, it will be the intention of the majority leader to turn to any of the following Commerce Committee authorization bills if part of the 3-day rule can be waived. Apparently, last night, in reading the numbers, I erroneously indicated S. 814. It should have been S. 813, pipeline safety. S. 814, I understand, is a major tax reform bill. I do not think we want to slip it through. In any event, there are four rather minor bills from the Commerce Committee which perhaps could be taken care of today. I hope we can do this in the wrap-up, by unanimous consent, but there is always a possibility of rollcall votes. Also, the Senate could turn to any other legislative or executive items that have been cleared.

I indicate to my colleagues that many meetings are going on with reference to the budget and the budget resolution which will be taken up on Monday. I hope that, even though we are not yet engaged on the Senate floor, my colleagues will make themselves available for the meetings we have planned.

I doubt that there will be a session of the Senate on Friday, because, frankly, there is not much on the calendar—in fact, very little on the calendar.

Starting Monday, we will take up the budget resolution, and I would guess that from the 22d of April until we finish that budget resolution, we will be going rather full tilt in the Senate—long days and some evenings—the majority leader hopes to complete action on that package by the end of April, or at best by May 1.

So I advise my colleagues not to plan any trips away from the city starting on the 22d of April, until we finish action on the budget.

I also report that, in my view, we have a good budget package. Obviously, some areas are of concern to some of my colleagues. But I state in a very general way, because there has been a lot of debate on this subject, that, in my view, the American people want us to reduce Federal spending. The budget we will propose will do that by about $300 billion over the next 3 years. I believe that the American people have been ready for a long time for us to make some sharp reductions—in fact, eliminations—in some of the Federal programs that they have never fully understood and never really appreciated our funding with their tax dollars. So we will have a number of opportunities to vote on the budget when the budget resolution does come before the Senate.

I hope that my colleagues on both sides of the aisle will study the proposed budget carefully and will study the reasons for inclusion of certain items in the budget resolution, because it is the view of the majority leader that the American people expect us to act in a bipartisan way to reverse the trend of Federal spending, to avoid any tax increases, and to reduce the deficit.

So that will be the primary thrust of Senate action for the next 2 weeks.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. I thank the Chair.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, the distinguished majority leader has laid out the program and discussed, in a brief way, the budget resolution.

Yesterday, I indicated to the distinguished majority leader that we—when I say "we," I assume Members on both sides of the aisle—would like to have a copy of the legislative text so that we might have something before us which would enable us to think in terms of amendments, perhaps, to certain parts of the budget resolution. The distinguished majority leader supplied to me yesterday the backup material and the substance of many of the areas in the budget resolution, which I assume will be submitted at some point in time beginning next Monday, and the distinguished majority leader indicated that we would have the legislative text by Thursday morning.

If the distinguished majority leader has any additional information at this time, I will be glad to have it. We on this side of the aisle will certainly want to scrutinize the proposals. Perhaps we will have amendments.

There may be alternatives. The same thing could be true on the other side of the aisle. There are Senators on both sides who might be anticipating the offering of amendments to a specific item within the resolution or maybe some would want to offer alternatives.

Until we get the legislative text, we will not be able to prepare amendments.

May I ask the distinguished majority leader, has there been any change in this situation so that we might expect the text earlier, or will it indeed be available Thursday? At this point, can he tell me whether his resolution—and when I say "his resolution," the resolution that he and other Senators on the other side of the aisle have developed in negotiations with the White House—will be offered as a substitute

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

for the budget resolution that was reported from the Budget Committee and which appears on the calendar?

Mr. DOLE. Let me indicate that I have asked staff to check again and see if there might be a possibility of getting the text to the minority leader prior to tomorrow morning.

But in any event, we hope to have it available and it will be delivered at the earliest possible time.

It is a very complex, comprehensive, delicate job that they have been engaged in now for several days.

But the answer is it will be delivered as soon as it arrives, hopefully if not late today, Thursday for sure in the morning, for certain, I am just advised.

With reference to whether or not that will be offered as a substitute and at what time, I am just not prepared to say at this point.

But we welcome cosponsors.

Mr. BYRD. I thank the distinguished majority leader.

May I say to the distinguished majority leader, also, there were certain measures that he outlined in his statement for the RECORD concerning the program, and I wish to assure him that we on our side of the aisle are seeking to clear those measures, notwithstanding the fact that the 3-day rule has not run its course. I think we will be able to clear them. I took them up in the caucus yesterday, and there was no objection there. But we still need, I think, to run the request on the hotline, and I will get back to him as soon as I can in that regard.

SENATOR HART'S EUROPEAN TRIP REPORT

Mr. BYRD. Mr. President, the distinguished Senator from Colorado [Mr. HART] has been a serious student and participant in defense and foreign policy matters over the course of his Senate career. He is well known as an incisive and original thinker on matters ranging from arms control to military reform. He has written and spoken to a wide audience not only in the United States, as we all know, but also in Europe and elsewhere.

Senator HART traveled to the Soviet Union, France, Switzerland, and the United Kingdom in January of this year and has completed a comprehensive report to the Senate on his meetings with a variety of distinguished foreign officials, including French President Mitterand, British political leaders, and Soviet Foreign Minister Gromyko. Mr. HART has also delivered remarks to a number of prestigious audiences in Edinburgh, Paris, Geneva, and the U.S.A./Canada Institute in Moscow.

Mr. HART's report reflects a serious working experience and I believe is worthy of inclusion in the RECORD in its entirety. I congratulate the senior Senator from Colorado on his interesting report and commend it to my colleagues for their information.

Mr. President, I ask unanimous consent to have printed in the RECORD the report to which I have referred.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

OFFICIAL REPORT OF SENATOR HART'S JANUARY 1985 VISIT TO THE UNITED KINGDOM, FRANCE, SWITZERLAND, AND THE SOVIET UNION

INTRODUCTION

From January 11-22, 1985, Senator Hart and delegation[1] discussed arms control, international security and economic issues with the leadership of the Soviet Union and three West European countries—the United Kingdom, France, and Switzerland. The principal objective of the visit was to elicit the views from a broad spectrum of official and private leaders, meeting with representatives of both incumbent and opposition parties and a range of private experts in Western Europe; and with senior government officials and members of the USA/Canada Institute in the Soviet Union. Senator Hart also met with a dissident family in Moscow to assist in efforts to arrange emigration for medical treatment by a family member.

Senator Hart's visit included several major addresses to private groups, including speeches on NATO security at the University of Edinburgh and at the Institute Francaise de Relations Internationales in Paris; a speech on East-West relations and the future of arms control at the University of Geneva; and a presentation of U.S. economic issues at the USA/Canada Institute in Moscow.

Senator Hart was the guest of several groups during the course of his trip, including Democrats Abroad in the United Kingdom and France; the Union Bank and the University of Geneva in Switzerland; and the Parliamentary Group of the Supreme Soviet and the USA/Canada Institute in Moscow. Senator Hart is grateful to these groups for their invitations; and is especially grateful to the Senate Democratic Leadership for assisting with a portion of the delegation's expenses.

The following is a summary of the meetings and discussions which took place in the four countries.

I. United Kingdom

During the period of January 11-14, Senator Hart had meetings with leaders of all the major parties in the United Kingdom, including: David Steel, Leader of the Liberal Party; Dr. David Owen, former British Foreign Minister and currently Leader of the Social Democratic Party; Neil Kinnock, Leader of the British Labour Party; and Christopher Patten, Junior Minister for Northern Ireland in the Thatcher government, who hosted a small reception which included a number of Conservative members of Parliament.

The timing of Senator Hart's trip coincided with a period of serious political challenges for the Thatcher government, including a post-war record level of unemployment (13.6 percent), a flagging pound sterling, an industrial dispute over coal mines which then had no clear prospect of resolution, and a steady pattern of escalation of violence in Northern Ireland. Nevertheless, it was apparent from most discussions with British leaders that Prime Minister Thatcher and her Conservative Party government were as firmly entrenched in power as they had ever been, underscoring Mrs. Thatcher's image as the politically strongest and most durable of Western Europe leaders.

Conversely, the opposition parties, fragmented among the Labour, Social Democratic and Liberal Parties, were and are still vying with one another for leadership. The only apparent prospect for a serious opposition challenge to the Thatcher government is clearly dependent on the development of what is for now only a fragile alliance between the Liberal and Social Democratic leadership—still only a dim prospect given the active rivalry among the top individuals and serious differences over central issues such as defense policy. The two parties have a total of twenty-eight seats in the House of Commons.

Senator Hart's meetings with David Steel of the Liberal Party revealed some of the more fundamental differences between the approaches of his party and the rest of the opposition groups. A major focus of his disagreement with the Social Democrats hinges on the Liberal Party's opposition to the deployment of Pershing and cruise missiles in Britain and opposition to acquisition of the Trident submarine, a sentiment not shared by Social Democratic Leader, David Owen.

These differences pale into far less significance when compared to those between the Liberals and Social Democrats with the Labour Party, most notably again with respect to British defense policy. The Labour party platform includes radical proposals to restructure the entire foundation for national defense—a point of major disagreement underscored by both David Steel and Social Democratic Leader, David Owen.[2]

Senator Hart and David Steel discussed Mr. Steel's meeting in early January with Soviet Minister Mikhail Gorbachev, whose recent visit to the United Kingdom, coincided with his clear ascendance within the Soviet government hierarchy, had been the object of extensive press coverage. Steel suggested he had found Gorbachev to be far more ideologically rigid than had been portrayed in the press but stressed the importance of meetings among the "new generation" of leaders throughout the world, and particularly among those of the Soviet Union, the United States and Western Europe.

David Steel, who serves as rector of the University of Edinburgh, extended an invitation to Senator Hart to speak at a public forum at the University on January 11, for which Mr. Steel served as moderator. The subject of Senator Hart's speech—the future of U.S.-European defenses—focused on strategies for revitalizing and strengthening NATO's conventional deterrent (copy attached). The speech had an audience of over five hundred, comprised of students and faculty of the University and local citi-

[1] The delegation included two members of Senator Hart's Staff, Dr. Jannie Nolan, foreign policy aide and Doug Wilson, staff assistant. Senator Hart's wife Lee and his two children, Andrea and John, participated at private expense.

[2] For example, Labour Party policy would move to eliminate the preponderance of the U.S. nuclear force based in the United Kingdom, including U.S. nuclear missile carrying submarines based at Holy Loch, along with the F-111 nuclear capable aircraft; and scrap the central core of Britain's nuclear deterrent (Polaris, and under Thatcher's plans, Trident submarines), along with cruise missiles deployments.

zens. The majority of the members of the University's internationally recognized Center for Security Studies were in attendance, including Soviet defense expert John Erickson, whose commentary on Senator Hart's speech was printed in the University paper and is included in this report.

Senator Hart entertained questions from the audience for forty-five minutes and found the level of interest and expertise in defense issues, including among undergraduates, to be very high. Senator Hart had the opportunity for further discussion about NATO conventional defense strategy at an informal reception and lunch for University of Edinburgh faculty, hosted by the University's Chancellor, Dr. J.S. Burnet.

Senator Hart's concluding discussions with David Steel occurred at a dinner at the House of Commons jointly hosted by the Liberal International Party and Democrats Abroad. The dinner, attended by over a hundred British government officials and political experts as well as members of Democrats Abroad, represented the first time that an American and British political party had cooperated in arranging an event of this kind.

Senator Hart met with Christopher Patten, Conservative Member of Parliament, at an informal reception at Mr. Patten's home prior to the dinner at the House of Commons. Conservative members of Parliament who attended the reception included, among others, John Patten (no relation), Junior Minister for Health and Human Services; William Waldegrade, the Junior Environment Minister; Norman Lamont, the Minister of Trade; and Tristan Garel-Jones, a Tory Whip. The major issues discussed were current British efforts to effect a resolution to the problems in Northern Ireland and overall U.S.-U.K. economic relations.

With respect to Northern Ireland, it was apparent that there was considerable skepticism among British Conservatives as to prospects for early resolution of the Northern Ireland conflict. The fifteen year war between British, Irish and Ulster security forces with the outlawed Irish Republican Army has drifted into a deadly new phase in which the number of casualties were actually going down but the stakes steadily increasing: that is, the decline in the death toll had coincided with an increasingly stronger power base and capability to inflict violence by the IRA. Political violence targeted against the highest levels of government is expected to increase, as dramatized in October of 1984 by the destruction of the Brighton Hotel where an IRA bomb barely missed killing Margaret Thatcher and most of her Cabinet at a Conservative Party conference.

For over two years, the Irish government, headed by Garrett Fitzgerald, has been making a sustained effort to bring about a peaceful resolution to this protracted conflict. The government has organized the New Ireland Forum, comprised of the three major Irish parties as well as the Social democratic and Labour Party, the principal moderate Catholic party in Northern Ireland. After months of public hearings, the Forum produced a report in May of 1984 setting forth three possible roads to constructive change: outright unification; a confederation of Ireland and Ulster; or Joint Anglo-Irish authority for the province. The public rejection by Prime Minister Thatcher of all three options in November—undertaken in the aftermath of the Brighton bombings—has resulted in the current stalemate which for now eludes solution.

On January 13, Senator Hart met with Neil Kinnock, head of the Labour Party, at his home in London's West Ealing district. Just that morning returned from Nicaragua, Mr. Kinnock discussed his experiences in that country, which included attending the inauguration of the new Nicaraguan President and a meeting with Cuban leader, Fidel Castro.

Mr. Kinnock, elected Labour Party leader in October 1983, is more widely respected and considered far less doctrinaire than his predecessor, Michael Foot, notwithstanding the Labour Party's widespread reputation as irreversibly captive of the far left factions of the British political scene. Unilateralism and socialism, rightly or wrongly, are considered the two pillars of the Labour Party platform and account for the switch of many party moderates to the Social Democrats.

The discussion with Mr. Kinnock reinforced the accuracy of the perception that he is by no means doctrinaire. Mr. Kinnock expressed clear dislike for the Soviet government and had reservations about the nature and direction of the Sandinista government in Nicaragua. Nonetheless, Mr. Kinnock reiterated his belief that the revolutionary nationalists in Nicaragua—rather than the hard line Marxist-Leninists—now dominate in that country. He expressed the view that the Cuban government would like to give additional economic assistance to the Sandinistas but is prevented from doing so by domestic economic constraints.

Senator Hart and Mr. Kinnock discussed at some length Mr. Kinnock's visit to the Soviet Union late last year, which included a meeting with Prime Minister Constantin Chernenko. Kinnock reported that Chernenko seemed in reasonably good health at that time and that his discussion of arms control was notably lacking in diatribe against the Reagan Administration. Mr. Kinnock stated that Chernenko claimed to have "fully expected" a second term for the Reagan Administration and had expressed hope that the American President would prove less rhetorical and "more realistic" about arms control over the next four years.

Mr. Kinnock expressed the Labour Party's strong opposition to the deployment of cruise missiles in Britain, but made clear that a Labour government under his direction would not seek to radically alter British participation in the NATO Alliance.

Senator Hart's final meeting with a British official was with Dr. David Owen, a conversation which focussed principally on U.S. and British internal political affairs. Owen stressed his view that much work still needed to be done—especially at the local level—before an effective Liberal/Social Democratic alliance could be forged and considered as a credible alternative to the Conservatives. Mr. Owen expressed strong interest in the 1984 elections in the United States, particularly with respect to the impact of the new voting trends of the post-war 'baby-boom' generation—a phenomenon with which he found parallels in Western Europe.

II. France

A highlight of Senator Hart's visit to France during the period of January 14-16 was a meeting with French President Francois Mitterrand. Originally planned as a courtesy call, the meeting with President Mitterrand and Senator Hart was extended for over an hour and provided an opportunity for a full exchange of views on Western defense issues, arms control and domestic French economic and political trends. Senator Hart's January meeting with the President was his second, following a meeting initiated by the President in April 1984 when Mr. Mitterrand visited New York during the Democratic Presidential Campaign.

President Mitterrand expressed particular concern over the impact of the U.S. deficit on the strength of the French franc—hitting an all time low at the time of the visit—but made clear that he admired the strength and vitality of the American economy. President Mitterrand has a particular interest in the development of high-technology sectors in the manner of California's 'Silicon Valley'; and talked in some detail about his efforts to stimulate high technology growth in France.

Clearly the dominant issue occupying French public attention in early 1985 was the condition of the domestic economy. Over the last two years, President Mitterrand and his Socialist government have increasingly been forced by rising unemployment and declining national productivity to retreat from its traditional Socialist economic agenda and embark on more traditional austerity programs marked by fiscal conservatism. The apparent failure for now of socialist economic measures may have far-reaching effects in domestic political terms and for the future of the Left in France. The disappointing economic performance in the first two years of socialist rule are being viewed by many—on both sides of the French political spectrum—as a retreat from socialism and a move towards neo-liberal pragmatism.

Although much touted as the cause of major political liabilities for President Mitterrand (his approval rating in January was unprecedentedly low, twenty-five percent), Socialist leaders are hopeful that the current austerity programs will restore stability in the economy and allow a sufficient increase in government spending to permit a return—and re-legitimization—of the socialist agenda prior to the parliamentary elections in fifteen months. Although there was some doubt expressed as to these prospects, President Mitterrand, for one, showed remarkable resilience and optimism.

Still in question is whether President Mitterrand will remain in office throughout his term. Although Senator Hart and he did not discuss this directly, a number of French experts and commentators with whom Senator Hart met expressed doubts as to whether it would be possible for Mitterrand to retain the Presidency if there is a victory by the opposition in the parliamentary elections in 1986. The French government has never before been confronted by a situation in which there are opposing ideologies in the Parliament and the Presidency and should this happen, would be forced to navigate totally uncharted political territory.

President Mitterrand concluded his meeting with Senator Hart by extending an invitation to him and his family to return to France as his personal guests.

A key figure in the upcoming 1988 French Presidential elections with whom Senator Hart met is Raymond Barre, former Prime Minister under President Giscard D'Estaing. Mr. Barre, known as a moderate conservative, is currently leading the polls for potential opponents to President Mitterrand. Unlike his leading competitors, Mayor of Paris Jacques Chirac, and former President Valery Giscard D'Estaing—both of whom are affiliated with established political parties—Raymond Barre has maintained a power base which is independent of party affiliation. Although there was skepticism

expressed by a number of commentators as to Mr. Barre's ability to mount a serious opposition campaign in the absence of a party structure, Mr. Barre's independence has for now played successfully to the French electorate's current disaffection for traditional party politics.

Senator Hart and Mr. Barre had a wide-ranging discussion for over an hour, focussing principally on economic issues. Mr. Barre expressed his view that the power of the French state should be reduced and that the restoration of private ownership should extend beyond those industries nationalized by Mitterrand, to include the banking industry. Mr. Barre stressed a number of economic initiatives he believes vital to the restoration of the French economy, including tax cuts, higher structural incentives for business, civil service cuts and overall economic deregulation. Mr. Barre's analysis reinforced his image as a moderate conservative who has a solid base of expertise and is measured and cautious in his observations.

On the evening of January 14, Senator Hart addressed 150 members and invited guests of the leading French foreign affairs institute, the Institut Francais de Relations Internationales (IFRI), as a guest of its director, Thierry de Montbrial. As in Edinburgh, the focus of Senator Hart's formal speech was on NATO defense challenges and strategies to re-build a credible conventional deterrent. As reflected in the questions posed by the audience, there is strong national support in France for French military independence with an attendant commitment to upgrading the Force de Dissuassion.

One aspect of particular concern which grows out of this independence—and is a source of potentially serious disagreement between the governments of France and the United States—is the potential impact of the Strategic Defense Initiative on French security planning. Although not uniform, some comments from the audience suggested heightened concern about the deployment of defenses in the Soviet Union and the United States sufficient to nullify the strength of the French independent nuclear force and to suggest a retrenchment of the United States to a policy of "Fortress America".

Senator Hart expressed his support for continued research on defensive and space systems to counter any Soviet developments in this area, but stressed that the notion of a "defensive shield" of the type described by President Reagan "did not make sense technically, could not be afforded financially and was not desired diplomatically." Instead, Senator Hart urged the more pressing security requirement of reducing dependence on nuclear weapons through improvements in conventional forces and nuclear arms control. Senator Hart stressed his concern that "relying subconsciously more and more on nuclear weapons increases the danger of their accidental use" and of the risk of other nations, and even terrorists groups, acquiring such weapons. By contrast, creation of an effective conventional defense would lead to a more cohesive NATO alliance "because such forces would enable us to honestly assure our citizens that any conflict would have a reasonable chance of remaining at the conventional level."

Replying to a question about possible inclusion of the French and British nuclear forces in the upcoming talks with the Soviet Union, Senator Hart said he could never see a time when the U.S. would attempt to bargain unilaterally for its two allies but could envisage four-sided negotiations at some point in the future, albeit with considerable complications.

Senator Hart continued his discussion of NATO defense issues at an informal dinner hosted by ABC bureau chief for Paris, Pierre Salinger. In addition to Thierry de Montbrial, French education Minister Jean-Pierre Chevenement attended the dinner. The issues discussed ranged from U.S. global security commitments to the merits of space-based defenses. Of particular concern was the perception of an "isolationist" trend within the Democratic Party, suggested by the debates over Central America and the Persian Gulf during the Democratic Presidential Campaign.

Senator Hart explained his differences with both the Republican and mainstream Democratic Party over approaches to the use of force, underscoring his views that defense commitments had to coincide with improvements in defense capabilities; and that the application of military force for the resolution of instability had to be based on realism, judiciousness, and a clear definition of objectives prior to the commitment of American troops. He reiterated his concerns that a pragmatic evaluation of the structure of defenses for NATO was an urgent challenge which Western leaders could no longer afford to delay; and that the consideration of possible shifts in the relative allocation of burden for the defense of NATO between the United States and the European countries was not predicated on "isolationism" but on the recognition of the urgent need to rectify weaknesses in the NATO deterrent.

Senator Hart had the opportunity for substantive discussions with leading group of editors and commentators, including recently elected editor of Le Monde, Andre Fontaine. Senator Hart also paid a courtesy call to U.S. Ambassador Evan Galbraith prior to leaving Paris.

III. Switzerland

Senator Hart arrived in Zurich on January 15 to attend a working dinner in his honor with financial and industrial leaders, hosted by the Union Bank of Switzerland. The dinner took place at Wolfsberg Castle in Ermatingen, forty miles outside of Zurich, a site used as a conference and training center by the Union Bank. The last such dinner organized by the bank was for former Secretary of State Henry Kissinger. Swiss Secretary of State Eduard Brunner chaired the dinner and after-dinner discussions. A list of attendees is included with this report.

Of principal interest to the participants were U.S.-European economic relations. An overarching theme of the discussion was the interest among the Swiss in Senator Hart's proposals for economic and industrial revitalization in the United States. Another common theme was the concern about the volatility and instability in the foreign exchange markets resulting from the strength of the U.S. dollar.

The Swiss economy is heavily dependent on international economic conditions for its continued prosperity; and with the U.S. as its second largest trade partner, Swiss leadership is understandably concerned about the condition of the dollar. Exports are especially susceptible to volatile exchange rates, as the preponderance of these are in specialized manufacturing, including highly price-sensitive goods such as electronics, watches and highly specialized machinery. With few natural resources, Switzerland is also highly import dependent, including for energy, food and the majority of raw materials required for its manufacturing industry. Switzerland is also recovering from a relatively recent economic recession—the latest in 1981-1982—and is still battling inflation and unemployment, which, while low by international standards, are still at levels quite high by Swiss standards.

Concern was also expressed by Swiss industrialists over what they perceive to be an increasingly protectionist trend in the United States, especially with respect to on such items as machine tools, Several participants expressed hope that Swiss industries would have greater access to investment in the U.S. than exists currently.

There was much interest among participants in the prospects for success in the upcoming U.S.-Soviet arms control talks and in the recent Presidential election in the United States. The President of Switzerland had recently met with both U.S. Secretary of State Shultz and Soviet Foreign Minister Andrei Gromyko during their recent visit to Geneva and had shared his views with Dr. Bruner. Senator Hart shared his views on these issues over the course of a lengthy discussion after dinner.

Senator Hart returned to Switzerland on January 21, following his visit to the Soviet Union, to give a major address at the University of Geneva. The speech, co-sponsored by the Director of the University of Geneva's Graduate Institute for International Studies, Professor Kurt Gasteyger and by the head of the Faculty of Economics and Sciences Dean Peter Pschopp, was attended by several hundred students and faculty of the University and local citizens.

Senator Hart outlined a series of major proposals for achieving comprehensive progress in arms control and averting the greatest threat to global security, the growing possibility of the *use* of nuclear weapons. Senator Hart also discussed the major elements of his meetings in Moscow (discussed in detail below), focussing on one aspect in particular: his proposal that the superpowers consider one or several types of mutual testing and deployment moratoria to be undertaken as the upcoming arms negotiations progress.

Specifically, Senator Hart urged that the governments of the United States and the Soviet Union move to halt testing of anti-satellite weapons, testing and deployment of new types of strategic ballistic missiles, and on the testing of nuclear warheads, as a first step towards negotiating comprehensive reductions in nuclear weapons. Senator Hart stressed that these kinds of moratoria would help reverse the momentum of the arms race, saying . . . "technology drives the development of new weapons; and fear drives their deployment". Hart stressed that in order for such initiatives to be credible, they had to be mutual, "for the U.S. is strong enough to continue only if the Soviet Union responds to our lead."

Senator Hart referred to the major historical precedent for such measures—the declaration by President Kennedy in 1963 of a moratoria on the testing of nuclear weapons in the atmosphere. "The Soviet Union followed his lead—and a cycle of crisis, confrontation, and environmental damage was broken. Within months, our two nations had signed the Limited Test Ban Treaty", he said.

Senator Hart's speech was followed by active questioning from the audience. Questions focussed for the most part on concerns

about the U.S.-Soviet nuclear competition and hopes for progress in the upcoming talks. Following a short press conference, Senator Hart then participated in an informal dinner hosted by the University, attended by twenty five students and faculty members from the International Studies institute.

IV. Soviet Union

Senator Hart arrived in the Soviet Union on January 16, as guest of the Parliamentary Group of the Supreme Soviet and the USA/Canada Institute of the Soviet Academy of Sciences. Senator Hart and delegation were met at the aiport and accompanied throughout much of the trip by Institute Director and member of the Central Committee, Giorgi Arbatov. The delegation stayed at the official Embassy residence, Spaso House, as guests of Ambassador Arthur Hartman and Donna Hartman.

Senator Hart's visit to the Soviet Union was the result of invitations extended by Soviet Ambassador Anatoly Dobrynin since 1983. The timing of Senator Hart's trip, so close to the decision on January 8 to resume U.S.-Soviet talks, although coincidental, meant he was the first American Senator to meet with Foreign Minister Gromyko since this development. Given the possible sensitivity of meetings with Soviet officials at this time, Senator Hart sought briefings and guidance from senior administration officials prior to his departure, including Ambassador Paul Nitze, Standing Consultative Commission director General Ellis, Secretary of State Shultz and U.S. Arms Control and Disarmament Agency Director Kenneth Adelman.

Senator Hart was granted requests for meetings with several senior Soviet officials, including Council of Union Chairman Lev Tolkunov; Vice-Chief of Staff for Warsaw Pact Forces, Lt. General Chervov; Central Committee Deputy Chief, Vadim Zagladin, as well as Foreign Minister Andrei Gromyko. His request for a meeting with Soviet Leader Constantin Chernenko was not fulfilled.

Senator Hart's request for a meeting with Politburo member Mikhail Gorbachev, thought by most in the West to be Chernenko's heir apparent, was also not granted. The official explanation for this was that Foreign Minister Gromyko had been entrusted by the leadership to serve as the senior representative of the Soviet government.

The first official meeting Senator Hart's Soviet visit was with Council of Union Chairman Lev Tolkunov, in the Surpeme Soviet Presidium offices in the Kremlin on the morning of January 17. The two hour exchange, in which Sergei Losev, Director General of the Soviet Information Agency [3] Tass, also participated, focussed on arms control issues.

Senator Hart began the meeting by stressing what was a major theme of all of his official meetings in the Soviet Union: that there is overwhelming consensus in the West about the urgency of reaching equal, verifiable and comprehensive arms control agreements, in spite of some divergences in U.S. opinion over specific defense policies. It would not be possible, even for those who ardently support arms control to hope for early progress, however, as long as there were legitimate concerns over Soviet compliance with treaties.

Tolkunov began with an "appeal to all parliaments of the world to raise their voices against nuclear war" and went on to list past Soviet demarches for arms control, all of which, Tolkunov claimed, had been rebuffed by the U.S. side. He included Soviet proposals to renounce "first-use" of nuclear weapons as a basis for NATO doctrine, a NATO/Warsaw Pact agreement not to resort to force and SALT II. He also stressed the alleged U.S. violation of the principles guiding the agreement to resume negotiations stemming from continued U.S. efforts to develop defensive systems; and cited the deployment of INF missiles in Europe as a serious obstacle to the upcoming negotiations. Tolkunov did not respond to Senator Hart's rejoinder that the Soviet Union also was continuing its work on antisatellite and defensive systems.

Tolkunov criticized the current Administration for "undoing the history of past arms control agreements" and attempting to "restructure" Soviet forces away from reliance on land-based systems. This effort, he claimed, was based on a lack of understanding of the Soviet Union's geographic dependence on land-based forces, given the Soviet Union's difficulty in gaining access to oceans and the threat of blockage of Soviet fleets in the Baltic and Black Seas.

Senator Hart countered that the Soviet Union should now be feeling far greater confidence in her maritime capabilities, in light of the significant expansion of Soviet naval forces over the last twenty years. He added that the United States had never in actuality sought to dictate the composition of Soviet strategic forces, but was operating instead on the conviction that both sides would be far more secure with increased reliance on submarines rather than land-based forces--avoiding the first strike character of the latter. Hart stressed that the threat of Soviet maritime forces being bottled up was not the decisive factor in the capability of their forces. What is needed is not global access to oceans as much as the ability to deploy a credible, survivable sea based deterrent with submarines which operate undetected.

Tolkunov's ensuing analysis of the upcoming negotiations stressed the interdependence among the three working groups mandated to negotiate limits on strategic and intermediate range offensive nuclear forces and space/defensive weapons. Tolkunov stated categorically that failure to make progress in the space area would lead to an irrevocable "militarization of space" and urged consideration of restraints on the development of new technologies such as genetic and particle beam weapons. The pace of technology, he argued, was significantly outstripping the pace of political dialogue, with "potentially dangerous" consequences for global stability. Senator Hart agreed with the last observation, but stressed that any future proposal for a ban on space weapons should include "all defensive capabilities—not just in space but on earth—which could lead to instability for either side", excluding systems permitted by the ABM treaty.

Director General Losev's subsequent discourse opened with an expression of concern for treaties which have yet to be ratified by the United States, including SALT II, the Threshold Test Ban Treaty and the Treaty on Peaceful Nuclear Explosions. Mr. Losev said he welcomed the positive atmosphere between the two sides which had grown out of the recent decision to resume negotiations, but argued that the basis for conciliation would be much improved if these existing treaties could be ratified. The Administration's arguments against ratification of the testing treaties, based on allegations that they would hinder progress towards a verifiable, comprehensive test ban were merely a "pretext", he argued, which was being used to mask the Administration's efforts to continue to use testing to improve nuclear capabilities. He also stressed that it was the United States which had broken off the trilateral negotiations for a Comprehensive Test Ban and had refused Soviet efforts at resumption.

Director General Losev essentially repeated Tolkunov's assertions concerning the imperative to move forward with restraints on space weapons, characterizing the U.S. Strategic Defense Initiative as an "aggressive" strategic doctrine aimed at establishing U.S. military superiority in space and a first strike strategic posture.

He went on to discuss the potentially beneficial effects of the "improved atmosphere" in U.S.-Soviet relations for other areas of contention, such as the Middle East, emphasizing that the Soviet Union's proposal put forward in the summer of 1984 for a Middle East peace plan should be considered promptly. The Soviet proposal in no way infringed on Israel's security, he argued, and was "fully equitable" to all sides.

Senator Hart reiterated his concerns that neither side take any steps to infringe on the viability of the ABM treaty. The treaty had foreseen the requirement for both sides to engage in some types of research, to facilitate mutual security. It was particularly important, however, that the U.S. and Soviet negotiators move to agree not to construct new defensive systems such as radars and interceptors which were in clear violation; and to avoid interference in each others' national technical means of verification. Senator Hart again referred specifically to the concern within the Administration and the Congress over Soviet construction of radars at Krasnoyarsk and encryption of telemetry data from missile testing.

A key issue in any future negotiations would be compliance and verification, he stressed. To this end, continued Soviet activities which interfered in the monitoring of compliance, such as encryption, posed a serious impediment to future agreements. Senator Hart responded to Director General Losev's reference to the unratified treaties by asking for the Soviet delegation's views on implementations of possible moratoria on nuclear testing while the upcoming negotiations were underway.

Senator Hart also emphasized that no negotiations could proceed unaffected by overall political conditions. He stressed in particular the tensions between the two sides arising from Soviet behavior in Afghanistan, Central America and in the area of human rights and emigration policy. "Questions of emigration and family reunification are of keen interest to each and every member of Congress, regardless of Party", he said.

Senator Hart then shifted the discussion to the deployment of intermediate range missiles in Europe, stressing that the failure to avert these deployments through negotiations was a mutual responsibility. He noted that both sides had rejected the "walk in the woods" proposal, a proposal which had been widely supported in the United States.

[3] Others attending the meeting included Surpeme Soviet International staff members Vladimir Andreyev (Deputy Office Chief), Vitaliy Yeseyev (Sector Chief) and Yuriy Yurov, as well as Janne Nolan and Douglas Wilson from the Senator's Staff and Laura Kennedy from the U.S. Embassy.

Senator Hart asked Tolkunov for clarification of his apparent statement that no progress would occur in Geneva as long as INF deployments continued, a precondition that had not previously been mentioned as part of the agreement to resume talks. Tolkunov conferred hastily with Lusev and responded that he had meant only to suggest that INF deployments could "complicate" the talks; and that he would leave it to Foreign Minister Gromyko to explain these "intricacies" of arms control in which he himself was not expert.

Tolkunov's responses to Senator Hart's discussion focused on two main issues with which he took exception: Soviet submarine forces and Soviet human rights policies. Tolkunov repeated his argument that survivability of submarines was much reduced in limited ocean area and that, in addition, detectability of Soviet submarines was occurring in any case as a result of technological breakthroughs. Tolkunov disagreed strongly with Senator Hart's concern about human rights in the Soviet Union, referring to "twenty different UN proposals" which the USSR had offered, a number of which he claimed had been rejected by the United States. He urged recognition that the two sides had "different perspectives" on these issues.

Senator Hart's concluding remarks stressed the importance of increasing U.S.-Soviet exchanges to discuss such differences and to improve understanding; and reiterated his strong conviction that significant progress in negotiations will only be possible when key issues such as human rights and treaty compliance are taken more fully into consideration.

The formal meeting was followed by a lunch hosted by Mr. Tolkunov at the Palace of Congresses which was also attended by Ambassador Arthur Hartman, Tass Director General Losev, USA Department Chief in the Ministry of Foreign Affairs, Mr. Bessmerthykh and Mr. Arbatov, as well as several members of the Soviet Parliamentary Group. Discussion at lunch was ceremonial and social.

Following lunch, Senator Hart returned to the Kremlin for a two hour meeting with Foreign Minister Andrei Gromyko in Minister Gromyko's office.[4] Senator Hart opened the meeting by expressing his long standing interest in and commitment to arms control, inviting Mr. Gromyko to express his views as to when he believed the talks might resume and to describe his perspective on the interrelationships among the three working groups agreed to for the negotiations.

Gromyko replied that discussions were underway in Washington to decide the timing and location of the talks predicting (accurately, as it turned out) they would begin in one and a half to two months. He went on to stress that in spite of Soviet interest in avoiding undue delays, it was more critical for both the U.S. and Soviet Union to come to the negotiating table with concrete, detailed proposals which had a chance of success.

Mr. Gromyko then presented a lengthy discourse on past Soviet efforts at arms control. Listing past Soviet proposals for such initiatives as an INF moratorium, a nuclear freeze, a comprehensive test ban, and a NATO 'no first use' doctrine. He then discussed his concept of requirements for success in the upcoming talks, characterizing the three working groups as a triad which should only be seen as intrinsically interrelated. As illustration, he repeated the traditional Soviet view that INF weapons are, from a Soviet perspective, "strategic" weapons and that it was therefore essential that strategic and intermediate range nuclear forces be considered together. Similarly, space weapons could not possibly be considered in isolation, he aruged, since development of space weapons would invariably "neutralize" any progress undertaken in the offensive force area.

Mr. Gromyko's analysis of the SDI hinged on the depiction of the program as a U.S. plan for achieving a first strike capability. Placing two pencils point to point on the table, he asked Senator Hart to conceive of this as the space-based defensive shield being contemplated by the U.S. Such a shield, he aruged, would inevitably provide the U.S. with a defensive sanctuary, capable of attacking the USSR without fear of retaliation. This would leave the Soviet Union at the mercy of U.S. "conscience" and "morality" as the basis for its security, giving the U.S. the capability to engage in nuclear blackmail and coercion against the USSR. Mr. Gromyko stated flatly that the Soviet Union would "never permit this to happen" and that he had stated this equally categorically at Geneva. The SDI was under no circumstances seen by the Soviet Union as a move towards defenses but rather as an offensive program "imbued with an aggressive character."

Foreign Minister Gromyko criticized the American concept of the distinction between research and testing/deployment in the Strategic Defense Initiative, arguing that the expenditure of billions of dollars on a "research" program would generate pressures for a new round of the arms race in space which would prove inexorable. Were space to remain "demilitarized", by contrast, it would be possible to instead proceed with reductions in existing nuclear forces. Although the requirement to treat intermediate and strategic offensive arms together would be complicated, he continued, the larger number of "components" under discussion in the three working groups might provide a better opportunity for trade-offs, in turn heightening prospects for achieving agreement on "equivalence" based on a lower level of nuclear armaments. Were the U.S. to proceed with a space based defense system, however, there would be no prospects for disarmament.

According to Mr. Gromyko's depiction, successful research efforts in the defense area would invariably lead the U.S. to "break out of the narrow confines of the ABM Treaty," causing the negotiations "to explode in the air." He reiterated the view that the SDI was first and foremost an effort by the United States to achieve a position of "domination" over the Soviet Union, an effort which "cast an evil shadow" over U.S.-Soviet relations and was the "problem of problems" between the two sides.

Senator Hart stressed that the major impediment to comprehensive arms control stemmed from the inability of the two superpowers' leadership to assert effective political control over the pace of technological developments. Stressing that, at this juncture, both sides should do eveything possible to ensure success in the future negotiations, Senator Hart then asked Mr. Gromyko to comment on how he thought the Soviet leadership might respond to the idea of selctive moratoria in one or several areas (testing and development of new types of strategic ballistic missiles, testing of space weapons and/or testing of nuclear warheads) as a way to provide impetus for early progress.

Foreign Minister Gromyko reiterated previous Soviet offers for moratoria (CTB, a nuclear freeze, a ban on INF deployment and NATO no-first use.) When pressed, Gromyko responded that a moratorium on space weapons could not be based on testing alone but would have to include research as well, given that "research is ninety percent" of the process of weapons development. Moreover, the USSR could not accept a moratorium on strategic offensive forces as long as the U.S. pressed forward on SDI. Continued SDI research meant the Soviet Union had to "take all necessary steps" to ensure that its security would be preserved. Were the U.S. to agree to a halt on SDI testing, however, moratoria in other areas would be a "realistic and honest" way to proceed. Gromyko concluded by pressing the issue of INF deployments: a moratorium on INF deployments in Europe could and should be adopted to provide impetus to the negotiations and reduce international tensions.

Senator Hart urged Foreign Minister Gromyko to understand the seriousness of concern on the part of members of Congress—from both the Republican and Democratic parties—about Soviet compliance with arms control treaties. Resolution of these concerns was critical even to those who did not necessarily support all of the Administration's policies, he argued, and was in fact the prerequisite for any prospect of success in negotiations in the future. Senator Hart then again raised the issue of Soviet construction of a radar installation at Krasnoyarsk and continued Soviet encryption of telemetry in missile tests. These clear cases of violation were lending legitimacy to the overall appearance of Soviet non-compliance and as such, impeding efforts by those who support arms control to press forward for comprehensive efforts.

Mr. Gromyko's discussion of the compliance issue was essentially a categorical denial that the Soviet Union was engaged in violations. He argued that he and former Secretary of State Cyrus Vance had come to an agreement on "limited encryption" as part of the SALT II Treaty but that the current Administration had redefined the terms to demand a total encryption ban. The re-opening of "old questions" such as these would lead to commensurate Soviet efforts to re-open controversies of the past, he argued.

Not responding to the case of the Krasnoyarsk radar, Mr. Gromyko then directed his remarks to a criticism of the United States for attempting to depict the Soviet air defense system as already constituting a significant anti-ballistic missile defense. Gromyko stressed the view that the whole issue of compliance was being raised by the United States simply to divert attention from its own questionable activities—which the Soviet Union would continue to raise if the United States persisted in its allegations.

Senator Hart's concluding remarks emphasized the linkage between arms control and human rights which he had discussed with Mr. Tolkunov, pressing the critical importance of Soviet progress in the human rights area as a necessary positive contribu-

[4] Others attending the meeting included Soviet Minister of Foreign Affairs; USA Director, Bessmertnykh; and interpreter, Victor Sukhodrev, as well as Janne Nolan and Douglas Wilson from the Senator's staff.

tion to the climate for arms control negotiations.

Senator Hart also specifically raised the question of the Meiman family who are requesting emigration rights to seek medical treatment in the United States. (Senator Hart's meeting with the Meimans is discussed further below). Mr. Gromyko responded that while such matters were "internal" to the Soviet Union and handled in accordance with Soviet law, he would look into the case.

Senator Hart and delegation participated in a dinner at Spaso House on the evening of January 17th at which there were a number of prominent Soviet officials, including Academy of Sciences Vice President, Velikhov, Deputy Foreign Minister Komplektov and Mr. Tolkunov, among others.

On January 18, Senator Hart gave a presentation to the members of the USA-Canada Institute, hosted by the Institute's Director Georgi Arbatov. The meeting included about eighty Soviet analysts, including two Deputy Directors, of the Institute, Mr. Bogdanov and Mr. Kokoshin, and political analyst for Izvestiya, Valentin Falin. The principal focus of Senator Hart's formal remarks were on U.S. political and economic issues.

Following a review of current U.S. political trends, Senator Hart analyzed the slowness of the Democratic Party in adapting to structural, revolutionary change in the post-war economy. The Democratic Party had continued to adhere to the economic policies of Kennedy/Johnson era, leading to the party's inability to adapt to the transformation of economic and political realities which had resulted from such changes as the increase in importance of service over traditional industries; the OPEC oil embargos; the dramatic growth in international trade; and, the emergence of the non-aligned movement, which had served to radically alter the foundations for relations between North and South.

Senator Hart then presented his own policy proposals for the Democratic party based on new approaches to these economic and political challenges, including industrial policies designed to expand economic opportunities; increased energy independence for the West; protection of the environment; most effective conventional defenses; and balanced, effective and verifiable nuclear arms control agreements. Senator Hart emphasize that independent voters hold the balance of political power in the United States and that the Party which is best able to respond to this "third party" trend will be the one which dominates in the coming years.

The exchange between Senator Hart and the participants was extensive and eclectic. Mr. Arbatov lead the discussion by commenting on the evolution of U.S. military power, suggesting the United States had become a "big military and partially militaristic power" since World War II. He argued that the vulnerability to nuclear attack in the United States in the post-war era was a trauma of even greater significance than the Depression; and that the existing nuclear stalemate between the United States and the Soviet Union was "irreversible" and meant that neither side would ever again be in a position where differences could be settled by armed conflict.

Lieutenant General Milshteyn, a Deputy at the Institute, asked if the recent change in the Reagan Administration's approach to arms control was genuine or simply cosmetic. Senator Hart responded that he was not involved in formulating Administration policy and could not speak for the Administration. The decision to resume negotiations, however, did clearly indicate an ascendance of those in the Administration who favor negotiations; and that there was unmistakably strong support within the Congress for enforceable, balanced, verifiable agreements. The key problem, however, continued to be vertification.

Senator Hart outlined his proposals for possible moratoria as one possible avenue for the two sides to consider to accelerate the pace of progress in the talks, a subject on which the audience did not comment.

Other questions included a remark by Dr. Ivanyan, a section head in the Institute, who asked about what new voting blocs might be attracted to the Democratic party in the future. Senator Hart responded that the independent voters and the large segment of the population who had not previously been active voters were the major source of potential new support. Genrikh Trofimenko, Chief of the Foreign Policy department of the Institute, observed that Senator Hart's comments implied that the Republican party had been able to adapt to the "revolutions" to which the Senator referred, while the Democratic Party had not. He commented that Senator Hart sounded more like a "liberal Republican" than a Democrat during the Presidential campaign, while President Reagan seemed to have successfully undercut Democratic strength on foreign policy by sounding more like a Democrat than a Republican. He then asked Hart how he planned to provide a clear alternative to the Republican Party.

Senator Hart responded that the Republican Party had succeeded is using 'supply-side' economics to fill a vacuum left by the absence of Democratic leadership, but stressed that he himself had voted against the major elements of "reaganomics" and was not a neo-Republican. Rather, his policies were geared towards the expansion of economic opportunity through basic capitalism and entrepreneurship. Hart stressed that most Americans oppose centralization and government planning and that this was not an exclusive view of the Republican Party. It is widely felt that government programs should be a stimulus to, not a substitute for, private economic activity.

Dr. Melvil, another Institute section head, asked Senator Hart if President Reagan's re-election had been based on his effective use of "symbols". Senator Hart responded that the President's success had been based in large measure on his personal popularity and that it is always difficult to defeat an incumbent President when the economic climate is optimistic. He stressed that there are significant problems in the U.S. economic, however, stemming largely from the size of the national deficit.

Senator Hart's discussion with Institute members was followed by a private meeting with First Deputy Chief of the Central Committee's International Department, Vadim Zagladin. The Senator and Mr. Zagladin went into greater detail about the Senator's concepts for arms control moratoria, during which Mr. Zagladin asked many more questions than had been posed previously and took extensive notes.

Mr. Zagladin expressed the view that moratoria can be achieved two different levels: "technical" and "political", but that there were two essential approaches to achieving arms control which were fundamentally incompatible—"confrontation to force accommodation" or "negotiations undertaken in good faith". The USSR did not understand which approach the U.S. was planning to adopt, he said. Any Soviet consideration of proposals, therefore, including moratoria, required prior determination of which approach the Administration ultimately selected.

Senator Hart's subsequent official meeting was with Lieutenant General Nikolay Chervov, Vice Chief of Staff for Warsaw Pact Forces, in the offices of the Supreme Soviet. In a two hour discussion with General Chervov, Senator Hart had the opportunity to present his views in detail the overarching importance of verification to progress in arms control, urging that both the U.S. and Soviet union galvanize the full strength of their scientific and diplomatic talent to devise new ways to verify more comprehensive agreements.

General Chervov did not respond favorably to Senator Hart's views, arguing instead that verification was an ancillary issue "until there is agreement on what to control". He stressed that the basic principles for successful negotiations were equal security and equal interests, but that past agreements had been "cancelled by President Reagan". The Reagan Administration had abandoned the principle of equal security and was seeking unilateral military advantage, a view to which Hart took exception. General Chervov exhibited no flexibility throughout the extensive exchange on verification.

General Chervov then turned to his views on the SDI, which were somewhat more strident versions of those expressed by Foreign Minister Gromyko. He stressed that the Administration's efforts to militarize space had to be rejected and SDI research discontinued; and that no moratoria could even be considered until this took place. Referring to hand drawn charts, he presented a discourse on SDI objectives, consistent with his perception of the U.S. quest for military superiority.

Senator Hart raised the two issues of the Krasnoyarsk radar and Soviet telemetry encryption. General Chervov characterized Krasnoyarsk as entirely designed for space tracking. He then stressed that the U.S. Pave Paws radar system was of "equal concern" for the USSR.

The meeting with General Chervov was the final official meeting of Senator Hart's visit in Moscow. The Senator and delegation subsequently made a one day visit to Leningrad on January 19, as guests of the First Deputy Chairman of the Leningrad City Executive Committee, Boris Petrovich Taukin. The Senator laid a wreath at the Piskarevskoye Memorial cemetery, toured the Hermitage museum and laid flowers at the Victory Square monument to the World War II defenders of Leningrad. Other sites visited in Leningrad included the Pushkin-summer palace and St. Isaac's cathedral.

Senator Hart expressed strong sentiment about the importance of the memorial to the defenders of Leningrad during a lunch hosted by Mr. Taukin. Senator Hart referred to the wartime experience of the citizens of Leningrad as a tribute to the human spirit: "As long as human civilization survives, the word 'Leningrad' will be synonymous with human courage," he said. The Senator went on to stress that U.S.-Soviet relations are". . . a test of human creativity. We can confront each other with our military strength and die, or we can unite our creativity, guarantee peace for our children and eliminate the threat of nuclear war." Senator Hart concluded with a quote from

William Faulkner, "Mankind will not only survive, it will endure."

A very important highlight of Senator Hart's trip was a visit on the evening prior to the Senator's departure from Moscow to the home of Naum and Inna Meiman, whose daughter, Olga Plum is a resident of Colorado. Dr. Naum Meiman is a former member of the Soviet Helsinki Review Commission, most of whose members are now imprisoned or exiled. His wife Inna is a teacher of English who is currently recovering from her third operation for what has been diagnosed as terminal cancer.

During the ninety minute meeting (at which the U.S. Embassy-Moscow's human rights officer George Glass and staff assistant Doug Wilson were also in attendance), the Meimans spoke of the difficult problems they faced with Soviet authorities and the general difficulties of Soviet Jewish emigration. The Meimans have been repeatedly denied emigration visas to seek medical treatment and to be reunited with their daughter. A typical technique for stalling their request is for Soviet emigration officials to demand a certificate from the Ministry of Health stating that treatment abroad is required—only to have the Ministry of Health state that the Meimans are well aware that such certificates do not exist.

Senator Hart, who has been following this case actively for several years, expressed firm hope that his raising of the issue with senior Soviet officials, including Foreign Minister Gromyko, would help resolve the situation. Senator Hart has since sent letters on the Meiman's behalf to several Soviet leaders.

Several events were arranged specially for Senator Hart's wife, Lee, and children, Andrea and John, over the course of the visit. This included a visit to an English language school, at which Soviet children asked questions in English and presented gifts to the family, and to the Grand Kremlin Palace and the Tretyakov gallery. Of particular significance were the efforts by the delegation's Soviet hosts to fulfill Mrs. Hart's request to meet with representatives of the Soviet Women's Committee, several of whom Mrs. Hart had met on her previous visit to the Soviet Union in 1975.

Mrs. Hart was received by the Chairwoman of the Committee, Valentina Tereshkova, who is a member of the Supreme Soviet Presidium and the Central Committee. Mrs. Tereshkova left a national conference of the Soviet Women's Committee, over which she was presiding, to meet with Mrs. Hart. Mrs. Tereshkova described the work of the women's committee, talked about her previous visits to the United States and expressed hope that a committee delegation would visit the United States in November on the invitation of the American group, Peace Links, chaired by Mrs. Dale Bumpers.

Among the non-official events to which Senator Hart and delegation were invited was an evening at the Bolshoi for the premiere of two one act ballets choreographed by Petrov, the second of which featured music by a noted avant guarde Soviet composer, Shnittke. The Senator was introduced to the Theater's deputy director, to whom he extended an invitation to visit the United States as part of a revived era of cultural exchanges. The delegation also visited the Moscow circus and the Arkhangelskoye Estate, where lunch was arranged by the delegation's Soviet escorts, Oleg Krokhalev, Counsellor of the Ministry of Foreign Affairs USA Department and Yuriy Yurov, of the Supreme Soviet Presidium's International Office.

THE CLEAN COAL TECHNOLOGY PROGRAM: ALREADY VERY MEANINGFUL RESULTS

Mr. BYRD. Mr. President, Energy Secretary John Herrington recently testified before the Energy Committee on the DOE budget request for fiscal year 1986. In his opening statement, Mr. Herrington took note of the paradox that while "fossil fuels accounted for about 90 percent of the energy consumed in the United States in 1983 * * * coal, our most abundant fossil fuel resource, accounted for only 22 percent of total energy consumption." Unfortunately, the DOE fiscal year 1986 budget request for coal gives no indication that the policy implications of the paradox have been recognized by DOE, the Department of Energy. The DOE budget fails to address the near-term challenges which confront the use of coal. In fact, the DOE budget request for coal is about 42 percent less than the previous year and is about 61 percent less than the DOE budget request for fiscal year 1982.

My concern is that long-term research and development is overly emphasized by DOE and that the Department's current policy of supporting development of a technology only to "proof-of-concept" seriously jeopardizes opportunities to enhance coal use in the near term. I am concerned that the Department of Energy is forfeiting a leadership role in the development of coal technologies which will facilitate the use of coal in an environmentally acceptable manner. I am concerned that such forfeiture will needlessly delay the commercial application of existing technologies which are more cost effective and efficient than those processes currently in use.

Accordingly, in October 1983, I introduced S. 1925, the National Coal Science, Technology, and Engineering Development Act. The purpose of that legislation was to define the Federal role in coal technology development as a partnership with the private sector to accelerate the commercial use of clean coal technologies so that America's abundant coal resources can be utilized more cleanly, efficiently, and economically to produce energy for the Nation's factories and homes. About 1 year after I introduced S. 1925, Congress passed a modified version of my bill in the Interior appropriation bill for fiscal year 1985 and established a $750 million clean coal technology reserve as part of the continuing resolution for fiscal year 1985.

The Clean Coal Technology Program established by Congress is now being implemented by the Department of Energy. DOE was required to issue a solicitation for clean coal demonstration proposals which contained substantial cost sharing by the private sector. The Department is required to analyze and evaluate those responses and report to Congress by May 1, 1985. Based upon that report, Congress will decide whether to direct the Department of Energy to begin an effort to demonstrate clean coal technologies and whether to appropriate an initial amount from the clean coal technology reserve to start such an effort.

I am pleased to inform my colleagues that the response by the private sector has been most encouraging. I understand that the Department of Energy has received about 175 responses to its solicitation and more are expected. DOE Assistant Secretary William Vaughan was recently quoted by the media as stating that DOE "has been impressed by the response" to the program.

I also am pleased that just last week Assistant Secretary Vaughan made what I interpret to be very positive statements about the Clean Coal Technology Program. Addressing the Washington Coal Club, Mr. Vaughan, I am told, pointed out that DOE already has reaped what he considers to be very meaningful results from the clean coal technology solicitation. Mr. Vaughan further stated that the congressionally mandated program has "* * * helped DOE learn some new things * * * it's given us some new ideas * * *," and "* * * the exercise has pointed to some new directions in coal research."

Mr. President, it is gratifying that the Clean Coal Technology Program already has proven beneficial to the Nation, and I am certain the benefits will continue to accumulate as the program continues. The response by the private sector is a clear indication that there is substantial interest in the Clean Coal Technology Program and that there is a major opportunity for the Federal Government to play a leadership role in expediting the commercialization of clean coal technologies.

I also am pleased to report that the coal panel of the Department of Energy's own outside technical experts, the Energy Research Advisory Board [ERAB], in a draft report to be submitted on May 1, will urge the President to reconsider its policy of supporting the development of technology only to the proof-of-concept stage. The draft ERAB report states: "In most instances abandoning a development after Proof of Concept has been established * * * will result in just that, abandonment."

The report urges DOE to modify that policy, and suggests that the agency should actively support the demonstration of clean coal technologies. The ERAB report is worth quoting at length on this point:

The subject of clean use of coal is of major near-term and long-term national importance and deserves a change of this policy. DOE should assure commercialization by participating in the needed larger scale tests which are characteristic for utili-

ty operations before the technology can be adopted.

Finally, the ERAB report will suggest opportunities for DOE to exert leadership in the commercial application of clean coal technologies. Unfortunately, the report states, the budget request for technologies to use coal cleanly "appears too small by comparison with the needs which the increasing use of coal implies." The ERAB report notes that the budget does not allow DOE to "help with the transfer of the new technologies to the private sector and to assure their commercialization. This is the result of basic policy which should be reconsidered."

I am encouraged that the Department's own technical experts recognize the importance of clean coal technologies and the leadership role of the Federal Government in ensuring the commercial application of such technologies.

Mr. President, moving technology developed in Federal laboratories to industry does not happen by magic. It requires a cooperative and concerted effort on the part of both the Federal Government and the private sector. Successful technology transfer also requires significant private sector cost sharing to ensure that only clean coal projects with commercial promise are demonstrated at an appropriate scale. The private sector has indicated a willingness to do its part, as demonstrated by the response to the clean coal technology solicitation. The private sector participants have proposed about 160 projects with nearly 60 percent of the resources coming from the private sector. This response represents a willingness by the private sector to invest over $5 billion of private funds in clean coal technology demonstrations. The technology transfer and cost sharing elements are a central part of the Clean Coal Technology Program, a program which enjoys widespread bipartisan support in both the Senate and the House, and has been warmly embraced by the private sector. This is a sound investment which will pay significant dividends. I believe such an investment can be responsibly and successfully initiated within current fiscal constraints. The return on such an investment will be significant—clean coal to power the Nation's economy into the next century.

Mr. President, I ask unanimous consent that the full text of reports on Mr. Vaughan's remarks as published in Inside Energy and Coal Outlook be printed in the RECORD.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

VAUGHAN DOE'S INTEREST IN COAL USE AT MODULAR POWER PLANTS INCREASING

The role that coal can play in new, small—modular—power plants is apt to command increased attention at DOE, Assistant Secretary William Vaughan said last week. Vaughan also anticipates heightened departmental interest in coal's potential in the industrial, commercial and residential sectors.

"I think you'll see the utility emphasis in our coal program begin to shift a little in the next few years—away from an emphasis on backing out (replacing) oil [with coal] in existing power plants—and more toward the increasing need for modular, quickly fabricated power units that can meet tomorrow's incremental power demands," he told the Washington Coal Club.

Vaughan expressed confidence that coal can participate in "a big way" in the combustion-turbine market, especially if so-called "hot-gas cleanup" pans out. "And we have every reason to believe that it will," he said.

Tests at DOE's Morgantown Technology Center show prospects for a hot-gas system that can bring sulfur-dioxide emissions down to virtually zero, he said.

He also expressed hope that coal could double the 10 percent hold it has on the industrial, commercial and residential markets. Such a hike would represent an annual increase in coal production of 150-million tons, he said.

It's with that objective in mind that DOE has, in prior years, increased its emphasis on application of atmospheric-fluidized-bed-combustion and advanced-combustion technology to smaller-sized boilers, he said.

And he held out the possibility that new fuel forms based on coal—fuels that depart from the traditional categories of gasification and liquefaction—will help coal expand its share in those areas.

"The job, as we see it, becomes one of adapting the machine to accommodate fuel forms that, on balance, could be much cheaper than premium quality coal liquids or gases," he said. "If we can do that, we open the door to the use of coal in space heaters, or water heaters, or any number of commercial applications. You'll see some of that in future budgets."

Vaughan also pointed out what he considers to be "very meaningful results" from a DOE solicitation of information on clean-coal concepts, which was ordered by Congress last year. While the department continues to oppose any new funding of such ventures, it has been impressed by the response, Vaughan said.

Some 175 responses have flowed into the agency. DOE is to assess the responses in a report due to Congress May 1. Congress has set aside $750 million for possible distribution to such projects.

"If the clean-coal effort did nothing else, it has caused a number of individual companies—suppliers, manufacturers, architect-engineers and end-users—to come together and share ideas in a joint, cooperative fashion," Vaughan said. "That alone is going to help the industry."

"Second, besides giving us a benchmark on the state of the industry, the exercise has pointed to some new directions in coal research," he added. "It's told us some new things about limestone injection—about the pressure-hydration process that may help lower costs. It's given us some new ideas about the downstream processing of syn-gas from coal. It's pointed to some very interesting ideas in coal preparation."

Nevertheless, he maintained that the submissions contain "not enough quality information" to warrant government commitments yet. Such commitments should be based on standard procurement procedures, which would result in "refined" proposals, and not through special congressional appropriations, he said.

On another matter, Vaughan conceded Congress is unlikely to endorse adminstration proposals to eliminate funding for research involving magnetohydrodynamics (MHD) and for phosphoric-acid-fuel cells. Current funding is about $31 million for MHD and $29 million for phosphoric-acid-fuel cells.

CLEAN COAL PROGRAM SEEN HELPFUL

The 175 submissions to the Energy Dept. under the $750 million clean coal technology program have pointed DOE to some new directions in coal research, an agency official said last week.

"If the clean coal effort did nothing else, it has caused a number of individual companies—suppliers, manufacturers, architect-engineers and end-users—to come together and share ideas in a joint, cooperative fashion," William Vaughan, DOE's assistant secretary for fossil energy, said last week.

The congressionally approved program has helped DOE learn some new things about limestone injection and about the pressure hydration process that may help lower costs, he said. "It's given us some new ideas about the downstream processing of syngas from coal. It's pointed to some very interesting ideas in coal preparation."

DOE, recipient of 27 fluidized-bed combustion proposals, has been told "that the industry really believes atmospheric fluidized-bed combustion is a technology that's here to stay—in sizes of 200,000 pounds of steam up to 160 Mw.

"It's told us that coal gasification has a real place in the future of utility power generation in this country," Vaughan said. "It's told us that coal has the opportunity, through new technology, to return to the locomotive market and expand into the diesel-cogeneration sector of the power industry."

DOE will provide Congress with a report on 175 responses to the clean coal program on May 1, Vaughan said.

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

CONGRESS SHOULD REFUSE TO APPROPRIATE ONE MORE PENNY FOR THE MX

Mr. PROXMIRE. Mr. President, a couple of weeks ago this body voted not once, but twice on funding the MX missiles. A majority of Senators like our House brethren voted twice in favor of the funding. Those votes provided the appropriations needed to produce and deploy an additional 21 MX missiles, bringing to 42 the number of MX missiles deployed. Later this year, this body will once again face a vote on funding an additional 48 MX missiles. That would bring to 90 the number of MX missiles deployed by this country. The MX vote was close in the Senate and even

closer in the House. At the time of the vote a number of legislators were reported to have said they would support no more than the 42 now funded. They would oppose a vote to fund additional MX missiles this year. Because the Senate is still scheduled to vote up or down in the reasonably near future on additional MX missiles, I set forth my case herewith for opposing additional MX funding.

As the New York Times said in an editorial on March 13, a mistake is no asset, even when dressed up as a bargaining chip. Is the MX a mistake? Does a giraffe have a long neck? Are Sumo wrestlers heavy? The MX has to be the biggest, most conspicuous waste of money in a long time. After all, what do we need in a nuclear weapon? First, and above all, it should be stable. It should be the kind of weapon system that would not trigger a nuclear war.

What kind of weapon systems could trigger a nuclear war? Answer: A weapon system so vulnerable so certain to be taken out by a first strike by the adversary that it must be fired on warning or lose it. Of course, the warning may be false. This country has already experienced some close calls, some serious indications that adversary missiles were on their way. Fortunately for the fate of the world, the good Lord was with us. We discovered the warnings were false, in time. But the time is only a few minutes. The President must make a swift decision on firing or not firing the MX. We will have to make a terribly swift decision because the MX is so vulnerable in its stationary mode, and with its tempting target of 19 warheads, the President would have to decide whether to "use it or lose it."

I challenge any Senator who disagrees with this analysis to tell me how I have erred in describing the circumstances under which the MX would be used. Would the President wait until accurate, hard target Soviet warheads had struck MX bases in the hope that the hardening of the bases had done the job? That is the forlorn answer the secretary of Defense was given. Any familiarity with the old Minuteman silos in which the MX would rest tells us just how forlorn that hope of MX survival is.

Regardless of who is President of the United States when the MX missiles are deployed and the first warning of a nuclear attack has convinced a President that we are threatened with the real thing, the President would surely have to make the painful "use it or lose it" decision for the MX. The President could tell his submarine commanders and bomber pilots to break off their attack mission. But once the MX is launched, there goes good old Mother Earth.

Second, the MX is a first strike weapon. President Reagan, Secretary Weinberger and previous top officials of our Government have flatly forsworn the notion that we would engage in a first preemptive strike against the Soviet Union. I believe them. We might blunder into a nuclear war by using tactical nuclear weapons that could escalate swiftly to a full scale nuclear exchange later up the line. But a bolt from the U.S. blue against the Soviet Union before any Soviet attack on the United States? No. Never. Yes I believe President Reagan is sincere in his denial that he would never initiate such a strike. I believe no other future President would take such an action. So we will not strike first with the MX. That is not the problem. The problem is how the Russians will view an MX.

Put yourself in the position of Russian leaders. They know we have an immense and largely invulnerable nuclear striking capability in our quiet and invisible submarines and our swift moving bombers. They know we keep a far larger proportion of our submarine fleet and our bomber force at sea and in the air than they do. They also know that both our submarine fleet and our bomber force is far more heavily armed with nuclear warheads than their bombers and submarines. What does all this means? It means the Soviets know we have a massive nuclear deterrent, right now, today, without the MX, much of which they cannot possibly reach. And they know that we know they recognize the invulnerability of 75 percent of our nuclear deterrent.

They also know we have under development for the near future a new D-5, hard target kill missile which will have far greater accuracy and kill capacity than anything we have had before. That D-5 can be launched by our Trident submarines.

Now if you are a Russian military leader what do you ask yourself when you see the United States pushing the MX missiles on top of this overpowering new hard target kill capacity from invulnerable submarines? Don't you ask: "What can the Americans use the MX for that they cannot accomplish far more surely with a D-5 missile fired from the submarines we cannot reach?" The answer is that the MX can only really be justified as an addition to the American nuclear arsenal as a first strike—that is a preemptive strike at the Soviet Union or as a "fire on warning" destabilizer.

So the MX is indeed a mistake. It is indeed no asset, no matter how it is dressed up as a bargaining chip. It is clearly a destabilizing weapon system. The Russians will certainly view it as a first preemptive strike threat. They will do so because, as they consider the American nuclear arsenal that faces them, they see an impressive array of largely invulnerable submarine and bomber missiles, enough, and then some, to retaliate with an absolutely devastating strike against any Russian attack on the United States. But now we are adding a 10 warhead, land based, stationary missile that can only supplement the current American nuclear power as a first strike.

The Russians may be confident that this is one American missile they can surely take out with their own preemptive attack. In the light of all this, does the MX contribute to the security of our country? Does it make peace more likely between the armed-to-the-teeth nuclear superpowers? Of course not. If the Congress votes again for the MX, it is voting to move a long way down the road away from stability and toward the terrible prospect of an all out nuclear war.

GUATEMALAN INDIANS

Mr. PROXMIRE. Mr. President, over the past few years, Guatemala has been committing incredible atrocities against its Indian population. Thousands of people have been shot, hanged, or have simply disappeared. Entire villages have been destroyed for supposedly being "guerrilla villages."

In "Witness to Genocide," Thomas Anderson and Craig Nelson, two experts on Latin American politics, use testimony of refugees to detail Government atrocities. Most of the witnesses are Indians from the Guatemalan Province of Huehuetenango.

They tell of children's throats being slit and of women being hit with machetes. Animals were slaughtered, and villages were burned to the ground in a futile search for guerrilla strongholds. Rivers and streams, sources of drinking water were poisoned. Forests were destroyed with incendiary grenades dropped from helicopters.

Anderson and Nelson interviewed 23 refugees. Together they report hundreds of killings. One man told of how Guatemalan troops hanged his brother and hacked him to death with a machete. Hundreds of refugees have similar stories. Since so many killings occurred without witnesses, it is impossible to say how many Indians died at the hands of Government troops. The lowest casualty estimate for Huehuetanango Province alone is 3,000. Fires and bombings make many bodies untraceable.

Is it not ironic that Guatemala has ratified the Genocide Convention while this Nation has not? Why should murderers and thugs stand on higher moral ground than the greatest Nation in the world? We should be able to condemn Guatemala without any question about our own commitment to human rights. Let us lessen the Guatemalans' moral ammunition and ratify the Genocide Convention now.

S. 924—MANDATORY WORKFARE REQUIREMENT

Mr. PROXMIRE. Mr. President, today I am introducing legislation which will require that all heads of households in two-parent families work as a condition of their welfare grant from the Aid to Families with Dependent Children [AFDC] Program.

I have long believed that a mandatory work requirement—often referred to as "workfare"—should exist across the board in our welfare programs and I introduced similar legislation in 1981 and, again in 1983. I do just that today.

This legislation is different, Mr. President, because this legislation would be for families with two heads of households. In other words, a mother and father. These programs have not worked in the past because by and large they have been applied to single-parent families, and of course in those circumstances it means that the single parent has to leave a child—often a small child—in order to work. That is a moral decision that sometimes is a very bad one.

This would apply strictly and only to two-parent families. It has been tried, I am happy to say, in West Virginia with very substantial success far more than in any other State, and I think that experience is a good basis for the Senate and the Congress as a whole for considerating this legislation. I earnestly hope that we can enact it.

When I first introduced this legislation, States were prohibited from requiring workfare as a condition of receiving an AFDC grant except on an extremely limited test basis. The Omnibus Reconciliation Act of 1981 eliminated that prohibition by permitting—not requiring—States to adopt such a requirement.

Since that time approximately half of the States have adopted some form of workfare requirement but only three States have taken full advantage of this new authority.

Drawing on the experience of those three States, whose programs are now being evaluated, my legislation would limit the workfare requirement to those States which have elected to provide AFDC coverage for families where both parents are present. States would retain their rights, under current law, to establish a broader workfare requirement for their entire AFDC caseload, if they prefer.

But I believe that the preliminary evidence from the workfare evaluations now underway suggest that the approach taken by my legislation is the most pragmatic course to follow.

WORKFARE CAN INDEED WORK

Why do I support a workfare requirement?

First, because it can work and the State of West Virginia is proving it right now. In a preliminary evaluation of the community work experience demonstrations now underway in West Virginia, the Manpower Demonstration Research Corp. found that 4 months into the program, 40 percent of the State's 5,000 fathers receiving welfare were participating. And based upon that experience, the manpower report concludes that a 70- to 85-percent participation rate is a realistic possibility.

Because of the tremendous difficulties in placing single parents, the State's demonstration project only succeeded in providing work experience for 10 percent of the mothers receiving welfare assistance.

To understand just how successful the West Virginia experience has been, Mr. President, you only have to look at the experience in California when Ronald Reagan was Governor. In the most successful year of their program, they achieved only a 3-percent participation rate. The States have clearly developed a great deal more experience with work experience programs in the last decade and we should begin where they have been most successful—with two-parent AFDC-U families.

And what type of jobs are they provided?

The manpower report notes that a group of men are working on weatherization crews for a community action agency, another group is assigned to a city public works department, others are assisting in the preparation and serving of good to senior citizens and still others are working in somewhat higher skilled construction jobs. Clearly, these are not "make-work" jobs.

Second, it has been my experience that most Americans genuinely want to work. I do not believe that the work ethic is dead as some have alleged. But I also do not believe that our welfare programs should undermine the work ethic either.

Work experience programs allow individuals to maintain their dignity, insure that those with work experience will not lose their commitment to hard work and may help to provide those with little experience an opportunity to learn good work habits. Ideally, all jobs would provide useful training for subsequent employment and by targeting our initial efforts on the more manageable two-parent AFDC-U families we will be in a better position to ensure that; but even in cases where the job did not provide directly transferable skills, the manpower report makes it clear that there was a higher sense of personal well-being that came from earning a check.

Third, the manpower report shows a high degree of client satisfaction with the work requirement. Eighty percent of the participants thought that the work requirement was either "satisfactory" or "very satisfactory" and most believed that their jobs were not make-work but provided a valuable contribution to their employer or the community.

And their supervisors were just as happy. The manpower report notes that:

> More than half of the supervisors rated the participants as doing the same amount, and over 20 percent volunteered that participants did more work than a new employee.

Fourth, with budget deficits stretching out in the years ahead for as far as the eye can see, it is crucial that we maintain public confidence in the safety net that assists our least fortunate citizens. That safety net is vital and I support it.

Most Americans who work hard to provide for their own families do not begrudge assistance to their fellow citizens in their time of need. But what Americans cannot understand is why it is unfair to ask ablebodied individuals to work in exchange for the assistance which we provide their families. I believe it is a fair request and one which will help insure that our welfare programs regain and maintain the public confidence essential to their survival.

THE PROXMIRE PROPOSAL

My proposal would build upon the community work experience programs that Congress approved in the Omnibus Budget Reconciliation Act of 1981 and, in particular, upon the successful experience of West Virginia.

Recognizing the difficulty in implementing a full-fledged workfare requirement for both single-parent and two-parent families, my proposal would require that States implement a work requirement for two-parent families in those States which participate in the AFDC-U program.

The West Virginia experience clearly demonstrates that the heads of households in these cases are often easier to place. Here's why: Many fathers have prior attachment to the labor force. The number of AFDC-U recipients is far smaller and, therefore, more manageable for the States to develop the necessary staff commitment and expertise essential for successful placement. And, finally, it sidesteps the very difficult questions posed by the school calendar for single parents attempting to maintain a job.

It is important to keep in mind that these job placements would be required to meet the safeguards and protections now contained in section 409(a) of the Social Security Act:

Programs must meet appropriate health and safety standards.

Programs cannot be used to displace current workers.

Enrollment in a training program that will improve the recipient's chances of future employment is an acceptable alternative to the community work assignments.

Failure of the head of household to participate would not eliminate the family's grant but the head of household would be excluded from the calculation to determine the size of the family's grant. This creates a real financial incentive to participate without unfairly punishing the young children in the family who need the assistance.

In short, the law protects AFDC recipients from exploitation in terms of wages, hours, and conditions of employment and I believe these protections should be maintained.

Mr. President, as I have pointed out, our income support programs form an important safety net but must also provide recipients with a sense of dignity, reinforce the work ethic and more clearly integrate recipients into the life of their communities. And they must retain the confidence of the public.

The Proxmire proposal represents a solid step in this direction by building upon the experience we have gained from the West Virginia demonstration project.

Mr. President, I ask unanimous consent that the text of the bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 407(b)(2) of the Social Security Act is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and "; and

(3) by adding at the end thereof the following new subparagraph:

"(E) that the parent described in paragraph (1)(A) participate in a community work experience program in accordance with section 409.".

(b) Section 409(a)(1) of such Act is amended by inserting after the first sentence the following new sentence: "If a State provides aid to dependent children of unemployed parents in accordance with section 407, such State must establish a community work experience program in accordance with this section for, at a minimum, those unemployed parents described in section 407(b)(1)(A).".

SEC. 2. (a) Except as provided in subsection (b), the amendments made by the first section of this Act shall be effective with respect to payments under part A of title IV of the Social Security Act for calendar quarters beginning more than 180 days after the date of the enactment of this Act.

(b) In the case of a State plan approved under part A of title IV of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by the first section of this Act, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with statements therein limited to 5 minutes.

EXECUTIVE SESSION

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Beryl Sprinkel, to be a member of the Council of Economic Advisers.

Mr. BYRD. Mr. President, reserving the right to object, I will not object. I take pleasure in stating that this nomination has been cleared on this side of the aisle. Mr. PROXMIRE wishes to speak on it, and Mr. PROXMIRE is here if there is no objection to proceeding at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE OFFICE OF THE PRESIDENT

NOMINATION OF BERYL WAYNE SPRINKEL TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Beryl Wayne Sprinkel, of Virginia, to be a member of the Council of Economic Advisers.

NEW REAGAN ECONOMIC ADVISER WRONG ON DEFICIT EFFECT ON ECONOMIC GROWTH

Mr. PROXMIRE. Mr. President, Mr. Sprinkel has been nominated to be Chairman of the Council of Economic Advisers. That nomination came before the Senate Banking Committee. I happen to be the ranking member of that Banking Committee. I would like to speak on this nomination for a few minutes because I think it is a very important decision by the President. The President was viewed at one time as being hostile to having any Council of Economic Advisers, and there was some question as to whether it would continue. The President has made the right decision I think in deciding to continue with it.

Mr. President, on April 2, at his confirmation hearing before the Senate Banking Committee, Beryl Sprinkel who has been nominated by President Reagan to be Chairman of the Council of Economic Advisers, declared that the record string of massive deficits that the country has endured in the past 3 years have nothing whatever to do with the remarkable economic recovery the country enjoyed in 1984—the best real growth of the economy since 1951. By saying that that deficit has nothing to do with the recovery, I think Mr. Sprinkel is wrong—ridiculously, and laughably wrong.

Mr. President, Beryl Sprinkel is probably the best we can expect from this administration as Chairman of the Council of Economic Advisers. The President has kept the office vacant for 9 long months. He has not replaced any of the retiring members of the three-man Council. This is the first time in the 38-year history of this institution that a President has allowed it to sink into a coma. Preserving this institution is critical for sound economic policy in the future. So this is no time to threaten the continuation of the Council by questioning any appointee the President might make. And in many respects Beryl Sprinkel is qualified. He is a respected economist. He has had a long and highy successful experience as the vice president and principal economist of the Harris Bank, a large and successful Chicago institution.

But Mr. Sprinkel has always had an obsession about monetary policy—I mean an obsession. Mr. Sprinkel, as I say, is a good man. I do not mean to demean him in any way. But he reminds me of a mechanical toy that you wind up, and no matter what questions you ask, you get the same answer. You can ask him what effect a tax increase or a tax cut would have on the economy. None. Monetary policy is all that counts. Ask him what effects an increase in spending has, or a decrease in spending has, and he will say only monetary policy has any effect. For him the economic world always has and I am sure always will revolve around the rate of the creation of money by our central bank—the Federal Reserve Board.

I do not mean, as I say, to demean Mr. Sprinkel, or a number of economists who share his view. He has some impressive company in that view, although it does represent a distinct minority of the economic profession. He is also, unlike some of his most illustrious predecessors, a faithful, down-the-line, all-out, unquestioning supporter of President Reagan and Reaganomics, no matter how far out or out of touch or unrealistic the President's economic policies may be.

And that brings me back to my shock and dismay to hear this new Chairman of the Council on Economic Advisers tell the Senate that the Federal deficits not only had nothing to do with the remarkable expansion of the economy in 1984, but that the economy enjoyed the best year for real economic growth for 33 years, and

get this: "In spite of the deficits." Why is that such a ridiculous statement? It is. And here is why: Mr. President, there is absolutely no way that very large Federal deficits can avoid stimulating economic activity and the larger the deficit, the larger the stimulation. Consider: What are the ingredients of a deficit? There are two. First, a cut in taxes, slashes revenues, leaves more money in the hands of taxpayers. Taxpayers—on the basis of years of experience with tax cuts normally spend 90 percent or more of their new increase in income. They save and invest the rest.

Whether they save or invest in the economy, that is, or spend, the economy is stimulated. The massive Reagan tax cuts of 1981 that took effect with increasing force in 1982, 1983, and 1984 began this process.

The second ingredient of deficits is increased Federal spending. And, of course, overall Federal spending did increase sharply over the past 4 years. The results were all-time record deficits of enormous size: $109 billion in 1982, $195 billion in 1983, and $175 billion in 1984. The latest estimate is $213 billion for this year. These deficits culminated in a vigorous recovery in 1983 and the best economic growth year since 1951 in 1984. Beryl Sprinkel calls that not simply a coincidence, but claims that the 1984 recovery occurred despite those immense deficits.

Now, Mr. President, consider our historical experience. When did this country enjoy the most colossal economic growth in its history? Answer: in 1943 and 1945. Those of course were the war years of World war II. There was no tax cut in those years. But we had far and away our biggest increases in spending and we had deficits that, while they were smaller than today's deficits in absolute terms, were three or four times larger in relation to the Nation's then gross national product. What happened to the economy under the impact of those stupendous deficits? Answer: the economy took off as it never had before and never has since. Unemployment that had consistently been around 14 percent to 17 percent for years throughout the 1930's, dropped to an astonishing 2 percent. Personal income zoomed right up through the stratosphere.

Mr. President, the stimulus of the economy by huge Federal deficits is more than a matter of historic experience, it is a matter of simple commonsense. If the Federal Government increases taxes the economy slows down. Why? Because the increased taxes take spending and investing capability out of the hands of millions of taxpayers. If the Federal Government cuts taxes as it did in 1981, the long-term effect is to increase economic activity. Why? Because the Government extracts spending power out of the hands of millions of taxpayers. Similarly, if the Government spends billions on public works or military weapons or any other kind of project that puts millions to work and puts money in their pockets, those workers will spend or invest that money and the economy will grow.

So, Mr. President, the new Chairman of the Council of Economic Advisers—the official legal chief economic adviser to the President—is demonstrably and clearly wrong on the critical issue of the effect of the Federal deficit on economic growth.

Now, let me make it clear that this Senator views the immense Federal deficits as the most serious economic danger to our country. With their present size, those deficits will impose a virtual perpetual burden on the American people as they swell the national debt and shove the burden of service on that debt through the stratosphere. They will raise interest rates far above the level home buyers, auto buyers and small businesses can afford. They will continue to keep the dollar bloated. As a result, our exporters will be less and less competitive. Our importers will lose much of our domestic market to cheap foreign imports.

We must bring the deficit under control. But we must do so with our eyes wide open. Cutting the deficit will slow economic growth. It may push the economy into deep recession for several years. For this reason it will take courage and persistence that will be very hard for this democracy to sustain. How do we sustain it? We need a chairman of the Council of Economic Advisers and a President who recognize the long, rocky road reducing the deficit will require and are willing to provide the leadership that such a prospect requires. Neither President Reagan nor Beryl Sprinkel measures up to this challenge.

Mr. President, I will not oppose Mr. Sprinkel because we need to preserve the Council of Economic Adviser. As I say, I disagree with him, but I certainly respect him. Therefore, I will not ask for a rollcall and will not oppose his nomination.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I believe the Senator from Wisconsin has finished speaking and the confirmation is ready to be acted on.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate go back into legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ISRAEL IS IN PERIL

Mr. INOUYE. Mr. President, Israel is in peril.

Economic and financial forces threaten to do what hostile neighbors, with their combined military might have been unable to achieve in three wars and 37 years of unremitting armed antipathy toward the Jewish national homeland. Israel stands today militarily strong and confident in her ability to defeat her adversaries on the field of combat, but fearful and concerned that economic weakness and the almost insurmountable difficulty of confronting a complex array of financial problems may fundamentally alter the character of Government and society in Israel.

Mr. President, we must address the contradiction that Israel, in order to avoid destruction by more numerous and better equipped adversaries, has been forced to spend itself close to ruin. We must act—in our own interest—to ensure that debt does not become the weight which crushes freedom and democracy in Israel.

I do not suggest, Mr. President, that the continued existence of the state of Israel is in danger. Israel is a heavily indebted—but not an impoverished—country. Israel has a strong industrial and scientific base which has enabled Israeli manufactured and agricultural products to compete on the world market. It has the physical plant and the intellectual capital to regain control of its economy.

Only recently, however, under the national unity government, has Israel had the political will and decisiveness of leadership to deal with economic problems of such magnitude. We welcome that change, and we support the measures being taken by the new Government to right the upset economy. Because of these measures, because of the political courage exhibited by Prime Minister Peres and his Cabinet, it is proper to regard Israel today as a

country which is doing what is required to restore growth and stability to its economy. It is a highly developed economy which has sustained high levels of growth in the past and is now going through a difficult period of adjustment. The times are still hard, however, and the people of Israel continue to struggle.

Mr. President, in some respects, the people and Government of Israel are beseiged by an economic challenge as threatening to the fabric of Israeli society, to the preservation of democracy, as any war or conflict of the past. Today Israel owes to foreign governments and institutions nearly $24 billion, an amount which is nearly equal to its annual GNP and is 678 percent of Israel's annual export earnings. Israel's foreign debt service today is almost $4 billion per year; about $1 billion of that goes to service its debt to the U.S. Government, almost all of which was contracted for arms purchases. Debt service now consumes over 40 percent of the entire Israeli Government budget and has brought hard currency reserves to a perilously low level. In point of fact, if the danger of a rapid withdrawal of short-term deposits is taken into consideration, Israel has net negative reserves.

In fiscal year 1985, Israel will repay to the United States $158 million in principal and $1,018 million in interest. Over the next several years, these amounts will increase, reaching a peak of $1,146 million in principal and interest in 1991. If the repayment schedule on Israeli debt to the United States is not changed, by the year 2020, Israel will have paid $28,897 million in principal and interest to the United States.

It must be emphasized, Mr. President, that most of this debt is in the form of foreign military sales credits—debt Israel incurred for military hardware which is in the front line of defense of American interests in the Middle East. The burden of debt, and its impact on Israeli security and stability cannot—and should not—be held separate from the very interests the FMS credits were intended to serve. I need not remind my colleagues that those interests were—foremost—American interests.

Additional amounts of course, are owed to other governments, international financial institutions, and private institutions. In sum, as has often been noted, Israel's per capita debt is the highest in the world.

The rather daunting prospect of repaying this debt is compounded by the recognition that the external factors which caused Israel to go so far into debt have not changed. In the past 10 years, three severe blows have been delivered to the Israeli economy. First, the cost of petroleum sharply increased following the return of the Sinai and its oil to Egypt under the terms of the Treaty of Peace of 1979. The cost of energy imports have increased from $100 million in 1972 to $1.5 billion in 1984.

Second, defense spending has grown from $1.5 billion annually in 1972 to $5 billion today. To maintain its own deterrent and defense capability in the face of an enormous Arab buildup, financed both by petrodollars and by the Soviet Union, Israel was forced to increase its defense expenditures fourfold. This increase could not be met with current revenues; Israel was compelled to borrow to live.

Mr. President, I would note that the U.S. Government has not been unaware of this cost to Israel. At the beginning of the Reagan administration, in 1981, at an Appropriations Committee hearing, the Under Secretary of State for Security Assistance, Mr. James Buckley, was asked what impact the provision of advanced military equipment, such as enhanced F-15's or AWACS, to Arab countries would have on Israel. His response was, "We believe that that additional threat can be met through the purchase of additional F-15's or F-16's or other mixes that the Israeli military may believe to be necessary or desirable."

As I noted at the time, Mr. President, the implications of this policy were ominous. In effect, the policy of responding to Arab requests for increasingly more costly and more sophisticated arms was pursued in a way which ensured that Israel would fall further and further into debt. I put it to the Under Secretary of State at the time, and I put it to the Senate now, that such a policy knowingly engaged Israel in a war of economic attrition which it could not possibly win. The Arab countries, with their enormous oil wealth could afford the best; Israel, already indebted, could not afford to keep up.

I would ask all who question the origin of Israel's economic plight to look at the record—at our record, Mr. President. In our hearing, the Under Secretary of State freely admitted and openly recognized that: First, U.S. arms sales to Arab countries increased the threat to Israel, and second, that Israel would have to purchase additional arms—very expensive arms, F-15 and F-16 aircraft—to offset that threat. Left unsaid, of course, was that Israel would have to go further into debt to finance those purchases. In a war of economic attrition, it would be Israel who would take heavy casualties.

Mr. President, it is not by mere coincidence that Israel finds herself today spending nearly one-half of the Government budget on debt servicing and that she is confronted today by Arab forces which have increased their arms spending by 700 percent since 1972. It is not by mere coincidence that Israel has become indebted while the four largest importers of arms in the world are all Arab countries; Libya, Syria, Saudi Arabia, and Iraq.

This, Mr. President, is the most severe of the blows which have been dealt to the Israeli economy over the past 10 years. Gradually, incrementally, of necessity, Israel has mortgaged control over her economy to her creditors, the largest of whom is the United States. The accumulated debt, arising from the necessity of matching arms purchases of her adversaries, has diminished the national sovereignty Israel has fought so courageously to defend. The structure of the debt—large amounts of principal to be repaid, at high interest rates, for a protracted period—undermines the Government's ability to deal with the current crisis.

The Government of Israel is acting to correct the imbalances in the economy. The people of Israel are making further sacrifices to reduce their economic vulnerability.

A freeze has been put in effect on all public sector employment. The Israeli Minister of Finance has told the Senate that 15,000 public employees will lose their jobs because of budget cuts.

Inflation has been reduced through the imposition of a wage and price freeze. To achieve this end, Israelis have cut worker compensation by nearly 20 percent. Together with the impact of minidevaluations, real purchasing power has been cut by 40 percent over the past 6 months.

The Israeli Cabinet has approved a new series of taxes which it hopes will reduce pressures on foreign exchange reserves and enhance revenues. Knesset approval is believed to be imminent.

The Cabinet is also working on a new law that would enable the Bank of Israel to pursue a more independent and more restrictive monetary policy.

Government spending has been sharply reduced, with subsidies alone to be cut by $1.2 billion by the end of April. Newly enacted legislation holds Government officials responsible for staying within the budget.

Mr. President, it is beyond doubt that the Government of Israel will take the appropriate measures, difficult though they may be. Prime Minister Peres and key members of the Cabinet are united in their recognition that fundamental changes are necessary and in their resolve to see that these improvements are achieved.

Mr. President, our Government is addressing the economic difficulties of the State of Israel. It is widely anticipated that the administration will soon request supplemental assistance to help Israel meet its economic emergency. The administration, in cooperation with Israeli officials, is seeking to

contribute to the resolution of problems and structural imbalances affecting the economy. I applaud those efforts and intend to support supplemental funding for assistance to Israel.

It is my considered judgment, however, that measures which address only the economic emergency—and not its underlying causes—fall short of what is required. Such measures, while necessary to meet the crisis at hand, will not forestall its recurrence, nor will they give the necessary confidence to the Israeli people that their economic future is sound. Furthermore, by attending almost exclusively to the crisis of the present, these measures do not pay sufficient regard to the necessity of strengthening the longer term economic viability and political stability of Israel.

Therefore, Mr. President, I have informed my colleagues of my intention to introduce an amendment which would reduce the interest rate on existing U.S. military loans to Israel from the present weighted interest rate of 12 percent to a new rate of 5 percent. That, by the way, is the interest rate the United States now charges on military loans under the concessional FMS programs to countries in economic difficulty.

This amendment would achieve several important objectives:

It would reduce the onerous future debt burden faced by Israel. As I noted, interest on Israel's outstanding debt to the United States now has a weighted average of 12 percent. If this rate were changed to 5 percent, interest charges to Israel over the life of the existing loan portfolio would be reduced by $8,417,296,780.

The Government of Israel would be strengthened in its ability to handle both emergency and long-term economic concerns. Today, 47 percent of Israel Government spending is budgeted for debt service. A 5-percent interest rate on U.S. military loans would cut Government spending on debt service in half. In turn, this would reduce the need to borrow to finance debt and increase the availability of funds for defense and other essential services.

The people of Israel would be strengthened in their conviction that the United States supports them and recognizes the very real sacrifices they have made for peace in the Middle East. Moreover, Israelis would know that the United States has recognized the contribution Israel has made to our defense.

Mr. President, I would like it fully understood that my amendment does not cancel or forgive the repayment of debt by Israel. Under my proposal, Israel will repay every penny of principal that it has borrowed from the United States in military loans. Moreover, it should be understood that my amendment only reduces the interest rate charges for existing loans; the Secretary of the Treasury would still collect $6.4 billion in interest on outstanding FMS loans to Israel.

The amendment would require the appropriation of approximately $3.9 billion, which is the present value of interest payments which would be forgone. Because only the present value of money due and payable through the year 2000 and beyond is required for appropriation, this amount will reduce Israel's debt service charges by some $8.5 billion.

Mr. President, this is an extraordinary and an unprecedented step. It is, nonetheless, the appropriate measure. Aid to Israel is not included in the Department of Defense appropriations bill. Were that the case, aid to Israel and Israel's contribution to U.S. strategic interests could be compared directly to U.S. aid to NATO and to NATO's contribution to U.S. strategic interests. I am confident that such a comparison, which would highlight the $129 billion in annual U.S. expenditures in support of European security, would be highly favorable to U.S. assistance to Israel.

I do not suggest that we should put aid to Israel into the DOD appropriations bill; I do suggest that we make a realistic appraisal of the importance of Israel to U.S. interests in the Middle East and then act accordingly. From that perspective, we would soon recognize that what I propose is quite modest indeed.

Mr. President, let me conclude by addressing those who have raised concerns that my proposal to "buy-down" the interest rate on Israeli loans sets a precedent which other countries will seek to take advantage of. They are absolutely right; it does set a precedent. The precedent is that the United States will not place an unsupportable burden on a country which is a democracy that is based upon meaningful elections and free and open debate, which observes and defends human rights, and which shares the fundamental human values of our people.

Along the arc of instability which stretches from Pakistan through Iran and the Middle East and on through the Horn of Africa, there is one country—just one—which shares and practices daily the democratic principles which govern our own country. In the Middle East, a region which has been fertile ground for the seeds of terrorism and tyranny, Israel has been a constant defender of freedom and democracy. The people of Israel, at great cost in blood and treasure, have done their utmost to preserve their security and independence. U.S. interests in the stability of the Middle East dictate the necessity of helping to maintain Israel as an independent, democratic nation with a bright future of economic and human development.

Mr. President, that is the intention and the objective of my amendment. I would urge my colleagues to support this effort to help Israel help itself.

40TH ANNIVERSARY—END OF WORLD WAR II

Mr. DOLE. Mr. President, last Sunday was a very special day for me—the 40th anniversary of the date on which I was wounded near the Italian town of Castel D'Aiano, during the Allied campaign to liberate Italy in World War II.

That event changed my life, and similar events throughout the war theaters of Europe, Africa, and Asia changed the lives of countless thousands of other Americans and of their families back home.

For most of us, I think, the experiences of the war, on balance, were mostly good ones. We made friendships which have lasted throughout the four decades since the war ended. We learned lessons which have made us better able to cope with the challenges of the modern world. And, perhaps above all, we gained a new appreciation of what is really important in life—the value of hard work and dedication, of cooperation toward a common goal, of individual freedom, and indeed the value of life itself.

And we learned valuable lessons as a nation, too: That weakness is an invitation to aggression and war; that disunity will always be exploited by the implacable foes of freedom; that war is horrible but slavery even worse.

Those lessons were not learned in vain. Out of the ravages of World War II a new alliance was born, spanning the Atlantic and bringing together the free nations of Western Europe and North America. The NATO alliance has been the shield which, more than any other, has kept us secure against the threat of a hostile and powerful adversary.

From the aftermath of war, new democratic governments have emerged in West Germany, in Italy, and in France, which have become some of our best and closest allies.

And the spirit of hope and enterprise was rekindled for tens of millions of people, who have built from the wreckage of war strong and vibrant economies, which have brought new prosperity to countries which were the very battlegrounds of the war.

All this did not happen by chance. The renaissance of both individual and state was won by enormous dedication, generous cooperation and, above all, prodigious work. Depending and building on the accomplishments we have already achieved will continue to require the same kind of dedication, unity, and effort which we displayed in waging the war.

Last week, I led a delegation of six Senators on a visit to four Western nations which are among our best and closest friends—the United Kingdom, France, West Germany, and Italy. At our last stop, in Rome, I was honored and touched to receive two commemorative gifts, one from the Government of Italy and the other from the small town which has meant so much to me, Castel D'Aiano.

In receiving those gifts, among close colleagues and friends from Italy, I realized how far I had come, how far our Nation and our alliance have come. But I realized even more how much hard work there is for all of us to do, to preserve and strengthen what we have sacrificed so much to achieve. I urge all of us today to rededicate ourselves to that work, on which so much depends.

DESIGNER DRUGS

Mrs. HAWKINS. Mr. President, as if things were not bad enough with drug abuse in our Nation, a whole new series of narcotics has been developed. They are by and large less expensive than imported drugs, they can have a more powerful effect than heroin, or cocaine, they are manufactured in this country, and they are legal. They are called designer drugs.

In the Washington Post of March 14, is an article entitled "Phantom Chemist Makes Legal Designer Drugs." In this article, the new concept of homemade designer drugs is described in detail, mostly through the example of a phantom chemist in California. This individual is known to be operating in clandestine laboratories creating a drug with an effect stronger than heroin by rearranging existing molecular structures. This drug, by the way, has so far killed 85 people on the west coast.

Since current drug control laws define illegal narcotics by their exact molecular structure, the chemist described has thus far successfully evaded the law by making minor changes in the substance's molecules. By the time scientists decipher the structure of the chemist's latest product and enforcement agencies take steps to outlaw it, steps which too often take several months, the manufacturer of the drug simply redesigns the molecule.

One version of this manmade narcotic, called 3-methyl fentanyl, was cited in the article as being 1,000 times stronger than heroin: "* * * the amount absorbed through the skin from a smudge on the finger would be enough to knock you down."

While clandestine drug laboratories have existed in the United States for some time, their operations have largely been limited to the manufacture of drugs like LSD, PCP, amphetamines, and other known narcotics. This new version of home-manufactured drugs is one that has so far been confined to the west coast, but it is a phenomenon that drug control officials expect to catch on nationwide. And Federal drug law enforcement officials are seemingly powerless in stopping this newest kind of trafficking in death and destruction. As the Deputy Director of the DEA's Office of Diversion Control is quoted as saying:

If this thing breaks out of the West Coast, we hate to think what could happen. We don't have the legal apparatus to really go after this kind of thing. We're looking at ways to control these drugs as a class but the lawyers and the scientists say it's not clear we can.

There are now, actually, several classes of "designer drugs" made in other clandestine labs; for example, a drug that acts like heroin but causes Parkinson's disease.

Mr. President, before more people die, or contract Parkinson's disease, from "designer drugs," we should take steps to stop their production. With a whole new class of drugs developing in this country, an entire new front of the war on drugs is also being developed. As chairman of the U.S. Senate Subcommittee on Children, Family, Drugs and Alcoholism, and the Senate drug enforcement caucus, I plan to do whatever it takes to make these drugs illegal. The Drug Enforcement Administration should then apprehend the manufacturers of these substances. We should all work to educate the potential victims of "designer drugs," who, in their search for a temporary high, ingest these deadly substances that destroy them.

Mr. President, I ask unanimous consent that the article in the Washington Post of April 1, 1985, entitled "Designer Drugs," be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DESIGNER DRUGS

(By Boyce Rensberger)

A phantom chemist in California is foiling authorities by tinkering with molecules to create legal "designer drugs" that addicts say are as strong as heroin but that have killed at least 85 people.

"He's clearly a state-of-the-art chemist," says Gary Henderson, a pharmacologist at the University of California at Davis who coined the "designer drugs" term. "He'd have to be or he'd kill himself making this stuff. It's that potent."

Drug laws define illegal drugs by their exact molecular structure, so it is possible for the chemist to evade the law by making minor changes in the substance's molecules.

By the time scientists decipher the structure of the chemist's latest product and enforcement agencies take steps to outlaw it—which can consume several months—the chemist simply redesigns the molecule.

Although all of the deaths have occurred in the West, drug officials and chemists say it is only a matter of time before designer drugs spread nationwide.

The mystery chemist is known to have produced 10 variations of the drug fentanyl, widely used as an anesthetic in surgery but otherwise illegal.

Fentanyl has the same effect as heroin or morphine, and addicts can switch freely back and forth, but it is far stronger than heroin and therefore must be cut to a greater degree for street sales.

Only two of the variations of fentanyl have been outlawed. Pharmaceutical industry researchers have produced an additional 210 variations, none of which ever reached the market, and hundreds more theoretically are possible.

"Whoever this guy is, he's obviously got some chemical training and he's got a good laboratory," says Donald Cooper, a chemist who has analyzed the phantom chemist's products at the U.S. Drug Enforcement Administration's laboratory near Tysons Corner, Va.

"There are good indications he's cognizant of our legal efforts and he's trying to stay one step ahead of us."

Cooper and other chemists who have been tracking the phantom chemist since 1981, when his products first appeared, have developed a grudging admiration for him.

They cite a drug he made called 3-methyl fentanyl. It is about 1,000 times stronger than heroin. The amount absorbed through the skin from a smudge on one finger would be "enough to knock you down," says Henderson.

But, Henderson says, "the stuff he makes is clean, and the dose is cut just right. Every time I get a sample from the police, I think about this guy. I wonder what he's got in store for us. It's usually pretty interesting."

Henderson and Cooper are among many who believe it is inevitable that designer drugs will spread east. All the deaths so far have been in California, except for two in Oregon and one in Arizona.

Although recipes for making fentanyls are not yet in the cookbook form used by clandestine drug labs making LSD, PCP, amphetamines and other older drugs, Henderson and Cooper worry that a chemically sophisticated person could figure it out from chemical literature.

All but one of the fentanyls made by the phantom chemist are forms described in the chemical literature. One, called para-fluoro fentanyl, was his own invention. Investigators say they believe that only one chemist is likely to be at work because the same combination of other substances is used to cut the drug. This would be unlikely if several chemists were working independently.

"If this thing breaks out of the West Coast, we hate to think what could happen," says Ronald Buzzeo, deputy director of the DEA's office of diversion control. "We don't have the legal apparatus to really go after this kind of thing.

"We're looking at ways to control these drugs as a class but the lawyers and the scientists say it's not clear we can."

The problem is how to write a definition broad enough to include the whole fentanyl family without being so broad that courts consider the law too vague. "Besides," Henderson says, "no matter how many variations you put in the law, I'll bet I can think up another one."

Although several classes of designer drugs are made in other clandestine labs, fentanyls are the major concern now. Another group, for example, also acts like heroin but causes Parkinson's disease.

Because plain fentanyl is about 80 times more powerful than heroin, dealers usually

cut it far more than they do heroin. It is often sold as China White, the usual name for a superior grade of Asian heroin. The 3-methyl fentanyl form is sometimes sold as Persian White, the finest grade of heroin.

Plain fentanyl, like all organic compounds, is a molecule made of several kinds of atoms—carbon, hydrogen, oxygen and nitrogen—linked in a specific configuration of rings, strings and other patterns. The shape of the resulting molecule and the nature of the atoms at various positions determine how it will react in the body.

Designer alterations of fentanyl are possible, however, because some points on the molecule can bind to additional atoms or groups of atoms. In the case 3-methyl fentanyl, the molecule is a plain fentanyl with a methyl group (a carbon surrounded by three hydrogens) stuck on at a position that chemists, by convention, designate as No. 3.

For reasons not understood, this alteration makes the molecule react much more strongly with a nerve cell's opiate receptor sites, multiplying its strength. The alteration also turns the molecule into something other than fentanyl—something legal.

MARVELOUS MARVIN HAGLER

Mr. KERRY. Mr. President, today I am delighted to share with my colleagues the pride that Massachusetts feels as a result of the boxing victory the other night by one of our native sons, Marvelous Marvin Hagler, of Brockton.

Mr. Hagler successfully defeated his opponent Thomas Hearns before the largest boxing audience ever. This is the 11th time in the past 9 years that Marvelous Marvin has successfully defended his title.

Marvelous Marvin has been an inspiration to the citizens of Brockton and the Commonwealth. Mr. Hagler has followed in the heroic footsteps of another native of Brockton, the legendary Rocky Marciano. His public service work in the State has added to his reputation for concern and sensitivity through his work for various worthy causes throughout the Commonwealth.

Special congratulations are also in order for his two managers, Goody and Pat Petronelli who also hail from the great city of Brockton. Their support and guidance helped to make April 15 a great night for Massachusetts and allows all of us to continue to call Marvelous Marvin, Champ.

LEE VERSTANDIG AND MITCHELL DANIELS

Mr. COCHRAN. Mr. President, I rise at this time to commend the President upon his selection of two very talented individuals whom he has chosen to serve in this administration. Both of these distinguished gentlemen are former U.S. Senate staff members.

On March 25, President Reagan announced his intention to nominate Lee L. Verstandig as Under Secretary of the Department of Housing and Urban Development. At one time, Lee served as administrative assistant to our distinguished colleague from Rhode Island [Mr. CHAFEE] chairman of the Republican Senate Conference.

During Lee's most recent assignment as Assistant to the President for Intergovernmental Affairs, I have worked closely with him on matters of mutual concern to State and local elected officials of Mississippi, to the administration, and to my office. As the White House's liaison to local government since June 1, 1983, Lee has always made himself available to those officials from my State to hear their concerns and to solicit their input on the issues of the day so that those factors may be part of the administration's decisionmaking process.

I am confident that Lee will successfully meet the new challenges which await him in his new post at HUD. He served as Assistant Secretary for Governmental Affairs at the Department of Transportation under the stewardship of Drew Lewis from 1981 to 1983. For a 3-month period, in the spring of 1983, Lee served as the Acting Administrator of the Environmental Protection Agency until Bill Ruckelshaus was confirmed by this body.

Before entering Government service, Lee spent 17 years in the academic community, where he was associate dean of academic affairs at Brown University and a professor of history and political science at Roger Williams College. Perhaps his most valuable asset, however, is that Lee is a native of Memphis, a city which many Mississippians truly believe is a part of the Magnolia State.

Mr. President, I think that Lee Verstandig will be an excellent Under Secretary of HUD.

Also, on March 26, the President selected an equally talented and capable individual, Mitchell E. Daniels, Jr., to become his new Intergovernmental Affairs lieutenant.

Mitch Daniels, well known to Senators on both sides of the aisle, but particularly to majority Members, brought his vast expertise as a municipal offical and attorney to Capitol Hill from Indianapolis in 1977 as administrative assistant to Senator DICK LUGAR, who is now our distinguished chairman of the Foreign Relations Committee.

Born in Monongahela, PA, Mitch was educated at Princeton University, and, in 1967, was honored as a Presidential Scholar. Additionally, he holds law degrees from Indiana University School of Law and Georgetown University.

Mitch has progressed rapidly from one position of responsibility to another. His most recent position of achievement was that of executive director of the Republican Senatorial Campaign Committee, in which he served so brilliantly on behalf of the Senate majority. I personally appreciate his assistance to me last year.

Because of his service as principal assistant and adviser to Senator LUGAR during his tenure as chairman of the Banking Committee's Subcommittee on Housing and Urban Affairs, Mitch brings to his new position as keen sensitivity to the needs and concerns of State and local office holders. This depth of knowledge, coupled with the valuable insights he garnered during his service to the city of Indianapolis from his position on the mayor's staff, uniquely qualifies him for this new position at the White House.

Certainly Mitch's track record throughout an enormously successful public and private career gives all of us reason to applaud his selection for the White House Staff.

Mr. President, both these gentleman are exceptionally qualified for their respective new positions, and I wish them every success.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES—MESSAGE FROM THE PRESIDENT—PM 36

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended, I am pleased to transmit herewith the 19th Annual Report of the National Endowment for the Humanities covering the year 1984.

RONALD REAGAN.

THE WHITE HOUSE, *April 17, 1985.*

PRESIDENTIAL APPROVAL

A message from the President of the United States announced that on April

16, 1985, he had approved and signed the following bill:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the act.

MESSAGES FROM THE HOUSE

At 12:06 p.m., a message from the House of Representatives delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day";

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 236. Joint resolution commemorating the twenty-fourth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny;

The message also announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 110. Concurrent resolution expressing the sense of the Congress that the authorities on Taiwan should continue to cooperate fully in the case of Henry Liu and that an extradition agreement should be concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs.

ENROLLED JOINT RESOLUTION SIGNED

At 2:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

At 2:53 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 883. An act to extend the Export Administration Act of 1979.

The message also announced that, pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84, the Speaker appoints as members of the U.S. Holocaust Memorial Council the following Members on the part of the House: Mr. YATES, Mr. LEHMAN of Florida, Mr. SOLARZ, Mr. GARCIA, and Mr. GREEN.

MEASURE REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 110. Concurrent resolution expressing the sense of the Congress that the authorities on Taiwan should continue to cooperate fully in the case of Henry Liu and that an extradition agreement should be concluded between the American Institute in Taiwan and the Coordination Council for North American Affairs; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 924. A bill to amend title IV of the Social Security Act to provide that States which provide aid to dependent children of unemployed parents must require the unemployed parent to participate in a community work experience program; to the Committee on Finance.

By Mr. HUMPHREY (for himself, Mr. BINGAMAN, Mr. COHEN, Mr. D'AMATO, Mr. DENTON, Mr. DURENBERGER, Mr. GRAMM, Mr. GRASSLEY, Mr. KENNEDY, Mr. MCCLURE, Mr. MURKOWSKI, Mr. PROXMIRE, Mr. PRYOR, Mr. RUDMAN, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, and Mr. ZORINSKY):

S. 925. A bill to deny most-favored-nation trading status to Afghanistan; to the Committee on Finance.

By Mr. SYMMS (for himself and Mr. STAFFORD) (by request):

S. 926. A bill to approve the interstate cost estimate and permit the apportionment of funds authorized for fiscal year 1987; to the Committee on Environment and Public Works.

By Mr. SYMMS (by request):

S. 927. A bill to amend title 23, United States Code; to the Committee on Environment and Public Works.

By Mr. SPECTER (for himself, Mr. HEINZ, Mr. DODD, Mr. COHEN, and Mr. BRADLEY):

S. 928. A bill to amend title 23, United States Code, to modify the apportionment formula for resurfacing, restoring, rehabilitating, and reconstructing the interstate system; to the Committee on Environment and Public Works.

By Mr. HEINZ:

S. 929. A bill to amend the Railroad Retirement Act of 1974 to eliminate the COLA offset provisions, and restore amounts offset under those provisions after January 1984; to the Committee on Labor and Human Resources.

By Mr. NICKLES (for himself, Mr. BOREN, Mr. LUGAR, and Mr. GRASSLEY):

S. 930. A bill to amend the Commodity Credit Corporation charter to exempt all agricultural exports from cargo preference requirements; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ:

S. 931. A bill for the relief of Margrit Fischer; to the Committee on the Judiciary.

S. 932. A bill for the relief of Kurt Jordi; to the Committee on the Judiciary.

By Mr. HART:

S. 933. A bill to establish State pension investment units, a secondary market for industrial mortgages, State venture capital and royalty finance corporations, and a national loan loss reserve fund; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HART (for himself, Mr. KERRY, and Mr. SIMON):

S. 934. A bill to establish a system of individual training accounts in the unemployment trust fund to provide for training and relocating unemployed individuals, to amend the Internal Revenue Code of 1954 to provide that certain contributions to such accounts shall be deductible from gross income, and for other purposes; to the Committee on Finance.

By Mr. HART (for himself, Mr. STENNIS, Mr. KERRY, Mr. GORE, and Mr. MELCHER):

S. 935. A bill to establish a national technology education grants program to provide matching Federal assistance to joint initiatives by private industry, educational institutions, and State government to strengthen science, engineering, and technical education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself, Mr. PROXMIRE, and Mr. RIEGLE):

S. 936. A bill to amend the Securities Exchange Act of 1934 to provide improved protection for investors in the Government securities market, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON (for himself, Mr. STENNIS, and Mr. EAGLETON):

S. 937. A bill to amend the War Powers Resolution to make rules governing certain uses of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Relations.

By Mr. CHAFEE:

S. 938. A bill to amend title XX of the Social Security Act to provide for grants and contracts to provide services for pregnant teenagers and young parents; to the Committee on Finance.

By Mr. SPECTER:

S. 939. A bill for the relief of Joseph Willbroad Mayanja; to the Committee on the Judiciary.

By Mr. ROTH:

S. 940. A bill to amend title 10, United States Code, title 31, United States Code, and the Renegotiation Act of 1951 to control the cost of Department of Defense contracts; to the Committee on Armed Services.

S. 941. A bill to amend title 10, United States Code, to establish the position of Director of Weapon Systems Acquisitions in the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. DANFORTH (for himself, Mr. BENTSEN, Mr. LAUTENBERG, Mr. WILSON, and Mr. INOUYE):

S. 942. A bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. ANDREWS, Mr. BOREN, Mr. DOMENICI, Mr. FORD, Mr. HOLLINGS, Mr. MATHIAS, Mr. MITCHELL, Mr. NUNN, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, and Mr. ZORINSKY):

S.J. Res. 114. Joint resolution designating August 29 as "Railroad Retirement Day"; to the Committee on the Judiciary.

By Mr. LEAHY:

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 924. A bill to amend title IV of the Social Security Act to provide that States which provide aid to dependent children of unemployed parents must require the unemployed parent to participate in a community work experience program; to the Committee on Finance.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. HUMPHREY (for himself, Mr. BINGAMAN, Mr. COHEN, Mr. D'AMATO, Mr. DENTON, Mr. DURENBERGER, Mr. GRAMM, Mr. GRASSLEY, Mr. KENNEDY, Mr. MCCLURE, Mr. MURKOWSKI, Mr. PROXMIRE, Mr. PRYOR, Mr. RUDMAN, Mr. SYMMS, Mr. WALLOP, Mr. WILSON, and Mr. ZORINSKY):

S. 925. A bill to deny most-favored-nation trade status to Afghanistan; to the Committee on Finance.

DENYING MOST-FAVORED-NATION TRADE STATUS TO AFGHANISTAN

Mr. HUMPHREY. Mr. President, today I and many of my colleagues introduce legislation that would repeal most-favored-nation status for the Soviet puppet government in Afghanistan.

Congress should move quickly. It is both a moral and geopolitical imperative to do so. Afghanistan represents a people struggling to be free. Afghanistan represents an important step along the road to the Mideast oil fields. We cannot allow Afghanistan to fall to Soviet imperialism.

As incredible as it seems, the United States has maintained most-favored-nation status with Afghanistan since the December 1979, Soviet invasion.

The Kabul regime has been the hand-maiden of the Soviets in a bold-faced attempt to destroy a nation.

Recent reports issued by the United Nations Human Rights Commission and Helsinki watch document in gruesome detail the blood-curdling terror of the Karmal regime.

The facts are appalling. The Karmal regime has helped the Soviets kill more than 1 million Afghans in the 6-year reign of terror. The Soviet policy of "migratory genocide" has created the largest refugee population in the world today. More than 4 million Aghans live in refugee camps in Pakistan. Another million fled to Iran. "Toy bombs," rape, mass executions, mutilation of children, women and elders are also part of the Soviet policy and that of its client in Kabul. Clearly, the terror parallels that of Nazi Germany.

Most-favored-nation status for the Karmal Government carries a symbolic message that places in embarrassing question the United States and its policies.

Even the State Department to its credit, wrote to me on April 2 that:

We understand that you intend to introduce legislation during the current session to discontinue most favored nation [MFN] trade treatment for Afghanistan.

The administration's authority to take such action on its own is limited to certain well defined circumstances, which unfortunately do not exist in regard to Afghanistan. We therefore welcome your legislative initiative and offer our full endorsement and support. We stand ready to assist you in any way during the drafting of the legislation and in facilitating its rapid movement through the Congress.

Mr. President, speaking only for myself, while I am grateful to have the support of the State Department as outlined in the letter which passages I quoted, I cannot help but ask: Where has the State Department been these last 5 years? Why has it been necessary for the Congress to take the initiative in withdrawing most-favored-nation status from Afghanistan? To be sure the Congress must act, it has to be done through legislation. But that is no excuse for the State Department, or for that matter the administration, having failed to act during these past 5 years when it has become all too clear that the Karmal government in Kabul is nothing more than a puppet government cooperating in genocide against its own people.

Where has the State Department been these 5 years? Why did this initiative not come from the State Department? That the criminal regime in Kabul has enjoyed most-favored-nation status for 5 years is one further indictment of the laxity on the part of our country with respect to mounting every possible pressure on Kabul and its masters in the Kremlin. We should be seeking every possible means of ousting the Soviets and restoring peace and freedom to the people of Afghanistan.

I use this occasion, Mr. President, once again to urge the White House to appoint an adviser on Afghanistan to investigate thoroughly the opportunities available to the West to aid the freedom fighters, to recommend policies, and to ensure they are carried out by the bureaucracy. The present structure of responsibility in this area is clearly inadequate and no better proof of it exists than the fact that this country has continued to extend most-favored-nation status to the puppet government of Afghanistan for some 5 years now.

Mr. President, I send a bill to the desk and ask unanimous consent it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the General Headnotes and Rules of Interpretation to the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by inserting "Afghanistan" before "Albania" in headnote 3(f).

(b)(1) Notwithstanding any other provision of law, the products of Afghanistan shall not receive nondiscriminatory (most-favored-nation) trade treatment.

(2) No agreement may be entered into with Afghanistan under section 405 of the Trade Act of 1974 (19 U.S.C. 2435).

(c) Notwithstanding any other provision of law, Afghanistan may not participate, directly or indirectly, in any program under which the United States extends credit, credit guarantees, or investment guarantees.

By Mr. SYMMS (for himself and Mr. STAFFORD) (by request):

S. 926. A bill to approve the Interstate Cost Estimate and permit the apportionment of funds authorized for fiscal year 1987; to the Committee on Environment and Public Works.

By Mr. SYMMS (by request):

S. 927. A bill to amend title 23, United States Code; to the Committee on Environment and Public Works.

● Mr. SYMMS. Mr. President, I rise today to introduce two highway bills by request of the Secretary of Transportation. The first bill, which I sponsor along with Senator STAFFORD, the distinguished chairman of the Environment and Public Works Committee, would approve the 1985 interstate cost estimate [ICE] and, thereby, allow the timely release of interstate construction funds at the beginning of fiscal year 1986. Failure to approve a 1985 ICE by October 1 will disrupt the flow of interstate funds to the States and may result in the delay of highway projects and the loss of thousands of construction jobs around the Nation.

The second bill has been drafted to implement part of the administration's budget proposal for transit funding. This legislation provides that both highway and transit substitute projects would be funded out of the $725 million currently authorized for substitute highway projects from the highway trust fund for fiscal year 1986. Moreover, the bill would repeal the fiscal year 1986 funding authorization for parkways and park highways that is included in the Surface Transportation Assistance Act [STAA] of 1982.

Although I am pleased to introduce both bills at the request of Secretary Dole, I must note my reservations with regard to the transit substitute funding proposal included in the second bill. Mr. President, when Congress passed the STAA of 1982, we established a mass transit account within the highway trust fund and set aside 1 cent of the 9 cent per gallon Federal tax on gasoline to accrue to this account. Since that time, American highway users have contributed billions of dollars to support bus and rail transit systems around the country. The administration's proposal would require highway users to support an even

greater share of the cost of the Federal Mass Transportation Program.

In a recently released issue brief on Federal assistance to mass transit programs, the Highway Users Federation notes the following:

In contrast to the average 4 cent per person-trip of Federal expenditures for auto and truck travel on the nation's highways, the Federal Government's contribution to bus and rail transit averages 56 cents per person-trip, of which 13 cents is paid by highway users. Local and state subsidies add 43 cents, bringing the total subsidy to 99 cents per person-trip.

Mr. President, I believe my colleagues should be aware of these facts when we consider any proposal to increase expenditures from the highway trust fund for mass transit projects. For that reason, I ask unanimous consent that the issue brief to which I've referred be printed in the RECORD following my remarks. I also ask that copies of the two bills as well as the section-by-section summary and Secretary Dole's accompanying letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Transportation shall apportion for the fiscal year ending September 30, 1987, the sums authorized to be appropriated for such period by section 108(b) of the Federal Aid Highway Act of 1956, as amended, for expenditures on the National System of Interstate and Defense Highways using the apportionment factors from the Interstate Cost Estimate submitted to the Congress in January of 1985.

THE FEDERAL ROLE IN MASS TRANSIT

TRANSIT SUBSIDY COSTS ARE SPIRALLING; THEREFORE, FEDERAL TRANSIT SUPPORT POLICIES SHOULD BE RE-EXAMINED WITH AN EYE TOWARD CONTAINMENT

Despite the increasing federal subsidy of urban mass transportation—which has risen from nothing in 1960 to $4.5 billion in 1984—commuting by mass transportation continues to decline in many places. Now, with increasing pressure to hold down federal expenditures, highway user taxes are seen as a source of additional transit funds.

Of the nation's 96.5 million workers, 84 percent commute by motor vehicle.

Six percent commute by bus and rail mass transportation, about equal to the percent that walks to work. Twenty percent of commuting trips are made within and between suburbs, where commuting is growing faster.

The U.S. Census reports that the average number of daily mass transit commuters has dropped 10.6 percent, from 6.8 million in 1970 to 6.1 million in 1980. This declining transit use contrasts with an increase in the number of persons commuting by motor vehicle which rose from 59.7 million in 1970 to 81.3 million in 1980, an increase of 36.2 percent.

The percentage of commuters using public mass transportation varies according to city size (from 2 to 3 percent in metropolitan areas under a million population to an average of 15 percent in metropolitan areas over 3 million). Buses carry two-thirds of public mass transportation riders; rail carries a third.

The federal government has helped support urban transportation since 1961, expanding from demonstration programs to assistance for equipment and construction, and then to operating assistance. Much early federal support assisted cities in purchasing private transit companies.

In 1982, federal aid amounted to $4.5 billion. Federal operating subsidies alone grew from $300 million in 1975 to $1.1 billion in 1979, remaining at that level through 1982. With passage of the Surface Transportation Assistance Act of 1982 (STAA-82), the federal government earmarked for the first time major portions of highway user taxes—$4.2 billion over the 1983-86 period—for the Federal Mass Transportation Program.

At funding levels authorized by STAA-82, federal support for a mass transit trip outweighs federal support for a highway trip 14 to 1.

In contrast to the average 4¢ per person-trip of federal expenditures for auto and truck travel on the nation's highways, the federal government's contribution to bus and rail transit averages 56¢ per person-trip, of which 13¢ is paid by highway users. Local and state subsidies add 43¢, bringing the total subsidy to 99¢ per person-trip.

The federal mass transportation program has modernized bus fleets nationwide and financed new rail systems in San Francisco, Washington, D.C., Atlanta, Baltimore, Buffalo, and Miami. There are proposals of federal funding of new rail starts in a dozen other cities. Although new rail systems usually offer improved service over the previous all-bus systems, rising construction and operating costs raise serious doubts about the affordability and cost effectiveness of rail transit. There is no evidence to suggest that rail transit investment reduces reliance on motor vehicles. Most rail transit passengers in cities other than New York City were previously bus riders.

The General Accounting Office (GAO) identified two main reasons for growing subsidy demands:

Rapidly rising labor and other operating costs are not offset by productivity improvements.

Transit systems have adopted unrealistically low fares that are unrelated to rising costs.

The GAO report also said the availability of federal operating subsidies has reduced local government initiatives to improve transit efficiency.

The federal government should establish cost-effectiveness criteria to foster rational decisions on which systems to support. And federal operating subsidies should be phased out in the interest of economy and efficiency.

THE SECRETARY OF TRANSPORTATION,
Washington, DC.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill which would approve the 1985 Interstate Cost Estimate (ICE) to allow timely apportionment of Interstate construction funds authorized for fiscal year 1987 and available for obligation on October 1, 1985. To prevent delays in the approval of the ICE, we have not included highway program changes or post 1986 authorizations in this bill. Also, we have not included the approval of an Interstate Substitute Cost Estimate (ISCE) since passage of a bill regarding the Interstate substitution program to implement a part of our budget proposal for fiscal year 1986 will make the approval of an ISCE unnecessary.

Quick approval of the draft bill will prevent delays in apportionments which have occurred in recent years. Such delays disrupt construction plans and prevent the timely completion of the Interstate System.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress. Further, quick passage without amendment would be in accord with the program of the President.

Sincerely,

ELIZABETH HANFORD DOLE.

Enclosure.

ANALYSIS

The bill provides for the apportionment of fiscal year 1987 Interstate construction funds using the factors from the 1985 Interstate Cost Estimate (ICE). The apportionment is due on October 1, 1985, because Interstate construction funds are available for obligation one year in advance of the year of authorization.

S. 927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this bill may be cited as "The Fiscal Year 1986 Highway Amendments Act."

SECTION 2(a). The eleventh and twelfth sentences of section 103(e)(4) of title 23, United States Code, are amended to read as follows:

"For the fiscal years ending September 30, 1984 and September 30, 1985, sums obligated for projects under highway assistance programs shall be paid out of the Highway Trust Fund, and $70,000,000 shall be available for expenditure during each of the fiscal years ending September 30, 1984 and September 30, 1985. Twenty-five per centum of the funds available from the Highway Trust Fund for each of the fiscal years ending September 30, 1984 and September 30, 1985, for substitute highway projects under this paragraph shall be distributed at the discretion of the Secretary.".

(b) The sixteenth sentence of section 103(e)(4) of title 23, United States Code, is amended by striking "years ending September 30, 1985, and September 30, 1986." and inserting in lieu thereof "year ending September 30, 1985.".

(c) The eighteenth sentence of section 103(e)(4) of title 23, United States Code, is amended by striking "fiscal year beginning after September 30, 1983," and inserting in lieu thereof "of the fiscal years ending September 30, 1984 and September 30, 1985,".

(d) The twenty second sentence of section 103(e)(4) of title 23, United States Code, is amended by striking "years ending September 30, 1985, and September 30, 1986." and inserting in lieu thereof "year ending September 30, 1985.".

SECTION 3. Section 103(e)(4) of title 23, United States Code, is amended by inserting after the twenty second sentence the following:

"For the fiscal year ending September 30, 1986, sums obligated for substitute projects shall be paid out of the Highway Trust Fund, and $725,000,000 shall be available for expenditure during the fiscal year ending September 30, 1986. Twenty-five per centum of the funds available from the Highway

Trust Fund for the fiscal year ending September 30, 1986, for substitute projects under this paragraph, shall be distributed at the discretion of the Secretary. The remaining 75 per centum of such funds shall be apportioned on the basis of the Federal share of the cost to complete withdrawn Interstate routes or portions thereof as determined by the Secretary in accordance with this paragraph, less sums already made available for substitute projects under this paragraph.".

SECTION 4. Section 105(a)(5) of the Surface Transportation Assistance Act of 1982 (P.L. 97-424) is amended by striking ", September 30, 1985 and September 30, 1986." and inserting in lieu thereof "and September 30, 1985.".

THE SECRETARY OF TRANSPORTATION,
Washington, DC, April 1, 1985.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill entitled "The Fiscal Year 1986 Highway Amendments Act."

This bill is being submitted to implement the President's budget for fiscal year 1986. Currently, projects which are developed as substitutes for withdrawn Interstate highway segments under the provisions of 23 U.S.C. 103(e)(4) are funded from two sources. Substitute highway projects are funded from the Highway Trust Fund while substitute transit projects are funded from the general fund of the Treasury.

This bill provides that the $725 million currently authorized for substitute highway projects from the Highway Trust Fund for fiscal year 1986 would be available for both highway and transit substitute projects. A separate bill, which would amend various provisions of the Urban Mass Transportation Act and will be transmitted shortly, would repeal the authorization for fiscal year 1986 general fund appropriations for substitute transit projects.

Enactment of this legislation would achieve several desirable goals. First, by reducing the amount of funds available for substitute projects in fiscal year 1986, outlays would be reduced and help reduce the deficit. The Administration is not retreating from the commitment to fund substitute highway and transit projects. However, we believe they should be funded from the Highway Trust Fund since they are substitutes for withdrawn Interstate segments which would have been funded from the Trust Fund except that State and local officials decided these substitute projects could better serve local transportation needs. We estimate that enactment of this proposal would mean that all of the substitute projects would be funded no later than by fiscal year 1992, rather than by fiscal year 1991.

Second, funding all of the projects from the Highway Trust Fund would eliminate the need for state and local governments to obtain periodic Congressional approval of the division of funds between highway and transit substitute projects. Congress had not approved this division for the last 18 months and so formula funds have been delayed for these substitute projects. Enactment of this bill would make future approvals unnecessary because separate highway and transit apportionment factors would no longer be necessary.

The bill would also repeal the current $100 million parkways and park highway authorization for fiscal year 1986 that is contained in the Surface Transportation Assistance Act of 1982. This separate authorization is not recommended because the Department of the Interior has determined that existing road projects are not sufficiently high in priority to merit funding in FY 1986, given the need for fiscal restraint and the higher priority for construction of other facilities within the National Park System. Unforeseen park road needs, as may develop, can be financed through the use of unobligated balances in this program, through reprogamming, or by the construction program of the National Park Service.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

ELIZABETH HANFORD DOLE.

SECTION-BY-SECTION ANALYSIS

This bill is being submitted to implement the President's budget for fiscal year 1986. currently, projects which are developed as substitutes for withdrawn Interstate highway segments under the provisions of 23 U.S.C. 103(e)(4) are funded from two sources. Substitute highway projects are funded from the Highway Trust Fund while substitute transit projects are funded from the general fund of the Treasury.

The bill provides that the $725 million currently authorized for substitute highway projects from the Highway Trust Fund for fiscal year 1986 would be available for both highway and transit substitute projects. The bill would also repeal the current authorization in FY 86 to use Highway Trust Funds on park highways.

Section 1. This section names the bill the "Fiscal Year 1986 Highway Amendment Act."

Section 2. This section amends 23 U.S.C. 103(e)(4) to delete references to fiscal year 1986 in the existing statutory language. This section maintains the status quo for years prior to fiscal year 1986.

Section 3. Section 3 amends 23 U.S.C. 103(e)(4) to provide that, in fiscal year 1986, $725 million will be available out of the Highway Trust Fund for Interstate substitution highway and transit projects. The current statutory split between formula and discretionary funds for highway substitute projects is retained. That is, 75 percent of the funds would be apportioned based on a formula and the remaining 25 percent would be allocated at the discretion of the Secretary. However, since highway and transit substitute projects would be funded from a common source, it would no longer be necessary for state and local governments to receive periodic Congressional approval of the division of funds between substitute highway and substitute transit projects. The division must be approved under current law by Congress because there are two separate sources of funds for these projects.

Section 4. Section 4 repeals the $100 million authorization from the Highway Trust Fund for fiscal year 1986 for the parkways and park highway program. This program was intended to supplement Park Service funds in the repair of Federally owned public roads that are critical to facilitating the use of parks. The Surface Transportation Assistance Act of 1982 authorized $375 million for fiscal years 1983-86 for this program. This program has provided $275 million during 1983 through 1985, more than 3.5 times the three-year spending on Park Service roads from 1980-1982. As a result of this increased spending, the Park Service expects that by the end of 1985 this program will have addressed the highest priority park road projects. Existing potential road projects are not sufficiently high in priority to merit funding in FY 1986 given need for fiscal restraint and the higher priority for other facilities within the National Park System. Park road needs, as may develop, can be financed through the use of unobligated balances in this program, through reprogramming, or by the construction program of the National Park Service.●

By Mr. SPECTER (for himself, Mr. HEINZ, Mr. DODD, Mr. COHEN, and Mr. BRADLEY):

S. 928. A bill to amend title 23, United States Code, to modify the apportionment formula for resurfacing, restoring, rehabilitating, and reconstructing the interstate system; to the Committee on Environment and Public Works.

INTERSTATE SYSTEM RESURFACING, RESTORATION, REHABILITATION, AND RECONSTRUCTION AMENDMENT OF 1985

Mr. SPECTER. Mr. President, today I am reintroducing legislation which would modify the formula for apportionment of Interstate Reconstruction, Rehabilitation, Restoration, and Resurfacing [4R] funds, which will total more than $5 billion during 1985 and 1986.

The current Interstate 4R formula is inadequate. It fails to effectively address the purposes that the Department of Transportation has identified for this program: facilitating interstate commerce, maintaining the system, and providing for military movement during a national defense emergency. Moreover, the present 4R formula, based on lane-miles and vehicle-miles traveled, does not accurately reflect those factors which contribute most heavily to the deterioration of the highway system. This bill modified previous legislation which I introduced in June 1983, and includes two new factors that act as surrogates for weather and truck traffic. Research has shown that adverse weather conditions and heavy truck traffic are the primary causes of structural damage to highway pavement.

BRIDGE NEEDS

The first new factor is bridge needs on the interstate system. Bridge needs address geography. More rugged terrain requires more bridges. Bridge needs also address meteorological conditions in a very straightforward and effective way. Deterioration occurs more rapidly when salt is applied to a bridge surface. Experts contend that salt is the primary cause of structural damage to highway bridge docks in the United States.

DIESEL FUEL

The second new factor is diesel fuel. Diesel fuel consumption serves as the

best surrogate available for measuring truck traffic. The American Association of State Highway and Transportation Officials reported in a recent study that one 80,000-pound truck causes as much damage to the highway system as 9,600 cars.

While the Federal Highway Administration has some reservations about using diesel fuel as a factor because of measurement problems, it is my view that these problems can be easily overcome. For example, by knowing the extent of vehicle miles traveled, one can accurately estimate fuel consumption. In the end, diesel fuel is quantifiable, consistent, relevant, available State by State, and would not cause a radical redistribution of funding if instituted.

Mr. President, my bill benefits 25 States and the District of Columbia and Puerto Rico. An additional eight States will not suffer any net reduction in funding for road repair as a result of this formula change. The amendment proposes a change for only 2 years—a modest attempt to rectify inequities perpetuated under the current apportionment during the first 2 years of the Surface Transportation Assistance Act. An apportionment formula change cannot be undertaken pellmell, but must be thoughtful and studied carefully. The Pennsylvania Department of Transportation has worked long and hard in developing these factors and the resulting formula. The numbers are before you and the proposal's logic is apparent.

In recognition of the needs of States with extensive interstate systems due to their sheer size, such as Montana and New Mexico, this amendment retains the lane miles factor. This bill also guarantees that every State, no matter how small, will receive at least 1 percent of the funding under this program. Often these States bear the brunt of considerable traffic even though the vehicle-miles and lane-miles factors do not adquately represent their repair needs.

It is my view that a reformulated interstate 4-R apportionment should be among those changes directed at strengthening our transportation network. I urge my colleagues to join me and support this legislation.

Mr. President, I ask unanimous consent that my distinguished colleagues, Mr. HEINZ, Mr. DODD, Mr. COHEN, and Mr. BRADLEY, be listed as original cosponsors of this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 928

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interstate System Resurfacing, Restoration, Rehabilitation, and Reconstruction Amendment of 1985".

SEC. 2. Subparagraph (B) of section 104(b)(5) of title 23, United States Code, is amended to read as follows:

"(B)(i) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

"(I) one-third in the ratio that diesel fuel used by motor vehicles on highways in each State bears to the total of diesel fuel used by motor vehicles on highways in all States;

"(II) one-third in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for under section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such lane miles in all States; and

"(III) one-third in the ratio (not to exceed 10 percent) that the total cost to improve deficient bridges on the Interstate System in each State bears to the total cost to improve deficient bridges on the Interstate System in all States.

"(ii) Notwithstanding clause (i), no State shall receive less than 1 percent of the total apportionment made under this subparagraph for any fiscal year.

"(iii) For purposes of clause (i) the total cost to improve deficient bridges shall be determined by the square footage of bridges on the Interstate System (including bridges on toll Interstate highways) eligible for replacement and rehabilitation multiplied by the respective unit price on a State-by-State basis, as determined by the Secretary under section 144 of this title.".

SEC. 3. The amendment made by this Act shall apply with respect to fiscal years beginning on or after October 1, 1985.

By Mr. HEINZ:

S. 929. A bill to amend the Railroad Retirement Act of 1974 to eliminate the COLA offset provisions, and restore amounts offset under those provisions after January 1984; to the Committee on Labor and Human Resources.

RAILROAD RETIREMENT COLA RESTORATION

● Mr. HEINZ. Mr. President, today I am introducing legislation to return to railroad retirees the money that was unnecessarily taken away from them this past January. My bill would restore to retirees the 1.5-percent COLA subtracted this year from tier II benefits, retroactive to January 1985.

In 1983, when the railroad retirement system was on the brink of insolvency, rail labor and management negotiated, and Congress enacted a comprehensive financing package to restore solvency to the system. This rescue package called for contributions from three major parties—the railroad industry, employers, and employees; the Federal Government; and railroad retirees—in order to shore up the system's short- and long-term financial integrity.

For retirees, the bulk of their contribution came from the so-called COLA offset which required that the next 5 percent of their tier I—Social Security equivalent—COLA increases be deducted, dollar for dollar, from their tier II—industry pension equivalent—benefits. Due to this change, in January 1984 the 3.5-percent COLA given to Social Security beneficiaries was taken away, in full, from railroad retirees' tier II checks. In January 1985, the 3.5-percent Social Security increase was effectively reduced to 2 percent for railroad retirees, due to the second phase, 1.5 percent, of the COLA offset.

In my opinion, the reduction in railroad retirees' benefits this year was unwarranted, and we should restore the money the Government took away. When Congress passed the Railroad Retirement Solvency Act in 1983, it was working under very pessimistic assumptions about the future of both the railroad industry and the national economy. As it turns out, both have performed far better than expected in the past 2 years, and the railroad retirement trust fund is rapidly accumulating surpluses. From the standpoint of the financial solvency of the system, the money saved from the second phase of the COLA offset is overkill.

Mr. President, on January 24, 1985, the members of the Railroad Retirement Board sent a letter to President Reagan projecting the financial condition of the railroad retirement system through 1990, under two alternative sets of assumptions. Assumption A is considered a moderate estimate; assumption B a very pessimistic scenario. I would like to include in the RECORD a table from this letter that outlines the financial status of the trust fund under these assumptions.

[Employment in thousands; dollars in millions]

Calendar year	Employment		Fund balance	
	Assumption A	Assumption B	Assumption A	Assumption B
1985	385	375	$3,920	$3,843
1986	371	351	5,547	5,338
1987	364	342	6,422	6,024
1988	361	336	7,133	6,474
1989	347	314	7,610	6,688
1990	334	295	8,011	6,747

What this table shows is that even under extremely conservative assumptions about the future of the economy and the railroad industry, the railroad retirement system is building up billions of dollars in excess reserves. With this kind of surplus, I don't think it is fair to impose any more financial hardship on retirees who have already sacrificed a great deal.

Railroad retirees have been hit very hard in the past few years. In 1983, they were socked with a 6-month delay in their COLA due to the Social Security Amendments of 1983. In 1984, their tier I COLA was lost altogether due to the first phase of the COLA offset, and in 1985, retirees were forced to forego a major part of their

tier I COLA due to the second phase of the offset.

In my judgment, railroad retirees deserve a better shake. They have paid taxes throughout their working lives, and they deserve a fair benefit, protected against inflation. Given the excellent financial health of the railroad retirement system, we can clearly afford to give back to retirees part of the surplus they helped to create. Economic recovery has certainly benefited railroad employers and employees. I think we owe a full COLA to all railroad retirees.

Mr. President, I urge my colleagues to support this legislation, and recommend its quick enactment.●

By Mr. NICKLES (for himself, Mr. BOREN, Mr. LUGAR, and Mr. GRASSLEY):

S. 930. A bill to amend the Commodity Credit Corporation Charter to exempt all agricultural exports from cargo preference requirements; to the Committee on Commerce, Science, and Transportation.

REMOVING CARGO PREFERENCE FROM ALL AGRICULTURAL EXPORTS

Mr. NICKLES. Mr. President, today, I am introducing a bill which would free all agricultural exports from the clutch of cargo preference.

The immediate goal in this cargo preference fight is to overturn a February court ruling which has resulted in the suspension of $536 million worth of export credit sales. I have previously introduced legislation, S. 664, to accomplish this goal.

The bill I am introducing today along with my colleagues Senators BOREN, LUGAR, and GRASSLEY would fulfill the need to remove cargo preference requirements from all agricultural exports. This bill is a companion measure to H.R. 1760 which was recently introduced by Congressman BEREUTER.

Unfortunately, time that should be spent on building new export trade channels often has to be focused on keeping existing pathways clear from the debris of Government regulations. Cargo preference is one federally imposed requirement that threatens to choke off our ability to export our farm products freely.

Applying cargo preference to commercial agriculture export programs could require the USDA to fork over an additional $700 million for merchant marine subsidies. Such a move would break the bank of the Commodity Credit Corporation, hog-tieing our agriculture export programs.

At present, the merchant marine is receiving a multimillion-dollar per year subsidy hidden in the USDA budget.

I support a strong merchant marine. But I feel their financial support should come from the Maritime Administration or the Department of Defense up front. It should not be tucked away and written off as an expense to American agriculture.

At this point, I would like to ask unanimous consent to include in the RECORD an excerpt from a recent Wall Street Journal article which talked of the need for Congress to address the cargo preference issue, and the text of the legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 5 of the Commodity Credit Corporation Charter Act is amended to add at the end thereof the following:

"Export activities of the Corporation under this Act, and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act, shall not be subject to cargo preference requirements.

AXING FARM EXPORTS

Farm-state legislators have been in a state of near hysteria lately over the U.S. trade imbalance, the plight of farmer-debtors and the troubles of country banks. Yet it is within their power to relieve all three maladies, simply by changing federal laws.

As a warm-up exercise, here's a small test of seriousness: Congress could vote to repeal the Cargo Preference Act, which says the U.S. must ship half its food aid abroad in U.S. vessels, at substantial costs imposed by the maritime industry and unions. A federal court has just blocked the U.S. Department of Agriculture from ducking cargo preference on grain shipments that are outside the usual aid programs but carry federal credit subsidies. These latter sales involve competitive markets. Thus, the court effectively stalled a half-billion dollars in U.S. grain shipments. Congress has never had a better opportunity to rid the U.S. of the cargo-preference curse and thereby hand farmers a whopping victory.

That task, though useful, however should not stand in the way of still more important business, passage of President Reagan's Agricultural Adjustment Act of 1985. With the expiration this year of the hoary 1933 New Deal farm act—along with the incredibly unwise price-support amendments passed in 1981—Congress has a marvelous chance to put American farmers back on an equal footing with their competitors in international trade. The 1981 price supports were so high they priced American farmers out of important markets. Mr. Reagan's bill would begin lowering prices to the world market level.

The most immediate effect would be to cut the U.S. trade deficit. U.S. agricultural products account for nearly 50 percent of world exports, a huge business. But that's down from 58 percent five years ago and the prospect is for further slippage. The USDA estimates U.S. foreign sales this year at $34.5 billion, off nearly 10 percent from $38 billion in 1984. Last year's U.S. agricultural trade surplus was nearly $20 billion, so we're talking about real money.

We're not much enamored here of mercantilist pleas for trade surpluses. It is vital for the U.S. to protect its currency, and particularly so since the U.S. dollar is the world's primary trading currency, but that does not require trade surpluses. We are not so dismissive of the relationship, however, that we support federal laws that curtail U.S. exports. That is exactly what the 1981 agricultural amendments did, all in the name of helping farmers recover from previous policies, mainly the embargo on grain shipments to the Soviets and the necessary steps to strengthen the dollar.

U.S. grain prices have at times soared to levels some 20 percent above the world market. Taking advantage of the U.S. umbrella, new players have been moving into the world grain trade, picking off U.S. markets left and right. The U.S. comparative advantage in agriculture is diminishing as farmers in other producing countries reinvest their profits from international sales in modern equipment and better fertilizing methods—things that helped make U.S. farmers so successful.

The upshot is that U.S. farmers, instead of selling to their traditional customers abroad, are increasingly sending their production to a single customer, Uncle Sam. U.S. surpluses are building. In an article in the latest Foreign Affairs quarterly, Council on Foreign Relations fellow Barbara Insel notes that the U.S. is now storing and financing about 46 million tons of coarse grains and 38 million tons of wheat, about 35 percent of its total grain production. Partly as a result of the huge market distortion caused by the 1981 support program, the world is awash in surplus grain and the U.S. holds about 45 percent of the total surplus stock. U.S. taxpayers have been financing agricultural subsidies to the tune of about $19 billion a year in recent years, more than six times the cost in the late 1970s.

Many farm-state legislators, fearful of the noisy political uproar that has been raised by those farmers who are in financial trouble from their 1970s misjudgment—and also worried about the health of the banks that financed those farmers—would like to duck the Reagan remedies, perhaps by extending the present destructive law for another year. They try to distract voters by railing at the Japanese. They fret about the impact lower supports would have on farmers, forgetting the prices for what farmers buy must necessarily come down with the prices farmers receive, or else farm suppliers will put themselves out of business. The necessary market adjustment will be total for agribusiness, not piecemeal.

What the procrastinators ignore is the truth that a decision cannot be safely postponed. America's largest foreign-exchange business is heading south and American farmers face a future that will make them wards of Uncle Sam, which is something the taxpayers aren't likely to condone forever. Congress has the power to fix all this. It just has to do it.

Mr. BOREN. Mr. President, I am pleased to join my colleague, Senator NICKLES, in introducing today a bill which would remove cargo preference requirements from shipments of Public Law 480 sales and donations. Presently, the costs of cargo preference differentials are paid out of funds appropriated for sales or donations of U.S. agricultural commodities. This legislation would prohibit the payment of cargo preference costs from being paid out of the agriculture budget.

Each year, the added costs of Public Law 480 as a result of cargo preference requirements have increased year after year, thereby reducing the amount of money available for the shipment of agricultural products. In 1980, the USDA/Foreign Agricultural Service subsidy for cargo preference was $63 million. It is estimated that the added costs of cargo preference in this fiscal year for Public Law 480 alone will run over $118 million.

I agree that we need to maintain a viable merchant marine. However, it is simply unfair to ask American farmers to pay the cost of what is to benefit the entire Nation. If the merchant marine is in need of subsidization, then we can provide for its funding in the Department of Defense budget or the Maritime Administration budget. I would be quite willing to support legislation which would place the costs of cargo preference in either of these other areas of the budget.

I do not believe the preservation of a viable merchant marine sector is a responsibility of the Department of Agriculture. I also believe the American people have a right to know where their money is being spent. As it stands now, over $100 million of taxpayer funds appears to be supporting sales or donations of agricultural commodities when in reality it is going to the merchant marine industry. If it is important to the country to provide these subsidies, it is important enough to be considered on its own merits and therefore should be taken out of the Department of Agriculture budget.

The legislation we are introducing today will exempt the export activities of the Commodity Credit Corporation and the donations under the Food for Peace Program, Public Law 480, from cargo preference requirements. I urge my colleagues to support this legislation.

By Mr. HART:

S. 933. A bill to establish State pension investment units, a secondary market for industrial mortgages, State venture capital and royalty finance corporations, and a national loan loss reserve fund; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HART (for himself, Mr. KERRY, and Mr. SIMON):

S. 934. A bill to establish a system of individual training accounts in the unemployment trust fund to provide for training and relocating unemployed individuals, to amend the Internal Revenue Code of 1954 to provide that certain contributions to such accounts shall be deductible from gross income, and for other purposes; to the Committee on Finance.

By Mr. HART (for himself, Mr. STENNIS, Mr. KERRY, Mr. GORE, and Mr. MELCHER):

S. 935. A bill to establish a national technology education grants program to provide matching Federal assistance to joint initiatives by private industry, educational institutions, and State government to strengthen science, engineering, and technical education, and for other purposes; to the Committee on Labor and Human Resources.

LEGISLATION TO PROVIDE EDUCATION AND TRAINING TO MEET OUR CHANGING ECONOMY

Mr. HART. Mr. President, this Nation is in the midst of a fundamental restructuring of its technological and economic base. This development will affect the kind and quality of employment available to workers and future workers of our country. Today, I am introducing three legislative proposals that will enable us to make a smooth transition into an economy that will demand new skills and knowledge from our people.

Each bill contributes to a strategy to make our Nation prosper and compete effectively in this time of transition. The centerpiece of this strategy is a commitment to invest in the future: to anticipate and prepare for the challenges of a changing economy. To invest in the future we must provide workers with needed skills, encourage the most dynamic sector for our society, small business, and prepare our youth for a changing work place.

The three bills I am introducing today will help our Nation meet those challenges.

The National Individual Training Account Act enables dislocated workers to receive training necessary for reemployment.

The National Entrepreneurship Act increases the availability of capital to entrepreneurs who are striving to establish new, small businesses.

The High Technology Morrill Act provides young people with math, science, and technical skills required for success in our emerging economy.

The three bills share many common features. For example, the programs established by the legislation operate with a minimum of bureaucracy and redtape. The Federal Government is not cast in the role of protector; instead, the programs encourage individual and joint initiatives by private industry, State governments, educational institutions, workers and students. And, most important, they all invest in the future: they lay the groundwork for an economy that will boast a well-trained, well-educated work force, and thriving, innovative industries.

To invest in the future, we must help our workers make the transition to tomorrow's jobs. The development of new technologies and the decline of basic manufacturing industries are causing fundamental shifts—shifts that resulted in the dislocation of 5.1 million long-term workers between 1979 and 1984, and which will produce a shortage of 2.5 million skilled workers by 1990.

The National Individual Training Account Act represents a long-awaited Federal response to the problem of how we fund and promote the needed retraining of our Nation's workers. The legislation is a voucher-based system modeled on a very successful national retraining program, the GI bill, and a savings and equity based financing system analogous to the individual retirement account. It establishes a system of individual training accounts to help rectify the mismatch between job skills and market demands by enabling workers to gain the skills necessary to meet the changing demands of the job market.

The legislation authorizes employers and employees to make voluntary annual tax deductible contributions to an interest-bearing training account. Upon involuntary unemployment, the participating worker is entitled to withdraw funds, in the form of a tax-free voucher, to attend a certified training program of the worker's choice. Upon the worker's retirement, the unused balance of the account, plus accumulated interest, is refunded to the employer and employee.

We must also prepare for the future by encouraging the most dynamic sector of our economy—small business. Small businesses are, by their very nature, flexible and innovative. Original, marketable concepts are readily seized and developed by new, small firms that lack the slow-moving, bureaucratic features of many large, well-established firms. As a result, small enterprises produce 4 times as many innovations per research and development dollar as medium-sized firms, and 24 times as many as large businesses. Their role in job creation is essential: During the recession years of 1981 and 1982, small firms created 2.6 million new jobs, which more than offset the nearly 1.7 million jobs lost in the large industrial sector. Due to a rapidly growing work force in those years, this contribution could not reverse the climb in unemployment rates. But the small business sector demonstrated that, even during times of economic hardship, it will help lead the transition into a changed economy.

The National Entrepreneurship Act addresses the critical capital needs of small businesses, so that they continue to exercise their crucial role in job creation, innovation, and productivity. Specifically, the programs established by the legislation address three financial impediments faced by many young firms: the underavailability of seed money, the difficulty of obtaining equity investment, and the lack of long-term fixed-rate debt capital.

The legislation establishes four programs designed to increase the flow of capital to these firms through:

A matching grant system for the establishment of State pension fund investment clearing houses;

A national loan loss reserve fund;

A matching grant system for State development finance corporations; and

A secondary market for fixed-rate industrial mortgages for small and mid-sized firms.

By making risk and long-term capital available to new, young and small businesses, the provisions of this legislation will encourage and unleash America's entrepreneurial energies.

Finally, to invest in the future, we must prepare our young people for new technologies. The Bureau of Labor Statistics projects that the demand for scientists and engineers will increase by 40 percent by 1990. However, by all accounts, our young people's math and science capabilities are declining; today, only 13 percent of high school students are prepared for the college engineering curriculum, compared with 28 percent in 1972.

The High Technology Morrill Act would help remedy these shortcomings by improving technological education at all levels of our education system. Basic math and science must be emphasized at the elementary and secondary levels. Our colleges and universities must upgrade their science and engineering programs. And our educational system must provide training programs for workers who need more technical skills.

Our educational institutions cannot handle the job alone. Thus, the High Technology Morrill Act encourages partnerships nationwide between State governments, industries, and educational institutions. The act establishes a technology trust fund, financed by revenues from the sale and rental of energy and mineral resources on Federal lands, to respond to partnership initiatives by providing matching grants to educational institutions.

Under the act, specific projects would be initiated by local industry in cooperation with education and State economic agencies. The bill authorizes use of the funds by educational institutions to develop programs to enhance science and engineering teaching as a career, establish research and training centers, modernize laboratory equipment, start computer literacy programs, initiate retraining programs for workers with outmoded skills and support other approved programs that strengthen technological education.

Mr. President, these bills address crucial needs of an economy in transition. They will prepare our Nation for this transition, but are firmly grounded in today's realities and challenges. Together, they provide a strategy for investing in our people, our economy, and our future.

Mr. President, I ask unanimous consent that the full text of each bill and the corresponding floor statement be printed in the RECORD. I further ask unanimous consent that Senator STENNIS' floor statement on the High Technology Morrill Act be printed in the RECORD immediately following my statement on that bill.

There being no objection, the material will be printed in the RECORD.

S. 933—NATIONAL ENTREPRENEURSHIP ACT

Mr. HART. Mr. President, today I am introducing the National Entrepreneurship Act. This legislation is designed to make risk and long-term capital available to new, young and small businesses.

The legislation supports the creation and expansion of young and small firms by establishing a system of matching grants for State-sponsored pension investment units, providing matching grants for State-sponsored venture capital finance corporations, creating a secondary market for industrial mortgages similar to Fannie Mae, and initiating a national loan loss reserve fund.

The health and vitality of our economy depends on the strength of the small business sector. Yet many new, young and growing firms face impediments in capital markets which deprive them of the funds they need to grow and prosper.

These impediments must be eliminated so that small and young firms can continue to play their crucial role in our economy, particularly in the areas of job creation and innovation.

During the recession years of 1981 and 1982, small firms created 2.6 million new jobs, which more than offset the nearly 1.7 million jobs lost in the large industrial sector. Due to a rapidly growing work force in those years, this contribution could not reverse the climb in unemployment rates. But the small business sector demonstrated that, even during times of economic hardship, its contribution to job creation and renewed prosperity is vital.

The jobs created by these firms are particularly crucial due to the increased opportunities they provide for minorities and women—working people who typically suffer the highest level of unemployment. Women-owned businesses are increasing at three times the rate of male-owned businesses; and overall, minority entrepreneurs tend to hire a substantially greater percentage of minority workers.

Finally, we know that small enterprises produce four times as many innovations per research and development dollar as medium sized firms, and 24 times as many as large businesses.

Despite the importance of the small business sector, many of these firms are unable to meet their capital needs in traditional financial markets. The programs established by the National Entrepreneurship Act address the problems caused by three financial impediments faced by many young firms: the under-availability of seed money, pre-venture capital; the difficulty of obtaining equity investment, especially if the business is a startup or is not high tech; and the lack of long-term fixed rate debt capital. I have recommended essential reforms to help small businesses in the four titles of the legislation.

TITLE I: STATE PENSION INVESTMENT UNITS

Private and public pension funds are one of the few sources of long-term capital in America which are still growing. Within 15 years the private funds will be worth $3 trillion; State and local funds, well over a trillion.

Directing even a small amount of this capital into new firm startups and small business expansions would have a tremendous impact by generating additional jobs and increasing the international competitiveness of the American economy. Creative use of retirement fund assets would be especially helpful in fostering balanced regional development and financing affordable housing and family farm agriculture.

Restrictive statutes and overly cautious readings of pension law have slowed efforts to invest additional moneys in venture capital and small businesses. Moreover, large investors, such as retirement funds, face great difficulties in identifying promising entrepreneurial investment opportunities. Presently, a number of State and local funds, as well as private union funds, are searching for more innovative investment options; unfortunately, suitable alternatives are not readily available.

Creating a public-spirited development broker would help reduce these legal and administrative impediments. Title I of the National Entrepreneurship Act recognizes this by providing matching grants to States that establish pension fund investment clearing houses. Such units would collect and disseminate information on new investment options, design demonstration projects, recommend policies and legislative changes, develop alternative mechanisms for investment, and make it possible for pension fund managers and trustees to confer regularly and coordinate their strategies.

TITLE II. STATE VENTURE CAPITAL CORPORATIONS

The personal savings of entrepreneurs, and money from friends, family and associates, provide 80 percent of the total seed capital for new businesses. But this informal financing system works unevenly in middle-income communities and not at all in poor communities.

A number of States have established new financial intermediaries precisely to fill this gap in the capital markets. This latest wave of State development finance institutions varies widely in

structure and technique. Approaches range from direct State control to an independently managed corporation, and from every conceivable form a debt instrument to the riskiest, highest yielding investments.

Title II charts a new course for building upon these successes by making the Federal Government an investor and putting capital into such institutions on a matching basis. Important forms of financial innovation, like royalty financing, would be spurred, along with a cascade of new product applications and inventions.

TITLE III. SECONDARY MORTGAGE MARKETS

Increased interest rate volatility has reduced the willingness of banks to lend on a long-term, fixed-rate basis. The vast majority of bank loans are for less than 1 year and, where long-term loans are made, adjustable rate mortgages and loans are becoming the norm. This is a problem because small and newer firms do not have access to alternate sources of long-term loans for the expansion and modernization of their capital stock.

Simultaneously, investment dollars are being amassed in large institutional investors like pension funds. In many cases, these institutions need a predictable flow of funds over the intermediate and long term to meet the expenses of their future operations. Thus, institutional investors prefer to hold a substantial amount of long-term debt which provides a constant stream of income.

Additionally, institutional investors are not structured to handle numerous small loans. Since institutional investors do not possess a retail structure to negotiate one-on-one deals with potential entrepreneurs, new, young and small businesses are closed out of the competition for institutions' funds.

To increase the access of small- and medium-sized firms to long-term capital, title III of the National Entrepreneurship Act establishes a national program, akin to residential backed securities, to package and insure packages of multiple loans.

A secondary mortgage market would purchase long-term small business loans from commercial banks, thereby freeing banks from the interest rate risk of long-term lending. It would then package the loans into pools that would be large enough to interest institutional investors. In effect, this program would enable pensions funds and insurance companies to satisfy a large part of the long-term capital needs of small- and medium-sized business.

TITLE IV. LOAN LOSS RESERVE PROGRAM

Large firms have flexible financing options: They can obtain capital from large money center banks, the public debtor or equity market, or even the Eurodollar market. Small firms, however, lack such flexibility. Due to their difficulties in obtaining capital from the existing range of financial sources, most new, young. and small firms seek money from their local banks.

Banks, however, do not have an ideal financial structure for entrepreneurial lending. Since they are very highly leveraged, possessing little equity relative to debt, and governed by State and Federal regulations, banks tend to limit their loans to relatively conservative investments. Small firms are often locked out.

A national loan loss reserve program would address the unmet capital needs of rapidly growing small and young businesses whose growth exceeds their ability to generate internal resources to finance expansion. The program works by authorizing banks to make loans to firms under a certain size. The borrower and the lender agree on a loss reserve rate and each contributes one-third of the reserve. The Government then contributes an additional amount equal to the firm's contribution, yielding a loan loss reserve of 15 percent maximum on each loan.

Each bank develops its own loss reserve and can draw money from that fund only by experiencing losses. Losses are paid 100 percent if the reserve is adequate and since each bank has its own reserve, it is in the bank's vested interest to keep losses to the minimum. As the reserve grows, the bank can afford to be more aggressive in its lending practices. Such a program would open up a new market for banks, eliminate paperwork and delays, and encourage a large lending volume at a fraction of the costs of the SBA Guarantee Program.

The four programs I've outlined are targeted to specific problems in our capital markets, but their broader impact—the creation of thousands of new jobs, products and innovations—is crucial not only to the health of our economy, but also to the security of our Nation. To maintain our leadership role in an era of rapid technological innovation and increasing international competition, this Nation must promote a business atmosphere in which all creative Americans are encouraged to participate.

The text of the bill follows:

S. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Entrepreneurship Act".

TITLE I—STATE PENSION INVESTMENT UNITS

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds that—

(1) United States capital markets are among the most efficient in the world;

(2) the efficiency of United States capital markets could be increased by reducing barriers that inhibit investment in young entrepreneurial corporations with a potential to grow rapidly;

(3) many young entrepreneurial corporations with a potential to grow rapidly do not have adequate access to capital because—

(A) investors do not perceive that individual entrepreneurial corporations will provide stable, short-term earnings even though, as a group, small entrepreneurial corporations are at least as profitable as larger businesses;

(B) without established credit ratings, acquiring the necessary credit information is very expensive;

(C) investors are hesitant to finance new production techniques and innovative products, especially for unproven markets; and

(D) they are small and cannot provide sufficient collateral for loans;

(4) when sufficient capital is not available, young entrepreneurial corporations with a potential to grow rapidly cannot create new jobs and develop new products and manufacturing processes that will increase United States productivity and competitiveness in international markets;

(5) pension funds are uniquely qualified to help reduce capital market imperfections since public and private pension funds have more than $850,000,000,000 in assets and long time horizons which make them especially well suited to finance growth oriented investments that promise substantial long-term returns (such as venture capital activities), but not immediate cash flow;

(6) only a minority of pension funds invest in venture capital activities, private placements, or the common stock of smaller, publicly traded companies;

(7) encouraging pension funds to invest a greater portion of their assets in rapidly growing, small, and young businesses would improve the efficiency of capital markets, increase employment opportunities, and enhance the retirement income security of current and future retirees; and

(8) higher earnings achieved through more aggressive investment policies can also help reduce pension costs while preserving current benefits.

(b) It is the purpose of this title—

(1) to provide matching grants to States that establish pension investment units;

(2) to create within each State an institution to identify and eliminate legal barriers inhibiting pension funds from investing a greater portion of their assets in the securities of young entrepreneurial corporations with a potential to grow rapidly; and

(3) to encourage a greater use of pension fund assets as a source of long-term capital for the unique economic development needs of each State.

DEFINITIONS

SEC. 102. For purposes of this title—

(1) the term "Governor" means the chief executive of a State;

(2) the term "Secretary" means the Secretary of Labor;

(3) the term "State" means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(4) the term "unit" means a State pension investment unit established in accordance with this title.

DUTIES

SEC. 103. To help each State accelerate its rate of economic growth and job creation, a unit of a State shall—

(1) issue an annual report to the Governor which identifies and makes recommendations to eliminate tax and legal barriers that prevent pension funds from investing a greater portion of their assets in the securi-

ties of young entrepreneurial corporations with a potential to grow rapidly;

(2) analyze and evaluate the long-term growth potential of young entrepreneurial corporations whose securities are not currently evaluated by private investment research firms but which could provide pension funds with an adequate rate of return;

(3) help pension funds reduce the risk of investing in young entrepreneurial corporations with a potential to grow rapidly by establishing standards for and encouraging pension funds to purchase long-term securities backed by pools of industrial mortgages;

(4) develop new investment options and collect and disseminate information about such other investment options as venture capital and direct placement pools, new securities, mutual funds of small firm stocks, and other appropriate investment vehicles that will allow pension funds to invest their assets in ways that will prudently and responsibly promote the comparative advantage of each State in the areas of entrepreneurship, economic development, small business, affordable housing, family farm agriculture, energy conservation, and job creation;

(5) conduct meetings and briefings for the Advisory Council and Advisory Committee; and

(6) conduct such public hearings as are necessary to obtain broad public comment on the investment of pension plan assets.

PROGRAM AUTHORIZATION

SEC. 104. (a) The Secretary shall solicit from the States proposals for the establishment and operation of State pension investment units.

(b) The Secretary may make grants to States to pay the Federal share of the cost of establishing and operating units in accordance with this title.

ORGANIZATION

SEC. 105. (a) In order to be eligible to receive a grant under this title, a Governor of a State shall designate as a unit either a new or an existing office within the government of such State. Such unit shall be administered by a director.

(b)(1) A unit shall establish an Advisory Council composed of trustees and managers of pension plans established in the State.

(2) The Advisory Council shall make recommendations to the unit concerning its activities under this title.

(c)(1) A unit shall establish an Advisory Committee composed of representatives of participants in, and beneficiaries of, major public and private pension plans established in the State.

(2) The Advisory Committee shall make recommendations to the unit concerning its activities under this title.

PAYMENTS

SEC. 106. (a) The Secretary shall, in accordance with this title, pay to States the Federal share of the costs of establishing and operating a unit in accordance with this title.

(b) The maximum Federal share for each fiscal year under this section shall not exceed 50 percent.

(c) The total amount of Federal payments a State may receive under this section may not exceed $750,000 during the program's three years.

REGULATIONS

SEC. 107. The Secretary shall issue such regulations as are necessary to carry out this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. There are authorized to be appropriated for each of the fiscal years 1986, 1987, and 1988 such sums as may be necessary to carry out this title.

EFFECTIVE DATE

SEC. 109. This title shall become effective on October 1, 1985.

TERMINATION DATE

SEC. 110. The authority granted by this title shall terminate on September 30, 1988.

TITLE II—STATE VENTURE CAPITAL CORPORATION ASSISTANCE ACT

FINDINGS AND PURPOSE

SEC. 201. (a) The Congress finds and declares that—

(1) young entrepreneurial companies are a primary source of new jobs, products, and technological innovations;

(2) stimulating and encouraging young entrepreneurial corporations is in the national interest because the innovations and new products which they produce will increase the rate of United States productivity growth and improve the ability of the United States to compete successfully in world economic markets;

(3) one of the main obstacles faced by young entrepreneurial companies is insufficient access to the right kinds of capital, at the right time and in the right amounts;

(4) some of the best kinds of capital for innovations and new product development are equity and grants with a royalty payment provision whereby the investor receives a fixed percentage of the gross receipts from the sale of the new product;

(5) equity financing and grants with a royalty payment provision ameliorate the cash flow problems of young entrepreneurial corporations because they allow the firm to make payments to investors only when the innovation or new product has begun to generate sales revenues;

(6) during the last decade, States have begun to authorize State-sponsored venture capital corporations which provide equity and grants with a royalty payment provision to young entrepreneurial corporations; and

(7) if these activities are continued and expanded, we can reasonably expect that they will enhance each State's ability to take full advantage of its unique labor force skills, natural resources, capital stock, and economic development potential and that they will generate new jobs, enterprises, products, and models for other State and Federal economic development initiatives.

(b) It is the purpose of this title to foster innovations and new product development by—

(1) providing matching grants to States which establish or expand existing venture capital corporations;

(2) encouraging States to emulate the successful venture capital initiatives of other States; and

(3) stimulating States to develop new and more effective methods of venture capital finance.

DEFINITIONS

SEC. 202. For purposes of this title—

(1) the term "corporation" means a State venture capital corporation which meets the criteria of section 203 of this title;

(2) the term "financial assistance" means various forms of equity, convertible debt, or grants with a royalty payment provision provided by the corporation to a qualifying business;

(3) the term "innovation" means any new process or new technique without regard to whether a patent has or could be granted;

(4) the term "new funds" means funds not received by a corporation before the submission of an application to the Secretary under section 204;

(5) the term "qualifying business" means any individual, partnership, corporation, trust, or joint venture with less than $20,000,000 in sales or assets and whose principal activities do not consist of—

(A) dealing in commodities, securities, or real estate;

(B) retailing, banking, insurance, moneylending, debt factoring, hire-purchase financing, or other financial or personal services;

(C) leasing (including letting ships on charter or other assets on hire) or receiving royalties or license fees; or

(D) providing any professional service, including legal, accounting, or medical services;

(6) the term "product" means any product, device, technique, or process which is or may be exploitable commercially; such term shall not refer to pure research but shall be construed to apply to such products, devices, techniques, or processes which have advanced beyond the theoretical stage and are readily capable of being, or have been, reduced to practice;

(7) the term "Secretary" means the Secretary of Commerce; and

(8) the term "venture" means financial assistance from a corporation to a qualifying business in exchange for rights from or in an invention or product or proceeds therefrom.

ELIGIBILITY CRITERIA

SEC. 203. To be eligible for a matching grant under this title, a State venture capital corporation shall—

(1) be a State chartered, quasi-public corporation providing financial assistance in the form of equity or grants with a royalty payment provision to qualifying businesses;

(2) direct its financial assistance to qualifying businesses for the purpose of financing the development, production, or marketing of new products, manufacturing processes, or other technological innovations;

(3) have a staff of experts to evaluate the feasibility and economic impact of each proposed venture, including a description and estimate of the size of the potential market, the number of direct and indirect jobs that will be created, the potential for followup or spinoff product development, the long-term financial stability of the qualifying businesses, and the technical and managerial expertise of the officers of a qualifying business;

(4) determine that at least 50 per centum of the necessary funds for each venture for which the corporation provides financial assistance is available from private financial markets or the qualifying business's internally generated resources;

(5) monitor each venture to ensure adequate progress in the development and marketing of the new product, process, or innovation;

(6) have a reasonable prospect of receiving a market rate of return on its financial assistance through royalty payments, capital appreciation, dividends, or other financial returns; and

(7) determine that the qualifying businesses receiving financial assistance have no alternative sources for raising the total amount of funds necessary to finance the development or marketing of new products, manufacturing processes, or other technological innovations.

GRANT AWARD PROCESS

SEC. 204. (a) A State applying for a venture capital corporation grant must submit an application to the Secretary which establishes the eligibility of a corporation under section 203.

(b) Upon finding that the corporation meets the eligibility criteria listed in section 203, the Secretary shall approve a matching grant in an amount not to exceed the amount of the new funds committed by or on behalf of the State, but in no event exceeding a total of $5,000,000 for the duration of the program.

EVALUATION

SEC. 205. (a) The Secretary shall monitor and evaluate annually the effectiveness of each corporation assisted under this title, and shall make such evaluation available to the States and the Congress.

(b) The Secretary shall issue regulations for disqualifying from eligibility for further matching grants any corporation receiving an unsatisfactory evaluation.

AUTHORIZATION

SEC. 206. There are authorized to be appropriated to carry out this title amounts not to exceed $260,000,000 for the duration of the program.

TITLE III—SECONDARY MORTGAGE MARKETS

SHORT TITLE

SEC. 301. This title may be cited as the "Technology Development and Mortgage Assurance Corporation Act".

FINDINGS AND PURPOSE

SEC. 302. (a) The Congress finds and declares that—

(1) secondary mortgage markets have stimulated home ownership and employment by increasing the availability and affordability of long-term residential mortgages;

(2) many small businesses could grow more rapidly, create more jobs, and increase United States competitiveness in world markets if additional long-term capital were available to finance purchases of new plant and equipment;

(3) pension funds and insurance companies are a major source of long-term capital for the United States economy but they are not well equipped to originate and service the large number of relatively small loans needed by rapidly growing small businesses;

(4) commercial banks specialize in short-term business lending and have the facilities and specialized expertise to evaluate loan applications and to originate and service the large number of relatively small loans required by rapidly growing small businesses; and

(5) a secondary market for industrial mortgages would link the unique talents and lending activities of commercial lenders to those of pension funds and insurance companies, thereby increasing the efficiency of United States capital markets and the amount of long-term capital that is available to finance purchases of plant and equipment by small businesses.

(b) It is the purpose of this title to establish a quasi-public corporation chartered by the Federal Government to purchase and insure industrial mortgages and to sell pools of such industrial mortgages, similar to residential backed mortgage securities, to institutional and individual investors.

DEFINITIONS

SEC. 303. For purposes of this title—

(1) the term "qualifying business" means any individual, partnership, corporation, trust, or joint venture with less than $20,000,000 in sales or assets and whose principal activities do not consist of—

(A) dealing in commodities, securities, or real estate;

(B) retailing, banking, insurance, money lending, debt factoring, hire-purchase financing, or other financial services;

(C) leasing (including letting ships on charter or other assets on hire) or receiving royalties or license fees; or

(D) providing legal, accounting, or medical services;

(2) the term "financial institution" means any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, or credit union certified to originate, sell, and service mortgages pursuant to section 306; and

(3) the term "mortgage" means any loan which—

(A) is secured by a first lien on real property or an unsubordinated lien on any other type of property or equipment; and

(B) is used to finance the rehabilitation, renovation, modernization, refurbishing, or improvement of productive facilities and equipment used for business activities conducted in the United States.

CORPORATE STRUCTURE

SEC. 304. (a) There is established a body corporate to be known as the Technology Development and Mortgage Assurance Corporation (hereinafter in this title referred to as the "Corporation").

(b)(1) The Corporation shall have a board of directors composed of the Secretary of Commerce, the Secretary of the Treasury, the Secretary of Labor, and five members elected by the Corporation's stockholders.

(2) The Secretary of Commerce shall be the chairman of the board of directors.

(3) The principal office of the Corporation shall be in the District of Columbia or at such other place as the Corporation may from time to time prescribe.

(c)(1) The Corporation may appoint and fix the pay of such personnel as the Corporation considers appropriate.

(2) The staff of the Corporation may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the maximum annual rate of basic pay established and adjusted for the Senior Executive Service pursuant to section 5382 of such title.

CAPITALIZATION

SEC. 305. (a)(1) The Corporation shall issue, and the Secretary of the Treasury shall purchase, common stock of the Corporation in the amount of $200,000,000. Owners of the common stock shall be vested with all voting rights, each share being entitled to one vote with rights of cumulative voting at all elections of directors.

(2) The free transferability of the common stock at all times to any person, firm, corporation, or other entity shall not be restricted except that, as to the Corporation, it shall be transferable only on the books of the Corporation.

(b)(1) The Corporation may accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions, equal to not more than 2 per centum of the unpaid principal amounts of mortgages purchased or to be purchased by the Corporation from such seller.

(2) In addition, the Corporation may impose charges or fees, which may be regarded as elements of pricing, with the objective that all costs and expenses of its operations should be within its income derived from such operations and that such operations should be fully self-supporting.

(3) All earnings from the operations of the Corporation shall annually be transferred to its general surplus account.

(4) At any time, funds of the general surplus account may, at the discretion of the board of directors, be transferred to reserves.

(5) All dividends shall be charged against the general surplus account.

(c)(1) The Corporation shall issue, from time to time to each mortgage seller, its common stock evidencing any capital contributions made by such seller pursuant to subsection (b) of this section.

(2) In addition to the shares of common stock issued under paragraph (1), the Corporation may issue additional shares in return for appropriate payments into capital or capital and surplus.

MORTGAGE OPERATIONS

SEC. 306. (a)(1)(A) The Corporation is authorized to purchase, and to make commitments to purchase, industrial mortgages from any qualified financial institution.

(B) The Corporation may hold and deal with, and sell or otherwise dispose of, pursuant to commitments or otherwise, any such mortgage or interest therein, and the servicing of any such mortgage may be performed by the seller or by a financial institution certified as a seller.

(C) The Corporation shall receive applications for the certification of financial institutions for the purpose of this Act and shall establish criteria for determining the eligibility of a financial institution for certification.

(D) The criteria shall include (i) the financial institution is licensed to do business in the United States and is regulated by either a State agency or the Federal Government; and (ii) the financial institution, based on safety and soundness, capital adequacy, history, personnel, and financial stability, is competent to originate and service the types of loans required by the program.

(2) The operations of this section shall be confined to mortgages that meet the following conditions:

(A) the loans shall be limited to financing the purchase of plant facilities, land, and equipment for business activities conducted in the United States;

(B) the borrower is a qualifying business;

(C) the maximum term for the mortgage loans shall not exceed the useful economic life of the property being purchased and in no case shall exceed 10 years for equipment and twenty years for plant and land;

(D) the mortgage loans are secured by a security interest in machinery, equipment, or real property; and

(E) the mortgage shall be fully amortized over the life of the loan.

(3) The Corporation may establish requirements, and impose charges or fees, which may be regarded as elements of pricing, for different classes of sellers or servicers, and for such purposes the Corporation is authorized to classify sellers or servicers according to type, size, location, assets, or without limitation on the generali-

ty of the foregoing, on such other basis or bases of differentiation as the Corporation may consider necessary or appropriate to effectuate the purposes or provisions of the title.

(4) No industrial mortgage shall be purchased under this section unless—

(A) the outstanding principal balance at the time of purchase is less than 80 per centum of the value of the property securing the mortgage;

(B) the seller retains a participation of not less than 20 per centum in the mortgage;

(C) for such period and under such circumstances as the Corporation may require, the seller agrees to repurchase or replace the mortgage upon demand of the Corporation in the event that the mortgage is in default; and

(D) the mortgage was originated less than one year prior to the purchase date.

(b)(1) To provide a greater degree of liquidity to the industrial mortgage investment market and as an additional means of financing its operations under this section, the Corporation is authorized to set aside any mortgages held by it under this section, and, upon approval of the Secretary of the Treasury, to issue and sell securities based upon the mortgages so set aside.

(2) Securities issued under this subsection shall have such maturities and bear such rate or rates of interest as may be determined by the Corporation with the approval of the Secretary of the Treasury.

(3) The Corporation shall issue or purchase from private sources commitments to insure the timely payment of principal and interest to purchasers of the securities backed by mortgages previously set aside.

(4) Securities issued by the Corporation under this subsection shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission.

(5) Mortgages set aside pursuant to this subsection shall at all times be adequate to enable the Corporation to make timely principal and interest payments on the securities issued and sold pursuant to this subsection.

(6) The Corporation shall insert appropriate language in all of its obligations issued under this subsection clearly indicating that such obligations, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the Corporation.

(7) The Corporation is authorized to purchase in the open market any of its obligations outstanding under this subsection at any time and at any price.

TITLE IV—LOAN LOSS RESERVE FUND

FINDINGS AND PURPOSE

SEC. 401. (a) The Congress finds and declares that—

(1) a critical factor in generating new permanent jobs in the private sector is the investment of capital in the right amount and the right form;

(2) when capital does not flow to its most productive uses—

(A) the economic health of an entire community suffers; and

(B) new employment is not created, technological improvements are not developed, and the macroeconomic benefits of new and profitable enterprise development are not realized;

(3) unlike large corporations which can draw on retained earnings to finance further growth, small businesses, young businesses, and entrepreneurial corporations rely on bank loans for growth and expansion;

(4) due to insufficient collateral, many small businesses, young businesses, and entrepreneurial corporations cannot obtain sufficient bank loans to grow rapidly, purchase new plants and equipment, and create additional permanent, private sector jobs; and

(5) the existence of an insurance fund, financed by equal payments from borrowers, lenders, and the Federal Government, can encourage banks and other lenders to increase their loans to small businesses, young businesses, and entrepreneurial corporations with insufficient collateral.

(b) The purpose of this title is to establish a national loan loss reserve fund (financed by equal payments from borrowers, lenders, and the Federal Government) to insure lenders against default on loans to small businesses, young businesses, and entrepreneurial corporations.

DEFINITIONS

SEC. 402. For purposes of this title—

(1) the term "lender participant" means a lender approved by the executive director to make loans pursuant to the provisions of this Act;

(2) the term "eligible loan" means a loan to a qualifying business under the conditions set forth in this Act;

(3) the term "qualifying business" means any individual, partnership, corporation, trust, or joint venture with less than $20,000,000 in sales or assets and whose principal activities do not consist of—

(A) dealing in commodities, securities, or real estate;

(B) retailing, banking, insurance, money lending, debt factoring, hire-purchase financing, or other financial services;

(C) leasing (including letting ships on charter or other assets on hire) or receiving royalties or license fees; or

(D) providing legal, accounting, or medical services;

(4) the term "amount of loss" means an amount equal to the unpaid balance of the principal amount, less any amounts realized by perfecting rights under a security agreement, together with such accrued interest as the executive director shall allow;

(5) the term "default" means a failure to make a regular payment of principal and interest for at least ninety days;

(6) the term "premium charge" means the percentage of the loan, as determined by the lender, which shall be deposited in the Entrepreneurship Loan Loss Reserve Fund on loans made pursuant to this title;

(7) the term "Board" means the board of directors of the Federal Deposit Insurance Corporation or the Federal Home Loan Bank Board;

(8) the term "Executive Director" means the Executive Director of the separate entrepreneurship loan loss reserve programs administered by the Chairman of the Federal Deposit Insurance Corporation and the Chairman of the Federal Home Loan Bank Board; and

(9) the term "Fund" means the separate Entrepreneurship Loan Loss Reserve Fund administered by the Chairman of the Federal Deposit Insurance Corporation and the Chairman of the Federal Home Loan Bank Board.

ENTREPRENEURSHIP LOAN RESERVE FUND

SEC. 403. (a)(1) The Chairman of the Federal Deposit Insurance Corporation and the Chairman of the Federal Home Loan Bank Board shall establish an Entrepreneurship Loan Loss Reserve Fund for the purpose of receiving Federal and private money to secure loans made pursuant to this title.

(2) Premium charges shall be accounted for on a lender-by-lender basis and shall consist of equal payments from the lender participant, borrower, and the Federal Government.

(3) The Fund shall be managed by an Executive Director designated by the chairman.

(4) Upon authorization by the Executive Director, amounts in the Fund shall be paid to lender participants to carry out the purposes of this title.

(b)(1) Notwithstanding any other provision of law, amounts in the Fund, in excess of amounts determined by the Executive Director to be needed for payment to lender participants pursuant to section 407, shall be offered to lender participants to be invested in certificates of deposit issued by them in proportion to their payments to the loan loss reserve program.

(2) If a lender participant declines to receive an amount offered for investment, such amount shall then be invested in United States Treasury securities.

(c)(1) All income from amounts invested shall be deposited in the Fund, and shall be used exclusively for the support of the loan loss reserve program.

(2) Such income shall be accounted for on a lender-by-lender basis in proportion to each lender participant's payment to the loan loss reserve program.

ELIGIBLE LOANS

SEC. 404. (a) The Executive Director shall certify those financial institutions which, by virtue of their experience, financial capability, and such other criteria as may be established under regulations issued pursuant to this title, are eligible to participate in the loan loss reserve program.

(b) Any financial institution may be disqualified from further participation in the loan loss reserve program on a finding, by the Board, in accordance with such regulations, that such institution has violated any of the provisions of this title, or any regulation issued pursuant thereto, or that such institution is insolvent.

(c) A loan made by a lender participant shall be recorded for the purpose of this section if the loan is approved under section 406 and if the borrower is a qualifying business.

(d) Not more than 25 per centum of the proceeds of any loan made pursuant to this Act shall be used for the repayment of one or more existing loans.

LOAN TERMS

SEC. 405. (a) Loans made pursuant to this title may bear interest at either a fixed or variable rate.

(b)(1) The total premium charge for each loan made pursuant to this title shall be paid in equal and matching amounts by the qualifying business, the lender participant, and the Federal Government.

(2) The lender shall determine the total premium charge for each loan made pursuant to this title. Such total premium charge shall be from 6 per centum to 15 per centum of the loan.

(3) When a loan is made by two or more lender participants, each lender participant's portion of the premium charge shall be proportionate to its participation in the loan.

APPLICATION PROCEDURE

SEC. 406. (a)(1) An application to record a loan made pursuant to this title shall be made by an eligible lender in such form as the Executive Director may require.

(2) The application shall set forth the amount of the loan, its maturity, interest rate, and amortization schedule.

(b) If, upon application by a lender participant, the Executive Director finds that the lender participant has made an eligible loan, the director shall record the loan.

(c) The lender participant shall submit, together with the application, the following premium charges determined by the lender—

(1) the percent premium charges payable by the lender participant; and

(2) the percent premium charge payable by the qualifying business.

(d)(1) All premium charges collected shall be deposited in the Fund.

(2) Upon recording a loan, the Executive Director shall pay, from funds appropriated for the purposes of this title, the premium charge payable by the Federal Government into the Fund.

(e)(1) All loans made pursuant to this title shall be recorded in a register to be maintained by the Board.

(2) The registration shall set forth the information contained in the application.

(f) All contributions made by a borrower and lender participant shall be allowed as an expense deduction in the year contributed for purposes of the Internal Revenue Code of 1954.

(g) Lender contributions shall not count toward the maximum amount of loan loss reserves that a bank can set aside from after tax earnings.

DEFAULTS

SEC. 407. (a) Upon default by a qualifying business on any eligible loan made pursuant to the provisions of this title—

(1) the Executive Director may require the lender participant to show how the proceeds of the loan were disbursed;

(2) the lender participant shall take such steps, and avail himself of such rights and remedies as may be available except when, in the determination of the Board, special circumstances exist which do not warrant taking such action; and

(3) the lender participant shall promptly notify the Executive Director, and the Executive Director shall, either at that time or after further collection efforts, pay to the lender participant the amount of loss.

(b)(1) In addition to the amount of loss, the lender participant may be reimbursed for all reasonable and necessary collection expenses incurred in the attempted collection of the loan.

(2) Such collection expense shall be a charge against that portion of the Fund attributable to the lender participant who made the loan.

(3) Before disbursing such funds, the Executive Director shall determine if such collection expenses are reasonable and necessary.

(c) Payments made to a lender participant pursuant to this section shall not exceed the amount retained in the Fund attributable to the lender participant who made the loan, except that the Executive Director may issue regulations providing for subsequent reimbursement when that portion of the loan loss reserve fund attributable to that lender participant is less than the amount of loss.

(d) Amounts recovered by a lender participant's collection efforts subsequent to reimbursement for a loss pursuant to this section shall first be paid into the Fund to the credit of the lender participant.

(e) Nothing in this section shall be construed to excuse a lender participant from exercising reasonable care and diligence in the making and collection of loans under the provisions of this section.

(f) If the board, after reasonable notice and opportunity for hearing, finds that an eligible lender has substantially failed to exercise such care and diligence as is required under this section, he shall disqualify that lender for further loans made pursuant to this Act until the Board is satisfied that its failure has ceased and finds that there is reasonable assurance that the lender will in the future exercise necessary care and diligence.

(g) The Executive Director shall establish procedures to assure that lenders are not reimbursed for any loan which does not comply with section 404(d).

CAPITALIZATION

SEC. 408. There are authorized to be appropriated $200,000,000 to the Fund.

S. 934—NATIONAL INDIVIDUAL TRAINING ACCOUNT ACT

Mr. HART. Mr President, today I am introducing a bill to deal with the growing problem of the massive displacement of workers caused by our rapidly changing economy.

The National Individual Training Account Act establishes a system of accounts, funded by voluntary contributions from employers and employees, for use by unemployed workers for training or relocation. It is an easily administered, self-financing system that will not add to the aleady severe financial pressures on the unemployment insurance system nor depend on annual appropriations from Congress. The system of training accounts established in the bill represents a long-awaited Federal response to the problem of how we fund and affect the needed retooling of our Nation's workplace.

America's employment needs have been profoundly affected by major shifts in our economic base. Improved automation techniques, the introduction of new technologies, the decline of employment in basic manufacturing industries and the growth in foreign competition have combined to increase worker dislocation and produce a shortage of skilled labor in our newer industries.

The Department of Labor projects a shortage of 2.5 million skilled workers by 1990. As the shortage of skilled labor becomes more acute, the numbers of dislocated workers are increasing rapidly. A November 1984 Department of Labor study shows that 5.1 million long-term workers were displaced from their jobs between 1979 and 1984 because of plant shutdowns or relocation, slack work, or the elimination of a position or shift. While 60 percent of these workers have found new work, almost half of those reemployed in full-time jobs are earning less than they did in their prior jobs. And 1.3 million of the 5.1 million dislocated workers—or about 25 percent—continue their search for work.

Today, institutions in the public and private sectors are not adequately prepared to assist displaced workers in finding new jobs and training for them. While the private sector has begun to recognize the importance of retraining programs for our work force, the programs offered, primarily by large corporations, cannot begin to meet the existing need for massive retraining efforts.

Federal programs offer little more. The unemployment insurance system provides income support to unemployed workers but furnishes no aid that leads to reemployment. Although title III of the Job Training Partnership Act was enacted to deal with the problem of the dislocated worker, the very limited funding allotted this program ensures that it reaches only a small proportion of workers who require job retraining.

In short, Federal programs fail to address the critical mismatch of job market demands and the current skills of our labor force.

The establishment of a system of individual training accounts will help rectify the mismatch between job skills and market demands by enabling workers to gain the skills necessary to meet the changing demands of the job market.

The National Individual Training Account Act is a voucher-based system modeled on a very successful national retraining program, the GI bill, and a savings and equity based financing system analogous to the individual retirement account.

The legislation authorizes employers and employees to make annual tax deductible contributions in the amount of 0.8 percent of the employee's salary or $250, whichever is less, to an interest-bearing training account. Upon involuntary umemployment, the participating worker is entitled to withdraw funds, in the form of a tax-free voucher, to attend a certified training program of the worker's choice. Upon the worker's retirement, the unused balance of the account, plus accumulated interest, is refunded to the employer and employee.

The provisions of the National Individual Training Account Act are geared to encourage personal choice, initiative, flexibility, and the wise use of funds with only limited Government involvement. Most importantly, the establishment of a system of training accounts will enable workers to thrive in an economy in transition. By ensuring that America's most valuable resource, the skill and knowledge of its people, is fully competitive, our Nation will continue to prosper in this time of great change.

The text of the bill follows:

S. 934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Individual Training Account Act of 1985".

TITLE I—INDIVIDUAL TRAINING ACCOUNTS

ESTABLISHMENT OF NATIONAL INDIVIDUAL TRAINING ACCOUNT PROGRAM

SEC. 101. (a) There is hereby established the national individual training account program (hereinafter in this title referred to as the "program") to be administered by the Secretary of Labor and the Secretary of the Treasury in cooperation with the several States. The purpose of the program is to provide incentives to employers and employees to invest in a system of individual training accounts that shall be used to defray the costs of employee training in the event an employee becomes or is about to become involuntarily unemployed. It is the intent of the Congress that—

(1) the program be maintained as a voluntary system open to any employee and any employer of such employee who elect to participate in the program, and

(2) amounts on deposit in individual training accounts be invested in a manner that will yield a high return.

(b) The Secretary of Labor shall prescribe such regulations as may be necessary to administer the program in accordance with this Act.

(c)(1) The Secretary of Labor, on behalf of the United States, may enter into an agreement with any State, or with any agency administering the unemployment compensation laws of any State, under which such State or agency shall—

(A) issue and redeem, as an agent of the United States, vouchers to pay training and relocation expenses in accordance with this Act;

(B) accept contributions, as the agent of the United States, from employees and employers for deposit into individual training accounts and distribute any amount in any such account at such times as any distribution from such account is authorized under section 103(b);

(C) provide individual counseling or job and training referral services to any participant in the program; and

(D) cooperate with the Secretary of Labor, the Secretary of the Treasury, and any other officer of any agency of the Federal Government or any other State in carrying out the purposes of this Act.

(2) The Secretary of Labor shall provide such information and shall detail, on a reimbursable basis, such personnel as may be requested by any State to assist such State to establish a State individual training account program which meets the requirements of section 3310 of the Internal Revenue Code of 1954 (as amended by section 202 of this Act).

DUTIES OF THE SECRETARY OF LABOR

SEC. 102. (a) The Secretary of Labor shall establish by regulations procedures for conducting the following activities:

(1) Acceptance and transfer of contributions for credit to any individual training account.

(2) Acceptance and review of any application for a voucher for training and relocation expenses filed by an individual who maintains a balance in an individual training account established for the benefit of such individual.

(3) Redemption of any voucher issued in accordance with section 103(d) for training or relocation expenses.

(4) Acceptance and review of any application for any distribution under section 103(b) from any account.

(5) Acceptance and review of any application relating to obtaining a certificate of eligibility for a training program.

(6) Review and transfer of any information collected or determination made by any State or person relating to any labor market, any training program, and any other factor which such Secretary may take into account for the purpose of any determination under this Act.

(b)(1) The Secretary of Labor and the Secretary of the Treasury shall establish procedures, by regulations issued jointly by them, for conducting the following activities:

(A) The transfer to the Secretary of the Treasury of any contribution for deposit in the Unemployment Trust Fund to the credit of any individual training account and any related account.

(B) The allocation and distribution among the several States of any amount credited to the individual training account administration account.

(C) The allocation and distribution of any amount in any individual training account among any contributors to such account pursuant to section 103(b).

(D) The determination and collection of any excess amounts paid or distributed from any account established in the Unemployment Trust Fund under section 910 of the Social Security Act.

(2) The Secretary of Labor and the Secretary of the Treasury shall establish procedures, by regulations issued jointly by them, for making a determination that any amount in any individual training account is incapable of being distributed to any person entitled to such distribution.

DISTRIBUTIONS FROM INDIVIDUAL TRAINING ACCOUNTS

SEC. 103. (a)(1) For purposes of this title, the term "eligible individual" means any individual who is involuntarily unemployed through no fault of his own.

(2) Any eligible individual may withdraw from an individual training account established for the benefit of such individual—

(A) such amount as is necessary to pay training expenses incurred by such eligible individual in a training program determined by the Secretary of Labor, under section 104, to be an eligible training program; or

(B) an amount not to exceed $1,000 to pay relocation expenses approved by the Secretary of Labor or the authorized agent of such Secretary under section 105, with respect to such eligible individual.

(3) If the employer of any employee certifies to the Secretary of Labor or the authorized agent of such Secretary that such employee will be discharged permanently within the six-month period beginning on the date such certification is submitted to the Secretary or such agent, such employee shall be treated as an eligible individual as of such date if such employee would, but for the fact that such discharge has not yet occurred, be an eligible individual on such date.

(b)(1) In the case of an employee who—

(A) voluntarily ceases to be employed by his employer, or

(B) involuntarily ceases to be employed by such employer through the fault of such employee,

an amount equal to the sum of any amounts contributed by such employer to an account established for the benefit of such employee shall be distributed to the employer from such account in the manner provided in paragraph (5).

(2) In the case of an employee who retires from his employment by his employer or who dies while employed, any balance in the individual training account established for the benefit of such employee shall be distributed from such account among the contributors to the account (or the successor in interest to any such contributor) in the manner provided in paragraph (5). The employee's share of any balance in such account, in the case of an employee who has died before such distribution is made, shall be distributed to and included in the estate of such employee.

(3) For purposes of this subsection, an employee who ceases to be employed because such employee has become disabled (within the meaning given to such term by section 72(m)(7) of the Internal Revenue Code of 1954) shall be treated as an individual who has retired.

(4) In the case of any distribution under this subsection of any amount from the balance in an individual training account, such amount shall be distributed among the contributors to such account (or the successors in interest to any such contributor) who are authorized to receive such distribution under any paragraph of this subsection. Any division of the amount in any such account being distributed among such contributors shall reflect—

(A) the amount of the net income of the account which is attributable to the contributions of each such contributor, and

(B) a proper allocation of any amounts previously distributed from such account for approved job training or relocation expenses among the contributions which were made before any such distribution (including the net income of the account which was attributable to such contributions and was earned before such distribution).

(5) For purposes of making any distribution under this subsection, the Secretary shall prescribe by regulations the manner in which any determination shall be made with respect to recognizing any person as the successor in interest to any employer in the case of any merger, acquisition, or liquidation affecting such employer.

(c) No distribution from an individual training account shall be made unless—

(1) application to the Secretary of Labor, through a State public employment office or other agency, is made by the person seeking such distribution, and

(2) such application is approved by the Secretary of Labor or an authorized agent of such Secretary in accordance with this title.

(d)(1) The Secretary of Labor shall establish a voucher system for making distributions from individual training accounts for training or relocation expenses.

(2) A voucher issued to an eligible individual under such system to pay training expenses or relocation expenses shall be redeemed by a public employment office (or such other agency which the Secretary of Labor has approved under section 3304(a)(1) of the Internal Revenue Code of 1954) for an amount not to exceed—

(A) the face value of the voucher, or

(B) the actual cost of such expenses,

whichever is less, upon the presentation of such voucher to such office (or such agency) by the person who provided or is providing

the service for which such expenses were incurred.

(3) No voucher issued to any eligible individual may be used to pay any expenses of any other individual.

(e)(1) In the case of any payment or distribution to any person from any individual training account (or the individual training account insurance account in the Unemployment Trust Fund) in excess of the amount to which such person is entitled under this Act, such excess amount shall be declared by the Secretary of the Treasury (in such manner as such Secretary shall prescribe by regulations) to be an amount due such Secretary by such person. The Secretary of the Treasury shall prescribe by regulations the manner in which any such excess amount shall be repaid by such person or otherwise collected from such person.

(2) Upon receipt of any repayment of any excess amount referred to in paragraph (1), the Secretary of the Treasury shall, subject to paragraph (3), credit the individual training account of the individual for whose benefit such payment was made for the amount of such repayment.

(3) To the extent any payment or distribution referred to in paragraph (1) gave rise to a debit by the Secretary of the Treasury of the individual training account insurance account in the Unemployment Trust Fund pursuant to section 910(a)(3) of the Social Security Act, the Secretary of the Treasury shall credit such insurance account for so much of the amount of any repayment under this subsection as does not exceed the amount of any such debit.

(f)(1) No voucher issued to an eligible individual before the end of the one-year period beginning on the date of the first contribution by such individual to the individual training account established for his benefit may bear a face value in excess of the balance in such account on the date of such issue.

(2) If the redemption of any voucher issued under this section to pay the training or relocation expenses of any individual gives rise to a debit by the Secretary of the Treasury of the individual training account insurance account in the Unemployment Trust Fund pursuant to section 910(a)(3) of the Social Security Act, no additional voucher for such purposes shall be issued to such individual for any amount in excess of any balance in the individual training account established for the benefit of such individual at any time—

(A) after the date of the redemption of the voucher which gave rise to such debit, and

(B) before the end of the one-year period beginning on the date of the first contribution by such individual to the individual training account established for his benefit after such individual obtained employment following such training or relocation.

(3) Notwithstanding subsection (a), no unemployed individual shall be treated as an eligible individual before the end of the one-year period beginning on the date of the enactment of this Act. Any unemployed individual who, but for the preceding sentence, would be an eligible individual shall be treated during such one-year period as an employee who has voluntarily ceased to be employed by the employer of such individual.

ELIGIBLE TRAINING PROGRAMS; CERTIFICATION BY THE SECRETARY

SEC. 104. (a) In the case of an application under section 103(c) by an eligible individual for a voucher under section 103(d) for a withdrawal from an individual training account to pay the expenses of training in any trade or occupation, no such application shall be approved by the Secretary of Labor or any authorized agent of such Secretary unless the training program providing such training has been certified by the Secretary of Labor to be an eligible training program under this section with respect to such trade or occupation.

(b) A training program shall be certified by the Secretary of Labor as an eligible training program for purposes of section 103(a)(2) of this title and section 197(f)(2) of the Internal Revenue Code of 1954 if the Secretary determines to his satisfaction that—

(1) the quality of such training program will be adequate and reasonable for the trade or occupation for which such training is being or will be provided;

(2) subject to subsection (d), the trade or occupation for which such training is being provided under such program is one which is likely to lead to employment opportunities for the participant in such program;

(3) the facilities and equipment to be used are suitable for such program and the instructors in such program are qualified to provide training in such trade or occupation; and

(4) the training program meets such other requirements as the Secretary may establish under the program.

(c) The Secretary of Labor shall by regulation prescribe procedures governing the manner in which a program may be certified under subsection (b) as an eligible training program for purposes of this title. Such procedures shall provide for the following factors to be taken into consideration by the Secretary before making such certification:

(1) The projections by the Bureau of Labor Standards pursuant to section 462(a) of the Job Training Partnership Act with respect to future demand for the occupation for which training is being provided under such training program.

(2) The training and education requirements for such occupation maintained by the Secretary of Labor pursuant to section 462(b) of such Act.

(3) Information collected and maintained by a State labor market information program referred to in section 125 of such Act concerning education and training supply support needs of the State within which such training program is situated.

(4) With respect to the quality of such training program, any determination relating to such program by the Secretary of Education, any State education agency, any State agency which regulates or accredits apprenticeship programs, any private industry organization, any agency or organization which receives Federal financial assistance under the Jobs Training Partnership Act, or any nationally recognized accrediting agency or association which the Secretary of Labor determines to be reliable authority as to the quality of training offered.

(5) Such other factors as the Secretary of Labor may determine to be relevant to such certification.

(d) No training program in low-wage industries where prior skill is typically not a prerequisite and labor turnover is high shall be approved by the Secretary as an eligible training program for purposes of subsection (a).

QUALIFIED RELOCATION EXPENSES; APPROVAL BY THE SECRETARY

SEC. 105. (a) In the case of an application under section 103(c) by an eligible individual for a voucher under section 103(d) for a withdrawal from an individual training account to pay relocation expenses incurred by such employee, no such application shall be approved by the Secretary of Labor or any authorized agent of such Secretary unless such Secretary or such agent determines that reimbursement from such account for such relocation is consistent with the purposes of this Act and the requirements of this section.

(b) Subject to the dollar limitation contained in section 103(a)(2)(B), the Secretary of Labor or any authorized agent of such Secretary may approve any application for a voucher to pay the costs incurred by an eligible individual for moving costs and such other reasonable costs incidental to the relocation of such employee which such Secretary or such agent may designate.

(c) The Secretary of Labor shall by regulation prescribe procedures governing the manner in which an eligible individual may be certified as eligible for relocation expenses under this section.

(d)(1) No application for payment of relocation expenses of any eligible individual shall be approved by the Secretary of Labor or any authorized agent of such Secretary for the relocation of such individual outside the State in which such individual was last employed before the end of the thirteen-week period beginning on the date such individual was last employed.

(2) No application described in paragraph (1) shall be approved after the end of the thirteen-week period referred to in such paragraph unless the public employment service of the State in which an eligible individual was last employed (or such other agency which the Secretary of Labor has approved under section 3304(a)(1) of the Internal Revenue Code of 1954) determines that no employment opportunity exists within such State in any trade or occupation of such individual.

(3) In the case of an eligible individual who was last employed in one State and during such last employment resided in another State—

(A) paragraph (1) shall be applied so as to allow the payment of relocation expenses for the relocation of such individual within either such State during the 13-week period referred to in such paragraph, and

(B) the determination under paragraph (2) shall be made with respect to employment opportunities within both such States before an application may be approved for the payment of relocation expenses for the relocation of such individual to any place outside of both such States.

INDIVIDUAL TRAINING ACCOUNTS ESTABLISHED AS SEPARATE BOOK ACCOUNTS IN UNEMPLOYMENT TRUST FUND

SEC. 106. (a) Title IX of the Social Security Act (relating to miscellaneous provisions relating to employment security) is amended by inserting at the end thereof the following new section:

"INDIVIDUAL TRAINING AND RELATED ACCOUNTS ESTABLISHED

"SEC. 910. (a)(1) There shall be established in the Unemployment Trust Fund an individual training account for the benefit of each individual who elects to participate in a State individual training account program approved by the Secretary of Labor in ac-

cordance with section 3310 of the Internal Revenue Code of 1954. No more than one such account shall be established for the benefit of any individual. Each such account shall be maintained as a separate book account in the manner provided in section 904(e).

"(2) Any amount received by the Secretary of the Treasury as a contribution to an individual training account shall be deposited in the Fund and, except as provided in subsections (b)(2) and (c)(2), credited to such account. To the extent the credit of any such amount to such account would cause the balance in such account to exceed $4,000, the amount of such contribution which would create such excess shall be promptly returned to the contributor of such amount.

"(3) Upon receipt of notification from the Secretary of Labor of any redemption by any State of any voucher for training or relocation expenses of an individual for whose benefit an individual training account has been established, the Secretary of the Treasury shall—

"(A) debit the individual training account of such individual for such amount, and

"(B) credit the State individual training account for such State for such amount.

If the amount of any such redemption exceeds the balance maintained in such account and does not exceed $4,000, the Secretary of the Treasury shall debit the individual training account insurance account for such excess amount.

"(4) Upon making a determination in accordance with procedures established pursuant to section 102(b)(2) of the National Individual Training Account Act of 1985 that any amount credited to any individual training account is incapable of being distributed to any person entitled to such distribution under section 103(b) of such Act, the Secretary of the Treasury shall—

"(A) transfer such amount from the Fund to the general fund of the Treasury, and

"(B) debit the account for such amount.

"(b)(1) There is hereby established in the Unemployment Trust Fund an individual training account administration account. Such account shall be maintained as a separate book account in the manner provided in section 904(e).

"(2) Of any amount received by the Secretary of the Treasury as a contribution to an individual training account, percent of such amount shall be credited to the individual training account administration account.

"(3) Upon receipt of notice from the Secretary of Labor of any amount determined (in accordance with regulations promulgated pursuant to section 102(b)(2) of the National Individual Training Account Act of 1985) to be due any State for assisting such State to administer the individual training account program in such State, the Secretary of the Treasury shall—

"(A) debit the individual training account administration account for such amount, and

"(B) credit the State individual training account for such State for such amount.

"(c)(1) There is hereby established in the Unemployment Trust Fund an individual training account insurance account. Such account shall be maintained as a separate book account in the manner provided in section 904(e).

"(2) Before the end of each fiscal year, the Secretary of the Treasury shall—

"(A) debit each individual training account for $25, and

"(B) credit the individual training account insurance account for such amount.

"(d)(1) There shall be established in the Unemployment Trust Fund a State individual training account for each State which participates in the national individual training account program. Each such account shall be maintained as a separate book account in the manner provided in section 904(e).

"(2) At least once during each quarter of each fiscal year (or upon the receipt of a request for payment from the Governor or other chief executive of any State), the Secretary of the Treasury shall—

"(A) out of any amount on deposit in the Fund, pay to each State for which a State account has been established under paragraph (1) (or, in the case of any such request, such State) an amount equal to the balance in the State account for such State, and

"(B) debit such State account for such amount.".

(b) Subsection (e) of section 904 of the Social Security Act is amended by striking out "and the railroad unemployment insurance administration fund" and inserting in lieu thereof "the railroad unemployment insurance administration fund, the individual training account administration account, the individual training insurance account, each individual training account, and each State individual training account".

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954 RELATING TO INDIVIDUAL TRAINING ACCOUNTS

SEC. 201. APPROVED STATE INDIVIDUAL TRAINING ACCOUNT PROGRAM REQUIRED FOR APPROVAL OF STATE UNEMPLOYMENT COMPENSATION LAWS.

(a) IN GENERAL.—Subsection (a) of section 3304 of the Internal Revenue Code of 1954 (relating to approval of State laws) is amended by redesignating paragraph (18) as paragraph (19) and inserting after paragraph (17) the following new paragraph:

"(18) a State individual training account program which has been approved by the Secretary of Labor under section 3310 is in effect in such State; and".

(b) CONFORMING AMENDMENT.—Paragraph (17) of such subsection (a) of such section 3304 is amended by striking out "and" at the end thereof.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to certifications of State laws for 1986 and subsequent years.

SEC. 202. STATE INDIVIDUAL TRAINING ACCOUNT PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Chapter 23 of the Internal Revenue Code of 1954 (relating to the Federal Unemployment Tax Act) is amended by redesignating sections 3310 and 3311 as sections 3311 and 3312, respectively, and by inserting after section 3309 the following new section:

"SEC. 3310. STATE INDIVIDUAL TRAINING ACCOUNT PROGRAM REQUIREMENTS.

"The Secretary of Labor shall approve the individual training account program of any State which he finds meets the following requirements:

"(1) The public employment agency of such State is authorized and required under the law of such State to act as the agent of the Secretary of Labor with respect to the administration of the National Individual Training Account Act of 1985 to the extent required by such Act and any regulation promulgated by such Secretary pursuant to such Act.

"(2) All public employment offices (or such other agency which the Secretary of Labor has approved under section 3304(a)(1)) in such State shall accept money for deposit in an individual training account.

"(3) Participation in such program shall be voluntary and open to any employee covered under the unemployment compensation laws of such State and the employer of such employee.

"(4) An individual training account shall be established under such program only if the employee for whose benefit such account is established and the employer of such employee each agree to contribute to such account, in each calendar year during which such account is maintained, a minimum of—

"(A) $250, or

"(B) an amount equal to 0.8 percent of the wages paid by such employer to such employee during such calendar year,

whichever is less, subject to the limitation contained in section 910(a)(2) of the Social Security Act with respect to accounts which have a balance of $4,000 or more.

"(5) Any voucher for training or relocation expenses presented to any public employment office (or such other agency which the Secretary of Labor has approved under section 3304(a)(1)) in such State by the person who provided the service for which such expenses were incurred shall be paid by such State subject to reimbursement from the State individual training account for such State in the Unemployment Trust Fund in accordance with section 910(d)(2) of the Social Security Act.

"(6) No application by any individual for a voucher for training or relocation expenses shall be accepted unless such individual has received individual counseling from any public employment office (or such other agency which the Secretary of Labor has approved under section 3304(a)(1)) with respect to seeking employment.

"(7) Such State shall provide such cooperation to other States as may be necessary to administer the National Individual Training Account Act of 1985."

(b) TECHNICAL AND CONFORMING AMENDMENT.—Subsection (j) of section 3305 of such Code is amended by striking out "section 3310" and inserting in lieu thereof "section 3311".

(c) CLERICAL AMENDMENT.—The table of sections for such chapter 23 is amended by redesignating the items relating to sections 3310 and 3311 as sections 3311 and 3312, respectively, and by inserting after the item relating to section 3309 the following new item:

"Sec. 3310. State individual training account programs."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 203. DEDUCTION ALLOWED FOR CONTRIBUTION TO INDIVIDUAL TRAINING ACCOUNT.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 197. CONTRIBUTIONS TO INDIVIDUAL TRAINING ACCOUNT.

"(a) DEDUCTION ALLOWED.—

"(1) EMPLOYEE.—In the case of an employee, there shall be allowed as a deduction an amount equal to the sum of the contributions paid or incurred by the taxpayer in the calendar year in which the taxable year

of the taxpayer begins to an individual training account established for the benefit of such employee in the Unemployment Trust Fund in accordance with section 910(a) of the Social Security Act.

"(2) EMPLOYER.—In the case of an employer, there shall be allowed as a deduction an amount equal to 125 percent of the sum of the contributions paid or incurred by the taxpayer in the calendar year in which the taxable year of the taxpayer begins to an individual training account established for the benefit of any employee of such employer in the Unemployment Trust Fund in accordance with section 910(a) of the Social Security Act.

"(b) LIMITATION ON CONTRIBUTION IN EXCESS OF MAXIMUM ACCOUNT BALANCE.—No deduction shall be allowed under subsection (a)(1) or subsection (a)(2) for any contribution to an individual training account to the extent such contribution would cause the balance in such account to exceed $4,000.

"(c) SPECIAL RULES.—

"(1) AMOUNTS INCLUDED IN CONTRIBUTION.—The amount of any contribution for which a deduction is allowable under subsection (a) includes—

"(A) the amount credited to the individual training account administration account in accordance with section 910(b)(2) of the Social Security Act, and

"(B) the amount credited to the individual training account insurance account in accordance with section 910(c)(2) of such Act, with respect to such contribution.

"(2) DISALLOWANCE OF ANY OTHER DEDUCTION FOR CONTRIBUTION TO INDIVIDUAL TRAINING ACCOUNT.—No deduction otherwise allowable under any other provision of this title shall be allowed with respect to contributions by an employer to an individual training account.

"(d) CARRYOVER OF UNUSED DEDUCTIONS FOR EMPLOYERS.—If the sum of any amounts allowable as a deduction under subsection (a)(2) to any employer for any taxable year exceeds the taxable income of such employer for such taxable year (hereinafter referred to in this subsection as the 'unused deduction year'), such excess shall be—

"(1) a training account deduction carryback to each of the 3 taxable years preceding such unused deduction year, and

"(2) a training account deduction carryforward to each of the 3 taxable years following such unused deduction year.

The entire amount of the unused deduction for an unused deduction year shall be carried to the earliest of the 6 taxable years to which (by reason of the preceding sentence) such unused deduction may be carried and then to each of the other 5 taxable years to the extent that such unused deduction exceeds taxable income for a preceding taxable year to which such unused deduction may be carried. If any portion of such unused deduction is a carryback to a taxable year beginning before the effective date of this section, this section shall be deemed to have been in effect for such taxable year for the purpose of allowing such carryback as a deduction under this section.

"(e) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Any amount paid or distributed out of an individual training account shall be included in gross income of the payee or distributee for the taxable year in which the payment or distribution is received to the extent that such amount represents the return of contributions by such payee or distributee to such account for which a deduction was allowed under subsection (a), including interest accrued in such account and attributable to any such contribution.

"(2) DISTRIBUTION USED TO PAY TRAINING OR RELOCATION EXPENSES.—Paragraph (1) shall not apply to any payment or distribution out of an individual training account to the extent such payment or distribution is used to pay training or relocation expenses approved by the Secretary of Labor (or an authorized agent of such Secretary) with respect to the employee for whose benefit such account has been established.

"(3) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) shall not apply to the distribution of any contribution paid by any person in any calendar year to an individual training account to the extent that such contribution exceeds the amount of the limitation contained in subsection (b) with respect to any contribution to such account if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such person's return of income for the taxable year which began in such calendar year,

"(B) no deduction is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the person for the taxable year which began in the calendar year in which such excess contribution was made.

"(4) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under section 217(a) for costs incurred by any employee described in paragraph (2) of this section to the extent that such costs were paid by such employee with the proceeds of any payment or distribution to which such paragraph (2) applies.

"(f) DEFINITIONS.—For purposes of this section—

"(1) TRAINING EXPENSES DEFINED.—The term 'training expenses' means—

"(A) tuition and fees required for the enrollment or attendance of an employee in an eligible training program, and

"(B) books, supplies, or equipment required for enrollment in such program and supplied through such program.

"(2) ELIGIBLE TRAINING PROGRAM DEFINED.—The term 'eligible training program' means a training program approved by the Secretary of Labor under section 104(b) of the National Individual Training Account Act of 1985.

"(3) RELOCATION EXPENSES DEFINED.—The term 'relocation expenses' means any expense described in section 217(b) which has been approved by the Secretary of Labor (or an authorized agent of such Secretary) under section 105(b) of the National Individual Training Account Act of 1985.

"(4) EMPLOYER DEFINED.—The term 'employer' has the meaning given to such term by section 3306(a).

"(5) EMPLOYEE DEFINED.—The term 'employee' has the meaning given to such term by section 3306(i)."

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 196 the following new item:

"Sec. 197. Contribution to individual training account."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions to individual training accounts made after December 31, 1984, in taxable years ending after such date.

SEC. 204. NO REDUCTION IN FEDERAL UNEMPLOYMENT TAX IN CASE OF LARGE EMPLOYER WHO REFUSES TO PARTICIPATE IN PROGRAM.

(a) IN GENERAL.—Chapter 23 of the Internal Revenue Code of 1954 (relating to the Federal Unemployment Tax Act) is amended by inserting after section 3303 the following new section:

"SEC. 3303A. NO REDUCTION IN TAX IN CASE OF LARGE EMPLOYER WHO REFUSES TO PARTICIPATE IN NATIONAL INDIVIDUAL TRAINING ACCOUNT PROGRAM.

"(a) IN GENERAL.—In the case of any large employer which refuses to enter into an agreement described in section 3310(4) at the request of any employee in any calendar year with respect to which such employer would otherwise be subject to the tax imposed under section 3301 at the rate described in paragraph (2) of such subsection, such employer shall be subject to such tax with respect to such calendar year at the rate described in paragraph (1) of such section.

"(b) LARGE EMPLOYER DEFINED.—For purposes of subsection (a), the term 'large employer' means any employer (within the meaning given such term by section 3306(a)) which during the calendar year employed an average of not less than 25 employees."

(b) CLERICAL AMENDMENT.—The table of sections for such chapter 23 is amended by inserting after the item relating to section 3303 the following new item:

"Sec. 3303A. No reduction in tax in case of large employer who refuses to participate in national individual training account program."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to calendar years beginning after December 31, 1986.

(d) APPROPRIATION OF AMOUNTS ATTRIBUTABLE TO THE OPERATION OF SECTION 3303A(a) OF SUCH CODE.—For the expense of administering the Federal-State employment service, there is hereby appropriated to the Secretary of Labor for each fiscal year ending after January 1, 1986, an amount determined by the Secretary of the Treasury to be equivalent to percent of the amounts received in the general fund in the Treasury which are attributable to the operation of section 3303A(a) of the Federal Unemployment Tax Act (relating to denial of reduction in tax rate in case of large employer who refuses to participate in the national individual training account program).

S. 935—THE HIGH TECHNOLOGY MORRILL ACT

Mr. HART. Mr. President, I am pleased to join Senator STENNIS in introducing the High Technology Morrill Act. My hope is that this legislation will do for high technology what the original Morrill Act of 1862 did for American agriculture—make it the most productive and globally competitive industry in the world.

The purpose of the legislation is to promote joint initiatives by private industry, educational institutions, and state government to strengthen science, engineering, and technical education. It is my conviction that such partnerships offer a significant solution to the problems which have plagued American industries in recent years.

Historically, this Nation's economic strength has been built on the ability of our industries to be on the cutting edge of technology and innovation. Our position has been eroded, however, in the international marketplace by competitors who have made a more dedicated effort to upgrade their industrial capacity, respond to technological change, and improve the quality and quantity of their human resources. But the best minds of our younger people have not returned toward engineering and the sciences; our schools have proven more adept at producing lawyers and managers instead.

We are failing to provide basic science and math skills to our elementary and secondary school students. We are producing an insufficient number of technically trained individuals at a time when the demand for scientists and engineers is increasing rapidly. The Bureau of Labor Statistics projects that the demand for people in these areas will increase by 40 percent by 1990. This translates into about 180,000 new jobs in mathematical, physical, and life sciences; 480,000 in the computer professions; and 250,000 in engineering. Who will fill these jobs? How can we expect to meet the demand for skilled workers if we don't do something to improve their educational opportunities?

We must increase the quality of technological education at all levels. Basic math and science must be emphasized at the elementary and secondary levels. Our colleges and universities must upgrade their science and engineering programs. And our educational system must provide training programs for workers who need more technical skills.

Our educational institutions cannot handle the job alone. Thus, the High Technology Morrill Act encourages partnerships nationwide among State governments, industries, and educational institutions. The act establishes a technology trust fund, financed by revenues from the sale and rental of energy and mineral resources on Federal lands, to respond to partnership initiatives by providing matching grants to educational institutions. The role of the Federal Government is limited to providing national direction and shared funding of the program.

Under the act, specific projects would be initiated by local industry in cooperation with education and State economic development agencies. In my judgment, projects initiated jointly by a corporation and campus represent the wisest and most effective way to proceed. This ensures that programs respond to legitimate technological needs, it makes wise use of educational resources, and it satisfies economic development priorities.

The bill authorizes use of the funds by educational institutions to develop programs to enhance science and engineering teaching as a career, establish research and training centers, modernize laboratory equipment, start computer literacy programs, initiate retraining programs for workers with outmoded skills and support other approved programs that strengthen technological education.

Mr. President, this is truly a bill for America's future that is firmly grounded in today's realities and challenges. By developing now our human resources to meet the challenges of new technologies, we are safeguarding for the future our Nation's leading role in a changing world.

My hope is we in this body can put into place this year a legislative piece as creative and far sighted as Senator Morrill's piece over a century ago.

Mr. STENNIS. Mr. President, I am pleased to join with my fine friend and colleague from Colorado, Mr. HART, in again introducing the High Technology Morrill Act. As you know, this is an extremely important issue and it is one that I have been concerned about for some time.

The unmatched progress and growth of our great Nation over the past 200 years has come in a large measure from the leadership of our Nation in the practical application of science and technology. In every field of endeavor—agriculture, space, communications, commerce, medicine, chemistry, energy, and so on—U.S. engineers and scientists have led the way in getting the job done. Their record of scientific achievement has created the most bountiful nation and economy ever to exist, by and large, on the face of the Earth.

But with all of our progress, storm clouds are on the horizon. Some are the result of the pace of the new discoveries in science and technology. These changes are coming at such blinding speed that many of our workers are being dislocated by new machines and new methods of manufacturing.

Some of the storm clouds are the result of forces which are largely economic. The wage and price battles which characterized the 1960's and 1970's have weighed heavily on our major industries. Many of these mainstay industries, like autos and steel, have not since been able to successfully compete in international competition. And while higher prices took a heavy toll, there are other factors, some related to our engineering abilities. The most modern auto production plants in Japan seem to turn out autos that have the appearance of being of higher quality by virtue of better fit and finish. Some consumers say that the automobiles built by our foreign competitors are more reliable and perform more to their liking.

Mr. President, those are not idle words. Those words are not hurriedly chosen and spoken. I am a stubborn kind of fellow and I was slow to yield to the validity of these facts that I have just related. However, I decided we have to face the facts, whatever they are, and we have to try to do something about them.

Finally, and most important, there are signs that the United States is beginning to slip in areas of basic research. National testing programs and surveys tell us that recent high school and college graduates are becoming increasingly unaware of math and science. The downhill slide could have grave consequences for the Nation's economy and defense. Our economic prosperity and national security depends on the Nation's ability to reverse this downward trend in education, particularly in the fields of math and science.

The solution will not come easy. In discussions with educators in my State, I am told that there are serious deficiencies at all levels of math and science education. For example, over one-half of all new high school math and science teachers do not meet the full requirement for teaching and 10 percent of all college engineering faculty positions are either vacant or filled by temporary instructors.

Also, I am told that science, math, and engineering graduates right out of college can make more than their professors who have a higher degree. In my State of Mississippi, recent engineering graduates started at $27,000 while beginning high school and math teachers earned less than half that amount.

Because of the demands of our rapidly changing technical environment, we have placed a premium on engineering graduates. This, therefore, creates another problem in which the masters and doctorate programs have been brought to a standstill. Let me repeat that Mr. President. We all like to see a prosperous person get a good salary, so to speak. But this states—as a fact—that the salaries now paid by industry for engineers are so high that they have brought the masters and doctorate programs in education to a standstill. The net result is that industry is eating its own seed corn. Clearly, we must do something to make teaching of math, science, and other related areas more financially appealing.

This is not just a plea for money or another education bill trying to put out a limited program. This is a broad search, a broad appeal, for a new policy and new methods. I believe teaching is the second greatest profession; second only to the ministry itself.

I find to my surprise in this field that the school equipment and supply situation is also in a depressing state. University engineering and research equipment and facilities are outdated and obsolete in many instances. Sci-

ence equipment for all elementary and high schools is woefully inadequate or nonexistent when considered by the needs of the present demand. Something must be done and done soon to correct this problem.

Our college class of the year 2000 is now in elementary school. Think of that, Mr. President. These children, who are just now getting a start in the education process, will be the college class of the future, the year 2000. This generation may be the make-or-break generation to assure our future economic strength, our competitive edge in technology and production, and our ability to defend ourselves. This educational problem is urgent. Time has not run out on a solution but the clock is ticking fast.

Here I refer to the Soviet launching of sputnik in 1957. This Nation was reminded of the importance of maintaining its leadership in technology. Congress and the Nation got busy.

I remember one witness testified that unless we built a test facility with a thrust of 1 million pounds we would lose the race. Some segments of the press said it was ridiculous to talk about a million pounds of thrust. A short time later, due to the magnificent program we adopted, the thrust that we had then in one test facility was 6 or 7 or 8 million pounds.

We set our goals and passed the landmark National Defense Education Act which provided unprecedented levels of aid to school systems at all levels. We engaged in a bold crash program to land on the Moon.

These efforts were successful and they worked well together. As we all know, the real meaning of the Moon race was not just reaching the Moon but developing the expertise in the various fields and the technological ability to get there.

The challenge before us now is our economic future and our national defense. Someone said, "Oh, well, the Senator from Mississippi is always talking about national defense." I am proud to be able to talk about it some, but I say here now that this challenge is to our economic future. The warning signs are clearly there to heed. They are common knowledge to all of us—persistent unemployment, slowed productivity, and loss of market share.

Recently, I was at a launching of the Navy's newest guided-missile cruiser and they announced the crew of the old ship, *Ticonderoga*, was 800 men. That was some 80 to 100 years ago. This modern ship, which is said to be one of the greatest ever put together, has a crew of 400 men, a reduction of 50 percent.

Everywhere we are turning we are eliminating, through our scientific methods, the need for the individual to be employed. Something special must be done to meet the needs of our economy to furnish simple employment.

There will not be any magic solution to any of these problems now confronting our Nation, but they must be addressed and those problems must be solved. As it always has, it will require imagination, discipline, application, and plenty of plain commonsense and hard work.

I am confident that we have the resources to conquer these problems with a good foundation already in place to build upon. We have the world's highest student retention rate—three quarters of the U.S. children finish the 12th grade. We have the largest public school and university system in the world and the finest school buildings by any objective measure. This is a valuable storehouse of capital which can be used to build on and restore the United States to a preeminent position in science and technology. However, there is a rub in our present situation—the lack of those key students.

This effort must start in the schools. We need to correct the shift away from the quality of education which seems to be occurring. Our children have proven that they have an enormous capacity for learning. We need to address the teacher shortage and equipment problems of our educational institutions. Also, we need to address the need for upgrading the education and training of our current engineers, scientists, and technicians.

It is for this reason I have joined with Senator HART and others to introduce the High Technology Morrill Act. This legislation, in my opinion, would provide much of the needed stimulus to get our educational system headed back in the right direction. It will involve the government, educational institutions and industry in an attack on the educational problems of preparing for our Nation's future. We all—parents, Government, industry, and educators—have an enormous stake in this.

I ask my colleagues to join us in this important effort and urge that this bill be considered by the appropriate committee as soon as possible. I offer my assistance to work for its passage.

The text of the bill is as follows:

S. 935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "High Technology Morrill Act."

FINDINGS

SEC. 2. The Congress finds that—

(1) the relationship between a healthy and vibrant national educational system and a healthy economy is inseparable in an era of technology dependent economic growth;

(2) competitor nations have given priority to the relationship between education and economic growth, especially as it pertains to new high technology industries such as electronics, computers, communications, aerospace, biotechnology, new materials, energy, and other technology-intensive fields;

(3) the future international industrial competitive position of the United States depends on maintaining United States scientific and technological leadership, increasing the rate of innovation, and increasing the productivity of our basic industries, all of which require a well-educated, motivated, and technologically proficient work force;

(4) while the rapid growth of high technology industries and the large increases in defense spending are exerting increasing pressure on the availability and quality of scientific, engineering, and technical personnel, our educational infrastructure is experiencing serious limitations in providing sufficient personnel with high quality training in critical areas, in keeping the proficiency of the current science and engineering work force up to date, and in maintaining high levels of technological literacy nationwide;

(5) although cooperation between industry and the academic community is now increasing, much more effort is necessary and can be achieved with a national policy that provides leadership and support for technology education;

(6) a national partnership among government, industry, and educational institutions, can most effectively carry out a nationwide program to improve the quality of math and science teaching at the elementary and secondary school level, upgrade the quality and capacity of community colleges, vocational schools, universities, and graduate schools to provide scientific, engineering, and technical education in areas of critical skill shortages, and expand the opportunities for lifelong education in all technological fields; and

(7) the Act of July 2, 1862 (commonly known as the First Morrill Act), which set aside publicly owned natural resources to fund investment in education for agriculture and the mechanic arts by establishing the land grant college system, provides a useful model for fusing the interests of government, industry, and education into a national policy for economic growth.

STATEMENT OF PURPOSE

SEC. 3. It is the purpose of this Act to establish a national technology education program designed to—

(1) assure an adequate supply of scientific, engineering, and technical personnel to ensure United States scientific and technological leadership, international competitiveness, and national security;

(2) strengthen programs in science, technology, and engineering of both public and private institutions of higher education;

(3) improve the quality of math and science training in elementary and secondary schools;

(4) improve the science and engineering knowledge and technical skills of the current work force, aid workers in keeping up with scientific and technological progress, and accelerate the absorption of workers into areas of critical skill shortages; and

(5) strengthen the partnership between industry, the academic community, and government to ensure that our educational system provides professional and technical skills relevant to national economic and security needs and that industrial resources are used to enhance the quality of education.

DEFINITIONS

SEC. 4. As used in this Act—

(1) the term "area vocational education school" has the same meaning given that

term by section 521(3) of the Carl D. Perkins Vocational Education Act;

(2) the term "educational institution" means any local educational agency, any State educational agency applying on behalf of schools directly operated by the State educational agency, any area vocational education school, any institution of higher education (including community colleges), and any postsecondary vocational educational institution;

(3) the term "elementary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(4) the term "local educational agency" means any such agency as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(5) the term "postsecondary vocational educational institution" means any such institution as defined in section 521(3) of the Carl D. Perkins Vocational Education Act;

(6) the term "secondary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(7) the term "Secretary" means the Secretary of Education;

(8) the term "State educational agency" means any such agency as defined in section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(9) the term "institution of higher education" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965;

(10) the term "State" means each of the several States and the District of Columbia; and

(11) the term "Trust Fund" means the "Technology Education Trust Fund" established under section 5.

ESTABLISHMENT OF THE TECHNOLOGY EDUCATION TRUST FUND

SEC. 5. (a)(1) There is established in the Treasury of the United States a Trust Fund to be known as the "Technology Education Trust Fund" consisting of such amounts as are transferred to the Trust Fund under subsection (b). Subject to subsection (d) the Trust Fund shall remain available without fiscal year limitation and the amounts may be used only for payments in accordance with this Act.

(2) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation status of the Trust Fund during the preceding fiscal year.

(b) The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Trust Fund—

(1) for fiscal year 1987, 3 per centum,

(2) for fiscal year 1988, 3 per centum,

(3) for fiscal year 1989, 3 per centum,

(4) for fiscal year 1990, 3 per centum,

(5) for fiscal year 1991, 3 per centum,

of the rents, royalties, and other sums paid to the United States under—

(A) the Outer Continental Shelf Lands Act;

(B) the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas and sodium in the public domain", approved February 25, 1920 (commonly known as the Mineral Leasing Act of 1920); and

(C) any other Federal statute authorizing payments for mineral resource development designated by the Secretary of the Treasury for the purpose of this Act;

except that transfers under this subsection shall not exceed $250,000,000 in any one fiscal year. The amounts required to be transferred under this subsection shall be transferred at least quarterly on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in any amount subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(c)(1) Amounts in the Trust Fund shall be available for making payments in accordance with this Act as provided in advance by appropriation Acts.

(2) Notwithstanding any other provision of law, unless enacted in specific limitation with the provisions of this subsection, any funds appropriated from the Trust Fund to carry out this Act shall remain available without fiscal year limitation.

(d)(1) No transfers required by subsection (b) of this section may be made by the Secretary of the Treasury to the Trust Fund after September 30, 1991.

(2) The Secretary of the Treasury shall pay into the general fund of the Treasury any amounts remaining in the Trust Fund after September 30, 1993, which were not expended and remain in the Trust Fund.

TECHNOLOGY EDUCATION GRANTS

SEC. 6. (a)(1) The Secretary is authorized, in accordance with the provisions of this Act, to make grants to educational institutions, private for-profit business concerns, and State agencies making application jointly to pay the Federal share of the cost of technology education programs.

(2) An application may be submitted to the Secretary jointly by private nonprofit organizations and a State agency or agencies if the nonprofit private organization represents an educational institution and a for-profit business concern, or a group of such institutions and concerns.

(b) No grant may be made under this section unless—

(1) the application is consistent with the economic development and educational policies of the State, as determined by the chief executive of the State, and is consistent with the priorities of the private sector and needs of educational institutions within the State; and

(2) the Secretary determines that there is a probability that the activities described in the application could not be carried out unless assistance sought under the application is furnished.

APPLICATION

SEC. 7. (a) Each educational institution, private for-profit business concern, and State agency applying jointly or nonprofit private organization and State agency, complying with the provisions of section 6, desiring to participate in the program authorized by this Act shall prepare and submit an application at such time, in such manner, and containing or accompanied by such information as the Secretary deems reasonably necessary. Each application shall—

(1) provide a description of the activities for which assistance is sought, including an estimate of the costs of the activities and the location in which the activities will be carried out;

(2) provide assurances (A) that the applicant will pay from non-Federal sources the non-Federal share of the cost of carrying out the application; and (B) that not less than 20 per centum of total costs of the application will be paid by the for-profit business concern joining in the application and the remaining per centum but not exceeding 30 per centum of the total costs of the application will be paid from State and local public sources;

(3) provide justification for any operational cost associated with carrying out the activities so described which have been supported under this Act for a period of more than one year;

(4) provide an analysis of the benefits which such activities may be expected to produce, particularly economic, employment, and educational benefits; and

(5) provide such fiscal control and fund accounting procedures as may be necessary—

(A) to insure a proper accounting of Federal funds paid to the applicant under this Act; and

(B) to insure the verification of the costs of the technology education program furnished by the applicant.

(b) Applications made under this section may not be approved by the Secretary unless he determines that—

(1) the application meets the requirements set forth in subsection (a) of this Act and is consistent with the other provisions of this Act;

(2) the activities for which assistance is sought under the application show promise of applying innovative approaches in the field of technology education which are not addressed by existing public or private educational programs;

(3) the activities described in the application will strengthen educational programs and courses of training necessary for occupations for which there is a clearly established need for personnel in the area which is to be served by the applicant; and

(4) the activities described in the application are likely to result in sustained efforts or lasting improvements in the courses of training offered by the educational institution participating in carrying out the application.

(c) In reviewing and approving applications made under this section the Secretary shall encourage—

(1) joint programs between institutions of higher education and elementary and secondary schools and area vocational education schools, and between postsecondary vocational educational institutions and elementary and secondary schools and area vocational education schools;

(2) joint programs between two or more institutions of higher education, including postsecondary vocational educational institutions;

(3) the participation of small business concerns; and

(4) the provision of activities designed to address technology education and economic development on a substate and interstate regional basis.

USES OF FUNDS

SEC. 8. Grants made under this Act may be used—

(1) to develop, modernize, and expand laboratory equipment and related facilities in educational institutions;

(2) to improve the quality of science and mathematics education and to increase computer literacy in elementary and secondary schools through teacher training, improving equipment, and curricula development;

(3) to expand technical training programs and initiate programs at institutions of higher education (including postsecondary vocational educational institutions) designed to retrain workers for jobs requiring more technical skills;

(4) to establish or maintain existing research/education centers designed to train or retrain new scientific, engineering, and technical employees while carrying out applied research or stimulating innovation, technology transfer, and the application of new technologies;

(5) to enhance mathematics, science, and engineering teaching as a career through faculty development activities which may include support for graduate students who enter the teaching profession, faculty exchange programs with industry, teaching retraining programs, or other programs to encourage retention of faculty;

(6) to improve the skills of the available scientific, engineering, and technical work force through lifelong learning and cooperative education activities;

(7) to improve educational productivity through the development of new educational methods and equipment such as computer based educational aids, and telecommunication instructional technologies;

(8) to improve the access of women, minorities, and handicapped to technical, engineering, and scientific fields, including teaching positions in such fields; and

(9) to stimulate cooperative programs between the humanities and the sciences.

PAYMENTS; DISTRIBUTION OF FUNDS

SEC. 9. (a)(1) From the amounts appropriated for each fiscal year pursuant to section 5, the Secretary shall pay, in accordance with the provisions of this Act, to each applicant which has an application approved under section 7, an amount equal to the Federal share of the cost of activities described in the application.

(2)(A) The Federal share of the cost of carrying out the application under this Act shall not exceed 50 per centum for any fiscal year.

(B) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services, equipment and facilities contributed from non-Federal sources.

(b)(1) The Secretary shall establish criteria for the equitable distribution of payments made in each fiscal year to applicants having applications approved under section 7.

(2) In carrying out the provisions of paragraph (1) of subsection (a), the Secretary shall take into account the size and location of the educational institution submitting the application as well as whether the educational institution is establishing or expanding the research capacity of the institution.

(3) The aggregate amount of payments made to applicants having applications approved under section 7 in a State in any fiscal year shall not exceed 10 per centum of the aggregate amount of all such payments in all States for such fiscal year.

(c)(1) Payments under this Act shall be made as soon as practicable after approval of the application.

(2) Payments under this Act may be made in installments, in advance or by way of reimbursement with necessary adjustments in account on overpayments and underpayments.

(d) In carrying out this Act, the Secretary may enter into contracts with any applicants having an application approved under section 7 containing provisions for multiyear obligations.

WITHHOLDING

SEC. 10. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section 7, the Secretary shall notify the applicant that further payments will not be made under this Act until he is satisfied that there is no longer any failure to comply. Until he is so satisfied, no further payments shall be made under this Act.

ADMINISTRATION

SEC. 11. (a) In order to carry out this Act, the Secretary is authorized to—

(1) establish, rescind and amend such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such personnel as may be necessary;

(3) promote temporary and intermittent services to the same extent as authorized by section 31 of title 5, United States Code;

(4) establish advisory committees community, State governments, professional societies, and labor organizations; and

(5) accept and use with their consent with or without reimbursement, such services, equipment, and facilities of other Federal agencies as are necessary to carry out such functions efficiently.

(b) Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, as determined by the Secretary, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence and necessary expenses incurred in the performance of their duties.

(c) Each Federal agency is authorized and directed to furnish such services, equipment, and facilities directly to the Secretary, upon a written request made by the Secretary.

(d)(1) In carrying out the provisions of this Act, the Secretary shall consult with the Secretary of Defense to coordinate technical training programs supported by the Department of Defense and activities assisted under this Act.

(2) Whenever the Secretary of Defense determines that funds available for technical training programs to the Department of Defense are available for and would contribute to carrying out the purposes of this Act, the Secretary of Defense is authorized to transfer such funds for use by the Secretary in carrying out the provisions of this Act.

(e) In carrying out the provisions of this Act, the Secretary shall consult with the Secretary of Commerce, the Secretary of Labor and the heads of such other Federal agencies as the Secretary deems appropriate.

(f) The Secretary shall prepare and submit to Congress an annual report on the activities assisted by this Act during the preceding fiscal year.

AUDIT

SEC. 12. The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant receiving assistance under this Act that are pertinent to the sums received and disbursed under this Act.

By Mr. CRANSTON (for himself, Mr. PROXMIRE, and Mr. RIEGLE):

S. 936. A bill to amend the Securities Exchange Act of 1924 to provide improved protection for investors in the Government securities market, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

PUBLIC SECURITIES ACT OF 1985

Mr. CRANSTON. Mr. President, today, I am introducing along with Senator PROXMIRE and Senator RIEGLE legislation entitled the "Public Securities Act of 1985" to provide improved protection for investors in the Government-related securities market.

With ever increasing frequency since the collapse of Drysdale securities in May 1982, at a loss of $270 million, we have seen the collapse of more and more of these firms. Two such firms have collapsed over the last 2 weeks: ESM Securities in Florida causing the Ohio thrift industry to shut down and the dollar to tumble in the world money market, creating an estimated loss to investors of $300 million. The failure of Bevill, Bresler and Schulman in New Jersey several weeks ago is expected to post losses around $200 million. Three of these firms failed in 1982, two in 1984, and so far this year two more have failed bringing the total losses up to the $1 billion range to public investors.

Because Treasury securities are free of default risk and highly liquid, they are in broad demand by the investing public. Treasury securities are held by private investors commercial banks, thrifts, other financial institutions and nonfinancial corporations. State and local governments, school districts and others often invest their excess funds in this market seeking safety along with the highest yield for their investment. A growing number of unsophisticated investors since the 1970's have entered this market, many of whom may be unaware that these dealers are unregulated and are being taken advantage of by a number of unscrupulous dealers. Given the increasing incidence of fraudulent activity in this market and the enormous size of losses that are being experienced, it seems appropriate for the Congress to propose some form of regulation to protect investor confidence in this market.

There is a growing concern that as investors become more cautious due to recent publicity concerning these failures of these firms, they will begin to demand possession of collateral on prior deals, possibly leading to a string of new failures. Additionally, there are signs that investors are rushing to do business only with a limited number of known, well capitalized securities firms. I express no criticism of their flight to quality; however their caution could have a negative effect on the breadth, depth, and liquidity of the Government securities market. Loss of investors confidence in this

market could impair the ability of the Treasury to finance the deficit and the operation of the Federal Government by the sale of Government securities.

Today the U.S. market's debt outstanding is $1.7 trillion, of which $1.3 trillion represents marketable securities issued by the U.S. Treasury. Ten years ago that total debt was $500 billion. In addition loss of investor confidence in this market could possibly cause disruptions in the ability of the Federal Reserve Board to carry out its monetary policy functions. The sale and purchase of Government securities through the banking system is the mechanism by which the Federal Reserve expands or shrinks the money supply.

Despite hopeful signs of voluntary prudence in the Government securities market brought on by revelation of these recent problems, and the emergence of capital adequacy standards for Government securities brokers and dealers being proposed by the Federal Reserve Bank of New York, this situation cries out for some form of comprehensive oversight and regulation. The potential here for enormous losses to investors and harm to the Government securities markets is unacceptable to the public at large and should not have to be tolerated by other market participants. Regulatory controls are needed to restore confidence and calm the capital market.

The collapse of ESM left more than a million depositors in Ohio without access to their savings, sent shudders around the world in the gold and dollar markets. While the Ohio thrift losses were limited to nonfederally insured thrifts, the Bevill New Jersey bankruptcy has spread losses to federally insured thrifts and banks across the Nation. We in Congress can no longer stand by in the wake of such carnage, particularly when they do not appear to be isolated incidents.

The bill we are introducing today will bring previously unregulated brokers and dealers in U.S. Treasury and Government agency securities under a self regulatory organization under auspices of the Securities and Exchange Commission. The bill reorganizes and expands the already functioning Municipal Securities Rulemaking Board into the Public Securities Rulemaking Board to oversee both municipal and Government securities brokers and dealers. The 17-member Board will promulgate regulations requiring the registration of all brokers and dealers in Treasury and Government securities and subject them to rules on fair practice, capital adequacy, disclosure, reporting, and enforcement procedures.

While there has been extensive study of these matters in the House over the last year or so including hearings, there have been no hearings in the Senate. With the introduction of this bill, we hope to show that there is concern about these issues and their effect upon the public.

I am aware that participants in the marketplace have been rightly discussing a board spectrum of possible approaches for establishing some kind of mandatory regulation of the Government securities markets under possibly several Government agencies; however, I feel that the appropriate place for these decisions to be made is in the Congress. I seek to bring all the participants in those discussions to the hearing table so that a coordinated effort can begin for exploring all the alternatives that may be desirable.

While evidencing our concern, we want to make every effort to find a way to have the least amount of Government regulation at the least cost, while assuring that we are reducing the potential for unsound and abusive practices, protecting the public interest, and assuring orderliness in the markets. This bill will place the responsibility for reform on private sector self-regulation, under the auspices of the SEC's oversight. In the past the effective self-regulation of other broker dealers by the exchanges, NASD, and the SEC has resulted in greater investor oversight and lower expense for the SEC and the securities industry.

Our bill is a companion to H.R. 2032 introduced by Congressmen DINGELL and WIRTH in the House on Monday, April 15, I would like to commend Chairman DINGELL for his leadership in bringing together regulators, the industry, and the Senate in developing this bill. He as well as I hope that this will be a bipartisan measure. Also, I look forward to full consideration of this proposal in the near future. I also commend Senators PROXMIRE and RIEGLE for joining me in this effort.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE PUBLIC SECURITIES ACT OF 1985: SECTION-BY-SECTION ANALYSIS

TITLE I—ESTABLISHMENT OF A SELF-REGULATORY ORGANIZATION WITH RESPECT TO MUNICIPAL AND GOVERNMENT SECURITIES

Section 101 creates a new Section 15B of the Securities Exchange Act of 1934 to provide for the registration and regulation of public securities dealers.

Section 15B(a)—Registration and Regulation of Municipal Securities Dealers

Paragraph (1)—Regulation.—This paragraph would prohibit any public securities dealer from making use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any public security unless registered with the Commission or exempted by rule or by order. A broker or dealer already registered with the Commission under section 15 would not be required to re-register.

Paragraph (2)—Registration Statement and Grant or Denial of Registration.—A person would register as a public securities dealer by filing a registration statement with the Commission containing such information and documents concerning the public securities dealer and any persons associated with the public securities dealers as the Commission may, by rule, prescribe. The registration of a public securities dealer would become effective in the same manner as presently provided for the registration of brokers and dealers in section 15(b).

The Commission is authorized to grant the registration if it finds that the requirements of this section are met and may deny such registration of it is unable to make that finding or if it finds that the registration, if granted, would be subject to suspension or revocation under subsection (c) of this section.

Paragraph (3)—Prohibited Conduct of Public Securities Dealers.—This paragraph would make unlawful any act or practice or course of business prohibited by the Act (other than section 5 or paragraph (1) of this subsection) by a registered public securities professional which would be prohibited if the mails or any means or instrumentality of interstate commerce were used in connection therewith irrespective of any use of such means.

Paragraph (4)—Commission Exemptive Authority.—The Commission would be granted broad powers to exempt, by rule or by order, upon its own motion or upon application, conditionally or unconditionally, any broker, dealer or public securities dealer in whole or in part from any provisions of this section or any rule or regulation promulgated under authority of this section. The intent of this grant of broad exemptive power is to give the Commission flexibility to implement the policies of the bill and to allow the Commission to develop practical and workable means of regulating the public securities industry and trading in public securities.

Section 15B(b)—The Public Securities Rulemaking Board

This subsection would establish and delegate rulemaking responsibility to the Public Securities Rulemaking Board, a self-regulatory organization for the public securities industry. Like the existing Municipal Securities Rulemaking Board, the Board would not be a membership organization, nor would it have any inspection or enforcement responsibilities.

Paragraph (1)—Establishment of the Board.—This paragraph would create the Board and provide for the equal division of its membership among representatives of, investors in, and issuers of, public securities who are not associated with any public securities professional, representatives of public securities professionals which are brokers or dealers, and representatives of public securities dealers which are banks or departments thereof ("public representatives," "broker-dealer representatives" and "bank representatives," respectively.) The Department of the Treasury and the Federal Reserve would have a role in appointment of members.

Paragraph (2)—Board Rulemaking Authority.—The sole function and responsibility of the Board would be to prescribe rules for the public securities industry and with respect to transactions in public securities (otherwise than on a national securities exchange), subject, of course, to Commission review and approval. Accordingly, para-

graph (2) would grant to the Board broad rulemaking authority over all public securities dealers and require it to promulgate rules to effect the purposes of this legislation and the Exchange Act. Similarly, the procedures established in section 15 of the bill for SEC review of proposed changes in the rules of the Board would be applicable and no rule of the Board or change in, addition to, or deletion from the rules of the Board may take effect except in accordance with section 19 of the Act. Furthermore, the Federal Reserve Board is given a role with respect to the impact and appropriateness of any proposed rules with special relation to and effect on government securities. The Board is required to include with the materials submitted to the Commission under section 19(b), the Board's response to any written comments or suggestions submitted by the Federal Reserve or the Department of the Treasury with respect to the impact of the proposed rule on the efficiency, liquidity, or integrity of the markets for government securities.

The scope of the Board's authority would be defined in terms of purposes rather than subject matters in prescribed areas.

Subparagraph (A) would require the promulgation of rules establishing professional standards with respect to training, competence, experience and other qualifications deemed necessary for public securities professionals and natural persons associated with public securities brokers and dealers, including financial responsibility of such persons. The Board would be permitted to classify public securities professionals in adopting such professional qualifications and standards, taking into account all relevant factors, in a manner analogous to the classification powers granted to registered securities associations under section 15A.

Subparagraph (B) would require the adoption of rules establishing fair procedures for the nomination and election of members of the Board. Such rules would be required to provide that nominees for membership on the Board as public representatives must be, in fact, representative of issuers of and investors in public securities and not associated with any public securities professional. In addition, the subparagraph would make clear that the size of the Board may be varied by rule so long as membership is equally divided among the three categories identified in paragraph (1) of this subsection, is an odd number, and the proportion of public representatives is not materially reduced.

Subparagraph (C) would require that the rules of the Board be designed to regulate the dealings of securities professionals so as to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation with self-regulatory organizations and certain other persons, to remove impediments to and perfect the mechanism of a free and open market in public securities, and, in general, to protect investors and the public interest. The subparagraph would require that such rules not be designed to permit unfair discrimination among customers, issuers, public securities brokers, or public securities dealers, to fix minimum profits or other fees to be charged by members, to regulate matters not related to the purposes of the Exchange Act or to the administration of the Board or to impose any burden on competition not necessary or appropriate in furtherance of its purposes. No such rule shall relate to issuing, bidding, or underwriting procedures fixed or approved by the Department of the Treasury.

Subparagraph (D) specifically states that the Board may promulgate regulations requiring the arbitration of claims, disputes and controversies relating to transactions in public securities, but provides that no person other than a public securities professional or a person associated with a public securities professional shall be compelled to submit to such arbitration except at his instance and in accordance with Section 29 of the Act.

Subparagraph (E) would require the Board to promulgate regulations governing the periodic examination of public securities professionals to determine compliance with the provisions of the Exchange Act and the rules and regulations promulgated thereunder by the Commission and by the Board. This provision would enable the Board to determine the minimum frequency of such examinations and the matters to be inspected. Inspections would be carried out in accordance with paragraph (7) of subsection (c).

Subparagraph (F) would require the Board to promulgate rules governing the form and content of quotations relating to public securities and the persons to whom such quotations may be supplied to provide fair and informative quotations, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations. Such authority should enable the Board to ensure uniformity of quotations in public securities and uniform methods of disseminating quotations.

Subparagraph (G) would authorize the Board to prescribe recordkeeping and maintenance requirements for public securities professionals.

Subparagraph (H) would require the Board to define the term "separately identifiable department or division" with reference to banks by establishing specific criteria for determining the circumstances under which a bank division or department is sufficiently "separately identifiable" to permit its registration as a public securities dealer entity pursuant to section 30(a)(30). At the minimum, to avoid registration of the entire bank with the SEC as a "public securities dealer," the department or division of the bank must, by its operations, personnel and organization, permit independent examination, and the enforcement of applicable provisions of this Act, rules and regulations thereunder and the rules of the Board.

Subparagraphs (I) and (J) would delegate authority to the Board to provide for the administration of its affairs and operations, including selection of a Chairman from among the members of the Board, and setting the compensation for Board members as well as appointing and compensating the personnel necessary to conduct its self-regulatory functions.

Under subparagraph (K), the Board would have the responsibility of exercising its rulemaking authority to establish the terms and conditions under which any municipal securities dealer may sell, or prohibit the sale by any such dealer, of any part of a new municipal securities issue during the underwriting period to any municipal securities investment portfolio. Thus, the Board will continuously be in a position to exercise its powers to promulgate rules governing syndicate practices and conflicts of interest to prevent any preferential treatment or advantage which may accrue to participating syndicate members, bank or nonbanks, or any proprietary investment portfolios to the detriment of public investors.

Subparagraph (L) empowers the Board, in consultation with the Federal Reserve, to formulate rules to regulate the amount of initial and maintenance margin in connection with the purchase, sale, or carrying of government securities. Rules may also be developed concerning the type of deposit or collateral which shall be furnished; the carrying of undermargined account for limited periods and under specified conditions; the withdrawal of funds or securities; the substitution or additional purchase of securities; the transfer of accounts from one government securities broker or government securities dealer to another; special or different margin requirements for delayed deliveries, short sales, repurchase and reverse repurchase agreements, and arbitrage transactions; the bases and methods to be used in calculating collateral deposits, and margins and market prices; and similar administrative adjustments and details.

Section 15B(c)—Enforcement and Inspection by the Commission and the Bank Agencies

Paragraph (1)—It would be unlawful for any broker, dealer or public securities dealer to effect any transaction in or induce or attempt to induce the purchase or sale of any public security in contravention of any rule of the Board.

Paragraph (2)—Commission Administrative Power to Sanction Public Securities Dealers.—This paragraph would grant to the Commission broad disciplinary authority over public securities dealers, persons associated with them and other persons in connection with violation of the Act and rules and regulations thereunder by the Board or the Commission comparable to the authority contained in present section 15(b)(4) of the Exchange Act. Accordingly, the Commission may, by order, after appropriate notice and opportunity for hearing on the record, censure, suspend (for a period not exceeding 12 months) or revoke the registration of any public securities dealer if such action is necessary or appropriate in the public interest and such broker, dealer or public securities dealer has committed or omitted any act enumerated in section 15(b)(4)(A-E) of the Exchange Act. In addition, the SEC may impose appropriate limitations on the activities, functions and operations of public securities dealers which it determines are in the public interest.

Paragraph (3)—Suspension of Registration, Withdrawal or Cancellation of Registration.—The Commission may suspend any registration pending a final determination as to whether registration shall be revoked. In addition, this paragraph would authorize the SEC to prescribe procedures governing the withdrawal of registration by public securities dealers and to cancel any pending registration or terminate any registration for public securities dealers who have ceased acting in such capacity.

Paragraph (4)—Commission Power to Sanction Persons associated with Public Securities Dealers.—The Commission would have the authority, by order, to censure or impose appropriate limitations on the functions and activities, or bar or suspend (for a period not to exceed 12 months) any person from being associated with a public securities dealer if it finds, on the record following notice and opportunity for a hearing, that such person has committed or omitted any act or omission enumerated in clauses (A), (D), (E), has been convicted of any offense specified in clause (B), or is enjoined from any action, conduct or practice specified in clause (C), of Section 15(b)(4).

Paragraph (5)—Bank Agency Enforcement Powers.—This paragraph would vest primary responsibility and authority with the bank agencies to enforce compliance with the requirements of paragraphs (2) and (4) and the rules of the Board by public securities dealers which are banks and persons associated with such dealers. Bank regulatory agencies may enforce compliance by such public securities dealer or any associated person with the provisions of sections 15B and 17 of the Exchange Act, the rules of the Board, and the rules of the Commission thereunder pertinent to the regulation of public securities dealers and transactions in public securities in accordance with Section 8 of the Federal Deposit Insurance Act. Any violation of the rules of the Board or of the Commission by any bank, or a wholly owned subsidiary or department or division of a bank registered as a public securities dealer, would constitute a violation of the Federal Deposit Insurance Act. This paragraph will in no way affect any existing powers vested in the banking agencies under other laws to take disciplinary action against public securities dealers which are banks or departments or divisions thereof or against persons associated with such public securities dealers.

Paragraph (6)—Consultation and Cooperation Among Federal Agencies.—This paragraph would require the Commission and the bank agencies to consult with each other prior to initiating any action against a public securities dealer which is a bank or a person associated with any such dealer bank, or for violations of any Commission rule promulgated under 15(c) (1) or (2) of the Act or of any Board rule. The Commission would be required to give notice to the appropriate bank regulatory agency of the entry of an order of investigation and the commencement of any action against any public securities dealer which is a bank or a department or division thereof or against any person associated with such a public securities dealer. The notice must include the identity of such dealer or associated person and the nature of and basis for the proposed action. The banking agencies would be required to give notice to the Commission in similar circumstances.

The agencies are expected to consult with each other in good faith concerning the effect of the proposed action both on sound banking practices and the protection of investors and the possibility and desirability of coordinating enforcement actions.

The Committee believes the ends of both the banking and securities laws can be achieved in this manner while minimizing the likelihood that public securities dealers will be subjected to unnecessary regulatory duplication or enforcement proceedings. The requirements of notice and consultation are intended to assure a coordinated and efficient regulatory structure and to facilitate fair, effective and evenhanded regulation of the public securities industry.

Other than the requirements of prior consultation, nothing in the bill would interfere with the use of any authority the Commission or the bank agency may have under the Exchange Act or any other law to conduct inspections or enforce compliance. Specifically, although the bank agency would have the primary responsibility to enforce applicable requirements with respect to banks which are registered public securities dealers, the Commission would retain its full authority under section 21 of the Act and elsewhere with respect to all violations or suspected violations by all brokers, dealers, or public securities dealers. Under no circumstances would the requirements of notice and consultation confer any veto power on the banking agencies over Commission action.

Paragraph (7)—Allocation of Responsibility for Tests and Examinations.—Responsibility for the conduct of periodic examinations and for the administration of such entrance tests as the Board, may, by rule, establish would be assigned by this paragraph. Registered securities associations (e.g., the National Association of Securities Dealers, Inc. ("NASD")) and registered national securities exchanges would be delegated this duty with respect to public securities brokers and public securities dealers which are members, and the bank agencies in the case of public securities dealers which are banks or departments or divisions thereof. Reports and data resulting from an examination conducted by an association pursuant to section 15B(b)(2)(E) must be made and, on request, furnished to the Commission. The Board would be entitled to receive examination reports of public securities brokers and dealers prepared or furnished under this paragraph or section 17(c)(3), only upon request, and subject to any limitations which the Commission finds necessary or appropriate in the public interest.

Paragraph (8)—SEC Administrative Power to Sanction Members of the Board.—The Commission would be authorized to remove from office or censure, by order, any member, officer, or employee of the Board who is found, after notice and opportunity for a hearing on the record, to have willfully violated any provisions of the Exchange Act respecting public securities, any rule or regulation promulgated under the Act or any rule of the Board, or to have abused his authority.

Section 15B(d)—Pre-Filing Requirements for Public Issuers

The subsection would prohibit the Board or the Commission from promulgating any rules which would directly or indirectly impose any filing requirements on public issuers in connection with offerings of such securities. The bill does not affect in any way the existing exemption of any governments from the Securities Act of 1933, and this paragraph would ensure that de facto registration requirements are not imposed which would interfere with the government borrowings.

Section 111 contains a number of necessary conforming amendments to the Act. Paragraphs (a)-(f) amend the definition of exempted security in section 3(a)(12), self-regulatory organization in section 3(a)(26), municipal securities dealer in section 3(a)(30), person associated with a public securities dealer in section 3(a)(32), appropriate regulatory agency in section 3(a)(34) and statutory disqualification in section 3(a)(39). When used with respect to a public securities dealer, the "appropriate regulatory agency" means the Board of Governors of the Federal System with respect to a government securities dealer that is not a bank but that is monitored by and reports to the Federal Reserve Bank of New York.

Paragraph (g) amends section 3(a) of the Act to add certain necessary new definitions: public securities, public securities broker, public securities dealer, government securities, government securities broker, and government securities dealer.

Paragraph (h) clarifies the inapplicability of the Act to government entities unless specifically provided.

Section 112 amends paragraphs (1) and (6) of section 6(b) of the Act to clarify enforcement of the rules of the Public Securities Rulemaking Board by national securities exchanges.

Section 113 amends Section 7 of the Securities Exchange Act concerning the establishment of deposit requirements by the Federal Reserve Board with respect to government securities.

Section 114 contains a number of additional conforming amendments concerning references to the Municipal Securities Rulemaking Board, references to municipal securities and municipal securities brokers and dealers, consultation by the Commission with the Federal Reserve and Treasury Department in rulemaking with respect to capital requirements for government securities dealers rulemaking by registered securities associations, and transfer and access to documents.

TITLE II—TRANSITIONAL AND SAVINGS PROVISIONS

Sections 201-204 contain the necessary provisions for transfer and allocation of funds and personnel from the Municipal Securities Rulemaking Board to the Public Securities Rulemaking Board; termination of the Municipal Securities Rulemaking Board; savings provisions for the continued effect of rules, regulations, interpretations, contracts, policies, procedures and other actions; effect on pending administrative and judicial proceedings; nonabatement of proceedings; substitution of parties; and references in any other Federal provisions.

TITLE III—EFFECTIVE DATE

Section 301 makes the general effective date 180 days after enactment. Section 302 provides special effective dates for appointment and rulemaking authority.

By Mr. CRANSTON (for himself, Mr. STENNIS, and Mr. EAGLETON):

S. 937. A bill to amend the War Powers Resolution to make rules governing certain uses of the Armed Forces of the United States in the absense of a declaration of war by the Congress; to the Committee on Foreign Relations.

WAR POWERS ACT OF 1985

Mr. CRANSTON. Mr. President, today I am reintroducing with Senators EAGLETON and STENNIS legislation to amend the War Powers Resolution of 1973. This measure is the same as the one that I introduced in the last Congress. Our purpose is to restore the statute to the potency it had in its original Senate-passed version in 1973 because the law in its present form is ineffective.

I first introduced legislation to amend the War Powers Resolution in September 1983. At that time, the grim repercussions of the deployment of U.S. troops in Lebanon were still vividly etched in our minds. The serious deficiencies of the War Powers Resolution were also highlighted by this unhappy experience. As time has passed, the circumstances surrounding the Marines' deployment in Lebanon have faded. But the problems that afflicted the War Powers Resolution

have not; these deficiencies must be remedied.

We have had 12 years of experience with the War Powers Resolution, more than ample time to assess the effectiveness of this statute. Unfortunately our experience with the *Mayaguez*, the Iranian hostage rescue attempt, and most recently the Marine deployment in Lebanon, demonstrate that we have yet to restore the proper balance of war-making powers that was intended by the writers of the Constitution.

No event shows more conclusively the inadequacies of the War Powers Resolution than the ill-considered 1982 action by President Reagan to deploy troops in Lebanon.

U.S. involvement in Lebanese hostilities showed that the War Powers Resolution has serious limitations. It did not stop a President from sending troops into hostilities whenever and wherever he chooses. And as we saw, Congress was very reluctant to consider withdrawing American troops once they were deployed, even if their deployment was open ended, was poorly justified, and was inconsistent with the requirements of the War Powers Resolution. Thus does America gradually become embroiled in wars through deployment of troops into hostilities and through investments of money and advisers in war-torn countries.

We would not have faced this type of situation in Lebanon if the Senate version of the War Powers Resolution had been adopted when this matter was originally considered. That measure—primarily the work product of Senators Javits, EAGLETON, and STENNIS—passed the Senate on July 20, 1973, by a 72-to-18 vote. It would have precluded the President from introducing troops into hostilities or areas of imminent hostilities without the prior consent of Congress, except in certain specified circumstances—in order to rescue U.S. citizens or to respond to armed attack. It would have insured that the collective judgment of Congress and the President be provided in such key decisions of war and peace.

Had the original Senate bill prevailed in conference and become law, we would not have faced the crisis over U.S. military involvement in Lebanon. Given the mood of the American people, and the mood of the House and Senate, I believe Congress would never have authorized President Reagan to send the Marines into direct involvement in hostilities in Lebanon in the first place.

The Senate bill represents a far wiser, safer, more prudent course.

Therefore, with Senators EAGLETON and STENNIS, I am today introducing the proposed War Powers Act of 1985, a bill to amend the War Powers Resolution of 1973, restoring the War Powers Resolution to its original strength along the lines provided under the Senate passed measure which was the result of 3 years of development by the Foreign Relations Committee.

Under the leadership of my two distinguished colleagues and Senator Jacob Javits, the Senate took the lead in developing and creating war powers legislation. Throughout its consideration of the War Powers Act during 19871-73, more than two-thirds of this body consistently voted for this legislation. A majority of these supporters were also cosponsors.

The Senate made a clear-cut delineation of the war powers of the legislative and executive branches of Government. Our bill codified that constitutional balance and, to meet modern contingencies, granted limited emergency authority to the Commander in Chief. Extensive testimony by leading historians and constitutional scholars supported the constitutionality of the Senate bill.

Under the Senate-passed bill in 1973, the decision to initiate engagement in hostilities was a joint executive-legislative responsibility. Under the current War Powers Resolution, the responsibility for committing troops, and for justifying that commitment, is entrusted solely with the President.

Historically, the War Powers Resolution of 1973 was an important first step in congressional reassertion of its war powers. But it was only a first step.

The War Powers Resolution has proved inadequate and of limited effectiveness.

This law simply never comes to grips with the fundamental issue of codifying a constitutional balance between the executive and the legislature in warmaking.

The Founding Fathers vested the warmaking power exclusively in Congress, refusing to confer it upon the President.

The question of whether our Nation shall be at war or peace is far too awesome a decision for one person to make. Such unbridled power in the hands of one individual is dangerous to peace and to our free society.

In Abraham Lincoln's words, "no one man should hold the power of bringing this oppression upon us." In our nuclear age, preserving the checks and balances of our constitutional system is more crucial than ever before.

The framers of our constitutional system greatly mistrusted any executive having superpower. They therefore created a tight framework for congressional control over warmaking. Under article I, section 8, of our Constitution, both Houses of Congress are vested with the power to declare war and to raise and support armies, and are imbued with all power necessary and proper for carrying out these functions and the functions of the other branches.

The framers were, to paraphrase delegate George Mason, for clogging war and facilitating peace.

In the oft-quoted debate, the Constitution's drafters substituted "declare war" for "make war" in the listing of Congress powers to insure that the executive could protect American forces in wartime and could repel invasions. The change was in no way a grant of power for the President to take the Nation to war.

Under our Constitution, the President has a restrictive power to conduct wars as Commander-in-Chief. Within that sphere he is supreme, and Congress may not interfere with his command of authorized military involvements.

Alexander Hamilton, a strong proponent of executive power, fully agreed, however, that the authorization power—the decision to make war or peace—rests with Congress. In fact, during the Philadelphia debates Hamilton used the words "declare," "authorize," and "begun" interchangeably.

Hamilton emphasized this point in Federalist No. 69:

> The President is to be commander in chief of the army and navy of the United States. In this respect his authority would be nominally the same with that of the king of Great Britain, but in substance much inferior to it. It would amount to nothing more than the supreme command and direction of the military and naval forces, as first General and Admiral of the Confederacy, while that of the British king extends to the declaring of war and to the raising and regulating of fleets and armies—all which, by the Constitution under consideration, would appertain to the legislature.

When the Senate War Powers Act was being debated a decade ago, Senator Jacob Javits warned that the balance between the executive and the legislature in warmaking had been practically obliterated.

To quote Senator Javits:

> I doubt that there is anything now that an American President, if he simply wanted to cite precedent, might not feel he can do to plunge the U.S. into the broadest scale war without reference to Congress.

This is still too true today. The emergence of the United States as a superpower since World War II has seen a dramatic shift in actual Presidential power over war and peace—but not a shift in constitutional authority.

It is essential that Congress assert its constitutional role of primacy in the area of declaring and initiating war. We must establish our authority at the outset of U.S. involvement in hostilities.

This is what our bill—based on the original Senate-passed legislation—would accomplish.

Much of the interpretation and explanation of this act can be found in

the very thorough Senate Foreign Relations Committee report of June 14, 1973 (Report No. 220). Let me just outline the main provisions of this act.

The key provisions insure that the President must come to Congress first—I repeat, first, before committing troops into hostilities or areas of imminent hostilities. Section 3 spells out the emergency circumstances where the President may—without the prior consent of Congress—introduce troops into hostilities or situations where imminent introduction into hostilities is clearly indicated by the circumstances.

Thus, the first three clauses of section 3 codify the President's authority to repel sudden attacks and protect U.S. nationals—powers based on the intention of the constitutional convention and on precedent.

Clause (4) permits the use of the Armed Forces in hostilities or situations where hostilities are clearly imminent, "pursuant to specific statutory authorization." Under no other circumstances would the President have the authority to introduce our Armed Forces into hostilities or imminent hostile situations in the absence of a congressional declaration of war.

Section 5—which along with section 3 has been called the heart and core of the original Senate bill—would provide that the use of Armed Forces under any of the emergency conditions listed in section 3 shall not last more than 30 days unless Congress adopts legislation specifically authorizing such continued use. Thus, the President would be forewarned against any use that would be unlikely to command the support of majorities in both Houses of Congress.

In addition to these provisions of the original Senate act, section 5(b) of the proposed War Powers Act of 1983 incorporates a 1975 amendment proposed by Senator EAGLETON that would prohibit the expenditure of any funds for any use of the Armed Forces in violation of this act, unless specifically otherwise provided by a lawmaking specific reference to section 5(b) of this act.

The War Powers Act of 1985 would take effect upon enactment, but would not apply to any use of our Armed Forces being made on that date. However, the provisions of the War Powers Resolution of 1973 as, in effect, would continue applying to any use of the Armed Forces to which these provisions were applicable on the day before the date of enactment of this Act.

This proposed War Powers Act of 1985 in our era of undeclared wars, thus would provide for the conditions of modern warfare. It does so in such a way as to fulfill—not to alter, amend, or adjust—the intent of the Constitution and its framers regarding the war powers.

Our bill would restore the intended constitutional balance of power over warmaking.

In closing, I think it appropriate to heed the warning of Thomas Jefferson nearly two centuries ago:

Confidence is everywhere the parent of despotism—free government is founded in jealousy; . . . it is jealousy and not confidence which prescribes limited constitutions to bind down those we are obliged to trust with power . . . In questions of power, then, let no more be heard of confidence in man, but bind him down from mischief with the chains of the Constitution.

Mr. President, I ask unanimous consent that the text of our bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "War Powers Act of 1985".

SEC. 2. The War Powers Resolution (Public Law 93-148, 87 Stat. 555 et seq.) is amended to read as follows:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'War Powers Act'.

"PURPOSE AND POLICY

"SEC. 2. It is the purpose of this Act to fulfill the intent of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of the Armed Forces of the United States into hostilities and to the continuation of the use of such armed forces in such hostilities. Under Article I, section 8, of the Constitution, it is specifically provided that the Congress shall have the power to make all laws necessary and proper for carrying into execution not only its own powers but also 'all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof'. At the same time, this Act is not intended to encroach upon the recognized powers of the President, as Commander in Chief, to conduct hostilities authorized by the Congress, to respond to attacks or the imminent threat of attacks upon the United States, including its territories and possessions, to respond to attacks or the imminent threat of attacks against the United States Armed Forces, and, under proper circumstances, to rescue endangered citizens of the United States located in foreign countries.

"EMERGENCY USE OF THE ARMED FORCES

"SEC. 3. In the absence of a declaration of war by the Congress, the United States Armed Forces may be introduced into hostilities or into a situation where the imminent introduction of such forces into hostilities is clearly indicated by the circumstances, only—

"(1) to repel an attack upon the United States or its territories or possessions; to take necessary and appropriate retaliatory actions in the event of such an attack; and to forestall the direct and imminent threat of such an attack;

"(2) to repel an attack against the United States Armed Forces located outside of the United States and its territories and possessions, and to forestall the direct and imminent threat of such an attack;

"(3) to protect citizens of the United States while evacuating them as rapidly as possible from any country in which such citizens, there with the express or tacit consent of the government of such country, are being subjected to a direct and imminent threat to their lives, either sponsored by such government or beyond the power of such government to control: Provided, That the President shall make every effort to terminate such a threat without using the United States Armed Forces: *And provided further,* That the President shall where possible, obtain the consent of the government of such country before using such armed forces; or

"(4) pursuant to specific statutory authorization.

"SEC. 4. The introduction of the United States Armed Forces into hostilities, or into a situation described in section 3 of this Act, under any of the circumstances described in section 3 shall be reported promptly in writing by the President to the Speaker of the House of Representatives and the President of the Senate, together with a full account of the circumstances necessitating such introduction, the constitutional and legislative authority for such introduction, the estimated scope and duration of the use of such armed forces in the hostilities or situation involved, and the consistency of such use with the provisions of section 3. Whenever the United States Armed Forces are engaged in hostilities outside of the United States and its territories and possessions, the President shall, so long as such forces continue to be engaged in such hostilities, report to the Congress periodically on the status of such engagement as well as the scope and expected duration of such engagement and such hostilities, but in no event shall such report be submitted to the Congress less often than every six months.

"THIRTY-DAY AUTHORIZATION PERIOD

"SEC. 5. (a) After the introduction of the United States Armed Forces into hostilities, or into a situation described in section 3 of this Act, under any of the circumstances described in section 3, the use of such armed forces in the hostilities or situation involved shall not be sustained beyond thirty days from the date of such introduction except as provided in a specific law enacted by the Congress and pursuant to the provisions thereof.

"(b) Notwithstanding any other provision of law unless such law specifically otherwise provides by specific reference to this subsection, no funds made available under any law may be obligated or expended for any use of the United States Armed Forces prohibited by subsection (a) of this section, by section 3, or by a law or joint resolution described in section 6 of this Act.

"TERMINATION WITHIN THIRTY-DAY PERIOD

"SEC. 6. The use of the United States Armed Forces in hostilities, or a situation described in section 3 of this Act, under any of the circumstances described in section 3 shall be terminated prior to the thirty-day period specified in section 5(a) of this Act of Congress by a law or joint resolution so directs.

"CONGRESSIONAL PRIORITY PROVISIONS

"Sec. 7. (a)(1) Any bill or resolution (pursuant to section 5(a) of this Act) authorizing the continuation of the use of the United States Armed Forces after their introduction, in any of the circumstances described in clause (1), (2), or (3) of section 3 of this Act, into hostilities or a situation described

in section 3 of this Act or (pursuant to section 6 of this Act) directing the termination of such use, shall, if sponsored or cosponsored by one-third of the Members of the House of Congress in which it is introduced, be considered reported out no later than one day following its introduction unless such House shall otherwise determine by yeas and nays. Any such bill or resolution referred to a committee after having passed one House of Congress shall be considered reported out in the other House within one day after it is so referred, unless such House shall otherwise determine by yeas and nays.

"(2) Any bill or resolution so authorizing the continuation of such use of such armed forces or so directing the termination of such use shall, if not sponsored or cosponsored by one-third of the Members of House in which it is introduced, be referred to the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate, as the case may be, and one such bill or resolution shall be reported out by such committee together with its recommendations within seven calendar days, unless such House shall otherwise determine by yeas and nays. Any such bill or resolution, if not so sponsored or cosponsored, which has been passed by one House and is to be referred to a committee of the other House shall be referred in such other House to the committee named in the preceding sentence and shall be reported out by such committee together with its recommendations within seven calendar days and shall thereupon become the pending business of such House and shall be voted upon within three calendar days, unless, such House shall otherwise determine by yeas and nays.

"(b) Any bill or resolution described in subsection (a) of this section shall, immediately upon being reported to the floor, discharged from Committee, placed on the calendar, or held at the desk become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

"(c) In the case of any disagreement between the two Houses of Congress with respect to a bill or resolution described in subsection (a) that is passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such a bill or resolution within three calendar days after such bill or resolution is referred to the committee of conference. Notwithstanding any rule in either House concerning the printing of conference reports in the Record or concerning any delay in the consideration of such reports, such conference report shall be acted on by both Houses not later than three calendar days after being filed. In the event the conferees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement.

"INTERPRETATION OF ACT

"SEC. 8. (a) Statutory authorization to introduce United States Armed Forces into hostilities or into situations where imminent introduction of such forces into hostilities is clearly indicated by the circumstances (or, after such introduction, to sustain the use of such armed forces in the hostilities or situation involved) shall not be inferred—

"(1) from any provision of law (whether or not in effect before the date of the enactment of this Act), including any provision contained in any appropriation Act, unless such provision specifically authorizes such introduction (or use) of such armed forces and states that it is intended to constitute specific statutory authorization within the meaning of this Act: or

"(2) from any treaty heretofore or hereafter ratified unless such treaty is implemented by a law specifically authorizing such introduction (or use) of such armed forces and stating that it is intended to constitute specific statute authorization within the meaning of this Act.

"(b) Nothing in this Act shall be construed to require any further specific statutory authorization to permit members of the United States Armed Forces to participate jointly with members of the military forces of one or more foreign countries in the headquarters operations of high-level military commands which were established prior to the date of enactment of this Act and pursuant to the United Nations Charter or any treaty ratified by the United States prior to such date.

"(c) For purposes of this Act, any reference to the introduction of the United States Armed Forces shall be deemed to include a reference to the assignment of members of such armed forces to command, coordinate, participate in the movement of, or accompany regular or irregular military forces in or of any foreign country or of any foreign government when such military forces are engaged, or there exists an imminent threat that such forces will become engaged in, hostilities.

"(d) For the purposes of this Act, the terms 'introduced into hostilities' and 'introduction into hostilities' each include commitment, engagement, and involvement in hostilities, including bombardment.

"SEPARABILITY CLAUSE

"SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to any other person or circumstance shall not be affected thereby.

"EFFECTIVE DATE

"SEC. 10. This Act shall take effect on the date of the enactment of the War Powers Act of 1983, but shall not apply to any use of the United States Armed Forces being made on such date.".

SEC. 3. Notwithstanding the amendment made by section 2 of this Act, the provisions of the War Powers Resolution shall continue in effect with respect to any use of the Armed Forces of the United States to which the provisions of such Resolution were applicable on the day before the date of the enactment of this Act.

SEC. 4. The title of the War Powers Resolution is amended to read as follows: "An Act to make rules governing certain uses of the Armed Forces of the United States in the absence of a declaration of war by the Congress.

● Mr. EAGLETON. Mr. President, I am pleased to join with my colleagues, Senator CRANSTON and Senator STENNIS, in introducing the War Powers Act of 1985, a bill which seeks legislatively to restore to the Congress its constitutional prerogative to declare war.

The War Powers Act of 1973 was a compromise between a House of Representatives that was not really all that interested in the subject and a Senate which wanted a War Powers Act at almost any price, and like most compromises, it was an imperfect resolution. One of the most difficult issues to resolve back in 1973 was that of defining the President's emergency powers in explicit legislative language. The Senate bill carefully enumerated and described the circumstances wherein the President could commit forces in an emergency without specific congressional approval. It mentioned three specific emergency situations: An attack on the United States; an attack on American forces legally deployed abroad; and the rescue of American nationals traveling abroad. The only other circumstance under which the President could introduce our Armed Forces was pursuant to specific statutory authorization by the Congress.

The House bill on the other hand simply required the President to consult and to report when U.S. forces were committed.

The compromise War Powers Act attempted to join these two widely divergent approaches by substituting for the clearly delineated and legally binding Senate provisions a toothless policy statement on Presidential authority to employ our troops in times of emergency.

The bill we are introduced today, the War Powers Act of 1985, seeks to reinstate the original Senate provisions with respect to the powers of the President to commit U.S. troops—provisions I would point out that have been adopted overwhelmingly by the Senate on two separate occasions. It spells out carefully those powers which adhere to the Executive by reason of his status as Commander in Chief and his obligation to act in emergencies to repel attacks upon the Nation, its forces, and its citizens abroad. For the rest, it makes clear that all remaining decisions involved in taking the Nation to war are reserved to the Congress, to which the Constitution gave specific and exclusive authority.

There was a time not too many years ago when the whole topic of war powers was arcane. Today, that is no longer true. Every member of the Senate is acutely concerned with how we get into war and even more acutely concerned with how we get out of war once the flag has been committed. Vietnam, Cambodia, and Laos were the tragedies which gave birth to the War Powers Act. Our tragic experience in Lebanon and deployment of our troops to Grenada focused more recent attention on what has been the perennial congressional/Presidential faceoff over the War Powers Act. Central America is our present dilemma. U.S. warships have been stationed off

the coast of Nicaragua. In the past year, three Americans were killed along the Honduran-Nicaragua border. In El Salvador, an American adviser was assassinated and four CIA-employed Americans died while engaged in an intelligence mission.

Almost exactly a year ago, the New York Times reported that "senior officials in the Reagan administration say that contingency plans are being drawn for the possible use of U.S. combat troops in Central America if the current strategy for defeating leftist forces in the region fails." Two days later, the Washington Post carried a story headlined, "CIA Views Minelaying Part of Covert 'Holding Action'," which stated, "The CIA views its involvement in the laying of mines in parts of Nicaragua as part of a holding action until its covert war against that country's leftist Sandinista government can be stepped up if President Reagan wins reelection, according to senior administration officials."

Both of these reports were disavowed by the White House, but subsequent statements have made clear that the only Central American "solution" acceptable to the President is the overthrow of the government in Managua. What we do not know is the extent to which U.S. military activity is a part of President Reagan's pledge "to do everything we can to win this great struggle."

Mr. President, I believe the Senate must once again take the lead to force the Congress to carry out its constitutional role. There is nothing we can do, nor seek to do, by statute to deny or limit the constitutional authority of the President. This legislation does not seek to hamper the President's ability to respond quickly in an emergency. The President would be able to take action necessary to respond to prevent an attack or an imminent threat of attack on the United States or its Armed Forces, or to evacuate American civilians endangered by hostilities abroad, but his authority to do so would end in thirty days without further explicit congressional approval.

If we do not take action on the legislation we are introducing today, we are tacitly endorsing the status quo, under which the responsibility for committing troops rests solely with the President.●

By Mr. CHAFEE:

S. 938. A bill to amend title XX of the Social Security Act to provide for grants and contracts to provide services for pregnant teenagers and young parents; to the Committee on Finance.

TEENAGE PREGNANCY

● Mr. CHAFEE. Mr. President, teenage pregnancy is one of the most distressing social issues facing the Nation today. The consequences of this problem for teenage mothers, their children and society are troubling.

While Congress debates the merits of birth control, abortion, and the virtures of chastity, the incidence of teenage pregnancy is steadily increasing. In 1981 alone, 1.1 million teenages became pregnant. These pregnancies resulted in 537,000 live births; almost half of which occurred out of wedlock. A teenage mother faces a future of lower educational attainment, diminishing employment prospects, repeated pregnancies and high probability of welfare dependence.

Statistics show that a women who becomes pregnant during her teens is substantially more likely to drop out of high school. If she does complete high school, she is far less likely to attend college than her peers. Teenage parents are also more likely to have more children at closer intervals than those who delay childbearing. As a result of their lower educational levels and larger families, teenage mothers have poor employment prospects and low earning power, both of which increase the probability of welfare dependence. One analysis shows that in 1975, 71 percent of the mothers who were under 30 and receiving welfare were teenagers when they first gave birth.

What a dismal future our young parents face. Given the disadvantaged circumstances of the teenage parent, I ask you to consider the quality of life they can provide for their children.

The child is even at greater risk than the parent. A baby born to a young mother is significantly more likely to be born at a low birthweight and therefore faces a substantially higher risk of death or birth defects. Babies of teen mothers are also much less likely to receive well-child care and more likely to face the frightening experience of hospitalization within the first 5 years of life. Nothing is as tragic as unnecessary birth defects or the death of a baby. Many such heartbreaking outcomes could be prevented with proper prenatal care. Our young deserve a better chance to be born healthy and to be kept free from debilitating diseases.

Although many speculate about the causes of teenage pregnancy, there is no conclusive evidence showing that any one factor contributes more than all others to the high incidence of teen childbearing. We could debate the causes ad infinitum, but while we do the incidence of teenage pregnancy will continue to rise at an alarming rate. We should move beyond the debate and accept the real challenge—to ensure that each mother who decides to carry her pregnancy to term and raise her child, should be afforded every opportunity to become self-sufficient and independent.

The legislation I am introducing today is a comprehensive and determined effort to address the problem of teenage pregnancy by significantly improving the outcomes of teen childbearing. My legislation is designed to provide comprehensive services to both the teen mother and her child, thereby reducing the number of risks and increasing self-sufficiency and independence. This bill will provide grants to public and nonprofit private entities to support comprehensive services—prenatal and postpartum care, well-child care, family planning and counseling services, education and vocational counseling, and other services such as day care and transportation. All of these are essential components of any effort to promote successful outcomes of teenage childbearing.

Even during a time of fiscal restraint it is sound economic policy to invest in teen programs. Programs that provide comprehensive services save us more money in the long run than society will spend to fulfill unmet social needs. Healthy children and self-sufficient, productive adults are essential to our Nation's well-being.

I hope my colleagues will carefully review my proposal and join me in my effort to assist young mothers in their struggle for independence. Mr. President, I ask that my legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title XX of the Social Security Act is amended by adding at the end thereof the following new section:

"SERVICES FOR PREGNANT TEENAGERS AND YOUNG PARENTS

"PROJECT GRANTS AND CONTRACTS

"SEC. 2008. (a)(1) In addition to the amounts paid to States under section 2002, the Secretary may make grants to, and enter into contracts with, public and nonprofit private entities to provide (directly or indirectly) to persons described in paragraph (2) any of the following services:

"(A) Comprehensive prenatal and postpartum care.

"(B) Well-child care for the infant involved.

"(C) Comprehensive planning services (including a broad range of acceptable and effective methods of contraception) to prevent unintended repeat pregnancies.

"(D) Education and vocational counseling services.

"(E) Family life and parenting education.

"(F) Counseling services (including counseling for family members) when appropriate.

"(G) Other services designed to improve the availability of comprehensive services to assist pregnant teenagers, young parents, and their families.

"(2) Persons for whom services may be provided under grants under paragraph (1) are—

"(A) pregnant teenagers under the age of 18 who have decided to carry their pregnancy to term, the fathers of the infants in-

volved in the pregnancy, individuals who have agreed to share responsibility for such infants, and the guardians of such infants; and

"(B) mothers of pre-school age children who were under the age of 18 at the time of birth of such children, the fathers of such children, individuals who have agreed to share responsibility for such children, and the guardians of such children.

"(3) In approving applications for grants and contracts under paragraph (1), the Secretary shall give priority to, and will encourage applications from, entities that serve an area where the incidence of teenage childbearing is high, where the proportion of low income and minority families is high, and where teenage pregnancy services are most needed.

"(4) Grants and contracts under this section shall be made subject to the amounts appropriated pursuant to subsection (e).

"REGULATIONS AND PAYMENTS

"(b)(1) Grants and contracts under subsection (a) shall be made and entered into in accordance with such regulations as the Secretary may promulgate and shall be payable in such installments and be subject to such conditions as the Secretary may determine to be appropriate to assure that such grants and contracts will be effectively used for the purposes for which they are made.

"(2) A grant may be made or contract entered into under subsection (a) only upon assurances satisfactory to the Secretary that the following will apply to the provision of services under such grant or contract:

"(A) Priority in the furnishing of such services will be given to persons from low income families and to persons who may experience other barriers to such services.

"(B) If fees are charged for such services, such fees will be charged pursuant to a fee schedule approved by the Secretary which bases fees on the income of the person for whom the service is provided and takes into account the difficulty teenagers face in obtaining resources to pay for services. No fee may be charged for services provided to any person from a low income family (as defined by the Secretary by regulation), except to the extent that payment will be made by a third party (including a government agency). In no case may an entity discriminate with regard to the provision of services to any individual because of that individual's inability to provide payment for services.

"(C) Maximum use will be made of funds for which the entity or its subcontractors are eligible under other Federal and State programs.

"(D) The role of families will be maximized in assisting teenagers during pregnancy and parenthood, but family participation will not be required.

"(E) The community to be served will be involved in the planning and implementation of the program.

"(F) Such reports will be made and such data will be furnished as the Secretary shall require, including, at a minimum, the number and characteristics of persons served, the services provided, and the results achieved.

"VOLUNTARY PARTICIPATION

"(c) Services provided with financial assistance under this section shall be provided only on a voluntary basis and only after the individuals seeking the services have been advised of the benefits and risks of all the courses of action available to the individuals and have had the opportunity to choose freely among them, including referral to another source of care when indicated. The acceptance by any individual of information or services supported under this section shall not be a prerequisite to eligibility for or receipt of any other service or assistance.

"REPORTS

"(d) The Secretary shall establish a systematic reporting system capable of yielding comprehensive data on which service figures and program evaluation shall be based. On or before each January 1 the Secretary shall submit to the Congress a report describing the activities supported under this section, including, at a minimum, the number and characteristics of persons served, the services provided, the results achieved, and the Secretary's plan and recommendations for the future.

"AUTHORIZATION OF APPROPRIATIONS

"(e) For the purpose of carrying out this section, there are authorized to be appropriated $30,000,000 for fiscal year 1986, $32,000,000 for fiscal year 1987, and $34,000,000 for fiscal year 1988.".

(b)(1) Section 2001 of such Act is amended by inserting before the period at the end thereof the following: ", other than section 2008".

(2) Sections 2004, 2005(a), 2005(a)(4), 2005(b), 2006(a), and 2006(b) of such Act are each amended by inserting "(other than section 2008)" after "this title" each place it appears.●

By Mr. SPECTER:

S. 939. A bill for the relief of Joseph Willbroad Mayanja; to the Committee on the Judiciary.

RELIEF OF JOSEPH WILLBROAD MAYANJA

Mr. SPECTER. Mr. President, I am introducing today a private immigration relief bill on behalf of Mr. Joseph Willbroad Mayanja, a native of Uganda.

Mr. Mayanja came to this country on May 16, 1982, under a student visa, to attend Central Pennsylvania Business School. He graduated from that school last summer, and is presently living in Summerdale, PA, and working at the Holy Spirit Hospital in Camp Hill, PA.

On April 12, 1983, Mr. Mayanja filed a request for asylum with the Immigration and Naturalization Service, thus invoking the requirement of immigration law that he demonstrate a "well-founded fear of persecution on account of race, religion, nationality, political opinion, or membership in a particular social group" upon return to Uganda. As reflected in his request, Mr. Mayanja is likely to be persecuted in Uganda both as a member of the Baganda Tribe and as a Catholic.

Mr. President, the persecution of the Baganda Tribe by the government of President Milton Obote has been well-documented. In testimony before the House Foreign Affairs Committee, Assistant Secretary of State for Human Rights Elliott Abrams stated that abuses of human rights in Uganda had become "among the most grave in the world," and that the abuses included large-scale massacres and forced starvation of dissident ethnic groups. Moreover, as reported in the New York Times on August 8, 1984, administration officials stated that:

> The worst abuses . . . have taken place in the Luwero Triangle, the homeland of the Baganda Tribe. In some cases, the officials said, Ugandan army units reportedly rounded up hundreds of Baganda and shot them on the spot. The officials said the tribe was suspected by the army of supporting the rebels. Most army members are from the Langi and Acholi tribes, which support Mr. Obote.

With regard to the risks faced by Mr. Mayanja in connection with his Catholicism, he submitted to the INS press accounts indicating that President Obote suspects the country's Catholic prelate, Emmanuel Cardinal Nsubuga, of operating a training camp for opposition guerrillas, and that government soldiers had staged raids on the Catholic cathedral in Kampala, arresting priests as well as worshippers, none of whom have been seen since.

On September 13, 1983, the INS denied Mr. Mayanja's request for asylum. He filed a rebuttal, and asylum was again denied on December 15, 1983.

Then in March 1984, Mr. Mayanja was notified that his father and aunt had been killed in Uganda by gunmen believed to be soldiers. On August 13, 1984, a renewed request for asylum was filed with the INS in Philadelphia.

On November 15, 1984, the renewed request was denied, on the basis of an opinion received from the State Department's Bureau of Human Rights. That Bureau—headed by Assistant Secretary Abrams, the same man who in congressional testimony a few months earlier had characterized the human rights situation in Uganda as "horrendous"—advised that Mr. Mayanja did not have the requisite "well-founded fear of persecution." In taking this position, Assistant Secretary Abrams appears to be attempting to maintain the careful balance that he articulated in testimony before the House Foreign Affairs Committee, when he indicated that the problem is not that the present Government of Uganda is too strong, but that it is too weak to control its own army, and that "we must be careful neither to condone unacceptable behavior nor to mislead potential adversaries of our own troubled friends." He also testified that: "Even a highly imperfect regime may well give a much better prospect of democratization than would the Communist regime that might follow it."

The INS has set a voluntary departure date of April 30, 1985, for Mr. Mayanja. On March 21, 1985, Congressman BILL GOODLING introduced a private relief bill on behalf of Mr. Mayanja in the House of Representa-

tives. The bill I am introducing today is a companion measure to that bill.

Mr. President, based on the State Department's own congressional testimony, it appears clear that Mr. Mayanja can indeed lay claim to a "well-founded fear of persecution." Unfortunately, it also appears clear that he individually is expected to bear the burden of the State Department's political dilemma—namely, their desire to condemn the human rights abuses in Uganda while at the same time not undermining President Obote to such an extent as to invite in a communist successor. In my view, this is not an appropriate burden for this one man to bear.

By Mr. ROTH:

S. 940. A bill to amend title 10, United States Code, title 31, United States Code, and the Renegotiation Act of 1951 to control the cost of Department of Defense contracts; to the Committee on Armed Services.

DEFENSE PROCUREMENT PROGRAM INTEGRITY ACT

● Mr. ROTH. Mr. President, I am today introducing the "Defense Procurement Program Integrity Act of 1985." This legislation is designed to prevent unearned profits on defense contracts; provide increased information to the public and the Government on profits and financing procedures in the defense industry; ensure more effective enforcement of existing laws requiring reasonable and supportable prices on major defense contracts; prevent claims for unallowable costs; establish time limits on the filing of claims; and ensure the continued effectiveness of defense contract cost accounting standards. I believe the legislation can help to restore integrity to the defense contracting process and remove the growing stain of abuse and waste of which we hear so much today.

Mr. President, the consensus for added defense spending has been seriously eroded over the past few years. A recent poll found 53 percent of the American public favored making "substantial cuts" in military spending—a marked shift from a similar poll conducted just a few months earlier when only 44 percent supported such cuts. The erosion in public support for the defense buildup has decreased even more substantially in comparison with the early days of 1981 when almost 70 percent of the public believed we needed to increase defense spending.

I believe the public's support for increased defense budgets has lessened in large part because the public does not believe their tax dollars are being spent wisely or efficiently. Certainly, recent revelations of unearned and inflated profits, claims filed by defense contractors on contracts for the costs of advertising, entertainment, and even the transportation of pet dogs, and continued evidence of overpricing in defense programs have been factors in the erosion of public enthusiasm for more defense spending.

I am a strong believer that we must strengthen our defenses, but I will not support defense spending at any price. I support it only at the right price, a fair price. Unfortunately, Mr. President, there is growing evidence that we are not getting fair prices in many cases and that some defense contractors are reaping unearned and exorbitant profits.

We have all read the recent accounts of abuse and waste in defense contracts involving some of our Nation's largest defense firms. I would stress that it is not just reports from the Inspectors General, the General Accounting Office, or the media that point to substantial problems in the management of defense acquisition programs. Prestigious groups such as the Georgetown Center for Strategic and International Studies (CSIS) have released reports which raise serious questions about the effectiveness of the Defense Department and call for major changes in the Department and in acquisition policies and procedures. A bipartisan group of six former Secretaries of Defense have endorsed, in its essentials, the CSIS study and they concluded, "in our view, the public's concern (with ineffective defense management) is well-founded; there are serious deficiencies in the organization and managerial procedures of the U.S. defense establishment."

Mr. President, many of the problems in the defense acquisition process have been blamed on the Department of Defense and it is true that the Department could do much to improve its operations. However, it is becoming increasingly evident that a number of defense contractors are performing poorly and inefficiently and are in some cases abusing the requirements of the defense acquisition process. Reports indicating gross inefficiency in operations, fraudulent dealings, unearned and excessive profits point to serious shortcomings in the management practices and attitudes of some defense contractors.

While not all defense contractors are at fault, it is no longer plausible to argue that the mismanagement and waste in defense programs is limited to a few "bad apples" or that it is bound to happen occasionally given the number of contracts and the amount of money being spent each year. The number of defense contractors, both large and small, that have been debarred and suspended from contracting with the Defense Department is on the increase. Evidence shows that a good number of large defense contractors have failed to practice cost-effective management and maintain a high level of integrity in the contracts they have been awarded.

Mr. President, this country has chosen to rely on its free enterprise system to provide it with needed defense equipment. There are two parties to every defense contract—the Government and the contractor. Both must hold up their end of the bargain or our defense program will suffer. We rely on contractors to carry out important defense projects efficiently, effectively, and with integrity. It is no exaggeration to say that their work is a matter of life and death to our servicemen. It is also a matter of incalculable importance to the safety and freedom of our citizens and, indeed to the entire free world. All of us, for these reasons, have a stake in the performance of defense contractors.

I believe we must restore the integrity of the defense acquisition process and in order to do so, a number of changes in the law must be made. The Defense Department must have effective tools to help it obtain fair and reasonable prices in the usually noncompetitive world of major weapons contracts. Defense contractors must be provided with a firm set of policies that makes clear to them their responsibilities while at the same time ensuring them a fair return on their investments. The current spate of unfavorable publicity concerning the performance of defense contractors must not lead us to eliminate the incentives they need to properly perform their work.

That is the purpose of my legislation. It will send a clear and straightforward signal to the defense industry that only fair and reasonable prices will be allowed on defense contracts and only profits which are earned in accordance with law and regulation will be permitted. Profits are necessary in the defense industry just as they are in any other industry. But profits must be fairly earned and reasonably related to the risks taken by contractors.

My bill has five titles. Title I seeks to restore the effectiveness of the Truth-in-Negotiations Act. The act was passed in 1962 in the wake of several General Accounting Office reports which disclosed that defense contractors were making excessive and unearned profits on negotiated, sole-source contracts. The lack of competition for these contracts meant that there was very little incentive to hold down costs. Because there was no competition, the Government had to rely on good faith negotiations with the contractor to ensure the lowest possible price.

All too often, the deck was stacked against the Government in these negotiations. Contractors actually had available more accurate, current and complete information concerning contract prices than they revealed to the Government. In many cases, this pric-

ing data indicated that the contractors would actually incur lower material, labor, and other costs than they were using to support their contract pricing proposals. As a result, negotiated prices were often too high and contractors profits were in many cases exorbitant.

The Truth-in-Negotiations Act was supposed to put the Government on an equal footing with the contractors when negotiating contracts. In a sense, it was designed to be a substitute for the lack of competition on these contracts. The Truth-in-Negotiations Act is one of the best means the Government has to prevent contractors from reaping unearned and excessive profits on contracts. Only when it has accurate and up-to-date information on contract proposals can the Government hope to obtain fair and reasonable prices.

This law requires contractors to submit current, accurate, and complete cost and pricing data on contract proposals valued at more than $500,000 and to certify that they have done so. It also authorizes the Government to audit the records of these contractors to find out whether they had, but failed to submit, better and more accurate cost and pricing data. Under the law, the procurement officials involved can reduce contract price or, when contract payments have already been made as is often the case, they can recover overpayments.

With a law like this on the books, overcharges on contracts should be under control. Unfortunately, during the last 10 years, decisions made by the Armed Services Board of Contract Appeals (ASBCA), the administrative board which hears contract disputes, have greatly weakened the law. For example, one recent decision by this board states that a contractor is not liable for failing to disclose all available information he has concerning contract prices if the Government should have known the data was not disclosed. This decision implies that a "take it or leave it" attitude on the part of contractors will be tolerated.

In another case, the board determined that pricing data did not have to be disclosed to contracting officers as long as some Government employee was given the data. Contractors could give pricing data on a contract proposal to a person not directly involved in the contract negotiations. As long as it can be proved that someone in Government was given the data, the contractors were relieved of their liability.

Other recent cases allow contractors to violate the Truth-in-Negotiations Act because a procurement was sole source or because a contractor was in a "superior" bargaining position. These and other decisions have reduced the deterrent effect of the act and made it much more difficult for Government negotiators to obtain fair and reasonable prices on contracts.

The act was originally passed because contractors all too often had data on cost and prices not available to the Government. Now, because of these decisions, contractors are excused from being open and truthful with the Government.

The Truth-in-Negotiations Act also contains no incentives to force contractors to settle defective pricing cases in a timely manner or to encourage them to avoid submitting faulty or overpriced contract proposals. Contractors who submit defective pricing data in support of a contract have often been paid many months or years before contracting officers get around to settling their cases. As a consequence, contractors who submit defective pricing data have long-term use of the taxpayers' money and under the law, they pay no interest for the use of that money or penalties for submitting defective pricing data. Contractors have every incentive not to settle cases for years. They pay no fines for delay and the longer a case drags on, the harder it will be for the Government to successfully settle.

Until recently, in part due to prodding from my committee and the Department of Defense Inspector General, the Defense Contract Audit Agency gave low priority to conducting defective pricing audits. Even today, less than 5 percent of DCAA's resources are devoted to such audits. Even worse, contracting officers often fail to fully support the findings of the DCAA auditors. Instead of insisting on recovering the full amount from contractors as recommended by DCAA, contracting officers often negotiate as little as 10 to 20 cents for each dollar of defective pricing uncovered by DCAA.

My committee held hearings on the effectiveness of the Truth-in-Negotiations Act in 1983 and uncovered numerous examples of waste of tax dollars through ineffective implementation of the act. For example, we uncovered one case in which a contractor agreed that he owed the Government $2 million in overcharges and yet it took almost 3 years to reach a final payment settlement. The contractor paid no fines or interest charges during the time in which the case was unresolved.

In another case, DCAA found $165,000 of overcharges on a contract. While the contracting officer agreed that defective pricing violations had occurred, he concluded that the amount involved was "not significant" and declined to collect from the contractor.

In a recent investigation by my committee, over 11 million dollars' worth of defective pricing was discovered on certain Navy shipbuilding contracts. Some of this money was first identified more than 4 years ago but nothing has been done about it.

During our hearings in 1983, information was submitted which indicated that over 1 billion dollars' worth of defective pricing remained uncollected by DOD. Some of this money had not been recovered even though it was first discovered almost 10 years ago. Contracting officers are lax in their efforts to recover defective pricing money from contractors. It appears that they do not want to face the unpleasant task of asking contractors to refund payments or reduce contract prices.

Mr. President, the important provisions of the Truth-in-Negotiations Act designed to protect the taxpayers against overcharges and excessive profits have been abused and weakened by the Armed Services Board of Contract Appeals, by law efforts on the part of contracting officers to recover funds, and by DCAA's unwillingness to devote resources to conducting defective pricing audits. It is time to strengthen and tighten the law to prevent overcharging. Title I of my bill does just that.

Essentially, Title I would improve the law in two primary ways. First, it would close certain loopholes in interpretation which have made it difficult for the Defense Department to collect overcharges resulting from defective pricing cases.

Second, it would put incentives in the law which would encourage contractors to settle defective pricing cases as soon as possible rather than to delay settlements for long periods of time. It would require that contractors be charged with interest from the day of contract award for any amounts determined to be defective pricing. This problem will help end unearned contractor profits and will reinstate the principle that defective pricing represents unearned enrichment to the contractor. A price adjustment under the act is not punishment but only fair restitution to the Government.

With all of this done, however, we still must have some institutional mechanism designed to collect exhorbitant profits which may become visible only after a contract has gotten underway or is concluded. For example, in one recent case involving two major defense contractors, excessive profits were earned by the two companies when they delivered products far in advance of the agreed-upon schedule. In recent shipbuilding contracts my committee reviewed, a contractor made profits approaching 22 percent of contract cost in part because it negotiated ship construction schedules which it knew were excessively long. When the ships were delivered earlier than called for under the contracts,

the contractors reaped unearned profits.

To cope with these and similar problems, I believe we must consider reactivating the Renegotiation Board and allow it to conduct reviews and make recoveries of excessive or unearned contractor profits. Title II of my bill does just that.

Nearly 15 million contracts are signed by the Defense Department each year and over $100 billion in procurement funds are obligated to pay for those contracts. More than $50,000 is spent each second by the Pentagon and some 8 million contractor employees and 50,000 Defense Department personnel are involved in managing military contracts. One recent contract proposal weighed almost 3 tons and contained complicated financial, engineering, and cost data. In short, the incredible complexity, the huge sums of money, the rapid pace of contract activity, and the large number of personnel involved in the contracting process make it extremely difficult to ensure that only fair and reasonable profits are earned by defense contractors.

An effective Renegotiation Board would provide a means of ensuring that defense contractors receive the profits they are entitled to and deserve while at the same time protecting the interests of the taxpayers in curbing unnecessary costs. Before 1979, renegotiation of defense contracts and subcontracts as a means of recovering excess profits received by contractors was authorized by the Renegotiation Act and the Renegotiation Board, a five-member independent agency, enforced the provisions of the act. Essentially, the Board reviewed and audited defense contracts and held hearings with defense contractors to determine whether excessive or unearned profits were received on contracts. During its 25 year existence, the Board found over $1.3 billion in excessive profits and its existence helped to deter contractors from making claims for profits that they did not deserve.

Today, while there are profit guidelines in existence in regulation, there are essentially no limits on profit levels. Profit limits contained in the Vinson-Trammell Act were eliminated in 1981 and the Congress eliminated funding for the Renegotiation Board in 1979. While the Truth-in-Negotiations Act and other requirements are intended to prevent DOD from negotiating and approving contracts with inequitable and excessive profits, in many cases such costs do not show up until contract progress payments begin to be made.

The Renegotiation Board will serve as a final check on profit levels. Because my legislation will also ensure that regular studies of contractor profit levels and financing practices are conducted at 3 year intervals, the Board will be able to pursue its work less obtrusively than before and more effectively. I would point out that the Board must be evenhanded in its work; large contractors must receive no special considerations just because of their size.

The third title of the bill concerns cost accounting standards. Uniform cost accounting standards were established for defense contracts in the decade of the 1970's in an effort to ensure that all contractors accounted for and allocated costs in a proper manner. Such uniformity made it easier for the Government and for contractors to ensure that fair and equitable contracts were negotiated.

Cost accounting standards continue to be a significant aid in establishing the integrity and credibility of cost figures and estimates used by DOD and by industry. The Cost Accounting Standards Board had the responsibility of establishing these standards and ensuring that they remained effective. It operated from March 1971 to September 1980 and during this time promulgated standards that covered most cost accounting matters.

During the past 3 years without a Cost Accounting Standards Board, no governmental group has functioned to amend standards when desirable or to provide interpretations, develop new standards and do the other duties previously performed by the Board. GAO has reviewed the implementation of costs accounting standards and its work has shown that Federal agencies and departments have generally implemented the standards as required. However, recent disputes between certain contractors and the Government concerning allowable costs suggests that reconstituting the Board may be a good idea.

Title III of my bill would reauthorize the Board as an independent organization in the executive branch of the Government. The Board would be headed by the Comptroller General and would have four other members all appointed by the President. The Comptroller General and the Defense Department both support the need for some type of Board.

Title IV of my legislation would require a survey to be made every 3 years of the profits and finances of defense contractors. The survey would help identify on a regular basis trends in the defense industry and provide the public and the Government with crucial information on the financial performance and capabilities of the defense industry.

While profit inflation is available on businesses from their annual reports, there is little information available on contract specific profit levels and the investments needed by the defense industry to meet commitments to the Government. It was 1976 when the last survey was made of contractor finances and profits. Both DOD's policies and the national economy have changed dramatically since then. Without this information, we cannot really determine whether profits on specific contracts are appropriate nor can we tell whether the interests of the taxpayer are being protected.

The Defense Department is conducting a new profits study but there is a need to make sure this data is provided on a regular basis to DOD and to Congress. Title IV of my bill would require defense contractors to report every 3 years on profit levels, investments, and losses. The Comptroller General supports this concept and stated recently in a speech before defense industry representatives:

> A review of DOD profit policy should be done periodically. * * * With such a program, we can enhance the credibility and integrity of the Government procurement processes and be a positive force in modernizing the industrial base.

The profit reporting requirements of title IV will provide needed data to craft more effective profit and contract financing policies. These improved policies will help Government contract negotiators achieve fair and reasonable contracts that avoid excessive or unearned profits.

Mr. President, the available evidence indicates that we need to reestablish the Renegotiation Board and that we must have better information on contractor profits. From all appearances, substantial profits are being made by contractors on defense work but we have little idea whether these profits are reasonable, whether they result in added investment to improve our defense industrial base nor whether our contract financing and payments policies make sense. We need to have this type of information in order to ensure fair profits to the contractors and reasonable prices on defense contracts.

Recent information available from the U.S. Census Bureau provides evidence that profits are healthy in the defense industry and they also raise questions which need to be answered. For example, according to the data, the top 10 defense contractors made the following profits in 1984:

PROFITS AT 10 LARGE MILITARY CONTRACTORS

Contractor	Profits as percent of equity	1984 profits (in millions)	Percent of sales to U.S. Government
Lockheed	42	$572	85
General Dynamics	30	382	86
Northrop	29	167	84
Martin Marietta	28	176	76
Boeing	26	787	42
Grumman	24	108	82
Rockwell International	21	496	63
Raytheon	18	340	49
Litton	16	277	41
McDonnell Douglas	16	325	69

Average return on equity for this group: 25 percent.
Average return for manufacturing, mining and trade corporations: 12.8 percent.

These are profits measured as a percent of equity, in other words, aftertax profits as a percentage of shareholder equity, and it is accepted as a fair representation of corporate profits on Wall Street. However, the data in the table is not broken out by percentage of sales to the U.S. Government and there is no data available purely on the profits made by these corporations as a result of their defense business. We have little information on the profits made by contractors on each of their contracts and we have almost no data on the investments made by contractors in their defense plants.

In short, all we have are indications that profits are healthy. We don't know how high they are, how reasonable they are in relation to contract costs nor how much investment had resulted from these profits. In order for us to be proper stewards of the taxpayers' dollars, we need to have this information and we need to have the tools to control excessive or unearned profits. That is the goal of titles III and IV of my bill.

Finally, the last title of the legislation would ensure that there is a statutory time limit on the filing of claims by contractors for work performed on contracts. Currently, contractors may file claims months and even years past the date upon which the event causing the filing of the claim occurred. Claims are often filed by contractors to cover the costs of changes made in the structure or design of a project at the request of the Government. However, there have been cases, most notably in shipbuilding, in which claims have been filed years after the date on which a change was ordered.

This excessively late filing of claims causes confusion and difficulty in establishing the validity of the claims. Often, it is almost impossible to track an old claim through years of paperwork and contract history. In the case of shipbuilding, late claims filings resulted in costly disputes which the Government has only recently settled.

As a result of the problems in Navy shipbuilding programs, a statutory limit of 18 months has been established as the deadline for the filing of claims. However, no similar statutory deadline exists for other weapons programs or for major construction programs. The legislation would set the deadline at 18 months in order to avoid confusion and ensure contract integrity.

The extension of the statutory 18-month period to all defense contracts has been supported by the Secretary of Defense. In a letter dated June 8, 1984, he stated "the Department of Defense supports, the 18-month statutory limit, in principle, but highly recommends that it be extended to all procurement and military construction." I believe this proposal will help ensure fair and equitable contract settlements and avoid costly litigation in the future.

Mr. President, I believe my legislation is comprehensive and will help to reestablish the integrity of the defense contracting process. I urge my colleagues to support it and ask that it be printed in the RECORD, along with a brief summary in explanation of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Defense Procurement Program Integrity Act of 1985."

TITLE I—UNALLOWABLE CONTRACT COSTS

COST AND PRICING DATA

SEC. 101. (a)(1) Subsection (f)(1) of section 2306 of title 10, United States Code, is amended by inserting "and are allowable in accordance with the requirements of law and applicable regulations and in accordance with such cost principles as the head of an agency makes applicable to the costs under such laws and regulations" after "current".

(2) Subsection (f)(2) of such section is amended by inserting "or were not allowable in accordance with the requirements of law and applicable regulations or in accordance with such cost principles as the head of the agency makes applicable to the costs under such laws and regulations" after "noncurrent".

(b) Section 2306 of such title is further amended by adding at the end thereof the following new subsections:

"(i) In any administrative or judicial proceeding to adjust the price of a contract under subsection (f)—

"(1) only cost and pricing data which were inaccurate, incomplete, or noncurrent when furnished with respect to the contract under subsection (f) and are higher than the accurate, complete, and current cost and pricing data which should have been furnished shall be considered for the purpose of determining an adjustment in the price of the contract;

"(2) it shall be conclusively presumed that the Government relied on all cost and pricing data furnished by the contractor or subcontractor under subsection (f); and

"(3) it shall not be a defense to an adjustment of the price of the contract that—

"(A) the price of the contract would not have been modified if accurate, complete, and current cost and pricing data had been furnished by the contractor or subcontractor because the contractor or subcontractor was the sole source of the property or services procured;

"(B) the price of the contract would not have been modified if accurate, complete, and current cost and pricing data had been furnished by the contractor or subcontractor because the contractor or subcontractor was in a superior bargaining position with respect to the property or services procured;

"(C) accurate, complete, and current cost and pricing data with respect to the contract were submitted to an officer or employee of the Government other than the contracting officer of the Government;

"(D) the contracting officer of the Government should have known that the cost and pricing data in issue were inaccurate, incomplete, or noncurrent even though the contractor or subcontractor furnishing the data took no affirmative action to bring the character of such data to the attention of the contracting officer;

"(E) the contract involved sales of military equipment to a foreign government;

"(F) the subcontractor furnished the cost or pricing data in issue on the contract or on a change or modification to the contract after the conclusion of an agreement between the Government and the prime contractor on such contract, change, or modification;

"(G) the contract was based on an agreement between the contractor and the Government about the total cost of the contract, and there was no agreement about the cost of each item procured under such contract; or

"(H) the prime contractor or subcontractor did not prepare and submit a certificate of cost and pricing data relating to the contract as required under subsection (f).

"(j)(1) In the case of an overpayment to a prime contractor or subcontractor by the United States Government by reason of the submission of inaccurate, incomplete, or noncurrent cost or pricing data under subsection (f), interest shall be charged on the amount of the overpayment. Interest shall be computed for the period beginning on the date of the overpayment and ending on the date the Government is reimbursed the amount of the overpayment or an adjustment under subsection (f) takes effect. Any adjustment in the price of the contract to the Government under subsection (f) shall include an adjustment for the amount of interest due the United States Government on the overpayment.

"(2) For the purposes of this subsection, the rate of interest charged for any period shall be the annual rate of interest established under section 6621 of the Internal Revenue Code of 1954 (26 U.S.C. 6621) for such period.".

TITLE II—RENEGOTIATION ACT

SHORT TITLE

SEC. 201. This title may be cited as the "Renegotiation Act Amendments of 1985".

CONTRACTS SUBJECT TO RENEGOTIATION

SEC. 202. Section 102 of the Renegotiation Act of 1951 (50 U.S.C. App. 1212) is amended by adding at the end thereof the following:

"(f) Certain Amounts Received After October 1, 1976.—Notwithstanding subsection (a), the provisions of this title shall not apply to contracts with Departments, or related subcontracts, to the extent of the amounts received or accrued by a contractor or subcontractor during the period beginning on October 1, 1976, and ending on October 1, 1985.".

TERMINATION DATE

SEC. 203. The last sentence of section 102(c)(1) of the Renegotiation Act of 1951 (50 U.S.C. App. 1212(c)(1)) is amended to read as follows: "For purposes of this title, the term 'termination date' means September 30, 1988.".

METHOD OF RENEGOTIATION

SEC. 204. Section 105(a) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(a)) is amended by inserting after the sixth sen-

tence thereof the following: "In renegotiating contracts and subcontracts under this title, the Board shall renegotiate the contracts and subcontracts by division and by major product line within a division of the contractor or subcontractor.".

MINIMUM AMOUNT SUBJECT TO RENEGOTIATION

SEC. 205. Section 105(f) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(f)) is amended—

(1) in paragraph (1), by inserting ", or $5,000,000 in the case of a fiscal year ending after the date of the enactment of the Renegotiation Act Amendments of 1985" after "June 30, 1956" each place it appears;

(2) in the second sentence of paragraph (3), by inserting "the $5,000,000 amount," after "the $1,000,000 amount,"; and

(3) in the last sentence of paragraph (3), by striking out "$1,000,000" each place it appears and inserting in lieu thereof "$5,000,000".

APPOINTMENTS TO RENEGOTIATION BOARDF

SEC. 206. Not later than October 1, 1985, the President shall appoint the members of the Renegotiation Board created by section 107(a) of the Renegotiation Act of 1951.

AUTHORIZATION

SEC. 207. There is authorized to be appropriated to the Renegotiation Board referred to in section 206 for fiscal year 1986, $10 million.

TRANSFER

SEC. 208. All property (including records) of the Renegotiation Board that was transferred to the Administrator of General Services pursuant to Public Law 95-431 (92 Stat. 1043) and is available shall be transferred to the Renegotiation Board.

EFFECTIVE DATE

SEC. 209. The amendments made by sections 202, 203, 204, and 205 of this title shall take effect on October 1, 1985.

TITLE III—COST-ACCOUNTING STANDARDS BOARD

SHORT TITLE

SEC. 301. This title may be cited as the "Cost-Accounting Standards Board Amendments of 1985".

COST-ACCOUNTING STANDARDS BOARD AMENDMENTS

SEC. 302. (a) Subsection (a) of section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168(a)) is amended to read as follows:

"(a)(1) There is established a Cost-Accounting Standards Board which shall consist of—

"(A) the Comptroller General of the United States who shall serve as Chairman of the Board; and

"(B) four members to be appointed by the President of the United States, by and with the advice and consent of the Senate.

"(2) Of the members appointed to the Board—

"(A) two, of whom one shall be particularly knowledgeable about the cost accounting problems of small business, shall be from the accounting profession;

"(B) one shall be representative of industry; and

"(C) one shall be from a department or agency of the Federal Government.

"(3)(A) The term of office of each of the appointed members of the Board shall be four years, except that any member appointed to fill a vacancy in the Board shall serve for the remainder of the term for which his predecessor was appointed.

"(B) A vacancy on the Board shall be filled in the same manner in which the original appointment was made.

"(4) Each member of the Board appointed from private life shall receive compensation at the rate of one-two-hundred-sixtieth of the rate prescribed for level IV of the Federal Executive Salary Schedule for each day (including travel-time) in which he is engaged in the actual performance of duties vested in the Board.".

(b) The first sentence of subsection (g) of such section is amended to read as follows: "The Board may promulgate, from time to time, cost-accounting standards designed to achieve uniformity and consistency in the cost-accounting principles followed by defense contractors and subcontractors under Federal contracts.".

(c)(1) Subsection (h)(1) of such section is amended—

(A) in the first sentence, by inserting "interpret," after "amended,"; and

(B) by striking out the third sentence and inserting in lieu thereof the following: "The interest rate applicable to the price adjustment shall not exceed a rate determined by the Secretary of the Treasury, taking into consideration current long-term Federal Government borrowing rates. Such interest shall accrue from the time payments of the increased costs were made to the contractor or subcontractor to the time the price adjustment is effected.".

(2) Subsection (h)(3) of such section is amended to read as follows:

"(3)(A) Cost-accounting standards promulgated under subsection (g) and rules and regulatons prescribed under this subsection shall take effect not earlier than the expiration of the first period of ninety calendar days of continuous session of the Congress following the date on which a copy of the proposed standards, rules, or regulations is transmitted to the Congress.

"(B) For purposes of this paragraph, in the computation of the ninety-day period there shall be excluded the days on which either House is not in session because of adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

"(C) The provisions of this paragraph do not apply to modifications of cost-accounting standards, rules, or regulations which have become effective in conformity with those provisions.".

(d) Subsection (k) of such section is amended to read as follows:

"(k) The Board shall report to the Congress not later than one year after the date of enactment of the Cost-Accounting Standards Board Amendments of 1985, and annually thereafter, with respect to its activities and operations, together with such recommendations as it deems appropriate.".

(e) Such section is further amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following:

"(l) All cost-accounting standards, interpretations, modifications, rules, and regulations promulgated or issued by the Cost-Accounting Standards Board established by this section shall remain in effect unless and until amended, superseded, or eliminated by the Board pursuant to the authority of this section.".

TITLE IV—CONTRACTOR PROFIT STUDIES

SEC. 401. (a) Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section 2406:

"§ 2406. Contractor profit studies

"(a) The Secretary of Defense, on a regular periodic basis, shall carry out studies of profits made by contractors under Department of Defense contracts to determine whether the level of such profits is reasonable. The Secretary shall carry out the studies at least once each 4 years.

"(b) A study under subsection (a) shall include (1) the profits made by contractors under Department of Defense contracts, (2) a comparison of the level of profitability of defense contractors under such contracts with the level of profitability of contractors under nondefense contracts and with the general level of profitability of businesses in the private section, and (3) whether variations between the levels of profitability are reasonable under the circumstances, (4) the impact of cost allowability on pricing and profits, (5) the relationship of contract pricing to capital investment, (6) the use of pricing to motivate cost efficiency and (7) the relationship of payment policy and contract pricing.

"(c) The Secretary of Defense shall transmit the findings resulting from a study under subsection (a) to the Congress, the Comptroller General of the United States, and the Renegotiation Board established by section 107(a) of the Renegotiation Act of 1951.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

TITLE V—LIMITATION ON CONTRACTOR CLAIMS

SEC. 501. (a)(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section 2324:

"§ 2324. Limitation on contract claims

"(a) A claim submitted by a contractor requesting or demanding payment in connection with a contract entered into by the Department of Defense, including a claim for an equitable adjustment, may not be paid unless the claim is submitted as provided in subsection (b).

"(b) A claim referred to in subsection (a) shall be submitted to the appropriate contracting officer of the Department of Defense within 18 months after the date of the event (or the last date of the event, as the case may be) on which the claim is based, shall include the certification required by section 6(c)(1) of the Contract Disputes Act of 1978, and shall include such documentation as the Secretary concerned may prescribe in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"2324. Limitation on contract claims.".

(b) The amendments made by subsection (a) shall take effect with respect to contracts entered into on or after the date of enactment of this Act.

THE "DEFENSE PROCUREMENT PROGRAM INTEGRITY ACT OF 1985"—A BRIEF SUMMARY

The bill has five titles aimed at making both the Defense Department and defense contractors more responsible business partners.

TITLE 1: DEFECTIVE PRICING

Closes loopholes in the defective pricing provision of the Truth-in-Negotiations Act by disallowing certain defenses used by contractors when they have been caught with less inaccurate, incomplete, and has current

cost and pricing data. Defenses previously allowed by the Armed Services Board of Contract Appeals that would now be disallowed are:

1. That the contractor, being the sole source of the property or service, would not have modified the contract price.
2. That the contractor was in a superior bargaining position and would not have modified the contract price.
3. That the supply of cost and pricing data to any officer or employee of the government is sufficient (even though the officer or employee is someone other than the contracting officer).
4. That the contracting officer should have know that cost and pricing data was deficient.
5. The contract involved foreign military sales.
6. The subcontractor submitted the data after agreement between the prime contractor and the government.
7. The contract is based on total cost, not the cost of individual items.
8. A certificate of cost and pricing data was not prepared.

Provides for interest penalties on defective pricing cases to encourage contractors to settle defective pricing cases as soon as possible rather than to delay settlements for long periods of time.

TITLE 2: RENEGOTIATION

Reinstitutes the old five-member Renegotiation Board which was charged with ensuring that defense contractors receive the profits they are entitled to while at the same time protecting the interests of the taxpayers. Estimated operating budget of $9.9 million in 1986. Changes in the Board include:

1. To allow renegotiation by division and by product line within the organization of a contractor or subcontractor, thereby closing a loophole in the original Act which allowed firms to average profitable with unprofitable product lines in order to escape renegotiation proceedings.
2. Increasing the minimum floor at which a company is subject to review by the Board from $1 million to $5 million of renegotiable sales. This is to encourage the Board to focus on larger defense firms rather than small businesses.

TITLE 3: COST ACCOUNTING STANDARDS

This section would reestablish the Cost Accounting Standards Board (CAS Board). The old Board went out of existence in 1980 after promulgating uniform standards governing the manner in which costs are accounted for and allocated on defense contracts.

The Board would be established in the Executive Branch. The Comptroller General would serve as chairman, four other members are appointed for four-year terms by the President with the advice and consent of the Senate. Members shall be compensated at a daily rate when engaged in actual performance of duties.

The Board would promulgate cost-accounting standards designed to achieve uniformity and consistency in the cost-accounting principle followed by defense contractors. Estimated cost is $1 million annually.

TITLE 4: CONTRACTOR PROFITS

This section would require a survey to be made every three years of the profits and finances of defense contractors.

The survey would help identify, on a regular basis, trends in the defense industry and provide the public and the government with crucial information on the financial performance and capabilities of the defense industry.

This would formalize a current study now being undertaken by the Defense Department on profits and ensure that this kind of data is provided to Congress and the public on a regular basis.

TITLE 5: STATUTE OF LIMITATIONS ON CLAIMS

Currently, all contractors except those in the shipbuilding industry may file claims months and even years past the date upon which a change in the contract was made. This can result in contractors using the claims process as a means of recouping losses incurred on contracts.

Legislation passed by Congress last year set an 18-month statute of limitations on claims submitted by shipbuilding contractors against the Navy. The bill would extend that provision DOD-wide.●

By Mr. ROTH:

S. 941. A bill to amend title 10, United States Code, to establish the position of Director of Weapon Systems Acquisitions in the Department of Defense, and for other purposes; to the Committee on Armed Services.

WEAPON SYSTEMS ACQUISITIONS IMPROVEMENT AND REFORM ACT

● Mr. ROTH. Mr. President, I am pleased to introduce today the Major Weapon Systems Acquisitions Improvement and Reform Act of 1985. This bill would consolidate within the Department of Defense all major procurement activities. This office would take over the management of major weapons acquisition programs from the military services. It would be headed by a civilian Director nominated by the President and confirmed by the Senate who would be charged with developing and procuring the weaponry needed by our military services. The Director would also be responsible for developing appropriate career training, apprenticeship, incentive, and evaluation programs to assure the establishment of a stable and motivated acquisition work force. Based on the evidence I have seen, I believe this idea offers the potential for more effectively managed and less costly weapons programs.

Mr. President, I would be the first to acknowledge that it is no piece of cake to develop, produce, and manage complex weapon systems and to hold down the cost growth which routinely affects them. If it were, the dozens and dozens of acquisition improvement efforts which have been initiated by virtually every administration would certainly by now have given us a more efficient and well-managed acquisition process.

It hasn't happened. In fact, if anything the problems in the acquisition process are as serious today as they have ever been and the public has the perception that we really don't know how to build dependable, reasonably priced weapon systems.

Part of this perception of an acquisition system out of control stems from the very fact that the Defense budget, and in particular the procurement portion of that budget, has grown dramatically over the last 3 years. The Defense Department procurement request for this year is three times greater, in constant dollars, than it was less than a decade ago. About 15 million separate contract actions will be made in this year alone to buy weapons and related spare parts. Nearly 1 job in 10 in the United States today is dependent to some degree on the defense contracting business. Somewhere around half of the general tax revenues now collected go to defense programs.

The public is also aware of these substantial increases in the Defense budget. But they are just as aware of the cost growth, weapon system failures, and overpriced spare parts which have resulted from the existing acquisition system. As my colleagues know from their visits with constituents back home, the fact, is that the public's view of defense matters is greatly influenced by their perceptions of the way in which weapon programs and spare parts purchases are managed. My concern, and I know that of other Senators as well, is that the public is becoming convinced the Defense Department is not effectively managing the defense acquisition process.

If we don't act soon, we run the risk of losing the consensus in support of the defense rebuilding effort which we need and which was so evident in 1981. Coupled with the budget deficit pressures which have now begun to affect the size of the defense program, the public's growing disillusionment with the management of the acquisition process is a serious matter and one that I, as a strong proponent of revitalized defense, am anxious to reverse. The job of buying weapons and equipment not only has to be done well, the public has to be convinced it is being done well.

Mr. President, the acquisition process has been examined repeatedly over the years and we are all familiar with most of the many problems cited at one time or another as major factors in cost growth and mismanagement: poor or overly optimistic cost estimates, gold-plating, poor testing, lack of competition in contracts, and schedule stretchouts. Whether these are in fact the real causes of cost growth, or just symptoms of the problem, there is little doubt in my mind that the acquisition process is ripe for improvement. More than 3 years of hearings on acquisition management in my Governmental Affairs Committee have convinced me of that fact. A recent report by the General Accounting Office dramatically illustrates the very serious cost growth and management problems affecting acquisition programs.

GAO reviewed the Defense Department's budget, planning, and cost esti-

mating procedures for its major weapons programs to provide an assessment of the realism of the Department's 5-year projection of funding requirements. The GAO looked at the actual versus planned costs for 97 major weapons between the years 1973 and 1983 and found that Congress must consistently provide substantially greater appropriations than anticipated for weaponry, an average of 32 percent more. It also found that even with the additional money, the quantities of weapons which DOD is actually able to buy is consistently less than originally planned. In fact, since 1970 this pattern of receiving more money and purchasing fewer quantities of weapons has gotten worse and in the 13-year time period between then and now, DOD has never once been able to purchase the planned quantities.

The GAO figures indicate that our acquisition system is in a serious state of disrepair, soaking up even the sizable increases in funding which have occurred over the last 3 years and producing far less than we had hoped. We are buying less but continuing to spend more. I am convinced the American people are willing to dig deep to build a strong defense but I am equally convinced they won't accept a defense which is wasteful and more costly than necessary.

I would point out that numerous recent studies conducted by prestigious organizations such as the Center for Strategic and International Studies [CSIS] and the Heritage Foundation indicate that the public's perception of a wasteful and inefficient weapons acquisition process are on target. For example, the CSIS study concludes:

> Despite the good will, competence, and effort of the individuals who have in the past and are now leading the Department of Defense, we continue to face a broad range of problems in the management of our national security activities.

Six former Secretaries of Defense agreed with the conclusions reached in the study and they stated:

> In our view, the public's concern is well-founded: There are serious deficiencies in the organization and managerial procedures of the U.S. defense establishment.

In outlining the serious problems we face in improving the management of acquisition programs, it becomes apparent to me that the solutions of the past are no longer adequate. I believe we should consider more comprehensive, and far-reaching changes which may threaten the status quo, but could help set the stage for real and lasting improvements.

That is why I am proposing the creation of a civilian Officer of Major Weapon Acquisitions.

How would such a proposal help improve the management of the defense acquisition process? It would ensure that someone—the Director of Major Weapon Systems Acquisition—is identified and held accountable for the performance and cost of a weapon program. This person would have the clear responsibility. This person would have to answer for the cost increases and technical problems. This person would enjoy the rewards and recognition of a job well done.

That is not the case now nor has it been so for a long time. Fourteen years ago, Gilbert Fitzhugh, the Chairman of the President's Blue Ribbon Defense Review Commission said of DOD procurement:

> There is nobody that you can point your finger to if anything goes wrong and there is nobody you can pin a medal on if it goes right, because everything is everybody's business and . . . what is everybody's business is nobody's business.

The bill not only establishes clear accountability for weapon system acquisition, it also makes it the Director's responsibility to upgrade and stabilize the procurement work force. The procurement work force today is not trained adequately. People making procurement decisions often do not have the experience necessary to deal effectively with complex weapon systems and are frequently shifted in and out, from job to job. For military officers, managing an acquisition program is not often a career goal and few officers want to stay for a long period of time as a program manager or other procurement official. The result is a work force that does not have sufficient familiarity with the systems and programs it manages and cannot be made to account for the results of their management actions. "It didn't happen on my watch" is a phrase all too often heard.

Evidence gathered by the General Accounting Office and Pentagon audit agencies illustrates the many problems affecting the existing acquisition process. For example, the C-5 aircraft has had nine different program managers over the life of the program. The Army Audit Agency found on the Hellfire Missile, Pershing II, Multiple Launch Rocket System, and the Viper Rocket System that since 1978, these four systems had an average of one new program manager every 2 years. The Army report concluded that since "It normally takes a project manager at least a year to have a good understanding of a project, changes should be minimized."

Aside from the high turnover of military officers, there are indications that procurement personnel are not being adequately trained to perform their jobs. Evidence of the magnitude of this problem is contained in a February 1984 report from the Defense Department inspector general who reported significant deficiencies in the training of the 26,000 member DOD procurement work force. The IG found that the mandatory procurement training requirements in the Department were not being implemented effectively. He noted that 67 percent of the senior and intermediate level contracting peronnel surveyed had not completed the DOD training requirements. To overcome these training shortfalls, the IG estimated that 29,000 man-days of effort would be required. The IG concluded that "the DOD procurement work force may not be sufficiently trained to effectively meet the procurement mission."

Interservice rivalries and military service domination of acquisition also makes it difficult if not impossible to implement uniform departmentwide policies for procurement or to pursue potentially money-saving acquisition strategies such as joint service purchasing of weapons. To illustrate, a 1983 GAO report found that there has never been a successful joint procurement program between the services, one that could help assure substantial commonality among systems deployed by the services and achieve significant cost savings. They noted that the services have different organizational arrangements, standards, data requirements, manuals, provisioning procedures, military specifications, and occupational skills in their acquisition systems. Even nomenclature and application of departmentwide requirements are different between the services.

For example, an effort was made in the mid-1960's to consolidate the oversight of defense contract management in one agency, the Defense Contract Administration Service [DCAS]. Supposedly, plant cognizance or the actual management of contracts was to have been given over to the new agency from the services and it would establish uniform oversight offices in contractors' plants. However, the DOD directive provides a loophole which allows each of the services to continue to maintain their own oversight offices in contractors' plants, continuing the duplication, confusion, and waste which existed before the establishment of DCAS. DCAS has never been allowed to become the centralized contract administration agency it was supposed to have become because of opposition from the services.

As a result, the Government does not present a single face to the contractors. Information for six prime contractors which I have developed shows that many contractors are forced to deal with more than one DOD administrative agency in performing their contract work. In some cases, the Navy, Air Force, and DCAS all have people on location in the same contractor plant.

This morass of different procurement organizations and policies, the high turnover of procurement personnel, the poor training and experience

that characterizes the Government's work force and the lack of accountability for the success or failures of weapons programs are problems my bill seeks to address.

A centralized civilian weapons acquisition management agency in DOD would help ensure the continuity of key personnel, reduce duplication and result in operational economies. Procurement is a business function, not a military one. Putting it in the hands of professional procurement personnel would free up valuable military personnel to be concentrated on true military functions, such as military strategy formulation and contingency planning.

Under the civilian acquisition agency concept, the military would continue to perform the military functions of identifying threats, developing requirements for weaponry to fight those threats and commanding combat units. Only the management of the actual acquisition of weapons would be changed. The proposed centralized acquisition agency would be staffed by civilian professionals, trained and prepared to devote their careers to acquisition management. They would direct the acquisition of a weapon system and would be assigned to manage the program for many years, remaining fully accountable for its success or failure.

Mr. President, I would point out that in creating such an agency, we should be fully prepared to compensate its procurement professionals adequately and be willing to reward good work and punish poor performance. In time, we would develop a cadre of seasoned procurement professionals who would know the acquisition process from the inside out and be ready to devote their careers to their chosen profession—acquisition management.

I am firmly convinced that the creation of the kind of civilian acquisition agency I have described would result in more accountable, more professional and more cost conscious acquisition managers. However, I believe that this idea must be thoroughly considered and its implementation carefully planned in order to ensure that the concept is successfully adopted as a part of our defense acquisition process. I consider my bill to be a first step in the process of developing this idea. It can serve as a vehicle for comment and refinement and I hope all Members will take the time to offer me their thoughts on the proposal. There is no doubt that this kind of reform will encounter resistance from some. However, the idea has the support of the President's own Grace Commission. There is also much to be gained from the experience of our Western allies. The Congressional Research Service did a study at my request on the acquisition of weapon systems in several European nations. The report was completed recently and found that "Since the 1960's, there would appear to be a significant trend in the Western industrialized countries toward centralization of the military procurement function." The report states that the chief motive of "centralization seems to have been the avoidance of duplication and the promotion of economy in an era when the cost of major weapon systems has escalated substantially." Overall, the report shows that most of our Western allies have moved to a centralized acquisition management agency and it ends with the observation that a "significant indication of the degree of satisfaction with centralization is that none of these countries intends to reverse this trend."

Based on the decades of problems which have plagued our Nation's defense acquisition process and the success many European countries have had with a centralized weapons acquisition management agency, I believe the idea of a centralized acquisition management agency has merit, and I urge Members to study the proposal.

Mr. President, I recently wrote an editorial on this idea which was published in the Washington Post. I ask unanimous consent that the editorial, along with the bill, be printed in the RECORD. I also ask unanimous consent that an analysis of the bill appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Weapons System Acquisitions Improvement and Reform Act of 1985".

PURPOSES

SEC. 2. The purposes of this Act are—

(1) to reduce conflicts, overlapping activities, and duplication among the Armed Forces of the United States in the development and procurement of weapon systems;

(2) to improve the professionalism, expertise, training, and experience of the civilian acquisition work force in the Department of Defense;

(3) to allow the Armed Forces to concentrate on the military functions which are their primary responsibility;

(4) to assure that acquisition managers and support personnel in the Department of Defense are held accountable for the success or failure of their weapon systems acquisition programs; and

(5) to increase the efficiency and effectiveness of the acquisition process and reduce cost growth, acquisition schedule delays, and quality deficiencies which have affected and continue to affect major weapon systems acquisition programs.

ESTABLISHMENT

SEC. 3. (a) Chapter 4 of title 10, United States Code, is amended by inserting after section 136a the following new section:

"§ 136b. Director of Weapon System Acquisitions: APPOINTMENT; POWERS AND DUTIES

"(a) In this section, 'weapon system acquisition program' means a program to develop and procure a weapon system, including all initial components, spare or replacement parts, hardware, software, and associated equipment, which function together to give the weapon system the capability to carry out the mission for which it is developed and procured.

"(b)(1) There is a Director of Weapon Systems Acquisitions in the Department of Defense, appointed by the President, by and with the advice and consent of the Senate.

"(2) The Director shall report to and be under the direction, control, and authority of the Secretary of Defense and shall not be subject to or report to any other officer or employee of the Department.

"(c)(1) The President shall appoint the Director from among civilians without regard to political affiliation and solely on the basis of fitness to perform the duties of the Director.

"(2) The President may remove the Director of Weapon Systems Acquisitions from office. Upon removing a Director of Weapon Systems Acquisitions from office, the President shall transmit to the Senate and the House of Representatives a written explanation of the reasons for the removal.

"(d) It is the duty and responsibility of the Director—

"(1) to carry out, in a cost-effective and timely manner, all acquisitions of weapon systems for the Department of Defense, including the acquisition of initial components and spare parts, hardware, software, and associated equipment;

"(2) to assure that each weapon system acquired is a reliable, maintainable, and operationally effective weapon system and is designed to successfully carry out the missions identified for the weapon system by each armed force for which the weapon system is acquired;

"(3) to establish and carry out appropriate career training, apprenticeship, incentives, and evaluation programs to assure the establishment and maintenance of a stable, motivated, and experienced work force in the office of the Director of Weapon Systems Acquisitions;

"(4) to require the assignment of personnel to a weapon system acquisition program for a sufficient period of time to assure the direct accountability of personnel for program performance and to assure the effective management of such program or of a specific phase of such program; and

"(5) to respond to requests from the Congress relating to programs within the responsibility of the Director.

"(e) The Secretary of Defense shall delegate to the Director the Secretary's authority to develop and procure weapon systems.

"(f) Chapters 137 and 141 of this title shall apply to the Director in the same manner as such chapters apply to the Secretary of Defense.

"(g) Neither the Secretary of a military department, nor a designee of such Secretary, may carry out a weapon system acquisition program.

"(h) The Secretary of Defense shall assure that the office of the Director of Weapon Systems Acquisitions is appropriately staffed with civilian personnel.

"(i) The Secretary of Defense shall furnish the Director of Weapon Systems Acquisitions the appropriate and adequate office space (including field office space), equip-

ment, special facilities, and services necessary to carry out the Director's duties and responsibilities.

"(j) The Secretary of Defense shall transmit to the Congress recommendations for such legislation as the Secretary considers necessary to eliminate any limitations which prevent the establishment of any personnel program referred to in subsection (d)(3).".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 136a the following new item:

"136b. Director of Weapon Systems Acquisitions: appointment; powers and duties.".

GRADE OF POSITION

SEC. 4. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director of Weapon Systems Acquisitions, Department of Defense.".

TRANSFERS

SEC. 5. (a) The Secretary of Defense shall transfer to the Director of Weapon Systems Acquisitions of the Department of Defense all functions and activities that the Secretary determines are significantly related to or otherwise important to the successful performance of the duties and responsibilities of the Director set out in section 136b(d) of title 10, United States Code (as added by section 3 of this Act), and are within the responsibility of—

(1) the Defense Contract Administration Service of the Defense Logistics Agency;

(2) the Army Material Development and Readiness Command (including the Army Missile Command and the Army Tank and Automotive Command);

(3) the Naval Material Command (including the Naval Air Systems Command, the Naval Electronics System Command, the Naval Supply Systems Command, the Naval Sea Systems Command, and the Naval Facilities and Engineering Command);

(4) the Air Force Systems Command;

(5) the Air Force Logistics Command; or

(6) any other subordinate unit of the Department of Defense.

(b) The Secretary of Defense shall, subject to section 1531 of title 31, United States Code, transfer to the office of the Director of Weapon Systems Acquisitions the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, in connection with the functions or activities transferred pursuant to subsection (a).

SAVINGS PROVISIONS

SEC. 6. (a) In this section—

(1) "Director" means the Director of Weapon Systems Acquisitions of the Department of Defense;

(2) "military department" means a department listed in section 101(7) of title 10, United States Code;

(3) "Secretary" means the Secretary of Defense; and

(4) "Secretary concerned" has the meaning given such term in section 101(8) of such title.

(b) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions, transferred under section 5, or by any court of competent jurisdiction; and

(2) which are in effect on the effective date of this Act,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary of Defense, by any court of competent jurisdiction, or by operation of law.

(c) The provisions of this Act shall not affect any proceedings pending at the time this Act takes effect before the Department of Defense or a military department, the functions of which are transferred to the Director under section 5.

(d) Except as provided in subsection (f)—

(1) the provisions of this Act shall not affect actions commenced prior to the date this Act takes effect; and

(2) in all such actions proceedings may continue, appeals may be taken, and judgments may be rendered, in the same manner and effect as if this Act had not been enacted.

(e) No action or other proceeding commenced by or against any officer in his official capacity as an officer for the Department of Defense or a military department from whom functions are transferred by this Act shall abate by reason of the enactment of this Act. No cause of action by or against Department of Defense or a military department, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function, activity, or office transferred under section 5, or other proceedings may be asserted by or against the United States, the Secretary, or the Director as may be appropriate and, in an action pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(f) If, before the effective date of this Act, a military department, or any officer thereof in his official capacity, is a party to an action, and under section 5 any function or activity of the military department is transferred to the Director, such action shall be continued with the Secretary or the Director substituted or added as a party, as appropriate.

(g) Orders and actions of the Director in the exercise of the functions transferred under section 5 shall be subject to judicial review to the same extent and in the same manner as if such orders had been issued and such actions had been taken by the Secretary or the head of the military department exercising such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, actions upon the record, or administrative review that apply to any functions transferred under section 5 shall apply to the exercise of such functions by the Secretary or the Director.

EFFECTIVE DATE AND APPLICATION

SEC. 7. (a) This Act and the amendments made by this Act shall take effect on the first day of the first month beginning 18 months after the date of enactment of this Act.

(b)(1) Notwithstanding section 136b(d) of title 10, United States Code (as added by section 3 of this Act), during the period beginning on the effective date of this Act and ending on the first day of the sixth fiscal year that begins after such date, the Director of Weapon Systems Acquisitions of the Department of Defense shall perform the duties and responsibilities set out in such section 136b(d) only with respect to weapon system acquisition programs that are major defense acquisition programs (as defined in section 139a(a)(1) of title 10, United States Code).

(2) The Secretary of Defense shall take paragraph (1) into consideration in scheduling the effective dates of transfers to be made under section 5.

[From the Washington Post, May 20, 1984]

WE NEED PROFESSIONAL ARMORERS: WEAPONS ARE TOO IMPORTANT TO LET THE MILITARY PROCURE THEM

(By William V. Roth, Jr.)

The excuse I most often hear for the horror stories that have come out of the Pentagon in recent years—weapons that don't work, 1,000-percent cost overruns, 15-cent tools with $9,000 price tags—is that timeworn military dodge, "It didn't happen on my watch."

Trying to fix responsibility for military waste and mismanagement is like trying to nail Jell-o to the wall. And it's not a new problem: Gilbert Fitzhugh, the chairman of a major defense review commission in the early 1970s, complained:

"There is nobody [in the Defense Department] that you can point your finger to if anything goes wrong, and there is nobody you can pin a medal on if it goes right, because everything is everybody's business and . . . what is everybody's business is nobody's business."

Nowhere is this situation more prevalent, or more troublesome, than in the procurement of major weapon systems. Every time we hold a hearing on a new procurement snafu, we are told that many, if not all, of the bad decisions along the line were made by people who are no longer associated with the project, or even in the service. When you put a project manager under the gun, the temptation to pass the buck back to his predecessors seems overwhelming.

It's becoming clear that most of the blame for these procurement fiascos lies not with the individual project managers and contracting officials—generally hard-working, well-meaning people who do the best they can—but with a system that puts procurement management decisions for major new weapons programs into the hands of a succession of military officers who have neither the training nor the experience to handle the job. Any system that assigns as many as nine or 10 officers to manage the different stages of a multiyear procurement is asking for trouble, and trouble is just what we're getting.

Examples are everywhere. The C-5 cargo plane has had nine different program managers during its problem-plagued lifetime. The project managers for the Army's Hellfire and Pershing II missiles, the Multiple Launch Rocket System and the Viper rocket have had an average tenure of only two years.

Since management experts tell us that it takes a manager at least a year to master the ins and outs of a complex project, it's hard to escape the conclusion that these weapon programs are being managed at least half the time by people who don't really know what they're doing.

Moreover—according to a recent report by the Pentagon's inspector general—there are serious short-comings in the training of the Defense Department's 26,000 procurement specialists. Fully 67 percent of the senior and intermediate-level contracting personnel surveyed had not completed "mandatory" training requirements, the report said.

Interservice rivalry is another cause of our military procurement headaches. Each service jealously guards the right to buy its own weapons, in it own way, to carry out its own mission. As a result, every attempt to save money by developing weapons that can be used by more than one service—like the notorious F-111 fighter-bomber—has been doomed to failure.

Over the years, both Congress and the Pentagon have made sporadic and limited efforts to solve some of these problems, with a notable lack of success. Now, with defense spending at an all-time high, it's time to make fundamental changes.

One controversial idea which deserves a fresh look is a proposal to take procurement of major weapons entirely out of the hands of the military services and turn it over to a centralized Defense Procurement Agency. The agency would be staffed by a highly-trained, well-paid cadre of civilian procurement and systems management professionals similar to the diplomats in the U.S. Foreign Service and the medical specialists in the Public Health Service.

Unlike career military officers who rotate in and out of procurement and program management assignments, and who often regard such tours of duty as unwelcome detours on the road to higher rank, members of the Defense Procurement Service would sign up for careers as procurement specialists. They would advance in grade as they gained experience and expertise, and receive promotions and bonuses based largely on their ability to procure major new weapons at the lowest possible cost.

As a condition of employment, Procurement Service professionals would agree not to accept employment from a major defense contractor for an extended period of time—say, five years—after leaving the government.

This proposal would address many difficult procurement problems in a single reform. Continuity and accountability would be insured. If one team of managers would stick with a project from concept stage to completion and the weapon didn't work, or the cost escalated beyond recognition, we'd know who to blame.

Turning procurement over to a civilian procurement corps would also free military officers to do the work they're trained to do: formulating military strategy, planning for contingencies and developing requirements for weapons to meet the nation's defense needs.

Despite its merits, this proposal has never had a hearing because of strong opposition from the military services. But the idea is hardly unprecedented. Of the world's major military powers, only the United States and the Soviet Union continued to procure major weapons through systems controlled by the military services. Although the evidence is inconclusive, there is reason to believe that civilian acquisition agencies in countries like Great Britain, Canada and West Germany have worked well, and could serve as models.

With our defense budget soaring, we simply must look for basic changes in weapons procurement. A civilian-run Defense Procurement Service may be just the reform we need to bring the cost of weapons under control.

WHAT THE BILL DOES

1. It consolidates the procurement personnel of the following into one office:

	Procurement personnel	
	Civilian	Military
The Defense Contract Administration Service of the Defense Logistics Agency	(1)	(1)
The Army Material Development and Readiness Command (including the Army Missile Command and the Army Tank and Automotive Command)	6,402	216
The Naval Material Command (including the Naval Air Systems Command, the Naval Electronics Systems Command, Naval Supply Systems Command, the Naval Sea Systems Command and Naval Facilities Engineering Command)	8,659	949
The Air Force Systems Command	4,135	455
The Air Force Logistics Command	3,145	155
Any other subordinate unit of the Department of Defense determined by the Secretary to be necessary for the successful management of weapon acquisition programs	(2)	(2)
Total	22,341	1,775

[1] Total figures for this agency not yet available.
[2] Agencies included in this category would depend on the discretion of the Secretary of the Department of Defense.

2. Appoints a civilian director at a level IV subject to confirmation by the Senate.

3. The director is charged with the responsibility—

To carry out, in a cost-effective and timely manner, all acquisitions of weapon systems for the Department of Defense, including the acquisition of initial components and spare parts, hardware, software, and associated equipment;

To assure that each weapon system acquired is a reliable, maintainable, and operationally effective weapon system and is designed to successfully carry out the missions identified for the weapon system by each armed force for which the weapon system is acquired;

To establish and carry out appropriate career training, apprenticeship, incentives, and evaluation programs to assure the establishment and maintenance of a stable, motivated, and experienced work force in the office of the Director of Weapon System Acquisitions;

To require the assignment of personnel to a weapon system acquisition program for a sufficient period of time to assure the direct accountability of personnel for program performance and to assure the effective management of such program or of a specific phase of such program; and

To respond to requests from the Congress relating to programs within the responsibility of the Director.●

By Mr. DANFORTH (for himself, Mr. BENTSEN, Mr. LAUTENBERG, Mr. WILSON, and Mr. INOUYE):

S. 942. A bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes; to the Committee on Finance.

TELECOMMUNICATIONS TRADE ACT

Mr. DANFORTH. Mr. President, from an international trade perspective, deregulation of the U.S. market for telecommunications and AT&T divestiture represent a disaster in the making. The legislation I am introducing today, along with Senator BENTSEN and others, is designed to turn this potential for disaster into a major initiative to open foreign markets to U.S. exports of telecommunications products and services.

Based on S. 2618, which was introduced in the last Congress, the Telecommunications Trade Act is the product of hearings and extensive discussions with business and labor concerned about the absence of free and fair trade in the telecommunications sector. On August 5, 1983, a decision was made that is likely to have the greatest impact on U.S. trade of any other in recent decades. The decision was not made by the President or by the Congress—in fact, its impact on American trade was hardly considered by those involved in this and other events leading up to the final outcome. The decision—the final step before the breakup of the Bell System—came about after years of thought, litigation and legislation focused on domestic considerations of competition and deregulation. Yet, this domestic policy decision will have an enormous impact on the U.S position in world markets.

In trade terms, AT&T divestiture is nothing less than the unilateral giveaway of the U.S. market to foreign suppliers. Moreover, since most foreign markets are effectively closed to U.S. telecommunications exports, divestiture also represents a giveaway of the only leverage that might ever be used by our trade negotiators to gain access to those markets.

Therefore, it is imperative that we capitalize on the restructuring of the U.S. market to promote negotiations that will achieve an open world trading system in telecommunications.

Moreover, to the extent that foreign countries have already committed to opening their telecommunications markets, it is imperative that the United States establish a systematic, results-oriented means of enforcing compliance with these commitments.

The Telecommunications Trade Act provides a framework for negotiations to open foreign markets to U.S. exports and for aggressive enforcement of trade agreements related to telecommunications. It does so in a manner fully consistent with U.S. trade obligations under the GATT, it offers U.S. trade negotiators the mandate, authority, and leverage to gain and maintain access for U.S. exports of telecommunications equipment and services comparable to that provided by the restructuring of the U.S. telecommunications market.

BACKGROUND

Observed in a vacuum, the fragmentation of the American telecommunications system may be a good idea, where increased competition among domestic providers of equipment and services may ultimately benefit the system's users.

But in this interdependent world, we cannot afford to make decisions in a vacuum. We cannot afford to let trade be the stepchild of domestic policy decisions—particularly if we consider the

tremendous impact trade has on the U.S. economy, our employment, and our competitiveness.

If we are to have a forward-looking trade policy, a job-creating trade policy, we must pay special attention to those sectors with the greatest promise for growth and employment—be it direct or indirect.

Taken in this context, the decision to restructure the U.S. telecommunications market without addressing the gaping imbalance in trade opportunities it is bound to create is unconscionable.

In trade terms, divestiture represents the unilateral dismantling of a major nontariff barrier to imports through elimination of AT&T's vertical integration relationship between the manufacturer of equipment and the provision of service. That a number of American equipment manufacturers will be able to take advantage of the breaking of this link is clearly a healthy event. That this will also lay bare the U.S. market to many billions of dollars in new sales by foreign manufacturers—without any corresponding improvement in market access for U.S. exports—is unthinkable in view of U.S. export potential in this sector.

The Constitution provides for Congress to regulate commerce with foreign nations. It is imperative that Congress act now to prevent this trade disaster before it is too late.

The international situation with respect to telecommunications trade is unique. The United States is virtually the only country in the world with a private telecommunications system. Practically all other industrialized countries have monopolistic telecommunications entities that are controlled by—if not owned and operated by—their governments.

The world over PTT's—post, telegraph, and telephone entities—are protected, nurtured, and supported by their governments. Equipment procurement is confined to the extent possible to domestic manufacturers, who in turn use Government financial support to develop new equipment and to promote their export drives. And export they must—because in this day of highly sophisticated, R&D-intensive telecommunications equipment, economies of scale dictate that few home markets are big enough to provide adequate returns on investment.

The comparative advantage that American producers currently enjoy in the telecommunications sector would lead us to expect the United States to run a substantial trade surplus in the telecommunications area. In stark contrast to the logic of the marketplace, however, is the large and growing trade deficit of the United States in this sector—reaching close to $1.1 billion in 1984. There can be no question that U.S. telecommunications exports are only a small fraction of what they would be under open market conditions.

Notwithstanding any other factors affecting U.S. trade in telecommunications, one finds throughout the world that virtually all major telecommunications markets are closed:

The European Common Market may be an EC-wide market for many products but that is certainly not the case with telecommunications. In Europe, almost every country has its own system and each government inures the protection of its home market and producers. These telecommunications monopolies remain unwilling to procure substantial amounts of foreign equipment and will purchase a domestic product even when better and less expensive American equipment is available.

In Japan, Nippon Telegraph & Telephone serves an enormous market. Although commitments have been made to open NTT procurement to increased purchases of foreign products, the results have been marginal at best—particularly in the key areas of network switching and transmission equipment. Moreover, recent moves to privatize NTT have exposed governmental and industry efforts to protect key markets for telecommunications services and sales, raising legitimate questions about the value of any Japanese commitments to follow through on such market-open agreements. Meanwhile, major Japanese manufacturers continue to make inroads into the U.S. telecommunications market at an alarming pace—a pace that will increase exponentially with the restructuring of the U.S. market.

Other countries maintain or are in the process of creating major barriers to imports of telecommunications equipment, as well. Canada uses high tariffs and discriminatory purchasing policies by provincial governments. Advanced developing nations, such as Brazil and Mexico, are imposing an increasing number of import and investment restrictions as time progresses.

Therefore, in trade terms, the breakup of AT&T is more than just the unilateral elimination of a major barrier to imports. It also means that on January 1, 1984, we may have discarded the only trade concession that could ever be effective negotiating leverage for the United States to gain reciprocal market access for our telecommunications exports. It is hard to imagine any other U.S. leverage providing as much incentive for foreign telecommunications manufacturers and their governments to really open up domestic markets.

Today the United States is still the world's most highly competitive producer of telecommunications equipment. But the wholesale giveaway of the U.S. market and our apparent reluctance to aggressively enforce existing telecommunications trade agreements, have already set the stage for a major, irreversible shift in high technology trade patterns.

The exponential growth in U.S. imports will not happen overnight, but the trends are there. Unless we are willing to risk waiting for the clamor for import quotas on telecommunications equipment that is sure to come, something must be done now—before the damage cannot be reversed.

Recent trends in telecommunications trade only begin to tell the story: Although the consent decree which set the terms for divestiture was only signed in 1982, the shift in purchasing patterns has already contributed to America's first negative balance of trade in telecommunications. The 1983 deficit of over $400 million more than doubled in 1984, attributable once again to flat exports and an increase of imports by over one-third.

One need look no further than the landmark FCC Carterfone decision of 1968—involving the interconnection of certain terminal equipment with the national network—to see the dramatic impact a domestic decision to deregulate can have on production and imports of telecommunications equipment.

Since the Carterfone decision, the United States has accelerated the move toward telecommunications deregulation—thereby accelerating the growing imbalance in world telecommunications trade. Some court and regulatory decisions have had a greater impact on trade than others. Yet, at no time has the United States sought from its trading partners reciprocal concessions for these unintended market liberalizing measures. Moreover, where we have telecommunications trade agreements in place, we seem to have studiously avoided the use of remedies under U.S. law to enforce compliance.

Recent decisions—in particular, the final breakup of the Bell System—will produce a trade effect that can no longer be ignored. The potential trade giveaway from AT&T divestiture is staggering: One Japanese telecommunications newsletter recently estimated that the breakup of AT&T would open a new $5 billion market in the United States—almost 50 percent more than all NTT purchases in a single year. Another study has predicted that by 1990, imports of customer-premises equipment alone will triple, with Japan and Canada capturing 42 percent and 23 percent shares, respectively.

It is hardly surprising, then, to find that Japanese, Canadian, and European companies alike have already launched massive sales offensives in this country.

The magnitude of the shift in telecommunications trade in the future

should not be surprising in the light of deregulation:

Foreign telecommunications firms will be increasingly dependent on exports to meet the growing cost of their investments. The U.S. market, representing some 40 percent of the entire world market for telecommunications, will stand alone in size and openness.

U.S. manufacturers will have to rely on the domestic market for the bulk of their sales with little prospect of foreign barriers being lifted and major export opportunities.

At home, U.S. manufacturers will be faced with competition from foreign firms that can afford to move into this market for long periods without turning a profit—given protection in their home markets, patient capital and the potential return on their investment in the most lucrative market for telecommunications in the world.

Finally, in the foreseeable future, U.S. telecommunications manufacturers will consist of one major producer that is unused to real competition and many other American firms that could be highly successful competitors if given a few years to take advantage of divestiture without being swamped by imports.

The Bell operating companies have already begun to assert their independence and are in the market for the cheapest quality source of equipment they can find. It is no accident that the first major wave of telecommunications imports coincided with a dramatic drop in purchases by some of the BOC's from Western Electric. With the Bell logo in hand and access to AT&T patents, foreign suppliers willing to slash profits to expand market share offer attractive bargains.

Unfortunately, these same operating companies will be the most severely hurt if—as I expect—the end of the decade finds us scrambling to close the U.S. market to imports in the face of lost sales and lost jobs.

And make no mistake, the trade shift is by no means inevitable: The world market for telecommunications shows signs of growth undreamed of a few years ago—expanding from $45 billion today to $60 billion by 1987 and $90 billion in 1990. The shift is not inevitable—if only American producers are able to garner a share of the world market commensurate with their competitiveness.

What is absolutely certain is this: The United States cannot afford to wait before we react to the trade implications of the restructuring of the U.S. telecommunications market or until we execise our legal rights to retaliate against violations of existing telecommunications trade agreements. A few years from now it will be too late. Efforts to close the U.S. market then will hurt consumers and put at risk American exports.

We need to resolve this potential trade disaster before its full impact is felt—to use the openness of the U.S. market as leverage to gain access for U.S. telecommunications exports.

The legislation I am introducing today can accomplish this—in a manner fully consistent with U.S. obligations under the General Agreement on Tariffs and Trade [GATT]. The present situation presents us with a unique set of circumstances, including low levels of current trade relative to the future and a major reduction in U.S. import barriers as yet uncompensated by our trading partners.

These unique circumstances offer us a unique opportunity—namely, the opportunity to create on open world trading system in telecommunications that will benefit world producers and consumers alike.

CONCLUSION

In conclusion, U.S. trade policy to date has invariably been reactive or, in the case of AT&T divestiture, a by-product of purely domestic decision-making. Therefore, it is not surprising that we constantly find ourselves trying to resolve last year's trade problems.

The United States must have a forward-looking trade policy. Problems must be anticipated and resolved before they reach unmanageable proportions. New trade agreements will never be credible unless existing agreements are enforced.

In the case of telecommunications, we have a unique opportunity to resolve a trade problem before it does major harm to our economy. If we do not resolve the problem now, it will have been a problem of our own making.

The negotiation of reciprocal access market arrangements is the cornerstone of the GATT. In the case of telecommunications trade, unfettered access to our market is the only concession likely to be attractive enough to open foreign markets for U.S. exporters. To give away this access without compensation would be an opportunity lost and foolish to the extreme.

International trade is too important to the U.S. economy to allow it to remain a stepchild of our domestic policy decisions. The restructuring of the U.S. telecommunications market has major trade implications. We ignore them at our peril.

ATTACHMENTS

Mr. President, I ask unanimous consent that a detailed outline of the Telecommunications Trade Act and the text of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telecommunications Trade Act of 1985".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) rapid growth in the world market for telecommunications products and services will continue for several decades;

(2) the United States can improve prospects for—

(A) the growth of—

(i) United States exports of telecomunications products and services, and

(ii) export-related employment and consumer services in the United States, and

(B) the continuance of the technological leadership of the United States,

by undertaking a program to achieve an open world market for trade in telecommunications products, services, and investment;

(3) many foreign markets for telecommunications products, services, and investment are characterized by extensive government intervention (including restrictive import practices and discriminatory procurement practices) which adversely affect United States exports of telecommunications products and services and United States investment in telecommunications;

(4) unfair and discriminatory trade practices in foreign countries threaten the loss of jobs in the United States telecommunications industry;

(5) the open nature of the United States telecommunications market, accruing from the liberalization and restructuring of such market, has resulted, and will continue to result, in a dramatic increase in imports of telecommunications products and a growing imbalance in competitive opportunities for trade in telecommunications; and

(6) unless this imbalance is corrected through the achievement of substantially equivalent competitive opportunities for United States telecommunications products and services in foreign markets, the United States should avoid granting continued open access to the telecommunications products and services of such foreign countries in the United States market.

(b) PURPOSES.—The purposes of the Act are—

(1) to foster the economic and technological growth of the United States telecommunications industry and all United States persons who benefit from a high quality telecommunications network;

(2) to ensure that countries which have made commitments to open telecommunications trade fully abide by those commitments; and

(3) to achieve a more open world trading system for telecommunications products and services through negotiation and achievement of substantially equivalent competitive opportunities for United States telecommunications exporters and their subsidiaries in those markets in which barriers exist to free international trade.

TITLE I—ACTIONS TO ACHIEVE COMPETITIVE OPPORTUNITIES

SEC. 101. INVESTIGATION OF FOREIGN TRADE BARRIERS.

(a) ANALYSIS OF BARRIERS.—By no later than the date that is 6 months after the date of enactment of this Act, the United States Trade Representative, in consultation with the Secretary of Commerce and the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872), shall—

(1) for purposes of section 102, identify and analyze all acts, policies, and practices in the markets of foreign countries that deny to telecommunications products and services of United States firms and their subsidiaries any competitive opportunities that are substantially equivalent to the competitive opportunities available to such products and services of foreign companies and their United States subsidiaries in the markets of the United States, and

(2) for purposes of section 103, shall determine which of such acts, policies, or practices—

(A) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement,

(B) is unjustifiable and burdens or restricts United States commerce, or

(C) otherwise has the effect of—

(i) nullifying or impairing any benefit from concessions or commitments to the United States under any agreement, or

(ii) impeding attainment of any objective of any agreement to which the United States is a party.

(b) FACTORS TO BE TAKEN INTO ACCOUNT.—

(1) In conducting the analysis under subsection (a)(1), the United States Trade Representative shall take into account the following factors:

(A) the economic benefits (actual or potential) accruing to firms in each foreign country and to their United States subsidiaries from the open access to the United States telecommunications market that has resulted from the liberalization and restructuring of such market; and

(B) actual patterns of trade, including sales of telecommunications products and services in foreign countries by United States firms and their subsidiaries in relation to the international competitive position and export potential of such products and services.

(2) In making determinations under subsection (a)(2), the United States Trade Representative shall consider as dispositive any evidence of actual patterns of trade (including sales of telecommunications products and services in a foreign country by United States firms and their subsidiaries) that do not reflect patterns of trade which would reasonably be anticipated to flow from the concessions or commitments of such country based on the international competitive position and export potential of such products and services.

(c) DISCONTINUANCE OF INVESTIGATION.—

(1) The United States Trade Representative may exclude any country from the investigation conducted under subsection (a) if the United States Trade Representative determines that the potential market in such country for United States telecommunications products and services is not substantial.

(2) Before making a final determination under paragraph (1) to exclude any foreign country from the investigation conducted under subsection (a), the United States Trade Representative shall—

(A) consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding such proposed exclusion,

(B) publish notice of such proposed exclusion in the Federal Register and the reasons for such proposed exclusion, and

(C) provide an opportunity for written public comment on such proposed exclusion.

(d) REPORT TO CONGRESS.—By no later than the date that is 6 months after the date of enactment of this Act, the United States Trade Representative shall submit a report on the analysis and determinations made under subsection (a) to the Committee on Finance and the Committee on Commerce, Science and Transportation of the Senate and to the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives.

SEC. 102. ACTION BY THE PRESIDENT IN RESPONSE TO INVESTIGATION.

(a) INITIAL ACTION.—

(1) Upon conclusion of the investigation conducted under section 101, the President shall enter into negotiations with those foreign countries whose acts, policies, or practices are identified under section 101(a)(1) for the purpose of entering into trade agreements under section 201 which provide to the telecommunications products and services of United States firms and their subsidiaries competitive opportunities in the markets of such countries that are substantially equivalent to the competitive opportunities available in the United States market to such products and services of foreign firms and their United States subsidiaries.

(2)(A) The general objectives of negotiations conducted under paragraph (1) shall be—

(i) to obtain multilateral or bilateral agreements (or the modification of existing agreements) that provide to the telecommunications products and services of United States firms and their subsidiaries competitive opportunities in foreign markets that are substantially equivalent to the competitive opportunities available in the United States market to such products and services of foreign firms and their United States subsidiaries;

(ii) to correct the imbalance in competitive opportunities accruing from uncompensated reductions in barriers to the access of foreign firms and their subsidiaries to the United States telecommunications market; and

(iii) to facilitate the increase in United States exports of telecommunications products and services to a level commensurate with the competitive position of the United States telecommunications industry.

(B) In the negotiations conducted under paragraph (1), the President shall pursue specific objectives in order to reduce or eliminate foreign barriers to United States exports of telecommunications products and services, including (but not limited to)—

(i) national treatment for such products and services of United States firms and their subsidiaries;

(ii) most-favored-nation treatment for such products and services;

(iii) nondiscriminatory government procurement policies with respect to such products and services;

(iv) equipment standards and procedures for certification of equipment that do not exceed the minimum standards and procedures necessary to protect the telecommunications network;

(v) reduction or elimination of customs duties on telecommunications products;

(vi) elimination of subsidies, dumping, violations of intellectual property rights, and other unfair trade practices that distort international trade in telecommunications;

(vii) elimination of investment barriers that restrict the establishment of foreign-owned business entities which market telecommunications products and services; and

(viii) monitoring and dispute settlement mechanisms to facilitate compliance with telecommunications trade agreements.

(C) In pursuing the objectives described in subparagraphs (A) and (B) and in establishing the strategy of the United States in negotiations conducted under paragraph (1), the President shall take into account the factors described in section 101(b)(1).

(b) ACTIONS TO BE TAKEN IF NO AGREEMENT OBTAINED.—

(1) If the President is unable to enter into an agreement under section 201 with any foreign country described in subsection (a)(1) which achieves the objectives described in subsection (a)(2)(A), the President shall, by no later than the date that is 2 years after the date of enactment of this Act, take whatever actions authorized under paragraph (3) against such country that are necessary to fully achieve such objectives.

(2) In taking action under paragraph (1), the President shall first take those actions which most directly affect trade in telecommunications products and services with the country concerned.

(3) The President is authorized to take any of the following actions under paragraph (1):

(A) terminate, withdraw, or suspend any portion of any trade agreement entered into under—

(i) the Trade Act of 1974,

(ii) section 201 of the Trade Expansion Act of 1962, or

(iii) section 350 of the Tariff Act of 1930,

with respect to any duty or import restriction imposed by the United States on any telecommunications product;

(B) take any action described in subsection (b)(2) or (c) of section 301 of the Trade Act of 1974 with respect to any telecommunications product that is subject to registration or approval by the Federal Communications Commission under part 2, 15, or 68 of title 47 of the Code of Federal Regulations;

(C) prohibit the Federal Government from purchasing the telecommunications products of any specified foreign country;

(D) increase domestic preferences under title III of the Act of March 3, 1933 (41 U.S.C. 10a, et seq.) for purchases by the Federal Government of telecommunications products from any specified foreign country;

(E) suspend any waiver of domestic preferences under title III of the Act of March 3, 1933 (41 U.S.C. 10a, et seq.) which may have been extended to any specified foreign country pursuant to the Trade Agreements Act of 1979 with respect to telecommunications products or any other products;

(F) order the appropriate Federal officials to deny Federal funds or Federal credits for purchases of the telecommunications products of any specified foreign country;

(G) suspend, in whole or in part, benefits accorded articles from specified foreign countries under title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.); and

(H) take any other action pursuant to subsection (b) or (c) of section 301 of the Trade Act of 1974 with respect to—

(i) any product other than a telecommunications product of such country, or

(ii) any service of such country.

(4)(A) Notwithstanding section 125 of the Trade Act of 1974 and any other provision of law, if any portion of a trade agreement described in paragraph (3)(A) with a foreign country is terminated, withdrawn, or suspended under paragraph (1) with respect to any duty or nontariff import restriction imposed by the United States on products of such foreign country, the rate of such duty provided for in rate column number 2 of the Tariff Schedules of the United States shall apply to such products after the date on

which such termination, withdrawal, or suspension takes effect.

(B) Notwithstanding subparagraph (A) of this paragraph, section 125 of the Trace Act of 1974, and any other provision of law, if any portion of a trade agreement described in paragraph (3)(A) is terminated, withdrawn, or suspended by the President under paragraph (1) with respect to any duty imposed on the products of any foreign country before the date that is 2 years after the date of enactment of this Act, the President may delay (to such extent as the President may provide by proclamation) the application of subparagraph (A) with respect to such duty or import restriction until the date that is 2 years after the date of enactment of this Act.

(5) No action taken under paragraph (1) shall affect any binding obligations under any written contract entered into before April 17, 1985, to which any national of the United States is a party.

SEC. 103. ACTION BY UNITED STATES TRADE REPRESENTATIVE IN RESPONSE TO INVESTIGATION.

(a) INITIAL ACTION.—If an affirmative determination is made under section 101(a)(2) with respect to any act, policy, or practice of a foreign country, the United States Trade Representative shall, by no later than the date that is 30 days after the date on which the report is submitted under section 101(d), take whatever actions authorized under subsection (c) against such foreign country that are necessary—

(1) to fully offset such acts, policies, and practices, and

(2) to restore the balance of concessions between the United States and such foreign country.

(b) REVIEWS BY THE UNITED STATES TRADE REPRESENTATIVE.—

(1) By no later than the date that is 1 year after the date on which the report is submitted under action 101(d), and annually thereafter, the United States Trade Representative shall conduct a review to assess the extent to which the objectives described in section 102(a)(2) are being met by each foreign country whose acts, policies, or practices were identified under section 101(a)(1), taking into account the factors described in section 101(b).

(2) If the United States Trade Representative determines, on the basis of a review conducted under paragraph (1), that a foreign country—

(A) is not in compliance with any agreement entered into under section 201, or

(B) has adopted an act, policy, or practice described in section 101(a)(2),

the United States Trade Representative shall take whatever actions authorized under subsection (c) that are necessary to restore the balance of competitive opportunities.

(c) AUTHORIZED ACTIONS.—

(1) The United States Trade Representative is authorized to take the following actions under subsection (a) or (b):

(A) terminate, withdraw, or suspend any portion of any trade agreement entered into under—

(i) the Trade Act of 1974,

(ii) section 201 of the Trade Expansion Act of 1962, or

(iii) section 350 of the Tariff Act of 1930,

with respect to any duty or import restriction imposed by the United States on any telecommunications product;

(B) take any action described in subsection (b)(2) or (c) of section 301 of the Trade Act of 1974 with respect to any telecommunications product that is subject to registration or approval by the Federal Communications Commission under part 2, 15, or 68 of title 47 of the Code of Federal Regulations; or

(C) take any other action pursuant to subsection (b) or (c) of section 301 of the Trade Act of 1974 with respect to any products other than telecommunications products or any services of such country.

(2) Actions described in paragraph (1)(C) may be taken against a foreign country under subsection (a) or (b) only if—

(A) the United States Trade Representative has taken all feasible actions described in subparagraphs (A) and (B) of paragraph (1) against such country, and

(B) the objectives of subsection (a) or (b) (as the case may be) have not be achieved.

(3) Notwithstanding section 125 of the Trade Act of 1974 and any other provision of law, if any portion of a trade agreement described in paragraph (1)(A) with a foreign country is terminated, withdrawn, or suspended under subsection (a) or (b) with respect to any duty or nontariff import restriction imposed by the United States on any products of such foreign country, the rate of such duty provided for in rate column number 2 of the Tariff Schedules of the United States shall apply to such products after the date on which such termination, withdrawal, or suspension takes effect.

(d) ACTION NOT TO AFFECT CERTAIN CONTRACTUAL OBLIGATIONS.—No action taken under this section shall affect any binding obligations under any written contract entered into before April 17, 1985, to which any national of the United States is a party.

SEC. 104. CONSULTATIONS.

(a) ADVICE FROM DEPARTMENTS AND AGENCIES.—For purposes of determining appropriate action under section 102(b) or 103, the President and the United States Trade Representative shall consult with the Secretary of Commerce, the Federal Communications Commission, and the interagency trade organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872).

(b) ADVICE FROM THE PRIVATE SECTOR.—For purposes of identifying the objectives of negotiations conducted under section 102(a), conducting the investigation pursuant to section 101, and determining appropriate action under sections 102(b) and 103, the United States Trade Representative shall provide the opportunity for presentation of views by any interested party, including appropriate committees established under section 135 of the Trade Act of 1974.

(c) CONSULTATIONS WITH CONGRESS AND OFFICIAL ADVISORS.—For purposes of conducting negotiations under section 102(a), the President shall keep appropriate committees of the Congress, as well as appropriate committees established pursuant to section 135 of the Trade Act of 1974, currently informed with respect to—

(1) the negotiating priorities and objectives for each country involved;

(2) the assessment of negotiating prospects, both bilateral and multilateral; and

(3) any United States concessions which might be included in negotiations to achieve the objectives described in section 102(a)(2).

TITLE II—TRADE AGREEMENT AUTHORITY

SEC. 201. GENERAL TRADE AGREEMENT AUTHORITY.

(a) IN GENERAL.—During the 3-year period beginning on the date of enactment of this Act, the President may enter into trade agreements which meet the objectives described in section 102(a)(2)(A) with foreign countries which provide for—

(1) the harmonization, reduction, or elimination of—

(A) duties, or

(B) restrictions, barriers, or other distortions to international trade, or

(2) the prohibition of, or limitations on the imposition of—

(A) duties, or

(B) restrictions, barriers, or other distortations to international trade.

(b) AGREEMENT TREATED IN SAME MANNER AS AGREEMENT UNDER SECTION 102.—For purposes of section 151 and subsections (c), (d), (e), (f), and (g) of section 102 of the Trade Act of 1974, any trade agreement entered into under subsection (a) shall be treated as a trade agreement entered into under section 102 of the Trade Act of 1974.

(c) APPLICATION OF AGREEMENT BENEFITS.—Notwithstanding any other provision of law, any agreement entered into under this section may provide that the benefits and obligations of such agreement—

(1) apply solely to the parties to the agreement, or

(2) not apply uniformly to all parties to such agreement.

The President shall take into account any actions which may be necessary to reconcile such treatment with United States international obligations.

SEC. 202. COMPENSATION AUTHORITY.

(a) IN GENERAL.—If—

(1) the President has taken action under section 102(b) with respect to any foreign country, and

(2) the United States Trade Representative is not required to take action against such country under section 103(a),

the President may enter into trade agreements with such foreign country for the purpose of granting new concessions as compensation for such actions taken by the President in order to maintain the general level of reciprocal and mutually advantageous concessions.

(b) AGREEMENT TREATED IN SAME MANNER AS AGREEMENT UNDER SECTION 102.—For purposes of section 151 and subsections (c), (d), (e), (f), and (g) of section 102 of the Trade Act of 1974, any trade agreement entered into under subsection (a) shall be treated as a trade agreement entered into under section 102 of the Trade Act of 1974.

(c) FACTORS TO BE TAKEN INTO ACCOUNT.—In determining whether to enter into an agreement under subsection (a) and in determining the terms of such an agreement, the President shall take into account the factors described in section 101(b)(1).

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. ACTION TO ENSURE COMPLIANCE WITH FCC REGULATIONS.

(a) IN GENERAL.—

(1) Any product of a foreign country that is subject to registration or approval by the Federal Communications Commission may be entered only if—

(A) such product conforms with all applicable rules and regulations of the Federal Communications Commission, and

(B) the information which is required on Federal Communications Commission Form 740 on the date of enactment of this Act is provided to the appropriate customs officer at the time of such entry in such form and manner as the Secretary of the Treasury may prescribe.

(2) For purposes of this subsection, the term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

(b) COOPERATION.—The Federal Communications Commission, the Secretary of Commerce, and the United States Trade Representative shall provide such assistance in the enforcement of subsection (a) as the Secretary of the Treasury may request.

(c) COMPILATION OF INFORMATION COLLECTED.—At least twice every year, the Secretary of the Treasury shall compile the information collected under subsection (a)(2) into a summary and shall submit such summary to the Congress. Such information shall also be made available to the public.

SEC. 302. ACTIONS UNDER SECTION 301(c) OF THE TRADE ACT OF 1974.

(a) IN GENERAL.—Paragraph (6) of section 301(e) of the Trade Act of 1974 is amended by inserting ", or a foreign supplier of goods related to a service," after "foreign supplier of services".

SEC. 303. REPORT BY THE SECRETARY OF COMMERCE.

By no later than the date that is 6 months after the date of enactment of this Act, and at least once every 2 years thereafter, the Secretary of Commerce shall submit to the Congress a report on the impact of United States domestic policies and practices on the growth and international competitiveness of the United States telecommunications industry. Such report shall include—

(1) a statement of the actions taken or recommended to overcome any domestic policies and practices found to inhibit the growth and international competitiveness of the United States telecommunications industry; and

(2) a statement which assesses the probable trade consequences of failure to take the actions identified in paragraph (1).

SEC. 304. TELECOMMUNICATION PRODUCT.

For purposes of this Act, the term "telecommunication product" means any articles classified under the following item numbers of the Tariff Schedules of the United States (19 U.S.C. 1202):

684.57	684.67	685.24	685.39
684.58	684.80	685.25	685.48
684.59	685.10	685.28	688.17
684.65	685.12	685.30	688.41
684.66	685.16	685.32	707.90

TELECOMMUNICATIONS TRADE ACT: RATIONALE AND SUMMARY

I. RATIONALE

Premises: (1) In trade terms, the court-ordered divestiture of AT&T represents the unilateral elimination of a major non-tariff barrier to imports of telecommunications equipment.

Deregulation of the U.S. telecommunications market will benefit domestic equipment manufacturers only to the extent that they are able to compete successfully with foreign producers, many of which receive protection and support from their governments.

U.S. imports of telecommunications equipment already have risen dramatically. Imports can be expected to increase exponentially in the coming decade.

(2) Most foreign markets for telecommunications equipment are closed. In 1980, Japan agreed to open its telecommunications market to U.S. manufacturers. This agreement has not yielded significant results. The so-called privatization of Nippon Telephone and Telegraph (NTT) offers little prospect for improved market access. Most European post, telephone and telegraph systems (PTTs) are closed to U.S. suppliers. Canada maintains high tariffs and provincial governments follow discriminatory purchasing policies. Advanced developing nations increasingly are closing their markets for telecommunications.

Major foreign producers have launched massive sales offensives in an effort to win a position in the U.S. market, which is attractive because of its size, the economies of scale it offers, and its accessibility.

(3) Systematic use of access to the U.S. market as negotiating leverage and strict enforcement of existing trade agreements is the only effective means we have of improving access for American telecommunications exporters. Yet, we are giving away access to the U.S. market and are unwilling to retaliate against foreign unfair trade practices.

If the U.S. market remains open and foreign markets remain closed, foreign producers will have no incentive to pressure their governments to open their national markets.

The U.S must establish a systematic and results-oriented means of gaining access for competitive American exports of telecommunications equipment and services.

(4) The situation is extremely time-sensitive. If we wait until imports soar and U.S. companies complain, the cost of quotas or tariff increases will rise, both in terms of compensation due under GATT and in terms of disputing supply sources of American telecommunications purchasers.

American Objectives: (1) More open world trade in telecommunications equipment and services through negotiated reductions in foreign tariff and non-tariff barriers. The U.S. should secure a more open trading environment in exchange for access to the U.S. market and through strict enforcement of existing trade agreements related to telecommunications.

(2) Ideally, an agreement such as that covering trade in civil aircraft could be negotiated (i.e. a multilateral free trade arrangement) for the benefit of signatories only.

(3) Short of a multilateral agreement, bilateral agreements with major trading partners could be negotiated or governments could subject their PTT purchases to GATT rules for non-discriminatory procurement.

(4) In nations where a lack of sales of competitive U.S. products is evidence of noncompliance with existing agreements, the U.S. should enforce its rights through retaliation.

The Telecommunications Trade Act is a GATT-legal means of using access to the U.S. market as leverage to expand U.S. exports by gaining access to foreign markets.

II. SUMMARY OF THE TELECOMMUNICATIONS TRADE ACT

Findings

The world market for telecommunications will be the source of rapid growth in the coming decades.

The U.S. can increase U.S. telecommunications exports, export-related employment, technological leadership and consumer service by achieving an open world trading system for telecommunications products, services and investment.

Foreign telecommunications markets are characterized by extensive government intervention, including restrictive import practices and discriminatory government procurement.

These unfair and discriminatory practices in foreign countries threaten the loss of jobs in the United States telecommunications industry.

Deregulation of the U.S. market for telecommunications will result in a dramatic increase in imports of telecommunications equipment and a growing imbalance of trade opportunities with respect to other countries.

Unless this imbalance is corrected through the achievement of substantially equivalent competitive opportunities abroad for U.S. telecommunications exports, the United States should avoid granting continued open access for foreign telecommunications products in this market.

Purposes

To foster the economic and technological growth of the United States telecommunications industry and those economic interests that benefit from a high quality telecommunications network.

To ensure that countries that have committed to open telecommunications trade fully abide by those commitments.

To achieve a more open world trading system in telecommunications through negotiation and achievement of substantially equivalent competitive opportunities for United States telecommunications exporters and their subsidiaries in markets where barriers exist to free international trade.

Investigations and determinations

A six-month investigation by the Trade Representative would form the basis for any decision to undertake negotiations or retaliatory action. The investigation would analyze foreign barriers to U.S. exports of telecommunications products and services and provide for the determination of whether competitive opportunities are substantially equivalent to those in the U.S. market. In addition, the Trade Representative would also be required to determine which of the barriers are in violation of, inconsistent with or otherwise nullify or impair existing commitments or agreements related to telecommunications trade.

For purposes of the investigation, the Trade Representative would be expected to take into account the benefits to companies in each country of open access to the U.S. market due to deregulation, as well as actual patterns of trade (including sales of U.S. telecommunications products and services), in relation to the competitive position and export potential of the U.S. industry.

Presidential objectives

General Negotiating Objectives include:

Negotiation of agreements to achieve competitive opportunities in foreign markets for the telecommunications products and value-added telecommunications services of U.S. companies and their subsidiaries substantially equivalent to those in the U.S. market for such products and services of foreign companies and their subsidiaries.

Correction of the imbalance in competitive opportunities accruing from the uncompensated reductions in barriers to foreign access to the U.S. telecommunications market with deregulation and AT&T divestiture.

Facilitation of increased United States telecommunications exports to a level commensurate with the competitive position of the U.S. industry.

Specific negotiating objectives include non-discriminatory government procurement practices, standards and procedures for certification that do not exceed the minimum necessary to protect the network, the elimination or reduction of tariffs, dumping,

export subsidies and other unfair or restrictive foreign trade practices.

Assessment of competitive opportunities abroad would be measured in terms of both nominal access opportunities and documented or anticipated results.

Presidential authority

For a period of three years after enactment, the President is granted authority to enter into multilateral or bilateral trade agreements providing for open trade in telecommunications. For this purpose, he may reduce, eliminate or otherwise modify U.S. tariff and non-tariff barriers. Any such trade agreement must be approved by Congress and will be treated as a trade agreement under fast-track legislative procedures set out in Sections 102/151 of the Trade Act of 1974.

At the end of two years, the President is directed to correct any remaining imbalance in competitive opportunities in telecommunications trade by restricting the importation of products or services from countries with whom no trade agreements have been reached. For this purpose, the President is to employ any of a series of remedies available under current law and this Act, to an extent sufficient to achieve the desired balance of opportunities. The President is to focus his action in the telecommunications sector whenever possible. Remedies available to the President include duty increases, restrictions on registration or approval of equipment, restrictive government procurement practices and other measures.

The President is granted authority to compensate (through offsetting trade concessions, if necessary) major foreign suppliers of products against which restrictions are imposed. For this purpose he is to minimize the cost of compensation under any GATT Article XXVIII negotiation by invoking "reasonable expectations" arguments related to the trade impact of deregulation in the U.S. telecommunications market.

Action by the Trade Representative

With respect to countries which have committed to opening their markets for telecommunications but which fail to fully live up to those commitments, the U.S. Trade Representative would be required to act immediately to restore the balance of competitive opportunities. For this purpose, the Trade Representative would be required to raise duties and restrict the registration or approval of telecommunications products imported from those countries.

An annual review of foreign compliance with agreements related to telecommunications would be established to provide a mechanism for enforcement of such agreements.

Mr. BENTSEN. Mr. President, I am happy to join with Senator DANFORTH as the principal cosponsor of the Telecommunications Trade Act of 1985.

If there is one industry that exemplifies the lack of trade policy direction in our Government, it is telecommunications. Consider how telecommunications was deregulated last week by the Government of Japan. It was a deliberate, legislative process that was imbued with trade policy. Contrast the decisions in the United States deregulating various aspects of the telecommunications industry, going back for several years. These decisions have never seriously taken account of trade policy.

The result is another one in a string of unilateral trade concessions by the United States.

Moreover, telecommunications is a good example of what happens when the United States has available to it many tactics but no strategy. We could have refused to allow imports into our new private market until our producers got access to the closed markets of Europe and Japan. The tools were there, but the policy was not.

As a result, none of the tools in U.S. law was used in connection with deregulating the American industry to assure that U.S. producers of telecommunications equipment would have as much of a chance to sell their products abroad as foreigners would have to sell to the Bell operating companies that were spun off in the AT&T antitrust case.

Now Mr. President, this bill in effect creates a trade strategy in one industry. Last year, we created what amounts to a requirement on the administration to develop such trade strategies, known as national trade estimates. The first national trade estimate is due in October of this year, but in the meantime, action with regard to telecommunications trade is necessary. This bill employs a group of tactics to accomplish the objective of open world trade in telecommunications products. These tactics include unbinding U.S. duties; negotiations, increasing U.S. rates of duty; and bilateral negotiations.

Mr. President, these and many other tactics are available to the United States. We must learn to use such tactics in aid of strategies designed to open up world trade, thereby creating growth and improving living standards worldwide. It is right and appropriate that the United States do this, both because our living standards will improve in open world competition and because in order to maintain our leadership of the world trading system, we must demonstrate our willingness to take strong affirmative action to keep markets open.

Mr. President, this is free trade legislation in every sense of the phrase. We're not trying to punish anyone. We recognize, in fact, that we have ourselves to blame for our current situation with telecommunications. But we also recognize there is something we can do about it.

I trust this legislation will now be subjected to searching and thorough hearings and consideration in the Finance Committee. Some revisions may, of course, be necessary. I welcome comments in detail on the negotiating objectives in the bill, the standard of relief, the scope of products covered, and other aspects of the bill.

What we are doing here will, I think, set a pattern for a strategic, affirmative U.S. trade policy that we have not seen in past administrations or in the current administration.

We can no longer tolerate a trade mythology, Mr. President; we need a trade strategy.

Mr. LAUTENBERG. Mr. President, I am pleased to join my colleagues from Missouri [Mr. DANFORTH] and Texas [Mr. BENTSEN] in introducing this important telecommunications trade legislation.

This legislation has one aim: To open foreign markets to telecommunications trade.

The United States has proceeded down a path of deregulation and competition in telecommunications that has opened its market to unprecedented market entry. The United States freely permits the sale of telecommunications equipment and its interconnection with the public network, so long as it poses no physical harm to the system. With the breakup of AT&T, the more than $10 billion a year in purchases by the old Bell operating companies has been opened up to any and all bidders.

Mr. President, while the doors to the U.S. telecommunications market have been flung open, the doors to foreign markets remain closed. Foreign, government-owned telecommunications monopolies favor local suppliers. Foreign regulators bar the interconnection of American equipment, or impose unreasonable standards or testing regulations.

Even when a nation agrees on paper that it will open its market, as the Japanese did in its agreement with the United States on purchases by Nippon Telephone & Telegraph [NTT], bureaucratic inertia and local biases prevail. NTT has not bought one sophisticated switch. It has bought no transmission equipment. It bought less than $140 million of American equipment out of $2 billion in purchases in 1983.

The result is that imports of telecommunications equipment have almost tripled from 1982 to 1984. At the same time, our balance of trade in telephone and telegraph equipment went from a trade surplus of more than $200 million to a trade deficit of over $1 billion.

The problem is not competition at home. The problem is closed markets abroad.

The solution should not be protection. The U.S. telecommunications industry is on the cutting edge of technology. It does not need protection. It needs access to foreign markets.

This legislation is intended to pry open these foreign markets with the most effective tool we have: access to our own market. The legislation would give nations that export to the U.S. the opportunity to provide access to their markets equivalent to the access the United States has already unilat-

erally provided to them. If negotiations to secure such reciprocal access fail, then steps to stop access to the U.S. market—through the imposition of tariffs and the denial of equipment certification—would be mandated. The same steps would be used to force open markets where agreements exist on paper, but do not provide access in practice.

Mr. President, a great deal of concern has been expressed recently about the ability of American firms to sell in the Japanese market after the privatization of NTT. I have expressed my concern to the Secretary of Commerce, the USTR, and the Chairman of the FCC about the barriers imposed by the new regulatory scheme in Japan. Some progress has been made in negotiations with the Japanese, but the true test will be in the marketplace.

It should be emphasized, however, that this bill is not directed solely at the Japanese market. While Japan is the second largest telecommunications market, the United States faces barriers to market entry in Europe and elsewhere. This legislation is needed to secure free worldwide trade in telecommunications equipment.

Mr. President, the telecommunications industry is a major one in my State. Over 40,000 people are employed in the manufacture of communications equipment, and thousands more are employed in research and development to bring new products to market.

My State is also the American home to foreign-owned electronics firms. They provide welcome economic activity in my State. But it is in their interest as well that we maintain free and open trade in telecommunications product.

Mr. President, the United States has already acted. It has opened its market. It is now time for others to act. I urge my colleagues to support this important legislation.

By Mr. HEINZ (for himself, Mr. ANDREWS, Mr. BOREN, Mr. DOMENICI, Mr. FORD, Mr. HOLLINGS, Mr. MATHIAS, Mr. MITCHELL, Mr. NUNN, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, and Mr. ZORINSKY):

S.J. Res. 114. Joint resolution designating August 29 as "Railroad Retirement Day"; to the Committee on the Judiciary.

RAILROAD RETIREMENT DAY

● Mr. HEINZ. Mr. President, 50 years ago, on August 29, 1935, the Railroad Retirement Act was signed into law by President Roosevelt, establishing the foundations of the current railroad retirement system. To celebrate the success of the Railroad Retirement Program on its 50th anniversary, I am proud today to introduce a Senate joint resolution to designate August 29, 1985, to be "Railroad Retirement Day."

Throughout the history of the United States, the railroads have played a special, and a very crucial role as a catalyst to economic growth and job creation. By creating an efficient transportation network, the railroads were critical in precipitating the great expansion of industry and commerce in the past century and a half. Beginning with the Interstate Commerce Act of 1887, Congress has long recognized that the vital role served by the railroads requires special public attention and oversight.

During the Great Depression, when general unemployment was very high, rail pensions were collapsing, and many older railroad workers who might wish to retire could not because they had no other source of income upon which to rely, Congress created the railroad retirement system. Taking into account the particular needs and contributions of the railroad industry, the retirement plan established a unique and innovative scheme for guaranteeing the income security of railroad workers.

Over the past 50 years, the Railroad Retirement Program has provided basic social insurance and pension benefits for more than 4 million retired rail workers and their families. Currently, the Railroad Retirement Board provides cash benefits to more than 1 million Americans. Further, 400,000 present railroad workers, and all future employees, are assured pension income in their old age.

In 1983, there was a great deal of publicity regarding the pending insolvency of the railroad retirement system, and confidence in its future reached an all-time low. Due to comprehensive legislation to restore solvency to the program, railroad workers and employees can rest assured that the system is in excellent financial health. In fact, the Railroad Retirement Board informs me that the trust funds are rapidly accumulating substantial surpluses, and that even under the most pessimistic of assumptions, the program's financing is sound far into the future. I think this fact further justifies "Railroad Retirement Day," and should be made widely known.

Mr. President, the Railroad Retirement Program is in my judgment one of the most successful social programs in the history of this country. During the Great Depression, it helped to relieve unemployment and provide basic income to workers who wanted to retire. Throughout the past half century, it has expanded, and has truly protected railroad workers and their families from poverty and destitution in old age. I am confident that this excellent system will continue long into the future, and will serve to underscore the tremendous contributions of the railroad industry and its workers to the American economy.

I would hope that all my colleagues would join me in sponsoring this resolution, Mr. President, and urge its swift adoption.●

By Mr. LEAHY:

S.J. Res. 115. Joint resolution to designate 1985 as the "Oil Heat Centennial Year"; to the Committee on the Judiciary.

OIL HEAT CENTENNIAL YEAR

Mr. LEAHY. Mr. President, no nation in history has enjoyed the comforts and conveniences that we in the United States enjoy today. And too often we take it for granted.

It was just 100 years ago that American ingenuity developed oil heat as a practical reality in our homes and businesses.

In August, 1985 the Patent Office granted the first patent for a furnace that could burn liquid and gaseous fuels—the first technically sound oil burner.

Oil heat developed Vermont and other States in the north country. There is hardly an area of the Nation where this great resource wasn't a critical development factor.

Along with the technology let's not forget the dedicated men and women whose sense of service to their customers has become legendary.

In Vermont, tales of trucks braving blizzard conditions to deliver oil to homes with near-empty tanks are legend.

In short, Mr. President, we are honoring more than a business. We are honoring a way of life.

I am pleased to introduce today a resolution designating 1985 as the "Oil Heat Centennial Year."

A similar resolution has been introduced in the House. I hope we can speed adoption on behalf of all Americans who owe a long overdue thanks to this vital industry.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 115

Whereas, on August 11, 1885, the U.S. Patent Office granted a patent to David H. Burrell of Little Falls, New York, for a furnace that could burn liquid and gaseous fuels, which patent is generally regarded by technical experts and industrial historians as the first technically sound oil burner; and

Whereas, at the Columbian Exposition in Chicago in 1893 oil burners, for the first time, were utilized in major public exhibit buildings, and these oil burners were hailed and recognized as a technological combustion breakthrough by most, but were condemned as "instruments of Satan that brought the fires of hell to Earth" by some; and

Whereas, by World War I, the oil burner had become the premier Naval source of

propulsion, its technology was sought and adopted by Russia, Germany, Great Britain, France and the United States to power large warships, especially super-dreadnoughts and battle cruisers; and oil burning techniques and oil field locations became a major source of naval espionage; and

Whereas, oil burner technology was adapted to the heating needs of homes, businesses and industry in the decades that followed World War I, increasing from about 12,000 installations in 1920 to 2 million in 1940 to about 10 million in 1960 to more than 15 million in the 1970's, helping to generate improved housing for all Americans and the industrial boom that powered post World War II America; and

Whereas, the oil burner continues to be a major, modern heating technology used by millions of consumers in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Florida, Ohio, Indiana, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota, Montana, Idaho, Utah, Nevada, Oregon, Washington, and the District of Columbia; and

Whereas, the Oil Heat industry is, and always has been, developed and characterized by a large and diverse group of competitive small businesses, many of which are family owned through a second, third and fourth generation that began in their business endeavors by supplying ice, lumber, coal and then oil, to their communities; and

Whereas, many of these small businesses are in the forefront of new energy efficient technologies of the 1980's, leading the way toward higher efficiency oil heat, new conservation techniques, solar heating and other technologies; and

Whereas, the 100th anniversary of the development of the oil burner is an appropriate time to recognize the overall contributions of oil heating to the technological revolution of the 20th century and the individual contributions of the many thousands of small businessmen and women who made this century of heating comfort progress possible. Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that, the year 1985 is designated as the "Oil Heat Centennial Year" thereby recognizing the contributions of the oil heat industry over the past century. The President is requested to issue a proclamation calling upon the people of the United States to observe this commemorative year, with appropriate federal agencies to participate in the observance of such year and cooperate with persons and institutions conducting related observances, ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 231

At the request of Mr. DOLE, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 408 a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 491

At the request of Mr. QUAYLE, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 491 a bill to improve debt-collection activities and default recoveries and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes.

S. 614

At the request of Mr. BUMPERS, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 614, a bill to amend section 3505 of title 44, United States Code, to further reduce the Federal paperwork burden on small businesses.

S. 713

At the request of Mr. WILSON, the name of the Senator from Oklahoma [Mr. BOREN], the Senator from Virginia [Mr. WARNER], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of S. 713, a bill to prohibit the interstate sale and transportation of drug paraphernalia.

S. 729

At the request of Mr. DURENBERGER, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 736

At the request of Mr. BUMPERS, the name of the Senator from Missouri [Mr. EAGLETON] was added as a cosponsor of S. 736, a bill to amend the Bank Holding Company Act of 1956 to provide for the safe and sound operation of depository institutions.

S. 769

At the request of Mr. PRESSLER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 769, a bill to amend title 38, United States Code, to allow the use of upright grave markers in national Veterans' Administration cemeteries.

S. 879

At the request of Mr. PROXMIRE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 879, a bill to authorize funds for research, development, test, and evaluation in connection with strategic defense initiative programs and advanced strategic missile systems for fiscal year 1986, and for other purposes.

SENATE JOINT RESOLUTION 20

At the request of Mr. SYMMS, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of Senate Joint Resolution 20, a joint resolution proposing an amendment to the Constitution of the United States with respect to the English language.

SENATE JOINT RESOLUTION 32

At the request of Mr. PRESSLER, the names of the Senator from New York [Mr. D'AMATO], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 32, a joint resolution to authorize and request the President to designate September 15, 1985, as "Ethnic American Day."

SENATE JOINT RESOLUTION 34

At the request of Mr. QUAYLE, the names of the Senator from Louisiana [Mr. LONG], the Senator from New Mexico [Mr. DOMENICI], the Senator from Alabama [Mr. HEFLIN], the Senator from Florida [Mrs. HAWKINS], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 34, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week."

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 64

At the request of Mr. RIEGLE, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. LEVIN], the Senator from New York [Mr. MOYNIHAN], the Senator from Nevada [Mr. LAXALT], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 64, a joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from North Carolina [Mr. EAST], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. MURKOWSKI, the names of the Senator from Florida [Mr. CHILES], the Senator from Nevada [Mr. HECHT], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day."

SENATE JOINT RESOLUTION 92

At the request of Mr. DENTON, the names of the Senator from North

Carolina [Mr. EAST], the Senator from New Mexico [Mr. DOMENICI], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 92, a joint resolution to designate October 1985 as "National Foster Grandparents Month."

SENATE JOINT RESOLUTION 107

At the request of Mrs. HAWKINS, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. ANDREWS], the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Michigan [Mr. LEVIN], the Senator from Louisiana [Mr. LONG], the Senator from Idaho [Mr. MCCLURE], the Senator from Maryland [Mr. SARBANES], the Senator from Oklahoma [Mr. BOREN], the Senator from Delaware [Mr. ROTH], the Senator from Georgia [Mr. NUNN], the Senator from California [Mr. CRANSTON], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 107, a joint resolution to designate the month of May 1985 as "Older Americans Month."

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. PROXMIRE, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Concurrent Resolution 36, a concurrent resolution expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations.

SENATE RESOLUTION 81

At the request of Mr. ARMSTRONG, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. WILSON], the Senator from Idaho [Mr. MCCLURE], the Senator from Wisconsin [Mr. KASTEN], the Senator from South Carolina [Mr. THURMOND], the Senator from North Dakota [Mr. ANDREWS], the Senator from Delaware [Mr. ROTH], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Resolution 81, a resolution to establish regulations to implement television and radio coverage of proceedings of the Senate.

SENATE RESOLUTION 130

At the request of Mr. WALLOP, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Resolution 130, a resolution relative to the Sport Fish Restoration Trust Fund.

AMENDMENTS SUBMITTED

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

BYRD (FOR GORE) AMENDMENT NO. 31

Mr. BYRD (for Mr. GORE) proposed an amendment to the bill (S. 818) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; as follows:

On page 2, line 4, strike "$21,036,000" and insert in lieu thereof "$22,036,000".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing on the nominations of Peter C. Myers, of Missouri, to be an Assistant Secretary of Agriculture, vice John B. Crowell, Jr., resigned and Robert L. Thompson, of Indiana, to be an Assistant Secretary of Agriculture, vice William Gene Lesher, resigned.

The hearing will begin at 11 a.m. on Monday, April 22, 1985, in 328-A Russell Senate Office Building.

For further information, please contact the Committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON INVESTIGATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the permanent Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, April 17, 1985, to conduct a hearing on the U.S. Government's personnel security system.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 17, in order to receive testimony concerning the nomination of Joseph H. Rodriquez, of New Jersey, to be U.S. district judge for the district of New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, April 17, to hold an oversight hearing on the President's proposed budget for fiscal year 1986, for the Department of Energy's environment and safety programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITIES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Securities, of the Committee on Banking, Housing, and Urban Affairs, be authorized to meet during the session of the Senate on Wednesday, April 17, 1985, to conduct a hearing on the authorizations for the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SECURITY AND TERRORISM

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Security and Terrorism of the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 17, for a closed hearing on FBI oversight and budget authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CONFIRMATION OF JOHN F. KRINGS

● Mr. CHILES. Mr. President, yesterday I voted against the confirmation of John F. Krings to be the first Director of the Office of Operational Test and Evaluation, because I don't believe he is the most qualified person to fill this new position. I want it completely understood that I have nothing personal against Mr. Krings. I understand he is a very bright and likable person. He certainly has an outstanding record with the McDonnell Douglas Corp. as their chief test pilot, and he has also served with distinction as the chairman of the Flight Test Operating Committee of the Aerospace Industries Association.

My concerns are that Mr. Krings has not demonstrated to my complete satisfaction that he possesses the necessary operational test background and experience to head this new office. Senator PRYOR has so ably pointed out that there are better qualified candidates for this position, who have experience in conducting and analyzing realistic operational testing, and who we can be assured will be completely objective in their appraisal of test results. I agree with the Senator from

Arkansas that the new Director of Operational Test and Evaluation will be our servicemen's last line of defense against what is sometimes a less than stringent acquisition process, and the first leader of this critical office will set the standards for realistic testing and unbiased reporting for years to come.

As concerned as I am about the length of time it has taken this administration to name a nominee to head this new independent office, I could not in good conscience support the nomination of Jack Krings for this important post.●

A COMPREHENSIVE APPROACH TO PREVENTING CHILD ABUSE

● Mr. CHAFEE. Mr. President, as a cosponsor of the Senate resolution designating April as "National Child Abuse Month," I would like to take this opportunity to draw the Senate's attention to a significant child abuse prevention program now underway in Rhode Island.

Three facts about the tragedy of child abuse are particularly disturbing. First, the incidence of child abuse goes up each year—increasing in 1984 over the previous year by 19 percent. Second, experts agree that the available statistics underrepresent the actual extent of the problem. Third, there is every indication that the victims of child abuse in all too many cases grow up to become abusive parents.

But in this seemingly bleak picture, there are some bright spots. The Rhode Island Chapter of the National Committee for the Prevention of Child Abuse—thanks to a grant from the National Center on Child Abuse and Neglect—has launched a comprehensive program designed to get at the very root of the problem, and prevent child abuse before it takes place. This project will bring full-scale child abuse awareness and prevention programs to six of Rhode Island's school systems. Combining its own resources with those made available by the Rhode Island Chapter of the NCPCA, each school system involved in the program has designed a program that best suits local needs.

Under the program, children from kindergarten right up through grade 12 are now learning how to protect themselves against abuse and what to do if it happens to them. Teachers and other school personnel are being trained to spot possible cases of child abuse and to follow through appropriately; one aspect of this training will be the effective use of the new child abuse neglect tracking system [CANTS] developed by the Rhode Island Department of Children and their Families in order to streamline the identification, reporting, and investigation of child abuse.

Concerned community members, along with parents and teachers, have been recruited and organized as volunteers to raise funds, organize events, and serve as lay counselors, often contributing particular professional skills—in public relations or in the graphic arts, for example—to the effort. And, most importantly, parents are integrally involved in every aspect of the campaign, participating in parent education programs or joining one of the corps of volunteers that have been formed in each of the six school systems.

This program demonstrates how, by taking full advantage of the access that local schools afford, we can mobilize entire communities—parents, teachers, children, and concerned volunteers—against the problem of child abuse. It offers real hope that the tragic cycle of abuse can be broken.

Thanks to similar contributions by thousands of committed individuals across the country, we have in large measure succeeded in breaking the silence that has surrounded child abuse for centuries, and have brought the problem to the forefront of the national consciousness. This is a significant and quite encouraging achievement, and the effort continues, in ever more innovative ways.

In setting aside the month of April as National Child Abuse Prevention Month, we have declared our commitment to building on these successes and stopping child abuse before it occurs. Through concerted efforts like the one now in progress in Rhode Island, we are well on the way toward developing a truly effective national program to keep our children—our most precious resource—protected from harm and in good health.●

TEACHER WARRANTY: A NEW APPROACH FOR EDUCATION

● Mr. PRYOR. Mr. President, on Sunday, April 7, 1985, a column appeared in the Arkansas Democrat by distinguished guest writer Dr. George A. Antonelli, dean, division of education, at the University of Arkansas at Pine Bluff [UAPB]. UAPB is taking a bold step in the area of teacher education by instituting the concept of teacher warranty—an individualized program of assistance for any teacher education major from the class of 1985 who is employed within the Arkansas school system. This program is extended to those students who are experiencing professional difficulties in performing their assigned teaching duties. A teacher training team will implement a plan to improve an individual student's performance and competence in cooperation with a variety of support personnel.

The teacher warranty concept is gaining momentum on college and university campuses across the country. I am proud that an institution of higher learning in my State is in the forefront of this progressive movement. Dean Antonelli is to be commended for his leadership in this area.

Mr. President, I ask that Dr. Antonelli's article on this subject be printed in the CONGRESSIONAL RECORD.

The article follows:

TEACHER WARRANTY OFFERS INSURANCE THAT INSTITUTIONS ARE LOOKING FOR

(By Dr. George Antonelli)

For many years public school teachers and administrators have contended that colleges of education have provided irrelevant courses with incompetent faculty in an irascible manner. Conversely, colleges of education have considered the staff development activities of public schools as illegitimate experiences conducted by illiterate trainers in an irresponsible manner.

More recently, a cover of *TIME* declared, "Help! Teachers Can't Teach", and The Chronicle of Higher Education published an article entitled, "Universities Should Get Out of the Business of Teaching Teachers". One need not reference A Nation at Risk: The Imperative for Education Reform, the report of the National Commission on Excellence in Education, to conclude that teachers and teacher educators are in grave trouble.

Japanese teacher educators have provided career warranties which parallel the business communities' efforts to build confidence in services for many years. The first American institution of higher education to emulate the concept was Doane College in Nebraska. In 1981, Doane College initiated an institutional reform program which increased entrance and retention requirements for teacher education majors, provided a support system for first-year teaching graduates, and warranted their teaching skills for the first year.

"The warranty assures graduates and employers that if there are any rough spots during a Doane education major's first year on the job, the college is there to take responsibility for its product," says Richard E. Dudley, chairman of the education department at Doane.

James Cooper, dean of education at the University of Virginia, announced a one-year warranty on the class of 1985. While Cooper admits he expects to be like "the Maytag repairman", he seems to be emulating Lee Iacocca's style. Cooper is trying to build confidence in his students as well as increase their chances for employment.

Meanwhile, Dean Robert D. Barr of Oregon State University was announcing a warranty assurance in an article, "New Ideas for Teacher Education", which appeared in the October issue of Phi Delta Kappan. An editorial in The Oregonian seems to be more to the mark: "The innovation should put the public schools and the teacher training college in better communication with each other . . . It should afford students assurance that they are getting in the college classroom what they are paying for."

In an attempt to reverse the decreasing number of black teachers in Arkansas classrooms, Chancellor Lloyd V. Hackley of the University of Arkansas at Pine Bluff (UAPB), initiated institutional reforms back in 1981.

The UAPB program provides for an individualized three-year warranty for any UAPB student from the class of 1985 who is

certified, as well as employed, in the schools of Arkansas. To this extent, any UAPB student experiencing professional difficulties in assimilating or demonstrating teaching duties and responsibilities during the three years will be provided the service of a clinical professor in the Division of Education or a content specialist in the Division of Liberal Arts and Sciences in cooperation with the site personnel assigned by the school district. This teacher training team will design and delineate a plan to improve the performance and competence of each recalled UAPB teacher education graduate.

What do other educators think about the warranty concept? Dr. richard Kunkel, Executive Director of the National Council for Accreditation of Teacher Education, thinks it "helps tie higher education into a continued responsibility for the professional development of the teacher." Dr. S. John Davis, superintendent of public instruction in Virginia, says: "I would hope all of our institutions would be willing to stand behind the teachers they train."

All these programs have differences as to length of warranty, delivery of guaranteed services, geographical constituencies, and number of warranted clientele, but there are a number of important similarities. Indeed, they all have:

Established pro-active programs which respond to existing problems with teachers and teacher education.

Increased the entrance/exist requirements for teacher education students.

Enhanced the employment opportunities for their students.

Demonstrated confidence in the ability, efforts, and commitment of their students.

Involved teacher preparation faculties with public school colleagues.

Invited public school teachers and administrators to become equal shareholders in their teacher education programs.

Provided a collaborative model which can be utilized to increase communication between schools and colleges.

Accepted accountability by performance as a criterion for curriculum development.

Institutionalized a business perspective for program development; and

Reconceptualized the process of teacher education.

I hope these warranty programs will help revitalize the image and substance of teacher education.●

U.S. DEFENSE AND ARMS CONTROL POLICIES

● Mr. PRESSLER. Mr. President, the administration's strategic defense initiative, popularly known as "star wars," has sparked a new and wide-ranging debate over U.S. defense and arms control policies. Experts have expressed differing and confusing viewpoints about the goals, costs, and international implications of the proposed SDI program. A three-part series by James McCartney of Knight-Ridder newspapers provides the general reader with an informative report on the SDI. I ask that this series, entitled "Star Wars: The Future of Arms Control," be inserted in the RECORD as it appeared on March 10, 11, and 12, 1985, in the San Jose Mercury News.

The series follows:

[From San Jose (CA) Mercury News, Mar. 10, 1985]

WILL "STAR WARS" WORK IF CALLED UPON?

(By James McCartney)

WASHINGTON.—It is the year 2000 and the Soviet Politburo, after months of heightening tension with the United States over a crisis in the Middle East, decides to strike.

The order is given to attack the United States with 1,400 giant, land-based strategic missiles and 936 submarine-based missiles, launching the world's first all-out nuclear war.

The missiles are targeted on every U.S. city with a population of more than 20,000 and every missile site and major airport. The objective is the annihilation of the United States.

At zero hour, all of the 1,400 land-based missiles and the first flight of 64 submarine-based missiles are launched. Seconds later, first-stage booster rockets ignite, sending out flares of infrared radiation that are detected instantly by sensors on American reconnaissance satellites thousands of miles above.

Space war, by computer, is under way.

The winner, if any, will be apparent within three to four minutes, possibly within 60 seconds.

It is the moment of truth for American technology. The question is whether the "Star Wars" defense program initiated in 1983 by President Reagan will work. The labors of thousands of scientists over those 17 years will be tested, as a question of life or death for modern civilization.

This imaginary scenario is no game. It is a picture pieced together from official Reagan administration documents, from interviews with officials in the "Star Wars" program and from extensive scientific studies of the kind of drama that might develop by 2000.

It is the kind of test that the "Star Wars" program, officially called the Strategic Defense Initiative, is designed to prevent—or to meet.

That program will be the main issue when the United States and the Soviet Union resume arms-control talks Tuesday in Geneva, Switzerland, after a lapse of 15 months.

The Soviets are determined to stop "Star Wars." Reagan has said he is determined to proceed. If the question can't be resolved, arms-control efforts that began more than 20 years ago may be dead.

Secretary of State George Shultz has said the talks in Geneva may provide the last chance to stop the arms race. Soviet spokesman Georgi Arbatov has said: "If you start 'Star Wars,' we will be obliged to build new nuclear weapons, and more of them, which can penetrate your defensive shield."

There is little question why the Soviets are so upset. Reagan's "Star Wars" proposal represents a dramatic change in American strategic doctrine and a rewriting of the American approach to arms control.

Some American officials have predicted privately that the Soviets will walk out of the talks because of U.S. insistence on pursuing "Star Wars."

Research projects already disclosed are linked to the possibility of a fantastic war of the future involving some of the most exotic weapons and deployment systems ever imagined.

Researchers are looking into lethal laser beams that, if perfected, could destroy giant missiles in fractions of a second from 1,000 miles away; space mirrors, 10 yards or more in diameter, to focus lasers; smaller "battle mirrors" to make quick kills; projectiles the size of a coffee can that could hurtle through space at 20,000 mph; and killer X-rays powered by nuclear explosions.

To meet an all-out Soviet attack, the "Star Wars" technology would have to destroy at least 2,100 of the 2,336 land- and sea-based missiles within three to four minutes of their launch. The remaining 236 missiles would have to be destroyed in later stages of flight.

There can be no exceptions without disaster. A single missile with 10 nuclear warheads could destroy an American city and kill hundreds of thousands, if not millions, of people.

No human judgment would be involved in the defense. There would be no time for analysis. The fate of man at that point would be left to supercomputers, programmed to respond instantly to the reports of electronic sensors.

So, at the moment of truth, the ultimate question is: Will "Star Wars" work?

Scientists are deeply divided.

Reagan declared the goal in a Feb. 11 interview, saying, "I want a defense that simply says that if somebody starts pushing the button . . . we've got a good chance of keeping all or at least the bulk of them from getting to the target."

But he also has said that the system he envisages does not have to be "leak-proof," that "you can have a most effective defensive weapon even if it isn't 100 percent."

Reagan reasoned that an enemy's uncertainty over the ability to destroy the capacity of the United States to retaliate could be enough to prevent an attack.

But Reagan has left unanswered the question of what might happen if the Soviets chose to defy this American sense of logic. If only a handful of nuclear bombs slipped through the "Star Wars" defense, it would cause an unparalleled national disaster.

Developing such a defense system is perhaps the most complex scientific challenge ever to face American technology. The challenge involves not only developing exotic weaponry to destroy enemy missiles and warheads but deciding how to deploy such weapons.

The research and development part of the program has been described by Richard DeLauer, undersecretary of defense for research and engineering, as having at least eight components, "every single one . . . equivalent to or greater than the Manhattan Project," the crash program that developed the atomic bomb in World War II.

Top officials in the "Star Wars" research program, however, say that technology already exists to enable the interception of 70 percent to 80 percent of the Soviets' missiles within a few minutes of their launch.

One official said that for $100 billion, using current technology, the United States probably could build a system capable of destroying 97 percent of the missiles, if the Soviets did not employ countermeasures. But no answers have been found to deal with possible countermeasures.

Reagan nearly tripled the "Star Wars" budget for next year, from $1.4 billion to $3.7 billion, and has projected at least a $1 billion-a-year increase for the rest of the decade. The research program from 1984 through 1990 is expected to cost about $30 billion.

(By James McCartney)

WASHINGTON.—President Reagan's Strategic Defense Initiative, described by administration officials and scientists as the largest

research project of all time, seeks to push American military technology to new frontiers in space.

But even at this early stage, the "Star Wars" program is incredibly complex, involving hundreds of different weapons systems and deployment plans at price estimates that have ranged beyond $1 trillion.

To grasp the essentials of the program requires a knowledge of what would be necessary to shoot down high-speed ballistic missiles in flight and of the various ways of approaching that problem.

Here is a summary of the technical challenges confronting the program and the main strategies being studies to meet those challenges.

THE PROBLEM

The central goal is to learn how to destroy most of the Soviet missiles in the first three to four minutes after launching, known as the "boost phase."

"Star Wars" is based on the idea of a "layered defense" that would destroy enemy warheads at each stage of their flight: the boost phase (three to five minutes); postboost (five minutes), when multiple warheads and decoys are deployed in space; midcourse (about 20 minutes), as the warheads and decoys travel through space; and the terminal phase (one to two minutes), when the vehicles re-enter the atmosphere and speed toward their targets.

A missile travels at 17,000 mph and takes only about 30 minutes to reach the United States from a launch site in the Soviet Union.

The Soviets are known to have 2,336 land- and sea-based missiles, carrying more than 8,000 nuclear warheads.

In the boost phase, the blastoff makes missiles detectable through long-range telescopic sensors. But moments later, when they begin to disperse multiple warheads and thousands of decoys, targeting is vastly complicated.

Just after launch, for example, there would be about 2,100 targets. A few moments later, according to a study by the Union of Concerned Scientists, there could be as many as 2,000 targets.

To destroy missiles in the boost phase, American satellites and weapons ideally would operate in space over the Soviet Union and be able to strike at close to the speed of light.

A group of "Star Wars" contractors was told last fall that the program would require an orbiting supercomputer that would have to start working within one second of the detection of the first Soviet missile.

But a recent White House report emphasized the "layered defense," saying that "technologies that are becoming available today may offer the possibility of providing . . . a defense that uses various technologies to destroy attacking missiles during each phase of their flight."

In the 20-minute "midcourse" of a missile's flight, that would mean sensing devices, targeting mechanisms and weapons that could strike tens of thousands of flying objects in a few minutes.

THE WEAPONS

The major weapons under study are various kinds of "beam" weapons and high-velocity projectiles, sometimes called "smart rocks."

Lasers—The most widely discussed beam weapon is the laser. If it proves workable at long distances, it could become a weapon right out of Buck Rogers, a kind of death ray that would cast a destructive beam 1,000 miles or more at the speed of light.

A laser is a powered beam of light, focused by mirrors. It can cause damage through intense heat or through a single giant pulse of energy.

Today's lasers have limited ranges, estimated by one "Star Wars" expert at 100 miles. There are serious questions about how far an effective kill range could be extended.

Some lasers are powered by chemicals, some by electricity. The most controversial system under study is the X-ray laser, powered by a nuclear explosion.

A major drawback: Lasers require so much intense energy that they might be impractical.

One study estimated that one-third of the total electrical output of the United States would be required to operate a ground-based laser system.

"Star Wars" officials disagree, saying lasers would need large amounts of power, but not as much as the studies suggest.

Particle beams—These weapons would use a stream of electrons, protons or neutrons accelerated nearly to the speed of light.

For use against the boost phase of enemy missiles, the particle beam has two major disadvantages: The particles are subject to the force of gravity, unlike laser light, and would curve over long distances and be difficult to aim. And the machinery to accelerate the particles is so heavy it probably could not be put in orbit. Studies aimed at developing particle beams that would not be subject to gravity are under way.

"Smart rocks"—The high-velocity projectiles, also known as "electric cannons" or "smart bullets," would be hurled by small rockets or electrically powered magnetic "rail guns" at speeds as high as 20,000 mph, much slower than the laser.

These are the most promising short-term weapons. "Star Wars" experts say the United States is close to being able to deploy such weapons on a fleet of about 500 satellites. About 5,000 such weapons, 10 on each satellite, would be necessary to confront Soviet missiles in the boost phase.

It has been computed that such projectiles might achieve a range of nearly 1,000 miles. They would be equipped with devices that automatically would home in on a target as they approached it.

Some projectiles under study would be about the size of a coffee can and weigh only a few pounds. Those now in research are about a foot long and a foot in diameter.

Such a device was tested successfully last June in an anti-satellite weapons experiment when a mock warhead was struck in space, the equivalent of a bullet hitting a bullet.

Despite their relatively slow speed, these non-nuclear weapons are technologically simpler than laser or particle beam weapons. They would destroy a missile simply by the force of impact without exploding.

DEPLOYMENT

Once weapons have been developed, the question becomes where to put them and how to get them there. The visions of Buck Rogers technology that would be used in this area led to the nickname of "Star Wars."

Research so far has concentrated on low-orbit satellites, high-orbit "battle mirrors" and a "pop-up" X-ray laser.

Low-orbit satellite battle stations—A fleet of satellites carrying lasers, particle beam weapons or high-velocity projectiles would be deployed in orbits over the Soviet Union at an altitude of about 625 miles.

But at that altitude, a satellite orbits the Earth once every 90 minutes and, because of the Earth's rotation, would pass over a fixed point only twice a day. As a result, many satellites would be needed to ensure that an adequate number actually were in battle positions at any one time. Estimates of the number necessary for an effective system, depending on the range and power of weapons, range from 80 to 2,400.

An advantage of this system is that the satellites not in battle positions over the Soviet Union could be monitoring the seas for submarine-launched missiles.

High-orbit "battle mirrors"—A large number of powerful lasers would be based on the ground and would cast their beams to huge mirrors orbiting at an altitude of 22,500 miles. The mirror-carrying satellites would keep pace with the Earth's rotation maintaining fixed positions above the equator.

The high-altitude mirrors would reflect the laser beams back to a fleet of "fighting mirrors" about 625 miles over the Soviet Union. The low-altitude mirrors, equipped with infrared sensing telescopes, would focus the beams to destroy Soviet missiles in the boost phase.

The advantage of this system would be that the lasers would be on the ground rather than in orbit and could be powered more easily.

Pop-up X-ray lasers—The government also is experimenting with a classified technique for developing an X-ray laser that would be powered by a nuclear explosion.

X-ray lasers would pop into the atmosphere from submarines based near the Soviet Union after satellite sensors reported a Soviet missile launch.

Methods have been developed to focus the X-ray laser beams so that they would deliver the force of part of the nuclear explosion on a target.

They would have to be fired from submarines because the curvature of the Earth would make it impossible to strike Soviet missiles from the U.S. mainland in the first few minutes of flight. New fleets of advanced submarines, along with ships to protect them, would be needed for this kind of a system.

Many scientists have questioned whether this system is practical. They have said Soviet missiles might be beyond the boost phase by the time the X-ray laser could be put in position to fire.

[From San Jose (CA) Mercury News, Mar. 11, 1985]

"STAR WARS" PLAN ALTERS PREMISE OF U.S. STRATEGY

(By James McCartney)

WASHINGTON.—President Reagan's "Star Wars" initiative proposes the most dramatic change in fundamental U.S. defense strategy in a generation.

"If the president's plan is actually pursued," said a report by a group of eminent scientists led by physicist Hans Bethe, "it will mark a turning point in the arms race perhaps as significant as the introduction of intercontinental ballistic missiles."

Reagan appeared to recognize the sweeping dimensions of his program from the beginning.

"We are launching an effort which holds the purpose of changing the course of human history," he said in his initial "Star Wars" speech on March 23, 1983.

Until Reagan proposed a crash program to develop a space-based defense system, the only U.S. response to the threat of a nuclear attack has been to threaten instant retalia-

tion. In other words, if you hit us, we'll destroy you.

Not without irony, that policy has come to be known by the acronym MAD, which stands for "mutual assured destruction."

The premise of that policy was a consensus reached by the scientific community in the late 1960s that there was no defense against modern ballistic missiles, which travel at 17,000 mph.

The belief became the basis of the 1972 SALT I treaty, signed by President Nixon in Moscow. The two superpowers agreed not to develop defensive weapons against nuclear missiles, although research was allowed. In effect, they agreed to preserve peace by allowing themselves to remain defensively naked.

But now Reagan has introduced what former Defense Secretary Harold Brown calls "a wild card" with his proposed Strategic Defense Inititative, popularly known as "Star Wars." The objective of the crash program, as Reagan described it, is to render nuclear missiles "impotent and obsolete."

Rep. Les Aspin, D-Wis., chairman of the House Armed Services Committee, calls "Star Wars" "a 180-degree turn from the policies of the previous four administrations."

Maj. Peter Worden, a special adviser to Lt. Gen. James Abrahamson, who heads the "Star Wars" program, says that the "shift in policy is potentially incredible."

"On one side it can lead to a vastly different strategic relationship with the Soviet Union and, perhaps optimistically, a nuclear disarmed world," Abrahamson said. "But there are down sides. Some of the critics will tell you it could lead to arms races in space and, in the long run, maybe offensive weapons in space. So we have both an opportunity and a danger."

REAGAN OPPOSES MAD CONCEPT

Even Reagan has conceded that the MAD policy has worked for 40 years. Why then the switch to a defense policy whose feasibility is fiercely debated?

For one thing, Reagan long has been repelled by the military philosophy that produced the MAD doctrine. In speeches long before he became president, he referred to it as the equivalent of two men pointing cocked pistols at each other.

When the driving force of technology opened the door to dreams about "Star Wars" in the military and scientific communities, Reagan bought those dreams.

Reagan also is an admirer of Edward Teller, the conservative physicist who played a major role in the development of the hydrogen bomb. Teller, an advocate of a space-based defense system, has visited Reagan at least four times and has discussed with him the possibilities of such a program.

The crucial meeting was Feb. 11, 1983, almost six weeks before Reagan announced his decision to pursue that program. The subject of that White House meeting was the embattled MX missile, but most of the nation's highest-ranking military officers were there. Reagan probed them about their thoughts on strategic defense.

RESEARCH BREAKTHROUGHS

He found ready interest, especially by Robert McFarlane, now White House national security adviser, and Adm. James Watkins, chief of naval operations. Reagan found that most of the military men thought there had been enough progress on defensive research to merit a new look at nuclear defense.

"Star Wars" officials say that research breakthroughs have been made in at least five major areas necessary to make a defensive system work—laser and particle beam technology, sensing devices, homing mechanisms, supercomputers and space transportation.

After Reagan announced his "Star Wars" plan, Teller wrote, "Today a wide range of good and ingenious technical plans, ranging from simple to extraordinarily complex, challenge the widespread opinion that practical defense cannot be obtained."

Reagan himself has said since, "New technologies are now at hand which may make possible a truly effective non-nuclear defense."

WILL STAR WARS WORK

But the question persists: Could a "Star Wars" system work?

That question is at the center of a raging debate in the military and scientific worlds. The Reagan administration says yes, it might, and it's worth trying because the stakes are so great.

But according to many former government officials and scientists, there is a widely shared belief in the technical community that Reagan's dream of a virtually leak-proof defense for the entire population is unachievable.

Defense Secretary Caspar Weinberger recently told Congress, "Based on our research so far, we cannot now say how soon we will be in a position to make decisions on defensive options; nor can we today describe all the forms such defense could take."

The most outspoken defense of the program has come from some well-known conservatives.

Three of the most optimistic defenders have been Zbigniew Brzezinski, President Carter's national security adviser; Max Kampelman, a conservative Democrat who has become Reagan's chief arms negotiator, and Robert Jastrow, a physicist at Dartmouth University.

They wrote in a joint article recently that "with development and some additional research, we can now construct and deploy a two-layer or double-screen defense, which can be in place by the early 1990s, at a cost we estimate to be somewhere in the neighborhood of $60 billion."

They said that one of the most difficult problems in developing a Star Wars defense—destroying Soviet missiles within a few minutes after takeoff—is solvable by using "smart" non-nuclear projectiles that "home in on the target, using radar or heat waves, and destroy it on impact."

They said that "the technology is close at hand and need not wait" for more sophisticated systems based on such weapons as laser beams.

Worden does not dispute that this kind of system is nearly achievable, but he says it's not good enough—a more leak-proof system will be necessary. Worden says the United States still hasn't learned how to deal with possible Soviet countermeasures, and computer technologies are lagging.

"Star Wars" opponents, many of them research scientists and former top government officials, argue that the entire system is built on dreams.

FORMER OFFICIALS SKEPTICAL

Former Defense Secretary Brown, a physicist and one-time Air Force secretary, said recently he believes there is an "overwhelming consensus" in the scientific community that the plan can't work. He said that even a majority of researchers in companies under "Star Wars" contract "are highly skeptical about it."

Two other former defense secretaries, James Schlesinger, a Republican, and Robert McNamara, a Democrat, also have expressed doubts.

McNamara, along with former White House national security adviser McGeorge Bundy, arms-control negotiator Gerard Smith and former ambassador to the Soviet Union George Kennan, wrote a recent article that declared:

"What is centrally and fundamentally wrong with the president's objective is that it can't be achieved. . . . The inescapable reality is that there is literally no hope that "Star Wars" can make nuclear weapons obsolete."

FALSE PRETENSES ALLEGED

Another key element in the debate is the question of whether the administration is truly seeking Reagan's goal of a population defense or a lesser goal—the ability to defend American missile sites.

Some administration critics have charged that Reagan is selling "Star Wars" under false pretenses and that the real objective of the military is to defend missile sites. That would be easier to do technically but would imperil existing arms-control treaties with the Soviet Union.

Astronomer Carl Sagan, who opposes "Star Wars," has said: "Different people are talking about different things. What the president was talking about . . . was a kind of impenetrable shield. . . . But what the actual technical people of the Department of Defense are talking about is . . . a defense system that would shoot down some percentage of incoming warheads. That is very different from an impenetrable shield."

[From San Jose (CA) Mercury News, Mar. 12, 1985]

HIGH-TECH CONTRACTORS SEE "STAR WARS" CORNUCOPIA

(By James McCartney)

WASHINGTON.—As Mireille Gerald recalls, some top officials of the American Institute of Aeronautics and Astronautics started thinking early last summer about staging a small conference to discuss the money-making opportunities in President Reagan's "Star Wars" program.

"We started with the idea of getting a small room somewhere and maybe having 200 or 300 people," said Gerard, administrator for corporate and international programs for the AIAA, whose members represent the cream of the nation's high-tech aerospace industries.

"Even before we got the announcement out, we were flooded with phone calls about it," she said. "The word flew like wild fire. And when the administration started talking about spending $26 billion . . . well, you can imagine, it was incredible."

By Aug. 6, when the three-day session opened, the "small conference" had blossomed into a major production. "We had 1,200 people without batting an eyelash and most of them signed up before we got out our publicity," Gerard said.

What happened at the AIAA conference illustrates the kind of excitement the "Star Wars" program has generated in the nation's high-tech community, whose members see it as a cornucopia of funds that should continue to flow into the next century.

In the competitive world of high tech, "Star Wars" is more than a challenging ex-

periment to see whether defenses against Soviet missiles can be found. It is manna from heaven.

The $26 billion figure mentioned by Gerard has already risen to at least $30 billion for research through 1990, and private studies have put the expected cost by 1993 at $65 billion to $80 billion. Former Defense Secretary James Schlesinger has said the cost, if the system is ever deployed, will be about $1 trillion.

The AIAA conference turned out to be an intense, classified series of briefings in which top officials in the "Star Wars" program provided inside information to potential contractors. Main meeting rooms overflowed, and the remarks had to be piped in to anterooms so everyone could hear.

The word "cornucopia" began getting around. The American Society of Mechanical Engineers used it in a printed program a few months later to tout its conference in Arlington, Va., entitled "Finding Your Role" in "Star Wars."

"Will you find a place in this state-of-the-art cornucopia—expected to be a greater undertaking than the Apollo program?" the program asked. "This conference will help both companies and engineering professionals learn how to get in on the ground floor."

MOTIVATIONS QUESTIONED

But there has been some public questioning about the motivations of the administration in plunging ahead with the program on a crash basis. The budget requested for "Star Wars" for 1986 is $3.7 billion, nearly triple the $1.4 billion budgeted for this year.

Gordon Adams, director of the privately supported Defense Budget Project, which has studied "Star Wars" funding, said there are grave questions about whether the program can efficiently absorb such rapid growth. "I'm not sure they will even be able to spend the money," he said.

Former arms control negotiator Gerard Smith has predicted an era of "free beer, no cops."

John Pike, a space expert for the Federation of American Scientists, has said, "Cutting away the rhetoric, it's a jobs program. It's a question of what sector of the economy you're going to create jobs in."

Pike said that in the contracting community, "the number of people who think it will actually work is infinitesimal compared to the number of people who want to work on it."

Said Adams, "I get a sense that the hogs are feeding at the trough. It has become something that everybody would like to get a piece of, but they don't know what it is yet."

CRITICS DISCOUNT GOAL

Adams is one of several critics who believe that the program is being sold to the public under false pretenses. He said he believes that most of the scientists working on the project question whether it can achieve Reagan's stated goal of defending the entire American population.

Population defense, Adams said, is being used as a sales gimmick, while the real objective of many is development of a missile-silo defense system, a far more limited objective. "'Star Wars' is a stalking horse for ballistic missile-silo defense," Adams said. "We're building up a huge spending base for site defense."

Some critics of the program have also charged that the huge amounts of money involved will generate pressures to continue work on "Star Wars," whether or not research seems to be panning out.

A group of six top scientists with long experience in defense contracting, including Hans Bethe and Richard Garwin, observed recently in a joint statement:

"When a trillion dollars is waved at the U.S. aerospace industry, the project in question will rapidly acquire a life of its own—independent of the validity of its public justifications.

PROJECT AS JUGGERNAUT

"With jobs, corporate profits and civilian and military promotions at stake, a project of this magnitude, once started, becomes a juggernaut, the more difficult to stop the longer it rolls on."

No one truly knows how much "Star Wars" might eventually cost, but as Col. Thomas Fiorino, a contracting officer for the program, put it, "What we know is that it will be a positive thing for the economy."

Maj. Peter Worden, a special assistant to Lt. Gen. James Abrahamson, the program's project director, estimated that "Star Wars" contracts now account for about 50,000 jobs. That figure is expected to increase to about 150,000 in the next five years, he said.

These figures are far more modest than those suggested in testimony to Congress by Defense Secretary Caspar Weinberger, who has estimated that about 35,000 jobs are created by every $1 billion in defense purchases.

If Weinberger's formula is applied to "Star Wars," it would suggest that as many as 129,500 jobs might be supported by the program by next year, with the eventual total for the $30 billion program far beyond that.

Officials decline to provide information on contract awards, except in the most general terms. However, a detailed study of "Star Wars" contracts, pieced together from public sources, was published recently by the Federation of American Scientists, which opposes the program. The study was conducted by Pike, the federation's associated director for space policy.

The study, noting that compiling an accurate list was "a rather tricky task" because the "Star Wars" organization is still growing rapidly and has been reorganized, listed these contractors:

Lockheed Missiles and Space Co., Sunnyvale. More than $150 million. Principal work: laser pointing and tracking devices.

Boeing Aerospace, Seattle. More than $150 million. Principal work: optical systems.

LTV Aerospace, Forth Worth, Texas. More than $100 million. Small radar-homing interceptor technology.

McDonnell Douglas Astronautics, Huntington Beach. More than $100 million. Terminal defense subsystems.

Teledyne Brown Engineering Inc., Huntsville, Ala. More than $100 million. Systems engineering and technical support for the Army's test efforts under "Star Wars," and "battle management" computer software.

Aerojet General, Azuza, Calif. More than $50 million. Infrared sensors.

General Electric Co., Syracuse, N.Y. More than $50 million. Silicon on sapphire transmitter module for space-based radar.

Honeywell Inc., Minneapolis. More than $50 million. Computers.

Hughes Aerospace Group, Culver City. More than $50 million. Optical and infrared sensors.

Rockwell International, Seal Beach. More than $50 million. Space-based laser.

TRW, Redondo Beach. More than $50 million. Booster surveillance and tracking systems.

Grumman Aerospace, Bethpage, N.Y. More than $20 million. Antenna for space-based radar.

ITEK Corp. (division of Litton Industries), Lexington, Mass. More than $20 million. Mirror for space laser.

Martin Marietta Aerospace, Orlando, Fla. More than $20 million. Kinetic energy weapons.

RCA Government Systems Division, Moorestown, N.J. More than $20 million. Radar for Kwajalein missile range.

Westinghouse Electronics Corp. Research and Development Center, Pittsburgh. More than $20 million. Electric discharge laser.●

J.W. FULBRIGHT CELEBRATES BIRTHDAY

● Mr. PRYOR. Mr. President, last week Senator J.W. Fulbright celebrated his 80th birthday. It was an appropriate day for his family and friends to honor him and also his wife, Betty, who through the years has been so much a part of his public life. Senator Fulbright distinguished this Chamber for 30 years, and as chairman of the Foreign Relations Committee he was one of our most effective leaders and spokesmen.

We continue to be proud of him in Arkansas and are privileged now to have the arts and science college at the University in Fayetteville named in his honor. We are also proud of the J.W. Fulbright Institute of International Relations at the same campus.

I want to share in the recognition of Senator Fulbright's birthday by inserting in the RECORD two recent news stories about his background and career. One of them is by Ray Jenkins of the Baltimore Evening Sun. The other is a UPI story that ran in the Arkansas Gazette on March 17, written by E. Michael Myers.

Both of these profiles define a leader who continues to command what Mr. Myers correctly refers to as "international respect." I recommend that my colleagues in the Senate read these columns, and that they join me in expressing every good wish to Senator Fulbright on his birthday.

The articles follow:

STILL IN DISSENT AT 80

(By E. Michael Myers)

WASHINGTON.—It has been a decade since J. William Fulbright wielded power from the Senate Foreign Relations Committee, but even now, at age 80, his sharp mind and voice of dissent commands international respect.

Not surprisingly, Fulbright argues that President Reagan is wrong in his approach to the Soviets. But, perhaps surprisingly to some, he feels the right course was set by another Republican chief executive—his old foe Richard Nixon.

CONFIDENCE BUILDING FIRST

"You do not do things in the most sensitive area, arms control, right in the beginning," Fulbright reflected in his law office just a few blocks from the White House. "That may be the ultimate objective, but you do things that are not so sensitive in

which you build a degree of confidence about the other persons' intentions and capabilities."

He said Nixon's pursuit of science agreements, joint space ventures and cultural exchanges were key "confidence building" steps to lead to greater accords.

"After a period, you begin to get a feel for each other," he said, adding that Reagan had "practically cut off all relations" with the Soviets.

Fulbright's 30 years in the Senate came to an abrupt end in the 1974 Arkansas Democratic primary. But he has not faded away.

One biography was published last year and another is being written. He has authored many articles and given many lectures. And he has been to several countries, and will be going to more, as the Fulbright scholarship program—the international educational exchange that he sponsored by law in 1946—celebrates its 40th anniversary.

Some 150,000 scholars from the United States and abroad have studies under the program and many have invited Fulbright to their homelands for anniversary celebrations.

"Many former participants are reaching middle age and are in positions of significance," Fulbright said. "One of the most important effects in my view is that these people will come to understand the United States and the United States will come to understand them much better.

"The prejudices inherited or developed about religions, customs, are disabused in a broad sense. People of this character in positions of influence are much less likely to go to war. It is important to establish attitudes so you are much more reluctant to resort to arms to kill people because you do not like the way they act.

"Let me say—suppose Mr. Reagan had gone to school at Moscow University. He would think of them in a different way."

Fulbright's name conjures memories of the Arkansas Democrat sitting at a horseshoe-shaped committee table, staring over his glasses as he denounced the Vietnam War during televised proceedings. Fulbright led congressional opposition to the war—calling it morally wrong.

He did not hesitate to oppose Nixon over the issue, and before him Lyndon Johnson.

Today Fulbright is grayer and more wrinkled than in the days when he battled Senator Joe McCarthy over his Communist witch-hunt or battled presidents over Vietnam.

On April 9 he will celebrate his 80 birthday.

He now advises a Washington law firm on international affairs and dealing with Congress, but his real passion—in lectures, articles and books—is the arms race.

Fulbright fears the continuing buildup will provoke war instead of deterring it. He worries about the staggering cost, and questions the reality of the fear and distrust on which the arms race is based. He doubts Reagan's "Star Wars" defense system—which supposedly would knock down incoming nuclear missiles—will work.

"But I don't think that's really the point "Fulbright said. "I think they're trying to intimidate the Russians."

That, he said, cannot be done. He said the Soviets are too strong to be pushed around, but he also believes they will not attack without provocation.

DOESN'T UNDERSTAND OBSESSION

"Except when you run into a Hitler once in a while, it is difficult to make policy on the basis that your enemies are insane, or completely irrational. They aren't, most of them. I don't see, really, fundamentally, why we are so obsessed with the Russians.

"Do you really think the Russians are raring to attack Western Europe? There is nothing in their history, really, to quite indicate that. Their attacking Afghanistan is no more significant than our attacking Grenada or Vietnam."

Fulbright praised Nixon's detente and the policies that led to the Anti-Ballistic Missile Treaty and a strategic arms agreement.

"You know, people have gotten to where they don't like to say anything Nixon did was good because of Watergate. But damn it, every man makes his mistakes and Nixon made one, but he did the best job of trying to turn this military conflict and the threat of a nuclear arms around—better than anybody."

"Evil empire," he shrugged, referring to Reagan's description of the Soviets." That kind of rhetoric gets under their skin. They don't forget.

"The assumption is they can be intimidated, and they are determined to attack us or Western Europe. You see that assumption is based on very low opinion of their intelligence.

"They are tough people to get along with, but I don't think they're monsters and inhuman. The American Indians thought we were monsters, too, back in 1870.

"The fact is, there they are, the Russians—260 million people. What are you going to do about them? Either you fight them or get along with them, I don't believe in fighting them."

Fulbright said the United States and the Soviet Union share "the most fundamental interest there is—survival of being allowed to develop your country."

"The peripheral interests, about what happens in Nicaragua, Afghanistan, Vietnam, are not really very significant," he said. "The main issue is a war between the United States and Russia."

And stopping the arms race is fundamental to avoiding a war.

"Either this policy we're following will result in a war or the impoverishment of both countries," he said. "I hope we will stop doing what we're doing and try to reduce those deficits and reduce the arms."

Fulbright said the Soviets want a calm relationship with the United States.

"They, as much as we do or more, need a period of consolidation and chance to develop their country. They have serious difficulties in their economy.

"I don't mean by that they're going to collapse. But the idea we can intimidate them by building 'Star Wars,' I don't think will work at all.

". . . But they are in trouble. They are suffering the diversion of their resources in armaments, as we are. And they would like, in my opinion, to have a period of peace if not a permanent period of peace with us."

CENTRAL AMERICA VIEWS

In Central America, Fulbright says Reagan has produced no proof about Soviet, Cuban and Nicaraguan subversion.

"The credibility is in question all the time," he said. "Ever since Vietnam—where I am convinced the committee and the country was lied to, misrepresented, whatever you want to call it, by the highest officials—I've been very skeptical of these things."

In the Middle East, Fulbright said the administration did not define its objectives in Lebanon at the cost of American lives and prestige. And he criticizes the aid to Israel which runs more than $2 billion a year.

"To finance and to encourage their expansion is a great disservice to Israel over the long term because I don't believe Israel can sustain forever a garrison state posture," he said. "As long as we give them the money, we are supporting, financing the continuation of war in the Middle East.

"They control our Congress. They influence the political process to the extent people are afraid to cut it off. It is always in the back of their minds, you will be accused of being anti-Semitic, no matter what the reason. Therefore, there's no debate on that subject," Fulbright said, and concluded:

"Damn, I may be completely cockeyed, but it doesn't make sense to me what we're doing."

FULBRIGHT REVISITED: STILL PUZZLED BY U.S. VIEW OF RUSSIANS

(By Ray Jenkins)

When the Senate Foreign Relations Committee opened hearings this week seeking a consensus on American foreign policy, one who was watching with more than a passing interest was J. William Fulbright.

For 15 years, from 1959 to 1974, Fulbright was chairman of that committee—the longest tenure of any man ever to hold that prestigious yet politically perilous post, and surely the most tumultuous tenure as well. His opposition to the Vietnam War and the policies of his own president led to his defeat a decade ago.

In an interview this week as the Senate inquiry began, Fulbright said the hearings hold some promise if the senators can bring themselves to seriously examine "our obsession about the Russians."

"As I read the interminable and often boring discussions by the 'experts' on arms control," he said, "it infuriates me that no one suggests that research or even attention should be devoted to finding, what is the justification for the conviction held by so many, that the Russians will take such an imprudent and irrational action as to attack the West? Why do we believe they are so foolish?"

Soon to turn 80, Arkansas Democrat Fulbright has warm words for Richard Nixon.

"Aside from Nixon's promising—and then aborted—effort to establish normal relations in 1972," he said, "little attention has been given to the idea of cooperating with the Russians in joint nonmilitary activities such as trade, research in medicine, economics, pollution, cultural exchange, and other endeavors in which confidence could be created."

In such words we catch an echo of the purpose he had in mind when, in 1946, he sponsored the legislation creating the Fulbright scholar program, which over four decades has enabled 50,000 American graduate students to study abroad and has brought 100,000 foreign students to America.

"Yet it is constantly reiterated that our interests and the Soviet interests are so inherently opposed that there is no possibility of normal, peaceful relations," he said. "This is said as a given, without reservation, with complete confidence, that no reasonable man should question.

"Well, as one unreasonable man, I question it. It seems clear to me that our true interests are not served by the arms race, and that if it continues, it will lead either to the gradual impoverishment of both superpowers or to armed conflict.

"If instead of endless negotiations about all manner of exotic arms, nuclear and con-

ventional, we seriously considered the effects of a well-designed program of joint ventures in all possible fields of activity, we would recognize that nuclear weapons have made the ancient game of trial-by-battle obsolete and dangerous and that the competition must be transferred to a different arena, to a non-military arena where the competition could be vigorous but not fatal."

He is especially troubled over the injection of religion into foreign policy, "the sense that God wants us to destroy the Russians."

Fulbright, a former college president, looks to history.

"We are mindlessly pursuing policies of a kind that led England and Germany into World War II without considering that there is an alternative approach," he said.

"The truth is, the real interests of both our countries are served by abandonment of the arms race, stabilization temporarily at the present level, and the vigorous development of trade and joint endeavors."

Richard Lugar, the Indiana Republican who undertook the foreign policy inquiry after becoming chairman of the Senate Foreign Relations Committee this month, was still in knee-pants when Fulbright went to Congress. They do, however, have one thing in common: Both were Rhodes Scholars.●

SENATOR DODD ON THE CONSTITUTIONAL CONVENTION CALL

● Mr. MITCHELL. Mr. President, the Federal budget deficit dilemma is a source of deep frustration, not only here in Washington, but also to State legislators and Governors, who face uncertainties each year as grant programs to the States are proposed to be cut.

It is not surprising, perhaps, that this frustration should find expression in calls for Congress to enact a constitutional amendment to balance the budget.

My own State of Maine is considering a resolution calling for a Constitutional Convention to this goal.

But it is a far cry from venting frustration about the Federal deficit to taking the uncharted course that may lead to the convening of the second Constitutional Convention in our Nation's history.

My colleague from Connecticut, Senator DODD, recently evaluated that idea in a particularly lucid address to his own State's legislature. Connecticut is also contemplating the call for a Constitutional Convention.

What gives Senator DODD's remarks their urgency and relevance today is the fact that it may take only two more States to trigger a second Constitutional Convention.

Since no precedent exists, except for the first Constitutional Convention, which went widely beyond its mandate to write our existing Constitution, that prospect ought to engage the attention of every Member of this body.

Senator DODD's remarks not only spell out the shortcomings of a balanced budget amendment; they also address the very serious issues that arise in connection with a Constitutional Convention, whose creation would tie up the energies of government for an unforeseeable time and which could, as Senator DODD explains, be "a fourth branch of government, not subject to outside limits.

I ask that the text of Senator DODD's remarks be printed in the RECORD.

The material follows:

STATEMENT OF U.S. SENATOR CHRISTOPHER J. DODD ON CONNECTICUT SENATE JOINT RESOLUTION 23

I appreciate this opportunity to discuss with you the question of a Constitutional amendment to require a balanced federal budget.

This is my first appearance before you in my 10 years of public service. I have always been reluctant to intrude in the debates of the General Assembly. As legislators we share a responsibility to represent our constituents as our own judgment and conscience dictate. But now, as you consider a resolution that will have great impact not just on our state but on the Federal Constitution, I feel duty-bound to testify. In Connecticut, the Constitution State, we take the Constitution seriously.

In my opinion the balanced budget amendment proposal before you is a bad idea. At best, the result would be more confusion, posturing and hyprocrisy in Washington, not less. As we know, no amendment, no procedure, no policy can substitute for political will.

If Congress and the President have the will to balance the budget, the amendment isn't necessary. If Congress and the President do not have the will, no Constitutional amendment will produce it.

But the question before us is more than a matter of policy. That proposal before us does not call for a balanced budget. It calls for the drafting of a Constitutional amendment. And if Congress doesn't do it, the resolution calls for a new Constitutional Convention.

Ten years ago, when a few legislatures adopted resolutions calling for a constitutional convention on balanced budget, the voting was easy. State legislators uncomfortable with federal deficits and pressed by persistent constituents had the luxury of casting a symbolic protest vote. More often than not, the resolution didn't even receive a hearing. In many states, the resolution didn't even come to a rollcall vote.

Even the sponsors of this effort regarded it as a mere protest. One of the founders of the National Taxpayers Union called it "just a way of getting attention—something akin to batting a mule with a board." Well, the board may have been aimed at Congress. Today, here in Connecticut, it is not only aimed at the Constitution of the United States, but will do serious damage to it if adopted.

You don't have the luxury of a protest vote. The Constitution says Congress must call a new convention if 34 states petition for one. By the time you act on this resolutuion, 33 other states may already have issued such a call. Thus, by whatever accident of history, the members of the General Assembly from the Constitution State have the responsibility and the power to decide whether this issue is of such significance that we must put our very U.S. Constitution at risk.

The stakes are beyond calculation. You must be sure before you vote. You must be willing to accept not only the voters' judgment, but history's. If a mistake is made, it is not easily corrected.

The fact is, we have had only one Constitutional Convention, in 1789. It was called for a limited purpose, and told to report back to Congress. Instead, it scrapped the old Articles of Confederation, completely restructured our government, and turned ratification over to the states. The document, our Constitution, endures. The precedent, however, is not comforting.

Your resolution attempts to limit the scope of the convention.

There are grave questions whether this is possible and considerable opinion that a convention would really be a fourth branch of government, not subject to outside limits.

State legislatures have used the convention call with increasing frequency in recent years. Sixty percent of all the convention calls in our 200-year-old history—150 of them—have been enacted since 1963.

Thirty-two states have enacted balanced budget calls of one form or another. But since 1979 states have also asked for a convention to consider busing, school prayer, abortion, electing federal judges, even to review federal grant requirements and administrative rules. Major debates are under way on whether to limit the powers of federal courts over these and other deeply-felt social issues.

Regardless how we feel about these issues themselves, we ought to ask ourselves whether we really want to risk a Constitutional Convention to consider them. We don't know how many Washingtons, Madisons and Hancocks would show up this time, and how many Jerry Falwells or Angela Davises. Is our nation's foundation stone so worn and cracked that the people are rising to demand such wholesale reform? I think not.

The stakes are too high. This proposal simply isn't worth the risk.

Let's look at the specifics: the resolution under consideration here does not specify the form of the balanced budget amendment. Many specific alternatives have been drafted and debated. They share one common characteristic: none of them will work. Most of you are familiar with the arguments, but let me summarize the major ones.

First, we must balance our family budgets. Our State Constitution requires our state budget to be balanced. Why shouldn't we expect the same from the federal government? Applying most of the balancing schemes to the family budget would make it impossible to take out an auto loan or a home mortgage. At the State level, we could say goodbye to Connecticut's new infrastructure program. That $400 million in bond money you approved last year, and the $600 million you are considering this year, would have to be found from current revenues.

More fundamentally, the federal budget is not like state budgets. At the federal level we don't distinguish between our capital expenses and our transient needs. We don't carry our ships and airplanes on the books as assets. Perhaps we should. It is one way to make the deficit vanish.

But we have chosen instead to present a "unified budget," a single look at our national accounts in the broadest sense. The budget is not just a collection of spending and tax programs, but a statement of national goals and aspirations.

Like all budgets, it is based on estimates. The more you think the economy will grow,

the smaller your deficit. President Reagan estimates the economy will grow by four percent a year over the next several years. The Congressional Budget Office foresees a more moderate 3.2% to 3.5%. Their different economic assumptions makes a $100 billion difference in their projections for the deficit by 1990.

The budget is also vulnerable to sudden shocks. In recent years oil embargoes, interest rate increases and unexpected shifts in our economic fortunes have taken their toll on our budget plan. So it is impossible to guarantee balance. If unemployment had increased by just one percentage point last January 1, for example, by the end of this budget year the deficit would be $24 billion larger and the deficit in 1986 would be $40 billion larger. All without Congress voting a single new spending program.

It's important to remember that the budget is supposed to work this way. When Herbert Hoover tried to balance the budget in response to the crash of 1929, it provoked a ruinous depression and sparked the search for a better approach.

Over the past half century we have developed a system to cushion the nation's fall when times are hard, and to modestly restrain the economy when the boom is on. The system has taken much of the pain from the vicious boom-and-bust cycles so common in our history. In fact, about the only thing economists can agree on, conservative and liberal, is that in hard times balancing the budget would be a grave mistake.

All of us recognize that the balanced budget proposals reflect a genuine public frustration with deficit spending. It is a frustration I share, as a member of the Senate and as a politician with an appreciation for the public mood.

The only way to balnace the budget is to gain a majority of the Congress in favor of a mix of initiatives which will yield black ink at the bottom of the ledger. And that's where the problems begin.

More conservative members of Congress will set aside their distastes for deficits when it comes to spending for defense. More liberal members believe the budget cannot be balanced on the backs of the poor, the elderly and the disadvantaged. Neither kind of member has an appetite for new taxes. The sin is the same.

Balancing the budget is not simply a matter of trimming a few billion dollars here and there. The easy choices have already been made. Despite the florid language of the resolution, we have stabilized federal spending at a little less than 25 percent of gross national product. Revenue has stabilized at about 19 percent. Closing that six percent gap has proved challenging indeed.

President Reagan's passion for a balanced budget knew no bounds in 1980, and he supports a Constitutional amendment to this day. Yet not even he has submitted a single balanced budget, nor a plan for achieving one.

Sometimes I suspect the chief reason for the popularity of the Constitutional amendment idea is that it is so much easier to conceive, and defend, than actually balancing the budget. Best of all, from this perspective, the amendment approach postpones the real work, and the tough choices.

Congressional action and ratification by three fourths of the states will take several years at least, especially given the controversy surrounding this amendment. ERA has taken 10 years, and is still not settled. A vote for a balanced budget amendment should not excuse members of Congress from coming to grips with the deficit now, this year, not in three or five or ten years.

But let's imagine for a minute that a balanced budget amendment has already been enacted by the Congress, ratified by the Legislatures, and now remains to be implemented. Let us imagine further that all the cuts in spending proposed by the President this year have been enacted—the phase out of revenue sharing, Amtrak subsidies and the Small Business Administration, cuts in education, health, housing and environmental programs, cuts in veterans' services, farm programs, mass transit and all the rest. That's about $35 billion in cuts. They would cost the State of Connecticut $300 million. Even with all that, the Congressional Office says the 1986 Budget would still be $186 billion in the red.

But the Constitution says we must be in balance, so let's look at our options. Let's assume no new defense spending and no new cuts in Social Security, Medicare and the other entitlement programs. We can't refuse to pay interest on the debt. That leaves what are called "nondefense discretionary spending"—the rest of government. This is money for energy programs, community development, education, training and employment, the State Department, NASA, the EPA, SEC and other regulators, The White House, the Congress, the $50 billion in direct grants to states—everything.

The Budget Office estimates all these programs (and all the others I have not mentioned) will total—TOTAL—$167 billion in 1986. Even if we reduced them all to zero, we still would not be in balance. Indeed, we would have brought a disaster down upon our economy, throwing five million people out of work, adding enormously to the costs of unemployment insurance and public assistance and reducing our revenue base. Swift and sudden balance, in short, is not only undesirable, it may be downright impossible.

Neither these cuts nor anything like them are remotely possible politically. So what would Congress do? The temptation to cheat would be overwhelming. Programs could be moved "off budget," where some programs already reside. Accounting changes, honest ones and not-so-honest ones, would be irresistible. Economic assumptions worthy of Pollyannah would become the norm. The budget plan would balance. The budget would not. And we would all act surprised at the end of the fiscal year. Honest government demands better.

The framers of the Constitution recognized the need for deficit financing by specifically authorizing the repayment of debts. Indeed, the war of revolution was financed by borrowing. And fully half the budget from 1789 to 1791 went for interest on the debt.

The Resolution before you also implicitly recognizes the need for deficits in certain circumstances. Supporters of the Resolution will tell you they have left an escape hatch. The specific proposals usually require a vote of 60 percent of both Houses of Congress to approve a deficit. Such a proposal gives enormous power to a minority to block appropriations, complicating and retarding a process which is already too slow and too vulnerable to delaying tactics.

Beyond that, the notion of allowing Congress to suspend the Constitution by a 60-40 vote is farcical. Suppose the founders had seized upon this idea. "We shall have free speech, unless Congress votes 60-40 against. We shall have trials by jury, unless Congress votes 60-40 against. We shall have due process, the right to bear arms, equal rights, income taxes, popular election of Senators, unless Congress votes 60-40 against. We shall have a free press, unless . . ." on some days, I suspect you could get 60 Senate votes against that one.

The founders were interested in controlling the power of the Congress, not expanding it.

The Constitutional Amendment idea is a bad one. there are other balancing ideas which stand a better chance of working. If developing a capital budget would give us a better idea of the true financial health of our country, we ought to consider it.

If we need a process, we should examine the "pay as you go" idea I first advanced in 1982. That approach would freeze federal spending at current levels. Any new spending, whether for defense, Social Security or education, would need to be financed by new revenue or cuts in existing programs. The Congressional Budget Office predicted the budget would be in surplus in three years if this approach were followed to the letter. Maybe that is too much to expect, and maybe the economy would not accommodate so rapid a schedule. But the plan could work. Congress could enforce it. Best of all, our Constitution would be protected.

Some of the support for this amendment comes from those who do not share my view of the federal government as an active participant in the search for opportunity for all Americans. What better way to reverse the tide of progressive legislation than by starving it to death? And what better way to enforce that starvation than by invoking the Constitution?

It is time to open thab agenda to public view. Every member who is considering a vote in favor of this resolution should first ask himself how he or she would balance the budget, what would be cut and what retained, whose needs foregone, what justice denied.

It is easy, and politically popular, to say we must balance the budget. It is hard, and politically difficult, to say how it should be done. We must be prepared to answer and every voter should demand the answer.

Here in Connecticut, you must also be prepared to answer a larger question and submit to a judgment beyond even the voter's, the judgment of history.

Each of us who serves in public office takes on two burdens. The first is to represent our people's interests to the best of our abilities. The second is more fundamental. We are also the stewards of a process of government, a government which protects and engages our ideas of liberty, justice and opportunity. Should Connecticut become the 34th state to call for a Constitutional Convention, the members of the General Assembly will have chosen to launch our country on an unknowable and frightening course. The foundation stones of the world's most successful experiment in democracy will shake. The crisis will be on. No one can predict the outcome. If we go astray, how will we answer to history?

And we will risk all this for the sake of an economic fancy which is being promoted by the very politicians who lack the will themselves to propose and vote for balanced budgets.

The choice is yours. If you choose to reject this Resolution, you will enjoy the blessings of history. I urge you to vote no—and reject this resolution.●

PENTAGON RULE CHANGE

● Mr. PRYOR. Mr. President, in today's edition of the Wall Street Journal there is a very interesting article entitled "Pentagon Softens Rule That Contractors Must Certify Overhead Billings as Proper."

The article describes the revisions made yesterday by the Department of Defense to regulations instituted last month requiring that defense contractors certify under penalties of perjury that the charges they bill the Government—and the taxpayers of this country—are appropriate. The certification requirement was put into place last month by Defense Secretary Weinberger to crack down on abuses, such as charging the Government for country club dues and kennel boarding fees for dogs owned by corporate executives. The changes made yesterday, while continuing to bar contractors from passing along advertising and public-relations costs, will still allow contractors to bill the Government for many unrelated, indirect costs. Further, Mr. President, the last paragraph of the article contains a warning of where we might be headed. It states:

> The recent changes don't end the fracas over the certificate. The language still bars military contractors from passing on advertising and public-relations costs to the Pentagon, and industry lobbyists say they are determined to preserve the right to charge the Pentagon for some of these costs.

So, it looks as if they will continue to try to chip away at even the most minimal procurement reforms.

The observation that needs to be made about this reversal is that on April 15 of every year the people who pay the bills—the taxpayers of this country—certify under penalties of perjury that their tax returns are accurate. The statement on the back of the form 1040 is:

> Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Now, after this most recent reversal, we have a situation where the people who pay the bills of this Government have to certify under penalties of perjury that their statements are correct, but the people who receive literally billions of dollars in contracts have to make no certification that the costs we're being asked to pay are directly related to the defense contract.

Mr. President, in the coming weeks, I hope constructive changes can be made in our defense procurement system. It is in dire need of change. With the reversal of a "get tough" after only 6 weeks, it shows how extraordinarily difficult it is to make any changes in the procurement area.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

PENTAGON SOFTENS RULE THAT CONTRACTORS MUST CERTIFY OVERHEAD BILLINGS AS PROPER

(By Tim Carrington)

WASHINGTON.—The Pentagon watered down a requirement that military contractors certify under penalty of perjury that any overhead charges they pass on to the government are appropriate.

Defense Secretary Caspar Weinberger unveiled the certification plan last month as part of a crackdown on contractor abuses. However, the move sparked sharp protests from contractors, some of whom flatly refused to sign such certificates.

Yesterday, the Pentagon's Defense Acquisition Regulatory Council said contractors could continue to pass on certain indirect overhead costs that weren't allowable under the original requirement and exempted some types of bills from having to carry certificates.

The Pentagon's weakening of the rule illustrates the difficulty it has in revamping the procurement system. On March 5, Mr. Weinberger announced that contractors would have to certify that they weren't submitting any claims "for political or entertainment or other expenses that are not made directly for the benefit of the government and are not required for the performance of the contract involved."

His order followed congressional disclosure that General Dynamics Corp. had billed the Pentagon for an array of unusual items including the costs of housing an executive's dog in a kennel.

However, the rule immediately met with protests. John Carr, vice chairman of Grumman Corp., said in an interview that it was "literally impossible to sign the original certificate." Grumman, among other companies, refused to sign, and as a result, the Pentagon withheld certain overhead reimbursements.

The problem with the rule, industry officials said, is that it would require that overhead expenses directly benefit the government and relate specifically to the contract in question. Most overhead expenses relate to the general costs of doing business and can't be specifically allocated to individual contracts, industry officials argue.

Moreover, earlier Pentagon rules allowed contractors to pass on a portion of their general operating costs, such as expenses for legal and insurance services and shareholder meetings. In a letter to Mr. Weinberger, the Council of Defense and Space Industry Associations criticized the certificates as "entirely new and excessively restrictive."

Under the changes announced yesterday, contractors can continue to gain reimbursement for these and other general costs of doing business, regardless of whether they can be directly related to the contract involved. Also, contractors won't have to sign certificates every time they submit a bill to recover overhead costs. Signatures will be required only on charges on which the billing rate has been adjusted after March 20, 1985.

A defense-industry lawyer who fought for the changes said that the new language "will have positive results for the relations between the Pentagon and its contractors." He added that "the contractors are feeling a bit embattled and harassed."

The recent changes don't end the fracas over the certificate. The language still bars military contractors from passing on advertising and public-relations costs to the Pentagon, and industry lobbyists say they are determined to preserve the right to charge the Pentagon for some of these costs.●

TENNESSEE LEGISLATURE URGES RESTORATION OF TVA APPROPRIATIONS

● Mr. SASSER. Mr. President, I would like to make Senators aware that both houses of the Tennessee Legislature have adopted a strong resolution urging Congress to adopt a freeze-level budget for the Tennessee Valley Authority, not the 70-percent cut recommended by OMB. The resolution was subsequently signed by Gov. Lamar Alexander on March 29.

The resolution calls on Congress for fairness in dealing with TVA's budget, saying that while TVA should contribute its fair share in reducing the Federal deficit, the Federal corporation should also receive its fair share of the appropriations to fulfill its mandated economic and resource development functions in the Tennessee Valley.

I commend the resolution to my colleagues in the Senate, not only because I think the resolution takes exactly the right tone in these times when Congress is wrestling with the deficit, but because it outlines so well the important and interrelated missions of TVA that will be unwisely lost if the proposed Draconian cuts are approved.

I ask that the resolution on behalf of TVA, as adopted by the Tennessee Legislature, be printed in the RECORD.

The resolution follows:

SENATE JOINT RESOLUTION NO. 35

Whereas, The Tennessee Valley Authority should contribute its fair share in reducing the federal deficit, but the Tennessee Valley Authority should also receive its fair share of funds to continue to fulfill its mandated economic and resource development functions in the Tennessee Valley; and

Whereas, The Tennessee Valley region in general and the State of Tennessee in particular have suffered longer under the recessionary impact of the 1980's than have other parts of the nation; and the high levels of unemployment in the Tennessee Valley are contributing to the federal deficit problem by reducing the number of dollars that a fully recovered Tennessee Valley economy would be circulating back into the federal treasury; and

Whereas, The Tennessee Valley Authority non-power programs funded by the federal government address regional resource and economic development problems that threaten to slow down the recovery of the states served by the TVA, including problems in water quality management, aquatic weed control, soil erosion control, agricultural development, forestry and wildlife management and recreation development; and

Whereas, The efforts of the Tennessee Valley Authority to combat the aquatic weed infestation of its reservoirs—notably of Nickajack, Watts Bar, and Chickamauga reservoirs in the eastern part of Tennessee—are necessary if TVA lakes are to continue to be a valuable recreational and tourism resource in this state and region; and

Whereas, The Tennessee Valley Authority's National Fertilizer Development Center in Muscle Shoals, Alabama, is the nation's only laboratory for advanced fertilizer research; three quarters of the fertilizers used in this country today are based on National Fertilizer Development Center developments; and the Center has contributed substantially toward increasing farm yields, maintaining our national balance of trade and helping fight the problem of hunger throughout the world; and

Whereas, The Tennessee Valley Authority has worked cooperatively with state and federal agricultural agencies to fight severe soil erosion problems in West Tennessee which has some of the most erosive soils in the country; and these erosive soils threaten farm productivity and pose run-off and sedimentation dangers for free-flowing streams; and

Whereas, The management and operation by the Tennessee Valley Authority of Land Between the Lakes, the 170,000 acre outdoor recreation and tourism laboratory in western Tennessee and Kentucky, has turned that area into a major national tourism attraction which last year was visited by people from all 50 states; and

Whereas, The Tennessee Valley Authority's assistance in the form of energy management surveys, employee training, financial resource identification, and other types of analysis to small and medium-sized businesses that wish to expand has contributed to the creation of 2,490 new jobs during fiscal year 1984; and

Whereas, The State of Tennessee in particular would face severe budgetary pressure if it were asked to assume responsibility for TVA initiatives in detecting water quality problems, in managing the recreational areas around TVA reserviors, in combatting aquatic weeds, in orphan mine reclamation, or in managing Land Between the Lakes; and

Whereas, Many of the programs of the Tennessee Valley Authority, including managing the dam lock and reservoir system on the Tennessee River, managing Land Between the Lakes, and conducting research in agricultural and fertilizer development, are all producing national as well as regional benefits, and the federal treasury also receives a substantial return on these investments in the form of the increased tax revenues that result from increased economic activity in the Tennessee Valley states; and

Whereas, The members of the Ninety-fourth General Assembly of the State of Tennessee recognize the need for the federal government to seek effective methods in dealing with the current deficit crisis and at the same time the need for the Tennessee Valley Authority to perform its necessary functions in the most efficient way possible; now, therefore,

Be it resolved by the Senate of the Ninety-Fourth General Assembly of the State of Tennessee, the House of Representatives concurring, That the members of the Ninety-fourth General Assembly of the State of Tennessee go on record as opposing any unwarranted reduction of funding for the Tennessee Valley Authority and urge the members of the United States Congress to take appropriate action to preserve the funding for the Tennessee Valley Authority at a level which will be sufficient to continue its present programs.

Be it further resolved, That a copy of this resolution be sent to each members of the Tennessee Congressional Delegation, to the Speaker of the United States Senate, to the Speaker of the United States House of Representatives, and to the President of the United States.●

ERNIE PYLE

● Mr. LUGAR. Mr. President, 40 years ago, a sniper's bullet ended the life of a modest but creative man who was the best friend of the American GI in World War II. Ernie Pyle, of Dana, IN, was a journalist whose sympathy and sensitivity brought home for all of us both the human suffering and valor of the American war effort. As a young man in Indianapolis, I read his words with a mixture of shared pride and pain for those men who sacrificed so much for the cause of freedom and democracy in the world. Even today Ernie Pyle's reports help us understand what the war was all about to the individual men and women who fought it. Pyle's immortal words will not let us ever forget these brave and noble Americans.

I ask that an excellent article on Pyle written by John Valentine of the Wall Street Journal be printed in the RECORD.

The article follows:

ERNIE PYLE SPEAKS TO A NEW GENERATION

(By John Valentine)

Ernie Pyle, the World War II newspaper correspondent, was killed by a sniper's bullet 40 years ago tomorrow. But he's making a comeback.

He isn't appealing just to the nostalgia crowd with copies of Studs Terkel's "The Good War" tucked under their arms. Pyle is also attracting members of the generations that grew up after his death and never heard of him.

Consider, for example, Pyle's recent appearance on stage in Pasadena, Calif. He was occupying the body of actor William Windom, who is handsomer and huskier than the correspondent was, but the words—the plain, straightforward, vivid, penetrating words—were pure Pyle.

He took the audience on a tour of the U.S. and Mexico in the 1930s and thrust it into the middle of London ablaze in the 1940 blitz. They visited the front lines in North Africa, where they saw American boys dead in the foxholes, rifles still ready to fire. A British officer walked among them saying, "Brave men. Brave men."

The audience, gripped by its experience, sat silent for several minutes after it was over, as the strains of "Lili Marlene," Pyle's favorite song, faded away.

After the performance, Mr. Windom was surrounded by groups of eager questioners about Pyle. Many of the most enthusiastic were young people. That didn't surprise Mr. Windom, who has been doing his one-man Pyle show for about 10 years but who is better known for his Emmy-winning portrayal on television in 1969 of a character based on James Thurber.

"It happens all the time," Mr. Windom says of the younger people in the audience. "They come in without knowing or caring about him. They're here because someone brought them or because they're slightly curious and have nothing else to do. After it's over, they're so hyped up over Pyle it's unbelievable, as if they've made a wonderful discovery." He pauses, and adds: "They have."

Ernie Pyle was a skinny, 110-pound, balding, middle-aged man, essentially shy when he was not reporting. He fell sick frequently and suffered bouts of depression during which he thought his writing was worthless. He worried about his wife, who became an invalid in the 1930s and eventually died just after he did.

He had few moments to himself from the time he began a successful aviation column in 1928, until he died. When he was home infrequently, so many friends visited him he had to sleep on the floor. He often escaped to motels and hotels for the privacy he needed to write his columns.

In short, Ernie Pyle was a highly sensitive person who happened to be born with the storyteller's gift. He lived the war along with the soldiers, and told readers firsthand how it feels to be in war. In 1944 he was awarded the Pulitzer Prize for foreign correspondence.

He wasn't just popular back home; the soldiers loved him, too, from the lowliest private on up. Correspondents were constantly besieged by GIs asking: "Do you know Ernie Pyle?" And entertainer Al Jolson said the soldiers treated Ernie Pyle like "Mr. God." But the most striking example of the hold Pyle had on Americans was when Harry S. Truman, six days into the presidency that had fallen to him after the death of Franklin D. Roosevelt, took the time and trouble to announce and mourn Pyle's death.

The resurgence of Pyle's popularity today is puzzling only at first glance. Television can, and did, fill our dinner hours with the Vietnam War's brutality and gore. But while we watched the conflict in living color, the men fighting it remained shadowy—so much so that only recently have many of them felt reaccepted into U.S. society. Ernie Pyle's human stories of war bridge that gap.

His best-known column told how Capt. Henry T. Waskow's body was brought down a mountain in Italy. It still makes people cry. Equally powerful is a four-paragraph passage on a dying GI carried into the medical tent where Pyle was recovering from a relatively minor ailment. The man received last rites, which he tried to repeat with his last breaths. Then he was left on a litter in the aisle of the crowded tent.

Pyle wrote: ". . . the aloneness of that man as he went through the last few minutes of his life was what tormented me. I felt like going over and at least holding his hand while he died, but it would have been out of order and I didn't do it. I wish now I had."

Pyle died in a characteristic gesture of compassion. A Japanese sniper on Ie Shima, an island off Okinawa, sprayed Pyle's jeep. After jumping into a ditch, Pyle poked his head up to see if the others were all right. The sniper put a bullet into his temple.

Roy O. McMillan, then a chaplain and now a Baptist minister in Orangeburg, S.C., spoke with Pyle the night before he died. "He was saturated with death and war, fatigued. I think he was so far gone he reacted out of confusion when he stuck his head up. He knew better, with a sniper out there."

Mr. Windom will be performing his one-man Pyle show tomorrow night in Pyle's hometown, Dana, Ind. In August, a "Birthday Party for Ernie Pyle" with a World War II theme will be held at the Pyle home in Dana, now the Ernie Pyle State Memorial. Pyle's name is also being commemorated at other centers named after him. There is a Pyle museum in Albuquerque, N.M., his adopted home, and an Ernie Pyle Media

Center at Fort Jackson, S.C., which recently illustrated the lasting power of Ernie Pyle's mystique.

Following the U.S. invasion of Grenada, relations between the press and the military were especially strained because the Pentagon excluded newspeople from the invasion. Fort Jackson officials, seeking to bring both sides closer, offered their media center as a forum for ironing out military-press problems. Pyle was a catalytic symbol; his memory made the idea palatable to both sides. Once again, Ernie Pyle brought people together.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. ANDREWS. Mr. President, I am pleased to join today with many of my colleagues who have come together in support of the 1985 congressional call to conscience for Soviet Jewry.

The great philosopher George Santayana wrote that "injustice in this world is not something comparative: the wrong is deep, clear, and absolute in each private fate."

No words more aptly describe the hellish "private fate" suffered daily by Soviet Jews seeking to emigrate from the U.S.S.R. As a matter of course, the Soviets consistently and consciously violate both the letter and the spirit of the Helsinki accords to which the U.S.S.R. was a signatory. To delay justice is to deny justice and the Soviet Union stands guilty before the court of world public opinion for its intransigent and inhumane actions against its Jewish citizens.

In 1979, 51,320 Jews emigrated from the U.S.S.R. That number has steadily and dramatically declined over the last 5 years. In 1984, only 896 Jews were permitted to emigrate from that country.

In the Helsinki Final Act and other international agreements ratified by the Soviet Union, there was consensus that the right of any individual to leave any country, including one's own, is an internationally recognized right. The Soviet reality cruely mocks this basic right of freedom of movement which the Soviet Government approved.

By delaying emigration applications from Jewish citizens for months and even years, the U.S.S.R. engages in the cruelest form of psychological torture; at once holding out the possibility of emigration while malevolently delaying action on such applications. Unless an emigration application is first denied by the Government, an applicant cannot reapply for another. To avoid open public condemnation of their limited immigration policy in the West, the Soviets simply delay action on the majority of exit permits.

Mr. President, we must not forget that as the two most powerful nations in the world join together in talks to reduce nuclear arsenals and to prevent the possibility of a nuclear holocaust, earlier treaties entered into by the U.S.S.R. to improve and to protect basic human rights and freedoms, including the freedom to emigrate, are being consciously disregarded.

We in the Congress bear a direct responsibility to the people of the United States and the people of the free world to send a clear, strong signal to the Soviet Union that the United States will neither ignore nor quietly accept its abuses of human rights and the human spirit.●

HEBRON, ND

● Mr. ANDREWS. Mr. President, I would like to take this unique opportunity to make it a permanent part of the CONGRESSIONAL RECORD, that on this day, April 9, in the year 1885, the first settlers stepped off the train and founded the charming city of Hebron, ND.

The city of Hebron will be hosting a centennial celebration on June 27–June 30, 1985 in honor of their 100th jubilant year of existence.●

ORDER OF BUSINESS

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. COCHRAN]. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

(During the quorum call Mr. KASTEN assumed the chair.)

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SHIPPING CODE CHANGES

Mr. GORTON. Mr. President, I have three items, acting on behalf of the majority leader, which have been cleared by the distinguished Democratic leader.

I ask first with his permission unanimous consent that the Senate now turn to the consideration of Calendar Order No. 73, S. 597, Technical Corrections to the Shipping Act.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 597) to amend subtitle II of title 46, United States Code, "Shipping," making technical and conforming changes, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subtitle II of title 46, United States Code, is amended as follows:

(1) In section 3305(b), strike "life-saving" and "life preserver or firehouse" and insert in lieu thereof "lifesaving" and "life preserver, lifesaving device, or firehose", respectively.

(2) In section 3501—

(A) in subsection (a), strike the comma; and

(B) in subsection (c), strike "violates subsection (b) of this section" and insert in lieu thereof "carries more passengers than the number of passengers permitted by the certificate of inspection".

(3) In section 7702(a), strike "mariners' " and insert in lieu thereof "mariner's".

(4) In section 8302(b), strike "clerks" and insert in lieu thereof "clerks,".

(5) In section 10504, amend subsection (d) to read as follows:

"(d) Subsections (b) and (c) of this section do not apply to:

"(1) a vessel engaged in coastwise commerce.

"(2) a yacht.

"(3) a fishing vessel (except a vessel taking oysters).

"(4) a whaling vessel.".

(6) In section 11101(d), strike "light" and insert in lieu thereof "lighted".

(7)(A) In the analysis of chapter 121, amend the item relating to section 12109 to read as follows:

"12109. Recreational vessel licenses.".

(B) In sections 12101(5) and 12104(2), strike "pleasure" and insert in lieu thereof "recreational".

(C) In section 12109 and the catchline for such section, strike "Pleasure" and "pleasure vessel" wherever they appear and insert in lieu thereof "Recreational" and "recreational vessel", respectively.

(D) In section 12110 (a) and (c), strike "documented pleasure" wherever it appears and insert in lieu thereof "documented recreational".

(8) In section 12114(a), strike "of documentation".

(9)(A) In the caption for part E in the analysis of such subtitle II which appears before text of Part A of such subtitle, strike "Licenses, Certificates, and Merchant Mariners' " and insert in lieu thereof "Merchant Seamen Licenses, Certificates, and".

(B) In the caption for part E immediately before the analysis of chapter 71 of such subtitle II, strike "Licenses, Certificates, and Merchant Mariners' " and insert in lieu thereof "Merchant Seamen Licenses, Certificates, and".

(C) In section 7501(a), strike "certificate, or document" and insert in lieu thereof "certificate of registry, or merchant mariner's document".

(D) In section 7503(b), strike "certificate," or document" the first time it appears and insert in lieu thereof "certificate of registry, or merchant mariner's document".

(E) In section 7703, strike "certificate, the first time it appears and insert in lieu thereof "certificate of registry,".

(F) In section 7704(b), strike "document" the first time it appears and insert in lieu thereof merchant mariner's document".

(G) In section 7704(c), strike "certificate, or document" and insert in lieu thereof "certificate of registry, or merchant mariner's document".

(H) In section 7705(a), strike "certificates, and documents" and insert in lieu thereof "certificate of registry, or merchant mariners' documents".

(b) The effective date of subsection (a)(5) of this section is August 26, 1983.

SEC. 2. Section 22 of the Coast Guard Authorization Act of 1984 (Public Law 98-557; 98 Stat. 2871), and the amendments made by such section, are repealed as of November 8, 1984. Regulations prescribed and actions taken under, and references to, such section and the amendments made by such section are deemed to be regulations prescribed and actions taken under, and references to, section 701 of the Act of November 8, 1984 (Public Law 98-623; 98 Stat. 3413), and the amendments made by such section 701.

SEC. 3. Section 403(a) of the Commercial Fishing Industry Vessel Act (Public Law 98-364; 98 Stat. 450) is amended by striking "Before" and inserting in lieu thereof "Except as provided in chapter 37 of title 46, United States Code, and before".

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EARTHQUAKE HAZARDS REDUCTION ACT AUTHORIZATION

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 77, S. 817, the Earthquake Hazards Reduction Act.

The PRESIDING OFFICER (Mr. WILSON). The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 817) to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment, as follows:

on page 2, line 7, strike "1984", through and including the sum on line 8, and insert the following: "and immediately after '1984' and inserting in lieu thereof a semicolon, and by inserting '$35,578,000' "

So as to make the bill read:

S. 817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(a) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706(a)) is amended by adding at the end thereof the following:

"(6) There are authorized to be appropriated to the Director, to carry out the provisions of sections 5 and 6 of this Act, for the fiscal year ending September 30, 1986, $5,705,000, and for the fiscal year ending September 30, 1987, $5,962,000.".

SEC. 2. Section 7(b) of such Act (42 U.S.C. 7706(b)) is amended by striking *", and" immediately after "1984" and inserting in lieu thereof a semicolon, and by inserting $35,578,000* for the fiscal year ending September 30, 1986; and $37,179,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 3. Section 7(c) of such Act (42 U.S.C. 7706(c)) is amended by striking "and" after "1984;" and by inserting "; $28,700,000 for the fiscal year ending September 30, 1986; and $29,992,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 4. Section 7(d) of such Act (42 U.S.C. 7706(d)) is amended by striking "and" after "1984;" and by inserting "; $499,000 for the fiscal year ending September 30, 1986; and $521,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 5. Section 5(b)(2)(E) of such Act (42 U.S.C. 7704(b)(2)(E)) is amended to read as follows:

"(E) compile and maintain a written program plan for the program specified in subsections (a), (e), (f), and (g), which plan shall be submitted to the Congress and shall be updated at such times (but no less often than every two years) as may be necessitated by significant program events; and".

Mr. GORTON. Mr. President, this bill, S. 817, reauthorizes the National Earthquake Hazards Reduction Program for fiscal years 1986 and 1987. It authorizes the funding of earthquake hazards research and mitigation activities at the Federal Emergency Management Agency, the U.S. Geological Survey, the National Science Foundation, and the National Bureau of Standards.

A little over a month ago, a major earthquake struck Chile and reminded us of the potential destructive power of earthquakes. Although the Chilean earthquake was disastrous—it killed 176 people, injured nearly 2,500, and left more than 370,000 homeless—earthquakes of even greater power have occurred repeatedly in the United States. Catastrophic earthquakes have struck in California, Alaska, the Mississippi Valley, and South Carolina, and 39 States face at least moderate earthquake hazards. The earthquake that geologists give a 50-50 chance of striking southern California in the next 30 years is likely to be the most devastating event on U.S. soil since the Civil War, possibly causing 20,000 deaths and $50 billion in damages. A repeat of the 1811 and 1812 central U.S. earthquakes could be even more devastating.

The National Earthquake Hazards Reduction Program funds research into earthquakes and assists State and local governments in preparing for and responding to earthquakes. The Federal Emergency Management Agency coordinates the program and also develops and coordinates emergency preparedness and disaster response activities with State and local governments and private industry. The U.S. Geological Survey, National Science Foundation, and National Bureau of Standards conduct research into earthquake hazards, earthquake prediction, earthquake engineering, and building codes.

The program has already made significant progress in understanding and reducing earthquake hazards. It has improved the assessment and understanding of earthquake hazards in much of the United States, has increased our knowledge about how to design buildings and critical facilities to resist earthquakes, and has increased the country's preparedness for earthquakes. Just 2 weeks ago the U.S. Geological Survey issued the first earthquake forecast to be endorsed by the National Earthquake Prediction Evaluation Council. This prediction is for an earthquake of magnitude 5.5 to 6 to occur along the San Andreas fault at Parkfield between 1985 and 1993.

This bill provides for continuity in this important program. It authorizes appropriations at the fiscal year 1986 level for the Federal Emergency Management Agency and the National Bureau of Standards, authorizes a slightly decreased level of funding for the U.S. Geological Survey, and authorizes the small increase requested by the administration for the National Science Foundation. The budget for the total program is below the amount appropriated for fiscal year 1985. The bill also authorizes appropriations for fiscal year 1987 at the 1986 level with an addition of 4.5 percent to compensate for inflation.

Mr. HOLLINGS. Mr. President, I am pleased to join my Commerce Committee colleagues in supporting this legislation.

As Senator GORTON has mentioned, S. 817 reauthorizes the National Earthquake Hazard Reduction Program for another 2 years. The bill will continue the coordinated national program led by the Federal Emergency Management Agency and involving the U.S. Geological Survey, the National Science Foundation, and the National Bureau of Standards.

The program is a sound investment in the Nation's future. It aims not only at improving the prediction of major earthquakes but also at helping States and localities better prepare for these disasters. It provides leadership and advice on building codes, seismic zoning, and emergency response. Research has shown that major earthquakes could strike in many parts of the United States, with potentially devastating effects on life and property. Given that, I believe that these funds are money well spent.

I urge my colleagues to support reauthorization of this valuable national program.

Mr. GORE. Mr. President, I want to congratulate my distinguished colleague from Washington for his efforts in offering this legislation.

Before my election to the Senate, I served for 8 years as a Member of the House of Representatives. For the last 4 years, I served as chairman of the

House Science and Technology Subcommittee on Investigations and Oversight. In that capacity, I held several hearings on the problem of earthquakes in the Eastern United States. I learned a great deal from those hearings about the serious damage that could be caused by a quake in the Eastern United States and about the real need in this country for a coordinated earthquake awareness program.

The western portion of my home State of Tennessee lies along the New Madrid fault line. One of the most devastating earthquakes ever in this country occurred in 1811 along that fault. Immense damage occurred throughout the Southeastern United States as a result of that quake, and church bells rang in Boston from its tremors.

The largest city in Tennessee—the city of Memphis—lies in the southwest corner of the State. An earthquake along the New Madrid could cause serious damage to the city, with possibly many personal injuries and great economic losses. Clearly, foresight and preparation for the eventuality of an earthquake along the fault is essential.

This bill, to reauthorize the Earthquake Hazards Reduction Act, provides much-needed support to efforts to educate our people about the dangers of earthquakes and helps establish programs to minimize the dangers from quakes. Hopefully, through the National Earthquake Hazards Reduction Program, which the act continues, we can avoid future tragedies due to earthquakes. Particularly, I hope that greater attention will be given to the problem of eastern earthquakes so that we can learn more about them and anticipate their recurrence. Moreover, because the bill restores funding for the Center for Building Technology at the National Bureau of Standards, our country will be better able to understand the effects of earthquakes on buildings and other structures and take steps to make them more earthquake-proof.

In conclusion, Mr. President, I believe that this is an excellent bill and one that deserves our enthusiastic support.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 78, S. 818, the Fire Prevention and Control Act.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 818) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BYRD. Mr. President, there is no objection.

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. Mr. President, this bill, S. 818, reauthorizes the Federal Fire Prevention and Control Act for fiscal year 1986, and provides for continued funding of the U.S. Fire Administration and the National Fire Academy. Reauthorization of this act is critical in treating a serious national problem. Fire is one of the largest causes of accidental death and property damage in the United States, and the United States and Canada have the worst fire death rates in the industrialized world. In 1983 alone, fires killed more than 6,000 people, injured 135,000, and destroyed nearly 6.6 billion dollars' worth of property. These deaths were disproportionately high among the poor, the elderly, and the very young. Although these are grim statistics, they have improved greatly since the Federal fire program began. Since the beginning of the Federal program in 1974, fire deaths have declined 30 percent from over 9,000 per year.

Although fire prevention and control is primarily a local concern, the Federal program provides vital support for local activities through research, development, and educational programs. Reauthorization of this bill will provide continued support for fire prevention, arson control, firefighter health and safety, fire data analysis, and other activities at the U.S. Fire Administration, and will provide continued support for the educational activities at the National Fire Academy.

S. 818 authorizes appropriations that are $1.7 million greater than the administration's budget request. The bill restores cuts that would weaken some of the most important parts of the Federal program, including projects directed at improving fire prevention in communities around the country and research into improving firefighter safety and health.

Even with the restoration of these important programs, the budget for this program is well below a freeze. This bill authorizes appropriations that are $1.9 million less than those for fiscal year 1985. This represents a cut of over 8 percent.

I understand that Senator GORE intends to offer an amendment restoring $1 million to the authorization, to be used for travel stipends for firefighters. Although I was concerned about the ability of firefighters to attend the Fire Academy without the stipend, I felt that this was one area in which local governments may be able to replace Federal funds. The amendment will not restore all of the travel money, and I expect the Federal Emergency Management Agency to explore other ways to help firefighters travel to its training center. I support my colleague's amendment, however, and I congratulate him on his interest and his expertise in this area.

AMENDMENT NO. 31

(Purpose: To restore funds for the travel stipend program for students at the National Fire Academy)

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Mr. GORE and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.,

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. GORE, proposes an amendmend numbered 31.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 4, strike "$21,036,000" and insert in lieu thereof "$22,036,000".

Mr. GORE. Mr. President, I am offering an amendment to S. 818 to restore $1 million for travel stipends for firefighters who attend training sessions at the National Fire Academy.

Annually, many firefighters—both professional and volunteer—from around the country travel to the National Fire Academy in Maryland to take part in the academy's training program. This is an extremely valuable program that provides excellent technical training to those who participate in it. Elimination of the travel stipend would mean that many firefighters—especially those from small-town fire departments and local volunteer units—would be prevented from attending the academy.

I want to congratulate my good friend Mr. GORTON for the excellent work he has done in drafting this legislation and in conducting hearings on it. I also want to thank him and Mr. DANFORTH, our distinguished chairman, for their cooperation in my amendment.

Mr. GORTON. Mr. President, I have discussed this amendment with the Senator from Tennessee [Mr. GORE], and with Mr. DANFORTH, the distinguished chairman of the Senate Commerce Committee. I believe it is an appropriate amendment which restores most of the funds for the firefighters travel stipend program. This travel money is important to the program, especially for firefighters traveling from Western States such as mine. I am happy to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 31) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216) is amended by adding at the end thereof the following:

"(f) Except as otherwise specifically provided with respect to the payment of claims under section 11 of this Act, to carry out the purposes of this Act, there is authorized to be appropriated $22,036,000 for the fiscal year ending September 30, 1986.".

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, I thank the distinguished minority leader for his assistance in these matters.

Mr. BYRD. My distinguished friend is complimented on his good work.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMEMORATION OF THE 24TH ANNIVERSARY OF THE BAY OF PIGS

Mr. CHILES. Mr. President, I introduced this resolution yesterday in commemoration of the 24th anniversary of the Bay of Pigs attempted liberation of Cuba.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of House Joint Resolution 236, a joint resolution to commemorate the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny—which is now at the desk.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. CHILES. Mr. President, I understand it has been cleared with both sides.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A House Joint Resolution (H.J. Res. 236) commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, on this day, we honor and pay tribute to the men of the 2506th Brigade. These brave men who fought and died on that day never questioned the almost insurmountable odds they faced. They set forth in their just cause with dedication and courage. And theirs was a cause many still long for today—the liberation of a beloved homeland, the resurgence of a free and independent Cuba. This patriotic effort commands nothing less than utmost respect from all.

We must never forget the cause for which these men so courageously fought. The spirit of the 2506th Brigade should be contagious.

While it is well known that these men lacked the resources to successfully complete their mission, they proved to be amply equipped with courage and bravery. The final outcome of the Bay of Pigs liberation effort was unsuccessful, but the men who so gallantly fought in the invasion were genuine heroes. They are true Cuban patriots who risked their lives and in some cases sacrificed their lives for a free Cuba.

On this day, with this resolution, we commemorate the spirit of the 2506th Brigade and the bravery of these true Cuban heroes.

Mr. President, I am proud to acknowledge this courageous attempt by the men of the 2506th Brigade. Their gallant fight was reinforced by their belief in democratic principles and desire for a free Cuba. The final outcome of this liberation effort was unsuccessful, but there is no denying that the men who fought in the Bay of Pigs returned as heroes. With this resolution, we appropriately acknowledge this heroic effort for a free and independent Cuba.

Mr. President, Congressman PEPPER introduced this resolution in the House of Representatives. It was passed unanimously over there.

I would certainly hope that we could have a unanimous vote on passage here.

Mrs. HAWKINS. Mr. President, today marks the 24th anniversary of the day when 1,400 brave and daring men landed at the Bay of Pigs in an attempt to liberate Cuba and restore democracy there. The battle raged for 3 days, and in spite of a heroic effort against a foe who outnumbered them in both men and weapons, 2506 Brigade was eventually surrounded and captured—but not defeated. The spirit, courage, bravery and determination of the brigade lives on. It lives on not only in the lives of those who survived this harrowing experience, but it lives on in those who continue the struggle for freedom and democracy in Cuba.

The valiant effort that we today commemorate celebrates a long tradition of men and women who have been willing to count the cost and make great sacrifices on behalf of liberty and freedom. In this country we remember men like George Washington and the Founding Fathers, in large parts of South America we remember Simon Bolivar, and in Cuba there was Jose Marti. It is men and women like these who give us hope for the future because they inspire us with their love of freedom, their sense of commitment and their lives of dedication. Such too were the men of 2506 Brigade.

In remembering the events of this day some 24 years ago, I believe that we need to do more than offer a few toasts or say a few nice words. I believe that we should use this opportunity to recommit ourselves to freedom and democracy. To do less would be to dishonor the memory of those whose effort and sacrifice are an inspiration to us all. It is not sufficient for this renewed commitment to be in words only, that would be useless. What we need is commitment with action. If democracy and freedom is to be cherished, then we must be willing to struggle for it.

I hope that my colleagues will reflect on the character and actions of the men whose actions at the Bay of Pigs we are commemorating and take to heart the lessons that they taught us through their sacrifice and their lives.

The PRESIDING OFFICER. The resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 236) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. CHILES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, it is my understanding, I say to the majority leader, that the President does want to sign this joint resolution. I hope it could go down there quickly because I think today or tomorrow would be the date it should be signed.

Mr. DOLE. We will make every effort to see to its delivery.

Mr. CHILES. I thank the majority leader.

ORDER FOR DISCHARGE OF JUDICIARY COMMITTEE FROM FURTHER CONSIDERATION OF SENATE JOINT RESOLUTION 113

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 113, a bill to commemorate the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny, and that it be indefinitely postponed

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR INDEFINITE POSTPONEMENT OF CALENDAR ORDER NO. 8, S. 457

Mr. DOLE. Mr. President, I ask unanimous consent that Calendar Order No. 8, S. 457 the sub-Saharan Africa relief bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE MEMBERSHIP ON JOINT COMMITTEE ON PRINTING AND JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

Mr. DOLE. Mr. President, it is also my understanding that Calendar Order No. 71, Senate Resolution 126 has been cleared by the distinguished minority leader for action at this time, and I ask unanimous consent that it be considered.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 126) providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 126) was agreed to, as follows:

S. RES. 126

Resolved, That the following-named Members be, and they are hereby, elected members of the following joint committees of Congress:

Joint Committee on Printing: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Stevens of Alaska, Mr. Ford of Kentucky, and Mr. DeConcini of Arizona.

Joint Committee of Congress on the Library: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Warner of Virginia, Mr. Inouye of Hawaii, and Mr. Pell of Rhode Island.

ORDER FOR INDEFINITE POSTPONEMENT OF HOUSE JOINT RESOLUTION 188

Mr. DOLE. Mr. President, I ask unanimous consent that Calendar Order No. 80 (H.J. Res. 188, a joint resolution to designate April 1985 as "Fair Housing Month," be indefinitely posponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY

Mr. DOLE. Mr. President, I understand—in fact I have been informed—that the distinguished minority leader has gone over the other requests for the day and he has cleared those requests, so I am prepared to proceed, having that assurance from the distinguished minority leader, Senator BYRD.

ORDER FOR RECESS UNTIL 12 NOON

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 noon on Thursday, April 18, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 15 minutes each, Senators MCCONNELL, MURKOWSKI, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 1:30 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following routine morning business tomorrow, it will be the intention of the majority leader to turn to any and all of the following bills: Calendar Order No. 76, S. 813, pipeline safety; Calendar Order No. 81, S. 796, National Bureau of Standards authorization. Either one of these, I think, can be handled by unanimous consent.

There is a possibility there could be rollcall votes.

In addition tomorrow we will turn to any other legislative or executive items that many have been cleared.

RECESS

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 12 noon, Thursday, April 18, 1985.

The motion was agreed to; and, at 3:49 p.m., the Senate recessed until Thursday, April 18, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 17, 1985:

DEPARTMENT OF STATE

Lowell C. Kilday, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

EXECUTIVE OFFICE OF THE PRESIDENT

John R. Silber, of Massachusetts, to be a member of the Advisory Board for Radio Broadcasting to Cuba for a term of 1 year, new position.

THE JUDICIARY

George F. Gunn, Jr., of Missouri, to be U.S. district judge for the eastern district of Missouri vice a new position created by Public Law 98-353, approved July 10, 1984.

Sam B. Hall, Jr., of Texas, to be U.S. district judge for the eastern district of Texas vice Joe J. Fisher, retired.

DEPARTMENT OF JUSTICE

William H. Opel, of Alaska, to be U.S. Marshal for the district of Alaska for the term of 4 years, vice Robert D. Olson, Sr., resigned.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Glen A. Holden, of California, to be a member of the National Museum Services Board for a term expiring December 6, 1989, vice Anne Carroll Badham, term expired.

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

BIOMEDICAL SCIENCES CORPS

To be lieutenant colonel

James S. Majors, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

John E. Troyer, [redacted]

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be major

Abbate, David M., xxx-xx...
Abbott, Barton L., xxx-x...
Abel, Michael D., xxx-x...
Abitz, Carole A., xxx-x...
Abruzzese, Vincent A., xxx-xx-xx...
Ackerson, Jeffrey W., xxx-xx-xx...
Acres, Michael D., xxx-xx-xxxx
Adair, Gerald G., xxx-x...
Adams, Paul J., xxx-x...
Adams, Richard A., xxx-x...
Addington, Doyle R. Jr., xxx-xx-xxxx
Adkison, Robert T., xxx-xx-xx...
Aiken, Richard B., xxx-x...
Ain, Robert A. Jr., xxx-x...
Akeo, Alvin L.K., xxx-xx-xxxx
Albaugh, Gary L., xxx-xx-xxxx
Albrecht, Thomas E., xxx-x...
Albright, Randolph A., xxx-x...
Alcorn, Richard L., xxx-xx-xxxx
Alderman, Ronald G., xxx-xx-xxxx
Ales, Ricky R., xxx-xx-xxxx
Alexander, Mary L., xxx-xx-xx...
Alfano, Salvatore., xxx-xx-xxxx
Alford, Edgbert., xxx-xx-xx...
Allard, Gary S., xxx-xx-xxxx
Allen, David R., xxx-xx-xxxx
Allen, Mary K., xxx-xx-xxxx
Allen, Michael D., xxx-xx-xxxx
Allen, Stephen J., xxx-xx-xxxx
Allison, Dennis M., xxx-xx-xxxx
Allman, Clesson D., xxx-xx-xxxx
Alston, Lavon, xxx-xx-xxxx
Altendorf, Dennis A., xxx-xx-xxxx
Altman, Derrall, xxx-x...
Alvstad, Martin C., xxx-x...
Amburn, Elton P., xxx-xx-xxxx
Anders, Melvin D., xxx-xx-xxxx
Andersen, Stephen J., xxx-xx-xxxx
Anderson, Alice J. W., xxx-xx-xx...
Anderson, Bruce R., xxx-xx-xxxx
Anderson, Charles M., xxx-xx-xxxx
Anderson, Charles W., Jr., xxx-xx-xxxx
Anderson, Dale R., xxx-xx-xxxx
Anderson, Edward M., Jr., xxx-x...
Anderson, George L., Jr., xxx-xx-xxxx
Anderson, Lloyd L., Jr., xxx-xx-xxxx
Anderson, Mark W., xxx-xx-xxxx
Anderson, Michael G., xxx-xx-xx...
Anderson, Michael T., xxx-xx-xx...
Anderson, Steven T., xxx-xx-xx...
Andrews, Mark W., xxx-x...
Angle, Thomas E., xxx-xx-xxxx
Antkowicz, Mark, xxx-xx-xxxx
Aponte, Carmen R., xxx-x...
Appel, Daniel G., xxx-xx-xxxx
Archambault, Gary J., xxx-xx-xxxx
Archey, Kenneth J., xxx-xx-xx...
Ard, William P., xxx-xx-xxxx
Armstrong, John F.D., xxx-xx-xxxx
Armstrong, Terry D., xxx-xx-xxxx
Arnett, Gary W., xxx-xx-xxxx
Arnold, Andrew N., xxx-xx-xxxx
Arnold, Christopher D., xxx-xx-xx...
Arnold, Stanley W., Jr., xxx-xx-xxxx
Aronson, Fred D., xxx-xx-xxxx
Arrance, Edwin S., xxx-xx-xxxx
Arrington, Curtis H., xxx-xx-xxxx
Arsenault, John A., xxx-xx-xx...
Artery, Duane R., xxx-xx-xxxx
Ashton, Daniel M., xxx-xx-xxxx
Ashton, Mark S., xxx-xx-xxxx
Aston, Scott J., xxx-xx-xxxx
Aston, Theodore R., xxx-xx-xxxx
Atkins, Dan V., xxx-xx-xxxx
Atkins, Robert L., Jr., xxx-xx-xxxx
Attarian, Howard W., xxx-xx-xxxx
Aultman, Ronnie W., xxx-xx-xxxx
Auschwitz, Freddie G., xxx-xx-xxxx
Austin, Steven J., xxx-xx-xxxx
Austin, Terry W., xxx-xx-xxxx
Awtrey, Robert M., xxx-xx-xxxx
Bachran, Lance W., xxx-xx-xxxx
Bacon, Stephen B., xxx-xx-xxxx
Badger, Brian R., xxx-xx-xxxx
Bagesse, Robin H., xxx-xx-xxxx
Bagnell, Everett J., Jr., xxx-xx-xxxx
Bahrey, Gregory J., xxx-xx-xxxx
Bailey, Rosanne., xxx-xx-xxxx
Bailey, Theodore C., xxx-xx-xxxx
Bailey, Timothy C., xxx-xx-xxxx
Baily, Frank H., xxx-xx-xxxx
Bain, Gary R., xxx-xx-xxxx
Baker, Allen D., xxx-xx-xxxx
Baker, Joel M., xxx-xx-xxxx
Baker, John G., xxx-xx-xxxx
Baker, Lee R., xxx-xx-xxxx
Baker, William B., xxx-xx-xxxx
Baker, William G., xxx-xx-xxxx
Bakun, Walter S., xxx-xx-xxxx
Baldwin, Carey, xxx-xx-xxxx
Baldwin, Dick B., xxx-xx-xxxx
Baldwin, Gary A., xxx-xx-xxxx
Baldy, Thomas F., xxx-xx-xxxx
Balent, Bruce F., xxx-xx-xxxx
Ball, Jesse W., Jr., xxx-xx-xxxx
Ball, Jon R., xxx-xx-xxxx
Ball, Keith O., xxx-xx-xxxx
Ball, Murray J., xxx-xx-xxxx
Ballard, Andrew D., xxx-xx-xxxx
Ballinger, Franklin F., xxx-xx-xxxx
Ballog, Dennis F., xxx-xx-xxxx
Bandre, Frank L., xxx-xx-xxxx
Banks, Robert J., xxx-xx-xxxx
Barclay, Richard C., xxx-xx-xxxx
Barcus, David M., xxx-xx-xxxx
Bare, Harold F., Jr., xxx-xx-xxxx
Barker, Alan G., xxx-xx-xxxx
Barker, Thomas R., xxx-xx-xxxx
Barnes, Richard L., xxx-xx-xxxx
Barnes, Robert M., xxx-xx-xxxx
Barnes, Thomas L., xxx-xx-xxxx
Barnett, Dennis L., xxx-xx-xxxx
Barnett, Richard L., xxx-xx-xxxx
Barninger, David R., xxx-xx-xxxx
Barr, Michael R., xxx-xx-xxxx
Bartles, Mark D., xxx-xx-xxxx
Barth, Frederick C., xxx-xx-xxxx
Barthels, Peter R., xxx-xx-xxxx
Bartlett, Michael W., xxx-xx-xxxx
Barton, Charles K., xxx-xx-xxxx
Barton, Donald G., xxx-xx-xxxx
Barton, Terry L., xxx-xx-xxxx
Barwick, Sidney K., xxx-xx-xxxx
Baryza, Francis X., xxx-xx-xxxx
Barzellone, Stephen F., xxx-xx-xxxx
Basili, Carl A., xxx-xx-xxxx
Bassett, Greyson T., xxx-xx-xxxx
Bassi, Joseph P., xxx-xx-xxxx
Bateman, Charles S., xxx-xx-xxxx
Bateman, Sandra L., xxx-xx-xxxx
Bateman, William W., xxx-xx-xxxx
Bates, Hobart C., xxx-xx-xxxx
Bates, James M., Jr., xxx-xx-xxxx
Bates, Richard H., Jr., xxx-xx-xxxx
Batson, William L., xxx-xx-xxxx
Baugh, Thomas, xxx-xx-xxxx
Baum, Michael E., xxx-xx-xxxx
Baumann, Martin J., xxx-xx-xxxx
Baumer, John E., xxx-xx-xxxx
Bayles, George W., xxx-xx-xx...
Baysore, Paul D., xxx-xx-xxxx
Bazzell, Donald A., xxx-xx-xxxx
Beachy, Keith A., xxx-xx-xxxx
Beaird, Jack A., II, xxx-xx-xxxx
Bean, Kenneth A., xxx-xx-xxxx
Beard, Michele L., xxx-xx-xxxx
Beardsley, Diana L., xxx-xx-xxxx
Beason, Michael A., xxx-xx-xxxx
Beauchamp, Michael J., xxx-xx-xxxx
Beaver, Carl F., Jr., xxx-xx-xxxx
Beaver, John W., Jr., xxx-xx-xxxx
Becker, Marvin L., xxx-xx-xxxx
Becker, Michael E., xxx-xx-xxxx
Becker, Rudy W., xxx-xx-xxxx
Beckett, Thomas A., xxx-xx-xxxx
Beckham, Garry M., xxx-xx-xxxx
Bedfore, John C., xxx-xx-xxxx
Bedford, Sherman C., Jr., xxx-xx-xxxx
Bedisky, Thomas C., xxx-xx-xxxx
Bednarz, Eugene J., xxx-xx-xxxx
Beebe, Gary E., xxx-xx-xxxx
Beeker, Emmet R., III, xxx-xx-xxxx
Begunich, Christine A., xxx-xx-xxxx
Behrens, Loretta A., xxx-xx-xxxx
Beisser, Frederick G., xxx-xx-xxxx
Belkowski, Robert A., Jr., xxx-xx-xxxx
Bell, Steve W., xxx-xx-xxxx
Bell, Willie G., xxx-xx-xxxx
Belt, Robert B., xxx-xx-xxxx
Beltz, Fredrick M., xxx-xx-xxxx
Benda, Mark F., xxx-xx-xxxx
Bender, Gregory D., xxx-xx-xxxx
Benjamin, Philip G., II, xxx-xx-xxxx
Bennett, Raul C., xxx-xx-xxxx
Benning, Ronald E., xxx-xx-xxxx
Benningfield, Steven A., xxx-xx-xxxx
Beno, Mikael S., xxx-xx-xxxx
Bent, James E., III, xxx-xx-xx...
Bentley, David P., xxx-xx-xxxx
Berdine, Ronald J., xxx-xx-xxxx
Berg, Robert L., xxx-xx-xxxx
Berger, William R., xxx-xx-xxxx
Berggren, Stephen R., xxx-xx-xxxx
Bergjans, Steven B., xxx-xx-xxxx
Bergman, Charles K., xxx-xx-xxxx
Bergmann, Patrick S., xxx-xx-xxxx
Bergstresser, Jerry M., xxx-xx-xx...
Bersick, Michael A., xxx-xx-xxxx
Bertholf, David J., xxx-xx-xxxx
Best, William J., xxx-xx-xxxx
Betzold, Robert W., xxx-xx-xxxx
Beveridge, William B., xxx-xx-xxxx
Beverley, Donald B., xxx-xx-xxxx
Beyer, Merrill L., III, xxx-xx-xxxx
Bibbs, Charles T., xxx-xx-xxxx
Bieker, Francis D., xxx-xx-xxxx
Bieri, Robert L., xxx-xx-xxxx
Beirig, Barry N., xxx-xx-xxxx
Biernacki, Paul M., xxx-xx-xxxx
Bills, Conrad G., xxx-xx...
Biram, Cliff M., Jr., xxx-xx-xxxx
Bircher, Jeffrey R., xxx-xx-xxxx
Birkmeyer, Christopher P., xxx-xx-xxxx
Birt, Harold E. Jr., xxx-xx-xxxx
Bishop, Robert Damon Jr., xxx-xx-xxxx
Bisio, James A., xxx-xx-xxxx
Black, Norman A., III, xxx-xx-xxxx
Blackhurst, Jack L., xxx-xx-xxxx
Blackman, Craig L., xxx-xx-xxxx
Blair, George R. Jr., xxx-xx-xxxx
Blakeley, Carl K., xxx-xx-xxxx
Blanchet, Richard J., xxx-xx-xxxx
Blanchette, Stephen M., xxx-xx-xxxx
Blanton, Walter W., xxx-xx-xxxx
Blaszkowski, Bronislaus R., xxx-xx-xxxx
Bledsoe, William L., xxx-xx-xxxx
Bleeker, Gary A., xxx-xx-xxxx
Blevins, Gerald C., xxx-xx-xxxx
Bloomdahl, Richard L., xxx-xx-xxxx
Bloomer, Daniel L., xxx-xx-xxxx
Blum, Robert G., xxx-xx-xxxx
Blunden, Robert J., Jr., xxx-xx-xxxx
Bobrowski, Robert F., xxx-xx-xxxx
Bock, Kurt F., xxx-xx-xxxx
Bodenhamer, Charles D., xxx-xx-xxxx
Boesch, Brian P., xxx-xx-xxxx
Bogart, Barry C., xxx-xx-xxxx
Bolles, Wilhelm, xxx-xx-xxxx
Bolli, John H., Jr., xxx-xx-xxxx
Bonapart, John H. Jr., xxx-xx-xxxx
Bonar, Margaret J., xxx-xx-xxxx
Bond, John B., xxx-xx-xxxx
Bonds, Bruce A., xxx-xx-xxxx
Bongarts, Monty D., xxx-xx-xxxx
Bonillavaldez, Jesus M., xxx-xx-xxxx
Bonsi, David J., xxx-xx-xxxx
Bontadelli, James A., Jr., xxx-xx-xxxx
Boothe, Thomas N., Jr., xxx-xx-xxxx
Borah, Jack A., xxx-xx-xxxx
Bordas, William J., xxx-xx-xxxx

Borgersen, Karl N., xxx-xx-xxxx
Borgiasz, William S., xxx-xx-xxxx
Borochoff, Steve E., xxx-xx-xxxx
Borrmann, David W., xxx-xx-xxxx
Boschert, Kermit V., xxx-xx-xxxx
Botello, Charles J., xxx-xx-xxxx
Botkins, Randall J., xxx-xx-xxxx
Bottemiller, Kenneth W., xxx-xx-xxxx
Boudreaux, Stephen W., xxx-xx-xxxx
Bovenizer, John C., xxx-xx-xxxx
Bower, Byard B., xxx-xx-xxxx
Bower, James M., xxx-xx-xxxx
Bower, Stephanie S., xxx-xx-xx...
Bowman, Richard E., xxx-xx-xxxx
Boyce, Steven C., xxx-xx-xxxx
Boyd, Franklin K., xxx-xx-xxxx
Boyd, Lowell R., Jr., xxx-xx-xxxx
Boyer, John C., III, xxx-xx-xxxx
Boyless, James A., xxx-xx-xxxx
Boynton, James E., Jr., xxx-xx-xxxx
Bozarth, Stephen E., xxx-xx-xx...
Bozek, Blair L., xxx-xx-xxxx
Bradford, Donmichael., xxx-xx-xxxx
Bradley, Charles T., xxx-xx-xxxx
Bradshaw, Barry L., xxx-xx-xxxx
Bradshaw, Joel C., III, xxx-xx-xxxx
Braid, Richard P., xxx-xx-xxxx
Bramlitt, Larry T., xxx-xx-xxxx
Brandt, Lee E., xxx-xx-xxxx
Brashear, Michael D., xxx-xx-xxxx
Braswell, James C., Jr., xxx-xx-xxxx
Braun, Gilbert L., xxx-xx-xxxx
Braun, Werner W. F., xxx-xx-xxxx
Braydich, Michael D., xxx-xx-xxxx
Breault, Simeon D., xxx-xx-xxxx
Breeden, Jon C., xxx-xx-xxxx
Breeden, Raymond D., xxx-xx-xxxx
Breidert, Janice E., xxx-xx-xxxx
Brendel, Lance C., xxx-xx-xxxx
Brewer, Frank H., xxx-xx-xxxx
Brickell, James L., xxx-xx-xxxx
Brickman, Jerry M., xxx-xx-xxxx
Brigance, John A., Jr., xxx-xx-xxxx
Bright, Daniel W., xxx-xx-xxxx
Brink, Burton L., xxx-xx-xxxx
Brinkley, Marvin E., xxx-xx-xxxx
Brisco, Worthey O., Jr., xxx-xx-xxxx
Briscoe, Norman R., xxx-xx-xxxx
Britten, Scott M., xxx-xx-xxxx
Broady, Walter L., xxx-xx-xxxx
Brockinton, Billy G., xxx-xx-xxxx
Brockman, John C., xxx-xx-xxxx
Brockway, Kenneth L., xxx-xx-xxxx
Broline, Leonard C., xxx-xx-xxxx
Brooker, Russell M., xxx-xx-xxxx
Brooks, Charles P., Jr., xxx-xx-xxxx
Brooks, Michael E., xxx-xx-xxxx
Brotchie, Craig F., xxx-xx-xxxx
Brough, Rulon L., xxx-xx-xxxx
Brouhard, Dennis C., xxx-xx-xxxx
Brown, Alan M., xxx-xx-xxxx
Brown, David K., xxx-xx-xxxx
Brown, David L., xxx-xx-xxxx
Brown, Douglas R., xxx-xx-xxxx
Brown, Gary R., xxx-xx-xxxx
Brown, Gregory R., xxx-xx-xxxx
Brown, Kirk L., xxx-xx-xxxx
Brown, Larry, xxx-xx-xxxx
Brown, Leon C., xxx-xx-xxxx
Brown, Philip N., xxx-xx-xxxx
Brown, Robert D., xxx-xx-xxxx
Brown, Robert W., xxx-xx-xxxx
Brown, Ronald D., xxx-xx-xxxx
Brown, Stephen D., xxx-xx-xxxx
Brown, Tully W., xxx-xx-xxxx
Browning, Gary E., xxx-xx-xxxx
Brozena, Anthony G., Jr., xxx-xx-xxxx
Bruger, Steven J., xxx-xx-xxxx
Brunning, Stephen P., xxx-xx-xxxx
Bryant, Frederic B., Jr., xxx-xx-xxxx
Bryant, Jerry G., xxx-xx-xxxx
Bryant, Ronald G., xxx-xx-xxxx
Bryant, Seth C., Jr., xxx-xx-xxxx
Buchanan, Thomas H., xxx-xx-xxxx
Buck, Robert S., xxx-xx-xxxx
Buckingham, John R., xxx-xx-xxxx
Buckingham, Larry A., xxx-xx-xxxx
Buckman, Robert J., xxx-xx-xxxx
Budenbender, Philip W., xxx-xx-xxxx
Buechler, James F., xxx-xx-xxxx
Buendel, Gerald A., xxx-xx-xxxx
Buis, Gary L., xxx-xx-xxxx
Bullard, Westley C., xxx-xx-xxxx
Bullock, Leslie E., xxx-xx-xxxx
Bunker, David C., xxx-xx-xxxx
Bunn, Jimmy D., xxx-xx-xxxx
Bupp, Christopher L., xxx-xx-xxxx
Burchby, Dale D., xxx-xx-xxxx
Burckle, Edwynn L., xxx-xx-xxxx
Bureta, Robert T., xxx-xx-xxxx
Burger, James E., xxx-xx-xxxx
Burgess, Edward P., Jr., xxx-xx-xxxx
Burgess, Robert A., xxx-xx-xxxx
Burke, Karen L., xxx-xx-xxxx
Burkett, Daniel L., II, xxx-xx-xxxx
Burkhardt, Thomas G., xxx-xx-xxxx
Burkhart, John L., xxx-xx-xxxx
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The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, provided that in no case shall any of the following officers be appointed in a grade higher than major.

CHAPLAINS

Campbell, Nicholas B., xxx-xx-xxxx
Carter, Thomas S., xxx-xx-xxxx
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Cornthwaite, David L., Jr., xxx-xx-xxxx
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Zeitler, Thomas F., xxx-xx-xxxx
Zellers, Tony R., xxx-xx-xxxx
Zimmerman, Donald M., xxx-xx-xxxx
Zuccaro, Thomas M., xxx-xx-xxxx

IN THE ARMY

The following-named Distinguished Honor Graduate of the Officer Candidate School for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531, 532, and 533:

Light, Floyd A., Jr., xxx-xx-xxxx

The following-named cadet, graduating class of 1984, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531 and 4353:

O'Grady, James P., xxx-xx-xxxx

The following-named cadet, graduating class of 1985, U.S. Air Force Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531 and 541:

Stewart, Robert L., xxx-xx-xxxx

The following-named officers for appointment under automatic integration in the Regular Army of the United States, in their promotion grades, under the provisions of title 10, United States Code, sections 531, 532, and 533:

To be colonel

Bykowski, Norbert H., xxx-xx-xxxx
Ortiz, Michael G., xxx-xx-xxxx
Watterson, John E., xxx-xx-xxxx

To be lieutenant colonel

Brinkmann, Herman J., xxx-xx-xxxx
Daniels, Frankline D., xxx-xx-xxxx
Floersh, Philip M., xxx-xx-xxxx
Tatum, Timothy C., xxx-xx-xxxx
Waytowich, Nicholas, xxx-xx-xxxx
Yunk, Michael J., xxx-xx-xxxx

To be major

Egan, Eugene E., xxx-xx-xxxx
Dudzenski, John M., xxx-xx-xxxx
Kleinbrook, Lawrence W., xxx-xx-xxxx
Mandock, Patrick, xxx-xx-xxxx
Tilghman, Jerome L., xxx-xx-xxxx
Wight, William M., xxx-xx-xxxx

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The following-named cadets, graduating class of 1985, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieu-

tenant, under the provisions of title 10, United States Code, sections 531 and 4353:

Abrecht, Derric L., xxx-xx-xxxx
Abruscato, John L., xxx-xx-xxxx
Ackerman, Craig H., xxx-xx-xxxx
Adams, Joseph F., xxx-xx-xxxx
Adams, Reginald O., xxx-xx-xxxx
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Agather, Stephen F., xxx-xx-xxxx
Aid, Michael C., xxx-xx-xxxx
Akins, Elton D., xxx-xx-xxxx
Albertella, Robin A., xxx-xx-xxxx
Alessandra, Alec E., xxx-xx-xxxx
Alexander, Brian J., xxx-xx-xxxx
Allen, Brad D., xxx-xx-xxxx
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Alt, Oliver B., xxx-xx-xxxx
Amster, Brenda L., xxx-xx-xxxx
Andersen, Katherine M., xxx-xx-xxxx
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Anderson, Brad L., xxx-xx-xxxx
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Anderson, Randall C., xxx-xx-xxxx
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Anibal, James T., xxx-xx-xxxx
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Apodaca, Santiago, III, xxx-xx-xxxx
Appleton, John P., xxx-xx-xxxx
Arcocha, Juan L., xxx-xx-xxxx
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Arnold, Richard S., Jr., xxx-xx-xxxx
Arrington, Michael J., xxx-xx-xxxx
Aruzza, John A., xxx-xx-xxxx
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Aveningo, John M., xxx-xx-xxxx
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Vitagliano, Paul A., xxx-xx-xxxx
Vossman, Thomas E., xxx-xx-xxxx
Vu, Hung, xxx-xx-xxxx
Wagner, Keith C., xxx-xx-xxxx
Wagner, Russell J., xxx-xx-xxxx
Waite, John M., xxx-xx-xxxx
Waldo, Robert J., xxx-xx-xxxx
Walker, Dwayne A., xxx-xx-xxxx
Walker, James G., xxx-xx-xxxx
Walker, Kevin E., xxx-xx-xxxx
Walker, Virginia A., xxx-xx-xxxx
Walla, Michelle L., xxx-xx-xxxx
Wallace, Lisa K., xxx-xx-xxxx
Walter, Mark T., xxx-xx-xxxx
Walter, Todd E., xxx-xx-xxxx
Wardlow, Robert J., xxx-xx-xxxx
Warmerdam, John M., xxx-xx-xxxx
Washington, Versalie F., xxx-xx-xxxx
Weaver, Michael S., xxx-xx-xxxx
Webb, Thomas D., xxx-xx-xxxx
Webster, Lee S., xxx-xx-xxxx
Wedgeworth, Alan B., xxx-xx-xxxx
Weese, Dennis J., xxx-xx-xxxx

Weidmann, Shawn L., xxx-xx-xxxx
Weiss, Frederick K., II, xxx-xx-xxxx
Weisz, Thomas A., xxx-xx-xxxx
Welch, A.B., xxx-xx-xxxx
Welch, Robert G., xxx-xx-xxxx
Weldon, William K., xxx-xx-xxxx
Weliver, Scott C., xxx-xx-xxxx
Wellman, Gregory M., xxx-xx-xxxx
Wescott, Mark M., xxx-xx-xxxx
Wesson, Todd H., xxx-xx-xxxx
Weston, Scott J., xxx-xx-xxxx
Weyand, Robert E., xxx-xx-xxxx
Whalen, James M., xxx-xx-xxxx
Wheeler, John C., xxx-xx-xxxx
Wheeler, William W., xxx-xx-xxxx
White, Edward V., xxx-xx-xxxx
White, Jeffrey R., xxx-xx-xxxx
Whitehead, Douglas L., xxx-xx-xxxx
Wigboldy, Jay F., xxx-xx-xxxx
Wiggins, Karen V., xxx-xx-xxxx
Williams, Christian J., xxx-xx-xxxx
Williams, Daniel E., xxx-xx-xxxx
Williams, Ellis J., xxx-xx-xx...
Williams, Karl E., xxx-xx-xxxx
Williams, Marcus J., xxx-xx-xxxx
Williams, Phillip C., xxx-xx-xxxx
Williams, Stephen C., Jr., xxx-xx-xxxx
Williamson, Morgan P., xxx-xx-xxxx
Wilson, Albert T.V., xxx-xx-xxxx
Wilson, Gregory R., xxx-xx-xxxx
Wilson, Henry L., xxx-xx-xxxx
Wilson, Jon P., xxx-xx-xxxx
Wilson, Kevin B., xxx-xx-xxxx
Wilson, Lorelei E., xxx-xx-xxxx
Wilson, Robert B., II, xxx-xx-xxxx
Wilson, Roderick R., xxx-xx-xxxx
Wilson, Thomas M., xxx-xx-xxxx
Wingenbach, Karl E., xxx-xx-xxxx
Wintrode, Warren R., xxx-xx-xxxx
Winsneski, Nathalie M., xxx-xx-xxxx
Withers, David R., xxx-xx-xxxx
Witkowski, Steven R., xxx-xx-xxxx
Wolf, John M., xxx-xx-xxxx
Wolf, Stephanie L., xxx-xx-xxxx
Wong, Yudi xxx-xx-xxxx
Wood, David C., xxx-xx-xxxx
Wood, Jennifer H., xxx-xx-xxxx
Woolfolk, Darryl K., xxx-xx-xxxx
Woolfolk, William D., xxx-xx-xxxx
Wright, Degas A., xxx-xx-xxxx
Wright, George G., xxx-xx-xxxx
Wright, Robert S., xxx-xx-xxxx
Wright, Todd S., xxx-xx-xxxx
Wroblewski, Keith J., xxx-xx-xxxx
Yankowski, Peter C., xxx-xx-xxxx
Yi, Sunny, xxx-xx-xxxx
Young, Lawrence M., xxx-xx-xxxx
Young, Thomas B., xxx-xx-xxxx
Young, Thomas G., xxx-xx-xxxx
Youngberg, David A., Jr., xxx-xx-xxxx
Zarcone, Thomas, xxx-xx-xxxx
Zingler, Douglas P., xxx-xx-xxxx
Zornick, John L., xxx-xx-xxxx
Zucker, Jamie D., xxx-xx-xxxx
Zupa, Christopher C., xxx-xx-xxxx
Zylka, David L., xxx-xx-xxxx

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, under provisions of title 10, United States Code, section 624:

Amos, Granville R., xxxx
Anderson, Charles W., xxxx
Banks, Barry V., xxxx
Barba, Richard D., xxxx
Barba, William L., xxxx
Bartels, William E., Jr., xxxx
Batcheller, Gordon D., xxxx
Bell, Michael C., xxxx
Bernard, Rudy W., xxxx
Biasi, Clifford G., xxxx
Bowditch, Thomas A., xxxx
Brosnan, John F., Jr., xxxx
Bross, Neil J., xxxx
Burns, Raymond M., xxxx
Campbell, Wallace L., xxxx
Carswell, John R., II, xxxx
Conway, Harriet T., xxxx
Courtney, Paul H., xxxx
Crafton, Miles H., Jr., xxxx
Crain, Richard W., xxxx
Cunningham, Jack W., xxxx
Damura, Ronald M., xxxx
Daniel, Walter E., xxxx
Davidson, William A., III, xxxx
David, Charles R., xxxx
Day, Stephen M., xxxx
Deforest, Walter S., xxxx
Delateur, Conrad A., Jr., xxxx
Douglas, David, III, xxxx
Fitz, Dennis R., xxxx
Fix, Ronald E., xxxx
Fratarcangelo, Paul A., xxxx
Gangle, Randolph A., xxxx
Gartman, Jerald B., xxxx
George, Charles L., xxxx
Gilliland, Woody F., xxxx
Gipson, John T., xxxx
Grant, John E., Jr., xxxx
Haiman, Mark L., xxxx
Hart, James G., xxxx
Hastings, Eric E., xxxx
Hendrickson, Gene D., xxxx
Henshaw, James E., xxxx
Hopgood, Marvin T., Jr., xxxx
Jaroch, Roger M., xxxx
Jones, Fred L., xxxx
Jones, Gerald W., xxxx
Juul, John F., xxxx
Kahler, Patrick J., xxxx
Kalata, Richard J., xxxx
Keener, Arthur J., xxxx
Kelly, Thomas W., xxxx
Kline, Edward J., xxxx
Knight, John E., Jr., xxxx
Lancaster, Alexander E., xxxx
Lazar, Walker M., xxxx
Lee, Harry E., III, xxxx
Lindblom, Stephen E., xxxx
Lucas, James L., xxxx
Lucas, Albert F., Jr., xxxx
Luttrell, Howard L., xxxx
Lynch, Bertie D., xxxx
Marshall, Norman, xxxx
Martin, David P., xxxx
McCloy, Harry M., Jr., xxxx
Meurer, Thomas H., xxxx
Moore, John R., xxxx
Murphy, James E., xxxx
Murphy, James W., xxxx
Murphy, Raymond M., xxxx
Murphy, William F., xxxx
Mutter, James M., xxxx
Neal, Richard L., xxxx
Nelson, David W., xxxx
Oates, Ronald C., xxxx
Omalley, Thomas F., Jr., xxxx
Percival, William F., xxxx
Puckett, James M., xxxx
Pyle, Charles J., xxxx
Reinke, Claude W., xxxx
Renier, Robert R., xxxx
Ressmeyer, John A., xxxx
Richwine, David A., xxxx
Robben, Joseph W., Jr., xxxx
Rounseville, Peter R., xxxx
Russom, Kenneth S., xxxx
Sahno, William, xxxx
Savage, Durward T., xxxx
Schafer, Paul M., xxxx
Scott, Janice C., xxxx
Shinnick, John D., xxxx
Shisler, Michael F., xxxx
Smith, Stephen K., xxxx
Springer, Robert C., xxxx
Stewart, Joseph D., xxxx
Stodola, James F., xxxx
Stuckrath, Edward G., Jr., xxxx
Sutton, Russell H., xxxx
Sweeney, Charles T., xxxx
Tilley, Robert O., xxxx
Tokarz, Anthony P., xxxx
Tschan, Robert E., xxxx
Tyrian, Charles G., Jr., xxxx
Vangysel, Gary R., xxxx
Vanhorne, Charles W., xxxx
Voigt, Richard H., xxxx
Wagner, John M., xxxx
Walke, Alfred J., xxxx
Wallis, Earl P., xxxx
Walls, George H., Jr., xxxx
Weeks, Larry L., xxxx
Wemheuer, Robert F., xxxx
Wilber, Harold B., xxxx
Woodburn, Lance P., xxxx
Woodhead, John A., III, xxxx
Zinni, Anthony C., xxxx

IN THE NAVY

The following-named Navy enlisted candidates to be appointed permanent ensign in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Ammons, Mark S.
Beauchamp, Robert H.
Beaudoin, Richard P.
Branco, Patrick J.
Brogdon, Thomas D.
Brown, Steven L.
Butler, Terri L.
Bythewood, Robert D.
Cooper, Mitchell A.
Corpuz, Victor B.
DeLeon, Joseph B.
Gonzales, Richard
Hillin, Jerry D.
Hipolito, Eliseo P.
Holmes, Stephen L.
Jones, Claudia A.
Klitzka, Thomas A.
Liam, Benjamin D., Jr.
Lucas, Charles E., Jr.
McLean, Ronald N.
Moses, Dennis L.
Mull, David D.
Odell, Denise J.
Sack, Gary R.
Saenz, Efren S.
Scales, Aiko V.
Sellers, Roger L.
Schierschmidt, Robert C., Jr.
Smock, Stephen R.
Walraven, Maryrose M.

The following-named Navy enlisted candidates to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Boxberger, Thomas J.
Childs, Richard F., Jr.
DeCora, Mark E.
Fleck, James A.
Lemke, James H.
Matteson, Sharon E.
Mello, James M.
Mitchell, Kirk E.
Mondak, Richard W.
Moore, William D.
Perry, Robert G.
Peveler, Joel J.
Ryan, Joseph K.
Simmons, Jesse L.
Swain, William D., Jr.

The following-named ex-Naval Reserve officers being appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Davidson, Robin I.
Keegan, Harold R.

Harry P. Clause, Jr., medical college graduate, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

IN THE NAVY

The following-named Naval Reserve Officers Training Corps candidates to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code section 531:

Aiello, Christopher A.
Balen, Gavin W.
Bissonnette, Normand A., Jr.
Carlson, Stephen F.
Champagne, Joseph R.
Clark, John C.
Clarke, Peter J.
Corbin Daniel P.
Davis, John F., Jr.

Davis, Kevin
Deluca, Stephen M.
Dundorf, James D.
Eagle, Christopher S.
Ekberg, Kenneth R.
Flack, Jeffery J.
Fowler, James T.
Fritz, Edwin R.
Gauthier, John S.
Geshel, Peter J., Jr.
Graham, Robert S.
Gulowski, William J.
Guy, Gregory E.
Hearne, Michael S.
Hegarty, Mark B.
Hutton, David A.
Kearns, William A., III
Koharski, Daniel N.
Lefler, Gerald R.
Mabee, Danon L.
Mason, Karen A.
McCook, Thomas R.
McElligott, Patrick D.
Miller, Daniel R.
Morgerson, William D.
Nelson, Kent C.
Neyman, Michael D.
Ogara, Edward M.
Ouellette, Richard T.
Poling, Paul A.
Pollard, Peter K.
Poole, Anthony
Powell, Catherine E.
Shults, Eugene C., Jr.
Tarmer, Michael S., IV
Tateishi, Gary T.
Tebble, James E.
Thompson, Mary K.
Thornhill, Andrew H.
Wall, Alan R.
Williams, Charles J., Jr.
Williams, Jerome
Woodring, Douglas J.
Yeager, Beth P.
Young, Toby

The following-named candidate in the Navy Enlisted Commissioning Program to be appointed permanent ensign in the Line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Frisbee, Debora

The following-named Naval Reserve officers to be appointed permanent engsign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Aarke, Thor D.
Abolins, Airis A.
Adie, Garrett V.
Albright, Matt
Arnold, Douglas E.
Arroyd Erick A.
Barnhart, James L.
Bartholomen, Timothy F.
Batchelder, Bret C.
Bertrand, Robert W.
Bloom, Steven D.
Brom, Marcia K.
Cabral, Brian E.
Carder, Steven A.
Clagett, John R.
Cocker, Bruce J.
Conway, Joseph E.
Cottam, Russel E.
Darden, Richard L.
Davis, Stephen C.
Edwards, Gene H., III
Fisherjones, Albert S.
Fitzgerald, Dennis L.
Flanigan, Thomas A.
Gardner, Patrick D.
Gassie, Edeward W.
Gingrich, Harold S.
Grandy, Christopher
Hartmann, Donald E.
Hausse, Rmann John W., IV,
Herbert, Joseph H.
Hobson, Douglas O.
Holbrook, Alan Z.
Ilif, Michelle
Jabaley, Michael E., Jr.
James, Joseph T.
Kasinger, Charkes D.
Kidwell, David A.
Knapp, David C.
Ladd, Mark A.
Leo, John W.
Lewis, Barry W.
Lindquist, Jeffrey A.
Loritz, Michael H.
Marcum, Allen M.
Maurtua, Victor A.
McCaull, Jeffrey W.
McIntosh, Randy W.
Meek, Charles B.
Meng, Andrew H.
Mitchell, John R.
Nichols, Thomas C.
Oleary, Stephen D.
Parker, John T., III
Payne, Stephen J.
Plenefisch, Thomas R.
Pristou, Walter L.
Ray, Kimberly J.
Redfield, David M.
Robinson, Ted G.
Rogers, Charles T.
Ross, Alton E., Jr.
Rudd, Kevin W.
Schmitz, Joseph A.
Spicer, Steven L.
Stuart, Scott C.
Sweet, Thomas A.
Thomey, Nicholas C.
Warner, Bradley A.
Zenger, Bradley A.

The following-named Naval Reserve officers to be appointed permanent lieutentant in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bestoso, John T.
Bongiovanni, Michael S.
Brings, Hans A.
Buono, Deborah M.
Byrne, Thomas G.
Camerota, Anthony J.
Catullo, Victor J.
Clappler, Laura M.
Cunningham, Dean S.
Darling, Robert G.
Denigris, Ellen C.
Doyle, Joseph G.
Emerson, Maura A.
Gass, Frederick C.
Gillis, Robert B.
Hullander, Robert M.
Ice, Dennis A.
Jones, Shaun B.
Kane, Edward J., Jr.
Knittel, Douglas R.
Lerner, Lawrence J.
Liberman, Mark A.
Macyko, Catherine A.
Maddox, Michael R.
Mason, Donald R.
McDonald, Eric C.
Moeller, Kathleen H.
Moeller, Michael S.
Morrissey, Richard L.
Morrow, Stephen E.
Nutaitis, Matthew J.
Olivos, Guillermo
Perkins, Terry R.
Rohleder, Kathleen A.
Sageman, William S.
Sandler, Jeffrey M.
Siefert, Ann M.
Sieffert, John A.
Snead, Thomas A.
Taylor, Robert R.
Thomas, David E.
Wilson, Sonefeere A.

The following-named Naval Reserve officer to be appointed permanent lieutentant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Lyons, Patrick M.

The following-named Navy enlisted candidates to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Knightnen, W.D., Jr.
Pierce, Charles W.
Renninger, Dale J.
Ross, Michael A.
Runne, Robin G.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps in the Reserve of the U.S. Navy, pursuant to title 10, United States Code, section 593:

Grayson, George I.
Walker, James A.
White, Charles E.

The following-named U.S. Navy officers to be appointed permanent commander in the Medical Corps in the Reserve of the U.S. Navy, pursuant to title 10, United States Code, section 593:

Carter, Robert S.
Hutton, Partrick M.J.
Menasha, Muussa Y.
Nimlos, John E.

The following-named ex-Naval Reserve officers to be appointed permanent commander in the Medical Corps in the Reserve of the U.S. Navy, pursuant to title 10, United States Code, Section 593:

Byers, Robert M.
Taft, David A.
Tipton, James W.

The following-named U.S. Navy officers to be appointed permanent lieutenant in the Judge Advocate General's Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Clement, David B.,
Ingoglia, Teresa M.

The following-named U.S. Navy officers to be appointed permanent chief warrant officer, W-3, in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Fowler, Gene G.
McAllister, Archibald A.

The following-named U.S. Navy officer to be appointed permanent chief warrant officer, W-4, in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Burbach, Donald E.

DEPARTMENT OF LABOR

William Emerson Brock III, of Tennessee, to be Secretary of Labor.

CONFIRMATION

Executive nomination confirmed by the Senate April 17, 1985:

EXECUTIVE OFFICE OF THE PRESIDENT

Beryl Wayne Sprinkel, of Virginia, to be a member of the Council of Economic Advisers.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, April 17, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As the Sun gives light to our world so may Your good Word, O God, give light to our hearts and minds. Take away the darkness of selfish thinking or petty concerns and instead renew our hearts that we will be sensitive to the needs of people everywhere. Open our minds that we may truly hear the call of the poor, the neglected, the injured, those who stand alone, the homeless, the refugee, and the lonely. Give us all a glimpse of Your will for our world, where truth and justice are honored, and love and mercy are the marks of our lines. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sanders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 15, 1985:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ; and

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission.

THE FOOD SECURITY ACT OF 1985

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute.)

Mr. DE LA GARZA. Mr. Speaker, the Food Security Act of 1985 (H.R. 2000) that I introduced on April 4 contains provisions dealing with the peanut program. These provisions, in common with other provisions of the bill, are designed to serve as a framework for consideration, by the Committee on Agriculture and its subcommittees, of omnibus farm legislation.

Section 703 of H.R. 2000, which pertains to transfer of poundage quotas for peanuts, could be read as generally permitting transfers of quotas to farms within the same State. This is incorrect. The intent of the bill, in this regard, is to maintain the status quo—that is, generally to restrict transfers of quotas to farms within the same county.

As I have indicated, the Food Security Act of 1985 is to be used as the markup vehicle during committee consideration of omnibus farm legislation this year. Therefore, I am introducing a clean bill that will not only clearly reflect the intent of the peanut provisions that I have discussed, but will also correct various typographical and technical errors that appear in H.R. 2000, as printed. The clean bill, together with H.R. 2000, will thus accurately fulfill the objective that I have envisioned.

A MESSAGE TO THE PRESIDENT ON THE HANDICAPPED

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, this morning I sent the following letter to President Reagan:

DEAR MR. PRESIDENT: Your Education Secretary, William Bennett, is doing his best to fill Jim Watt's shoes as the most fanatical of your appointees.

As Senator Weicker revealed yesterday, he has appointed someone to "set the tone for the department" whose views on the handicapped are so outrageous they defy explanation.

This appointee, Eileen Gardner, has written that handicapped persons are themselves responsible for their conditions. They "summoned" and "created" their handicaps, she believes, and they "falsely assume that the lottery of life has penalized them at random." As a result, the handicapped become "ineffective malcontents."

Secretary Bennett contends that these beliefs are "respected" religious doctrine. I don't know what church he goes to, but I doubt seriously that America's 25,000 disabled veterans "respect" these beliefs. And neither do the two million Americans who, like myself, have epilepsy, or the 33 million who have some other type of handicap.

As one of her so-called "malcontents," I find these beliefs totally unacceptable, and as President of all Americans, including the handicapped, I call on you to withdraw her appointment.

Does this country really need or want someone in charge of handicapped programs who believes that children born with Downs Syndrome or born blind are to blame for their own conditions and therefore not worthy of any help from society?

To make matters worse, Ms. Gardner says the handicapped are selfish individuals because they don't appreciate the hardship they inflict on the "general population." Mr. President, the handicapped have enough problems; we don't need someone else who believes that life is simply a case of the haves vs. the have nots.

Sincerely,

TONY COELHO,
Member of Congress.

SENSE-OF-CONGRESS RESOLUTION CONDEMNING SOVIETS PULLED FROM CALENDAR

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, on March 24 an American soldier, Maj. Arthur D. Nicholson, Jr., was cruelly murdered by a Soviet guard in Germany. After a sufficient time had passed for us to investigate the incident and find out the conditions, I introduced a resolution in the House to condemn the Soviets for that cruel murder. That resolution obtained 66 cosponsors, including 18 members of the Committee on Foreign Affairs, made its way through the committee, and was brought to the floor of the House on the calendar for yesterday.

Early yesterday morning we were informed, without any prior notification, that the resolution had been pulled. After an entire day of investigation and inquiry, we were finally told, and I read today in the Washington Times, that the bill was pulled not by a Member of Congress but, without any congressional authorization, by a Mr. Brady, a staff member of the Committee on Foreign Affairs.

Mr. Speaker, I find this unacceptable. A staff member is not authorized to pull a bill off the calendar without any authorization or even any consultation with a Member of Congress. This cannot be accepted. Too much time had already passed. The Soviets' cruel punishment of killing a man for being, as Mr. Gorbachev has said, "in the wrong place" is something we must speak to.

The SPEAKER. The time of the gentleman from Texas [Mr. ARMEY] has expired.

□ 1210

SOVIET RECIPROCITY

(Mr. HUTTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTTO. Mr. Speaker, today I am introducing a House joint resolution that directs the President to ensure that Soviet Union Government personnel in the United States are subject to the same requirements that the United States personnel in the Soviet Union are subject to.

Specifically, my resolution will require that conditions imposed upon U.S. Government personnel in the Soviet Union; that is, status, privileges, immunities, accommodations, travel, and facilities and so forth, of employees of the U.S. Government, will be imposed upon Soviet Union Government personnel in the United States.

According to the FBI, 40 percent of Soviet Union Government personnel in the United States are well-trained professional employees of the KGB and Soviet military intelligence officers of the GRU. Furthermore, the United States does not have an elaborate complex in the Soviet Union such as the Soviet Union has in the United States at Glen Cove, Long Island. The U.S. Government personnel in the Soviet Union are not allowed to purposefully travel where they choose while the Soviet Union Government personnel in the United States can travel virtually any where they desire—unrestrained.

This joint resolution would also create a general balance in terms of the numbers of officials and employees which is needed between our Nation's representation in the Soviet Union, and their representation here—we can no longer permit the Soviets to take advantage of this current imbalance. We must act now to inhibit furtherance of this situation.

I believe this resolution is long overdue and fully justified. I am sure this resolution has very strong support in the Senate, as a similar effort was initiated by Senators Huddleston and Goldwater during the 98th Congress.

LET JUSTICE BE DONE

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, please let justice be done. Seat Rick McIntyre.

Mr. Speaker, I have just come from a very small and very sad rally on the west front steps of our Capitol where about 120 Americans or future Americans, all of them former citizens of the Khmer Republic of Cambodia, are trying to remind this Congress what happened this week 10 years ago.

During April of 1975 this Congress of the United States, finally and tragically cut off all aid to Cambodia, both military and economic, and the almost immediate result was what we now call the killing fields, the dreaded and predicted blood bath the autogenocide, where a mass murderer named Pol Pot and his Communist followers known as the Khmer Rouge, slaughtered over 1½ million human beings, maybe 2½ million souls, possibly as high as 3 million men, women, children and babies.

What a legacy of horror for those who were here in 1975. If you were here, how did you vote?

There are only 155 Members left in this body who served during that April week of 1975. Two hundred and eighty of us have been elected subsequently. I do not know whether we are going to replay the history of betrayal in the coming days on the Communist contagion that is temporarily contained in the southern area of North America known as Central America, or if we are going to, as George Santayana warned, "Ignore history and thereby be cursed to relive it."

At least three of the nine Managua commandantes refer to themselves as Communists. By the way, Eden Pastora told me that not one of those nine fought in the revolution against Samoza. Not one heard a short fired except in their earlier bank robbing days.

Thus, henceforth in the debate on resistance funding for clarity, I will no longer refer to the Communist leadership in Managua as Sandinistas but as Communists. The true Sandinistas are in the hills or visiting our offices in the person of Eden Pastore, and others, talking about the betrayal of their evolution which overthrew the oligara Samoza.

Let us not have communism spread in our hemisphere and curse more people to relive the famine if not the killing fields of Cambodia. Never again. Eight hundred and sixty priests and nuns in Nicaragua support Pope John Paul II and their 9 bishops. Only 52—52—here that, only 52 support the Communists. Are you listening, U.S. bishops?

MATCHED SHEETS FOR YOUR FUTON

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, we hear reports of how the Japanese, try as they might, just can't seem to find anything "Made in America" that they'd like to buy.

The Japanese bureaucracy recently offered some suggestions. How about a matched sheet and pillowcase, fitted for American mattresses and pillows? Never mind that the Japanese have the wrong-sized mattresses. How about a beef thermometer? Never mind that the Japanese seldom buy beef—largely because of import restrictions.

I sympathize. I recently put together a list of Japanese goods that Americans might like to buy. How about matched sheets for a "futon"—the traditional Japanese bed? How about special sushi tongs?

Perhaps we should wait to see how these Japanese imports sell before allowing Japan to sell us any cars or cameras or television sets.

Let me make a standing offer to the Japanese bureaucracy. Come to my Illinois district. Drop in at Lord & Taylor or Marshall Fields or Sears. Just maybe you'll see a few American goods you'd like to buy.

REAGAN'S 1984 PLATFORM: I PROMISE TO FORGET

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it appears that President Reagan's 1984 platform could be summarized by saying: "I promise to forget."

This week the President said that he believes there are "very few people alive who remember World War II." That is not exactly someone that I would trust to protect the Social Security system, or anything else for that matter.

Well, I am alive and I remember last October when President Reagan promised that he would "absolutely battle against any suggestion of reducing" Social Security.

Well, the trumpet has sounded, the battle is beginning, and President Reagan is nowhere to be found. In fact, it appears he has suited up in his Teflon coat and defected to the other side.

Six months after vowing to protect Social Security he switched sides and must believe that very few of us will remember that 1984 promise.

Anyway, nothing ever seems to stick to him, so I guess it will not hurt.

I think a government has always been measured by how it treats people in the sunset of their lives or in the shadows of their lives. This President is getting very low marks on that measurement.

THE BENEFITS OF SPACE RESEARCH TECHNOLOGY TRANSFER

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, I have the privilege of being the chairman of the Space Subcommittee and it is my privilege to share that space research is now having a technology transfer that could revolutionize the medical operating room. Research recently at the Jet Propulsion Laboratory in California, a NASA

center, has developed a laser which may be successful in eliminating plaque from inside human arteries. This nonsurgical procedure could replace some bypass operations.

Additionally, Johns Hopkins as a result of the microminiaturization of computers due to space research, America's medical centers are experimenting with such a microcomputer to be implanted in the human body to release calculated doses of medicine for certain diseases.

This particular modern miracle of medicine, is the result of research and development from America's space program.

WHERE IS THE DEFICIT REDUCTION PROPOSAL OF THE DEMOCRATS?

(Mr. LATTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, Monday was April 15 and by statute the day for reporting of the budget resolution for fiscal year 1986 from our Budget Committee. Only once before in the 10-year history of the Budget Act has the April 15 reporting date not been met. With the country facing the prospect of a fiscal year 1986 budget deficit of $230 billion, would you not have thought that the Democrat majority in this House, which incidentally has been constantly criticizing the President's budget reduction proposal, would have come forward with its own deficit reduction plan before the April 15 deadline?

□ 1220

I know our chairman has stated publicly not once but repeatedly that he wants to see at least a $50 billion reduction in the fiscal year 1986 deficit. Mr. Speaker, why not let him come forward with the Democratic Party's plan now? The people are expecting us to go forward with a deficit reduction plan during this year. Let us unveil the Democrat deficit reduction plan so the people can make a determination as to which plan they prefer, or maybe, just maybe they would prefer a combination of both.

In any event, since they know the need for reductions, they should have an opportunity to see our Democrat friends' plan and how they would make reductions to a $230 billion anticipated deficit.

CENTRAL AMERICA: DOSE OF REALITY—NO. 1

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, the first paragraph of the War Powers Act reads:

It is the purpose of this act to fulfill the intent of the framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations.

We are in a clandestine war in Central America—a war being conducted by our President but never authorized by the Congress—and well on our way to being in a open war there, as well. This is precisely the situation contemplated by the War Powers Act.

First, the act refers to "United States Armed Forces." Do we have U.S. Armed Forces in Central America? Of course we do—we have numerous CIA personnel and military advisers, tens of thousands of uniformed personnel from every branch of the U.S. military, and even National Guardsmen in Central America. If these are not U.S. forces, then who are?

Second, are our Armed Forces present in all the countries of Central America? Of course they are. And are there hostilities—defined by Webster as overt acts of war—in Central America? Of course there are. Do a civil war in Nicaragua and a civil war in El Salvador constitute hostilities? Of course they do—these are wars, complete with soldiers and tanks and guns, where people die.

The War Powers Act is law, and it is a law that embodies the constitutional mandate that the Congress—and only the Congress—declares war—and only when the President together with the Congress decides such action is necessary.

The President evaded the War Powers Act in Lebanon. He violated the act in Grenada. And he's violating the act now. He has acted with impunity, and Congress has supinely acquiesced.

The result in Central America can only be tragic.

HUMAN RIGHTS ABUSERS IN NICARAGUA

(Mr. WEBER asked and was given permission to address the House for 1 minute.)

Mr. WEBER. Mr. Speaker, recently the gentleman from California, Mr. BOB DORNAN, and I had an opportunity to visit Nicaragua. We had a very interesting and lengthy interview with Archbishop Obando y Bravo of Nicaragua. I will later on in a special order be inserting the entire text of that interview with the archbishop in the RECORD, but I would just like to read a very brief response of the archbishop on the question of human rights abuses by the Contras.

I asked the archbishop, "What about the members of the resistance, the Contras?"

The archbishop's response, word for word, was:

I don't have any direct relationship with them at a personal level. They are in the mountains of Matagalpa, Jinoteca, and the Atlantic coast. The reports sent to me by the bishops who work there show that they have not received any problems from them, none.

I asked, as a followup,

Less problems than priests and bishops have had from the government?

The archbishop's response:

The reports that I have received from the priests of those areas is that they have not had any problems with them.

Mr. Speaker, the human rights abusers in Nicaragua are not the Contras, they are the Communist government in Managua.

AMERICAN MILITARY IN NICARAGUA

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, how right you were. When the President submitted his recent proposal to aid the Nicaraguan counterrevolutionaries, you said Mr. Reagan would not be satisfied until he had Americans fighting there.

This morning's New York Times carries a front page story which validates that prediction. According to the Times, a report labeled "top secret" and sent to two committees of the Congress by the President yesterday says that while the administration had for now ruled out "direct application of United States military force," it warned that this course "must realistically be recognized as an eventual option given our stakes in the region if other policy alternatives fail."

Now, General Gorman has already said that the Contras cannot win it on their own, so if the President gets his way American troops are coming. That spells it out, Mr. Speaker.

But why is it that that report is secret? Why is the President practicing this deception, calling his proposal as one of "humanitarian" assistance?

I'll tell you why.

Because he knows that the only way he can get the American people to go along with his proposal is to trick them into it.

Congress should not hesitate one moment in rejecting the President's outrageous proposal.

SPEAKER O'NEILL SHOULD REVEAL IMPORTANT INSIGHTS FROM HIS MEETING WITH GORBACHEV

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, the Washington Times this morning has a very disturbing quote relating to our own scheduling here in the House. It quotes you as saying that the subject of the shooting of Major Nicholson last month in East Germany came up during a 4-hour session last week with Gorbachev, and it quotes you as saying, "Gorbachev was very distinct in accusing our man of being at the wrong place—and taking no blame whatsoever."

Yesterday we were to have voted on a resolution condemning the Soviet Union for killing an American officer. That resolution was pulled.

The same day that resolution was pulled you moved the date for voting on freedom fighter aid up by 1 week.

If you learned anything in your meeting with Gorbachev which you think this House should know so this House can understand why you are scheduling in the way which withdraws the condemnation of the Soviet Union and accelerates an effort on your part to defeat aid for the freedom fighters, it would be helpful to this House if you would report in public on what it is you learned from Mr. Gorbachev.

NATIONAL LOTTERY/DEFICIT REDUCTION ACT OF 1985

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today I offer part 2 of my "painless deficit reduction package." Yesterday, I offered a 6-month tax amnesty proposal which could produce $20 billion in revenues.

Today I am introducing the National Lottery/Deficit Reduction Act of 1985. Under the bill, persons aged 18 and over would be able to buy tickets at $1 each. The lottery would award five prizes a month, for each of 12 separate lotteries held each year; 75 percent of all revenues would be earmarked to reduce the deficit.

How much would be raised? No one is totally certain. However, in the 18 States that have lotteries, revenues exceed $5 billion. In the most successful States, per capita revenue is over $1 a week. Nationally, that could produce revenues of over $12 billion.

The real answer rests with how many people play. If every person eligible bought nine $1 tickets a month for a year we would slash our deficit by over $18 billion. The more tickets purchased the more would be raised.

I believe a national lottery is an idea whose time has come, especially if it can offer us a way to reduce our deficit without resorting to tax increases or Draconian cuts in spending.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1612

Mr. ENGLISH. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Arkansas [Mr. HAMMERSCHMIDT] be removed from the list of cosponsors for H.R. 1612.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

NICARAGUAN ALLIES

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, a West German linked to the Baader-Meinhof gang is a counterintelligence officer in the Nicaraguan Army. Another commands an artillery battalion. Five Italians, all former Red Brigade leaders, serve as noncommissioned officers in the Nicaraguan Army. A Basque ETA terrorist awaits trial in Costa Rica on charges of attempting to assassinate Contra commander Eden Pastora. Both Spain and Italy have formally protested the sanctuary Nicaragua gives to several dozen European leftist militants.

Before coming to power in 1979, Sandinistas trained and fought beside experienced guerrillas in Central America and the Middle East. Relations with Cuba and the PLO were especially close. Today, "proletarian internationalism" deems that the governors of Nicaragua make returns for services rendered.

The Swiss Review of World Affairs has called Nicaragua the PLO's "most important base on the Latin American mainland." Ties to Colonel Qadhafi are strong, as infusions of Libyan money and armaments have proven. The Sandinistas are linked to terrorists in Chile, Colombia, El Salvador, and other Latin countries.

Americans cannot afford not to notice. According to the FBI, fully two-thirds of the terrorist attacks in this country in 1983 were linked to Latin America. Furthermore, compelling evidence links Sandinista officials to narcotics sales in U.S. black markets.

As debate about our Central American policies continues, we should not forget the Nicaraguan hand in the international terror network.

NO WONDER SOME OF US GET UPSET ABOUT THE WAY THINGS GET DONE IN THIS HOUSE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, people sometimes wonder why some of us get upset from time to time about the way things get done in this House. Well, there are two headlines in this morning's Washington Times that help tell the story. One, the top headline says "O'NEILL tips scales against aid to the Contras." It seems to me that the pro-Communist government in Nicaragua must be awfully pleased with that scheduling.

Another headline says "Denouncing of Soviet slaying abruptly derailed in the House." The Communist government in Moscow must be awfully pleased by that kind of scheduling.

Mr. Speaker, that is why we get upset.

DEMOCRATS ARE GETTING AWAY FROM THE POLITICAL CENTER

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, the Democratic Party says it wants to move back into the center of American politics. The opportunity is at hand in the upcoming vote on Nicaragua.

Will Democratic leadership pull the rug out from under those fighting totalitarian communism in Central America and thus absorb the responsibility for the firm establishment of a new Soviet base on the mainland of this hemisphere? Or will they eschew party politics and allow themselves and their members to vote their consciences on this crucial issue?

The responsibility for the full communization of Nicaragua and all that means for the future of this country will be laid squarely at the doorstep of the national Democratic leadership. This will have a chilling impact on the more conservative and moderate members of the Democratic Party who have been seeking to move their party further into the center. Nowhere will this be truer than in the South, in the West, and in the Southwest, the scene of national debacles at the Presidential level in recent years for the Democrats.

LUNDI SENG, CAMBODIAN REFUGEE, WINS THIRD PLACE IN SPELLING BEE

(Mr. HENRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENRY. Mr. Speaker, perhaps it is those of us who have difficulty with correct spellings and pronounciations of words who most admire the annual winners of our local spelling bee competitions. Recently, the greater Grand Rapids area spelling bee finals were completed with a most unusual series of circumstances.

As the finalists competed, the judges exhausted the entire list of challenge words for the competition. Among the tongue-twisters were the words "cinerous," "amaranthine," "quixotism," "schadenfreude," "thanatophidia," and "onomatopoeia." Still, the finalists would not capitulate!

When all was said and done, the final winner was an 11-year-old fifth-grader from Seymour Christian School by the name of Laurie Admiraal, who will be coming to Washington, DC, to represent our community in the national finals this June. The winning word, by the way, was "densitometer"—a word now well-known to Grand Rapids area schoolchildren.

In second place was Robert Tyson, a 14-year-old eighth-grader at City Middle-High School. And in third place was Lundi Seng, a 13-year-old Cambodian refugee. Lundi is an eighth-grader at Millbrook Christian School, and has lived in this country only 4 years. She saw her parents killed by the Communists in Viet Nam, and fled to our country knowing not a single word of English. Now she can lay claim, along with Larie Admiraal and Robert Tyson, of being a better speller than most of us in this body!

THROW THIS HOUSE OVERBOARD

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBEY. Mr. Speaker, I rise to bring to the attention of the House a letter that I have here that was sent by Patti Combs from Bedford, IN. This is the Eighth District of Indiana. Now, the letter has a teabag attached. She says in one clear and precise sentence: "I resent having taxation but no representation." And she has two exclamation marks there.

Mr. Speaker, it is time that the House get with it, exercise the true justice for the people of the Eighth District of Indiana, and seat the certified winner of that race, Rick McIntyre.

Mr. Speaker, I do not blame the people, including Patti Combs, of the Eighth District of Indiana for resenting what this House has done. Our founders had a Boston tea party; and I think probably the people from the Eighth District, if we do not go ahead and do what we are supposed to do, are going to come down and throw this House overboard.

I thank the Speaker.

REQUEST FOR PARLIAMENTARY INQUIRY

Mr. ARMEY. Mr. Speaker, I rise to a point of parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. ARMEY. Mr. Speaker, yesterday House Resolution 125 was pulled from the calendar, I am told, by a staff member of the committee. Mr. Speaker, my question is: Is this acceptable procedure in this House for a staff member to pull legislation from the calendar?

The SPEAKER. No. 1, the gentleman has not stated a parliamentary inquiry. But, No. 2, the Chair would be willing to answer the question.

The suspension list it is the prerogative of the Speaker of the House and of the majority party; two of the powers of the Speaker are recognition and the power of scheduling. It is the normal procedure in this House when a committee wants to get a bill on the suspension list, as was requested, that it usually comes out of a committee unanimously and a letter comes from the chairman. That is why it is put on the list. It is the understanding that meetings were taking place between those representing the Russian Army and the U.S. Army over the facts of what happened.

□ 1240

Nobody can condone, and the intelligence reports of the United States which I have had the privilege of looking at certainly condemn, and we all condemn the actions that took place of the Russian soldier as he literally murdered our American.

The agreement has been that there are 12 enclaves in which we, as Americans, in the Russian zone are entitled to go into. I guess it is for verification. They have 12 zones in which they come into in West Germany for the most part that is protected by the Americans.

On a unilateral basis, the Americans never shot at Russians observers. On the Russian side, it is our understanding that according to their policy they were supposed to fire a warning shot, which our intelligence says never happened.

The negotiation is going on or has just been completed, I do not know which, to see if there could be an agreement between both that neither would use weapons or arms, and particularly the Russians, as we had unilaterally not been using them to detain Russians.

In view of that, it was the right of the committee to call and ask that the matter be pulled. So at the request of the committee, the matter was removed from the suspension list as of yesterday.

APPOINTMENT AS MEMBERS OF THE U.S. HOLOCAUST MEMORIAL COUNCIL

The SPEAKER. Pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84, the Chair appoints as members of the U.S. Holocaust Memorial Council the following Members on the part of the House:

Mr. YATES of Illinois;
Mr. LEHMAN of Florida;
Mr. SOLARZ of New York;
Mr. GARCIA of New York; and
Mr. GREEN of New York.

PROVIDING FOR CONSIDERATION OF H.R. 1210, NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT FOR FISCAL YEAR 1986

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 129 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 129

Resolved, That at anytime after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1210) to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Science and Technology now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. [Mr. MURTHA]. The gentleman is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I

yield myself such time as I may consume.

Mr. Speaker, House Resolution 129 is an open rule providing for the consideration of H.R. 1210, the National Science Foundation Authorization Act for fiscal year 1986. The rule provides for 1 hour of general debate to be divided equally and controlled by the chairman and ranking minority member of the Committee on Science and Technology and makes in order a science committee amendment in the nature of a substitute which is now printed in the bill. This amendment will be considered as original text for purposes of amendment under the 5-minute rule and each section shall be considered as having been read.

In addition, House Resolution 129 facilitates consideration of the bill by waiving points of order against the bill for violation of the 3-day layover rule, clause 2(L)(6) of rule XI. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 1210 authorizes $1.6 billion for the National Science Foundation for fiscal year 1986. The authorization level represents an increase of $97.8 million over the amount appropriated for fiscal year 1985, and is virtually the same as the administration's request.

The National Science Foundation is the Government's major agency which provides support for basic research in the physical, biological and social sciences. Reflecting our Nation's continuing commitment to scientific development, the bill authorizes $1.4 billion for research and related activities, and provides $82 million for graduate research grants in the fields of science and engineering.

Mr. Speaker, I urge my colleagues to adopt the rule so that we may proceed to the consideration of this legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an open rule. Although there is legitimate concern over waiving the 3-day rule, I urge adoption of the rule to expedite the business of the House.

This reauthorization for the National Science Foundation is a routine bill but also an important bill. H.R. 1210 authorizes $1.6 billion in fiscal year 1986 as requested by the administration. This is $98 million more than the fiscal year 1985 appropriation.

There is at least one provision of the bill of concern to the administration. Under present law the President appoints four of the National Science Foundation's Assistant Directors. This bill changes that procedure by giving the Foundation's Director the authority to appoint all the Assistant Directors. Since this is an open rule, however, this matter can be debated fully and voted up or down when the bill is opened for amendment under the 5-minute rule. The will of the House will prevail.

Mr. Speaker, I have been a severe critic of the National Science Foundation in the past because of the asinine grant awards that were handed out. I don't believe for a minute that we have totally stopped them. But I do know that we have made some genuine progress over the past several years in halting this terrible waste of the taxpayers' money.

I want to congratulate the members of the Committee on Science and Technology for helping in this effort to stop these asinine grants. They have done a good job and they have saved money from being spent on useless studies. We have pulled in the reins on these absurd grants but we need to keep a sharp eye on this so that these ridiculous research grants don't reappear.

Mr. Speaker, I urge adoption of this open rule so the House can proceed to the consideration of this bill which is of importance to our Nation's science community and our national scientific research program.

Mr. Speaker, I have no requests for time.

Mr. BEILENSON. I have no further requests for time either, Mr. Speaker, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill, H.R. 1210.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

(For message, see proceedings of the Senate of today, Wednesday, April 17, 1985.)

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT FOR FISCAL YEAR 1986

The SPEAKER pro tempore. Pursuant to House Resolution 129 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1210.

□ 1250

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1210) to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes, with Mr. BEILENSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Florida [Mr. FUQUA] will be recognized for 30 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the National Science Foundation authorization for fiscal year 1986, H.R. 1210, provides a total authorization of $1.6 billion. These funds are a critical investment in our Nation's future and represent our continued commitment to expanding the frontiers of science. H.R. 1210, as reported by the Committee on Science and Technology, enjoys strong bipartisan support of the committee members and I urge all of my colleagues to support it.

The total authorization of $1.6 billion includes $1.39 billion for research and related activities, $82 million for science and engineering education, $120.1 million for Antarctic research, and $1 million for special foreign currency. With the exception of the science and engineering education directorate, H.R. 1210 is identical to the President's request. In this area, H.R. 1210 indicates $82 million. It is the committee's stated intention that $50.5 million is for new obligational authority and $31.5 million are carryover funds from fiscal year 1985 to fiscal year 1986. Therefore, the new obligational authority contained in H.R. 1210 is $1.57 billion; the same amount as the President's proposed budget for NSF.

H.R. 1210 also provides continued support for recent initiatives especially for advanced scientific computing—supercomputers—and engineering research facilities. The Foundation has announced the selection of four supercomputers centers. These centers will utilize the most sophisticated computing instrumentation available and will offer access to large-scale computing facilities to researchers in all fields. The engineering research centers initi-

ated in fiscal year 1985 bring together researchers from universities and industry and will receive sustained support in H.R. 1210. Both the computer centers and the engineering centers represent Government, industry, and academic partnerships in research and cost sharing, thus effectively enhancing the Federal investment.

H.R. 1210 makes several changes in the National Science Foundation Act of 1950. The most prominent of these changes in the elevation of fundamental engineering research to a coequal status with basic scientific research in the Foundation. This change was included in the authorization bill (H.R. 4974) passed by the Congress last year.

Other important features of the bill include: First, emphasis on basic scientific research to better understand the phenomena contributing to acid rain; second, a study of the research facilities needs of colleges and universities; third, a requirement that appropriate scientific review be conducted before the closing of a national facility; and fourth, a requirement that the NSF Director report to the Congress on the applicable recommendations of the Grace Commission and the OMB report entitled "Management of the U.S. Government in 1986."

Mr. Chairman, H.R. 1210 is a well balanced and reasonable proposal. It has strong bipartisan support of the members of the Committee on Science and Technology. I urge my colleagues to support the bill as reported by the committee.

Mr. LUJAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1210, the fiscal year 1986 authorization for the National Science Foundation, authorizes $1.6 billion for NSF, an amount identical to the President's request and an increase of $66.5 million over the fiscal year 1985 appropriation level.

Mr. Chairman, this bill passed the Committee on Science and Technology overwhelmingly and represents a bipartisan effort. I feel the committee has every right to be proud of this bill because the amount authorized represents a modest 4-percent increase over fiscal year 1985, and it reaffirms this Nation's commitment to science education.

This budget addresses the serious problems facing this country because of a decline in science and engineering education, due mainly to a severe shortage of qualified mathematics and science teachers and a dwindling number of qualified faculty members at colleges and universities. The committee has made it clear that the fiscal year 1986 authorization for science and engineering education should be used fully.

We understand that a freeze amendment, similar to the one which passed during consideration of the NASA authorization, will be offered during today's debate. I am ready to abide by the will of this body.

I would stress, as we go into this debate, that this bill is a bipartisan effort of the committee and represents our best efforts to accommodate the needs of the agency, the requests of the administration and the realities of our economy.

I urge this body to approve H.R. 1210, the National Science Foundation bill.

Mr. FUQUA. Mr. Chairman, I am very delighted to yield 8 minutes to the distinguished gentleman from Pennsylvania [Mr. WALGREN], the chairman of the subcommittee and one who has played such an important role in crafting this piece of legislation for us.

Mr. WALGREN. I thank the chairman for yielding. At the outset, I want to stress again the appreciation that I have personally for the contributions that have been made by other Members on all levels of this subcommittee and committee, particularly the chairman of the full committee, the gentleman from Florida [Mr. FUQUA], and the ranking minority member of the full committee, the gentleman from New Mexico [Mr. LUJAN], who have given special attention to the National Science Foundation in the process of our hearings and in the process of our marking up. Particular recognition should go to the ranking minority member on the subcommittee, the gentleman from New York [Mr. BOEHLERT] is for active participation in this process. He deserves credit for much that is reflected in this bill.

Science is bipartisan. It has no philosophical bent. The bill that we bring before you today from the Science and Technology Committee reflects the basic underlying recognition of the national interest we have in science from both sides of the aisle.

By its charter, the Congress placed responsibility for the health and progress of U.S. science in the National Science Foundation. Given the challenges that we face from abroad and the rapid advancement in knowledge and science, no part of our Federal Government has a greater role to play, and must fulfill its role with more effectiveness if our national interest is to be protected than the National Science Foundation.

I would hope that the Members of the House of Representatives will respect the importance and weight that both the committee and the administration have given this Foundation in their budget to offset inflation of 4 percent.

Overall, this bill authorizes a total of $1.6 billion for the next fiscal year. Of this amount, $1.39 billion is for research and related activities. These amounts are within and identical to the President's request. The only area that exceeds the President's request is in the area of science and engineering education where we essentially provide for the maintenance of the Science and Engineering Education Program at the levels the President requested should there be an adverse disposition of the administration's request to carry over from 1985 to 1986.

So this authorization is on all fours with that recommended by the administration in a most important area for our national interests.

As reported by the committee, we require no less than $1 million be committed for activities related to the exploration of ethics and values in science and technology. We essentially would maintain what was a $2 million effort last year on a million dollar level because of the importance that ethics and values in the area of science have. When you consider that we are spending some $50 billion of Government money on basic research, hustling pell mell into a future dominated by science and technology, certainly $1 million would be well spent to explore dilemnor of ethics and values that science poses for our society. So we have a floor or a requirement in this authorization that, of the funds expended in these various research efforts, $1 million be reserved for that function.

We also accept only part of the reduction proposed by the administration for policy research and analysis, an area that is central to developing any wisdom in guiding the direction of our programs as a whole. Of particular value in this area in the past has been consideration given to risk assessment, an area of fundamental importance to the public. Policy research and analysis was reduced by $2 million in the administration budget. We add $1 million back and ask that $3 million of the overall be attributed to this function.

We also have an emphasis in the bill on acid rain, the importance of which we clearly all recognize. The bill also requires a study of the deficiency of research facilities for colleges and universities, an area we are only beginning to appreciate, but one that will require vast commitment in the future.

□ 1300

The bill proposes several changes in the basic charter for the National Science Foundation. The most significant of these is broadening the mandate to include responsibility for the health of fundamental engineering research. This change comes out of the widespread recognition in the scientific community that the distinction between engineering and science, at least on the fundamental research level, is now blurred beyond recognition, and that if we are to have a broad-based scientific capability it must include fostering fundamental engineering re-

search. So we include parallel references to science and engineering throughout the charter so that the Science Foundation can play the most constructive role in that area.

At the same time, we make two other noteworthy changes. One is that we approve a request that the National Science Board be able to delegate greater authority to the Director of the National Science Foundation to approve contracts that the Foundation would enter into. This we do on a trial basis with strict reporting requirements, because we do want the Director of the National Science Foundation to be sensitive to the Board and the Board's judgment, and we want to be sure that the Board is exercising a broad range of oversight function.

Second, we remove the requirement that several of the assistant directorships be appointed by the President. We are faced, in these several years, with vacancies in important positions that have gone on far too long because the White House is not totally focused on the National Science Foundation, and their personnel approval process has suffered from bottlenecks that have resulted in longstanding vacancies.

It is generally believed by almost all those involved in the National Science Foundation on a practical basis that, since the Director and the Deputy Director are already appointees of the President, there is certainly sufficient Presidential control and influence over the National Science Foundation. These are not political jobs that are being disposed of here; their function is not political. It is to follow the merits of the science and encourage the merits of the science. It would seem that these assistant directorships would be in good hands being appointed by the Director and we would not suffer longstanding delays because of a structural requirement.

Mr. Chairman, this is a strong and well-balanced proposal; it sustains growth in several critical areas. The supercomputer area, I would like to underscore because the truth of the matter is that there is little access to supercomputers in our country. The gentleman from New York [Mr. BOEHLERT] will, I am sure, lay out a real horror story where Nobel Prize winning minds have less access to supercomputers than graduate students in Europe.

Supercomputers are the tool which we will use to design the next generation of computers; they are the lynch pin to progress in this area, and we should certainly sustain the limited support that is given on an enhanced basis.

Mr. Chairman, I urge the support of the Members for what is a most critical bill.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BOEHLERT]

Mr. BOEHLERT. Mr. Chairman, as the ranking Republican of the subcommittee of the Committee on Science and Technology which is responsible for moving this legislation, I am pleased to bring before you today a bipartisan request for the reauthorization of the National Science Foundation, 1986 fiscal year.

On March 25, the Science Research and Technology Subcommittee took action on H.R. 1210, the administration's bill introduced as requested. Then on April 3, 1985, the full Science and Technology Committee unanimously reported H.R. 1210 by voice vote.

The bill, H.R. 1210, being considered by the House today, supports the President's request for $1.569 billion in new obligational authority plus a proposed deferral of $31.5 million from fiscal year 1985 to fiscal year 1986. By accepting the administration's overall funding level, the committee recommends minor adjustments within the budget requiring that no less than $1 million be available for the Ethics and Values in Science and Technology Program, and no less than $3 million be available for the Policy Research and Analysis Program.

Several Members have heard and voiced concern over the proposed elimination of the $1 million EVIST Program, as well as PRA which was proposed for a 50-percent reduction. However, the committee did not feel that the Federal deficit situation warranted increases to the proposed budget, and, therefore, we reauthorized these programs from within the existing funds requested. Moreover, we are greatly concerned that any further readjustments to the fiscal year 1986 budget could lead to serious problems within the research and education activities sponsored by NSF.

It is not without constraints that NSF requests a 4.4 percent increase over fiscal year 1985 appropriated levels. In fact, though the budget presents overall positive signs, facility upgrades have been necessarily drawn out, and as I mentioned, a deferral of $31.5 million in education moneys requested. Though NSF's request is roughly $67 million more in new budget authority over fiscal year 1985, this 4.4 percent is doing no more than allowing NSF to have the same purchasing power in fiscal year 1986 than they presently have in fiscal year 1985. Quoting from the CBO estimate, "H.R. 1210 is assessed to have no inflationary effect of prices and costs in the operation of the national economy."

As I have stated, in addition to the deferral, certain facility upgrades have been drawn out—for example:

The very large baseline array, which was proposed for construction in fiscal year 1985, has been delayed twice now and may possibly be faced with further delays due to congressional directives. This initiative has been and continues to be strongly supported by the Science and Technology Committee, and we believe any further delays are unwise.

Also—

The Advanced Supercomputer Division at the National Center for Atmospheric Research in Boulder, CO, will have a longer schedule for its supercomputer upgrade.

We believe there are further insidious consequences of budget alterations and reductions to the various research accounts. It has become increasingly clear to the committee that our national facilities are being squeezed as a result of tight budgets and the demands placed upon research communities to accept freezes in many or all other programs to allow for new initiatives. In lieu of this situation, the committee emphasizes that appropriate scientific review will be conducted before closure of any national facility, including but not necessarily limited to the NSF and the National Science Board.

The committee believes that such facilities are national resources and in many cases involve the participation of other agencies and outside users.

Furthermore, H.R. 1210 requires:

First, that emphasis will be placed on scientific research to support a better understanding of the phenomena contributing to acid rain;

Second, that NSF will conduct a study of the research facilities' needs of universities;

Third, that the Director of NSF will report to Congress on those recommendations pertaining to implementation of the President's Private Sector Survey on Cost Control—Grace Commission Report—and the OMB report "Management of the U.S. Government in 1986"; and

Fourth, that all Assistant Directors be in NSF Senior Executive Branch level appointments rather than Presidential appointments, which four of the seven currently are.

Finally, H.R. 1210 contains administration requested changes in statutory authority:

First, allowing National Science Board meeting announcements and background materials to be sent using alternative delivery services other than registered or certified mail. The committee concurred with this amendment.

Second, to permit the National Science Board to use its discretion in reviewing grants exceeding "$50,000 per year for a period not to exceed 3 years" by delegating that authority to the Director of the Foundation. The

committee reached a compromise on the proposed language.

Third, NSF is seeking an exclusion from the Freedom of Information Act, as the Bureau of Census currently has, which protects proprietary information obtained from industries/companies while in the course of conducted surveys, questionnaires, and similar such studies. The committee accepted this amendment wholeheartedly.

Fourth, NSF submitted the engineering amendment sponsored by Congressmen SKEEN of New Mexico and BROWN of California. The committee concurred.

In spite of the budgetary constraints, NSF is proposing an increase in advanced scientific computing. An increase of $4.7 million over the fiscal year 1985 level for the advanced scientific computing centers; and is promoting further research in computer science and engineering, networking and access time.

As we are all aware, NSF has announced the establishment in fiscal year 1985 or three national supercomputer centers, plus one experimental center. In addition, NSF is vigorously pursuing a fourth center, the impetus which was provided by the transfer of a Cray-1S from NASA to NSF. The subcommittee applauds this effort to work this arrangement within its budgetary levels.

I congratulate NSF for their work in the supercomputer area. It was a program we in the Science Committee initiated discussion of in the 1st session of the 98th Congress and which the House supported in fiscal year 1985. NSF is clearly addressing the needs of the research communities previously excluded from this significantly advanced technology.

I would also like to acknowledge the attention NSF has given to the Arctic Research and Policy Act of 1984. This act was passed by the Science and Technology Committee during the 98th Congress.

To this end, I would like to focus my remarks on the excellent leadership in place at the Foundation. Eric Bloch is to be commended for a very sound proposal. Mr. Bloch has been recognized this year as a recipient of the President's National Technology Medal. The Science and Technology Committee recognizes him for one of the most straightforward and accountable exchanges before a congressional committee in defense of a Federal agency's budget.

Finally, I thank the members of the Science and Technology Committee for an admirable show of bipartisan support.

Mr. Chairman, at the appropriate time, I urge the entire House to support the budget for NSF as proposed by the administration and the Committee on Science and Technology by voting for H.R. 1210.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I rise to call the attention of my colleagues to an especially important provision of H.R. 1210, which amends the National Science Foundation Organic Act of 1950 in order to clarify and emphasize the Foundation's responsibility for fundamental engineering research and education. Along with my good friend from California, GEORGE BROWN, I sponsored similar legislation last year, which this body unanimously approved. While I have my problems with other parts of this legislation, I would like to commend the National Science Foundation for including this provision of H.R. 1210, and urge your support.

The purpose of this provision is to more clearly establish the role of the NSF in supporting our Nation's base of research and talent in both science and engineering. While NSF currently operates a healthy engineering program, it does so without the benefit of a well-defined engineering mission. By explicitly recognizing the important role of NSF in supporting fundamental engineering research and education, we will strengthen the ability of the Foundation to address critical national issues.

If our Nation is to remain competitive in world technology markets, we must maintain and improve our base of university research and talent, both of which are essential ingredients for innovation and technological progress. Under the leadership of Erich Bloch and Nam Suh, the National Science Foundation has been making significant gains in meeting engineering research and education needs.

With the passage of an engineering mission change, the contribution of NSF to American excellence in science and engineering will be even greater. By bringing science and engineering closer together in the Federal structure, the overall climate for innovation can only improve.

Mr. FUQUA. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this legislation and the subcommittee amendment to freeze the funding levels for fiscal year 1986 to the 1985 funding levels. I realize that this means an authorization request for Astronomical, Atmospheric, Earth and Ocean Sciences that is about $12 million below the original committee markup but still more than $11 million above the fiscal 1985 level. While targeting reductions to certain programs, this freeze takes into consideration priorities based on science research and technology considerations. I want to commend the chairman for addressing fiscal responsibility in a fair and balanced manner.

The very long baseline array is funded under the AAEO programs. This project is one of the great technological breakthroughs of modern science and engineering. The VLBA is a national, and potentially international project. Scientists and institutions from different parts of the United States are involved in the design and construction of VLBA, and astronomers from all over the world will be able to use the facility. The VLBA, at this stage, will involve the construction of 10 antenna and control building sites in different parts of the United States. The data collected by these sights will be gathered and analyzed at an array operations center at the New Mexico Institute of Mining and Technology.

Mr. Chairman, the Association of Universities Inc., under contract with the National Science Foundation, has embarked on a project which have profound implications for our understanding of the universe. The VLBA could measure astronomical positions with incredible accuracy. It will reveal details within district galaxies and help us to gain valuable insights into the nature of the many different kinds of matter in space. It will have very practical applications for the measurement of continental drift, the Earth's rate of rotation, and many other areas that concern Earth as well as astronomical science.

Unfortunately, while the design for this project is already underway, the 1985 funds have been held up twice. The first delay was to last until April 1 and the second on May 15. This has not only slowed down the design process, it has also prevented the commitment of funds for construction of the first site in Pie Town which is in my congressional district. The administration's National Science Foundation budget summary for fiscal year 1986 expresses strong support for the VLBA, including it among the highest priority AAEO programs.

□ 1310

Mr. Chairman, I would like to engage in a colloquy with the distinguished chairman of the committee regarding the VLBA program, if I could.

Mr. FUQUA. I will be glad to answer any question the gentleman has, if the gentleman will yield.

Mr. RICHARDSON. Mr. Chairman, I just wish to make this inquiry of the committee chairman: I understand the committee report contains language expressing support for the VLBA as a high priority among the AAEO programs. I just wanted that substantiated by the distinguished chairman of the committee.

Mr. FUQUA. Mr. Chairman, let me say also that the National Academy of Sciences has identified this project as the highest-priority major new instrument for ground astronomy in the 1980's. We support that concept.

Mr. RICHARDSON. Mr. Chairman, should there be a freeze amendment, I understand that this program would also be a high priority?

Mr. FUQUA. It is the committee's intention that this still remain as a very high priority.

Mr. RICHARDSON. Mr. Chairman, let me seek one further clarification regarding the rumors about the Sacramento Peak Observatory, that it would be closed without proper review of the wisdom of such a termination. I understand that in H.R. 1210, as amended, there is a provision that precludes the closing of Sacramento Peak. Is that correct?

Mr. FUQUA. Mr. Chairman, if the gentleman will yield, it provides that no funds shall be spent toward the closure of a national facility without appropriate scientific review, including a review by the appropriate advisory committee of the National Science Foundation and also committees of the National Science Board. So any decision must be based on scientific review and not just an arbitrary closure.

Mr. RICHARDSON. I thank the committee chairman. I also wish to thank the distinguished subcommittee chairman, the gentleman from Pennsylvania [Mr. WALGREN] for the oversight hearings he held in New Mexico on these programs, and I thank the distinguished chairman, the gentleman from Florida [Mr. FUQUA] for his relentless pursuit of scientific excellence and his leadership on this issue.

Mr. Speaker, I rise in full support of this very important piece of legislation, H.R. 1210.

The CHAIRMAN. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

(By unanimous consent, Mr. ARMEY was allowed to speak out of order.)

WITHDRAWAL OF HOUSE RESOLUTION 125 FROM LEGISLATIVE PROGRAM

Mr. ARMEY. Mr. Chairman, yesterday I arrived at my office to be informed that House Resolution 125 had been withdrawn from the calendar. Naturally, I was concerned regarding who had withdrawn the resolution from the calendar, and I and my staff and other Members of Congress and their staffs spent the entire day trying to find out who had withdrawn the resolution from the calendar. We were unable to find any Member of Congress who would admit to having withdrawn the resolution from the calendar, let alone any who even knew in advance that it was going to be done. This was true of all the Members we were able to contact on the committee from which the resolution had come to the floor.

We spent the entire night trying to find out. This morning earlier I raised the question as a point of parliamentary procedure, and I was advised by the Speaker that the committee had requested this. I had been earlier told by a staff member of the committee that he alone had requested that, without any consultation with any member of the committee or any Member of Congress.

My concern is that a staff member would withdraw legislation from the calendar. I do not think that is appropriate procedure.

I would like to have some clarification on this matter, and I would like any Member of Congress who did indeed authorize this staff member to withdraw this legislation to come forward so this matter can be cleared up. I think it is a matter of essential concern to the Members of this Congress regarding who should make these kinds of decisions, staff members or Members of Congress.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. Yes, I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding.

Mr. Chairman, I was on the floor when the gentleman made his parliamentary inquiry of the Speaker, and I understood very clearly from the Speaker's response to him that the request came from the committee. Has the gentleman had an opportunity to discuss this matter, for instance, with the chairman of the committee?

Mr. ARMEY. I had a call in to the chairman of the committee, and I have not been able to locate him. However, from all the information we had yesterday, there was not even a suggestion that the chairman of the committee nor any other member of the committee made that authorization. Indeed the staff member told me very distinctly himself that he had done it solely on his own recognizance.

Mr. WEBER. Mr. Chairman, will the gentleman yield further?

Mr. ARMEY. I yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Chairman, I thank the gentleman for yielding, and I also look forward to the resolution of this question because the Speaker was fairly precise in his response to the gentleman's inquiry and made it very clear that the changing of the schedule could only come about as the result of a request from the committee, and obviously the committee is not members of the staff but only Members of Congress. But if the gentleman indicates there are no Members of Congress willing to come forward and indicate they have specifically requested the change in the calendar, then we have a contradiction on our hands that will indeed have to be resolved.

So I commend the gentleman for raising this point, and I look forward to the members of the committee resolving this question.

Mr. ARMEY. Mr. Chairman, I thank the gentleman, and I would like to make one other point.

In repeated efforts yesterday to contact both the Speaker's office and the majority leader's office, we were always referred to this same staff member, and it seems that this is the only person on the Hill that we can find who is willing to accept any responsibility for having withdrawn this resolution. Again I say this is not acceptable. This is the business of the Congress, not the business of the staff.

I thank the Chair.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire [Mr. GREGG].

Mr. GREGG. Mr. Chairman, I thank the gentleman from New Mexico.

Mr. Chairman, I rise in support of the bill before the House and in support of the fine effort made by the committee in bringing out the National Science Foundation authorization bill this year.

I would like to address one specific element of that National Science Foundation bill and talk about what I hope will be the activities of the National Science Foundation in the area of education. There is, as I understand it, $81.5 million authorized for educational activities under the educational directorate. Of those moneys, about $25 million is authorized or directed toward informal educational activities, and under that category we have what is known as telecommunication educational activities, including the funding of such programs as "3-2-1 Contact" and "Sesame Street" and now a new program which NSF is initiating called "The Brain." I want to commend the National Science Foundation for its initiative in starting up the program called "The Brain," and I want to encourage the NSF staff and those people serving within the educational directorate to move forward aggressively in the use of telecommunications in the education of our children.

In my experience in the field of educating children and as a prior member of this committee, having had the honor to serve on this committee for 4 years, it became fairly apparent to me that what we have available today to educate our children is a substantial amount of materials and information and really excellent programming. But what we have failed to do is to get that material and programming out to the individuals who can benefit from it the most, basically the children. I think we have really failed to aggres-

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sively use to its fullest extent the most incredible communicative facility in the world, television.

When we think about the fact that every home in this country, for all intents and purposes, has a television and that childen in this country spend a massive amount of time in front of that television, it is really a crying shame and a terrible waste of that tremendous facility that we are not inputting the children of this Nation with better opportunities for education. There is really no reason at all why on Saturday morning a child should not have available to him or her the opportunity to turn on a channel which will be as interesting to that child as cartoons and which will be getting across a message or at least a substantive idea which will go a long way toward educating that child in at least math and science to fairly objective disciplines.

Thus I would hope that this committee and also the National Science Foundation will continue the strong work they have initiated since the beginning of 1980 in reestablishing the educational directorate and especially pushing the use of the medium of television in education and especially continuing to proceed with the development of more programs such as "The Brain," "3-2-1 Contact," and "Sesame Street."

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I am happy to yield to the ranking member.

□ 1320

Mr. BOEHLERT. Mr. Chairman, I think the gentleman in the well is much too modest when he congratulates the National Science Foundation for the momentum in this area, because I would tell my colleagues in the House that it has been the gentleman in the well who has been a leader in this effort. I applaud him for that leadership. I could not agree more.

Our youngsters, the children across America, spend a disproportionate share of their time in front of that television set and he would like and I would like and we all should hope for the day when most of that time will be educational time and we use our modern telecommunications capabilities to the maximum advantage to provide the best possible educational opportunities for our young people, particularly in the area of science and engineering.

The gentleman has done an outstanding job, I say to the gentleman from New Hampshire [Mr. GREGG] and I want to publicly applaud the gentleman for that leadership.

Mr. GREGG. Well, I thank the gentleman for his generous comments.

It just seems to me that the National Science Foundation really is in a unique position to be the point on this issue with their talent, ability, and national reputation.

Mr. WALGREN. Mr. Chairman, would the gentleman yield?

Mr. GREGG. I would be happy to yield to the gentleman from Pennsylvania.

Mr. WALGREN. Well, I, too, want to say and recognize the contribution of the gentleman from New Hampshire and his focus on this particular point, not only as a Member of Congress in the committee, but also as someone who has children and hopes that they learn from television, rather than not learn from television.

As the gentleman knows, in response to his interest in the soundness of that idea, we do at least underline in the report that the Science Foundation should be encouraged to develop this avenue with value and it is because of the gentleman in the well and we appreciate it.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. LUJAN. Mr. Speaker, I yield 2 additional minutes to the gentleman.

Mr. GREGG. Mr. Chairman, I just want to reinforce my view that the chairman of this subcommittee has done a superb job in moving and helping the National Science Foundation find its way through this effort. I congratulate the gentleman on the report. I congratulate him on the substance of the bill. I just hope we can keep the ball rolling and I know we will follow the gentleman's leadership.

Mr. WALGREN. We appreciate the gentleman's support and miss the gentleman on the committee.

● Mr. EDGAR. Mr. Chairman, the Nationl Science Foundation fiscal year 1986 budget authorization bill, H.R. 1210, puts this body in a quandary. On the one hand, we want to signal our support for the critical role the Foundation plays in our Nation's research base—a role that has never been so important as it is today. At the same time, however, there is a concern in this body that overrides everything else—a concern that our first priority is to get control of hemorrhaging deficits that have afflicted this Nation over the last 4 years.

I believe that in any other time, H.R. 1210 would sail through this debate unamended, a credit to the oversight functions so ably performed by the Science and Technology Committee. In today's precarious economic climate, however, our duty is clear—we must seek to hold the line on budget increases and push for a freeze on many domestic spending programs. I therefore support the effort to hold fiscal year 1986 budget authority for NSF to the fiscal year 1985 appropriations level.

But I would hasten to add, Mr. Chairman, that we can't have it both ways. For if we are to apply this rationale to a freeze on many portions of our nondefense, domestic spending sector, then we cannot shirk our responsibility and not apply it to certain portions of our defense sector as well.

In this connection I note with not a little consternation that in a time when NSF's budget request is for an increase of 7 percent—the bulk of which is in support for basic research—the DOD's basic research budget request is for an increase of 16 percent. It's about time we start to understand that when we are forced to shortchange efforts such as those of the National Science Foundation because there is no room to maneuver in a budget with a $200 billion deficit, we are shortchanging our national security. For while we may face threats to this security in a hostile international environment, we must not forget that the challenge to our long-run industrial competitiveness is no less a threat to our Nation.

I hope this body keeps this in mind when we begin to look at certain aspects of the Defense Department's research budget which holds support for some gold-plated weapons gimmickry. For the true costs of this gimmickry are the many opportunities we are giving up today in supporting a freeze on the Foundation's budget.●

● Mr. CONTE. Mr. Chairman, when I was going through this legislation, I noticed that there was a specific statutory provision requiring the National Science Foundation to do a study on the causes and effects of acid rain.

I suppose that I have no problems with a study; it will only remove the doubts in the minds of some people on the causes of this major environmental problem. But doing a study on the causes of acid rain is a little like doing a study on the health effects of cigarette smoking. Research is not enough—we know the causes—now is the time to work on solutions.

I do not want this statutory language to serve as a stopgap measure. I do not want the Members of the House to be able to pat themselves on the back today and say that we've dealt with the acid rain problem through this bill. We haven't. We've made a very tentative first step.

All the studies in the world will not change the fact that there are over 200 "dead" lakes in the Adirondacks. It will not change the fact that lakes are dying every day in Massachusetts. It will not change the fact that the Quabbin Reservoir has extremely acidic water.

Let's do the study. Let's remove all doubts from the minds of those who don't want to face this problem. But at the same time, let's move toward concrete solutions. My bill, H.R. 1030, provides those solutions. It gets at the root of the problem by requiring

actual reductions in the amount of sulfur dioxide emissions.

Let me reiterate that I will certainly not oppose this bill. But I want to urge the NSF to actually conduct this study. And I urge the Congress to begin looking at solutions to America's No. 1 environmental problem: Acid rain.●

Mr. FUQUA. Mr. Chairman, does the gentleman from New Mexico have any further requests for time?

Mr. LUJAN. Mr. Chairman, I have no further requests for time.

Mr. FUQUA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1986".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. (a) There are authorized to be appropriated to the National Science Foundation, for the fiscal year 1986, the sums set forth in the following categories:

(1) Advanced Scientific Computing, $46,230,000.

(2) Astronomical, Atmospheric, Earth, and Ocean Sciences, $372,170,000.

(3) Biological, Behavioral, and Social Sciences, $272,050,000.

(4) Engineering, $170,070,000.

(5) Mathematical and Physical Sciences, $428,970,000.

(6) Scientific, Technological, and International Affairs, $38,360,000.

(7) Program Development and Management, $69,900,000.

(8) Science and Engineering Education, $82,000,000.

(9) United States Antarctic Program, $120,100,000.

(b) Notwithstanding any other provision of this Act, from the amunts authorized under subsection (a)—

(1) not less than $1,000,000 Shall be available for the ethics and values in science and technology program; and

(2) not less than $3,000,000 shall be available for the Policy Research and Analysis program.

(c) In the obligation, use, and expenditure of the amounts appropriated for Biotic Systems and Resources under the authority provided in subsection (a)(3) and for Atmospheric Sciences under the authority provided in subsection (a)(2), emphasis shall be placed on basic scientific research to support a better understanding of the phenomena that contribute to acid rain.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: At the end of section 2 (page 15, after line 9), add the following new subsection:

(d) Notwithstanding any other provision of this Act, the total of the amounts authorized to be appropriated by this section and section 6 shall not exceed $1,501,792,000.

Mr. WALKER. Mr. Chairman, this amendment is essentially a freeze level amendment. It is similar in nature to the amendment that was offered to the space bill that came before the House just prior to the recess.

Let me first acknowledge the work of the gentleman from Michigan [Mr. PURSELL], the gentleman from Connecticut [Mr. MORRISON], who at the time of the space legislation brought their amendment to the floor, had prepared a similar kind of amendment for the bill today.

My amendment does track the amendment that they had. The reason for my offering it, in all honesty, is I think the committee at this point is in recognition of the fact that this is something that the House wants to do and we need to begin to bring our internal adjustments to what was apparently the House position.

I do want to make the point that we did come out of the committee at the Presidential level, at the level of request in the NSF bill, and that was a conscious attempt to try to stick with budgetary practice and priority, a priority set by the President in order to try to move science programs ahead, despite his attempts to effect an overall freeze on spending; but it is apparent that the House wants to move probably a little further than that and in the case of these amendments say that we want a 1985 appropriation level for the authorization of this particular bill. That is effectively what this amendment would achieve.

It says that we will not spend more than $1,500,792,000 in the upcoming fiscal year 1986.

I would urge the House to adopt this kind of a freeze approach to build upon what we did in the first authorization bill that came on the House floor, the one that came out of NASA.

Mr. PURSELL. Mr. Chairman, would the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I appreciate the committee adjusting to the new historical bipartisan effort led by Congressman MORRISON, myself and others, to go back to the 1985 freeze budget level.

As I understand, correct me if I am wrong, I say to the gentleman from Pennsylvania, the original proposal was about 6 percent over last year, if that is correct.

Mr. WALKER. The gentleman is correct. As I say, that reflected an attempt by the committee to stay within the level that was requested by the administration, but the administration did have an increased priority for science within the budget, so therefore had increased that above the 1985 spending level.

Mr. PURSELL. Therefore, we take it back 6 percent to comply with the 1985 budget level, which would be consistent with what we did with NASA last Wednesday evening.

So I want to congratulate the committee, the chairman, the gentleman from Florida, and our great chairman, the gentleman from Albuquerque, NM, MANNY LUJAN, and the gentleman in the well for making this adjustment and complying with our precedent here, because it is historical that if we can be consistent, and I know the gentleman in the well has been consistent over the years, to look at fiscal integrity in trying to achieve a balanced budget goal.

So we have been successful with NASA and we can be successful today in the adoption of this amendment. I think we can carry that to the Bureau of Standards legislation tomorrow in which I have an amendment filed with the Clerk to do the same thing in principle, so that we can get a balanced budget and achieve at least a $38 to $50 billion reduction in the deficit this year.

I congratulate the committee. I served on the Committee on Science and Technology some years ago. It is an outstanding committee.

This way it allows the committee to reprogram those dollars into the functional category within the bill itself and I think that is appropriate, rather than somebody on the floor arbitrarily jumping in and trying to change the priorities within the National Science Foundation.

Mr. WALKER. Well, I want to thank the gentleman for his statement.

Let me say to the gentleman that I would hope that as bills come forth in the future that we are also going to try where the President has requested lower levels that we will attempt to come in at those levels of the Presidential budget as well, that we are not talking about a freeze of priorities at the 1985 level, because the freeze of priorities at the 1985 level still produces massive deficits.

It seems to me that if we are willing to cut back where that seems appropriate, then we ought to also be willing to cut back in some of those areas where the Presidential budget is below what the freeze would take us. That way, we really do begin to have some control of the deficit.

I would hope that we are going to look in that direction, too.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. PURSELL. Mr. Speaker, will the gentleman yield further?

Mr. WALKER. I would be glad to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Speaker, we will be looking at that on a case-by-case basis as the bills come before the floor.

The question before the public and this Nation is not below spending levels of 1986 or 1985. The question is whether Congress has consistently been spending at a faster rate. Medicare is growing at the rate of 15 percent per year. Medicaid, 10.2 percent. So the rate of growth is the bottom line in which the public is asking fiscal integrity and fiscal responsibility here.

Mr. WALKER. The gentleman is correct.

Mr. PURSELL. I also suggest that we, some of our group, are suggesting that our freeze apply across the board to that $1 trillion budget. That means defense, that means domestic budget areas, plus; so we will be going into certain categories, maybe 50 or 60 different programs of the Federal Government, looking for additional spending, because the freeze itself if you were to apply the freeze across the board to today's Federal budget, the 1986 budget numbers, the CBO numbers, you are only going to come up with about $38 billion.

The gentleman is absolutely correct. Those are not enough dollars to achieve not only the 1986 goal of $50 billion, but the deficit which will be greater in 1987 and in 1988, simply because the recovery, with all due respect to my supply sider colleagues, will not be recovering at a 4-percent growth rate of the GNP.

So I suggest we are going to have to look at additional budget cuts later on, over and above the freeze in which we can get agreement within the House, Republicans and Democrats, and with the Senate and with the administration.

I think the public is asking for that, so I congratulate the committee again for its excellent work.

Mr. WALKER. Well, I thank the gentleman.

I think it is important to make the point, as the gentleman has there, that if you take the March figures, the latest figures we have, the March figures, they show that revenues to the Federal Government are growing at an 11 percent greater rate than they were in March of the year prior.

□ 1330

That means that we have a rate of revenue growth to the Federal Government of almost three times the rate of inflation. That should give us the ability to begin to catch up on some of those deficit numbers.

The problem is that that body is spending at a rate of 12 percent greater and so, therefore, despite the additional revenues, we are spending at the greater rate than the increased revenues are coming in.

If we could get back to just having a spending rate at the rate of inflation we could cut into the deficit in a massive way based upon the economic growth that is taking place. And so it is important that we go beyond just freezing at the 1985 levels but take a look at a lot of programs in order to try to cut back so that our revenue growth can catch up with our spending levels.

Mr. BOEHLERT. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from New York.

Mr. BOEHLERT. Am I correct in my understanding that the gentleman in the well would be receptive to an amendment to his amendment from the chairman of the committee?

Mr. WALKER. The gentleman is correct. It is my understanding that the chairman of the committee is prepared to offer an amendment that would allow the committee to make adjustments within this particular number.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. BOEHLERT and by unanimous consent Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. It is my understanding that the gentleman from Florida [Mr. FUQUA] will offer such an amendment that will allow adjustments by the committee within this figure so that we can have the committee reflecting the priorities that we think are proper rather than to freeze again at the 1985 priority levels.

So I am prepared to accept that amendment.

Mr. BOEHLERT. If the gentleman will yield, it I may I would like to commend the gentleman in the well for his willingness to accept that amendment because had he been reluctant to accept it I would have opposed vigorously the straight freeze amendment. I think we have got a responsibility here in the Congress to provide some leadership and I feel we are taking the easy way out every single time we just say "freeze."

Some programs are deserving of more funding. Some programs are deserving of a higher priority, and simply to establish a precedent under which we say to all of the agencies "Spend no more than you did last year, we are treating you all equal," they are not all equal. Some of them, and I happen to think the National Science Foundation is one of them, have a pressing need for more money because it is an investment in the future of America.

But I commend the gentleman in the well for working out a very satisfactory arrangement under the circumstances.

However, I must confess I do not like the circumstances. I think we in the Congress are weak-kneed, we are turning our back on our responsibility. We are not willing to establish priorities. We are saying freeze, and that is not good enough. I think the American people deserve something more than that.

Mr. WALKER. I thank the gentleman and I think part of my problem is the fact that I think we are weak-kneed on the spending side though, too, because some research I have been doing recently shows what we have done over the last 5 years is overspent our own budgets, our own budgets, by $150 billion. If we do not find some way to begin to put a clamp on, we cannot depend upon the Budget Act to do it because we just waive the Budget Act, we violate it. The way we can begin to control is in the authorization process, because the authorizations stick. And we have to have something that sticks on this, and this is one way that you can begin to do it.

I would say to the gentleman I know that he is reflecting the kind of priority determination that the administration thought was important, that the science of this country has to go forward if we are to meet the technological future that this country needs to enjoy, if we are to improve trade and everything else. So the gentleman has taken a responsible position on that.

I think, though, from the standpoint of our committee, the realities of the House are at this point that what we need to do in this effort is to begin to freeze in some of these things that are high priority efforts so that in some of the other efforts a little later on we could also impose the same kind of freeze.

It is going to be interesting to see how people react to some of those.

Mr. BOEHLERT. Will the gentleman yield further?

Mr. WALKER. I will be glad to.

Mr. BOEHLERT. I would like to put things into perspective. Consider this fact: at the very time we are talking about a budget for an agency which has primary responsibility for most nondefense research and development in America, an agency that is dealing with the future of America, which has a total budget request of $1.6 billion, which is the total budget request for the National Science Foundation—now, get this—at this very hour, unless we in this body do something, on October 1 of this year the excise tax on cigarettes will be reduced from 16 cents to 8 cents a pack. That is a 50-percent reduction.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. BOEHLERT and by unanimous consent Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. I yield to the gentleman.

Mr. BOEHLERT. You might say that is no big deal. But every one penny in excise tax in cigarettes brings in $212 million. You multiply that by 8 and guess what? Miracles, miracles. That is more than the total budget request for an entire fiscal year, $1.6 billion, for the National Science Foundation.

Now, I do not like to brag about it, but I am a smoker and I do it by choice. But it is mindboggling to me that we are arguing about nickels and dimes in an agency dealing with the future of America, and at the same time we are going to give a massive tax break to the tobacco industry.

I thank the gentleman for yielding.

Mr. WALKER. I thank the gentleman, and the National Institutes of Health might want to talk to him about his choices.

Mr. PURSELL. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Michigan.

Mr. PURSELL. I just want to appreciate the remarks of the gentleman from New York. He has been working with us on a budget analysis of a freeze. But that is a bottom line minimum standard.

Obviously the spending habits of this Congress, including all of us over the years, have been rather on the high spending level, and the rate of spending has gone out of control. So it is a minimal effort of trying to get a freeze. Maybe it sounds good; it may be popular. We will be looking at each appropriation and authorization bill as they come along.

But I like science and technology and I like the National Science Foundation. My big university, the University of Michigan, is a recipient of funds from this committee.

But the President in briefing many of us on our budget freeze proposal thinks that that is the right strategy for the country at this time to get our fiscal house in order. And every university and every recipient from this committee realizes that if it is fair, if the Defense Department is treated the same as NSF, and UDAG, and revenue sharing, and all of the other programs, they could live with that kind of a strategy in terms of good public policy for this Nation to eliminate the deficit.

And let us not lose sight of that national deficit. That is an albatross around this Nation and around this country.

Mr. LUJAN. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from New Mexico, the ranking minority member on the committee.

Mr. LUJAN. I think the National Science Foundation can get along as well with $1.5 billion as it can with $1.6 billion. I do not think that that is a big cut in any agency.

However, having been around here for these last 17 years I just wonder sometimes about what motives there are, you know, other than balancing the budget which we all support.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. LUJAN and by unanimous consent Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. I will be glad to continue to yield to the gentleman.

Mr. LUJAN. And is it the intention of the proponents of these amendments that are offered on every bill or will be offered on every bill, and I will tell the gentleman that probably with the exception of Defense I will support all of the other freezes, but are we talking when we move down the line and it turns out that the 1985 level is higher than the President's proposal, is the gentleman thinking of taking the lower of the two, whatever it may be?

I will also ask the gentleman from Michigan that same question.

Mr. WALKER. The gentleman from Pennsylvania has raised that point here earlier, and my intention I think would be that when the President has come in at lower levels, then at that point we need to have an amendment out here to reflect those lower levels, because that is how we will really begin to control this process and that would certainly be this gentleman's intent, to take the lower of the two, the 1985 authorization or the President's request, and come to the floor with the lower of the two so that we begin to get a real adjustment in budget priorities.

Mr. LUJAN. If the gentleman would yield further, I would like to ask that same question of the gentleman from Michigan [Mr. PURSELL]. I would ask the gentleman that question also because he is one of the ones that is bringing this subject up all of the time, for which I admire him, I might say.

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman. I have been here a number of years, not as long as the gentleman from New Mexico, I might say, but I think serving on the Appropriations Committee those are unusual cases when you are below the 1985 level in respect to individual spending programs in this Nation. So I think the gentleman is right. We ought to take a look at those on a case-by-case basis.

You are suggesting already that we make an exception in the area of the defense budget in your case, and this is you personally, and I respect that. But if each of us begins to make exceptions to reduce spending and try to get some fairness principle, whether it is a freeze or some percentage of growth rate, or limited emplacement at 4 percent, some particular principle of budgetting, unless we can do that we are not going to address this issue.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. LUJAN and by unanimous consent Mr. WALKER was allowed to proceed for 1 additional minute.)

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Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, it is an open question. Let us look at the bills as they come before us. Some are lower, fine, but you are not going to find many examples in a trillion dollar budget in which those budget levels are lower.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Mexico.

Mr. LUJAN. This is what concerns me. There are always some kinds of different motives. My particular budget that I like, for example, is in a different category from that one.

I am trying to kind of nail down: Are we going to generally go for the lower figure whether it is the 1985 level or the President's level? That is what I would support, I will tell the gentleman.

I would like to ask the gentleman the same question: Is he looking to offer amendments that would either be the 1985 level or the President's recommendation level, whichever is the lower.

Mr. PURSELL. Mr. Chairman, will the gentleman yield to me?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I think the budgetary expense and principles are consistent across the board because it applies the fairness doctrine.

I would be open, and I think our group and others who are working on behalf of—and I am a task force chairman of a larger group—that we would be willing to look at those on a case-by-case basis.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. WALGREN and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALGREN. Mr. Chairman, will the gentleman yield to me?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. WALGREN. Mr. Chairman, I appreciate the gentleman's yielding to me and I appreciate his approach to this. I notice in his statement that he says it apparently is the will of the House that we move to these levels.

I just want to be on record to try to raise recognition of the special nature of this budget, and I believe that in many instances the gentleman in the well would agree that reductions in this area do "cut off our nose to spite our face."

We will lose some substantial effort in this area, and I do not think we should kid ourselves that we are not. And when we go to the amendment as will be proposed by the chairman of the full committee [Mr. FUQUA], we will lose $10 million in the engineering directorate.

Now that $10 million is in an area of a very small investment, an area that is moving very fast; an area that my part of the country, particularly, can appreciate because it is our failure to keep up with manufacturing engineering particularly that has led to the demise of the steel industry, and a great deal of loss for our country also.

We will lose some $25 million in the mathematics and physicial sciences area.

Now those who would like on a case-by-case basis to treat defense with a little bit of extra effort, given the challenges around the world, would want to support that $25 million.

You cannot look back in history and appreciate the role that theoretical physicists and theoretical mathematics played in the development of the atom bomb in World War II, knowing that we were just lucky, and turn our backs on an administration recommendation for $25 million in that area. But we are by going forward in this way.

The same thing is true in the area of behavioral social sciences where we are at a critical mass in that period, in that area; they have suffered more than their share of cuts in the past. We will lose some $12 million of research effort in this area where many students are turning away because of lack of support.

So we are going to lose something of real value. I hope we can agree on a fundamental approach, such as a freeze, which would then allow us to all join together and accomplish the goals of the gentleman in the well.

AMENDMENT OFFERED BY MR. FUQUA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WALKER

Mr. FUQUA. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by Mr. WALKER.

The Clerk read as follows:

Amendment offered by Mr. FUQUA as a substitute for the amendment offered by Mr. WALKER: In lieu of the matter insert:

In section 2 of the committee amendment, strike "$372,170,000" and insert "$359,483,000"; strike "$272,050,000" and insert "$259,260,000"; strike "$170,070,000" and insert "$160,070,000"; strike "$428,970,000" and insert "$404,377,000"; strike "$38,360,000" and insert "$37,770,000"; strike "$69,900,000" and insert "$72,230,000"; strike "$82,000,000" and insert "$50,550,000"; and strike "$120,100,000" and insert "$110,830,000."

Mr. FUQUA (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Chairman, I rise in support of the substitute amendment. While the intent of the amendment, which is to reduce the fiscal year 1986 authorization to the fiscal year 1985 appropriation level, congressional and committee directions and priorities would be lost without my amendment. An amendment to reduce to the 1985 freeze level is more appropriate if legislative directives were given for the specific line items or the research and other activities provided for in the authorizing legislation.

The Science and Technology Committee has carefully reviewed the budget request and heard testimony from numerous witnesses in eight hearings, beginning in April 1984. The gentleman's amendment, while well intentioned does not preserve the research priorities and initiatives that are the products of directed and careful work by the Congress and by the committee.

The substitute amendment I offer to the gentleman's amendment is designed to do just that. It would reduce the budget authorization to last year's appropriation level—the freeze level as some prefer to call it, but with the best sense of priorities and purposes that we can fashion.

I believe the committee is in a position to offer guidance for each budget activity. The priorities that would be maintained by my amendment include the continuation of four national centers for advanced scientific computing, as well as the six engineering research centers selected several weeks ago by the National Science Foundation. Other priorities include basic research and associated instrumention and facilities for mathematical, physical, biological, behavior, astronomical, atomspheric, Earth, and ocean sciences.

I believe the administration's fiscal year 1986 request and the Science Committee's bill are in the best interest of society and necessary to maintain U.S. competitiveness in basic research. However, given the concern over the deficit, I appreciate the need to reduce the bill reported by the Science and Technology Committee to the fiscal year 1985 appropriation level.

The NSF has five major areas of research emphasis, and a separate program for science and engineering education. My amendment preserves the fiscal year 1986 levels in H.R. 1210 for two of the areas, including advanced scientific computing; as well as retaining new obligational authority for Science and engineering education. My amendment reduces authorization levels for three research areas below the H.R. 1210 level, but still allows for a 2- to 3-percent increase above the fiscal year 1985 appropriation level.

In the case of engineering, my amendment reduces the level in H.R. 1210 by $10 million which still maintains the engineering activity at $10 million above the fiscal year 1985 appropriation. This reduction may delay the planned establishment of additional engineering research centers in fiscal year 1986, but it will provide adequate funds to continue the six engineering research centers established in 1985. The bottom line is the same as the Walker amendment.

If at a later date, the Budget Committee allocates funds for the science category above the amounts authorized for NSF in my amendment, I would support consideration of a supplemental appropriation to restore the NSF budget to the administration's request for fiscal year 1986 and H.R. 1210.

I urge that the substitute amendment be agreed to.

Mr. GREGG. Mr. Chairman, will the chairman of the committee yield to me?

Mr. FUQUA. I yield to the gentleman from New Hampshire.

Mr. GREGG. I appreciate the chairman yielding to me.

Mr. Chairman, I certainly appreciate the approach the chairman is taking and comment on it because I think it is better for the committee, which is responsible for the funding, to make the decisions as to where the funding should go than to do it across the board.

But I would ask the question in the science and education, education directorate, where you have $51 million, is it the intention or the understanding of the chairman that the $31.5 million which is a carryover from 1985 for which there is a deferral pending, that that deferral would be approved so we would not have a programming change in that directorate?

Mr. FUQUA. The carryover funding would be included or could be carried over and would not be reduced.

Mr. GREGG. So there would be no reduction in the programming of that directorate.

Mr. FUQUA. That is correct.

Mr. GREGG. Of the $51 million.

Mr. FUQUA. The gentleman is correct.

Mr. WALKER. Mr. Chairman, will the gentleman yield to me?

Mr. FUQUA. I yield to my friend from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, as I had indicated to the gentleman from New York [Mr. BOEHLERT], as the author of the original amendment, I am certainly prepared to accept the gentleman's amendment. I think it is a very valuable addition to the amendment that I put forth.

Mr. LUJAN. Mr. Chairman, will the gentleman yield to me?

Mr. FUQUA. I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, I also want to congratulate the gentleman and support his amendment. I think we do a better job of doing it the way the chairman has proposed, not that it is a bad idea what the gentleman from Pennsylvania [Mr. WALKER] is doing; but we take into consideration the additional effort, super computer centers, engineering centers, those sorts of things.

I would like to ask the gentleman, because I was out when he was discussing it earlier, but there is no change at all in the wording such as, for example, the closing of Sacramento Peak, that they could not move ahead?

Mr. FUQUA. Absolutely. All we are changing is the basic numbers to conform to the overall number that would total the amount that was appropriated in fiscal year 1985.

Mr. LUJAN. I thank the gentleman and support his amendment.

Mr. PURSELL. Mr. Chairman, would the gentleman yield?

Mr. FUQUA. I yield to the gentleman, the distinguished gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Would the good chairman from Florida indicate and clarify the actual dollars going back to 1985 that we would be saving by virtue of his amendment plus the Walker amendment?

Mr. FUQUA. It would reduce it back to $1.502 billion.

Mr. PURSELL. It would be a saving of how many dollars?

Mr. FUQUA. Approximately $100 million.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support both the Walker amendment and the committee substitute. I am very pleased to see the growing support in the House for the concept that was initially put forward by the gentleman from Michigan [Mr. PURSELL], and myself, in the amendment to the National Aeronautics and Space Administration authorization. The practice of freezing spending at fiscal year 1985 levels is an important first step in dealing with the budget deficit.

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I think a freeze is something we can implement now. It is equally important that the authorizing committees play the critical role in setting forth the priorities within available funds, and that is why I think that the committee substitute is particularly appropriate.

I hope that the message being sent by our votes on these freeze amendments will cause authorizing committees to take the lead by reporting to the floor bills at fiscal year 1985 spending level.

Unless we are willing to stick to fiscal year 1985 spending levels, I do not think we can make any reasonable start on fighting the budget deficit.

Some questions were raised about whether or not those of us who have been offering this kind of an amendment are committed to offering the lower of the President's level or the 1985 spending level.

Speaking just for this Member, I believe that a freeze at fiscal year 1985 spending levels is essentially the limit of what we can expect to accomplish through the authorizing process. Its case-by-case nature precludes the kind of balancing process that requires the input of the Budget Committee.

We have taken the step of freezing individual authorizations because our alternatives were so limited. We do not yet have a budget resolution. Because of that, decisions about the merits of cuts below the freeze level or increases above it have not been made.

Although a freeze at fiscal year 1985 appropriations level will not solve our deficit problem, our vote 2 weeks ago to freeze the NASA budget was significant. It demonstrated to the Committee on the Budget that there is general support for a freeze. A vote in favor of this amendment should wipe out any doubt about our resolve.

Obviously, there are places beyond what we are freezing where we may be able to save additional money. Now, the Budget Committee ought to be in a position to bring us both a budget resolution and a process through amendment so that the House can work its will on where perhaps we would spend more or where we would spend less.

Mr. LUJAN. Will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from New Mexico.

Mr. LUJAN. Am I to understand from that that if a bill comes in here at the President's figures, that might be less than 1985, is the gentleman going to seek an increase to the 1985 level?

Mr. MORRISON of Connecticut. No; that is not what I was stating.

If the committee's judgment is that the President's level is the appropriate one, I am certainly not committed to raising spending to the 1985 level. However, if a committee comes in at the 1985 level and the President has proposed a lower level, I do not think we automatically should support going to the President's proposed spending level.

There are, I am sure, areas where all of us believe we could spend less than the 1985 level, and of course there are places where all of us could find to spend more than the 1985 level.

My view is, you should not spend more than the 1985 level unless you find the money to pay for the increase; either with cuts somewhere else, or by increases in revenue.

Only the budget process can provide that overall framework. What we are doing here in the authorization process is for those things that are coming to us before there is a budget; we are setting the precedent that we will spend more money until it is paid for, and by definition, it is not paid for at the point of the decision on these authorizations.

Mr. LUJAN. If the gentleman would yield further, is it then what I gather from the gentleman, is that if someone comes in with a 1985 level that is higher than the President's level, then the gentleman does not look at that as a priority for balancing the budget, only if it happens that the President proposed more than the 1985 level? Is that the understanding?

Mr. MORRISON of Connecticut. I think it is a priority to take the steps that we reasonably can take to do something about the budget deficit, and one on which I think there can be broad agreement is that we cannot spend more than the 1985 level unless we have found the funds to take care of the increased spending.

In fact, we have to do more than that, and that has been adequately and appropriately addressed. We have to start with what is possible. If we end the debate with the statement that "We're going to spend more here now because sometime down the road, we'll save some money," that is not going to work. That is what the budget process ought to bring to us, and I hope within the next month we are going to be on the floor here with the budget resolution, and we can have the debate about what areas of

the budget we will seek to reduce below the 1985 level.

(By unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 5 additional minutes.)

Mr. LUJAN. If the gentleman would continue to yield, would it be a good premise to start with to say the 1985 level or the President's level, whichever lower? Might that be some kind of additional premise?

Would it be a logical premise to proceed from that, whichever is lower, the 1985 level or the Presidential request level, whichever one of those two is the lower of the figures; because that really will help us lower the deficit.

Would it be logical to proceed on the basis that whichever of the two is lower, that is the one we should support? I want to help the gentleman.

Mr. MORRISON of Connecticut. I understand.

Mr. LUJAN. I am with him on balancing the budget, on reducing it to the 1985 level, but I am asking the gentleman if he would not agree that if we are really serious about it, then let us take the lower of the two.

Mr. MORRISON of Connecticut. First of all, I appreciate that the gentleman is trying to help, and I think we are both serious about the budget deficit. I would hope all Americans would be serious about it, because it is a serious problem. It is not a partisan issue. It is a serious American issue that we ought to deal with.

However, I do not agree with the gentleman that that is automatically the way to proceed. Frankly, I do not agree with some of the President's reductions, nor some of the President's increases, but what I do believe is that through our process of setting priorities in the past, we came to rest on the 1985 levels.

There was a considered judgement over a number of years to bring us to certain relative levels of spending. It is not perfect, but it reflects a kind of consensus: The House, the Senate and the President have agreed on the 1985 spending levels.

A place to start is to say we are not going to spend more than that until we make a considered judgment to find a way to pay for it. It is that broad principle that we can agree on most easily; it is not the end of the budget deficit solution, but it is a beginning.

There is a danger of breaking down that consensus if your premise were to be accepted. On a case-by-case basis, there may be a reasons to go below 1985 levels, but I cannot agree to a general rule that because the President has suggested that we do so, that we make that our operating premise. I am afraid I could not agree with that and I think many Members who agree on the freeze could not agree with that.

Mr. LUJAN. If the gentleman will yield to me, I just bring that up because my priority, beyond funding any particular agency of the Government is to balance the budget, and I am just looking for the lowest figure that we can spend.

Mr. WALGREN. Will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman.

Mr. WALGREN. Mr. Chairman, that question will come up tommorow, and as you know, tomorrow we will have the National Bureau of Standards budget, and the gentleman will have the alternative to abandon things like the Center for Fire Research in the Bureau in order to go to the lower number that the President has recommended.

Now, knowing the gentleman from New Mexico, I know that he has a highest priority on things like the Center for Fire Research. It certainly has contributed life-saving technology and promises cost-saving technology in the future, but that budget is so structured that we will have to abandon that.

I come back to the feeling that the question is, to what degree are we going to cut off our nose to spite our face in some of these reductions? And we may be able to agree on a freeze, and that is a possible starting point, but it also involves a certain amount of sacrifice, and I hope that we can minimize the losses.

I wanted to emphasize one other point, Mr. Chairman, a good point in the amendment as proposed by the chairman of the full committee, and that is the maintenance because the committee has restructured this and been involved in the restructuring; the maintenance of the supercomputer center effort within the university community.

We have Nobel Prizewinners, as the ranking minority member, Mr. BOEHLERT, knows, who have less access to supercomputers than graduate students in Europe. We maintain that level in this amendment that is being offered as a substitute. That is one of the—that is the least we should do, and the amendment is recommendable on the basis of that alone, I think.

Mr. MORRISON of Connecticut. I thank the gentleman for his contribution on the subject.

Mr. Chairman, it ought to be underscored that even a freeze imposes sacrifices. This budget deficit problem is not going to go away easily or for free. We are not talking about a matter where there are allegations of waste. We are talking about the tough choices that we have to make to resolve our fiscal crisis. I think the freeze is a good place to start.

□ 1400

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to discuss in the context of this amendment, which I support, the future possibilities. This particular level, which will be successful here today, to bring it back to 1985 levels, is parallel to the amendment that was passed to the NASA authorization bill that we had on the floor some 2 weeks ago in which it was brought back to fiscal year 1985 spending levels.

These amendments are predicated on the fact that we will, in fact, be successful in an across-the-board freeze, which the Senate is considering a version thereof, not a pure freeze. It may well be that this particular House will have forthcoming out of the Budget Committee a true across-the-board freeze, or it may be, if they do not, that some such substitute budget might be offered by Members, such as myself, akin to one that was offered last year by myself and my colleague, the gentleman from Florida [Mr. MACKAY], which, by the way, only received 108 votes.

The fact is that whether or not an across-the-board freeze is successful is going to be determined by some tough, hard, unpopular votes in the future.

Now, should the across-the-board freeze not prevail, then it is my intention, as chairman of the Space Subcommittee, and I would assume people handling the budgets of the National Science Foundation, to come back and make the plea that it ought to be at our committee-recommended level; in other words, these agencies dealing with science and technology, if other agencies of Government are not going to be bound by an across-the-board freeze, then these are the agencies that least should be held down to the previous year's spending levels.

Now, why do I say that? And I will conclude with this. I say that because of a revelation that has just come out, out of the Space Program research, a new laser that is being developed at the Jet Propulsion Laboratory that, because it was developed for the Space Program, it has an application we think that it might render mute bypass surgery, that you could use that laser to go in and clean out the arteries that otherwise we have to do bypass surgery for now.

Or I am talking about microminiaturization that came out of the Space Program, transferring that technology to medicine today, and at Johns Hopkins right now they are about to implant a miniaturized computer in a human that will release, according to its computerized program, certain amounts of drugs, depending on the body's condition, that could cure those particular kinds of diseases.

My bottom line, in sharing these comments with you today, is that research out of science and technology is the future of America. These areas ought to sacrifice, as everyone, if in fact everyone does, in an across-the-board freeze. But if that unravels, then we need to go back and look out for the future of the United States.

I will yield to the gentleman from Pennsylvania [Mr. WALKER], and then I will yield to the gentleman from New Mexico [Mr. LUJAN].

Mr. WALKER. I thank the gentleman for his statement, because I think he makes an excellent point. I think, to some extent, the Science and Technology Committee is getting penalized and science programs are getting penalized in this process for having done our work efficiently and having gotten to the floor first in the 1986 year. If in fact it worked out the way the gentleman's scenario says, that when we get to other votes later on we are not willing to maintain this position, then I think we ought to go back and reexamine the priorities. As it is right now, the record that we are making is that we are willing to go along with the freeze. I think we ought to continue to move in that direction and also come in at the President's lower levels, wherever that is appropriate, until that point when the House shows it is not willing to do that across the board, and then we ought to go back and examine just what the priorities of this country really should be.

So the gentleman's statement I think is very worthwhile, and I appreciate what he has had to say.

The CHAIRMAN. The time of the gentleman from Florida [Mr. NELSON] has expired.

By unanimous consent, Mr. NELSON of Florida was allowed to proceed for 2 additional minutes.

Mr. NELSON of Florida. Mr. Chairman, I yield to the gentleman from New Mexico [Mr. LUJAN].

Mr. LUJAN. I thank the gentleman for yielding. I had not sought additional recognition from the gentleman because, basically, I was going to say what the gentleman from Pennsylvania did, and that is that we were the efficient committees, if you want to put it that way, and we brought our bills onto the floor, and we are the beginning ones. Not that I objected to it, not that I object to the freeze, not that I object to the lower level of spending, but I hope that it keeps on, what has happened in the bills we have brought to the floor continues to happen with other legislation.

Mr. NELSON of Florida. I thank the gentleman for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. FUQUA] as a substitute for the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LUNGREN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 407, noes 4, not voting 22, as follows:

[Roll No. 54]

AYES—407

Addabbo	Conyers	Gradison
Akaka	Cooper	Gray (IL)
Alexander	Coughlin	Gray (PA)
Anderson	Courter	Green
Andrews	Coyne	Gregg
Annunzio	Craig	Guarini
Anthony	Crane	Gunderson
Applegate	Crockett	Hall (OH)
Archer	Daniel	Hall, Ralph
Armey	Dannemeyer	Hall, Sam
Atkins	Darden	Hamilton
AuCoin	Daschle	Hammerschmidt
Badham	Daub	Hansen
Barnard	Davis	Hartnett
Barnes	de la Garza	Hatcher
Bartlett	DeLay	Hawkins
Barton	Dellums	Hayes
Bateman	Derrick	Hefner
Bates	DeWine	Heftel
Bedell	Dickinson	Hendon
Bellenson	Dicks	Henry
Bennett	DioGuardi	Hertel
Bentley	Dixon	Hiler
Bereuter	Donnelly	Hillis
Berman	Dornan (CA)	Holt
Bevill	Dowdy	Hopkins
Biaggi	Downey	Horton
Bilirakis	Dreier	Howard
Bliley	Duncan	Hoyer
Boehlert	Durbin	Hubbard
Boggs	Dwyer	Huckaby
Boland	Dymally	Hughes
Boner (TN)	Dyson	Hunter
Bonior (MI)	Eckert (NY)	Hutto
Bonker	Edgar	Hyde
Borski	Edwards (CA)	Ireland
Bosco	Edwards (OK)	Jacobs
Boucher	Emerson	Jeffords
Boulter	English	Jenkins
Boxer	Erdreich	Johnson
Breaux	Evans (IA)	Jones (OK)
Brooks	Evans (IL)	Jones (TN)
Broomfield	Fascell	Kanjorski
Brown (CA)	Fawell	Kaptur
Brown (CO)	Fazio	Kasich
Broyhill	Feighan	Kemp
Bruce	Fiedler	Kennelly
Bryant	Fields	Kildee
Burton (CA)	Fish	Kindness
Burton (IN)	Flippo	Kolbe
Byron	Florio	Kolter
Callahan	Ford (TN)	Kostmayer
Campbell	Fowler	Kramer
Carney	Frank	LaFalce
Carper	Franklin	Lagomarsino
Carr	Frenzel	Lantos
Chandler	Frost	Latta
Chappell	Fuqua	Leach (IA)
Chappie	Gallo	Leath (TX)
Cheney	Garcia	Lehman (CA)
Clay	Gaydos	Lehman (FL)
Clinger	Gejdenson	Leland
Coats	Gekas	Lent
Cobey	Gephardt	Levin (MI)
Coble	Gibbons	Levine (CA)
Coelho	Gilman	Lewis (CA)
Coleman (MO)	Gingrich	Lewis (FL)
Coleman (TX)	Glickman	Lightfoot
Collins	Gonzalez	Lipinski
Combest	Goodling	Livingston
Conte	Gordon	Loeffler
Long	Ortiz	Smith (NH)
Lott	Owens	Smith (NJ)
Lowery (CA)	Oxley	Smith, Denny
Lowry (WA)	Packard	Smith, Robert
Lujan	Panetta	Snowe
Luken	Parris	Snyder
Lundine	Pashayan	Solarz
Lungren	Pease	Solomon
Mack	Penny	Spence
MacKay	Perkins	Spratt
Madigan	Petri	Staggers
Manton	Pickle	Stallings
Markey	Porter	Stangeland
Marlenee	Price	Stenholm
Martin (IL)	Pursell	Stokes
Martin (NY)	Quillen	Strang
Martinez	Rahall	Stratton
Matsui	Rangel	Studds
Mavroules	Ray	Stump
Mazzoli	Regula	Sundquist
McCain	Reid	Swift
McCandless	Richardson	Swindall
McCollum	Ridge	Synar
McCurdy	Rinaldo	Tallon
McDade	Ritter	Tauke
McEwen	Roberts	Tauzin
McGrath	Robinson	Taylor
McHugh	Rodino	Thomas (CA)
McKernan	Roe	Thomas (GA)
McKinney	Roemer	Torres
McMillan	Rogers	Torricelli
Meyers	Rose	Traxler
Mica	Rostenkowski	Udall
Michel	Roth	Valentine
Mikulski	Roukema	Vander Jagt
Miller (CA)	Rowland (CT)	Vento
Miller (OH)	Rowland (GA)	Visclosky
Miller (WA)	Roybal	Volkmer
Mineta	Rudd	Vucanovich
Mitchell	Russo	Walgren
Moakley	Sabo	Walker
Molinari	Saxton	Watkins
Mollohan	Schaefer	Waxman
Monson	Scheuer	Weaver
Montgomery	Schneider	Weber
Moody	Schroeder	Weiss
Moore	Schuette	Wheat
Moorhead	Schulze	Whitehurst
Morrison (CT)	Schumer	Whitley
Morrison (WA)	Sensenbrenner	Whittaker
Mrazek	Sharp	Whitten
Murphy	Shaw	Wirth
Murtha	Shelby	Wise
Myers	Shumway	Wolf
Natcher	Shuster	Wolpe
Neal	Sikorski	Wortley
Nelson	Siljander	Wright
Nichols	Sisisky	Wyden
Nielson	Skeen	Wylie
Nowak	Skelton	Yates
O'Brien	Slattery	Yatron
Oakar	Slaughter	Young (AK)
Oberstar	Smith (FL)	Young (MO)
Obey	Smith (IA)	Zschau
Olin	Smith (NE)	

NOES—4

Early	St Germain
Kastenmeier	Williams

NOT VOTING—22

Ackerman	Ford (MI)	Stark
Aspin	Grotberg	Sweeney
Bustamante	Jones (NC)	Towns
Dingell	Kleczka	Traficant
Dorgan (ND)	Lloyd	Wilson
Eckart (OH)	Pepper	Young (FL)
Foglietta	Savage	
Foley	Seiberling	

□ 1420

Mr. WILLIAMS changed his vote from "aye" to "no."

Mr. LOEFFLER changed his vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. Of the funds authorized to be appropriated in section 2, no funds shall be expended towards closure of a National facility without appropriate scientific review, including review by the National Science Foundation's appropriate advisory committee or committees and the National Science Board.

The CHAIRMAN. Are there any amendments to section 3?

Mr. FUQUA. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute bill be printed in the RECORD and open to amendment at any point past section 3.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 4. Appropriations made under the authority provided in sections 2 and 6 shall remain available for obligation for periods specified in the Acts making the appropriations.

SEC. 5. From the appropriations made under the authorizations provided in this Act, not more than $3,500 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the Foundation. His determination will be final and conclusive upon the accounting officers of the Government.

SEC. 6. Besides the sums authorized by section 2, not more than $1,000,000 is authorized to be appropriated for the fiscal year 1986 for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

SEC. 7. (a) Funds may be transferred among the categories listed in section 2(a), so long as the net funds transferred to or from any category do not exceed 20 percent of the amount authorized for that category in section 2.

(b) In addition, the Director of the Foundation may propose transfers to or from any category in section 2; but an explanation of any such proposed transfer must be transmitted in writing to the Speaker of the House, the President of the Senate, and the appropriate authorizing committees of the House and Senate, and the proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

SEC. 8. The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.

SEC. 9. (a) Section 6 of the National Science Foundation Act of 1950 is amended—

(1) by striking out "(a)" after "SEC. 6."; and

(2) by striking out subsection (b).

(b) Section 14(b) of such Act is amended—

(1) by striking out "the Director, the Deputy Director, nor any Assistant Director" and inserting in lieu thereof "the Director nor the Deputy Director"; and

(2) by striking out "the Director, the Deputy Director, or any Assistant Director" and inserting in lieu thereof "the Director or the Deputy Director".

(c) Section 5316 of title 5 of the United States Code is amended by striking out "Assistant Directors, National Science Foundation (4).".

SEC. 10. (a) Section 4(e) of the National Science Foundation Act of 1950 is amended by striking out "by registered mail or certified mail mailed to his last known address of record" in the last sentence.

(b) Section 5(e) of such Act is amended to read as follows:

"(e) The Director may make contracts, grants, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may impose. Any delegation of authority or imposition of conditions under the preceding sentence shall be effective only for such period of time, not exceeding two years, as the Board may specify, and shall be promptly published in the Federal Register and reported to the appropriate authorizing committees of the Congress. On October 1 of each odd-numbered year the Board shall submit to the Congress a concise report which explains and justifies any actions taken by the Board under this subsection to delegate its authority or impose conditions within the preceding two years.".

(c) Section 12 of such Act is amended—

(1) by striking out "(a)" after "SEC. 12."; and

(2) by striking out subsection (b).

(d) Subsections (a) and (b) of section 9 of such Act are amended to read as follows:

"(a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(e)(1) Section 14 of such Act, as amended by section 9(b) of this Act, is further amended—

(A) by striking out subsection (b);

(B) by redesignating subsections (c) through (i) as subsections (b) through (h), respectively; and

(C) by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsection (a)(5) or (a)(6) of section 3 may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats that do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(2) Sections 3(b) and 15(b)(1) of such Act are each amended by striking out "14(g)" and inserting in lieu thereof "14(f)".

(f) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99), is repealed.

(g) Section 6(a) of the National Science Foundation Authorization Act, 1976 (Public Law 94-86) is amended—

(1) by striking out "not to exceed $50,000 per year for a period not to exceed three years" in the last sentence; and

(2) by adding at the end thereof the following new sentence: "The National Science Board will periodically establish the amounts and terms of such grants under this section.".

(h) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99), is repealed; and sections 7, 8, 9, 11, 12, 13, and 14 of such Act are redesignated as sections 6 through 12, respectively.

(i) Section 9 of the National Science Foundation Authorization Act for Fiscal Year 1980 (Public Law 96-44; 42 U.S.C. 1882) is amended by inserting "and the National Science Board" after "the Director of the National Science Foundation".

SEC. 11. (a) The National Science Foundation Act of 1950 (42 U.S.C. 1861 through 1875) is amended as follows:

(1) Section 3(a)(1) (42 U.S.C. 1862(a)(1)) is amended—

(A) by striking out "engineering,";

(B) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering programs at all levels in the various fields of engineering,"; and

(C) by striking out "such scientific and educational activities" and inserting in lieu thereof "such scientific, engineering, and educational activities".

(2) Section 3(a)(3) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineers" after "scientists".

(3) Section 3(a)(4) is amended—

(A) by inserting "and engineering" after "scientific"; and

(B) by inserting "and engineering" after "sciences".

(4) Section 3(a)(5) is amended by inserting "and fields of engineering" after "sciences".

(5) Section 3(a)(6) is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(6) Section 3(a)(7) is amended by inserting "and engineering" after "scientific".

(7) Section 3(b) is amended by inserting "and engineering" after "scientific" each place it appears.

(8) Section 3(c) is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(9) Section 3(d) is amended by striking out "basic research and education in the sciences" and inserting in lieu thereof "research and education in science and engineering".

(10) Section 3(e) is amended by inserting "and engineering" after "sciences".

(11) Section 4(c) (42 U.S.C. 1863(c)) is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and inserting ", engineering," after "scientific", in the third sentence.

(12) The first sentence of section 10 (42 U.S.C. 1869) is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(13) Section 11 (42 U.S.C. 1870) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c) and (d);

(B) by striking out "technical" and inserting in lieu thereof "engineering" in subsection (g); and

(C) by striking out "scientific value" and inserting in lieu thereof "scientific or engineering value" in subsection (g).

(14) Section 12 (42 U.S.C. 1871), as amended by section 10(c) of this Act, is further amended by inserting "or engineering" after "scientific".

(15) Section 13(a) (42 U.S.C. 1872(a)) is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in the first two sentences;

(B) by inserting "or engineers" after "scientists"; and

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering".

(16) Section 13(b) is amended by inserting "or engineering" after "scientific".

(17) Section 14 (42 U.S.C. 1873), as amended by sections 9(b) and 10(e) of this Act, is further amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (e); and

(B) by striking out "technical" in subsection (f) and inserting in lieu thereof "engineering".

(18) Section 15(b) (42 U.S.C. 1874(b)) is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(b) Section 2(b) of the National Science Foundation Authorization Act, 1976 (42 U.S.C. 1869a, Public Law 94-86) is amended by inserting "or engineering" after "science" each place it appears.

(c) Part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act (42 U.S.C. 1885 to 1885d, Public Law 96-516) is amended as follows:

(1) Section 31 is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(2) Section 32(a) (42 U.S.C. 1885(a)) is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by striking out "scientific talent and technical skills" and inserting in lieu thereof "scientific and engineering talents and skills".

(3) The first sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "skills in science and mathematics" and inserting in lieu thereof "skills in science, engineering, and mathematics";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by striking out "scientific literacy" and inserting in lieu thereof "scientific and engineering literacy"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The second sentence of section 32(b) (42 U.S.C. 1885(b)) is amended—

(A) by striking out "highest quality science" and inserting in lieu thereof "highest quality science and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(5) The third sentence of section 32(b) (42 U.S.C. 1885(b)) is amended by striking out "technology" and inserting in lieu thereof "engineering".

(6) Section 33 (42 U.S.C. 1885a) is amended—

(A) by striking out "technology" and "technical" each place they appear and inserting in lieu thereof "engineering";

(B) by inserting ", engineering," after "science" in paragraph (2);

(C) by inserting "and engineers" after "scientists" each place it appears;

(D) by inserting "and engineering" after "science" in paragraph (10); and

(E) by striking out "science, engineering, and technology" in paragraph (11) and inserting in lieu thereof "science and engineering".

(7) Section 34 (42 U.S.C. 1885b) is amended—

(A) by striking out "science education" and inserting in lieu thereof "science and engineering education"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(8) Section 36 (42 U.S.C. 1885c) is amended—

(A) by striking out "TECHNOLOGY" in the heading and "Technology" and "technology" each place they appear, and inserting in lieu thereof "ENGINEERING", "Engineering", and "engineering", respectively; and

(B) by striking out "scientific engineering, professional, and technical" and inserting in lieu thereof "scientific, engineering, and professional".

(9) Section 37(b) (42 U.S.C. 1885d(b)) is amended—

(A) by striking out "technical" each place it appears and inserting in lieu thereof "engineering"; and

(B) by striking out "Technology" in paragraph (3) and inserting in lieu thereof "Engineering".

(10) The heading of such part B is amended by striking out "TECHNOLOGY" and inserting in lieu thereof "ENGINEERING".

SEC. 12. Within 90 days after the date of the enactment of this Act the Director of the National Science Foundation shall review the recommendations of the President's Private Sector Survey on Cost Control and such other recommendations as may be included in the OMB report "Management of the United States Government—1986", and shall submit a report to the Speaker of the House of Representatives, the President of the Senate, and the appropriate Committee of the House and Senate on the implementation status of each such recommendation which affects the National Science Foundation and which is within the authority and control of the Director.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BEILENSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1210) to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes, pursuant to House Resolution 129, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill. The bill was passed.

The title of the bill was amended so as to read: "A bill to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes."

A motion to reconsider was laid on the table.

DISINFORMATION NETWORK

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MARLENEE. Mr. Speaker, yesterday I spoke on the "Network" of pro Sandinista lobbyist groups that are manipulating public opinion against the freedom fighters, the Democratic resistance forces in Nicaragua.

Today, I want to introduce to every American who has any concern about our future and our children's future part 2 of a Washington Times series entitled "Network" which exposes the leftwing disinformation systems. Part 2 of this series details and exposes the exploits of the Council on Hemispheric Affairs [COHA], a group which claims to be a human rights organization.

Never before have the insidious tentacles of Marxist influence reached into our everyday lives into the very pulpits we should depend on. The

Times article reveals this organization as nothing short of a left-wing foreign policy group masquerading as a human rights organization.

To quote the Times:

COHA has no concern for human rights, just concern for foreign policy. If they did, they would ask how many people are jailed by the Sandinistas in Nicaragua, but they don't.

No, Mr. Speaker, this group ignores the gross human rights violations by the Sandinistas.

I urge the American people who are concerned about the true motives of this organization to get the full story. Read the "Network" series.

LATIN COUNCIL CALLED BACKER OF LEFTISTS, NOT HUMAN RIGHTS

(By John Holmes)

In the spiderweb that comprises "The Network" of left-wing organizations opposed to administration policies, the Council on Hemispheric Affairs (COHA) stands out as one of the better known.

COHA literature describes the organization as "a non-profit, tax-exempt independent research and information organization" founded "to promote the common interests of the hemisphere; raise the visibility and increase the importance of the inter-American relationship; and encourage the formulation of rational and constructive U.S. policies toward Latin America."

COHA is run by Larry Birns, a tireless one-man army who serves as the council's founder, director, manager, press secretary, congressional liaison, researcher and chief fundraiser. Mr. Birns, extremely visible in liberal circles, calls COHA "a human rights organization."

But some of those who have dealt with COHA don't see it quite that way.

COHA is not a human rights group. It is a left-wing foreign policy group that often masquerades as a human rights group," says Elliott Abrams, assistant secretary of state for human rights and humanitarian affairs.

"If you read what they've had to say through the years about human rights violations in Surinam, or Bishop's Grenada, or Cuba—worst of all, Cuba—you will see that they don't care about human rights in leftist or communist regimes," Mr. Abrams told The Times.

Mr. Abrams' duties bring him into contact with countless human rights organizations. He says there is a significant difference between COHA and such groups as the Washington Office on Latin America (WOLA), a group that shares COHA's political orientation and is an integral part of The Network. "WOLA has political prejudices just as we all do, but it makes a real effort to promote human rights progress," Mr. Abrams continued.

"So, while I disagree with WOLA, I work with them," he says. "But I will not have any contact with COHA and I do not permit members of the Bureau [of Human Rights and Humanitarian Affairs] to cooperate with them.

"COHA is not genuine in its stated beliefs in human rights. What it is in fact doing is promoting leftist regimes in Latin America," he said.

Bosco Matamoros, a representative of Nicaragua's anti-Sandinista FDN, agrees.

"They have no concern for human rights, just concern for foreign policy. If they did, they would have asked how many people are jailed by the Sandinistas in Nicaragua, but they haven't," he says.

"They know completely the situation down there, but they don't take into account the voices or opinion of the Nicaraguan people. They take as fact whatever is stated by the Sandinistas," Mr. Matamoros said in an interview.

These criticisms are supported by a 1984 Heritage Foundation paper, entitled "The Left's Latin American Lobby."

"An analysis of [COHA's] publications reveals a pattern exaggerating the abuses of right-wing governments or movements, while understating the abuses of leftist regimes or guerrilla groups. This calls into question the integrity of COHA's sources and data that it marshals against the Reagan administration's policies in Central America," the Heritage report states.

"What [COHA's critics are] upset about is that we do a great deal of accurate research," Mr. Birns counters.

To be sure, there are many who believe COHA's materials are accurate and well-presented. But critics contend that his publications are sometimes biased and have reflected Marxist Sandinista propaganda and disinformation themes.

A COHA press release dated Feb. 13, 1984, declared, "U.S. Helicopter Parts Sale to Guatemala Sure to Kill Indians and Worsen Refugee Flow to United States." And a headline on a release dated May 30, 1984, blared, "Guatemalan Military Dictatorship Set to Rig July Elections."

Two aspects of COHA's operations involve Capitol Hill and the press.

Mr. Birns calls COHA "a publishing mill." His council, he says, produces two to three press releases per week and numerous opinion pieces and reports. Some of these are incorporated by congressmen and their staff members into their own reports, speeches and letters, he says.

"We are a powerful force in the wings" of Congress, Mr. Birns admits.

Several liberal legislators, including Reps. Don Bonker, D-Wash., Robert Garcia, D-N.Y., and Sen. Tom Harkin, D-Ia., are listed as being on COHA's board of directors.

Last year COHA submitted numerous articles to these congressmen and others. As many as 100 of the articles to these congressmen were inserted in the Congressional Record, according to Mr. Birns.

But he denies that COHA engages in lobbying.

"We have no legislative people who go and chat up people on the Hill," he said. "It's pointless to try because many of the people up there know more than we do."

Indeed, aides to several senators and congressmen serving on such important committees as Foreign Relations and Intelligence report that they don't read COHA's releases and have never met with COHA lobbyists. Some say they've never even heard of COHA or Mr. Birns.

Still, says one intelligence analyst, "There are between 40 and 55 congressmen who would promote their material." And the attention of those legislators and their staffers is enough to make an impact on public opinion and perception, if not necessarily on policy or legislation, the analyst says.

COHA also is a powerful force in the media. It is there, more than anywhere else, that the organization has made its mark, according to observers. Of all the groups that comprise the left-leaning Latin American component of The Network, none appears to be more effective than COHA at planting its material in the press.

"We influence the mass public opinion via the press," Mr. Birns says. "We get stuff put in the local newspapers and the congressmen read those local papers."

Mr. Birns also regularly appears on programs ranging from radio's "The Larry King Show" to TV's "McNeil-Lehrer Report" and other network interviews. He also has been interviewed by television crews from Spain, Sweden, West Germany and other European nations.

But he appears to be most influential with a specific section of the foreign media, most notably the British Broadcasting Corporation (which has about 100 million listeners worldwide)—for whom he says he does as many as 50 interviews a year—and the Latin American press, which he says is a prime focus of COHA's efforts.

COHA brags in its literature that its "findings have been cited in the official publications of the U.S. government as well as in national and international publications such as Time, Newsweek, The Atlantic Monthly, The New Yorker, The New Statesman, Penthouse, Barron's and Macleans."

"On an almost daily basis, the results of COHA's work appear in the press in Latin America, the United States and Europe," the literature states.

The council also has been cited on numerous occasions in The New York Times, The Washington Post, the Los Angeles Times, the Christian Science Monitor, The Baltimore Sun, The Miami Herald, The Toronto Globe and Mail, the Manchester Guardian, the London Observer and the Times of London, among other newspapers.

"COHA is effective with the press," says the intelligence analyst. "The media is their main constituency."

Several analysts say they believe that COHA manipulates the media by submitting one-sided information.

"They'll get stuff put together for the BBC for broadcast on a Friday night, and people will pick it up in other countries on Saturday," one analyst explains. "It's a dead day, you're looking for a filler, and there it goes."

"They [COHA] have tremendous relations with the Latin America press, too," says a staffer with the conservative Council for Interamerican Security.

"Someone like a guy from the Venezuelan news service might take his press releases and send them back as news to Venezuela, to Costa Rica, to Honduras, wherever. So it has this duplicating effect. It gets sent down there as news, and very often it bounces back up here," the staffer says.

Many of COHA's detractors point to a 1980 incident as an example of the council's actions. Late that year, a so-called State Department "dissent paper" (a paper normally written by a foreign service officer to express his reservations over foreign policy) circulated widely thoughout political, diplomatic and journalistic circles.

The paper was sharply critical of U.S. policy toward El Salvador, and charged that there had been a coverup of U.S. military involvement there. The "dissent paper," however, was later revealed to have been a forgery.

Mr. Birns claims that COHA wasn't involved in distributing the document. But he did issue a four-page press release, with three of the pages filled with single-spaced details from the supposed dissent paper. COHA did question the paper's authenticity in the body of the release.

"We had been told by the State Department that it didn't take the form of an au-

thentic dissent document, but I thought the reasoning in it was good enough to warrant the release," Mr. Birns now says.

At 55, Mr. Birns remains articulate and highly personable; even his critics admit that he's a master publicist. But he also remains an energetic opponent of Reagan policies in Latin America.

COHA operates out of a suit of offices—once occupied by the McGovern campaign—near Dupont Circle, with a staff of about 30 apparently dedicated young people and, according to Mr. Birns, an annual budget of about $125,000. * * *

Critics of COHA accuse the council of engaging in misleading practices to generate the illusion of respectability by association.

From time to time COHA has sent out invitations to conferences and seminars with a list of "invited panelists," many of whom are respected authorities from all bands of the political spectrum.

But Mr. Birns doesn't always contact these "panelists" to ask them to appear. Nevertheless, COHA seeks to capitalize on the drawing power of their names, the observers say.

COHA did just that last month with a conference on Central America co-sponsored with the Fund for New Priorities in America.

On the list of "invited panelists" were such dignitaries as syndicated columnist Robert Novak, Arnaud de Borchgrave, editor-in-chief of The Washington Times, and Ambassador Otto Reich, the State Department's coordinator for public policy on Latin America and the Caribbean.

Mr. Reich says he first heard of his inclusion on the list from a friend who had also been invited. Mr. Novak said he was told of his inclusion by a reporter.

"I was not consulted," says Mr. Reich. "If I'd known that [Mr. Birns] was going to put me on the list, I would have demanded that I be taken off."

Insists Mr. Novak, "They never asked me."

Mr. Birns looks shocked when told some feel this is deceptive or manipulative, and says " this is standard practice."

"I never said all those people were going to show up," he says.

"I just said on the invitations that they'd been invited. If you were invited to an event, wouldn't you like to know who else had been invited?"

The heat of the debate over COHA's actions is matched by the continuing controversy surrounding the council's founding and purpose.

Much of this controversy stems from an article inserted into the Congressional Record by the late Rep. Larry McDonald, D-Ga., on April 15, 1977.

In that article, Mr. McDonald wrote that Mr. Birns once described COHA's purpose as "to manipulate the sophisticated political and academic communities," a statement Mr. McDonald called "indicative not so much of candor as of Birns' arrogance and deep contempt for his targets."

Mr. McDonald also wrote that Mr. Birns was "an associate of Chilean Marxist-Leninist Orlando Letelier," who soon after his death was revealed to have been receiving covert Soviet money channeled through the Cuban intelligence service, the DGI.

COHA's "pro-Marxist-Leninist stance was evident from its initial press conference where Birns supported the Marxist Allende government of Chile, Cuba, the pro-Castro dictatorship in Panama, the left-leaning governments of Mexico and Venezuela." Mr. McDonald wrote.

The 1984 Heritage Foundation report states that COHA "essentially was a by-product" of Mr. Birns's participation in a 1976 meeting in Mexico City of the International Commission of Inquiry into the Crimes of the Chilean Junta, a creation of the World Peace Council, a known Soviet front group.

"Much of that McDonald stuff was fabricated," Mr. Birns counters. "I never attended the Mexico deal. I saw Letelier once after the coup. And he never gave us any money. In fact, I gave him $25 for some Chilean refugee program he was running."

The controversy over COHA's origins and purpose apparently had little effect on its dealings with the Carter administration, on which Mr. Birns says "our influence . . . was profound. He [President Carter] praised us by name."

Mr. Birns admits that "our influence with Reagan is minute. It's more and more difficult to communicate with [the Department of] State. The liberals in State and the CIA for that matter are closet liberals." he says.

"But our influence on public opinion is great."

Tomorrow: Activities of the Washington Office on Latin America.

PATRIOTS, NOT PARTISANS

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I come today to talk of patriots not partisans. Two hundred years separate the lives of Thomas Jefferson and Robert Schuller. But no number of years can split the faith these two men have had in their country.

As we contemplate the challenges of reducing the Nation's debt I ask you to consider the following words of these two patriots.

Jefferson said that:

I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of our Government to the genuine principles of its Constitution; I mean an additional article, taking from the Federal Government the power of borrowing.

And Robert Schuller in his new book, "The Power of Being Debt Free," published by Thomas Nelson Publishers says this:

Say yes to an idea if it will help people who are hurting now or in the future.

Isn't it time we say yes to the balanced budget tax limitation amendment.

Let me refer again to Reverend Schuller's book coauthored by Paul David Dunn.

Reverend Schuller's positive 10 commandments of possibility thinkers are one patriot's way of holding a lantern up so the rest of us can see the dangers of America's debt. I think we should clear our eyes of bias so that we can clearly see his points.

I have already quoted the first of the positive 10 commandments of possibility thinkers. Let's look at that and the nine others more closely.

A baby is born this year and it is strapped with thousands of dollars of Federal debt. Can you imagine how these babies soon to be adults will hurt if they must pay off that sort of debt before they even think about buying a car, a house, or a baby carriage for their own children. And we know that people are now hurting because of our yearly Federal deficits. How much longer can we stay healthy and vital when we have Federal debt of more than $1.8 trillion and yearly deficits of more than $160 billion.

Reverend Schuller's second commandment is "Say yes to an idea if it challenges and motivates self-discipline." We have forgotten the virtues of self-discipline. Somehow we value self-discipline for ourselves but not for Government. We can only spend what we have every month to feed, clothe and house our families. Business operators must balance their budgets too. Some 200 years ago what was good for the governed was good for the governors. That is no less true today.

The third positive commandment is that, "Say yes to an idea if it holds the prospect of contributing to peace, prosperity, and pride in the human family." We must change the role of the American people. We must not give them the job of paying off the interest on the principle. We should make clear the principle interest of the American people should be to spend their energies building better lives.

Reverend Schuller's fourth commandment is that, "Say yes to an idea if it will endow the great dreams of great dreamers." America was a great dream of great dreamers. We public servants of 1985 can not allow to let the dream die. And the people must not allow the myopic politicians to force our children to pay for our dreaming and they must endure nightmares.

"Say yes to an idea if it makes good financial sense." We are a government operating with a budget in name only. That's not good financial sense. By operating with a budget that must balance each year America could be paying its own way instead of paying for the present with the future. A free nation will not last long if its people are in servitude.

No. 6. "Say yes to an idea if it will bring beauty into the world." If the budget deficits continue we will be spending more of our money on interest on the debt not more on cleaning our cities, in repairing our roads, in building parks for our children.

No. 7. "Say yes to an idea if it contributes to a sense of a caring community." America has done more than just open its arms to people who yearned to breathe free. It has used its

position as the leader of the free world to reduce oppression elsewhere.

Reverend Schuller says that, "Say yes to an idea if it will contribute to the collective self-esteem of a person or a nation." Recession shocked America in the 1970's. Debt is more than shocking America in the 1980's. But recession was nothing compared to the debt crisis we now face. If we don't fight against our self-doubts America will never see its way clear of seeing a debt free society. And if America loses its self-esteem, its self-worth—then the world loses not only a friend but a needed leader.

"Say yes to an idea if it is a positive solution to a negative condition." Can you imagine any more negative condition than America's debt? Can you imagine any reason why America should not get rid of its debt.

And Reverend Schuller's 10th commandment says that, "Say yes to an idea if it challenges us to think bigger and have more faith"—$1.8 trillion is a lot of money to think about paying. And ending yearly budget deficits of $160 billion is a sizable challenge. It will take great vision to see the possibility of getting the job done and it will take a great deal of faith to do the job.

This public servant, rancher, citizen believes that America has 10 good reasons given to us by Reverend Schuller to support the balanced budget/tax limitation amendment. I commend Reverend Schuller and his coauthor Paul David Dunn for putting a light in the tower and making sure that it burns brightly for all to see.

It is time that America discard partisanship and embrace patriotism. If America does the light in the tower will never dim.

PRESIDENT REAGAN'S PLAN FOR CENTRAL AMERICA IS MISLEADING THE AMERICAN PEOPLE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, on Monday evening I heard President Reagan say that Belisario Betancur, the President of Colombia, supported his new initiative to provide aid to refugees in Central America. When confronted with the proposal in its entirety, which is after 60 days and no agreement is reached in Central America that military aid will continue to be supplied to the Reaganistos, the guerrilla army attempting to overthrow the Sandinistas, Belisario Betancur denied having supported that proposal, stating that the proposal is no longer a peace plan but it is a preparation for war.

Mr. President, you have misled Belisario Betancur and you have misled the American people into believing that your plan is one for peace in Central America.

Over the last 3 years, an unprecedented military buildup has taken place and the unfortunate result of your policy is, Mr. President, that your military strategy has been a powerful reinforcement to the Sandinista government which you intend to overthrow.

I include the following article:

[From the New York Times, Apr. 16, 1985]

COLOMBIAN OPPOSES U.S. AID TO NICARAGUAN REBELS

(By Joel Brinkley)

BOGOTA, COLOMBIA, April 15.—The President of Colombia said today that he and other Latin American leaders were opposed to renewed United States military aid for rebels fighting the Nicaraguan Government.

Earlier this month the President, Belisario Betancur, told reporters in Washington that his reaction to President Reagan's plan on Nicaragua had been "very positive." But today Mr. Betancur said his reponse had been based on the plan's call for a cease-fire and negotiations.

He said President Reagan and Secretary of State George P. Shultz had not mentioned to him that the proposal also provided for renewed aid to the rebels, and he said he had not realized this was part of the plan until his return to Bogota.

Mr. Betancur, speaking in an interview here, said Mr. Reagan's recent call for Congress to approve $14 million in aid to the rebels made that part of the President's plan "no longer a peace proposal, but a preparation for war."

In the last few days, several senior Reagan Administration officials have said that Mr. Betancur and other Latin American leaders supported Mr. Reagan's initiative, including a call for renewed aid to the rebels if a deadline for talks in Nicaragua is not met.

"FOREIGN INTERVENTION" OPPOSED

Mr. Betancur said today that he and other Latin American leaders "firmly believe that any foreign support to guerrilla groups, whatever the origin, is clearly in opposition to the prevailing doctrine in Latin America regarding foreign intervention in the internal affairs of our continent."

His view on foreign financing of Latin American conflicts, he said, is "outright rejection" of the idea.

He said he had discussed the matter in the last few days with heads of state of many Central and South American countries, and added, "I haven't spoken with any Latin American leader who feels differently."

Mr. Betancur also said he believed that "we are now very close to reaching a full agreement" in the Contadora peace negotiations for Central America, which have been under way for more than two years.

The remaining obstacles, he said, involve agreements on limiting foreign military maneuvers, bases and advisers. But he said that "we have made some headway on that," adding that "there may be one or another matter out of the whole agreement that the United States would not agree with."

In the 60-minute interview at the Presidential Palace here, Mr. Betancur said that while parts of Mr. Reagan's Nicaragua initiative were "positive and constructive," other parts were in direct conflict with the goals of the Contadora discussions.

In what he called a "peace initiative" for Nicaragua, Mr. Reagan proposed a cease-fire and negotiations between the American-backed rebels and the Sandinista Government that would lead to new elections. Nicaragua immediately rejected the plan.

At the same time Mr. Reagan asked Congress to approve $14 million in renewed aid for the rebels, saying the money would be used for nonmilitary purposes for 60 days. If the Nicaraguan Government does not agree to talk with the rebels by June 1, Mr. Reagan said, the aid would then be available to the rebels for weapons.

Mr. Betancur was in Washington on April 4, when the plan was announced, and he said today that Mr. Reagan and Mr. Shultz had given him only a partial briefing on it. In a meeting that morning, Mr. Betancur said, they told him that they planned to propose a cease-fire, negotiations and nonmilitary aid to the rebels—ideas that Mr. Betancur said he accepted with enthusiasm.

I DID NOT KNOW IT WAS TIED

But he said that when he left the White House, he "did not know it was tied to the $14 million" in renewed aid to the rebels.

Mr. Shultz gave him a printed copy of the full plan as he left, Mr. Betancur said, but he did not have time to read it until much later.

That afternoon, Mr. Reagan appeared on national television and described his plan in detail. Mr. Betancur held a news conference in Washington at about the same time—he did not see Mr. Reagan's address, he said—and when he was asked what he thought of Mr. Reagan's plan, he said, "My reaction is very positive."

A few days later, Robert C. McFarlane, Mr. Reagan's national security adviser, told reporters that the leaders of the four Contadora countries—Colombia, Venezuela, Panama and Mexico—all had endorsed Mr. Reagan's plan, including the call for renewed military aid, although he said Mexico was "less effusive" than the others.

QUALIFIED SUPPORT

Today Mr. Betancur said, "I understand that Mr. McFarlane has interpreted my cautious remarks in which I stated that the proposal was, at least in part, constructive and positive, as a sort of blanket approval rather than qualified support."

If the Administration is trying to use his statements to gain renewed military aid for the rebels, Mr. Betancur added, "there would be a contradiction by whomever attempts to do so.

He said it would be "infinitely more constructive" if Mr. Reagan's proposal "made no mention of a 60-day time limit" for the end of nonmilitary aid, because that "is almost like an ultimatum."

Mr. Betancur said the first part of Mr. Reagan's plan, the call for a cease-fire, "is constructive and positive inasmuch as it delays the second part of the proposal, which is the onset of a military solution."

At a meeting in Panama last week, their first since last fall, officials from all four Contadora countries said their Governments had come to similar conclusions.

The Contadora group, named for the island off Panama where the first meeting was held, has been trying to fashion a peace plan for Central America since January 1983. The plan would encompass Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

TALKS ARE SPECTACULAR SUCCESS

Mr. Betancur, who is widely viewed as the Contadora leader most actively involved in the negotiations, called the meeting last week "a spectacular success." After several months of inaction, problems that had been blocking the talks are now resolved, he said, adding that the negotiations now seem to be surrounded by "a state of grace."

An agreement was reached Friday on the establishment of a commission to monitor an accord being negotiated on reducing arms in the region. "This was the greatest obstacle," Mr. Betancur said today. "We are now very close to reaching an agreement."

SUPPORT OF HOUSE RESOLUTION 125

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROWLAND of Connecticut. Mr. Speaker, Maj. Arthur Nicholson, Jr., was a dedicated and fine servant to his Nation. His career with the U.S. Army commenced in 1969 and was marked by numerous distinguished accomplishments.

Tragically, this patriot's service to our Nation was cut short when on March 24 Major Nicholson was brutally gunned down by a Soviet soldier while on duty in East Germany.

That action on the part of the Soviet Union was nothing short of barbaric.

There was absolutely no justification for the action which was taken by an agent of the Soviet military and I find the lack of any apology or acknowledgement of wrong-doing by that Government to be totally unacceptable.

Major Nicholson is gone, but the resolve and commitment of this Nation in preserving the peace lives on.

In his memory, a tree was planted at Fort Belvoir on April 3. At that ceremony, Karen Nicholson talked about her husband.

Her eloquent but simple words truly reflect well on Major Nicholson and they also demonstrate the grace and dignity which has been exhibited by Karen and the entire Nicholson family during this very traumatic time.

The Nicholsons reside in West Redding, CN, and I have the high honor of representing this fine family in Congress.

Mrs. NICHOLSON. Fort Belvoir is a very special place for this memorial. Not only because it is a beautiful post, but because it is close to Nick's colleagues, but also because it was here he attended OCS and he was commissioned by his father. It was also here that he was in charge of the unit on his first assignment. I feel close to Nick here because he loved the outdoors. I thank all of the people from around the world for their thoughts, letters and prayers.

To belong to the military is to belong to a very special family. Perhaps because we are so often away from our loved ones, a bond develops that you can find no where else. And that love and concern has opened many doors for Jenny and me and has stood by me this week. I especially thank each and every member of the Mission family, who have given unselfishly of themselves to see that our lives have been made easier and all of our desires met. Nick is the most patriotic person I've ever known and that's why he made the military his life. He felt that each and every day he did something for his country, for his family and for everyone he knew. He devoted his life to understanding other people, especially the Soviets, in the hopes that through friendship and knowledge of each other he could contribute to world peace. He didn't want to die and we didn't want to lose him, but he would gladly lay down his life again for America.

□ 1230

BUY AMERICAN URANIUM

(Mr. LUJAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJAN. Mr. Speaker, today I am introducing the Federal Domestic Uranium Purchasers Act. This bill would require all Federal agencies, including the Tennessee Valley Authority, the Department of Energy, and the Department of Defense, to satisfy all future uranium requirements through the purchase of uranium that is mined, milled, and enriched within the United States by companies owned by U.S. citizens.

This "buy American" proposal has become necessary because of a long-term failure on the part of the Federal Government to act responsibly in seeing to it that this Nation has a strong domestic uranium mining and milling industry. Our national security and our energy independence are my primary concerns. In less than 4 years I have watched our domestic milling industry shrink by 75 percent to a dangerously low level. Only 6 of the 24 processing mills that were in operation in 1981 are still in operation today and most of them are practically standing idle. The adverse impact on uranium industry jobs is perhaps the worst it has ever been. Over 90 percent of the jobs have been lost and that means that more than 20,000 workers and all of their expertise and experience are gone. While I am deeply concerned about these men and women who are the brains and the backbone of this industry, I am alarmed about the long-term impacts on our defense capabilities as well as the commercial nuclear power industry.

Today, U.S. uranium production accounts for less than one-third of our 30 million pound U.S. annual requirement. What position will we find ourselves in if that production capability continues to plunge? The past 4 years have been a disaster and the next 4 years could mark the end of a viable domestic uranium mining and milling capability.

New Mexico contains about 41 percent of the uranium producible at a reasonable cost in the United States. Four years ago, we had 38 production mines in the State. April 4 was the last day of operation for our last uranium mine. These mines cannot be restarted at the drop of a hat. When they are not in operation their drifts and crosscuts begin to cave in. Some of them fill up with water. The end result is that a mine that is closed is lost and cannot be reopened without the expenditure of an inordinate amount of money. The pool of experienced labor is suffering a similar fate. Most of the 6,800 men and women who were employed at the beginning of this decade in New Mexico have moved on to other jobs in other areas. Another 100 miners ended their jobs in the section 23 mine. On June 1, 50 more lose their jobs and that will leave less than 200 people working in the entire uranium industry in our State. Our last mine is about to be closed and we are witnessing the extinction of uranium mining and milling in the State which contains 41 percent of the economically mined ore. To resume production will require a monumental expenditure of investment capital and the expensive training of new workers. The cost will be staggering and the time it could take may be dangerous to our security.

The Federal Domestic Uranium Purchasers Act is intended to solve some of these problems. While our mining and milling industry may not be able to compete directly with inexpensive foreign labor, extremely high grade ore and foreign government subsidies, it can provide this Nation with a uranium supply that is not subject to the whims of an unstable government or that will not become part of a foreign uranium cartel.

The Atomic Energy Act requires the Department of Energy to "assure the maintenance of a viable domestic uranium industry." What is "viable" and what is not has come to be the subject of dispute between the report writers at the Department and the industry. My bill does not redefine these terms or in any other way join in that dispute. Instead, I have taken an alternative course. If all Federal agencies are required to purchase domestically produced and enriched uranium, a domestic mining and milling industry will continue to exist to supply at least that minimum level of demand. Some of our mines and mills will be saved from extinction and some of our workers will be kept on the job where their experience and expertise can be put to use. In the meantime, our industry will have the time and incentive to regain its competitive position in the world market.

I am also concerned about foreign control of production and milling operations within the United States. While our Federal Government may have chosen not to act in its own best

interests in saving this industry from extinction, other governments may not be as imprudent. I do not want to find this Nation's uranium resources entirely under the control of foreign nationals and, if a domestic industry owned and controlled by U.S. citizens is not maintained, that problem may well develop. For that reason, the Federal Domestic Uranium Purchasers Act contains a provision requiring Federal agency purchases to be from business entities owned and controlled by U.S. citizens or at least permanent U.S. residents.

In addition, this bill contains a provision deleting the "recovery of the Government's costs" language from that portion of the Atomic Energy Act concerning enrichment services. In so doing, my intent is to allow the Department of Energy to keep enrichment costs as low as is reasonably possible and thereby make the purchase of domestically mined and milled uranium an attractive proposition to our domestic nuclear power industry in the years ahead.

Mr. Speaker, this marks the final dying gasp of New Mexico's uranium industry. It is a bleak ending for thousands of men and women who worked to produce the yellowcake that made our country strong and prosperous during the last 35 years. My heart goes out to the workers in the section 23 mine who have gone home for good. I hope its not too late to save the rest of this industry from a similar fate.

□ 1430

SEARCHING FOR THE MISSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

Mr. LUNGREN. Mr. Speaker, I rise today not only as a Member of Congress but also as a parent—a parent who is increasingly alarmed by the number of missing and exploited children being reported every year.

If current trends continue, 1½ million of our children will be reported missing this year.

A large number of these children—some suggest as many as 1 million—will be classified as voluntarily missing. These are the runaways or so-called throwaways who are frequent victims of street crime or exploitation. In fact, recent studies have shown that 85 percent of the children who have been criminally or sexually exploited were missing from their homes at the time of the act of exploitation. These numbers have grown so large that some who study the issue now estimate that 1 in 4 female children and 1 in 10 male children will be molested or raped by the time they reach adulthood.

Then there are the between 25,000 and one-half million children who will be victims of noncustodial parental kidnaping. These children, through no fault of their own, are caught in the middle of a conflict between mom and dad. The price exacted from these children will be measured in terms of emotional and physical abuse.

Finally, we can expect as many as 50,000 new missing children cases to stand unsolved at year's end. These are the victims of criminal abduction or foul play.

Statistics alone are not enough to define the problem. This issue cannot be brought into perspective without looking at the hundreds of stories behind every number. This year, children will be taken from shopping centers, farms, playpens, bedrooms, schoolyards, and bus stops. Studies show that those taken will range from the very poor to the very rich, will come from every race, and are just as likely to be taken in big cities as they are in small communities and rural areas. Sometimes a great deal of evidence will be found, and at other times parents will go for years without so much as a trace.

The story of the Bradbury family from southern California is not untypical. On October 18 of last year, 3-year-old Laura Bradbury was camping with her family in Joshua Tree National Monument in California. She followed her brother to the bathroom approximately 50 yards away. Five minutes later, he came out and Laura could not be found. An extensive 3½ day search of the area produced no trace of her and it was then determined she had been abducted.

In the days, weeks, and months since Laura disappeared, her friends and family have used every means available to locate her. They have established the "Laura Bradbury Organization" which, among other things, has distributed pictures of Laura on thousands of posters, fliers, and bumper stickers throughout southern California.

Behind me is one such example: This poster can be found at 30 bus shelters in the area Laura disappeared. As you can see here, it includes three different pictures of Laura. It also includes a description of Laura and a summary of the kidnaping. Also prominently located are two very important phone numbers. The first is an anonymous information line—(714) 960-3017—the second is the phone number for the San Bernardino Sheriff's Department—(619) 366-3781.

The "Laura Bradbury Organization's" strategy is simple: The more people that know about Laura's kidnaping, have her description, and know who to contact with information, the greater the chance that she will be found.

In a sense, the greatest challenge facing our society in terms of the missing children issue is one of education. One California professor who has studied the problem commented that, "We find more stolen cars and stray animals than missing children each year." While the made-for-TV film "Adam" brought the problem widespread attention in 1983, it seems the more we learn about the issue, the more we realize how unprepared as a nation we are to deal with it.

At the end of this month, on April 29th at 10 p.m., NBC television will broadcast a program entitled "Missing * * * Have You Seen This Person?" This special presentation, hosted by David and Meredith Baxter Birney, will give nationwide attention to a number of unsolved missing person cases, including Laura Bradbury's. By using the resources of television, this special gives Americans a chance to "Join in the search" for these individuals and moves us one step closer to the goal of educating the public about the seriousness of the problem.

Next month, Laura Bradbury is supposed to celebrate her fourth birthday. We do not know if she will be found by then, but for her, and the thousands of cases like hers, we must be certain that every course of action is being taken.

At the Federal level, we were able last year to enact legislation which established a new toll-free "hotline" administered by the National Center for Missing and Exploited Children—(800) 843-5678. This number is available to individuals who believe they have leads or information on a missing child and all calls are strictly confidential. I have also in the past supported legislation which requires the FBI to list missing youth in a national computer bank. These are important steps in the right direction, but there is much more that needs to be done.

Remember, too, that more often than not, it is easier to prevent a child from being taken than to find a missing youngster. Experts advise teaching even young children their full name, address, phone number, and how to place a long-distance phone call. It is also important for parents to know their child's blood type and have on hand a set of the child's fingerprints, current photograph, dental records, and hair sample.

As parents, it is easy to think that our child could never be taken. The record, however, tells a different story. As a nation, we must work together to educate our children, support the families of victims, and develop new methods of recording and finding missing children. As one victim who founded a nonprofit group to train search-and rescue dog teams noted: "If we can spare one family the anguish we have, it will be worth it."

AID TO THE CONTRAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, I rise today to speak in opposition to the President's proposal to send more aid to the Contras waging war in Nicaragua. The kind of assistance the President is trying to send the so-called freedom fighters has been disguised as humanitarian aid this time. For some strange reason, our President feels it necessary to provide the Contras with "food, medicine, and other means of support for survival." We are talking about only $14 million—forget about the Federal deficit for a few moments while we record this vote; it's only another $14 million.

I can only begin to tell you what $14 million would do to help rebuild the South Side of Chicago. "Food, medicine, and other means of support for survival" sounds like just what we need. It would restore $12.5 million in health and human services and $2 million for job training programs. We could teach our children, feed our families, rebuild our roads and our city and take care of our sick and elderly. Instead, our food stamps have been cut, our job training, our Medicaid and our Medicare have all been cut. It seems that the only way for us to get aid from this President is to take up arms and call ourselves freedom fighters.

I suggest that if the President is really looking for freedom fighters then he needs only to look over at South Africa where there are millions of them. They are fighting for freedom against a small but well-armed minority that continues to strip them of their citizenship in their own homeland. Over 300 South African freedom fighters have been killed in police violence in the past year, but the President has not proposed any aid for them—military or humanitarian. When South African police execute terrorist attacks against unarmed and innocent people attending funerals, the President accused the mourners of provoking the attacks. Through his policy of "constructive engagement," he has let the South African Government know that he supports their violent oppression.

It's obvious that the President doesn't recognize freedom fighters when he sees them. As long as someone is willing to pick up a gun, point it at the Soviet Union, and say that they're fighting communism, the President thinks that they are freedom fighters. The way to fight communism is not to put guns in the hands of everyone who claims to be an anti-Communist. When we learn to feed the hungry, clothe the naked, and to support the fight for real freedom and democracy everywhere in the world—including Central America and South Africa—then we will all be freedom fighters.

The President has learned a few tricks though. He has learned that we are willing to support peaceful negotiations in order to solve conflicts, that we in the Congress would rather solve problems through peaceful dialog than through military confrontation. And that is what has led to this incredible offer of "humanitarian aid" for the Contras. What the President hasn't learned, however, is that we in the Congress can see right through this disguise. Let there be no doubt about it; a vote for Contra aid is a vote for military aid. This is the same $14 million that was military aid before, and in 60 days, it will be military aid again. A vote for the Contras is a vote for expanding the guerrilla war in Nicaragua.

The situation in Central America is dangerous enough without more arms or any more of the President's "humanitarian aid." And his meddling in the situation does not make it any better. There is a direct link between the over $75 million that this administration has already sent down there and the growth of the Contras. From just a few hundred in 1981; today they number well over 16,000. We've bought and paid for them with American tax dollars. We've trained them, and we've armed them, and they've gone out and they've raped and pillaged and kidnaped and murdered innocent civilians in Nicaragua. If we had spent that same amount of money on education and job training in this country, we'd have less crime and lower unemployment. The money that we have already spent on the Contras has helped to spread the worst elements of war. The same money spent on our own people could have given us something to be proud of.

Make no mistake about it, I am as concerned with the security of our Nation as any other Member of this body. But I want the President to know that there are young people in Chicago who need jobs this summer, and that they're freedom fighters for jobs. I want the President to know that there are senior citizens in Chicago who need their Medicare and their Social Security, and that they're freedom fighters for Social Security. I want the President to know that there are hungry people in Chicago, and they're freedom fighters for food.

I want the President to know that there are freedom fighters all over the country. And I want him to know that the message is clear; if it's military aid, they don't need it and we can't afford it. If it's humanitarian aid, we need it. We need it at home. The fight for freedom in his own back yard isn't over yet.

Thank you.

□ 1440

CENTRAL AMERICAN TRIP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. GALLO] is recognized for 5 minutes.

● Mr. GALLO. Mr. Speaker, I rise today to report to my colleagues on my recent trip to Central America.

What I have seen there strengthens my belief that the President is correct when he says that we must be consistent and firm against the spread of international terrorism throughout Central America.

I visited three nations during my trip last week. Guatemala, El Salvador, and Nicaragua.

I saw a great contrast between Guatemala and El Salvador on one hand and Nicaragua on the other hand.

In Guatemala, the military government has promised free elections this fall. In spite of economic and other problems, Guatemala is moving toward democratic government.

In El Salvador, President Duarte told me that he is committed to a growing democracy at home and to finding a plan for peace in the region.

Duarte's government has brought stability to a nation which was plagued with violence. Today, the people appear to be committed to ending violence.

Stories of concentration camps are simply not true. I visited one of these camps, where people from the countryside live for their own protection. I saw no barbed wire or guards. I met the major of the camp. I talked to the people. They would like to return to their homes in the countryside.

Fear of terrorism keeps the people in the camps. An end to violence would mean a return to normal lives for the people of El Salvador.

In Nicaragua, the story is quite different. The people I talked to felt betrayed by their Government and by the revolution.

The only independent newspaper, La Prensa, must submit to total censorship. While I was there, the newspaper failed to publish because most of the material in the daily was cut by the censors. That has occurred 38 times in the recent past.

The censors removed all references to the Reagan peace plan from La Prensa, except for President Ortega's statement, calling the plan an act of aggression. Washington Post and New York Times editorials on the plan were also censored.

A nondenominational radio station must submit transcripts of all broadcasts, including sermons.

Religious leaders complain that they are not free to practice their religions, if they disagree with the Government.

There is no free enterprise. Businesses large and small are told how many workers they can employ, what

their salaries will be, what products they will produce and what price they will charge.

I spoke with a member of the Sandinista government, Alejandro Bandana, and I asked him about the lack of freedoms in Nicaragua.

He blamed the war for the lack of freedoms. The war does not explain the total lack of domestic freedoms. The war does not explain the large amount of men and weapons in Nicaragua.

Evidence does not support the idea that the Nicaraguans are fighting a defensive war with its neighbors. The evidence indicates that the Sandinistas are limiting freedoms at home and gathering weapons from abroad to wage an offensive war of subversion against its neighbors.

During my trip, I met with Government representatives in each country. I met with citizens from all walks of life on both sides of the regional conflict.

We also delivered medical supplies to a camp in El Salvador, and saw the needs of the people in that regard, Antiburn salve in our supply delivery was immediately administered to a young burn victim.

The question before the Congress on aid to Nicaragua revolves around the question of talks to encourage a freer and more peaceful atmosphere in all of Central America.

If those talks produce results, the Reagan plan calls for economic aid to help the people of that region.

If those talks fail and terrorism continues to be the rule in Central America, then the President proposes positive action to counter terrorist activities. Regional stability is the goal of this policy. The alternative is continued conflict and a wider spread of terrorism.●

LEGISLATION TO EXTEND THE HOSPICE CARE PROGRAM UNDER MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am pleased today to be joined by Representative BILL GRADISON in introducing legislation to extend for 3 years, the hospice benefit under the Medicare Program. As my colleagues very well know, Congress acted in 1982 to provide for the first time, full coverage and recognition of hospice care. The legislation introduced in the 97th Congress received the support of more then 240 Members in the House and more than 50 Members in the Senate. There was a strong, bipartisan feeling at that time that hospice care was an appropriate alternative to make available to care for the terminally ill. I am certain that support for hospice care continues today and should allow for the hospice benefit to continue.

Under the present program, Medicare beneficiaries are eligible for hospice care for up to 210 days if they are certified to be terminally ill and have less than 6 months to live. Certified hospice programs must provide care on a 24-hour basis in the home, on an outpatient basis, as well as inpatient care which must be limited to 20 percent of the total days of care. In addition, hospice programs must offer bereavement counseling to family members. At present, the hospice benefit is scheduled to expire on September 30, 1986. The legislation we are introducing today simply extends the current program for 3 additional years.

One area of concern in the current hospice program centers around Medicare payment to hospices. In determining payment to hospices, the Department of Health and Human Services [HHS] has calculated per diem rates for various levels of hospice care. Since the development of this payment system for hospice reimbursement, I have been greatly concerned about the level of the per diem rates established by HHS. When first established, rates were set at $46.25 for routine home care, $311.96 for continuous home care, $55.33 for inpatient respite care, and $271 for inpatient care. Last year, Congress acted wisely to approve legislation to increase the routine home care rate to $53.17, the level included in the proposed hospice regulations. However, continued concern exist in hospice programs around the country about the level of the hospice payment rates. With HHS receiving cost reports from hospice programs, I am hopeful that in the near future the actual cost of hospice care can be better determined and payment rates more appropriately established. Low and unrealistic payment rates discourage hospice programs from seeking Medicare certification and place a great financial strain on programs that are receiving hospice reimbursement. This is an inequity which Congress must stand willing to correct.

This measure to extend the hospice program clearly indicates our continued support for hospice care and our desire to avoid any uncertainty in the field amongst providers and beneficiaries about the continuance of the hospice benefit under Medicare. Implementation and participation in the hospice program has been somewhat deliberate. Of recent, though, interest and participation has been increasing and it would be a tremendous disservice to providers interested in obtaining Medicare certification to be unsure about the future course of the hospice benefit.

In addition, the initial legislation providing medicare coverage for hospice care required the Department of Health and Human Services to submit to Congress prior to September 30, 1983, a report on the effectiveness of the hospice demonstration projects. Also, HHS is required to report to Congress before January of next year on the effectiveness of the Hospice Program. An executive summary of the hospice demonstration project final report has just been recently released, and the contract for the report to review the effectiveness of the Hospice Program was just issued. Obviously, a quality report evaluating the success or any shortcomings of the hospice benefit is unlikely to be provided to Congress prior to January 1986. A simple extension of the current program should provide HHS with sufficient time to issue a thorough hospice evaluation report to Congress.

Mr. Speaker, beyond the compassionate form of care delivered by hospice programs in caring for the terminally ill, another major characteristic of hospice care is its cost-effectiveness. It is widely concluded that the substitution of hospice care for acute services offers a real opportunity to obtain cost-savings in the Medicare Program. The Congressional Budget Office has estimated that hospice coverage under Medicare can save more than $100 million over 3 years. The final report on the hospice demonstration project also concludes that hospice offers a cost savings over the last year of life. These facts are critical as we continue to struggle with the Federal budget to reduce budget deficits. We must strongly encourage the development and utilization of cost-effective programs such as hospice care.

Mr. Speaker, this legislation is important as we seek to continue to provide support to the hospice movement around the country. Over the past decade, we have seen enormous growth in the hospice movement, and today there are estimated to be more than 1,200 operational hospice programs. Hospice care has proven that it is deserving to be a part of our Nation's Federal health care system. The legislation I am introducing will provide continued support to the hospice industry and provide additional time to evaluate the benefit and develop changes to ensure the success of hospice into the future.

The needs of the terminally ill and their family members are unique. Hospice care recognizes these needs, and we must continue our commitment to meeting the demands of the dying. I urge my colleagues to support this legislation.

Following is the text of this legislation:

H.R. 2070

A bill to amend title XVIII of the Social Security Act to extend hospice benefits under the medicare program for an additional three years

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. THREE-YEAR EXTENSION OF HOSPICE BENEFITS UNDER MEDICARE PROGRAM.

Section 122(h)(1) of the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248, 96 Stat. 362), relating to the end of the effective date for hospice care, is amended by striking out "October 1, 1986" and inserting in lieu thereof "October 1, 1989" each place it appears.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 5 minutes.

Mr. FAZIO. Mr. Speaker, I was unable to be on the floor at the time that the House voted on Senate Joint Resolution 15, Helsinki Human Rights Day and House Concurrent Resolution 110, extradition of accused Taiwanese. Had I been present I would have voted in favor of both pieces of legislation.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

● Mr. KLECZKA. Mr. Speaker, I was unable to be present today when the House voted on rollcall No. 54. Had I been present I would have voted "aye." Thank you.●

REVENUE SHARING ABSOLUTELY VITAL

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, it is my understanding that the President's new budget proposal would phase out general revenue sharing at the end of fiscal year 1986. This approach is shortsighted and will undoubtedly wreak havoc on thousands of local governments throughout the United States.

While revenue sharing is an important element in many municipal budgets, it is absolutely vital to the many communities that have not benefited from the general economic upturn. Towns and communities that have relied on a single industry like steel need revenue sharing now more than ever.

According to a 1983 survey conducted by the National Association of Towns and Townships, almost 34 percent of the 3,000 small governments that responded to the survey indicated that they relied on revenue sharing to fund their fire, police, or rescue services. Thirty-five percent used revenue sharing to assist in funding services to the elderly. Lastly, some 79 percent needed revenue sharing to fund transportation services at the local level.

While I agree that responsible budget deficit reduction will be painful, I believe we must also be fair to local governments. Raising taxes at the local level is not the answer. Yet, without revenue sharing, local governments will either have to cut programs or raise taxes. There is no other way, around it.

NATIONAL LIBRARY WEEK, APRIL 14 TO 20

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Today, Mr. Speaker, I would like to discuss National Library Week and pay tribute to the libraries and librarians of the Nation during the week of April 14 to 20. National Library Week is not a new week. National Library Week is one like many others. We tend to pass easily over such designations, but I would like to take today as an opportunity to discuss at great length the meaning and significance of the Nation's libraries and information systems.

National Library Week is very much a part of our effort to pay homage to our educational system and to begin to recognize the fact that we are in an age of information, that our educational infrastructure thoroughly rests on libraries as a foundation, that without libraries as a foundation, our educational infrastructure would be totally inadequate.

The President has himself again paid tribute to National Library Week with the following statement, and I quote from the President's statement on National Library Week:

It gives me great pleasure to salute the American Library Association on the occasion of National Library Week, April 14 to 20. I am reminded of the words of Ralph Waldo Emerson: "It is a good reader that makes a good book."

If we are to be a nation of readers, we must help our children discover the treasures of the libraries of our schools and cities. Throughout life we must refresh ourselves at the fountains of knowledge and academic and special libraries. Although electronic technology has vastly expanded the universe of information, access to this information continues to be assured by the assistance of our nation's librarians.

I welcome this opportunity to congratulate and to commend to all Americans the professional librarians and the many able community volunteers who stand ready to assist us who seek knowledge and pleasure in books. On this 28th annual observance of National Library Week, I salute the millions of Americans who use the libraries network of information sources.

The library's open door beckons all to enter. I invite all Americans to join as a Nation of readers.

It is signed, Ronald Reagan.

□ 1450

I begin this special order with a reading of the President's statement on National Library Week, and I want to follow that by stating that the testimony of the American Library Association, President E.J. Josey, at a press conference held yesterday with respect to National Library Week, follows in the same vein up to a point. And while the President, like most Members of Congress and most national leaders have only good words to use in connection with the Nation's libraries, the point of demarcation, the point of difference begins when we discuss the critical funding needs of libraries.

In my overall statement, I want to talk about the value and the cost benefits of modern libraries because the perception, the misguided perception of the value and cost benefits of modern libraries has led to a perception that libraries do not need money, that they do not need funding to operate.

We are faced with a situation where the President has high praises for libraries and yet he has placed zero in the budget for the Library Services and Construction Act. He has placed zero in the budget for the funding of college and research libraries and many other activities which relate to libraries have received scarce funding.

I also want to discuss the role of libraries in the learning society in this age of information. In the report that was prepared by the President's Committee on Excellence in Education, they referred to our age as an age of information, and they said that we are in a learning society where learning becomes vitally important from the cradle to the grave. At every level of our lives, we are in a process of learning, and the Commission addressed itself to the need to have resources, and the need to have institutions which help and assist Americans at every stage of that process of learning.

I also want to discuss the public library as a family learning center. And while it plays a role in this process of the learning society, the society which must provide Americans with the means and the resources for an education for their entire lifetime, I intend also to discuss information literacy and what that means.

We talk a lot about literacy, and literacy is one of the goals of the present American Library Association. But basic literacy differs from information literacy. The definition of information literacy is, a person is information-literate when they understand how to use information in their own work, when they know how to use the various tools that are available in their own occupations. And I want to discuss that and the significance of that for the Nation.

I also intend to discuss the current Federal information crisis, the policies of our present administration and how those policies impact on the provision

of information at every level in the American society.

Finally, I would like to conclude with a discussion of the state of the Federal library and information support effort, and that impact on the entire Nation.

Before I proceed, however, I understand there are others of my colleagues present or who will be submitting written statements for this special order on National Library Week.

Mr. THOMAS of Georgia. Will the gentleman yield?

Mr. OWENS. And I now yield to the gentleman from Georgia [Mr. THOMAS].

Mr. THOMAS of Georgia. Mr. Speaker, I am honored to once again join my good friend and colleague from New York, MAJOR OWENS, in support and recognition of National Library Week.

I had the pleasure of visiting with Georgia members of the National Library Association in my office yesterday, and, as always, was further enlightened by the commitment our librarians have to the enrichment of our daily lives through teaching.

Library services are broad in scope and offer us the opportunity of lifelong learning. They have programs for parents and day care centers, as well as programs that serve children directly. They work in direct conjunction with our public school systems and institutions of higher learning to help students of all ages acquire basic reading skills and to promote the joy of learning and discovery. They provide literacy programs, materials for persons who are blind and disabled, books for disadvantaged students, and services for persons with limited proficiency in English. As you can see, our libraries truly benefit all segments of our society.

At a time when we face the most staggering Federal budget deficit in our Nation's history, I think it is important to remember that an investment in our libraries is an investment in our future. It is an investment which ensures the rights of all our citizens to get information and resources for continued learning. It is an investment which is important to the quality of life, from early childhood to adulthood. It is an investment which promotes sound government, enchances the quality of community life, and improves employment opportunities.

I join with my colleagues in thanking and commending our Nation's librarians for the outstanding work they do in helping to enrich the lives of millions of Americans through learning. Thank you.

Mr. OWENS. National Library Week is a time for millions of Americans to show their appreciation for the many diverse library services we use and enjoy. This is certainly a time to even reemphasize the fact that libraries are a vital part of the national education infrastructure.

Libraries and information services of all kinds are increasingly more important as our society becomes more complex. Information literacy which is defined as the ability to use information in one's own work has become a major operating skill necessary to function productively.

What happens to libraries and information services has definite impact on prosperity, progress, and the security of the Nation as a whole. This year it appears Government funding for libraries is under a more intense attack than ever before. And, in addition to recommending zero in the budget for the Library Services and Construction Act, the present administration has signaled its intent to wage a full-scale war on the library and information support services provided by the Federal Government.

We view with particular alarm the actions of the Office of Management and Budget. It appears that David Stockman has become the unofficial censor, the book-burning tzar of the Federal Government. OMB has indicated that it will continue to combine library services with janitorial and repair services and contract these executive branch libraries out to commercial companies.

Still worse, what has caused the greatest alarm is the announcement that OMB proposes to massacre the budgets of all information generating units except the information services of the White House. Thousands of publications, films, and other information items will be eliminated if in the wisdom of Mr. Stockman and his staff they are judged to be unnecessary.

There is good cause to fear that we are about to witness the equivalent of a massive book burning compaign. The OMB is guilty of gross abuse of power. No set of accountants or budget busters should dare to assume the awesome responsibility of deciding what information should be provided to the people of this great democracy.

There is ample evidence which indicates that this administration recognizes the value of information in our very complex society. The modernized, electronic information systems in the White House as part of the White House publications apparatus have required a budget increase at least four times greater than the amount budgeted for White House information services in the previous administration.

While making the claim that there is not enough money available for the standard information services to all of the people, it appears that Mr. Stockman has made unlimited funds available to promote the White House point of view.

During this National Library Week, which highlights so many diverse needs and accomplishments of so many different kinds of libraries, it is also important that the attention of the Congress be focused on ways to challenge the sweeping powers which are being assumed by the Office of Management and Budget. If far-reaching changes must be made in Federal publication policies and information services, it is the duty of the Congress to seek a more nonpartisan, responsible and rational way of reviewing and reshaping this vital function.

National Library Week is an appropriate time to remind the American people that the information policies of our Federal Government directly impact on the quantity and the quality of useful materials which are available in our research, academic, school, and in our local public libraries.

Consider the following letter addressed to Members of Congress from the president and chief executive officer of the New York Public Library in New York City, one of the oldest, largest, and most well recognized of the research libraries, which also happens to be the central library for the New York public library services. It serves three counties, Manhattan, the Bronx, and the county of Richmond.

Mr. Vartan Gregorian sent the following letter:

THE NEW YORK
PUBLIC LIBRARY,
New York, NY, April 12, 1985.

DEAR MEMBER OF CONGRESS: At a time when the importance of an educated and informed citizenry has never been greater, there is grave danger that all federal support for libraries, a major source of learning and information for the nation's citizens, will be eliminated. I write to you, and The New York Public Library's librarians visit, to let you know of the harm that would result from these proposals.

The New York Public Library is a large and complex institution. It includes both circulating and research functions, and receives substantial public and private funding. Because of this complexity, the ways in which federal actions affect the Library are numerous. Administration proposals on a variety of subjects, if enacted, would have a devastating impact on our ability to serve the public. I would like to bring to your attention some of the major programs proposed for elimination or major reductions:

Library Services and Construction Act (LSCA). This program, located within the Department of Education, is scheduled for elimination this year. If this elimination is enacted, the New York Public Library would be forced, in turn, to eliminate or drastically reduce the many programs funded by LSCA. These include: training volunteer readers at our Library for the Blind, conducting literacy tutoring and English as a Second Language Instruction, publishing the Directory of Community Services, and providing a job advisory service. With LSCA funds we are also able, this year, to make one of our branches accessible to the handicapped, and to run a computerized data base for circulating libraries in the region. The projected annual loss to The New York Public Library

in LSCA funds would be $989,000; the loss to those who use our programs and services would be much more.

Strengthening Research Library Resources (Title II C). A valuable resource for the nation's future will be lost if this Department of Education program is eliminated, as has been proposed. The rich collections of research libraries are well known; what is not so well known is the extent to which these collections are often deteriorating on the shelves or otherwise inaccessible. With a $235,000 grant from Title II C, The New York Public Library is microfilming valuable material on World War I. Without this project, a valuable record would have decayed to the point of not being usable; now a filmed record exists.

The National Endowment for the Humanities is another agency of major concern to The New York Public Library. This agency is proposed for reductions of 11%. One program within the agency is singled out for a cut of 57%—The Public Libraries Program. While we oppose any reduction in the NEH funding, we particularly deplore the size of the reduction in the Public Libraries Program. The NEH has provided close to $2 million a year in general operating support for the Research Libraries of NYPL. In addition, projects that have been or will be conducted with NEH support include: cataloging American Musical manuscripts, the exhibit and program "Censorship: 500 Years of Conflict," access to our manuscripts and archives collection, and the upcoming exhibit "New World Voyages in the Age of Discovery."

Revenue Foregone Postal Subsidy. The administration has proposed total elimination of the appropriation that supports 3rd class mailing for non-profit organizations and for the blind. In place of the appropriation, cross-subsidization is proposed whereby first class rates would subsidize non-profits and the blind. This is illegal under current postal law. Any change in the law would be controversial and would require lengthy review. The postal subsidy through appropriation of $981 million must continue until such time as a new method becomes law. The enclosed fact sheet demonstrates that the cost to this institution would be over $1 million if postal subsidies were eliminated.

Revisions in Tax Law. The New York Public Library has historically been supported by a partnership between the public and private sectors. Annual giving by private donors is essential to our operations, as are major gifts for endowment and capital needs. The incentive in the tax code for private giving is critical to maintaining and building this funding base. We urge that changes in the tax code not discourage the generous individuals whose help is critical to our future.

Telecommunications Costs. A new filing by AT&T before the Federal Communications Commission would send telecommunications costs for libraries skyrocketing. Computerized networks are increasingly a major means by which libraries provide information to users. Because libraries are committed to providing access to information and learning free of charge, we have no way of passing these costs on to users. Because this role of libraries is so thoroughly in the public interest, a special exemption on a "library rate" should be instated, and the AT&T request before the FCC should be denied.

I want to mention briefly two other agencies endangered by budget cuts, The National Endowment for The Arts and the National Historical Publications and Records Commission. The programs of these agencies provide essential support to libraries and other cultural institutions; we urge their continuation at current levels.

The sheer length of this list demonstrates the extent to which the administration's proposal will hurt libraries and the public they serve. For The New York Public Library, we estimate a loss of $2 million from the elimination of LSCA and postal subsidies alone, with the potential of much greater harm from changes in telecommunications and tax policies.

I urge you to help reverse these damaging proposals. We and the citizens we serve need your assistance. Thank you for your consideration and attention.

Sincerely,

VARTAN GREGORIAN.

□ 1500

That is the letter from the president and chief executive officer of the New York Public Library. His library had been traditionally an outstanding innovative library providing services not only those traditional services to scholars, to students and to people who use its vast, tremendous research libraries but also providing services to people in all parts of New York in the three counties that they serve. They have been very innovative, they have had outreach programs to reach people who needed jobs, job corps centers. They have had career information centers.

There is practically no forward looking program, an outreach type of program which has not been sponsored by the New York Public Library.

In the neighboring area of Brooklyn, similar programs have been sponsored including a job information center funded by the Library Services and Construction Act and a career information center also funded by the same act.

These are examples of programs funded directly by the LSCA, and programs which would not exist if that act is not funded again.

The American Library Association, as a commentary on the report that was issued in the spring of 1983, the report which was called "A Nation At Risk" was submitted to the President by the Commission on Excellence in Education, made several outstanding comments which were later published, I believe important comments, published in a booklet which they entitled "Alliance for Excellence." In the Alliance for Excellence, the American Library Association points out the numerous ways in which no education system can go forward in this country unless it also takes into consideration the needs of the Nation's libraries. Every school, every college, every university has at its center, its very core, the appropriate library collections and services.

Beyond the school and libraries, individuals who continue their learning also use public libraries and other special libraries.

□ 1510

If you consider the fact that each individual goes to school only a limited part of their lives, that if an individual gets a Ph.D. degree, it means that they went probably through 12 years of elementary and secondary schooling, 4 years of college training and 4 years of graduate work.

So at the minimum, an individual would spend 20 years in the formal institutions related to education, colleges, universities, public schools. The rest of the years of an individual's life, if they live to be 65, the rest of those years, 45 years, would be spent without the support of any one of those formal education institutions, and institution of the type of the public library is the only institution that they would be able to turn to for the kinds of extra support they needed beyond their own personal research and study collection.

The letter from the head of the New York Public Library highlights what the critical issues are facing libraries in our Nation at this time. The report from the American Library Association Task Force on Excellence in Education, which comments on the "Nation At Risk" report, has interesting commentaries on the basic realities in the "Nation At Risk."

I will read a few excerpts from this report as evidence of the kind of concern that the report speaks about.

Reality No. 1. The extent to which parents introduce their children to books.

Does the gentleman wish to speak on this special order? Mr. ROBIN TALLON of South Carolina.

Mr. TALLON. If the gentleman would yield 30 seconds to me.

Mr. OWENS. I would be happy to yield to the gentleman.

Mr. TALLON. Mr. Speaker, I would like to commend the gentleman from New York [Mr. OWENS] for arranging these special orders in recognition of National Library Week.

I have enjoyed the gentleman's comments on the LSCA Act; that those funds are very important to all our congressional districts. They are especially important in the congressional district that I represent, because rural South Carolinians have the same sense of isolation that all rural residents experience. Public libraries long ago devised ways to minimize this isolation by using bookmobiles to bring the library to those people living too far from the library.

My Sixth District is very large and heavily agricultural, thus a perfect candidate for bookmobile service. I am proud of the job our libraries are doing to bring needed information to rural South Carolina.

We are indeed in an information age, and it is important that all citizens have access to the vital information necessary for decisionmaking. Grants to purchase bookmobiles using the Library Services and Construction Act funds are enabling our public libraries to continue this long tradition of outreach.

Mr. OWENS. I thank the gentleman from South Carolina, and I would like to comment that the Library Services and Construction Act has done most for small libraries, for rural libraries, and in many cases, the state support systems which now exist for rural libraries would not exist at all if it had not been for the passage of the Library Services and Construction Act more than 20 years ago.

That act allowed States to, for the first time, organize support staff, gave them money for adminstration overhead, allowed them to coordinate those libraries throughout the State which needed help most and provide collections to back them up.

So rural libraries will lose the most if we do not have continued funding for the Library Services and Construction Act.

I might also note that State libraries themselves in almost 30 States, the State libraries did not exist in any form other than to serve the State legislature before the passage of the Library Services and Construction Act. Thirty State libraries would be tremendously hard hit and services beyond service to their local legislatures would be cut completely if they do not have the funding which is found in the Library Services and Construction Act.

Mr. Speaker, it has been pointed out that libraries are really funded throughout the Nation primarily through local and State sources. In fact, when you average it out, about 95 percent of the funding for libraries come from those two sources; State and local funding. Only 5 percent is Federal funding.

The question was raised, if so much is already provided by the local and the State governments, why do the not provide it all?

This is a curious inverse reasoning which penalizes those who have done the most and takes away the most flexible funding. The funding that appears in the Federal Library Services and Construction Act is flexible funding which allows systems to cooperate among themselves which finances interlibrary loans, which does the kinds of things which they could not afford otherwise.

They also are in a situation where the cost of libraries has risen dramatically, and to take away that 5-percent funding for libraries would seriously jeopardize their local funding in many cases.

Federal funding is used as matching grant funds in some cases, and those matching grants—the other amount would not be there if you did not have the Federal funds to begin with.

Part of the problem, as I said before, is the perception of the value of libraries, the low perception held by the present administration. Nevertheless, this administration does put a great deal of emphasis on education, or at least does a great deal of lip service with respect to education.

For this reason, I am going to quote from the report of the American Library Association which comments on "A Nation at Risk."

In considering "A Nation at Risk," the ALA task force discussed several realities. Reality No. 1 is that learning begins before schooling. The extent to which parents introduce their children to books, culture and learning affects children throughout life. "A Nation at Risk" points out to parents the following:

"As surely as you are your child's first and most influential teacher, your child's ideas about education and its significance begins with you. You must be a living example of what you expect your children to honor and emulate. Moreover, you bear responsibility to participate actively in your child's education. You should nuture your child's curiosity, creativity and confidence.

Above all, exhibit a commitment to continued learning in your own life.

The commentary by the ALA follows:

Research shows that children who have been exposed to reading and other cultural experiences before they begin school have a better chance of success in formal learning than those who do not have this experience.

Among the most important of the preschool experiences are the development of skills in listening, speaking, and looking that prepare for reading and form the basis for the enjoyment of learning.

And it goes on to point out how libraries do provide this service.

Library service to parents for example, and to day care staffs, support preschool learning in a variety of ways. Libraries provide books for adults to read aloud to children, groups of children in child care and day care centers, and in public libraries often listen to stories and act them out.

Children borrow books and records from libraries. Toddler programs that bring very small children and their parents to the library together provide a basis for later, more independent use of libraries by children as they grow older.

It was pointed out several years ago that when a group of citizens in New York City were questioned about services that they would be willing to pay higher taxes to receive, one of the items that stood out was that those individuals who were parents of young children indicated they would be willing to pay higher taxes if they could be guaranteed better library services, especially in the area of books for children and books for parents, books which told about parenting and child rearing.

Reality No. 2, as pointed out by the ALA comment on "A Nation At Risk" states that good schools require good school libraries. Good schools enable students to acquire and to use knowledge, to experience and enjoy discovery and learning. It enables them to understand themselves and other people, to develop lifelong learning skills, and to function productively in a democratic society.

Libraries are essential to each of these tasks, and library students learn how to locate, organize and use information, and that information will expand their horizons and raise their self-expectations. Librarians are teachers, and they serve both students and teachers.

□ 1520

"A Nation At Risk" states that the elementary years "should foster enthusiasm for learning and the development of the individual's gifts and talents."

This item from "A Nation At Risk" describes what occurs when elementary schoolchildren develop early and lasting pleasures in using libraries.

In Indiana, a study showed that reading skills, verbal expression and library skills were significantly greater in an elementary school after library services were increased. Disadvantaged children in Boston increased their skills in verbal expression of ideas and their language ability after 12 weekly 1-hour library programs with books and story telling.

Access to a library for quick fact finding and sustained work on a project should be among the rights of every child and every young person. The student who encounters a librarian who is directly involved in teaching has access to a much wider world than that of a single classroom. The librarian at successive grade levels introduces literature and teaches research study skills. From the librarian a teacher learns how to locate, interpret, and present information.

Too many of the 105,000 schools in the United States have inadequate school libraries because they lack the staff, they lack the materials and space and services required by students and their teachers. Even many of the schools that have library materials provide few library services because they lack professional librarians. Almost 3 million pupils, 7 percent of the total in the Nation, attend public schools which do not have school libraries. In 1982 our country had only one school librarian for every 954 stu-

dents. This is equivalent of an average of only 20 seconds a day provided for each student.

The lack of librarians is especially severe in elementary schools. For example, in Los Angeles, our country's second largest city, in only 20 of the city's 450 elementary schools is there a full-time librarian.

Furthermore, in the last decade, the number of school library supervisory and consultant staff at State and district levels has declined sharply.

In "A Nation at Risk" the National Commission on Excellence in Education recommends higher educational standards and expectations. They recommend increased time for learning and increased attention to English, mathematics, science, social studies, computer science, and foreign languages.

To achieve these requirements, school libraries must be stronger. Librarians who are less bound by curriculum sequences than classroom teachers can improve the performance of students in every grade, in every subject, at every level of ability.

To ensure that every child has access to the quality of school library service needed in a learning society, public officials should do the following. These are recommended by the ALA Task Force on Excellence in Education: They should require that library research and information within the library program and in all subject areas at each level of elementary and secondary schools. They should establish more specific State standards for school libraries. They should require school superintendents, boards, parents, teachers, and other interested people in every community to prepare a plan for developing school library resources, for using these resources effectively and for coordinating services with public libraries in their communities. They should supply sufficient funds for school library programs so they are staffed to coordinate the teaching of research and study skills, in cooperation with teachers of English, social studies, science, mathematics, and other subjects. They should provide funds for sufficient library books. They should earmark State education funds for school library resources and program development and not allow these funds to be used in any way deemed necessary by the local administrators. They should ensure that each State education department has skilled State library media supervision staffs to provide the needed statewide professional leadership. They should require colleges and universities to provide future teachers with training in the using of libraries and library materials. They should require that education programs for school administrators and other education specialists include training and the administration and supervision of school libraries. They should also target Federal education funds to specific school library resource development programs, including those that use the new technologies and those that demonstrate exemplary services.

Reality No. 3 deals with people in a learning society and their needs for libraries throughout their lives.

Reality No. 4 deals with public support of libraries in an investment in people and communities.

The recommendations for public support of libraries as an investment in people and communities is as follows: To ensure that libraries serve us all effectively, public officials should appropriate funds for library services targeted toward individual and community needs for job information, for literacy and for development, as well as toward more general needs of library users. They should demand excellence in their academic institutions, public school and special libraries. They should supply each State library agency with the funds and staff needed to work with the public officials and libraries of all types in planning services and sharing resources. They should mandate that State and Federal Government documents and the products of Government-sponsored research are available to all through library network programs. They should institute a library rate for telecommunication and they should convene a State and national conference of library users, librarians, library policy makers, and public officials to assess the capacities of our libraries to serve the learning society, to measure the change which has taken place since the 1979 White House Conference on Library and Information Services, to encourage sound, long-range community-based planning for library services and to initiate local, State, and Federal action to improve library services.

There are all actions which are recommended by the American Library Association's report which is entitled "An Alliance for Excellence," which is a commentary on "A Nation At Risk," the report of the President's Commission on Excellence in Education.

I have spent the time to enumerate some of the positions of the American Library Association because there is a great need that the perceptions of the American people and the perceptions of the Members of Congress and the policymakers be changed with respect to the meaning of libraries. The traditional perceptions of the library as a quite place is an acceptable one. We do not want to get rid of that perception. There is a need still in our society for quiet places. The perception of a library as a place where people are serious, can get away to study, can find resources they need, the perception as a place for introverts or bookworms I do not think is necessarily a derogatory perception. Our age needs bookworms and we need introverts. Introverts are the people who prepare the programs for computers, software packages for computers. Introverts are the people who design computers. In the age of information, we need introverts, as we need every other kind of person.

So if it is perceived as a quiet place, a place for bookworms, a place for introverts, that is acceptable also.

But beyond that, the library must be seen as a place which extends to every citizen the kinds of resources for learning, the kinds of resources for self-improvement that are not available except for people who have means. Certain individuals can provide all the resources they need, they can provide for their own basic library, they can provide for their own reference books, they can provide for their own computer services, they can provide for their own electronic information services. Corporations can provide for their own electronic information services. There are colleges and universities which certainly provide for their students.

One of the goals of many of the public libraries is to place at a level where each individual can reach the services of electronic data bases. These data bases are quite costly. It means that information which originates in Washington by electronic transfer can be transferred to any part of the country, that any youngster in any part of the country could receive that information if his public library had the electronic equipment necessary to receive it.

One of the problems that we have is that taxpayers and policymakers at every level refuse to recognize that these kinds of modern information bases exist, that no library is up to date and current unless they have the capacity to finance these kinds of modern receival and retrieval units. This kind of technology must be paid for. And while we are ready to accept increases in cost in many other areas, we do not want to accept the fact that a modern library also has to bear these increased costs.

If you consider the fact that one MX missile costs $74 million, and the amount of money that is being cut from the present budget for library services is $118 million, for less than two MX missiles we can supply the money needed to fund the Library Services and Construction Act. If you consider the modern costs and how they compare, you will see that the library costs or the portion of library funding borne by the Federal Government is a trivial, very tiny, minuscule amount of money. If you consider the fact that a fighter plane at the end of World War I cost less than $100,000, and we now pay for a fighter plane more than $18 million, a fighter plane

now costs $18 million, and it cost less than $100,000 at the end of World War I, you can see how the cost for the military has escalated, but nobody wants to recognize the fact that the cost of libraries has also escalated to a lesser degree.

□ 1530

Whereas books averaged, hard-back books, averaged, at the end of World War II, less than $3 per book, and reference books were as low as $5 per book. No reference book can be purchased for less than $30 to $50, and the average hard cover book costs between $10 and $15 in 1985. The costs are escalating continually.

Libraries have traditionally been called upon to stretch the rubber band; to be very flexible and get as much out of the least amount possible. They have done this through programs of interlibrary loan and working with each other in systems. Through programs which reach across States and across the whole country, they have been able to foster systems which provide first-class services for second-class costs.

This rubberband at this point has been stretched to the limit, and it is about to break. They cannot continue to provide these kinds of services if policymakers at every level do not begin to recognize the serious problem that they face and the kinds of costs that they must have, the funding that they must have to meet their costs.

Libraries are presently one of the best bargains in our public service structure. You cannot find another agency or another service which serves as many people for as little cost. One must consider the cost-benefits ratio; how we get such a tremendous amount of benefits from our libraries with such a small amount of cost.

Measuring the costs of libraries is one of the tasks that certain library professionals have set for themselves and done a very good job. I commend to the Members the studies of the King Research Associates who have done several studies for the Federal Government to measure the actual value of libraries to the Federal Government. One of the most outstanding studies by the King Research Associates was a study of the Defense Technical Information Center which is responsible for all of the technical information in the Department of Defense.

The Defense Technical Information Center's product, its materials, are very heavily used by scientists and engineers. These scientists and engineers use these resources for very practical purposes; nobody questions the fact that they are using them and the fact that they are needed. They use them for very practical purposes. Defense, of course, has the highest priority in our Federal Government, and the services that they use were measured in this study by submitting a questionnaire to the scientists and engineers who use DTIC, the Defense Technical Information Center, and the use of this information was evaluated by the scientists in terms of how long it took them to get, how much time it saved them when they found a technical booklet, or a book or whatever, kind of material that was useful to them. How much time it saved them; what kind of innovation it allowed them to undertake as a result of revealing something that had been done before, or in various ways, how the provision of information from the Defense Technical Information Center allowed them to go forward in the research that they were doing or in practical projects that they were working on.

When the study was over, when they had measured the cost and multiplied the cost, multiplied the time that it took by the kinds of salaries that were being paid to these engineers and scientists, the amount of value attributed to the Defense Technical Information Center, was more than $30 billion. The value of that collection was assessed at more than $30 billion.

Mr. Don King of the same King Research Associates estimates that the value of our public libraries throughout the Nation in terms of the time they save for people who are seeking knowledge and information is estimated at more than $10 billion.

They are doing studies now at the Department of Energy Technical Resources Center, and they estimate similar large savings that are realized by scientists and engineers as a result of using these collections.

We are not only interested in having libraries to provide technical and scientific information, but it is good to compare the cost and the use of the technical and scientific materials because they are what the hard core, so-called practical thinkers who are making decisions in Government are willing to consider. They show the value of libraries in our modern age of information.

As I said before, when you measure these kinds of costs against the costs that we pay for our armaments, especially for our MX missiles, you can see that the amount of money that is being requested in the Federal budget for libraries, and the amount of money that libraries use across the country in general, is a very miniscule amount.

It is very significant to note that at the same time we are forcing tremendous cutbacks with respect to funds that are placed in the budget for libraries. We are also, at the Federal level, cutting back on the availability of library materials and library services with the Federal Government.

This administration, since 1981, has relentlessly pushed back the availability and cut back on the availability of information services and materials. I have in my hand a chronology prepared again by the Washington office of the American Library Association which is called, "Less Access to Less Information By and About the U.S. Government." It is a chronology from 1981 to 1984, and it reads as follows. I will read some of the highlights of the kind of atrocities that have been committed against information systems and information services over the last 5 years.

In September of 1981, David Stockman, the Director of OMB, issued an Executive Order requiring that Agency heads pay special attention to the major information centers operated or sponsored by their Agencies.

Among the types of information centers to be evaluated were clearing houses for the public; information analysis centers; and resource centers. Evaluation criteria included these questions: Could the private sector provide the same or similar information? That was a question always asked. Is the information services provided on a full cost or recovery basis. This was the opening gun for a series of memorandums which later resulted in the present OMB circular which calls again for the elimination of numerous information services and materials.

The OMB was not limiting their attack, of course, to mere materials and services, although they did have press conferences and they had on display bags of booklets and various kinds of information published by the Federal agencies. One of those booklets that they have chosen to eliminate recently is a booklet called, "Infant Care."

"Infant Care" was considered to be a waste of the Government's money. The continued publication of that particular classic. I would ask you to consider the fact that the Federal Government, the taxpayers of this country, are financing medical services for numerous mothers and children who would have used that book "Infant Care." We pay the cost of every mother who is on Medicaid; we pay for that cost and we pay for the child's health care costs also.

If every mother on Medicaid alone were given a copy of "Infant Care" and if, as a result of reading "Infant Care" or a similar booklet provided by the Government, the care that that mother provided for her baby resulted in the baby not getting sick just one or two times, numerous dollars would be saved by the Federal Government which does pay the bill for Medicaid when that mother who is on Medicaid goes to the hospital.

The whole concept of preventive health care begins with information. For any Agency of Government to assume the powers that have been assumed by the Office of Management

and Budget, and begin to dictate to every branch of Government those branches which serve health care institutions; the branches which service businessmen, labor statistics, every branch of Government, is dictating what publications they can publish; which publications shall be published in what amount, and how those publications shall be disseminated. That kind of power, resting in one agency, is detrimental to the dissemination of necessary information useful to the society as a whole, and useful to the whole of society to hold the Government accountable.

I offer as another example the decision made by the Office of Management and Budget or the Department of Labor under pressure from the Office of Management and Budget to discontinue the publication of certain Department of Labor statistics related to the cost of living for families. Those statistics will no longer be published; they are considering the discontinuation of the publication of materials which relate to occupation outlook; the kinds of materials which have been used for years by libraries and other institutions that provide guidance for various people who are seeking jobs.

All of this results from the kind of perception that the present administration holds for information and information services.

□ 1540

It is quite evident that the present administration does value information services because they have greatly increased their own information apparatus. They are providing their own press releases on electronic equipment. You can get the full text of all of the press releases from the White House. You can get the full text of certain chosen documents out of the executive branch directly on electronic retrieval machinery. They understand the value of information to convey their own point of view; however, they are determined to deny this kind of access to information to the average American.

What has happened as a result of these kinds of policies is an information crisis generated by the assumption of these powers by the Office of Management and Budget. One of the Office of Management and Budget's actions has been commented on by the the American Library Association in the following pamphlet, which is entitled "Government Information: Is it a public good or a commercial product?"

The Office of Management and Budget has requested public comment on a draft policy circular which, if implemented, will sharply reduce the Federal Government's efforts to collect and disseminate information to the public. It will also accelerate the current trend toward the commercialization and the privatization of Government information. The proposed circular was published in the March 15 Federal Register. Corrections are in the March 24 Register, and this umbrella circular supersedes four existing Office of Management and Budget circulars.

The draft circular's definitions and policy considerations bear careful review in light of the trends in the past 4 years to reduce public access to Government information. Section 8(a) of this draft states that public access to Government information is to be provided consistent with the Freedom of Information Act. Yet, the ALA has documented that Federal agencies are increasing fees to the public. Fees are being increased for record retrieval, including Federal information requests. These fees can be high when an individual requests information that must be retrieved by a computer.

For example, in the October 29, Federal Register, the U.S. Postal Service published standard charges for the system utilization services and they range from $189 to $1,827 per hour. In other words, a citizen who wants to use electronic retrieval processes to get information from his Federal Government might pay from $189 to $1,827 per hour.

While automation clearly offers promises of savings, will public access to Government information be further restricted for people who cannot afford computers or cannot pay for this computer time?

Among the basic considerations and assumptions of this OMB circular are "that the public and private benefits derived from Government information must exceed the public-private cost of the information." This means that any information wanted by any public person, any person who is a member of the public, that information will be given to him only after cost recovery is considered. In the analysis of key sections under the information dissemination, OMB maintains that the mere fact that an agency has bothered to create or collect information is not itself a valid reason for creating a program to disseminate the information to the public. Maximum reliance on the private sector is stressed.

OMB states that this is merely an application of a policy which is stated on OMB Circular A-76, which is called A-76 Performance of Commercial Activities. Section 8(a) of the same draft states that the product or the service must either be required by law or the product or service, meaning the book or the pamphlet, must be clearly permitted by law and it must be essential to the agency in accomplishing its mission, but OMB will judge what products and what books, what pamphlets, are essential to the agency for accomplishing its mission. The products or services are not to duplicate similar products or services that are already provided by other governmental or private sector organizations or can be reasonably expected to be provided by them in the absence of dissemination by this particular agency.

The definitions of information by the Office of Management and Budget are as follows: It means any communication or reception of knowledge, such as facts, data or opinions, including numerical, graphic or narrative forms, whether oral or maintained in any medium, including computerized data bases, paper, microfilm, or magnetic tape. Access to information refers to the function of providing to members of the public any information in any one of these forms. In other words, the entire information-generating capacity of the Federal Government is brought under one umbrella, under one agency, the Office of Management and Budget.

The crucial question that I want to raise is: Should any agency of the Federal Government have this kind of power which, in the ultimate, amounts to the power to censor, and if an agency of the Federal Government must have this kind of power, should it be the Office of Management and Budget? The primary concern of the Office of Management and Budget is to cut costs, a policing function related to accountability with respect to the expenditure of funds.

Does that mean that the Office of Management and Budget is required to decide who should read what books produced by which agencies of the Federal Government?

On the 29th of this month, this question will be discussed, will be reviewed, by one of the subcommittees of the Committee on Government Operations, the Subcommittee on Government Information, Justice, and Agriculture, which will review not only the telecommunications policies of the Office of Management and Budget, but the hearing is also expected on April 29 to consider the recently issued Office of Management and Budget circular on management of Federal information resources. This circular has some provisions that would affect agency plans for the electronic collection and dissemination of information. The draft OMB circular was published in the Federal Register and comment has been asked, and the committee will also forward their deliberations, I suppose, to the Office of Management and Budget as a result of that hearing.

In conclusion, the entire apparatus of the Federal Government with respect to information begins at the level of the Congress and the White House because information is a record of decisions that are made or it is a record of phenomena observed, and decisions are made in Washington as nowhere else, decisions that affect the entire world. Decisions that are made

by the President affect the greatest number of people probably in the world. Decisions that are made by the Congress affect a great number of people.

The SPEAKER pro tempore [Mr. BOUCHER]. The time of the gentleman from New York [Mr. OWENS] has expired.

Mr. OWENS. Mr. Speaker, I will conclude in a few minutes. The gentleman from New York [Mr. ECKERT] the Republican, also gave me time from his 1 hour.

The SPEAKER pro tempore. The Chair would advise the gentleman that that extension cannot be recognized at this time. Under the rules of the House, the gentleman only has 1 hour.

Mr. OWENS. In conclusion, I would like to recognize the fact that the gentleman from New York [Mr. ECKERT] did offer 1 hour for the discussion of the Library Services and Construction Act and National Library Week, and I want to take note of that fact.

My time is up, but I wanted to note that fact and thank the gentleman from New York [Mr. ECKERT] for giving me that time and conclude by saying that it is recommended that the Federal Government, the Congress, take a more active role in the review of those policies which are being made with respect to information and library services, and it is too important for the administration alone to decide. A nonpartisan commission is necessary to decide exactly how the information services and the information materials generated by the Federal Government will be disseminated and utilized.

● Mr. FRENZEL. Mr. Speaker, as we enter National Library Week, I am pleased that Congress has set aside this week to honor our libraries. It is important, not only to acknowledge our libraries and salute our librarians, but also to take a closer look at library services.

The traditional library, as a source which provides needed books and publications for citizens, companies, and other organizations, plays an important and well-understood role in our society. Yet a closer look at libraries reveals that libraries have assumed new and exciting roles in this information age. Libraries are progressing and evolving. They are making use of new technology and are expanding their information capacities.

In my State of Minnesota, many libraries have access to computer systems and data bases and hence, are able to conduct basic searches for general and specialized information of almost infinite variety. Searches may assist in the setting up of small businesses, exploring careers, reviewing patent information, retrieving unobtainable publications, and even providing instantaneous medical information, to hospital operating rooms. Such services enhance economic and social development. Their use adds breadth, vitality, and achievement to the daily lives of our people.

The modernization of our libraries, through the use of improved communications and computerization, has also allowed for the evoluton of a system of networking and information exchange between the many different types of libraries. Public libraries, hospital libraries, school libraries, college/university libraries, government agency libraries, and law libraries, are able to combine resources in order to offer vast amounts of information by interlibrary resource sharing.

In my State, Federal library funds have been well used and there is strong private-public sector cooperation and sharing of information and materials. This triumph of cooperation over turf rights is most encouraging. The sharing and availability of ideas benefits everybody. Resound sharing is helping our citizens and Nation to grow.

I commend our library systems and I thank the people who make them work. If you haven't visited your local library lately, drop in and look around. It changed and it can serve you better. Modern libraries are every day broadening our horizons in new and unexpected ways.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, as you may know, 28 years ago our Nation observed the first National Library Week. During this year's National Library Week, April 14 to 20, it is with the greatest pleasure and pride that I salute both the professionals and community volunteers who are ever ready to assist those of us who seek knowledge or pleasure in books.

I can think of no better time than when we are commending the service of our Nation's libraries, to also mention the realities faced by libraries in our districts as they attempt to provide information and other services to the people they serve. After meeting with several library representatives from my home State of Arkansas, I feel even more strongly compelled to speak out on behalf of our Nation's library network.

As information services become the focal point of our Nation's progress, libraries are confronted head on with the problem of providing a readily available, free entrance to the world of learning. To this end, the Library Services and Construction Act has strengthened and assisted local and statewide planning, coordinated present services for maximum effectiveness and met the needs of many sectors of our population for new services and facilities. The elimination of LSCA, as proposed in the fiscal year 1986 budget, would mean that the progress made in reaching those areas without library services or with inadequate services would be halted.

I know that LSCA has benefited the people of Arkansas immeasurably by, among other things, reaching the elderly, handicapped, and shutins with bookmobile services; providing local book deposits so that those living in rural, mountainous areas do not have to travel into large cities to obtain reading materials; providing assistance for serving the deaf; and operating programs for functional illiterates. I am happy that our colleagues in the Senate have at this point agreed to freeze LSCA at the fiscal year 1985 level, and I strongly urge Congress as a whole to continue to provide full funding of LSCA in fiscal year 1986.

Libraries are but one of many groups that are dependent in large measure on nonprofit mail and revenue forgone. The fiscal year 1986 budget proposes that no money for this postal subsidy be appropriated. If such a proposal were to be enacted, it would mean that the library rate has increased a mind boggling 1,243 percent over the 7 cents that existed for 2 pounds in 1970, when the Postal Reform Act was enacted.

Every extra dollar libraries spend on postage is a dollar less for purchase of library resources. Libraries on fixed budgets and their users, especially the elderly, the handicapped and those in rural or isolated locations who depend on library books-by-mail services, cannot absorb such hefty postal increases.

Libraries share resources through the use of such new technologies as computerized data bases and telecommunications. However, the continued ability of libraries to improve services through telecommunications has been severely shaken by a series of private line tariffs filed over the last year and a half as a result of the AT&T divestiture. The cost of these tariffs could represent increases from 50 to 100 percent in user charges. It is doubtful that any library budget could absorb such a drastic increase, and therefore lower rates for library telecommunications are needed. It is my hope that a special library rate will be established.

These are but several of the issues that are threatening the future of our Nation's library network. As we continue through the budget process, I urge my colleagues to keep these realities and the future of our Nation's libraries in mind. Mr. Speaker, in closing I would again like to congratulate all of those librarians and community volunteers who keep the doors to a world of learning open.●

● Mr. ROE. Mr. Speaker, it is a sad and tragic commentary on the Reagan administration's priorities when Members of Congress must rise to speak out against administration proposals to slash funding for libraries, library

construction, and library-related services. So it is with a sense of urgency and immediacy that I rise to join my colleagues in participating in this special order on libraries and library issues.

Libraries are crucial to the well-being and education of all people. Libraries and the services they provide to all a window to the past, tools for the present, and guides for the future. Many civilizations have come and gone, but their libraries have survived and from them we have been able to learn how people lived and worked thousands of years ago, how they confronted the problems of war and peace, famine and drought, birth and death, taxes and reform, justice and morality. One can say that the issues confronting civilization have not changed over thousands of years, because ancient man's problems are the same as those of modern society.

The administration pays lipservice to the needs of American education, but seeks to reduce funding for one of the cornerstones of that education and of American society, the public library. The local public library performs vital functions, functions that are essential for improving education. Their collections educate the young and the old, provide tapes and records for the blind, preserve the daily record of the Nation's newspapers and magazines, and preserve the history of our Nation. They present an invaluable resource to students and scholars, technicians and mechanics, farmers and industrialists and to every segment of American society. When libraries close, which would be the result of the administration's proposals, America and her citizens suffer immeasurably.

Mr. Speaker, I urge my colleagues to reject the administration's proposals to eliminate funding for the fourth year for the Library Services and Construction Act, to reject their proposal to eliminate the postal revenue foregone subsidy, and to strongly support continued Federal aid for library and library-related issues. America needs more educated people. We need people who know how to use the information available in libraries to accomplish the kind of things they want to accomplish. We need people who have better skills at every level. The one institution that supplies education for people throughout their lives is the public library, and we cannot afford to let the administration's plans to severely cut back on library services be made law.

In closing, Mr. Speaker, it would do us well to remember that our libraries are the respository of our great literature, and that public libraries are a vital aspect of a free and democratic society. One of the first things that the Nazis did when they came to power in 1933 was to burn, in a public ceremony, all literature that did not conform to Nazi ideology. They destroyed the function of a free and public library in society, a function that calls for the free flow of literature and the exchange of ideas without fear of persecution and torture for putting into writing what one has thought. In America, we happily enjoy our public libraries, and we should not endanger their future by eliminating funding for them.●

● Mr. CROCKETT. Mr. Speaker, we have heard a lot lately about our "national security" interests. Most of that talk concerns weapons of destruction and military assistance overseas.

But if we are truly concerned about our national security, we will look to the strength of our people at home. And a good indication of that strength is the ability of our children to cope with the information explosion that has taken place during our lifetimes. Through technology and widespread communications networks, we have access to books, records, tapes and other vehicles of education that were unheard of even 25 years ago.

This week, we celebrate one of the most important institutions in making that information available to all our people—the libraries. Through their dedication to excellence and to equal access to information, libraries and the staff who maintain them provide a unique and irreplaceable service to the communities across our country.

Without libraries, access to this new information would be restricted to those who had the time, money and commitment to seek out and purchase the materials. With the libraries, every family in the United States—whether rich or poor, large or small—can enrich their lives through reading, listening or viewing.

I join with my colleagues in saluting the libraries of America, and the librarians and others who bring life to those institutions through their expertise and concern for knowledge.●

● Mr. RANGEL. Mr. Speaker, I rise to join my colleague, MAJOR OWENS, in his special order to focus attention on the fourth consecutive Reagan budget proposal which attempts to eliminate funding for the Library Reconstruction Act and other library services and programs.

In New York State alone, the enactment of the fiscal year 1986 library recommendations would result in reductions and eliminations of essential library services such as: Circulation and research functions; Federal grants used to maintain artifacts; operation support systems and; computerization of expanding information networks.

The deficit created by this administration is causing unfair and ultimately damaging budget priorities for this country. Alternate deficit reduction initiatives must be proposed, but eradicating the traditional functions of our cities public libraries is not a solution. Educational enrichment translates into limitless educational opportunities. We cannot allow the special role of the public library system to falter: It is a valuable instructional and research center. Computer literacy, second language education and services for the disabled are key to advancement of millions of Americans.

The public library system helps to create an informed and knowledgeable society. I urge my colleagues to support funding at the fiscal year 1985 levels for our public libraries nationwide.●

● Mr. ADDABBO. Mr. Speaker, I am rising to voice my opposition to the administration's proposal to cut library funding.

As usual, the administration has got its priorities backwards. This Congress is being asked to approve more than $300 billion for next year's defense budget. What the administration is failing to recognize, is that the defense of this country begins with an educated populace.

Our strength in the future, will rely heavily on our ability to maintain a technological advantage over our adversaries. Increasingly, we will require educated men and women not just for research and development, but to operate the sophisticated weapons of tomorrow.

A strong public library system should be among the cornerstones of our educational system. As all aspects of our society become more dependent on high technology, our need for public and research libraries will continue to grow. I believe it is very shortsighted to try to balance the budget by cutting library funding. We are already spending less than we should in this area. If we cannot increase funding, we should at least have the good sense to leave this part of the budget alone.●

● Mr. DOWNEY of New York. Mr. Speaker, yesterday, many of us had the opportunity to meet with librarians from our districts who were here in Washington to inform their representatives of the effects of various administration budget proposals on the Nation's libraries.

During the past 4 years we have seen many shortsighted approaches to reducing the deficit, but it strikes me that the administration's repeated attempts to balance the budget by reducing support for libraries is among the most foolhardy. Libraries are a priceless national resource. They provide millions of our citizens with the opportunity to educate themselves, to expand their cultural horizons, or to just have a relaxing evening with a good book.

They are an integral part of the social life of our communities. In my own congressional district on Long Island, libraries are vital social centers. Very often I hold my town meet-

ings in local libraries, and I can attest to the fact that the libraries are a natural meeting place for all groups within the community. That is why the administration's proposal to eliminate the Library Services and Construction Act strikes at the heart of villages and towns across the country. In the past, Congress has rejected this proposal, and I am confident, Mr. Speaker, that we will once again be wise enough to see through the false appeals to fiscal austerity and approve renewed funding for this important legislation. As a member of the Budget Committee I will support adequate funding for the full range of library services.

I would like to commend my colleague from New York, Congressman MAJOR OWENS, for organizing this special order. Mr. OWENS, who was himself a librarian, has been a strong defender of library programs and understands clearly the important role they play in our community.●

● Mr. MRAZEK. Mr. Speaker, a great nation is dependent upon an educated and informed citizenry. It is quite natural, therefore, that over the years, our Government has made a genuine and sincere commitment to the preservation and expansion of our public library system. This year, however, this commitment is in jeopardy. This year, the Federal budget includes no funding for our public libraries. This is wrong.

Public libraries are the cornerstone, the foundation and the support beams of our educational system. Without accessible, viable, up-to-date libraries, we weaken the entire structure of our society.

Federal funds for libraries represent only a small portion of a library's operating expenditures but these funds are critical for prototype and special programs. Federal funds, combined with State and local support, have resulted in a 30-year local-State-Federal partnership guaranteeing lifelong learning opportunities for our people, research and development information for our industries, and quality education for our young.

This week, the week of April 14-20, 1985, is National Library Week. It is appropriate at this time that we reaffirm our commitment to one of our society's noblest institutions, the public library.

I call on my colleagues on both sides of the aisle to unite and vigorously support the funding of the Library Services and Construction Act and the Higher Education Act Title II.

As a nation, we must demand excellence in our educational institutions and in our public libraries. If we fail the task of providing our citizenry with the best of all possible learning centers, we will fail as a people. But if we succeed—the possibilities are endless.●

● Mr. CAMPBELL. Mr. Speaker, the future of our great country lies with its children. If the United States is to grow and prosper we need to provide good educational programs for our children. Research has shown that exposure to books at an early age is important for reading and later school success. Children who use their public libraries tend to do better in school. Public libraries are playing a vital role in this area by encouraging parents to read to their children and by providing stimulating programming for children to demonstrate the joys to be found in books. Library Services and Construction Act funds have been to hire children's librarians and to develop pilot projects. These demonstration projects have proven to be the most effective way to show local officials the benefits of improved library services for children and the need to provide for them with local funding. Libraries in South Carolina have had marked success in using LSCA funds to stimulate local support.●

● Mr. SPRATT. Mr. Speaker, I am pleased to join my colleagues today in recognizing the significant contributions of public libraries. Our comments today are in honor of National Library Week, which recognizes the vital services provided by libraries.

In my congressional district, which is largely rural, people rely heavily on the services provided by our rural libraries. Public libraries provide not only books and publications, but they join with local governments and educational institutions to provide various community services. In many cases, the library serves the role of a community center.

For example, libraries in South Carolina have undertaken an extensive program to combat illiteracy. According to recent estimates, 20 percent of all Americans are functionally illiterate and 75 percent of the unemployed have inadequate reading and writing skills. In many areas in South Carolina, one-third of our citizens lack the basic literacy skills needed to meet the requirements of adult living.

To address this problem, public libraries in my State, with assistance provided under the Library Services and Construction Act Amendments of 1984, have supported projects that now provide tutoring in reading and writing to some 2,293 adults—a 41-percent increase since last year. In my home county of York, our public library has sponsored an innovative project to reach first graders with reading problems. I commend our libraries for their efforts to meet this critical need.

Our libraries are the repositories of some of our greatest cultural achievements and they provide an invaluable public service. They make the written words of our civilization available to our people and they help to cultivate our capacity and interest for reading and learning. I am pleased to join my colleagues in paying tribute to the significant and enduring contribution made by our public libraries.●

● Mr. VENTO. Mr. Speaker, I rise today in support of our Nation's vast library system. In Minnesota alone, we have 330 public libraries and 30 mobile libraries serving nearly 4 million people in addition to numerous other academic, college, and vocational technical libraries throughout the State.

We are reminded of our Nation's impressive array of information dissemination services during this our 28th annual observance of National Library Week. We are also reminded that once again we must wage a battle against the administration's proposal to zero out funding for library programs covered under both the Library Services and Construction Act and the Higher Education Act. For the fourth consecutive year, the President has requested no funding for these programs.

The impact of such a proposal would be devastating to our Nation's library system. In an ever changing society as ours, the broad education provided by libraries is important both because of what it contributes to one's career goals, as well as because of the value that it adds to the quality of our lives.

The services provided by libraries range from making available the daily newspaper to neighborhood residents to supplying information necessary for the completion of a research project. I know from my experience as a teacher that in our schools' libraries, students learn how to locate, organize and use information that will expand their horizons and raise their self-expectations. Our public libraries assist small businesses and other industries by ensuring adequate sources of information that will allow them to expand their operations.

Adequate funding is necessary to provide for sufficient numbers of books, audiovisual materials, magazines, computer software, and other materials that will ensure that an adequate supply of information is available to those in all walks of life.

I would like to thank my colleague Mr. OWENS for arranging this special order and I would like to thank our librarians across the country for their service and dedication to this worthy program which provides a vast array of information to those in our society.●

● Mr. ACKERMAN. Mr. Speaker, I commend my colleague from New York [Mr. OWENS] for asking for this special order to commemorate National Libraries Week. Libraries have consistently served communities throughout the country not simply as depositaries of literature, but also as important components in maintaining and

improving the standard of living in the neighborhoods of this Nation.

I would like to inform my colleagues of an exemplary library located in the Corona-East Elmhurst section of my congressional district in Queens County, NY. The Langston Hughes Library and Cultural Center is a special project of the Queens Borough Public Library, funded by the Library Services and Construction Act. Named for Langston Hughes, a black American writer who was able to transcend different forms of literature to portray the many facets of black life in this Nation, this unique institution is under the direction of a community board of directors and is staffed by community residents.

The Langston Hughes Library opened its doors on Corona-East Elmhurst in April 1969. The community demanded the library, fought for it, and the residents of the area have worked for over a decade to maintain it. The library was designed to meet the special needs of the neighborhood by providing necessary educational services to an economically disadvantaged area. Due to the unique characteristics of this community resource center, Langston Hughes has offered a full range of services, including tutorial and remedial assistance for schoolchildren, a community referral service, and varied cultural events and activities.

Mr. Speaker, the Langston Hughes Library is a special place in Queens. It is a model of excellence in community responsibility, and a jewel in our Nation's library system. It is important to note the achievements of this praiseworthy organization, and the individuals who contribute so much to their community, so others may emulate them. I ask the Members of the Congress of the United States to join me in congratulating the Langston Hughes Community Library and Cultural Center and its fine officers: Andrew P. Jackson, executive director; Rodney Lee, curator of black heritage; Jack Harris, director of cultural arts; Grace Holmes, director of the Homework Assistance Program; Una Grant, coordinator of information and referral services; Grace V. Lawrence, chairperson of the Library Action Committee; and Gale Jackson and Carl Rogers, Librarians.●

● Mr. DERRICK. Mr. Speaker, public libraries throughout South Carolina are experiencing growth in book collections and in programs. Unfortunately, many of our library buildings are not sufficiently large or modern enough to accommodate this growth. The jobs bill in fiscal year 1983 enabled the South Carolina State Library to assist 11 public libraries in construction projects, including one in my hometown of Edgefield, SC. Fiscal year 1985 Library Services and Construction Act funds will enable three or four libraries to proceed with building plans. However, this is just the tip of the iceberg.

A recent survey by the South Carolina State Library indicates a need for at least 136 public library building projects, which include new buildings, expansion of existing buildings, or renovations for handicapped accessibility, energy efficiency, or to accommodate new technologies. LSCA funds are a small share of the total costs of construction, but it has proved to be the carrot needed to encourage local funding activity.

Libraries are the key component in the enhancement of the educational level of citizens across the Nation. I am delighted that this time has been set aside to give national recognition to the library system.●

● Mr. MANTON. Mr. Speaker, I would first like to commend my distinguished colleague from New York, MAJOR OWENS, for organizing this special order today during National Library Week. As we are in the midst of saluting the National Library Association, it is an opportune time to think about our national priorities and examine how libraries are affected under the administration's budget proposals.

Yesterday, I was visited by constituents representing libraries in my district. They handed me a copy of a letter signed by President Reagan commemorating National Library Week. In that letter the President states that we must help our children discover the treasures to be found in our Nation's libraries. The President also states that the open doors of our Nation's libraries "Beckon all to enter." I am shocked that a President who could make these statements would propose a budget that would effectively limit our children's access to those treasures and which will do irrevocable damage to our libraries' collections.

Mr. Speaker, the administration's budget requests zero funding for programs vital to our libraries. No funding has been requested for the Library Services and Construction Act. Title I grants of this act enable libraries to serve disadvantaged citizens who would otherwise be denied access to library services enjoyed by others. Title II of this act provides grants to help provide adequate library facilities. Title III provides important moneys for the planning, establishment, and operation of cooperative networks for libraries at all levels. The administration has also axed funding that is vital for our universities to maintain and improve their collections. Perhaps our President does not really mean that all should have access. How can the President on the one hand commend libraries, their users, and librarians, but on the other hand condemn the future of our libraries.

Mr. Speaker, these Federal programs are very important for my constituents. As of June 1984, there were 207,141 registered borrowers at the 12 libraries in my district. From July 1983 to June 1984, over 1 million books were loaned out to readers in the Ninth Congressional District. In 1984-85, the Library Services and Construction Act and Higher Education Act funds provided $8.6 million to New York's libraries. Although this money provides only 2 percent of library operating expenditures in New York State, these funds are critical. The programs funded by these Federal grants allow our libraries to reach out to people they would not otherwise be able to serve.

There is a very special library in Queens, the Langston Hughes Community Library and Cultural Center, which is used by many of my constituents. This unique library was designed to meet the special library needs of an economically disadvantaged area and is governed by a community board of directors made up of volunteers of the community. The library's black heritage reference center provides one of the city's largest circulating book collection of black heritage reading materials. This special library meets the needs of the community by providing tutorial services, community information, cultural events, and activities. The Langston Hughes Library has become a model and has been visited and studied by librarians, educators, and students from all parts of the country. The library depends on funding from the Library Services and Construction Act. Without these important funds, the excellence and the very existence of the library is threatened.

Mr. Speaker, the Nation's libraries allow our citizens to grow, to learn, and to expand their knowledge. Our Founding Fathers recognized the importance of an educated populace. In fact, Benjamin Franklin established the first public library.

I urge my colleagues to carefully examine the administration's proposals which threaten to undermine a tradition of support for public libraries. As part of my celebration of National Library Week, I pledge my support for the programs which allow Americans of all ages, from all walks of life, to enjoy the riches that are to be found in our Nation's libraries.●

● Mr. WIRTH. Mr. Speaker, this week has been set aside to acknowledge the importance of libraries in all aspects of our lives. National Library Week is being celebrated across the country from Sunday, April 14 to Saturday, April 20, 1985.

Our Founding Fathers were clear, from the very beginning that broad access to information was essential to the success of the American democrat-

ic experiment. A quote from James Madison is no less apt today:

Knowledge will forever govern ignorance. And, a people who mean to be their own governours, must arm themselves with the power which knowledge gives. A popular government without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy; or perhaps both.

Today, our country is at a critical juncture in assuring adequate access to information. The technologies through which we communicate are changing at an unprecedented pace. The organization of communication services and industries, such as our public libraries, is also undergoing radical revision. And our capacity to keep up with these rapid advancements has been steadily eroded by an administration whose priorities do not include the free and widespread access to information envisioned by our forefathers.

The President's fiscal year 1986 budget includes the termination of all Federal support for public libraries. Dollars which have traditionally been used to support special services such as programs for illiterate adults, talking books, braille manuscripts for the blind, and outreach services to handicapped citizens, orphanages, and prisons are in danger of total elimination. Elimination of financial support for our libraries will further weaken a crucial link on our Nation's information network.

Specific effects of the Reagan administration's current proposals include:

The elimination of the 4th class library postage rate and free postage for the blind and handicapped.

The reduction of library services for approximately 15,000 people in each State.

The termination of outreach services for 8 million people who are homebound or confined to orphanages, hospitals and prisons.

The discontinuation of special programs for blind and handicapped citizens who are virtually totally dependent upon public libraries for information.

We cannot afford the cost of such proposals if we mean truly to govern ourselves. During National Library Week, we should reflect upon the power of knowledge and its value to the continued success of the "democratic experiment" we embarked upon over 200 years ago.●

● Mr. BRUCE. Mr. Speaker, today, in the midst of National Library Week, I feel it appropriate that we take the opportunity to salute the timeless services that out libraries provide for us. Knowledge, as the foundation of any stable, rational society, is not a value that depreciates with age. It is a value that should, and must, be actively pursued; and as institutions devoted to the task of spreading and increasing knowledge, our libraries have performed admirably in this regard.

I am proud to report that the libraries of my district have instituted community programs that have made sources of learning available to more people than ever before. Some of these programs include federally funded workshops designed to call peoples' attention to the traumas of Alzheimer's disease; a book accessibility program which provides books for preschoolers, invalids, and individuals experiencing reading difficulties; and a drive to computerize and implement a statewide library card system that would make most collections open to any Illinois resident. In addition, the Champaign Public Library acts as an information finder for smaller businesses in the area, providing newly emerging businesses with market and loan information.

A desire to learn begins with one's exposure to the repositories of knowledge. Clearly, the libraries of Illinois remain steadfastly committed to this fundamental precept and to the ideals so nobly represented by National Library Week.●

Mr. GREEN. Mr. Speaker, I should like to commend my colleague from New York, Mr. OWENS, for his leadership in sponsoring this special order. The services provided by our Nation's libraries have proved to be of unparalleled public benefit and deserve our continued support. There a number of issues before us in this Congress which have a particular impact on libraries, and they must receive appropriate consideration.

First and foremost is the issue of funding for libraries. Last year we reauthorized the Library Services and Construction Act [LSCA] through 1989, demonstrating bipartisan support for this act. Although the administration has proposed elimination of these funds, we in Congress have recognized the tremendous contribution our libraries continue to make. The library is an integral part of our educational system and is as central to our communities as our schools and supermarkets. Libraries serve the very young and very old, and all of those in between. In addition, they meet the needs of special constituencies, such as the blind and other physically disabled, who might endure the greatest loss if funding were eliminated.

In New York, the LSCA supports vital services provided by the New York Public Library. The Special Service Programs, which receive funding under the act serve not only my district and the rest of Manhattan, but also the Bronx and Staten Island. Among the services supported in New York are those provided by the Library for the Blind and Physically Handicapped, which serve these three boroughs plus Queens, Brooklyn, and all of Long Island. In addition, the LSCA supports numerous urban library programs. These include job information centers, which provide information on career opportunities and techniques for finding employment. The literacy centers, which have a waiting list at all times, enable trained volunteers to tutor illiterate adults on a one-to-one basis. Learners' advisory centers, which also receive funding under the act, provide educational and career guidance for adults and teenagers. The LSCA also supports outreach projects, which provide services to disadvantaged and ethnic groups and have proved of tremendous benefit to minorities. Further, the community information services and directory, another urban library program, provides updated information on local and citywide services in every neighborhood branch of the library.

Of equal importance is funding for research library resources. These libraries preserve our Nation's heritage by maintaining collections which might not be preserved were these funds not available. The 26 million books, manuscripts, newspapers, periodicals, maps, prints, photographs, musical scores and other materials available through the New York Public Library's research libraries are used by 1½ million people annually. Over 350,000 of these users come from outside New York City and 150,000 visit from outside the State. The library makes these resources available to other institutions around the world through its cooperative programs. Only by devoting considerable resources to preservation and conservation programs is the New York Public Library able to maintain these invaluable collections.

Clearly, continued support for library services appropriations is essential if we are to maintain these educational and social services in our communities and preserve many of our historical resources throughout the Nation. However, these are not the only issues before us which affect libraries. Of great concern is the revenue forgone postal subsidy. Libraries are not the only beneficiaries of this important appropriation. The blind and handicapped, as well as other nonprofit organizations which benefit the public, all depend on lower postal rates. Eliminating this subsidy would critically impair the ability of libraries to distribute educational and informational material to the public, a vital part of their service. The Postal Service estimates that a fiscal year 1986 appropriation of $981 million is required to maintain subsidized postal rates at current levels. If the revenue forgone postal subsidy is eliminated, our libraries would have to devote to postage, money now spent on books and other library resources.

Our country's libraries also receive vital resources through the Public Libraries Program at the National Endowment for the Humanities. Continued support for the Endowment, and the Public Libraries Program in particular, is vital to meeting our libraries' needs.

We are grappling with the issue of growing budget deficits, and this will force us to make some difficult choices this year. However, reducing support for our Nation's libraries would do a great disservice to the American public, especially children, the elderly and disabled. Clearly, there are other portions of the budget which can be reduced, and they would make a greater dent in the deficit while doing far less harm than cutting the funds which are so important to our libraries.●

● Mr. MORRISON of Connecticut. Mr. Speaker, the Nation's libraries provide a vital resource for our population. They are one of our first lines of defense, for they protect our citizens from ignorance, illiteracy, and isolation. They help to insure that our country does not fall behind in the most vital race of all—the race for knowledge, which helps us maintain our competitive position in the world.

Clearly, the President does not understand the importance of the need for this type of defense, for once again he is attempting to undermine the fiscal viability of this country's libraries. His most recent budget proposal calls for eliminating all funds for both the Library Services and Construction Act and title II of the Higher Education Act. He has made similar proposals in the past. Such cuts would be extremely harmful to the State of Connecticut which I represent; of the $7.858 million administered by the Connecticut State Library, $1.676 million are provided by the Library Services and Construction Act.

These funds, along with matching State moneys, are used to provide both basic library services and to fund special programs through grants. The special programs funded recently in the Third District of Connecticut, which I represent, have made an enormous contribution to the life of the community. Among these projects are:

The After School Program for Children on Their Own in West Haven, which provides library and educational programs for latchkey children, both in the library and in their homes.

The How Two's and Three's View Program in New Haven, which acquires books and films, and provides educational experiences, for young preschool children.

The Materials for Patient/Inmate Libraries Program which operates within New Haven and provides reading materials for those confined to mental institutions.

The Foreign Language Materials Program, operating in West Haven, purchases materials in foreign languages appropriate to the needs of this community.

The LEAP Program, operated through the Southern Connecticut Library Council in Hamden, which brings the latest computer technology to the region for the purpose of facilitating the location of library materials for use in interlibrary loans.

Mr. Speaker, from the above list of special projects in Connecticut's Third District, it is clear that libraries are moving into areas beyond their traditional boundaries. This trend is to be applauded. We in Congress must do all that we can to ensure that it continues, and that the more traditional programs of the library, which are so important to the education and enrichment of our population of all ages, flourish. We must hold to the belief that national defense means more than military security; it means an educated, well-read population with the resources to expand its horizons as well.●

● Ms. KAPTUR. Mr Speaker, over 30 years ago, the renowned nuclear scientist, J. Robert Oppenheimer, said:

> The open society, the unrestricted access to knowledge . . . these are what make a vast, complex, evermore specialized, technological world, nevertheless, a human community.

Our Nation's libraries play a major role in providing that unlimited access to knowledge which creates our human community. And libraries serve as important cornerstones of democracy in building critical thought and freedom of inquiry.

In my district alone, there are 30 libraries serving schools, universities, and the general public. Eight of these libraries participate in a regional program providing reference assistance, books, and audio-visual materials to citizens of several counties. Last year, Toledo, OH, was deemed to be the fourth best read city in the Nation based on use of public libraries as listed in "The Book of American City Rankings." All of us in Ohio's Ninth District are proud of our libraries and the many services they provide to our citizens.

But in today's budgetary climate, libraries are threatened with the elimination of vital Federal funds. This will severely limit their ability to serve as public sources of information, knowledge, and understanding of our world. Among the fiscal year 1986 budget recommendations are proposals to eliminate funding for the fourth year of the Library Services and Construction Act—even though Congress reauthorized the LSCA for 5 years last fall. Library grant programs under title II of the Higher Education Act have also been targeted for removal. The proposed elimination of postal subsidies will increase the costs to libraries that mail books and materials to the blind and physically disabled. For Ohio, these devastating reductions would amount to over $11 million in lost services to the illiterate, the disadvantaged and older Americans, funds for construction and renovation of libraries, support for resource sharing and postal service for materials to the blind and handicapped.

Thomas Jefferson, who recognized the importance of libraries by donating his collection to the Nation after the British burned the Library of Congress in 1814, said, "Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at dawn of day." Let us be thankful for our libraries which enable the light of knowledge to be shed for all.●

GENERAL LEAVE

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1550

ORDER OF BUSINESS

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] and I be allowed to switch our positions in the roster today, and that I be allowed to proceed with my special order at this time and that the gentleman from Texas [Mr. GONZALEZ] may take my place on the roster.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMERICAN FOREIGN POLICY INCONSISTENCIES

Mr. FRANK. Mr. Speaker, I want to express my appreciation to my colleague, the gentleman from Texas [Mr. GONZALEZ], for allowing me to proceed at this point, and he will proceed a little bit later on.

Another gentleman from Texas [Mr. LELAND] and I have jointly requested this special order because we are very troubled by a very fundamental inconsistency in American foreign policy. We have a situation in the world in which the administration tells us we must, as a matter of high national policy, continue to finance a body of revolutionaries in Nicaragua.

People on both sides are being killed. I am not here to talk particularly about atrocities by one side or the

other because the relevant point is that that sort of atrocity, the killing of people who volunteer to fight, the killing of innocent people, the destruction of property, and the wounding of small children, is unfortunately in our modern age inevitable when people resort to war. That is not an argument for pacifism. It is an argument for, not easily but for purely political reasons, precipitating a war or financing a war. So we have to look, I think, very carefully at what the justification is for this country continuing to finance a war in Nicaragua in which people get killed.

Well, the administration tells us that that war has got to continue until the Nicaraguan Government, in the elegant diplomatic phrase that our President chose to use—no doubt borrowed from Metternich or one of the 19th century diplomatists—as the President said, must "cry uncle." Well, on what must they "cry uncle"? What must they concede to our President to get him to agree that it is not a sensible use of American tax dollars for us to continue to fight this revolution or to finance it?

Well, he says, they must be democratic, they must have free elections, they must treat their people in a civilized fashion. They are told that "if you don't treat your people in a civilized fashion, you can't presumbly expect America not to make war on you."

Here is what we have from the President on July 18, 1984; these were the remarks of a participant of the White House outreach group, and the President said:

> If the Sandinistas want cooperation and friendship from the civilized world, then they can start by treating their own citizens in a civilized manner. A substantial part of the justification for making war in Nicaragua is that the people of Nicaragua are not given full democratic liberties.

That is what the President said. He has set several conditions which he says they have to agree to if we are to stop financing a war against them: First, they have to stop being a surrogate for the Soviet Union and Cuba; second, they must reduce their armed forces, which are now 100,000, they must reduce to a level comparable to those of their neighbors. The current imbalance, we are told, is incompatible with regional stability; third, they must stop support for insurgents and terrorists in other countries nearby; and fourth, the Sandinistas must live up to their commitment to democratic pluralism made to the OAS in 1979. The internal opposition is entitled to participate in the political process of the country.

All right, there are four conditions. First, they have to stop being a surrogate for the Soviet Union and Cuba, but that is really an overstatement for the other three. Then they must not have an armed force which is disproportionate to others in the region; they must stop supporting terrorists and armed insurgents elsewhere in their region; and they must treat their country's people democratically. If not, the President says, we will make war on them; we will use American tax dollars to finance this very bloody killing on both sides.

Well, I looked at these conditions, Mr. Speaker. They had a certain familiarity to them. Let us think about another country which has an armed force very disproportionate to anybody else in its region, larger than almost anybody else in the region combined. Let us look at one which has troops in fact in other countries and which is actively supporting armed insurgencies against other internationally recognized governments, and let us look at one that is as repressive to the majority of its people as any government in the world—South Africa. One would have naively thought, looking at the Reagan administration's criterion for one where we finance revolutions, that South Africa would have been high on the list. By almost every criterion given here about Nicaragua, the South Africans are far worse.

Does anybody think that I am disappointed in and critical of the Sandinista regime's failure to live up to promises that were made for full democractic rights for their people? Unfortunately, many governments in the world fall short of that. The problem is, what is the best way to respond to that?

Now, with regard to South Africa—and let me say, having said that I wish the Sandinistas had lived up to democratic principles better than they did—no one could seriously contend the absolute denial of basic humanity, which is the lot of the majority of the people of South Africa, the black majority, and no one could deny that they are treated by their government in a far more repressive fashion and a far less democratic fashion than the people in Nicaragua. It is simply hypocrisy to argue that we are so offended by the censorship of La Prensa in Managua—and I deplore that censorship—that we must finance a revolution against the government that censors it, but we can be the best friend in the world to the Government of South Africa. Because that is what we are.

There is a glaring inconsistency in the policies of the administration regarding Nicaragua and South Africa. To be South Africa's best friend, to preach constructive engagement, to support South Africa at the United Nations against others who would condemn it, to be even more than our Western allies the friend of South Africa makes it very difficult to have anyone believe that this administration is really motivated by a concern over democracy within Nicaragua.

Here is what he said in July, 1984:

> If the Sandinistas want cooperation and friendship from the civilized world, then they can start by treating their own citizens in a civilized manner.

What are we told about South Africa? Well, here is what we are told about South Africa by Assistant Secretary of State Elliott Abrams. He is the human rights specialist of this administration. They do not like what South Africa does, but he said, in September of 1984, and I begin to quote:

> But we must recognize we are dealing with another sovereign nation and, by no means, the only country in the world to abuse human rights. We cannot dictate to that nation's leaders how to conduct their internal affairs, but we certainly can and do offer our own reactions to what we see.

To the brutal regime of South Africa, repressing its black majority as badly as any human beings on this Earth are mistreated, we must remember that we are dealing with a sovereign nation and we cannot dictate to them how to conduct their internal affairs. To the people of Nicaragua, we can say to them, "We will make war on you until you have elections we like," because that is one of the conditions, and as I read the President's proposal for which he wants to get our approval, all of them have to be satisfied. The Nicaraguan Government has to cancel the elections they had and have new elections, and that is a condition. That is a condition for us. We are not talking now, by the way, about giving aid to Nicaragua. We are not talking about any form of cooperation.

Secretary Shultz says we will continue to pay people to shoot people in Nicaragua until they have elections that we think are fully OK, but with regard to the absolute repression in South Africa, well, that is a sovereign nation, and we cannot interfere.

The hypocrisy is overwhelming, and we are here—and I am about to yield to my friend, the gentleman from Texas [Mr. LELAND]—to drive that home. We cannot consistently talk about the sorts of policies that this administration has in Nicaragua and South Africa and make any sense of them.

We are told, with regard to South Africa, "constructive engagement." Let me read one more suggestion, the next time you hear the President say that Nicaragua must "cry uncle." Among the things they must "cry uncle," they must live up to our version of democracy. I wish they did. I wish that every country in the world did, the Philippines, South Korea, and the People's Republic of China.

I think the President is right to have a rapprochement with the People's Republic of China, but let us not confuse the Chinese Politburo with the American Civil Liberties Union or even the Republican National Committee. This is no great "gang of democrats,"

but it is OK with the People's Republic of China. It is hypocrisy to pretend that internal democracy or its lack in Nicaragua has anything to do with it.

Here is what the President said about South Africa. This was in December 1984.

If you are practicing quiet diplomacy, you cannot talk about it or it won't be quiet anymore.

There is a brilliance here we have not fully appreciated in this man's subtlety.

And then he says:

I have always believed that it is counterproductive for one country to splash itself all over the headlines demanding that another government do something because that other government is then put in an almost impossible political position.

He thinks it is tactically unwise to demand that the South African Government stop shooting down innocent black South Africans who are protesting their repression, but he can insist that the Nicaraguan Government "cry uncle" about internal democratic proceedings or else we will pay people to go and make war on them.

Mr. Speaker, I will now yield to my friend, the gentleman from Texas [Mr. LELAND].

□ 1600

Mr. LELAND. Mr. Speaker, I appreciate the gentleman yielding. I also want to say I truly appreciate the gentleman's wisdom as well as his leadership on this matter. The gentleman and I discussed just the other day the contradictions and hypocrisy that the Reagan administration has espoused. We are truly disturbed by those contradictions.

Mr. Speaker, yesterday Secretary of State George Shultz said of U.S. policy toward South Africa, "We must not stand by and throw American matches on the emotional tinder of the region."

Earlier, he had stated:

The only course consistent with American values is to engage ourselves as a force for constructive peaceful change. It is not our business to cheer on, from the sidelines, the forces of polarization that could erupt in a race war; it is not our job to exacerbate hardship, which could lead to the same result.

Yet, the Reagan administration has chosen to do just that—throw American matches on the emotional tinder—in its Central American policy.

The blitz and hype surrounding the President's request for aid for the Contras in Nicaragua and his call for the continuation of the worthless policy of constructive engagement for South Africa highlight the inconsistency and hypocrisy which the President has time and time again demonstrated in his foreign policy.

The President has equated the Contras in Nicaragua to our great Nation's Founding Fathers—true democrats. He continually refers to them as freedom fighters, as opposed to Contras, and is ernestly setting out to convince the American public and Congress that these "freedom fighters" are groups of peasants, farmers, small businessmen and others disillusioned with the Sandanista Government who desperately seek a free and democratic Nicaragua.

I cannot understand how the President can justify calling a band of men and women whose hallmarks are rape, pillage, kidnaping, and murder freedom fighters. How did the President come to the conclusion that the Contras are made up primarily of humble Nicaraguans disillusioned with the revolution? It is a known fact that the largest group of Contras is made up of former national guardsmen from the Brutal Somoza regime. The brutalities executed by the guardsmen under Somoza caused Nicaraguans en masse to rise against the government. How can then can President Reagan claim that the majority of Nicaraguans now support these same people who inflicted such atrocities on them earlier?

The President continues to claim that we have a moral obligation to help these terrorists in the name of democracy.

Let's turn to another region now, South Africa. The conflict in South Africa has received almost as much publicity as the conflict in Nicaragua lately. And the conflicts in both countries do have some similarities.

President Reagan is highly critical of the Sandinista government because of what he perceives as questionable elections and repressions of government opponents, freedom of the press, and the private business sector.

But what of the Botha government in South Africa? The overwhelming majority of South Africans have no political voice, let alone a vote. Those who oppose the government are jailed, mysteriously disappear, or are murdered. And what greater repression of the private business sector than keeping a majority of a nation's people restricted to certain areas and in such destitution that the thought of owning a business is not even a fantasy?

Yet the Reagan policy regarding South Africa is "quiet diplomacy." In no way does the President want to offend Botha. But Reagan appears to have no qualms about offending the Sandanista government. He continually attempts to intimidate them by sending troops to train in neighboring Honduras and urging support of the Contras. Reagan has chosen confrontational politics in Nicaragua and silent politics in South Africa.

In South Africa, as in Nicaragua, there are factions who do not agree with the government, who have never had illusions about democratic treatment from the government. The overwhelming majority who oppose the South Africa's apartheid system are the humble of South Africa. I do not deny that some in South Africa have taken a more strident approach to ending the abuses of democracy and human rights in South Africa, like the African National Congress.

President Reagan, however, does not acknowledge the people fighting for freedom and democracy in South Africa as freedom fighters.

Based on President Reagan's statements that we "have an obligation to be of help where we can to freedom fighters and lovers of freedom and democracy" and that we should stand in strong support of those who have had "tyranny imposed on them by force, deception, and fraud" I would think that the President would seek consistency in his foreign policies.

Therefore, shouldn't President Reagan recognize and aid all freedom fighters who strive for democracy and justice? I've drafted a resolution calling on the President to be consistent in his foreign policy. If he insists on calling the Contras in Nicaragua freedom fighters and aiding them then he should also recognize members of the African National Congress in South Africa as freedom fighters and secure aid for them as well.

But while the President may find it perfectly justifiable to intimidate and confront the Sandinista government in order to enforce Reagan approved politics, he becomes defensive when asked why the United States is not doing more to bring about change in South Africa. He tries to explain that quiet diplomacy is the only policy that will bring change in South Africa. His policy in South Africa seems to be a one of wishful thinking—if he wishes long and hard enough maybe apartheid will go away. If this is the case, President Reagan isn't wishing enough, because apartheid is still present in South Africa and only cosmetic change has occurred.

In dealing with Nicaragua, Reagan has chosen to do more than wish away the problems there. He has been so eager to bring about change that he has allowed for the flagrant abuse of laws.

The Boland amendment—which President Reagan himself signed into law—prohibits the use of funds for the overthrow of the Nicaraguan Government. Yet the Reagan administration has violated this law several times, from the CIA approved manual on overthrowing the Sandinista Government to Reagan's approval before the American people for the removal of the Sandinista government unless the Sandinistas cry "uncle."

An earlier spending cap of $24 million for direct and indirect aid to the Contras was repeatedly violated. The New York Times reported that the CIA charged some of the costs of rebel programs to accounts other than those covered by the $24 million cap.

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The Times further reported that the living expenses of some rebel leaders' families and salaries of some CIA employees sent to Honduras, as well as the cost of CIA manuals, had been charged elsewhere.

And when the United States was prohibited from funding the Contras, President Reagan appealed to friendly allies to aid the Contras.

Time and time again Congress has come to learn of actions taken in regards to Nicaragua after the fact, a clear violation of the Intelligence Oversight Act.

America's Watch has concluded that the Contras "have attacked civilians indiscriminantly; they have tortured and mutilated prisoners; they have murdered those placed hors der combat by their wounds; they have taken hostages; and they have committed outrages against personal dignity."

Yet, these are the people the President has dubbed freedom fighters. A group Ronald Reagan, as our Nation's leader, has chosen to be the recipient of U.S. support and aid.

I am reminded of the saying, "If we allow an immoral government to speak for us then we are responsible for its acts." I do not believe the "silent majority" (as Reagan likes to call the public) wants to be responsible for the atrocities being supported by the Reagan administration. I am speaking out and I urge all concerned Americans to do the same.

□ 1610

Mr. FRANK. I thank the gentleman from Texas for his great leadership.

Mr. RITTER. Will the gentleman yield?

Mr. FRANK. And I will yield to my friend in 1 second. I just want to summarize a couple of points and then we will open it up.

The point that we want to focus on is much of the justification for the President's request for $14 million, but $14 million is only a small part, for continuing substantial sums from America to finance a revolution against the Nicaraguan Government, to finance the Contra attack, is the lack of democracy within Nicaragua. There were other justifications as well, but I reread again Secretary Schultz's speech in February at the Commonwealth Club in San Francisco. There are four points; all of them have to be satisfied before a war America is financing could be called off and one of them is they must live up to their commitment to democratic pluralism. They must be allowing the opposition to participate in the political processes of the country.

It is simply bizarre for South Africa's great friends to say that one of our conditions for stopping armed attacks on the Nicaraguan Government is that they let the people of Nicaragua have more rights when they support a South African Government that totally represses them.

The government, yes, talked about the business sector. Well, if you are black in South Africa you cannot even be an employee in much of your own country. You cannot be in certain businesses.

Yes; progress is coming. They are now about to say, we are told, that if two people of different race make the mistake of feeling an affection for each other, and want through some church to regularize that and become married to each other, that may no longer be a crime. That is the degree of moral barbarism we are dealing with and that we support in many ways by economic relations.

Let me just talk about the strategic question. The administration would genuinely believe, they would have us believe, I guess, that they are opposed equally to what goes on in both places. I would think almost anybody objectively would find South Africa——

Mr. RITTER. Will the gentleman yield?

Mr. FRANK. I will get to the gentleman in a moment.

At this point I would read into the RECORD some extraneous material from an article by Gregory Nokes of the AP. And he says: "President Reagan says the struggle against the Sandinista Government of Nicaragua is one of the 'greatest moral challenges' since World War II, but critics say the greater challenge, about which Reagan says little, is in South Africa.

"The President speaks out forcefully and frequently against Nicaragua, but only seldom criticizes South Africa. Yet there is little disagreement that the mistreatment of South Africa's 22 million blacks by the white minority is much harsher than the human rights abuses of the leftist Sandinistas."

At this point, Mr. Speaker, I include this entire article.

The article referred to follows:

REAGAN SAYS NICARAGUA A "MORAL CHALLENGE" BUT QUIET ON SOUTH AFRICA: AN AP NEWS ANALYSIS

(By R. Gregory Nokes)

WASHINGTON.—President Reagan says the struggle against the Sandinista government of Nicaragua is one of the "greatest moral challenges" since World War II, but critics say the greater challenge, about which Reagan says little, is in South Africa.

The President speaks out forcefully and frequently against Nicaragua, but only seldom criticizes South Africa. Yet there is little disagreement that the mistreatment of South Africa's 22 million blacks by the white minority is much harsher than the human rights abuses of the leftist Sandinistas.

Reagan has accused the Sandinistas of "institutionalized cruelty," alleging brutality toward the Miskito Indian population; suppression, torture and abuse of political opponents, and of using a "scorched earth" policy to force the relocation of tens of thousands of peasants.

Yet South Africa, the only government to make racial discrimination official government policy, routinely destroys homes of blacks, and has forced millions to live on reservations known as homelands. Blacks have no vote and no right to protest. Several hundred blacks have been killed in recent months by police who fired on demonstrations, while dozens of black leaders have been jailed on unspecified charges.

Reagan's approach to the two countries reflects his concern that Nicaragua is going Communist, while South Africa is considered an anti-Communist bastion in Africa. But it's a shortsighted policy that will reap its own ill harvest, say critics.

Rep. Howard Wolpe, D-Mich., chairman of the House Subcommittee on Africa, said the administration fails to "understand that South Africa itself is an open invitation to communism."

"Our identification with this kind of regime is actually increasing the dependence of liberation movements in the region on the Soviets and the Cubans," he said.

Randall Robinson, who has organized daily demonstrations outside the South African Embassy here, said the administration errs by focusing exclusively on strategic objectives. "Moral concerns of the deprivation of human rights don't have the slightest consideration," he said.

He said the administration is doing nothing in its policies to head off a possible "blood bath" in South Africa.

But Secretary of State George P. Shultz, speaking at a National Press Club luncheon Tuesday, expressed sharp opposition to a proposal before Congress that would ban new U.S. investment and reduce trade ties. He said the United States "must not throw American matches on the emotional tinder of the region."

He also said conditions are improving, although critics say recent changes are only cosmetic and don't get at the substance of apartheid, which is the denial of any political power to the black majority.

In one of his rare criticisms of South Africa, after 19 black demonstrators were killed by police last month, Reagan said the apartheid practices of the government are "repugnant."

He has said he doesn't criticize South Africa more often because it is "counterproductive for one country to splash itself all over the headlines demanding that another country do something . . . It can't appear to be rolling over at the demands of outsiders."

There is no reluctance to criticize Nicaragua, however, which Reagan said wants "to spread its poison throughout this free and increasingly democratic hemisphere."

"We cannot have the United States walk away from one of the greatest moral challenges in postwar history," he said Monday night in a speech aimed at persuading a reluctant Congress to approve $14 million in new aid for anti-government guerrillas, known as Contras.

Reagan says the Contras—organized and trained by the Central Intelligence Agency—are freedom fighters worthy of the help that the United States traditionally gives to peoples struggling for freedom. The Contras have received $80 million from the administration since 1981, but a much older black guerrilla movement in South Africa receives neither Reagan's praise nor American aid.

Wolpe said in an interview that racial attitudes may be a factor in American foreign policy.

"It is hard to escape the possibility that our hang-ups about race in our own society have helped to shape our very different way we respond to the struggle for freedom and dignity in South Africa, in contrast with our easy identification with comparable struggles elsewhere in the world against communist or totalitarian rule," he said.

Chester A. Crocker, the assistant secretary of state for African affairs who helped forge the administration's policy of so-called "constructive engagement," said in an interview it is misleading to compare South Africa with Nicaragua.

"South Africa is not a communist country, for God's sake," he said. "South Africa is not our enemy."

(EDITOR'S NOTE.—R. Gregory Nokes covers diplomatic matters for The Associated Press and has been writing about the administration's policy toward Central America since 1981.)

Mr. FRANK. What is it that keeps them from speaking out against South Africa?

Mr. RITTER. Will the gentleman yield?

Mr. FRANK. Not at this time. I will yield to the gentleman in a moment.

Mr. RITTER. The gentleman is a great engager in other special orders.

Mr. FRANK. I have not yielded, so I do not know why the gentleman is speaking. I will get to him. We have about 40 minutes left and I promise that I will be glad to let the gentleman speak. I just want to develop the argument.

I want to quote Secretary Shultz. Certainly my friend on the other side would not object to my quoting Secretary Shultz.

Secretary Shultz said yesterday in a quote as to why we cannot fight against South Africa too hard, why we have to be constructively engaged in South Africa: "A society that feels immensely threatened by outside forces is less likely to loosen the controls at home."

Now if you are seriously trying to get the Nicaraguan Government to be more democratic, you do that. Let me put it this way: You make the Nicaraguan Government being more democratic by financing a war against them. But in South Africa, you do not rise your voice too loudly because if they feel threatened by outside forces, they are less likely to loosen the controls at home.

And here is Secretary Shultz again:

We cannot have it both ways. We cannot have influence with people if we treat them as moral lepers, especially when they are themselves beginning to address the agenda of change.

We must not treat the South Africans as moral lepers, but we can shoot the Nicaraguans because that will bring them to change. But we cannot criticize too harshly South Africa. That is the kind of incredible use of language to cause there to be no credibility for the President's program. That is what we wanted to focus on.

Let me read just one last final quote from Chester A. Crocker, the Assistant Secretary of State of African Affairs. This is in January of 1985 that it was printed, but he said it in September. An Assistant Secretary of State over at the State Department talking about how we would like change in South Africa. He says:

Americans reject instinctively scenarios that would have us instigate revolutionary violence and racial strife in that country . . .

Apparently violence without racial strife is OK, but revolutionary violence and racial strife with violence we cannot have.

Our goals can only be reached through a sustained process of peaceful evolutionary change. We remain opposed to the resort to violence from whatever quarter; the fruits of political violence in the world today are bitter reminders of what terrorism and counterterrorism can mean.

This is not coming from Mike Farrell or from opponents of the President's policy or the National Council of Churches. This is the Assistant Secretary of State of the United States of America explaining our policy in South Africa.

We remain opposed to the resort to violence from whatever quarter. [We] reject instinctively scenarios that would have us instigate revolutionary violence and racial strife . . .

. . . the fruits of political violence in the world today are bitter reminders of what terrorism and counterterrorism can mean . . .

As someone who is unhappy with the Sandinistas' lack of democracy, how in the name of anything rational can you say these things and then finance in the name of democracy in part a $14 million first installment on a war?

Mr. DYMALLY. Will the gentleman yield?

Mr. FRANK. I am happy to yield to the gentleman from California.

Mr. DYMALLY. I thank the gentleman very much for yielding.

I have an appointment with the chairman of the Foreign Affairs Committee and I trust that I will take this matter up with him, too.

Mr. Speaker, I do not know of any issue that is more pressing in the world today than the question of the racist regime in South Africa. I join with my colleague from Massachusetts [Mr. FRANK] and my colleague from Texas [Mr. LELAND] in expressing my indignation over the situation in South Africa and the failure of this administration to move forcibly against the racist regime.

I conclude by saying this: I take very strong exception as an American to the fact that the President referred to the Contras in Nicaragua as freedom fighters but then blame the freedom fighters in South Africa for fighting for their rights and lay the blame on the whole unrest there on the freedom fighters. And as a black, I take strong exception to the Secretary of State referring to these Contras in Nicaragua as brothers. Brother is a term of endearment born out of the civil rights movement for the struggle for justice and democracy, and it seems to me it is a double standard that points out the hypocrisy of this administration's efforts in South Africa.

I commend the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Texas [Mr. LELAND] for calling this special order and I thank the gentleman for yielding to me.

Mr. FRANK. I thank the gentleman.

Mr. RITTER. Will the gentleman yield?

Mr. FRANK. I now yield to my friend from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

I think there is some difference between the situation in South Africa and Nicaragua. I am not here in any way to defend apartheid or the policies of the South African Government. But I would like to call my colleague's attention to certain situations that have occurred in the last 15 years around the country, around the world, whereby authoritarian regimes have made the transition to democracy. For example, Greece under the colonels eventually went democratic. We did not sponsor a war of national liberation, of violent upheaval in Greece. We, to some extent, worked with the Greek Government, worked with the traditional forces within the society, traditional forces like the business community, traditional forces like the church, traditional forces engaged in political opposition that was not totally destroyed.

I think the same can be said of Spain under Franco. When Franco died, Spain made a transition to democratic rule.

Recently, in South America, there has been a spate of nations which having formerly been authoritarian made the transition to democratic rule. Argentina recently, not too long ago, was under the dictatorship of the Generals. We did not go into Argentina and suppport the Montenegro leftist guerrillas. We worked to some extent with a system; we supported those intitutions and those traditions within the government.

□ 1620

Mr. FRANK. I will take back my time for just a second in order to ask the gentleman a question: As I understand it he is giving all these instances when we have refrained from financing an armed rebellion against an undemocratic society. Do I take it he is about to announce against funding the Contras? I am just curious.

Mr. Speaker, I yield back to the gentleman from Pennsylvania.

Mr. RITTER. No. I am trying to make the distinction, if the gentleman

would continue to yield, and I do appreciate his yielding, I am trying to make a distinction between some of these undesirable authoritarian regimes on the right which have had the seeds of transition to more democratic societies.

For example, we have worked with the Korean Government and strides have been made towards opening up the Korean political system, as recent elections show. They have a long way to go to become a United States-style democracy, there is no doubt about it. But nobody is interested in foisting a North Korean type of war of national liberation on them.

Brazil, Uruguay have recently made the transition from authorization rightwing regimes to democratic systems.

Mr. FRANK. I am going to take back my time in order to make a point briefly. Let me say to the gentleman I understand and I agree to all that.

Mr. RITTER. Will the gentleman continue to yield?

Mr. FRANK. No, the rules are such that the gentleman may speak when I yield to him. Under the gentleman's special order I may speak when he yields to me. But I simply want to set the ground rules.

The point is simply this. I only have an hour and there are other Members who want to speak.

Mr. RITTER. Will the gentleman yield further?

Mr. FRANK. I would ask the gentleman, Mr. Speaker, to please abide by the rules. I would be glad to continue to yield if the gentleman would abide by the rules of the House. I do not write the rules of the House, I only vote for them.

Mr. RITTER. Well, may I sum up my point?

Mr. FRANK. No; I will be glad to yield to the gentleman briefly, but I will not if we cannot abide by the rules of the House. I do not think it is possible——

Mr. RITTER. Will the gentleman yield to me briefly?

Mr. FRANK. I will yield in a few minutes.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. FRANK] controls the time.

Mr. FRANK. I say to the gentleman from Pennsylvania that if he wants to give this list, and I agree with him, and I think it was a wise thing that we did in some cases. When Raul Alfonsin became President of Argentina winning a democratic election, I was very proud that he had Pat Derian who was Assistant Secretary for Human Rights in the Carter administration, to be at his inauguration because he said if it had not been for her and the kind of pressure she had brought on that regime that preceded him, he might have not lived even to run. And I agree that we can do that. My point is that it is not relevant to the issues we are talking about today because we are talking about South Africa.

I would reject the suggestion that there is in this explicitly racist regime of South Africa anything that really resembles what has gone on in Argentina and Greece.

There is, I think, a qualitative difference with the people who say—you see the problem we had with these other nations was this: the Greeks, the Franco regime, they said democracy is no good. We have something in South Africa where they say "Oh, democracy is wonderful." The people who run South Africa, the white South Africans say democracy is the only legitimate form of government "for us human beings. But for you black people, you don't count and you don't get this." Therefore I am rejecting the gentleman's analogy. The fact that the Greek Government did move, I do not think the South African Government is going to move. On the other hand I would also point out to the gentleman that we are not here arguing and let me make this clear, the gentleman from Texas, myself, the gentleman from California [Mr. DYMALLY], we are not arguing for the Reagan policy of Nicaragua to be transferred to South Africa. We are not here suggesting that not $14 million but a proportionate amount would be $50 million or $60 million, be given to armed resistance by the African National Congress.

We are not here suggesting that you finance armed revolt against the South African Government. We are saying that to finance armed revolt against Nicaraguans and say democracy is one of the reasons, they do not say it is the only one, but to count that at all and then to say "We can't even yell at the South Africans" I think is inconsistent.

So I would say to the gentleman what he said is not relevant to the argument here.

I yield to the gentleman from Pennsylvania.

Mr. RITTER. I appreciate the gentleman's yielding.

First of all we are fighting, that is we are supporting wars of national liberation, in Afghanistan.

Mr. FRANK. Yes.

Mr. RITTER. A wide cross-section of this Congress, the committee at least, has supported aid through Thailand for the San Son resistance in Cambodia. And I think the reason is that there has not been any kind of authoritarian government's transition to a democracy other than in Grenada which was done by force. I think it is a realization that there simply is no movement of Communist totalitarian governments toward more liberal forms of government and that the people who are willing to take up arms on behalf of democratic principles perhaps deserve some support.

Mr. FRANK. Let me take back my time to ask the gentleman a question and I will yield to him. He has not yet said and none of his arguments make any sense unless he is about to tell us that the South African Government is in fact going to move. I do not see any sign that if you follow the Reagan policies of constructive engagement, of not being rude to them, blaming some of the rioters for getting shot as the President did——

Mr. RITTER. I am not supporting that.

Mr. FRANK. Right. I would agree with some of the examples that the gentleman gave but the point is they are not available to defend the Reagan policy in South Africa.

The point is simply this. The gentleman is making arguments about other countries. We are talking about South Africa. Let me be very explicit: When George Shultz says, "We are so concerned about the censorship of La Prensa, it distresses me so to see a newspaper censored that I am going to finance a revolution against the people who censor it," when he then turns around and says, "but with regard to South Africa if you make someone a moral leper then you can't have any influence." What I am saying is it is not true, the Secretary of State and others who say that, including the President, are speaking an untruth to the American people when they say that the Nicaraguan policy is motivated in part by concern over internal democracy.

The South African example and their own rhetoric belies that. Now yes, there are other countries that have moved. As far as South Africa is concerned, let me say that I have seen more movement in behalf of some far-left countries. Let us take one of the President's best friends right now, the People's Republic of China. He has great relations with them. There have been some movement, more liberalization, more improvement from the Mao days to the Deng Xiaoping days today in China than in South Africa. So while I agree with what the gentleman has said that we have not seen democracy come to any of those Communist countries, we have seen, if you are going to take South Africa, we have seen the lot of a Chinese citizen today is better economically and politically in terms of liberalization than it was under Mao. For the South Africans it has gotten worse. They have even lost the right of living in their own country. The South African Government in the most cosmetic way talks nice and in fact is getting worse and more brutal. I am simply saying that the argument that the gentleman makes while it is historically of great inter-

est, it is irrelevant to the argument here.

I yield to the gentleman from Texas at this time.

Mr. LELAND. I thank the gentleman for yielding.

Mr. Speaker, I would like to address myself to Mr. RITTER and some of the observations that he has made.

What I do not understand is the logic of his argument because if you lay out the foundation for the history the gentleman has given then in fact we ought to be supporting the South African liberation fighters or the true freedom fighters there for the liberation of the majority of the people in South Africa, financially and otherwise.

Mr. RITTER. I would like to respond to that.

Mr. LELAND. All we are trying to say in this discussion, if you will, is that if, in fact, President Reagan can make so many statements that are favorable toward the Contras in Nicaragua, then those statements ought to be truly, in many instances or in most instances I venture to say, those statements ought to be made more so about the people who are struggling for freedom in South Africa.

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I think what one can see in South Africa that is similar, for example, to some of the other countries that made the transition, not that South Africa is that close to transition, but there is an independent church, there is an independent business community, there is an independent intellectual community and academic community. These are the seeds that eventually can, if one works with them, make the transition.

Mr. FRANK. I would ask the gentleman this question: for black people?

Mr. RITTER. Just one second, please. The Chinese experience, yes, there is liberalization in China but if anyone thinks the Chinese people have anything regarding any kind of freedom that even existed in Greece under the colonels, I think that is stretching it.

The fact about Nicaragua is that it is on our southern border. The fact about Nicaragua is that it does not——

Mr. FRANK. I have to take back my time for a second because the gentleman said Nicaragua was on our southern border. Has he misplaced a few countries? What happened to like Mexico and Panama, not Panama but the others above it? Nicaragua is not on our southern border.

Mr. RITTER. Nicaragua is very close to the southern border of the United States.

Mr. FRANK. I will give the gentleman "close."

Mr. RITTER. There is no way one can consider it on the southern border, it is not literally on the southern border.

Mr. LELAND. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I will let the gentleman from Pennsylvania finish if I may.

□ 1630

Mr. RITTER. I guess my point about Nicaragua is, it is one of these totalitarian communist governments. There are people who are willing to take up arms. If you look at the number, 15,000 in a small country of 2½ million, that is like 1.5 million Americans. They say that with the proper material and supplies, 25,000 people would take up arms.

Mr. FRANK. I have to ask the gentleman a question. I want to take back my time to ask the gentleman a question, and then I will yield to the gentleman from Texas.

In the first place, I did not suggest that China today has freedom. I said there has been more advance for the Chinese peasant from Mao to Deng——

Mr. RITTER. It is because——

Mr. FRANK. I must remind the gentleman that he has to wait for me to yield. Those are the rules we all live by; the gentleman can take out a special order and I will participate there, but we do have to have rules in the House.

The point is this: I simply said that there has been an improvement for the average Chinese that was greater than the improvement for a black in South Africa. I think there has been slippage in the other direction.

I did not say that they had any of those real freedoms. As a matter of fact, it is the Reagan administration that is the great booster of the People's Republic of China—I do not think I have been quite as enthused as the President about some of these things; in fact, I have been critical of the Reagan administration's failure to allow political asylum-seekers from the People's Republic of China into America. I think the State Department has behaved badly in rejecting the asylum application because of the President's political tie-in there.

But I want to get back to the gentleman when he suggests that there is for black people in South Africa, independent business, and an independent intellectual community.

I have to disagree when the gentleman suggests that black people in South Africa today are allowed those basic freedoms. They are not even allowed in many cases to live in certain parts of their own country.

So the suggestion that the black people of South Africa have that kind of independence, I think, is simply wrong.

Does the gentleman want me to yield to him, or his reinforcement?

Mr. RITTER. I would just like to say, I do not believe that there is the great level of independence of blacks in South Africa, but one also must admit that blacks do migrate into South Africa from other black African ruled nations.

Mr. FRANK. And what is the relevance of that?

Mr. RITTER. Excuse me?

Mr. FRANK. Is that in any way a justification or anything relevant—I must say that disturbs me, that suggestion.

Mr. RITTER. There are certain economic——

Mr. FRANK. I want to get back to the point that I was asking. The gentleman suggested that South Africa today resembles Greece. The gentleman said that Nicaragua is a totalitarian regime, and suggested it for the blacks in South Africa. For the whites in South Africa, it is a great place to live; no heavy lifting, because the blacks do it for you.

But in the situation for black people, I would argue that it is far worse than it was for the people of Nicaragua; there is much less freedom for the blacks, and I would reject the notion that there is the basis for black people to be at all hopeful about this regime in South Africa.

I yield to the gentleman from Pennsylvania.

Mr. RITTER. What I am trying to say is, there are institutions today in South Africa which do not agree with apartheid. There is an independent church which is diametrically opposed to apartheid. There is a press which is opposed in part, which is opposed to apartheid. There are academic institutions, there are business organizations which have gone several steps to enforce celibate principles within their own confines to oppose the system of apartheid.

Mr. FRANK. Reclaiming my time, I want to respond to the gentleman's I think excessive justification of South Africa.

Mr. Speaker, I would ask——

The SPEAKER pro tempore. The gentleman from Massachusetts has the time.

Mr. FRANK. The gentleman should understand. He talks about an independent church in South Africa. Well, there is an independent church in Nicaragua.

You might say, "Well, the church in Nicaragua faces harrassment." The churches in South Africa face persecution and harrassment that is far worse.

In South Africa they have indicted white churchmen as well as black churchmen. Roman Catholic churchmen have been indicted in South Africa—I do not think that there have been high ranking Roman Catholic churchmen subjected to the kind of police procedures in Nicaragua that they have been in South Africa.

So the argument that because there is an independent church in Nicaragua, they are better off; the South African Catholic Church has been very shabbily treated and persecuted by this government.

I yield first to the gentleman from Texas and then to the gentleman from Minnesota.

Mr. LELAND. I thank the gentleman from Massachusetts for yielding to me, and let me direct my comments to the statements made by the gentleman from Pennsylvania, and let him know that I have a certain empathy for the people of South Africa, because my roots lie somewhere in the Continent of Africa, and because of the brutality that was committed to the black people who were brought here, in terms of our cutting off our roots, we cannot trace back precisely where we came from.

Let me suggest to you that I am very happy to be an American citizen today, because I can stand here and argue with you on the issue apartheid in South Africa whereas there is not a black person in the parliament of South Africa who can argue for the people they would represent, given the opportunity to get elected.

They cannot get elected, not only because they are disallowed from representation for the people who are in the majority in South Africa, but they cannot even vote. They do not even have a vote.

What kind of persecution is that? You talk very cavalierly about what is going on in South Africa. There is nothing cavalier about the fact that people, black people, are relegated to townships, shanty towns, if you will, because white people do not want them to be a part of their social life or their political or economic life.

They do not gain any benefit from being a South African citizen and now they have gotten this incredible scheme where they would cordon off land for the so-called black workers in South Africa and give them that land and let them call that a township.

They have absolutely no rights to participate in society in South Africa at all. What is done in Nicaragua is not comparable to what has gone on in South Africa. How long has the Sandinista government been in power?

Let us also review the history of Nicaragua. What kind of rights did the people under Somoza have? What kind?

I think that the gentleman must understand that what is happening in South Africa now is that things have, as the gentleman from Massachusetts has suggested, have gotten much, much worse.

Anytime the black people get together in groups now, they are subject to being killed. Not just incarcerated or put under house arrest, but now they are fearful of their lives, just for going to a funeral. Just for peacefully demonstrating.

What kind of situation is that? How can we justify our continued involvement? How can we accept the very pedestrian attitude on the part of the Secretary of State of this country to say that in fact those people in South Africa might get a little shaky, the rulers of South Africa might get a little shaky if we push too hard?

Mr. FRANK. I will reclaim my time for a second. I just want to add to the comments of my friend from Texas. He is perplexed, and he wants to know how we can do that. Let me explain. Let me give him the Reagan doctrine on this. It comes from Secretary for Human Rights Abrams—he is the human rights expert.

He says, he might as well have been listening here and wanted to say this to the gentleman from Texas when he talks about people being shot down at funerals:

> We must recognize that we are dealing with another sovereign nation. And by no means the only country in the world to abuse human rights. We cannot dictate to that nation's leaders how to conduct their internal affairs.

That is the justification for nonintervention in South Africa. But with Nicaragua, because they have censored the press and have not had elections that we fully approve of, we can finance a revolution against them.

I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman from Massachusetts for yielding to me.

Mr. Speaker, I have not been a part of this entire discussion; I watched some of it on television in my office. Let me say, I essentially agree with the gentleman from Texas and the gentleman from Massachusetts about the situation in South Africa.

I specifically agree with the gentleman from Massachusetts about the stupidity of the remarks of the Secretary of State. I do not want to get into that argument, particularly, but it seems to me that what we are—where I will disagree with both of the gentlemen is that the situation in Nicaragua is nowhere comparable to the situation in South Africa.

In my judgment, all the elements of the same kind of oppression, if not in degree, but the same kind of oppression are existent in Sandinista Nicaragua that exist in South Africa. There is oppression of the church by the Sandinista government. The archbishop has had his car destroyed twice; once with him in it by the Tour Bus Divinas organized by the Sandinista government; Father Pina has been stripped and beaten by Sandinista soldiers; the Sandinista government has expelled all the foreign priests working with the traditional church and kept only the priests working with the so-called popular church.

So there are elements of religious repression. Even the elements of the resettlement program that the gentleman from Texas [Mr. LELAND] so eloquently pointed out, one of the major human rights violations on the planet which is taking place right now in South Africa, but there is even an element of that in Nicaragua, as 3,000 to 4,000 families in the Montegulpa Province and the other northern areas of the country are being relocated by the Sandinista government, having their families torn apart.

□ 1640

In my judgment, if there is a difference in degree between Nicaragua and South Africa, it is only because the Sandinistas have not had a sufficient amount of time to entrench the totalitarian nature of their state.

Mr. FRANK. I will take my time back now. The gentleman has made his statement. I will take my time back, and I want to make one point clear. We were not here, essentially, arguing that particular point. What we were saying was this: The gentleman said he is willing to concede, I guess, that South Africa, for black people, is maybe a degree or two worse than Nicaragua.

Mr. WEBER. I just said it is worse. I did not say a degree or two. I said it is worse.

Mr. FRANK. All right. The gentleman concedes that South Africa is worse than Nicaragua. Now he thinks if you give Nicaragua time, they may overturn them. The point we are making is this: We are addressing that part of the Reagan administration's justification for making war on Nicaragua which says we are concerned about democracy.

If you want to argue the other point, you can. What I am saying is——

Mr. WEBER. Will the gentleman yield?

Mr. FRANK. No; I have not yielded yet, because I want to get back on the point. The point we are making is this——

Mr. WEBER. I am trying to address the point.

Mr. FRANK. Well, then get a special order and address it.

The point is, the administration has said that one of the moral justifications for making war on Nicaragua with American money is their lack of democracy. At the same time it has said with regard to South Africa:

> You can't expect the government to change. They are a sovereign nation. If we push too hard, they will rebel against us. That is not the way to do it.

What we are saying is, it is hypocritical for a government to make excuses for not pressing very hard against South Africa. And I admired the letter that the gentleman and others on his side of the aisle sent to

the South African Government. I thought it was an important letter. I wish it reflected administration policy.

Let us not lose sight of the fact that the No. 1 defender of apartheid in America today, as I remember him from his statements in the columns he wrote, he is now the Director of Communications, Mr. Buchanan. Mr. Buchanan has basically defended apartheid. He is in the White House. That is the policy we have today.

What we are saying is, this administration, if they want to persuade us that 3 million poorly organized people in Nicaragua are a threat to this great superpower, let them do it on that basis. But let them not try to invoke democratic principles, because when the gentleman agrees South Africa is, if anything, even worse, even if they are both unfortunate, where do you get any justification for saying, given the South African policy, that one of the reasons we are making war on Nicaragua is democracy?

The speech says there were four conditions. One of the Secretary of State's and President's conditions for calling off the war is the lack of democracy. Well, if we were to go to war against everybody in part on that basis, I think we would be bankrupt.

I yield to my friend from Texas.

Mr. GONZALEZ. I impose on my colleague quite reluctantly, but only because the gentleman that you just yielded to before on the other side has made a grievous misstatement of truth and fact, and I would like at this point to provide, if the gentleman agrees with this unanimous-consent request, a reply to this question of so-called religious persecution in Nicaragua, by Rev. William Callahan, who is here now in the Washington area but has worked and lived in Nicaragua for many, many years, and I just want to state at this point the categorical answer that he makes to this, in view of the fact that the President had talked quite insincerely, I think, about using the hierarchy as sort of a medium of reconciliation.

"The Roman Catholic bishops, as a whole," in Nicaragua, "have taken a strong adversarial position toward the Sandinista party and toward the newly elected Nicaraguan Government. They are not perceived as impartial either inside Nicaragua or internationally * * *."

"The struggle between the bishops and the Nicaraguan Government is essentially political, not religious; that is, a struggle over 'turfs,' not over religious freedom," which has been one of the long-associated historical dilemmas in the Latin American countries, beginning with Mexico and proceeding on south.

Many religious opponents of the Nicaraguan Government suggest that Nicaragua will become "another Cuba."

Exactly the opposite has happened. The very opposite. In Cuba, the churches were restricted to the churches and the religious practitioners restricted to the churches, they have been closed, to all intents and purposes, religious schools have been closed, the Catholic Church had fought Castro, lost, and has been sharply reduced in scope and influence.

Exactly the opposite is true after 6 years in power of the so-called Sandinista regime. "Churches of all denominations enjoy freedom of worship. The churches are vigorous." The Nicaraguans are a highly religious people, "as witnessed in the public activity of those supporting the revolution and those opposing it. Religious schools are flourishing, and the intrachurch debates are vigorous."

Fourth, "the struggle in Nicaragua is not only between the government and the bishops but within the church community, i.e., between Catholics who oppose the revolution and those powerful segments of the Catholic community that support the revolution."

Mr. FRANK. I will just say to my friend from Texas that unfortunately I only have 5 minutes remaining.

Mr. GONZALEZ. I thought it would be appropriate to put that in.

Mr. FRANK. I appreciate it. I hope it will be inserted. But I did want to have time to yield a little bit to my two friends. Let me go to my friend from Minnesota first and then to my friend from California. I will keep about a minute for myself.

Mr. WEBER. Let me just ask my colleague, the gentleman from Texas had a unanimous consent request. I do not want to interrupt the free flow of debate, but I hope the gentleman is not going to insert at this point in the RECORD massive volumes of materials, because if he is going to do that, I would like to do the same thing to hold out my point of view. I would hope that the gentleman would agree with me that neither of us would go messing up their special order with all sorts of unanimous-consent requests at this time.

Mr. FRANK. Well, the gentleman from Minnesota will not be surprised if the gentleman from Texas has his own special order.

Mr. WEBER. I am sure that he does.

Mr. FRANK. And he will put in whatever he thinks is appropriate.

Mr. WEBER. I thank the gentleman for yielding. I will not go into this at any great length. I will just say that in my visit to that part of the world I explored more than any other question the question of the situation of the Catholic Church.

Mr. FRANK. Which part of the world, South Africa or Nicaragua?

Mr. WEBER. Both in El Salvador and in Nicaragua, not in South Africa.

Mr. FRANK. Not in South Africa.

Mr. WEBER. And I disagree with the conclusions of the gentleman from Texas. We were told by Archbishop Obando y Bravo that over 860 priests in Nicaragua remained loyal to the traditional church and only 10 Nicaraguan priests and 40 foreign priests are loyal to the so-called popular church.

Furthermore, the popular church, which does not attract very large crowds at Sunday mass when we were there at that time, is subsidized heavily by the government. Half a million dollars went to the center which subsidizes the popular church and the Sandinista government. Let me just conclude, and then I will give your time back.

Mr. FRANK. I just wanted to ask the gentleman, because that is not basically my point, I wanted to ask him, does he think that the fact that a church is mistreated, which I greatly deplore, is an independent reason for America to finance an armed assault on the government that does it? Because I think the South African Government mistreats its churches as badly and in many cases worse, with indictments and persecutions, as Nicaragua. So I am not here to say that these things do not happen, simply that it is hypocritical for this administration to advance that as an independent reason for attack.

I yield to the gentleman from Minnesota.

Mr. WEBER. One, I am responding to the gentleman from Texas, who took specific issue with my comments. Two, I do not think in and of itself that the nature of religious freedom in any country is reason for us to justify the overthrow of that government. However, the nature of religious freedom in the country of Nicaragua, to the extent which it exists and the attitude the government takes toward it, together with other facts we know about that government, are substantial evidence of the nature of that government and should be brought to bear in the debate.

Mr. FRANK. I have to take back my time. Yes; they are evidence of the nature of the government. The point the gentleman from Texas and I are making is this: It is hypocritical to be South Africa's best friend—I do not mean the gentleman from Minnesota, who has been very good on this subject of South Africa—it is hypocritical for this administration to be South Africa's friend and say we cannot pressure them politically and then find a lack of democracy as any part of the justification for an assault on Nicaragua. If they want to justify the American people taking scarce dollars to encourage people to kill each other in Nicaragua, they better find some other reason than that they are concerned about democracy, because as

South Africa's friend, as Marcos' friend, as the friend of so many other dictators, right and left, the People's Republic of China, when was the last time they pressured them for democracy?

Mr. LELAND. Chile, Mr. Pinochet in Chile.

Mr. FRANK. Chile, which is far more oppressive, right in our own hemisphere. It simply will not wash for them to invoke democracy, and it degrades the debate for them to pretend.

Let me yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

To get back to the gentleman's original point, I think the gentleman has made a good case for inconsistency here manifest in the statements of Mr. Shultz and others in the administration. My question for the gentleman is, because it appeared to me that the gentleman was saying that he agrees that the Sandinistas do pose—at least there is an argument to be made for a military threat and that they are, in many cases, as bad as the South Africans——

Mr. FRANK. No; let me just say to the gentleman that I disagree with their internal policies, I think they are undemocratic; I am not afraid of the Sandinistas because Nicaragua is a small, rather poor country. I would be inclined, as a citizen of Massachusetts, to be more afraid of Connecticut than I am of Nicaragua, because they have a better industrial base. But the point I would make is that I am critical of their lack of democracy, I am not frightened of them. And I am not a big tough guy, this is not a macho act, it is just geopolitics.

I yield back to the gentleman.

Mr. HUNTER. My question is simply this: Does the gentleman feel—because the Contra vote obviously is coming up, and the gentleman has not indicated how he is going to vote on that. Does the gentleman feel that there is enough of a proxy Soviet presence there in Nicaragua or a potential presence, satellite presence, to be a threat on the magnitude of Cuba?

Mr. FRANK. I will take 1 minute, and then I will yield to the gentleman from Texas.

No; in the first place, if it were a threat of the magnitude of Cuba, I suppose we would have to go and invade Cuba too, and I think that disproves the gentleman's point. If it is a Cuba-type threat, if it is a proxy for Cuba, what do you get by doing away with the proxy when the real thing is still there just a few miles away?

I do not think that America should be the 911 of civil liberties, every time people repress their citizens you dial 911, out comes Bill Casey and $50 million and a comic book about how to murder people and blow up their toilets. I think that is a great waste. I am not afraid of Nicaragua. I think we can say, as a majority of both parties of this House said, we are prepared to support policies that interdict the shipment of arms elsewhere, but I am not for invading them, and I am for an equivalent policy, I am not for funding the African National Congress, I am not for making war on South Africa, I am for the kinds of economic sanctions in South Africa I think would help.

I will yield, to finish up, to the gentleman from Texas.

□ 1650

Mr. LELAND. I would just like to ask the gentleman if, on the premise that we have involved ourselves and the way that we have as a Government in Nicaragua, should not we attack the Soviet Union right now since in fact we are worried about their involvement? I mean, that is exactly what the parameters of the discussion happen to be. That is what the gentleman is suggesting.

Mr. FRANK. I say to my friend from Texas: Please do not give them any ideas.

● Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleagues, the gentleman from Texas [Mr. LELAND] and the gentleman from Massachusetts [Mr. FRANK] for reserving this special order on the Reagan administration's constructive engagement approach toward the South African Government. The President would have us to believe that this approach is the key to changing the racist system of apartheid in South Africa. That is not the case.

The American news media depicts almost daily the mounting injustices, senseless killings, and horrors that are a part of the everyday life of the 22.7 million black South Africans. Although they comprise the majority of the population, blacks in South Africa, virtually have no political, economic, or social power. The majority is ruled by the minority—4.7 million white South Africans. White South Africans can vote. Black South Africans cannot. For every $1 a white employee earns, a black earns 22 cents.

Mr. Speaker, while the United States simply watches, the grand scheme of apartheid to establish satellite black townships where blacks are relegated and robbed of their homeland is in full swing. Institutional discrimination and overt racism are the law of the land. Violence and unjustified killings by government police against unarmed black South Africans are on the increase.

"Constructive engagement" will not change this situation. In fact, the Reagan administration approach may worsen it. Constructive engagement has lulled the white ruling South African Government into actually believing that apartheid can survive.

The Reagan administration's approach is a simplistic response to a complex problem. It is also a comfortable position for the United States. Over 300 American corporations conduct business in South Africa. South Africa's minerals are imported, in large quantities, into the United States. And, South Africa is a major ally of the United States in that part of the globe.

It is a tough decision. But, leaders of this Nation, the self-proclaimed champion of the oppressed around the globe, must take a firm stand on the side of justice in South Africa. Constructive engagement is not the answer. Only swift and effective action by the American Government will push the South African ruling minority government to review and abolish the apartheid system.

Mr. Speaker, the Anti-Apartheid Act, introduced by my distinguished colleague, Congressman BILL GRAY, is a good first step. The bill prohibits American businesses from making new investments in or loans to South Africa. The bill further prohibits the sale in this country of the gold South African Krugerrand coin and sets forth steps from the sanctions to be lifted.

The Anti-Apartheid Act is tough action, not meaningless talk like the Reagan administration constructive engagement approach. The American Government must act, decisively, before it is too late in South Africa.●

● Mr. SOLARZ. Mr. Speaker, I am extremely pleased to sponsor H.R. 1460, the anti-Apartheid Act of 1985, which was introduced on March 7, 1985. For several years now, along with many like-minded colleagues in the House of Representatives, I have sought to enact legislation to limit American economic and political relations with South Africa and to express our commitment to see the policy of apartheid eradicated. Such legislation passed the House of Representatives last year, but unfortunately died in the Senate in the last hours of the session. Nonetheless, in the ensuing months advocates of sanctions have been encouraged and renewed by the demonstrations of concern and commitment by thousands of Americans on this issue, and we are pleased to reintroduce the South Africa sanctions bill for passage during the current session of Congress.

Virtually all Americans would agree that South Africa's apartheid system is incompatible with democratic principles and human rights. Any system of government which excludes by definition the overwhelming majority of people who live in that country merely because of the color of their skin is a system of government that we would

find fundamentally objectionable. The question we confront in the Congress is not how to assess apartheid, but how to respond to it.

The answer advanced by the Reagan administration is a policy known as a constructive engagement, grounded in the belief, as Assistant Secretary of State Chester Crocker has said, "that it is not our task to choose between black and white." After 4 years, the verdict is in on the constructive engagement approach. It is a flawed and failed policy, a monument to moral myopia and wishful thinking. It has caused South Africa neither to relax its racist repression at home, nor to end its control of Namibia in defiance of international law. Meanwhile, the United States is paying an increasingly heavy price, with the black majority in South Africa, with other African nations, and even with some of our Western allies, for a policy which is often perceived as a reapproachment with racism.

Clearly, it is now time to abandon constructive engagement and bring forward a new approach, one which makes clear in deed as well as word our abhorrence of apartheid. It is time to develop a policy in which we choose not between black and white, but between justice and injustice. In designing and executing such a policy, we should cast aside any illusions that our actions will bring the apartheid system to its knees. In the final analysis, a political resolution of South Africa's problems must come from within South Africa, not from the United States or any other outside nation. At the same time, there are a number of steps we could take which would have a significant symbolic and substantive impact upon events in South Africa. Several of those steps are embodied in the legislation that was introduced on March 7, 1985. The bill has four parts: First, a ban on loans by U.S. banks to the South African Government or its parastatal entities, except for loans made for educational, housing, and health facilities which are available on a totally nondiscriminatory basis in areas open to all population groups; second, no new investment by American companies in South Africa; third, a ban on the importation into the United States of the South African krugerrand or any other gold coin minted by the South African Government; and fourth, a ban on the sales of computers (which are used to enforce apartheid) to the South African Government.

Critics of the legislation contended that it is wrong to single out South Africa for special condemnation when there are so many other human rights violators around the world. But the fact is that for a variety of reasons the United States has adopted stringent measures against other nations—restrictions which have frequently been more sweeping than those proposed in this bill. For example, in 1978 we enacted a total economic embargo on trade with Uganda. Under the International Emergency Economic Powers Act, the United States maintains an embargo on economic transactions with Cuba, Vietnam, Cambodia, and North Korea and implemented an embargo against Iran during the hostage crisis. Under the United Nations Participation Act, we carried out extensive economic sanctions against the white minority government of Rhodesia for many years. The Export Administration Act contains other provisions under which exports to South Africa and many other nations are controlled or restricted on grounds of short supply, national security, antiterrorism, human rights, nonproliferation of nuclear weapons, and other foreign policy considerations.

Given the actions we have taken against other human rights violators, I believe our Nation would be more open to a charge of inconsistency and selective indignation in our foreign policy if we failed to enact this legislation. If we believe human rights to be a valid and important consideration in our foreign policy, it would seem to be particularly inappropriate to carry on business as usual with the apartheid regime. While all forms of dictatorship and tyranny are objectionable, there is something especially repulsive about a system of tyranny based on the doctrine of racial exclusion because that idea strikes in a very fundamental and insidious way at the dignity of human beings.

I believe it is now up to the Congress to point us toward a fundamentally different course in our relations with South Africa, a course which serves both our sense of national purpose and our national interest, which is consistent with our own commitment to individual freedom and recognizes the reality of eventual majority rule in that nation.●

● Mr. LEVINE of California. Mr. Speaker, I am pleased to have the opportunity to participate in this special order on the lack of firm action by the Reagan administration against the practice of apartheid by the South African Government.

On taking office in 1981, the Reagan administration formulated the policy of constructive engagement to encourage peaceful change away from apartheid in South Africa. But treating this odious practice in such a benign manner is like treating terminal cancer with laetrile. It just doesn't work.

The South African Government operates under an entrenched system of institutional racism, in open defiance of any standard of civilized society. Yet the Reagan administration still prefers to adhere to its misguided policy and to reward this inhuman South African Government by making it the United States' largest trading partner and by becoming the second-largest foreign investor in South Africa.

Through apartheid, the South African Government allows a minority of 4.5 million whites to deny 22 million black South Africans their basic human rights. Black South Africans cannot vote. They cannot run for political office to have a voice in their own destiny. The South African Government's homelands policy has resulted in over 9 million black South Africans being stripped of their citizenship in the land of their own birth. The South African Government has increased its oppression of trade unions. Its policies have resulted in the death of blacks fighting for their rights and for their ever-elusive freedom. A virtual police state exists in South Africa.

Mr. Speaker, we must raise our voices loudly and clearly in opposition to the unconscionable practice of apartheid and to the Reagan administration's policy. Constructive engagement is not the answer. Tolerance of apartheid is not the answer. We must remember the oppressed black South Africans longing for their freedom and for the respect they deserve. We must speak for them and to agitate on their behalf. Our national values and interests mandate that we take up the cause of those longing to be free of the shackles of their oppressors. It is our moral responsibility.

We can help break the back of apartheid by breaking the grip of those who foster that obnoxious practice. We must remember the human beings for whom and with whom we fight. We must keep them and their indomitable spirit in our hearts and minds. We can have an effect by opposing administration policy and by passing stong antiapartheid legislation, which I endorse wholeheartedly. We can do that by expressing our views and by pressing unceasingly against the relentless wall of apartheid.

South African bishop Desmond Tutu, recipient of the 1984 Nobel Prize for Peace, has said that no amount of repression can contain the millions of black South Africans who are determined to be free. Let us join them in their determination and their efforts. We must stand with them, hands joined, in unity of spirit, for a cause that is right. One day they will be free, and I, for one, want to help hasten that day.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join with my colleagues in supporting H.R. 1460, the Anti-Apartheid Act of 1985.

South Africa is the only country in the world that practices legally mandated racism. The United States

cannot associate itself with a government that oppresses 23 million of its citizens. As the champion of democracy, freedom, and human rights in the world, we must demonstrate our abhorrence and repugnance for apartheid.

The effects of apartheid are devastating. In the past 35 years, 3 million black, 800,000 mix race, and 400 Indian South African citizens have been forcibly removed from their land. As a result of poor sanitary conditions, low standards of nutrition, and the lack of sufficient hospitals and doctors in the so-called homelands, infant mortality among blacks is as high as 200 per 1,000 live births (among whites, it is 15 per 1,000 live births). The poor living conditions also give blacks a life expectancy of 57 years as compared with 70 years for whites.

Some of South Africa's principal exports include diamonds, uranium, metals, metallic ores, and gold. Yet, a black mineworker earns an average of $136 a month, while his white counterpart earns an average of $750 a month. The South African Government spends $7 on each white student's education for every $1 spent on a black student's education. Since August 1984, over 270 blacks have been killed, and over 4,500 blacks have been arrested.

South Africa's black majority is denied the right to citizenship, the right to national political participation, the right to choose where one will live and work, and the right of free assembly to petition the government for a redress of grievances.

It is quite obvious that the Reagan administration's policy of constructive engagement is not working. The South African Government recently established a new constitution that does not even acknowledge the very existence of black South Africans.

We must make it clear to the South African Government and to the rest of the world that we find apartheid totally unacceptable. We must do more than say we don't like apartheid.

My colleague, Mr. GRAY, of Pennsylvania, has introduced a bill that will impose economic sanctions against the South African Government. H.R. 1460 prohibits loans to the South African Government, prohibits all new investment in South Africa and Namibia, bans the importation of krugerrands into the United States, and prohibits computer sales to the South African Government. These sanctions demonstrate our abhorrence and repugnance for such oppression.

I have joined as a cosponsor of H.R. 1460, and I hope that this body will take favorable action on this important measure without delay. It is time for the United States to take a strong and clear stand against apartheid.●

● Mr. MINETA. Mr. Speaker, today, I would like to join with my colleagues in bringing attention to the administration's continued support of the racist and brutal policies of the Government of South Africa. In face of the administration's tacit approval of the apartheid policies in South Africa, I believe citizens all across our Nation must make known to their lawmakers that it is unacceptable to continue to have close relations with a country where human rights are denied to 73 percent of the population because of their race. In their own country, South African blacks must carry passes at all times; they cannot vote; they cannot own property in the "white areas" which comprise 87 percent of the country; they are barred from making any economic progress; and many have to live apart from their families.

U.S. citizens must object loudly against our Nation's economic power reinforcing a government that frequently displays brutal violence towards its citizens—shooting and killing innocent people who feel compelled to demonstrate against the injustices of the white-supremacist government of South Africa.

The Reagan administration speaks of the importance of constructive engagement, and is an enthusiastic applauder of South African President Botha's tepid and cosmetic reforms. Our citizens must ask out loud, "What have 4 years of this so-called constructive engagement brought"?

If at the highest level of our Government there is silence and inaction, then our national objection to the policy of apartheid and the Government of South Africa must begin at the grass roots level, for our national patience is fast running out.

Mr. Speaker, I am proud to say that the city council of my hometown of San Jose, CA, on April 2, 1985, voted to begin banning investment of city money in South African Government, in corporate securities, and in American firms that have subsidiaries in South Africa. I commend the council for their action for I believe they voted their conscience in passing this measure. I hope my colleagues in the House will follow their example when legislation comes to the floor which seeks to make it the policy of the United States to condemn and seek eradication of the policy of apartheid through specific prohibitions and restrictions on loans, investments and exports to South Africa.●

● Mr. RANGEL. Mr. Speaker, I rise to commend my colleagues BARNEY FRANK and MICKEY LELAND for bringing this very important special order to the floor of the House. It is timely and necessary.

Racism in any form is a repugnant thing. In this century it has taken on many disguises, and has often been perpetuated by the mechanisms of 20th century ideological praxis. Millions of lives have been lost or ruined because of the excesses of Stalinism, Nazism, religious hatred, and ethnic programs. This is a unique characteristic of modern man, unmatched since the religious wars of the Middle Ages.

Apartheid is the latest manifestation of State-sponsored racism. Nonwhites do not share the fruits of the rich natural wealth of South Africa, and have been denied basic political freedom. Dozens of protesters have been shot by the security forces, and no end is in sight.

Apartheid will not end of its own volition. Pretoria must be convinced that the world community will end all economic and political ties unless apartheid is ended. Only in this way will change come to South Africa.

Ronald Reagan has not only refused to condemn apartheid, but has given it aid and comfort. Constructive engagement is nothing more than appeasement, and has gotten us nowhere. It is quite clear to me, Mr. Speaker, that the United States will be tainted by this appeasement unless we change our course.

I have reason to hope for a change in American policy. We are witnessing a grassroots movement against constructive engagement. Most recently, students at Columbia University in my congressional district have bravely protested Columbia's investments in companies doing business in South Africa. In this spirit of hope, I would like to submit the following article into the CONGRESSIONAL RECORD:

[From the New York Times, Apr. 13, 1985]

PROTESTS AT COLUMBIA: STUDENTS AND THE ISSUES HAVE CHANGED SINCE THE 60'S

(By Michael Oreskes)

Columbia students are sitting-in on the steps of Hamilton Hall again, just as they did in something called "the 60's"—a phrase that conjures both a time and a state of mind.

To some, these new protests at Columbia University are like the buds of spring on the quadrangle, the first signs of a new student activism after a long winter.

But these are very different times, others say. The issues are different, the attitudes are different—the only thing that is really the same is the building.

Yet that earlier time is a presence, nonetheless, that in tangible ways is influencing what happens today.

To the students, the Columbia protests of the spring of 1968 are a received memory, something they learn about almost the way they learn of such events as the assassination of President John F. Kennedy or the war in a land called Vietnam. It is a legacy they may not have fully understood at first and would now just as soon separate themselves from.

To the university administration, the protests—in which the police were called to clear out students who had occupied Hamilton Hall and four other buildings—are a specter and a lesson, a symbol of how badly things can go wrong when mishandled.

In 1968, the protests focused at first on defense-related research, then broadened to issues including support for the Harlem

community's objections to a gymnasium Columbia was planning for Morningside Park.

In 1985, the students have taken the steps of Hamilton Hall to demand that Columbia University, which has an endowment of just under a billion dollars, withdraw $32.5 million invested in companies doing business with South Africa because of its policy of apartheid.

The university has already restricted its investments, but it is reluctant to simply write off many of America's biggest corporations.

The protest comes as opponents of the South African government almost daily offer themselves up for arrest at the South African consulates in New York and Washington, on a charge of what could be called trespassing with intent to end apartheid.

The Columbia students, conducting the first real sit-in anyone can remember on the campus since the end of the Vietnam War, say they are prepared to be arrested, too, in the same peaceful fashion. They have even tried to negotiate with the university on terms for the arrests.

But they have underestimated the impact of history. Calling the police on campus is, in the words of one senior administrator, "anathema" to much of the Columbia faculty and administration who remember the fire last time.

The administrators who run Columbia cannot help but have in mind the events of the spring of 1968 when thousands of students participated in what was variously described as an uprising, a protest, a rebellion or a riot.

The students seized five buildings, and after a week of indecision, mediation and debate, the college president, Dr. Grayson Kirk, asked the police onto the campus in the dead of night to clear the buildings.

The result was awful, everyone now agrees. The students resisted. The police officers used fists and nightsticks. Many students were injured, and hundreds were arrested.

There was a law professor on campus that spring named Michael I. Sovern. After the clash between the police and students, Professor Sovern was named to head a 10-member faculty committee that, to state it simply, was given the job of putting Columbia back together.

Today, Professor Sovern is Columbia's president. He is the one who must decide what to do about the students on the steps of Hamilton Hall.

Knowing history is not the same as learning the lessons of history, or even knowing which lessons to learn. Dr. Sovern points this out to acquaintances by reminding them that a cat that sits on a hot stove will never sit on a hot stove again, but neither will it sit on a cold stove.

Dr. Kirk was criticized for calling the police. But he was also criticized for not calling them sooner, thus allowing the situation to build to a crisis.

Dr. Sovern and his aides are watching Hamilton Hall closely. But there is little sign of crisis on the campus. Most students are going about business as usual.

That is one difference. Perhaps even more important, the students on the steps of Hamilton Hall, almost all of them undergraduates, are very different from the earlier protesters.

If there is one word that everyone uses to describe the students on the steps of Hamilton Hall, today it is "disciplined." Their protest has been neatly organized to draw maximum attention with minimum disruption.

They have even computerized all of their statements and the statements of the administration "so we can respond quickly," said Wally Hays, who oversees the desktop computer used by the protesters.

These students are not fighting the generational war of their predecessors. "These students are often very close to their parents," said Dennis Dalton, a Barnard political-science professor who has been advising several students. He said many of the students felt considerable pressure from parents to end the protest.

The college and the world of adults is not their enemy. "We don't hate President Sovern," said David Goldiner, a 20-year-old protest leader who remembers being wheeled to anti-Vietnam war protests in a stroller. "We think we have a better argument than he does."

Dr. Sovern met this week with five of the protesters, who had been conducting a fast. Anyone steeped in the campus culture of the 60's might have expected tension and invective. Instead, they had two hours of high-level discussion, said Eric Foner, a history professor who accompanied them.

Professor Foner and others say that far from being an exception to the career-minded students who have become prevalent on campus, the protesters are quite concerned about the danger the protest holds to their academic careers and their chances for getting into good professional schools.

The students have clearly succeeded in getting attention for their cause, and there are beginning to be demonstrations on other campuses.

What they have not been able to do, at least yet, is rally the student body behind them. In 1968, a few hundred students occupied buildings, but hundreds more, maybe thousands, milled and marched outside in support.

"In 1968 you had a spark thrown in a tinderbox," said Diane Ravitch, an historian of American education. Protesters, she suggested, were able to tap a deep well of discontent then. "Here," she said, "There's the spark but there is no tinderbox."●

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr GONZALEZ. Mr. Speaker, I continue on my advice to the privileged orders, which, as I have said, include first and foremost my colleagues. We happen to find ourselves at a critical moment in our hierarchial, societal position in one of the pinnacle points of privilege. But mostly to those real wielders of power, the real privileged orders, which today in America represent those forces that ensconced in an unaccountable way to the people in basic violation of the basic tenets that gave rise to our form of government under the Constitution that is operative today, are wielding the power of war and peace; the American standard of living; the doom or the extinction of millions of our small business exterprises.

To these privileged orders I address, and continue to address my remarks. I had intended to begin by continuing what I left somewhat unfinished yesterday with respect to this peculiar situation that brings us full circle in America back to the 200-year-ago point and just almost on the eve of our bicentennial celebration of the Government that we enjoy today. So many Americans think that we had a bicentennial in 1976; the truth is that our form of government will not have a 200th birthday until 1989.

There is nothing, I might point out to my colleagues, that vouchsafes the continuity or the permanence of this form of government. We take it for granted, true. But we better start working at it.

I was starting to begin on that premise when I joined, just a few minutes ago, in some of the discussion that the distinguished gentleman from Massachusetts, who, with his unmatched wit and incisive intellect has so eloquently pointed out and has, I think, removed some of the obscurantism of the current President and his regime in the trappings that they have tried to provide in guise of a policy, but which in effect is no policy at all. I am very grateful to the gentleman from Massachusetts for at least pointing out the incoherency, if not the actual hypocrisy and outright insincerity, in what is being uttered and what is being done.

I wanted to take this point to pick up on that matter having to do with our relations and our present catastrophic course in Central America, specifically. But generally toward those countries that share the destiny south of the border with us, beginning with the Republic of Mexico.

In the first place, we cannot continue to indulge in the misperceptions that still prevail in the minds of the overwhelmingly and preponderant number of Americans in and out of the Congress, in and out of the White House. Also, the reference to the situation or the anomolous position and conflicting position of the administration and its spokesmen with respect to the situation in Central America with specific reference to the Republic of Nicaragua, and the South African country or government or republic.

It reminded me very much, I wanted my colleague from Texas and my distinguished colleague from Massachusetts to hear this because in 1957, as a freshman member of the State Senate of Texas, at a time before the name Martin Luther King was heard, I got up and filibustered, I used the instrumentality that had really been born in the Texas State Senate; not in the U.S. Senate. The unlimited rule of debate and the filibuster, as it got to be called popularly, really had its birth in that great institution known as the Texas State Senate.

We were facing that particular year the massive group of resistance bills that had emanated out of the State of Virginia and had wended its course through the 11 Confederate States. I might say that the record will show that it was only in the Texas Legislature where they were even debated. In the Arkansas Legislature, for example, the 16 basic measures were approved in about 16 minutes. So that when I got up, took the floor, held it continuously without cease and without sitting for a total of some 26½ hours, and then combined with a senior member at that time, but a recent former colleague of ours in the Congress, Mr. Abraham Kazen, we filibustered and tied up the Senate a total of 36 hours, and we ended up in enabling the Senate to approve only 2 of the 16.

But the arguments that were advanced were identical to what you heard here today. Now, I cannot evoke that atmosphere: The sounds, the smells, the hatred, the putredness of outworn prejudicies encrusted into the law. I had first seen that on the city council level of San Antonio, where we had the same thing. Astoundedly, I was the one that had a hand in the first so-called Supreme Court decision that was the beginning of the so-called civil rights, and that was the unconstitutionality of restrictive covenants in the alienation of property based on race, color, creed, or nationality.

At that time it was very popular a practice in San Antonio and in Texas generally, but particularly in that part, and more virulently in east Texas, to have in the master deed records with the county clerk, filed these restrictive covenants that read:

"If at any time this property, either through diseason or alienation or sale or inheritance or bequeath, should become an ownership in the hands of a Negro or a Mexican," and in some sporadic instances they also included the word Jew, "then the original title, that is the title to this land, shall revert to the original grantor." That is the one who had originally filed the master deeds when he or she proceeded to develop plats of land or what we call today developments or subdevelopments.

□ 1700

So that here we were in the glorious year of our Lord 1947, while in the law school I had studied that very diligently and then after the war, and subsequent to 1946, I read with great interest in a law journal that the black group in St. Louis, MO, had raised the magnificent sum of $250,000 in order to prosecute the case of restrictive covenants through the judiciary and were headed for the Supreme Court.

Now, in San Antonio, we had had, some of us, the same experiences that were customary and were encrusted into the State statutes known as Jim Crow laws, and the other State constitutional provisions that called for strict segregation up and down the line. We were no different from South Africa. The antimiscegenation laws were criminal culpability in nature, and in the city of San Antonio, lo and behold, I organized what was known as the first, sponsored Mexican-American—even though I hate hyphenated names, I will use this for descriptive purposes—businessmen. These were relatively young men who had somehow or other remained in San Antonio during the war and they were able to profit, and some of them reached the great position of being either millionaires or near-millionaires. So after the war I thought it was time that the people of Mexican origin do more than just sit back and whine and complain about discrimination.

As I say and repeat, in some areas, including San Antonio at that time, and particularly before the war, we faced, and especially those who had a darker texture of their skins, and in my family, as I said once before here, I am the lightest complexioned in the family, so that I shared some experiences that were directed to my brothers and my sister that unfortunately I would be spared because the individual prohibiting entry say to the skating rink on St. Mary Street, or to the swimming pool at San Pedro Park, or further over in New Braunfels, TX, to the Land Apart, and before that, well, later it became a State park so we were able to proscribe that kind of practice, but at that time I had the experience of having these individuals say, "All right, we do not allow Mexicans." Then they would look at me and say, "Well, you are all right because you are Spanish."

This is the reason I do not like this word Hispanic today, even though it offends some of my colleagues of Puerto Rican and Cuban descent who are generally classified as Hispanics. I do not like it because the people who did not want to be associated with that distasteful appellation, even though they emerged from the same group, would say they were not Mexican; they were Spanish, Hispanic. So I have this inbred dislike for that word, even though it is a very noble word. In Spanish it is a word that is very beautiful, Hispanidad. It is a beautiful word, but nevertheless, in order to come up to today, because what I heard here from some of the Congressmen is reminiscent, and some of the things that have been put out by the PR people of the South African Government are identical to what we were told during the filibuster by preeminent associates in the State senate and by the State senate leaders then and the State leaders generally in Texas.

But in San Antonio, my baptism of fire began my first year on the city council, because before I ran for the city council, before I even thought I would be in politics, I had organized a Pan American Progressive Association. I was trying to get some social conscience responsibility and some social conscience out of some of these newly rich businessmen, and they did. They came across mostly because they knew my family, knew my father, and they thought that anybody the son of Don Unitas was going to be all right.

The first thing they found was that I got involved in some of the then crises. For instance, I had a returning veteran of World War II by the last name of Trevino who came to me and said, "I wanted to buy a home with my savings and my mustering-out pay. Over here in this new development that is just under construction, near Woodlawn Park, and the developer there and the people who are going to sell the homes said they could not sell to me because I am Mexican."

Well, at first it seemed very difficult to accept that, but it was true. Then I found that their reason was they could not give him a clear title because of these master deed records and these instruments that were so basic and would not allow a title guaranty company to give what they call an unclouded title.

So then I was pondering that situation when here comes a very humble little gentleman, one of those salt-of-the-earth who are commonly called Mexicans, but who was, like the overwhelming, preponderant majority, just asking for tranquility, to work hard, earn a living, provide for the family, find a roof, provide food and clothing. All of the sons of this man, whose name was Abdon Puente, had been in the service. One of them had come back and had befriended a buddy. They had fought together. They had been on the same team beginning back when the 36th Texas Division was mustered in, and they were in Italy at Anzio, and when they came out, this buddy of his was not Mexican-American, his last name was Humphrey, and he happened to have a little family house. He was totally a 100-percent disabled veteran. He had great need for $3,000 in cash. The little home he had was in what they call the Palo Alto addition in San Antonio. It was originally known as the Mayfield subdivision. This was named after an individual who was very famous after World War I in our stretch of the woods, and his name was Earl B. Mayfield, who ran in 1920 as a candidate of the Ku Klux Klan Party and won. So one of those who was close to him was a businessman who also bore an illustrious name. He was the one who had the title vested in him by virtue of the master deed records. So when Humphrey said in good faith, "I will sell to you, young Puente," and the Puente

family dreamed of having a little home, because all they had had was a lean-to shack, so upon this young veteran's return and his buddy saying, "I will sell," they gave him the $3,000 in cash, which Mr. Humphrey immediately spent.

Lo and behold here comes Mr. Puente, the father, with his hat in his hand, and said, "Mr. Gonzalez, I have been told that maybe you could help us," and then he laid out a notice, a filed notice, that had been served on him by the deputy sheriff in which he was asked to appear before the district court. At that time it was known as the 37th district court, in Bexar County, and to show cause why an injunction should not be honored.

□ 1710

The injunction was filed by the gentleman who had inherited the master deed titles to all of those developments and homes in the Earl B. Mayfield Park Subdivision, and what he was saying was: "Look, you not only are going to lose your money, you have to turn that house over to me because you, Mr. Puente, are a Mexican, and this is a restriction."

I then checked with Mr. Humphrey, who said, yes, that the title company had informed him that there was a cloud, but he did not understand what that was nor did they explain the nature of the cloud.

So the next thing I did, I said, "Mr. Puente, you have to have an attorney to file an answer. Otherwise you lose by default."

He said, "I have no money."

I picked up the phone and called a friend, a very benevolent lawyer, a Mexican-American lawyer, one of the very few at that time in San Antonio, and he said, "Henry, I can't practice really adequately and competently in district court, I just reserve my practice to the lower courts, municipal court"—what they used to call the corporation court—"and maybe a county court of law case now and then, frankly."

"Well," I said, "I don't know who I can get that will do it free."

He said, "Well, I tell you what, maybe I can recommend somebody." And we talked to somebody and they said, "No, we can't do it for free."

So I, being a law school graduate, told the lawyer, "Look, I'll prepare the answer if you will use your name as the attorney of record," which he did. I said, "Just to hold up the case, because it is coincidental, but I know this case in point is ultimately going to land in the Supreme Court if it hasn't already. All we want to do is ask for a postponement, and the immediate request is to pass the hearing on the preliminary injunction over for 30 days."

That was done, but when the 30 days was up, we had the same dilemma of finding a lawyer. To his eternal credit, one of the most illustrious legal minds I have known and had the privilege of knowing, now Judge Carlos Cadena, who is one of the judges on the fourth court of appeals and is celebrating his 20th anniversary on that court this week—and I wish to take this opportunity to salute him—he was then not too long out of law school, like I, and he was trying to make ends meet, but he said, "I'll do everything possible to help. The only thing is you're going to have to find some way of paying for the filing fees and some of the incidental court costs."

I said, "Don't worry about it, Carlos."

Judge Cadena is a constitutional expert. In the University of Texas Law School he was an honor student, and everybody ranked him as one of those brilliant legal minds that developed his talent along constitutional law lines.

Well, the rest is history because we delayed it. But in the meanwhile the newspapers found out about it, and the Board of the Pan-American Progressive Association called me in and said, "We understand you're involving us in this."

And I said, "No, not yet, because we haven't gotten the bill for the court costs, but it is my hope to do so soon."

They said, "No, because the newspapers mentioned that what this does, it is going to put us in there with the nigger."

And remember, that when I filibustered the race bills in the State senate in 1957, the words used on the senate floor were not Negro, they were not black, they were plain old Texas nigger, except that the newspapers were very kind to those senators and they cleaned up the language and substituted the word, "Negro." But when I faced that, I heard one of the senators say, "Will you yield?" And I said, "Yes, for a question."

And he said:

"You don't know the niggers like I do. In my district we have more niggers than we have whites, and they don't want to intermarry, and that is what you want.

I was reminded of that because of the recent PR poop put out by the South Africans saying that we are thinking of making it noncriminal to violate the miscegenation statutes, and I remember the senator saying that.

Then I said, "Senator, I will reply to you. Those who have cynical ideas as to why I am arising, we live in a cynical world. If you do anything, you are supposed to have an angle, either political or some kind of self-aggrandizing angle."

I said, "In my case let me tell you this; I know that I am a novice, I know that I am an amateur politician, but I have enough brains to know the logistics of the situation in my district."

At that time the State senatorial district consisted of the entire county, just like in my first 8 years in this House my district was the entire county. I had the second-largest district in the Nation.

Anyway, there I was answering the senator, and I said, "Senator, in my county the citizens, the Americans, the fellow San Antonians of black descent, don't constitute, and never have, even 8 percent of the total population, so there certainly couldn't be any political mileage in that."

As a matter of fact, when I got up and fought the bill, the resolutions, or the ordinances in the city council in 1954, I was considered a kamikaze, a suicide, a political suicide, and this is what I was told in the State senate.

I said, "Senator, look these San Antonians may be less than 8 percent, but I have had a great chance to get around my district and meet them, and the thing that strikes me is that per capita I would say they are the most religious of any in my county, but in all of my goings and comings the clear thing I have seen, just as clearly and perceptively and limpidly and as purely as anything could be, was their desire to be brothers, not brothers-in-law."

So I can see the psychology behind the South African Government in saying, "Well, you know, we'll loosen up and maybe we'll allow some miscegenation," because I can just see the impact it will have on a lot of those Southern minds that always feared, first, that it has to be come Communist plot if we were trying to fight those segregatory bills, or, plot if we were trying to fight those segregatory bills, or second, if they could not prove that—and there was no way they could; in fact, I have never been to Russia, I have never belonged to any organization any more questionable than the Lions Club or the Optimists Club or the Holy Name Society of the Cathedral parish into which I was born, and so they could not make a case out of that—there had to be some other reason.

So the reason was that he is getting some political mileage. But then, as I answered the senator, that would have been foolhardy.

It is the same thing today. It is no different. Those who struggled in the civil rights days in the fifties and sixties, but especially in the sixties, so often said that freedom is not free, and the truth is that freedom is never won permanently. Every generation has to fight the fight in its own way under the peculiar environment of that particular generation.

This is what the fight is today, I say to my colleagues. Our involvement south of the border fails to distinguish between the Old World as it was and the New, and it is not even the same world today as it was, say, in 1960. As I have said, as great an admirer and sup-

porter as I was of President John F. Kennedy, if he were the President today and he were to try to sell the Alliance for Progress, it would not take in today's Latin America. We will use that lump word. And the reason is that the Alliance for Progress was really unilateral. Though the spirit behind it was collective, it was permised on what was said at Punta del Este when the Alliance for Progress was unveiled, and that is that we are coequals. No matter how large we are and no matter how small, the smallest country here, we said that we are going to work with you on a parity. But since then what we have now—and I think it is due to these misperceptions, lack of knowledge, and abysmal ignorance, is that we do not see ourselves other than as we have learned our history in this part of North America.

□ 1720

When we say we are Americans, we not only antagonize the people that share the new world to the south of us, but also north of us. I recently had a letter from a Canadian who had reacted to one of these presentations and said, "As a North American—" and I resent very much America's exclusiveness in trying to segregate itself as the only Americans around, so he considers himself a North American; but south of the border this is the way we are described, those "North Americanos."

Now, the history there in our relations has been as late as 1929 Calvin Coolidge's invasion of Nicaragua and our keeping troops there for almost 10 years until we had trained the National Guard and installed the Somoza regime, the most dictatorial, the most tyrannical, the most corrupt of any land at any time. We are the ones that imposed it and kept it up. It was not Russia. It was not England. It was not France. It was not any other country but the United States of America.

We did not hear anyone talk about freedom of the press, freedom from such things as torture and political extermination. I did not hear any leader; in fact, I heard great leaders like Franklin Roosevelt take a very cynical, a very uncharacteristic pose when they described Somoza in these words, and this was FDR. It was not Ronald Reagan, but I am almost sure the President's mind set in such that he would appreciate what FDR said, referring to Nicaragua, referring to Somoza during World War II. He said, "Yes, I know he is an S.O.B., but he is our S.O.B."

This is a cynicism that we can ill afford to continue to harbor any more than we can continue to harbor the misperceptions that I see obviously reflected during the debates.

The reason is simple. The reason is that unless we discern what is happening, now, if we are upset by what is happening and has happened thus far in the smallest country in El Salvador where after $2 billion of direct aid in less than 4 years we are back to square one and if we are where we are in the case of Nicaragua where we have literally impelled them, where the President's position as enunciated just 2 weeks ago was, "Look, drop dead or I will kill you." This is the way the world is interpreting America's position.

I think it is time we divest ourselves of these misperceptions, because they will be and continue to be highly costly, not only in Treasury, but in blood. Not only that, but because it will be that we will forever make of the new world a replica of the old world with its ancient hatreds and animosities and inbred dislikes and horrible, horrible examples of wars, enternal wars, vast wars, killing wars, destructive wars, because that country to the south of us is entirely different. The world has shrunk. They know there is hope.

These teeming masses that now in the aggregate outnumber the total population of the United States, and this has been true only in the last decade and a half, are no longer going to take the oppression, the tyranny, the hunger.

Just think, in Honduras where we are occupying now and we had and I want to point out to my colleague from Texas that was here a while ago [Mr. LELAND], if he happens to be up in his room watching this on the closed circuit TV, that I was the only one who protested the Governor of Texas, Mark White, sending in the Texas National Guard. Even the Governor of California had more sense and refused to do it, even though he is a Republican; but our Governor in Texas not only sent the Texas National Guard, the are still down there on this Operation Pine Tree, which will probably terminate around May 3 and a lot is going to happen between now and then; but in selecting the component guard elements, the commander said they were going to go to the Southwest and to the Valley of Texas where the density of the word they use this day "Hispanics," which as I have said before, I dislike, because if anybody is going to call me anything, then they ought to say Mexican. I have never liked hyphenated Americanism and I have long thought when it was not politically popular to do so to say, "Look, we are either Americans or we are not, and if we are not, then I want to know what I am." That has been my position since I can remember and it offended some people. The professional ethnics, who all they know how to do and earn a living doing it is beating the ethnic drums, the racial tom-toms, and I have never believed that. I have believed in fighting for the guarantees that American constitutional freedom gives us, without respect to race, color, or creed.

I would have taken the same position on the city council or in the State senate at that time. Remember, this was before Martin Luther King was even a name that anybody heard and where we had very, very intrenched ferocious feelings.

I had to face a pistolero, that is a gunman that the East Texas White Citizens Council sent over. It was so foolish, because he walked over to the capital and somehow or another confronted me and I just told him to his face, I said, "Mister, I think you ought to know, I come from the west side of San Antonio. I know you have got that gun there under your coat, but you take one step to me or you make one menacing move and I am going to strip you of that gun and kill you with it." That was the only way I knew, coming up the rough way, to handle the situation.

The captain of the Austin police force called and wanted to know if I would want protective custody and I said no. In the first place, I commuted. I did not have money to live in Austin during the sessions, so I used to drive. I would eat breakfast at home, get in my car and drive to the State senate meeting. I would be back and eat supper with my family and sleep at home. It did a lot of things, including making me invulnerable to the lobbyists who would usually try to get you at suppertime at the old Driscoll Hotel in Austin; so nobody knew what I would do until the senate session opened and I came in my car and went in.

So these things that I see today really are kind of amateurish compared to what we faced in Texas. It was strange to see that just as in the case of the board of directors of the Pan American Progressive Association, who said, "How dare you get us involved with the nigger? You can't put us on the same plane."

Well, the reason was that the Mexican-American if his skin was dark enough, if he looked Indian, he would get discriminated on a par, especially in the rural areas with the blacks. They lived no differently. They were treated the same.

If you were blue eyed, light complexioned like many Mexican-Americans are and you became acceptable, well, it was human nature. The leading lawyers of the day, with two exceptions, Mexican-American lawyers who had been accepted, one of them to the Rotary Club, a couple to the downtown Lions Club, well, they felt they were acceptable. If they wanted to continue to be acceptable, they would have to acquire all the trappings of prejudices that the dominant group reflected.

Well, lo and behold, today the majority in San Antonio—they were not then—at that time I would say it was around 42½ percent, today the majority of the citizens, a little better than 51 or 52 percent, are Mexican-Americans in the city.

□ 1730

But that does not guarantee enlightenment and progressive government, because the equal false notion that if you are a minority member you are downtrodden, and that you are virtuous, and that your are going to be liberal is, of course, a fallacy. What it does reflect is the ignorance of the people who use that kind of an approach of the people. They just do not know people. Just like our leaders clearly revealed to me their misperceptions of what they call Latin America. This is what the President revealed, it will be 3 years in October, when he went down to four of the South American countries and made the first blooper in one country by saying he was in another.

Well, you know, everybody can understand that, but I think the most significant thing was when he came back and landed in California and his first explanation was "Gee, I didn't know they were that different."

Well, we had better start knowing it. We had better start realizing history from the perspective of development.

Our Thirteen Colonies when we read American history as if those were the Thirteen Colonies, actually we were a part of 37. The others now form part of that which we call Canada and Nova Scotia and the like. But to the south of us, by the time Plymouth Rock became a historial note in our books, in Mexico City you had had a university and a printing press for more than 150 years. So that unless we understand the intricacies of the historical developments, cultural, class systems, we will continue to make serious errors, as we are indeed in other parts of the world.

I do not think we would have made the error of having lost 50,000 of our American young, and untold billions of treasury in Southeast Asia if our leaders, both in and out of the Congress, in the Oval Office, the Presidency, had had a correct perception of the real world, of this we call communism.

We also should learn that we have to develop some kind of realization that there is a vast difference between an indigenous, that is a native civil war, and one that brings into play through external forces some ruling power, because our continuing our neglect in that respect is fatal.

At this point I would introduce for the RECORD, for instance, in view of the dialog preceding me, a statement and an analysis prepared by the Reverend Father William R. Callahan, who is here and heads what is known as the Quixote Center in Hyattsville, MD. He is one of the most knowledgeable and experienced men with respect to Nicaragua specifically that I know of in the United States. He not only has served in missionary capacities, he has done more than that; he has lived, he has lived amongst, he has ministered to, and he is intimately acquainted with the Nicaraguan people.

At this time I offer this prepared summary, plus two articles that he also gave to me appearing under the sponsorship of the Quixote Center. One of them is by Anthony Quainton the former U.S. Ambassador to Nicaragua. It was extracted from a magazine known a Sojourners, or March 1983. And another "Religion in Nicaragua," the Catholic Institute for International Relations of England, and published under the auspices of the Quixote Center.

The materials referred to follow:

CHURCH AND STATE IN NICARAGUA

Background—The Reagan Administration's suggestion that negotiations in Nicaragua take place under the mediation of the Nicaraguan bishops is a seemingly attractive option that needs reflection.

Nicaragua is a religious country, 85% of the people profess Roman Catholicism. Nicaraguans have a long history of docility to their bishops.

The bishops eventually lined up against Somoza, gave permission for priests and religious to serve in the new government, acknowledged the right of the Sandinistas to lead the new government (cf Nov. 1979 pastoral letter) then turned against the Sandinistas, withdrew the permission for the priests, and in the last three years have fought the government charging it with being Marxist. The bishops have protested censorship, denounced the draft, (on ideological grounds, not religious, as serving the Sandinistas party) and quarreled repeatedly with the government.

On the other hand, the Sandinistas have made constant efforts to dialogue with the bishops, most recently after the 1984 elections when the bishops acknowledged that the Sandinista party had won strong support.

In weighing the Reagan proposal for episcopal mediation, several points need reflection.

1. *The Roman Catholic bishops, as a whole, have taken a strong adversarial position toward the Sandinista party and toward the newly elected Nicaraguan government. They are not perceived as impartial either inside Nicaragua or internationally.*

The bishops, while condemning the Sandinistas for "ideological aggression," have consistently refused to condemn the contra violence. Archbishop Obando y Bravo and Bishop Vega, the two bishops to head the Bishops Conference in the last three years, have been especially hostile to the Nicaraguan government and the Sandinista party.

In this they differ sharply from the perception of neutrality reflected by Archbishop Rivera y Damas of El Salvador who is acting as a mediator in that country.

Thus the bishops appear to lack the appearance of neutrality which is necessary to act as a mediator.

2. *The struggle between the bishops and the Nicaraguan government is essentially political, not religious, i.e. a struggle over "turf", not over religious freedom.*

Even most opponents agree that the church is far freer to worship, speak out and oppose the government than during the time of Somoza.

The intense involvement and backing of government programs not only by many priests and religious, but also by large numbers of Catholics in local communities is a key dimension of support and legitimacy for the Nicaraguan government.

The bishops appear to fear the Nicaraguan government and its populist programs as a threat to the institutional loyalty of Catholics to their bishops.

3. *Many religious opponents of the Nicaraguan government suggest that Nicaragua will become "another Cuba".*

The fact is that after almost 6 years, Nicaragua, economically, socially, politically and religiously looks nothing like Cuba after that same interval. After 6 years Cuban churches had been closed or practice confined to church buildings. Many religious leaders had been driven out. Religious schools had been closed. The Catholic church had fought Castro, lost, and been sharply reduced in scope and influence.

Exactly the opposite is true after six years in Nicaragua. Churches of all denominations enjoy freedom of worship. The churches are vigorous, as witnessed in the public activity of those supporting the revolution and those opposing it. Religious schools are flourishing, and the intra-church debates are vigorous.

4. *The struggle in Nicaragua is not only between the government and the bishops but within the church community, i.e., between Catholics who oppose the revolution and those powerful segments of the Catholic community that support the revolution.*

In July, 1984, the Sandinistas expelled 10 foreign priests, apparently as a rebuff to Archbishops Obando y Bravo who had led a public demonstration in support of Fr. Pena whom the government had charged to be a "contra" agent. Yet the bishops have withdrawn priestly faculties and forced out of communities or out the country at least 30 priests and pastoral workers because they supported the revolution.

5. *The religious struggle in Nicaragua is a microcosm of the larger struggle throughout Latin America and the Roman Catholic Church over liberation theology and its call to align the church with the poor.*

Traditional Latin American church alliances have been with the middle/upper class landed and business people and the military, a "three-legged stool of stability" for those societies. Liberation theology, rising from reflection on the lived experience of the poor, has been given powerful impetus by the bishops at Medellin (1968) and Puebla (1979). It encourages the church to make a preferential option for the poor and to work to change the structures of society which bestow the bulk of the wealth on a fraction of the people and keep the vast majority of the people in misery.

A powerful struggle is emerging throughout the Roman Catholic church over liberation theology. Opponents charge that it is Marxist and leads to a parallel "popular" church which is not in unity with the bishops. These charges are made in Nicaragua where government programs find strong support among those sectors of the church which have been most motivated by liberation theology.

Defenders insist that liberation theology is not separatist, that it flows from the

Bible, carries strong support from the teaching of the second Vatican Council, and has the support of Latin American bishops in council at Medellin and Puebla.

The Brazilian bishops have powerfully supported liberation theology and the Christian communities in which it has been grounded. The Nicaraguan bishops have been opposed.

The Vatican has entered the struggle against liberation theology with Cardinal Ratzinger serving as the "point man" for the Vatican.

6. *The Vatican's opposition to the Nicaraguan revolution likewise denies it the neutrality needed to act as an effective mediator.*

Judging from his words, Pope John Paul II has apparently put his trust in advisers who have labeled Nicaragua "Communist" and likened it to his experience of Eastern Europe.

In Managua the Pope used religious language of "unity with your bishops" which was understood to urge opposition to the government. Combined with his refusal to address the suffering experienced by the people of Nicaragua, his preaching stirred the crowd in its chant of "we want peace."

There is no credible evidence that the Sandinistas organized the crowd response, knowing full well that any disturbance would be detrimental to them in international opinion.

The Vatican pressure on the priests to leave the government is taken as a further sign of Vatican hostility to the revolution and the legitimacy which their presence confers on the revolution.

CONCLUSIONS

A. The adversarial posture of Nicaragua's Roman Catholic bishops toward the Sandinistas and their refusal to condemn contra violence denies the bishops the appearance of impartiality necessary to act as mediators in the conflict.

B. The Vatican's posture of hostility to the Nicaraguan government similarly precludes Vatican involvement in mediation.

C. Any Roman Catholic church mediation would have to be sought from bishops outside the country who are not already compromised on the Nicaraguan revolution.

D. U.S. policymakers should avoid being turned against the Nicaraguan revolution by people who manipulate religious symbols and events for political goals.

E. U.S. policymakers should be aware of the worldwide struggle over liberation theology and the political alliances of the various parties in the struggle.—Prepared by Rev. Wm. R. Callahan, S.J.—Quixote Center.

POLITICAL STRUGGLES IN RELIGIOUS LANGUAGE

"Religion in Nicaragua is everybody's concern," according to Rev. Cesar Jerez, SJ, former Jesuit provincial of Central America. "Everything pervades religion and religion pervades everything."

Because this is true, political debate in Nicaragua is often carried on in religious language. Struggles over the legitimacy and direction of the Sandinista revolution surface as struggles over liberation theology, the authority of bishops or the political role of the clergy.

PRIESTS IN GOVERNMENT POSITIONS

The saga of four Nicaraguan priests who hold prominent government posts is well known. They were originally given permission to serve in public office by the Nicaraguan bishops, but this was later modified to permit continued services only if they did not perform priestly functions. It was finally withdrawn completely in an attempt to make them leave the government. Since the four have continued to serve, the Vatican has finally suspended them and has pressured the Jesuits (successfully) to expel Fernando Cardenal, the Minister of Education, from the Jesuit order. One of the four, Edgar Parrales, has asked for a formal dispensation from the priesthood but it has not yet been granted.

The hierarchy usually frames its concerns about this matter in the context of canon law which, in its newly revised form, forbids priests to occupy government posts. The priests speak of their gospel-based "preferential option for the poor" which they find well expressed in the Sandinista revolution.

But in a country as Catholic as Nicaragua, the presence of priests in high government posts serves another function: it gives legitimacy to the revolution among believing Catholics. Since it is well known that the Nicaraguan bishops and the * * * making the church the third leg of a "three-legged stool" that propped up the social system of a continent. With the 1968 Bishops' Conference in Medellin, Colombia, the Latin American hierarchy announced a new solidarity, a "preferential option for the poor." That option is basic to liberation theology and it represents the direction of the Latin American Church for the last 20 years.

In Nicaragua, that "option for the poor" is likewise the basis for the Sandinista revolution. Thus, for the Nicaraguan bishops to inveigh against liberation theology is to condemn one of the very bases of the revolution itself. It calls into question the alliance of the church with the struggles of the poor.

Another element of the debate over liberation theology involves Marxism.

MARXISM

The Nicaraguan bishops have long labeled the Sandinistas "Marxists," an accusation designed to discredit the revolution in the eyes of the Nicaraguan people. Liberation theologians, on the other hand, maintain that Marxist philosophy provides useful tools for social and economic analysis, and that Marx's ideas can be used in applying the gospel to 20th century realities just as the secular philosophy of Aristotle * * *.

CHRISTIAN BASE COMMUNITIES

Christian "base communities" grew in Nicaragua in the years before the Sandinista triumph. They are formed by small groups of believers who meet regularly to reflect on the Scriptures in the light of daily experience. Such reflection and prayer convinced many formerly passive people that the gospel called them to act for justice. It moved them away from a belief that "suffering now means happiness hereafter" and empowered them to work to change a social situation they once regarded as hopeless. For many Nicaraguan Christians, these communities were the beginning of their option for the "revolutionary process."

The Nicaraguan bishops and Pope John Paul II have condemned such groups, labeling them a "popular" or "parallel" church. Clergy supportive of the revolution who had been working with such communities have often been replaced with priests who are least cool toward, if not downright opposed to, the revolution. Both the bishops and the Pope justify such moves by urging "public unity with the pastors of the church" or "docility to church teaching." They regard these groups as out of the control of the hierarchy.

Like other religious struggles in Nicaragua, this one has political overtones. The base communities are a strong base of support among the people for the revolution. By making them appear as "outside the fold," the hierarchy seeks to discredit the revolution, cause believing Christians to rethink their commitment to the revolution, and undermine an important base of legitimacy and populuar support for the revolution.

OTHER STRUGGLES

Other "religious" struggles in Nicaragua likewise have strong political implications. They have included debates over Catholic education, the expulsion of foreign priests and the military draft. Moreover, there is, underneath it all, competition between church and government for a limited pool of talented leadership, especially among young people.

Young people themselves are deeply affected by the religious struggles. They have long been staunch supporters of the revolution. Cesar Jerez notes that the "hierarchy's distrust of the revolution is leading to a greater falling off of church participation among young people than among adults. . . ."

CONCLUSION

The most important implication of the religious struggle is the set of political alliances it has created. By opposing the revolution in terms similar to those voiced by Washington, Archbishop Obando y Bravo of Managua has linked the Nicaraguan hierachy with U.S. interventionist policies. By refusing to condemn the *contras'* attacks on the civilian population while denouncing the Sandinista government, he has created the suspicion that he really favors the *contra* cause. By accusing the Nicaraguan government of "Marxism," he provides a new ammunition to U.S. policymakers and fuels the fears of Marxism that John Paul II brings from his Polish experience.

Thus, the "religious" struggles of Nicaragua have forged a political alliance between church hierachy and the Reagan administration which seeks to discredit the alliance of many priests, religious and laity with the Sandinista revolution. It is an ideological struggle for the hearts and minds of Nicaraguans waged in religious language for political objectives.—Maureen Fiedler, William R. Callahan, and Dolores Pomerleau—Quixote Center.

RELIGION IN NICARAGUA

As a popular movement in an overwhelmingly Roman Catholic country, the Sandinista revolution was supported by hundreds of thousands of Catholics. It also had the specifically Christian support of many priests, religious and lay Catholics whose work in the shanty-towns and rural areas had given them first-hand experience of the injustice and suffering inflicted by the Somoza regime. One priest, Fr. Gaspar Garcia Laviana, died fighting with the Sandinistas, and a number of priests accepted ministerial and other senior positions in the new government. The bishops set the seal on this Catholic support when, in a pastoral letter in November 1979, four months after the Sandinista victory, they said:

'We are confident that our revolutionary process will be something original, creative, truly Nicaraguan and in no sense imitative. For what we, together with most Nicaraguans, seek is a process that will result in a society completely and truly Nicaraguan,

one that is not capitalist nor dependent nor totalitarian.'

The panorama five years later is very different. The majority of the bishops, at the prompting of Archbishop Obando y Bravo of Managua have withdrawn their support from the revolution; they have campaigned to remove the priest-ministers from their posts and have publicly criticized the Sandinista leadership for its handling of the crisis among the Miskito communities on the Atlantic Coast. They have repeated accusations that the education programs of the government are really political indoctrination and have expressed fears about atheism and totalitarian rule. This attitude has been criticized by Catholics who support the government, and the bishops have reacted by trying to reassert their traditional authority.

On June 29, 1982 the Pope wrote them a lengthy letter, criticizing the 'popular church'—a term never widely used in Nicaragua—but at the same time urging the bishops to be more understanding. The Pope used his visit to Nicaragua in March 1983 to repeat the message in his letter.

The measures taken by the Bishops' Conference to distance the Catholic Church from the Sandinistas have caused confusion and resentment among ordinary Catholics. The poor, who are the beneficiaries of the revolution, cannot understand this hostility. For most of the bishops, and for many middle-class Nicaraguans, however, the people, enrolled in mass organizations, unions, neighborhood communities and the militia, are a new and frightening phenomenon. No longer are they the hapless victims of repression, exploitation and poverty, seeking the successor of the church, but an organized social class wielding considerable power.

Archbishop Obando y Bravo has become a focus for members of the conservative opposition who threw in their lot with the Sandinistas when they failed to dislodge Somoza from power through negotiation, but who, within months of the Sandinista victory, became bitter critics of the new government which they were unable to control.

In the tense situation created by the *'contras'* campaign, the government has reacted sharply to many of the bishops' statements, and any particular incident is likely to be exaggerated out of all proportion by partisans of either side.

Three incidents in particular have recently provoked conflict. In September 1983 the bishops denounced the newly promulgated conscription law as an attempt to mold conscripts to Sandinista ideology, and in their Easter pastoral letter of 1984 they called for unconditional negotiations with the *'contras'*—a document publicly criticized in statements by the Jesuit and Dominican orders in Nicaragua, the Jesuits noting that the bishops had never condemned the *'contras'* attacks. In July 1984, the government expelled ten foreign priests, apparently as a direct rebuff to Archbishop Obando y Bravo of Managua, who had organized a public march in support of a priest accused by the authorities of being a *'contra'* agent. In August, after the nomination of Father Fernando Cardenal, SJ as Minister of Education, the Secretariat of State of the Vatican renewed its efforts to make the priest ministers resign their posts.

The evangelical churches, which claim 15 per cent of the population, have followed a more consistent path. From a tentative involvement with welfare work in the early 70's, they have passed through denunciation of human rights violations to overt sympathy with the Sandinistas. This change has taken place in spite of a theological tradition originally hostile to social involvement and a marked suspicion of left politics. Change, of course, has not been uniform; nevertheless the majority of evangelical churches supported the fight against Somoza and have since been favorable to the new government and its programs.—Catholic Institute for International Relations, England. *Comment*, 1984. Quixote Center.

With that, I think I have said enough, other than to say that it seems to me as if we are inexorably headed for an enlarged conflict in which ultimately your children, my colleagues, those of draft age, are going to be fighting in the jungles to the south of us, quite unnecessarily, and I think mistakenly so.

I have offered suggestions. I have never been cast in the role of a panjandrum in any of the bodies I belong to. When I filibustered the race bills in the State senate, I did so as a freshman, which was unheard of in the annals of Texas Senate history. But the fact is that our system, if we uphold it, is the greatest, and the American people in turn are way above in stature than what our own leaders really accredit them with.

The people, my colleagues, are way ahead of us.

We have got the responsibility of trying to lead intelligently, knowledgeably, and that is an awesome responsibility in this day and time. But if we continue to be intimidated by a President who then reduces the issue to are you pro-Communist, are you giving aid and comfort to the Communists or are you loyal to me, and that is what the issue has been reduced to in the last 4 years. Now, somehow or other I still appeal to the overwhelming preponderant colleagues that we examine the issue on the merits and demerits based in turn on a realistic assessment of the facts involved.

We cannot continue to blunder. Our margin of error as to time is reduced very much in terms of the world in the 1980's.

Also, it dovetails with our equal misperceptions with respect to a world that is compelling you up to now, and Presidents to foist on the American people a horrendous war machine. We call it a defense budget. But it really is a war budget at $315 billion which will be $1 trillion in less than 2 years. I think that it is time we try to catch up with ourselves.

I still have, despite some demoralization, the optimism that we can do it. And tied in with that was what I started out originally, and that was to show how here in the world of Joel Barlow, that great American patriot, poet, he was a chaplain in George Washington's Revolutionary Army, he was a real revolutionary in the sense that that word really without perversion is meant to be, but we live in a world in which words are perverted. We live in a true Orwellian sense.

I would like to point out what I started out to say yesterday and did not quite round out, which was the coming summit, economic meeting this next month in Bonn, West Germany, which I pointed out that no Member of the Congress has even used the words or much less referred to this emerging force that was first revealed at the summit, economic conference there also in Bonn in 1979, Jimmy Carter then being the President. And the development of the ECU, the European Currency Unit, and the EMF, the European Monetary Fund.

I want to point out to my colleagues, unlike 1979, these countries now, either the 6 or the 10, in the aggregate, have more gold than the United States. And we like to think that we have demonetized gold, but it is still there, and we foolhardedly sold our gold reserves in 1975-76 with Secretary of the Treasury Bill Simon over a lone objection on my part. So I am used to having all of these. I have a big trunk, or chest, of lost causes, but I also have quite a number that have prevailed in the long run, because the system, and I think it still is, is beautiful.

□ 1740

If you are right, if you have any degree of competency in developing the position that is right, ultimately it is going to prevail, assuming you can survive long enough politically.

Now, in anticipation of the summit meeting I would like to place in the RECORD at this point an article on page A-27 of the Dallas Times Herald for Sunday, March 31, which is entitled "Volcker: World Economy Needs West German Aid."

Now, that sounds strange, "West German aid." That sounds strange. West Germany, the United States pleading to West Germany—

Federal Reserve Chairman Paul Volcker on Saturday called for West Germany to shoulder more support of the world economy which he said has recently relied too heavily on exported United States money that should be staying at home.

Well, what have I been saying for 16 years? And the other article, because it also has a direct bearing on the first subject matter, a front page article in the Dallas Times Herald for Tuesday, March 26, entitled "Reagan Decries Mexico Corruption." It is bylined "Paul West of the Washington Bureau." In it Mr. Reagan is taken off much like Gen. Paul Gorman before him, who still is I believe in command of the Southern Command in Panama and who, quite frankly, told, and I wish my colleagues here who are advocating the opposite would listen, General Gorman, as much as he is against the Sandinista regime, said that unless

the United States did more directly, that is intervention, with our own soldiers, that the Contras couldn't win at all, no matter how much help we gave them. We have continued to give to them.

I have charged that the President has violated the laws. I know he has violated three of the basic treaties which is turn have completely eroded our capacity for moral collective leadership in the New World.

I think that it is not our might, it is not our guns, our tanks, our cannons; I think that what is really looked for in America more than anything else is more leadership.

As I have said repeatedly, and I will say it today, if I had my way, if it were in my power to do so, I would call back every single American soldier that we have placed south of the border, right now. And in lieu thereof, instead of a tank like the M-60 tanks that the Governor of Texas sent down there with the National Guard, but when they selected them they were going to select them from the Hispanic component in the dense Hispanic areas of south Texas. Why? Because they thought it would be good to have Spanish-speaking elements down there, it would be good for good neighborliness. Well, the truth is that it shows an ignorance of what those countries are all about down there, also an ignorance of what modern day Texans are, whether they are Hispanic or not.

So the Governor, who went to visit the day after Easter the troops and took a C-130 transport full of frejolas, beans, tortillas, and barbecues. I could have told him, I think, that I would say at least 80 percent of those troops down there, instead of that fare, which a lot of them consider to be a Gringo plot to poison them, they would have preferred to have had Wheaties, the food of champions, and a good cold glass of milk or a milkshake.

But, you know, you cannot break through this aura of stereotype thinking. Anyway, the Governor went down there and they sent M-60 tanks plus Scorpion British tanks. All I can say is that if we are not the laughingstock then I do not know what it is we are, in every country in the New World outside of the territorial bounds of the United States. But in the meanwhile the attack has been on the Mexican President, de la Madrid.

We have, through the CIA, been trying to destabilize, we have been trying to put pressure on him. One of the most popular books in Mexico recently was a novel based on a Presidential sellout in which the black coat and the black hat was the CIA of the United States. It was the most popular thing down there. We ignore all of that because we live in a world in which every society is self-contained, not only ours but theirs.

So even we, living in Texas, will not even have a report of some of the most transcendental occurrences 300 miles south, below the border of Monterey. So that we are going to have to pay a price for that ignorance. I hope in time we can remedy that with some real enlightened leadership.

I have been critical, as I have said, not only critical but for every criticism I have voiced I have offered a suggested course of action.

Some of these I have advocated for more than 20 years. But the one that I have persistently advocated, I started on April 1, 1980, and certainly the President was not Ronald Reagan but was Jimmy Carter; but the forces there in place, just like the Army, the generals come and go, the CO's come and go, but the sergeant is the one who is there all along. They are the ones who are going to determine policy in many instances. Where you have these policy determinants who in turn have mindsets like the President, in which the stereotyped, outworn concepts are no longer valid, then we are going to have egregious error compounded upon egregious error.

I think the summit of error is when we try to destabilize a President like de la Madrid who is very, very personally pro-America. He was educated here, he likes the United States. But he is also a faithful, loyal son of Mexico. Mexico has always advanced two basic doctrines: nonintervention, no intervencion, and autodeterminacion, that is self-determination. And they have formed a group identical almost to the one that was formed in 1957 for the same reason, to arbitrate a border dispute which had flared into violence between Honduras and Nicaragua.

Those same countries banded together but the big difference was that President Eisenhower's Secretary of State had more brains. What they did, they did not have any compunction about getting together with them, they did not think it was below the dignity of the United States to get in and kind of even take the leadership, and that conflict was resolved after the group, with the United States as a copartner, went to the World Court. In fact it had been resolved until the recent eruptions which we have fostered through the CIA's destabilization tactics.

Now, the American people simply ought to be informed if nothing else. I think that if the American people have a full grasp of the facts, for example a President who says that he preaches frugality, wants us to cut all housing-assisted programs, even the FHA-Insured Mortgage Program; he wants to eliminate the Farmers Home Administration which provides rural housing for the rural poor and those of moderate income. You know what a dilemma our real farmers are in right now. Well, the President wants to zero it out in the name of economy. But his own personal, Presidential executive discretionary budget, for which he does not have to account, has grown by 750 percent, 7.50 times in less than 2 years. Why? Well, I think if he were a man of candor he would not hesitate to come to the Congress and therefore to the American people and say, therefore, "Here is where I have been using it."

I happen to know where some of that money has been diverted. It coincides, this incremental increase or exponential increase, coincides with the Congress cutting off the direct appropriated funding for the Contras.

□ 1750

So that I think that the American people, once given the confidence of information and knowledge, will make the right judgments. I have never had that doubt, but I have always premised it on the American people being knowledgeable and being given the facts. And then I do not worry after that.

Those of us who stand up and proclaim where we are naturally assume responsibility for the utterances, always have. I do not think I would be here after 33 years in public elective office, from the lowest legislative representative capacity to the highest, if I had not been accountable.

I say that if we are wrong, but if we are honest, we admit to the wrong. I am of such a mind that unless that is the case, I will not yield, and I will persist even as the lonely number of one.

Because in our system, as I say and repeat: It is a wonderous—if you are right, and if you have any degree of competence in pushing that cause, you will be heard.

GRENADA DOCUMENTS: AN OVERVIEW AND SELECTION, PART III

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, this is the third in a series of talks about the lessons of the Grenada documents and the documents which we captured from a Communist government and a Communist party when we liberated the Island of Grenada.

It is, I think, very useful to the average American to be able to look at what a Communist government and a Communist party says to itself in its secret documents.

This particular book, called "Grenada Documents: An Overview and Selection," prepared and released by the

Department of State, September 1984, is the most complete set of materials on a Communist government we have ever had. The first time we have ever captured material from a Communist government.

Let me say, Mr. Speaker, that it is fascinating that in the second of these special orders, last evening, that one of our colleagues admitted, a colleague who normally would vote against aid to the Freedom Fighters, admitted, "I have absolutely no question that they had become allies of the Soviet Union," referring to Nicaragua.

Now if the Nicaraguan Communists are in fact allies of the Soviet Union, what does that mean? What lessons can we learn about the process of being an ally of the Soviet Union? Why should Americans worry about a tiny country in Central America a long way off?

Many Americans are not even sure exactly where Nicaragua is, or which Central American countries are above it or below it. People say to me, "Why should I be concerned about Nicaragua?"

My first answer is, that while we have a moral interest in freedom for everyone, while we have a concern in free governments for everyone, that there is a very practical, down-to-earth reason for Americans to be concerned about the Nicaraguan Communists.

The reason is, the Nicaragua offers the Soviet Union its first real base or colony on the American continent. For the first time on the American continent, there is a government which is directly allied with the Soviet Union.

Now we know that the Soviet Union is committed ultimately as a Communist state, to dominate the United States. We know that Soviet leaders spend their lifetimes studying how to undermine the United States. We know from Mr. Chevchenko's recent book, for example—the highest-ranking Soviet defector who ever has left the Soviet system—that he sat in on meetings where they systematically plotted how to destroy the United States where in fact people who today are still negotiating with the United States were negotiating on the one hand, while practicing and studying and thinking how to defeat us and destroy us on the other hand.

In that setting, if the Soviet Union is in fact a grave danger to America—and I think it is—what does it then mean if Nicaragua, as one of our friends admitted yesterday, is an ally of the Soviet Union?

Well, the Grenada documents are particularly helpful in helping us to look from the inside; at what it means to be an ally of the Soviet Union. Because in the Grenada documents, we begin to get some sense of, how do they work together? what are they trying to accomplish? who are they with?

I think, as you look at the Grenada documents, you will learn first of all that the Soviet Union was systematically involved in arming Grenada.

Let me quote first of all from the introduction by Michael Ledeen and Herbert Romberstein. They said, speaking of Grenada now:

From the beginning, Bishop and the other NJM leaders sought to bring Grenada into the Soviet orbit, and there are thousands of documents showing the intimate relationship that developed between the USSR and Grenada. Sometimes relations were embodied in formal treaties between Grenada and Soviet bloc countries, and such Soviet proxies as Cuba, Vietnam, and North Korea. On other occasions there were secret agreements, such as those for providing counterintelligence or surveillance equipment, training for agents, and so forth. We have included several of the treaties and party-to-party agreements that gave Grenada a vast quantity of armaments as well as military and political training. Thousands of weapons, far more than could have been required for the security requirements of the tiny island, were shipped by the Soviet Union and Communist-bloc countries. Overall, the documents (samples of which can be found in this book) showed that the Soviet, Cuban, North Korean, and Czechoslovakian agreements included the following items, which were to have been delivered by 1986:

Approximately 10,000 assault and other rifles;

More than 4,500 submachine guns and machine guns;

More than 11.5 million rounds of 7.62 mm ammunitions;

294 portable rocket launchers with more than 16,000 rockets;

84 82 mm mortars with more than 4,800 mortar shells;

12 75 mm cannon with 600 cannon shells;

15,000 hand grenades, 7,000 land mines, 60 armored personnel carriers and patrol vehicles;

More than 150 radio transmitters, 160 field telephone sets, approximately 23,000 uniforms, and tents for about 7,700 persons.

By U.S. Department of Defense estimates, equipment found on the island (not all of it had arrived) would have been sufficient to equip a fighting force of roughly 10,000 men. Furthermore, there evidently were some plans for special forces, since the Soviets promised to provide an airplane capable of transporting 39 paratroopers, as well as other special equipment.

All of this made Grenada a real military threat to its neighbors, most of whom had only local constabularies rather than standing armies. And there was little question that the airport was going to be used for military purposes, since General Hudson Austin's deputy, Liam James, reported in his notebook on March 22, 1980, "The Revo has been able to crush Counter-Revolution internationally, airport will be used for Cuban and Soviet military" (Document 23). This apparently reflected a decision of the NJM leadership.

The Soviets appreciated the geopolitical significance of acquiring another proxy in the Western Hemisphere, as can be seen from the picturesque account of a meeting between Major Einstein Louison, Chief of Staff of the Grenadan Army (who had gone to Moscow for military training), and his Soviet counterpart, Marshal N.V. Ogarkov. According to the Grenadan notes on the meeting (Document 24), Ogarkov told Louison, "over two decades ago, there was only Cuba in Latin America, today there are Nicaragua, Grenada and a serious battle is going on in El Salvador." The Grenadans saw themselves as Soviet proxies. Their Ambassador to Moscow, W. Richard Jacobs, reminded his comrades in Grenada that their importance to the Soviets would eventually depend on their success in exporting revolution:

□ 1800

To the extent that we can take credit for bringing any other country into the progressive fold, our prestige and influence would be greatly enhansed [sic]" (Document 26). Jocobs felt that the first such project should be Suriname.

There was no lack of Soviet support for Grenadan intelligence and counterintelligence operations. A draft letter dated February 17, 1982, from General Hudson Austin to Yuri Andropov, then the chief of the KGB, requested training courses for three Grenadans in counterintelligence and one in intelligence work. Austin thanked Andropov for the "tremendous assistance which our armed forces have received from your party and government in the past.

Now, I cite this and I quote this to say to everyone that when we talk about being an ally of the Soviet Union we are talking first of all about a military alliance. We are talking about a commitment on the part of Grenada to work with the Soviet Union and in return we are talking about a commitment from the Soviet Union to prepare a country to be helpful. There is a fascinating parallel between the airfield that was being built in Grenada, which as these documents prove was in fact going to be used by the Cuban and Soviet military, and the airfield being built in Nicaragua today.

If I were to come here and say the Soviets have an aircraft carrier in the Caribbean, everyone would be very worried. Yet if I come here and say the Soviets are building an airfield in Nicaragua, which is a permanent aircraft carrier, somehow no one seems worried. In fact, the 12,000-foot runway being built in Nicaragua is a far more powerful base for aircraft than any aircraft carrier would be.

Combined with the Cuban bases, the Soviets have the equivalent of seven or eight or nine aircraft carriers in the Caribbean.

Now, if we were to have a news report tonight that there were eight or nine Soviet aircraft carriers in the Caribbean, every American would be worried. "Why are they there? What are they doing?" Yet as long as they build airfields in countries that are their allies, no one worries. But if there were a great crisis, if in fact for some reason in the Middle East or in Europe or in Korea there was to be a crisis, if the following week hundreds of Soviet airplanes were to land in Nicaragua and in Cuba, does anyone seriously believe that any of the people currently voting against aid to

the freedom fighters would suggest, "Oh, why don't we go in and take them out"?

Oh, no. Having first reassured us that Nicaragua was not really with the Soviets, then having reassured us that Nicaragua was not really building an airfield, then having reassured us that the Nicaraguan airfield was not really military, then having assured us that while the Nicaraguan airfield is military, it really was not dangerous, then finally having assured us that while the Nicaraguan airfield was dangerous, there were no Soviet airplanes, I do not think any reasonable, responsible person can believe that the leftwing Democrats who are voting against helping the freedom fighters would then rush to this floor and say, "Now that there are Backfire bombers there, now that there are Soviet aircraft there, now let us do something decisive."

And indeed I challenge any of our friends who intend to vote against aid for the freedom fighters to, at any time in the next few days, pledge at what point they would intervene, at what point they would be willing to do something drastic, because every day that we do not help the freedom fighters, we increase the danger of Soviet penetration.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding.

Mr. Speaker, the gentleman I think is making the critical strategic point about the importance of Nicaragua in describing it literally as an aircraft carrier.

Now, last night, the gentleman, along with our colleague from Pennsylvania [Mr. WALKER], was on the floor with several of our colleagues from the other side of the aisle. And did not one of our Democratic friends last night concede that Nicaragua is indeed a client state of the Soviet Union?

Mr. GINGRICH. Well, our Democratic friend used a much stronger word. They conceded that the Nicaraguans were in fact the allies of the Soviet Union; in fact the exact quote, which I will be glad to read, is: "I have absolutely no question that they have become allies of the Soviet Union."

Mr. WEBER. If the gentleman will yield, let me just clarify again. The quote you just read, that Nicaragua is indeed an ally of the Soviet Union, came not from a Republican but from a liberal Democrat yesterday?

Mr. GINGRICH. That is exactly correct.

Mr. WEBER. Then it seems to me that the aircraft carrier that the gentleman is describing is a Soviet aircraft carrier; is that correct?

Mr. GINGRICH. That is correct.

Mr. WEBER. So the vote on aid to the Contras is really a vote on whether or not you want to give the Soviets an aircraft carrier in our backyard?

Mr. GINGRICH. I think it is fair to say that the vote on aid to the freedom fighters is a vote on whether or not you are willing to tolerate the establishment of a Soviet airfield, the equivalent of a Soviet aircraft carrier, a permanent aircraft carrier, on the North American Continent. And I think that to vote no is in effect to vote for permission to send a signal to the Soviet Union that it is perfectly reasonable for a 12,000-foot runway to be built by the Soviets, to be placed in Nicaragua by the Nicaraguan allies of the Soviet Union, so that at some future crisis, the Soviets should feel equally comfortable flying bombers and fighter planes into that airfield, because, after all, I would say to any American, "Do you honestly believe that the Soviet Union is building a 12,000-foot runway in a military setting, with military preparations, with revetments to hide the aircraft?"—and nobody disputes that this is a military runway, unlike the Grenadian situation, where our leftwing friends kept telling us it was not a military runway until, of course, we captured the documents where they said it was a military runway.

Even our leftwing friends concede, "Oh, yes, this really is a military airfield."

Now, do you honestly believe, does anyone honestly believe the Soviet Union is building a 12,000-foot runway not to use it, not to put aircraft on it, not to threaten the United States?

And of course not; there is no rational argument that says, "Oh, yeh, they are going to pour all of that concrete, build all of those revetments, have all of those bunkers, but, by the way, the Soviets are really reasonable people, and clearly they would not do anything to threaten America."

Mr. WALKER. Will the gentleman yield?

Mr. GINGRICH. I will be glad to yield.

Mr. WALKER. The gentleman has sketched a scenario of the way the left treats many of these issues by pointing out that they will say right up until the time it happens that, oh, no, that is not going to take place—and I think he sketched it pretty well a few minutes ago.

Is the gentleman not sketching precisely what happened in Cuba, that if you take what happened in Cuba, all the way along, our liberal friends assured us that, oh, no, the Soviets had no real intentions of making Cuba into a client state of the Soviet Union, that this was simply something that was the imagination of conservatives in this country, but that now have to admit what we have created in Cuba is a nation which is a direct threat to the United States and it is in fact being used as a Soviet base of operations throughout the Caribbean and being used as a Soviet base of operations against this country.

And in fact the gentleman has sketched exactly the process that was used by the left to continue to move away from any kind of action that the United States might have taken with regard to Cuba, and now we get on the House floor the rather interesting argument from some people on the left that if you are really so worried about Communist subversion in the Caribbean, why don't you do something about Cuba?

Well, the fact is the power has been coalesced in Cuba in such a way that to do something about Cuba at this juncture becomes extremely expensive for this country in terms of lives, in terms of everything else.

The left allowed Cuba to take place and now turns and uses it as a justification for allowing another Cuba to happen in Nicaragua. It is abolutely crazy what is happening out there.

I thank the gentlemen for yielding.

Mr. GINGRICH. Let me just say, on the point about Cuba, that there is something maddening about our friends on the left who refuse to help freedom fighters who are willing to go out on their own, who refuse to stop communism and a Soviet ally in Nicaragua when it is still easy, who then turn and say, well, if you are all that frightened, why don't you do something about Cuba?

And I say again and again to my friends on the left, if you are willing to support any serious effort to bring pressure to bear on Castro, on the 9,000 Russian troops who are now in Cuba—9,000 Russian troops 90 miles off our shore—if you want to do anything, I would be delighted to cosponsor a bill. But the fact is, the left uses that as a mask behind which they are willing to vote no to helping freedom fighters today in a country where we have a very reasonable chance, without a single American being at risk, to simply eliminate the Soviet Communist danger to the survival of the United States.

I think there is something infuriating about this deliberate and, I think, clearly it is hard—one does not want to challenge anyone's sincerity, but it is hard to understand the kind of mind which would vote no to helping freedom fighters in Nicaragua and turn and offer the help to do something serious about Cuba, a much more difficult position.

Mr. WALKER. Will the gentleman yield?

Mr. GINGRICH. I yield one more time to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, and I just want to

make one point. That is, that so often what we hear the left doing is being tough where they know there is no real issue. They are willing to be tough, for instance, to build a Stealth bomber that they know we cannot get for 10 years, they are willing to be tough about, let's stand up against Cuba, when they know that is not an action which this Government proposes to take.

□ 1810

They are willing to be tough everywhere except where you have got to really act, and at the point you have got to really act, then all of a sudden they are no longer tough; then defense does not matter; then they do not want to really take the steps necessary to protect the defense of this country.

That is the infuriating thing which happens so often in this body, is that we hear them talk a tough line, but the fact is, when they come to the question of whether or not they are going to act, then there is no point at which they are really willing to act.

Mr. GINGRICH. Let me carry it one step further. There is something strange about the number of left-wing Democrats who are now, and one or two, frankly, ostrich Republicans who fit this, who are not eager and excited about helping freedom fighters in Cambodia; who are suddenly even excited about helping freedom fighters in Afghanistan. Both of those are distant countries in difficult situations where it is hard to get help. But when we come very close to home in Nicaragua, close to us, easy to help, where we could be effective, suddenly these people who are very eager to help distant freedom fighters are not willing to help local freedom fighters.

I would say that charity and help begins at home. That here in the Western Hemisphere we are going to help freedom fighters. Let us start with the freedom fighters who are closest where the threat is greatest.

I yield to my good friend from Indiana.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

I agree a great deal with what my colleague from Pennsylvania just said about what has happened in Cuba. You know, I just got back from Central America, and went to Nicaragua, and I talked to business leaders and religious leaders and political leaders, and without exception, except for the Sandinista Communist government leaders, everybody said that if the United States does not support the Contras, the repression will increase and the revolution will spread throughout Central America as Thomas Borja, Umberto, and Daniel Ortega have said it would.

One of the things that the gentleman from Pennsylvania alluded to a moment ago was the Cuban situation, and the gentleman in the well talked about it. I would like to give you a scenario that I see developing in the months and years ahead if we do not aid the Contras.

President Kennedy, in 1962, adopted the Kennedy doctrine. He forced the Soviet Union to get their missiles and all offensive weapons and all troops out of Cuba. Today, we know they are all back there. They have Mig-23 fighter-bombers; they have troops; you alluded to 9,000 Cuban troops.

Mr. GINGRICH. 9,000 Soviet troops.

Mr. BURTON of Indiana. Soviet troops; correct. Because of that, our liberal colleagues tell us: "Well, we cannot be involved in a military conflict with Cuba because we invite a superpowers confrontation which could result in a nuclear holocaust."

I submit to you that if we do not support the Contras in Nicaragua, before long, we are going to see thousands of Soviet troops down there Mig-23 fighter-bombers there and all the military equipment that goes along with it. At that point, when the revolution spreads into these other countries, and we talk about taking off the head of Nicaragua to preserve our hemisphere, those people will be saying the same thing: "We cannot do anything about Nicaragua because we risk a confrontation between the superpowers, which could lead to a thermonuclear war."

We do not have to face that prospect if we give the people who are fighting for their freedom down there, the Contras, the wherewithal to do is right now.

Mr. GINGRICH. I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding.

I think the gentleman from Indiana is precisely correct. I was in Nicaragua about 10 days before the gentleman from Indiana and found out precisely what he said is true. In fact, the beginning of the fortification of Nicaragua as an armed Soviet client-state is already underway.

Mr. BURTON of Indiana. Yes.

Mr. WEBER. I learned when I was there, and I would invite the comments of my colleague from Indiana if I have got my figures wrong, there are already I believe 8,000 or 9,000 Cuban troops already in Nicaragua. In addition to that, there are troops from East Germany, Bulgaria, Czechoslovakia. There are PLO advisers flying the jet aircraft or flying the airplanes in Nicaragua. There are advisers from Libya, as well as representatives, I am told, of virtually every terrorist organization in the world including the Bader-Meinhoff gang from West Germany.

Mr. GINGRICH. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I did not mean to imply that it is not already a surrogate and the puppet of the Soviet Union and Cuba. What I meant to say was that right now there are not Soviet troops domiciled there and they do not have all the Soviet equipment like the Mig-23's, because the President has told them they better not bring them down there. But if we wait, like we waited with Cuba, that will be a Soviet stronghold, not just a Communist stronghold but a Soviet stronghold, and the argument the liberals will make is, we cannot do anything about it because we risk a nuclear confrontation. That need not occur.

Mr. GINGRICH. Let me say also if I might that if we are watching a Soviet-Cuban military buildup in Nicaragua under Ronald Reagan, can you imagine what would happen with a Jimmy Carter or a Walter Mondale as President? If they are willing to continue to take the risk of building up their military power under Reagan, who they know is tough and they know has got a pretty firm anti-Communist position, can you imagine the next left-wing Democratic President?

In fact, it was precisely under President Carter that the Russians reintroduced a brigade into Cuba and built up their offensive capabilities in Cuba.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. But they are depending upon the Congress. The reason why they will do it even in the face of someone who is taking a tough stance like Ronald Reagan is they know ultimately this Congress, and particularly this House, has the power to cut off Ronald Reagan from supplying the Contras and doing the kind of things that he knows are necessary to stop what they are doing. So in fact what the gentleman is defining is exactly why this vote is so important. Because they are depending upon this House to do what they know that a Walter Mondale or a Jimmy Carter would do if he was in the Presidency, and that is protect them in what they want to do.

The vote next week becomes very much a case of whether or not you are going to vote pro-Sandinista or whether you are going to vote anti-Sandinista Communist. That is the real question. There is no question here about the Contras. You are not really talking about the freedom fighters down there; whether or not you are voting for or against them. You are really talking about whether or not you are voting for or against the Communist Government of Nicaragua. That is what the vote will be all about next week.

Mr. GINGRICH. Let me say to my friend, too, that I think every liberal Democrat who has any hope of thinking about this issue, because there is no point in talking about the radical, left-wing Democrats who, frankly I think, are not going to ever think

about it; they are committed to an ostrichlike policy of just ignoring any of the data. But any liberal or moderate Democrat who has any hope of really thinking about this issue, should read the April 29 edition of the New Republic. Because in that edition of the New Republic they go back and they cite, and it is amazing, they cite the memoirs of the North Vietnamese officers who were involved in planning the final invasion of South Vietnam.

They cite, these North Vietnamese officers have now written their memoirs; they won, they get to write the books. So they have written books in which they said:

> We watched the U.S. Congress, and when the U.S. Congress did A, B, and C, we then knew we could invade South Vietnam and get away with it.

Now, what we discover, and it is very clear in the Grenada documents. These are very smart people; they work a long time at taking power. What we learned in the Grenada documents is that they know how to work with Congressmen; they understand how the Congress is subdivided; they talk about it in some detail in the Grenada documents, and they talk about specific groups of Congressmen and specific staffs. They know how to manipulate the American press. There is a four-page letter in here from the American-born wife of the Cuban Ambassador, in which, in handwriting, she outlines exactly how to manipulate American newsmen.

They understand how to have collaborators in the churches, and that is the word they use in their document. They talk about collaborators in the churches, and they set up this fantasy island tour in which what they do is they bring people in who are gullible and innocent and naive and they brainwash them.

Now it is fascinating, we read a great deal in the last few days about Ortega. We have read particularly gullible ostrich in the news media who talks about Ortega and what a person Ortega is like.

That person does not seem to understand that Ortega's first great political action was exactly the same political action as Joseph Stalin. The first thing Ortega ever did that was famous was that he robbed a bank and was caught and sent to jail. The first thing Joseph Stalin did as a member of the Communist Party back when it was still rebelling against the czar of Russia, was that he robbed a bank and was sent to jail.

We talk about this poor guy who was jailed by Somoza, it is true; he robbed a bank. Now probably this will come as a shock to some of our ostrich friends, but probably if a left-wing radical in America robbed a bank, we would put him in jail. We would probably put a right-wing radical in America who robbed a bank in jail. This is an old-fashioned clearly American way of behaving that is not fair to left-wing revolutionaries that we think if you rob a bank you should go to jail.

I just want to make this point: That Mr. Ortega, the dictator of Nicaragua, who is so nice to all those left-wing groups, is a man who started his career by robbing a bank, and by the way, he was released from jail when they kidnaped a large number of people and threatened to kill them if he was not released.

This is the kind of deliberate terrorism which is the base of the current Nicaraguan Communist government, and it is probably one reason the Soviets like the Nicaraguans: They have a similar history between Joseph Stalin and Ortega, of being bank robbers as the base of their political career.

I yield to the gentleman from Minnesota.

□ 1820

Mr. WEBER. If the gentleman will yield further, I was just going to reemphasize the point that the Communist dictator of Nicaragua, Daniel Ortega, was not, as popular mythology in this country would have it, a great battlefield hero of the Sandinista revolution who fought his way into power against the corrupt Somoza government. He was, in fact, in jail at the time that Eden Pastora managed to basically win the military victory that led to the ouster of Somoza. Had Pastora not liberated him from jail, he probably never would have gotten out in the first place. Pastora, of course, now is fighting along the Costa Rican border to topple the Sandinistan government precisely because they are no longer Sandinistas; they are now Communists, and he is the real Sandinista.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I think this is an important point. We got asked by one of our colleagues on the floor last evening. "Who are these counterrevolutionaries down there? Who are these people that the President wants to support?"

Well, the gentleman from Minnesota has just told us one. The man who helped oust Somoza, who was the largest single force——

Mr. WEBER. Commander Zero was his nickname in the fight. He was the most popular general in the Sandinista rebellion

Mr. WALKER. The man who carried out the military victory against Somoza is now fighting the Communists who have taken control of the government because he got thrown out of the coalition because he was serious. He wanted to put together a democracy and found out that the Communists did not want to do that.

He is not the only one. As a matter of fact, I have a whole document here of just who the people are who are among the freedom fighters. In fact, they are very upstanding people, people who do want to bring democracy to their country, and I think it is extremely important that we do understand that we are not talking about Somozistas here; we are talking about people who really are prodemocracy, and it is a doggone shame to hear them libeled the way they so often are by the liberals in this Congress.

Mr. BURTON of Indiana. If the gentleman would yield further, I would like to elaboate upon that just a little bit.

All of the people who oppose what the Communist Sandinista government down there are doing are not the freedom fighters and the conservatives. I talked at dinner at the Ambassador's residence in Managua last week with a gentleman who is the head of the liberal party. Up until about 1 year ago he was the Labor Minister in the Communist Sandinista government, and he got his stomach full and he put together a ticket, a liberal ticket to run for office.

Philosophically the two of us agreed on almost nothing, but the one thing he said to me was if aid to the Contras is not continued or given by the United States of America, the repression will increase and the revolution, without doubt, will expand throughout Central America. So the freedom fighters who fought against Somoza, the Sandinistas whose revolution has been kidnapped and who are fighting together to try to overthrow the Communist government down there are not alone. There are even liberal members who are in the Sandinista government who have had their stomach full and they want to see a change.

Mr. GINGRICH. Let me bring us back to what I think is the central point of this evening, which is, even if you are willing to stomach a Communist dictatorship, even if you are willing to kill freedom in Central America, even if you are willing to eliminate the freedom fighters who are the decent people who tried to overthrow Somoza and create freedom, as an American, you have to ask yourself, what does it mean when you have even some of the Democrats who are against helping the freedom fighters admit that Nicaragua is an ally of the Soviet Union.

Let me just read for a second from a couple of documents in the Grenada documents to give us a sense of this, because people say, "Oh, I bet he is afraid of something that is not real." Well, now we have captured the real documents. Here is an interesting one.

This is Document No. 13 of this book. It is called An Agreement Between the Government of Grenada and the Government of the Union of

Soviet Socialist Republics on Deliveries From U.S.S.R. to Grenada of Special and Other Equipment. Under article I it says:

The Government of the Union of Soviet Socialist Republics shall insure in 1980 to 1981 free of charge the delivery to the Government of Grenada of special and other equipment.

I would remind everyone that one of the charges was, as indicated in a secret document from the Grenadian Embassy in Moscow, that they tried to overthrow two governments; that their quota that year was Surinam and Belize. So they were getting a charge, sort of, "You go out and overthrow some government and we will send you more equipment." That was the Russian deal.

Article II, and I think this is very interesting in terms of the point the gentleman from Minnesota made about the 9,000 Cubans. Article II:

The delivery of the equipment listed in the annex to the present agreement shall be effected by the Soviet party by sea at the port of the Republic of Cuba. The order of the further delivery of the above equipment from the Republic of Cuba shall be agreed upon between the Grenadian and Cuban parties.

In other words, the Russians were not stupid. They were not going to suddenly send Russian ships straight into Grenada. They were going to send the Russian ships, which already go to Cuba anyway, to Cuba, the Cubans were going to repackage it, and we have it repackaged in some places in really interesting ways. We have weapons, for example, we captured that were listed as foodstuffs, that had boxes that said "Foodstuffs." They just happened to be rifles when you opened them up. It was a very interesting version of foodstuffs. When our liberal friends talk about how this is really a fight and if only we sent foodstuffs, they do not understand what the Russians and the Cubans mean by foodstuffs. In their case it is AK-47's.

Let me give you one more version out of this very same treaty, because it is a fascinating document which we captured and which we know is real. This is not some fantasy made up by somebody in order to scare people. This is a real document.

Article VI: "The Government of Grenada and the Government of the U.S.S.R. shall take all the necessary measures to insure keeping in secret the terms and conditions of deliveries.

I just want to report to my colleagues that when I went to Oxford to debate the Nicaraguan Vice President, the Communist Vice President of Nicaragua, the day before at the Chatham House he pledged publicly that there were no secret treaties.

First of all, I think that tells you a great deal about their contempt for Western democracies, that the whole idea of pledging publicly there are no secrets, if you think about it, it is just wonderful. It is the kind of "Fantasy Island" bizarreness that only people who have real contempt for us would begin, because by definition, if it is a secret treaty you would lie about it being secret, so if you said there were no secrets and there were secrets, your lie was an effective way of covering up the secret. So here is a guy who thinks we are so stupid he publicly pledges there are no secrets; but in the second place, we know he is lying. And this is the most difficult thing for our many friends, particularly in the church groups, to appreciate because they go down and are sincere and naive and innocent and in a remarkably historically ignorant way walk up to this guy, this former bank robber turned Communist dictator, and they say to him, "Gosh, do you have any secret treaties? and he says, "Would I have any secret treaties? Of course I do not."

Let me then remind you that we have absolutely proof in Grenada that there were secret treaties and that furthermore they promised the Russians they would lie about them. They promised they would keep them secret, and by definition, if you promise to keep it secret, does that not mean you promise to lie if somebody says, "Do you have a secret treaty"?

In that setting I would say to you, as a historian, does it not strike every person listening as far more likely that in Nicaragua we are dealing with a parallel situation? Does anyone really think the Russians have changed in the last 2 years? Of course not. So what does that mean? It means that without any question, if the freedom fighters win and if the freedom fighters open up the archives of the communist government, what we will suddenly discover, and it is a much bigger list of treaties because the Nicaraguans are getting a lot more money. Now, if you figure two countries per $6 million of aid, the amount of aid the Nicaraguans are getting, they must have volunteered 30 or 40 countries they would undermine, assuming that the same exchange rate of countries for aid was going on with Nicaragua that went on with Grenada.

I would say that the burden of proof is on the ostrich wing of the Democratic Party to explain to us how they could possibly believe, if they are willing to concede that Nicaragua is an ally of the Soviet Union, as one of them did, how could they possibly argue, I would love to hear their explanation, of why the Grenada book is not the most probable model of what is going on in Nicaragua, because I just think it boggles the mind to imagine that here we are, going to vote apparently next Tuesday, led by the Democratic leadership of this House, to in effect give the Soviet Union a permanent aircraft carrier in Nicaragua.

□ 1830

Now, I cannot understand, given the last 10 years of history, how anyone who has watched the Democratic leadership of this House, who has watched the effect of those votes over the years, could possibly stand by and have any sense of trust in the Soviet Union or its ally, the Nicaraguan Communist Government.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, just to follow up on that in a little different vein, the gentleman talked about the Soviets and the Cubans and the Grenadians lying about those treaties and agreements, and I talked to my colleagues in the last couple of weeks about arms shipments coming from Cuba and the Soviet Union, coming through Nicaragua and to the guerrilla fighters who are trying to overthrow the duly elected government in El Salvador, and they say that there is no proof of that going on.

I was in El Salvador last week, in Chalatenango province, and I saw a newly captured cache of weapons that were all Communist-originated—Yugoslavian mortars, Bulgarian hand grenades, and all kinds of weapons that you could follow directly all the way back to the Communist bloc. Yet they tell us that is not happening.

I would like to take a paragraph out of the letter that President Duarte sent to President Reagan. He said, and I quote:

We remain concerned, as we have been for some time, by the continuing flow of supplies and munitions from Nicaragua to guerrilla forces here in El Salvador which are fighting against my government and our programs of reform, democracy, reconciliation, and peace. This continuing intervention in our internal affairs is of great concern to us and we deeply appreciate any efforts which your government can take to build a broad barrier to such activities—efforts which a small country like El Salvador cannot take in its own behalf.

Yet when you talk to the liberal Democrats in this House, they say that is not taking place, while the president of the country where it is taking place and that is being affected documents it in his letter to our President.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me?

Mr. GINGRICH. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I think the gentleman from Indiana [Mr. BURTON] has made an important point because it goes even deeper than that.

Many of our friends on the left know that in order to document that traffic into El Salvador, we would have to give up intelligence secrets of this country. Many of them have seen

those intelligence reports. They know doggone well that our intelligence can show that that kind of trafficking is taking place. So when they make those kinds of statements, what they are really saying is "We would like you to release that intelligence information."

Now, we all know what is going to happen if that intelligence information is released. It will give up our sources.

Mr. BURTON of Indiana. And they will be killed.

Mr. WALKER. Yes, and our sources will be killed.

So what they are really asking for is the kind of things which undermine the intelligence-gathering capacity of this country, which is in itself a help to the Soviet Union.

That is a very, very disturbing element, I think, to the fact that we hear all of this campaign from people who really, I think, know better. If they have not seen those intelligence briefings, they are certainly available to them as Members of Congress, and those intelligence briefings are very, very specific on the point that in fact the kind of gunrunning the gentleman has just referred to is going on.

Mr. Speaker, I thank the gentleman for yielding.

Mr. GINGRICH. Mr. Speaker, let me just continue this, if I might, for just a minute because I think people might say, "Well, there is only this one treaty with the Russians, and anyway most of the people in Nicaragua are Cubans, they are not Russians—most of the military advisers, most of the secret police trainers, most of the people who are doing the work."

Let me make two points. There is another secret treaty between Grenada and the Soviet Union which was signed and which said this. This is document No. 14, under article 2:

> The delivery of the equipment listed in Annexes 1 and 2 to the present agreement shall be effected by the Soviet party by sea at the port of the Republic of Cuba. The order of the further delivery of the above equipment from the Republic of Cuba shall be agreed upon between the Grenadian and Cuban parties.

In other words, the Cubans became the control of the Grenadians. The Cubans began to have the power to say, "If you don't obey us and do what we want, you won't get the things the Russians are shipping to us."

Let me carry it one step further. Some of our leftwing friends who, I think, act as ostriches——

Mr. WEBER. Mr. Speaker, will the gentleman yield on that?

Mr. GINGRICH. I am glad to yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Speaker, I just want to slow the gentleman down for a second, because I was listening very carefully to that point. That seems to me to be a critical point, and I would just like to review it for a second.

As I understand it, what that agreement that the gentleman just read indicates is that the flow of arms and other materials to Grenada from the Soviet Union was literally brokered by the Cubans, and that there was a formal document with the Grenadian Government establishing that the flow of such arms and other materials to the Grendians was to be procured by the Cubans, Is that correct?

Mr. GINGRICH. That is correct. Cuba acted in effect as the middleman for the Soviet Union in establishing a Communist dictatorship in Grenada, and the Cubans acted as the control point. So the Cubans had literal control over the Grenadian Government so at any moment they could choke off the flow of weapons.

Mr. WEBER. Of course, the point there is critical because, as the gentleman points out, there is a large number of Cuban troops and nonmilitary advisers in Nicaragua, so all of our past experience indicates that they are probably once again acting directly as the agents of the Soviet Government; is that not correct?

Mr. GINGRICH. That is correct.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. And this is the same Cuba that some of our friends on the left have in recent weeks suggested we ought to be more compassionate to, we ought to be less hostile toward, we ought to be opening the doors more toward, and we ought to be trying to negotiate with? It is exactly the same Cuba, is it not?

Mr. GINGRICH. As the gentleman will remember, one Democratic candidate for President last year ran around all of Central America saying that the United States should not embrace dictators and then physically embraced Fidel Castro. I thought it was one of the most bizarre moments in modern American politics. Here is a guy who went to like six countries in a row and held press conferences and said that America should never again embrace a dictator, and he arrived in Havana and physically embraced Fidel Castro, as though Castro was not a dictator.

Let me continue now, and then I will be glad to yield, because I really want to drive this home. There is another document in the Grenada documents—and these, as I said earlier, are all available to the public; they are printed by the State Department, and I think they should be in every public library and every high school library and, I might say frankly, every church library. If churches are going to get involved in lobbying, and so forth, they ought to read the Grenada documents. Every church group in America should read this document and have a study circle to ask, what does this mean? If they look at document No. 16, which is protocol of the military collaboration between the Government of the Republic of Cuba and the People's Revolutionary Government of Grenada, they will discover this article 12, which I think is very, very important for all of our ostrich friends on the left to listen to and think about:

> The Government of the Republic of Cuba and the People's Revolutionary Government of Grenada will take all measures depending on them in order to assure the secrecy of the permanency of the military personnel in both states and the character of activities, as well as the mail and information relating to present protocol.

Now, what does that mean? Not only is this the secret treaty on which they rely, but notice the keyword, I say to those of our friends on the left who always rush in after the next Communist government gets set up and say, "Oh, well, this is all temporary. If we are reasonable, they will back off." The keyword here is "permanency."

This was a permanent treaty of alliance between the Cuban Communist Government and what was then the Grenadian Communist Government. And what does that say about Nicaragua? It says that Nicaragua is the permanent ally of the Communist Government of the Soviet Union and the Communist Government of Cuba as long as we allow that Communist government to survive.

And on the vote next Tuesday, if anyone votes no next Tuesday, they are voting to kill the freedom fighters' chances of stopping communism in Nicaragua, and they are voting to increase the potential for a Soviet airbase in Nicaragua.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am delighted to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I would just like to make it clear that in my mind there is a threat to the security of the United States of America by allowing the Communists to expand their foothold on the North American Continent in Central America.

John F. Kennedy was President in 1962, and in 1961, in making an address before the American Society of Newspapers, he was talking about the Cuban threat, and I want to quote him because he was talking about the security of America. This is one of the most popular Democratic Presidents who has lived in our century.

He said this:

> Any unilateral American intervention, in the absence of an external attack upon ourselves or an ally, would have been contrary to our traditions and to our international obligations.

And then he went on to say this:

But let the record show that our restraint is not inexhaustible. Should it ever appear that the inter-American doctrine of non-interference merely conceals or excuses a policy of nonaction—if the nations of this Hemisphere should fail to meet their commitments against outside Communist penetration—then I want it clearly understood that this Government will not hesitate in meeting its primary obligations which are to the security of our Nation.

He was concerned about the Communists trying to get a toehold on our continent in Central America, and he was alluding to that in this speech. You can go on and read it, and it spells it our even more graphically as the speech progresses. But he said that American intervention may become necessary.

Now, if we do not support the freedom fighters down there and if this revolution expands, we are going to have to do that, and it is not necessary. But here was a Democratic President who made that commitment back in 1961.

Mr. GINGRICH. Let me build on what my friend just said because I think it is really important and it also, frankly, frames our next speaker. I really think this is important.

President John F. Kennedy in his inaugural address said, "Let all our neighbors know that we shall join with them to oppose aggression or subversion anywhere in the Americas, and let every other power know that this hemisphere intends to remain the master of its own house."

□ 1840

He went on to say later, speaking about the aggressors:

We dare not tempt them with weakness, for only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed.

The greatest tragedy to befall the cause of freedom in the last 20 years has been the collapse of the pro-defense, anti-Communist wing of the Democratic Party. Its replacement by a George McGovern, Walter Mondale wing, what I would call an ostrich wing, a wing in which the ostrich has replaced the donkey as the primary symbol, a wing in which ostrich Democrats seem to be unable to understand the nature of communism. They seem to be unable to understand John F. Kennedy's speeches. They seem to be unable to even read the Grenada documents and understand what they teach us. The ostrich wing of the Democratic Party, I think, is driving those Americans who used to be proud Democrats, but who fear communism and are concerned about America's survival and the survival of freedom, have been driving more and more of them, frankly, to leave their party. It is a tragedy for freedom.

One man who has personally witnessed it and lived through it and seen it is the very distinguished gentleman from Florida [Mr. IRELAND] and I would like to yield to him at this time.

Mr. IRELAND. Mr. Speaker, I would like to register my support for the President's peace plan by first enumerating some of the issues upon which all sides agree, and the historical facts pertinent to them. Today we find ourselves in remarkable agreement regarding the problems and dangers in Nicaragua, with disagreement restricted primarily to how we might best solve those problems, or indeed whether we should attempt a solution at all.

First, I think it is generally agreed that the nature of the current Sandinista government is repugnant to both the American citizens and their elected representatives. Offers to the democratic opposition of so-called electoral participation fooled none. Sandinista harassment of opposition leaders cost them the support of even their more tolerant European sympathizers. This tactic was merely part of the long-practiced Sandinista policy beginning with ignoring promises made to the OAS which secured international support for overthrowing the Samoza regime in 1979. The Sandinistas are openly Marxist-Leninist—it is a Communist regime. They are implementing not just the Marxist socialism which has contributed to the country's economic ruin, but also the Leninist principles of mass organization and oppression which eventually can give them totalitarian control over their citizenry. The Sandinistas are not agrarian reformers, they are Communist revolutionaries whose No. 1 priority is to consolidate their regime.

Second, once such a government has consolidated its power, we have not, since the birth of communism in 1917 witnessed its overthrow or a significant reversal in its human rights policy. Once the iron curtain has closed, its unfortunate inhabitants have been locked behind it. The only countries in which there is a present hope of such a reversal are those—such as Afghanistan, Mozambique, Angola, Ethiopia and Nicaragua—where the government has not yet consolidated its political power. And where there exists a viable armed resistance movement.

Third, the domino theory is real. Nicaraguan Communist expansion to the north and to the south will focus on two strategic targets important to the United States. Mexico on our immediate border and the Panama Canal and the Caribbean sea lanes that supply our allies and friends. Through nonconventional guerrilla insurgencies, the Sandinistas will promote their brand of terror and destabilization throughout Central America.

In short, the Sandinistas will say, do and promise anything in order to gain enough time to consolidate their regime. There are only two choices, first, to support the President's peace plan which promotes the Contadora process and offers an opportunity for a peaceful resolution of the conflicts in Central America or support the consolidation of the Marxist-Sandinista regime and strengthen the Leninist bonds of the Soviet-Cuban-Nicaraguan axis.

Talk is cheap and promises are easily broken. Prolonged negotiations and alleged regional "settlement" may not be the Sandinistas preferred option, but even this would give them what they need most—time for internal consolidation. Once the Nicaraguan people are fully controlled, promises can be broken, as they were in the past, and the details of "verification" rendered irrelevant. At that stage the Sandinistas will supplement propaganda and political action with more overt infiltration, terrorism and insurgency against their neighbors. Even if a "settlement" can now be achieved, it will be a temporary palliative only, and the future threat will be worse than that which now exists since we will face a stronger enemy with a secure base of operations. The Sandinistas must either be forced to allow opposition freedom and to accept the moderation in policy which this entails or they must be banished from government. Only the Contras can force them to face this choice.

Wars are not pretty, and the Contras are not perfect, but they are our only alternative to something far worse. Although the countries of Central and Latin America boast a democratic tradition superior to that of other less-developed regions, they too have serious vulnerabilities. Topography and borders also lend themselves to insurgency. There are lucrative strategic targets both to the south of Nicaragua, in the Panama Canal, and to the north, in Mexico, which is the largest supplier of U.S. oil imports and the ethnic fatherland of many U.S. citizens.

We cannot grant totalitarians control of Nicaragua on the theory that this will permanently slake Sandinista ideological ambitions. The democracies erred grievously before World War II when they ignored Churchill's insight and logic. We, who have experienced not just a decade of Nazism but also nearly seven decades of communism, have no excuse to repeat those errors.

Mr. GINGRICH. Well, Mr. Speaker, I appreciate very much the gentleman's comments because I think the gentleman puts in context our fears that we are seeing the rise of a true Communist state in Nicaragua and a state which is allied with the Soviet Union against the survival of the United States.

Mr. IRELAND. Mr. Speaker, I thank the gentleman. He could not be more

correct. We need to have our colleagues and the American people pay close attention. It is so important to have this dialog move forward in a measured pace, rather than a rush to judgment as some of the leadership of this body would have us do.

I thank the gentleman.

Mr. GINGRICH. Mr. Speaker, I yield to my friend, the gentleman from California [Mr. HUNTER.]

Mr. HUNTER. Mr. Speaker, I thank the gentleman.

I think it is a historic thing that the gentleman from Florida is here today speaking as he is, because that perhaps answers the question that was put forth by one of the great Members of this House, the gentleman from Texas, CHARLES WILSON, during the last major debate that we had concerning the military strength and the MX missile. The question that he asked, if I can paraphrase it; CHARLES WILSON said essentially, "What has happened to the Democrat Party of Jack Kennedy, of FDR, and Harry Truman, who were strong on national defense and strong on foreign policy?"

The gentleman from Georgia has articulated some of John Kennedy's statements.

The gentleman from Indiana [Mr. BURTON] has given some other statements.

The Democractic Party was renowned for years and years for having a tough foreign policy. The answer perhaps to the question of the gentleman from Texas [Mr. WILSON], that is, what has happened to the Democrat Party of John Kennedy, FDR, and Harry Truman, is that they are alive and well and they are following people like PHIL GRAMM and the gentleman from Florida, ANDY IRELAND into the Republican Party.

Let me say that perhaps I should welcome that as a Republican and I do welcome these esteemed colleagues coming forth and rejecting what they see as a major weakness in the Democrat Party; but I would much rather see our Democrat friends standing up on that side of the aisle saying, "We are going to renew that Democrat platform of Jack Kennedy and FDR. We aren't going to give away our hemisphere."

I think the statements of the gentleman from Georgia have been right on point. The question is not only whether the Sandinistas are good people or bad people or have committed atrocities. Certainly they have committed them. Certainly they have denied democracy in this country and certainly they have reneged on the promises they made to the OAS; but beyond that, they are providing a Soviet presence in our hemisphere. They are doing exactly what John Kennedy said he would stop. They are doing exactly what Harry Truman said he would stop. They are doing exactly what Dwight Eisenhower said he would stop. If in fact we fail in this vote to give some aid to the Contras, to the freedom fighters, then we are going to be acquiescing to that Soviet adventure in our own hemisphere and we are going to be allowing this and the Democrat side of the aisle is going to be allowing what some of the most celebrated and revered Democratic leaders of this country have said they would stop, and that is an outside power coming into our hemisphere and establishing a presence that is a threat to the United States.

If you look at the Backfire bomber, we were debating the Backfire bomber and other strategic systems that the Soviets had recently and one of my friends from the other side of the aisle said, "You know, Backfire bombers don't have the range, so you really can't count them as being long range strategic bombers."

People will look at the potential airfield built in Nicaragua and the airfield in Cuba, you realize that all of a sudden those Backfire bombers that have the capability of flying from Russia to the United States and dropping 26,000 pounds of nuclear warheads in the Midwest of the United States suddenly become in fact capable of doing that mission because now they have a place to recover. They do not have enough fuel to fly back the way they are designed to the Soviet Union. They do have enough fuel to recover in Central America. That is why that 10,000-foot runway in Grenada was so important to us. That is why those runways that they are constructing in Nicaragua are so critical to us.

I know the gentleman remembers in that book that he has that was put together by our historians that was derived from some of the 26,000 pounds of material that we captured in Grenada, he recalls a statement that was made in the secret central committee meeting after Ronald Reagan showed the American people the overview, the photographic evidence of that 10,000-foot runway in Grenada, and he said, "This runway is going to be used by Soviet airplanes, possibly airplanes like Backfire bombers that are recovering in Central America." The next day the press said that is baloney. They are going to ship spice through it just like they have told us. That secret central committee meeting resulted in one member recording in the meeting that it is agreed that the runway will be used by the Cuban and the Soviet military.

□ 1850

So the Grenadians lied to us, the Grenadian Marxist leader, and Ronald Reagan was absolutely right about this military threat. And we can expect only the same from the Nicaraguans.

I thank the gentleman.

Mr. WALKER. Will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I simply want to reemphasize a point just made by a distinguished member of the Armed Services Committee in this body. I think what I heard the gentleman saying is that even if no Backfire bomber ever ended up being put on the runway in Nicaragua, that runway in the hands of a Soviet ally is still a threat to us because at that point a first strike launched by the Soviet Union using Backfire bombers would, in fact, be able to use that runway to recover after a bombing mission on the mainland of the United States. Is that what I understood the gentleman to be saying?

Mr. HUNTER. That is absolutely true. There are people, mostly on the other side of the island, the United States, who claim that the only bombers the Soviet Union has today that can be counted are these old propeller-driven Bear bombers because they claim the Backfire bomber does have the capability, it is a swept wing jet aircraft that can go faster than the speed of sound, and can deposit 26,000 pounds of nuclear payload in the United States. But we cannot consider that to be a long range bomber, and we cannot consider that to be something that should be part of the SALT treaties because, after all, it then does not have the fuel to go back to Russia. So theoretically a Soviet crew cannot leave Russia and come and bomb the United States and return to the Soviet Union.

But it can recover in Central America, so that is why those runways, those 10,000-foot runways in Central America are so very, very deadly to the United States.

Mr. GINGRICH. So potentially a no vote on Tuesday against aid for the freedom fighters is a vote which as a consequence could have Soviet nuclear bombers having a base in Nicaragua against the United States?

Mr. HUNTER. That is right. It gives an added effectiveness of 200-plus extra strategic bombers to the Soviet Union that are in their inventory and can be, can practically be used in a strategic attack against the United States.

Mr. GINGRICH. I think every American citizen should think about that between now and Tuesday. If your Congressman or your Congresswoman votes no on Tuesday, they are in effect voting for a policy which increases the likelihood that the Soviet Union would have a nuclear air force base in Nicaragua.

Mr. HUNTER. That is right.

Mr. GINGRICH. I thank the Speaker.

THE ELECTION IN INDIANA'S EIGHTH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Arizona [Mr. KOLBE] is recognized for 60 minutes.

Mr. KOLBE. Mr. Speaker, I want to take the Members back, if I might, and those who today are within my earshot, to 1972, to the Olympics in Munich, Germany. Some of you may recall the basketball game that was played in those Olympics between the United States and the Soviet Union.

At the end of that basketball game the Soviet Union was behind by one point. The United States had won the basketball championship at the Olymics. But there was a referee who came from an East German country and he decided that they would roll back the clock for 3 seconds and replay those last 3 seconds.

They did so. They did not get off another shot, and at the end of the 3 seconds the United States won the basketball game by one point.

The referee again decided that they would replay those last 3 seconds once again at the end of it and once again gave them a second chance, gave the Soviet Union a second chance to win the Olympic basketball game.

They did. They got off a shot and sure enough, at the end of the second replay of that Olympic basketball game the Soviet Union won that Olympic championship.

Mr. Speaker, what is the point? Does it remind you of anything that is going on today in this body?

It does. I am talking, of course, about the election, the election which has been going on since November 6 in the Eighth Distirct of Indiana, an election which was won by Mr. Rick McIntyre, the Republican candidate for the House of Representatives in that district. It was won on election night, and then it was recounted. And the election was won again on the recount by Mr. McIntyre.

But that was not enough. This House did not seat Mr. McIntyre and they decided they were going to undertake their own count. And so we have gone through the process again of this time the House of Representatives devising its own rules on how they would count the ballots in the Eighth District of Indiana. This time with the House of Representatives stacking those rules in such a way that they would do everything they could to guarantee a victory for the other side.

Now we are at the end of that second recount, the third election to take place in Indiana's Eighth District in the last few months, and they still have not been able to win the election. It is a dead heat. It is a dead heat. Out of 230,000 votes that are cast, the election is virtually a dead heat.

Now we are coming down to Friday of this week when the task force that is assigned to look into that election will have to go to Indiana and face the voters and the citizens of that district and tell them what they are going to do. They have done everything they can to keep the Eighth District from being represented by Mr. McIntyre. They have done everything they can to structure the rules of the recount in such a way that they would win this election.

Now they are going to have to go and tell them what they are going to do. So I think that now, as we come to the end of this very, very long and arduous period that has been difficult for either of the candidates in that election, I might add, as we come to the end of this recount I think it is fair that this House, which is going to have to deal with this issue again, as we have dealt with it on January 3 and time and again since then, as we have insisted that the time has come for the winner, that certified winner in the Eighth Congressional District election to be seated, I think it is appropriate that we take some time now to review all of the events that have taken place since November 1984 and look at that election so that the American people will know exactly what has transpired during this election.

Let us remember, there has never been a question, a suggestion by anybody of fraud. There has never been a suggestion that this election was done unfairly, that the recount, that the count was handled incorrectly, that the tallyings were done improperly. There has never been the suggestion of any illegality. Nobody has filed any charge under the Federal elections law. Nobody has made such a claim during the whole course of this election.

So on election night, November 6, the winner was Rick McIntyre. There was a period there for a few hours, actually about 48 hours, when one county reported incorrectly its tally, and it would appear, would have appeared that Mr. McCloskey was ahead by about 72 votes. But that was based on a clearly improperly added up tally, not on the basis of any counts of votes, just that the numbers when they were added on the bottom column came out differently.

A few days later the courts in Indiana directed the clerk in that county to add up those figures again. It does not take very long with the pocket calculators we have these days to do that. He added them up and, sure enough, the figures came out and showed that Mr. McIntyre had won that election.

Yes, it was a close election. It was a razor-thin margin. But he won that election. And the secretary of state issued a certificate on that basis, issued a certificate to Mr. McIntyre that he was the actually elected and duly certified winner of the election in the Eighth District of Indiana.

Well, we all know what happened. When we arrived here on January 3 to be sworn in, along with Mr. McIntyre I came also as a freshman Member of this body to be sworn in. I did that day raise my hand and take the oath of office to uphold and defend the Constitution of the United States. My certificate that came with me as a duly elected Member of the Fifth District of Arizona was not in question.

Yes, I had a close election. No, it was not as close an election as Mr. McIntyre had, but it was a close election.

□ 1900

But nobody suggested fraud in my case. Nobody suggested that I should not be seated because I had a close election. I think when we get to it, at the end of this discussion today or at the end of all the discussions that we have had with this, when you strip away all the other things that are said about the election in Indiana's Eighth District, there is one and only one difference between the election that was held in my case or the election that was held in the case of each of the other 434 districts of the United States, and that is that this one was exceptionally close, close. That is all that was different, it was close. But there was a winner. That winner was certified.

But we know what the next step was. The Democratic majority in the House of Representatives refused to seat Mr. McIntyre on the floor of this body saying that they needed to take a look at this election, that is was too close an election, and there were, by golly, some charges that were made about some irregularities, apparently reading some newspapers or listening on the phone to somebody who might have called up. No formal statement ever issued, no formal charge ever issued under the Federal election law. But they were going to take a look at this election because it was a close vote and the House had a responsibility to look at that.

So he was not seated.

After all, they make the point, there is a recount going on right now in Indiana, and we ought to wait and see how that recount comes out. It should not take too long. Another couple of weeks and the recount in Indiana was completed.

The outcome, as we know, was very clear. Mr. McIntyre won the election again, this time by a substantially wider margin. In fact, under that recount, as the figures that now stand as the only official figures under Indiana election law as to what the outcome of

that election in the Eighth District was, Mr. McIntyre won that election by more votes than some Members who now sit in this body won their election by. Not very many of us won as close as that even under the recount, but there are Members who were seated whose certificate was accepted in this body who won by less votes than Mr. McIntyre did on the recount.

Well, you would have thought that the recount, having been undertaken by Indiana in complete conformance and compliance with its own law on the handling of recounts, would have settled the issue once and for all, and the majority in this body would have said let's get on about our business, "OK, we have assigned this thing to the House Administration Committee, to the task force, and we will continue to let them take a look at this issue, but in the meantime there can be no question, there can be no question but that Mr. McIntyre, with his certificate, ought to be seated on the floor of the House of Representatives." But, no, they did not do that. That was not the decision that was made. Instead, they refused once again to seat him because, though the Republican minority asked them to comply with what has been the precedent in virtually every single case that has ever been heard in this body, they refused to seat him, and we went right on with the recount.

That was done.

Now we are going to do the recount under the rules set up by the House of Representatives, by the task force of the House Administration Committee.

Despite the efforts since that time to resolve this matter and to seat the individual, pending the outcome of that investigation and that recount, who carries the certificate from the secretary of state, they have not done so.

Now, the recount that was undertaken by this body, by the House Administration Committee, is a very interesting process because of course they decided what the election law ought to be in Indiana. They decided what ought to be fair about which votes ought to be counted and which ones ought not to be counted. They restructured the rules for the recount in such a fashion that they—they restructured those rules for the recount in such a fashion that there was no doubt in their minds how the next recount would come out, the one that they were going to undertake. This time they put the rules, we will get to that in a bit in the course of this discussion, they restructured the rules in such a way that surely the ones that were not going to get counted and the ones that were going to be thrown out were the ones in the stronghold for Mr. McIntyre and the ones that were going to get counted were contrarywise in the opponent's. And, despite the fact that they did these rules and despite the fact that they covered it with this patina of fairness by getting the General Accounting Office into the business of conducting this recount, despite all of these things, here we are now more than 90 or 100 days later, we are now at the end of that third election in the Eighth District of Indiana, and it is a dead heat. They still have not been able to get their person as the winner in this election.

I think it is interesting to observe in the Indiana election law on this point there has never been any suggestion that Indiana law was wrong. Sure, Indian law may be different than the election law that exists in your State or in my State, but each of us presumes that our States have the right and the authority to adopt the election laws under which each of us will get ourselves on the ballot, so long as it is not inconsistent with the Constitution of the United States; that each State has the ability to adopt its own election laws which say when people will be registered, how they will register to vote, what kind of information will be on there; that each State has the authority to adopt its own election laws which govern the conduct of the election on election day; that each State has the authority to adopt its own election laws which govern how you will conduct absentee ballots, and, yes, Mr. Speaker, when there is a vote, an election that is challenged, that each State shall have the authority to enact its own election law which will govern how a recount will be done. There is no question that Indiana has the right to do this.

Let me just give you one suggestion: In my State, Arizona, we are unique in one respect in the law on registration. We have a longer period from the close of registration to the election date than any other State in this country.

In order to vote in Arizona you have to be signed up and registered 50 days before the election. You have to be on the rolls 50 days before.

Most States have 30 days, or 20 days, and there are a number of States that you can go in on election day and vote.

Now, if this task force had said, "Well, that is erroneous, it is too long a period, people aren't thinking about an election 50 days beforehand, they ought to be able to go in in 20 days beforehand and register to vote and be allowed to vote in the Fifth District of Arizona [Mr. KOLBE]." If they had done that, what would they do? Would they go out on the streets and pull everybody and say, "Did you intend to vote if you have forgotten to register?" Of course not. We presume that each State has the authority to enact its own election laws, that it should govern its own election laws. That is indeed why the certificate that each of us brings from the Secretary of State or the appropriate elected official in each of our States is so critical, because it is the certificate that we bring that certifies us by the election authorities in our own State, as the duly certified winner of our race.

Mr. McIntyre was no different in that.

Mr. Speaker, at this time I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman from Arizona for yielding.

I think he has laid out the chronology of events surrounding this so-called McIntyre controversy very accurately.

Let me just say something and recall a similarly contested seat which occurred several years ago when Mr. HENDON of North Carolina lost his seat following the 1982 election.

You know, he had a very unusual case there because Mr. HENDON, according to a Federal court, won that particular seat. In this situation you had a lever that you could pull in North Carolina that would vote for the straight Democratic Party. It was the party level; if you pulled that thing you could vote for everybody there who had a "D" after their name.

□ 1910

But in Mr. HENDON's district, at least in a number of the counties, you had people who wanted to, they wanted to vote Democrat almost all the way through, and they pulled that Democrat lever, but then they went over and they very clearly marked an X next to Mr. HENDON's name, next to the Republican's name.

Yet, when the clerk counted up those votes, they counted the ballots in which the voter had marked an "X" next to Mr. HENDON's name for his opponent.

Mr. HENDON took that case to the Federal court, and the Federal court said this about it. They said:

> The imposition of a legislative preference for the straight party candidate when the voter has indicated no such preference is an arbitrary subversion of the electoral process. It serves no compelling state interest.

They continued:

> We conclude that the legislative directive to count an improperly split ballot as a vote for the straight party ticket is unconstitutional.

Here you have a Federal court saying it is unconstitutional to say that when a guy puts his X next to Mr. HENDON's name, you count it for the other guy. This provision of the statute denies the equal protection of the laws to both the voter and the opponent of the candidate named in the straight party ticket.

That is *Hendon* v. *North Carolina State Board of Elections*, 710 Fed 2d 177, 4th Circuit, 1983.

And yet even with those credentials, Mr. HENDON came before this body and asked this body for a recount, this

body, the Democrat leadership of this body, which controls the body right now and did then—denied him a recount.

The reason they gave for denying the recount was the other feller, by gosh, had the certificate, and the certificate was what was important.

So here you had a case where you actually had a Federal court ruling the election to be unconstitutional; at least the manner in which they counted the ballots, you did not have a question on how the ballots were counted, you had ballots that had X's on them next to Mr. HENDON's name, the Republican's name, and those were counted as Democrat votes, or votes for the Democrat candidate.

This body said: No, the certificate is the important thing, and the certificate preempts the fact that these ballots were in fact counted in an unconstitutional manner, and they denied Mr. HENDON his seat.

Now here you have Mr. McIntyre come along, you have him with a duly issued certificate, along with the recount that says that he is a winner, and he is denied a seat. And I have never had it explained to me by a member of the Democratic leadership how those two sets of circumstances can be reconciled, and how that inconsistency can possibly be erased by the process we are going through right now.

Mr. KOLBE. I thank the gentleman from California [Mr. HUNTER] for his comments. As he was talking, it made me think of a couple of points.

One of the things we have heard—let me just add, I should say parenthetically, that I suspect you will never get the explanation of why the two were treated differently, because there is no real explanation for it; there is no justification whatever for treating these two cases in such obviously different manners.

One of the points that has been made frequently on this floor by people on the other side of the aisle, the distinguished gentlemen and gentlewomen on the other side of the aisle, has been that Indiana has changed its election law. So clearly there must have been some problem in Indiana, with the election law, that they changed this.

Certainly we ought to take that into account and we ought to be using the election law which has been enacted in Indiana as we recount these ballots—not that that necessarily would have made any difference at all, but that we ought to be taking that into account.

In the case you cited in North Carolina, of course, you had a Federal judge which struck that provision down, flat out struck it down; said this is unconstitutional and you cannot do that. Subsequently the North Carolina Legislature changed its law in that regard. They changed the law about how those are to be done.

It was never suggested here that we ought to go back and recount and reseat for 2 years before Mr. HENDON on the floor of this body, because the law was struck down and it was changed—no, they said he did not have the certificate; his opponent had the certificate.

That was what the election officials in the State of North Carolina had ruled; that his opponent was the duly elected individual, and he brought that certificate and this body seated that person.

Now I think this body certainly ought to have looked at the election and the way it was conducted, but I think they were perfectly within their rights, pending the outcome of such an investigation, to seat the individual who brings the certificate.

And that, for the last 100-plus days, is all that we have asked of this body: to give the presumption to the individual.

Mr. HUNTER. Will the gentleman yield?

Mr. KOLBE. I yield to the gentleman.

Mr. HUNTER. The gentleman is absolutely right. You know, if you look at some of the very close votes that we have had, I think the MX missile passed by six votes. If three votes had been changed out of the entire House, that vote would have failed, and the MX missile would not have been funded.

And I say that, realizing that some people are on one side of the fence with regard to the missile; others are on the other side of the fence. The point is that that vote, that single vote that Mr. McIntyre could have been casting the last 120 days is very important, not only for the people of his district in Indiana, but also to the United States and to our foreign and domestic policy.

There is absolutely unequal treatment that has been accorded by the Democrat leadership to challengers of election results from the two parties. There is no way to reconcile the Hendon case with the McIntyre case.

During this past election, we had another close election, too; I think we had a close election with our friend George Hanson from Idaho. He, I think, was declared to be the loser by some 74 votes, and I know that he had some questions about votes particularly that might have been cast by out-of-state people who were not really residents.

We could have moved not to have seated the gentleman who defeated George Hanson; I think that is Mr. STALLINGS; but we did not do that. I think most Members of the Republican side of the aisle voted overwhelmingly to go ahead and seat Mr. STALLINGS, because he had the certificate, which is a standard that this institution has always honored, except for one case when the secretary of state himself—and I think it was an Indiana case—sent an affidavit to the House of Representatives saying, "I've made a mistake," and in that case they did not seat him.

In all other cases, they have honored that certificate, and there is absolutely unequal treatment here and it has done a disservice to the people of Indiana as well as to the people of the United States, and certainly to the gentleman who worked so hard for that election, Mr. McIntyre.

Mrs. BENTLEY. Will the gentleman yield?

Mr. KOLBE. I will be happy to yield to the gentlewoman.

Mrs. BENTLEY. Is not it true that in the case of Hanson versus Stallings that here was an election that irregularities have been charged in already; that there were charges made?

Mr. HUNTER. That is right.

Mrs. BENTLEY. And in the case of the McIntyre race, there have been no charges of irregularities?

Mr. HUNTER. That is right. There has been nobody saying that there has been any underhandedness; in fact, as I understand, most of the election officials in the counties, in Mr. McIntyre's district, are Democrats; the people who put the rules in effect and regulated the elections and declared Mr. McIntyre to be the winner.

So your are absolutely right; it is a matter of the Democrat leadership in this House exhibiting no faith and credit to the State authorities that we have relied on for 100 and some years to govern, at least initially, our elections.

Mrs. BENTLEY. If the gentleman would yield further, this of course makes it look like down the road all of us could face a problem of the same kind.

Mr. HUNTER. I think the gentlewoman has hit the nail on the head. What I see the Democrat leadership saying potentially, at least implicitly, to challengers throughout this country is, that if you are a Democrat, you do not have to quite get 50 percent of the vote; come close and we will see what we can do.

Mr. KOLBE. I thank the gentleman from California for his earlier remarks, as well as the gentlewoman, and I will be happy to yield to her further if she would like.

Mr. Speaker, I wanted to comment on the point that he made about the case in North Carolina, because I think the distinction is very obvious; that we cannot see any way to rationalize the two different ways in which these cases were decided.

Nor can we, if we look through the course of the recount, figure out how this recount is being undertaken.

I mention in my remarks earlier, and I think it is a serious statement to make, that the rules of the recount have been structured in such a way as to favor an outcome for Mr. McCloskey.

Well, let me tell you one of the things that the task force decided to do in this recount: They decided, one of the issues that had been raised earlier, of course, was that in some counties there were ballots that had not been counted because they had not been properly notarized, they had not been properly initialed, rather, before they were dropped in the ballot box; they had various problems.

They decided they would count all of those. But guess what they decided they would not count at the outset? They decided they would not count all the ballots that have mutilations or distinguishing marks.

Now under Indiana law there is no problem, apparently, in counting those; those are handled on a case-by-case basis. But they made that kind of across-the-board decision; they would count all the others that had not met the specifics of Indiana law on the way in which they were case, but they would not count those that had the mutilations or the distinguishing marks.

That exception applies to over 24,000 votes in 9 counties. In those counties, the ballots went by more than 1,400 votes for Mr. McIntyre. So one can see just as you work the statistics—and I happen to have some knowledge of the law of probabilities; my wife teaches statistics at the University of Arizona—as you start to play the laws of probability, you are playing a game where you figure out sooner or later your are going to be able to knock off enough votes in that kind of a lead, when you look at those mutilations or distinguishing marks, and you will be able to come out ahead.

Sure enough, they have been able to do it. They have been able to whittle down this lead that ended up at the recount of some 400 votes, by using the House rules, apparently the new election laws of Indiana, or at least the new election laws of the Eighth District of Indiana decided by the House of Representatives task force consisting of two gentlemen from California and one from Missouri who have rewritten the Indiana elections code.

□ 1920

They have written it in such a way and have done everything they could to make sure that the outcome would come out differently, and they still have not been able to get there. They are almost there. It is a dead heat. And maybe on Friday they will be able to figure out some way to make sure that it comes out correctly for them.

One of the ballots that is in dispute, as I understand it—and I do not know that the task force has made a decision on this, but I think it is interesting, the kind of degree to which they are going to go, to which they are going to reach to try to make sure the outcome is the way they want it—in one of the counties of Indiana's Eighth District that is split between the Eighth and the Ninth Districts there is a precinct, I do not know whether it is right on the border or the boundary, but, anyhow, it is one of those counties that is split between two congressional districts, one individual in this country got a ballot, who is in the Eighth District, got a ballot that was from the Ninth District, ended up voting the Ninth District ballot, he was in a precinct that should have had an Eighth District ballot, he voted a straight—he or she, you never know about those things—voted a straight Democractic ticket. Well, the task force, the counters, looked at that, and apparently one of the arguments that is being made by certain staff members of the task force is that, well, clearly, he had intended to vote for Mr. McCloskey because he voted a straight Democratic ticket, and if he had just the opportunity to get the right ballot, he would have done so. Of course the name was not on there. He voted instead, under the law, under the ballot he got, for Mr. Hamilton, but we are going to say he realy intended to vote for Mr. McCloskey.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Let us understand this, We have a ballot where someone voted for Mr. Hamilton——

Mr. KOLBE. And it is going to be counted for Mr. McCloskey, that is correct.

Mr. WALKER. And it is going to be counted for Mr. McCloskey?

Mr. KOLBE. I am not sure that the task force has made a final decision on that, but that is one of the arguments, that is one of the ballots that is being considered.

Mr. WALKER. Someone is seriously contending that a ballot cast for Mr. Hamilton in a totally different district is now going to be counted for Mr. McCloskey in order to help Mr. McCloskey's vote?

Mr. KOLBE. Well, the theory is, you see, that if he had just gotten—if they had not made this error and given him the wrong ballot, he really would have voted for Mr. McCloskey.

Mr. WALKER. But effectively he voted for Mr. Hamilton, and now we are going to count it for Mr. McCloskey?

Mr. KOLBE. Absolutely.

Mr. WALKER. And that is evidently what we mean by counting all of the ballots.

Mr. KOLBE. That is what we mean by counting all of the ballots. We might go out onto the street and find some people who did not get a chance to vote and have an opportunity to ask them.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I am from the Sixth District of Indiana. Does the gentleman think it is possible we could get the recount commissioner to take 10 or 12 of my ballots down to the Eighth District for Mr. McIntyre?

Mr. KOLBE. I would be happy to contribute a few of mine from Arizona.

Mr. WALKER. I would be glad to contribute a few of mine. We could put together quite a package here this evening if that is the way we are going to count around here. That is an interesting new rule that we have written here in the House, that ballots cast for one Member of Congress you can simply transfer over and have them counted for another contested race.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from California.

Mr. DORNAN of California. California has been so diabolically chopped and carved up that our average win, Republicans and Democrats, our average percentile was a 68 percent victory in all 45 seats. We have so many votes to spare in both parties that we should be allowed to transport just thousands of votes to the Eighth District of Indiana.

Mr. KOLBE. I appreciate the offer of the gentleman from California, and I am sure Mr. McIntyre would, as well.

I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I come from Indiana, and I know of our elective processes there and I know the officials who judged this race, I know our secretary of state, who is a very honorable man, and we kid around about this right now because it is so appalling what is taking place at the hands of the Democrats in taking away this seat from a Republican Congressman—and I call him a Congressman because I think he is and should be—and it is really unfortunate that the elective process in Indiana is being subverted by the Democrats and a precedent is being set that is going to follow elections of this kind probably for the next 20 or 30 years, and I am hopeful that the people of this country realize what is happening right now. A sovereign State is having its election laws overturned and the Congress of the United States, a Democrat

majority, is using a ruse to seat one of its own Members.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. I wanted to ask the gentleman from Indiana, is it not true, though, that the local Democrats, the Democrats from Indiana, in their count, have said that McIntyre was the winner, but it is the Democrats from the House of Representatives who are doing it otherwise?

Mr. BURTON of Indiana. If the gentlewoman will yield for an answer, yes, you are absolutely correct. Sixty percent of the recount commissioners were Democrats. In nine of the counties, the majority of the counties, the recount commissioners were a majority Democrat, and when they threw out the votes, the ballots that were not correct, which gave Mr. McIntyre a 418 win, 93 percent of those ballots thrown out were thrown out by Democrats, and they said Mr. McIntyre was the legitimate winner by I think 418 votes.

Mrs. BENTLEY. I just wanted to clarify that.

Mr. KOLBE. I thank the gentlewoman for her comments, and the gentleman from Indiana as well.

I think it is useful just to go through once again here and summarize some of the points that need to be made about the race in the Eighth District of Indiana. I think again that it is appropriate that we do so now because we are reaching that final stage, that stage where a final decision is going to have to be made by the task force, following that by the Administration Committee, and following that by this body. I think as each of us looks at the record that we will come to a very clear conclusion about the way that this affair has been handled.

Let us take a look at a few of the points, the facts. First of all, I think that we can conclude that this task force recount probably never should have taken place. No one has ever suggested there was any fraud or there was any irregularity or that anything was handled improperly at the time of the November elections. To this day the opponent has not filed any charge under the Federal elections law with the courts, has not suggested that there was any irregularity in the way that the election was handled. And the vote on election night and the vote at the time the recount was undertaken, that the retallying was undertaken and that the certificate was issued, clearly showed Mr. McIntyre the winner. The vote at the end of the recount clearly showed him the winner. There was no reason that this House of Representatives ever needed to undertake its own recount, to substitute its own will for the people of Indiana with regard to how elections should be conducted.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. The gentleman has emphasized that there have been no charges of any fraud, et cetera.

Mr. KOLBE. That is correct.

Mrs. BENTLEY. I want to point out that 6 weeks ago the other party singled me out for a vicious attack, suggesting that I had voted to seat Mr. McIntyre for base motives of racial bias.

I spoke on this floor when a press release was circulated to that effect sent out to all of the media in my district.

I pointed out that this was the standard tactic for people who have need to attempt to steal a congressional seat.

Now, certain facts deserve to be repeated on the eve of the completion of that would-be theft. The loser of that race—and pray to God that he will not be named the winner by his friends—never entered an election contest and never until after this matter got to this body alleged any vote irregularity of any kind.

There was a time limit, as you know, after the election to do that. The reason is quite simple. All the irregularities that he alleged had benefited him. Neither I nor anyone who voted to seat the real winner, the one who was certified by the State, voted to disenfranchise anyone, nor did I vote to deny anyone's voting rights. The Federal court in Indiana never even mentioned such an issue.

What is crystal clear is that the only thing of importance to those who smeared my reputation was to get the seat for the loser. Facts were not important then and they are not important now.

We can be sure that the task force will attempt to baptize a new winner in Indiana's eighth. Then if they do that, I am going to ask: Who will have violated the voting rights of the citizens of that district?

And I think this is a course we must pursue.

I thank the gentleman.

□ 1930

Mr. KOLBE. I thank the gentlewoman for her comments and I was not aware that you had been subject to that kind of attack in your congressional district. I think it is most reprehensible and unfortunate that people, certain individuals feel a need to indulge in that kind of attack on others on the basis of a vote that they cast.

In my view I do not suggest any motives, racial motives on the part of anybody in the votes that they cast on this floor. My view is very clear on this issue. I think they are wrong-headed about the votes that they are casting. I think they are doing so for a partisan, political reason, but not for any other kind of reason. Not for anything that has been suggested in your case.

I yield to the gentleman from North Carolina.

Mr. COBEY. I appreciate the gentleman yielding.

I think it is fitting that I should be here on the eve of the conclusion of this recount and the gentlewoman from Maryland. We all are freshman Congressmen; we all were in close races and this could easily be us involved in a situation like the Indiana eighth just as Rick McIntyre is involved.

There were a lot of close races this year. We were all sworn in on January the 3d except Rick McIntyre. I just have never understood why the House of Representatives Task Force had to go out and conduct this recount. We have already had a count of the votes; a 34-vote victory for Rick McIntyre. He was certified by the Secretary of the State of Indiana just like I was certified by the Secretary of North Carolina. Then there was a recount; he won by 418 votes. We have heard already that nine of these counties were controlled by Democratic boards, and why have we gone through this count?

Yes; I stand behind the House of Representatives' right to go in and investigate this race, but why did we not have an investigation and a determination as to whether a recount or not was needed? There was no alleged irregularities, and yet we have been subjected to this count.

Mr. KOLBE. I would just like to respond, and I will yield further to the gentleman from North Carolina. I think the question is a good one and one that needs to be raised now and on each appropriate opportunity on this floor as to why this is being done. I think the answer is fairly clear. We are going to recount as often as we must; we are going to change the rules in such a way, as often as we must, in order to get the outcome to come out the way that certain individuals, a certain group, the majority in this body, clearly want it to come.

You were not here at the beginning of my remarks, but considering your background I think you would appreciate this particular analogy. I made the analogy of this election to the 1972 Olympic basketball championship, where if you will recall the United States and the Soviet Union fought down to the wire at the end of the time, the United States won by one point.

The East European referee rolled back the clock for 3 seconds; they played the last 3 seconds; they still did not score a basket, so they rolled back the clock again for another 3 seconds.

Sure enough, on the third try, they got a basket in.

The point is, if you play it often enough, the game, the law of statistics says that you will get the team you want to be the winner, and sure enough, if you recount this election often enough, especially if you change the rules as they did in this case, you might as well have taken four of our five basketball team members off the court, if they change the rules enough, sure you can get it so it comes out the way you want it, that is exactly what happened in this case.

I yield further.

Mr. COBEY. I thank the gentleman for yielding. I think we need to continue to reiterate the point, the fact that he was the certified winner by the Secretary of State. I am glad the Governor of Indiana is pursuing this case in the courts on behalf of the people of Indiana. I hope no matter what the outcome is that this case is continued to be pursued in the courts because we are breaking with precedents, 200 years of precedents. This would be a horrible thing to establish that this House of Representatives, after 200 years of always seating the certified candidate or certified winner of a race, to suddenly break with that tradition in an unconstitutional manner and establish a new precedent.

We have to establish that in law that this is wrong and not a right action on the part of the majority party. While we have been going through all these recounts, and I know we are told it will be over tomorrow and that we will consider this matter next week, but we have been promised week after week that this was going to be over. We are now at the 105th day that the people of the 8th District of Indiana have not been represented in this body. They do not have anybody here to vote on critical issues, but they are being taxed; they paid their taxes on April 15. This is the very thing that our Revolutionary War was fought over, the fact that we were taxed without representation.

So we need to get this over with quickly, but we cannot allow this to be forgotten, because we cannot allow this to be repeated again.

Mr. KOLBE. I thank the gentleman from North Carolina and I think you have made two or three points that I would like to emphasize. Certainly that last one I think needs to be emphasized and that is that we should not forget this case. Unfortunately, certainly for a long time to come, we will not be able to forget it because I think it has left an indelible scar on the good will which should mark the conduct of this body. I think that perhaps is the most tragic thing about this case. It need never have happened that way.

You also made a point that I think is a good one, earlier, and that is that there is 200 years of precedent. There are 82 cases that are directly on this point in the way in which the House views an election under these conditions. In each of those cases, in every single one of those cases, the individual that carried the certificate was seated on the floor of the House of Representatives. I say that, make that statement with the full knowledge of the Roush-Chambers case in Indiana 25 years ago, where the individual who came with, there were two individuals, each with a certificate, one from the Governor, a dispute over that. In that case, no one was seated, but there was not a clear indication of who had the legitimate certificate. So I think it is absolutely accurate to say in every single case that the individual who has won an election, has brought the certificate and has come to this body with that certificate, that individual has been seated.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. I think we do need to make the point that on several occasions we have heard the Democrats parade out onto the floor a series of precedent cases that they said are precedents that say that what the gentleman has just stated would be absolutely wrong, that they have got all kinds of precedents of people who were not seated.

The point being that every one of those previous cases involved fraud of some kind. No one, no one, has said that there is fraud involved in this election. If they have got proof that there is fraud involved in this election, they should have brought it out a long time ago. The fact is that they do not have anything of that kind. So those precedents are meaningless. The only precedent that they have that has any smidgeon of a precedent is the Rouse-Chambers case, which the gentleman just discussed, and the Rouse-Chambers case, as the gentleman said, you had two certificates that were involved.

So it is a totally absurd precedent for this case too. But to have them come to the floor from time to time and try to mislead the American people on the basis that this is not the only case, that there have been previous cases before, that fact is that when you look back at all those precedents they have cited, there is fraud involved, that somebody came to Congress, for instance, carrying a fraudulent certificate. Well, obviously we are not going to seat someone who has a fraudulent certificate; maybe one he printed up in his own basement. That is obviously not a case where we are going to seat someone.

But those are not precedent cases for what is happening in Indiana, this is a case of just raw power of the majority, a dictatorship of the majority denying the seat to a certificated Member of Congress from his home State.

□ 1940

This is the first time in history that that has ever happened, the first time in history that the House has abrogated to itself the authority to deny a certificated Member from a State his rightful seat in this body. It is one of the most horrendous examples of this House exercising its dictatorial power rather than being a democratic body that it was intended to be under our Constitution.

Mr. KOLBE. I thank the gentleman from Pennsylvania, and you have hit on a point that I think is very important. There is a very clear reason why so many of us in this body are very concerned about the precedent that is being established in this case. It is not simply the issue of Mr. McIntyre versus Mr. McCloskey or 1 out of 435 races in congressional districts in the United States, as important that it is.

It is the question of the abuse of power by the majority, the abuse of power which would allow that party to say, "Although there is no precedent for doing so, we will not seat an individual who carries a certificate of election," an abuse of power that makes each of us, I think, certainly those of us in the minority, and in my opinion it ought to apply just as well to those in the majority, be concerned with the fact that one party, one group, can abuse its power in such a way as to deny a seat to an individual who wins an election and is certified and comes to this body to be seated.

We should be concerned about that. All of us who believe in the rights of the minority, all of us who believe in the democratic process in this country, should be very concerned that that can take place. If today it is Mr. McIntyre, tomorrow who will it be? Which Member of this body will be the next target in the next election?

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. BARTON of Texas. I thank the gentleman for yielding.

Mr. Speaker, I have missed part of the debate this evening, so excuse me if I cover old ground, but it is my understanding that the latest count that we have is that Mr. McCloskey is ahead by 1 vote. I guess we all come to this body as U.S. Representatives and we obviously want to uphold the Constitution, and nobody questions the fact that the House is going to be the sole judge of who it shall seat, but I think there are some very legitimate questions that can be raised about the validity of this latest recount.

No. 1, insofar as I can tell from research, the counting rules used in the

recount have never been used in any election before. They did not use the State election code of Indiana nor any other State or Federal election code. They basically, on a 2-to-1 vote, decided to count every conceivable ballot that could be called a ballot except those that had distinguishing marks.

Mr. KOLBE. That is correct.

Mr. BARTON of Texas. You mentioned the basketball scenario. To me, that is a scenario where the leaders in the majority party have decided that the only chance they have to win, they could not win the original election, which Mr. McIntyre won by 34 votes, they could not win under the election code of Indiana, which Mr. McIntyre won by 418 votes, the only possible chance they had to win was to come up with a set of rules that had never been used before, and using their own set of rules, they have now managed to strain mightily and possibly eke out a one-vote victory.

If I were an American citizen who was not a Member of this body, I would have some real questions about the validity of seating a Member of the U.S. Congress using recount rules that had never been used before, that had not ballot security provisions. As I understand it, even in this recount, Mr. McIntyre at one point had a one- or two-vote victory and they went back into another county and disqualified one or two votes that had been given to Mr. McIntyre. "So we are going to play until we win, and we will change the rules in the middle of the game if we need to, or at the end of the game, or we will start a whole new ball game."

I just have some real personal concerns about the mentality that can justify that type of a procedure. Of course, the procedure was agreed to in the task force by a 2-to-1 vote, the majority voted for it and the minority member voted against it, but I just have a real concern about that and I am at a loss to determine what to do to rectify that.

Mr. WALKER. Mr. Speaker, will the gentleman yield to me?

Mr. KOLBE. Yes, I yield to the gentleman from Pennsylvania, and when he finishes I would like to pursue this matter of the counting rules because they are very interesting, the rules that were adopted.

Mr. WALKER. If the gentleman would yield, I just wanted to tell the gentleman from Texas, he was not on the floor when we had a discussion here a little while ago, we think there is a possibility, the gentleman will be pleased to know this, knowing of his concern, we think there is a possibility that the one vote we are now referring to was not a vote cast for Mr. McCloskey but was a vote cast for Mr. HAMILTON, but what they have now done, according to the gentleman from Arizona, is that they have now taken this ballot—and there is a possibility of this, so we are not certain—at least a recommendation was made that this ballot be counted, that they have taken a ballot that was cast in another congressional district for Mr. HAMILTON and decided that that was really a ballot that they meant to cast for Mr. McCloskey, and that that, in fact, has become a vote in the process.

The gentleman must find, as we did, it absolutely amazing that we have now developed counting rules in the House of Representatives that take a ballot cast for one Member of Congress and transfer it over and have it counted for another Member of Congress in a totally different district. You have to be really fascinated by counting rules that have gotten us to this point that the Democrats put in place by a 2-to-1 vote.

Mr. BARTON of Texas. If the gentleman will yield, is it also a fact, or at least it is my understanding, that there are now more votes in some of the counties than there are registered voters, or than voters that signed the poll list?

Mr. KOLBE. The gentleman from Texas is absolutely correct. That is correct. They decided to count all the ghost voters where the number of votes exceed the number of people that signed the vote register. It is possible one can make an argument that somebody did not sign the register and there were 40 people who signed the register but 41 people came in to vote and one failed to sign. So they have made a decision to count all of those ballots.

What is interesting is the ones they have decided not to count.

Mr. WALKER. If the gentleman will yield further, what we are saying is we now have also more ballots counted than we had voters in the district in some of these places under the counting rules we have adopted?

Mr. KOLBE. As I understand it, it is not more than voters, but more than voters who signed the register as having voted on that day. That is correct.

Mr. WALKER. But the reason why they signed the register is to make certain that that person was actually there to cast that vote. Is that not right? That is a fraud protection.

Mr. KOLBE. That is a fraud protection and there are more ballots cast than there are signatures.

Mr. WALKER. And we now have, under the counting procedures that we adopted in the House, a system that allows more ballots to be counted than people signed up who came to the polls that day?

Mr. KOLBE. That is, as I understand it, correct.

Mr. WALKER. And we are also counting ballots from totally different congressional districts in this process.

Mr. KOLBE. Yes; the ballot clearly is not from the Eighth Congressional District. It apparently was cast inside the Eighth District but it was a ballot from the Ninth District.

Mr. WALKER. Those sure are interesting rules. When we really count all the ballots around here, we really count all the ballots, do we not?

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield, I have but one question, and that is, you alluded not so much to the ballots that they added that should not have been counted, but some that they disallowed. I am kind of curious about those.

What ballots did they not allow? It sounded earlier like they counted everything and more, and now you are telling us that they disallowed some ballots, and I would like to know what those were and under what conditions they disallowed them.

Mr. KOLBE. There were some very large exceptions to the ballots that were not counted.

Mr. BURTON of Indiana. No doubt those would have favored Mr. McIntyre.

Mr. KOLBE. That is correct. Those were in the counties where there was a 1,400-vote margin for Mr. McIntyre, and as I said earlier, if you play the law of statistics, eventually you are going to come out with your side winning.

Mr. WALKER. If the gentleman will yield further, I just want to follow up here.

Did we have any of these counties where they counted more people or any of these precincts where they counted more people than there were actual people who signed up and came to the polls? Were any of those Mr. McIntyre's areas?

Mr. KOLBE. There is no evidence yet that the dairy cows and hogs have yet been counted, but we clearly have more votes being counted than people signed the register on that election day.

Mr. WALKER. But did those tend to be in Mr. McCloskey's areas where we are counting more people than there were actually people signed up?

Mr. KOLBE. I honestly do not know the answer to that.

Mr. WALKER. But what we do know is where they threw out ballots and said that these were not going to be counted, those just happened to be in Mr. McIntyre's areas?

Mr. KOLBE. That is correct.

Mr. WALKER. That is an interesting process.

Mr. KOLBE. Here are the rules adopted by the task force on the Eighth District for counting. Here are some of the rules for the ballots that they will count.

Rule No. 1. Count an otherwise valid paper (regular) ballot that was not initialed by the poll clerks.

□ 1950

Indiana law says it has to be initialed to be a valid vote, but they will count those.

No. 2. "Count an otherwise valid paper absentee ballot not properly initialed by poll clerks." So they will count that.

"3. Count an otherwise valid punchcard (regular) ballot not properly initialed by poll clerks." So they will count those even though the Indiana law says that should not be counted.

"4. Count an otherwise valid punchcard absentee ballot not properly initialed by poll clerks." So they are going to count these.

"5. Count an otherwise valid paper ballot without precinct designation." That also, under the Indiana law, has to be included on there.

"6. Count an otherwise valid punchcard ballot without precinct designation," and so on, and so on.

Now, let us get on to what they decided they would not count.

No. 12: "Distinguishing marks on paper ballot.

"Do not count a ballot which contains any distinguishing marks.

"A distinguishing mark is any marking on the ballot (such as a name, initial, erasure, number, or special symbol), other than the intended voting mark which appears to have been placed there by the voter in order to identify that ballot as the one cast by that particular voter.

"A distinguishing mark is something done to the ballot by the voter for the purpose of indicating who cast it, thereby evading the law insuring the secrecy of the vote."

So if you put your initial on it, you do not get counted. On the other hand, if the poll worker did not put his initials on it, it does get counted. I am seeing a little inconsistency here.

I go on with a reading of the particular rule that the task force came up with:

"A distinguishing mark must change the condition of the ballot, in a manner other than allowed by law, from its condition when the ballot was handed to the voter."

But apparently, concluding it from that particular rule there, you do count a ballot that was not marked as the law in Indiana said that it had to be marked by the poll clerk, properly initialed by the poll clerk, with the proper precinct designation on it.

It is a very interesting set of rules they came up with to count these ballots. I think it is very interesting that in the process, with the statistical numbers working in their favor, they still at the end of the day are in a dead heat, with one vote separating the two of them. One would think, with all this talent working out there, they certainly would have been able to get a few dozen votes for their candidate to win by.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, it is kind of interesting to me that this procedure is taking place at all. There were no allegations of fraud. Mr. McIntyre won the first count, the original count, by 30-some votes. The recount was taking place under the laws of the State of Indiana that we have had for some time, and the majority of the recount commissioners were of the opposite party, Democrats. They threw out most of the votes that were disallowed in those counties. I think 93 percent of the votes that were thrown out were thrown out by Democrat recount commissioners, and after all that, Mr. McIntyre won by 418 votes. Yet they have gone through this procedure. It is just unbelievable.

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Indiana, and I appreciate the opportunity to discuss this issue.

The SPEAKER pro tempore. The time of the gentleman from Arizona [Mr. KOLBE] has expired.

THE COMMUNIST MILITARY BUILDUP IN CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I do not think we will take the whole 60 minutes, but I would like to discuss a little bit more in depth the problems in Central America.

Last week I was down in Central America. I flew into Guatemala City on Easter Sunday. Then 2 days later we went into El Salvador, and subsequently we went into Nicaragua.

One of the things that was most intriguing to me was, when I went into El Salvador and took a helicopter out in Chalatenango Province, I met with a Colonel Acholla, and Colonel Acholla showed us a recently captured cache of Communist weapons that was sent to that country obviously from the Communist bloc.

Many of my colleagues in the House have indicated that there is no evidence that the Communist Sandinista government in Nicaragua is exporting revolution to El Salvador and elsewhere into Central America. I saw with my own eyes Communist weapons in El Salvador, and I would like to tell the Members what those weapons are doing. They are trying to undermine the duly elected Government of El Salvador.

I went into a little village in Chalatenango Province, and a lady came out to visit us, a little lady whose husband had been maimed about 3 weeks or 4 weeks before that. Her husband ran a little jitney service in between two towns. They do not have a whole lot of bus service down there because the economy does not warrant it or will not support a bus line, and this little jitney service he ran consisted of one small used truck, and into that truck he would put as many people as he could possibly put to transfer back and forth.

The day before the Salvadoran elections. Mr. Speaker, he had 18 people in that truck, and in between two of those towns a manually operated landmine was detonated under that truck. it was a Communist landmine supplied through Nicaragua or Cuba because it could not have just grown out of the ground. When that landmine detonated, it destroyed that truck, and along with it, it killed 7 people, 2 of them babies, and injured 11 more, including the driver, the husband of this lady who talked to us.

We asked her about that, and she said it was the Communist guerrillas being supplied by either Cuba or Nicaragua with Soviet-bloc military supplies.

We talked with the leaders of that country, and we then went into El Salvador, Mr. Speaker. We went to Managua, and I was very appalled at what I saw there. We went into the hotel in Managua, the biggest hotel in that city, and immediately after walking through that lobby, we found nothing in that lobby of a literary nature except the works of Karl Marx, Communist dogma. That is all they had in the lobby, at the bookstand, or in the cigarette area where they sell cigarettes, candy, and so forth.

In that lobby were Internationalistas, Communist sympathizers who have come from the United States and around the world to support the Communist Sandinista government.

We met during that trip with educators, with priests, with nuns, with business leaders, and with members of the Government and former members of the Government, and with the exception of the leaders of the Communist Nicaraguan Government, every single person with whom I talked said that if aid to the Contras, the freedom fighters in Nicaragua, is cut off, the Communists will solidify their position, the repressions will increase, and they will be exporting revolution throughout Central America.

That borders upon endangering the security of the United States of America. If that revolution expands beyond the borders of Nicaragua, we all know there will be literally millions of refugees fleeing Central America and coming through Mexico and into Texas and the United States. This will

result in hardship on the American economy.

Can we imagine what it would be like, Mr. Speaker, if we had 10 million to 20 million refugees in this country, trying to house them, feed them, educate them, and clothe them? And, of course, they will be wanting jobs, and they will be willing to work for $1 or $2 or $3 an hour, much less than what Americans are being paid. And that, in my opinion, Mr. Speaker, will lead to massive unemployment, unemployment of Americans, and it is not necessary.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Is it not true that after all of the Indochina refugees have come to this country—and we all know that because the left failed us in Southeast Asia and, therefore, created a situation that resulted in a massive refugee migration into this country from there—all told, that has equaled about 500,000 people who have come to this country as a result of that migration?

And is it not true that we already have about 590,000 people who have come out of the situation in Central America as a result of the Communist guerrillas' activities in El Salvador, as a result of what is happening in Nicaragua, and that we already have a migration into this country from Central America greater than all that that has taken place so far from Indochina?

Mr. BURTON of Indiana. Yes, I believe the gentleman is accurate. And in addition to that, there has been a migration of people out of the Communist Nicaraguan area into Costa Rica. They believe they have between 20,000 and 100,000 there. They are not sure exactly how many because they cannot keep track of them, but they know they have at least 20,000 in Costa Rica.

They have refugees in Honduras, in Guatemala, and in El Salvador trying to flee the repression that has been created in Communist Nicaragua.

□ 2000

If that revolution is exported, as Thomas Borja and Daniel Ortega and Umberto Ortega have said that it is going to be, if that spreads throughout Central America they will have no place to go but to the United States of America.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, I think it is important to note that the Indochina refugees who were here are here legally. They have been legally admitted so that we have brought them in through the regular processes of the country, which means that we have processed them in through our economy.

The 590,000 I am referring to, which I believe is an accurate figure, are here illegally, which means that they represent a major problem to this country, as the gentleman has pointed out, economically and also represent a major problem to the entire immigration process, the legal process that we have in this country, so that the threat the gentleman refers to later on is indeed a very powerful threat, because we are already seeing elements of it happening and it could become an even more intense problem if as the gentleman points out the Nicaraguan Communists begin to spread their revolution throughout Central America.

I thank the gentleman for yielding.

Mr. BURTON of Indiana. Well, that is absolutely correct. The problem is much greater than that. Those people do not want to come to the United States of America. They want to stay in their homeland. That is where they were born. That is where they were raised. That is where their roots are.

But in addition to that, the United States of America, in my opinion, will not be able to stand idly by and let all this occur. At some point we are going to have to protect our southern border. We have 1,980 miles of border between the United States and Mexico. I call it the soft underbelly of America. We cannot leave that exposed to communism. At some point we are going to have to provide a defense perimeter someplace either down in Mexico or south of Mexico to protect our southern flank. That is going to cost not $14 million, which is what the Contras want right now to protect themselves and to protect freedoms and get their country back, which has been kidnaped by the Communists, but it will cost us much, much more. It will cost us billions of dollars and American lives as well, because we will have to provide manpower to protect our southern flank.

Now, people say in this body that that is not likely to occur, but these people down there really do not want to export that revolution. Thomas Borja in numerous speeches has said they want a revolution without borders. In a 1983 Playboy interview when he was asked a question about Jean Kirkpatrick when he said that the Communist Sandinista government wants to expand their revolution into El Salvador, then Guatemala, or Honduras and then into Guatemala, and ultimately into Mexico, he said that is one prophecy, Mr. Borja said, that is one prophecy of Ronald Reagan's that is absolutely correct.

Now, many of my colleagues say, we will just wait them out. That revolution cannot last. We said that about Cuba 25 years ago and now it is a bastion of Soviet and Communist strength in the Caribbean. They have Mig-23 fighter bombers. When John F. Kennedy was President he imposed what was called the Kennedy Doctrine. You will recall, Mr. Speaker, he turned the Soviet ships around and sent them back when they were bringing missiles to Cuba during the Cuban missile crisis. He not only sent those missiles back, but he demanded that Soviet troops be taken out of Cuba and all offensive weapons and there would be no Communist expansionism into our hemisphere beyond Cuba.

Today, Mr. Speaker, Cuba has Mig-23 fighter bombers. They have thousands of Soviet troops down there, 9,000 to be exact, and they are an armed camp. So anybody who believes that the menace will go away simply because we are going to outwait them is sorely mistaken.

I want to cite as an example one of the things that they are teaching their children in school to perpetuate the revolution beyond just this generation. I received while I was in Managua, Nicaragua, last week a copy of a school text. I wish everybody in America could see this. This text is on mathematics, mathematica. On about the second, third, or fourth page, it shows them how to add, three machineguns plus three machineguns equals six machineguns. Two handgrenades plus two handgrenades plus two handgrenades equals six handgrenades. They are indoctrinating the youth of that country just like they are in Cuba with a revolutionary philosophy.

The storybook problems in this mathematics text also talk about the revolution.

I also received an English book for the first, second, third, and fourth graders. In that all they talk about is the revolution, the Communist revolution and how they must support it. They are indoctrinating these young people so that they will be militarists throughout their lifetimes, but they are still having trouble getting young people to join the military.

I have heard my colleagues on the other side say that the Contras, the freedom fighters, are repressive, that they are perpetrating atrocities on the people of Nicaragua. The fact of the matter is they are not kidnaping people to come into their army. The people are going to them and joining voluntarily because they are tired of the repression that is being perpetrated upon them by the Communists; but just the opposite is true as far as the Communist military is concerned in Nicaragua. It is not uncommon to see them going down the streets and chasing a young 13-, 14-, or 15-year-old person and forcing them into a truck and forcing them into the military.

They are trying to get an additional 30,000 young people into the military this year, even though they already have an armed militia, an army total-

ing 120,000 people, which is twice what all the other countries of Central America combined have.

Mr. Speaker, this is really intolerable. They are telling us exactly what they plan to do and we are not doing anything about it.

While I was down there, I found out that they had just arrested five mothers, the Communist Sandinista government had arrested five mothers and put them in prison because they were trying to keep their little kids from being inducted into the military, forced into the Communist Sandinista army. They had a bunch of mothers whose boys had been forced into the Communist Sandinista army, 700 of them in fact, that were in Managua and a bunch of mothers came to see their boys. Hundreds of mothers came to see their children and they would not let them see them. The mothers pushed against the gates so hard that the gate gave way and the guards that were guarding that gate were supposed to stop the mothers from getting in and they had orders to stop them in any way they could.

The 700 boys left. The mothers left and the guards left with them because they did not have the heart to shoot them and they knew that there would be reprisals because they did not stop those mothers from getting in there. That is the kind of government that is being perpetrated upon those people, forced upon those people in Nicaragua right now.

Mr. Speaker, there is so much more that is going to come out during this debate. I just hope the American people have the opportunity to hear all of it. The repression is great.

The Catholic priests, the 10 Catholic priests that were forced out of the country, one Catholic priest because he would not adopt the Communist line in his homilies was forced to walk down the streets of his parish naked before his parishoners to embarrass him. That is unbelievable.

The Pope when he went there, they would not let the people come out to see him. Every country where the Pope went—I am not Catholic, but I believe in religious freedom—every country where the Pope appeared, there were thousands and thousands of people along the streets to cheer him, but when he went into Managua, I have a tape from down there, a movie tape, which shows that they kept the people back from the streets from seeing the Pope.

When he went to give his homily in the square, they had Sandinista troops ringing the square. When the Pope started to speak, they interrupted the speech. They took control of the microphones. They had microphones underneath the stand and they started screaming Soviet Communist slogans into those microphones, drowning out the Pope.

This is all documented. The religious persecution that has been taking place is unbelievable. I talked to one of the leaders of the 950 Catholic priests and nun organization down there, and he said that the repression is unbelievable.

I asked him as well as I asked everybody else, what will happen if there is no organized resistance to the Communist government in this country?

He said, along with everyone I talked to, the repression will increase. The censorship will increase and many people are going to lose their lives.

The Communists will consolidate their position within that country and the revolution will be exported into El Salvador, into Honduras, into Guatemala, and ultimately into Mexico.

Mr. Speaker, nothing has been more clear to me since I came to the Congress of the United States and I believe that most of my colleagues who have been down there share my view. I think a blind person could go down there and see what is going on.

Mr. Speaker, next week on Tuesday we are going to cast one of the most important votes this Congress will ever cast in our lifetimes. If we do not vote to support the freedom fighters who are fighting for their liberties and their freedoms, who are fighting to get their country back, we are going to make a terrible, terrible mistake, that is going to be carried on by the future generations of America.

I have a 10-year-old son, Danny Lee Burton II. I want that boy to have the very best, everything that we have been able to have in America. I certainly do not want him to go to fight in an unnecessary war in some place that I do not want him to be; but, Mr. Speaker, I truly believe in my heart of hearts that if we do not allow the people of Nicaragua to regain control of their country, if we do not allow the freedom fighters the ability to fight for their own country, that at some point in the future, in the not too distant future, we will have American boys down in Central America fighting unnecessarily. God forbid that my boy will be one of them.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I would be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because he made a point here a minute ago that I think is an important point.

A lot of our colleagues on the other side of the aisle, some of our liberal friends, have been down in Nicaragua recently. They have come back and they would not necessarily share the gentleman's viewpoint. What they had to say is somewhat different from what the gentleman has said; but almost invariably now when they are coming to the floor they are saying things like, "Well, I'm not for the Sandinistas. I think what they are doing down there is very bad, that there is indeed repression there."

So to confirm what the gentleman just said, nearly everybody who goes down there does see very clearly what is going on and nearly everybody, even though they do not share his and my viewpoint about the situation, will say that the Sandinistas are pretty bad, that what we are doing is pretty bad down there.

□ 2010

And one of the things that I think is important to understand is that if you really think that, and if you really went to Nicaragua and saw it, and I have not been there, but the gentleman I think has given us a very clear report of what he saw, but if, as some of our liberal friends are saying, that they have been there and they have seen how bad it is, we need to understand the context in which we will be voting on this matter next week.

There is a pro-Sandinista vote and an anti-Sandinista vote that is going to be cast here. There is a pro-Communist vote and an anti-Communist vote as it relates to the situation in Nicaragua that is going to be cast here. That is the context in which we are going to be voting and if in fact what the Sandinista Communists are doing in Nicaragua is as horrible as virtually everybody coming back reports, I do not understand how anyone could cast a vote that will give aid and comfort to that government. It is very difficult for me to understand how anybody understanding what they are doing to their own people, and what kind of a Communist dictatorship they are installing in Nicaragua, how anyone understanding that could cast a vote that will give aid and comfort to that government is beyond me.

So I think what the gentleman has said here this evening is extremely important because he has made every cogent points based upon his own experience, but I think has reflected very clearly that many of our colleagues who do not necessarily share his viewpoint are also telling us something very important in a totally different way when they come out here and admit that they do not think the Sandinistas are a very good government for the Nicaraguan people. What they ought to do is take that one step further and say that no one ought to be voting for something that will give them the kind of support that they are looking for in the U.S. Congress.

I thank the gentleman.

Mr. BURTON of Indiana. I thank the gentleman for his comments.

I would just like to end up by saying that Daniel Ortega in an interview with JIM SENSENBRENNER of this body, the gentleman from Wisconsin [Mr.

SENSENBRENNER] and another individual who went with me to Central America, said, when asked about a revolution without borders, that that was what he had said in the past, and a revolution without borders means a revolution that encompasses all of Central America.

The security of the United States of America will undoubtedly be threatened if this prophecy of Mr. Ortega comes true, and we will be involved in a military conflict that is unnecessary. And if the future generations of this country will be threatened, their security will be threatened, and their freedom will be threatened.

You know for over 200 years we have always had a strong defense, we have always had a policy of defending our hemisphere. We had the Kennedy Doctrine and we had the Monroe Doctrine, and those doctrines have gone out the window. And I sincerely hope and pray that my colleagues, before next Tuesday, will see the light so that the kids of today will not have to be the soldiers of tomorrow.

Mr. Speaker, I yield back the balance of my time.

AMERICAN POLICY TOWARD NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 60 minutes.

Mr. RITTER. Mr. Speaker, the vote coming up on Tuesday next is not only crucial to the future of this country, as we have heard here so eloquently stated just a moment ago by my colleague from Indiana, but it is crucial to the Democratic Party. It is a major test of the stated aims of the Democratic Party to move back into the center, to move back into the mainstream of American politics. It gives the Democratic Party a chance for the first time in national policy since the nomination of George McGovern, a chance to throw off those chains which have grown stronger and stronger since that election debacle in 1972.

We have heard a lot about moving back to the center from leading Democrats. Particularly we have heard a lot from Democratic Governors in the South, in the Southwest, and in the West. These are regional politicians who are listening closely to the voices of their constituents.

Mr. Speaker, I would like to present to my colleagues, to the American people, a series of arguments as to what indeed the main criticisms of our policy in Nicaragua are, and to provide a counter to those criticisms which I believe should and can be embraced by center leaning moderate Democrats in this body.

It has been very fashionable, perhaps even obligatory for the critics of the administration's Nicaraguan policy to proffer certain statements as if they were axiomatic to the truth, and this is being done in the face of overwhelming historical, intellectual and yes, even moral evidence to the contrary. And when not excusing they seem intent on rationalizing the behavior of the Sandinistas.

I would like to provide some examples. There is the criticism that the Sandinistas are not Communists. Critics argue that the regime is not Communist totalitarian, and they point to a token newpaper that is allowed to continue to publish, albeit in the face of massive censorship. They point to an existence of a continuing repressed, indeed, small business community. They point to some unions and some independent agriculture. They underline continuing political opposition, although that opposition, as evidenced by the recent election, has now mobilized itself against the Sandinista regime and joined, for all intents and purposes, with the Contras.

They talk about visits of church and other groups invited to see for themselves in Nicaragua as evidence that this is not a Communist totalitarian regime. What is missed, what is completely missed is the game that is being played by the Sandinista Communists with world opinion and with U.S. opinion.

By keeping alive a token press, a token small business, a token labor union, a token political opposition, the Sandinista Communists win points within world and U.S. opinion that prevents them from losing foreign credits, that prevents them from losing whatever trade they have retained. It also confuses world opinion and deters any cohesive diplomatic or military action against it.

Like all Communist rhetoric, the Sandinista Communist rhetoric has clearly spelled out the goals. Yet many people and organizations refuse to take this rhetoric at face value.

Let me just quote somewhat from a selection of statements defining the nature of the Sandinistas.

□ 2020

In a speech before the Sandinista armed forces, Humberto Ortega, the Sandinista Minister of Defense, is quoted as saying:

Marxism-Leninism is the scientific doctrine that guides our revolution, the instrument of analysis of our vanguard to understand the historical process and to create revolution. Marxism-Leninism and Sandinismo are indissolubly united and because of that our moral strength is Sandinismo and our doctrine is that of Marxism-Leninism.

Hugo Torres, a member of the general staff of the Sandinista Popular Army, on April 23, 1982, is quoted as saying:

The principles of Marxism-Leninism wisely applied to the reality of our society guided the revolutionary actions of the FSLN over the dictatorship.

Victor Tirado Lopez is quoted by Jeane Kirkpatrick in a Reader's Digest article of July 1983, stating "that Marxism-Leninism is a fundamental part of the Sandinista ideology." That is Victor Tirado Lopez, a junta member of the FSLN.

"Ortega will appear to push democracy," that is in reference to President Ortega. "This has fooled some international circles. I do not believe there are divergencies in the national directorate of the Sandinista Party. Some want to go faster, some slower, but the goal is the same, a tropicalized Marxism-Leninist Party." Luis Rivas-Leiva, head of the Social Democratic Party, that is one of the opposition parties, quoted in the Washington Times of February 25, 1985.

"The Sandinistas are determined to impose a controlled system. Their final goal is implantation of a Communist totalitarian regime." Jaime Chamorro, coeditor of La Prensa in the Washington Times, February 25, 1985.

I would like to just present a few elements of the connection with the Soviet military establishment that the Sandinistas enjoy. For one, there are an estimated 10,000 Soviet, Cuban, East German, North Korean, Vietnamese, Czech, Bulgarian, Libyan, and Palestinian forces in Nicaragua. This is what former Ambassasdor to the United Nations, Jeane Kirkpatrick, calls the Soviet international fighting force.

The Soviet Union recently supplied Nicaragua with 110 medium battle tanks, 30 light amphibious tanks, 200 armored personnel carriers, 70 long-range artillery pieces and nearly 500 rocket launchers, howitzers, and anti-aircraft guns. These are State Department figures quoted in the New York Times of February 9, 1985.

As of February 1985, total equipment, including 200 armored vehicles, 150 tanks, and 44 helicopters, including some 6 to 8 MI-24 Hind Ds helicopters, these are the same infamous weapons that are being used against the Afghani freedom fighters in far away Afghanistan by their Soviet invaders.

The Sandinistas are building the largest airport in Latin America at Punta Huete with Soviet assistance. It will be capable of handling any size Soviet aircraft. (See Washington Post, August 17, 1984.)

I think there is no doubt that the Nicaraguans have received chemical warfare equipment, that is the opinion of Caspar Weinberger, our Secretary of Defense. All of this, of course, comes directly from the Soviet Union.

From 1962 to 1982 the Soviet Union provided $4 billion in military assistance to Latin America. For the same

period the United States supplied $1.5 billion.

I think this is an indication that what we are talking about is a Soviet base on the mainland of the Western Hemisphere, a Soviet base on the land bridge between North and South America.

I would like to talk a little bit about the kind of indoctrination techniques that the Sandinista Communists have used quite similar to that which we have seen in Cuba and in other Soviet bloc states.

The Sandinistas have created Cuban and Soviet style mass organizations designed to indoctrinate and control the people at all levels of society. Their organizations have adopted the structures, the rhetoric and methods of their Cuban and Soviet models. One of the most repressive instruments of control is the Sandinista defense committees, [CDS] which are neighborhood committees organized to spy on neighbors.

Tomas Borge, the Minister of Interior, has called the some 10,000 CDS's, the eyes and ears of the revolution. This is taken from "Broken Promises, Sandinista Repression of Human Rights in Nicaragua," State Department document, October 1984.

I would like to talk a little bit about how the Sandinistas have treated the labor movement. Again, quite similar to that of other Communist governments where they have been established.

The AFL-CIO has stated that the Sandinistas have "established a dictatorship that all but destroyed the right to strike, to organize, or to bargain collectively without interference." Taken from the AFL-CIO Free Trade Union News, March 1984.

"Upon coming to power the FSLN immediately began its campaign to destroy the two democratic trade union centers of Nicaragua, the Confederation de Unificacion Sindical [CUS] and the Central de Tradbajadores de Nicaragus [CTN]." Taken from AFL-CIO, Free Trade Union News, March 1984.

Within hours of taking control the Sandinista leadership formed the Central Sandinista de Tradbajadores [CST], that is the central workers organization, and insisted that all unions should belong to one trade union central.

When the two democratic unions centrals declined, the FSLN embarked on a unification plan that violated every concept of human and trade union rights. Taken again from the AFL-CIO Free Trade Union News, March 1984.

Comparing Nicaragua with Poland one Nicaraguan labor leader said: "We are both small countries and have suffered many invasions. We both experience long lines and scarcity while many of our products are shipped off to the Soviet bloc. We are Catholic countries with close ties between the unions and the church. We live under regimes where citizens can be jailed at will. And both governments brand independent trade unions, 'anti-socialist agents of imperialism.'" Sam Leiken, Labor Under Seige, the New Republic, October 8, 1984.

I would like to go to my conclusion on this point.

If it looks like a duck, if it walks like a duck, if it quacks like a duck, it must be a duck.

What we are seeing is Nicaraguan communism moving to solidify its gains. Let us call it that. Let us no longer dilude ourselves that this is some kind of reform movement in transition. Let us understand the nature of what we are dealing with here.

□ 2030

When it comes to a vote next Tuesday, let the leadership of the Democratic Party in this House know that they will be pulling the rug under opposition forces to this Communist totalitarian movement, to this group of individuals who seeks to establish a Soviet base directly south of the borders of the United States of America.

It is somewhat inconvenient for the Sandinistas to have to put up with a trade union here and a La Prensa newspaper there, and a bishop who doesn't support them. And that slows them down in their transition to a fully totalitarian Communist state.

Let us look at what really slows them down: What is really slowing down this transition is the rebellion of the Nicaraguan people who dislike what they perceive as this inexorable movement to totalitarian Communist government.

That slowing down, that prevention of the solidification of Marxist-Leninist rule, that is the essential achievement of the Contra war against the Sandinistas. The Sandinistas feel obliged to show the world they are really not what they are. So that the world will not support the cause of the Contras.

Opponents of assistance to the Contras, and this includes many of my colleagues on the Democratic side of the aisle, must ask themselves: What happens when the Contras disappear, or are forced to dissolve? Given the likes of the Sandinista rulers, the incentive to keep these annoying vestiges of a free society disappear. They disappear with the disappearance of the Contras.

With solidified power, which, let us face it, is what the world at large really respects, what Sandinista ruler would be concerned about any remaining critical world opinion at that point. Dictators like Libya's Mu'ammar Qadhafi, certainly do not care about world opinion, and dictators like Fidel Castro have even managed to use world opinion to their own advantage.

Can anyone imagine Interior Minister Tomas Borge seeking to mollify foreign public opinion or seeking to mollify the Organization of American States? I think not. I think it is an unimaginable possibility.

Another criticism that we hear from our Democratic colleagues, particularly those who have gone to Nicaragua and those who have seen the true colors of the Sandinista Communist regime, is that, well, they may be better than the Sandinistas, but they cannot win.

Critics argue that the Contras cannot win. But we have to ask, what is winning in a guerrilla war? Certainly it is not the great battle that decides, but it is a test of wills which continues on over the years. The critics, do these same critics except that somehow the Afghans, in their guerrilla war, will triumph over the invading Soviet Union? Yet many Nicaragua policy critics in Congress support the Afghan Freedom Fighters.

Will Son Sann's non-Communist opposition in Cambodia actually defeat the Soviet-backed Vietnamese occupation army? Of course not. But a number of critics support them, too. The nature of guerrilla war is not to win the big battle in the great big conflagration; no. The nature of guerrilla war is to make the opponent sick and tired of fighting and sick and tired of expending resources.

The Contra struggle, likewise, must be viewed over the longer range with the goal of encouraging the Soviets and the Cubans to pull out. Is not that what happened to us in Vietnam? Did the Vietcong and North Vietnamese infiltrators, did they defeat the United States main forces on the battlefield? No. No. But they made life miserable enough over the years that the majority in the American Congress eventually pulled the plug on funding that war.

Maybe, just maybe with will and determination and perseverance, that can happen in terms of the Soviets and the Cubans funding the Sandinista government in Nicaragua.

Then there is a very interesting other criticism. It is the criticism that by aiding the Contras, this will eventually lead to the use of American troops. But the critics themselves, in saying that the use of American troops might be necessary there, if a major Soviet base of operations threatening the United States would emerge, those critics are the ones really risking the use of American troops.

Why? Because a new Soviet-backed Cuba on the mainland base of operations is indeed emerging. Just look at the airfields. Just look at the barracks. Look at the training grounds.

The only effective way to discourage or deflect that emergence now, without American troops, is by Contra resistance. Once the Soviet-Cuban base is established, it is too late. It is too late for limited action. Then only American troops would suffice.

I think we have to ask the Democratic leadership and the critics in the Democratic Party whether they are prepared to risk the Nicaraguan equivalent of an American blockade or invasion of Cuba. Is that what they are telling the American people?

At that point, the cost of American lives and the cost to American treasure, dwarfs anything imaginable growing out of our extremely limited support for the Contras.

I would like to put in a word about the level of that support. We are talking about $14 million; a fraction of the cost of one F-15. We spend nearly $300 billion on our defense to ward off the Soviet threat, to deter the Soviet threat, and at the same time critics on the other side of the aisle, the Democratic leadership making this a litmus test vote of Democratic allegiance, are saying that this $14 million is a waste, when it is supporting people who are willing to fight for their own freedom.

Another interesting criticism that we continue to hear is the Contras are not worth supporting because the Contras are Somozistas. Critics are arguing, I think somewhat less forcefully these days, that Contras are the heirs to the Somoza regime; they are former Somoza national guardsmen. But it is getting harder and harder these days to brand people like Eden Pastora, the head of the ARDE alliance fighting in southern Nicaragua. It is getting harder to brand the Miskito Indians fighting to save their own culture and heritage and tradition. It is getting harder to brand Alfonso Robello, a former member of the Sandinista junta, and Adolfo Calero, head of the FDN, who was imprisoned by the Sandinistas, along with Arturo Cruz, the former Sandinista Ambassador to the United States and a leading political opponent inside Nicaragua until recently when he joined philosophical ranks with the Contras. It is getting harder and harder to brand these individuals as Somozistas.

□ 2040

What is ironic is that many of the critics during the Vietnam war characterized the Vietcong as peoples revolutionaries, they characterized the North Vietnamese as nationalists. Could we not expect the same dispensation from today's critics of the Contras, to give them credit for being nationalists, for being democratic, when indeed—and this irony is even greater—they are fighting for democratic principles to topple a totalitarian Marxist government, and at the same time the guerrillas in Vietnam and the North Vietnamese infiltrators were fighting to install what we see today as a Communist totalitarian government?

From all that has been said in numerous press conferences and all that has been published in position papers, the Contras profess to be democrats, democrats, democrats—that's "democrats" with a small "d." They are simply asking the Sandinistas to live up to their promises to the Organization of American States, really to the Nicaraguan people. Meanwhile, while the Contras are talking like democrats across the spectrum of their organizations, the Sandinista rulers continue to talk like Soviet-Cuban allied Communist dictators. Branding the Contras "Somocistas" is name calling, it seeks to hide the embarrassing truths that the Contra leaders are seeking democratic pluralistic government, and it is pretty uncomfortable for the critics not to support their cause. It helps to cloud the issue by essentially calling them Fascists. It clouds the issue, it denigrates their cause by calling these anti-Communists Fascists. It is an old trick.

I would like to present a few facts about the Contra opposition forces which I think are important. Let us talk about, overall, the alliance that has recently been formed amongst various opposition groups to the Sandinista Communists. Several goups of the armed and unarmed opposition met in San Jose, Costa Rica, and formed a coalition called the Nicaraguan Resistance. On March 2, 1985, they issued a document calling for a national dialog with the Sandinistas under the sponsorship of the Nicaraguan Bishops Conference. In addition to the dialog, they called for a ceasefire in place, lifting the state of emergency, amnesty for some 3,500 political prisoners, granting the rights of habeas corpus and asylum, a guarantee for protection for participants in the dialog.

There is an interesting point here. Unlike the Salvadoran Communist guerrillas, they did not ask for power sharing, they are simply asking for democratic processes in their society. The national resistance offered to recognize Daniel Ortega as President pending a plebiscite. They called for the presence of guarantors from other Central American countries to oversee the proposed dialog and invited other interested nations and groups to send observers. That sounds to me like people interested in democracy.

The opposition seeks only the right to participate in a free and open election and does not demand in advance, as did the Salvadoran leftist guerrillas, a place in the government.

Within the recently formed Nicaraguan Resistance are the Nicaraguan Democratic Force, or FDN, the Democratic Revolutionary Alliance, or ARDE, the MISURA (Miskito, Sumo, and Rama), as well as smaller or lesser known groups. MISURASATA (Sumo, Rama, and Sandinista Unity), the Frente Revolucionario Sandino (Sandino Revolutionary Front, or FRS), and others, although not signatories of the San Jose document, are also fighting to force the Sandinistas to return to the original goals of the anti-Somoza revolution.

The FDN has been branded as Somocista.

Let me say a little bit about the FDN. The FDN's policymaking Directorate, recognized in 1983, is composed of six persons. Five are civilians who were long-time opponents of Somoza. The other member is a former national guard colonel, Enrique Bermudez, who heads the military general staff. The Directorate is responsible for making and carrying out all FDN policy.

Early on, Bermudez was never recognized by the Sandinista government as being part and parcel of the dictatorial Somoza policies.

The FDN reports that its overall military leadership, including the general staff and regional and task force commanders, has a greater number of former Sandinistas than national guardsmen.

One has to ask, too, how many former national guardsmen are officers in the Sandinistas. I do not think we will get those figures.

The composition of the FDN military leadership is as follows: Former Sandinistas, 43 percent; former national guardsmen, 32 percent; campesinos, small farmers, 19 percent; and other, 6 percent.

Of the 56 regional and task force commanders in the FDN responsible for day-to-day operations, the FDN reports that 27 were former Sandinistas, 13 were national guardsmen, none above the rank of lieutenant, and 12 were farmers. The remainder include a medical doctor, an evangelical minister, a fourth year university student, and a civilian radio technician. The overwhelming number of the reported 15,000 FDN troops are peasants, workers, shopkeepers, businessmen, and others with no previous ties to Somoza.

It is a smokescreen to brand the Contras Somocistas.

Let us talk about ARDE and current groups in the Robelo-led ARDE coalition. They are the Nicaraguan democratic movement, or Movimiento Democratico Nicaraguense.

The MDN is a social-democratic party founded in 1978. It drew its support from lower and middle-class Nicaraguans, including many peasants, and it played an active role in the revolution which overthrew Somoza. Its leader, Alfonso Robelo, was an original member of the ruling Sandinista

junta. He resigned in protest over Sandinista efforts to create a Communist state. Subjected to extraordinary harassment by the Sandinistas, Robelo went into exile in Costa Rica in 1982.

There is another ARDE, headed up by former No. 1 commandante, or I should say Commandante Zero, Commander Zero, Eden Pastora, the democratic revolutionary alliance, also termed ARDE. The Costa Rica-based ARDE is a coalition of organizations created in 1982 by individuals who were active during the revolution, including many who were initially officials in the Sandinista government. From its beginning its leaders sought to restore the original course of the revolution through political means. In the spring of 1983, after peaceful efforts proved futile, ARDE began military operations in southern Nicaragua. There have been internal disagreements among various ARDE leaders. In 1984 Eden Pastora, leader of the military arm, was expelled by other members of the ARDE coalition, the one I just described, led by Alphonso Robelo. There continues to be a dispute over which faction can legitimately claim the ARDE name, with both sides doing so. Pastora has retained the loyalty of most ARDE troops and continues military operations in southern Nicaragua. And this refers to the political head of ARDE, Alphonso Robelo was a principal organizer of the Nicaraguan resistance.

MISURA is an armed group that evolved out of the Atlantic Coast Indian organization ALPROMISO, founded in 1973 with the help of Protestant churches in the region, and its successor group, MISURASATA. Former supporters of the Sandinista revolution, Miskito Indians Wycliffe Diego and Steadman Fagoth, founded MISURA in 1983. Its military operations are carried out in northeastern Nicaragua.

The Nicaraguan Democratic Solidarity, or STDN. STDN was founded in 1983 by two Nicaraguan labor leaders who had been forced into exile as a result of Sandinista persecution of the independent labor movement in Nicaragua. The founders had long been opponents of Somoza. One of them, Zacarias Hernandez, was a signer of the Nicaraguan resistance document.

□ 2050

I can go on and on; I could talk about the biographic sketches of key members of the opposition. Adolpho Calero, once imprisoned by Somoza, commander-in-chief of the FDN. I can talk about Arturo Cruz; I mentioned that he was a former Ambassador to the United States from the Sandinista government who resigned in opposition.

You can go on and on, and I think the point is made that it is not possible, it is not possible to honestly brand the Contra resistance, Somocistas. I would hope that as we further debate this issue toward the vote next Tuesday, we cease this name calling, this smokescreen because it is simply not factual. Because it simply does not hold water.

There seems to be an overriding reality with our competition with the Soviet Union, and this overriding reality has occurred over the last decade, particularly over the last 5 years. Wars of national liberation are now being fought against Communist, totalitarian regimes, whose power can only be supported by Soviet bloc arms, economic assistance and personnel. How long would the regime in Angola last without thousands of Cuban troops propping it up? How long would it last against UNITA led by Jonas Savimbe without Cuban troops propping it up. Of course, the Cuban troops receive their logistics, their arms from the Soviet Union.

How long would the Mengistu regime last against the Eritrean resistance without thousands of Cuban troops and vast amounts of Soviet hardware. Wars of national liberation are now being fought against Communist, totalitarian regimes whose power base can only be supported by Soviet bloc arms, economic assistance and personnel. It is an important point; it is worth repeating, because it is one of the major new trends of our time.

The conflict in Nicaragua is no different. What I would hope is that my colleagues on the Democratic side of the aisle understand the context of that war fought by democratic forces against a Communist totalitarian power right south of the United States border.

It is a conflict being waged in a tradition similar to that in Afghanistan, Angola, Cambodia, and Ethiopia. People are seeking freedom from Communist totalitarian rule by taking up arms against their oppressors. It is so important for my Democratic colleagues to realize that our failure to assist this trend obviates our need for example, for massive military hardware such as MX or B-1 or Starwars or fleets of fighter planes and tanks, no less large-scale, conventional armies.

If we cannot protect our back door right here at home, how can we justify these costly defenses to protect far away front lines from sophisticated technologies and major armies. This challenge right south of the border of the United States, brings very close the trend toward revolutions against Communist totalitarian regimes. How can we fail to support those challenging Communists directly south of our border?

How can my colleagues justify supporting Afghan freedom fighters halfway around the world? Cambodian freedom fighters half-way around the world, when we cannot support freedom fighters right next door? That is the question I leave with my Democratic colleagues. I would like their answer to that question.

GENERAL LEAVE

Mr. RITTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Massachusetts [Mr. FRANK].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FEDERAL INSURANCE OF ACCOUNTS—A HALF CENTURY OF SAFETY FOR DEPOSITORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. ST GERMAIN] is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, almost 100 percent of the banks and savings institutions in the United States proudly display an official Federal seal on their premises. We've become so accustomed to seeing it over the past half century that most of us no longer notice it. As a matter of fact, that seal has been so effective in accomplishing the purpose for which the Federal agencies it represents were created that many have forgotten why it was considered necessary in the first place.

Congress established the Federal Savings and Loan Insurance Corporation and the Federal Deposit Insurance Corporation in the darkest days of the worst economic crisis every to beset our country. Our country then—in the thirties—was in deep economic depression, wracked with joblessness, with hunger and homelessness on a scale unrivaled in American history. Confidence in America's ability to right itself was eroding rapidly. It bottomed when frantic citizens lost faith and trust in their financial institutions. There were runs on banks. Bank failures were so widespread it appeared our entire system of depository institutions would come crashing down.

It was at that point a wise and concerned Congress rewrote the laws under which our depository institutions operated. These laws continue to form the basic framework of our financial system. One key to the continuing success of our depository system was the establishment of a Federal deposit insurance system—a system designed to assure depositors their Federal Government stands 100

percent behind their dollars on deposits up to the present limit of $100,000.

The FSLIC and the FDIC, authorized as they are to call upon the U.S. Treasury for assistance if needed, have consistently made good on their commitments to depositors.

Congress recently reiterated the intent of the insurance funds' creators by adopting a resolution stating that the full faith and credit of the U.S. Government stands behind the deposits in federally insured institutions up to $100,000 per account.

The stability of our financial system is the envy of the world. We have the FSLIC and the FDIC to thank for that, because for over half a century depositors have had their deposits secured by Federal deposit insurance.

As the chairman of the House Committee on Banking, Finance and Urban Affairs in which the Federal deposit insurance funds had their legislative origins, I am gratified that this system has inspired the confidence and good will of millions upon millions of account holders.

I shall do all in my power to assure that this confidence continues.●

WHY SUPPORT THE NICARAGUAN FREEDOM FIGHTERS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

● Mr. STRATTON. Mr. Speaker, last night at the Capital Hilton Hotel, the friends and admirers of America's U.N. Ambassador, Jeane J. Kirkpatrick, joined to honor her for her long and distinguished career at the United Nations, and to express their appreciation for Dr. Kirkpatrick's unique capability of expressing views on complex foreign policy issues in straight-forward, down-to-Earth, sensible terms.

The more than 700 persons who filled the hotel's ballroom applauded as Ambassador Kirkpatrick was presented with plaques and other expressions of appreciation by 15 outstanding organizations, not only in this country but also in Nicaragua. The dinner was coordinated by the American Security Council for the coalition for peace through strength.

The Ambassador responded by speaking on the No. 1 political issue of the day—"Why Support the Nicaraguan Freedom Fighters?"

Since this is an issue which every Member of the House will be called upon to vote next week, I believe a careful reading of Dr. Kirkpatrick's eloquent and moving address should be mandatory for every Member before casting his or her vote on this issue of vital importance to the entire Western Hemisphere.

The address follows:

SALUTE TO AMBASSADOR JEANE J. KIRKPATRICK, APRIL 16, 1985, CAPITAL HILTON HOTEL, WASHINGTON, DC

Ambassador KIRKPATRICK: Thank you John; thank you Adolfo; thank you Bill; thank you Ed; thank you Frank; thank you everybody. I thank all of you. I was concerned about Don Hodel (phonetic). Did he ever get to sit down? Okay.

This is obviously a very pleasant evening. I see a great many friends. I see a few whom I have spent a lot of time with at the United Nations like Andy Ireland and Sam Stratton. I always feel like giving them awards, let me say. Any Congressional member who came to the U.N. and really stayed around and helped us do a job won my very special gratitude.

While I am saying "thank you", I want to say "thank you" to my friend Cap Weinberger, very particularly, for his generous words about me tonight, but also especially in this assembly, Peace Through Strength. Thinking of that theme, I want to thank Cap Weinberger for his most extraordinary contributions to restoring this nation to its strength so that we can in fact seek Peace Through Strength.

I think that John Fisher has his upon an extraordinary way to keep everybody within their time limits because obviously we don't get any dinner until we stop talking. So, I am going to skip the first four pages of my prepared remarks, mainly, but not entirely.

I do want to say what I take to be the principal function of our foreign policy. I take that to be defending our own nation and its democratic institutions against external attack or subversion; defending our allies against external attack or subversion, and preserving our civilization, the kind of world in which we can live and thrive and enjoy our lives; a world of independent nations with whom we can trade, among whom we can travel; nations which will not pursue aggressive expansionist policies and destroy the peace of their neighbors.

I take it to be a purpose of our foreign policy to promote democratic institutions and human rights and economic development everywhere. I take it to be a function of our foreign policy as well to manage our foreign relations in such a way that they do not consume too large a share of our resources, time, effort, and money. I think those are the things that President Reagan has, in fact, been trying to do and I think it's the thing that Cap and a great many of us who are here, in the Congress as well as the Administration have tried to do.

I think no place have we tried to work towards these goals more persistently than in Central America. Now, it's never useful to over simplify and we need to recognize that there are various kinds of obstacles to the achievement of our goals. There are stubborn problems of climate and culture and politics, history, mutual insecurity and animosities, and deep set rivalries, and they often stand in the way of achieving our goals. The fact is that we also need to recognize that the principal obstacle to our security and also to our helping preserving and enjoying our civilization and our world is unfortunately, the expansionist policies of the Soviet Union.

I believe that there were two principal dimensions to the so-called "Changed Correlation of World Forces" that we heard so much about in the period before 1981. The "Changed Correlation of World Forces", I think consisted of two parts; the growth of Soviet military power, and the concomitant decline in the military strength of the West, and the dramatic expansion of Soviet influence outside Europe and North America.

We all know the development of Soviet military power is important. It permitted an extraordianry buildup in the Pacific, created new vulnerabilities in Europe, created new vulnerabilities here at home. We also know in principal that we can deal with that by restoring our own military establishment, and also by trying to get a handle on the Arms Race through verifiable agreements arrived at in Arms Control Negotiations.

The fact is that we don't even have an adequate theory of how to deal with Soviet expansion outside Europe and North America. In just 20 years the Soviet Union progressed from being a continental power in Europe to becoming a global power, acquiring bases and surrogates you all know, in Cuba, Vietnam, Ethiopia, Angola, South Yemen, Nicaragua, Afghanistan, expanding its military reach to the vicinity of such strategic checkpoints as the Panama Canal, Straits of Gibraltar, the Suez Canal, Straits of Hormus, the entrance to the Red Sea, and the Indian Ocean, the sea lanes of East Asia, and so forth, Cam Rahn Bay.

In the same period, the number of Soviet and block troops in non-Soviet non-Warsaw Pact countries increased more than 500 percent. From that point of view, that period between 1975 and 1980 was a period of great success.

We need to be clear about what they mean by "success" in thinking about the Third World and in thinking about the countries outside North America and Europe. What they mean is the incorporation of a country into the world socialist system, or at least a reliable beginning in the process of incorporating a country into the world socialist system.

Their view of success is very different than our view. Our view of success is, in fact, to help a country preserve its independence. We have succeeded when a country avoids incorporation and maintains its independence.

It's an interesting difference in what happens to countries where they succeed and where we succeed. Where they succeed, the country is incorporated into a global military mutual-aid society, in which armaments and services from all the member states of the Soviet empire are drawn and brought to bear on unfortunate targeted countries.

From our point of view, when we succeed, the country that is successful may not make any contribution at all to collective enterprise. It may not extend any basing rights, for example, for collective purposes. It may not help its neighbors maintain their independence. So be it. That's our kind of success. We are not seeking to build an empire. We are not seeking client states. We do seek a world of independent nations.

The only problem is that the expansion of Soviet power and the incorporation of ever larger numbers of nations into the world socialist system is dangerous for us and for other independent nations.

I might note that this incorporation usually takes place incrementally; one slice at a time, like salami tactics applied to international politics.

The process of incorporation into the world socialist system was described in the Granada Documents, which I'm sure many here have read. The stages in this process are not complete until full military integration of a country into the world socialist system has been achieved. It had not yet

been achieved in Granada. It has been achieved in Cuba. Cuba integration into the Soviet Military System is symbolized by the presence in Cuba of some Soviet personnel. For example, some seven thousand civilian advisors; some 2800 in that famous combat brigade; some seven—I'm sorry. Some 2800 military advisors, plus about 2,000 special Soviet personnel who are manning an electronic intelligence facility that monitors our electronic communications here in the United States.

Cuba, of course, provides bases that extend the reach of Soviet naval and air power and electronic surveillance over our coastal waters and our coast. Cuba provides advisors and troops for Nicaragua, Angola, Ethiopia, Mozambique, Conga, South Yemen. Cuba provides manpower and planning for the drug and terror network that reaps chaos in Latin America and mightly affects our own country.

Nicaragua has been partially, but not wholly incorporated into the Soviet military world system. Nicaragua provides training, arms for guerillas from a dozen countries. Nicaragua provides a home, refuge, sanctuary, for the international terrorist network. Indeed, its capital has become Managua where one finds Bader Manhof (phonetic) remnants, Red Brigades, Basque, ETA Members, Argentine Monteros and ERP, Peruvian Sendero-Leminoso (phonetic), and Marta El Salvadoran FMLN, of course, Guerillas from all over the world meet there with their PLO mentors and exchange notes and train one another. Of course, with a little help from the Libyans.

One of the consequences of this steady flow of services and manpower to the—to Nicaragua, and from Nicaragua to other countries in Central America and South America is the kind of tragedy I visited in El Salvador last weekend, when I visited the hamlet—It's not even, really a village, where the massacre of the previous days had taken place. Where some 19 Salvadorans had been dragged from their beds and killed in cold blood. I say the style in which seven men had been shot, and one had his head crushed. I was with our Ambassador who picked up a shell casing which bears on it a Number "10", which I am told is a definitive marking of such casings of Bulgarian make.

Where do the bullets in El Salvador's hamlets come from? They come from Bulgaria. Where do the bullets used against Nicaragua's own democrats and Freedom Fighters come from? Well, they come from Bulgaria too, and of course from Vietnam, and from East Germany and Czechoslovakia, and from the Soviet Union. The struggle that is underway today in Central America has very special significance for us, and I presume everyone here understands that.

True, we live in a big inter-dependent world, and events in very remote places can have a large impact on us. A coup in Sudan, a civil war in Angola, a Vietnamese offensive in Cambodia, a conversation between Chinese and Soviets, a struggle in New Caladonia, a Presidential election in Greece, a massacre in El Salvador, may have all of them important effects on our well being and our national security, but not all situations in all places are equally important to us. Not all deserve the same attention from our Government, and not all decisions of our Government deserve the same attention from American citizens.

In thinking about foreign policy and national security, one must begin with geography, because in foreign affairs, geography is destiny. In thinking about foreign policy, one must end with ideals of one's civilization, because they provide the—literally, the spiritual food and intellectual food off which we live.

Developments in Nicaragua matter more to us than developments in many other countries, because Nicaragua is at the center of the isthmus that stretches south to Panama, north to Mexico. Those countries constitute our fourth border, and that gives Central America and the Caribbean an irreducible strategic importance for us.

Now, we're not accustomed to thinking strategically and we're not accustomed to thinking about any potential vulnerabilities that we may have. The Soviets are. They began thinking as early as 1967 about the strategic vulnerabilities for the United States that could be created if they could threaten our security on our southern border.

Nicaragua can constitute a security problem for the United States of major proportions. Not because they establish a socialist economic system, though we regret that and we know it will fail; not because they create a repressive new military dictatorship under which the people of Nicaragua suffer, though we regret that very deeply, and we think the people of Nicaragua deserve better; not because they expose ideas we find obnoxious and untrue, though we regret that too. Nicaragua constitutes a security problem actual and potential, especially for the United States because it is being very rapidly integrated into the socialist military world system. It is advanced into the process of incorporation into that Soviet world system.

Today, everyone who cares to know, knows that Nicaragua, whose Government began as a broad based coalition with important democratic presence, is today wholly controlled by communist leaders and that situation came into being because the Marxist guerrillas had a monopoly of weapons.

Everyone who cares to know, knows that the Nicaraguan Junta Representatives went soon after they achieved power to Moscow, where they were greeted by General Secretary Chunyeko and Foreign Minister Gromeyko (phonetic), where they signed a party to party agreement, among other things, approving the Soviet invasion of Afghanistan.

Everyone who cares to know, knows today that the Government of Nicaragua is sustained by Cuba, whose advisors started arriving in days after the victory, and it is sustained by the famous Internationalistas from all over the Soviet block.

Everyone who cares to know, knows that today in Nicaragua the Government is repressive, the economy is in shambles, and hope flies with the domocratic resistance forces.

You know, sometimes we like to console ourselves with believing that things are not as bad as some people say and that afterall, the Sandinistas might turn out to have a falling out with Cuba and the Soviet Union, and Cuba might turn out to have a falling out with the Soviet Union, and that if only we were more obliging or understanding than we are, there would be nothing to worry about, and we could all live happily together in this hemisphere forever after.

I think of that perspective because just before I came here tonight I missed the reception because I was appearing on McNeil-Larrel (phonetic) where I encountered some people who seemed to have that view. Just before that, I was testifying before the House Sub-Committee on Foreign Affairs on this subject where I met some people who seemed to have that view. You know, the kind of people that tells us that we drove Fidel Castro into the hands of the Soviet Union even though Fidel Castro himself tells us that he had been an apprentice Marxist-Leninist for years before he came to power and had disguised his true beliefs.

What can the United States do in this situation? I think we can help Nicaragua's Freedom Fighters, that's what we can do. We should assist Nicaragua's Freedom Fighters, because it helps Nicaraguans and it helps the Nicaraguan Freedom Fighters themselves, who are not only decent and upright, but a very impressive group of democrats working now for democracy in their country as each of them has worked for democracy for Nicaragua for years in the past.

We can help them because they are good men whom we should be proud to help. We can help them because it helps the region, and we can help them because it helps us.

Will Congress permit the President to provide the 14 Million Dollars of assistance to the Nicaraguan Forces fighting against the consolidation of a communist government in their own country? That is the question which is confronting the Congress and this country today. I believe that the answer to that question, given by the Congress, will effect the fate of Nicaragua; effect the stability of Nicaragua's democratic neighbors; Costa Rica, El Salvador, Honduras. It will effect the evolution of other countries in the region, including Guatemala, Panama, Mexico. It will effect the security of the United States, the cost of our defenses, the strength or our alliances for many years to come.

Above all, I believe the decision to be made by the Congress will seriously effect the possibilities for peace in the next decade.

You know, very often in human affairs, peoples intentions lead them to actions which defeat their intentions. The problem with the kind of self-defeating appeasement that is, in my opinion, involved in a refusal to support Nicaragua's resistance forces is that it doesn't work.

I was reading recently an old book of Walter Lipman, when he was talking about the period before World War II, and he said in that book, and I quote, "The Surrender of the Rhineland in 1936; of Austria and Czechoslovakia in 1938, were the strategic preliminaries to the neutralization of Russia and the conquest of Poland in 1939; that is what was surrendered by our allies in the name of peace became the strategic foundation upon which Hitler prosecuted his war." Thus, do the best intentions of flawed policy makers sometimes go astray.

You know, mistakes when individuals make them are always regrettable and sometimes they are serious, but the mistakes of Goverment are more serious than the mistakes of individuals. If I make a mistake it involves only me and my family, probably, and maybe a friend or two. When Governments make mistakes, whole societies suffer. Often those mistakes are honest, but the costs are no less high because of the honesty and good intentions of those who make the mistakes.

Some people say we should not support Nicaragua's Freedom Fighters because we should leave the problems of Central America to the Central Americans and the problems of Nicaragua to the Nicaraguans. My response to that is that we would like nothing better than to leave the problems of Nicaragua to the Nicaraguans. Exactly the

point is that Nicaragua's fate is not being left to the Nicaraguans. It is being determined by people and guns from very remote places, by heavy armaments, major weapons systems from Eastern Europe and by Guerrillas and Internationalistas from every terrorist nation in the world.

Colonel Cadaffy has mentioned that he would send his troops to fight in Nicaragua. As I understand it, he's been helping the Nicaraguans for quite a long time, so there will be nothing new about that.

I would like to say in closing that today the United States Congress authorizes more than—and appropriates and provides, more than 15 Billion Dollars of economic and military assistance to nations and groups in the world. That's a lot of money, 15 Billion Dollars.

We provide some millions of dollars to freedom fighters fighting in remote parts of the world. Now, I support most of that foreign economic and military assistance and I support certainly all that assistance to freedom fighters in remote places, but I should like to say that it makes no sense at all, moral or political, or intellectual, or strategic sense, to refuse to provide help for the Nicaraguan Freedom Fighters today.

Let me just say that the most terrible mistake that we could make would be to conclude that the struggle in Nicaragua does not concern us, or that the Nicaraguans are in some sense not ready for democracy. The fact is that their struggle is our struggle, and their freedom and our freedom are indivisible, and if we do not understand that now in time to help Nicaraguans to help themselves and stand with those who stand for freedom in that country, we will, I am afraid, learn that lesson under much more painful circumstances not too far in the future.

Thank you.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GINGRICH) to revise and extend his remarks and include extraneous material:)

Mr. EDWARDS of Oklahoma, for 60 minutes, May 14.

(The following Members (at the request of Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. DORNAN of California, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, April 22.

Mr. GINGRICH, for 60 minutes, April 23.

Mr. GINGRICH, for 60 minutes, April 24.

Mr. GINGRICH, for 60 minutes, April 25.

Mr. RITTER, for 60 minutes, today.

Mr. GALLO, for 5 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. WALKER, for 60 minutes, April 18.

(The following Members (at the request of Mr. HERTEL of Michigan) to revise and extend their remarks and include extraneous material:)

Mr. HAYES, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. FAZIO, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, April 18.

Mr. SOLARZ, for 60 minutes, April 18.

Mr. ROWLAND of Georgia, for 60 minutes, April 23.

(The following Members (at the request of Mr. RITTER) to revise and extend their remarks and include extraneous material:)

Mr. ST GERMAIN, for 5 minutes, today.

Mr. STRATTON, for 5 minutes, today.

Mr. RICHARDSON, for 60 minutes, April 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. COURTER in two instances.

Mr. MORRISON of Washington.

Mr. MOORHEAD.

Mr. FIELDS in four instances.

Mr. EDWARDS of Oklahoma.

Mr. GREEN.

Mr. BROOMFIELD.

Mr. OXLEY.

Mr. CLINGER.

Mr. LEWIS of California.

(The following Members (at the request of Mr. HERTEL of Michigan) and to include extraneous matter:)

Mr. FOWLER.

Mr. BENNETT.

Mr. ENGLISH.

Mr. BERMAN.

Mrs. SCHROEDER.

Mr. LELAND.

Mr. MAVROULES.

Mr. BRUCE.

Mr. FAZIO.

Mr. EDWARDS of California.

Mr. GUARINI.

Mr. WAXMAN.

Mr. VENTO.

Mr. BARNES.

Mr. FLORIO.

Mr. SCHUMER.

Mr. KOSTMAYER.

Mr. WIRTH.

Mr. SKELTON.

Mrs. KENNELLY.

Mr. OWENS.

Mr. FRANK.

Mr. LEVIN of Michigan.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

ADJOURNMENT

Mr. RITTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Thursday, April 18, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1054. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-17, "Interest Rate Ceiling Amendment Clarification Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1055. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to discontinue or amend certain requirements for agency reports to Congress; to the Committee on Government Operations.

1056. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the refugee assistance authorities of the Immigration and Nationality Act and for other purposes; to the Committee on the Judiciary.

1057. A letter from the Administrator, Agency for International Development and the President/Chairman of the Export-Import Bank of the United States, transmitting a semiannual report on the amount and extension of credits under the Trade Credit Insurance Program [TCIP]; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on unnecessary firing of tactical missiles demands DOD's attention (Rept. No. 99-45). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report on the impact of the budget process on offices of inspector general (Rept. No. 99-46). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

The Committee of the Whole House on the State of the Union discharged, and referred to the Committee on Public Works and Transportation for period ending not later than May 2, 1985, for consideration of such provisions of the bill (H.R. 1931) and

amendment as fall within the jurisdiction of that committee under clause 1(p), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MICA (for himself, Mr. FASCELL, Mr. KOSTMAYER, Mr. SMITH of Florida, Mr. WEISS, Mr. MACKAY, Mr. FEIGHAN, Mr. BROOMFIELD, Ms. SNOWE, and Mr. GILMAN):

H.R. 2068. A bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board of International Broadcasting, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MATSUI (for himself, Mr. JACOBS, Mr. FORD of Tennessee, Mr. JENKINS, Mr. HEFTEL of Hawaii, Mr. ANTHONY, Mr. FLIPPO, Mrs. KENNELLY, and Mr. CAMPBELL):

H.R. 2069. A bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes; to the Committee on Ways and Means.

By Mr. PANETTA (for himself and Mr. GRADISON):

H.R. 2070. A bill to amend title XVIII of the Social Security Act to extend hospice benefits under the Medicare Program for an additional 3 years; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 2071. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts which are received from a public retirement system and which are attributable to services as a Federal, State, or local policeman or fireman; to the Committee on Ways and Means.

H.R. 2072. A bill to amend the Internal Revenue Code of 1954 to exclude $2,000 from the gross income of auxiliary policemen and volunteer firemen; to the Committee on Ways and Means.

H.R. 2073. A bill to amend the Internal Revenue Code of 1954 to lower the limitation on defined benefit plan established for policemen and firemen; to the Committee on Ways and Means.

H.R. 2074. A bill to establish a national lottery to reduce the Federal deficit; to the Committee on Ways and Means.

By Mr. DE LA GARZA

H.R. 2075. A bill to make permanent the free rate of customs duty on fresh cantaloupes imported at certain times, and for other purposes; to the Committee on Ways and Means.

By Mr. DIOGUARDI (for himself, Mr. GINGRICH, and Mr. RALPH M. HALL):

H.R. 2076. A bill to require the Secretary of Health and Human Services to prepare a report on the health effects of cocaine use; to the Committee on Energy and Commerce.

By Mr. ENGLISH:

H.R. 2077. A bill to provide for wheat loan, export marketing certificate, export differential payment, and acreage limitation programs, to authorize an agricultural export subsidy program under certain conditions, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. FIELDS:

H.R. 2078. A bill to amend the Internal Revenue Code of 1954 to provide that the use of certain transferable passes for air transportation service by an individual who is not an employee of any trade or business providing such service shall be treated as use by an employee for purposes of the fringe benefit exclusion; to the Committee on Ways and Means.

By Mr. FRENZEL:

H.R. 2079. A bill to amend the Internal Revenue Code of 1954 to provide certain individuals living abroad an exclusion for income from sources within foreign countries; to the Committee on Ways and Means.

By Mr. LELAND (for himself, Mr. CONTE, Mr. DORGAN of North Dakota, Mr. DIXON, Mr. JEFFORDS, Mrs. SCHNEIDER, Mrs. BURTON of California, Mr. LOWRY of Washington, and Mr. WEISS):

H.R. 2080. A bill to provide funds for food assistance and African agricultural development; jointly, to the Committees on Foreign Affairs and Appropriations.

By Mr. FRENZEL:

H.R. 2081. A bill to amend the Internal Revenue Code of 1954 with respect to the definition of political contribution; to the Committee on Ways and Means.

H.R. 2082. A bill to amend the Internal Revenue Code of 1954 to exempt from tax gain the sale of an individual's principal residence; to the Committee on Ways and Means.

H.R. 2083. A bill to amend the Internal Revenue Code of 1954 relating to group-term life insurance purchased for employees; to the Committee on Ways and Means.

H.R. 2084. A bill to amend the Internal Revenue code of 1954 to provide that the amount of the charitable deduction allowable for expenses incurred in the operation of a motor vehicle will be determined in the same manner Government employees determine reimbursement for use of their vehicles on Government business; to the Committee on Ways and Means.

H.R. 2085. A bill to amend the Internal Revenue Code of 1954 relating to the tax-exempt interest on certain governmental obligations; to the Committee on Ways and Means.

H.R. 2086. A bill to extend the Internal Revenue Code of 1954 to make certain changes in the tax treatment of private foundations; to the Committee on Ways and Means.

H.R. 2087. A bill to amend to Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide for the treatment of trucking industry plans under rules governing multiemployer plans and to make certain other improvements in such rules; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. HERTEL of Michigan:

H.R. 2088. A bill to provide for coordinated management and rehabilitation of the Great Lakes and for other purposes; jointly, to the Committees on Science and Technology and Merchant Marine and Fisheries.

By Mr. HOWARD (by request):

H.R. 2089. A bill to amend the Federal Aviation Act of 1958 to advance the scheduled termination date of the Essential Air Service Program, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 2090. A bill to review and extend certain provisions of the Federal Water Pollution Control Act, as amended, for 5 years, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself and Mr. SNYDER) (by request):

H.R. 2091. A bill to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; to the Committee on Merchant Marine and Fisheries.

By Mr. HOWARD (for himself, Mr. SNYDER, Mr. ANDERSON, Mr. SHUSTER, Mr. SHARP, and Mr. DANNEMEYER) (by request):

H.R. 2092. A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Tansportation.

By Mr. KANJORSKI (for himself and Mr. KOSTMAYER):

H.R. 2093. A bill to recognize the organization known as Veterans of the Vietnam War, Inc.; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 2094. A bill to prohibit the purchase of nondomestic uranium by Federal agencies and for other purposes; jointly, to the Committees on Government Operations and Interior and Insular Affairs.

By Mr. MARKEY (for himself, Mr. MOORHEAD, Mr. LOWRY of Washington, Mr. LAGOMARSINO, Mr. GREGG, Mr. FRANK, and Mr. CONTE):

H.R. 2095. A bill to provide for daylight saving time on an expanded basis, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MORRISON of Washington:

H.R. 2096. A bill to authorize the Secretary of the Interior to construct, operate, and maintain an enlarged Bumping Lake, supplemental storage division, Yakima project, Washington; to the Committee on Interior and Insular Affairs.

H.R. 2097. A bill to recognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 2098. A bill to recognize the organization known as the Fleet Reserve Association; to the Committee on the Judiciary.

By Mr. RIDGE:

H.R. 2099. A bill to restore competitive equity between national and State banks regarding shared automatic teller machine networks; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DE LA GARZA:

H.R. 2100. A bill to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to continue food assistance to low-income persons, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture.

By Mrs. SCHNEIDER (for herself and Mr. SCHEUER):

H.R. 2101. A bill to establish in the Environmental Protection Agency a program on indoor air quality, and for other purposes; jointly, to the Committees on Science and Technology and Energy and Commerce.

By Mr. SCHUMER:

H.R. 2102. A bill to establish State pension investment units, a secondary market for industrial mortgages, State venture capital and royalty finance corporations, and a national loan loss reserve fund; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SKELTON:

H.R. 2103. A bill to amend the Federal Meat Inspection Act relating to the inspection and labeling of certain imported meat and meat food products, to require that certain eating establishments serving imported meat inform customers of that fact, and for other purposes; to the Committee on Agriculture.

H.R. 2104. A bill to provide the Secretary of Agriculture with the authority to establish a program to develop, maintain, and expand markets for U.S. agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

H.R. 2105. A bill to establish an agricultural export credit revolving fund, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. HUTTO (for himself, Mr. WEBER, and Mr. MCGRATH):

H.J. Res. 241. Joint resolution directing the President to ensure that Soviet Government personnel in the United States are subject to the same requirements as are U.S. Government personnel in the Soviet Union; to the Committee on Foreign Affairs.

By Mr. MATSUI:

H.J. Res. 242. Joint resolution to establish a Commission on Poverty Definition Reform; to the Committee on Government Operations.

By Mr. DONNELLY (for himself, Mr. FREIGHAN, and Mr. GEJDENSON):

H. Con. Res. 118. Concurrent resolution condemning the use of plastic or rubber bullets by British security forces in Northern Ireland and calling upon the Government of the United Kingdom to end the use of such bullets against civilians; to the Committee on Foreign Affairs.

By Mr. LELAND:

H. Con. Res. 119. Concurrent resolution expressing the sense of the Congress that the President should consider the members of the African National Congress in South Africa to be freedom fighters; to the Committee on Foreign Affairs.

By Mr. OWENS:

H. Con. Res. 120. Concurrent resolution expressing the sense of the Congress that the President should withdraw the determination that the Government of Haiti is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, and freedom of the press; to the Committee on Foreign Affairs.

By Mr. DIOGUARDI (for himself, Mr. GINGRICH, Mr. RALPH M. HALL, Mr. MANTON, and Mr. ROWLAND of Connecticut):

H. Res. 132. Resolution condemning the Government of the Union of Soviet Socialist Republics for 5 years of forced and oppressive military occupation of Afghanistan in the face of popular resistance to Soviet imperialism; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 7: Mr. CLAY, Mr. LELAND, Mr. ADDABBO, Mr. OWENS, and Mr. CONYERS.

H.R. 21: Mr. BATES, Mr. YATES, Mr. MATSUI, Mr. PANETTA, Mr. COELHO, Mr. MILLER of California, and Mr. JEFFORDS.

H.R. 36: Mr. LEVIN of Michigan.

H.R. 43: Mr. BIAGGI and Mr. CROCKETT.

H.R. 44: Mr. STRANG, Mr. ANNUNZIO, Mr. SABO, and Mr. QUILLEN.

H.R. 52: Mr. CRAIG and Mr. RAY.

H.R. 229: Mr. DE LUGO and Mr. LOWRY of Washington.

H.R. 385: Mr. ARMEY, Mrs. BENTLEY, Mr. BILIRAKIS, Mr. CAMPBELL, Mrs. COLLINS, Mr. HOWARD, Mr. LOEFFLER, Mr. ORTIZ, Mr. REID, Mr. SUNDQUIST, Mr. WHITTAKER, and Mr. WORTLEY.

H.R. 472: Mr. ROBERT F. SMITH, Mr. CHAPPIE, Mr. HILLIS, Mr. LEWIS of Florida, Mr. KINDNESS, Mr. BARTON of Texas, Mr. TAUKE, Mr. STRANG, and Mr. COMBEST.

H.R. 479: Mr. AUCOIN, Mr. BARTLETT, Mr. COBEY, Mr. DELAY, Mr. HUNTER, Mr. MCGRATH, Mr. MICA, and Mr. ROEMER.

H.R. 480: Mr. EDWARDS of Oklahoma.

H.R. 521: Mr. SPRATT.

H.R. 528: Mr. LENT, Mr. LELAND, Mr. MILLER of Washington, Mr. SENSENBRENNER, Mr. LOWRY of Washington, Mr. BIAGGI, Mr. DIOGUARDI, Mr. LEWIS of Florida, Mr. LEHMAN of Florida, Mr. BARTON of Texas, Mr. YOUNG of Florida, Mr. DELAY, and Mr. RALPH M. HALL.

H.R. 580: Mr. SHELBY, Mr. ROWLAND of Georgia, Mr. DUNCAN, Mr. STOKES, and Mr. PEPPER.

H.R. 620: Mr. RUDD.

H.R. 650: Mr. ROSE, Mr. TORRICELLI, and Mr. OWENS.

H.R. 691: Mr. FAUNTROY, Mr. WHITEHURST, Mr. GOODLING, Mr. SENSENBRENNER, Mr. OWENS, Mr. FOWLER, Mr. GLICKMAN, Mr. MARTINEZ, and Mr. WORTLEY.

H.R. 693: Mr. EDWARDS of Oklahoma.

H.R. 695: Mr. MADIGAN, Mr. FAWELL, and Mr. FISH.

H.R. 749: Mr. CLINGER.

H.R. 825: Mr. TAUKE, Mr. MCCANDLESS, Mr. CLINGER, and Mr. SPRATT.

H.R. 917: Mr. WEISS and Mr. DASCHLE.

H.R. 930: Mr. CONYERS.

H.R. 999: Mr. WILLIAMS and Mr. WORTLEY.

H.R. 1017: Mr. HORTON.

H.R. 1063: Mr. BEDELL, Mr. BIAGGI, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DWYER of New Jersey, Mr. FEIGHAN, Mr. FRANK, Mr. FUSTER, Mr. HUTTO, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. MARTINEZ, Mr. MAZZOLI, Mr. NIELSON of Utah, Mr. RANGEL, Mr. ROE, Mr. SAVAGE, Mr. SCHEUER, Mr. SHUMWAY, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. THOMAS of California, Mr. TOWNS, and Mr. WHITEHURST.

H.R 1089: Mr. BONER of Tennessee.

H.R. 1123: Mr. BADHAM, Mrs. BOGGS, and Mr. WIRTH.

H.R. 1142: Mrs. LLOYD.

H.R. 1180: Mrs. BOXER, Mr. FLORIO, Ms. OAKAR, and Mr. OLIN.

H.R. 1188: Mr. TOWNS, Mr. VENTO, Mr. DARDEN, Mr. SENSENBRENNER, Mr. DREIER of California, Mr. WALGREN, Mr. MONSON, Mr. DAUB, Mr. THOMAS of Georgia, Mr. MCCURDY, Ms. FIEDLER, Mrs. LLOYD, and Mr. KRAMER.

H.R. 1272: Mrs. COLLINS, Mr. FLIPPO, Mr. LOWERY of California, Mr. AUCOIN, Mr. MILLER of California, Mr. BADHAM, Mr. PURSELL, Mr. SKEEN, Mr. STOKES, Mr. RUDD, and Mr. WHEAT.

H.R. 1294: Mr. ROE, Mr. KASTENMEIER, and Mr. JACOBS.

H.R. 1434: Mr. ADDABBO, Mrs. COLLINS, Mr. COURTER, Mr. FUSTER, Mr. GARCIA, Mr. LELAND, Mr. RANGEL, and Mr. STOKES.

H.R. 1436: Mr. GONZALEZ.

H.R. 1476: Mr. STUMP.

H.R. 1511: Mr. MRAZEK.

H.R. 1520: Mr. LUJAN, Mr. MCCAIN, Mr. COLEMAN of Texas, Mr. HANSEN, Mr. DERRICK, Mr. SKEEN, and Mr. WILLIAMS.

H.R. 1541: Mr. SABO, Mr. WILSON, Mr. WHITEHURST, and Mr. RANGEL.

H.R. 1552: Mr. SMITH of New Jersey, Mr. WILLIAMS, Mr. GALLO, Mr. BEILENSON, Mrs. SCHNEIDER, Mr. CROCKETT, Mr. MURPHY, Mr. FRANK, Mr. GINGRICH, Mr. STARK, Mr. BEREUTER, Mr. SMITH of New Hampshire, and Mr. WHITTAKER.

H.R. 1594: Mr. WHITTAKER, Mr. LEACH of Iowa, Mrs. SCHNEIDER, and Mr. CROCKETT.

H.R. 1611: Mr. RANGEL, Mr. CONYERS, Mr. BORSKI, Mr. DAVIS, Mr. PERKINS, Mrs. COLLINS, Mr. PASHAYAN, Mr. WHEAT, Mr. KOLTER, and Mr. SAVAGE.

H.R. 1612: Mr. STRANG, Mr. SLATTERY, Mr. BOULTER, Mr. LEWIS of Florida, Mr. SENSENBRENNER, Mr. ANDERSON, Mr. MONSON, Mr. EDWARDS of Oklahoma, Mr. CHANDLER, Mr. MCCURDY, and Mr. DURBIN.

H.R. 1613: Mr. MARTINEZ and Mr. MRAZEK.

H.R. 1644: Mr. HYDE, Mr. SHUMWAY, Mr. KOLTER, Mrs. BENTLEY, and Mr. NIELSON of Utah.

H.R. 1660: Mr. RAHALL, Ms. KAPTUR, Mrs. COLLINS, Mr. FORD of Tennessee, Mr. SPRATT, Mr. STOKES, Mr. SAVAGE, Mr. GARCIA, Mr. CONYERS, and Mr. RALPH M. HALL.

H.R. 1695: Mr. OWENS and Mr. FAUNTROY.

H.R. 1722: Mr. MARTINEZ.

H.R. 1776: Mrs. COLLINS, Mr. MOAKLEY, Mr. RODINO, and Mr. HAYES.

H.R. 1779: Mr. APPLEGATE, Mr. TRAFICANT, Mr. FISH, Mr. KINDNESS, Mr. MRAZEK, Mr. CLINGER, Mr. COYNE, Mr. MCDADE, and Mr. KEMP.

H.R. 1796: Mr. LENT.

H.R. 1815: Mr. MAVROULES.

H.R. 1927: Mr. SABO, Mr. MARTINEZ, Mr. WALGREN, and Mrs. BURTON of California.

H.R. 1932: Mr. DENNY SMITH and Mr. LIVINGSTON.

H.R. 1977: Mr. EVANS of Iowa, Mr. YOUNG of Florida, Mr. TALLON, Mr. CONTE, Mr. LAGOMARSINO, Mr. WORTLEY, and Mrs. LLOYD.

H.J. Res. 3: Mr. ACKERMAN, Mr. LANTOS, Mr. STOKES, Mr. MCHUGH, Mr. AKAKA, Mrs. KENNELLY, Mr. LAFALCE, Mr. ALEXANDER, Mr. SOLARZ, Mr. GRAY of Pennsylvania, Mr. TAUKE, Ms. SNOWE, Mr. OBEY, Mr. MURPHY, Mr. SUNIA, Mr. FAWELL, and Mr. JACOBS.

H.J. Res. 25: Mr. DIOGUARDI, Mr. FAZIO, Mr. YATES, Mr. CARPER, Mr. MCHUGH, Mr. FORD of Michigan, Mr. DASCHLE, Mr. LAFALCE, Mr. RAHALL, Mrs. BURTON of California, Mr. MCGRATH, Mr. THOMAS of Georgia, Mr. HALL of Ohio, Ms. KAPTUR, Mr. SCHEUER, and Mr. STRATTON.

H.J. Res. 79: Mr. CARPER, Mr. CARR, Mr. COELHO, Mr. ACKERMAN, Mr. DAUB, and Mr. LEVIN of Michigan.

H.J. Res. 128: Mr. AKAKA, Mrs. BYRON, Mr. BARNES, Mrs. BURTON of California, Mr. CARNEY, Mr. FAUNTROY, Mr. FUQUA, Mr. GRAY of Pennsylvania, Mrs. HOLT, Mr. OLIN, Mr. MAVROULES, Mr. MINETA, Mr. RANGEL, Mr. ROEMER, Mr. TOWNS, Mr. WALGREN, Mr. FAZIO, Mr. CARPER, Mr. GUARINI, Mr. HANSEN, Mr. HAYES, Mr. HERTEL of Michigan, Mr. MICA, Mr. ARCHER, Mr. GREEN, Mr. MARTINEZ, Mr. CHAPPIE, Mr. ALEXANDER, Mr. CHANDLER, Mr. HALL of Ohio, Mr. HAWKINS, Mr. UDALL, Mr. ANDERSON, Mr. WEISS, Mr. HILER, Mr. MORRISON of Washington, Mr. MCCAIN, Mr. COELHO, Mr. SLAUGHTER, Mr. QUILLEN, Mr. LOWRY of Washington, Mr. MILLER of Washington, Mr. SKEEN, Mr. STALLINGS, Mr. RUDD, Mr. BERMAN, Mrs. BOXER, Mr. PANETTA, Mr. BARTLETT, Mr.

HOPKINS, Mr. DE LA GARZA, Mr. BUSTAMANTE, Mr. KRAMER, Mr. PACKARD, Mr. WATKINS, Mr. STOKES, Mr. GONZALEZ, and Mr. O'BRIEN.

H.J. Res. 151: Mr. PANETTA, Mr. NIELSON of Utah, Mr. PACKARD, and Mr. BOUCHER.

H.J. Res. 154: Mr. TALLON, Mr. VANDER JAGT, Mr. COYNE, Mr. HAMMERSCHMIDT, Mr. WOLPE, Mr. SPRATT, Mr. LEWIS of California, Mr. DONNELLY, Mr. MRAZEK, Mr. BATEMAN, Mrs. BENTLEY, Mr. DYMALLY, Mr. BROOMFIELD, Mr. BROWN of Colorado, Mr. COATS, Mr. BARNES, Mr. ALEXANDER, Mr. ANDERSON, Mr. DYSON, Mr. ERDREICH, Mr. YOUNG of Missouri, Mr. EVANS of Iowa, and Mr. MOLLOHAN.

H.J. Res. 192: Mr. FISH, Mr. BRYANT, Mr. COYNE, Mr. NELSON of Florida, Mr. MOAKLEY, Mr. ST GERMAIN, Mr. CLAY, Mr. HERTEL of Michigan, Mr. SISISKY, Mr. LEHMAN of Florida, Mr. RINALDO, Mr. HEFNER, Mr. ECKART of Ohio, Mr. MRAZEK, Mr. AKAKA, Mr. COOPER, Mr. CARR, Mr. PEPPER, Mr. LENT, Mr. MORRISON of Connecticut, Mr. BOUCHER, Mr. MCHUGH, Mr. STENHOLM, Mr. OLIN, Mrs. VUCANOVICH, Mr. MATSUI, Mr. SMITH of New Jersey, Mr. DONNELLY, Mr. WALGREN, Mr. ANDERSON, Mr. MCKERNAN, Mr. RICHARDSON, Mr. BEVILL, Mr. BONIOR of Michigan, Mr. WORTLEY, Mr. LOWRY of Washington, Mr. LEVINE of California, Mr. LEVIN of Michigan, Mr. DASCHLE, Mr. MANTON, Ms. OAKAR, Mr. REID, Mr. DARDEN, Mr. GEJDENSON, Mr. RITTER, Mr. LIPINSKI, Mr. ROE, Mr. SUNIA, Mr. GREGG, Mrs. LLOYD, Mr. PURSELL, Mr. EARLY, Mr. STUDDS, Mr. BONER of Tennessee, Mr. CARPER, Mr. COURTER, Mr. GALLO, Mr. TORRICELLI, Mr. BATES, Mr. LATTA, Mr. DURBIN, Mr. BURTON of Indiana, Mr. MCDADE, Mr. ATKINS, Mr. PACKARD, Mr. SAXTON, Mr. DYSON, Mr. AUCOIN, Mr. HENRY, Mr. HEFTEL of Hawaii, Mr. DOWDY of Mississippi, Mr. TALLON, Mr. ANTHONY, Mr. JENKINS, Mr. GUARINI, Mr. ENGLISH, Mr. GRADISON, Mr. BOSCO, Mr. CONYERS, and Mr. MOLINARI.

H.J. 205: Ms. KAPTUR, Mr. MCGRATH, Mr. VENTO, Mrs. BOXER, Ms. MIKULSKI, Mr. YOUNG of Florida, Mr. STRANG, Mr. BLILEY, Mr. BURTON of Indiana, Mr. SHELBY, Mr. RICHARDSON, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. CHANDLER, Mr. SMITH of New Jersey, Mr. LANTOS, Mr. DAUB, Mr. BOEHLERT, Mrs. KENNELLY, Mr. ACKERMAN, Mr. DYMALLY, Mr. HATCHER, Mr. GREGG, Mr. WORTLEY, Mr. ROWLAND of Georgia, Mr. THOMAS of Georgia, Mr. MINETA, Mr. BRYANT, and Mr. FOWLER.

H.J. Res. 221: Mr. DASCHLE and Mr. RUDD.

H. Con. Res. 60: Mr. MATSUI.

H. Con. Res. 82: Mr. FAZIO, Mr. LEVIN of Michigan, and Mr. CROCKETT.

H. Con. Res. 84: Mr. APPLEGATE.

H. Con. Res. 89: Mr. CARR.

H. Res. 60: Mr. DARDEN.

H. Res. 122: Mr. RAHALL, Mr. PERKINS, Mr. OLIN, Ms. KAPTUR, and Mr. JONES of North Carolina.

H. Res. 126: Mr. NIELSON of Utah.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1612: Mr. HAMMERSCHMIDT.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1617

By Mr. PURSELL:

—In section 3 (page 7, line 7), strike out "$600,000" and insert in lieu thereof "$500,000".

—At the end of section 2 (page 7, after line 2), add the following new subsection:

(e) Notwithstanding any other provision of this Act, the total amount authorized to be appropriated by this section shall not exceed $123,985,000.

EXTENSIONS OF REMARKS

REPRESENTATIVE GEORGE MILLER'S CONCERN FOR REFUSENIKS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. WAXMAN. Mr. Speaker, our colleague Congressman GEORGE MILLER of California has just returned from the Soviet Union as a member of your official parliamentary group.

During this mission, Congressman MILLER served as the leader of the human rights group, and in that capacity delivered a very strong and impressive statement to the new Soviet leadership on the subject of human rights and the treatment of Jews and other minorities in the U.S.S.R.

Congressman MILLER also met with leaders in the refusenik community and held extensive private talks with Soviet leaders during which he cited Soviet and international law as grounds for allowing Jews and other Soviet citizens the right to practice their religion or emigrate freely.

I have read Congressman MILLER's statement, and I am impressed with his thoughtfulness. I want to share that statement with all fellow Members of the House, and I urge all our colleagues to review it.

The statement follows:

STATEMENT OF U.S. CONGRESSMAN GEORGE MILLER, SEVENTH DISTRICT, CALIFORNIA

The visit of this delegation from the United States House of Representatives to the Soviet Union presents a timely opportunity for improving relations between our governments and our people.

Earlier this year, a new Congress took office in the United States, and President Reagan was inaugurated to his second term in office. Just last month, the leadership of the Soviet Union changed, with the passing of Mr. Chernenko and the elevation of General Secretary Gorbachev.

Next month, our nations will commemorate the fortieth anniversary of the ending of a terrible war, a struggle in which the United States and the Soviet Union were allied against totalitarianism, militarism, and persecution.

The world in which we live today is very much the product of that war. And while the great powers have largely known peace among themselves, we have not enjoyed friendship. Suspicion, far more than trust, and tension far more than cordiality, have marked relations between our countries since 1945.

Yet forty years ago, how common our purpose seemed; not just victory over Hitler, but victory over the corruption he perpetrated. As allies, we won not only a great victory over the Nazis, but also liberation for the nations and the peoples whom the fascists had enslaved.

The anniversary of this great struggle should rekindle the mutuality of purpose and the sense of trust which has tragically slipped from both our hands over the last four decades. If this delegation can further that goal, then this shall have been a successful mission.

Our delegation represents the diversity of the Congress, and the pluralism of the American people itself. We represent the machinist in Massachusetts and the commuter in California; we speak for farmers and factory workers; we belong to competing political parties and embrace conflicting ideologies. We hold diverse views of our own Nation, and of your Nation.

However, the debates which occasionally divide us from each other illustrate the strength of our freedom, not its weakness. And, diverse though we may be, we stand united on the need to enhance human rights around the globe.

No nation can claim an unblemished record in the area of human rights or civil liberties. No ideology has extended to its detractors the same tolerance enjoyed by its supporters.

There are many issues between our governments which must be resolved in order to promote international peace and domestic security for our nations. It is critical that we learn to trust each other sufficiently to undertake the serious discussions, and to take the bold steps, which are required to reduce the unconscionable danger of nuclear annihilation.

I am sure that the other members of this delegation share with me a sense of optimism as a result of the resumption of the arms control talks in Geneva, and the potential summit meeting between President Reagan and Secretary Gorbachev.

Arms control is a vital issue, but it is not the only issue. And while the question of human rights may not impinge directly on the issue of nuclear weapons, the degree to which each Nation abides by treaty obligations in the area of human rights cannot help but affect its credibility with respect to meeting other agreements.

Members of this delegation disagreed on our approach to other issues which lie between the Soviet and American governments. But let there be no mistake: we are in full accord that the just treatment of religious, ethnic and national minorities is an indelible, and appropriate, part of our agenda.

I am fully aware of the sensitivity of this issue, and I intend to discuss it with full respect for your leaders and your laws. You know of our concerns; we know of your counter-charges and responses. Nevertheless, we will continue to raise the Soviet record on human rights until we are convinced that it no longer presents the barrier between us which unfortunately it does today.

We have different laws and different cultures. I do not seek to impose the standard of American law upon you. But we do hold you accountable for abiding by your own law and the international law into which you have voluntarily entered.

Trust is a critical ingredient in these negotiations. But trust cannot be purchased, and it cannot be demanded. It can only be earned through honorable behavior.

If the Soviet Union does not uphold agreements assuring the rights of those who present no true threat to the Soviet security, how can the American people feel secure that you will abide by arms agreements, whose violation would risk the security of our entire Nation, and the future of mankind?

Articles 34 and 36 of the 1977 Soviet Constitution guarantee equal rights, including cultural rights, to citizens of different nationalities. Under Article 74 of the Criminal Code, denial of equal rights is regarded as a special crime. Article 36 ensures Soviet citizens "the possibility to use their native language."

In international law, too, the Soviet Union has committed itself to cultural pluralism and religious tolerance. Article 27 of the International Covenant on Civil and Religious Rights state that "In those States in which ethnic, religious or linguistic minorities exist, persons belonging to such minorities shall not be denied the right in community with the other members of their group, to enjoy their own culture, to profess and practice their own religion, or to use their language."

The Helsinki Final Act declared that participating nations shall "fulfill their obligations as set forth in the international declarations and agreements" in the field of human rights, and requires that states afford national minorities "the full opportunity for the actual enjoyment of human rights and fundamental freedom."

As one whose public career has been devoted to the reduction of tensions between Nations, I must tell you in all candor that the overwhelming, impartial evidence compels me to conclude that the Soviet Union has failed, and continues to fail, to abide by these guarantees.

As one who believes that the negotiation of a reduction in the level of nuclear weaponry is our highest priority, I must tell you that the Soviet record in the area of human rights enforcement inevitably tarnishes the credibility of your Nation in the Congress of the United States with respect to compliance with arms limitation agreements.

The plight of Soviet Jews illustrates the grounds for that concern. Over the last several years, the expanded emigration of the late 1970s, which was so welcome, has slowed nearly to a halt. From a peak of 51,300 Jewish emigrants in 1979, the number has been cut radically, to just 896 in 1984. In February of this year, just 88 Soviet Jews were permitted to leave.

In place of a policy of liberal emigration has come a tightening of exit requirements, including limitations on who may apply for an exit permit, complicated forms, long delays and bureaucratic obfuscation. While the Soviet government alleges that the reduction of emigres is attributable to the diminishing in the number of those seeking to leave, the facts belie this claim.

Jewish Soviet citizens are suffering economic punishment, imprisonment, physical and psychological abuse, family separation, and religious intolerance because they wish

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

to exercise not only their religious teachings, but their legal rights as Soviet citizens.

You may claim all who wish to leave have left; we will visit, during this trip, some of those who have waited years, in some cases, for permission to emigrate.

You may claim the "refuseniks" are criminals; but their so-called "crimes"—the teaching of Hebrew, the distribution of religious tracts—are guaranteed both by Soviet law and international agreement.

You may claim that Jews in the Soviet Union are free to practice their culture and their religion; the evidence—and I have personally seen it—strongly suggests an official tolerance for, if not encouragement of, anti-Semitism.

In the Ukraine, Yakov Levin was arrested for circulating religious materials. As evidence, prosecutors cited his possession of Leon Uris' book, "Exodus." He was sentenced to 3 years in prison for anti-Soviet slander. Charges against a friend, Yakov Mesh, were dropped because Mesh "sustained life threatening injuries from a beating administered at the time of his arrest", according to a report issued by the U.S. State Department.

Last December, Iosif Berenshtein of Kiev was sentenced to four years in prison for allegedly "resisting arrest." He was placed in an isolation cell with two hard-core criminals who assaulted him with broken glass, blinding him in one eye.

Irina Ratushinskaya, a Ukranian poet, was sentenced to 7 years of hard labor for joining human rights demonstrations and attempting to emigrate.

According to Catherine Cosman, a member of the Helsinki Commission which monitors compliance with the Final Act, 3 leading Ukrainian dissidents have died in the last year—Yuri Litvin, Valery Marchenko, and Oleksy Tykhty—all of them imprisoned for their human rights activities. Indeed, Ms. Cosman reports a terrible increase in physical abuse of prisoners of conscience since the mid-1979s, and particularly after 1983.

Hundreds of the Helsinki Watch monitors have been jailed in the U.S.S.R. for the crime of urging Soviet compliance with the 1975 accords which your government voluntarily signed. Tatyana Osipova, a monitor, has been imprisoned for nearly a year and began a hunger strike because she could not meet with her husband, Ivan Kovalvov, also a prisoner.

Dozen of other Soviet citizens who sought compliance with the Final Act have been sent to prisons, labor camps, and psychiatric hospitals. They did not seek to destroy the Soviet state; they did not urge violence or sedition; they sought only to have their government comply with international law which Soviet officials had solemnly ratified.

Many have thus far escaped the punishment of the prison camps. They live in legal limbo, denied the right to practice their professions while standing accused of "parasitism" and indifference to public service.

Nor is emigration the only right denied Jews in the U.S.S.R. The freedom to practice the Jewish faith, to study Hebrew and Jewish culture, to possess Hebrew language literature and to publish Jewish journals—all these rights are supposedly assured by Soviet law, and yet none is widely available.

Within just the last few months, there have been deeply disturbing signs of a reawakening—and official sanctioning—of anti-Semitism is the Soviet Union. A television documentary, broadcast in Leningrad last November and elsewhere since, hinted at a worldwide Jewish conspiracy and accused Jewish dissidents of treason.

The narrator in this film alleges that, "Deceiving Jews is a part of a global psychological war against the Communist system . . . The Zionist propaganda is directed first of all against our country. Thousands of organizations, centers, conferences and committes influence public opinion in the West in a spirit of Zionism, and they slander our people and government."

In February of this year, another program was broadcast on Moscow television. This program, entitled "Conspiracy against the U.S.S.R.", equated Zionism, Nazism, and the U.S. Central Intelligence Agency.

Nor are these the only examples of growing anti-Semitism. In April, 1983, the Anti-Zionist Committee was created. That same year, the official youth newspaper Komsomolskaya Pravda declared that the meaning of Zionism is "to turn every Jew, no matter where he lives, into a traitor to the country where he was born." The newspaper Leninskaya Pravda denounced Israel as a "money-grubbers' paradise" and suggested that the desire to learn and speak Hebrew was "far from cultural, but is strictly political."

This vicious rhetoric repeats longstanding and highly offensive characterizations of members of the Jewish faith. To equate Zionism with Judaism, in itself, is inaccurate; to suggest that learning Hebrew—which is essential to the practice of Judaism—is "anti-Soviet" contradicts your own laws regarding the right of cultural minorities to learn their own languages.

To allege—as your government does—that the refuseniks represent a serious danger to the stability of the Soviet state is a proposition so lacking in credibility that it is dismissed by every impartial observer in the world.

But even if your own allegations about the refuseniks are accurate—which we vigorously dispute—why mandate that they remain in the Soviet Union? If the free expression of their beliefs and the practice of their religion present a challenge to the State, why not grant them the only requests they are making: the right to leave; the right to be reunited with their families; the right to be repatriated to Israel?

I want to emphasize our equally strong concerns about other nationalities and religions which are denied rights due them under Soviet law and international accords.

There have been substantial reductions in the number of Germans and Armenians allowed to emigrate from the Soviet Union. Siberian Pentecostals, Baptists and Christians, like Soviet Jews, have waited years for emigration permits.

Some are in jail, like Ukrainian Catholic leader Iosyp Terelya, founder of the Initiative Group for the Rights of Believers, Father Gleb Yakunin of the Christian Committee, and Lithuanian priest Alfonsas Svarinskas of the Catholic Committee. Others, like the Jehovah's Witnesses, suffer constant persecution.

The punishment of these people, and many more, illustrates that it is not Zionism which is the so-called crime, but rather the free expression and practice of religion—a right guaranteed by Soviet law.

Last week, millions of Jews throughout the world celebrated the holiday of Passover, which commemorates the exodus of the Jewish people from Bondage in Egypt. The holiday is a Jewish one, but the lesson is universal: it commemorates the triumph of faith over oppression and of freedom over slavery.

In the Soviet Union, Jews celebrated this holiday as they did in all other nations. But Soviet Jews did not have the religious materials or sufficient spiritual leaders; they chanted the prayers in the Haggadah under the pale of official condemnation of Hebrew as a subversive language.

And for tens of thousands of Soviet Jews, the Seder's closing—"Next Year in Jerusaleum"—has a profound and personal meaning.

As we prepared to depart for this mission, we were heartened by reports that your government was actively considering granting exit visas to 280 Jewish families. We profoundly hope this report is accurate, and that it represents a first step towards a return to the more enlightened emigration policies of the late 1970s.

Open the doors to those who desire to leave, and reduce the oppressiveness on those who must remain. At the very least, grant exit visas to those who have suffered imprisonment, those who are aged or in poor health, those who have endured years of waiting, so that they may at long last join relatives abroad.

En route to the Soviet Union, we stopped in Munich, West Germany. Together with some other members of our delegation, I visited Dachau, the site one of the Nazi death camps where millions of Jews and other minorities were exterminated. During that visit I appreciated, as I never have before, the terrible tragedy of World War II—a tragedy endured at greater human cost to the Soviet Union than any other combatant.

Out of our common victory in that struggle came a hope for international peace. We stand today at a critical moment in the search for that peace. We have begun the negotiations whose success could end the arms race, but whose failure could endanger the very survival of our planet.

This delegation comes to the Soviet Union in the spirit of reconciliation. We wish to communicate to you, and to the Soviet people, our sincere desire for peace and improved relations on a wide range of issues.

Human rights is one of those issues. It is inseparably linked to all of the other issues. On this we agree and will not bend. As Abraham Lincoln declared, "Important principles may and must be inflexible." No principle is more dear to us than personal freedom.

In the past, cordiality between our countries has contributed to greater tolerance toward Soviet Jews and relaxed emigration policies. I hope that the good will exhibited by this delegation toward our hosts and the Soviet people will again contribute to modifications in the human rights policies of which I have spoken today.

I assure you that the improvement of those policies will certainly help to create an atmosphere of trust which will reduce the threat of war and to promote closer relations between our countries and our people.●

REMEMBER THE GULF OF TONKIN

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. EDWARDS of California. Mr. Speaker, I want to recommend to my

distinguished colleagues an outstanding editorial by the senior Senator from California. The editorial is very right in illuminating that the President's request for Contra aid can lead to far more than $14 million and the editorial makes a very apt comparison between the President's request for military aid to the Contras and the 1964 Gulf of Tonkin resolution.

Mr. Speaker, the editorial follows:

REMEMBER THE GULF OF TONKIN

(By Alan Cranston)

The Senate vote on the President's bid to expand military operations against Nicaragua is not simply a question of approving another $14 million for "secret" anti-Sandinista operations. The stakes could be far higher. Under the terms of the Nicaragua resolution that will be before Congress next week, the President will be requesting authorization of what could substitute for a virtual declaration of war.

Examine closely the precise language that the White House is trying to have adopted: "Congress approves the obligation and expenditure of funds available for fiscal year 1985 for supporting directly or indirectly military or paramilitary operations in Nicaragua."

An affirmative vote on this proposal would provide an even more specific and generous license than Congress gave the executive in 1964 in the fateful Gulf of Tonkin resolution. That sufficed for more than a decade as a substitute for declaration of war against Vietnam, Cambodia and Laos. More than 50,000 American troops died in the supposedly "limited" war authorized by the 1964 congressional resolution.

Congress believed that the Gulf of Tonkin resolution simply provided rhetorical backing of a popular President for a show of force against a pesky Third World nation. But the White House subsequently used the hurried-through resolution as a far more broad grant of authority. Interviews conducted for a recent Senate study showed that key officials in the 1964 Administration recognized this opportunity. McGeorge Bundy, then the national security adviser, conceded, "Congress surely did not believe in 1964 that it was voting for the war that happened." Yet, as Bundy noted, the Executive branch later persisted "in describing the (Tonkin Gulf) resolution as the functional equivalent of a declaration of war." Nicholas deB. Katzenbach, who was deputy attorney general in 1964, later admitted that the reported torpedoing of U.S. ships in waters off Vietnam was "nothing." But Katzenbach would insist in key 1967 congressional hearings that the Gulf of Tonkin resolution "is as broad an authorization for the use of armed forces for a purpose as any declaration of war."

If this Congress adopts the Nicaragua resolution, it would give the President arguable justification for immediate use of the substantial U.S. military forces that we have amassed on Nicaragua's borders. These forces include 5,000 U.S. troops that the Pentagon has engaged this month in infantry, tank and air support exercises rumbling within three miles of Nicaragua's border. The Pentagon also has maintained a semipermanent naval presence within sight of both Nicaragua's western and eastern shores; these naval forces begin new exercises this week.

The President would, of course, have to come back to Congress for additional funding. But with a blanket authorization in hand and U.S. troops already in combat, the White House would be in strong position to get what it wanted from a Congress reluctant to "withdraw under fire."

This is not simply a debate over parliamentary formalisms, over the proper mechanism for authorizing acts of war. We should take the opportunity provided by next week's first full, public Senate debate and vote on military operations against the Sandinistas to consider an escalating U.S. policy gone wrong.

Our Nicaragua policy is wrong because it is immoral: U.S. taxpayer dollars should not be used to sponsor acts of international terrorism in Nicaraguan villages, harbors and cities.

It is wrong because it is illegal: U.S. funding of military efforts to overthrow a government that we recognize violates not only the charter to the United Nations and the Organization of American States but our own Constitution as well.

It is wrong because it violates our national principles: No matter how we deplore the Sandinistas' curbs on civil liberties and their support from Havana and Moscow, we must not adopt the attitude that our ends justify our means. We ill serve America's mission of promoting democracy when we emulate our adversary's most deplorable tactics.

But for those who feel that morality and legality and national principles have no place on a troubled planet, I would hope that the impracticality of current Administration efforts would be decisive.

The fact is that U.S.-bankrolled efforts to undermine the Sandinistas have proven utterly counterproductive. They have increased domestic, nationalist support for the Sandinistas. They have isolated Nicaraguans opposed to the Sandinistas and have made them, by association, allies of CIA-backed terrorists. They have provided the Sandinistas with ready-made excuses for curbing press and political freedoms and for relying heavily on Warsaw Pact nations for security assistance. And after four years and nearly $100 million in U.S. taxpayer funds, these efforts have failed to wrest one inch of soil from the Sandinistas' control. A resolution authorizing direct or indirect military or paramilitary operations in Nicaragua will not help either.

On the 10th anniversary of our withdrawal from our "limited war" in Vietnam, we should recall some of the lessons of opposing nationalist movements in urban and jungle warfare on their own soil.

Just as the Gulf of Tonkin resolution did, the Nicaragua authorization could open the door for a war that the American people do not understand, will not support and do not believe hold the promise of advancing our national interest in stable democratic developments in a turbulent region.

Congress must not repeat the tragic error of 1964.●

THE PUCCIO REPORT ON WESTWAY—PART II

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. GUARINI. Mr. Speaker, today I am inserting the conclusion of a report by former Federal prosecutor, Thomas P. Puccio, on the proposed Westway Highway project in New York. Puccio proves that the goals of the project encompass much more than the development of a highway. At the same time, he shows how these goals have become obsolete in the context of present day New York. Finally, he provides sound rationale for excluding the Westway from Federal interstate highway funding and supporting New York's trade-in option.

PROS AND CONS OF WESTWAY

Westway itself is not all black and white. Thus, while the opponents tend to characterize the project as a boondoggle, its supporters believe that Westway is a unique opportunity that can provide the City with a revitalized waterfront on the lower West Side, a superior transportation connection, a major source of jobs and a base for expanded real estate development. Each of these points contains elements of truth. At the same time, they are elements that should be understood in context.

WATERFRONT CLEAN-UP AND PARKLAND

As planned, Westway would clean up the largely derelict waterfront between 42nd Street and Battery Park City, and it would provide the lower West Side with a significant (93-acre) park border. This would certainly be an improvement as compared to existing conditions, with the park providing special benefits by opening the waterfront to public access. The cost of achieving this, however, would be immense—i.e., the $2 to $4 billion that will be required to construct the landfill.

Of equal importance, the clean-up of the waterfront no longer depends on Westway. Much of it could be done in connection with the construction of an improved surface arterial funded through the trade-in. Among other things, the work could include the development of a border park and promenade along the waterfront, likewise opening the Hudson to public access. In addition, once the overhang of Westway was removed, there can be little doubt that private sector developers would promptly seek to rehabilitate and re-use the existing waterfront, just as they have in Boston, Baltimore and San Francisco. When Westway was planned, the adjacent neighborhoods were largely industrial; and thus, the waterfront was unattractive for development. Today, however, with Greenwich Village, Tribeca and lower Manhattan residential communities having already expanded to West Street, the waterfront is prime real estate that would clearly attract private sector investment.

The surface level alternatives would not provide the same magnitude of parkland as Westway. On the other hand, the uncertainties would be less. For example, until recently it had always been assumed (or at least asserted) that the Westway park would be built using interstate funds. However, the New York State Office of Parks & Recreation has recently indicated that the park might not be able to be built as planned. This development serves to underscore what has long been a concern of opponents and proponents alike—i.e., that Federal interstate funding may not, in fact, be available for some of the most important features of Westway. (The same concern attaches to the operation and maintenance of the park. The State has agreed to undertake this responsibility, but in times of fiscal constraints, the necessary funding may be hard to come by.)

TRANSPORTATION CONNECTION

There is no doubt that Westway would provide a better transportation connection than any of the alternatives. Again, however, the context is important.

In the first place, this connection would be obtained only at tremendous cost—$2-4 billion including $200-400 million in State funds. Second, the time savings that would result from this expenditure would be five to ten minutes at most (as compared to a grade-level arterial). Third, the improvement in driving conditions would end at 42nd Street. In order to make the corridor connection effective for the length of Manhattan, major outlays would be required for the roadway section from 42nd Street north to 72nd Street; and since this segment of the West Side Highway does not have interstate designation, the State would have to supply up to 30% of the required funds. Fourth, contrary to the claims of Westway's supporters, truck traffic on local streets and avenues would be minimally affected by Westway, with reductions being small as contrasted to the grade level arterial. In short, while Westway would offer a better vehicular connection than the alternatives, the differences would be quite modest in all respect but one—the immense cost of Westway itself and the denial of equivalent funds for transit rehabilitation and bridge and road repairs.

JOBS

Westway would unquestionably provide employment for a substantial number of construction workers. However, transit rehabilitation and bridge and road repairs funded through the trade-in would also provide jobs and probably in equivalent numbers. (Indeed, one study by Michael Gerrard indicates that the trade-in would result in more jobs than Westway would.) It is understandable that construction unions and contractors should support Westway, since it seems to gleam with gold. In reality, however, the trade-in would have its own substantial employment benefits, and in all likelihood, these would accrue more equally to minorities than would be the case with Westway.

REAL ESTATE OPPORTUNITY

Westway supporters place considerable emphasis on the benefits that they believe will accrue from the developable portions of the landfill. In particular, they emphasize the impetus that new development should give to the revitalization of the lower West Side. This claim, however, is questionable. As already noted, when Westway was planned the lower West Side was in eclipse. Since then, however, it has renewed itself with new construction and literally thousands of conversions. In short, the revitalization that Westway was to have sparked is already far advanced, without any help from, or need for, Westway itself.

There are, moreover, potential detriments that could follow from the landfill and its development. In the first instance, the highway funds will, at most, finance the landfill base. The infrastructure improvements necessary to support subsequent development (including roads, sewers, and other utilities) will have to be financed through other public or private sources and given existing fiscal constaints (much less the need to rebuild infrastructures in existing areas of the City), the prospect of obtaining the necessary resources is uncertain at best. In addition, any commitment of public resources that may be needed to support the landfill development (whether to finance infrastructure or to subsidize developers or tenants) will deny those resources to potential projects in other areas; as a consequence, development in areas such as the South Bronx, Long Island City and other locations in Manhattan could be undercut.

ADVERSE ENVIRONMENTAL EFFECTS

The potential for adverse environmental impacts must also be recognized. The threat of severe damage to the Hudson River fisheries has already been mentioned. Equally important, neighboring communities are justifiably concerned that development on the landfill (which is likely to be in the luxury category) will cut them off from the Hudson and disorient existing integrated population, due to pressures on rents and other secondary impacts. For a City which is trying to hold on to its middle class, this is an important issue.

All of the preceding concerns assume, moreover, that the landfill can be completed. However, if Westway's costs increase substantially—which cannot be discounted as unlikely—adequate funds simply may not be available from the Highway Trust Fund. If this should prove to be the case, either the State would have to make up the difference or the landfill construction would grind to a halt. In the case of the Second Avenue subway, where construction had to be halted because of a shortfall of funds the impacts were limited because the unfinished work could be covered up. With the elaborate Westway landfill, however, the impacts on adjoining neighborhoods could be prolonged and severe—half-finished waste piles cutting off the River and effectively foreclosing clean-up, much less new development. While the likelihood of such a situation's occurring may seem small at this point, the possibility cannot be discounted, given the extended construction schedule for Westway and the extraordinary complexity of the proposed work.

TROUBLE FOR THE TUNNELS?

The last point is underscored by one recent development which raises serious concerns in its own right. The landfill would extend from just north of Battery Park City to approximately 30th Street—a stretch which includes the PATH tubes and the Holland and Amtrak tunnels. Initially, it has been proposed to simply fill around and on top of these structures. In the past year, however, the Port Authority has expressed concern that the filling could do serious damage to one or more of the tunnels, including the possibility of a rupture. If this were to occur, the consequences would be disastrous. The NYSDOT engineers are now attempting to develop protections satisfactory to the Port Authority, but is improbable that the risks can be avoided completely. Furthermore, even if it were justified to incur such risks (and it is hard to understand why it should be), providing the necessary protection could add large amounts to the cost of Westway. Inflation aside, in short, the engineering problems associated with a project as complex as Westway could make it far more expensive than has been estimated, with an increasing risk that Federal funds would fall short and the State would have to underwrite the balance.

DECEPTION REQUIRES INVESTIGATION

From early on, the State and its Westway Project consultants took the view that the Westway landfill would have no impact on fisheries resources because there were no fish in the area to be filled; and this is exactly what was stated in the State's EIS. When the Environmental Protection Agency and the other Federal fisheries agencies claimed that the area was far from the wasteland which the state portrayed, the State's response was that the agency positions were absolutely without basis.

Eventually, the State agreed to do further sampling which it asserted would prove the area to be of no value. Instead, the field work conducted by the firm of Lawler, Matusky & Skelly (LMS), turned up major concentrations of young striped bass in the area to be filled, with the concentrations being ten times or more greater than any other place on the Hudson. However, when LMS and the State issued their report on the sampling, they did not disclose this; but, to the contrary; they obscured the results both through inaccurate text and manipulated graphs. Equally important, they misrepresented the seriousness of the concerns of the Corps of Engineers, even after openly recognizing them in a meeting with the Highway Administration, held a few weeks before the report was issued.

JUDGE GRIESA'S FINDINGS

All of this came out in the trial before Judge Griesa, whose findings included the following (all of which were affirmed by the Court of Appeals).

1. The LMS report of the study was deceptive and false, failing to disclose the seriousness of the potential impact on striped bass and obscuring this intentionally.

2. The State fraudulently advised the Corps of Engineers that the new study, showing large concentrations of striped bass in the Westway area, said nothing different from the EIS, which said there were no fish in the Westway area.

3. The State EIS was false from the outset since there was no basis for asserting that the Westway area had no aquatic life in it.

4. The State and its consultants acted in bad faith and conspired with the Federal Highway Administration to suppress the new information on potential fisheries impacts and to deceive the public.

5. The State's key witnesses, including Lowell Bridwell, whom the State selected as Westway Executive Director, had not been candid or truthful in their testimony. In addition, the State's attorneys had also participated in the misconduct.

To date, no formal investigation has been undertaken as a result of these findings. Without the benefit of subpoena power, such an investigation would prove fruitless, and it is certainly beyond the present capabilities of the author of this memorandum. However, a thorough investigation is necessary to restore public confidence in the integrity of the approved process. Accordingly, it is recommended that the matter be referred to an appropriate state of federal investigative body.

FINAL THOUGHTS

It was in March 1975 that Governor Carey and Mayor Beame rejected the trade-in option and committed themselves to Westway. Their view was that Westway construction could begin within two years and that the trade-in was illusory. At about the same time, Boston expanded its trade-in request and Washington, D.C., followed the same course to finance its Metro.

Today, Westway remains at a standstill. Boston, in contrast, has drawn down close to $1 billion under the trade-in program, which it has used to finance subway expansion and rehabilitation, and Washington, D.C., has drawn down substantially more than $1 billion to build the Metro.

NYSDOT officials will probably continue to contend (as they have regularly for the past several years) that Westway is just around the corner, if only the Governor will hang in there. In my view, this simply is not so, for reasons that I have already noted. But what is equally important to recognize is that the "hang in there" theory has already cost the State and City important opportunities; and if it remains the controlling principle, it will, in my view, have a like outcome in the future.

One last point is also worth noting: even if Westway is pursued and ultimately approved, the State and City will face an unstable future. The duration of construction itself will be uncertain. More than this, however, the State and City will continually have to be cashing in their chips to keep Federal funding on track. This will not be a free charge. To the contrary, programs of State-wide importance may have to be cut back, due to the large Federal allocations to Westway. Furthermore, so long as the Federal government continues to spend hundreds of millions of dollars annually on Westway, it will be difficult to persuade Senators and representatives from other states that New York is deserving of capital funds for other critical infrastructure needs.

In short, in the end, Westway may well be more of a burden than a boon in terms of obtaining allocations of Federal funding.●

A NATIONAL LOTTERY IS IN ORDER TO HELP REDUCE DEFICIT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BIAGGI. Mr. Speaker, today I am pleased to introduce legislation which would establish a national lottery to help our Nation in its effort to reduce our record Federal deficit. Under my proposal, a national lottery would be established. Persons aged 18 and over would be able to play and purchase tickets at a cost of $1. The lottery would award 5 prizes each month of the year, for a total of 12 separate lotteries each year on the national level. Under my bill a full 75 percent of all revenues raised under the national lottery would be earmarked to reduce the principal on the Federal debt. Of the remaining 25 percent, 20 percent would be reserved for prizes, and 5 percent would go toward administrative costs.

I offer this legislation with the knowledge that lotteries have been conducted successfully at the State level in 18 different States. Lottery revenues have been showing dramatic growth in recent years. For example, lottery revenues exceeded $5.2 billion in 1983, a quantum leap from the $3.8 billion raised the previous year.

In those States where lotteries have been the most successful, revenue per capita has exceeded $1 a week. On a national scale, according to economist Alfred Tella writing in the New York Times, this would produce weekly gross revenues of more than $236 million a week or $12.3 billion based on 1984 levels.

It is impossible if not inaccurate to try and make projections on how much a national lottery could generate in terms of reducing the deficit. What is clear, however, is that participation holds the key to how much revenue could be raised. According to some excellent research provided to me by the Economics Division of the Congressional Research Service, if every person eligible to participate in my lottery were to buy just nine $1 tickets per month for a year, we could slash our deficit by 10 percent, or by over $18 billion. Obviously, the more one buys the more is reduced with the optimum situation being if every eligible person were to buy 90 $1 tickets per month for a year, the entire deficit could be wiped out.

I fully realize that the idea of each person buying that many lottery tickets may seem extreme. However, my point is we should give serious consideration to any proposal which has a realistic chance of reducing our Federal deficit, especially those which do not extract higher taxes or make draconian cuts in spending for important social programs. I propose a national lottery as one such idea.

The idea of a national lottery does not come without some support. A Gallup Poll indicated that 62 percent of those surveyed gave support to the idea of a national lottery. Four additional States approved a national lottery in the November 1984 elections. My bill does not propose to have a national lottery supersede any existing State lottery, rather be conducted in conjunction with State lotteries.

I would add that my legislation provides safeguards against common abuses that might pop up on the conduct of a lottery. It prohibits and establishes penalties for those selling a ticket to someone under the age of 18, selling a ticket for more than the price established by the Secretary of the Treasury or counterfeiting or altering tickets.

At this point in the RECORD I would like to insert the full text of my legislation and urge its careful consideration by my colleagues.

H.R. 2074

A bill to establish a national lottery to reduce the Federal deficit

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Lottery and Deficit Reduction Act".

SEC. 2. ESTABLISHMENT OF NATIONAL LOTTERY.

(a) ESTABLISHMENT.—There is hereby established a national lottery, which shall be administered and operated by the Secretary of the Treasury. In operating the lottery, the Secretary shall—

(1) sell tickets only to persons 18 years of age or older;

(2) sell each ticket at the price of $1.00;

(3) hold a drawing for prizes each month; and

(4) award five prizes at each monthly drawing.

(b) REGULATIONS.—The Secretary shall issue regulations to carry out this Act, including regulations prescribing—

(1) the types of games to be conducted in the lottery;

(2) the manner of selecting winning tickets;

(3) the amounts of prizes to be paid to holders of winning tickets;

(4) the manner of payment of prizes to holders of winning tickets;

(5) the locations at which tickets may be sold;

(6) the method to be used in selling lottery tickets; and

(7) such other matters as may be considered necessary by the Secretary for the efficient and economical operation and administration of the lottery.

(c) DEPOSITS INTO TREASURY.—The Secretary shall deposit amounts received from the sale of national lottery tickets into the general fund of the Treasury.

(d) REPORTS TO CONGRESS.—The Secretary shall report to Congress every month on the total revenues and expenditures of the national lottery.

(e) TIMETABLE.—The Secretary shall issue the regulations required by this section not later than 180 days after the date of the enactment of this Act and shall begin operation of the national lottery as soon after the regulations are issued as may be practicable.

(f) OPERATION THROUGHOUT UNITED STATES.—The national lottery established by this Act may be carried out in every State, notwithstanding any other law of the United States, of a State, or of a political subdivision of a State.

SEC. 3. CRIMINAL PENALTIES.

(a) TICKET SALES.—Any person who—

(1) sells a national lottery ticket to a person under the age of 18 years; or

(2) sells a national lottery ticket at a price greater than $1.00;

shall be fined not more than $100,000 or imprisoned not more than one year, or both.

(b) COUNTERFEIT TICKETS.—Any person who, with intent to defraud—

(1) falsely makes, forges, counterfeits, or alters any national lottery ticket; or

(2) sells a falsely made, forged, counterfeited, or altered national lottery ticket;

shall be fined not more than $250,000 or imprisoned not more than 15 years, or both.

(c) RELATIONSHIP TO OTHER LAW.—Chapter 61 of title 18 of the United States Code shall not apply with respect to the national lottery conducted under this Act.

SEC. 4. ESTABLISHMENT OF TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the "National Lottery and Deficit Reduction Trust Fund" (in this Act referred to as the "Trust Fund"). The Trust Fund shall be managed by the Secretary and shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) APPROPRIATION INTO TRUST FUND.—(1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to the Trust Fund amounts determined by the Secretary to be equivalent to—

(A) the amounts received in the Treasury from ticket sales for the national lottery established by this Act; and

(B) the fines imposed under section 3.

(2) The amounts appropriated by paragraph (1) shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the amounts referred to in such paragraph. Adjustments shall be made in the amount subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) INVESTMENT.—(1) The Secretary shall invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States and may be acquired—

(A) on original issue at the issue price; or

(B) by purchase of outstanding obligations at the market price.

(2) Any obligation acquired by the Trust Fund may be sold by the Secretary at the market price.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

SEC. 5. PURPOSE OF THE TRUST FUND.

Amounts in the Trust Fund shall be available only for the following purposes and in the following amounts:

(1) Not less than 75 percent shall be used to reduce the principal on the Federal debt.

(2) Not less than 20 percent shall be used to pay prizes due to holders of winning national lottery tickets.

(3) Not more than 5 percent shall be used for administering and operating the national lottery.

SEC. 6. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary for fiscal year 1986 for purposes of operating and administering the national lottery established under this Act.

SEC. 7. DEFINITIONS.

For purposes of this Act—

(1) the term "Secretary" means the Secretary of the Treasury; and

(2) the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory and possession of the United States.

SEC. 8. CONFORMING AMENDMENT.

Section 3005 of title 39 of the United States Code is amended by adding at the end the following new subsection:

"(e) Nothing in this section shall prohibit the mailing of any ticket or other material made for purposes of a national lottery conducted under the National Lottery and Deficit Reduction Act.".●

ELLIOTT LEVITAS ON GENEVA ARMS TALKS

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FOWLER. Mr. Speaker, our former colleague Elliott Levitas has recently prepared an analysis of the Geneva arms talks for the Atlanta Journal and Constitution. Mr. Levitas' article raises some important questions about the objectives for arms control. In particular, he calls attention to the importance of crisis management in reducing the risk of nuclear catastrophe.

Preventing nuclear war is perhaps the most urgent task of our era. The Levitas article is a timely discussion of this key question and I am therefore presenting it for your review.

The text of the article follows:

TALKS ARE OFF TARGET IN GENEVA, MAKING PEACE A NUMBERS GAME

(By Elliott Levitas)

The only good thing about the arms control talks in Geneva, Switzerland, is that they are taking place. Obviously, having any dialogue and contact in the name of peace is preferable to escalating levels of confrontation with a possibility of miscalculation and ensuing disaster.

The bad part, however, is that the Geneva agenda does not contain items that could really make the world a safer place. It deals mostly with numbers of warheads, missiles, bombers and the like. Even a "successful" negotiation will leave the numbers too high.

In short, what is being discussed in Geneva is the wrong subject. Let us assume for a moment that the arms treaty could be written tomorrow morning. Would it reduce the arsenals of thermonuclear warheads from present levels to 3,000 on each side, or even some lesser number? No one seriously viewing the talks in Geneva believes that such a marvelous conclusion could occur. Remaining arsenals still would be sufficient to deal indescribable damage, if not ultimate destruction, to both the United States, the Soviet Union and most of the Northern Hemisphere.

We are seeking solutions that make the potential danger only marginally less catastrophic. The real issue is not how can we reduce the number of these weapons, but why do we have them to begin with? The answer is rather simple. First, we distrust each other. Second, we are afraid that, if either side gains an obvious nuclear advantage over the other, the very threat of using that power may result in achieving the adversary's defeat.

The Soviet Union has nothing to fear from the United States in terms of offensive nuclear weaponry. Our history since World War II would demonstrate that. Our strategic planning, our order of battle, our force structure, and our deployments would make that clear. The same is not true of the Soviets. We cannot have any agreements with them that are not independently verifiable and self-executing.

On the other hand, it is also true that the mutual fears and suspicions that we bear are the reasons we have our weapons.

What should our broader negotiating agenda be? A few examples are worthy of consideration:

We must place greater stress upon removing the possibility of miscalculation or surprise attack. This would be an extension of the "hot line" concept. Having both Soviet and American teams at common monitoring centers would assure either side that the possibility of a surprise attack could not occur. Negotiations to eliminate the possibility of surprise attack are now being conducted in Stockholm, Sweden, at the East-West Conference on Disarmament in Europe.

Another example of a more fundamental peace approach would be to develop a Star Wars system, or strategic defense initiative, that would provide a shield from an adversary's offensive nuclear weapons. If both sides have the same capability, it would raise the level of confidence and would reduce the possibility of the use of nuclear weapons.

President Reagan has proposed that if we develop such a system, we offer to provide this system—the most costly, secret and sensitive technology we could possibly have—to the Soviet Union. But is it plausible that the Soviet Union will sit by idly while the United States develops this capability in hopes that we will give it to them?

If we are, in fact, willing to share with the Soviet Union the fruits of our Star Wars technology, would it not be better to negotiate now for a means of joint development? If such a joint development was undertaken, then neither side would be pushed to develop independently against the other's offensive ballistic missiles.

If we are prepared—as President Reagan has said—to share that technology with the Soviets at some point, then surely the time to negotiate the arrangements for making it available is at the beginning of the process rather then at the end.●

DON'T FUND THE CONTRAS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FAZIO. Mr. Speaker, I rise today to draw my colleagues attention to insightful article by Adolfo Perez Esquivel, which appeared in the New York Times on March 30.

Mr. Speaker, I have no illusions about the Sandinistas and their government. We do not advocate it for the people of Nicaragua or the other nations of Central America. However, it does not follow from our concern that we should arm reactionaries from the Somoza dictatorship to rain terror on the hapless civilians of Nicaragua.

The Reagan administration should adopt a new policy that emphasizes negotiations, that reduces conflict rather than escalates conflict, that brandishes incentives to move away from the Soviets rather than swords that insure the very outcome the administrations wants to avoid.

DON'T FUND THE "CONTRAS"

(By Adolfo Pérez Esquivel)

It must be clear to everyone that the confrontation between the Reagan Administration and the Sandinista Government has neared a breaking point. Both the Sandinistas and American policy makers seem unwavering in their determination to survive each other. Only Congress can defuse this time bomb.

Soon Congress is to decide whether to support the Administration's war against Nicaragua by voting an expected $14 million Administration request for covert aid to the "contras," or to seek a peaceful solution to the region's problems. Latin Americans hope common sense and a healthy awareness of self-interest will move the lawmakers to end the war against the tiny Central American republic.

The Reagan Administration has done its best to create an atmosphere conducive to deepening the conflict. It has waged an un-

declared war through the contras, who, if given sufficient support, hope to topple the Sandinista regime. For Nicaragua, one of the world's poorest nations, this unrelenting aggression has resulted in postponement of economic development.

Material damages, inflicted with United States taxpayers' money, are estimated at more than $400 million. The fighting has killed more than 2,300 people, among them many women, children, students and workers. The Administration's rationale for its policy has been the Nicaraguan Government's alleged totalitarianism, its denial of basic freedoms and the menace it poses to its regional neighbors and ultimately, to United States security interests.

During several trips to Nicaragua and the United States, I have grown convinced that these arguments are, at best, overstatements designed to justify an essentially unjustifiable policy of aggression. The debate on Capitol Hill will, I hope, reveal the distortion and manipulation of fact by high Administration officials.

Yes, the Sandinistas have made mistakes—but they have also registered remarkable achievements that far outweigh their shortcomings. Certainly, their mistakes do not justify the terrible punishment Washington is meting out. My conversations with Nicaraguan leaders in virtually all sectors of society made it clear that the Sandinistas recognize that a better understanding should be developed with the Roman Catholic Church, the opposition party, the press and the Miskito Indians.

But common sense dictates that we all take into account the dramatic social changes that Managua has implemented. The revolutionary Government has outlawed capital punishment and demonstrated extraordinary restraint in dealing with defeated adversaries, the deposed forces of Anastasio Somoza Debayle.

While the Sandinistas must divert a large portion of their financial and physical resources to defense, they have carried out policies that have resulted in a sharp decline in infant mortality rates and have greatly increased medical care for the population. Their health program caused the World Health Organization to select Nicaragua as one of five model countries for primary health care. These successes are mirrored by advances in education, with marked declines in the national illiteracy rate following one of the most effective literacy campaigns in Latin America.

The Administration ignores these accomplishments in its need to escalate the conflict. Through its support for the contras and direct intervention by the Central Intelligence Agency, it has bombed and mined Corinto, the main port, in violation of international law. It has disregarded the International Court of Justice while advocating terrorism against a sovereign state. It unilaterally withdrew from talks with the Sandinistas in Manzanillo, Mexico, and undermined the peace initiative of the Contadora countries—Colombia, Mexico, Panama, Venezuela—when it failed to manipulate that initiative towards its own desired ends.

These acts of hostility and terrorism, far from breaking the Sandinistas' spirit, have only galvanized them in their resolve and rallied much of Latin America to their support. Even high Pentagon officials acknowledge that further assistance to the contras will not bring about military defeat of the Sandinistas.

Existing evidence, a feeling for history and common sense should enable Congress to reject the Administration's counterproductive policies.

At this critical moment, it seems the Sandinistas are ready to support a policy of nonintervention in the region by any external power and an end to arms shipments and use of military advisers in Central America.

The Congress should make clear its respect for self-determination of all peoples and reject the Administration's proposal for continued aid to the contras. At the same time, it must implement measures that would make it virtually impossible to circumvent that decision.

The Reagan Administration should resume talks with the Sandinistas, and seriously support the Contadora peace initiative. The choice is clear: the Administration either continues its policy of destruction and death or chooses one of cooperation and life.●

THE FIGHT AGAINST ILLEGAL DRUGS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday April 17, 1985, into the CONGRESSIONAL RECORD:

THE FIGHT AGAINST ILLEGAL DRUGS

Despite record seizures of drugs and arrests of high-level traffickers, our war on drugs has failed to curb their illegal influx. Only 5-20 percent of cocaine, heroin, and marijuana shipped into the U.S. is stopped at the border. The illegal drug trade earns over $100 billion each year in the U.S. alone, and profits are enormous. Drug trafficking is one of the largest enterprises in America. The U.S. is the largest consumer of illicit drugs in the western world.

The costs of such widespread use are incalculable. At home, drug abuse leads to addiction, broken lives, and death. It imposes heavy burdens on society in lost employment and productivity, crime by addicts and traffickers, and money spent on enforcement and treatment. The estimated cost of these burdens in 1980 was $47 billion. Our drug use adds billions of dollars to the coffers of organized crime, estimated to control more than half of the illegal drug trade. It has world-wide impact as well: drug traffickers use American money to corrupt third-world governments and disrupt their economies. In addition, there is mounting evidence that some governments use American drug money to finance the activities of terrorists and revolutionaries.

Traditionally, we have attempted to control narcotics by eliminating supply in producing countries. 85 percent of the marijuana and all of the herion and cocaine consumed in the U.S. is smuggled from abroad. The international nature of the problem makes control especially difficult. Drugs are an important part of the culture and economy of producing countries. Thus, there is little or no enforcement in some areas against drug trafficking. At boom prices, illegal crops generate ten times as much for a farmer as palm oil, tea, and other legal crops. So many farmers rely on these crops for their livelihood that local governments are unwilling simply to destroy the plants. Some governments themselves depend on "narcodollars" to keep their economies afloat.

The U.S. provides foreign assistance for crop eradication, law enforcement, crop substitution, and demand reduction efforts. A new law calls for the termination of all foreign assistance if the President determines that a country is not making substantial progress against drug production. Use of the law is unlikely in all but the most extreme situations. Most of the drug-producing nations are our allies, and our aid to them is based on a variety of factors, most notably security.

Some efforts to reduce production have been successful. In 1968, more than 70 percent of our heroin came from Turkey. In response to pressure from the U.S., the Turkish government has virtually eliminated illicit heroin production. The Colombian government is spraying marijuana fields with herbicides and has agreed to extradite Colombian traffickers wanted on drug-related charges in the U.S. Alarmed by increasing numbers of heroin addicts among its own population, Pakistan has begun a crackdown of its own. These efforts have had some effect, but supplies of these drugs still far exceed demand. As enforcement increases, traffickers simply move their production operations elsewhere. Heroin production increased in Mexico to fill the gap left by decreased Turkish production. Because the market shifts to meet demand, we face the almost impossible task of controlling narcotics production in all geographic areas simultaneously.

Because of our inability to curtail supply, recent U.S. efforts have focused on stopping imports at the border and cracking down on street dealers and users. Resources for investigating smuggling operations have nearly doubled. Officials say they are busting bigger drug-trafficking groups, jailing more top financiers for longer terms, and confiscating more ill-gotten gains. Court-ordered wiretaps in drug cases have more than doubled over the last two years. Long-term undercover operations are increasing, as are financial investigations that track large purchases or deposits to their sources in drug deals. Federal officials are also using statutes with stiffer penalties, helping to increase the average prison sentence in drug cases by 15 percent.

Greater efforts must be made to eliminate expanded domestic production. Some of the 700,000 persons licensed in the U.S. to prescribe, dispense, or manufacture controlled substances dispense drugs illegally. A majority of overdose deaths involve such drugs. Domestic production of marijuana is now so large that it may be one of the largest cash crops in the U.S. Designer drugs, cheap synthetic drugs with the same effect as illegal drugs but with legal chemical make-ups, are proliferating so quickly that some people maintain that they could render obsolete the international system of drug control.

Many drug control experts doubt that we can ever solve the problem of illicit drug trafficking. They argue that drug traffickers have evaded almost every drug control strategy tried. When a country cracks down on production, the dealers simply move elsewhere. Drugs formerly smuggled into the U.S. through south Florida now enter at other points along the Gulf Coast, in Texas, and along the East Coast as far north as Maine. No matter what enforcement resources are available, there will probably always be enough illicit drugs to supply everyone who wants them. That gloomy assessment fuels the argument by some for le-

galization of drugs. However, fears that legalization would increase the drug problem will likely block any move in that direction.

Besides trying to curb drug supplies, we msut get to the root of the problem and reduce demand for drugs. That means greatly expanding programs on a variety of levels designed to prevent use and to educate our people about the dangers of drugs. We should combine these efforts with programs for detoxification and treatment of drug abusers, and continue research aimed at understanding the causes and consequences of drug abuse.

Some of our efforts against drug trafficking are producing helpful signs, but overall it is proving to be an exceedingly difficult problem. To succeed, we must redouble our efforts at eradication, enforcement, and education.●

BROOKLYN PUBLIC LIBRARY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. SCHUMER. Mr. Speaker, I stand before you today to honor the Brooklyn Public Library and its employees for doing such an outstanding job. They have contributed much toward enhancing the reputation of the New York Public Library system and libraries nationwide.

The facilities at the 59 branches of the Brooklyn Public Library are utilized by the Brooklyn community on a daily basis. Cardholders enjoy valuable services ranging from children's educational programs, cultural programs, exhibits, facilities for the blind, programs for the elderly, Young Adult Programs, research facilities, and community resources. Because the library system in Brooklyn has so much to offer, it would be a terrible shame to curtail the innovative programs that presently exist.

With this in mind, I find it incomprehensible that President Reagan wants to decrease the amount of funding currently being received by public libraries. Libraries suffered greatly from the 1981 budget cuts. It is unfair to penalize the library system again. We must analyze the cause of the current deficits and attack the source of those deficits. Furthermore, it is a well-known fact that the fiscal year 1986 budget proposal will allocate billions of dollars for the MX missile defense system. It is ironic that the $70 million it takes to produce just one MX missile would more than adequately support the New York Public Library System for an entire year.

I can't imagine why anyone would want to deny children the opportunity to participate in summer reading programs and other educational programs that encourage a love and respect of books and libraries. I also recognize that the 529,555 registered borrowers who currently take advantage of the diverse resources in the Brooklyn Public Library System will not be pleased with the fiscally stringent measures that have been proposed. Decreasing library funding from the current level would also, in the long run, be detrimental to those segments of society who cannot necessarily afford to take courses or attend college. The current budget proposals will also affect the blind, a segment of the population to whom braille services are essential.

There is no denying that books contain a wealth of knowledge, and that trying to better educate oneself is a noble endeavor. We can't afford to jeopardize the future of our country—a future that is dependent upon education. Therefore, it is absolutely essential to give strong support to library programs.●

SUPERFUND PROGRAM

HON. JAMES FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FLORIO. Mr. Speaker, a recent letter from a coalition of major national environmental organizations raises some valid concerns over the administration's proposal to reauthorize the Superfund Program. The coalition's letter points out that the administration's bill would in reality only raise $4.5 billion in 5 years rather than the administration's projection of $5.3 billion.

Putting aside the discrepancy in figures, the coalition points out that EPA itself has estimated it would cost $11.7 billion to clean up 1,800 of the Nation's worst abandoned hazardous waste sites. The General Accounting Office, on the other hand, tells us that 4,000 sites will qualify for Superfund cleanup and the States estimate that the number of sites that will require Superfund assistance is closer to 7,000.

The coalition is also concerned over an increase in the States' share of cleanup under the administration's bill. Under the administration's bill the State share would increase from 10 percent to 20 percent. The State share for State-operated sites would increase from 50 percent to 75 percent. States are already experiencing difficulty meeting their 10-percent share, not to mention that States must deal with thousands of hazardous waste sites on their own without any contribution from the Federal Government.

The administration's bill would also omit certain proposals that existed in last year's House-passed Superfund legislation. The administration's bill omits requirements for the setting of mandatory schedules for Superfund cleanups as well as provisions for citizen suits such as those contained in every other major Federal environmental law. The administration's bill also fails to deal with leaking underground storage tanks.

I recommend this thoughtful letter to my colleagues' attention.

NATIONAL AUDUBON SOCIETY,
Washington, DC, March 12, 1985.

DEAR REPRESENTATIVE/SENATOR: On Friday, February 22, the Administration revealed its Superfund reauthorization proposals. The undersigned organizations reject the Administration's legislative suggestions and urge you to oppose the Administration bill.

The current Superfund law expires in September. In four and one half years EPA has cleaned up only a handful of sites—thousands of others remain unaddressed. Dramatic improvements in the law are urgently needed. Yet the Administration bill demonstrates a thorough lack of concern for the people whose lives and property are threatened by toxic substances.

If enacted into law, the Administration's bill would:

Raise only 4.5 billion dollars in taxes over 5 years to pay for Superfund clean up and other related programs. (The Administration's $5.3 billion estimate for its Superfund bill includes $300 million raised in the sixth year and $500 million in interest and fines.) The EPA itself has estimated the cost of cleaning up 1800 hazardous sites at $11.7 billion. The real cost will be substantially higher. The states estimate that 7000, not 1800, sites will need Superfund assistance and the Office of Technology Assessment has placed the Superfund price tag closer to $40 billion. The National Governor's Association called the Administration proposed funding levels "totally inadequate."

Threaten the integrity of the Superfund tax base. Superfund is currently financed through a tax on basic chemical feedstocks which has proven itself to be a highly reliable source of income. The Administration proposes to shift 60 percent of the Superfund tax base to an untried and unproven waste end tax scheme.

Significantly slow down the pace of cleanup by dramatically increasing the amount of money a state must contribute to response actions before Superfund cleanups can begin. The state share of clean up costs at privately owned sites would double from 10 to 20 percent. The state share for state operated sites would increase from a minimum of 50 to 75 percent. Many states have been unable to meet even their current Superfund obligations in a timely manner.

Weaken current law by threatening communities now protected by Superfund. The Administration's proposal prohibits Superfund from being used to address certain classes of life threatening hazardous substances releases (unless the President has determined that a major emergency exists, and that no other person has the capability to respond to the emergency). Many sites now proposed for Superfund action would be denied federal assistance and sites not yet proposed would be ineligible for the basic studies needed to determine Superfund eligibility.

For example, EPA could not routinely clean up poisoned drinking water supplies unless the contamination was known to be caused by a facility that handled hazardous substances. Water supplies currently proposed for inclusion on the National Priority List would be removed from Superfund's jurisdiction, including water supplies in, New

York, California, Michigan, Minnesota, Nebraska, New Jersey, and North Carolina. EPA would be precluded from funding the studies needed to determine if other contaminated water supplies should be cleaned up.

For example EPA would also not be able to routinely clean up public health threats caused by the extraction and processing of ores and minerals.

Legalize substandard cleanup. The Administration's proposal allows EPA cleanups to violate public health standards and criteria established under other relevant environmental laws for any reasons promulgated by the agency in its National Contingency Plan. The National Contingency Plan, now being proposed, sanctions dirty cleanups, by allowing unnecessarily broad waivers for applicable standards.

Fail to provide adequate health assessments at communities threatened by hazardous substances releases. The proposal does not require EPA to initiate health assessments, regardless of the seriousness of the threat.

Fail to compel the clean up of dumps owned by the federal government.

Fail to put EPA on a schedule to speed cleanup.

Fail to address contamination of natural resources which threaten the food chain.

Fail to clean up communities threatened by the release of petroleum products from leaking underground storage tanks.

Fail to provide citizens with access to the courts to require EPA to carry out its duties under Superfund.

Fail to provide appropriate relief to victims of hazardous substance releases including failing to establish a federal cause of action.

The Administration's proposals are wholly out of touch with the needs of the American people for a strong Superfun program. We urge you to reject the Administration's Superfund bill.

Russell Peterson, President, National Audubon Society; Alden Meyer, Director, Environmental Action; Jack Sheehan, Legislative Director, United Steelworkers Union; Martha Broad, Resource Specialist, Natural Resources Defense Council; Gene Karpinski, Director, U.S. PIRG; Ira Arlook, Co-Director, Citizen Action; Rabbi David Saperstein, Director, Religious Act Center, Union of American Hebrew Congregation; A. Blakeman Early, Washington Representative, Sierra Club; Joan Claybrook, President, Public Citizen; Glenn Watts, President, Communications Workers of America.●

COMPULSIVE GAMBLERS NEED HELP

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. COURTER. Mr. Speaker, I wish to commend to my colleagues an excellent article, "Compulsive Gamblers Need Help."

COMPULSIVE GAMBLERS NEED HELP

(By Arnie Wexler)

PARLIN, NJ.—If you took the pari-mutuel machines out of the race tracks and put them in the stadiums where football, baseball, basketball, and other sports are played, no stadium would be big enough to seat the people who'd want to come in and bet. And the race tracks would be closed.

Eighty-eight million people in the USA gamble; 12 million are compulsive gamblers. And 79 percent of all compulsive gamblers bet on sports events.

With 5 percent of the population identified as compulsive gamblers, there's no reason to believe that 5 percent of athletes, managers, and the people in the broadcast booths and press boxes aren't the same.

The media are a significant part of the problem. The same newspapers and TV commentators that leap to pillory a guy like Denny McLain are publishing point spreads, handicapping the horses, and providing other services to gamblers. Compulsive gambling is an impulse reaction and seeing the point spreads can be the spark that pushes compulsive gamblers to place bets.

Go to a sports event. You hear the buzzing in the stands when the home team is ahead but isn't making the spread. Any time there's an interception in football or a missed layup in basketball, you hear screaming that the game is being dumped. It's hard for sports to get and keep a clean image.

But when owners of sports teams are allowed to own race tracks or incur heavy gambling losses and still keep their franchises, how can you pick on Mickey Mantle and Willie Mays for working for a casino?

I've worked with an ex-major league player who got in trouble because of gambling, was sent to the minors, and ended up out of baseball. I worked with a minor leaguer who's no longer in baseball; gambling took its toll. I know athletes playing now who have serious gambling problems.

The answer is not to send athlete-gamblers to jail or drive them out of their livelihood. The answer—assuming they want help and are willing to make restitution where called for—is to send them into rehabilitation programs and Gamblers Anonymous.

I know team owners who've bailed star players out of their gambling debts or traded gambling players away to get rid of them. But the answer is not to bail a gambler out, ship him out, or lock him out; the answer is to help him help himself out.

GAMBLING SCANDALS

1919–1922: Eight Chicago White Sox players conspired with gamblers to throw the 1919 World Series. They were barred from baseball for life.

1951: Two Manhattan College players were accused of accepting $5,000 to fix games. Gambling scandals hit three other New York schools and Bradley University.

1952: Three ex-Kentucky stars were charged with taking $500 in bribes to fix a tournament game.

1961: Two gamblers were charged with bribing University of Connecticut players to keep scoring down.

1963: NFL players Paul Hornung and Alex Karras were suspended for betting on football games.

1970: Denny McLain, baseball pitcher, was suspended for alleged involvement with bookmakers.

1979: A Boston College forward and four others were convicted of conspiracy to engage in sports bribery.

1982: NFL quarterback Art Schlichter was suspended for betting, and reinstated after rehabilitation.●

STUDENTS' QUESTIONS ABOUT WORLD AFFAIRS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. DORNAN of California. Mr. Speaker, I wish to recognize Mr. Jim Silva, an outstanding teacher at Los Amigos High School in Fountain Valley, CA.

I addressed Mr. Silva's classes of 341 students, plus 11 faculty members and several parents recently and was very, very impressed with the broad range of questions asked by the group. Students touched on many of the questions that my colleagues and I wrestle with each day as we work to develop effective public policy.

I would like to share most of the students' questions with my colleagues. How goes it with the high school students in your districts? These young people today are most impressive.

Questions attached.

Why do we give so much foreign aid to Israel? Do they receive more than their share of American foreign aid?

Who do you see as the strongest Republican contender in 88? Jack Kemp or George Bush. Isn't Vice President Bush, really a liberal at heart?

Do you agree with Senator Barry Goldwater that the current administration is throwing money at Defense contractors. The example Goldwater used, was a military tank costing 3 million dollars in 1979 and the same tank costing 15 million in 1982.

Why was Cassius Clay entertained at the White House, after he refused to serve in the military? Wasn't that an insult to the American Men in uniform?

Do you feel Time magazine should have been forced to pay Israeli Defense Minister Ariel Sharon for the libel they were guilty of committing against Sharon.

What is the salary of a Congressman?

Does the government pay for you to move your furniture back to Washington and back to California if you are defeated. Does the government ever pay for your family to fly back to California?

Why does President Reagan allow moles to work in top security areas. It seems like a lot of vital information is leaked to the press. What do you think of the Washington Post and their article on our secret missile.

What is Rep. Edward F. Feighan like as a person. Do you think he created problems in South Korea, at the airport? Isn't the American Ambassador upset with him?

Why did Jesse Jackson go to Cuba and bring back criminals. Don't we have enough dope dealers in this country now. Did he do it for a joke?

Do you feel Ted Kennedy will be hard for the Republicans to beat if he should get his parties Presidential nomination? He seems to be a very Christian fellow, with his current trip to Africa and all.

Why did President Carter want to give the Panama Canal back? Do you feel that his top aide Hamilton Jordan gave him bad advice on numerous occasions?

After watching the CBS nightly news with Dan Rather, I get the feeling he is slanting the news to favor liberals. How can the American people be protected from the Dan Rathers and Tom Brokaws.

What is your definition of treason?

Why wasn't Jane Fonda tried for treason against the United States for her role in helping the North Viet Cong during the Viet Nam conflict?

Do you feel the President is incompetent in military areas? The President said he was responsible for the marines killed in Beirut. Rumor has it that our marine guards were guarding the compound with empty rifles. How could the President be that ignorant?●

DEFENSE DEPARTMENT'S WHITE PAPER ON CENTRAL AMERICA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BARNES. Mr. Speaker, recently we all received a slick publication from the Department of Defense, entitled "The Soviet-Cuban Connection in Central America and the Caribbean." While this white paper contains some valuable information, it may be misleading in several respects.

The Subcommittee on Western Hemisphere Affairs, which I have the honor to chair, recently held a hearing on the Soviet presence in Latin America. At that hearing, a noted scholar and author of a State Department study on the subject, Prof. C.G. Jacobsen of the University of Miami, presented a critique of the white paper. So that the Members will have the benefit of his analysis, I am submitting Professor Jacobsen's critique for the RECORD.

The article follows:

THE DEFENSE DEPARTMENT'S WHITE PAPER ON CENTRAL AMERICA

The second Reagan administration's first, early 1985 white paper on Central America embodies and epitomizes all the problems that plagued its precursors. It is rhetorically aggressive, and tendentious. But it contains few facts. Some of the hard data that is presented is misleading, because it is presented out of its proper context; some is mutually contradictory; none is new.

A credible case for reasoned American concern can be made. The white paper does not make it. It makes no reference to the now impressive body of scholarship that is available, and from which the solid data required for a realistic, balanced case could be extracted; nor does it refer to the exhaustively-documented (and State Department funded) Jacobsen Report of June 1984, on Soviet Attitudes Towards, Aid To, And Contacts With Central American Revolutionaries, which reflects the burgeoning trove of academic research, and which does make the case. Substitution of a caricature spectre for proper threat analysis invites disdain, and alienates allies.

The white paper edits on April 1983 discussion between Soviet Foreign Minister Gromyko and Grenadian Prime Minister Bishop, to suggest deceitful Soviet masking of aggressive intent. But the full Gromyko quote was cautionary. It reflected a late 1982 Soviet policy decision to adopt a lower profile—because of the escalatory dynamic of American military pressure on Managua, and because of growing realization of the limits of influence. Moscow gave enough to ward off accusations of betrayal. But she limited investment to one she could afford to lose.

The white paper figures show that Soviet-bloc military equipment still reaches Managua, but at a much-reduced rate. Today's administration figures show 1500 Soviet and East European trucks in Nicaragua; by early 1983 there were already more than 1350. Similarly, the 110 T-55 medium tanks represents only a modest increase on mid-1983 numbers (it was then that Nicaragua established its second tank brigade).

The tanks, and most of the conventional equipment acquired by the Sandinistas, are of considerable vintage, though of course still potent; the T-55s, first deployed in 1961, are a development of the T-34/85, of late World War II fame. They are not useful against guerrillas. And the lack of suitable terrain en route to, for example, Tegucigalpa, the Honduran capital, severely constrain their offensive potential. Amphibious capability, the ability to ford a river, is not useful if mountains and jungle preclude access to the river bank.

The Mi-25 helicopter gunships are modern, and eminently suited for counterinsurgence operations; they are not much use in hostile air environments (as against Honduran or other jets).

The spectre of Mig-21s, and of Bear reconnaissance flights appears unduly alarmist. The early-model Mig-21s (it entered service in 1959) that a country in Nicaragua's "ideological bracket" would normally receive would not ensure air superiority against Honduras. But that is irrelevant. Moscow clearly appreciates Washington's position that their introduction would constitute a casus belli. Available evidence suggests Soviet determination not to be cast in the role of instigator; it would dilute the propaganda harvest that she expects to reap in the event of final U.S. action.

Hypothetical Bear reconnaissance flights and Soviet naval facilities at Bluefield Bay fall in the same category; they would give undesired credence to Washington threat spectres. The most sensitive "targets" on the West Coast, in particular the Trident base complex in Puget Sound, are in any case nearly as far from insecure Nicaragua as they are from Soviet Far Eastern territories. Similarly, no Naval commander with access to Cuban ports would voluntarily redeploy to a facility so exposed to sabotage and attack, from such a plethora of hostile elements.

The white paper is not consistent. Some sections talk of real "Marxist" military threats and operations; elsewhere the danger is said to emenate from the "high degree of congruence in Soviet, Cuban and Nicaraguan foreign policy goals". The legitimacy of America's posture is said to derive from Nicaragua's position as a geographical neighbor, but when Nicaragua's force potential is compared to her "neighbors", U.S. forces in Honduras and off her coasts are excluded from consideration. (Rather than comparing Nicaragua's active and reserve forces with Brazil's active soldiery, it might be more relevant to note that Nicaragua's composite total is far smaller than Finland's).

The white paper lacks balance. It correctly states that Thomas Borge describes himself as Marxist-Leninist, but ignores the fact that Nicaragua's government also includes other tendencies, from "liberation theologians" to Cordova Rivas, former head of the Conservation Party. It notes guerrilla alliances in El Salvador and Guatemala, but ignores the fact that pro forma unity was imposed as a precondition for Cuban support, that internecine struggles continue, and that Soviet-oriented factions do not predominate.

It speaks of peasant alienation and opposition to Cuban and East-bloc "foreigners", which is real, but ignores the fact the extensive support for the Sandinistas, and for Salvadoran and Guatemalan rebels, is also real; "elaborate series of (supply) corridors" through what are heavily populated regions apparently escape interdiction.

El Salvadoran insurgents are said to have acquired American weapons from Vietnam, and there is no question that some such arms did indeed arrive, through a variety of channels, during 1972-82. But there is no evidence that this persisted. There is evidence that arms acquired since 1982 came courtesy of El Salvador's military; rebels now profess need of boots and medicine, not arms.

The white paper invokes Allied and Church support for El Salvadoran "elections," and for administration policies throughout the region. But both are misleading; both are simplistic. Nicaragua may be Marxist-dominated and she may incline to authoriarianism, but she is not (yet) a Soviet "satellite", either politically or economically—and a broader look at the evidence in fact suggests that she is not likely to become one. Moscow is resigned to minimal expectations. She has no illusions of this score; neither should Washington.

Nicaragua is a garrison state. But Western journalists attest to considerable more freedom to travel and probe there than in Guatemala. In fact, in terms of the killing or maiming of Western observers over the last five years, Guatemala makes Nicaragua look like a veritable haven.

Nevertheless, if the Sandinistas' Nicaragua is not "communist" in either the pure Marxist sense or in the Soviet sense, she is anti-American, and she does espouse an ideology, however diffuse, which does run counter to American interests. And while Moscow might realize that she cannot control or dictate events in this region, she does aspire to influence and mischief; she also views dynamics here not in the abstract, but as integral components of a global picture, a picture that also includes Afghanistan, and other pressures closer to home.

The gross exaggerations of the administration's preferred image of the region invites rebuke, and distracts attention from the real causes for concern. Caricature invites caricature, not debate. The administration's avoidance of real debate, indeed, its de facto suppression of read debate, is perturbing.●

A WARNING TO QADHAFI

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BROOMFIELD. Mr. Speaker, the administration's recent warning to Libya on terrorist activities is wel-

comed by all Americans who believe that Qadhafi has gone too far in promoting terrorism. The following New York Times article describes the Libyan leader's latest plans for terrorism.

As my colleagues know, Qadhafi recently announced the formation of a "Pan Arab Command" to carry out acts of violence against the United States, other Western nations, and moderate Arab regimes.

Our President wisely warned Qadhafi that he would be held responsible for any Libyan terrorist acts against the United States. His plan to form a "Pan Arab Command" is just one of a series of recent Libyan efforts in the area of terrorism. Just a few weeks ago, Qadhafi announced that the Sudan was Libyan territory and warned that President Reagan would lose his nose if he tried to interfere in developments in the Sudan.

In recent weeks, a Libyan anti-Qadhafi exile living in Bonn was gunned down by a Libyan hit man as he walked in that city. He is one of many exiled Libyans who have been assassinated by Libyan terrorists during the past few years. Qadhafi has also been accused of operating a radio station from a ship, anchored off the north African coast, that is allegedly broadcasting calls for north Africans to kill Zionists.

In addition to engaging in acts of terrorism itself, Libya trains, funds, and gives false documentation to terrorists from a variety of countries around the world. In a sense, terrorism has become an instrument of Libyan foreign policy.

Enough is enough, however. I commend the President for speaking out on this critical issue of putting a stop to mindless terrorism. Given the serious interest that the administration has in trying to do something about this growing menace, I would hope that Qadhafi and company are listening very carefully.

With these thoughts in mind, I recommend the following article on Libyan terrorism to my colleagues in the Congress.

[From the New York Times, Apr. 3, 1985]

U.S. WARNS LIBYAN LEADER ON TERROR GROUP

WASHINGTON, April 2.—The Reagan Administration criticized Col. Muammar el-Qaddafi of Libya today for his formation of a "Pan Arab command" to carry out acts of violence against the United States, other Western nations and moderate Arab regimes.

Following up on a similar warning to Iran made privately in recent weeks, the Administration publicly warned Colonel Qaddafi today that he would be held "fully responsible" for Libyan terrorism against the United States.

Colonel Qaddafi, who has repeatedly supported revolutionary movements, said on Sunday that "there is no alternative to confronting the enemy with violence."

Speaking in Tripoli at the conclusion of the first meeting of the Pan-Arab Command for Leading the Arab Revolutionary Forces, he praised the suicide attacks on American and other installations in the region.

"We want every one of us to say: I have decided to die just to spite America," he said. "If we could bring this nation to the point where it possesses this determination it will definitely win."

He said violence should be brought to bear against the United States and such countries as Egypt and the Sudan, which have been his chief adversaries.

Reflecting Washington's heightened security concerns, the Administration moved quickly to indicate that it took Colonel Qaddafi seriously.

"The world cannot tolerate the lawlessness and terrorism which Qaddafi so openly advocates," Bernard Kalb, the State Department spokesman, said. "He should know this and be aware that Libya will be held accountable for its actions."

"Our own views on terrorism and Colonel Qaddafi are well known," Mr. Kalb continued. "We will hold Qaddafi fully responsible for Libyan terrorism against Americans and other U.S. interests, whether carried out abroad or in the United States. Likewise, we will continue our consultations and cooperation to assist governments threatened by Libyan aggression."

How the new force announced by Colonel Qaddafi will operate is unclear. Its mission is to be a kind of supra-Arab force, not beholden to any one state, but organized and outfitted by the Libyans, and it would be so zealous as to be willing to carry out suicide attacks if necessary.

The Reagan Administration has condemned Libya for its acts of terrorism and in effect has severed most ties with it. But the Administration says it has been frustrated by the failure of other countries to isolate Libya.

On several occasions the Administration has moved aircraft carrier task forces into waters near Libya and in 1981 two Libyan planes were shot down by an American F-14.

Robert G. McFarlane, the White House national security adviser, said last week that the importance of having allied backing was "probably nowhere better exposed than in the case of Libya."

He said that the various sanctions taken by President Reagan in 1981, such as cutting off oil imports from Libya, refusing to sell Libya items that could benefit its economy and trying to dissuade Americans from living there, had some effect, "but I wouldn't pretend that it's had an effect of stopping Libya's behavior and support for terrorism."

He said that "until we can stop the training by Libya of other terrorists, the graduates of whose camps are spread from the Philippines to Ireland, Libya remains a menace and a risk to us, as well as our friends."

President Gaafar al-Nimeiry of the Sudan, who is in Washington on an unofficial visit, said today in an interview with United Press International that he had thwarted a plot by Moslem fundamentalists, armed by Iran, to overthrow his regime last week.

He said that the Moslem Brotherhood, which had led him to introduce Islamic law to the Sudan 18 months ago, had turned out to be too extreme, and that he had arrested 160 of its members. As a result, he said, the group organized the demonstrations against him. He said that they had received explosives and weapons from Iran.●

HELSINKI HUMAN RIGHTS DAY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LEVIN of Michigan. Mr. Speaker, Senate Joint Resolution 15, calling for the designation of May 7, 1985, as Helsinki Rights Day, has my wholehearted support. Human rights experts from all 35 signatories, including the United States, will assemble in Ottawa that day to begin a review of the implementation of the human rights provisions of the Helsinki accords. It has been nearly 10 years since this land mark agreement was signed by the nations of Europe and North America establishing the rights of individuals regarding their governments and affirming the right of individuals to be protected from their governments. Events during those 10 years have indeed demonstrated how relevant these rights are to the quality of human life.

The principle of the protection of individual liberty is firmly rooted in our own Government and the historical experience of our people. Over the last 200 years we as a nation have struggled to live up to that principle both at home and abroad. We have defended that principle in the world arena and advocated it as an essential component of Government. Our own commitment to this principle now embodied in the Helsinki accords should not falter because of all too common violations of those human rights accords by some of the signatories.

Yesterday, I learned that Abe Stolar, who is both an American citizen and a Soviet refusenik, has been told that he, his wife and son will be allowed to emigrate after 9 long years of waiting. Many of my colleagues are familiar with the tragedy of Mr. Stolar's case. As a young man Abe accompanied his parents to their native Russia. Without his knowledge or consent, Abe was made a Soviet citizen. He has lived as a law abiding citizen in the Soviet Union for the last 52 years; his only crime that he and his family filed for exit visas in 1975 so that they could leave the Soviet Union. And yet, the Helsinki accords, to which the Government of the Soviet Union agreed, guarantee a citizen's right to emigrate.

What then could be wrong now that Abe is being allowed to leave? During the 9 long years of waiting, Abe's son Michael has taken a bride, a happy occasion to be celebrated in most societies. But the Government of the Soviet Union is turning this family blessing into a family tragedy by refusing to allow Michael's wife to join the Stolar family as they begin their new life in Israel this Saturday, April 20, 1985. In clear violation of the spirit

of the Helsinki accords which guarantee freedom of religious practice to citizens of the signatory nations, the Government of the Soviet Union has refused to recognize the marriage of Michael and his wife Julia because it was performed by a rabbi. It is my fervent hope that the officials of the Soviet Government who are responsible for this unreasonable situation will reevaluate their decision and grant Julia Stolar permission to join her family as they emigrate to Israel this weekend. I urge my colleagues in the Congress to join me in asking the Soviet Government to reconsider its most unfortunate interpretation of the Helsinki accords.●

HISTORY OF HUMAN RIGHTS ABUSES IN HAITI

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. OWENS. Mr. Speaker, today I am introducing a concurrent resolution which seeks the withdrawal of the most recent certification that Haiti is making progress in ensuring human rights. This history of human rights abuses in Haiti is long and disheartening to all who are concerned about the dignity of mankind and the possibility that people can work together to better the conditions of their lives. However, the past is not as important as the present or future. As we review events of the last year, it becomes clear that the human rights situation in Haiti is not becoming better and that it may indeed be getting worse. Like the child's game of giant steps, Haiti takes one small step forward and one giant step backward. The small steps forward are the proclamations which recognize the basic rights and the giant steps backward are the summary arrests of those who dare to believe and act as if they could exercise those rights.

In the past, those who were politically active were most likely to be subjected to arrest, incommunicado detention, and physical abuse. In the last year, those who have been active in community development and work with the poor have also been subjected to arrest and abuse. Many of those arrested have been associated with the Catholic Church and these arrests have been protested by the church in Haiti.

Although one must view every situation within the context of a nation's history, economy, and culture, this has been used as a pretext for accepting the unacceptable in Haiti. For example, the Department of State noted that the Haitian Government acted with restraint when three people were killed last May. It is beyond belief that a similar statement would be acceptable after American police fired upon an American crowd and killed three people.

As I reviewed the Department of State's certification report I was confronted with example after example of accepting the unacceptable. Although I appreciate the candor of the report, I cannot accept the assumption that abuses are acceptable elsewhere.

There are no easy answers for Haiti. The country is poor and there is a great need for development of the infrastructure and industry. Measures must be taken to protect the agricultural land and replant forests which control water flow to that land. While development takes place, it is easy to overlook the day to day lives of the Haitian people. The day to day realities, however, are the most pressing issue for those who must endure the fear and hardship which result from the government's oppressive policies. The day to day realities are also our window through which the future of Haiti may be seen. The future does not look promising.

A resolution of this body and the other body will do little alone. It is my hope that a discussion of the issues will lead to a broad-based national commitment to support the political and economic development of Haiti for all of the Haitian people.

The resolution that I am introducing follows:

H. CON. RES. 120

Concurrent resolution expressing the sense of the Congress that the President should withdraw the determination that the Government of Haiti is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, and freedom of the press

Whereas the President determined in January 1985, pursuant to section 540 of the Foreign Assistance and Related Programs Appropriations Act, 1985 (contained in section 101 of Public Law 98-473), that the Government of Haiti "is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, and freedom of the press";

Whereas increasing numbers of Haitians have disappeared, including some who have been deported to Haiti by the United States;

Whereas in the February 1984 legislative elections, the Government of Haiti did not allow opposition candidates, resorted to intimidation and altering of results to secure victories in some areas, and arrested poll watches of Serge Beaulieu, the only independent candidate, who was defeated;

Whereas riots began in May 1984 after a pregnant woman was beaten to death, and although 3 other people were killed, the Department of State found that the Government acted with restraint;

Whereas two new independent publications, L'Information and Fraternite, joined the weekly LePetit Samedi Soir, but on June 18, 1984, the publishers of all three of these publications were jailed for 48 hours, the publisher of L'Information was beaten during that 48 hours and his arm was broken (which, as the Department of State observed, served as a reminder of the limits of freedom of the press), and Fraternite has not been published since June 1984;

Whereas Gregoire Eugene, a leading opposition figure, returned to Haiti in February 1984 but was not allowed to run in the election and was under house arrest from June through September 1984, and oppositionist Sylvio Claude was not permitted to run in the February 1984 elections, was put under house arrest and released after the elections, and went into hiding in July 1984 after his printing press was taken and his daughter beaten by a soldier; and

Whereas Haiti's representative to the United Nations Educational, Scientific and Cultural Organization, Hubert De Ronceray, was detained on July 4, 1984 for 48 hours and was then placed under house arrest and not released until September 23, 1984: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should withdraw the determination that the Government of Haiti is making progress toward improving the human rights situation in Haiti and progress toward implementing political reforms which are essential to the development of democracy in Haiti, such as progress toward the establishment of political parties, free elections, and freedom of the press.●

IDA REPLENISHMENTS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention an April 10, 1985 article in the Wall Street Journal regarding the International Development Association [IDA]. The authors are Steve H. Hanke and Alan Rufus Waters. As a member of the Foreign Operations Subcommittee on Appropriations, I have expressed numerous concerns during committee meetings regarding the IDA replenishments. As the article concludes, IDA loans frequently support economic practices that are the antithesis of free market policy and are out of step with those domestic economic policies that we know promote growth.

REAGAN SHOULDN'T GO SOFT ON FOREIGN LOANS

(By Steve H. Hanke and Alan Rufus Waters)

Bolstered by daily news accounts about famine in Africa, as well as pictures of its pitiable victims, foreign aid advocates are working Capitol Hill as if it were a French vineyard. They have expressed outrage about the Reagan administration's newfound, but tentative, unwillingness to commit itself to the future support of the

International Development Association. A member of the World Bank Group, IDA grants soft loans on highly concessional terms to lesser developed countries.

During hearings last month in the House, a sympathetic ear was given to the pleas for more aid, which were presented by no less than former secretary of the treasury Henry Fowler. It is clear that if the Reagan administration's new firmness on IDA is to amount to more than a sand castle facing a rising tide, it will have to fortify its position.

Although the Reagan administration will honor its May 1984 pledge of $2.5 billion to the Seventh Replenishment of IDA resources, it has put IDA and its client states on notice that "in light of current severe fiscal pressures, the administration is not budgeting at this time for future replenishments. . . ." U.S. budget issues aside, a substantive case can be made against future support for IDA. To this end, we will rely on information contained in "IDA In Retrospect," a volume published for the World Bank by the Oxford University Press.

IDA was established in 1960 to make concessional loans where commercial banks and multilateral development banks feared to tread. Since its establishment, IDA has expanded at a rapid rate. In fact, it has grown more rapidly than the economies of either the donor or recipient nations that participate in IDA. By July 1984, IDA had extended total credits of $33.7 billion. Loans are interest free with a 10-year grace period and 50 years to repay (minor fees are imposed). In IDA's own words, "These terms were designed to be as close as feasible to the economic equivalent of grants, while retaining the form of repayable loans."

Although some 40 nations have contributed funds to IDA, the U.S. has proved to be the softest touch, accounting for 31% of IDA's total funding. This percentage increases to 75%, if the contributions of Canada, France, Japan, the United Kingdom and West Germany are included with those of the U.S. Neither the Soviet Union nor its Warsaw Pact allies contribute to IDA.

Eighty-two countries have been recipients of IDA's largesse. Many of these, while more than willing to accept the West's soft loans, embrace an ideology that emanates from the East. Notable examples include; Laos, Ethiopia, Guinea-Bissau, Afghanistan, Vietnam and Tanzania. Red China, too, has become an effective sponge for IDA funds, soaking up close to $1 billion in credits.

These data reveal that one of the important unofficial premises used to justify U.S. participation in IDA—that our participation allows us to exert political influence on recipient nations—is questionable, at best.

The IDA soft loans have wrought two products; the seen and the unseen. We discuss these in turn. Most of the IDA credits have been channeled toward public works infrastructure projects that can indeed be seen. These public-sector monuments include: irrigation projects, roads, bridges, ports, railways, power stations, telecommunications systems, urban water and sewerage projects, schools and public housing. According to IDA's reckoning, these projects have generated respectable rates of return—the World Bank audited 183 projects and found an average rate of return of 21%.

If we accept these data at face value, the Reagan administration's unwillingness to fund future IDA replenishments would not, contrary to claims made by foreign-aid advocates, jeopardize so-called public infrastructure projects. Projects could be financed with commercial loans obtained at home or abroad, since projects could generate sufficient yields to service commercial credits.

The second IDA product, the unseen, should also give the Reagan administration further cause to withhold future IDA replenishments. This is the establishment and funding of state planning and management bureaucracies. IDA refers to the funding of these activities euphemistically as "institutional development and technical assistance programs." To take one example, but one that IDA considers to be its crown jewel, consider IDA's accomplishments in the Yemen Arab Republic (North Yemen). In 1970, when the YAR became a member of IDA, "the information needed to identify investment possibilities and to assess financial requirements was lacking." In consequence, IDA funds were used to establish the YAR Central Planning Organization, which "has played a central role in guiding the country's development. . . ." Apparently this was not enough, and so IDA funding was used to subsequently establish the following public entities: the Highway Authority, the Tihama Development Authority, the Industrial Estate Development Authority, the Yemen General Grain Corporation, the Yemen General Electric Corporation, the Industrial Bank of Yemen, the Ministry of Municipalities and Housing, and the National Water and Sewerage Authority.

These and like-minded institutions established by IDA have all had their inevitable consequences. They have provided jobs, publicity and perquisites for politicians and civil servants. Also, these public entities have provided effective mechanisms to keep the foreign aid flowing. For example, in the case of the YAR, these public bodies "have been able to be of significant assistance to the government in devising its economic and sector policies, developing national institutions, and preparing projects for other donors." But more important, these public planning institutions have acted to control and allocate resources in recipient nations, intervene in markets and politicize economic life in the lesser developed countries. These actions have dissipated economic wealth, retarded economic development and will guarantee that the wretched figures that we see on foreign-aid posters remain in a state of abject poverty.

Given that the Reagan administration advocates free markets, deregulation and privatization as a means for promoting economic growth at home, it would be disingenuous to embrace IDA funding that is used to establish public institutions that promote suffocating market interventions, regulations and nationalizations abroad.

That the Reagan administration is on solid ground in refusing to budget money for future IDA replenishments is evident. What is not clear is why the administration agreed to IDA's Seventh Replenishment in 1984 and whether President Reagan will, in fact, let the budget ax fall where it should.●

THE ANNUAL CANADIAN SEAL HUNT MUST BE STOPPED

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LANTOS. Mr. Speaker, the Canadian Royal Commission on Sealing and the Seal Industry is holding sessions here in Washington to receive testimony from American political leaders and environmental groups on this important and sensitive issue. Today, I presented a statement to the Royal Commission, and I would like to share with my colleagues in the House the testimony which I presented to the Commission:

Gentlemen, I would like to thank you for this opportunity to present testimony to you today. As one who has followed the Canadian seal hunt closely for many years, I am pleased to share my views with you.

I wish, first of all, to express my thanks to you for your visit to Washington, DC, to receive testimony here. It has been suggested by some that seals and the sealing industry is purely a Canadian concern. Seal hunting is of worldwide interest, it has international implications, and—most importantly—any action which affects the environment is a matter for global concern.

Furthermore, our two countries are closely linked by our common border, we share many rivers and lakes, and our economies are closely interrelated. The closeness of our two countries in so many areas suggests that the precedent which the Royal Commission has established should be followed in many other fields as well.

Americans have long followed the Canadian seal hunt with particular interest and deep concern. The overwhelming majority of Americans oppose the killing of baby seals—this is not simply the concern of a small number of animal welfare advocates but the strong belief of most Americans.

The appalling pain and unnecessary suffering of the annual seal slaughter is well known and thoroughly deplored—bludgeoning the defenseless baby seals and in many cases skinning them while they are still alive.

Mr. Chairman, in my testimony today I do not wish to focus on these ethical concerns, as important as they are. Many others have focused your attention on this issue. As a professional economist—I received my Ph.D. in economics at the University of California, Berkeley, and prior to my election to Congress I was a professor of economics at San Francisco State University—I wish to discuss the economic arguments of this matter.

It has become clear over the past few years that continuing the annual seal hunt is not only a gross violation of all humane standards, but it is also uneconomical for both the Government of Canada and for the Canadian seal hunters.

The sealing industry is not a major source of individual income in the Atlantic Provinces of Canada. Hunters have tried to claim that their livelihoods depend on sealing. The president of the Canadian Sealers Association, Mark Small, recently testifying before this Royal Commission argued, "Some say we hunt for sport, but it's to provide bread and butter to go on to my table. It's to send my boys to the university. It's a necessity." Such statements are extremely misleading.

The seal hunt lasts a maximum of 4 weeks each year. No fisherman has ever made a living exclusively from sealing—it is a supplementary source of income, and a very small one at that. For example, in Newfoundland, only a tiny fraction of the population—about 1 percent—is involved. The chairman of the Economic Council of Canada, Dr. Keith Fondel, estimates that

"sealing brings a gross return of some $5 million to Canada" (Science, February 19, 1982). Between 1976 and 1980 it is estimated that only between 5,000 and 7,000 sealers participated in the hunt, and the average return to the individual seal hunter varied from $400 to $700.

In reality, the sealers have seen remarkably little of the income generated by the hunt. Seventy-one percent of the sealers share only 12 percent of the income. The large fur-processing companies and the Government have received the bulk of the proceeds.

Furthermore, since 1982 the annual revenue from sealing has dropped dramatically. As all of us here are well aware, the reasons for this drastic reduction are not to be found in any actions taken by the Canadian Government which has provided generous subsidies to the sealers until this year. The decline in world markets has brought about this change.

The EEC ban on seal products followed widespread public outcry in individual member countries such as West Germany, Great Britan, and France. The people of these countries have demonstrated their indignation at the continuing hunt by simply refusing to purchase seal products. Nor does it appear likely that other markets will open up. Interest from the Japanese has been extremely limited, since the Japanese prefer softer furs such as mink. Bernard Nygoard—president of Carino, the last remaining Canadian buyer of seal pelts—acknowledged this: "This market as we know it has disappeared completely."

The Canadian Government has acknowledged that this is a dying industry by withdrawing its price supports. It is uneconomical for sealers to continue a 4-week annual hunt when there are no longer any purchasers of pelts. It is time for sealers to examine whether, in fact, other opportunities are not readily available to supplement their incomes.

Let me suggest at least one important area where opportunities exist for sealers to find alternative income—tourism. There is new interest in this growth industry—an interest which can benefit a much larger share of the population, including the seal hunters of the Atlantic Provinces. Increasingly, travelers are seeking out the unusual and taking more adventurous vacations. For example, we have witnessed increased interest in excursions to such places as the Antarctic, a part of the world formerly considered beyond the interest or reach of the average tourist. On both the Pacific and Atlantic coasts of the United States whale-watching expeditions have become commonplace.

In Canada there is already interest in selling seal watching. Dr. Eugene Lewis of the University of New Brunswick has formed a company to provide guided tours of the harp seal herds in the Gulf of St. Lawrence this spring. The New York firm of Linblad is also examining the market. Paul Watson, who testified earlier before this panel and who is currently carrying out a study of the possibilities of seal tourism, said, "The seal grounds are one of the most awesome wildlife experiences in the world today."

The service structure for tourism already exists in the Atlantic Provinces. The hotels of Prince Edwards Island, Nova Scotia, and Newfoundland are vastly underutilized during the winter and early spring months. Increased tourism in these slack seasons would create hundreds of new jobs. The role of the sealers would be key to the success of this venture, with their unrivalled knowledge of the terrain, weather conditions, and the behavior of the seals.

The Canadian Government has already launched an effort to encourage tourism. Tom McMillan—the new Canadian Minister of Tourism and a native of Prince Edward Island—stated in a recent interview: "Tourism is an economic entity * * * we are packaging the whole country. Every single Canadian is in the tourism business." Seal watching could be a significant new field with enormous potential.

The conclusion is obvious—it makes economic sense to stop the seal hunt, which contributes little to the economic health of the Atlantic Provinces because the markets for seal pelts no longer exist and Government subsidies have been withdrawn. It is time for the seal hunters to turn to the future and aggressively pursue alternative occupations which hold considerably more promise.●

THE NATIONAL ENTREPRENEURSHIP ACT

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. SCHUMER. Mr. Speaker, if our economy is going to prosper and return to full employment, we must ensure that sufficient capital is available for new businesses with a potential to grow rapidly. These young entrepreneurial businesses produce most of the new private sector jobs in our economy and generate most of the technological innovations and new products that we need to compete effectively in international markets. Unfortunately, these businesses have problems raising the capital they need to develop new innovations and bring them to market.

To launch a new business, most entrepreneurs must fend for themselves, frequently relying solely on personal savings and loans from friends and relatives. Only a select few can meet the stringent criteria needed to tap the venture capital market. Their projects do not hold out the prospect of extraordinarily high profits. Nor do they have a good probability of "going public" or merging with another corporation. Venture capitalists, in other words, are constantly on the look out for another Apple Computer or Genentech; they are generally not funding the thousands of potential entrepreneurs who have profitable, but not spectacular, job-producing, productivity-enhancing ideas. As a result of this "capital market gap," many promising businesses never see the light of day, not because they cannot pass muster in the market place, but because financial markets and existing financial institutions are not equipped to provide the vast majority of entrepreneurs with adequate financing at affordable prices and on reasonable repayment terms.

These capital market gaps take many forms. For example, insurance companies and pension funds control billions of dollars which they are usually willing to invest in long-term projects. However, they generally are not willing to make the large number of relatively small loans needed by entrepreneurs. Banks, on the other hand, have the specialized expertise to evaluate loan applications and the marketing network to service small borrowers. But for a variety of reasons, banks prefer to make short-term loans. Since entrepreneurs require long-term financing, an entrepreneurially oriented industrial policy should try to eliminate this gap by devising ways to combine the banks' ability to originate loans with the willingness of insurance companies and pension funds to provide long-term financing.

Capital availability is only one type of capital gap. Entrepreneurs also need "patient capital." New businesses often have a poor cash flow during their start-up phase. Only later, when the business is safely down the road to financial solvency, will its cash flow be sufficient to meet its debt service obligations. In view of these financial facts of life, a capital availability program should be structured so that repayment terms better suit the unique financial characteristics of start-up companies.

Investment decisions, of course, are best left to individual lenders and stock purchasers. But with some targeted changes in both our financial laws and regulations, I believe we can greatly improve the ability of individual investors and existing financial institutions to service the unique financial requirements of entrepreneurs.

With this in mind, I am proud to reintroduce the National Entrepreneurship Act which I first introduced in the 98th Congress. Senator HART today has joined me and is introducing the National Entrepreneurship Act in the Senate. This legislation should help to ensure that existing financial institutions are better equipped to provide adequate financing on affordable terms for new entrepreneurial ventures.

The National Entrepreneurship Act can fill an especially important niche in today's environment of helter skelter financial deregulation. To counter the trend toward financial concentration, we need new financial innovations on the lending side to ensure that sufficient capital is going to those small businessmen who can use it most effectively and profitably.

The National Entrepreneurship Act relies exclusively on the market-oriented decisions of entrepreneurs and financiers, with a minimum of Government supervision, interference, and red tape, to ensure that sufficient long-term, "patient" capital is avail-

able to help young businesses grow more rapidly and create more jobs. In addition, the National Entrepreneurship Act has several other desirable features:

It does not redistribute jobs from one region to another.

Government planners are not forced to pick winners or losers or to distinguish between sunrise and sunset industries.

It does not compete with private capital by offering subsidized interest rates for projects that are already receiving sufficient funding from private sources.

It serves a public purpose but the financing mechanisms are shielded from undue political interference and special interest pleading.

It allows investors to earn high rates of return on successful ventures to compensate for the extra risk of funding entrepreneurial activities.

It will help each State capitalize on its unique talents, skills, industrial structure, and comparative advantage.

The National Entrepreneurship Act has the following titles:

Loan loss reserve fund: Banks often view loans to new entrepreneurial businesses as extremely risky. Because these businesses do not have adequate collateral to compensate a bank in the event of a default, they cannot obtain loans to purchase plant and equipment. A loan loss reserve fund, however, will insure banks against losses and defaults on loans to these businesses. The fund will be financed by small payments from banks, borrowers, and the Federal Government. It will be sufficient to compensate banks for losses on any particular loan, although not their entire portfolio. This self-financed insurance fund will encourage banks to lend more aggressively, but it will also require them to act prudently since they will still bear part of the risk of default.

Matching grants for State venture capital/royalty finance corporations: Royalty finance is a form of long-term "patient" capital whereby an investor's return is based on a percentage of the sales revenues generated by each new product. With royalty financing, a new business can undertake longer-term projects because it will not have to start repaying investors until the product or innovation is a commercial success. Massachusetts and Connecticut have had great success with State-sponsored royalty finance corporations which provide grants to new entrepreneurial corporations that cannot obtain funds from traditional sources. The State corporation is repaid from royalties on new products and these royalties provide a revolving fund for continued and expanded operations. A matching grant program will encourage States to emulate these efforts and help other States expand their existing programs.

Pension investment units: Public and private pension funds have more than $850 billion of assets. However, State and Federal laws often prevent pension fund managers from investing these assets in the securities of new businesses. In addition, many pension fund managers do not have the resources to analyze the investment potential of new businesses whose securities are not actively traded on major exchanges. The Federal Government should make available matching grants to encourage the establishment of State-sponsored pension investment units that will recommend changes in State and Federal pension fund regulations and statutes and provide research about the investment opportunities of new entrepreneurial businesses in their States. This will allow pension funds to participate more actively in each State's economic development program. The higher returns from a more aggressive, but still prudent, investment strategy will also help to hold down pension costs for both private and public sector employers.

Secondary market for industrial mortgages: Commercial banks specialize in short-term business lending and have the facilities and specialized expertise to evaluate loan applications and to originate and service the large number of relatively small loans required by rapidly growing small businesses. Pension funds and insurance companies are a major source of long term capital for the U.S. economy but they are not well equipped to originate and service the large number of relatively small loans needed by rapidly growing new businesses. A Government sponsored secondary mortgage market will purchase industrial mortgages from banks and resell them to pension funds, insurance companies, and other institutional investors who are looking for long term investment opportunities. It will combine the unique talents and lending activities of commercial lenders with those of pension funds and insurance companies, thereby increasing the efficiency of U.S. capital markets and the amount of long-term capital that is available to finance purchases of plant and equipment. A similar Government-sponsored secondary market for residential mortgages helped increase home ownership and employment opportunities in the construction industry.

No single piece of legislation can hope to solve all the problems faced by entrepreneurs. But some carefully crafted changes in the financial system will go a long way towards ensuring the success of existing entrepreneurial ventures and, more importantly, guaranteeing that potential entrepreneurs who, until now have been shut out of the financial markets, will have an equal opportunity to launch their projects.●

FOOD ASSISTANCE AND AFRICA AGRICULTURE ACT OF 1985

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LELAND. Mr. Speaker, I am today joined by my colleagues, Representatives CONTE, DORGAN, DIXON, JEFFORDS, SCHNEIDER, BURTON, LOWRY and WEISS in introducing the Food Assistance and Africa Agriculture Act of 1985. Our bill is aimed, first of all, at the severe and complex long-term problems in Africa. The legislation provides support for the International Fund for Agricultural Development [IFAD]. IFAD aids poor farmers and landless laborers to improve agricultural production, emphasizing self-sufficiency, self-reliance, and self-sustenance. In addition to regular replenishment funding for IFAD, the bill supplies $100 million over 4 years for a special IFAD Program for sub-Sahara African countries affected by drought and desertification.

The second portion of our bill is aimed at the short-term problem, proposing $900 million for food aid grants under title II of the Public Law 480 Food for Peace Program for 1986. Although less than the fiscal year 1985 level, this is a more realistic assessment of needs in Africa and elsewhere than the administration's proposed $650 million. No one can say for sure exactly how much emergency food will be needed in 1986, but the need will likely be close to the 1985 needs, if not higher. With a more adequate budget now, emergency aid programs will not be subject again to the delays of a special supplemental bill and the private voluntary organizations will be able to plan their efforts knowing a stable and adequate supply of commodities is available to them.

In 1985, we are facing one of the most critical challenges of the century; the massive famine underway in sub-Sahara Africa. It has already resulted in the starvation deaths of tens of thousands. This tragic famine in Africa is really two tragedies. The first is the visible one, and we tend to remember it. People don't have food, and they're dying, and we see it on TV. The second tragedy is less visible, and we tend to forget it. Even before the current drought, the situation in Africa was deteriorating. Per capita food production has been falling for 20 years. Unless Africa's long-term problems are dealt with, frequent famine and massive starvation will plague that continent for the rest of this century and into the next.

The current crisis in Africa has many dimensions, but that which is of central concern to IFAD is the impact on their targeted group, the poorest

people in the world's poorest countries. As the 1984 OECD Review of Development Cooperation pointed out: "In 1983/84, drought drove millions of Africans deeper into poverty and further handicapped economic recovery efforts. Especially vulnerable are poor, chronically undernourished rural labourers, marginal farmers and herders, and families headed by women, and their many children." It is this group of rural poor that IFAD would seek to reach through its current and expanded operations.

The land in Africa is generally ecologically fragile, of variable soil quality, and scattered in small plots. Absolute land scarcity in terms of population per acre is not widespread but given the low productivity of presently cultivated land, marginally productive land is increasingly taken into production. The devastating effect of the recurrent droughts in many areas diminishes food production, increases the desertification of affected land and reduces the production potential in the longer run. Local ecosystems, exploited beyond their natural carrying capacity, are breaking down.

Consequently, it is vital to adopt a coherent approach to the question of increased food production, keeping in mind that the smallholder sector holds the key to the longer term and sustainable solution of the problems of chronic food deficits, malnutrition and poverty. This sector has been largely neglected in most recovery and/or rehabilitation programs in sub-Sahara Africa. The IFAD special program for sub-Sahara Africa proposes to contribute toward filling this gap by emphasizing the following priority areas of action:

(A) Concentrating on production of stable food crops which are mainly grown and consumed by the poorer sections of the population who are the primary target of this program.

(B) Assisting the small producers to recover their production base through improving their access to the necessary inputs—hand tools, draught oxen, simple implements, improved seeds/fertilizers, and agro-chemicals—and through quick-yielding programs aimed at rehabilitation, recovery and fuller capacity utilization.

(C) Helping to restructure the agricultural production base through adaptive research and field trials, strengthening the extension service and improving marketing systems and related infrastructures.

(D) Augmenting the communities' food security through construction or rehabilitation of small scale irrigation, water management and control measures, and development of related improved technology.

(E) Initiating measures for environmental protection, such as agro-forestry, shelter belts, soil conservation, and fertility buildups.

(F) Assisting governments in their efforts toward policy and institutional reform in support of the above approach.

Mr. Speaker, we are confident that IFAD is uniquely suited to helping overcome the problems of small farmers because of its documented, demonstrated success record of increasing food production capabilities among the most needy people of the Third World. Our replenishment contribution, along with a special U.S. contribution to IFAD's Africa work, as called for in the Food Assistance and Africa Agriculture Act, would also lead other nations to contribute. Poor countries whose poorest people would become more self-sufficient through IFAD projects also contribute this "multiplier effect" in these budget conscious times, makes good economic sense in approaching the critical challenges of African hunger. The Belgium Government has already committed $58 million to the IFAD special program for Africa, and France, Italy, Norway, Finland, Sweden, Demark, and the Netherlands have stated their willingness to contribute.

Today, Africa is a continent in trouble. The United States could make certain choices that increase the likelihood that Africa's future will be a hungry one. Alternatively, the United States can strengthen its leadership in foreign assistance, coordinating with other nations to help Africans reach a future of food security and self-reliance. The Food Assistance and Africa Agriculture Act embodies this second option.●

PESTICIDE EXPORTS

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, I would like to share with my colleagues a newspaper article that reveals some of the problems created by our policy of exporting pesticides never registered, restricted, or banned in this country.

The health and environmental problems that are created by use and overuse of these deadly chemicals abroad are far more serious than we tend to acknowledge, and there is no indication that we are doing anything to remedy the situation. We are deceiving ourselves if we think that the problem is not ours. No one has any idea of the extent to which the imported produce sitting on our grocery shelves is adulterated with chemicals that may in themselves be within legal residue limits, but combined with other residues may be a time bomb. Our ability to develop new chemical combinations far exceeds our ability to understand the long-term safety implications of the products.

I have introduced modest legislation, H.R. 1416, the Pesticide Import-Export Act of 1985, to at least make our Government agencies aware of the pesticides we export and make foreign government agencies acknowledge the dangers of the pesticides they are importing. The only way we will come to grips with the problem is when we acknowledge that we have one.

[From the Washington Post, Apr. 11, 1985]

BANNED PESTICIDES FIND MARKETS ABROAD

(By Jack Anderson and Joseph Spear)

Each year American chemical companies export nearly $1 billion worth of pesticides that are unregistered, restricted or banned in the United States.

When these deadly chemicals are used by Third World farmers ignorant of the dangers, the results can be catastrophic. For example:

In Brazil, 13 children who lived on the same village street became mysteriously, violently ill. They sweated, foamed at the mouth, vomited and went into convulsions. Most died within a few days. The only survivor, an 8-year-old girl, was fatally stricken with the same symptoms a few weeks later. An autopsy showed unusually high levels of aldrin and its breakdown product, dieldrin, in her blood and liver. These U.S.-manufactured pesticides were banned in the United States the year before.

In Tiajuana, Mexico, 17 people died and more than 300 got sick after eating sugar contaminated with parathion, a pesticide whose use is restricted in the United States, but whose manufacture is not.

In a single province of Thailand, out of a population of 3,789, 24 died and 320 others became ill from pesticides used on local crops. A government study found dangerous levels of pesticide residues in 75 percent of rice and flour samples, in more than 40 percent of vegetables and in milk, cooking oil and fresh-water fish.

In Egypt, exposure to the pesticide phosvel killed more than 1,000 water buffalo and an undisclosed number of people. Rural families suffered convulsions, speech difficulties, loss of bladder control and other symptoms. Phosvel is manufactured in the United States solely for export; its use has never been permitted in this country because of the danger to humans.

These horror stories, which occurred over the past two decades, were compiled by Julian Epstein, an aid to Rep. John Conyers Jr. (D-Mich.), from internal government documents and other sources.

The chemical industry defends its export of pesticides that are banned or restricted here, arguing that they are a necessary evil in the battle against famine and disease in the Third World.

But Epstein challenges the effectiveness of the pesticides in achieving these goals and notes that at least half of the pesticides imported by the Third World countries are used on crops that will be exported to Western Europe and the United States.

What strikes environmentalists as unconscionable about the pesticide exports—which amount to some $2.8 billion a year—is that the dangers are widely misunderstood by the farmers who use them. Even the officials responsible for distributing them are often uninformed.

When warnings are written in the native language and can be read by the users, the chemicals are often mislabeled.

The United States is the only country that voted against a U.N. resolution that would make a list of hazardous exports available. After initially supporting the U.N. effort, the Environmental Protection Agency cautioned in an internal document seen by our associate Vicki Warren that "we think it is also in the U.S. interest to refine such a listing in a way that would minimize any unwarranted disruptions to international trade." ●

SECRETARY WILLIAM BENNETT'S SUPPORT FOR EDUCATIONAL REFORM

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BENNETT. Mr. Speaker, Secretary of Education William J. Bennett recently spoke before the National Press Club and urged that schools add to the three R's of reading, writing and arithmetic, three C's—content, character, and choice.

As to content he said every student should "receive a common education," and that good teaching "does more than teach skills"; saying further that "skills are important but knowledge is at least as important, and knowledge can come only from content." As to choice, Bennett advocated a voucher system that would allow parents to choose whichever available school is preferred.

The 97th Congress passed a law which I introduced and which provides assistance to local schools in teaching good citizenship, 20 U.S.C. 3842(1)(J). So, I was particularly interested to note what Secretary Bennett said on his third "c"—character. After saying that the Federal Government would not dictate the content or curriculums he made the following comments on character education:

"Americans have always believed that in education the development of intellect and character go hand in hand." Three different but persuasive authorities are worth noting. First, Thomas Jefferson. Listing for the citizens of his day several basic requirements for a sound education, he wrote not only of writing, calculation, and geography, but also of the importance of what he termed "the improvement of one's morals and faculties."

Second, 200 years later, there is the Gallup Poll. Last year Gallup found that Americans in overwhelming number want schools to do two things: to teach students how to read, speak, and write correctly, and to help them develop a reliable standard of right and wrong.

Finally, there is Patricia Graham, dean of Harvard's School of Education. Writing last year in Daedalus magazine, she said that "the primary responsibility for our schools should be to nurture and to enhance the wit and the character of the young." There you have it: Thomas Jefferson, the American people, and Harvard's dean of education—a convincing trio.

What is character? Webster defines it as "strength of mind, individuality, independence, moral quality." We could, of course, include more. We must teach thoughtfulness, fidelity, kindness, honesty, respect for law, standards of right and wrong, diligence, fairness, and self-discipline.

But how? It seems many of our schools have forgotten the answer. In recent years, although we have not overintellectualized the curriculum, ironically we have tried to intellectualize moral development. Many have turned to a whole range of "values education" theories and practices where the goal is to guide children in developing their own values by discussion, dialog, simulation, and even game.

While it is true that good character can have an intellectual aspect, the development of intellect has never guaranteed the development of good character. Germany in the 1930's was intellectually advanced. Aristotle knew, and psychologists confirm today, that it is habit which develops virtues, habit shaped not only by precept but by example as well. "It makes no small difference," Aristotle wrote, "whether we form habits of one kind or another from our very youth; it makes a very great difference, or rather all the difference." It is by exposing our children to good character and inviting its imitation that we will transmit to them good character.

Teaching character begins where it must—in the home, starting with those early childhood years from infancy to age 6. But after that our schools must help. And a school must have character if it is to transmit character to its students. What does this mean?

First, teachers and principals must be willing to articulate ideas and convictions to students. As Oxford's Mary Warnock has written:

> You cannot teach morality without being committed to morality yourself; and you cannot be committed to morality yourself without holding that some things are right and others wrong.

Second, the character of a school, its ethos, is determined by not only articulation but the behavior of authorities. We must—there is no other way—have principals and teachers who know the difference between right and wrong, good and bad, and who make an effort to live the difference in front of pupils. Last Sunday on television, I saw the athletic director and head of the Peer Drug Counseling Program at Spingarn High School. He put it this way: "You can't counsel to be drug free unless you are drug free."

I am not talking about browbeating students into accepting points of view. That is simply indoctrination, which we all deplore. I am talking about intellectual honesty and ethical candor. To put students in the presence of a morally mature adult who speaks honestly to them is not to violate their rights. On the contrary, it is the surest way to foster their moral growth. In this business of character, there has never been anything as important as the quiet power of moral example.

The character of a school is also determined by the kind of place it is. Here I am speaking of the physical and moral tone of the school premises, again its ethos. School effectiveness studies have shown us over and over again the importance of both of these elements. A school with broken window panes, graffitied walls, and littered floors is, strictly speaking, a school that has failed one of its own lessons. A careless environment is bound to affect student habit. Plato tells us in the Republic that the stamp of baseness on a building will sink deep into the souls of those whom it surrounds.

There are, of course, less subtle and more palpable forms of disorderliness. One is called drug abuse, and that includes alcoholism. Last week the student chosen by the National Association of Secondary School Principals as the outstandiang student leader of 1985 said the biggest problem confronting our school is teenage alcoholism. He summed up the problem with five words. "Everywhere you look, there's liquor," he said.

The point is that orderliness should prevail in a school aspiring to transmit good character. Schools run in a disciplined manner can teach self-discipline to students. As Prof. Amitai Etzioni has recently pointed out, a lack of self-discipline might be our students' greatest failure, the cause of so many other failures. The problem of school character demands our teachers' and principals' deepest commitment to both example and discipline. As for school crime the Federal Government can help and is helping.

As any parent knows, teaching character is a difficult task, But it is a crucial task because we want all our children to be not only healthy, happy and successful but decent, strong, and good. None of this happens automatically; there is no genetic transmission of virtue. It takes conscious, committed effort. It takes attention. We must give it more.●

NEW PARENTAL LEAVE BILL INTRODUCED

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mrs. SCHROEDER. Mr. Speaker, I want to bring to the attention of my colleagues H.R. 2020 the Parental and Disability Leave Act of 1985. This legislation would establish a national leave policy for working parents.

Our country was built on a model of the family where men worked in the labor force and women worked in the home, raising the children. But it is not that way in every household today.

The structure of the family has been changing over the past years. More women are working in the paid labor force and more men are sharing in childrearing responsibilities. Too often, however, family security and responsibility are in conflict with employment policies.

Women currently constitute 43 percent of the labor force. They are making essential contributions to their family's income. Sixteen percent of American families are headed by women and 41 percent of married working women have husbands who earn less than $15,000 a year.

The most dramatic increase of women workers has been among mothers of preschool children. Eighty percent of working women are likely to become pregnant during their working lives, and increasingly, these women are working through their pregnancies, then returning to work as quickly as possible after childbirth. In 1984, half of all mothers with children under the age of 3 were in the labor force, as compared to 30 percent in 1970.

These facts create a new reality of parenthood in this country: Either both or the sole parent of very young infants are working fulltime. Women are increasingly assuming responsibility for the support as well as the care of their families. With this in mind, we must foster employment policies that recognize the financial and nurturing responsibility of today's parents.

Mr. Speaker, current law prohibits discrimination against pregnant workers, but we have no policy providing job security to workers in the event of pregnancy-related disability or childbirth. The Pregnancy Discrimination Act of 1978 requires that pregnancy-related disabilities be treated like other short-term disabilities. The law does not, however, require employers to provide leave for any employee.

Many employers do offer some sort of leave for parenting reasons. Three-quarters of employers provide unpaid maternity leave, one-third offer unpaid paternity leave, and half provide disability insurance to their employees. The obvious gap in coverage means, of course, that many workers have no leave or job protection at all.

H.R. 2020 would fill this void. It requires employers to furnish a minimum of 4 months, leave for parents who choose to stay home with a newborn, newly adopted, or seriously ill child. In addition, the legislation requires 6 months' leave time for pregnancy-related and other temporary disabilities. In both cases, job reinstatement would be guaranteed upon return to work.

The bill is compatible with title VII of the Civil Rights Act of 1964, which prohibits employment discrimination. Job-protected leave for both temporary disability and parenting would be available on a gender-neutral basis. All workers would receive equal protection under the law.

While job guarantee is the first component in the economic security of families, wage replacement is equally critical. H.R. 2020 calls for the establishment of a commission to study and make recommendations on the implementation of a national paid parental leave and disability policy.

Five States have already implemented temporary disability insurance [TDI] programs, wherein employees and/or employers contribute to a wage-replacement fund for disabled workers. I look forward to exploring the experiences of these States in implementing their programs, as a possible model for national initiative.

The United States is the only country in the industrialized world without a policy providing some period of job-protected maternity leave with some level of wage replacement. It is about time we caught up.

American women are in the labor force to stay. We must acknowledge that the Ozzie-and-Harriet-style family—where one parent worked and the other stayed in the home to raise the family—no longer predominates. H.R. 2020 is a first step toward meeting the reality of a new generation of families, where single or both parents are striving to sustain and nurture their families.

[The text of the bill follows:]

H.R. 2020: THE PARENTAL AND DISABILITY LEAVE ACT OF 1985

I. PURPOSE

To promote the economic security of families by guaranteeing jobs to wage earners who are temporarily disabled or who choose to take a period of leave upon the birth, adoption or serious illness of a child and by exploring methods of implementing wage-replacement for such leaves.

II. PARENTAL AND DISABILITY LEAVE REQUIREMENTS

A. Disability Leave:

All employers must provide a minimum of 26 weeks leave for all employees who are temporarily unable to work due to nonoccupational, short-term disability with reinstatement to the same job upon their return.

The employer is required to continue health insurance coverage for the employee with the same employee/employer payment scheme. The employer is also required to maintain the employee's pre-leave benefit status (seniority, pension, etc.) through the leave period.

The Secretary will propose reasonable regulations for the verification of temporary disability which may include standard periods of absence for common disabilities and physician certification, so long as such regulations apply to all disabilities.

B. Parental Leave:

All employers must provide a minimum of 18 weeks leave for any employee who chooses to stay home to parent a newborn, newly-adopted, or seriously ill child with reinstatement to the same job upon his/her return.

The employee shall be allowed to return to work on a reduced schedule so long as the total length of parental leave does not exceed 39 consecutive weeks.

The employer is required to continue health insurance coverage for the employee with the same employee/employer payment scheme. The employer is also required to maintain the employee's pre-leave benefit status (seniority, pension, etc.) through the leave period.

The Secretary shall propose reasonable regulations for the verification of eligibility for parental leave and notice to the employer in advance of commencing such leave.

C. Other Employer Requirements:

All leave provided in accordance with sections A and B, must be provided on a sex-neutral basis.

No retaliatory actions may be taken against employees who take advantage of these leave provisions.

All employers in interstate commerce, including the government of a state and the government of the United States, are covered by the Act.

III. STUDY

Congress shall establish a commission to study and recommend within two years means for implementing a national paid disability and parental leave policy.●

INTRODUCTION OF LEGISLATION TO RESOLVE THE IMPUTED INTEREST CONTROVERSY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MATSUI. Mr. Speaker, today I am introducing legislation that offers a permanent solution to the imputed interest controversy that has been the subject of intense public debate since the 1984 Tax Reform Act was passed. The stopgap corrective legislation which Congress enacted last year expires July 1 and I urge my colleagues to join me in an effort to resolve this issue.

The distinguished chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, promised this body last June that he would address and resolve the imputed interest issue before the transition rules expired. My good

friend from Illinois is fulfilling that promise by scheduling hearings on the issue for April 24. I applaud the chairman for this action as it would be devastating to let the transition rules expire without passing a workable solution.

As my colleagues are aware, the Deficit Reduction Act contains provisions that threaten to substantially disrupt, if not stop entirely, legitimate and economically motivated real estate transactions. This threat is contained in law that increases the required interest rate for seller financed real property transactions from 9 percent to a significantly higher figure of 110 percent of the Federal borrowing rate for similar maturities. This means that a seller financing a sale of real property for 10 years must charge the buyer 110 percent of the rate which the Federal Government says on 10-year obligations. Should the seller fail to charge an interest rate of at least this amount, the draconian imputed interest provisions will impute a rate of 120 percent of the Federal rate to the seller for tax purposes. This, I contend, imposes a tremendously counterproductive, chilling effect on the real estate market.

For example, last summer the long-term Federal borrowing rate was 13 percent—meaning that an owner financing the sale of property would have been required to charge at least 14.3 percent interest. This would create an impediment to many real estate transactions. The higher the conventional market interest rates, the more serious the chilling effect becomes because it is during high interest rate periods that seller financing is most needed.

Industry representatives have informed me that seller financing affects about $30 billion of rental, residential, commercial, and industrial sales. These sales contribute $6 billion to the gross national product which represents about 120,000 full-time jobs and about $2 billion in Federal, State, and local tax revenue. It is imperative that an acceptable solution to the imputed interest issue be reached so as not to put these sales in jeopardy.

The legislation I am introducing today contains such a solution. My bill will change the safe harbor and imputed interest rates so that they more adequately and reasonably reflect the current states of interest rates for real estate. This bill provides that for seller financing amounts below $4 million, the lower of 9 percent interest or 80 percent of the applicable Federal rate would be the test rate. If this rate is not met, the lower of 10 percent interest or 90 percent of the Federal rate will be imputed. For seller financed amounts in excess of $4 million, a safe harbor rate of 80 percent of the Federal rate and an imputed rate of 90 percent of the Federal rate will apply.

The importance of this 80 percent test rate particularly comes into play if interest rates rise again to the 15 to 17 percent levels. If interest rates get that high, seller financing becomes the only way that a seller can find a buyer for his property. The primary motivation is not tax avoidance, but simply a need for individuals to avoid a price for money which is for all but the richest too expensive.

My bill also solves the mismatching of income and deductions problem between buyer and seller that Treasury expressed such concern about last year. Under the provisions of my legislation, seller financed transactions below $4 million will be exempt from the original issue discount provisions in the act. Instead, both the seller and purchaser must agree to report the transaction for income tax purposes under the same method of accounting; that is, either the cash or the accrued method.

Furthermore, this bill will clarify the uncertainty of the status of assumed loans and wraparound loans with regard to original issues discount and imputed interest. Assumed loan amounts below $4 million will be exempt from OID and imputed interest provisions. Also exempted is the net amount of a wraparound mortgage below $4 million except for the amount of any preexisting underlying obligation. In determining whether the 9 percent or 80 percent safe harbor rate is met, the interest rate of the seller's wraparound mortgage and the net cash flow from the prior obligation will be considered. Mr. Speaker, if there are no objections, I would like to submit a factsheet for the RECORD that outlines the provisions of my bill.

A solution to the imputed interest issue should not focus primarily on preventing a perceived tax abuse as the drafters of the present imputed interest provisions have done. Seller financing is not a tool used to facilitate tax abuse. It is a means of structuring a real estate transaction so that it is affordable to potential buyers. The American public does not need government interjecting itself into the reasonable and customary real estate transactions that occur daily. The American public needs flexibility and certainty to conduct its business. The solution I propose to the imputed interest issue will provide the measure of flexibility that the real estate industry needs. This approach is simple, straightforward and allows for an orderly real estate market in any interest rate scenario.

I urge my colleagues to support this legislation.●

51-059 O-86-42 (Pt. 6)

PENETRATING THE IDEOLOGICAL ENIGMA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FIELDS. Mr. Speaker, I recall that during the political debates surrounding the Law of the Sea Treaty the most laughable accusation made by the protreaty forces was that President Reagan was guilty of interjecting ideology into the process. By this was meant, of course, that President Reagan simply opposed parts of the treaty.

The important point is that few in our society even know what ideology really is, let alone what dangers this ignorance presents to Western society generally and the United States particularly. Few understand the uses and powers of ideology, particularly when it is packaged by Marxists with pretenses toward science.

A potentially strong antidote to ideological ignorance has arrived in the form of a book by political scientist Kenneth Minogue entitled, "Alien Powers: The Pure Theory of Ideology." The ambition of the book is to penetrate the enigmatic nature of ideology and analyze it in understandable terminology. Of the many revelations upon the subject, just this one would make the writing and the reading invaluable: Ideology is not just an idea; it is a way of using ideas in the service of power.

Consider the following from Helene Carrere d'Encausse's masterful work, "Confiscated Power: How Soviet Russia Really Works:"

> Ideologies of this type cannot be spread in a vague manner. They demand a weighty apparatus that directs, educates, and reassures society and keeps it constantly in contact with the certainties which are the basis of power. This explains the fact that ideology occupies a central place in the Soviet system, that it covers the whole spectrum of social and private activities, and that it penetrates all areas of individual and group existence. * * * It explains, finally, the importance in Soviet society of the group that is the guardian of the ideology: the Party.

Mr. Speaker, in 1917 Lenin had a choice to make between power of the workers and power exercised in the name of the workers. Since he had openly characterized Marx's utopian stateless society as a fairy tale, Lenin simply confiscated political power into his own hands and that of the Party. From this initial choice by Lenin flowed the entire Soviet system as we know it today: A single monolithic party, and an ideology in possession of a monopoly on the truth. As Helen Carrere observed:

> "* * * the Soviet system might change its methods or choices, but the mono-organizational and mono-ideological system re-

mained inviolable, for this inviolability was the source of its legitimacy and invulnerability."

Mr. Speaker, I am pleased to enter into the RECORD a review of Professor Menogue's vital and important book, reviewed by the respected columnist Joseph Sobran.

I urge my colleagues to read this review in a thoughtful manner, hoping it will spur them to study the book itself. As Mr. Sobran points out, Professor Minogue considers ideology, particularly Soviet ideology, as a dagger at the heart of Western civilization. I offer a special invitation to those among us who claim to subscribe to no formal ideology, but who "always seem to be on hand to agree with the West's ideological accusers and to arrange, on our behalf, the terms of surrender." This includes charter members of Mrs. Kirkpatrick's "blame America first" crowd.

[From the Washington Times, Apr. 9, 1985]

PENETRATING THE IDEOLOGICAL ENIGMA

(By Joseph Sobran)

President Reagan says that the Soviets' unapologetic murder of Maj. Arthur Nicholson only shows the necessity of a summit conference. On the contrary, it proves the futility of any attempt at "dialogue" with the Soviets.

After nearly 70 years of facing a Communist enemy bent on its destruction, the West still has not learned how to cope with the phenomenon of ideology—or even how to comprehend it.

Help now has arrived from England, in the form of a brilliant new book by the political scientist Kenneth Minogue. Its title is "Alien Powers: The Pure Theory of Ideology," and like all Professor Minogue's work, it amounts to a trenchant defense of political common sense against the fashionable fanaticism. It is not easy reading, but that is because its ambition is to penetrate and analyze what has hitherto been an enigma.

Mr. Minogue uses the term "ideology" in a special way. By it he means not just a political doctrine or philosophy, but, more specifically, those kinds of doctrines that profess to offer "liberation" in the very act of analyzing society. Liberation from what? From the "alien powers" that Marx said "enslaved" individuals under the guise of modern freedom. And where are these "alien powers?" According to Marxism, they are everywhere.

As seen by Marxism and such variant ideologies as feminism, the world is nothing but a structure of domination. Everything can be reduced to, and understood in terms of sheer power. Do you think you are free? Aha, says the Marxist. The illusion of freedom is part of the apparatus of oppression. The crafty capitalist ruling class only makes you think you are free, the better to oppress you, my dear. The very fact that you think you are free thus proves you are a slave. Even your mind is in chains. Thus ideology defies refutation, or even critical analysis.

Men oppress women, says feminism. Did that nice man hold the door for you? Aha, cries the feminist. That is only one more strategy of male domination, different from rape only in degree. Even the woman who appreciates that difference in degree is sadly in need of a bit of consciousness-raising.

"Consciousness-raising" is an essential part of the ideological arsenal of conceptual weaponry. It means training in the paranoid skill of interpreting one's own experience of freedom as masked persecution. Let your Marxist brothers or feminist sisters teach you how badly off you really are. Dare to be alienated.

The value of the paranoid structure of ideological thought is that it puts the ideologue in the right at all times, under all circumstances. Every aggression become an act of self-defense. The Soviets are particularly skillful at interpreting their own behavior as defensive. They're currently defending themselves against men, women, and children in Afghan villages. They were defending it in East Germany against Maj. Nicholson. They constantly defend it against hundreds of millions of class enemies, real and potential, including the pope.

As Mr. Minogue notes, ideology pretends to be scientific but assumes the character of revelation, beyond criticism, beyond good and evil. From Marx on, ideologues have been intolerant in a special way: They admit of no possibility of legitimate disagreement with themselves. Marxism has thus traditionally reposited its "scientific" knowledge in the personal authority of a charismatic leader or revolutionary vanguard. Cross him, or it, and you are excommunicated, an enemy of truth. Some "science!"

Ideology, therefore, is not just an idea: It is a way of using ideas in the service of power. The disposition to use ideas as means of power indicates, Mr. Minogue observes, the ideological preoccupation with power as both explanation and answer for every evil.

In spite of its many and obvious fallacies, ideology works. It arms the cynics, inspires dreamers, activates latent resentments, and disarms its intended victims. If, as Mr. Minogue puts it, "ideology is a dagger pointing to the heart of modern Western civilization," one would like to hear him say more about those people within the West who, without subscribing formally to ideology, always seem to be on hand to agree with the West's ideological accusers and to arrange, on our behalf, the terms of surrender.

The West cannot afford to be represented by Ramsey Clark, Andrew Young, or William Sloane Coffin. It needs spokesmen like—I was about to say Ronald Reagan.●

OSHA IGNORES HEALTH OF FARM WORKERS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. VENTO. Mr. Speaker, last week the Occupational Safety and Health Administration [OSHA] announced that it would not propose a Federal standard for field sanitation for farm workers. Thousands of farm workers, including many children, work long, hard hours to harvest the vegetables and fruit which we all enjoy on our dinner tables. Numerous medical studies and indeed an exhaustive study by OSHA's own staff have clearly established the need for an effective field sanitation standard for farm workers. Infectious and parasitic diseases have been shown to be common among farm workers who do not have access to clean water and toilet facilities. Unfortunately, OSHA has chosen to look the other way and ignore this problem.

Perhaps most disturbing about this decision was the comment made by OSHA Administrator Robert Rowland who said that OSHA's refusal to implement a field sanitation standard was justified because if such a standard was issued it would be a low priority item for enforcement. Once again, we see another example of OSHA's insensitivity to its mandate to protect the health and safety of American workers. Mr. Rowland is sworn to uphold the law, and yet despite the overwhelming evidence in support of issuing a field sanitation standard, Mr. Rowland refuses to do so because its enforcement would be relegated a low priority. If the enforcement of future health and safety standards will be lax, it is only because Mr. Rowland and his subordinates within OSHA have decided that they will not enforce their agency's own standards. If this is the case, perhaps Mr. Rowland should consider resigning and turning over his duties to someone who intends to meet his responsibilities. Unfortunately, the Reagan administration has had a remarkable inability to appoint any individual to a position of responsibility within OSHA who has any great enthusiasm for protecting workers' health and safety. Instead, the emphasis is upon reducing inspections of workplaces and reducing the numbers of inspectors who carry out these functions.

Mr. Speaker, an editorial in the Washington Post (4/16/85) condemns OSHA's backtracking on the field sanitation standard and reminds us of the "Harvest of Shame." The "shame" is OSHA's. I am hopeful that the representatives of the Nation's farmworkers will appeal OSHA's decision through the courts to overturn this abdication of responsibility.

[From the Washington Post, Apr. 16, 1985]

HARVEST OF SHAME, 1980's STYLE

Twenty-five years ago, Edward R. Murrow's documentary, "Harvest of Shame," aroused the public's conscience by revealing the ghastly conditions in which migrant field workers toil to bring a fresh and varied diet to the tables of this wealthy country. Since then, when migrant workers are found held in bondage or a migrant child dies from dysentery, public concern again flares momentarily. Congress may even tighten slightly the poorly enforced standards meant to curb the worst abuses. But there can be no better testimony to the ephemeral quality of this concern than last week's decision by the Occupational Safety and Health Administration to kill a long-awaited rule requiring that fresh water and toilets be provided to field workers.

There is a sick joke quality about the Labor Department's justification of its decision. OSHA Director Robert Rowland says that even if a federal standard had been set, it would have been laxly enforced. Well, he

is certainly in a position to know how often his agency disregards its own rules. Mr. Rowland notes, moreover, that migrants in 13 states are already covered by some sort of sanitation standards. Perhaps he thinks that those in other states can simply move across state lines when they feel the urge. After all, they're migrants aren't they?

You should know that we are not talking about unnecessary frills. Thousands of field workers and their children are forced to toil for long hours in the hot sun with, at best, a bucket of contaminated water from which to drink and no access to toilet facilities. Numerous studies, including studies by Johns Hopkins University of workers on the nearby Delmarva Peninsula, have shown that, as a result of these primitive conditions, workers suffer high rates of infectious, parasitic and toxic diseases.

One expert, recently hired by OSHA to review all available evidence, concluded that parasitic disease is more common among U.S. field workers than among Guatemalan children. And because they have nowhere to wash their hands and must relieve themselves in the fields, these diseases are passed on to surrounding communities and the consuming public.

The compelling need—on both humanitarian and public health grounds—is no longer seriously disputed. Even the farm organizations, which have traditionally opposed federal standards, have muted their opposition. One official told reporter Ward Sinclair last week that "many of our members are prepared to put this behind us." Advocates for the farm workers are prepared to appeal OSHA's decision in court. Labor Secretary-designate William Brock should make sure that appeal isn't necessary. Mr. Rowland says that his agency has "higher priority standards" to enforce. What priority can be higher than treating all people in this country as human beings?●

PROVIDING OPPORTUNITIES FOR SPOUSES OF FOREIGN SERVICE OFFICERS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LANTOS. Mr. Speaker, one of the great inequities being perpetrated by our Government is that of foreign service spouses who must give up professional careers and surrender opportunities to accompany their spouse on foreign assignments for our Government. These spouses are frequently well-trained and competent professionals who either no longer use their education and experience in service to our Government or who must serve without compensation.

The time has come that these problems be explored and remedied in order to keep good officers in the foreign service and attract new younger professionals. We must work out creative ways to permit two-career families to serve. With similar-minded colleagues, I have begun to explore with leaders of the Association of American Foreign Service Women possible congressional action that will alter this situation.

An extremely perceptive article by Joanna Biggar was published in last Sunday's Washington Post magazine. I urge my colleagues to consider the important issues it raises—they are issues with which we must deal if we are to maintain the competent professional Foreign Service essential to the proper conduct of our Nation's foreign policies.

MARRIED TO UNCLE SAM

Shortly after Foreign Service officer Patricia Quinn married Foreign Service officer George Barbis in 1957, she received a telegram from her personnel officer:

"Understand you married while on leave. If so, forward resignation immediately effect date prior marriage . . ."

Barbis followed the order and resigned, becoming, instead of a Foreign Service officer, a Foreign Service officer's wife. In her first assignment overseas as a spouse, she wanted to go by the book. Wives who didn't perform well sometimes found that their husband's promotions were not as frequent as expected.

This book, among other things, called for wives to appear on public diplomatic occasions wearing hat, hose and white gloves. Posted to Thailand, Barbis dressed as Washington prescribed for a reception to greet Queen Sirikit (who did not wear hose). After the meeting Barbis developed a terrible skin reaction from the combination of her stockings and the tropical heat. Later, when she had to pay a call on an army commander's wife, Barbis was surprised to be greeted by a pet gibbon as well as her hostess. "The gibbon got excited and had an accident by my shoe," she recalled recently. "I kept talking. My interpreter stared while a young girl appeared with a banana leaf and scooped up everything . . . They don't tell you about things like that in the protocol book." They don't pay you for it either.

But that may change if a group of senior Foreign Service wives succeed in their revolutionary campaign to provide Foreign Service spouses official jobs when they are overseas and to pay them for their work.

Sue Low doesn't look like a radical. Her blue eyes are attentive, her voice is easy. Gently leading a guest from the kitchen with fresh coffee, she is gracious—and diplomatic. Perhaps that shouldn't be surprising, because she is the wife of a diplomat. But she is also the principal author of the proposal to pay spouses of Foreign Service officers (including husbands as well as wives).

She shies away from talking about what such a plan could cost, but suggests a figure for most spouses in the "middling range" of Foreign Service salaries—about $20,000 a year. Given Low's estimate of how many spouses might participate, the total could be a $20 million payroll the first year.

The proposal, which has already acquired support in the State Department and on Capitol Hill, is a "first." So far, say Low and the other women behind the plan, no one else has succeeded in putting a dollar figure on "wives' work." A few other countries grant allowances to diplomatic spouses for official duties, but none has gone so far as to consider the spouse an unquestionably salaried employe. If the plan is successful, it could have an impact far beyond the Foreign Service—into the military, for example.

"It's an idea whose time has come," says the State Department's top personnel officer, Undersecretary for Management Ronald Spiers. "We have a major problem here in the Foreign Service, and this is an approach to it."

Lawrence Eagleburger also supports the idea and has continued to work for it since his retirement last year as undersecretary of state for political affairs. Eagleburger's wife, Marlene, has been a key figure in promoting the plan.

"When it first came up, I, in typical male chauvinist fashion, had my doubts," Eagleburger says. "But the more I listened to my wife, and the more I looked into it, I realized she was correct. I became an ardent advocate. Foreign Service wives—and lots of other wives, too—work for the U.S. government, and the U.S. government has been getting it for free . . . that's not right. For common justice, they ought to get paid for it."

Besides the endorsement of the 1,000-member Association of American Foreign Service Women, which hopes to turn the proposal into legislation this spring, support has come from Reps. Henry Hyde (R-Ill.), Tom Lantos (D-Calif.) and Pat Schroeder (D-Colo.), who have already agreed to cosponsor the bill in the House, and Sen. Charles McC. Mathias (R-Md.), the first announced sponsor in the Senate.

Not everyone thinks the proposal will work. Foreign Service spouse Maureen Lyons says her doubts about how much the program will cost and how it will be administered are shared by many others in the U.S. diplomatic world. Lyons says the plan in its present form could never get through Congress and hopes it won't until they answer the questions."

Nevertheless, Eagleburger says groups representing military wives and university presidents' wives already have been in touch with her. "If we break the ground, and they have a legitimate case, I hope it would follow that their contribution be recognized."

Pat Barbis' contributions to U.S. diplomacy have been typical of work done without pay by other Foreign Service spouses: she served on school and hospitality committees, worked with the blind, raised funds for international women's organizations, spent weeks at the airport meeting evacuees from Iran, shopped with congressional wives and paid a condolence call to the family of a slain officer. She also entertained. At one post, she shopped and cooked for a reception for 250, only to have her husband called away to meet the U.S. secretary of defense. She was told to take his place in the receiving line and to convince guests she didn't know where her husband was. When the secretary of state came to visit, she was informed he would be her house guest. Prior to 1972, she was often told to perform these tasks by her husband's superiors, and her ability and willingness to carry out the orders were reflected on his efficiency report.

In 1972, the State Department abolished the position of official wife. In a Directive on Wives it declared: "The wife of a Foreign Service employee who has accompanied her husband to a foreign post is a private individual. She is not a government employee. The Foreign Service, therefore, has no right to levy any duties upon her." The practice of hiring a married officer and getting "two for the price of one" was officially terminated.

The State Department went on to state that wives could work at whatever jobs they choose, including jobs in the Foreign Service; thus was born the concept of "tandem couples," in which both husband and wife

are Foreign Service officers and the department attempts to assign them to posts in the same place. Moreover, women who had been forced to resign under the old policy would have the right to be reinstated.

The old policy had in fact never been an official regulation, only a custom. "We were snookered," Barbis says.

She didn't intend to be snookered again. In 1979, after 12 years abroad, she asked for Foreign Service reinstatement. But she was told, Barbis says, "because we have such a strong track record on women, we really don't have to hire you." She was offered a job if she would agree to go abroad again immediately. She declined. In her fifties, she took a job as a secretary, working for a woman much younger than herself in the public relations firm of Carl Byoir & Associates. Although she has advanced to the post of account executive in charge of government relations, "I lost 15 years in terms of career," Barbis says. "I have to work harder than others. I'm older, I'm female, and I lost a lot of time."

To many foreign service wives, the 1972 directive simply meant business as usual. They continued to do what they had always done, but now without official recognition.

Low's proposal challenges the premise of unpaid and unrecognized "woman's work." It calls for the creation of an "associates program" of Foreign Service spouses. Those who chose to participate would be paid by the U.S. government for work in four broad categories: work in the overseas American community; work in the local community; official entertaining; and professional work for the host country under a "Peace Corps-like" arrangement.

The first three areas encompass the jobs traditionally done by Foreign Service wives. The fourth addresses the fact that many spouses want to pursue their own professions.

Barbara Finamore is among those looking at "Part 4" with great interest. A lawyer 4½ years out of Harvard Law School, she is a specialist on environmental law with a Washington firm. A year and a half ago she married Foreign Service officer Steve Young, who is to take up an assignment in Moscow this spring. Finamore has tried to line up a job in the Soviet Union, but could only find secretarial work in the embassy. In Moscow, she notes wryly, you can't exactly go out on the open market. "I've now got two choices: I can work in a job I don't want, or I can stay here." She is leaning toward the "wrenching" decision of staying in Washington.

Under the association program, she believes there would be another possible work related to law or the environment. She might earn less than she does in Washington, but she says salary is less important to her than doing interesting work in her own field and being able to live with her husband.

Not surprisingly, the proposal has stirred a controversy. At one extreme are those who feel nothing at all should be changed. Joan McGinley, a Foreign Service wife for 35 years, says she is one of the "old guard" who feel that the "wife-of" should not be paid. She laments the loss of the old days and their values. "We did it because we had to," she says. "Some resent that the ladies today want to get theirs. I'm rather wedded to the concept of volunteerism."

"Some people say it's socialistic," says Family Liaison Office director Marcia Curran. Others feel that it's unnecessary and "if you have enough imagination and flexibility, you can find a job you like."

Anne Murphy, a former ambassador's wife and the first recipient of the Avis Bohlen award for outstanding service as a Foreign Service wife, questions how the plan can be implemented. If spouses are to be hired by the government, their work will have to be evaluated. How will they be evaluated fairly? She imagines the following:

"Suppose the ambassador's wife's soup was cold and her ice cream was warm. Fire her? But then the second agricultural wife had superb food, an incredible mix of people, and the ambassador got the meeting he wanted. Double her pay? . . ."

Among the criticisms, debate seems most intense about the "hostess issue"—the most traditional of an official wife's duties.

Murphy's view is that "it's grotesque to get paid for giving dinner parties." Ann Macfarlane, a former Foreign Service wife raising a family, tells the story of the housewife who is asked in a survey: "Do you think that housewives should be paid?" The housewife replies, "Absolutely not, because you couldn't pay me enough." Macfarlane's opinion is that wives will continue to do the work for love, not money.

Others say no amount of money could entice them to do official entertaining. Still others feel that they are justified in asking to be paid for hostessing because senior diplomats who do not have wives may—and often do—pay someone else to oversee their entertaining.

"Antagonism comes from not being appreciated," says Meryl Steigman, wife of a former ambassador to Gabon. "In our society, unfortunately, the big appreciation is money."

Ann La Porta would agree. She has spent 20 years as a Foreign Service wife. When she married her husband, Al, she was going to law school at night and working in the day.

In 1967 they got their first overseas assignment, to Jakarta, and she began her career as a volunteer. She took time out from her duties to deliver one baby in Penang and another in Kuala Lumpur—and to deal with a family crisis when her son was taken hostage in Indonesia at the age of 7.

Throughout it all, she continued to pursue her studies; more than 11 years after she had begun, she received her law degree from George Washington University. That year she went to Turkey with her husband, eager to work as a lawyer for the U.S. Air Force base near Ankara. Although she was welcome there as a legal volunteer, she could not get a job. She enjoyed the work but not the "pay."

When La Porta returned to Washington in 1981, she found her résumé didn't get her far. "You can't sell volunteerism to anybody," she says. "I've managed 40 people . . . I've worked at a GS10 or 11 level, and they laugh at you here." She finally found a job handling a caseload of 40 children for the Council of Child Abuse and Neglect—as a volunteer.

La Porta supports Low's proposal, and especially favors a provision that would help a spouse find employment in her profession. In the Foreign Service, she says, "you're married to your husband's job in a way. If the wife doesn't like it, the man gets out, or they get a divorce.

"Getting out or getting a divorce" is part of the "major problem" referred to by Undersecretary Spiers and one that worries many senior officials in the Foreign Service.

Marcia Curran, a Foreign Service officer's wife, says young couples, full of enthusiasm and adventure are willing to go out for a tour or two. But in midcareer, enthusiasm wanes. There may be teen-age children, and the spouse may be taking a hard look at once again leaving a good job in Washington. Perhaps the husband opts out of the service altogether, or his wife decides to stay behind if he goes abroad.

By the time the man becomes a senior officer, it is not uncommon for him to go on assignment alone, partly because high-ranking diplomats have greater representational duties. Diminishing numbers of senior wives are willing to undertake 30-to-40-hour weeks of unpaid labor. At a certain point, "you've had it, and you feel you owe yourself something," Curran says.

The women behind Low's proposal intend to close the debate, devise a workable legislative strategy and push on. Barbis says the State Department has been receptive, "but we have to keep the heat on."

In the end, Marlene Eagleburger may do much of the pushing. She has done it before. Last spring she took another proposal for spouse compensation to the Hill and carried her message to the media.

Her proposal wasn't introduced as a bill because time ran short before the fall elections.

So far, Secretary of State George P. Shultz has taken no stand on the proposal. Eagleburger says that "if Secretary Shultz endorses [the plan], it would certainly be helpful."

If Shultz doesn't endorse the plan, Eagleburger will look to Congress. "This is a wrong that needs righting, even if it is a difficult budget climate," she says.●

DALE T. TAYLOR ON SOVIET MYTHS AND REALITIES

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. COURTER. Mr. Speaker, Congressional Librarian Daniel Boorstin once wrote a fascinating study of our propensity for dwelling upon illusions at the expense of dealing with realities. He called his book "The Image." Mr. Boorstin must have viewed with detached amusement the efforts—initially successful—to paint Yuri Andropov as a man of Western political inclinations and tastes.

Now a similar campaign is coloring Mikhail Gorbachev with an eye to our satisfaction. Mr. Dale T. Taylor, vice chairman of the New Jersey Conservative Union, took a look at that campaign in a column he wrote for the Gloucester County Times this April 11. I would like to submit it for reproduction in the RECORD.

The article follows:

Who says that the Soviets don't understand the Americans? Obviously, the author of that comment wasn't referring to the latest in a long string of ruthless Soviet functionaries-turned-leaders: Mikhail S. Gorbachev.

It really wasn't that many months ago that Yuri Andropov, the former KGB butcher, ascended to the leadership ranks of

the world's premier totalitarian body—the Soviet Politburo.

A master of manipulation, particularly with respect to the Western media, Andropov succeeded in spreading the stories that ran rampant in the press that he was, after all, a "closet liberal."

Yes, this man who oversaw the slaughter of Hungarians, the ruthless suppression of the Czechs, the assassination of Soviet dissidents and the jailing of Soviet Jews seeking to flee Russian tyranny, somehow (through the magic of disinformation—Soviet style), became a fancier of Western clothes and even jazz.

The American news media bought it hook, line and sinker. George McGovern, that darling of the left, said that Andropov was one of the most reasonable Soviet leaders to come down the pike. So much for George McGovern. And so much for the left.

But the current Soviet leader, Mikhail S. Gorbachev, has managed to create a swooning of affection from the West that must have old Joe Stalin tossing in his grave. And Gorbachev has milked the steady stream of attention for all it is worth.

And so it was no great surprise that, on Easter Sunday, Gorbachev launched his first major propaganda blitz of many sure to come.

Gorbachev, named Communist Party general secretary soon after the death of Konstantin Chernenko, announced that he was "freezing" the deployment of Soviet medium-range SS-20 missiles until November.

Gorbachev also called for a freeze on research of so-called "space arms." (A typical Soviet ploy, since research into space weapons, and most other weapons systems for that matter, isn't verifiable).

The so-called "peace movement" in America is, of course, simply ecstatic over all of this Soviet good will from a man now being referred to as the Soviet Union's answer to John F. Kennedy.

But the facts (something the peace movement in New Jersey and elsewhere would prefer not to deal with) tell a different story.

The Soviets now have 414 SS-20s. The United States and NATO have only 134 medium-range missiles deployed (the BGM-109A "Tomahawk" ground-launched cruise missile and the Pershing II Missile).

The Soviet SS-20 was first deployed in 1977, while the first U.S. medium-range system wasn't deployed until the end of 1983. (By then, the Soviets had deployed hundreds of SS-20s. The only comparable NATO weapon was 18 antiquated intermediate-range SSBS S-3 missiles held by France).

The Soviet SS-20 (three-fourths of which are targeted on Western Europe, with the rest easily movable to the Western Front if needed), carries three warheads. In addition, there are from one to five "reload" missiles at each SS-20 mobile site.

The total warhead count is somewhere in the range of 1,200 to 3,800.

American Cruise and Pershing missiles, on the other hand, have only one warhead each. And even if the entire complement of 572 U.S. missiles is deployed as scheduled by 1988 (with the Soviets not deploying even one more SS-20), the Soviets would still hold anywhere from a 3-to-1 to 5-to-1 warhead advantage.

Each American Tomahawk or Pershing warhead carries up to 50 kilotons of nuclear explosive power. (A single kiloton is equal to 1,000 tons of TNT). An SS-20 warhead, on the other hand, carries up to 150 kilotons.

American Cruise missiles deployed in Europe have a range of 2,500 kilometers; Pershing II, 1,800 kilometers. The Soviet SS-20s have a range of 5,000 kilometers. (A kilometer is about 5/8 of a mile).

Nevertheless, the same members of the peace-at-any-price crowd in America who claim that American weapons deployed in Europe are "first strike" in nature, never raised a peep when the Soviets began to deploy their truly first-strike weapons eight years ago—six years before NATO responded with its own deployment.

Even factoring in short-range, tactical, air and sea-based nuclear systems, and U.S. strategic systems commonly assumed to be assigned to the European theater, the Soviet Union and the Warsaw Pact dominates the nuclear weapons arena by a massive margin.

But no matter. The Soviets will continue their carpet-bombing of Afghanistan, their repression in Eastern Europe, their use of chemical and biological agents in Southeast Asia, the support of international terrorism, and the destabilization of the world through Marxist-instigated wars of national "liberation."

Liberals and the left will respond with their usual trashing of the United States. And Mikhail S. Gorbachev will be on his way to the Soviet version of Camelot, dutifully choreographed by a willing—and thoroughly duped—Western news media.●

NEED FOR PARENTAL LEAVE POLICY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. GREEN. Mr. Speaker, it is important that we are devoting time today to the issue of parental and disability leave, and the need for formation of a policy to address this matter of particular concern to working parents. I am pleased to cosponsor H.R. 2020, the Parental and Disability Leave Act of 1985, which would require employers to provide job-protected leave for parents who choose to stay home with a newborn, newly-adopted, or seriously ill child, and for pregnancy related or other short-term disabilities. This legislation represents a serious effort to provide adequate protection of employees' employment and benefit rights during parental or disability leave.

Since World War II, the composition of the labor force has changed dramatically, particularly with respect to women's participation. However, as recently as in the last two decades, the patterns of women who work have also changed substantially. In the 1950's, the most significant gains in the labor force occurred among women aged 45 to 64, who had completed their child-bearing and child-rearing duties. However, in the 1960's and 1970's, it seems that children's presence as an influence on the decisions of women to enter the labor force diminished. During this period, women of child-bearing and child-rearing age, aged 20 to 44, experienced the largest increases in labor force participation. Between 1960 and 1983, the proportion of married women who were both in the labor force and raising children more than doubled. Further, the number of women workers is projected to increase faster than the overall labor force growth rate between 1980 and 1995.

In view of these facts, it is clear that the need for a parental leave policy is of great importance. Eighty percent of working women are likely to become pregnant are back at work within less than a year after childbirth. Under current law, the Pregnancy Discrimination Act passed in 1978 provides that discrimination on the basis of pregnancy is sex discrimination. The law requires that pregnancy-related disability be treated in the same manner as other short-term disabilities depending upon the employee's ability or inability to work. However, Federal law does not require employers to provide disability leave for any employees. As a result, policies vary greatly with respect to job-protected leave for employees who are temporarily disabled for any reason. Further, there is no Federal policy concerning child care leave for working parents. By contrast, every industrialized country except the United States provides some period of job-protected maternity leave with some amount of wage replacement.

This legislation does not address only maternity leave, a concept which has led to problems of discrimination against women in the past by distinguishing pregnancy as a separate condition. Further, dealing only with maternity leave does not account for the role fathers play in child-rearing, nor does it account for male employees who are temporarily disabled. H.R. 2020 provides 6 months of job-protected disability leave for all employees who are temporarily disabled, and 4 months job-protected parental leave for all employees upon the birth, adoption, or serious illness of a child. Further, it authorizes a study to determine ways of providing salary replacement for employees who take parental and disability leaves.

We have made substantial progress in recognizing the changing roles of women in the work force, assessing the pertinent problems which have emerged, and developing solutions to reflect new patterns in American society. By including the issue of parental and disability leave on our agenda, we are continuing to make progress in our efforts to achieve equality for women.●

MY PLEDGE TO AMERICA

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. RUSSO. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy scriptwriting contest. This year more than 300,000 secondary school students participated in the contest competing for the six national scholarships which are awarded as top prizes. The contest theme this year was "My Pledge to America."

Today I would like to share with you the winning entry from my home State as delivered by Lori Lesniewski, of Burbank, IL, a 17-year-old senior at Reavis High School. I'm impressed and hopeful when I read such as essay and am reminded of the wisdom and patriotism of our young citizens.

I know my colleagues join with me in commending Lori as well as the other young people who won recognition in the Voice of Democracy contest, and in commending the Veterans of Foreign Wars and its Ladies Auxiliary for this fine program which encourages young people to think about democracy and provides educational scholarships.

MY PLEDGE TO AMERICA

(By Lori Lesniewski)

When I think of America, I envision a large flag with the outlines of the stars and stripes standing out in perfectly clear cut lines, almost as if they formed pieces of a puzzle, a jigsaw puzzle.

I think of my pledge to America as a jigsaw puzzle. My pledge consists of many different aspects, that of supporting American ideals, voting, paying taxes, and helping others. All aspects have different qualities and come in many forms, just as pieces of a puzzle do.

As I begin the task of completing the puzzle it seems confusing, but as I sort my way through the many different colors and shapes a corner piece stands out. That corner piece is important, it holds the base of my pledge, supporting the puzzle, supporting America. A most important part of my pledge is to support American ideals. To uphold American standards is to have a strong belief in the judgments and decisions our country makes. Without this allegiance to our great nation, we would find ourselves reduced to wandering and confused persons. In a sense, with the absence of a strong belief, the United States of America would exist no more. This strong sentiment is exactly what this country was built on. I believe the backbone of America is the spirit the people possess, which supports our country. As I place this key piece into the puzzle a feeling of satisfaction overwhelms me.

Continuing my way through the mass of different forms another piece is spotted. This piece carries with it the tag of voting. To be able to choose our nation's public officials is an honor held high in my opinion. There is a growing interest in the qualities and beliefs of those individuals we choose for our leaders. This was apparent in the 1984 election for President. One candidate stood for liberal views and the other for traditional conservative values.

The state of our nation used to be in is the state the voters would like to see it in now. Obviously, this means a change in American thinking, but more importantly a change in American attitude. I believe this nation gives us a chance to express our views through voting and it is a chance that will certainly not be overlooked by me. Voting is one of the events in a young adults life, like myself, that signifies maturity and an interest in the state of America.

Each American must pay his fair share of taxes so that we can have a strong defense, police and fire protection, and a well run government. This brings us to the next piece, that of paying taxes. Taxing is the catalyst, the oil to run the machine, without it, our nation would crumble to the ground. There is a link between voting and taxing. If the American people vote responsible and honest people into office, they will not abuse the privilege of spending taxes and our government's money will be used correctly.

Working towards the completion of my puzzle pledge, I find there is also a heart shaped piece that fits in the center of the puzzle. This piece represents the kindness of the American people. I highly value this special piece, difficult to find, but well worth the wait. Kindness and caring towards others has a ripple effect. A smile usually brings about another smile. I feel that if people lend a helping hand we will have a stronger country. Not only will the person you help benefit but you will receive the rewards also. Americans through the years, shared their wealth with those less fortunate because they too came from humble beginnings. Whether it be the starving masses in Africa or the little children in deprived areas of our cities. We have reached out to the needy. We are probably the most generous people in history. That heart fits snugly in the center of the puzzle. When my puzzle pledge is completed it forms a breathtaking view of the American flag. Representing our nation, it shows off its vibrant colors and shapes of stars and stripes proudly, but not as proudly as we would all like to think. There are some frayed edges in our American Flag and my main pledge is to strive to make it whole and perfect.●

PERSONAL EXPLANATION

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LELAND. Mr. Speaker, yesterday, for reasons of official business, I was unable to be in Washington. Had I been here, I would have voted "yea" on H.R. 1786; House Resolution 125; House Concurrent Resolution 33; House Concurrent Resolution 52; House Concurrent Resolution 110; Senate Joint Resolution 15.●

THE CONTRAS: AMERICAN SURROGATES OF TERRORISM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BROWN of California. Mr. Speaker, we will soon vote on aid for the Contras in Nicaragua. President Reagan, in his efforts to repackage this aid, has referred to the counterrevolutionaries as freedom fighters, and has likened them to our Founding Fathers.

The President calls his aid request a peace plan. This plan sends a simple message to the Sandinistas; "If you refuse to give up portions of your sovereignty within 60 days, the United States will resume its efforts to overthrow your government."

Before we vote on this proposal, I think we should reassess the meaning of this policy.

The Contras are using violence and terrorism in their efforts to overthrow the Sandinista government. It wasn't so long ago that President Reagan launched an all-out program to battle terrorism wherever it existed.

The United States publicly decrys terrorism and covert plots of the KGB and other organizations. We abhor these practices because we believe in certain basic human rights. These rights include the right to personal safety, the right to personal property, and the right to a government supported by the people.

Mr. Speaker, by resuming aid to the Contras, our great country, which prides itself on protecting basic human rights, will go on record as supporting and encouraging terrorists who rape, murder, burn farms, and whose main goal is to overthrow the Sandinista government with or without the support of the Nicaraguan people.

With the resumption of this aid, the United States would be sending a message around the world. This message would read:

The United States strongly objects to and condemns the use of terrorism by our international neighbors, but the United States fully intends to use these methods herself.

Mr. Speaker, this is hypocrisy in its truest sense. Is this how the United States chooses to promote world peace and the right to sovereignty? By supporting the terrorism?

Below is an article which recently appeared in the Wall Street Journal. I encourage my colleagues on both sides of the aisle to read it.

[From the Wall Street Journal, Mar. 28, 1985]

REAGAN'S SELECTIVE AVERSION TO TERRORISTS

(By Michael Kinsley)

The poor, naive Carter administration thought you could build a foreign policy

around human rights. The Reaganites laughed that one out of town. But the Reagan administration has a sentimental obsession of its own: terrorism. Alexander Haig said in his first week as secretary of state: "International terrorism will take the place of human rights in our concern because [terrorism] is the ultimate abuse of human rights."

This is fatuous nonsence, reminiscent of those doctors who analyze nuclear war as a public-health problem. But human rights and terrorism are actually quite similar as foreign-policy obsessions. Both are attempts to assert universal standards of conduct that override the usual considerations of geopolitics. "Terrorist acts . . . can never be legitimate," said the current secretary of state, George Shultz, last October. "And ligitimate causes can never justify or excuse terrorism."

The State Department defines terrorism as "premeditated, politically motivated violence perpetrated against noncombatant targets by-subnational groups or clandestine state agents." The kind of terrorism that most excites the Reagan administration is so-called "state-sponsored" terrorism through "intelligence services" and the use of "surrogates." This refers to such matters as the alleged KGB hiring of Bulgarians to kill the pope and Iranian support for the Shiite lunatics in Lebanon.

But there's another obvious example: the contras in Nicaragua. Two recent articles in the Wall Street Journal by reporters David Ignatius and David Rogers make clear that the contras are a virtual creation of the Central Intelligence Agency. It assembled their leaders from among alumni of Anastasio Somoza's National Guard, hired professional thugs from Argentina's military dictatorship to train them, and "repackaged" the leadership (as the authors nicely put it) with some democratic elements when criticism began to mount.

The articles also make clear that the U.S.'s purpose in this is the classic terrorist one of social and economic subverison. To bring down the regime, we are attempting to derange and impoverish the country by destroying its infrastructure and scaring off trade. Compare this to the administration's mock horror over the effects on South African blacks of a mere American investment ban.

We already have spent $80 million "sponsoring" the contras, and President Reagan wants $14 million more because they are "the moral equivalent of our Founding Fathers." Obviously our goal of a democratic Nicaragua is more admirable than goals of other sponsors of terror such as the Soviets and Iranians. But the premise of all the fuss about "terrorism" is that the goal doesn't matter. "Terrorist means discredit their ends," as Secretary Shultz says. So what makes the contras different?

Secretary Shultz likes to quote the late Sen. Henry Jackson on the difference between terrorists and freedom fighters. Freedom fighters, Jackson said, "don't blow up buses containing noncombatants" or "set out to capture and slaughter schoolchildren" or "assassinate innocent businessmen, or hijack and hold hostage innocent men, women and children. . . ." According to Americas Watch, a nonpartisan human-rights group, the contras have kidnapped, tortured, raped, mutilated and murdered many unarmed civilians including women and children "who were fleeing." No doubt there are nastier groups around, but this is an impressive record. Yet an unnamed State Department official told the New York Times, "It seems to be what you would expect to have in a war." Another administration official conceded, "The contras . . . have a tendency to kidnap young girls." Oh well.

It's sometimes said that these freedom lovers are hard to control and that "abuses," while deplorable, are not officially sanctioned. Sure. But any terror expert will tell you that random, out-of-control violence is a part of the method. It creates a desirable sense of anarchy. What's more, the U.S. does not accept the "hard to control" excuse from rival sponsors. Only last week, National Security Adviser Robert McFarlane declared that we will feel free to retaliate against states that sponsor terrorism without troubling to "prove beyond all reasonable doubt" that the object of our wrath is responsible for any particular terrorist act.

The regime the contras are attacking is not a democracy. Is that the crucial distinction? If so, why does the State Department highlight episodes in Kuwait, South Korea and South Africa in its most recent summary of terrorist activities? Terrorism, of course, makes democracy harder. "Where the terrorist cannot bring about anarchy," says Secretary Shultz, "he may try to force the government to . . . impose tyrannical measures of control, and hence lose the allegiance of the people." Mr. Shultz explained the "disappearances" (i.e. murder by the military) of thousands in Argentina during the 1970s as "a deliberately provoked response to the massive campaign of terrorism." The Sandinistas explain their own increasing repression (though nothing on the Argentine scale) the same way. But in this case the U.S. is not so understanding. "I don't think the Sandinistas have a decent leg to stand on," says President Reagan. "What they have done is totalitarian. It is brutal, cruel," And so on.

"It is in the objective interest of the Soviets to see the destabilization of regimes not friendly to them," wrote the editors of this newspaper in April 1981. ". . . Moreover, the Soviets . . . don't have hanging about them any silly Western liberal doctrines about the will of the majority, the unacceptability of violence, or the difference between military agents of the state and presumptively innocent civilians." I took this at the time as a criticism. But apparently not. More recently the Journal has said: "The objective of the Reagan administration's policy toward Nicaragua is to bring about a democratic government. . . . If [critics] are against the Nicaraguan democrats and in favor of the Sandinistas, we hope they will tell us that as forthrightly as the administration has now proclaimed its purposes." The end justifies the means, unless (as another journal editorial put it) you're some kind of "Common Cause lawyer" hung up on "international law."

Obviously it's hard to be good in a world where others are bad. When Mr. Reagan brings up the French Resistance, he makes the best possible case against his own conceit that terrorism is indefensible in all circumstances. But the Sandinistas are not Nazis. They are not so monstrous a regime that we have to abandon all hope of maintaining our own civilized standards in dealing with them. We are not so powerless that we must resort to mayhem and the murder of innocents. International law does not leave us with the choice of doing nothing or doing anything. Or does terrorism just mean "what the other side does"?

(Mr. Kinsley is editor of the New Republic.)●

TOWN OF BERKLEY COMMEMORATES 250TH ANNIVERSARY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FRANK. Mr. Speaker, this month marks the 250th anniversary of the incorporation of the town of Berkley, MA. This small community of 3,000 people nestled along the banks of the Taunton River has a long and rich history deserving of our attention. Settled in 1638, the town was incorporated in April 1735 and given the name "Berkley," after George Berkley, bishop of Cloyne, Ireland.

In 1866, Berkley laid claim to the launching of the largest two-masted schooner in the world at the Berkley Bridge, a mark of the 35-year shipbuilding industry that made the early town thrive. That bridge site, today called the Berkley-Dighton Bridge, is in need of replacement if this important community asset is to be maintained.

I am proud of the accomplishments of Berkley, MA, and commend the town on this propitious occasion.●

SBA—THE VOICE OF SMALL BUSINESS

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MAVROULES. Mr. Speaker, for over 30 years, the Small Business Administration has stood alone as the one Federal agency devoted to assisting the Nation's small businesses, a segment of our economy which is perhaps the most innovative and vital in America today. When the agency first began in 1953, its primary mission was that of a lending agency. Today however, the Small Business Administration has evolved to become a multifaceted agency providing a wide range of services to both new and existing small businesses.

Today, there are opponents of the Small Business Administration who seek to portray the agency merely as a federally subsidized lending institution. They would reverse what has been a bipartisan commitment to the advancement of small businesses in America. These same opponents seek to turn back the clock, all in the interest of questionable financial gain.

Money spent on SBA programs produces a tangible return on the investment. This is best evidenced in areas where SBA works with existing businesses to deal with the climatic changes they may be confronted with. These changes may be economic, tech-

nological, or even geographical. In each instance, these dollars are used to assist existing businesses in order to allow them to adapt to changes in the marketplace and remain competitive.

The following are but a few examples of how SBA works with existing businesses.

The 502 and 503 programs where Federal guarantees are used to leverage local financing from community-bases economic development centers.

The Surety Bond Guarantee Program which uses Federal guarantees to allow bonding of small contractors. This has opened up an entire market to small contractors which had traditionally been dominated by large contractors able to afford the substantial cost of becoming bonded.

Procurement assistance, which helps small business in doing business with the Federal Government, often at a cost which is substantially less than that charged by larger firms.

The Small Business Development Center Program, which requires a local match of any Federal appropriation for management and technical assistance to small businesses.

If we dismantle the Small Business Administration, some of these programs may survive, since the plan calls for them to be shoved off to an obscure corner of the Commerce Department, but many will not.

There are no guarantees.

Ironically, under the administration's proposal to abolish SBA, there is no guarantee that one Federal dollar will be saved. Take the SBA's loan portfolio for example. Under the proposed plan, this portfolio, estimated to be worth between $1.8 and $3.6 billion would be sold off. However, if SBA was allowed to continue to manage these loans, the eventual return to the Federal Treasury will be between $5 and $7 billion. In addition, many market analysts predict that there will be no commercial market for this loan portfolio.

American small business men and women are not looking for guarantees. They are simply looking for an equal opportunity to compete with the larger corporations who often seem to have the deck stacked in their favor.

These same individuals are looking to us to continue what had been a bipartisan commitment to this most important segment of our private-sector economy.

Mr. Speaker, small businesses need a voice on the Federal level. I would urge my colleagues to join in the fight to save the Small Business Administration.●

TRIBUTE TO FATHER MARK HEGENER

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LIPINSKI. Mr. Speaker, today I would like to take a moment to recognize and honor Father Mark Hegener, OFM, who this year is celebrating the 40th anniversary of his ordination as a Franciscan priest.

Over the last 40 years Father Mark has involved himself in numerous humanitarian endeavors. He possesses an impressive and unique record of accomplishments. Let me mention just a few of these.

Father Mark is president and founder of Mayslake Retirement Village which houses 750 elderly residents. He is also president and founder of the Chariton Retirement Complex, which is located in St. Louis. He was instrumental in securing Federal funding for this complex which houses approximately 165 elderly residents.

In 1956, through Father Mark's efforts, the Pax Et Bonum Hall was built at 51st and Laflin in Chicago. At this location Father Mark established the Third Order Credit Union to assist young families in purchasing homes in the Back of the Yards area.

Father Mark's other involvements include assisting the directing of the St. Philip of Jesus Social Center in Chicago at 46th and McDowell from 1949–60. He was founder and trustee of the Catholic Theological Union at Chicago from 1968–76. Father Mark was also trustee of Quincy College from 1972–76. Furthermore, Father Mark is the former chaplain of the Knights of Columbus, St. Augustine Council, and since 1980 he has served as the chaplain for the Knights of Columbus, Sacred Heart Council.

Father Mark has an extensive background in publishing. Since 1949 he has been the managing director of the Franciscan Herald Press, which is located at 1434 West 51st Street in Chicago. He has published some 1,000 books covering a broad field of church history, art, ecclesiology, theology, Cannon Law, Biblical studies and many interdisciplinary supplementary texts for high schools and colleges. As an author, Father Mark's works include Poverell: St. Francis of Assisi, 1958; A Short History of the Third Order of St. Francis, 1963; and Managing Your Third Order Fraternity, 1958.

With respect to his education, Father Mark obtained an AB degree in 1938 from St. Joseph's Seminary in Teutopolis, IL. He also did post graduate work at St. Joseph's Seminary in Cleveland, OH, from 1939–42. Father Mark received a bachelor of journalism degree in 1948 from Marquette University. He joined the Order of Friars Minor in 1938 and was ordained a priest in 1945.

Father Mark is a member of the American Home Builders' Association, the American Association of Homes for the Aging, and the Catholic Press Association. He is listed in Who's Who in America, American Catholic Who's Who, Who's Who in Religion, and Who's Who in the Midwest.

Mr. Speaker, I wish to extend my sincere congratulations to Father Mark Hegener on the 40th anniversary of his ordination as a Franciscan priest. Father Mark's extraordinary achievements, along with his tireless efforts to help his fellow man, are truly an inspiration to all of us.●

MATTY LEE, OUTSTANDING VETERAN

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MICA. Mr. Speaker, it is with great pleasure that I today commend the bravery of an outstanding World War II veteran, Matty Lee. The heroes who have committed their efforts and risked their lives on our behalf should remain at the forefront of our hearts and minds. The following is Matty Lee's 1944 commendation:

ARMY SERVICE FORCES,
NEW YORK PORT OF EMBARKATION,
Jersey City, NJ, June 8, 1944.

SPTAA 201.22 CPCT.

Subject: Commendation, Matty Lee. (Thru: Utilities Officer, Caven Point-Claremont Terminal.)

I am in receipt of a report on a breakdown of the power and lighting system of this Terminal which occurred on the evening of 2 June 1944. This report commends very highly the manner in which you went about placing the power and lighting system into operation. You were called for emergency duty and you performed a very efficient and coordinated job of which I am very proud.

I therefore wish to take this opportunity to commend you for the exceptionally fine manner in which you performed your duty and for the interest you displayed which was over and above the call of duty.

John U. Schiess,
Colonel, TC, Commanding.●

DAYLIGHT SAVING EXTENSION ACT OF 1985

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MARKEY. Mr. Speaker, today I am joining with my colleague CARLOS MOORHEAD and four cosponsors to introduce the Daylight Saving Extension Act. The legislation would begin daylight saving time on the third

Sunday in March rather than the last Sunday in April. Daylight saving time would also be extended until the first Sunday in November rather than the last Sunday in October. The latter change would place Halloween under daylight saving time and bring added daylight and safety to young children going to trick-or-treat.

Extended daylight saving time has always been popular with the public. A recent poll conducted by Nation's Business found that its readers supported our bill to extend daylight saving time by a margin of 68.9 percent to 29.5 percent.

Beyond personal taste, daylight saving time has a variety of important benefits. It is a big energy saver. A study performed by the Department of Transportation following an experiment with extended daylight saving time saved 100,000 barrels per day of oil equivalent during March and April.

Daylight saving time makes our lives safer. The Department of Transportation study also found that traffic fatalities declined by 0.7 percent during extended daylight saving time in March and April compared to standard time.

Daylight saving time is also a crime fighter. During the last experiment with extended daylight saving time, violent crimes in the District of Columbia declined by more than 10 percent compared to comparable months in years under standard time.

Extending daylight saving time is also good for our economy. This year a broad-based business coalition is supporting extended daylight saving time. Among the group are the National Association of Convenience Stores, the Foodservice and Lodging Institute, the National Confectioners Association, the American Association of Nurserymen, the Sporting Goods Manufacturers Association, the Barbecue Industry Association, and many others.

Over 400,000 Americans suffer from retinitis pigmentosa, a disease which causes night blindness. Extending daylight saving time will literally give these people the gift of sight for an extra hour in the evening, making this legislation a high priority for the RP Foundation fighting blindness.

Our legislation differs from daylight saving bills considered by the House in the past two Congresses. They would have begun daylight saving time on the first Sunday in March. Our bill delays the beginning of daylight saving time until the third Sunday in March. This compromise approach clearly avoids any unacceptably late sunrises. In fact, the sunrises on the third Sunday in March under daylight saving time would be no later than the sunrises in January under standard time. Sunrises get early rapidly during late March and April, further mitigating any early morning problems.

In short, this is a bill which will stimulate our economy without tax breaks or subsidies. It will bring safety to the streets and energy savings as well. If you want to help let the sun shine in by cosponsoring this legislation, please call David Schooler with the Subcommittee on Energy Conservation and Power Office at 6-2424.●

MY PLEDGE TO AMERICA

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. EDWARDS of Oklahoma. Mr. Speaker, with great pleasure I would like to share with my colleagues a speech by Jennifer Johnson, a 16-year-old junior attending the Living Word Academy in Edmond, OK. Jennifer's throughts and eloquence have earned her first place honors as the Oklahoma winner of the Veterans of Foreign Wars Voice of Democracy competition. More than 300,000 students, representing more then 8,000 secondary schools, participated in the script writing contest, all competing for the six national scholarships which are awarded as top prizes. Scholarships totaling $32,500 will go toward continuing the education of the winners at the schools of their choosing.

I commend the VFW for this program. I believe it fosters in our youth an appreciation—and further understanding—of our freedoms. Democracy, whereby government governs by the consent of the people, is only a dream for many oppressed people in our world today. Young Americans ought to know that our freedoms of speech, petition, assembly, religion and others are perishable and have been scarce throughout history. A greater understanding of our freedoms will help our young Americans to realize that freedom is not free but attained at a price. An increased appreciation and knowledge of the sacrifices made for the cause of freedom will only serve to assure our vigilance in future generations.

The contest theme for this year is "My Pledge to America." Jennifer pledges many things to her country and it is clear that underlying her lofty pledges is a true appreciation of precious freedom. I respectfully submit into the RECORD Jennifer Johnson's "My Pledge to America."

MY PLEDGE TO AMERICA

(By Jennifer Johnson)

I consider it a great privilege to live in America. This truly is the land of the free. America welcomes all mankind—the rich, the poor, the black, the white. I love this country of mine, and I want to do everything possible to help develop her to even greater heights. I believe that America's future is promising for generations to come, and we, as citizens, must take on the responsibility of helping insure that we maintain her freedom. We must take a stand for right. I pledge to be loyal to what America believes in and stands for. I pledge to not be critical of her daily strifes but to have a positive attitude towards the whole overview of life in America.

I pledge to encourage the small child, sitting behind the school desk, I will tell him that America is full of opportunities. I will encourage that child to get the best education possible so that as he becomes older he will have the chance to explore what America has to offer. I would explain to him that freedom gives him the right to choose any vocation.

I pledge to express my gratitude and deep appreciation to the paraplegic war veteran living down the street. I will tell him that it was because of his courage that we still have the privilege of living in a free land. He has shown the utmost faith in our country by risking his life in the wartorn country of Vietnam. He is a representative of all of the soldiers of decades past who have fought to preserve the freedom of my country. I cannot thank them all personally but my heart overflows with thanksgiving for their sacrifices in my behalf. America's soil holds thousands—million of military graves—men who have died valiantly for our cause—I promise to preserve the memory of those men in the hearts of all Americans.

I also pledge to show my appreciation to the representatives and statesmen who have dedicated their lives and service to these United States. I will express to them my stand on political issues that confront this nation, realizing that it is the politican who has the power to tear down or build up America's reputation. I pledge to help him built it up. I will pledge to try to influence those politicans that represent me to spare the millions of lives that are being sacraficed every year by abortion. If I am responsible for even one of those lives being saved, my cause on this earth will have been fulfilled.

And most importantly, I pledge to thank God for the many blessings He has bestowed upon us and ask His continual blessing upon America. He has enriched us with His gracious love in many ways. God is love, God has built up America's way of life over and over again. I will pledge to try to be worthy of this.

Freedom was but yesterday's dream. Freedom is today's reality. Freedom is the key to unite all individuals in America to become and act as one. I pledge to America to exerise my right of freedom until I draw my last breath of life.●

WHEAT EXPORT ENHANCEMENT ACT OF 1985

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. ENGLISH. Mr. Speaker, today I am introducing the Wheat Export Enhancement Act of 1985 which is aimed at curing the long-term problems faced by wheat farmers while still providing the American consumer with the best food bargain in the world. I am including a detailed description of the program for the RECORD, but I

would like to quickly summarize its major benefits. This bill will allow wheat farmers to earn a living from the market and pay their bills. It will reduce Government costs over the long term. And it will continue the 50-year policy of the United States that its citizens will be assured of a bounteous supply of food at reasonable prices. The provisions of this bill have been developed over a period of months in consultation with wheat farmers from all parts of the Sixth District of Oklahoma.

THE WHEAT EXPORT ENHANCEMENT ACT OF 1985

America's wheat growers are buried under a surplus of grain caused by the loss of export markets and ineffective application of the production adjustment authority granted to the Secretary of Agriculture. The surplus has caused market prices often below the cost of production, inability to meet debt service needs, declining standards of living, and—all too often—bankruptcies and farm foreclosures.

The Administration has proposed a solution to the problems of wheat farmers—lower the price and grow more wheat. This proposal will lead, inevitably, to more farm foreclosures and a greater surplus. The Administration's proposal is not a cure, its a bigger dose of the same disease.

The Wheat Export Enhancement Act of 1985 provides a way to move wheat quickly into world markets, get rid of the price-depressing surplus, protect wheat farmers incomes, and continue to insure an adequate supply to consumers at a fair price. It does so by focusing on exports and production adjustment for farm income protection and on maintaining a year's domestic supply for consumer protection.

First, the act provides that the Secretary of Agriculture will reciprocate when foreign nations use subsidies or other artifices to unfairly compete with America's farmers. It allows the Secretary to match foreign governments tit for tat so that U.S. farmers do not have to fight another nation's treasury.

Second, the act provides a mechanism whereby farmers who cooperate with the Secretary to manage the wheat surplus earn a payment for export wheat if the average market price does not rise to a level established at 70 percent of parity. The market price will be computed on actual sales every three months during the marketing year and the payments will be made each quarter to farmers who actually sold wheat for export during the quarter. The operation of this phase is controlled by export marketing certificates which are issued to cooperating farmers and which are returned to the Secretary by exporters when the wheat leaves the country.

Third, the act requires the Secretary to adjust production of wheat so that the carryover from year to year will be at about the level of one year's domestic supply. The American consumer is thus assured of an adequate supply yet the farmer is not unduly burdened by price-depressing surplus.

Farmers who do not cooperate with the Secretary in managing the surplus are restricted to sales for the domestic market because the wheat they offer to the trade will not be accompanied by export marketing certificates.

The major objective of the plan is for farmers to get their income from the market place and not the federal treasury. The operation of the surplus management feature will ultimately move the market price upward toward the 70 percent of parity level.

Cooperating farmers will not be required to plant their entire permitted acreage in order to earn their full share of export marketing certificates. Thus a farmer can produce less in a given year and market wheat from an earlier year with the current year's certificates. A farmer could then retire less productive acreage which is prone to erosion without damaging the family income or losing wheat base.●

MRS. MARILYN WIESENECK LEVENBERG HONORED

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. TORRICELLI. Mr. Speaker, I am honored to call to the attention of the Congress the recognition being extended to Mrs. Marilyn Wieseneck Levenberg of New Milford, NJ for her many years of outstanding service to the Jewish community.

On April 20, 1985, Mrs. Levenberg will be the guest of honor at a dinner being held by the New Milford Jewish Center. The dinner has been organized in order to pay tribute to the unparalleled dedication of Mrs. Levenberg has displayed during her 25 years of active involvement.

Over the years, Mrs. Levenberg has served in numerous capacities. She has been president of the northern New Jersey branch of the Women's League of Conservative Judaism, a member of the Regional Board of Directors of the United Synagogues, a member of the National Board of the United Synagogue Youth, and vice-president of the Council of Jewish Women.

Friends and family who proudly honor Mrs. Levenberg hail her as an exceptional member of the community. They are delighted to have the opportunity to recognize her achievements and to bestow upon her the honor which she richly deserves. I am proud to be able to join in this celebration and commemoration.●

AIR TRANSPORTATION PASSES SHOULD NOT BE TAXED

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FIELDS. Mr. Speaker, today I have introduced legislation to provide that air transportation passes provided by an airline through its employees shall be tax free.

The Deficit Reduction Act of 1984, which was signed into law last July, included a comprehensive title which clarified the tax status of employee fringe benefits. The purpose of this title is evident: to limit tax-free fringe benefits which may be provided in lieu of taxable income. However, I believe the Deficit Reduction Act stepped beyond the bounds of preventing revenue loss and attempted to legislate, improperly, in my view, corporate policy.

Taxation of air transportation passes will not raise additional revenue for the Government. Why? Because the airlines, faced with an additional paperwork burden will simply discontinue the issuance of airline passes for other than its employees' immediate families. Additionally, taxation renders the undependable air transportation passes uneconomical. While some may argue that it is unfair for airlines to provide these travel benefits, I would respond that it is profoundly more undesirable for the Government to dictate corporate policy under the guise of the Tax Code.

The Federal Government loses no revenues from the use of air transportation passes. Further, the airlines loses no revenue in offering air transportation passes. The airline benefits are "no cost" for two basic reasons. First, the passes may only be used for otherwise empty seats. The pass bearer retains the lowest standby status, may be seated only after all revenue passengers have been seated and may be removed during any leg of the trip should his/her seat be needed for a paying passenger. And, second, most, if not all, airlines charge a fee to cover the cost of meals, baggage handling, etc.

In conclusion, Mr. Speaker, airline passes do not decrease Government revenue, and do not increase airline costs. Conversely, by taxing these benefits, we will not lower the budget deficit, we will simply ensure that empty airline seats remain empty. In the process we will deny travel opportunities to a large number of individuals.

Although legislation has been introduced to restore tax-free benefits to parents of airline employees, and I support such legislation, my bill takes a different approach. My bill exempts airline passes which are provided through airline employees from taxation in their entirety. Consequently, it allows each airline—not the Government—to establish its own policy as to who may qualify for empty-seat airline passes.

I urge my colleagues to cosponsor this legislation.●

REMEMBERING THE HOLOCAUST

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. KOSTMAYER. Mr. Speaker, the 40th anniversary of the liberation of the concentration camps is now being vividly recalled throughout Europe and in this country.

From April 21 through April 23, the Inaugural Assembly of the American Gathering of Jewish Holocaust Survivors will meet in Philadelphia to commemorate liberation of the Nazi death camps. Chosen as the site for this year's commemoration because of its role in America's struggle for independence, Philadelphia will host over 2,000 volunteers of all religious faiths working in support of this historic event.

The opening ceremony will take place on Sunday, April 21 at 1 p.m. A memorial Yiskor ceremony will be held at the Monument to the Six Million Martyrs on John F. Kennedy Boulevard. A processional to the Liberty Bell entitled "America: the Road to Freedom" will follow. Here survivors will pay homage for their lives and for their freedom. Three days of seminars, workshops, and commemorative events are scheduled to take place at the Philadelphia Civic Center.

The American Jewish Committee hopes to expand the computer registry of American survivors which has brought about the reunion of many lost family and friends. This listing now includes the names and residences of over 55,000 survivors. In addition, oral histories of survivors will be recorded, documented, and preserved in cooperation with the Holocaust Oral History Project of the William E. Weiner Oral History Library. These are recollections of both the horror and destruction of the concentration camps, as well as testimonies to the resilience of the spirit, courage, and faith of those who survived and perished during those dark days.

One of my constituents, Mrs. Rachel Ickovics of Richboro, will be attending this gathering along with her husband, brother, and sister-in-law. All are survivors of the concentration camps. While they lost most of their families, neighbors, and friends to the camps at Auschwitz, Buchenwald, and Treblinka, they regard themselves as lucky to have survived. Rachel was 14 when she entered Auschwitz; she spent over a year of her life there. She recalls, "Life didn't mean anything in Auschwitz. I remember watching people lying down on the road to die, while others threw their bodies on the electrical fences in order to avoid suffering through another miserable day." She also watched her parents, brothers, and sisters enter the gas chambers. Rachel's stories are not unlike those of other survivors who remember the feelings of isolation and the stench of death.

Mrs. Ickovics has not always talked about her experiences so openly. She speaks in sober, restrained tones in order to bear witness and to pass these stories from generation to generation so that no matter what color, religion, or creed—this type of systematic destruction of human life never happens again.

The organizers of the American Gathering anticipate over 10,000 Holocaust survivors from around the world will attend the gathering in Philadelphia during these 3 days. The first gathering took place in Jerusalem in 1981. A second gathering took place here in Washington, DC, in 1983.

Mr. Speaker, along with my colleagues and fellow citizens, I stand with the Inaugural Assembly in recalling the systematic brutality that occurred in the concentration camps during and prior to World War II. We recognize the just and righteous men and women of all faiths who rescued Jews and non-Jews alike from persecution and death.

May this gathering be blessed by reunion, commemoration, and the triumph of the human spirit of survival. Forty years later, we are all moved by the spirit of hope and commitment to freedom embodied by the Inaugural Assembly.●

H.R. 2020

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mrs. KENNELLY. Mr. Speaker, we are a culture that celebrates its children. As individuals, we devote great time and energy and love and not a few gray hairs to the well-being of our children.

Yet, although we give plenty of lip service to the wholesomeness of motherhood, we as a society have in many respects fallen short of developing the kinds of public policies which reflect a true commitment to children, the kinds of policies which promote children's development and strengthen the bonds of family. When it comes to pregnancy and childbirth, we fall particularly short when it comes to policies related to pregnancy and children.

It is now estimated that four-fifths of the women now working outside the home will become pregnant during their working lives. Under the Pregnancy Discrimination Act, their pregnancy-related disabilities must be treated like any other short-term disability. Unfortunately, nothing in the law requires employers affirmatively to provide disability leave. And worse, after the child's birth, the United States unlike every other industrialized country and many developing countries, has no policy concerning child care leave for the mothers and fathers of newborns.

The lack of guaranteed parental leave too often forces mothers and fathers to choose between their job and their baby. When the family's economic security is at stake, the choice is stark, the strain on the child's mother is great, and both she and her infant lose this most critical time for bonding.

If we are going to truly celebrate motherhood and ensure that our children develop this critical bonding during the first few months of their lives, crucial to emotional and intellectual growth throughout their lives, then it is time we catch up with the rest of the world and require employers to provide their employees with guaranteed disability and parental leave time.

H.R. 2020, of which I am an original cosponsor, does this. Employers are required to provide a minimum of 6 months leave for a short-term disability and 4 months parental leave for parents to care for their newborn, newly adopted or seriously ill child. Under the bill, the Secretary of Health and Human Services would develop regulations for the verification of temporary disabilities and for the verification of eligibility for parental leave.

This legislation is particularly important for low-income working women, as nearly half of the married women in the labor force have husbands who earn less than $15,000 a year, and these women are the most likely to be concentrated in jobs which do not provide adequate employment benefits.

H.R. 2020 is an important step in promoting the well-being of our children and helping women cope with the stresses of job and motherhood. It recognizes the contribution that both parents make in the early development of their children and I urge my colleagues to support it.●

A SALUTE TO NIH

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BARNES. Mr. Speaker, I would like to bring my colleagues attention to an important event that will be taking place in January 1986 in my district of Montgomery County, MD. That is, a "Salute to the National Institutes of Health," sponsored by the Juvenile Diabetes Association.

The timing of this event is most appropriate as NIH approaches its 100th birthday in 1987, as is the theme of the salute—"Bethesda, the Healing Well"—blending the concept of the biblical healing well with the location of NIH itself. This will serve to emphasize the striking advances in health care, including innumerable new insights into human disease, for which NIH has been responsible in their laboratories and clinics in Bethesda, MD.

Dr. Lewis Thomas, president emeritus of the Sloan-Kettering Institute for Cancer Research, stated in a recent reference to the National Institutes of Health:

As social inventions for human betterments go, this one is standing proof that, at least once in awhile, Government possesses the capacity to do something unique, imaginative, useful and altogether right * * *. It has, in short, been a success story from start to finish, although the finish is, I trust, nowhere near. The NIH laboratories are something for the Government to boast about, to dine out on, and to be immensely proud of. It is my hope that the same intelligence and good taste will be displayed for the institution's future as were used to build the magnificent instrument now at hand.

As the Federal agency entrusted with the development and progress of research in the biomedical sciences, NIH has enjoyed the consistent support of Congress. I am sure that we can wholeheartedly agree with Dr. Lewis' sentiments as we celebrate this outstanding achievement.●

AGRICULTURAL TRADE BILLS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. SKELTON. Mr. Speaker, today I am introducing a three-bill legislative package designed to boost sagging U.S. agricultural exports and help ensure fair trade. I have introduced these measures because it is my belief that there will be no substantial, long-term improvement in our farm economy until we reverse the decline in agricultural exports and begin to create new markets for our agricultural products, and expand existing ones. Moreover, U.S. agricultural exports generate employment, income, and purchasing power across the entire economy.

My first bill, Mr. Speaker, is a reintroduction of H.R. 2185 which I introduced during the 98th Congress. It would provide the Secretary of Agriculture with the authority to use Government surplus commodities to promote the increased use of U.S. agricultural products by tendering them as bonuses to U.S. exporters, processors, and foreign purchasers. There is strong competition for world agricultural markets. We must be prepared to meet our competition. I believe this legislation is necessary in order for our Nation to counter the predatory export subsidies which many other nations provide their farmers.

Second, I have introduced legislation reauthorizing the Agricultural Export Credit Revolving Fund which is due to expire at the end of the current fiscal year. As you know, I was the original House sponsor of agricultural export credit revolving fund legislation, and, along with our colleagues Congressman GLICKMAN and Congressman STENHOLM, I cosponsored the amendment which attached the measure to the 1981 farm bill. Unfortunately, it has laid dormant since its authorization. I believe we must reauthorize and use the Agricultural Export Credit Revolving Fund. It would make funds available for financing export sales of U.S. agricultural products, export sales of U.S. breeding animals, and the establishment of grain-handling and storage facilities in importing nations. It would make us more competitive, and moreover, since it is a revolving fund, the program would be fully self-supporting.

In addition to these export measures, Mr. Speaker, I have introduced legislation to toughen the inspection standards on imported meat and meat food products, to require the labeling of imported meat, and to require that eating establishments serving imported meat inform their customers of that fact. This bill will help provide fairer trade for U.S. meat producers, and it is also proconsumer. Many foreign nations permit their meat producers to use chemicals and drugs which are restricted in the United States for health and safety reasons. I believe that meat produced in foreign countries for importation into the United States should be subject to the same health and safety standards as meat produced in the United States. Further, I believe that consumers have the right to be informed that they are buying foreign-produced meat, both at the supermarket and in restaurants. The situation with Canadian hog and pork imports is only the latest in a series of problems in this area. In this case you have a government-subsidized industry importing products into our Nation that have been produced using a drug banned in the United States. However, once these Canadian hog and pork products enter the stream of commerce in our Nation, there is no way to tell them apart from U.S.-produced pork. After a long delay, the ITC has seen fit to take preliminary action in this case. My bill will lessen the need to use the cumbersome, time-consuming administrative process and better protect our producers and consumers.

Mr. Speaker, Congress must address the area of agricultural export trade this session. It is my hope that the legislation which I have introduced today will be incorporated in the 1985 farm bill. However, if this is not the case, I am prepared to offer these proposals as floor amendments, or to push for the separate passage of each of these bills. It is important for our Nation to maintain and expand our share of foreign agricultural markets. To do this, we need an aggressive export policy that takes advantage of our strengths—farm productivity and an efficient agribusiness marketing system—but also recognizes and corrects our weaknesses. The enactment of the measures which I have introduced today will start us on the road to such a policy.●

TRIBUTE TO JOHN A. BANNES

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. RUSSO. Mr. Speaker, the 19th century author, Lydia Sigourney, commenting in the language of her times on teachers, said:

Teachers should be held in the highest honor. They are the allies of legislators; they have agency in the prevention of crime; they aid in regulating the atmosphere, whose incessant action and pressure cause the life-blood to circulate and to return pure and healthful to the heart of the nation.

I think little has changed in the 20th century in terms of the esteem in which we should hold our educators. In fact, I think we need be even more aware in a volatile, crowded, and changing world of how crucial it is that our young people have the knowledge and perspective provided by a good education.

An outstanding educator and administrator in my congressional district, Superintendent John A. Bannes is retiring in June. This dynamic, conscientious, and professional administrator has dedicated 25 years of his life to the field of education and he will be honored this month at a retirement dinner dance sponsored by Kirby School District 140.

Mr. Bannes philosophy of education is to help provide each child the best possible education according to his/her needs and ability. It is "help provide" because he feels that the total education of our children is a joint endeavor shared by many. It involves the cooperation, mutual trust, and understanding of the community, school board, parents, faculty, and the children themselves. Such a philosophy comes from a man of experience and maturity, and Mr. Bannes is indeed such a man.

He is a native midwesterner, born in Chicago, and has been a resident of Cook County most of his life except for his military service years. When

World War II ended—and Mr. Bannes saw action in both the European theater and the South Pacific—he accepted a position as athletic director with the Lawndale Boys Club in Chicago and began what has turned out to be a full career in helping children toward physical and mental well-being. Although working with the boys club, he managed to resume and complete his undergraduate work at DePaul University, later returning there to earn his master's degree, which he received in 1957.

Mr. Bannes actually entered the teaching profession while still with the boys club, when in 1950 he became a substitute teacher in Chicago. He began his distinguished career in District 118 in Palos Park where he taught 4th grade and took an active role in the curriculum development. In 1960 he moved to District 140 in Tinley Park and his present position as superintendent of schools. Enrollment was 341 students. He again instituted changes, ranging from a still-in-service district-operated transportation system to the addition of kindergarten classes conducted during the school year, District 140 being the first in the area to have kindergarten, and continuing work on testing, gifted, remedial programs. And he oversaw the development of the growth of the district to 2,619 students today.

It is not possible to list all Mr. Bannes has accomplished, but I would like to cite a few of his awards. They tell us that this is a man who gives of himself not only in his work, but to his community and country as well. He has received certificates of service and appreciation from the Morain Valley Community College, Tinley Park Chamber of Commerce, and the Tinley Park—Park District. A John A. Bannes Scholarship Fund was established by the PTA in 1978, and he was administrator of the year for the South Suburban Association of Educational Office Personnel.

Today I would like to express my own appreciation to this outstanding citizen for his contributions to his community and country and I know my colleagues join with me and his family and many friends in commending him for a job well done.●

HARBOR DISTRICT BOY SCOUTS TO HONOR SAN PEDRO'S TRANI BROTHERS AS "CITIZENS OF THE YEAR"

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. ANDERSON. Mr. Speaker, it is indeed an honor for me to inform our colleagues and, in fact, the Nation that five of my constituents, Lou, Jim, Jack, John, and Phil Trani, have been selected as "Citizens of the Year" by the Harbor District Boy Scouts. I am delighted that the Trani brothers are receiving this award, for they have been contributing members of our seaside community for many years.

Frankly, it would be a difficult task to find anyone in San Pedro who somehow does not know one of the Trani brothers or has not eaten a fine lunch or dinner at their restaurant, Trani's Majestic, at Sixth and Beacon Streets.

The year was 1927 when the patriarch of the Trani clan, Filippo Trani, first opened his doors for business to the public. Calvin Coolidge was in the White House, Babe Ruth hit 60 home runs in one season, and Charles Lindberg made the first successful solo nonstop flight from New York to Paris.

Today, Trani's Majestic restaurant is recognized as one the Harbor area's finest eating establishments. And with its emphasis on amateur and professional sports, it is not uncommon to see one of the world's top athletes dining or helping out in the kitchen. In fact, the restaurant now hosts regular "Linguini and Baseball" luncheons with the Dodgers and "Fettucine and Football" dinners with the Raiders, with proceeds going to many charities throughout the area.

Mr. Speaker, the Trani brothers and sisters have done much in helping to make San Pedro the special place that it is. Their personal commitment to the economic, social, and cultural enhancement of San Pedro has been a way of life for them.

In closing, Mr. Speaker, let me just say that the many accomplishments of the Trani brothers clearly demonstrates their devotion to their work and the community. My wife, Lee, joins me in congratulating Lou, Jim, Jack, John, and Phil on this special occasion. We know that their great success will continue in the years ahead.●

THE TEMPLE CITY SILVER ANNIVERSARY, 1960-85

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MOORHEAD. Mr. Speaker, in the early years of the 20th century in southern California, Walter Temple purchased 400 acres of land which had been part of the vast Rancho Santa Anita of the San Gabriel Valley. Envisioning a community where people of medium income could afford to live and own their homes, he divided the area into lots and began development of the land in 1922. Bond issues instigated by Temple were responsible for street paving and electrification. Temple also petitioned the Pacific Electric Railway to extend its "red car" line from Los Angeles to Temple City, contributing to the steady growth of the area. In 1936, the town was officially designated Temple City, but remained a city in name only until the incorporation of the community on May 25, 1960.

Incorporation came as the result of the citizens' desires for home rule and local control of government. The city operates under the council-manager form of government, and provides excellent services through contracts with the county of Los Angeles and private sources. These services are provided without a municipal property tax. In 1971, the city officially became a charter city, following approval of the voters. The change from general law city status approved at incorporation provides residents with a working charter which contains rules and regulations for the operation of the city.

The city offers a variety of services for its residents, including parks and recreation programs, street maintenance and improvements, Dial-A-Ride for senior citizens and the handicapped, and programs such as the Emergency Reserve, Neighborhood Watch, and Student and the Law. In addition, the annual Camellia Festival is held on the last weekend of February as a celebration of youth and community. Excellent educational opportunities are provided by both public and private schools.

In the 25 years since incorporation, Temple City has grown in area, population, and services provided to citizens. The 25th anniversary celebration on Saturday, May 18, 1985, will include dedication of a new city hall and a salute to the residents and officials of Temple City who together have created a wonderful community which has a very promising future.

Mr. Speaker, I am delighted to bring to the attention of my colleagues in the House of Representatives the silver anniversary celebration of the city of Temple City.●

THE INDOOR AIR QUALITY ACT OF 1985

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mrs. SCHNEIDER. Mr. Speaker, it is my pleasure to join with my distinguished colleague, Representative JAMES SCHEUER, in introducing the Indoor Air Quality Act of 1985. The legislation would authorize a $3 million, 2-year research program, to be run by the Environmental Protection Agency [EPA], to conduct research on the sources of hazardous indoor air pollutants and their impact on human

health, and to recommend Federal strategies for reducing that health threat.

Indoor air pollution is viewed by many observers as the emerging environmental and health problem of the 1980's. The Consumer Federation of America [CFA] has named indoor air pollution the No. 1 health and safety issue of the year. The American Lung Association has begun a national campaign of education on the threat to individual health posed by indoor pollutants at home and at work.

Why this sudden attention? The average American spends 70 percent of his/her time indoors; the percentage for groups such as the elderly, homemakers, and children is much higher. The inside environment is often filled with harmful pollutants such as benzene, chloroform, methylene chloride, and tobacco in concentrations 10 times higher than those found outdoors. Increasingly researchers are linking exposure to these substances to everything from coughs to serious illness such as lung cancer. Exposure to radon, for example, is estimated to account for one-tenth of all lung cancer deaths in the United States every year.

Given the potential impact on individual health, and the long-term savings of both public and private resources that can be obtained by reducing exposure to indoor air pollutants, it is prudent for the Federal Government to begin a responsible research program on the subject.

The Indoor Air Quality Act of 1985 will give EPA the tools to look at important questions surrounding indoor air pollution, including the relative exposure levels in various indoor environments, the link between certain exposure levels and myriad illnesses, and the most cost-effective strategies to reduce any threat to human health that exists.

I am a firm believer that prevention is the best medicine. Skeptics may envision a day when indoor air pollution provokes the same public uproar, and the same demands for assistance, as toxic waste and polluted water do today. A minimal investment in research can save us money in the long run as we learn the correct way to mitigate exposure to indoor air pollutants, and to prevent another American health crisis from occurring.●

PERSONAL EXPLANATION OF ROLLCALLS NOS. 52 and 53, and H.R. 1210

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BUSTAMANTE. Mr. Speaker, on rollcall votes Nos. 52 and 53, taken by the House yesterday, I did not register my votes because of official business away from Washington. Mr. Speaker, had I been present, I would have voted yea on both rollcalls.

Because official business continues to require my presence elsewhere while the House considers H.R. 1210 today, I would like the record to show that I would have voted yea on both of the amendments offered by my distinguished colleague from Pennsylvania, Representative ROBERT S. WALKER, and on final passage of H.R. 1210.●

VETERANS OF THE VIETNAM WAR, INC.

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. KANJORSKI. Mr. Speaker, today I am introducing in the House, legislation to grant a Federal charter to Veterans of the Vietnam War, Inc., a nationwide veterans service organization of veterans headquartered in Wilkes-Barre, PA.

This month marks the 10th anniversary of the end of the Vietnam war. It is altogether fitting as we reflect on the events that took place a decade ago that we also take constructive steps on behalf of the brave soldiers who served in Southeast Asia.

There is no denying that the Vietnam war was markedly different from all previous wars the United States has been involved in. As a result the problems and needs of Vietnam-era veterans are frequently different from the problems and needs of veterans of previous wars. Only veterans of the Vietnam war, for example, have had to cope with the effects of herbicides like agent orange, and intense public division over the war in which they fought.

Although Veterans of the Vietnam War, Inc. was founded by, and is primarily concerned with, the problems of Vietnam-era veterans, it offers its services to all veterans. Unlike some other groups of Vietnam-era veterans it is primarily a service organization for veterans and their families. It provides assistance in filing claims with the VA for disability and compensation, it represents veterans before appeal boards, and it provides a wide range of personal assistance.

Through its posts Veterans of the Vietnam War, Inc. also provides traditional fraternal services. Meetings are traditionally held every 2 weeks and focus on issues like employment, education, agent orange, POW's and MIA's, and post-traumatic stress disorder, as well as individual veteran's problems.

It is important to note that Veterans of the Vietnam War, Inc. is not a political organization, a group which desires special treatment, or a group which exists only to serve the needs of Vietnam veterans.

Veterans of the Vietnam War, Inc. describes its four goals as:

First. Provide a place for the anxious Vietnam veteran to go to relate to others of his era and war.

Second. Exist to bring to the attention of the public and the Government the somewhat different problems of Vietnam veterans.

Third. Wish to cooperate with and support all other veterans organizations in the programs in behalf of all veterans of this Nation.

Fourth. Provide the Vietnam veteran and his family with an organization in which he will feel comfortable until he is, once again, interested in working for the rights and benefits due him and all other veterans.

Although Veterans of the Vietnam War, Inc., was founded and chartered in Pennsylvania, it now has tens of thousands of members in over a dozen States. As a nationwide service organization it needs and deserves a Federal charter, which is what my bill would grant it. My bill is modeled on the Federal chartering legislation of other nationwide service organizations and was introduced in the 98th Congress by former Congressman Frank Harrison.

I urge all my colleagues to join me in sponsoring this important legislation and to encourage the formation of Veterans of the Vietnam War chapters in their own districts. Individuals who wish to start chapters, or who desire other information about the organization, should contact: Michael Milne, president, Veterans of the Vietnam War, Inc., 2090 Bald Mountain Road, Wilkes-Barre, PA 18702, phone (717)-825-7215 or 1-(800)-VIETNAM.●

PARENTAL LEAVE AND DISABILITY ACT OF 1985

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Ms. OAKAR. Mr. Speaker, the obvious is sometimes the hardest to indentify. We, as Members of Congress, are constantly talking about our Nation's future and the need to preserve this great land of democracy. It is obvious, that our children are the essence of that future; but, sometimes their interests are ignored.

Let's take parental leave after childbirth or adoption. Psychologists and physicians confirm that the first several months of a child's development are key to his or her growth and maturation. Yet, this country does not have an all-encompassing leave program for expecting mothers—who may need dis-

ability time prior to delivery—and to both the mother and father after the child is at home. Consequently, employers vary widely on what kind of leave program they will provide to workers. Many even disregard the father's role as caretaker. The employers who do allow mothers time off, will often provide no guarantee that the job will be open when the mother returns.

Statistics prove that a leave policy of some kind is necessary. The number of working mothers will not decline. Similarly, the number of working mothers who support families is ever increasing, as is the number of two-earner couples. These thousands of parents are working to provide food and shelter for their children. It seems wrong that they should have to choose between work and child care.

Today, I am joining a number of my colleagues in introducing the Parental and Disability Leave Act of 1985. This bill would provide fathers and mothers with 4 months of job-protected parental leave upon the birth or adoption of a child and 6 months of job-protected disability leave for all employees who are temporarily disabled. In addition, the bill would instruct Congress to establish a commission to study and report on the feasibility of implementing a national paid disability and parental leave policy.

Mr. Speaker, there are few issues with which our country is not a leader. Unfortunately, parental leave and child care is one area that we need to pursue. The Parental and Disability Leave Act of 1985 is a good first step in developing a more progressive policy which meets the needs of our working parents and—most of all—meets the very important needs of our children.●

TRIBUTE TO EDWARD W. BILINKAS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. COURTER. Mr. Speaker, I rise to pay tribute to an exceptional individual who has been given the special honor of being named Muscular Dystrophy's Man of the Year—Edward W. Bilinkas.

Ed is the kind of person who is unable to say no to any worthy cause, whether it is setting up Randolph Township's first recreation football program or chairing a bumper sticker campaign to help support New Jersey's police. His involvement and energy have been relentless, and the results of his efforts are always impressive. Ed always exceeds his goals.

A respected educator, Ed often gives classes in real estate on his own time when he feels students have not yet grasped all they need to know for successful careers. He is a respected member of his profession, and his community. But it is for his limitless dedication to the cause of muscular dystrophy that Ed is being recognized at this time.

Seven years ago, Ed promised a young boy who was dying from muscular dystrophy that he would do something for sufferers of this disease each day for the rest of his life. And so he has. Each and every day Ed makes some effort to improve the lives and futures of MD sufferers, and to find preventions and cures for this killing disease.

When Ed was in the hospital suffering from a serious medical problem, he asked that friends not send flowers, but, instead, give the money to muscular dystrophy. In addition to private, heroic acts such as this, Ed has also made major contributions in fundraising. Most recently, he surpassed his personal goal of raising $100,000 for MDA in 1984. This year, of course, Ed plans to raise $200,000, and there is no question that he will succeed.

Beyond the major contributions he has made, Ed Bilinkas is undoubtedly being honored for what he is as a person; a humble, sincere individual with a wicked sense of humor. He has been described as a real friend—the kind of person you can call after midnight. Ed truly deserves this distinguished Muscular Dystrophy Man of the Year Award, and I join his family and friends in applauding him for all his years of dedication and service.●

THE LEGACY OF MARY McLEOD BETHUNE

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FOWLER. Mr. Speaker, this year marks the 50th anniversary of the National Council of Negro Women, founded by Mary McLeod Bethune, and on April 27, 1985, Mary McLeod Bethune Day, many groups around the country will honor this pioneer political and civil rights leader. Dr. Bethune—1875-1955—devoted her life to achieving equality among all peoples, to "break the bars to brotherhood" as she so eloquently expressed it. Her efforts to eradicate the barriers of race, creed, and sex place her among our greatest citizens and serve as an inspiration to us all. I hope that my colleagues in Congress will join me in honoring Dr. Bethune and in taking strength from her vision of equality and human dignity.

Dr. Bethune first gained prominence for her work in building the Bethune-Cookman College, one of the first colleges for black women. She later served as part of the National Child Welfare Commission under President Calvin Coolidge, but she exercised her broadest influence under President Franklin Delano Roosevelt. As Director of the Division of Negro Affairs from 1936 to 1944, Mary McLeod Bethune had a tremendous impact upon the formation of New Deal policy and was responsible for FDR's appointment of a number of black professionals to Government agencies. Her work addressed the problems of housing, discrimination in Federal and civilian agencies, health services, and the integration of black women into the labor force. She was also instrumental in bringing together many black leaders in several nationwide conferences.

Many of the problems which Dr. Bethune addressed are still with us and her legacy lives on in the many men and women who still strive for equality among people. In addition to this living legacy, however, we are fortunate enough to have many invaluable historical records of black women leaders. The Bethune Archives, which occupies the 19th century Washington townhouse which was Dr. Bethune's official residence, is dedicated to preserving and promoting black women's history.

The archives and museum house is the largest manuscript collection of material pertaining to the organizational and individual contributions of black women in America. Dr. Bethune's personal papers, as well as the organizational records of the National Council of Negro Women are preserved there. These records as well as the records of many other important American black women help promote awareness of this rich area of history as well as serving as an invaluable resource for scholarly research.

The archives offers us all access to the rich history of Mary McLeod Bethune and other black women through museum tours, children's education programs, traveling exhibits, lecture, poetry, and concert series. I urge you to join with me in support of the archives, in taking advantage of its resources and in the fine legacy of Dr. Bethune.●

HONORING MAJOR GENERAL GERARD

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. GREEN. Mr. Speaker, as the Member of Congress privileged to represent New York City's 15th District, I am proud to recognize the contributions of one of its residents, a true patriot, Maj. Gen. James W. Gerard II.

General Gerard is a 48-year veteran of the military, a man who has provided invaluable service to his city, his State, and his country. In November 1937, General Gerard enlisted in "K" Company, 107th Infantry, New York National Guard. There, he rose to the rank of master sergeant. He was commissioned as a second lieutenant in August 1942, serving during World War II in Ordnance, Quartermaster, and the Adjutant General's Department. General Gerard also served on General MacArthur's staff in the Philippines, and as assistant executive G–4 on the general staff at the War Department. At the end of World War II this valiant man served in the Army of Occupation in Japan, and, later, during the Korean conflict, he participated in the Inchon landing, serving as a battalion commander and group executive officer. General Gerard retired as a colonel with over 20 years of service in 1961.

General Gerard assumed command of the Veterans Corps of Artillery on April 22, 1975. In 1982, he was promoted to the rank of major general in the corps by the order of the Governor of the State of New York. Besides participating in the military life of New York, General Gerard is an active member of many clubs and organizations such as the Huguenot Society of America, of which he is the present president, and the New York Chapter of the Sons of the American Revolution, of which he is a past president.

General Gerard's numerous well-deserved awards and decorations include the Bronze Star, the Army Commendation Medal with two oak leaf clusters, and the American Defense Medal. This is a man who has devoted himself to his country.

Mr. Speaker, I know my colleagues in the House will want to join me in paying tribute to this impressive man. His loyalty to his country and his willingness to take action for our country are awesome. Maj. Gen. James Gerard could serve as an example for us all.●

LEGISLATION TO ENLARGE BUMPING LAKE

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. MORRISON of Washington. Mr. Speaker, today I am introducing a measure to authorize the enlargement of Bumping Lake, a water storage reservoir in central Washington. While I recognize that no procedure for the approval of new water projects has yet been agreed to in Congress, my intent in introducing this bill is to reemphasize that the Yakima River system does not currently have the capacity in short water years to fulfill the obligations that the Federal Government has to both irrigation and fish maintenance in the Yakima River Valley and that this problem must be addressed.●

ADELIA MUNDY CELEBRATES 100TH BIRTHDAY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. KANJORSKI. Mr. Speaker, it is a great honor for me to bring to your attention a citizen from my district who has just recently celebrated her 100th birthday. Mrs. Adelia Mundy is the oldest resident of my hometown of Nanticoke, and I join with my neighbors in wishing her a happy, healthy birthday.

Mrs. Mundy has been a resident of our area all her life, having been born in Newport Township in 1885. She was married to Robert E. Mundy, a mine official, who died in 1945. Her daughter, Ella, a retired schoolteacher lives with Mrs. Mundy in her Nanticoke home.

Mrs. Mundy is still active in the First Presbyterian Church of Nanticoke, and summers with her daughter each year at the family summer cottage at Lake Nuangola. She is an avid reader and a big fan of the Nanticoke Trojans.

Mr. Speaker, Adelia Mundy's life has spanned the most exciting and change-filled century in man's history. It is my pleasure to bring her to your attention.●

CONGRATULATIONS CAROLE B. STEVENS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding leader of our community and a good friend, Carole Stevens. On May 1, she completes an unprecedented third term as president and chief executive officer of the Federation of Hillside and Canyon Associations, Inc. The federation represents the interests of 200,000 homeowners in the hills and canyons of Los Angeles.

Those homeowners could not have found a better champion than Carole Stevens. The appeal of Los Angeles includes the stunning vistas from the mountains within our city, the dramatic spectacle of the plunging canyons, the wilds of the Santa Monica Mountains. Carole recognized the importance of the environment to those who chose to make Los Angeles their home, and has fought like no other to protect that environment.

Her ability to communicate the importance of those concerns to Federal, State, and local government agencies, to the Southern California Businessmen's Association, L.A. Taxpayers, the Building Industry Association, and other organizations led to positive and productive relations that benefited all.

Her work on behalf of homeowners is just a small part of Carole's extensive community service. She is also a member of the Santa Monica Mountains Conservancy and was elected to the board of directors of the Southern California Planning Congress. Her service as legislation chair of the National Women's Political Caucus and as governmental affairs representative for the U.C.L.A. Foundation Trustees has been outstanding.

In the past, Carole served on the Los Angeles Women's Campaign Fund Steering Committee, on Mayor Bradley's Blue Ribbon Budget Committee, and on other community organizations too numerous to mention here. She successfully lobbied to win back the right of local jurisdictions to ban the sale of fireworks.

Carole has been an inspiration, an example, and an unmatched standard by which the rest of us measure our own efforts. With her husband, Norman, Carole raised two fine sons and a wonderful daughter in addition to all her other activities.

It is my honor to congratulate Carole B. Stevens—author, journalist, activist, and friend—not only for her efforts as president of the Hillside Federation but also for her tremendous commitment and untiring efforts on behalf of the entire community.●

EXPLANATION OF VOTE

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. OXLEY. Mr. Speaker, because of prior commitment for official business, I was unable to be present yesterday. Had I been present, I would have voted "yea" on rollcall 52 and "yea" on rollcall 53.●

HONORING AMERICA'S OCCUPATIONAL THERAPISTS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. FIELDS. Mr. Speaker, it is with a great deal of pleasure that I rise to commend the outstanding work of America's occupational therapists—including those occupational therapists in the Eighth District of Texas.

In our schools, rehabilitation homes, hospitals, and clinics, occupational therapists provide thousands of Americans with the help they require to achieve their rehabilitation goals and meet their psychological needs.

They do so with great patience, a strong belief in the individual and an innovative and creative capacity to help their patients.

Over the years, our senior citizens; our children; our mentally, socially and physically handicapped men and women; our brain injury victims; our burn victims; our stroke patients; our arthritics; our amputees and others all have benefited from occupational therapists whose efforts have helped their patients again function in our society despite their impairments.

So, Mr. Speaker, I believe you and the rest of my colleagues would do well to join with me during the week of April 14 to 20 to salute the efforts of our occupational therapists. They deserve our thanks, our admiration, and our support for their efforts.●

SALUTE TO BESSIE DOTY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. COURTER. Mr. Speaker, I rise today to salute an outstanding New Jersey citizen who has spent a lifetime serving the people of her community. Bessie Doty, of Haskell, NJ, is a truly outreaching and compassionate individual whose accomplishments via her concern for others are most inspiring and impressive.

She has, among other things, worked on programs dedicated to fighting cancer, heart disease, and other debilitating illnesses. Bessie has also helped hospitals and nursing homes acquire more of the facilities and progams necessary to better serve people in need. Her tenacity and perseverance in perenially assisting the people of New Jersey cannot be overvalued.

It is refreshing to know that there are people such as Bessie who are so active in our communities. She is a model citizen and a great human being.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, April 18, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 19

9:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions and Consumer Affairs Subcommittee
Housing and Urban Affairs Subcommittee
To hold oversight hearings to review adjustable rate mortgages.
SD-538

9:30 a.m.
*Finance
Health Subcommittee
To hold oversight hearings of the Peer Review Organizations.
SD-215

10:00 a.m.
Foreign Relations
To hold hearings on the current situation in Central America.
SD-419

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on the role of Nicaragua in drug trafficking.
SD-430

APRIL 22

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings to examine the tax treatment of corporate takeovers.
SD-215

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on extended voluntary departure issues.
SD-226

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on the strategic defense initiative.
SD-192

11:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Peter C. Myers, of Missouri, and Robert L. Thompson, of Indiana, each to be an Assistant Secretary of Agriculture.
SR-328A

APRIL 23

8:00 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile arson.
SD-628

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act.
SD-406

Finance
To hold hearings on the impact of floating exchange rates on the international trading system.
SD-215

Labor and Human Resources
To hold hearings on the nomination of William E. Brock, III, of Tennessee, to be Secretary of Labor.
SD-430

Rules and Administration
To resume hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on the strategic defense initiative (policy and capability).
SD-192

Judiciary
To hold hearings on S. 447, to insure a greater measure of competition in the railroad freight industry's hauling of certain products.
SD-226

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service (including the land and water conservation fund), Department of Agriculture.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and general Government programs.
SD-138

Rules and Administration
To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:30 p.m.
Finance
To continue hearings on the impact of floating exchange rates on the international trading system.
SD-215

APRIL 24

9:00 a.m.
*Foreign Relations
To hold hearings on American policy toward South Africa.
SD-419

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253
Finance
To continue hearings on the impact of floating exchange rates on the international trading system.
SD-215
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on activities of the Office of Government Ethics.
SD-342
Labor and Human Resources
To hold hearings on the nominations of Hortencia Benavides, of Texas, Leaanne Bernstein, of Maryland, Loraine Miller, of Michigan, Claude G. Swafford, of Tennessee, Robert A. Valois, of North Carolina, William C. Durant, III, of Michigan, Paul B. Eaglin, of North Carolina, Pepe J. Mendez, of Colorado, Thomas F. Smegal, Jr., of California, Basile J. Uddo, of Louisiana, and Michael B. Wallace, of Mississippi, each to be a member of the Board of Directors of the Legal Services Corporation.
SD-430
Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related health legislation affecting veterans.
SD-418

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S Coast Guard, Department of Transportation.
SD-138
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings, on S. 664, to facilitate the competitiveness of exports of U.S. agricultural commodities, and other related proposals.
SR-232
Judiciary
Juvenile Justice Subcommittee
To hold hearings to examine problems relating to juvenile victims in sexual assault cases.
SD-226

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 25

9:00 a.m.
*Foreign Relations
Business meetings, to consider the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st Cong., 1st sess.).
SD-419

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Fisheries Conservation and Management Act and Fishery Administration, Department of Commerce.
SR-253
Finance
To hold hearings on title II (tax exemption for animal feed substances) and certain provisions relating to revenues for the hazardous substance response trust fund of S. 51, Superfund Improvement Act of 1985, and related proposals.
SD-215
Veterans' Affairs
To continue hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related health legislation affecting veterans.
SR-418

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Air Force aircraft procurement and research, development, technology and engineering.
SD-192
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

10:30 a.m.
Rules and Administration
Business meeting, to consider Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Capital Planning Commission, Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 26

9:30 a.m.
Finance
To continue hearings on title II (tax exemption for animal feed substances) and certain provisions relating to revenues for the hazardous substance response trust fund of S. 51, Superfund Improvement Act of 1985, and related proposals.
SD-215

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings to review options for conducting a pay equity study of the Federal pay and classification systems.
SD-342

APRIL 29

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for Amtrak
SR-253

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 488 and H.R. 1185, bills to establish the Petrified Forest National Park, AZ, S. 543 and H.R. 1373, to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness, and S. 444, to convey certain U.S. lands in Alaska to NANA Regional Corporation in exchange for lands owned by such corporation.
SD-366

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on energy research programs.
SD-366

Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

Labor and Human Resources
To hold hearings on S. 801, authorizing funds for fiscal year 1986 for the National Science Foundation.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Army modernization.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-192

MAY 1

9:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Telecommunications and Information Administration.
SR-485

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. district courts.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138

Environment and Public Works
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act, and other related measures.
SD-406

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

Select on Intelligence
Closed business meeting, to resume markup of proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy aircraft procurement and research, development, technology and engineering.
SD-192

Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Environment and Public Works
Business meeting, to mark up S. 124, authorizing funds through fiscal year 1989 for programs of the Safe Drinking Water Act, including public water systems and protection of underground sources of drinking water.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on S. 140, Children's Justice Act.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 3

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on the proposed Telecommunications Trade Act.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Coastal Zone Management Act

and ocean programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

MAY 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs of the Department of Transportation.
SR-253

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on the consolidation of certain trade routes.
SR-232

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

Labor and Human Resources
To hold hearings on nominations of Marshall B. Babson, of Connecticut, and Wilford W. Johansen, of California, each to be a member of the National Labor Relations Board.
SD-430

Veterans' Affairs
Business meeting, to mark up S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals, and S. 367, to provide for judicial review of certain administrative decisions of the VA, to codify certain VA adjudication procedures, to improve the VA appeals process, to require the VA to comply with certain rulemaking procedures, and to provide for reasonable fees to attorneys serving as legal counsel for veterans.
SR-418

10:00 a.m.
Select on Intelligence
Closed business meeting, to resume markup of proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management (including the land and water conservation fund), Department of the Interior.
SD-138

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on fusion energy programs.
SD-366

MAY 10

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on conservation and renewable programs.
SD-366

Finance
Health Subcommittee
To hold hearings to review the health prevention/promotion for Medicare beneficiaries.
SD-215

MAY 13

10:00 a.m.
Foreign Relations
To hold joint hearings with the Committee on the Judiciary on international terrorism and narcotic trafficking.
SD-419

Judiciary
To hold joint hearings with the Committee on Foreign Relations on international terrorism and narcotic trafficking.
SD-419

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs of the Department of Energy, focusing on nuclear energy programs and nuclear waste activities.
SD-366

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

Foreign Relations
To continue joint hearings with the Committee on the Judiciary on international terrorism and narcotic trafficking.
SD-419

Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

Judiciary
To continue joint hearings with the Committee on Foreign Relations on international terrorism and narcotic trafficking.
SD-419

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Foreign Relations
To continue joint hearings with the Committee on the Judiciary on international terrorism and narcotic trafficking.
SD-419

Judiciary
To continue joint hearings with the Committee on Foreign Relations on international terrorism and narcotic trafficking.
SD-419

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for fossil energy.
SD-138

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume oversight hearings on proposed budget requests for fiscal year 1986 for programs for the Department of Energy, focusing on fossil energy programs.
SD-366

MAY 17

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on the deregulation of surface freight forwarders.
SR-253

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 22

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold oversight hearings on the implementation of the Orphan Drug Act (P.L. 97-414), focusing on section 7(b) relating to radiation-cancer liability.
SD-430

JUNE 12

9:00 a.m.
Labor and Human Resources
To continue oversight hearings on the implementation of the Orphan Drug Act (P.L. 97-414), focusing on section 7(b) relating to radiation-cancer liability.
SD-430

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

APRIL 18

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

APRIL 25

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Fisheries Conservation and Management Act and fishery programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

SENATE—*Thursday, April 18, 1985*

(Legislative day of Monday, April 15, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer today will be offered by Archbishop Mesrob Ashjiam, prelate of the Armenian Apostolic Church of America, New York, NY. The Archbishop is sponsored by Senator ALAN CRANSTON.

PRAYER

The Archbishop Mesrob Ashjiam, prelate of the Armenian Apostolic Church of America, New York, NY, offered the following prayer:

In the name of the Father, of the Son, and of the Holy Spirit. Amen.

Almighty God, eternal Guide of all people, direct us along the path of justice and honor in our daily conduct. Give of Thy blessings to this glorious Nation so that it may continue to shine as a welcoming beacon of liberty admidst the dark clouds of tyranny and oppression. Reveal always Thy infinite spirit to the Members of this august body, that they may be inspired toward a greatness of purpose, that they may be ennobled in the urgent quest for justice, freedom, and peace for all of mankind.

We thank Thee in the name of the Armenian people for Thy eternal wisdom and divine mercy in providing them a safe refuge in these United States from the ravaging inhumanity of their enemies. We offer to Thee our sacrifices upon the altar of freedom in an act of redemption for all of mankind. In turn, Heavenly Father, we ask that Thy other children always be spared from the stifling yoke of tyranny and persecution.

Give, we beseech Thee, but a particle of Thy celestial wisdom to all men and nations that they may learn to walk together with joy and happiness on the path of righteousness, truth, and freedom. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, unless reserved, followed by special orders not to exceed 15 minutes by Senators MCCONNELL, MURKOWSKI, and PROXMIRE, followed by routine morning business not to extend beyond the hour of 1:30 p.m. with statements limited therein to 5 minutes each.

Following routine morning business, it will be the intention of the majority leader to turn to either of the following bills, or both: Calendar Order No. 76, S. 813, pipeline safety; and Calendar Order No. 81, S. 796, the National Bureau of Standards authorization. Either, if not both, in my view, are unanimous-consent items in nature. However, there is a possibility rollcall votes will occur.

Also, the Senate, during the course of the day, could turn to any other legislative or executive items which have been cleared.

It would appear certain that we will not have a session tomorrow. I cannot guarantee that there may not be a vote sometime today, but it is unlikely there will be a rollcall vote.

Mr. President, I would also indicate, as far as the majority leader knows, we will still start action on the budget next Monday, the 22d of April. Then, on Tuesday, we will move to the Contra aid proposal. There are indications of some possible change, if it can be worked out, in that provision. Hopefully I can discuss that with the minority leader later this afternoon.

Then, on Wednesday of next week, we will be back on the budget resolution and we will continue on that until it is disposed of.

Mr. CRANSTON. Mr. President, may I ask the majority leader what the situation is with regard to votes on Monday?

Mr. DOLE. On Monday, it is my hope that we can discuss the budget proposal, but not have votes.

Mr. CRANSTON. I thank the majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. GRAMM). The distinguished minority leader is recognized.

SENATE RESOLUTION 134—ASSURING THE COST-OF-LIVING ADJUSTMENTS FOR SOCIAL SECURITY RECIPIENTS

Mr. BYRD. Mr. President, I am going to send to the desk the following simple resolution. I will read it.

TO ASSURE THE COST-OF-LIVING ADJUSTMENTS FOR SOCIAL SECURITY RECIPIENTS

Resolved, It is the the Sense of the Senate that the Budget Resolution for fiscal 1985 and succeeding years shall include sufficient amounts under function 650 (Social Security) so as to allow full funding of the Cost of Living Adjustments for fiscal years 1985 through 1988.

I send this to the desk on behalf of myself, Mr. MOYNIHAN, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. FORD, Mr. GORE, Mr. KENNEDY, Mr. KERRY, Mr. METZENBAUM, Mr. SARBANES, and Mr. LAUTENBERG and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I am constrained to object.

The PRESIDING OFFICER. The objection is heard and the resolution will go over under the rule.

The text of the resolution is as follows:

Resolved, It is the Sense of the Senate that the Budget Resolution for fiscal 1985 and succeeding years shall include sufficient amounts under function 650 (Social Security) so as to allow full funding of the Cost of Living Adjustments for fiscal years 1985 through 1988.

SOCIAL SECURITY

Mr. BYRD. Mr. President, today I am introducing two resolutions on behalf of myself and Senators MOYNIHAN, RIEGLE, CRANSTON, BURDICK, FORD, GORE, KENNEDY, KERRY, METZENBAUM, SARBANES, and LAUTENBERG. The first, a joint resolution, states the policy of the United States that the budget resolution for fiscal 1985 as revised shall be deemed to include amounts sufficient under function 650, Social Security, so as to insure the full cost-of-living adjustments for Social Security recipients through fiscal 1988.

The second resolution expresses the sense of the Senate that the budget resolution for fiscal 1985 and succeeding years shall include sufficient amounts under function 650, Social Security, so as to allow full funding of the cost-of-living adjustments for fiscal years 1985 through 1988.

These resolutions are reflections of my commitment to see that our contract with this Nation's elderly and disabled Social Security beneficiaries is not broken.

Mr. President, despite continuous promises from the President during the past year that he would never reduce Social Security benefits to current recipients, he and Senate Republicans have advanced a joint proposal to do just that. The compromise budget they have proposed will reduce the Social Security cost-of-living ad-

justment [COLA] by 2 percent in each of the next 3 years under virtually all economic projections. This will reduce Social Security benefit payments by $22.6 billion over the 3-year period.

Constricting Social Security COLA's as the President and Senate Republicans are proposing is, in fact, a reduction in existing Social Security benefits, contrary to the impression the President is trying to present to the American people. Congress determined in 1972 that the value of Social Security benefits should be held constant in the future in the face of inflation, and wrote into law a guarantee that benefits would be increased to do that. Any restriction on this periodic adjustment constitutes a reduction in currently-guaranteed benefits to current Social Security beneficiaries.

The effect of this COLA reduction is quite simple, Social Security has been and remains an absolute necessity for many elderly Americans who fall into lower income brackets. Nearly 43 percent of elderly-headed households had total money incomes below $10,000 in 1983. Seventy-three and four-tenths percent of elderly households had incomes of $20,000 or less. The great majority of elderly Americans cluster around the poverty line. In 1983, 14.1 percent of the population age 65 and over, 3.7 million, had incomes below the poverty level, counting Social Security benefits. An additional 8.3 percent of the population age 65 and over, 2.2 million, in 1983 had incomes between the poverty level and 25 percent above the poverty level, counting Social Security benefits.

Further evidence that Social Security remains a bedrock that keeps many elderly persons from destitution is revealed in the percentage of income that Social Security constitutes for the Nation's elderly:

In 1982, Social Security supplied more than half of the total income for 65 percent of its beneficiaries 65 and over.

In 1982, Social Security supplied 90 percent of the total income for 27 percent of its beneficiaries 65 and over.

In 1982, Social Security supplied 100 percent of the total income for 15 percent of its beneficiaries 65 and over.

A report by the House Ways and Means Committee, titled "Background Material on Poverty," has determined that, if there were no Social Security, there would be about 3.5 elderly persons for every 1 who now falls below the poverty level. In other words, Social Security reduces the incidence of poverty among the aged by 70 percent. Furthermore, according to the same report, "although about two-thirds of Social Security recipients are aged, payments to the aged and non-aged together in 1982 probably kept 13.8 million persons of all ages out of poverty. Nearly 9.3 millon of these would-be-poor are age 65 or older."

The Congressional Budget Office [CBO] has analyzed the projected financial impact of the new Republican proposal on beneficiaries—the so-called modified CPI minus 2 percent proposal coupled with a small increase in supplemental security income [SSI] benefits for the impoverished aged, blind, and disabled. The CBO concluded that, using its own inflation assumptions, the proposed 3-year reduction in COLA's for non-means-tested program benefits, combined with the SSI increases, would increase the poverty gap, that is, the aggregate amount of income needed to raise the incomes of the 35 million Americans living below the poverty level up to the poverty threshold, by an estimated $430 million and would increase the number of poor people by about 530,000. With respect to the effect of the COLA reduction alone—not partially offset by the slight proposed increase in SSI benefits—the CBO concluded that the "5.4 percent reduction in real benefits would increase the poverty gap by an estimated $610 million and would increase the number of people in poverty by 600,000. Under the administration's economic assumptions, the results of this COLA reduction are even more severe.

The debate on the budget that will begin next week is really a debate on the priorities that guide this country. Democrats believe those priorities ought to be set to ensure a future of hope for all Americans. We believe the priorities reflected in the compromise budget worked out between the White House and the Senate Republicans must be challenged and changed.

And we believe that it is appropriate that one of the first questions we address in changing those priorities concerns the protection and preservation of a contract we have with the American people—a contract they have counted on in planning their futures—a contract that keeps almost 14 million senior citizens out of poverty.

That contract is Social Security. And Democrats will use every means at our disposal to stop the Reagan administration's attempt to cut Social Security COLA's.

The legislation that I introduced today is designed to take the first step toward that end. It is my hope that we will prevail in eliminating Social Security COLA reductions from the budget before the Senate.

Mr. President, I ask unanimous consent that I may reserve the balance of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 813—NATURAL GAS PIPELINE SAFETY ACT AND THE HAZARDOUS LIQUID PIPELINE SAFETY ACT—AUTHORIZATION

Mr. SIMPSON. Mr. President, with the concurrence and approval of the minority leader, I ask unanimous consent that the Senate now turn to the consideration of calendar item No. 76, S. 813, pipeline safety programs authorization, and that no amendments, motions, appeals, or points of order be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 813) to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 17(a) of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1684(a)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new paragraphs:

"(4) $3,450,000 for the fiscal year ending September 30, 1986; and

"(5) $3,615,600 for the fiscal year ending September 30, 1987.".

(b) Section 17 of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1684) is amended by adding at the end thereof the following:

"(c) For purposes of carrying out the Federal grants-in-aid provisions of section 5(d) of this Act (49 App. U.S.C. 1674(d)) and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(d)), there are authorized to be appropriated—

"(1) $4,500,000 for the fiscal year ending September 30, 1986; and

"(2) $4,716,000 for the fiscal year ending September 30, 1987.".

(c) Section 205(d)(2) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(d)(2)) is amended by inserting "or section 17(c) of the Natural Gas Pipeline Safety Act of 1979 (49 App. U.S.C. 1674(d)(2))" immediately after "title".

SEC. 2. (a) Section 214(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2013(a)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new paragraphs:

"(4) $875,000 for the fiscal year ending September 30, 1986; and

"(5) $917,000 for the fiscal year ending September 30, 1987.".

(b) Section 214(b) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2013(b)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following new paragraph:

"(4) such amounts as are made available pursuant to section 17(c) of the Natural Gas Pipeline Safety Act of 1968.".

SEC. 3. (a) Section 5(a) of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1674(a)) is amended by striking "$5,000" and inserting in lieu thereof "and amount that the Secretary establishes by regulation".

(b) Section 205(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(a)) is amended by striking "$5,000" and inserting in lieu thereof "an amount that the Secretary establishes by regulation".

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF TIME TO ANNOUNCE APPOINTMENT OF DEPUTY LEGAL COUNSEL OF THE SENATE

Mr. SIMPSON. Mr. President, having consulted with the senior Senator from West Virginia, I ask unanimous consent that the President pro tempore of the Senate have a period of 30 more days to announce the appointment of the deputy legal counsel of the Senate, purusant to 2 U.S.C. 288 and Public Law 96-576.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR McCONNELL

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky [Mr. MCCONNELL] is recognized for not to exceed 15 minutes.

APARTHEID

Mr. McCONNELL. Mr. President, I am a new Member of the U.S. Senate, the world's greatest deliberative body, and in my first few months here I have witnessed what the Senate can do, when it wants to.

And, as a Member of the majority party in the Senate, I have come to observe the potential we, as Republicans, have to initiate, to lead, to forge consensus, and to institute change.

Recently, the whole world witnessed an example of the power and potential of the U.S. Senate to act.

In the course of only a few days, the Senate—Republicans and Democrats alike—acted in unison to pass a resolution and send a message to the Japanese so powerful that it caused entire nations to take notice. And it worked. Talks that were stalled, suddenly began again in earnest. Stalemates were dislodged. And our negotiations with the Japanese are back on track.

I was proud to be a part of that effort, Mr. President, and excited and encouraged to witness what we, as U.S. Senators, can do to affect the course of world events.

I come before the U.S. Senate today to suggest to my colleagues that the time has come to flex some of these same muscles, to exercise that same determination and commitment and power in a unified effort to correct one of the most abhorrent and criminal examples of injustice evident in the world.

The system of apartheid is nothing short of criminal. When a diabetic prisoner dies in custody because she is denied insulin—that is criminal. When 16 members of a nonviolent political group are held without charge, without bail for months—that is criminal. We must respond as a body. We must bring about a change.

In the past 10 days we have heard of plans for change in South Africa. The Government of South Africa has indicated it would support legislation in Parliament to repeal the Prohibition of Mixed Marriages Act, which forbids marriages between whites and nonwhites, and the immorality acts which outlaws sexual relations between whites and nonwhites. This action should not be taken lightly. It reflects a long period of review and debate by a specially constituted parliamentary commission. It reflects careful evaluation by the executive branch resulting in its concurrence with the recommendation to abolish the acts. I have every reason to hope Parliament will follow these recommendations and repeal the act.

There also may be reason to be hopeful about the fate of the 100,000 blacks living in Crossroads, a camp outside Cape Town. The Government has told squatters that they may be legally authorized to stay near Cape Town for 18 months if at least 70,000 of them will relocate to an officially recognized black township 2 miles further from the city. Apparently, the Government has offered to subsidize the transportation costs created by the additional distance from the city and they have hinted that those who move to the official black township will not be repatriated to their assigned homelands after the 18-month period.

The question remains: What happens if at least 70,000 people do not agree to uproot their families and move? The clear threat and leverage the Government has is that these people have a single choice: move or you will be forcibly moved. How many times have families in Crossroads and similar camps seen the tents and shacks they call homes flattened by Government bulldozers? How many times have these blacks been trucked back to the reservations called homelands?

This situation illustrates a basic fact of life for the majority of South Africans. Most blacks in South Africa do not make choices about where they want to live; they do not make choices about who represents them in Parliament; they do not make choices about where children will go to school; they do not make choices about careers. The majority of South Africans—the approximately 21 million blacks who make up almost 70 percent of the population—make no choices at all.

All of these decisions are made for them by the South African Government and every decision upholds the architecture of apartheid: a policy of separate and less.

As I review progress in South Africa, I am struck by the fact that reforms have had no clear cut effect on the daily lives of the majority of South Africans. The constitutional reforms did bring a segment of the disenfranchised population into the political process to a limited degree. Racially segregated chambers of Parliament were established for Asians and the coloreds. The actual influence any legislation originating from the two new chambers will have on the quality of Asian and colored lives remains to be seen. Since guesses are that these new representatives were brought into office with only 20 percent of their respective racial groups voting, it is difficult to believe in their popular mandate in the first place.

A lack of constructive change in the quality of lives for most South Africans creates enormous pressures for the country. Most blacks face bleak prospects, little opportunity for education, ownership of a home, or a permanent job. They have no confidence that those who control their fate will take any initiatives now, or in their children's lifetime, to change significantly the impact apartheid has on their lives.

There is absolute consensus in this country that the policy of apartheid is repugnant morally and politically. But the solutions that have been provided by this administration, Members of Congress, academics, members of the clergy and representatives of all segments of South African society have varied enormously.

The administration's policy of constructive engagement was outlined by Secretary Shultz in an address to the National Press Club on Tuesday. He spoke of the escalations in cross-

border violence, Soviet and Cuban intervention in the area, questions relating to Namibia's independence, the significance of South Africa's economic resources, and, of course, the growing racial tension in South Africa resulting from apartheid. The Secretary underscored the linkage in U.S. interests and concerns between the regional complexities and, as he called it, the morally indefensible conditions of apartheid. He made it clear that one set of problems cannot be isolated without careful consideration of the other, apartheid. In other words, as we press for internal reforms on apartheid we, as Americans, must be cognizant of the destabilizing threats South Africa faces from Cubans in Angola. From the Washington perspective, this comprehensive approach is reasonable. However, what of the perspective of a miner who will never make pay equal to his white counterpart, who is denied an opportunity to rise in position due to a policy of reserving certain jobs only for whites? Does this miner share this larger view of southern Africa? Does he understand his plight in these regional terms?

The administration's policy, I believe, fails to adequately focus on the bare, grim facts of life for most South Africans. I fear we no longer have the luxury of weighing our regional concerns. I am convinced the greatest threat to security and stability is not posed by the Cubans or Soviets, but by the injustices of apartheid. Two-hundred-and-forty-two people have been killed in racial violence in the last year. Sixteen members of the United Democratic Front advocating nonviolent change are being held in prison, without charge and without bail. They are alleged to have committed acts of treason. A policy that allows this to continue uncorrected, as the administration has, is a policy that has failed.

While the administration's policy does not go far enough to effect a change in South Africa's problems, I am equally skeptical that proposals currently under consideration in this body will effectively change the course of events in South Africa. The plans I have reviewed seem to be all stick and no carrot. Sanctions against an entire nation will not compel the few who control South Africa to lift the burdens of apartheid. Unrestricted sanctions will punish all for the sins of a few.

Clearly, there is a middle ground between policies that go too far and those that do not achieve enough. There is room for a plan that will strike a balance and render the necessary change.

I was encouraged to note in the Secretary's speech that the United States has developed nearly $30 million in assistance programs to train leaders in the black community to help them effect change in their society. This is a critical part of a two-pronged message and program we must initiate.

First, we must develop and underscore an understanding among members of the majority in South Africa that we believe the time has come—in fact, is long overdue—for a significant change in the quality of their lives. Community level assistance to legal, health, educational, and professional groups is the medium and method through which we can convey a message to the majority that we support change and we support it now. Full national political participation is the key to ensuring change that is meaningful and long term.

We must also direct our political and economic message to the Government of South Africa. There should be no doubt the United States has the will to follow through and bring all necessary pressure to bear to effect change.

The Senate must respond to the inhumanity, the injustice, and the crime of apartheid. There have been more than 200 years of racial discrimination in South Africa that tests the 196-year-old integrity and will of this body. We must rise to this challenge and act to change the course of South Africa's tragic history. Conservatives and liberals, Republicans and Democrats, can and should act in unison. And we should act now.

Mr. SIMPSON. Mr. President, I regret that I was not in the Chamber on April 16 when the Senator from Kentucky made his initial remarks with regard to a piece of legislation entitled, "The Agriculture Act of 1985." I just want to share with my colleagues, as Senator MCCONNELL shared with us his maiden speech on a major piece of legislation, that he indeed is a fine addition to the U.S. Senate. I read those remarks concerning the Agriculture Act of 1985, with regard to an attempt to get to market-oriented agriculture in the United States and how important that is that we do that. I just say that, on behalf of the leadership, we are most pleased to have this new Senator among us, and indeed, the State of Kentucky should be very proud. We are very proud to have him here. He will make and is making a fine contribution to his State and to the U.S. Senate.

I also believe his sensitive remarks on the South African situation are but another indication of what we have here in the form of a new U.S. Senator who is going to bring great credit to the institution. I thank him for those remarks.

Mr. MCCONNELL. I thank the assistant majority leader.

Mr. MURKOWSKI. Mr. President, I, too, would like to join with my colleague, the majority whip, the Senator from Wyoming [Mr. SIMPSON], in congratulating Senator MCCONNELL on his maiden speech. The Senator from Kentucky is a welcome addition to the ranks of the Republican majority in the Senate. I certainly look forward to working with him and I welcome him into our midst.

RECOGNITION OF SENATOR MURKOWSKI

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska [Mr. MURKOWSKI] is recognized for not to exceed 15 minutes.

The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

U.S. TRADE POLICY

Mr. MURKOWSKI. Mr. President, my purpose today is to initiate a series of statements with regard to the trade policy that the United States has with its neighbors, particularly those on the Pacific rim—Japan, Taiwan, and Korea.

First, I would like to point out an inconsistency that I feel deserves examination. From the standpoint of trade policy, for reasons unknown to me, our Nation has not seen fit to address the reality of the word "accountability." When we view our trade policies in the United States, we find it very difficult to pinpoint the appropriate agency responsible and accountable for trade policy. In effect, we seem to have the idea that those involved in trade—namely, the Department of Commerce, the Department of State, the National Security Council, the U.S. Trade Representative's Office—are all involved in the promotional aspects of trade.

But I ask you, Mr. President, who is accountable for U.S. trade policy? When we look at Japan today, we find we have an untenable situation in the sense that the trade imbalance has grown from approximately $21 billion in 1983 to $36 billion in 1984. It is anticipated that the trade imbalance this year will not be $45 billion with Japan but closer to $50 billion.

Who do we look toward and hold responsible for that imbalance? It is very difficult to pinpoint the appropriate agency because, as I have indicated, Mr. President, there is absolutely no one single agency that is accountable for our trade policy. How different from our neighbor, Japan. Japan has one agency of government, referred to as MITI, that directs trade policy for Japan. That agency is held accountable by the Japanese Diet for Japan's very favorable trade position.

MITI will tell you on what basis you can come into the Japanese market, what percentage of the market you might expect to gain, and under what terms and conditions.

Mr. President, until the United States adopts some specific account-

ability in its trade policy, we are going to continue to have the inconsistencies which we have seen over the past several decades.

Mr. President, approximately 2 weeks ago this body voted 92 to 0 on a resolution expressing its frustration with our friendly neighbor, Japan, in regard to the trade imbalance.

Mr. President, there is no question that the bilateral trade agreement between Japan and the United States is the most important trade agreement in the world, but the citizens of this country are sick and tired of seeing the trade imbalance continue to grow. Japan, as I have indicated, sells more in the United States, to the tune of some $36 billion, than the United States is able to sell in Japan. That is the simple reality of the trade imbalance. This trade imbalance shows no signs of decreasing.

There are a couple other factors that I think entered into the frustration expressed by the Congress in the vote in the Senate 2 weeks ago. One is the reality that, after a 4-year period where there had been restrictions on automobile imports coming into the United States from Japan—and those exports were terminated as a consequence of the expiration of that 4-year term—our President did not request Congress to, nor did Congress address the issue of, extending the quotas on Japanese automobiles. There was no quid pro quo. The Japanese through MITI arbitrarily suggested that the Japanese automobile industry might increase its market in the United States by 25 percent. I might add that that 25 percent is approximately equal to the total capacity of the Japanese automobile industry. That came not only as a surprise, Mr. President, but it actually hurt. We were not prepared, as a consequence of having that 4-year restriction, for that kind of a turnabout. We actually felt that Japan was responsibly addressing the concern which we had expressed over the trade deficit.

I had the opportunity last week to be in Japan. I was accorded the courtesy of a personal meeting with Prime Minister Nakasone for some 25 minutes. I am convinced that Prime Minister Nakasone is responsive in his concern over the necessity of doing something meaningful about the trade deficit with the United States, and I am satisfied that his Ministers are equally responsive in addressing the problem.

But, Mr. President, the reality exists that the Japanese business sector since reconstruction has been committed to one specific goal, and that is business as usual—greater penetration of markets overseas. To suggest suddenly that the Japanese Government should recommend that they buy more from the United States or export less into the United States or further open up their markets is very foreign to them. The Japanese bureaucracy has been working hand in hand with the private sector since the reconstruction. As a consequence, if we look at what has happened to date, I think we can be somewhat satisfied in that some progress has been made in the area of telecommunications. But, we had reason to believe we would see more progress made in areas of medical and pharmaceutical, electronics, wood products and wood fiber. We had hoped that Japan would open up those markets to American exporters. The reality with regard to these others, with the exception of telecommunications, has been that the Japanese need more time.

Now, Mr. President, the question of America being a paper tiger is a very real one. The Congress of the United States is still holding in abeyance the question of what to do about trade imbalance. We have several measures that have been introduced which suggest a surcharge on Japanese imports. Some have suggested 20 percent across the board. The problem, obviously, with the surcharge is that it is protectionism, and I do not support protectionism.

The reality of that was seen in the 1930's when virtually every country, as a consequence of the economic decline, set up a network of protectionist legislation to keep foreign products from coming into their countries. The result of that unfortunate happening was to exacerbate the economic decline which resulted in the depression of the thirties.

There is of course a ripple effect. I had an opportunity to spend a short time in Korea as well. Koreans are very interested in what will happen to them as a consequence of what we propose to do about the Japanese trade imbalance. Their concern is that if Japan buys more from the United States, will it be at the expense of Korea? Will there be a decline in purchases from Korea?

Mr. President, the jury is still out on what action the United States is going to take, but I think the 92 to zero vote taken in the Senate is significant in that the Senate has gone on record in opposition to Japanese trade policy with the United States per se. As a consequence, it will be much easier at a later date to vote on various trade proposals.

Mr. President, I caution my colleagues that it is very important to not take steps which will result in establishing protectionist legislation; which will result in decisions being made in the heat of battle that later perhaps will be regretted. We must make sound decisions. Mr. President, I, too, am a sponsor of legislation with regard to the application of a surcharge. But my legislation is a little more complex in one sense and offers relief in another. My proposal requires that the current account balances between the United States and Japan be examined over a 3-year period; and if, for 3 consecutive years, there was in those figures an imbalance adverse to the United States in excess of $16 billion, then and only then would we invoke surcharge legislation.

This would allow Japan the remainder of this year to balance trade, because Japan has had only 2 years to date of current account surpluses with the United States greater than $16 billion. So they would have almost 1 more year to comply. I feel that this is relatively responsible, in that it provides Japan with an alternative.

There is another proposal, however, to which I am giving more consideration each time, and that is the reciprocal policy of open markets. As we reflect on our trade with Japan, we find that they have protected their markets to build up their ability to market their products throughout the world.

I think it would be well for our Department of Commerce to examine perhaps 10 of the major markets in Japan that are still closed to the United States. We should indicate to Japan that they have 6 to 9 months to open those markets; and if they see fit to do that, then we will be satisfied. On the other hand, if they continue to keep closed 10 or 12 of the major markets in their country, then I think we should identify 10 or 12 of our own major markets and suggest that we will close them. I think that this approach, while perhaps rather simplified, offers the matter of choice to the Japanese and yet lets them know that we mean business; that trade, in order to be fair, must be two-way trade.

Mr. President, I am going to mention one more item that I think deserves consideration prior to concluding my remarks today. We have become a debtor nation for the first time in 65 years. The significance of this is that there is more foreign investment in the United States today than there is U.S. investment overseas.

As we consider the growing deficit in the United States which now exceeds $1.7 trillion; the fact that every 18 cents the Government spends is interest on our national debt; and the reality that each year as we debate the budget process we find that we are spending more than we generate in revenues which adds to that deficit by $180 billion to $220 billion a year; the reality of just who is financing this deficit bears some examination.

We are seeing Japan achieving the enviable position of being an exporter of capital. Japan is making substantial purchases of U.S. debt instruments. One can very easily conclude that, to a degree, Japan is financing our debt.

Having spent my other life, outside the Senate, as a commercial banker, I have some idea of the power and influ-

ence of a person who holds someone else's debt. I do not think it is necessary that I say any more on that topic, but it is something that my colleagues should reflect on with greater detail.

Mr. President, in concluding my remarks, I want to emphasize that I think Prime Minister Nakasone is being very responsive in trying to urge that the Japanese private sector and bureaucracy turn this trade deficit around. The thought of the private sector and bureaucracy moving on their own is something that I question. As I have indicated, I am disappointed in their progress so far. I would like to assure my colleagues that the Japanese and our other friends in the Pacific rim, as well as the rest of the world, are waiting to see if the United States means business this time or whether, as we have done so often in the past, we have simply lamented on our frustration over the trade imbalance, and as soon as there is another topic that is more timely, will move on to that. I do not think that this is the case today.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

UNHERALDED HEROISM

Mr. PROXMIRE. Mr. President, the story of the Nazi Holocaust and the Genocide Convention is not told in statistics. Not by the number of concentration camps. Not the number of victims. Nor the laundry lists of barbaric torture and inhumane treatment visited upon its victims. The real story of the Holocaust is told, instead, in the individual stories. The victims, like Anne Frank. And the heroism of those who were not Jewish, yet risked their lives so that their Jewish countrymen might escape and live.

Of course, one of the most heroic stories was told recently on NBC television, the Raoul Wallenberg story, about that amazing young gentile living in Sweden who saved the lives of literally tens of thousands of Hungarian Jews, risking his own life. He is imprisoned or dead, at the hands of the Soviet Union.

His example is probably the most noble example of all to emerge from World War II. He had no reason to risk his life, except that he wanted to do so to save the lives of others. As I say, he was a gentile, not a Jew, and he made this remarkable sacrifice. But it was not the only sacrifice of this kind.

The April issue of the newsletter of the International Network of Children of Jewish Holocaust Survivors contains a story by Valerie Wiener and two colleagues outlining several such acts of heroism.

In Poland, there was the Chrostek family, trapped by the Nazi invasion of their country, barely able to feed their own six children. Yet, they welcomed onto their land a Jewish family of six, whose survival depended solely upon the food which the Chrostek children brought to them in the woods and the two earthen ditches in which they hid.

Once, when a neighbor became suspicious of the Chrostek family, he seized the 6-year-old Chrostek child and, with a gun pressed to the boy's chest, demanded, "Where are the Jews?" Yet, the child maintained his silence, and the two families survived to be reunited in New York just a few years ago.

There was Walter Ukalo of Brody, Poland, who was a member of the Zegota underground, actively searching for Jews who needed food and shelter, providing them with false identification papers and help on planning their escape. Not only did Walter Ukalo save the lives of hundreds of Jews but he also went on to marry one of the women whose lives he saved.

These and other stories recounted by Ms. Weiner's article were told at a recent reunion of Holocaust survivors.

Reading these stories, one can only wonder, why, Mr. President? Why would so many individuals—safe if they minded their own business—risk everything by coming to the rescue of the Jews? It would have been certain death if found by the Nazis, yet they were willing to take the chance. Not just individuals like Walter Ukalo. But large families such as the Chrosteks.

As Valerie Wiener notes, for rescuers like Ukalo or the Chrosteks, "mortality was not an abstract ideal but a commitment to the right of people to live with dignity."

Mr. President, can we do any less than the Chrosteks and the Walter Ukalos? They did what they could to stop the monstrous actions of the Nazis. Will we do what we can to prevent a future Holocaust? Are we willing, at long last, to join the other 96 nations which have ratified the Genocide Convention?

With this being the 40th anniversary of the liberation of the Nazi concentration camps and the 36th anniversary since the Genocide Convention was drafted, we have the opportunity to answer those questions decisively and affirmatively. Like the Chrosteks and Walter Ukalo, let us demonstrate our courage and take the step that is within our power and ratify the Genocide Convention.

WHY AN ARMS CONTROL TREATY WITH THE SOVIET UNION IS THE ONLY WAY

Mr. PROXMIRE. Mr. President, the most important action the Federal Government can take today is to negotiate an arms control treaty with the Soviet Union that will stop the nuclear arms race. Superpower treaty negotiations now going on in Switzerland are not even trying to do the job they should do. We need a treaty different from any we have tried to negotiate in the past. That treaty must include the strongest possible verification system. It must be comprehensive—that is, it must include every aspect of nuclear weapons. It must stop all testing. It must stop all production of nuclear weapons and it must end all deployment of nuclear weapons. Eventually, it should embrace all of the world's nuclear powers. Since the United States and the Soviet Union have between them roughly 95 percent of the world's strategic nuclear warheads—95 percent, that is, between the United States and the Soviet Union, all but 5 percent—a treaty confined at first to the superpowers would go a very long way to assuring nuclear peace in the world.

Why is effective verification essential? It is essential because both superpowers would be tempted to try to violate the treaty at least at the margins unless both were confident that each could detect such cheating and that violations might end the agreement and plunge the world into a renewed arms race.

Is such a treaty feasible? Yes. Such a treaty is feasible. Why is it feasible? It is feasible because both the United States and the Soviet Union have everything to gain from ending this nightmare of advancing nuclear weapons technology that can lead in any direction. The arms race might lead toward more or less stable nuclear arsenals in each country. It might lead toward apparent but momentary advantages for each nation. Such advantages might tempt a superpower strike. Growing technological complexity increases the prospect of a terrible mistake. A mistake could lead to an accidental launching of a missile or a mistaken warning that a nuclear strike was on its way. Such an error could provoke an "attack on warning." Meanwhile, without a comprehensive treaty, both superpowers are about to enter the truly costly aspect of the nuclear arms race.

The Senator from Alaska has just talked about the problem of the colossal deficits facing an enormous national debt, and he is right, but that is just the beginning because of the immense cost of the arms race that is pending.

To date, the cost of amassing an immense nuclear arsenal has been high, but relatively easy to manage for both

superpowers. Not now. With the advent of Star Wars, we are talking about a missile defense that could cost a trillion-dollar expenditure just as a starter. It could also require supplementary spending for look-down, shoot-down defense against submarine-fired missiles and bomber missiles and cruise missiles, plus hundreds of billions of dollars annually to be spent on the kind of offensive nuclear missiles that could cope with a Soviet Star Wars defense.

This Senator has the sneaking feeling that some in the administration and in the Defense Department fully recognize the immense cost of all this. They feel that if they can only get the competitive juices of the American people flowing, the American people will let Congress spring for the trillions of dollars necessary to give us everything: A total star wars defense, a look-down, shoot-down supplement and a spanking new system of hardened skin missiles, decoys plus a massive new research program to find other ways of overcoming any Russian Star Wars defense.

If that seems insane, consider the reasoning behind it. The United States has an economy that is twice as productive as the Russian economy. Our GNP is twice their GNP. Furthermore, with much of our productive facilities sitting idle and with 8½ million Americans out of work and another 3 or 4 million underemployed, plus a potential work force that we could increase by 15 to 20 million by putting more people into the work force, the United States could outproduce the Soviet Union militarily by a truly huge margin. What is more, the United States has far superior scientific resources. We, not they, have the Nobel Prize winners, the superior management and engineers, the more highly skilled and trained workers.

America is ahead in economic capability, way ahead. It is not close. Some people might say, Why not move? Cut loose in an all-out effort to produce the greatest nuclear war machine we can possibly imagine. It would be strictly the NFL all-stars versus the Little Sisters of the Poor. We couldn't lose. Very early in this kind of game, Gorbachev and company would have no choice except to acknowledge defeat, and cry "Uncle."

What is wrong with that dream of U.S. supremacy? The answer is, plenty and then some. First, the American people are balking right at this moment over a 3 percent annual (in real terms) increase in defense spending. They are balking even though the most popular President in 50 years—"the great communicator"—is pushing for it. What is also wrong is that the Soviet Union has none of the political, public opinion restraints on military spending that we have. If Ivan has to pull his belt in two notches now, Gorbachev can pull it in two more or four more. Neither Ronald Reagan, nor any President can do that to Americans. And what does our scientific or technological lead mean? Our scientific lead in nuclear weapons means a year or two difference until they duplicate what we do, by theft or espionage, hook or crook. The MIRV breakthrough by this country followed promptly by Russian duplication suggests how transitory our scientific advantage in nuclear weapons is likely to be.

But what is wrong about all is that the nuclear arms race has a life of its own. Once we turn our back on arms control and waltz down that arms race path in a really big way, the uncertain, unpredictable, unstable nuclear technology itself takes over. What is wrong finally is that the one consequence of all this is that ultimately—if we are persuaded to dance down the primrose path in an all-out arms race—we bankrupt our country, we destroy the greatest economic system the world has ever seen, America collapses under a burden of taxes and debt to pay for an arsenal we could never use except to blow mankind off the face of the Earth, forever.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. ANDREWS). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond 1:30 p.m. with statements therein limited to 5 minutes each.

SUPPORT FOR WITHDRAWING AFGHANISTAN'S MFN STATUS

Mr. DENTON. Mr. President, I rise in support of the legislation that was introduced yesterday by the senior Senator from New Hampshire [Mr. HUMPHREY] to withdraw most-favored-nation status from Afghanistan. I commend the Senator for his initiative and the work of the Task Force on Afghanistan, which has made certain that we in the Senate are fully informed about the war in Afghanistan.

It has been 5 years since the Soviet Army invaded Afghanistan and installed a puppet government, the Communist dictatorship of Bahruk Karmal, in Kabul. Despite the brutality of that regime and the cruel military tactics used by the Soviets, I am concerned that the American public remains largely unaware, and therefore apathetic, about the tragedy unfolding on Afghan soil. Although we correctly remember the Holocaust, we avert our eyes from Afghanistan and fail to rally public outcry against the atrocities being committed there.

It is estimated that the Soviet military presence in Afghanistan now totals 115,000 men. Furthermore, the Soviets have at their disposal 40,000 Afghan Government troops. The Soviets also dominate Afghanistan's security forces and the bureaucracy. They have constructed extensive military and logistical facilities to support their forces and have tied Afghanistan ever closer to the Soviet economic system.

The Soviet occupation and the internal turmoil in the country have caused the flight of more than a quarter of the population. Nearly 3 million refugees are in Pakistan, mainly in tent camps on the border in the Northeast Province and Baluchistan. As many as 1½ million Afghan refugees may also be in Iran.

Considering the scorched earth policy employed by the Soviets, a tactic used elsewhere by them and their surrogates, and the high altitude bombing that they annually conduct in the spring, it should be quite clear to everyone that the Soviet occupation forces are carrying out a campaign of terror against the Islamic people of Afghanistan.

I believe, therefore, that it is appropriate and necessary that the United States urgently reevaluate its Afghan policy to determine whether there is more that our Government can do to help the Afghan people resist tyranny and the foreign occupation of their sovereign country.

I believe that there is more that we can do.

I was shocked to learn that the United States still imports $12 million worth of goods from Afghanistan each year, and that Afghanistan receives all the benefits and blessings of most-favored-nation status. The current regime deserves no favors, least of all any that improve market access for its products and helps it to earn hard currency. Those benefits do not go to the Afghan people, but to those Afghan and Soviet policymakers that are deliberately choosing to starve and massacre thousands of Afghan women and children.

I have no illusions that a withdrawal of MFN status would have any persuasive effect on the Kabul regime or its Soviet masters, or even a practical effect on the level of trade between the United States and Soviet-occupied Afghanistan. Nonetheless, I do believe that, by authorizing the President to withdraw most-favored-nation status from Afghanistan, the Congress can emphasize anew our abhorrence for the criminal tragedy that is now taking place there.

I support rapid approval of the legislation; it is long overdue.

"GO FOR BROKE"—WHAT IT'S ALL ABOUT

Mr. INOUYE. Mr. President, it was a high honor for me to serve during World War II with courageous and

dedicated Americans. The members of the 442nd Regimental Combat Team, known as the "Go For Broke" regiment, served our Nation with valor and their achievements helped to dispel in a most dramatic and bloody manner any doubts harbored as to the patriotism of Japanese Americans.

Veterans of the 442nd, 100th Infantry Battalion, and the Military Intelligence Service—Japanese-speaking interpreters who served in the Pacific—will celebrate a Nisei Veterans Reunion in Hawaii, on the island of Maui, from July 4–7, 1985.

Roger Smith, who served as an officer in the 442nd, has written an article on the accomplishments of the 442nd, and his experiences as a non-Asian member of our Japanese-American unit. He is a retired captain in the U.S. Army and currently lives in Efland, NC.

Mr. Smith's article makes for fascinating reading, and I ask unanimous consent that it be reprinted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"GO FOR BROKE": WHAT IT'S ALL ABOUT

The 442nd Regimental Combat Team was one of the most unusual units in World War II. But not enough Americans know the story behind this unit.

To begin with, the 442nd was the most decorated combat team in U.S. military history. Although it included only 4,500 men at any given time, those valiant soldiers earned more than 18,000 personal combat decorations, including a Congressional Medal of Honor, 52 Distinguished Service Crosses, 500 Silver Stars, 5,200 Bronze Stars and 9,486 Purple Hearts. And last but not least: seven Presidential Unit Citations.

With a record like that you might think most of the men were John Wayne types. Not exactly. The men of the 442nd were second-generation Americans of Japanese descent, called "Nisei," which means "two" in Japanese, and the average man was 5'4" tall and weighed 126 pounds.

But the most unusual thing about the 442nd was the fact that its men were victims of cruel prejudice by other Americans. Many of the men's families, in fact, were uprooted from their homes and imprisoned in virtual concentration camps for the duration of the war.

HOW IT ALL STARTED

In 1942, due to prejudice and war hysteria, all persons of Japanese ancestry on the West Coast and about 2,000 individuals from Hawaii—including second generation American citizens—were rounded up and put behind barbed wire in concentration camps. And in many cases, some only had 72 hours to prepare to leave. More than 110,000 people were uprooted from their homes with loss of property, businesses, freedom and personal justice.

This was the greatest blot ever on American History. And today, 43 years after this "mass ethnic incarceration," the U.S. Congress is just getting around to making amends in a Congressional Bill. The bill acknowledges the incarceration—and apologizes on behalf of the people of the United States. It also provides for partial financial restitution to each individual who was interned.

THE BIRTH OF THE 442ND

In 1950 Metro-Goldwyn Mayer made a movie titled Go For Broke, the story of the 442nd Regimental Combat Team. "Go For Broke" was the combat team motto. It meant to go all out or shoot the works, either in a dice game or against the enemy. Today, go for broke has become part of the American language.

In 1942 not everyone was imbued with prejudice and war hysteria, and many in government and the War Department argued against the evacuation of all persons of Japanese ancestry from the West Coast. Eventually this opposition brought forth a proposal to form a unique combat team, which was approved by Franklin D. Roosevelt.

The 442nd Regimental Combat Team was activated on February 1, 1943. Except for the officers, who were mostly Caucasion, it was composed of Japanese Americans. I was one of the officers, a newly commissioned 2nd lieutenant just out of the Infantry Officer Candidate School at Ft. Benning, Georgia.

All the enlisted men were volunteers. Approximately 1,500 came from the mainland and about 3,000 from Hawaii—where although not interned, they were viewed with suspicion and distrust. 4,500 men, many with families behind barbed wire, where they also had been, volunteered to train and fight as a unit.

That was the epitome of loyalty. But loyalty didn't stop after volunteering.

Shortly after we started training at Camp Shelby, Mississippi, one officer in each company was designated as War Bond Officer. From 1943–45 I didn't get many promotions in rank, but I did get a lot of titles to go with: Platoon Leader, Second Platoon, Company L. One of these was "War Bond Officer, Company L."

Facts and figures after 43 years are a little fuzzy, but as I recall: almost every man converted most of his life savings into war bonds, and bought them with money orders he had purchased before leaving home. And this was repeated in all the other companies of the 442nd.

I don't remember the exact value of the bonds, but it was somewhere between $50,000 and $100,000—which in today's dollars would be much more than that. I do remember, though, having to endorse each money order before the bank would accept it.

How many times do you suppose I wrote: Roger W. Smith, 2nd Lieut. Inf. in four hours of non-stop writing?

TRAINING AND INTO COMBAT

Every man in the 442nd knew that his was a segregated unit, marked for intensive observation by the War Department and by the public. Thus they had to prove (even though they shouldn't have had to) that they were at least as good as any other group of Americans. And prove it they did with flying colors, by either coming up to or by surpassing all military standards of training.

Training records are one thing, but final examinations are given in combat. We looked at the 442nd's examination grades earlier: those 18,000 personal decorations and seven Presidential Unit Citations, which were earned in Italy and France.

As in our training, the challenge to prove oneself in combat was overwhelming. Additionally, an added incentive to excel was present. Shortly after the Japanese bombing of Pearl Harbor on December 7, 1941, a special infantry unit was formed in Hawaii for Japanese Americans and was sent to the mainland for training. This unit, later designated the 100 Infantry Battalion, had preceded the 442nd into combat in Italy by about nine months, and had achieved an outstanding record.

Here was a standard to come up to, which the 442nd did. And from June 1944 on, the two units fought as one.

TWO OUT OF 18,000

With more than 18,000 personal decorations, the choice of citations of courage and bravery are almost endless. I have selected two to recount. The first is a Congressional Medal of Honor citation. The second is the story of a two-platoon operation in which I took part.

"PFC Sadao S. Munemori," reads the Medal of Honor Citation, "took over his squad after the squad leader was wounded.

"After some extremely heavy fighting, Munemori worked his way back toward his squad, followed by bursting grenades.

"As he neared the crater where his men were waiting, a grenade bounced off his helmet and rolled into the crater.

"Without hesitation, Munemori dove on the grenade and smothered the explosion. He was killed. His two squad members escaped with their lives."

Munemori was the Congressional Medal of Honor winner. But there were many others, who, in one degree or another performed acts of extraordinary heroism in a military operation against the enemy.

Now for the second story, which is more difficult to tell because I am writing from notes I made in 1945—instead of quoting from a Congressional Medal of Honor citation. The following action took place near Bruyeres, France, in late 1944.

The two forward companies of our 2nd Battalion had advanced so rapidly that they had bypassed quite a few elements of German soldiers. This left "pockets of resistance" that were creating havoc with the supply lines and the reserve elements of the 2nd Battalion.

The reserve company, F Company, had its hands full and could only spare one platoon to clean out those pockets. This was not enough men to get the job done. So a platoon from the 3rd Battalion was borrowed to help in the clean up: the 2nd Platoon of Company L, my platoon.

Every combat story is different, but there is usually one common demoninator among the winners; aggressiveness is often more important than manpower or fire power.

The box score for this operation was: A conservative estimate of 100 Germans killed, wounded or captured (and not many were captured). Our losses between the two platoons, of about 25 each—three casualties, no one killed.

This was not a normal action regarding 442nd losses. But you win some and you lose some. That day we had a winner—all the way around. And we had it because of the aggressiveness of the men—the determination to close with the enemy and get the job done.

As always, the desire to prove their loyalty to their country was overwhelming. "Go For Broke" was in the hearts—on the tongues—and coming out of the rifle barrels of 50 Japanese American soldiers. And two Caucasian American lieutenants. I would hardly know where to pay individual tribute

for that day's work. Every man was in the fight giving his all.

One final footnote: every German unit that faced the 442nd for the first time got a demoralizing shock. They thought they had been double-crossed by their ally—Japan. And so it was in late 1944 near Bruyeres, France. Our enemy, that day, had their introduction to the 442nd.

THE SUPREME ACCOLADE

There is probably no better summary of the fighting spirit of the men of the 442nd than the one made by George C. Marshall, General of the Army and Chief of Staff during World War II.

"They were superb: the men of the 442nd took terrific casualties. They showed rare courage and tremendous fighting spirit. Everybody wanted them."

After that, there isn't much else to say, except to remind the reader that these were men whom the government had doubts about in 1942. The men whose parents and younger brothers and sisters, in many cases, were behind barbed wire while they were fighting in Italy and France.

These were the men who came home after the war and were met with signs in restaurants, barber shops, etc. saying: "No Japs allowed." In short, when they came home they found many of the same things we had been fighting against for four years—still being perpetuated on the home front.

1945-85

Since 1945, I have kept in contact with many 442nd friends by correspondence, a few personal visits and several tri-annual reunions.

From 1970-77, I lived in Southern California, where I was a member of the 442nd Veterans Association of Southern California. I served as their president in 1972. That was the greatest honor I ever received or would ever hope to receive.

The next Nisei Veterans Reunion will be held in Hawaii, on the island of Maui, July 4-7, 1985. This reunion will bring together all nisei veterans, which includes men who served in the Pacific as language and intelligence specialists. Men who were as outstanding in that theatre as the 442nd was in Europe.

World War II ended 40 years ago, but the story of the nisei soldier in Europe and in the Pacific—and the mass incarceration of 110,000 persons of Japanese descent—needs to be told over and over again.

Would that this amount make a small contribution to the retelling.

A TRIBUTE TO DR. LUTHER TERRY

Mr. HEFLIN. Mr. President, it is with sadness that I rise today to note the recent passing of a fellow Alabamian, a former Surgeon General of the United States, Dr. Luther L. Terry.

Dr. Terry, who served as Surgeon General from 1961-65, was born in Red Level, AL, in 1911. In 1931, he received his bachelor of science degree from my alma mater, Birmingham-Southern College. He then continued his education at Tulane University, where he received his MD in 1935.

During his distinguished career, Dr. Terry's expertise as a physician, heart specialist and educator would take him all around our country. After medical school, he returned to Birmingham for his internship. His residency was done at university hospitals and city hospitals in Cleveland, OH.

Later, Dr. Terry would teach at Washington University in St. Louis, the University of Texas in Galveston, and Johns Hopkins Medical School. He also served at the U.S. Public Health Service Hospital in Baltimore.

Prior to being named Surgeon General by President Kennedy, Dr. Terry had served at the National Heart Institute in Bethesda, where he was assistant director from 1958 to 1961.

It was during his years as Surgeon General that Luther Terry achieved what he believed to be his greatest public health service—the first Surgeon General's Report on Smoking and Health. The relationship between smoking and deteriorating health was a cause which he would pursue for the remainder of his life.

Mr. President, I could list all of the honors and awards and degrees which were accorded Dr. Luther Terry, but to do so would take a seemingly endless list. That is the esteem in which he was held by his colleagues in the medical profession.

Mr. President, Dr. Terry is from a distinguished Alabama family. He and I had the honor of being inducted into the Alabama Academy of Honors at the same time.

Mr. President, I ask unanimous consent that the eulogy delivered by Joseph A. Califano, Jr., the former Secretary of Health, Education and Welfare, be printed in full in the RECORD.

I would like to thank Mrs. Frances Humphrey Howard, the sister of the late great Vice President and Senator from Minnesota, Hubert Humphrey, for making Secretary Califano's eulogy available to me. Mrs. Howard is now with the National Library of Medicine in Bethesda.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

EULOGY FOR DR. LUTHER TERRY

Luther Terry was special.

He was an outstanding public servant. The United States has known no finer Surgeon General. He was a dedicated researcher and teacher. The New York Times called him "a doctor's doctor, the kind that doctors would like to have look after their own families."

But those are not the characteristics that made him special.

Luther Terry was special because he cared and had courage, attributes rare in a capital that awards so many of its prizes to the cautious.

Great scientific inventions have saved millions of lives. Pasteurization of milk. Vaccines to eliminate smallpox from the face of the earth and check childhood diseases. Antibiotics to stamp out bacterial infections. In the first part of the century, infectious diseases these medicines conquered were the public health challenges.

Luther Terry's public health challenge was far more difficult. It could not be met in the academic tranquility of a laboratory or medical campus. This quiet, private man had to face his public health challenge in public. He met that challenge. He pioneered the recognition that life style was the killer and crippler for the last half of the 20th century. He taught us that we could do more for ourselves than any doctor or hospital could do for us.

Luther Terry didn't practice public health with platitudes. He gave it to us straight and true with the first Surgeon General's Report on Smoking and Health. He tried and convicted cigarettes of murder and mayhem by cancer, heart disease, emphysema and chronic bronchitis. His findings and his soft but steady voice moved a reluctant Congress to act, first with warning labels, then with a ban on television advertising. He saved as many lives as any Salk or Pasteur or Madame Curie. He is as much a medical giant.

But Luther Terry is more. He is a genuine hero, a man of extraordinary courage. No powerful economic forces rose up to defend polio, or smallpox, or unsafe milk. When Luther Terry told us of the dangers of smoking, political and financial powers of magnum force rose to attack him. His discovery was one they had tried to hide, one didn't want to talk about. But Luther spoke out. Softly, but firmly he stood his ground. He persevered and in the end he revolutionized our thinking about the causes of modern day diseases.

Luther Terry touched my life twice. For a decade I ignored his warning, but my son Joe did not. He learned about the Surgeon General's Report in school; and he asked me to quit for his eleventh birthday present. And I did.

Four years later, Luther inspired the second Surgeon General's Report on Smoking and Health to celebrate the 15th anniversary of his work. The report vindicated him as a scientist and a humanitarian. It provided overwhelming evidence that his warnings were justified.

Luther Terry kept fighting to the last. His recent efforts to eliminate smoking from the workplace have marked the paths to new frontiers for his followers. Many of us have walked and will walk in his footsteps, but none of us can fill his shoes.

In searching for some words to describe this committed, caring, courageous man, I could find none better than those of Theodore Roosevelt:

"It's not the critic who counts, not the man who points out how the strong men stumbled or where the doer of deeds could have done better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood, who strives valiantly, who errs and comes up short again, and again, who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause. . . ."

Luther Terry certainly spent himself in a worthy cause. He's no longer in the arena. He can rest now. He deserves to enjoy a peaceful journey with the Lord. In the no-smoking section, of course.

SOCIAL SECURITY NOTCH PROBLEM

Mr. HEFLIN. Mr. President, during the 98th Congress, I jointly sponsored legislation directing the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan and report to Congress immedi-

ately on ways to correct the so-called notch problem in the Social Security system. Unfortunately, this bill was not brought to the floor of the Senate for a vote.

I am cosponsoring similar legislation again in the 99th Congress to correct the Social Security benefit disparity which was created when Congress adopted the Social Security Amendments of 1977. When this 1977 measure was passed, Congress established a new formula for calculating Social Security benefits in an effort to keep the Social Security system solvent. However, the new method of calculating benefits created a situation which allows for fewer benefits for persons born in the period between 1917 to 1921.

In order to protect Social Security benefits for people already retired or soon to reach retirement age, a transitional period was established which caused the notch baby problem. When Congress changed the Social Security formula it intended to prevent the over payment of benefits to some recipients. Instead, however, Congress' solution to the problem resulted in an unfair penalty to individuals who have similar work histories but were born only 1 year, 1 month, and in some instances, 1 day apart. Because of the flaw in the Social Security benefit formula, a $100 difference in the monthly benefits can exist for one person born December 31, 1916, and another born January 31, 1917, who worked side by side on the same job for the same number of years. If you multiply this $100 over a 1-year period we are talking about a $1,200 difference in Social Security pay for these notch year workers.

It is imperative that we develop a new formula to close the benefit disparity which justifiably has caused widespread concern throughout our Nation. The disadvantage to those who continue to work after age 65 especially must be resolved. The Social Security System was established to provide supplemental income and peace of mind to our retired citizens. Alabamians and citizens throughout our Nation who have devoted considerable energy to their careers deserve a fair and reasonable return from the Social Security System.

Although I was not a Member of the Senate when the Congress established the new formula for calculating Social Security benefits, I do not believe that it was the intent of the Congress in passing the 1977 Social Security Amendments to create a situation whereby persons born between 1917 and 1921 would be penalized for working beyond the age of 62, particularly inasmuch as the difference in benefits is, as a general rule, greater for those who delay retirement beyond that age.

Mr. President, Members of Congress must come to grips with the reality of this situation and close this loophole. As responsible leaders who have been elected to represent the interest of our constituents, we must commit ourselves to providing justice for these elderly individuals who have worked hard all of their lives, paid into the Social Security System and expect to receive their full benefits upon their retirement.

Mr. President, I urge the entire Congress to join me in these efforts to correct this Social Security notch problem.

W. TAPLEY BENNETT, JR.

Mr. NUNN. Mr. President, one of our Nation's most able and distinguished diplomats, W. Tapley Bennett, Jr., recently retired from the State Department. Tap Bennett has been an outstanding Foreign Service officer for more than 40 years, representing the United States in positions of great responsibility around the globe. Tap also hails from my home State, where his father was one of Georgia's best-known agricultural leaders of the 20th century. Tap Bennett, Sr., was known and honored throughout Georgia for his lifetime of contributions to agricultural development.

Tap Bennett, Jr., has also become a well-known name to the citizens of Georgia. At the time of his retirement, he was the only remaining active Foreign Service officer who began his career prior to World War II. In every assignment in his long and varied career, Tap Bennett executed his duties with dedication, ability and patriotic devotion to our Nation's interests.

The list of important and sensitive assignments that he has undertaken successfully is long and well known to my colleagues in the Senate. It includes services as assistant to the U.S. delegation to the Founding Conference of the United Nations in 1945, Ambassador to Portugal, Ambassador to the Dominican Republic, U.S. Ambassador to the United Nations Security Council, Deputy U.S. Representative to the United Nations and Ambassador to NATO.

Most recently, Tap served as Assistant Secretary of State for Legislative and Intergovernmental Affairs. All of my colleagues in this body know him as a forthright and dependable representative of the State Department.

During a farewell reception for him at the State Department, Tap made an eloquent statement that deserves the attention of the Senate. In it he spoke for the Foreign Service as no one else could. His remarks instill in me, and I believe in all who will read them, a profound appreciation for those who accept the honor, as well as the risk, of representing the greatest Nation on Earth throughout the world.

Tap's statement reflects a strong sense of patriotism and devotion to this country. It also reflects his close identity with his Georgia heritage, an identity he has maintained despite spending the past 43 years in far flung corners of the globe.

Mr. President, I am proud that Tap Bennett hails from my home State. I am even prouder that he has represented our Nation in some of the most challenging assignments offered by the Foreign Service. I ask unanimous consent that Tap Bennett's retirement statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RETIREMENT STATEMENT OF W. TAPLEY BENNETT, JR.

Amb. BENNETT. Mr. Secretary, all you friends gathered here, this is of course a very emotional occasion for Margaret and me. I'm terribly grateful for the things that have been said, you know my father might have believed them (laughter) but we're very happy to be here tonight and some of you out there thought that this day would never come. (Laughter) There were times when I thought myself about it. So now after nine Presidents and 14 Secretaries of State, why the time has come to move on to a new assignment and a new adventure. Some of you will remember what Dean Rusk said when as retiring Secretary of State he was asked what he was going to do on his retirement and he thought a minute and he looked up and he smiled and he said, "Never underestimate the power of a Georgian to just sit and do nothing. (Laughter) He didn't follow that advice, and I don't plan to either. But having been at this business a long time, I'd just like to say for the benefit of some of the younger participants here that when I entered government service, in 1940 it was, on a paid capacity, it was at the munificent salary of $1,625 per year and per diem on travel was $5.00 a day. So I, of course I must say the cafeteria meals were only 25 cents (laughter) but I cite these statistics merely to, and some of those in the audience who can go back even further than I could tell you when there was a 15 percent cut in salary back in the early 30's, so I cite these statistics just to say that things are not as bad as they seem and the Service will go on without undue hinderance despite some rocks in the path.

You know there are certain advantages in diplomacy if you come from my part of the country because when I've gone around certain countries and seen these signs "Yankee Go Home," I knew they didn't mean me. (Laughter/applause) In fact I had occasion to say once to the President of Bolivia that I could understand his concern (laughter), that we'd made a rather major effort to get the Yankees off our backs. But we'd learned the best way to get along was to go along and so we joined in and I need only today to cite the sunbelt to you to see the success of that policy.

Now I've been blessed in this job with having had a very fine predecessor in Powell Moore who I'm glad to say is here tonight and everybody is going to be very pleased with my successor, Will Ball, whom I hope is also here. It means a lot to know that three of us in a row have had their training in Georgia (laughter).

I've always said in this career of ours in modern diplomacy you've got to have a tough hide to survive the slings and arrows

that come along with it and you have certainly got to have a sense of humor—to be able to laugh at yourself as well as some of the situations that you get involved in. Today in this turbulent world, I think you need more than that unfortunately, and I don't say this in light jest, you need a bullet proof vest and lots of luck. And when we think of some of our colleagues and their being on the front lines, this is a tough career but a very valuable one. And many out there are serving in the finest traditions of this country today because our society and what we represent around the world is, in my opinion, we're still the city on the hill, we are the goal to which so many other people around the world aspire and I happen to be one of those who believes that we are still as a Nation the last best hope of earth. You only need to look at the immigration statistics to see an every day confirmation of that situation. And I think of the first President under whom I served, Franklin Roosevelt, and something he said. Our present President looks back to FDR and so do I and in that posthumous address of his which he was writing at Warm Springs when he was stricken, which he didn't deliver himself, he had that phrase, "Let us go forward with strong and active faith." And that's our credo for this country still, I think.

When I moved into the congressional office, I was reminded of something Cordell Hull, who was my first Secretary of State, said and he was a man for earthy advice, you know, and he said, "Never wrestle with an alligator in the water because you're in his territory." (Laughter) Well, having wrestled with the Congress now for a year and a half, I think that's one of our problems where we're always wrestling on their turf and so it takes a lot of agility and flexibility to keep up with what's giong on up there and try to work it to the interests of our country because the relationship between the Congress, between the Legislative and the Executive branches, is absolutely crucial to the success of this country and its projection abroad and I'm happy to say that, in the present Secretary of State, we have a man who understands that very thoroughly and who is willing to give the extra ounce of energy and to walk the extra mile in trying to reach reasonable understandings and to present a coordinated view to the world. (Clock chimes ring in background) I'm about to finish. (Laughter) And I can't close here without expressing the privilege it's been for Margaret and me to serve under George and O'Bie Shultz and what that's meant to us personally as well as what it means to the country to have a man of your character, Sir, in charge of this important and vital operation.

None of this would have been possible I obviously would say without the help of Margaret, and obviously the best day of my life was the day she decided and agreed to go down the path with me. And I also want to pay tribute to my mother-in-law, because that's been a wonderful experience—she soars like a lark and she's just been a great influence in our lives.

When I move into my present job down at the other end of the corridor, I moved my office from the office which was normally that of the Assistant Secretary to a smaller office on the corner. One, because it commanded this incomparable view which is out—all of us share on this side of the building in which is such a really to me inspiring experience every day of the week. But from my chair there I can see both Lincoln and lee. (Laughter) The columns of Arlington and the columns of the Lincoln Memorial and that I've derived great spiritual sustenance from over these last months. And so I can think of as I leave I'll have a quotation, but before hand, I want to say that this has been a marvelous several decades of friendship and I'm gald people are here tonight from every phase of that experience of mine, all the way back to the early days of Santo Domingo and into Greece and to Austria and people have come tonight all the way from Vienna, and from Brussels, from New York and from Atlanta and this means a lot to me. So as I go I shall think of you fondly, but as I lie on my back in the Caribbean next month looking up at a sail (laughter) I shall think of you fondly but not maybe every day. (Laughter) And so in closing, I merely want to cite a phrase, to quote a Southerner, General Robert E. Lee, who in addressing his farewell to the Army of Northern Virginia said, "With an unceasing admiration of your constancy and devotion to your country and the grateful remembrance of your kind and generous consideration for myself, I bid you an affectionate farewell."

AMERICA AS TARGET

Mrs. HAWKINS. Mr. President, in the New York Times recently appeared a six-part series entitled "America as Target." These well-researched and hard-hitting articles deal with many of the different aspects of the drug abuse problem in our country. Each article is horrifying.

The first article discusses what is considered a somewhat drastic step on the part of the United States to stop drug trafficking, and that is cutting off foreign aid to drug-producing nations. While this article contends that this method of cutting off drugs at the source would have serious adverse effects on American foreign policy, it also admits that previous attempts to cut off drug supplies have failed and drastic measures are now necessary.

While the Reagan administration has placed the highest priority on eradicating drug abuse, and has escalated Federal activities to achieve this goal, drug production continues to increase, and drug use continues to grow. The Drug Enforcement Administration claims that such large quantities of the three major drugs of abuse—marijuana, cocaine, and heroin—are being grown, both in the Golden Triangle and the Golden Crescent, that supply far exceeds the demand. In this first article of the series, it is stated that the United States is so glutted with cocaine that the drug now sells at wholesale prices in some parts of the country, for one-half to one-third the price of 1 year ago. At the same time, drug agents are finding that the cocaine they seize on the street is two to three times purer than last year.

To convince the source countries of the necessity of stopping their drug production is a difficult task indeed. The "narco-dollars" earned from these drug crops in some of the producer nations actually keeps the national economy afloat. The United States does not have full diplomatic relations with some of the world's major drug-producing nations, such as Afghanistan, Iran, and Laos. The diplomatic alternative we have of cutting off foreign aid has not often been used and is one that is generally thought should be utilized. An example of the potential success of this method is detailed in the case of Turkey. When the United States threatened to limit arms sales to this nation that had become the world's largest producer of opium poppies, Turkey took no time at all in virtually eliminating illicit poppy production. Additionally, the Turkish Government has kept the situation under equally strict control ever since. Following the success of these particular negotiations, drug control agreements have been negotiated with four new nations: Pakistan, Colombia, Bolivia, and Peru.

In the second article of this New York Times series, our ally and friend, the nation of Jamaica, is described as one of the largest contributors to our drug problem. While many of the attitudes reported were upbeat, the devastating results of drug use seem to proceed unchecked. In producing both marijuana and cocaine, the tiny country of Jamaica is recognized as being one of the major suppliers of both these dangerous and illegal narcotics to the United States. Jamaica is also the 10th largest recipient of U.S. economic aid in the world and the diplomatic pressure is growing for Jamaica to make very real efforts to cut drug production.

In the third article of this series, Colombia's very special situation is described in detail. Colombia, a nation "held hostage by the traffickers," recently declared all-out war on drugs. Colombia had been the recipient of $40 million in American aid. When drug abuse became a disruptive internal problem, this nation began an antidrug offensive that has been remarkably successful. Having witnessed how far the Colombians have progressed during a recent congressional visit to that nation, I express admiration and encouragement for how far President Betancur and his country have come in trying to wrest themselves from the deadly grip of drug traffickers.

The next article deals with Bolivia and that nation's efforts to stop drug production. This nation, which I have also visited as part of my continued efforts to convince foreign governments to take steps to stop their drug production, has indeed proposed an ambitious drug enforcement initiative. We have yet to see any significant results. Narcotics, especially cocaine, in this nation has become the most important

commodity of foreign exchange. After the Bolivian army forced the shutdown of Bolivia's most prolific cocaine-producing region, there was a near-revolution by the farmers and the Bolivian peso's value dropped in 1 day to 30 percent of its value the day before. Despite all this effort, however, Bolivia is still considered by the State Department to be "one of the most intractable narcotics problems in the world."

In the fifth article of this series are some of the narcotics control efforts around the world, and the illustration used is Thailand.

It is discerned that the basic policy of crop substitution is the strategy behind these failures. In Thailand, in the last few years, the United States has spent millions of dollars in setting up pilot crop substitution programs, and witnesses report the following results: "Yes, they're raising the substitute crops. But they're growing all the opium, too." Actually, the latest reports from Thailand indicate that, since the inception of this program, there has been a 38-percent increase in acreage planted in opium poppy. The conclusion that has been reached vis-a-vis this effort, sadly, has been that further such efforts simply will not work without accompanying enforcement. And as the center of the Golden Triangle of Southeast Asia, Thailand's opium production must be curtailed.

The sixth and final article of this exceptionally fine series asks the question: "The War on Narcotics—Can It Be Won?" The article then begins with the Rand Corp.'s assessment that the supply of drugs can never be eliminated. That is an unsatisfactory answer to the pleas of the families of our Nation.

It is a consensus of opinion among drug control officials in the U.S. Government that the demand for drugs, along with the foreign illicit narcotics supply, must be destroyed simultaneously. Many different ways of achieving this goal are suggested in the series. Some suggest the formation of a special U.S. Army contingent to be deployed to stop drug traffic, while others suggest the legalization and taxation of narcotics substances. Increased seizures of assets of drug dealers, stopping the money laundering involved in drug trafficking, and the formation of a mobile drug-eradication strike force were all offered as alternatives to present drug control methods.

Mr. President, the immense scope of the drug problem in our Nation is presented all too vividly in these exceedingly effective articles. The conclusion is that by whatever means, the international terror of drug abuse must be stopped.

HOLOCAUST REMEMBRANCE DAY

Mr. KENNEDY. Mr. President, we gather in the Senate and across America today to remember and commemorate the 40th anniversary of the liberation of the Nazi concentration camps in World War II. Holocaust Remembrance Day is set aside so that we, and all the generations to come, will never forget the tyranny and massive cruelty of the Nazis and their systematic and brutal execution of millions of Jews and other minorities.

On this special day, we also pause to celebrate the courage and faith of the Jewish people. We honor the martyrdom of the 6 million innocent men, women, and children who were the victims of the Holocaust, and we praise the indestructible spirit of the Jewish people.

By looking back today, we can see ahead more clearly. And we acquire a deeper understanding of the steps that must be taken to combat bigotry and injustice wherever it appears, so that never again will such atrocities and crimes against humanity recur. And on this anniversary, we also renew our pledge to work even harder in the time to come, to ensure that all those responsible for these crimes, such as Josef Mengele, the Angel of Death at Auschwitz, are inexorably pursued and finally brought to justice.

Let us rededicate ourselves now to end for all time the bitter roots of religious discrimination and racial prejudice. There is no place on our planet for words or deeds which breed such hatred and division. On this day of commemoration, let us renew our efforts to rebuild a world of true and lasting freedom—from war and want, from fear and oppression. Above all, let us ensure that our remembrance is not confined to a single day alone. Enduring freedom is timeless and indivisible. The struggle for justice is never over, and none of us can rest until liberty is secure for all peoples in every land on Earth.

MESSAGES FROM THE HOUSE

At 12:11 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1210. An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 236. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The enrolled joint resolution was subsequently signed by the President pro tempore (Mr. THURMOND).

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1210. An act to authorize appropriations to the National Science Foundation for the fiscal year 1986, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HEINZ (for Mr. GARN), from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. Res. 135. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; referred to the Committee on Rules and Administration.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary reported that on today, April 18, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

The following-named captain of the Coast Guard Reserve to be a permanent commissioned officer in the Coast Guard Reserve in the grade of commodore:

Captain Bennett S. Sparks, USCGR.

(The above nomination was reported from the Committee on Commerce, Science, and Transportation with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS:

S. 943: A bill to amend title II of the Social Security Act to provide that additional years spent in child care may be dropped out in computing benefit amounts; to the Committee on Finance.

S. 944. A bill to amend title II of the Social Security Act to restrict the payment

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of benefits to certain aliens; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. DECONCINI, Mr. ABDNOR, Mr. MITCHELL, Mr. NICKLES, Mr. HOLLINGS, Mr. INOUYE, Mr. DOMENICI, Mr. HATCH, and Mr. COCHRAN):

S. 945. A bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Incorporated; to the Committee on the Judiciary.

By Mr. FORD:

S. 946. A bill to amend the Federal Coal Leasing Amendments Act of 1976, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (by request):

S. 947. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 948. A bill for the relief of Dr. L. Neil Frazer and wife, Marie Sylvina Pauline Frazer; to the Committee on the Judiciary.

S. 949. A bill for the relief of George Hook Wo Young; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. CHAFEE, Mr. HOLLINGS, Mr. SPECTER, Mr. MATSUNAGA, and Mr. BURDICK):

S. 950. A bill to amend the Communications Act of 1934 to promote fairness in telecommunications policy by providing for lifeline telephone service; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON:

S. 951. A bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD:

S. 952. A bill for the relief of Ray M. Reed; to the Committee on the Judiciary.

By Mr. EVANS (for himself and Mr. GORTON):

S. 953. A bill to validate contractual relationships between the United States and various non-Federal entities; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself, Mr. MCCLURE, and Mr. SYMMS):

S. 954. A bill to provide for additional protection of steelhead trout as a game fish, and for other purposes; to the Committee on Indian Affairs.

By Mr. MITCHELL (for himself and Mr. CHAFEE):

S. 955. A bill to amend the Internal Revenue Code of 1954 to provide funding for the Hazardous Substance Response Trust Fund, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. CHAFEE):

S. 956. A bill to amend the Internal Revenue Code of 1954 to modify the provisions relating to minimum taxes for tax preferences of individuals and corporations, and for other purposes; to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. WALLOP):

S. 957. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on manufacturers and producers of tangible personal property, to transfer the proceeds of such tax to the Hazardous Substance Response Trust Fund, and for other purposes; to the Committee on Finance.

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. STEVENS):

S. 958. A bill to provide authorization of appropriations for activities under the Magnuson Fishery Conservation and Management Act; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, Mr. STEVENS, and Mr. HOLLINGS):

S. 959. A bill to amend the Coastal Zone Management Act of 1972 to provide authorization of appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BYRD (for himself, Mr. MOYNIHAN, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. FORD, Mr. GORE, Mr. KENNEDY, Mr. KERRY, Mr. METZENBAUM, Mr. SARBANES, and Mr. LAUTENBERG):

S.J. Res. 116. Joint resolution to assure the cost-of-living adjustments for Social Security recipients; read the first time.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself, Mr. MOYNIHAN, Mr. RIEGLE, and Mr. CRANSTON):

S. Res. 134. Resolution to assure the Cost-of-Living Adjustments for Social Security recipients; submitted and read the first time.

By Mr. HEINZ (for Mr. GARN):

S. Res. 135. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; from the Committee on Banking, Housing, and Urban Affairs; to the Committee on Rules and Administration.

By Mr. SIMPSON (for Mr. DOLE (for himself and Mr. BYRD)):

S. Res. 136. Resolution to direct the Senate Legal Counsel to intervene in "In re WHET, Inc., et al."; considered and agreed to.

By Mrs. HAWKINS:

S. Res. 137. Resolution expressing the sense of the Senate with respect to the cost-of-living adjustments under title II of the Social Security Act; to the Committee on Finance.

By Mr. HATFIELD:

S. Res. 138. An original resolution authorizing expenditures by the Committee on Appropriations; from the Committee on Appropriations; to the Committee on Rules and Administration.

By Mr. BAUCUS (for himself, Mr. ARMSTRONG, Mr. WEICKER, Mr. BUMPERS, and Mr. HEINZ):

S. Con. Res. 41. Concurrent resolution expressing the sense of the Congress that corporate income tax rates should remain graduated; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. METZENBAUM, and Mr. KENNEDY):

S. Con. Res. 42. Concurrent resolution urging the President to cancel the Bitburg visit; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS:

S. 943. A bill to amend title II of the Social Security Act to provide that additional years spent in child care may be dropped out in computing benefit amounts; to the Committee on Finance.

RESTORING SOCIAL SECURITY EQUITY TO WORKING PARENTS

Mr. HELMS. Mr. President, I am today introducing legislation to eliminate the penalty the Social Security system imposes on working parents who leave the work force to care for a child during the child's preschool years.

Present laws allows a worker to deduct the 5 lowest years of income when calculating Social Security benefits. That is it. Consequently, a parent, usually a mother, who leaves the work force or reduces his or her working hours to care for a preschool child must "bite the bullet" when the time comes to calculate his or her Social Security benefits. Parents are not permitted to deduct years spent in caring for a child and must assume the monetary loss in Social Security benefits. In effect, the Government is discouraging rather than encouraging parents to take care of their own children.

Mr. President, not only does penalizing mothers and fathers for taking care of their own preschool children offend our societal tradition, it also affronts the principles of democracy. A democratic society should promote the family. Throughout history, proponents of democratic government have acknowledged that the fate of self-governed people rests upon their virtue, self-discipline, and morality. The family is primarily responsible for instilling these qualities, so without strong families, democracy erodes.

Unfortunately, our Nation has not heeded the counsel of these political philosophers. In today's society, where the divorce rate ranks one of the highest in the world, marriage is often portrayed as an institution of convenience and children are often viewed as a drudgery and a burden. The family, once looked upon as the cornerstone of individual freedom, has come to be viewed by many as an inconvenience.

Mr. President, we must adjust our laws to encourage strong families. My bill is a first step. This legislation would give a parent the opportunity to exclude from the calculation of his or her Social Security benefits each year spent at home with a child as long as the child is younger than 6 years old. Up to 6 years could be excluded in addition to every worker's already guaranteed low 5-year exemption. During the years excluded, the parent could earn up to one-half the average wage of all Social Security covered workers each year.

Mr. President, I ask unanimous consent that my bill, along with a section-by-section explanation of its provisions, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(b)(2)(A) of the Social Security Act is amended—

(1) by striking out "The number" and inserting in lieu thereof "Except as otherwise provided in paragraph (5), the number"; and

(2) by striking out the third sentence.

(b) Section 215(b)(2)(B)(i) of such Act is amended by inserting ", except as otherwise provided in paragraph (5)," after "the term 'benefit computation years' means".

(c) Section 215(b) of such Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) An individual's benefit computation years shall be determined under this paragraph, rather than under paragraph (2), if such individual has child care years (as defined in subparagraph (B)), and such individual's primary insurance amount determined on the basis of paragraph is greater than if determined on the basis of paragraph (2).

"(B) For purposes of this paragraph, the term 'child care year' means, with respect to any individual, a computation base year in which—

"(i) such individual is living with a child (of such individual or such individual's spouse) under the age of six, substantially throughout the portion of such year during which such child is alive and under the age of six; and

"(ii) such individual's earnings do not exceed an amount equal to 50 percent of the 'SSA average wage index' (as defined in subsection (i)(1)(G)) for such calendar year.

"(C) The alternative benefit computation years under this paragraph shall be determined as follows:

"(i) From the individual's benefit computation years as otherwise determined under paragraph (2), child care years shall be excluded, in reverse order of earnings starting with the lowest earnings year, up to a maximum exclusion such that the total number of years excluded under this clause and clause (ii), when combined with the number of years determined under clause (i) or (ii) of paragraph (2)(A), whichever applies, will not exceed eleven years.

"(ii) If, following in such reverse order, any child care year which would be excluded under clause (i) has already been excluded in the calculation under paragraph (2)(B)(i) or has already been excluded under this clause, then, for each such child care year, an additional year not already excluded under clause (i), this clause, or paragaph (2)(B)(i) shall be excluded. Such additional year shall be the remaining computation base year in which such individual's earnings are the lowest.

"(iii) Any year shall be excluded under clause (i) or (ii) only to the extent that such exclusion results in a higher primary insurance amount than would be the case if such year were not excluded.

"(iv) The number of an individual's alternative benefit computation years as determined under this paragraph shall in no case be less than two, and shall be the two computation base years in which such individual's earnings were the highest.

"(D) For purposes of this paragraph, an individual's earnings for a year are the total of such individual's wages and self-employment income for such year, after adjustment under paragraph (3).".

SEC. 2. The amendments made by this Act shall apply only with respect to individuals who initially become eligible for old-age or disability insurance benefits, or who die before becoming eligible for such benefits, after December 31, 1985.

SECTION-BY-SECTION EXPLANATION

Section (a) sets forth technical changes to the Social Security Act Section 215(b)(2)(A).

Section (b) sets forth technical changes to Section 215(b)(2)(B)(i).

Section (c) amends Section 215(b) of the Social Security Act adding a provision to allow a parent to compute Social Security benefits by dropping child care years if using the child care years will yield a higher benefit than without it.

Section 215(b) of the Social Security Act is also amended by adding a provision defining child care years as a year in which an individual is living with a child substantially throughout the portion of such year during which such child is alive and under the age of six.

"Substantially throughout the portion of such year" is defined in 20 C.F.R. 404.211 as 9 months of the year.

The parent may earn up to 50% of the SSA average wage index for such calendar year.

Section 215(b)(2)(B)(i) is also amended by adding Section (c) setting forth the method of obtaining the benefits if the child care drop years are used. Section (2)(i) states lowest income years will be excluded first and up to six years can be excluded, but under no circumstances can more than 11 years be excluded.

Section (C)(ii) states if the child care years have already been excluded as part of the 5 lowest years of income, then the individual can drop additional years spent in childcare.

Section (C)(iii) states it does not have to drop child care years if the primary insurance amount is higher with the inclusion of child care years.

Section (C)(iv) states that the number of years on which to base the individual's benefit years shall not be less than 2 and shall be the 2 years in which the individual's earnings were the highest.

Section (C)(v) states that earnings for a year is the total of wages and self-employment income under paragraph 3.

Section (2) states that the provisions of this bill shall apply only to individuals who become eligible for old-age or disability insurance benefits after December 31, 1985 or who die before becoming eligible for such benefits after December 31, 1985.

By Mr. HELMS:

S. 944. A bill to amend title II of the Social Security Act to restrict the payment of benefits to certain aliens; to the Committee on Finance.

RESTRICTION OF SOCIAL SECURITY BENEFITS TO CERTAIN ALIENS

Mr. HELMS. Mr. President, I am today introducing legislation to halt the flow of hundreds of millions of dollars being paid each year in Social Security payments to illegal aliens and to those individuals living outside the United States who are not citizens or U.S. nationals.

Exactly how much money is being paid to these two classes of beneficiaries has never been determined. With respect to payments to overseas recipients, the General Accounting Office estimates that the Social Security Administration sends over $1 billion in benefits abroad annually, with more than two-thirds of this amount going to individuals who are not citizens or nationals. The GAO has no idea how much the Social Security Administration pays to illegal aliens.

Mr. President, Congress has made numerous attempts to amend the Social Security Act to restrict payments to non-U.S. citizens living abroad. There are so many exceptions, however, that these provisions have had scant effect on limiting Social Security payments. As recently as 1983, legislation was introduced in Congress to reduce or eliminate Social Security moneys going abroad to aliens. Unfortunately, the only legislation which became law limited the benefits payable to the alien survivor. Illegal aliens residing in this country and non-U.S. citizens workers abroad are still collecting their monthly check from Social Security.

Mr. President, I have spoken on numerous occasions about our problem-riddled Social Security System. In 1937, 16 workers supported each recipient. Today three workers support each recipient. Consequently, to pay for the benefits, 51 percent of the workers in this country pay more in Social Security tax than they do in Federal income tax. But Mr. President, despite this growing tax burden on our Nation's young workers, we continue to send hundreds of millions of dollars abroad.

Mr. President, this foreign aid entitlement program must be stopped. The bill I am introducing would limit the amount these recipients and their survivors could receive in Social Security payments. Under the legislation a worker who is not a U.S. citizen or a U.S. national and who is working illegally in the United States or who was legally here but has been gone from the United States for 6 consecutive months could recover from Social Security only the amount he or she contributed to the system, plus interest. If at the time of enactment of this legislation the illegal alien has recovered the amount he contributed to the system, then he shall not be entitled to any future payments. For the worker who was legally here but now living abroad, if he remains out of this country for 6 months from the date of enactment of this legislation and has recovered the amount of money he paid into the system, he will not be entitled to future payments. Benefits to survivors of the illegal alien or nonresident worker would be limited as well. They could only recover the amount the worker contributed to the system, plus interest.

Mr. President, elected officials of this country must act now to revive our faltering Social Security system. Enactment of this legislation would be a first step in this direction.

Mr. President, I ask unanimous consent that the bill, along with a section-by-section explanation, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(t)(1) of the Social Security Act is amended to read as follows:

"(1)(A) Notwithstanding any other provision of this title, benefits payable to an individual under this section or section 223 on the basis of his or her own wages and self-employment income shall be subject to the limitations set forth in subparagraph (C) if the individual—

"(i) is not a citizen or national of the United States, and

"(ii)(I) has not been lawfully admitted to the United States for permanent residence; or

"(II) has been lawfully admitted to the United States for permanent residence and has been outside the United States for a period of more than six consecutive calendar months while entitled to benefits under this section or section 223 on the basis of such wages and self-employment income.

"(B) Nothwithstanding any other provision of this title, any other benefits payable on the basis of the wages and self-employment income of an individual to whom subparagraph (A) applies shall be subject to the limitations set forth in subparagraph (C).

"(C)(i) The total amount of benefits paid under this section or section 223 on the basis of the wages and self-employment income of an individual to whom subparagraph (A) applies may not exceed the sum of—

"(I) the total amount of taxes paid under sections 3101(a) and 1401(a) of the Internal Revenue Code of 1954 (and corresponding provisions of prior law) with respect to such wages and self-employment income; and

"(II) the interest accrued on such taxes (as determined under regulations promulgated by the Secretary of the Treasury).

After benefits equalling the sum of such taxes and interest have been paid, no individual shall be entitled to benefits on the basis of the same wages and self-employment income.

"(ii) For purposes of clause (i), benefits paid under this section or section 223 on the basis of the wages and self-employment income of an individual to whom subparagraph (A) applies shall be taken into account without regard to whether such benefits were paid before, on, or after the date of the enactment of this paragaph.

"(D) The limitations set forth in subparagraph (C) shall not cease to apply to benefits payable on the basis of the wages and self-employment income of an individual to whom subparagraph (A) applies by reason of clauses (i) and (ii)(II) thereof solely because such individual returns to the United States.

"(E) The application of subparagraph (A) to an individual by reason of clauses (i) and (ii)(II) thereof shall not preclude the payment of benefits to such individual under this section or 223 on the basis of wages and self-employment income of such individual other than the wages and self-employment income on the basis of which the individual was entitled to benefits at the time the individual was outside the United States for more than six consecutive calendar months.

"(F) For purposes of this paragraph, an individual shall be considered to have been outside the United States for any calendar month if the Secretary, on the basis of information furnished by the Attorney General or information that otherwise comes to the attention of the Secretary, determines that such individual was outside the United States during all of such calendar month. In applying the preceding sentence, an individual who has been outside the United States for any period of 30 consecutive days shall be treated as remaining outside the United States until the individual has been in the United States for a period of 30 consecutive days.

"(G) For purposes of this paragraph, the term 'United States' (when used in either a geographical or political sense) means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.".

(b) Section 202(t)(4) of such Act is amended—

(1) by striking out "Subject to paragraph (11), paragraph (1)" and inserting in lieu thereof "Paragraph (1)";

(2) by striking out subparagraphs (A) and (B);

(3) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (A), (B), and (C); and

(4) by striking out the semicolon at the end of subparagraph (C) (as so redesignated) and all that follows and inserting in lieu thereof a period.

(c)(1) Section 202(t) of such Act is further amended by striking out paragraphs (2), (3), and (11) and redesignating paragraphs (4) through (10) as paragraphs (2) through (8), respectively.

(2) Paragraph (4) of section 202(t) of such Act (as redesignated by paragraph (1) of this subsection) is amended by striking out "or (10)" and inserting in lieu thereof "or (8)".

(d) The heading of section 202(t) of such Act is amended to read as follows:

"RESTRICTIONS ON PAYMENT OF BENEFITS TO NONRESIDENT ALIENS"

(e) The amendments made by this Act shall apply with respect to months after the month in which this Act is enacted.

SECTION-BY-SECTION EXPLANATION

Section (a)(1)(A) denies Social Security benefits to any individual who is not a citizen or national of the United States and who has not been lawfully admitted to the United States for permanent residence or any individual who is not a citizen or national of the United States but has been out of the United States for six consecutive months or more.

Section (a)(1)(B)—(a)(1)(C)(i) The Social Security recipient who falls within (A) is allowed to recover only the amounts he contributed to the System under Sections 3101(a) and 1401(a) of the Internal Revenue Code plus interest. The recipient cannot recover employment contributions made on the alien's behalf.

The rate of interest to be paid is to be determined by the Secretary of the Treasury.

After this amount is paid, the alien cannot recover any additional amounts.

Section (a)(1)(C)(ii) requires that in computing the benefits paid, the Social Security System will compute benefits paid before and after the enactment of this legislation.

Section (a)(1)(D) provides that merely reentering the country will not negate the application of Section (1)(A).

Section (a)(1)(E) provides that a legal alien who falls within the provisions of this bill is not precluded from re-establishing a work record in this country and participating in Social Security. Additionally, application of Section (1) does not preclude an individual from being a survivor beneficiary of Social Security.

Section (a)(1)(F) states that the legal alien shall be considered outside the country for any calendar month if the alien is outside the country for every day during that month. Any alien who has been outside the country for thirty consecutive days will be treated as remaining outside the country until he remains in the United States for at least 30 days.

Section (a)(1)(G) states that United States means the States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands and any of the territory or possession of the United States.

Section (b) sets forth technical changes to the Social Security Act Section 202(t)(4).

Section (c) (1) & (2) sets forth technical changes to Social Security Act Section 202(t).

Section (d) sets forth technical changes to Social Security Act Section 202(t).

Section (e) states that the six month period in Section (a)(1) shall begin to run at the date of enactment of this legislation.

By Mr. THURMOND (for himself, Mr. DECONCINI, Mr. ABDNOR, Mr. MITCHELL, Mr. NICKLES, Mr. HOLLINGS, Mr. INOUYE, Mr. DOMENICI, Mr. HATCH, and Mr. COCHRAN):

S. 945. A bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Incorporated; to the Committee on the Judiciary.

NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS' AFFAIRS, INCORPORATED

Mr. THURMOND. Mr. President, today, we are introducing legislation to grant a Federal charter to the National Association of State Directors of Veterans' Affairs, Inc. I am pleased to have the privilege of introducing this measure on behalf of myself and Senators DECONCINI, ABDNOR, MITCHELL, NICKLES, HOLLINGS, INOUYE, DOMENICI, HATCH, and COCHRAN.

Mr. President, many of our colleagues may already be familiar with the work of this fine organization. The National Association of State Directors of Veterans' Affairs is a nonprofit service organization comprised of professionals dedicated to assisting veterans and their families without regard to affiliation with any special interest veterans group. The association has a distinguished record of concern for

the welfare of all veterans—regardless of the length or branch of service, their background, or their experience in the armed services.

The National Association of State Directors of Veterans' Affairs had its inception in early 1945 at a conference of State representatives sponsored by the U.S. Army Air Corps. The organization was founded the following year at the behest of Gen. Graves B. Erskine, then Administrator of the Federal Retraining and Reemployment Administration. Its primary purpose was to encourage each State to provide services to veterans returning from World War II. At the 1946 organizational conference, held in Washington, DC, the association adopted the following declaration of purpose:

The purposes of the Association are to provide a medium for the exchange of ideas and information; to facilitate reciprocal State Services; to foster better understanding of the national veterans' problems; to secure uniformity and equality of service in all the States and the Territories; to maintain an interest in all veterans' legislation.

The Association recognizes the great worth and merit of all existing congressionally chartered veterans organizations, and asserts a willingness to cooperate with such organizations. It further declares a deep and abiding organizational affiliation or the lack of it.

The National Association of State Directors of Veterans Affairs was incorporated in the District of Columbia on March 12, 1973. It is the only organization representing the veterans affairs agencies of the various States. The functions of the association are: To advise veterans of available benefits and services; to coordinate the activities and purposes of the various State and territorial agencies affecting veterans; to serve as liaison between the Governors and concerned officials on the Federal level; and to maintain contact with all branches of the armed services. The association operates wholly for charitable, educational, historical, patriotic, and research purposes.

The national scope of the association is clear from its membership, which currently consists of representatives from 48 States, 4 territories, and the District of Columbia. In addition to its other services, the association coordinates the efforts and policies of the State and territorial veterans affairs agencies in order to ensure the fair and equitable treatment of veterans throughout our country. It performs the vital role of liaison between the Federal structure of veterans' services and entitlements and the various State structures of resources devoted to serving the Nation's veterans and their families.

The National Association of State Directors of Veterans Affairs has unselfishly served the needs of veterans for 39 years, and epitomizes the commitment to purpose which has made our Nation great. A Federal charter will express the recognition of Congress of the efforts of the association on behalf of countless veterans and their families. I call upon my colleagues to support this legislation and urge early enactment of this bill.

By Mr. FORD:

S. 946. A bill to amend the Federal Coal Leasing Amendments Act of 1976, and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL COMPETITIVE COAL LEASING AMENDMENTS ACT

Mr. FORD. Mr. President, today I am introducing legislation which will encourage U.S. companies to develop Federal coal reserves already under lease.

Coal is our Nation's most abundant mineral resource, yet the United States continues to import coal from foreign sources. South American countries such as Colombia are gradually capturing a substantial share of our domestic coal market, and of the world export market as well. The east and gulf coasts of the United States are particularly vulnerable to the attractions of cheap, high quality South American coal because of the alternative—unaffordable domestic coal, expensive because of the high costs of rail transportation.

In recent months, much of the public debate about the development of our domestic coal reserves has centered around the issue of section 3 of the Federal Coal Leasing Amendments Act of 1976. This provision of law prohibits the Secretary of the Interior from issuing additional mineral leases (notably coal, oil, and gas) under the Mineral Lands Leasing Act of 1920 to a lessee who holds a lease issued prior to August 4, 1976, and has held such lease for 10 years without producing coal from the lease in commercial quantities. This critical deadline for development is less than 16 months away.

Mineral companies have argued that this production deadline is unreasonable. They claim that it has been difficult to develop leases because of a slack coal market. Although many in Congress may believe that section 3 should be modified, the question is to what extent. To date, several measures have been introduced that would amend in varying degrees this provision.

I, myself, am inclined to believe that changes to section 3 are in order. However, my enthusiasm is tempered by the fact that while our domestic coal remains undeveloped, a number of U.S. companies are engaged in joint ventures overseas to produce and export foreign coal. It is ironic that a large share of this coal is then imported into the United States, displacing domestically produced coal.

My bill responds to this disturbing balance-of-trade situation. It would prohibit the Secretary from issuing a competitive coal lease, under the terms of section 3, to any corporation or similar entity that is a subsidiary of, affiliated with, or controlled by or under common control with a corporation engaged in the production and importation of foreign reserves into this country. In short, U.S. companies involved in such overseas ventures could not acquire additional mineral leases if they do not meet the 1986 production deadline.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Federal Competitive Coal Leasing Amendments Act of 1985".

SEC. 2. Section 2(a) of the Mineral Lands Leasing Amendments Act of 1920 (30 U.S.C. 201(a)), as amended by section 3 of the Federal Coal Leasing Amendments Act of 1976 (30 U.S.C. 201(a)) is further amended by redesignating the last sentence as (2)(A)(i) and adding a new sentence (2)(A)(ii) as follows:

"(2)(A)(ii) The Secretary shall not issue a competitive coal lease or leases under the terms of this section to any person, association, or corporation that is a subsidiary of, affiliated with, or controlled by or under common control with a person, association, or corporation engaged in the extraction or production of coal reserves in a foreign country, and the importation of such reserves into the United States."

By Mr. LUGAR (by request):

S. 947. A bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation; to the Committee on Foreign Relations.

OVERSEAS PRIVATE INVESTMENT CORPORATION AMENDMENTS ACT OF 1985

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to amend the Foreign Assistance Act of 1961 with respect to the activities of the Overseas Private Investment Corporation.

This proposed legislation has been requested by OPIC and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the President of the Overseas

Private Investment Corporation to the President of the Senate dated April 3, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Overseas Private Investment Corporation Amendments Act of 1985."

CREATION, PURPOSE AND POLICY

SEC. 2. Sec. 231 of the Foreign Assistance Act of 1961 is amended in the second undesignated paragraph as follows: by striking out "$680 or less in 1979 United States dollars" and inserting "$896 or less in 1983 United States dollars"; and by striking out "$2,950 or more in 1979 United States dollars" and inserting "$3,887 or more in 1983 United States dollars".

ORGANIZATION AND MANAGEMENT

SEC. 3. Section 233 of the Foreign Assistance Act of 1961 is amended in subsection (d) by striking out in the third sentence "twenty" and inserting "fifty".

INVESTMENT INSURANCE AND

SEC. 4. Section 234 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a)(1), by striking out "and" after subparagraph (B); by inserting "and" after subparagraph (c); and by inserting the following new subparagraph (D): "(D) loss due to business interruption."

(2) in subsection (a)(4), by striking out "civil strife" wherever the same shall appear and inserting "business interruption"; and by striking out all after "analysis of the risk to be covered," and inserting "and an explanation of the underwriting basis upon which it is to be offered."

(3) in subsection (b), by striking out in the final proviso "10 per centum" and inserting "25 per centum"; and

(4) in subsection (f), by striking out before the period in subparagraph (2) the following: "on such terms and conditions as the Corporation may determine, notwithstanding the provisions of section 231 of this Act."

ISSUING AUTHORITY, DIRECT INVESTMENT FUND AND RESERVES

SEC. 5. Section 235 of the Foreign Assistance Act of 1961 is amended in subsection (a)(5) by striking out "September 30, 1985" and inserting "September 30, 1989".

GENERAL PROVISIONS RELATING TO INSURANCE AND GUARANTY PROGRAM

SEC. 6. Section 237 of the Foreign Assistance Act of 1961 is amended in the first sentence of subsection (f) by striking out the "and" preceding "(2)" and by striking out the period at the end thereof and inserting "and (3) compensation for loss due to business interruption may be computed on a basis to be determined by the Corporation reflecting amounts lost."

DEFINITIONS

SEC. 7. Section 238 of the Foreign Assistance Act of 1961 is amended in subsection (c) by striking out the "; and" in sub-subparagraph (2) and inserting the following at the end thereof: *"Provided however,* That the Board of Directors may determine that other United States entities may be eligible if United States citizens have significant trade, development or other economic interests therein; and"

GENERAL PROVISIONS AND POWERS

SEC. 8. Section 239 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (c), by adding the following at the end thereof:

"The Corporation may, when appropriate, retain a firm or firms of nationally recognized certified public accountants who shall prepare, in accordance with generally accepted accounting principles, and report an annual audit of the accounts of the Corporation including statements of the type required in section 9106 of Title 31. The General Accounting Office is authorized to conduct such audits of the accounts of the Corporation and to report upon the same to Congress, as the General Accounting Office shall deem necessary or as the Congress may request, but not less than every three years. All books, accounts, financial records, reports, files, papers, and property belonging to or in use by the Corporation shall be made available to the person or persons conducting the audit for verifying transactions"; and

(2) by adding the following new subsection (j):

"(j) The Corporation, including its franchise, capital, reserves, surplus, advances, intangible property, and its income, shall be exempt from all taxation at any time imposed by the United States, by any territory, dependency, or possession thereof, or by any state, county, municipality, or local taxing authority."

RETURN OF APPROPRIATED FUNDS

SEC. 9. Section 240B of the Foreign Assistance Act of 1961 is hereby struck out.

EMPLOYMENT OF PERSONNEL

SEC. 10. Section 625 of the Foreign Assistance Act of 1961 is amended in subsection (b) by striking out "one hundred and ten" in the first sentence and inserting "one hundred and forty".

ADDITIONAL PROVISIONS

SEC. 11.

1. Section 9(b) of the Overseas Private Investment Corporation Amendments Act of 1981 is hereby struck out; and

2. Section 709 of title 18 of the United States Code is amended by inserting the following:

"Whoever uses the words 'Overseas Private Investment', 'Overseas Private Investment Corporation', or 'OPIC', as part of the business or firm name of a person, corporation, partnership, business trust, association, or business entity; or".

OVERSEAS PRIVATE INVESTMENT CORPORATION,
Washington, DC, April 3, 1985.

Hon. GEORGE H. BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am transmitting today a bill to authorize a four-year extension of the investment insurance and guaranty programs operated by the Overseas Private Investment Corporation ("OPIC") and to make certain changes in its existing programs and policies. The Administration believes that OPIC has played an important role in advancing U.S. foreign economic development policies and that its programs can be of greater value in the future.

The Administration seeks amendments which would (1) permit OPIC to insure against losses resulting from business interruption, and (2) allow OPIC greater flexibility to assist investments which are extraordinarily developmental or beneficial to the U.S. economy. The bill also proposes certain other changes of lesser significance which will improve OPIC programs.

The Office of Management and Budget has advised that enactment of this proposal would be in accord with the program of the President.

Sincerely yours,

CRAIG A. NALEN.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED OVERSEAS PRIVATE INVESTMENT CORPORATION AMENDMENTS ACT OF 1985

I. INTRODUCTION

The proposed Overseas Private Investment Corporation Amendments Act of 1985 (hereafter referred to as the Bill) amends the Foreign Assistance Act of 1961, as amended (hereafter referred to as the Act) in order to extend the authority of the Corporation to issue investment insurance and guaranties and to make certain changes in existing programs and policies.

II. PROVISIONS OF THE BILL

Section 1. Short Title

This paragraph provides that the Bill may be cited as the "Overseas Private Investment Corporation Amendments Act of 1985."

Section 2. Creation, Purpose and Policy

This paragraph amends section 231 of the Act, which creates the Corporation and sets forth the purpose and policy of the Corporation, by updating per capita income standards in 1983 United States dollars rather than in 1979 dollars.

Section 3. Organization and Management

This paragraph amends section 233 of the Act, which sets forth the organization and management of the Corporation, to increase the number of employees of the Corporation which may be appointed, compensated, or removed without regard to civil service laws and regulations from 20 to 50. This will allow the Corporation to more readily attract and retain employees from the private sector.

Section 4. Investment Insurance and Other Programs

This paragraph amends section 234 of the Act, which describes the programs the Corporation is authorized to operate, as follows:

(A) Subparagraph (1) extends the Corporation's authority to insure investments against business interruption. This authority will allow the Corporation to cover loss due to business interruption caused by the political occurrences it is already authorized to insure against, including political violence, expropriation, and currency blockage. This coverage could be a natural adjunct to the Corporation's existing political risk insurance authority and would only be available for new investments.

(B) Subparagraph (2) provides that the Corporation shall provide its authorizing committees a report with respect to the need for business interruption coverage, including an analysis of the risks to be covered, and an explanation of the underwriting basis upon which it is to be offered, at least sixty days prior to issuing such insurance for the first time (or any significant expansion of the type of risks to be insured).

(C) Subparagraph (3) allows the Corporation greater flexibility in identifying guaranteed lenders. The present limitation on guaranties issued to one financial institution is being approached in the case of key lenders who have long participated in the Corporation's loan guaranty program and

whose continued presence is important for the Corporation to retain. These lenders are sources of project funds and have assisted the Corporation in the past in designing effective means of utilizing the Corporation's authority.

(D) Subparagraph (4) permits the Corporation to enter into reinsurance arrangements with its counterpart organizations in other countries or with multinational entities. This would provide the Corporation with a means of achieving improved risk management and portfolio management and to foster a closer relationship with such organizations seeking to expand the scope of their activities.

Section 5. Issuing Authority, Direct Investment Fund and Reserves

This paragraph amends section 235 of the Act, which sets forth the issuing authority of the Corporation, to extend the authority of the Corporation to issue investment insurance and guaranties until September 30, 1989.

Section 6. General Provision Relating to Insurance and Guaranty Program

This paragraph amends section 237 of the Act, which describes general provisions relating to the insurance and guaranty programs, to reflect that compensation for loss due to business interruption need not be limited to the sum of the amount of the investment and attributable earnings. This authority would be used only after completion of the study to be undertaken under Section 4.

Section 7. General Provisions and Powers

This paragraph amends section 238 of the Act, which defines certain phrases. In particular, it modifies section 238(c)(2) providing for the eligibility of certain U.S. entities. As before, the eligibility requirement shall, as a rule, be read to require that at least 50 percent of each class of issued and outstanding stock be held beneficially by U.S. citizens. However, the Board of Directors may determine, in extraordinary cases, on a case-by-case basis, that an enterprise in which U.S. ownership is less than 50% shall be eligible for programs of the Corporation where there is a showing that significant developmental or U.S. economic benefits would flow from the investment to be assisted. This modification would allow the Corporation to assist projects which might generate or maintain U.S. jobs or increase U.S. exports generated in connection with the investment for which assistance is sought.

Section 8. General Provisions and Powers

This paragraph amends section 239 of the Act, which describes the general provisions and powers of the Corporation, as follows:

(A) Subparagraph (1) adds a new provision allowing the Corporation, if appropriate, to retain the audit services of private accounting firms. Appropriateness will be determined on the basis of a study of cost effectiveness under OMB Circular A-76.

(B) Subparagraph (2) sets forth the well-established principle that U.S. government agencies, such as the Corporation, are always exempt from all taxation by any and all jurisdictions.

Section 9. Return of Appropriated Funds

This paragraph deletes section 240B of the Act, which provides for the return of appropriated funds to the Treasury, as such requirement has been satisfied.

Section 10. Employment of Personnel

This paragraph is a technical change reflecting the amendment to section 233 of the Act.

Section 11. Additional Provisions

(A) Subparagraph (1) removes the requirement that the Corporation submit a report to the Congress, no later than June 30, 1982, on the methods for estimating the probability that particular investments or types of investments will or will not be made if insurance or other support by the Corporation is not provided since such requirement has been satisfied.

(B) Subparagraph (2) makes it a crime to appropriate the name of the Corporation for non-governmental purposes.●

By Mr. HEINZ (for himself, Mr. CHAFEE, Mr. HOLLINGS, Mr. SPECTER, Mr. MATSUNAGA, and Mr. BURDICK):

S. 950. A bill to amend the Communications Act of 1934 to promote fairness in telecommunications policy by providing for lifeline telephone service; to the Committee on Commerce, Science, and Transportation.

LIFELINE TELEPHONE SERVICE ACT

● Mr. HEINZ. Mr. President, a recent study suggests that over a million low-income people will go without telephone service by midyear because of spiraling residential rates. Today Senator CHAFEE and I, along with Senator HOLLINGS, ranking minority member of the Committee on Commerce, Science, and Transportation, and Senators SPECTER, MATSUNAGA, and BURDICK, are introducing the Lifeline Telephone Assistance Act of 1985, to provide for lifeline telephone service in order to assure that significant rate increases do not force many Americans to discontinue their telephone service. This legislation is necessary to reaffirm our commitment to the concept of universal service and to promote the public policy that the elderly, physically disabled, unemployed, very poor and other disadvantaged people not be denied access to a critical communication link that could mean the difference between life and death.

I am pleased to state that Congressman LELAND, a member of the House Energy and Commerce Committee, Subcommittee on Telecommunications, Consumer Protection and Finance, introduced a similar bill in the House in January. Representative LELAND has long been dedicated to the provision of telephone service for all Americans.

The problem that my legislation addresses is the precipitous increase in telephone rates caused by the introduction and expansion of competition in the telephone industry and the modification of Federal regulatory policies. As deregulation has come to a head in the past 3 years, local phone companies have asked for an unprecedented $10.9 billion in local rate hikes and have received $5.1 billion of that. Customers are now being billed separately for numerous services, such as a call to information. Increased telephone installation costs have imposed a greater financial burden on those that are acquiring or altering telephone service. Consumers are overwhelmed by changes in the industry and are bewildered as they confront a host of complex and costly options. In short, consumers are seeing their bills go up dramatically and there is mounting concern, especially among the poor and disadvantaged, about their ability to keep basic telephone service.

As chairman of the Special Committee on Aging, I am concerned about the effect of increased telephone rates on older Americans' access to telephone service. Older persons are more dependent on the telephone than perhaps any other segment of our society. For those with limited mobility or illness, and homebound, the telephone may provide their only contact with the outside world.

The elderly are particularly vulnerable to increases in telephone rates because so many live on low or fixed incomes. A survey completed in December 1984 for the American Association of Retired Persons found that older consumers are being hurt by the AT&T breakup. The survey of 1,504 persons age 55 and older found that more than 1 in 5 older Americans say they have had to curtail their use of the telephone because of higher costs. Among those who have incomes of less than $8,000 a year, 35 percent report having to cut down on their phone use. At the same time, more than two-thirds of those surveyed said that phone service was more important to them now than ever before and 38 percent reported using the phone more now than they did 10 to 15 years ago. Three-quarters of all older persons have seen the local phone service rates increase during the past year, with one-third reporting increases of $6 or more per month. Only 10 percent reported that their long-distance phone bills have gone down at all during the past year. More than two-thirds claim that it is now more confusing to make decisions about telephone service than it was a year ago. Only 5 percent of the older population has taken advantage of the opportunity to switch long-distance phone companies.

Older persons, of course, are not the only people threatened. The Consumer Federation of America released a study in December 1984 shows that 1.2 million low-income people will go without a phone by mid-1985 unless their local rates are reduced.

While experts may disagree as to the number of persons who will be forced to disconnect their phones with each dollar increase, we do know that increasing rates have a more pronounced effect on low than on high income households. Disconnects are disproportionate—they affect certain groups, such as the poor elderly, harsher than others. Yet the value of telephone

service increases as the number of subscribers on the network increases. For the health and safety of millions of Americans, and for the benefit of society as a whole, we must work to keep people from falling off the phone network.

The most feasible way we can maintain phone service for low-income households is to provide lifeline service and rates. That is the purpose of my bill. The legislation defines lifeline telephone service as basic telephone service, including telephone connection and a limited number of calls in the local exchange area. It is available only to the principal residence of an individual.

State public utility commissions would establish, at their option, special discounted rates for telephone service for low-income residential customers. The States will determine who is eligible for the service, but must take into consideration the needs of the elderly, the handicapped, single heads of households and the unemployed. All qualified local telephone companies that provide lifeline telephone service would be eligible for payments from a lifeline service fund to defray the cost of the service. The fund would derive moneys from a surcharge on interstate long-distance telephone service.

In addition to the local rate hikes we have already witnessed, consumers are in for another surprise on their telephone bills. In December 1984, the Federal Communications Commission approved $1 per month charge, called an access charge, for residential customers beginning in June of 1985 and to be increased to $2 in June of 1986. This access charge will have to be paid each month by the subscriber whether or not he or she ever picks up the receiver to make a long-distance call.

It should be noted that the FCC also addressed the harm to universal service that could result by adopting a Federal-State board recommendation to offset the effect of the access charge on low income subscribers and by directing the board to begin studying further lifeline assistance measures by the end of March. Some will say, therefore, that this legislation is premature. I am not convinced, however, that the FCC measures are enough. While the $1 a month charge may allow long distance rate cuts, the cuts will only benefit heavy users of long distance services and some residential customers may not benefit at all. Most residences make less than $10 a month in long distance calls and their savings from an expected 5 percent cut in long distance rates would be only 50 cents—less than the extra dollar they will have to pay beginning in June. An analysis by the Michigan Public Service Commission shows that almost two-thirds of one-party senior citizen telephone customers make less than $5 of long distance calls in any 1-month period. The 1984 AARP survey also shows that only about half of all low-income elderly persons make more than one long-distance call a month.

While there is no cap placed on the lifetime service fund, we will look at this issue closely and will seriously consider such a measure if it appears necessary to protect against uncontrolled costs. What we cannot afford to do is to wait and see how many people are left without telephone service when we have the ability to prevent such a consequence now.

Let me add that I have no doubt that many Americans will benefit from the introduction of new services brought about by competition in the telecommunications industry—services like home banking and shopping. But they will only benefit from it if they can afford to pay the costs of basic telephone service from which the glorified services emanate. In the meantime, this bill will help to ease the painful passage to a new era of telecommunications.

Mr. President. I ask unanimous consent that the text be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Lifeline Telephone Service Act of 1985".

STATEMENT OF PURPOSE

SEC. 2. The purpose of this Act is to provide for lifeline telephone service in order to assure that significant rate increases do not threaten universal service by forcing many Americans, especially the poor, the elderly, and the handicapped, to discontinue their telephone service.

LIFELINE TELEPHONE SERVICE

SEC. 3. Title II of the Communications Act of 1934 is amended by adding at the end thereof the following:

"LIFELINE TELEPHONE SERVICE

"SEC. 225. (a)(1) To assure that, to the maximum extent possible, all the people of the United States have continued availability of telephone service at reasonable and affordable charges, there is hereby established the Lifeline Service Fund (hereafter in this section referred to as the 'fund'). On an annual basis, the Commission shall determine uniform surcharges on the charges for interstate telephone toll service, such that the fund is sufficient beginning January 1, 1986, to make the payments under this subsection.

"(2) An exchange common carrier is entitled to receive payments from the fund for periods after December 31, 1985, if it certifies to the Commission that—

"(A) it is offering lifeline telephone service consistent with the provisions of subsection (b); and

"(B) that the payments will be used in a manner which assures that the charges for lifetime telephone service are reasonable.

"(3) The amount of the payments under paragraph (2) in the case of any exchange carrier shall be equal to 50 percent of—

"(A) the amount by which—

"(i) the carrier's average charges per residential customer for providing telephone exchange service (other than lifeline telephone service) exceeds

"(ii) the charge then in effect for lifeline telephone service, multiplied by

"(B) the number of subscribers certified by the carrier to be receiving lifeline telephone service.

"(b)(1) Not later than January 1, 1986, any State commission desiring to participate in the provision of lifeline telephone service pursuant to this section shall establish rules for the provision of such service by exchange carriers. Such rules shall provide that—

"(A) lifeline service may only be provided for the principal residence of a household;

"(B) a household may not have more than one lifeline telephone service line; and

"(C) any household receiving such service may not receive any other exchange telephone service.

"(2) Any charge for lifeline telephone service shall not be based on time of day of any local call placed, or the duration or distance of such call.

"(c)(1) For purposes of this section, the term 'lifeline telephone service' means telephone service including, telephone service connection, for any residential subscriber which is offered for a single, discounted charge and under which a subscriber can make a limited number of calls within the exchange area in which such service is offered.

"(2) A State commission may restrict eligibility for such service on the basis of low-income criteria prescribed by the State commission. In establishing such criteria, the State commission shall take into account the composition of the low-income population of the State, and specifically consider the needs of the elderly, single heads of households, the unemployed, and the disabled.

"(d) For purposes of this section, the terms 'exchange carrier' and 'exchange common carrier' mean a carrier authorized to provide telephone exchange service on a universal basis within an exchange area.".

EFFECTIVE DATE

SEC. 4. Except to the extent expressly provided therein, the amendment made by section 3 shall take effect on the date of the enactment of this Act.●

● Mr. CHAFEE. Mr. President, I am pleased to join my distinguished colleague, Senator HEINZ, in sponsoring the Lifeline Telephone Services Act of 1985. This act assures universal availability and affordability of telephone service: a goal the United States has held since the passage of the Federal Communications Act of 1934.

Our commitment to universal service has been well achieved. In my home State of Rhode Island, for example, over 95 percent of all households have telephone service. However, the forces of technological change, divestiture, and deregulation in the telecommunications industry threaten what every American takes for granted: affordable and universally available telephone service.

According to the Consumer Federation of America, local phone service rates have increased 19 percent since the court ordered breakup of AT&T. Installation charges have increased 26 percent. Considerable speculation exists concerning the future acceleration of phone rates. Some predict that phone rates may double or triple by the end of the decade. What is clear, however, is that rate increases will cause a reduction in the number of persons able to afford a telephone. We are facing the prospect of the erosion of universal service, especially for the poor, the elderly, and the handicapped, for whom telephone service is no longer a luxury but a necessity.

The Consumer Federation of America, in its report entitled "Divestiture: One Year Later," estimates that 1.2 million low-income people will be without phone service by mid-1985 unless local rates are reduced. According to a survey by the American Association of Retired Persons, 20 percent of older Americans have had to curtail their use of the telephone due to higher costs. For elderly persons with incomes below $8,000, the rate is 35 percent. The findings of these surveys point to the increasing need for a lifeline telephone service.

For senior citizens, the economically disadvantaged, and the handicapped, telephone service can provide independence, security, and a needed social outlet. Depriving these individuals of telephone service will isolate them from family, friends, doctors, community involvement, and emergency assistance. The AARP survey shows that more than two-thirds of the elderly citizens surveyed believe that phone service is more important to them than ever before. Are we to ignore their needs for independence, security, and a quality of life? Congress, along with the States, needs to address this issue before universal service is jeopardized.

The Lifeline Telephone Services Act of 1985 assures that rising telephone rates will not threaten universal telephone service for the poor, the elderly, the unemployed, and the handicapped. The bill permits States to establish special lifeline rates for low-income residential customers. Lifeline rates would include a discount installation charge and a discount basic service charge. The basic charge is intended to include a limited number of calls in the local exchange area, with an additional charge per call for extra calls.

The bill directs participating State regulatory commissions to establish the rates and eligibility criteria in accordance with local requirements for lifeline service. State commissions are directed to pay particular attention to those most in need of assistance: the elderly, the poor, the handicapped, and the unemployed.

All qualified telephone companies that provide lifeline telephone service are eligible for 50 percent funding from a national funding pool to defray the cost of the service. Using an existing phone subsidy mechanism, the cost, approximated at $400 million, could be met through a small surcharge on interstate long-distance telephone service. All interexchange carriers will be assessed equally based on interstate telephone toll revenues.

Many consumers will benefit from the increased competition caused by divestiture. We must also recognize that some subscribers will be adversely affected by the changes in the structure of the telecommunications industry. While long-distance toll rates will be declining, local monthly charges will increase. For example, residential customers will begin paying a $1 per month local subscriber line charge on June 1, 1985. These local rate increases may create hardships for low-income individuals. The lifeline Telephone Services Act establishes a mechanism enabling States to respond in the event that hardships result from rising local phone service rates. A similar mechanism, the Universal Service Fund, already exists to provide assistance to small companies with unusually high costs.

In today's society, access to a telephone is as much a necessity as food, shelter, clothing, and medical care. Escalating rates may place telephone service out of the reach of millions of low-income residential customers. Let us not deprive the elderly, the handicapped, the poor, and the unemployed of this vital link to the outside world. It's time for Congress to guarantee that all Americans have access to universal telephone service.

I urge my colleagues to join in supporting this important measure.●

By Mr. GORTON:

S. 951. A bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act; to the Committee on Banking, Housing, and Urban Affairs.

FAIR DEBT COLLECTION PRACTICES ACT AMENDMENTS

● Mr. GORTON. Mr. President, today I am introducing legislation to amend the Fair Debt Collection Practice Act. The purpose of my bill is to remove the statutory exemption that attorneys—and only attorneys—currently enjoy from that act.

The Fair Debt Collection Practices Act was enacted to protect consumers by curbing abusive practices by debt collectors. I can see no reason why such protection is any less necessary, simply because the debt collector happens to be an attorney or law firm. Indeed, I would hope that my own profession would provide a model for behavior in this area, but just in case it should not, we should have the protection of the act to fall back upon.

Mr. President, last year this provision was included in the omnibus banking bill which this body overwhelmingly adopted late in the session, but which did not pass the House. I intend to work to ensure that it is included in any similar bill this year.

Mr. President, I ask unanimous consent that a copy of this bill appear at this point in the RECORD.

There being no objection the bill was ordered to be printed in the RECORD, as follows:

S. 951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the last sentence of section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)) is amended—

(1) by striking out clause (F) and redesignating clause (G) as clause (F); and

(2) in clause (E), by inserting "and" at the end thereof.

(b) The second sentence of section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1962a(6)) is amended by striking out "clause (G)" and inserting in lieu thereof "clause (F)".●

By Mr. EVANS (for himself and Mr. GORTON):

S. 953. A bill to validate contractual relationships between the United States and various non-Federal entities; to the Committee on Energy and Natural Resources.

REGARDING CONTRACTUAL RELATIONSHIPS WITH NON-FEDERAL ENTITIES

● Mr. EVANS. Mr. President, I rise to introduce a bill relating to the imposition of a charge by the Federal Energy Regulatory Commission for benefits derived from Federal dams and other structures by non-Federal entities. The bill would exempt from the charge entities with a contract guaranteeing they receive all income from power sales at certain Federal irrigation facilities.

The bill provides that no annual charge be assessed where an entity has a contract with the United States guaranteeing the revenue from power facilities at Federal installations. Those contracts provide that a licensee may build and own powerplants utilizing irrigation facilities constructed by the United States. The contracts further provide that all revenues from such powerplants and from the use, sale, or the disposal of power therefrom shall be and remain the property of the licensee. Where such a contract exists, the bill would provide an exemption from the annual charge levied pursuant to section 10(e) of the Federal Power Act. Only two such contracts, involving the Columbia Basin Project, Washington, and the Salt River Project, Arizona, were identified

by the administration during hearings in the 98th Congress on the issue.

Mr. President, this bill is identical to a provision in S. 1132, a bill passed by the Senate during the 98th Congress. S. 1132 would have amended the Federal Power Act to specify annual charges for projects with licenses issued by the FERC for the use of Federal dams and other structures. The bill passed both Houses, but in a different form in each House. Differences on an unrelated issue, however, prevented the bill from becoming law.

Mr. President, I ask that my colleague and friend Senator GORTON be added as a cosponsor of this bill. I further ask unanimous consent that a copy of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 953

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

The Federal Power Act (Act of June 10, 1920, 41 Stat. 1063, 16 U.S.C. 791a et seq., and Acts amendatory thereof and supplementary thereto) is amended in section 10(e) (16 U.S.C. 803(e)) by adding the following proviso at the end thereof:

"Provided further, That no charge shall be assessed in those cases where the United States has heretofore entered into a contract with a licensee which provides that the licensee may build and own power plants utilizing irrigation facilities constructed by the United States and which further provides that all revenues from such power plants and from the use, sale, or the disposal of power therefrom shall be and remain the property of the licensee.".●

By Mr. GORTON (for himself, Mr. MCCLURE and Mr. SYMMS):

S. 954. A bill to provide for additional protection of steelhead trout as a game fish, and for other purposes; to the Select Committee on Indian Affairs.

STEELHEAD TROUT PROTECTION ACT

● Mr. GORTON. Mr. President, today I am introducing legislation for myself and Senators MCCLURE and SYMMS, which would make steelhead trout a game fish. The basic purpose of this bill is to decommercialize the taking, possession, transportation, or sale of steelhead trout.

This bill carries out the mandate of the citizens of the State of Washington, as expressed in their approval of Washington Initiative 456 on November 6, 1984 by a vote of 916,855 to 807,825. Initiative 456 comprises a set of general policy statements regarding the management of Washington State's natural resources. Specifically, section 2 of the initiative provides: "The people of the State of Washington petition the U.S. Congress to immediately make steelhead trout a national game fish protected under the Black Bass Act." I believe strongly that as an elected official of the State of Washington, it is my obligation to respond to the policy expressed by the voters last November.

Steelhead is basically a sea-run form of the rainbow trout. Steelhead migrate to the ocean, where they feed for 1 to 4 years before returning to their parent streams to spawn. Most wild steelhead in Washington State spend 2 years in a stream, reaching a size of 6 to 8 inches, before making their journey to the ocean. After spending 2 years in the nutrient-rich marine environment, most steelhead return as 6 to 8 pound adults. A few fish may remain in the ocean for 3 or even 4 years, reaching adult sizes of over 30 pounds.

There are two major types of steelhead found in the State of Washington. Winter-run steelhead return to fresh water as adult fish from late fall through late spring, peaking in numbers in December and January. They inhabit most streams in western Washington which drain into Puget Sound or the Pacific Ocean. Summer-run steelhead usually enter fresh water as adult fish from early summer through early fall, although a few leave the ocean as early as February and may remain in the parent stream up to a full year before spawning. Summer-run steelhead are found in limited numbers in some Puget Sound and coastal rivers and in larger numbers in the Columbia River system.

Steelhead are the most highly prized and sought-after game fish in the Pacific Northwest. There are roughly 130,000 anglers who fish for steelhead in Washington State, and these fishermen spend, on average, more than $100 in pursuit of each steelhead that is caught, thereby making steelhead far more valuable as a sport fish than as a commercial fish.

In 1925 steelhead were classified as "game fish" by the Washington State Legislature, thus prohibiting their commercial catch in fresh water. In 1933, when the present Washington State Department of Game was formed, sportsmen and conservationists renewed their efforts to make steelhead a game fish in both fresh and salt water. The newly formed game commission agreed with the proposal, and prohibited the commercial taking or sale of steelhead in State waters.

For nearly half a century, the State of Washington treated steelhead trout exclusively as a game fish. In 1974, however, U.S. District Court Judge George Boldt delivered his landmark decision ruling that treaty tribes have a right to harvest half of the salmon and steelhead resources. This permitted treaty Indian fishermen commercially to fish for and sell steelhead trout in Washington State. In 1979, the U.S. Supreme Court upheld the *Boldt* decision in part and established the tribes' treaty-based right to take 50 percent of the fish or a sufficient number to provide them with a moderate standard of living.

The bill we are considering today would, first of all, decommercialize steelhead trout—that is, it would designate steelhead as a national game fish and make commercial interstate transportation illegal under Federal law. Second, the bill puts all fishermen in the State on an equal footing, making State laws and regulations governing the harvest, transportation, and sale of steelhead apply to treaty Indian fishermen, just as they do to everyone else.

I would like to point out that this legislation in no way affects the tribes' treaty rights to fish at their usual and accustomed places, nor their right to engage in the fishery. Furthermore, this bill provides the States with the flexibility to recognize unique or hardship situations that treaty tribes might encounter under the bill. It thus does not impinge on tribes' ceremonial or subsistence fishing for steelhead. This bill also does not touch on the tribes' right commercially to harvest the far more abundant salmon resource or alter their right to obtain a moderate standard of living from their treaty share of salmon.

Mr. President, our bill makes steelhead the national game fish that it should be, and makes it available to all Americans on an equal basis. I ask unanimous consent that a copy of the bill appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Steelhead Trout Protection Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) steelhead trout constitute a valuable and popular recreational fishery resource;

(2) the value of steelhead trout to the economy as a game fish is substantially greater than its value as a commercial fish;

(3) several States have designated steelhead trout as a game fish, have required that such fish be taken only with sport fishing equipment, and have prohibited the commercial harvest and sale of such fish;

(4) United States Federal court decisions affecting the Pacific Northwest, which have interpreted certain treaties with Indian tribes to allow Indian fishermen to harvest and market steelhead trout commercially, have had significant and adverse effects on sport fishing, on the economies of the affected States, and on the ability of the affected States to manage steelhead trout effectively and uniformly; and

(5) the right to license sportsmen to fish for steelhead trout on Indian lands may well be more valuable to Indian tribes than is a commercial fishery for steelhead trout.

(b) It is the purpose of this Act to decommercialize the taking, possession, transportation or sale of steelhead trout, in accordance with the desires of the citizens of the State of Washington, as expressed in the Statewide vote of approval of Washington State Initiative 456 on November 6, 1984.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "person" includes any individual, partnership, association, corporation, trust, or any officer, employee, agent, department, or instrumentality of the Federal Government or of any State or political subdivision thereof, or any other entity subject to the jurisdiction of the United States;

(2) "State" means any of the several States;

(3) "steelhead trout" means the anadromous rainbow trout species Salmo gairdneri, commonly known as steelhead;

(4) except for purposes of section 6, "taking" means capturing, killing, or collecting; and

(5) "transport" and "transportation" mean to move, convey, carry, or ship by any means, or to deliver or receive for the purpose of movement, conveyance, carriage, or shipment.

STEELHEAD DECOMMERCIALIZATION

SEC. 4. (a) Notwithstanding any Indian treaty or any decision by a court of the United States interpreting Indian tribal fishing rights, the laws and regulations of a State prohibiting, restricting, or regulating the taking, possession, transportation, or sale of steelhead trout shall apply to and be enforceable against Indians and Indian tribes fishing at places both within and without the boundaries of an Indian reservation in such State in the same manner and to the same extent as such laws and regulations apply to other persons.

(b) The authority provided a State by this section shall be in addition to any jurisdiction to enact and enforce fish and game laws held by that State on the date immediately preceding the date of enactment of this Act. Notwithstanding the provisions of sections 401 and 402 of the Act of April 11, 1968 (25 U.S.C. 1321 and 1322, respectively), tribal consent is not necessary for a State to assume jurisdiction under this section.

(c) To the extent necessary for the purposes of this section, the rights of Indian tribes and members of such tribes to take, possess, transport, or sell steelhead trout within or without the boundaries of an Indian reservation are terminated or modified.

ENFORCEMENT AUTHORITY

SEC. 5. (a) An Indian tribe may require any person fishing, or wishing to fish, for steelhead trout on the tribe's Indian trust land or in waters within the exterior boundaries of the tribe's reservation to obtain a license from and pay fees to such tribe. A tribe may prescribe such conditions for the issuance of such a license as it determines to be necessary and appropriate for the sound operation of such licensing system.

(b) Any requirements imposed under this section shall be in addition to applicable State license requirements, except that no State may require a member of an Indian tribe to obtain a license from, or pay fees to, the State in order to fish on the tribe's Indian trust land, in waters within the exterior boundaries of the tribe's reservation, or at usual and accustomed fishing grounds of such tribe.

(c) Except as provided in subsection (a) of this section an Indian tribe may not regulate the taking, possession, transportation, or sale of steelhead trout in a manner which is inconsistent with State law and regulations.

(d) It is unlawful for any person to violate any licensing requirement or condition that applies to such person which may be prescribed by an Indian tribe pursuant to subsection (a) of this section.

(e) The Secretary of the Interior shall enforce the provisions of subsection (d) of this section, except that enforcement personnel of an Indian tribe may—

(1) arrest any person, if there is reasonable cause to believe that such person has committed an act prohibited by the tribe pursuant to subsection (a) of this section;

(2) seize any fishing vessel or fishing gear which reasonably appears to have been used or employed in the violation of a requirement prescribed by the tribe pursuant to subsection (a) of this section;

(3) seize any fish taken or possessed in violation of a requirement prescribed by the tribe pursuant to subsection (a) of this section; and

(4) seize any other evidence related to any violation of any requirement prescribed by the tribe pursuant to subsection (a) of this section.

(f)(1) Any person who is found by the Secretary of the Interior, after notice and an opportunity for a hearing in accordance with section 554 of title 5, United States Code, to have committed an act prohibited by subsection (d) of this section shall be liable to the United States for a civil penalty. The amount of the civil penalty shall not exceed $1,000 for each violation. Each day of a continuing violation shall constitute a separate offense. The amount of such civil penalty shall be assessed by the Secretary, or the Secretary's designee, by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, history of prior offenses, ability to pay, and such other matters as justice may require.

(2) Any person against whom a civil penalty is assessed under paragraph (1) of this subsection may obtain review of such assessment in the appropriate court of the United States by filing a notice of appeal in such court within thirty days from the date of such order. Such person shall simultaneously send a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed, as provided in section 2112 of title 28, United States Code. The findings and order of the Secretary shall be set aside by such court only if they are not found to be supported by substantial evidence, as provided in section 706(2) of title 5, United States Code.

COMPENSATION

SEC. 6. The United States Claims Court shall have exclusive jurisdiction to receive, hear, determine, and render final judgment on all causes of action which seek compensation for an alleged taking of Indian treaty rights arising under or growing out of this Act. Such a claim must be filed in the United States Claims Court within three years of the date of enactment of this Act. Such a claim may be filed only by an affected Indian treaty tribe. In considering the value of such a claim for compensation, the United States Claims Court shall reduce the value of any right to a steelhead trout commercial fishery by the value of the right to license a steelhead trout sport fishery.●

● Mr. SYMMS. Mr. President, I'm proud to cosponsor S. 954 introduced by my distinguished colleague from the State of Washington, Senator SLADE GORTON. This bill provides additional protection for the steelhead trout by appropriately and justifiably classifying it as a game fish.

Technically, the steelhead is an anadromous rainbow trout. To complete its 4-year lifecycle, the steelhead must make a dangerous odyssey down the Columbia River system to the ocean, spend 2 years in the deep waters of the Pacific, then fight its way back upstream to spawn in its native waters.

How this magnificent fish finds its way home is one of the mysteries that science has not yet solved. However, a precious few do return. The rest are lost along the way; lost to predation, disease, deep sea fishing, and commercial and sport fishing.

Because of downstream obstacles, steelhead populations have declined dramatically. In order to ensure continued viable populations, sports fishing particularly in Idaho, has often been severely limited or eliminated to compensate for losses incurred primarily as a result of commercial fishing. We cannot continue to allow commercial harvest of a fish whose population has not been replacing itself. This is unfair to Idaho and especially to Idaho sportsmen.

The steelhead is very important to the people of Idaho and conversely, activities in Idaho are absolutely crucial to the survival of the steelhead. Biologists estimate that about half of the steelhead in the Columbia River drainage are spawned in Idaho waters. Unfortunately, downstream losses are so great that reproduction won't perpetuate the species. To make up the difference, a very successful hatchery program has been established in Idaho. Probably one-third of the Columbia River system's steelhead come from these hatcheries.

By banning commercial steelhead fishing, Senator GORTON's bill will significantly reduce downstream losses and give the sports fishermen a greater opportunity to try their luck with the steelhead. This bill eliminates Indian commercial fishing but grants them the right to license sport fishing within the boundaries of the reservations. Remembering the glory days of steelhead fishing on the Salmon River, I'd guess that both the tribes and steelhead will benefit.

Very recently, our country signed a treaty with Canada setting up the mechanism for perpetuating and even enhancing our Pacific salmon and steelhead fishery. The Idaho congressional delegation has actively worked for many years to get our fish this

protection. Senator GORTON's bill strengthens the purpose of the treaty in a way that is beneficial to Idaho. I'm pleased to be a cosponsor.●

By Mr. MITCHELL (for himself and Mr. CHAFEE):

S. 955. A bill to amend the Internal Revenue Code of 1954 to provide funding for the Hazardous Substance Response Trust Fund, and for other purposes; to the Committee on Finance.

SUPERFUND REVENUE ACT

● Mr. MITCHELL. Mr. President, I am today introducing with my colleague, Senator CHAFEE, legislation to provide $7.5 billion over a 5-year period to fund the Superfund hazardous waste cleanup program. On March 1, 1985, the Senate Committee on Environment and Public Works approved a reauthorization of this program at a $7.5 billion level. The bill we introduce today will provide the revenue to implement that authorization.

The Superfund law first enacted in 1980, the Comprehensive Environmental Response, Compensation and Liability Act, was a major first step in addressing what was and continues to be a serious and compelling problem: the cleanup of the thousands of toxic waste sites across this country and continuing releases of hazardous substances into the environment. The law established two complementary programs, a liability regime to assure that those responsible for damage to the environment from these substances bear the cost of their actions, and a fund to finance response and cleanup actions where a liable party does not clean up, cannot be found, or cannot pay the cost of cleanup. The legislation being introduced today addresses the funding aspect of the Superfund law.

In developing this legislation we were guided by two fundamental objectives: First, that revenue be raised in such a way as to not impose disruptive economic burdens affecting the trade competitiveness of domestic industry, and second, that the revenue raising mechanism create minimal new administrative burdens on affected taxpayers and the Internal Revenue Service. We believe those concerns have been satisfied while addressing the overriding need to provide a funding level sufficient to continue to implement the objectives of the Superfund law.

The bill proposes to raise Superfund revenues from four sources: A tax on chemical feedstocks raising $2 billion, a tax on the generation of hazardous waste raising $1.5 billion, a broad based tax on corporate economic income raising $3.06 billion, and a 12.5 percent contribution from general revenues totaling $937.5 million.

FEEDSTOCK TAX

The bill proposes to continue the current feedstock tax mechanism while raising slightly more revenue—$400 million annually compared to current law which raises approximately $300 million annually. The current list of 42 inorganic and organic feedstocks is retained at a tax rate capped at 1.5 percent of the wholesale selling price of a substance or $5.35 per ton, whichever is lower. This compares to a maximum tax rate under current law of $4.87 per ton for organic feedstocks and $4.45 per ton for inorganic feedstocks. The tax rate on crude oil under this bill will be 1.13 cents per barrel as compared to 0.79 cents per barrel under the 1980 law. All tax rates will be indexed for inflation.

Inorganic substances will contribute 27.6 percent of total feedstock revenue compared to a 20 percent contribution under current law. Organic substances will contribute 57.4 percent as compared to 65 percent under current law. Crude oil will continue to contribute 15 percent of feedstock revenues.

The current list of 42 chemical feedstock substances plus crude oil was established in 1980 based on five criteria, of which a substance had to meet two:

The substance is inherently hazardous or hazardous in a number of forms—intermediates or final products;

The substance is hazardous in some form if released;

Hazardous substances are generated in the production of any form of the substance;

The substance is capable of increasing the hazard potential of other substances; or

The substance is produced nationally in significant amounts.

These criteria in our judgment remain a valid basis on which to levy a feedstock tax.

The bill increases the revenue generated by the feedstock tax by $100 million annually over current law. This will not produce a disproportionate economic burden on the petrochemical and metal processing industries. Valid concerns have been raised that a sharp increase in feedstock tax rates could have a negative impact on the chemical industry's balance of trade. We share those concerns.

There is no indication that such an impact has been experienced as a result of the current tax or will result from the modest increase we are proposing in this legislation. Although a chemical trade surplus decrease did occur between 1981 and 1983, according to EPA's section 301 Superfund study.

> This reduction was small relative to the overall deterioration in the U.S. trade balance. More important, the U.S. has not lost market share in world chemical exports since the enactment of CERCLA. The U.S. has historically maintained a substantial surplus in chemical trade that amounted to a record $12.1 billion in 1980, $11.7 billion in 1981, $10.4 billion in 1982, and $9 billion in 1983. Despite this recent reduction, the U.S. share of world chemical exports in 1983, 17 percent, was the highest in more than ten years.

The factors cited in the study as contributors to the worsening trade picture in chemicals are global recession; the overvaluation of the dollar; decontrol of U.S. crude oil prices; differential inflation rates among countries; increases in foreign capacity; gradual restructuring of the U.S. chemical industry toward downstream chemicals; debt problems abroad; counterfeiting and trademark infringement; protectionism and trade barriers; and other ways in which foreign governments support their chemical industries. The report concludes:

> • • • Although difficult to estimate analytically, taken together these market factors appear to render insignificant the impact of the CERCLA tax on U.S. chemical trade.

To ensure this will continue to be the case, we have included a limit of 1.5 percent of wholesale price on all tax rates with a further limitation of $5.35 a ton for any feedstock. As a result, 31 of the feedstocks are taxed at less than 1.5 percent of wholesale price.

WASTE GENERATION

The bill proposes to raise $300 million a year from a fee of $3.65 a ton on all hazardous waste delivered to a licensed facility for treatment, long-term storage, or disposal. A traceback rule is included to give taxpayers the option of measuring hazardous waste at the point at which it is generated prior to mixing with nonhazardous substances further in the process such as occurs at onsite wastewater treatment facilities.

All waste would be taxed at the same rate. This flat tax is designed to be a reliable source of revenue that is neutral with regard to disposal methods.

In November 1984, Congress enacted landmark amendments to the Resource Conservation and Recovery Act which place tough restrictions on land disposal of hazardous waste and require the use of best available control technology at all hazardous waste facilities. The environmental safeguards established in RCRA were carefully crafted by the Congress to provide for environmently acceptable hazardous waste management. An additional overlay of tax incentives is unnecessary. Indeed, we are concerned that a waste-end tax designed to create redundant waste management incentives could have unintended results which in fact undermine our regulatory laws. The congressional committees with environmental jurisdiction are better equipped to handle this issue than are the tax-writing committees. We therefore believe the preferable approach is a flat rate tax which does not interject Federal tax rules into hazardous waste management decisions.

In addition, we are concerned that a waste-end tax which provides for several levels of taxation is considerably more difficult to administer and more susceptible to taxpayer manipulation.

GENERAL REVENUES

Current law authorizes a general revenue contribution amounting to 12.5 percent of fund revenues or $44 million a year. This bill continues that percentage contribution, at a level of $187.5 million a year. This contribution from appropriations will assure congressional scrutiny of the use of the fund. It also reflects the fact that we are dealing with a broad societal problem to which all taxpayers should make some minimal contribution to its solution.

BROAD-BASED TAX

The final component of this legislation includes a broad based tax on the economic income of large corporations. For purposes of determining corporate economic income reference is made to existing definitions in section 312 of the Internal Revenue Code which measures corporate earnings and profits.

Earnings and profits are a measure of a corporation's economic income based on actual expenditures and receipts without accounting for the artificial tax treatment rules in the Internal Revenue Code.

Under existing tax law corporations are required to keep track of their earnings and profits for the purpose of measuring the amount of earnings that are available for distribution to shareholders. Although this type of calculation is required, we realize that as a practical matter most large corporations do not keep detailed records of their earnings and profits. There is no definite need to do so because for most large corporations, shareholder distributions rarely approach the level of corporate earnings and profits.

This is a calculation, however, that can be made with relatively little administrative burden. Under the bill, earnings and profits would be accounted for on a current basis; there would be no requirement to measure prior accumulated earnings and profits.

The tax would apply to a rate of three-tenths of 1 percent (0.003) on corporate earnings and profits in excess of $5 million a year.

A broad based tax on corporate income is undoubtedly a major step for Congress to take and it will receive close scrutiny from the corporate community which is understandably concerned about the creation of a new dedicated tax.

But this kind of approach makes a lot of sense. Hazardous wastes are a broad societal problem. As such, all segments of society and all sectors of the economy contribute to the problem.

The current Superfund depends on the petrochemical and metal processing industries for all of its tax revenue based on the sound reasoning that the hazardous waste problem can be directly traced back to the feedstock substances which produce most chemical products.

That is a tax policy that should be continued and is continued in this bill at an even higher revenue amount. In addition, the petrochemical and metal processing industries will contribute the bulk of taxes to the waste-end revenue raising mechanism.

However, while more revenue is clearly needed for the Superfund Program, there is a limit to the contribution a narrow industrial sector can make. The entire economy is at least indirectly responsible for the hazardous waste problem and therefore revenue should be raised from the broader community. In recognition of that, the Federal Government general revenues will maintain a 12.5-percent contribution. Current budget realities do not permit a greater Federal share.

This leaves us with but one option: a broad based tax. In our judgment, the most equitable and administratively reasonable broad based tax approach is to impose a small tax on corporate economic income as measured by corporate earnings and profits.

On Thursday and Friday of next week, the Senate Finance Committee will be holding hearings on legislation to fund CERCLA for the next 5 years. Several pieces of legislation will be before the committee. We believe this legislation offers the best approach to funding the Superfund Program and look forward to receiving input from witnesses testifying at the hearing.

I ask unanimous consent that a copy of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 955

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Superfund Revenue Act of 1985".

TITLE I—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

Subtitle A—Feedstocks and Petroleum

SEC. 101. INCREASE IN TAX ON PETROLEUM.

(a) INCREASE IN TAX.—Subsections (a) and (b) of section 4611 of the Internal Revenue Code of 1954 (relating to environmental tax on petroleum) are each amended by striking out "0.79 cent" and inserting in lieu thereof "1.13 cents".

(b) TERMINATION OF TAX.—

(1) Subsection (d) of section 4611 of such Code (relating to termination) is amended to read as follows:

"(d) TERMINATION.—The tax imposed by this section shall not apply after September 30, 1990.".

(2) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 102. INCREASE IN TAX ON CERTAIN CHEMICALS.

(a) INCREASE IN RATE OF TAX.—Subsection (b) of section 4661 of the Internal Revenue Code of 1954 (relating to amount of tax imposed on certain chemicals) is amended by striking out the table contained in such subsection and inserting in lieu thereof the following:

"In the case of:	The tax (before any inflation adjustment) is the following amount per ton:
Organic substances:	
Acetylene	$5.35
Benzene	5.35
Butadiene	5.35
Butane	4.87
Butylene	5.11
Ethylene	5.35
Methane	3.44
Napthalene	5.35
Propylene	5.35
Toluene	5.14
Xylene	5.35
Inorganic substances:	
Ammonia	2.64
Antimony	5.35
Antimony trioxide	5.35
Arsenic	5.35
Arsenic trioxide	5.35
Barium sulfide	5.35
Bromine	5.35
Cadmium	5.35
Chlorine	3.03
Chromite	1.52
Chromium	5.35
Cobalt	5.35
Cupric oxide	5.35
Cupric sulfate	5.35
Cuprous oxide	5.35
Hydrochloric acid	0.93
Hydrogen fluoride	5.35
Lead oxide	5.35
Mercury	5.35
Nickel	5.35
Nitric acid	3.03
Phosphorous	5.35
Potassium dichromate	5.35
Potassium hydroxide	5.35
Sodium dichromate	5.35
Sodium hydroxide	2.79
Stannic chloride	5.35
Stannous chloride	5.35
Sulfuric acid	0.77
Zinc chloride	5.35
Zinc sulfate	5.35.".

(b) INFLATION ADJUSTMENTS IN AMOUNT OF TAX.—Section 4661 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

(c) INFLATION ADJUSTMENTS IN AMOUNT OF TAX.—

"(1) IN GENERAL.—In the case of any taxable chemical sold in a calendar year after 1985, the amount of the tax imposed by subsection (a) shall be the amount determined under subsection (b) increased by the applicable inflation adjustment for such calendar year.

"(2) APPLICABLE INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a taxable chemical, the applicable inflation adjustment for the calendar year is the percentage (if any) by which—

"(i) the applicable price index for the preceding calendar year, exceeds

"(ii) the applicable price index for 1984.

"(B) APPLICABLE PRICE INDEX.—For purposes of subparagraph (A), the applicable price index for any calendar year is the average for the months in the 12-month period ending of September 30 of such calendar year of—

"(i) in the case of organic substances and other organic and inorganic substances, the producer price index for basic organic chemicals as published by the Secretary of Labor, or

"(ii) in the case of inorganic substances, the producer price index for basic inorganic chemicals as published by the Secretary of Labor.

"(3) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of 1 cent, such increase shall be rounded to the nearest multiple of 1 cent (or if the increase determined under paragraph (1) is a multiple of ½ of 1 cent, such increase shall be increased to the next higher multiple of 1 cent).".

"(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

Subtitle B—Tax on Hazardous Wastes

SEC. 111. TAX ON HAZARDOUS WASTES.

"(a) IN GENERAL.—Chapter 38 of the Internal Revenue Code of 1954 (relating to environmental taxes) is amended by adding at the end thereof the following new subchapter D:

"SUBCHAPTER D—TAX ON HAZARDOUS WASTES

"Sec. 4691. Imposition of tax.
"Sec. 4692. Definitions and special rules.

"SEC. 4691. IMPOSITIONS OF TAX.

"(a) GENERAL RULE.—There is hereby imposed a tax on—

"(1) the receipt of hazardous waste at a qualified hazardous waste facility, and

"(2) the exportation of hazardous waste from the United States.

"(b) AMOUNT OF TAX.—IN GENERAL.—The amount of the tax imposed by subsection (a) shall be equal to $3.65 per metric ton of hazardous waste.

"(c) INFLATION ADJUSTMENTS IN AMOUNT OF TAX.—

"(1) IN GENERAL.—In the case of any calendar year after 1985, the amount of the tax imposed by subsection (a) shall be the amount determined under subsection (b) increased by the applicable inflation adjustment for such calendar year.

"(2) APPLICABLE INFLATION ADJUSTMENT.—For purposes of paragraph (1) of this subsection, the applicable inflation adjustment for any calendar year is the percentage by which—

"(A) the implicit price deflator for the gross national product for the preceding calendar, year, exceeds

"(B) such deflator for the calendar year 1984.

"(3) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of 1 cent, such increase shall be rounded to the nearest multiple of 1 cent (or if the increase determined under paragraph (1) is a multiple of ½ of 1 cent, such increase shall be increased to the next higher multiple of 1 cent).".

"SEC. 4692. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITIONS.—For purposes of this subchapter—

"(1) HAZARDOUS WASTE.—The term 'hazardous waste' means any waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act in effect on the date of enactment of the Superfund Revenue Act of 1985 (but not including any waste the regulation of which under such Act has been suspended by Act of Congress).

"(2) QUALIFIED HAZARDOUS WASTE FACILITY.—The term 'qualified hazardous waste facility' means any facility which—

"(A) qualifies for the authorization to operate under section 3005(e) of the Solid Waste Disposal Act, or

"(B) has a valid permit under section 3005 of the Solid Waste Disposal Act or under a State permit program which is authorized under section 3006 of such Act.

"(b) PERSON ON WHOM TAX IMPOSED.—

"(1) OWNER OR OPERATOR.—The tax imposed by section 4691(a)(1) shall be imposed on the owner or operator of the qualified hazardous waste facility.

"(2) EXPORTER.—The tax imposed by section 4691(a)(2) shall be imposed on the exporter of the hazardous waste.

"(c) TAX IMPOSED ONLY ONCE.—No tax shall be imposed under section 4691(a) upon the receipt or exportation of hazardous waste if such waste is received or exported directly from one or more qualified hazardous waste facilities.

"(d) ELECTION TO TAX HAZARDOUS PORTION OF WASTE TREATED IN ON-SITE WASTE-WATER TREATMENT FACILITY.—In any case in which a mixture of solid waste from one or more sources and one or more hazardous wastes from other sources is treated at a qualified hazardous waste facility which is an on-site waste water treatment facility, the taxpayer may, notwithstanding the regulation of such mixture as a hazardous waste under the Solid Waste Disposal Act, elect to have the tax imposed by section 4691(a) determined on the basis of the volume of such mixture exclusive of the volume of such solid waste that would not be regulated as a hazardous waste under the Solid Waste Disposal Act if it had not been part of such a mixture.

"(e) TERMINATION.—No tax shall be imposed under section 4691(a) with respect to hazardous waste received or exported after September 30, 1990.".

(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 38 of such Code is amended by adding at the end thereof the following: "Subchapter D.—Tax on hazardous waste.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to hazardous waste received or exported after September 30, 1985.

Subtitle C—Tax on Corporate Earnings and Profits

SEC. 121. ENVIRONMENTAL TAX ON CORPORATE EARNINGS AND PROFITS.

(a) IN GENERAL.—Subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to determination of tax liability) is amended by adding at the end thereof the following new part:

"PART VII—ENVIRONMENTAL TAX ON CORPORATE EARNINGS AND PROFITS

"Sec. 59. Tax on corporate earnings and profits.

"SEC. 59. ENVIRONMENTAL TAX ON CORPORATE EARNINGS AND PROFITS.

"(a) IMPOSITION OF TAX.—In addition to any other tax imposed by this chapter, there is hereby imposed for each taxable year on each corporation a tax equal to the product of—

"(1) .003, multiplied by

"(2) the excess (if any) of—

"(A) the earnings and profits of such corporation for such taxable year, over

"(B) $5,000,000.

"(b) SPECIAL RULES FOR COMPUTING EARNINGS AND PROFITS.—

"(1) *Carryover of deficits in earnings and profits.*—In the case of any taxable year in which a corporation has a deficit in earnings and profits, the earnings and profits of such corporation for the next taxable year shall be reduced (below zero if necessary) by the amount of such deficit.

"(2) NO REDUCTIONS FOR DISTRIBUTIONS TO SHAREHOLDERS.—No reduction shall be made in the earnings and profits of any corporation for any taxable year for any distribution after September 30, 1985, to a shareholder with respect to the corporation's stock.

"(3) SPECIAL RULE FOR TAXABLE YEARS INCLUDING OCTOBER 1, 1985.—In the case of any taxable year which includes October 1, 1985, the earnings and profits for such taxable year which are taken into account under subsection (a) shall be equal to that portion of such earnings and profits which bears the same ratio to such earnings and profits as—

"(A) the number of days in such taxable year after September 30, 1985, bears to

"(B) the total number of days in such taxable year.

"(c) SECTION NOT TO APPLY TO CERTAIN CORPORATIONS.—No tax shall be imposed under subsection (a) on any—

"(1) S corporation,

"(2) regulated investment company, or

"(3) real estate investment trust.

"(d) TERMINATION.—This section shall not apply to taxable years ending after September 30, 1990.".

(b) DISALLOWANCE OF CREDIT AGAINST TAX.—Paragraph (2) of section 26(b) of such Code (defining tax liability) is amended by striking out "and" at the end of subparagraph (G), by striking out the period at the end of subparagraph (H) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(I) section 59 (relating to tax on corporate earnings and profits).".

(c) TRANSFER TO RESPONSE TRUST FUND.—Subparagraph (A) of section 221(b)(1) of the Hazardous Substance Response Revenue Act of 1980 is amended by striking out "section 4611 or 4661" and inserting in lieu thereof "section 59, 4611, or 4661".

(d) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"PART VII.—TAX ON CORPORATE EARNINGS AND PROFITS.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after September 30, 1985.

TITLE II—AUTHORIZATION OF APPROPRIATIONS TO HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Paragraph (2) of section 221(b) of the Hazardous Substance Response Revenue Act of 1980 is amended to read as follows:

"(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Emergency Response Trust Fund for fiscal year—

"(A) 1981, $44,000,000,
"(B) 1982, $44,000,000,
"(C) 1983, $44,000,000,
"(D) 1984, $44,000,000,
"(E) 1985, $44,000,000,
"(F) 1986, $187,500,000,
"(G) 1987, $187,500,000,
"(H) 1988, $187,500,000,
"(I) 1989, $187,500,000, and

"(J) 1990, $187,500,000, plus an amount equal to so much of the aggregate amount authorized to be appropriated under the preceding subparagraphs as has not been appropriated before October 1, 1989."●

By Mr. MOYNIHAN (for himself and Mr. CHAFEE):

S. 956. A bill to amend the Internal Revenue Code of 1954 to modify the provisions relating to minimum taxes for tax preferences of individuals and corporations, and for other purposes; to the Committee on Finance.

MINIMUM TAX REFORM ACT OF 1985

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation to revise the Tax Code to provide that all persons who earn substantial income and all corporations that earn substantial profits pay a minimum amount to the Federal Government.

I am pleased to be joined in this effort by my distinguished friend and fellow member of the Senate Finance Committee, Senator CHAFEE.

We do not propose to raise taxes. We propose to begin to collect taxes. Those who wrote the tax laws we now propose to change cannot have thought that rich individuals and profitable corporations would not owe taxes and, in due course, pay them. Did anyone really intend to write tax law that would permit corporations earning millions or hundreds of millions of dollars in profits—even, the truth be known, billions of dollars—to pay no income tax to the Federal Government? Or individuals in not dissimilar situations?

There were 67 major corporations in America with combined profits exceeding $14 billion that paid no Federal income tax in 1983. There were 128 major corporations with combined profits of more than $57 billion that managed to pay no Federal income tax in at least one of the last 3 years for which we have data—1981, 1982 and 1983. There were some 25,000 individuals who earned at least $50,000 who paid no Federal income tax in 1982, the last year for which we have data on individuals. May I say, this is a disgrace—not to the human race, but to our ability in this body to write laws that will produce the results we intend.

The reason is fairly simple. The present Tax Code includes a remarkably elaborate catalog of deductions, exemptions and credits, all designed to encourage some kind of economic or social activity. In the main, these encourage investment for various purposes. Others recognize that there are certain expenses that must be incurred by certain kinds of businesses—life insurance companies, for example—to take account of liabilities and assets far into the future. These purposes are proper, or at least plausible, and in some instances the incentives actually work. That is not the matter before us today.

When Congress enacted these tax provisions, no one intended thereby to enable prosperous individuals or profitable corporations to avoid paying any taxes. No one intended to suspend in the Tax Code the basic principle of fairness, the basic democratic ethos of sharing the burdens as well as the bounties of the American polity.

And so Congress enacted minimum taxes. But we did not exclude many of the deductions, exemptions, and credits allowed under the regular tax. Hence, individuals and corporations could arrange their financial affairs so as to avoid paying even the minimum tax, much less the regular tax.

I have come to the conclusion that under the present arrangements, there is no way to prevent industrious and ingenious tax lawyers and accountants from figuring out how to combine just the right provisions of the Tax Code, to ensure that their clients pay no tax at all—unless we adopt a new rule. This is what we propose today.

Individuals must pay 15 percent tax on combined salary, interest and dividend income exceeding $50,000. A taxpayer can still claim the major personal deductions—charitable contributions, medical expenses, above 10 percent of income, home mortgage interest, casualty losses, and moneys paid for State and local taxes. What cannot be claimed, for purposes of the minimum tax, are losses generated by other business activities. A taxpayer could no longer invest in a tax shelter and protect his salary, interest and dividend income from a minimum 15-percent tax—which, I would note, is the lowest tax rate under the Treasury's recent tax proposal, for Americans of modest income.

Corporations must pay 15 percent tax on real profits exceeding $100,000. Corporations would be permitted some deductions in full for purposes of the minimum tax—those that reflect genuine economic costs. But those deductions and other adjustments which reduce a corporation's taxable income to encourage investment—the so-called tax preference items—would be disallowed in whole, or in part, for determining a profitable corporation's minimum tax. If a profitable corporation claimed an accelerated depreciation deduction of $20,000 for some asset, allowed under ACRS in the regular tax, and the actual economic depreciation came to $8,000, based on the useful economic life of the asset, the $12,000 difference would be disallowed for purposes of the minimum tax.

How much revenue has been foregone by the current arrangements for the minimum tax? Our estimates are preliminary, but our revision of the corporate minimum tax will likely collect some $13 billion in revenues over the first 3 years, while our reform of the individual minimum tax will likely collect at least $3 billion over the same period.

May I repeat, this is a minimum tax; we hope to ensure that everyone pays but a fair share. Consider an individual who earned $250,000 in salary, interest and dividend income. Under the current minimum tax, he could claim deductions—his accountant would call them losses—for real estate investments, oil and gas partnerships, and so forth. Under our proposal, he could take his major personal deductions—let us assume they come to $20,000 for his home mortgage interest payments, his State and local taxes, and his charitable contributions. That would leave him with income of $230,000—from which he could exempt $50,000. That leaves $180,000, on which he would owe 15 percent, or $27,000. About 10 percent effective tax on an income of $250,000; that does not seem unfair to this Senator; indeed, it seems to be what we call it—a minimum.

Last year, I proposed a major reform of the individual minimum tax in the Senate Finance Committee. It was well enough received. It was initially accepted by the committee, with some revisions. Then, in a closed caucus of committee members, it was defeated by a vote of 10 to 9.

I hope for a better outcome this time. I ask my colleagues to join me.

I ask unanimous consent that the specifications of our legislation and a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 956

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as "Minimum Tax Reform Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. MODIFICATION OF INDIVIDUAL ALTERNATIVE MINIMUM TAX.

(a) REDUCTION IN ALTERNATIVE MINIMUM TAX RATE, ETC.—

(1) REDUCTION IN RATE.—Subsection (a) of section 55 (relating to an alternative minimum tax for taxpayers other than corporations) is amended by striking out "20 percent" and inserting in lieu thereof "15 percent".

(2) INCREASE IN EXEMPTION AMOUNTS.—Paragraph (1) of section 55(f) (relating to other definitions) is amended—

(A) by striking out "$40,000" in subparagraph (A) and inserting in lieu thereof "$50,000",

(B) by striking out "$30,000" in subparagraph (B) and inserting in lieu thereof "$40,000", and

(C) by striking out "$20,000" in subparagraph (C) and inserting in lieu thereof "$25,000".

(3) ALTERNATIVE TAX ITEMIZED DEDUCTIONS TO INCLUDE TAXES.—Paragraph (1) of section 55(e) (relating to alternative tax itemized deductions) is amended—

(A) by striking out "or" at the end of subparagraph (D),

(B) by striking out the period of the end of subparagraph (E) and inserting in lieu thereof ", or", and

(C) by adding at the end thereof the following new subparagraph:

"(F) section 164 (relating to deductions for taxes).".

(b) ALTERNATIVE MINIMUM TAXABLE INCOME NOT TO BE LESS THAN ALTERNATIVE MINIMUM TAXABLE INCOME FLOOR.—

(1) IN GENERAL.—Section 55(b) (defining alternative minimum taxable income) is amended by adding at the end thereof the following new flush sentence:

"In no event shall the alternative minimum taxable income of the taxpayer for any taxable year be less than the alternative minimum taxable income floor.".

(2) ALTERNATIVE MINIMUM TAXABLE INCOME FLOOR DEFINED.—Section 55 (relating to alternative minimum tax for taxpayers other than corporations) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) ALTERNATIVE MINIMUM TAXABLE INCOME FLOOR DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'alternative minimum taxable income floor' means the sum of—

"(A) the alternative tax investment income of the taxpayer for the taxable year, plus

"(B) the greater of—

"(i) the earned income of the taxpayer for the taxable year, or

"(ii) the controlled business income of the taxpayer for the taxable year,

reduced by the alternative tax itemized deductions for the taxable year.

"(2) ALTERNATIVE TAX INVESTMENT INCOME.—

"(A) IN GENERAL.—The term 'alternative tax investment income' means the sum of the following amounts which are includible in the gross income of the taxpayer for the taxable year:

"(i) Any interest, dividends, or payments with respect to the loan of any stock or security.

"(ii) Any net capital gain from the sale or other disposition of—

"(I) any intangible personal property, or

"(II) any tangible personal property of a type which is actively traded on an established securities market.

"(B) REDUCTION FOR CERTAIN EXPENSES.—The alternative tax investment income of any taxpayer for any taxable year shall be reduced (but not below zero) by the amount of any deduction under section 163, 164(a)(1), 164(a)(2), 166, 171, 212, or 1202 which is properly allocable to such alternative tax investment income.

"(C) AMOUNTS FROM ACTIVE TRADE OR BUSINESS NOT TAKEN INTO ACCOUNT.—The term 'alternative tax investment income' shall not include any amount to the extent it is derived from the active conduct of any trade or business.

"(3) EARNED INCOME.—

"(A) IN GENERAL.—The term 'earned income' means any income which is earned income within the meaning of section 401(c)(2)(C) or 911(d)(2)(A), except that such term does not include any distribution to which section 72(m)(5), 402(a)(2), 402(e), or 403(a)(2)(A) applies.

"(B) SPECIAL RULE FOR EARNED INCOME OF 5-PERCENT OWNERS.—For purposes of this paragraph, if a 5-percent owner of any trade or business (other than a C corporation) derives earned income (determined without regard to this subparagraph) from such trade or business, then such owner's earned income from such trade or business shall—

"(i) include such owner's allocable share of the adjusted gross income (taxable income in the case of a partnership or S corporation) of such trade or business, and

"(ii) be reduced by such owner's allocable share of loss of such trade or business.

"(4) CONTROLLED BUSINESS INCOME.—For purposes of this subsection, the term 'controlled business income' means the taxpayer's allocable share of the adjusted gross income (or taxable income in the case of a partnership or S corporation) of any trade or business (other than a C corporation) which the taxpayer controls. Such term shall not include any amount treated as earned income under paragraph (3)(B).

"(5) DEFINITION RELATING TO OWNERSHIP.—For purposes of this subsection—

"(A) 5-PERCENT OWNER.—The term '5-percent owner' means any person owning interests (other than debt) in a trade or business which are 5 percent or more (by value) of the total value of all interests (other than debt) in such trade or business.

"(B) CONTROL.—The term 'control' means ownership of interests (other than debt) in a trade or business which (by value) are greater than 50 percent of the total value of all interests (other than debt) in such trade or business.

"(C) ATTRIBUTION.—For purposes of this paragraph, a person shall be treated as owning any interest in any trade or business which is owned by another person who is related (within the meaning of section 267(b)) to such person.".

"(6) CARRYOVER OF DISALLOWED LOSSES.—Under regulations, any net loss of the taxpayer from activities not taken into account in computing the alternative minimum taxable income floor which cannot be used solely because of the operation of the alternative minimum taxable income floor may be carried forward for purposes of the regular tax.

(c) MODIFICATION OF ITEMS OF TAX PREFERENCE OF INDIVIDUALS.—

(1) REPEAL OF PREFERENCE FOR EXCLUSION OF DIVIDENDS AS PREFERENCE ITEM.—Section 57(a) (relating to items of tax preference) is amended by striking out paragraph (1).

(2) CIRCULATION AND RESEARCH AND EXPERIMENTAL EXPENDITURES.—Subparagraph (B)(ii) of section 57(a)(6) (relating to circulation and research and experimental expenditures) is amended by striking out "10-year period" and inserting in lieu thereof "5-year period".

(3) RESERVES FOR LOSSES ON BAD DEBTS.—Section 57(a) is amended by striking out paragraph (7) and inserting in lieu thereof the following new paragraph:

"(7) RESERVES FOR BAD DEBTS.—The amount by which the deduction allowable for the taxable year under this chapter for a reasonable addition to a reserve for bad debts exceeds the amount allowable under this chapter for bad debts incurred during such taxable year.".

(4) INTANGIBLE DRILLING COSTS.—Section 57(a) is amended by striking out paragraph (11) and inserting in lieu thereof the following new paragraph:

"(11) INTANGIBLE DRILLING COST.—The excess of—

"(A) the amount allowable as a deduction under section 263(c) in determining taxable income (other than costs incurred in connection with a nonproductive well), over

"(B) the amount which would be allowable as a deduction if costs were capitalized and allowed as a deduction ratably over the 120-month period beginning with the month in which the production from the well begins.".

(5) ACCELERATED COST RECOVERY DEDUCTION.—Section 57(a) is amended by striking out paragraph (12) and inserting in lieu thereof the following new paragraph:

"(12) ACCELERATED COST RECOVERY DEDUCTION.—

"(A) IN GENERAL.—With respect to each recovery property, the amount (if any) by which the deduction allowed under section 168(a) for the taxable year exceeds the deduction which would have been allowable for the taxable year had the property been depreciated using the straight-line method (without regard to salvage value) and a recovery period determined in accordance with the following table:

"In the case of:	The recovery period is:
3-year property	5 years
5-year property	12 years
10-year property	25 years
15-year public utility property	35 years
18-YEAR REAL PROPERTY AND LOW-INCOME HOUSING	40 years.

"(B) SUBPARAGRAPH (A) INAPPLICABLE WHERE LONGER RECOVERY PERIODS APPLY.—If, pursuant to section 168(b)(3) or 168(f)(2), the recovery period for any property is longer than the recovery period for such property set forth in subparagraph (A), subparagraph (A) shall not apply to such property.

"(C) CONVENTIONS.—

"(i) IN GENERAL.—In the case of property other than 18-year real property and low-income housing, subparagraph (A) shall be applied by using a half-year convention.

"(ii) 18-YEAR REAL PROPERTY AND LOW-INCOME HOUSING.—In the case of 18-year real property and low-income housing, the conventions under sections 168(b)(2)(B) and 168(b)(4)(B) shall be used.

"(D) DEFINITIONS.—For purposes of this paragraph, the terms '3-year property', '5-year property', '10-year property', '15-year public utility property', '18-year real property', 'low-income housing', and 'recovery property', have the same meanings given such terms by section 168.".

(6) ADDITIONAL PREFERENCE ITEMS.—Section 57(a) is amended by adding at the end thereof the following new paragraphs:

"(13) CERTAIN INTEREST WHERE TAXPAYER HAS TAX-EXEMPT INCOME.—The amount of the interest (other than qualified housing interest within the meaning of section 55(e)(4)) paid or accured by the taxpayer during the taxable year but only to the extent of an amount equal to the interest which is excludable from the taxpayer's gross income under this subtitle, reduced by the amount of any interest paid or accrued by the taxpayer during the taxable year with respect to which a deduction is not allowable by reason of section 265.

"(14) TERTIARY INJECTANT EXPENSES.—The excess of—

"(A) the amount allowable as a deduction under section 193 for the taxable year, over

"(B) the amount which would be allowable as a deduction if tertiary injectant expenses were capitalized and amortized over the 24-month period beginning with the month in which the injectant is injected.

"(15) CONSTRUCTION PERIOD CARRYING CHARGES.—The amount of the deduction allowable for the taxable year for construction period carrying charges (as defined in section 312(n)(1)(B)).

"(16) TRADEMARK AND TRADE NAME EXPENDITURES.—The amount allowable as a deduction for the taxable year under section 177.

"(17) COMPLETED CONTRACT METHOD OF ACCOUNTING.—In the case of a taxpayer who uses the completed contract method of accounting, the excess (if any) of—

"(i) the amount of taxable income for the taxable year which would be reported if such taxpayer used the percentage of completion method of accounting, over

"(ii) such taxpayer's taxable income for such taxable year.

"(18) REFORESTATION AND LAND CLEARING EXPENSES.—Any amount allowable as a deduction for the taxable year under section 182 or 194.

"(19) CERTAIN SHIPPING INCOME.—With respect to any construction reserve fund or capital construction fund established by the taxpayer under sections 511 and 607 of the Merchant Marine Act (46 U.S.C. 1161, 1177), the net increase for such taxable year in the income and capital gain accounts under such funds.".

(d) ELECTION TO MAKE ADJUSTMENTS FOR REGULAR TAX PURPOSES.—Section 58(i) (relating to optional 10-year writeoff of certain tax preferences) is amended to read as follows:

"(i) ELECTION TO MAKE ADJUSTMENTS FOR REGULAR TAX PURPOSES.—

"(1) IN GENERAL.—The taxpayer may elect for any taxable year to have any adjustment required by subsection (b)(2) of section 55 or section 56 with respect to any item of tax preference or any corporate alternative minimum tax preference item arising in such year apply also to such item for regular tax purposes. The treatment of any item with respect to which an election has been made under the preceding sentence shall (for all later years and for purposes of both the regular tax and this section) be consistent with its treatment for the year in which it arises.

"(2) TIME FOR MAKING ELECTION.—Any election under paragraph (1) with respect to any item shall be made not later than the due date (with extensions) for filing the return under this chapter for the taxable year in which such item arose.

"(3) REVOCATION ONLY WITH CONSENT.—Any election under paragraph (1) may be made only in the manner provided by regulations, and may be revoked only with the consent of the Secretary.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years begining after December 31, 1985.

SEC. 3. IMPOSITION OF CORPORATE MINIMUM TAX.

(a) IN GENERAL.—Section 56 (relating to corporate minimum tax) is amended to read as follows:

"SEC. 56. ALTERNATIVE MINIMUM TAX ON CORPORATIONS.

"(a) TAX IMPOSED.—

"(1) IN GENERAL.—A tax is hereby imposed (in addition to any other tax imposed by this subtitle) on each corporation in an amount equal to the excess (if any) of—

"(A) 15 percent of so much of the corporate alternative minimum taxable income of the taxpayer for the taxable year as exceeds $100,000 over

"(B) the regular tax for the taxable year.

"(b) CORPORATE ALTERNATIVE MINIMUM TAXABLE INCOME.—For purposes of this title, the term 'corporate alternative minimum taxable income' means the taxable income (determined without regard to the deduction allowed by section 172) of the taxpayer for the taxable year—

"(1) reduced by the corporate alternative minimum tax net operating loss deduction provided by subsection (d), and

"(2) increased by an amount equal to the corporate alternative minimum tax preference items.

"(c) CORPORATE ALTERNATIVE MINIMUM TAX PREFERENCE ITEMS.—For purposes of this section, the corporate alternative minimum tax preferences items are:

"(1) CERTAIN ITEMS OF TAX PREFERENCE.—The sum of the amounts determined under the following provisions of section 57(a):

"(A) Paragraph (2) (relating to accelerated depreciation of real property).

"(B) Paragraph (3) (relating to accelerated depreciation of leased personal property).

"(C) Paragraph (4) (relating to amortization of certified pollution controlled facilities).

"(D) Paragraph (5) (relating to mining and exploration and development costs).

"(E) Paragraph (6) (relating to circulation and research and experimental expenditures).

"(F) Paragraph (7) (relating to reserves for losses on bad debts).

"(G) Paragraph (8) (relating to depletion).

"(H) Paragraph (11) (relating to intangible drilling costs).

"(I) Paragraph (12) (relating to accelerated cost recovery deductions).

"(J) Paragraph (13) (relating to certain interest where taxpayer has tax-exempt income).

"(K) Paragraph (14) (relating to tertiary injectant expenses).

"(L) Paragraph (15) (relating to construction period carrying charges).

"(M) Paragraph (16) (relating to trademark and trade name expenditures).

"(N) Paragraph (17) (relating to completed contract method of accounting).

"(O) Paragraph (18) (relating to reforestation and land clearing expenses).

"(P) Paragraph (19) (relating to certain shipping income).

"(2) EXEMPT FOREIGN TRADE INCOME.—The amount by which taxable income would be increased if section 923(a) (after application of section 291(a)(4)) were applied with respect to any FSC by substituting—

"(A) 'no portion' for '30 percent' in paragraph (2), and

"(B) 'no portion' for '15/23' in paragraph (3).

"(3) INTEREST ON AMOUNTS USED TO ACQUIRE ESOP.—Any amount excluded from gross income under section 133 for the taxable year.

"(4) CERTAIN LIFE INSURANCE COMPANY DEDUCTIONS.—The amount of any deduction allowable for the taxable year under subsection (a) or (b) of section 806.

In determining the amount allowable as a deduction for any taxable year, section 291 shall be applied first.

"(d) CORPORATE ALTERNATIVE MINIMUM TAX NET OPERATING LOSS DEDUCTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'corporate alternative minimum tax net operating loss deduction' means the net operating loss deduction under section 172 for the taxable year for purposes of the regular tax, except that in determining the amount of such deduction—

"(A) in the case of taxable years beginning after December 31, 1985, section 172(b)(2) shall be applied by substituting 'corporate alternative minimum taxable income' for 'taxable income' each place it appears, and

"(B) the net operating loss (within the meaning of section 172(c) for any loss year shall be adjusted as provided in paragraph (2).

"(2) ADJUSTMENTS TO NET OPERATING LOSS COMPUTATION.—

"(A) POST-1985 LOSS YEARS.—In the case of a loss year beginning after December 31, 1985, the net operating loss for such year under section 172(c) shall be reduced by the amount of corporate alternative minimum tax preference items arising in such year.

"(B) PRE-1986 YEARS.—In the case of loss years beginning before January 1, 1986, the amount of the net operating loss which may be carried over to taxable years beginning after December 31, 1985, for purposes of paragraph (1) shall be equal to the amount which may be carried from the loss year to the first taxable year of the taxpayer beginning after December 31, 1985.

"(e) SPECIAL RULES RELATING TO CREDITS.—For purposes of this section—

"(1) CREDITS NOT ALLOWABLE.—For purposes of determining any credit allowable under subpart A, B, or D of part IV of this subchapter (other than the foreign tax credit allowed under section 27(a))—

"(A) the tax imposed by this section shall not be treated as a tax imposed by this chapter, and

"(B) the amount of the foreign tax credit allowed under section 27(a) shall be determined without regard to this section.

"(2) FOREIGN TAX CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

"(A) DETERMINATION OF FOREIGN TAX CREDIT.—The total amount of the foreign tax credit which can be taken against the tax imposed by subsection (a) shall be determined under subpart A of part III of subchapter N (section 901 and following).

"(B) INCREASE IN AMOUNT OF FOREIGN TAXES TAKEN INTO ACCOUNT.—For purposes of the determination provided by subparagraph (A), the amount of the taxes paid or accrued to foreign countries or possessions of the United States during the taxable year shall be increased by an amount equal to the lesser of—

"(i) the foreign tax credit allowable under section 27(a) in computing the regular tax for the taxable year, or

"(ii) the tax imposed by subsection (a).

"(C) SECTION 904(a) LIMITATION.—For purposes of the determination provided by subparagraph (A), the limitation of section 904(a) shall be an amount equal to the same proportion of the sum of the tax imposed by subsection (a) against which such credit is taken and the regular tax as—

"(i) the taxpayer's corporate alternative minimum taxable income from sources without the United States (but not in excess of the taxpayer's entire corporate alternative minimum taxable income), bears to

"(ii) the taxpayer's entire corporate alternative minimum taxable income.

For such purpose, the amount of the limitation of section 904(a) shall not exceed the tax imposed by subsection (a).

"(D) DEFINITION OF CORPORATE ALTERNATIVE MINIMUM TAXABLE INCOME FROM SOURCES WITHOUT THE UNITED STATES.—For purposes of subparagraph (C), the term corporate alternative minimum taxable income from

sources without the United States' means taxable income from sources without the United States, adjusted as provided in paragraphs (1) and (2) of subsection (b) (taking into account in such adjustment only items described in such paragraphs which are properly attributable to items of gross income from sources without the United States).

"(E) SPECIAL RULE FOR APPLYING SECTION 904(c).—In determining the amount of foreign taxes paid or accrued during the taxable year which may be deemed to be paid or accrued in a preceding or succeeding taxable year under section 904(c)—

"(i) the limitation of section 904(a) shall be deemed to be the amount of foreign tax credit allowable under section 27(a) in computing the regular tax for the taxable year increased by the amount of the limitation determined under subparagraph (C), and

"(ii) any increase under subparagraph (B) shall be taken into account.

"(3) CARRYOVER AND CARRYBACK OF CERTAIN CREDITS.—In the case of any taxable year for which a tax is imposed by this section, for purposes of determining the amount of any carryover or carryback to any other taxable year of any credit allowable under section 30 or 38, the amount of the limitation under section 30(g) or 38(c) (as the case may be) shall be deemed to be—

"(A) the amount of such credit allowable for such taxable year (determined without regard to this paragraph), reduced (but not below zero) by

"(B) the amount of the tax imposed by this section for the taxable year, reduced by—

"(i) the amount of the credit allowable under section 27(a), and

"(ii) in the case of the limitation under section 38(c), the amount of such tax taken into account under this subparagraph with respect to limitations under section 30(g).

"(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) REGULAR TAX.—The term 'regular tax' means the taxes imposed by this chapter for the taxable year (computed without regard to this section and without regard to the taxes imposed by sections 47(a), 531, and 541).

"(2) TAXABLE YEAR IN WHICH ITEM ARISES.—in the case of any amount which is taken into account for regular tax purposes in more than 1 taxable year, such amount shall be treated as an item arising in the first such taxable year.".

(b) ESTIMATED TAX.—Sections 6154(c)(1) (defining estimated tax) and 6655(f)(1) (defining tax) are each amended by inserting ", 56," after "section 11".

(c) CONFORMING AMENDMENTS.—

(1) Section 26 (relating to definition of tax liability) is amended—

(A) by striking out subparagraph (A) of subsection (b)(2) and by redesignating subparagraphs (B) through (H) of subsection (b)(2) as subparagraphs (A) through (G), respectively, and

(B) in subsection (c)—

(i) by inserting "(1)" before "For" and by adding at the end thereof the following new paragraph:

"(2) For treatment of tax imposed by section 56 as tax not imposed by this chapter, see section 56(e).",

and

(ii) by striking out the heading and inserting in lieu thereof:

"(c) SPECIAL RULES FOR MINIMUM TAXES.—".

(2) Section 57 (relating to items of tax preference) is amended—

(A) by striking out the last sentence of subsection (a),

(B) by striking out subsection (b), and

(C) by striking out subsection (3).

(3) Section 58 (relating to rules for application of past) is amended—

(A) by striking out "$10,000" in subsection (b) and inserting in lieu thereof "$100,000",

(B) by striking out "respective regular tax deduction (within the meaning of section 56(c))" and inserting in lieu there "respective corporate alternative minimum taxable incomes (within the meaning of section 56(b))",

(C) by striking out subsection (d),

(1) by striking out paragraph (1) of subsection (f) and

(2) by striking out "the item of tax preference set forth in section 57(a)(9) and" in paragraph (2) of subsection f.

(4) Section 882(a) (relating to tax on foreign corporations connected with United States business) is amended by striking "section 11 or 1201(a)" in paragraph (1) and inserting in lieu thereof "section 11, 56, or 1201(a)".

(5) The table of sections for part VI of subchapter A of chapter 1 is amended by striking out the item relating to section 56 and inserting in lieu thereof the following new item:

"Sec. 56. Additional minimum tax on corporation.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1985.

MINIMUM TAX REFORM ACT OF 1985—
CORPORATE MINIMUM TAX

Tax Rate: The tax rate would be 15 percent of corporate alternative minimum taxable income ("CAMTI") above $100,000. The minimum tax would be payable only if it exceeded a corporation's regular income tax liability.

Tax Base: CAMTI would be equal to taxable income (as computed under the regular income tax) with the following changes:

(1) The net operating loss ("NOL") deduction would be disregarded and instead a special alternative minimum tax NOL deduction would be allowed. This special NOL deduction would be computed under the same principles as used for the present alternative minimum tax for individuals.

(2) Items designated as tax preferences would be added back to taxable income.

The 15 percent tax would be imposed on CAMTI in excess of $100,000.

Credits: Credits would be treated the same as under the present individual alternative minimum tax, *i.e.*, no credit except the foreign tax credit (and any refundable credit) could be used to offset the minimum tax. Carryovers and carrybacks of "unused" credits would be allowed.

Election: A corporation could elect to forego the preference component of any tax preference item for purposes of the regular tax. In such case, the item would not be treated as a tax preference for purposes of the minimum tax.

TAX PREFERENCE ITEMS

(1) ACRS deductions for all real and personal property. The excess of the ACRS deduction over economic depreciation (determined under the tax code section 312(k) rules for computing earnings and profits).

(2) Amortization of certified pollution control facilities. Maintains current law.

(3) Mining exploration and development cost. Present law for individuals expanded to include corporations.

(4) Newspaper and magazine circulation expenditures. Present law for individuals expanded to include corporations.

(5) *Research and experimental expenditures.* Present law for individuals expanded to include corporations, but more favorable to all taxpayers in that a five-year, not ten-year, amortization period is used.

(6) *Depletion allowance.* Maintains present law.

(7) *Capital gains.* Retained as preference item, but without special rule for timber.

(8) *Intangible drilling costs.* Strengthens present law rule for individuals by repealing the provision exempting preference treatment for intangible drilling costs to the extent of oil and gas income, and extends the rule as modified to corporations.

(9) *Exempt foreign trade income of an FSC (foreign sales corporation).* (Section 921 et seq.)

(10) *Bad debt reserves.* The excess of the deduction for additions to bad debt reserves for *all* corporations (not merely financial institutions) over specific charge-offs. (Strengthens present law rule for financial institutions and extends to all corporations.)

(11) *Special life insurance company deductions.* The deduction allowable under section 806 (a) or (b) of the tax code.

(12) *Completed contract method of accounting.* For taxpayers using the completed contract method of accounting, the excess (if any) of the income that would be reported if the percentage of completion method were used, over the income reported.

(13) *Construction period carrying changes.* (Section 189).

(14) *Certain interest where taxpayer has tax-exempt income.* Interest deductions to the extent that tax-exempt income exceeds interest disallowed under section 265.

(15) *Excluded ESOP interest income.*

(16) *Trademark and trade name expenditure deductions.* (Section 177.)

(17) *Certain shipping income.* The annual net increase to any construction reserve fund or capital construction fund established under section 511 and 607 of the Merchant Marine Act.

(18) *Reforestation expenditure deductions.* (Section 194.)

(19) *Land clearing expenditure deductions.* (Section 182.)

(20) Soil and water conservation expenditure deductions. (Section 175.)

(21) Tertiary injectant expense deductions. The excess of tertiary injectant expense deductions (Section 193) over the deduction that would be allowable if such expenses were capitalized and amortized over two years.

(22) Railroad grading and tunnel bores. The deduction allowed under section 185.

INDIVIDUAL MINIMUM TAX

The present alternative minimum tax for individuals (Section 55) would be retained, with the following changes.

Tax rate: Reduced to 15 percent.

Alternative tax itemized deductions: The deduction for state and local taxes allowed in Section 164 would be added to the list of alternative tax itemized deductions.

Exemption amounts: The exemption amounts would be increased as follows: joint return: $40,000 to $50,000; individual; $30,000 to $40,000; married filing sep./trust; $20,000 to $25,000.

Alternative minimum taxable income floor: Alternative minimum taxable income—as produced by adding the items of

tax preference to ajusted gross income—could in no event be less than the "alternative minimum taxable income floor," a new concept added by the legislaton.

The alternative minimum taxable income floor would consist of two categories of income: (1) the individual's earned income (either from salary or business enterprises controlled by him) and (2) investment income (generally, dividend and interest income). Losses from secondary business activities and investments could not be claimed against the foregoing two income categories.

Election. Same as for proposed corporation minimum tax.

TAX PREFERENCE ITEMS

1. All of the tax preference items listed above for corporations, except the following items that are inapplicable to individuals: a. Exempt foreign trade income of an FSC; b. Special life insurance company deductions; c. Railroad grading and tunnel bores.

2. Incentive stock options. (Section 57(a)(10).) Maintains present law.

3. Dividend exclusion (Section 116). The treatment of the dividend exclusion amount as a tax preference item (Section 57(a)(1)) would be repealed.●

● Mr. CHAFEE. Mr. President, today I am joining my colleague, Senator MOYNIHAN, in introducing a comprehensive minimum tax bill for both corporations and individuals. Although the current Tax Code has an alternative minimum tax for individuals and an add-on minimum tax for corporations, neither of these tax provisions is doing the job of insuring that all Americans and corporations pay their fair share of revenues.

There will be a great deal of discussion in Congress this year about the need for tax reform. If Congress does not achieve reform of the Tax Code, I believe we will face a tax revolt of major consequence in this country. While the legislation we are introducing today cannot by itself provide comprehensive tax reform, it does address one of the major issues in the tax reform debate—the issue of fairness. It is thus an interim step pending full consideration of comprehensive tax reform.

The need for fairness is far and away the most pressing reason why we need to overhaul the U.S. Tax Code. The American public has known for a long time that too many individuals and corporations do not pay their fair share. Every time an American citizen reads in the newspaper that a major corporation pays no income tax despite millions—or even billions—of dollars in profits, it reinforces popular distrust of the present system.

Polls have consistently indicated that a vast majority of the taxpaying public would not mind paying their current level of taxes if they thought that others were paying their fair share.

When we read in the newspapers that this or that massive corporation pays less than the average wage earner in America, even though each reported large profits to its shareholders, we know something is wrong. According to a study by Citizens for Tax Justice, 128 multinational corporations paid no taxes for at least 1 of the years between 1981 and 1983 despite their having received $57 billion in combined profits.

On the individual side of the ledger, the picture is no different. Statistics from the Treasury Department indicate that in 1983, 9,000 people earning at least $250,000 legally avoided all taxes; thousands of others came close. In 1969, when outgoing Treasury Secretary Joseph W. Barr revealed that 154 people getting more than $200,000 a year had paid no Federal taxes in 1967, the public was outraged. Today, many Americans brag about tax avoidance.

The cover of a recent magazine, Money, for example, featured a picture of three wealthy citizens, all sporting formal attire and holding up champagne glasses, under the headline "These Three People Have Made Fortunes But Paid No Taxes Last Year—Here's How You Can Slash Yours."

This perception of inequity in our tax system hurts compliance with our tax laws. As with any other law, people do not tend to obey those which they do not respect and which they do not perceive as fair.

The bill I am joining in the introduction of today is designed to correct this situation. It would compel wealthy individuals and profitable corporations to pay a minimum tax of at least 15 percent for income over the threshold amounts—$50,000 for individuals and $100,000 in the case of corporations.

The current corporate add-on minimum tax would be replaced by a new alternative minimum tax. The minimum tax would apply only to income in excess of $100,000, and would work very much like the current alternative minimum tax for individuals. The corporation would compute its regular tax liability, compare it with the minimum tax and pay whichever tax is greater.

The corporate minimum tax would still allow a deduction for certain net operating losses, but no tax credits would be allowed to reduce the minimum tax, except the foreign tax credit and any refundable tax credits. Carryovers and carrybacks of "unused" credits would be allowed. The 15-percent tax rate would apply to the adjusted gross income of the corporation less the special net operating loss deduction and certain itemized deductions.

Preliminary estimates are that the corporate minimum tax provisions would raise $13.5 billion in the first 3 years: $3 billion in the first year, $5 billion in the second year, and $5.5 billion in the third year. The individual minimum tax provisions would raise approximately $1 billion a year. These are preliminary estimates which are subject to change and refinement.

The new individual minimum tax would work very much like the current alternative minimum tax except that the number of so-called preference items would be increased and the rate would actually be lowered to 15 percent from the current 20 percent. This approach is consistent with the theory of tax reform now under consideration; namely, that we should try to broaden the base and lower rates.

It should be noted that the new individual minimum tax provisions puts forth a new controversial measure for making certain that we truly have a minimum tax that works.

This new approach requires individuals who earn more than $50,000 in salary or from interest or dividends actually pay a minimum of 15 percent of that income in tax, even if they subsequently go out and invest their income and lose a portion of it. There may be some harshness in this approach, but we have seen that the current system is not assuring that everyone earning over $50,000 pays at least a minimum amount in tax.

This approach will be subject to heated debate, but it is certainly worth considering. This bill thus "puts it on the table" for discussion.

I look forward to the upcoming debate over comprehensive tax reform and I think the bill which Senator MOYNIHAN and I are introducing today is consistent with that effort. I urge my colleagues to join with us in support of this proposal. ●

By Mr. BENTSEN (for himself and Mr. WALLOP):

S. 957. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on manufacturers and producers of tangible personal property, to transfer the proceeds of such tax to the Hazardous Substance Response Trust Fund, and for other purposes; to the Committee on Finance.

SUPERFUND EXCISE TAX ACT

● Mr. BENTSEN. Mr. President, I bring to the desk today a bill to provide funding for the hazardous waste cleanup program, the so-called Superfund.

The Superfund, Mr. President, is one of the most compelling and emotional issues that we have before the Senate. It has drawn as much intensity of feeling as any environmental issue I have seen. The spector of innocent victims being exposed to waste long abandoned and forgotten has created a sensitivity to the needs of this legislation that few others have obtained.

The funding mechanism for the Superfund Program expires at the end of this fiscal year. I think everyone agrees that it should be reauthorized and that it will be reauthorized. But

paying for the program is a problem with no easy solution. The current program is financed by a tax on basic chemicals, or feedstocks, and on oil, and the tax raises about $300 million per year. However, the Environment and Public Works Committee has reported out a reauthorization bill that will require at least three times that amount of revenue. The administration similarly agrees that substantially more revenue is needed to fund the program, given the rapid increase in the number of hazardous waste sites that have been discovered.

So we have the difficult issue of how to raise the revenue. One fact is for sure: Raising the feedstock tax is a bad choice. The feedstock tax was originally enacted not for reasons of equity, but for reasons of convenience. And the revenues required by the original law could be collected without significant economic side effects. As more revenues are required, they must be raised with the recognition that hazardous substances have been used pervasively throughout our economy and that the responsibility for the program should not fall entirely on one industry.

Mr. President, the petrochemical industry is suffering considerably from the effects of the last recession and is now in a vulnerable position because of the construction of plants in the Middle East and other areas rich in cheap supplies of oil and gas. The hard fact is that when we tax our domestic chemical industry, we encourage production of chemicals outside the country, and we encourage industrial users of the chemicals to manufacture their products outside the country. That is unfair to the chemical industry and irrational for the U.S. economy.

What we are faced with are several unpleasant choices: We could fund the Superfund from general revenues. But that would exacerbate the budget deficit and could also arouse fears that Superfund moneys would never actually flow through the appropriation process. We could double or triple the feedstock tax. But as I've said, that would be to compound the current inequity. That leaves us the choice of seeking new revenue sources.

One new revenue option is to tax the disposition of hazardous waste. Late last year and again this year I introduced such a proposal with Senator MOYNIHAN. And the administration has proposed a version of such a tax. But such a tax, even with a continuation of the current level of the feedstock tax, is probably not enough.

Therefore, Mr. President, I am introducing today an additional proposal that I have developed with the Senator from Wyoming, Mr. WALLOP. What we propose is a tax on sales of all manufactured goods and raw materials from the point of production.

We want to make it clear, however, that our bill is not a final product at this time, but is merely intended to put the proposal before the public for study. The Finance Committee will hold hearings on Superfund next week, and it is important that the idea of a manufacturers tax be addressed. The bill will require extensive analysis and revision, and, obviously, a tax rate for the bill will have to be determined. The draft of the bill delegates authority to the Secretary of the Treasury to set the rate based on funding requirements for the Superfund, but it is our intention to determine the proper rate at a later time.

We think a manufacturers tax has a number of attractive features for Superfund.

First, a manufacturers tax has a rational linkup with Superfund. It may be true that chemical companies produced much of the hazardous substances that we find in waste sites, but that does not mean either that they created the waste sites or, more importantly, that they received the benefits of the inexpensive disposal in waste sites. Rather, much disposal was done by manufacturers that used hazardous substances in their manufacturing. Merely because a chemical company may have produced the substances is not a sound reason to impose the entire cleanup burden on the chemical industry. Moreover, even manufacturers who were not responsible for waste sites should contribute to the cleanup effort because their purchases of chemicals and other imputs reflected the lower prices resulting from tax disposal laws; there is no reason to believe that the chemical industry was able to capture all this benefit for itself.

Second, a manufacturers tax can be spread very broadly at a very low rate. The tax base for our proposal is over $1 trillion per year. The Joint Tax Committee staff has not yet computed a tax rate for our bill, but a rough estimate is that a rate of less than 0.1 percent would raise $1 billion per year. In other words, the tax would only be 10 cents per every $100 of sales.

An advantage of the low rate and broad base is that the tax need not be complex. In putting the bill together, we were guided by the overriding desire to make it simple. We felt we could do this because of the low tax rate. We doubt that business decisions would be skewed by a tax of such de minimis proportions.

A third major advantage of a manufacturers tax is the foreign trade aspect. Because the tax is structured as a tax on sales of manufactured goods and not on companies, we were able to exempt exports from the tax and impose the tax on imports. This is the mechanism that European value added taxes use to ensure that exports can compete in foreign markets and that imports do not have an unfair advantage in domestic markets. We should not make the mistake of enacting any additional taxes in this country that do not have this advantage.

Our bill also contains what we think is a simple provision to preclude multiple levels of taxation when products move through the chain of production. Under the bill, every manufacturer will pay the tax on its sales, but will then receive a credit based on the amount of its purchases of direct materials included in the computation of its inventory costs. The number for those purchases is already computed for income tax purposes and therefore should not represent additional burden for most taxpayers. The allowable credit would be obtained simply by dividing the purchases figure by one plus the tax rate and subtracting that result from the purchases figure. That would result in the tax that should have been paid on the inputs originally, but without any complicated recordkeeping.

Lastly, Mr. President, I note that our bill contains an exemption for small producers. Under the bill, a manufacturer is subject to tax only to the extent his sales exceed $100,000 per year.

In summary, Mr. President, I think a manufacturers' tax is another proposal that should be considered as we reauthorize the Superfund this year. I will look forward to discussing this proposal in the hearings next week.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Superfund Excise Tax Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. IMPOSITION OF SUPERFUND EXCISE TAX.

(a) IN GENERAL.—Subtitle D (relating to miscellaneous excise taxes) is amended by inserting before chapter 31 the following new chapter:

"CHAPTER 40—SUPERFUND EXCISE TAX

"Subchapter A. Imposition of tax.
"Subchapter B. Taxable transaction.
"Subchapter C. Taxable amount; exempt transactions; credit against tax.
"Subchapter D. Administration.
"Subchapter E. Definitions.

"Subchapter A—Imposition of Tax

"Sec. 4001. Imposition of tax.

"SEC. 4001. IMPOSITION OF TAX.

"(a) GENERAL RULE.—A tax is hereby imposed on each taxable transaction.

"(b) AMOUNT OF TAX.—

"(1) IN GENERAL.—Except as otherwise provided in this chapter, the amount of the tax shall be the applicable percentage of the taxable amount.

"(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means, with respect to any fiscal year, the percentage which the Secretary determines necessary to collect a sufficient amount of tax under subsection (a) to finance the Hazardous Substance Response Trust Fund for such fiscal year.

"Subchapter B—Taxable Transaction

"Sec. 4003. Taxable transaction.
"Sec. 4004. Taxable person.

"SEC. 4003. TAXABLE TRANSACTION.

"For purposes of this chapter, the term 'taxable transaction' means—

"(1) the sale of tangible personal property in the United States,

"(2) the leasing of tangible personal property in the United States, and

"(3) the importing of tangible personal property into the United States,

by a taxable person in connection with a trade or business.

"SEC. 4004. TAXABLE PERSON.

"Except as otherwise provided in this chapter, for purposes of this chapter, the term 'taxable person' means—

"(1) in the case of a taxable transaction described in paragraph (1) or (2) of section 4003, the manufacturer of the tangible personal property, and

"(2) in the case of a taxable transaction described in paragraph (3) of section 4003, the importer of the tangible personal property.

"Subchapter C—Taxable Amount; Exempt Transactions; Credit Against Tax

"Sec. 4011. Taxable amount.
"Sec. 4012. Exempt transactions.
"Sec. 4013. Credit against tax.

"SEC. 4011. TAXABLE AMOUNT.

"(a) SALE.—For purposes of this chapter, the taxable amount for any sale shall be the price (in money or fair market value of other consideration) charged the purchaser of the property by the seller thereof—

"(1) including items payable to the seller with respect to such transaction, but

"(2) excluding the tax imposed by section 4001 with respect to such transaction and excluding any separately stated transportation charges.

"(b) IMPORTS.—For purposes of this chapter, the taxable amount in the case of any import shall be—

"(1) the customs value plus customs duties and any other duties which may be imposed, or

"(2) if there is no such customs value, the fair market value (determined as if the importer had sold the property).

"(c) LEASES.—For purposes of this chapter, the taxable amount in the case of any lease shall be the gross lease payments received during the taxable period.

"(d) TIME OF RECEIPT.—The taxable amount shall be considered to be received by the taxable person for purposes of chapter 1 at the time it is recognized by the taxable person under the person's method of accounting.

"SEC. 4012. EXEMPT TRANSACTIONS.

"(a) EXPORTS.—Under regulations, no tax shall be imposed under section 4001 on the sale of any property which is to be exported outside the United States.

"(b) SALES OF LEASE PAYMENTS OF LESS THAN $100,000 DURING TAXABLE PERIOD.—

"(1) IN GENERAL.—No tax shall be imposed under paragraphs (1) and (2) of subsection 4001(a) on any taxable person for any taxable period if the aggregate taxable amount for such period is less than $100,000.

"(2) MEMBERS OF AFFILIATED GROUPS.—

"(A) CORPORATIONS.—In the case of the taxable person which is a member of an affiliated group (within the meaning of section 1504(a)), all members of such group shall be treated as one taxable person for purposes of paragraph (1).

"(B) PARTNERSHIP, PROPRIETORSHIP, ETC. WHICH ARE UNDER COMMON CONTROL.—Under regulations, all trades or businesses (whether or not incorporated) which are under common control shall be treated as one taxable person for purposes of paragraph (1).

"(c) GOVERNMENTAL ENTITIES AND EXEMPT ORGANIZATIONS.—

"(1) GOVERNMENTAL ENTITIES.—No tax shall be imposed under section 4001 on the sale or importing of any property by the United States, any State or political subdivision, the District of Columbia, a Commonwealth or possession of the United States, or any agency or instrumentality of any of the foregoing.

"(2) EXEMPT ORGANIZATIONS.—No tax shall be imposed under section 4001 on any organization which is exempt from tax under chapter 1, unless the taxable transaction is part of an unrelated business.

"SEC. 4016. CREDIT AGAINST TAX.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by section 4001 for any taxable period an amount equal to—

"(1) the excess of—

"(A) purchases of direct materials during the taxable period, over

"(B) the amount under subparagraph (A) divided by the sum of 1 plus the rate of tax under section 4001, reduced by

"(2) the rate of tax under section 4001 times $100,000.

"(b) EXCESS CREDIT TREATED AS OVERPAYMENT.—

"(1) IN GENERAL.—If for any taxable period the aggregate amount of the credits allowable by subsection (a) exceeds the aggregate of the tax imposed by section 4001 for such period, such excess shall be treated as an overpayment of the tax imposed by section 4001.

"(2) Time when overpayment arises.—Any overpayment under paragraph (1) for any taxable period shall be treated as arising on the later of—

"(A) the due date for the return for such period, or

"(B) the date on which the return is filed.

"(c) SPECIAL RULE FOR EXPORTERS.—Under regulations, in computing the credit under subsection (a), a taxable person which sells or leases property for export shall exclude from purchases of direct materials the amount of any separately stated transportation charges, but only to the extent such charges are attributable to purchases allocable to exports.

"Subchapter D—Administration

"Sec. 4021. Liability for tax.
"Sec. 4022. Time for filing return and claiming credit; deposits of tax.
"Sec. 4023. Regulations.

"SEC. 4021. LIABILITY FOR TAX.

"The taxable person shall be liable for the tax imposed by section 4001.

"SEC. 4022. TIME FOR FILING RETURN AND CLAIMING CREDIT; DEPOSITS OF TAX.

"(a) FILING RETURN.—Before the first day of the second calendar month beginning after the close of each taxable period, each taxable person shall file a return of the tax imposed by section 4001 on taxable transactions within such taxable period.

"(b) TAXABLE PERIOD.—For purposes of this chapter—

"(1) IN GENERAL.—the term 'taxable period' means—

"(A) the taxable person's taxable year for purposes of chapter 1, or

"(B) if there is no taxable year for purposes of chapter 1, the calendar year.

"(2) EXCEPTION.—

"(A) ELECTION OF QUARTERLY PERIOD.—If the taxpayer so elects, the term 'taxable period' means a calendar quarter.

"(B) OTHER PERIODS.—To the extent provided in regulations, the term 'taxable period' includes any other period selected by the taxpayer.

"(c) QUARTERLY DEPOSITS REQUIRED.—To the extent provided in regulations, quarterly deposits may be required of the estimated liability for any taxable period for the tax imposed by section 4001.

"SEC. 4023. REGULATIONS.

"The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this chapter.

"Subchapter E—Definitions

"Sec. 4031. Definitions.

"SEC. 4031. DEFINITIONS.

"(a) MANUFACTURING.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'manufacturing' means—

"(A) activities in which labor or skill is applied by hand or machinery to produce a new, different, or useful substance or article of tangible personal property, including activities such as making, fabricating, processing, refining, mixing, and compounding, and

"(B) the production of raw materials.

"(2) CERTAIN ACTIVITIES NOT INCLUDED.—The term 'manufacturing' does not include—

"(A) services furnished incidental to storage or transportation of property,

"(B) the preparation of food in a restaurant or other retail food establishment,

"(C) the incidental preparation of property by a retailer or wholesaler, including routine assemblage, or

"(D) the production of unprocessed agricultural products (except timber) or unprocessed food products.

"(b) PERSON.—For purposes of this chapter, the term 'person' includes any governmental entity.

"(c) UNITED STATES.—For purposes of this chapter, the term 'United States', when used in a geographical sense, includes a Commonwealth and any possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle D is amended by inserting before the item relating to chapter 31 the following new chapter:

"Chapter 30. Superfund excise tax.".

SEC. 3. TRANSFERS TO TRUST FUND.

Subparagraph (A) of section 221(b)(1) of the Hazardous Substance Response Revenue Act of 1980 is amended by striking out "section 4611 or 4661" and inserting in lieu thereof "section 4001".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable amounts received in taxable periods beginning after September 30, 1985.●

● Mr. WALLOP. Mr. President, in 1980, the Congress enacted the Comprehensive Environmental Response, Compensation, and Liability Act, commonly known as Superfund, to provide a Federal response to spills and leaks of toxic substances at hazardous waste sites. The legislation was developed in response to the threat to public health created by the Love Canal toxic waste dump and similar hazards which came to light in the late 1970's. The goal of the legislation was to provide a temporary program to clean up existing abandoned or inactive hazardous waste sites. When no responsible parties could be identified for a wastesite, the cleanup responsibility would be assumed by Federal and State governments. Until the passage of the Superfund legislation, the Federal Government lacked the general authority to clean up hazardous waste sites or respond to spills of hazardous substances—with the one exception of spills involving navigable waterways.

It is clear the the Superfund program has filled a dangerous void. Of course, as with most Federal programs, the actual operation of the program has not been as efficient and effective as orginally envisioned by the Congress. But, in light of our inflated expectations regarding the program, any failings are certainly understandable. Part of the problem with the program is that we relied on the wornout proposition that merely throwing money at a problem will make the problem go away. Unfortunately there are still those here in the Congress and in the world outside who rely on the discredited proposition that even more spending on Superfund is the simple solution to its shortcomings.

It is likely that anyone who now insists that the hazardous waste problem will be taken care of by appropriating massive amounts of Federal funds has simply not taken the time to review the recent critical technical reports on Superfund. It is obvious that we have neither the manpower resources nor the technical sophistication to provide permanent cleanup of the Superfund hazardous waste sites. Yet we are now being urged to rush forward with an expanded and, perhaps, permanent program.

What is perhaps most disturbing about the debate over Superfund is that we do not even have a firm grasp of what are hazardous wastes, nor do we know what are the toxic impacts of such wastes on humans and the environment. EPA has issued 4 lists classifying 400 substances as hazardous wastes. The existing feedstock tax to fund Superfund only covers 43 substances. Yet there are perhaps hundreds if not thousands of substances which may be hazardous. Some would respond to this dilemma by demanding more Federal spending to fight hazardous wastes. It makes for a great stump speech, but is not realistic. In a report issued last month, GAO stated that

> Although uncontrolled hazardous waste sites pose a substantial danger to human health and the environment, the scope of the hazardous waste problem, the degree of health risks involved, and the cost of correcting these problems are unknown.

Merely spending more money is not the answer. What is necessary is for the Congress to decide the purpose and direction of the Superfund. Back in 1980, we were talking about a short-term program to clean up abandoned waste sites. We seem to have lost that rationale somewhere along the way. We are now looking at a 5-year extension, and the identification of hazardous waste sites will result in remedial cleanup action through the end of the century. A recent OTA study indicates that there are many more hazardous waste sites than EPA estimates, and cleanup will continue well into the next century. Of course, the site problem is exacerbated by the fact that current hazardous waste removal actions merely transfer wastes from one site to another, creating new priority waste sites.

We are confronted with an endless program dealing with wastes of undetermined toxicity. And, we have no idea whether our current efforts are correcting the problem, worsening the problem, or are generally ineffective. Superfund is becoming one of those Federal programs whose purpose is lost, but whose life continues. We have not had a clear idea of what kind of program we wanted. As OTA points out, this has meant that we have not emphasized the work necessary for real progress in combating hazardous wastes, such as research, development, and demonstration of innovative, permanent cleanup technologies, and building up an adequate supply of technical personnel.

In addition to the muddled organization of the program due to faults in the original law, we also have a confusion over the ultimate goal. Both GAO and OTA point out that this program has failed utterly in deciding how to measure success. We do not know how clean is clean for a hazardous wastesite. Cleanup standards do not exist because so little information is available on the risks posed to humans and the environment by chemicals at hazardous waste sites.

It is not the purpose of the Senate Finance Committee, on which I serve, to resolve these issues. Our task is to find a way to pay for the program. But, we cannot in good conscience create new tax burdens for unclear purposes. It is clear that any new funding must be restrained while we try to make some sense out of the program. We currently rely on feedstock taxes to bear the brunt of funding. The fivefold increase in spending for Superfund that is being urged cannot be funded out of increased feedstock taxes. OTA's report, Superfund Strategy, quite correctly points out that increased feedstock taxes are not feasible. The industries who pay the tax are in a highly competitive market which would not generate sufficient revenue for an expanded Superfund program. Efforts to develop a new additional source of revenue focused on a waste end tax.

At the Federal level, a waste end tax has existed in theory only. My colleague from Texas [Mr. BENTSEN] has put together a very sensible version of the tax, one which the Treasury tax experts should have paid greater attention to as they drafted their plan. However, Treasury, the same people that produced that abomination of a tax simplification bill last winter, developed their waste end tax. It is apparent that this proposal is even more unworkable than their tax simplification proposal. The greatest problem with this proposal is the inflated expectations of revenue to be raised. As OTA points out, the tax may raise some revenue for a few years, but it will quickly phase down as waste reduction efforts reduce the tax base substantially. There is a simple, fair, and workable means to fund this program.

Today, I join with Mr. BENTSEN, in introducing a broad-based plan which is designed to give recognition to the fact that we all are beneficiaries of the activities which result in the toxic waste and thus should be willing to bear the financial burden of cleanup.

We call this broad-based system, the Superfund excise tax. It proposes to tax the value of tangible personal property which is either produced or manufactured. This tax system meets our goals of simplicity and ease of administration.

The tax will apply to the value of raw materials which are produced and the value added to materials through the manufacturing process. Since the tax applies to all raw materials, excepting agricultural products, the system could replace all other forms of Superfund taxation. In the alternative this tax could be part of the formula for raising the needed revenues in the event we decide to retain feedstock taxes.

The Superfund excise tax plan does not address the appropriate rate of taxation. This will depend on what Congress decides is the appropriate level of funding and tax base mix. I will note that this system's simplicity is based on a notion of rough justice, which depends on a very low tax rate to maintain fairness.

In addition, the definition of manufacturing now in the bill will need further refinement and development, although our concept, I think, is well de-

scribed in the bill. So the bill is not fully tested, but the concept is both workable and reasonable. The Joint Tax Committee is currently studying the proposal for language improvements and revenue impacts. Given these imperfections, we feel it is important to offer this bill now to allow discussion of the concept prior to and during the upcoming hearings scheduled for April 25 and 26. This tax system is really a hybrid, combining the simplicity of the net receipts tax and the nexus of a value added tax.

Our tax calculation refers to numbers which are currently analyzed by America's businessmen. Material purchases in this calculation is from the cost of goods sold formula, now utilized for income tax purposes, and which is a line item on the tax returns of taxpayers with inventories.

In addition, the base numbers, of gross receipts and purchases, are relatively difficult to massage, and are already subject to IRS scrutiny in their audits of income tax returns. Therefore, this adds little to the burdens of tax calculation or collection.

The tax is calculated—ignoring the $100,000 floor—in the manner indicated in this chart, for which I ask unanimous consent to be printed immediately after my statement.

As Mr. BENTSEN indicated, our bill makes provisions for exports and imports. Imports will be subject to the tax as if manufactured here, and exporters will receive refunds of the Superfund tax. The adjustment for transportation in calculating the refund amount is required in order to prevent the refunding of amounts paid for transportation which are included in the material purchases line item, and yet are not subjected to this tax. For domestic sales and imports this impurity can be resolved merely by adjustment of the Superfund excise tax rate.

I ask that my colleagues give this proposal serious consideration, and join me in acknowledging that a broad-based tax such as our proposal makes the proper balance of revenue needs, collection burdens and nexus to the problem. I ask for unanimous consent to print the bill immediately following my remarks.

Gross receipts from manufacturing and production X times Superfund excise tax	X
Less Superfund tax credit: Material purchases minus (Material purchases divided by 1+SET tax rate).	Y
Equals total Superfund excise tax burden	Z●

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, and Mr. STEVENS):

S. 958. A bill to provide authorization of appropriations for activities under the Magnuson Fishery Conservation and Management Act; to the Committee on Commerce, Science, and Transportation.

MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT REAUTHORIZATION

● Mr. DANFORTH. Mr. President, today I am introducing, along with my colleagues from Oregon [Mr. PACKWOOD], Washington [Mr. GORTON], and Alaska [Mr. STEVENS], a 2-year reauthorization of the Magnuson Fishery Conservation and Management Act [MFCMA]. The Magnuson Act, enacted in 1976, authorized the Federal Government to conserve and manage the fishery resources within the U.S. conservation zone extending from the territorial sea to 200 nautical miles from shore.

The MFCMA provided for the creation of eight Regional Fishery Management Councils with the specific responsibility of developing fishery management plans for the fishery resources found in the U.S. Fishery Conservation Zone. Each fishery plan identifies the optimum yield which could be harvested annually, the U.S. harvest, the total allowable level of foreign fishing, and the management rules governing foreign and domestic harvesting.

In order to fulfill obligations conferred under the MFCMA, the National Marine Fisheries Service conducts programs involving the budget subactivities of information collection and analysis, conservation and management, and State and industry assistance. The fiscal year 1985 appropriation for carrying out these responsibilities was approximately $69 million. The bill that I am introducing today imposes a freeze on spending under the act. It provides a simple reauthorization of the act at that same figure for next year and at a 4.5 percent higher figure for fiscal year 1987.

At this time, I am not proposing any substantive amendments to the Magnuson Act. However, a hearing will be held on funding and operation of the MFCMA. Therefore, I am not foreclosing the possibility of offering changes to the act at a later date if responsible improvements are recommended.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 406 of the Magnuson Fishery Conservation and Managment Act (16 U.S.C. 1882) is amended by adding at the end thereof the following:

"(12) $68,555,000 for the fiscal year ending September 30, 1986.

"(13) $71,639,975 for the fiscal year ending September 30, 1987.".●

By Mr. DANFORTH (for himself, Mr. PACKWOOD, Mr. GORTON, Mr. STEVENS, and Mr. HOLLINGS):

S. 959. A bill to amend the Coastal Zone Management Act of 1972 to provide authorization of appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COASTAL ZONE MANAGEMENT ACT REAUTHORIZATION

● Mr. DANFORTH. Mr. President, today I am introducing, along with my colleagues from Oregon [Mr. PACKWOOD], Washington, [Mr. GORTON], Alaska [Mr. STEVENS], and South Carolina [Mr. HOLLINGS], a reauthorization of the Coastal Zone Management Act [CZMA]. This bill reauthorizes the CZMA for 5 years. It imposes a freeze on spending under the act, setting the fiscal year 1986 authorization level at the fiscal year 1985 appropriation level and allowing for a 4.5-percent increase for subsequent fiscal years.

The CZMA was enacted in 1972 and has been reauthorized twice, in 1976 and 1980. The purpose of the act is to establish and maintain a national program for the management, protection and development of the Nation's coastal areas.

Since 1972, 28 States and territories have developed and implemented federally approved coastal management plans. The Department of Commerce, specifically the National Oceanic and Atmospheric Administration [NOAA], oversees this program which involves complex relationships between the States' traditional authority in land-use planning and regulation, and the national interest in effective coastal zone management.

One incentive to induce States to participate in the CZMA programs is financial assistance. Grants are made available to States to assist them in developing and administering coastal management programs.

Over the years, changes to the act have reflected the Nation's need to attain energy self-sufficiency and to mitigate the effects of any accelerated development plans on coastal areas.

The bill being introduced today authorizes for fiscal year 1986 $2,930,000 for the Estuarine Sanctuary Program and $1 million for the interstate grant program, which encourages states to coordinate coastal zone planning, policies and programs. Further, this bill authorizes $36 million for State grants authorized under section 306 and 306a of the CZMA. Finally, $3,275,000 is made available for administration of the CZMA programs. Each of those figures is increased by 4.5 percent for each of the 4 succeeding fiscal years.

Shortly, the Commerce Committee will conduct reauthorization hearings on the CZMA as well as the preponderance of the ocean and coastal programs administered by NOAA. After

reviewing NOAA's overall activities with regard to ocean and coastal programs, the committee will evaluate how funds should be allocated for fiscal year 1986.

This reauthorization of the CZMA reflects my commitment to maintaining a freeze on funding of existing programs. However, once a review of the programs is completed, the committee may choose to shift funds from one function to another. The committee may also choose to modify the formula for section 306a grants to States so as to decrease the Federal share and reduce the overall authorization level accordingly.

Although budget concerns dominate much of the discussion this year, the CZMA hearing will necessarily address any substantive changes in the act that may be proposed.●

● Mr. HOLLINGS. Mr. President, today I am pleased to join with Senator DANFORTH and others in sponsoring legislation to reauthorize the Coastal Zone Management Act which I initially authored 13 years ago. This bill, when enacted, will allow State and Federal Governments to continue to manage and oversee the development of the diverse resources of our Nation's coastal zone.

This management is essential. By the end of the decade, an estimated 75 percent of our population will live within 50 miles of the ocean, an increase of nearly 20 percent in 20 years. In the nonmetropolitan areas of the Southeast, this increase has been even more dramatic with the population growing 40 percent in the 10 years from 1970 to 1980. In my own home State of South Carolina, the population in our eight coastal counties is expected to more than double during the next 15 years. This phenomenal growth, if allowed to occur without proper planning and management, has the potential to cause long-term degradation of our coastal resources.

The Coastal Zone Management Act, when enacted in 1972, anticipated this trend and, to date, has provided the comprehensive approach necessary to minimize the deleterious effects caused by increased population pressure. For this reason, it is vital that we continue with our commitment to the protection, management, and development of our coastal resources.

Mr. President, it is unfortunate that this important program has been funded at only about half the authorized level in recent years. Our commitment could be much stronger. However, it is also important to the long range future of the Coastal Zone Management Act that our Nation's massive deficits be eliminated. A bankrupt Treasury cannot finance the safeguarding of our coastal areas.

Therefore, I have agreed to sponsor this 5-year reauthorization at the current funding level. This is consistent with my overall program to reduce the deficit by freezing the budget. Although this bill cuts the CZM authorization level in half, it still provides for the maintenance of the current funding level—enough money to keep the program going.

Mr. President, at a time when no domestic program is safe from the budget axe, I feel it is extremely important to stress just how vital the Coastal Zone Management Act is to our Nation. We simply must continue to provide for the effective management and utilization of our precious natural resources. Only so long as the land, the air, the fresh water, and the oceans are managed properly, can man survive. Our habitats are not only a vital living part of our Republic, but a heritage and trust to be passed inviolate to the next generation. Anyone who allows these precious resources to be lost and destroyed will have sold our American birthright. I urge my colleagues to support the reauthorization of this important legislation.●

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. MOYNIHAN, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 12, a bill to protect communications among Americans from interception by foreign governments, and for other purposes.

S. 27

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 27, a bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

S. 58

At the request of Mr. BENTSEN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 120

At the request of Mr. MOYNIHAN, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 120, a bill to amend the Tax Reform Act of 1984 to provide a transitional rule for the tax treatment of certain air travel benefits provided to employees of airlines.

S. 177

At the request of Mr. HART, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 177, a bill to authorize a national program of improving the quality of education.

S. 209

At the request of Mr. D'AMATO, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 209, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

S. 231

At the request of Mr. DOLE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by non-itemizers.

S. 402

At the request of Mr. PRESSLER, the names of the Senator from Florida [Mrs. HAWKINS] and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 426

At the request of Mr. WALLOP, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 531

At the request of Mr. CHILES, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 531, a bill to authorize the appropriation of funds for the operation and maintenance of a Special Operations Wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Enforcement, and to require certain reports.

S. 663

At the request of Mr. METZENBAUM, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 663, a bill to amend the Internal Revenue Code of 1954 to

modify the alternative minimum corporate tax.

S. 725

At the request of Mr. BENTSEN, the name of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Maryland [Mr. SARBANES], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 725, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990.

S. 729

At the request of Mr. DURENBERGER, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 796

At the request of Mr. GORTON, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 796, a bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes.

S. 885

At the request of Mr. KERRY, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 885, a bill to establish a moratorium during the fiscal years 1985 and 1986 on the testing of antisatellite weapons against objects in space.

S. 887

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 40

At the request of Mr. LUGAR, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 40, a joint resolution to designate the month of October 1985 as "National Down Syndrome Month."

SENATE JOINT RESOLUTION 72

At the request of Mr. DANFORTH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 72, a joint resolution to designate October 16, 1985, as "World Food Day."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Delaware [Mr. ROTH], the Senator from Hawaii [Mr. INOUYE], the Senator from Idaho [Mr. SYMMS], the Senator from Montana [Mr. BAUCUS], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. GLENN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the policy of separate development and the forced relocation of South African Blacks to designated "homelands" is inconsistent with fundamental American values and internationally recognized principles of human rights and should be discontinued.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. CRANSTON, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of the Congress that May 18, 1985, should be commemorated as the 20th anniversary of the establishment of the Head Start Program and reaffirming congressional support for the Head Start Program.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. PROXMIRE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of Senate Concurrent Resolution 36, a concurrent resolution expressing the sense of the Congress regarding the establishment of a joint commission between the United States and the Soviet Union to study the concept of "nuclear winter" and its impact for the national security of both nations.

SENATE RESOLUTION 130

At the request of Mr. WALLOP, the names of the Senator from Pennsylvania [Mr. HEINZ], the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Michigan [Mr. RIEGLE], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Georgia [Mr. NUNN], the Senator from Nevada [Mr. LAXALT], the Senator from South Carolina [Mr. THURMOND], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Resolution 130, a resolution relative to the Sport Fish Restoration Trust Fund.

SENATE CONCURRENT RESOLUTION 41—RELATING TO GRADUATED CORPORATE TAX RATES

Mr. BAUCUS (for himself, Mr. ARMSTRONG, Mr. WEICKER, Mr. BUMPERS, and Mr. HEINZ) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 41

Whereas small businesses account for approximately 40 percent of the gross national product and two-thirds of all new employment;

Whereas this entrepreneurial spirit needs to be encouraged, not stifled by Federal tax policies which run counter to the interests of the Nation's small businesses;

Whereas certain recent tax reform proposals would repeal graduated corporate tax rates for small businesses with taxable incomes of $100,000 or less while imposing a flat corporate tax rate;

Whereas the Federal tax system has included graduated corporate tax rates in various forms since 1935;

Whereas because of economies of scale, small businesses compete at an economic disadvantage with larger businesses and therefore bear higher capital and operating costs;

Whereas the replacement of graduated corporate tax rates with a flat rate would result in a substantial tax increase for many small businesses, making it difficult for them to retain the capital they need to generate economic development and new jobs and in some cases threatening their economic viability: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the retention of graduated corporate tax rates is essential to the continued viability of the small business community and to the Nation's economy.

● Mr. BAUCUS. Mr. President, today I am submitting a concurrent resolution, for myself, Senator ARMSTRONG, Senator WEICKER, Senator BUMPERS, and Senator HEINZ, which would express the sense of the Congress that corporate tax rates should remain graduated. Congressmen RANGEL and CAMPBELL are submitting an identical resolution in the House.

THE IMPORTANCE OF SMALL BUSINESSES

Mr. President, small businesses are vital to America's economy. They account for more than 40 percent of our gross national product and two-thirds of our new jobs. What's more, they provide an important outlet for the entrepreneurial spirit that drives our economy.

This is especially true in Montana where only 13 businesses employ more

than 500 people, but over 18,000 employ 50 or less.

Many of these small businesses are fighting for their economic survival. One of the main problems they face, of course, is coping with the Federal income tax.

GRADUATED CORPORATE TAX RATES

When the Federal corporate income tax was enacted in 1909, it applied to all corporations at the same 1 percent rate. Over the next 26 years, the rate steadily rose but remained proportional; that is, a small corporation still had to pay the same tax rate as the largest conglomerate.

In 1935, this changed. In a message to Congress, President Roosevelt noted that:

* * * Our smaller corporations are fighting not only for their own local well-being but for that fairly distributed national prosperity which makes large scale enterprise possible.

Therefore, he continued:

* * * [it] seems only equitable * * * to adjust our tax system in accordance with economic capacity, advantage, and fact. The smaller corporations should not carry burdens beyond their powers * * *.

Accordingly, President Roosevelt proposed revising the corporate tax by establishing graduated corporate tax rates, so that small corporations would be subject to lower marginal rates than large ones.

Since enactment of President Roosevelt's proposal, the number of brackets and the rates have frequently changed. However, as the Congressional Research Service recently noted, "rate graduation has been a part of the United States corporate tax structure since 1935."

Under current law, the corporate tax rates are 15 percent of the first $25,000 of a corporation's taxable income; 18 percent of taxable income between $25,000 and $50,000; 30 percent of taxable income between $50,000 and $75,000; 40 percent of taxable income between $75,000 and $100,000; and 46 percent of taxable income over $100,000. As a result, corporations pay $20,250 less income tax on their first $100,000 of taxable income than they would under a flat 46 percent rate—under a provision of the 1984 Tax Act, corporations whose taxable income exceeds $1 million lose this benefit.

REFORM PROPOSALS

Recently, several proposals have been made to overhaul the Tax Code. The most prominent is the Treasury Department's proposed "Tax Reform for Fairness, Simplicity, and Growth."

This is a serious proposal that contains many sound elements. But its suggested new corporate rate structure is not one of them. Treasury proposes replacing the current system of graduated rates with a flat rate of 33 percent. On its face, enactment of this particular proposal would mean a massive tax increase for the smallest of our corporations, who now are subject to rates of 15 or 18 percent. Indeed, the National Federation of Independent Businesses recently estimated that enactment of the Treasury proposal would result in a tax increase for 75 percent of America's smallest corporations.

PROS AND CONS

I guess you could say that the Treasury's proposed flat corporate rate will simplify the Tax Code, because it will reduce the section 11 corporate rate schedule from nine lines that take up about one-half of one page to one line that takes up even less space. But it might simplify some small businesses right out of existence.

So what are the Treasury's reasons for this change? On pages 128 and 129 of volume II of the Treasury proposal, Treasury gives two. First, Treasury argues that a system of graduated rates must be based on the ability-to-pay concept and that ability to pay has no application to corporations. Second, Treasury argues that the existence of corporate rates that are significantly lower than individual rates creates sheltering opportunities that can be reduced only by the imposition of complicated personal holding company rules and similar restrictions.

This reasoning overlooks several important points.

First, the corporate income tax itself is partly based on the notion that corporations are independent entities that obtain valuable privileges from the Government and may, in return for these privileges, be subject to tax. It follows, as President Roosevelt said in his 1935 message to Congress, that "the advantages and the protections conferred upon corporations by Government increase in value as the size of the corporation increases," and that a graduated corporate tax rate takes this into account.

Second, many small businesses have difficulty obtaining loans for operating and expansion capital and must use retained earnings instead. As the 1980 White House Small Business Commission noted—while advocating a corporate rate structure that would be even more graduated than the current one:

[a] more graduated corporate tax would help expand the retained earnings available to a small company for reinvestment, and retained earnings are the soundest and most reliable source of business capital.

Third, it may be possible to revise the personal holding company rules and other similar antishelter rule so that we an achieve tax simplification without imposing a massive tax increase on the supposed beneficiaries of the simplification.

Finally, our graduated corporate rates are partly based on the fact that we want to give small corporations a break. An economist might argue that it's unfair and inefficient to tax a corner grocery at a lower rate than Safeway or A&P. But we've long believed that small businesses provide special benefits to our society and deserve reasonable incentives that help them thrive. A system of graduated corporate tax rates is a straight-forward way to provide such incentives. Some might call graduated corporate rates a "tax loophole." But even if that's true, it's one I'm not going to apologize for.

THE GRADUATED RATE RESOLUTION

Mr. President, tax reform is a worthy goal and the Treasury Department's proposal and others like it are valuable contributions to our pursuit of that goal.

But, just as the Treasury Department acknowledges that there's no need for tax reform to mean the elimination of graduated individual rates, there's no need for tax reform to mean the elimination of graduated corporate rates. They are a traditional part of our corporate tax system, have not been subject to widespread abuse or otherwise generated public discontent, and make good economic sense.

That is why we are submitting a concurrent resolution that notifies the administration, before it submits its revised tax reform proposal, that Congress believes that "the retention of graduated corporate rates is essential to the continued viability of the small business community and of the Nation's economy."

I hope that many of our colleagues will cosponsor this concurrent resolution. That way, we may be able to convince the Treasury Department and others to withdraw their opposition to graduated corporate tax rates, so that we can put this issue behind us and move on to debate other important tax reform issues.●

● Mr. WEICKER. Mr. President, as many of my colleagues know, for the past several months various members of the Small Business Committee have been holding field hearings on the subject of tax reform and the effect of reform on small businesses. It is clear after this first round of hearings that one of the most important concerns that small businesses have is whether the current graduated corporate tax rate will be retained in the various tax reform proposals that Congress will consider. It is, in fact, a universal feeling among small business persons that have appeared at these hearings that the graduated corporate rates have been of incalculable benefit in terms of their ability to retain the capital they need to grow.

As chairman of the Senate Small Business Committee, I have placed the need for graduated corporate rates that reflect the special needs of small businesses high on my legislative agenda. The importance of these rates

is not just for the survival of small businesses, however, but for the economy as a whole since it is small businesses that generate the great majority of new jobs in this country.

Fortunately, over the past few years those of us who recognize the importance of the graduated rates for small businesses have been successful in getting legislation passed that preserves, and refines, the tax rates that apply to small businesses. One of the more important elements of the 1981 Economic Recovery Tax Act [ERTA], for example, was a provision that reduced the lowest corporate tax rate from 17 percent to 15 percent. This amendment, which was offered by Senator NUNN and myself, and which passed the Senate by a vote of 92 to 0, may have been one of the reasons that small businesses were able to create all of the net new jobs during the 1982-83 recession.

In addition to the 1981 amendment, a provision was added to the Deficit Reduction Act of 1984 that was designed to ensure that a greater amount of the benefits of the lower rate enacted in 1981 would accrue to small businesses. As a means of achieving this end, the provision added a surtax on all corporate taxable income over $1 million. The intended effect of the provision is spelled out in the conference report that accompanied the bill:

The graduated corporate rate was added in 1978 to ease the burden on small business. However, large corporations as well as small corporations, are entitled to these benefits. Congress believes that large corporations should not be able to take advantage of this small business provision. Therefore, the benefits of graduated rates are generally eliminated for any corporation with large income.

Today, the special and appropriate tax treatment that has been carefully crafted for small businesses over the last decade is in danger of being eliminated. Furthermore, what should not be lost in all of this discussion of tax reform, is that much more needs to be done today to correct the current discrimination against small businesses even with a graduated corporate rate.

Fortunately, we have before us a resolution that expresses these sentiments quite forcefully, stating that, " * * * it is the sense of Congress that the retention of the graduated corporate tax rates is essential to the continued viability of the small business community * * *." For the benefit of my colleagues who are wondering why this resolution is offered at this time, I would like to point out that the Treasury Department is in the process of rewriting their earlier proposal keeping in mind the concerns expressed about many provisons, including the possibility of a single corporate tax rate, that was a part of their earlier draft. Thus, while there is still some internal debate within the administration about the wisdom of eliminating graduated corporate rates, we should make every effort to demonstrate the importance of these rates to the Nation's small businesses and our economy as a whole.

I think this resolution sends a clear and convincing signal to the administration, and anyone interested in tax reform, that retention of the current graduated corporate tax rates is indispensable to the health and welfare of our Nation's small businesses and to our economy as a whole. I commend my colleagues, Senator ARMSTRONG and Senator BAUCUS, for introducing this resolution and I urge the rest of my colleagues to support its passage at the earliest possible time.●

SENATE CONCURRENT RESOLUTION 42—URGING THE PRESIDENT TO RECONSIDER AND CANCEL HIS PROPOSED VISIT TO BITBURG

Mr. CRANSTON (for himself, Mr. METZENBAUM, and Mr. KENNEDY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 42

Whereas President Reagan has announced his intention to visit the Bitburg military cemetery in his forthcoming trip to West Germany;

Whereas the German soldiers interred at Bitburg fell during the 1944 Battle of the Bulge, a German offensive that cost 81,000 U.S. casualties, including 19,000 American men who made the supreme sacrifice in this battle to oppose Nazi terror;

Whereas the German Sixth Panzer Army of the Waffen S.S. was led in this battle by S.S. General Joseph "Sepp" Dietrich, who was subsequently convicted of war crimes, including responsibility for the massacre by S.S. troops of American prisoners of war at Malmedy, some thirty miles from Bitburg;

Whereas survivors of victims of Nazi terror and American veterans who courageously fought against Nazi genocide and oppression are understandably offended by the President's proposed visit to Bitburg;

Resolved that it is the sense of the Senate that the President should reconsider this decision to visit Bitburg and should omit this visit from his proposed itinerary.

SENATE RESOLUTION 134—RELATING TO COST-OF-LIVING INCREASES FOR SOCIAL SECURITY RECIPIENTS

Mr. BYRD (for himself, Mr. MOYNIHAN, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. FORD, Mr. GORE, Mr. KENNEDY, Mr. KERRY, Mr. METZENBAUM, Mr. SARBANES, and Mr. LAUTENBERG) submitted the following resolution; which went over under Rule XIV:

S. RES. 134

Resolved, That it is the sense of the Senate that the Budget Resolution for fiscal 1985 and succeeding years shall include sufficient amounts under function 650 (Social Security) so as to allow full funding of the Cost of Living Adjustments for fiscal years 1985 through 1988.

SENATE RESOLUTION 135—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HEINZ (for Mr. GARN), from the Committee on Banking, Housing, and Urban Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 135

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1985 through Februay 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,878,550, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 136—TO DIRECT REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. SIMPSON (for Mr. DOLE, for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 136

Whereas, in the case of In re WHET, Inc., et al., pending in the United States Court of Appeals for the First Circuit, the constitutionality of sections 106 and 121 of the Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law 98-353, has been placed in issue;

Whereas, the Department of Justice, on behalf of the executive branch, has intervened in this case to assert that these sec-

tions of the Bankruptcy Amendments and Federal Judgeship Act, which provide for the limited extension of the terms of bankruptcy judges appointed prior to the Act, violate the Appointments Clause, Article II, Section 2, Clause 2 of the Constitution;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(c), 288e(a), and 288l(a)(1982), the Senate may direct its Counsel to intervene in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to intervene in the name of the Senate in the case of In re WHET, Inc., et al.

SENATE RESOLUTION 137—RELATING TO COST-OF-LIVING INCREASE UNDER SOCIAL SECURITY

Mrs. HAWKINS submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 137

Whereas the Congress approved legislation in 1972 to provide automatic cost-of-living adjustments in old-age, survivors, and disability insurance benefits payable to individuals under title II of the Social Security Act;

Whereas the social security program is a self-financing program of social insurance, has adequate reserves, and is expected by the trustees of the Federal Old-Age and Survivors Insurance Trust Fund to operate at a surplus well into the next century;

Whereas the social security program is a compact into which the Federal Government has entered with the workers of this country, and those now retired have made a lifetime of payments into the social security program with the expectation of receiving adequate benefits, including cost-of-living adjustments;

Whereas old-age, survivors, and disability insurance benefits are the only source of income for millions of Americans living on fixed incomes, and the cost-of-living adjustments due to recipients under current law are the only means for such Americans to keep pace with increased prices for essential goods and services;

Whereas tampering with social security benefits, including the cost-of-living adjustment provided under current law, in order to accomplish short-range budgetary and economic objectives undermines the confidence of the public in the future of the social security program; and

Whereas the social security program is not part of the deficit problem, and any changes in the program should be made solely on basis of the constraints of the program and the effect such changes will have on the program: Now, therefore, be it

Resolved, That it is the sense of the Senate that any cost-of-living adjustment made during fiscal year 1986, fiscal year 1987, or fiscal year 1988 under title II of the Social Security Act should be made in accordance with section 215(i) of such Act, as in effect on the date of the introduction of this resolution.

● Mrs. HAWKINS. Mr. President, I am submitting a resolution today to restore the American public's confidence in the Social Security Program. For months, Social Security recipients have had to live in suspense—never knowing if their cost-of-living increase, which they are entitled to receive by law, would be increased or cut. The well publicized speculation has been followed by predictions on whether or not this year's budget resolution will include a freeze or partial decrease in the COLA—and all of this has been at the expense of the millions of Americans receiving Social Security payments.

Mr. President, I find it necessary to remind my colleagues that the Social Security Program is not a discretionary spending program. It is self-supporting. It is financed entirely by its own tax—a tax that can be used for no other purpose. If Social Security is reduced, including any delay or reduction in the cost-of-living increase, the money cannot be used for any other program. Why, then given these facts, is Congress anticipating a budget resolution that includes a reduction in benefits paid to Social Security recipients based strictly on budgetary reasons and not at all on the constraints of the program itself. Is it because it makes the proposed spending restraints in programs that are financed by the General Fund easier to swallow?

I take the size of the Government's outrageous deficit as seriously as any Member of this body, and I will work hard when the budget resolution comes to the floor to reduce that deficit, but cutting the Social Security COLA will not effect the deficit. I have heard the age-old argument that the elderly should also bear the burden of putting this country's financial house back in order. Well, Social Security is not part of the deficit problem. Social Security is included in the overall calculation of total outlays and receipts for the Government, but Social Security is running a surplus, and is predicted to run large surpluses for many years to come. If anything, its effect on the deficit is to hide the true figures. Our efforts to reduce this $200 billion deficit should be earnest and their impact be real, not cloaked in reduced figures on paper.

The Federal Government has made a compact with the workers of this country and those now retired made a lifetime of payments with the expectation of receiving their benefits—including the cost-of-living increase. We cannot and should not renege on that agreement. I am submitting this resolution today to enable a coalescence of Senators to unite with me on this important issue—to show the senior citizens of this country that we intend to honor that compact.●

SENATE RESOLUTION 138—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

Mr. HATFIELD, from the Committee on Appropriations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 138

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1985 through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the proper consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $4,594,665, of which (1) not to exceed $115,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (i) of the Legislative Reorganization act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but no later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources has scheduled a public hearing on Tuesday, June 11, 1985, in Washington, DC. The Subcommittee will receive testimony on the following bills:

S. 403. To amend the Federal Power Act to establish policy and procedures to guide the Federal Energy Regulatory Commission in the issuance of new licenses to operate existing hydroelectric facilities.

S. 426. To amend the Federal Power Act to provide for more protection to electric consumers.

The hearing will be held in room SD-366 of the Dirksen Senate Office

Building, Washington, DC, at 10 a.m. Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, Subcommittee on Water and Power, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Mr. Russ Brown of the subcommittee staff at 202-224-2366.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND GOVERNMENT PROCESSES

Mr. COCHRAN. Mr. President, the Senate Subcommittee on Energy, Nuclear Proliferation and Government Processes of the Committee on Governmental Affairs will hold a hearing on Monday, April 22, 1985, in Cincinnati, OH, on the management of health and safety at Department of Energy facilities. The hearing will be held in room 300 of the Council Chambers of the Cincinnati City Hall in Cincinnati beginning at 9:30 a.m. For further information, please contact June Walton at 202/224-3158 or Len Weiss at 202/224-4508.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources.

On Friday, April 26, 1985, beginning at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building, the committee will consider the following nominations:

Helmut A. Merklein, of the District of Columbia, to be Administrator of the Energy Information Administration; Theodore J. Garrish, of Virginia, to be an Assistant Secretary of Energy, congressional, intergovernmental and public affairs; J. Michael Farrell, of the District of Columbia, to be General Counsel of the Department of Energy; and Joseph Frank Salgado, of Virginia, to be Under Secretary of the Department of Energy.

Those wishing to testify or to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding these hearings, you may wish to contact David Doane at 202-224-5305.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate, on Thursday, April 18, 1985, in closed executive session to meet with the Swedish Minister of Defense for discussion on security issues in Northern Europe.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the permanant Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, April 18, 1985, to conduct a hearing on the U.S. Government's Personnel Security System.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REMEMBRANCE OF THE VICTIMS OF THE HOLOCAUST

● Mr. LAUTENBERG. Mr. President, today, April 18, 1985, begins the Days of Remembrance of the Victims of the Holocaust. This year's commemoration is particularly poignant because it marks the 40th anniversary of the liberation of the concentration camps in Europe.

The liberation of the camps in 1945 revealed to the entire world the horrible evidence of the Holocaust. From the day the first Allied soldiers opened the gates of the camps, revealing their ghastly history, remembrance became an obligation for those who endured, those who saw the horror firsthand, the rescuers, and for those who were only distant witnesses.

The term Holocaust uniquely defines this, one of the most profound of tragedies in the history of our civilization. It is not now, nor may it ever be, fully understood. No sane person could conceive the magnitude of this devastation of humankind. The destruction of Eastern European Jewry, both the people and their life, their history and culture, was uniquely the Holocaust.

The Holocaust was a reign of terror in this, the most advanced century of mankind. Six million Jews and millions of other innocent victims of Nazi oppression had their lives extinguished by a modern state using the full powers of the law, not to preserve or enhance human life and dignity, but to events of the Holocaust were not, as we would often prefer to think, a random outbreak of maniacal lawlessness; rather they were the rigorous, systematic, bureaucratically organized, legally sanctioned murder of millions of innocent people whose only crime was the Jewish identity of one of their grandparents.

The evil did not begin with extermination. It commenced slowly, in gradual stages, escalating from discrimination and random violence. After each move, Hitler and his Nazi colleagues waited, assessing the reaction, wondering aloud if anyone cared. By 1941, Hitler was ready to go forward with what was called "The Final Solution of the Jewish Question." That was the terrible bureaucratic name for the plan to annihilate the Jews of Europe. And so the concentration camps became death camps. The drum roll of their names echoes inside our heads with a chilling awesomeness: Auschwitz, Maidanek, Treblinka, Belzec • • •

And while the death camps were performing their dreadful tasks, the civilized world stood silent. In the chronicles of those horror-stricken days, while the odor of burning flesh putrified the air of the rural countryside where the death factories did their work, not a single bombing raid on the railroad tracks leading to the camps or the mass destruction machinery was permitted. Even a few days of interruption in the death works might have saved thousands of lives. By silence, by inaction, those who knew of the horror, without intention or malice, contributed to the process. Silence helps only the oppressor, never the victim.

As we recall the memory of inhumanity in its most extreme form, we must not become indifferent to the more ordinary forms of evil which surround us; rather our understanding of the past must sharpen our sensitivity to the present and our stake in the future. In the midst of the most evil period in modern history, human resilience persisted. In the Warsaw Ghetto, young Jews resisted the efforts of the Germans to deport them. To almost the last person, they held the German Army at bay for more than 3 weeks, longer than the armies of many European countries were able to do. And non-Jews, like the Danish people, showed courage too. They resisted the Nazis and saved almost all the Jews in their land. They merely treated these citizens as neighbors in their community. The ordinary became extraordinary in the Holocaust.

We must also remember the survivors. Forty years ago, their skeletal bodies and staring eyes shocked the world. Even more than the rows of stacked corpses, the sight of those ravaged faces represented the horror of the Holocaust to the outside world.

The courage, the indomitable human spirit of the survivors, must truly be remembered and honored. They endured the worst hell that man can contrive, and they maintained the will to live. Theirs was the true victory, not the victory of the battlefield.

The exceptional determination of the survivors is a true wonder. Women who saw their first families perish in flames somehow found the courage to bring human life into this world again. Sons who parted from fathers had the tenacity to share life anew with their sons. The people who saw the collapse

of all vision, who understood that despair was a correct understanding of our reality, learned to dream and to hope. Many rebuilt their lives in this country, while others restored themselves in a recreated homeland in Israel.

And so we set aside the Days of Remembrance each April to keep alive the memory of those who were killed and to honor the survivors. If we let the memory slip away, if we fail to remember, then the enemies of humanity will finally conquer. That would be unthinkable. And so we pause in the daily rhythm of our lives to remember.

I fear that unless we remember, unless we act, the tragedy of the Holocaust may become a precedent, and precedent invites repetition. Human solidarity, our collective efforts, and our sense of empathy can make a difference. Together we must strive to affirm the resilience of the human spirit and the power of compassion while recognizing the vulnerability of life and its value. We must strive to live in harmony and in peace, and to use government in service of humanity. Together, we pause to remember those who died in the Holocaust so that their memory may serve as a warning and as a blessing in our rededication to life.●

AMERICAN CAPTIVES IN LEBANON

● Mr. SIMON. Mr. President, today I wish to bring to the attention of my colleagues the continued captivity of five American citizens in Lebanon.

On February 14, 1985, we were all relieved by the return of Jeremy Levin, Beirut bureau chief for Cable News Network, who had been kidnapped on March 7, 1984. We were pleased that one of the Americans had achieved safety and was reunited with his family.

However, remaining hostages in Lebanon are:

William Buckley, a 57-year-old Embassy political officer who was kidnapped on March 16, 1984.

Rev. Benjamin Weir, a 62-year-old Presbyterian minister and educator who was kidnapped on May 18, 1984.

Peter Kilburn, a 60-year-old AUB librarian who was last seen on November 30, 1984.

Father Lawrence Jenco, a 51-year-old Catholic priest from Joliet, IL, who served as director of the Catholic Relief Services in Beirut until his kidnapping on January 8, 1985.

Terry Anderson, Middle East bureau chief for the Associated Press, who was kidnapped on March 16, 1985.

I recently met with members of the Jenco and Weir families. They are urging their Government officials to secure the release of these men. They are asking us to put the safe release of these hostages on the front burner. They are pleading with us to make serious efforts on behalf of their family members, who appear to have been kidnapped in spite of their humanitarian services.

I urge my colleagues and the administration to continue all efforts being made on behalf of these families. Because of the deteriorating situation in Lebanon, there is an increasingly urgent need for a concentration of diplomacy to secure the liberation of American hostages in Lebanon

The families of these distingushed men pray and anxiously plead for their safe release. Let us be confirmed that we are pursuing all available sources of assistance.●

"COMMUNISTS FOR SALE?"

● Mr. ARMSTRONG. Mr. President, if you paid Ronald Reagan enough money, do you think you could persuade him to become a Communist?

What a ridiculous question. But for some reason, a lot of people seem to take seriously an equally farfetched idea—that the United States can buy off Marxist client states in the Third World. According to this theory, new Communist regimes are not necessarily anti-American but only become so because the United States hard line policies drive them into the arms of Moscow.

Communist regimes in Nicaragua, Angola, Mozambique, Ethiopia, Vietnam, North Korea, Cuba and elsewhere have been hinting that they might be more friendly toward the United States if we overlooked their Marxist-Leninist doctrines and turned on the spigots of economic assistance. Some people sincerely believe these countries and others are asking us to wean them away from Moscow.

There are some pretty obvious problems with this theory. So far, the only evidence of new-found flexibility from the regimes in question is just a willingness to accept American largess. None of these regimes has given the slightest indication that it would be willing to modify its brutal internal system in any meaningful way, such as opening a dialog with internal opponents or permitting free expression.

Nor do such regimes seem able to kick the habit of supporting wars of national liberation that destabilize their neighbors, or to quit voting in lock step with the U.S.S.R. in international forums. But still the West is hopeful. We are sending literally hundreds of millions of dollars in food aid to the wretched and starving people of Marxist Ethiopia, while the Soviet Union is sending an aerobic exercise team.

The fact is, Communists are not for sale, and all past attempts to curry favor with such regimes have been distinctive failures. People said for years that we drove Castro into the Soviet camp by overreacting to a popular uprising with democratic potential. The Carter administration, in an experimental whimsey, put this theory to test in Nicaragua. In the first 2 years after the revolution that toppled Somoza in 1979, the United States funneled more aid to the Sandinistas than Somoza had received in the previous 20 years. The aid was later suspended as the Marxists consolidated their rule.

For Communist regimes this is the oldest trick in the book. The prototype for this scam was the U.S.S.R.'s so-called "New Economic Policy" of the 1920's. Frankly described by Lenin as a partial return to capitalism, the Soviets permitted small tradesmen, private agriculture and foreign investments beginning in 1921. Foreign opinion hailed the NEP as the Soviet Union's economic thaw and predicted the rapid demise of the Bolshevik experiment and a return to normality. Such talk ended with the NEP in 1928 when the Soviets closed out the foreign investors, collectivized agriculture, expropriated the tradesmen and inagurated the first 5-year plan for superindustrialization. The NEP was revealed for what it was: a temporary correction of a defective command economy and a means of building the capital plant for the construction of socialism.

This kind of passion about socialism and communism seems a complete mystery to advocates of conversion through aid. Some people really believe the ultimate goal of the Sandinistas is as innocent as giving Managua health care second to none. Or that Castro worries because ordinary Cubans can buy only one new shirt a year. Or that North Korea's Kim Il-sung transformed himself into a secular deity so as to set up the world's best food stamp program.

The Mengistus, Machels, Ortegas, Pol Pots and other Communist despots realize that in their Marxist-Leninist ideology they have the most powerful and comprehensive force yet devised for reducing people to complete and total subservience. They are kept secure in their power by the two great ironies of Marxism. First, despite its atheism, Marxism itself has become a kind of religion, with its practitioners clinging to their beliefs with a kind of faith that defies all objective evidence of failure. Second, though touting itself as the scientific means to communal rule by the toiling masses, Marxism has resulted in the modern equivalent of the absolute monarch. Today's Marxist princes know Communist ideology and its worldwide movement are essential to them. They are not about to give them up.

The idea that their conviction, privilege and personal security are for sale to the West is patronizing as well as absurd. It assumes that Third World

radicals are not independent actors, but instead are automatons reacting to stimuli of our choosing. There appears to be at least a germ of cultural arrogance, if not racism, in this view, which refuses to take other ideas and intentions seriously.

As several young Communist regimes in the Third World totter on the brink of overthrow by popular forces, why should we bail out the unpopular regimes? For that matter, why shouldn't we lend a hand to freedom fighters if we can?

No, not all things are for sale. No Marxist prince will sell his Leninist birthright for a mess of capitalist pottage. And no one who lives in a free country should sell out those who do not.●

UNITED STATES-SOVIET UNION RELATIONS

● Mr. SIMON. Mr. President, it is of paramount importance to all of us that we improve the relations between the Soviet Union and the United States. Because I strongly believe that, several of the weekly columns that I write for the newspapers in my State have focused on United States-Soviet Union relations. I ask that the following three columns be reprinted in full in the RECORD.

Th articles follow:

SOVIET TRADE: AN IMPORTANT ISSUE

While the focus of world attention is on the arms talks in Geneva, Secretary of Commerce Malcolm Baldridge will hold a meeting on trade in Moscow that has a much better chance than the Geneva talks to get somewhere—and should be watched with great interest.

We have been stumbling badly in world trade. The Japanese car decision by President Reagan is an example of doing the wrong thing on trade with Japan. Unfortunately, we also have been discouraging world trade with many other nations and the Soviet Union is one of them.

The Soviet are eager to trade more with us, and that is in our interest as well as theirs. Almost all the trade with the U.S.S.R. up to this point is in grains. That could be increased.

In 1983 the Soviets bought about $40 billion worth of manufactured goods from Western Europe and about $110 million from us.

One top U.S. industrial leader told me the other day that when his U.S. company—based in Illinois—does business with the Soviet Union he runs into all kinds of problems with the U.S. government. There is clear resistance. When a firm he owns in West Germany wants to do business with the Soviet Union, West Germany does everything it can to encourage trade. When does the business go? The answer is obvious.

And that is just one of a host of illustrations.

We require that Soviet ships, coming here to pick up grain and manufactured goods, give our ports 14 days' notice. Ships from other countries are required to give only three days' notice. If the same Soviet ships dock in Canada or Argentina or France they are given the same treatment accorded other nations. That encourages the Soviets to buy from other countries rather than the U.S.

We seem intent on placing as many barriers as possible in the way of more sensible relations between our two countries.

Another example: we have banned seven different types of furs from the Soviet Union.

The result is that the furs are sent to other countries—like Canada—and the coats and hats and other products are manufactured in their countries and then the final product is shipped into the United States. We have banned Soviet furs—and also American jobs in the process.

When the Soviets wanted to build a pipeline, we sanctimoniously issued an order that our suppliers could not provide the earthmoving machinery and pipes for the pipeline. The Soviets simply bought from France and Japan—and finished their pipeline ahead of time. Who was hurt? Not the Soviet Union, other than perhaps their pride a little. Those hurt were employees of the Caterpillar company and other Americans who lost their jobs.

Our trade deficit right now is causing the loss of approximately three million U.S. jobs. That has to be turned around, on a country by country basis.

One of the nations that is most important is the Soviet Union, not because they are a huge trading partner, but because the more we can have normal relations in trade and student exchanges and the arts with them, the more we improve the atmosphere which could make possible success in arms control. The real problems in the arms control talks are not the technical problems with Pershing II's and SS-20's and the weapons that we argue about, but the atmosphere, the mood of distrust. That is not going to turn around overnight but it can gradually be improved through things like trade.

The meeting between Secretary of Commerce Malcolm Baldridge and Soviet Deputy Trade Minister Vladimir N. Sushkov is one of those meetings that will not provide headlines. But it is a meeting that can improve our economy by providing more American jobs, and it can help to avoid grim arms headlines in the future.

Secretary Baldridge is on an important assignment and I wish him well.

P.S./WASHINGTON

In the hundreds of comments and observations about the change in Soviet leadership, perhaps the one with the greatest insight was that of columnist Georgie Anne Geyer who pointed out that the greatest change in the Soviet Union is not that at the top which is so visible, but the generational change that signifies a shift in attitude.

She quotes a Soviet sociologist, Vladimir Lisovsky, who, in an in-depth study of Soviet youth, found these were their hopes for life, in this order: To get an interesting job, to receive a higher education, to visit foreign countries, to be well off, to have good living conditions, to improve their qualifications for work, to find loyal friends, to bring up children to be worthy people, to find their true love, to build a family, to buy a car, to receive secondary education.

What is interesting in that list is there is no Communist ideological tilt to the list. While if differs somewhat from a list American youth would put together because of a different culture, there is more similarity than difference.

Soviet leadership cannot completely ignore public opinion. Soviet leaders have a total hold on the media that helps to create public opinion, but the list of youthful dreams and ambitions suggests that media manipulation has its limits.

How will the new Soviet leadership respond to these hopes?

No one knows with any certainty.

But it seems reasonable to conclude that among the ambitions of the new Soviet leadership is the desire to develop some degree of grass roots popularity, as well as a favored place in history. Politicians the world over have that in common.

The United States, through our policy makers, must make clear to the Soviet leaders that popularity, both today and in history, is more likely if the Soviets do three things:

First, exercise restraint in foreign policy; no more Afghanistans.

Second, enter into agreements with the United States on arms, trade, and cultural exchanges.

Third, tone down their anti-American rhetoric.

The last two points will require more positive action on the part of the United States than has been in evidence in recent years. Agreements require action by two sides; and we also need to talk less stridently.

If the Soviets sense that the United States is willing to work with them on the last two points—agreements and toning down hostile talk—my instinct is that Soviet adventurism will diminish.

It is at least worth a try.

NEW LEADERSHIP IN SOVIET UNION

What does the death of Soviet leader Konstantin Chernenko mean?

A great deal of speculation is going on now, but a few conclusions can be drawn:

1. The emergence of Mikhail Gorbachev as the Soviet leader is good news. His leading rival for that position, Grigori Ramanov, is a hard-liner. Romanov was in charge of the Leningrad region and was harsher in his treatment of refuseniks, dissidents, and foreigners than those in charge of the Moscow area. Gorbachev appears to be more open to the west, both in style and substance.

2. Little immediate change in policy is likely. There is a remarkable stability in the Soviet government and policy for a government based on such radical premises. Andrei Gromyko has been Foreign Minister since 1957, and during that period we have had nine secretaries of state. Anatol Dobrynin has been the Soviet ambassador to the United States since 1962, and during that period we have had seven ambassadors to Moscow. For the immediate future, change is likely to come slowly.

3. Long-range changes will be both good and bad. Bad in the sense that Moscow is likely to put on a more pleasant face and that could cause the Soviets to be more effective politically. Good in that there will come some significant modifications of the Soviet economic policy; many Soviet officials are semi-open about their realization of major flaws in the present system. They expected changes under Yuri Andropov, but illness and death prevented that. Chernenko was always regarded as an interim leader with no changes expected. But now hopes and expectations will rise, and changes of substance are likely on how they manage their economy.

The good news could also be greater flexibility at the arms control talks, though that is a two-way street and the Reagan adminis-

tration must demonstrate greater flexibility also if the talks are to be more than cosmetically meaningful.

Depending on how well the arms talks go, the good news could be that people like Anatol Schransky and Andrei Sakharov and Naum Meiman will have a chance to emigrate, and that the harsh treatment of Soviet Jews and Pentecostals will improve slightly.

It is very unlikely that the Afghanistan situation will change. If Gorbachev wanted to send a really impressive signal to the world of more moderate Soviet policy, this would be it. But internal Soviet politics make this most unlikely.

Nothing is more important to the survival of life on this planet than an improved U.S.-Soviet relationship.

We need gestures of friendship on both sides. We do not like the Soviet system of government and they do not like ours. We ought to be able to accept that without blowing up the world.

The change in leadership may open the door slightly to greater understanding.●

EXTENSION OF EXPENSE DEDUCTION—S. 887

● Mr. D'AMATO. Mr. President, I rise today to add my name as a cosponsor of S. 887, legislation introduced by the distinguished majority leader, Senator DOLE, to extend the current deduction for expenses incurred in removing architectural barriers to the handicapped.

Under current law, a company may deduct up to $35,000 annually for expenditures made in making a building more accessible to the public. The deduction would be in lieu of depreciating the property. This provision now is scheduled to expire on December 31, 1985.

Senator DOLE has championed this cause since these provisions were first enacted in 1976. S. 887 would extend the deduction for expenses incurred in removing barriers to the handicapped through 1989.

I believe it is absolutely imperative that the Federal Government encourage businesses to make their buildings accessible to the handicapped. Without Senator DOLE's efforts there would be little or no incentive for employers to take care of the needs of the handicapped.

It is my hope that S. 887 will be passed by the Senate in the near future. Businesses need time to plan necessary rehabilitation. With the current provisions expiring at the end of this year, companies cannot otherwise be certain that their costs will be expensable. I urge my colleagues in the Senate to support the prompt enactment of S. 887.●

INCOME TAX RETURN OF SENATOR CRANSTON

● Mr. CRANSTON. Mr. President, I am inserting in the CONGRESSIONAL RECORD all the information on my form 1040 for the tax year 1984. I ask that the form be printed in the RECORD at this point.

The form follows:

Alan and Norma Cranston, 2024 Camden Avenue, Los Angeles, California 90025; [redacted] xxx-xx-x...; xxx-xx-xxxx.

Your occupation, U.S. Senator. Spouse's occupation, Housewife.

Filing status: (2) Married filing joint return (even if only one had income).

Exemptions: (6a) Yourself, (b) Spouse, 65 or over—3.

Income:

(7) Wages, salaries, tips, etc.—72,600.

(8) Interest income *(also attach Schedule B if over $400)*—3,188.

(9a) Dividends *(also attach Schedule B if over $400)*—6,419, (9b) Exclusion 200—6,219.

(11) Alimony received—

(12) Business income or (loss) *(attach Schedule C)*—21,700.

(13) Capital gain or (loss) *(attach Schedule D)*—4,861.

(16) Fully taxable pensions, IRA distributions, and annuities not reported on line 17—28,544.

(17a) Other pensions and annuities, including rollovers. Total received—836.

(b) Taxable amount, if any, from the worksheet on page 10 of Instructions—466.

18. Rents, royalties, partnerships, estates, trusts, etc. *(attach Schedule E)*—78,985.

(21a) Social security benefits. (see page 10 of instructions)—5,656.

(b) Taxable amount, if any, from the worksheet on page 11 of instructions—2,828.

(22) Other income (state nature and source—see page 11 of Instructions).

(23) Add lines 7 through 22. This is your total income—219,391.

Adjustments to income:

(25) Employee business expenses *(attach Form 2106)*—2,222.

(29) Alimony paid—45,584.

(31) Add lines 24 through 30. These are your total adjustments—47,806.

Adjusted gross income:

(32) Subtract line 31 from line 23. *This is your* adjusted gross income. *If this line is less than $10,000, see "Earned Income Credit" (line 59) on page 16 of Instructions. If you want IRS to figure your tax, see page 12 of Instructions*—171,585.

Tax computation:

(33) Amount from line 32 (adjusted gross income)—171,585.

(34a) If you itemize, attach Schedule A (Form 1040) and enter the amount from Schedule A, line 26—45,304.

(35) Subtract line 34a or 34b, whichever applies, from line 33—126,281.

(36) Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e—3,000.

(37) Taxable Income. Subtract line 36 from line 35—123,281.

(38) Tax. Enter tax here and check if from Tax Rate Schedule X, Y, or Z,—43,432.

(40) Add lines 38 and 39. Enter the total—43,432.

Credits:

(45) Add lines 41 through 44. These are your total personal credits—0.

(46) Subtract line 45 from 40. Enter the result (but not less than zero)—43,432.

(50) Subtract line 49 from 46. Enter the result (but not less than zero)—43,432.

Other taxes: (56) Add lines 50 through 55. This is your total tax—43,432.

Payments:

(57) Federal income tax withheld—18,948.

(58) 1984 estimated tax payments and amount applied from 1983 return—33,361.

(64) Add lines 57 through 63. These are your total payments—52,309.

(65) If line 64 is larger than line 56, enter amount overpaid—8,877.

Refund or amount you owe:

(67) Amount of line 65 to be applied to our 1985 estimated tax—8,877.

Medical and dental expenses:

(1) Prescription medicines and drugs; and insulin—413.

(2a) Doctors, dentists, nurses, hospitals, insurance premiums you paid for medical and dental care, etc.—9,789.

(3) Add lines 1 through 2c, and write the total here—10,202.

(4) Multiply the amount on Form 1040, line 33, by 5% (.05)—8,579.

(5) Subtract line 4 from line 3. If zero or less, write 0. Total medical and dental.—1,623.

Taxes you paid:

(6) State and local income taxes—23,679.

(7) Real estate taxes—1,486.

(8a) General sales tax (see sales tax tables in instruction booklet)—608.

(9) Other taxes (list—include personal property taxes) Schedule attached—6.

(10) Add the amounts on lines 6 through 9. Write the total here. Total taxes—25,779.

(11a) Home mortgage interest you paid to financial institutions—4,965.

(13) Other interest you paid (list) Schedule attached—8,618.

(14) Add the amounts on lines 11a through 13. Write the total here. Total interest.—13,583.

(15a) Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 15b.)—5,070.

(18) Add the amounts on lines 15a through 17. Write the total here. Total contributions—5,070.

Miscellaneous deductions:

(21) Tax return preparation fee—2,250.

(22) Other (list type and amount) Schedule attached—399.

(23) Add the amount on lines 20 through 22. Write the total here. Total miscellaneous—2,649.

Summary of Itemized Deductions:

(24) Add the amounts on lines 5, 10, 14, 18, 19, and 23. Write your answer here—48,704.

(25) If you checked Form 1040. (Filing Status box 2 or 5, write $3,400)—3,400.

(26) Subtract line 25 from line 24. Write your answer here and on Form 1040, line 34a. (If line 25 is more than line 24, see the Instructions for line 26 on page 22.)—45,304.

SCHEDULE B—INTEREST AND DIVIDEND INCOME

(2) Other interest income (list name of payer) Schedule attached—3,188.

(3) Add the amounts on lines 1 and 2. Write the total here and on Form 1040, line 8—3,188.

Part II dividend income:

(4) Schedule attached—6,419.

(5) Add the amounts on line 4. Write the total here—6,419.

(10) Subtract line 9 from line 5. Write the result here and on Form 1040, line 9a—6,419.

(11) At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country? (See page 23 of the Instructions for exceptions and filing requirements for Form TD F 90-22.1)—No.

(12) Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes,"

you may have to file Forms 3520, 3520-A, or 926.—No.

PROFIT OR (LOSS) FROM BUSINESS OR PROFESSION

(F) Was there any change in determining quantities, costs, or valuations between opening and closing inventory? No.

(G) Did you deduct expenses for an office in your home. No.

Part I Income:

(1a) Gross receipts or sales—21,700.

(c) Subtract line 1b from line 1a and enter the balance here—21,700.

(3) Subtract line 2 from line 1c and enter the gross profit here—21,700.

(5) Add lines 3, 4a, and 4b. This is the gross income—21,700.

(32) Net profit or (loss). Subtract line 31 from line 5 and enter the result. If a profit, enter on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 6). If a loss, you MUST go on to line 33—21,700.

CAPITAL GAINS AND LOSSES

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less (6 months if acquired after 6/22/84):

(4) Net short-term gain or (loss) from partnerships, S corporations, and fiduciaries—112.

(5) Add lines 1 through 4 in columns f and g—112.

(6) Combine columns f and g of line 5 and enter the net gain or (loss)—112.

(8) Net short-term gain or (loss), combine lines 6 and 7—112.

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year (6 months if acquired after 6/22/84):

(12) Net long-term gain or (loss) from partnerships, S corporations, and fiduciaries—11,872.

(13) Add lines 9 through 12 in columns f and g—11,872.

(14) Combine columns f and g of line 13 and enter the net gain or (loss)—11,872.

(17) Combine lines 14 through 16—11,872.

(19) Net long-term gain or (loss), combine lines 17 an 18—11,872.

Part III Summary of Parts I and II:

(20) Combine lines 8 and 19, and enter the net gain or (loss) here—11,984.

(21) If line 20 shows a gain, enter the smaller of line 19 or line 20. Enter zero if there is a loss or no entry on line 19—11,872.

(22) Enter 60% of line 21—7,123.

(23) Subtract line 22 from line 20. Enter here and on Form 1040, line 13—4,861.

SUPPLEMENTAL INCOME SCHEDULE

Part I Rent and Royalty Income or Loss:

(1) Did you or a member of your family use for personal purposes any rental property listed below for more than the greater of 14 days or 10% of the total days rented at fair rental value during the tax year? No.

Property A. Schedule attached.

Rental and Royalty Income: 100,911.

(17) Total expenses other than depreciation and depletion. Add lines 4 through 16—29,149.

(18) Depreciation expense (see instructions), or depletion—5,336.

(21) Add properties with profits on line 20, and write the total profits here—66,426.

(23) Combine amounts on lines 21 and 22, and write the net profit or (loss) here—66,426.

(25) Total rental or royalty income or (loss). Combine amounts on lines 23 and 24, and write the total here. If Parts II, III, and IV on page 2 do not apply to you, write the amount from line 25 on Form 1040, line 18. Otherwise, include the amount in line 39 on page 2 of Schedule E—66,426.

Schedule attached—1,325.

(26) Add amounts in columns (d) and (e) and write the total(s) here—1,325.

(27) Combine amounts in columns (d) and (e), line 26, and write the net income or (loss) here—1,325.

(28) Deduction for section 179 property (from Form 1065, Schedule K-1). (See Instructions for limitations.)—(0).

(29) Total partnership income or (loss). Combine amounts on lines 27 and 28. Write the total here and include in line 39 below—1,325.

Schedule attached—11,234.

(30) Add amounts in columns (d) and (e) and write the total(s) here—11,234.

(31) Total estate or trust income or (loss). Combine amounts in columns (d) and (e), line 30. Write the total here and include in line 39 below—11,234.

Part IV Summary (39) Total income or (loss). Combine lines 25, 29, 31, 35, and 38. Write total here and on Form 1040, line 18—78,985.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

Regular Computation of Net Earnings from Self-Employment: (2) Net profit or (loss) from Schedule C (Form 1040), line 32, Schedule K-1 (Form 1065), line 17a (other than farming), and Form W-2 wages of $100 or more from an electing church or church-controlled organization (See instructions for other income to report)—21,700.

(3) Maximum income for optional methods—$1,600.

(8) Enter the amount from Part 1, line 2, or, if you elected the nonfarm optional method, Part II, line 6—21,700.

(9) Add lines 7 and 8. If less than $400, you are not subject to self-employment tax. Do not fill in the rest of the schedule. (Exception: If this line is less than $400 and you are an employee of an electing church or church-controlled organization, complete the schedule unless this line is a loss. See instructions.)—21,700.

(10) The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (Tier I) for 1984 is—$37,800.

(11) (a) Total social security wages and tips from Forms W-2 and railroad retirement compensation (Tier I). Note: U.S. Government employees whose wages are only subject to the 1.3% hospital insurance benefits tax (Medicare) and employees of certain church or church-controlled organizations, should not include those wages on this line (see instructions)—37,800.

(c) Add lines 11a and 11b—37,800.

If line 13 is $37,800 or more, fill in $4,271.40 on line 14. Otherwise, multiply line 13 by .113 and enter the result on line 14—.113.

EMPLOYEE BUSINESS EXPENSES

Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line 32:

(1) Reimbursed and unreimbursed fares for airplane, boat, bus, taxicab, train, etc.—6,138.

(3) Reimbursed and unreimbursed car expenses from Part II.—40.

(5) Reimbursed expenses other than those shown on lines 1 through 3 (see instructions)—13,214.

(6) Add lines 1 through 5—19,392.

(7) Employer's payments for these expenses only if not included on Form W-2—17,170.

(8) If line 6 is more than line 7, subtract line 7 from line 6. Enter here and on Form 1040, line 25—2,222.

Mileage Rate:

(9) Enter the smaller of (a) 15,000 miles or (b) the total mileage (Car 1+ Car 2+ Car 3) from line C, above—194 miles.

(10) Multiply line 9 by 20½¢ (.205) (11¢ (.11) if applicable, see instructions)—40.

Alan Cranston, 1984 individual income tax return

Employee business expenses:

Living expenses, Washington, D.C	$3,000
Travel	6,138
Expenses in maintaining office in home state	10,214
Auto expense—194 miles × 20½¢.	40
Total	$19,392
Less reimbursements	17,170
Total	$2,222

CERTIFICATE

I hereby certify that I was in travel status in the Washington, D.C., area, away from my home in my home state of California, in the performance of my official duties as a Member of Congress for 137 days during the year 1984 and that my deductable living expenses while in such travel status amounted to $3,000.

(Signature of Member)

NOTE.—(If such living expenses exceeded $3,000, the deduction is limited under section 162(2) of the Internal Revenue Code of 1954 to $3,000).

DEPRECIATION AND AMORTIZATION

C. Cost or other basis Schedule attached.

F. Deduction—79.

(f) 15-year real property other than low-income housing.

(6) Other depreciation (see instructions)—5,257.

(7) Total (Add deductions on lines 1 through 6). Enter here and on the Depreciation line of your return (Partnerships and S corporations—DO NOT include any amounts entered on line 1.)—5,336.

A. Description of property Lease commission—Schedule attached.

B. Date acquired Var.

C. Cost or other basis—13,155.

E. Amortization period or percentage Var.

F. Amortization for this year—2,191.

Total. Enter here and on Other Deductions or Other Expenses line of your return—2,191.

(1) Adjusted gross income from Form 1040, line 33 or Form 1040NR, line 32 (see instructions)—171,585.

(2) Deductions (see instructions):

(a)(1) Medical and dental expense from Schedule A, line 5—1,623.

(2) Multiply Form 1040, line 33 by 5% (.05)—8,579.

(3) Subtract line 2a(2) from line 2a(1). (If zero or less, enter zero)—0.

(b) Contributions from Schedule A, line 18—5,070.

(c) Casualty and theft losses from Schedule A, line 19—0.

(d) Qualified interest on property used as a residence from Schedule A, line 11—4,965.

(e)(1) Interest, other than line 2d above, from Schedule A, line 14—8,618.

(2) Net investment income (If zero or less, enter zero)—43,234.

(3) Enter the smaller of line 2e(1) or line 2e(2)—8,618.

(h) Add lines 2a(3), b, c, d, e(3), f, and g—18,653.

(3) Subtract line 2h from line 1—152,932.

(4) Tax preference items:

(a) Dividend exclusion—200.

(b) 60% capital gain deduction—7,123:

(c) Accelerated depreciation on nonrecovery real property or 15 (or 18)-year real property—33.

(l) Add lines 4a through 4k—7,356.

(5) Alternative minimum taxable income (add lines 3 and 4(l)) (short period returns, see instructions)—160,288.

(6) Enter: $40,000, if married filing joint return or surviving spouse—40,000.

(7) Subtract line 6 from line 5. If zero or less, do not complete the rest of this form—120,288.

(8) Enter 20% of line 7—24,058.

(9) Amount from Form 1040, line 50 or Form 1040NR, line 51 (Do not include Form 1040, line 39 or Form 1040NR, line 41.) (estates and trusts, see instructions)—43,432.

(10) Subtract line 9 from line 8. If zero or less, enter zero—0.

(12) Alternative minimum tax (subtract line 11 from line 10). Enter on Form 1040, or Form 1040NR, line 52, Form 1041, line 32, or Form 990-T, page 1, line 14—0.

	Federal	California
Medical:		
Drugs	$413	
Insurance premiums	1,396	
Doctors	8,393	
Total	10,202	10,202
Taxes:		
Real estate: 402 Constitution, Washington, DC	1,240	1,240
Camden Avenue, Los Angeles	246	246
Sales: table	608	608
California income	23,679	
Personal property: auto	6	6
Total	25,779	2,100
Interest expense:		
Travelers insurance	259	
Provident insurance	248	
Geneva Cranston	2,078	
Home mortgage: 2024 Camden Avenue, Los Angeles	4,965	
Total	7,550	7,550
Eleanor Cameron: imputed on gift loan	6,033	
Total	13,583	7,550
Contributions:		
Stanford University	200	
Pomona College	150	
Friends of Kennedy Center	25	
Town Hall of California	35	
Fund for Integrative Biomedical Research	1,000	
American Cancer Society	10	
National Hemophilia Foundation	150	
State of Israel bonds	2,000	
American Friends of Hebrew University	500	
Amnesty International	100	
Southern Christian Leadership Conference	150	
Mexican American Legal Defense Fund	150	
Sierra Club Legal Defense Fund	150	
Wilderness Society	150	
Parkinson Disease Foundation	100	
Center for Independent Living	100	
Physicians for Social Responsibility	100	
Total	5,070	5,070
Other deductions:		
Safe deposit box	30	
Preparation of income tax return	2,250	
Congressional expenses: office, entertainment, etc.	369	
Total	2,649	2,649
Salary: U.S. Senate, Washington, DC	72,600	72,600
Federal withholding	18,948	
California withholding		4,865
Retirement pay: State of California Legislators' Retirement System	28,374	28,374
Annuity income: Company, Traveler; contract, 02421955; starting date, 12/19/79; First payment date, 12/19/79:		
Monthly installment		69.70
Annual amount		836.40
Investment in contract		6,390.40
Expected return (exclusion ratio 0.4430		14,425.28
Received in 1982		836.40
Excludable at 44.3%		370.53
Taxable		465.87
IRA distribution: Merrill Lynch, custodian	170	

	Federal	California
California:		
Basis		4,000
Applied as a reduction		−170
Total		3,830
Interest income:		
Wm. Bazor note	579	
Wells Fargo, NOW a/c	131	
American Security Bank, NOW a/c	208	
American Security Bank, savings	2,080	
Independence Bank, savings	190	
Total	3,188	3,188
Dividend income:		
Dreyfuss liquid assets	1,957	
Fidelity cash reserves	2,652	
Trusts, schedule	1,810	
Total	6,419	6,419
Trust income: Alan Cranston Qualified Blind Trust, c/o Burton D. Rockoff, Trustee; 10880 Wilshire Blvd., Suite 500, Los Angeles, CA 90024, Fed. I/D 94–6386948:		
Dividends:		
Qualifying		350
Nonqualifying		177
Total		527
Interest	11,534	11,534
Short-term capital gain		112
Long-term capital gain		7,072
Total		7,184
Tax preparation fees	−300	−300
Total	11,234	11,234
Cranston Community Qualified Blind Trust, c/o Burton D. Rockoff, Trustee; 10880 Wilshire Blvd., Suite 500, Los Angeles, CA 90024, Fed. I/D 95–6817334: Dividends, nonqualifying		641
Cranston Community Qualified Blind Trust, c/o Burton D. Rockoff, Trustee; 10880 Wilshire Blvd., Suite 500, Los Angeles, CA 90024, Fed. I/D 95–6817334: Norman Cranston, grantor: Dividends, nonqualifying		642

[1] Intermediate for California.

PARTNERSHIP INCOME (LOSS)

	Federal identification No.	Ordinary income (loss)			Capital gains (losses) Net			Investment income
		Total	K–1 line 1	Investment interest	Short term	Long term 1 to 5	Long term Over 5	
Five Area Properties, Ltd	95–6323158							
Four Area Properties, Ltd	95–6319195	$50	$50				$43	$50
Freeway Vineyard Properties, Ltd	95–6230969	956	956				505	956
Krag Partnership	95–6152318	−20	−20					
Simi-Moorpark Freeway Properties, Ltd	95–6230970	339	731	−$392			4,252	731
Total		1,325	1,717	−392			4,800	1,737
Trust gains (losses) schedule					$112	$7,072		
Total					112	7,072	4,800	1,737

INCOME FROM RENTS

	Total	215–225 Main, Los Altos	501–517 San Mateo, San Bruno	University, San Bruno (½ interest)	San Mateo, San Bruno, (½ interest)	Main, Los Altos (¼ interest)	402 Constitution Washington, DC
Rents collected	$100,911	$30,267	$12,798	$29,724	$16,006	$7,616	$4,500
Expenses:							
Real estate taxes	8,560	1,601	676	4,543	623	491	626
Insurance	6,961	2,715	849	1,509	1,224	471	193
Management fee	4,689	1,413	616	1,511	758	381	
Repairs and maintenance	5,821	1,737	916	299	1,117	89	1,663
Lease commission amortization	2,191	710	373	304	587	217	
Utilities	551		46	25			480
Dues	41	35				6	
Interest	46	44	2				
Legal	125		125				
Miscellaneous	164	19			100	6	39
Total	29,149	8,274	3,603	8,191	4,419	1661	3,001
Income before depreciation	71,762	21,993	9,195	21,533	11,587	5,955	1,499
Depreciation	−5,336	−1,131	−347	−1,697	−567	−718	−876
Net rental income	66,426	20,862	8,848	19,836	11,020	5,237	623
Depreciation adjustment: California	−33						

INCOME FROM RENTS—Continued

	Total	215–225 Main, Los Altos	501–517 San Mateo, San Bruno	University, San Bruno (½ interest)	San Mateo, San Bruno, (½ interest)	Main, Los Altos (¾ interest)	402 Constitution Washington, DC
Net rental inocme: California	66,459						

AMORTIZATION OF LEASE COMMISSIONS

	Date acquired	Cost	Prior amortization	Life in months	1984 amortization
215–225 Main, Los Altos	1979	$828.00	$759.00	60	$69.00
Loom	Apr. 4, 1982	2,304.60	806.61	60	460.92
Women's World	June 1, 1984	1,542.00	(1)	60	179.90
Subtotal		4,674.60	1,565.61		709.82
501–517 San Mateo, San Bruno	1981	1,863.00	900.45	60	372.60
318–324 University, Palo Alto	1978	517.50	517.50	60	
	1979	1,824.00	760.14	120	182.40
	1982	517.50	112.12	60	103.50
	1983	216.00	198.00	12	18.00
Subtotal		3,075.00	1,587.76		303.90
Remove fully amortized item		−517.50	−517.50		
Subtotal		2,557.50	1,070.26		
482–490 San Mateo, San Bruno	1978	541.50	541.50	60	
	1981	1,647.00	686.25	60	329.40
	1983	405.00	101.25	36	135.00
	1984	924.00	(2)	60	123.20
Subtotal		3,517.50	1,329.00		587.60
Remove fully amortized item		−541.50	−541.50		
Subtotal		2,976.00	787.50		
161, 163, 175 Main, Los Altos	1980	431.25	345.00	60	86.25
	1982	652.80	184.96	60	130.56
Subtotal		1,084.05	529.96		216.81
Total		13,155.15	4,853.78		2,190.73

[1] 7 mo.
[2] 8 mo.

DEPRECIATION—RENTAL PROPERTIES

	Date acquired	Basis	Prior depreciation	Method	Life or ACRS percent	1984 depreciation	Califorina 1984 expense
215–225 Main St., Los Altos:							
Building	Var	$12,846.00	$12,201.40	SL	30 yr	$428.20	
Improvements	Var	4,533.00	4,533.00	SL			
Do	1970	2,506.00	2,506.00				
New roof	October 10, 1981	7,024.75	1,580.58	SL	10 yr	702.48	
Subtotal		26,909.75	20,820.98			1,130.68	1,130.68
501–517 San Mateo, San Bruno:							
Building	March 1969	6,075.00	3,110.29	SL	28 yr	216.96	
New toilet, sink and pipes	December 1981	1,300.00	270.84	SL	10 yr	130.00	
Subtotal		7,375.00	3,381.13			346.96	346.96
318–324 University, Palo Alto:							
Building	October 1957	23,205.50	15,571.44	SL	28 yr	828.77	828.77
Improvements	1960	333.25	333.25				
Do	1965	162.00	162.00				
Do	1966	187.50	187.50				
Do	April 1977	6,350.54	2,143.33	SL	20 yr	317.53	317.53
Do		1,835.70	1,239.10	SL	10 yr	183.57	183.57
Air-conditioning	December 1981	2,880.00	792.00	SL	10 yr	288.00	288.00
Steel door	February 1984	720.00		ACRS	11 percent	79.20	46.08
Subtotal		35,674.49	20,428.62			1,697.07	1,663.95
483–490 San Mateo, San Bruno:							
Building	Var	31,500.00	31,500.00	SL	25 yr		
Improvements	Var	13,290.00	13,290.00	SL	15 yr		
Do	Var	3,000.000	3,000.00	SL	15 yr		
Heater	July 1977	500.00	397.60	SL	10 yr	40.96	
Carpeting	June 1978	1,026.00	1,026.00	SL	5 yr		
Heater	September 1978	62.50	62.50	SL			
Roof	April 1980	4,029.75	1,477.59	SL	10 yr	402.98	
Back door	December 1981	1,232.00	256.67	SL	10 yr	123.20	
Subtotal		54,640.25	51,010.36			567.14	567.14
161–165 Main St., Los Altos:							
Building	October 1957	20,113.25	11,746.38	SL	28 yr	718.33	
Improvements	1967	250.00	250.00				
Do	February 1968	125.00	125.00				
Air-conditioner	October 1968	205.00	205.00				
Air-conditioner	July 1970	375.00	375.00				
Subtotal		21,068.25	12,701.38			718.33	718.33
402 Constitution, Washington, DC: Building	February 1977	26,280.00	6,059.00	SL	30 yr	876.00	876.00
Total		171,947.74	114,401.47			5,336.18	5,303.06

Wage and tax statement, 1984

Employee's social security number	xxx-xx-xxxx
Federal income tax withheld	18,945.00
Wages, tips, and other compensation	72,600.00
Social Security employee tax withheld	2,532.60
Total Social Security wages	37,800.00
State or local tax withheld	4,864.80
State or local wages	72,600.00
State or locality	CA●

THE HOLOCAUST

● Mr. CHAFEE. Mr. President, I want to say a few words today in commemoration of the 40th anniversary of the end of the Nazi Holocaust.

Each generation carries with it memories of events that shaped the world, for good or evil. For those of my generation, it was the rise of fascism in Europe and Japanese militarism in Asia, leading inexorably to World War II, that changed and altered our lives, just as these events remade the world in a cataclysm of carnage and destruction.

For that reason, those of my generation retain a special obligation to bear witness to the world, for as long as it is within our power to do so, of the unspeakable evil of that time—the Nazi Holocaust in which 6 million Jews and millions of other individuals were slaughtered in a racist nightmare identified by its perpetrators as the "final solution."

Through all of recorded human history there is no precedent for the evil of the Holocaust; it is very nearly beyond human comprehension.

In a few years, those who lived through the years of the Holocaust, either as victims or as witnesses from afar, will be gone. The burden of remembrance and comprehension will fall to succeeding generations. It is a burden not lightly carried, but one that must be borne. We and those who are to follow must understand that because this evil did take place, vigilance is forever necessary to prevent it in the future.

Only the victims who survived the Holocaust can give adequate voice to the terror they and so many others experienced. Yet that must not prevent the rest of us from joining in their plea to the world of today and tomorrow:

"Do Not Forget!"●

ARKANSAN TO RECEIVE INTERIOR'S CITATION FOR VALOR

● Mr. PRYOR. Mr. President, on April 24, 1985, Richard E. Brown, of Japser, AR, will receive the Interior Department's Citation for Valor at its 50th Departmental Honor Awards Convocation.

Mr. Brown is being so honored for an act of heroism on the Buffalo National River which resulted in the saving of a life. While on a routine canoe patrol on April 30, 1983, to warn floaters of swift currents, Park Technician Brown came upon two individuals who had been thrown from their canoe. While the male occupant of the canoe sought to help his female companion, he became pinned between his canoe and another toward which they were being driven. After pulling the female occupant to safety, Mr Brown singlehandedly prevented the canoes from crushing the male occupant. He put his own life jacket on the man to keep his head above water during periods of unconsciousness.

With the help of eight volunteers and after a 15-minute struggle, Mr. Brown was able to free the man from the canoe. As the canoe was released, Mr. Brown and one of the volunteers were swept downstream by a swift current. Mr. Brown grabbed the volunteer and caught hold of a willow branch until both men could regain their balance and be helped to safety. Despite the wet and cold, Mr. Brown then organized and directed the evacuation of the victim 2 miles over land.

Without Mr. Brown's selfless initial act of courage, it is probable that the Buffalo National River would have recorded its first canoeing fatality.

I want to join the Department of the Interior in recognizing this act of courage on the part of Richard E. Brown and I join in congratulating him on the occasion of his being selected for the Department of the Interior's Award of Valor.●

OPPOSITION TO CONTRA FINANCING MEASURE

● Mr. MATHIAS. Mr. President, the United States has financed the operations of the Contras in Nicaragua, either overtly or covertly, for several years. During this time, the justification of U.S. assistance has been succinct, reasonable, and defensible. The Sandinistas were having a significant impact on the war in El Salvador by providing weapons to the rebels there. It was our policy to reduce the conflict in El Salvador by applying pressure in various ways, including funding the Contras, in an effort to stem the flow of arms to the rebels in El Salvador.

The President's current proposal to appropriate $14 million to support the Contras, however, rests on entirely different grounds. The justification has shifted from interdiction of arms to altering the fundamental domestic policies of the Government of Nicaragua. Indeed, the United States has come close to advocating the overthrow of the current Nicaraguan Government by force of arms.

The original objective of support for the Contras has in large measure now been achieved. Administration officials confirm that the current flow of arms through Nicaragua to El Salvador has been substantially reduced. And there are alternative measures, short of supporting current efforts by the Contras, to ensure that the flow of arms does not increase once again.

While some of the ideals of the Contras are noble, their tactics have been costly. They have weakened Nicaragua's economy by destroying rural farms and, in some cases, assassinating local farmers. Such tactics should not be supported by the United States and, in fact, we condemn similar efforts by the rebels in El Salvador.

The President's new policy on Nicaragua is more flexible than previous policies in that it is intended to encourage negotiations between the Sandinistas and the Contras. That is commendable. But, under the proposal, the Contras could ensure that they receive military aid after 60 days, regardless of what the Sandinistas do, simply by refusing to negotiate. Not unnaturally, the Sandinistas do not find this a compelling formulation.

A final consideration is the perception of many governments in Latin America that the United States is violating the principle of nonintervention in Nicaragua. This principle, although badly battered, is still cherished in the Western Hemisphere. It is given pride of place in the Charter of the Organization of American States. And, if the United States appears oblivious to this strongly held sentiment, it can color our relations with our neighbors for years to come.

Taking the long view of our national interest, it would seem that we have more to lose here than a position relative to Nicaragua. Our moral leadership of the hemisphere is certainly a national asset that would not be immune, if we were condemned for intervention without adequate cause.

Our previous policy toward Nicaragua was clear. It was to stop the Sandinistas from destabilizing El Salvador. That objective has been in large measure attained, and the current Contra operation is not critical to reducing the flow of arms. We should not pick a new fight for a new cause that is neither understood nor supported by the people of the United States or most countries in Latin America. For these reasons, I will vote against Senate Joint Resolution 106.

I would hope that we could instead use this money to work with the Contadora nations and other countries to provide economic incentives toward a solution to the conflict in Nicaragua.●

HOLOCAUST REMEMBRANCE DAY

● Mr. SIMON. Mr. President, I rise today to address a solemn day in our

history. Today marks the 40th anniversary of Holocaust Remembrance Day. The horrors of the Hitler regime must be deeply etched in our minds, and in the minds of our children.

Recently, a documentary appeared on television which depicted the story of Raoul Wallenberg, a Swedish diplomat whose courage and determination saved the lives of thousands and thousands of Hungarian Jews. As a result of the airing of the Wallenberg story, I have received letters from all over my State of Illinois which express disgust and anger at the Hitlerian era and express the sentiment that we all share: Never again.

We have a grave responsibility to our youth, who must learn that Hitler was much more than an evil face in a history book. Hitler's infectious hatred is a lesson which must never be repeated.

Institutional racism is intolerable. Even as we commemorate the Holocaust, there is still hatred and oppression in the world. This 40th anniversary holds special significance for all those who cherish freedom and life. The world cannot stand silently by as South African blacks become victims of hatred and contempt.

For 12 years, Europe was encased in a shroud of fear, hatred, and death. Today, we celebrate the anniversary of the triumph of good.●

ORDER OF BUSINESS

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

SENTATE JOINT RESOLUTION 116—ASSURING THE COST-OF-LIVING ADJUSTMENTS FOR SOCIAL SECURITY RECIPIENTS

Mr. BYRD. Mr. President, I have in my hand a Senate joint resolution which I shall introduce on behalf of myself, Mr. MOYNIHAN, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. FORD, Mr. GORE, Mr. KENNEDY, Mr. KERRY, Mr. METZENBAUM, Mr. SARBANES, and Mr. LAUTENBERG, the purpose of it being to insure the cost-of-living adjustments for Social Security recipients. It reads:

It is the policy of the United States that the Budget Resolution for fiscal 1985 as revised shall be deemed to include amounts sufficient under function 650 (Social Security) so as to insure the full Cost of Living Adjustments for Social Security Recipients through fiscal 1988.

The statement I made earlier with the sense of the Senate resolution dealing with social security benefits adequately explains the joint resolution I am about to offer.

I send this joint resolution to the desk. I ask that it be read the first time.

The PRESIDING OFFICER. The clerk will report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 116) to insure the cost-of-living adjustments for social security recipients.

Mr. BYRD. Mr. President, I ask that the Senate joint resolution be read a second time.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, I feel constrained to object at this time to assure a proper location on the calendar for this item.

The PRESIDING OFFICER. Objection is heard. Objection having been heard to the second reading on this legislative day, the joint resolution will remain at the desk pending its second reading on the next legislative day.

Mr. BYRD. Mr. President, I ask unanimous consent, with respect to the Senate joint resolution which I have just introduced and had read the first time, that the word "insure," which is part of the title of the resolution, be modified to "assure".

The PRESIDING OFFICER. Is there objection to the unanimous consent request? Without objection, it is so ordered.

The title, as modified, reads as follows:

To assure the Cost of Living Adjustments for Social Security Recipients.

The text of the joint resolution reads as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

It is the policy of the United States that the Budget Resolution for fiscal 1985 as revised shall be deemed to include amounts sufficient under function 650 (Social Security) so as to insure the full Cost of Living Adjustments for Social Security Recipients through fiscal 1988.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON FRIDAY

Mr. SIMPSON. Mr. President, having consulted with the minority leader, I ask unanimous consent that the committees have between the hours of 9 a.m. and 3 p.m. on Friday, April 19, to file reports.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M.

Mr. SIMPSON. Mr. President, after consultation with the minority leader, I ask unanimous consent that the RECORD remain open today until the hour of 5 p.m. for the introduction of bills, resolutions, and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 136—TO DIRECT THE SENATE LEGAL COUNSEL TO INTERVENE IN RE WHET, INC., ET AL.

Mr. SIMPSON. Mr. President, I send a resolution to the desk on behalf of Senator DOLE and Senator BYRD, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 136), to direct the Senate Legal Counsel to intervene in re WHET, Inc., et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, the Department of Justice is challenging provisions of the Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law 98-353, which provide for limited extensions of the terms of bankruptcy judges who had been appointed prior to the 1984 act. Focusing on the brief gap between June 27, 1984, when the terms of the bankruptcy judges arguably lapsed, and July 10, 1984, when the President signed the 1984 act, the Department contends that the Congress violated the appointments clause of the Constitution by retroactively extending the terms of bankruptcy judges. Senate Resolutions 444 and 471 of the 98th Congress directed the Senate Legal Counsel to intervene in several cases in the name of the Senate to defend the act, and also established a procedure to authorize intervention in related cases during the final adjournment of the 98th Congress.

The district courts have unanimously upheld the 1984 act by concluding either that the holdover provisions of earlier bankruptcy legislation kept bankruptcy judges in office throughout the purported gap, or that the Constitution does not prohibit the brief retroactive extension of the terms of sitting bankruptcy judges. The objective of the Congress was to avoid disruptions in the bankruptcy system during its transition under the 1984 act, and not to abridge the appointing power of either the executive or the judiciary by selecting individual bankruptcy judges. The extension provisions are applicable to all sitting bankruptcy judges, each of whom had been appointed by the district courts

and are removable by the courts of appeals.

In those cases in which the Senate Legal Counsel had intervened in the district courts there is no need for further authorization to permit him to defend the favorable judgments of those courts on appeal. However, the Department of Justice recently has intervened in an appeal pending in the U.S. Court of Appeals for the First Circuit, In re WHET, Inc. et al., a case in which neither the Department nor the Senate or House had appeared in the district court. The enclosed resolution would authorize the Senate Legal Counsel to intervene in the name of the Senate in that case in order to present to the first circuit the Senate's defense of the 1984 act.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 136) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 136

Whereas, in the case of In re WHET, Inc., et al., pending in the United States Court of Appeals for the First Circuit, the constitutionality of sections 106 and 121 of the Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law No. 98-353, has been placed in issue;

Whereas, the Department of Justice, on behalf of the executive branch, has intervened in this case to assert that these sections of the Bankruptcy Amendments and Federal Judgeship Act, which provide for the limited extension of the terms of bankruptcy judges appointed prior to the Act, violate the Appointments Clause, Article II, Section 2, Clause 2 of the Constitution;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(c), 288e(a), and 288l(a) (1982), the Senate may direct its Counsel to intervene in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to intervene in the name of the Senate in the case of In re WHET, Inc., et al.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR MONDAY, APRIL 22, 1985

ORDER FOR RECESS UNTIL 12 NOON, MONDAY, APRIL 22, 1985

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 noon on Monday, April 22. There will be no Friday session of the Senate this week.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE], for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I further ask unanimous consent that, following the special order for Mr. PROXMIRE, there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following morning business on Monday, April 22, it will be the intention of the majority leader to begin consideration of Senate Concurrent Resolution 32, the budget resolution, under a 50-hour statutory time limitation.

On Tuesday, April 23, by unanimous consent, at 9 a.m., the Senate will turn to consideration of Senate Joint Resolution 106, supporting military or paramilitary operations in Nicaragua under a 10-hour statutory time limitation. Therefore, assuredly a rollcall vote will occur during Tuesday's session of the Senate. I am advised by the majority leader and share with my colleagues that Wednesday, Thursday and Friday of next week will likely be long days, so to speak, with the Senate convening at a rather early hour in the morning and continuing late into the evening hour for the purpose of addressing the business I have just described. Consequently, Members should be aware that numerous rollcall votes can be expected throughout the session next week.

RECESS

Mr. SIMPSON. Mr. President, I now move, in accordance with the previous order, that the Senate stand in recess until 12 noon on Monday, April 22, 1985.

The motion was agreed to; and the Senate, at 2:34 p.m., recessed until Monday, April 22, 1985, at 12 noon.

HOUSE OF REPRESENTATIVES—*Thursday, April 18, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Grant us, O gracious God, during this time of remembrance of the days of the Holocaust, an understanding of the suffering of those victims and families who experienced such terror. May the events of that darkness encourage us to give light to our world; may the despair of those tragedies cause us to find hope in our world; may the evil that was practiced be overcome by deeds of justice in our world. Forgive us, O God, that we do not appreciate that all people are created by You, and we should live as one people in peace, demonstrating Your creation and glory. May we realize that the suffering of some is the suffering of all, and by sharing and understanding together we better reflect the bond that exists between us. Help us, O God, in all the paths of life, to do justice, love mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 236. Joint resolution commemorating the twenty-fourth anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 597. An act to amend subtitle II of title 46, United States Code, "Shipping", making technical and conforming changes, and for other purposes;

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; and

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

INSENSITIVITY AND CONDESCENSION TOWARD HANDICAPPED NOT ACCEPTABLE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, for my entire 16 years in the House, I have served with pride, on the Education and Labor Committee. It has produced hundreds of important laws in that time. I was especially proud to be an original cosponsor of the Rehabilitation Act of 1973 and the Education for All Handicapped Children Act of 1974.

These two laws established the philosophy that Congress saw its role as advocates for the disabled, and its recognition that the disabled had a right to be fully participating members of society.

The remarks attributed to Dr. Eileen M. Gardner, a newly appointed official in the Department of Education, reflect another philosophy of Government toward the disabled—one of insensitivity and condescension. These two philosophies are not compatible. Dr. Gardner's is contemptible and offensive to me and to many in this institution.

I intend to look very closely at the Department of Education's budget for fiscal year 1986. In my mind, I see no justification to spend 1 cent of appropriated funds to set up a new Office of Education Philosophy and Practice if it is staffed by people whose philosophies could influence practice and produce policy that is inimical to the disabled of our Nation.

LET US CELEBRATE THE LIBERATION OF EUROPEANS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I got up this beautiful spring morning, turned on my TV, and watched a "PR presidency" go mad.

First of all, we heard that the young 8-year-old girl that we were told was a Nicaraguan refugee was really an American citizen. Mr. President, that was a tad deceptive.

But then across the TV screen came a very official Government car, and we were told that it was the White House advance team on concentration camps. What are they looking for? The right light angle? Are they looking for concentration camps that had carpet?

Really, how sick is this. Let us remember what this celebration in June of the 40th anniversary of the end of World War II in Europe is to celebrate. It is to celebrate the end of a government that went mad in Europe. It is the 40th anniversary of finally liberating all Europeans, including Germans from this incredibly mad government. I stand here with a German last name, Mr. President, and I say to you: Do not go to the cemetery where people are buried who tried to perpetrate these things. Don't look for the nicest concentration camp you can find. You can't sugarcoat the Holocaust. Instead, let us honor our American heritage and celebrate the liberation of Europeans. Germans will not be angry. They were liberated also.

SECRETARY WEINBERGER'S NEW MONOPOLY GAME

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, some 95 million Americans filed our taxes by last Monday, and as we signed those forms we swore that we told the truth. We do it when we get a drivers license, a fishing license, even a dog license. If we lie, we're in trouble and we might go to jail.

But when defense contractors like General Dynamics bill the taxpayers for tens of billions of dollars, they don't have to swear they honestly earned it.

After the Energy and Commerce Committee began our investigation of defense contracting, Defense Secretary Weinberger announced a new "get tough" policy. He said he would make contractors swear not to lie when they bill the taxpayers. That was on nationwide TV. But the defense contractors complained and Weinberger quietly reversed himself. Now he says to his pals: "I was only kidding, you don't have to swear to the truth."

It's the Secretary's newest version of monopoly: Do not go to jail. Pass go and collect billions from the taxpayers.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will remind the visitors in the galleries that under the rules of the House they

must refrain from demonstrations of any type.

THREAT OF NICARAGUAN AIRFIELDS

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, several years ago when the President went before the American people and showed photographs of the 10,000-foot airfield that was being constructed in Grenada, the Marxist government immediately retorted that that airfield would, in fact, be used to ship only spice and would not be used by the Soviets or the Cuban military.

After we captured the documents in Grenada, the 26,000 pounds of documents, we found a record of a secret Central Committee meeting in which Liam James stated it was decided in the meeting that the airfield would be used by the Soviet and Cuban military.

Let us not be so naive as to believe that the airfields being constructed in Nicaragua will not be used by the Soviet and Cuban military.

□ 1110

BUDGET RESTRAINT URGED ON FORMER PRESIDENTS' ALLOWANCES

(Mr. ERDREICH asked and was given permission to address the House for 1 minute.)

Mr. ERDREICH. Mr. Speaker, former President Nixon has taken the lead. Now will Mr. Ford and Mr. Carter follow? I doubt it.

Mr. Nixon has decided to forego his taxpayer-paid security, saving the U.S. Treasury over $3 million annually. Budget restraint has not been seen in this area of former Presidents' allowances. The President's fiscal year 1986 budget calls for a 3.2-percent increase in spending on former Presidents, on top of a 12-percent increase since fiscal year 1984.

For this reason, I am reintroducing legislation which I sponsored during the last session to place realistic limits on the amount which taxpayers must spend for the benefits that former Chief Executives receive. While my bill will make certain that former Chief Executives have the protection and the benefits they earned, it will limit the excessive growth of this spending and assure that a new royalty for former Presidents has not been established at taxpayers' expense.

Last year when I introduced this legislation, a resident of my district urged support for my bill as she put it: To "limit how much we might pay to keep our former Presidents living the good life." She went on: "Why should we pay to support these men in such a fashion? Expenses within reason are fair, but extravagant luxury is not."

Her opinion is even more valid today, and I ask my colleagues to join me in this effort to place realistic limits on the benefits that our former Chiefs of State receive.

LEGISLATION TO INCREASE PENALTIES FOR KIDNAPING

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, I am today introducing legislation which would go a long way toward closing the loopholes which now exist in the Federal law under kidnaping.

Kidnaping under any definition is an act of terrorism, and we must do all we can to deter that type of criminal activity. The important feature of this bill is to recognize that too often our children are the targets of would-be kidnapers, so to help deter that kind of activity we are asking through this bill that we increase the penalties for attempting kidnaping of children under 13.

Mr. Speaker, this should act as a signal to would-be kidnapers that this society will not tolerate that type of despicable behavior.

FORTY "GHOST VOTERS" IDENTIFIED IN INDIANA CONGRESSIONAL RACE

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, the race in the Eighth Congressional District of Indiana is coming down to the wire. Last night my Republican colleagues again took the floor in special orders to rail about the recount, but what we did not hear was any attention of the 40 "ghost voters" who have been found in two counties carried by the Republican candidate. You see, there were 40 more votes on the voting machines in those counties than the total number of voters who walked into the polls.

If those 40 "ghost votes" are removed from the totals, the Democrat, Frank McCloskey, will be the winner. If they are counted, the Republican candidate may win.

I am calling on the task force that is investigating the Eighth Congressional District not to demean the real voters in that district by letting ghost voters influence the outcome.

Mr. Speaker, the next time our Republican colleagues take the floor on the election contest in the Eighth District I hope they will open their remarks by agreeing that the Eighth Congressional District contest should be decided by real voting citizens, not by 40 ghost voters.

MEMBERS URGED TO REMAIN STEADFAST IN REFUSING AID TO CONTRAS

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, there are times in this House when I have a great pride in this U.S. House of Representatives and I am grateful for the opportunity to serve therein. We are now in the midst of one of those times. I am referring to the steadfastness that the House is evidencing in refusing to accept the ill-conceived notion by the administration that we ought to put $14 million into the Contras in Nicaragua.

Fourteen million dollars is not the issue, although it should be when our people are being forced back into poverty. We should not be spending $14 million for military aid. But there is a larger issue, and it gnaws at me, it gnaws at you, and it gnaws at the American public. We do not want another entanglement that is going to quagmire us in Central America. We do not want another Vietnam.

I do not want to see another black wall with the names of more than 50,000 young Americans killed in a senseless war. I do not want to see another 300,000 Americans wounded in a war we should not be involved in. I respect the veterans but not the war. I do not want to see more numbers of our people mentally and spiritually ill because of their involvement in a war in Nicaragua.

I say to the Members of this House that this is the time that we refuse this $14 million. The threat of another Vietnam, the threat of being quagmired again in a senseless war is absolutely abhorrent to the American people, and I urge that we defeat any such ill-conceived notion that $14 million from this country should go to the Contras.

Mr. Speaker, this week the Reagan administration will attempt to expand its agenda of military and paramilitary activities against the Government of Nicaragua when President Reagan seeks $14 million in funds from Congress for the Contras—rebels whom he refers to as freedom fighters. I believe the means by which the administration is attempting to resolve matters, by overthrowing the government not to its liking, is counterproductive to American interest and the interest of our allies abroad.

In February 1985, President Reagan brazenly admitted to wanting to remove the Sandinista government, or making it cry uncle. This means that once again, the administration's actions are being performed without regard to the historical examples of the tragic consequences in that region. Now, the Congress must decide wheth-

er to approve $14 million for these mercenaries in the service of the Reagan administration.

The World Court has determined that the United States has already committed aggressive acts against Nicaragua, such as mining its harbors and aiding and abetting the Contras, and therefore is in violation of international law. In other words, the administration proposal to continue Federal funds for the Contras against the Sandinista government in Nicaragua is strictly punitive, and devoid of reason. These Contras have demonstrated beyond all reasonable doubt their violent, bloodthirsty nature.

If the administration continues to violate the sovereignty of Nicaragua by openly invading with armed might, and by openly supporting the Contras with arms, then this country will be headed for a serious crisis. Continued support for the Contras will only serve to draw us steadily into an expanding military role in Central America without any clear long-term objective. We need a more sensitive policy designed to negotiate long-term solutions.

It is my firm belief that the United States should support measures at the Organization of American States, as well as efforts of the Contadora group which seek to end support for terrorists, subversive, or other activities aimed at the violent overthrow of the governments of the countries in Central America. Working through the Organization of American States and the Contadora process is the proper and most effective means of dealing with threats to peace in Central America.

I shall continue to vote against any Federal funds for the Contra forces in Central America.

WHO WILL INVEST IN OUR CHILDREN'S FUTURE?

(Mr. PORTER asked and was given permission to address the House for 1 minute.)

Mr. PORTER. Mr. Speaker, the children of today—the kids in the playgrounds, in the elementary schools—will enter the labor force around the year 2000. The jobs they will find, and the pay those jobs can offer, will hinge on the capital investments made over the next 15 years.

Those 15 years will see the U.S. Treasury becoming an ever more active competitor for the lender's dollar. The Treasury has already saturated the long-term bond market—its issuance of long bonds has increased by 2½ times in just 5 years—and our heaviest borrowing years lie ahead.

As we plunge ahead through the debt-laden 1980's, private borrowing will become more risky, more expensive, and less predictable.

But what is predictable is that new job-creating and productivity-enhancing investments—investments that would benefit our children—will not be made at the rate they should be, and would be if we weren't running huge budget deficits year after year.

THE APPALACHIAN REGIONAL COMMISSION—A WISE INVESTMENT

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, this spring the Appalachian Regional Commission celebrates 20 years of service to the lesser developed areas of 13 Eastern States.

Through the provision of public facilities in the form of roads, sewer and water systems, clinics, libraries, and vocational schools, the ARC has made the Appalachian region more attractive to industries seeking new plant locations.

Economic development in my southwest Virginia district has been substantial and can be attributed directly to ARC assistance. Other Appalachian States have enjoyed a similar experience. Clearly, this Federal effort in partnership with local governments is succeeding.

But the work must go on. Many of our localities do not have sufficient public facilities to accommodate further growth, and they can acquire those facilities only with the help of ARC.

The President is asking that the Appalachian Regional Commission be abolished. I strongly disagree with this proposal. ARC produces substantial returns. It is a wise investment in our economic future.

UNFORTUNATE COMMENTS REGARDING HANDICAPPED BY EILEEN GARDNER

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, seldom if ever do I mention the fact that as a teenager I had polio and seldom do I ever refer to it, but I refer to it today because it has come to my attention that the President, through his Secretary of Education, Mr. Bennett, has appointed an Eileen Gardner to head the handicapped programs in the Department of Education.

Eileen Gardner has issued some very unfortunate comments regarding the handicapped and has set a very improper tone, among them referring to the handicapped as being "ineffective malcontents."

I think that is crass, Mr. Speaker. I speak not only for myself, but I would also like to tell you about the fact that several of us are graduates and former patients of a place called Warm Springs, GA. The Congressman from New York, JIM SCHEUER, and I were patients there together.

Bo Ginn, former Congressman from Georgia, followed me at Warm Springs, GA.

Senator EAST followed me by several years.

I also think on behalf of the 25,000 American disabled veterans, the 33 million handicapped across our Nation, that we take offense at her comments and we certainly ask that the President withdraw her appointment, because she certainly is not deserving of such a high office.

REMEMBERING THOMAS JEFFERSON

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, during the last week we celebrated a lot of things in Washington, DC. One of the things we celebrated was the birthday of Thomas Jefferson, on April 13. As we know, Mr. Jefferson was the author of the Declaration of Independence. The Declaration of Independence spoke about "inalienable rights."

Mr. Speaker, that means those rights are given by God. They cannot be taken away, that they are universal and all people have the right to them.

The democratic Contras in Central America that are fighting now are fighting for those rights. People in Central America that are desirous of establishing true democracy are really Jeffersonians and let us not forget that.

Remember, this is not a fight between Contras and another group of people. This is a fight for liberty, the principles that the Declaration of Independence and Thomas Jefferson stood for. When we celebrate the birthday of Thomas Jefferson, let us really celebrate it by giving liberty an opportunity next week.

TIME TO ABANDON FAILED POLICIES OF THE PAST IN CENTRAL AMERICA

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, the President argues that a dollar for the Contras is a dollar for peace. This twisted logic will lead to nothing but further bloodshed and further alienation of all Nicaraguan people.

President Reagan has also said that Calvin Coolidge is his favorite President, and I believe him. Under President Coolidge, nearly 6,000 marines oc-

cupied Nicaragua to protect so-called "American interests." What have 80 years of American protection produced for Nicaragua?

Mr. Speaker, it is time to abandon the failed policies of the past. Negotiation, not confrontation, is the answer.

The Contadora process, by bringing together all concerned nations in a spirit of cooperation, is the best chance we have to start bringing stability and peace to Central America. It is the region's future which is at stake here, and it is the region which must develop a solution.

I am encouraged to hear that the Contadora talks are resuming in Panama City, and that Canada has offered to monitor compliance with any agreement. Isn't it time the United States threw its full weight behind this bargaining process?

No one says the process will be easy. Central America is beset by economic as well as political problems which are centuries old. The Contadora initiative offers the most positive step toward a lasting peace in the region.

Mr. Speaker, the President has not learned from the Coolidge policies of the past. The Contras represent not the future of Nicaragua, but a sad and brutal past. Let's face the future with courage, and vote no on more military hardware for the Contras.

THE BALTIMORE CONNECTION AND THE U.S. AIR FORCE CORPS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute.)

Mrs. BENTLEY. Mr. Speaker, the Baltimore Connection, an innovative civic group in my district, is trying to make it happen for kids. In an effort to promote and encourage the talent and ability of the young aspiring musical artists throughout Maryland, the Baltimore Connection is attempting to create a corps comprised of young adults throughout the State. Drum and bugle corps activities presently comprise both the largest youth oriented and spectator appealing activities in the United States and Canada.

Tomorrow and Saturday, the U.S. Air Force Academy Drum and Bugle Corps and Stage Band is going to perform in my district. One of the three Academy performances is going to be sponsored by the Baltimore Connection. The visit of the Air Force Drum and Bugle Corps will allow the youngsters the opportunity to observe and perform with accomplished and experienced musicians.

The goal of the Baltimore Connection Drum and Bugle Corps is to portray a musical image of Baltimore and Maryland throughout the State, while at the same time developing the talents of our youth. The development of their skills is not only important to the State of Maryland but to the entire country.

THE PROGRAMMABLE IMPLANTABLE MEDICATION SYSTEM (PIMS)

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, a million Americans suffer from diabetes, a disease that destroys the body's ability to control its blood sugar and produces such serious complications as heart disease, kidney malfunction, and blindness, and thus causing its victims to lead very restrictive lifestyles.

A new technology has emerged that may ultimately free diabetics and victims of other long-term diseases from their restrictive lifestyles. NASA is working with private corporations and health care organizations in developing programmable, implantable medication systems [PIMS] that will automatically deliver prescribed doses of medication to key areas in the human body.

In 1979, NASA determined that existing technologies from several NASA research centers could contribute to the development of a PIMS. NASA along with Applied Physics Laboratory of Johns Hopkins University proved that the PIMS could work and encouraged further development of the system.

Today, the PIMS is a reality. It is performing well in long-term animal implants and will soon be tested in humans. Prospects for the PIMS are excellent, and researchers are investigating the possibility of applying it to a variety of other disease treatment programs.

The PIMS stands as an excellent example of how NASA technology, effectively applied, can help private industry solve important technical problems.

□ 1130

CENTRAL AMERICA: DOSE OF REALITY—NO. 3

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, pursuant to the War Powers Act, the President must submit to Congress a written report within 48 hours of taking any one of three specified acts.

I discussed the first specified act yesterday, which refers to the introduction of U.S. Armed Forces into hostilities or situations where imminent involvement in hostilities is clearly indicated. Today, I'll talk about the second specified act.

If the President sends U.S. Armed Forces into the territory, airspace, or waters of a foreign nation while equipped for combat, he must report to Congress.

Has our President sent U.S. forces into the territory, airspace, or waters of a foreign nation? Of course he has, We have CIA personnel in the territory of Nicaragua; we have 20,000 U.S. troops in the territory of Honduras; we have military in the territory of El Salvador; we participate in regular reconnaissance flights throughout the airspace of Central America; we have mined the waters of Nicaragua; and we have ships lodged in the waters of Honduras. These are all foreign nations, and the President is occupying their territory, their airspace, and their waters without reporting to Congress. This is a clear violation of the law.

And are the Americans who are occupying the territory, airspace, and waters of Central America "equipped for combat?" Of course they are. Our troops participating in exercises in Honduras are using live ammunition and tanks and weapons, so they are well-equipped for combat. The mines the CIA planted in the waters of Nicaragua were real mines. Our military personnel are carrying rifles, not just pistols. All these weapons are used in combat, not just for personal protection. The President has not only provided these weapons to the people of Central America, but he is using them himself in an illegal undeclared war.

PRESIDENT REAGAN'S NICARAGUAN POLICY

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the deliberate effort by President Reagan and members of his administration to deceive the American people regarding his Nicaraguan policy almost defies belief. Let me cite some examples.

Mr. Reagan tells the world that President Betancur of Colombia supports his proposal to provide $14 million to the counterrevolutionaries. Mr. Betancur then denies that he ever expressed such support and in fact he says he opposes that funding. Ditto with eight other Latin American heads of state whose letters expressing support for negotiations is transformed by the administration into support for funding, only to have Langhorne Motley, Under Secretary of State for Latin American Affairs, acknowledge yesterday at a Foreign Affairs Committee hearing that none of those leaders ever expressed such support publicly. And finally, yesterday the President announces that the Pope supports his proposals, only to evoke

an immediate denial from the papal representative in Washington.

Why all the deception? Why is the administration so afraid of the truth?

Because the Reagan policy for Nicaragua is dangerously bankrupt and the American people have rejected it. Now it is the turn of Congress to do so unequivocally.

HAPPY BIRTHDAY TO THE HONORABLE JAMIE L. WHITTEN

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, today is the birthday of one of our most esteemed colleagues, JAMIE WHITTEN, the dean of the House and the chairman of the House Committee on Appropriations.

The State of Mississippi, the Congress of the United States, and the Nation as a whole owe JAMIE a special vote of thanks for his 54 years in politics. He began his political career when he was 21 as a member of the Mississippi House and continued his service as district attorney until he was elected to the 77th Congress. As the senior ranking member of the Committee on Appropriations, I work closely with JAMIE on a daily basis. I can tell you that he is amiable, fair, and diligent in all of his efforts to bring the many bills to the floor that fund our entire Government's activities.

He has the institutional memory to tell us the why and the wherefore of programs developed in the days of President Franklin Roosevelt and up through the Republican and Democrat administrations alike to the present. He is also an institution in this body because he knows how to legislate and how to get others together to do so. JAMIE is young at heart and vigorous. Although he will not give Jack Nicklaus or Arnold Palmer scratch competition on the links, they can only spot him a few strokes before they get in trouble. So to my chairman and our dean, I want to take this opportunity to express for all of us here a continued good fortune for many more years to come. Happy birthday, JAMIE.

FARMWORKERS FIELD SANITATION STANDARDS

Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, some distinguished voices have recently said the Labor Department's refusal to issue a farmworker field sanitation standard was nothing short of outrageous. No—in truth what is outrageous is this matter being a subject of disputation at all.

We are a nation priding itself on our inbred compassion and sense of dignity. Hygiene, I would have thought, is something which should not be bantered back and forth like any other socioeconomic question debated in a public tavern. We're not talking about interest rates on T bills; we're talking about the kind of health problems that should not exist in a technologically advanced civilization. Dysentery, cholera, hepatitis, and the like are infections we associate with standards of living from our distant past.

It would be only the most inhumane farm owner who would deliberately put his field workers at risk of contracting those avoidable infections. But what is the extent of such inhumanity?

Are we truly a nation of Simon Legrees forcing tens of thousands of fruit and vegetable fieldworkers to routinely endure sickness, dehydration, and digestive disorders for the sake of a bucket of tomatoes? No—I do not think this is the case. But I am certain there still exists a sizable number of farmworkers who lack the sanitary means to ensure good health. It is those people we must address ourselves.

The Labor Department tells us in its April 16, 1985, final determination by the Occupational Safety and Health Administration that over 75 percent of all fieldworkers now labor in States where there are statutory and regulatory provisions on field sanitation. Is this a statistic which can be refuted? Would a Federal standard improve the conditions under which this 75 percent population toil?

A Federal standard would extend an umbrella over the remaining 25 percent population who currently work in States where there is no sanitation standard. In those few States, are farmowners complying voluntarily to any degree? Can we assume with any justification that they are not?

And what are we to make of OSHA's declaration that of the 13 States which presently enforce field sanitation standards, 10 of them have stricter rules than those which our own Congress instructed OSHA to promulgate? The other three States have standards that somewhat parallel the Federal OSHA proposal. Is OSHA deceiving us with numbers we cannot instantly verify?

Mr. Speaker, it is my belief that a Federal standard would principally satisfy a problem that exists in farm labor States with no statutory requirements. The States which now have enforceable standards are California, Colorado, Connecticut, Florida, Idaho, Illinois, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Texas, and Maine, for blueberry pickers only. The extent to which any of these 13 States have fully implemented their sanitation standards is not precisely known to me—but all these States have regulations on their books. But other States where perishable commodities are prevalent need some protection. How are we to provide it if OSHA refuses to act?

That is a question we cannot immediately answer. Farm labor groups will play a key role in convincing certain State legislatures to get on with the task of doing what their neighboring States have done. It must be done. I find it personally inconceivable that the States lacking any sanitation guidelines have made no progress toward that end.

It seems to me the question here is not one of commitment to health. Absolutely everyone would agree to that. Even the groups representing agricultural employers did not argue to OSHA that farmworker health was not a desirable thing. Their principal argument was economics—and that is a pretty standard argument. It's a weak one, too. Fresh water and a portable toilet don't cost much to provide. I reject these arguments about cost-benefit ratios. They are inhumane in themselves. We are speaking of a question of basic morality and human decency.

What we need to address at this sad juncture in our efforts is the need for a Federal presence. OSHA claims it does not have the enforcement personnel to service a Federal standard. I won't argue with that—OSHA has been RIF'd like every other agency. Our several State departments of health and/or agriculture currently manage and oversee many Federal programs as well as indigenous State programs. Can those State agencies pick up the enforcement responsibility if a Federal standard were issued? It is a possibility. The OSHA belief that no Federal standard is needed because it can't be enforced is ludicrous.

Now what do we do. If a Federal standard whose rough silhouette was drawn by Congress is issued, it would preempt better standards in 13 States. It would seem to me that we have a choice. Congress can begin the process all over again, issue new legislative instructions that match or exceed the existing rules in those 13 States, and let OSHA proceed with a new round of rulemaking.

Our other choice is to support the efforts of existing groups to lobby in State capitols where there are no standards and apply some firm persuasion to get those States to do what is proper. It seems to me that instead of arguing over whether the Federal executive should take the lead or the States should take the lead—we should all be working toward our goal down the quickest avenue possible.

Mr. Speaker, how long can we sit back and allow these indignities to be suffered by human beings?

THE VOTE FOR AID TO THE FREEDOM FIGHTERS IN NICARAGUA

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, many of my colleagues have said that the polls show that President Reagan's Central American policy is unpopular. Now that is turning around.

But even if it were not, remember the people of this country trust and respect Ronald Reagan. The initial polls showed the people opposed his actions in Grenada, but within days, no, hours, that opinion changed.

The Communists are bent on revolution throughout Central America and Ronald Reagan knows it. You and I know it. And soon the people of America will know it as well.

If you vote against the President's peace proposal next Tuesday because you think it is politically popular, remember those who opposed President Reagan's Grenada rescue mission ended with egg on their face. This vote will come back to haunt you if you make the same mistake again. We will make sure of that.

The next time you may lose your political head.

SANITATION STANDARDS FOR FARM WORKERS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, it is shameful that most of the Nation's farmworkers have never had sanitary standards. After OSHA's refusal to promulgate sanitation standards, one wonders if OSHA really stands for Occupational Safety and Health Administration. There are thousands of pages of evidence that documents a high incidence of infectious and parasitic diseases, toxic disorders, and other ailments that are caused by a lack of fresh water and rest rooms. I say to all of my colleagues, we cannot turn away from these workers, whose working conditions compare only to certain areas of the Third World. OSHA has dismissed the plight of thousands of farmworkers as if they lacked the human dignity we claim to accord to everyone. How are these workers to wash the pesticides from their hands, to quench their thirst, and relieve themselves during the day. According to OSHA these necessities are not a top priority. What are the priorities, Mr. Speaker? The people of this country can figure this out. Why can't OSHA.

I appeal to the Secretary of Labor designate, Mr. William E. Brock to immediately issue regulations for field sanitation standards for farmworkers. I also appeal to Mr. Brock to ask for the resignation of OSHA Director Robert Rowland, who had the audacity to say to the Federal appeals court he was not aware of a report by OSHA's own health expert's which recommended the sanitation standard.

On April 17, I went to the Department of Labor to offer a rebuttal and was shocked at being refused access to the building. Mr. Speaker, I believe we might expect such action from the South African Embassy, but not here on Capitol Hill. Why was a Member of Congress prohibited from entering the Department of Labor. I want an answer to this question, and I want to see labor standards issued now.

AID TO THE FREEDOM FIGHTERS IN NICARAGUA

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, next week we will vote on the critical issue of the U.S. assistance to the freedom fighters in Nicaragua. There are some people who say this is not America's business and, Mr. Speaker, I would like to tell you yes, it is America's business because America is a nation that was founded on an idea, on a principle that all men are created equal and endowed by their creator with certain inalienable rights. Not just Americans, but all men.

□ 1140

And, Mr. Speaker, history proves that all men know they have such an endowment of rights because throughout history all men have been willing to fight for their freedom and, failing in that fight, all men have shown that they are willing to vote then with their feet to move to a better place, and a better place indeed has proven historically to be the United States.

Should the people in South America not get the assistance they need to win this fight for their freedom, for their right to live free in their own land, they almost certainly will run free and they will run north to the U.S. border, to that haven that has been proven throughout history.

Mr. Speaker, I do not want to be faced with the moral dilemma of having failed to give the assistance of materials to these people at a time when they were fighting for their freedom, to have to stand at our border and deny them the freedom and the right to come to our country, as they most certainly will try, as people throughout the world have most certainly done in the past.

I thank the Speaker.

COVERT AID TO NICARAGUA

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AcCOIN. Mr. Speaker, knowing that aid to the Contras was "dead in the water" in Congress, the administration has pulled a new Nicaraguan peace plan out of its hat: For 60 days, American covert aid would be strictly "humanitarian." After that, barring a negotiated settlement, the aid would become military.

What a plan. Who supports it? Not the Contadora nations who have worked for 2 years on an agreement to ease tensions in Central America. Not Colombian President Betancur who said that covert aid is "a preparation for war." By the way, you don't hear leaders like him calling the CIA-backed rebels as freedom lovers who are desired to Thomas Jefferson!

The only people who like the peace plan are White House strategists who dreamed it up to get Congress to release the $14 million. Mr. Speaker, in the upside down world of this Administration. This plan should be called a peace threat.

This is a no-lose situation for the administration, and a no-win situation for Central America. It assures the Contras $14 million in military aid—if they don't reach an agreement with the Sandinistas. And, until the charade of negotiations is over. The Contras will get "humanitarian" aid such as trucks, uniforms, and logistical support.

Mr. Speaker, there is no such thing as humanitarian aid to a mercenary army. Especially an army that the President says he wants to increase in "size and effectiveness" if he wins this $14 million kitty.

Mr. Speaker, let's end the covert war and push for a policy that can bring peace to Central America.

THE TASK FORCE HAS RUN AMOK

(Mr. WALKER asked and was given permisson to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, when discussing the Eighth District race in Indiana in recent weeks we have heard the Democrats talking all the time about "Let's count all the ballots." We did not know until yesterday just how far they are prepared to go on that, because now we find that counting all the ballots means reaching into the next district, finding a Democratic ballot over there for Mr. LEE HAMILTON and counting that for Mr. McCloskey. In the count yesterday we found out that they got a ballot that was evi-

dently wrongly distributed but, nevertheless, has LEE HAMILTON's name on it, where they voted straight Democratic. But they decided now to count that vote for Mr. McCloskey, saying that the guy who voted for Mr. HAMILTON really meant to vote for Mr. McCloskey in that race.

That one vote could be the difference in this race, it is that close. I suggest that a task force that is going to count ballots cast for one person for someone else is a task force that has run amok. The kinds of things we have seen happening with this task force's voting rules and the rules they have set up for counting just has become an issue that is absolutely ridiculous.

LIMITING SHELTERING OF OFF-FARM INCOME TO $25,000 PER YEAR

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, today I am introducing legislation that will limit to $25,000 per year the amount of off-farm income which could be sheltered by farm losses.

This legislation will close a tax loophole which is aggravating our mounting agricultural crisis. This is a way to help our family farmers and save the Government money at the same time. Farmers and ranchers not only have to deal with low commodity and livestock prices, high interest rates and declining agricultural exports, but they also must compete with so-called gentleman farmers who are more interested in farming the Tax Code than in producing food and fiber. These investors use tax benefits from farming, such as investment tax credits or depreciation on farm equipment and livestock, to shelter nonfarm income.

Tax investors compete with genuine farmers and ranchers for farm and ranch land, add to surplus production problems, and sometimes farm marginal lands, thus aggravating soil and water conservation problems. This legislation will go a long way toward restoring commonsense to our Nation's tax policy as it applies to agriculture. Overproduction due to tax-beneficial investments by nonfarmers results in lower prices for consumers, but devastates legitimate farmers. Meanwhile, farmers with no income to shelter get no benefits. My legislation protects farmers who need nonfarm income in order to stay afloat over the long term by excluding from the tax-loss limitation farmers with nonfarm income if they are actually in the business of farming to make a profit and if they received the greatest share of their income from farming in 3 of the past 7 years.

Current tax programs stimulate production, while farm programs prop up prices, subsidize farmers, and pay them not to grow more food. Tax policy throws farm production out of sync by bringing in investors who care less about farming than they do about sheltering outside income from taxes. My bill is a good opportunity to add some revenues to the Federal coffers while sending some absentee farmers to look for shelter somewhere else.

THE EVOLVING RATIONALE FOR CONTRA AID

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, let us review for 1 minute the conveniently evolving rationale for Contra aid.

First, we were told that it was to help interdict Nicaragua arms shipments to Salvador guerrillas.

Then we were told that it was to put external pressure on the Sandinistas to honor their revolution's goals.

Those early rationales proved false when we learned the CIA was conducting a deadly war inside Nicaragua, shooting unarmed civilians and officials, publishing assassination manuals, mining harbors, and blowing up economic targets—terrorism sponsored and financed by the CIA, in violations of the Boland amendment, international law, and the Treaty of Rio.

Twice Congress said no to this policy. We turned off the financial spigot.

Last March we learned of a new rationale for Contra aid when President Reagan and Secretary Shultz admitted that the real goal was to overthrow the Nicaraguan Government.

Now the President has a new rationale with a ribbon tied around it called peace talks.

The real issue here is not the $14 million itself, regardless of how packaged. It is: Do we want to turn on that spigot again?

Once we do, we once again head down the road of overthrowing an internationally recognized sovereign government—a return to Yankee style "might makes right" which hurts us badly in the region—a policy which brushes aside the Contradora opportunity of negotiated settlement.

It is a policy that the American people disapprove of and Congress has rejected twice.

Congress must say no again.

□ 1150

FUNDING THE CONTRAS WILL MAKE THE PROBLEM OF NICARAGUA WORSE, NOT BETTER

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, Central America has two problems: poverty and war. Reagan's proposal means more of both.

I was in a God-forsaken refugee camp in the hills of Nicaragua last week, and Lucia Zamora, a woman who has lost three nephews to the Contras, came up to me and said, Please don't send more money to the Contras. We need it more here, in the villages.

These are the people whose lives are being destroyed. Not by the Cubans, not by the Soviets. They are being destroyed by the Contras and their war. Do not compare the Sandinistas to the Almighty; compare them to the alternative.

Funding the Contras will make the problem of Nicaragua worse and not better. President Reagan may be trying to prevent another Cuba, but his policy is going to create another Cuba.

If we want humanitarian assistance to Nicaraguan refugees, we will have the chance to debate that later.

Let us not let the President muddy the water.

The question is crystal clear: The issue is $14 million for war in Nicaragua. The vote is yes or no.

REAGAN ADMINISTRATION APPOINTEES ATTACK PROGRAMS FOR THE HANDICAPPED

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, yesterday two Department of Education appointees of the Reagan administration had the following to say about programs for handicapped people.

Mrs. Gardner said:

> What happens to a person in life, the circumstances a person is born into . . . those circumstances are there to help the individual grow toward internal spiritual perfection.

Then Mr. Uzzell testified that he once again was urging that the 1975 law for the education of handicapped children be abolished.

Well, whatever one's religious beliefs might be, those two statements are not ones of morality but are statements of moral bankruptcy. Those beliefs do not stand for the law and the rights of the individual but instead result in the law of the jungle.

There is still a sense of community in this country. I hope, as urged by the gentleman from California yesterday on this floor, that Mrs. Gardner's appointment will be withdrawn.

PROTECT OUR SENIOR CITIZENS

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KANJORSKI. Mr. Speaker, the American Association of Retired Persons has estimated that a typical retired couple will see its Social Security and Medicare benefits cut by more than $2,000 over the next 4 years if the revised White House budget is implemented. The AARP further estimates that permanently lowering Social Security benefits by 6 percent would force almost 1 million additional elderly below the poverty line over the next 3 years.

Mr. Speaker, there is no need to steal $22.6 billion over the next 3 years from our senior citizens when Social Security is financially sound and funded out of its own trust fund, and not out of general revenues. Cutting Social Security will not reduce the deficit, it will only increase the surplus in the Social Security trust fund.

As responsible legislators it is our duty to put this so-called Diet COLA where it belongs—in the can. I urge all of my colleagues to reassure their senior citizens that their COLA's are safe by cosponsoring House Concurrent Resolution 116.

NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 128 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 128

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Science and Technology now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI and section 303(a)(4) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore [Mr. TORRES]. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for the purpose of debate only, I yield 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 128 is the rule providing for the consideration of H.R. 1617, the National Bureau of Standards Authorization Act, for fiscal year 1986. It is an open rule, providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology. The resolution makes in order the committee amendment in the nature of a substitute as an original bill for the purpose of amendment, and provides that each section shall be considered as read.

There are several waivers of points of order in this rule, Mr. Speaker. The first waiver is of the 3-day layover rule for committee reports. Although the Committee on Science and Technology ordered the bill reported on April 3, the report was not actually filed until Tuesday, April 16. Since the printed copy of the report has not been available for the required 3 days, the waiver of rule XI, clause 2(l)(6) is necessary.

Mr. Speaker, points of order are also waived under section 303(a)(4) of the Congressional Budget Act—which provides that it shall not be in order to consider any bill which provides new entitlement authority first effective in a fiscal year until the first budget resolution for such fiscal year has been adopted. Section 6 of H.R. 1617, as reported, provides new entitlement authority by setting the rate of compensation for the Director of the Bureau at level 4 of the Executive Schedule. Since this new entitlement authority is first effective in fiscal year 1986 and since no conference report on the first budget resolution for fiscal year 1986 has been adopted, the bill violates section 303(a)(4) of the Budget Act. However, the Committee on Science and Technology intends to offer a floor amendment during this violation.

Mr. Speaker, House Resolution 128 also provides a waiver of clause 5 of rule XXI to allow consideration of the committee substitute. That rule prohibits appropriations in a legislative bill. H.R. 1617 would authorize the Secretary of Commerce to acquire capital equipment and inventories with receipts for work or services performed. Since the provision makes existing funds available for a new purpose, it is construed as an appropriation. Again, it is our understanding that the Committee on Science and Technology will offer a floor amendment that will cure this violation. Mr. Speaker, upon conclusion of consideration of the bill, one motion to recommit with or without instructions would be in order.

Mr. Speaker, H.R. 1617 authorizes $143.9 million for the activities of the National Bureau of Standards for fiscal year 1986, as follows: $139.9 million for programs conducted at the National Bureau of Standards, $2.8 million for the Office of Productivity, Technology, and Innovation, and $537,000 for the National Technical Information Services. In addition, H.R. 1617 restores three centers which have received strong bipartisan support by the Congress but which have been proposed for elimination or reduction. They are the Center for Fire Research, the Center for Building Technology, and the Institute for Computer Sciences and Technology.

The Committee on Science and Technology voted to restore $9.7 million for these two critically important centers and also restored $5 million to the funding level to the Institute for Computer Sciences. This institution plays a critical role in improving our Nation's use of computer and telecommunication technology.

Mr. Speaker, I support this bill and I urge support of House Resolution 128 so that we may proceed with this important legislation that would allow the National Bureau of Standards to conduct the programs that Congress mandated.

□ 1200

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 128 waives three points of order against consideration of the 1986 authorization bill for the National Bureau of Standards. That bill, H.R. 1617, is yet another example of the failure of our committees to even attempt to reduce Federal spending.

This rule is yet another example of the failure of the Rules Committee to require the legislative committees to live up to the requirements of the Budget Act. The rule also offers another sad example of our failure to force legislative committees to comply with the rules of the House.

Mr. Speaker, this rule is a prescription for bad legislative procedure. The

fact that it provides a whole set of waivers for a bill that contains excessive increases in the budget points out the necessity for the House to stop this practice of business as usual.

The resolution waives the 3-day layover rule against consideration of the bill. Despite the fact that the Committee on Science and Technology reported the bill 2 weeks ago, they did not file their report in the House until Tuesday. With this waiver, the Members will be asked to work on a bill that has been available only since yesterday afternoon.

Mr. Speaker, regarding the availability of the bill and the committee report, I would also point out that even the Committee on Rules did not have the final printed versions of them when we met Tuesday morning to report this rule.

This resolution waives the Budget Act, because the Committee on Science and Technology wants to provide a pay raise to the Director of the National Bureau of Standards, but does not have the necessary new entitlement authority to do so.

The resolution also waives clause 5(a) of rule 21 of the rules of the House, because the committee substitute contains appropriations language in a legislative bill in violation of the rule.

Mr. Speaker, there are only two good things one can say about House Resolution 128: It is an open rule and it does provide for one motion to recommit with or without instructions. The rule will allow an amendment or amendments to reduce the level of authorization for the Bureau of Standards, such as the budget freeze proposal to be offered by the gentleman from Michigan [Mr. PURSELL] and the gentleman from Connecticut [Mr. MORRISON].

Mr. Speaker, as reported by the Committee on Science and Technology, H.R. 1617 authorizes an increase of $20.7 million over the budget request of the administration. The authorization level contained in the bill is $143.9 million, an amount that is a $16 million increase over the current funding level.

The bill is opposed by the administration, and it should be opposed by the Members of the House.

Mr. Speaker, if the Congress doesn't put a stop to this kind of spending authorization, we will never be able to deal effectively with the growing Federal deficit.

Mr. Speaker, there is ample reason to oppose this rule. Because of the three waivers recommended by the Committee on Rules, this rule is bad legislative procedure. On the other hand, because it is an open rule, it is fair to those who want to attempt to hold the line on Federal spending and reduce the authorization levels in the bill.

Mr. Speaker, I yield such time as he may consume to the distinguished minority whip, the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Mr. Speaker, I opposed this rule in the Rules Committee and I oppose it now, both for procedural and substantive reasons. We considered this bill in the Rules Committee in violation of our own committee rule that requires 24-hour advance availability of bills and reports. Now, we are being asked in this rule to put the House at the same disadvantage by waiving the House rule that requires that reports be available for 3 days before legislation can be considered on the floor. We should not condone flying blind and voting blind, either in committee or on the floor. It's no way to legislate in the world's greatest deliberative body.

But this rule contains other waivers that point more to the substantive faults in this bill. Not only do we waive the House rule that prohibits appropriations in an authorization, but we waive the Budget Act prohibition on new entitlement authority being enacted before adoption of the first budget resolution. Those waivers are necessary because this bill contains authority for salary increases—yes, salary increases at a time when we are talking about freezing Federal salaries.

The Committee on Science and Technology tells us in its report that this bill authorizes $143.9 million, plus such other sums as may be necessary for the pay raises. According to the CBO estimate in the report, that will cost another $2.3 million for a total authorization of $146.2 million. That's $18.4 million or 14.4 percent more than last year's spending.

So this legislation is not just a procedure-buster, but a budget-buster as well. It's actually $21.4 million over the budget request of $122.5 million.

If my colleagues are experiencing a sense of déja vu over this legislation, it is well justified: You have indeed been here before—just a year ago this month. At that time, the Science Committee brought us a fiscal 1985 authorization that was some $6.7 million over the administration's request. The House, in its wisdom, adopted the Gregg amendment to reduce spending to the level requested by the administration, at which time the Science Committee pulled the bill. But the Gregg amendment was upheld when we resumed consideration. Despite our valiant efforts, we subsequently agreed to some objectionable amendments from the other body that prompted a veto at the end of the 98th Congress.

Mr. Speaker, fortunately, we will have an opportunity again this year to strike a blow for fiscal sanity and deficit reduction. The gentleman from Pennsylvania [Mr. WALKER] and the gentleman from Michigan [Mr. PURSELL] will be offering amendments to cut back the authorization level to the administration's request of $122.5 million—a $21.4 million reduction and for a freeze at the fiscal year 1985 level. I strongly support this amendment and hope the House will demonstrate the same courage and foresight it demonstrated last year on the NBS bill when it adopted a similar amendment. Otherwise, I fear our sense of déja vu will be completely fulfilled with another Presidential veto. And make no mistake about it—the administration is opposed to this bill in its present form. Let's support the Walker amendment to bring this back to the level of funding requested in the budget and continue with our deficit reduction efforts.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. WALKER], a member of the Committee on Science and Technology.

Mr. WALKER. I thank the gentleman for yielding, and I want to congratulate him and the gentleman from Massachusetts for pointing out accurately that this bill does indeed contain a budget waiver.

Now, it is my understanding that out of my committee we are going to have an appropriate amendment that cures that budget waiver problem. But I will say that I am going to try to point out each and every time we come to the floor with these budget waivers and I am going to try to bring to the House's attention that these budget waivers cumulatively are what are resulting in the kinds of spending problems we have got around this House, that over and over again the Rules Committee is allowing budget waivers to come through, that then we get authorization in appropriations that far exceed what we say in the budget we are going to spend. Those figures are not small figures. In the last 5 years this Congress has overspent its own budgets by $150 billion. We have added $150 billion to the national debt over and above what we said we were going to spend simply because on a regular basis we have waived the Budget Act, on a regular basis we have come in here with supplemental appropriations with budget waivers to them, and consistently what we have set out is a budget and then on the other hand set out a pattern that simply violates that budget time after time after time.

Personally, this Member is getting a little sick of this idea around here that we politically run around the country telling everybody all this good stuff we are doing on the budget and then have the pattern of operation around here a waiver of the Budget Act on every conceivable item that comes before us.

□ 1210

In this particular case, we are going to end up trying to correct it within the legislation. Thank goodness, thank goodness. But it is a pattern that we see around here all the time, that we play the politics of the budget out there, but the fact is we really do not want to obey it.

I want to congratulate the gentleman from Missouri for pointing out to the House that indeed we are proceeding right along that course with this bill. The gentleman from Massachusetts also mentioned in his remarks that we have a budget waiver in here. Again, I say I am thankful we are going to correct it in this particular case, but I would hope that the Rules Committee would begin to say flatly to the people coming before them that we are not going to accept your budget waivers anymore.

If this House cannot live within its own rules, then we better change the rules. If we cannot live within our own procedures, then we better change the procedures. But we ought not let this pattern go on where we fool people with the budget only to violate that budget day after day after day.

Mr. WALGREN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. WALGREN. I thank the gentleman for yielding.

We should lay out what we are talking about here on this budget waiver question, because the way it has been set out, it would seem like a floodgate was opened through which a lot of money is pouring.

As I understand it, we are going to be proposing a technical amendment which will bring this bill back into conformity with the Budget Act, and the only effect of that technical amendment would be that the salary of the Director of the Bureau of Standards would be made comparable with other national laboratory directors, an amount of $3,600 the spending of which is not in dispute, but simply the account from which it will be drawn from a different account.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. TAYLOR. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. WALKER. I yield to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. I thank the gentleman for yielding.

We are talking about a very technical amendment here, and there will be no change in the amount of money that is spent because of the budget waiver that the Budget Committee included in this rule.

Mr. WALKER. I thank the gentleman. The gentleman is absolutely correct. My question here is more one of process than of substance, because if this were the only budget waiver we were going to consider, I would not have so much problem. The fact is that this is part of a pattern that I am really referring to.

I would point out to the gentleman though that $3,600 represents the entire tax bill of one average American family in this country. So for that particular family, the fact that we are including a budget waiver for $3,600 is in fact a big amount of money.

Mr. WALGREN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. WALGREN. I would spend an awful lot of time in pursuit of $3,600. I think that is a significant amount of money. No amount of money is small in this body, and that is not a small amount of money. I do appreciate the gentlemen's point on process; I think that is a good point. But we should not, or no one should take the impression that we are going to be reducing the amount of spending involved in the Bureau because of this technical amendment to the budget waiver process.

Mr. WALKER. I thank the gentleman for his point and I yield back my time to the gentleman from Missouri.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. LUJAN], the ranking member of the Committee on Science and Technology.

Mr. LUJAN. I thank the gentleman for yielding me this time.

Mr. Speaker, let me give some perspective to the House as to what happened when we were in subcommittee and in committee. The bill that we came out with was $143 million. The administration had requested $122 million, but it turns out here that the 1985 level, instead of being $122 million, as the administration requested, is $127 million. About $5 million difference.

Now, what I understand will happen here today is that there will be an amendment offered to go back to the 1985 level, and then there will be an amendment that takes it down to the request level. The request level being $5 million below the 1985 level.

I think it is reasonable to support the amendment that takes it down to the request level. The agency has gone through all of the different things that they have to do to reduce their expenditures, and they have told us that $122 million is an amount that they can live with.

Why do we need to stuff $5 million down their throats that they did not even ask for, and that, if you take their word, that they do not need? I think we set a precedent in the two bills that we had last week and yesterday, the NASA authorization and the National Science Foundation; those bills were brought down to the 1985 level.

Now, in this one, do we bring it down to the 1985 level or the agency's request? I think we would be smart to take the position that whichever is the lower of the two figures, that that is the amount that we should fund. The National Bureau of Standards, the National Science Foundation, NASA; those are all agencies that I feel very kindly toward. If we were going to give an increase to any of them, those would be as deserving as any of the others because that is where the future jobs will come from.

However, we have got to be realistic in this whole budget process that our primary objective here is to reduce expenditures, and it would make a lot of sense to me that if the agency has said all we need is $122 million, why should we give them $127 million, and even worse, why should we give them $143 million as it called for in the bill?

As they say, some of my friends are for $127 million.

The SPEAKER pro tempore. The time of the gentleman from New Mexico [Mr. LUJAN] has expired.

Mr. TAYLOR. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. LUJAN. As the old saying goes, some of my friends are for $127 million; I will support that. Some of my friends are for $122 million; I am going to stick with my friends on that one also. But that then gives us a reduced amount down to the $122 million, and that is the lowest, and that is what the agency has said that they can spend and they would like.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. I thank the gentleman for yielding me this time.

Mr. Speaker, I am provoked into speaking on this rule because of the remarks of my good friend from New Mexico, who is being very generous in offering to go to the lowest possible level on this bill authorizing the National Bureau of Standards. I admire him for that. As I pointed out in connection with the debate on the NASA bill a few days ago, I hope that he will exercise similar discipline when a really important bill comes along like the defense bill.

If I were certain that he would, and that a majority of the House would, I would join him in his request here today. But I do not think that we are going to see that kind of discipline when it comes to the other bills. Hence, I am extremely reluctant to gut a bill for authorizing the program of an agency which is universally recognized as contributing a great deal to the welfare of this country; to its eco-

nomic development and to its scientific development.

I would like to clarify, just very briefly, some of the numbers that were mentioned here. The gentleman from New Mexico referred to the agency's request as being $122 million. Actually, the agency requested a figure of $226, as shown on page 5 of the committee report. It then went to the Department level, the Department of Commerce, which requested $146 million, above the level that is contained in this bill. Then it went to the Office of Management and Budget, which produced the final cut and gave us the figure that is in the President's budget.

Now, you may say that this is the agency's request; we know that it is not the agency's request, that it is the agency's request pared down by two further levels of review, and I just want to make that clear. We have not, in this authorization bill, gone back up to the agency's request, we have gone back to less than the Department of Commerce request to OMB, a request which was then cut back by OMB.

I think that the committee level is a reasonable level, and if you look at the specific programs that are incorporated in this legislation, they are programs of vital importance to the future of this country. There is a new biotechnology initiative, for example, which the entire biotechnology industry has recognized is of vital importance if we are going to maintain this industry on the path of growth which it seems to be taking.

There is an initiative there for new developments in materials technology, in ceramics. On the very floor of this House, in just the last year, we have had Members come in and add millions to fund the laboratories which are doing materials research, laboratories which will require the technical resources of the NBS and this program in order to monitor and to set the standards for the research they will be engaged in.

□ 1220

So there is no question about the value of the NBS programs, and I think my friend, the gentleman from New Mexico, could recognize that. These programs were, as a matter of fact, requested by the administration at the same time that they requested cuts in the Center for Building Technology and the Center for Fire Research and in the Institute for Computer Analysis, which this House has repeatedly gone on record as supporting in the past.

So this is a little more complex problem than was represented by the gentleman from New Mexico, and I hope I have not said anything that contravenes anything that he has said.

Mr. LUJAN. No, if the gentleman would yield, because I do want to tell him that the gentleman is correct, that the work that goes on there is excellent.

I just wanted to answer one thing. Since the gentleman said he would probably join me if I were of the opinion that maybe we ought to freeze everything, including defense, let me tell the gentleman that I am prepared to support either the Presidential request or the 1985 level, whichever is the lowest, in all cases. So having said that, I assume that the gentleman would vote for the $122 million.

Mr. BROWN of California. I accept the gentleman's statement in good faith.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 128 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1617.

The Chair designates the gentleman from Michigan, Mr. LEVIN, as Chairman of the Committee of the Whole, and requests the gentleman from Maryland [Mr. MITCHELL] to assume the chair temporarily.

□ 1225

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes, with Mr. MITCHELL (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Pennsylvania [Mr. WALGREN] will be recognized for 30 minutes and the gentleman from New York [Mr. BOEHLERT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1617. This bill would provide authorization for the National Bureau of Standards in the amount of $140 million, along with $2.8 million for the Office of Productivity Technology and Innovation, and $537,000 for the National Technical Information Service.

The vote in our committee on final passage showed strong bipartisan support for sustaining what are clearly important and unique functions at the Bureau of Standards, and I hope that the Members will think carefully about exactly what the National Bureau of Standards is all about.

The National Bureau of Standards is not a bureaucracy as its name would imply. It is a national laboratory, a national laboratory that is a unique and almost the sole source of excellence in its area of science in our country. It is in that sense a jewel in our crown and one that we undercut at our risk.

I hope that Members will stop to think of what we are talking about in the area of standards. At bottom, all science begins with measurement. If you are to conduct an experiment, you must observe what happens, and the way we observe is by measurement. We literally cannot know anything without being able to measure it. It is like in the Bible, we have a relationship with others only if we know their names, and a name was given to the Lord at a certain time in the Bible. The same is true in science. We have no power unless we can measure. It is the science of measurement that we are talking about. It is literally the linchpin to all scientific programs.

I hope that when we deal with the various efforts to reduce this budget that the Members will consider the importance of the measurement function of the Bureau of Standards. We should remember that, if we want the benefits of the laser technology that has been mentioned on the floor of the House several times recently, where we have hopes to be able to disssolve by lasers blockages in the human circulatory system, then we ought to support the science that is behind the tuning of the laser.

If we, as Members of Congress, want to write notes to people in the hospital and say we are glad they are recovering from a heart attack, we hope we should be able to also say that we supported the science that saved their lives, and not be in the position of saying we are glad you survived, but we don't really think you should have recovered.

If we want American manufacturing to be able to compete with foreign products, we should support the science that is behind the automation that is necessary. That is the science of measurement and the ability to create the microchips that are necessary in that area.

If we want to have any progress in the weapons systems of this country, I hope we realize that it was the Colt six-shooter that sort of established the need for standards. Without the concept of standards, the interchangeable

parts that led to the machinegun and the victory of the North over the South in the Civil War would not have been available to our country. In a very real sense, the mission of this laboratory is at the heart of the existence of the Nation.

Somebody said in our hearings, with a real grain of truth, that we could probably eliminate the budget of the Department of Commerce. I think there is probably a good argument that could be made by many that we ought to eliminate the Department of Commerce. But we would not be able to sustain our way of life if we eliminated the Bureau of Standards. There is a very real core of truth in that statement.

The administration has proposed an institutionally damaging budget of $120 million for the Bureau for 1986. This budget is $4 million lower than the 1985 appropriation. It contains $25 million in program reductions and $21 million, approximately, in new initiatives. The committee accepted the new initiatives proposed by the Bureau inasmuch as they were very much viewed as in the national interest. These include almost $2 million for process and quality control, $3 million for biotechnology, and $3.5 million for advanced ceramics.

In addition, the committee agreed with the administration decision to provide $8 million for construction of a new laboratory related to cold neutron source science. This involves a new level of measurement with the ability to evaluate the molecular structure of materials by a nondestructive cold neutron penetration and measurement of the effects thereof, rather than some of the destructive testing mechanisms we have which really do not tell us very much about the materials.

□ 1230

The NBS initiative in advanced ceramics is critical for the leading edge of our technology in the next several years, and that means our commercial technology. The ability of ceramics to contribute to the energy-related innovations by the development of new engines based on ceramics rather than metal is obvious to all observers, and we would fail to proceed in that area at our peril.

The initiative in biotechnology clearly is an area that is crying out for standards to enable the industry to function. In biotechnology, we need to measure things that have never existed before. Measurements of qualities of specific biologically active agents have to be developed, and there will be little progress in the industrialization of biotechnology until we do that. This is to outline how important these initiatives are to our national interest, and I hope the Members of the House of Representatives will support them.

Once again this year, the committee did not accept the administration's request that the Centers for Fire Research and Building Technology be eliminated. The Congress has never accepted the elimination of the Centers for Fire Research and Building Technology, even though it has been proposed several years in the past. Many of us are truly perplexed as to how a proposal could be made to eliminate these centers which have both contributed most important things to our national life and promise to do that in a magnified form in the future. In a sense, this almost seems to be a Washington Monument-type approach to the budget by the administration, where they propose eliminations that cannot be accepted on their face. When we consider the role of the Center for Fire Research, for example, in the development for the low-head sprinkler system which we hope will be the lifesaver for residential fire death in this country, it becomes obvious that this is an area that we should certainly not be wiping out, as the administration's budget proposes.

Second, the Center for Fire Research is now embarked on one of the most exciting adventures in the control of fire death in our time, the computer modeling of the progress of fires so that homes can be constructed not only in a most cost-effective way but in a way that takes into account the way a fire would move and would, therefore, be able to protect people in those structures by the construction of the building in a way that we have never been able to do in the past.

The fact that the United States has the highest death rate from fire in the industrial world among all nations comparable to our society is a disgrace, and it literally would be a disgrace, with the lives that will be lost to fire if we back up and wipe out that Center for Fire Research.

The same thing can be said about the Center for Building Technology. Nothing has more concretely, on a cost-effective basis, contributed to the well-being of the American public than the Center for Building Technology. In one little measure, the development of an insulation measurement technique that allowed the building industry to save literally $90 million a year, the Center for Building Technology justified its existence ad infinitum. If we take the $90 million that the American public saved from the single development alone, and put it in an endowment, it would give us year by year the $5 million that we invest in the whole range of building technology functions that are carried out. And there is a host of them that would be absolutely essential and would not be picked up in any other way.

The Institute for Computer Sciences and Technology is authorized in the bill at the rate of $10 million. The administration cut that by about $5 million on the rationale that somehow or other we should limit their involvement to international computer standards. I support their involvement in international computer standards. I am remembering in years past that the administration did not support the international program despite the fact that we would be left out of a multitrillion-dollar business as France and other countries occupy the rest of the world in computer technology if we do not engage in the international development of standards.

But the domestic contribution of the Center for Computer Standards and Computer Technology is absolutely essential. It is the only place where we now, as a Government, go for up-to-the-moment solutions of computer problems for Government computer work. The fact is that we are saving the taxpayer money head over heels in the application of computer technology to Government work. To simply remove ourselves from any ability to do that in the best way we can is to tie our hands behind our backs and just engage in wholesale waste.

The bill also has in it $2.5 million for steel research. This is not additional spending. This is money set aside in one of the research directorates within the basic authorization. But this is a most important effort that the Bureau of Standards is able to contribute to. If we are not going to protect our producers in this country from imported goods, either steel or otherwise, the least we can do is put them on an equal footing with respect to the other kinds of advantages that foreign producers have. One of the most important of these is at least the cooperative help of Government science skills in helping to advance the technology of their industry.

If our wage standards and our living standards are to be equal to the rest of the world, we have to produce smarter. The only way we can produce smarter in the steel industry is to have the kinds of initiatives and the forces of scientific talent that are provided in this bill so that we can produce "smarter" and essentially "leapfrog" the present methods of producing steel. We must do better than the rest of the world in the use of our scientific knowledge so that our producers will be able to be competitive even though they support the living standards of the United States of America rather than those of South Korea or Taiwan.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I am happy to yield to my friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank my colleague, the gentleman from Pennsylvania, for yielding.

Mr. Chairman, this initiative is a unique initiative that has been functioning, and it has brought leading scientists from the steel industry together on problems of common interest so as to develop the kinds of new technologies that make our steel industry once again preeminent in the world.

I think what the Members of this body need to recognize is the extraordinary amount of industrial cooperation stimulated by the governments of our foreign competition. Nowhere is this truer than in the country of Japan where scientists and engineers and technologists from various competing industrial entities combine together to work on common problems, solve those common problems, go on to compete with one another, and then go on to compete in the world with countries like the United States.

We do this to a very limited extent, and the small program within the Bureau of Standards which has been so successful in bringing these industry scientists together is something we can look to with pride.

I might add that the National Bureau of Standards has provided a kind of model framework for other National Government research and development facilities when it comes to having industry scientists work together on common problems, solve those common problems, and then go off in their various competitive directions. That is something that I just mentioned that is carried on by our competition. There is a range of industrial competitive efforts brought together by the National Bureau of Standards which extends beyond the steel industry to other basic industries in this country. It is my opinion that the Federal research and development economy must acknowledge these kinds of successes and must in other Federal laboratory facilities move toward the kinds of programs that have brought industry scientists and engineers together to solve common problems.

□ 1240

It is a worthy model and the successes are worthy of the support of the Members of Congress.

I thank the gentleman for yielding and thank him for his leadership in this area.

Mr. WALGREN. Mr. Chairman, I thank the gentleman for his statement and would like to be associated with his remarks and his fundamental appreciation of the contribution that the Bureau of Standards has made to our science and can make in the future to our industry.

I think one other point I would like to make or one last point I would like to make is that we will be dealing with various proposals to reduce this budget that have been brought forth out of the committee. As the gentleman from California said, the budget request that came from those who are most in touch with the programs within this national laboratory were some $40 million above the amount that was originally requested by the administration.

We have certain add-ons in this bill. We chose as a committee to respect the importance that the administration gave to the initiatives in ceramics and in other areas. At the same time, we were unable to give up the amounts that have been invested in the past in the Center for Fire Research and the Center for Building Technology and in the computer technology area.

This puts us in the position of having a bill in which the President is below the freeze level of last year's appropriations. We are, as a body, going to have to choose at what level we would respect and believe it is in the national interest for this budget.

I understand going to the freeze level. There is much to be said for that, inasmuch as this country has a large overall problem and we are trying to set precedents of restraint in this House. We will, at the appropriate time, be offering a budget which goes to the level of 1985 appropriations.

There are those in the body who want to go below that, that will either in their view go to 1985 freeze levels or the President's recommendations, whichever is lower.

I would like to say that those same individuals have not accepted the President's judgment about what is in the national interest in the area of NASA or in some of these initiatives that the President has recommended as important for the national interest.

It seems that the underlying rationale then to go below a freeze level is simply to vote for the lowest amount that is offered on the floor of the House of Representatives, whatever that might be.

I would hope that people would think twice about that, because that is essentially a very arbitrary approach to budgets that are as important to the national interest as this budget is.

"Daffy Duck," although he may not be a Member of Congress, could conceivably have an amendment offered on the floor of the House of Representatives which provided zero funding for this kind of effort; but the truth of the matter is that we would not respect that. We have an obligation as Members to try to preserve the value of these programs, make a judgment as to the level that is most appropriate in view of their contribution to the national interest. That may be a freeze level, but there is one thing it is not. It is not the lowest level that is ever offered on the floor of the House of Representatives.

I would hope that people would approach this with a good deal of care and recognize that this may be the most important and interesting bill up yet, because we will have a choice between freezing at the 1985 level or going below the 1985 level to one that happened to be recommended by the President, but I would hope we would remember that we did not take the President's recommendations when he was above the 1985 levels and I would think that should make us think twice about whether we should take the President's recommendations in areas where he might be below.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Committee on Science and Technology brings forward H.R. 1617, a bill to reauthorize the National Bureau of Standards and for other purposes.

The committee sought to report a bill having the greatest bipartisan support, doing so on a recorded vote of 30 to 7. I emphasize, however, that the conditions we faced in deciding the Bureau's budget were far different from that of the National Science Foundation. There were several new and exciting initiatives being proposed in the administration's submission to Congress. We, on a bipartisan basis, supported those administration initiatives. However, the total dollar amount for these initiatives were essentially equal to the proposed decreases. The administration's request for the Bureau for fiscal year 1986 is $120 million, including program increases totaling $16.4 million. The request also includes proposed program reductions of $16.5 million and decreases of $7.6 million attributed to the President's deficit reduction program and $1.2 million to carry out the Deficit Reduction Act of 1984.

For some 4 years now, the administration, in an effort to curb the growing deficit faced by this Nation, has proposed cuts in three programs which cause problems for members of this committee. They are: First, the Center for Fire Research; second, the Center for Building Technology, each of which have been slated for elimination; and third, the Institute for Computer Science and Technology which is slated for a 50-percent reduction. The committee has made a concerted effort to substantiate the justification which the administration states for the elimination of these programs. It is clear to the committee that no other entity will take on this effort and our record is very, very extensive. In the past, the full House, on a strong bipartisan basis, has supported the reinstatement in full of these three centers.

The administration is requesting some admirable increases for efforts at the Bureau. These proposed program increases are in process and quality

control measurements at a level of $1.9 million, a biotechnology initiative at $3 million, advanced ceramic activities at $3.5 million and a continued effort to establish a national center using the cold neutron facility, a fiscal year 1986 request of $8 million.

NBS is clearly a national resource which could be leveraged at a time when our American industries are competing quite vigorously in an international market. NBS offers a clear and distinct opportunity to link U.S. industry and commerce, to those factors which hinder their performance in the marketplace. In performing its functions, the Bureau of Standards must remain a state of the art, scientific organization. It must have the resources to interact with the industrial community as well as technical resources to promote and preserve the standardization problems facing American industry.

The United States is in a race for its technological life. That race is under way today, but it will continue well into the 21st century. NBS is a high-tech agency with an outstanding track record of working on key areas of industrial competitiveness and working closely with industry. The authorization for NBS which we bring before the full House will help foster the climate for American industrial competitiveness and U.S. resurgence in the world economy.

Unlike many other Federal agencies that operate national laboratories, the entire work force of the Bureau is the national laboratory. There is not an overflow in administration's GS level 11-15 employees. These people represent the meat, the technical support, the bench type scientists. Among all the Federal research establishments the National Bureau of Standards has done more to couple Federal R&D resources with the private sector than any other institution in the Federal Government.

They have exceeded the reasonable amount of funds an R&D agency should seek from other Federal agencies. In fiscal year 1985, $124 million was appropriated, however, this amount is being leveraged by sources reaching a level of $86 million.

Yet while the fiscal year 1986 proposal returns the Bureau to $120 million which was the level held through fiscal years 1982-84. Yet, again NBS will seek out sources of outside funding amounting to $89 million for fiscal year 1986. Even the Grace Commission, in its report to the President on cost control in the Government, recommends that the ratio of technicians to professionals in NBS laboratories be increased. They recommend that NBS leverage more university students as NBS technicians. Yet NBS does not, under the fiscal year 1986 proposed budget have the resources to implement this recommendation. In fact, during the period, from 1980 to present, full time equivalents [FTE] have gradually dropped from 3,659 in fiscal year 1980, to 3,079 in fiscal year 1986, leaving us 23 percent below fiscal year 1980 funding and a reduction of FTE's of 580 positions or 16 percent. The committee is greatly concerned with the ability of NBS to maintain and attract a quality scientific work force, as the Grace Commission would even recommend.

H.R. 1617 reauthorizes appropriations for the National Bureau of Standard [NBS], the Office of Productivity and Technology Innovation [OPTI], and the National Technical Information Service [NTIS].

As described by our subcommittee chairman, this bill authorizes $139.96 million for NBS. This figure accounts for the new initiatives proposed by the administration in process and quality control. Biotechnology ceramics and the beginning construction phase of the cold neutron facility.

In addition, the bill restores three centers which have received strong bipartisan support by the Congress but which were proposed for elimination or reduction. These are the Center for Fire Research, the Center for Building Technology, and Institute for Computer Sciences and Technology.

The bill restores $6.8 million of the $12.2 million cuts to the administrative and capital equipment budgets of NBS. The Office of Productivity and Technology Innovation received level funding in H.R. 1617 as compared to fiscal year 1985 appropriated levels and the request for the patent licensing program was accepted at the administration's request.

The subcommittee chairman, Mr. WALGREN and I have had discussions regarding the role of NTIS in Japanese translation of technical information, to make those resources more available within the United States.

In the past 2 years, this committee has authorized moneys for this effort, but appropriations did not occur. The chairman and I have agreed not to authorize new spending in section 2, section 9, or section 10(B) of the bill, because of the budgetary constraints the Federal Government faces.

Nevertheless, the committee continues to be concerned about the imbalance in the exchange of scientific and technical information between the United States and Japan. Significant advances in science and technology, along with a National policy of emphasis on R&D, are expected to continue in Japan in the coming years. The United States is not getting the benefit of this information, either to enhance its data bases or to understand better the relative technological strengths of United States and Japan, because it does not have an adequate system in place to explore properly these scientific and technical developments. The committee intends to pursue this issue further by exploring the possibility of using excess foreign currencies to allow the translation and dissemination of Japanese technical information and by holding congressional hearings later in the session on this issue. The committee strongly encourages the Assistant Secretary of Commerce for Productivity, Technology and Innovation and the Director of NTIS to likewise pursue finding options to conduct this effort.

In closing, I would like to note that there has been considerable discussion between members of the Science and Technology Committee regarding the funding level of H.R. 1617. It is the belief of the majority of the members on the Science and Technology that the recommendation the committee wishes to bring to the floor is the most sound funding level NBS requires to accurately conduct the programs Congress mandated.

□ 1250

As I stated yesterday in this floor debate on the National Science Foundation authorization, I am not wedded to the mentality that we should freeze everything. I do not like deficit spending any more than any other of my colleagues here. But the last time I checked, we get paid a pretty good buck in this Congress, and I think we should establish some priorities.

The bills that we are dealing with on the floor of this House this week are extremely important to the future of this Nation, to guarantee that we can maintain our No. 1 position in terms of our industrial competitiveness. Once again, to trot out an old saw that you have heard from me many, many times, let us put things in perspective.

The total budget we are requesting for the National Bureau of Standards, this vital agency, so essential to American industry, the total budget we are requesting represents less than one-half cent per pack excise tax on cigarettes, and yet this Congress is standing idly by and on October 1 of this year the excise tax on cigarettes will go from 16 cents a pack to 8 cents a pack.

Now, you say that is no big deal. But every 1 penny in Federal excise tax on cigarettes generates $212 million for the U.S. Treasury.

I do not want deficit spending. I want to get at that deficit. The American people demand it.

But let us establish some sensible priorities. Let us put our money where our mouth is in terms of fostering the growth and dynamism of agencies like the National Bureau of Standards. And let us not give a 50-percent tax reduction to people who are misguided enough, like me, to smoke.

I reserve the balance of my time.

Mr. WALGREN. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, there is very little that I can add to the extremely eloquent remarks made by the chairman of the subcommitee, the gentleman from Pennsylvania [Mr. WALGREN], and the ranking minority member of the subcommitee, the gentleman from New York [Mr. BOEHLERT]. It is almost unique in my experience to see such well thought out, balanced, and eloquent statements coming from both the chairman and the ranking minority member about an agency and about a program brought before the floor of this House. As a matter of fact, I call to the attention of all of the Members the additional fact that even those who are going to propose the gutting of this bill are going to have words of praise for the Bureau, the very agency which they are proposing to gut.

Their reasons for the cuts they propose go beyond anything having to do with the agency and its work, which is widely recognized for its excellence and for the contribution which it makes to the highest priority problems of this Nation.

That is why I say that we are in a unique situation.

I want to point out a fact which has already been mentioned more than once as to why we are going to be confronted with an action which will be disastrous, and which I, for one, will not be able to support. The administration itself came in with a request for $16 million in additional funding for this agency, for the National Bureau of Standards, and then, continuing a game that they have been playing for the last 4 years, they proposed to cut out an equivalent amount of money for portions of the NBS Program which this House for the last 4 years has consistently put back.

In effect, the Office of Management and Budget is saying to us here in the Congress, "We are going to show you guys for not going along with us in the past. We are going to request the funds for the new programs that we think we need in the Bureau, vitally important to this Nation, and then we are going to take it out of your hide and see what you do about it." And that leaves us in the position of having an overall administration budget which is $16 million or $18 million less than it should be because they knew we would put that money back in for the programs which they cut.

Now, we may end up in a parlimentary situation in which we are going to achieve a result we don't want. In the words of the old song "You always hurt the one you love." And we are going to end up hurting the Bureau as a part of this game playing which is going on by the Office of Management and Budget.

Now, the actual facts are reflected in the committee report. I would like to request every Member of this House and everyone listening to my words to just read the first two or three paragraphs of that committee report. The actual programs covered by this bill, the funding for them last year was $135,802,000. That is at the second line of page 5 of the report. If we did what we did with NASA and with NSF, we would authorize that amount of money for the next year. That is a freeze. That is the same amount spent for these same programs last year.

What we are going to have before us are amendments to cut it back to $122 million or to $127 million, because of this game playing which is going on.

I personally think that the amount that the committee recommends for these programs, $143,869,000, roughly $8 million more than last year, or about 6 percent, is absolutely the minimum level that we ought to have. That $8 million add on is only half of the $16 million that the administration itself added on. I think it is a conservative way to go. And yet because of the parliamentary situation and this history of game playing, this Washington Monument syndrome referred to by the chairman of the subcommittee, OMB is going to get even with us and we are going to end up voting not for last year's dollar amount, $135 million, but something substantially below that.

I think that is ridiculous, and I think the OMB is to be condemned for that. I think that those of you here on this floor who have said that you are independent of the OMB, including my good friend from Pennsylvania [Mr. WALKER] who has said that many times, ought to reject this ploy.

Mr. WALKER. Will the gentleman yield?

Mr. BROWN of California. I will be happy to yield.

Mr. WALKER. I thank the gentleman for yielding.

As the gentleman well knows, we are not taking OMB's figures in my amendment either. We are taking their overall spending approach, but we defined the priorities in almost the same way as the committee defined the priorities, except at the lower levels. And so I would say to the gentleman that I am very sensitive to the work that the committee did in terms of defining priorities, and am not sensitive to OMB's priorities. I just feel their spending level is one that we ought to think about in this House, and certainly ought to have a vote on.

I thank the gentleman for yielding.

Mr. BROWN of California. Would the gentleman respond to this question: If this House were to be thoroughly consistent with what it did on NASA and NSF, which was to vote last year's funding level, would we not be voting on the figure that NSB and the other related agencies spent last year of $135,800,000?

Mr. WALKER. If the gentleman would yield further, the gentleman knows well that the situation is somewhat different. In both of those instances the freeze figure was lower than the figure requested by the administration.

The administration had prioritized some of those science programs at higher levels, which I know the gentleman was pleased by the administration's increasing priority there. The House decided that we wanted to bring it down to the lower figure, which was the 1985 figure.

In this case what we have is the administration saying that we think as the people who run the programs that we can spend even less than what we spent in 1985, and so the question before the House is whether or not you want to have a lower figure than what is in the freeze. And my proposal is going to be that we ought to give to the administration that amount of money which they say they need in order to administer the program.

Mr. BROWN of California. But would not the gentleman sympathize with my characterization of the OMB action here as a little game playing when they add in $16 million in new programs, and then cut out the equivalent amount that the House has voted for the last 4 years?

□ 1300

Mr. WALKER. Mr. Chairman, would the gentleman yield further?

Mr. BROWN of California. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I appreciate the gentleman yielding to me.

That is the reason why in my amendment we switch around those priorities because what we have done we have taken and moved toward the committee priorities in my amendment to reflect the fact that we do think there was some game playing going on in there and that we ought to come closer to what the committee has determined to do in some of these programatic areas.

Mr. BROWN of California. I appreciate the comments of the gentleman.

Mr. LUNDINE. Mr. Chairman, will the gentleman yield to me?

Mr. BROWN of California. I yield to the gentleman from New York.

Mr. LUNDINE. Mr. Chairman, I want to compliment the gentleman and also the gentleman from Pennsylvania [Mr. WALGREN] for pointing out that essentially what we are dealing with here is an investment in our future, an investment in competitiveness. The NBS is probably the Federal laboratory that shows the greatest col-

laboration and cooperation between industrial research and public-supported research. If you compare this to the cost of the R&D tax credit which I happen to support, I think that this is really a prudent investment and to cut out such things as advanced ceramics which are targeted by the Japanese and where our world market share has been consistently falling to where we now have less than 50 percent—to cut another $1.5 million out of that research in this amendment process—would, to my way of thinking, be really foolish. Biotechnology, is the same.

If you want to cut out the Center for Fire Research, I would ask you to go back home and talk to your volunteer firemen; if you want to cut out the Center for Building Technology, go out to Kansas City to talk to the people who suffered from the structural defects in that hotel out there.

So we are not talking about a lot of money, but we are talking about an investment in this country's industrial competitiveness.

I believe the gentleman has made that point very well but I wanted to echo his remarks and perhaps expand slightly upon them.

Mr. Chairman, I again thank the gentleman for yielding.

Mr. BROWN of California. Mr. Chairman, I appreciate the comments of the gentleman from New York.

Mr. Chairman, I repeat that I rise in support of H.R. 1617, and in opposition to amendments to reduce the authorization level for the National Bureau of Standards. At the $143.9 million authorization level approved by the Science and Technology Committee, the Bureau represents a relatively small but important investment in the Nation's standards and measurements work. The Bureau's programs contribute to ensuring our competitiveness in foreign markets, to understanding hazards such as fires and earthquakes, and provides a resource for State and local governments in standards work involving safety programs. In short, the National Bureau of Standards is perhaps the best example of getting the best bang for the Federal buck. The Bureau's programs should be supported enthusiastically and without reservation.

Mr. Speaker, I am amazed that the administration continues to advocate the elimination of important programs such as the Fire Research Program and the Center for Building Technology. Countless witnesses have testified that neither the States nor the private sector are equipped to conduct this type of research independently. Each year that the administration has proposed the elimination of these programs the Science Committee has restored them.

The Center for Fire Research provides the scientific and technical basis for efforts to reduce the Nation's fire losses and the cost of fire protection. The program develops the technical basis for improved practices for fire hazard assessment, prediction, and reduction. It is directed especially toward reducing the problem of residential fires which account for the majority of fire-related deaths and injuries in the United States. The committee has received testimony from a wide variety of witnesses refuting the argument that this type of research can be conducted by individual States or the private sector. These witnesses have provided substantial evidence that if the Bureau stopped its work in this area, no one else could or would do it. The administration's insistence on elimination of the Fire Research Program is the height of irresponsibility. I strongly support the committee's action in restoring funds for this program.

I also strongly support restoration by the committee of funds for the Center for Building Technology. This program has also been proposed for elimination for the third consecutive year by the administration. Research conducted at the Center provides the technical basis for voluntary standards, building codes, and specifications through development of improved measurement techniques, test methods, and technicals data not available from other sources. The Bureau is in a unique position to provide unbiased and pertinent information in this field. The private sector and State and local governments cannot or will not carry out nonproprietary technical research needed in this area. The Bureau also has a key role to play in the National Earthquakes Hazards Reduction Program. It provides reseach and technical support for the development of seismic design and construction provisions.

Mr. Speaker, I support the restoration of funds by the Committee for the Institute for Computer Science and Technology which the administration again tried to cut in half. The mission of ICST is essential to the development and implementation of a coherent national information policy and to the management of Federal information resources. ICST also plays an important role in increasing the competitiveness of U.S. telecommunications, computer and information products and services; in increasing the acceptance of international technical standards based on U.S. technology; and in improving the Federal Governments use of computer and telecommunication technology.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALGREN] has expired.

The gentleman from New York [Mr. BOEHLERT] has 23 minutes remaining.

Mr. BOEHLERT. Mr. Chairman, I yield such time as he may consume to our distinguished ranking member, the gentleman from New Mexico [Mr. LUJAN].

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, this bill authorized $140 million for the National Bureau of Standards, $2.8 million for the Office of Productivity Technology and Innovation and $537,000 for the National Information Center. This totals $143.3 million which is $20 million above the President's request and $16 million above the 1985 level.

The bill prompted considerable debate in committee and was passed by a vote of 30 to 7. Those of us who opposed the bill felt an increase of more than 40 percent was excessive in a year of budget constraints.

While I share those reservations, Mr. Chairman, I feel that we should make it clear that these reservations do not reflect opposition to the basic goals of the National Bureau of Standards. NBS's role is well documented not only in the scientific community but in everyday life.

The differences instead reflect a question over the depth of involvement in certain fields. We know there will be an amendment to freeze funding at the 1985 level which would result in a reduction of $16 million. It should be noted, however, that freezing the funding at the 1985 level would still be $4.7 million over the President's request.

The administration has requested $8 million to begin construction on a cold neutron source. There is a need to get started on this facility and I certainly support this position. But we must face the reality of a deficit and a need to keep spending under control and we certainly stand ready to abide by the will of this body and I would hope that any budget reduction would not indicate a lack of support for this program.

Therefore, Mr. Chairman, I feel free in saying that we on this side of the aisle expect a lively debate on this authorization.

Mr. Chairman, I will make one other point and that is about some of the programs that the administration, and I assume when we say the administration, the National Bureau of Standards is part of the executive branch of this body, that not only because certain research programs have been going on but that they would have to be continued ad infinitum.

The time comes when you must choose between programs because of budget constraints, and the National Bureau of Standards has told us in their request that they have made those choices and that some programs need to go because some are more worthy than others.

I am not saying that the type of research that has been going on there

and which is now slated for cutting out are not worthy programs; they certainly are. But, you know, among worthy programs, there are worthier programs.

But we have to take a strong look and be realistic about the types of programs that we can afford.

I thank the Chairman.

The CHAIRMAN pro tempore [Mr. PEASE]. The gentleman has consumed 3 minutes.

Mr. BOEHLERT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Pursuant to the rule the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Bureau of Standards Authorization Act for Fiscal year 1986".

The CHAIRMAN pro tempore. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

Mr. WALGREN. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the committee amendment in the nature of a substitute, following section 1, is as follows:

AUTHORIZATIONS FOR PROGRAM ACTIVITIES

SEC. 2. (a) There are authorized to be appropriated to the Secretary of Commerce (hereinafter referred to as the "Secretary") for fiscal year 1986, to carry out activities performed by the National Bureau of Standards, the sums set forth in the following line items:

(1) Measurement Research and Standards, $39,985,000.

(2) Materials Science and Engineering, $23,184,000.

(3) Engineering Measurements and Standards, $34,846,000.

(4) Computer Science and Technology, $10,000,000.

(5) Center for Fire Research, $5,827,000.

(6) Technical Competence Fund, $8,745,000.

(7) Central Technical Support, $9,368,000.

(8) Cold Neutron Source Facility, $8,000,000.

(b) Notwithstanding any other provision of this or any other Act for fiscal year 1986—

(1) of the total amount authorized under paragraph (2) of subsection (a), not less than $2,500,000 shall be available for steel technology;

(2) of the total amount authorized under paragraph (3) of subsection (a), not less than $3,895,000 shall be available for the Center for Building Technology, and not less than $3,000,000 shall be available for Robotics;

(3) of the total of the amounts authorized under paragraphs (1), (2), (7), and (8) of subsection (a), not less than $5,608,000 shall be available for transfer to the Working Capital Fund; and

(4) of the total of the amounts authorized under paragraphs (1), (2), and (3) of subsection (a), not less than $3,000,000 shall be available for an Evaluated Engineering Data Base.

(c)(1) Funds may be transferred among the line items listed in subsection (a) so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection.

(2) In addition, the Secretary may propose transfers to or from any line item exceeding 10 percent of the amount authorized for that line item in subsection (a); but a full and complete explanation of any such proposed transfer and the reason therefor must be transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate, and the proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

(3) No transfer described in paragraph (1) or (2) may have the effect of reducing the amount available for any of the particular purposes set forth in subsection (b) below the applicable dollar amount specified in that subsection.

(d) The National Bureau of Standards shall seek reimbursements of not less than $500,000 from other Federal agencies to expand its efforts in support of basic scientific research on the atmospheric, climatic, and environmental consequences of nuclear explosions and nuclear exchanges.

AUTHORIZATION FOR EXPENSES OUTSIDE THE UNITED STATES

SEC. 3. In addition to the sums authorized in section 2, there is authorized to be appropriated to the Secretary for fiscal year 1986 the sum of $600,000 for expenses of the National Bureau of Standards incurred outside the United States, to be paid for in foreign currencies that the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

AUTHORIZATION FOR SALARY ADJUSTMENTS

SEC. 4. In addition to the sums authorized in the preceding provisions of this Act, there are authorized to be appropriated to the Secretary for fiscal year 1986 such additional sums as may be necessary to restore the salary, pay, retirement, and other employee benefits of the National Bureau of Standards to the levels in effect at the end of fiscal year 1985 and to make any adjustments in the Bureau's salary, pay, retirement, and other employee benefits which may be provided for by law.

COST RECOVERY AUTHORITY

SEC. 5. (a) Section 12(f) of the Act of March 3, 1901 (15 U.S.C. 278b(f)), is amended by inserting immediately before the period at the end thereof the following: "; and second to ensure the availability of working capital necessary to replace equipment and inventories to the extent provided in advance in appropriation Acts".

(b) Fees for calibration services, standard reference materials, and other comparable services provided by the National Bureau of Standards shall be at least sufficient to meet the requirements set forth in the amendment made by subsection (a), and any funds recovered in excess of such requirements shall be returned to the Treasury of the United States.

(c) The amendment made by subsection (a) (and the provisions of subsection (b)) shall be effective October 1, 1985.

COMPENSATION OF DIRECTOR

SEC. 6. (a) Section 5 of the Act of March 3, 1901 (15 U.S.C. 274), is amended—

(1) by striking out "He" at the beginning of the second, third, and fourth sentences and inserting in lieu thereof "The Director"; and

(2) by adding at the end thereof the following new sentence: "The Director shall be compensated at the rate now or hereafter in effect for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

(b)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director, National Bureau of Standards, Department of Commerce.".

(2) Section 5316 of title 5, United States Code, is amended by striking out "Director, National Bureau of Standards, Department of Commerce.".

(c) The amendments made by this section shall be effective October 1, 1985.

FINANCIAL ASSISTANCE TO INSTITUTIONS OF HIGHER LEARNING

SEC. 7. (a) In order to secure the services of the broadest possible range of talent in carrying out the programs of the National Bureau of Standards, the Act of March 3, 1901 (15 U.S.C. 271-278h), is further amended by redesignating section 18 as section 19, and by inserting immediately after section 17 the following new section:

"SEC. 18. The Director is authorized to expend such sums, within the limits of 10 percent of appropriated funds, as the Director may deem desirable for awarding research contracts, grants, research fellowships, and enter into other forms of financial relationships with institutions of higher learning within the United States and their faculties and students. The selection of persons to receive such contracts, grants, fellowships, and assistance shall be made on the basis of ability and of the relevance of the proposed work to the mission and programs of the National Bureau of Standards.".

(b) The amendments made by subsection (a) shall be effective October 1, 1985.

SCIENTIFIC POSITIONS

SEC. 8. In order to maintain a highly qualified scientific staff at the National Bureau of Standards, a goal of 20 positions is established for the Senior Scientists Program at the National Bureau of Standards.

OFFICE OF PRODUCTIVITY, TECHNOLOGY, AND INNOVATION

SEC. 9. In addition to the sums authorized in the preceding provisions of this Act, there is authorized to be appropriated to the Secretary for fiscal year 1986 the sum of $2,777,000 for the activities of the Office of Productivity, Technology, and Innovation.

NATIONAL TECHNICAL INFORMATION SERVICE

SEC. 10. (a) Section 2 of the Act of September 9, 1950 (64 Stat. 823; 15 U.S.C. 1152), is amended by adding at the end thereof the following new subsection:

"(d) To acquire capital equipment and inventories from receipts for work or services

performed or to be performed under this section.".

(b) In addition to the sums authorized in the preceding provisions of this Act, there is authorized to be appropriated to the Secretary for fiscal year 1986 the sum of $537,000 for the patent licensing activities of the National Technical Information Service.

AVAILABILITY OF APPROPRIATIONS

SEC. 11. Appropriations made under the authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for such periods as may be specified in the Acts making such appropriations.

COST REDUCTION REPORT

SEC. 12. Within 90 days of the enactment of this Act, the Director of the National Bureau of Standards shall review those recommendations of the President's Private Sector Survey on Cost Control and such other recommendations as may be included in the Office of Management and Budget report entitled "Management of the United States Government—1986", and shall submit a report to the Speaker of the House of Representatives and the appropriate committees of the House and Senate on the implementation status of each such recommendation which affects the National Bureau of Standards and which is within the authority and control of the Director.

AMENDMENT OFFERED BY MR. WALGREN

Mr. WALGREN. Mr. Chairman, I offer an amendment to section 6.

The Clerk read as follows:

Amendment offered by Mr. WALGREN: At the end of section 6, insert the following new subsection:

"(d) The amendment made by subsection (a) shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts."

Mr. WALGREN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALGREN. Mr. Chairman, this amendment corrects an error in the bill brought to our attention by the Committee on the Budget of the House and does not affect, as I understand it, the outlays under the bill. The amendment is technical in that sense.

Mr. BOEHLERT. Mr. Chairman, we have the same understanding. We have no quarrel with that amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALGREN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALGREN

Mr. WALGREN. Mr. Chairman, I offer an amendment to section 10, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. WALGREN: in section 10, strike "(a)" and all that follows through "(b)".

Mr. WALGREN. Mr. Chairman, this subsection was requested by the administration to clarify the authority of the National Technical Information Service to purchase equipment and inventories from receipts for work performed or services performed by the NTIS. Pursuant to our committee's agreement with Mr. DINGELL, the chairman of the Committee on Energy and Commerce, who expressed reservations about this section, we are offering an amendment for its deletion.

Mr. BOEHLERT. Mr. Chairman, we have had occasion to examine the amendment.

Mr. Chairman, we accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALGREN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALGREN

Mr. WALGREN. Mr. Chairman, I offer a substantive amendment to section 2.

The Clerk read as follows:

Amendment offered by Mr. WALGREN: In section 2(a)(1) strike "39,985,000" and insert "$36,607,000",

In section 2(a)(2) strike "$23,184,000" and insert in lieu thereof "$21,943,000",

In section 2(a)(3) strike "$34,846,000" and insert in lieu thereof "$33,555,000",

In section 2(a)(4) strike "$10,000,000" and insert in lieu thereof "$9,393,000",

In section 2(a)(6) strike "$8,745,000" and insert in lieu thereof "$8,481,000",

In section 2(a)(7) strike "$9,368,000" and insert in lieu thereof "$8,179,000",

Strike section 2(a)(8),

In section 2(b)(3) strike "$5,608,000" and insert in lieu thereof "$2,405,000", and

Strike section 2(b)(4).

In section 3 strike "$600,000" and insert in lieu thereof "$508,000".

Mr. WALGREN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALGREN. I thank the chairman.

Mr. Chairman, this is the freeze amendment. This amendment would reduce the totals throughout the bill in various line items so that the bottom line matches the appropriations for the National Bureau of Standards for fiscal year 1985.

□ 1310

It brings the bottom line to $127.8 billion. It represents a total reduction in various functions throughout the amendment of a total of $15,970,000.

I have to say that, from my point of view, I view these efforts we make through the National Bureau of Standards as an investment; I think that they should be considered in that light rather than pure expense, as such, but I do recognize that we are all reaching for some kind of principle that we can get broad enough support on the floor of the House of Representatives so that we can bring real restraint to Government budgets in this year.

I think it is fair to say that the freeze amendment, as developed by both Mr. MORRISON and Mr. PURSELL, and others who have worked in that area, does represent that kind of broad consensus that can get the necessary political support.

In that sense, it can be recommended. It is not without loss that we make these reductions. We would be eliminating all inflationary adjustments in the NBS; a pattern that we should remember has been largely true over the last decade or so that has resulted in essentially flat budgets for this Agency on an effective purchasing power level over these 10 years.

We would be reducing the initiatives that the President called for. We would be delaying at least, and certainly not now providing for the construction of the cold neutron source facility.

There is a certain sense that this cut could be made because the building has not yet started construction. But at the same time we all ought to realize that any delay in bringing this facility to reality is something that will prevent us from making future progress in materials at least as fast as we could make them, and perhaps as our economy would need them.

Mr. MORRISON of Connecticut. Would the gentleman yield?

Mr. WALGREN. I would be happy to yield to the gentleman.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding to me.

Mr. Chairman, I want to first state my support and appreciation for the committee coming forward with this freeze amendment.

In doing so, it vindicates two points; both of which are equally important. It first recognizes the movement forward that we have made over the last few weeks in the House to restrain Federal spending, to say that a very wise place to start in the process of dealing with the budget deficit is to say that at last year's spending level, or the 1985 spending level, the level that we are at now, is one that we have reached an agreement on and that we can use as a consensus.

Beyond that, by the committee offering this amendment, it is setting the priorities, the choices. That is not something that should be done on the

floor of the House for a random reason or which should be left solely to the agency. The correct balance between congressional oversight and the priorities of the agencies is established when the authorizing committee comes in and makes the choices about where we should be concentrating our resources.

So in that sense this amendment does exactly what needs to be done. The gentleman from Pennsylvania is absolutely correct when he says there is going to be some loss involved in this. There is going to be some loss in dealing with the Federal budget deficit.

It is wrong to suggest, as some would from time to time, that we can deal with this budget deficit crisis with all fat and no meat, without hardship to anyone. The fact is that there is going to be hardship; we have allowed ourselves to get into a very dangerous situation overall, and we are going to have to make tough choices to reclaim a reasonable Federal budget.

It is unfortunate that sharing in this must be those agencies which are focused on the future. But the future as a whole will be denied if we do not deal with the Federal budget deficit, and that has to be a priority.

But let me also say that we should not go to excess. There may be an amendment to reduce the authorization levels in the bill below the freeze level, below a level that we agreed last year was needed for this Agency.

(On request of Mr. MORRISON of Connecticut and by unanimous consent, Mr. WALGREN was allowed to proceed for 5 additional minutes.)

Mr. WALGREN. I continue to yield to the gentleman from Connecticut, and then would be happy to yield to the gentleman from New Mexico.

Mr. MORRISON of Connecticut. I would oppose such an amendment. It would be a mistake to decide to move in the direction of the President's budget, which proposes a lower level of funding for NBS, rather than the consensus level which is a result of the House and the Senate and the President's agreement last year. That is the position that ought to prevail, and I am pleased that that is the position the committee has come to, not because it prefers it, but because it realizes the balance that must be struck.

Mr. WALGREN. I thank the gentleman for those thoughts.

I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding to me, and I ask for this time to ask a question of the gentleman from Connecticut.

Yesterday we had the discussion about what we ought to do, whether to freeze everything at the 1985 level or the request level. Is the gentleman telling me now that he is prepared to vote for an increase of $4 million over what the Agency requested? Was that what I gathered from your remarks?

Mr. MORRISON of Connecticut. If the gentleman from Pennsylvania would yield.

Mr. WALGREN. I continue to yield to the gentleman.

Mr. MORRISON of Connecticut. I am prepared to vote for the 1985 appropriation level. The level that the House and the Senate and the President agreed upon last year for the current year of operations. That is a consensus position; it is not the House position, it is not the Senate position; it is not the President's position. It is the product of debate and compromise and consideration.

I think that level is preferable to the level recommended by the President and even more preferable than the level which I understand may be offered as an amendment later today and which would cut the authorization below the level recommended by the administration.

I oppose that. It is not the right direction for us to take. If our committee had come to us saying that they agreed that this amount could be saved, if that was their recommendation, I would be happy to support it.

But our committee has said not only that the freeze level is appropriate, but that we should be spending significantly more. That is their initial position.

So it is up to the committees to come forward to us with their views on what the Agency itself says is an appropriate level for 1986.

Mr. LUJAN. If the gentleman will continue to yield, I might tell the gentleman that that is not a unanimous position of the entire committee, that we funded at $127 million. There are some of us that believe that there are some items in there that could very well stand scrutiny, and that we could very well go to save an additional $4 million for the purpose of balancing the budget.

So that during the debate you will notice that there are a number of us who have some specific reasons in addition to balancing the budget, for wanting to reduce it to the request level of the Agency.

Mr. MORRISON of Connecticut. If the gentleman would yield for one moment more, I think that there is always room for debate about particular line items, but I think if what the gentleman is advocating is further specific savings based on the merits of that particular proposal, then we ought to adopt the freeze amendment, and you ought to make your arguments specifically on the merits and not confuse the issue as to whether we are pursuing here a strategy toward dealing with the deficit which cuts across many authorizations, or a specific debate about a particular priority the committee has chosen.

Mr. WALGREN. I yield initially to the gentleman from Michigan, who has been on his feet.

Mr. PURSELL. I would like to address the House for 5 minutes in support of the amendment.

Mr. WALGREN. Then I would yield to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in support of the amendment offered by the chairman of the committee, but I do so reluctantly.

The gentleman offers a very thoughtful proposal for freezing the NBS at the 1985 appropriated level. He does so, it seems, in the least painful manner by preserving the current programs at the bureau including the center for fire research, center for building technology and the vast majority.

He seeks to maintain the in-house capabilities of the bureau which we have stated previously is, in itself, a national laboratory for standardization of weights and measurements. This amendment would allow the biotechnology, ceramics, and process and quality control new initiatives to go forward at somewhat reduced schedules, however, it would not authorize new construction of the cold neutron facility. The cold neutron program proposed by the administration is $8 million. The committee is very supportive of this initiative.

As a matter of fact, the President's Science Adviser tells me that it is the only major scientific construction initiative in this budget.

Certainly, this is reflected in the committee report, it concerns me that in this "freeze" mode, exciting initiatives such as this are pushed to the side.

I would urge the committee and the full House to look favorably on possible alternative means of providing for this construction project.

I urge my colleagues to support this amendment offered. In a freeze mode, this amendment, is by far, the more sound with respect to scientific and technological mandated programs at NBS.

□ 1320

Mr. PURSELL. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendment.

First of all, I want to salute and congratulate the bipartisan effort on behalf of the Republican and Democratic leadership of the committee. We have turned the corner, I think, after the historic early vote on NASA in which we had a significant, overwhelming majority vote in favor of reducing the authorization of expenditures for 1986 back to the 1985 level. That was 2 weeks ago. Yesterday we had another significant, overwhelming

majority vote in favor of accomplishing that same goal, achieving a freeze on fiscal year 1986 authorization at the fiscal year 1985 appropriated levels for the National Science Foundation. That was yesterday. Today we are looking at the third bill. So on behalf of many in the House, we feel very confident that this amendment, introduced by the committee following my and the gentleman from Connecticut's [Mr. MORRISON] declaration of intent to introduce a similar amendment, will achieve the third step in that movement toward addressing the fiscal deficit of this Nation—now well over $200 billion.

This amendment will bring down 1986 authorizations for NBS to the 1985 current budget levels. So I believe, with both Republicans and Democrats trying to reach a balanced budget as soon as possible, that this is probably the best compromise that the gentleman from Connecticut [Mr. MORRISON] and myself, and others, now with the committee support on both sides can accept. As I understand it, the majority of the committee members on both sides—I cannot speak for all of them—really feel confident that we are achieving a major, significant breakthrough in the fight for a balanced budget.

Now it has been true during the years that I have been here, now over 8 years, and during my years as a member of the Appropriations Committee, now over 6 years, that we have developed battles between the Democrats and Republicans on national priorities. We will continually have that, as it should be. But I think this is significant, historically, that we are changing with the mood of the public and the American taxpayers to balance the budget. It is quite clear to me that it is time we move above partisan politics and develop good public policy in trying to achieve some compromise to reach that lower level, namely, a balanced budget ultimately and I hope, as soon as possible.

This is round three. We won round one. Round two has been completed and won. This is round three.

I think the administration would like fewer dollars for the National Bureau of Standards. I think the difference in the administration's figure and the fiscal year 1985 appropriated level is only about $4 million. So I understand there is a difference in principle. We may fight that out subsequently this afternoon on another amendment. And that is the way it should be. But, frankly, I am very supportive of the committee amendment. It is a step in the right direction. The trend in Congress is changing and, quite frankly, I think the administration would accept this freeze amendment and sign this bill. I cannot speak for the administration, I do not have anything in writing, I am not sure anybody else does. But as a member of the Committee on Appropriations, I am sure in achieving that trend in turning the country around toward a balanced budget goal ultimately, and in bringing down the interest rates and improving our economy, I really, frankly, believe that the administration would sign this bill if it were at the freeze level.

We will discuss it and debate it and probably have two votes here this afternoon—one on the freeze, and one on dropping below the freeze to the President's request. I would recommend very strongly that the House on both sides of the aisle adopt the committee amendment, the freeze, which I fully support and have participated in developing along with the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I want to commend the gentleman from Michigan. I have been very pleased in the way our cooperation together has been reflected by a bipartisan coalition throughout the House. The gentleman from Michigan was prepared to offer this freeze amendment but because of procedural reasons it is being offered by the committee, and in many ways that it is even superior because it shows an acknowledgement by the committee of trying to meet the standard that the House has begun to set on these matters in terms of overall spending levels.

I want to commend the gentleman on this leadership and I hope that we will continue to move on beyond round three, to later rounds, to deal with the Federal deficit in a realistic way.

Mr. PURSELL. I think, in my closing remarks here, that it is important to emphasize that the personalities and who gets credit for what amendment is irrelevant. This issue is so deep and so difficult and so dramatic and traumatic in respect to what we are doing with the deficit. However, you have not seen anything yet if you compare what we are doing in compared to the out years of 1987 and 1988. My God, a freeze will do nothing to any extent to really get to that balanced budget. Some day we are going to have to look at a serious reduction across the board.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. PURSELL] has expired.

(On request of Mr. WALGREN and by unanimous consent, Mr. PURSELL was allowed to proceed for 2 additional minutes.)

Mr. WALGREN. Mr Chairman, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Pennsylvania.

Mr. WALGREN. I just wanted to say, on behalf of many members of the committee, that we certainly appreciate the spirit in which the gentleman from Michigan [Mr. PURSELL] and the gentleman from Connecticut [Mr. MORRISON] have joined in this effort, and particularly that the gentleman from Michigan has supported the distribution of the cuts which we can fashion from our committee's perspective. I would like to recommend the distribution of those cuts to the rest of the body as being very responsible. We cut a total of $15 million, $5 million from current programs and $10 million from new initiatives. It is balanced through there quite delicately with the hope of preserving as much value as we possibly can.

We do not take the position that you cannot cut this bill further. The gentleman from New Mexico said, clearly, you could cut some budgets almost anywhere. And that is true. But we do feel there is a place for rescissions in our process, that these are the responsible levels to give to the programmatic areas, then there is another chance for the administration to come back to us requesting rescissions if there are some particular items, as the gentleman from New Mexico suggested, that could be taken down further. This is not the end of the process but this is the responsible place for the House.

Mr. PURSELL. I concur with the chairman. I did not, in initially offering the amendment, want to preempt the priorities of the jurisdiction of the committee; namely, Science and Technology. I served on this great committee at one time. I have a great respect for the leadership, the members and the staff of the committee. They are appropriately set to develop public policy by reprogramming within the freeze levels, and I congratulate the committee for taking that leadership here today, and I again hope that we adopt the amendment as offered.

AMENDMENT OFFERED BY MR. WALKER TO THE AMENDMENT OFFERED BY MR. WALGREN

Mr. WALKER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER to the amendment offered by Mr. WALGREN: Strike the amount "$36,607,000," and everything that follows, and insert in lieu thereof "$38,607,000";

In section 2(a)(2) strike "$23,184,000" and insert in lieu thereof "$22,443,000";

In section 2(a)(3) strike "$34,846,000" and insert in lieu thereof "$33,555,000";

In section 2(a)(4) strike "$10,000,000" and insert in lieu thereof "$9,393,000";

In section 2(a)(6) strike "$8,745,000" and insert in lieu thereof "$8,481,000";

In section 2(a)(7) strike "$9,368,000" and insert in lieu thereof "$1,697,000";

Strike section 2(a)(8);

In section 2(b)(3) strike "$5,608,000" and insert in lieu thereof "$1,405,000"; and

Strike section 2(b)(4).

Strike section 3 and renumber accordingly.

In section 9 (page 10, line 13) strike "$2,777,000" and insert in lieu thereof "$1,991,000".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, I think with certainty that there is a tide running through the Congress, which I applaud, and I certainly want to applaud the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. WALGREN], the gentleman from Connecticut [Mr. MORRISON], the gentleman from Michigan [Mr. PURSELL], and others, who have spoken out on the freeze amendment here, because I think we are finally on the verge of actually putting the reins on some of the runaway spending and taking control of some of our deficit problems with some of the things we have done on the floor in the last couple of weeks.

In recent days we have shown a willingness to cut the budget requests back to the fiscal year 1985 freeze level for both the NASA authorization and the National Science Foundation. While both of these programs are extremely important to our Nation, I am glad that the membership of this House was willing to make the tough policy decisions to start to address overall our budget problems.

Today we ought to make some similar decisions concerning the National Bureau of Standards. The President submitted a budget this year for the Bureau which calls for a reduction from last year of less than $4 million from a total budget of $123.9 million. Also included in this bill are the activities of the Office of Productivity, Technology, and Innovation and the National Technical Information Service of the Department of Commerce. That adds a little bit more money in this overall picture. However, the administration, it should be realized, has come forward with a budget request that indicates that they can carry out all of the activities for $5.278 million less than last year. Remember what we are talking about here. We are talking about the people who have the responsibility for running these programs. They say that they can run all of these programs for a figure of $5.278 million less than they spent last year.

Mr. WALGREN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

□ 1330

Mr. WALGREN. I thank the gentleman for yielding.

Unless I misunderstand, I thought the administration was saying we could run it for $5.27 million less if you eliminated the Center for Fire Research, and if you eliminated the Building Technology Center.

Mr. WALKER. If the gentleman will allow me to go on with my remarks, the gentleman will find out that in my amendment I have preserved those options, so that, in fact, I come down to the committee's priorities. What I am saying is that the administration says that they can run this agency for this amount of money. I do not necessarily buy their priorities, and if the gentleman will allow me here, I will point out that in the amendment that we are offering, we preserve those priorities of the committee, but come in at a spending level which is at the administration's request level.

As I said just a minute ago, I agree that some of the proposals made by the administration did not conform to the priorities of the Committee on Science and Technology. There are several programs which we on the committee felt strongly should be continued. One excellent example of that is the Center the Fire Research, which the administration has totally zeroed out and which the committee restored. In this amendment, that particular commitment on the part of the committee remains; the Center for Fire Research remains in the Walker amendment.

My amendment would hold the bill to the administration request, but not the specific administration numbers. If there ever was a case of having the opportunity to give the people who actually run executive bureaus the opportunity to show us that they can run their program effectively with the amount of money that they have requested, here is the perfect opportunity.

The Director of the National Bureau of Standards came before the committee and testified that he fully supported that figure in the President's budget request. I think that we should, and in fact, we must, give him and them the opportunity to show us that they can live within that budget.

Both Chairman WALGREN and I would change the numbers on various line items, and in general, our numbers are closely in agreement. However, I would hold their feet to the fire just a bit more closely and require them to accomplish their missions at the budget level.

There has been a lot of talk on the floor of the House about a freeze at the 1985 level. In some programs, that may make sense, because what we are doing is reducing, in order to do something about the deficit, we are reducing from proposals that the administration has put forward that would increase spending in 1986.

In others, however, such as programs contained in this bill, it makes no sense that we should be bound today by the funding priorities of yesterday, because in this case what the freeze does is say that the administration's attempt to lower our spending should not be complied with; that we ought to indeed raise spending to the freeze level.

Well, I do not think we ought to be raising spending to the freeze level; I think what we ought to be doing is lowering spending to the requested level. That is what my amendment would do.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, on the flip side of that coin the administration is asking for increases in foreign aid. Are you supporting increases over 1985, above the freeze, for additional money for foreign aid, because the administration is making that request?

Mr. WALKER. I would say to the gentleman that that is the issue that we had here on the floor.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. PURSELL. I would say to the gentleman would he support the freeze level on foreign aid?

Mr. WALKER. Yes; I certainly would. As a matter of fact, I would support cutting foreign aid.

Mr. PURSELL. So then, in effect, you are not in favor of the administration's additional increase in foreign aid?

Mr. WALKER. That is the point. Let me say to the gentleman that that is the question I thought we settled out here in the past week, where the administration has come in with requests above the 1985 levels, as they did with NASA, as they did with NSF, we made a determination on this floor that we would cut back to the 1985 level. I would say that we ought to at least do that much with foreign aid.

However, this is a little question that we have got before us. In this case, in order to get a freeze level, you have to raise the spending above the administration's request. The administration here is lower than what the 1985 spending level was. What I am suggesting is if we really want to do something about the deficit, what we

ought to be doing is taking the lower of the two figures. Either the freeze level, when that is lower, or the administration's level, when that is lower. That will really begin to get us a handle on deficits, because at that point then you begin to cut back from the 1985 deficit level.

You know, the 1985 deficits were not exactly a bed of roses. I mean, we had plenty of deficits in this fiscal year. We are talking about hundreds of millions of dollars worth of deficits right now. So it seems to me that maybe what we ought to do is be doing a freeze plus. As a matter of fact, I heard the gentleman from Connecticut say here a few minutes ago that the freeze was a good place to start, and I agree with him. It is a place to start. But ought we not be doing more? We ought not just start there, we ought to move beyond that. Good heavens, if you cannot cut $5 million out of the National Bureau of Standards to get down to below the freeze, where can you cut? Is there any place we can cut below the freeze level if we cannot do it in the National Bureau of Standards? I cannot imagine that there is very much that we can do if we cannot go below this by $5 million.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. PURSELL. I thank the gentleman.

Many of us have worked to try to establish a bipartisan support to achieve a $50 billion-plus. A freeze will only get us about $38 billion.

Mr. WALKER. I agree.

Mr. PURSELL. I think everyone in the House is looking for $12 to $15 billion more in the 1986 budget, so I do not think the gentleman suggests that the Members here are just looking purely at a simple freeze.

We are not, and I have not heard of any Member, including Chairman BILL GRAY, who said last night, he is looking for additional money to achieve a $50 to a $53 billion figure. So I am suggesting that we ought to be very careful and try to establish a principle here that historically could be successful in a bipartisan effort, rather than trying to play, and I am not going to accuse the gentleman from Pennsylvania of playing games, because it is what the administration wants. The fact is that we are writing a new budget. The Reagan budget is dead on arrival; it was dead 2 months. The Senate is writing a new budget. Over in the Senate.

Now, you have not referred to what the Senate is doing.

Mr. WALKER. I would say to the gentleman that it is against the rules of the House to refer to what the Senate is doing.

Mr. PURSELL. We may not agree with the Senate budget, so we, in preserving the integrity of the House, are asking for a compromise here to write a House budget for the American people. That will achieve a $50 billion-plus goal for 1986, which is exactly what the President is asking Congress to do. It is not a question of the goal, it is a question of how do we accomplish that. The principle here of the budget freeze will establish that plus additional costs.

I think the gentleman and I are in agreement on the additional cuts; the question is where and how, and this is not the time to do that.

Mr. WALKER. That is the point that I am making with the gentleman; that here we have a chance to get $5 million of that additional $12 billion you say we need. We are going to get a measly $5 million of the $12 billion that you have just said that we need.

Now, if we cannot take $5 million out of the National Bureau of Standards, where in the world are we going to be able to cut? What programs are we going to cut it out of if we cannot get it here? We are talking about only $5 million, and we are talking about $5 million which the people who run these programs say that they can get along without. Now, if we cannot do that, I would suggest that it is not really in the best spirit of a debate to suggest that we are going to do more at some point in the future. That is the problem; where are we going to do more?

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. BOEHLERT. I thank the gentleman for yielding.

I would point out to the gentleman that we have achieved something unique here this week, in this body, with bipartisan cooperation to get at what we all want to get at, and the gentleman in the well has been a leader in it, and that is the deficit facing the American people.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 4 additional minutes.)

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I continue to yield to the gentleman.

Mr. BOEHLERT. But when you point out, and you are very eloquent and you do so very well in the well of the House, but let me point out we are only talking about $5 million. Let us look at some of these figures. The Bureau of Standards asked for $226 million. Then the Department of Commerce asked for $146 million. The committee came, well, 40 percent below the Bureau's request. We came below the Department's request, and now we are lopping off an additional $12 billion.

When you give blood a pint here a pint there is OK, but you cannot give 15 quarts.

Mr. WALKER. I thank the gentleman and, of course, every bureaucracy comes in with all kinds of big requests. You know, the bureaucrats have all kinds of things they can spend money on. Our point here is to set priorities. The only point that I am making is that here we come to that key decision; a precedent-setting decision as to whether or not we are simply going to have the freeze, which gets us $38 billion, as the gentleman from Michigan has told us, or whether or not we are going to get more than the freeze.

If you are going to get more, I would suggest that here is the place you are going to have to start. This is the first time you have had a chance to focus on whether or not you are going to increase spending as a result of freezing. You see, it is easy for some of our folks here to say that we are going to decrease the administration's request by freezing because they do not agree with the administration's priorities. I wonder now what is going to happen when they start increasing spending by freezing. Because the effect of what they will do unless they support my amendment is the fact that they will spend, they will bust the President's budget by $5 million by freezing.

□ 1340

I am suggesting we ought not to be busting the President's budget on the National Bureau of Standards; that we ought to try to do what we can to bring the level down to the President's budget and make certain that we accept the lower of the two figures if we are really going to fight deficits.

I thought that was what this freeze movement was all about, really fighting deficits.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, I have come to have a great deal of respect for the gentleman's eloquence and consistency, and I think there would be considerable merit in the position that he takes, particularly from the standpoint of his own philosophy, but look at the position that it puts me in.

In effect, the gentleman is saying that I have to take either this year's President's priorities or last year's President's priorities, and I do not agree with either one of them. So I am in the position of having to reject that course, although I, too, am seeking the same goal of deficit reduction. I would like to get that $50 billion-plus reduc-

tion, but I have to be consistent with my own priorities for what is good for the country, rather than to allow a President with whom I vigorously disagree set those priorities for me.

Mr. WALKER. I agree with the gentleman, but I would say to him that then he probably has problems with the whole freeze idea, too, because what we are doing there is locking in priorities at a 1985 level kind of regardless of whether or not those were the right priorities.

I understand where the gentleman comes from on that issue and that he must have problems under the freeze. All I am saying in this instance is if we are focusing on deficit numbers that it makes some sense to take the lower figure, whichever that lower figure is, whether it be the President's figures or whether it be the freeze figure, and we have decided to take the lower figure, on the freeze when it was lower than the President's request. Now we have a chance to take the President's figure when that is the lower figure.

That is the opportunity I am offering to the House. We do so by maintaining the committee's set priorities, and I would hope the House would decide not to bust the President's budget but, rather, save us money and help in real deficit reduction.

Mr. FUQUA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania and in support of the amendment offered by the committee.

It appears that my friend from Pennsylvania is trying to have his cake and eat it, too, and at the same time he has a little arsenic in the dessert.

As I understand the amendment, and the gentleman can correct me if I am in error, in the area of a biotechnology initiative, the committee reduced by $2 million, and the gentleman is restoring that $2 million back into that area.

Mr. WALKER. The gentleman from Florida is correct.

Mr. FUQUA. That is my understanding. What we have here is a new program, new initiatives, which will require in 1987 and 1988 and 1989 moneys to support those programs at this level.

What does concern me is down in the area of central technical support where the administration requested $9,368,000, the committee has reduced that about $1.2 million to $8,179,000, and as I understand the gentleman's amendment, he reduces that by $6,482,000, leaving there $1,697,000 in the budget. That is still $7,671,000 below the administration's request.

Mr. WALKER. If the gentleman will yield; yes, the gentleman is correct, and the reason why that was done was because in discussions this morning with the Under Secretary of Commerce, a former member of this body, I was assured that what we have is a $12 million carryover in that area and that, in fact, they can maintain their programs at the levels that I am seeking in this particular portion of my amendment by utilizing that carryover.

I thank the gentleman and he is correct in the point that he makes.

Mr. FUQUA. I appreciate the gentleman's comments.

I am informed that the $12 million does not exist and I would be glad to yield to the gentleman from Pennsylvania (Mr. WALGREN), the chairman of the subcommittee.

Mr. WALGREN. Things are happening relatively quickly here on the floor, and as the gentleman from Pennsylvania says, he was informed just this morning, and we did not have this amendment until about 10 minutes ago. It strikes me as not the best way to structure the budget of the Bureau of Standards.

We talked to the Bureau yesterday with respect to the working capital fund and it is our information that every dime of the working capital fund that the gentleman says is there to be carried over to be used for some of these essential functions is committed to a purchase of equipment or a commitment this year. So there is not one penny there that can be put to this other use.

I would only like to say that this is a national laboratory that we are trying to preserve. If we do not have the equipment there at the right time for the right mind, the mind goes someplace else or does something else, so the working capital fund is the last point where you would want to disrupt a national laboratory.

Mr. WALKER. If the gentleman would yield, I would simply point out that it is the Under Secretary who has the responsibility for administering the programs of the agency. The Under Secretary obviously would be very concerned, I would think, about stripping bare one of the main operating accounts if, in fact, he did not have that kind of money. It is his personal representation that this is, in fact, the situation and that we can get that kind of money out of that particular category because of the $12 million carryover.

Mr. FUQUA. I appreciate that and, of course, the Under Secretary is a good friend of mine and we served in this House together and on another committee together, and I wish he would visit the NBS more often if he has visited it, because I think it would be very enlightening, and also the Secretary.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FUQUA] has expired.

(By unanimous consent, Mr. FUQUA was allowed to proceed for 3 additional minutes.)

But one of the problems we have is that the money is committed. For instance, right today, starting this month, they are in the process of installing a class 6 supercomputer that will be in the process of being installed and be ready to operate in fiscal year 1986, which begins in October.

What we are doing by this amendment, they will not have any money to operate that computer system. There are also several other things. There is some important maintenance on the laboratory where we have millions of dollars worth of equipment. There are two roofs that are in serious need of repair and that money is being removed, and those are set for repair in fiscal year 1986.

We have replacement for boiler refractory brick that must take place in order to keep that operating correctly, and also some electrical power distribution replacement. As we move along and have more energy requirements, particularly electrical energy requirements, they must be upgraded, and these are very critical things. So that the laboratory can operate in an efficient manner.

I do not think we in this Congress want to add additional money for ceramics and biotechnology and at the same time turn around and say, "Well, we are sorry but you do not have any money to keep the lights on and keep the place operating, and your supercomputer that you have paid a considerable amount of money for, the taxpayers of this country, we are sorry but there will not be any money to operate this."

This is the difference between the two amendments. We can philosophize all we want to about a freeze. Unfortunately, this agency has been treated for many years, not under this administration but other administrations of my own party, like a stepchild, and one that was not very welcome.

□ 1350

I would hope that my friend, the Under Secretary would visit the NBS and learn more about that because it certainly does not get very high attention in the hierarchy of the dining halls of the Department of Commerce, and it would be a great help if he would do that and better understand it.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I am glad to yield to my friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I understand what the gentleman is saying. Maybe if the food was a little better, we might see the Under Secretary there. No, I am not really at all

familiar with the food at the National Bureau of Standards.

I would like to point out, in support of what the gentleman in the well is saying, that if you look at the National Bureau of Standards as a model Federal laboratory working collaboratively with industry, you see a kind of a gem out there in the Federal R&D establishment that probably should be rewarded. Over the past 5 or 6 years, there has been essentially, in real dollars, about a 25-percent cut. Now, the administration's policy to support science and technology is clear.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FUQUA] has expired.

(On request of Mr. RITTER, and by unanimous consent, Mr. FUQUA was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman continue to yield?

Mr. FUQUA. I am hpapy to yield to my friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, this science and technology budget is essentially flat adjusted for inflation. It is essentially frozen. It makes no sense to take this agency, which is perhaps doing its job better than some of the other agencies within the Federal R&D establishment, and cut it. It makes no sense, as we find ourselves in a race for our technological lives, to pull the rug out from under one of the best performers that we have.

It seems to me that a freeze is enough, that if we have a policy of freezing science and technology overall within the administration's budget and allowing for inflation, and we are not even allowing for inflation in this budget, a freeze is enough.

There are a number of things that persons like myself would like to see done at the National Bureau of Standards, but I am willing to forgo them in accepting a freeze. So I do not think a cut at this stage is the right way to go.

I would like to point out that I am not sure about this $12 million. I would hope that while the jury is out and while we try to get this number firmed up, Members do not make a decision on this. This is something that is coming to certain Members this morning, and I just do not have the right kind of information.

Let me say this: Everybody has his or her story as to how certain agencies dump money out before the end of a fiscal year deadline simply to get it spent so that they will not lose it in the upcoming year.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FUQUA] has again expired.

(On request of Mr. RITTER, and by unanimous consent, Mr. FUQUA was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, if the gentleman will continue to yield, if you really want to plan a program and you want to make your investments flow naturally, you do not just throw the money out the door at the end of the fiscal year deadline. You can plan for it. And my view at this point, not knowing the full details of the circumstances, is that there is probably some good reason why these funds were planned to be spent this time around, as opposed to getting rid of them before the deadline.

Mr. FUQUA. Mr. Chairman, I thank the gentleman for his contribution.

It is my understanding that while there may be $12 million there, those moneys have been committed during the course of this fiscal year, and by going back and removing those, we are doing a very serious injustice to a very fine agency of this Federal Government, and a lot of fine and dedicated scientists and personnel that make it work.

Mr. GREGG. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I yield to the gentleman from New Hampshire.

Mr. GREGG. Mr. Chairman, I appreciate the gentleman's yielding.

Although I no longer serve on the committee, last year I had the opportunity to offer the amendment which basically froze the agency's levels into the prior-year levels, so the proposal of the gentleman from Florida and the committee proposal would basically be a 2-year freeze of the agency, as I understand it, which is a fairly significant retarding of spending and represents, in my opinion, a very appropriate level.

The Walker amendment, as it is proposed, presumes that the initial administration budget as sent up was a respectable budget, and I have to admit that when I was the ranking member on this committee, I was a little discouraged with the approach that OMB took in sending its budget up, because essentially they took the classic approach that you ran into if you happened to be on the school board and you asked your superintendent of schools to make a cut in your school department. OMB cut out or eliminated two major programs of the Bureau of Standards, knowing full well that those programs were going to have to go back in.

The CHAIRMAN. The time of the gentleman from Florida [Mr. FUQUA] has expired.

(On request of Mr. GREGG, and by unanimous consent, Mr. FUQUA was allowed to proceed for 3 additional minutes.)

Mr. GREGG. Mr. Chairman, if the gentleman will continue to yield, it was as if on a school board budget, the superintendent had come in and cut out the football team, the baseball team, and the school bus, and then added new initiatives, knowing full well that they were going to leave it up to the school board to put back in the football team, the baseball team, and the school bus and then deal with the new initiatives. That is exactly what the OMB has done here.

They eliminated the Fire Program, which is the core program in the Bureau of Standards. It is the program that develops the standards by which it is determined whether or not fabrics are flammable. It is the type of standards that are universally accepted so that children can wear fabrics which do not ignite if they are playing with fire and so if people fall asleep smoking on their couch, their couch will not burn them to death and burn the house with them. That program is a core program. But OMB zeroed it out.

There was also the construction program which they zeroed out, the Buildings Institute, which is a core program that dealt with the structural aspects of buildings such as what we are concerned with in the Kansas City case, and they know those programs are going to come back in.

Thus they put the committee between a rock and a hard place, essentially saying to the committee, "All right, we have zeroed out these programs, but we have added $16 million of new initiatives. Now you have to figure out how you are going to handle it, but we have given you a reasonable budget that is under the freeze level."

That is intellectually dishonest, and in my opinion, a freeze of this agency, which would be a 2-year carryforward freeze, is a fair level of funding. And I do not think anybody in this House can accuse me of being a spendthrift. In fact, I think I probably rank as one of the more conservative Members on the issue of spending.

Mr. Chairman, I certainly will support a freeze level, but for me to support the proposal of the administration, I think, would be to support a funding level which is unjust and done with mirrors.

Mr. FUQUA. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, let me just say, as has been outlined very clearly, that the agency has been frozen. It is in a retrenched position. To adopt the Walker amendment over the committee amendment even further punishes the agency. The agency does not deserve that, and the American people do not deserve that. I urge the Members to vote for the committee amendment and against the Walker amendment.

Mr. LUJAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the discussion here today about cutting back the National Bureau of Standards is a painful dis-

cussion to a lot of us. I would have just as soon last week left the funding as the committee brought it in for NASA. I would have been perfectly happy yesterday to have had the funding remain as the committee brought it in for the National Science Foundation, and because I do support the National Bureau of Standards, the $143 million under normal circumstances would have been something that I would have enjoyed supporting.

But we are faced with a different sort of decision here today. The gentleman from Michigan a little while ago was saying that the group they have was looking for $50 billion in reductions, but they can only find $38 billion if they freeze everything—being short some $12 billion. Well, here is $5 million of that $12 billion. So we have to look at that lowest figure.

I am afraid that today we are setting a precedent for how we conduct the authorizing of other agencies. We are setting a precedent that it will be at the freeze level if we accept the first amendment that was offered.

Let me say that I support both amendments. From my point of view, we cannot lose whichever one happens to win. But if we are going to look at only freezing at the 1985 level, we are going to be short on spending by $50 billion in this country.

Now, there is a rationale for the cuts. We had in committee some discussions about an item in there for overhead. There was $4.8 million in there for overhead, for such things as travel, public relations, increases in salary, and advertising—and those kinds of things can be reduced.

□ 1400

Consultant fees were in that $4.8 million. Coming on to the floor, we had cut that by $1.2 million by agreement in the committee, but that still left the $3.6 million in this committee bill today.

I think it is reasonable to be able to say that if you cannot cut the overhead, where are you going to cut?

One of the things in the report says that we will take the Director from a level 4 to a level 3. Let me tell you that I have the highest regard for the Director of the National Bureau of Standards. I think he ought to be paid a lot more than he is being paid, but under the circumstances, under the budget constraints that we have, perhaps this is not a good time to do it.

So I would support first the Walker amendment which takes it down to $122 million and then the Walgren amendment which takes it to $127 million. I will not be unhappy with either one of those amendments that happen to make it, but I think I have a suspicious mind in this particular instance. I do not know why it keeps reoccurring to me that there has been an examination of the budget and that by freezing some favorite programs at 1985 would be higher than recommended by the administration and so we are looking for an increase from the recommendation by using the word "freeze."

I would be much more comfortable in all our authorizations to have it either at the freeze level or at the requested level, whichever is lowest.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I would be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I just want to make one point. Some of the people who have been opposing my amendment have opposed it on the grounds that somehow we are launching a vicious assault on the agency. I want to assure the gentleman and those others that that is not the intent. What we are trying to do is launch a vicious assault on the deficit. I think it is maybe something that we ought to do, but I certainly believe the NBS is a valuable, useful agency. It is just that we have some tough decisions to make, as the gentleman has said, and I appreciated the gentleman's support.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think this is a very welcome set of votes that we are going to be having here in the House in a few minutes with respect to these two amendments. The gentleman from New Mexico and I discussed this issue yesterday and I think it is properly a question that will send a signal to the Budget Committee as to what the thinking of the House is, so I think it is a good situation to have.

I very much support, as I said earlier, the freeze proposal coming from the gentleman from Pennsylvania on behalf of the committee and I oppose the further cut that is recommended in the amendment from the gentleman from Pennsylvania [Mr. WALKER].

Now, let us look at what we are actually doing here. We are going to be voting, not on the validity of the Bureau of Standards or its budget; obviously, if we were voting on just that program and nothing else, probably the committee's recommendation of $144 million would receive support in the House, because the committee has made a considered judgment far below some of the requests that have come out of the administration for the specifics and it has come to us with a reasonable budget; but we are debating here an overall budget policy and how that is going to be implemented.

Now, the freeze is one way to go. The gentleman from New Mexico questions whether this is some kind of stalking horse in order to spend a lot more money on some other program. That is not the case.

The Budget Committee can come to us with further reductions even in the National Bureau of Standards after we pass this authorization. This is the first step. This is the authorization. We are establishing the maximum, not the minimum amount that can be spent. Therefore, if the Budget Committee determines in reaching that $50 billion or more in spending cuts, this is where to get $5 million, they will be in a position to do that. I doubt this is where they will find the $5 million. I doubt that is the case and I do not think the House should find it for them there right now.

We are at the first stage of the budget process. We are establishing a principle. The principle is that until money is available to pay for it, if ever, we should not spend more in 1986 than we will spend in 1985. That is not the whole solution to the deficit, but if you do not start there, how will we ever tame it?

We have plenty of opportunity to find more money to be saved; but the one thing we ought not to do is blindly accept the administration's budget as the guide to where the money ought to be saved. The administration's budget is a disaster in many other places, not only in the Bureau of Standards. The administration's budget is shortsighted. It is unwise. It does not reflect the priorities that this House ought to adopt.

We have a choice. The choice is clear. Shall we freeze or will we vote for the President's budget?

I think the President's budget is ill-advised in this area and a freeze is a sensible position.

I urge a "no" vote on the Walker amendment and a "yes" vote on the Walgren amendment.

Mr. LUNDINE. Mr. Chairman, would the gentleman yield?

Mr. MORRISON of Connecticut. I would be glad to yield to the gentleman from New York.

Mr. LUNDINE. Mr. Chairman, I would like to compliment the gentleman for the leadership that he has provided in bringing this House to some degree of fiscal restraint in these times when we are so addicted to public debt and foreign capital to finance that debt, but I join him in urging my colleagues in this House to vote against the Walker amendment and to support a freeze, not more than a freeze, as is being proposed under that amendment.

I just would like to additionally point out that if you support this amendment, you are not cutting out fat. You are cutting into the very muscle and fiber of our efforts at high tech development in this country. Advanced ceramics and biotechnology suffer deep and severe cuts if this

amendment is accepted. These areas our competitors are investing much more money than we are. I just seems to me that it would be foolish to the ultimate degree and hurt our sustained economic prosperity if we are to make those kind of cuts now.

I think the gentleman for his leadership in fiscal discipline, but his restraint in showing that there comes a limit in the authorization process and you have to preserve the essence of this National Bureau of Standards program.

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentleman for his comments. I just want to commend the gentleman for bringing before the House this key concern in all these determinations as to where we are going in the future.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding. I just wanted him to yield because I do want to correct a statement made by the gentleman from New York.

My spending in biotechnology and in ceramics and so on is precisely the same as the spending that is in the freeze amendment as proposed, so that in those areas there are no massive cuts. The spending is the same.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(At the request of Mr. LUNDINE, and by unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 2 additional minutes.)

Mr. LUNDINE. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I will be glad to yield to the gentleman from New York.

Mr. LUNDINE. Mr. Chairman, I stand corrected. This amendment gets changed so often that it is kind of hard to know the players without a scorecard.

Now what the gentleman is doing is taking it out of the Supercomputer Program, which as I understand it—where is he taking it?

Mr. MORRISON of Connecticut. Well, I have the time, and I would say from all I have heard, the gentleman is taking it out of the operations of the national laboratories, which sounds like a poor place to do it. The gentleman seems to be finding a mythical or a shadowy $12 million to pay for it and that does not sound like a good way for the Congress to proceed, but I will let the gentleman explain it.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

What we are doing is taking the money out of an area where the Under Secretary of Commerce told us we have a $12 million surplus and where we can spend that $12 million in surplus in a way that will not impact upon these new starts; so in fact what we are doing is trying to get that surplus for the future.

Mr. LUNDINE. Mr. Chairman, will the gentleman yield to me one more time?

Mr. MORRISON of Connecticut. I yield to the gentleman from New York.

Mr. LUNDINE. I am going to have the opportunity next Tuesday with the Under Secretary of Commerce to go to Elmira, NY, where Westinghouse and Toshiba are building a new industrial operation of the highest technology. I will talk to the Under Secretary of Commerce about where this $12 million is; but the gentleman from Connecticut has made the essential point. If there is some kind of a surplus out there, the Budget Committee and the Appropriation Committees can find it. It is not presented to this authorizing committee and it would be indeed foolish at this point to cut this amount of money which could cut into very vital and essential functioning of the National Bureau of Standards.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from Florida, the chairman.

Mr. FUQUA. Mr. Chairman, I thank the gentleman for yielding. I appreciate his cooperation.

If I understood the gentleman from Pennsylvania [Mr. WALKER] a while ago in relating to ceramics, the committee had taken $5 million out of that and now the gentleman has added it back in.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

(By unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 2 additional minutes.)

Mr. MORRISON of Connecticut. I yield to the gentleman from Florida.

□ 1410

Mr. FUQUA. In addition, there has been $2 million put back in biotechnology initiative. These are fine initiatives and the committee supports these programs. But when you take the money out of the operating money there is not going to be any funds there to initiate the programs in the coming year. And the gentleman has put a ceiling on the amount of money that can be spent.

If there is money in the budget, even if the $12 million is still there, it cannot be spent because all they can spend under the gentleman's amendment is $1,697,000, a little over $1.5 million to operate. We are informed by the agency that that $12 million is already committed to carry out the funding for the remainder of this fiscal year. It may be unspent as of today but it is obligated because they still have another 6 months to go in this fiscal year.

So I am very concerned that we will have an agency, a fine agency and no gas.

Mr. MORRISON of Connecticut. I think the gentleman's point is very well taken. Even if the money is not obligated or it will not be available for these purposes because of the legal effect of the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 1617, the National Bureau of Standards authorization bill for fiscal year 1986. Considering the huge budget deficits we have been having over the last several years, I want to congratulate Chairman FUQUA and the Committee on Science and Technology for doing an outstanding job under difficult circumstances. In my view, the National Bureau of Standards [NBS] has much to contribute to the well-being and the increased productivity of this Nation. In this regard, proper funding of its activities will ensure that NBS fulfills its mandated mission.

I also want to take this opportunity to express my appreciation for the strong support that the Science and Technology Committee has given to the Institute for Computer Science and Technology [ICST]. Public Law 89-306, which I authored, established for the first time a program to develop ADP and communications standards for the Federal Government. The Institute, which has administered this program for almost 20 years, has done a commendable job in developing standards that have greatly benefited the Government as well as the private sector.

More than 3 years ago, Joe Wright, then Deputy Secretary of the Department of Commerce, testified that the results of the Institute's work in the standards area was saving the Government about $132 million annually. Clearly, any program that is saving the Government more than $13 for every dollar spent is worth funding adequately and deserves the full support of Congress.

I support strongly Chairman FUQUA's amendment as offered by the gentleman from Pennsylvania [Mr. WALGREN] and I oppose the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] and would ask all Members to support the Fuqua proposal.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

I would say first of all to the gentleman from Texas [Mr. BROOKS] that I do not quite understand his point. There is nothing in my amendment which emasculates these programs. In fact, as the gentleman from Florida has just pointed out, I put some money back in in my amendment for new starts that in fact help us move toward trying to get some of these things done. And I think the gentleman from Florida would agree with me that the ceramics engine work is extremely important. It puts us in competition with the Japanese in the hopes of trying to get some technology where they will be able to compete.

So in that vein we are moving ahead with my amendment over and above what the committee wants to do.

I just want to make the point back to the gentleman from Florida with regard to the $12 million; as the gentleman knows, what I am doing is setting a level of appropriations or authorizations out of this year's funding level. But the $12 million of carryover money can certainly be spent without reference to this particular ceiling, so there is no problem on that.

In fact, we can move ahead and spend that money, and that is what the Under Secretary intends to do.

Mr. RITTER. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. I thank my colleague from Pennsylvania for yielding.

I would just like to enter into a colloquy with the gentleman to clarify what his amendment does with respect to the Office of Productivity and Technology Initiatives.

As I understand it, the gentleman's amendment keeps the administration figure at $1.8 million, down from $2.7 million, but does not provide for a phaseout in subsequent years and would then keep that program level?

Mr. WALKER. The gentleman is almost right. It is actually $1.9 million which is the present level of funding. I keep that, but instead of being a phaseout amount in my bill, it is, in fact, a retention amount in the bill. So the program would continue to go forward, but at the lesser amount that the administration originally requested.

Mr. RITTER. I thank the gentleman. I would like to point out that this program, this Office of Productivity and Technology Initiatives has been responsible for many of the private sector initiatives stimulating research and development in this country, like the R&D limited partnerships, like reducing antitrust barriers to research and development and like the R&D tax credits. It has been headed by Dr. Bruce Merrifield who has done a splendid job and in fact I am supporting in the Fuqua position keeping this office frozen at its current level.

Why cut something by one-third that has been doing a job with a minuscule amount of funding, that is doing a job for the industrial competitiveness of this country that we really need done.

I yield back to the gentleman from Pennsylvania.

Mr. WALKER. I yield back the balance of my time.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my comments are purely to put into context the overall discussion that we are having here on the issue of freeze to the previous year's spending levels or increase.

This is the third in a row of authorization bills that we have had. Today we are talking about a national laboratory for precision measurements. It is a part of our overall research and development, our production of science and technology.

Yesterday we had the bill that authorized the National Science Foundation, and 2 weeks ago we had the authorization bill for the National Aeronautics and Space Administration. In each of these situations we are taking the committee recommended level lower, back to the present year's spending level. And I think that we have to remind ourselves that if this is going to be a pattern that will replicate itself throughout the budgetary process then that is well and good because the Nation will be the better off for it.

However, if in the process of this budgetary system it starts to unravel, and certain agencies of Government have whopping increases and others have cuts, then it is incumbent upon us, particularly those of us Members that are here on this floor right now who understand the future of this country is involved with its production of science and technology, for us to come back and to raise that level to the committee recommended level.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] to the amendment offered by the gentleman from Pennsylvania [Mr. WALGREN].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, on that I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 55]

Addabbo	Dixon	Johnson
Akaka	Donnelly	Jones (OK)
Alexander	Dornan (CA)	Jones (TN)
Anderson	Dowdy	Kanjorski
Andrews	Downey	Kaptur
Annunzio	Dreier	Kasich
Anthony	Duncan	Kastenmeier
Applegate	Durbin	Kemp
Archer	Dwyer	Kennelly
Armey	Dymally	Kildee
Aspin	Dyson	Kindness
Atkins	Eckart (OH)	Kleczka
AuCoin	Eckert (NY)	Kolbe
Badham	Edgar	Kolter
Barnard	Edwards (CA)	Kostmayer
Barnes	Edwards (OK)	Kramer
Bartlett	Emerson	LaFalce
Barton	English	Lagomarsino
Bateman	Erdreich	Lantos
Bates	Evans (IA)	Latta
Bedell	Evans (IL)	Leach (IA)
Beilenson	Fascell	Leath (TX)
Bennett	Fawell	Lehman (CA)
Bentley	Fazio	Lehman (FL)
Bereuter	Feighan	Leland
Berman	Fiedler	Lent
Bevill	Fields	Levin (MI)
Biaggi	Fish	Levine (CA)
Bilirakis	Flippo	Lewis (CA)
Billey	Florio	Lewis (FL)
Boehlert	Foglietta	Lightfoot
Boland	Ford (TN)	Lipinski
Boner (TN)	Fowler	Livingston
Bonior (MI)	Frank	Loeffler
Bonker	Franklin	Long
Borski	Frenzel	Lott
Bosco	Frost	Lowery (CA)
Boucher	Fuqua	Lowry (WA)
Boulter	Gallo	Lujan
Boxer	Garcia	Luken
Breaux	Gaydos	Lundine
Brooks	Gejdenson	Lungren
Broomfield	Gekas	Mack
Brown (CA)	Gibbons	MacKay
Brown (CO)	Gilman	Madigan
Broyhill	Gingrich	Manton
Bruce	Gonzalez	Markey
Bryant	Goodling	Marlenee
Burton (CA)	Gordon	Martin (IL)
Burton (IN)	Gradison	Martin (NY)
Byron	Gray (IL)	Martinez
Callahan	Green	Matsui
Campbell	Grotberg	Mavroules
Carney	Guarini	Mazzoli
Carper	Gunderson	McCain
Carr	Hall (OH)	McCandless
Chandler	Hall, Ralph	McDade
Chappell	Hall, Sam	McEwen
Chappie	Hamilton	McGrath
Cheney	Hammerschmidt	McHugh
Coats	Hansen	McKernan
Cobey	Hartnett	McKinney
Coble	Hatcher	McMillan
Coelho	Hayes	Meyers
Coleman (MO)	Hefner	Mica
Coleman (TX)	Heftel	Michel
Collins	Hendon	Mikulski
Combest	Henry	Miller (CA)
Conte	Hertel	Miller (OH)
Cooper	Hiler	Miller (WA)
Coughlin	Hillis	Mineta
Courter	Holt	Mitchell
Coyne	Hopkins	Moakley
Crane	Horton	Molinari
Daniel	Howard	Mollohan
Dannemeyer	Hoyer	Monson
Darden	Hubbard	Moody
Daub	Huckaby	Moore
Davis	Hughes	Moorhead
de la Garza	Hunter	Morrison (CT)
DeWine	Hutto	Morrison (WA)
Dickinson	Hyde	Mrazek
Dicks	Ireland	Murphy
Dingell	Jacobs	Murtha
DioGuardi	Jenkins	Myers

Natcher	Rowland (GA)	Sundquist
Neal	Roybal	Sweeney
Nelson	Rudd	Swift
Nichols	Russo	Swindall
Nielson	Sabo	Synar
Nowak	Saxton	Tallon
O'Brien	Schaefer	Tauke
Oakar	Scheuer	Taylor
Oberstar	Schneider	Thomas (GA)
Obey	Schroeder	Torres
Olin	Schuette	Torricelli
Ortiz	Schumer	Towns
Owens	Sensenbrenner	Traxler
Oxley	Sharp	Udall
Packard	Shaw	Valentine
Panetta	Shelby	Vander Jagt
Parris	Shumway	Vento
Pashayan	Shuster	Visclosky
Pease	Sikorski	Volkmer
Penny	Siljander	Vucanovich
Pepper	Sisisky	Walgren
Perkins	Skeen	Walker
Petri	Skelton	Watkins
Pickle	Slattery	Weaver
Porter	Slaughter	Weber
Price	Smith (FL)	Weiss
Pursell	Smith (IA)	Wheat
Rahall	Smith (NE)	Whitehurst
Rangel	Smith (NH)	Whitley
Ray	Smith (NJ)	Whittaker
Regula	Smith, Denny	Whitten
Reid	Smith, Robert	Williams
Richardson	Snowe	Wilson
Ridge	Snyder	Wirth
Rinaldo	Solarz	Wise
Ritter	Spence	Wolf
Roberts	Spratt	Wolpe
Rodino	St Germain	Wortley
Roe	Staggers	Wright
Roemer	Stangeland	Wyden
Rogers	Stenholm	Yates
Rose	Stokes	Yatron
Rostenkowski	Strang	Young (AK)
Roth	Stratton	Young (FL)
Roukema	Studds	Young (MO)
Rowland (CT)	Stump	Zschau

□ 1430

The CHAIRMAN. Three hundred and ninety-three Members have recorded their presence, a quorum is present, and the committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote.

PARLIAMENTARY INQUIRY

Mr. MORRISON of Connecticut. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman from Connecticut will state his parliamentary inquiry.

Mr. MORRISON of Connecticut. Mr. Chairman, my parliamentary inquiry is as follows: Do I understand correctly that the amendment before the body about to be voted or on which a recorded vote has been requested and will be ordered is the Walker amendment to the Walgren amendment; the Walgren being a freeze amendment to the underlying proposal from the committee. Is that correct?

The CHAIRMAN. The gentleman from Connecticut is correct, and the Chair will make that clear again as the Chair puts the vote.

The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote.

A recorded vote was ordered,

The CHAIRMAN. Members will have 5 minutes in which to record their votes.

The vote was taken by electronic device, and there were—ayes 196, noes 201, not voting 36, as follows:

[Roll No. 56]

AYES—196

Applegate	Gradison	Nielson
Archer	Grotberg	Oxley
Armey	Gunderson	Packard
AuCoin	Hall (OH)	Parris
Badham	Hall, Ralph	Pashayan
Barnard	Hammerschmidt	Penny
Bartlett	Hansen	Petri
Barton	Hartnett	Porter
Bateman	Heftel	Ray
Bates	Hendon	Regula
Bennett	Hiler	Rinaldo
Bentley	Hillis	Roberts
Bilirakis	Holt	Roemer
Bliley	Hopkins	Rogers
Bonker	Hubbard	Roth
Bosco	Huckaby	Roukema
Boulter	Hughes	Rowland (CT)
Breaux	Hunter	Rudd
Broomfield	Hyde	Saxton
Brown (CO)	Ireland	Schaefer
Broyhill	Jenkins	Schroeder
Burton (IN)	Johnson	Schuette
Callahan	Kanjorski	Sensenbrenner
Campbell	Kasich	Shaw
Carney	Kemp	Shumway
Carr	Kindness	Shuster
Chandler	Kolbe	Sikorski
Chappell	Kramer	Siljander
Chappie	LaFalce	Skeen
Cheney	Lagomarsino	Slattery
Coats	Latta	Slaughter
Cobey	Leach (IA)	Smith (IA)
Coble	Leath (TX)	Smith (NE)
Coleman (MO)	Lent	Smith (NH)
Combest	Lewis (CA)	Smith (NJ)
Coughlin	Lewis (FL)	Smith, Denny
Courter	Lightfoot	Smith, Robert
Craig	Livingston	Snyder
Crane	Loeffler	Spence
Daniel	Lott	Spratt
Dannemeyer	Lowery (CA)	Stangeland
Darden	Lujan	Stenholm
Daub	Lungren	Strang
Davis	Mack	Stratton
DeWine	Madigan	Stump
Dickinson	Marlenee	Sundquist
DioGuardi	Martin (IL)	Sweeney
Dornan (CA)	Martin (NY)	Swindall
Dreier	Mazzoli	Tauke
Duncan	McCain	Taylor
Eckert (NY)	McCandless	Vander Jagt
Edwards (OK)	McCollum	Vucanovich
English	McDade	Walker
Evans (IA)	McEwen	Weaver
Fawell	McGrath	Weber
Fiedler	McMillan	Whitehurst
Fields	Meyers	Whittaker
Fish	Michel	Wilson
Franklin	Miller (OH)	Wolf
Frenzel	Miller (WA)	Wolpe
Gallo	Molinari	Wortley
Gekas	Monson	Young (AK)
Gibbons	Moore	Young (FL)
Gilman	Moorhead	Zschau
Gingrich	Myers	
Goodling	Nichols	

NOES—201

Addabbo	Boehlert	Collins
Akaka	Boland	Conte
Alexander	Boner (TN)	Cooper
Anderson	Bonior (MI)	Coyne
Andrews	Borski	Crockett
Annunzio	Boucher	de la Garza
Anthony	Boxer	Dellums
Aspin	Brooks	Dicks
Atkins	Brown (CA)	Dingell
Barnes	Bruce	Dixon
Bedell	Bryant	Donnelly
Bellenson	Burton (CA)	Dowdy
Bereuter	Byron	Downey
Berman	Carper	Durbin
Bevill	Coelho	Dwyer
Biaggi	Coleman (TX)	Dymally
Dyson	Levin (MI)	Ridge
Eckart (OH)	Levine (CA)	Ritter
Edgar	Lipinski	Rodino
Edwards (CA)	Long	Roe
Emerson	Lowry (WA)	Rose
Erdreich	Luken	Rostenkowski
Evans (IL)	Lundine	Rowland (GA)
Fascell	MacKay	Roybal
Fazio	Manton	Russo
Feighan	Markey	Sabo
Flippo	Martinez	Scheuer
Florio	Matsui	Schneider
Foglietta	Mavroules	Schumer
Ford (TN)	McHugh	Sharp
Fowler	McKernan	Shelby
Frank	McKinney	Sisisky
Frost	Mica	Skelton
Fuqua	Mikulski	Smith (FL)
Garcia	Miller (CA)	Snowe
Gaydos	Mineta	Solarz
Gejdenson	Mitchell	St Germain
Gephardt	Moakley	Staggers
Gonzalez	Mollohan	Stark
Gordon	Moody	Stokes
Gray (IL)	Morrison (CT)	Studds
Green	Morrison (WA)	Swift
Guarini	Mrazek	Synar
Hall, Sam	Murphy	Tallon
Hamilton	Murtha	Thomas (GA)
Hatcher	Natcher	Torres
Hayes	Neal	Torricelli
Hefner	Nelson	Towns
Henry	Nowak	Udall
Hertel	O'Brien	Valentine
Howard	Oakar	Vento
Hoyer	Oberstar	Visclosky
Hutto	Obey	Volkmer
Jacobs	Olin	Walgren
Jones (OK)	Ortiz	Watkins
Jones (TN)	Owens	Weiss
Kaptur	Panetta	Wheat
Kastenmeier	Pease	Whitley
Kennelly	Pepper	Whitten
Kildee	Perkins	Williams
Kleczka	Pickle	Wirth
Kolter	Price	Wise
Kostmayer	Pursell	Wright
Lantos	Rahall	Wyden
Lehman (CA)	Rangel	Yates
Lehman (FL)	Reid	Yatron
Leland	Richardson	Young (MO)

NOT VOTING—36

Ackerman	Ford (MI)	Robinson
Boggs	Glickman	Savage
Bustamante	Gray (PA)	Schulze
Clay	Gregg	Seiberling
Clinger	Hawkins	Solomon
Conyers	Horton	Stallings
Daschle	Jeffords	Tauzin
DeLay	Jones (NC)	Thomas (CA)
Derrick	Lloyd	Traficant
Dorgan (ND)	McCurdy	Traxler
Early	Montgomery	Waxman
Foley	Quillen	Wylie

□ 1440

The Clerk announced the following pairs:

On this vote:

Mr. Quillen for, with Mr. Ford of Michigan against.

Mr. Solomon for, with Mr. Hawkins against.

Mr. Horton for, with Mr. Bustamante, against.

Messrs. VALENTINE, WATKINS, HUTTO, ANDREWS, and DE LA GARZA changed their votes from "aye" to "no."

Mrs. BENTLEY changed her vote from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentle-

man from Pennsylvania [Mr. WALGREN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MORRISON of Connecticut. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 398, noes 2, not voting 33, as follows:

[Roll No. 57]

AYES—398

Addabbo	Daniel	Hartnett
Akaka	Dannemeyer	Hatcher
Alexander	Darden	Hayes
Anderson	Daschle	Hefner
Andrews	Daub	Heftel
Annunzio	Davis	Hendon
Anthony	de la Garza	Henry
Applegate	Dellums	Hertel
Archer	DeWine	Hiler
Armey	Dickinson	Hillis
Aspin	Dicks	Holt
Atkins	Dingell	Hopkins
AuCoin	DioGuardi	Howard
Badham	Dixon	Hoyer
Barnard	Donnelly	Hubbard
Barnes	Dornan (CA)	Huckaby
Bartlett	Dowdy	Hughes
Barton	Downey	Hunter
Bateman	Dreier	Hutto
Bates	Duncan	Hyde
Bedell	Durbin	Ireland
Beilenson	Dwyer	Jacobs
Bennett	Dymally	Jenkins
Bentley	Dyson	Johnson
Bereuter	Eckart (OH)	Jones (OK)
Berman	Eckert (NY)	Jones (TN)
Bevill	Edgar	Kanjorski
Biaggi	Edwards (CA)	Kaptur
Bilirakis	Edwards (OK)	Kasich
Bliley	Emerson	Kastenmeier
Boehlert	English	Kemp
Boland	Erdreich	Kennelly
Boner (TN)	Evans (IA)	Kildee
Bonior (MI)	Evans (IL)	Kindness
Bonker	Fascell	Kleczka
Borski	Fawell	Kolbe
Bosco	Fazio	Kolter
Boucher	Feighan	Kostmayer
Boulter	Fiedler	Kramer
Boxer	Fields	LaFalce
Breaux	Fish	Lagomarsino
Brooks	Flippo	Lantos
Broomfield	Florio	Latta
Brown (CA)	Foglietta	Leach (IA)
Brown (CO)	Ford (TN)	Leath (TX)
Broyhill	Fowler	Lehman (CA)
Bruce	Frank	Lehman (FL)
Bryant	Franklin	Leland
Burton (CA)	Frost	Lent
Burton (IN)	Fuqua	Levin (MI)
Byron	Gallo	Levine (CA)
Callahan	Garcia	Lewis (CA)
Campbell	Gaydos	Lewis (FL)
Carney	Gejdenson	Lightfoot
Carper	Gekas	Lipinski
Carr	Gephardt	Livingston
Chandler	Gibbons	Loeffler
Chappell	Gilman	Long
Chappie	Gingrich	Lott
Cheney	Gonzalez	Lowery (CA)
Coats	Goodling	Lowry (WA)
Cobey	Gordon	Lujan
Coble	Gradison	Luken
Coelho	Gray (IL)	Lundine
Coleman (MO)	Gray (PA)	Lungren
Coleman (TX)	Green	Mack
Collins	Grotberg	MacKay
Combest	Guarini	Madigan
Conte	Gunderson	Manton
Cooper	Hall (OH)	Markey
Coughlin	Hall, Ralph	Marlenee
Courter	Hall, Sam	Martin (IL)
Coyne	Hamilton	Martin (NY)
Craig	Hammerschmidt	Martinez
Crockett	Hansen	Matsui
Mavroules	Porter	Spratt
Mazzoli	Price	St Germain
McCain	Pursell	Staggers
McCandless	Rahall	Stangeland
McCollum	Rangel	Stark
McDade	Ray	Stenholm
McEwen	Regula	Stokes
McGrath	Reid	Strang
McHugh	Richardson	Stratton
McKernan	Ridge	Studds
McKinney	Rinaldo	Stump
McMillan	Ritter	Sundquist
Meyers	Roberts	Sweeney
Mica	Rodino	Swift
Michel	Roe	Swindall
Mikulski	Roemer	Synar
Miller (CA)	Rogers	Tallon
Miller (OH)	Rose	Tauke
Miller (WA)	Rostenkowski	Tauzin
Mineta	Roth	Taylor
Mitchell	Roukema	Thomas (GA)
Moakley	Rowland (CT)	Torres
Molinari	Rowland (GA)	Torricelli
Mollohan	Roybal	Towns
Monson	Rudd	Udall
Moody	Russo	Valentine
Moore	Sabo	Vander Jagt
Moorhead	Saxton	Vento
Morrison (CT)	Schaefer	Visclosky
Morrison (WA)	Scheuer	Volkmer
Mrazek	Schneider	Vucanovich
Murphy	Schroeder	Walgren
Murtha	Schuette	Walker
Myers	Schumer	Watkins
Natcher	Sensenbrenner	Waxman
Neal	Sharp	Weaver
Nelson	Shaw	Weber
Nichols	Shelby	Weiss
Nielson	Shumway	Wheat
Nowak	Shuster	Whitehurst
O'Brien	Sikorski	Whitley
Oakar	Siljander	Whittaker
Oberstar	Sisisky	Whitten
Obey	Skeen	Wilson
Olin	Skelton	Wirth
Ortiz	Slattery	Wise
Owens	Slaughter	Wolf
Oxley	Smith (FL)	Wolpe
Packard	Smith (IA)	Wortley
Panetta	Smith (NE)	Wright
Parris	Smith (NH)	Wyden
Pashayan	Smith (NJ)	Yates
Pease	Smith, Denny	Yatron
Penny	Smith, Robert	Young (AK)
Pepper	Snowe	Young (FL)
Perkins	Snyder	Young (MO)
Petri	Solarz	Zschau
Pickle	Spence	

NOES—2

Frenzel	Williams

NOT VOTING—33

Ackerman	Foley	Quillen
Boggs	Ford (MI)	Robinson
Bustamante	Glickman	Savage
Clay	Gregg	Schulze
Clinger	Hawkins	Seiberling
Conyers	Horton	Solomon
Crane	Jeffords	Stallings
DeLay	Jones (NC)	Thomas (CA)
Derrick	Lloyd	Traficant
Dorgan (ND)	McCurdy	Traxler
Early	Montgomery	Wylie

□ 1500

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. BENNETT] having assumed the chair, Mr. LEVIN of Michigan, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes, pursuant to House Resolution 128, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LUNGREN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 282, noes 103, not voting 48, as follows:

[Roll No. 58]

AYES 282

Addabbo	Carper	Evans (IL)
Akaka	Carr	Fascell
Alexander	Chandler	Fawell
Anderson	Chappell	Fazio
Andrews	Coelho	Feighan
Annunzio	Coleman (MO)	Fish
Anthony	Coleman (TX)	Flippo
Applegate	Collins	Florio
Aspin	Conte	Foglietta
Atkins	Cooper	Ford (TN)
AuCoin	Coughlin	Fowler
Barnard	Coyne	Frank
Barnes	Crockett	Frost
Bedell	Daniel	Fuqua
Beilenson	Darden	Gallo
Bennett	Daschle	Garcia
Bentley	Davis	Gaydos
Bereuter	de la Garza	Gejdenson
Berman	Dellums	Gephardt
Bevill	Dicks	Gibbons
Biaggi	Dingell	Gilman
Bliley	DioGuardi	Gonzalez
Boehlert	Donnelly	Gordon
Boner (TN)	Dowdy	Gradison
Bonior (MI)	Downey	Gray (IL)
Bonker	Durbin	Gray (PA)
Borski	Dwyer	Green
Bosco	Dymally	Guarini
Boucher	Dyson	Gunderson
Boxer	Eckart (OH)	Hall (OH)
Breaux	Eckert (NY)	Hall, Ralph
Brooks	Edgar	Hall, Sam
Bruce	Edwards (CA)	Hamilton
Bryant	Emerson	Hatcher
Burton (CA)	English	Hayes
Byron	Erdreich	Hefner
Carney	Evans (IA)	Heftel

Hendon	Miller (CA)	Schneider
Henry	Mineta	Schroeder
Hertel	Mitchell	Schumer
Holt	Moakley	Sharp
Howard	Mollohan	Shelby
Hoyer	Moody	Sikorski
Huckaby	Moore	Sisisky
Hughes	Morrison (CT)	Skelton
Hutto	Morrison (WA)	Slattery
Hyde	Mrazek	Slaughter
Ireland	Murphy	Smith (FL)
Jacobs	Murtha	Smith (IA)
Jenkins	Natcher	Smith (NE)
Johnson	Neal	Smith (NJ)
Jones (OK)	Nelson	Smith, Robert
Kanjorski	Nichols	Snowe
Kaptur	Nowak	Solarz
Kastenmeier	O'Brien	Spratt
Kennelly	Oakar	Staggers
Kildee	Oberstar	Stark
Kleczka	Obey	Stokes
Kostmayer	Olin	Stratton
Kramer	Ortiz	Studds
LaFalce	Owens	Swift
Lantos	Oxley	Synar
Leach (IA)	Packard	Tallon
Lehman (CA)	Parris	Tauke
Lehman (FL)	Pashayan	Tauzin
Leland	Pease	Thomas (GA)
Lent	Pepper	Torres
Levin (MI)	Perkins	Torricelli
Levine (CA)	Pickle	Udall
Lewis (FL)	Porter	Valentine
Lightfoot	Price	Vander Jagt
Lipinski	Pursell	Vento
Livingston	Rahall	Visclosky
Long	Rangel	Volkmer
Lowry (WA)	Ray	Walgren
Lujan	Regula	Watkins
Luken	Reid	Waxman
Lundine	Richardson	Weiss
MacKay	Ridge	Wheat
Manton	Rinaldo	Whitehurst
Markey	Ritter	Whitley
Marlenee	Rodino	Whitten
Martin (NY)	Roe	Williams
Martinez	Roemer	Wilson
Matsui	Rostenkowski	Wirth
Mavroules	Roth	Wise
Mazzoli	Roukema	Wolf
McDade	Rowland (CT)	Wolpe
McGrath	Rowland (GA)	Wright
McHugh	Roybal	Wyden
McKernan	Russo	Yates
McKinney	Sabo	Yatron
Mica	Saxton	Young (AK)
Mikulski	Scheuer	Young (MO)

NOES—103

Archer	Gingrich	Monson
Armey	Goodling	Moorhead
Badham	Grotberg	Nielson
Bartlett	Hammerschmidt	Penny
Barton	Hansen	Petri
Bateman	Hartnett	Roberts
Bilirakis	Hiler	Rogers
Boulter	Hillis	Schaefer
Broomfield	Hopkins	Schuette
Brown (CA)	Hubbard	Sensenbrenner
Brown (CO)	Hunter	Shaw
Burton (IN)	Kasich	Shumway
Callahan	Kemp	Shuster
Campbell	Kindness	Siljander
Chappie	Kolbe	Skeen
Cheney	Lagomarsino	Smith (NH)
Coats	Latta	Smith, Denny
Cobey	Leath (TX)	Snyder
Coble	Lewis (CA)	Spence
Combest	Loeffler	Stangeland
Courter	Lott	Stenholm
Craig	Lowery (CA)	Strang
Dannemeyer	Lungren	Stump
Daub	Mack	Sundquist
DeWine	Madigan	Sweeney
Dickinson	Martin (IL)	Swindall
Dornan (CA)	McCain	Taylor
Dreier	McCandless	Vucanovich
Duncan	McCollum	Walker
Edwards (OK)	McEwen	Weber
Fiedler	McMillan	Whittaker
Fields	Michel	Young (FL)
Franklin	Miller (OH)	Zschau
Frenzel	Miller (WA)	
Gekas	Molinari	

NOT VOTING—48

Ackerman	Ford (MI)	Robinson
Bates	Glickman	Rose
Boggs	Gregg	Rudd
Boland	Hawkins	Savage
Broyhill	Horton	Schulze
Bustamante	Jeffords	Seiberling
Clay	Jones (NC)	Solomon
Clinger	Jones (TN)	St Germain
Conyers	Kolter	Stallings
Crane	Lloyd	Thomas (CA)
DeLay	McCurdy	Towns
Derrick	Meyers	Traficant
Dixon	Montgomery	Traxler
Dorgan (ND)	Myers	Weaver
Early	Panetta	Wortley
Foley	Quillen	Wylie

□ 1520

The Clerk announced the following pairs:

On this vote:

Mr. Ford of Michigan for, with Mr. Rudd against.

Mr. Hawkins for, with Mr. Crane against.

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. LONG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous matter on H.R. 1617, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

CRIME VICTIMS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 109) to designate the week of April 14, 1985, as "Crime Victims Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, however, I do not object, but simply would like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 109

Whereas crime often inflicts considerable physical and emotional pain and financial hardship upon its victims, disrupting their lives, and placing great strains upon their families;

Whereas our criminal justice system has often failed to provide the victims of crime with the compassionate treatment they deserve;

Whereas it is the fundamental obligation of government to protect its citizens from the criminal element;

Whereas there is a national movement in support of more just and compassionate treatment of victims of crime;

Whereas the establishment of the President's Task Force on Victims of Crime and an Office for Victims of Crime in the Department of Justice, and enactment of the Victim and Witness Protection Act of 1982 and the Victims of Crime Act of 1984 evidence the Federal Government's increased awareness of the plight of crime victims; and

Whereas further efforts are needed, at all levels of government and in the private sector, to help ease the trauma suffered by crime victims: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 14 through April 20, 1985, as "Crime Victims Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe that week with appropriate ceremonies, activities, and programs.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DES AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 63) to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, however, I do not object, but simply would like to inform the House that the minority has no objection to the legislation being considered.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I thank the distinguished gentleman for yielding. I want to express my appreciation

to him and to the distinguished chairman of the subcommittee for the urgent and immediate consideration of this legislation.

Mr. Speaker, diethylstilbestrol [DES], a powerful synthetic hormone, was prescribed to an estimated 3 million women in the United States from 1941 to 1971 for the purpose of reducing complications in childbirth. Use was continued despite reports as early as the 1950's that the drug was ineffective. It was not until early 1971 that use was banned by the Food and Drug Administration when medical research revealed a strong connection between DES and cancer of the reproductive organs. More recent studies have linked DES to cancers and abnormalities in mothers, daughters, and sons.

It is imperative that the women who took DES during pregnancy and their daughters and sons be made aware of the effects of the drug. Early detection and treatment are necessary to contain the resulting cancers and preserve the reproductive capabilities of DES' victims. The effort to reach these people has been difficult because of the time which has elapsed since exposure. Many women were not familiar with the drugs prescribed to them, and some are not aware of the risks now facing their children. "DES Awareness Week" is an important step in the effort to locate and educate the many men and women exposed to this dangerous drug.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 63

Whereas Diethylstilbestrol (DES), a powerful synthetic hormone was given to over three million pregnant women in the United States from 1941 to 1971 for the purpose of reducing miscarriages, despite reports as early as the 1950's that the drug was ineffective;

Whereas it is estimated that over three million "DES daughters and sons" were also exposed in utero;

Whereas mothers who have been exposed to DES have been demonstrated to have a higher incidence of breast cancer with that risk becoming increasingly more pronounced with age;

Whereas approximately one out of one-thousand DES daughters will develop a rare cancer of the cervix and vagina known as Clear-Cell Adenocarcinoma;

Whereas these cancer victims are subject to hysterectomies, vaginectomies and lymphotomies with a 25 percent possibility of death as a result of such exposure;

Whereas a second type of cervical and vaginal cancer known as cervical dysplasia (pre-cancerous) and carcinoma in situ (CIS) has been shown to have a higher incidence in DES daughters affecting more than eighty-thousand women with at least five thousand developing the actual cancer;

Whereas problems with pregnancies have been reported to affect a large proportion of DES daughters including ectopic pregnancies, miscarriages, infertility and premature deliveries;

Whereas DES sons have shown a higher incidence of maldescent of the testes, a known risk factor for testicular cancer; and

Whereas identification, appropriate evaluation, and treatment of individuals exposed to DES is dependent upon a greater public awareness: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 21, 1985, through April 27, 1985, is designated as "National DES Awareness Week" and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask, unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1530

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I ask to proceed for the purpose of inquiring of the distinguished majority leader the program for the balance of this week and next week.

Mr. WRIGHT. Will the distinguished minority leader yield?

Mr. MICHEL. I will be happy to.

Mr. WRIGHT. This concludes our business for the week. The legislative business schedule for this week has been concluded. There will be no session tomorrow, therefore.

We will ask unanimous consent that when we come in on Monday we convene at 3 p.m. on next Monday.

Mr. MICHEL. Will the distinguished majority leader mind advising the House as to why we would under normal circumstances coming in at 12 delay that until 3 on Monday?

Mr. WRIGHT. I will be delighted to respond.

There is scheduled, and has been for some long while, a dedication of the library at Queens College in New York in the memory of our late colleague, Ben Rosenthal. That ceremony takes place late morning on Monday next. The New York delegation desires to attend that ceremony and other Members desire to attend, and in deference to them and in the honor of our late colleague we are asking that the House convene at 3 p.m. rather than at 12 o'clock noon on Monday.

Mr. MICHEL. I thank the gentleman.

Mr. WRIGHT. There are three bills planned to be taken up under suspension of the rules, all of them from the Committee on Foreign Affairs. The first is a resolution condemning the Soviet Government for the murder of Maj. Arthur Nicholson, Jr.; another expressing support for Costa Rica's neutrality; and a third calling for the restoration of democracy in Chile.

Members should be advised, in addition to those three, that on Monday it is likely, assuming that the Committee on House Administration has completed its work and has made a finding with respect to the winner in the contested election in the Eighth District of Indiana, that a motion would be made to seat the winner, whoever he may be.

On Tuesday we will ask unanimous consent to convene at 9 o'clock in order that we may take up consideration of the bill scheduled for action by reason of the legislation adopted last year, appropriations for aid to the Contras in Nicaragua.

That, as the gentleman may know, is a 10-hour rule. We will be considering the rule providing for 10 hours of debate and a vote as the statute commands, providing also for an opportunity after that has been done, an opportunity for a substitute to be offered on behalf of the House Committee on Foreign Affairs and the House Committee on Intelligence, and finally for a Republican motion to recommit which would be formed in whatever fashion the gentleman from Illinois or his designee may desire, and a guarantee that there will be an opportunity for the Members to vote on each of the three options.

Mr. MICHEL. I gather from what the distinguished majority leader is saying, your effort here is to circumvent the Appropriations Committee itself, who has original jurisdiction over the resolution which several Members on our side introduced; is that not correct?

Mr. WRIGHT. I do not believe that I would express it in terms of circumvention. The Appropriations Committee, to my knowledge, is not objecting to this procedure which fulfills the law adopted by our Congress last year calling for a vote to be taken within a given envelope of time.

The purpose, therefore, I would describe not as, certainly not to circumvent the Committee on Appropriations, but rather to facilitate action by the House.

Mr. MICHEL. Can the gentleman tell me if the Rules Committee has ac-

tually met yet on the procedures the gentleman has outlined here briefly?

Mr. WRIGHT. It is my understanding, though I am subject to correction, that they are in the process of meeting now. I am not sure that that is true, but I think that is true.

Mr. MICHEL. So that I have no assurance of what kind of rule we are going to be talking about here until actually finally the committee has concluded its work?

Mr. WRIGHT. I think that is true. You have no absolute assurance, nor have I. But I have described to you what I believe it will be.

Mr. MICHEL. I thank the gentleman.

Mr. WRIGHT. And what the Democratic leadership of the House has requested that it be.

Mr. MICHEL. And I assume then by way of brief review that would call for the 10 hours of debate originally prescribed in the continuing resolution, plus an opportunity for the chairman of the Intelligence Committee to offer whatever amendment he might want to offer, and reserving to this side an opportunity for a substitute, or would it be limited, or would it be a free-standing substitute or just a motion to recommit? Could the gentleman inform me?

Mr. WRIGHT. I am not able to answer the gentleman with specificity. It is my understanding, however, that it would reserve to the gentleman's side of the aisle the right to offer a motion to recommit in whatever manner the gentleman or his designee may prescribe it.

Mr. MICHEL. Might I further inquire as to the time that would be allocated beyond the 10 hours of general debate. If the gentleman from Indiana [Mr. HAMILTON] has an amendment, would there be a time allocation beyond the 10 hours of general debate for his amendment?

Mr. WRIGHT. It has been our purpose to request of the Rules Committee that 2 additional hours would be allowed for the substitutes to be discussed.

Mr. MICHEL. What kind of time would be reserved then to the minority?

Mr. WRIGHT. Half that time. Half that time, 1 of the 2 hours.

Mr. MICHEL. And would that include the time for offering our substitute if we chose to offer one, or would we have such time allocated to the minority?

Mr. WRIGHT. The minority, of course, would be free to use that time in such manner as it might choose to describe its own substitute, to extoll reasons for the virtues inherent in the minority substitute as superior in your view to those contained in the substitute offered by the chairman of the Committee on Intelligence. For whatever purpose the gentleman may desire to use the time, I think it would be available to him at his option.

Mr. MICHEL. I guess the bottom line, though, is if it is limited to a motion to recommit, would the time be limited to a mere 10 minutes, or would we be getting an hour of time?

Mr. WRIGHT. I would hope that the gentleman would elucidate the contents of the motion to recommit in the process of our debate in order that all Members might understand what was contained in the motion to recommit. I am not aware of any effort on the part of the Rules Committee to extend the normal time for motions to recommit.

If the gentleman desires that, he might want to consult with the Rules Committee members.

Mr. MICHEL. Well, the gentleman from Illinois has not been advised that there is an emergency meeting of the committee being held in order to testify in behalf of his own proposition. And I guess I raise the point that under normal rules of procedure, even under an emergency situation, the courtesy ought to be shown to at least the author of the resolution being considered that we are having an emergency meeting to consider your resolution. And I would make that point, and just for future reference, hopefully that we will make a point.

Mr. WRIGHT. I take the gentleman's point as well intentioned and a proper statement. I think it is surely the intention of the Democratic leadership to preserve and protect for the gentleman from Illinois whatever motion he may want to offer, and not to restrict him in any artificial way whatsoever.

Mr. MICHEL. I thank the gentleman. I think I interrupted him when we were on about Tuesday.

Mr. WRIGHT. We were at Tuesday, and that is all that is planned for Tuesday. We would hope to be able to come in at 9 o'clock and would not schedule any other actions on Tuesday.

On Wednesday we would ask unanimous consent that we may be able to meet at noon in order that we may take up H.R. 2068, the State Department authorization bill. That, of course, is subject to the granting of a rule, but I know of no impediment to the rule being granted.

□ 1540

If we can complete these heretofore listed actions on Monday, Tuesday, and Wednesday, then we would have a pro forma session on Thursday, meeting at 11 a.m. as prescribed in the general rules of the House and would not have to have a session on Friday, April 26.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

ADJOURNMENT TO MONDAY, APRIL 22, 1985, AND HOUR OF MEETING ON THAT DAY

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 3 p.m. on Monday next.

The SPEAKER pro tempore. It there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, it adjourn to meet at 9 a.m. on Tuesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday it adjourn to meet at noon on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule shall be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONGRESS AND THE CONTRAS

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LIVINGSTON. Mr. Speaker, the Times-Picayune/the States-Item of New Orleans recently joined the growing ranks of influential journals backing President Reagan's program for the freedom fighters in Nicaragua. The paper cannot understand why so many in this Congress have not done likewise. Frankly, I don't understand it either, and I doubt the American people will, should the aid package be defeated and Nicaragua be allowed to consolidate its antidemocratic state.

The Picayune reminds us of recent votes in this Congress for aid to Cambodians battling Vietnamese Communist invaders, and of congressional

support for covert aid to Afghan rebels fighting the Soviet puppet regime there. Then the paper hits the main point:

But what is really remarkable is that Congress should be concentrating opposition on countering a demonstrable threat to U.S. and free world interests right in our own neighborhood in Nicaragua. The opposition is full of arguments that seem to amount to little more than excuses.

Mr. Speaker, I urge my colleagues to support the President and to carefully consider the cogent Times-Picayune editorial, which follows in its entirety.

CONGRESS AND THE CONTRAS

Congressional sentiment is running generally against renewing aid to the "contras" battling the Sandinista regime in Nicaragua. We find it remarkable, then, that the House Foreign Affairs Committee last week voted overwhelmingly to approve $5 million in military aid to Cambodians battling the Vietnamese communist invaders.

We find this remarkable because the Cambodians we would be providing money to are the lesser factions in a coalition that includes the savage communist Khmer Rouge. The chances of "our" group's prevailing are virtually nil.

We find it remarkable, too, that there is no congressional sticking at increasing our aid to the Afghans fighting the Soviets and the Soviet puppet regime. This aid is being funneled through the Central Intelligence Agency, a method many in Congress found so distasteful when applied to the contras. The Afghanistan resistance, too, is not likely to succeed.

Both these distant wars are of strategic importance to the United States. The conflict in Cambodia threatens our ally Thailand. The conflict in Afghanistan costs the Soviets money and threatens not only our ally Pakistan but threatens to achieve for the Russians their long-sought access to warm seas.

But what is really remarkable is that Congress should be concentrating opposition on countering a demonstrable threat to U.S. and free world interests right in our own neighborhood in Nicaragua. The opposition is full of arguments that seem to amount to little more than excuses.

The Sandinistas, for example, are only homegrown revolutionaries reacting to long-standing domestic problems. But, to continue, even if they are communists, they have the support of their people. The Sandinistas, some argue, have built their disproportionate military force purely in defense—against potentially hostile neighbors and the United States itself. The contras, some charge, are Somoza men bent on returning to dictatorship. In any event, for the clincher, the United States should not finance guerrillas against an established government we formally recognize.

None of this can stand up. The Sandinistas were one faction in a broad uprising against the Somoza dictatorship, and when Somoza was expelled, they took full power and set up their own proto-dictatorship; the contras are the other uprisers who are still trying to establish a pluralistic democracy. The United States is helping them finish the revolution, whose goals coincide with our own.

An entrenched Sandinista regime, even if Cuba and the Soviets lifted not a finger nor provided a cent to its victory, would be a Soviet comrade on the hemisphere's mainland and an exporter of its own brand of dictatorship in a region of direct strategic importance to us.

Congress must stand in defense of our and our free (or freeable) neighbors—the amount and the means being, to some extent, negotiable. If it does not, it will be sending a signal to the Soviets and their potential agents that the United States has lost its nerve and has no stomach for resisting the program of aggression by proxy that serves them far better than nuclear missile rattling in expanding their global power.

HOLLYWOOD STARS LOBBY AGAINST AID FOR FREEDOM FIGHTERS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MARLENEE. Mr. Speaker, this week a group of Hollywood stars with limited foreign policy knowledge or experience invaded the Halls of this Congress to lobby against aid for the Nicaraguan freedom fighters.

The stars are beautiful, persuasive people but have any of my colleagues met face to face with people who have been disfigured, imprisoned, and tortured by the Marxist Sandinstas? Why haven't my colleagues talked to those who tell a story different from what they want to hear, a story of brothers and sisters, sons and daughters being brutally tortured, disfigured, by the Sandinistas? Do the Hollywood stars know or care that last year the Soviet Union sent more than $250 million in military aid to Nicaragua. The American public should ask is that foreign intervention, $250 million for activities to destroy democracy.

While we do nothing but equivocate, for the first time Soviet military officers are engaged in the fighting in Nicaragua. Castro said his Cuba will, and I quote, "continue arming and training terrorists in Central America." Do the Hollywood stars know this? Are they of the same ilk as those who fought along side of Castro in the hills of Cuba.

I ask you, what does this Nation and this Congress stand for if it does not have the guts to say no to the pro Marxists lobbyists, no to the Soviets fighting in Nicaragua, and no to the Sandinistas.

Today I am introducing parts 3 and 4 of the Washington, DC's major newspaper, the Times "Network" articles entitled "Accuracy and Balance, Lies and Deception."

Read the "Network" articles to see who the real enemy is.

ACCURACY, BALANCE OF WOLA FOUND LACKING BY ITS CRITICS

(By Roger Fontaine)

When a congressional delegation arrived in Managua in 1979 shortly after the Sandinista takeover, a member of the group recalls that the first person they met at the airport was an employee of the Washington Office on Latin America.

According to at least one report, a WOLA staffer later showed up at the U.S. ambassador's residence on the arm of one of the Sandinista comandantes. The comandante, Jaime Wheelock, was then as now in charge of the regime's agriculture program.

Among the hundreds of groups that comprise the left-wing "Network" working to radically influence the administration's policies toward Central and Latin America, WOLA could probably lay claim to being one of the most senior, if not effective, in its area.

Founded in 1974—and therefore "ancient" as these organizations go—WOLA is headquartered on Maryland Avenue on Capitol Hill, almost across the street from the Supreme Court in a suite of offices located in the United Methodist Church building.

A major focus of WOLA's activities is Nacaragua. WOLA is providing information in opposition to the Reagan administration's proposed assistance to the resistance forces fighting the Sandinista government.

Unlike some other groups in The Network, WOLA is not a "one-man-with-a-mimeo" affair—the kind of political activist group that once flourished in the heat of Vietnam but then was left to wither.

Rather, WOLA is established Part of its funding comes from such respectable sources as the MacArthur Foundation and Ford Foundation as well as from mainline church bodies. In 1983, WOLA raised $340,866, more than one-third of it from religious organizations, according to its Annual Report.

The key to WOLA's effectiveness, according to one former legislative staffer familiar with the organization, lies in its ability to provide a steady stream of information to members of Congress and their staffs. "On Capitol Hill, information is everything," the former aide said.

But it is the accuracy and balance of WOLA's information that its critics have called into question.

WOLA literature describes the organization as "an information source for interested officials, providing resources for documenting information, briefing those traveling to Latin America, facilitating interviews between prominent Latin American leaders and U.S. officials, organizing background briefings for congressional staff and giving testimony before congressional committees."

Amid all these activities, one of the major criticisms leveled at WOLA is for practicing a double standard on human rights.

Governments and organizations that are either anti-communist or non-communist, particularly if they are U.S. allies, typically come under WOLA's close scrutiny, while allegations of human rights violations by socialist states, such as Nicaragua and Cuba, are not subjected to the same degree of attention.

"It means all criticsm is directed at one set of problems, and that leads to an unbalanced situation," one WOLA critic said.

"WOLA has been a faithful spokesman for the Sandinistas and El Salvador's guerrillas," said a State Department offical.

"They [WOLA] consistently have distorted the fatalities in El Salvador and blurred it so it all appears to be coming from the right," the official said.

Penn Kemble, founder and director of the Institute on Religion and Democracy, said of this double standard, "from a Christian

perspective that argument is wholly unacceptable.

"Christians are obliged to judge all governments and institutions from the standpoint of the churches," Mr. Kemble said.

Castro's Cuba has received mention in WOLA reports only in the context of U.S.-Cuban relations. Human rights abused documented by the Organization of American States and other organizations have been largely ignored.

In fact, according to Update's 1984 index, Cuba went unmentioned the entire year, despite the fact that the newsletter had space for 44 articles on 12 other Latin American countries.

"Our interest is helping to make available to the public a concern for the way, the effect, the impact that U.S. policies have on people who live in this hemisphere," said Joseph T. Eldridge, WOLA's director, in an interview.

Contributions in 1983 from religious institutions totaled $124,602, according to WOLA's Annual Report. Some of the contributors included the National Council of Churches, the American Lutheran Churches, American Baptist Churches, Maryknoll Fathers and Brothers, Maryknoll Sisters, the Presbyterian Church, the Episcopal Church and Jesuit Missions.

Mr. Eldridge, a Methodist clergyman, is paid his salary by the United Methodist Church Board of Global Ministries, according to a Heritage Foundation analysis published in 1984.

Although WOLA's annual budget may be small by Washington standards, observers point out that WOLA increases its budget's effectiveness by using hardworking volunteers.

Not all critics, however, speak harshly of WOLA.

Elliott Abrams, head of the State Department's Bureau of Human Rights and Humanitarian Affairs, said WOLA "has political prejudices just as we all do, but it makes a real effort to promote human rights progress.

"So while I disagree with WOLA, I work with them."

Some sources, including critical ones, give WOLA credit for quality reporting on some aspects of Latin America.

One former Foreign Service officer critical of WOLA's support of the Sandinista government, nevertheless credits the organization for "excellent, responsible, objective reporting . . . on various issues—both political and human rights."

But not on Nicaragua.

"I find it difficult to explain why they [WOLA] have taken this turn to the left and why they are associated with this so-called Sandinista lobby since they have projected themselves earlier as a very reputable, balanced, objective research organization," the former officer said.

Mr. Eldridge told The Times that, "Our concern is whether U.S. policy either encourages or discourages human rights.

"Our view is that what Latin America needs is not a lot of emphasis on military support. Rather, what Latin America needs is economic development and social change," he said.

In the recent past, WOLA also has opposed the bipartisan Kissinger Commission report on Central America. Mr. Eldridge said WOLA opposed the Kissinger Plan because it "places a lot of emphasis on military support for the region."

But WOLA was also opposed to El Salvador's land reform, according to one U.S. consultant who worked on the program.

"They [WOLA] were worse than the landlords," the consultant said "Land reform just drove them up the wall. They really hated it."

Earlier when the Sandinista opposition in Nicaragua was struggling to overthrow the government of Anastasio Somoza Debayle, WOLA participated in exposing the former president's human rights record and also introduced pro-Sandinista spokesmen to Washington—particularly to members of Congress and the media.

Some of its more prominent guests were Ernesto Cardenal and Miguel D'Escoto. As priests, they were particularly effective witnesses before congressional committees, observers recall. Later, both joined the Sandinista government.

Nicaragua's Marxist Sandinista regime has been in power for nearly six years. WOLA, according to its critics, has put the best face it can on that regime's human rights record, first and foremost, by not reporting on it.

Mr. Eldridge contends that WOLA has been critical of the Managua regime.

"We're not here to exonerate the Sandinistas." he said.

"We've been highly critical of Sandinistas [in direct communications with them]" he said "Our concern is to do what we can to create a climate in the United States international public opinion, to bring all pressures on both sides.

* * * * *

U.S. labor officials contacted by The Times said that, to their knowledge, WOLA has not shown any interest in the Nicaraguan government's suppression of independent labor unions in that country—unions that have the support of the State Department, AFL-CIO and others.

WOLA remains active on the Nicaraguan front. In late February, for example, WOLA and the International Human Rights Law Group requested a follow-up investigation of alleged atrocities committed in Nicaragua—not by the Sandinista government, but its armed opposition.

For a week, two investigators toured Nicaragua to investigate allegations made by New York attorney Reed Brody.

Their investigation was limited to the FDN (Fuerza Democratica Nicaraguense). They described the FDN as a group that has received support from the CIA and whose military leaders are "former Somoza National Guard officers."

Thirty people were interviewed, according to the authors of the report, and their principal conclusion was "the Contras are committing serious abuses against civilians."

"The weight of probative evidence indicates a reasonable basis to believe that the Contras engage in arts of terroristic violence against unarmed civilians."

The authors also drew a policy conclusion: "To the extent that it is reasonably foreseeable that they will continue to engage in such acts, any provision of aid to the Contras, directly or indirectly, by the government of the United States would render our government responsible for their acts."

The report of the two investigators received Mr. Eldridge's approval.

"Our report took some of the affidavits that Mr. Brody had collected to see if they could be validated, to see if in fact there was some substance to these charges," he said.

"I found that these accusations had been collected as a matter of fact were, in fact, true, discovering there was a pattern [of atrocities]." he said.

Some previous supporters of the Sandinistra revolution have become disillusioned with WOLA.

Geraldine Macias and her husband were supporters of the Sandinistas before and for three years after the revolution. They left Nicaragua in 1982 and came to the United States after government-led mobs burned their house.

Mrs. Macias, who is now vice president for the Washington-based New Exodus—an organization aiding Central American refugees—said she contacted the WOLA staff and explained what happened to her and her husband. Mrs. Macias said that, after making a few telepone calls to Managua, WOLA "did nothing"

Mrs. Macias said that WOLA was nothing more than "an apologist for the Sandinistas."

Adriana Guillen, a Sandinista supporter during the revolution and an officer in the Sandinista government for six months tells of a similar experience.

"Several times, I have been contacted by COHA (Council on Hemspheric Affairs) or WOLA and I have also called Americas Watch . . . So they know the sources, they know where to go and find the information. But they don't care . . . about reflecting the truth," she says

"We have not hesitated in our communication with government representatives to raise objections and criticisms that are presented to us."

Regarding Miss Guillen, he replied, "I don't know what her expectations were," adding he tries to pass along such reports whenever he receives them.

Miss Guillen's disillusionment has led her to conclude that WOLA and other organizations "are dealing with protecting the left, not protecting human rights."

CISPES' Strategy: Lies and Deception for Salvadoran Left

(By Bill Outlaw)

In "The Network" of organizations that are engaged in a massive effort to turn opinion against U.S. policies toward Central America, CISPES is one of the more active and visible.

"CISPES has launched a national grassroots canvassing effort to reach hundreds of thousands of people in their communities and bring many new people into active opposition," according to a CISPES report.

But CISPES appears to be much more than just another "grass-roots" organization disagreeing with specific administration policies.

Documents obtained by The Washington Times and CISPES own publications reveal that the organization openly supports the Marxist Sandinista guerrillas (FMLN-FDR) in El Salvador and elsewhere in Central America.

Moreover, documents indicate that CISPES was itself a creation of the FMLN-FDR and was, among other things, designed to generate support for guerrilla activity in El Salvador among members of the U.S. Congress and the American public.

CISPES organizers in Washington did not return several telephone calls from The Times for comment. But one researcher reports that CISPES officials have denied the allegations.

An integral component of CISPES activity is to counter Reagan administration policies in Central America.

"Stop U.S. Military Intervention in Central America," reads a headline on the front

page of CISPES' April issue of Alert. "Support human freedom and dignity by also ending intervention in the Caribbean, Middle East, Asia, the Pacific and Europe."

Administration officials and observers of the group say CISPES is the largest and most effective of the solidarity organizations, which include the National Network in Solidarity with the People of Nicaragua, the Network in Solidarity with the People of Guatemala and the Network in Solidarity with the People of Central America.

Solidarity groups exist for other regions as well, such as for the people of Vietnam, Laos and Cambodia.

CISPES offices in Washington are located on the seventh floor at 930 F St. NW, next to the office for the Guatemalan solidarity group. The Nicaraguan solidarity group used to be located there, but they have moved to a nearby location on I Street NW.

Observers of the organizations report that they often appear together at protests and demonstrations. However, there is no specific evidence to link these groups.

CISPES' own literature claims that the organization has grown to more than 300 local chapters and affiliates, with seven regional offices.

Each local chapter "includes a series of outreach groups oriented toward the religious community, organized labor, schools, and other community groups and organizations," a CISPES brochure distributed in 1984 states.

CISPES literature further states that it "lobbies Congress, coordinates protest efforts, and conducts humanitarian aid campaigns."

"CISPES activities include fund raising and legislative campaigns, educational and outreach programs, and mass mobilizations, conducted on national regional and local grassroots levels" according to Alert.

CISPES has taken part in or has helped organize many of the major protest demonstrations in the United States over the past few years. Its most recent efforts will be seen in the upcoming "Four Days In April" protest in Washington scheduled for April 19–22.

According to a CISPES document entitled, "CISPES Structure and Funding," other major activities in which the group has organized or participated in include:

A "massive demonstration" in Washington on March 27, 1982, that was timed to coincide with "the U.S. orchestrated elections" in El Salvador.

A "people-to-people" aid drive to provide medical assistance to Salvadorans "living in the FMLN-FDR zones of control. Through hundreds of grass-roots fund-raising activities, CISPES committees raised more than $150,000, surpassing the goal of the campaign."

"Highly visible protest actions including civil disobedience" at Fort Benning, Ga., and Fort Bragg, N.C., where Salvadoran troops were being trained by U.S. soldiers.

A rally at the State Department to protest the "presidential certification amid growing human rights violations in El Salvador."

A protest at the Honduran embassy and consulates in major cities to oppose "Honduran intervention in El Salvador and the growing use of Honduras as a base of U.S. directed military operations in the region."

CISPES and some other solidarity groups have also promoted letterwriting campaigns about U.S. policy to members of Congress and to U.S. officials in other parts of the world, according to CISPES literature and other sources.

According to Greg Lagana, who was a press attache at the U.S. embassy in El Salvador from 1982 to 1984, the embassy received hundreds of form letters and telephone calls from U.S. citizens during the time he was there.

These calls and letters were protesting alleged atrocities committed by the U.S.-backed government, Mr. Lagana said.

Mr. Lagana said he could not prove the telephone calls or letters were encouraged by CISPES or an affiliated group, but he said the embassy received calls about alleged atrocities involving labor unions members in El Salvador from some labor unions in the United States. Telephone calls concerning teachers in El Salvador came from some teachers in the United States, and calls about health care came from some health care solidarity groups.

But what disturbed Mr. Lagana the most, he said, was that the information the U.S. citizens were commenting on was frequently wrong or misleading at best.

As an example, he said some human rights groups in El Salvador who were known to be sympathetic to the Sandinistas would put out information that civilians had been killed in guerrilla skirmishes with government troops when what really happened was that some guerrillas themselves had been killed. But calls would come pouring in anyway to the U.S. embassy from Americans complaining about civilian atrocities committed by government troops.

Quite often Mr. Lagana said, the complaints were form letters which contained a "central Spanish syntax that a native speaker of English would not use. That led me to conclude they were being written in Salvador," Mr. Lagana said.

CISPES activities on college campuses were well organized three or four years ago, said a trade union official who frequently spoke at various colleges nationwide.

According to an article published by Inter Press Service in New York on Dec. 3, 1984, CISPES "has also been visited by FBI agents and many of its 10,000 members have been questioned."

Inter Press also stated that the group "has also been infiltrated by FBI officials," citing an alleged "FBI internal document that CISPES lawyers obtained under the Freedom of Information Act."

A story in this month's Alert, CISPES' monthly publication, outlines what they call a recent case "involving the FBI's seizure of a personal address book and diary" of Ed Hasse, as he was returning home from a trip to Nicaragua. Mr. Hasse works for the National Network in Solidarity with The Nicaraguan People, the report said.

A spokesman for the FBI said yesterday, "The FBI does not expand on documents that have been released under the Freedom of Information Act. They stand by themselves.

Regarding Mr. Hasse's claim, "it is before the courts and it would be inappropriate to comment," the spokesman said.

The Fund for a Conservative Majority (FCM), in November filed a letter of complaint against CISPES to the Federal Election Commission. The FCM alleged that CISPES "apparently violated the provisions of [the law] in making expenditures for the purpose of financing communications which expressly advocate the defeat of Ronald Reagan."

An Associated Press report quoted Van Gosse, a national student organizer for CISPES, as saying. "We have taken an explicit position that we have not endorsed any presidential candidate * * *."

A spokesman on behalf of the FCM said they have not heard back from the FEC regarding their complaint.

"They were on every campus [he went to], they provided speakers, they had their membership at the meetings with banners who would heckle speakers with opposing points of view," the official said.

He added that the harassment often was so great that many of the meetings were disrupted. But the official added that recently, "they lost their punch."

"Meetings are orderly now, and while the college audiences may not be sympathetic, they will listen," the official said.

He said he has noticed a decline in CISPES activities on college campuses recently—a decline he attributes to Salvadoran President Jose Napoleon Duarte's victory in the elections.

Nonetheless, CISPES remains active in other areas, and its activities have not gone unnoticed by others.

The Committee Strategy Proposal obtained by The Washington Times states that the group had established the following goals for 1984:

"1. Impede the escalation of U.S. intervention in Central America by (a) making the political costs of a full-scale, direct intervention too high; (b) obstructing the step-by-step escalation of U.S. Intervention in Central America.

"2. Provide political and material support to the FMLN-FDR of El Salvador; and

"3. Defend the Sandinista reputation.

"Our defense of the Sandinista revolution will directly contribute to the Nicaraguan people's efforts to consolidate their revolution," the document states. "It will also undermine Reagan's attempts to build a 'strategic consensus' in the U.S. for intervention in all of Central America."

Other CISPES literature describes its "public projection strategies (propaganda)" for 1984:

"Portray each stage of U.S. intervention as a step toward a Vietnam war. Project the urgency of stopping intervention.

"Project an emerging 'Vietnam war-type' movement.

"Project Reagan as a warmonger and his policies as a threat to world peace.

"Refocus concern on the issues of human rights and democracy in Central America.

"Project the advances being made by the people of Central America, particularly in Nicaragua and the FMLN-FDR zones of control."

Some critics raise questions about CISPES' origins.

According to independent research studies and documents released by the State Department, CISPES was formed in 1980 as a result of an organizational tour by an agent for the Salvadoran FMLN guerrillas.

In February and March 1980, a Farid Handal traveled to the United States for the purpose of "the creation of the International Committee in Solidarity with the People of El Salvador," according to a report he made after the trip.

A copy of the report was obtained by Salvadoran military officials after a raid on a guerrilla location in El Salvador, according to the State Department, which subsequently released the report and a translation.

Mr. Handal's purpose in coming to the United States was to "coordinate" activities among the already-existing "solidarity committees," including non-communist, political, religious and human rights groups, in order to form a nationwide umbrella organization in support of the FMLN-FDR "with

the help of the CPUSA [Communist Party USA]," according to the documents.

According to his report, Mr. Handal stated, ". . . the offices of Congressman Dellums were turned into our offices. Everything was done there."

Mr. Handal also met with other congressmen in Washington and with officials from the Cuban Mission to the United Nations in New York, he wrote.

The Communist Party USA (CPUSA) and the United States Peace Council (USPC) were both instrumental in aiding Mr. Handal in his efforts to form a solidarity committee, he wrote.

* * * the Directorate of the CPUSA, among them "the person responsible for the U.S. Peace Council," according to the documents.

That individual was Sandy Pollack, who Mr. Handal identified as the "solidarity coordinator for the U.S. Peace Council."

"Sandy proposed a national conference under the auspices of the US Peace Council, the National Council of Churches, Amnesty International, WOLA, and various important unions of the US," Mr. Handal wrote.

"The objective of the conference would be to establish a support mechanism for the solidarity committees in those states where it does not already exist," he wrote.

Ms. Pollack died in a plane crash on a flight from Cuba to Nicaragua last January.

An FBI report released in 1982 entitled "Soviet Active Measures," states that at the time of Mr. Handal's trip to the United States, the FMLN was setting up a political front in Mexico City.

In June 1980, Salvadoran leftists created the United Revolutionary Directorate (DRU), the central political and military planning and tasking operation for the insurgents, the report states.

Mike Waller, an analyst and coauthor of a soon-to-be published book on "The Revolution Lobby," said that CISPES has engaged in "a massive effort to oppose Reagan administration policies."

They "called for the establishment of 'solidarity committees'" worldwide "to serve as propaganda outlets, conduits for aid, and organizers of solidarity meetings and demonstrations," Mr. Waller wrote. The first solidarity committee was CISPES, he said.

On March 13, 1980, FMLN Radio Venceremos in El Salvador reported: "We have organized a large solidarity apparatus that encompasses the whole planet, even in the United States, where one of the most active centers of solidarity exists."

CISPES leaders have denied that the group was founded or influenced by the FMLN, according to Mr. Waller.

Some CISPES critics charge that the group's activities should require them to register as an agent of a foreign government under the Foreign Agents Registration Act.

The Foreign Agents Registration Act requires that organizations in the United States which are acting on behalf of foreign powers to register as agents and make reports identifying their lobbying activities, expenditures and literature it distributes.

According to officials, it may be difficult to investigate groups to determine whether or not they should come under the act. And proving that an organization is acting on behalf of a foreign power is often difficult, according to officials.

Joel Lisker, who was in charge of enforcing the Foreign Agents Registration Act for the Justice Department, said the law needs to be "* * * authority akin to administrative subpoena power," Mr. Lisker said. He is now staff director for the Senate Subcommittee on Security and Terrorism.

According to another official, it is difficult for the Justice Department to collect information about organizations unless the groups cooperate or unless the Justice Department has "probable cause" to seek grand jury action or request an FBI investigation.

"CISPES' objective is a guerrilla victory in El Salvador by the [guerrillas]," said Sam Dickens, Latin American expert for the American Security Council Foundation. "In fact," he said, "it's the propaganda arm of the FDR in the U.S.

Without any question they should be registered under the Foreign Agents Registration Act," Mr. Dickens said. "I'm greatly disturbed that they have not—to my knowledge—been investigated by the FBI."

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REAGANISTAS VERSUS COMMUNISTAS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, let justice be done. Please seat Rick McIntyre.

Mr. Speaker, we are entering into one of those extremely tense periods in the history of our Congress where there is going to be copious impassioned oratory on this House floor about the President's foreign policy in Central America. Yesterday one of your leaders on the majority side of the aisle, Mr. Speaker, referred to the Contra democratic resistance freedom fighters as "Reaganistas." Has a certain ring to it, doesn't it? One of the distinguished Members of my side of the aisle with a bicultural Hispanic background remarked later, "I rather like the sound of that, 'Reaganistas.' Yes, the Reaganistas versus the 'Communistas.'" I'll accept that characterization.

Well, if that is the way this debate unfolds next week, Mr. Speaker, so be it.

However, in the interests of collegiality and fair play, I would like to say, Mr. Speaker, "en garde" to you and your team opposing the foreign policy of the President of the United States.

As a great American, and I have referred to you more than once in that manner on this House floor, prepare to hear the words of one of your heros, President John F. Kennedy, repeated over and over and over again on my side of the aisle in the debate next week. Because it is the Kennedy doctrine, I and others will be espousing and defending here in the debate on aid to the Nicaraguan resistance.

I stand before you as a proud Republican who repeats again what I have told you before, that the best Presidential speech I have ever heard in my life was the inauguration address of young President John F. Kennedy on a biting cold January in 1961. In that magnificent rallying call for freedom, President Kennedy laid it on the line. His words ring down through the decades as true and relevant as the day he spoke them.

Mr. Speaker, the Communists are in control of the Government in Managua. You and your leadership team are on the wrong side again.

Here is the recently declassified series of minibios on the nine Commandantes, study them. Please. And support your President.

I repeat what was told to me by Commando Eden Pastora, the number one original Sandinistas' combatant, the hero of the July 19, 1979, revolutionary takeover of Managua. Pastora maintains that "not one of the nine ever heard a shot in combat against Samoza." Of course they did rob banks a decade earlier. Bank robbing is hardly to be compared with military combat. Bank guards, while sometimes armed, are not comparable to trained soldiers.

I submit for the RECORD the bios of the Managua Communistas. I chose support to the Reaganistas, those who serve with the Democratic resistance forces.

The material is as follows:

JOSÉ DANIEL ORTEGA (PHONETIC: OR TAY GA)

President (since January 1985).

Addressed as: Comandante Ortega.

Elected President of Nicaragua in November 1984, Daniel Ortega continues to be a member of the nine-man National Directorate of the Sandinista National Liberation Front (FSLN), which was formed in 1979. During 1981–84 he also served as Coordinator of the Junta of the Government of National Reconstruction, a post which gained him at least de facto recognition as chief of state. He is a committed Marxist-Leninist, who often appears to view the world almost solely in terms of his own political beliefs. He announced in a June 1984 interview that his government was holding elections "in order to go beyond the notions of traditional bourgeois democracy" and "to consolidate the revolutionary government."

Ortega has been particularly acerbic in his criticism of President Ronald Reagan, calling him a witch hunter and a McCarthyite. He has also accused the Reagan administration of seeking to "Vietnamize" Central America. In addition, he has praised the aid Nicaragua receives from Cuba and the Soviet Union.

Ortega, 39, comes from a family that was heavily involved in the guerrilla war to topple the Somoza regime. His brother, Humberto, is a member of the FSLN National Directorate, Minister of Defense, and Commander in Chief of the Sandinista People's Army. A third brother, Camilo, was killed during the anti-Somoza insurrection. During the early 1960's Daniel was a member of the leftist Revolutionary Student Front. He joined the FSLN in the mid-1960s and was arrested in 1967 for robbing a bank. In late 1974, after FSLN negotiations with the government to exchange several prominent Nicaraguans held hostage by the FSLN, Ortega was released and went into self-imposed exile in Cuba. Because he was a leader of the insurrection that toppled the

Somoza government, Ortega holds the honorary rank of comandante de la revolución (commander of the revolution). The Ortega brothers lead the Tercerista Faction of the FSLN. Ortega is married and has at least three children.

JAIME STANLEY WHEELOCK ROMÁN (PHONETIC: WEELOKE)

Minister of Agrarian Reform and of Agricultural and Cattle Development.

Addressed as: Mr. Minister.

Jaime Wheelock has been Minister of Agrarian Reform since July 1979 and of Agricultural and Cattle Development since December 1979. In addition, he has been a member of the nine-man National Directorate, the decisionmaking body of the Sandinista National Liberation Front (FSLN), since March 1979. He is also a member of the newly created (January 1985) National Planning Council, which drafts economic guidelines for the directorate. He holds two party positions: coordinator of the State Committee and member of the Political Committee. Wheelock is often described in the press as the least ideological of the directorate members, but he was quoted in a 1983 interview as saying, "When Lenin led the Bolsheviks to the seizure of power . . . socialism triumphed. . . . The Soviet Union . . . has helped the revolutions on all continents, particularly in small countries, to have their path better cleared."

Wheelock has stated that the appointment of a member of the FSLN National Directorate to the Agrarian Reform portfolio demonstrates the importance of agriculture and the peasants to the Sandinista leaders. After the FSLN came to power, the Agrarian Reform Ministry announced a program in which land ownership would take one of three forms: large-scale production state farms, agricultural cooperatives, and individually owned plots. Wheelock's 1983 agrarian reform program has not been able to make improvements in Nicaragua's agricultural output.

Wheelock has visited numerous countries, including Costa Rica, the United States, and Libya, on behalf of the Government of National Reconstruction and the FSLN. He has accused the United States of attempting to isolate Nicaragua economically, subjugating the Costa Rican Government, turning Honduras into a fascist-like state, and intervening in El Salvador.

Wheelock comes from a wealthy family. He is a former law professor. According to press reports, he was accused of killing a National Guard officer in 1970. He subsequently fled to Chile, where he studied agricultural law. In 1973, he returned to Nicaragua, where he remained underground until emerging as a guerrilla commander during the civil war against President Anastasio Somoza in the late 1970s. He is a leading member of the Proletariat Faction of the FSLN. Because he was a leader of the insurrection that toppled the Somoza government, Wheelock holds the honorary rank of *comandante de la revolución* (commander of the revolution).

Wheelock, 37, has written two political monographs. He is married to the former Vanesa Castro Cardenal, who is a member of the Sandinista Assembly and the State Committee. She is related to Minister of Culture Ernesto Cardenal.

CARLOS NUNEZ TELLEZ (PHONETIC: NOONYEHS)

President, National Assembly (since January 1985).

Addressed as: Mr. President.

Carlos Nunez has been a member of the nine-man National Directorate of the Sandinista National Liberation Front (FSLN) since 1979. He has actually headed Nicaragua's legislature since 1979, when he became President of the Council of State (the legislature during 1979-84). Nunez has a reputation as a political lightweight who follows the lead of others. Under his guidance, the National Assembly has become little more than a rubberstamp. It is charged with writing a new constitution and passing laws; however, no bill reaches the floor without Nunez approval, and no bills pass without the consent of the FSLN majority in the Assembly. Nunez is also head of the Propaganda and Political Education Department of the FSLN and takes a frequent hand in the direction of the official FSLN daily newspaper, Barricada. He is unimaginative, however, and often falls back on dogmatic rhetoric. Nunez has publicly accused the United States of destabilizing Central America.

Nunez has been described in the press as an experienced guerrilla. Because he was a leader of the insurrection that brought the FSLN to power, he holds the honorary rank of commandante de le revolucion (commander of the revolution). He is a member of the Proletariat Faction of the FSLN. Since 1979 he has traveled to the Soviet Union, Cuba, the United States, and Eastern and Western Europe on behalf of the FSLN.

Nunez, 33, is married to the daughter of Central Bank President Joaquin Cuadra Chamorro and is the brother-in-law of Army Chief of Staff Joaquin Cuadra Lacayo. Two of his brother and a sister hold high-level government or party positions.

HENRY ILDEFONSO RUIZ HERNÁNDEZ (PHONETIC: ROOEES)

Minister of Foreign Cooperation (since January 1985).

Addressed as: Mr. Minister.

Henry Ruíz has been a member of the National Directorate, the decisionmaking body of the Sandinista National Liberation Front (FSLN), since March 1979 and a member of the State Committee of the FSLN since September 1980. As Minister of Foreign Cooperation, he is responsible for developing foreign trade and dealing with international trade organizations. He is also an important member of the National Planning Council, a Cabinet committee that provides the nine-man directorate with economic policy guidelines and suggestions. He served during 1979-84 as Minister of Planning and was responsible for formulating and implementing Nicaraguan economic policies. Many times Ruíz has denounced what he calls US economic aggression against Nicaragua. During the past six years he has traveled extensively in Soviet Bloc countries to gain economic and political support for the Sandinista government.

Ruíz received his early education in Nicaragua, where he won awards as best student in several schools. In the late 1960s he studied for a year in Moscow at Patrice Lumumba University on a scholarship from the Nicaraguan Socialist Party. Upon his return to Nicaragua, he joined the FSLN's armed struggle against President Anastasio Somoza Debayle. In late 1967 Ruíz was sent to Cuba for six months of training. Before the FSLN takeover in 1979, he spent much of his time in the mountains of northern Nicaragua. Because he was a guerrilla leader in the insurrection that brought the FSLN to power, Ruíz holds the honorary rank of commandante de la revolución (commander of the revolution). He is a member of Tomás Borge's Prolonged Popular War Faction of the FSLN.

Ruíz is 41 years old.

BAYARDO ARCE CASTAÑO (PHONETIC: ARSAY)

Member, National Directorate, Sandinista National Liberation Front (since March 1979).

Addressed as: Comandante Arce.

Former journalist and professor Bayardo Arce is one of the most hard line of the nine members of the National Directorate of the Sandinista National Liberation Front (FSLN). From May until September 1980 he was President of the State Council, and he has served since September 1980 as coordinator of the FSLN Political Committee and its National Secretariat. Since the FSLN came to power in July 1979, Arce has consistently manifested hostility toward the United States in his public statements. He has accused this country of having warlike intentions toward Nicaragua and of being the main cause of his country's economic problems. In a May 1984 address to leaders of the Moscow-line Nicaraguan Socialist Party on the basic goals of the Sandinista leadership, he affirmed that "Sandinism is . . . Marxism" and explained that "we have not, [however], declared this publicly and officially" because "our strategic allies tell us not to declare ourselves Marxist-Leninist, not to declare socialism."

Acre holds a degree in journalism from the National Autonomous University of Nicaragua. During his student days there he worked for two years (1968-70) as a reporter for the opposition daily *La Prensa* and served as vice president (1969-70) of the student governing body. He first became involved with the FSLN in 1971, when he was a member of the Revolutionary Student Front, a Communist group affiliated with the Sandinistas. Arce travels to Cuba frequently, and he has represented the FSLN at meetings of the Socialist International. Because he was a guerrilla leader in the insurrection that brought the FSLN to power, he holds the honorary rank of *comandante de la revolución* (commander of the revolution). He is a member of Tomás Borge's Prolonged Popular War Faction of the FSLN.

Arce, who is about 35, is married and has children.

HUMBERTO ORTEGA SAAVEDRA (PHONETIC: ORTAYGA)

Commander in Chief, Sandinista, People's Army; Minister of Defense.

Addressed as: Mr. Minister.

In addition to serving as Commander in Chief of the Sandinista People's Army (since August 1979) and as Minister of Defense (since December 1979), Humberto Ortega has been Commander of the Sandinista People's Militia since July 1981. He has also been a member of the National Directorate, the decisionmaking body of the Sandinista National Liberation Front (FSLN), since March 1979. He serves as coordinator of the Defense and Security Committee of the FSLN and is a member of the party's Political Committee. He has traveled to various countries, including Cuba, the USSR, and Vietnam, to establish military supply and training relationships. In a well-publicized speech in 1981 Ortega equated Sandinism with Marxism-Leninism. US Drug Enforcement Agency investigations during 1983-84 indicated that Ortega was aware that drugs were being illegally transported through Nicaragua.

According to the press, Ortega has said that his country's military buildup is the result of mounting internal and external counterrevolutionary threats. As Defense Minister, he has stressed that strengthening

defense in the face of what he calls US aggression is the first priority of the revolution. In statements in the spring of 1983, he threatened the Honduran Government with internal reprisals from Honduran leftists if it continued to support the anti-Sandinista forces. He has threatened to hang members of the opposition from lamp posts in the event of any armed intervention in his country. According to a September 1983 New York magazine article, Ortega implied that he would be willing to spread the revolution in Central America. He stated, "Of course we are not ashamed to be helping El Salvador. We would like to help all revolutions."

The son of revolutionaries, Ortega became active at an early age in a student movement dedicated to overthrowing President Anastasio Somoza Debayle. He joined the FSLN in the mid-1960s, and by 1972 he had become one of its leaders. His revolutionary activities have included participation in a 1966 assassination attempt against Somoza and a 1969 attempt to free from a Costa Rican jail FSLN founder and leader Carlos Fonseca (who was killed in 1976). During the rescue attempt, Ortega was wounded and taken prisoner; he lost the use of his right hand and has only partial use of his left hand. He is widely known as the principal stategist of the insurrection that overthrew Somoza in July 1979. Because he was a leader of that insurrection, he holds the honorary rank of commandante de la revolución (commander of the revolution). He is a leader of the Tercerista Faction of the FSLN.

During the past several years, Ortega has visited Vietnam, Cambodia, Laos, Cuba, the USSR, Algeria, and countries in Eastern Europe. He is about 43 years old. He is married. His brother Daniel is President of Nicaragua and also serves on the FSLN National Directorate. Another brother, Camilo, was killed in a battle with Somoza's National Guard.

LUIS CARRION CRUZ (PHONETIC: CAHREEOHN)

Member, National Directorate, Sandinista National Liberation Front (since March 1979).

Addressed as: Comandante Carrión.

Luis Carrión has been a member of the National Directorate, the decisionmaking body of the Sandinista National Liberation Front (FSLN), since its inception in March 1979. Press reports indicate that he has sometimes been the directorate's spokesman in dialogues with non-Sandinista groups in the country. Since late 1984 he has been involved in talks about cease-fire proposals with Indian opposition leader Brooklyn Rivera. He has also served since April 1980 as Vice Minister of Interior and has Cabinet rank. Carrión has publicly criticized US policy toward Central America, especially this country's military support to Honduras. In a speech in February 1982 he repeated charges that the US Government had a $19 million plan to destabilize Nicaragua, and he linked the plan to a bombing that month at Sandino Airport. In an interview published the following July, he stated that "The war with the counterrevolutionaries" had begun. He blamed the increase in counterrevolutionary operations in his country on activities of the US Government, Latin American mercenaries, and the Honduran military.

Carrión is the son of a businessman and banker. He was active in FSLN activities at the National Autonomous University of Nicaragua during the late 1960s. In 1970 he joined a rural guerrilla command. He became vice commander of the Sandinista People's Army in August 1979. He is a member of the Proletariat Faction of the FSLN. During December 1979-April 1980 he was Vice Minister of Defense. Because he was a leader of the insurrection that brought the FLSN to power, he holds the honorary rank of commandante de la revolución (commander of the revolution).

Carrión, who is about 33, is married to the former Patricia Lacayo. A brother, Carlos, is the national coordinator of the 19 July Sandinista Youth. A sister, Gloria, is a former secretary general of the Sandinista Women's Organization. A cousin, Javier, is a commander in the Sandinista Popular Army.

VÍCTOR TIRADO LÓPEZ (PHONETIC: TEERAHDAH)

Member, National Directorate, Sandinista National Liberation Front (since March 1979).

Addressed as: Comandante Tirado.

As a member of the nine-man National Directorate, Víctor Tirado belongs to the decisionmaking body of the Sandinista National Liberation Front (FSLN). In a reorganization of the FSLN in September 1980, Tirado, who has served as a member of the Executive Commission of the FSLN National Directorate and as chairman of the State Committee of the FSLN National Secretariat, was transferred to the Department of Organization and Mass Work and placed in charge of labor activities. During February-September 1980 he also served as coordinator of the State and Military Commissions of the National Directorate. At the opening session of a seminar on Marxist political economy in Managua in February 1983, Tirado discussed the links between Marxism and the Sandinista revolution. He affirmed that Marxism was the basic component of the ideology of the revolution and said that without both Sandino and Marx, the revolution would not have been possible.

Tirado has frequently criticized the policies of the United States. In January 1985 he stated that "Reagan's policy is not eternal. It will collapse any time because it represents a mistake, not only for the United States but for the world capitalist system . . . the imperialist policy toward Nicaragua and other backward countries is a terrorist policy aimed at destroying our economic independence through financial embargoes or military aggression. In a speech in February 1982, Tirado accused the US Government of complicity in a bomb explosion in Sandino Airport that month.

Tirado was born in Rosario, Mexico. He first came in contact with Nicaraguan Sandinistas in Mexico in 1961 and has participated in FSLN activities since then. He was a friend and companion of FSLN founder Carlos Fonseca Amador, who was killed in 1976. According to the Mexican press, Tirado was a member of the Communist Party of Mexico during the early and mid-1960s. Other press reports state that he participated in guerrilla activities in northern Nicaragua throughout the 1970s and for a long time lived and worked with the peasants in that area. Because he was a leader of the insurrection that brought the Sandinistas to power, he holds the honorary rank of comandante de la revolución (Commander of the revolution). Moreover, the Nicaraguan Government of National Reconstruction granted him citizenship in September 1979 in recognition of his important role in the revolution. He is a member of the Tercerista Faction of the FSLN. Since the FSLN came to power, Tirado, 45, has visited Algeria, Czechoslovakia, Cuba, Syria, Poland, East Germany, Vietnam, and the United States.

TOMÁS BORGE MARTÍNEZ (PHONETIC: BORHAY)

Minister of Interior (since July 1979).

Addressed as: Mr. Minister.

Tomás Borge is the last surviving member of the trio that founded the Sandinista National Liberation Front (FSLN) in 1961. He serves as a member of its National Directorate, a nine-man group that plans and directs the party's activities. As Interior Minister, he is in charge of the police and internal security apparatus. He often uses the police to intimidate and control dissenters. Borge also serves on the Defense and Security Committee of the FSLN and is assistant commander in chief (the third highest post) of the Sandinista People's Army. He is dedicated to Marxism-Leninism and to the FSLN's commitment to establishing a Communist political and economic order in Nicaragua, closely aligned with the Soviet Union and Cuba. In a Playboy interview in September 1983 he stated: "I told [my mother] that I would not be blackmailed by her gentleness and her naivete and that I was a Communist." He has stated that a mixed economy can exist in Nicaragua only in the context of the revolution, "where social criteria predominate over the individual's wishes." In an interview in Le Monde Diplomatique in September 1984, he stated: "There cannot be a mixed economy here identical to the one in Venezuela or a political pluralism identical to Mexico's . . . we are Marxists."

As Minister of Interior, Borge has defended his government's human rights policies and has stated that police abuses will be corrected. In addition, he has criticized the Nicaraguan private sector, claiming that businessmen were guilty of "genocide" against the common man and responsible for the social and cultural backwardness of the people. He has further criticized political activism in the private sector. Borge has been critical of US policy toward Central America, claiming, for example, that the administration of President Ronald Reagan has used the possible threat of the installation of Soviet missiles in Nicaragua to justify giving US military aid to Honduras, El Salvador, and Nicaragua anti-Sandinistas. US Drug Enforcement Agency investigations in 1983-84 implicated a Nicaraguan who reportedly had close ties to Borge in narcotics trafficking.

Borge studied law at the National University of León. He was jailed from 1956 until 1958 for student activism. Imprisoned again in 1976, he was released and flown to Panama in August 1978 as one of a group of FSLN prisoners exchanged for more than 1,000 hostages held by the Sandinistas in Managua's National Palace. Borge is the leader of the Popular Prolonged War (GPP) faction of the FSLN. During the struggle against President Anastasio Somoza in the 1970s, the GPP attracted a following of students and other youths who declared their belief in Cuban-style guerrilla warfare as a way to overthrow the regime. Because he was a leader of the insurrection against Somoza, he holds the honorary rank of comandante de la revolución (commander of the revolution).

Borge, 55, has been married at least twice. A wife was murdered by the Nicaraguan National Guard in July 1979.

PROPOSED ELIMINATION OF TERRITORIAL EXEMPTION

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DE LUGO. I thank the Speaker.

Mr. Speaker, we are a great nation, but sometimes we can do some unwise things.

I received in my office yesterday an excellent letter from my good friend, JAIME FUSTER, the distinguished Resident Commissioner of Puerto Rico. Copies of this letter with the attachment were sent to all Members of Congress. I want to urge all Members of the House to take a moment to read the letter from the Resident Commissioner and the attachment, an article which appeared in the Wall Street Journal on April 11 of this year, written by Norman Ture, who, from 1981 to 1982, was the Under Secretary of Tax and Economic Affairs in the Department of the Treasury.

The Commonwealth of Puerto Rico is an American success story in the highly volatile and important Caribbean. The success came about through "Operation Bootstrap" which is based on section 936 of the Tax Code, the so-called territorial exemption.

Now, under the Treasury tax simplification proposal, they want to do away with section 936. This section 936 provision is the basis of an American success story, the transformation of a poverty-stricken island in the Caribbean into a prosperous island community that all Americans can be proud of. I hope that my friends will read this letter and think very carefully before taking action which could be disastrous for Puerto Rico and extremely harmful to the best interest of our country.

HOUSE OF REPRESENTATIVES,
Washington, DC, April 15, 1985.

DEAR COLLEAGUE: The Congress may soon be faced with some hard choices regarding tax simplification measures. One of them, a matter of vital importance to the 3.5 million American citizens of Puerto Rico which I represent, is the elimination of Section 936 of the IRS Code, better known as the "territorial exemption" slated for extinction by the U.S. Department of the Treasury.

Needless to say the people and Government of Puerto Rico are opposed to that proposal which would substantially escalate the already dismal unemployment situation in the island, officially estimated at 23% of the labor force right now. The repeal of Section 936 will cause severe economic and social hardships in Puerto Rico while producing no appreciable revenue gains and a significant net revenue loss for the U.S. Treasury. It would also undermine the United States security interests in the political stability of the Caribbean region and place an onerous strain on U.S.-P.R. relations. Both Puerto Rico and the United States have a big stake in forestalling the economic chaos that could ensue in an island proud of its long term association with the United States.

Norman Ture has contributed an enlightening article to the debate on Section 936 entitled "Treasury Prepares a Caribbean Austerity Initiative" published in *The Wall Street Journal* of April 11, 1985. I share it with you on the reverse of this letter in the hope that you will agree with us that the elimination of Section 936 from the Tax Code would be untimely, very detrimental to the U.S., and, as Ture says:". . . repealing a useful tax provision is hardly the best way to simplify it. . . ."

Cordially,

JAIME B. FUSTER,
Member of Congress.

[From the Wall Street Journal, Apr. 11, 1985]

TREASURY PREPARES A CARIBBEAN AUSTERITY INITIATIVE

(By Norman B. Ture)

A Treasury Department official once calculated on the back of an envelope what the "cost" was of not applying the corporate income tax to Puerto Rican subsidiaries of mainland corporations. It went like this: You figure out what the corporations would pay if they had to pay the tax and, of course, nothing else changed. You assume, that is, that the plant would still be in Puerto Rico, or at least in territory subject to U.S. taxes. Then you divide this number by the number of Puerto Ricans on the payrolls of these plants. You find that it's "cheaper" to give the Puerto Ricans more food stamps.

Ever since this idiot calculation was first made, the Internal Revenue Service has been gunning for Section 936 of the IRS code, the possessions corporation tax credit.

Under this provision, affiliates of U.S. mainland companies engaged in business in a U.S. possession, chiefly in Puerto Rico, may claim a credit against their federal income-tax liabilities with respect to the income produced by these affiliates in the possession. Coupled with the tax holidays granted by Puerto Rico under Operation Bootstrap, qualifying possessions corporations are substantially free of Income tax on their possessions source income. The Treasury Department's tax-reform proposal wants to repeal the Section 936 tax credit because it believes that the current possessions corporations tax system is complex, expensive and inefficient.

The complexity in the possessions corporations provision is, of course, primarily of the Treasury's own making. Treasury is to be commended for acknowledging this complexity, but repealing a useful tax provision is hardly the best way to simplify it. The charge that the credit is expensive and ineffective is based on the Treasury's gross overestimate of the tax revenue it forgoes because of the credit and an equally gross underestimate of the number of jobs that result from the operations of possession corporations in response to the Section 936 credit.

The Treasury Department, not willing to give the Puerto Ricans cold turkey, acknowledges that repeal of the credit will cause disruptions in the possessions, particularly in Puerto Rico. It proposes, therefore, to replace the present Section 936 credit with a "wage credit" that, it asserts, will be more cost-effective.

The Treasury Department is wrong.

The so-called wage credit would be a fixed dollar amount per hour worked by all people employed in the possession by an establishment engaged in manufacturing. This amount would be 60% of the minimum wage applicable to such employees in the first year—1987, decreasing by 10% a year beginning in 1993 until it is completely phased out in 1998. The credit would apply against the federal income-tax liability on the possession source profits of the company. For this reason, it is obviously wrong to treat the wage credit as a subsidy for employment. The credit would reduce the tax on profits, not on wages. It would, therefore, reduce the cost of using capital, although not to anywhere near the same extent as the present credit. It would not reduce the cost of labor.

The proposed wage credit is nothing more than a severe cutback in the existing Section 936 credit. As such, it would do little to reduce complexity, and it certainly would not be more effective in promoting employment. And unless one relies on the Treasury's implicit assumption of inert, non-responsive taxpayers, it won't produce any of the revenue gains so extravagantly estimated by the Treasury Department.

Far more is at stake than merely the tax purity, tidiness or revenue gains that the Treasury presumably is seeking by repeal of Section 936. The combination of Puerto Rican tax holidays and the Section 936 tax exemptions induced a flood of new business investment and business ventures into Puerto Rico from 1948 until the mid-1970s. The resulting expansion of production, employment and income transformed the Puerto Rican economy from a dismally unproductive agricultural society into a highly advanced industrial economy. It has made the Puerto Rican economy the model for economic development and growth orginating in the private sector.

When the Reagan administration was seeking to develop a Caribbean Basin Initiative emphasizing the private sector's responsibility for development and growth generating activity, it could have done no better than to implement a Section 936 approach. Instead, the Treasury successfully pushed for highly punitive limitations on Section 936 that were included in the 1982 tax increase. The Puerto Rican economy, which had been faltering since the late 1970s as a result of IRS efforts to cancel the tax exemption afforded by Section 936, was stunned; it has yet to share in the mainland's economic recovery. Repeal of Section 936 as the Treasury proposes would be a devastating blow to the island's economy and might well send it tumbing back toward its pre-1948 status as the poorhouse of the Caribbean.

Even if the Treasury and Congress were to be unconcerned about these economic consequences, they would have to be concerned about the enormous increases in relief outlays of various sorts that the federal government would have to make attempt to relieve the Puerto Ricans' economic distress. The results would be a significantly greater fiscal burden on the federal government and a far poorer, less productive Puerto Rico in which the unemployment rate would attain unthinkable levels.

As serious as these distressing outcomes would be, they do not tell the entire story. The geopolitical consequences of pulling the rug out from under the Puerto Rican economy should be recognized. Only the most naive believer in the beneficent intentions of Fidel Castro would believe that a Puerto Rico in economic collapse would not entice Cuba to try to foment revolution on the island.

For the Treasury and Congress to consider repealing Section 936 without providing

equally effective incentives would not only be unfair but would utterly erode the credibility of U.S. efforts to promote economic development and progress throughout the Caribbean and Latin America.

(Mr. Ture is president of the Institute for Research on the Economics of Taxation. From 1981-82 he was undersecretary for tax and economic affairs in the Treasury Department.)

LEGISLATION MAKING TECHNICAL CORRECTIONS TO THE RETIREMENT EQUITY ACT OF 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

● Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing legislation making technical corrections to the Retirement Equity Act of 1984. This bill would make technical, clerical, conforming, and clarifying amendments to provisions of both the Internal Revenue Code of 1954 and the Employee Retirement Income Security Act of 1974, which were amended by the Retirement Equity Act of 1984. While most of the amendments would be effective as if included in the Retirement Equity Act or are prospective, there is one amendment which is effective as of the date of introduction of this bill. Specifically, that provision would require spousal consent for using plan assets as security for loans, effective for loans made after the date of introduction.

The bill has been prepared by the staffs of the Committee on Ways and Means, Committee on Education and Labor, Senate Finance Committee, Senate Labor and Human Resources Committee, and the Joint Committee on Taxation, with valuable assistance from the Treasury Department. The Committee on Ways and Means intends to hold early hearings on this bill. It is my hope that interested members of the public will carefully review the introduced legislation and bring to the committee's attention any additional corrections which are truly technical in nature. As with H.R. 1800, the Technical Corrections Act of 1985, the standard for determining whether an amendment is technical will be quite rigorous. This legislation is not intended to be the vehicle for any substantive changes to the act.

A summary of the amendments made by the bill follows:

SUMMARY

A. MINIMUM PARTICIPATION, VESTING, AND BENEFIT ACCRUAL STANDARDS

Break-in service rules

The bill generally conforms the break in service standards applicable to class year plans to the break in service rules added by the Act. Thus, under the bill, a class year plan generally must provide that a participant's rights to benefits derived from employer contributions for any plan year are nonforfeitable not later than the close of the fifth "plan year of service" following the plan year for which such contribution was made. If the participant incurs five consecutive one-year breaks in service before the completion of five plan years of service following the year for which a contribution was made, the participant's rights to any contributions for such year may be forfeited.

In addition, the bill makes conforming changes to the rules governing the taxation of certain lump sum distributions. Under the bill, in determining whether any distribution payable on account of separation from service is a lump sum distribution, the balance to the credit of the employee is to be determined without taking into account any increase in vesting that may occur if the employee is reemployed. However, if an employee is reemployed and the vested interest in the amount of pre-break benefits subsequently increases, making the prior distribution ineligible for lump sum treatment, the Secretary of the Treasury is authorized to issue regulations to recapture the reduction in tax attributable to the prior election to treat the distribution as a lump sum eligible for the special 10-year income averaging tax treatment.

Maximum age requirement

The bill reduces from 25 to 21 the maximum age requirement that a simplified employee pension (SEP) may impose as a condition of plan participation. Thus, a SEP may not require, as a condition of participation, attainment of an age greater than 21 or the performance of services for three of the immediately preceding five calendar years (whichever occurs later).

B. SURVIVOR BENEFIT REQUIREMENTS

Coordination between qualified joint and survivor annuity and qualified preretirement survivor annuity

The bill provides that a qualified joint and survivor annuity is to be provided in the case of a married participant who does not die before the annuity starting date unless the benefit is waived in favor of another benefit. Accordingly, under the bill, the qualified preretirement survivor annuity rules apply in the case of death before the annuity starting date and the qualified joint and survivor annuity rules apply in the case of death on or after the annuity starting date.

Transferee plan rules

The bill includes two provisions relating to the transferee plan rule of the Act. First, the bill clarifies that the transferee plan rule does not apply with respect to transfers made before January 1, 1985. In addition, the bill clarifies that if separate accounts are properly maintained for the transferred assets and investment yield attributable to those assets, then the transferee plan rule applies only with respect to the transferred assets, rather than the entire assets, of the plan with respect to the participant for whom the transfer was made.

Qualified preretirement survivor annuity in case of terminated vested participant

The bill clarifies that, in the case of a participant who separates from service prior to death, the amount of the qualified preretirement survivor annuity is to be calculated by using the actual date of separation from service, rather than the date of death.

Spousal consent requirements

Under the bill, a spouse's consent to waive a qualified joint and survivor annuity or a qualified preretirement survivor annuity is not valid unless the consent (1) names a designated beneficiary who will receive any survivor benefits under the plan or (2) acknowledges that the spouse is relinquishing all rights to name a designated beneficiary. If the consent names a designated beneficiary, the beneficiary designation is not to be changed subsequently without the spouse's consent.

In addition, the bill provides that a plan is to provide that no portion of the accrued benefit of a participant may be used as security for any loan unless the participant's spouse (determined at the time of the loan) consents to the use of the accrued benefit as security. This rule overrides all of the qualified joint and survivor and qualified preretirement survivor annuity rules, including the rules that a spouse's consent is valid only with respect to that spouse.

The provision relating to spousal consents for beneficiary designations is effective for consents given after the date of enactment of the bill. The provision relating to accrued benefits pledged as security for a loan is effective for loans made after the date of introduction of the bill.

Notice requirement for individuals hired after age 35

The bill provides that the period for giving notice of the right to waive a qualified preretirement survivor annuity is a reasonable period after the date of hire in the case of a participant hired after age 35.

C. QUALIFIED DOMESTIC RELATIONS ORDERS

Tax treatment of divorce distributions

The bill provides that the Act's special rules for determining the taxability of benefits subject to a qualified domestic relations order apply only to distributions made to an alternate payee who is the spouse or the former spouse of the participant. Thus, distributions to a spouse or former spouse generally will be taxed to the spouse. However, with respect to distributions made to any other alternate payee (such as a child of the participant), the participant generally will be required to include the amount of the distributions in gross income.

Determination by plan administrator

The bill makes it clear that the 18-month period during which benefits may be deferred begins with the date on which payment would, but for the deferral, be required to commence.

Coordination with qualified domestic relations orders

In addition, the bill authorizes the Secretary of the Treasury to issue such regulations as may be necessary to otherwise coordinate the provisions affecting qualified domestic relations orders (sec. 401(a)(13)(B) and sec. 414 (p)) with the overall qualification requirements. The Secretary of Labor has authority to issue regulations under the qualified domestic relations order provisions of ERISA and Sec. 401(a)(13)(B) and sec. 414(p) of the Code, and the bill does not affect the authority of the Secretary of Labor to prescribe such regulations.

Coordination with qualified plan requirements

The bill makes it clear that a plan is not treated as failing to satisfy the qualification requirements of the Internal Revenue Code, which prohibit payment of benefits prior to termination of employment, solely because the plan makes payment to the alternate payee, even if such payments are made prior to the date at which the participant would have attained the earliest retirement age under the plan. This exception applies, how-

ever, only if the present value of the benefit to be paid to an alternate payee does not exceed $3,500.

D. NOTICE OF ROLLOVER TREATMENT

The bill clarifies that a plan administrator is required to provide notice to plan participants of eligibility to roll over plan distributions when any eligible rollover distribution is made, including a distribution of amounts eligible for rollover treatment pursuant to the partial rollover rules.

E. EFFECTIVE DATES

The bill clarifies the application of the transition rule relating to qualified preretirement survivor benefits in situations in which the participant had designated a beneficiary other than the participant's spouse. Thus, under the bill, the total death benefits payable to any beneficiary with respect to an individual who (1) performs at least one hour of service under the plan after the date of enactment of the Act, (2) dies before the annuity starting date, and (3) dies before the effective date of the Act, is to be reduced by the amount payable to the participant's surviving spouse pursuant to the transition rule.

However, the bill also permits the surviving spouse to waive the right to receive any qualified preretirement survivor benefit, provided such waiver is made on or before the close of the first plan year to which the Act applies. Such waiver is not to be treated as a transfer for purposes of Federal gift taxes or as a prohibited assignment or alienation for purposes of ERISA or the Code.●

COMMEMORATING THE LIBERATION OF THE NAZI DEATH CAMPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, the gentleman from New York [Mr. SOLARZ] later on this afternoon has reserved time for a special order to commemorate the liberation of the Nazi death camps at the end of World War II, 40 years ago, just about this time.

I had intended to participate in that special order and I wanted to commend the gentleman for having taken the time to do so. Unfortunately, because of my schedule, I will not be able to stay for that. So I wanted to just take a few minutes to make special note of my joining in the commemoration of the liberation of those death camps.

I wish to take this opportunity to thank my friend and colleague, Congressman SOLARZ, for convening today's special order in remembrance of the victims of the Holocaust.

This year marks the 40th anniversary of the liberation of Nazi death camps—as well as the anniversary of the defeat of Hitler's Germany. On this anniversary, we must remember and honor the 6 million Jews who died in those camps, along with the millions of others who fought against the Nazi nightmare which nearly engulfed Europe and the world.

George Santayaha cautioned that "Those who do not learn from history are doomed to repeat it." To recall the suffering of a generation of European Jews is not an effort to revive Germany's sense of guilt, but a reminder to the world of this tragic period in its history. To resurrect from the now empty gas chambers of Auschwitz and Buchenwald the memories of millions who lost their lives there 40 years ago is to insure against others suffering similar fates.

The Holocaust cannot—indeed, it must not—be put behind us. Neither Jews, many of whom lost close relatives at the hands of the Nazis, nor non-Jews, who also died in Hitler's death camps, can afford to forget.

We are all responsible for remembering that it was Germany, the most civilized of all Western societies, that unleashed upon Europe a moral barbarism that had not been seen on such a wholesale scale for centuries. We must recall that Hitler's final solution, which in 4 years resulted in the deaths of 6 million Jews, was intended to exterminate an entire culture and race of people. And we must not forget that the Nazis could not have killed so many, for so long if, it had not been for the hatred stirred by centuries of anti-Semitism in Germany and the rest of Europe.

Today, the ghost of Nazism has reappeared in the guise of a school of historical revisionists, who claim that the mass gassing of Jews did not occur at the Dachau and Buchenwald camps. Others lobby against the valiant efforts of organizations such as the U.S. Office of Special Investigations which labors to find and prosecute Nazi war criminals.

To halt the resurgence of anti-Semitism and other forms of hatred, we must keep alive our history, however painful it may be. Our remembering the horror of the Holocaust enables us to renew our commitment to preventing future genocides.

Earlier today during the noon hour we had occasion to have celebrated under the auspices of the National Council on the Holocaust, a celebration or commemoration ceremony in the Rotunda of this Capitol Building of the 40th anniversary of the liberation; and there were magnificent statements and speeches made, outstanding among which were a statement by the gentleman from New York [Mr. SOLARZ] and the statement by the distinguished scholar and survivor of the Nazi concentration camps, Mr. Elie Weisel, who is the chair of the Holocaust Council.

Mr. Speaker, I simply want to add some few words of personal history in noting this anniversary date.

Mr. Speaker, I am one of those fortunate ones who was not counted among the 6 million Jews who were killed during World War II because I, together with my mother and sister, was able to come to the United States and we arrived here on March 12 of 1938.

I and my family, of course, will be enternally grateful for the shelter and refuge which we received from the United States, and for the rest of my days I will hope to conduct myself in such a fashion as to demonstrate my undying appreciation of the safe harbor and refuge which we were granted, as were literally tens of thousands of others prior to and succeeding the Second World War.

The date on which I arrived, on March 12, was significant because the very day before, March 11, 1938, was, in essence, the beginning of the Nazi invasion and accretion of the rest of Europe. It was the day of the Anschluss when Hitler marched into Austria to merge Germany with Austria.

The Jews of Hungary, which is where my family lived and where I came from, survived intact until some time in April 1944, again almost to the day 39 years ago, and on the eve of Passover the Eichmann forces and insistence could no longer be resisted and those Jews living on the outskirts, that is not in the central area of Budapest, were herded up and taken to the various camps.

Among the people who were taken who ultimately perished were my grandparents on both sides of my parents, that is, paternal and maternal grandparents, aunts, uncles, cousins, the vast bulk of my family.

I think that it is worth noting at this time each year the occurrence of that bestial act by the Nazis resulting in the death not only of my family but, as I say, 6 million Jews, countless millions of other nationalities, gypsies, Czechoslovaks, Ukrainians, Romanians, Poles, Christian, and Jew alike.

It is to be hoped that my commemorating that event we will keep the memory of that evil alive so that we can learn from it and make sure that it does not happen again.

I am hopeful that discussions ongoing right now among the President's party, the advance party, as to what would be appropriate for him to do, that in fact he will seek and find the time to visit one of those exconcentration campsites, and that if he pays honor to any of those who died during the Second World War in the military force that he will do so to those who were not part of the SS, who were the executioners of the Jews and others who died in those concentration camps during the Second World War.

Mr. Speaker, at this point I yield back the balance of my time.

□ 1550

EILEEN GARDNER SHOULD BE REMOVED

The SPEAKER pro tempore (Mrs. LONG). Under a previous order of the

House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

● Mr. GLICKMAN. Mr. Speaker, today I speak for my uncle who walks with a limp resulting from childhood polio. For my administrative assistant's son who is hearing impaired and for my press secretary's son who is blind. I speak for one of my campaign volunteers who has lived her life in a wheelchair and for the director of a veterans group in my district who has only one arm. I speak for a friend's mentally retarded child. Today I speak for those who are without sight and sound, without full mobility or full intellectual capacity but who are full of life and feeling.

Today I speak to those in the administration who have placed Eileen Marie Gardner in a position in the Department of Education where she has found a wider audience for her unfortunate prejudices against the handicapped. Her views did not begin with her; unhappily they will not end with her. She speaks an age-old narrowness which has the capability to demean every American whose arbitrary distinctions—sex, race, age, ethnic heritage and/or handicap—fit into her twisted beliefs about equality, justice and spiritual capacity.

We need not give her or her views credibility by giving her a forum by which to espouse them. She very simply preaches bigotry and we are surely not blind enough to assume those views stop with those who are handicapped. History show us those views have a way of spreading to other groups. Today I speak for those who recognize how such views can—if embraced by the majority—undermine the very fabric of our democracy.

She should be removed from her position.●

INTRODUCTION OF ECONOMIC GROWTH AND DEBT REDUCTION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LUNDINE] is recognized for 5 minutes.

● Mr. LUNDINE. Mr. Speaker, today I am introducing legislation to impose a temporary, declining surcharge on all imports coming into the United States. Imposition of a surcharge as I am proposing it will reduce the serious twin deficit problem facing our economy—that of the Federal budget deficit and trade deficit.

If substantial deficit reduction action is not taken, the Congressional Budget Office estimates that our Federal budget deficit will exceed $215 billion in fiscal year 1986. Our trade deficit is expected to exceed $140 billion during the 1985 calendar year. These two deficits pose a threat to our capacity to sustain economic growth.

It is clear that we are living on borrowed time. We are financing our budget deficit with increasing amounts of foreign capital. The United States has become a net debtor country this year. By 1990, we will owe other nations of the world an unprecedented $1 trillion. This is more than the combined debt of all the developing countries today.

One of the chief underlying causes of our escalating trade deficit is our budget deficit. The large Federal budget deficit is keeping real interest rates at historic highs, which as I stated is attracting foreign capital to finance these Federal deficits. The large flows of capital into the United States are keeping the value of the dollar on international exchange markets abnormally inflated and certainly out of reasonable balance with other major currencies. This makes it very difficult for U.S. exporters to compete abroad and makes it very easy for foreigners to export to the United States.

If we can deal with our budget deficit, progress on reducing our trade deficit will follow. The surcharge I am proposing is aimed primarily at reducing the Federal deficit. If adopted, my proposal, will enable us to get our budget deficit down under $100 billion by fiscal year 1987. If combined with $40 billion of other deficit reduction measures, the surcharge could yield a total of $80 billion or more in deficit reduction measures during fiscal year 1986 and fiscal year 1987. Such a significant deficit reduction would lessen interest rates, and help bring the value of the dollar down on international currency markets, which in turn would result in improvement in the U.S. trade deficit.

The surcharge would be a 2 year, temporary, declining fee on all imports coming into the United States. The rate of the surcharge for the first 8 months would be 20 percent, 15 percent for the second 8 months, and 10 percent for the third 8-month period. Imposition of the surcharge would be conditioned upon enactment of at least $40 billion in other deficit reduction measures in fiscal year 1986 and a similar amount in fiscal year 1987. The only modification to the imposition of the surcharge would be for lesser developed countries who are experiencing serious balance of payments problems. The President would be granted authority to decrease the surcharge to one-half the proposal's rate for these countries upon a finding that these countries' markets are reasonably open to U.S. products.

We cannot realistically expect to sustain the current economic recovery indefinitely. If the United States heads into another recession with a $200 billion Federal deficit and our very high external debt, we could experience an economic shock of unprecedented proportions. Under those circumstances, reducing budget deficits and restoring economic growth could prove very difficult.

We must act now to substantially reduce these Federal deficits. I have examined the strengths and weaknesses of imposition of a surcharge for many months. I am convinced that the major criticisms of a surcharge given our grave fiscal problems should not disuade us from moving forward with one. In addition, I have tried to fashion my proposal to address the major criticisms.

There is a fear that the surcharge would be highly inflationary. While undoubtedly it will have some modest inflationary impact, I believe less than 1 percent of the CPI, the 2 year, temporary nature of my surcharge helps mitigate the inflationary impact. A minimum amount of import substitution is likely to take place as long as it is understood to be a temporary measure. In addition, realizing it is a temporary measure, many foreign producers will have to absorb a good portion of the surcharge from their inflated profit margins to protect their market shares in the United States. As their currencies have depreciated in relation to the dollar, prices of imports have not been reduced appreciably. Foreign firms have plenty of absorption capacity. Therefore, prices will not be significantly raised by this measure.

Others fear that foreign governments would retaliate against the United States if a surcharge is imposed. I believe foreign governments are unlikely to do so if they understand that the surcharge is temporary and aimed at correcting the serious macroeconomic misalignment. Exchange rate imbalances adversely affect foreign economies by draining their investment capital. Moreover, the United States is the largest market for our trading partners, so they have more to lose than the United States from substantial retaliation. They will come to realize that the surcharge, while adding a tariff, still keeps the U.S. market open to their products, unlike more stringent protectionist measures being threatened today.

Finally, the surcharge I am proposing is consistent with the general agreements on tariffs and trade and in fact historically has been used by many countries, including the United States, to address serious balance of payments problems. In 1971, President Nixon imposed a 5-month 10-percent surcharge on imports into the United States as part of an effort to deal with U.S. balance of payments problems. Article XII of the GATT specifically grants a contracting party the right to impose certain trade restraints in order to safeguard its external financial position and its balance of payments.

In normal times, I would not be proposing a surcharge. But these are not normal times. The prospect of $200 billion budget deficits and $140 billion trade deficits spells disaster for the American economy. With this type of massive debt hanging over our heads, sustained economic recovery is simply not possible.

The future of our agricultural and industrial economy is at stake in how we address our twin deficit problem. The bottom line is jobs. We need econmic growth to sustain acceptable levels of employment. If the United States continues to accumulate public debt at a rate of more than one-half trillion dollars over the next 4 years, our present prosperity and future improvement in our standard of living will be seriously threatened. What if our foreign lenders suddenly decide to call their demand loans? The value of the dollar could fall precipitously, interest rates would skyrocket, and another serious recession will surely follow. Unless we significantly change our present course, there wil be no soft landing.

The bold proposal contained in this legislation will lead to sound U.S. fiscal policy and stimulate economic growth through lower interest rates. It will be a strong signal that America means business. It will contribute to our competitiveness and improve prospects for long-term economic prosperity.●

SALUTE TO WALTER TROTTER

The SPEAKER pro tempore. Under a previous order to the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I would like to ask the Members of the House of Representatives to join with me in congratulating Mr. Walter Trotter on his retirement after 10 very successful years as chief of the Big Sur Volunteer Fire Brigade. I know the people of the Bug Sur area join with me in thanking Chief Trotter for a decade of dedicated service.

In 1974 Walter Trotter helped form the Big Sur Volunteer Fire Brigade, becoming its first chief and the driving force behind the brigade's survival. I understand that there had never been a structure fire in Big Sur that did not result in the complete destruction of the building before the founding of the Volunteer Fire Brigade. Chief Trotter has played a vital role in the fire fighting effort in every major fire in the Big Sur area in the last 10 years.

Over the last decade under Walter Trotter's leadership, the brigade has responded to over 137 fire calls, including the disastrous Marble Cone fire. Chief Trotter is responsible for the brigade's position today as a nonprofit, tax exempt corporation with an annual budget of some $25,000 being supplied solely by donations and community fundraising events. The donated funds are used to maintain the fire fighting equipment Chief Trotter has managed to acquire from public agencies over the years, and to insure that the volunteer brigade members receive the courses they require in fire suppression, first aid, and basic life support and fire prevention.

In addition to his duties as chief of the Volunteer Fire Brigade, Walter Trotter has actively served as a member of the Big Sur Rescue Team and the Big Sur ambulance crew. He has volunteered his time to respond to emergency calls when accidents occur or when vehicles and/or people go over the steep cliffs along California Highway 1.

On Saturday, April 20, friends and members of the Big Sur Volunteer Fire Brigade are gathering to honor Walter Trotter on the event of his retirement as chief. In recognition of his dedication and his contributions to the Big Sur area, I would like to add my commendation to Chief Trotter and I know that my colleagues will join me in thanking him for his commitment and in extending to him our heartfelt congratulations on his retirement. Walter Trotter has left a deep imprint on Big Sur and on the Volunteer Fire Brigade. I want to wish him the very best in all his future endeavors.●

NICARAGUAN LABOR: ANOTHER VIEW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

● Mr. CROCKETT. Mr. Speaker, In January, the AFL-CIO circulated a report prepared by its American Institute for Free Labor Development [AIFLD] which charged that the Sandinista Government in Nicaragua was harassing independent unions there and repressing the workers' right to organize, bargain, and strike. The AIFLD report gave a chronological listing of alleged violations and oppressive acts to support its contentions.

The conclusions in the AIFLD report have not been challenged by a delegation of labor lawyers who visited Nicaragua in order to investigate first-hand the specific accusations made in the AIFLD reports. The delegation, which was sponsored by the National Lawyers' Guild and was composed of nine attorneys who represented a variety of trade unions, declared the AIFLD report to be "a grossly inaccurate and misleading document."

In its 62-page response to the AIFLD report, the lawyers' group urged the AFL-CIO to retract the "flawed document" and to reconsider its position on the status of organized labor in Nicaragua in support of the Nicaraguan guerillas.

So that my colleagues may be better informed on this important issue, I am inserting for their reading the introductory and concluding remarks sections of the lawyers' report which is entitled, "Are Nicaragua's Trade Unions Free?"

ARE NICARAGUA'S TRADE UNIONS FREE?

(A Response To The American Institute For Free Labor Development (AFL-CIO) Report, "Nicaragua, A Revolution Betrayed: Free Labor Persecuted")

I. INTRODUCTION

A. THE AFL-CIO'S POSITION ON NICARAGUA

In 1983, the AFL-CIO Executive Council adopted a resolution stating its position on developments in Nicaragua since the July 1979 overthrow of Somoza. The resolution claims that the Sandinista Government "has become dominated by totalitarian elements which have established a dictatorship that all but destroyed the right to strike, to organize, or to bargain collectively without interference" and condemns the "betrayal of the Nicaraguan revolution by the Sandinista Government."

The AFL-CIO position is based on a report prepared by William Doherty. Executive Director of the American Institute for Free Labor Development, an AFL-CIO affiliated organization charged with promoting the development of trade unions in Latin America.[1]

The report, entitled, "Nicaragua, a Revolution Betrayed: Free Labor Persecuted" purports to explain, "in detail how the Sandinista government has all but destroyed the free trade unions in Nicaragua."

AFL-CIO President Lane Kirkland sent a copy of this document to AFL-CIO affiliates on April 10, 1984, describing it as a "historical as well as a current documentary proof of the beginnings of the destruction of the free trade unions in Nicaragua." Kirkland explained that the report was begin distributed in order to help union members "deal with the campaign of disinformtion which has been undertaken by the government of Nicaragua and their representatives and supporters in different parts of the world and, especially here in the United States."

On February 28, 1985, Senator David Durenberger (R.-Minn.) inserted this report into the Congressional Record, declaring that it "documents in stark detail the Sandinista's efforts to destroy independent labor organizations within Nicaragua."[2]

The twelve page report consists of 29 separate allegations of government repression of Nicaraguan trade unions by arresting union members in retaliation for their union activities; discriminatorily enforcing Nicaraguan labor laws in favor of pro-government trade unions; and staging violent attacks against union facilities and members.

The National Lawyer's Guild, a 58 year old organization of lawyers and legal workers with a long history of support for the rights of organized labor both in the United States and abroad, was concerned about the serious allegations contained in this report. On December 4, 1984, a Guild sponsored delegation of labor law practioners visited Nicaragua in order to investigate first-hand the specific accusations contained in this report as well as the general conditions faced by organized labor in Nicaragua. The

Footnotes at end of article.

delegation consisted of three employees of the National Labor Relations Board and six attorneys who represent a variety of unions, including many affiliated with the AFL-CIO.[3]

The delegation set its agenda with the cooperation of the Nicaraguan Jurist Association, an independent lawyer's organization. During its ten day stay, the delegation discussed this report and the role of trade unions in Nicaragua with officials in the Labor Ministry,[4] Justice Ministry,[5] Judiciary,[6] industrial, farmworkers,[7] teachers,[8] and health care workers unions,[9] newspaper editors,[10] community and women's groups, and rank and file workers at the Victoria Brewery and the recently constructed TIMAL sugar refinery. The delegation also met with representatives of the two primary opposition trade unions which the AFL-CIO report claims are the target of government repression, the AFL-CIO affiliated Confederation of Trade Unions (CUS)[11] and the Nicarguan Workers Confederation (CTN).[12]

In addition, the delegation reviewed allegations of mistreatment which CUS and CTN brought to the attention of the International Labor Organization, Amnesty International, and the America's Watch Committee. The Labor Ministry provided a written response to the AFL-CIO report, with attached documentation.

This report discusses the delegation's findings.[13] It begins with a brief description of the history and structure of the Nicaraguan labor movement and the impact of the civil war against the U.S. backed counter-revolutionary guerrillas (*contras*) on organized labor. The next section provides a point-by-point analysis of the accusations made in the AIFLD report. The report concludes with a summary of the achievements of the Nicaraguan labor movement since 1979.

B. SUMMARY OF FINDINGS

1. The leadership and many members of the two Nicarguan trade unions supported by the AFL-CIO have close ties with counter-revolutionary guerrilla groups which have committed numerous atrocities in violation of international law.

2. Virtually every claim of trade union repression made in the AIFLD report is disputed by representatives of CUS and CTN, by respected human rights groups, or by credible evidence provided by the Nicaraguan government. The delegation urges union members to demand that this fundamentally flawed report be retracted and that the AFL-CIO reconsider its position on the status of organized labor in Nicaragua.

3. The Nicaraguan labor movement has enjoyed a rapid growth since 1979 and has achieved significant gains for Nicaraguan workers.

D. CONCLUDING REMARKS ABOUT THE AIFLD REPORT

Our investigation of the AIFLD report revealed significant disputes with regard to virtually every allegation of trade union repression in Nicaragua. The AFL-CIO's accusations were directly contradicted by CTN and CUS leaders with whom we met, reports of respected international human rights groups, and documentary evidence provided to the delegation by the Labor Ministry.

Thus, for example, CTN leader Huembes flatly denied the AFL-CIO's allegation that Sandinista troops occupied and shot-up the union's headquarters. A document prepared by the CTN concerning alleged mistreatment of its members by the Government from 1980 to 1984 made no reference whatsoever to the arrest of 40 CTN members during the months of March and April 1982, as alleged in the AIFLD report.

Moreover, many of the allegations contained in the AIFLD report were dismissed by ILO report based on a detailed investigation conducted by an ILO representative in December 1983. For instance, contrary to the AIFLD report, the ILO found that the Port Workers Union of Corinto at no point "formally announced" that it was leaving the CST to affiliate with CUS. Instead, the ILO found that in May 1983 these dock workers voted overwhelmingly to remain with the CST. In addition, the CTN admitted to the ILO that no less than 17 CTN members which it claimed were arrested for their union activities were in fact arrested for engaging in illegal activities on behalf of the contras, such as economic sabotage.

Documents provided to us by the Labor Ministry also directly contradicted numerous AFL-CIO allegations. For example, a report submitted to the Government by CUS official indicated that the Chinandega Transport Union was never affiliated to the CST, as alleged by the AIFLD report, but was always a CUS affiliate.

Finally, our investigation revealed numerous examples of exaggerated and possibly fraudulent accusations of Government repression made by CUS and the CTN to the ILO and other human rights organizations. Thus, CUS leader Guthrie claimed both to the ILO and to the delegation that the Nicaraguan Supreme Court deliberately refused to issue a decision concerning the recognition of a CUS affiliate at the San Antonio Sugar Mill, which in fact had been issued in January 1984. The ILO dismissed numerous CTN allegations that its members were arrested when the CTN was unable to document them. Further, the delegation has reason to believe that the CTN may have fabricated an allegation that 18 of its members were arrested in May or June of 1983, which it reported to Amnesty International and America's Watch.

As a result of these numerous conflicts between what the delegation believes to be credible and reputable sources and the AIFLD Report, the delegation concludes that what AFL-CIO President Lane Kirkland says is a "historical, as well as current documentary proof of the beginnings of the destruction of free trade unions in Nicaragua" is a grossly inaccurate and misleading document.

The delegation is deeply disturbed that the AFL-CIO has permitted this fundamentally flawed document to be used by the Reagan Administration in its campaign to seek congressional approval of funds to assist the Contras in their efforts to violently overthrow the democratic government of Nicaragua.

The delegation urges all principled trade unionists to demand that the report be retracted and that the AFL-CIO vigorously oppose the resumption of U.S. aid to the Contras.●

FOOTNOTES

[1] The AIFLD receives most of its funding from the U.S. Government through Agency for International Development and private business groups. The Reagan Administration recently appropriated funds to AIFLD through the Caribbean Basin Initiative. AIFLD has been accused of involvement with various CIA activities in Latin America, including the U.S. invasion of the Dominican Republic in 1965, and the military coup in Chile during 1973. *See* Phillip Agee, *Inside the Company: A CIA Diary* (New York: Stonehill Publishing Company, 1981) (P. 64); Jack Scott, *Yankee Unions, Go Home!* (Vancouver, B.C.: New Start Books Ltd., 1978) (pp. 223-226).

[2] The Congressional Record (February 28, 1985, S. 235-55).

[3] All delegation members participated in their individual capacity and not as representatives of any government agency or trade union.

[4] Labor Minister, Benedicto Meneses, Labor Judge, Manuel Cano, Director of Employment, Rene Rivera, Director General, Labor Ministry, Rene Cruz, Treasury of Ministry, Ricardo Montalban, Director of Conciliation, Dena Aleman Mena, Inspector General of Labor, Francisco Ordonia, Director of Labor Organizations, Jose Lopez.

[5] General Secretary of Justice, Carmen Lopez, Criminal Prosecutor, Omar Cortez.

[6] Supreme Court Justice, Mariano Barahona Portocarrero, and Judge Humberto Obregon Aguirre.

[7] Napoleon Loasiga, Secretary of Labor and Social Relations.

[8] Edgardo Garcia, Association of Farm Workers, Political Secretary and General Secretary of the Nicaraguan Trade Union Coordinating Council, Denis Melendez, Secretary of Political Education, Sandinista Workers Confederation, and Marcos Gonzales, attorney for Agricultural Producers Union (an association of small and medium sized landowners).

[9] Dr. Gustavo Porras, Secretary General, Ires Montenegro, Secretary of Political Education, and Dr. Rosalino Cheve, attorney.

[10] Daniel Martinez, Editor of *La Barricada*, and Xavier Chamorro Cardenal, publisher of *El Nuevo Diario*.

[11] Avin Guthrie, Secretary General, and Jose Espinoza, Political Secretary.

[12] Carlos Huembes, Secretary General, and Eugeno Mendrano and Jose Altamirano.

[13] After the delegation returned from Nicaragua, AIFLD issued a supplemental report, titled "The Sandinistas And The Workers—The Betrayal Continues," containing four additional allegations of government harrassment of trade union activity during 1984. This report does not discuss these new allegations except for one concerning the strike at the Victoria Brewery which we visited.

TRIBUTE TO MRS. MAVIS HURT

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to and in memory of a longtime friend of mine, Mrs. Mavis Hurt of Kirksey, KY, who died on February 27 of this year at the age of 87.

Mavis McCuiston Hurt was the daughter of the late Thomas Montie McCuiston and Flo Hamlin McCuiston. A native of Calloway County, KY, she was a respected and influential lady in Murray—the county seat—in Kirksey, a small town near Murray, and throughout western Kentucky. I believe it is a tribute to her memory that a scholarship fund in behalf of Mavis and her husband Max B. Hurt has been established at Murray State University.

Mavis and Max Hurt were married 64 years, an accomplishment that is certainly rare these days. Mavis Hurt was a member of the Kirksey United Methodist Church and was active in her community. If all people were as devoted to and conscientious about our country and our future as Mrs. Mavis Hurt, America would be an even better place in which to live.

In addition to her husband Max—a highly respected and influential Calloway countian in his own right—Mavis is survived by her daughter,

Mrs. Van (Geraldine) Dunn of Delaware, OH; her grandson, Dr. Max Gilbert Dunn of Charlottesville, VA; three granddaughters, Mrs. Steven (Susan) Hoffius of Charleston, SC, Mrs. Randy (Sheila) Rutledge of Seattle, WA, and Mrs. Saul (Joan) Solomon of New York, NY; and one great-granddaughter, Annie Hoffius.

Also surviving are four sisters, Mrs. Newell (Esther) Doores of Kirksey, KY, Mrs. Lola Morgan and Mrs. Sonny (Hilda) Parkhill, both of Hazel, KY, and Mrs. Norvie (Ruth) Riley of Mayfield, KY. Three surviving brothers are Rupert McCuiston of Kirksey, State Senator Pat McCuiston of Pembroke, KY, and Macon McCuiston of Nashville, TN.

My wife Carol and I extend our sympathy to the family of this outstanding Kentuckian who was an inspiration to those of us who knew her.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Madam Speaker, my colleagues, I say that I continue with my advice to the privileged orders. This time, very much right in line with Joel Barlow, the one who coined that phrase, and used that approach at the time of the American Revolution, where he served as a chaplain in George Washington's revolutionary army.

Let us never forget that that was the name of our fighting men; they were rebels; they were revolutionaries in the true sense of the word. The American Revolution was indeed an indigenous, a native, a civil war so to speak, and we had the essential decisions to make then, and Joel Barlow, who was also an outstanding poet, who wrote a great epic poem in which, peering into the future he visualized this great contest between what he called the two gods.

He entitled it: "The Olympiad." In it, he visualized what he called the sons of the god Hestor or the black race, in the struggle ultimately to develop because of their then-continuing enslavement by the white.

He was that kind of a mind, but he was also a true revolutionary. He joined Tom Payne the great revolutionary radical pamphleteer. As a matter of fact, if I were to extract some paragraphs from Tom Payne's basic writings and just date them today, they would be attributed to what everybody calls a radical socialist thinker in this day and time.

So that those most revolutionary words, in the Preamble of the Constitution, that did not appear until oh, more than 10 years after the point, were actually those that were inspired by men like Joel Barlow and Tom Payne.

They felt so keenly that they went to Europe to foster revolution. It was Joel Barlow's advice to the privileged orders of Europe for the need for revolutionary change.

So my advice, in the series of special orders, along two basic lines that I think are fundamental at this point in which we have yet to reaffirm and rededicate ourselves to the form of government we enjoy and have attained such high privileges of freedom under the Constitution of the United States, whose 200th anniversary remains yet to be celebrated in 1989.

The common opinion is that we had our bicentennial in 1976. That was just the bicentennial of the struggle that won our independence, but it was not until 1789, the adoption of the Constitution, and the convocation of the First Congress on March 4, 1789 in New York City, in which spelled out in word and in deed were the basics in what we call our system of government in America.

It was most revolutionary, as evidenced by the first few sentences in the preamble in which reference was made to where true sovereignty, where the true power; is.

Now this was most revolutionary then because the whole world was governed by kings or czars or potentates who said that their sovereignty; that is, power, came from God. Well, you could not go any higher that that. Even though the people really never ever said that, this is what kings had maintained for centuries, and which ruled the world in its entirety, no matter what part of the globe; until the Americans came and said, No, all power comes from the people.

So that in the preamble, we read: "We the People of the United States, in Order to form a more perfect Union * * *" I think these words ought to be inscribed, and that the preamble ought to be memorized by every single American citizen, from school child to adult, because they are still highly revolutionary; radical, if you please.

You talk to all the wielders of power today, you will find out why it is that the American people have been usurped in their power to control their destiny with respect to such vital things as their economic well-being, because the power and control of the people through their representatives, whether they are legislative policy-making body representatives or Presidential or Executive representatives; the President and the Vice President.

Up to 1974, 1975, it would have never been thought possible that the United States would end up with an unelected President and two unelected Vice Presidents. In fact, this was the most horrible possibility that the men who wrote the Constitution could think of.

So the Constitution was constructed in such a way, and after much debate. Remember that the first 10 years of our national existence, they thought so little of such an office as the Presidency which, during the debates in the Constitutional Convention, they referred to as the "chief magistrate," not President.

They thought so little of that office that they provided no such thing during the first 10 years of our national existence as a national entity.

The First Continental, the Second Continental Congress, the Articles of Confederation—that is the last thing they wanted, because they were still very much fearful of that all-powerful potentate, and they wanted to make sure that that startling revolutionary concept, that power came not from an individual who in turn said he got it from God, but it came from the people.

Then that basic, basic division of human thought as to government from the very beginning of human history, the two basic philosophies: The one that says that unless you have some superkind of men, an elite, a special genius kind that knows more and has a better idea than anybody else of what is good for the people.

You have that thinking. You have it today, throughout the world; and then you have the other, upon which ours is predicated. And that is, very simply, that in the long haul, the people themselves know best what is better for them. That yes, in the short run they will make very disorderly mistakes, but that in the long run they know best and better.

□ 1600

Then the rest followed—the great system of education, based on the fact that unless we had an enlightened citizenry, in the words of Thomas Mann, that we could not expect to have self-government without it eventually dissolving, as the few experiences in past human history had demonstrated amply, into an oligarchical or an authoritative or anything but a self-government on the part of the people.

We are still predicating our basic faith and philosophy on the fact that the overwhelming majority of the American people do know what is best for them if they are informed, if they are knowledgeable, and that, second, the processes of democracy are not neat, they are not mathematically correct and orderly, that, yes, that is the difference between a unitary or an authoritative single-person government. You do not have to waste time with debate, you do not have to hear 535 different individuals. And this is also the reason why at this point in the 20th century we have more need than ever to have the advice to the privileged orders that Barlow so much an-

ticipating an age in which the 3 million, or so, that constituted the population of the Thirteen Colonies would ultimately be a grand, grand realm, a vast realm, and the principles upon which this meager beginning were so securely founded were so great and so true and so much the fruit of the distilled wisdom of centuries that there could be no course but one of steady progress and evolution of self-government or democracy.

And it has happened. But in order for that to have happened we had to have this other thing that has been so unique, and still is, to the American system—that is, up until lately—and that is what we call our public school system, the idea that no American, no matter what his economic or any other social position, that if motivated and equipped with the zeal and the desire and the ambition to gain knowledge, to gain in the ability to lead a rich and rewarding life, a productive life, a creative life, that his education would not be denied because of either class status or economic inability.

But just 100 years ago, for example, we still had the vestiges of the indenture system. You read the deed records in Shelby County, TN, in the other counties in Kentucky, and to this day you look and see, "Sheriff's notice: Failure to serve because GTT," gone to Texas.

Well, what was the sheriff serving? He was serving summons on an individual because he had jumped his indenture.

What was an indenture? An indenture was a contract by which one American indentured himself to another for a period of time, glad to be able to be given a chance to work, no wages, no nothing, not a property owner. Almost 100 percent of the jurisdictions, if not 100 percent of the jurisdictions, did not have universal suffrage. In the first place, women could not vote.

I might remind my colleagues that women in my State of Texas did not have the right to vote until 1919, after World War I. But on top of that, if you were not a property owner, you could not vote either. And this was a vestige that lasted in many of our States, including Texas, until as late as the decades of the 1940's. And our concept of universal manhood suffrage has really blossomed in such a way that it is unknown in any other realm. But it does no good to have that free access to the ballot box that so many Americans have given life, blood, property, and all of their possessions in order that we could have that right if we are economically in serfdom. If we are not free economically, it does not matter if we are relatively free politically. And this is a point where I think it is appropriate to remind my colleagues and others in the privileged orders of our country that time is upon us. Why? As I have pointed out in my three preceding discussions, we have, ironically, turned full cycle in just 4 years, just 4 years. This little delicate flower of democracy is very delicate. It has to be nurtured. We have to work at it. Democracy is a very lonely activity in the world today. Even in the countries that we call democracies and allies, I want my fellow Congressmen and all the citizens in this country to have a chance to go live in those countries and see the difference.

But this is what is at stake today: Whether or not we in our time will continue to provide the basis for economic equality, economic freedom, without the loss of the basic freedoms such as the price that has been paid in other modern day structured governments, whether it was under what we call an oligarchical or a corporate or a Fascist state or the other side of the metal, a socialistic or a true socialistic government or communistic government—it all depends on what you define the terms as to what we are talking about. But in the structured nature of those governments we do not have the basic essence that we take for granted when we define a democracy, and that is that no government is at sufferance to exist except and until it has the just consent of the governed.

Now, in the last few years, when it comes to our dealings with other parts of the world, including that in the new world that we share with about 21 republics or countries, we lose sight of that. We are not talking about that. We are talking about something else. And so when we use the word "democracy," it can be variously used in these other countries to fit their cultural acclamation or understanding of that word. As an example: What good does it do to have the right to go vote if the citizen has a lack of knowledge as to the issues involved.

Example one: Last year we had a Presidential election year. What were the issues? How were they discussed? One of the basic issues, I would think, would have been the horrendous real threat not only to the economic well-being of our country, which has already suffered because of it, but for the world itself, given the interdependence and the interplay between the economic lives in each one of these countries today, the so-called international accounts deficit, the so-called trade deficit.

In the United States as of December 31 we ended up with over $139 billion deficit. Now, we can piddle around, as I have said ad nauseam, with our so-called domestic deficit for a couple years more, maybe—unless this other impinges a little more drastically and quickly than some of our whistlers in the dark seem to think—but we cannot tolerate any kind of an imbalance of that nature, given the structured economy of the American system and the way we perform our economic activities.

Why is that? Because for every $110 billion of that $140 billion deficit, we have lost forever one-quarter of a million American jobs permanently. So I have read into the RECORD—I am not going to repeat it today—some of the things that are happening now in which our fundamental economic activities, even the funding of basic research and development in the two areas in which the tremendous push for jobs and job creation exists in the so-called space communication world, which the United States had the lead in before 4 years ago, and the so-called robotics.

□ 1610

What do we find? We find that whatever research and development is being performed in our universities and other places in the United States, they have to go to Japan and France for allocations of credit to conduct them. France has taken the lead in robotics; it is also stealing our bacon in the contest for contracts on space communications as of today. So is Japan.

There has to be a cause, and, of course, there is. But nobody wants to be interested in debating that. So last year, when everybody knew, at midyear, at the end of that quarter, that the imbalance in our trade deficiency was so great that even if we tried to stabilize it as of September 1 at the end of the year, we would have a horrendous deficit, and that it has dire, immediate implications. I had been speaking since 1965 on that fact that that was a grave potential then; that it looked to me as if we were going to face such rising costs in interest, for example, which in turn are like an impact of the steel ball games that you see that bounce one against the other in sort of an inertial collision that keeps almost a perpetual motion. This is the way these activities have rebounded.

Essentially, that formula was well known to us because it was used successfully by the debtor nations after World War I, in which Americans and Uncle Sam were outwardly ridiculed as "Uncle Sap."

I am going to read at this point from a book that I have had since I was 14 years of age in the middle of the beginning of the disastrous Depression. From that book I am going to select excerpts, and some of them, in view of the President's recent utterances about saying at firest he would not visit, he would not visit Buchenwald because it would hurt the sensibilities of the German people, and it would revive old memories.

Here are a few, and I think they are very pertinent to what is happening today with the President, finally, after the great outcry, and even despite that says, well, I will not go to Buchenwald, but I will go to the cemetery where the German soldiers died who were actually burning the fires in the ovens that were cremating people, and were also doing a few other things that were a threat to liberty to every single country in the world.

The same thing happened after World War I. Soon after, when it became apparent as a result of the Treaty of Versailles, that the United States was the only creditor nation. If American credit had not been available, World War I would not have lasted 6 months for the Allies.

The same thing happened in World War II; we were the only creditor nation. Now, as of 4 years, we are a debtor nation. Now, what does that mean? What it means is exactly what it meant after 1930. I remember as a child, I remember, I have total recall, and though I visibly understood some things, I remember the headlines. The Treaty of Lucarno, where we will have some kind of understanding. The moratorium proposed by Herbert Hoover because of the inability of the debtor nations to pay us their debts, and they in turn, getting their money to pay their debts to us from the German reparations which the Germans soon, soon began to disclaim against and protest.

Here is an example of what was being said in 1932. The great August Crisis of 1932. This is from German publications:

> The war has lasted 16 years. German guilt was a lie. The Treaty of Versailles is a great crime of modern history. Reparations are tribute. In 1917, America joined the Allies against Germany because then her money was on that side. Among nations, the debtor is dear to the creditor. The Hoover Debt Holiday Plan in 1931 was to protect 2 billions of American money in Germany, for now America is bound by what Germany owes here to be Germany's political friend.

Well, we had the same scenario; different countries because some of the countries that existed up to after World War I disappeared in the interim, and certainly after World War II. We did the same thing.

We talk about the process that I give to Dr. Hjalmar Schacht, that great financial wizard, they called him. Hitler's wizard, who was able to get some of our principal corporations to actively finance Adolf Hitler.

Now how did that happen? Well, the same way it is happening now. All debtor nations were going to meet their foreign obligations from a favorable balance of trade. Now that sounds familiar. Japan says, hey, wait a while. Sure, we have a favorable balance of trade right now with you, but we will have a depression if we do not have access to your markets. And we say, hey, but wait awhile.

We did not say that until this year, but you will not let our goods in there. Now, England, for years our aircraft manufacturers could not be allowed to compete in England because England had certain standards that were constructed in such a way that the American manufacturers could not meet. It is the same thing with American-made cars in Japan. The standards of acceptance were of such a nature that they could not qualify American cars for importation.

We have blindly, for a mess of potage, sold out America's heritage. So all debtor nations, and remember that America was the only creditor nation in both wars, were going to meet their foreign obligations from a favorable balance of trade. A nation's favorable balance of trade is from selling more than it buys. Was it possible for nations to sell to one another more than they bought from one another? So that everyone should have a favorable balance of trade? By lending one another the credit to buy one another's goods, that would be the way. All nations would not be able to lend equally, of course; each would lend accordingly to its means.

Where is the profit in trade for the sake of which you must lend your customers the money to buy the goods? The answer was, but unless we lend them the money to buy our goods, they cannot buy them at all. Then what should we do with our surplus? As it appeared that European nations were using enormous sums of American credit to increase the power of the industrial equipment parallel to our own.

This is what we did during and after the Marshall plan. All with intent to produce a great surplus of competitive goods to be sold in foreign trade. Another question was sometimes asked: Are we not lending American credit to increase Europe's exportable surplus of things similar to those of which we have ourselves an increase in surplus to sell?

□ 1620

Is it not true that with American credit, we are assisting our competitors to advance themselves against American goods in the markets of the world? The answer was, of course that is so. You must remember that these nations you speak of as competitors are to be regarded as our debtors. They owe us a great deal of money. Unless we lend them the credit to increase their power of surplus production for exports, they will never be able to pay us their debt.

Lingering doubts, if any, concerning the place at which a creditor nation might expect to come out were resolved by an eminent German mind, with its racial gift to subdue by logic all the difficult implications of a grand illusion. That was Dr. Hjalmar Schacht, formerly head of the German Reichsbank. He was speaking in this country what I have just said. For creditor nations, principally this one, he reserved the business of lending credit through an international bank to the backward peoples of the world for the purpose of moving them to buy American radios and German dyes.

By this argument, for endless world prosperity, as a product of unlimited credit bestowed upon foreign trade, we loaned billions of American credit to our debtors, to our competitors, to our customers, with some beginning toward the backward people. We loaned credit to Germany, who loaned credit to Russia—at that time, Russia was a developing nation; it was still sunk in peasantry—for the purpose of enabling Russia to buy German things, including German chemicals.

Well, now, let us see. Talk about modern days. The Russians decided, after commercial consultation with the Western countries of Europe, that they could provide gas for Europe, which would enable Europe to be free of its dependence on that Middle East oil, but also free of America, because interest rates that we, in this country, have so blithely imposed and have crucified our businessmen and our average families with an extortionate rate of credit and interest—extortionate, usurious. As I have pointed out, even 7,000 years before Christ, they were passing laws against usury. So here we are, blitheful Americans, thinking that you can have extortionate, usurious rates of interest and can continue free so-called business. Of course you cannot. You cannot continue this other.

But let us look at this gas pipeline. President Reagan said, "Hey, look, we are not going to let those Russians do this, so I admonish you West Germans and Frenchmen and in between, you better not have anything to do with it."

So they said, "Hey, wait a while, though. The pipe, the knowhow, much of the equipment has been supplied by your businessmen. All we want is a piece of the action and we also want to have gas. We want to have natural gas delivered to our doors so that we can really increase our commercial potential, the well-being of our people, increase the level of the standard of living, and you certainly do not want to stand in the way of that."

President Reagan said, "Well, I am going to insist, and we might even consider some kind of an embargo."

Then they really got down to business, as they are going to get next month at the economic summit meeting in Bonn, Germany, and all of a sudden, you are going to start hearing

a little bit more about the ECU, the European Currency Unit, and the EMF, the European Monetary Fund. You have not heard anybody but myself even mention those terms in this Congress on either side of the Capitol, but I say to you, my friends, and my colleagues, you soon will be, but it will be too late. It will be just like after the Hoover moratorium, too late, too late, and after having drained the American people of its lifeblood in the allocation of credit against all the warnings of the greatest leaders our Nation has had since the initial period of history—Thomas Jefferson telling us in plain words, "It will be worse than having a standing army in the country if you allow the bankers to take over the credit allocation of this country, to decide for you what is good for you in credit allocation."

We had the same warning from President Jackson in the 1830's, and then later, almost a week before he died, Abraham Lincoln saying in almost the same words the same thing except that he went one step further and predicted the greatest tide of corporate corruption that would be invading this country and taking over. And it did, for it was less than 10 years after his death that we had the smelly corruption, the Grant administration, and infecting our Congresses for the first time, having quite numerous expulsions and bills to expel Members for corruption, the Crédit Mobilier scandal, and all that kind of stuff. All of this President Lincoln foresaw, and warned against.

And then came the big bust of 1907-08, the great travail throughout the land, for the same basic reasons, the overweening, greedy grasp for power to allocate credit resources where the country's needs were not being met. The country was burgeoning. Little businessmen wanted to go West. The country was expanding, but not its allocation of credit, because that was being tied up by the great speculators, and finally you had the bust of 1907-08.

Then you had a great travail in the Congress and you finally got the so-called Pujo committee. This was a House committee, and it led to finally, 5 years later, the enactment in 1913 of the Federal Reserve Act and what has happened is that we have come full circle. We have undone all of the basic congressional intention in the passage of the Federal Reserve Board Act. There is not a man among us here who will tell me that the Federal Reserve is not a Federal agency. You will say, "Of course it is." I say to you, as I have for years, it is not. It is more of a private entity than a public one. Yet it is to them that you, my colleagues, have abdicated the constitutional responsibility of coining money and allocating the credit of this Nation. You have allocated and you have abdicated and you have given it to the most greedy interest ever known to man.

Certainly they are unaccountable. The Federal Reserve Board does not account to you. I can tell you that. I have been a member of the Banking Committee since I came here 24 years ago. I have seen five or six different Chairmen of the Federal Reserve Board. Not once did any one of them come up to offer an accountability. What is more, the real power, which is in the so-called Open Market Committee, who are they? Do they have to come before you, the American people, and your representatives? They do not. They think that is foolish. They ridicule it like one of the Chairmen of the Federal Reserve Board, who contemptuously looked up after I asked a question during my 5-minute period, and said, "Well, what do you want to do? Do you want the politicians to run the banks?"

In other words, the people, through their representatives, are quite unfit to determine their economic well-being. And here is the Federal Reserve Board, a creature of the Congress. It is not something that came down from on high, as John Adams referred to George Washington, booted, spurred, ready to ride on the hapless backs of mankind, sent from heaven to do so.

□ 1630

It is responsible under the law and under the intent of Congress, but it is not now. As I have said repeatedly—and I ask you to do it now—get a dollar bill out of your pocket, and you will see if it does not say, "Federal Reserve Note," not "Treasury Note." Yet the law says that the Federal Reserve Board shall be the fiscal agent of the U.S. Treasury, not the master but the agent.

But which one of you would join me in trying to recall that responsibility and accountabilility that the Congress, in enacting the Federal Reserve Board Act of 1913, really mandated? Which one of you will join me?

I have been putting in a bill to do that since 1965. I have been putting a bill in there to abolish the Open Market Committee. You know, England and the exchequer did that until some time after World War II when freeborn Englishmen were not going to allow it, but it was in the power of the exchequer to guarantee the building up or the downfall of any government. And it is the same thing today. Yes, as long as there have been Republican chairmen and as long as there have been these powerful bankers, the Rockefellers and the others from the First City National Bank, and these great panjandrums of power who certainly are not mindful of the greatest interest of the greatest number of Americans.

And what is pitiable is that these men have again failed because of their inability to compete with these minds over in Europe that have 400 years of experience, whether it is the gold merchants or the silversmiths there or in Zurich, where we have been so vulnerable to the fickle foreign investor that, for the first time in our history, when that fickle foreign money man loses a little faith and pulls his money out of the Continental Illinois Bank and causes a collapse, we nationalize a bank.

This is a measure, my friends, that I believe, and in a manner that I know, would require under the law the Federal Reserve Board to come to this Congress for authorization, but it has been allowed to do that and put $6 billion of the taxpayers' money in there in order to nationalize and take over the Continental Illinois.

Now, how many more can the resources stand? And the Chairman of the Federal Reserve Board told me—it is in the record, too, in the proceedings of the hearings we had some 6 years ago—he told me to my face. He said, "Absolutely, we will stop at nothing. We will use all of the resources"—meaning resources of the country—"in order to save those banks."

And they have done what? The same thing they did, and others with them at that time, the Wall Street bond dealers. After World War I, they just took money from good hardworking Americans and put it in German Government bonds and in Imperial Japanese Government bonds. To mature when? In 20 years. That was 1921. Well, we got the maturity payment with Pearl Harbor.

And in Europe, our credit was used. When they could not pay back our debts with our own money, then they just repudiated the whole deal. And what happended then?

Well, let us continue because the gas pipeline construction—incidentally, the gas pipeline was completed. We did not hear one peep from President Reagan or anybody else. But what is the story? Well, the pipeline company is known as Ruhrgas, named after its basin, Ruhr. But it is principally owned by Exxon, Mobil, and the British. But in turn, Exxon and Mobil are controlled by Chase Manhattan and the First City National, so they were not about to let Ronnie Reagan mess up a good deal.

It is as David Rockefeller said on the trip back after the Polish bank crisis. We might have been hearing a lot about the freedom fighters in Poland and Solidarity, but the real issue was the $20 billion that those German, American, and British banks wanted to make sure they would not lose—at least not too much of it. And they could not care less. And David Rockefeller, coming back on the plane, was interviewed and he said, "Well, of course there are some Communist

countries that we can do and we must do business with."

Well, I remember, preceding the 1941 bombing, a lot of businessmen and, in fact, General Electric and some of the big American corporations that were actively and directly financing Adolf Hitler, said, "We can do business with Hitler." In fact, it took the famous Walter Winchell to say it. I will never forget it because I heard him on the radio when he said it.

We had the great hero, Charles Lindbergh, who made a trip and went to Germany. The Fuehrer gave him the Iron Cross, and he came back and he said, "There is nothing that can resist Germany. I visited decadent England and France, and they have nothing. That German Luftwaffe is invincible." And Walter Winchell came out one night and he said, "To all those who say that America cannot be invaded, I appeal to them to ask our Native American Indians." I remember that because it was a one-liner that caused a lot of ripple at that time.

But here we are in the 1980's, and we see the same principle, German credit involved in the pipeline with future freedom from the United States.

Yesterday in the RECORD, I put a little news item from the Dallas Times Herald in which it was said that Chairman Volcker went to Germany about a month ago, and he said, "Hey! you fellows, you've got to do something. We are now depending on you because you are coming in and you are invading American markets in such ways."

Well, of course, I gave those statistics in the first Advice to the Privileged Orders, about how the Japanese banks are supporting the University of Virginia in vital research. They had to go to Japan to get the line of credit. Why? Because they can get a line of credit from 9 percent or less, whereas here at their bank in Virginia, they could not get it for less than 15—not less than 14½ percent or 15 percent.

Why can the Japanese do that? Because in Japan there is no such thing as having any legal ability to charge anymore than 9 percent interest, but the average conventional interest is 7 percent or less.

So all of that has a cause and effect, as I have vainly been trying to point out since I wrote a letter to President Lyndon Johnson. Certainly no one can accuse me of having been partisan. The President then bucked it over to an underling in Treasury and ignored it, and then I became very critical. Nobody accused me of being partisan then. In fact, I guess I had about as much attention then as I am getting nowadays.

So I continue the reading. Remember, this is 1932.

For several years there was ecstasy in the foreign trade. All the statistical curves representing world prosperity rose like serpents rampant.

In fact, I told one of the Chairmen of the Federal Reserve Board that if they had a coat of arms, I would suggest a serpent rampant.

Result: Much more debt, a worldwide collapse in foreign trade, prostration of the statistical serpent, credit representing many hundreds of millions of labor days locked up in idle industrial equipment both here as well as in Europe. It is idle because people cannot afford to buy its products at prices which will enable industry to pay interest on its debt. Yet you will be almost persuaded that tariff barriers as such were the ruin of foreign trade, not credit, inflation, not the absurdity of attempting by credit to create a total of international exports greater than the sum of international imports so that every country should have a favorable balance out of which to pay its debts, but only this stupid way of people, all wanting to sell without buying.

□ 1640

Well, if we just change the dates, I think we can say that we have come full circle and we can go back and America can find itself as it was in its beginnings in the colonial era back in the mercantile system where we were the consumer dumping ground of the products. We no longer are the producer as of 4 years ago. From a producing nation we are now a consuming nation and a dumping ground. The German imports have risen in just a period of three-fourths of a year last year about 33 percent. The same with some of the French, not counting the Japanese; but what is more insidious is that the other day we had a hearing of the subcommittee of the illustrious gentleman that asked a while ago that I yield, the gentleman from Kentucky, Mr. CARROLL HUBBARD, his subcommittee of which I am the ranking member as well and the Banking Committee on Oversight.

I asked one of the regulators from the Comptroller's Office, because now they are beginning to get concerned after the fact, and I asked him, I said, "What is the volume of foreign financial involvement, and he said, "Gosh, I don't know."

I said, "Well, can you find out for me?"

He said, "Well, I'll try."

Now, for years I had been asking the various Chairmen of the Federal Reserve Board, but mostly the years beginning with 1971 and thereafter, what was the volume of incursion into such activities as banking of foreign interests from Arab to Japanese?

Finally, I had to go out from the Department of Commerce, because the Federal Reserve Board said they could not give me that statistic, and from the annual Federal Reserve Board reports, I extrapolated from some of their graphs and statistical tables in the Department of Commerce and in the Comptroller of the Currency, but even then it was a very conservative amount.

In New York alone, in the banking there, 25 percent of the short-term deposits were Arabic. In 1979 I rose here on this House floor after fruitlessly trying to get the committee and the committee chairman then to call hearings on this and also the contemporaneous phenomena of the main banks of our country lending in a period of 1½ years from $3 billion to $47 billion of their credit resources to nations that anybody studying their national ledgers would know did not have the ability to pay; so that today the nine principal banks of this country have such an overhang of bad loans in these countries that they exceed 100 percent of the capitalization structure of these banks.

Now, if this would have happened to a local bank back home, it would have been declared illiquid or under some kind of governmental regulatory control, if not completely closed; so that these are the things that my advice to the privileged orders, that is, we are in need of vast revolutionary change and this is my advice to the privileged orders that have been in power for more than 300 years south of the border, who have callously, cruelly, tortured, imposed tyranny, exploited, and debased their own citizens, continuing today.

It hurts my soul to see this great American leader forsaking the most precious element of all that the world looks to, moral leadership, and substituting for that worship before the false bitch goddess of war our destinies. It is folly. It is a calculated course for disaster, but it is also tied in with this other generalized program.

It also is part and parcel of the calamitous results of the misperceptions that our leaders in and out of the Congress, in and out of the Oval Office, have persisted in maintaining about the real world to the south of us and the real world in Europe.

In middle Europe we have a recrudescence of ancient history, but animosities and enmities, bitter, bitter.

France, for example, is no longer in NATO. It broke off. Nobody has ever wanted to debate or even discuss why. What is the reason?

What is the tenuous hold we have on the leadership there?

We have been insisting and we started that in the 1950's in rearming Germany, West Germany. Always the bogey man has been communism, communism. Always it has been on the basis of a refusal to want to understand the reality of the world.

In Germany today on the threshold of power is a new generation that does not recall World War II, but they see 300,000 of our military there. We have changed the designation of those troops from occupation to defense, but all you have to do is read the poets, the writers, the thinkers, the journals

in Germany, like in 1932, All you have to do is read where you have strong opinions that those Silesian Germans, which they consider refugees in Germany, want to have the Silesian province now in Poland restored to Germany.

And what is the reply of the present leader, Mr. Kohl, who was 15 years of age during World War II, as well as the Russian leader, who was also his contemporary? He was 15 years of age more or less in World War II.

We have a mindset basing 315 billion dollars' worth of defense taxes on the 1945–46 Europe, not the 1984.

I say to my colleagues, that I think is an error. Even granting that I am not 100 percent correct, and I certainly do not think I am, certainly the basis upon which I am appealing for discussion is tenable and worthy of consideration.

I am basing it on these specific things that I see and I read and I know. I read those journals. I read those newspapers. I read those books and I can see and I know that if we blithely continue to ignore what that real world is south of us, if we insist on saying that we will demand democracy and ideological purity from one nation that has just barely captured freedom for itself from the most tyrannical regime known to mankind that we imposed.

The United States cannot escape that judgment. we imposed Somoza. We kept him in power. We did not care a tinker's hoot whether there was freedom or torture or not in that country all during that regime. All of a sudden we do.

Coming north to Guatemala where at this moment American bayonets are ripping open the bellies of 7-month-old Indian children that the government has practically exterminated—talk about genocide, it has happened right here south of us with our help, with our armament. There is not one Russian gun involved in the struggle in Guatemala. It is 100 percent American. We cannot say and you do not hear the President saying that Nicaragua is shipping arms to Guatemala, yet Guatemala is on the verge of blowing up.

I say to my colleagues, what more do we want to wait on? We have to develop a policy based on our ability to still resurrect the moral leadership potential that our country can and will and should assert or reassert, if it is not too late, because in the invasion of Grenada, which the President has highly touted, we violated all basic international law, including the three basic treaties we had entered into solemnly with our Western Hemisphere partners.

□ 1650

Not any longer are we amenable at this time for that moral collective leadership. But I feel that even despite the losses, despite the fact that we confess the bankruptcy of our diplomacy by resorting to military unilateral intervention, that it is still not too late, that we can, and I have offered suggestions, I have not been critical, I have offered suggestions since the President before this one and nobody could accuse me then of being partisan. Critical, yes; partisan, no. But my essence of position and advice remains the same. And what is that? To come back to the basic tenets so proudfully enunciated by Joel Barlow, that great poet, that great leader, that great American, a revolutionary, a true democratic spirit, republican government, form of government, a Democrat, and which we have so carelessly abdicated, and for a mess of pottage have traduced.

It is no wonder to me as Shakespeare said when nations become arrogant and complacent, they become enamored of their follies and errors, and they strut in their utter confusion, laughettes, that is laughed at by the world.

Let me assure you that every single nation from Canada, skipping the United States, and south of us is not with us. They are against our basic policy thrusts.

Mind you, I include Canada because of the similarity of background, origins, aspirations, institutional government, would certainly have no communistic persuasive element in their criticism of our policies.

I yield back the balance of my time.

REMEMBRANCE OF THE VICTIMS OF THE HOLOCAUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLARZ] is recognized for 60 minutes.

● Mr. SOLARZ. Mr. Speaker, today in the beautiful rotunda of our Nation's Capitol we observed the national civic commemoration of the liberation of the Nazi death camps by the U.S. Army. And we paused to remember the 6 million Jewish victims of the Holocaust as well as the Christians, gypsies, gays, and others who perished in the incredible death machine of the Nazi regime.

It is hard to believe that only 40 years ago our Nation's fighting men set free the few remaining victims of the death camps. Some say these events never happened—yet the veterans in the audience today were there and they shall never forget. Nor can the thousands of survivors, many of whom live in my congressional district, forget or erase the memory of that terror. Nor can anyone forget who claims to be a part of the civilized world.

Eli Weisel, the Chairman of the National Holocaust Memorial Council, has eloquently explained a fundamental truth about the Holocaust, "those who forget will be forgotten, those who remember, will be remembered".

I recently looked back at the CONGRESSIONAL RECORDS covering the years from 1933 to 1945, to see how often our former colleagues in these historic Halls, referred to the horrors of the Holocaust and to the Nazi death machine which developed and perfected the art of mass killing and the dehumanization of its victims. In that period, there were some 78 specific mentions of the persecution of the Jews in Nazi-controlled Europe, and at least 11 other times, when Members called attention to the incredible horrors being perpetrated against those groups or individuals who were deemed a threat to the new order being built in Germany.

Unfortunately those speeches, hearings, and resolutions were not sufficient. The killing went on, and the cries of the dying and desperate went unheeded. Our immigration policies were unchanged, and later our military plans would not be modified to even bomb the railways and prevent the deaths of thousands of more victims at places like Auschwitz.

Many claimed not to know what was happening, and what could be done to aid those in desperate need.

But today we know all too clearly what happened, and we must be determined to ensure that those who died will not be forgotten, and that those who were responsible for these artocities must bear that burden and be brought to the tribunals of justice, no matter who they may be, nor where they may try to hide.

For we who are privileged to stand in the Halls of the Congress must never forget that World War II was not simply a conflict between competing armed forces, but a fight to overcome those who were bent on world domination and the annihilation of the Jewish people. The supreme sacrifice of over 500,000 Americans in World War II demands that we, as Americans, must never forget the fundamental distinction between the friends of freedom and the forces of unspeakable evil. And that is what today's commemorative observances were all about.

Many of us in the Congress have been deeply disturbed by the President's decision to visit a cemetery next week where lie the remains of some of the Nazis who not only were responsible for the systematic slaughter of the Jews but also for the slaughter of American POW's during the Battle of the Bulge. Our veterans and those who made the supreme sacrifice in the effort to stop the slaughter and destruction of the Third Reich demand that we pay homage to these brave men and women, and to the others

who perished in and survived the Holocaust, and thus reaffirm our commitment to the sanctity of life and the value of freedom.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Maryland [Mr. HOYER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMEMBERING THE HOLOCAUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, I want to thank my colleague from New York who is not here today, Mr. STEPHEN SOLARZ, and could not be here, but who has himself taken out a number of special orders and who organized many of us in this House to remember on this day of remembrance, this day when we commemorate the 40th anniversary of the liberation of the death camps.

The years of the Holocaust did more than physically exterminate a people. It ravaged the soul of a people, extinguished all hope and trampled upon their dignity. A people's very survival hung in a precarious balance. The magnitude of the tragedy is without equal in history, but as we have seen in history, its poignancy and its underlying causes are not without parallel. The tragic encounters that comprise Jewish history culminated in the years of the Holocaust and reached a degree of such demonical depths of inhumanity, of such staggering dimensions of inflicted agony, that one reels from this encounter with history.

But remember, Mr. Speaker; remember, we must.

The systematic killing of one-third of the world's Jewish people occurred within a period of history in which the world appears to have been stricken with moral paralysis and naive indifference. This silence and this indecision by other nations and peoples at a time of such wretching inhumanity resounds through the deserted barracks, rooms, and hallways of Auschwitz, Treblinka, and Dachau along with the haunting, plaintive cries of its victims.

The United States and its people were among the ranks of those who stood by in silence and inaction. And so, Mr. Speaker, we must remember, and we must continue to remember to teach our young the lessons of history in the hope that never again shall we allow such an event to happen.

It is but a short journey from subjugation to annihilation and from indifference to acceptance. The scholar and author, Elie Wiesel, himself a survivor of the Holocaust, as a small boy enduring the horrors of the Holocaust said to his father: "If this were true, the world would not be silent." His father replied: "Perhaps the world does not know."

What his father was saying to Elie Wiesel was perhaps the explanation for the inaction and the apparent indifference of the world was their lack of knowledge. Would, Mr. Speaker, that that was true. It would be perhaps easier for all of us to live if the facts were that we did not know, and not knowing did not act.

But history is clear. History tells us again and again and again that we did know, that the messages were coming out, that the inhumanity of the Nazi regime not only toward the Jews but toward Christians, toward people who were different than the norm set by the Nazis were being systematically destroyed.

Our obligation, Mr. Speaker, is clear. We must continuously raise our voices so that they will be heard and our presence felt when the dignity of individuals in any nation is compromised.

Mr. Speaker, if I spoke an hour or 2 or 3, or 10 times 3, I would not have the ability to articulate or dramatize or make as real the horror of the Holocaust as we ought to remember it.

□ 1700

Remember it and be ever vigilant to make sure that we as individuals, we collectively as a House of Representatives and we as a nation never again stand by so that Elie Weisel hears from his father that the reason for action is perhaps "They do not know" when in fact we did.

Mr. Speaker, again I want to say to my colleague and friend, STEVE SOLARZ, a fighter for the rights of all people in all parts of the world: Thank you, not only for taking this special order, not only for including the remarks of many of my colleagues, but also for giving one of the most eloquent and compelling addresses that I have had the opportunity to hear.

I yield to my good friend from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, first I want to thank the gentleman from Maryland for his taking time and pausing and waiting this long on this special order. I wish the record to show that I join him wholeheartedly in his very eloquent statement and referral to the most tragic period known in human history, and to thank him once again for taking time and pausing to commemorate this sad and tragic event.

Mr. HOYER. I am particularly honored, Mr. Speaker, to hear the words of the gentleman from Texas [Mr. GONZALEZ] who has himself probably stood on this floor longer than any other Member, probably in history, to speak out on behalf of the rights of individuals, individually and collectively, and I am therefore honored by my friend from Texas, who is one of the great protectors of the civil rights and human rights of people in this body, that he would join me in my remarks and make those comments.

Mr. Speaker, I insert at this time in the RECORD the remarks made by Congressman STEPHEN J. SOLARZ of New York during the course of the ceremony in the Capitol today at 12 noon sponsored by the U.S. Holocaust Memorial Council, entitled "Days of Remembrance."

Four decades ago, the allied armies brought to an end the most cruel and cold-blooded evil in the long history of man's inhumanity to man.

This is most assuredly a time for both remembrance and reconciliation.

But if it is incumbent upon us to mourn the victims of the Holocaust, it is not, nor can it ever be, appropriate for us to pay tribute to the villains whose service to the Nazi regime made it possible.

The Second World War was not, as perhaps we should have learned from the global conflict that preceded it, the war to end all wars. But it was the war which forever stamped the mark of Cain on the brow of man.

Now we know, as we never knew before, the depth of depravity to which the human spirit can sink.

It was not just the splitting of the atom but, even more, the institutionalization and industrialization of death, in the service of abiding racial and religious hatreds, which has created the shadow and spectre of mass destruction under which we are doomed to live for the rest of time.

There is nothing we can do to bring back to life those whose souls and spirit were snuffed out in the gas chambers and killing fields of Nazi-occupied Europe. We cannot even adequately pay homage to the courage and dignity they displayed on the altar of hate and cruelty.

But we can invest their sacrifice with a redeeming significance, if we resolve to do everything within our power to prevent such an evil from ever happening again.

In the aftermath of the Holocaust, nothing will ever be the same. The memory of the 6 million has irrevocably shaped the consciousness, if not the conscience, of mankind.

Here in our own great country, the indifference with which we once witnessed the attempted extermination of an entire people and the elimination of a flourishing civilization, has been transformed into an emerging willingness to use our influence and our resources on behalf of the noble work of rescue and relief.

Where we once rejected the St. Louis, we have welcomed the boat people.

Where we once turned our backs on the Jews of Europe, we have participated in the rescue of the Jews of Ethiopia.

Where we once were indifferent to the fate of the Jewish people, we now provide

the support which makes possible the survival of the Jewish homeland.

This is the legacy of the Holocaust.

This is the obligation of our Nation.

From their final resting place, the 6 million call upon us to never forget.

From our earthly abode, we can only respond: Never again.●

● Ms. FIEDLER. Mr. Speaker, this week the Nation commemorates the 40th anniversary of the Holocaust. Ceremonies are being held here in the Capitol as well as throughout the country.

Several weeks ago, I was invited to speak to a B'nai B'rith chapter in Chicago. The occasion of the dinner was their own commemoration of the Holocaust.

This chapter has a number of members who are survivors of the Holocaust. Their evening, in contrast to the solemn occasions to be held this week, was one of celebration—a celebration of life and having survived one of the darkest periods in man's history.

I had prepared a speech to give to the nearly 400 people there, but the emotion of the evening did not lend itself to formal speeches. However, I would, for my colleagues and those others who would read it, like to have reprinted here the remarks I prepared for that evening.

I'm prepared to be a little philosophical this evening, because I've spent the last 2 days listening to New York cab drivers.

One of those cabbies was a Soviet Jew who came here 3 years ago. We talked about how he felt about America. For him everything in this country is marvelous. He's particularly proud that his daughter can speak english without an accent.

He escaped from a regime that has been practicing cultural genocide against our people for nearly 60 years.

I think the question facing the civilized world today, is how do we prevent what happened to the Armenians in Turkey, the Jews in Europe, or the Cambodians in southeast Asia, from ever happening again.

History teaches that the roots of genocide always sprout in totalitarian regimes. "Power corrupts, and absolute power corrupts absolutely."

On the other hand, democratic forms of government, with their emphasis on individual rights, obstructs the kind of discrimination that has led to the annihilation of our people.

So as American Jews, we should do everything we can to promote democracy. We should actively oppose totalitarianism and we should work to move authoritarian regimes toward democracy.

We have done the latter in El Salvador, and Argentina and we are doing the former in Nicaragua.

I cannot mention the Nicaraguan situation, without mentioning what happened there recently.

Shortly after the Sandinistas seized power from Somoza, they expelled the moderate elements from the junta; and the Marxist-Leninist faction took over. The moderates are today fighting as the Contras.

Not only have the communists brought in Cuban and Soviet advisors, but the PLO is a growing force in Nicaragua. In fact, the Venezuelan government intercepted a Libyan plane full of PLO arms, bound for Nicaragua several months ago.

The Sandinistas are so close to the PLO, that they call them their "blood brothers." Shortly after the moderates were forced out, a region of terror against the Jews in Nicaragua began. This culminated with the Sandinistas torching a temple while it was filled with Sabbath worshipers.

Today there are no Jews left in Nicaragua. They fled for their lives.

I am enormously proud that this 40th anniversary honoring the liberation of the Holocaust survivors, can be celebrated by a new group of Jewish survivors.

The leadership which the free Jewish community has shown, in conjunction with our government and that of Israel, has been responsible for the saving of 1,000's of Falashas.

While we are all aware of our governments part in airlifting the Falashas from the Sudanese Desert, there is something that happened a few months ago, that took place without much notice.

For years, the Libyan madman, Mu'ammar Qadhafi has been trying to acquire an atomic bomb. If he had that awesome power, you can be sure that he, and the PLO terrorists he is harboring would use it at the first opportunity against Israel.

Our government succeeded in persuading Belgium not to enter an agreement with Libya, to build a nuclear powerplant. That plant would have been capable of producing weapons grade plutonium.

While our international relations are important in our advocacy of democratic principals, we must also be vigilant in our own communities.

I have been deeply saddened at the growing public attention given Lewis Farakan, and the platform given Jesse Jackson. Their views cannot be accepted as legitimate public comment. But all we have to do is look at the influence they had on the Democratic Party platform, and its silence on anti-semitism, to know that their impact has been felt.

While I was deeply disappointed at that exclusion, I was pleased to have participated in the writing of the Republican plank against antisemitism.

Around the world, it is going to take Jews who live in the light of freedom, to stand up for those who do not.

Our actions do make a difference. For example when members of Congress protest to the Soviets over their treatment of refuseniks, they do listen.

Lev Elbert had his labor camp sentence reduced from 4 years to 1 year, after congressional action. I have been working for years on behalf of Lev Shapiro and his family. While they haven't yet received their visa, Lev has not been arrested as threatened. Since I introduced legislation on his behalf the intense harassment against him and his family has stopped.

We must, as free citizens, speak out for those who cannot. We must urge our government not to accept the status quo.

We must use our influence to cut off funds going to nations and organizations like Unesco that preach anti-semitism.

We must make certain that Israel continues to receive the funds and support she needs.

Most of all, we must be ever watchful, for all that is needed for evil to triumph, is for good men and women to do nothing.

Never again!●

● Mr. SMITH of Florida. Mr. Speaker, on this occasion of the 40th anniversary of the liberation of the Nazi concentration camps, it is our duty as public servants to pay homage to the survivors of this dark period in world history. As a Jew and an active member of the Jewish community, and as one who personally suffered family losses, I strongly feel that by recalling the horror of the Jews and others killed at the hands of the Nazis, society can prevent this tragedy from ever happening again to any people.

We are the heirs of the Holocaust and the guardian of our parents' and families' painful legacy. I strongly feel that it is our duty and our obligation—yours, mine and our children's, to honor the memory and the courage of Jews who were arrested, uprooted from homes and families, imprisoned, and murdered by Nazi invaders. We must also dedicate ourselves to Judaic causes—the plight of Soviet and Ethiopian Jewry, peace in the Middle East, a safe and secure Israel, and the cases of unprosecuted Nazi war criminals.

We know the pain of remembering the Nazi genocide committed against our people. Each survivor has their own story and private nightmare. But only by recalling that sacrifice can we prevent this atrocity from happening again. Therefore, President Reagan's visit to a German military cemetery is of concern to those of us who were personally touched by the Holocaust. Reconciliation is a goal that all Americans support, but not with the price of clouding the memory of American soldiers and Jews who died in World War II.

The Jewish people need to fight the recent rise of anti-Semitism by educating present and future generations in the lessons of the Holocaust. For the first time in Florida history, the Dade and Broward secondary schools taught Holocaust studies as part of the 9th grade world history class curriculum 2 years ago. I believe in the importance of remembering and educating our children to preserve our traditions, and most importantly to remember the ghettos, the death camps, the resistance and the martyrs.

Educational endeavors to promote an understanding of the Holocaust and its implications are springing up all over the United States. A mutual understanding between the Jewish community and other ethnic and religious groups will provide an impetus to the visible expression of our commitment to the Jewish heritage: We shall never forget. One such Holocaust awareness institute is the Southeastern Florida Holocaust Memorial Center of Miami, FL, that has an unique feature—an international network of children of Jewish Holocaust survivors who are dedicated to preventing history from repeating itself. This center included an audio-video library with the testimony of survivors

which reflects the need of the U.S. Jewish community to remember. Other programs throughout the United States include; presentation by members of the clergy, academicians, professionals, Holocaust survivors, and their children—the second generation; second interfaith workshops; and third, outreach to the non-Jewish community.

Recently, the first national mass gathering of American Holocaust survivors was held in Washington to express the commitment to our heritage that we will not forget. This message should be passed from generation to generation. The survivors and their families should be commended for their efforts to preserve our traditions. I will long remember the gathering on the Capitol steps, the singing, the prayers, the joyous reunions, and the tears. The inspiration they gave me, I will pass along to my children, and they will remember.

God bless the memory of the Holocaust victims and the survivors.●

● Mr. GILMAN. Mr. Speaker, I rise to join my colleague, the gentleman from Maryland [Mr. HOYER], in taking this opportunity to commemorate the liberation of the Nazi concentration camps throughout Europe 40 years ago. We thank the gentleman for making this time available to us on this important occasion.

In the last century our civilization had progressed rapidly. Man began stretching the limits of his knowledge on so many horizons that it is hard to fathom that we exist in a world today that is so vastly different from what previous generations knew. At the same time, as this technology was evolving, we did not conceive that it could possibly be used for so evil a purpose as to dispose of an entire race. Today, only a few survivors remain from what was Hitler's "final solution"—a systematic, organized attempt at removing all traces of the Jewish people from the many nations of Europe. The solution came close to becoming final with 4.5 million adults and 1.5 million children perishing in the gas chambers and crematoria of Auschwitz, Dachau, Bergen-Belsen, Buchenwald, Majdanek, Treblinka, and so many other factories of death.

On this 40th anniversary of the Allied liberation of the Nazi concentration camps, commemorative ceremonies are being conducted throughout our Nation. Earlier today I joined my colleagues in the great rotunda of our Capitol to mark this solemn occasion in a national civic commemoration and to witness the bearing of the colors of the troops who liberated the camps 40 years ago. These armed forces flags will be housed in the Holocaust Memorial Museum that will be erected in our Nation's Capital near the Washington Monument.

Today's memorial activities in the rotunda were especially poignant, as we were privileged to listen to the spellbinding words of U.S. Holocaust Memorial Council Chairman, Elie Wiesel. For many years he has borne the responsibility of bearing witnesss to the the Holocaust through his many writings, and by his very existence in our midst. Although I am requesting to have his entire remarks reprinted in the RECORD, a few of his words today sum up my personal feeling—"we must invoke the past for the sake of the future."

During the ceremony, we were joined by our distinguished colleague, TOM LANTOS, with his wife and grandchildren; TOM and Annette credit their survival of the Holocaust to Raoul Wallenberg, the Swedish diplomat who singlehandedly saved over 100,000 of Hungary's Jews from death in the camps. Their grandchildren are their future and ours.

We were also moved by the remarks made by our Secretary of State, George Shultz, who, in his statement, emphasized the contribution and sacrifice made by our soldiers during the course of the liberation of the camps. It is also appropriate that the Secretary's thoughts be printed as part of this special order.

Mr. Speaker, although 40 years have passed, the pain has endured. The haunting legacy left by the 6 million remains as prominent and as thought-provoking as ever. We cannot know the depth of suffering experienced by the survivors, nor the pain of discovery felt by our liberating troops. We see the newsreels and are awed by the sheer dimension of death. Yet, we were witnesses to the greatest evil man has ever perpetrated against his fellow man, and we must remember. Generations upon generations must be taught what happened 40 years ago in Europe if we are to prevent such a tragedy from ever again staining the history of mankind. We must remember, and we must state loudly and unequivocably, "never again."

Mr. Speaker, at this point in the RECORD, I am requesting inserting of the remarks of Mr. Wiesel and Secretary of State Shultz:

REMARKS BY HON. GEORGE P. SHULTZ

As the 40th anniversary of the Allied victory in Europe draws near, we in America remember not only the triumph of our soldiers and the peace-loving nations of the world, but the rescue of the Jewish people from the Nazi evil.

Every year thousands of Americans visit the memorial to the victims of the Holocaust at Yad Vashem. I myself will be going there next month. The images of Jewish suffering at Nazi hands still burn in our memories. We will never forget, and the world must never forget, the inhumanity of which mankind is capable when it disregards the sanctity, the dignity, and the human rights of all men and women. Our nation shared the grief of those who had survived the concentration camps. We mourned for those who had not. And we made one very simple pledge: Never again.

Today we are assembled to pay tribute to the American soldiers who liberated the prisoners of Nazi concentration camps toward the end of the Second World War. Nothing we say here can have much significance compared with the noble and selfless act of those American liberators. When those soldiers walked into the camps and saw the horrors wrought by Nazi fanaticism, they recognized at once the enormity of the evil they had just conquered. And they forced the world to recognize it, as well.

Never has civilization been confronted by such an unmitigated, monstrous evil as Hitler's Nazism. Never have the will and strength of the democracies been so severely challenged. Never has one people been singled out for such grievous suffering at the hands of their fellow human beings.

The rise of Nazism, and most particularly, the ruthless murder of six million Jews, together dealt an almost devastating blow to all our most fundamental hopes for the modern world. Those who prior to the war had maintained their faith in the possibility of human progress, in the idea that with high culture and high civilization would come the end of man's inhumanity to man, those who had envisioned the day when respect for the dignity, the sanctity, and the human rights of every individual on earth would be universal—all of us who shared these dreams were stunned by the Holocaust. We castigated ourselves for the world's collective failure to stop it sooner. And after the war, after the concentration camps had been liberated and the bodies of the dead had been buried, we all promised ourselves that next time it would be different. Never again would we allow a monstrous evil to go unchallenged. Never again would we appease the aggressor. Never again would we lose sight of the fundamental moral principles upon which our free society depends.

The men who liberated the camps in a sense liberated the world, as well. They put an end to the physical tragedy, though they could not put an end to the spiritual anguish. We will never forget the atrocities committed by Hitler, and we will continue to pursue the criminals who carried out his awful designs. We will bring them to justice no matter how long it takes.

But the Americans who liberated the camps four decades ago also gave us hope. They made it possible for us to look forward, to start again, to begin to restore our faith in the possibility of a better world, even while the memories of the recent horrors lived on. They offered a new chance for all peoples in all nations to join together in defense of humanity. These brave men showed that the evil ever-present in mankind can be confronted and eventually defeated by an even more powerful devotion to justice and the will to sacrifice for a greater good.

We must never forget that lesson.

The principles that the rescuers upheld, and for which many gave their lives, continue to animate heroic idealists of our own day, whose consciences will not permit them to acquiesce in injustice. It is the principle summed up by one of the spiritual mentors of the American Revolution, Edmund Burke, when he said: "The only thing necessary for the triumph of evil is for good men to do nothing."

When Andrei Sakharov denounces the systematic denial of human rights by Soviet totalitarianism, and exchanges a position of

honor and comfort in the Soviet elite for a life of persecution and exile, he honors the example and the memory of those who have fought tyranny and liberated the oppressed. So do the brave individuals administering the funds provided by Alexander Solzhenitsyn to aid the families of Soviet dissidents. And Anatoly Shcharansky's courageous stand against the Soviet police state is a testament to the human will. He not only endures, he prevails through his example to others.

We have seen the spirit of the rescuers in the mothers of Buenos Aires' Plaza de Mayo, who protested the disappearance of their children week after week, year after year—even after some of their own numbers "disappeared"—until democracy was reborn in Argentina. And that spirit lives on today in the acts of those courageous South Africans, of all races, who have sacrificed—sometimes their privilege, sometimes their lives—to protest and expose the cruelties of apartheid.

Thank God most Americans have never had to face choices like this, but a few of us have. One who did was an American officer who was captured during the Vietnam war and survived an 8-year ordeal in a North Vietnamese POW camp. As Admiral James Stockdale put it:

"From this eight-year experience I distilled one all-purpose idea. * * * It is a simple idea. An idea as old as the Scriptures, an idea that naturally and spontaneously comes to men under pressure. That idea is, you are your brother's keeper."

The magnitude of these injustices, I repeat, is not the same. They cannot be equated with Nazi genocide, which was unique in the annals of human depravity.

But the principle applies universally: We are our brother's keeper. We must never turn a blind eye to the sufferings inflicted around the world. We must always draw strength and inspiration from the courage and altruism of the rescuers.

And we must never delude ourselves. Mankind's capacity for evil did not die in the bunker with Hitler. We see evil in the world all around us, in efforts to impose totalitarian authority on unwilling peoples, in efforts to subjugate, suppress, and sometimes vanquish entire races, classes, and religions.

The legacy of the rescuers admonishes us all to stand up and fight back.

The memory of the American liberators will live on forever, as will the memory of the evil they put an end to. We can only be thankful, and proud, that Americans were willing to make the ultimate sacrifice to defend freedom and the rights of mankind. May we always have the courage, and the vision, to meet such challenges. Only then can the better world we all seek become a reality.

REMARKS BY ELIE WIESEL, CHAIRMAN, U.S. HOLOCAUST MEMORIAL COUNCIL

Secretary Shultz, Secretary Marsh, distinguished members of the Senate and the House, members of the U.S. Holocaust Memorial Council and its Advisory-Boards, Ambassador Rosenne, Ambassadors:

Forty years after the event that remains a watershed in recorded history, let us remember its awesome legacy.

Let us remember those who took up arms and fought and those who chose to die with prayer or in resignation—and those who chose to live but were killed all the same.

Let us remember those who were tormented by the SS executioners and those who were persecuted by their accomplices, those who had faith in humankind and those who lost it.

Let us remember them all, for all shared the same fate—all were condemned for belonging to an ancient people whose forefathers had stood at Sinai and received the commandment: "Thou shall not kill."

Old and young, rich and poor, beggars and visionaries, scholars and poets, sages and workers, all were marked, all were singled out, all were hunted down: the heroes perished as martyrs and the victims as heroes.

They shared one dominant obsession: to be remembered. The enemy sought to destroy their memory. He killed them twice, the second time by burning their corpses, dispersing their ashes, so as not a trace of their beings remained.

Let us remember them, friends, for they had no friends. Forty years later we know what they, then, could not know: that they were alone, outside society and civilization, outside time.

Forgotten by humankind, forsaken by the Almighty Himself, they despaired alone, fought alone, died alone. Alone they faced mighty legions, among the mightiest in Europe.

Why was so little done to save them? Why weren't the railways leading to Auschwitz bombed? Why didn't the advancing armies alter plans and liberate the camps one day earlier?

These questions are painful for they demonstrate the insensitivity of our own allies to Jewish agony and death—but they equally indict the Russian government. Russian tanks were closer to Auschwitz than the Allies' were. Their warplanes could have bombed the railways in minutes—why didn't they? And what are the Russians doing now?

Whereas our people, our nation, and other Western nations are now endeavoring to serve the noble cause of memory, the Russian regime is still today guilty of distorting it. In the monuments of Auschwitz, the largest killing center of European Jews, the word Jew hardly appears. In Buchenwald, it is altogether eliminated—as is the memory of the valiant, brave and wonderful American soldiers who liberated us. Shame on Moscow—shame on the Communist rulers of East Germany who twist and distort and falsify history.

And honor to you, distinguished representatives of the American people.

In saluting these flags, Secretary Marsh, we proclaim our belief that evil must and can be defeated. Each flag enfolds its own tale of heroism and nobility. We honor the youth of America and of the Allied countries who fell in the Battlefields to liberate humanity from its nightmare. It was a moral war, a war between the forces of light and the forces of darkness, and it is in the presence of this conquering light that we gather to celebrate liberty. In our celebration we do not seek revenge or humiliation.

Just as forty years ago we did not seek revenge against the fathers, so today we do not seek humiliation of their sons and daughters. We seek, however, a commitment to memory and a true reconciliation, one based upon historical truth.

Mr. Secretary, we have not learned much—surely not enough—of the lessons to be drawn from the Holocaust experience. But we do know that one of them is to humiliate no one and another is to seek to enlarge the scope and intensity of human brotherhood. Yet another is to be sensitive to other people's feelings. And so we look with understanding upon our government's efforts to deal delicately with German sensitivities.

But what about American sensibility? Why is that not a factor in the high-level decision process? Did no one consider the pain and the shame some, if not most Americans, would feel upon learning that the President of the United States plans to visit a cemetery in which there are a good number of SS graves?

Have our policy planners forgotten what SS stands for? Auschwitz was conceived, structured, elaborated, perfected, built, organized and implemented by the SS. They were the killers of Jews primarily, but not only of Jews. They butchered Poles and Czechs, French and Dutch, Norwegians and Danes, Yugoslavs, Ukrainians, Greeks, Gypsies, homosexuals: Auschwitz was a universe and the SS were its gods. Why then should our President visit and honor their cemetery as though they had been nothing but patriotic soldiers who died for their fatherland?

Have we forgotten that those SS units were a part of the troops that launched the Battle of the Bulge; that they infiltrated American lines wearing American uniforms? That they slaughtered defenseless American war prisoners at Malmedy? Why did no one at the decisionmaking level think of what all those Americans who lost a son, a father, a brother might feel as they watch their leader—our leader—visit such a cemetery?

Mr. Secretary, please be our emissary. Tell those who need to know that our pain is genuine, our outrage deep and our perplexity infinite.

In this hall—in your midst—we feel strengthened. Your commitment to justice equals ours to memory. Thanks to you we are given to believe that what happened once will not happen again. Laws will not be distorted again—nor will man's vision of his own power on earth.

These ceremonies mean much to us, survivors. During a few moments we participate in something intimate and awesome. We are grateful to you for sharing them with us.

For us, to remember means to remain vulnerable. We see what you will never see: lines of shadows forming nightly processions under distant, tormented skies, drawn by mysterious sounds to eerie encounters with death and eternity. We discern some faces—we gather some tears, some words, some sighs, and make them our own. Do they hurt? They do. And why shouldn't they?

Memories of fear and silence, words of solitude and melancholy eyes filled with terror and despair. They represent our legacy. What will happen to it? Who will receive it? By what means will it be communicated? In agonizing image and anguished words? How are we to tell a story that cannot but must be told?

Somewhere in Eastern Europe, in places called Treblinka and Majdanek, Belzec and Auschwitz, hundreds and hundreds, thousands and thousands of human beings are being led into modern, scientific death-factories. With words and pictures we may follow them to the gate. Not beyond. What is awaiting them inside is so terrifyingly simple—and so heartbreakingly human—that one has no right to describe it.

And yet, we want everyone to know. We want you so much to know.

We invoke the past for the sake of the future; not to dwell on our pain, but to exorcise it. We remember what has been done to

the victims, not to spite the world, but to enlighten it.

If we forget, we too will be forgotten; but if we remember, we too will be remembered.●

● Mr. KOLBE, Mr. Speaker, earlier today, I stood together with hundreds of other Americans in the rotunda of this great Capitol to mark the "Days of Remembrance." It is altogether fitting and proper that we commemorate the 6 million European Jews who were martyred during World War II in this, the 40th spring after V–E Day.

There are no words to convey the totality of what the Holocaust signifies. The magnitude of this most heinous of Nazi crimes is beyond easy verbal description. Indeed, a vast body of literature ranging from scholarly histories to memoirs encompasses this subject. Fortunately, in recent years the neglect of the Holocaust in school texts has finally been addressed. This topic is now better placed and discussed in classrooms around the country.

The Holocaust has increasing significance for the world we live in today. It stands out as the single time in this century when morality vanished. The condemnation of civilized men and women everywhere is justifiably directed at the Nazis and their collaborators. But it is equally true that the judgment of history cannot be too kind to those persons and governments in the free world who were indifferent during the 1930's and whose actions were too little and too late in the early 1940's.

It is not my purpose to account for a history of the events that struck down the Jews of Europe between 1933–45. But the painful lessons of the past must not be forgotten. They must serve to point out to us where we failed, where we learned, and how we can prevent a repetition.

This month marks the 42d anniversary of the uprising in the Warsaw Ghetto. The particulars of this event have been admirably detailed in a number of excellent works: The Bravest Battle by Dan Kurzman, Uprising in the Warsaw Ghetto by Ber Mark, and in novels such as The Wall by John Hersey and Mila 18 by Leon Uris. The horrors endured by the inhabitants of the Warsaw Ghetto are beyond imagination: starvation, exposure, disease, torture, and murder. And yet, the revolt begun by a small band of survivors stands out as the most outstanding example of resistance to nazism through the whole of World War II. Armed with but a few guns and light weapons, the fighters in the ghetto held the SS off for over a month. Long after the revolt had been subdued with flamethrowers, aerial bombardment, the introduction of poison gas, starvation, and the systematic destruction of all buildings, Jewish fighters refused to surrender. Their martyrdom was not in vain because it served as a catalyst for future revolts that would take place in other ghettos and death camps.

It was also in the month of April 1944, that the Germans began implementing the "Final Solution" in Hungary. With the knowledge of Auschwitz fully known in the West, the Nazis set forth to exterminate the 400,000 Jews of Hungary. Even when the war was clearly lost and the Red Army was rapidly closing in, the Germans never lost sight of their goal in making those areas of Europe under their control free of Jews, or "Judenrein."

The Hungarian situation posed a challenge to the United States. Unlike previous years of Nazi rule that found the United States looking on passively as millions of Jews were put to death, our Government swung into action. Through the offices of the War Refugee Board, Raoul Wallenberg of Sweden was dispatched to Hungary to save as many lives as possible. In the midst of a continent dominated by madmen, Wallenberg rose to heroic heights of endeavor. Using every conceivable means, he confronted the architect of the "Final Solution," Adolf Eichmann, and thwarted the Nazis at every turn.

Wallenberg, at great personal peril, persuaded the Hungarian Government to stop the deportations to Auschwitz. When Eichmann attempted to get the death trains rolling again, Wallenberg went to border stations and literally prevented the trains crammed with people from leaving Hungary. In all, Wallenberg and his colleagues are credited with saving the lives of tens of thousands of Jews. One can only speculate on how many others could have been rescued had the truth of Auschwitz been known earlier. Even so, in an era of darkness and indifference, Wallenberg represents a shining light of courage and compassion.

The decision by this body to confer honorary American citizenship on Raoul Wallenberg in the hope of learning the true facts about his whereabouts from the Soviet Union is laudatory. Whether he is still alive or not, Wallenberg will always live on in the hearts of men and women of goodwill—a giant among heroes.

It was also in April of 1945 that American soldiers first glimpsed the hellhole that was Nazi Germany. As our forces pushed on toward victory, the concentration camps in western Germany were liberated. Along with our British allies, we learned that the atrocity stories had been woefully understated. Our vocabularies soon included places such as Dachau, Bergen-Belsen, Mauthausen, and Thereisenstadt. As we recall V–E Day, we must also remember these places where millions of innocent men, women, and children lost their lives. If there is to be a lasting meaning in why we fought the Second World War, it is to be found in the evil that conceived an ideology based upon racial arrogance, bigotry, hatred, and militarism.

Even now, four decades later, there are constant reminders of the Holocaust affecting us all. The Office of Special Investigations in the Department of Justice continues to research those instances where Nazi war criminals and collaborators gained both admittance and citizenship in our country. Since the program began in 1979, a number of mass murderers who fraudulently entered the United States have been denaturalized and deported.

We hear from time to time that old crimes should be forgotten and that the money spent on prosecution of war criminals could be better used elsewhere. Nothing could be more wrong. Murder is the ultimate crime. There can be no statute of limitations on murder. We cannot compromise this fundamental principle of justice. Regardless of how long ago, irrespective of age, those who went beyond the pale of civilized man and commited genocide must be ferreted out. I applaud the efforts of the Department of Justice and will lend my full support to their continued actions in this struggle to bring murderers to justice.

In a related vein, I wish to add my voice to those here in the Congress and out who seek to bring the "Angel of Death," Josef Mengele, to justice. Few men represent the embodiment of evil that we find in this loathsome human being. His role in selecting victims for the gas chambers at Auschwitz and in experimenting on people, particularly children, speaks volumes about the Holocaust and its horrors. For years Mengele has flouted the rules of society. But we will not rest until he is brought before the bar of justice. It is my hope that the cooperation of everyone working to apprehend Mengele will result in his early incarceration.

No expression of any of us can properly convey the significance of the events we remember today. No words can erase the scars, ease the pain, or undo the tragedy inflicted on so many millions of our fellow men and women. Over 1 million Jewish children were murdered along with 5 million of their parents and families. These losses are irreplaceable and we shall forever be the poorer for them. However, by acknowledging where we erred and by resolving to never let this happen again, to a degree we insure that the 6 million did not die in vain. We must not forget. No; we cannot ever forget the tragedy we call the Holocaust.●

● Mr. MACK. Mr. Speaker, I want to thank my distinguished colleagues for participating in this very important special order "On the Days of Remem-

brance of the Victims of the Holocaust."

Last fall, as many of us took time from our daily activities to pause in an earlier reflection of the 40th anniversary of the Holocaust, I had the opportunity to participate in services at our Nation's Capitol—memorial services that were the most moving of any I'd ever experienced.

For several minutes, I closed my eyes and as I listened intently to speaker after speaker retell the tragedies of the Nazi regime. I found myself truly understanding (as well as one who had not been there could) the horror, the pain, the suffering, and the absolute hopelessness which gripped those people, people who for no other reason other than the fact that they were Jews, were subjected to the most inhumane of treatment.

The world community could never properly make amends for such injustice but what all of us can and must do is dedicate ourselves to ensuring that time and distance do not allow us to ever forget.

For to forget is to somehow lay ourselves vulnerable to a reoccurrence. And that must never again be allowed to happen.

That is why it has become so very important that the doctor responsible for hundreds of thousands of deaths and hideous medical experiments at Auschwitz—Josef Mengele—be tracked down and returned to West Germany for trial. We must all pledge to make the bringing to justice of Josef Mengele, and others like him, a top priority.●

● Mr. COUGHLIN. Mr. Speaker, 1985 marks the 40th anniversary not just of the end of World War II, but of the liberation of hundreds of thousands of Jews and other captives from Nazi concentration camps. This weekend, starting with a memorial ceremony at the Monument to Six Million Martyrs, Philadelphia will welcome the inaugural assembly of the American Gathering of Jewish Holocaust Survivors. It is a time for remembering all those who died in the concentration camps and those, like Raoul Wallenberg, who risked their lives to help save others.

Among the darkest pages in the history of mankind are those that mark the Holocaust—the systematic slaughter of 6 million Jewish men, women and children during World War II by Nazi Germany and its minions. Would that this Remembrance of the Victims of the Holocaust be unnecessary. But it is necessary. It is necessary that we recall this unprecedented barbarism of the Holocaust so that today's generations—and those yet to come—understand what can happen when hatred overcomes reason.

The Holocaust, so overpowering in numbers killed and depravities committed, numbs the heart and the mind. The tableau is so unbelieving that it becomes an almost surrealistic nightmare from the newspapers and news films of a past to be forgotten. This we cannot let happen, lest history be permitted another atrocity equal or greater.

The Holocaust is remembered also so we do not forget that lesser slaughters of peoples because of religion, color or ethnic origin have been taking place around the globe since the end of World War II. Along with the rest of the civilized world, perhaps, we in this country have looked the other way or have not exerted enough effort to prevent future slaughters or to bring those responsible to account.

I am reminded at times like these of an old World War II saying: "First, they came for the Jews and I did not speak. Then, they came for the Catholics and I did not speak. Then, they came for me and there was no one left to speak." Let us remember the bitter lessons of history as we look for peaceful solutions to today's problems. Surely, it is not an impossible dream to envision a world where Jews, Christians, Moslem, blacks and whites can live together without terror and war.

I know I shall be haunted constantly by the memories recalled when I stood at the Martyrs' Shrine, Yad Vashem, in Jerusalem. In that cradle of Christianity, Yad Vashem stands as an unforgiving reminder of how far we have traveled from Bethlehem to Dachau, and how little we have learned. Let it also stand as a reminder that the civilized world can do better—and we must.●

● Mr. ROE. Mr. Speaker, it is with a sense of dignity and moral purpose that I rise to participate in this special order commemorating the victims of the Holocaust on the 40th anniversary of the liberation of the death camps.

As a young GI who helped take part in the liberation of one of those infamous camps, I was able to witness first hand the victims of those heinous crimes against humanity that were committed there. What I saw there can never be erased from my mind, and it can never be forgotten, certainly not in 40 years.

Forty years is the biblical time for a generation, and it is highly appropriate that we mark this 40th anniversary of the liberation of those camps with these solemn and dignified ceremonies. The countless generations of Jews and non-Jews who were gassed to death and were the victims of the most inhumane tortures ever conceived of by so-called civilized leaders cry out to us to remember what was done to them and why it was done to them. One especially thinks of the more than 1 million Jewish children who perished in the gas chambers and crematoria built by the Nazis, and of the lives, careers, families, and contributions to society that those children were never able to fashion. Neither can we forget those righteous gentiles, who, at the risk of their lives, tried to protect and shield their Jewish friends and relatives from the Nazi butchers.

Only a generation after the Holocaust and the liberation of the camps, voices are being raised in America and elsewhere claiming that the Holocaust is a hoax, that the death camps are a myth, that 6 million Jews were not murdered merely because they were Jewish, and that Jewish leaders helped participate in the slaughter of their own people. Nothing could be further from the truth! Six million people do not simply disappear, towns and communities do not vanish into the night, and a whole culture and civilization does not fade away in 6 years. The death and destruction of European Jewry was planned, plotted, and carried out by Hitler and his henchmen, and we dare not forget that fact. Neither can we forget that what the Nazis did to the Jews and all those peoples who they deemed as "subhuman" was done in accordance with the laws that the Nazis promulgated in Germany, laws that were defended and justified by Nazi judges.

Voices are also being heard today that seek to stop the continued attempts to bring all surviving Nazi criminals to justice. Mr. Speaker, we must reject that effort, because 40 years is a mere moment when compared to the enormity of the Nazi crimes, and we will not be able to rest until justice has been done and the remaining Nazi war criminals are tried for the monstrous crimes that they committed.

On this day commemorating the victims of the Holocaust and the liberation of the survivors, we would do well to pause and consider what the Jewish people recited as they were being led to the gas chambers: "I believe in perfect faith in the coming of the Messiah, and even though he may tarry, I still will wait for him." For the Jews who survived Hitler's hell on Earth, the American GI's who liberated the camps were the Messiah, and to those soldiers every Jewish person alive today is eternally grateful.●

● Mr. BOLAND. Mr. Speaker, I am pleased to join with my colleagues in commemorating the 40th anniversary of the liberation of the Nazi death camps.

Time is a great healer of physical and emotional wounds. There are some events in human history so monstrous, however, that we cannot afford to allow the passage of the years to fully mask their horror. Such an event was the Holocaust.

It is almost difficult to imagine, 40 years after the fact, that human beings could subject other human beings to the suffering that was a fact of daily existence in the death camps. The uprooting of an entire population

and the separation of families which followed, the slave labor and the lack of adequate food, health care, and clothing under which it had to be performed, and the deaths—the 6 million deaths—which resulted from the Nazi's program of extermination in all of its twisted manifestations nearly defy comprehension. Because it is so hard to believe that such a thing could happen, it is imperative that we never forget that it did. In our remembrance we must commit ourselves as individuals, and as a people, to ensuring that, to the extent we can control events in the world, similar acts of horror are not repeated.

Today we particularly remember the inmates of the death camps, the other victims of the Holocaust, and the heroic Allied soldiers who fought their way across Europe to end their oppression. In remembering, we underscore their sacrifice and the need to speak out and act to prevent similar sacrifices in the future. The lessons of the Holocaust were lessons learned at a terrible price, and we can ill afford to forget them and risk paying that price again.●

● Mrs. BURTON of California. Mr. Speaker, I join my colleagues today in commemorating the Days of Remembrance of the Victims of the Holocaust. As the world marks the 40th anniversary of the liberation of the Nazi concentration camps, it is painfully obvious that too many Americans are uninformed about the origins, the terrible toll, and the horrors of the Holocaust.

Today we remember the victims of the Holocaust, so that we may keep that memory fresh, and thus ensure that history does not repeat itself.

To further this effort, today I have introduced legislation to express the sense of the Congress that the teaching of the Holocaust be included in the curriculum of high school students. The Holocaust is one of the most important periods in modern history and yet it receives only cursory treatment in many, if not most, history courses taught at the secondary level. Clearly, we want our children to learn about the Holocaust so that they can be vigilant in their efforts to prevent any possible recurrence of this dark episode in history.

This resolution encourages the inclusion of the study of the Holocaust in the history or social studies courses developed by State and local school administrators. No history that gives short shrift to the Nazi atrocities can be considered comprehensive—students miss an important moral lesson—a lesson our civilization can ill afford to forget.

There is nothing more important than to make sure the memory of the Holocaust never fades. Let us today rededicate ourselves to a future where such a tragedy will not occur again and let us not forget the millions who gave their lives for their faith and love of freedom.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in commemorating the 40th anniversary of the Days of Remembrance of the Victims of the Holocaust. The Holocaust was one of the darkest chapters in human history, and remembering what happened during this period of annihilation and barbaric atrocities committed by the Nazis must be the basis for preventing similar tragedies from occurring in the future.

The world must never forget the unspeakable crimes systematically perpetrated against the Jewish people and against all humanity, and we must continue to keep the lessons of this destruction alive for all generations to follow.

When I was in Israel, I had the opportunity to visit Yad Va'shem, the stirring monument to the six million Jewish victims of the Nazis' persecution. The photos, artifacts, library, and ashes of the victims from every death camp serve as a permanent living memorial to the victims of the Holocaust, informing all those coming after the Holocaust generation of this terrible occurrence.

Our commemoration in the House of Representatives may be a painful reminder of a dark past. However, it is essential that our Government take the time to remember this outrageous crime against humanity, and to commemorate the victims of the Nazis. Out of our efforts come hope and renewal culminating in an unwaivering determination to prevent future genocides and defend liberty, self-determination, and religious freedom for all.

Yom Hashoah, the day of the Holocaust, is an important step in firmly implanting the memory of the Holocaust and the permanent documentation of this tragic event in the annals of human history. The horrors of the Holocaust and the memory of the millions who perished at the hands of the Nazis should never be forgotten by our Government. All of us who value justice and human freedom must work continually to insure that the Holocaust is not forgotten and that we all learn from the enormity of this atrocity.

Mr. Speaker, on these solemn days of remembrance, I join with the many Holocaust survivors living in the 11th Congressional District of Illinois which I am honored to represent, and all Jews throughout the world, as we remember the victims of the Holocaust and renew our commitment to preventing another genocide from ever occurring again.●

● Mr. ROSE. Mr. Speaker, I have only two words to say about the unspeakable horrors of the Holocaust, and the enduring tragedies it generated. These words are—"never again."

Never again, so long as mankind endures, Mr. Speaker, should civilized people let holocausts occur.●

● Mr. FRANK. Mr. Speaker, this evening we commemorate the 40th anniversary of the liberation of the concentration camps operated by the Nazi regime. I am greatful to my friend and colleague Mr. SOLARZ for calling this special order so that this body can mark this occasion in an appropriate fashion. Nothing we do can ever bring back to life the millions of innocent individuals who perished under that evil tyranny, but we must do everything we can to keep the horror of the Holocaust fresh in our memories. Freedom now flourishes in West Germany; this is a democracy which was built with the support of the American Government and people. The nurturing of the free institutions and friendship of our former adversaries, Germany and Japan, is one of the proudest achievements of American foreign policy. But it would be foolish to suggest that this is any reason to be less mindful of the terrible infamy that was inflicted on the Jews and other innocents during that war. Quite the opposite, Mr. Speaker. Our love of liberty is only strengthened when we recall what happens to a nation that allows itself to fall under a regime of terror. We take time to mark this anniversary, and we carry the sadness in our hearts throughout the year.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I join my colleagues today in honoring the survivors, relatives, descendants, and friends of the 6 million Jews who were viciously and systematically slaughtered in Germany during the Nazi era of the 1930's and 1940's. This year marks the 40th anniversary of the liberation of the concentration camps.

The Holocaust was an event so tragic and so senseless that even now, 40 years later, we find ourselves asking why it happened and, more importantly, how it could have happened. We are still not able to fully understand the incredible depravity of the Nazi planners and executioners and the shameful indifference of the rest of the world at that time.

The purpose of this special order, I believe, is not to dwell on the despair of the Holocaust, but to remember it well and to use its memory to strengthen us in never allowing such a thing to happen again. The Holocaust was not just a grotesque crime against Jews, but a crime against all of humanity. What happened in Auschwitz and Dachau could happen again elsewhere as long as there is tyranny among the powerful and silence among those able to prevent such crimes.

The burden is on all nations that value human life and share a belief in even the most basic human rights to

keep the memory of the Holocaust alive and to never again allow such cruelty and barbarism to occur.●

● Mr. LEHMAN of Florida. Mr. Speaker, the 1985 national observance of the days of remembrance of the victims of the Holocaust began on Sunday, April 14 and continues through Sunday, April 21. Sponsored by the U.S. Holocaust Memorial Council, of which I am a member, the annual national civic commemoration takes place at noon today in the rotunda of our Nation's Capitol.

This year marks the 40th anniversary of the liberation of Europe from nazism. Representatives of the U.S. Army units that liberated the concentration camps will also participate in the national commemorative ceremony today.

Sadly, not all remnants of nazism have been eradicated. Neo-Nazi and right-wing fascism remains a most disturbing phenomenon. And there are others as well who would sooner forget the Holocaust than pay heed to its lessons. It is our continuing obligation to remember those who were the victims and to commemorate them—the men, women, and children whose lives were brutally taken from them.

The Holocaust is and always will be a part of German national heritage, as it will be a part of the dark side of recent history. Whether today marks the 20th or the 40th anniversary, the horrible deeds committed remain the same. Justice demands remembrance.

I strongly urge President Reagan to cancel his plan to visit a cemetery in Bitburg on his upcoming trip to West Germany. To lay a wreath at the graves of the SS, those elite Nazi soldiers who committed unspeakable crimes against humanity, would be to forget what our country has finally begun to remember.

Elie Wiesel spoke about the meaning of remembrance at the first national civic Holocaust remembrance ceremony in the Capitol rotunda in 1979. Shortly thereafter, Congress agreed to establish a living memorial to the victims of the Holocaust and to honor their memories in annual days of remembrance ceremonies. Elie Wiesel's story, "The Holocaust: Beginning or End?" is reprinted here for our attention.

THE HOLOCAUST: BEGINNING OR END?

Allow me to tell you a story. Once upon a time, far away, somewhere in the Carpathian mountains, there lived a small boy, a Jewish boy, whose dreams were filled with God, prayer, and song.

Then one day, he and his family, and all the Jews of his town, were rounded up and exiled to a dark and evil kingdom. They arrived there at midnight. Then came the first separation, the first selection.

As the boy stood with his father, wondering whether his mother and sisters would come back, an inmate came to tell him the truth; this road led to the final destination of the Jewish people; the truth was there; in the fire, the ashes, the truth was in death. And the young boy refused to believe him; it had to be a lie, a nighmare perhaps, this could not be happening, not here, not in the heart of civilized Europe, not in the middle of the twentieth-century. "Father," said the boy: "If this were true, the world would not be silent. . . ." "Perhaps the world does not know," said the father. And father and son walked on, part of an eerie nocturnal procession, toward mysterious flames of darkness.

Thirty-five years later—almost to the day—the same Jewish boy stands before you with a deep sense of privilege, to remind our contemporaries that in those times of anguish and destruction, only one people—the Jewish people—were totally, inexplicably abandoned—only one people were simply, cynically handed over to their executioners.

And we, the few survivors were left behind to bear witness and tell the tale.

On my first night in the camp, which was the last for most of my friends, my family, my relative, my teachers, I wrote:

"Never shall I forget that night, which has turned my life into one long night, seven times cursed and seven times sealed. Never shall I forget that smoke.

"Never shall I forget the little faces of the children whom I saw being thrown into the flames alive beneath a silent blue sky. Never shall I forget that sky.

"Never shall I forget those flames which murdered my hopes forever.

"Never shall I forget that nocturnal silence which deprived me, for all eternity, of the desire to live.

"Never shall I forget those moments which murdered my soul and turned my dreams into dust, into smoke.

"Never shall I forget these words even if I am condemned to live as long as God himself."

But what does one do with such memories of fire—with so many fragments of despair? How does one live in a world which witnessed the murder of one million children and remained world?

Those of us who were there are haunted by those whose lives were turned into ashes, by those whose cemetery was the sky.

Terror-stricken families hiding in ghetto-cellars. Children running with priceless treasures: a potato or two, a crumb of bread. Endless lines of quiet men and women on their way to mass graves, reciting the Kaddish, the prayer for the dead, over themselves. Teachers and their pupils, mothers and their infants, rabbis and their followers, rich and poor, learned and illiterate, princes and beggars—all pushed inexorably toward death. "Father," says a young boy," is it painful to die? Must I die?" "Think of something else," answers the father. "Think of tomorrow."

Treblinka and Ponar, Auschwitz and Babi Yar, Majdanek and Blezec: What happened? Did creation go mad? Did God cover his face? Did the God of Israel turn against the people of Israel? The question everyone asked upon arrival inside the gates was: What does it all mean? Was there a design, a secret pattern?

We didn't know, we still don't. How can anyone explain evil of such magnitude? How can anyone comprehend so much pain and anguish? One cannot conceive of Auschwitz with or without God. But what about man? Who can understand the calculated deprivation of the killers? The indifference of the onlookers? When Jews did have a possibility of leaving Europe, how many countries were there ready to accept them?

What was the Holocaust: an end or a beginning? Prefiguration or culmination? Was it the final convulsion of demonic forces in history? A paroxysm of centuries-old bigotry and hatred? Or, on the contrary, a momentous warning of things to come?

Turning-point or watershed, it produced a mutation on a cosmic scale, affecting all possible areas of human endeavor. After Auschwitz, the human condition is no longer the same. After Treblinka, nothing will ever be the same. The Event has altered man's perception and changed his relationship to God, to his fellow man and to himself. The unthinkable has become real. After Belsen, everything seems possible.

Admittedly, I belong to a tarumatized generation, hence I speak of my people, the Jewish people. But when I, as a Jew, evoke the tragic destiny of Jewish victims, I honor the memory of all the victims. When one group is persecuted, mankind is affected. Still, for the sake of truth, we must remember that only the Jewish people's extermination was an end in itself. Jewish victims, stripped of their identity and of their death, were disowned by the whole world. They were condemned not for what they did or said, but for who they were: sons and daughters of a people whose suffering is the most ancient in recorded history.

Every occupied nation, every underground movement received help from London, Washington or Moscow. Not the Jews: they were the loneliest victims of the most inhuman of wars. A single airdrop, a single rescue mission would have proved to them, and to the enemy, that they were not forgotten. But, Mr. President and friends, the truth is that they were forgotten.

The evidence is before us: The world knew and kept silent. The documents that you, Mr. President, handed to the Chairman of your Commission on the Holocaust, testify to that effect. Actually, pictures of Auschwitz and Birkenau had reached the free world much earlier. Still, when the Hungarian Jews began arriving there, feeding the flames with ten to twelve thousand persons a day, nothing was done to stop or delay the process. Not one bomb was dropped on the railway tracks to the death factories. Had there been a similar Joint Session of Congress then, things would have been different for many Jews.

And yet, and yet when the nightmare lifted, there was no hate in the hearts of those who survived. Only sadness. And, paradoxically, hope, hope as well. For some reason they were convinced that out of grief and so much suffering a powerful message of compassion and justice would be heard and received. They were convinced that the Messiah would come and redeem the world. They were convinced that, after Auschwitz, people would no longer yield to fanaticism, nations would no longer wage war, and racism, anti-Semitism and class humiliation would be banned forever, shamed forever.

Little did we know that, in our lifetime, we would witness more wars, new racial hostilities, and an awakening of Nazism on all five continents. Little did we know that, in our lifetime, books would appear in many languages offering so-called "proof" that the Holocaust never occurred, that our parents, our friends did not die there. Little did we know that Jewish children would again be murdered, in cold blood, by killers in Israel.

The survivors advocated hope, not despair. Their testimony contains neither rancor nor bitterness. They knew too well that hate is self-debasing and vengeance

self-defeating. Instead of choosing nihilism and anarchy, they chose to opt for man. Instead of setting cities on fire, they enriched them. Many went to rebuild an ancient dream of Israel in Israel; they all chose to remain human in an inhuman society, to fight for human rights everywhere, against poverty everywhere and discrimination, for humankind, always.

For we have learned certain lessons. We have learned not to be neutral in times of crisis, for neutrality always helps the aggressor, never the victim. We have learned that silence is never the answer. We have learned that the opposite of love is not hatred, but indifference. What is memory if not a response to, and against, indifference?

So let us remember, let us remember for their sake, and ours: memory may perhaps be our only answer, our only hope to save the world from the ultimate punishment, a nuclear holocaust.

Let us remember, let us remember the heroes of Warsaw, the martyrs of Treblinka, the children of Auschwitz. They fought alone, they suffered alone, they lived alone, but they did not die alone, for something in all of us died with them.●

● Mr. KEMP. Mr. Speaker, today I joined my colleagues, friends, and survivors of the Holocaust in the Capitol Rotunda to help commemorate the 40th anniversary of the liberation of the Nazi concentration camps. It was an indescribably moving ceremony in which the regimental colors of the liberating troops were presented to the U.S. Holocaust Memorial Council, Sam Bloch led the Kaddish, and the Partisans' Hymn was sung by Cantor Isaac Goodfriend.

We remember and commemorate the victims of the Holocaust. By doing so we accept the obligation this memory places upon us to help prevent this evil from ever occurring again. The U.S. Holocaust Memorial is a memorial to those who died, and a reminder that eternal vigilance is required so that the potential for evil within humanity is not realized.

My colleague from New York and member of the Holocaust Memorial Council spoke eloquently on the lesson that the United States has learned from the Holocaust. He pointed out that where we had once turned our backs on the Jews of Europe, we have participated in the rescue of the Jews of Ethiopia; where we were once indifferent to the fate of the Jewish people, we now provide the support which makes possible the survival of the Jewish homeland.

I would also like to quote from the heartfelt words of Secretary of State George Schultz, who said

The men who liberated the camps in a sense liberated the world as well. They put an end to the physical tragedy, though they could not, and we should not, put an end to the spiritual anguish. We will never forget the atrocities committed by Hitler, and we will continue to pursue the criminals who carried out his awful designs. We will bring them to justice no matter how long it takes.

Our good friend Elie Wiesel reminds us that we must invoke the past to preserve the future, that there is a lesson in remembering, that if we forget we too will be forgotten, but if we remember we too will be remembered. Elie accuses the enemies of World War II of killing their victims twice, the second time by buring the corpses and distributing the ashes. I concur and I go on to say let's not kill a third time—by forgetting.●

● Mr. FISH. Mr. Speaker, during the 1930's the early 1940's, a commitment by the United States to rescue the Jews of Europe was tragically lacking. The history of the Nazi period haunts us with the lost lives of innocent men, women, and children—some of whom could have been saved if the governments of the Western world had shown more compassion. This period of history, for me, clearly establishes that Jews suffering persecution today are of special humanitarian concern to the United States.

This concern, is the basis for my policy of strong support for Israel. A strong, secure Israel guarantees that never again will Jews have to depend on the sufference of other nations for survival.

In addition, there is more the United States can do. We have recently seen tangible evidence of this in the key role the United States played in support of the transfer of Ethiopian Jewry to Israel.

But while we see renewed hope in the return of Ethiopian Jewry, the situation in the Soviet Union worsens.

As the ranking Republican on the House Judiciary Committee, I am one of the four Members of the House of Representatives consulted by the administration on levels of refugee admissions. My commitment to a U.S. refugee policy that is responsive to the needs of Soviet Jews is a matter of public record. I have asked for and received assurances from State Department officials that should the Soviet Union allow increased numbers of Jews to leave, we will raise our refugee admissions accordingly. I also have been assured that there will be no delay in initiating consultations under the emergency flow provisions of the Refugee Act if the gates are opened.

It is important that all know that our Government is unified behind one policy. We must firmly and consistently pursue our humanitarian aim and stand ready to act quickly and with compassion in response to any relaxation in current Soviet policy.●

● Mr. DWYER of New Jersey. Mr. Speaker, it is with pride and sorrow that I join my colleagues in commemorating the 40th anniversary of the liberation of the death camps. In light of this historical tragedy, Mr. Speaker, Americans and many foreign friends are inspired to observe this important day year after year.

History books tell countless stories of individuals who suffered at the hands of the Nazi regime. Over 6 million innocent Jewish men, women, and children were slaughtered during World War II. They were subject to a multitude of physical and psychological abuses at the hands of the Nazis. The world must never forget the unspeakable crimes committed against the Jewish population. I suggest that, as the leaders of this great Nation, we must at the very least, pay tribute to those who have died and suffered immeasurably.

As we reflect upon this terrible atrocity let us continue to challenge violations of human rights wherever and whenever they occur. Privileged as we are to live in a democratic society, we tend to take for granted the freedom of speech, of thought, and of worship that we enjoy. Let us pledge our support for the countless prisoners of conscience and the dissidents who continue to challenge the policies of authoritarian and totalitarian regimes that have led to direct aggression and the enslavement of nations.

The memory of the millions of innocent human beings who perished at the hands of the Nazis will live forever in the hearts and minds of those who cherish individual freedom, if we act to ensure those memories. Today's commemoration is an important aspect of that process and one which will have great meaning to freedom loving people everywhere.●

● Mr. FORD of Michigan. Mr. Speaker, I wholeheartedly support Senate Joint Resolution 15 calling for the designation of May 7, 1985, as "Helsinki Human Rights Day." It was nearly 10 years ago that the 35 signatories representing Europe and North America established the Helsinki Final Act pledged to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief, for all without distinction as to race, sex, language, or religion. On May 7, human rights experts from all 35 signatories will convene in Ottawa, Canada, to review the provisions of the Helsinki accords dealing with many aspects of East-West relations, including standards relating to human rights.

Unfortunately, the great potential of the Helsinki accords has not been fulfilled to date. Continuing violations of human rights in the areas of family reunification, right to travel and emigrate, and freedom of religion, throught, and conscience are evident. Such is the case for Abe Stolar, an American citizen and Soviet refusenik. In 1931, Stolar went to the Soviet Union with his parents who were natives of that country. When they arrived, their U.S. passports were taken and Soviet citizenship papers were issued. Stolar later received a new U.S. passport and he intended to stay only 2 years, but found he could not leave the country, even to visit Europe. In

1975, he, his wife, and son filed for exit visas to leave the Soviet Union, however, they were denied the right to emigrate.

Stolar has lived as a law-abiding citizen in the Soviet Union for the last 52 of his 71 years and the only crime he has committed is filing for exit visas with his family in 1975. Now after waiting 9 long years. Stolar has been informed that he, his wife, and son, Michael, can emigrate from the Soviet Union. However, he has been told that Michael's wife will not be allowed to join the Stolar family as they begin their new life in Israel this Saturday, April 20, 1985. The Government of the Soviet Union has refused to recognize the marriage of Michael and his wife Julia because it was performed by a rabbi. Such action is clearly a violation of the spirit of the Helsinki accords which guarantee freedom of religious practice to citizens of the signatory nations.

As a member of a free nation we must speak out against such violations by the Soviet Union. We must seek the enforcement of the Helsinki accords and impress upon the Soviet Union our objection to the denial of basic human rights. It is my hope that the government officials in the Soviet Union responsible for this unfortunate situation reconsider their decision and allow Julia Stolar to join her family this weekend as they emigrate to Israel.●

● Mr. BERMAN. Mr. Speaker, as we gather this year to observe the days of remembrance of the victims of the Holocaust we should make particular notice of this year being the 40th anniversary of the liberation of the extermination camps. It brings to mind that the single greatest abuse of human rights happened within our lifetime. Yet, the President of the United States tried to excuse himself from visiting a Nazi concentration camp on this trip to Germany because, as he said, "the German people have very few alive that remember the war, and certainly none of them who were adults and participating in any way." It is to combat attitudes such as this—that the Holocaust is merely another event mentioned in history books, to be studied then forgotten—that we stand here today.

When the soldiers of the Allied army broke through the gates at Auschwitz and Dachau and Treblinka and all the other camps which carried out the Nazi extermination policy they broke through a veil of ignorance that was wrapped around most of the world. These soldiers became witnesses for us all. If anyone will claim that the deaths that we remember today did not happen—there are men throughout this world who can say, "They did. I know. I was there."

Witnesses are a crucial part of remembering the Holocaust. It is not something of the distant past totally unrelated to current society. It cannot be excused as something which could not happen in our modern, civilized world. Today, the honor of living amongst those who survived the nightmare and the lesson of living amongst those who perpetrated the terror makes each of us a witness. And as witnesses we have a responsibility. We know what happens when people look the other way. It is up to us to pass the lesson on to our children and make sure that they never forget.

By remembering, we ensure that the world never forgets that a people and a culture were destroyed for all time. There are still Jews today, but the world that encompassed the Jews of Europe will never return. During the Nazi reign two-thirds of all Jews in Europe were destroyed; with them died a cultural tradition of 1,000 years. Although the fact of their existence has been extinguished, they will never be completely gone as long as we remember.

Members in this Chamber know better than most that the public never likes to be reminded of unsettling or bad news. This is one time when they must have the facts placed before them. This is one issue that we cannot afford to forget about. As lawmakers we must also review the facts, because the Holocaust was based firmly in Nazi law.

The laws were written to define Jews, to determine how Jews would be treated; then, step by step, the Jews were denied their rights. They lost their jobs, they could no longer participate in society. Next they lost their property, or were forced to sell their titles, claims, and ownership. Finally, they were separated from the rest of society and crowded into ghettos; after that the mass killing began. In Eastern Europe, the process sometimes was not so orderly. Teams of security police would rove from town to town simply exterminating the Jewish population. The expropriation of land and property followed later.

When we look back on these events we do so not to magnify this catastrophe above all others that resulted from the Nazi era. But this evil was unique among all others. The destruction of the European Jews was a cold and careful implementation of a policy. Vast bureaucratic machinery was created to carry out that goal. And every aspect of the murder, within the context of the Third Reich, was perfectly legal.

The complete extinction of the Jews as the "final solution" makes the Holocaust a uniquely Jewish issue. But we must never forget the others, the Gypsies, the Poles, the Slavs, and the remaining 30 or so nationalities who were represented amongst the millions of victims. The Nazi's chose to eliminate those who were "inferior" and in being allowed to make such a judgment, made all mankind a Holocaust victim.

There are many things to remember about the Holocaust. These are only some of them. As we commemorate the casualties of this abomination, we should celebrate its survivors. These witnesses contribute much to our understanding. We commend them for their courage and their ability to maintain their humanity after experiencing unimaginable evil. Today we let them know that we will not forget.●

● Mr. LEVINE of California. Mr. Speaker, this is the week during which communities throughout the world will gather to commemorate the 40th anniversary of the liberation of the Nazi death camps. We are gathered here this evening to join in sharing the painful memories of the Holocaust and in paying tribute to the more than 6 million innocent lives that perished. We also join in sharing the survival of all those who escaped the death sentence of the Holocaust and the survival of a people the Nazis sought to annihilate.

This anniversary is an occasion marked by both solemnity and hope—solemnity because it is a reminder of one of the most heinous and horrific eras in the history of humankind, and hope because it is a reaffirmation of the lives of all those who survived and all those who are yet to come.

The lessons of the Holocaust must be taught from generation to generation so that humanity will never forget those dark days of 40 years ago. Through this commemoration we help to fulfill our collective responsibility to transmit the lessons of history, to endeavor to make known the unspeakable horridness of it, and to help ensure that never again will a Holocaust happen to any people.●

● Mr. DAUB. Mr. Speaker, I am grateful for this opportunity to join my colleagues in reiterating our commitment to the commemoration of the Holocaust. Such demonstrations are critical if we are to remember the moral obscenity of a government against 6 million people. In this combined effort of myself and my colleagues in Congress, we seek to alert the world to the atrocity which was the Holocaust and which still haunts us today.

The unbelievable human suffering that millions of Jews experienced in Nazi concentration camps must never be forgotten, erased by a government, or distorted through history.

We have not forgotten those victims who suffered beyond anything we have experienced or can even imagine today. But most importantly, this commemoration today shows our resolve to continue to work toward freedom of religion, freedom of association, and freedom from oppression and physical

harm, so that this tragedy can never happen again.●

● Mr. ERDREICH. Mr. Speaker, I join with my colleagues today in this very important special order commemorating the 40th anniversary of the liberation of the death camps.

Forty years ago, the world witnessed the atrocities of the most shameful and horrible events of all times. It was an era of madness and evil. Six million Jews were put to death along with several million other victims of the Nazi's heinous crimes.

One only need to talk to the survivors of the Holocaust to become even more cognizant of the reality of the horrors. These survivors are growing small in number making it even more imperative that we never let their spirit, their courage, their message to the world be forgotten.

Mr. Speaker, this is a day of reckoning for those who choose to forget and for those whose crimes go unpunished. It is a chapter of history we must never forget for the greatest crime would be to let the memory of the Holocaust fade and not to learn from the horror of this history.

In his remarks in last year's Holocaust Days of Remembrance ceremony, Elie Wiesel, chairman of the U.S. Holocaust Memorial Council, poet, author and a survivor stated:

Memory is not exclusive. Memory is inclusive. It is because we remember the singular aspect of the tragedy that we remember its universality. We must also think of tomorrow as though it would be part of our memory. I think the world unleashed madness 40 years ago and that madness is still dominating spirits and minds of too many countries. There are too many signals of danger-racism, anti-Semitism, bigotry, fanaticism. We are scared of what humankind could do to itself. Therefore we tell the story.

We must continue to tell the story, to speak out against genocide of any people or faith, and most of all to remember.●

● Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in commemorating the 40th anniversary of the liberation of the Nazi death camps.

The greatest tribute we can pay these millions of martyrs is to ensure that their ordeal is never forgotten and their tragedy is never repeated. Let us resolve that we will never again remain silent in the face of evil.

While we all happily mark 40 years of peace in Europe, it would be wrong to commemorate this event without properly recognizing the victims of the Holocaust. The peace we now enjoy came at a very high price. We cannot mark this anniversary without remembering the victims who suffered the most at the hands of the Third Reich. Their tragedy must be a constant reminder to us of the price of silence.●

● Mr. GREEN. Mr. Speaker, I address this distinguished body today both as a Member of Congress and of the Jewish community. I rise, on this Day of Remembrance, to honor and commemorate those who suffered the atrocities and inhuman cruelty of the Holocaust.

This year we mark the 40th anniversary of the liberation of the concentration camps in which 4 million of our people were gassed, and where an additional 2 million died of starvation, disease, and torture during the Second World War. I therefore believe it fitting, as we reflect on the horrors of 40 years ago, that we recall the worlds of those brave men and women who were the liberators, or witnesses, if you will, of the victims of Hitler's atrocities.

"They were the first free men," Elie Wiesel has said, "to see the world of horror," Although they have spoken simply of what they confronted, the sense of anger and profound sadness which their words convey are testimony to the enormity of the tragedy which they uncovered. The following are statements taken from testimony of U.S. Army Veterans given at the International Liberators Conference in 1981:

Anton Bild, a soldier involved in the liberation of Dachau recalled that:

After six months of combat duty with the Seventh and Third Armies, I thought I could take just about anything. But to be confronted with the realization of the concentration camp Dachau was an earth shaking, cataclysmic event in my life. It was a day for me when humanity failed miserably in the world. As we approached the camp and came into the railroad siding, I was confronted with these thirty or forty boxcars crammed with people that had starved to death in the cars. No one should have to face a death like this.

The recollections of Richard Elberfeld, a liberator at Bergen-Belsen, are no less horrible to contemplate. "We found thousands of unburied bodies when we went in. We found other thousands of people who were near death, who were in the huts or the fields . . . I had no idea anything like this really existed."

Other eyewitnesses to the horror of the camps speak of lingering and tormenting memories. Kenneth Colvin, assigned to the 515th Medical Clearing Company, administered emergency medical treatment in many of the camps. "We didn't talk much about what we saw," he recalled. "It wasn't until about 15 years after the war that this thing hit me, I started getting nightmares. About 2 years ago I thought I could handle it. I went back to Katzen Friedhoff. All that was left of that camp was half of the crematoria door, and I just collapsed when I saw that.

Some recollections, such as that of Leon Freedman, a liberator at Buchenwald, evoke an overwhelming sense of sadness. Noticing the pitiful condition of small groups of people gathered along the road as the 76th Army Division to which he was attached approached the camp, Mr. Freedman recalled that:

It became clear to us that something dreadful had happened. As we approached this huge complex of buildings with barbed wire fences, we began to notice a very distinct foul odor * * * And shortly before coming to the gates we had noticed some railroad cars on a siding. One was partially opened up. We could see bits of clothing. We noticed that it was composed all of children's clothing, shoes, sweaters, hats, mittens, coats, clothing of all description, only of children. We couldn't seem to understand it. We saw no children.

Many of the eyewitness accounts focus on the response of the victims to the arrival of their liberators. Many greeted their rescuers with only dazed silence. For others it took several days before they would be convinced that their tragic ordeal was finally over. Marie Ellfrity, who served as a nurse at Mathausen, related that still others, a few days after the liberation, "simply laid down and died. They refused to die as prisoners, they wanted to die in freedom, and so, after they were convinced of who we were and why we were there, they simply laid down and died."

Perhaps most disturbing of all is testimony which speaks of the indifference of the outside community to the plight of the victims. Reginald Ashby of the 11th Armored Division, liberators of Gaussen One, recalled that for him:

The most shocking thing that took place was the indifference to the civilian population to what had been going on in the camp. They seemed to have been well aware of what had been going on. I couldn't then, and I can't now, come to any conclusions as to what could have possibly gone on in their minds to have permitted something like this to take place. There are no words to describe this kind of condition. It's beyond comprehension, what people can do to people.

Another liberator, Alexander Breuer, recalled that because he spoke German he had been ordered to join a team designated to negotiate the surrender of Weimar. In their negotiations with the city's mayor, Breuer recalled that the subject of Buchenwald had been brought up as an aside. "Incidentally," the Americans were informed, "there is this place called Buchenwald." The mayor was asked to bring them to the camp and escort them through it. Although he knew of Buchenwald he had never seen it; he was unaware of its enormity. Three days after his visit he took his own life.

The Rabbi Gunter Plaut, attached to the 104th Timberwolf Division, which liberated the camp at Nautthausen on April 11, 1945, stated his belief that until that morning many of our men didn't really fully understand what the war was all about. Reflecting on what he himself had seen on that morning, Rabbi Plaut felt it to have

been too enormous a crime against humanity to be the responsibility of man alone. "I believe," he said, "that God must also share a measure of responsibility. His responsibility is and was that He gave us the freedom to decide. He gambled on us in a sense * * * and in this instance He lost."

The events which these men and women have recalled represent the most tragic and shameful ever to have occurred. They describe a world from which all compassion and sense of human dignity and worth had been driven out, a world of abysmal horror and loneliness for the Jewish people. The crimes of Nazi Germany were of such a magnitude that they must never be forgotten, and such that they can never be forgiven. In the anger, outrage, and sadness which their testimony expresses, however, we can also extract a measure of hope that events such as these will never be allowed to occur again.

Thus, it is of paramount importance, on this Day of Remembrance, that we refresh in our minds the tragic memory of the Holocaust and vow to do what we can to assure that it will never happen again.●

● Mr. MANTON. Mr. Speaker, I would like to begin by commending my distinguished colleague from New York, STEPHEN SOLARZ, for organizing the special order today commemorating the 40th anniversary of the liberation of the death camps.

One might think that it would be trite to say we must never forget the Holocaust, but unfortunately, it appears that that message is one we must strongly emphasize today. The President has added a ceremony to commemorate the victims of the Holocaust as an afterthought to a planned trip to Germany to celebrate 40 years of peace. Such an event should have been a priority on the President's agenda. Therefore, today's special order takes on an even greater importance.

The murder of 6 million Jews, as part of a planned genocide on behalf of the Nazis, is a part of world history that we can never forget. All people of the world share in the responsibility for that horrible chapter in our history. It was only 40 years ago that the camps were liberated, survivors of that horrible experience are alive today, and yet we hear people questioning the occurrence of the Holocaust. This is an insult to those who died in the Holocaust, their families and the survivors.

It is hard for us today to understand the terror of the "Crystal Night" when Jewish stores were looted and destroyed, Jewish homes were broken into and thousands of Jews were rounded up and put onto cattle cars for that long, and usually fatal trip to the Nazi concentration camps. It is hard for us to understand today how anyone who lived near the camps could not be outraged by the stench from the ovens as Jewish men, women, and children were cremated. When an event is too confusing or too painful, it is human nature to say that is the past, we must put the past behind us. But that is something we cannot affort to do.

Each and every one of us has a responsibility to teach our children about the Nazi regime, its philosophy and the tragic events which were a result of Hitler's reign of terror. Only by understanding what happened during those dark years, by knowing that the Nazi philosophy is the antithesis of what we in America believe and what we fought to preserve in World War II, only by never forgetting, can we ensure that it will never happen again.

Mr. Speaker, today I celebrate the liberation of the Nazi death camps by the Allied soldiers and I mourn the tragic, meaningless deaths of millions of men, women, and children. But the best way to commemorate the liberation, and the most effective way to show respect for the murdered, is to remember their deaths and to pledge, never again.

● Mr. LENT Mr. Speaker, I join my colleagues today in observing this Day of Remembrance for the Victims of the Holocaust. In conjunction with the U.S. Holocaust Memorial Council, ceremonies are taking place here in our Nation's Capital and throughout the country commemorating the end of the Holocaust and the liberation of Nazi death camps at the end of World War II.

As participants in this solemn tribute, we believe very deeply in the need to remember the cruel and inhuman tragedies of the Holocaust. It's almost inconceivable that one group could systematically annihilate 6 million innocent Jews. Yet that is what happened.

It's a painful and emotional experience to look back and recall what happened during that terrible chapter in history, 40 years ago. It's painful to think of the families torn asunder, the lives ripped apart, and the broken bodies left behind.

Nevertheless, the survivors and witnesses to the horrors of the Holocaust are a living testament to the truth. And so their story is never forgotten; we must maintain a constant vigil against anyone who would belittle the suffering of the Jewish people, or deny that the Holocaust ever happened. We have an important responsibility to past and future generations to see that such evil crimes never go unchallenged. We must ensure that the memory of the Holocaust is always fresh in our minds and in the minds of our children. Only in this way, can we hope to prevent such atrocities from recurring.

The story of the Holocaust must also be a story of faith and freedom. In the death camps and throughout much of Europe during the war, the mere act of existence was a form of resistance. This is a story of humanity overcoming inhumanity.

Our actions today are in menory of the victims of the Holocaust. Let us send the message that they have not suffered in vain, and let us reaffirm our pledge to mankind for the future when we say: "Never again."●

● Mr. GALLO. Mr. Speaker, today I join with my colleagues in national observance of the Days of the Victims of the Holocaust. Forty years ago, 6 million Jews and millions of other victims were murdered in the systematic genocide perpetrated by the Nazis. Deprived of their political rights, occupations, and property, the Jews in Germany suffered physical violence, mental anguish, and death at the hands of the Nazis. We come here today because, in the words of Holocaust survivor, noted author and theologian, Elie Wiesel, "This is our duty as well: to bear witness. For 6 million Jews who perished in the Holocaust * * * for the Holocaust was a Jewish tragedy with universal implications."

My personal understanding of the Holocaust comes from my long association with refugees of the concentration camps who reside in my district. From them, I have learned of the horrors of the Holocaust and of their personal tragedies. From their example, I have also learned the depth of the human capacity for strength and survival.

It is then our duty to remember those whose lives ended in the Nazi concentration camps and to insure that they not be forgotten. We must also give comfort and support to those who survived and through much courage and strength have managed to rebuild their lives and contribute greatly to our own.

For them, I solemnly stand here in remembrance of their loss and the loss to the world of 6 million Jews and others who perished in Nazi Germany.●

THE GROWING FEDERAL DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. PENNY] is recognized for 60 minutes.

Mr. PENNY. Madam Speaker, the crucial issue facing this Congress is how best to reduce these growing Federal deficits. Our national economy cannot withstand deficits of $200 billion piled one on top of the other. It is unfair to future generations to burden them with this debt.

These huge Federal deficits result in the Federal Government borrowing

much of the money that ought to be available to the private sector. That increased Federal borrowing crowds out the private sector and, therefore, results in our citizens and our businesses and our farmers paying higher rates of interest than they ought to pay.

If the deficits continue to grow, at some point in time interest rates will only go higher, and when that point arrives, we will see a recession beyond the depths of any recession we have experienced in recent history.

Those higher interest costs would push even more farmers off the land, would push even more businesses into failure, and will bankrupt our Nation.

Those high deficits will have an effect on the value of the dollar. The value of the dollar is high because we are financing this deficit by the sale of Treasury bills, many of which are purchased by foreign investors. And it is the purchase of those Treasury bills by foreign investors that helps to push up the value of the American dollar.

So not only our farmers but other industries in America that are sensitive to interest rates, that are sensitive to the value of the dollar, and in need of export markets are adversely affected.

So we are losing millions of American jobs; in fact, we are exporting American jobs due to these Federal deficits.

Mr. Speaker, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I really want to compliment the gentleman for what he is talking about.

Mr. Speaker, I am the mother of an 18-year-old, and I suppose the gentleman's age is closer to the 18-year-old than to mine, but nevertheless if I were a young person in this country I would be very concerned about where the jobs are going to be, and I find that my young son and his friends in college are all saying, "Where are our markets, where are we going to have jobs, where are we going to be able to work and who is talking about it in this country?" I think when you see the trade deficit, when you see the foreign deficits, I think all of those things become terribly critical.

Nobody has really drawn a road map to the horizon. We keep worrying about our ingrown toenail. The only problem is now that ingrown toenail is this massive debt. I always remember people used to say, "Blessed are the young for they are going to inherit the national debt."

Well, they are going to inherit a lot at the rate we are going.

So I think what the gentleman is talking about makes an enormous amount of sense.

You look at this whole hemisphere and the questions for young people are not only where the jobs are going to be and where we are going to be competitive in all sorts of different areas, it is also going to be what kinds of relations are we going to have in this hemisphere and where are they going to end up, what are they going to end up doing?

I think the last thing they want are jobs going into South America in some kind of a war. That is one of the things that we will be debating next week.

I think when they talk about jobs what they have in mind is something where they can have a decent standard of living. We see the cutbacks in student aid really meaning that it is going to be much tougher for kids to get an education. I think everybody in the world is aware of the fact that America is going to need more education, not less. You have to have a real optimistic view of the world to think everybody is going to be able to get by with less education.

I think what we talk about here in a big, big picture type of view, translates down to the man on the street in a very painful manner. We talk about all of this. I was on the streets of Denver talking to one of the policemen who said, "Well, I always thought I was middle class, and now I find I am not." I said, "What do you mean by that?" He said, "Well, I have been a policeman all my life, and I thought I earned a good living. My daughter has been admitted to the Colorado School of the Mines"—which is a private and expensive school—and he said, "I cannot send her. I feel absolutely terrible. I feel like I have let my whole family down. I cannot send her. I have other children and I would have to sell them" and so forth and so on. So she would have to compromise at a much lower level.

Now the Colorado School of the Mines is a high tech type of education. Those are the kinds of jobs to see young people with capabilities but whose parents feel that they cannot send them because they do not have the money, is very troublesome. So no matter what part of the equation you look at, there does not seem to be a lot of progress. There also does not seem to be much progress in the whole piracy area. When we talk about jobs, we keep forgetting that probably the one area where America can compete will be in intellectual properties, intellectual properties, which is writing books, writing music, doing software for computers, doing video tapes, doing whatever it is because of that wonderful American creativity which is there, the essence of it being able to be distilled, and so forth and so on.

□ 1710

But what is happening to it? It is one of the few things left in our whole international trade area that has a balance of trade that is favorable. We make more money exporting records; we make more money exporting movies, exporting TV shows, exporting software, but it is all getting ripped off.

This administration is not being aggressive at all about pursuing pirates, and some of those pirates are our best friends, supposedly; pursuing them as they copy this stuff. You watch more and more of our companies having to move offshore or move somewhere else because what, when you back up and think about what would you have to sell an automobile for if people could drive it somewhere and make a copy of it?

So I could buy an automobile and I could go make a copy of it and give it to you. And then you could go make a copy of it and give it to your friends, and so forth and so on, and they would never get another penny. The only money you would get would be from the first automobile, because I can tell you everybody would go make a copy from then on.

That is what is happening in books; that is what is happening in records; that is what is happening in videotapes; that is what is happening in software. As a consequence, you cannot sell the first item for enough money to keep the money coming back to you so you can then go ahead and design the next automobile or the next thing.

We understand the intangible property; that is, automobiles, but we do not understand it when it moves to intangible property.

So I think what the gentleman is talking about is really important, and there are so many different facets of it, and I just do not see an aggressive enough policy going on, and a defining of what the policy is. I only see that we want to a meeting and agreed to have another meeting, or we went to a meeting and we were really pleased because they did not growl at us; they smiled at us; or we went to a meeting and they said, "Well, maybe next year."

I also know the gentleman comes from a State like mine, that has a lot of agriculture. I think that is one of the areas, too, where you could have all sorts of things being done.

For example, we could send beef from Colorado to some of the countries that are our trading partners—to whom we owe great debts at the moment, now that America has become a debtor nation. We could send cattle over there first class, on airlines, sitting in seats and still make money at their own domestic market.

We could do all sorts of things. I think that is very important to point out; that it is not just the Japanese; it is us or Europe. They protect all of their agriculture markets.

I am for free trade, but it must be reciprocal. I think America competes,

but it must be reciprocal. You have to allow our products in freely, and you also cannot allow piracy to go on.

Piracy is going on in some of the Southeast Asian countries that rely on us the most to defend them.

Where are the jobs? It goes back to the 18-year-olds sitting around in the college dorms saying to me, "Hey, you're Scott's mother, you're supposed to know everything, where are the jobs? What should we study? You know, what's going to be out there?"

At this point, it is really very hard to answer that question. I do not see an aggressive enough policy going on in that area.

I thank the gentleman for bringing this up.

Mr. PENNY. I thank the gentlewoman for her comments. It is of great concern to all of us, what we can do to reinvigorate our economy, to make sure that the jobs are there for these students today, students who in the very near future will be leaving their vocational school or their college, and planning to enter the work force, but in what capacity?

As I started out remarking in just one area, Madam Speaker, our policy is woefully inadequate because we are piling up these deficits that are exporting jobs, because the high deficits lead to a high value of the dollar, and it means that we lose that competitive advantage in the world market; other nations take up those markets from us, and we are left with declining employment in a number of our American industries.

The high deficits are hurting the farm sector, because of the high interest rates that it causes for our farmers. Farmers have to borrow a lot every year to put in their crop, and when they cannot make a profit at the end of that year because, again, the value of the dollar is high and they cannot sell as much overseas, that higher interest rate gets rolled forward year after year, and pretty soon our farmers go out of business; and when they fail, businesses and banks in their community fails and the employment of the American workforce—and about 20 percent of our jobs in America are jeopardized because that is how many of our jobs are related to agriculture, one way or another.

So what does this kind of a deficit policy mean to the future? It means kind of a shaky future for a number of these students that are preparing their minds for their place in society. but we are not offering them a place because those jobs may not be there on the trend we are following.

Mr. SCHROEDER. If the gentleman will yield further, one of the interesting things that I find is, I grew up with my parents saying that it was the duty of each generation to turn the country over to the next generation in a little better shape than they found it. If you had just accomplished that, that you had accomplished a lot.

I am not sure we are going to be able to say that to this next generation. We are certainly not turning it over in better shape; we are turning it over in much deeper debt.

The other piece of all this is how precarious it all is. As the gentleman mentioned, when you have this high level of the dollar being so high, then we attract foreign money in here.

All that has to do is change a little bit, and it all goes home. Then they control whether our economy comes crashing down, not us. So I do not really like relying on other people keeping their money deposited in this country. That is also quite frightening, as you look at it, and as you attract "scare" money, then it starts to scare you; it can turn around and bite you right back if the mood changes, and we have all seen those kind of swings back and forth.

If the gentleman would not mind my changing the subject just a tad, and I feel bad about interfering in the middle of his special order on something that I think is so terribly important.

I wanted to talk about one other thing that I had mentioned this morning that some people did not understand. I wanted to explain it a little bit further. There are several things.

I had mentioned this morning how I stand here with a German name, and am really rather offended by what the White House is saying they have to do not to offend German sensibility.

I find that going to Bitburg and laying a wreath offends my German sensibilities. I do not think that Bitburg stands for what Germany stood for. It is not what we are celebrating in this celebration going on in June.

Europeans are celebrating the 40th anniversary of the end of World War II in Europe. The end of World War II in Europe means that they finally contained a government that had gone mad; that is, Nazi Germany.

But they also liberated Germans from that government, too. There were some people there who did not like it, believe it or not.

So to go there and lay a wreath in the cemetery where the SS is buried—and the SS were not innocent young boys that were called in; these were the hardcore, these were the intelligence officers, these were the guys who ratted on people. They knew full well what they were doing. They were party members.

To go there violates the whole idea of what this celebration in Europe is about. I think it is very important for German-Americans to speak out on that, too. If I had to look and say, What is the spirit of Germany? The spirit of Germany is Konrad Adenauer, who tried to rebuild Germany in a very difficult period after the war, to return to the democratic principles and to return to freedom and so forth.

That is who we should be celebrating, that Germany was allowed to finally rise up from under this yoke.

I also said this morning how offended I was that the TV cameras were showing the White House advance team going around and visiting different concentration camps, looking for the right one.

Now, what does that mean? Are you looking for the nicest one? One with carpeting? Come on.

□ 1720

There is nothing nice about the concentration camps. They were all horrendous. I think one of the brave things that Germany did, and it took a lot of guts, was to preserve those concentration camps so that people could go see them and see how horrible it was and to see what happened when a government goes mad with power. I have gone through several of those camps. I must say it was the most horrendous experience of my life. It causes nightmares forever, because you see it, and you just cannot believe that it went that far; but it did.

So here is the German Government, they are not afraid to run from their past. They set it out there, and they say, "this was wrong, and we want people to come here because we never want this type of horrible thing to happen again."

And we have the President saying he is not going to go there because it would offend German sensibilities.

I think it is all mixed up. And I certainly hope over this weekend that they can get it straightened out, because when you see the leader of the free world putting wreaths on a cemetery where there are SS graves, something is turned upside down, and I am sure Europeans are scratching their heads trying to figure out, "what in the world is it that the Americans think we are celebrating here?"

I also think that out of respect to the millions of people who were lost and the awful Holocaust that went on in World War II—and I realize this is probably not your age span, but it was mine, and I do not feel like a total dinosaur it was in my age frame that that terrible thing occurred—we should remind ourselves that it was not something that happened in the deep, dark, ancient past, it happened within a generation that is still alive and kicking and around. Germany is doing everything that it can to make sure it never happens again. We should, too. We should dedicate ourselves to that over and over again.

I think, again, our young people would feel more comfortable about where we are steering the course of this Government if they saw that kind of commitment coming out of this

Government, not only to where the jobs are, but to traditional things the Government has always stood for—human rights, liberty, freedom, all those kinds of things. They are not just words. They are conditions, they are conditions that are very hard to maintain. Someone is always tempted to steer a little further.

If I had my way, I think I would mandate that every leader of every state had to go through those concentration camps, because it is such a graphic example of how horrendous absolute power can be. We all say absolute power corrupts absolutely. You do not understand what it means until you walk though there and see what human beings did to other human beings and the kind of insane rationale they put behind it.

But the United States is going out on the wrong side on this, and it disturbs me very, very much. My German sensibilities are disturbed by the way we are coming out on the wrong side. I would really like to make that very clear. I only had a minute to do it this morning.

So I again thank the gentleman for yielding to let me clear that up.

Mr. PENNY. I certainly do not mind yielding to the gentlewoman for that purpose. It is an important issue and one that does need further discussion.

As someone who serves on the Veterans' Affairs Committee, I am fully familiar with the attitude of American veterans about this upcoming trip by the President to Germany, and they are somewhat baffled by the confusion over the schedule, baffled on the one hand that the President would schedule that kind of a visit to a cemetery where some of the soldiers who were responsible for those atrocities are buried, and baffled, as well, by the indecision that the President seemed to have over whether or not to visit one of those concentration camps as a reminder that in fact we do not want the world ever to witness that kind of holocaust again.

I am reminded of last year when the President went to Europe to celebrate the D-day invasion, the time when all of the allied forces came together to launch an offensive that eventually brought about the end of that war and the end of that Nazi regime, and how proud we all were as our President stood there reminding us of the principles that brought the allies together and the kinds of freedoms that our Nation stood for and the freedom that we now have helped to provide for Europe, the kind of freedom that their governments have maintained in the years since that war. It stands in sharp contrast to the pride all of us—veterans and all Americans—felt when the President was there just last year commemorating that day to have this kind of contradiction exist in the schedule that he has set for his trip back in Europe in the coming weeks.

Mrs. SCHROEDER. If the gentleman will yield further, I think the gentleman makes an excellent point, because the spirit of Normandy was one that we were all very proud of, and we were very proud, even though it was also painful to recall the horrendous losses that were sustained by American young people and by young people of all of our allies.

But nevertheless we won, we persevered, and we were willing to pay a very high price for it.

And yet by these actions, this June and this May, it appears that that was all celluloid, that we did not understand what it was all about, we did not understand the depth and the feeling and what it all meant. And I just really hope this can get clarified. Maybe it is because of the transition in leadership, maybe it is lots of other things. I do not know what it is. But I certainly hope it all gets clarified.

I had the privilege of being in Europe last week with parliamentarians from all over Europe who were meeting in Stockholm when this all came out, and they were stunned. They were saying, "What? what? He is doing what? Does he know what Bitburg stands for? Does he know who is there?"

We can try and brush it off here and say, well, it was just innocent 17-year-old kids who happened to sign up for the military; but everyone In Europe knows that that is where the SS is, and those were not innocent 17-year-old kids. So it does not sell, it does not sell at all.

I just hope that gets clarified. And I also hope that we can stop the images of the advance team being out looking for the right—whatever that means—concentration camp. There is no right concentration camp. They were all horrendous. And the quicker we can get it all turned around and get back to the real spirit of Normandy and the real spirit that our veterans want us to commemorate, I think we are all going to be much better off. So if you take the veterans, if you take the religious community, if you take the European community and you take the Germans—I think Germans are much prouder of where they were, when Conrad Adenauer rebuilt them and what it took—when you put all of those together, it really seems to be incumbent that we move and get all of this straightened out.

So, again, I thank the gentleman very much for pointing that out.

Mr. PENNY. I thank the gentlewoman.

Madam Speaker, if I might, I want to return to my discussion on the deficit, because I would like to elaborate on one possible approach to reducing this red ink.

The question is often asked: How do you stop this deficit from growing? And I think the simple answer is: you just stop spending more.

I once had a senior citizen back in my district tell me: Why don't you folks out in Washington do like we do here in our own budgets? When we run out of money, we just quit spending money.

And that is simply the best way to get at this Federal deficit. That means we freeze at last year's spending level; you do not authorize or appropriate more money to be spent this year than we spent last year. And that, then, allows a growth in the economy. And in spite of some of the areas in our economy where there are difficulties—and certainly the farm sector is one of them—we do have enough growth in our economy that this coming year we are going to generate about $70 billion of tax revenues over and above that which we are bringing in the current fiscal year.

So if you do not spend more, and therefore the only addition to your budget that would occur is the addition that is caused by interest on the deficit, which must be paid, and by demographics in some of the programs, like our retirement programs, where new people are reaching retirement age, you can reduce the deficit next year by about $50 billion. And that, after all, is the deficit reduction target set by the President when he submitted his budget to Congress this year.

There are a lot of proposals around here that talk about freezing the budget, including the administration's proposal, which does amount to a spending freeze. But most of these budget-freeze proposals are unacceptable politically because they either exempt certain programs or, while freezing total spending, they allow for major shifts in spending priorities; they are not across the board.

The administration's proposal is not across the board. While they would cut deeply into other programs below this year's funding level, they offset all of those savings by increasing spending in other areas. So they are not being evenhanded. As a consequence, I do not think, politically, that kind of a budget can sell.

I have been told by people across my congressional district that they would be willing to sacrifice if only they knew that everyone else would share in that sacrifice. That is the attraction of an across-the-board spending freeze.

How do we make sure that that sacrifice is borne equally? We do it by an across-the-board freeze on function levels. The function for our Federal budget is divided into 17 categories. Those categories are: Defense; international affairs; general science, space, and technology; energy, natural resources, and environment; agriculture;

commerce and housing credits; transportation; community and regional development; education, training, employment, and social services; health, Social Security, and Medicare; income security; veterans' benefits and services; administration of justice; general government; general purpose fiscal assistance; and net interest.

□ 1730

There are other categories; allowances and undistributed offsetting receipts that are not actual spending categories as part of our basic budget, but they make up the remaining two items in our functional categories.

If we would freeze spending authority in each one of these functional categories at fiscal year 1985 levels, for fiscal year 1986, we would result in a freeze that would keep Federal spending in fiscal year 1986 at $974 billion. That compares almost identically with the spending level that would result under the administration's plan submitted to Congress. The only difference is that whereas their proposal cuts deeply into some portions of this budget, cuts deeply into some of those functional categories, it offsets those savings by increasing dramatically spending in other areas. It is not fair; it is not across-the-board. We ought to begin with an across-the-board lid on spending in each of these categories as the fairest way to address this deficit.

If then there are programs within each of those functional categories, programs within Transportation, or within Health Care, or within Income Security, or Energy, where you want to spend a little more within that same category, find another program where you can spend a little less, so all in all you do not spend any more next year than this on that functional category. That is the way my across-the-board freeze would work. Most people recognize that that would be the fairest way to hold the line on Federal spending. An across-the-board freeze, in my judgment, is the only way to approach this Federal deficit with fairness.

There are those who say, "Yes, but can we not go farther than an across-the-board freeze?" I think perhaps we can, but I think you need to begin with a freeze so that the element of fairness, the element of equal sacrifice is an essential part of our budget policy, telling everyone that is a beginning point no function within the Federal budget is going to get more than it received last year. Once you have asked everyone to make that equal sacrifice, if, based on priorities, if based on our need to further reduce that deficit below these levels, you can find some programs where you in fact can spend less, then let us make that choice and let us get 218 votes for that kind of a budget option.

This budget freeze will be introduced next Tuesday here in the House. I have sent a letter to my colleagues asking them to join me in the introduction of this across-the-board freeze so that we have this option on spending control on the table ready for consideration by the Budget Committee, as it continues its work to develop a budget for this coming fiscal year.

I would hope that my colleagues would join me in cosponsoring that legislation and join all of us who are trying to present freeze amendments to authorization bills as they come to the floor. Join all of us in supporting this kind of a freeze alternative for this year as we complete our budget work here in the House.

In speaking about the Federal deficit, I want to enter into the RECORD two articles that have been written recently addressing this issue. The first is an article which appeared in the Washington Post and it was written by the chairman of the Budget Committee, our friend and colleague from Pennsylvania, Mr. WILLIAM GRAY. This article is entitled, "A Deficit We Can't Outgrow." The article begins:

Will the real President Reagan please stand up? Or, at the very least, will he tell us whether he thinks America has a deficit problem?

On one hand, there's the President Reagan who delivered, as only he can, a stirring and uplifting State of the Union address. He said that the best way to reduce deficits is through economic growth—that "each added percentage point per year of real GNP growth will lead to a cumulative reduction in deficits of nearly $200 billion over five years."

Then there's the President Reagan who signed the president's Budget Message. Here, he acknowledges that we face deficits of $225 to $250 billion under current policies, and that he wants to cut spending by about $240 billion over the next three years to reduce them.

While the president's message does not name any of the "excessive federal benefits" he proposes to eliminate or reduce, David Stockman follows with several hundred pages of painful detail. Strangest of all, there's no mention of "growing our way out" of the deficit. Indeed, Part 3 of the budget explains why it is "highly unlikely" that the economy could grow continuously, without high inflation, at 5 percent per year—i.e., that "added percentage point per year" above the optimistic 4 percent per year assumed in the budget.

Because the president has given such ambivalent signals, there is a real doubt in our land whether a deficit-reduction effort is necessary. The House Budget Committee recently held hearings across the country to find out what the deficit and the president's budget proposals mean to Main Street. Not surprisingly, we found many citizens who were not eager to climb aboard the Spending Cut Special. Many are simply puzzled. If the president's economic program has worked as well as he claims, if indeed we are safely launched on a second American revolution of hope and opportunity, why worry about the deficit?

Main Street's puzzlement and reluctance, of course, is reflected in Congress, especially as spending reduction moves from rhetoric to painfully real choices. If the president is on their side, the supply-side preachers may have their tents filled with eager converts before the economic revival meeting is over. What could be more appealing to a Senate Republican weary of the budget stalemate than a little true economic faith? What could be more appealing to a House Democrat disagreeing strongly with the president's priorities and what surer formula for political stalemate on the budget?

Unfortunately, the reality is this: We're not going to outgrow Reagan's deficits. The evidence of the last several years is compelling. We've now had more than two years of near-record recovery, faster than almost anyone projected. Yet, the deficit has not fallen. Our recession-bloated deficit in 1983 was $195 billion; in more prosperous 1985 we expect $203 billion.

Why? Simply because the Reagan administration's tax and spending policies have produced a *structural* deficit—that part of the deficit not related to economic performance—that rises too rapidly to be submerged by the rising revenues from economic growth. Without the growing structural deficit, the strong economic recovery should have reduced the deficit by about $70 billion in the last two years. However, the structural deficit has expanded at the same time by slightly more than $70 billion, offsetting the effects of recovery.

In the next few years the situation will get worse. As the economic expansion inevitably slows, its deficit-reducing effects are sharply reduced. But the structural deficit just keeps growing, by about $25 billion each year to the end of the decade.

So the problem is real enough, and many of us in the House and Senate, Democrats and Republicans alike, are trying to mobilize our colleagues and the American people to accept the harsh necessity of painful spending cuts.

We need the president's help. We will need his support eventually for a budget that is more fair and balanced than his proposal. But most of all we need his leadership now in explaining to the American people that the deficit problem is real; that we're not going to outgrow it with supply-side hormones; and that the cuts are going to hurt.

□ 1740

The next article on the budget that I think is especially important is an article written by Senator CHARLES GRASSLEY, Republican of Iowa, who serves on the Senate Budget Committee. This appeared in the Wall Street Journal on March 4, 1985. For those who may not know, Mr. GRASSLEY is one of those in the Senate who has proposed an across-the-board spending freeze. He has joined together with Senators KASSEBAUM, BIDEN, and BAUCUS to propose that kind of a freeze before the Senate and in this article he answers the question, can we realistically freeze military spending as well as other programs? I think the answer is quite enlightening.

Before I get on with reading the article, I will yield to my friend and colleague, the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. I thank the distinguished gentleman from Minnesota. He and I have had occasion to discuss, after a couple of my special orders in the past, and I am very grateful for his keen interest in these matters. I just wanted to interrupt, and I thank the gentleman for yielding.

On this question of freeze, I am not one of those that really accepts the fundamental premise upon which apparently the majority of the Democrats, that is, the Democratic membership on the House side, proceeds. I think it is a continuation of the erroneous approach in confronting an individual such as President Ronald Reagan.

The reason I say this is that it goes back to the beginning 4 years ago, and when I saw the thrust of his approach. For example, a freeze to me is really sucking in, as a matter of generalized policy, where you say no matter what, domestic, nondefense or defense, a freeze, because it flies in the face of reality.

I think the basic issue the Democrats have got to decide is whether or not we will continue to be entitled to have the confidence of the American people to continue as the majority party, at least in the House. Certainly we have lost that in the Senate and we have lost that nationally. But what is the reason? I do not attribute it to the fact that the American people are so gullible, they are so easily brainwashed that the massive, skilled PR, the total, obliterative control of the media, the brilliant performance of the President as an actor does it. I think the reason is that the Democrats have accepted the basic Republican fundamental approach which for four decades earned them the minority position, and that was, "Me, too, but not as much."

Now, let us talk about a freeze, and remember that I am speaking here as a sort of a maverick Democrat. I come from the land of Maverick. In fact, my predecessor in Congress from the same district I represent now, the Alamo district, the Alamo is in the center of the 20th Congressional District, was Maury Maverick, Sr., himself, the original Maverick, the great Maury Maverick, Sr., and his son, Maury, Jr., is a great and intimate friend of mine.

But we have got to decide whether or not we really stand up for a basic choice between Republicanism, Reaganism and the burgeoning needs coming from not a frozen country. You know, freeze means death. We freeze dead material. We do not freeze living material, and this country is burgeoning, it is a dynamic people, it is a dynamic country.

If my friend and all of the others advocating a freeze, which apparently the Republicans have joyfully said, "Oh, yes, we are for that," except their definition of a freeze, like the President's definition of a freeze.

Now, my friend, look: The President that is coming in and saying, "Even though you have already cut, and even though I will not stand for any reduction, real reduction in the military spending, I will go along if you call it a freeze, but that does not apply to me."

I have not heard anybody, Democratic Member or Republican, talk about the fact that the President's discretionary budget, in less than 2 years, in fact it coincides with the cutting off of aid by the Congress, direct aid to the Contras in Nicaragua, his discretionary budget has increased exponentially 750 percent. Does that sound like a sincere freezer? Hardly. Why is that not challenged?

If we speak of a freeze, then I say freeze all births in the country. Let us prohibit Americans from being born. And even freeze all necessary human activities like going to the john, because the country is growing while what is called by the big word "infrastructure" is collapsing around our ears. That means sewage lines. That means sewage systems. That means water systems. We have had cities in the Northeast whose entire water system has collapsed around their heads. Our country is dying on the vine, and yet we have a President who has been able to suck us all in; that is, the majority. I am proud to say he has not done that to me. The other day the AP or somebody had some kind of a summary and they showed those least supportive of President Reagan, and I am proud to say that I was there among that less than 3 percent. That is a badge of honor to me, and I will tell you why.

When you ask for a freeze, and you go along, and you accommodate a President, you are sucking in on his ground, you are buying his argument. You will not provide a true freeze on expenditures except the ones he thinks ought to be frozen, and what are those? They are the 1,700, young men and young ladies in my district who last year were not able to go to college because this President and the majority of the Congress scaled back enormously the student loan aid, 1,700.

Now here is the same President who has generated a war psychosis against Russia and paints Russia as the dreaded, moral enemy of America. But never once stops to ask how a country that just 50 years ago was sunk in peasantry can emerge today and outproduce us in petroleum, can come in and produce such things as, in 1957, I was filibustering a cold October night the race bills of that day, when the spectacular news swept the United States that the Russians had put up sputnik. That was 1957, October. Then, and not until then, and 6 months later did the Congress pass the Defense Education Act. Up to that time what had been considered, oh, improper invasion by the Federal Government, oh, socialistic, was suddenly approved, the Defense Education Act, national education programs, but only for what? To produce engineers, because the Look magazine and the Life magazine of that day had full-page pictures showing American kids dancing, the rock and roll was the urge then, just rocking and rolling, and then they had a full-page picture of Russian students of equivalent age, big mathematical geniuses before a blackboard with big calculus symbols, which, of course, was ridiculous and untrue and unfaithful and a distrust of America's true nature.

The point is that when the Russians put up sputnik in 1957, that was the end of the 17th year program. They called it the 17th year plan. What was that plan? That plan was to provide education for any Russian, young, old, middle-aged, factory worker, student or what have you, to have a chance to go free of charge from the lowest to the highest grades of education in Russia. At the end of that 17th year was when they put up sputnik.

Meanwhile, we have a President who says we are going to develop the most spectacular, the end-it-all mechanism that is going to give us supremacy in defense, the so-called star wars, which are based on the most sophisticated knowledge man has developed, but reducing the ability of our young to produce that skilled and knowledgeable manpower because he is asking for a reduction in the opportunities that will give education to the average American young man or young woman.

□ 1750

In my district 1,700 minds that can be creative forces in our community cannot go to college as of last year because President Reagan talked about not a freeze but a reduction and a freeze. So I say to my friend I do not mean to be critical. I am just expounding on my thinking.

Mr. PENNY. Madam Speaker, if I may reclaim my time, I appreciate the comments of the gentleman from Texas. I simply want to acknowledge his points concerning the priorities.

Mr. MOAKLEY. Madam Speaker, will the gentleman yield?

Mr. PENNY. I will yield in just a moment.

Mr. MOAKLEY. It is very important. Will the gentleman yield?

Mr. PENNY. I know why the gentleman is here, and I yield to the gentleman from Massachusetts.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS ON HOUSE JOINT RESOLUTION 239 AND H.R. 2068

Mr. MOAKLEY. Madam Speaker, I ask unanimous consent that the Com-

mittee on Rules may have until midnight tonight to file two privileged reports, a report on House Joint Resolution 239 and report on H.R. 2068.

Mr. LIVINGSTON. Madam Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. PENNY. Madam Speaker, I simply want to acknowledge the point the gentleman from Texas made about the priorities that are a part of the current budget deficit, and by freezing those priorities the gentleman's argument is that we lock in place priorities that are not paying attention to some of these crucial needs in our society like education and the rest.

GONZALEZ. That is right.

Mr. PENNY. I do not quarrel with the point the gentleman made and the need, I think, to invest in those areas. My point on holding the line on spending across the board is that it is the best way in my view to get a handle on the deficit and to stop those priorities from becoming further skewed in future years, and, of course, they will if we continue to increase certain parts of the budget like the military by 8 percent. When other portions of the budget are reduced to offset that kind of increase, then problems only get magnified in future years.

It is for that reason that I think it is really in our best interest for the time being to put a lid on spending across the board to hold the line on these deficits, but, by the same token, to stop that kind of a shift in priorities from continuing away from some of these areas which are really an investment in our future.

Madam Speaker, I thank the gentleman for his comments.

Mr. GONZALEZ. Madam Speaker, will the gentleman yield further?

Mr. PENNY. I yield to the gentleman from Texas.

Mr. GONZALEZ. But here is a fact: As Abraham Lincoln said, if we do not know whither we are headed, we cannot figure out the road to follow.

If we refuse to understand the cause for what the President says is now built-in, monstrous deficits for the foreseeable fiscal future, no less than 3 fiscal years, what good does it do to offer this kind of a palliative, which is not a palliative at all because it is based on assumptions that are not valid? For example, just the incremental in the prime interest rate in just the last 3 months has eroded half of the proceeds of revenues from the last so-called tax measure, or what they call the tax equity measure, and what I am saying is that the basic assumption that the President is predicating it on is one based on blight, on a giant, suffocating blanket of blight on a country that is still dynamic, a country that is still growing.

Our country has not reached the point or the pinnacle of absorption of growth. It is a dynamic country, and I do not care what the President says or the majority of Congress says, nobody is going to straitjacket this country. The only thing that can happen is that we have built in such great abnormalities.

Mr. PENNY. Madam Speaker, may I reclaim my time?

Mr. GONZALEZ. I yield back to the gentleman from Minnesota.

Mr. PENNY. Madam Speaker, I thank the gentleman for that. As I understand it, I have only about 8 minutes left in my special order, and I am not positive whether this article from the Senator from Iowa is going to take that long to read, but I want to make sure I get this submitted for the RECORD.

Mr. GONZALEZ. I thank the gentleman for his generosity in allowing me to participate.

Mr. PENNY. I thank the gentleman for his interest and for his comments.

Madam Speaker, the article is entitled "A Freeze Is Just What the Pentagon Needs." Again it is an article written by Mr. GRASSLEY because Mr. GRASSLEY is a Member of the other body, a Senator from Iowa and a member of the Budget Committee and is a cosponsor of an across-the-board spending freeze. This article appeared in the Wall Street Journal on March 4, 1985. Again it is entitled "A Freeze Is Just What the Pentagon Needs," and Mr. GRASSLEY writes as follows:

Those who argue that the defense budget cannot be frozen actually show why it should be frozen. Their argument is that Congress has tied its own hands; that we are unconditionally bound by past decisions; that we must pour more and more fertilizer on mushrooms we planted the past four years.

It is precisely this kind of budget rigidity that a freeze addresses. Budget rigidity is a result of poor management. We have experienced this problem for the past decade with entitlement programs, where cost of living adjustments and other benefits grow automatically. The defense budget has, in effect, become the nation's largest entitlement program, and has nursed a new generation of welfare queens: the defense industry.

A budget freeze is intended as an abrupt change in policy to highlight the fact that spending is not an act of nature, but a conscious act of Congress. Its application must be to defense and non-defense spending alike. Provided, that is, it can be demonstrated that a defense freeze will not weaken the security of the nation. The argument that follows proves this contention beyond a shadow of a doubt.

BUYING HIGHER COSTS

Not only is a defense freeze necessary to reduce the federal deficit, it is essential to prevent a further erosion of our military capability. Those who have argued for increased defense budgets have failed to recognize that recently increased defense budgets have actually bought high costs and overhead rather than more tanks, ships and planes. Given the disappointing returns from recent unprecedented defense budget growth, it is evident that fundamentally improved management will yield far greater returns than budget increases. A budget freeze is the first step toward defense management reform.

Over the last four years, the defense budget has grown from $211 billion in fiscal 1982 to $292 billion in 1985, a 39% growth rate in current dollars and 22% in constant dollars. This growth is unprecedented in the post-World War II era. As the accompanying table shows, the last four appropriations exceed, in constant dollars, the four most costly years of the Korean and Vietnam wars. More important, the table shows that the cumulative effect of a hypothetical four-year freeze at today's levels would exceed the cumulative expenditures of the last four years by 10% in constant dollars. In short, the defense budget would be frozen at a very high level.

The stated aim of the growth in the defense budget has been to enlarge, to modernize and to improve the readiness of our conventional forces. However, when comparing the output derived from the recent budget growth with the output of the previous periods we find that, notwithstanding unprecedented budget increases, changes and improvements have been minimal at best. In fact, there has been little evidence of force modernization; in many cases fewer quantities have been produced at higher costs, and readiness improvements have been marginal. In short, increases in output have not been proportional to increases in input.

This input vs. output problem is illustrated by the case of aircraft procurement. Taken together, the Air Force and Navy aircraft procurement budgets amounted to 36% of the total Defense Department procurement budget between fiscal 1982 and fiscal 1985. In spite of a constant-dollar, four-year budget increase of 75% above that of the Carter administration, 11% fewer airplanes were procured.

Similarly, in the case of Navy ship construction, major surface combatants decreased 17% from the Carter years despite a 47% increase in funds—in constant dollars. Even when procurement quantities increase, as in the case of key weapons and tracked vehicle procurements in the Army, they increase at a much slower rate than procurement budgets. For example, the number of tanks increased 30% and helicopters 45% from the Carter years. But their budgets increased 85% in constant dollars, indicating growing unit costs. The unit cost is supposed to decline as production rates increase. This obviously has not been the case. Simply put, we are buying fewer weapons for considerably more.

As with procurement, more money has failed to solve the readiness problem. With the exception of improved personnel recruitment and retention rates, improvements in readiness have not been proportional to the increased resources appropriated over the four years. Total funding for Operations and Maintenance in the past four years increased 25% from the previous four years in constant dollars. Furthermore, Congress appropriated more O&M funds in the last four years than the four largest O&M budgets in either the Korean War ('51-54) or the Vietnam War ('67-70). In both wars we were operating larger forces at much higher operational tempo, and we were absorbing significant equipment losses.

Despite the 25% increase in O&M appropriations, training tempos are not significantly different from those of the previous four years. For instance, Army monthly flying hours per crew have fallen from 18.8

hours in fiscal 1980 to 16.4 hours in fiscal 1984; Navy quarterly steaming days per ship have risen only slightly, from 32.4 days in fiscal 1980 to 34.9 days in fiscal 1984; and Navy monthly flying hours per crew have fallen from 24.2 hours in fiscal 1980 to 23.7 hours in fiscal 1984.

Finally, despite these relatively constant training tempos, the 25% increase in the constant dollar O&M budget of the last four years has *not* resulted in major improvements in materiel readiness as measured by the mission capable (MC) or fully mission capable (FMC) rates, according to a May 1984 Pentagon report to the Senate Armed Services Committee. The report points out that the increased operating costs of the more complex equipment entering our inventory is a major cause of this disturbing state of affairs. This problem will compound itself in the future as more and more new weapons systems come on line.

Given these input/output disasters in both procurement and readiness, one wonders where the bulk of the unprecedented budget growth has gone. The answer is high costs and overhead. Startling evidence of this has recently been gathered by Congress. The evidence shows we may be spending up to 18 times more for our weapons systems than defense contractors' own data suggest we should pay for in-house factory work, if their plants were run at normal factory efficiency.

For example, we paid one major defense company working on the MX missile for 5,050 direct labor hours when its own factory efficiency data say the same work should take only 370 hours. That means we pay for 7% factory efficiency on work done by that contractor. This example is by no means unique. We have been paying for enough work for 17 Maverick missiles but getting only one.

When factors other than labor are considered, we have paid more than $600 per standard hour for the kind of work that is normally done in the private sector for $40 to $60. Other such examples throughout the defense industry are common. Some are better, some are worse. What is clear is that this problem is pervasive.

This egregious situation can occur only because competition is alien to the defense world. Only 5% of all defense dollars are truly competitive; the rest are negotiated. It is the negotiated contracts that are responsible for allowing huge variances between standard hours and actual incurred hours for work done in defense manufacturing plants. These variances primarily result from three factors: (1) scrap and rework due to poor quality control; (2) labor inefficiency due to poor management, and (3) continuous design changes due to poor planning. The extent to which each of these contributes to overall inefficiency varies with each system.

Congress and the public suspected the inefficiency problem in the defense industry was bad when examples surfaced such as $1,000 stool caps or $7,000 coffee makers. These were explained away by the Pentagon as "accounting quirks." The argument was that overhead is evenly allocated to each item the department buys. This argument has since been diffused because the Pentagon cannot produce a single example to support the contention. The fact is, defense industry overhead is enormous, the magnitude of which measures the industry's inefficiency. Rhetoric to the contrary is no longer sufficient to deflect public and congressional scrutiny.

FACTORY EFFICIENCY OF 5%

Congress, in fact, has begun to systematically uncover cost data on defense manufacturers' factory performance. Some of the data have surfaced recently at congressional hearings. The figures show factory efficiency as low as 5%. That is no typographical error. Five percent efficiency, for certain in-house work. This can happen only because competition is nonexistent. We are, in effect, subsidizing overhead. As we conservatives say, if you subsidize something, you get more of it. To claim, then, that more money is needed for the defense budget in light of this appalling situation makes as much sense as the prices we are paying for our defense.

The facts in my arguments come from the Pentagon itself. They graph the performance of the department over the past four years, and reveal a systematic weakening of our military at an ever-increasing cost. That is why I believe the Congress this year will ignore the cries of a bureaucracy whose performance is as poor as the one described here. We will politely listen to all the threats from the defense community, and then give the department a budget it desperately needs—a freeze.

□ 1800

NICARAGUA: A REPORT BY WESLEY R. SMITH AND RICHARD H. RYGG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 60 minutes.

Mr. LIVINGSTON. Madam Speaker, on April 4, 1985, two young men by the name of Wesley R. Smith and Richard Rygg compiled a report written by Wesley R. Smith on the status of conditions relating to human rights violations in Nicaragua.

Wesley Smith and Richard Rygg conducted the interviews presented in this report. They speak fluent Spanish and each has experience working with farmers and peasants in Latin America. The Nicaraguan refugee populations in Costa Rica and Honduras are largely comprised of farmers and peasants.

Wesley Smith is a 23-year-old senior studying international relations at Brigham Young University. He served as a missionary to Spanish speaking people in Argentina and Arizona.

From May 1, 1984, to July 15, 1984, Wes worked as an intern in Costa Rica for the newspaper La Nacion Internacional. The interviews appearing in this report from Costa Rica were conducted by him at this time. He was in Nicaragua from December 14, 1984, to January 13, 1985, interviewing.

Richard Rygg is 28 years old and will receive his MBA from Pennsylvania State University in June 1985. He served as a missionary in Nicaragua, Costa Rica, and Honduras from 1977-79. His work involved extensive interaction with the Nicaraguan peasantry and middle class.

Both of these students visited Honduras from March 4 to March 16. While there they visited the refugee areas of Teupasenti, Roos Roos, Danli, El Paraiso, Jacaleapa, El Triunfo, and Cholutecs. They funded their own trip to Honduras.

The report follows:

INTRODUCTION

This report emanates from a compilation of interviews conducted in Costa Rica, Nicaragua, and Honduras during 1984-1985. During this time period over 250 Nicaraguans, inside as well as outside Nicaragua, were interviewed. The few interviews and stories selected for this report are representative of the majority of the people we spoke with during our visits.

We did not go to Central America looking specifically for evidence in support of one side or the other. Rather, we wanted to speak with individuals that represented that majority which wears neither the Sandinista nor the Contra uniform. Our main purpose was to find out what the Nicaraguan people had experienced and why so many people were fleeing their country.

Those people interviewed within the refugee camps were randomly selected to insure a representative statistic of all the refugees within those camps. In speaking with the Nicaraguan people we worked in conjunction with no one else—no ecclesiastical authorities, government agencies, human rights organizations, or international groups. This unobtrusive approach allowed us access to information which, according to those refugees interviewed, generally is not expressed by them.

In publishing this report we are not endorsing either side of the conflict. The stories, feelings, and opinions of the Nicaraguans represented here are not in favor of the Sandinistas. However, this is not a deliberate attempt by us to show only one side of the story. In this report we have simply compiled the stories of the Nicaraguan people that represent the groups we talked with.

We were asked by most of the people we spoke with not to reveal their names for fear of reprisal. Therefore we have substituted most names, but we will be glad to furnish the real names to responsible reporters who will not jeopardize these peope's safety. They took us into their confidence and we are obligated to respect their wishes.

NOTE.—The questions of international law are not examined in this report although we address the abuses which have arisen because of the internal conflict in Nicaragua between the Sandinistas and the Contras.

FINDINGS

Contras

We have no evidence on the Misura nor the Misurasata because there was not enough time in those areas to investigate the truthfulness of the reports received.

In interviewing refugees, many of which were inside Sandinista controlled areas like Managua, Matagalpa, and Leon, Wes could find no specific incidents of Contra atrocities. He did interview with Sandinistas involved in the conflict. They told him of Contra atrocities in general but did not supply any specific instances or relate any personal experiences.

The refugees interviewed mentioned some civilians were killed as Sandinista and Contra forces fought in the mountains.

No accusations were received which spoke of Contra forces intentionally killing, torturing, or raping civilians or Sandinista war

prisoners in fact, almost the opposite was true. Of those Nicaraguans who spoke of civilians being killed, nearly all mentioned that only Sandinistas were participating in such activities—indiscriminate bombing, shootings, torture, etc.

The Nicaraguans interviewed said their attitudes toward the Contra forces had changed during the last 2 years. According to statements, the towns in which they lived did not support or sympathize with the Contra movements in 1981-82. Although no specific reasons were given they referred to the Contras as rebels and most said they had been indifferent to their existence during this early period.

However, those interviewed said their feelings toward the Contras changed and they now sympathized with the Contra movement. They mentioned how after 1982 the Contras stopped their abusive tactics. In addition, they explained that the Sandinista policy of land reform, especially among the peasants, religious persecution, and repression of those who did not support the Sandinista process, were factors causing them to now sympathize with the Contras. One young boy told us that, "the Contras had problems before because they robbed a lot and killed people. Now they're part of the people."

About 20 percent interviewed felt that they had been caught in a cross fire between Sandinistas and Contras and had not sided with either one. These people said they began sympathizing with the Contras when the Sandinista policies became too repressive for them.

While in Nicaragua Wes interviewed several Sandinistas including those from the Juventud Sandinista 19 de Julio. Their feelings about the conflict were generally the same. One Sandinista Youth leader in Leon was interviewed and although she mentioned no specific cases, her feelings represent those of other Sandinistas interviewed in Managua, Matagalpa, and Leon.

"We know about the aggression of the United States and of President Ronald Reagan. The mercenaries (Contras), we know that they come, not only to make money but to burn farms, schools, and kidnap peasants. Over 70 percent of the youth are involved in Sandinista organizations. The Contras are ex[Samoza] guards."

Sandinistas

Evidence gathered during these three visits points to a systematic process of human rights abuses conducted by the Sandinista government against the Nicaraguan people including those who have taken up armed resistance against the Sandinista government. The abuses reported to us or witnessed by us personally, fall under the following categories.

Forced recruitment of Nicaraguan youth by the Sandinista militay.

Religious persecution.

Indiscriminate shelling of villages.

Mistreatment of prisoners.

Forced volunteerism in the coop system.

Repression of the opposition.

FORCED MILITARY RECRUITMENT

In the last six months forced recruitment of youths by the military has increased dramatically. We received numerous accounts of young men being forcefully taken from their homes, local theatres, discoteques and parks. These stories were from eyewitness accounts and from young boys who had been taken but released or who deserted. Some boys as young as 14 have been taken by the military.

While in Nicaragua Wes witnessed one such incident in the town of Nagarote. He arrived at the town at about 11 a.m. Two young girls snuck him through some back roads. While there he spoke to 15 people who related their story to him and saw 10 people who had been beaten by the military. One man received a severe gash. A "mobster" wearing a military uniform had entered his home, and struck him with the end of a hoe.

A 14 year old girl, Eliana Mejilla, described to Wes what had happened earlier that morning.

"At 6:30 a.m. on 27 December 1984 the Sandinista military arrived on the outskirts of town. They came in 2 IFA troop transports and about 15 jeep with the yellow triangle insignia "Prevencion" sprayed on the side. When they started rounding up the young boys from the streets and the parks the people organized themselves. The Catholic father sounded the church bells and the people built barricades on the streets leading into the center of town.

"The Sandinista soldiers beat those families members who resisted the military when they forced themselves into the homes. After the barricades were broken down the military sent in two IFA trucks. Half of the mobsters in those trucks were military soliders who had laid down their weapons outside the town and had replaced them with clubs. Only three boys had been taken but 47 adults were taken prisoners for "counterrevolutionary" activities. The people who resisted the military were not armed Contras but strictly civilians. Around 40 people received injuries from being struck by the military soldiers. Then the mobs returned in two IFA military trucks, broke into a house facing the TelCor office and burned a jeep."

While in Honduras we spoke to a group of 35 Nicaraguan youth who had come across the border several weeks before. They said they had fled Nicaragua because of the military draft. Several had already served in the Sandinista military and had deserted, while others had gone into hiding inside Nicaragua to avoid the military draft. Many of these youth had been imprisoned for not joining the servicio patriotico [patriotic service].

Andres Cornejo was inscripted into the military on 15 January 1985 and deserted one month later. He describes the treatment while in the military.

"The Sandinistas grabbed me on 15 January 1985. I was in the training camp called San Gabriel. While there we [those inscripted] were constantly threatened by our Cuban advisers that if we tried to desert there was a good chance we might get "shot" or thrown in prison or be taken to the most dangerous zones where there was no escape. I was there for one month and then was transferred to the base called Oscar Curos. From there I deserted and came across the border."

NOTE.—All those interviewed who had been imprisoned or served in the military spoke of Cuban advisors which worked in the prisons and within the military system. In asking these Nicaraguans how they knew they were Cubans they gave similar reports: the accent; phrases such as "tu chico"; their mannerisms; and even the type of cigarettes they smoke, etc. One Nicaraguan who spent 16 months in prison told me, "we as Nicaraguans know our own people and we have seen enough Cubans to know who they are and how they act."

RELIGIOUS PERSECUTION

The groups most hard hit by systematic persecution of religion in the northern regions of the country are the Pentacostals and Evangeicals. According to their reports their practice of individuality and belief in God has created friction between them and the government.

A peasant living in the northern zone of San Jose described the religious persecution he received from the Sandinistas.

"I have been serving God for 7 years in the Pentacostal church, Assembly of God. I was preaching in the fields and was persecuted. I have been imprisoned three times for preaching the gospel. I don't know what it is like to take up arms but when they had me they threatened to kill me if I didn't join the military. You were forced to take arms and this pressure happened all over the zone where I lived. In that area they gave me 8 days to decide whether to fight or disappear. We didn't have any other choice but to flee. We were in the mountains for 18 days before arriving in Honduras."

Two other families that fled with him across the border were in the same camp and substantiated the story he gave.

Lidia Herrera and her two children Maritza and Jose Alberto, were victims to a Sandinista attack during a prayer meeting on 7 February 1985. The following is their story:

"We were praying during a religious meeting when we heard bullet shots from outside. When we heard the shots we continued praying and then a member of the Sandinista military entered the house and told us to stay inside or we would be shot. The Sandinista then left the house and we continued praying and heard a rain of bullets. When we looked around seven people were dead and three were wounded. One of the dead was my son Jose Alberto. He had been hit in the face with bullets. The Contras hadn't been in that area that day. In fact we hadn't seen them for a long time."

These peasants not willing to take up arms are branded as counterrevolutionaries. Many peasants testified that they had been imprisoned and tortured for their religious beliefs. Gerrardo Bustomonte also received persecution by the Sandinistas for his religious beliefs.

"The Sandinistas had called me into the prison and then they accused me of working with the counterrevolution. They asked me how I could preach the "message" and be a counterrevolutionary since Christ himself was a revolutionary. They told me I was going to tell them the truth. They put a .45 pistol here [motioning to the temple] and said, "you are going to tell us the truth that you are a contra and that you collaborate with the contra. You're a contra because you won't take up arms.

"He then hit me in the chest and let me free. Before I left he told me that if he caught me working the counterrevolution he would eliminate me. He then said that according to them the counterrevolution was preaching the Word of God. Even if you don't have any arms they accuse you of being a contra if you're not willing to take up arms."

MISTREATMENT OF PRISONERS

It should be noted that many of the prisons in Nicaragua are clandestine and known only to those who have experienced them. They are nick-named by the Nicaraguan prisoners that know of them. The prison names used in this report are those mentioned repeatedly by the Nicaraguan people interviewed.

The prison system in NIcaragua is supplied by the Judicial system which is run by the Sandinista party. Those who have been imprisoned speak of tortures and abuses of human rights. While in prison they receive insufficient clothing, food, and medical attention.

In many instances prisoners, over 90 percent of whom are peasant farmers were forced to make confessions, then tried and sentenced because of these confessions.

The following are torture methods used on prisoners.

Water is dropped on their heads for days at a time.

Light deprivation.

Interrogations in the middle of the night.

Beatings with sticks wrapped in wet towels.

Guards using boxing gloves repeatedly beat prisoners.

Sleep deprivation.

In the northern provinces prisoners are put in tubs of cold water for extended periods of time.

Hanging by the wrists.

Isolation from any human contact.

Forcing prisoners into cells where they cannot sit down or stand up completely.

There were repeated testimonies of this occuring in the Department of Chontales, City of Juigalpa.

The Permanent Commission of Human Rights of Nicaragua (CPDH)

The CPDH receives testimonies from people who were imprisoned and then set free or had finished their sentencing. It estimates it only receives 10 percent of the total incidences of human rights violations. In order for the CPDH to process accusations the victims must supply names and residences. Because of fear of retribution people are afraid to give this information.

Wes conducted several interviews in December 1984 and January 1985 with Lino Hernandez, one of the directors of the CPDH.

From testimonies and evidence gathered, the CPDH estimates that over 95 percent of those convicted by the Popular Anti-Somoza Tribunals were convicted by accusations against themselves while in State Security prisons. Of that 95 percent nearly all have been tortured into accusing themselves. On the average, those accused spend more than 6 months in prison before coming before the Tribunals. Those brought before the Tribunals are condemned by evidence gathered in three ways:

1. Confessions of prisoners against themselves while in State Security cells.

2. Confessions of prisoners against other prisoners.

3. Testimony of State Security guards who heard prisoners confessions during interrogations.

In the majority of the cases the peasants were accused of giving food or logistical aid to the contras. The following part of an interview with Lino Hernandez of the CPDH in January 1985.

"In principal every person that arrives at the State Security prisons is declared guilty. They have a method for each person. We have received testimonies of tortures that don't leave marks or scars. While in State Security they are subject to isolation in dark cells without any light. They are not given food either. We have received information that they use both physical and psychological torture."

Wes interviewed Ramon Melendez in Managua, January 1985. Wes was referred to him by the OPDH. Ramon was released from prison in November 1984. He spent 17 months in prison. He was accused of counterrevolutionary activities. His story follows:

"I was sleeping in my house at 5 a.m. when eight guys arrived with machine guns. They pushed the doorbell and the maid let them in. They took me to the State Security [behind the Hotel Intercontinental] and placed me in cell number 18. I entered the cell and you couldn't see anything. There was only light when they opened the door to interrogate me. I spent 96 days in that cell. I got a skin fungus on my feet and all my hair fell out, because in the interrogations the Sandinista grabbed me by the hair and told me 'you're going to talk or else', and when he did this the hair stayed in his hand.

"After being imprisoned for five days they showed me my wife at the other end of the hall wearing a prisoners uniform. They quickly put me back into the cell and from that day on they told me that my wife was dying. I heard my wife saying 'my love, I can't stand it anymore. I'm dying My children'. It must have been a tape recorder or another woman because my wife was only in jail for one day but they made me believe she was in jail permanently. In my cell I could only imagine the days passing, because in there I didn't know if it was night or day."

Ramon spent 3 months in solitary confinement and six months in a cell with other prisoners. While in El Chipote they told him if he signed a confession his wife would be released. State Security then condemned him with his own accusation. He was given 7 years imprisonment at his first trial, but the appellate court raised it to 15 years. The Sandinistas said he deserved the extra 8 years for complaining to the human rights commission that they, the Sandinistas, were torturing him. He was later transferred to the prison called "Zona Franca" near the Managua International Airport. He said there were over 800 political prisoners in the "Zona Franca" and he estimated thousands are being held in other clandestine prisons within the country. He spoke with hundreds of prisoners that had been transferred from outlying areas into the Zona Franca.

Several defense lawyers that were interviewed in Managua also estimate there are thousands of unaccounted for Nicaraguans who have become victims of the clandestine prison system in Nicaragua.

Rogelio Benavides is 33 years old, from Ocotal, Santa Clara. He describes his treatment while in prison. He was accused of hiding arms for the counterrevolutionaries.

"On 20 March 1984 they took me from my house in Santa Caira at midnight and took me to Ocotal. I was in prison for three months. They investigated [interrogated] us. At night they bathed [soaked] us with cold water. For eight hours we had to stand up soaking wet. They stuck us in [the water] and soaked us and then investigated [interrogated] us. It was painful and we always got out trembling. We were many. They did it the first time to interrogate us. The interrogater asked us where we had the arms. They made me take off my shirt, pants and underwear. The next day they stuck us in again. I left the prison with pnuenomnia."

Pedro Ruiz Alfaro left Nicaragua on 16 January 1985 with his wife and two children. He spent 1 year in Esteli in a prison called "La Barranoa" from July 1983-84. The Sandinistas then transferred him to Chinandega where he was kept in "El Penal" and released him four months later in November 1984.

"I was accused of hiding arms for the counterrevolutionaries inside my house. They brought me before the Anti-Somoza tribunals in Esteli. I had several witnesses which defended me but it didn't matter because they had their frogs [informants] from the CDS [Sandinista Defense Committee] which accused me. The two CDS members were Amado Arados and Dela Segovia. They searched the house and found nothing, but they accused me anyway.

"While in prison several Cuban and Nicaraguan guards tortured me. After being there for two weeks they injected me two times, with a yellow fluid. With these injections I felt like running, yelling and crying. I laid on the floor and trembled. They placed a small tape recorder next to my mouth but didn't ask me any questions. The next day they gave me a second injection much more powerful than the first. They interrogated me around 20 to 30 times. The Cubans would put a pistol to your head called a "Macaron" until you confessed you were a contra. When I was transfered to Chinandega they treated me with more consideration."

The CPDH has investigated several reports of prisoners shot while trying to "escape". These investigations have shown that many of these prisoners were tortured before they were killed. Similar reports obtained during our investigations substantiate these claims. The following story was provided by the CPDH.

"Jose Esteban Lazo Morales (correct name), 39 years old is from Chontales. He was captured 14 November 1983 in San Pedro de Lovago and was taken to the State Security prison in Juigalpa. Four days later he was taken to his home in a coffin which had been sealed with screws. They told the family that they couldn't open the coffin because it would be a health hazard and they would have to bury him immediately at sunrise.

"When State Security left, the family opened the coffin. Jose had a fractured nose, and bruises covering his face. His head and ears were bleeding, his ribs were broken and his genitals were badly bruised. He had been knifed in the back many times which left marks in the shape of a half moon. When State Security found out the family had opened the coffin they sent a forensics doctor to check him out. He diagnosed Jose as having died of a heart attack. They told the Sandinistas that he was bruised on the forehead after falling while showering. And that his nose was fractured because he had fainted and fallen on his face."

Felipe Hidalgo was in prison from March 1982 to September 1982. He told us the following story.

"I first spent two nights in the prison in Jalapa. I was then in Ocotal for 15 days and from there was transferred to La Barranca in Esteli for 45 days. The last four months I spent time in a prison in Esteli called 19 de Julio". In Jalapa they hung me over an open sewer because I didn't obey them. There were eleven of us there. All 11 were transferred from Jalapa to Octogal in the middle of the night. While in route, three of the prisoners were taken out and carried down to the side of the road. The first one lowered from the truck was Eduardo Herra Bustamante. I knew him because he was from a small town near Limon. The next one lowered from the truck was a photographer from Jalapa named Fidel Gabona. He already had a broken arm from before. The

third one was Eriberto Gonzalez. He was from the aldea called Sante Barbara."

Felipe said he learned that these three had been killed because when he was released from prison shortly after his prison transfer his family told him that the Sandinistas said the three had been found in the mountains with their throats slit. Family members said the Sandinistas had blamed the contras for the massacre. He said the story had been written up in La Barricada as a contra massacre.

Pedro Ruiz Alfaro (see story above) is from Esteli and left Nicaragua 16 January 1985. From July 83 to July 84 he was in "La Barranca" prison in Esteli. From there he was transferred to El Penal in Chinandego and was released in November 1984. The following is his story.

"Two weeks after leaving prison in Chinandega I started to work driving a sand truck with two other helpers on the road that leads out of Maouelizo. When we arrived at the river near Maouelizo we left the truck and started searching for sand down by the river. While there we ran across a shallow grave, what we call an aguacera. To us an aguacera is where they kill people. In this aguacera were two men I knew from San Fernando. We calculate there were from 50 to 60 bodies but I could identify only two. I recognized the two because their faces where only bloated. The rest I didn't recognize because their faces were all bruised. They had been with me in La Barranca. The Sandinistas took me out [to Chinandega] but these two men stayed. After I saw them dead I returned and told the families of the dead men. They said they had gone to the Barranca only a few days earlier and the Sandinistas told the families they were no longer there in prison."

Ismael Herrera, a 55 year old farmer from Mora, Nueva Segovia left Nicaragua 5 November 1983. He was imprisoned in April 1983 in the prison La Barranca.

"They put me in jail because one of my sons had joined the counterrevolutionary forces. They put me in a small cell and all I could see was darkness—no light. It felt like you were being hit in the heart every time they came by to take you out of the cell. You feared, because you thought they would take you out to kill you. I know they killed some because they would investigate [interrogate] people at midnight and some never returned. They grabbed me by the hair and put a knife in my throat and an AK in my kidneys and kicked me. They did this so I would say I had been helping the contras. If I had told them that, they would have killed me."

In addition to the mistreatment of civilian prisoners many refugees and people still living in Nicaragua reported incidents of mistreatment of contra prisoners and Sandinista deserters.

A nurse stationed in a Zone called "La Guinea" described an incident with a contra prisoner. She was in a place called "La Fonseca" near Verdun in September 1983 when this occurred.

"I was stationed in this town in the health center when one day they [the Sandinistas] captured a contra boy up in the mountains. They brought him into town behind a horse. The boy was wearing a blue outfit and didn't have any shoes on. He was blindfolded and had his hands tied behind his back.

"They took him to the town square where I was stationed by the health center. There, the Sandinistas shot off their AK 47's and when they did that the horse took off running. The boy was tied to the horse and it dragged him away—tied and bound. The rope then hit a rock and tore. The boy just laid their on the ground badly beaten. They then took the boy and tied him onto a horse that had arms and took him out of the town. The whole town saw this happen."

Luiz Payan is a 37 year old farmer from Jicaro. He witnessed a similar treatment in his home town in November 1983.

"They captured a commander there in Jicaro. He was the one they tortured after he was dead. They spit on his face and stabbed him with a bayonet. They paraded him around the city tied to the fender of their car. The whole town saw it and they almost made me go out and trample on the commando myself. This happened at about 9 a.m. and they called all the people out into the plaza and told us this is what would happen to people who fought against the Sandinistas."

Indiscriminate imprisonment

In the last half of 1984 forced military recruitment increased rapidly. With this conscription came an increase in indiscriminate imprisonment and detainment of youth which appeared to be within the qualified age limit. While in Managua Wes spoke with youth who had been detained by the military longer than 24 hours. In many instances family members don't know the location of their children until they are released.

Salomon Calvo Arrieta is a lawyer in Managua and worked as correspondent for the Costa Rican radio "Impacto". While in Nicaragua Wes investigated the case of his imprisonment thoroughly.

"Salomon was imprisoned 29 December 1984. Two days before his imprisonment he broadcast information about the insurrection in Nagarote which occurred on 27 December 1984. He was taken from his home at 8 p.m. and carried to the military complex called "El Chipote". For the first three days his wife attemped to visit her husband and find the reason for his imprisonment. She was told they weren't sure what law he had exactly broken but it had something to do with "counterrevolutionary" activities. His wife and Wes visited him in prison on 5 January 1985. He was still incommunicado and the authorities would not permit the visit. They accused him of supplying false information about the insurrection in Nagarote—saying that the insurrection hadn't occurred when it actually had. When the international press received the Nagarote story the State Security then accused Salomon of paying money to Manuel Urbina to exile himself in the Costa Rican Embassy in Managua."

INDISCRIMINATE SHELLING OF VILLAGES

Refugees not involved in the conflict but living within the war zones have come under repeated attacks by the Sandinistas. The Sandinistas indiscriminately use artillery against civilian population areas in the Segovias mountain region and have done so along the southern border as well.

Since July 1984 to as late as February 1985 the area around and including "Los Harrados" has come under heavy artillery fire at least 5 times. In the first week in January 1985 a man, Donald Lario, was killed when a mortar fell on his house. The account of Sandinista bombing and mortaring of civilian areas were taken from eight different people in three different refugee camps. Their stories coincide with each other on the shelling incidents although the number of bombings reported ranged from 5 to 7. One specific bombardment was reported by Christina Mariana Reyes. She left her home in Los Harrados near Monsonte, Department of Nueva Segovia on 21 February 1985.

"My own people have been bombed five times in our community. They say the contras are living there but that is not true. It is true they have passed by our way before but, it has been months since they did that. My nephew was killed in December when a mortar fell through his house. They mortared us from the town of Monsonte. The people protested but they would not listen to us. On my way to Ocotal I saw the cannons from where they fired at us."

In August 1984 in an area near "Los Harrados" the Sandinistas bombarded several areas from their bases in "Plan de Gramma" and a place called "La Joba". Ramos Portocarrero Sirias is from Jinotega, residence of Laguna Verde, Jurisdiction of Wiwili. He left Nicaragua in October 1984 after his community was mortared by the Sandinistas. His story was supported by 3 other refugees not related to him.

"We are talking about a bombing which happened in August 1984 that left the valley all burned. We know it was the Sandinistas because we, the peasants, are united and we communicate with one another. We know where the Sandinistas are and what they're doing. The place [where they bombed] is called Laguna Verde and about 6 or 7 powerful grenades were thrown. They have a high powered rocket launcher, mortars and cannons. The bombs came from "La Joba", a place close to Wiwili in Jinotega. There are about 20 houses there and they are pretty spread out. In Plan de Gramma they [the Sandinistas] have a base and they also mortared from that area. It is located about 4 kilometers from Laguna Verde."

Felix Monteguello is from Laguna Verde and left that community in November, 1984. He fled because one of the shells dropped on his ranch and burned it. His ranch was located in El Triunfo, an area close to Laguna Verde. His story supported the testimony given by Alejandro Jordian Bucardo.

REPRESSION OF THE OPPOSITION

Many of those interviewed said they had been accused of counterrevolutionery activities simply because they didn't support the Sandinista political process. This would include absence from DDS meetings, weekly vigilance duty, absence from participating in the cotton and coffee harvest and from attending revolutionary rallies. Those involved in political and civic opposition groups have come under increased persecution by the "divine mobs" and paramilitary groups supported by the Sandinistas.

Guadalupe Castellanos is from the town of Dipilto, Nueva Segovia. [She permitted the release of her real name since she no longer has any family in Nicaragua.] She left Nicaragua in April 1984 after recovering from grenade wounds to her back and arm.

"I went to church a few days before Christmas in 1983 and there was a State Security man named Manuel Martinez who was there preaching to us. He said we had to have a bible in one hand and a rifle in the other so that the revolution would be successful. I had an argument with him and then went to cut coffee with my two children.

"They came with me because as poor people one needs to work hard for a living and they were small so they accompanied

me. We were let off work at midday since the next day was December 24. I stayed to gather big leaves at the bottom of the gulley so I could make a Christmas decoration for my children. While in the gulley I ran into some Piri who were still there guarding the coffee fields. They started harassing me and tried to grab me but I ran away from them for a short distance. They then caught up to me and started beating me. I told my two children to run up the mountain and catch up with the other group of coffee pickers that had already left.

"After the Sandinistas beat me they left me there and went off a little way. Maybe they thought I was dead or they were just waiting to see if my sons would return to help me. I'm not sure, but what I am sure of is that I got up and started running up the hill to reach my children. I caught up with them and then passed them because I knew which way we needed to go. I turned around to see if they were still following us and yes, they were behind us.

"Just as we were getting to the top of the hill a grenade exploded in the middle of us. We all fell on our faces and when I turned around I could tell my 6 year old boy, Luis Alonso was dead. The crown of his head had been cut right off and it was laying there a few feet from his body. It was a clean cut because you could see the bone of his skull. My 12 year old son Misael had been hit in the ear and I tried to help him up but he couldn't hold out his arms. He had a shrapnel wound in his back and it looked like the shrapnel had severed his [spinal] column. He told us to pray and then he told me to return and get some help. I left them together and was taken to the hospital. We weren't allowed to return for six days. When we returned six days later both of them were dead but the older boy must have lived several days because his body was fresh compared to Alonso's body."

In the first interview Guadalupe Castellanos said the Sandinistas had prohibited the people in her hometown from returning to the area where the grenade exploded. In her second interview she only mentioned that they did not locate the bodies until the sixth day but another independent witness testified that the Sandinistas had not permitted them to return and look for the bodies. The 12 year old, Misael was still alive when she left them. Guadalupe received two shrapnel wounds—one in her back and the other in her right elbow.

In responding to questions about how she knew it was the Sandinistas and not the Contras or a land mine she stated:

"It was a grenade because all the other people that were cutting coffee had passed through that same path and nothing had happened to them. You see, this isn't something invented or made up but is a reality because if my companions had passed by there and nothing happened to them, how was something going to happen to me. They had gone ahead of me and I was the last one to go up the path so there had been nothing in the path. The Sandinistas were the ones following us and the Contras weren't anywhere around so it would have to have been them."

Guadalupe's story was supported by almost undeniable evidence. Wes interviewed her on March 9 at about 11 a.m. That same day Wes interviewed a different group of 20 Nicaraguans in a different refugee camp that had arrived from the border only two hours before. Within this group was a 60 year old lady named Juana Maldonado de Castellano. When she mentioned she was from Dipilto Wes asked her if she remembered about anything that happened in her town two Christmases ago. She then responded:

"You must be talking about Guadalupe Costellanos. Her two sons were killed that Christmas when the Sandinistas threw a hand grenade at them. We [the people] weren't allowed to go look for the bodies out by the coffee fields for six days because the Sandinistas prohibited it. A piece of shrapnel had severed the young boy's [spine] column and he died hugging his younger brother because that is the way we found them, except the younger boy was decomposed."

Persecution of political opposition

Repression of Civic opposition groups has been extensive within Nicaragua since the revolution. Political dissension, especially among the youth, is not tolerated by the Sandinistas. Aside from the majority of those youth interviewed who fled to avoid the military draft, there were many who belonged to civil opposition groups inside Nicaragua. These Nicaraguan youth testify they were persecuted for their political divergence from the Sandinista revolutionary process.

While in Nicaragua Wes interviewed Manuel Urbina Lara's brothers. Manuel Urbina was the Nicaraguan youth who had exiled himself in the Costa Rican Embassy in Managua. On December 24 1985 he was forcefully taken out of the Embassy by Sandinista State Security. There are conflicting reports as to what actually happened at the Embassy compound on December 24.

Wes had an interview with the Costa Rican Ambassador a week after the incident. The Ambassador emphatically stated that Urbina must have been forced to leave the Embassy. Manuel Urbina's two brothers—one is named Luis Corronado Urbina Lara—were interviewed in the first week in December. Their version of Manuel's exile in the Costa Rican Embassy is different from the Sandinistas:

"Manuel was a law student at the Central American University in Managua. There he belonged to the political branch of ARDE. In October 1983 he and 50 other students were accused of counterrevolutionary activities and imprisoned. While in State Security custody they were placed in cells of 1 cubic meter and were forced to stand in cold water up to their ankles and were left there for several days. During this time the State Security forced them into collaborating with them. They were to return to their activities within the political branch of ARDE and find ways of discrediting the organization. After 12 days they were sent to the "Zona Franca" because of protests the government received from the CPDH. They were released on December 22, 1983 in pardon given by the Sandinista government. Six months later Manuel Urbine sought asylum in the Costa Rican Embassy."

On May 2, 1964, Cesar Augusto Miranda Ortega, member of the Social Democratic Party (PSC) in Nicaragua was forcefully taken out of his classroom by members of the Sandinista Youth 19 de Julio. They shaved his head, whipped him with belts and covered his body with oil paint putting it into his nose and ears. They did this while Sandinista police stood by watching. He was then taken to the Sandinista Police Sub-Station and interrogated by State Security. Six hours later he was transferred to the Hospital Manolo Morales.

They took him out of the classroom because, as a member of the political opposition, he voiced his opinions about the Sandinista ideology. His accusation appeared in the CPDH. While in Managua, Wes interviewed several ex-students who witnessed the event. One of the female students said many people quit studying at the University after Cesar Miranda was beaten. They said they feared for their lives and couldn't study under such conditions.

A similar incident occurred in the town of Matayalpa in April 1983. Esteban Martinez witnessed "divine mobs" attack a student named Cesar Flores. The following is his story:

"Cesar Flores belonged to an organization which opposed Sandinism called the Social Christians. One day the mobs, the Sandinista Youth, came to class and took him out and humiliated him. They cut his hair and made him swim in the open sewer there by the school. I saw this happen in April of 1983."

Demonstration in Chinandega

There was a demonstration in Chinandega one week before Arture Cruz visited there during his political campaign for the Presidency in November 1984. Several civic and political youth organizations were protesting against the forced military recruitment. The "turbas" attempted to break up the demonstration but were outnumbered by the students involved in the protest. Fabian Gustavo Betancour was the Secretary General for the Social Democratic Party in Leon and Chinandega and was involved in organizing the demonstration. He is now a refugee in Honduras. He describes the following incident:

"I am here [in Choluteca Honduras] and fled political persecution because I am a member of the Social Democratic Party. We had a protest one week before Arturo Cruz arrived. In this demonstration there were anywhere from one to two thousand students. The Mercantil college had asked me to organize a protest against military conscription. The Sandinistas arrived at this school and carried a list of all those who would serve in the military. We organized a peaceful demonstration because we didn't want to serve. We didn't want to kill our brothers and we wanted all this to end. We started the protest and took to the streets. Since the "divine mobs" couldn't attack us because there were only a few, they called in to Leon and Managua. Close to 1000 turbas arrived in IFA troop transports. Nearly all the schools were there with us. The streets were full of students, fathers. The turbas arrived and started hitting us with clubs. The police not only didn't stop them but joined in to help them attack us. As I told you before, this was a peaceful demonstration against the military service. During the demonstration a girl had her throat slit. Many people saw that a CDS woman who works in the market had done it. The Sandinistas said she had been asphyxiated, but how could she be asphyxiated with all the blood all over. There were journalists from La Prensa but they censored the paper so we couldn't read about it."

Four students from Chinandega substantiated Fabian's story about the murder of the girl. Two of the students were interviewed in the Jacaleapa refugee camp and the others were interviewed in Teupesenti.

FORCED VOLUNTEERISM

Eduardo and Maritza Pereira left Nicaragua May 19, 1984. They lived in an aldea

called "Las Playas" In Nuevo Segovia. Olivia's family wouldn't sell their grain to the government cooperative store in the area in which they lived. This incident occured on June 26, 1983:

"Olivia's father, Alejandro, would not accept the low price which the government offered him for his grains. When he refused to sell them the grain at that price they said they would force him to. The next day the Sandinistas arrived at Olivia's home and forced their way into the home. Alejandro and Olivia's two brothers were taken out to the back of the house. One brother managed to escape through the corn field. The father and son were put against the House and shot. Those who witnessed the shooting were Olivia's mother, a neighbor girl about 25 years old and Olivia's brother that had escaped. She said they had come to the house to teach her father to cooperate and not ever sell his grain to anyone but them."

Rodriguez Sanchez from Murra, Nueva Segovia is another peasant farmer who felt pressured by the Sandinista Cooperative system:

"The Sandinista regime made life impossible. Before there was a free commerce. Now if you sell your grain without permission they'll throw you in jail. Many of my friends were jailed for doing that. I left Nicaragua because I realized that the Sandinista regime didn't support the working campesino."

The students coming across the border told us that they are pressured, through the educational system, to work on the cooperatives. A common feeling among these youth was, "If you don't cut coffee and cotton then you are not advanced into the next grade."

CONCLUSION

As stated in the introduction, we have tried to follow the guidelines of objective research. Except for certain political and civic leaders in Nicaragua, we randomly selected all other sources from which we wrote this report. The testimonies were checked against other stories to verify their accuracy. Many testimonies were discarded in this process. The testimonies used in this documentary represent common themes encountered during the investigations. This report is based on personal testimonies given to us. We used only a few examples to illustrate the abuses we heard during our interviews. We have many more which would further substantiate our findings.

From the 100's of interviews conducted we conclude that the Sandinista regime has systematically repressed those Nicaraguans who are not in support of their government.

The Sandinista government has lost popularity among the Nicaraguan people and has attempted to retain it's stronghold in Nicaragua through the use of force and terror.

Those groups most affected by the Sandinista's systematic use of force and repression are:

Religious groups, especially evangelic and pentecostal movements;

Peasants not willing to farm cooperatives or sell food in the government;

Teenage youth from 15 years and older not willing to serve in the military.

Civic and political organizations which don't support the policies of the government; and

Nicaraguans not actively involved in promoting the growth of the Sandinista system.

There is an underlying fear among all the Nicaraguans interviewed which should be mentioned in order to explain the diversity of stories currently coming out of Nicaragua. The people feel betrayed by their government and by the international community as a whole. They are very cautious about speaking out against a government they feel has control of the international humanitarian groups as well as the international journalists.

Many refugees said it was too dangerous to tell visitors about their experiences while they were still in Nicaragua. Others mentioned how they told reporters and Sandinista officials that their sons and daughters had been kidnapped by the Contras when in reality they had fled the country voluntarity or had joined the Contras themselves. To lie was the only way for them to avoid reprisals. We believe the type of systematic repression instituted by the Sandinistas has been successful in keeping much of this information from leaving Nicaragua.

We ask human rights organizations and journalists to talk to refugees in Honduras and Costa Rica. If they do this, a new side of the conflict in Nicaragua will become even more apparent. If groups choose to continue to ignore the causes of the steady stream of refugees and the stories they bring, reporters and human rights activists will not be doing justice to truth, nor to the common people of Nicaragua.

□ 1850

I yield to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. I thank the gentleman for yielding to me.

Mr. Speaker, I would just like to underscore something that the gentleman just said moments ago about a Nicaraguan citizen who was murdered under the Sandinista government. He was taken out into the mountains or elsewhere and left to be found and then was attributed, his death, to Contra activity.

I would like to augment that with information that I received upon a visit to El Salvador in meeting with the Human Rights Commission and others, who explained to us how that whenever there is support for the prodemocratic forces, that the left guerrillas can, at will, murder anyone, indiscriminately; throw them on the steps of the local news bureau or any of the international news organizations; point to that as activity by the death squad, that then gets full coverage across the globe as death squad activity. It leaves the prodemocratic, profreedom forces in the position of having to justify why this activity went on.

That has been so successful in El Salvador and has been brought to a successful art in Nicaragua where now they have formed Contra forces in the Sandinista Army. The Sandinista Army dresses up as though they are freedom fighters; they enter a village; declare themselves as prodemocratic, profreedom Contras; of course, they are warmly received by the citizens of the Nicaraguan village. Once they have identified who the potential supporters of the Contra forces would be, they then herd them into the center of town; murder them, and then leave.

Of course, an international news bureau that were to reenter that village; were to pose the question to the wives or mothers or surviving children of the murdered citizens of Nicaragua, would then report that the Contras came into our village, they murdered the men, the women and the children, and they left. That has been a very successful tactic, and I can say that over this following weekend, those forces that are antidemocratic, pro-Communist, pro-Sandinista will attempt to use that Communist tactic in every conceivable fashion over these next 72 hours. They will attempt to broadcast it on television and on radio.

I appreciate the gentleman for bringing that particular tactic to our attention.

Mr. LIVINGSTON. I appreciate the gentleman raising that fact. As a matter of fact, I might say that I just spoke with a citizen of Nicaragua not more than 2 days ago and he detailed the same account to me. In fact, he named the individual in charge of that Sandinista squad. Unfortunately, I cannot remember his last name, but his first name was Irene, I-r-e-n-e. I will get his last name for the RECORD so that we can supplement the RECORD for posterity.

I appreciate the gentleman pointing that out. I might also say that these incidents have been documented on a regular basis. There is adequate testimony if only people want to sit down and listen to it. There are plenty of people in Nicaragua who will talk about this stuff.

□ 1900

Madam Speaker, I have just come back from Managua. I have spoken to lots and lots of people on my own, and I can tell you that all of the stories I have heard from the people who do not favor the Sandinista regime back up, confirm, corroborate exactly what is in this report by these two Morman missionaries, Wesley Smith and Richard Rygg.

I might also add that there seems to be a trend of, well, a whole stream of American citizens and internationals, Canadians, and other people from Western Europe who are taking advantage of the opportunity afforded them by the Nicaraguan government, the Sandinista government, the Stalinista government, to get cheap airline fares to fly to Nicaragua to watch a dog-and-pony show put on by the Nicaraguan government and come back and blast the United States and blast anybody who would try to help the Contra movement.

But the fact is that is a trumped-up charge and those people are either being suckers or overtly allowing themselves to be used by the Sandinista government, because if anybody is truly interested in the plight of the

Nicaraguan people, they need only read this objective report by these two young missionaries who went down with no bias whatsoever and came back with this amazing account of one atrocity after another, perpetrated by the Sandinista, the Stalinista government, against the people of Nicaragua.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 239, TO APPROVE THE OBLIGATION OF FUNDS AVAILABLE FOR SUPPORTING MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 99-50) on the resolution (H. Res. 136) providing for the consideration of the joint resolution (H.J. Res. 239) to approve the obligation of funds available under Public Law 98-473 for supporting military or paramilitary operations in Nicaragua, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2068, DEPARTMENT OF STATE, THE U.S. INFORMATION AGENCY, AND THE BOARD OF INTERNATIONAL BROADCASTING AUTHORIZATIONS, 1986 AND 1987

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 99-51) on the resolution (H. Res. 137) providing for the consideration of the bill (H.R. 2068) to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board of International Broadcasting, and for other purposes, which was referred to the House Calendar and ordered to be printed.

INTERVIEW WITH ARCHBISHOP OF MANAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Madam Speaker, as I said this morning in opening remarks during a 1-minute speech, we are entering a very tense period in the history of the Congress of the United States. We are going to begin that tense period, it appears, with a statement on whether or not Mr. Rick McIntyre, from the Eighth District of Indiana, who was twice certified as the winner of his congressional election last November 6, is going to be seated amongst us here in this body.

I am afraid the way events seem to be coming down in that story that a lot of good will is going to be lost in this House and there will be much hard feeling. The timing could not have been worse, and I was afraid this was going to happen: That it would come in conjunction with the beginning of the debate toward a vote on whether or not to support President Ronald Reagan's policies in Central America and the Caribbean.

Because of the late hour tonight, and our staff of recorders and clerks here, as usual working so hard and being so patient, and all of our brilliant staff members in the two cloakrooms, I am going to defer much of what I wanted to say tonight about the Nicaraguan problem to Monday night, but I would like to insert in the RECORD for my colleagues to read, and hopefully a handful will read, because I have this horrible feeling that we are talking past one another on this issue, and that nobody will listen to the thoughtful comment on the opposing side that each of us take on this issue of aid to the Nicaraguan democratic resistance forces, as I choose to call them.

I am trying not to do that. I am trying to listen to the documentation of the atrocities on the other side and seek out truth, because very rarely is anything in life black and white, there are always shades of gray; however, I have this feeling that those in the leadership on the majority side of the House of Representatives have closed their minds completely to the fact that there may be as many atrocities on the side of the Communist government in Managua as there were earlier when the Contras were first out in the field and they had not developed the discipline of a military structure, as I believe they have now.

I also, like the gentleman from Louisiana who just spoke, Mr. LIVINGSTON, have just returned in the last couple of weeks from three countries in Central America. It was my eighth trip in just 4 years to that region, and I had probably one of the most fascinating interviews in Managua with the archbishop of that archdiocese, Archbishop Miguel Obando y Bravo.

I said when I returned on April 3 in this Chamber that I have never met a more courageous man in this Hemisphere, and I mean that. Here is a man who truly accepts the full responsibility of being the shepherd of his flock there and he has been the president alternately of all the nine bishops in Nicaragua, and the things he told me in a long interview that I sat in on with Congressman VIN WEBER of Minnesota sharing the questioning with me, fortunately was tape recorded and has been carefully transcribed so that we could bring back for the first time, I believe, to this chamber in depth the remarks of the archbishop, the only archbishop of the nine in Nicaragua.

The interview was conducted, the dialog on March 30, 1985, and I would like to submit that for the RECORD:

INTERVIEW WITH ARCHBISHOP OBANDO Y BRAVO, MANAGUA, NICARAGUA, MARCH, 30, 1985

SERRA, HUNDLEY & FLORES,
St Paul, MN, April 15, 1985.

Mr. FRANK GRAVES,
476 Woodlawn,
St. Paul, MN.

DEAR MR. GRAVES: Thank you very much for considering us to do the translation of the tape taken from the interview with the Archbishop Obando y Bravo of Nicaragua.

Present at the interview were Congressman Vin Weber, R-Minnesota, Congressman Robert Dornan, R-California and Frank Graves National committeeman of the Independent Republican Party of Minnesota. Also present were Jack Meeks, Chief of Staff to Vin Weber in Minnesota, Brian Barnett, Administrative Assistant to Bob Dornan, Lynn Bouchey, Director of the Council of Inter American Security, and the interpreter. Because of difficulties in distinguishing the individuals asking questions, we have not identified them individually in the transcript. Most questions were asked by Robert Dornan, Vin Weber, and Frank Graves.

This interview took place on March 30, at the residence of Archbishop Obando y Bravo. It began at 1:30 p.m. and lasted for more than 90 minutes. The translation as represented in the attached transcript is as accurate as we could make it. However, there are problems with the audio tape, in that at times too many people are speaking at once and quite a few times the instantaneous translation superimposes the English over the Spanish. Occasionally neither are intelligible. In such cases, where translation is not possible, we have attempted to construct "the sense of the conversation" based upon contextual continuity. Such passages are indicated by underlining the section in question. In most cases we have translated directly from the Spanish. Whenever the original Spanish has been unintelligible, we have used the English version of the interpreter.

We have, in some cases, rearranged the punctuation and the structure of some of the paragraphs to make them more intelligible for the English reader. In no instances have the meaning of the statements been changed.

Thank you again for using the services of Serra, Hundley & Flores.

Sincerely,

ENRIQUE SERRA,
President.

BRAVO: No doubt that groups from the United States come here, and some of these groups are already prejudiced and have contacts with the Antonio Valdivieso Center, which is an ecumenical center in the sense that they represent both Catholic and Protestant groups, but they support the government. This is the institute of the Popular Church. At the bare grass roots level this Popular Church does not have any force, but it does at the propaganda level and it has many dollars and for the most part these groups from the United States come to this Center. The Center distorts a little bit the information and they go back to the United States saying that this is a marvelous system. Some come to find the truth, but the groups who come already

prejudiced rarely change their way of thinking.

INTERVIEWER: Do you think that they already come with a closed mind?

B: Some groups have already taken a position. When they speak to us they take a defensive attitude supporting the Sandinista government. We have also brought some Bishops from the United States, so they will know the realities and we have facilitated their meetings with different groups. We have been visited recently by the Archbishop of New York, O'Connor, the Archbishop of Washington, Hickey, Bishop John O'Mally and the Bishop of Corpus Christi. We have helped them to meet with people who have different ways of thinking. I have recognized that the Sandinistas have carried out a great amount of propaganda, not only in Nicaragua, but also in Europe. I have been to Germany and Italy. I think they have many sounding boards. International communism has given them a great deal of support.

I: Did not Archbishop Roach visit Nicaragua?

B: He was here for three days last year.

I: He has always been supportive of the Sandinistas and critical of President Reagan, but when he returned from his visit with you, he said that there was no choice but for the American Bishops to support the Bishops of Nicaragua. This was perceived by most people as a change in his position and that statement was very helpful to guide people from my part of the country. As an example of the kind of help that you can provide to us in your conversation with American Bishops, we need them to make those kind of statements they have not made before.

B: Some American Bishops have priests who advise them a little bit inclined toward the left and I think that these priests play an important role and they always come here with them. There are Maryknolls. Brian Heheir is always with them and they are inclined toward the left. Gallivan is another one.

I: Brian is the one who wrote the letter on capitalism and nuclear arms. He is the brains behind this group. He is machiavillian.

B: The Bishops in the United States say on the one hand that they are in agreement with the Bishops in Nicaragua, but on the other hand that they cannot justify Reagan's policy. I think that they are also under great pressure in the U.S. They told us to stop worrying, "Don't worry about what we say in the United States. We are under very strong pressure". On the other hand the Sandinistas send groups there and also the Maryknolls are very powerful.

I: Isn't that saying; don't mind us if we hurt you with what we say in the United States because we have pressures. We are supposed to lead.

I: We are elected. We are the ones who have to worry about the country. We are accountable only to the Holy Father and to God.

B: But there is no doubt they have pressure and Sandinistas visit all these Bishops and Archbishops and send the newspaper "Barricada" to them. And this is the kind of information that each Sandinista ambassador takes and not only to the Bishops of the United States, but also to other Bishops and Cardinals of South America.

I: Where is Father Pena?

B: He is in the Church of the Holy Spirit.

I: Is he in danger?

B: No, we have protected him, but to live here is always dangerous.

I: Have you gone to his church and said mass with him?

B: We have been in mass together. We are very good friends.

I: Have you had to telephone Daniel Ortega?

I: Well, when he was arrested we tried to establish a dialogue with Tomas Borge. He promised us that he would not do anything to him, but that very same day he sent a mob (turbas) that beat some of the people who were at the church. Then we limited ourselves to public statements and after a few months he was set free.

I: Was he beaten in prison?

B: He was under house arrest in the seminary. He was there for a few months.

I: Is your seminary allowed to operate here to train your people?

B: Yes, for the time being we are giving the philosophical orientation that we want. We have asked the government that they be excused from military service.

I: Have they threatened you?

B: Well we have to send them the list to see if they are going to excuse them from the military draft.

I: Is that still up in the air?

B: For the moment it has been resolved.

I: Let's come back to the Popular Church (Iglesia Popular). Do the priests of the Popular Church say they are not under your discipline as the shepherd of Nicaragua?

B: According to their public statements they are in communion with the Pope. But this is only of a tactical nature because in reality they follow a sectarian politics. They support the government in everything, even if it means going against the Pope himself.

I: Have they said this to you?

B: They have said it through the newspapers. For instance, when the Pope declared himself against the participation of priests in the council of ministers, these priests were against the orders of the Pope. They have very strongly criticized the Bishops publicly.

I: How many priests are in the Popular Church?

B: There are about ten Nicaraguans, but there are Canadians, Spaniards, and other foreigners.

I: How many Americans?

B: There are South Americans and North Americans. There are some nuns and priests who come from all over to organize seminars. They are sort of traveling in a laboratory.

I: Don't they come to you when they arrive? Don't they come for facilities?

B: That is arranged by the Popular Church. They organize seminars in the Valdivieso Center, the Historic Institute and they leave making statements to the effect that the only solution is Marxist-Leninism and struggling because Marxist-Leninism advocates class struggle.

I: We probably have some more technical questions but let me get a little philosophical now. Our Bishops that we love are in redemption, not in revolution; they don't go around recommending bombs or guerrilla movements, they don't talk about Jesus, so we have no Bishops on our side. Those who have to be secular, political and paid for (unintelligible) but the priests into revolution, defend killing, terrorism, bombs and they defend atheistic governments, Moscow or Cuba. How can we win? If our Bishops are silent and these priests slap the Bishops face, do what they want and ask me to pay for their clothes, their food, their houses, their gasoline and their car. I am very frustrated.

B: There is no doubt, I have been in meetings with American Bishops from C.E.L.A. and they demand that the U.S. disarm. I think that it is also necessary to disarm the Soviet Union, because if you only disarm one part it becomes very dangerous. There are groups of priests who think that Marxist-Leninism can be used to interpret social, political and economic realities, ignoring, so they claim, ideology. But it is impossible to define it this way, because they accept class ideology and they arrive at the conclusion that the end justifies the means.

I: Have some of these priests lost their vocation?

B: They deny it, but in practice they are orientated toward marxism, yes, they are marxist.

I: Do any of the "nine comandantes" go to church, go to communion or go to confession?

B: No, none of them.

I: Does Miguel de Scoto still go to church?

B: Well, it might be that he goes to church in the United States, but here in Nicaragua, I have never seen him in any church.

I: We were discussing before coming here, the status of the priests in the government; de Scoto, Cardenal etc. According to common law, what is their status within the church?

B: This problem was handled by the Vatican with the Bishop superior of these people, naturally the Holy See stated that priests must not occupy ministerial positions within the governments. During the first stage, the Holy See extorted the Bishops of Nicaragua to have a dialogue with these individuals and we concluded with them, that as long as they were members of the council of ministers, they would not be able to exercise their priestly duties neither publically nor privately. During the second stage, the Holy See asked them to resign from their posts but they refused. They are suspended, yet they continue on their jobs.

I: What's the difference between the first stage and the second one?

B: In the first stage, legally they could not be suspended (a divine). It was agreed with them that as long as they were members of the council of ministers, they could not exercise their priestly duties, whether public or private. In the second stage, they were told that if they did not leave their post, they would be. * * *

I: A decree from the Vatican.

B: From the Vatican or the Bishops, some of them are diocesan, like Ernesto Cardenal. His Bishop was instructed to send him a decree stating that if he didn't leave his position in fifteen days he would be suspended. He answered refusing to do so because he was going to be faithful to the revolution.

I: Fernando Cardenal is the minister of Education and Ernesto is * * *

B: Ernesto is minister of Culture and a diocesan priest. Fernando was a Jesuit priest and he was expelled by the Jesuits.

I: According to common law they are all forbidden to exercise their priesthood.

B: They would not be able to do it legally.

I: The next step; if they did something disloyal to the Pope, would be to defrock them.

B: An additional step would be for them to lose their priesthood in a legal sense. A priest may lose legally his status of priesthood through a very grave fault and when there is a rescript (official written order) from the Holy See. But this rescript can only be given by the Vatican and no Bishop can give it. Things are kind of tranquilizing,

but their status of priesthood can legally be taken away from them.

I: One more step could be excommunication.

B: The worst thing you can do is to take away their state of priesthood.

I: Has this been suggested to the Vatican?

B: The Vatican has remained silent about it.

I: But they are still thinking about the whole matter.

B: I thought that the Vatican was going to continue giving, but they just have been silent.

I: If Father Pena is ever beaten to death by the "turbas divinas", would the Pope move swiftly?

B: It depends on the information received by the Holy Father because, the first person in the church to defend a priest must be his bishop.

I: These people who come here with their prejudice; they are coming here to reinforce their prejudice. They come back to Minnesota to preach to the Lutheran congregation and their message is that there are now in Nicaragua two churches; the rich church and the people's church, and they say that the rich church, the traditional church, is out of touch with the people and has no following any more because everybody is going to the Popular Church. Then I hear from other people that this is a lie. So I would like to hear from you the Archbishop, what the truth is.

B: That is the kind of propaganda that the Frente Sandinista carries out in favor of the so called "Popular Church", but this is not the reality. If you are here tomorrow morning in Nicaragua, you can come to mass here at eleven o'clock and you will be able to see a good number of people. If you stay here until Holy Thursday you will see around ten thousand people. If you remain here until Good Friday, you will see around one hundred and twenty thousand, while the Popular Church will be able to assemble only a few people. But of course when they want to organize a show of public display, be it Catholic or not, they do it in a small church to give the impression that it is filled. I have been out in the country this week and I have seen many farmers (campesinos). Obviously, if you talk about the church of the poor, you are talking about us. We have visited the rural areas. This morning I visited with the sick of a church. We are the poor ones because we don't have any access to television. Our Catholic radio programs are censored by the government. But, there are certain priests that can make use of radio, television and government newspapers. They can say anything they want to while we suffer censorship. At the economic level we are the Church without land or property. We must live from what the leaders want to give us. There are some priests that receive not more than fifty dollars a month.

I: Does the Popular Church get money?

B: Yes, last year the Antonio Valdivieso Center received half a million dollars.

I: I would like to ask one more question. Geraldine Macias told me and a few other people, that to the unescapable detriment of the Sandinistas, that the people who now are reading the Bible, whether it is in the Popular Church or the other one, are not being deceived by marxist rhethoric. When they read the word of God they will sooner or later see the truth and her organization "The New Exodus" in Washington, most of the refugees who are coming from Nicaragua are people who have made a decision based on what they have read in the Bible. Is that what is happening?

B: I don't know if I am following your question.

I: The point is that she says that the word in the Bible overcomes propaganda.

B: There is no doubt that some of these priests from the Popular Church try to interpret the Bible from a marxist viewpoint. A good example of this is their interpretation of the passage of the good samaritan. Imperialism passed by, he saw him wounded and he closed his eyes. The Church passed by and also closed her eyes and did nothing until the Sandinistas Front came, cured him and housed him. Here they have not had too much success because the Bishops have exercised great leadership and they are believed by the people. That has stopped them a little bit, but probably with time the government may pressure the people and take advantage of that. Now they are having problems because the people believe the Bishops.

I: Evidently, their tactic of misinterpreting the Bible is backfiring. It's not working.

B: No doubt this has damaged them because we have been clear on this. You can not betray or distort God's words. We have spoken honestly, even though that we are aware that this could place us in danger of being attacked by the "turbas" (the mob).

I: Are all the Bishops of Nicaragua in total solidarity?

B: We are together. Each Bishop has a different temperament. Some are more independent, others are a little more generous toward the government. But when it comes to a pastoral letter, all of them sign it. Some Bishops are more combative, others are more passive.

I: Bishop Vega is like a rock.

B. He balances himself out.

I: Do you receive support from Rivera y Damas of El Salvador and the rest of the Bishops of Central America?

B: I am a good friend of Rivera y Damas, he was my law professor and we are from the same order, the Saleseans.

I: We met with him yesterday.

B: Yes, we are friends. He is going through a very different situaion, but we talked recently. We were in Costa Rica and we traveled together on the same plane. I tell him my experiences and he tells me his. We are friends but our situation is different.

I: Do you have a friendship with Bishop O'Connor?

B: Yes, I have been a guest of Bishop O'Connor twice in New York.

I: So you were meeting him for the first time?

B: No, I had already written him a letter inviting him to here.

I: Who was the boss of that committee, Bernardine or O'Connor?

B: O'Connor.

I: Was it obivous?

B: If he was not the boss, at least he made it look like he was.

I: Is Hickey more realistic about it?

B: I have been a guest of his, he asked me to stay at his house if I visit the U.S. I think that he understood the reality a little better. I think that he has always been influenced by some groups. He has been to Nicaragua twice.

I: He is a problem for us in the United States.

B: That's because he has pressure groups there and he greatly admires the Maryknoll nuns.

I: He feels responsible that Jean Donovan and one of his nuns were killed in El Salvador. They were from Cleveland. Did he tell you that?

B: No, he did not, but I know he has a picture of those nuns in his house.

I: Another problem is of course the bureaucracy of the U.S. Catholic Conference and that means Father Heheir, and that is bad news.

I: Archbishop, I am 51 years old, for 50 years, priests and nuns were my heroes. Last year, in coming back to Congress, eight nuns and priests told a lie. They took a full page ad in a newspaper, stating that abortion was not important, and Central America was everything. My political opponent has voted for abortion, so what, the House of Representatives, we have one hundred and twenty six Catholics. They are many. All the Catholics who vote for abortion, maybe two dozen of them, don't go to church any more, laugh at their Bishops on moral issues, but love the Bishops on Central America and disarmament and quote them on this every day. Those of us who practice our faith, go strong on moral issues such as abortion, narcotics and pornography, find ourselves opposite to our Bishops. One man; Brian Heheir is like Rasputin, he is behind everything and he is splitting us.

B: He is a very intelligent man.

I: Yes, Lenin was very intelligent.

I: Let me tell you what a sister said. Three nuns came here on a quick trip of two or three days; Sister Kromer Corandelay, Marianne Hepper and Sister Shinhoover, sister of St. Joseph. They said that there were no problems with the church in Nicaragua and the Popular Church was the real one and that the nine Bishops, then she paused, and said, "You know what Bishops are like; there is a misunderstanding with the hierarchy, our problem is our Bishops, and the church in Nicaragua is not oppressed." They denied when I said, quoting you, that Marxist Leninist literature is forced in parochial schools.

B: There is a materialistic orientation in the schools. The teachers must attend workshops and the workshops give them orientation. All schools have to attend these programs. Of course we try to introduce religion in one way or another, but the program is materialistic.

I: Can you give an example of how it is materialistic?

B: They disregard God and emphasize evolution. Likewise they also emphasize biology, economics and politics. They also insist on teaching about the martyrs and heroes of the revolution.

I: What about the members of the resistance, the contras? Are they friends of the Church where they are active or do they persecute the Church? What is your relationship with them?

B: I don't have any direct relationship with them at a personal level. They are in the mountains of Matagalpa, Jinoteca and the Atlantic coast. The reports sent to me by the Bishops who work there show that they have not received any problems from them, none.

I: Less problems than priests and Bishops have had from the government?

B: The reports that I have received from the priests of those areas, is that they have not had any problems with them.

I: Do any priests travel as chaplains with the contras? Enrique Bermudez in the north and Eden Pastora in the south have chaplains?

B: There are no priests, that I know of, working as chaplains.

I: What is your appraisal of the proposal made by Arturo Cruz to the Contadora regarding dialogue?

B: We Bishops put out a short while ago, a communique. In this communique we agreed that we could serve as mediators as long as the two sides in conflict want a dialogue and will accept us as mediators. We cannot impose the dialogue. The government has not given us an official response, but in government media, there has been an attack against the Bishops, accusing them of wanting dialogues with criminals and that they (the Sandinistas) will only dialogue with the master of the dog. The only thing they said is that they will only dialogue with the mouth of the machine gun.

I: That's pretty hard. I don't know if you can approve of aid to the contras resistance, but do you condemn them? If President Reagan asks for aid or we vote for aid, would you condemn that?

B: We have always been clear on this. We have stated that the ideal would be to find political solutions; that would be ideal. But of course, the layman can take their own attitudes and positions. The layman can choose his options without the need to consult with the hierarchy.

I: Can a campesino fight with the contras in good conscience and go to communion?

B: This depends on his conscience. I accept that in the moral field, and I quote from the words of Paul VI at Medellin (Colombia), violence is neither Christian nor Evangelical. But then he says that when there is an unjust situation and everything else has been tried, you can take up arms as a last resort, provided that the situation will get better and not get worse. The same it is said in number thirty eight of (unintelligible) when there is an institutionalized injustice and as a last resort, you can go as far as that. This is as long as you have used up every other means. The layman could make up his own reasoning if he believed that this is his last resort.

I: As long as you hold to the promises of improvement.

B: Not if they are going to get worse, but if they are going to get better, the answer is yes.

I: This is an important point, moral theology. This is an issue of moral truth.

B: This is based on Thomestic ethics; in the presence of an unjust agressor, I have the right to legitimate defense.

I: I have a different question. We can leave the Catholic area for a minute. As difficult as conditions have been for the Catholic Church here, we have heard even more horrible stories about the treatment of other religions in Nicaragua by the Sandinistas, particularly the Pentecostals, and to an extent the Jews. Can you comment for us on the treatment of the smaller religions, such as the Protestants, by the government. Are they oppressed?

B: Some Protestants are on the safe side. They had their problems. They took synagogues away from the Jews. The Protestants who have not been aligned with the government have been harassed. Most people here are Catholics. When there is a confrontation with the Catholic Church it has great publicity. Around here the Catholic Church is stronger.

I: In April of 1984 you had a pastoral letter that the Church was being oppressed. This is what I told Marianne Hepper the nun. Do stand by that letter, that you being oppressed then?

B: We the Bishops had established conversations December 24th of last year. At present there is a commission of Bishops that continue conversations with a commission of the government. We have had difficulties in obtaining visas for foreign priests who want to come here. Many of the missionaries who were here were getting tourist visas rather than resident visas, so we have started a dialogue to see if all these problems are solved. They have not been solved entirely. They are being partially solved. There is no doubt that there have been problems for us. People in our Church are being pressured by the CDS's block committees. Some catechists have been sent to jail. There have not been any more attacks by the "turbas" as the one in June of last year. As you know my car was twice destroyed by the "turbas". They broke the glass windows.

I: Were you in the car?

B: I was dressed in red very solemnly.

I: Were you both times in the car?

B: Not the first time. The second time I was inside. They threw rocks and they broke all my windows, but not my head (laughter).

I: That would have been a sacrilege. May I give you an opinion in closing?

B: O.K.

I: I believe monsignor, that things are a little better because young men in Nicaragua are fighting with the democratic resistence. And I am saying a rosary for them every day at work and every day at home and I go to communion every day.

B: And for the Bishop also (laughter).

I: I am going to vote for aid for the democratic resistance in good conscience.

B: That's good. Does the other congressman have a last word?

I: The Archbishop mentioned that he had been to Washington, perhaps he is coming again soon?

B: I have been invited to go to Washington the 15th of April, but I can't go. I haven't announced it. I am being invited by the State Department. I have to consult on this, as a matter of courtesy, with the Bishop there and my presence there always receives wide publicity.

I: It would be very helpful for us, whenever you can, to come to Washington and talk to the people and the news media as well as people in Congress. When you come to Washington we will be honored if you will allow us to arrange private meetings, off record, unpublicized, with members of Congress.

B: I will let you know when I go there. I think that Monsignor Carballo might be going there by the middle of April. I am abstaining from going because as Archbishop it will attract so much publicity and as a matter of courtesy I have to count on the Bishop there. All this creates a little bit of a problem for me.

I: He is the priest who was set up and ran on up the street naked (only in English).

I: With your permission.

I: He works for you.

B: We are very grateful for what you are doing for Nicaragua. Thank you for this pleasant visit.

Mr. DORNAN of California. Also, I want to put in the RECORD, having just come over to the Chamber from the conclusion of the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs, of which I am a member—I served 2 years in 1981 and 1982 on the Western Hemisphere Subcommittee and passed up an opportunity to serve on it during the next 2 years and, of course, when heightened debate begins on this issue I am going to regret that decision, but I chose instead to serve on the Arms Control Subcommittee and the Subcommittee on the Middle East, Europe, and the Soviet Union, because I believe that time will bear me out that in the next 2 years those may be coequally if not more important than what is happening here in our own hemisphere.

But there is no getting around the fact that the doctrine outlined by President John F. Kennedy in the most amazing inaugural address I have ever heard by a President in my life, that address that was given by young John Kennedy on that biting, cold morning of January 20, 1961, he laid out what I will call during the debate next week the Kennedy doctrine, and it was very clear, very succinct, and it has rung like a powerful bell down through the decades as a guide to how we should approach an alliance of friendship and progress and brotherhood and sisterhood with these tiny little nations in the isthmus of Central America that is truly a part of the North American Continent.

□ 1910

You can feel that when you arrive at one of the airports down there in Guatemala, El Salvador, Honduras, and Nicaragua. We are truly closer to the United States in my State of California, Arizona, New Mexico, Texas, the Deep South, and certainly much closer to Miami, when we are down there than Miami itself is, or any Texas cities are to the Capital, Washington, DC.

At the subcommittee hearing, the hearing of the Subcommittee on Western Hemisphere Affairs, this afternoon and into the evening, one person's testimony, I think, with all due respect to all the fine people who testified, stood out head and shoulders above all the rest. He is a distinguished educator in our country, a professor of great renown, president of the esteemed Boston University, and was a member of the Presidential Commission on Central America. In shorthand, that was referred to in the media as the "Kissinger Commission." I am speaking of Mr. John R. Silber.

Mr. Silber gave much testimony on the Kennedy doctrine, and I will be putting some of that in next week. But in the eight pages of his opening remarks that he delivered in totality with great feeling in front of the subcommittee, there was one paragraph I would like to read, and I hope, although I am going to try to make it a rule for myself, that Members on both sides of the aisle, particularly on the majority side, will realize that these words of Mr. Silber not only apply to the debate over aid to the resistance forces of the so-called Contras, but

they really should apply to any debate here. We very often, I think, forget them, and I think there is going to be a temptation to forget this friendly admonition or this friendly observation this time.

Professor Silber, President Silber, said this: "I am aware that many patriotic Americans, some of them distinguished members of this subcommittee, oppose aid to the Nicaraguan rebels and do so on highly principled grounds." And I am sure he would not mind my paraphrasing that to include the whole House and the other body.

I acknowledge that. I know that there are many Members who on principle have problems with covert action or overt action and have problems with a not duly recognized fighting force. However, please, all Members, recognize that there are those of us who want to support the partisans in the hills of Nicaragua, the resistance in Nicaragua, the democratic forces in Nicaragua, what we believe to be the freedom fighters in Nicaragua, and that we are also basing our support on highly principled grounds.

Where I feel a terrible frustration in this debate is that much of the testimony, such as the brilliant testimony brought forward by the gentleman from Louisiana [Mr. LIVINGSTON] in the last hour, should have been discussed on this House floor all during November, up until the adjournment for the November 6 election, and that somehow or other Congressmen should have found ways to write op-ed news pieces in the newspapers of this country and call their local television stations and, yes, even call CBS, NBC, and ABC, the owned and operated stations, and Management Process in New York to ask them to make sure that both sides of this story be presented before the American people. That has just simply not happened. We are playing catchup.

I hope the rule that was just introduced by the chairman of the Committee on Rules, the distinguished gentleman from Florida [Mr. PEPPER], on this debate on the foreign policy of our President toward Nicaragua will make provision for as much debate as is humanly possible to get all aspects of this story out before the American people.

Madam Speaker, I submit the opening eight pages of Mr. Silber's remarks before the Subcommittee on Western Hemisphere Affairs, as follows:

TESTIMONY OF JOHN R. SILBER, PRESIDENT, BOSTON UNIVERSITY, APRIL 18, 1985

In 1962 the United States met a major Soviet challenge in Cuba decisively and directly. Under President Kennedy's firm leadership, we forced the removal from Cuba not only of Soviet missiles that threatened the eastern half of the United States, but of aircraft, troops and all offensive military hardware. Regrettably, in the years that followed, distracted by Vietnam and Watergate, we allowed the Soviets to return offensive weapons to Cuba in carefully graduated increments. Cuba now provides them with bases for anti-submarine aircraft, a submarine base tending nuclear and conventional submarines, a massive intelligence installation which monitors communications within the United States, and airfields capable of receiving supersonic intercontinental bombers.

In short, Mr. Chairman, the island of Cuba has become a massive Soviet forward base from which revolution is exported to Central America. It is not my purpose to trace the steps by which this came to be but to ask whether the United States is prepared to tolerate in our hemisphere the consolidation of a second Soviet satellite.

In my opinion, our country is now confronted with problems less sensational but no less dangerous than those which President Kennedy faced and solved, however temporarily. (See Appendix A, *The Kennedy Doctrine.*)

All discussions of United States policy in Central America are bedeviled by historical myth. This is especially true of our policy toward Nicaragua. There are three controlling myths: the first is that the Sandinistas were incipient democrats whom an unkind United States drove into the arms of Cuba and the Soviet Union, and who would yet create a democratic Nicaragua if only approached diplomatically. No one who has read the pronouncements of the present Sandinista leadership before it took power could fall victim to this delusion. The Sandinistas described themselves as Marxist-Leninists long before 1979, and subsequent pronouncements by Sandinista leaders once in power only confirm this.

It is crucial to understand, moreover, that "Marxism-Leninism" is neither buzzword nor epithet but the name of a precisely defined political system whose nature has been revealed in nearly 70 years of unvarying practice. No Marxist-Leninist regime has ever submitted itself to the discipline of free elections, nor to the discipline of a free press, nor of free trade unions. Such regimes have permitted no genuine competitors for political power. Indeed such regimes have not even tolerated unauthorized private organizations.

This brief recapitulation of the obvious enables us to understand and predict the behavior of the Sandinista regime. It began, like most such regimes, with the seizure of power, first from the tyrants of the old order, and then from the democrats who had helped drive them out. It continued with the suppression of free speech and free media, curbs on free trade unions and private enterprise, and restrictions on the free exercise of religion. No Leninist regime has ever voluntarily moderated such behavior. The precedent, on the contrary, is for its intensification until the Sandinistas have throttled the last remains of free insititutions in Nicaragua. If the regime in Managua does not yet perfectly resemble that in Havana or Moscow, it is only because, for reasons to which I will return, it has not yet managed to consolidate its power.

All historical experience suggests that hopes of a merely diplomatic solution to the crisis posed by the Sandinistas are almost certain to be disappointed. The only solution likely to come from diplomacy unsupported by intensive pressure is the sort reached at Munich in 1938. Diplomacy is a complement to, not a substitute for, the measured application of geostrategic pressure.

The myth that the Sandinistas are misunderstood democrats, as well as others I will be discussing, did not just grow. They have been hyped through the latest marketing techniques by, among others, a Washington- and New York-based p.r. firm working on behalf of the Sandinista leadership. (See Appendix B, Fenton Communications, Inc. Newsletter.)

The second myth is that the military and political forces now opposing the Sandinistas are dominated by former associates of the Somoza regime who are fighting to restore the bad old days. This argument conveniently overlooks the major role played in the struggle against Somoza by many of the figures now fighting for democracy against the Sandinistas. One of these leaders, Eden Pastora, was a hero of the Sandinista forces before the revolution, described by Somoza himself in his memoires as "a communist terrorist." Others, such as Arturo Cruz and Violeta Chamorro, were members of the revolutionary junta before being forced out by the Sandinistas. Many others, including Alfonso Robelo, Adolfo Calero, and Alfredo Cesar, had actively opposed Somoza. The fact is that the so-called "contras" are the democratic leadership of the betrayed Nicaraguan revolution. When they call themselves "freedom fighters," they speak no more than the truth.

It is equally true that the Sandinistas are themselves employing the apparatchiks of the Somoza regime. Many former Somocistas now serve as leaders of the Committee for the Defense of the Revolution, a fact noted by Robert Leiken in his famous *New Republic* article repudiating his earlier support of the Sandinistas. (See Appendix C, *The Future of Democracy in the Hemisphere.*) This practice is in the tradition of Leninist regimes, which frequently make bureaucrats of the old despotism into useful servants of the new.

A third myth is that armed revolution led by the extreme left will bring democracy to Central America. The fact is that armed revolution has brought despotism, not democracy, to Nicaragua. In El Salvador, by contrast, Jose Napoleon Duarte's courageous democratic leadership, backed politically, militarily, and economically by the United States, has produced an increasingly broad-based and democratic government despite the pressures and chaos imposed by a Marxist-Leninist insurgency.

We must realize that El Salvador and Nicaragua pose instructive opposites: El Salvador is an imperfect democratic government. Its failures in human rights are most accurately described as its inability to embody its own principles, while it resists overthrow by totalitarians. Nicaragua is a totalitarian government. Its failures in human rights are most accurately described as the fulfillment of its own principles, while it resists overthrow by the forces of democracy. In El Salvador, we have a government whose inadequate guarantees of human rights demonstrate its present inability to live up to its ideals; in Nicaragua, the inadequacy is much more serious: it reveals the programs of a government fully living up to its ideals, under which the very concept of human rights independent of the state is meaningless.

Nothing is more reasonable, therefore, than that the United States should support both democracy in El Salvador by aiding a freely elected government against its armed enemies and democracy in Nicaragua by aiding the democratic opponents of a totalitarian regime.

I am aware that many patriotic Americans, some of them distinguished members

of this subcommittee, oppose aid to the Nicaraguan rebels and do so on highly principled grounds. I should like to pose, for these and other Americans, several questions. If we should not be aiding the Nicaraguan rebels now, at what point, if any, should we aid them? Those who would answer "never," whether they know it or not, are consigning the people of Nicaragua to an enduring Leninist despotism. If the Congress refuses to support those fighting for democracy in Nicaragua, the Sandinistas will conclude that they have succeeded in neutralizing the United States. We can then expect an immediate consolidation of the regime. Let us be clear what this consolidation will mean: the final surpression of free speech, free press, free trade unions, free religion, and the utter abolition of any vestige of pluralism in Nicaraguan society. It would certainly mean a vastly increased persection of the Miskito Indians.

To those who would answer "We will support democracy in Nicaragua eventually, but not now," I would ask, "When?" When the Sandinistas finally snuff out the flickering light of *La Prensa*? When they abolish the last free trade union? When they abolish all political parties but their own? I have said "when" rather than "if" because all these actions are inevitable.

There is another series of contingencies to which "if" applies. Would one favor support for the rebels if the Sandinistas acquire MIG fighters or more attack helicopters? If they step up their support of the rebels in El Salvador? If they begin exporting revolution to Honduras, to Guatemala, and to Costa Rica? If they invade any of these countries? At this point, of course, the question of aid to the freedom fighters will be moot, for they will long since have been crushed. The question will be whether one favors the survival of freedom and democracy in Central America, for by that time, the Cuban and Soviet forces will pose a serious and direct threat to Mexico and to the United States.

The price of containing Soviet adventurism in the Americas will never be as cheap, in dollars and blood, as it is today. Better by far to aid the so-called "contras" today than to send in the Marines later. Absent pressure of the type and intensity brought to bear by the democratic rebels, the Sandinista leadership will have no reason to negotiate a democratic outcome.

It is crucial in this to distinguish between El Salvador, where the overwhelming majority of those in authority are committed to democracy (and where, despite the doubts of many Americans, the vector seems solidly aimed at a democratic society) and Nicaragua, where those in power are committed to totalitarianism. We must not be misled by the noble ends professed by the Sandinistas. Like all Leninists, they ostensibly pursue splendid goals that can be summed up in two words: freedom and abundance. And like all Leninists, they will fasten upon the Nicaraguan people a system irrefragably opposed to freedom and irrefragably incapable of producing abundance.

The vote on aid to the "contras" is crucial. We stand where the British and French stood in 1936 when they faced Hitler's comparatively unconsolidated totalitarian regime. Unfortunately, they acted as if diplomacy and power were opposed concepts and allowed Hitler the first of his bloodless victories. The lessons of their folly should be entirely clear to all of us today: Totalitarians do not stop; they must be stopped.

The price Americans are now asked to pay for ending the Soviet-Cuban adventure in Nicaragua is very small. Each month it will rise. The United States, like Britain and France, will eventually pay the greatly escalated price that inaction will make inexorable. The Congress still has a chance to keep the price low by continued support of the Nicaraguan rebels.

In aiding the "contras," the United States has the opportunity to avoid the errors of the democracies in the late 1930s. Had the French, for example, sent no more than a division into Germany when Hitler remilitarized the Rhineland, he would have been forced into a humiliating withdrawal that would probably have precipitated his removal from power. Had Chamberlain not gone to Munich, a well-advanced plot by the German High Command to remove Hitler would have been put into effect and almost certainly succeeded. But the allies preferred to believe that Hitler would respond to diplomacy devoid of power and, acting on this illusion, they left no alternative to war. Their intentions were admirable: to avoid a repetition of the carnage of the First World War. But their admirable intentions did not prevent the carnage. The lesson lives on.

COMMUNICATION FROM THE HONORABLE LYNN MARTIN, A MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable LYNN MARTIN, a Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, April 18, 1985.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives, H204 Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that Ms. Allison Goddard of my district office has received a subpoena issued by the State of Illinois, County of Winnebago.

I will, in consultation with the General Counsel to the House, make the determination required by the Rule and will promptly notify you of those determinations.

Sincerely,

LYNN MARTIN,
Member of Congress.

RULES OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL FOR THE 99TH CONGRESS

(Mr. RANGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. RANGEL. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, I present for printing in the CONGRESSIONAL RECORD the rules of the Select Committee on Narcotics Abuse and Control for the 99th Congress, adopted at the committee's organizational meeting on April 3, 1985:

RULES OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

(Adopted April 3, 1985, 99th Congress, 1st Session)

RULE 1: GENERAL

The Rules of the House of Representatives, to the extent they apply, together with the following rules, shall be the rules of the Committee.

RULE 2. MEETINGS

(a) The regular meeting day of the Committee for the conduct of its business shall be on the second Thursday of each month while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) Special meetings may be convened as provided for by clause 2(c)(2) of Rule XI of the Rules of the House.

(d) At least 3 days (excluding Saturdays, Sundays, and legal public holidays) before each scheduled Committee meeting, each member of the Committee shall be furnished a list of the subjects to be considered or acted upon at such meeting.

RULE 3. HEARINGS

(a) Members of the Committee shall be advised and a public announcement shall be made of the time, date, place, and subject matter of any hearing to be conducted by the Committee at least one week before the commencement of such hearing, unless the Chairman determines that there is good cause to begin such hearing at an earlier date, in which event the Chairman shall advise Committee members and make the public announcement at the earliest possible date. Any announcement made under this paragraph shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems.

(b) Unless authorized by the Chairman, a witness shall not be permitted to testify or present evidence at a hearing of the Committee, and such testimony or evidence may not be included in the Committee hearing record, unless 50 copies thereof have been delivered to the Committee at least 48 hours prior to such hearing.

(c) A Committee member may question a witness only when recognized by the Chairman for such purposes. In accordance with clause 2(j)(2) of Rule XI of the Rules of the House, each Committee member shall be allowed 5 minutes to question a witness until each member who so desires has had such opportunity. The Chairman shall, insofar as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the discretion of the Chairman.

(d) At any hearing the minority party members of the Committee shall be entitled, upon request to the Chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to the subject matter of such hearing during at least one day of hearing thereon.

(e)(1) The Chairman at an investigative hearing of the Committee shall announce in the opening statement the subject of the investigation.

(2) A copy of the Rules of the Committee and clause 2 of Rule XI of the Rules of the House shall be made available to each witness.

(3) Witnesses at an investigative hearing may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional

ethics on the part of counsel, by censure and exclusion from the hearing; and the Committee may cite the offender to the House for contempt.

(f) Any witness may obtain a transcript copy of his or her testimony given at a public session or, if given at an executive session, when authorized by a majority of the members voting, a majority being present.

RULE 4. COMMITTEE PROCEDURE

(a)(1) Unless otherwise required or permitted by these rules, one-third of the members of the Committee shall constitute a quorum for the transaction of Committee business. Any Committee member present at a Committee meeting may make a point of order that a quorum is not present, but a quorum shall be deemed present unless a member who is present objects.

(2) Two members shall constitute a quorum for the purposes of taking testimony and receiving evidence.

(b) Meetings for the transaction of business and hearings of the Committee shall be open to the public or closed, in accordance with clauses 2(g)(1), 2(g)(2), or 2(k)(5) of Rule XI of the Rules of the House. No evidence or testimony taken in executive session may be released or used in public session unless authorized by a majority of members voting, a majority being present.

(c) A vote by any member of the Committee with respect to any matter being considered by the Committee may be cast by proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the member of the Committee who is to execute the proxy authorization, and is limited to a specific matter and any amendments or motions pertaining thereto (except that a member may authorize a general proxy for motions to recess or adjourn, or for other procedural matters). Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. No proxy may be counted for the purpose of constituting a quorum.

(d) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any member, and a copy made available to each member present.

(e) In the absence of the Chairman at any meeting or hearing of the Committee, the ranking member of the majority party on the Committee who is present shall preside at such meeting or hearing.

(f) A complete record of all Committee action, including a record of all votes on any question on which a rollcall vote is demanded, shall be maintained by the Committee. The result of each such rollcall votes shall be available to the public for inspection at the offices of the Committee during normal working hours.

(g) Any member of the Committee may demand and the Chairman shall order a rollcall vote on any matter considered by the Committee.

RULE 5. COMMITTEE REPORTS

(a)(1) Except as provided in paragraph (b), any Committee report shall be approved by a majority of the members voting at a meeting at which a majority is present.

(2) A proposed report shall not be considered in a Committee meeting unless a copy of the proposed report is provided to each member of the Committee at least 5 days (excluding Saturdays, Sundays, and legal public holidays) prior to the meeting.

(b) The Chairman is empowered to obtain the approval of any report in any appropriate manner, including by polling the members of the Committee in writing. In such cases, a copy of the proposed report shall be made available to each Committee member for at least 5 calendar days (excluding Saturdays, Sundays, and legal public holidays) and the approval of a majority of the Committee is required. The Chairman shall promptly notify Committee members in writing of the approval or disapproval of the proposed report.

(c) Supplemental, minority, or additional views may be filed in accordance with clause 2(l)(5) of Rule XI of the Rules of the House. The time allowed for filing such views shall be 3 calendar days (excluding Saturdays, Sundays, and legal public holidays) after approval of a proposed report in a meeting of the Committee or after the Chairman issues a notification of approval pursuant to paragraph (b).

(d) If hearings have been held on the subject matter of the proposed report, every reasonable effort shall be made to have such hearings available to the members of the Committee before seeking approval of the proposed report.

RULE 6. POWERS AND DUTIES OF COMMITTEE

(a) For the purpose of carrying out any of its functions and duties, the Committee is authorized to sit and act at such times and places within the United States, including any Commonwealth or possession thereof, or elsewhere, whether the House is in session, has recessed, or has adjourned.

(b)(1) The Committee may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it deems necessary.

(2) A subpena may be authorized and issued by the Committee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present.

(3) Notwithstanding subparagraph (b)(2) of this rule, a subpena may be authorized and issued in the conduct of any investigation or series of investigations or activities by the Chairman upon the concurrence of the ranking minority member on the Committee.

(4) Authorized subpenas shall be signed by the Chairman or by any member designated by the Committee, and may be served by any person designated by the Chairman or such member.

(c) The Chairman, or any member of the Committee designated from time to time by him, shall report on the meetings, hearings or other activities of the Committee to any other committee of the House which has subject matter jurisdiction therein.

RULE 7. BROADCASTING

(a) Whenever any hearing or meeting conducted by the Committee is open to the public, the Committee may permit such hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the rules established by paragraph (b) of this rule: Provided, however, that the Chairman shall determine, in his discretion, the number of television and still cameras permitted in a hearing or meeting room.

(b)(1) If television or radio coverage of any hearing or meeting of the Committee is to be presented to the public as live coverage, such coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee shall be required against his or her will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of such hearing or meeting, by radio, or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) The allocation among the television media of the positions of the number of television cameras permitted by the Chairman shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee, or the visibility of such witness and such members to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) In the allocation of the number of still photograhers permitted by the Chairman to cover a hearing or meeting, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by the Chairman, for coverage of a hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves at any time during the course of the hearing or meeting between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE 8. AMENDMENT OF RULES

The Rules of the Committee may be modified, amended, or repealed, by a majority of the members voting at a meeting at which a majority is present. Written notice of any proposed change shall be provided to each member of the Committee not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) before the meeting date on which such change is to be considered.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FRANK, for 60 minutes, today.

(The following Members (at the request of Mr. MCMILLAN) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 60 minutes, today.

Mr. ROWLAND of Connecticut, for 60 minutes, today.

Mr. LAGOMARSINO, for 60 minutes, today.

Mr. RIDGE, for 5 minutes, today.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. WEISS, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. LUNDINE, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 60 minutes, today.

Mr. PENNY, for 60 minutes, today.

Mrs. SCHROEDER, for 60 minutes, today.

Mr. FEIGHAN, for 60 minutes, April 25.

(The following Members (at the request of Mr. LIVINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. DORNAN of California, for 60 minutes, April 22.

Mr. DORNAN of California, for 60 minutes, April 23.

Mr. DORNAN of California, for 60 minutes, April 24.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCMILLAN) and to include extraneous matter:)

Mr. MCKERNAN.
Mr. PARRIS.
Mr. SILJANDER.
Mr. CLINGER.
Mr. CONTE.
Mr. GREEN.
Mr. COUGHLIN.
Mr. DAUB.
Mr. SHAW.
Mr. MCEWEN.
Mr. FIELDS in two instances.
Mr. DREIER of California.
Mr. COURTER.
Mrs. ROUKEMA.
Mr. KOLBE.
Mr. STUMP.
Mr. LAGOMARSINO in three instances.
Mr. SKEEN.
Mr. SHUMWAY in two instances.
Mr. COATS.
Mr. MOORE.
Mr. GALLO.
Mr. FRENZEL in five instances.
Mr. GROTBERG.
Mr. CAMPBELL.
Mr. MOLINARI.
Mr. SAXTON.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. MANTON.
Mr. LOWRY of Washington.
Mr. SCHUMER.
Mr. HERTEL of Michigan.
Mr. KASTENMEIER.
Mr. HEFTEL of Hawaii.
Mr. YATRON in three instances.
Mr. BARNES in six instances.
Mr. GAYDOS in two instances.
Mr. FEIGHAN in two instances.
Mr. DOWNEY of New York.
Mr. RANGEL in four instances.
Mr. DELLUMS in two instances.
Mrs. LLOYD.
Mr. KANJORSKI in two instances.
Mr. UDALL.
Mr. BOLAND.
Mr. LIPINSKI.
Mr. LANTOS.
Mr. LEHMAN of Florida.
Mr. CROCKETT in five instances.
Mr. SOLARZ in two instances.
Mr. ROSTENKOWSKI.
Mr. SWIFT.
Mr. GUARINI.
Mr. KOSTMAYER.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 236. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 109. Joint resolution to designate the week of April 14, 1985, as "Crime Victims Week."

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On April 4:

H.R. 730. An act to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ;

H.R. 1239. An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes;

H.R. 1847. An act to amend title 28, United States Code, with respect to the U.S. Sentencing Commission;

H.R. 1866. An act to phase out the Federal supplemental compensation program;

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week"; and

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day, U.S.A."

On April 18:

H.J. Res. 236. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

ADJOURNMENT

Mr. DORNAN of California. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until Monday, April 22, 1985, at 3 o'clock p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1058. A letter from the Director, Office of Management and Budget, transmitting the President's revised estimates of the 1986 budget, pursuant to 31 U.S.C. 1106(b) (H. Doc. No. 99-57); to the Committee on Appropriations and ordered to be printed.

1059. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the Navy's plans to study the conversion of various functions at different installations from in-house operation to private contractor performance, pursuant to 10 U.S.C. 2304 nt. (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

1060. A letter from the Secretary of Health and Human Services, transmitting a

draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act and related statutes, and for other purposes; to the Committee on Energy and Commerce.

1061. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs; transmitting a report of political contributions by Douglas W. McMinn, Assistant Secretary of State for Economic and Business Affairs-elect, and members of his family, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

1062. A letter from the Comptroller General, General Accounting Office, transmitting a list of reports issued by the General Accounting Office in March 1985, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

1063. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting a report of the Authority's activities under the Government in the Sunshine Act covering calendar year 1984, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1064. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend the Inspector General Act of 1978 to include the Offices of Inspector General of the Department of Energy and the Department of Health and Human Services, and for other purposes; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on the Federal response to the homeless crisis (Rept. No. 99-47). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report on OPM's questioning of nonpartisan State voter registration activities constitutes a misuse of the Intergovernmental Personnel Act (Rept. No. 99-48). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report on GSA's multiple award schedules (Rept. No. 99-49). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 136. Resolution providing for the consideration of House Joint Resolution 239, joint resolution to approve the obligation of funds available under Public Law 98-473 for supporting military or paramilitary operations in Nicaragua (Rept. No. 99-50). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 137. Resolution providing for the consideration of H.R. 2068, a bill to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board of International Broadcasting, and for other purposes (Rept. No. 99-51). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MITCHELL:

H.R. 2106. A bill to authorize the Secretary of Housing and Urban Development to provide loans to very low income families to permit such families to purchase single-family dwellings owned by the Department of Housing and Urban Development; to the Committee on Banking, Finance and Urban Affairs.

By Mr. JONES of Tennessee:

H.R. 2107. A bill to provide agricultural credit and rural development assistance, and for other purposes; to the Committee on Agriculture.

By Mr. JONES of Tennessee (for himself, Mr. COLEMAN of Missouri, Mr. MADIGAN, and Mr. JEFFORDS):

H.R. 2108. A bill entitled: the "Soil Conservation Act of 1985"; to the Committee on Agriculture.

By Mr. BEREUTER:

H.R. 2109. A bill to direct the President to liquidate assets of Vietnam or a national thereof in order to pay certain awards made by the Foreign Claims Settlement Commission; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI (for himself, Mr. DUNCAN, Mr. CLAY, and Mrs. ROUKEMA):

H.R. 2110. A bill to make technical corrections related to the Retirement Equity Act of 1984; jointly, to the Committees on Education and Labor and Ways and Means.

By Mrs. BURTON of California:

H.R. 2111. A bill to amend the Higher Education Act of 1965 to improve the access to higher education of low-income parents in need of child care services and for other purposes; to the Committee on Education and Labor.

By Mr. DAUB:

H.R. 2112. A bill to retake and expand export markets for agricultural commodities, extend and revise price and income protection programs for farmers, provide for resource conservation, reform certain provisions of the Internal Revenue Code relating to agriculture, ensure consumers an abundant supply of food and fiber at reasonable prices, realign authority within the Department of Agriculture and for other purposes; jointly, to the Committees on Agriculture, Ways and Means, and Foreign Affairs.

By Mr. ERDREICH:

H.R. 2113. A bill to reform the laws relating to former Presidents; jointly, to the Committees on Government Operations, House Administration, the Judiciary, and Post Office and Civil Service.

By Ms. FIEDLER:

H.R. 2114. A bill to amend the Internal Revenue Code of 1954 to provide a refundable tax credit for taxpayers who maintain households which include elderly persons who are determined by a physician to be disabled; to the Committee on Ways and Means.

By Ms. FIEDLER (for herself, Mr. BATES, Mr. ECKART of Ohio, Mr. HYDE, Mr. PORTER, and Mr. WILSON):

H.R. 2115. A bill to amend the Trade Act of 1974 to provide for congressional initiation of actions to respond to unfair foreign trade practices, and for other purposes; to the Committee on Ways and Means.

By Mr. FISH (for himself, Mr. MCKERNAN, Mr. MOORE, and Mr. THOMAS of California):

H.R. 2116. A bill to amend title XX of the Social Security Act to require, as a condition of Federal assistance to any State for the provision of child care services thereunder, that such State establish, monitor, and enforce appropriate child care standards; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 2117. A bill entitled: "The Attempted Kidnapping Act of 1985"; to the Committee on the Judiciary.

By Mr. KRAMER:

H.R. 2118. A bill amending chapter 18 of title 10, United States Code, to establish a toll-free telephone service from which emergency assistance information may be obtained in case of an accident involving the transport of hazardous materials by the Department of Defense; to the Committee on Armed Services.

By Mr. LOWERY of California (for himself, Mr. LANTOS, Mr. DE LUGO, Mr. BERMAN, Mrs. COLLINS, Mr. ROE, Mr. LUNGREN, Mr. JACOBS, Mr. WILSON, Mr. ADDABBO, Mr. ACKERMAN, Mr. HEFTEL of Hawaii, Mr. PEPPER, Mr. MOODY, Mr. FUSTER, Mr. LENT, Mr. SPRATT, Mr. TOWNS, Mr. COYNE, Mr. FROST, Mr. BOSCO, Mr. CARNEY, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. BOUCHER, Mr. COLEMAN of Texas, Ms. KAPTUR, Mr. DARDEN, Mr. MCGRATH, Mr. WHITEHURST, Mr. MCDADE, Mr. COATS, Mr. THOMAS of Georgia, Mr. HUTTO, Mr. HENDON, Mr. CAMPBELL, Mr. KOLTER, Mr. WAXMAN, Mr. RANGEL, and Mr. DENNY SMITH):

H.R. 2119. A bill to designate the portion of 15th Street SW., Washington, DC, located between Maine and Independence Avenues as "Raoul Wallenberg Avenue"; to the Committee on the District of Columbia.

By Mr. LUNDINE:

H.R. 2120. A bill to impose, during a 2-year period, surcharges on products imported into the United States if certain deficit reduction goals are met; to the Committee on Ways and Means.

By Ms. MIKULSKI (for herself, Mr. BREAUX, Mr. WAXMAN, Mr. LOWRY of Washington, Mr. HUGHES, Mr. FOGLIETTA, and Mr. TALLON:

H.R. 2121. A bill to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MONTGOMERY (by request):

H.R. 2122. A bill to amend title 38, United States Code, to repeal provisions relating to setting the interest rate on guaranteed or insured housing loans to veterans and inspecting manufactured homes purchased by veterans, to increase the VA loan fee, to authorize direct appropriations to the loan guaranty revolving fund, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2123. A bill to amend title 38, United States Code, to extend the authority of the Veterans' Administration to conduct certain health care programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PORTER (for himself, Mr. FASCELL, Mrs. ROUKEMA, Mr. ACKERMAN, Mr. AUCOIN, Mr. BARNES, Mr. BERMAN, Mr. BOLAND, Mr. BONIOR of Michigan, Mr. BONKER, Mr. CROCKETT, Mr. DYMALLY, Mr. EDGAR, Mr.

FEIGHAN, Mr. FISH, Mr. FRENZEL, Mr. GARCIA, Mr. GEJDENSON, Mr. GLICKMAN, Mr. GOODLING, Mr. GREEN, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HOPKINS, Mr. KASTENMEIER, Mr. KOSTMAYER, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEVINE of California, Mr. MAVROULES, Mr. MOAKLEY, Mr. MCKERNAN, Mr. PEASE, Mr. PURSELL, Mr. RODINO, Mrs. SCHNEIDER, Mrs. SCHROEDER, Mr. SOLARZ, Mr. SMITH of Florida, Mr. ROBERT F. SMITH, Ms. SNOWE, Mr. STARK, Mr. STUDDS, Mr. TORRICELLI, Mr. UDALL, Mr. YATRON, Mr. WEBER, Mr. WEISS, Mr. WHITTAKER, Mr. WOLPE, and Mr. ZSCHAU):

H.R. 2124. A bill to prohibit the production of lethal chemical weapons, to encourage the negotiation of an international agreement to stop the production, proliferation, and stockpiling of lethal chemical weapons, and to encourage the improvement of defenses against the effects of the use of lethal chemical weapons on the Armed Forces; jointly, to the Committees on Armed Services and Foreign Affairs.

By Mr. REID (for himself and Mrs. VUCANOVICH):

H.R. 2125. A bill to amend the Internal Revenue Code of 1954 to provide that proceeds from identical wagers shall not be aggregated for purposes of determining whether tax should be withheld on such proceeds; to the Committee on Ways and Means.

H.R. 2126. A bill to amend the Internal Revenue Code of 1954 to provide that the deduction for wagering losses shall be allowable as a deduction from gross income but only with respect to wagering transactions which are legal under Federal and State laws; to the Committee on Ways and Means.

By Mr. RICHARDSON (for himself, Mr. LELAND, Mr. ECKART of Ohio, Mr. DIOGUARDI, and Mr. WILLIAMS):

H.R. 2127. A bill to establish a U.S. Boxing Commission, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROBERTS (for himself and Mr. BOULTER):

H.R. 2128. A bill entitled: the "Wheat Marketing Loan Act of 1985"; to the Committee on Agriculture.

By Mr. SCHUMER:

H.R. 2129. A bill to improve State criminal justice information systems, including criminal history records; to establish an interstate identification index based on criminal records and to provide assistance to States to use such index; to ensure that criminal history records are accurate and complete; and for other purposes; to the Committee on the Judiciary.

H.R. 2130. A bill to amend the Victims of Crime Act of 1984 to provide for assistance to certain individuals who are injured or die while preventing crime or apprehending criminals, and for other purposes; to the Committee on the Judiciary.

H.R. 2131. A bill to amend the Internal Revenue Code of 1954 to clarify that volunteer trustees, directors, and officers of public charities shall not be penalized under the tax laws as a result of such public services; to the Committee on Ways and Means.

By Mr. SHAW (for himself and Mr. HUGHES):

H.R. 2132. A bill to amend Public Law 96-350 to further define the customs waters for the purposes of certain drug offenses; jointly, to the Committees on Merchant Marine and Fisheries and the Judiciary.

By Mr. SHUMWAY:

H.R. 2133. A bill to reauthorize and amend the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); to the Committee on Merchant Marine and Fisheries.

By Mr. SLATTERY (for himself, Mr. GLICKMAN, Mr. GEPHARDT, Mr. PENNY, Mr. MOODY, and Mr. COELHO):

H.R. 2134. A bill to amend the Internal Revenue Code of 1954 to limit the amount of farming losses which may offset other income; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey:

H.R. 2135. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide mortgage assistance to veterans with loans guaranteed by the Veterans' Administration in order to avoid foreclosure of such loans; to the Committee on Veterans' Affairs.

By Mr. SWIFT:

H.R. 2136. A bill to provide for additional protection of steelhead trout as a game fish, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. TALLON:

H.R. 2137. A bill to strengthen human nutrition research conducted by the Department of Agriculture; to the Committee on Agriculture.

By Mrs. VUCANOVICH (for herself and Mr. REID):

H.R. 2138. A bill to amend the Internal Revenue Code of 1954 to simplify certain requirements regarding withholding and reporting at the source and to correct inequities regarding carryover of losses; to the Committee on Ways and Means.

H.R. 2139. A bill to amend the Internal Revenue Code of 1954 to provide that net legal wagering gains shall not be included in gross income; to the Committee on Ways and Means.

By Mr. WATKINS:

H.R. 2140. A bill to require the Secretary of Agriculture to take steps to cause the exportation, at competitive world prices, of basic agricultural commodities produced in the United States; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. WHITTAKER:

H.R. 2141. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve public access to Pearson-Skubitz Big Hill Lake, KS; to the Committee on Public Works and Transportation.

H.R. 2142. A bill to authorize the project for flood control, Halstead, KS; to the Committee on Public Works and Transportation.

By Mr. McEWEN:

H.R. 2143. A bill to deauthorize the project for flood control, Salt Creek Lake, OH; to the Committee on Public Works and Transportation.

By Mr. McKERNAN:

H.R. 2144. A bill to establish a Ready Reserve-Sealift Enhancement Revolving Fund; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. ERDREICH:

H.J. Res. 243. Joint resolution to designate June 9, 1985, as "America's Heritage Day"; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan:

H.J. Res. 244. Joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later then 1989, and for other purposes; to the Committee on Education and Labor.

By Mr. HUNTER (for himself and Mr. HUTTO):

H.J. Res. 245. Joint resolution to direct the Postmaster General to issue a commemorative stamp to honor the 40th anniversary of the Blue Angels; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.J. Res. 246. Joint resolution to designate October 9, 1985, as "National Senior Citizens Day"; to the Committee on Post Office and Civil Service.

By Mrs. BURTON of California:

H. Con. Res. 121. Concurrent resolution to express the sense of the Congress that public schools should be encouraged to include a study of the Holocaust in their history curriculums; to the Committee on Education and Labor.

By Ms. FIEDLER (for herself, Mr. BROOMFIELD, Mr. HYDE, Mr. LAGOMARSINO, Mr. MICHEL, Mr. LOTT, Mr. KEMP, Mr. COURTER, Mr. LEWIS of California, Mr. GINGRICH, Mr. GILMAN, Mr. LENT, Mr. RITTER, Mr. GOODLING, Mr. ROTH, Mr. STRANG, Mr. ARMEY, Mr. MONSON, Mr. WEBER, Mr. SMITH of New Hampshire, Mr. STANGELAND, Mr. IRELAND, Mr. DEWINE, Mr. CRAIG, Mr. MCMILLAN, Mr. PACKARD, Mr. MCCANDLESS, Mr. THOMAS of California, Mr. DANNEMEYER, Mr. SHUMWAY, Mr. WHITEHURST, Mr. BADHAM, Mr. GALLO, Mrs. SCHNEIDER, Mr. DIOGUARDI, Mr. BARTLETT, Mr. MORRISON of Washington, Mr. GREGG, Mr. DENNY SMITH, Mr. WALKER, Mrs. SMITH of Nebraska, Mr. REGULA, Mr. PURSELL, Mr. MCCAIN, Mr. DORNAN of California, Mr. KASICH, Mrs. VUCANOVICH, Mr. PASHAYAN, Mr. HUNTER, Mr. CHAPPIE, Mr. DREIER of California, Mr. LOWERY of California, Mr. MOORHEAD, and Mr. MCCOLLUM):

H. Con. Res. 122. Concurrent resolution condemning the actions of the Nicaraguan Government that hinder freedom of religion; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself, Mr. CAMPBELL, and Mr. MITCHELL):

H. Con. Res. 123. Concurrent resolution expressing the sense of the Congress that corporate income taxes should remain graduated; to the Committee on Ways and Means.

By Mr. SCHUMER:

H. Con. Res. 124. Concurrent resolution to express the sense of the Congress that the President should take no action that will honor the memories of Nazi soldiers during his planned trip to the Federal Republic of Germany; to the Committee on Foreign Affairs.

By Mr. TORRICELLI (for himself, Mr. SOLARZ, Mr. DYMALLY, Mr. SMITH of Florida, Mr. BERMAN, Mr. FEIGHAN, Mr. ACKERMAN, Mr. GARCIA, Mr. WEISS, Mr. LANTOS, Mr. WOLPE, and Mr. GILMAN):

H. Con. Res. 125. Concurrent resolution expressing the sense of the Congress that the President should not honor the memory of those responsible for the deaths of millions by visiting the Bitburg Cemetery in West German; to the Committee on Foreign Affairs.

By Mrs. BOXER:

H. Res. 133. Resolution providing that the U.S. Navy should not deploy nuclear weapons on surface ships; to the Committee on Armed Services.

By Mr. MARLENEE:

H. Res. 134. Resolution expressing the sense of the House with respect to restoring

the Wallop-Breaux Trust Fund; to the Committee on Ways and Means.

By Mr. WYDEN (for himself, Mr. WAXMAN, Mr. GEPHARDT, and Mr. EDWARDS of California):

H. Res. 135. Resolution expressing the sense of the House that the President should not visit the military cemetery at Bitburg, West Germany; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MATSUI:

H.R. 2145. A bill for the relief of Junior Achievement of Sacramento, Inc.; to the Committee on the Judiciary.

By Mr. REID:

H.R. 2146. A bill for the relief of Peter J. Montagnoli; to the Committee on the Judiciary.

By Mr. SKEEN:

H.R. 2147. A bill for the relief of Juan Macias-Arias, Margarita Radich de Macias, Juan Eduardo Macias-Radich, and Mary Macias; to the Committee on the Judicary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. ROSTENKOWSKI and Mr. SUNIA.

H.R. 21: Mrs. BOXER, Mr. DELLUMS, Mr. HAYES, Mr. KANJORSKI, Mr. LELAND, Mr. PEPPER, and Mr. LEVINE of California.

H.R. 22: Mr. SILJANDER, Mrs. BENTLEY, Mr. DREIER of California, Mr. CRAIG, Mr. PORTER, Mr. BROWN of Colorado, and Mr. SCHUETTE.

H.R. 43: Mr. MOLLOHAN.

H.R. 62: Mrs. SCHROEDER, Mr. WHITEHURST, Mr. LOWRY of Washington, Mr. CARPER, and Mr. MCCURDY.

H.R. 119: Mr. GOODLING.

H.R. 237: Mr. ADDABBO, Mr. BARNARD, Mrs. BENTLEY, Mr. BERMAN, Mr. BONER of Tennessee, Mr. BOUCHER, Mr. CHANDLER, Mr. CONYERS, Mr. DARDEN, Mr. DICKS, Mr. EVANS, of Iowa, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. GEPHARDT, Mr. HAYES, Mrs. JOHNSON, Ms. KAPTUR, Mr. KEMP, Mr. LAGOMARSINO, Mr. LOWRY of Washington, Mr. MADIGAN, Mr. MARTINEZ, Mr. MILLER of Washington, Mr. MONSON, Mr. MORRISON of Washington, Mr. MYERS of Indiana, Mr. PURSELL, Mr. RIDGE, Mr. ROBINSON, Mr. ST GERMAIN, Mrs. SCHROEDER, Mr. STALLINGS, Mr. STOKES, Mr. SWINDALL, Mr. TALLON, Mr. THOMAS of Georgia, Mr. TORRES, Mr. VENTO, Mr. WYLIE, and Mr. YOUNG of Missouri.

H.R. 279: Mr. STRANG and Mr. KRAMER.

H.R. 512: Mr. GEJDENSON.

H.R. 528: Mr. STUMP, Mr. WHITEHURST, and Mr. COELHO.

H.R. 593: Mr. ORTIZ.

H.R. 610: Mr. OWENS.

H.R. 820: Mr. RICHARDSON, Mr. WEAVER, Mr. RANGEL, Mrs. SCHROEDER, Mr. GRAY of Pennsylvania, Mr. MRAZEK, Ms. MIKULSKI, Mr. LELAND, and Mr. ACKERMAN.

H.R. 821: Mr. WISE, Mr. MOODY, Mr. SAVAGE, Mr. RICHARDSON, Mr. WEAVER, Mr. RANGEL, and Mr. BURTON of Indiana.

H.R. 825: Mr. ANTHONY.

H.R. 831: Mr. MURPHY and Mr. JONES of North Carolina.

H.R. 864: Mr. KASICH and Mr. GONZALEZ.

H.R. 891: Mr. DYMALLY, Mr. OBERSTAR, Mr. VENTO, Mr. STOKES, Mr. LOWRY of Washington, Mr. BEDELL, Mr. FRANK, and Ms. KAPTUR.

H.R. 893: Mr. MATSUI.

H.R. 932: Mr. LOWRY of Washington.

H.R. 968: Mr. SPRATT.

H.R. 1017: Mr. SWINDALL.

H.R. 1042: Mr. MARTINEZ, Mr. ORTIZ, Mr. MATSUI, Mr. GUARINI, Mr. MOODY, Mr. RICHARDSON, Mr. RUSSO, Mr. MOLLOHAN, Mr. EVANS of Iowa, and Mr. DOWDY of Mississippi.

H.R. 1059: Mr. MARTINEZ, Mr. SLATTERY, and Mr. LUNGREN.

H.R. 1060: Mr. ASPIN and Mr. MARTINEZ.

H.R. 1099: Mr. SCHEUER, Ms. KAPTUR, Mr. SOLARZ, Mr. LEVIN of Michigan, Mr. DIOGUARDI, and Mr. KOLTER.

H.R. 1132: Mr. FAUNTROY, Mr. STOKES, Mr. ROE, Mr. COELHO, Mr. MRAZEK, Mr. NICHOLS, Mr. TOWNS, Mr. TORRES, and Mr. DOWDY of Mississippi.

H.R. 1136: Mr. RITTER, Mr. DURBIN, Mr. MARTINEZ, Mr. DREIER of California, and Mr. CLINGER.

H.R. 1146: Mr. TOWNS, Mrs. COLLINS, Mr. JEFFORDS, and Mr. CROCKETT.

H.R. 1181: Mr. MURPHY.

H.R. 1197: Mr. ORTIZ.

H.R. 1129: Mr. MURPHY and Mr. EDGAR.

H.R. 1268: Mr. TORRICELLI, Mr. MRAZEK, and Mr. KOLTER.

H.R. 1294: Mrs. COLLINS, Mr. HAYES, and Mr. YOUNG of Missouri.

H.R. 1318: Mr. SLATTERY, Mr. ORTIZ, Mr. DORNAN of California, Mr. CRAIG, and Mr. WHITEHURST.

H.R. 1359: Mr. BOEHLERT, Mrs. LLOYD, and Mrs. BENTLEY.

H.R. 1398: Mr. TOWNS, Mr. MILLER of California, and Mr. KOLTER.

H.R. 1402: Mr. WEISS, Mr. BEDELL, Mr. SEIBERLING, and Mr. STOKES.

H.R. 1403: Mr. WEISS, Mr. SEIBERLING, and Mr. STOKES.

H.R. 1430: Mr. ROBINSON, Mr. BEDELL, Mr. GARCIA, Mr. EDWARDS of California, Mr. STOKES, Mr. MARTINEZ, Mr. MITCHELL, Mr. MARKEY, Mr. GLICKMAN, Mr. ROEMER, Mr. SYNAR, Mrs. COLLINS, Mr. DURBIN, Mr. SEIBERLING, Mr. FAZIO, Ms. MIKULSKI, Mr. FOLEY, Mr. BATES, Mr. KOLTER, Mr. WEISS, Mr. ALEXANDER, Mr. ROBERT F. SMITH, Mr. MATSUI, Mr. WORTLEY, and Mr. NEAL.

H.R. 1461: Mr. BARTON of Texas, Mr. BOULTER, and Mr. NIELSON of Utah.

H.R. 1510: Mrs. BENTLEY.

H.R. 1562. Mr. BIAGGI, Mr. LELAND, Mr. MCGRATH, Mr. MONSON, Mr. CONYERS, Mrs. BENTLEY, Mr. GREGG, Mr. UDALL, Ms. OAKAR, Mr. HALL of Ohio, Mr. GEJDENSON, Mr. TORRES, Mr. PRICE, Mr. FISH, Mr. BOEHLERT, Mr. LEHMAN of Florida, Mr. STOKES, Mr. HOPKINS, Mr. WOLF, Mr. DIXON, Mr. DENNY SMITH, Mr. HAWKINS, Mr. EMERSON, Mr. STRATTON, Mr. ROBINSON, Mr. LAFALCE, Mr. TAYLOR, Mr. SAM B. HALL, JR., Mr. COYNE, Mr. MOORHEAD, Mr. MILLER of Ohio, Mr. WATKINS, Mr. COLEMAN of Texas, Mr. SMITH of Florida, Mr. MILLER of California, Mr. RUSSO, Mr. BUSTAMANTE, Mr. REGULA, Mr. CHAPPELL, and Mr. HEFTEL of Hawaii.

H.R. 1572: Mr. BONIOR of Michigan, Mr. LUNGREN, Mr. VENTO, Mr. NELSON of Florida, and Mr. STOKES.

H.R. 1584: Mr. SMITH of Florida, Mr. DYMALLY, Mr. SAVAGE, Mr. EDWARDS of Oklahoma, and Mr. BEDELL.

H.R. 1591: Mr. KOLBE, Mr. STRANG, Mr. DERRICK, Mr. KOLTER, Mr. COMBEST, and Mr. STALLINGS.

H.R. 1660: Mr. KOLTER.

H.R. 1666: Mr. MARTINEZ, Mr. RICHARDSON, Mr. MCKINNEY, Mr. MOAKLEY, Mrs. SCHNEIDER, Mr. BERMAN, Mr. GILMAN, Mr. WORTLEY, Mr. MCKERNAN, Mr. BILIRAKIS, and Mr. MINETA.

H.R. 1679: Mr. DEWINE, and Mrs. BENTLEY.

H.R. 1706: Mr. DASCHLE.

H.R. 1715: Mr. NELSON of Florida.

H.R. 1809: Mr. FISH, Mr. WEISS, Mr. MATSUI, Mr. WORTLEY, Mr. EVANS of Iowa, Ms. KAPTUR, Mr. YOUNG of Missouri, Mr. DIOGUARDI, and Mr. ROSTENKOWSKI.

H.R. 1815: Mr. KASTENMEIER.

H.R. 1824: Mr. MARTINEZ and Mr. BEILENSON.

H.R. 1825: Mr. MARTINEZ, Mr. SMITH of New Hampshire, and Mr. BEILENSON.

H.R. 1826: Mr. MARTINEZ, Mr. SMITH of New Hampshire, and Mr. BEILENSON.

H.R. 1827: Mr. MARTINEZ, Mr. SMITH of New Hampshire, and Mr. BEILENSON.

H.R. 1828: Mr. MARTINEZ and Mr. BEILENSON.

H.R. 1857: Mr. NOWAK, Mr. WILSON, Mr. LEVINE of California, and Mr. STOKES.

H.R. 1858: Mr. NOWAK, Mr. WILSON, Mr. LEVINE of California, and Mr. STOKES.

H.R. 1859: Mr. NOWAK, Mr. WILSON, Mr. LEVINE of California, and Mr. STOKES.

H.R. 1860: Mr. NOWAK, Mr. WILSON, Mr. LEVINE of California, and Mr. STOKES.

H.R. 1868: Mr. PENNY, Mr. BEILENSON, Mr. SMITH of Florida, Mr. HYDE, Mr. BEDELL, Mrs. JOHNSON, Mr. HUGHES, Mr. GARCIA, Mr. VENTO, Mr. GREEN, Mr. GLICKMAN, Mr. BONIOR of Michigan, Mrs. COLLINS, Mr. BERMAN, Mr. FAZIO, Mr. ROSE, Mr. SPRATT, Mr. SCHEUER, Mr. PICKLE, Mr. BOEHLERT, Mr. SOLARZ, Mr. LEVINE of California, Mr. PANETTA, Mr. BIAGGI, Mr. WORTLEY, Mr. LEHMAN of Florida, Mr. KOLTER, Mrs. BENTLEY, Mr. WHEAT, Mr. DANNEMEYER, and Mr. MILLER of Washington.

H.R. 1894: Mr. ORTIZ and Mrs. BENTLEY.

H.R. 1905: Mr. STAGGERS, Mr. GRAY of Illinois, Mr. LELAND, and Mr. GAYDOS.

H.R. 1907: Mr. BENNETT.

H.R. 1908: Mr. LIPINSKI, Mr. BILIRAKIS, Mr. LEWIS of Florida, and Mr. MCGRATH.

H.R. 1912: Mr. MARLENEE, Mr. NICHOLS, Mr. HOPKINS, and Mr. STALLINGS.

H.R. 1918: Mr. LOWRY of Washington, Mr. FORD of Tennessee, Mr. PEPPER, and Mrs. BENTLEY.

H.R. 1965: Mr. BOULTER, Mr. HENRY, Mr. KASICH, Mrs. MEYERS of Kansas, and Mr. TRAXLER.

H.R. 1997: Mr. HOWARD, Mr. SAVAGE, Mrs. BURTON of California, Mr. TORRES, Mr. MURPHY, Mr. DYMALLY, Ms. KAPTUR, Mr. BROWN of California, Mr. LELAND, Mr. ACKERMAN, Mr. JACOBS, and Mr. RAHALL.

H.R. 2016: Mrs. LLOYD.

H.R. 2020: Mrs. BOXER, Mrs. KENNELLY, Mrs. COLLINS, Ms. OAKAR, Mrs. BURTON of California, Mr. BERMAN, Mr. CONYERS, Mr. GREEN, Mr. HAYES, Mr. LEHMAN of Florida, Mr. DELLUMS, and Mr. ACKERMAN.

H.J. Res. 20: Mr. THOMAS of Georgia, Mr. LAFALCE, and Mrs. JOHNSON.

H.J. Res. 105: Mr. BURTON of Indiana, Mr. CONYERS, Mr. EDWARDS of Oklahoma, Mr. SAM B. HALL, JR., Mr. HANSEN, Mr. LENT, Mr. LIVINGSTON, Mr. PANETTA, Mr. WEBER, Mr. WOLF, and Mr. YATRON.

H.J. Res. 128: Ms. OAKAR.

H.J. Res. 133: Mr. MOODY, Mr. RAHALL, and Mr. TORRICELLI.

H.J. Res. 135: Mr. LEHMAN of Florida, Mr. SWINDALL, Mr. WOLF, Mr. BRYANT, Mr. YATES, Mr. CONYERS, Mr. LEVIN of Michigan, Mr. MAVROULES, and Mr. SPRATT.

H.J. Res. 143: Mr. BERMAN, Mrs. BOXER, Mr. BUSTAMANTE, Mr. CHAPPIE, Mr. COELHO, Mr. CROCKETT, Mr. HORTON, Mr. LAGOMARSINO, Mr. MARTINEZ, Mr. OWENS, Mr. REID,

Mr. ROE, Mr. TOWNS, Mr. WAXMAN, and Mr. VANDER JAGT.

H.J. Res. 145: Mr. WEISS, Mr. BEVILL, Mr. ROE, Mr. TOWNS, Mr. BERMAN, Mr. O'BRIEN, Mr. DARDEN, Mr. BRYANT, Mr. HOWARD, Mr. DIOGUARDI, Mr. SABO, Mr. DAUB, Mr. DE LA GARZA, and Ms. MIKULSKI.

H.J. Res. 149: Mr. SCHUMER, Mr. KOSTMAYER, Mrs. COLLINS, Mr. BERMAN, Mr. ROSE, Mr. MANTON, Mr. DARDEN, Mr. GUARINI, Mr. PURSELL, Mr. LELAND, Mr. LOWRY of Washington, Mr. RODINO, Mrs. BOXER, Mr. ADDABBO, Mr. FAUNTROY, Mr. MARTINEZ, Mr. TOWNS, Mr. FEIGHAN, Mr. CROCKETT, Mr. SABO, Mr. GREEN, Mr. FAZIO, Mr. LAFALCE, Mr. CONYERS, Ms. MIKULSKI, Mr. SCHEUER, Mr. O'BRIEN, Mr. OWENS, Mr. DELLUMS, Mr. BARNES, Mrs. LLOYD, Mr. TORRICELLI, Ms. KAPTUR, Mr. MCGRATH, Mr. TALLON, Mr. MATSUI, Mr. HORTON, Mr. WEAVER, Mr. MRAZEK, Mr. LEHMAN of Florida, Mr. HUGHES, Mr. SOLARZ, Mr. WAXMAN, Mr. ROE, Mr. HOWARD, Mr. MOODY, Mr. BIAGGI, Mr. BUSTAMANTE, Mr. FISH, Mrs. BURTON of California, Mr. RANGEL, Mr. ACKERMAN, Mr. WORTLEY, Mr. BONIOR of Michigan, Mr. HOYER, Mr. HENRY, Mr. HERTEL of Michigan, Mr. MCKERNAN, Mr. ANDREWS, Mr. REID, Mr. ANDERSON, Mr. WYDEN, Mr. FORD of Tennessee, Mr. HAYES, Mr. KLECZKA, Mr. MINETA, Mr. BONER of Tennessee, Mr. PEPPER, Mr. SMITH of Florida, Mr. SUNIA, Mr. COELHO, Mr. FOGLIETTA, Mr. HEFTEL of Hawaii, Mr. DYMALLY, Mr. BORSKI, Mr. DE LA GARZA, Mr. MCHUGH, Mr. LANTOS, Mr. WALGREN, Ms. OAKAR, Mr. YATES, Mr. SAVAGE, Mr. MILLER of California, Mrs. HOLT, Mr. RICHARDSON, Mr. JEFFORDS, Mr. TRAXLER, Mr. BRYANT, Mr. GALLO, Mr. YOUNG of Alaska, Mr. MURPHY, Mr. JONES of North Carolina, Mr. MOAKLEY, Mr. PRICE, Mr. JACOBS, Mr. LOWERY of California, Mr. DIXON, Mr. WIRTH, Mr. HUTTO, Mr. TAUZIN, Mr. SMITH of New Jersey, Mrs. JOHNSON, Mr. FRENZEL, Mr. KOLTER, Mrs. KENNELLY, Mr. PANETTA, Mr. STUDDS, Mr. DWYER of New Jersey, Mr. CAMPBELL, Mr. MADIGAN, Mr. LEVIN of Michigan, Mr. FORD of Michigan, Mr. MAVROULES, Mr. VENTO, Mr. ROEMER, Mr. KRAMER, Mr. ORTIZ, Ms. SNOWE, Mr. CHAPPIE, Mr. KASTENMEIER, Mr. STARK, Mr. DIOGUARDI, Mr. SKELTON, Mr. HYDE, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. RAHALL, Mr. RINALDO, Mr. HALL of Ohio, Mr. SAXTON, Mr. FLORIO, Mr. COURTER, Mr. LEVINE of California, Mr. GRAY of Illinois, and Mr. SPRATT.

H.J. Res. 154: Mr. PRICE, Mr. RINALDO, Mr. SABO, Mr. GILMAN, Mr. ARCHER, Mr. ROSE, Mr. FLIPPO, Mr. GEKAS, Mr. GROTBERG, Mr. HENDON, Mr. STENHOLM, Mr. HENRY, and Mr. HUTTO.

H.J. Res. 174: Mr. ASPIN, Mr. FUSTER, Mr. KOLTER, Mr. FROST, Mr. STOKES, Mr. MURPHY, Mr. DE LA GARZA, Mr. HEFTEL of Hawaii, and Mr. BOSCO.

H.J. Res. 202: Mr. KOLTER and Mr. LAGOMARSINO.

H. Con. Res. 67: Mr. GEKAS.

H. Con. Res. 69: Mr. LUNDINE.

H. Con. Res. 74: Ms. FIEDLER and Mr. KOLTER.

H. Con. Res. 81: Mr. SMITH of Florida and Mr. EMERSON.

H. Con. Res. 116: Mrs. COLLINS, Mr. FRANK, Mr. GAYDOS, Ms. KAPTUR, Mr. MANTON, Ms. OAKAR, Mr. RAHALL, Mr. RODINO, Mr. ROE, and Mr. TORRICELLI.

H. Res. 40: Mr. SCHAEFER, Mr. BADHAM, Mr. RUDD, and Mr. COBEY.

H. Res. 60: Mr. COBEY.

H. Res. 67: Mr. VENTO.

H. Res. 94: Mr. SAVAGE, Mr. GRAY of Pennsylvania, Mr. VENTO, and Mr. LEVINE of California.

H. Res. 112: Mr. FAUNTROY, Mr. FUSTER, Mr. WEISS, and Mr. REID.

H. Res. 127: Mr. DONNELLY, Mr. SOLOMON, Mr. LAGOMARSINO, Mr. HORTON, Mrs. BENTLEY, Mr. DORNAN of California, Mr. BADHAM, Mr. MICA, Mr. LOTT, Mr. RUDD, Ms. SNOWE, Mr. O'BRIEN, Mr. PARRIS, Mr. DREIER of California, Mr. MCCANDLESS, Mr. LEWIS of California, Mr. PEASE, Mr. SOLARZ, Mr. ADDABBO, Mr. MOLINARI, Mrs. BURTON of California, Mr. BEDELL, Mr. SMITH of New Jersey, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. LEHMAN of Florida, Mr. STRATTON, Mr. ERDREICH, Mr. BEILENSON, Mr. PORTER, Mrs. MARTIN of Illinois, Mr. MACK, Mr. CONTE, Mr. WOLF, Ms. MIKULSKI, Mr. GUARINI, Mr. FLORIO, Mr. MADIGAN, Mr. CHAPPIE, Mr. SUNDQUIST, Mr. GRADISON, Mr. ANDREWS, Mr. BARNES, Mr. BILIRAKIS, Ms. OAKAR, Mr. FORD of Michigan, Mr. BERMAN, and Mr. YOUNG of Alaska.

EXTENSIONS OF REMARKS

H.R. 2107

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. JONES of Tennessee. Mr. Speaker, today I am introducing the Agricultural Credit and Rural Development Act of 1985. It is my intention that this bill be used as the basis for markup next week when the House Agriculture Subcommittee on Conservation, Credit, and Rural Development, which I chair, begins work on a credit and rural development title for inclusion in the 1985 omnibus farm bill.

Nothing in this legislation I am introducing today is particularly controversial or costly. In fact, virtually every provision of this bill, in similar form, has been approved by the House on at least one occasion in the past 3 years: H.R. 5831, passed House on September 9, 1982; H.R. 1190, passed House on May 3, 1983; and H.R. 1035, passed House on February 27, 1985. Unfortunately, in all three cases no further action was taken on these bills once they passed the House.

As I view it, this bill is a compilation of basic agricultural credit and rural development initiatives which have surfaced over the past several years, and which continue to enjoy broad support, even today. I have purposely not included certain controversial provisions which have been contained in previous bills of this kind when Congress was considering emergency credit legislation. Obviously, the 1985 omnibus farm bill will not be enacted for months to come, and can be of little comfort to farmers who are strapped for operating credit this spring. By his veto last month, the President effectively ended any hope for substantive emergency credit relief for American farmers this year.

Once the committee begins its work on the credit and rural development title of the farm bill, this legislation will, of course, be open to changes and subject to any germane amendment. However, it is my hope that the Agriculture Committee and the Congress will focus on the problem of lack of profitability in agriculture instead of expending its efforts on an attempt to substitute credit for profit.

Following my remarks I insert a brief explanation and the legislation text of the Agricultural Credit and Rural Development Act of 1985:

BRIEF EXPLANATION—AGRICULTURAL CREDIT AND RURAL DEVELOPMENT ACT OF 1985

(By Mr. Jones of Tennessee)

I. WATER AND WASTE FACILITIES

(1) Direct the Secretary of Agriculture to establish a graduated scale of grant rates reflecting higher rates for communities with lower population and income levels which demonstrate a financial need, and fix the maximum grant rate (75 percent of costs) for projects in communities with a population of 1,500 or less and an income level not exceeding the higher of the poverty line prescribed by the Office of Management and Budget (OMB), or 80 percent of the Statewide nonmetropolitan median household income.

(2) Direct the Secretary to establish a projects selection system for choosing among applicants for loans and grants, the system to give equal weight to factors of (i) low community income, (ii) small population, and (iii) health hazards resulting from lack of potable water or inadequate waste disposal. These three factors would account for not less than 75 percent of the total rating points in the project selection system.

(3) Authorize grants to private nonprofit organizations for the purpose of enabling them to provide technical assistance and training to associations likely to receive loans or grants.

(4) Authorize up to $10 million per year in grants to associations to test new, cost effective methods of serving communities which do not have and cannot afford safe drinking water.

(5) Change the standard for low-income areas eligible for 5 percent interest rate loans from those having an income level below the poverty line to those having an income level below 80 percent of the Statewide non-metropolitan median household income or the poverty line, whichever is higher.

(6) Establish a 7 percent maximum loan interest rate for borrowers which do not qualify for 5 percent loans but which have an income level not exceeding 100 percent of the Statewide nonmetropolitan median household income.

(7) Provide that interest rates on loans for water and waste facilities and loans for essential community facilities shall be the lower of (i) the rate in effect at the time of loan approval, or (ii) the rate in effect at the time of loan closing.

II. BUSINESS AND INDUSTRIAL LOAN LIMITS

Impose a limit of $25 million on the size of any individual Business and Industrial loan which may be made, insured, or guaranteed by the Farmers Home Administration (FmHA).

III. ELIGIBILITY FOR EMERGENCY LOANS

Make clear that eligibility of applicants for FmHA emergency disaster loan assistance based on production losses is to be based solely on criteria specified in the Consolidated Farm and Rural Development Act and is not to be affected by whether or not the Secretary designates a county under a disaster declaration.

IV. FMHA COUNTY COMMITTEES

(1) Provide for FmHA county committees of three members, two of whom to be elected by farmers residing in the county, and one appointed by the Secretary. Committee members would serve staggered, three-year terms.

(2) In selecting the appointed member, the Secretary would ensure to the greatest extent practicable, that the Committee is fairly responsive of the farmers in the county.

(3) Authorize the Secretary to appoint an alternative for each member, and to remove members for cause.

(4) Authorize the Secretary to issue necessary regulations for election and appointment of members and alternatives.

V. REAUTHORIZATION

Add to the Consolidated Farm and Rural Development Act provisions reauthorizing program lending levels for each of the fiscal years 1986-1988 as follows:

(1) Real estate loans: insured (direct), $650 million; guaranteed, $50 million; total $700 million.

(2) Operating loans: insured (direct), $2,500 million; guaranteed $650 million; total $3,150 million.

(3) Emergency disaster loans: Such amounts as may be necessary.

For the real estate and operating loans, authority is provided to transfer 25 percent of the funds between direct and guarantee loan categories.

At least 25 percent of any amount available for insured (direct) farm real estate and operating loans would be for low-income, limited-resource applicants.

(4) Insured water and sewer facility loans: $340 million.

(5) Industrial development (Business and Industrial) loans: $250 million.

(6) Insured community facility loans: $150 million.

VI. ADMINISTRATION OF GUARANTEED FARM LOAN PROGRAMS

To achieve greater participation in FmHA's farm loan guaranteed programs, direct the Secretary to ensure that loan guarantee programs are responsive to the needs of borrowers and lenders. Direct the Secretary to establish a procedure for making advances to lenders on guarantees on nonperforming loans prioir to liquidation.

VII. ADVANCE RECOURSE COMMODITY LOANS

For the 1986 through 1990 crop years, provide discretionary authority for the Secretary to make advance recourse loans through the CCC available to producers of program crops if the Secretary finds it necessary to ensure adequate operating credit is available to farmers.

H.R. 2107

A bill to provide agricultural credit and rural development assistance, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Credit and Rural Development Act of 1985".

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

WATER AND WASTE DISPOSAL FACILITIES

SEC. 2. Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) is amended by—

(1) adding at the end of paragraph (2) the following: "The Secretary shall fix the grant rate for each project in conformity with regulations promulgated by the Secretary that shall provide for a graduated scale of grant rates establishing higher rates for projects in communities that have lower community population and income levels: *Provided,* That the grant rate shall be the maximum rate permitted under this paragraph for any project in a community that has a population of fifteen hundred or less inhabitants and a median household income level which does not exceed the higher of the poverty line prescribed by the Office of Management and Budget, as adjusted under section 624 of the Economic Opportunity Act of 1964 (42 U.S.C. 2971(d)), or 80 per centum of the statewide nonmetropolitan median household income."; and

(2) adding at the end thereof new paragraphs (16), (17), (18), and (19) as follows:

"(16) In providing financial assistance for water and waste disposal facilities under this section, the Secretary shall use a project selection system to determine which of the applicants for assistance meeting the basic requirements of this section shall be selected to receive assistance. Such project selection system shall provide for the objective and uniform comparison of requests for assistance (in the form of preapplications) on the basis of relative need as reflected by factors to be determined by the Secretary: *Provided,* That such factors shall include (A) low community median income; (B) low population; and (C) severity of health hazards resulting from inadequate provision for the reliable supply of potable water or from inadequate means of disposing of waste: *Provided further,* That these three factors shall be weighted equally and shall account for not less than 75 per centum of the total rating points in the project selection system.

"(17)(A) The Secretary may make grants to private nonprofit organizations for the purpose of enabling them to provide to associations described in paragraph (1) of this subsection technical assistance and training to—

"(i) identify, and evaluate alternative solutions to, problems relating to the obtaining, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas;

"(ii) prepare applications to receive financial assistance for any purpose specified in paragraph (2) of this subsection from any public or private source; and

"(iii) improve the operation and maintenance practices at any existing works for the storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas.

"(B) In selecting recipients of grants to be made under subparagraph (A), the Secretary shall give priority to private nonprofit organizations that have experience in providing the technical assistance and training described in subparagraph (A) to associations serving rural areas in which residents have low income and inwhich water supply systems or waste facilities are unhealthful.

"(C) Not less than 2 per centum of any funds provided in appropriations acts to carry out paragraph (2) of this subsection for any fiscal year shall be reserved for grants under subparagraph (A) unless the applications for grants received by the Secretary from eligible associations for the fiscal year total less than 2 per centum of any such funds.

"(18) In the case of water and waste disposal facility projects serving more than one separate rural community, the Secretary shall use the median population level and the community income level of all the separate communities to be served in applying the standards specified in paragraphs (2) and (16) of this subsection and section 307(a)(3)(A) of this title.

"(19) The Secretary may make grants, aggregating not to exceed $10,000,000 in any fiscal year, to associations described in paragraph (1) of this subsection to test cost-effective methods of meeting the basic needs of rural residents who do not have and cannot afford safe drinking water services. Such grants may include, but are not limited to, financing for—

"(A) costs associated with the development or improvement of individual or small, multiuser drinking water facilities; or

"(B) costs associated with enabling such rural residents to connect to community water supply systems, such as the payment of connection fees; or

"(C) costs associated with improving the operation, maintenance, or management of small community water systems that are currently unable to provide safe drinking water at affordable rates to such rural residents; or

"(D) costs associated with implementing other alternatives to meeting the basic drinking water needs of such rural residents.".

INTEREST RATES—WATER AND WASTE DISPOSAL FACILITY LOANS

SEC. 3. Section 307(a)(3)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)(A)) is amended by—

(1) striking out "where the median family income of the persons to be served by such facility is below the poverty line" and inserting in lieu thereof "where the median household income of the persons to be served by such facility is below the higher of 80 per centum of the statewide nonmetropolitan median household income or the poverty line";

(2) inserting before the period at the end thereof the following: "; and not in excess of 7 per centum per annum on loans for such facilities that do not qualify for the 5 per centum per annum interest rate but are located in areas where the median household income of the persons to be served by the facility does not exceed 100 per centum of the statewide nonmetropolitan median household income"; and

(3) adding at the end thereof the following: "The interest rate on loans for water and waste disposal facilities and loans for essential community facilities shall be the lower of (i) the rate in effect at the time of the loan approval, or (ii) the rate in effect at the time of the loan closing.".

EFFECTIVE DATE OF SECTIONS 2 AND 3

SEC. 4. The amendments made by sections 2 and 3 of this Act shall become effective on October 1, 1985, and shall apply to any association described in section 306(a)(1) of the Consolidated Farm and Rural Development Act without regard to whether the application for the loan or grant involved was made by such association before such effective date.

BUSINESS AND INDUSTRIAL LOAN LIMITS

SEC. 5. Section 310B(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)) is amended by adding at the end thereof the following new sentence: "No loan may be made, insured, or guaranteed under this subsection that exceeds $25,000,000 in principal amount.".

ELIGIBILITY FOR EMERGENCY LOANS

SEC. 6. (a) Section 329 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1970) is amended by adding at the end thereof the following new sentence: "Notwithstanding the second sentence of section 321(a) of this subtitle, eligibility of an applicant for assistance under this subtitle based upon production losses shall be determined solely on the basis of the factors designated in this section without regard to the Secretary's failure to designate a county or counties for emergency loan purposes.".

(b) The amendment made by this section shall be applicable to disasters occurring after September 30, 1985.

COUNTY COMMITTEES

SEC. 7. Section 332(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1982(a)) is amended to read as follows:

"(a) In each county or area in which activities are carried out under this title, there shall be a county committee composed of three members. Two members shall be elected, from among their number, by farmers deriving the principal part of their income from farming who reside within the county or area, and one member, who shall reside within the county or area, shall be appointed by the Secretary for a term of three years. At the first election of county committee members under this subsection, one member shall be elected for a term of one year and one member shall be elected for a term of two years. Thereafter, elected members of the county committee shall be elected for a term of three years. The Secretary, in selecting the appointed member of the county committee, shall ensure that, to the greatest extent practicable, the committee is fairly representative of the farmers in the county or area. The Secretary may appoint an alternate for each member of the county committee. Appointed and alternate members of the county committee shall be removable by the Secretary for cause. The Secretary shall issue such regulations as are necessary relating to the election and appointment of members and alternate members of the county committees.".

REAUTHORIZATION

SEC. 8. Section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions of subsection (a) of this section—

"(1) loans for each of the fiscal years 1986, 1987, and 1988 are authorized to be insured, or made to be sold and insured, or guaranteed under the Agricultural Credit Insurance Fund as follows:

"(A) real estate loans, $700,000,000, of which $650,000,000 shall be for insured loans and $50,000,000 for guaranteed loans, with authority to transfer 25 per centum of such amounts between categories;

"(B) operating loans, $3,150,000,000, of which $2,500,000,000 shall be for insured loans and $650,000,000 for guaranteed loans, with authority to transfer 25 per centum of such amounts between categories; and

"(C) emergency loans in amounts necessary to meet the needs from natural disasters.

Not less than 25 per centum of the funds that may be used for insured loans for farm ownership purposes and not less than 25 per

centum of the funds that may be used for insured loans for farm operating purposes shall be made available for loans to low-income, limited-resource applicants to the extent needed to meet applications filed by such farmers who are eligible for such loans. The Secretary shall inform in writing all applicants for loans for farm ownership and farm operating purposes of the availability of the loan program for low-income, limited-resource borrowers and the general nature of the program.

"(2) loans for each of the fiscal years 1986, 1987, and 1988 are authorized to be insured, or made to be sold and insured, or guaranteed under the Rural Development Insurance Fund as follows:

"(A) insured water and sewer facility loans, $340,000,000;

"(B) industrial development loans, $250,000,000; and

(C) insured community facility loans, $150,000,000.".

ADMINISTRATION OF GUARANTEED FARM LOAN PROGRAMS

SEC. 9. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. Notwithstanding any other provision of this title, the Secretary shall ensure that farm loan guarantee programs carried out under this title are designed so as to be responsive to borrower and lender needs and to include provision under reasonable terms and conditions for advances, prior to completion of the liquidation process, of guarantee proceeds on loans in default.".

ADVANCE RECOURSE COMMODITY LOANS

SEC. 10. Effective for the 1986 through 1990 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"SEC. 424. Notwithstanding any other provision of this Act, the Secretary may make advance recourse loans available to producers of the commodities of the 1986 through 1990 crops for which nonrecourse loans are made available under this Act if the Secretary finds that such action is necessary to ensure that adequate operating credit is available to producers. Such loans may be made available under such reasonable terms and conditions as the Secretary may prescribe.".

EFFECTIVE DATE

SEC. 11. Except as otherwise provided herein, the provisions of this Act shall become effective upon enactment.●

HIS EXCELLENCY TURGUT OZAL, PRIME MINISTER OF THE REPUBLIC OF TURKEY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to submit for the RECORD remarks made by His Excellency Turgut Ozal, Prime Minister of the Republic of Turkey, before a group of Members of the House of Representatives on April 3, 1985. I believe the Prime Minister's speech, which addresses Turkey's external relations, geographic conditions, domestic political scene, and economy will be of interest to many.

TURKEY FACING UP TO CHALLENGES

It is indeed a great pleasure and honor for me to address such a distinguished gathering.

Before I proceed, I would like to express my sincere appreciation to Dr. Jordan, President of the Center for Strategic and International Studies. I believe I am the first Prime Minister of Turkey to address so large a group of members of Congress under its own roof.

The topic which I address today, "Turkey Facing up to Challenges" is a four dimensional subject. Those dimensions are Turkey's external relations, its geographical conditions, its domestic political scene and its economy.

Four sets of constants traditionally shape the foreign policy of Turkey.

The first is the geopolitical significance of Turkey's position as a gateway between the three continents of Europe, Asia and Africa. Due in part to its geographic location, Turkey plays a key role in both global strategic balance and regional equilibrium.

The second factor is the strong desire of the Turkish people for rapid socio-economic development and modernization. Turkey faces complex social and economic challenges. To cope with these challenges, it stands in great need of capital and technology as well as markets. Turkey's strategic location, with its accompanying national security concerns, make industrialization an even more urgent task, for these concerns continually require allocation of substantial national resources.

The third factor concerns the political aspirations and moral values of the Turkish people. Since the establishment of the Republic and the initiation of Atatürk's reforms Turkey has become a society oriented on democracy based on human rights and fundamental freedoms. Democracy has become an irrevocable process in Turkey leading to progress and establishing an ideological connection between Turkey and the Western world.

The fourth factor is Turkey's multi-regional cultural heritage and affinities resulting from its geographical location.

These factors explain Turkey's strong commitment to the western ideals, its major contribution to the collective defense system and its friendly relations and close cooperation with the Free World. They also shape Turkish policies toward the Middle Eastern and Islamic countries. With the prestige and confidence that Turkey has gained in its relations with the countries of the region, it can provide a direct and increasingly effective economic and political link between the West and the Middle East.

On the other hand, Turkey's maintenance of good-neighborly relations and expanded commercial exchanges based on mutual respect and non-interference in internal affairs with the Soviet Union can also be explained in the light of these four factors.

The same factors determine Turkey's efforts aimed at the development of harmonious and mutually beneficial ties with the Balkan countries and with Greece. Aware of the utmost importance of the friendship and cooperation with Greece, we have several times appealed to the Greek Government for the establishment of a dialogue to resolve our differences. Turkey unilaterally abrogated the visa requirement for Greek citizens, confident that people-to-people contact between our two nations will promote a friendlier atmosphere. Unfortunately the Greek Government has not only rebuffed our advances but it has continued to pursue a course of deliberate confrontation aiming at reducing military assistance to Turkey or conditioning it on irrelevant criterias. We have repeatedly declared that we seek only peace and cooperation. We do not covet an inch of Greek territory. However, the Greek Government has continued with the propaganda of a so-called, imaginary Turkish threat. Beside this, Greece causes serious concerns for all of us by taking steps such as venturing to establish "nuclear free zone" in the Balkans, and redeploying Greek forces allotted to NATO along the borders of Turkey under what is called the "New Defense Doctrine of Greece", all of which are in contradiction to the fundamental spirit of Western Alliance.

My Government keenly desires the normalization of our relations. I, have, very recently reiterrated this desire and called upon the Greek Government to join Turkey in initiating the necessary process of dialogue, reconciliation, cooperation and friendship that good sense and mutual interest demand. Animated by such a spirit, I propose today to Greece that we sign an Agreement of "Friendship, Good-Neighborhood, Conciliation and Cooperation". Such an agreement can establish procedures and mechanism that will facilitate the solution not only of present disagreements but also those which may emerge in the future. In this agreement we can also mutually guarantee the inviolability of the present legal boundaries. We believe Greek and Turkish interests are not incompatible. Turkey and Greece were able, more than fifty years ago, under more difficult times, to make friendship. We are neighbours. Geography has imposed this on us. We should benefit from it. Our nations should know each other better. We should remove all obstacles so that journalists, businesswomen, artists and man in the street can freely contact one another.

I am ready to meet any time, anywhere with the Greek leadership to discuss all these issues.

I am ready to meet my Greek counterpart to give this process of peace and reconciliation the momentum it needs.

I am ready to meet at any proper time.

I am ready to meet at any proper place.

I am ready to see this necessary reconciliation through its earliest and widest application.

I offer this observation to the Greek leadership for what is is worth.

I am prepared to trust in the good sense of the Greek people just as I trust in the good sense of the Turkish people.

On the issue of Cyprus, I must say that we feel the Turkish Cypriots have recently made an outstanding effort to solve the island's problem. In fact, as the Secretary General Perez de Cuellar's press release made it clear the Turkish Cypriot side had accepted the draft in-full of the agreement proposed by him, while the other side has not. Despite the great disappointment felt by the Turkish side, we are pleased that it has kept the door open for negotiations leading to establishment of a federal government.

My Government continues to support a workable and just solution of this problem, along the lines of establishment of an independent, territorially integral, bi-zonal, federal republic in which the two communities can cooperate with equal political status.

The current military and security relationships between Turkey and the United States are defined in a comprehensive De-

fense and Economic Cooperation Agreement concluded in 1980. Under it, Turkey authorizes the United States to use some of its defense facilities for the purposes of collective defense. In return the United States undertakes to provide defense equipment, so that Turkey can effectively carry out its crutical defense responsibilities. In addition to its indispensable geopolitical value as a strategic bastion of the West, Turkey has critically important military contribution to Western defense. Valuable as they have been, Turkey's contribution to NATO have taken on even greater significance. As the result of extensive integration of U.S. forces into the defensive capabilities of Europe, reinforced by the presence of tactical nuclear weapons on European territory, the Central front of NATO is now regarded as a militarily static area. The Strategic center of gravity can be considered to have shifted to the Middle East and Southwest Asia regions. Therefore, the strengthening of Turkey's military abilities should and must be a major NATO priority because Turkey presents an area where force improvement offers a maximum contribution to the NATO function of deterrence to aggression and to the peace of security of Europe and America.

I feel I must point out in this discussion a complication regarding full utilization of Turkey's potential. I refer to a resolution introduced in the 99th Congress aiming to maintain the so-called seven-to-ten ratio. This resolution contains totally baseless and erroneous accusations against Turkey. The ratio itself is totally arbitrary. It completely disregards the great disproportion between the NATO assigned missions of the two countries involved and makes Turkey's needs for military assistance dependent on those of Greece. I must say as well that this proposed resolution also manifestly ignores the evident disparity between the political and military commitments of the two countries to NATO and its objectives. The Turkish army has a well-merited reputation as a fighting force. However, the equipment of our armed forces require upgrading to meet current-day needs and missions. Although Turkey allocate 5% of its gross national product to defense, it still cannot make up deficiencies resulting from inadequate military assistance allocations of the past.

There is a second international issue in which Turkey and the United States share a major concern and in which a complicating factor threatens to jeopardize our mutual interests. I refer to international terrorism. The governments of Turkey and the United States as two countries which have suffered most heavily from terrorism must work together to put an end to it. This bond of common cause now stands in jeopardy becaue of the introduction in the Congress of House Joint Resolution 37, which would proclaim that the Armenian population in Turkey was the victim of genocide in 1915. Let me clearly state that we respect the Armenian communities around the world and appreciate their culture. Our problem is solely with the terrorists who murdered 41 Turkish diplomats and whose aim is to defame Turkey and to carve out certain parts of its territory and annex them to the Armenian Republic in the Soviet Union. Turkey joined NATO and made special security arrangements with the United States to guarantee its territorial integrity. One should realize that the support of the Armenian claims no matter under which disguise they are presented, contradicts the spirit of our bilateral relations with the United States, they very principle of the foundation of NATO and even the commitment of the United States within NATO.

During the years preceding September 1980, Turkey's ve_y existence was threatened. Along with the terrorism and anarchy, fragmentation of the parliament, succession of weak coalition governments, inflation, shortage of foreign currency and lack of many basic articles had led to paralysis of state governance. The country was on the brink of a civil war. These circumstances brought about a reluctant and temporary assumption of the reins of government by the military. The 3 year rule of the transitional government where I served as Deputy Prime Minister accomplished much. Terrorism was eradicated, a new Constitution was prepared and approved, a massive economic reform was undertaken.

With the general elections held on November 6, 1983 a new era was inaugurated in Turkey. My Party won a resounding victory. Local elections in March 1984 gained the stature of a nationwide referendum on the government. The result was a demonstration of strong popular support for the government.

It is our proud belief that we now have a stable democratic structure with all its institutions reconciling government efficiency with legitimacy and exercising authority while safeguarding individual freedoms.

I believe that political democracy is best able to have a healthy existence when coupled with a free market economy. Historical evidence supports that truth. Although not all free market systems are democratic, every functioning democracy has been coupled with an economy based primarily on free enterprise and private initiative.

During the fifteen months since we took office, the following measures have been taken.

A determined effort has been made to reduce bureaucratic formalities and unnecessary red tape,

Foreign exchange restrictions have been reduced to a minimum,

A programme has been launched for the gradual privatization of state economic enterprises,

Within the context of our privatization program, the private sector has been allowed to enter fields which were formerly reserved to the public sector,

Agribusiness and food processing constitute one of the major focus of our investment encouragement programs,

New legislation has been enacted and new procedures have been put into effect to encourage and facilitate foreign investments in Turkey,

All protectionist walls were demolished and all protective quotas and restrictions on imports were removed,

The tax system has been radically reformed through the introduction of the value added tax,

A flexible exchange rate policy has been adopted and steps were taken towards full convertibility of Turkish currency.

As a result of our policies, growth last year was 5.7 percent in real terms and exports increased by 25 percent in dollar terms.

We are trying to achieve two things at a time, namely strengthening democracy and furthering free enterprise and free market economy. All this program which has been successful now so far has been carried out at the expense of great sacrifices, by the Turkish people alone. This heavy burden still lies and will do so for some time, on the shoulders of our people. Turkey's success can be a model for the others to follow. Therefore, the West has as much interest as we Turks do. With the support you can render, this system can be established more easily and strongly. The strong establishment and success of such a system in Turkey will rebuff the internal forces that oppose this system and will also be an answer at the international level to the forces that advocate the economic development and welfare of a country can not be achieved through free market economy and democracy.

We believe that Turkey's key location, large and growing domestic market, vast natural resources, availability of qualified manpower at very competitive wage levels, and experienced local partners make Turkey an ideal location for the establishment of export-oriented co-production undertakings and joint ventures. We are pleased to find that American business people are beginning to take note of the access offered by Turkey to regional markets.

I will conclude my words by saying that I have been and I am always optimistic about our relationships because Turkey and America share a common political philosophy, a common set of values, a common strategic orientation, a common determination to preserve freedom, a common commitment to free-market economic enterprise and a common desire for the betterment of our people's and of world society.

With so very much in common, I am confident that working together we can overcome all the challenges for our mutual good and for the good of the free world.●

THE ASSAULT ON BENEFITS: DEFICIT THINKING

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SOLARZ. Mr. Speaker, as the administration and Congress seek to reduce the soaring budget deficit and to reform or simplify the Tax Code, the current tax treatment of employee benefits—pension and savings plans, life insurance, health insurance—is being increasingly jeopardized. It would seem that retirement security programs in particular are being singled out as easy targets for revenues to resolve the deficit.

This is not an easy issue to resolve and is one which will be given particularly close scrutiny by this body, especially by the Education and Labor Committee on which I serve as well as the Ways and Means Committee.

Recently, this very critical subject was discussed in a speech by Stuart J. Brahs, executive director of the Association of Private Pension and Welfare Plans [APPWP]. As Mr. Brahs has noted in his remarks, "For decades, the Congress encouraged American business and labor to create and maintain employee benefit programs for the security of the Nation's workers and their families." It would appear that these important benefits may not

be reduced or, in some instances eliminated entirely.

I offer, herewith, for inclusion in the RECORD the text of Mr. Brahs' speech. While I do not necessarily subscribe to the views expressed in this statement, this is a vital public policy issue which we will be debating during the 99th Congress and I believe our colleagues will find Mr. Brahs' comments to be timely and thought-provoking.

THE ASSAULT ON BENEFITS: DEFICIT THINKING

(By Stuart J. Brahs, Executive Director, Association of Private Pension and Welfare Plans, Inc., Washington, DC)

Everywhere you go in Washington today you hear discussion of the prospects for tax reform or tax simplification. Tax reform is a revolutionary concept and is increasingly being considered a likely outcome of the current Congressional session. It is perceived that the public is clamoring for a more equitable and simpler tax system. And the President and Congressional leaders are grasping for the Holy Grail of tax reform perhaps as a means of securing their niche in history.

Reform, flat tax, tax simplification—whatever it's called, if enacted, will be a fundamental shift in economic policy for the United States and would impact every American and every institution—far beyond what we can know or imagine. Simplification and equitable reform are laudable goals and the time is ripe to pursue them. However, we cannot, in the name of reform, spawn revolution in the lives of millions of American workers, their families and their secure futures; nor can we weaken beyond repair our nation's employee benefit system that has been carefully built over seven decades as good social policy.

In their attempts to come to grips with the soaring federal deficit, however, the Administration and the Congress are frantically searching for sources of revenue wherever they believe it can be found. Unfortunately, it has become axiomatic that employee benefits, in general, and retirement security programs, in particular, are easy targets for revenue. In the guise of tax reform, an assault on benefits has been launched.

A national trade publication very aptly noted earlier this year that government's attitude toward private pensions and employee benefits has changed dramatically—

"Increasingly, they are being viewed not as a social good to be promoted through tax policy but as simply another big tax loophole—the biggest of all—which, like oil-drilling schemes and cattle partnerships, favors the wealthy and robs the Treasury of billions in revenues each year."

These vital life security benefits are being viewed as "fringes"—something on the periphery of workers' income. They are not!

How very short-sighted can this perception be? Taxation of employee benefits in the name of simplification and reform is not fair. It's not flat. It's not fat.

IT'S NOT FAIR

Testifying before the House Committee on Education and Labor, AFL-CIO President Lane Kirkland observed: "The attack on employee benefit programs is taking place at a time of huge and deepening federal deficits. But the tax treatment of benefits is not the source of this crisis. The attempt to raise revenues by taxing workers' benefits and reducing their standard of living is patently unfair."

For decades, the Congress encouraged American business and labor to create and maintain employee benefit programs for the security of the nation's workers and their families. Out of the tragic experience of the Depression our political leaders recognized the need to make saving for one's retirement a more painless and automatic discipline. And thus, through incentives built into the tax code over the decades, we have achieved these results:

One hundred sixty two million American workers and their dependents are protected by a half-million employee benefit plans.

Seventy five percent of these workers earned less than $25,000 in 1982.

Ninety six percent of all workers in medium and large firms were covered by group life insurance in 1983, according to a government survey.

Approximately 8 in 10 of all Americans under age 65 are covered by employer-sponsored group health insurance policies.

Some 74 percent of full-time, year-round workers participate in pension plans and 72 percent of those retiring in 2007—just a bit more than two decades from now—will receive pension benefits. (Can the same be said about Social Security?)

Seventy-four percent of the benefit for contributions to a qualified pension plan goes to individuals with incomes less than $50,000.

Seventy-eight percent of the benefit for employer contributions to group-term life, accident and disability insurance goes to individuals with incomes less than $50,000.

Millions of Americans—represented by these data—have come to depend upon, and have too often taken for granted, benefits promised to them. It isn't fair now to pull the rug out from under these workers and their families. Taxing and limiting these benefits will be the descent down the slippery slope that will undermine and destroy this system of economic security for these millions.

The Administration and tax reform gurus on and off Caplital Hill seek to justify the increased taxation of employee benefits through so-called horizontal equity. While it may, in fact, be unfair that all American workers do not benefit equally from an adequate medical program, pension protection, life and health insurance, and similar employee benefits, such inequities should be resolved through public and private policies that encourage a "leveling-up" of benefits. It makes no sense to resolve this perceived inequity through policies that seek to reduce everyone to the lowest common denominator. Union leader Kirkland quite appropriately stated that "Such a narrow view of equity ignores the far greater inequity that would result from a lowering of benefits and fewer participants. That viewpoint also implies that tax justice means merely rearranging the tax burdens of working people."

Over the years the Congress has also mandated requirements to make coverage more widely distributed among all income groups. Taxation of benefits would undermine such hard won equity. It would be unfair to tinker with the benefits many workers willingly opted for instead of higher wages and other short-term economic improvements.

It would also be unfair to eliminate one of the most popular and accessible retirement savings programs provided for in the tax code.

One of the particularly onerous proposals currently on the table is the elimination of cash-or-deferred arrangements under Section 401(k) of the Internal Revenue Code. Available statistics from the APPWP, the Hewitt Co. and the Census Bureau indicate, however, that contrary to the view of the proponents of this ill-considered scheme, low-income workers are more likely to participate in a 401(k) plan than in an IRA. Also, there is a discrimination test to assure that 401(k) plans do not favor higher paid employees. These savings plans are particularly favored by a younger, more mobile workforce. The addition of a $2,500 IRA for a non-employed spouse is of little benefit to lower-income families with little disposable income. Expanding IRAs would, in fact, favor relatively higher income families with one wage earner who have a lot of discretionary income. The Treasury proposal, therefore, is wholly inconsistent with social objectives and equity, as well as the long recognized need to encourage savings by Americans.

Companies responding to a recent APPWP survey reported that nearly 60 percent of employees in the lower two-thirds income group were participating in the company's 401(k) plan. Further, almost 70 percent of all employees represented by the companies with 401(k) plans who responded to the APPWP survey—over 3.3 million workers—were eligible to participate in the plan.

The 401(k) plans make a significant contribution to the nation's economic recovery by providing investment capital, thereby generating new employment opportunities from current income tax revenues. In contrast to IRAs, 401(k) plans typically provide a company "match" on employee contributions, which, in turn, significantly enhances the individual's long-term financial savings. 401(k) plans are so flexible, useful, and valuable that the federal Office of Personnel Management has recommended establishing such a savings program as part of its reformed pension program for millions of civil servants!

IT'S NOT FLAT

Besides the ill-considered notion of mandating horizontal equity by diminishing promised benefits and eliminating retirement savings options, is the notion that tax reform will be "revenue neutral;" i.e. peoples' taxes will generally go down and the revenue flow into the Treasury will not go up.

It just isn't so for the average American. The cost of pensions, life and health insurance and other critical economic life support benefits would rise appreciably because of increased taxes. Surveys indicate that employers and employees alike believe that if they are taxed on the provision and receipt of these programs, the benefits may well disappear. No matter how innocent or inconsequential it may appear when presented by proponents, taxation would dismember America's model benefit structure.

While the tax code has created this comprehensive system, its breadth of coverage has sustained it. Tinker with that and you will destroy the system. Tax reform proposals envision the individual—not group—approach to benefits. The economic advantages gained by including in the system workers from all age groups, from all industries and from all geographic areas would disappear. If the direct cost of these benefits to the employee is increased, many will have to limit their participation in what they can currently afford. In many instances, such as with health insurance, cov-

erage will be substantially reduced—younger and healthier workers would be motivated to consider avoiding taxation by having their employers drop coverage of certain services. Those left in the system would be those who could afford the higher costs, and whose who are older and more in need of frequent health care services. This will cause plan premiums to go up, thus raising taxes further. Many plans would be discontinued altogether causing many to seek individual programs in the market place. Disarray and chaos would result. Almost everyone understands that group risk-sharing brings down the cost of these programs. Everyone, that is, but those two want to reform taxes by taxing benefits. Such reform is really a hidden tax that would hit middle and lower income workers the hardest.

IT'S NOT FAT

While the level and availability of employee benefits would be reduced, the need for them would not vanish. A recent survey showed that 73% of corporate CEOs believe that if employers cut back on benefits, the government will be pressured—particularly by the aging baby boom—to increase Social Security and add other welfare benefits. At best it could be expected to do no better than private enterprise has done but it would be safe to suggest that it would probably do much worse! All one has to do is examine the Government's current record of efficiency in delivering health care, food, and other life security benefits, and compare it to this exemplary private-sector structure. Sen. Packwood, Chairman of the Finance Committee and long-time champion of employee benefits, has said that if the government were to provide the health care benefits currently provided by the private sector, it would cost $100 billion a year, compared to the $30 billion cost by the private sector.

But clearly, the proponents of taxing benefits believe they are profitable targets for the Treasury. Independent studies have shown conclusively that their revenue estimates are bloated and misleading. It would be a grave mistake to act on the erroneous assumption that all employee benefits are forever lost to the tax base. About 70% of the Treasury's statistics, used to justify their raid on employee benefits, include legally-required or fully-taxed benefits. Other studies show that the Government will eventually recoup 60-86% of all tax expenditures for employee benefits that are currently tax-favored.

Those who think employee benefits are rich fields ready to be plucked are sadly wrong-headed. Attempts to tax away these benefits will only assure their diminishing existence; it would be folly to tax a disappearing revenue source. And, as a recent Library of Congress study revealed, the "relative level of U.S. fringe benefits still remains a smaller part of total compensation than it is in most other industrialized nations." Our system is good, not perfect. If the current programs are not undermined and the tax laws now on the books are not gutted, these benefit plans will continue to grow, improve, and meet future demands. They are not fat fringes that created—or can solve—our deficit crisis.

BENEFITS COALITION NEEDED

Curiously, there is really no one "against" employee benefits. However there is a vast sea of myths, half-truths and serious misunderstandings about the nature and extent of employee benefit programs and their critical role in protecting millions of workers, their dependents and retirees. We must take positive steps to correct this information gap.

We must forge a broad-based, nationwide coalition to protect and preserve our system of employer-provided, health and income security benefits. Recent legislative assaults on benefits in the Congress have taught us too well that employers and employees, as well as other advocates of employee benefits, need to be energized and catalyzed to act on this critical public policy issue.

The APPWP has been on the leading edge of efforts to develop this broadbased national coalition of employers, workers, pension and benefit providers and consultants to work to preserve and protect the private pension system. This national trade association of over 475 members—representing the entire spectrum of the pension and benefits community—has taken initiatives to educate federal lawmakers and other decisionmakers in the Nation's Capital about the irreparable damage which will be done to employee benefit plans if ill-considered tax and pension policy proposals become law.

Through the successful Grassroots Program, our network of state and regional chairmen have conducted effective one-on-one educational briefings with Senators and Representatives in their home states and districts. We bring together major employers and Congressional representatives to discuss the salient issues involved in tampering with America's comprehensive private employee security benefits system.

The APPWP has let lawmakers hear about these critical issues—about the security private pension and employee benefits programs provide for American workers and the disastrous consequences if they are taxed. We have urged that they look beyond simplistic calculations about how much tax revenue is theoretically lost in a given year, and address the broad public policy aspects of the issue.

In the coming debate on tax reform, the business community will be keenly divided on many key issues. But there is one issue where they are uniquely united: Not taxing employee benefits. And as the statements of Lane Kirkland make clear, labor and management also see eye to eye on this issue.

The APPWP urges all those concerned about proposals which would eventually destroy this system to communicate immediately with the President and to write, visit, call or wire your Senators and Representatives in Congress—let them know where you stand. Tell them in the strongest language not to tax employee benefits and to oppose legislation which would destroy a pension and benefits system which it has taken employers and workers decades to build.

CONCLUSION

America's employee benefits system provides most workers with a remarkably varied, flexible, and comprehensive program that delivers an important measure of financial security both now and for retirement.

Yet the powerful Chairman of the tax-writing Ways and Means Committee, Dan Rostenkowski—whose influence over the shape and scope of any tax reform legislation is enormous—has said that "everything is on the table"—nothing is sacred in the tax reform debate, not even employee benefits.

Tax reform and simplification should fix what's broke: paralytic complexity in the tax code, unintended and wasteful investments in tax shelters, egregious inequities. Reform must not become a fundamental and reckless abandonment of a benefits system that has become a model for the world.

If every American better understood what's on the table—what tax reform may mean for his or her family's economic future—you'd find employee benefits as sacred as mortgage interest deductions.

Although we support efforts to bring federal budget deficits under control, raising the needed revenue by taxing employee benefits is simply the wrong approach. Whatever the arguments for tax reform or simplification, they fail to make either economic of social sense when they lead to taxing employee benefit plans and thereby discourage their availability or erode their value.

For decades we have consciously bolstered the three-legged stool of private pension, private savings, and social security to enable today's workers to enjoy an unprecedented degree of financial security. Those who wish to tamper with a good—not perfect system—threaten to kick a leg out from under that carefully crafted stool.●

VIEWS OF FORMER DEFENSE SECRETARY McNAMARA ON CENTRAL AMERICA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, in view of our upcoming vote on President Reagan's request to renew funding for the Contras, I wanted to share with my colleagues a letter that former Defense Secretary Robert S. McNamara wrote last year to Dr. Henry A. Kissinger, Chairman of the National Bipartisan Commission on Central America, on which I had the honor to serve as a senior counselor. I would call my colleagues' attention to Secretary McNamara's statement that we should not use force in Central America except through the OAS, a view he reiterated to me as recently as last week. This is a prescription that we have systematically violated by funding the Contras. I thought the Members would be interested in the views of this distinguished former official.

WASHINGTON, DC, *September 12, 1983.*

Dr. HENRY A. KISSINGER,

National Bipartisan Commission on Central America, Washington, D.C.

DEAR HENRY. Upon returning to my office two days ago I found your letter of August 18th awaiting me. In it you asked for my "insights" on any aspects of your Commission's Mandate. Because my knowledge of the problem you are studying is limited, this reply will be brief:

In sum, I believe:

1. You are quite correct both in restricting your study to long-term issues and in broadening its focus beyond Central America.

2. We greatly over-estimate the effect of political instability in Central America on our security, and we seem unaware of the danger to us of such instability in Mexico.

3. For the next decade or two, Mexico's labor force will grow at the highest rate of any large country in the world. Unless the

government creates jobs to absorb that labor force, a significant part of it will flow across the 2,000 mile border into the United States. Neither the United States nor Mexico has begun to lay out the political and economic programs which are necessary to effectively address this problem. Failure to do so carries with it enormous political, economic, and security risks for our country.

4. The problem in Central America is essentially economic, social, and political in origin. It has been exacerbated by, but not caused by, Soviet and Cuban intervention. The solution to the problem requires action by the Central American governments in each of these fields.

We can assist the governments in implementing such programs, but we can not impose them upon their societies. Moreover, the "absorptive" capacity of their leaders and their institutions to receive foreign technical and financial assistance is limited. It should not be over-loaded. A "Marshall Plan" for Central America is likely to do so.

5. Because of such "capacity limitations", the majority of the countries in Central America are likely to be unstable for years to come. What we can do is contain the effects of such instability by:

(a) Maintaining a unified approach to the problem with the major countries of the Region—particularly Mexico, Venezuela, Columbia and Panama (we have not done so).

(b) Making clear to the Soviets we will not accept their "offensive" forces in the hemisphere, now or later.

(c) Joining with the Latin American countries in their efforts to normalize relations with Cuba, and to obtain agreement that Cuba will not use one country in the hemisphere as a base from which to subvert the established government of another country.

6. We should not use military force in Central America unless we are asked to do so by the OAS, and then only if our forces are accompanied by troops of major Latin American nations.

I will be happy to try to answer any questions which your staff wishes to put to me.

With best wishes.

Sincerely,

ROBERT S. MCNAMARA.●

WORK PLACE TRAINING

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. CLINGER. Mr. Speaker, it was a pleasure for me to learn last week that our House colleague, Representative NANCY L. JOHNSON and I, are the recipients of the American Society for Training and Development's [ASTD] Award for Public Service to Human Resource Development in National Affairs. It is certainly an honor for me to receive this prestigious award. As you know, the ASTD represents nearly 50,000 of America's employer-based trainers and resource development specialists.

Mr. Speaker, I believe you will agree that the issue of worker retraining has not received the national attention it merits. As the ASTD points out: "Workplace training and development is generally under-reported in the national human resources debate, and remains the dark continent in the national training and development system."

During the last several weeks we have heard several of our colleagues refer to the ongoing problems of international trade and how foreign workers have in effect, taken away jobs from American workers. Though we may disagree about the methods in which to deal with those problems, one conclusion is inescapable. Many other industrial nations have met the challenge in training and retraining their workers to meet technological change. In addition, many of our unemployed workers cannot find jobs simply because they have yesterday's skills and are unable to compete for tomorrow's jobs.

In order to deal with these concerns, Congresswoman JOHNSON and I recently were joined by a bipartisan group of 32 of our House colleagues in reintroducing H.R. 1219, the National Training Incentives Act of 1985. This bill provides employers with a 25 percent tax credit for training expenses over a 5-year average—thereby rewarding the type of retaining, on-the-job training, which labor and business agree is the most effective—and permits workers to finance retraining with money withdrawn, without penalty or taxation, from their IRA or annuity accounts. This provision would allow over 15 million largely working class households to take advantage of an already established network of retirement financing.

Mr. Speaker, I would hope that our colleagues would join us in this effort in order that we may meet the global challenges which await us.

In this regard, I would also commend to our colleagues the following research summary written by ASTD chief economist, Anthony Carnevale, which outlines available data on the economic role of employer-based training and retraining.

WORKPLACE TRAINING

(By Anthony P. Carnevale)

As the representatives of nearly 50,000 of the nation's employer-based specialists who train, retrain and educate the workforce, the American Society for Training and Development commends Representatives Johnson and Clinger's interest in workplace training.

Workplace training can be a powerful lever for resolving many of the nation's economic and human problems. Although employer-based training has attracted little public attention, it has been a critical aspect to the nation's education and training system since the great industrial expansion in the late nineteenth century. To some extent employer-based training and development has remained the dark continent in the public training and development system for good reason. The employer-based training and human resource development system has operated smoothly, informally, efficiently, and has little connection to the public funding of institutions that dominated the human resources debate over the postwar period.

This employer-based "shadow education system" exists for many reasons: First, since 1946 the nations principle human resource development problem has been that of providing elementary, secondary and post-secondary education for the baby boom as that burgeoning population shouldered its way through childhood, adolescence and young adulthood. Second, throughout most of the postwar economic era the competitive adaption of human skills to factor price changes, new technologies, new products and shifting competitive advantage occurred smoothly and without major dislocation and disruption. Third, where major public efforts have been mounted to redistribute income toward the disadvantaged or ease transitions for dislocated employees, policymakers have relied almost exclusively on public education and training.

The growing importance of employer-based training and development is partly due to changing circumstances that have altered or challenged all of the latter presumptions. The baby boom has aged beyond the reach of elementary, secondary and even post-secondary educational institutions. Training and human resource development services are increasingly delivered to a working population. Moreover, available data suggests that adult Americans would prefer that their developmental services be delivered through the workplace.

ECONOMIC ADAPTION

The processes of competitive skill adaption have also accelerated as the internationalization of the American economy has intensified the pace of economic and technological change. On balance these forces have created more jobs than they have destroyed. At the same time, however, those who get the jobs that trade and new technologies create are rarely the same people who lose jobs to technology and trade. Those who are dislocated by healthy economic and technological changes need to be retrained. In general these dislocated workers represent a relatively small proportion of the nation's labor force. According to a November 30, 1984 Bureau of Labor Statistics report, of the 5.1 million employees who had been on the job for three years before being displaced over the four year period between January of 1979 and January of 1984, 60 percent had been reemployed, 25 percent were still looking for work and 700,000 had dropped out of the labor force. Those former employees actually forced to drop out of the labor force amounted to little more than one half of one percent of American workers in January 1984. Other studies suggest that displaced workers number 100,000 employees per year—less than one tenth of one percent of the current labor force.

The problems of dislocated workers are significant, real and deserving of public remedies; but America's more sizeable retraining problem lies elsewhere. the nation's most sizeable retraining challenge is the constant reskilling of existing employees. Employees dislocated by economic change and made redundant by new technologies are only the most obvious and dramatic evidence of a more subtle, incremental and pervasive process of economic and technological change that affects skill requirements for all employees. The dislocated and redundant employee is only the tip of the iceberg. By far the greater mass of change in skill

requirements is constantly underway in the workplace as those who remain on the job react to skill changes made necessary by economic and technological forces.

Skill changes impact primarily on the job because they are evolutionary. Economic and technological adaption exacts marginal changes among the bundle of tasks associated with individual jobs or occupations. These subtle shifts in job requirements are rarely noticed outside the workplace until they accumulate in sufficient quantitly to effect pre-employment occupational preparations or until over a number of years and even decades they evolve into an entirely new occupation or job description. The employer-based job training system is the key element in adapting the nations human resources to changing skill requirements. Even in periods of relatively rapid economic and technological change, competitive skill changes are evolutionary not revolutionary.

Incremental shifts in prices, products, technologies and competitive advantage effect marginal changes in employee skills. Moreover, the workplace is the most appropriate site for retraining. It is in the workplace where subtle shifts in products, prices and new technologies are translated into new skill requirements instantly and articulately through the calculus of market competition. The employer-based training and human resource development system is the most sensitive barometer for registering economic and technological impacts on job requirements. The employer-based training system is our first line of defense in the effort to adapt to economic and technological change and to maintain international competitive advantage.

PRODUCTIVITY, INTERNATIONAL ADVANTAGE AND TECHNOLOGY

Workplace training is also the key in promoting productivity, price stability and international competitive advantage. Productivity is driven by the working "team." Productivity results from the ability of working groups or "teams" to learn together in the workplace. Individualized learning outside the workplace contributes to employee productivity only to the extent it provides individuals with the necessary basic educational, occupational and social skills that make them ready for workplace learning in the context of the production process. It is the informal and formal learning in the workplace that drives team productivity and the effective integration of human and machine capital.

Productivity and thereby training are our most effective means for maintaining price stability. While reduced wage costs can hold prices down, there are limits to the effectiveness of downward wage pressures on prices. All out wage competition, for instance, would threaten the productivity of the working team, especially if experienced employees became less willing to pass on their skills to new employees or resist new technologies for fear of losing their jobs. In fact, it is rare for even the most extreme wage pressures to result in actual wage reductions. At best, employers are able to slow the rate of increase in wages to the rate of increase in productivity.

Team productivity and the formal and informal workplace training that leverages it are also the most powerful lever for maintaining the nation's competitive advantage. We cannot match sweat equity with the masses of low wage workers in the underdeveloped world. Americans cannot win the race to the lowest common wage. Foreign workers willing to work for as little as fifty cents per day will win the race for low wages and low skill jobs. Moreover, the surplus of low skilled adult labor will grow in the underdeveloped world. Between 1980 and the year 2000, population growth in the twenty to forty year old cohort will increase by 600 million people in the underdeveloped world as compared with 35 million in the developed world.

Nor will technology save us. Technology knows no cultural or national loyalties and is instantly transportable. In addition, evidence shows that human factors far outweigh other resources in their contribution to American productivity growth and increases in the national income since comparative data first became available in 1929. Moreover, "working smarter" or learning on the job shows up as the most significant among human contributions to productivity and national income since 1929. Finally, we should all remember that machines are ultimately human artifacts and that if they are to be utilized effectively they must be integrated into the working team at the job site.

ENTRY LEVEL JOB SKILLS

Workplace training also plays a clear and critical role in development of individual working skills. While elementary, secondary and post-secondary education institutions provide most basic academic and vocational skills, it is workplace training that provides most, if not all job specific skills. This is due in part to the nature of America's human development system. After graduation from secondary school, young adults tend to experiment with alternative education, training and work experiences until roughly age twenty-five when they begin to settle into a long term career pattern.

Secondary school job-specific training is relatively outdated and irrelevant by age twenty-five. The research literature tends to bear this out. Most secondary school graduates do not work in the labor market areas in which they went to high school. Most continued work in occupations in which they received job-specific training in secondary schools. As compared with those who did not receive job-specific training in secondary school, only those with training in clerical and construction occupations showed income gains from job-specific training in secondary school. Moreover, even those gains tend to wash out within five years of secondary school graduation. According to the Bureau of Labor Statistics, in 1983 only 5% of the nation's employees report they learned something they needed to know to do their current job in secondary vocational schools and only 4% said they learned something necessary to qualify for their current job in post-secondary vocational schools.

SKILL SHORTAGES

Workplace training is surprisingly important in developing basic job skills even among professional and speciality occupations. This fact has become ever more apparent over the years in the investigation of skill shortages that are often announced but rarely materialize in the workplace. Most skill shortage projections are based on headcounts of graduates of formal secondary and post-secondary occupational programs relative to projected industry hiring requirements in specific occupations and professions. Projections arrived at in this manner tend to ignore the role of the workplace training system in providing for job related skills. Employers tend to take the closest available approximation to the skill they want and train it into the skill they need. This is even true among the most highly skilled professions. In 1979, for instance, most new engineering jobs were not filled by new engineering graduates. In 1983 fully a third or 33 percent of those trained in professional or specialized occupations said they received some or all of the training necessary to qualify for their jobs through formal or informal training in the workplace. Among technicians who received training to qualify for their jobs, a remarkable 54 percent said they received some or all of their qualifying training from their employers in the workplace. In the remainder of occupational categories of the workforce, the proportion of employees who received some or all of their qualifying training for their jobs through workplace training was even higher than in 1983. Among employees in other than professional or technical occupations, 79 percent of those who needed training to get their jobs received some or all of that training in the workplace as compared with 40 percent who said they received some or all of their training from schools.

RETRAINING

As noted above, the employer's role in retraining is significant. The workplace is the most sensitive and immediate barometer of economic change. A full 70 percent of executives, administrators and managers said they received some or all of their retraining on the job as compared with 37 percent of executives and administrators who said they received some or all of their retraining at schools.[1] Among professionals and technicians, an equivalent proportion of employees said they got all or some of their retraining on the job or at schools. Of those who received retraining in the remaining occupational categories of the workforce, 76 percent said they received all or some of their retraining in the workplace and 23 percent said they received some or all of their retraining in schools.

The latter figures likely understate the amount of training leveraged through the workplace. Workplace training is informal, especially OJT, and of short duration. As a result it is least memorable and survey respondents are likely to understate the amount of training they receive that is directly related to their current job. In addition, the above figures only tell us where the training takes place. This understates the quantity of employer sponsored training that does not take place in the work setting but is initiated and paid for by employers. Employers always have a choice as to whether it is most efficient to make or buy the training they need. The incentive to buy rather than make training is especially strong for smaller employers who do not have sufficient employees to realize economies of scale necessary to set up their own in-house training staffs or programs. We estimate that 38% of formalized workplace training is paid for by employers but bought outside the workplace. As the above data would suggest, most of the outside training paid for by employers is professional, management, technical and sales training. Also, as the above data would suggest, 64% of the training paid for by employers but provided outside the workplace is provided by

[1] Since many trainees responded that some of their training comes from both employer and other institutions, there is overlap between employer provided and other training. Figures then, will not add to 100 percent. (Source: Bureau of Labor Statistics, 1984.)

schools. Another 14% is bought from the "training industry," 12% from professional or labor organizations and the rest from government, community organizations and private tutors.

SIZE AND SCOPE OF TRAINING

Overall spending for training by employers is sizeable. Employers may spend as much as $30 billion per annum on formal training alone and an estimated additional $180 billion per year on informal OJT. Total spending for formal and informal employer-based training adds to roughly $210 billion. This compares with an annual expenditure of $133 billion for public and private elementary and secondary education and roughly $95 billion for public and private higher education.

The most impressive aspect to employer-based training is its direct connection to opportunity and lifetime earnings for individuals. Econometric studies have consistently shown that only 15% of the variation in income among Americans can be accounted for by formal education. The remaining 85% is accounted for by learning in the workplace. Earnings are driven by the ability of working teams to learn together in the context of appropriate technology. It is this reality that accounts for the fact that earnings variation among people with the same education level consistently equals the earnings variation in the nation's population at large. In more concrete terms, this is why auto and steel workers were able to command salaries so much greater than other industrial workers with equal educational achievement and attainment for so long.

THE DISADVANTAGED/DISLOCATED

The importance of employer-based training is also evident in our experience with training for disadvantaged and dislocated workers. Our experience with the training of disadvantaged and dislocated workers has taught a simple and straightforward lesson: Training Does Not Create Jobs. Jobs Create Training. It is access to jobs with training and associated career ladders that provide lifetime opportunities and successful career transitions. Job-specific training outside the context of a specific job is folly. The function of all training outside the context of the job is to give individuals sufficient basic intellectual and occupational skills so that they are job ready or training ready. The evaluation data on public job training programs is clear on these points. Training closest to the job is most successful. Where jobs are unavailable at the end of the training period and training is not targeted on a specific job, training is no more successful and much more expensive than simple job search assistance.

The American Society for Training and Development agrees with Representative Nancy Johnson that the current and future status of employer-based training raises important issues: First, are we doing enough employer-based training? There is substantial evidence to suggest that we are underinvesting in workplace training. In theory, employers are likely to underinvest because they cannot own human capital, guarantee a future stream of investment returns or measure investment risks and potential gains effectively. In practice, surplus labor markets encourage employers to buy rather than make human capital and to pirate trained personnel away from competitors willing to invest in training.

Second, how does the current tax system and proposed changes affect employer-based training? A recent study by the Congressional Research Service concludes that "human capital is taxed at rates which are as great or perhaps even greater than those applied to other investments . . . It might therefore be socially desirable for the government to provide some type of subsidy to employers to provide training . . ." In order to shed further light on tax issues, ASTD had contracted a major tax study which will be made available to Congress by early fall.

Third, does the future portend a need for more or less employer-based training? All signs including those mentioned above suggest a growing emphasis on human resource development in the workplace. The pace of economic change seems unrelenting. Demographic changes and the absence of inflation suggest unemployment rates below six percent in the foreseeable future. Should labor markets tighten significantly, employers will have to make, rather than buy, a much larger share of their skilled employees. Moreover, should unemployment rates slip below six percent, employers will be drawing their entry level employees from among a population with high concentrations of persons with significant basic skill deficiencies requiring significant human development investments if they are to be made ready for training on the job.

The American Society for Training and Development welcomes Representatives Johnson, Clinger, and the House Wednesday Group's interest and applaud the foresight demonstrated in the introduction of H.R. 1219, the National Training Incentives Act. We will continue to work with Congress as the legislation develops.●

SOLVANG CITYHOOD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I rise to bring to the attention of my colleagues a significant event that will occur later this spring in my congressional district. On May 1, 1985, the residents of the town of Solvang will become California's 440th city, to be known thereafter as the city of Solvang.

On November 6, 1984, as many Members of this body were anxiously awaiting results of their own election, residents of the "Danish Capital of America" were voting overwhelmingly to incorporate and create a new city. When the votes were counted, 1,342 were in favor of cityhood, 591 opposed. That night, five residents of the community were elected to become the first City Council of Solvang. They are: Elaine Willi Campbell, Alan T. Larsen, Stewart F. Mee, Thomas G. Nielsen, and Leslie Les Wilkes.

Many citizens of the country received their first glimpse of Solvang earlier in the day when the Nation's media followed President and Mrs. Reagan to Solvang as they cast their ballots in the November general election. While the First Family does not live within the new city limits, they can see Solvang from their ranch in the Santa Ynez Mountains and vote at a Solvang polling place.

The new city government will replace the current Solvang Municipal Improvement District and the current directors, by popular vote, will move into the council. Additionally, it is the intent of the new city to appoint JoAnn Waring as city clerk-treasurer, James R. Christiansen as city attorney and Leo Mathiasen as city administrator. Tourism, as it has been in the past, will continue to be the primary industry of the new city with a population of 3,500.

To mark this occasion, residents have planned a major celebration marking cityhood on April 27, 1985. I know my colleagues join me in wishing the city of Solvang prosperity and good fortune in the years ahead.●

STOP SELLING SOUTH AFRICA THE TOOLS TO ENFORCE APARTHEID

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BERMAN. Mr. Speaker, yesterday the House Foreign Affairs Committee began its consideration of the Anti-Apartheid Act of 1985. This legislation will make clear the U.S. abhorrence for the South African Government's repressive apartheid policy.

As the author of the provisions in the bill banning sales of computers to the South African Government, I testified before the committee on the uses of U.S. computers in enforcing apartheid. I am inserting the complete text of my testimony.

The text follows:

TESTIMONY

Mr. Chairman, the legislation I have introduced would restrict United States exports to South Africa in three areas: ban all sales to South Africa's military and police, halt exports of computers and computer parts and software to the South African government and prohibit Munitions List sales to South Africa.

I am fortunate to serve on both the Africa Subcommittee and the International Economic Policy and Trade Subcommittee, which are meeting to jointly consider this legislation. Chairman Wolpe and Chairman Bonker have laid the foundation for a policy toward South Africa that will reflect this country's commitment to human rights and racial equality.

Under Chairman Wolpe's leadership, the Africa subcommittee has exercised thorough and persistent oversight over the administration's policy of "constructive engagement" with those who enforce apartheid in South Africa. The subcommittee has examined the relaxation of export controls that is a central feature of current policy. It has investigated and documented numerous sales that have strengthened the regime in Pretoria and supported apartheid, sales such as twenty five hundred shock batons to the South African police, computers useful

for nuclear weapons development to a government-sponsored research institute, and munitions list sales far in excess of combined sales for the previous thirty years.

We are deeply indebted to Chairman Wolpe for repeatedly pointing out the weaknesses and tragedy inherent in a policy of "constructive engagement" with the South African government. Your voice, Mr. Chairman, has been heard in South Africa. Blacks as well as whites know that when President Reagan calls the Pretoria regime a friend and ally, he is not speaking for all Americans. You have demonstrated that others in this government consider our true allies to be those South Africans who seek justice and freedom.

We also owe a great debt to Chairman Bonker. No one in this Congress is more committed to promotion of American exports. No one has worked more diligently or more creatively for legislative remedies to our growing trade imbalance. No one is more critical of economic sanctions when they serve only to hamper American exports, and do not further foreign policy goals. At the same time, Chairman Bonker has been a leader for a strong human rights policy, and for the use of non-violent measures to further the rights and freedom of people around the globe.

Chairman Bonker's support for restrictions on U.S. business with South Africa carries great weight with this committee and with the whole House. Because Chairman Bonker was willing to include sanctions against South Africa in the Export Administration Act, we were able to secure passage of broad trade and investment restrictions in the House last year and narrower measures in the Senate. Chairman Bonker consistently defended these sanctions, even though they complicated passage of legislation to which he devoted much of his time and effort, and which included wide-ranging reforms.

I am pleased that part of the legislation which I introduced at the beginning of this Congress—the ban on sales of computers and related equipment to the South African government—has been included in the legislation which Chairman Wolpe has introduced together with Congressman Gray, myself and others of our colleagues in the House, and with Senators Kennedy, Weicker and others in the Senate. I want to devote most of my testimony to that issue.

However, I want to briefly mention another part of the legislation I introduced which has already passed the House and is on its way to becoming law. That is the total ban on sales to South Africa's military and police. Such a ban was in effect from 1978 to 1982, and is restored for one year by the Export Administration Act passed by the House yesterday and soon to be passed by the Senate.

This action is an important first step in disassociating the United States from growing repression in South Africa. Over the past seven months, at least 250 people have been killed by police—most of them unarmed civilians engaged in non-violent protest, many of them children. American companies should not be making profits from the victims of apartheid. The United States must stop selling the South African government the instruments of repression.

The legislation passed by the House yesterday also restores earlier United States restrictions on computer sales to the South African government. The Export Administration Act restores the requirement, lifted in early 1982, that State Department review all computer sales above a certain level of technology to the South African government. This is a step in the right direction. Under current regulations, a wide range of computers can be sold to the South African government without any State Department review of their possible use in enforcing apartheid, including computers destined to the military and police and departments directly responsible for enforcement of apartheid.

However, that legislation, first introduced three years ago, does not go far enough. We can assure that U.S. computers are not used to enforce apartheid—we can send a significant signal to the bureaucrats and politicians who maintain racial domination—only if we ban all sales of computers and computer-related equipment to the South African government. I would like to outline a few reasons why a total ban is necessary.

USE OF COMPUTERS TO IMPLEMENT APARTHEID

Computers are central to the South African government's pervasive control over every aspect of existence for every black individual. From the age of sixteen, all blacks must carry passbooks indicating where they have permission to live and work and whether they are allowed to live with their families. The South African government maintains extensive records on all blacks—where they were born, their employment histories, family members, where they have lived—and this information is periodically checked against blacks' passbooks.

At the headquarters of the Black Sash—where volunteers try to help those caught up in pass law enforcement—one sees countless people, from the elderly to the very young, who are scheduled to be removed from their homes and separated from their families. The government's computers say they haven't permission to be where they are.

The South African government maintains thorough information on opponents of apartheid. It bugs and records their conversations. Its police and informers monitor their every movement. Computers help in the collection, retrieval and use of this information.

Yes, apartheid existed before the South African government began widespread use of computers. But at that time the government's controls over blacks provided the only employment for vast numbers of marginally educated Afrikaners. As the South African economy and population grew, political leaders became concerned that a growing white manpower shortage would inhibit the implementation of apartheid. Computers have helped to solve that problem.

Moreover, computers have enabled the South African government to strengthen its grip on the population and intensify apartheid enforcement over recent years. Pass law arrests doubled between 1980 and 1982. Political detentions have increased sharply in recent months. Armed with more thorough and more readily available information on black residents, the government has accelerated forced removals of whole communities from so-called "black spots"—areas where black families have lived for generations, but which the government has declared "white." Police have increased raids on camps where black families illegally attempt to live together, attacking women and children with tear gas and police dogs, demolishing their shacks in the middle of winter.

Those whose service is not needed by white South Africa—the elderly, the spouses, the children—are forced to live in barren, overcrowded African homelands. The white minority, seventeen percent of South Africa's population, has assigned itself eighty-seven percent of the land, including all industry and mining and most fertile land. Africans who are allowed to remain in "white areas" live under constant threat of being endorsed out, of losing all means to support their families. Three million blacks have been forcibly resettled in African homelands. Two million more are scheduled for resettlement.

CURRENT RESTRICTIONS INADEQUATE

The United States dominates the computer market in South Africa—supplying 70% of all computers sold. Figures are not readily available on computer sales to the government. IBM, the largest supplier of computers to South Africa, says that less than ⅛ of its sales go to the government. But this does not include sales to municipalities, public utilities and state-owned trading corporations.

Given the significant American share of the South African computer market and the importance of computers in implementing apartheid, current restrictions on computer sales to South Africa are woefully inadequate in three areas.

First, there are no restrictions at all on sales of many kinds of computers. A wide range of personal computers can be sold without a license to any South African government agency, including the military, police and departments directly responsible for enforcing apartheid.

Since the Reagan administration relaxed trade controls on South Africa, restrictions on computer sales have had a checkered history. At first, licensing requirements were lifted completely on sales of personal computers and related software to all branches of the South Arican government. Then, when trade controls on South Africa were tied to national security controls licensing requirements were reimposed on personal computers because their sale to the Eastern bloc was restricted. This year, with the lifting of licensing requirements on many personal computers to the Soviet Union and its allies, restrictions have again been removed from the sale of those computers to the South African government.

A computer's military usefulness to Eastern bloc countries has nothing to do with the usefulness to the South African government in enforcing apartheid. Personal computers of no strategic value to a superpower can still be very useful in keeping information on South African blacks. Small computers in local police departments, labor unions and Bantu Administration Boards in South Africa can be just as important in enforcing apartheid as are larger computers in central offices.

A second problem with current regulations on computer sales to the South African government is that most departments are exempt from all restrictions. Yet once a computer is sold to the South African government, there is no guarantee it will not be used to enforce apartheid. As IBM stated in its February, 1983 update on operations in South Africa, ". . . it would be misleading to suggest that any manufacturer can control how its products are used."

Thomas Conrad, in an article entitled "Computers programmed for Racism," documents the use of American computers by various agencies of the South African government in implementing Pretoria's "Total Strategy" of racial domination. A few examples from Conrad's article are:

For over ten years, Pretoria's Interior Department (not on the U.S. list of restricted agencies) has used IBM hardware to store details on seven million citizens whom the government classifies as "coloureds," Asians and whites. The data maintained includes identity numbers, "racial classifications," date of birth and so on.

At least four U.S. computers are at the disposal of the "Bantu Administration Boards," the fourteen regional bureaus that administer the permits and controls which govern the lives of blacks in South Africa. These computers were supplied by Burroughs, NCR and Mohawk Data Sciences.

South Africa's Department of Statistics uses a large IBM mainframe computer.

A number of American companies have supplied computers to the regional and local government bodies which legally enforce controls on blacks living in "white" areas.

An institution which trains police computer operators uses equipment from IBM and Data General.

Pretoria uses a central purchasing agent, the State Tender Board, to acquire many of its computers. It is next to impossible to determine where a U.S. product sold to this board will end up in the system.

We cannot fool ourselves any longer that we can find the "good" parts of the South African government and quarantine the "bad" sections. There is only one way to guarantee that U.S. computers are not used to enforce aparthied. There must be a ban on computer sales, and sales of related software and equipment, to all agencies of the South African government.

A third problem with current regulations on computer sales to the South African government is that even for agencies where licenses are required, those licenses are far too readily granted.

Regulations published in October, 1984 point out that licenses will generally be considered favorably:

For those personal computers still controlled for sale to the military and police "if the export would not contribute significantly to military or police functions;"

For computers of all kinds destined to departments directly responsible for implementing the government's controls over the black population if the computers "would not be used to enforce the South African policy of apartheid;" and

For parts and software for computers not subject to licensing requirements or for any computers whose sale has been approved.

Licensing officials at the Department of Commerce may have some problem in determining the "significance" of a computer sale to South African security forces or the ultimate use of a computer by a department charged with enforcing apartheid. An official at the Office of Export Administration told a researcher, "the Commerce Department has no criteria to determine how useful an item might be to the South African security forces. Such criteria," he said, "would be developed on an ad hoc basis."

It is also troublesome that the regulations assume that licenses should be granted for software once a computer has been approved, or if the computer requires no license. Numerous U.S. firms produce police software packages in the public domain. A published list of IBM products available in South Africa included a locally marketed software package called, "Law Enforcement System." One company has a special software package "designed in South Africa to meet local government requirements," according to an internal publication.

Under relaxed regulations on computer licensing for South Africa, the administration has approved a number of highly questionable sales. These include:

In May, 1982, the sale of a Control Data Cyber 170/750 was approved to the government-controlled research institute, the Council for Scientific and Industrial Research (CSIR). This sale was approved only after a delay of fourteen months because the Pentagon was worried that it would endanger highly sensitive U.S. cryptographic technology. The computer is useful for nuclear weapons development.

In September, 1982, a license was granted for a second powerful computer useful for nuclear weapons development for CSIR. It should be pointed out that CSIR researchers have designed military electronics systems, constructed fingerprint storage mechanisms, performed research and development in aeronautics and helped designed shells for explosives.

In October, 1981, a license was granted for a powerful computer—a Sperry Univac 1100—for the ARMSCOR subsidiary, Atlas Aircraft.

POLITICAL IMPORTANCE OF COMPUTER EMBARGO

An embargo on computer will send an important political signal to the enforces of apartheid.

This legislation not only would halt all new computer sales by South Africa's principal suppliers, but also would stop spare parts and servicing for existing American computers.

Such restricitons will hamper the enforcement of South Africa's extensive controls over the black population. They will inconvenience government workers throughout the South African bureaucracy, and will serve as a daily reminder thats the United States wants no part in enforcing apartheid.

United States actions are more important to Pretoria than many realize, particularly when they withdraw support from the forces of "law and order," as President Reagan likes to call them. South African officials see their troubles in East-West terms. They see themselves as the guardians of Western civilization on the African continent. They look to the United States as the leader of the West to ultimately rescue them from what they mistakenly believe to be a "communist onslaught." It is in fact the black majority's inevitable reaction againsts repression.

POSSIBLE COOPERATION BY OTHER SUPPLIERS

In closing, I would like to make a few comments on the argument that if the United States stops selling computers to the South African government, other suppliers will quickly and greedily fill the void.

The Kennedy-Gray bill, of which the computer provision is a part, calls for negotiations with other countries to secure their cooperation with U.S. sanctions. I believe that chances for securing international cooperation will be particularly great with the computer sanctions. This is true because the embargo relates directly to enforcement of apartheid, and because computers are exported by a relatively few countries that can control exports with comparative ease.

The United States unilaterally embargoed arms sales to South Africa before convincing other countries to go along. Now, according to the Commerce Department, the arms embargo is generally adhered to by other nations. A recent report in the Washington Post indicates that the embargo has been effective in denying South Africa equipment that it needs to modernize its forces, and in making the defense of apartheid far more costly. Countries far more dependent on trade with South Africa than the United States may never have accepted the arms embargo had we not taken the lead.

Even if other countries do not follow the United States' example, I believe this is one area where for moral reasons we should prohibit sales of equipment used directly in human rights violations. We took the lead in embargoing nerve gas sales to Iraq. Congress imposed a unilateral trade embargo against Idi Amin's Uganda. Similarly, we should ban sales to South African government agencies of the instruments of repression, including computers.●

NICARAGUA: THE HARD QUESTIONS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, the administration has unfortunately chosen to cast the debate over its Nicaragua policy in terms of extreme rhetoric, catch phrases, and slogans. This tends to drown out good, hardheaded analyses that try to look at the issues from the point of view of our national interest.

A good example of the latter is a column by David D. Newsom in the February 28 Christian Science Monitor. Mr. Newsom points out that we have yet to answer three basic questions with respect to Nicaragua.

First. What do we want in Nicaragua? We hear a lot of rhetoric about democracy, something to which we all aspire, but we have yet to elaborate a clear set of practical objectives that can be achieved with the means at hand.

Second. Who have we been supporting? We have yet to face the fact that Contra forces that we support are anything but the appropriate vehicle for bringing Nicaragua the democracy that we say we want for it.

Third. How will they succeed? Since the Contras do not have the capability to remove the Sandinistas and install whatever kind of government it is that we want in Managua, we must inevitably face the question, "How far do we go to ensure victory? More American aid? U.S. troops?"

As Mr. Newsom says, "These questions deserve attention. We have had national tragedies when we have turned away from the hard questions." I urge my colleagues to give careful consideration to this analysis.

[From the Christian Science Monitor, Feb. 28, 1985]

NICARAGUA: THE HARD QUESTIONS

(By David D. Newsom)

We are once again locked in a national ideological debate: this time it is over Nica-

ragua and the hard questions tend to be submerged in catch phrases and slogans.

Those favoring help to the contras speak of democracy and declare the Sandinistas to be a dangerous extension into Central America of the Soviet empire. Those opposed to American involvement with the anti-Sandinistas stress "nonintervention" and "diplomacy."

Both sides argue from analogies. Afghanistan is seen as the model for the "freedom fighters." Fears are raised of another Cuba. Opponents of aid to the contras suggest that we are resorting to "terrorism," that we are no different from the Soviets. The credibility of both sides is strained by extreme assertions.

The two sides seem to agree only that the Sandinista regime is inimical to US interests in the region. There the agreement stops. The debate becomes drowned in often exaggerated rhetoric while at least three significant questions remain unasked and unanswered.

1. What do we want in Nicaragua? The administration wants a different regime, one that is "democratic." Conditions laid down for improved relations with Nicaragua—that go to the heart of Sandinista power—would be difficult for any sovereign government to accept. The argument is that only through the acceptance of such conditions can the Nicaraguan threat to its neighbors be reduced.

Is it the nature and philosophy of the regime that represents the threat to us? Isn't it the possibility that a regime with close ties to Cuba and the USSR might become a site for Soviet military activities? Is that possibility not one that can be monitored and verified? A U.S. demand that such bases not be established would be understood and supported in the hemisphere to a greater degree than our efforts to overthrow a government. The possibility of containing, rather than attacking Nicaragua should at least be a part of the national debate.

2. Who have we been supporting? The forces opposing the Sandinista regime are made up of various individuals and points of view. The military leader in the field is a former colonel in General Somoza's National Guard. Political leaders include some from the center and others, like Arturo Cruz, who broke with the Sandinistas. Recent efforts in Miami to bring the factions of the opposition together failed. Edin Pastora, an early hero of the revolution, refuses to join with the others.

The administration speaks of the contras as democratic forces, yet there is little evidence that such forces have a sufficient respect for democratic principles to sort out their own house. We know little of the ultimate leadership, the ultimate policies of this diverse group. Is it enough at this time to say that any alternative to the Sandinistas is preferable and to hope for a restoration of the democratic process? Should not we, in our debate, ask a few more questions about the nature of our "friends" or be at least a little less certain regarding the democratic future?

3. How will they succeed? Supporters clearly expect the contras to emerge as the rulers. How? Will they create a popular uprising that will overthrow the government? There is little evidence now to suggest that will happen. Will they march to Managua and win a military victory? The odds against this are high. Will they so disrupt the economy and public life that the Sandinistas will sue for peace? The Sandinista staying power may be greater than that.

In the face of the growing Sandinista military power and mobilization, it is hard to foresee a military victory for the "democratic" forces. If aid to the anti-Sandinistas is approved by the Congress and the government in Managua does not change its policies, will the United States once more face the hardest of questions: How far do we go to ensure victory? More American aid? More advisers? U.S. troops?

These questions deserve attention. We have had national tragedies when we have turned away from the hard questions. The time has come to address these unpopular but essential questions.

David D. Newsom is associate dean and director of the Institute for the Study of Diplomacy at Georgetown University.●

HOMEOWNERSHIP OPPORTUNITY ACT OF 1985

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MITCHELL. Mr. Speaker, today, I am introducing the Homeownership Opportunity Act of 1985. The purpose of the legislation is to provide assistance to first-time, low-income home buyers. The bill would make available single family properties that are constructed or substantially rehabilitated with Federal funds and properties that are owned by the Department of Housing and Urban Development for purchase by low-income families.

The Buyers Home Survey, "Homeownership: Celebrating the American Dream," prepared by the U.S. League of Savings Institutions found that in 1983, the median income of $35,987, was required to qualify for a mortgage loan. Nearly 6 percent of the home buyers for that year had incomes of less than $15,000. Approximately 8 percent had incomes between $15,000 and $19,999. Homeownership affordability is an acute problem for low-income households. Indeed, most low-income households cannot qualify for mortgage financing. Moreover, when low-income familes buy their own homes, they pay a higher percentage of their income for housing than do families with higher incomes.

The Federal Government has not adequately addressed the problem of assisting low-income home buyers. There is one Federal Government homeownership program, section 235, which is intended to assist families with income below 95 percent of the median. However, this program will provide assistance to 5,400 units nationwide in fiscal year 1985. The section 312 program which was designed to stimulate homeownership opportunities for families unable to qualify for mortgage financing or to raise the required downpayment is operating on loan repayments rather than funds appropriated by Congress.

The Homeownership Opportunity Act recognizes the severity of the problem of homeownership affordability. The bill would make families whose incomes are below 50 percent of the median eligible for assistance to purchase homes. The eligible families would be first-time buyers. The bill would make available single family dwellings constructed or substantially rehabilitated by Federal assistance or HUD-owned properties for purchase by such families. The properties would have to meet HUD's standards for decent, safe, and sanitary housing.

The key component of the Homeownership Opportunity Act is the method by which assistance would be provided to low-income families. There would be an interest bearing loan secured by a first mortgage, on an amount not to exceed 30 percent of the original cost of construction or substantial rehabilitation or 30 percent of fair market value of the house, whichever is less. Since the purchase price could not exceed $55,000, the first mortgage would be on an amount of $16,500 or less. The interest would be based on the income of the family, pursuant to the section 235 homeownership program. Thus, the interest rate would be less than market mortgage interest rates.

In addition, there would be a noninterest bearing second mortgage equal to the difference between the purchase price and the amount of the first mortgage, The second mortgage would be repayable upon the sale of the house, if the family sells before the end of a 20-year period.

Of the 7,863 units of HUD held properties, approximately 90 percent of the units are FHA insured, while 10 percent are not insured. These units are section 312 rehabilitated properties, et cetera. This small universe of properties does not totally address the homeownership affordability issue. It is a step in the direction of expanding the dream of homeownership to families who want to own a home, but can not without some assistance.

SECTION BY SECTION ANALYSIS OF THE HOMEOWNERSHIP OPPORTUNITY ACT OF 1985

SECTION 1, the bill is entitled the Homeownership Opportunity Act of 1985.

SECTION 2, establishes the basis for the Homeownership Opportunity Act of 1985. The bill is based on the assumption that housing for ownership by low-income families is too expensive without some form of assistance. Therefore, the bill would provide loans to permit very low-income families to purchase single-family dwellings owned by the Department of Housing and Urban Development (HUD).

SECTION 3, grants authority to the Secretary of Housing and Urban Development to provide the assistance under the Act.

SECTION 4, sets forth the requirements for eligibility and makes a family whose income does not exceed 50 percent of the median eligible for assistance. The family must be first-time home buyers. The hous-

ing for purchase must be constructed or rehabilitated with some form of Federal assistance and owned by HUD. The housing would also have to meet HUD's minimum property standards for decent, safe and sanitary housing. The purchase price of the housing can not exceed $40,000, ($47,500 in any geographical area where the Secretary authorizes an increase in the basis of a finding that cost levels so require, except with respect to any family with five or more persons, the limits shall be $47,500 and $55,000 respectively).

SECTION 5, sets forth the kind of assistance and the method by which it would be provided to eligible families. The assistance would be provided in two ways. One, there would be an interest bearing loan secured by a first mortgage, on an amount not to exceed 30 percent of the original cost of construction or substantial rehabilitation or 30 percent of the fair market value of the house, whichever is less. The interest rate on the first mortgage could be as low as 4.5 percent for a 30 year mortgage as determined pursuant to the section 235 homeownership program. Second, there would be a non-interest bearing second mortgage equal to the difference between the purchase price and the amount of the first mortgage. This second mortgage would be repayable upon the sale of the house, if the family sells before the end of a twenty year period.

The downpayment would be 2 percent of the purchase price of the home, or $500, whichever amount is less.

SECTION 6, provides for distribution of the assistance pursuant to the 1974 Act. That is, the allocation of funds would be based on the existence of a housing assistance plan. In allocating assistance, the Secretary would have to consider the relative needs of different areas and communities as reflected in data as to population, poverty, housing overcrowding, housing vacancies, amount of substandard housing, etc.

SECTION 7, establishes the Homeownership Opportunity Fund. The "fund" would be a revolving fund containing funds appropriated, loan repayments, etc.

SECTIONS 8 and 9, provides for regulations and annual report requirements under the Act.

SECTION 10, provides definitions. The definition of "home" means any single family dwelling unit that was constructed or substantially rehabilitated with the use of Federal assistance and is owned by HUD.

The term "very low-income family" means a family whose income is not greater than 50 percent of the median income.●

MORAL OBLIGATIONS AND U.S. POLICY IN NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. COURTER. Mr. Speaker, at this moment, few issues facing this House are as important as that of assistance to the Nicaraguan Resistance. For that reason, I ask that the prepared statement I delivered on April 17 to the Subcommittee on Western Hemisphere Affairs be included in today's RECORD.

MORAL OBLIGATIONS AND U.S. POLICY IN NICARAGUA

(Statement of Congressman Jim Courter before the Subcommittee on Western Hemisphere Affairs, April 17, 1985)

Whether or not we choose to bear it, we have a moral obligation in Nicaragua. This is the obligation to see that the promises of Nicaragua's 1979 revolution—for democracy, pluralism, civil rights and justice—are fulfilled. We took this obligation on ourselves in 1979 when we joined the nations of the OAS in delegitimizing the Somoza government and in granting recognition to the Sandinistas.

Our recognition of the Sandinistas was conditional. It depended on the fulfillment of promises they made in writing to the OAS. These promises have been broken, as we all know. For the United States to do nothing about this would now send two messages to the world. They are:

(1) The United States will allow its neighbors to be subverted by Communist revolutions, provided that these revolutions make good use of some of the appearances and slogans of democratic governments.

(2) We cared enough for the Nicaraguans in 1979 that we were willing to speed Somoza's fall from power, but we do not care enough to protect them from the greater tyranny of Communism today.

Of course no Member of Congress and no official of the United States Government wishes to send messages. Few of us doubt that we have a moral obligation to our neighbors in Nicaragua. But as certain as we are of the need to act, we are equally uncertain as to how we should act.

In my view, the first problem we must overcome is one of perception. We are troubled by many things that we see in Nicaragua. The Nicaraguan military, itself an arm of the Sandinista political party and not a truly national institution, has grown far beyond the size needed to meet any conceivable threat. In fact Nicaragua's Defense Minister announced a goal of putting 200,000 Nicaraguans under arms. This goal, which aims at building an army over 14 times the size of Somoza's National Guard at its peak strength, was announced in 1980, before any armed opposition had formed against the Sandinista government, and when United States aid was still pouring into Nicaragua. Soviet bloc advisers are in Nicaragua by the thousands. The Sandinistas have a particular affinity for the PLO—the PLO's representative in Managua is treated as an Ambassador. On the domestic side, the facts are no more encouraging. The Nicaraguan Jewish community is in exile. Subversion of labor unions has been authoritatively documented by the AFL-CIO. The Inter-American Commission on Human Rights and other groups have reported on unjust treatment of Miskito Indians. The press is either state-controlled or censored. The political opposition is harassed. The population as a whole is increasingly controlled by block organizations, secret police and Sandinista mass organizations. Soviet bloc advisers are at work in these areas too.

We have all seen this evidence, but many of us still miss the forest for the trees. Some of us believe that these are separate problems that can be attacked separately. But in fact, these are the many manifestations of one single phenomenon: Marxism-Leninism. If the Sandinistas were not Communists they would not need to control the domestic population, they would not have to militarize their society, and they would not have to play host to the thousands of Soviet bloc advisors that are on their soil. But they have made the choice to take the path of Marxism-Leninism, and they are following the appropriate policies.

Just as there is one single problem in Nicaragua—the problem of Communism—there is only one solution, and it is internal reconciliation. Some have tried to divide the issue, seeking a settlement that keeps Nicaragua from subverting or threatening its neighbors, and leaving the Sandinistas free to choose the domestic policy of their liking. But this is an impossible goal, for several reasons.

It is opposed to the ideology of the Sandinistas, which virtually guarantees that they would violate such a promise even if they agreed to sign it. It would not fulfill our obligation to work for the establishment of democracy in Nicaragua. And finally, it would not bring peace, because Sandinista repression is the very cause of the growing armed resistance in Nicaragua—a resistance that will not disappear until democratic hopes are fulfilled.

The issue, then, is indivisible. We must direct our policy toward the goal of removing the threat that Nicaraguan Communism poses to all the people of Central America, both inside and outside of Nicaragua.

A plan exists for the internal reconciliation that can bring to Nicaragua the rights and freedoms to which it aspired when it ousted the Somoza dictatorship. The plan was announced on March 3, 1985 in San Jose, Costa Rica, and it was remarkable in several respects. First, it was put forward by a broad coalition of Nicaraguan opposition figures which had not previously joined together, so it represented a union of the civil and military resistence. Second, it called for a cease-fire pending Church-sponsored negotiations on the conditions and processes that would be needed to bring democracy to Nicaragua. It is important to note that this plan is supported by many defectors from the Sandinista revolution, including Arturo Cruz, a former Sandinista Ambassador to Washington who only recently decided to align himself with the Contras. It was also supported in editorials in the *Washington Post* and the *New Republic*.

This peace plan, which was embodied in the San Jose Document of the Nicaraguan Resistance, is also the subject of a resolution I offered, H. Con. Res. 81, which has won the support of 64 Members of the House who have cosponsored it.

Now President Reagan has supported this peace plan by offering to suspend military aid to the Nicaraguan freedom fighters if the Sandinistas will nogotiate seriously with their domestic opposition. Some have argued that the President's proposal puts undue pressure on the Sandinistas, but recent history shows that the President's judgment is right. Even though democracy and internal reconciliation are fundamental goals of the Contadora process, the Sandinistas have shown no willingness to negotiate on this point which is central to achieving regional peace.

When you, Mr. Chairman, wrote with eleven of our colleagues to Daniel Ortega on June 2, 1983 urging him to negotiate a political solution to Nicaragua's crisis, your call was rejected.

When Nicaragua's Catholic Bishops issued a pastoral letter calling for this same dialogue on April 20, 1984, their letter was banned from publication, labelled a "criminal suggestion" by the Sandinistas and the call for negotiations was rejected.

And this year, the Nicaraguan Resistance's call for dialogue was categorically rejected by the Sandinista government.

These facts should make it clear that pressure is required to bring the Sandinistas into negotiations. If this call for dialog is not accepted, it should be clear to us that there is no hope for the Contadora talks to succeed. If the Sandinistas refuse to negotiate seriously with their own people over a part of the Contadora objectives, they most certainly will not negotiate seriously with foreign governments on all the Contadora objectives.

Therefore, Mr. Chairman, I hope that this Subcommittee will support the President's proposal for $14 million in aid to the Nicaraguan Resistance tied to the offer of negotiations. It constitutes a constructive step toward a solution to the civil war in Nicaragua which is consonant with our moral obligations and security interests.

But it is not the only step that can be taken, and it is clearly only an interim step pending the outcome of the proposed negotiations between the Sandinistas and the democratic Nicaraguan Resistance. Other forms of pressure can be brought to bear on Nicaragua, and they should be employed if Nicaragua's current policies continue. These measures can include higher levels of military aid to the freedom fighters, economic sanctions such as an end to U.S. imports of Nicaraguan products, withdrawal of diplomatic recognition, recognition of a government in exile, or action in the OAS to isolate Nicaragua or to plan collective sanctions that could be imposed under OAS auspices.

These types of measures will be necessary if the Sandinistas fail to enter talks aimed at internal political reconciliation. Positive incentives such as economic assistance have been tried before, and they failed to keep Nicaragua from its alignment with the Soviet bloc.

Mr. Chairman, this month marks the tenth anniversary of America's departure from Vietnam. We should use the Vietnam experience to learn the lesson that human rights and Western strategic interests are not served when America turns away from the long twilight struggle against tyranny in the Third World.

In Nicaragua, we are fortunate that no direct American military involvement is necessary, but the situation is pressing nonetheless. There is no area of greater strategic interest to the United States than the Caribbean basin. There is no greater moral interest in U.S. foreign policy than the protection of democracy.

In Nicaragua, the facts are simple. A good democratic revolution was stolen. Our neighbors fought and labored to overthrow a tyrant, and now they are faced with a far greater tyranny. They don't deserve this, and we need not abandon them as they struggle to escape it. President Reagan's plan may not be the perfect and definitive solution, but it is, like democracy itself, better than all the alternatives.

I urge this Committee's support of the President's plan.●

MARX'S HEIRS BELIE THE PACIFIST PROMISE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FIELDS. Mr. Speaker, I bring to the attention of our colleagues in the Congress an editorial and an op-ed piece appearing in the Wall Street Journal on April 5.

Read separately, these two writings raise interesting and serious sets of questions. When read together, and compared, they raise an even more serious set of questions. James Payne, a professor of political science at Texas A&M University, writes, "* * * Oddly enough, the same groups that deplore arms races tend to favor, or are neutral about, efforts to implant Marxist dictatorships around the world." This is consistently accurate concerning the actions of "some groups" toward South Africa, South Korea, the Philippines, El Salvador, Taiwan, et cetera. The corollary seems to be that once the Marxist dictatorships are implanted, these same "groups" will move mountains to help maintain them; Cuba and Nicaragua serve as sterling examples.

Indeed, Mr. Speaker, there seems to be no end to the efforts of some in this body to provide a continuing flow of chapters to the Republican Study Committee's brilliant analysis, "What's the Matter with Democratic Foreign Policy?" I urge my colleagues to read and ponder these editorials, and consider them seriously as we vote on aid for the Contras and all other anti-Marxist forces in our world.

[From the Wall Street Journal, Apr. 5, 1985]

MESSAGE TO SOLARZ

We had hoped that efforts in the U.S. Congress to shield Nicaragua's communist government from its enemies were merely an aberration, an isolated lobbying victory for Washington's leftist fronts. Now we're not so sure. A new move is afoot in the House to give moral support to yet another group of communists, those seeking to overthrow the U.S.-aligned government of the Philippines.

At the behest of the subcommittee chaired by Rep. Stephen J. Solarz (D., N.Y.), the House Foreign Affairs Committee has voted to chop U.S. military aid to the Philippines. The timing couldn't be worse, just when the communist insurgency in the Philippines is becoming a serious threat. It is serious enough, in fact, that we have to ask Rep. Solarz and his allies if they really want to help soul mates of Nicaragua's Sandinistas come to power in yet another country.

Mr. Solarz argues that reduced aid will send a "message" to Philippine President Ferdinand Marcos, prodding him to make the political, economic and military reforms that are the only long-term solution to the insurgency. There will be a message all right, not only to Mr. Marcos but to all other U.S. allies. It will say that the U.S. is preparing to sell out yet another of its friends.

Certainly the Manila government could use some reforms, not unlike a lot of other governments around the world, including the one in Washington. After a brilliant political career, the 67-year-old Mr. Marcos is ill and seems out of touch with the Philippines' many problems. For one thing, U.S. and IMF economic aid should be conditioned on the opening up of Manila's government-controlled economy to more market competition.

But the unhappy truth is that the communists now have become a great enough threat that a strong military response is essential. The Communist New People's Army has grown dramatically in the past year. It now deploys up to 12,000 armed guerrillas (in a country of 52 million), operating in most provinces. Many rural neighborhoods and parts of one major city, Davao, are now run by the NPA. And these aren't just agrarian reformers: They kill people. Just last Sunday, NPA gunmen murdered officials in one rural town, then interrupted a Mass to warn everyone else. U.S. intelligence now estimates that without an effective military response, the NPA could be strong enough to take power within five years. This would be a disaster for Filipinos, but it would also be a disaster for U.S. interests in what has, since the Vietnam War, been a mostly stable, prospering Southeast Asia.

It's true that U.S. military aid has been abused in the past. It's also true that the Philippine military has often proved to be undisciplined and corrupt. But that has at least begun to change under Fidel Ramos, a West Point grad who has replaced a longtime Marcos crony as Philippine chief of staff. Further change is far more likely to result from sustained U.S. aid and quiet pressure rather than from public carping and penny-pinching messages.

The Philippines doesn't yet face the unhappy choice of communist revolution or continued authoritarianism. Moderate Filipinos in business, the Roman Catholic Church and politics have steadily pressured Mr. Marcos to open up the system; they've had some, though far from total, success. Their goal is a post-Marcos transition that follows the example of Spain after Francisco Franco. But democracy won't have any chance if the communists are able to terrorize and sabotage at will. If that happens, Manila's precedent might be Nicaragua after Anastasio Somoza, when the Sandinistas—the only organized opposition, just like the NPA—took over.

Tip O'Neill and the full House ought to think about that before they agree to Mr. Solarz's message.

MARX'S HEIRS BELIE THE PACIFIST PROMISE

(By James L. Payne)

When Lenin declared that under socialism "disarmament will be achieved," he was merely repeating what had been an article of faith on the left for generations. The West, the argument ran, wanted armies to carry out imperialism abroad and to suppress the working class at home. Once workers gained control of the government, they wouldn't want to suppress themselves, nor would they carry out aggression against other countries. Armies would therefore become unnecessary.

That was the theory. The reality turns out to be a tragic inversion of the Marxist promise. Far from being champions of disar-

mament, Marxist regimes are consistently more militaristic than other countries.

Until recently, it was difficult to document this pattern because Marxism was mainly confined to the Soviet Union and its Eastern European satellites, a restricted sample. Today, the number of countries adhering to Marxist-Leninism has grown to 34, spanning many different cultures and levels of development. Consequently, the effect of Marxism on military forces can now be assessed with confidence.

A nation's commitment to military power can best be measured by its "force ratio," the number of full-time regular military personnel per 1,000 population. These data are compiled yearly by the U.S. Arms Control and Disarmament Agency (as well as by the British Institute for Strategic Studies, whose figures are quite similar).

THE PATTERN HOLDS

Overall, the numbers show that Marxist regimes have armed forces over twice as large as those of non-Marxist countries. The 32 Marxist countries for which data are available have an average force ratio of 13.3; for the 109 non-Marxist regimes, the average is 6.1.

This general pattern is repeated in more specific comparisons. Marxist North Korea has a force ratio of 38, While non-Marxist South Korea's is 14.7; Marxist South Yemen's is 12.5, non-Marxist North Yemen's is 3.9; Marxist East Germany is at 14, non-Marxist West Germany has only a 7.8. The eight Marxist European countries have an average force ratio of 13.8; the 17 non-Marxist European countries have an average of 7.6. The pattern holds for the superpowers: The Soviet Union has a force ratio of 16.3; the U.S., 9.1.

The Marxist regimes continue to stand out as more militaristic if other conditions affecting force ratios are held constant. For example, poor countries tend to have lower force ratios than richer ones (which can afford relatively larger armies). For this reason, African countries have lower force ratios than, say, European countries. But within this group, the effect of Marxism is still noticeable. The nine Marxist African countries have an average force ratio of 5.9; the 31 non-Marxist African countries have an average of 2.1.

Another way to measure the effect of Marxism is to see what happens to the size of the armed forces after Marxists come to power. For the 10 countries where this type of comparison is possible, the average increase in the force ratio under Marxism has been 282 percent. Ethiopia is a poignant case of a recent transition to Marxist rule. In 1973, the last year of non-Marxist rule, the force ratio was 1.8; under Marxism it has increased 355 percent, to 8.2.

Explaining why Marxists are so keen on military forces turns out to be more difficult than one would at first suppose. The usual theories seem inadequate to explain the breadth of the pattern. For example, Marxist sympathizers say that Marxist regimes need large militry forces to defend themselves against "capitalist counterrevolution" by the U.S. and its allies. This would be said to explain the high force ratios of Cuba (23.5) and Nicaragua (27.8).

But even if one assumes that these countries are "threatened," their military forces are still abnormally large. Many countries threatened by the Soviet Union and its satellites have moderate force ratios, including Norway (9), West Germany (7.8) and Pakistan (5.2).

Another weakness of this theory is that Marxist countries not plausibly threatened by Western attack still have high force ratios. They include Mongolia (21.2), Albania (19.3), Romania (10.5), Yugoslavia (10.9), Bulgaria (19.7), an Laos (15.8).

A different argument contends that Marxist regimes have large armed forces because they plan to attack, or are attacking, their neighbors. This theory would apply quite broadly, as most Marxist countries have been aggressive. But not all. Marxist Mongolia, sandwiched between the Soviet Union and China, and thousands of miles from the nearest non-Marxist country, is necessarily nonaggressive on the world scene. Yet its force ratio is an extremely high 21.2. Three other Marxist countries that on account of their location and alignment have not been aggressive but that have elevated force ratios are Poland (11.9), Romania and Yugoslavia.

Another weakness in the aggressiveness theory is that it assumes that aggressive countries always have high force ratios, and this is by no means the case. The non-Marxist military dictatorship in Argentina was clearly the aggressor in the 1982 Falklands War (and almost went to war with Chile in a dispute over the Beagle Islands). Yet its force ratio was a mere 6, about one-quarter Cuba's. Guatemala, which has mobilized twice since 1972 to back up its territorial demands for neighboring Belize, has a force ratio of 2.3. An aggressive orientation, then will not entirely account for the endemic militarism of Marxist countries. Aggressive non-Marxist countries don't have such consistently high ratios.

Another hypothesis to explain the large armies of Marxist countries is that they need these forces to quell domestic dissent. This theory is easily rejected. Domestic repression is severe in Marxist countries, but the regular armed forces are seldom needed to carry it out. The police, secret police and party bureaucracy nip opposition in the bud, so violent dissent requiring military suppression is rare. It is in the non-Marxist regimes, where more freedom is allowed, that collective violence—unruly street demonstrations, terrorist gangs, guerrilla movements—is more common.

Even where such violence occurs, it appears to have little effect on the size of the regular armed forces in any case. Countries facing severe terrorist or guerrilla problems do not have unusually large armed forces. These include Colombia (2.6), the Philippines (3), Srik Lanka (1.2), and, of course, El Salvador (5.4).

South Africa is another interesting case. Many would suppose that that country would need a huge army to restrain the violent opposition of members of the black majority. As it happens, South Africa has a force of 2.3, less than one-tenth that of Cuba. South Africa is larger than Yugoslavia or North Korea, yet its 70,000 man armed forces are less than one-third Yugoslavia's force of 247,000 and less than one-tenth North Korea's force of 710,000.

If the usual explanations don't fit, why, then, do Marxist regimes pursue military might? Apparently, it is an expression of their basic character, not a response to a particular foreign or domestic policy aim. One almost has to suppose that if a Marxist regime came to power on Mars, with nothing to conquer and nothing to defend against, it would still have an army twice as large as that of a comparable non-Marxist country here on Earth. The ruling parties in Marxist regimes reach for military power to validate their ideological view of a world locked in perpetual struggle. They have, as Henry Kissinger put it, "a vested interest in tension."

EXAMPLES CLOSE TO HOME

This point is strangely ignored by those groups in the West that are such outspoken critics of military forces. Logically, pacifists should be consistent opponents of Marxism, since Marxism is the harbinger of militarism in the world today. But, oddly enough, the same groups that deplore arms races tend to favor, or are neutral about, efforts to implant Marxist dictatorships around the world.

Take the case of El Salvador. Most peace activists, both in the U.S. and in Europe, view a possible Marxist victory there with approval. But if the Marxists take control, the one thing we can be sure of is that the military forces of El Salvador will more than double. Examples close to home indicate the increase could be staggering. In Cuba, the transition to Marxism has seen a 12-fold increase in the size of the armed forces, from 19,000 under Batista to 230,000. The same 12-fold increase has taken place in Nicaragua, from 6,000 under Somoza to 75,000. These are numbers that the foes of militarism ought to ponder in evaluating U.S. policy toward Central America.●

PHASE OUT THE CONTRAS; LEAVE PEACE TO CONTADORA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, recently Mr. Robert Pastor, a professor at the University of Maryland and a former National Security Council official, published an article that I think my colleagues will find useful as we approach a vote on the question of U.S. support for the Contras in Nicaragua.

Mr. Pastor makes several good points in his article. He points out that "sympathy for the Sandinista has disappeared," but that nevertheless, "the strong sentiment in Congress is that the Contra Program is the wrong approach." He notes that "the Contra strategy is counterproductive" because "it will not dislodge the Sandinistas, and it will leave them more hostile to U.S. interests than before."

"By directly confronting a small, beleaguered country," Mr. Pastor points out, "the Reagan administration has made the Sandinistas look heroic and the United States foolish." Also, the administration's "support for the Contras has all but undermined the efforts of Latin Americans to reach a guaranteeable settlement."

Mr. Pastor, points us toward a solution: "The objective should be to phase out support for the Contras in a manner providing leverage for the Contadora countries to construct a peace that they are committed to making work." I hope my colleagues will carefully consider Mr. Pastor's ideas.

PHASE OUT SUPPORT OF CONTRAS; LEAVE PEACE TO CONTADORA

(By Robert Pastor)

President Reagan has left no doubt of his intention to continue supporting the contras, who seek to overthrow the Nicaraguan government. Can the president persuade Congress to support his program? Can it succeed?

Though sympathy for the Sandinistas has disappeared, the strong sentiment in Congress is that the contra program is the wrong approach. To win approval of the aid, Reagan would have to apply enormous pressure and use Neanderthal Red-baiting tactics, portraying his opponents as Communist dupes or dopes. Even then he would be unlikely to win. But he has other options.

It is estimated that Congress provided $80 million for the contras between 1981 and mid-1984, when it halted covert support. Since then the contras reportedly have received funds from private sources in the United States and from the governments of El Salvador, Honduras and Israel—which happen to be among the most dependent on U.S. aid in the world.

The contras are also said to benefit from food, weapons and equipment left behind by U.S. servicemen after maneuvers in Honduras. Contra leaders also have talked about floating bonds or tax-sheltered limited partnerships as additional ways to raise money in the United States.

Congress has shown little disposition thus far to investigate how these funding maneuvers square with international law, or Congress' own prohibition on aid, or the Neutrality Act, which prohibits private support for groups seeking to overthrow governments—the contras' stated aim. Nor does the Department of Justice seem interested in whether these various actions might set precedents that could be used at a future time by U.S.-based groups supporting leftist guerrillas.

David Durenberger, new chairman of the Senate Intelligence Committee, has suggested that the administration unite the various rebel groups and provide aid openly. But unity is proving elusive, and Congress is unlikely to approve overt aid, which would be tantamount to a declaration of war.

It is paradoxical, but apparently true, that the administration strategy so far has been both effective and counterproductive; effective in encouraging negotiating flexibility by the Sandinistas, but counterproductive in giving them a just cause to mobilize support for the revolution.

Yet the administration is uninterested in negotiations, as confirmed by its walkout in January. Many in the administration, including the president, believe that the Sandinistas could not be trusted to fulfill an agreement; therefore they see no point in negotiating, except to deflect criticism.

Thus the net assessment is that the contra strategy is counter-productive. It will not dislodge the Sandinistas, and it will leave them more hostile to U.S. interests than before.

The administration's objective is clearer now: to delegitimize the Sandinistas and encourage the remaining moderate leaders in Nicaragua to leave and transfer their legitimacy and support to the contras. The administration hopes that the middle eventually will disappear, along with international support for the Sandinistas, enabling the contras to either divide or conquer the revolutionary regime.

Contrary to Reagan's argument, support for the contras is not consistent with the charters of the Organization of American States or the United Nations. Both organizations have mechanisms for responding to intervention or subversion, but these have been ignored.

The United States and its Central American friends do not have to stop all the weapons flowing out of Nicaragua; all they need do is to produce evidence that the flow occurs. With such proof, Central America and the Contadora countries (Venezuela, Mexico, Colombia and Panama) could go to the OAS for collective action or sanctions.

This is the most effective source of leverage over the Nicaraguans, since they have no desire to replicate Cuba's isolation from the hemisphere; nor could the Sandinistas cope with collective OAS action.

By directly confronting a small, beleaguered country, the Reagan administration has made the Sandinistas look heroic and the United States foolish.

And by suggesting that the only security interests that matter in the region are those of the United States, the administration is arrogantly dismissing the United States' neighbors by suggesting that they do not know what is best for their own security interests—or, worse, that their interests are irrelevant. That is the fatal flaw in the administration's approach. Its support of the contras has all but undermined the efforts of Latin Americans to reach a guaranteeable settlement.

In time the Sandinistas may become as hideous as Reagan thinks they are. This is not inevitable, but the logic of U.S. policy and its interaction with the Sandinistas may make it so. At work is a self-fulfilling process whereby hard-liners in both the United States and Nicaragua repeatedly confirm one another's worst suspicions, the result is increasing belligerence and polarization and the destruction of a moderate alternative.

Eventually the Contadora countries will recede in frustration and resentment, perhaps rage. And the United States will face a choice of abandoning its security interests or giving the contras direct help to win. Unless one believes that the contras have the ability to overthrow the Sandinistas, covert support is not an alternative to military intervention; it is an avenue toward intervention.

The time to change direction is now. The president ought to listen to Congress and forge a genuine bipartisan approach. The objective should be to phase out support for the contras in a manner providing leverage for the Contadora countries to construct a peace that they are committed to making work. The U.S. choice may be between a negotiated settlement today and military intervention tomorrow.●

FREE ENTERPRISE WEEK CONTEST GRAND PRIZEWINNER

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MOORE. Mr. Speaker, 8 years ago I initiated free enterprise week in my congressional district as a broad educational effort on the mechanics and values of free enterprise. In each of the past 8 years Louisiana students have written essays on our State's commercial activities to be judged during free enterprise week. This year over 80 entries were received from nine parishes. I am pleased to announce to my colleagues that Brent James Hedges of Plaquemine, LA, has been chosen as the grand prizewinner of the 1985 essay contest. He is a student at Plaquemine Senior High School and chose to write his winning essay on the utilization of computer technology in petrochemical and hospital applications. I congratulate Brent Hedges on his achievement and invite my colleagues to read this essay which follows:

THE IMPACT OF THE COMPUTER ON BUSINESS IN LOUISIANA

To show the impact of the computer on business in Louisiana, let us examine the recent trends in Louisiana's petrochemcial and hospital industries.

"Louisiana's petrochemical industry has been slowed by the worldwide recession, and some people close to the industry predict it will never regain the vigor it once had." The preceding statement, taken from an article that appeared in the Baton Rouge *Morning Advocate* on January 23, 1983, paints a bleak picture for the future of the industry that provides the base for Louisiana's economy. The reason for such a pessimistic forecast is twofold—rising energy costs and increased foreign competition.

As Louisiana's chemical plant managers have attempted to absorb additional operations costs by developing new techniques to increase efficiency and productivity without jeopardizing their plants' abilities to compete with plants in foreign countries, the computer has become an effective weapon in their struggle to remain in business. In contrast to the petrochemical industry, in recent years Louisiana's hospital industry has been experiencing a period of prosperity, which is indicated by the expansion of existing hospitals and the construction of new medical facilities across the state. Once again the computer, with its many efficient applications, is a major contributor to this boom; for when they are asked to name the most beneficial investment that their hospitals have made, many hospital administrators feel that their computer system is priceless.(3) The computer, therefore, has had a tremendous impact on the petrochemical and hospital industries in Louisiana, an impact that affects the employment and health care of many citizens of Louisiana.

Before Louisiana's chemical plants can yield their products, oil companies must find and recover petroleum. Geologists and computer personnel have developed special computer programs that analyze collected data to determine the probable locations for petroleum deposits. Once the computer specifies a likely location, the computer programmer continues to input data to determine the best drilling site and best equipment to use. The computer then estimates the cost of recovering that particular petroleum deposit. After the drilling begins, management ensures the efficient use of the equipment by utilizing computers to monitor bit and mud temperature and pressure and other factors that are involved in the recovery process.

Once an oil company strikes petroleum, the oil is usually sent to a refinery to be processed or to a chemical plant to be used in the production of petrochemical products. Because both of these options require

many complex chemical reactions to occur at many different temperatures and pressures, many Louisiana plants have computer systems that control and monitor these processes. Plant personnel have installed special temperature and pressure gauges on pipes and in stacks that convert actual temperature and pressure to a digital form that computers can read. Consequently, the use of the computer in plants increases efficiency and productivity, but reduces the number of operations personnel.

Not only have computers had a tremendous impact upon the operations departments of Louisiana's chemical plants, but they also have had a significant impact upon their administrative departments. Computers now perform the manual accounting practices that are conducive to human error—journalizing, posting, computing payroll, taking inventory, etc. Using the computer in this manner results in greater efficiency, for computers allow plant employees in administrative departments to complete their work quickly and accurately. Similarly, owning a computer has proved to be a wise investment for those businesses that provide construction and maintenance services to Louisiana's chemical plants. With the slowing of the petrochemical industry in recent years come less expansion of existing chemical facilities and only a small amount of new plant construction. The companies that specialize in industrial construction and maintenance must be capable of competing for the fewer number of jobs that plants offer; therefore, many businesses have discovered that using computers for accounting, inventory, and scheduling purposes assures their ability to compete with their rivals.

Unlike the petrochemical industry, Louisiana's hospital industry has not had to weather the hardships experienced by so many of Louisiana's chemical plants in recent years. Expansion and new construction of hospitals have been occurring across the state as computers have entered into the world of medicine. Record keeping, diagnosis, and patient monitoring are three areas of medical care in which Louisiana hospitals have experimented with computers.(5)

In some large hospitals, computerized record keeping is more than just bookkeeping and bill preparation. It includes keeping track of bed assignments and printing at appropriate times what specific medicne and/or meals each patient must have.(5) In these ways an up-to-date total of hospital stay costs is always available for every patient. Furthermore, some doctors use computers for laboratory analysis. After a doctor obtains a blood or urine sample from a patient, he can send it to a laboratory where a computerized apparatus analyzes it and prints out the results on which the doctor can base his diagnosis. Some hospitals in Louisiana use computers to find volunteer blood donors. (5) By inputting the name, address, phone number, blood type, and a brief medical history for each volunteer donor into a computer, when an emergency arises and the patient needs a rare blood type, the computer can search its memory and print a list of all possible donors.

To those patients who require twenty-four-hour monitoring, computers are extremely important. Computerized observation of pulse rate, breathing, brain-wave activity, blood pressure, and other functions has become more common in many Louisiana hopsitals.(5) Patients are fitted with special converters that permit a computer to read and store information concerning certain bodily functions. If a discrepancy arises between a patient's vital signs reading and the proper levels with which the computer has been programmed, the computer sounds an alarm and nurses and/or doctors can immediately treat that patient. Consequently, these computer methods, without reducing the level of care, decrease the workload of nurses and their aides.

In summary, by considering the powerful impact of computers on Louisiana's ailing petrochemical industry and prospering hospital industry, one can gather that computers have allowed many chemical plants and companies that service these plants to remain in business and have been one of the factors for the recent improvements in the medical care industry. By no means are these the only industries in Louisiana that computers have affected, for computers have saved and increased the efficiency and productivity of many businesses in other industries as well. Since the petrochemical industry, however, is the base for Louisiana's economy and the hospital industry provides necessary health care services to so many Louisianians, computers have preserved one industry that employs thousands of workers and assisted another industry that saves thousands of lives each year—two industries that many Louisiana citizens depend upon for their livelihoods and their lives.

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LEAH TAYLOR, HOOSIER VOD CHAMPION

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. COATS. Mr. Speaker, I would like to take this opportunity to commend Leah Taylor of New Haven, IN, on her selection as the Hoosier representative to the Veterans of Foreign Wars' "Voice of Democracy" contest.

The VFW and its over 2 million members nationwide sponsor this competition every year. Participating high school students prepare a short speech in order to better understand the concepts of freedom and democracy upon which our Nation was built, with national finalists receiving scholarships.

I laud the group, its membership nationwide, and especially the 300,000 students who took part in the contest for their involvement in this worthwhile project.

This year, participants spoke on the theme "My Pledge to America." I was impressed with Leah's remarks, for they focused largely on the often-neglected duties which we all have as Americans. Particularly insightful was her recognition of the place of parents in our society and the special role which they play in our development as a nation. We should all remember this perspective as we work to strengthen America's families.

I am proud to have Leah as one of my constituents and as the representative of the State of Indiana in the competition, and I am inserting a copy of her excellent speech in the RECORD to share with my colleagues.

MY PLEDGE TO AMERICA

(By Leah Taylor)

The hope of the desperate. The home of the determined. The Pilgrims and Revolutionists fought to live in it. The "Boat People" see it as their light at the end of a very dark tunnel. Because of the work, pain, and even deaths of our forefathers, I live in it: The United States of America, a free country, a nation that promises me life, liberty, and the pursuit of happiness. In return, I want to pledge my allegiance to it, my home and protector.

Allegiance. The dictionary informed me that allegiance is loyalty to one's country. I believe pledging my allegiance to America, goes even deeper than just being loyal. It involves supporting America, having pride in my heritage, and desiring this nation's well-being.

Support. I pledge my support and assistance to America. There are many ways to support one's country. Four of these, which I believe are the most important, are paying one's taxes, parenting and caring for one's children, caring about others and, individually, doing the best one can do, whether it be at work or in one's personal life.

Paying one's taxes is probably the most obvious means of supporting America, although not always the most enjoyable. But if we, as Americans, fail to pay our taxes, we would be destroying our government, including benefits such as schools, firefighters, officials to enforce the law, and a defense system to keep our freedom. Without those benefits America could quickly lose some of the freedom and tranquility that we enjoy more than any other nation. When it is my turn to pay taxes, even though I might dislike having to give away money, I know I would much rather have the American privileges I enjoy now than just my personal gain.

Another way to strengthen America is almost overlooked; the role of parents. Their job is the most important because the children for whom they care and whom they teach will be the new generation, and that generation will keep America strong. As my parents instilled in me pride and love of America, I will try to bring up my children in the same way and teach them to cherish God, America, and other people.

Loving others and helping them also helps our nation. Volunteers all over the country have helped other people in need. Foster

parents, charity organizers and sponsors, half-way houses, and responsible and considerate neighbors are only a few of the examples of love shown by Americans. The United States is not just the government or the land, but it is the people. So, I believe helping others is a major part of supporting America.

Anyone, whether he be a doctor, clerk or student, can strengthen America by doing his job to the best of his abilities. Hard working colonists were the ones who succeeded in starting America and hard work is still needed to keep America strong. It starts with the individual and that includes me, so I try to use the ability God gave me so that I benefit not only myself but this great country, too. If everyone is the best he can be, America is the strongest it can be.

Supporting America also means wanting the best for it. Since I believe all good things come from God, I pray for His blessing and protection. As our paper money states: "In God We Trust", I try to remember America every night in my prayers and I hope other Americans do the same.

Another part of fulfilling one's pledge of allegiance to America is to care about its well-being. Voting is one way of accomplishing this. Another way is to be concerned about the different social and political matters that could be detrimental or helpful to America. Even though I don't always understand these matters, I try, which is every American's duty.

The final and probably easiest way of showing one's allegiance to America is by being proud of it. I am proud of America. Therefore, I take care of it, appreciate its resources and love it. I believe my pride in this country is shown by my behavior and cooperation, so I try to obey the law and act with responsibility.

America is my past and present. God willing, it will also be my future. Because I love America, I pledge my support of it, my pride in it, and my desire for its well-being. I wouldn't want to live any place else. "God bless America, my home sweet home".●

MAINTAIN U.S. AFRICAN INVESTMENTS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LAGOMARSINO. Mr. Speaker, the following editorial from the Oxnard Press-Courier—Saturday, March 2, 1985—entitled, "Maintain U.S. African Investments," I believe accurately explains how economic disinvestment by the United States in South Africa is not going to assist us in reforming apartheid, nor is it supported by a large portion of that country's black majority population, and I am pleased to bring it to the attention of my colleagues.

[From the Press-Courier, Mar. 2, 1985]

MAINTAIN U.S. AFRICAN INVESTMENTS

A contingent of liberals in this country believe that punishing South Africa with economic sanctions is the best way to reform the white-minority government's egregious policy of racial discrimination. These punitive measures, however, are opposed by numerous South African blacks, including Chief Gatsha Buthelezi, the 56-year-old leader of the nation's 6-million-member Zulu tribe.

Chief Buthelezi urges American businessmen to continue to invest in his country, and he argues that economic sanctions would worsen the plight of millions of the country's blacks and "condemn a whole new generation to living in appalling slum conditions."

Although he doesn't speak for all blacks in South Africa, the chief nonetheless expresses the feelings of many of his countrymen who have jobs and enjoy an improved standard of living because of American investment.

At present, U.S. firms employ approximately 100,000 South Africans. Most of these firms, moreover, adhere to the Sullivan Principles, a voluntary code of corporate conduct for American companies in that country.

The Sullivan purpose is to channel corporate resources into activities designed to promote social and economic improvements for South Africa's non-white population. To date, American firms have spent more than $100 million in pursuit of the principles' goals, which include equal pay and fair-employment practices for all employees, training programs to prepare blacks, coloreds and Asians for administrative and technical positions and improved housing, transportation, schooling, recreation and health facilities for employees and their families.

By maintaining commercial ties with South Africa, the United States is able to exert a moderating influence. Recent proof of this is to be found in President P.W. Botha's willingness to give the country's black population basic political and property rights.

Disinvestment, however, would disrupt this evolutionary process and harden the determination of the South African government to continue excluding blacks from full citizenship.

Chief Buthelezi concludes as much when he calls for a toughening of the Sullivan Principles so that all U.S. firms would be obliged to treat black and white workers equally. His prudent advise surely is preferable to economic sanctions that would prevent American businesses from playing a positive role in South Africa, and, ultimately, punish the black population all the more.●

PUT CENTRAL AMERICA IN PERSPECTIVE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, the March 11 issue of Business Week magazine—hardly a radical publication—carried an editorial on Nicaragua that makes a lot of sense. The editorial states the issue succinctly in its first three sentences:

By declaring that his goal is to "remove" the "present structure" of the Sandinista regime, President Reagan has stripped the camouflage from U.S. support for the Contra guerrillas in Nicaragua. A vote to renew "covert" aid to the Contras, frozen by Congress last fall, would now amount to approval of a U.S. commitment to overthrow the Nicaraguan government. Congress properly is unlikely to vote such an approval.

As Washington Post writer Lou Cannon has recently written,

It is difficult to comprehend how anyone opposed to this aid, on strategic or moral grounds, could rationalize voting for it just because Reagan has renamed his request "the Central American peace plan."

I agree with that, and am confident that the House will once again vote against this aid, as it has four times before.

Business Week is absolutely right when it says, in its editorial, that there is a better way:

To get U.S. policy on Central America back on a sensible track, the Administration must regain a sense of proportion between U.S. goals and the means of achieving them. Nicaragua is a small, poor country that on its own cannot pose a threat to the U.S. nor even—if the U.S. works diligently to achieve a political settlement in the region—to its small, poor neighbors. * * * The U.S. can use its power and influence in the region more effectively by making a long-term commitment to peace and stability rather than simply supporting the Contras.

There is more wisdom in this brief editorial than there is in all the volumes of propaganda coming out of the White House. I hope my colleagues will give the editorial their careful attention.

[From Business Week, Mar. 11, 1985]

PUT CENTRAL AMERICA IN PERSPECTIVE

By declaring that his goal is to "remove" the "present structures" of the Sandinista regime. President Reagan has stripped the camouflage from U.S. support for the contra guerrillas in Nicaragua. A vote to renew "covert" aid to the contras, frozen by Congress last fall, would now amount to approval of a U.S. commitment to overthrow the Nicaraguan government. Congress properly is unlikely to vote such an approval. It certainly should reject open aid to the contras as equivalent to a declaration of war against Managua.

In the Administration's view, Nicaragua is a Soviet outpost. Secretary of State George P. Shultz asserts that the country is slipping "behind the Iron Curtain." He even suggests that it is covered by the Brezhnev Doctrine, which ties Eastern Europe to Big Brother in the Kremlin.

Such rhetoric lacks perspective. Obviously, the Soviet Union cannot send the Red Army to Central America, as it can to Eastern Europe, to erect an Iron Curtain around a satellite or enforce the Brezhnev Doctrine. Nor will Moscow risk another Cuban-style missile confrontation over Nicaragua.

To get U.S. Policy on Central America back on a sensible track, the Administration must regain a sense of proportion between U.S. goals and the means of achieving them. Nicaragua is a small, poor country that on its own cannot pose a threat to the U.S. nor even—if the U.S. works diligently to achieve a political settlement in the region—to its small, poor neighbors. The Sandinista leaders know that if Nicaragua acquired offense weapons, such as Soviet MiGs, Congress would support decisive U.S. action to neutralize them.

The U.S. can use its power and influence in the region more effectively by making a long-term commitment to peace and stabili-

ty rather than simply supporting the contras. Nicaraguan President Daniel Ortega's invitation to congressional leaders to visit Nicaragua offers the opportunity for a fresh start. But the U.S. should not take on the burden of serving as yanqui enforcer in Central America. Countries with a stake in the area are eager to play a role. The U.S. should enlist their help. Such an approach would be far more cost effective, politically and financially, than contra ventures—and far less divisive at home and in the hemisphere.●

GOOD SAMARITAN ASSISTANCE ACT

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SCHUMER. Mr. Speaker, on Sunday, June 22, 1980, James McDaniel and his wife arrived at the First Baptist Church in Daingerfield, TX, and sat near the back, as they usually did. The congregation was in the middle of the offertory song when a man burst in, screaming "This is war," and started firing into the crowd. Mrs. McDaniel and others in the crowd were struck. Her husband jumped out of his seat and wrestled the assailant out of the church into the street. The gunman continued to shoot, firing bullets into Mr. McDaniel. The gunman was subdued, Mr. McDaniel died on the steps of the church.

We have all heard the tales of victims who suffered at the hands of criminals while onlookers did nothing. But the brave acts of those who, like Mr. McDaniel, did do something have received little attention and little compensation. Today, I am introducing the Good Samaritan Assistance Act of 1985, which will provide matching grants to the States for programs that reward citizens who intervene in an attempt to prevent a crime or apprehend a criminal. The bill will encourage States to reward these deserving individuals and, at the same time, will educate the public that one can do something to help another who is being victimized.

These grants will not contribute a penny to the Federal deficit, because they will be financed by the trust fund set up under the Victims of Crime Assistance Act of 1984. The trust fund receives its moneys solely from fines imposed on criminals. This mechanism provides the perfect way to make criminals foot the bill for both those who seek to apprehend them and those they have victimized.

In addition, States will only receive 35-percent funding for the programs, so the chief financial responsibility will continue to rest with those who have the chief enforcement responsibility for most crimes. Forcing States to bear the lion's share of the cost of the reward programs will ensure that the programs are administered efficiently and that Federal money is not wasted.

In the past few years, we have seen a shift in public attention from criminals to crime fighters and crime victims. One result of the shift has been increased support for community self-help efforts to fight crime. These efforts have contributed to a 2-percent decline in the number of households affected by crimes of violence or theft. Nonetheless, in 1983, 37 million individuals were victims of serious crime. Obviously more remains to be done.

The Good Samaritan Assistance Act will further citizen crime-control efforts by promoting the recognition and reward of citizens who intervene to stop a crime. I urge my colleagues to join me in support of this effort to promote the spirit of mutual responsibility and thus make our neighborhoods more secure and more pleasant.

I ask unanimous consent that the text of the bill be printed in the RECORD.

H.R. 2130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Good Samaritan Assistance Act of 1985".

SEC. 2. GOOD SAMARITAN REWARDS.

The Victims of Crime Act of 1984 is amended by inserting after section 1403 the following new section:

"GOOD SAMARITAN REWARDS

"SEC. 1403A. (a) ANNUAL GRANTS.—(1) Subject to the availability of money in the Fund, the Attorney General shall make an annual grant from any portion of the Fund, not used for grants under section 1403 or 1404, with respect to a particular fiscal year to an eligible good samaritan reward program of 35 percent of the amounts awarded during the preceding fiscal year, other than amounts awarded for property damage. If such program did not exist during the entire preceding fiscal year, such grant shall be in an amount equal to 35 percent of the amounts projected to be awarded during the current fiscal year. A grant under this section shall be used by such program only for rewards.

"(2) If the sums available in the Fund for grants under this section are insufficient to provide grants of 35 percent as provided in paragraph (1), the Attorney General shall make, from the sums available, a grant to each eligible good samaritan reward program so that each such program receives the same percentage of amounts awarded by such program during the preceding fiscal year, other than amounts awarded for property damage.

"(b) ELIGIBILITY.—A good samaritan reward program is an eligible good samaritan reward program for the purposes of this section if—

"(1) such program is operated by a State and offers rewards to good samaritans and survivors of good samaritans;

"(2) such State certifies that grants under this section will not be used to supplant State funds otherwise available to provide good samaritan rewards;

"(3) such program meets, with respect to rewards to good samaritans, the same requirements as are imposed under paragraphs (4) and (5) of section 1403(b) with respect to compensation to victims of crime; and

"(4) such program is not an entitlement program.

"(c) DEFINITIONS.—As used in this section—

"(1) the terms 'property damage', and 'State' have the meanings given those terms, respectively, in section 1403(d); and

"(2) the term 'good samaritan' means, to the extent provided under the eligible good samaritan reward program, an individual who acted voluntarily and nonnegligently—

"(A) to prevent the commission of a criminal offense, or to prevent what the individual reasonably believes is the commission of a criminal offense;

"(B) to apprehend a person who commits a criminal offense, or to apprehend a person who the individual reasonably believes is committing a criminal offense;

"(C) to preserve the public peace; or

"(D) to prevent a public disturbance;

but such term does not include any individual performing official police or military duty or any child determined by the eligible good samaritan reward program to be too young to understand the risks of such child's conduct.".

SEC. 3. CONFORMING AMENDMENT.

Section 1404(a)(1) of the Victims of Crime Act of 1984 is amended by inserting "or 1403A" after "1403".

SEC. 4. MODIFICATION OF FUND ALLOCATION.

Section 1402(d)(2) of Victims of Crime Act of 1984 is amended—

(1) by striking out "Fifty" and inserting "45" in lieu thereof;

(2) by striking out "fifty" and inserting "45" in lieu thereof; and

(3) by adding at the end the following new sentence: "10 percent of such total shall be available for grants under section 1403A."●

BAN ON CHEMICAL WEAPONS PRODUCTION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. UDALL. Mr. Speaker, I am joining today with 49 other colleagues in the introduction of legislation to stop funding for the production of new binary nerve gas weapons. For the past 3 years this body has rejected the President's request for chemical weapons production by margins of nearly 100 votes or more. It is my hope and expectation that we will do so again this year.

There are, I believe, sound policy reasons for rejecting the President's request. First, there is no immediate need for new chemical weapons. The President's own bipartisan commission found that the existing stockpile is adequate until the mid-1990's, a conclusion also reached by Secretary Weinberger.

Second, there are continuing doubts about the reliability and survivability of the weapons used to deliver the binary chemical agents. The "Bigeye"

bomb would be highly vulnerable in actual combat conditions; unlike our existing rocketed launched weapons, the Bigeye must be delivered upwind of its target by an airplane.

Third, our allies are unwilling at this point to allow us to preposition new, binary nerve gas weapons in Europe. U.S. efforts to deploy such weapons, in fact, could lead to a major split in NATO.

Beyond these purely policy considerations, there are the budgetary ones. The administration wants to spend $174 million in fiscal year 1986 and $2.3 billion over the next 5 years for chemical weapons production. Coming at a time of $200 billion deficits, we can hardly afford such a request. I think we have other needs, including defense needs, that deserve a higher priority in this year's budget.

I urge my colleagues to cosponsor our initiative and to reject the President's budget request.●

NATIONAL LIBRARY WEEK

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1985

● Mr. LANTOS. Mr. Speaker, I am delighted today to join in the celebrations marking National Library Week and pay tribute to the libraries of this Nation. From the Library of Congress here in Washington right across the country the United States can rightfully boast of the finest public library system anywhere in the world.

In particular, I would like to commend the outstanding libraries in San Mateo County, CA. The hard work of their dedicated staffs has resulted in libraries of the very highest quality, not only in the books provided but also in their support services.

As a former professor, I am particularly aware of the importance of libraries. Education is dependent on the availability of information and the exchange of ideas. Students of all ages—in nursery school or law school—rely upon libraries for information on every conceivable subject.

As a society we have become increasingly dependent upon knowledge and the dissemination of knowledge. Civilization and culture, science and economic progress would be impossible without our outstanding libraries.

Libraries also provide endless hours of pleasure and entertainment. Books are one of the real sources of enjoyment and recreation. Few of us possess all the books we would like—but a library makes them readily available at little or no charge.

Tragically, our libraries are under threat. The administration has not allocated any funds in the fiscal year 1986 budget for either the Library Services and Construction Act or for the funding of college and research libraries. If such a policy continues, it could place in jeopardy one of the most basic resources, not only of our educational system, but of our Nation.

The library is freely available to all regardless of income, race, or sex. It provides a universal source of information. To cut library funding will inevitably deprive those in our society who are least able to turn elsewhere. Mr. Speaker, while there is no question that we must work to reduce the soaring Federal budget deficit, we must also take steps to insure that our libraries continue to have the support essential for their continued growth and existence.

While National Library Week is a time for us to celebrate an outstanding system, we should not be complacent. Now is also the time for us to act in order to preserve our magnificent library system.●

TRIBUTE TO COMMANDER AL MILLER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I appreciate this opportunity to extend recognition to one of my constituents on the occasion of his retirement from the Ventura County Sheriff's Department.

Commander Miller is retiring after 32 years with the sheriff's department. He began his career in law enforcement in 1953 after having served in the U.S. Army during World War II and the Korean War.

In 1955, after working for 2 years as a jailer, Commander Miller was appointed as a deputy sheriff and was assigned to the patrol division. Over the next 10 years he earned a promotion to the rank of sergeant in 1957 and lieutenant in 1963.

In 1966 Commander Miller was elevated to the rank of captain and was responsible for supervising the patrol division. In 1970, he was promoted to inspector and was reassigned to head the sheriff's criminal division. Two years later he was advanced to the rank of chief deputy.

In 1976, the sheriff's department reorganized and Commander Miller assumed his present rank. For the past 8 years he has been responsible for the sheriff's support services division where he oversees the sheriff's business office, records, psychological services, research and planning, emergency services, personnel and training bureaus.

Commander Miller's accomplishments are numerous but among the most recent is his involvement in the revitalization of the office of emergency services. This office is responsible for developing disaster response plans and for disseminating disaster preparedness information to the public.

Commander Miller was also a member of the California National Guard and was called into service in 1965 during the Watts riots. As a result of his involvement he was awarded the California National Guard's Medal of Merit and was also commended for his actions by the mayor of the city of Inglewood. He retired from the Guard in 1967 with the rank of major.

I extend to Al and his wife Joyce my very best wishes as well as the best wishes of this body and offer our hopes for a long, enjoyable, and productive retirement.●

THE CONTRAS ARE HARDLY FREEDOM FIGHTERS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, the March 25 issue of the New Yorker, in its "Talk of the Town" section, carried an excellent commentary on President Reagan's scandalous statement that the Nicaraguan Contras "are the moral equal of our Founding Fathers." All Americans should be shocked that our President would compare people who rape, pillage, torture, and murder with George Washington, Thomas Jefferson, and the other heroes of the American revolution. As the commentary points out, "History is real; analogies have weight; statements have consequences." The President's statement poisons not only the prospects for peace in Central America, but also our own national dialog and our very image of ourselves and of our heritage. I urge my colleagues to consider this commentary with great care.

[From the New Yorker]

THE TALK OF THE TOWN—NOTES AND COMMENT

Several commentators in recent years have been struck by the extraordinary convergence of talent, grace, genius, and wisdom in the current generation contesting for legitimacy in Poland. How is it possible, these observers wonder, for a single generation in a relatively small, relatively isolated country in the middle of Eastern Europe to have produced such a host of great-souled men and women—Leach Walesa, Adam Michnick, Jacek Kuron, Karol Modzelewski, Karol Wojtyla, Jerzy Pepieluszko, Anna Walentynowicz, Alina Pienkowska, Andrzej Wajda, Krzysztof Zanussi, Czeslaw Milosz, Andrzej Gwiazda, Zbigniew Bujak, and on and on? At something of a conceptual loss before this historical mystery, the commentators occasionally have recourse to analogy, and one that frequently recurs in their writings is to the remarkable generation that arose in the British colonies in North

America during the seventeen-sixties, seventies, and eighties. There historians have long been confronted with that wondrous fluke, the manna descending, the sudden, unexplainable upwelling of greatness—Benjamin Franklin, Thomas Jefferson, Samuel Adams, Thomas Paine, George Washington, John Adams, Alexander Hamilton, James Madison, and on and on, all acting at the same moment in the same place. It is a useful analogy, and an appropriate one: it does honor to both sides of the equation. On the Polish side, we Americans are afforded a sense of what history must have felt like as it was unfolding for our own Founding Fathers; of what it must have been like to wake up each morning faced with impossible odds and hopeless choices and yet somehow summon the resolve to act and the composure to act sagely; of what the declaration of independence must have felt like before it became the Declaration of Independence, when the spirit was building but had yet to find expression, when expression had yet to coalesce into inevitability. Through the analogy to our Founding Fathers, Poles, for their part, can draw a lesson concerning the future consequences of present acts—how a noble project honestly conceived and earnestly carried through becomes a source, a wellspring, refreshing and sustaining generation after generation to come. These corollaries suggest what is at stake in historical analogy, and the sense of care and responsibility with which we must exercise our propensity for it. Not only must the two sides of the equation be worthy of each other but we must be worthy of them.

A few weeks ago, President Reagan, as part of his current siege of Congress on behalf of his Administration's Central America policy, tried his hand at historical analogy. He declared that the Contras, the fighting forces currently attempting to undermine the Sandinista regime in Nicaragua, "are the moral equal of our Founding Fathers." The analogy is a strange one: our Founding Fathers accomplished a revolution, whereas the Contras are by definition contrarrevolucionarios — counterrevolutionaries. The revolution they so vigorously oppose is one that overthrew a tyrant, Anastasio Somoza, who made George III seem positively small-time. Of course, President Reagan claims that the Contras were initially supporters of that revolution who subsequently found themselves co-opted by their onetime Sandinista allies, but the historical record offers precious little to sustain that characterization. (The commander of the principal Contra force, the man who set about organizing it immediately after Somoza's downfall and still commands it, is Enrique Bermudez, who was Somoza's miliary attaché in Washington; one of the few Contra leaders who might truly fit Reagan's definition of a disenchanted onetime revolutionary, Edén Pastora, will have nothing to do with most of the other Contra military groups, precisely because so many of their leaders were former officers in Somoza's National Guard, and as a result of this hesitancy Pastora's group was being frozen out of most American covert funding even when Congress was allowing the practice.) And even if Reagan's version of a co-opted revolution were historically accurate the analogy that might be drawn would be to the French Revolution, or the Russian—certainly not the American.

The problem, however, isn't just that the Founding Father analogy is specious; it's also pernicious. Within days of the President's statement, two reports were issued evaluating the behavior of Contra forces in the field. Americas Watch released a comparative study, "Violations of the Laws of War by Both Sides in Nicaragua, 1981–1985," that documented the behavior of both the Contra and the Sandinista forces. The report was careful and precise in tone; if anything, it was understated. Its authors concluded that whereas the Sandinista forces had committed "major abuses," particularly against the Miskito Indians on Nicaragua's Atlantic coast, during the first few years after the Revolution, "the evidence that we have gathered shows a sharp decline in violations of the laws of war by the Nicaraguan government following 1982." By contrast, Americas Watch reported, "The contra forces have systematically violated the applicable laws of war throughout the conflict. They have attacked civilians indiscriminately; they have tortured and mutilated prisoners; they have murdered those placed hors de combat by their wounds; they have taken hostages; and they have committed outrages against personal dignity."

In the past, State Department and White House spokesmen confronted with charges like these have dismissed them as being based on idiosyncratic cases, or else on hearsay. Partly in response to that type of defense, lawyers affiliated with the Washington Office on Latin America and the International Human Rights Law Group two weeks ago released the results of a series of studies undertaken during the past six months. To begin with, one lawyer went down to Nicaragua and compiled evidence relating to twenty-eight incidents of Contra violence aimed at civilians—"reliable evidence of a kind that would be legally sufficient in a court of law," his report specified. That is to say, he took sworn affidavits, based almost exclusively on eyewitness testimony, from over a hundred and forty persons; he challenged the witnesses with questions designed to confirm their personal knowledge of the events related ("Did you actually see that?" "What color were their uniforms?"). This testimony was transcribed; the transcripts were read back to the witnesses; and the witnesses signified their approval by signing them with their full names, their place of residence, and, in most cases, the names of their parents. Wherever possible, corroboration was sought. WOLA and the I.H.R.L.G. subsequently sent two other lawyers down to verify the accuracy of the affidavits. Following the report's release, several independent journalists in Nicaragua further confirmed the reliability of several of the accounts. The affidavits make for chilling reading.

Item: Noel Benavides Herradora, a coffee-picker, telling of his abduction by the Contras from a farm near the Honduran border, along with a married couple, prominent church leaders, in December, 1982: "Mr. Felipe Barreda and his wife were already there. He was bleeding heavily. He was being beaten and had blood all over him. [His wife] was also being beaten. They tied them. I was walking ahead, he was tied behind me, and she was tied further behind. He could hardly walk. He kept slipping and falling. And every time he fell they struck him and threatened to get rid of him right there so that he would stop being a burden. Then he would kneel and ask to be allowed to pray to Our Father. But they just beat him, kicked him, slapped him in the face, and cursed him." The Barredas were later tortured and killed.

Item: Doroteo Tinoco Valdivia, testifying about a large Contra attack in April, 1984, on his farming cooperative, near Yali, Jinotega: "They had already destroyed all that was the cooperative: a coffee-drying machine, the two dormitories for the coffee cutters, the electricity generators, seven cows, the plant, the food warehouse. There was one boy about fifteen years old, who was retarded and suffered from epilepsy. We had left him in the bomb shelter. When we returned. . . we saw . . . that they had cut his throat, then they cut open his stomach and left his intestines hanging out on the ground like a string."

Item: Inocente Peralta, a lay pastor who went out looking for victims of another attack on a Jinotega cooperative: "We found one of them, Juan Perez, assassinated in the mountains. They had tied his hands behind his back. They hung him on a wire fence. They opened up his throat and took out his tongue. Another bayonet had gone in through his stomach and come out his back. Finally, they cut off his testicles. It was horrible to see."

Item: Orlando Wayland, a Miskito teacher who was kidnapped by the Contras in December, 1983, and force-marched into Honduras, where he was tortured along with eight others: "In the evening they tied me up in the water from seven p.m. until one a.m. The next day, at seven a.m., they began to make me collect garbage in the creek in my underwear, with the cold. I was in the creek for four hours. . . . Then they threw me on the anthill. Tied up, they put me chest down on the anthill. The [red] ants bit my body. I squirmed to try to get them off my body, but there were too many. I was on the anthill ten minutes each day. . . . They would beat me from head to heels. . . . They would give me an injection to calm me a little. Then they would beat me again."

Item: Myrna Cunningham, a Miskito Indian doctor, describing what happened to her and to a nurse following their kidnapping by the Contras, in December, 1981: "During those hours we were raped for the first time. While they were raping us, they were chanting slogans like 'Christ yesterday, Christ today, Christ tomorrow. . . .' And although we would cry or shout, they would hit us, and put a knife or a gun to our head. This went on for almost two hours."

And so forth, for over a hundred and forty affidavits.

No one is claiming that every Contra soldier has behaved in this manner, but both of these recent reports have documented a pattern of activity—countenance for which, in the case of the assassination of civilians, was, in fact, spelled out in the belatedly disowned C.I.A. instruction manual.

And this brings us back to the President's analogy. Jefferson? Washington? Madison? How are the Contras the moral equal of our Founding Fathers? History is real; analogies have weight; statements have consequences. In days to come, when we find ourselves thinking of those men, the framers of our democracy, might we now find ourselves free-associating to images of torture and indiscriminate murder? It's as if the President had carelessly dumped toxic waste in the very wellspring of our nation's heritage. Already the poison is leaching into the stream, irretrievably contaminating the very waters that we need to drink every day.●

THE PENTAGON AND TECHNOLOGY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. COURTER. Mr. Speaker, below is an excellent editorial, the New York Times, April 5, on how the Pentagon sometimes does not pursue the most effective technology for the battlefield, and how to alleviate this pervasive problem. I bring it to my colleagues attention as we review this year's defense budget request:

THE PENTAGON'S MISUSE OF TECHNOLOGY

Bobbing about in the military budget now before Congress are many lemons, like the Sergeant York gun, which costs far too much and shoots far too poorly. Congress would do well to try correcting such specific blunders—and do much more to address a common flaw: the Pentagon's systematic misuse of technology.

The misuse is veiled by a paradox. The Pentagon crams its weapons with complex technology, yet its record of innovation is remarkably poor. Both tendencies flourish in the Army's effort to develop a robot reconnaissance plane. Israel has used such vehicles for years with striking success; the U.S. Army's version is still on the drawing board because its designers keep adding features.

Consider by contrast one of the Pentagon's best, and cheapest, weapons: the Sidewinder missile, with which Israel obliterated the Syrian Air Force and British pilots defeated more capable Argentine planes in the Falkland war. How could the same Pentagon bureaucracy design so effective a weapon? It didn't. The Sidewinder, as The Wall Street Journal has related, was developed covertly by a Navy engineer, Bill McLean, who perceived that the bureaucracy's proposed radar-guided missiles were too complex to work.

Why does the procurement bureaucracy work so poorly? Each service has its own. The Air Force's Systems Command employes 10,000 officers and 29,000 civilians. The Navy Material Command has 5,000 officers and 220,000 civilians. The Army's Matériel Development and Readiness Command is staffed by 11,000 Army personnel and 110,000 civilians. These agencies, vast as they are, produce astonishingly little. In the last 20 years the Army has produced a single tank, the M-1; the record of the Air Force Systems Command includes only three fighters, two bombers, a single air-to-air missile.

The procurement agencies don't even make anything: they merely set specifications for contractors. That's where the troubles begins. When a new plane gets designed the officers responsible for subsystems—electronics or engines or radar—each insist on applying the full scope of technical advances in their special field.

The outcome, as the defense analyst Edward Luttwak notes in his new book, "The Pentagon and the Art of War," is a "corruption of purpose" that makes each weapon very elaborate and very expensive. The final fruit of this system is the F-15 fighter, a plane with wonderful capabilities mostly unusable in combat, and so expensive that the Air Force last year could afford only 36.

There's a better way. Disband the procurement agencies and get the officers back to what they're trained for—war, not contracting. Let civilians acquire weapons, not by writing elaborate specifications but by setting up realistic tests of battlefield performance. And let them insure genuine competition among manufacturers' prototypes. That's how the Air Force's two most effective planes, the F-16 fighter and A-10 attack plane, were acquired, largely in defiance of the bureaucracy.

Then insist on honest, independent tests of weapons going into production, and insure integrity by barring the civilians from revolving-door employment with the contractors.

The ability to get new technology into battlefield weapons quickly ought to be a critical military advantage for the United States. Of all the Pentagon's excesses, Congress should find its stifling of effective technology the least forgivable.●

PRESIDENT REAGAN TO PRESENT VOLUNTEER ACTION AWARD TO MORRIS PESIN

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GUARINI. Mr. Speaker, on Monday, April 22, 1985, at a luncheon in the White House, an outstanding citizen of the 14th District, and indeed the entire State of New Jersey and our Nation, will receive an award from President Ronald Reagan.

Morris Pesin, of Jersey City, will receive his award for outstanding American volunteer achievement at a ceremony where only 15 individual groups and national organizations, plus 2 corporations, and 1 labor union, will be so honored.

Pesin is being honored because of his campaign since 1956 to clean up the Jersey City waterfront and to develop an area just a few hundred yards from the Statue of Liberty into a State park.

Before 1976 Jersey City's waterfront was in a decrepid condition full of debirs, garbage, and rotted beams from broken down piers. It was a shameful scene to witness because it is the closest land in the entire world to America's most beloved shrines, the Statue of Liberty and Ellis Island.

In 1976, Morris Pesin began a tripart program, first a cleanup, second, to develop the area into a park for hundreds of thousands of individuals to enjoy each year, and most important, to make the Statue of Liberty and Ellis Island accessible to New Jersey, without taking a long and costly trip to Battery Park in New York City for the ferryboat to the monuments.

To dramatize the importance of his campaign and to show the proximity of New Jersey's shore to Liberty Island, Morris Pesin, in 1958, led a canoe trip from Jersey City to the Statue of Liberty.

Mr. Pesin's long campaign to clean up the waterfront resulted in New Jersey's beautiful 800-acre Liberty State Park site, financed by State grants and contributions from the private sector.

Each year hundreds of thousands of individuals visit the park and feel the love and comfort and warmth of our fair lady in the harbor, standing 305 feet tall.

Determined to keep it a people's park Morris Pesin makes almost daily visits to the facility seeking to make a good thing better. Each year he encourages more than 80 different ethnic groups to have summer festivals at the park.

New Jersey area and music groups visit the facilities which also have been used for school graduation exercises.

In 1980, ferry service was initiated from Jersey City to Ellis Island, providing a convenient, low-cost, accessible facility with no cost parking, which is deeply appreciated by visitors from all over the country, especially the elderly and handicapped.

Because of his tremendous community leadership, energy, unflinching patriotism, and pride, Morris was appointed by President Reagan as one of the members of the Statue of Liberty-Ellis Island Centennial Commission, headed by Lee A. Iacocca.

Pesin was appointed by New Jersey Gov. Thomas H. Kean to the New Jersey Statue of Liberty Celebration Commission.

A former city councilman for Jersey City, Pesin now serves as a full time nonsalaried director of the Jersey City Cultural Arts Committee and the City Spirit Program.

Morris is an energetic and successful fundraiser for the Statue of Liberty and Ellis Island Restoration Program and has traveled to more than 45 cities and towns in New York and New Jersey, speaking and thanking the school children for their generosity.

Last week he represented the Statue of Liberty Restoration Committee at ceremonies held on Liberty Island, where Chad Colley, national commander of the Disabled American Veterans [DAV] presented William F. May, chairman of the Statue of Liberty-Ellis Island Centennial Commission, a check for $1 million which will be used toward the renovations needed to make the national shrines barrier free for the elderly and handicapped.

This Presidential Volunteer Action Award has earned the plaudits of President Reagan, who has said, "I am particularly proud of Americans who donated their personal time to improving the quality of life in our community, our States, and our Nation."

In addition to Morris Pesin, the following will also be honored on April 22:

Sun City Prides—organization—Sun City, Phoenix, Arizona;

Rev. Hezekiah David Stewart—individual—College Station: Little Rock, AR;

Kelsey Caplinger—individual—Little Rock, AR;

The 1984 Olympic Volunteers—organization—Los Angeles, CA;

Parents Anonymous—organization—Torrance: Los Angeles, CA;

Delmarva Power & Light—corporation—Wilmington: (Philadelphia) DE;

Amanda the Panda Volunteers—organization—Fort Lauderdale, FL;

Allstate Insurance—corporation—Northbrook: Chicago, IL;

Les Cory—individual—North Dartmouth, New Bedford, MA;

Henrietta Aladjem—individual—Watertown, Boston, MA;

Missouri Speleological Society—organization—Eldon: Jefferson City, MO;

Vernon Falkenhain—individual—Rolla, MO;

Greensboro Symphony Guild—organization—Greensboro; Winston-Salem, NC;

Concerned Black Men—organization—Philadelphia, PA;

Texas Youth Commission, Dallas House—organization—Dallas, TX;

National Court Appointed Special Advocates—organization—Seattle, WA;

Nineteen Unions Cooperating in Disaster Coastline Project—union—Washington, DC.

Morris Pesin has the support and encouragement of many friends and his family, which is comprised of his wife, Ethel, his son, Samuel, and his daughter, Judy Pesin Borriello.

Morris Pesin indeed, has been very active since his retirement. He perfectly symbolizes Oscar Wilde's quotation on "Contentment":

Contentment lies not in the enjoyment of ease—a life of luxury—but comes only to him that labors and overcomes—to him that performs the task in hand and reaps the satisfaction of work well done.

His life work indeed is personification of the full thrust of voluntarism and patriotism. He constantly says, "America is a tune which must be sung together."

A world traveler and a visitor to every continent, Morris Pesin's philosophy of life is best echoed in the following sonnet by John Burros:

I AM CONTENT

The longer I live the more my mind dwells upon the beauty and wonder of the world. . . .

I have loved the feel of the grass under my feet, and the sound of the running streams by my side. The hum of the wind in the tree-tops has always been good music to me, and the face of the fields has often comforted me more than the faces of men.

I am in love with this world; by my constitution I have nestled lovingly in it. It has been home. It has been my point of outlook into the universe. I have not bruised myself against it, nor tried to use it ignobly.

I have tilled its soil, I have gathered its harvests, I have waited upon its seasons, and always have I reaped what I have sown.

While I delved I did not lose sight of the sky overhead. While I gathered its bread and meat for my body, I did not neglect to gather its bread and meat for my soul.

I have climbed its mountains, roamed its forests, sailed its waters, crossed its deserts, felt the sting of its frosts, the oppression of its heats, the drench of its rains, the fury of its winds, and always have beauty and joy waited upon my goings and comings.

I am certain that all of my colleagues here in the House of Representatives wish to join me in a salute to Morris Pesin at noontime on April 22, when he will be at the White House receiving this prestigious and coveted Volunteer Action Award.●

HUNGER IN AMERICA

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FORD of Tennessee. Mr. Speaker, I would like to urge my colleagues to do everything within their power to eliminate hunger in America. Today I attended a news conference in the Capitol with a coalition of medical groups including Dr. Larry Brown and the Physican Task Force on Hunger. We agreed to work together by focusing public attention on hunger and enlisting support for H.R. 1856, the Comprehensive Nutrition Assistance Act of 1985.

Studies have shown that hunger in America is a national epidemic.

Hunger is not confined to one or two regions of the country, it is found in every city and State of our Nation. And in many cases the cause can be attributed to the failure of our Government to meet the needs of those less fortunate. Several studies have shown that as the Federal Government has reduced public assistance programs, the number of those who live in poverty increases. The victims of poverty, who in many cases, are children and the elderly, go hungry.

We know that the number of poor people in our country has increased by more than 6 million since President Reagan took office and there are more than 35 million citizens who live below the poverty line. I believe that Government has a responsibility to feed the hungry and if you share my belief, I am asking for your support of H.R. 1856, the Comprehensive Nutrition Act of 1985.

This legislation includes: (1) increased funding for school lunch and child nutrition programs; (2) expansion of Head Start and the child care food programs to serve Head Start children; (3) reauthorization of the Commodity Supplemental Food Program for the Elderly; (4) Funds-for temporary emergency food assistance for migrants and native Americans and (5) increases in the food stamp program.

While we know that our Government spends millions of dollars on food stamps, that aid has not kept up with the need that has been created in an economy where businesses are closing down, unemployment remains too high and our budget deficit is reaching unmanageable proportions.

The private sector has tried to meet the need. Hundreds of soup kitchens have been started, churches are caring for more families who need food and shelter, and social service agencies are seeing more hungry people than they ever have before; but the private sector cannot fill the gaps left by inadequate Federal involvement.

We in Congress have a difficult challenge before us. We have to balance the budget, reduce the deficit, provide for a strong defense and we must also feed the hungry.

The best way to feed the hungry is to remove the causes of poverty. So we must pass legislation that creates jobs. We must pass legislation that will better support our citizens during periods of temporary unemployment. We must pass legislation that will assist Americans to secure adequate housing. We must help families to educate their children. And we must provide access to adequate health care and child nutrition programs for all those in need.

On the issue of hunger, we need strong leadership. As the richest agricultural Nation in the world, our citizens deserve more. Government has a responsibility to help those less fortunate, and in this land of plenty, we should never allow any of our citizens to go hungry.●

ENTERPRISE ZONES

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DREIER of California. Mr. Speaker, my home State of California has traditionally been on the cutting edge of new ideas and technologies. That's one of the reasons that our State economy continues to grow and prosper.

Last year, the California Legislature passed enterprise zone legislation. While we are not the first to come up with the idea, I am confident that our progressive, farsighted State government, working with the California business community, will make these zones among the most successful.

The April edition of Western City, a publication of the California League of Cities, carries an article by Assem-

blyman Pat Nolan, the coauthor of the California enterprise zone bill. His discussion of enterprise zones in general, and the California model in particular, are required reading for this Congress.

After years of debate, we've been unable to pass enterprise zone legislation. Meanwhile, many States and municipalities have gone ahead and set up highly successful zones. California, for instance, is the 23d State to do so. I ask that Assemblyman Nolan's article be included in the RECORD, and recommend it to my colleagues.

ENTERPRISE ZONES: A TOOL FOR ECONOMIC RECOVERY

(By Pat Nolan)

Almost every major city in the United States, and for that matter the world, suffers from some form of urban decay. Often this decay seems to be an unstoppable cancer consuming scores of city blocks and impacting millions of people's lives. For years community leaders have been grappling with ways to address the serious problems of urban blight. The solutions from government were diverse: model cities, redevelopment agencies, and community development block grants, to name a few, all of which have proven to be more costly than planned and often unsuccessful in reversing urban decay.

Despite the billions of dollars spent on these programs, the 1970's and 80's saw our inner cities decline even faster than before. But the increase in needs came when the fiscal resources of our government were depleted. This forced liberals and conservatives alike to seek a solution that would rebuild our inner cities without further draining the public treasury. One idea that emerged resulted in the Enterprise Zone concept.

BURDENS REDUCED

An Enterprise Zone, stated simply, is a geographic area where government, taxes and regulatory burdens are reduced to stimulate development and encourage private investment. Recognizing direct government intervention has not been successful in ameliorating economically depressed areas, this program will lessen the role of government and unleash free enterprise in our cities.

Within these zones everything should be done to maximize economic freedom. Many of the problems experienced by depressed neighborhoods have been the results of bureaucratic red tape and other obstacles caused by government-sponsored programs that were created to revive these areas. The Enterprise Zone concept provides a novel solution: Taxation will be reduced and regulations cut to create a business climate that would encourage innovation, risk-taking and job creation.

Enterprise Zones are a relatively new idea in the world of city planning. Developed in Britain by a Conservative Member of Parliament and a Socialist professor of urban studies in 1979, the zone concept quickly crossed the Atlantic and was brought to the attention of Ronald Reagan and Jimmy Carter. Presidential candidates at the time, they both supported the zone concept, and, upon the election of Ronald Reagan, Congress began considering the establishment of a Federal Enterprise Zone Act. Congress has, to date, failed to do so, but individual states have been quicker to act.

On March 20, 1984, Governor Deukmejian signed into law the California Enterprise Zone Act, and California became the 23rd state in the nation to pass Enterprise Zone legislation.

LOCALLY TAILORED

The California Enterprise Zone program works as follows: The local governing body (City Council and/or County Board of Supervisors) designates by resolution an economically depressed area within its jurisdiction as a potential Enterprise Zone. The local governing body then determines the major reasons business development has been stifled within these zones. After making this determination, the government outlines the actions to be taken to mitigate the negative impact of these constraints on business growth. The result is an incentive package tailor-made to fit the needs of the local community and constructed to promote development of new and existing business. Since each potential zone's problems are different, cities' incentive packages are expected to vary accordingly.

Because the number of zones in California is limited to 10, local communities will be competing with each other. In designating Enterprise Zones, the California Department of Commerce shall select from the applicant pool the proposed Enterprise Zones which best fulfill the following criteria:

(1) Proposes the most effective and comprehensive regulatory, tax and program incentives to attract private sector investment to the proposed zone.

(2) Shows the most innovative approach in establishing incentives.

(3) (a) Meets the guidelines for the Federal Urban Development Action grant program, or (b) the area within the proposed zone has experienced plant closure within the past two years affecting more than 100 workers, or (c) the city or county has submitted material to the California Department of Commerce which shows the proposed geographic area meets the criteria of economic distress similar to those used in determining eligibility under the Urban Development Action Grant Program.

(4) Development of a draft Environmental Impact Report (EIR) to be completed at the time of final application and a final EIR to be completed prior to designation. Only those zones being seriously considered will be required to incur the full cost of an EIR.

(5) Fulfillment of all further requirements as established and presented in the official Enterprise Zone regulations of the California Department of Commerce.

Upon the designation of these 10 Enterprise Zones, existing and newly established businesses that have located in the zone areas will be able to qualify for state incentives. These incentives include:

State Tax Incentives: employer tax credits for wages paid to specified disadvantaged employees; investment income exclusion; net operating loss carryovers; employee wage credits.

Program Benefits for Employers: subsidized leasing involving government-owned properties; small business loan preferences; energy loan preferences; industrial development bonds; state contract preferences; training preferences offered by the California State Department of Education.

The major goal of these state incentives is to encourage local residents to develop and expand community-based businesses. In the past traditional redevelopment projects worked to improve the local community, but in the process, displaced the residents and businesses of the area to make room for more affluent people and new businesses. The Enterprise Zone Act, however, works to foster participation from within the zone community. This is accomplished by establishing Neighborhood Enterprise Association Corporations (NEAC). With their mandate for broad-based community involvement and their ability to lease surplus public lands, the Neighborhood Enterprise Association Corporations can focus attention on the quality of life of the local environment and encourage indigenous economic and social growth.

Growth is in many ways unpredictable. One doesn't know from just where it will come, in what industries or from what people. The best government can do is make sure it isn't getting in the way of the local community's creative abilities.

The key question that must be asked is how likely is the program to work? The answer to this lies in the source of economic growth in America.

The most widely cited research in this area comes from David L. Birch, Director of the Massachusetts Institute of Technology Program on Neighborhood and Regional Change. Using the Dun and Bradstreet data base, Dr. Birch found as many as 7 out of 10 new jobs come from businesses that have 20 or fewer employees and have been operating for less than five years. The remaining job growth comes from the lower end of the business size scale as employment in the Fortune 500 has declined substantially in the last decade.

The critics of the Enterprise Zone concept appear to be right about one thing. Enterprise Zones are not likely to work as plant relocation tools. Companies seeking new locations do not make their decisions on the basis of the incentives offered in the zone legislation. That's why it's so important for a city to keep in mind that with Enterprise Zones it must encourage entrepreneurship and remove impediments to the expansion of small- and medium-sized businesses. A recent study on state Enterprise Zones done by the Washington-based Sabre Foundation found that business relocation had played a trivial role in the success of zones. Start-ups and the expansion of existing businesses were the real source of growth. Virtually all of these were small- and mid-size companies.

A good example of an active Enterprise Zone is the one located in Norwalk, Connecticut, which has become something of a showcase. Norwalk has focused primarily on improving the business environment in the zone. A freeze was placed on property taxes, and the city streamlined regulations and the regulatory process for all businesses in the zone. The reforms were so popular they were extended to the rest of the city as well. The city then focused federal and state money on the zone and has organized block watches and neighborhood beautification drives.

The results of these changes show what Enterprise Zones can do to a once depressed area. In less than two years, the Norwalk Enterprise Zone project saw the start of 67 commercial/office/retail related projects, 11 industrial projects, 19 residential projects and one mixed-use project for a total of 98 projects and more than $24 million in new investments. This resulted in the creation of 415 jobs and the retention of a host of existing businesses (and jobs) that had planned to leave before the Norwalk Enterprise Zone was established. Most of the new jobs came from small businesses, employing an average of three or four people.

The Enterprise Zone concept is truly a novel method for addressing the needs of a complex city. The concept is working well in

states throughout the country. One must realize that Enterprise Zones are not a panacea for all urban problems. For instance, they do not directly address infrastructure problems. They are, however, a powerful tool which can be used to revitalize depressed areas. If combined with the existing resources of a city, Enterprise Zones can provide a healthy business climate for areas that have suffered from little or no business investment. That is indeed good news for our inner city population.●

STATEMENT OF THE INTER-AMERICAN DIALOGUE ON THE NICARAGUAN SITUATION

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BARNES. Mr. Speaker, on April 4 the Inter-American Dialogue issued a statement on the situation in Nicaragua that I believe can help guide us as we consider President Reagan's request for $14 million for the Contras.

The Inter-American Dialogue is a private, nonpartisan group of prominent leaders from Latin America and the Caribbean, the United States, and Canada. It is cochaired by Ambassador Sol M. Linowitz of the United States and His Excellency Galo Plaza, former President of Ecuador.

I would like to ask my colleagues to pay special attention to the final recommendation of this distinguished group, which reads as follows:

Finally, it is imperative that the governments of Nicaragua and the United States pledge themselves not only to the principle but to the practice of non-intervention. The government of the United States should clearly renounce plans—overt or covert, direct or indirect—to renew support for the military and paramilitary activities of the Nicaraguan insurgents. The Nicaraguan government should clearly renounce all support for the military and paramilitary activities of the insurgents in El Salvador and elsewhere. There will be no peace in Central America so long as the hemispheric norm of non-intervention is flouted by any country.

I urge my colleagues to read the entire statement, which makes it clear why we must reject the President's proposal for renewed assistance for overthrowing the Nicaraguan Government.

CURRENT UNITED STATES-LATIN AMERICAN RELATIONS

The crisis of economic growth, debt, and trade remains the most important problem in Latin America today. Recent progress toward restructuring the external debt of several major countries is significant, but it should not obscure the fact that the region's fundamental economic problems are unresolved; indeed, they may be worsening.

The next session of the Inter-American Dialogue will consider proposals to deal with regional economic problems. It will examine the proper role of international financial institutions, of foreign investment, and of national policies—both of the Latin American countries and of the industrial countries, including the United States. The Dialogue will also take up other major issues, including narcotics, immigration and refugees, and arms control. We will continue our strong focus on how to strengthen democracy and help assure the protection of human rights throughout the Hemisphere.

We are compelled today to address the most urgent issue in the Americas: the dangerous tension between Nicaragua and the United States that threatens the region's security more than any situation in 20 years.

Only a few months ago, the diplomatic initiative of the four Contadora nations to fashion a settlement in Central America seemed promising. We welcomed the start of direct U.S.-Nicaraguan talks at Manzanillo, Nicaragua's positive response to the second Contadora draft treaties, and the Nicaraguan commitment to hold national elections in 1984.

Our hopes have dimmed in recent months. The Contadora process has run into serious obstacles. Nicaragua's regime and leading opposition parties could not agree on procedures to make the 1984 elections broadly representative. The United States has suspended the talks at Manzanillo and has stepped up pressures against Nicaragua. Recent public statements suggest that the U.S. government may be seeking capitulation by the Sandinistas. The possibility of a much more intense war in Nicaragua, involving the United States indirectly—and perhaps even directly—is real.

Even if such a war is avoided, the Nicaraguan crisis may poison U.S.-Latin American relations and undermine efforts to resolve other serious hemispheric problems. It has already weakened the Organization of American States and the Inter-American Development Bank, and prompted a challenge to the authority of the World Court. It has polarized the domestic politics of Costa Rica and Honduras. It has distracted attention, especially in the United States, from the fundamental Latin American economic crisis. Most important, in human terms, the fighting in Nicaragua has killed and wounded thousands, displaced tens of thousands from their homes, and set back the country's economy by a decade or more.

It is imperative that the leaders of the United States, Nicaragua, the other Central American countries, Cuba, and the Contadora nations work to forge peaceful solutions to the struggles in Central America.

Last Sunday's election in El Salvador shows the popular support for President Jose Napoleon Duarte's dramatic initiative to open a dialogue with the insurgent left at La Palma. Now President Duarte, strengthened by these elections, should move vigorously toward negotiation. In this effort, he requires the strong support of the United States and the other nations of the Hemisphere. These negotiations must be more than a tactic, for they are the only path to lasting peace in El Salvador.

With regard to Nicaragua, we believe that every effort must be made to achieve peace before a wider war becomes inevitable.

1. We call upon the governments of Nicaragua and the United States to resume their bilateral discussions.

2. We ask the government of Nicaragua to open the way toward national reconciliation by pursuing a dialogue with all significant parties who seek an end to the civil war and by providing the conditions necessary to hold free and fair elections under international supervision.

3. We ask the government of the United States to recognize, as did the Kissinger Commission, that an indigenous revolution in this Hemisphere can be compatible with U.S. national security and with hemispheric security, and to refrain from interfering in the internal affairs of Nicaragua. The United States and the other countries of the Hemisphere share a concern to prevent the expansion of a Soviet or Cuban military presence in the Americas.

4. We call upon the Contadora nations, meeting again next week, to persist in the difficult task of negotiation, and to recommit their best efforts toward designing inspection and verification provisions that can be monitored and enforced, taking into proper account the concerns of all parties. We call upon the governments of the United States and Nicaragua to commit themselves, in deed and not just in word, to active support for the Contadora process of mediation and for a negotiated regional settlement.

5. Finally, it is imperative that the governments of Nicaragua and the United States pledge themselves not only to the principle but to the practice of non-intervention. The government of the United States should clearly renounce plans—overt or covert, direct or indirect—to renew support for the military and paramilitary activities of the Nicaraguan insurgents. The Nicaraguan government should clearly renounce all support for the military and paramilitary activities of the insurgents in El Salvador and elsewhere. There will be no peace in Central America so long as the hemispheric norm of non-intervention is flouted by any country.●

NICARAGUA AND THE LOSERS OF THE WORLD

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. IRELAND. Mr. Speaker, five members of the House Permanent Select Committee on Intelligence recently visited Honduras, Costa Rica, and Nicaragua. The delegation had an opportunity to consult a broad and balanced cross section of the various political and social elements in these countries. The delegation's discussions focused on the impending congressional debate on President Reagan's peace proposal and the long term goals and policies of the United States toward that region.

On April 14 the delegation met in Managua with Nicaraguan Foreign Minister Miguel D'Escoto to exchange views on the differences between the United States and Nicaragua and on goals in Central America. Foreign Minister D'Escoto explained that this country was conducting a fragile experiment and that the U.S. policy toward Nicaragua is impeding the Sandinista National Liberation Front and Sandinista dreams for Nicaragua. Mr. D'Escoto went on to state that the Sandinista dream for "democracy in Nicaragua" was turning into "the impossible dream" due to U.S. intransigence. In response to Foreign Minister D'Escoto's statement, Congressman HENRY HYDE asked if the Foreign Min-

ister would permit him to share his thoughts with the Foreign Minister regarding U.S. intention toward Nicaragua. I think Congessman HYDE's statement is an accurate and eloquent reflection of the feelings and sentiments of the majority of Congress with regard to Nicaragua, and for that reason I wish to share with my colleagues the statement Congressman HYDE made to the Foreign Minister of Nicaragua just 5 days ago.

Congressman HYDE stated:

Foreign Minister D'Escoto, let me share with you one of my feelings. To respond to your statement on "the impossible dream," how you view little tiny Nicaragua as a David facing the huge Yankee Goliath, that you are struggling for your independence which is a very noble thing, and you don't want to be told what to do no matter how big anybody is and I can understand that. We had that in our history when Great Britain was the mother country and we were those thirteen struggling colonies.

But, I compare you to Cuba—your model really. I've been to Cuba and I think that's one of the great tragedies of our era, a beautiful country, beautiful warm people, a country that has for 26 years been in crushing poverty because the leader has this messianic view, which you share and your junta share of revolution without frontiers. Now Mr. Castro has 22,000 troops in Africa while his own people have to ration food, clothing and housing and live in a depressed, less than third world condition. The Cuban people could be living in a much better condition, with trade with the United States, tourism, and much friendlier relations. Instead they are oppressed and repressed and depressed because of this Marxist-Leninist dream that Castro has to spread revolution. Now you people tragically are going the same way, geared for conflict instead of development.

Now we had a Commission headed by a distinguished man named Kissinger, that had Robert Strauss on it, Henry Cisneros—a balanced Commission to look at this whole area. Now forget the past, let's look at today. This whole area needs development, it needs investment, it needs people to put money in with the hope they'll get their money back, that it will be protected and that development will occur. We see that hope in all the other countries, but Nicaragua has the dream of Mr. Castro, that you have to be revolutionary, that you have to gear your country up for war, for conflict.

Surely you should know this, because I, with Mr. Cheney, voted to give you $75 million and would give you three times that much to get democracy started down here. But instead what you want is your revolution. After defeating Somoza your revolution wasn't over. That was only the first phase. Now you had to go on expanding with more revolutionary fervor to your neighbors. We read, we know what will satisfy you. You're not trying to develop Nicaragua, you are messianic evangelists for Marxism-Leninism and that's the problem. It's the problem with Cuba and they are your model. You've got 8,000 Cubans here, you won't take our Peace Corps, but you'll have 8,000 Cubans and Bulgarians and North Koreans—they are the losers of the world. They can't feed themselves. Why is it that the model of socialism is your model? Why emulate Albania? It's just nonsense! We want to help you, we want to be friends with you, we want peace, we don't want our kids or your kids killed. We want peace! But, how do you have peace with a neighbor that wants to export philosophy that extinguishes freedom? Don't tell me that you're a little democracy. You're not a democracy, you have no freedom of press, you have no freedom of political association. It is sad that you are choosing a path that can only mean more suffering and privation for the country you profess to love.

I truly believe that Mr. HYDE's statement is an accurate reflection of the goals and aspirations of the United States toward all of Central America.

Upon leaving Nicaragua the delegation stated that, "the United States must continue to assist the countries and the region in reaching a just, lasting, and verifiable peace," and that "this peace must produce political and economic progress will full recognition of human rights and freedoms."

The President's program will do just that. The President asked that both sides lay down their arms and accept church mediated talks on internationally supervised elections and on an end to repression of church, press and individual rights. These are goals we all should agree upon, and these are goals we all should support. With anything less, we must resolve ourselves to accepting more Communist aggression and new Marxist states on our southern border.●

TECHNICAL CORRECTIONS TO THE RETIREMENT EQUITY ACT OF 1984

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, the text of the legislation making technical corrections to the Retirement Equity Act of 1984, which I introduced today, together with my colleagues, Mr. DUNCAN, Mr. CLAY, and Mrs. ROUKEMA, follows:

H.R. 2110

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. TECHNICAL CORRECTIONS TO THE RETIREMENT EQUITY ACT OF 1984.

(a) AMENDMENTS RELATED TO SECTIONS 102 AND 202 OF THE ACT.—

(1) TREATMENT OF CLASS-YEAR PLANS.—

(A) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (4) of section 411(d) (relating to class-year plans) is amended to read as follows:

"(4) CLASS-YEAR PLANS.—

"(A) IN GENERAL.—The requirements of subsection (a)(2) shall be treated as satisfied in the case of a class-year plan if such plan provides that 100 percent of each employee's right to or derived from the contributions of the employer on the employee's behalf with respect to any plan year are nonforfeitable not later than when such participant was performing services for the employer as of the close of each of 5 plan years (whether or not consecutive) after the plan year for which the contributions were made.

"(B) 5-YEAR BREAK IN SERVICE.—For purposes of subparagraph (A) if—

"(i) any contributions are made on behalf of a participant with respect to any plan year, and

"(ii) before such participant meets the requirements of subparagraph (A) such participant was not performing services for the employer as of the close of each of any 5 consecutive plan years after such plan year,

then the plan may provide that the participant forfeits any right to or derived from the contributions made with respect to such plan year.

"(C) CLASS-YEAR PLAN.—For purposes of this section, the term 'class-year plan' means a profit-sharing, stock bonus, or money purchase plan which provides for the separate nonforfeitability of employees' rights to or derived from the contributions for each plan year."

(B) AMENDMENT OF ERISA.—Paragraph (3) of section 203(c) of the Employee Retirement Income Security Act of 1974 is amended to read as follows:

"(3)(A) The requirements of subsection (a)(2) shall be treated as satisfied in the case of a class-year plan if such plan provides that 100 percent of each employee's right to or derived from the contributions of the employer on the employee's behalf with respect to any plan year are nonforfeitable not later than when such participant was performing services for the employer as of the close of each of 5 plan years (whether or not consecutive) after the plan year for which the contributions were made.

"(B) For purposes of subparagraph (A) if—

"(i) any contributions are made on behalf of a participant with respect to any plan year, and

"(ii) before such participant meets the requirements of subparagraph (A), such participant was not performing services for the employer as of the close of each of any 5 consecutive plan years after such plan year,

then the plan may provide that the participant forfeits any right to or derived from the contributions made with respect to such plan year.

"(C) For purposes of this part, the term 'class-year plan' means a profit-sharing, stock bonus, or money purchase plan which provides for the separate nonforfeitability of employees' rights to or derived from the contributions for each plan year."

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to contributions made for plan years beginning after the date of the enactment of this Act; except that, in the case of a plan described in section 302(b) of the Retirement Equity Act of 1984, such amendments shall not apply to any plan year to which the amendments made by such Act do not apply by reason of such section 302(b).

(2) COORDINATION WITH LUMP SUM TREATMENT.—Subsection (e) of section 402 (relating to tax on lump sum distributions) is amended by adding at the end thereof the following new paragraph:

"(6) TREATMENT OF POTENTIAL FUTURE VESTING.—

"(A) IN GENERAL.—For purposes of determining whether any distribution which becomes payable to the recipient on account of the employee's separation for service is a lump sum distribution, the balance to the credit of the employee shall be determined without regard to any increase in vesting which may occur if the employee is re-employed by the employer.

"(B) RECAPTURE IN CERTAIN CASES.—If—

"(i) an amount is treated as a lump sum distribution by reason of subparagraph (A),

"(ii) the employee makes an election under paragraph (4)(B) with respect to such distribution;

"(iii) the employee is subsequently re-employed by the employer; and

"(iv) as a result of services performed after being so re-employed, there is an increase in the employee's vesting for benefits accrued before the separation referred to in subparagraph (A),

under regulations prescribed by the Secretary, the tax imposed by this chapter for the taxable year (in which the increase in vesting first occurs) shall be increased by the reduction in tax which resulted from the election referred to in clause (ii) (and such election shall not be taken into account for purposes of determining whether the employee may make another election under paragraph (4)(B)).

"(C) VESTING.—For purposes of this paragraph the term 'vesting' means the portion of the accrued benefits derived from employer contributions to which the participant has a nonforfeitable right."

(3) TREATMENT OF WITHDRAWAL OF MANDATORY CONTRIBUTIONS.—

(A) AMENDMENT OF INTERNAL REVENUE CODE.—Clause (ii) of section 411(a)(3)(D) (relating to withdrawal of mandatory contributions) is amended by striking out "any one-year break in service" and inserting in lieu thereof "a period of 5 consecutive 1-year breaks in service."

(B) AMENDMENT OF ERISA.—Clause (ii) of section 203(a)(3)(D) of the Employee Retirement Income Security Act of 1974 is amended by striking out "any 1-year break in service" and inserting in lieu thereof "a period of 5 consecutive 1-year breaks in service".

(4) PARTICIPATION REQUIREMENTS UNDER SIMPLIFIED EMPLOYEE PENSIONS.—Subparagraph (A) of section 408(k)(2) (relating to participation requirements) is amended by striking out "age 25" and inserting in lieu thereof "age 21".

(b) AMENDMENTS RELATED TO SECTIONS 103 AND 203 OF THE ACT.—

(1) CLARIFICATION OF QUALIFIED PRERETIREMENT SURVIVOR ANNUITY IN CASE OF TERMINATED VESTED PARTICIPANT.—

(A) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (1) of section 417(c) (defining qualified preretirement survivor annuity) is amended by adding at the end thereof the following new sentence: "In the case of an individual who separated from service before the date of such individual's death, subparagrapfh (A)(ii)(I) shall not apply."

(B) AMENDMENT OF ERISA.—Paragraph (1) of section 205(e) of the Employee Retirement Income Security Act of 1974 (defining qualified preretirement survivor annuity) is amended by adding at the end thereof the following new sentence: "In the case of an individual who separated from service before the date of such individual's death, subparagraph (A)(ii)(I) shall not apply."

(2) CLARIFICATION OF TRANSFEREE PLAN RULES.—

(A) AMENDMENTS OF INTERNAL REVENUE CODE.—

(i) Subclause (III) of section 401(a)(11)(B)(iii) (relating to plans to which requirements of joint and survivor annuity and preretirement survivor annuity apply) is amended by striking out "indirect transferee" and inserting in lieu thereof "indirect transferee (in a transfer after December 31, 1984)".

(ii) Subparagraph (B) of section 401(a)(11) is amended by adding at the end thereof the following new sentence: "Clause (iii)(III) shall apply only with respect to the transferred assets if the plan separately accounts for assets and any income thereform."

(B) AMENDMENTS OF ERISA.—

(i) Clause (iii) of section 205(b)(1)(C) of the Employee Retirement Income Security Act of 1974 is amended by striking out "a transferee" and inserting in lieu thereof "a direct or indirect transferee (in a transfer after December 31, 1984)".

(ii) Paragraph (1) of section 205(b) of such Act is amended by adding at the end thereof the following new sentence: "Clause (iii) of subparagraph (C) shall apply only with respect to the transferred assets if the plan separately accounts for assets and any income therefrom."

(3) CLARIFICATION OF COORDINATION BETWEEN QUALIFIED JOINT AND SURVIVOR ANNUITY AND QUALIFIED PRERETIREMENT SURVIVOR ANNUITY.—

(A) AMENDMENT OF INTERNAL REVENUE CODE.—Clause (i) of section 401(a)(11)(A) is amended by striking out "who retires under the plan" and inserting in lieu thereof "who does not die before the annuity starting date".

(B) AMENDMENT OF ERISA.—Paragraph (1) of section 205(a) of the Employee Retirement Income Security Act of 1974 is amended by striking out "who retires under the plan" and inserting in lieu thereof "who does not die before the annuity starting date".

(4) REQUIREMENT OF SPOUSAL CONSENT FOR USING PLAN ASSETS AS SECURITY FOR LOANS.—

(A) AMENDMENTS OF INTERNAL REVENUE CODE.—

(i) Paragraph (1) of section 417(a) is amended by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(C) the plan provides that no portion of any participant's accrued benefit may be used as security for any loan unless the spouse of the participant (if any) consents in writing to such use."

(ii) Subsection (f) of section 417 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) DISTRIBUTIONS BY REASON OF SECURITY INTERESTS.—If the use of any participant's accrued benefit as security for a loan meets the requirements of subsection (a)(1)(C), nothing in this section shall prevent any distribution required by reason of a failure to comply with the terms of such loan."

(B) AMENDMENT OF ERISA.—

(i) Paragraph (1) of section 205(c) of the Employee Retirement Income Security Act of 1974 is amended by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(C) the plan provides that no portion of any participant's accrued benefit may be used as security for any loan unless the spouse of the participant (if any) consents in writing to such use."

"(ii) Section 205 of such Act is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) If the use of any participant's accrued benefit as security for a loan meets the requirements of subsection (c)(1)(C), nothing in this section shall prevent any distribution required by reason of a failure to comply with the terms of such loan."

"(C) EFFECTIVE DATES.—

"(i) The amendments made by this paragraph shall apply with respect to loans made after April 18, 1985.

"(ii) In the case of any loan which was made on or before April 18, 1985, and which is secured by a portion of the participant's accrued benefit, nothing in the amendments made by sections 103 and 203 of the Retirement Equity Act of 1984 shall prevent any distribution required by reason of a failure to comply with the terms of such loan.

"(iii) For purposes of this subparagraph, any loan which is revised, extended, renewed or renegotiated after April 18, 1985, shall be treated as made after April 18, 1985.

(5) CLARIFICATION OF NOTICE REQUIREMENT FOR INDIVIDUALS HIRED AFTER AGE 35.—

(A) AMENDMENT OF ENTERNAL REVENUE CODE.—Paragraph (B) of sesction 417(a)(3) (relating to plan to provide written explanations) is amended by striking out "in which the participant attains age 35" and inserting in lieu thereof "in which the participant attains age 35, or, if later, within a reasonable period after the participant is hired,".

(B) AMENDMENT OF ERISA.—Subparagraph (B) of section 205(c)(3) of the Employee Retirement Income Security Act of 1974 is amended by striking out "in which the participant attains age 35" and inserting in lieu thereof "in which the participant attains age 35, or if later, within a reasonable period after the participant is hired,".

(6) SPOUSAL CONSENT FOR CHANGES IN DESIGNATIONS.—

(A) AMENDMENT OF INTERNAL REVEUNE CODE.—Subparagraph (A) of section 417(a)(2) (relating to requirement that spouse consent to election) is amended to read as follows:

(A)(i) the spouse of the participant consents in writing to such election, (ii) such election designates a beneficiary which may not be changed without spousal consent (or the consent of the spouse permits designations of beneficiaries by the participant without any requirement of further consent by the spouse), and (iii) the spouse's consent acknowledges the effect of such election and is witnessed by a plan representative or a notary public, or".

(B) AMENDMENT OF ERISA.—Subparagraph (A) of section 205(c)(2) of the Employee Retirement Income Security Act of 1974 is amended to read as follows:

"(A)(i) the spouse of the participant consents in writing to such election, (ii) such election designates a beneficiary which may not be changed without spousal consent (or the consent of the spouse permits designations of beneficiaries by the participants without any requirement of further consent by the spouse), and (iii) the spouse's consent acknowledges the effect of such election and is witnessed by a plan representative or a notary public, or".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to elec-

tions made after the date of the enactment of this Act.

(7) CLERICAL AMENDMENTS.—

(A) Paragraph (1) of section 417(a) is amended by striking out "section 401(a)(ii)" and inserting in lieu thereof "section 401(a)(11)".

(B) Paragraph (1) of section 417(c) is amended by striking out "survivor annuity or the life of" in the matter preceding subparagraph (A) and inserting in lieu thereof "survivor annuity for the life of".

(C) Subparagraph (B) of section 415(b)(2) is amended by striking out "as defined in section 401(a)(11)(G)(iii)" and inserting in lieu thereof "as defined in section 417".

(c) AMENDMENTS RELATED TO SECTIONS 104 AND 204 OF THE ACT.—

(1) TREATMENT OF QUALIFIED DOMESTIC RELATIONS ORDERS FOR INDIVIDUALS OTHER THAN SPOUSE OR FORMER SPOUSE.—Paragraph (9) of section 402(a) (relating to alternate payee under qualified domestic relations ordered treated as distributee) is amended by striking out "the alternate payee shall be treated" and inserting in lieu thereof "any alternate payee who is the spouse or former spouse of the participant shall be treated".

(2) PROCEDURES FOR PERIOD DURING WHICH DETERMINATION BEING MADE.—

(A) AMENDMENTS OF THE INTERNAL REVENUE CODE.—

(i) Subparagraph (B) of section 414(p)(7) (relating to payment to alternate payee if ordered determined to be qualified domestic relations) is amended—

(I) by striking out "18 months" and inserting in lieu thereof "the 18-month period described in subparagraph (E)", and

(II) by striking out "plus any interest" and inserting in lieu thereof "including any interest".

(ii) Subparagraph (C) of section 414(p)(7) is amended—

(I) by striking out "18 months" and inserting in lieu thereof "the 18-month period described in subparagraph (E)", and

(II) by striking out "plus any interest" and inserting in lieu thereof "including any interest".

(iii) Subparagraph (D) of section 414(p)(7) is amended by striking out "the 18-month period" and inserting in lieu thereof "the 18-month period described in subparagraph (E)".

(iv) Paragraph (7) of section 414(p) is amended by adding at the end thereof the following new subparagraph:

"(E) DETERMINATION OF 18-MONTH PERIOD.—For purposes of this paragraph, the 18-month period described in this subparagraph is the 18-month period beginning with the date on which the first payment would be required to be made under the domestic relations order."

(B) AMENDMENTS OF ERISA.—

(i) Clause (ii) of section 206(d)(3)(H) of the Employee Retirement Income Security Act of 1974 is amended—

(I) by striking out "18 months" and inserting in lieu thereof "the 18-month period described in clause (v)", and

(II) by striking out "plus any interest" and inserting in lieu thereof "including any interest".

(ii) Clause (iii) of section 206(d)(3)(H) of such Act is amended—

(I) by striking out "18 months" and inserting in lieu thereof "the 18-month period described in clause (v)", and

(II) by striking out "plus any interest" and inserting in lieu thereof "including any interest".

(iii) Clause (iv) of section 206(d)(3)(H) of such Act is amended by striking out "the 18-month period" and inserting in lieu thereof "the 18-month period described in clause (v)".

(iv) Subparagraph (H) of section 206(d)(3) of such Act is amended by adding at the end there of the following new clause:

(v) For purposes of this subparagraph, the 18-month period described in the clause is the 18-month period beginning with the date on which the first payment would be required to be made under the domestic relations order."

(3) COORDINATION WITH QUALIFIED PLAN REQUIREMENTS.—Section 401 is amended by redesignating the subsection relating to cross references as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) COORDINATION WITH QUALIFIED DOMESTIC RELATIONS ORDERS.—The Secretary shall prescribe such regulations as may be necessary to coordinate the requirements of sections 401(a)(13)(B) and 414(p) (and the regulations issued by the Secretary of Labor thereunder) with the other provisions of this chapter."

(4) CLERICAL AMENDMENTS.—

(A) AMENDMENTS OF INTERNAL REVENUE CODE.—

(i) Subparagraph (F) of section 402(a)(6) is amended by striking out "paragraph (5)(A)" and inserting in lieu thereof "paragraph (5)".

(ii) Clause (i) of section 414(p)(1)(B) is amended by striking out "to a spouse," and inserting in lieu thereof "to a spouse, former spouse,".

(iii) Clause (i) of section 414(p)(6)(A) is amended by striking out "any other alternate payee" and inserting in lieu thereof "each alternate payee".

(iv) Subparagraph (B) of section 414(p)(5) is amended by striking out "the surviving spouse" and inserting in lieu thereof "the surviving former spouse".

(v) Subsection (p) of section 414 is amended by striking out the last sentence of paragraph (5), by redesignating paragraph (9) as paragraph (10), and by inserting after paragraph (8) the following new paragraph:

"(9) WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.—

"(A) IN GENERAL.—With respect to the requirements of subsection (a) or (k) of section 401 which prohibit payment of benefits before termination of employment, a plan shall not be treated as failing to meet such requirements solely by reason of payments to an alternate payee pursuant to a qualified domestic relations order.

"(B) WAIVER APPLIES ONLY IF PRESENT VALUE OF PAYMENTS DOES NOT EXCEED $3,500.—Subparagraph (A) shall not apply with respect to payments to an alternate payee pursuant to a qualified domestic relations order if the present value of the payments to such payee pursuant to such order exceed $3,500.

"(C) PRESENT VALUE.—For purposes of subparagraph (B), the present value shall be determined—

"(i) as of the date of the first payment to the alternate payee pursuant to such order, and

"(ii) by using an interest rate not greater than the interest rate which would be used (as of the date of such first payment) by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination."

(B) AMENDMENTS OF ERISA.—

(i) Clause (ii) of section 206(d)(3)(F) of the Employee Retirement Income Security Act of 1974 is amended by striking out "the former spouse" an inserting in lieu thereof "the surviving former spouse".

(ii) Subclause (I) of section 206(d)(3)(G)(i) of such Act is amended by striking out "any other alternate payee" and inserting in lieu thereof "each alternate payee".

(d) AMENDMENTS RELATED TO SECTION 207 OF THE ACT.—

(1) Paragraph (1) of section 402(f) (relating to written explanation to recipients of distribution eligible for rollover treatment) is amended by striking out "qualified rollover distribution" and inserting in lieu thereof "eligible rollover distribution".

(2) Paragraph (2) of section 402(f) is amended to read as follows:

"(2) DEFINITIONS.—for purposes of this subsection—

"(A) ELIGIBLE ROLLOVER DISTRIBUTION.—The term 'eligible rollover distribution' means any distribution any portion of which may be excluded from gross income under subsection (a)(5) of this section or subsection (a)(4) of section 403 if transferred to an eligible retirement plan in accordance with the requirements of such subsection.

"(B) ELIGIBLE RETIREMENT PLAN.—The term 'eligible retirement plan' has the meaning given such term by subsection (a)(5)(E)(iv)."

(e) AMENDMENT RELATED TO SECTION 301 OF THE ACT.—Paragraph (1) of section 204(g) of the Employee Retirement Income Security Act of 1974 is amended by striking out "section 302(c)(8)" and inserting in lieu thereof "section 302(c)(8) or 4281".

(f) AMENDMENTS RELATED TO SECTION 303 OF THE ACT.—

(1) Subsection (c) of section 303 of the Retirement Equity Act of 1984 (relating to transitional rule for requirement of joint and survivor annuity and preretirement survivor annuity) is amended by adding at the end thereof the following new paragraph:

"(4) ELIMINATION OF DOUBLE DEATH BENEFITS.—

"(A) IN GENERAL.—In the case of a participant described in paragraph (2), the amount of any death benefit (other than a qualified joint and survivor annuity or a qualified preretirement survivor annuity) payable to any beneficiary shall be reduced by the amount payable to the surviving spouse of such participant by reason of paragraph (2).

"(B) SPOUSE MAY WAIVE PROVISIONS OF PARAGRAPH (2).—In the case of any participant described in paragraph (2), the surviving spouse of such participant may waive the provisions of paragraph (2). Such waiver shall be made on or before the close of the first plan year to which the amendments made by this Act apply. Such a waiver shall not be treated as a transfer of property for purposes of chapter 12 of the Internal Revenue Code of 1954 and shall not be treated as an assignment or alienation for purposes of section 401(a)(13) of the Internal Revenue Code of 1954 or section 206(d) of the Employee Retirement Income Security Act of 1974."

(2) Subparagraph (A) of section 303(e)(2) of the Retirement Equity Act of 1984 (relating to treatment of certain participants who perform services on or after January 1, 1976) is amended by striking out "in the first plan year" and inserting in lieu thereof "in any plan year".

SEC. 3. EFFECTIVE DATE.

Except as otherwise provided in section 2 of this Act, any amendment made by section 2 of this Act shall take take effect as if included in the provision of the Retirement

Equity Act of 1984 to which such amendment relates.●

COMPARABLE WORTH

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SHUMWAY. Mr. Speaker, I am distressed over the shortsightedness of comparable worth advocates who have sought to foist their opinions of the wage gap on the American public by insisting upon a study—based on comparable worth—of sex discrimination in the Federal work force. These proponents' well intentioned but faulty arguments strain the meaning of equality, and they mistakenly seek to make changes in the earnings gap numbers without treating the underlying causes of wage disparity. Enactment of comparable worth might well eliminate the wage gap, but it would just as certainly eliminate the mechanism which provides the only just and fair evaluation of worth: the free market system.

The foundation of the comparable worth theory is built upon two faulty presumptions: (1) the only explanation of the wage gap is sex discrimination, and (2) each job has a measurable economic worth which can be logically and objectively determined. With regard to the first misunderstanding, it is a fact that, according to the Bureau of Labor Statistics, women have earned only between 61 and 67 percent as much as men during the past 5 years. Nearly half of all women workers are clustered into 20 of the Bureau's 440 occupations. But unmentioned by proponents of comparable worth is the fact that, despite modern changes allowing greater opportunities for women to participate in the workforce, the habits and tendencies of women as a group with respect to employment are significantly different from men.

For example, women still obtain fewer advanced degrees than men and tend to acquire them in fields with less earnings potential; women work an average of 35.7 hours a week, compared to 44 for men; they are 11 times more likely to leave the work force before retirement than men; and they are more willing to trade off higher pay for other perceived benefits, that is, greater flexibility for entry and exit from the work force, and sedentary indoor work. Interestingly, the wage gap is virtually eliminated when wages of males and females with equivalent education, seniority, hours on the job, and other factors unrelated to discrimination are compared, a fact that may be attributed to a combination of the free market system and the laws which prohibit women from being paid different salaries than men simply because of their sex. Thus, sex discrimination may be considered one factor of wage disparity, but it is by no means the only factor.

Additionally, there is no inherent economic worth to a job. Worth is an elusive concept which constantly changes because of competition, consumer preferences, individual merit or experience, new technology, or other market forces. Simply put, different jobs, such as electronic engineers and nurses, truckdrivers and secretaries, are not equal; they may or may not be of equal worth to the public, but such decisions cannot be made by either individuals or the Government because of their inherent subjectiveness. Comparable worth advocates would have us believe that the only solution to wage disparity is to establish a Government-controlled regulatory agency which would determine the worth of jobs, but in actuality the mechanism for making such decisions is already in place. The free market system, if left unhampered, has been and will continue to be the most reliable, fair, and objective means of determining the worth of all jobs.

It is indeed tragic to realize that even today—over 20 years since enactment of equal pay legislation—there continue to be instances in which women—and also blacks, Hispanics, the handicapped, and the elderly—are discriminated against. However, these proven instances of discrimination should not lead us to assume that our present laws have failed; certainly, we should avoid any temptation to change statistics which reflect disparity without treating their underlying causes. Unfortunately, this is the approach which is being pursued of advocates of comparable worth.

Thus, rather than demanding enactment of comparable worth legislation, which would only change the numbers of the wage gap, I urge my colleagues to join with me to instead ensure equal opportunity for women by promoting equal pay for equal work, remedying proven instances of wage discrimination, ensuring that existing rights under existing law are understood, and continuing to remove artificial barriers which keep women out of certain professions.●

THE HEMISPHERE'S BEST HOPE IS IN CONTADORA, NOT CONTRAS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DELLUMS. Mr. Speaker, as we direct our attention to the administration's request for funding of the "Reaganistas" or "Contras," it is important to take a hard look at the ramifications of such an act.

It is time that Congress finally realize that militarism and adventurism cannot resolve the issues that give rise to war. This is not a naive idealistic assertion, but a calculated view of fitting solutions to problems. Funding mercenaries to destabilize or overthrow the Sandinista Government will not bring a peace to Central America, it will continue the war in Central America.

The domestic and international consequences of a continued policy of violence are enormous. Moreover, the administration in its all-consuming zeal to counter what it considers a monolithic Communist threat, offers a policy which, ironically, comes to increasingly resemble the behavior of the Soviet Union.

In the opinion section of the Sunday, March 10 edition of the Los Angeles Times, the noted author, Carlos Fuentes, details the counterproductive nature of this course of action. I commend it to my colleagues. The op-ed piece follows:

THE HEMISPHERE'S BEST HOPE IS IN CONTADORA, NOT CONTRA

(By Carlos Fuentes)

The option in Central America is diplomacy or war. The four Contadora nations—Colombia, Mexico, Panama and Venezuela—have worked patiently to create legal instruments and to maintain a forum for discussion. Their option, supported by the majority of the Latin American nations and by Spain, Portugal and the European Economic Community, is the option for political solutions and diplomatic imagination.

The United States does not seem to have a clear option. It would like to unseat the Sandinistas in Managua, but it's unsure whether this should be done by erosion or by intervention. It arms and directs bands of mercenary *contras* against the Nicaraguan government from bases in Honduras, but accuses Nicaragua of menacing its neighbors. It has practiced state terrorism through CIA-written booklets, mined harbors in Nicarauga, promoted the murder of citizens and the destruction of crops and schools, but will not face the consequences of its actions in the World Court at The Hague—the same court the United States accepts readily when the issue is Iranian terrorism. It refuses the court's jurisdiction, saying that the Security Council and Contadora are the appropriate forums to hear Nicaragua's case. But, simultaneously, it will not admit that same case in the Security Council and it boycotts the effectiveness of Contadora.

Moreover, the United States has violated its own Neutrality Acts and the House-passed Boland Amendment of 1983 (which cut off all secret U.S. military aid to the anti-Sandinistas) by arming the *contras* and directing their actions to the overthrow of a foreign government. The United States does not achieve its ends: It admits that *contras* cannot topple the Sandinistas but it declares it will not invade. It therefore espouses frustration as a policy, and frustration is then disguised by dangerous rhetoric.

President Ronald Reagan calls the *contras* "freedom fighters." This provokes fits of laughter in Latin America. A "freedom fighter" is one who fights for the independence of his country against the dependence induced on it by the major regional power.

The Afghans and the Poles who struggle against Soviet domination of their countries are freedom fighters. But if Alexander Dubcek had triumphed in Czechoslovakia in 1968 and Moscow had then sent mercenary *contras* to overthrow the "Prague Spring," would these be called "freedom fighters?" No, they would be stooges of Moscow, just as the *contras* are stooges of Washington.

The military command of the *contras* is headed by Col. Enrique Adolfo Bermudez, who entered Gen. Anastasio Somaza's National Guard in 1952 and served the ousted dictator without a squeak for 25 years. His chief deputies include several other Somaza lieutenants.

Washington's problem with the Sandinistas is historic: This is the first Nicaraguan government that acts independently of the United States. Reagan may ignore the history of Nicaragua; the Nicaraguans can't afford to: Perhaps no other nation in this hemisphere—not Mexico, not Cuba—has been so consistently abused by the United States, from the usurpation of the country by the American adventurer William Walker in 1855 to the overthrow of President Jose Santos Zelaya by the Taft Administration in 1909, to the occupation by the Marines from 1913 to 1933, to the signing of the Bryan-Chamorro Treaty in 1916 that turned Nicaragua into an American protectorate, to the murder of Cesar Augusto Sandino and the installation of the Somoza dynasty, a dictatorship nurtured and protected by Washington for more than 40 years.

Even Secretary of State George P. Shultz, who knows better, has had to put on his war bonnet. He says that this hemisphere will not tolerate an extension of the Brezhnev Doctrine that, in the aftermath of the invasion of Czechoslovakia in 1968, declared that any country that once enters the Soviet sphere, never leaves it.

Yet, in effect, what the Reagan Administration has been practicing is what George W. Ball, the former under secretary of state and U.N. representative, calls "the reverse Brezhnev Doctrine": A country in the United States sphere of influence can never leave it. The behavior of the United States thus comes to resemble the behavior of the Soviet Union more and more: The superpower is alone unto itself.

But the United States is *not* the Soviet Union: It is a highly developed and democratic society and it cannot behave like the Soviets without finally paying a high price in domestic, if not in international, terms.

The latest escalation against Nicaragua has cost the United States many friends abroad. But it will also lose many supporters inside the United States: The hot-plate rhetoric of Reagan promises more than it can deliver, creates expectations followed by frustrations and derails domestic programs that the people of the United States are truly concerned about. Is there no other way to act? In Latin America, we believe there is.

The Contadora nations have given the United States the political option it does not have; their initiative for peace and cooperation in Central America is the product of two years of serious negotiations between all five Central American countries. Their agreement offers the nations in the region, including the United States, all the security guarantees they wish for. But Washington, which prides itself in knowing when every toilet is flushed in Managua, did not calculate that the Sandinista government would offer to sign the Contadora pact. When it did, then Contadora became worthless. After concessions made by Nicaragua to the Contadora nations, the Contadora process seems to have revived. But it is currently a lame process, with the Reagan Administration paying lip service but working to sabotage it with the hypocrisy of an international Uriah Heep.

Yet it is an illusion to believe that the disappearance of space for political dialogue will solve any problems in Central America.

The *contras* cannot overthrow the Nicaraguan government. That can only be achieved through direct intervention by U.S. armed forces, and that would plunge the United States into a ferocious civil war that would then certainly overflow into Honduras, Costa Rica, even Guatemala.

And throughout Latin America, an invasion of Nicaragua could be the detonator the explosive continent is awaiting. Yet another gringo invasion would be an intolerable humiliation, a moral and political trigger to ignite issues of inflation, unemployment, debt, fragile democracies and disillusioned middle classes. Latin America is waiting for a reason to blow up. It has many negative reasons for doing so. Reagan could give it the positive reason: self defense against the United States on a scale, and with consequences, that no one in Washington seems capable of imagining.

Latin America is ready to find its unity under the banner of nationalist affirmation against the United States. The Contadora process would then become a continental process, an affirmation of our will to be ourselves, negotiate by ourselves and find Latin American solutions to Latin American problems. It would end by effectively excluding the United States from many Latin American positions, opening Latin America up to greater Japanese, Western European and Soviet Bloc relationships, in effect furthering policies for a multipolar world and weakening both the United States and the Soviet Union.

The events of the past few weeks could become the Sarajevo of a Central American war or they could signal the urgency of stopping an irrational snowballing of bellicose acts. This is the last chance to negotiate seriously, through Contadora, which has always been the best chance for the United States.

The Contadora nations are not Marxist-Leninist states, nor are they manipulated by the Soviet Union. They are proved friends of the United States. Their initiative is the product of the political will of Presidents Miguel de la Madrid of Mexico, Nicloas Ardito Barletta of Panama, Belisario Betancur of Columbia and Jaime Lusinchi of Venezuela. President Reagan can still prove his good will by meeting urgently with all four of them and reviving diplomacy before war, irreparably, takes over.

There are no perfect bargains in diplomacy. But the costliest thing the Reagan Administration can do in Central America is to wage war. Its best bargain is to give something up—its Central American raj—and gain the friendship, nonalignment, economic partnership and political respect of five nearby nations.

The rest of the content has now understood that as it moves towards greater independence and self-determination, it will probably have to face mercenaries disguised as "freedom fighters," "our brothers" and the mortal equivalents of Simon Bolivar. Ronald Reagan has done the United States the greatest disservice in Latin America by reminding everyone where the danger comes from. We will not cry "uncle."●

PRESIDENTIAL VISIT TO BITBURG WRONG

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. WYDEN. Mr. Speaker, I rise today to introduce a resolution urging President Reagan to cancel his planned trip to the Bitburg military cemetery—and avoid anguish such a trip would cause thousands of American veterans, their families, and Jews everywhere.

For the highest ranking official in the United States to lay a wreath at a cemetery where SS officers and other high-level Nazi personnel are buried is unthinkable.

We are not talking here about a simple difference of opinion that we can not cancel with a handshake, an exchange of pleasantries, and a few diplomatic niceties.

We are talking about a military regime that heaped upon humanity some of the worst atrocities of all time. A regime that herded men, women and children into gas chambers without a second thought—and used other human beings for experiments that are beyond unthinkable. A regime that issued death warrants for no greater cause than that an individual embraced a different religion, a different way of life or a different philosophy. A regime that inflicted wounds that no amount of time will—or should—heal.

I heard just moments ago of a World War II veteran who has returned his hard-earned medals to the President to protest Mr. Reagan's decision to visit the Bitburg cemetery. I'm certain that many Americans share his sentiments—and believe that this visit diminishes the sacrifice of those courageous Americans whose lives were taken from them. It also makes light of those who left their youth on the battlefields of Germany and Eastern Europe in the fight to preserve freedom of religion, freedom of speech, and freedom of thought.

As William Safire wrote in the New York Times today, the events of the past few weeks are guaranteed to revivify the nightmares of Nazi terror. I cannot believe that the President wants these horrifying memories reignited, and I urge him to act now to ensure they are not.

My resolution is a simple one. It expresses the sense of the House that, given the atrocities committed by the Nazis in World War II and the inappropriateness of the President of the United States memorializing the participants in these acts, the President should cancel his planned visit to the military cemetery at Bitburg.

I urge my colleagues to join me in sending this message to the President, and I urge him to act upon it immediately.

Following is the full text of the resolution:

H. RES. 135

Whereas the Nazi party, and in particular members of the SS, committed atrocities against humanity during World War II;

Whereas it would be inappropriate for the President of the United States to memorialize the participants in such atrocities; and

Whereas the military cemetery at Bitburg, Federal Republic of Germany, contains the graves of Nazi and SS soldiers for World War II who fought against and took the lives of thousands of American and Allied troops; Now, therefore, be it.

Resolved by the House of Representatives, That it is the sense of the House that the President should not visit the military cemetery at Bitburg, Federal Republic of Germany, during his upcoming trip to Germany.●

ARMENIA, HISTORY AND GUILT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FRANK. Mr. Speaker, I am proud to be a cosponsor of House Joint Resolution 192, commemorating "Man's Inhumanity to Man," introduced by my colleague, Mr. COELHO of California. The Boston Globe today published an editorial which very lucidly explains the rationale behind this resolution. I urge my colleagues to read this article, and to cosponsor this resolution if they have not already done so.

The editorial follows:

[From the Boston Globe, Apr. 18, 1985]

ARMENIA, HISTORY AND GUILT

President Reagan shocked many Americans with his explanation of why he thought he should not visit Dachau during his trip to Germany in May. The President said the German people have "a guilt feeling that's been imposed upon them, and I just think it's unnecessary." He intimated that Americans are wrong to expect German guilt for the Holocaust; that the Germans themselves feel no guilt; or that there was never anything for anyone to be guilty of.

The President displayed a similar confusion about history and morality earlier this month, before the visit of Turkey's prime minister. The White House released the text of a statement Reagan made to a Turkish interviewer in which he dissociated his Administration from a unanimous congressional resolution commemorating April 24th, the 70th anniversary of the Armenian genocide, as a National Day of Remembrance of Man's Inhumanity to Man.

The Turkish slaughter of 1,500,000 Armenians from 1915 to 1918 was a ghastly crime against humanity, the great precedent for 20th-century genocide. "Who still talks nowadays of the extermination of the Armenians?" was the rhetorical question Hitler posed to his top commanders on Aug. 22, 1939, as they prepared for the invasion of Poland.

This week, in response to public dismay, Reagan changed his mind and decided to make a symbolic visit to a concentration camp site. Generosity requires that Americans assume their President merely became confused and misspoke when he made his strange remarks about the imposition of guilt.

In his remarks to the Turkish interviewer, Reagan said: "I sympathize with all those who suffered during the tragic events of 1915. I also profoundly regret that Turks and Armenians have so far not been able to resolve their differences." This was a way of saying he would not contradict Turkey's official denial that the Armenian genocide even took place. He then said that he opposed the congressional resolution because it "might inadvertently encourage or reward terrorist attacks on Turks and Turkish-Americans" and because it "could harm relations with an important ally.

The world can only deplore the insane acts of a few Armenian terrorists. They harm the just cause of the Armenian people. Nevertheless, Reagan violates logic when he pretends that the existence of Armenian terrorists constitutes a reason for rejecting the resolution.

Testifying against the resolution in February, Defense Secretary Caspar Weinberger asserted that "such resolutions are counterproductive in that they serve to encourage Armenian terrorists." Like the President, Weinberger revealed his true motive when he said. "This resolution would embarrass the United States and strain relations with this critical ally (Turkey)."

For reasons of State, Weinberger and Reagan have distorted history and offended the victims of genocide. The American people owe an apology to Armenians for the callousness of American officials.●

RESTORE FUNDING TO THE CONTRAS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RITTER. Mr. Speaker, I would like to call attention to an excellent article written by Georgie Anne Geyer dealing with the issue of restoring funding to the Contras. As we debate this important issue in the Congress, I believe her words and ideas merit special attention.

I include the text of her article here:

RESTORE FUDING TO THE CONTRAS

(By Georgie Anne Geyer)

WASHINGTON.—Should the United States continue to support the "contras" fighting the Marxist Sandinista government of Nicaragua? The answer is "yes," for many reasons.

First of all, the $14 million sum that President Reagan is asking from a recalcitrant Congress is a paltry one. Its significance to the 20,000 contra fighters is substantial, but its significance elsewhere is crucial: It says that the United States is not going to make a pattern of backing groups spasmodically and then leaving them self-righteously in the lurch.

But there is another element here. Just who was it anyway who gave the initial approval for the funding of the contras four years ago? Well, it was the very same Congress—and if its members really believed that those Nicaraguans were going out to fight and die to interdict arms to El Salvador, as the administration liked guilefully to say, well, then we ought to consider whether people that naive can run a country like ours.

No, it ill behooves Congress—now that, because the situation is not 100 percent pure, it finds itself uncomfortable with what it did four years ago—in effect to double-cross the men it put out there to fight and die. Once that decision was made, there should have been no room for endless second-guessing.

Second, it is simply no longer true—as many of a liberal bent are claiming—that today's "contras" are ruled by the wholly discredited and hated former Somocista National Guard. Ex-members of the national guard represent a minority of the fighting contras.

Moreover, from all the reports I get from Nicaragua from various sources, discontent with the Sandinistas is growing by leaps and bounds. Approximately 500 men join the contras every week.

Moreover, the pressure of the contras is working. There is no question that their pressure has caused what bending we begin to see in the Sandinistas, whether the very limited elections of last fall or the remaining religious freedom.

Very well, but what about the Sandinistas? We know they are not really behind the "totalitarian" curtain that the president loves to describe. They are a new kind of leftist, but basically quite traditional, Latin socialist caudillo; men within the Latin style who just don't want to give up power but who operate under the accoutrements of modern socialist rhetoric.

Why does President Reagan then compare the contras to the American founding fathers? That's a good question, too. It would be so much better to describe them accurately, because these wild exaggerations only turn off many honorable people who think that if the president is wrong on this, he is wrong on everything.

But, as reformist Salvadoran President Jose Napoleon Duarte, the splendid Christian Democrat, has said: Without the contras, his own rapidly developing attempts at democratic reform (or, perhaps better said, democratic revolution) in El Salvador would be threatened by the Sandinistas' intervention with and arming of Salvadoran marxist guerrillas. This is of the greatest significance—this, and the ideological and subversive threat the Sandinistas openly hold to democracies such as Costa Rica and Honduras.●

WE MUST ACT WHEN WE SEE THE START OF EVIL

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SOLARZ. Mr. Speaker, today in the rotunda of the Capitol, we observed the national civic commemoration of the 40th anniversary of the liberation of the death camps by the U.S. Army, and the remembrance of those who died in the Holocaust.

One of the speakers at that most moving event was the senior Senator

from Rhode Island, the Honorable CLAIBORNE PELL, with whom I have been privileged to serve as a member of the National Holocaust Memorial Council.

It was particularly fitting that Senator PELL was asked to address this commemoration of the victims of the Nazi Holocaust, since his family was among the handful of Americans who publicly and persistently spoke up in opposition to the persecution and destruction of the Jews of Europe.

Herbert Pell, the Senator's father, served as the U.S. delegate to the International War Crimes Commission, where he played a prominent role in the effort to bring to justice those responsible for the death of 6 million Jews, and other atrocities of the Nazi regime.

Senator PELL has continued his family's proud tradition of advocacy and support for human rights and democracy. He is a significant and persistent advocate of the rights of the oppressed and a champion of human rights. His distinguished career in the Senate has advanced the understanding and appreciation of human rights as a keystone of American foreign policy.

Mr. Speaker, I ask that the moving comments of Senator PELL be reprinted in today's CONGRESSIONAL RECORD.

Why are we memorializing the most massive and darkest example of man's inhumanity to man? Why?

The reason is to seek to prevent such inhumanity occurring again—and to be alert to the need to snuff out those same dreadful instincts that turned human beings like you and me into beasts.

Let us remember, too, Dante's words so oft quoted by our murdered colleague, Bob Kennedy, "He who sees, stands by and does nothing, as evil is performed, is just as guilty as he who performs it."

Here we must remember how we stood by as millions of Jews and Gentiles and gypsies were murdered.

Examples?

We returned the passenger vessel *St. Louis*, with its load of 900 Jews back to Bremen and the concentration camps of Europe.

We declined to change our immigration laws on jot.

Even then, we declined to take in most of those unfortunate human beings who were clamoring at our consulates for visas. In fact in 1944, only 9 percent of our visa allotment was even used.

And, as reads our War Department telegram presently exhibited at Vad Yashem, we even refused to bomb the rail line between Kosice and Presov over which the Nazi victims were transported to Auschwitz.

We did all too little 40 years ago. What can we do now?

One thing we in the Senate can do is to ratify the Genocide Convention—and this I look forward to our soon doing in as unhampered a form as possible. And here I have a personal interest, too, as its ratification would have given much satisfaction to my father, Herbert Pell, who was the American Representatives to the United Nations War Crimes Commission and who played such a role in having genocide considered a war crime by our government just 40 years ago this spring.

More important, let us remember that the seeds of evil are always present, but their growth can be halted by ceremonies of remembrance like this and by other activities, actions and advice of the Holocaust Commission—and by all of us not standing by when we see the start of evil.●

H.R. 1082 ESTABLISHES EXISTING CONGRESSIONAL MONITORING OF INTELLIGENCE FUNDING AS PERMANENT LAW

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. STUMP. Mr. Speaker, to conduct intelligence activities effectively, the executive branch needs flexibility in funding such activities. To exercise wisely the power to grant or withhold scarce taxpayer dollars for intelligence activities, the Congress needs complete, timely, and accurate information on the use of funds for such activites.

For the past 4 years, the Congress and the President have agreed on a statutory provision, renewed annually, which accommodates both the executive's need for flexibility in conducting intelligence activities and the legislature's need for information in monitoring use of Government funds for intelligence activities. The agreed-upon provision has appeared in statute each year since 1981, with a few changes dictated by experience, as section 103 of the annual Intelligence Authorization Act.

The provision has proved to be workable, and the time has come to make it permanent law. Section 102 of H.R. 1082, the Omnibus Intelligence and Security Improvements Act, amends the National Security Act of 1947 to place in permanent law the provision which the Congress has renewed annually as section 103 of the Intelligence Authorization Act. Section 102 of H.R. 1082 provides:

"SEC. 102. (a) Title V of the National Security Act of 1947 is amended by adding at the end thereof the following:

"CONGRESSIONAL NOTIFICATION OF EXPENDITURES IN EXCESS OF PROGRAM AUTHORIZATIONS

"SEC. 502. During any fiscal year, funds may not be made available for any intelligence or intelligence-related activity unless such funds have been specifically authorized for such activity, or, in the case of funds appropriated for a different activity, unless the Director of Central Intelligence or the Secretary of Defense has notified the appropriate committees of Congress of the intent to make such funds available for such activity, exceept that, in no case may reprogramming or transfer authority be used by the Director of Central Intelligence or the Secrertary of Defense unless for higher priority intelligence or intelligence-related activities based on unforeseen requirements, than those for which funds were originally authorized, and in no case where the intelligence or intelligence-related activity for which funds were requested has been denied by Congress.".

"(b) The table of contents of the National Security Act of 1947 is amended by adding after the entry for section 501 the following:

"SEC. 502. Congressional notification of expenditures in excess of program authorizations.".

Section 102 of H.R. 1082, like its annually enacted predecessor provisions, requires, as a precondition to making funds available for an intelligence activity, either specific advance congressional authorization by statute to make the funds available for the activity or prior notification to the intelligence committees of Congress of the intent to make the funds available for the activity. The requirement for either specific authorization or prior notification ensures that Congress has the information it needs to exercise wisely its power of the purse. The provision also accommodates the executive branch's need for flexibility in intelligence funding so that it can take advantage of unforeseen, fleeting opportunities to collect important intelligence or favorably influence events.

This standard provision for specific authorization or prior notification was designed and continues to function as a policy-neutral provision. The provision does not authorize or prohibit any specific kinds of intelligence activities. The provision simply ensures that Congress has the information it needs to exercise its fiscal powers and to verify that its fiscal decisions are followed. Placing the provisions in permanent law rather than the annually enacted Intelligence Authorization Act would ensure that the Congress receives the funding information it needs in all circumstances, even during the funding hiatus that may occur at the beginning of a fiscal year when the previous year's Intelligence Authorization Act authorization/notification provision has expired.

Enactment of section 102 of H.R. 1082 will assist in establishing a permanent, stable, and effective working relationship between the executive and legislative branches in the funding of intelligence activities.●

REAGAN'S AWKWARD CONTRADICTION

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DELLUMS. Mr. Speaker, in the contradictory foreign policies of the Reagan administration toward the nations of Nicaragua and South Africa, there exists an embarrassing situation which is nothing short of sheer hypocrisy.

Mr. Dan Gray, a constituent of mine from Oakland, has called my attention to an excellent column by Ms. Brenda Payton which appeared in the Oakland Tribune recently. I agree with Mr. Gray that it is worth sharing with my colleagues.

REAGAN'S AWKWARD CONTRADICTION

(By Brenda Payton)

The only thing wrong with Ronald Reagan's foreign policy is that he's got the wrong country with the right policy. Maybe someone slipped the Nicaragua position papers in the South Africa folder, and vice versa.

Because if he applied his hard line on Nicaragua to South Africa, and extended the quiet diplomacy afforded South Africa to Nicaragua, his policy would make sense.

Accepting the Reagan administration rhetoric that the Nicaraguan government is retreating from its promise of democratic freedoms (which I don't), wouldn't the support and guidance of the U.S. government be more effective than attempts to overthrow the Sandinista government? Attempts that only create an at-war mentality that tightens rather than loosens restrictions.

Conversely, how can "constructive engagement" be effective in moving the South African government, which gets a perverse pleasure from thumbing its nose at the basic universal standards of human decency? Just last week police fired on a crowd of unarmed demonstrators, killing 18, and then arrested 13 black activists, charging them with treason— a crime punishable by death.

Those questions are only logical, however, if the stated interests of the Reagan administration—to support change to benefit the majorities in both countries—are the real interests.

Rather, we have a declaration of war against a country struggling to harvest its coffee crop, and the coddling of a government where unarmed demonstrators are routinely killed and dissidents are arrested, tortured and imprisoned.

It makes for some awkward contradictions.

On one hand, in Reagan's most recent and strongest blast at Nicaragua, he says his goal is to remove the Sandinista government in the sense it is "a Communist, totalitarian state, and it is not a government chosen by the people . . ."

The extent of the people's support of the Sandinistas is a matter of debate. The Reagan administration conveniently dismisses the November elections, but the Sandinistas won 67 percent of the vote and opposition parties won almost one-third of the National Assembly.

The Sandinistas' popularity may be a point of discussion, but there is no debate in South Africa. The uncontested fact there is that 73 percent of the citizens—the black majority—does not have the right to vote. While the Reagan administration called the Nicaragua elections a "Soviet-style sham," the sham of the recent South African elections, which for the first time included Indians and "Coloreds" but still excluded black citizens, was heralded as progress.

In Reagan's words, the Sandinistas don't have a "decent leg to stand on." What could be more indecent than the disenfranchisement, by race, of nearly three-quarters of a population?

But South Africa, according to Reagan's rhetoric, is a sovereign state whose policies can only be changed by influence, not dictate. Is Nicaragua any less sovereign? Or is that a consideration only given to friendly governments?

The Reagan administration says it opposes economic sanctions against South Africa, including the withdrawal of U.S. investments, because they would only worsen the situation for the country's black population. According to that argument, U.S. companies should remain in South Africa as a force for change. Have they accomplished significant change to date? And only about 36 percent of the employees of U.S. companies are black. If U.S. companies withdrew in protest of apartheid, the white rather than the black population would suffer most, making apartheid more costly to those whom it currently benefits.

On the other hand, Reagan does not share the same concern about worsening the conditions for the Nicaraguan people, a people, he says we have a historic duty to liberate. The U.S. economic sanctions aganst Nicaragua, support of the contras and the resulting military conflict have greatly undermined the Nicaraguan economy. Earlier this month the government was forced to devalue the currency as a result.

Or maybe Nicaraguans hurt less than black South Africans.

In Reaganspeak, the contras fighting the Sandinistas are freedom fighters, but the black South African activists who are imprisoned and tortured are truly unsung heroes. The recent arrest of 13 activists was only regretful to the Reagan administration, which remains silent about the murder of 18 unarmed demonstrators.

Last week Secretary of State George Shultz said, "We have a moral duty to help people trying to bring about the freedom of their country." Is that a fact? Or only a convenience?●

COAL SLURRY PIPELINES PROMOTE COMPETITION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. UDALL. Mr. Speaker, the House is now considering the sale of Conrail to the Norfolk Southern Railroad. This merger would be the most recent in a trend that has created a small number of very profitable rail giants. The five largest railroads, the Burlington Northern, CSX, Santa Fe/Southern Pacific, the Union Pacific, and the Norfolk Southern, are all products of recent mergers or have recently acquired major new transportation subsidiaries.

One important issue inadequately addressed in the wake of these mergers and acquisitions is the effect of the reduced number of railroads on consumers, particularly those who use coal-generated electricity. Recently, Dr. Mark Cooper, of the Consumer Federation of America, estimated that high rail rates for coal haulage add $1.3 billion to consumer's electric bills.

If railroad deregulation is to be effective, the market must provide regulation through competition. Coal slurry pipelines provide the most efficient, environmentally sound, and cost-effective competition for rail coal haulage. Unfortunately, the major railroads have uniformly refused to grant rights-of-way to this only true competitor and have opposed legislation that would create the power of eminent domain for coal pipelines. To better allow competition to regulate the railroad industry, our support for major mergers and acquisitions should be conditioned on the enactment of such legislation.

I am submitting for the record an article from the Thursday, April 11, Washington Post which details the mammoth size of the railroad industry. I hope that an increase in competition for the railroads, such as coal slurry pipelines could provide, will ease the pressure on consumers caused by recent mergers.

[From the Washington Post, Apr. 11, 1985]

NORFOLK-SOUTHERN RIDING FAST TRACK: CONRAIL PURCHASE IS PART OF NATIONAL SCHEME

(By Nell Henderson)

There may be many opponents to the proposed link-up of Norfolk Southern and Conrail, but all sides agree that Norfolk Southern is one of the strongest and most successful in the industry.

If approved by Congress, Norfolk Southern's purchase of the government-owned Consolidated Rail Corp. will create the country's largest railroad company, a giant with combined revenues of almost $7 billion and more than 30,000 miles of track serving 25 states, Washington, D.C. and Canada.

The merger would leave the country with five major railroads, two of which would dominate the territory east of the Mississippi—Norfolk Southern and CSX Corp. CSX is currently larger than Norfolk Southern but the Conrail merger would tip the scales in the other direction.

Norfolk Southern's Chairman and Chief Executive Robert O. Claytor says the merger would strengthen both Conrail and Norfolk Southern by putting them in a better position to compete with trucking, which he sees as the major competition to railroads.

The acquisition also would be another step in Norfolk Southern's planned evolution into a national transportation company, capable of moving freight over rail, highways and water, or moving information over fiber optic cables.

Transportation Secretary Elizabeth Dole has recommended that Congress approve Norfolk Southern's proposal to pay $1.2 billion for the Government's 85 percent share of Conrail. The Norfolk-based company would pay another $375 million for the 15 percent owned by Conrail's employees.

The proposal has divided the railroad industry, shippers and labor. Opponents fear the combination will hurt competition, leading to higher shipping rates and higher prices for commodities such as coal, grain, chemicals, auto parts and paper products. Supporters believe the merger will create a more efficient system that can lower transportation rates and ease pressure on commodity prices.

Concerned parties also disagree over the alternatives to a merger. Some opponents to the sale believe Conrail could stand alone as a private company. Others believe Norfolk

Southern offers the most secure future for Conrail, which was created in 1976 out of the remains of several collapsed Northeastern railroads and which today suffers a declining traffic base.

Opponents include CSX, the Grand Trunk Western Railroad Co., Conrail management, the Pennsylvania Coal Mining Association, A.T. Massey Coal Co. Inc. and the Brotherhood of Railway & Airline Clerks, which represents 8,000 of Conrail's 25,000 employes.

Supporters of Norfolk Southern's bid include independent railroads such as the Pittsburgh & Lake Erie Railroad and Guilford Transportation Industries, which both have agreed to buy lines and trackage rights divested by the merged company. Others include Ford Motor Co., General Motors Corp., B.F. Goodrich Co. and the South Carolina State Port Authority. The United Transportation Union, representing 8,900 Conrail employes, opposes a public offering and has said it would continue discussions with Norfolk Southern.

Norfolk Southern is itself the product of 1982 merger between the Norfolk and Western Railway and the Southern Railway. Through combining operations, cutting costs, agressive marketing and focusing on high traffic density, the Norfolk-based company has produced the best balance sheet in the business, said Graeme Anne Lidgerwood, an analyst with Kidder, Peabody & Co.

With earnings of $482 million on revenue of $3.52 billion in 1984, and more than $1 billion in cash, Norfolk Southern is more profitable than its rival CSX.

Based in Richmond and competing over similar territory, CSX has 9,000 more route miles and reported 1984 revenues of $7.9 billion—more than double Norfolk Southern's revenues. Yet CSX made a smaller profit, $465 million.

Lidgerwood attributes this partly to Norfolk Southern's efforts to generate large amounts of traffic over existing lines, in contrast to CSX's practice of adding lines with low traffic density. Additionally, Norfolk Southern works hard to attract new business to locate along its lines, markets its services agressively and "is superbly managed," she said.

More important from the Department of Transporation's point of view is Norfolk Southern's cash flow. Sitting on more than $1 billion in cash, the company would have little trouble buying Conrail, making capital improvements and supporting it through a recession, analysts say.

Transportation Secretary Dole has made it clear that she wants to sell Conrail to a company strong enough to see it through bad times, so the government won't have to rescue it again. "The Norfolk Southern is a very fine railroad corporation, with excellent management, the highest standards for maintenance in the industry, a very profitable company," Dole said after accepting the company's bid.

She also called Norfolk's bid "a bird in the hand" compared to the uncertain success of spinning off an independent Conrail through a public offering.

The United States Railway Association staff said last week that Conrail could survive future economic downturns on its own, even if it pays full industry wages and state taxes. Conrail's employes currently earn 12 percent less than the industry norm and the railroad is currently exempt from state taxes.

Norfolk Southern does not agree. It's projections show Conrail will last through the next four years, but will be in a "negative cash position" by the early 1990s, Claytor said. "I suspect that if we don't get it now, [Conrail] will be available in another 10 years at a much reduced price," Claytor said. "We would rather pay more now."

Norfolk Southern could use Conrail now because it fits into its strategy of becoming a national transportation company. Claytor said the future growth of railroads depends on the ability to recapture the business taken by trucking.

Conrail would give Norfolk Southern the long hauls necessary to make a profit on piggyback transport, moving goods loaded on trucks which themselves are carried on railway flat-cars.

Without Conrail, Norfolk Southern can put a piggyback truck on a flat-car in Atlanta and carry it to the end of the line at the Potomac Yard here. From there, the truck may drive to Philadelphia or New York or Baltimore because Conrail could not make money on such a short haul, Claytor said. With Conrail, a truck could be carried profitably from Atlanta to New York on the rail line, he said.

"We want to get this traffic off the 14th Street Bridge and onto the railroad," Clator said. "This means more business for Conrail, and in the long run will make Conrail more profitable . . . while making piggy-back more profitable for Norfolk Southern."

Norfolk Southern has also agreed to acquire North American Van Lines, the nation's fifth largest trucking company, for $315 million, and expects to receive government approval May 1.

The company's investments include a 17.6 percent share of Piedmont Aviation and 3 percent of the Santa Fe Southern Pacific Corp. It also has a letter of intent with Santa Fe to build an 8,000-mile fiber optics network linking 53 cities coast to coast.

Norfolk Southern plans to get into the barge business, but is concentrating now on the van lines and Conrail, Claytor said.

Last year CSX acquired the nation's largest barge company, American Commercial Barge Lines Co.

Claytor said Norfolk Southern believes a variety of transportation modes are needed to compete with trucks, particularly in the important markets of the Northeast.

Currently, both Norfolk Southern and CSX are shut out of the Northeast because Conrail holds a virtual monopoly over rail freight in New York, New Jersey and Pennsylvania.

CSX would not like to see its rival gain that monopoly. CSX Chairman and Chief Executive Hays T. Watkins told a Senate committee the proposed merger "violates every principle of good transportation policy and destroys the competitive framework which is key to the future health of our railroad system."

Mathematically, if Norfolk Southern and Conrail were combined, their profits would be bigger but their revenues would still be smaller than CSX. According to Norfolk Southern, CSX is 43 percent larger in terms of car loadings, while a merged Norfolk Southern-Conrail would be less than 20 percent larger than CSX.●

A BILL TO REAUTHORIZE AND AMEND THE COASTAL ZONE MANAGEMENT ACT OF 1972

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SHUMWAY. Mr. Speaker, today I am introducing a bill to reauthorize and amend the Coastal Zone Management Act [CZMA]. This law was enacted in 1972 as a means of inducing coastal States to develop and implement coastal management programs designed to promote the development of, and protection for, the States' various coastal zones. In doing so, the CZMA would help accomplish needed national, State, and local objectives.

To a large degree, this program has achieved a great deal of its original intent. Twenty-eight of the 35 coastal States and territories under U.S. jurisdiction have developed and implemented federally-approved coastal zone management programs. The Oceanography Subcommittee of the House Merchant Marine and Fisheries Committee has had 2 days of hearings in this Congress on the overall effectiveness of the program and its need for reauthorization, and much evidence was brought forward which, in my mind, indicates that the "inducement-phase" of Federal involvement within coastal management has, in fact, been accomplished; it is, therefore, time to seriously phase-down the Federal financial role in coastal zone management.

Historically, the Federal Government has provided 80 percent of the funding for the development, implementation, and operation of coastal zone management programs for coastal States. However, to maintain this 80-percent Federal share now that the national program is largely in place and operating smoothly, would not be reflective of the largely local or regional nature of the program's benefits. While I believe there is a remaining need for the Federal Government to play some role in coastal zone management over the next 5 years, clearly this need is decreasing as the coastal State programs continue to operate, improve in their coastal management abilities, and continue to become even more regional in nature.

The legislation I am introducing today reflects this need for a Federal phase-down in coastal management financing by reducing the Federal share from 80 percent to 20 percent over 4 years. As well, it reduces the reauthorization levels to reflect this phase-down over the same 4-year period. This gradual reduction will allow coastal States the time needed to plan for the reduction so that they can

make other funding arrangements for their coastal management programs. These Federal funding authorizations and percentages would also ensure that the overall program continues on at its present-day level.

Additionally, this legislation addresses one of the more controversial questions which has arisen through implemenation of, and judicial challenge to, the Coastal Zone Management Act. Last year, the Supreme Court upheld the Federal Government in the case of California versus Watt, saying that oil and gas leasing did not fall under the consistency provision included in section 307(c)(1) of the act.

This decision has stirred much controversy among coastal States who feel their authority to ensure that Federal activities are conducted in a manner which is consistent to the "maximum extent practicable" with their coastal management programs has been undermined. In an effort to settle the question of how the Supreme Court decision affects other federally conducted or supported activities, my bill sets up a consultative process between Federal agencies and coastal States to discuss any concerns that coastal States may have regarding whether a proposed Federal activity is consistent "to the maximum extent practicable" with their federally-approved coastal management program. Moreover, coastal States then have an opportunity to make recommendations with regard to the proposed Federal activity, and recommendations must be accepted by the Federal agency unless the Federal agency determines that the Federal activity is already "consistent to the maximum extent practicable" with the coastal management program, or that acceptance of their recommendation would not be in the national interest.

If the recommendation is not accepted by the Federal agency, that agency is required to advise the coastal State, in writing, why they did not accept the recommendation. This consultative process is intended to help coastal States have substantive imput into Federal activities in instances where proposed Federal activities affect their coastal zones. At the same time, however, it is consistent with section 308(3)(B)(III)(1) of the act which says that nothing in the CZMA shall be construed "to diminish either Federal or State jurisdiction." In other words, although the Federal agency and coastal States should work together in all "practicable" instances of mutual concern, Federal agencies, nevertheless, must be given final authority in decisionmaking regarding Federal activities on Federal lands.

In summary, Mr. Speaker, this bill reauthorizes a program which the Federal Government has set up for the States so that they may help themselves, and in so doing help promote the national interest. In light of the fact that the Federal Government has, in initiating this network of coastal programs, borne the substantive burden of financing these State programs, this legislation also phases-down that Federal role so that coastal States can correspondingly and appropriately pick up their fair share of program costs. It is important, however, to note that it does so in an orderly, gradual, process so that States can assume this large funding role over a period of time.●

H.R. 2099

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RIDGE. Mr. Speaker, yesterday I introduced H.R. 2099, the Automatic Teller Machine Competitive Equity Act of 1985. This legislation is designed to restore the principles embodied in the McFadden Act as applied to ATM systems. It is offered in an attempt to reestablish the applicability of the McFadden Act, which governs the branching of national banks, to automatic teller machines and other electronic devices at which banking functions are being performed.

The McFadden Act, enacted in 1927, sought to establish competitive equality between State and national banks by allowing national banks to branch to the same extent as State banks. A balance was struck between concerns over preventing the concentration of banking resources and the need to ensure the competitiveness of national banks. For the purposes of the National Bank Act, the McFadden Act defines a branch as a place of business "at which deposits are received, or checks paid, or money lent." (12 U.S.C. Sec. 36(f).) The question of whether a particular facility is a branch of a national bank under the McFadden Act is answered solely by the application of this functional test.

Once a particular facility has been determined to be a branch, location is determined by State law under section 36(c) of the act. That section both precludes interstate branching and estalishes competitive equality by allowing national banks to "establish and operate" branches at locations "authorized to State banks by the statute law of the State in question * * * subject to the restrictions as to location imposed by the law of the State on State banks." These provisions have been consistently held to require that the Comptroller must follow State law in approving branches of national banks, including limitations as to banking functions which may be performed at branches. For example, under the McFadden Act, an armored car service has been held to be a branch under the functional definition of the act, making it illegal under Florida law which prohibited banks from having more than one place of business.

The question of whether an ATM, then called a customer bank communication terminal or CBCT, was a branch first arose about a decade ago. In 1976, the U.S. Court of Appeals for the District of Columbia Circuit held that CBCT's are branches within the meaning of the McFadden Act if "deposits are received, checks paid or money lent" at such machines and that the McFadden Act was intended to include virtually all off-premises banking operations. Therein, the court recognized that the reservation of the control of branching to the State was done in order to allow States to safeguard against large concentrations of power. The critical holding in that case was that, "Under the Federal statutory scheme CBCT's are 'branches' within section 36(f)'s Federal definition; therefore, for Federal purposes the State law applicable to CBCT's is a part of the 'branch' banking law of the State, which is incorporated into the National Bank Act by section 36(c)."

However, the U.S. Court of Appeals for the Second Circuit was recently called upon to apply the principles embodied in the McFadden Act to shared ATM networks. That court held that "* * * a national bank's usage of a shared ATM which it does not own or rent, does not constitute the establishment and operation of a branch under sections 36 (c) and (f) of the McFadden Act."

By giving deference to the arbitrary distinction between ATM's "owned or rented" by national banks and those simply "used" by national banks for banking transactions, the court ignored both the prohibition on interstate branching and the deference to State law which are fundamental to the McFadden Act. In so doing, the court upheld a regulation of the Comptroller of the Currency and ignored the earlier court decision that State law applicable to electronic banking devices "is a part of the 'branch' banking law of the State," made applicable to national banks by the McFadden Act. Although the court gave great deference to the interpretive regulation of the Comptroller, it noted that "Should Congress find itself in disagreement with the Comptroller's regulation, which we accept as a legitimate interpretation of the governing statutes, legislative solution is available."

A legislative solution is indeed available. I feel strongly that we must act to restore the principles of the McFadden Act in regard to ATMs. My reasons are as follows:

One, State control of structure as a safeguard against undue concentration of economic power is an important element of our banking system. The dual banking system is unique among world banking systems in that it ensures a great number of institutions of diverse sizes and types. The system also guarantees access to capital in all geographic areas and in all sectors of the economy.

Two, there is a strong public interest in a system of bank supervision which balances the short-term enhancement of competition and the long-term avoidance of anticompetitive tendencies in national credit markets. Maintaining this balance is especially critical in the ATM area since establishment of systems is expensive and susceptible to domination by large institutions, whether as system operators, as franchise operators, or as preferred users on shared systems.

Three, a situation of competitive inequality has been created, in which national banks, through shared ATM's, may offer full banking services on a nationwide basis without regard for the pertinent State laws, including restrictions on the interstate taking of deposits. Rather than restoring competitive equality, as it seems to have intended, the circuit court merely shifted the competitive advantage to national banks. Competitive equality is best maintained by saving the shared ATM systems, but making all of the players subject to the same rules.

Four, the issues involved in the decision are certain to be litigated further, both on appeal to the Supreme Court and on a remanded issue of whether corporations which nominally own an ATM are conducting an illegal banking business on behalf of bank participants in the system. No matter what the final outcome of litigation, the public will be a net loser either short term or long term. No one would allege that the complete dismemberment of our current, extensive share ATM systems is in the public interest, although this could be the result if it is decided that shared ATM's are branches for all purposes. On the other hand, if the recent circuit court decision is left intact, an entire body of State law is preempted and the congressional concern over concentration of economic resources, which underlies the decentralization of control over structure, will be undercut. Only Congress can restrike the balance between these valid, yet competing, public interests. The reinterpretation and reapplication of existing policies established by Congress is a role most properly reserved to Congress.

Five, States, unable to control national bank participation in shared systems, will be forced to limit corporate participation through State statutes designed to prevent deposit-taking as an agent for a bank. States can of course, regulate commerce firms from engaging in a banking business. The valid State interest in controlling the mixing of banking and commerce parallels that of the Federal Government. In fact, the circuit court in the Marine case remanded for resolution by a State court the issue of whether the supermarket which owned the ATM in question was illegally conducting a banking business for resolution by a State court under State law. Unless Congress acts at this juncture, it is conceivable that States, unable to control banking activities through the McFadden Act, will seek to prohibit corporations that are not banks from taking deposits or performing other banking functions through ATM's on their own behalf or as an agent for a bank or bank holding company.

It is for all the above reasons that I introduced H.R. 2099 which would reestablish the principles embodied in the McFadden Act, yet do so in such a way as to permit existing ATM networks to continue to operate. I feel that it is important for Congress, not the courts, to strike the new balance and apply the public interest tests to emerging technologies such as ATM's. Briefly, the bill:

One, amends the McFadden Act to allow for national banks to branch on an interstate basis when the exporting State expressly authorizes out-of-State banks to establish interstate branches within its borders;

Two, restores the principle that State ATM laws are part of the branch banking laws of a State, made applicable to national banks by the McFadden Act;

Three, provides that shared ATM networks do not count toward capitalization of a bank; and

Four, provides a waiver procedure for the OCC to bypass the branch approval process for shared ATM networks.

H.R. 2099 is, in essence, a compromise measure, splitting the difference between competing constituencies and competing public interests. I would appreciate the support of each and every member of the House interested in expanding services for the banking consumer.

H.R. 2099

A bill to restore competitive equity between national and State banks regarding shared automatic teller machine networks

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Automatic Teller Machine Competitive Equity Act of 1985".

SEC. 2. INTERSTATE BRANCHING.

The first sentence of section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)) is amended—

(1) by striking out "and" before "(2)"; and

(2) by inserting before the period at the end thereof the following: "; and (3) within any other State if—

"(A) the statute laws of the State in which the association is located expressly authorize State banks to establish such branches; and

"(B) the statute laws of the State in which the association is seeking to establish such interstate branches expressly authorizes State banks located in the State in which the association is located to establish such interstate branches, subject to restrictions regarding location of branches that such State may impose on such out-of-State banks. In determining whether or to what extent to permit the establishment or operation of a branch by a bank the principal place of business of which is in another State, a State may allow such branching—

"(i) without restriction; or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for reciprocal treatment of banks located in its State; or

"(III) other similar conditions or restrictions".

SEC. 3. STATE BRANCHING LAWS.

Section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)) is amended by adding at the end thereof the following new sentences: "For purposes of this section, State laws applicable to automated teller machines, customer bank communication terminals, point-of-sale terminals, and cash dispensing machines are a part of the branch banking laws of the State and are applicable to national banking associations. In any case in which a State does not have a State law described in the preceding sentence, regulations, rulings, and interpretations which are issued by a State banking regulatory authority in such State and which are applicable to automated teller machines, customer bank communication terminals, point-of-sale terminals, and cash dispensing machines shall be deemed to be a part of the branch banking laws of the State and are applicable to national banking associations.".

SEC. 4. AGGREGATE CAPITAL REQUIREMENTS.

Section 5155(d) of the Revised Statutes (12 U.S.C. 36(d)) is amended by adding at the end thereof the following new sentence: "For purposes of determining the aggregate capital required by this subsection, automated teller machines, customer bank communication terminals, point-of-sale terminals, and cash dispensing machines shall not be considered branches of a national banking association if they are not owned or rented by the national banking association.".

SEC. 5. BRANCH APPROVAL.

Section 5155(e) of the Revised Statutes (12 U.S.C. 36(e)) is amended by adding at the end thereof the following new sentence: "The Comptroller of the Currency may, by regulation, waive the approval requirement of this subsection with regard to automated teller machines, customer bank communication terminals, point-of-sale terminals, and cash dispensing machines which are not owned or rented by a national banking association.".

SECTION-BY-SECTION ANALYSIS

Section 1

Section 1 contains the short title of the bill, the "Automatic Teller Machine Competitive Equity Act of 1985."

Section 2

Section 2 would remove the absolute prohibition on interstate branching by national banks and give them parity with state banks in this regard. Under this provision, both interstate placement of ATM or brick and mortar branches and participation in interstate ATM networks would be permitted for national banks if state banks were allowed to do so under pertinent state laws.

Under Section 2 you have an exporting state, "the state in which the association is located", and a receiving or importing state, "the state in which the association is seeking to establish such interstate branches". Two things must happen before interstate branching may occur:

(1) the exporting state must expressly authorize its banks to establish interstate branches, and

(2) the receiving state must expressly authorize out-of-state banks to establish interstate branches within its borders.

The receiving or importing state may reject interstate branching, it may permit such branching without restriction or it may make its statutory permission conditional.

Section 2 is a necessary part of the bill, since the absolute prohibition on interstate branching of national banks, as applied to ATMs under the relevant case law, would otherwise preclude their participation in interstate ATM networks. While the subject matter of the section is somewhat broader than mere ATM branches, it does nothing more than extend to national banks parity with state bank branching under state law. The practical effect is minimal, since only Massachusetts, Utah and Kentucky currently permit reciprocal interstate branching.

Section 3

Section 3 clarifies the status of ATM branches under the McFadden Act. It provides for the application of state laws to ATMs which perform banking functions irrespective of who owns them. By looking primarily to the functional definition of a branch (1) it ensures that the form of the agreements for system sharing will not be elevated to a position of greater importance than the substance of what is being done, (2) it prevents circumvention of the federal restriction on branch banking and (3) it reestablishes the applicability of the body of state laws regarding electronic banking.

The Supreme Court enunciated the principle that state law applicable to electronic banking devices is a part of the branch banking laws of the state, which is incorporated into the National Bank Act by the McFadden Act. That principle was undercut by a recent U.S. Court of Appeals decision which held that ". . . a national bank's usage of a shared ATM which it does not own or rent, does not constitute the establishment and operation of a branch under Section 36(c) and (f) of the McFadden Act." By giving deference to the arbitrary distinction between ATMs "owned or rented" by national banks and those simply "used" by national banks for banking transactions, the Court ignored both the prohibition on interstate branching and the deference to state law which are fundamental to the McFadden Act. Unless this misapplication of federal law is rectified, full banking services may be offered by anyone, acting as an agent for a bank, on a nationwide basis without regard for the pertinent federal and state laws.

Section 3 reestablishes the principle enunciated by the Supreme Court and prevents its circumvention by the elevation of form over substance. It restores as the primary consideration the banking transactions which are being performed rather than the technical ownership of terminals. And, it does so in a way which permits existing interstate ATM networks to continue to operate.

Section 4

Section 4 would provide for the exclusion of ATMs not owned or rented by a bank from the determination of aggregate capital for that bank.

Section 5

Section 5 would give the OCC the authority to waive the branch approval process for ATMs which are not owned or rented by a bank.

SUMMARY OF IBANYS *v.* MARINE MIDLAND—U.S. COURT OF APPEALS FOR THE SECOND CIRCUIT, DECIDED FEBRUARY 27, 1985

Facts: Customers of Marine Midland Bank, N.A. (Marine) were using an automated teller machine owned by Wegmans Food Markets (Wegmans) to make deposits and cash withdrawals, to obtain cash advances against credit cards, transfer funds between accounts, pay bills and obtain account balance information. Under their agreement, Wegmans services the ATM and Marine operates the "switch" (central computer processing facilities) as a part of the HarMoney shared ATM network. Marine is assessed fees on a transaction basis. The agreement between Marine and Wegmans was entered into in reliance on a regulation of the Comptroller which provided that an ATM was a branch only if it was "owned or rented" by a national bank.

Decision below: U.S. District Court for the Western District of New York enjoined Marine Midland Bank from using an ATM owned and operated by Wegmans Food Markets. 583 F Supp. 1042 (1984). The district court held that Marine's use of the ATM constituted unauthorized branch banking under the McFadden Act.

Main issue: Whether the shared ATM in the Wegmans store is a branch established and operated by Marine.

Held: ". . . a national bank's usage of a shared ATM which it does not own or rent, does not constitute the establishment and operation of a branch under Sections 36(c) and (f) of the McFadden Act." Subissue: Whether Wegmans is conducting a banking business without the requisite state authorization.

Held: ". . . the application of New York Banking Law to Wegmans' provision and maintenance of an ATM should be left to the courts of the state. Accordingly, the judgment below for Wegmans on the pendent claim is vacated, and the district court is instructed to dismiss that claim without prejudice."

Rationale: The question of whether a particular facility is a branch established and operated by a national bank under the McFadden Act is a question of federal law.

The Court sought to construe the meaning of the phrase "establish and operate" a "branch" under the McFadden Act. Since the Congress in 1927 could not have foreseen current developments in banking practices, a rigid application of the language of 1927 would lead to "anamalous results." Therefore the Court looked to legislative intent and "the views of the executive agency charged with the Act's enforcement."

The Court found that the governing principle behind the McFadden Act was competitive equality between state and national banks. On balance, the Court found that if shared ATM usage were deemed the "establishment" of a "branch" for purposes of federal law, national banks would be prohibited from interstate participation in shared networks which, in turn, would "limit the ability of national banks to compete in the use of major technological developments in this industry, contrary to Congressional purpose." (NOTE: The court seems to treat the prohibition on interstate branching as something to the overcome rather than as an integral part of the McFadden Act, evidencing Congressional intent contrary to the outcome of this case.)

Turning to the determinations of the OCC, the Court noted that the view of the administrative agency charged with enforcement is ordinarily entitled to "considerable respect." This is especially true where regulated parties have acted in reliance on the agency's ruling and would be harmed by a reversal, as in this case. The Court found that the OCC interpretation appears to serve the purposes of the McFadden Act. (NOTE: Again, this finding appears correct only if you ignore evidence of Congressional intent to prohibit interstate banking.) Therefore, deference was accorded to the OCC determination that an ATM that is not "owned or rented" by a national bank is not a branch under the McFadden Act.

The Court did make note of the arbitrariness of the OCC distinction. It stated, "Whether an ATM is 'owned' or 'rented' or simply 'used' by a bank may be more a matter of how agreements are structured than a reliable determinant of whether or not the ATM constitutes a 'branch'. However, the Court found that the Comptroller's definition of 'branch' in its 1982 regulation 'is a reasonable construction of the McFadden Act'."

The Court then spoke to the need for Congressional action:

". . . Given the technological promise of interstate electronic banking and the substantial steps already taken toward achieving it, if the momentum already developed should be stopped, it should be done by Congress, and not by this court, particularly when the barrier we are asked to impose would be based upon definitions framed over 50 years ago."

"Should Congress find itself in disagreement with the Comptroller's Regulation, which we accept as a legitimate interpretation of the governing statute, a legislative solution is available."●

STAR WARS IS NOT A LAUGHING MATTER

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. KASTENMEIER. Mr. Speaker, I wish to call to the attention of my colleagues and editorial comment from Harrison Brown, editor-in-chief of the Bulletin of the Atomic Scientists on the President's star wars program. Mr. Brown's comments appeared in the Bulletin's May 1985 issue.

Mr. Brown fears, as do many, that the President's star wars proposal will result in the Soviets launching an energetic effort to develop offsetting sys-

tems to overpower or evade the deployment of a defensive system which holds out the possibility of blunting an incoming missile attack. With such an inevitable Soviet reaction, we will find ourselves in a situation similar to that which existed with the deployment of a destabilizing and costly ABM system in the late 1960's and 1970's.

STAR WARS ONCE FUNNY, NOW FRIGHTENING

(By Harrison Brown)

More than two years have passed since President Reagan introduced his Strategic Defense Initiative, popularly known as "Star Wars," which was conceived as a massive research and development effort to achieve an extremely effective defense against strategic missiles. Indeed, he visualized the development of a system so perfect that guided missiles with nuclear warheads either could no longer be exploded or would explode well above the earth's atmosphere, where they would do no harm. Once this marvelous situation was achieved, nuclear weapons would be obsolete and our fears of nuclear annihilation would end.

When I realized that the president was deadly serious about this project, I laughed, and I am quite certain that my laughter blended with that of thousands of other scientists and engineers. The goal was probably not attainable, but even if it were, both the time scale and the cost would be enormous. Furthermore, every new defense breeds a new offense, which in turn makes the design of a perfect defensive system virtually impossible. We would soon find ourselves in the middle of a new kind of arms race, the dimensions of which could be unprecedented.

When we couple such thoughts with the fact that no competent technical person really knows what this ultimate defensive system might look like, how much it might cost, how much research and development might be required, or how much time might be needed, the president's proposal increasingly appeared to be a hallucination. It seemed to many of us that few persons in government would take the dream seriously. Congressional funding on a substantial scale seemed dubious.

Now it seems quite possible, however, that those of us who laughed when the Star Wars concept was first suggested should be crying. This is not because there has been any major technological breakthrough or any major change in concept. Rather, the Star Wars idea is rapidly becoming extremely popular, particularly among people who do not understand the scientific and technological realities of the situation. With increasing frequency we hear statements of approval of the concept from government officials, both in this country and abroad. We read approving articles and editorials in newspapers.

Clearly the concept has aroused in most of us the deepseated desire to return to the good old days when nuclear weapons did not exist. Since nuclear weapons are unlikely to be eliminated by negotiation in the foreseeable future, increasing numbers of people are looking to Star Wars defense systems as a means of returning to a world which, although it existed once, can never exist again. As we have done so often in the past, we are dreaming of things that cannot be, and the transition to the real world is painful.

At the moment little exists in the Star Wars program except some limited research and development activities costing $1.3 billion this year, and scheduled to rise to $3.7 billion in fiscal 1986. But I suspect that what we are seeing is the tip of the iceberg. The scientific-military-industrial community has sniffed the air, has smelled the billions of dollars which are potentially available, and has started to plan programs and write project proposals. The Pentagon has announced a major speed-up of tests of aiming and tracking devices for defensive weapons such as lasers. The experiments will involve at least two shuttle flights per year.

How could official Washington or the general public possibly object to the rapid escalation of a program which has the major objective of eliminating nuclear weapons from the earth? Of course it would be terribly expensive, but wouldn't a nuclear-free world be worth it?

At present many national and world leaders hesitate to express their approval of the deployment of a full-fledged Star Wars system once the final blueprints are in hand. But virtually all agree that a vigorous research program is essential if we are to learn what is possible. Unfortunately, however, this area of endeavor vastly transcends the laboratory and the pilot plant. Research would eventually require experiments on a huge scale, not far removed from full-scale deployment of the system.

In the meantime, how might we expect the Soviet Union to react? Already it has expressed considerable unhappiness that we are seriously considering embarking upon a full-scale Star Wars program. Soviet scientists have probably told the Kremlin pretty much what our scientists have told the White House about the chances for success. One thing the Soviet Union does not need now is another massive, expensive, complicated research and development program. Under the circumstances it seems highly unlikely that the Soviet Union would initiate such a program on its own. But if the United States plunges into it at full speed, the Soviet Union will have no choice, no matter how crazy the entire scheme might appear. If the Soviet leaders behave rationally, I suspect that they will do everything possible to dissuade us from embarking upon a massive Star Wars program.

What a difference a year makes! One year ago who would have thought that an idea which makes no technological sense would be so warmly received by both officialdom and the general public? In this sense it is somewhat reminiscent of the concept of perpetual motion, which has always had its fans in the nontechnological world. But unlike perpetual motion, the Star Wars concept carries with it unprecedented dangers. This frightens me.●

THE SANDINISTA BETRAYAL

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FIELDS. Mr. Speaker, soon this body will be asked to vote upon the question of assistance for the freedom fighters in Nicaragua. Much will be said for and against the question. However, the single most important point is represented by this observation by William McGurn and the factual points which follow.

"The revolution is always betrayed in the end."

THE SANDINISTA BETRAYAL

Today, the Sandinistas rule Nicaragua with an iron fist. Listed below are the promises they made in 1979 and how those promises were broken and ignored.

DEMOCRACY

Last year, under pressure from Western nations, the Sandinistas held a mock election—the only election ever held. Nicaragua's Comandante Bayardo Arce virtually admitted in May 1984 that the upcoming election was a sham.

Speaking in what he thought was a private, off-the-record meeting with one of the Marxist-Leninist parties "competing" with the Sandinistas he called the upcoming elections a "nuisance" that should be used "to demonstrate that . . . the Nicaraguan people are for Marxism-Leninism."

During the election, Nicaraguan voters were intimidated by local bands of Sandinista thugs who told them how to vote. Despite that, one out of every three voters dared to cast a ballot against the Sandinistas.

POLITICAL PLURALISM

The Sandinistas promised to allow political parties and let them operate freely. But they imposed a single political party—the Sandinista Front of National Liberation (FSLN).

They abolished all independent political organizations that appeared to pose any threat to them. And political dissidents were—and continue to be—intimidated, forced into submission, exiled, jailed or killed.

LIBERTY, JUSTICE

The Sandinistas promised liberty and justice to the Nicaraguans. They delivered—

A police state modeled after Cuba and the Soviet Union;

A judiciary filled with Sandinista revolutionaries who have been "rewarded" for their service;

All kinds of special tribunals under direct control of the junta;

"Neighborhood committees"—modeled by the Sandinistas' own admission after Cuba's infamous committees—to spy on neighbors and serve as "the eyes and ears of the revolution"; and

Bands of peasants in local communities, armed by the Sandinistas and unleashed from time to time to intimidate dissenting voices into submission. Commander Daniel Ortega calls them "divine mobs."

HUMAN RIGHTS

The Sandinistas promised full observance of human rights. But they have racked up the worst human rights record of any Latin American country, including Cuba.

Immediately after the revolution, the Sandinistas began wholescale massacres of political criminals, the forcible relocation of thousands of Miskito Indians, expulsion of Jews from the country and countless other atrocities.

When the Nicaraguan Human Rights Commission began denouncing some of the violations, the Sandinistas immediately padlocked the human rights office, confiscated its documents, unleashed mobs against its former employees and dragged some of them off to jail.

LABOR UNIONS

The Sandinistas promised free labor organizations. Instead, they are constructing a

socialist state based upon a single, Sandinista "labor union."

They have not yet abolished all independent unions, but they have worked to render them powerless. Strikes have been outlawed. Union leaders cannot hold meetings, collect dues, organize without government interference or ask for more pay (despite high Nicaraguan inflation).

FREEDOM OF SPEECH, PRESS

The Sandinistas promised freedom of speech and press. But they have effectively silenced all dissenting voices.

Today, they own all Nicaraguan TV stations, eight of ten radio stations, and two of three newspapers. The few independent news media labor under strict, permanent censorship.

In the last three years, the Sandinistas have prevented publication of the independent *La Prensa* at least 40 times. The editor, Pedro Joaquin Chamorro, found the censorship so tight he left the country in December 1984.

FREEDOM OF RELIGION

The Sandinistas promised freedom of religion. Instead, they expelled foreign missionaries and—to compete with the Catholic church—set up a "popular church" subservient to the government.

On his 1984 visit to Nicaragua, Pope John Paul II was heckled and jeered at by Sandinista zealots during an open-air mass.

"Divine mobs," organized by the Sandinistas, harass Catholic priests who do not openly preach Marxist doctrine. They have also seized at least 20 Protestant churches in the Nicaraguan capital of Managua and destroyed church propery to end supposed criticism of government policies.

Harassment of Jews is so great that virtually all have fled the country. In 1979, in an early signal of their anti-semitism, the Sandinistas fire-bombed the only synagogue in Managua. Jewish synagogues have since been confiscated by the government.

NON-ALIGNMENT

The Sandinistas promised a nonaligned foreign policy. But they have delivered Nicaragua into Soviet and Cuban hands.

The red banners bearing a hammer and sickle at their victory celebration in July 1979 spoke louder than words. Hatred of the United States is written into the Sandinista national anthem—"We fight against the Yankees, enemies of mankind"—and their national seal shows a Sandinista beheading a U.S. Marine.●

AISHEL AVRAHAM

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to call your attention to Aishel Avraham, a nursing home in the Williamsburg section of Brooklyn. A model example of care for the elderly in this country, Aishel Avraham shows us that it is possible to meet the needs of the aged in a humane and caring way. In a society that looks mostly to the young and to the new, the aged are often tragically ignored and pushed to the side. At Aishel Avraham, though, this tragedy has not occurred as the staff there instills in the residents a sense of dignity and respect they so richly deserve.

The large number of volunteers who consistently contribute their time to Aishel Avraham testifies to both its excellence and its uniqueness; 350 members of the Brooklyn community regularly help the residents in a variety of ways. From high school students to rabbis, the volunteers feed those patients who cannot serve themselves, write letters for those whose eye and hand coordination have failed them, assist in baking projects, or, simply, listen to the concerns of the residents.

Andor Weiss, the executive director of Aishel Avraham, is committed to serving the needs of the patients in the fullest way. It is my hope that the dedication demonstrated by him and all those at Aishel Avraham will inspire others so that the elderly in this country receive the finest care. As Franklin Delano Roosevelt once said:

The test of our society is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.

The spirit of Roosevelt's words is certainly alive at Aishel Avraham.

A recent article in the New York Times recognized the fine work at Aishel Avraham and I commend it to the attention of by colleagues:

A NURSING HOME GETS READY FOR PURIM

(By Ari L. Goldman)

Like the warmer weather and the chirping birds, the smell of hamantaschen baking in the oven has always meant the coming of spring for Sophie Segal. For 60 years, Mrs. Segal kneaded the dough and fashioned the three-corner pastries eaten on the Jewish festival of Purim, which comes with the changing season.

About a year ago, because of failing health and the death of her daughter, Mrs. Segal had to move from her Lower East Side apartment to a nursing home in the Williamsburg section of Brooklyn. But she did not stop baking hamantaschen.

There were mounds of dough, rolling pins and pots of prune butter along a table at the Aishel Avraham nursing home this week. A thin layer of white flour seemed to cover everything, including Mrs. Segal and a dozen other residents who were busy at work.

"Aren't they beautiful?" Mrs. Segal said as she held up a pan of meticulously arranged triangles of prune-filled dough ready for the oven. "It's Purim."

CONTINUITY WITH THE FUTURE

Purim, a one-day holiday that begins at sundown tonight, celebrates the foiling of a plot to destroy the Jews in ancient Persia.

Purim is celebrated on the 14th day of Adar, the sixth month of the lunar Jewish calendar. As with all Jewish holidays, the date of Purim varies in the Gregorian calendar, which is based on movements of the sun.

At Aishel Avraham, the holiday is a link to a more recent past and provides continuity with the future.

"What we try to do here is show that life didn't stop," said Andor Weiss, executive director of the nursing home.

Aishel Avraham is in a modern five-story building at the corner of Heyward Street and Bedford Avenue. But the synagogue on the first floor is much like the Hasidic study halls of prewar Europe. Frail men with long white beards are bent over large volumes of the Talmud. A red velvet curtain hangs over the ark that holds the Torah scroll.

AN EARLY RISER

David Tichobolsky, a man in his 70's who needs a wheelchair to get around, is always the first in synagogue each morning.

"The Almighty, blessed be He, said: 'Since the destruction of the holy temple, I dwell at the door of every synagogue. Who will be the first to come to greet me?'" Mr. Tichobolsky said.

Mr. Tichobolsky answers the question by being at the synagogue each day at 5 A.M., more than two hours before morning prayers begin.

Getting up in the early hours is nothing new for him. For 30 years, he was the gabbai, or sexton, of a synagogue in Queens. "I trained my successor and then I moved here," Mr. Tichobolsky said with a smile. "Here, we can keep all the traditions."

The Williamsburg section, still a Hasidic and ultra-Orthodox stronghold despite declines in the area's Jewish population, has adopted the Aishel Avraham nursing home as its own.

350 VOLUNTEERS HELP OUT

More than 350 volunteers from the community help out on a regular basis. There are as many volunteers, in fact, as the total of residents—200—and staff members—150.

Dozens of volunteers, from high school girls to elderly rabbis, arrive before each meal to spoon-feed those patients who cannot serve themselves. Others read or write letters for those whose eyes or hand coordination have failed them. There are also those who come to give a class, assist in a baking project or simply listen.

"Sometimes," Mr. Weiss said, "the greatest mitzvah is in the listening."●

A SUPPLY-SIDE APPROACH TO NUCLEAR WASTE REPOSITORIES

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SKEEN. Mr. Speaker, the Nuclear Waste Policy Act of 1982 [NWPA] was signed into law on January 7, 1983. Its purpose was to provide for the development of repositories for the disposal of high-level radioactive waste and spent nuclear fuel, to establish a program of research, development, and demonstration regarding the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes. Its goal is to have the first repository operational by 1998.

Today, it is no secret that many believe this goal cannot possibly be met. While I supported the NWPA, the law is exceedingly complex and there are still many impediments to implementing the program. In addition, the process itself will cost tens of billions of dollars and, even if it does succeed, will take many years to accomplish. Recently, a research paper was brought to my attention which pro-

poses a method for getting there in 7 years while saving billions of dollars. The paper is a summary of a more extensive research effort by Mr. Larry Harmon of the Industrial College of the Armed Forces. I commend Mr. Harmon's paper to all of my colleagues:

A SUPPLY-SIDE APPROACH TO NUCLEAR WASTE REPOSITORIES

BACKGROUND

The debate over radioactive waste disposal continues in spite of recent legislation establishing a program to develop a deep geologic repository for high-level waste from civilian nuclear power plants. Over 12 percent of the electricity generated in the United States is produced in nuclear power plants. However, these plants have produced over 9,000 metric tons of spent fuel (high-level waste). By the year 2000, this figure will be about 50,000 metric tons. The problem of disposing of this waste is thought by many to be the Achilles heel of nuclear power. It is currently a major rallying point for those who oppose nuclear power.

Although extreme public concern and anxiety exist about radioactive waste disposal there is broad technical consensus that the task can be accomplished safely. In 1957 the National Academy of Sciences recommended that these wastes be disposed of in deep geologic rock formations with salt being a particularly good formation. Extensive research, environmental analysis, and other studies support the concept of geologic disposal. The Nuclear Regulatory Commission (NRC) has ruled that geologic disposal of radioactive waste is indeed feasible and achievable.

The Department of Energy (DOE) is now constructing a limited use repository (Waste Isolation Pilot Plant—WIPP) in a deep salt formation in southeast New Mexico. Beginning in 1988 DOE plans to actually dispose of certain wastes from nuclear weapons production.

Congress agreed that waste disposal was a serious problem and in 1982 passed the Nuclear Waste Policy Act. The Act provides a framework for the Department of Energy to construct a repository for the disposal of high-level waste from civilian nuclear power plants by 1988. Specifically, the Act provides:

Schedules, decision points, and other considerations for siting, licensing, and constructing repositories,

Arrangements for State, Indian Tribes, public, and special interest group participation in the total process,

Mechanisms for funding the program by establishing a fee on nuclear generated electricity, and

Federal agency responsibilities.

Although the Nuclear Waste Policy Act provides a detailed road map for establishing a repository, many believe that the Federal Government is not likely to succeed in doing so. Even if it does succeed, it will do so at great cost and certainly long after the 1998 date required by the Act. The approach, however, is an old and tired one of throwing money and a new bureaucracy at a tough problem. The cost will be tens of billions of dollars which must be paid by the users of nuclear generated electricity.

There are serious impediments which can slow down or even stop repository construction. The complexity of the Act itself will surely create significant problems. Any nuclear issue is an institutional and political nightmare—radioactive waste disposal is no exception. The NWPA has something for everybody. Politicians, environmentalists, antinuclear groups, and the public will all have their day in court. Perhaps the most serious problem is the media role in shaping negative public sentiment. In view of the high-cost, significant schedule risk, and built-in insurmountable problems, this paper proposes an alternative approach. A supply-side or entrepreneurial approach in the private (non-Federal) sector could work more efficiently, cost less, and result in an operational repository in 7 years.

REPOSITORY COST CONSIDERATIONS

The Department of Energy estimates that by the year 2002 it will spend about $6.5 billion on development and evaluation—no construction. Depending on the rock medium selected, construction costs could exceed $2 billion. Operating costs are estimated at $150 million a year. There is no provision in these figures for schedule slips or interim storage if a repository is not open by 1998. By DOE's own admission, these estimates are preliminary. Neither the Government nor the nuclear industry has a demonstrated ability to control cost.

Given the magnitude and uncertainty of these estimates, the extreme unlikelihood of meeting schedules, and the inability of Government agencies to control cost growth, utilities and ratepayers should be looking for better solutions. The cost and schedule for building the Waste Isolation Pilot Plant (in bedded salt) stand in sharp contrast to NWPA program direction. In this project located in southwest New Mexico, the Department of Energy has demonstrated a very high degree of cost and schedule discipline. WIPP is significantly below cost and ahead of schedule. Current WIPP costs estimates are identified in DOE's 1986 Congressional Budget Request:

	Million
Construction Cost	$459
R&D, Evaluation, etc	234
Total	693

Yearly operating costs are estimated at $22 million in 1983 dollars. Admittedly, WIPP is an unlicensed facility and is not designed for high-level waste disposal. But, it is safe and there has been intensive technical review by the State of New Mexico, the National Academy of Sciences, and others.

DOE has established the Nuclear Waste Fund required by Section 302 of the NWPA. The Act requires that the producers (and therefore the users) of nuclear power pay for the cost of waste disposal. The initial fee of 1 mill per kilowatthour (kWh) for all nuclear-generated electricity was set by the Act. This fee is subject to annual review and revision as program funding requirements become better defined. In addition, a one-time charge was assessed for all spent fuel in storage at nuclear power plants. The kilowatthour fee is currently generating about $30 million a month. The spent fuel charge revenue will be about $2 billion. Timing of the one-time payment will be negotiated with the utilities. Seventy utilities, reactor operators, and fuel vendors have now signed waste disposal contracts with DOE and have started paying into the Nuclear Waste Fund.

The kWh fee is a masterpiece of funding strategy. A charge of one tenth of 1 cent for a kWh of electric power produced by a nuclear powerplant is a miniscule charge. It is hardly felt by the ratepayer. Yet, it can, by slight manipulation, produce hundreds of millions of dollars in revenue, and still hardly be felt. It is a small charge on an incredibly large number of units. This increase in revenue could be used to develop incentives for a State and locality to cooperatively host a repository.

DOE's Electric Power Monthly reports price and consumption of electricity in 40 selected U.S. cities. To illustrate the impact of slight changes in the waste disposal fee, a comparison is made in Table 1.

TABLE I.—THE EFFECT OF WASTE DISPOSAL FEE ON THE PRICE OF ELECTRICITY

City	Price of electricity (Cents per kilowatt hour	Waste disposal fee as percent of price of electricity		
		1 mill	2 mills	3 mills
Seattle (low)	2.03	4.93	9.85	14.78
Baltimore (median)	8.09	1.24	2.47	3.71
New York (high)	17.32	.58	1.15	1.73

The low rate in Seattle (Bonneville Power) is shown only for reference since most nuclear power is distributed in areas where rates cluster around the median. As shown above, even if the waste disposal fee were tripled (3 mills per kWh), it would be only about 4% of the cost of power for most users.

DOE's Energy Information Administration has projected the future growth and use of nuclear power. This data (Table II) is the basis for projecting yearly waste disposal fees which could be available:

TABLE II.—FUNDS AVAILABLE FROM WASTE DISPOSAL FEES

Year	Nuclear power (terawatt hours)	Disposal fees (millions)		
		1 mill	2 mills	3 mills
1983 (actual)	294	$294	$588	$882
1985	385	385	770	1,155
1990	581	581	1,162	1,743
1995	643	643	1,286	1,929

The point to be made in all this discussion is that an efficient repository developer has virtually unlimited resources available. These resources can be translated into staggering economic benefits to the State and locality willing to accept a radioactive waste repository.

A SUPPLY SIDE ALTERNATIVE

The purpose of proposing a supply-side approach to constructing the Nation's first commercial repository is simply to suggest that a free market approach could accomplish what brute force and politics may not. "Supply-side" is an attempt to capitalize on the current popularity of the term and reflect the private enterprise preference of the Reagan Administration.

The supply-side economists say that the way to economic growth is to cut taxes and Government spending—let the market work freely. Lower taxes should result in savings and investment, thereby improving output and productivity. With the proper incentives, the free market is better able (than the Government) to provide more supplies at lower prices. Output the productivity will go up with a decrease in inflation.

An important point to be made in this paper is that there can be significant free market (supply-side) benefits to be accrued by a State [1] and the specific locality where a

[1] It should be remembered that the NWPA gives Indian tribes the same right. as States in siting a

repository is constructed. A cooperative (nonadversarial) approach by Federal, State, and local Governments along with the nuclear power industry can solve this waste disposal problem much more efficiently. Such a cooperative effort is possible only by a creative approach and focusing on the supply-side incentives. It is widely perceived that NWPA is the Long-Term Employment Act (like WPA) for environmentalists, waste managers, and lawyers. It is time to short circuit the bureaucratic system.

INCENTIVES

The primary incentive to hosting a repository is MONEY. If a deep geological repository were constructed for disposing of old automobile batteries, it would be a new industry welcomed with open arms. The nuclear nature of the repository, however, creates a new set of public perceptions which are not in tune with scientific reality. In fact, a facility for disposing of old car batteries might even be more hazardous than a nuclear waste repository in the long term. Money (jobs, commerce, etc.) creates the ability to move perceptions and attitudes more into line with reality.

NWPA allows DOE (absent a legislative veto) to collect whatever is required to cover the cost of disposal, and utilities must pay it. The current fee is one mill per kWh. Why not two mills? Why not three mills? From a free enterprise point of view, the money now being collected is being inefficiently spent on fighting the tidal wave of opposition and addressing every technical question imaginable. To make matters worse, there are now three tidal waves—Texas, Nevada, and Washington. Many would argue that a fourth tidal wave is the network of environmental and antinuclear interests dedicated to destroying nuclear power.

Wouldn't it be more efficient to optimize the incentives and work the problem cooperatively with a single state? Why not make an honest, fair, open, and negotiated deal? The packaging of that deal would provide the supply-side incentives to building a repository in a cooperative and efficient environment. A State could impose a highly profitable user fee which should not be looked on with cynicism. A high fee, say 3 mills, is simply a realistic charge for taking a hazardous and politically unpopular commodity for disposal. Those who accept it should indeed receive special consideration.

A second incentive is an assured significant expansion of the State and local economic infrastructure. As with any new industrial facility, local demand is created for supplies, services, and skilled labor. Permanent jobs created by a repository will have a multiplier effect in creating new demand. The potential for spinoff business and increased municipal support systems is enormous.

Perhaps an even more important incentive, would be a State's enhanced ability to demand concessions, special considerations, and further development of its economic infrastructure. These concessions and considerations should not be limited to the State-Federal deal. They should include the nuclear industry as well. In fact, the nuclear industry is in an excellent position to be truly creative and innovative without Government interference. Architect-engineers, constructors, plant operators, and equipment vendors could make their own deal with a repository host. Their participation with the host State in developing new commerce and industry may be an even more credible incentive than the State-Federal deal. Again, the responsibilities are only limited by the vision and imagination of those negotiating the deal.

Significant new ancillary facilities and industries would be created by a working repository. New shipping casks, rail cars, and trailers are needed. The host could demand that they be locally manufactured. In fact, the host could demand that most goods and services be locally purchased or manufactured.

Additional facilities may be needed for spent fuel packaging or disassembly and repackaging. These facilities should certainly be located near a repository. With increased State and local acceptance of nuclear technology, development of other nuclear-related industries could follow. Demand is then created for more skilled labor and the technical schools and university programs to train them. One suggestion has been for the Government to establish a "world class" R&D center for radioactive waste management in the host State.

Along with statewide acceptance of nuclear technology could come a fuel reprocessing plant and possibly nuclear power plants. these are multibillion dollar projects. Communities could also demand that Government nuclear R&D facilities be part of the incentive package.

A final recommendation is that DOE should consider offering the state with the first repository locality a major nonnuclear project. One example is the proposed Superconducting Super Collider (SSC). SSC is a 200 trillion electron-volt colliding beam accelerator recommended by DOE's Independent High Energy Physics Advisory Panel. The project is estimated to cost $3-5 billion and take nearly 10 years to complete.

The SSC will be 50 times more powerful than existing machines. The accelerator ring is expected to be 100 miles in circumference. Many areas of the country with good repository sites also have land ideally suited for the construction of SSC. Hosting the SSC would make a State the world center of high energy-physics research. The economic and technical spinoff possibilities defy the imagination.

The SSC is an excellent example of how States and localities vie for new nonnuclear industry. February 15, 1985, headlines in the Los Angeles times stated "California Gears up to Vie for $3-Billion Atom smashers Site." The state has provided $500,000 for the University of California to finance the process.[a] This is one project that is "OK-in-my back yard"—not so with waste repositories. Why not link the two?

An argument could even be made for using fees collected by the repository State to fund or partially fund SSC. After all, SSC is a research tool for nuclear physics. A State, by partially funding SSC from user fees, would be a partner in its development. Right now there is no certainty of full funding of the SSC by the Federal Government. With a private sector participant, the project is significantly more viable.

A SUPPLY-SIDE PROPOSAL

As a theoretical construct, a plausible repository program is proposed. This proposal is suggested by recent DOE experience on the WIPP project and a belief that a free-market approach will be significantly more efficient. As a point of departure, a supply-side program is envisioned which would have the following features:

A 1-year effort to develop the strategy, quantify and promote the incentives, solicit proposals, and get a state to accept.

Two years for site characterization and development.

Four years to construct a repository.

Cost twice as much as WIPP (or $1,386 billion).

Cost $44 million per year to operate (twice as much as WIPP).

Save tens of Billions of Dollars in the process.

The host state and locality would be free to negotiate the deal including the degree of Federal participation (NRC, DOE, etc.). However, NRC participation could be beneficial to the State in terms of independent safety assurance. DOE has much experience in designing, constructing, and operating nulcear facilities which could be helpful to a State. The U.S. Army Corps of Engineers could manage construction as they did for WIPP. A State could also establish consulting or business enterprises to accomplish their objectives entirely in the private sector.

The Congress, DOE, and the nuclear industry should apply some new conceptual thinking to the problem. NWPA is the old solution of throwing money and a new bureaucracy at a tough problem. We are a nation of innovators and entrepreneurs—it is time to put our Yankee ingenuity to work.

A state willing to be bold enough to exploit the situation would only have to say "Stop the music (NWPA)—we are ready to do the job quickly and efficiently—here is our proposal."

Safe permanent disposal of nuclear waste is technically achievable. The evidence is overwhelming. There are, however, significant institutional and political impediments to achieving timely results, and the cost of overcoming these impediments to nuclear power users is enormous. It may even be impossible to achieve success in time to avoid serious impacts on the nuclear power industry.

A supply-side approach could short circuit the massive forces moving against the NWPA-designed program. The potential economic benefits to a State and locality hosting a repository stagger the imagination. It also staggers the imagination to think that a man set foot on the moon in a program spanning less than a decade. Yet, a spent fuel rod cannot be buried in a 200-million year old salt or granite formation, in 20 years, right on this planet.

The problem is left to the creative thinker to design a program to accomplish the objectve and ensure that the economic benefits are most advantageous to all concerned. An imaginative undertaking could get an alternative to NWPA going within a year. A cooperative relationship among the parties with a genuine sense of urgency is not beyond the realm of possibility. A program to open repository doors in 7 short years should delight the utilities, forever silence the antinuclear forces, and solve a problem of pressing national urgency. Solutions to tough problems are available "outside the box" if we are only bold and creative enough to look for them.●

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nuclear waste repository. An Indian tribe could locate a repository within its tribal boundaries and reap the same benefits as any State.

HUMANITARIAN AID?

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. OWENS. Mr. Speaker, The Reagan administration's request for $14 million in "humanitarian aid" for the Nicaraguan Contra rebels is vague and misleading. It appears to leave room for negotiation and resolution of the political differences between the Sandinistas and the Contra forces, but the language is so unclear that allows the administration to decide that the money can be spent on Contra arms and ammunition. Approval of the money which the administration has requested means a continuation of our military intervention in a sovereign state's domestic politics.

In Nicaragua's 1984 general election, 75 percent of the eligible voters actually voted, while the United States 51.4 percent eligible Americans voted in our Presidential election. Of those that voted in Nicaragua, Daniel Ortega captured 63 percent of the votes, compared with 59 percent for Ronald Reagan in the United States. To put it in another way, Daniel Ortega won the support of 47.25 percent of the eligible voters in Nicaragua. The popular support which the Sandinista government has demands our recognition even if we do not necessarily agree with all of the policies.

The presumption that the United States should be able to determine the political and social destiny of Nicaragua suggests a philosophical debate which mankind had been struggling with for the past 2,500 years. In The Peloponnesian Wars, the Greek historian Thucydides tells of an encounter between the defenseless people of the island of Melos and the mighty Greeks of Athens. The Athenians offer the Melians an ultimatum, they can either swear loyalty to Athens or they will be killed. The Melians argue that they, like the citizens of Athens, should be allowed the democratic right of choosing their own political allies and their own political future without coercion. The Athenian generals refused to grant political choice to the Melians. They contended that their superior military strength gave them control over the fate of other nations. The Melians insisted on the right to choose their own destinies, and they sacrificed their lives.

Like the people of Melos thousands of years ago, the Nicaraguan people are being faced with a difficult challenge. They react to the increasing pressure of the United States to topple their elected government by diverting resources from much needed economic development to defense. The CIA's mining of their harbor, the continuing American military exercises in the region, and this administration's strong support of the Contra rebels has made this necessary. The Nicaraguans fear an invasion by the United States and that fear is grounded on our actions over the last 4 years.

The United States has clear military superiority over Nicaragua. Nicaragua can bow to that superiority or vow to make its use as difficult and costly as possible. Nicaragua has made the second choice—a choice which is generally accepted as self-defense by our neighbors to the south and our European allies.

The United States has long taken the moral high ground in defense of fledgling nations. The Nicaraguan situation presents us with the opportunity to support the democratic elements there as the country moves away from the years of the Somosa dictatorship, a dictatorship which was supported by the United States.

The first step that must be taken is the ending of aid to the Contras and the cessation of military activity on Nicaragua's northern border and coastal areas. Health, education, and agricultural support personnel will help to revitalize the area and resettle those who have fled or been moved from the combat zone while ensuring that the United States will not be a party to combat activity there. Last, but not least, there must be a regional agreement on amnesty and resettlement for those currently serving with the Contras. This issue can be resolved as part of the Contradora process.

I will not support funding for the Contras. I urge my colleagues to consider the possibilities for peace and democracy in Nicaragua and to vote against military aid to the Contras. It does not matter what euphemism is in vogue to camouflage that aid. It remains the exercise of power and military might over a small neighbor.●

SALUTE TO CADETS OF CIVIL AIR PATROL

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RAHALL. Mr. Speaker, recently, I had the honor of addressing a luncheon of the cadets of the Civil Air Patrol, of which I am commander of the Congressional Squadron. I would like to congratulate them on their hard work and dedication on behalf of the Civil Air Patrol and bring to the attention of my colleagues their efforts. I would like at this point to enter into the RECORD remarks which I made on that occasion to honor these fine young Americans:

REMARKS OF HON. NICK J. RAHALL II

I would like to take this opportunity to welcome you to Capitol Hill. I understand that the Bronx had the outstanding cadet drill team a few years ago, congratulations on winning again.

I hope that you are enjoying your trip to Washington and the sights of our nation's Capitol.

As the Commander of Congressional Squadron, I understand the commitment you have made to CAP, and the time and effort that you have put into the cadet program. The cadet program is designed to inspire our country's youth to become leaders and dynamic American citizens through an interest in flying. You are the future leaders of your communities and state. CAP is important not only to you, but to this country. Last year, CAP search and rescue sorties saved 182 lives. In the last five years alone, CAP has logged over 83,000 hours in the air—mostly in our own aircraft, responding to over 6,184 emergency missions. There is no other organization that can do the job that CAP does, day after day. You are part of the program, that tradition, and you are what this organization is really all about.

You take part in a number of programmed and special activities. From these you develop the knowledge, skills, and attitudes needed to understand that total impact of air and space operations on society. You learn discipline by studying leadership and by learning military drill and courtesies. You become and remain physically fit through a special physical training program. As you progress through the ranks and awards, you learn responsibility. CAP cadets usually excel in life because they have the drive and ambition to not ask how difficult the mission is, but to jump in and make whatever it is a success.

As CAP cadets, you are very important to the Air Force. There is an "esprit de corps" within CAP, that brings us together. The contributions you are making to general aviation by your participation in Civil Air Patrol is valuable. You are important, and here in the heart of our nation's Capital, I want to challenge you to work hard and be whatever you want to be. President John F. Kennedy once said, "Don't ask what your country can do for you, ask what you can do for your country." You have already begin to answer that challenge.

The motto of Civil Air Patrol is "Semper Vigilans." May you be—"Always Vigilant"—forever.

Thank you.●

OFFSHORE DRILLING ALONG THE NORTHERN CALIFORNIA COAST MUST BE PROHIBITED

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LANTOS. Mr. Speaker, while James Watt may be gone, his evil policies linger on. The latest proposed regulations on offshore drilling from the Department of Interior will continue the environmentally disastrous policies that were introduced during his unfortunate tenure as Secretary of the Interior.

Today in hearings before the Interior Subcommittee of the House Appropriations Committee, I urged the continuation of the moratorium on off-

shore drilling along the northern California coast. In view of the proposed Interior program, we have no alternative if we are to save these magnificent and unique coastal areas from irreversible damage.

STATEMENT OF CONGRESSMAN TOM LANTOS ON OUTER CONTINENTAL SHELF LEASING AND OFFSHORE DRILLING BEFORE THE INTERIOR SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE

Mr. Chairman, I am delighted to have this opportunity to testify before you on an issue of critical importance to the peopl of California—and of particular interest to ie people of San Mateo County whom I represent.

The development of leasing proposals for offshore drilling has reached a crucial juncture. This committee has recognized the importance of this matter during the past four years, and I wish to express thanks to you personally, Mr. Chairman, for your interest and your concern.

I must once again seek your help. We have now been presented with new draft regulations from the Department of Interior issued by Secretary Hodel. I had hoped that our new Secretary of the Interior would show greater understanding for the concerns of California. Unfortunately, the recently released proposals are a severe disappointment. Again this Administration has displayed a remarkable lack of sensitity in its offshore leasing program. The new leadership at Interior is not departing from the policies pursued by former Secretary James Watt, under whose leadership we were subjected to massive acceleration of leasing—in clear violation of Congressional intent.

Secretary Hodel's claim that this draft program "reflects Interior's desire to resolve environmental and other conflicts early in the leasing process through consultation with the states and other affected parties" is not accurate. Despite the frequently expressed concern of the California Congressional delegaton, House members from California were never consulted about these proposals in a meaningful way, and we are confronted now by a program which fails to meet our basic requirements. The Interior Department program does make provision to exclude environmentally sensitive areas, but there is no assurance that these areas will actually be excluded. In fact, areas formerly placed off limits by this very committee are once again included in the leasing proposals, and these tracts could be available for lease as early as 1987 or 1989.

I cannot accept Secretary Hodel's claim that the rate of development of our offshore resources has been effectively slowed. Although the proposals apparently cut the number of lease sales from one sale every two years to one sale every three years, the regulations provide flexibility for the Secretary to accelerate sales in areas of "higher value and/or higher interest." There is little doubt that Secretary Watt's intentions have been preserved.

Area-wide lease sales—a policy first introduced by Secretary Watt—mean that vast tracts of the Outer Continental Shelf are up for sale with little or no regard for their resource potential. This policy was designed to open up as many off-shore areas as possible. Consequently, there is not adequate opportunity for proper assessment of the environmental and economic impacts of leasing specific tracts. Many coastal states, including California, have called for an end to this system, and a return to the "tract nomination" process previously followed. Congress has already recognized the inadequacies of area-wide leasing through its enactment of the moratoria.

It is very clear, Mr. Chairman, that we have no alternative but to call for extension of the Congressionally-imposed moratoria on certain environmentally sensitive areas, including the Northern California Coast.

The incomparable Northern California coastline is unique, both in its spectacular geography as well as its environmental interest. If Secretary Hodel has any doubt, let me repeat the offer which I and a number of my colleagues have already made: We welcome the opportunity to show him—and any member of this committee—the superb California coastline to demonstrate how it would be affected by offshore drilling.

The magnificent San Mateo County coast, which is near tracts available for lease, would be particularly susceptible to damage from oil spillage. The rocky inner tidal zone and the estuaries make it virtually impossible for oil to escape once washed towards the coast. In addition, the coast waters provide habitat for many sensitive marine species for whom any oil leakage would be disastrous. It is critical that leasing not be permitted in this region.

Offshore drilling would also prove disastrous to California's $16 billion tourist and fishing industries. Not only would the visual pollution of offshore oil platforms be a major deterrent to visitors, but there would be extensive onshore dislocation. Even during the exploratory stage, permanent service bases would have to be established, which would include expanded docks, warehouses, open storage areas, facilities for servicing derrick barges and tugs, and helipads. These developments would transform and degrade the Northern California coastline.

In addition to the evident environmental hazards of the Interior Department's leasing program, as a professional economist, I find the area-wide leasing program to be economically unsound. Lease sales under this program have invariably yielded smaller average bids per tract because oil and gas companies do not have to compete for a limited number of tracts with defined resource potential. Frequently, they are leased to single bidders at bargain basement prices. The program is designed for the benefit of big oil companies, with little or no regard for the public interest.

Mr. Chairman, there is no economic justification for launching headlong into this massive offshore program. Domestic energy demand is slackening, and even the oil industry has only qualified enthusiasm for the extensive Interior Department program. Of the 265 million acres offered since the areawide leasing process first went into effect, industry has only leased 13 million acres. In the case of the North Atlantic lease sale held last year, not a single industry bid was filed for any of the tracts offered. The lack of interest forced the Department of the Interior to cancel or postpone indefinitely five areawide sales.

In short, Mr. Chairman, the proposed leasing program does not have adequate environmental guarantees. In Northern California, the program is threatening an area of unparalleled natural beauty. Furthermore, the Interior Department proposal is highly questionable in economic terms. We must not permit these regulations irreversibly to affect these unique coastal areas.

I urge you to extend the Outer Continental Shelf leasing moratoria.●

IS AMERICAN COAL BEING UNDERMINED?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GAYDOS. Mr. Speaker, over the years, I have watched one domestic industry after another fall prey to foreign competition in the world of international trade. They have been squeezed out of traditional markets, at home and abroad, by the aggressive, and sometimes unscrupulous, tactics of foreign producers.

As a result, trade deficits, unheard of in our country just 15 short years ago, have become commonplace. Last year, as you know, we sustained a record wash of red ink totaling $123 billion and already some experts predict this highwater mark will be surpassed in 1985.

As yet, the domestic coal industry has not been a contributor to these deficits but some of the telltale signs that marked the decline of other industries are becoming visible in the coalfields. The threat to this industry's competitiveness can be traced to several factors, some of them beyond the control of the industry itself.

The overvalued dollar, for example, poses a threat to every segment of American industry trying to sell overseas. It makes U.S. products more expensive, including coal. A recent study suggests the inflated dollar is responsible for as much as 45 percent of the Nation's trade deficit.

At the same time, the trade tactics of certain nations work to their advantage in selling their goods here. If a foreign coal producer is subsidized, directly or indirectly by his government, his coal can be sold cheaper in the United States than the domestic variety.

Neither are foreign producers subject to the same rigid standards of safety and environmental controls with which our coal producers must contend. That translates into additional cost benefits enjoyed by the foreign producer.

It is because of these, and other factors, that the U.S. coal industry finds itself being challenged both at home and abroad.

Internationally, it sees competition coming from Australia, Canada, Poland, South Africa, Colombia, and China in the export market. Domestically, our coal industry's markets are being eyed by Poland, South Africa, Colombia, and Canada. A private study reported that more than 90 utility powerplants along our Atlantic and gulf coasts have the potential to import coal.

And records show our coal exports have fallen dramatically since posting

a record high shipment of 113 million tons in 1981. In the years from 1982 through 1984, exports totaled 106, 77, and 80 million tons respectively. This year, it is estimated coal exports will slip even further—to 73 million tons.

Meanwhile, back at the domestic mine, foreign coal producers reportedly are beginning to cast covetous eyes at the lucrative American market. It is true imported coal poses no real threat to domestic producers at this time. Shipments here, I understand, amount to something like 1.3 million tons per year.

But, Mr. Speaker, I remember all too well the complacent attitude past Congresses and past administrations took regarding the importation of steel and automobiles. They, too, were just a dribble at the start but they soon grew to a torrent and knocked those two industrial giants into a tailspin from which they have not yet—and may never—fully recover.

Foreign steel has made a habit of grabbing 26 percent of the domestic market and foreign autos already dominate the small car market here. The recent decision by the administration to let Japan decide whether to increase her car exports here does not bode well for the domestic auto industry, particularly if the price of gasoline begins to climb upwards.

And the domestic coal industry has not yet recovered from the economic recession. Unemployment in the coalfields still ranks at 16.5 percent, far above the national rate.

That grim picture is reflected in my 20th Congressional District of Pennsylvania, which includes two counties: Allegheny and Westmoreland. During the period from 1980 to 1984 (1984 figures being only preliminary), production in bituminous deep and strip mines in Allegheny County fell from 3,249,214 tons to 1,072,651. Employment echoed the slump, dropping from 1,689 miners in 1980 to just 369 in 1984.

The same situation held true in Westmoreland County mines. Production there plummeted from 1,814,028 tons in 1980 to just 545,664 tons in 1984 while employment slid from 814 to 170.

Mr. Speaker, the decline of American leadership in auto, steel, and other industries can be traced, I believe, to the unwillingness of past Congresses and past administrations to face the reality that we have been in a trade war. We have not only allowed foreign competitors to target certain industries for economic invasion—we have actually encouraged them. We have gone so far as to let the foreign competitor write the rules in our trade dealings with them.

That is history. But unless this Congress and this administration—or their immediate successors—learn from the mistakes of the past, history may well repeat itself, this time in coal.●

NICARAGUA—ANOTHER VIEW

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. KASTENMEIER. Mr. Speaker, as we approach debate on the President's proposal to release $14 million in military aid to the Nicaraguan Contra forces, I would like to call to the attention of my colleagues a report issued by two constituents and friends, Arthur and Susan Lloyd of Madison, WI, on their recent journey to Nicaragua. Their observations on what is happening in Nicaragua differs considerably from the pronouncements issued by the administration.

The report by Art and Sue Lloyd which appeared in the April 12, 1985, edition of the Madison, WI, Capital Times, follows:

PERSONAL VISIT TO NICARAGUA BRINGS EYE-OPENING

(By Arthur and Susan Lloyd)

With a small group from the Episcopal Diocese of Milwaukee, we recently visited Nicaragua for the consecration of the first native Nicaraguan bishop of the Episcopal Church. What we found and what we read from a variety of sources bears little resemblance to what we hear from Washington.

Nicaragua is described as "a brutal, totalitarian, communist regime," as another Cuba under the control of the Soviet Union. What we found was an impoverished country, suffering terribly from the continued war against the counter-revolutionaries, but with some notable achievements and, given the wartime conditions, relatively free.

U.S. citizens need no visa to enter the country and, with the exception of war zones, can travel freely. Among the variety of people with whom we talked were both supporters and opponents of their government and its policies.

Yet despite criticisms, the majority of Nicaraguans seem clearly to support and appreciate the many programs in education, health, land reform and political participation that they enjoy in a Nicaragua free from the hated Somoza dictatorship.

Washington describes the Sandinistas as brutal and the Contras as "freedom fighters." Although there have been abuses, freely admitted, in relation to the Miskito Indians, and we heard of abuses in relation to military conscription, we see a double standard being applied to Nicaragua.

On the one hand, Nicaragua should be compared both to the previous Somoza dictatorship, a truly brutal regime, and also to other Central American countries, such as El Salvador; Nicaragua's human rights situation compares very favorably with the latter, as reported by independent human rights organizations such as Americas Watch. Further, Americans should also remember that wartime conditions breed abuses; our government interned thousands of U.S. citizens of Japanese ancestry during World War II, confiscating property as well.

Described as "freedom fighters," the contra behave like the brutal National Guard of Somoza, of which many are former members. We were told and read of many accounts of the incredible damage done by the contras, including the kidnapping and murder of religious leaders, health workers and teachers, women and children.

While we were in Managua, the newspapers reported on more than 100 contras who, in response to a government amnesty, turned themselves in. A Canadian journalist whom we met had the opportunity with other journalists to interview these men in Esteli, all of whom shared the same general story: They were campesinos who had been kidnapped, taken to Honduras, trained and then forced to fight against their own people. Many young Miskito men have been similarly victimized, threatened with death if they did not join the contras.

All the evidence we see indicates that the Sandinistas are still committed to the three fundamental principles of their revolution: a mixed economy, a pluralistic political system, and non-alignment. We found many examples of private enterprise, including coffee farms, most of which are in private hands. One farm we saw is owned by a U.S. citizen.

In the Nicaraguan elections of this past November, seven political parties ran candidates for president and vice president as well as for the National Asssembly. Although not required by law to vote, 75 percent of the registered voters cast ballots and the Sandinistas received 63 percent of the vote. (The electoral system, modeled after Western European systems, provides for all parties to be represented in the National assembly, unlike our system in which it is very difficult for third-party candidates to be elected.)

As to non-alignment, Nicaragua has sought aid from the U.S., Latin America, Western Europe and the Soviet bloc. Although we trade with Nicaragua, the U.S. currently provides no aid and has blocked aid from international banks. Because of this, aid from the Eastern bloc has increased from 15 to 30 percent.

U.S. policy has the effect of driving Nicaragua towards greater dependence on the Eastern bloc—the very thing we say we deplore. We met no Nicaraguans who want that.

It is clear to us that the great majority of Nicaraguans participated in what they call "the insurrection" against Somoza, benefit from the health and educational programs for the poor, and support the revolution as their own. As people who have had our own revolution, we should respect their right to a government of their own making and choosing.

We urge all readers to contact congressional representatives and voice absolute opposition to any aid to the contras. It is appalling that our tax dollars should support the killing and terrorization of innocent Nicaraguans.

Readers should also urge our representatives to support the Contadora Peace process—a process that would, with U.S. support, guarantee mutual acceptance of each other's integrity by the Central American nations, the removal of all foreign military personnel, and negotiations to reduce military forces in the region.

The road to peace in Central America requires political support for broad-based democratic governments and processes and economic assistance, not more war.●

TRIBUTE TO MR. AND MRS. JOHN H. FOREHAND

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. ORTIZ. Mr. Speaker, on Sunday afternoon, April 21, a very loving couple will celebrate their 50th wedding anniversary at 121 Catalina Circle in Portland, TX.

Mr. and Mrs. John H. Forehand will be honored at this reception. Although Portland is located across the Corpus Christi Bay from my district, I have become well acquainted with this couple through my friendship with their son, John Forehand III. I would like to take this opportunity to congratulate the Forehands on their first 50 years together, and offer my best wishes for their future.

Their long life together is truly an inspiration to the people of our Nation. They were married on April 21, 1935 in Rockport, TX and have been blessed with three children. In addition to their son John, they have two daughters; Myrna Loyce Koubeck of Rockport, TX and Mary Pearl Havelka of Portland, TX. Their children have in turn blessed Mr. and Mrs. Forehand with nine grandchildren and six great-grandchildren.

I extend my congratulations to Mr. and Mrs. John H. Forehand on this special occasion. May their dedication and togetherness last another 50 years. I wish them the best of health and good fortune in the future.●

H.R. 201

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SILJANDER. Mr. Speaker, I would like to call my colleagues' attention to a bill I introduced on January 3, 1985, the Agriculture Export Trade Equity Act of 1985 (H.R. 201). It is my hope that the concepts contained in this bill can be incorporated into the export title of the farm bill.

The current farm crisis has caused the United States to reexamine its policy toward our Nation's farms. We have two choices: We can either reduce the supply of farm goods by allowing the collapse of thousands of farmers and creating disincentives for production, or we can expand the market for our agricultural products, keeping most farmers in business while reducing the domestic supply and raising commodity prices. One way to expand our markets is through increased exports.

American farmers, however, are facing an uphill battle in their attempt to sell their products abroad. European export subsidies and the strong dollar are drying up many foreign markets. This is not only hurting the balance of trade, but it is also costing thousands of American workers their jobs. Agricultural goods account for 20 percent of American exports each year. Yet American traders face a number of significant trade barriers on the world market and often lose out when bidding against foreign competitors.

Every U.S. sale lost to foreign subsidies hurts the American economy. As the OMB and the CBO has stated, every $1 billion lost in exports puts 25,000 Americans out of work. If this is true, then the current $15 billion trade balance deficit means a loss of 350,000 jobs. The European Community has been a particularly sharp thorn in the side of American exporters. Through the use of aggressive export promotion and subsidies, it deprives the United States of up to 5 billion dollars' worth of exports each year.

I participated in the annual meeting of the European Parliament in January 1984 and asked members of the Common Market to drop their trade barriers against U.S. exports. Upon my return to Washington, I introduced the Agriculture Export Trade Equity Act (H.R. 201), designed to promote American agricultural exports. If approved by Congress, this bill will: Enable American farmers to compete with nations which subsidize their farmers, save thousands of jobs, help nations experiencing food shortages to feed their hungry, and reduce Federal spending by cutting the cost of storing agricultural commodities.

The Agriculture Export Trade Equity Act of 1985 specifically instructs the Secretary of Agriculture to: Target only those commodities and products that have been adversely affected by foreign export subsidies, for example: wheat, feed, grains, upland cotton, rice, milk, and their products, and any other agricultural commodities or products acquired by the Commodity Credit Corporation [CCC]; authorized an export Payment-In-Kind [PIK] Program that would allow American producers to match the deals offered by their foreign competition; provide for the shipment of 100,000 tons of dairy products in fiscal years 1985 and 1986; encourage the use of processed and protein-fortified agricultural, value-added products in Public Law 480; and use barter as a means of reducing the agricultural surplus.

BENEFIT TO THE U.S. ECONOMY—THE BAKER'S DOZEN

The bill includes an Export Payment-In-Kind [EPIK] Program that would allow American producers to match the deals offered by their competitors by offering buyers a sort of "baker's dozen." The EPIK Program would use CCC surplus to offset foreign subsidies.

For example, if a competitor was selling wheat below the world market price, the CCC would add quantities of its inventories to each American sale, so that even though the foreign unit price was lower, the bonus provided by the CCC would make the net U.S. price the same.

The proposed EPIK Program calls on the Secretary of Agriculture to: Consider all potential foreign buyers, but give priority to those who have traditionally purchased U.S. commodities, ensure that the program does not hurt those American commodities already being sold abroad, and prevent buyers from reselling their commodities to other countries.

BENEFIT TO THE TAXPAYER

H.R. 201 contains no additional cost to the taxpayer. In fact, this bill would actually save money by decreasing the surplus, thus reducing storage costs. Surplus crops are collected by the Government to serve as a backup in the event of a national shortage. But there has been no national food shortage and as a result the size of the surplus continues to grow. The CCC currently stores the excess at considerable cost to the taxpayer, coming up with a bill of $382 million in 1983.

The bill also requires the Secretary of Agriculture to export no less than 100,000 metric tons of dairy products during each of the next 2 fiscal years. Because dairy goods are the most perishable and expensive commodities to store, the savings would be substantial.

BENEFIT TO NATIONS EXPERIENCING FOOD SHORTAGES

While the United States spends billions of dollars storing its surplus, millions of people in underdeveloped nations are starving. And the American people have been looking for a way to get their excess to those in need.

H.R. 201 would help by requiring the President to consider both the short-term needs of Third World nations and the long-term needs of the American farmer. The nutritional value of food shipped to developing nations will be carefully considered, and the use of processed and protein-fortified foods will be encouraged. An increase in the use of such value-added products would not only increase nutritional benefits to the Third World, but also provide even more jobs for Americans.

BARTER PROVISION

In 1950, the United States began to barter with other nations. This time-honored swapping of goods was successful for 23 years until it was abandoned in the early 1970's because of the strength of the foreign export market. Since then barter has been used sparingly, with the latest example being an exchange of American

dairy goods for Jamaican bauxite in 1982. Although barter currently accounts for between $200 and $800 billion worldwide or 10 to 40 percent of the world trade, the United States has been content to let other nations reap the benefits.

H.R. 201 would tap into this huge market by encouraging the Secretary of Agriculture to make greater use of the barter system. A barter program would reduce the CCC surplus, allow the United States to cut the trade deficit and at the same time obtain certain strategic materials not readily available in this country. H.R. 201 would encourage the United States to trade wheat for cobalt, grain for tin or corn for manganese. These critical materials could then be placed in reserve to be used in the event of a worldwide shortage.

Under a cash system, nations selling strategic materials to the United States often use the proceeds to buy agricultural goods from America's competitors. This could not happen under barter. American dollars would be kept in American hands.

CONCLUSION

H.R. 201 will help American farmers overcome the substantial trade barriers they face in overseas markets through the Export Payment-In-Kind Program. American tax dollars will be saved by reducing storage costs, and a major step will be taken to end world hunger.

The Agricultural Export Trade Equity Act will strengthen the domestic economy by increasing U.S. agricultural sales and preserving the family farm. I ask my colleagues to consider the incorporation of these concepts into the farm bill.●

PRESIDENT REAGAN'S UPCOMING TRIP

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FORD of Tennessee. Mr. Speaker, I would like to commend President Reagan for his recent decision to include a visit to a concentration camp on his upcoming trip to West Germany. However, I am not sure that he or his advance team fully understands why so many Americans are upset over this issue. I truly believe that those individuals within the President's advance team must be made totally aware of their insensitivity in this matter.

One of the major reasons for this visit to Germany at the present time was to commemorate the 40th anniversary of the ending of World War II. I find it incomprehensible that such an occasion could have been marked without a visit to a concentration camp. What took place at Dachau, Auschwitz, and similar camps was not simply a crime perpetrated against the Jewish people, but a crime taken against all humanity. To visit Germany on this occasion without such a visit is to ignore the millions of human lives that were lost there. The Holocaust was all too real; to simply pass it off as a 40-year-old aberration means that we, as a civilized society, are bound to repeat the mistakes of the past.

Compounding this error, the President was, and still is scheduled to visit the German cemetery at Bitburg, where approximately 30 members of Hitler's brutal S.S. are buried among the other German war dead. I am aware that most of Germany's war cemeteries have S.S. members scattered among its dead. Yet again, it is difficult to believe that the White House could not come up with an alternate means of commemorating the many years of strong ties with West Germany. Lest we forget, it was the S.S. who killed American POW's with their hands tied. It was also the S.S. who were responsible for the operation of the concentration camps. Adding insult to injury, the White House has decided not to honor the memory of Americans who perished in the liberation of Germany.

Mr. Speaker, the trade of a concentration camp for a cemetery does not make up for the blunders of the President's advance team. Although I applaud the President for this first chance in schedule, more needs to be done. The President of the United States should take time out to honor American war dead. In the future, the White House advance team must be aware of more than just the public relations value of an upcoming trip. Mr. Speaker, I would certainly hope that the White house doesn't think that much ado is being made about nothing. We, as a Nation, owe it to the memory of every man, woman, and child that perished during the war years that the horrors of what took place in Germany, Poland, and other sections of Europe never again be forgotten.●

A BAN ON PRODUCTION OF NEW LETHAL BINARY CHEMICAL WEAPONS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. PORTER. Mr. Speaker, I am including in the RECORD a joint statement by myself and Chairman DANTE B. FASCELL, a Democrat from Florida, proposing a ban on production of new lethal binary chemical weapons.

We are announcing a bipartisan effort to stop the funding of new binary chemical weapons. Thirty three Democrats and 15 Republicans are joining us in introducing today a bill to prohibit the production of these new lethal chemical weapons.

This bill will make a cut in the proposed military spending for fiscal year 1986 of almost $200 million and, over the next 5 years, stopping binary weapons production will subtract $2.3 billion from our mushrooming national debt of nearly $2 trillion. We do not want to plunge our country further into debt. When a weapons program is not needed to enhance our country's national security, such as the binary weapons program, it is our responsibility to speak out and act to preclude its development.

For 3 straight years the House of Representatives has voted to oppose resumption of nerve gas weapon production by our country. The House has voted against new binary weapon production for sound foreign policy, arms control, defense, and cost reasons. Binary weapons are costly. Technically and operationally they are unproven and questionable. They cannot be based in Europe. And, let's face it, they are repugnant to our friends and allies, as well as to many of us. They also pose severe proliferation risks. Last year the vote was 247 to 179 with 53 Republicans joining the Democratic majority in opposing nerve gas production. This year the case against resuming production is as clear and as persuasive as in the past. The foreign policy, defense, and cost arguments are as compelling as before:

Cost: The administration wants to spend $174 million on binary weapons and related military construction this year and $2.3 billion over the next 5 years. The binary weapons program request has almost doubled this year—presumably to compensate for the production funds we cut from last year's budget. Some estimates which include calculations of likely cost overruns place the 5-year figure at between $6 and $12 billion.

Stockpile: Our current stockpile of chemical nerve agent artillery shells is adequate and it is a credible deterrent. Secretary of Defense Caspar Weinberger told the Congress:

> For procurement of new artillery shells, the need is not one of redressing a clear lack of military capability. The U.S. possesses a stockpile of chemical nerve agent artillery shells * * * (whose) quantity is in the range of sufficiency and actually is higher than the planned acquisition quantity of the binary projectile.

Bigeye bomb and binary artillery shells: Doubts remain about these weapons and problems continue to plague their development. Congress has not been shown convincing evidence that the Bigeye bomb and the binary artillery shell offer substantial technical and operational advantages over existing weapons. On the con-

trary, there may be serious disadvantages to these weapons which place our troops and pilots at greater risk. In saying no to the production of new binary chemical weapons, funding of research and development would continue as it has continued for almost 20 years.

Pre-positioning in Europe: NATO governments have not agreed to accept these new binary nerve gas weapons to be pre-positioned on their soil. This fact reduces the potential credibility of these weapons as both a deterrent and as a real retalitory capability for our troops in Europe. Congress should not even consider funding production of these weapons until there are agreements by NATO governments to accept them.

Negotiations: There are no bilateral negotiations with the Soviet Union on chemical weapons. President Reagan ended those negotiations in 1981. Those negotiations must be reopened. The multilateral negotiations in Geneva on chemical weapons are working to resolve over 100 differences which exist between the United States and Soviet initiatives presented there. International pressure is definitely on the Soviet Union. Ending our 16-year moratorium and producing new chemical weapons will take that pressure off the Soviets, cause NATO alliance problems, raise questions about U.S. credibility and sincerity in negotiations, and increase the danger of chemical weapons proliferation.

Proliferation: U.S. production of new deadly chemical weapons now after a 16-year moratorium would undermine a variety of constraints which have inhibited the proliferation and use of chemical weapons. There are technical features of the new binary weapons which indicate that production of these weapons is likely to increase the tremendous risks of chemical weapons proliferation. Binary weapons are unwittingly more conducive to proliferation and terrorist use than existing types of chemical weapons.

Good defense is a good deterrent: We want our troops protected against chemical attack and we have provided adequate funds to improve our defensive chemical warfare program and protect our troops. A significant defensive chemical capability is ultimately the best deterrent against chemical use because of the limited military utility of chemical weapons. The emphasis should be on improving our defenses not on developing a new offensive chemical capability.

For these reasons and others we are introducing this bill to prohibit the production of lethal chemical weapons. There has been much talk about cutting military spending. Talk won't cut that spending but this bipartisan action will. We can cut hundreds of millions of dollars now and billions of dollars in the out years while maintaining a strong defense and an enlightened foreign policy.●

CARING FOR OUR CHILDREN

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. McKERNAN. Mr. Speaker, today the gentleman from New York, my colleague on the SCoCYF, Representative FISH, and I are introducing legislation to provide States with an incentive to establish, monitor, and enforce child care standards necessary to protect the safety and well-being of our Nation's children.

The September 1984 Select Committee on Children, Youth, and Families report, "Families and Child Care: Improving the Options," noted that families placing their children in out-of-home care were "unanimous in their desire to find safe, Nurturing and developmentally appropriate care for their children. The necessary rapid expansion of child care opportunities and their diversity means that we must do everything possible to assure the adequacy of child care settings, the report said. The report essentially highlighted the lack of national and comprehensive child care standards. Currently, child care providers may be either licensed by the individual State or totally unlicensed; certain States require child care providers to be registered, while others allow them to operate undocumented.

While some States are already addressing the issue of child care standards, with so many of our children in out-of-home care, and given the mounting reports of abuse in child care, I am deeply concerned that steps be taken to ensure the safety and well-being of our young children in child care.

Today, more than half of America's children have both parents in the work force. Another one in five grows up in a one-parent family. The number of children in these one-parent families is expected to increase by an astounding 48 percent over the next decade. Clearly, we must respond to this changing trend in our society, while allowing individual States to develop their own plans and address their own needs.

The legislation which Representative FISH and I are introducing today is an attempt to address this need for national child care standards. Our bill would require States receiving funds under title XX of the Social Security Act, and using any of these funds for child care, to establish, monitor, and enforce child care standards under broad guidelines spelled out in the bill.

Under our legislation, States would, according to their particular needs, specify health, safety, and nutritional requirements for children, protect against abuse and neglect, require parental involvement, offer training and technical assistance, mandate criminal conviction checks of providers, require facility inspections and allow sanctions for noncompliance with standards, and provide information and referral services.

Caring for our children is a great responsibility, and we must do everything we can to ensure their protection, their health, and the adequacy of child care settings. I urge my colleagues to join Representative FISH and me in supporting this measure.●

WYOMING VALLEY BOXERS HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. KANJORSKI. Mr. Speaker, it is my pleasure to bring to your attention an event of considerable importance to sports fans in the Wyoming Valley. The Wyoming Valley Boxing Hall of Fame will hold a banquet on April 19 to honor three men who have made enormous contributions to boxing. All three will be inducted into the Hall of Fame, so I would like to give a little background on the achievements of each.

Neil Miller distinguished himself as a Diamond Belt champion in 1939, then began a successful professional career that spanned more than 15 years. As a boxer, he fought and defeated many of the ring's top-ranked lightweight, welterweight, and middleweight fighters. Miller is now 76 years old, and lives in Wilkes-Barre.

Bill Speary passed away in 1967 at the age of 49, but he left behind a legacy of greatness in the ring. Speary held 15 titles as an amateur, winning national and international championships in two weight categories. From 1937 through 1939, he won three AAU championships as a flyweight and a bantamweight. As a professional, he fought four world champions while they still held their crowns. Speary is widely regarded as Luzerne County's finest boxer ever.

Jim McCarthy passed away this spring at the age of 74. McCarthy was the dean of area sportscasters, having devoted 55 years of his life to sports broadcasting. He was tireless in his work on behalf of area boxing, for which he worked as a ring announcer and promoter. He truly loved this sport, and his loss will be felt by all of us.

Mr. Speaker, I will be attending the banquet this week at which these three men will be honored. I know I speak for all sports enthusiasts in the

region in offering my congratulations to the Wyoming Valley Boxing Hall of Fame for their work in honoring these great athletes.●

OHIO'S URANIUM ENRICHMENT EFFORTS

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. McEWEN. Mr. Speaker, I am today inserting for the benefit of the Members of the House of Representatives, my testimony before the House Appropriations Subcommittee on Energy and Water Development on funding for the Portsmouth Gas Centrifuge Enrichment Plant. I do so in the hope that Members will join me in supporting the Department of Energy's full request for the continued operation of this vitally important project.

The statement follows:

STATEMENT OF CONGRESSMAN BOB MCEWEN BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT, APRIL 3, 1985

Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before you today to discuss the Department of Energy's fiscal year 1986 budget request for the Uranium Enrichment Program. In particular, I would like to address my remarks to the funding requests for further development of the advanced gas centrifuge technology [AGC] and continued construction and operation of the Portsmouth Gas Centrifuge Enrichment Plant [GCEP].

Mr. Chairman, the strategic and economic importance of our Nation's Uranium Enrichment Program cannot be over-emphasized. The U.S. share of the uranium enrichment market is less than a third of what it was just ten years ago. This reflects not only the ongoing technological efforts of the European consortium, but our own hesitation and indecision in the past as well. We should learn from history.

I urge this subcommittee and this Congress to avoid the kinds of whimsical policy changes that marked this program during most of the 1970's. These actions aided and abetted the formation of a uranium enrichment capability in Europe, which is not a direct threat to tens and thousands of U.S. jobs.

If actions are not taken to reverse present trends, the prognosis for the U.S. uranium enrichment industry is guarded. The question before us today and in this Congress is: How can the United States recapture our prior market dominance?

I believe the answer is clear: An improved technology which is responsive to the market and a firm commitment by the Congress and the administration to go forward with needed research and development. The fiscal year 1986 budget request for uranium enrichment proposed by the Department of Energy reflects that commitment. It will permit work on improved technologies to move ahead while maintaining the considerable advantage of our new gas centrifuge plant.

Let me take this opportunity to emphasize how successful the GCEP operation has been. It is an innovative technology which has proven to be far more efficient than the gaseous diffusion process or even our wildest expectations. Although it is still in the process of being completed, the project is on schedule and under budget; the centrifuge machines are being manufactured by U.S. industry and thousands of U.S. firms have committed their financial and human resources to the success of GCEP.

The Department of Energy has already expended vast resources to develop the GCEP technology. I believe that we cannot afford to write off the investments thus far expended on this program—the livelihood of thousands of employees depends on this vital project. If our objective is to minimize U.S. enrichment costs over the remainder of the century in order to become more competitive in the world market, we cannot afford to discard the progress already made and the excellent potential that an improved uranium enrichment technology offers.

Let me take a minute to say something about the men and women who live and work in southern Ohio. The commitment, dedication and support of America's enrichment program by the workers in the seven-county area is unsurpassed. They take pride in the work they do and are not afraid to stand up and let it be known that they back this effort. Over the past quarter century, southern Ohio has been the demonstrated leader in our Nation's enriched fuels effort. The Ohio workers are dedicated, efficient and responsible. Our communities are supportive. And our State and local leaders are cooperative. I believe all this counts for something and should be considered in any of our decisions.

Mr. Chairman, I strongly support this subcommittee's and the Department of Energy's commitment to reestablish the U.S. reliability of enriched uranium at a cost that world markets can support, which will be borne by the users and not by taxpayers. The indiscretions of the past have placed the entire uranium enrichment program at risk. I have every confidence that with the continued leadership and personal involvement of this subcommittee, the mistakes of the past will not be repeated.

Finally, words cannot sufficiently communicate the appreciation I have for the members of this subcommittee who have taken such a personal interest in the success of this program and therefore have assisted not only our Nation's efforts toward energy independence but the workers of one of our Nation's most economically depressed areas. It is clear that whichever technology our Nation pursues in the years ahead, this subcommittee and the department of energy would obviously be prudent to continue to have America's most dedicated, resourceful, and efficient workers involved in the advanced uranium enrichment endeavor.

Thank you.●

ILLICIT DRUG TRAFFICKING

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SHAW. Mr. Speaker, illicit drug trafficking from countries throughout our world into south Florida remains a critical threat to our youth and the very moral fiber of our country.

Increased law enforcement efforts through help from Customs, the Coast Guard, and the military have helped. Unfortunately, we are still fighting an up-hill battle.

Our U.S. Coast Guard and the U.S. attorney's office prosecutors have been further frustrated in fighting the drug traffic by recent Federal court decisions allowing defendants to go free on technical defenses.

One such defense tactic successfully used by foreign traffickers argues that the United States does not have jurisdiction in international waters to arrest or seize foreign drug ships despite the fact that our Coast Guard has received authority from the flag country for such arrests.

My bill would close that loophole by more clearly defining what kind of authority or arrangement we must have from a foreign country to obtain jurisdiction over drug traffickers in international waters.

We must no longer allow technical impediments as this to obstruct our U.S. attorney's efforts to convict these criminals after we've made proper arrests and seizures and are prepared to carry the burden of prosecution.

The congressional intent of the law I am amending was to allow our country to interdict criminals on the high seas. We must not allow these laws to be diluted, now, when we most need them.●

SOIL CONSERVATION ACT OF 1985

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. JONES of Tennessee. Mr. Speaker, today I am introducing the Soil Conservation Act of 1985, which is very similar to a bill passed overwhelmingly by the House last year but was opposed by the administration and the Senate and died in conference committee.

While this bill is being introduced independently, I plan to ask the Subcommittee on Conservation, Credit, and Rural Development to include the text of this bill in the 1985 farm bill which is being developed in the House Agriculture Committee.

This bill has two primary elements, both of which address land which is highly erodible in nature. First, the so-called sodbuster part of the bill would discourage the breakout or sodbusting of highly erodible land if that land has not been in crop production within the last 10 years. The bill would deny farm program benefits such as price supports and loans to the farmer on his entire planting of the commodity planted on such highly erodible land.

Second, the conservation reserve is designed to assist in the transition of the same type of highly erodible land which is now in crop production into less-intensive uses such as timber, hay, or grass production. Long-term contracts between the Secretary of Agriculture and owners or operators of highly erodible cropland would provide rental payments, technical assistance, and cost sharing to establish conservation practices to owner or operators as an incentive to put such highly erodible land in more conserving uses.

I believe strongly that this is a much needed piece of legislation and encourage each of you to support it.●

GRADUATED TAX RATES FOR SMALL BUSINESSES

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. CAMPBELL. Mr. Speaker, I am pleased to join with Mr. RANGEL, my distinguished colleague from New York, in introducing this resolution expressing the sense of the Congress that the corporate income tax rates should remain graduated.

As proposed last November by then Secretary Regan in the Treasury Department's tax reform plan as well as in certain recent tax reform proposals the current graduated corporate tax rates for small businesses would be repealed. Repeal of these provisions of our Tax Code would cause substantial increases in the effective tax rates and thereby reduce essential capital available for continued operation and growth for many small businesses.

One recent report which makes a strong case for our position on this issue has been recently prepared by Arthur Andersen & Co. The report, which was requested by the National Association of Wholesale-Distributors [NAW], provided an analysis of the impact of the Treasury proposal on smaller wholesaler-distributors based on actual tax returns. Arthur Andersen analyzed some 50 sets of income tax returns which were forwarded directly to them by members of NAW. The firms targeted were those whose sales volume suggested a pre-tax earnings level such that the graduated rate structure presently in place meaningfully impacted their effective tax rate.

It should be noted that the overwhelming majority of wholesaler-distributor corporations have less than $5 million in annual net receipts. A typical $5 million wholesaler-distributor has before-tax-profits of 3 percent, or $150,000. The effective tax rate on this amount of earnings is about 33 percent under current law. Firms with pre-tax earnings less than $150,000 currently have effective tax rates lower than 33 percent.

The Arthur Andersen analysis had two principal conclusions:

First, the Treasury Department's tax reform provisions propose a very negligible change (less than 1 percent) in the respondents' taxable income . . . that is to say the proposed changes, with the exception of the rate proposal, have a neutral impact on taxable income, when taken together.

Second, the proposed flat 33 percent rate dramatically increases the tax obligation, and thus the effective tax rate of the firms in the sample. Indeed, the effective tax rate of the firms in the sample would rise by an astonishing 60 percent, i.e., from 21 percent under current law, to 33 percent under the Treasury proposal.

This analysis underscores the fundamental importance of retaining a graduated approach as you move to reduce the maximum corporate rate. It makes a strong and compelling case for continuation of a graduated rate for smaller concerns.

I urge my colleagues to support us on this issue which is so important to our Nation's small business community.●

MARIA FANTANAROSA TO BE HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. KANJORSKI. Mr. Speaker, I would like to bring to your attention the achievements of a local woman who has already earned the recognition of her friends and neighbors as an outstanding athlete. Maria Fantanarosa is to be recognized by her State history-breaking basketball feats.

Ms. Fantanarosa scored 3,608 points, breaking the record held by professional basketball great, Tom McMillin. McMillin currently plays for the Washington Bullets of the National Basketball Association.

On April 28, Kulpmoni residents, local organizations, fraternal groups, and auxiliaries will meet to honor Maria for her achievement. Thomas Cherneski will serve as chairman of the testimonial committee, and George Murin, chairman of the West End Fire Company directors, will cochair the event.

Other individuals involved include Joseph Warner, superintendent of Mount Carmel Area Schools, Mary Lou Edmonson, Carmen Avellino, and Albert Pupo. Peter Krehel, Kulpmont president judge of Northumberland County will serve as master of ceremonies for the event.

Mr. Speaker, I am proud of the achievements of Maria Fantanarosa, and I am pleased to call her to your attention.●

SUMMARY OF 1984 TAX RETURN DATA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DOWNEY of New York. Mr. Speaker, as in the past, I am providing a summary of my 1984 tax return. And may I say again that while I strongly believe in the strictest standard of privacy for private taxpayer filing data, I feel that Federal elected officials, as trustees of the public's interest, should be open about their financial situations. For this reason I am making the following data available as part of the public record.

Salary—U.S. House of Representatives	$72,367
Interest income	56
State and local income tax refunds	496
Rental loss	−1,089
Business income—honorariums (net of expenses)	21,700
Total income	93,530
Less:	
Nonreimbursed employee business expenses	−3,275
Payments to IRA	−2,250
Payments to Keogh retirement plan	−2,832
Adjusted gross income	85,173
Itemized deductions:	
Taxes	8,604
Interest expense	1,930
Contributions	380
Miscellaneous deductions	1,802
Total itemized deductions	12,716
Less:	
Zero bracket amount	−3,400
Excess itemized deductions	9,316
Tax table income	75,857
Less: Personal exemptions	−4,000
1984 taxable income	71,857
Federal income tax	20,135
New York State income tax	6,821
California income tax	61
Illinois income tax	13
New Jersey income tax	37
	●

IN RELIEF OF THE JUNIOR ACHIEVEMENT OF SACRAMENTO, INC.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MATSUI. Mr. Speaker, the Junior Achievement has long been recognized as an outstanding organization dedicated toward the education of our youth. Teenagers, through the first-hand experience of operating their own business, gain practical knowledge

in such areas as business basics, economic management and applied management. Such training provides our youth with important skills to assist them in embarking on future careers.

The Junior Achievement of Sacramento, Inc., was established to provide teenagers with practical experience in how American business operates. The program, funded through charitable donations and supervised by adult volunteers from the business community, has greatly enriched the educational experience of our youth. Indeed, the Sacramento program has been recognized for its outstanding achievements and contributions to my community.

As a nonprofit, volunteer organization, the Junior Achievement of Sacramento, Inc., qualifies as an organization exempt from taxation. The Junior Achievement of Sacramento, Inc., established and maintained this status with the Internal Revenue Service since its inception. Unfortunately, due to an inadvertent error by a volunteer to the organization, the exempt status of this nonprofit organization has been jeopardized.

Today, Mr. Speaker, I rise to introduce legislation on behalf of this commendable organization seeking resolution of this matter. This bill provides that services performed after June 30, 1977, and before January 1, 1984, in the employ of Junior Achievement of Sacramento, Inc., shall not be treated as employment for the purposes of charter 21 of the Internal Revenue Code of 1951 and title II of the Social Security Act. Furthermore, services shall not be treated as performed after June 30, 1977, to the extent that remuneration for such services is paid after such date. I believe that Junior Achievement of Sacramento, Inc., deserves this extraordinary relief granted by this legislation based upon the following factual information.

The secretary to the volunteer treasurer of this organization inadvertently filed a form 941 for the quarters ending December 31, 1975, March 31, 1976, and June 30, 1976, and erroneously withheld and remitted FICA taxes with those returns. Upon discovery of these filings, the organization immediately filed form 941C requesting a refund of the taxes paid. The request for the refund was denied in January of 1977. After that denial, the organization continued to correspond with the Internal Revenue Service regarding the matter, and, upon the advise of their attorney, filed form 941 and paid FICA taxes for two quarters in 1977 under protest. the Service then refunded the taxes paid for the quarter ended December 31, 1975. The organization immediately wrote to the Service stating that apparently their claim for a refund had been reconsidered and granted. Accordingly, the organization filed form 941 and 941C for the quarter ended December 31, 1977, and applied for and received a refund of the taxes paid in the earlier quarters of 1977.

Consequently, the Junior Achievement had every reason to believe that the Service had recognized the organization's exempt status and that the refund for the quarters ended March 31, 1976, and June 30, 1976, would soon be forthcoming. In addition, the FICA taxes originally withheld from the employee in 1976 and 1977 were refunded to the employee. Subsequent to that time, the organization did not withhold any FICA taxes from its employees and filed its quarterly payroll tax returns as an exempt organization. Unfortunately, however, the Service has continued to demand repayment of these taxes.

It is apparent from the chronology of events that upon the discovery of the error in filing taxes, the organization made every attempt to clarify the situation and make amends with the Service. Indeed, the refund of the taxes paid for the quarter ending December 31, 1975, and the quarters in 1977, would indicate that the Service recognized the error and granted the organization's request for a refund due to their exempt status. Furthermore, the organization has continued to file its quarterly payroll tax returns as an exempt organization and has not withheld any FICA taxes from its employees since 1977; yet the Service refuses to recognize the previous error and still demands repayment.

To persist in collecting these taxes is not only unjustifiable but inequitable. To allow a nonprofit organization such as the Junior Achievement to suffer this burden is inexcusable. In addition, it would seriously impair the organization's ability to continue within the community. Therefore, I urge my colleagues to support this legislation and I respectfully request that the committee grant the immediate consideration of this urgent matter in order that this inequity may be resolved in the near future.●

HONORING LOYAL EMPLOYEES OF THE NORWALK-LA MIRADA UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. TORRES. Mr. Speaker, I want to call to the attention of my colleagues the outstanding work of several employees of the Norwalk-La Mirada Unified School District.

On May 23, 1985, the Norwalk-La Mirada Unified School District will be honoring employees for 30 and 35 years of service to the students of the school district. These people will be honored for their outstanding commitment and dedication to education. These people are to be commended for their contribution to the needs of the students in their district. I am honored to rise on the floor of the U.S. House of Representatives today and recognize them along with their peers, their school district, and their community.

I believe very strongly about the education and the welfare of our young. It takes very special people to educate and see to the needs of students. I am proud that these fine people have chosen to serve in my community for 30 and 35 years. These employees deserve our recognition and gratitude in reaffirming our Nation's commitment to education.

These people being recognized today work for one of the finest school districts in the State of California. The Norwalk-La Mirada Unified School District is an outstanding example of a district working hard and reaching a high level of excellence in education.

Mr. Speaker, I ask my colleagues in the House to join me in giving our best wishes and thanks to the following people for adding so much to education.

Les Billinger, La Mirada High School, principal; Shirley J. Carlisle, Moffit Elementary School, teacher; Evan H. McKinney, John Glenn High School, teacher; Gloria G. Ampolilla, Glazier Elementary School, teacher; Charles R. Austin, Waite Elementary School, assistance principal; Dominic D. DiCiolla, purchasing department, assistant director; Shirley J. Foerster, Foster Road Elementary School, teacher; Thomas K. Hada, Moffitt Elementary School, teacher; William A. Hall, grounds department, foreman; Betty M. Hatton, Edmondson Elementary School, teacher; Eldon D. Hunter, transportation department, director; George A. Keplinger, Gardenhill Elementary School, principal; Claude J. Oyler, transportation department, bus driver; Sybil G. Shaw, La Pluma Elementary School, teacher; Ronald J. Ternquist, Norwalk High School, counselor; Gilbert Ulibarri, Norwalk High School, assistant principal; Benny G. Vanderwall, warehouse, manager; Margaret M. Winters, substitute teacher.●

A SHAMEFUL VISIT

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MANTON. Mr. Speaker, President Reagan recently announced that he plans to visit a German military cemetery during his upcoming trip to West Germany. The cemetery which is located at Bitburg, contains the graves

of Nazi soldiers and members of Hitler's SS squad.

The White House claims the President's action would serve as an opportunity to demonstrate 40 years of peace in Europe. While this peace is justly celebrated, we must never forget the reasons World War II was fought or the horrors of the Nazi regime.

West Germany is a strong and important ally of our Nation. We must work to make certain that alliance grows stronger in the future. That is the key reason the President is making this trip.

However, to place a wreath at a Nazi cemetery does nothing to further the cause of our alliance. Instead, that act ignores the atrocities committed by the Nazi regime against the victims of the Holocaust, American soldiers and all those who fought to preserve freedom.

Mr. Speaker, more than 400,000 Americans were killed in World War II and more than 6 million Jews were murdered by one of the most evil regimes mankind has known. Although the President has made a belated decision to attend a memorial service at a Nazi concentration camp, his decision to remember the Holocaust is no justification for honoring war criminals, particularly since the President does not plan to visit an American military cemetery during his visit.

Mr. Speaker, the President made a series of decisions which deeply offend the Jewish people, American war veterans and every person who understands the horrors committed by the Nazis. I call upon the President not to lay a wreath at the Bitburg Cemetery. We do not commemorate peace or build upon our alliance by honoring those who were responsible for crimes against humanity.●

TRIBUTE TO SARAH FABER

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mrs. ROUKEMA. Mr. Speaker, today we pay tribute to Sarah Faber, a young woman whose ability, determination, and willpower provides inspiration to her generation and ours.

Sarah is a senior student-athlete at Midland Park High School in Bergen County, NJ. Although she has participated with distinction in the varsity soccer, track and field, and softball programs, her star quality has been displayed most impressively on the basketball court. During the last three seasons, Sarah has scored over 1,100 points, making her just the second person in Midland Park High's girls' basketball program to top 1,000 points for a career.

What distinguishes her accomplishments from those of so many other student-athletes across New Jersey? Simply put, Sarah has excelled while competing, not only against other athletes, but against a significant handicap. Sarah Faber is deaf.

Today, Sarah is preparing for another challenging athletic event. Her excellence has earned her a position on the U.S. team to the 15th World Games for the Deaf, to be held this summer in Los Angeles. Fifty-two young women entered competition for the 12 slots on the team. Sarah, at 17 years of age, was the youngest candidate named to the team.

In one sense, this event will present the most significant athletic challenge Sarah has ever faced. In all, 2,500 athletes will participate in the world games. She will be competing with athletes from 41 nations with their accompanying ranges of talents, styles of play, and levels of experience. There is no doubt. Sarah's skills and discipline will be put to the test.

Just as certainly, though, Sarah's upcoming experience in Los Angeles is a tribute to her depth of character, her devotion to excellence, and to her persistence in overcoming great odds. She refused to allow her handicap to prevent her full and active participation in the world around her.

In these ways, Sarah Faber has earned our respect and our admiration. As she prepares for her competition at the 15th World Games for the Deaf, she also has the best wishes of the State of New Jersey and the gratitude of the Nation she will represent so well.●

ACID RAIN

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. BOLAND. Mr. Speaker, this week is "Acid Rain Awareness Week" in the State of Massachusetts. The Governor's office, in conjunction with several environmental groups have organized activities throughout the State which highlight the effects acid rain has on our environment.

For the people of New England, developing a program to deal with the problem of acid rain is the highest environmental priority. Survey after survey has indicated that New England are concerned about the effects of acid rain on their lakes and streams; their farmland and forests, and that they want something done about it. About 20 percent of New England's acid rain problem is home grown, the remaining 80 percent, chiefly airborne emissions of sulfur dioxide and nitrogen oxide, is involuntarily imported. Given those statistics, New Englanders have every right to complain about the lack of progress on the Federal level in the creation of a control program.

The Reagan administration's proposal on acid rain begins and ends with research. It is premised on a belief that there is not enough information about the causes of acid rain to warrent a program to control its sources. The studies that I have read conclude that acid rain is taking its toll on our environment. Acid rain is leaching vital nutrients out of forest soils while releasing toxic metals from the ground. Buildings and monuments are being eroded, and public health may be endangered. I agree that studies should continue, and that our actions should be based on studies, but I also believe that we know enough now to begin an abatement program.

Members of the New England delegation have wrestled with the problem of devising a legislative response to acid rain for many years. We recognize that to deal with acid rain, you must reduce the emission of nitrogen oxide and sulfur dioxide which are its source. Emissions reduction efforts are costly and we can not reasonably expect those costs to be wholly borne by the regions in which the biggest polluters are located. The bill that we have introduced this year, H.R. 1030, requires a reduction of 12 million tons of sulfur dioxide emissions and 4 million tons of nitrogen oxide emissions, making it the most stringent acid rain clean up bill to be put before Congress. More than half those reductions would be produced by requiring the 50 highest emitting power plants to install scrubbers. However, the bill provides for a cost-sharing program designed to help defray the substantial cost of emission reduction through a modest fee on generated electricity. This approach has as its chief advantage the fact that it encourages a national program of acid rain control; all regions would in some way benefit and the costs would be manageable for each.

The risks associated with further delay in developing an acid rain control program are simply unacceptable. I would like to commend Governor Dukakis, and the sponsors of the Massachusetts "Acid Rain Awareness Week" for continuing to call attention to this major environmental problem. Let me take this opportunity to reassure the citizens of Massachusetts that their delegation in the House will remain committed to working with those from other regions of the country to narrow the differences which have so far hindered the development of an emissions reduction program, and to work for the passage of the New England acid rain bill.●

MINIMUM STANDARDS FOR PARENTAL AND DISABILITY LEAVE

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DELLUMS. Mr. Speaker, current Federal law requires that pregnancy-related disability be treated no differently than any other short-term disability. There is, however, no Federal statute requiring employers to provide leave for workers who are temporarily disabled. My distinguished colleague from Colorado, Representative SCHROEDER, has introduced a bill, H.R. 2020, which would guarantee job security to workers who must leave their employement due to temporary disability or who choose to leave for a period of time after the birth or adoption of a child. I wholeheartedly support this proposal.

The absence of a Federal law requirring employers to provide leave to these employees is reflective of an outdated view of the work force. The numbers of women in the work force has grown considerably and continues to grow. A great number of these woman will become pregnant during the time they are in the work force. Most of them will return to their jobs soon after their children are born. Many of these working women are the primary or sole wage earners in their homes. The lack of job security these women feel has forced many to choose between their jobs and their families. Requiring employers to grant leave to workers with new born or newly adopted children, in the same manner, that they would be required to provide temporary disability leave, would eliminate the need to make this choice.

While some employers do allow a woman some sort of maternity leave, fewer have such a provision for fathers of new born or newly adopted children. The proposed measure is sex-neutral, based on two assumptions: that, first men have the same rights and responsbilities as parents and therefore should have the same opportunity to spend time with their children, while at the same time, second pregnancy should be treated no differently than any other temporary disability. By allowing only women parental leave, we deny men an important opportunity as parents. A situation is also created in which women may be discriminated against. Until 1978, pregnancy was treated as a "unique" condition, not subject to usual disability leave policies. Pregnant workers were not protected by same standards as another worker on leave. We are striving for equality with this bill.

I urge my colleagues to support this measure. By guaranteeing job security to those who must leave a job temporarily or who choose to leave for a period of time to care for a child, we will allow people, both women and men, to be both effective parents and effective workers and we will eliminate the built-in discrimination that comes from labeling pregnancy a "unique" condition.●

PARTNERS OR PATSIES?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GAYDOS. Mr. Speaker, I sometimes wonder at the logic used by our Government in its dealings in international trade.

For example, a few months ago the administration brushed aside the use of mandated quotas on imported steel from Japan, and other nations, opting instead for voluntary restraints imposed by the foreign producers.

And, last month the administration backed off the question of controlling the shipment of Japanese cars to the United States for sale. Its decision on this issue, so critical to domestic auto makers, was to let Japan decide how many cars to ship us.

The upshot of these negotiations has been Japan will reduce her steel shipments from 6.9 percent to 5.8 percent but will increase her auto shipment from 1.8 million units to 2.3 million units. I suspect some of the reduced steel shipments will find their way here in the form of Hondas, Datsuns, Toyotas or what have you.

And, Japan, who enjoys a $40 billion trade surplus with us and who stands to reap another $5 billion in additional car sales here, still is dragging its heels on opening up its markets to U.S. goods.

Apparently, Mr. Speaker, we still have not learned the difference between being a partner in a trade deal and the patsy of one.●

TRIBUTE TO PAUL J. FRANZ, JR.

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RITTER. Mr. Speaker, it is a great honor for me to call attention to a constituent and friend, Paul J. Franz, Jr., on the occasion of his being presented with the "L-in-Life Award" by the Lehigh Club of New York.

Paul was named vice president for development at Lehigh University in 1962. Prior to that, he had been assistant to the president, in charge of development, since 1949. He joined the administrative staff as assistant to the director of admission following graduation from the university in 1944 with a B.S. degree in business administration. He was appointed assistant to the treasurer in 1948, and earned his M.A. from Lehigh in 1955.

As vice president, Paul directs public and community relations, publications, and fundraising and long-range development for the university. Annual fund campaigns under his administration have been nationally cited for excellence by the United States Steel Foundation and the American Alumni Council. In 1970, he was cited by Murts & Lundy, Inc., for distinguished service to Lehigh, community service and other philanthropic endeavors, and writing and teaching in development.

He directed the Centennial Campaign which topped its $22 million goal for Lehigh's educational program several years ago, and he is currently directing the $75 million New Century Fund, which to date has raised $105 million. Under his leadership, Lehigh, over the past 35 years, has received approximately $200 million including approximately $100 million in the past decade.

In 1957, Paul received the Alfred Noble Robinson Award. This award is given annually to a member of the Lehigh staff "not over 35 years of age voted as giving outstanding performance in the service of the university."

And in 1976, he was chosen for the Hillman Award, one of the highest honors the university can bestow on a Lehigh faculty or staff member. The award is given to the person "who has done the most toward advancing the interests of the university."

Lehigh conferred the honorary doctor of laws degree on him at its Founder's Day ceremony in 1980.

Paul has served as national director of development programs for the American Alumni Council [AAC]. He also served on the board of directors of the AAC and as chairman of its educational fundraising committee. He has written articles that have appeared in the American Alumni Council News, Yearbook, and Alma Mater, and he was a contributor to "How-to of Educational Fund Raising" and the "Handbook of College and University Administration."

He has served on conference faculties for both the AAC and American College Public Relations Association, which have now merged into a single organization, the Council for Advancement and Support of Education [CASE].

A member of Delta Tau Delta national social fraternity, Franz is a member of several honorary societies, including Phi Beta Kappa, Pi Delta Epsilon, Phi Alpha Theta, and Deta Gamma Sigma.

Paul and his wife, Jean, reside on Church Street in Bethlehem. They have two children, Holly and Peter, and four grandchildren.

In 1972 he served as general chairman of the United Way for the Greater Bethlehem area. Currently, he is a member of the board of trustees of St. Luke's Hospital and is on the board of directors at Blue Cross of the Lehigh Valley. He also is a board member of the Lehigh Valley Conservancy and a past director of the Cornell University Laboratory of Ornithology.●

INTRODUCTION OF TITLE XX AMENDMENT

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FISH. Mr. Speaker, we have been hearing and reading about the horrors of child abuse. We agree that it is a national concern. Much of it occurs in the day care setting which is supposed to provide a comforting and enjoyable environment for children while their parents are working and unable to attend to their needs. Day care facilities have now become an integral part of the environmental and educational world of millions of young American children. With the vast number of children being provided day care, it is important that their safety and well-being be assured. This should be the responsibility of the several States but today this responsibility is unevenly carried out. States vary widely in their child care requirements, the kinds of child care they regulate, and in the procedures and structures of their enforcement systems.

Today I am introducing legislation to amend title XX of the Social Security Act. As a condition of financial assistance under title XX, States, through a designated authority, must adopt and provide for monitoring and enforcement of standards for child care. The purpose of this bill is to ensure that Federal funds subsidize only those child care facilities which are governed by standards, monitored for compliance with standards, and for which sanctions are available and imposed for violations of standards.

This bill would not require States to satisfy Federal standards, but would give States the flexibility to design their own standards to meet their needs. However, the Federal Government would be assured that standards have been adopted in particular areas—as outlined in the legislation—and that their compliance would be monitored and enforced. A State must adopt and enforce standards as a condition of its eligibility for any payments under this title to assist in the provision of child care services in the fiscal year in which such services are provided.

Mr. Speaker, this legislation is an attempt to effectively address the prevention of child abuse in a day care facility.●

TAKING THE DRAMA OUT OF HUMAN RIGHTS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FEIGHAN. Mr. Speaker, last month two prominent American playwrights, Arthur Miller and Harold Pinter, spent 5 days in Turkey talking with writers, former prisoners, and politicians about the state of human rights in that country. Their conclusion, made public at a press conference that was banned in the Turkish press, was that "gross violations of the human spirit through physical torture is a present fact in Turkey."

These authors, both vice presidents of the PEN Club which promotes human rights for other artists, cited evidence of torture in Turkey that has been documented by other human rights groups such as Amnesty International. Their comments were censored in the press because they came so close to the recent visit of Prime Minister Ozal to Washington. Their concerns, however, were echoed by many Members of Congress when Mr. Ozal met with us last week.

I encourage my colleagues to read the press reports of Messrs. Pinter and Miller's trip to Turkey, and ask that the story which appeared in the Washington Post of March 24 be included in the RECORD at this point.

[From the Washington Post, Mar. 24, 1985]

TURKEY CENSORS BLAST ON RIGHTS BY 2 AUTHORS—MILLER, PINTER SAY TORTURE A FACT IN TURKEY

(By Mustafa Gursel)

ISTANBUL, March 23—Playwrights Arthur Miller and Harold Pinter were censored from the pages of the Turkish press today after having given a press conference here in which they were strongly critical of the human rights record of this NATO ally.

The two vice presidents of the International PEN Club, a worldwide organization that promotes the human rights of artists and writers, came to Turkey last Sunday on a fact-finding mission. During their five-day stay, they spoke with more than 100 Turkish intellectuals, with former prison inmates, politicians and diplomats. As the playwrights put it, "the International PEN is concerned with the dignity of its members throughout the world."

At a press conference wrapping up their visit here Friday, Miller said, "It is almost impossible to discuss certain questions in the press here," as if to foreshadow the ban on their press conference that was handed down by the local martial law government several hours later. The two authors left Turkey before learning of the censorship.

Pinter, a Briton, said that they both were convinced that there is systematic torture in Turkey. He said, "From the information we have received since we have been in Turkey, which we regard as authentic, we believe that gross violations of the human spirit through physical torture is a present fact in Turkey. Our conclusion is that torture, despite the protestations and denials, is in fact widespread and systematic in military prisons and police stations in Turkey." He concluded by stating that he and Miller "naturally find this a deplorable state of affairs."

Miller said, "Only the pure at heart need no lawyers," quoting the judge in his play "The Crucible." He drew a parallel between 17th century witch hunts in Salem, Mass., and present-day Turkey.

Miller explained, "At a certain time in history the court permitted what was called 'spectral evidence,' which meant that it was not necessary . . . to prove that an accused person had committed an action. It was only necessary to prove that he had thought of it." Miller said that in Turkey "today people are brought into prisons on the basis of what they are alleged to be thinking."

Pinter, sitting on a platform where years ago his play "The Dumbwaiter" had been staged, praised the Turkish people for their dignity.

He said, "I would like to observe that both Mr. Miller and myself were deeply moved and impressed by the intelligence, the grace and the dignity of so many of the people we have met in Turkey, those who have suffered so much and continue to do so."

Although general elections were held in 1983 in Turkey and there is a democratically elected civilian government, many of the cases that were instigated by the military when it came to power on Sept. 12, 1980, continue to be prosecuted, and people remain in jail because of their beliefs and ideas.

TURKEY CENSORS AUTHORS' CHARGES ON TORTURE

After the military president, Gen. Kenan Evren, came to power following a period of political violence and general instability, tight restrictions were instituted over the press, universities and trade unions. Intellectuals, who periodically have been politically influenced through Turkey's turbulent history, were tried for criticizing human rights abuses and calling for an amnesty for political prisoners. Such criticism is a crime under the current constitution of Turkey.

The martial law command was able to ban the comments made at the press conference from appearing in the Turkish press because there is still martial law in a number of Turkish cities, including Istanbul.

The liberal government of Prime Minister Turgut Ozal has been very careful in its relationship with the military, and he has been taking his time in lifting martial law entirely.

However, the government was embarrassed by the remarks of Miller and Pinter, especially since they were made a few days before the visit of Ozal to Washington to meet with President Reagan. The issue of human rights in Turkey has been on the agenda of the European Parliament and in European capitals since the 1980 coup.

The authors said they will prepare a report based on their talks here during the next few days and will submit it to the International PEN Club and Amnesty Inter-

national. Pinter said the organization intends to present the report to the British Foreign Office and to the State Department.

U.S. Ambassador Robert Strausz-Hupe also was upset by the authors' comments. At an official reception in Ankara, Strausz-Hupe raised his voice at one point and told Pinter, "Sir, don't forget that you are a guest in my house." The argument started when Miller said, "There is either democracy or none of it."●

A TRIBUTE TO FATHER EDWARD M. FLANNERY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LIPINSKI. Mr. Speaker, it is with great pride that I rise today to call attention to Father Edward M. Flannery who will be celebrating the 50th anniversary of his priesthood on April 27, 1985.

Father Flannery has had a long and distinguished career. He was ordained on April 27, 1935, at St. Mary of the Lake Seminary in Mundelin, IL. His first Mass was celebrated at St. Clement's Church which he attended as a child. In August 1942, Father Flannery entered the military service as a chaplain in the U.S. Army. While stationed in the Philippines during World War II, he was wounded and awarded the Purple Heart. Father Flannery retired from the Army with the rank of major.

In 1949, Father Flannery was asked to serve as national chaplain for the Military Order of the Purple Heart, a position he still holds. He is also past national chaplain of the Disabled American Veterans.

One of Father Flannery's greatest challenges came in 1959, when he was chosen to start a new parish on the southwest side of Chicago. He named the parish St. Rene, after a North American martyr. Under his leadership and guidance, St. Rene became a very active parish in the community. Father Flannery retired from St. Rene in 1979. He now lives in Hinsdale, IL, and is very active and popular as a visiting priest in the neighboring parishes.

I join with the residents of the Fifth Congressional District in paying tribute to Father Flannery on the occasion of his 50th anniversary and thank him for his outstanding community work in our behalf.●

A TRIBUTE TO DANNY THOMAS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RAHALL. Mr. Speaker, yesterday, I had the pleasure to attend a ceremony at the White House which made me especially proud to be an American. I was present when President Reagan presented on behalf of the U.S. Congress a gold medal to Danny Thomas for his humanitarian efforts and outstanding work as an American.

The medal was authorized by this Congress in legislation I introduced which was passed by the House and Senate and signed by the President in November 1983. I am especially proud to be associated with this institution which has seen fit to join with so many other distinguished institutions in recognizing Danny for the work he has done with St. Jude Childrens Research Hospital in Memphis, TN.

When Danny Thomas was a struggling young comedian, he prayed to St. Jude, the patron saint of the hopeless, vowing to erect a shrine in the saint's honor should he become a success in show business. When Danny became a household name through such shows as "Make Room For Daddy," he never forgot his vow to St. Jude. He began a one-man campaign to raise funds for a hospital which he decided would be the only fitting shrine to his patron saint.

St. Jude's Hospital opened its doors in 1962, providing care for children stricken with diseases such as cancer and leukemia. This institution has achieved a remarkable 53 percent cure rate for those children afflicted with leukemia. St. Jude's is completely nonsectarian, interracial, and completely free of charge. Even the cost of travel and motel accommodations for out of town patients and their families is covered by the hospital.

And the care and love given at St. Jude's is second to none. This reflects the character and dedication of its benefactor, Danny Thomas.

I would like to insert into the RECORD an article which appeared in this morning's Washington Post by Donnie Radcliffe which elaborates on how his friends feel about the man honored by this country yesterday.

[From the Washington Post, Apr. 17, 1985]

THOMAS GETS THE GOLD

(By Donnie Radcliffe)

Marlo Thomas said St. Jude had been in their lives so long that she and the other Thomas kids thought he was their uncle.

"Somebody said to me today, 'Do you pray to St. Jude, too?' I said no, I just tell Daddy and he does it. He has a direct line," the television star told an audience saluting comedian Danny Thomas last night.

The tribute climaxed a day in which President Reagan bestowed a Congressional Gold Medal on the 71-year-old entertainer for his "humanitarian efforts" in founding St. Jude Children's Research Hospital in Memphis, Tenn., 23 years ago.

"I was going to hug him," said Danny Thomas, "then I decided just to touch his face."

St. Jude, named for the patron saint of the hopeless, is one of 20 cancer centers receiving federal funds for research. Thomas said he didn't have to put in a plug for the hospital when he was with Reagan and Vice President Bush yesterday.

"They know what we're doing. They never cut us back. We get what we want," Thomas said of the $9 million that St. Jude receives in competitive grants. This year the research center's budget is expected to be more than $50 million.

Dr. Joseph Simone, St. Jude's director, told the dinner crowd of 300 at Knights of Columbus Hall in Arlington that when the hospital opened in 1962 no more than 1 percent of the children suffering from leukemia ever survived. Today, 50 percent of them live.

"The most exciting research area is that we're closing in on what the genetic reason is that cancer becomes cancer," Simone said before dinner.

Washington attorney Richard Shadyac came up with the idea of a congressional medal for Thomas. George Washington received the first such medal. Rep. Nick J. Rahall II (D-W.Va.) introduced legislation two years ago that made Thomas the 116th recipient.

The wheels of government grinding as they do, the White House notified Shadyac and others about 10 days ago that the presentation ceremony would be on the president's April 16 schedule. The combined efforts of something called ALSAC took over. By last night the ALSACers who stand for Aiding Leukemia Stricken American Children joined forces with the ALSACers who stand for American Lebanese Syrian Associated Charities.

In practice, if not in fact, they are one and the same. And they beamed paternally when their hero of the day stood before them to take their accolades.

"I knew when the president put [the medal] around my neck that he was putting it around the necks of every one," Thomas said.●

ST. ANNE'S CATHOLIC COMMUNITY CHURCH IN WARREN, MI

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. HERTEL of Michgan. Mr. Speaker, this month marks the 40th anniversary of St. Anne's Catholic Community Church in Warren, MI, and therefore, I would like to take a few minutes to give special recognition to this distinctive parish. St. Anne's is a parish defined by its dedicated clergy, teachers, and administrators as well as caring and hard-working parishioners. Over the years, this distinguished congregation has worked endlessly to develop and institute many religious based activities, such as a Sunday preschool and religious education courses for public school students. In addition, it sponsors some 42 community activities, including senior citizen and adult education programs.

Four decades of building and expansion make St. Anne's what it is today—one of the largest and most prestigious parishes in Macomb County.

At its first Mass, celebrated on Easter Sunday, 1945, St. Anne's and its 20 members were a parish just beginning to develop. Mass was celebrated in the Warren Public High School gym.

The following year, St. Anne's purchased its first actual church building, the Warren Village Barn. The parish celebrated its first Mass in its new surroundings on Easter Sunday, 1946.

In 1953, construction began on a new church. This building served as temporary church, auditorium, and gymnasium until 1964 when St. Anne's Church as we know it today was built.

In the early days, St. Anne's parish comprised an area of 20 square miles stretching from 12 to 16 Mile Roads and from Dequindre to Schoenherr. Parishioners traveled many miles over this sparsely populated area to worship at St. Anne's. Due to the rapid and enormous growth of the cities of Warren and Sterling Heights, several new Catholic parishes have recently been founded in this same area. St. Anne's, however, still remains a large and active community.

In the 40-year history, three pastors have guided St. Anne's parish. The founding pastor, Rev. Frank Walsh, served from 1945-70. From its very beginning he was responsible for St. Anne's incredible progress in the community. Rev. Fabian Slominski accepted pastoral responsibilities in 1970 and energetically led this parish until 1983. Rev. Stanley Wyczawski became pastor in 1983 and continues to inspire and assist members in St. Anne's community today.

To the 1,000 schoolchildren, the 3,000 families, and the many friends of St. Anne's, I want to extend my very special praise and congratulations from the U.S. Congress on this happy occasion.●

TESTIMONY OF EDUCATION DEPARTMENT AIDE CRITICIZED

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SKELTON. Mr. Speaker, yesterday, Eileen Marie Gardner, an Education Department Special Assistant of this administration, testified before a congressional committee that Federal aid for the handicapped has been misguided and falsely based and that we should consider how much the handicapped can profit from education. Once again the true nature of this administration's opaque policies has come to the surface. We have seen them turn their backs on farmers, small businessmen, the elderly poor, students, veterans, and now handicapped children. Their display of coldheartedness is elitist and, frankly, shameful.

America is the land of opportunity and this demonstration of opportunity and the right to an education for a selected group of our society cannot and will not be tolerated by this Congress as we represent all Americans in this great body of Government.●

MARLOW BOYER

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. LOWRY of Washington. Mr. Speaker, I was saddened to read in today's Post about the death of Marlow Boyer on April 13. He was only 25, and he had been fighting against cancer. Although Marlow was very young, his work and life touched many people including myself.

A few years ago, Marlow Boyer was the official photographer for a group of people from Seattle who went to the Soviet Union. They visited Leningrad, Moscow, and Tashkent, which is Seattle's sister city. On the streets of Tashkent they handed out copies of a letter of greeting, a call for peace, from the people of Seattle. Marlow took his photograhic record of the trip and turned it into an audiovisual show called People to People, City to City. It is a moving appeal to people everywhere to understand each other and to learn to live together. A couple of years ago, along with our former colleague Joel Pritchard, I arranged to have it shown in the Capitol. I found it to be very sincere and touching. It has been shown on many other occasions, and I know that it has affected many other people in the same way.

I extend my deepest sympathies to Marlow's family and friends at this time. I want them to know that he succeeded in communicating an important and beautiful message to a lot of people, many of whom never knew him personally. That is something for his family and friends to be proud of.●

COMBINED JEWISH PHILANTHROPIES CELEBRATES 90TH YEAR OF PHILANTHROPY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FRANK. Mr. Speaker, on April 25, 1985, the Combined Jewish Philanthropies [CJP] of Greater Boston will proudly commemorate its 90th anniversary of service to the public. CJP is a pioneer in charitable social service in the Nation and is often looked to as a model of the useful and productive role that charitable agencies in this country can play.

Founded in 1895, CJP has had a long and active role in the building of support services in Boston, nationally, and overseas. The 30,000 Boston area people who participate in CJP activities contribute to a wide range of high quality programs and services that help people of all ages and backgrounds.

CJP assists in the funding of Jewish Family and Children's Services, the Jewish Community Housing for the Elderly, and the Bureau of Jewish Education, to name but a few of their worthwhile projects. These and other extensive philanthropic initiatives, as well as the many complementary programs that CJP has initiated in an effort to further social, cultural, and religious interest within the community, have demonstrated an invaluable and continuing commitment to improving the quality of life.

I wish to call to the attention of the Members the remarkable work of the Combined Jewish Philanthropies for the past 90 years and wish them continue success in the future.●

THE 21ST ANNIVERSARY OF SCORE [SERVICE CORPS OF RETIRED EXECUTIVES]

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FEIGHAN. Mr. Speaker, 1985 marks the 21st anniversary of the Service Corps of Retired Executives [SCORE], a volunteer organization of retired businessmen and women who freely give of their time and experience to counsel beginning and enterprising businesses. This year, more than 12,000 SCORE volunteers belong to over 400 chapters in every State, plus the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. Their efforts have contributed to more than 1,200,000 small businesses since SCORE's inception in 1964.

SCORE first began free management counseling in Boston during the early 1960's. The idea soon spread to other areas, and the Small Business Administration took steps to utilize SCORE as a small business management assistance resource.

In 1969, the Active Corps of Executives [ACE] was established by SBA to supplement SCORE counseling by utilizing the talents of volunteers not yet retired from their business careers. In 1982, ACE was merged with SCORE into a single organization, with ACE members accounting for about one-fourth of SCORE's membership.

Mr. Speaker, SCORE members are dedicated to their program of offering free counseling to small businesses throughout America. SCORE members often donate 20 or more hours

per week to guiding a business through the intracacies of basic accounting principles, or teaching basic management rules, and effective personnel policies. SCORE's greatest effect on clients is one-on-one counseling, which is ordinarily the most costly form of management assistance. It is not unusual for a SCORE volunteer to spend 40 hours a week on a specific case, guiding the small business around such pitfalls as inventory obsolescence, top-heavy personnel costs, failure to take into account tax consequences, and the selection of an unprofitable location for a business.

SCORE counselers also conduct prebusiness workshops and seminars, helping small businesses to understand the problems of ownership and management. These workshops provide a wealth of experience in sales, advertising, financial control and purchasing, teaching a beginning or struggling businessperson the basics of effective management.

The Small Business Administration, which sponsors the SCORE program, affirms the country's debt to these men and women who selflessly contribute their time, their wisdom, and their experience to this very important organization.

It is most appropriate, Mr. Speaker, that we commend the many volunteers who make the SCORE program work so well as they mark the 21st anniversary of SCORE's dedication to the Nation's small businesses.●

A TRIBUTE TO JACK HOLCOMB

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. YATRON. Mr. Speaker, I rise today to ask my colleagues to join me in paying tribute to Mr. Jack Holcomb, a very special citizen of Reading, PA. On May 1, 1985, the many friends and admirers of Jack Holcomb will gather together to help celebrate the 52d year of his birth and the 29th year of the presence of his appealing voice on radio station WEEU. From his start in October 1956, as disc jockey and sportscaster, through the days of the "Birdwatching Society," "Bird Talk," and "Rangers on Record," to his current very popular and lively "Feedback" program, Jack has been one of Berks County's most popular radio personalities.

Jack Kirkland Holcomb was born on May 1, 1943. After graduating from Canton Central High School in New York in June 1951, he attended Ithaca College. While studying speech and drama, Jack worked as a photographer's assistant and for Sykes Dairy. After graduating from college in June 1956, he accepted a job with WEEU in Reading, PA. His first assignment for the station was disc jockeying and sportscasting. An avid and life-long birdwatcher, Jack began a syndicated program called the Birdwatching Society in August 1965. A mechanical bird named "Hokie" joined Jack on the air in "Bird Talk" and helped make the show another success. After celebrating the music of Shortie Long during evenings of "Rangers on Record," Jack began the talk show "Feedback." Now, from 10 a.m. to 2 p.m. each weekday, Jack hosts lively discussions with his many listeners on every topic and timely public issue. Jack has brought his love of nature, his deep respect for creatures great and small, his love of life and infinite curiosity about all its aspects, and his concern for good health, fitness, and human kindness to the airwaves of Berks and surrounding counties and into the hearts and minds of his many appreciative listeners.

I am proud of my friendship with Jack and I know that when all of his friends gather to surprise him for his birthday on May 1, 1985, they will have done so out of their fondness and respect for a man whose voice and noble spirit have spoken to them in countless ways for nearly three decades. I commend Jack and wish him a wonderful birthday and many happy returns.●

PRESIDENT REAGAN'S TRIP TO GERMANY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. WOLPE. Mr. Speaker, I can hardly convey the full measure of my shock and incredulity at the lack of sensitivity reflected in President Reagan's planning for his upcoming trip to Germany.

I was personally troubled by his decision not to include a trip to a concentration camp on his itinerary. This seems the very least that should be done to honor the memory of the millions who lost their lives in the horror of the Holocaust. That Mr. Reagan sought to justify this decision on the grounds that, "Very few alive (in Germany) remember even the war * * *" was not only inaccurate, but was utterly offensive.

Then, compounding the insult, the President announced his decision to participate in a wreath-laying ceremony at a German military cemetery which contains the graves of members of the very Nazi SS troops that were directly responsible for thousands of American deaths and participated directly in the slaughter of millions of Jews.

I know that voices have been raised throughout this country and in Israel protesting President Reagan's plan to visit the Bitburg cemetery. I hope the President will listen to these voices and will reverse the decision he has made. That is the least that he can do.●

WHO RUNS THE CONTRAS?

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. KOSTMAYER. Mr. Speaker, one of the key questions concerning our policy toward Nicaragua is: Who runs the Contras? President Reagan has described the Contras as freedom fighters and as our brothers. I assume that before the President said this he looked very carefully at who these people are. Yesterday at a hearing of the Subcommittee on Western Hemisphere Affairs, the administration's top Latin America expert was asked to share this information with the Congress and the American people. To our amazement and despite the fact that he had been told that subcommittee would request this information, the Assistant Secretary of State for Inter-American Affairs was either unwilling or unable to provide this information. The questions asked were simple: How many officers of the Samoza National Guard or security forces now serve with the largest Contra group, the FDN? How many members of the FDN general staff were officers of the Somoza government? How many of the commanders of the FDN's regional task forces were officers of Somoza?

It is not unreasonable for the Congress to know the answers to these questions. This is particularly the case as information from a variety of sources indicates that virtually the entire FDN military leadership consists of former members of the Somoza security forces. The subcommittee is trying to determine the accuracy of information provided by the Government of Nicaragua and from recent press reports. If the information we have is in error, we ought to be told. If the information is correct, we have the right to know who the Contras are.

For the benefit of my colleagues, I am submitting information and articles assembled by the subcommittee on the Contra leadership. If the administration has different information, we invite it to come forward with it.

GENERAL STAFF OF THE NICARAGUAN DEMOCRATIC FORCE (FDN)

LARGEST CONTRA FORCE

Captain Hugo Villagra Gutierrez; Lieutenant Antonio Edgard Flores; Major Emilio Echaverria Mejia, Captain Juan Alcibiades Espinal Cuadra; Captain Mario Ramon Morales; Lieutenant Armando Lopez Ibarguen;

Lieutenant Jose Fransisco Ruiz Castellanos; and Lieutenant Walter Calderon Lopez.

Capt. Hugo Villagra Gutierrez: He is the Commander of the Basic Infantry Training School (EEBI) of the FDN in Honduras. His nom de guerre is Visaje Gongora. He entered Somoza's National Guard in 1964 with the rank of 2nd Lieutenant. He received military intelligence training and other courses in four stages in the U.S. He also took courses in counter-insurgency in Fort Gulick, Panama Canal Zone. He was promoted to captain in 1979 and received the merit medal award from the EEBI.

Lt. Edgard Flores: He is the Chief of Intelligence of the FDN. His nom de guerre is Abel. He entered the National Guard in 1964 as a 2nd Lieutenant. He took the counter-insurgency course at Fort Gulick. He was the Commander of the Northern Zone for the National Guard during the last days of the Somoza dictatorship. He obtained asylum in the Colombian Embassy on July 18, 1979.

Maj. Emilio Echaverria Mejia: He has been the Chief of Operations of the FDN since 1982. Before that he was FDN Chief of Staff. His nom de guerre is Fierro. He entered the National Guard in 1961. He took counter-insurgency courses in the Canal and a special commando course in Argentina. In 1975 he was leader of patrol squads in Granada, Guasaule, Leon, Chinandega, Esteli and Matagalpa. He was promoted to Major in 1977 and in 1979 he became a special assistant to Anastasio Somoza.

Capt. Juan Alcibiades Espinal Cuadra: He is Chief of Logistics of the FDN. His nom de guerre is Rudo. He entered the National Guard in 1960. He took basic courses of infantry, counter-insurgency, military police, and advanced courses in commando training and infantry during a period of 10 years at Fort Gulick. He was promoted to 1st Lieutenant in 1972 and to Captain in 1976. He was the Commander of Camoapa and in 1981 he joined the contras in the Gulf of Fonseca.

Capt. Mario Ramon Morales: He is the Chief of Personnel of the FDN. He entered the National Guard in 1952 and became a Captain in 1978. He took a course in military investigation units in 1965. He also received special training in the U.S. in parachuting, artillery and infantry. His other courses included special training in counter-insurgency. He was wounded during fighting in Penas Blancas on the southern front and turned over to the Costa Rican authorities after the Triumph of the Revolution.

Lt. Armando Lopez Ibarguen: He has commanded several attacks inside Nicaragua, including different targets in Leon and Chinandega. He also has charge of harassing with mortars and small arms fire frontier posts in Cinco Pinos from inside Honduras. He is one of those responsible for the attack on San Francisco del Norte in July 1982 where 14 peasants were killed. In January 1983 he was transported by helicopter to the Zone of Bocay in Jinotega Norte. His noms de guerre are: El Viejo, Policia, and 26. He entered the National Guard in 1957. He became a Lieutenant and took courses in aviation mechanics and logistics management at Fort Gulick. In 1967 he was assigned to the combat battalion "General Somoza" in the North. He was directly responsible for the assassination of peasants in Suskawas and El Cerro Ulimes in 1976.

Lt. Jose Francisco Ruiz Castellanos: Since the latter part of 1982 he has been the Chief of Task Force operations of the FDN. He entered Nicaragua on January 25, 1983 in the vicinity of Jinotega and was responsible for the attack on San Jose de las Mulas where 17 boys of the Sandista Youth Movement were killed. He graduated from the Nicaraguan Military Academy in 1975 as a 2nd Lieutenant and was assigned to the EEBI. He took a basic infantry course in Panama. He was promoted to 1st Lieutenant in 1979 and was the second in command of an operations base and commander of a company in a zone bordering Nueva Segovia.

Lt. Walter Calderon Lopez: He has been a member of the General Staff since 1982. He commands a task force of 250 contras. He entered Nicaragua on January 25, 1983 in the Rio Coco Zone, Jinotega, with the mission of facilitating the entrance of 300 other contras into Zelaya Norte by constructing a landing field in La Ceiba and by diversionary attacks throughout the Zone. He graduated from the Military Academy in 1975 and became a member of the National Guard in July of that year as a 2nd Lieutenant. He took three courses in Panana: Officer Training, Combat Patrol and Officer Discipline. From 1976 to 1977 he was in charge of patrols in the mountains. He undertook special missions in the south in 1978 and in 1979 was promoted to 1st Lieutenant and assigned to the "General Somoza" Combat Battalion. His nom de guerre is Todo.

The other members of the General Staff are: Justiano Rafael Perez Salas, former EEBI staff member. Steadman Fagoth, former Somoza State Security Agent. Ricardo Lau, former National Guard member. Francisco Rivera, former National Guard member.

[From the New York Times, Mar. 24, 1985]

OFFICERS OF THE OLD NATIONAL GUARD REMAIN A FACTOR IN THE REBEL FORCES: SOME CONTRA LEADERS ARE THEIR OWN WORST ENEMIES

(By James LeMoyne)

TEGUCIGALPA, HONDURAS.—Less than a year after the Sandinistas seized power in Nicaragua in 1979, 60 exiled officers of the defeated National Guard met in Guatemala. With little hope of success, some of them recall, they vowed to drive out the Sandinistas.

Today, more than 12,000 guerrillas are involved in the battle. Most of them march under the banner of the Nicaraguan Democratic Force, which has received most of the $80 million reportedly provided to insurgents by the Central Intelligence Agency. While their foot soldiers are mainly peasants angered by Sandinista policies, almost all the top commanders are former National Guard officers. Their influence and unclear political aims have become issues in the Congressional debate on continuing aid. Last week, vigorously supporting the guerrillas' struggle, President Reagan asserted that Congress must decide whether the United States would keep "trying to help people who had a Communist tyranny imposed on them by force, deception and fraud."

Originally trained by American Marines, the National Guard defended the ruling Somoza family for more than 40 years. By 1979 and the Sandinista-led revolution, many Nicaraguans identified the Guard with corruption and brutality. Now, as rebel leaders, some former guardsmen have proved capable. Others, however, have been accused of crimes including murder and stealing from the C.I.A. A rival guerrilla leader, Edén Pastora, refuses to join forces because, he says, the National Guardsmen could not win popular support at home.

Their supreme military commander, Col. Enrique Bermudez, was the Somoza Government's last military attaché in Washington where, a former associate says, he cemented ties with the C.I.A. At his base on the Honduran-Nicaraguan border, new recruits drill awkwardly in ill-fitting boots. Colonel Bermudez said in an interview that he was fighting the "Sandinocommunist system," to create a pluralistic democracy. But rebel fighters appear to receive little political instruction and say their only goal is to destroy the Sandinistas in a war that Colonel Bermudez depicts as part of the struggle between Moscow and Washington. Critics argue that the National Guard officers' experience in defending the Somozas casts doubt on their commitments now. These officers, Colonel Bermudez replies, make up only 1 percent of the rebel army and have been unfairly stigmatized. "I don't think you can judge all by the sins of the few," he said.

Their numbers may be small, but their influence appears to be great. Under Colonel Bermudez, the heads of logistics, intelligence, training, operations, special forces and most of the largest combat units are Guard veterans. Many company commanders are former National Guard enlisted men. And two influential rebel civilian officials, Enrique and Aristides Sanchez, were large landowners who backed the Somozas.

After a rebel command shakeup in 1983, several former Guard officers departed under a cloud. Honduran military officials say they suspect Col. Ricardo Lau, until recently the head of rebel counterintelligence, of involvement in the disappearance or killing of at least 18 Hondurans and 80 Salvadoran leftists since 1981. According to Edgar Chamorro Coronel, who was dismissed as a civilian director of the Nicaragua Democratic Force five months ago for publicly criticizing the rebels, other commanders threatened to kill Colonel Lau at a meeting in December 1983.

The C.I.A. station chief was called in to mediate, Mr. Chamorro said. Mr. Lau could not be reached for comment. The C.I.A. has declined to comment on reports of its operations in Central America. Mr. Bermudez said he had heard many charges against Mr. Lau, once a close aide, but had seen no evidence to support them. Last week, Col. Roberto Sativáñez, a former director of intelligence in El Salvador, said he had seen documents indicating that Colonel Lau had "received payment of $120,000 for arranging" the assassination in 1980 of El Salvador's Archbishop, Oscar Arnulfo Romero. Colonel Santivanez was dismissed as Salvadoran consul in New Orleans; some members of Congress and other Americans raised about $35,000 for his expenses.

The rebel chief of staff, Emilio Echaverry, retired last year. He was accused of stealing large amounts of C.I.A. money, according to Mr. Chamorro and Capt. Armando Lopez, head of logistics. C.I.A. agents seeking the missing money forced several rebels to take lie detector tests, Mr. Chamorro said. A former National Guard sergeant who became a top combat commander, using the nom de guerre "Suicide," was executed in 1983 along with two other Guard alumni. Mr. Bermudez said they had "mistreated civilians." Another rebel official said they had been accused of robbery, rape and murder.

Worried about the guardsmen's reputation, the C.I.A. appointed a new seven-member National Directorate in late 1982, primarily to meet journalists and Congressmen, according to Mr. Chamorro and an-

other senior rebel official. Colonel Bermudez and his aides continued to run the military, Mr. Chamorro added. "We used the Argentines, the C.I.A. and the Guard," he said. "How do you create a democratic army out of that?" Other rebel officials reply that National Guard officers have the same right to fight as any other Nicaraguan exile and that their military experience is needed. However, a Western official said that at first, the former officers relied unsuccessfully on conventional military tactics, which they had learned as cadets. Now, threatened with the loss of American assistance, the Guard officers face the challenge of waging guerrilla war, which requires broad popular support. On present evidence, it is not clear if they can make the transition.

[From the Washington Post, Dec. 17, 1984]

AID MAY DEPEND ON PAST TIES

(By Edward Cody)

In Spanish, the word *contra* is shorthand for "counterrevolutionary," and when the small band of escaping and self-exiled Nicaraguan soldiers and businessmen began their struggle to overthrow Nicaragua's ruling Sandinistas more than five years ago, that was what the Sandinistas called them.

Partisans of Nicaraguan dictator Anastasio Somoza, they had been opposed to the Sandinista National Liberation Front as soon as it launched a civil war in late 1978. After the leftist Sandinistas won in July 1979, ousted Somoza and established their new "revolutionary" government, it was only a matter of days before the "counterrevolutionaries" launched their first operations.

Enormous changes have taken place since that early band began attacking the Sandinistas and their Cuban advisers. Thousands of initially prorevolution Nicaraguans now are disenchanted with Sandinista rule and have become rebel recruits. With funds, guidance and sustained impetus from the Reagan administration, the anti-Sandinista rebels have become a guerrilla army to be reckoned with.

Yet as the shooting war has grown, it has been matched, battle for battle, by a propaganda war over whether these guerrillas are being led by the same old pro-Somoza contras—as the Sandinistas maintain—or are, as President Reagan has described them, a force of anti-Marxist "freedom fighters."

Both the rebel leaders and the vast majority of their foot soldiers are not pro-Somoza but are former "revolutionaries" themselves, the administration and rebel leaders have said. Continued rebel efforts to stop the Sandinistas from exporting their revolution and to pressure them to become more democratic, they have maintained, are vital not only to Nicaragua, but ultimately to American freedom itself.

It is on this distinction, along with a feeling among some congressmen that the United States should not be funding a "secret war" against a sovereign nation nor supporting a guerrilla army no matter what it is called, that the future of U.S. funding for the rebels partly depends.

During the past three years, since Reagan first authorized money and support for the guerrillas, the not-so-secret war against the Sandinistas has taken its toll on the organization charged with supervising it—the Central Intelligence Agency. A number of U.S. intelligence veterans of the anti-Sandinista operation say they believe that it has gone on too long, too publicly, too cheaply and with too little direction or results.

[From the Washington Post, December 1984]

SHADOW OF SOMOZA HAUNTS REBELS' IMAGE

But continuing difficulties in the war, for both the CIA and the rebels, according to U.S. intelligence and rebel sources, have been matched by problems in propaganda and what might be called for "organizational" war to define and lead the anti-Sandinista army.

With Congress reluctant to renew U.S. funding for the rebel cause, and with the administration trying to decide what to do if Congress refuses, the guerrillas in Nicaragua and their leaders in Honduras and the United States appear to have reached a crucial moment in their struggle.

Insurgent leaders insist that they can carry on the fight with funds from other sources, as they have since CIA financing dried up on congressional orders last June. But with the fortunes required to run a guerrilla war, particularly against improved Sandinista armaments, the outcome in Washington is likely to have a decisive effect on the thousands of Nicaraguans who have put their lives and livelihoods on the line against what they regard as the intolerable regime in Managua.

BIRTH OF AN ARMY

Although roving bands of former Somoza soldiers began their war against the Sandinistas soon after the dictator's ouster in 1979, the organization of the rebels into a real guerrilla army with real possibilities did not begin until the onset of U.S. funding in later 1981.

Since that time, although the structure of political leadership has shifted both here and in Honduras, the anti-Sandinista movement has retained a consistent military commander, Enrique Bermudez. With his ranks grown sharply in part because of $80 million in U.S. funds during the past three years, the determined former officer of Somoza's National Guard in charge and the youths who have made roadside ambushes their way of life appear to have little reason to abandon their commitment on considerations defined in Washington.

According to rebel leaders and witnesses, most of the rebel combatants are young peasants and small landowners bothered by zealots dispatched by Sandinista rulers in Managua to reform the conservative backlands of coffee plantations and tobacco farms. Many also come from families that included soldiers in the National Guard, which they say constitutes a stain in the eyes of Sandinista authorities and many other Nicaraguans who consider the guard a symbol of Somoza's oppression.

Rebel officials say the combatants are led by about 10 regional commanders, each in charge of several "task forces, including one named after Jeane J. Kirkpatrick, U.S. ambassador to the United Nations. Except for a leader known in the movement only as "Tigrillo," who fought on the side of the Sandinistas before their victory in 1979, the most prominent commanders gained military experience as soldiers or officers in the National Guard, rebel sources say.

For some, this was supplemented by training in Argentina in 1981, before CIA advisers took a direct hand in running the rebellion, according to Edgar Chamorro, an insurgent leader expelled from the organization last month in a dispute with his colleagues.

The composition of rebel forces has been an important public relations point from the beginning. While they acknowledge the rebels' peasant following in private, Sandinista officials speaking publicly in Managua depict the insurgency as an enterprise of National Guard and Somoza revanchists directed by CIA advisers carrying out orders from Reagan to topple the government.

To counter this, rebel leaders insist that only 2 percent of guerrilla ranks are filled by former National Guard troops and stress that they could not remain in the country without support from the people. In addition, they seek to conceal the key role played by former National Guard officers in the top military command operating in Honduras with cooperation from the Honduran military.

REBEL REORGANIZATION

It was partly this concern that prompted CIA advisers in late 1982 to organize a new overall leadership for the main insurgent group, the Nicaraguan Democratic Force, FDN by its Spanish initials, according to Chamorro and several other rebel activists who say they were interviewed as likely prospects by CIA agents here and in Washington. Chamorro, who trained to become a Jesuit priest, joined them as part of what he describes as a "repackaging" of the rebel movement for the U.S. Congress and public, eliminating leaders tied to Somoza from public view.

Until the reorganization announced in December 1982, the FDN leadership comprised Jose Francisco "Chicano" Cardenal, a Managua contractor, who had served in the Sandinista Council of State until he abandoned the revolution and settled in Miami;

Marromno Mendoiaza, a former union organizer also disenchanted with the revolution. Aristides Sanchez, a landowner connected to Somoza socially before 1979 and to Somoza followers who fled to Miami afterward, and seven former National Guard officers: Bermudes, Emilio Echavery, Edgard Hermandez, Ricardo Lau, Manuel Casceres, Francisco "El Gato" Rivera and Juan Gomez.

Bermudez, who was military attache in Washington under Somoza Hernandez, had served along with Sanchez on the governing junta of the 15th of September Legion. This small group of former military men, with Bermudez as their leader, launched early sabotage raids against the Sandinista government. It merged with other small groups, including political alliances in Miami, to form the FDN, with Cardenal as a visible leader and Bermudez remaining as operational leader working with Argentine advisers in Honduras.

The decision of Argentine and CIA advisers to work with Bermundez meant the death of other efforts to organize a large insurgent force. Pedro Ortega, a Spanish-born owner of a match factory under Somoza, dropped out after spending what he said was a million-dollar personal fortune to send guerrillas along Nicaragua's Caribbean coast. Edmundo Chamorro, another early leader who sought Argentine support, was passed over.

The focus of attention and money on Cardenal and Bermudez set a pattern that has continued and intensified as the insurgency has grown from 500 men based in Honduras in 1981 to what their leaders now maintain are more than 12,000, most of them in Nicaragua. While Cardenal dealt with governments, including the Reagan administration, Bermudez worked quietly and directly with foreign advisers and supplies to run the actual guerrilla war.

As military attache in Washington and commander of Somoza's contingent within the Organization of American States forces during the U.S.-led invasion of the Dominican Republic in 1965, Bermudez had the opportunity to make key acquaintances in the U.S. military and intelligence establishments. Echaverry, his main aide, had attended military courses in Argentina along with Gen. Gustavo Alvarez, then head of the Honduran military, who along with Argentine and U.S. officials made Honduras a haven for the insurgents.

Significantly, Bermudez was the only FDN leader to remain in the "repackaged" FDN national Directorate of December 1982. Although politically attractive as an anti-Somoza activist and former official under the Sandinistas, Cardenal was dropped at the insistence of Argentine advisers who were directing the insurgents in Honduras, according to FDN officials.

The dispute revolved around Cardenal's efforts to act as leader, with Argentine officers insisting on retaining control of the insurgency, Edgar Chamorro recalled. Col. Osvaldo Ribeiro, a commander of the Argentine advisers group, personally handed out funds to rebel leaders and went so far as to give Cardenal personal expense money in humiliatingly small weekly amounts, he added.

At that time, CIA advisers were playing a secondary role in Honduras and were rarely seen there before guerrilla ranks began to grow in 1983, Chamorro said. Ribeiro traveled occasionally to Washington and Miami, but U.S. officials were the main contacts in the United States, he declared.

With Bermudez and Chamorro on the new FDN leadership panel were Lucia Cardenal, widow of a slain and highly respected business leader; Marco Zeledon, a Managua business organizer who once served in the U.S. Army; Indalecio Rodriguez, a university rector who was among the original members of the Sandinista National Liberation Front, and Alfonso Callejas, a minister and vice president under Somoza. Adolfo Calero, a silver-haired businessman who once managed Nicaragua's Coca-Cola plant, joined the group later and emerged with the title of commander in chief as rebel forces grew through 1983.

NEW LEADERS OPPOSED SOMOZA

Except for Bermudez and Callejas, the new leaders all had been active in the struggle against Somoza. Calero was jailed by the National Guard for organizing business opposition to the government, and Zeledon played a key role in fomenting a crucial anti-Somoza national strike. Their pasts, along with similar anti-Somoza activities by Chamorro and Rodriguez, were underlined in appeals for U.S. and Nicaraguan public support.

Immediately under Bermudez on his military staff, however, were some of the same National Guard officers who had helped start the insurgency. They included Echaverry, still working closely with his classmate Alvarez; Lau, in charge of counterintelligence; Gomez, in charge of the rebel "air force" Caceres, and Hernandez.

In addition, according to Chamorro, top officers included Justiciano Perez, who before 1979 was second in command under Somoza's son at the Base infantry Training School, and Hugo Vagra, who was named "operations theater commander" but was dismissed in a command shake-up late last year Sanchez, who is related to Calero by marriage became National Directorate Secretary and one of Calero's closest aides.

Bermudez, Lau and Perez particularly have been cited by followers of Eden Pastora as reasons for his refusal to join forces with the FDN—on the ground that it remains under control of National Guard officers, against whom Pastora fought during the Sandinista revolution.

After fighting last year in collaboration with Alfonso Robelo in the Costa Rican-based Revolutionary Democratic Alliance, ARDE, Pastora has gone his own way since the summer because of Robelo's decision to join with the main FDN. Without funds for ARDE military efforts, now commanded by Fernando "El Negro" Chamorro, Robelo has decided to concentrate on political activities, Calero reports. Pastora, also without financing since the CIA cutoff last summer, has gone his own way with several thousand mostly inactive guerrillas along the Nicaraguan-Costa Rican border.

In an effort to attract the politically popular Pastora last spring. Calero's FDN leadership announced that it had trimmed National Guard officers from the top command. Lau and Perez in particular were said to have left the rebel organization.

Other insurgent officials say, however, that Perez remains active as a military aide to Steadman Fagoth, leader of Miskito Indian forces allied with the FDN, and Lau also is still on hand in Honduras working as before to prevent Sandinista attacks or infiltrations.●

A TRIBUTE TO COL. ROBERT L. McLEAN

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GREEN. Mr. Speaker, as the Member of the House privileged to represent New York City's 15th District, I feel proud to be able to recognize the contributions of one of its residents, a man who epitomizes the concept of the citizen soldier, Col. Robert L. McLean.

Colonel Mclean has served his City, State and country for over three decades, both in the military and as a civilian participant. In 1952 Robert McLean became a second lieutenant as a student in the ordnance school. From there he went on to the ordnance guided missile school, and finally became a test officer, systems test division, White Sands Missile Range. In 1955, as a first lieutenant, he was assistant project engineer for the Corporal, Dart, Lacrosse, and redstone missiles ordnance mission at White Sands Missile Range. In 1959, having left active duty, 1st Lieutenant McLean was promoted to captain and became research and development coordinator, office, chief of ordnance. By 1979 this dedicated man has become a colonel. He had held many important posts including being chief of staff, 77th Infantry Division, and project officer, Darcom Readiness Study. Since 1981, as a reservist, Colonel McLean has been commander of the 77th Infantry Division and deputy director, material testing directorate, Aberdeen Proving Ground.

The numerous well-deserved docorations that have been awarded to this man include the Meritorious Service Medal, the Army Commendation Medal, and the National Defense Service Medal.

As if his military life did not keep hims busy enough, Colonel McLean also found the time and the energy to achieve a B.S. in engineering from Princeton University and a M.B.A. from New York University. Since 1968 he has been a vice president of the New York firm of Tucker Anthony & R.L. Day, Inc.

Mr. Speaker, I know my colleagues in the House will want to join me in paying tribute to this impressive man. His achievements both in the military and in civilian life are outstanding, and his life could serve as an example to us all. I am proud to acknowledge this real life American hero.●

A.M. "BUD" D'ALESSANDRO HONORED

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. TORRICELLI. Mr. Speaker, I am honored to call to the attention of Congress, the recognition being extended to A.M. "Bud" D'Alessandro of Franklin Lakes, NJ, at a dinner on his behalf on April 26, 1985. The dinner is being held to celebrate two milestones in Mr. D'Alessandro's life: the promotion to executive vice president of Alexander & Alexander, Inc. and to chief executive officer of the Human Resource Management Group, as well as the occasion of his 55th birthday on April 28, 1985.

Bud D'Alessandro has had a remarkable career which has led to his present promotion. He has most recently served as senior vice president, eastern division manager, and a member of the board of directors of Alexander & Alexander, Inc. Prior to joining Alexander & Alexander, he was president of A.M. D'Alessandro & Co., Inc.

His experience in the compensation and benefits consulting field spans almost 30 years. He has been and is a member of various committees in the field including a Special Task Force for the Presidential Commission on Pension Policy.

His education includes a masters degree in business administration, law school, and completion of all course work toward a doctorate in industrial relations.

In addition to his fine business career, Mr. D'Alessandro has devoted his tireless efforts to numerous church, school, community, and politi-

cal activities. He is currently chairman of the board of trustees of Bergen Community College in New Jersey, a member of the advisory council of St. John's University in New York, and serves on the board of directors of a local bank.

A dedicated family man, Bud and his wife, Rosemarie, will be celebrating their 30th wedding anniversary on April 30, 1985. They have five children, Stephen, Paul, Gregory, Karen, and Michael. The entire family proudly shares in the honor being bestowed upon him.

Bud D'Alessandro has been described as a rare individual who, no matter how busy he is, always seems to have time to help friends and strangers alike. He has truly earned the tribute being paid to him.●

JAMES McBRAYER SELLERS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SKELTON. Mr. Speaker, on May 4 in my home town of Lexington, MO, at Wentworth Military Academy, there will be a 90th birthday celebration for Col. J.M. Sellers, and I take this opportunity to inform my colleagues of this truly outstanding Missourian and American.

James McBrayer Sellers was born June 20, 1895 on the campus of Wentworth in Lexington. After graduating high school from Wentworth in 1912, Colonel Sellers attended the University of Chicago, receiving his bachelor of arts degree—Phi Beta Kappa—in 1917.

Commissioned as a second lieutenant in the U.S. Marine Corps in 1917, he served as a company commander with the 6th Marines, American Expeditionary Force in France. Colonel Sellers valor decorations include the Distinguished Service Cross, Navy Cross, Silver Star, Purple Heart, and the French Croix-de-Guerre. After being released from active duty in 1921, Colonel Sellers remained in the USMC Reserve until he retired in 1945.

From 1922 until today he has occupied various academic and leadership positions at Wentworth: Commandant 1922-28, executive officer 1928-33, superintendent 1933-60, and president of the academy 1938 through the present. Throughout this entire time, he has guided and inspired thousands of graduates to successful military and civilian careers. Additionally, Colonel Sellers is continuing to teach a class in Latin each day.

Colonel Sellers married the former Rebekah Evans, of Independence, MO, in 1924. The couple has three children: Stephen W., James McBrayer Jr., and Fred Evans. Along with his many activities associated with Wentworth, Colonel Sellers is also a past president of the Association of Military Colleges and Schools, past grand master of the Grand Masonic Lodge of Missouri, past grand commander of the Grand Commandery of Missouri, and an elder of the Presbyterian Church in Lexington.

Mr. Speaker and my colleagues, James McBrayer Sellers is a true American hero in every sense of the word. It is a privilege for me to take this time to honor these many achievments. It is with even greater pride, however, that I may call this great man my friend.●

ALEXANDRIA'S OUTSTANDING DISABILITY PROGRAM

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. PARRIS. Mr. Speaker, I would like to call the attention of this Chamber to an honor that has been bestowed upon the city of Alexandria, which I am pleased to represent. Today, Presidential Press Secretary James Brady announced that Alexandria is one of 12 communities in the United States to receive a citation for outstanding programs benefitting the disabled.

The $1,000 award was presented to the Alexandria Commission on Disabled Persons by Brady, chairman of the nationwide competition sponsored by the National Organization on Disability and by the Westinghouse Electric Corp.

The commission works with the private, nonprofit National Organization on Disability to improve the lives of the 35 million Americans with physical or mental disabilities.

Alexandria has been cited for its development of a specialized public transportation service for people who, because of their disabilities, cannot use regular buses.

In Alexandria, thanks to this innovative program funded mostly by the city's general fund, taxicabs and wheel-chair accessible vans now serve handicapped people. The fare paid by the disabled is $1 a ride, with the balance being paid by the city. The city pays full taxi meter fare and $15 per van ride, less the $1.

Alexandria has contracted with a private taxi company, which has placed two special wheel-chair accessible vans into service.

During the 5 full months this program has been in existence, more than 1,100 disabled people have made use of the service, and ridership is increasing each month as more and more people are becoming aware of the program. When it started in November, only 15 riders used the service. In December, the ridership climbed to 124. In January it nearly doubled to 232 and in February 314 people used the service. Last month, the number climbed to 423.

This indeed is an example of a caring solution to a problem. I commend the city of Alexandria.●

H.R. 691: CLEANING UP THE CHICKEN COOP

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. FRENZEL. Mr. Speaker, I am an original cosponsor of our colleague LYNN MARTIN'S bill to bring Congress and the Federal judiciary under title VII of the 1964 Civil Rights Act, and I want to take a minute to explain why.

About one-fourth of our colleagues have voluntarily pledged not to discriminate in employment by signing the House Fair Employment Practices Agreement. I think that's a worthy thing to do, and I'm glad to be among their number. But how well does this pledge address the issue of fair employment practices in the House? Only those who choose to sign the agreement are bound by it. Only employees who work for someone who's signed that agreement can complain to the House Fair Employment Practices Committee. And all they have is a grievance procedure, no right to compensation if discrimination has occurred. Employees also have no legal rights under the House Rules which say staff should be hired and paid in a nondiscriminatory fashion.

Rules and voluntary agreements are not enough. There's a better system which Congress invented years ago: The law. Only an enforceable law provides a substantial bar to discrimination in the present and the future. Of course, Congress recognized this fact when it passed a series of laws prohibiting other employers from discriminating. But we excluded ourselves from those laws, and reserved the right to discriminate on Capitol Hill.

This injustice should be rectified now. I believe LYNN MARTIN'S bill provides the best means to do so. It is a carefully designed proposal which accommodates the special situation of Congress as an employer. I recommend H.R. 691 in the strongest terms, and urge its support.●

STATEN ISLAND HONORS AMERICA BY RAISING MEMORIAL FLAG

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MOLINARI. Mr. Speaker, on Saturday, May 25, 1985, a huge American flag—30 feet in length and 20 feet in height—will be raised over the community of Staten Island, NY. This flag will be dedicated at a special ceremony at the Staten Island Mall on that day. This flag is the product of an effort by the community to demonstrate its patriotism and to honor the many Americans who came to this country from other lands and who dedicated their lives to the service of the United States.

The dream for the flag was born when several Staten Island veterans decided that they wanted to pay tribute to our country, our veterans, and to the many millions of people who came to our shores to make America great. Their idea was to raise a huge American flag in the center court of Staten Island Mall. It was their desire to fly the flag from this center location on Staten Island so that it would be seen by many thousands of Islanders every day.

After the initial idea was born, the Staten Island Memorial Flag Committee was formed to bring this dream to reality. With Rev. Victor Panzella, Jr., as the committee chairman, the committee set about raising the necessary funds for the project. The community has responded with generosity as witnessed by the donations that came in from civic organization, community groups, local merchants, and private citizens.

Mr. Chairman, on May 25, 1985, a dream of the Staten Island community will be realized with the raising of this very special flag. It is my privilege today to share the pride of my community with my colleagues in the House.●

PERSONAL EXPLANATION

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GROTBERG. Mr. Speaker, I was not present and voting yesterday when the House considered H.R. 1210, the National Science Foundation authorization for fiscal years 1986 and 1987. Had I been present, I would have voted "aye" on the so-called Walker amendment, as amended, to freeze spending at fiscal year 1985 levels.●

GRADUATED CORPORATE TAX RATE SYSTEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. RANGEL. Mr. Speaker, today, I am submitting a resolution expressing the sense of Congress that retention of the graduated corporate tax rate system is essential to the continued viability of the small business community and the Nation's economy.

Last November, then-Secretary of Treasury Regan released the Department's Report on Fundamental Tax Simplification and Reform. This report, which proposed a much needed broad-based income tax with lower marginal tax rates for individuals and corporations and which simplifies the Internal Revenue Code, as well as other proposals introduced this Congress, are comprehensive efforts which should be examined closely. Tax reform and simplification efforts are vitally needed because of the complexities and inequities presently inherent in the U.S. Tax Code.

However, while the Treasury proposal and several other pending bills would assist many businesses, these proposals would have a devastating effect on the Nation's smaller companies, because they call for the elimination of the graduated corporate tax rates.

For the Nation's small businesses, the elimination of the graduated corporate tax rates would dramatically increase their effective tax rates and reduce essential capital available for continued operation and growth. In general, small businesses with less than $150,000 of taxable income would face substantial increases in tax liability with the elimination of the graduated corporate tax tates.

The following chart compares the changes in corporate tax liability under the Treasury Department proposal with current tax law.

CHANGES IN CORPORATE TAX LIABILITY UNDER THE TREASURY PROPOSAL [1]

	Tax under current law	Tax under Treasury proposal	Net tax increase (decrease)	Percentage change
Taxable income:				
$10,000	$1,500	$3,300	$1,800	120
$25,000	3,750	8,250	4,500	120
$40,000	6,450	13,200	6,750	105
$50,000	8,250	16,500	8,250	100
$65,000	12,750	21,450	8,700	68
$75,000	15,750	24,750	9,000	57
$100,000	25,750	33,000	7,250	28
$125,000	37,250	41,250	4,000	11
$150,000	48,750	49,500	750	2
$200,000	71,750	66,000	(5,750)	(8)

[1] This table assumes, for purposes of illustration, that a corporation's taxable income would not be increased or decreased by the Treasury proposal.

For a small firm with taxable income of $50,000 or less, repealing the graduated corporated tax rates would result in at least a 100-percent increase in taxes. Significant but less severe tax increases would result when a firm's taxable income ranges from $50,000 to $150,000.

For the reasons when I introduced the Tax Equity and Simplification Act, H.R. 1040, which is a modification of the Department of Treasury tax reform proposal, I included a progressive tax rate for small businesses. This rate will be equal to 15 percent for the first $50,000 of taxable income, 25 percent of taxable income between $50,000 and $100,000, and 33 percent thereafter. The value of the reduced rates, designed to provide relief for small businesses, would be phased out between $100,000 and $200,000. This would leave small businesses in essentially the same situation that they currently enjoy.

Small businesses account for about 40 percent of the gross national product and two-thirds of all new employment. This entrepreneurial spirit needs to be encouraged, not stifled by Federal tax policies which run counter to the interests of the Nation's small business. If the graduated tax is repealed, thereby forcing many small businesses to pay higher taxes, it will have a serious detrimental effect, not only on the small business, but also on the economic growth of the nation as a whole.

Congressmen CARROLL CAMPBELL and PARREN MITCHELL have joined me as original cosponsors of this concurrent resolution. It is our understanding that the Senate will be introducing a similar resolution today.

I strongly urge all my colleagues to join us in this important effort to assist the Nation's small business.●

A TRIBUTE TO THE SOUTH JERSEY CHINESE COMMUNITY CENTER YOUTH COUNCIL

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to recognize and honor the South Jersey Chinese Community Center Youth Council of Delran, NJ. The South Jersey Chinese Community Center Youth Council serves to help its members develop and strengthen leadership abilities, cultural and educational awareness, service to the community, and fellowship among the 32 members.

This outstanding organization was established on March 28, 1981, by Mr. and Mrs. Allen Chan, Mr. and Mrs. Edward Lim, and Mrs. Joyce Kuo. Each of these individuals has worked extremely hard to properly implement the goals of their organization.

Mr. Speaker, the South Jersey Chinese Community Center Youth Council has been active in the community since its inception in 1981. A noteable example of this involvement is a history project, performed by the South Jersey Chinese Community Center Youth Council, which examined the lifestyles of the first Chinese residents of the Delran, NJ area. Mrs. Shirley Chan was awarded a $500 grant from the State of New Jersey to initiate this project, and utilized the information they uncovered as a historical foundation for this organization.

I am honored to have the South Jersey Chinese Community Center Youth Council in my district, and am extremely pleased to acknowledge their contributions to the cultural growth of southern New Jersey.●

FIFTY YEARS OF SERVICE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Ms. OAKAR. Mr. Speaker, Sunday, April 21, 1985, marks the anniversary of 50 years of service to Greater Cleveland by Sister Mary Thecla Mathews, OSU, and nine other Ursuline Sisters of Cleveland, OH.

Seldom do these sisters receive the recognition they deserve for their special and unrelenting dedication to the education and development of the students and families they serve. We who have experienced first hand the devoted care and passion for excellence of Ursuline education know the great gift that they have given to our society since the earliest days of the frontier settlements on this continent.

On the occasion of her jubilee we honor Sister Mary Thecla for her 50 years of service in 11 elementary schools—among them, St. Charles, Christ the King, St. William, and St. Francis de Sales, where she is teaching at present—and two high schools, Beaumont Schools for Girls and Lake Catholic High School. I congratulate Sister Mary Thecla on this occasion, as well as her nine other Ursuline companions who collectively represent 500 years of dedication and service to the people of Greater Cleveland: Sr. Angela Merici, Sr. Marie O'Hearn, Sr. Ligouri, Sr. Anne Marie Kocab, Sr. Jane Frances, Sr. Frances Patrick, Sr. Mary Vincent, Sr. Mary Jude, and Sr. M. Scholastica.●

A TRIBUTE TO JOSEPH (SOCKS) HOLDEN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. YATRON. Mr. Speaker, on May 4, 1985, the St. Clair Lions Club will be holding a testimonial awards dinner in honor of Joseph "Socks" Holden.

Joseph Holden, a former catcher for the Phillies, is presently a major league scout. Baseball and those who play it and work for it hold a special place in the hearts of many Americans. We owe a debt of gratitude to individuals like Joe Holden, who participate in the sport throughout their lives. We owe Joe Holden another debt of gratitude for his years of public service and commitment to his community. He was Schuylkill County commissioner and throughout his life has played a major part in his community. He is well known throughout the county, and well respected for his outstanding contributions. I would like to ask my colleagues to join me in saluting his life's work and in wishing him continued future success. I am indeed grateful that I had this opportunity to bring some of Joseph Holden's accomplishments to your attention.●

TRIBUTE TO PI KAPPA ALPHA FRATERNITY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. CONTE. Mr. Speaker, let me take this opportunity to recognize the hard work and dedication of a group of my constitutents, the brothers of the Pi Kappa Alpha Fraternity, Theta Mu Chapter, located at the University of Massachusetts—Amherst. These dedicated young men will be sponsoring their sixth annual 24-hour dance marathon to benefit the Multiple Sclerosis Society on April 19 and 20, 1985.

Over the past 5 years, these young men have raised over $60,000 through these marathons. Their continued efforts on behalf of those who are less fortunate are certainly commendable. Through their dedication many young adults might not have to suffer the disabling effects of this crippling disease.

Their continued enthusiasm and determination to fight this battle against multiple sclerosis, is truly an outstanding credit to their organization, and certainly is a benefit to those of us in Massachusetts who are committed to work for a cure to this disease.

As the first recipient of the "Congressman of the Year Award," from the National Multiple Sclerosis Society, I know first hand the benefits derived from the time, energy, and hard work these young men devote themselves to year after year. Their donations are the life-blood of multiple sclerosis research and treatment throughout Massachusetts.

Multiple sclerosis is one of the major disabling diseases of young adults, and is extremely prevalent here in Massachusetts with an estimated 6,000 families living with the illness. The funds raised by the brothers of Pi Kappa Alpha and other organizations, finance efforts to find a cause and cure for multiple sclerosis through the national society's programs.

I congratulate and encourage the young men of Pi Kappa Alpha on their continued efforts on behalf of multiple sclerosis, and wish them the best of luck in attempting to reach their goal of $20,000 with over 40 couples dancing in the marathon, for a truly deserving cause.●

A TRIBUTE TO THE SAFER FOUNDATION OF CHICAGO

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, I wish to pay tribute to the Safer Foundation of Chicago, and to call to the attention of my colleagues the outstanding work this organization has done in serving nearly 50,000 offenders over the last 15 years.

The Safer Foundation, by providing comprehensive education and counseling to former offenders, offers them a "road back" to society. With offices in Illinois and Iowa, the Foundation serves approximately 6,000 men and women each year, offering job placement, literacy training, employment, and substance abuse counseling.

Last year, the foundation assisted over 2,400 in finding employment and several hundred in obtaining GED's or in returning to school. Nearly all of those served were young black men with incomes below the poverty level; over half had not graduated from high school and an overwhelming majority had been arrested more than twice. Without the practical assistance offered by the Safer Foundation, the social and economic obstacles facing these former offenders upon their release from prison would be all but insurmountable.

By developing a creative partnership between the public and private sectors, the foundation has developed effective methods of involving the community in the rehabilitation effort, while striving to make our city a safer place to live.

Today, April 18, marks 15 years that the Safer Foundation has served Illi-

nois, and it is with gratitude and pride that I commend Safer's outstanding work in our State.●

THE NBS AUTHORIZATION BILL: A CASE STUDY FOR FREEZING R&D

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mrs. LLOYD. Mr. Speaker, I was unable to be present and vote on the bill, H.R. 1617, because of health reasons. If I had been on the House floor, I would have given the following statement in opposition to the Walker amendment to reduce the National Bureau of Standards Authorization:

Mr. Chairman, the Science and Technology Committee position on this bill through the committee substitute is fiscally and programmatically responsible. The House has expressed its will to freeze R&D spending, as we have seen by the votes on both the NASA bill and the amendment offered by Mr. Fuqua to the NSF bill. If we accept the Walker amendment on the NBS bill, we will be telling the American people that there is no logic or sound basis to the House approach to cuts in domestic spending. The floor rationale for reducing the NASA and NSF bills was that the President's request was too high because it exceeded what were healthy appropriations levels for fiscal year 1985. At the same time, as in the case of NSF, the House agreed that the Science and Technology Committee program recommendations should provide policy direction to the Foundation at the lower budget level.

Now we are confronted with a very difficult situation in that the NBS bill is at the fiscal year 1985 level and $4 million over the fiscal year 1986 request. Yet those who would appeal to a "fiscal lynch mob" mentality are now saying that fiscal year 1986 is the lower number so let's take that level. This isn't rational, it doesn't make for good R&D policy, and the Committee must oppose it if there is going to be any consistent direction from this body on spending across the R&D agencies. The House has saved $475 million from the fiscal year 1986 request on the NASA and NSF bills but the relatively small amount involved here ($5.2 million) masks a major policy issue. This body has stated its goal of "freeze" levels on these domestic programs and I hope there will be an exception for defense to at least accommodate inflation. I support the committee substitute on this NBS bill because it is behaving in the best sense of an authorizing committee, while the supporters of the Walker amendment would have us practice fiscal anarchy. I urge adoption of the S&T Committee substitute as evidence that the House is approaching the deficit with reason and good sense.●

PUBLIC CHARITY TAX PENALTY REFORM ACT OF 1985

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SCHUMER. Mr. Speaker, today I am introducing a bill that will insure that volunteer trustees, directors, and officers of public charities shall not be penalized under the tax laws. Currently, section 6672 insures that a business pays all Federal income, FICA and FUTA taxes required to be withheld from its employees. For most businesses the IRS regulations make the chairman, president, treasurer, or other officers the persons responsible for any willful nonpayment of taxes.

The IRS, however, is applying the same penalties for nonprofit organizations. This is wrong since it means that officers of nonprofit organizations, such as hospitals, schools, and various community self-help organizations, are penalized for the nonpayment of taxes. The penalty is levied against these trustees despite the fact that they are serving the charity on a purely volunteer basis and frequently have no knowledge of the spending and management decisions of the charity's full time, paid, professional staff.

This bill exempts any person that serves as a trustee, director, or officer of a nonprofit organization on a volunteer and part-time basis without compensation from the penalties that are levied against business executives who are responsible for any willful nonpayment of taxes.

I urge my colleagues to support this bill as the only way to see that community minded individuals are not penalized for volunteering their time and energy to nonprofit organizations.●

BILL KIZER—MR. HEALTH—1985

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. DAUB. Mr. Speaker, annually, the Combined Health Agencies Drive—known as CHAD—of Omaha, NE, honors an individual of outstanding achievement as Health Citizen of the Year.

This year's recipient is William Kizer, founder of the Wellness Council of the Midlands which promotes health programs in businesses in the Omaha region.

Since its founding 4 years ago, the Wellness Council has expanded to 100 member companies with a total of 75,000 employees. Recently, Mr. Kizer has met with business leaders in several cities to promote programs on health in the workplace.

In addition to his efforts with the Wellness Council, Mr. Kizer is chairman and chief executive officer of Central States of Omaha Co. He is also director of the Health Insurance Association of America and chairman of its health education subcommittee.

His unlimited enthusiasm and energies also extend to his positions as director of the Creighton-Nebraska University Health Foundation and as chairman of the Hospital and Health Affairs Committee of Creighton University, and as director of the American National Bank of Omaha. William Kizer is a gentleman who has earned the respect of our community for his expertise in the health field and for his selfless dedication to others. His selection as Health Citizen of the Year is a prestigious and well-earned recognition of his outstanding work.●

COMMENDING CALIFORNIA UNIVERSITY OF PENNSYLVANIA'S MON VALLEY RENAISSANCE PROGRAM

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. MURPHY. Mr. Speaker, I join with my western Pennsylvania congressional colleagues to recognize, endorse and support the initiatives of the Mon Valley Renaissance Program developed by California University of Pennsylvania.

As an integral part of my 22d Congressional District, California University of Pennsylvania has sought to accomplish economic revitalization by broadening the economic base of the Monongahela River Valley through diversification of businesses.

The Mon Valley Renaissance Program provides direct services to small businesses in the areas of procurement and entrepreneurial assistance, while receiving full cooperation from other county and governmental agencies. It is through these type of programs and cooperative efforts that we hope to restore economic vitality to the Monongahela Valley.

Traditionally, my congressional district has been almost exclusively dependent upon the coal and steel industries. I commend the work of the university in the area of economic redevelopment of the Monongahela Valley.●

READING CORPS OF THE SALVATION ARMY CELEBRATES 100 YEARS OF SERVICE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. YATRON. Mr. Speaker, on May 4, the Reading Corps of the Salvation Army will be celebrating 100 years of service to Reading and Berks County, PA. A communitywide celebration will take place on Sunday afternoon. It is indeed my privilege to bring this occasion to the attention of my colleagues and to ask them to join me in congratulating Maj. and Mrs. Robert A. Baker, commanding officers, and all the members of the Reading Corps on their centennial.

For 100 years the name Salvation Army in Reading and Berks County has been synonymous with hard work; spiritual and moral regeneration; and religious and charitable works. This outstanding organization has helped all those who have come in need. The devotion and strength exhibited by its soldiers stands as a model for all of us to emulate.

It is particularly significant that this year, its 100th year, that the Reading Corps of the Salvation Army announced an overall increase in services provided; 12,710 persons were served by their Christmas is Sharing Program in 1984, an increase of 3,410 over the number served in 1983. Toys and clothing were provided for 10,111 children, 3,076 more than in 1983; 769 baskets and food orders were distributed, up 134; and 1,705 people were provided garments and shoes, an increase of 668.

I am proud to take this moment to pay special tribute to this organization for their selfless devotion to God, to their community and for bestowing on the world immesureable goodness. Their goal has always been to render service to others and to make this world a better place in which to live; and because of them it is.

It is indeed my pleasure to make these achievements known to the House of Representatives.●

DAVID SMICK ON POPULISM AND TAX REFORM

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. COURTER. Mr. Speaker, recently one of Washington's most astute political observers, David Smick, wrote an analysis for the New York Times on the politics of tax reform. I urge my colleagues to consider these important views and resist the arguments against a growth-oriented tax reform that the special interest lobbyists are advancing.

The article follows:

POPULISM AND TAX REFORM

(By David M. Smick)

WASHINGTON.—Supply siders come in two varieties—the corporate or elitist sort, who see the present tax code as just fine, and the populists, who rightly see tax fairness, simplicity and lower rates as the central domestic issue of the 1980's.

As the debate over tax reform reheats, the elitists are warning that the bias of tax reform toward individuals and against corporations is anti-supply side and will produce less savings, less investment and an inevitable catastrophe after enactment. Corporate supply siders mistakenly believe that individuals merely consume while corporations alone create economic growth. For them, "capital" precedes "labor"—that is, capital is the driving force in the economy, with the rate of capital formation a near-perfect barometer of prosperity.

Corporate supply siders find little value in lower corporate or individual tax rates, particularly if they come at the expense of accelerated depreciation and the investment tax credit, loopholes that are designed to enrich the present capital structure.

Populist supply siders don't believe capital is unimportant. Their point is that without labor, capital would cease to exist. They believe individuals are essential in the process of economic expansion. Ultimately, in their view, individuals are the economy's producers, savers, investors and innovative risk-takers, as well as consumers. Populists aren't surprised that the Fortune 500 companies have created no net new jobs in the last 15 years. Nor that almost all new jobs are created by young, minuscule firms launched mostly with private savings.

For populists, economic growth begins with ideas that are commercialized in a dynamic process that the economist Joseph Schumpeter described as the "creative destruction of capital." This is growth from the bottom up, in which individuals strike out on their own with a good idea, turn it into a successful company and eventually topple established businesses. Thus, the Xerox process drove out the mimeograph, and so on. And this is precisely why populist supply siders support tax reform. Their concern, above all, is to lower individual rates of taxation (which apply to 85 percent of businesses), including the rate on capital gains, to encourage creative destruction.

Unlike corporate supply siders, populists would give up some corporate loopholes, as long as corporate rates were lowered to provide greater incentives to growth. In economists' terms, they distinguish between the "incidence" of taxation (the rate of taxation on future income) and its burden (the total taxes paid by corporations in the present). They would even join forces with neo-liberals, who also value the individual's contribution to economic growth.

Lest this seem all too abstract, consider the record for both types of taxation. Over the past five years, Britain, Ireland and Sweden, which have virtually eliminated corporate taxes while keeping individual rates high, have had miserable growth rates of less than 1 percent annually. Japan, with its high corporate rates and relatively low rates for most individuals, has enjoyed strong economic growth.

Before the summer is out, President Reagan will have to choose between populist and elitist views of Federal taxation. Those corporate apologists who today assure one another that "tax reform isn't going anywhere" should not underestimate the President's instincts. I predict he will go populist, as he has in the past.

I recall a meeting in early 1980, when Mr. Reagan was setting strategies for his upcoming campaign. At one point, somebody expressed concern that John B. Connally, the former Governor of Texas, and another presidential candidate, was gaining support among corporate chief executive officers, with all the prestige and financial support that that entails, Mr. Reagan said that didn't bother him at all, "Let him have the Fortune 500," he said, "I want our campaign to stand for Main Street, not Wall Street. I want us to stand for the worker, the shopkeeper, the entrepreneur and the small-businessman.

In the end, Ronald Reagan's tax reform will present Congress with a political referendum on special interests. Who really should control tax policy? The Gucci-clad crowd in Washington or the Florsheim folks back home? This question will split the ranks of both parties, along lines less ideological than generational.

This is why the Treasury's tax plan, despite its considerable problems, was a political master stroke. If the plan had drawn immediate cheers from the United States Chamber of Congress, it would have been dead on arrival in Congress.

Instead, it captured the attention of younger Democrats who, because of Republican losses in the House in 1982, are vital to a successful coalition in favor of reform. Sure, the plan needs some changes—the capital-gains rate should be lowered and the depreciation schedule should be exchanged for some form of "expensing," a far simpler and fairer method of encouraging investment. But insiders at the Treasury Department are predicting that the bipartisan coalition—whose leaders will negotiate the final, compromise plan with the Treasury—could sweep the House with more than 300 votes.

My only fear is that the White House might play retail politics. Tax reform involves wholesale politics—mass communication, going over the heads of Congress to the grassroots. Single-shot, "retail" dealmaking with the tax-writing committees would be suicidal, producing a compromise perhaps worse than the present system. Tax reform will prevail if average people know precisely the national cause at stake. To wit: unleash the Great Communicator.

Good economics is good politics, and vice-versa. All the Administration needs is to hang tough. The people will take care of the rest. ●

STEELHEAD DECOMMERCIALIZATION BILL

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. SWIFT. Mr. Speaker, I am today introducing the "Steelhead Trout Protection Act," which proposes that States be able to enforce bans against commercial steelhead fishing within their jurisdictions. This legislation is important because it would re-

store steelhead fish to the status of "game fish" rather than "commercial" for the first time in over 10 years. It would correct inequities that were created by the Federal court Boldt decision in 1974. It would implement the will of the people of the State of Washington, as expressed by a majority vote last November in favor of Initiative 456.

Steelhead trout has traditionally been considered a game fish. In 1974, however, the rug was pulled out from under the sports fishermen when the Federal Government initiated a lawsuit which resulted in a U.S. district court ruling that treaties entered into between the U.S. Government and various Indian tribes entitled those tribes to more than half of the steelhead trout harvest. The court ruling permitted tribal fishermen to use gillnets, a commercial fishing technique, and to sell steelhead commercially.

I have believed for a long time that this Federal court decision, which was in response to a federally initiated lawsuit, intend to guarantee Indians their treaty rights, resulted in other inequities to non-Indian fishermen. I object to the non-Indian fishermen of the Pacific Northwest being forced alone to shoulder the burden for a Federal treaty entered into in the name of all American citizens. Furthermore, I believe that by allowing tribal fishermen to use gillnets, the Federal court is damaging the future prospects for a healthy steelhead fishery. It is for these reasons that, in the 97th Congress, I cosponsored legislation that was similar to the bill I am introducing today.

Our legislative effort was not successful in the 97th Congress, and it has dim prospects in this Congress as well as supporters of Initiative 456 have acknowledged. However, because I believe that steelhead decommercialization would improve conservation efforts and be more equitable, I am reintroducing the bill today in response to the expressed will of the people of Washington State, who passed the initiative. Senator SLADE GORTON is introducing a companion measure today in the other body.

One reason that the 97th Congress did not act on the decommercialization issue was because of a concern that it would abrogate Indian treaties. I do not believe that the bill that was proposed then, nor the bill I am introducing today, results in such an abrogation. It specifically provides a means for the U.S. Claims Court to consider whether the legislation results in a taking of Indian treaty rights, and authorizes compensation if there is a taking, thereby preventing any treaty abrogation.

Mr. Speaker, I hope that all of my colleagues in this body will consider this legislation, which I believe could finally correct inequities created by a Federal court decision more than 10 years ago.●

OLDER HISPANICS MORE LIKELY TO BE POOR

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1985

● Mr. GARCIA. Mr. Speaker, I would like to bring to the attention of my colleagues a recent publication by the National Image Inc. Newsletter outlining the unfortunate plight of the Hispanic elderly in this country. It points out the poverty has had an especially adverse affect on the Hispanic community. According to the U.S. Bureau of Census, older Hispanics continue to be about twice as likely to be poor as older Anglos.

Poverty levels for aged Hispanics in 1983 stand out as the fourth highest since poverty statistics were first tabulated. Thirty-eight percent of Hispanics 65 or older either lived in poverty or so close to it that they really could not appreciate the difference. One hundred and forty-nine thousand of the Hispanic population 65 or older earned below $4,775. An additional 16,000 were considered marginally poor, earning incomes no more than 25 percent above the poverty line.

It is only too obvious that this frightening trend is on an upswing. Statistics show that the number of poor and marginally poor older Hispanics in 1983 is 20,000 above the level in 1982, at which time 159,000 Hispanics were poor and 66,000 were considered marginally poor.

It is urgent that this great democratic Nation address itself to this tragedy by taking upon itself the task of improving the quality of life for all aged Americans. I urge my colleagues to support efforts to help alleviate the misery which is a day-to-day reality in the lives of so many.

OLDER HISPANICS TWICE AS LIKELY TO BE POOR AS AGED ANGLOS, CENSUS REPORTS

Older Hispanics continue to be about twice as likely to be poor as aged Anglos, the U.S. Bureau of the Census reports. In 1983, 23.1% of all Hispanics 65 years or older were poor, compared to 12.0% of older Anglos.

Poverty actually declined slightly for aged Hispanics, from 159,000 in 1982 to 149,000 in 1983. However, the 1983 poverty level is the fourth highest since poverty statistics were first tabulated for older Hispanics. An individual 65 or older was considered poor in 1983 if his or her annual income was below $4,775. The poverty threshold for an elderly couple was $6,023.

Additionally, another 96,000 aged Hispanics were considered marginally poor. Their incomes were barely above the poverty line, but not by more than 25%. In sum, last year 245,000 elderly Hispanics—about two of every five Hispanics 65 years or older (38.0%)—either lived in povety or so close to it that they really could not appreciate the difference.

The number of poor and marginally poor older Hispanics is actually 20,000 above the level in 1982 (225,000). At that time 159,000 aged Hispanics were poor, and 66,000 were near poor.

Poverty rates for Hispanic males and females are essentially equally equal. According to the Census Bureau, 23.7% of all Hispanic females 65 or older were poor in 1983, compared to 22.3% of aged Hispanic males. Ordinarily, the poverty rate differential for other races and nationalities is significantly higher for females than males. For example, the poverty rate for Anglo females 65 or older is 14.7%, in contrast to 8.2% for aged Anglo males. The net effect is that deprivation is equally high for older Hispanic males and females.

"America is a great nation, but we still have a long way to go to improve the quality of life for aged Hispanics and other older Americans", said Carmela Lacayo, Executive Director of the National Association for the Hispanic Elderly.—ANPPM Legislative Bulletin, Oct. 1984.●